

Village of Morral
Marion County
Regular Audit
For the Years Ended December 31, 2005 and 2004
Fiscal Years Audited Under GAGAS: 2005 and 2004

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Mary Taylor, CPA

Auditor of State

Village Council
Village of Morral
P.O. Box 156
Morral, Ohio 43337

We have reviewed the *Independent Auditor's Report* of the Village of Morral, Marion County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period January 1, 2004 through December 31, 2005. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Morral is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

September 25, 2007

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VILLAGE OF MORRAL
MARION COUNTY
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Ohio Society of Certified Public Accountants

Independent Auditor's Report

Village Council
Village of Morral
Marion County
P.O. Box 156
Morral, Ohio 43337

We have audited the accompanying financial statements of the Village of Morral, Marion County, (the Village) as of and for the years ended December 31, 2005 and 2004. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

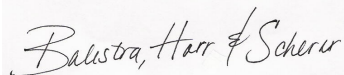
Revisions to GAAP would require the Village to reformat its financial statement presentation and make other changes effective for the year ended December 31, 2004. Instead of the combined funds the accompanying financial statements present for 2005 and 2004, the revisions require presenting entity wide statements and also to present its larger (i.e., major) funds separately. While the Village does not follow GAAP, generally accepted auditing standards require us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Village has elected not to reformat its statements. Since the Village does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2005 and 2004 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2005 and 2004, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village of Morral, Marion County, as of December 31, 2005 and 2004, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

The aforementioned revision to generally accepted accounting principles also requires the Village to include Management's Discussion & Analysis for the years ended December 31, 2005 and 2004. The Village has not presented Management's Discussion & Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2007, on our consideration of the Village'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 testing of internal control over financial reporting and compliance and the results of that testing. It does not opine 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*. It should be read in conjunction with this report in assessing the results of our audit.



Balestra, Harr & Scherer, CPAs, Inc.

June 22, 2007

**VILLAGE OF MORRAL
MARION COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2005**

| | <u>Governmental Fund Types</u> | | <u>Totals (Memorandum Only)</u> |
|--|--------------------------------|----------------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | |
| Cash Receipts: | | | |
| Property and Local Taxes | \$ 14,427 | \$ 2,242 | \$ 16,669 |
| Intergovernmental | 25,572 | 19,222 | 44,794 |
| Charges for Services | 759 | - | 759 |
| Fines, Licenses, and Permits | 1,405 | - | 1,405 |
| Earnings on Investments | 278 | 57 | 335 |
| Miscellaneous | 2,350 | 11 | 2,361 |
| | <u>44,791</u> | <u>21,532</u> | <u>66,323</u> |
| Total Cash Receipts | | | |
| | <u>44,791</u> | <u>21,532</u> | <u>66,323</u> |
| Cash Disbursements: | | | |
| Current: | | | |
| Security of Persons & Property | 17,858 | - | 17,858 |
| Public Health Service | 985 | - | 985 |
| Leisure Time Activities | - | 2,056 | 2,056 |
| Community Environment | 2,500 | - | 2,500 |
| Basic Utility Services | 5,858 | 595 | 6,453 |
| Transportation | 25,862 | 12,254 | 38,116 |
| General Government | 19,059 | - | 19,059 |
| | <u>72,122</u> | <u>14,905</u> | <u>87,027</u> |
| Total Cash Disbursements | | | |
| | <u>72,122</u> | <u>14,905</u> | <u>87,027</u> |
| Total Cash Receipts Over/(Under) Cash Disbursements | (27,331) | 6,627 | (20,704) |
| Other Financing Receipts and (Disbursements): | | | |
| Advances-In | 10,000 | 6,357 | 16,357 |
| Advances-Out | - | (16,357) | (16,357) |
| | <u>10,000</u> | <u>(10,000)</u> | <u>-</u> |
| Total Other Financing Receipts/(Disbursements) | | | |
| | <u>10,000</u> | <u>(10,000)</u> | <u>-</u> |
| Excess of Cash Receipts and Other Financing Receipts Under Cash Disbursements and Other Financing Disbursements | (17,331) | (3,373) | (20,704) |
| Fund Cash Balances, January 1 | <u>19,605</u> | <u>18,593</u> | <u>38,198</u> |
| Fund Cash Balances, December 31 | <u>\$ 2,274</u> | <u>\$ 15,220</u> | <u>\$ 17,494</u> |

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

**VILLAGE OF MORRAL
MARION COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2004**

| | <u>Governmental Fund Types</u> | | <u>Totals (Memorandum Only)</u> |
|---|--------------------------------|----------------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | |
| Cash Receipts: | | | |
| Property and Local Taxes | \$ 13,177 | \$ 2,315 | \$ 15,492 |
| Intergovernmental | 17,067 | 16,472 | 33,539 |
| Charges for Services | 1,390 | 293 | 1,683 |
| Fines, Licenses, and Permits | 1,413 | - | 1,413 |
| Earnings on Investments | 343 | 82 | 425 |
| Miscellaneous | - | 745 | 745 |
| | <hr/> | <hr/> | <hr/> |
| Total Cash Receipts | 33,390 | 19,907 | 53,297 |
| Cash Disbursements: | | | |
| Current: | | | |
| Security of Persons & Property | 15,775 | - | 15,775 |
| Public Health Service | 651 | - | 651 |
| Leisure Time Activities | - | 1,557 | 1,557 |
| Community Environment | 2,700 | - | 2,700 |
| Basic Utility Services | 3,954 | 210 | 4,164 |
| Transportation | 5,497 | 5,749 | 11,246 |
| General Government | 12,932 | - | 12,932 |
| | <hr/> | <hr/> | <hr/> |
| Total Cash Disbursements | 41,509 | 7,516 | 49,025 |
| Total Cash Receipts Over (Under) Cash Disbursements | (8,119) | 12,391 | 4,272 |
| Fund Cash Balances, January 1 | <hr/> | <hr/> | <hr/> |
| | 27,724 | 6,202 | 33,926 |
| Fund Cash Balances, December 31 | <u><u>\$ 19,605</u></u> | <u><u>\$ 18,593</u></u> | <u><u>\$ 38,198</u></u> |

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

**VILLAGE OF MORRAL
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 and 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Morral, Marion County, Ohio, (the Village) 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 Village is directed by a publicly-elected six-member Council, a publicly-elected Mayor, and an appointed Clerk. The Village provides general governmental services, including park operations (leisure time activities). The Village contracts with the Marion County Sheriff's Department to provide security of persons and property. Salt Rock Volunteer Fire Department provides fire services for the Village.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

The Village maintains an interest-bearing checking account.

D. Fund Accounting

The Village uses fund accounting to segregate cash that is restricted as to use. The Village classifies its funds into the following types:

1. General Fund:

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds:

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Fund:

Street Construction, Maintenance and Repair Fund – This fund receives gasoline tax and motor vehicle license tax money for constructing, maintaining and repairing Village streets.

**VILLAGE OF MORRAL
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 and 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, and object level of control and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2005 and 2004 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

2. EQUITY IN POOLED CASH

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

| | | |
|----------|-------------|-------------|
| | <u>2005</u> | <u>2004</u> |
| Deposits | \$17,494 | \$38,198 |

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

**VILLAGE OF MORRAL
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 and 2004**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2005 and 2004 was as follows:

2005 Budgeted vs. Actual Receipts

| <u>Fund Type</u> | <u>Budgeted Receipts</u> | <u>Actual Receipts</u> | <u>Variance</u> |
|------------------|------------------------------|------------------------|-----------------|
| General | \$34,274 | \$44,791 | \$10,517 |
| Special Revenue | 18,017 | 21,532 | 3,515 |
| Total | <u>\$52,291</u> | <u>\$66,323</u> | <u>\$14,032</u> |

2005 Budgeted vs. Actual Budgetary Basis Expenditures

| <u>Fund Type</u> | <u>Appropriation Authority</u> | <u>Disbursements</u> | <u>Variance</u> |
|------------------|------------------------------------|----------------------|-----------------|
| General | \$62,236 | \$72,122 | (\$9,886) |
| Special Revenue | 24,208 | 14,905 | 9,303 |
| Total | <u>\$86,444</u> | <u>\$87,027</u> | <u>(\$583)</u> |

2004 Budgeted vs. Actual Receipts

| <u>Fund Type</u> | <u>Budgeted Receipts</u> | <u>Actual Receipts</u> | <u>Variance</u> |
|------------------|------------------------------|------------------------|------------------|
| General | \$36,293 | \$33,390 | (\$2,903) |
| Special Revenue | 18,225 | 19,907 | 1,682 |
| Total | <u>\$54,518</u> | <u>\$53,297</u> | <u>(\$1,221)</u> |

2004 Budgeted vs. Actual Budgetary Basis Expenditures

| <u>Fund Type</u> | <u>Appropriation Authority</u> | <u>Disbursements</u> | <u>Variance</u> |
|------------------|------------------------------------|----------------------|-----------------|
| General | \$62,236 | \$41,509 | \$20,727 |
| Special Revenue | 24,208 | 7,516 | 16,692 |
| Total | <u>\$86,444</u> | <u>\$49,025</u> | <u>\$37,419</u> |

Contrary to Ohio law, the Village's general fund expenditures exceeded appropriations in both 2005 and 2004.

**VILLAGE OF MORRAL
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 and 2004**

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Village Council. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

5. RETIREMENT SYSTEMS

During 2005 and 2004, the Village's officials elected to belong to Social Security. The Village's liability is 6.2 percent of wages paid.

No Village employees paid into the Public Employees Retirement System (PERS) of Ohio during the audit period.

6. RISK MANAGEMENT

The Village belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to approximately 460 Ohio governments ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each Member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the member's deductible.

The Plan issues its own policies and reinsures the Plan with A-VII of better rated carriers, except for the 15% casualty and the 10% property portions the Plan retains. The Plan pays the lesser of 15% or \$37,500 of casualty losses and the lesser of 10% or \$100,000 of property losses. Individual Members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

Settlement amounts did not exceed insurance coverage for the past three fiscal years. The Village did not incur any significant reduction in coverage from the prior year.

Plan member are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other obligation to the Plan. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

The Plan's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31:

**VILLAGE OF MORRAL
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 and 2004**

6. RISK MANAGEMENT (CONTINUED)

| | <u>2005</u> | <u>2004</u> |
|-----------------|--------------------|--------------------|
| Assets | \$8,219,430 | \$6,685,522 |
| Liabilities | <u>(2,748,639)</u> | <u>(2,227,808)</u> |
| Members' Equity | <u>\$5,470,791</u> | <u>\$4,457,714</u> |

You can read the complete audited financial statements for the Ohio Government Risk Management Plan at the Plan's website, www.ohioplan.org.

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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*

Village Council
Village of Morral
Marion County
P.O. Box 156
Morral, Ohio 43337

We have audited the financial statements of the Village of Morral, Marion County, (the Village) as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated June 22, 2007 wherein we noted the Village followed accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

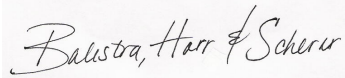
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2005-001 through 2005-004.

We also noted certain instances that we have reported to management of the Village in a separate letter dated June 22, 2007.

Village of Morral
Marrion County
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*
Page 2

This report is intended solely for the information and use of management and the Village Council, and is not intended to be and should not be used by anyone other than these specified parties.



Balestra, Harr & Scherer, CPAs, Inc.
June 22, 2007

**VILLAGE OF MORRAL
MARION COUNTY
DECEMBER 31, 2005 AND 2004**

| |
|---|
| SCHEDULE OF FINDINGS AND RESPONSES |
|---|

FINDING NUMBER 2005-001

Noncompliance Citation

Ohio Revised Code section 5705.41 (B) requires that no subdivision or taxing unit is to expend money unless it has been appropriated.

Instances were noted where actual expenditures exceeded appropriations at December 31, 2005 and December 31, 2004.

The Village should periodically review monthly reports comparing actual receipts and expenditures with budgeted amounts for unusual or unexpected variances. The Village Clerk may request the Council to increase appropriation by amending the Appropriation Budget.

Client Response:

The client chose not to respond.

FINDING NUMBER 2005-002

Noncompliance Citation

Ohio Revised Code section 9.38 states that public money must be deposited with the treasurer of the public office or to a designated depository on the business day following the day of receipt.

Instances were noted where receipts were not posted until significantly later than the date of receipt.

The Village should implement procedures to ensure that deposits are deposited timely in accordance with the Ohio Revised Code.

Client Response:

The client chose not to respond.

FINDING NUMBER 2005-003

Noncompliance Citation

The Ohio Revised Code states that in order to advance cash from one fund to another, there must be statutory authority to use the money in the fund advancing the cash (the "creditor" fund) for the same purpose for which the fund received the cash (the "debtor" fund) was established. Advances must be approved by a formal resolution of the taxing authority.

The Village made advances during the audit period from a special revenue fund to the general fund and the action was not approved by the Council or noted in the minutes.

The Village should not make any transfers or advances from a Special Revenue fund to the General fund unless they have sought legal advice and the transaction has been approved by the Village Council.

Client Response:

The client chose not to respond.

**VILLAGE OF MORRAL
MARION COUNTY
DECEMBER 31, 2005 AND 2004**

| |
|---|
| SCHEDULE OF FINDINGS AND RESPONSES |
|---|

(Continued)

FINDING NUMBER 2005-004

Noncompliance Citation

Ohio Revised Code Section 5705.36 allows all subdivisions to request increased amended certificates of estimated resources and reduced amended certificates upon determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the official certificate of estimated resources. This section also requires obtaining an increased amended certificate from the budget commission if the legislative authority intends to appropriate and expend excess revenue. 5705.36(A)(4) requires obtaining a reduced amended certificate if the amount of the deficiency will reduce available resources below the current level of appropriation.

The Village's estimated resources exceeded available resources and its appropriations exceeded available resources in a number of instances.

The Village should monitor estimated to available resources as well as available resources to appropriations. When it is apparent that the actual receipts will fall short of budgetary estimates, the Village Clerk should obtain a reduced amended certificate from the County Budget Commission.

Client Response:

The client chose not to respond.

**VILLAGE OF MORRAL
MARION COUNTY**

SCHEDULE OF PRIOR AUDIT FINDINGS

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain: |
|----------------|---------------------|------------------|---|
| 2003-001 | Financial Reporting | Yes | |
| 2003-002 | Council Monitoring | Yes | |



Mary Taylor, CPA
Auditor of State

VILLAGE OF MORRAL

MARION COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 9, 2007**