



Dave Yost • Auditor of State

**GEAUGA COUNTY AIRPORT AUTHORITY
GEAUGA COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Geauga County Airport Authority
Geauga County
15421 Old State Road
PO Box 1308
Middlefield, Ohio 44062

We have performed the procedures enumerated below, with which the Airport Authority Board and the management of the Geauga County 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, 2011 and 2010, 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, 2011 and December 31, 2010 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2010 beginning fund balances recorded in the cash balance report to the December 31, 2009 balances in the prior year audited financial statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2011 and 2010 fund cash balances reported in the cash statements/cash balance report. The amounts agreed.
4. We confirmed the December 31, 2011 bank account balances with the Airport's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2011 bank reconciliation without exception.
5. We tested all reconciling debits (such as outstanding checks) from the December 31, 2011 bank reconciliation:
 - a. We traced each debit to the subsequent January 2012 bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to January 1, 2012. We noted no exceptions.
6. We tested interbank account transfers occurring in December of 2011 and 2010 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 confirmed the amounts of FAA grant funding and the agreed county match received from Geauga County for 2011 and 2010 to County's appropriation ledgers. The amounts agreed.
 - a. We determined whether these receipts were allocated to the proper fund. 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, 2011 and 10 sale of fuel cash receipts from the year ended 2010 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the revenue ledger. 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(s), 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, 2011 and 10 rent cash receipts from the year ended 2010 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the revenue ledger. 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/s, and was recorded in the proper year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2009.
2. We inquired of management, and scanned the revenue ledger and expenditure ledger for evidence of debt issued during 2011 or 2010 or debt payment activity during 2011 or 2010. We noted no new debt issuances, nor any debt payment activity during 2011 or 2010.

Payroll Cash Disbursements

1. We tested all of the payroll expenditures by reconciling the total payroll related expenditures posted to the general ledger and amounts reported in the cash basis financial statements. We then:
 - a. Verified the total annual salaries were within the budgetary appropriation authorizing the employee salaries and determined the gross pay reported on the employee W-2 did not exceed the final appropriations for salaries.
 - b. We recomputed gross and net pay, verified the deduction amounts were accurately calculated and timely distributed, and agreed the AOS payroll recalculations to the amounts recorded in the payroll register. We found no exceptions.
 - c. We determined whether the fund and account code to which the payroll checks were posted were reasonable based on the employees' duties as documented in the employees' personnel files. We also determined whether the payment was posted to the proper year. We found no exceptions.

Payroll Cash Disbursements (Continued)

2. We determined there were no new employee hires or terminations during the audit period.
3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2011 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2011. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2012	January 6, 2012	\$509.14	\$509.14
State income taxes	January 15 2012	January 6, 2012	\$99.06	\$99.06
Local income tax	January 15, 2012	January 6, 2012	\$46.50	\$46.50
OPERS retirement	January 30, 2012	January 6, 2012	\$372.00	\$372.00

Non-Payroll Cash Disbursements

1. From the expenditure ledger, we re-footed checks recorded as General Fund disbursements for *Fuel*, and checks recorded as *capital outlay* in the Grant Fund for 2011. We found no exceptions.
2. We haphazardly selected ten disbursements from the check series, corroborated by the AOS, for the year ended December 31, 2011 and ten from the year ended 2010 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 expenditure ledger 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.

Compliance – Contracts & Expenditures

1. We inquired of management and scanned the expenditure ledger for the years ended December 31, 2011 and 2010 for expenditures other than for the acquisition of real estate, the discharge of noncontractual claims, personal services, or for the product or services of public utilities, exceeding fifteen thousand dollars. (Ohio Rev. Code Section 308.13(A)).

We identified no purchases subject to the aforementioned bidding requirements.

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.

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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 "D" and "Y".

Dave Yost
Auditor of State

August 28, 2012



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GEAUGA COUNTY AIRPORT AUTHORITY

GEAUGA 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 11, 2012**