



Mary Taylor, CPA
Auditor of State

**BELMONT COUNTY REGIONAL AIRPORT AUTHORITY
BELMONT COUNTY**

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Mary Taylor, CPA
Auditor of State

Belmont County Regional Airport Authority
Belmont County
P.O. Box 83
Barnesville, Ohio 43713

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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Mary Taylor, CPA
Auditor of State

August 2, 2010

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Belmont County Regional Airport Authority
Belmont County
P.O. Box 83
Barnesville, Ohio 43713

To the Board of Trustees:

We have audited the accompanying financial statements of the Belmont County Regional Airport Authority, Belmont County, Ohio (the Authority), as of and for the years ended December 31, 2009 and 2008. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Authority has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity-wide statements and also presenting the Authority's larger (i.e., major) funds separately. While the Authority does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require airport authorities to reformat their statements. The Authority has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Authority as of December 31, 2009 and 2008, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Belmont County Regional Airport Authority, Belmont County, Ohio, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Authority has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 2, 2010, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

August 2, 2010

**BELMONT COUNTY REGIONAL AIRPORT AUTHORITY
BELMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Capital Project</u>	
Cash Receipts:			
Federal Grant		\$18,766	\$18,766
County Contribution	\$15,000		15,000
Earnings on Investments	11		11
Total Cash Receipts	15,011	18,766	33,777
Cash Disbursements:			
Current:			
Transportation	5,983		5,983
Capital Outlay	15,004	6,939	21,943
Total Cash Disbursements	20,987	6,939	27,926
Total Cash Receipts Over/(Under) Cash Disbursements	(5,976)	11,827	5,851
Fund Cash Balances, January 1	22,341		22,341
Fund Cash Balances, December 31	\$16,365	\$11,827	\$28,192

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

**BELMONT COUNTY REGIONAL AIRPORT AUTHORITY
BELMONT COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
GOVERNMENTAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Governmental Fund Type
	General
Cash Receipts:	
Conty Contribution	\$25,000
Total Cash Receipts	25,000
Cash Disbursements:	
Current:	
Transportation	723
Capital Outlay	1,936
Total Cash Disbursements	2,659
Total Cash Receipts Over/(Under) Cash Disbursements	22,341
Fund Cash Balance, January 1	
Fund Cash Balance, December 31	\$22,341

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

**BELMONT COUNTY REGIONAL AIRPORT AUTHORITY
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Belmont County Regional Airport Authority, Belmont County (the Authority), as a body corporate and politic. Three Trustees appointed by the Belmont County Commissioners and two Trustees appointed by the Village of Barnesville direct the Authority. Thereafter, any Trustee whose term expires or who resigns shall be replaced by the appointed Authority who originally appointed him or her. The Authority is responsible for the safe and efficient operation and maintenance of the airport. The airport is known as the Barnesville-Bradford Airport.

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

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Authority 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).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

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. Capital Project Funds

These funds account for receipts restricted to acquiring or constructing major capital projects. The Authority had the following significant Capital Project Funds:

FAA Grant Fund - This fund receives federal grant money to pay for constructing, maintaining, and repairing the Airport runway.

D. Property, Plant, and Equipment

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

**BELMONT COUNTY REGIONAL AIRPORT AUTHORITY
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

2. Equity in Pooled Deposits

The Authority maintains a cash pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 was as follows:

	<u>2009</u>	<u>2008</u>
Demand deposits	<u>\$28,192</u>	<u>\$22,341</u>

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

3. Risk Management

Commercial Insurance

The Authority has set-aside \$11,000 in a savings account at WesBanco to satisfy the deductible requirements of Ohio Department of Commerce for insurance on the underground fuel tanks on the property.

The Authority has the following coverage with County Risk Sharing Authority (CORSA):

- Errors and omissions for board members;
- Premise liability covering anyone injured on the property, not including anything related to aviation activities, including landings, takeoffs and runways;
- Coverage for 2007 Ford dump truck, Bobcat skid loader and an electronic gate.



Mary Taylor, CPA

Auditor of State

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

Belmont County Regional Airport Authority
Belmont County
P.O. Box 83
Barnesville, Ohio 43713

To the Board of Trustees:

We have audited the financial statements of the Belmont County Regional Airport Authority, Belmont County, Ohio (the Authority), as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated August 2, 2010, wherein we noted the Authority prepared its financial statements using accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Authority's internal control over financial reporting.

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 more than a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

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 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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Belmont County Regional Airport Authority
Belmont County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
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We did note certain matters not requiring inclusion in this report that we reported to the Authority's management in a separate letter dated August 2, 2010.

We intend this report solely for the information and use of management, the Board of Trustees, and others within the Authority. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

August 2, 2010



Mary Taylor, CPA
Auditor of State

BELMONT COUNTY REGIONAL AIRPORT AUTHORITY

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
AUGUST 26, 2010**