



Dave Yost • Auditor of State

**GREENE COUNTY REGIONAL AIRPORT AUTHORITY
GREENE COUNTY
DECEMBER 31, 2017**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Prepared by Management:	
Basic Financial Statements:	
Statement of Net Position - Modified Cash Basis	3
Statement of Revenues, Expenses and Changes Net Position - Modified Cash Basis	4
Notes to the Financial Statements	5
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	9
Prepared by Management:	
Summary Schedule of Prior Audit Findings	11

This page intentionally left blank.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Greene County Regional Airport Authority
Greene County
140 North Valley Road
Xenia, Ohio 45385

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying modified cash-basis financial statements of the Greene County Regional Airport Authority, Greene County, Ohio (the Airport), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the modified cash accounting basis Note 1 describes. This responsibility includes determining that the modified cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Airport's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Airport's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the modified cash financial position of the Greene County Regional Airport Authority, Greene County, Ohio, as of December 31, 2017, and the changes in modified cash financial position thereof for the year then ended in accordance with the accounting basis described in Note 1.

One First National Plaza, 130 W. Second St., Suite 2040, Dayton, Ohio 45402
Phone: 937-285-6677 or 800-443-9274 Fax: 937-285-6688
www.ohioauditor.gov

Accounting Basis

We draw attention to Note 1 of the financial statements, which describes the accounting basis. The financial statements are prepared on the modified cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2018, on our consideration of the Airport's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Airport's internal control over financial reporting and compliance.

À
À
À


Dave Yost
Auditor of State
Columbus, Ohio

October 26, 2018

Greene County Regional Airport Authority
Greene County, Ohio
Statement of Net Position - Modified Cash Basis
December 31, 2017

Assets

Cash and Cash Equivalents	\$532,444
Fuel Inventory	14,756
<i>Total Assets</i>	<u>547,200</u>

Net Position

Restricted:	
Deposits on Hand	12,200
Unrestricted	535,000
<i>Total Net Position</i>	<u><u>\$547,200</u></u>

See accompanying notes to the basic financial statements

Greene County Regional Airport Authority
Greene County, Ohio
Statement of Revenues, Expenses and Changes in Net Position
Modified Cash Basis
For the Year Ended December 31, 2017

Operating Receipts	
County Contributions	\$ 238,879
Charges for Services	177,825
Other Revenues	10,025
<i>Total Operating Receipts</i>	426,729
 Operating Disbursements	
Supplies and Materials	1,981
Land Based and Operations	802,739
Contractual Services	82,732
Utilities & Telephone	23,949
<i>Total Operating Disbursements</i>	911,401
<i>Operating Income (Loss)</i>	(484,672)
 Non-Operating Receipts (Disbursements)	
Grants from Federal Sources	447,232
Grants from State of Ohio	8,416
Deposits Received	17,442
Deposits Refunded	(1,086)
Interest Earnings	45
<i>Net Non-Operating Receipts (Disbursements)</i>	472,049
<i>Change in Net Position</i>	(12,623)
<i>Net Position, Beginning of Year</i>	559,823
<i>Net Position, End of Year</i>	\$547,200

See accompanying notes to the basic financial statements

**GREENE COUNTY REGIONAL AIRPORT AUTHORITY
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Greene County Regional Airport Authority, Greene County, (the Airport) as a body corporate and politic. The Greene County Commissioners appoint the seven-member Board, which governs the Airport. The Airport is responsible for the safe and efficient operation and maintenance of the Airport.

B. Accounting Basis

These financial statements are presented on a modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting.

C. Deposits and Investments

All monies received by the Airport are maintained in a demand deposit account.

D. Inventory

Fuel inventory is presented at cost on a first in first out basis and are reported as disbursements when used.

E. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. The financial statements do not report these assets.

F. Long-Term Obligations

These modified cash basis financial statements do not report liabilities for bonds and other long-term obligations. These statements report proceeds of debt when cash is received and debt service disbursements for debt principal payments. The Airport did not have any debt during the year.

G. Net Position

The statements report restricted net position when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on their use.

The Airport first applies restricted resources when incurring a disbursement for which it may use either restricted or unrestricted resources.

**GREENE COUNTY REGIONAL AIRPORT AUTHORITY
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)**

2. DEPOSITS AND INVESTMENTS

Deposits: Deposits include amounts held in demand accounts. At year-end, the carrying amount of the Airport's deposits was \$532,444. The bank balances totaled \$533,581.

Custodial credit risk is the risk that, in the event of a bank failure, the Airport's deposits may not be returned. Protection of the Airport's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Airport Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution. Of the bank balances totaling \$533,581, \$250,000 was insured by FDIC. The remaining balance of \$283,581 was collateralized with securities held in single financial institution collateral pools in the name of the respective depository bank and pledged as a pool of collateral against all the public moneys it holds. All Airport demand deposits were either insured or collateralized, in accordance with state law and the Airport's investment policy.

As of December 31, 2017, the Airport had no investments.

3. RISK MANAGEMENT

The Airport is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Airport has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Completed Operations and Products Liability Insurance
- Errors and Omissions
- Contractual Liability

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

4. CONTRACTED SERVICES

The Airport does not have any employees. They contract for accounting services, management services and maintenance and grounds keeping services from independent contractors.

5. CONTINGENCIES

A. Grants

The Airport receives financial assistance from federal and state agencies in the form of grants. Disbursing grant funds generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability. However, in the opinion of management, any such disallowed claims through December 31, 2017 will not have a material adverse effect on the Airport.

B. Litigation

The Airport is not party to legal proceedings that would have an adverse effect on the financial statements.

**GREENE COUNTY REGIONAL AIRPORT AUTHORITY
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)**

6. RELATED PARTY TRANSACTION

During 2016, the Airport awarded a construction contract for a new hanger to the Greater Dayton Construction Company in the amount of \$415,209. The Company is owned by a Board member. The project followed the Airport's usual procurement procedures and the contract was awarded to the lowest and best bidder.

During 2017, the Airport made payments in the amount of \$415,209 to Greater Dayton Construction Company for construction of the new hanger. The Board member abstained from voting on matters related to construction of the hanger and payments made to his business.

This page intentionally left blank.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Greene County Regional Airport Authority
Greene County
140 North Valley Road
Xenia, Ohio 45385

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the modified cash-basis financial statements of the Greene County Regional Airport Authority, Greene County, (the Airport) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements and have issued our report thereon dated October 26, 2018, wherein we noted the Airport uses a special purpose framework other than generally accepted accounting principles.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Airport's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Airport's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Airport's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Airport's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

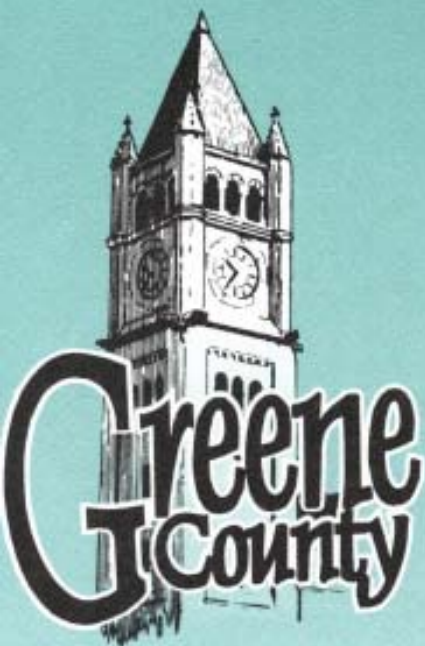
This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Airport's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Airport's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

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
Columbus, Ohio

October 26, 2018

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
DECEMBER 31, 2017**



**Greene County
Regional
Airport Authority**

140 N. Valley Rd.
Xenia, Ohio 45385

Phone: (937) 376-8107
Fax: (937) 376-3807
Cell: (937) 231-5027

Finding Number	Finding Summary	Status	Additional Information
2016-001	Financial statement misstatements	Partially corrected	Repeated as management letter comment
2016-002	See finding number 2016-005 below		
2016-003	2 C.F.R. § 200.327 – the Airport did not report Airport Improvement Grant expenditures on the Federal Financial Report (OMB Number 4040-0014)	Corrective Action Taken and Finding is Fully Corrected	
2016-004	2 C.F.R. § 200.318(a) – The Airport did not maintain a copy of Greene County's procurement procedures it followed	Corrective Action Taken and Finding is Fully Corrected	
2016-005	2 C.F.R. § 200.510(b) – Schedule of Expenditures of Federal Awards error	Finding no Longer Valid	The Airport is not subject to single audit during 2017 and Schedule of Expenditures of Federal Awards was not Prepared.

This page intentionally left blank.



Dave Yost • Auditor of State

GREENE COUNTY REGIONAL AIRPORT AUTHORITY

GREENE 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
NOVEMBER 20, 2018**