



**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

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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, 1999. 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 generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that 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, 1999, 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 March 2, 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.

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

March 2, 2001

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**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, 1999**

	<u>Governmental Fund Types</u>		Totals
	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only)</u>
Cash Receipts:			
Intergovernmental - Counties	\$176,603	\$1,294,794	\$1,471,397
Intergovernmental - State		393,979	393,979
Intergovernmental - Federal		11,529,716	11,529,716
PFC Collections		110,419	110,419
Hangar Space Rental	281,365		281,365
Fuel Flowage Fees	75,039		75,039
Landing, Ramp and Tie Down Fees	40,627		40,627
Terminal Space Rental	92,396		92,396
Airline Landing Fees	62,103		62,103
Airline Ramp Parking Fees	13,253		13,253
Security Reimbursement Fees	10,101		10,101
Car Rental Proceeds	163,587		163,587
Parking Proceeds	72,359		72,359
Air Force Reserves Lease	67,500		67,500
Utility Reimbursement	15,404		15,404
Interest Earned	4,697		4,697
Administrative Fees Earned	2,100		2,100
Other Non-Aviation Receipts	14,968		14,968
Miscellaneous	1,797		1,797
Total Cash Receipts	1,093,899	13,328,908	14,422,807
Cash Disbursements:			
Administrative:			
Personal Services	352,146		352,146
Employer's PERS and Medicare	28,902		28,902
Hospitalization and Insurance	69,852		69,852
Personal Fringe Benefits	46,204		46,204
Construction, Operation and Maintenance:			
Federal Grant Improvement Projects:			
Federal Portion		11,525,785	11,525,785
State Portion		233,595	233,595
Local Eligible		1,114,234	1,114,234

**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, 1999
(Continued)**

	<u>Governmental Fund Types</u>		Totals
	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only)</u>
Cash Disbursements - (Continued):			
Professional Fees	69,463		69,463
Security	151,977		151,977
Travel, Education and Meetings	7,083		7,083
Advertising and Promotion	10,263		10,263
Insurance	33,995		33,995
Utilities	234,910		234,910
Repairs and Maintenance	91,313		91,313
Contractual Services	55,387		55,387
Supplies and Materials	28,847		28,847
Fuel, Oil, Etc.	13,711		13,711
Equipment Purchases	54,737		54,737
Office Supplies	4,961		4,961
Postage	493		493
Miscellaneous Cash Disbursements	3,756		3,756
Total Cash Disbursements	1,258,000	12,873,614	14,131,614
Excess of Cash Receipts Over/(Under) Cash Disbursements Before Interfund Transfers and Advances	(164,101)	455,294	291,193
Interfund Transfers and Advances:			
Transfers In	41,172	1	41,173
Transfers Out	(1)	(41,172)	(41,173)
Advances In	217,244	3,956	221,200
Advances Out	(3,956)	(217,244)	(221,200)
Other Financing Sources	11,017		11,017
Total Interfund Transfers and Advances	265,476	(254,459)	11,017
Excess of Cash Receipts Over/(Under) Cash Disbursements	101,375	200,835	302,210
Fund Cash Balance - January 1, 1999	178,981	188,400	367,381
Fund Cash Balance - December 31, 1999	\$280,356	\$389,235	\$669,591

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, 1999**

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. An appointed director of aviation is responsible for the operation of the airport facilities. An appointed administrative assistant is responsible for fiscal control of the resources of the Port Authority that the Port Authority maintains in the funds described below. The Port Authority is responsible for the safe and efficient operation and maintenance 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:

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, 1999
(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.

E. 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.

F. 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.

G. 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 maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

Demand deposits	\$278,232
Repurchase agreements	<u>391,359</u>
Total deposits and investments	<u>\$669,591</u>

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Investments: Repurchase Agreements are uninsured and unregistered investments for which the securities are held by the counterparty, or its trust department or agent, but not in the Port Authority's name.

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999
(Continued)**

3. CONTRACTUAL OBLIGATION

The Board of Directors entered into a contractual agreement on September 4, 1998, that leases airport property to the Cafaro Company (Company) and that allows the 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. 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 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.

4. 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, 1999 through December 31, 1999, PERS members contributed 8.5% of their gross salaries. The Port Authority contributed an amount equal to 13.55% of the members gross salaries. The Port Authority has paid PERS for all contributions required through December 31, 1999.

5. 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, 1999**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Disbursements
<u>U.S. DEPARTMENT OF TRANSPORTATION/</u>				
<i>Federal Aviation Administration:</i>				
Airport Improvement Program	3-39-0096-1997	20.106	\$376,211	\$369,781
	3-39-0096-2198		7,863	7,864
	3-39-0096-2298		1,292,504	1,291,046
	3-39-0096-2399		<u>9,853,138</u>	<u>9,857,094</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u>\$11,529,716</u>	<u>\$11,525,785</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, 1999**

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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**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, 1999 and have issued our report thereon dated March 2, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as items 1999-21178-001 and 1999-21178-002. We also noted an immaterial instance of noncompliance that we have reported to management of Western Reserve Port Authority in a separate letter dated March 2, 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Western Reserve Port Authority's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Schedule of Findings as item 1999-21178-001.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses.

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

However, we consider the reportable condition described above to be a material weakness. We also 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 March 2, 2001.

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

March 2, 2001



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**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, 1999. 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 generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that 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, 1999. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings as item 1999-21178-004.

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.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect Western Reserve Port Authority's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying schedule of findings as item 1999-21178-003.

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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above, item 1999-21178-003 to be a material weakness. We also noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of Western Reserve Port Authority in a separate letter dated March 2, 2001.

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

March 2, 2001

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

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY
DECEMBER 31, 1998**

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

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

Finding Number	1999-21178-001
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**Noncompliance Citation
Material Weakness**

Ohio Revised Code § 149.43(B) provides that all public records shall be promptly prepared and made available for inspection to any person at all reasonable times during regular business hours. Upon request, a person responsible for public records shall make copies available at cost, within a reasonable period of time. In order to facilitate broader access to public records, governmental units shall maintain public records in a manner that they can be made available for inspection in accordance with this division.

The following Port Authority accounting records for 1999 were not promptly prepared and, accordingly, were not made available for inspection within a reasonable period:

- Annual financial report for 1999;
- Cash journal;
- Receipt and disbursement ledgers;
- Receipts;
- Federal program subsidiary ledger ;
- Supporting financial reports (i.e. cash reconciliations).

The lack of such accounting records is detrimental to the Board of Director's ability to monitor the Port Authority's financial activity, to identify, assemble, classify, analyze and record all valid transactions, as well as to provide information necessary to manage the Port Authority. Because of these deficiencies, the financial records had to be reconstructed to prepare the annual financial report (e.g., a detailed accounting of the Port Authority's federal programs receipt and disbursement transactions was created; monthly cash reconciliations were recapitulated using accurate fund balance amounts).

We recommend the Board of Directors carefully review this matter and create policies and/or procedures that ensure the Port Authority's financial records are prepared timely which would facilitate the Board's monitoring of the Port Authority's financial activity and provide the Board necessary information to manage the Port Authority. Furthermore, these policies and/or procedures may also assist the Port Authority in complying with certain applicable Revised Code provisions.

Finding Number	1999-21178-002
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Noncompliance Citation

OMB Circular A-133, Subpart C, Section 320, provides in part, that the audit shall be completed and the data collection form described in paragraph (b) of this section and reporting package described in paragraph (c) of this section shall be submitted within nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit. (However, for fiscal years beginning on or before June 30, 1998, auditees shall have 13 months after the end of the audit period to complete the audit and submit the reporting package.)

OMB Circular A-133 required the Port Authority to have a single audit for 1999 since it had federal award expenditures exceeding \$300,000. This audit was not completed, and the Port Authority did not submit the above described data collection form and reporting package for 1999, within thirteen months after the end of the audit period. This occurred due to the condition of the Port Authority's financial records described in #1999-21178-001.

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
(Continued)

3. FINDINGS FOR FEDERAL AWARDS

Material Weakness

Finding Number	1999-21178-003
CFDA Title and Number	Airport Improvement Program - CFDA #20.106
Federal Award Number / Year	All Grants reflected in Schedules of Federal Award Expenditures
Federal Agency	U.S. Department of Transportation/ Federal Aviation Administration
Pass-Through Agency	Non-Applicable

Reference GAGAS Finding #1999-21178-001 above. This Finding is also required to be reported in accordance with OMB Circular A-133.

Noncompliance Citation

Finding Number	1999-21178-004
CFDA Title and Number	Airport Improvement Program - CFDA #20.106
Federal Award Number / Year	All Grants reflected in Schedules of Federal Award Expenditures
Federal Agency	U.S. Department of Transportation/ Federal Aviation Administration
Pass-Through Agency	Non-Applicable

Reference GAGAS Finding #1999-21178-002 above. This Finding is also required to be reported in accordance with OMB Circular A-133.

**WESTERN RESERVE PORT AUTHORITY
TRUMBULL COUNTY
DECEMBER 31, 1999**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)**

Finding Number	Finding Summary	Fully Corrected?	Status
1998-21178-001	Ohio Rev. Code Section 4582.58 - No evidence the Board of Directors approved contracts let by competitive bid for four of the nine contracts tested.	Yes	
1998-21178-002	OMB Circular A-133, Subpart C, Section 320 - Data collection form and reporting package for 1997 were not submitted, within thirteen months after the end of the audit period.	No	Corrected for 2000. Mahoning County obtained fiscal responsibility for the Port Authority in March 2000 and financial records are being maintained more accurately and completely.
1998-21178-003	Various receipting internal control weaknesses.	No	Corrected for 2000. Mahoning County obtained fiscal responsibility for the Port Authority in March 2000 and financial records are being maintained more accurately and completely.
1998-21178-004	Various procurement internal control weaknesses.	Yes	
1998-21178-005	Reference GAGAS Finding #1998-21178-002 above. This Finding is also required to be reported in accordance with OMB Circular A-133.	No	Reference GAGAS Finding #1998-21178-002 above. This Finding is also required to be reported in accordance with OMB Circular A-133.
1998-21178-006	Reference GAGAS Finding #1998-21178-003 above. This Finding is also required to be reported in accordance with OMB Circular A-133.	No	Reference GAGAS Finding #1998-21178-003 above. This Finding is also required to be reported in accordance with OMB Circular A-133.



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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
APRIL 3, 2001**