

**AIRPORT DISTRICT NO. 1
OF JEFFERSON DAVIS PARISH**

Jennings, Louisiana

ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED APRIL 30, 2012

AIRPORT DISTRICT NO. 1 OF JEFFERSON DAVIS PARISH
Jennings, Louisiana

TABLE OF CONTENTS

<u>TITLE</u>	<u>STATEMENT OR SCHEDULE</u>	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT		1
<u>BASIC FINANCIAL STATEMENTS</u>		
<u>GOVERNMENT-WIDE FINANCIAL STATEMENTS</u>		
Statement of Net Assets	A	3
Statement of Revenues, Expenses, and Changes in Net Assets	B	4
Statement of Cash Flows	C	5
NOTES TO FINANCIAL STATEMENTS		6 - 13
INTERNAL CONTROL AND COMPLIANCE		14
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		15 - 16
Schedule of Findings and Responses	1	17
Schedule of Prior Year Findings and Questioned Costs	2	18

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August 15, 2012

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Airport District No. 1 of Jefferson Davis Parish
Jennings, LA

We have audited the accompanying financial statements of the business-type activities of the Airport District No. 1 of Jefferson Davis Parish, Jennings, Louisiana, a component unit of the Jefferson Davis Police Jury, as of and for the year ended April 30, 2012, and the supplementary schedules, as listed in the table of contents. These financial statements and schedules are the responsibility of the Airport District No. 1 of Jefferson Davis Parish's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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. Those standards require that we 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. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Airport District No. 1 of Jefferson Davis Parish as of April 30, 2012, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with **Government Auditing Standards**, we have also issued our report dated August 15, 2012, on our consideration of the Airport District No. 1 of Jefferson Davis Parish's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with **Government Auditing Standards** and should be considered in assessing the results of our audit.

The Airport District No. 1 of Jefferson Davis Parish has not presented management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Broadhurst, Hamilton & Company

BROADHURST, HAMILTON & COMPANY
Certified Public Accountants

GOVERNMENT-WIDE FINANCIAL STATEMENTS

PROPRIETARY FUND - ENTERPRISE FUND

STATEMENT OF NET ASSETS
AS OF APRIL 30, 2012

ASSETS

Current Assets:

Cash and cash equivalents	\$ 506,346
Investments	541,683
Accounts receivable, net of allowance for doubtful accounts	15,909
Due from governments	141,318
Prepaid insurance	<u>10,008</u>
Total Current Assets	\$ <u>1,215,264</u>

Non-Current Assets:

Utility deposits	\$ 1,048
Capital assets - net of accumulated depreciation	<u>6,479,938</u>
Total Non-Current Assets	\$ <u>6,480,986</u>

TOTAL ASSETS

\$ 7,696,250

LIABILITIES

Current Liabilities:

Accounts payable	\$ 200,585
Prepaid revenue	<u>13,781</u>

TOTAL LIABILITIES

\$ 214,366

NET ASSETS

Invested in capital assets, net of related debt	\$ 6,479,938
Unrestricted fund balance	<u>1,001,946</u>

TOTAL NET ASSETS

\$ 7,481,884

The accompanying notes are an integral part of this statement.

PROPRIETARY FUND - ENTERPRISE FUND

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED APRIL 30, 2012**

OPERATING REVENUES:

Property rental	\$ 416,871
Property rental (In-kind)	11,280
Gallonage rental	16,836
Miscellaneous income	-
	-
Total Operating Revenues	\$ 444,987

OPERATING EXPENSES:

Advertising, Dues & Subscriptions:	
Dues & subscriptions	\$ 1,586
Advertising & printing	587
Utilities and Telephone:	
Utilities	15,129
Telephone	4,542
Materials, Supplies and Repairs:	
Repairs - Airport	12,234
Repairs - Equipment	17,804
Supplies	1,746
Other Operating Expenses:	
Airport contract management (includes in-kind \$11,280)	113,280
Professional fees	26,350
Insurance	24,077
Miscellaneous	402
Depreciation expense	239,577
	239,577
Total Operating Expenses	\$ 457,314

OPERATING INCOME/(LOSS) \$ (12,327)

NON-OPERATING REVENUES/(EXPENSES):

Interest Income/Expense	\$ 8,007
Total Non-Operating Revenues/(Expenses)	\$ 8,007

INCOME/(LOSS) BEFORE CONTRIBUTIONS \$ (4,320)

CAPITAL CONTRIBUTIONS 156,119

NET INCREASE IN NET ASSETS \$ 151,799

NET ASSETS - BEGINNING OF YEAR 7,330,085

NET ASSETS - END OF YEAR \$ 7,481,884

The accompanying notes are an integral part of this statement.

PROPRIETARY FUND - ENTERPRISE FUND

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 437,425
Payments to suppliers of goods and services	<u>(218,950)</u>

Net Cash Flows Provided by Operating Activities	\$ <u>218,475</u>
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CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Acquisition and construction of capital assets	\$ (445,692)
Contributed capital received – Capital grants	<u>15,476</u>

Net Cash Flows Used by Capital and Related Financing Activities	\$ <u>(430,216)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from redemption of investments	\$ -
Purchase of investments	(8,007)
Interest on investments	<u>8,007</u>

Net Cash Flows Used by Investing Activities	\$ <u>-</u>
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NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ (211,741)
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CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>718,087</u>
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CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 506,346</u>
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RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:

Operating income/(loss)	\$ (12,328)
Adjustments to reconcile income/(loss) from operations to net cash provided by operating activities:	
Depreciation expense	239,577
(Increase)/Decrease in accounts receivable	(9,252)
(Increase)/Decrease in prepaid insurance	(424)
Increase/(Decrease) in prepaid revenue	1,690
Increase/(Decrease) in accounts payable	<u>(788)</u>

Net Cash Flows Provided by Operating Activities	\$ <u>218,475</u>
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The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

NOTE 1: Organization and Significant Accounting Policies

The Airport District No. 1 of Jefferson Davis Parish (District) was created by the Jefferson Davis Parish Police Jury pursuant to (LSA-RS 2.311) through the passage of Parish Ordinance 483 on March 7, 1963. The District has the power and authority, within its boundaries, to acquire, construct, maintain, and operate airports and airport facilities, including both movable and immovable property. The District is a subdivision of the State of Louisiana and may issue bonds and levy taxes in accordance with Article 6, Section 30. The District may also by resolution or ordinance, establish, maintain, and collect proper and reasonable rates, charges, rents, or other fees for the use of the facilities of the airport.

Under the provision of Parish Ordinance 635, dated May 10, 1978, the District shall be governed and controlled by a board of commissioners composed of five members. Pursuant to Ordinance 635 these commissioners are appointed by the Jefferson Davis Police Jury for terms of two years from the date they assume their duties and shall serve without compensation.

Basis of Presentation:

The District has adopted the provisions of GASB Statement No. 34 and GASB Statement No. 37. These statements established standards for external financial reporting for all state and governmental entities, which includes a statement of net assets, a statement of activities, and a statement of cash flows. It requires the classification of net assets into three components - invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

- ***Invested in capital assets, net of related debt:*** This component of net assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets. The District has no debt attributable to its capital assets.
- ***Restricted net assets:*** This component of net assets consists of constraints imposed by creditors (such as through debt covenants), contributors, laws or regulations of other governments, or through constitutional provisions or enabling legislation. The District has not restricted net assets.
- ***Unrestricted net assets:*** This component of net assets consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Reporting Entity:

As the governmental authority of the parish, for reporting purposes, the Jefferson Davis Parish Police Jury is the financial reporting entity for Jefferson Davis 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.

GASB Statement No. 14, *The Reporting Entity*, as amended, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. 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.

NOTES TO FINANCIAL STATEMENTS

They include the following:

- (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 board and has the ability to impose its will on the organization, the District was determined to be a component unit of the Jefferson Davis Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District 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 financial reporting entity.

Fund Accounting

The accounts of the District are organized on the basis of an enterprise fund. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed primarily through user charges or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Budgetary Practices

The District is not required and did not adopt a budget for the period covered by the accompanying financial statements.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposit, money market accounts, or time deposits with state banks organized under Louisiana Law or any other state of the United States, or under the laws of the United States.

Prepaid Expense

Certain payments to vendors reflect the costs applicable to future accounting periods that are recorded as prepaid items.

Fixed Assets

All fixed assets are valued at historical cost or if contributed property, at their estimated fair value at the time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

(Continued)

NOTES TO FINANCIAL STATEMENTS

Fixed assets used in the proprietary fund operations are included on the statement of net assets net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by the proprietary fund operations is charged as an expense against operations. Depreciation has been calculated on each class of depreciable property using the straight-line method over the estimated useful lives of the assets as follows:

Runways and Improvements	10 - 50 years
Buildings and Hangers	10 - 40 years
Improvements other than Buildings and Hangers	10 - 20 years
Furniture and Equipment	5 - 10 years

Fund Equity

Contributed Capital: Grants, entitlements, or shared revenues received that are restricted for the acquisition or construction of capital assets are recorded as contributed capital. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired from such contributions.

Reserves

Reserves represent those portions of fund equity legally segregated for a specific future use.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Capitalization of Interest

FAS-34, Capitalization of Interest Costs, requires that interest expenditures incurred during construction of assets be capitalized. FAS-62, Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants, concludes that constructed assets financed with the proceeds of tax-exempt debt (if those funds are externally restricted to finance the acquisitions of the asset or used to service the related debt) should include capitalized interest only to the extent that interest cost exceeds interest earned on related interest-bearing investments acquired with proceeds of the tax related tax-exempt borrowing. Net interest cost capitalized totaled \$-0- during the fiscal year ending in 2012

Compensated Absences

The District has no employees and therefore has no compensated absences.

NOTE 2: Cash and Cash Equivalents

As of April 30, 2012, the District had cash and cash equivalents totaling \$506,346 as follows:

Demand deposits	\$ 506,346
Interest bearing demand deposits	<u> -</u>
Total Book Balances	<u><u> \$ 506,346</u></u>

(Continued)

NOTES TO FINANCIAL STATEMENTS

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 time equal the amount of deposit with the fiscal agent.

Bank Balance as shown by Bank	\$	<u>506,959</u>
Insured (FDIC)	\$	250,000
Uninsured, Uncollateralized:		
Pledged securities held by pledging Bank's agent in Bank's name		<u>256,959</u>
Total Bank Balances Secured	\$	<u>506,959</u>

Even though this amount is considered uncollateralized under GAAP, Louisiana Revised Statutes impose a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3: Investments

The District invests only in time certificates of deposit. The time certificates of deposit mature at least 90 days after April 30, 2012, therefore they are not classified as cash and cash equivalents and are classified as Investments.

Investments are categorized into the following three categories of credit risk in accordance with GASB Statement No. 3 to give an indication of the level of risk assumed by the District.

Category 1 - Includes investments that are insured or registered, or securities held by the government or its agent in the District's name.

Category 2 - Includes investments that are uninsured and unregistered, with securities held by the counter party's department or agent in the District's name.

Category 3 - Includes investments that are uninsured and unregistered, with securities held by the counter party or by its trust department or agent but not in the District's name.

As of April 30, 2012, all the District's investments are categorized as **Category 1** Investments and mature as follows:

Time Certificates of Deposit		
Maturity Date		
0 - 90 days	\$	-
91 - 180 days		-
181 - 365 days		<u>541,683</u>
Total Time Certificates of Deposit	\$	<u>541,683</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4: Accounts Receivable

The following is a summary of receivables at year end:

Gross Receivables (customer property rentals)	\$ 15,909
Less: Allowance for doubtful accounts	<u> -</u>
Net Accounts Receivable	<u><u>\$ 15,909</u></u>

Accounts receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on an assessment of the current status of individual accounts. Balances outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. Changes in the valuation allowance have not been material to the financial statements.

NOTE 5: Due from Governments

The amount due from other governments as of April 30, 2012 is a \$141,318 receivable from the State of Louisiana Department of Transportation and Development.

NOTE 6: Capital Contributions from Governments

During the year ended April 30, 2012, the District received capital contributions from the following governmental entities:

United States of America/Federal Aviation Administration	\$ -
State of Louisiana/Dept of Transportation and Development	<u>156,119</u>
Total Capital Contributions from Government Entities	<u><u>\$ 156,119</u></u>

NOTE 7: Fixed Assets

A summary of proprietary property, plant and equipment is as follows:

	Balance 05/01/2011	Adjustments/ Additions	Retirements	Balance 04/30/2012
Runway and Improvements	\$ 6,256,626	\$ 563	\$ -	\$ 6,257,189
Buildings and Hangers	2,182,411	466,975	-	2,649,386
Other Improvements	252,580	-	-	252,580
Furniture & Equipment	123,880	17,222	-	141,102
Total Depreciable Assets	<u>\$ 8,815,497</u>	<u>\$ 484,760</u>	<u>\$ -</u>	<u>\$ 9,300,257</u>
Less Accumulated Depreciation				<u>(4,007,253)</u>
Net Depreciable Assets				<u>\$ 5,293,004</u>
Construction in Progress	\$ 32,813	\$ 160,572	\$ -	193,385
Land	<u>993,549</u>	<u>-</u>	<u>-</u>	<u>993,549</u>
Net Property Plant & Equipment				<u><u>\$ 6,479,938</u></u>

(Continued)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8: Commitments

As of April 30, 2012, the District had two construction contract projects in progress totaling \$193,385.

NOTE 9: Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. As of April 30, 2012, the District carries commercial insurance for general and aviation liability. During any construction phase, contractor nonperformance and liability risk is protected by requiring each contractor to post a performance bond and a certificate of liability insurance coverage for approved contracts. Previously settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

NOTE 10: Litigation and Claims

Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. No claim expenditures or liabilities are reported in the accompanying financial statements. The Airport Commission is not presently involved in any litigation as defendant.

The District is involved in a matter concerning previously leased property in which the DEQ has not approved the environmental site report. The responsible party has been notified and in the opinion of legal council, the issue will be resolved and the District will have no exposure.

NOTE 11: Contingencies

Grant Disallowances. The District participates in a number of Federal Financial Assistance Programs. These programs are subject to further financial and compliance audits by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. Based on prior experience, management feels such amounts, if any, to be immaterial to the financial statements.

NOTE 12: Non-Cancelable Operating Leases

The District leases various parcels of land and/or buildings located at the airport to various aviation, industrial, and business concerns. These are noncancellable leases with obligated terms ranging from one to ten years or other maximums established by Louisiana Revised Statutes. Most leases contain escalation clauses.

As of April 30, 2012 future minimum rentals of non-cancelable operating leases of such property in aggregate are as follows:

Fiscal Year	
2013	\$ 348,724
2014	242,993
2015	170,354
2016	161,230
2017	116,980
2018 and thereafter	17,825
Total	<u>\$ 1,058,106</u>

(Continued)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13: Economic Dependence

The District has one commercial customer that accounted for more than 10% individually of total operating revenues.

NOTE 14: Related Party Transactions

The District's airport is managed by a commercial agricultural aviation service company, Riceland Aviation, Inc., under a five year contract which began on February 1, 2005. The contract was renewed for another five years until January 31, 2015. Under the contract, Riceland is paid \$8,500 per month (\$102,000 annually) and allowed to occupy certain hangars, offices, and other physical structures for the operation of an aerial seed planting, crop dusting, fertilizer business, and retail sale of aviation fuel in return for providing airport management services for the District. The in-kind rental value of the occupied facilities, estimated to be \$11,280, has been recorded in the accompanying financial statements as operating revenue and as an expense for the year ending April 30, 2012.

Three members of the Board of Commissioners lease airplane hangers from the District at fair market value. These three leases provided \$3,120 in revenues to the District during the fiscal year ending April 30, 2012.

NOTE 15: Leases and Commitments

On February 1, 2005, the District entered into a lease operating agreement with Riceland Aviation, Inc. The term of the lease is for five years expiring on January 31, 2010. The contract was renewed for another five years until January 31, 2015. Under this contract, Riceland is paid \$8,500 per month (\$102,000 annually) and allowed to occupy certain facilities and use certain equipment and retail sale of aviation fuel in return for providing maintenance and operation of Jennings Airport. Riceland further agreed to pay the District \$.05 per gallon of aviation fuel sold by Riceland on airport property.

NOTE 16: Changes in Contributed Capital

The following is a summary of changes in contributed capital:

	Donated Assets	Capital Grants
Balance, Beginning of Year	\$ 751,325	\$ 5,742,884
Additions:		
Federal Aviation Administration	-	-
Dept of Transportation and Development	-	156,119
	-	156,119
Balance, End of Year	\$ 751,325	\$ 5,899,003

NOTE 17: Subsequent Events

As of April 30, 2012, the District had two construction projects in progress.

**INTERNAL CONTROL
AND
COMPLIANCE**

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August 15, 2012

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

To the Board of Commissioners
Airport District No. 1 of Jefferson Davis Parish
Jennings, Louisiana

We have audited the financial statements of the business-type activities of the Airport District No. 1 of Jefferson Davis Parish, Jennings, Louisiana, as of and for the year ended April 30, 2012, and have issued our report thereon dated August 15, 2012. We conducted our 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.

Internal Control Over Financial Reporting

Management of Airport District No. 1 of Jefferson Davis Parish is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Airport District No. 1 of Jefferson Davis Parish's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Airport District No. 1 of Jefferson Davis Parish's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Airport District No. 1 of Jefferson Davis Parish's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Airport District No. 1 of Jefferson Davis Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Commissioners, state awarding agencies, and the Legislative Auditor's office of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document, therefore its distribution is not limited.

Broadhurst, Hamilton & Company

BROADHURST, HAMILTON & COMPANY

Certified Public Accountants

SCHEDULE OF FINDINGS AND RESPONSES
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012

SECTION 1 — SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. Auditor's Report

An unqualified opinion has been issued on the Airport District No.1 of Jefferson Davis Parish as of and for the year ended April 30, 2012.

2. Internal Control Deficiencies – Financial Reporting

No control deficiencies were noted during the audit of the financial statements.

3. Material Noncompliance – Financial Reporting

No instances of noncompliance material to the financial statements of the Airport District No. 1 of Jefferson Davis Parish, which would be required to be reported in accordance with **Government Auditing Standards**, were disclosed during the audit.

B. Federal Awards

This section is not applicable for the year ended April 30, 2012.

SECTION II – FINANCIAL STATEMENT FINDINGS RELATING TO AN AUDIT IN ACCORDANCE WITH GOVERNMENTAL STANDARDS

No findings material to the basic financial statements of the Airport District No. 1 of Jefferson Davis Parish were noted during the audit.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

This section is not applicable for the year ended April 30, 2012.

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED APRIL 30, 2011

SECTION I – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

This section is not applicable.

SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

This section is not applicable.

SECTION III – MANAGEMENT LETTER

This section is not applicable.