

**FALSE RIVER AIR PARK COMMISSION
ANNUAL FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

FALSE RIVER AIR PARK COMMISSION
ANNUAL FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION
YEAR END DECEMBER 31, 2017
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MC DUFFIE K. HERROD, LTD.

(A Professional Accounting Corporation)

McDUFFIE K. HERROD
CERTIFIED PUBLIC ACCOUNTANT

Member: American Institute of CPAs
Society of Louisiana CPAs

POST OFFICE BOX 8436
12410 WOODVILLE ST.
CLINTON, LA 70722
Telephone (225) 683-3888
Facsimile (225) 683-6733

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Members of the Board of Directors
False River Air Park Commission
New Roads, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the False River Air Park Commission (A component of the Pointe Coupee Parish Police Jury) as of and for the year ended December 31, 2017, which collectively comprise the Commission's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the False River Air Park Commission. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the False River Air Park Commission is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

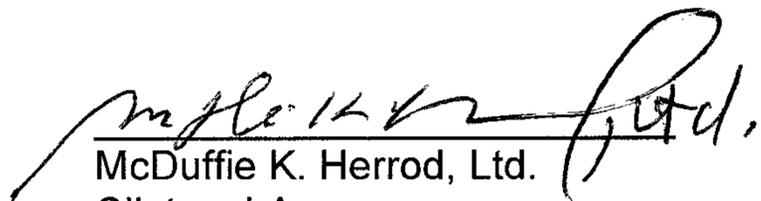
Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing

the basic financial statements in an appropriate operational, economic or historical context. Such information was subjected to the procedures applied in the review of the basic financial statements and was compiled from information that is the representation of management. We do not express an opinion or provide any assurance on the required supplementary information.

The schedule of compensation paid to governing members is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the procedures applied in the review of the basic financial statements and was compiled from information that is the representation of management, without audit or review. We do not express an opinion or provide any assurance on the supplementary information.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated June 28, 2018 on the results of our agreed-upon procedures.



McDuffie K. Herrod, Ltd.
Clinton, LA
June 28, 2018

**REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT DISCUSSION AND ANALYSIS**

FALSE RIVER AIR PARK COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017

Management's discussion and analysis (MD&A) is a required element of the reporting model adopted by the Government Accounting Standards Board (GASB) in their Statement No. 34. Its purpose is to provide an overview of the financial activities of the False River Airpark Commission based on currently known facts, decisions or conditions.

HIGHLIGHTS OF THE PAST YEAR

- Net assets of the Commission as a whole at year-end were \$7,915,691, with \$7,822,660 being invested in capital assets, and \$89,156 was restricted by management for spending on capital projects during the past year and upcoming year.
- The Commission's net position decreased by \$43,457 during the year, 2017.

The Commission is dependent upon grants for its survival. We truly appreciate all of the agencies that donate money for our capital improvements. Otherwise, we would be unable to acquire new equipment and improve our facilities.

OVERVIEW OF THE FINANCIAL STATEMENT PRESENTATION

These financial statements are comprised of three components - (1) Management discussion and Analysis, (2) basic financial statements with footnotes and; (3) supplementary information.

Statement of Net Position. This statement presents information on all of the Commission's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or not.

Statement of Activities. This statement presents information showing how the Commission's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement is designed to show the Commission's financial reliance on general revenues.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and begin on page 11.

FALSE RIVER AIR PARK COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017

FINANCIAL ANALYSIS OF THE COMMISSION

Net assets are an indicator of the Commission's financial position from year to year. A summary of net position follows.

STATEMENT OF NET POSITION

	2017	2016
Assets		
Current Assets	\$ 93,031	\$50,681
Capital assets, net	7,822,660	7,849,672
Total Assets	<u>7,915,691</u>	<u>7,900,353</u>
Liabilities		
Current liabilities	20,613	50,974
Long-term liabilities	89,156	0
Total Liabilities	<u>109,769</u>	<u>50,974</u>
Net Position		
Net investment in capital assets	7,733,494	7,849,672
Restricted	89,156	4,433
Unrestricted	(16,728)	(4,726)
Net Position	<u>\$7,805,922</u>	<u>\$7,849,379</u>

A summary of changes in net position is as follows:

SUMMARY OF CHANGES IN NET POSITION

	2017	2016
Revenues		
Operating:		
Charges for services	\$ 160,759	\$195,292
Non-operating:		
Operating grants	98,815	93,000
Interest income		1
Total Revenues	<u>259,574</u>	<u>288,293</u>
Expenses		
Operating	621,495	625,039
Non-operating	738	0
Total Expenses	<u>622,233</u>	<u>625,039</u>

FALSE RIVER AIR PARK COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017

Income/(loss) before contributions		(336,746)
Contributions – capital grants	319,202	357,340
Change in net position	(43,457)	20,594
Net position, beginning	7,849,379	7,828,785
Net position, ending	<u>\$7,805,922</u>	<u>\$7,849,379</u>

Net position is comprised of assets restricted according to the purposes they can be used for, or can be invested in capital assets (buildings, equipment, lighting, fencing, navigational aids, runways, taxiways, etc.). Unrestricted net position are those assets that do not have any limitations for which these amounts may be used. At December 31, 2017, the Commission had a deficit unrestricted net position of \$16,728.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The Commission's investment in capital assets at December 31, 2017 was \$7,822,660, including property, buildings, runways, taxiways, lighting, navigational aids, fencing, and equipment. There were additions to capital assets of \$118,090 (net of depreciation expense) during 2017. The Commission had no outstanding debt at December 31, 2017, other than payables to be paid during the next operating cycle.

Capital assets at year-end are summarized as follows:

CAPITAL ASSETS

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable Assets				
Construction in Progress	\$ 145,107	168,112	(145,107)	\$168,112
Land	2,001,056			2,001,056
Total non-depreciable assets	<u>2,146,163</u>	168,112	(145,107)	<u>2,169,168</u>
Depreciable Assets				
Buildings	2,476,186			2,743,196
Equipment	251,982	46,292		298,274
Runways, Apron & Roads	5,845,182			5,845,182
Furniture and Fixtures	5,911			5,911
Land Improvements	1,008,678	269,777		1,278,455
Radios & Antennas	219,004			219,004
Total Capital Assets, being depreciated	10,073,953	316,069		10,390,022
Capital Assets, total	<u>\$12,220,116</u>	484,181	(145,107)	<u>\$12,559,190</u>

Accumulated depreciation totaled \$4,736,530 for all funds for a net capital assets balance of \$7,822,660 for the year ended December 31, 2017.

FALSE RIVER AIR PARK COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017

ECONOMIC ENVIRONMENT AND NEXT YEAR'S BUDGET

The budget for 2017-18 again anticipates grant funding for improving the Commission's facilities. The Airport Layout Master Plan Update Project will continue, but no other changes in operations are expected.

ADDITIONAL INFORMATION

This financial report is designed to provide a general overview of the Commission's finances, comply with finance-related laws and regulations and demonstrate the Commission's commitment to public accountability. Any questions or requests for additional information can be obtained by contacting the False River Air Park Commission's office at the False River Regional Airport in New Roads, Louisiana, (225) 638-3192

FINANCIAL STATEMENTS

FALSE RIVER AIR PARK COMMISSION
(A component unit of the Pointe Coupee Parish Police Jury)
STATEMENT OF NET POSITION
DECEMBER 31, 2017

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 3,875
Prepaid Insurance	-
Total Current Assets	3,875
NONCURRENT ASSETS	
Restricted Assets-	
Cash and Cash Equivalents	89,156
Total Restricted Assets	89,156
Capital Assets	
Nondepreciable	2,001,056
Depreciable (net of accumulated depreciation)	5,821,604
Total Capital Assets	7,822,660
Total Assets	7,915,691
LIABILITIES AND NET POSITION	
LIABILITIES	
Payable from Current Assets	
Accounts payable	16,790
Due to other government agencies	3,823
Total Payable from Current Assets	20,613
Payable from Restricted Assets	
Accounts payable	89,156
Total Payable from Restricted Assets	89,156
Total Liabilities	109,769
NET POSITION	
Net investment in capital assets	7,733,494
Restricted	89,156
Unrestricted (Deficit)	(16,728)
Total Net Position	\$ 7,805,922

See Accompanying Notes and Independent Accountant's Review Report

FALSE RIVER AIR PARK COMMISSION
(A component unit of the Pointe Coupee Parish Police Jury)
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN NET POSITION
DECEMBER 31, 2017

OPERATING REVENUES

Charges for Service	
Hangar and Land Rents	\$58,626
Fuel Sales	89,928
Miscellaneous Revenue	12,205
Reimbursements from LA DOTD	17,440
Total Operating Revenues	<u>178,199</u>

Operating Expenses

Salaries and Benefits	37,735
Professional and Contract Services	47,947
Insurance	19,827
Utilities	14,224
Fuel Purchases	78,463
Repairs and Supplies	41,442
Travel & Travel Related Expenses	1,956
Telephone	6,510
Dues and Subscriptions	1,444
Other Expenses	5,857
Depreciation	366,091
Total Operating Expenses	<u>621,495</u>

Income/(Loss) From Operations (443,296)

Non-Operating Revenues/(Expenses)

Intrest Paid	(74)
Sales Tax Paid	(664)
Operating Grants - Local Government	81,375
Total Non-Operating Expenses	<u>80,637</u>

Income/(Loss) Before Contributions (362,659)

Grants Received

Grants from LA DOTD for Capital Acquisitions	121,481
Grants from US FAA for Capital Acquisitions	197,721
Total Capital Contributions	<u>319,202</u>

Change in Net Position	(43,457)
Net Position, at beginning of year	<u>7,849,379</u>
Net Position, at end of year	<u><u>\$ 7,805,922</u></u>

See Accompanying Notes and Independent Accountant's Review Report

FALSE RIVER AIR PARK COMMISSION
(A component unit of the Pointe Coupee Parish Police Jury)
STATEMENT OF CASH FLOWS
DECEMBER 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers/grantors	\$ 255,934
Cash paid to suppliers for goods/services	(209,772)
Cash paid to employees for services	(37,735)
Net Cash Provided (used) by Operating Activities	<u>8,427</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Operating grants from local governments	<u>17,440</u>
Net cash provided (used) by Non-capital financing activities	<u>17,440</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(316,069)
Proceeds from grants	<u>359,389</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>43,320</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Net Cash Provided (used) by Investing Activities	<u>-</u>
Net Increase (decrease) in Cash and Cash Equivalents	69,187
Cash and Cash Equivalents, beginning of year	<u>23,844</u>
Cash and Cash Equivalents, end of year	<u>\$ 93,031</u>

See Accompanying Notes and Accountant's Review Report

FALSE RIVER AIR PARK COMMISSION
(A component unit of the Pointe Coupee Parish Police Jury)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 31, 2017

RECONCILIATION OF OPERATING LOSS TO NET
CASH PROVIDED BY OPERATING ACTIVITIES

Operating loss	(\$443,296)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	366,091
(Increase) decrease in assets:	
Accounts & other receivables	22,002
Prepaid expenses	4,835
Increase (decrease) in liabilities:	
Accounts & other payables	58,795
Net Cash Provided by Operating Activities	<u>8,427</u>
Cash Presentation on Statement of Net Assets:	
Current Assets: Cash and cash equivalents	3,875
Restricted Assets: Cash and cash equivalents	<u>89,156</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 93,031</u></u>

See Accompanying Notes and Accountant's Review Report

NOTES TO FINANCIAL STATEMENTS

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINACIAL STATEMENTS
DECEMBER 31, 2017

INTRODUCTION

The False River Air Park Commission (hereafter referred to as the "Commission") is a joint venture created by a resolution of the Pointe Coupee Parish Police Jury (the "Parish") and the City of New Roads (the "City") in May, 1974. The Commission operates under a commission form of government and provides an airport authority under the provision of Louisiana Revised Statues (LRS) 2.131. et seq. Said Commission operates under the Powers as outlined under LSR 2:135.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting practice of the Commission conforms to generally accepted accounting principals (GAAP) in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing accounting principles for state and local governments through its pronouncements (Standards and Interpretations).

Financial Reporting Entity

For reporting purposes, the Commission is considered a component unit of the Pointe Coupee Parish Police Jury. The financial reporting entity consists of (a) the primary government (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the 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 Pointe Coupee 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 the ability of the Police Jury to impose its will on that organization, and/or the potential for the organization to provide specific financial benefits to or impose specific financial burdens of the Police Jury; (2) organizations for which the Police Jury does not appoint a voting majority but are financially dependant on the Police Jury; and (3) organizations for which the reporting entity financial statements would be misleading if the data of the organization is not included because of the nature or significance of the relationship.

Basic Financial Statements – Fund Financial Statements

The financial transactions of the Commission are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenses. The operations are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the costs and expenses of providing goods or services to the general public on a continuing basis be financed primarily through user charges.

Proprietary Funds: The focus of a proprietary fund is the determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to business in the private sector. The Commission reports a single proprietary fund.

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity is financed with debt that is solely secured by a pledge of the net revenues. The Commission rents or leases hangar space and land for storage of privately owned aircraft.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

The accrual basis of accounting is utilized by proprietary fund types. The fund financial statements are reported using the economic resources measurement focus in accordance with the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Budgets

The Commission uses the following budget practices:

- Budgets are prepared for the Enterprise Fund on the GAAP basis and appropriations (unexpended budget balances) lapse at year end.
- Budgetary control is exercised at the line item level.
- During the year, monthly budgetary comparison statements are used as a management tool to control operations. When necessary, the Commission adopts budget amendments which are included in minutes published in the official journal.

Financial Statement Amounts

Cash and Cash Equivalents: Cash includes amounts in demand deposits, interest bearing demand deposits and money market savings. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

Receivables: Receivables consist of all revenue earned at year end that has not yet been received. The Commission uses the direct charge-off method because it does not cause a material departure from GAAP and it approximates the valuation. Management bases its uncollectible amounts in part on historical information. Revenues become susceptible to accrual when they become both measurable and available.

Restricted Assets: Grants are received from federal and state agencies for funding of various capital projects. These funds are restricted for use for this purpose and cannot be used for operations. Restricted assets may consist of cash and/or grant funds receivable related to these projects.

Inventory and prepaid expenses: Inventory of the Commission includes fuel, the amount of which is considered immaterial. Therefore, the acquisition of such items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statement. Certain payments to vendors represent benefits to be realized in future periods and, if material, are reported as prepaid expenses.

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINACIAL STATEMENTS
DECEMBER 31, 2017

Capital Assets: Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Infrastructure assets such as runways, aprons and other assets that are immovable and of value only to the Commission are defined as assets with an initial cost of more than \$1,000 and are capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the statement of net assets. Depreciation of contributed assets of proprietary funds is charged against contributed capital as opposed to unrestricted net assets. Donated or contributed assets are recorded at their estimated fair market value at the date of donation. Major outlays for capital improvements are capitalized as the projects are completed. Any interest incurred during the construction phase of the projects is reflected in the capitalized value of the asset constructed for proprietary funds. As of December 31, 2017, no interest has been capitalized on projects.

The cost of maintenance and repairs that do not add to the value or extend the useful life of the asset are not capitalized. Major improvements are capitalized and depreciated over the remaining useful life of the related capital asset.

Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

- | | |
|--|-------------|
| ▪ Buildings | 20-40 years |
| ▪ Equipment | 10 years |
| ▪ Furniture & fixtures | 5-10 years |
| ▪ Land Improvements, including runways, aprons and roads | 20 years |

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Operating/Non-Operating Revenues

Proprietary funds separately report operating and non-operating revenues. Revenues from transactions of the Commission's operation of providing fuel, hangar space and other services are considered operating revenues. All other revenues, which are reported as cash flows from capital or non-capital financing and investing, and grants are reported as non-operating revenues.

Fund Equity

In the statement of net position of proprietary funds, the three components of net position are as follows:

- 1) Net Investment in Capital Assets: This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

- 2) **Restricted Net Position:** Net position that is reserved by external sources such as banks or by law are reported separately as restricted net position. When assets are required to be retained in perpetuity, the resulting non-expendable net position are recorded separately from expendable net position. These are components of restricted net position.
- 3) **Unrestricted Net Position:** This category represents net position not appropriate for expenditures or legally segregated for a specific future use.

Use of Restricted Resources

When an expense that can be paid using either restricted or unrestricted resources (net position), the Commission's policy is to first apply the expense toward restricted resources then toward unrestricted resources. Restricted amounts would be reduced first when expenditures are incurred for purposes for which restriction was applicable.

Deferred Outflows or Resources and Deferred Inflows of Resources and Net Position

GASB statement number 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

In addition to assets, the statement of financial position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period or periods and will not be recognized as an outflow of resources until then. The Commission had no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period or periods and will not be recognized as an inflow of resources until that time. The Commission had no items that qualify for reporting in this category.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits are stated at cost, which approximates market. Under state law, they 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. These securities are held in the name of the pledging fiscal agent bank in a holding, or custodial bank mutually acceptable to both parties.

Even though pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, La. Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

With the adoption of GASB Statement No. 40, only deposits that are considered exposed to custodial credit risk are required to be disclosed. The Commission has no deposits (bank balances) that are considered uninsured and uncollateralized at December 31, 2017.

A summary of cash and cash equivalents (book balances) at December 31, 2017, is as follows:

Account	Amount
Demand deposits	\$ 3,875
Temporarily restricted	89,156
Total	\$93,031

NOTE 3 – RECEIVABLES AND INTERGOVERNMENTAL RECEIVABLES

The False River Air Park Commission had no receivables to report at December 31, 2017.

NOTE 4 -CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable Assets				
Land	\$2,001,056			\$2,001,056
Construction in progress	145,107	168,112	(145,107)	168,112
Total Non-depreciable Assets	2,146,163	168,112	(145,107)	2,169,168
Depreciable Assets				
Buildings	2,743,196			2,743,196
Equipment	251,982	46,292		298,274
Radios & Antennas	219,004			219,004
Furniture and Fixtures	5,911			5,911
Runways, apron & roads	5,845,182			5,845,182
Land Improvements	1,008,678	269,777		1,278,455
Total Capital Assets, being depreciated	10,073,953	316,069		10,390,022
Capital Assets, total	12,220,116	484,181	(145,107)	12,559,190
Accumulated depreciation				
Buildings	267,010	41,862		308,872
Equipment	64,774	13,993		78,767
Radios & Antennas	113,857	20,157		134,014
Furniture and Fixtures	5,844	64		5,903
Runways, apron & roads	3,285,875	226,641		3,512,516

FALSE RIVER AIR PARK COMMISSION
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2017

Land Improvements	633,084	63,374	696,458
Total Accumulated Depreciation	4,370,444	366,091	4,736,530
Capital Assets - Net	\$7,849,672	118,090	(145,107) \$7,822,660

Depreciation expense in the amount of \$366,091 is reported as an operating expense in the Statement of Revenues, Expenses and Changes in Fund Net Position.

NOTE 5 - ACCOUNTS AND OTHER PAYABLES

The following is a summary of current payables at December 31, 2017:

Accounts payable – vendors for operations	\$ 16,790
Accounts payable – for capital improvements	<u>\$ 89,156</u>
Total at 12/31/2017	<u>\$105,946</u>

NOTE 6 - LONG-TERM OBLIGATIONS

There were no long-term obligations at December 31, 2017.

NOTE 7 - RESTRICTED NET POSITION

The following is a summary of restricted net position at December 31, 2017:

	<u>Amount</u>
Restricted for:	
Capital projects	\$89,156
Other	<u>0</u>
Total Restricted	<u>89,156</u>

NOTE 8 - LEASES

No capital leases existed at December 31, 2017.

NOTE 9 - RETIREMENT SYSTEM

All employees of False River Air Park Commission are members of the Parochial Employee's Retirement System of Louisiana ("System"), reported through the Pointe Coupee Parish Police Jury. All salaries and benefits are paid and reported by the Police Jury who is subsequently reimbursed by the Commission. The Commission's contributions to the System under for the years ended December 31, 2017, 2016, and 2015 were \$2,449, \$5,878, and \$6,365, respectively.

The System issues an annual publically available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employee's Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINACIAL STATEMENTS
DECEMBER 31, 2017

NOTE 10- OTHER POST-EMPLOYMENT BENEFITS

The Commission does not provide any post-employment benefits to its employees.

NOTE 11 -RELATED PARTY TRANSACTIONS

There were no related party transactions that require disclosure.

NOTE 12 - LITIGATION

There is no litigation that would require disclosure in the accompanying financial statements.

NOTE 13 -SUBSEQUENT EVENTS

There have been no transactions or events subsequent to year end through June 28, 2018, the date on which the financial statements were available to be issued that would materially impact the accompanying financial statements.

SUPPLEMENTAL INFORMATION

FALSE RIVER AIR PARK COMMISSION
(A component unit of the Pointe Coupee Parish Police Jury)
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD
YEAR ENDED DECEMBER 31, 2017

Chief Executive Officer: Kirk White, President	
Salary	\$ -
Benefits	-
Reimbursements for travel and other expenses	-
	<u> </u>
	<u>\$ -</u>

See Accompanying Independent Accountant's Review Report

FALSE RIVER AIR PARK COMMISSION
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017

A. **PRIOR YEAR FINDINGS - FINANCIAL STATEMENTS**

Finding number 2016-001 – Inadequate Controls Over Financial Statement Preparation
Condition:

The Commission does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing financial statements, including related notes. As such, management had engaged the auditor to propose certain year-end adjusting journal entries and the financial statements. This condition is intentional by management based upon the financial complexity, along with the cost effectiveness of acquiring the ability to prepare financial statements in accordance with GAAP. Consistent with this decision, internal controls over the preparation of year-end adjusting journal entries and annual financial statements with footnotes in accordance with GAAP have not been established.

Criteria:

Statement on Auditing Standards (SAS) No. 115 requires that the auditor report the above condition as a deficiency in internal control. SAS No. 115 does not provide for exceptions to reporting deficiencies that are resolved with non-audit services performed by the auditor or deficiencies for which the costs make it impractical to correct.

Recommendation:

The Commission has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest to outsource this task to its independent auditors, and carefully review all proposed adjustments, the draft of financial statements and notes prior to approving them and accepting responsibility for its contents and presentation.

Management's Response:

The Commission agreed with the auditor's finding and recommendation.

Current Status:

Unresolved.

B. **CURRENT YEAR FINDINGS – FINANCIAL STATEMENTS**

Finding number 2017-001 – Inadequate Controls Over Financial Statement Preparation

Condition:

The Commission does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing financial statements, including related notes.

Criteria:

Statement on Auditing Standards (SAS) No. 115 requires that the auditor report the above condition as a deficiency in internal control. SAS No. 115 does not provide for exceptions to reporting deficiencies that are resolved with non-audit services performed by the auditor or deficiencies for which the costs make it impractical to correct

Cause:

The commission's funding is not sufficient to employ a qualified accountant on staff to prepare the financial statements in accordance with GAAP.

FALSE RIVER AIR PARK COMMISSION
SCHEDULE OF FINDINGS-continued
FOR THE YEAR ENDED DECEMBER 31, 2017

Effect:

The Commission is to prepare the financial statements in accordance with generally accepted accounting principles.

Recommendation:

The Commission should consider outsourcing this function to a qualified accounting firm, on an as-needed basis.

Management's response:

Management agrees with the recommendation and will continue to search for a qualified accounting firm to provide assistance. The Commission will carefully review the draft of the financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

C. MANAGEMENT LETTER ITEMS

There are no management letter items to report as of December 31, 2017.

AGREED-UPON PROCEDURES

MC DUFFIE K. HERROD, LTD.

(A Professional Accounting Corporation)

McDUFFIE K. HERROD
 CERTIFIED PUBLIC ACCOUNTANT

Member:
 American Institute of CPAs
 Society of Louisiana CPAs

POST OFFICE BOX 8436
 12410 WOODVILLE ST.
 CLINTON, LA 70722
 Telephone (225) 683-3888
 Facsimile (225) 683-6733
 Email mkherrod@bellsouth.net

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of False River Air Park Commission, the Legislative Auditor of the State of Louisiana, and applicable state grantor agencies:

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of False River Air Park Commission, the Legislative Auditor of the State of Louisiana, and applicable state grantor agencies solely to assist the users in evaluating management's assertions about False River Air Park Commission's compliance with certain laws and regulations during the year ended December 31, 2017 included in the accompanying *Louisiana Attestation Questionnaire*. Management of the False River Air Park Commission is responsible for the Council's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of the Federal, state, and local award expenditures for the fiscal year, by grant and grant year.

There were no local grants.

The federal and state grants were as follows:

Federal Aviation Administration-Capital Outlay Grant	\$ 50,686
Louisiana Department of Transportation & Development-Capital Outlay Grant	\$132,203

Accounting and Reporting

2. For each federal, state and local award, randomly select 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.

For each award, either 6 disbursements (or if less than all) were selected for review.

3. For the items selected in procedure 2, trace the 6 disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, determine if the six disbursements were properly coded to the correct fund and general ledger account.

All of the selected disbursements were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, determine whether the six disbursements received approval from proper authorities.

Inspection of the documentation supporting each of the selected disbursements indicated approvals from the accountant and management.

Public Bid Law

6. Select all expenditures made during the year for material and supplies exceeding \$30,000 or public works exceeding \$150,000, and determine whether such purchase were made in accordance with LA-RS 38:2211-2251 (the public bid law).

No disbursements were made for these amounts.

Activities allowed or unallowed

7. Review the previously listed disbursements for types of services allowed or not allowed.

All items tested complied with the allowable requirements.

Eligibility

8. Review the previously listed disbursements for Eligibility requirements.

All items tested complied with the eligibility requirements.

Reporting

9. Review the previously listed disbursements for reporting requirements.

All items tested complied with the reporting requirements.

Open Meetings

10. Examine evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meeting law).

We were provided with the agendas that were posted in the Organization's lobby before the meetings. Although management has asserted that these documents were properly posted, we could find no evidence supporting such assertion other than unmarked copies of the agendas.

Budget

- 11a. For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Management provided copies of detailed budgets given to the applicable government agencies.

- 11b. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with the adopted budget; there were amendments made.

- 11c. Trace the budget adoption and amendments to the minute book.

We were able to trace the budget adoption date to the minute book.

- 11d. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more, or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to the actual revenues and expenditures. Actual revenues met budgeted amounts within the 5% range. Actual expenditures

did not exceed budgeted amounts by greater than 5%. The Council did not take steps to amend budgets during the year.

Code of Ethics for Public Officials and Public Employees

12. Obtain from management a list of the immediate family members of each board member as defined by LSA-R.S. 42:1101-1124 (the code of ethics), and a list of outside business interest of all board members and employees, as well as their immediate families.

The Organization provided us with the required list including the noted information.

13. Obtain from management a listing of all employees paid during the period under examination.

The Organization provided a list with the required information.

14. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (13) were also included on the listing obtained from management in the agreed-upon procedures (12) as immediate family members.

None of the employees included on the list of employees provided by management in agree-upon procedure (13) were found on the list of names provided by management in agreed upon procedure (12) as immediate family members.

Debt

15. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We determined that no such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

16. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances or gifts.

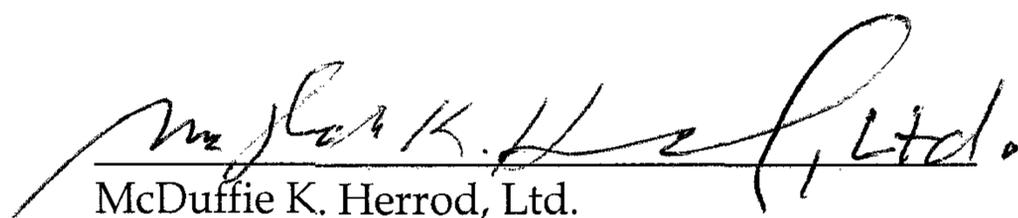
Payroll records were examined and no payments which may contain bonuses, advances or gifts were noted.

Prior Comments and Recommendations

17. *None*

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of False River Air Park Commission , the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "McDuffie K. Herrod, Ltd." is written over a horizontal line.

McDuffie K. Herrod, Ltd.

Clinton, Louisiana

June 28, 2018

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

7/2/2018 (Date Transmitted)

MCDUFFIE K. HERROD, LTD. (APAC) (CPA Firm Name)
12410 WOODVILLE ST. (CPA Firm Address)
CLINTON, LA 70722 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 12/31/2018 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [X] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [X] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [X] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [X] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [X] No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [X] No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [X] No []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [X] No []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [X] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.
Yes [X] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [X] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [X] No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [X] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [X] No []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [X] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [X] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [X] No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [X] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [X] No []

The previous responses have been made to the best of our belief and knowledge.

<u>Yvonne Chenevert</u>	Secretary	<u>July 2, 2018</u>	Date
<u>Yvonne Chenevert</u>	Treasurer	<u>July 2, 2018</u>	Date
_____	President	_____	Date