

MOUNT VERNON AIRPORT AUTHORITY
Mount Vernon, Illinois

FINANCIAL STATEMENTS

April 30, 2009

GUY W. COONS
Certified Public Accountant

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MOUNT VERNON AIRPORT AUTHORITY
Mount Vernon, Illinois

BOARD OF COMMISSIONERS

For the Fiscal Year Ended April 30, 2009

Board Commissioners

Michael Ancona, Chairman
Greg Martin, Vice Chairman
Paul Dickerson, Secretary
Gary Chesney, Treasurer
Joe Bob Pierce, Commissioner

GUY W. COONS

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Mount Vernon Airport Authority
Mount Vernon, Illinois

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mount Vernon Airport Authority as of and for the year ended April 30, 2009, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Authority's management. My responsibility is to express opinions on these financial statements based on my audit. The financial statements of the Mount Vernon Airport Authority as of April 30, 2008 were audited by other auditors whose report dated September 12, 2008 expressed an unqualified opinion on those statements.

I conducted my 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. Those standards require that I 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

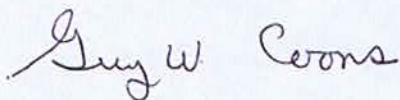
In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mount Vernon Airport Authority as of April 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated October 16, 2009, on my consideration of the Authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and is important for assessing the results of my audit.

The management's discussion and analysis and other required supplementary information are not

a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying financial information listed as supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The supplementary information found on pages 28 through 30 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I express no opinion on it.



Certified Public Accountant

October 16, 2009
Benton, Illinois

GUY W. COONS

Certified Public Accountant
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Commissioners
Mount Vernon Airport Authority
Mount Vernon, Illinois

I have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mount Vernon Airport Authority, as of and for the year ended April 30, 2009, which collectively comprise the Mount Vernon Airport Authority's basic financial statements and have issued my report thereon dated October 16, 2009. I conducted my 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Mount Vernon Airport Authority's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Mount Vernon Airport Authority's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Mount Vernon Airport Authority's internal control over financial reporting.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, I identified certain deficiencies in internal control over financial reporting that I consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Mount Vernon Airport Authority's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Mount Vernon Airport Authority's financial statements that is more than inconsequential will not be prevented or detected by the Mount Vernon Airport Authority's internal control. I consider the following deficiencies to be significant deficiencies in internal control over financial reporting.

- An inadequate segregation of duties exists with respect to the internal control of the Mount Vernon Airport Authority's accounting system. Duties should be segregated so that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. The absence of segregation of duties results in weaknesses throughout the system of internal control.
- Although the Authority's Board of Commissioners and manager possess expertise regarding their business operations and industry practices, the lack of expertise in financial accounting and reporting results in weakness in internal control over financial accounting and reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Mount Vernon Airport Authority's internal control.

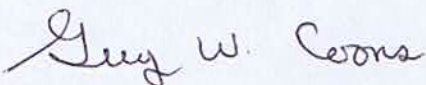
My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, I consider the inadequate segregation of duties and lack of expertise in financial accounting and reporting described above to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mount Vernon Airport Authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

I noted certain additional matters that I reported to management and the Board of Commissioners of the Mount Vernon Airport Authority, in a separate letter dated October 16, 2009.

This report is intended solely for the information and use of the Board of Commissioners, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Certified Public Accountant

October 16, 2009
Benton, Illinois

MOUNT VERNON AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2009

As management of the Mount Vernon Airport Authority, (the Authority) we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended April 30, 2009.

Financial Highlights

The Authority's total assets exceeded its liabilities by \$8,635,690 (*net assets*) for the fiscal year reported as compared to \$8,359,110 reported in the prior fiscal year.

The Authority's total net assets increased by \$276,580 or 3.3% over the course of the year's operations as compared to an increase of \$262,063 in the prior fiscal year.

Non Financial Highlights

- Team MVN welcomed new additions to the Koziara Terminal during FY2008/2009:
- Mr. Leland Widick, former SIUC Chief Flight Instructor, is the only FAA Examiner in the area, which leads to more aircraft operations and increased revenue for the area economy.
- The American Red Cross-Mid Southern Illinois Chapter moved into their new headquarters inside the Koziara Terminal. The American Red Cross office provides disaster relief coordination across southern Illinois as well as CPR and First Aid Training Classes for the community.
- These new additions compliment the insurance, aircraft sales, industrial technology, and restaurant businesses already present in the Koziara Terminal.
- The Koziara Terminal HVAC and Energy Efficiency Projects were completed. The airport is currently experiencing a 38% reduction in energy costs for the Koziara Terminal over the previous fiscal year.
- *Momentum 2014* was launched. The five year Capital Development Plan includes the construction of a new "T" Hangar, the Runway Safety Allowance Correction Project, initial phases of the new Southwest Quadrant Industrial Development Ramp, and many smaller infrastructure projects.
- Mt. Vernon Outland Airport's based aircraft count is up to 53, the largest ever. Seven multi-engine aircraft are registered at the airport.
- The Inaugural Midwest LSA Expo is scheduled for October 1 - 3, 2009 at the airport. Midwest LSA Expo Inc. organized the event to help manufacturers sell Light Sport Aircraft and promote Sport Pilots. The airport, City Tourism, Jefferson County Development Corporation, and the Jefferson County Chamber of Commerce teamed up to ensure the success of the event that has the potential to attract thousands of visitors from across the nation.

Overview of the Financial Statements

This annual report includes this management's discussion and analysis report, the independent auditors' report and the basic financial statements of the Authority. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the Authority report information of the Authority using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about its activities. The Statement of Net Assets includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). It also provides the basis for evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

The Authority's two kinds of funds - *governmental and proprietary* - use different accounting approaches.

- *Governmental funds* - Most of the Authority's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Authority's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Authority's programs. I describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in the reconciliation of the governmental funds balance sheet to the Statement of Net Assets.
- *Proprietary funds* - When the Authority charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the Authority's enterprise funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

All of the Enterprise Funds' current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Assets. This statement measures the success of the Enterprise Funds' operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its user fees and other charges, profitability, and credit worthiness.

The final required financial statement for Proprietary Funds is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating, financing, and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Notes to Financial Statements

The accompanying notes to financial statements provide information essential to a full understanding of the financial statements. The notes to financial statements begin on page 19 of this report.

Analysis of Financial Position

One of the most important questions asked about the Authority's finances is "Is the Authority as a whole better off or worse off as a result of this year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Authority as a whole and about its activities in a way that helps answer this question.

These two statements report the net assets of the Authority and the changes in them. One can think of the Authority's net assets - the difference between assets and liabilities - as one way to measure the Authority's financial health, or financial position. Over time, increases or decreases in the Authority's net assets are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions and new or changed government legislation.

See the following page for the Summary of Net Assets and Summary of Changes in Net Assets.

Summary of Net Assets

The following summarizes the net assets of the Mount Vernon Airport Authority at April 30, 2009 and April 30, 2008:

	Net Assets Summary					
	Governmental Activities		Business-Type Activities		Total	Total
	2009	2008	2009	2008	2009	2008
Current and other assets	1,861,692	1,065,120	90,681	97,992	1,952,373	1,163,112
Capital assets	8,164,062	7,650,414			8,164,062	7,650,414
Total assets	10,025,754	8,715,534	90,681	97,992	10,116,435	8,813,526
Current liabilities	261,617	269,416	4,128		265,745	269,416
Long-term liabilities	1,215,000	185,000			1,215,000	185,000
Total liabilities	1,476,617	454,416	4,128	0	1,480,745	454,416
Net assets						
Invested in capital assets	8,164,062	7,650,414			8,164,062	7,650,414
Restricted for:						
Capital projects	(89,165)	118,850			(89,165)	118,850
Debt service	265,787	280,188			265,787	280,188
Prepaid expense	19,044	21,997			19,044	21,997
Unrestricted	189,409	189,669	86,553	97,992	275,962	287,661
Total net assets	8,549,137	8,261,118	86,553	97,992	8,635,690	8,359,110

Summary of Changes in Net assets

The following summarizes the changes in net assets of the Mount Vernon Airport Authority at April 30, 2009 and April 30, 2008:

	Summary of changes in Net Assets					
	Governmental Activities		Business-Type Activities		Total	Total
	2009	2008	2009	2008	2009	2008
Revenues						
Program revenues						
Charges for services	120,145	119,542	30,407	42	150,552	119,584
Capital grants	761,872	740,138			761,872	740,138
General revenues						
Real estate and personal property taxes levied for:						
General purposes	263,788	281,567			263,788	281,567
Debt service	203,548	204,567			203,548	204,567
Gain (loss) on asset disposal	412	(863)			412	(863)
Miscellaneous	4,268				4,268	
Interest	10,441	14,264	1,955	2,190	12,396	16,454
Insurance recoveries		17,097			-	17,097
Other revenues	25,617	14,933			25,617	14,933
Total revenues	1,390,091	1,391,245	32,362	2,232	1,422,453	1,393,477
Expenses						
General and administrative services	1,076,305	1,082,429	43,801	1,604	1,120,106	1,084,033
Interest and other fiscal charges	25,767	15,233			25,767	15,233
Total expenses	1,102,072	1,097,662	43,801	1,604	1,145,873	1,099,266
Changes in net assets	288,019	293,583	(11,439)	628	276,580	294,211
Net assets - beginning	8,261,118	7,967,535	97,992	97,364	8,359,110	8,064,899
Net assets - ending	8,549,137	8,261,118	86,553	97,992	8,635,690	8,359,110

Capital Assets and Debt Administration

Capital Assets. The Authority's investment in capital assets as of April 30, 2009, amounted to \$8,164,062 (net of accumulated depreciation). This investment in capital assets includes property, plant, and equipment. Capital assets for the governmental funds increased by \$513,648 net of depreciation and for the business-type activities, capital assets remained the same. For governmental activities, total depreciation expense for this year amounts to \$662,284 with ending accumulated depreciation being \$23,099,593. For business-type activities, total depreciation expense for this year amounts to \$-0- with ending accumulated depreciation being \$139,641.

Net Capital Assets Summary

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 1,298,645	\$ 1,220,657	-0-	-0-	1,298,645	\$ 1,220,657
Land improvements	22,099,885	21,470,632	-0-	-0-	22,099,885	21,470,632
Buildings and improvements	6,406,256	5,937,566	-0-	-0-	6,406,256	5,937,566
Machinery and equipment	1,458,869	1,458,869	139,641	139,641	1,598,510	1,598,510
Less accumulated depreciation	(23,099,593)	(22,437,310)	(139,641)	(139,641)	(23,239,234)	(22,576,951)
Total capital assets, net	<u>\$ 8,164,062</u>	<u>\$ 7,650,414</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 8,164,062</u>	<u>\$ 7,650,414</u>

Debt Administration. Long-term debt. During the year ended April 30, 2009 the Authority issued general obligation bonds totaling \$1,230,000. The Authority's general obligation bond indebtedness at April 30, 2009, totaled \$1,415,000, of which \$200,000 is due in less than one year. The general obligation bond indebtedness at April 30, 2008, was \$380,000.

Economic Factors and Next Year's Budget and Rates

The management of the Authority considered many factors in setting the fiscal year 2009/2010 budget. As always, the overriding factor was to keep expenses at or below the amount of revenue. Revenue has varied over the past 10 years of the Authority's existence.

The most significant expense remains employee related costs. Additional significant expenses include costs, such as utilities, maintenance, insurance, and legal and consulting fees.

Requests for Information

This financial report is designed to provide a general overview of the Mount Vernon Airport Authority finances for all those with an interest in the government's finances. If you have questions about this report or need additional financial information, contact the Airport Director, 100 Aviation Drive, Mount Vernon, Illinois 62864.

MOUNT VERNON AIRPORT AUTHORITY
STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
April 30, 2009

<u>ASSETS</u>	Governmental Activities	Business-Type Activities	Total
Cash	403,277	47,099	450,376
Investment - certificate of deposit	1,000,000		1,000,000
Receivables:			
Accounts (net of \$2,995 allowance)	15,454	5,752	21,206
Property and replacement tax	165,874		165,874
Property taxes restricted for debt service	271,869		271,869
Internal balances	(15,173)	15,173	0
Inventories	1,347	22,657	24,004
Prepaid expense	19,044		19,044
Total current assets	<u>1,861,692</u>	<u>90,681</u>	<u>1,952,373</u>
Capital assets:			0
Land	1,298,645		1,298,645
Land improvements	22,099,885		22,099,885
Buildings and improvements	6,406,256		6,406,256
Machinery and equipment	1,458,869	139,641	1,598,510
Less- accumulated depreciation	(23,099,593)	-139,641	-23,239,234
Total capital assets	<u>8,164,062</u>	<u>-</u>	<u>8,164,062</u>
Total assets	<u>10,025,754</u>	<u>90,681</u>	<u>10,116,435</u>
 <u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts payable	9,565	4,128	13,693
Accrued liabilities	24,198		24,198
Accrued interest payable	12,588		12,588
Deferred hanger rental	15,266		15,266
General obligation bonds (one year maturity \$200,000, due in more than one year \$1,215,000)	1,415,000		1,415,000
Total Liabilities:	<u>1,476,617</u>	<u>4,128</u>	<u>1,480,745</u>
Net assets			
Invested in capital assets	8,164,062		8,164,062
Restricted for:			
Capital projects	(89,165)		-89,165
Debt service	265,787		265,787
Prepaid expense	19,044		19,044
Unrestricted	189,409	86,553	275,962
Total net assets	<u>8,549,137</u>	<u>86,553</u>	<u>8,635,690</u>
Total Liabilities and net assets	<u>10,025,754</u>	<u>90,681</u>	<u>10,116,435</u>

Notes to the financial statements are an integral part of this statement

MOUNT VERNON AIRPORT AUTHORITY
 STATEMENT OF ACTIVITIES
 For the Year Ended April 30, 2009

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Assets	
					Governmental Activities	Business-Type Activities
Primary government:					Primary Government	
Governmental activities:						
General government	1,076,305	120,145	0	761,872	-194,288	0
Interest and other fiscal charges	25,767	0	0	0	-25,767	0
Total governmental activities	1,102,072	120,145	0	761,872	-220,055	0
Business-type activities:						
Enterprise fund	43,801	30,407	0	0	-13,394	-13,394
Total business-type activities	43,801	30,407	0	0	0	-13,394
Total primary government	1,145,873	150,552	0	761,872	-220,055	-13,394
General revenues:					General revenues:	
Real estate and personal property taxes levied for:						
General purposes					263,788	263,788
Debt service					203,548	203,548
Miscellaneous					4,268	4,268
Other					26,029	26,029
Interest income					10,441	1,955
Total General Revenues					508,074	1,955
Change in net assets					288,019	-11,439
Net assets - beginning					8,261,118	97,992
Net assets- ending					8,549,137	86,553
					510,029	276,580
					8,359,110	8,359,110
					8,635,690	8,635,690

MOUNT VERNON AIRPORT AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUNDS
April 30, 2009

<u>ASSETS</u>	General	Capital Projects	Debt Service	Total Governmental Funds
Cash	66,445	330,326	6,506	403,277
Investment - certificate of deposit		1,000,000		1,000,000
Receivables:				
Accounts (net of \$2,995 allowance)	15,454			15,454
Property and replacement tax	132,085		203,902	335,987
Other fund	23,809			23,809
Inventories	1,347			1,347
Prepaid expense	19,044	0	0	19,044
Total assets	258,184	1,330,326	210,408	1,798,918
 <u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts payable	5,074	4,491		9,565
Accrued liabilities	24,198			24,198
Due to other funds	28,733	10,249		38,982
Deferred property tax revenue	101,366		203,902	305,268
Deferred hanger rental	15,266	0	0	15,266
Total Liabilities:	174,637	14,740	203,902	393,279
 Fund Balance:				
Reserved for:				
Capital projects				0
Debt service				0
Prepaid expense	19,044			19,044
Unreserved	64,503	1,315,586	6,506	1,386,595
Total Fund Balances	83,547	1,315,586	6,506	1,405,639
Total Liabilities and Fund Balances	258,184	1,330,326	210,408	1,798,918

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

MOUNT VERNON AIRPORT AUTHORITY
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET ASSETS
 April 30, 2009

	General	Capital Projects	Debt Service	Total Governmental Funds
Total governmental fund balance	83,547	1,315,586	6,506	1,405,639
Amounts reported for governmental activities are different because:				
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds	8,164,062			8,164,062
Interest payable on long-term debt does not require current financial resources and, therefore, is not reported as a liability in the governmental funds			-12,588	-12,588
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds		-1,415,000		-1,415,000
Some of the Authority's property taxes will be collected after year end, but are not available soon enough to pay for the current period's expenditures and therefore, are reported as deferred revenue in the governmental funds.	135,155		271,869	407,024
Net assets of governmental activities	8,382,764	-99,414	265,787	8,549,137

Notes to financial statements are an integral part of this statement.

MOUNT VERNON AIRPORT AUTHORITY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 For the Year Ended April 30, 2009

	General	Capital Projects	Debt Service	Total Governmental Funds
Revenues:				
Real estate and personal property taxes:				
General purposes	257,106			257,106
Debt service			203,823	203,823
Capital grants and contributions		204,218		204,218
Charges for services	120,145			120,145
Interest income	22		32	10,441
Farm revenues	19,460			19,460
Miscellaneous	3,201	2,956		6,157
Total Revenue Received	399,934	217,561	203,855	821,350
Expenditures:				
Current operations:				
General and administrative	399,992	11,872	2,157	414,021
Capital outlays		618,953		618,953
Debt Service:				
Principal retirement			195,000	195,000
Interest and other fiscal charges			13,179	13,179
Total Expenditures	399,992	630,825	210,336	1,241,153
Excess (deficiency) of revenue over (under) expenditures	-58	-413,264	-6,481	-419,803
Other financing sources				
Proceeds from sale of bonds		1,230,000		1,230,000
Proceeds from sale of equipment	412			412
Total other financing sources	412	1,230,000	0	1,230,412
Net Change in Fund Balances	354	816,736	-6,481	810,609
Fund Balance - Beginning	83,193	498,850	12,987	595,030
Fund Balance - End of Year	83,547	1,315,586	6,506	1,405,639

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

MOUNT VERNON AIRPORT AUTHORITY
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 For the Year Ended April 30, 2009

	General	Capital Projects	Debt Service	Total Governmental Funds
Net changes in fund balances- total governmental funds	354	816,736	-6,481	810,609
Amounts reported for governmental activities are different because:				
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated lives and reported as depreciation expense. This is the amount by which depreciation \$662,284 exceeds capital purchases of \$608,704 during the current period.	-662,284	618,953		-43,331
Accrued interest on long-term debt reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.			-12,588	-12,588
Change for prior year balance	4,268			4,268
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.			195,000	195,000
Issuance of debt is oncome in the governmental funds, but the issuance increases long-term liabilities in the statement of net assets.			-1,230,000	-1,230,000
The statement of activities reports an increase (decrease) in revenues due to current activity in deferred revenues which is not reported at the fund level.	6,682		-275	6,407
Federal and state grant revenues reported in the statement of activities as capital contributions do not require the use of current financial resources and, therefore, are not reported as revenues in the governmental funds.	557,654			557,654
Change in net assets of governmental activities	-93,326	1,435,689	-1,054,344	288,019

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

MOUNT VERNON AIRPORT AUTHORITY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
April 30, 2009

Enterprise
Fund
F.B.O.

ASSETS	
<u>Current assets</u>	
Cash	47,099
Accounts receivable	5,752
Inventory	22,657
Due from other funds	28,733
<u>Total current assets</u>	<u>104,241</u>
 <u>Capital assets</u>	
Equipment	139,641
Accumulated depreciation	-139,641
<u>Net capital assets</u>	<u>0</u>
<u>Total assets</u>	<u><u>104,241</u></u>
 LIABILITIES	
<u>Current liabilities:</u>	
Accrued liabilities	4,128
Due to other funds	13,560
<u>Total current liabilities</u>	<u>17,688</u>
 Net assets - unrestricted	 <u>86,553</u>
<u>Total net assets</u>	<u><u>104,241</u></u>

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

MOUNT VERNON AIRPORT AUTHORITY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS
 For the Fiscal Year Ended April 30, 2009

	Enterprise Fund F.B.O.
<u>Operating revenues</u>	
Fuel sales	29,706
Equipment lease	63
Miscellaneous	638
<u>Total operating revenues</u>	<u>30,407</u>
<u>Operating expenses</u>	
Fuel cost	27,372
FBO operator	6,680
Professional services	5,059
Maintenance & repairs	3,551
Supplies & miscellaneous	1,139
<u>Total Operating expenses</u>	<u>43,801</u>
<u>Operating income (loss)</u>	<u>(13,394)</u>
<u>Non operating revenue</u>	
Interest income	1,955
Change in net assets	(11,439)
Total net assets - beginning	97,992
<u>Total net assets - ending</u>	<u>86,553</u>

MOUNT VERNON AIRPORT AUTHORITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended April 30, 2009

	Enterprise Fund F.B.O.
<u>Cash Flows from operating activities</u>	
Cash received from customers	36,254
Cash payment to suppliers	(62,330)
	(26,076)
<u>Net cash provided by operating activities</u>	(26,076)
<u>Cash flows from non capital financing activities</u>	
Increase in due to other funds	13,560
	13,560
<u>Net cash flows from non capital financing activities</u>	13,560
<u>Cash flows from investing activities</u>	
Interest income	1,955
	1,955
<u>Net cash provided by investing activities</u>	1,955
Net increase (decrease) in cash	(10,561)
Cash - beginning	57,660
	47,099
Cash - ending	47,099
<u>Reconciliation of operating income to net cash used for operating activities.</u>	
Operating income	(13,394)
Decrease in accounts receivable	5,847
Increase in inventory	(22,657)
Increase in accrued liabilities	4,128
	(26,076)
<u>Net cash provided by operating activities</u>	(26,076)

MOUNT VERNON AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Authority's reporting entity includes the Authority's governing board and all related organizations for which the Authority exercises oversight responsibility.

The Authority has developed criteria to determine whether outside agencies with activities which benefit the citizens served by the Authority should be included within its financial reporting entity. The criteria include, but are not limited to, whether the Authority exercises oversight responsibility which includes financial interdependency, selection of governing board, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

The Authority has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the Authority's financial statements. The Board of Commissioners of the Authority consists of five members of which three are appointed by the Mount Vernon City Council and two are appointed by the Jefferson County Board. The Authority, although governed by Commissioners who are directly appointed by the Mount Vernon City Council and the Jefferson County Board, is considered a separate government because it is substantially autonomous and neither the City nor the County maintains an ongoing financial interest in the Authority. Accordingly, the Authority is not considered to be a component unit of either the City of Mount Vernon or Jefferson County and its financial statements are not included in their annual reports.

B. Government-Wide and Fund Financial Statements

Financial information of the Authority and the Enterprise Funds are presented as follows:

- *Management's discussion and analysis* introduces the basic financial statements and provides an analytical overview of the Authority's financial activities.
- *Basic Financial Statements:* Government-wide financial statements consist of a statement of net assets and a statement of activities.

These statements report all of the activities of the primary government. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues whereas business-type activities are normally supported by fees and charges from services and are usually intended by management to be financially self-sustaining.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Authority and for each function of the Authority's governmental activities.

Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Revenues that are not classified as program revenues, including all taxes and other items, are presented as general revenues.

- *Fund financial statements* consist of a series of statements focusing on information about the Authority's major governmental and enterprise funds. Separate financial statements are presented for the governmental and proprietary funds.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are reported only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

Property taxes are levied during a calendar year and attached as an enforceable lien on property as of December 31. These taxes are payable in two installments during the following summer and fall on due dates to be set by the County at which time collection is made.

Property taxes (if levied), taxpayer-assessed other taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Authority reports the following major governmental funds:

- The *General Fund* is the Authority's primary operating fund. It accounts for all financial resources of the government, except those required to be accounted for in another fund.

- The *Debt Service Fund* of the Authority accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. Sources of funds for the servicing of the debt include property taxes restricted for debt service.
- The *Capital Projects Fund* of the Authority accounts for financial resources to be used for the acquisition or construction of major capital facilities and equipment. Financing is provided by general obligation debt and federal and state capital grants.

The Authority reports the following major enterprise funds:

- *Enterprise Funds* are used to account for any activity for which a fee is charged to external users for goods and services. The Enterprise Fund accounts for operations that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The goods and services provided are related to a fixed base operation that sells fuel and performs repair and maintenance type services for users.

Proprietary fund types use the accrual basis of accounting and the flow of all economic resources (measurement focus). This basis of accounting and measurement focus emphasizes the measurement of net income similar to the approach used by commercial enterprises, and revenues are recorded when earned and expenses are recorded when incurred. Under this basis of accounting and measurement focus, the Authority applies (a) all GASB pronouncements and (b) FASB Statements and Interpretations, APB Opinions, and Accounts Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expense from non-operating items. Operating revenues and expense generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for services and benefit fees. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash

Cash is comprised of petty cash and deposits with financial institutions in accounts which are subject to withdrawal.

The Authority considers all highly liquid investments with a maturity date of three months or less when purchased to be cash equivalents.

Refer to Note 2 for the collateralization of the Authority's cash.

Receivables

Property taxes are recorded as receivables, net of an allowance for uncollectible taxes, when they are levied. Personal property replacement taxes are recorded as receivables when in the possession of intermediary collecting governments. Sales, billed and unbilled, are recorded as receivables when due and collectible.

Inventories

Inventory items in the modified accrual basis funds are expended when purchased.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Deferred Revenue

Deferred revenue at the governmental fund financial statement level represents receivables that do not meet the available criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting. Deferred revenue, if appropriate, is recognized as revenue in the conversion to the government-wide (full accrual) financial statements.

The government-wide financial statements, like the governmental funds, defer revenue recognition in connection with resources that have been received, but not yet earned.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are recorded at historical cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is charged as an expense against their operations. Property, plant, and equipment of the primary government, as well as the enterprise fund is depreciated using the straight-line method over the estimated useful lives as follows:

Governmental funds	
Buildings	20-40 years
Office and field equipment	3-15 years
Land improvements	15 years
Enterprise fund	
Office and field equipment	5-15 years

Compensated Employee Vacation

No provision has been made in the financial statements for currently earned employee vacation not yet taken since this amount is immaterial.

Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Net Assets/Fund Balances

Net Assets - Net assets in government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted; and unrestricted. Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Fund Balances - The governmental fund financial statements report reservations of fund balance for amounts that are not available for appropriation or are legally reserved by outside parties for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

D. Appropriation-Budget

The Authority establishes control over the operations of its funds through the use of an annual appropriation-budget. Appropriated-budgeted amounts generally represent the amounts appropriated by the Authority for the levy of property taxes. They have also been prepared for purposes of monitoring income and expenditures. The appropriation-budget for the General Fund is prepared under the modified accrual basis, which is consistent with their basis of accounting. Appropriated expenditures in the General Fund represent the legal limitation on actual expenditures. Unspent appropriations lapse at the end of the fiscal year for which they were made.

Encumbrances are not used for unperformed contracts for goods or services.

The Authority follows these procedures in establishing the appropriated-budgeted amounts reflected in the financial statements:

- 1) Prior to May 1, or as soon after as possible, a proposed appropriation-budget is submitted to the Board of Commissioners for the fiscal year commencing May 1.
- 2) A tentative appropriation-budget is approved by the Board of Commissioners and is made available for public inspection.
- 3) A public hearing is held to obtain taxpayer comments.
- 4) The final appropriation-budget is enacted through passage of an ordinance.
- 5) Amending the appropriation-budget requires passage of an ordinance.

Note 2. CASH

At year end, deposits with financial institutions and the collateralization of these deposits are presented in the following table:

	<u>Carrying Amounts</u>	<u>Deposit Balance</u>			<u>Unsecured</u>
		<u>Total</u>	<u>Insured</u>	<u>Securities Pledged</u>	
Total - All Funds	<u>\$1,450,376</u>	<u>\$1,458,840</u>	<u>\$569,833*</u>	<u>\$2,264,364</u>	<u>\$-0-</u>

*Assumes F.D.I.C. insurance coverage would be paid first in the event of failure.

Note 3. INTERFUND BALANCES

Interfund balances at April 30, 2009, consist of the following:

General Operating Fund due to Enterprise Fund	\$28,732
Enterprise Fund due to General Operating Fund	\$13,560
Net - Owed to Enterprise Fund	\$15,173

Note 4. CAPITAL ASSETS

Capital assets activity for the year ended April 30, 2009 is summarized on the following page.

Additions to capital assets are recorded at invoice cost plus trade-ins, if applicable. If the addition includes a trade-in, then the amount posted is greater than the actual cash expended for these assets. Dispositions are removed at original cost less any accumulated depreciation.

Depreciation charged to occupancy and equipment expense for the general government and the enterprise fund was \$662,284 and \$-0-, respectively.

Note 4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2009 was as follows:

Governmental Activities

Capital Asset	Balance 05/01/08	Additions	Deletions	Balance 04/30/09
Assets Not Being Depreciated:				
Land	1,220,657	77,988	-	1,298,645
Assets Being Depreciated:				
Land Improvements	21,470,632	629,254		22,099,886
Buildings	5,937,566	468,690		6,406,256
Office and field equipment	1,458,869			1,458,869
Total assets being depreciated	28,867,067	1,097,944	-	29,965,011
Less: Accumulated Depreciation	(22,437,310)	(662,284)		(23,099,594)
Assets being depreciated, net	6,429,757	435,660	-	6,865,417
Governmental activities assets, net	7,650,414	513,648	-	8,164,062
Business-type Activities				
Assets Being Depreciated:				
Shop and Office equipment	139,641			139,641
Total assets being depreciated	139,641	-	-	139,641
Less: Accumulated Depreciation	(139,641)			(139,641)
Assets being depreciated, net	-	-	-	-
Business-type activities assets, net	-	-	-	-

Note 5. GENERAL OBLIGATION BONDS

Bonded indebtedness at April 30, 2009, consists of the following:

<u>Maturity Date</u>	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Amount</u>
December 1, 2009	February 1, 2004	3.25%	\$185,000
December 1, 2009	February 1, 2009	6.25%	15,000
December 1, 2010	February 1, 2009	5.65%	105,000
December 1, 2011	February 1, 2009	5.70%	170,000
December 1, 2012	February 1, 2009	2.60%	180,000
December 1, 2013	February 1, 2009	2.80%	185,000
December 1, 2014	February 1, 2009	3.00%	190,000
December 1, 2015	February 1, 2009	3.10%	195,000
December 1, 2016	February 1, 2009	3.25%	190,000
			<u>\$1,415,000</u>

General Obligation Bond transactions for the year ended April 30, 2009, were as follows:

	<u>Outstanding 4/30/08</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 4/30/09</u>
G.O Bonds (2/04)	\$380,000	\$ -0-	\$195,000	\$ 185,000
G.O Bonds (2/09)	\$ -0-	\$1,230,000	\$ -0-	\$1,230,000

Annual requirements to retire all outstanding long-term debt of the Authority is summarized in the following table:

<u>Year Ending April 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2010	\$212,643	\$200,000	\$12,643
2011	\$184,571	\$105,000	\$79,571
2012	\$207,470	\$170,000	\$37,470
2013	\$207,780	\$180,000	\$27,780
2014	\$208,100	\$185,000	\$23,100
2015	\$207,920	\$190,000	\$17,920
2016	\$207,220	\$195,000	\$12,220
2017	<u>\$196,175</u>	<u>\$190,000</u>	<u>\$ 6,175</u>
	<u>\$1,631,879</u>	<u>\$1,415,000</u>	<u>\$216,879</u>

The Authority is not obligated for any special assessment debt at April 30, 2009.

Note 6. RESERVED FUND BALANCE

Changes in reserved fund balance in the General Fund are as follows:

	Reserved Fund Balance <u>4/30/08</u>	<u>Additions</u>	<u>Reductions</u>	Reserved Fund Balance <u>4/30/09</u>
<u>General Fund</u>				
Prepaid insurance and expenses	<u>\$21,997</u>	<u>\$38,736</u>	<u>\$41,689</u>	<u>\$19,044</u>

The reserve for prepaid insurance is necessary since this amount is not available for expenditure.

Note 7. LEGAL DEBT MARGIN

The Authority's legal debt margin is as follows:

	<u>2008 Tax Year</u>
Gross equalized assessed valuation	<u>\$234,303,767</u>
Statutory debt limitation (2.3% of equalized assessed valuation)	\$ 5,388,987
Total debt: General obligation bonds payable	<u>1,615,000</u>
Legal debt margin	<u>\$ 3,773,987</u>

Bonds outstanding of the Authority may not exceed three-fourths of one-percent of the equalized assessed valuation (\$1,757,278) until the question of whether the bonds shall be issued is approved by the legal voters of the Authority. The bonds issued may also be further limited by the Property Tax Extension Limitation Law (PTELL).

MOUNT VERNON AIRPORT AUTHORITY
 REQUIRED SUPPLEMENTARY INFORMATION
 RETIREMENT PLAN - TREND INFORMATION
 AND SCHEDULE OF FUNDING PROGRESS
 For the Fiscal Year Ended April 30, 2009

RETIREMENT PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND

The Authority's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

IMRF issues a financial report that includes financial statements and required supplementary information. That report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The member rate is established by state statute. The Authority is required to contribute at an actuarially determined rate. The employer rate for calendar year 2008 was 7.01% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2008 was 29 years.

For December 31, 2008, the Authority's annual pension cost of \$9,917 was equal to the Authority's required and actual contributions. The required contribution was determined as part of the December 31, 2006 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor. The assumptions used for the 2008 actuarial valuation were based on the 2005-2007 experience study.

TREND INFORMATION

MOUNT VERNON AIRPORT AUTHORITY
 EMPLOYER NUMBER: 06313R

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/08	\$9,971	100%	-0-
12/31/07	8,696	100%	-0-
12/31/06	9,818	100%	-0-
12/31/05	9,243	100%	-0-
12/31/04	10,434	100%	-0-
12/31/03	23,909	100%	-0-
12/31/02	14,135	100%	-0-

12/31/01	16,445	100%	-0-
12/31/00	30,861	100%	-0-
12/31/99	27,945	100%	-0-

MOUNT VERNON AIRPORT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN - TREND INFORMATION
AND SCHEDULE OF FUNDING PROGRESS
For the Fiscal Year Ended April 30, 2009

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/08	\$160,747	\$155,735	\$(5,012)	103.22%	\$141,473	0.00%
12/31/07	171,057	132,123	(38,934)	129.47%	123,526	0.00%
12/31/06	188,186	143,000	(45,186)	131.60%	126,681	0.00%
12/31/05	161,926	124,722	(37,204)	129.83%	104,792	0.00%
12/31/04	142,921	117,840	(25,081)	121.28%	114,408	0.00%
12/31/03	133,097	131,762	(1,335)	101.01%	268,042	0.00%
12/31/02	99,049	94,301	(4,748)	105.03%	163,222	0.00%
12/31/01	88,167	85,191	(2,976)	103.49%	175,137	0.00%
12/31/00	65,532	61,966	(3,566)	105.75%	328,310	0.00%
12/31/99	35,933	84,087	48,154	42.73%	297,290	16.20%

On a market value basis, the actuarial value of assets as of December 31, 2008, is \$125,606. On a market basis, the funded ratio would be 80.65%.

Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2008 are based on the 2005-2007 experience study.

MOUNT VERNON AIRPORT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
RISKS MANAGEMENT (UNAUDITED)
For the Fiscal Year Ended April 30, 2009

The operations by the Authority, as described in Note 1, put the entity at risk for possible claims. Some of the areas that have this potential include, but are not limited to, employee life, health, property and liability, worker's compensation, disability, unemployment, and employee dishonesty.

Significant losses are covered by commercial insurance for all major areas for which the Authority retains risk of loss. For insured programs, there have been no significant reductions in insurance coverage. No settlements have been made in the current or prior three years that exceeded insurance coverage.

MOUNT VERNON AIRPORT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS - GENERAL FUND
BUDGET AND ACTUAL
For the Year Ended April 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Real estate and personal property taxes:			
General purposes	261,922	257,106	-4,816
Charges for services	109,500	120,145	10,645
Interest income	100	22	-78
Farm revenues	19,460	19,460	0
Miscellaneous	3,018	3,201	183
Total Revenue Received	<u>394,000</u>	<u>399,934</u>	<u>5,934</u>
Expenditures:			
Current operations:			0
General and administrative	421,500	399,992	-21,508
Total Expenditures	<u>421,500</u>	<u>399,992</u>	<u>-21,508</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-27,500</u>	<u>-58</u>	<u>27,442</u>
Other financing sources			
Proceeds from sale of equipment		412	412
Total other financing sources	<u>0</u>	<u>412</u>	<u>412</u>
Net Change in Fund Balances	<u>-27,500</u>	<u>354</u>	<u>27,854</u>
Fund Balance - Beginning	<u>83,193</u>	<u>83,193</u>	<u>0</u>
Fund Balance - End of Year	<u><u>55,693</u></u>	<u><u>83,547</u></u>	<u><u>27,854</u></u>

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

MOUNT VERNON AIRPORT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE BY SOURCE - CAPITAL PROJECTS FUND
For the Year Ended April 30, 2009

	Source		Total
	Federal and State Grants	General Obligation Bonds	
Revenues:			
Federal and state grants	204,218		204,218
Interest income		10,387	10,387
Miscellaneous		2,956	2,956
Total Revenue Received	204,218	13,343	217,561
Expenditures:			
Terminal building renovation		341,963	341,963
FBO building renovation		26,611	26,611
Fire station	100,116		100,116
Airfield lighting	9,095	34,183	43,278
Taxiway improvements		14,153	14,153
Land acquisition	76,895	1,093	77,988
Various improvements	10,800	3,369	14,169
Current operations:			0
General and administrative		12,547	12,547
Total Expenditures	196,906	433,919	630,825
Excess (deficiency) of revenue over (under) expenditures	7,312	-420,576	-413,264
Other financing sources			
Proceeds from sale of bonds		1,230,000	1,230,000
Total other financing sources	0	1,230,000	1,230,000
Net Change in Fund Balances	7,312	809,424	816,736
Fund Balance - Beginning	0	498,850	498,850
Fund Balance - End of Year	7,312	1,308,274	1,315,586

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

MOUNT VERNON AIRPORT AUTHORITY
PROPERTY TAX ASSESSED VALUATIONS, RATES, EXTENSIONS,
AND ANALYSIS OF SETTLEMENT
For Tax Years 2008, 2007, and 2006

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Assessed valuations:	<u>\$195,308,338</u>	<u>\$183,881,035</u>	<u>\$175,494,278</u>
Tax rates:			
General Fund	.0519%	.0524%	.0526%
Bond and Interest Fund	<u>.1044%</u>	<u>.1110%</u>	<u>.1164%</u>
	<u>.1563%</u>	<u>.1634%</u>	<u>.1690%</u>
Tax extensions:			
General Fund	\$101,366	\$ 96,355	\$ 92,310
Bond and Interest Fund	<u>203,902</u>	<u>204,108</u>	<u>204,275</u>
	<u>\$305,268</u>	<u>\$300,463</u>	<u>\$296,585</u>
Tax collections:			
General Fund	N/A	\$ 96,125	\$ 92,543
Bond and Interest Fund	N/A	<u>203,823</u>	<u>204,791</u>
		<u>\$299,948</u>	<u>\$297,334</u>
Percentage of extensions collected	N/A	<u>99.9%</u>	<u>100.3%</u>