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**CONCORDIA PARISH AIRPORT AUTHORITY
CONCORDIA PARISH POLICE JURY**
Vidalia, Louisiana

General Purpose Financial Statements
and Auditor's Reports

December 31, 2003
and for the Year then Ended

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11-10-04

JERI SUE TOSSPON
Certified Public Accountant

**CONCORDIA PARISH AIRPORT AUTHORITY
CONCORDIA PARISH POLICE JURY**
Vidalia, Louisiana

General Purpose Financial Statements
and Auditor's Reports

December 31, 2003
and for the Year then Ended

CONCORDIA PARISH AIRPORT AUTHORITY
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SECTION I

GENERAL PURPOSE FINANCIAL STATEMENTS

REPORT ON GENERAL PURPOSE FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
Concordia Parish Airport Authority
Vidalia, Louisiana

I have audited the accompanying general purpose financial statements of the Concordia Parish Airport Authority, a component unit of the Concordia Parish Police Jury, State of Louisiana, as of December 31, 2003 and for the year then ended. These financial statements are the responsibility of the Airport Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Concordia Parish Airport Authority, as of December 31, 2003, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 24, 2004, on my consideration of the Concordia Parish Airport Authority's internal control over financial reporting, and on my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

My audit was made for the purpose of forming an opinion on the general purpose financial statements. The accompanying schedule of federal awards is presented for purposes of additional analysis as required by U S Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the basic financial statements of the Concordia Parish Airport Authority. The schedule of expenditures of federal awards has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



October 22, 2004
Ferriday, Louisiana

CONCORDIA PARISH AIRPORT AUTHORITY
BALANCE SHEET
(ALL FUND TYPES AND ACCOUNT GROUPS)
DECEMBER 31, 2003

	<u>Governmental Fund General Fund</u>	<u>Account Group - General Fixed Assets</u>	<u>Total (Memorandum Only)</u>
<u>ASSETS</u>			
Cash (Note 3)	\$ 950		\$ 950
Receivables (Note 4)	1,876		1,876
Land, buildings and equipment (Note 5)		\$ 1,506,948	1,506,948
Total Assets	<u>\$ 2,826</u>	<u>\$ 1,506,948</u>	<u>\$ 1,509,774</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts payable	\$ 1,112		\$ 1,112
Payroll withholdings payable	19,642		19,642
Total Liabilities	<u>\$ 20,754</u>		<u>\$ 20,754</u>
Fund equity -			
Investment in general fixed assets		\$ 1,506,948	\$ 1,506,948
Fund balance, unreserved and undesignated	\$ (17,928)		(17,928)
Total Fund Equity	<u>\$ (17,928)</u>	<u>\$ 1,506,948</u>	<u>\$ 1,489,020</u>
Total Liabilities and Fund Equity	<u>\$ 2,826</u>	<u>\$ 1,506,948</u>	<u>\$ 1,509,774</u>

See accompanying notes and accountant's compilation report.

CONCORDIA PARISH AIRPORT AUTHORITY
STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
(GOVERNMENTAL FUND - GENERAL FUND)
ONE YEAR ENDED DECEMBER 31, 2003

REVENUES

Intergovernmental revenues:		
Concordia Parish Police Jury grants	\$	13,422
Federal Funds		
Federal Aviation Administration grant funds		539,592
Other revenues:		
Sales of petroleum products		1,151
Property rentals and use of airport		2,520
Interest		109
Other		689
		<hr/>
Total Revenue	\$	<u>557,483</u>

EXPENDITURES

Transportation - airport:		
Personal services and related benefits	\$	16,148
Operating services		3,159
Materials and supplies		530
Capital outlay		539,543
		<hr/>
Total Expenditures	\$	<u>559,380</u>

EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$	(1,897)
FUND BALANCE, JANUARY 1		<hr/> (16,031)
FUND BALANCE, DECEMBER 31	\$	<u><u>(17,928)</u></u>

See accompanying notes and accountant's compilation report.

CONCORDIA PARISH AIRPORT AUTHORITY
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
(GOVERNMENTAL FUND - GENERAL FUND)
BUDGET AND ACTUAL
ONE YEAR ENDED DECEMBER 31, 2003

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
RECEIPTS			
Intergovernmental revenues:			
Concordia Parish Police Jury grants	\$ 13,500	\$ 13,422	\$ (78)
Federal Funds			
Federal Aviation Administration grant funds		539,592	539,592
Other revenues:			
Sales of petroleum products	1,600	780	(820)
Property rentals and use of airport	3,600	1,990	(1,610)
Interest	40	109	69
Other	400	689	289
	<u>\$ 19,140</u>	<u>\$ 556,582</u>	<u>\$ 537,442</u>
DISBURSEMENTS			
Transportation - airport:			
Personal services and related benefits	\$ 15,000	\$ 12,670	\$ 2,330
Operating services	2,750	2,863	(113)
Materials and supplies	1,120	1,405	(285)
Repairs and maintenance	100	121	(21)
Capital outlay		539,543	(539,543)
	<u>\$ 18,970</u>	<u>\$ 556,602</u>	<u>\$ (537,632)</u>
EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	\$ 170	\$ (20)	\$ (190)
CASH AND CERTIFICATES OF DEPOSIT BALANCE, JANUARY 1	<u>970</u>	<u>970</u>	<u>0</u>
CASH AND CERTIFICATES OF DEPOSIT BALANCE, DECEMBER 31	<u>\$ 1,140</u>	<u>\$ 950</u>	<u>\$ (190)</u>

See accompanying notes and accountant's compilation report.

CONCORDIA PARISH AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2003

NOTE 1 - INTRODUCTION

The Concordia Parish Airport Authority was established by Louisiana Revised Statute 2:602 for the purpose of operating and maintaining airport facilities in Concordia Parish. The Airport Authority is governed by a board of five commissioners who are appointed by the police jury. The board is responsible for maintaining and operating the Concordia Parish Airport in order to provide residents of the parish with airport facilities. Members of the board of commissioners serve without compensation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation - The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity - As the governing authority of the parish, for reporting purposes, the Concordia Parish Police Jury is the financial reporting entity for Concordia Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Concordia Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization, and/or

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints a voting majority of the Airport Authority's commissioners and said board is fiscally dependent on the police jury, the Airport Authority was determined to be a component unit of the Concordia Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Airport Authority and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

C. Fund Accounting - The Airport Authority uses a fund and an account group to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The General Fund of the Airport Authority is classified as a governmental fund. The General Fund is the principal fund for the authority and accounts for its financial operations.

D. Basis of Accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues - Grants from Concordia Parish Police Jury and others are recorded when received. All other revenues are recorded when earned.

Expenditures - Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. Budgets - A preliminary cash basis budget for the ensuing year is prepared by the manager prior to December of each year. During December, the Airport Authority board reviews the proposed budget and makes changes as it deems appropriate. The budget is then adopted during the board's regular December meeting. The board of commissioners reserves all authority to make changes to the budget.

Budgeted amounts included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. Appropriations lapse at year end. The following reconciles the excess (deficiency) of revenues over expenditures shown on page 4 (cash basis) with the amount shown on page 3 (GAAP basis):

Excess (deficiency) of receipts over expenditures (cash basis)	(\$ 20)
Adjustment for:	
Revenue accruals	901
Expenditure accruals	(2,778)
Excess (deficiency) of revenues over expenditures (GAAP basis)	<u>(\$ 1,897)</u>

F. Encumbrances - Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed in the Airport Authority's accounting system.

G. Cash and Cash Equivalents - Cash includes amounts in petty cash and interest bearing demand deposits accounts. Under state law, the Airport Authority may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

H. Inventories - Inventories are valued at the lower of cost or market (first-in, first-out). Inventories consist of expendable fuel held for consumption and is accounted for by a perpetual inventory system. Expenditures are recognized when the fuel is consumed.

I. Fixed Assets - Fixed assets are recorded as expenditures at the time purchased

or constructed and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. Fixed assets are valued at historical cost or estimated historical cost, using the current cost for like items, if historical cost is not available. Approximately 21 percent of the fixed assets are valued at estimated cost.

J. Compensated Absences/Pensions - The Concordia Parish Airport Authority has only one full-time employee. The Airport Authority has an informal policy regarding vacation and sick leave. The full-time employee is allowed one week of vacation leave and one week of sick leave each year. This leave cannot accumulate from one year to the next and is not paid at termination.

K. Total Column on Balance Sheet - The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE 3 - CASH

At December 31, 2003, the Airport Authority has cash (book balances), totaling \$950, as follows:

Petty cash	\$ 425
Interest bearing demand deposits	<u>525</u>
Total	<u>\$ 950</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2003, the Airport Authority has \$525 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance.

NOTE 4 - RECEIVABLES

The following is a summary of receivables at December 31, 2003:

<u>Class of Receivable</u>	
Fuel sales	\$ 656
Hangar rental	<u>1,220</u>
	<u>\$1,876</u>

NOTE 5 - CHANGES IN GENERAL FIXED ASSETS

A summary of general fixed assets for the year ended December 31, 2003, follows:

	<u>Balance</u> <u>January 1</u>	<u>Additions</u>	<u>Balance</u> <u>December</u>
Land	\$222,030		\$ 222,030
Building	165,776		165,776
Equipment and furniture	506,143		506,143
Public works - runway improvements	<u>73,456</u>	<u>\$539,543</u>	<u>612,999</u>
Total General Fixed Assets	<u>\$967,405</u>	<u>\$539,543</u>	<u>\$1,506,948</u>

The payments for runway improvements which were funded by a federal grant were the only additions to fixed assets in the year ended December 31, 2003.

NOTE 6 - PENSION PLAN

At December 31, 2003, the Airport Authority is not a participant in any retirement program. The employee of the airport is covered by Social Security.

NOTE 7 - LITIGATION

The Airport Authority is not involved in any litigation at December 31, 2003.

NOTE 8 - EXPENDITURES OF THE AIRPORT AUTHORITY PAID BY THE CONCORDIA PARISH POLICE JURY

Certain operating expenditures of the Airport Authority paid by the Concordia Parish Police Jury that are not included in the accompanying financial statements follow:

Utilities and telephone	\$ 6,757.47
Repairs and maintenance	19,239.92
Insurance	<u>9,974.00</u>
Total	<u>\$35,971.39</u>

The repairs and maintenance figures include state funding for the 10% match portion of the Runway Overlay project paid for by the Federal Aviation Administration.

SECTION II

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

CONCORDIA PARISH AIRPORT AUTHORITY
Vidalia, Louisiana

I have audited the general purpose financial statements of Concordia Parish Airport Authority, Vidalia, Louisiana, as of and for the year ended December 31, 2003, and have issued my report thereon dated June 20, 2003. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Concordia Parish Airport Authority's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed certain instances of noncompliance that are required to be reported under *Government Auditing Standards* and are reported in the following schedule of findings, listed as items 2003-1, 2003-2 and 2003-3.

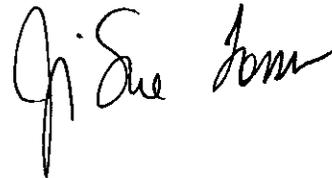
Internal Control Over Financial Reporting

In planning and performing my audit, I considered Concordia Parish Airport Authority's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. However, I noted certain matters involving the internal control over financial reporting and its operation that I considered to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect the Concordia Parish Airport Authority's ability to record, process, summarize and report

financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings as item 2003-4.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses. I noted other matters involving the internal control over financial reporting that I have reported to management of the Concordia Parish Airport Authority in a separate letter dated October 22, 2004.

This report is intended solely for the information and use of the management, the Board of Commissioners, others within the organization, members of the Police Jury, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script, appearing to read "J. Sue Jones".

October 22, 2004

Concordia Parish Airport Authority
Schedule of Findings - Compliance with Laws and Regulations and Internal Control
December 31, 2003

Reportable Conditions:

2003-1 - Budget Variance

Both revenues and expenditures exceeded budgeted amounts by 2800% which was due to the exclusion of the federal grant funds received and expended. According to state law, revenues and expenditures may not exceed 5% of the amount budgeted.

In the future, it is recommended to include all revenues and expenditures in the budget.

Management response

Management and board will include grant funds in budgeted revenues in the future. Revisions may be necessary as grants are acquired.

2003-2 - Deficit Fund Balance

The fund balance is in a deficit position of \$17,928 for the year ended December 31, 2003. This is in violation of state law.

It is recommended that funds not be expended in excess of revenues provided.

Management response

Management and authority will have to make adjustments to expenditures and possible revenues in order to correct this problem.

2003-3 Payroll Taxes

For the fiscal year ended December 31, 2003 and for some time previous, payroll taxes withheld and accrued have not been paid to the proper taxing authorities.

These taxes need to be paid on a timely basis to ensure reduction of interest and penalties to a minimum.

Management Response

Management and authority need to revise rental fees and increase revenue for the airport. This is a problem area and will be attended to. We are in the process of correcting this problem.

2003-4 Segregation of Duties

It was noted that the Concordia Parish Airport Authority does not have adequate segregation of duties. The Authority has only one employee who has control over almost all financial transactions and record keeping.

To increase internal controls, I recommend adequate segregation of duties be obtained if possible.

Management Response

The authority has a volunteer airport manager and an office secretary who can interchange information. In addition, financial transactions must have two signatures, one of which must be the Authority President or Secretary/Treasurer, with the other signature being the volunteer airport manager.

SECTION III

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

OTHER REPORTS REQUIRED BY THE SINGLE AUDIT ACT

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REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

CONCORDIA PARISH AIRPORT AUTHORITY
Vidalia, Louisiana

Compliance

I have audited the compliance of the Concordia Parish Airport Authority, Vidalia, Louisiana, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2003. Concordia Parish Airport Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Concordia Parish Airport Authority's management. My responsibility is to express an opinion on Concordia Parish Airport Authority's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Concordia Parish Airport Authority's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Concordia Parish Airport Authority's compliance with those requirements.

In my opinion, Concordia Parish Airport Authority, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003.

Internal Control Over Compliance

The management of Concordia Parish Airport Authority, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered Concordia Parish Airport Authority's internal control over compliance with requirements that could have a direct and material effect on a major

federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

I have audited the general purpose financial statements of the Concordia Parish Airport Authority as of and for the year ended December 31, 2003 and have issued my report thereon dated October 22, 2004. My audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements of the Concordia Parish Airport Authority. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, in my opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as whole.

This report is intended solely for the information and use of the management, others within the organization, members of the Board of Commissioners, members of the Police Jury, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

October 22, 2004



Concordia Parish Airport Authority
Schedule of Findings and Questioned Costs
Year ended December 31, 2003

Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Concordia Parish Airport Authority.
2. A reportable condition was disclosed during the audit of the general purpose financial statements.
3. No instances of noncompliance material to the general purpose financial statements of the Concordia Parish Airport Authority were disclosed during the audit.
4. No reportable conditions were disclosed during the audit of the major federal award programs were reported.
5. The auditor's report on compliance for the major federal award programs for the Concordia Parish Airport Authority expresses an unqualified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for the Concordia Parish Airport Authority are reported in this Schedule.
7. The programs tested as major programs included:
 - Department of Transportation
Federal Aviation Administration, CFDA 20.106
8. The threshold for distinguishing between Types A and B programs was \$300,000.
9. Concordia Parish Airport Authority was not determined to be a low-risk auditee.

CONCORDIA PARISH AIRPORT AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2003

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Program Amount	Beginning Balance at January 1, 2003	Receipts	Expenditures	Ending Balance at December 31, 2003
<u>DEPARTMENT OF TRANSPORTATION</u> <u>FEDERAL AVIATION ADMINISTRATION</u> Airport Improvement Program	20.106	\$ 5,201,200	\$ 0	\$ 539,592	\$ 539,592	\$ 0
			\$ 0	\$ 539,592	\$ 539,592	\$ 0

CONCORDIA PARISH AIRPORT AUTHORITY

Notes to Schedule of Expenditures of Federal Awards

As of and For the Year ended December 31, 2003

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Concordia Parish Airport Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements.

NOTE 2 - RECEIPTS

Receipts from the Federal Aviation Administration during the fiscal year ended December 31, 2003 were as follows:

Overlay Runway, Taxiways and Apron CFDA 20.106	\$ 539,592
--	------------

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To Management and the Board of Directors
Concordia Parish Airport Authority
Vidalia, Louisiana

I have audited the financial statements of the Concordia Parish Airport Authority, as of December 31, 2003 and for the year then ended, and have issued my reports dated October 22, 2004. As a part of my examination, I made a study and evaluation of the Authority's system of internal accounting control to the extent I considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards, the purposes of such evaluation are to establish a basis for reliance on the system of internal accounting control in determining the nature, timing, and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements and to assist the auditor in planning and performing his examination of the financial statements. My study was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The management of the Authority is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

My study and evaluation made for the limited purposes described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, I do not express an opinion on the system of internal accounting control of the Authority taken in as a whole. However, my study and evaluation disclosed no condition that I believed to be a material weakness.

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My comments on specific financial and accounting matters and recommendations developed during my examination which do not represent material weaknesses, are detailed below.

Accounts Receivable - There are some accounts listed in your accounts receivable balances that are larger than needed to be, especially in a time of cash flow problems. These accounts need to be collected immediately or sent for collection.

Management Response - *Nearly all accounts are now current. Accounts which are still outstanding will be brought current immediately Management will notify account holders that accounts will not be carried over 30 days.*

Timeliness of Audit Report - The audited financial statement were submitted to the Legislative Auditor's office after June 30, 2004.

Management Response - *In the future, all financial information related to the audit will be submitted immediately following the close of the year.*

This report is intended for the use of the Authority's management and others within the organization.

I thank all the personnel at the Authority for their cooperation during my examination.

A handwritten signature in black ink, appearing to read "Ji Sue Lom". The signature is written in a cursive, flowing style.

Ferriday, Louisiana
October 22, 2004