



Dave Yost • Auditor of State

**REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter	1
Independent Accountants' Report.....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 2010	5
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 2009	6
Notes to the Financial Statements	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	11

This page intentionally left blank.



Dave Yost • Auditor of State

Regional Airport Authority
Williams County
117 West Maple Street
Bryan, Ohio 43506-1691

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

July 26, 2011

This page intentionally left blank.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Regional Airport Authority
Williams County
117 West Maple Street
Bryan, Ohio 43506-1691

To the Board of Trustees:

We have audited the accompanying financial statements of the Regional Airport Authority, Williams County, Ohio (the Authority), as of and for the years ended December 31, 2010 and 2009. These financial statements are the responsibility of the 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Authority has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Authority's larger (i.e. major) funds separately. While the Authority does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Authority has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2010 and 2009 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Authority as of December 31, 2010 and 2009 or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of Regional Airport Authority, Williams County, as of December 31, 2010 and 2009, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Authority has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 26, 2011, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

July 26, 2011

**REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Total Funds</u>
Cash Receipts:			
County Contributions	\$45,000		\$45,000
Grants		\$69,305	69,305
Rental Income	10,025		10,025
Investment Income	2		2
Miscellaneous	300		300
	<hr/>		<hr/>
Total Cash Receipts	55,327	69,305	124,632
Cash Disbursements:			
Current:			
Transportation:			
Salaries	17,262		17,262
Medicare	136		136
PERS	2,158		2,158
Supplies	1,102		1,102
Contracts - Repair	2,602		2,602
Contracts - Services	17,089	23,414	40,503
Rentals	564		564
Advertising and Printing	11		11
Insurance	4,500		4,500
Miscellaneous	5,215		5,215
Capital Outlay	6,132	25,175	31,307
	<hr/>		<hr/>
Total Cash Disbursements	56,771	48,589	105,360
Total Receipts Over/(Under) Disbursements	(1,444)	20,716	19,272
Fund Cash Balances, January 1	5,028		5,028
	<hr/>		<hr/>
Fund Cash Balances, December 31	<u>\$3,584</u>	<u>\$20,716</u>	<u>\$24,300</u>

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

**REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Total Funds</u>
Cash Receipts:			
County Contributions	\$47,404		\$47,404
Grants	1,995	\$202,899	204,894
Rental Income	5,000		5,000
Investment Income	5		5
Miscellaneous	19,530		19,530
	<u>73,934</u>	<u>202,899</u>	<u>276,833</u>
Cash Disbursements:			
Current:			
Supplies	457		457
Contracts - Repair	4,788		4,788
Contracts - Services	33,495	28,083	61,578
Rentals	1,764		1,764
Advertising and Printing	10		10
Auditing Fees	1,684		1,684
Insurance	5,250		5,250
Miscellaneous	2,791	27	2,818
Capital Outlay	18,713	180,500	199,213
	<u>68,952</u>	<u>208,610</u>	<u>277,562</u>
Total Cash Disbursements	<u>68,952</u>	<u>208,610</u>	<u>277,562</u>
Total Receipts Over/(Under) Disbursements	4,982	(5,711)	(729)
Fund Cash Balances, January 1	<u>46</u>	<u>\$5,711</u>	<u>5,757</u>
Fund Cash Balances, December 31	<u>\$5,028</u>	<u>\$5,028</u>	<u>\$5,028</u>

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

**REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Regional Airport Authority, Williams County, Ohio (the Authority), as a body corporate and politic. The Williams County Commissioners appoints seven Board members to direct the Authority. The Authority is responsible for the safe and efficient operation and maintenance of the Regional Airport Authority.

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

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Authority recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Deposits and Investments

As the Ohio Revised Code permits, the Williams County Treasurer holds the Authority's deposits as the Authority's custodian. The County holds the Authority's assets in its investment pool, valued at the Treasurer's reported carrying amount.

D. Fund Accounting

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

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Authority had the one significant Special Revenue Fund:

Federal Aviation Administration (FAA) Grant fund – This fund accounts for the financial activity of a grant received from the FAA, The purpose of which was to improve the airport facilities.

E. Property, Plant, and Equipment

The Authority records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009
(Continued)**

2. Change In Fund Structure

A grant was received from the Federal Aviation Administration (FAA) in 2008. This activity was accounted for in the General Fund rather than a separate fund. The Authority established a separate fund for this grant in 2009. This change had the following effect on the fund balance:

	General Fund	Special Revenue Fund
Fund Balance at December 31, 2008	\$ 5,757	
Change in Fund Structure	(5,711)	\$ 5,711
Restated Fund Balance at January 1, 2009	\$ 46	\$ 5,711

3. Retirement System

The Authority's full-time employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes the Plan's retirement benefits, including postretirement healthcare and survivor and disability benefits to participants.

The Ohio Revised Code also prescribes contribution rates. For 2010 and 2009, OPERS members contributed 10% of their gross salaries and the Authority contributed an amount equaling 14%, of participants' gross salaries. The Authority has paid all contributions required through December 31, 2010.

4. Risk Management

Commercial Insurance

The Authority has obtained commercial insurance for the following risks:

- Bodily Injury and property damage liability;
- Personal and advertising injury liability;
- Medical payments;
- Hangar keepers liability; and
- Non-owned aircraft liability;
- General Liability.

**REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009
(Continued)**

5. Contingent Liabilities

Amounts grantor agencies pay to the Authority are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

6. Related Party Transactions

The chairman of the Board of Trustees is a part owner of a lawyer firm named Newcomer, Shaffer, Spangler, & Breininger. This firm provided legal services to the Authority toward the purchase of land. The firm received \$375 for such services.

This page intentionally left blank.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Regional Airport Authority
Williams County
117 West Maple Street
Bryan, Ohio 43506

To the Board of Trustees:

We have audited the financial statements of the Regional Airport Authority, Williams County, Ohio (the Authority), as of and for the years ended December 31, 2010 and 2009 and have issued our report thereon dated July 26, 2011 wherein we noted the Authority followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Authority'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, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and timely corrected.

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 material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Authority's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Regional Airport Authority
Williams County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We did note certain matters not requiring inclusion in this report that we reported to the Authority's management in a separate letter dated July 26, 2011.

We intend this report solely for the information and use of management, the Board of Trustees and others with the Authority. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "Y" and a long tail on the "o".

Dave Yost
Auditor of State

July 26, 2011



Dave Yost • Auditor of State

WILLIAMS REGIONAL AIRPORT AUTHORITY

WILLIAMS 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
AUGUST 11, 2011**