

**COLUMBUS MUNICIPAL  
AIRPORT AUTHORITY**

Financial Statements

December 31, 2000 and 1999

(With Independent Auditors' Report Thereon)

**COLUMBUS MUNICIPAL  
AIRPORT AUTHORITY**

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## **Independent Auditors' Report**

Board of Directors  
Columbus Municipal Airport Authority  
Columbus, Ohio:

We have audited the balance sheets of the Columbus Municipal Airport Authority (the Authority), a component unit of the City of Columbus, Ohio, as of December 31, 2000 and 1999 and the related statements of revenues, expenses, and changes in retained earnings and cash flows for the years then ended. 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and *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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority at December 31, 2000 and 1999 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 2, 2001 on our consideration of the Authority's internal control over financial reporting and on 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.

Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying financial information included in the Supplemental Schedule of Revenues and Expenses—Budget vs. Actual—Budget Basis is presented for purposes of additional analysis and is not a required part of the financial statements of the Authority. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

**KPMG LLP**

March 2, 2001

**COLUMBUS MUNICIPAL AIRPORT AUTHORITY**

Balance Sheets

December 31, 2000 and 1999

**Assets**

	<u>2000</u>	<u>1999</u>
Current Assets:		
Cash and cash equivalents - cash and investments - Note 3	\$45,269,275	\$34,635,334
Accounts receivable - trade - Note 5	4,281,107	3,807,590
Deposits, prepaid items and other	<u>231,062</u>	<u>189,741</u>
Total current assets	<u>49,781,444</u>	<u>38,632,665</u>
Restricted Assets:		
Cash and cash equivalents - cash and investments - Notes 3 and 4	56,459,611	63,004,733
Other investments - Notes 3 and 4	10,073,251	15,227,319
Other receivables - Note 5	<u>2,473,349</u>	<u>1,260,517</u>
Total restricted assets	<u>69,006,211</u>	<u>79,492,569</u>
Property and Equipment: - Note 6 (includes capitalized interest interest costs of \$1,218,628 for 2000 and \$2,017,741 for 1999)		
Land - Note 10	20,656,666	20,611,056
Buildings - Note 10	230,418,595	135,414,396
Runways, taxiways and other	132,612,171	126,200,917
Machinery and equipment	15,923,498	13,130,477
Furniture and fixtures	753,163	670,058
Construction in progress	<u>8,620,118</u>	<u>79,384,767</u>
	408,984,211	375,411,671
Less accumulated depreciation	<u>96,681,750</u>	<u>87,944,708</u>
Net property and equipment	<u>312,302,461</u>	<u>287,466,963</u>
Deferred charges (net of accumulated amortization of \$581,296 for 2000 and \$424,516 for 1999)	<u>2,013,449</u>	<u>2,170,255</u>
	<u>\$433,103,565</u>	<u>\$407,762,452</u>

(Continued)

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Balance Sheets (Continued)

December 31, 2000 and 1999

### Liabilities and Equity

	<u>2000</u>	<u>1999</u>
Current Liabilities:		
Accounts payable - trade	\$2,056,568	\$886,219
Accrued and withheld employee benefits	2,012,494	1,879,540
Other accrued expenses	<u>2,792,410</u>	<u>1,392,876</u>
Total current liabilities	<u>6,861,472</u>	<u>4,158,635</u>
Liabilities Payable From Restricted Assets:		
Accounts payable	3,827,219	5,385,487
Deposits for customers and others	170,704	148,856
Accrued interest payable	3,687,911	3,851,786
Current portion of long-term debt - Note 6	<u>6,290,000</u>	<u>6,225,000</u>
Total liabilities payable from restricted assets	<u>13,975,834</u>	<u>15,611,129</u>
Other Liabilities:		
Other long-term borrowing - Note 11	4,000,000	4,000,000
Long-term debt, less current portion, net - Note 6	<u>143,055,173</u>	<u>148,684,681</u>
Total other liabilities	<u>147,055,173</u>	<u>152,684,681</u>
Total liabilities	<u>167,892,479</u>	<u>172,454,445</u>
Equity:		
Contributed capital from: - Note 8		
Federal government	66,425,261	61,170,150
State and local governments	3,261,628	4,518,243
Passenger facility charges	<u>77,005,861</u>	<u>67,010,497</u>
Total contributed capital	<u>146,692,750</u>	<u>132,698,890</u>
Retained earnings - unreserved	<u>118,518,336</u>	<u>102,609,117</u>
Total equity	<u>265,211,086</u>	<u>235,308,007</u>
Commitments and contingencies - Notes 6, 9 and 10	<u>\$433,103,565</u>	<u>\$407,762,452</u>

See accompanying notes to the financial statements

**COLUMBUS MUNICIPAL AIRPORT AUTHORITY**

Statements of Revenues, Expenses, and Changes  
in Retained Earnings

For the Years Ended December 31, 2000 and 1999

	<u>2000</u>	<u>1999</u>
Operating Revenues:		
Rentals and fees	\$24,013,014	\$19,059,807
Landing fees	8,727,272	9,743,459
Parking	18,862,245	14,975,027
Other	<u>955,626</u>	<u>687,195</u>
Total operating revenues	<u>52,558,157</u>	<u>44,465,488</u>
Operating Expenses:		
Employee wages and benefits	15,396,036	12,504,803
Purchase of services	13,217,367	9,869,019
Materials and supplies	1,649,375	1,499,124
Depreciation and amortization	8,952,713	7,783,237
Other	<u>6,363</u>	<u>13,278</u>
Total operating expenses	<u>39,221,854</u>	<u>31,669,461</u>
Operating income	<u>13,336,303</u>	<u>12,796,027</u>
Nonoperating Revenues (Expenses):		
Investment income:		
Interest income	4,541,313	4,484,284
Net increase (decrease) in the fair value of investments	123,183	(737,217)
Interest expense	(7,141,503)	(6,906,281)
Loss on disposal of fixed assets	(8,793)	(46,172)
Amortization of deferred charges	<u>(122,361)</u>	<u>(123,362)</u>
Net nonoperating expenses	<u>(2,608,161)</u>	<u>(3,328,748)</u>
Net income	10,728,142	9,467,279
Add: depreciation on fixed assets acquired with Federal, state and local grants and contributed capital	<u>5,181,077</u>	<u>4,312,957</u>
Increase in retained earnings	15,909,219	13,780,236
Retained earnings - beginning of year	<u>102,609,117</u>	<u>88,828,881</u>
Retained earnings - end of year	<u>\$118,518,336</u>	<u>\$102,609,117</u>

*See accompanying notes to the financial statements*

*See accompanying notes to the financial statements*

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

### Statements of Cash Flows

For the Years Ended December 31, 2000 and 1999

	<u>2000</u>	<u>1999</u>
Cash flows from operating activities:		
Operating income	\$13,336,303	\$12,796,027
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization expense	8,952,713	7,783,237
Change in:		
Accounts receivable	(473,517)	(158,262)
Deposits and prepaid items	(41,321)	200,003
Accounts payable	1,170,349	(1,324,350)
Accrued liabilities	1,532,488	13,349
Customer deposits	<u>21,848</u>	<u>(50,510)</u>
Net adjustments	<u>11,162,560</u>	<u>6,463,467</u>
Net cash provided by operating activities	<u>24,498,863</u>	<u>19,259,494</u>
Cash flows from capital and related financing activities:		
Contributed capital	18,043,811	13,248,354
Payments for capital acquisitions	(35,355,272)	(57,706,411)
Principal payments on debt and other obligations	(5,635,000)	(5,515,000)
Interest paid	<u>(7,200,441)</u>	<u>(6,195,245)</u>
Net cash used for capital and related financing activities	<u>(30,146,902)</u>	<u>(56,168,302)</u>
Cash flows from investing activities:		
Maturity of other investments	5,277,251	38,305,332
Interest income received	<u>4,459,607</u>	<u>4,694,712</u>
Net cash provided by investing activities	<u>9,736,858</u>	<u>43,000,044</u>
Net increase in cash and cash equivalents	4,088,819	6,091,236
Cash and cash equivalents, beginning of year	<u>97,640,067</u>	<u>91,548,831</u>
Cash and cash equivalents, end of year	<u>\$101,728,886</u>	<u>\$97,640,067</u>
Supplemental Information		
Noncash activities:		
Loss on disposal of assets	<u>\$8,793</u>	<u>\$46,172</u>
Fair value adjustment	<u>\$123,183</u>	<u>(\$744,484)</u>
Obligation refinancing - Note 6	-	\$310,000

The accounting methods and procedures adopted by the Columbus Municipal Airport Authority (the

*See accompanying notes to the financial statements*



## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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Authority) conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental entities. The following notes are an integral part of the Authority's financial statements.

### Note 1 - Organization and Reporting Entity

#### **Organization**

The Authority is an independent, special purpose political subdivision of the State of Ohio. The Authority was created on July 30, 1990, pursuant to the provisions of Chapter 4582, Ohio Revised Code (ORC), as a body corporate and politic. On November 10, 1991, the transfer date, the Authority began operations under a use agreement with the City of Columbus (City) for the purpose of providing airport facilities to the general public. On this date the City transferred the use of all assets and liabilities of the Airport enterprise fund to the Authority. This transfer was recorded at the net book value. As a political subdivision, the Authority is distinct from, and is not, an agency of the State of Ohio or any other local governmental unit.

The Authority is governed by a nine member Board of Directors (the Board) appointed by the Mayor of the City with the advice and consent of the City Council. The members first appointed serve staggered terms. Thereafter, each successor serves for a term of four years, except that any person appointed to fill a vacancy is to be appointed to serve only the unexpired term. Members of the Board are eligible for reappointment. The Board controls the employment of the Executive Director of the Authority who is responsible for staffing the respective divisions and overseeing the day-to-day operations.

The Authority administers an airport system comprised of Port Columbus International Airport and a reliever airport, Bolton Field Airport.

The Authority is not subject to Federal, state or local income taxes or sales taxes.

#### **Reporting Entity**

The Authority's financial reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 "The Reporting Entity." The financial statements include all divisions and operations for which the Authority is financially accountable. Financial accountability exists if a primary government/component unit appoints a majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government/component unit. On this basis, no governmental organizations other than the Authority itself are included in the financial reporting entity.

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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The Authority's Board is appointed by the Mayor of the City with the advice and consent of City Council. As of December 31, 2000, the Authority has a liability to the City in the amount of \$4,000,000 for past operating advances. Under GASB Statement No. 14 this is considered to be a financial burden on the City, also the City can impose its will on the Authority through the appointment of the members of the Board of Directors. Therefore, the Authority is a component unit of the City whose financial statements are discretely presented in the City's general purpose financial statements.

### Note 2 - Summary of Significant Accounting Policies

#### **Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. All transactions are accounted for in a single enterprise fund.

Pursuant to GASB Statement No. 20 "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*" the Authority follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **Budgetary Data**

The Authority's budgetary basis of accounting is maintained on a modified accrual basis. This basis of accounting differs from GAAP in that certain expenditures are reported as expenses on a cash basis. This would include an expense classification for the principal portion of debt service payable during the year or immediately after year end and some capital assets expected to be acquired. Depreciation is not budgeted. All other revenues and expenses are reported on the accrual basis. State statute does not require a specific budgetary basis of accounting under

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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ORC Section 4582. The Authority has adopted this basis of accounting to comply with certain airline agreements currently in effect.

The budgetary process begins in June of each year. Each division manager estimates the expected costs to be incurred for the upcoming year. Revenues are estimated based on history, projected increases, and market trends within the aviation industry. The Executive Director is responsible to submit budgets for operating revenues and expenses and capital improvements to the Board for approval at least sixty days prior to the beginning of each fiscal year. The budget can be amended by the Board subsequent to its adoption.

In 2000, an unfavorable variance in landing fees was due to lower actual landed weights than those originally budgeted. The unfavorable variance in purchased services was due to legal expenses resulting in efforts to acquire property adjacent to the airport. The unfavorable variance in depreciation expense was due to the fact that depreciation is not a reimbursable item under the current airline agreement and is not budgeted.

### **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

### **Investments**

Investments are stated at fair value in accordance with GASB Statement No. 31.

### **Grants and Other Contributed Capital**

Certain expenditures for airport capital improvements are significantly Federally funded through the Airport Improvement Program of the Federal Aviation Administration (FAA). Capital funding provided under government grants is considered earned as the related allowable expenditures are incurred.

Grants for the acquisition and construction of land, property and certain types of equipment are credited to contributed capital as the related qualified expenditures are incurred. Depreciation on contributed fixed assets resulting from capital grants is allocated to contributed capital using the straight-line method over the same lives as described for the related property and equipment on page 10.

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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### Receivables

Receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. This estimate is made based on history, aviation industry trends and current information regarding the credit worthiness of the debtors.

An estimated amount has been recorded for services rendered but not yet billed as of December 31, 2000 and 1999. The receivable was arrived at primarily by taking the subsequent collection of landing fees, commissions, and real estate taxes which are received after year end, and recording the portions earned at year end.

### Restricted Assets

Restricted assets consist of monies and other resources which are restricted legally or by the Authority's Board. These restrictions are described below:

**Board Restricted for Obligation Due to City** - These assets are restricted for the payment of the current obligation due to City.

**Restricted for Capital Expenditures** - These assets are restricted for certain capital projects and cannot be expended on any other item.

**Restricted for Debt Service** - These assets are restricted for the retirement of the Airport Improvement Revenue Bonds, Series 1994A and 1998A and B.

**Restricted for Deposits** - These assets are restricted from operations because they represent deposits that are held to ensure performance by the tenants and collections which are received and restricted by the Drug Enforcement Agency.

### Property and Equipment

Property and equipment are stated at historical cost or estimated historical cost and include expenditures which substantially increase the useful lives of existing assets. Routine maintenance and repairs are expensed as incurred. In accordance with FASB Statements No. 34 and 62, "*Capitalization of Interest Costs*" and "*Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants*," certain net interest costs have been included as a component of the asset under construction rather than reported as an expense of the period.

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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Depreciation of property and equipment is computed under the straight-line method at various rates considered adequate to allocate the cost over the estimated useful lives of such assets. The estimated lives by general classification are as follows:

	<u>Years</u>
Buildings	40
Runways, taxiways and other	15-40
Machinery and equipment	5-10
Furniture and fixtures	7

### **Compensated Absences**

In conformity with GASB Statement No. 16, "*Accounting for Compensated Absences*," the Authority accrues vacation and sick pay benefits as earned by its employees.

### **Risk Management**

It is the policy of the Authority to eliminate or transfer risk. Where possible, lease agreements contain insurance requirements and hold harmless clauses. Contractors are required to maintain appropriate amounts of insurance and bonding. The Authority does not self-insure any risk resulting from acts of God, injury to employees, or breach of contract.

The Authority carries property insurance on airport property and equipment in the aggregate sum of approximately \$295 million. The Authority carries liability insurance coverage in the amount of approximately \$212 million. There have been no significant changes in coverage or settlements in excess of insurance coverage during the past three years.

### **Pension Plans**

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred (See Note 7).

### **Revenue**

Rental income is recorded from the majority of leases maintained by the Authority which are accounted for as operating leases. Rental income is generally recognized as it is earned over the respective lease terms.

Other types of revenue are recognized when earned.

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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Landing fees are based upon projections of operations and are recalculated annually.

### **Passenger Facility Charges**

Passenger facility charges (PFC), along with related interest income, will be recognized and recorded as contributed capital in the year the PFC is levied and collected by the air carriers, net of an allowance for estimated ticket refunds.

PFC monies are legally restricted for capital projects and related expenditures, and cannot be used for any other purpose. The PFC monies will be used to assist in funding an ambitious capital improvement program involving a new concourse, runway improvements, the funding of debt service associated with these projects and various other projects.

### Note 3 - Cash and Cash Equivalents

The Authority follows the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all investments at their fair value. At December 31, 2000 and 1999, fair value was less than the Authority's net cost for investments by \$153,804 and \$276,987, respectively.

The investment and deposit of Authority monies is governed by the provisions of the ORC. In accordance with these statutes, only financial institutions located in Ohio are eligible to hold public deposits. The statutes also permit the Authority to invest its monies in certificates of deposit, savings accounts, money market accounts, the State Treasurer's Asset Reserve (STAR Ohio) investment pool, and obligations of the United States government or certain agencies thereof. The Authority may also enter into repurchase agreements with any eligible depository for a period not exceeding thirty days. The Authority has an investment policy consistent with Ohio Senate Bill 81.

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities Exchange Commission as an investment company, but does operate in a manner generally consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2000.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), or may pledge a pool of government securities valued at least 110% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based.

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the Authority's name.

During 2000 and 1999, the Authority complied with the provisions of these statutes.

### **Deposits with Financial Institutions**

At December 31, 2000, the carrying amount of the Authority's deposits with financial institutions was \$313,099 and the bank balance was \$744,428. Based upon criteria described in GASB Statement No. 3 "Deposits with Financial Institutions, Investments (Including Repurchase Agreements) and Reverse Repurchase Agreements", \$299,126 of the bank balance was covered by deposit insurance provided by the FDIC; and \$445,302 was uncollateralized as defined by the GASB. These uncollateralized deposits were, however, covered by a pledged collateral pool in accordance with the ORC as discussed above.

At December 31, 1999, the carrying amount of the Authority's deposits with financial institutions was \$1,600,727 and the bank balance was \$1,193,323. Based upon criteria described in GASB Statement No. 3 "Deposits with Financial Institutions, Investments (Including Repurchase Agreements) and Reverse Repurchase Agreements", \$275,056 of the bank balance was covered by deposit insurance provided by the FDIC; and \$918,267 was uncollateralized as defined by the GASB. These uncollateralized deposits were, however, covered by a pledged collateral pool in accordance with the ORC as discussed above.

In addition, the Authority had \$4,890 and \$4,340 in cash on hand at December 31, 2000 and 1999, respectively.

### **Investments**

The Authority's investments are categorized in accordance with the criteria established by the GASB to give an indication of the level of risk assumed as of December 31, 2000 and 1999. Category 1 includes investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name. Category 2 includes investments that are uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the Authority's name. Category 3 includes uninsured and unregistered investments for which securities are held by the counterparty or by its trust department or agent but not in the Authority's name. Deposits and equities in pools of funds managed by other governmental units are not categorized.

Investments are detailed and categorized as follows as of December 31, 2000:

Category

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Notes to Financial Statements  
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<u>Description</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>Fair Value</u>
U.S. Treasury Notes	-	\$10,073,251	-	10,073,251
Unrestricted-Repurchase Agreement	<u>-</u>	<u>-</u>	<u>4,719,376</u>	4,719,376
Total	<u>-</u>	<u>\$10,073,251</u>	<u>4,719,376</u>	
Investment in money market account				12,760,965
Investment in STAR Ohio				<u>83,930,556</u>
Total investments				<u>\$111,484,148</u>

Investments are detailed and categorized as follows as of December 31, 1999:

<u>Description</u>	<u>Category</u>			<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
U.S. Treasury Notes	-	\$15,227,319	-	15,227,319
Unrestricted-Repurchase Agreement	<u>-</u>	<u>-</u>	<u>4,480,833</u>	4,480,833
Total	<u>-</u>	<u>\$15,227,319</u>	<u>4,480,833</u>	
Investment in money market account				23,011,106
Investment in STAR Ohio				<u>68,543,061</u>
Total investments				<u>\$111,262,319</u>



**COLUMBUS MUNICIPAL AIRPORT AUTHORITY**

Notes to Financial Statements  
December 31, 2000 and 1999

Note 4 - Restricted Cash and Investments

The following amounts represent restricted cash and investments as of December 31, 2000 and 1999:

	<u>2000</u>	<u>1999</u>
<u>Cash and Cash Equivalents</u>		
Obligation due to City (including interest)	\$ 6,599,773	6,944,589
Restricted for debt service	14,280,849	12,559,119
Restricted for capital expenditures	35,408,292	43,352,169
Customer deposits and other	<u>170,697</u>	<u>148,856</u>
Total restricted cash	<u>\$56,459,611</u>	<u>63,004,733</u>
<u>Other Investments</u>		
Restricted for debt service	\$ 5,687,011	5,665,613
Restricted for capital expenditures	<u>4,386,240</u>	<u>9,561,706</u>
Total restricted other investments	<u>\$10,073,251</u>	<u>15,227,319</u>

Note 5 - Receivables

The following amounts represent receivables due to the Authority at December 31, 2000 and 1999:

	<u>2000</u>	<u>1999</u>
<b>Unrestricted:</b>		
Accounts receivable - trade	\$4,725,107	4,251,590
Less allowance for uncollectibles	<u>444,000</u>	<u>444,000</u>
Total unrestricted trade receivables	<u>\$4,281,107</u>	<u>3,807,590</u>
<b>Restricted for Capital Expenditures:</b>		
Receivable due from other government	\$ 922,207	2,679
Interest receivable	230,884	149,177
Passenger facility charges receivable	<u>1,320,258</u>	<u>1,108,661</u>
Total restricted receivables	<u>\$2,473,349</u>	<u>1,260,517</u>

The restricted amounts listed above, with the exception of PFCs, are based on expenditures incurred or interest earned by the Authority under terms of the grant agreements, legislation or bond restrictions. PFCs are based on the amount of PFCs collected by the air carriers but not yet remitted to the Authority.

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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### Note 6 - Long-Term Debt

#### Revenue bonds

On August 1, 1994, the Authority issued \$37,160,000 of Airport Improvement Revenue Bonds, Series 1994A. The bond proceeds were used to construct a four gate terminal expansion, runway improvements and related facilities. The bonds are due at maturity or through mandatory sinking fund redemption requirements in annual installments of \$475,000 to \$2,630,000 through January 1, 2024. Interest rates range from 4.65% to 6.25% with a weighted average rate of 5.93%. Revenue bonds payable at December 31, 2000, net of unamortized discount of \$560,494, are \$34,314,506 and at December 31, 1999, net of unamortized discount of \$600,007, are \$34,944,994. The revenue bonds are collateralized by revenue of the Authority established by the trust indenture.

On February 1, 1998, the Authority issued \$5,915,000 of Airport Improvement Revenue Bonds, Series 1998A. The bond proceeds were used to construct a new parking facility and terminal apron improvements. The bonds are due at maturity or through mandatory sinking fund redemption requirements in annual installments of \$590,000 to \$1,765,000 through January 1, 2005. The interest rate paid is 4.50%. Revenue bonds payable at December 31, 2000, net of unamortized premium of \$18,647, are \$5,933,647 and December 31, 1999, net of unamortized premium of \$27,112, are \$5,942,112. The revenue bonds are collateralized by revenue of the Authority established by the trust indenture.

On February 1, 1998, the Authority issued \$81,375,000 of Airport Improvement Revenue Bonds, Series 1998B. The bond proceeds were used to construct a new parking facility, improved landside roadways, and terminal apron improvements. The bonds are due at maturity or through mandatory sinking fund redemption requirements in annual installments of \$1,010,000 to \$5,685,000 through January 1, 2028. Interest rates range from 4.50% to 5.25% with a weighted average rate of 4.92%. Revenue bonds payable at December 31, 2000, net of unamortized discount of \$707,981, are \$80,667,019 and at December 1999, net of unamortized discount of \$747,425, are \$80,627,575. The revenue bonds are collateralized by revenue of the Authority established by the trust indenture.

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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The annual requirements to amortize the revenue bonds outstanding as of December 31, 2000 are as follows:

2001	\$ 7,678,970
2002	8,087,088
2003	8,645,753
2004	8,643,540
2005	8,631,585
Thereafter	<u>184,517,157</u>
Total	226,204,093
Less amount representing interest	<u>104,039,093</u>
Bonds outstanding	122,165,000
Less current portion of the bonds	<u>1,295,000</u>
Total long-term portion of the bonds	<u>\$120,870,000</u>

Unamortized discount at December 31, 2000 was \$1,249,828.

### Obligation Due to City

The Authority has entered into a long-term Airport Operation and Use Agreement with the City for the operation and use of Port Columbus International and Bolton Field Airports and for financing the acquisition of the airport assets. The agreement provides for payments which match exactly in timing and amount the debt service payments by the City on general obligation bonds previously issued in connection with the airports.

During 1999, portions of the Obligation was refinanced. The refinancing generated \$310,000 of additional obligation due to the refinancing costs. These costs were capitalized and are being amortized over the remaining life of the Obligation. In 2000, amortization associated with the refinancing costs was \$34,445. The Authority anticipates net interest cost savings of approximately \$750,000 over the life of the Obligation.

**COLUMBUS MUNICIPAL AIRPORT AUTHORITY**

Notes to Financial Statements  
December 31, 2000 and 1999

The following schedule lists property acquired through the agreement by major classes at December 31, 2000 and 1999:

	<u>2000</u>	<u>1999</u>
Land	\$ 13,079,492	13,079,492
Building	82,631,077	82,631,077
Runways, taxiways and other	61,663,933	61,663,933
Machinery and equipment	<u>3,601,197</u>	<u>3,740,800</u>
	160,975,699	161,115,302
Less accumulated depreciation	<u>74,751,172</u>	<u>72,213,677</u>
	<u>\$ 86,224,527</u>	<u>88,901,625</u>

The following schedule lists future payments due under the agreement, together with the amount of the obligation as of December 31, 2000:

Year ending December 31:	
2001	\$ 6,599,773
2002	6,257,281
2003	5,931,681
2004	5,589,039
2005	5,252,733
Thereafter	<u>4,030,021</u>
Total	33,660,528
Less amount representing interest	<u>5,230,528</u>
Obligation outstanding	28,430,000
Less current portion of the obligation	<u>4,995,000</u>
Total long-term portion of the obligation	<u>\$23,435,000</u>

Note 7 - Pension Plans and Other Postemployment Benefits

All Authority employees are required to participate in the statewide Public Employees Retirement System of Ohio (PERS). The plan is a cost-sharing, multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the ORC. Total required employer contributions billed to the Authority were \$2,187,780, \$1,963,363, and \$1,814,259 for the years ended December 31, 2000, 1999, 1998, respectively, and are equal to 100% of the dollar amount extracted from the Authority's records.

The PERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085.

Other postemployment benefits for health care costs provided by PERS are as follows:

PERS provides postretirement health care coverage to age and service retirees with 10 or more

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Governmental Employers." A portion of each contribution to PERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The employer contribution rate was rolled back for the year 2000. For state employers, the rate was 10.65% of covered payroll; 4.30% was the portion that was used to fund health care for the year. These rates are the actuarially determined contribution requirements for PERS. The portion of the Authority's 2000 contribution that was used to fund postemployment benefits was \$883,425. The ORC provides the statutory authority requiring public employers to fund postretirement health care through their contributions to PERS.

The assumptions and calculations below were based on the Retirement System's latest Actuarial Review performed as of December 31, 1999. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 1999 was 7.75%. An annual increase of 4.75% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.75% base increase, were assumed to range from 0.54% to 5.10%. Health care costs were assumed to increase 4.75% annually.

OPEB are advance-funded on an actuarially determined basis. As of December 31, 1999, the actuarial value of the Retirement System's net assets available for OPEB were \$10,805,500. The number of active contributing participants was 401,339. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473.6 million and \$1,668.1 million, respectively.

The Retirement Board initiated significant policy changes in 2000. For calendar year 2000, the Board enacted a temporary employer contribution rate rollback. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The temporary rate rollback was 20% for state government divisions. The Board reallocated employer contributions from 4.20% to 4.30% at the beginning of the year to improve health care financing. The proportion of contributions dedicated to funding OPEB increased during the year for those reasons.

**COLUMBUS MUNICIPAL AIRPORT AUTHORITY**

Notes to Financial Statements  
December 31, 2000 and 1999

Note 8 - Equity

Changes in grants and other contributed capital are summarized as follows:

	<u>Federal Govt.</u>	<u>State &amp; Local Govt.</u>	<u>Passenger Facility Charges</u>	<u>Total</u>
Balance at				
December 31, 1998	\$61,441,37 <sub>5</sub>	6,036,092	56,488,38 <sub>7</sub>	123,965,8 <sub>34</sub>
Additional contributions in aid	1,556,056	3,800	11,486,13 <sub>7</sub>	13,045,99 <sub>3</sub>
Less depreciation of property and equipment acquired by Federal, state, and local grants and contributed capital	<u>1,827,281</u>	<u>1,521,649</u>	<u>964,027</u>	<u>4,312,957</u>
Balance at				
December 31, 1999	61,170,150	4,518,243	67,010,49 <sub>7</sub>	132,698,8 <sub>90</sub>
Additional contributions in aid	7,386,470	265,034	11,523,43 <sub>3</sub>	19,174,93 <sub>7</sub>
Less depreciation of property and equipment acquired by Federal, state, and local grants and contributed capital	<u>2,131,359</u>	<u>1,521,649</u>	<u>1,528,069</u>	<u>5,181,077</u>
Balance at				
December 31, 2000	<u>\$66,425,26<sub>4</sub></u>	<u>3,261,628</u>	<u>77,005,86<sub>4</sub></u>	<u>146,692,7<sub>66</sub></u>

Note 9 - Commitments and Contingencies

**Capital Improvements**

As of December 31, 2000, the Authority was obligated for completion of certain airport improvements under commitments of approximately \$10.5 million. An estimated \$1,750,000 is

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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eligible for reimbursement from the FAA. The remaining amount is expected to be funded from bond proceeds, current available resources, PFC's and future operations.

### Federally Assisted Programs - Compliance Audits

The Authority participates in a number of programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Authority may be required to reimburse the grantor government. As of December 31, 2000, significant amounts of grant expenditures have not been audited but the Authority believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Authority.

### Note 10 - Property Leased to Others

The Authority is a lessor of space in the Port Columbus International Airport terminal along with other land and buildings on a fixed fee as well as a contingent rental basis. Many of the leases provide for a periodic review and redetermination of the rental amounts. Substantially all of the land and building costs in the balance sheet are held by the Authority for the purpose of rental or related use. The net book value of property held for operating leases as of December 31, 2000 and 1999 is \$120,977,496 and \$91,019,896, respectively.

Minimum future rentals on noncancelable operating leases to be received in each of the next five years and thereafter are as follows:

2001	\$ 3,139,346
2002	2,815,885
2003	2,355,999
2004	2,319,156
2005	2,317,873
Thereafter	<u>15,618,919</u>
	<u>\$28,567,178</u>

Certain airline agreements to lease space in the terminal building and terminal apron areas are subject to fluctuating rates. A new airline agreement was effective on January 1, 2000. Once the agreements are signed, the above amounts will reflect the future commitments from the airline companies. The Authority is treating the Airline lease on a month to month basis.

Contingent operating revenue aggregated approximately \$15,200,000 and \$14,500,000, respectively, in 2000 and 1999.

## COLUMBUS MUNICIPAL AIRPORT AUTHORITY

Notes to Financial Statements  
December 31, 2000 and 1999

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### Note 11 - Related Party Transactions

As of December 31, 2000 and 1999, the Authority owed the City \$4 million for past operating advances. This amount has been classified as a long-term liability because management believes that this amount will not be repaid in 2001. Repayment of the advances will be made pending resolution of the compensation to be paid to the Authority for the City's past and future public golf course use. Interest expense, if any, for these advances will be recorded upon resolution of this agreement.



**COLUMBUS MUNICIPAL AIRPORT AUTHORITY**

Supplemental Schedule of Revenues and Expenses -  
Budget vs. Actual - Budget Basis  
For the Year Ending December 31, 2000

	<u>Budget</u>	<u>Actual</u>	Favorable/ (Unfavorable) <u>Variance</u>
Operating Revenues:			
Rentals and fees	\$22,059,644	24,013,014	1,953,370
Landing fees	9,361,479	8,727,272	(634,207)
Parking	16,789,400	18,862,245	2,072,845
Other	<u>487,366</u>	<u>955,626</u>	<u>468,260</u>
Total operating revenues	<u>48,697,889</u>	<u>52,558,157</u>	<u>3,860,268</u>
Operating Expenses:			
Employee wages and benefits	15,801,432	15,396,036	405,396
Purchase of services	12,336,268	13,217,367	(881,099)
Materials and supplies	1,829,430	1,649,375	180,055
Depreciation	-	8,952,713	(8,952,713)
Other	<u>38,064</u>	<u>6,363</u>	<u>31,701</u>
Total operating expenses	<u>30,005,194</u>	<u>39,221,854</u>	<u>(9,216,660)</u>
Operating income	<u>18,692,695</u>	<u>13,336,303</u>	<u>(5,356,392)</u>
Nonoperating Revenues (Expenses):			
Interest income	1,100,000	4,541,313	3,441,313
Fair value adjustment	-	123,183	123,183
Interest expense	(7,826,593)	(7,141,503)	685,090
Loss on disposal of assets	-	(8,793)	(8,793)
Amortization of deferred charges	<u>-</u>	<u>(122,361)</u>	<u>(122,361)</u>
Net nonoperating expenses	<u>(6,726,593)</u>	<u>(2,608,161)</u>	<u>4,118,432</u>
Net income	<u>11,966,102</u>	<u>10,728,142</u>	<u>(1,237,960)</u>
Adjustments to reconcile GAAP net income to budgeted net income:			
Depreciation and amortization	-	9,075,074	9,075,074
Loss on disposal of assets	-	8,793	8,793
Asset purchases acquired through unrestricted cash	(420,722)	(352,426)	68,296
Debt Principal payments	<u>(6,260,000)</u>	<u>(6,259,992)</u>	<u>8</u>
Total adjustments	<u>(6,680,722)</u>	<u>2,471,449</u>	<u>9,152,171</u>
Net income adjusted to the budgetary basis of accounting	<u>\$5,285,380</u>	<u>13,199,591</u>	<u>7,914,211</u>



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**Independent Auditors' Report on Compliance and on Internal  
Control Over Financial Reporting Based on an Audit of  
Financial Statements Performed in Accordance With  
*Government Auditing Standards***

The Board of Directors  
Columbus Municipal Airport Authority  
Columbus, Ohio:

We have audited the financial statements of the Columbus Municipal Airport Authority (the Authority), a component unit of the City of Columbus, as of and for the year ended December 31, 2000, and have issued our report thereon dated March 2, 2001. 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.

However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Authority in a separate letter dated March 2, 2001.

This report is intended solely for the information of the Authority's management, the Ohio Auditor of State, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

March 2, 2001



Two Nationwide Plaza  
Columbus, OH 43215-2577

Telephone 614 249 2300  
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**Independent Auditors' Report on Compliance With  
Requirements Applicable to Each Major Program, Internal Control  
Over Compliance in Accordance With OMB Circular A-133 and  
Schedule of Expenditures of Federal Awards and Other**

The Board of Directors  
Columbus Municipal Airport Authority  
Columbus, Ohio:

**Compliance**

We have audited the compliance of the Columbus Municipal Airport Authority (the Authority), a component unit of the City of Columbus, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs and the *Passenger Facility Audit Guide for Public Agencies* (Guide), issued by the Federal Aviation Administration, for the Authority's Passenger Facility Charge (PFC) program for the year ended December 31, 2000. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs and its PFC program is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the Guide. Those standards, OMB Circular A-133 and the Guide, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and the PFC 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 that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to its major federal program and the PFC program for the year ended December 31, 2000.

## **Internal Control Over Compliance**

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs and the PFC program. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program and the PFC program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the Guide.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program or the PFC program 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 compliance and its operation that we consider to be material weaknesses.

## **Schedule of Expenditures of Federal Awards and Other**

We have audited the financial statements of the Authority as of and for the year ended December 31, 2000, and have issued our report thereon dated March 2, 2001. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards and other is presented for purposes of additional analysis as required by OMB Circular A-133 and the Guide and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information of the Authority's management, the Ohio Auditor of State, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified users.

**KPMG LLP**

March 2, 2001

**COLUMBUS MUNICIPAL AIRPORT AUTHORITY**

Schedule of Expenditures of Federal Awards and Other

Year ended December 31, 2000

<u>Federal Grantor</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Federal Receipts</u>	<u>Federal Expenditures</u>
Department of Transportation—				
Federal Aviation Administration—				
Airport Improvement Program (AIP):	20.106			
Residential soundproofing Phases II and III		3-39-0025-25	\$ 621	621
Design and construction runway 10L/28R-				
East extension		3-39-0025-26	204,531	204,531
Design and construction runway 10L/28-				
West extension		3-39-0025-27	1,365,265	1,365,268
Residential Soundproofing Phases III and IV		3-39-0025-28	3,784	3,784
Update Noise Monitoring System		3-39-0025-30	144,937	144,938
Terminal Apron Rehabilitation		3-39-0025-31	1,155,764	1,155,764
Noise Mitigation Measures		3-39-0025-33	184,360	184,363
Noise and Flight Track Monitoring System		3-39-0025-34	33,233	33,234
Terminal Apron Rehabilitation		3-39-0025-35	1,564,062	1,564,065
Residential Sound Insulation Phase V		3-39-0025-36	340	341
North Parallel Taxiway		3-39-0025-37	599,838	599,839
Runway Safety Area Grating		3-39-0026-06	159,634	159,636
Rehab. Runway 4/LL (Design only)		3-39-0026-07	80,585	80,588
Overlay Runway 4-22		3-39-0026-08	969,988	969,992
			6,466,942	6,466,964
Total U.S. Dept. of Transportation				
Department of Justice—				
Drug Enforcement Administration:				
State and Local Task Force Agreement	16.	N/A	57,796	33,334
Equitable Sharing Agreement	16.	N/A	199,355	244,386
			257,151	277,720
Total U.S. Department of Justice				
			\$ 6,724,093	6,744,684
Total Federal Awards				
Other—				
Passenger facility charges	N/A	N/A	\$ 9,545,232	6,733,607

See accompanying notes to Schedule of Expenditures of Federal Awards and Other.

## **COLUMBUS MUNICIPAL AIRPORT AUTHORITY**

### **Notes to Schedule of Expenditures of Federal Awards and Other**

December 31, 2000

**(1) General**

The accompanying Schedule of Expenditures of Federal Awards and Other presents the activity of all federal assistance programs of the Columbus Municipal Airport Authority (the Authority). The Authority reporting entity is defined in Note 1 to the Authority's financial statements.

**(2) Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards and Other is prepared on the basis of cash receipts and disbursements. Consequently, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligations are incurred.

**COLUMBUS MUNICIPAL AIRPORT AUTHORITY**

Schedule of Findings and Questioned Costs

For the year ended December 31, 2000

**(1) Summary of Auditors' Results**

- (a) The type of report issued on the general purpose financial statements: **Unqualified opinion**
- (b) Reportable conditions in internal control were disclosed by the audit of the financial statements: **None Reported**  
Material weaknesses: **None**
- (c) Noncompliance which is material to the general purpose financial statements: **None**
- (d) Reportable conditions in internal control over major programs: **None Reported**  
Material weaknesses: **None**
- (e) The type of report issued on compliance for major programs: **Unqualified opinion**
- (f) Any audit findings which are required to be reported under section .510(a) of OMB Circular A-133: **No**
- (g) Major programs: **Airport Improvement Program (AIP) (CFDA #20.106)**
- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$300,000**
- (i) Auditee qualified as a low-risk auditee under section .530 of OMB Circular A-133: **Yes**

**(2) Findings Relating to the General Purpose Financial Statements Reported in Accordance With *Government Auditing Standards*:**

**None**

**(3) Findings and Questioned Costs Relating to Federal Awards and Other:**

**None**





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**COLUMBUS MUNICIPAL AIRPORT AUTHORITY**

**FRANKLIN 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  
APRIL 26, 2001**