



OHIO AUDITOR OF STATE
KEITH FABER



**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Prepared by Management:	
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) All Governmental Fund Types For the Year Ended December 31, 2020.....	5
Notes to the Financial Statements For the Year Ended December 31, 2020.....	6
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) All Governmental Fund Types For the Year Ended December 31, 2019.....	11
Notes to the Financial Statements For the Year Ended December 31, 2019.....	12
Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2020.....	16
Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2020.....	17
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	19
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	21
Schedule of Findings.....	23
Prepared by Management:	
Summary Schedule of Prior Audit Findings.....	24

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INDEPENDENT AUDITOR'S REPORT

Williams County Regional Airport Authority
Williams County
One Courthouse Square, 2nd Floor
Bryan, Ohio 43506

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the year ended December 31, 2020 and for each governmental fund type as of and for the year ended December 31, 2019, and related notes of Williams County Regional Airport Authority, Williams County, Ohio (the Authority).

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements 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 Authority'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 Authority'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 opinions.

Efficient • Effective • Transparent

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the Authority prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Authority does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Authority, as of December 31, 2020 and 2019, and the respective changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the year ended December 31, 2020 and for each governmental fund type as of and for the year ended December 31, 2019, and related notes of the Authority, in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Emphasis of Matter

As discussed in Note 9 to the 2020 financial statements and Note 7 to the 2019 financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Authority. We did not modify our opinion regarding this matter.

Other Matters

Our audit was conducted to opine on the financial statements taken as a whole.

The Schedule of Expenditures of Federal Awards presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

The schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the financial statements. We subjected this schedule to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling the schedule directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 17, 2021, 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 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 Authority's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

August 17, 2021

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**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:				
County Contributions	\$ 78,000			\$ 78,000
Grants	25,577	\$ 2,776,836	\$ 115,234	2,917,647
Rental Income	6,000			6,000
Investment Income	279			279
Sale of Fuel		78,724		78,724
Miscellaneous	393			393
<i>Total Cash Receipts</i>	<u>110,249</u>	<u>2,855,560</u>	<u>115,234</u>	<u>3,081,043</u>
Cash Disbursements:				
Current:				
Transportation:				
Supplies	2,230	59,683		61,913
Contracts-Repair	5,364			5,364
Contracts-Services	49,640	422,320	20,960	492,920
Advertising & Printing	604			604
Auditing Fees	1,066			1,066
Insurance	4,600			4,600
Miscellaneous	4,052	5,487		9,539
Capital Outlay	42,068	1,982,694	162,530	2,187,292
Debt Service:				
Principal		40,956		40,956
Interest		130		130
<i>Total Cash Disbursements</i>	<u>109,624</u>	<u>2,511,270</u>	<u>183,490</u>	<u>2,804,384</u>
<i>Net Change in Fund Cash Balance</i>	625	344,290	(68,256)	276,659
Fund Cash Balances, January 1	<u>91,655</u>	<u>58,713</u>	<u>107,216</u>	<u>257,584</u>
<i>Fund Cash Balances, December 31</i>	<u>\$92,280</u>	<u>\$403,003</u>	<u>\$38,960</u>	<u>\$534,243</u>

See Accompanying Notes to the Basic Financial Statements

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1 – Reporting Entity

The Williams County Regional Airport Authority, Williams County, Ohio (the Authority) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Williams County Commissioners appoint seven Board members to direct the Authority. The Authority is responsible for the safe and efficient operation and maintenance of the Williams County Regional Airport Authority.

The Authority's management believes this financial statement presents all activities for which the Authority is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Authority's financial statement consists of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which is organized on a fund type basis.

Basis of Accounting

The financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

This statement includes adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Fund Accounting

The Authority uses fund accounting to segregate cash and investments that are restricted as to use. The Authority classifies its funds into the following types:

General Fund The general fund reports all financial resources except those required to be accounted for in another fund.

Special Revenue Funds These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Authority had two Special Revenue Funds:

Federal Aviation Administration (FAA) Grant fund – This fund accounts for the financial activity of grants received from the FAA, the purpose of which was to improve the airport facilities.

Fuel System fund – This fund accounts for monies received from fuel sales which are used for the operation and maintenance of the fuel system.

Capital Project Fund These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Authority had the following Capital Projects Fund:

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Capital Projects fund – The Authority receives donations from outside organizations and state grants to be used for runway improvements.

Capital Assets

The Authority records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statement does not report these items as assets.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Authority must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Authority classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Authority.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed The Board can *commit* amounts via formal action (resolution). The Authority must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Authority applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 7.

Note 3 – Deposits

To improve cash management, cash received by the Authority is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. The Authority also has segregated accounts which include clearing accounts that are not part of this pool. A summary of the Authority's deposit and investment accounts are as follows:

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

	<u>2020</u>
<i>Cash Management Pool:</i>	
Cash with County	<u><u>\$533,887</u></u>
<i>Segregated Accounts - Not held in the Pool:</i>	
Grant Clearing Account (Not held in Pool)	<u><u>\$356</u></u>

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 4 – Risk Management

Commercial Insurance

The Authority has obtained commercial insurance for the following risks:

- Premises and operations liability;
- Products and completed operations liability;
- Contractual liability;
- Host liquor liability;
- Medical malpractice liability;
- Independent contractors liability;
- Medical payments;
- Personal and advertising injury liability;
- Hangarkeepers legal liability; and
- Fire legal liability

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 5 – Construction and Contractual Commitments

As of December 31, 2020, the Authority had the following outstanding contractual purchase commitments:

Vendor	Contract Amount	Amount Paid as of 12/31/2020	Outstanding Balance
Delta Airport Consultants - Project 15111 Extend Parallel Taxiway Phase 106 Construction Administration	\$ 315,000	\$ 277,902	\$ 37,098
Delta Airport Consultants - Project 18118 Reconstruct Partial Parallel Txwy B Phase 103 Design Development	172,000	149,857	22,143
Delta Airport Consultants - Project 18118 Reconstruct Partial Parallel Txwy B Phase 106 Construction Administration	395,000	83,017	311,983
Mark Schaffer Excavating - Extend Parallel Taxiway	2,379,492	2,026,773	352,719
Miller Bros. Construction - Extend Parallel Taxiway	2,527,545	158,598	2,368,947
Total	<u>\$ 5,789,037</u>	<u>\$ 2,696,147</u>	<u>\$ 3,092,890</u>

Note 6 – Contingent Liabilities

Amounts grantor agencies pay to the Authority are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 7 – Fund Balance

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilities effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	<u>\$ 385</u>	<u>\$ 350,835</u>	<u>\$ 351,220</u>

These restricted, committed, and assigned amounts in the special revenue would be including the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 8 – Change in Accounting Principle

For 2020, the Authority has made changes to their cash basis reporting model. These changes include removing the fund balance classifications from the statement of receipts, disbursements, and changes in fund balances (regulatory cash basis) –all governmental fund types.

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 9 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Authority. In addition, the impact on the Authority's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Note 10 – Debt

The Authority issued a \$100,000 note payable for the purchase of a fuel system and fuel supply. The note was issued on December 26, 2012 with a maturity date of December 28, 2022. The Authority paid the outstanding note balance of \$40,956 on March 10, 2020.

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:				
County Contributions	\$ 78,000			\$ 78,000
Grants	5,026	\$ 81,239	\$ 5,953	92,218
Rental Income	2,000			2,000
Investment Income	47			47
Sale of Fuel		73,770		73,770
Miscellaneous	411			411
<i>Total Cash Receipts</i>	<u>85,484</u>	<u>155,009</u>	<u>5,953</u>	<u>246,446</u>
Cash Disbursements:				
Current:				
Transportation:				
Supplies	1,438	67,482		68,920
Contracts-Repair	8,526	1,100		9,626
Contracts-Services	51,424	62,287	6,831	120,542
Advertising & Printing	401			401
Auditing Fees	2,624			2,624
Insurance	4,600			4,600
Miscellaneous	4,239	5,098		9,337
Capital Outlay	1,921			1,921
Debt Service:				
Principal		2,788		2,788
Interest		712		712
<i>Total Cash Disbursements</i>	<u>75,173</u>	<u>139,467</u>	<u>6,831</u>	<u>221,471</u>
<i>Net Change in Fund Cash Balance</i>	10,311	15,542	(878)	24,975
Fund Cash Balances, January 1	<u>81,344</u>	<u>43,171</u>	<u>108,094</u>	<u>232,609</u>
Fund Cash Balances, December 31				
Restricted			107,216	107,216
Committed		58,713		58,713
Assigned	3,821			3,821
Unassigned	87,834			87,834
<i>Fund Cash Balances, December 31</i>	<u>\$91,655</u>	<u>\$58,713</u>	<u>\$107,216</u>	<u>\$257,584</u>

See Accompanying Notes to the Basic Financial Statements

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

1. REPORTING ENTITY

The Williams County Regional Airport Authority, Williams County, Ohio (the Authority), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Williams County Commissioners appoint seven Board members to direct the Authority. The Authority is responsible for the safe and efficient operation and maintenance of the Williams County Regional Airport Authority.

The Authority's management believes these financial statements present all activities for which the Authority is financially accountable.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The Authority's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for governmental fund types which is organized on a fund type basis.

B. Accounting Basis

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

C. Fund Accounting

The Authority uses fund accounting to segregate cash and investments that are restricted as to use. The Authority classifies its funds into the following types:

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Authority had two Special Revenue Funds:

Federal Aviation Administration (FAA) Grant fund – This fund accounts for the financial activity of grants received from the FAA, the purpose of which was to improve the airport facilities.

Fuel System fund – This fund accounts for monies received from fuel sales which are used for the operation and maintenance of the fuel system.

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

3. Capital Project Fund

These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Authority had the following Capital Projects Fund:

Capital Projects fund – The Authority receives donations from outside organization to be used for runway improvements.

D. Capital Assets

The Authority records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

E. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Authority must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Authority classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

The Board can *commit* amounts via formal action (resolution). The Authority must adhere to these commitments unless the Board amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by the Board or an Authority official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

The Authority applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

3. DEPOSITS

As the Ohio Revised Code permits, the Williams County Treasurer holds the Authority's deposits as the Authority's custodian. The County holds the Authority's assets in its investment pool, valued at the Treasurer's reported carrying amount.

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

	2019
Cash with County	\$257,507
Demand deposit	77
Total deposits	\$257,584

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

4. DEBT

Debt outstanding at December 31, 2019 was as follows:

	Principal	Interest Rate
Bank Loan	\$40,956	1.5%

The Authority is obligated for a note payable to a bank. The note was a single advance that matures December 28, 2022. Interest accrues on the outstanding principal balance. The balance is due at maturity. Proceeds of the note were used to purchase a fuel system and fuel supply.

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

Year ending December 31:	Bank Loan
2020	\$614
2021	614
2022	41,571
Total	\$42,799

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

5. RISK MANAGEMENT

Commercial Insurance

The Authority has obtained commercial insurance for the following risks:

- Premises and operations liability;
- Products and completed operations liability;
- Contractual liability;
- Host liquor liability;
- Medical malpractice liability;
- Independent contractors liability;
- Medical payments;
- Personal and advertising injury liability;
- Hangarkeepers legal liability; and
- Fire legal liability

6. CONTINGENT LIABILITIES

Amounts grantor agencies pay to the Authority are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

7. COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Authority. In addition, the impact on the Authority's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION			
<i>Direct Program</i>			
Airport Improvement Program	20.106	3-39-0100-012-2019	\$2,012,731
Airport Improvement Program	20.106	3-39-0100-013-2020	129,446
COVID-19 Airport Improvement Program	20.106	3-39-0100-013-2020	14,383
COVID-19 Airport Improvement Program	20.106	3-39-0100-014-2020	25,576
Airport Improvement Program	20.106	3-39-0100-015-2020	222,880
COVID-19 Airport Improvement Program	20.106	3-39-0100-015-2020	<u>24,764</u>
Total U.S. Department of Transportation			<u>2,429,780</u>
Total Expenditures of Federal Awards			<u><u>\$2,429,780</u></u>

The accompanying notes are an integral part of this schedule.

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Williams County Regional Airport Authority, Williams County, Ohio (the Authority) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the fund balance or changes in fund balance of the Authority.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The Authority has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D – MATCHING REQUIREMENTS

Certain Federal programs require the Authority to contribute non-Federal funds (matching funds) to support the federally-funded programs. The Authority has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

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

Williams County Regional Airport Authority
Williams County
One Courthouse Square, 2nd Floor
Bryan, Ohio 43506

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 financial statements of the cash balances, receipts, and disbursements for each governmental fund type combined total as of and for the year ended December 31, 2020 and for each governmental fund type as of and for the year ended December 31, 2019, and related notes of Williams County Regional Airport Authority, Williams County, Ohio (the Authority) and have issued our report thereon dated August 17, 2021, wherein we noted the Authority followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Authority.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Authority'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 Authority'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 Authority'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 financial statements. 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 matter 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 Authority's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

August 17, 2021

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Williams County Regional Airport Authority
Williams County
One Courthouse Square, 2nd Floor
Bryan, Ohio 43506

To the Board of Directors:

Report on Compliance for the Major Federal Program

We have audited Williams County Regional Airport Authority, Williams County, Ohio's (the Authority) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Williams County Regional Airport Authority's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Authority's major federal program.

Management's Responsibility

The Authority's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Authority's compliance for the Authority's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. 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 our audit provides a reasonable basis for our compliance opinion on the Authority's major program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on the Major Federal Program

In our opinion, Williams County Regional Airport Authority complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The Authority's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Authority's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

August 17, 2021

**WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY
WILLIAMS COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020 AND 2019**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Airport Improvement Program – CFDA #20.106
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.



**WILLIAMS COUNTY
REGIONAL AIRPORT AUTHORITY**

825 N. Main Street, Bryan, Ohio 43506

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
DECEMBER 31, 2020 AND 2019**

Finding Number	Finding Summary	Status	Additional Information
2018-001	Finding first reported in 2016. Material weakness for lack of monitoring of financial transactions resulting in errors in the financial statements.	Fully corrected.	
2018-002	Finding first reported in 2018. Ohio Rev. Code Chapter 133 for unauthorized promissory note.	Partially corrected and reissued in the Management Letter.	

OHIO AUDITOR OF STATE KEITH FABER



WILLIAMS COUNTY REGIONAL AIRPORT AUTHORITY

WILLIAMS 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 8/31/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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