



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Lakefield Airport Authority
Mercer County
6177 State Route 219
Celina, Ohio 45822

We have performed the procedures enumerated below, with which the Authority Board and the management of Lakefield Airport Authority (the Airport) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2016 and 2015, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash

1. We tested the mathematical accuracy of the December 31, 2016 and December 31, 2015 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2015 beginning fund balances recorded in the 2015 Balance Sheet (detailed) to the December 31, 2014 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2016 beginning fund balances recorded in the 2016 Balance Sheet (detailed) to the December 31, 2015 balances in the 2015 Balance Sheet (detailed). We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2016 and 2015 fund cash balances reported in the Balance Sheet (detailed). The amounts agreed.
4. We confirmed the December 31, 2016 bank account balances with the Airport's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2016 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2016 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the Balance Sheet (detailed), to determine the debits were dated prior to December 31. We noted no exceptions.

6. We selected all reconciling credits (such as deposits in transit) haphazardly from the December 31, 2016 bank reconciliation:
 - a. We traced each credit to the subsequent January bank statement. We found no exceptions.
 - b. We agreed the credit amounts to the Balance Sheet (detailed). Each credit was recorded as a December receipt for the same amount recorded in the reconciliation.
7. We tested interbank account transfers occurring in December of 2016 and 2015 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected all receipts from the County Auditor's Audit Trail by Vendor Report from 2016 and all from 2015.
 - a. We compared the amount from the above report to the amount recorded in the Profit and Loss Detail Report. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
2. We confirmed the amounts paid from the FAA Grant to the Airport during 2016 and 2015 with the 2016 and 2015 bank statements. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Sale of Fuel Receipts

We haphazardly selected 10 sale of fuel cash receipts from the year ended December 31, 2016 and 10 sale of fuel cash receipts from the year ended 2015 recorded in the Daily Transaction Report and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Profit and Loss Detail Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Rent Receipts

We haphazardly selected 10 rent cash receipts from the year ended December 31, 2016 recorded in the 2016 Hangar Rent Received Spreadsheet and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Profit and Loss Detail Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Debt

1. From the prior audit documentation, we noted the following loan outstanding as of December 31, 2014. These amounts agreed to the Airport's January 1, 2015 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2014:
Fuel Loan	\$17,430

2. We inquired of management, and scanned the Profit and Loss Detail Report and Balance Sheet (detailed) for evidence of debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of loan debt activity for 2016 and 2015 and agreed payments from the related Memorandum of Understanding with Mercer County Commissioners to General fund payments reported in the Profit and Loss Detail Report. We also compared the date the debt service payments were due to the date the Airport made the payments. We found no exceptions.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Balance Sheet (detailed) for the year ended December 31, 2016 and ten from the year ended 2015 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Balance Sheet (detailed) and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the Airport filed their financial information within the allotted timeframe for the years ended December 31, 2016 and 2015. No exceptions were noted.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Airport's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the Airport, and is not intended to be, and should not be used by anyone 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 initial "D" and a long, sweeping tail on the "y".

Dave Yost
Auditor of State

Columbus, Ohio

March 20, 2017



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LAKEFIELD AIRPORT AUTHORITY

MERCER 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 4, 2017