



**WOOD COUNTY REGIONAL AIRPORT AUTHORITY  
WOOD COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2000-1999**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



WOOD COUNTY REGIONAL AIRPORT AUTHORITY

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## REPORT OF INDEPENDENT ACCOUNTANTS

Wood County Regional Airport Authority  
1255 East Poe Road  
Bowling Green, Ohio 43402-9392

To the Board of Trustees:

We have audited the accompanying financial statements of the Wood County Regional Airport Authority (the Authority) as of and for the years ended December 31, 2000 and 1999. 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 audits in accordance with auditing standards generally accepted in the United States, 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 audits 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 audits provide a reasonable basis for our opinion.

As discussed in Note 1, the 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 cash balances of the Authority as of December 31, 2000 and 1999, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 12, 2001, 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 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.

This report is intended solely for the information and use of management, the Board of Trustees, and other officials authorized to receive this report under § 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

July 12, 2001

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**WOOD COUNTY REGIONAL AIRPORT AUTHORITY**  
**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND**  
**CHANGES IN CASH BALANCES**  
**FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

	<b>2000</b>	<b>1999</b>
<b>Cash Receipts:</b>		
County Contributions	\$60,000	\$160,000
Intergovernmental	\$9,782	\$12,494
Sale of Fuel	132,402	126,240
Rents	60,229	62,440
Sales Tax	5,816	1,994
Fees	1,555	94
Earnings on Investments	8,080	3,727
Miscellaneous	44,582	14,721
 Total Cash Receipts	 322,446	 381,710
<b>Cash Disbursements:</b>		
Salaries	72,253	74,380
Supplies and Materials	110,000	97,295
Repairs and Maintenance	9,322	7,886
Utilities	10,398	9,676
Sales Tax Remitted	9,973	3,168
Equipment	21,009	
Capital Outlay	26,742	26,521
Debt Service	17,000	103,283
Miscellaneous	28,130	32,418
 Total Cash Disbursements	 304,827	 354,627
 Total Receipts Over Disbursements	 17,619	 27,083
 Cash Balances, January 1	 131,638	 104,555
 <b>Cash Balances, December 31</b>	 <b>\$149,257</b>	 <b>\$131,638</b>

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

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**WOOD COUNTY REGIONAL AIRPORT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Wood County Regional Airport Authority (the Authority) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Authority is directed by a six member Board, appointed by the Wood County Commissioners. The Authority is responsible for the safe and efficient operation and maintenance of the airport.

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

**B. Basis of Accounting**

These 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.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

The investment in STAR Ohio is valued at amounts reported by the State Treasurer.

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. Property, Plant and Equipment**

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

**E. Unpaid Vacation and Sick Leave**

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 Authority.

**2. EQUITY IN CASH AND INVESTMENTS**

The carrying amount of cash and investments at December 31 was as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$32,483	\$27,918
STAR Ohio	116,774	103,720
Total deposits and investments	<u>\$149,257</u>	<u>\$131,638</u>

WOOD COUNTY REGIONAL AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation.

**Investments:** Investments in STAR Ohio funds are not evidenced by securities that exist in physical or book-entry form.

**3. DEBT**

Debt outstanding at December 31, 2000 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Farm Fuel Replacement Bond	<u>\$15,750</u>	5%

The Authority is obligated for a note payable to the Bowling Green State University. The bond is payable over a period of three years with the first payment being \$1,000,000 plus interest charged at 5% and the next two payments being \$15,000 plus interest of 5%.

Amortization of the above debt, including interest, is scheduled as follows:

	Farm Fuel Replacement Bonds
Year ending December 31, 2001	<u>\$15,750</u>

**4. RETIREMENT SYSTEM**

The Authority's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, PERS members contributed 8.5% of their gross salaries. The Authority contributed an amount equal to 13.55%, for 1999, and 10.84%, for 2000, of participants' gross salaries. The Authority has paid all contributions required through December 31, 2000.

**5. RISK MANAGEMENT**

The Authority has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

The Authority also provides health insurance coverage to full-time employees through a private carrier.



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

Wood County Regional Airport Authority  
1255 East Poe Road  
Bowling Green, Ohio 43402-9392

To the Board of Trustees:

We have audited the accompanying financial statements of the Wood County Regional Airport Authority (the Authority) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated July 12, 2001. We conducted our audits in accordance with auditing standards generally accepted in the United States, 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 the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, 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 audits 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 certain immaterial instances of noncompliance that we have reported to management of the Authority in a separate letter dated July 12, 2001.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the 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 the Authority in a separate letter dated July 12, 2001.

Wood County Regional Airport Authority  
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 management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

July 12, 2001

WOOD COUNTY REGIONAL AIRPORT AUTHORITY

SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2000 AND 1999

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
1998-60187-001	Ohio Revised Code §135.37	Yes	The Authority keeps the bank balance under \$100,000. The remainder is invested in STAR Ohio.





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**WOOD COUNTY REGIONAL AIRPORT AUTHORITY**

**WOOD 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 14, 2001**