



Dave Yost • Auditor of State



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July 10, 2018

Wood County Regional Airport Authority
Wood County
1261 East Poe Road
Bowling Green, Ohio 43402-9392

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Wood County Regional Airport Authority, Wood County, Ohio (the Airport), on the receipts, disbursements and balances recorded in the Airport's cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Airport. The Airport is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Airport. 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. We recalculated the December 31, 2017 and December 31, 2016 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2016 beginning fund balances recorded in the Balance Sheet Report to the December 31, 2015 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2017 beginning fund balances recorded in the Balance Sheet Report to the December 31, 2016 balances in the Balance Sheet Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2017 and 2016 fund cash balances reported in the Balance Sheet Report. The amounts agreed for December 31, 2016. For December 31, 2017 we noted the amount on the Balance Sheet Report was \$65,377 and the amount on the bank reconciliation was \$72,451. The variance was from a liability owed the next month in the amount of \$7,074. The Bookkeeper should ensure all amounts, including liabilities, are recorded on the monthly bank reconciliation.
4. We observed the year-end bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balance to the amounts appearing in the December 31, 2017 bank reconciliation without exception.
5. We selected all of the reconciling debits (such as outstanding checks) from the December 31, 2017 bank reconciliation:

- a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. There were no exceptions.
6. We selected all of the reconciling credits (such as deposits in transit) from the December 31, 2017 bank reconciliation:
- a. We traced each credit to the subsequent January bank statement. We found no exceptions.
 - b. We agreed the credit amounts to the Receipts Register. Each credit was recorded as a December receipt for the same amount recorded in the reconciliation.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected the receipt from the Wood County Detail Expense Transactions Report from 2017.
 - a. We compared the amount from the above report to the amount recorded in the Transaction Detail by Account Report. The amount agreed.
 - b. We inspected the Transaction Detail by Account Report to determine that the receipt was allocated to the proper fund. We found no exceptions.
 - c. We inspected the Transaction Detail by Account Report to determine whether the receipt was recorded in the proper year. We found no exceptions.
2. We confirmed the amounts paid from the City of Bowling Green to the Airport during 2017 and 2016 with the City. We found no exceptions.
 - a. We inspected the Transaction Detail by Account Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We inspected the Transaction Detail by Account Report to determine whether the receipts were recorded in the proper year. We found no exceptions.
3. We confirmed the amounts paid from the FAA to the Airport during 2017 and 2016 with the FAA. We found no exceptions.
 - a. We inspected the Transaction Detail by Account Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We inspected the Transaction Detail by Account Report to determine 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, 2017 and 10 sale of fuel cash receipts from the year ended December 31, 2016 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the Daily Transaction Report. The amounts agreed.
- b. Agreed the rate charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the Daily Transaction Report to confirm the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Rent Receipts

We haphazardly selected 10 rent cash receipts from the year ended December 31, 2017 and 10 rent cash receipts from the year ended December 31, 2016 recorded in the Daily Transaction Report and:

- a. Agreed the receipt amount to the amount recorded in the Daily Transaction Report. The amounts agreed.

- b. Agreed the rate charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the Daily Transaction Report to confirm the 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 observed the following bond was outstanding as of December 31, 2015. This amount agreed to the Airport's January 1, 2016 balance on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2015:
Airport Revenue Bonds	\$93,411

2. We inquired of management, and inspected the Check Register Report and Transaction Detail by Account Report for evidence of debt issued during 2017 or 2016 or debt payment activity during 2017 or 2016. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of bonded debt activity for 2017 and 2016 and agreed principal and interest payments from the related debt amortization schedule to General fund payments reported in the Transaction Detail by Account Report. We also compared the date the debt service payments were due to the date the Airport made the payments. We noted the December 2017 payment was not made until January 2018. No late fees were assessed by Bowling Green State University since the University did not send a payment reminder to the Airport. Airport management should review the amortization schedule and make payments in accordance with due dates to ensure payments are made in a timely manner and to avoid potential late fees.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2017 and one payroll check for five employees from 2016 from the Transaction detail by account report and:
 - a. We compared the hours and pay rate, or salary recorded in the Transaction Detail by account report to supporting documentation timecards. In 2017, we found that two employees were overpaid by four hours, resulting in a total overpayment of \$66. The manager should use due care in recalculating the time to ensure employees aren't paid for hours they didn't work. We recommend the Airport seek reimbursement for the overpayments.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
 - c. We inspected the fund and account codes to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the employees' personnel files. We also confirmed the payment was posted to the proper year. We found no exceptions.
2. For any new employees selected in procedure 1 we inspected the employees' personnel files and minute record with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Department and fund to which the check should be charged
 - d. Retirement system participation and payroll withholding
 - e. Federal, State & Local income tax withholding authorization and withholding
 - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to procedures a. – f. above.

3. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2017 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2017. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2018	January 9, 2018	\$1,075.80	\$1,075.80
State income taxes	January 31, 2018	January 11, 2018	310.23	310.23
Bowling Green City	January 31, 2018	January 11, 2018	358.31	358.21
Evergreen LSD	January 31, 2018	January 9, 2018	42.81	42.81
Bowling Green CSD	January 31, 2018	January 9, 2018	26.55	26.55
Otsego LSD	January 31, 2018	January 9, 2018	106.00	106.00
OPERS retirement	January 31, 2018	January 23, 2018	1,277.38	1,277.38

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Transaction Detail by Account Report for the year ended December 31, 2017 and ten from the year ended December 31, 2016 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, or the date, payee name, and amount recorded on the bank statement for ACH payments, agreed to the check number, date, payee name and amount recorded in the Transaction Detail by Account 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. We found no exceptions.

Other Compliance

Ohio Rev. Code Section 117.38 requires airports to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, in addition to filing extensions granted for extenuating circumstances, allow for refiling complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included in 2015-2016 or 2016-2017 agreed up on procedure engagements, subsequent to the Airport's deadline where the initial filing was filed on time but incomplete. We confirmed the Airport filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2017 and 2016 in the Hinkle system. There were no exceptions.

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*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Airport's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or

conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in the evaluation of the Airport's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D" and a long, sweeping tail on the "y".

Dave Yost
Auditor of State

Columbus, Ohio

July 10, 2018

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WOOD COUNTY REGIONAL AIRPORT AUTHORITY

WOOD 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
AUGUST 7, 2018