

**NOBLE REGIONAL AIRPORT AUTHORITY**

**AUDIT REPORT**

**JANUARY 1, 2003 - DECEMBER 31, 2004**





**Auditor of State  
Betty Montgomery**

Board of Directors  
Noble Regional Airport Authority  
301 Lincoln Drive  
Caldwell, Ohio 43724

We have reviewed the Independent Auditor's Report of the Noble Regional Airport Authority, Noble County, prepared by Wolfe, Wilson, & Phillips, Inc., for the audit period January 1, 2003 to December 31, 2004. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Noble Regional Airport Authority is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

August 29, 2005

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**NOBLE REGIONAL AIRPORT AUTHORITY  
NOBLE COUNTY  
JANUARY 1, 2003 - DECEMBER 31, 2004**

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**WOLFE, WILSON, & PHILLIPS, INC.**  
**37 SOUTH SEVENTH STREET**  
**ZANESVILLE, OHIO 43701**

**INDEPENDENT AUDITORS' REPORT**

Noble Regional Airport Authority  
Noble County  
301 Lincoln Drive  
Caldwell, Ohio 43724

We have audited the accompanying financial statements of the Noble Regional Airport Authority, Noble County, as of and for the years ended December 31, 2004 and 2003. These financial statements are the responsibility of the Noble Regional Airport 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 *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit 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 audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Noble Regional Airport 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. Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, we presume they are material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Noble Regional Airport Authority's combined funds as of December 31, 2004 and 2003, and their changes in financial position.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Noble Regional Airport Authority, Noble County, as of December 31, 2004 and 2003, 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 a report dated July 11, 2005, on our consideration of the Noble Regional Airport Authority's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. 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.

***Wolfe, Wilson, & Phillips, Inc.***  
Zanesville, Ohio  
July 11, 2005

**NOBLE REGIONAL AIRPORT AUTHORITY  
NOBLE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN CASH BALANCE  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003**

	<b>2004</b>	<b>2003</b>
<b>Cash Receipts:</b>		
County Contributions	\$ -	\$ -
Sale of Fuel	4,633	3,355
Rents	1,650	10,840
Interest	91	126
Total Cash Receipts	6,374	14,321
<b>Cash Disbursements:</b>		
Supplies and Materials	139	6,042
Fuel Purchases	2,369	5,459
Audit	916	-
Fees	1,337	644
Miscellaneous	97	11
Total Cash Disbursements	4,858	12,156
Total Cash Receipts Over/(Under) Cash Disbursements	1,516	2,165
Cash Balance, January 1	26,097	23,932
Cash Balance, December 31	\$ 27,613	\$ 26,097

See notes to financial statements.

**NOBLE REGIONAL AIRPORT AUTHORITY  
NOBLE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of the Entity**

The Noble Regional Airport Authority, Noble County, (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 five-member Board appointed by the Noble County Commissioners. The Authority's 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 District is financially accountable.

**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 they are earned. Disbursements are recognized when they are paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**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 statement.

**2. CASH**

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

	<u>2004</u>	<u>2003</u>
Demand deposits	<u>\$ 27,613</u>	<u>\$ 26,097</u>

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

**3. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability

**WOLFE, WILSON, & PHILLIPS, INC.  
37 SOUTH SEVENTH STREET  
ZANESVILLE, OHIO 43701**

**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT  
OF FINANCIAL STATEMENT PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.**

Noble Regional Airport Authority  
Noble County  
301 Lincoln Drive  
Caldwell, Ohio 43724

We have audited the financial statements of the Noble Regional Airport Authority as of and for the years ended December 31, 2004 and 2003, and have issued our report thereon dated July 11, 2005. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financing Reporting**

In planning and performing our audit, we considered the Noble Regional Airport Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the combined financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operations of the internal control over financial reporting that, in our judgment, could adversely affect the Authority's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying Schedule of Findings as item 2004-1.

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 of 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. 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 a material weakness. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

**Compliance**

As part of obtaining reasonable assurance about whether the Noble Regional Airport Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 audit and, accordingly, we do not express such an opinion. The results of our test disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. We have noted certain immaterial instances of noncompliance that we have reported to the management of the Noble Regional Airport Authority in a separate letter dated July 11, 2005.

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.

**Wolfe, Wilson, & Phillips, Inc.**  
Zanesville, Ohio  
July 11, 2005

**NOBLE REGIONAL AIRPORT AUTHORITY  
NOBLE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2004 AND 2003**

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

**FINDING 2004-1**

Bank Reconciliations

The monthly Regional Airport Authority general account reconciliations have not been performed for 2004 and 2003. The Regional Airport prepared bank reconciliations at year- end only.

The Regional Airport Authority monthly bank reconciliations should be prepared immediately after receiving so evidence exists that the Regional Airport Authority accounting records agree with the depository account and any errors can be detected in a timely manner.

We recommend the secretary/treasurer perform the bank reconciliation immediately upon receiving the applicable monthly bank statement. This should be reviewed by someone other than the preparer and this review should be evidenced by a signature or appropriate initials.

**NOBLE REGIONAL AIRPORT AUTHORITY  
NOBLE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2004 AND 2003**

Finding Number	Finding Summary	Fully Corrected	Not Corrected, Partially Corrected Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b>Explain:</b>
2002-1	Bank Reconciliations	No	Not Corrected: Reported as Finding 2004-1 in current report.



**Auditor of State  
Betty Montgomery**

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**NOBLE REGIONAL AIRPORT AUTHORITY**

**NOBLE 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  
SEPTEMBER 13, 2005**