

BORMA, INC.

(THE BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC.)

FINANCIAL STATEMENTS OF THE BENEFITS POOL

YEAR ENDED DECEMBER 31, 2005



**Auditor of State
Betty Montgomery**

Board of Trustees
Buckeye Ohio Risk Management Agency, Inc. Benefits Pool
222 Meigs Street
Sandusky, Ohio 44870

We have reviewed the *Independent Auditor's Report* of the Buckeye Ohio Risk Management Agency, Inc. Benefits Pool, Erie County, prepared by Kennedy Cottrell & Associates, LLC, for the audit period January 1, 2005 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.

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 Buckeye Ohio Risk Management Agency, Inc. Benefits Pool is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

November 2, 2006

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BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
BORMA, Inc.

We have audited the accompanying financial statements of the business-type activities of the Buckeye Ohio Risk Management Agency, Inc. (BORMA) as of and for the year ended December 31, 2005, which collectively comprise BORMA's basic financial statements as listed in the table of contents. These financial statements are the responsibility of BORMA'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 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 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.

The accompanying statements were prepared to represent only the employee benefits activity of BORMA and are not intended to be a complete presentation of BORMA's activities.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of BORMA at December 31, 2005, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3 to the basic financial statements, BORMA has implemented GASB Statement No. 40, *Deposit and Investment Risk Disclosures*.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 3, 2006 on our consideration of BORMA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying management's discussion and analysis and required supplementary information is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads 'Kennedy, Cottrell + Associates LLC'. The signature is written in a cursive, flowing style. A thin vertical red line is positioned to the right of the signature.

Kennedy, Cottrell + Associates
August 3, 2006

THE BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005 Unaudited

The discussion and analysis of The Buckeye Ohio Risk Management Agency, Inc.'s Benefits Pool (Agency) performance provides an overview of the Agency's financial activities for the year ended December 31, 2005. The intent of this discussion and analysis is to look at the Agency's financial performance as a whole.

HIGHLIGHTS

The Agency's net assets decreased \$277,203. Total assets increased by \$3,285 while total liabilities increased by \$280,488.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the Agency's financial position.

The Statement of Net Assets and the Statement of Activity provide information about the activity of the Agency as a whole.

DESCRIPTION OF FINANCIAL STATEMENTS

The Statement of Net Assets and Statement of Activity reflect how the Agency did financially during 2005. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid. These statements report the Agency's net assets and changes in net assets. This change in net assets is important because it tells the reader whether the financial position of the Agency has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not.

FINANCIAL ANALYSIS

Net Assets

	2005	2004
Current and other assets	\$ 3,078,143	\$ 3,074,858
Current and other liabilities	<u>2,488,714</u>	<u>2,208,226</u>
Unrestricted net assets	<u>\$ 589,429</u>	<u>\$ 866,632</u>

Change in Net Assets

Program revenues		
Membership contributions	\$ 14,265,189	\$ 10,923,753
General revenues		
Interest	<u>95,027</u>	<u>37,283</u>
Total revenues	<u>14,360,216</u>	<u>10,961,036</u>

	2005	2004
Program expenses		
Claim payments	\$ 12,920,643	\$ 9,298,562
Insurance premiums	861,721	711,066
Claim administration	451,060	395,403
Increase (decrease) in loss reserve	375,776	(2,933)
Other	<u>28,219</u>	<u>14,310</u>
Total expenses	<u>14,637,419</u>	<u>10,416,408</u>
Increase (decrease) in net assets	\$ <u>(277,203)</u>	\$ <u>544,628</u>

As previously noted, total assets increased by \$3,285 or .11% in 2005. Cash decreased \$155,914, investments decreased by \$299,146, member contribution receivable increased \$409,316 and reinsurance receivable increased \$49,029. On the liability side, total liabilities increased by \$280,488 or 12.70% in 2005. Prepaid premiums decreased \$95,288 and loss reserves increased \$375,776. Total revenues were up \$3,399,180 while total expenses were up \$4,221,011. Ending net assets were \$589,429 in 2005 compared to \$866,632 in 2004. Obviously, a decrease in net assets of \$277,203 had a negative impact on the financial condition of the Agency. Per the Reserve Calculation conducted by MKC Benefit Consultants, LTD., the amounts held in reserve exceed the calculated reserve required.

BUDGETARY HIGHLIGHTS

The Agency does not draft or approve a budget in the tradition of most government agencies. The Board's consultant reviews the Agency's prior claims history and helps the agency set billing rates for its twelve members for the following year. This process is completed in October of each year. If the rates are set too high, and/or the claims are overestimated, the Agency will have an increase in net assets. If the rates are set too low, and/or the claims are underestimated, the Agency will have a decrease in net assets as they did in 2005.

CURRENT ISSUES

The Agency has added two new members to the pool during 2005. These include Shawnee Township and Wyandot County.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Agency's finances for all those interested in the Agency's well being. Questions concerning any of the information provided in this report or requests for additional information should be directed to Edward A. Widman, President, 222 Meigs Street, Sandusky, Ohio 44870.

BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL

Statement of Net Assets As of December 31, 2005

Assets

Cash	\$ 2,619,798
Reinsurance receivable	49,029
Member contribution receivable	409,316
Total assets	<u><u>\$ 3,078,143</u></u>

Liabilities

Loss reserves	\$ 2,488,714
Total liabilities	<u><u>2,488,714</u></u>

Net assets

Unrestricted net assets	589,429
Total net assets	<u><u>\$ 589,429</u></u>

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

BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL

Statement of Activity For the year ended December 31, 2005

Revenues

Membership contributions	\$ 14,265,189
Total revenues	<u>14,265,189</u>

Expenses

Insurance premium for coverages	861,721
Claims payments	12,920,643
Claims administration fees	451,060
Other expenses	28,219
Total expenses	<u>14,261,643</u>

Operating income	3,546
Nonoperating revenues	
Interest income	<u>95,027</u>
	98,573
Increase in loss reserve	<u>375,776</u>
Decrease in net assets	(277,203)
Net assets, beginning of year	<u>866,632</u>
Net assets, end of year	<u><u>\$ 589,429</u></u>

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

BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL

Statement of Cash Flows For the year ended December 31, 2005

Cash flows from operating activities

Cash received from member contributions	\$ 13,760,585
Cash received from claim deductible recoveries	309,976
Cash payments of claims	(13,279,648)
Cash payments for claim administration	(451,060)
Cash payments for insurance premiums	(861,721)
Cash payments of other expenses	<u>(28,219)</u>
Net cash used in operating activities	(550,087)

Cash flows from investing activities

Interest income received	<u>95,027</u>
Net decrease in cash and cash equivalents	(455,060)
Cash balance, beginning of year	<u>3,074,858</u>
Cash balance, end of year	<u><u>\$ 2,619,798</u></u>

Reconciliation of operating income to net cash provided by operating activities

Operating income	\$ 3,546
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Adjustments to reconcile operating income to net cash provided by operating activities

Changes in assets and liabilities:	
Increase in reinsurance receivable	(49,029)
Increase in member contribution receivable	(409,316)
Decrease in prepaid premiums	<u>(95,288)</u>
Net cash used in operating activities	<u><u>\$ (550,087)</u></u>

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

THE BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

NOTE 1 - FINANCIAL REPORTING ENTITY

The Buckeye Ohio Risk Management Agency, Inc. Benefits Pool (BORMA) is a not-for-profit, self-insurance pool created under Chapter 2744.081 of the Ohio Revised Code. BORMA's public purpose is to enable its twelve members (political subdivisions) to obtain insurance coverage, provide methods for paying claims and provide a formalized jointly administered self-insurance pool. Specifically, the Benefits Pool provides health benefits to employees of its members. In addition to the self-insurance pool, BORMA provides risk management services. The members of BORMA include the following municipalities within the State of Ohio: Archbold, Bowling Green, Carey, Clyde, Defiance, Fayette, Hicksville, Napoleon, Oberlin, Sandusky, Shawnee Township, Upper Sandusky, Willard and Wyandot County.

BORMA has, in addition to the benefits pool division, a property and liability insurance division. Members do not have to be part of both divisions. The accounting records are maintained separately and, therefore, these financial statements have excluded the property and liability insurance division.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Measurement Focus and Basis of Presentation

BORMA prepares its financial statements in accordance with accounting principles generally accepted in the United States of America and Governmental Accounting Standards Board (GASB) Statement Nos. 10, 29, 30, 34 and 40, and GASB Interpretation No. 4.

GASB Statement Nos. 10 and 30 provide accounting and reporting standards that apply to public entity risk pools, and require public entity risk pools to account for their activities using proprietary fund accounting. Proprietary activities are accounted for using the economic resources measurement focus and the accrual basis of accounting.

GASB Statement No. 29 allows proprietary entities to apply all Financial Accounting Standards Board statements and interpretations, excluding those limited to not-for-profit organizations, issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements.

B. Member and Supplemental Contributions

Member contributions are calculated annually to produce a sum of money within the self-insurance pool adequate to fund administrative expenses and to establish adequate reserves for claims and unallocated loss adjustment expenses.

Under the terms of membership, should annual member contributions not be sufficient to fund ultimate losses, establish adequate reserves and cover administrative expenses, the Board of Trustees can require supplementary contributions. Supplementary contributions can be assessed during the entire life of the Association and any later period when claims or expenses need to be paid which are attributable to any membership year during which the event or claim occurred.

THE BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

C. Cash and Investments

Monies held by the Pool are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Pool. Active monies must be maintained as cash or bank deposits subject to the Federal Deposit Insurance Corporation \$100,000 limit, U.S. Treasury obligations with maturities of one year or less from initial offering, U.S. Government agency or instrumentality paper with a maturity of one year or less, the Ohio State Treasurer's Asset Reserve Fund (Star Ohio) and loans with an agreement for the collateral to be repurchased by the borrower with a maturity not to exceed thirty days. Volatility of principal is not permitted. Financial risk is not acceptable, and because of the short investment time horizon of the funds, exposure to interest rate risk and purchasing power risk will be minimal.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits may be deposited or invested in the same securities as the active monies except maturities may be extended to two years provided the average weighted maturity does not exceed one year. Volatility of principal is not tolerated. The funds will be invested in nonvolatile, liquid investments to ensure payment for projects when due. Moderated income volatility is permitted. Financial risk is unacceptable, and because the investment time horizon of the fund is relatively short, exposure to interest rate risk and purchasing power risk will be minimal.

Inactive deposits are reserve funds for runoff claims after the dissolution of the benefits pool. Inactive deposits may be deposited or invested in the same securities as the interim monies except maturities may not exceed five years provided the average weighted maturity does not exceed two years. Minimum volatility of principal may be tolerated in order to obtain additional income. Financial risk is unacceptable, and interest rate risk and purchasing power risk will be minimal.

Investments are reported at fair value. BORMA has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's office, which allows governments within the state to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price at which the investment could be sold.

BORMA considers cash and investments, both of which are short-term in nature, as cash in preparing the statement of cash flows.

D. Reinsurance Receivables

Amounts recoverable from reinsurers or excess insurers and that relate to paid claims and claim adjustment expenses are reported as reinsurance receivables and as reductions of claims expenses.

THE BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

E. Prepaid Premiums

Member contributions paid in advance represent revenues of future periods and therefore are recorded as prepaid premiums on the Statement of Net Assets.

F. Administrative Expenses

Administrative expenses reported on the Statement of Activities primarily consist of costs associated with the processing of claims payments and the purchase of loss control services.

G. Claims Expenses

Claims Expenses include paid and unpaid claims and expenses associated with settling claims. The Loss Reserves liability is based on claims adjusters' evaluations of individual claims and management's evaluation and an actuarial review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported. The liability represents the ultimate cost of settling the claims.

H. Premium Deficiencies

Each year, in accordance with GASB Statement No. 10, BORMA determines whether or not a premium deficiency exists by calculating the difference between future contract revenues and future contract expenses. In the event future premiums are less than the sum of expected claims costs (including IBNR claims) and expected claim adjustment expenses, a premium deficiency loss or expense is recognized. BORMA does not take into consideration estimated investment income when determining if premium deficiencies exist.

I. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

THE BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005**

NOTE 3 – DEPOSITS AND INVESTMENTS

In fiscal year 2005, BORMA implemented GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. This statement's required disclosures are as follows:

Deposits – At fiscal year-end, the carrying amount of BORMA's deposits was a negative \$541,163 and the bank balance was \$79,391. Of the bank balance, \$79,391 was covered by federal depository insurance.

Investments – At year end, the fair value of investments treated as cash were as follows:

Money Market Funds	\$2,816,771
STAR Ohio	<u>344,190</u>
	<u>\$3,160,961</u>

Custodial credit risk – Custodial credit risk is the risk that, in the event of a failure of a depository institution or counterparty to a transaction, BORMA will be unable to recover the value of deposits, investments, or collateral securities in possession of an outside party. At December 31, 2005, BORMA's deposits and investments had no exposure to custodial credit risk. BORMA does not have a policy to limit custodial credit risk.

Credit Risk – Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. BORMA does not have a policy to limit credit risk. STAR Ohio has a quality rating of AAA while the money market funds are unrated.

Concentration of Credit Risk – Concentration of credit risk is the risk of inability to recover the value of deposits or investments in the possession of an outside party caused by a lack of diversification. BORMA does not have a policy to limit concentration of credit risk.

Interest Rate Risk – Interest rate risk is the risk that an interest rate change could adversely affect an investment's fair value. BORMA does not have a policy to limit interest rate risk. At fiscal year-end, all investments had a maturity of less than one year.

A reconciliation between the classifications of cash and investments on the Statement of Net Assets and the classifications of deposits and investments presented above is as follows:

	<u>Cash</u>	<u>Investments</u>
Statement of Net Assets	\$ 2,619,798	\$ -
<u>Reconciling Items:</u>		
Money Market Mutual Funds	(2,816,771)	2,816,771
STAROhio	(344,190)	344,190
Adjusted Balances	<u>\$ (541,163)</u>	<u>\$ 3,160,961</u>

THE BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

NOTE 4 – REINSURANCE CEDED

BORMA reinsures certain risks with American National to limit its losses for large aggregate and individual losses. The plan year is January 1 through December 31. Reinsurance premiums ceded during the fiscal year totaled \$763,003.

Estimated amounts recoverable from excess insurers and reinsurers as of the balance sheet date that reduce the liability for unpaid claims and claim adjustments expenses totaled \$0.

NOTE 5 – RESERVE FOR CLAIMS LOSSES

BORMA, under its terms of membership, shall establish adequate reserves for claims and unallocated loss adjustment expenses. In 2005, the Loss Reserve increased \$375,776 to \$2,488,714. The loss reserve percentage decreased from 19.2% to 16.1%. Total expenses for the years ended December 31, 2005 and 2004 respectively were approximately \$14.3 million and \$10.5 million.

Changes in BORMA's reserve for claims losses amount for the two previous years are as follows:

Year	Balance	Claims	Payments	Balance
2004	\$ 2,115,871	\$ 9,295,629	\$ 9,298,562	\$ 2,112,938
2005	\$ 2,112,938	\$ 13,115,026	\$ 12,739,250	\$ 2,488,714

Required Supplementary Information
Ten-Year Loss Development Information

	Fiscal and Accident Year				
	2001	2002	2003	2004	2005
Premiums and investment revenue					
Earned	8,958,770	10,374,580	10,397,524	10,961,036	14,360,216
Ceded	<u>(567,630)</u>	<u>(594,892)</u>	<u>(719,096)</u>	<u>(711,066)</u>	<u>(861,721)</u>
Net earned	8,391,140	9,779,688	9,678,428	10,249,970	13,498,495
Unallocated expenses	21,990	48,838	51,564	14,310	28,219
Estimated losses and expenses, end of accident year:					
Incurred	7,612,439	9,543,745	10,624,475	9,806,067	13,747,479
Ceded	<u>(487,885)</u>	<u>(71,571)</u>	<u>(570,815)</u>	<u>(115,035)</u>	<u>(359,005)</u>
Net incurred	7,124,554	9,472,174	10,053,660	9,691,032	13,388,474
Net paid cumulative as of:					
End of accident year	5,620,908	7,017,360	8,939,826	9,069,706	13,240,495
One year later	6,790,758	8,919,766	10,176,907	10,148,239	
Two years later	6,806,273	8,928,845	10,228,722		
Three years later	6,798,311	8,928,845			
Four years later	6,798,311				
Reestimated ceded losses and expenses	(487,885)	(71,571)	(570,815)	(115,035)	(359,005)
Reestimated net incurred losses and expenses:					
End of accident year	7,124,554	9,472,174	10,053,660	9,691,032	13,388,474
One year later	7,124,554	9,472,174	10,053,660	9,691,032	
Two years later	7,124,554	9,472,174	10,053,660		
Three years later	7,124,554	9,472,174			
Four years later	7,124,554				
Increase (decrease) in estimated net incurred losses and expenses from end of accident year	-	-	-	-	-

Information prior to fiscal year 2001 not available.



INDEPENDENT AUDITOR'S 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 Trustees
BORMA, Inc.

We have audited the accompanying financial statements of the business-type activities of the Buckeye Ohio Risk Management Agency, Inc. (BORMA) as of and for the year ended December 31, 2005, which collectively comprise BORMA's basic financial statements as listed in the table of contents, and have issued our report thereon dated August 3, 2006, wherein we noted that BORMA adopted GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. 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 BORMA'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 BORMA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Kennedy, Cottrell + Associates
August 3, 2006



**Auditor of State
Betty Montgomery**

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**THE BUCKEYE OHIO RISK MANAGEMENT AGENCY, INC. BENEFITS POOL
ERIE 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
NOVEMBER 14, 2006**