



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**COLUMBINA AIRPORT AUTHORITY
COLUMBIANA COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Columbiana Airport Authority
Columbiana County
105 South Market Street
Lisbon, Ohio 44432

To the Board of Trustees:

We have audited the accompanying financial statements of the Columbiana Airport Authority (the Authority) as of and for the years ended December 31, 2001 and 2000. These financial statements are the responsibility of the 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 provide a reasonable basis for our opinion.

As discussed in Note 1, the Authority prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the Authority as of December 31, 2001 and 2000, 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 our report dated June 19, 2002 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 grants. 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.

This report is intended solely for the information and use of the audit committee, management, Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

June 19, 2002

**COLUMBIANA AIRPORT AUTHORITY
COLUMBIANAN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
County Contributions	\$10,496	\$3,731	\$14,227
Intergovernmental		9,258	9,258
Rents	26,031		26,031
Local Match - Federal Grant		7,046	7,046
Earnings on Investments	525	14	539
Other Revenue	910		910
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	37,962	20,049	58,011
Cash Disbursements:			
Salaries	2,750		2,750
Local Match	10,177	600	10,777
Contract Services	8,835	10,091	18,926
Contract Repairs	1,470		1,470
Debt Service	9,250		9,250
Supplies	14		14
Miscellaneous	671		671
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	33,167	10,691	43,858
Total Receipts Over/(Under) Disbursements	<hr/>	<hr/>	<hr/>
	4,795	9,358	14,153
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	4,795	9,358	14,153
Fund Cash Balances, January 1	<hr/>	<hr/>	<hr/>
	12,503	683	13,186
Fund Cash Balances, December 31	<hr/> \$17,298 <hr/>	<hr/> \$10,041 <hr/>	<hr/> \$27,339 <hr/>

The notes to the financial statements are an integral part of this statement.

**COLUMBIANA AIRPORT AUTHORITY
COLUMBIANA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Governmental Fund Types		Totals (Memorandum Only)
	General	Special Revenue	
Cash Receipts:			
County Contributions	\$10,000	\$0	\$10,000
Intergovernmental		160,359	160,359
Rents	18,600		18,600
Mangano Lease	2,115		2,115
Earnings on Investments	493	50	543
Other Revenue	1,151		1,151
 Total Cash Receipts	 32,359	 160,409	 192,768
Cash Disbursements:			
Salaries	2,400		2,400
Payroll Taxes	360		
Contract Service	3,802	167,095	170,897
Contract Repairs	2,321		2,321
Debt Service	20,090		
Supplies	7		7
Miscellaneous	2,272		2,272
 Total Cash Disbursements	 31,252	 167,095	 177,897
 Total Receipts Over/(Under) Disbursements	 1,107	 (6,686)	 (5,579)
 Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	 1,107	 (6,686)	 (5,579)
 Fund Cash Balances, January 1	 11,396	 7,369	 18,765
 Fund Cash Balances, December 31	 \$12,503	 \$683	 \$13,186
 Reserve for Encumbrances, December 31	 \$0	 \$0	 \$0

The notes to the financial statements are an integral part of this statement.

**COLUMBIANA AIRPORT AUTHORITY
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Columbiana Airport Authority, Columbiana 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 seven member Board, appointed by Columbiana County Commissioners. The Authority is responsible for the safety and efficient operation and maintenance of the airport.

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

B. 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 earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Certificates of deposit are valued at cost.

D. Fund Accounting

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

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Fund

This fund is used to account for proceeds from specific source (other than from trusts or for capital projects) that is restricted to expenditure for specific purposes.

E. 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 statements.

**COLUMBIANA AIRPORT AUTHORITY
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

2. EQUITY IN CASH AND INVESTMENTS

The carrying amount of cash and investments at December 31 follows:

	<u>2001</u>	<u>2000</u>
Demand deposits	\$18,337	\$4,594
Certificates of deposit	<u>9,002</u>	<u>8,591</u>
Total deposits	<u>27,339</u>	<u>13,185</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. RETIREMENT SYSTEM

The Authority's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2001 and 2000, PERS employee members contributed 8.5% of their gross salaries. The Authority contributed an amount equal to 13.55% of participants' gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced employer contributions to 8.13% effective July 1, 2000 through December 31, 2000. The Authority has paid all contributions required through December 31, 2001.

4. RISK MANAGEMENT

Commercial Insurance

The Columbiana Airport Authority has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Columbiana Airport Authority
Columbiana County
105 South Market Street
Lisbon, Ohio 44432

To the Board of Trustees:

We have audited the accompanying financial statements of the Columbiana Airport Authority (the Authority) as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated June 19, 2002. 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.

Compliance

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. 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 material weaknesses. 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 the 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Columbiana Airport Authority
Columbiana County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
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This report is intended solely for the information and use of the audit committee, management and Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

June 19, 2002



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OFFICE OF THE AUDITOR

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COLUMBIANA AIRPORT AUTHORITY

COLUMBIANA 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
JULY 16, 2002**