



**REGIONAL AIRPORT AUTHORITY  
LICKING COUNTY**

**SINGLE AUDIT**

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



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

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**STATE OF OHIO**



**REGIONAL AIRPORT AUTHORITY  
LICKING COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Report of Independent Accountants .....	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balances, All Governmental Fund Types For the Year Ended December 31, 2000 .....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balances, All Governmental Fund Types For the Year Ended December 31, 1999 .....	4
Notes to the Financial Statements .....	5
Schedule of Federal Award Expenditures .....	9
Notes to the Schedule of Federal Award Expenditures .....	10
Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	11
Report on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 .....	13
Schedule of Findings .....	15

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STATE OF OHIO  
OFFICE OF THE AUDITOR  

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## REPORT OF INDEPENDENT ACCOUNTANTS

Board of Trustees  
Regional Airport Authority  
Licking County  
530 Heath Road  
Heath, Ohio 43056

We have audited the accompanying financial statements of the Regional Airport Authority, Licking County, Ohio, (the Authority), a component unit of Licking County, as of and for the years ended December 31, 2000 and December 31, 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 audits.

We conducted our audits 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 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 fund cash balances of the Regional Airport Authority, Licking County, Ohio, as of December 31, 2000 and December 31, 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 June 6, 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 audits.

Our audit was performed for the purpose of forming an opinion on the financial statements of the 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 2000 financial statement. Such information has been subjected to the auditing procedures applied in the audit for the December 31, 2000 financial statement and, in our opinion, is fairly stated, in all material respects, in relation to that financial statement taken as a whole.

This report is intended solely for the information and use of the management, 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

June 6, 2001

**REGIONAL AIRPORT AUTHORITY  
LICKING COUNTY**

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

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>			
Rent	\$71,500	\$0	\$71,500
Intergovernmental - Local	0	57,767	57,767
Intergovernmental - State	0	48,721	48,721
Intergovernmental - Federal	0	917,107	917,107
Interest	726	0	726
Fuel Add-On	7,968	0	7,968
Charges for Services	0	7,107	7,107
Miscellaneous	49	110	159
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	80,243	1,030,812	1,111,055
<b>Cash Disbursements:</b>			
Current:			
General Government	3,600	0	3,600
Public Works	56,575	8,007	64,582
Debt Service	44,084	0	44,084
Capital Outlay	0	1,028,871	1,028,871
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	104,259	1,036,878	1,141,137
Total Cash Receipts Over/(Under) Cash Disbursements	(24,016)	(6,066)	(30,082)
<b>Other Financing Receipts/(Disbursements):</b>			
Transfers-In	1,850	0	1,850
Transfers-Out	0	(1,850)	(1,850)
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts/(Disbursements)	1,850	(1,850)	0
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(22,166)	(7,916)	(30,082)
Fund Cash Balances, January 1, 2000	81,847	10,256	92,103
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31, 2000</b>	<b><u>\$59,681</u></b>	<b><u>\$2,340</u></b>	<b><u>\$62,021</u></b>

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

**REGIONAL AIRPORT AUTHORITY  
LICKING COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES  
IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>			
Rent	\$53,400	\$0	\$53,400
Intergovernmental - State	22,162	0	22,162
Intergovernmental - Federal	0	20,455	20,455
Interest	1,687	0	1,687
Fuel Add-On	7,672	0	7,672
 Total Cash Receipts	 84,921	 20,455	 105,376
<b>Cash Disbursements:</b>			
Current:			
General Government	3,600	0	3,600
Public Works	129,833	5,132	134,965
Capital Outlay	100	11,668	11,768
 Total Cash Disbursements	 133,533	 16,800	 150,333
 Total Cash Receipts Over/(Under) Cash Disbursements	 (48,612)	 3,655	 (44,957)
<b>Other Financing Receipts/(Disbursements):</b>			
Sale of Fixed Assets	2,225	0	2,225
Transfers-In	0	2,000	2,000
Transfers-Out	(2,000)	0	(2,000)
 Total Other Financing Receipts/(Disbursements)	 225	 2,000	 2,225
 Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	 (48,387)	 5,655	 (42,732)
 Fund Cash Balances, January 1, 1999	 130,234	 4,601	 134,835
 <b>Fund Cash Balances, December 31, 1999</b>	 <b>\$81,847</b>	 <b>\$10,256</b>	 <b>\$92,103</b>

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



**REGIONAL AIRPORT AUTHORITY  
LICKING COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Regional Airport Authority, Licking County, (the Authority), a component unit of Licking County, 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 ten member Board, appointed by the Licking 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. Fund Accounting**

**General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

**Capital Projects Fund**

This fund is used to account for financing resources to be used for the acquisition or construction of major capital projects from federal grants.

**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.

**2. EQUITY IN CASH**

The carrying amount of cash at December 31, 2000 and December 31, 1999 are as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	<u>\$ 62,021</u>	<u>\$ 92,103</u>

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

**REGIONAL AIRPORT AUTHORITY  
LICKING COUNTY**

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

**3. DEBT**

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
Airport Improvement Bonds - 1991	\$ 170,000	7%
Airport Improvement Bonds - 1998	330,000	5%
Total	\$ 500,000	

The Bonds above have been issued by Licking County and are general obligations of Licking County. The Licking County Commissioners pay principal and interest associated with the 1991 bonds. If funds are available from hanger rent, 1998 Improvement Bond obligations are to be paid by the Authority to Licking County. Licking County assumed payments in 1999. In 2000, the Authority made payments toward the 1998 Airport Improvement Bonds. The Authority paid \$14,100 in June 2000 and \$11,180 in December 2000 toward the 2000 obligation of the 1998 Improvement Bond. Additionally, the Authority reimbursed the County for \$18,804, which represents net amount of principal for 1999. The below schedule indicates what the Authority will pay to the County for the 1998 bond issue, if hanger fees are adequate to cover the payments.

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

Year ending December 31:	1998 Airport Improvement Bonds
2001	\$ 27,160
2002	26,640
2003	31,120
2004	30,340
2005	29,560
Subsequent	372,380
Total	\$ 517,200

**4. RISK MANAGEMENT**

The Authority has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and omissions

**REGIONAL AIRPORT AUTHORITY  
LICKING COUNTY**

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

**5. CONTINGENT LIABILITIES**

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

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**REGIONAL AIRPORT AUTHORITY  
LICKING COUNTY**

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

<u>Federal Grantor/ Pass Through Grantor Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Disbursements</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
Airport Improvement Program	AIP 3-39-0061-12	20.106	<u>\$1,028,871</u>
Total U.S. Department of Transportation			<u><b>1,028,871</b></u>
<b>Total</b>			<u><b>\$1,028,871</b></u>

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

**REGIONAL AIRPORT AUTHORITY  
LICKING COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARD EXPENDITURES  
DECEMBER 31, 2000**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - MATCHING REQUIREMENTS**

The Federal program requires that the Authority contribute non-Federal funds (matching funds) to support the Federally-funded program. The Authority has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



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

Board of Trustees  
Regional Airport Authority  
Licking County  
530 Heath Road  
Heath, Ohio 43056

We have audited the financial statements of the Regional Airport Authority, Licking County, Ohio (the Authority) as of and for the years ended December 31, 2000 and December 31, 1999, and have issued our report thereon dated June 6, 2001. We conducted our audits 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 the 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 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*.

**Internal Control Over Financial Reporting**

In planning and performing our audits, 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.

Regional Airport Authority  
Licking County  
Report on Compliance and on Internal Control Required by  
*Government Auditing Standards*  
Page 2

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

**JIM PETRO**  
Auditor of State

June 6, 2001





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

Board of Trustees  
Regional Airport Authority  
Licking County  
530 Heath Road  
Heath, Ohio 43056

**Compliance**

We have audited the compliance of the Regional Airport Authority, Licking County, Ohio (the Authority) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that is applicable to its major federal program for the year ended December 31, 2000. The 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 the Authority's management. Our responsibility is to express an opinion on the 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 the 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 the Authority's compliance with those requirements.

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

**Internal Control Over Compliance**

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to its federal program. In planning and performing our audit, we considered the 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 management, Board of Trustees, and the federal awarding agency, and is not intended to be and should not be used by anyone other than these specified parties.

**JIM PETRO**  
Auditor of State

June 6, 2001

**REGIONAL AIRPORT AUTHORITY  
LICKING COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2000**

**1. SUMMARY OF AUDITOR'S RESULTS**

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

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

None.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**LICKING REGIONAL AIRPORT AUTHORITY**

**LICKING 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 17, 2001**