



**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Voinovich Government Center
242 Federal Plaza West
Suite 302
Youngstown, Ohio 44503
Telephone 330-797-9900
800-443-9271
Facsimile 330-797-9949
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Western Reserve Port Authority
Trumbull County
1453 Youngstown-Kingsville Road NE
Vienna, Ohio 44473

To the Board of Directors:

We have audited the accompanying financial statements of Western Reserve Port Authority, Trumbull County, as of and for the year ended December 31, 2000. These financial statements are the responsibility of Western Reserve Port Authority'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 opinion.

As discussed in Note 1, the Western Reserve Port Authority prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Western Reserve Port Authority, as of December 31, 2000, and its combined cash receipts and cash disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2001 on our consideration of Western Reserve Port Authority's internal control over financial reporting and our 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 our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of Western Reserve Port Authority, taken as a whole. The accompanying schedule of federal awards expenditures 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the audit committee, management, Board of Directors, and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 27, 2001

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Intergovernmental - Mahoning County	\$177,684	\$36,112	\$213,796
Intergovernmental - Trumbull County	23,397	472,269	495,666
Intergovernmental - State		426,006	426,006
Intergovernmental - Federal		5,910,411	5,910,411
PFC Collections		88,668	88,668
Hangar Space Rental Fees	320,685		320,685
Fuel Flowage Fees	55,772		55,772
Landing, Ramp and Tie Down Fees	23,069		23,069
Terminal Space Rental Fees	77,050		77,050
Airline Landing Fees	36,424		36,424
Airline Ramp Parking Fees	5,785		5,785
Security Reimbursement Fees	11,105		11,105
Car Rental Proceeds	144,972		144,972
Parking Proceeds	42,524		42,524
Air Force Reserves Lease	67,500		67,500
Utility Reimbursement Fees	5,708		5,708
Earnings on Investments	29,080		29,080
Administrative Fees	65,000		65,000
Other Non-Aviation Receipts	11,007		11,007
Miscellaneous Cash Receipts	8,282		8,282
Total Cash Receipts	1,105,044	6,933,466	8,038,510

(Continued)

WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000
(Continued)**

	<u>Governmental Fund Types</u>		Totals
	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only)</u>
Cash Disbursements:			
Administrative:			
Personal Services	344,760		344,760
Employer's PERS and Medicare	51,782		51,782
Hospitalization and Insurance	61,044		61,044
Personal Fringe Benefits	32,920		32,920
Construction, Operation and Maintenance:			
Federal Grant Improvement Projects:			
Federal Portion		5,908,689	5,908,689
State Portion		39,020	39,020
Local Portion		617,501	617,501
Professional Fees	45,260		45,260
Security	163,684		163,684
Travel, Education and Meetings	3,461		3,461
Advertising and Promotion	18,407		18,407
Insurance	42,023		42,023
Utilities	206,681		206,681
Repairs and Maintenance	100,240		100,240
Contractual Services	95,684	530,627	626,311
Supplies and Materials	44,128		44,128
Fuel, Oil, Etc.	17,652		17,652
Equipment Purchases	1,420		1,420
Office Supplies	5,246		5,246
Postage	625		625
Miscellaneous Cash Disbursements	12,658		12,658
Total Cash Disbursements	1,247,675	7,095,837	8,343,512
Excess of Cash Receipts Over/(Under)			
Cash Disbursements Before Other			
Financing Sources/(Uses)	(142,631)	(162,371)	(305,002)
Other Financing Sources/(Uses):			
Transfers In		52,196	52,196
Transfers Out		(52,196)	(52,196)
Advances In		41,500	41,500
Advances Out	(41,500)		(41,500)
Other Financing Sources		101,914	101,914
Other Financing Uses		(91,722)	(91,722)
Total Other Financing Sources/(Uses)	(41,500)	51,692	10,192
Excess of Cash Receipts Over/(Under)			
Cash Disbursements	(184,131)	(110,679)	(294,810)
Fund Cash Balance - January 1, 2000	280,354	389,235	669,589
Fund Cash Balance - December 31, 2000	\$96,223	\$278,556	\$374,779
Reserve for Encumbrances - December 31, 2000	\$17,222		\$17,222

The notes to the financial statements are an integral part of this statement.

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND CASH BALANCES - ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Timken Project</u>
Non-Operating Cash Receipts:	
Intergovernmental - State	\$150,000
Miscellaneous Cash Receipts	<u>282,253</u>
Total Non-Operating Cash Receipts	<u>432,253</u>
Non-Operating Cash Disbursements:	
Capital Lease Payments	282,253
Miscellaneous Cash Disbursements	<u>150,000</u>
Total Non-Operating Cash Disbursements	<u>432,253</u>
Excess of Non-Operating Cash Receipts Over/ (Under) Non-Operating Cash Disbursements	<u>0</u>
Fund Cash Balance - January 1, 2000	<u>0</u>
Fund Cash Balance - December 31, 2000	<u><u>\$0</u></u>

The notes to the financial statements are an integral part of this statement.

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**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Western Reserve Port Authority (the Port Authority) is a body corporate and politic created under the provisions of Revised Code Section 4582.202, and established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Port Authority operates under the direction of an appointed eight member Board of Directors established under the provisions of Revised Code Section 4582.27. The Mahoning County and Trumbull County Boards of County Commissioners each appoint four Directors. The Port Authority is responsible for the safe and efficient operation and maintenance of the Youngstown-Warren Regional Airport. An appointed director of aviation is responsible for the operation of the Airport. The Board contracted with the Office of the Mahoning County Auditor to provide fiscal controls over the resources of the funds described below beginning in 2000. However, the Port Authority is ultimately responsible over all fiscal matters of the Youngstown-Warren Regional Airport.

The Port Authority's management believes these financial statements present all of the funds and activities for which the Port Authority is financially accountable.

B. Basis of Accounting

The Port Authority's financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred.

The Port Authority's financial statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

D. Fund Accounting

The Port Authority uses fund accounting to segregate cash and investments that are restricted as to use. The Port Authority classifies its funds into the following types:

Governmental Fund Types

General Fund

The General Fund is the general operating fund of the Port Authority. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund.

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Special Revenue Funds

These funds are utilized to account for proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to disbursements for specified purposes. The Port Authority established these funds to account for the financial activity of the Port Authority's Airport Improvement Program Federal Assistance Grants. These Funds' receipts are received from the Federal Aviation Administration, the State of Ohio, and local moneys representing matching requirements. These proceeds are only to be utilized for construction and/or improvement of Port Authority facilities.

Proprietary Fund Type

Enterprise Fund

This Fund is utilized to account for the activity of the Timken Latrobe Steel Distribution Project described in Note 5.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Directors must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1.

3. Encumbrances

The Ohio Revised Code requires the Port Authority to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2000 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisition of property, plant, and equipment are recorded as disbursements when paid. These items are not reflected as assets on the financial statements.

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

G. Accumulated Unpaid Vacation and Sick Pay

The Port Authority full-time employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Port Authority.

H. Total Columns on Financial Statements

Total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to a consolidation. Interfund-type eliminations have not been made in the aggregation of this data.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Port Authority cash and investments are maintained by Mahoning County. The Ohio Revised Code prescribes allowable deposits and investments and Mahoning County is responsible for such compliance. The carrying amount of the Port Authority's share of Mahoning County's cash and investments pool at December 31, 2000 was \$374,779. As of December 31, 2000, Mahoning County had secured its deposits in accordance with State statutes.

3. BUDGETARY ACTIVITY

Budgetary activity for the year ending December 31, 2000 follows:

Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,350,964	\$1,105,044	(\$245,920)
Special Revenue	7,087,576	7,087,576	0
Enterprise	432,253	432,253	0
Total	\$8,870,793	\$8,624,873	(\$245,920)

Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,350,964	\$1,264,897	\$86,067
Special Revenue	7,239,755	7,239,755	0
Enterprise	432,253	432,253	0
Total	\$9,022,972	\$8,936,905	\$86,067

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000
(Continued)**

4. CONTRACTUAL OBLIGATION

The Board of Directors entered a contractual agreement on September 4, 1998, that leases airport property to the Cafaro Company (Company) to construct a hangar on the property for private use. Included in the agreement is language permitting the Company to improve the area around the hangar which such improvements are necessary and essential to the operation of the hangar and the immediate area. The agreement provides that the Company will pay for the improvements and associated costs, but will require reimbursement from the Port Authority once the improvements are completed. Repayment shall consist of minimum equal monthly installments of five hundred, twenty dollars per month, over a five-year period, with interest accruing at eleven per cent per annum. At the end of the five-year period, the Port Authority will make a final payment equal to the unamortized amount of the obligation. The Company has submitted a completion cost billing to the Port Authority in the amount of two hundred sixty-nine thousand, two hundred seventy-five dollars and 62/100 (\$269,275.62). The Port Authority has not agreed to the bill and the matter is the subject of ongoing negotiations between the Port Authority and the Company. However, the Port Authority began making monthly payments in January 2000 and met the current requirements of this obligation in 2000. The Port Authority pays this obligation from general operating revenues.

5. TIMKEN LATROBE STEEL DISTRIBUTION PROJECT - CAPITAL LEASE OBLIGATION

The Port Authority participated with the State of Ohio, through the Director of Development (Director), in the Timken Latrobe Steel Distribution (Timken) Project (Project) that consisted of assisting Timken retain its operations in the Mahoning Valley by providing financial resources to Timken to acquire a site, construct a building, and equip and furnish the same.

The Port Authority's involvement in the Project consisted of obtaining a \$150,000 Development Grant from the Ohio Department of Development (ODOD). The Director obtained \$6,185,000 in State Economic Development Revenue Bonds (8.64% - 20 years) through the Ohio Enterprise Bond Fund, and obtained a \$3,000,000 Loan (2% - 20 Years) from ODOD's 166 Direct Loan Program. The Port Authority passed through the proceeds of the Grant to the Director who administered the Project and retained ownership of the land, improvements, facilities, and equipment.

The Director let a 20-year capital lease to the Port Authority for the land, improvements, facilities, and equipment. Quarterly lease payments by the Port Authority meet the amounts needed to service the debt, including interest and fiscal charges, on the Bonds and the Loan. The Port Authority subleased the same to Timken who will make monthly lease payments meeting the amounts of the Port Authority's lease requirements. In the event of default by Timken, the Port Authority shall not have any liability under or in respect of its performances of the lease agreement. At such time, the Director will terminate the lease agreement and exclude the Port Authority from possession of the Project.

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000
(Continued)**

**5. TIMKEN LATROBE STEEL DISTRIBUTION PROJECT - CAPITAL LEASE OBLIGATION -
(Continued)**

Future lease payments paid by Timken to the Port Authority, and subsequently paid by the Port Authority to the Director, follow:

Year	Amount
2001	\$747,002
2002	875,704
2003	873,324
2004	874,628
2005	874,509
2006 - 2020	<u>12,693,518</u>
Total	<u>\$16,938,685</u>

6. RETIREMENT SYSTEMS

Port Authority employees are members of the Public Employees Retirement System of Ohio (PERS) which is a state operated, cost sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides post retirement health care, and survivor and disability benefits to vested employees as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For the period January 1, 2000 through December 31, 2000, PERS members contributed 8.5% of their gross salaries. The Port Authority contributed an amount equal to 10.84% of the members gross salaries. The Port Authority has paid PERS for all contributions required through December 31, 2000.

7. RISK MANAGEMENT

The Port Authority maintains comprehensive insurance coverage with private carriers for real property, building contents, vehicles and general airport liability. Vehicle policies include liability coverage for bodily injury and property damage. Real property and building contents are 90% coinsured. The Port Authority has also obtained commercial insurance for its general liability risks and its public officials' liability risks. The Authority also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2000**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Disbursements
<u>U.S. DEPARTMENT OF TRANSPORTATION/ Federal Aviation Administration:</u>				
Airport Improvement Program	3-39-0096-2298	20.106	\$395,460	\$351,182
	3-39-0096-2399		5,348,389	5,390,945
	3-39-0096-2400		166,562	166,562
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u>\$5,910,411</u>	<u>\$5,908,689</u>

The accompanying notes to this schedule are an integral part of this schedule.

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
DECEMBER 31, 2000**

NOTE A--SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Port Authority's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B-- MATCHING REQUIREMENTS

Certain federal programs require that the Port Authority contribute non-federal funds (matching funds) to support the federally-funded programs. The Port Authority has complied with the matching requirements. The expenditure of non-federal matching funds is not included on the Schedule.

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Voinovich Government Center
242 Federal Plaza West
Suite 302
Youngstown, Ohio 44503
Telephone 330-797-9900
800-443-9271
Facsimile 330-797-9949
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Western Reserve Port Authority
Trumbull County
1453 Youngstown-Kingsville Road NE
Vienna, Ohio 44473

To the Board of Directors:

We have audited the financial statements of Western Reserve Port Authority, Trumbull County, as of and for the year ended December 31, 2000 and have issued our report thereon dated June 27, 2001. 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.

Compliance

As part of obtaining reasonable assurance about whether Western Reserve Port Authority's financial statements are free of material misstatement, we 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 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 that are required to be reported under *Government Auditing Standards*. However, we noted immaterial instances that we have reported to management of Western Reserve Port Authority in a separate letter dated June 27, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Western Reserve Port Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our 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. 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 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of Western Reserve Port Authority in a separate letter dated June 27, 2001.

Western Reserve Port Authority
Trumbull County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the audit committee, management, Board of Directors, and federal and state awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 27, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Voinovich Government Center
242 Federal Plaza West
Suite 302
Youngstown, Ohio 44503
Telephone 330-797-9900
800-443-9271
Facsimile 330-797-9949
www.auditor.state.oh.us

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

Western Reserve Port Authority
Trumbull County
1453 Youngstown-Kingsville Road NE
Vienna, Ohio 44473

To the Board of Directors:

Compliance

We have audited the compliance of Western Reserve Port Authority, Trumbull County, 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 its major federal program for the year ended December 31, 2000. Western Reserve Port Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Western Reserve Port Authority's management. Our responsibility is to express an opinion on Western Reserve Port Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about Western Reserve Port Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Western Reserve Port Authority's compliance with those requirements.

In our opinion, Western Reserve Port Authority complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 2000.

Internal Control Over Compliance

The management of Western Reserve Port 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 our audit, we considered Western Reserve Port 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 our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our 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. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the audit committee, management, Board of Directors, and federal awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 27, 2001

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505**

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY
DECEMBER 31, 2000**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs:	Airport Improvement Program - CFDA #20.106
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

Finding Number	None
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3. FINDINGS FOR FEDERAL AWARDS

Finding Number	None
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SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)

WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY
DECEMBER 31, 2000

Finding Number	Finding Summary	Fully Corrected?	Status
1999-21178-001	Ohio Revised Code § 149.43(B) - Certain of the Port Authority's financial records were not promptly prepared.	Yes	
1999-21178-002	OMB Circular A-133, Subpart C, Section 320 - Data collection form and reporting package for 1999 were not submitted, within thirteen months after the end of the audit period.	Yes	
1999-21178-003	Reference GAGAS Finding #1999-21178-001 above. This Finding is also required to be reported in accordance with OMB Circular A-133.	Yes	
1999-21178-004	Reference GAGAS Finding #1999-21178-002 above. This Finding is also required to be reported in accordance with OMB Circular A-133.	Yes	



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

WESTERN RESERVE PORT AUTHORITY

TRUMBULL COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 24, 2001**