



**DEFIANCE COUNTY AIRPORT AUTHORITY
DEFIANCE COUNTY**

BASIC AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2021-2020

OHIO AUDITOR OF STATE KEITH FABER



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BASIC AUDIT REPORT

Defiance County Airport Authority
Defiance County
P.O. Box 134
Defiance, Ohio 43512

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of Defiance County Airport Authority, Defiance County, Ohio (the Airport) for the years ended December 31, 2021 and 2020.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Airport's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Airport's financial statements, transactions or balances for the years ended December 31, 2021 and 2020.

The Airport's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observations

1. We noted the Airport did not file their 2021 and 2020 Annual Financial Reports timely. Ohio Rev. Code § 117.38 provides that each public office, other than a state agency, shall file a financial report for each fiscal year. The report shall be certified by the proper officer or board and filed with the auditor of state within sixty days after the close of the fiscal year. At the time the report is filed with the auditor of state, the chief fiscal officer shall publish notice in a newspaper published in the taxing district. The notice shall state the financial report has been completed by the public office and is available for public inspection at the office of the chief fiscal officer.

The Airport did not file the 2021 and 2020 annual reports until June 29, 2022 and June 30, 2022, respectively. Failure to file by the required date could result in penalties of \$25 per day up to maximum of \$750. The Airport should take the necessary steps to ensure the financial report is prepared completely in accordance with Auditor of State Bulletin 2015-007 and filed within the sixty day time frame.

2. The Airport has not adopted a public records policy. Ohio Rev. Code § 149.43(E)(2) requires all public offices to adopt a public records policy. In adopting a public records policy under this division, a public office may obtain guidance from the model public records policy developed and provided to the public office by the attorney general under Ohio Rev. Code § 109.43. Failure to adopt a public records policy could lead to noncompliance with the Ohio Public Records Act when handling public records requests. The Airport should adopt a public records policy and could model it after the example published by the Ohio Attorney General.

3. We noted the Airport has not adopted a records retention schedule policy. Ohio Rev. Code § 149.43(B)(2) states, in part, a public office also “shall have available a copy of its current records retention schedule at a location readily available to the public.” Failure to have and follow a records retention schedule could result in public records being disposed of prematurely. The Airport should implement procedures to ensure the appropriate policy is approved to help avoid issues with public records requests.
4. We noted the Airport has not established a method of notifying the general public and news media of when and where meetings are to be held. Ohio Rev. Code § 121.22(F) states in part every public body, by rule, shall establish a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings. Failure to notify the general public and news media could result in the public not being made aware of items being considered for action by the Board. The Airport should implement procedures to provide the appropriate notification of Board meetings to the general public and news media.
5. 26 U.S.C. Sections 3401 through 3406 & Section 3102(a), requires employers to withhold employment related taxes (such as Medicare) from employees’ earnings and to remit the withholdings to the U.S. Treasury in a timely manner. We noted the Airport withheld \$57.72 in Medicare taxes from the one employee's earnings during 2021 and 2020; but failed to remit the employee withholdings and employer share to the Internal Revenue Service by the due date. Failing to properly remit Medicare could result in fines and penalties being assessed against the Airport. The Airport should monitor payment due dates and remit payments by the due date.

This matter will be referred to the Internal Revenue Service.

Current Status of Matters Reported in our Prior Engagement

Items 2 through 5 noted above were also reported in our prior engagement for the years ended December 31, 2019 and 2018.



Keith Faber
Auditor of State
Columbus, Ohio

August 2, 2022

OHIO AUDITOR OF STATE KEITH FABER



DEFIANCE COUNTY AIRPORT AUTHORITY

DEFIANCE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 8/16/2022

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This report is a matter of public record and is available online at
www.ohioauditor.gov