



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Williams Regional Airport Authority  
Williams County  
117 West Maple Street  
Bryan, Ohio 43506-1691

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Williams Regional Airport Authority, Williams County, Ohio (the Airport) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2014 and 2013, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

### Cash

1. Williams County is the primary custodian for the Airport's deposits and therefore the County's deposit and investment pool holds most of the Airport's assets. We compared the Airport's fund balances reported on its December 31, 2014 Estimated Revenue Budget Report to the balances reported in Williams County's accounting records. The amounts agreed.
2. We tested the mathematical accuracy of the December 31, 2014 and December 31, 2013 bank reconciliations. We found no exceptions.
3. We agreed the January 1, 2013 beginning fund balances recorded in the Estimated Revenue Budget Report to the December 31, 2012 balances in documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2014 beginning fund balances recorded in the Estimated Revenue Budget Report to the December 31, 2013 balances in the Estimated Revenue Budget Report. We found no exceptions.
4. We agreed the totals per the bank reconciliations to the total of the December 31, 2014 and 2013 fund cash balances reported in the Estimated Revenue Budget Report. The amounts agreed.
5. We observed the year-end bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2014 bank reconciliation without exception.

### Intergovernmental and Other Confirmable Cash Receipts

1. We selected the three receipts from the County Auditor's Transaction History Listing Report from 2014 and the one from 2013.
  - a. We compared the amount from the above report to the amount recorded in the Transaction History Listing Report. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
2. We agreed the amounts paid from the Federal Aviation Administration (FAA) to the Airport during 2014 and 2013 with amounts in the grant agreements from the FAA. We found no exceptions.
  - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

**Sale of Fuel Receipts**

We haphazardly selected 10 sale of fuel cash receipts from the year ended December 31, 2014 and 10 sale of fuel cash receipts from the year ended December 31, 2013 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Transaction History Listing Report. The amounts agreed.
- b. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

**Debt**

1. From the prior agreed-upon procedures documentation, we noted the following note outstanding as of December 31, 2012. This amount agreed to the Airport's January 1, 2013 balance on the summary we used in step 3.

<b>Issue</b>	<b>Principal outstanding as of December 31, 2012:</b>
Promissory Note – Edon State Bank	\$76,627.50

2. We inquired of management, and scanned the Transaction History Listing Report for evidence of debt issued during 2014 or 2013 or debt payment activity during 2014 or 2013. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of note debt activity for 2014 and 2013 and agreed principal and interest payments from the related debt amortization schedule to Airport Fuel System Fund payments reported in the Transaction History Listing Report. We also compared the date the debt service payments were due to the date the Airport made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Airport Fuel System fund per the Transaction History Listing Report. The amounts agreed.
5. For new debt issued during 2013, we inspected the debt legislation, noting the Airport must use the proceeds to toward the purchase and installation of an Airport Fuel System. We scanned the Transaction History Listing Report and noted the Airport used the proceeds toward the Fuel System in January and February 2013. The Airport had an additional draw down of \$24,353 in

loan proceeds from the Edon State Bank for additional fuel system expenditures. Ohio Rev. Code §308.06 grants the powers and duties of regional airport authorities. There are only two circumstances under which airport authorities may acquire debt. Ohio Rev. Code §308.06(K) allows the Airport to enter into an agreement with the County in which the County would issue bonds and pay the proceeds to the Airport. In addition, Ohio Rev. Code §308.06(L) allows the Airport to issue revenue bonds. The Airport does not have the authority to borrow from a financial institution in the form of a promissory note. We recommend the Airport acquire debt only as permitted by the Ohio Revised Code.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for the employee from 2014 and one payroll check for the employee from 2013 from the Distribution Report and:
  - a. We compared the salary recorded in the Distribution Report to supporting documentation (legislatively approved salary). We found no exceptions.
  - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
  - c. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.
  
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2014 to determine whether remittances were timely charged by the fiscal agent Williams County, and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2014. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes and Medicare (and social security, for employees not enrolled in pension system)	January 31, 2015	January 27, 2015	\$208.54	\$208.54
State income taxes	January 15, 2015	December 24, 2014	19.64	19.64
Local income tax	January 31, 2015	December 24, 2014	29.42	29.42
OPERS retirement	January 31, 2015	January 26, 2015	443.06	443.06

**Non-Payroll Cash Disbursements**

1. From the Transaction History Listing Report, we re-footed checks recorded as General Fund disbursements for *Fuel*, and checks recorded as *Contract Services* in the Federal Aviation Administration fund for 2014. We found no exceptions.
  
2. We haphazardly selected ten disbursements from the Transaction History Listing Report for the year ended December 31, 2014 and ten from the year ended December 31, 2013 and determined whether:

- a. The disbursements were for a proper public purpose. We found no exceptions.
- b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Transaction History Listing Report and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. A purchase of diesel fuel for use in the Airport's vehicles (\$468.77) in 2014 was allocated to the Airport Fuel System fund instead of the Airport Authority fund. Ohio Rev. Code §5705.10(I) requires monies paid into any fund shall be used only for the purposes for which such fund is established. The Airport Fuel System fund was to account for the purchase and resale of aviation fuel and other operating costs of the fuel system. This error has not been corrected in the Airport's accounting records. We recommend review and allocate expenditures to funds in accordance with the purpose for which funds were established.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Airport's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance and others within the Airport, and is not intended to be, and should not be used by anyone other than these specified parties.



**Dave Yost**  
Auditor of State

Columbus, Ohio

May 27, 2015



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**WILLIAMS-REGIONAL AIRPORT AUTHORITY**

**WILLIAMS 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  
JUNE 11, 2015**