



OHIO AUDITOR OF STATE
KEITH FABER



**ERIE-OTTAWA REGIONAL AIRPORT AUTHORITY
OTTAWA COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Erie-Ottawa Regional Airport Authority
Ottawa County
3255 East State Road
Port Clinton, Ohio 43452-8004

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statement of the cash balance, receipts and disbursements as of and for the year ended December 31, 2020, and related notes of Erie-Ottawa Regional Airport Authority, Ottawa County, Ohio (the Authority).

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting this financial statement in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting a financial statement free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on this financial statement based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statement is free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Authority's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Efficient • Effective • Transparent

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statement, the Authority prepared this financial statement using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statement of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Authority does not intend this statement to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Authority, as of December 31, 2020, and the change in financial position thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash balance, receipts and disbursements as of and for the year ended December 31, 2020, and related notes of the Authority, as of and in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Emphasis of Matter

As discussed in Note 9 to the financial statement, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Authority. We did not modify our opinion regarding this matter.

Other Matters

Our audit was conducted to opine on the financial statement taken as a whole.

The Schedule of Expenditures of Federal Awards presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statement.

The schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the financial statement. We subjected this schedule to the auditing procedures we applied to the financial statement. We also applied certain additional procedures, including comparing and reconciling the schedule directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the financial statement taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2021, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

July 20, 2021

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Erie-Ottawa Regional Airport Authority
Ottawa County
Statement of Receipts, Disbursements and
Changes in Fund Balance (Regulatory Cash Basis)
For the Year Ended December 31, 2020

| | |
|--|------------------|
| <hr/> <hr/> | |
| Cash Receipts | |
| County contributions | \$106,430 |
| Grants | 2,516,027 |
| Sale of fuel | 794,834 |
| Fees | 138,448 |
| Rents | 195,169 |
| Miscellaneous | 55,520 |
| | <hr/> |
| <i>Total Cash Receipts</i> | <i>3,806,428</i> |
| | <hr/> |
| Cash Disbursements | |
| Current: | |
| Fuel for resale | 617,982 |
| Fuel refund | 14,616 |
| Salaries | 234,890 |
| Fringe benefits | 31,477 |
| Supplies and materials | 5,751 |
| Equipment | 7,307 |
| Contracts - repair | 32,083 |
| Contracts - services | 127,041 |
| Rentals | 2,157 |
| Advertising and printing | 469 |
| Travel and expenses | 5,182 |
| Miscellaneous | 5,162 |
| Capital Outlay | 2,593,062 |
| Debt Service: | |
| Principal retirement | 64,917 |
| Interest and fiscal charges | 41,001 |
| | <hr/> |
| <i>Total Cash Disbursements</i> | <i>3,783,097</i> |
| | <hr/> |
| <i>Excess of Receipts Over Disbursements</i> | <i>23,331</i> |
| | <hr/> |
| Other Financing Receipts | |
| Other financing sources | 17,622 |
| | <hr/> |
| <i>Net Change in Fund Cash Balance</i> | <i>40,953</i> |
| | <hr/> |
| <i>Fund Cash Balance, January 1</i> | <i>389,187</i> |
| | <hr/> |
| <i>Fund Cash Balance, December 31</i> | <i>\$430,140</i> |
| | <hr/> <hr/> |

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

Erie-Ottawa Regional Airport Authority
Ottawa County
Notes to the Financial Statement
For the Year Ended December 31, 2020

Note 1 - Reporting Entity

Erie-Ottawa Regional Airport Authority, Ottawa County, Ohio (the Authority), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Authority is governed by a nine-member Board of Directors; four of whom are appointed by the Erie County Board of County Commissioners and four of whom are appointed by the Ottawa County Board of County Commissioners. The remaining member is appointed at-large by the other eight Board members. The Authority is responsible for the safe and efficient operation and maintenance of Erie-Ottawa Regional Airport Authority.

Public Entity Risk Pool

The Authority participates in a public entity risk pool. Note 4 to the financial statement provides additional information for this entity.

The Authority's management believes this financial statement presents all activities for which the Authority is financially accountable.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The Authority's financial statement consists of a statement of receipts, disbursements and changes in fund balance (regulatory cash basis).

Basis of Accounting

The financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Rev. Code Section 117.38 and Ohio Admin. Code Section 117-2-03 (D). 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.

This statement includes adequate disclosure of material matters, as the financial reporting provisions of Ohio Rev. Code Section 117.38 and Ohio Admin. Code Section 117-2-03 (D) permit.

Capital Assets

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

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statement does not include a liability for unpaid leave.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Authority must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Erie-Ottawa Regional Airport Authority
Ottawa County
Notes to the Financial Statement
For the Year Ended December 31, 2020

Nonspendable The Authority classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Authority.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed The Board can *commit* amounts via formal action (resolution). The Authority must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the General Fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the General Fund and includes amounts not included in the other classifications.

The Authority applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Note 3 - Deposits

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 was as follows:

| | |
|-----------------|------------------|
| | <u>2020</u> |
| Demand deposits | <u>\$430,140</u> |

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 4 - Risk Management

Risk Pool Membership

Through Ottawa County, the Authority is covered under County Risk Sharing Authority, Inc. (CORSA). CORSA is a risk sharing pool made up of various counties in Ohio and was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA insurance/self-insurance program, a group of primary and excess insurance/self-insurance and risk management program. CORSA insured the Authority for general liability, errors and omission, and property.

Erie-Ottawa Regional Airport Authority
Ottawa County
Notes to the Financial Statement
For the Year Ended December 31, 2020

Commercial Insurance

The Authority has obtained commercial insurance for the following risks:

- Aviation;
- Airport hangerkeepers' liability; and
- Vehicles.

The Authority also carries a bond for employee dishonesty.

Note 5 - Defined Benefit Pension Plan

Ohio Public Employees Retirement System

Authority employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes the plan's retirement benefits, including postretirement healthcare and survivor and disability benefits to participants.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Authority contributed an amount equaling 14 percent of participants' gross salaries. The Authority has paid all contributions required through December 31, 2020.

Note 6 - Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, and deposits to a Health Reimbursement Arrangement, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the traditional pension plan and combined plan was 0 percent during calendar year 2020. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2020.

Note 7 - Debt

Debt outstanding at December 31, 2020, was as follows:

| | Principal | Interest Rate |
|--|-------------|---------------|
| Airport Improvement Bonds | \$65,000 | 3.96% |
| State Infrastructure Bank Loan | 1,192,402 | 3.00% |
| Loan - Customs Project - Erie County | 138,500 | 1.00% |
| Loan - Customs Project - Ottawa County | 138,500 | 1.00% |
| Total | \$1,534,402 | |

The Authority undertook construction of hanger units for rental, which were financed through 2003 Series General Obligation Bonds issued by Ottawa County in the amount of \$465,000. On September 18, 2013, Ottawa County issued general refunding bonds - Series 2014 which included a portion of the Authority's 2013 General Obligation Bonds. The Authority makes the payment for this debt directly to the Ottawa County Commissioners.

Erie-Ottawa Regional Airport Authority
Ottawa County
Notes to the Financial Statement
For the Year Ended December 31, 2020

On November 6, 2013, the Authority closed a loan with the State Infrastructure Bank for the construction of a taxiway to support new private development of 14 hangars and the addition of an aviation museum, the construction of a customs building, the upgrade of an existing hangar, and the renovation of an existing building to hangar space. The Authority elected to skip two payments due to COVID-19 (November 2020 and May 2021) as allowable per State Infrastructure Bank. Interest will continue to accrue and increase the balance of the loan. The semi-annual payment amount has been recalculated.

The Authority entered into a lease agreement for a Kubota tractor and loader during 2015. This lease is to be paid in monthly installments of \$936, including interest, over a period of 60 months. This lease was paid in full during 2020.

The Authority entered into a Tri-Party Agreement with Erie County and Ottawa County on April 28, 2017. The agreement was to assist the Authority with the construction of the U.S. Customs building. Each county loaned \$138,500 to the Authority for the construction costs. Each county will be repaid in full with interest at 1 percent initially. The interest rate will be re-established annually based on the index at the time plus 0.18 percent above the One Year Treasury Bill Index. These loans mature on December 31, 2021.

Amortization of the above debt, including interest, is scheduled as follows:

| Year Ending December 31: | Airport Improvement Bonds | State Infrastructure Bank Loan | Loan - Customs Project - Erie County | Loan - Customs Project - Ottawa County |
|-----------------------------|---------------------------------|--------------------------------------|---|--|
| 2021 | \$31,800 | \$51,763 | \$140,847 | \$140,847 |
| 2022 | 36,050 | 103,527 | | |
| 2023 | | 103,527 | | |
| 2024 | | 103,527 | | |
| 2025 | | 103,527 | | |
| 2026-2030 | | 517,633 | | |
| 2031-2035 | | 517,633 | | |
| Total | <u>\$67,850</u> | <u>\$1,501,137</u> | <u>\$140,847</u> | <u>\$140,847</u> |

Note 8 - Contingent Liabilities

Amounts grantor agencies pay to the Authority are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 9 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Authority. The impact on the Authority's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Note 10 - Change in Accounting Principle

For 2020, the Authority has made changes to its cash-basis reporting model. These changes include removing the fund balance classifications from the statement of receipts, disbursements, and changes in fund balance (regulatory cash basis).

ERIE-OTTAWA REGIONAL AIRPORT AUTHORITY
OTTAWA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

| FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title | Federal CFDA Number | Pass Through Entity Identifying Number | Total Federal Expenditures |
|---|---------------------------|--|-------------------------------|
| U.S. DEPARTMENT OF TRANSPORTATION | | | |
| <i>Direct Program</i> | | | |
| Airport Improvement Program | 20.106 | N/A | \$ 2,161,988 |
| COVID-19 Airport Improvement Program | 20.106 | N/A | <u>69,000</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 2,230,988</u> |

The accompanying notes are an integral part of this schedule.

**ERIE-OTTAWA REGIONAL AIRPORT AUTHORITY
OTTAWA COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Erie-Ottawa Regional Airport Authority, Ottawa County, Ohio (the Authority) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the fund balance or changes in fund balance of the Authority.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C - INDIRECT COST RATE

The Authority has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - MATCHING REQUIREMENTS

Certain federal programs require the Authority to contribute non-federal funds (matching funds) to support the federally-funded programs. The Authority has met its matching requirements. The Schedule does not include the expenditure of non-federal matching funds.

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

Erie-Ottawa Regional Airport Authority
Ottawa County
3255 East State Road
Port Clinton, Ohio 43452-8004

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statement of the cash balance, receipts, and disbursements as of and for the year ended December 31, 2020 and related notes of Erie-Ottawa Regional Airport Authority, Ottawa County, Ohio (the Authority) and have issued our report thereon dated July 20, 2021, wherein we noted the Authority followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Authority.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statement, but not to the extent necessary to opine on the effectiveness of the Authority's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Authority's financial statement. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Authority's financial statement is 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 financial statement. However, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

July 20, 2021

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Erie-Ottawa Regional Airport Authority
Ottawa County
3255 East State Road
Port Clinton, Ohio 43452-8004

To the Board of Directors:

Report on Compliance for the Major Federal Program

We have audited Erie-Ottawa Regional Airport Authority, Ottawa County, Ohio's (the Authority) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Erie-Ottawa Regional Airport Authority's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Authority's major federal program.

Management's Responsibility

The Authority's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Authority's compliance for the Authority's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal 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 our audit provides a reasonable basis for our compliance opinion on the Authority's major program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on the Major Federal Program

In our opinion, Erie-Ottawa Regional Airport Authority complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The Authority's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Authority's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

July 20, 2021

**ERIE-OTTAWA REGIONAL AIRPORT AUTHORITY
OTTAWA COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|---|
| (d)(1)(i) | Type of Financial Statement Opinion | Unmodified |
| (d)(1)(ii) | Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material noncompliance at the financial statement level (GAGAS)? | No |
| (d)(1)(iv) | Were there any material weaknesses in internal control reported for major federal programs? | No |
| (d)(1)(iv) | Were there any significant deficiencies in internal control reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Program's Compliance Opinion | Unmodified |
| (d)(1)(vi) | Are there any reportable findings under 2 CFR § 200.516(a)? | No |
| (d)(1)(vii) | Major Program (list): | Airport Improvement Program CFDA #20.106 |
| (d)(1)(viii) | Dollar Threshold: Type A/B Programs | Type A: > \$ 750,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee under 2 CFR § 200.520? | No |

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE KEITH FABER



ERIE-OTTAWA REGIONAL AIRPORT AUTHORITY

OTTAWA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 8/17/2021

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This report is a matter of public record and is available online at
www.ohioauditor.gov