

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

AUDIT REPORT

FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

Charles E. Harris and Associates, Inc.
Certified Public Accountants and Government Consultants



Mary Taylor, CPA

Auditor of State

Village Council
Village of Genoa
102 E. Sixth Street
Genoa, Ohio 43430

We have reviewed the *Report of Independent Accountants* of the Village of Genoa, Ottawa County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2006 through December 31, 2007. 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 *Report of Independent Accountants* 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 *Report of Independent Accountants* 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 Genoa is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

October 10, 2008

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**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO
Audit Report
For the Years Ended December 31, 2007 and 2006**

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

REPORT OF INDEPENDENT ACCOUNTANTS

Village of Genoa
Ottawa County
102 E. Sixth Street
Genoa, Ohio 43430

To the Village Council:

We have audited the accompanying financial statements of the Village of Genoa, Ottawa County, Ohio (the Village), as and for the years ended December 31, 2007 and 2006. 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 the Comptroller General of the United States' *Government Auditing Standards*. 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 more fully 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 years ended December 31, 2007 and 2006. Instead of the combined funds the accompanying financial statements present for 2007 and 2006, the revision requires presenting entity wide statements and also to present larger (i.e. major) funds separately for 2007 and 2006. 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 its 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, 2007 and 2006, 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, 2007 and 2006, or its changes in financial position or cash flows 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 Genoa, Ottawa County as of December 31, 2007 and 2006 and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Village to include Management's Discussion and Analysis for the years ended December 31, 2007 and 2006. The Village has not presented Management's Discussion and 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 August 15, 2008, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Charles E. Harris & Associates, Inc.

August 15, 2008

**VILLAGE OF GENOA
OTTAWA COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
Cash Receipts:					
Property and Other Local Taxes	\$ 97,427	\$ 54,977	\$ -	\$ -	\$ 152,404
Municipal Income Tax	-	783,795	-	-	783,795
Intergovernmental Receipts	91,837	140,426	-	-	232,263
Charges for Services	-	15,321	-	-	15,321
Fines, Licenses and Permits	4,904	3,400	-	-	8,304
Earnings on Investments	111,731	21,439	-	-	133,170
KWH Tax	71,308	-	-	-	71,308
Miscellaneous	36,419	5,212	-	50	41,681
Total Cash Receipts	413,626	1,024,570	-	50	1,438,246
Cash Disbursements:					
Current:					
Security of Persons/Property	339,113	-	-	-	339,113
Public Health Services	7,128	-	-	-	7,128
Leisure Time Activities	-	63,122	-	-	63,122
Community Environment	2,210	-	-	-	2,210
Transportation	-	111,726	-	-	111,726
General Government	177,555	2,829	-	-	180,384
Income Tax Administration	-	49,418	-	-	49,418
Income Tax Refunds	-	21,817	-	-	21,817
Capital Outlay	33,856	25,924	-	492,134	551,914
Debt Service:					
Principal Retirement	-	-	238,875	-	238,875
Interest and Fiscal Charges	-	-	298,867	-	298,867
Total Cash Disbursements	559,862	274,836	537,742	492,134	1,864,574
Total Cash Receipts Over/(Under) Cash Disbursements	(146,236)	749,734	(537,742)	(492,084)	(426,328)
Other Financing Sources/(Uses):					
Proceeds of O.P.W.C. Loan	-	-	-	169,265	169,265
Transfers-In	470,030	14,000	565,571	256,040	1,305,641
Transfers-Out	(85,308)	(723,470)	-	(4,100)	(812,878)
Total Other Financing Sources/(Uses)	384,722	(709,470)	565,571	421,205	662,028
Excess of Cash Receipts and Other Financing Sources Over/(Under) Cash Disbursements and Other Financing Uses	238,486	40,264	27,829	(70,879)	235,700
Fund Cash Balance, January 1	270,303	154,995	39,599	223,399	688,296
Fund Cash Balance, December 31	\$ 508,789	\$ 195,259	\$ 67,428	\$ 152,520	\$ 923,996

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

**VILLAGE OF GENOA
OTTAWA COUNTY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES - ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Proprietary Fund Type Enterprise Funds
Operating Cash Receipts:	
Charges for Services	\$ 3,297,567
Miscellaneous	10,052
Total Operating Cash Receipts	3,307,619
Operating Cash Disbursements:	
Personal Services	683,836
Contractual Services	157,642
Materials and Supplies	1,626,368
Transportation	1,800
Capital Outlay	43,865
Total Operating Cash Disbursements	2,513,511
Operating Income	794,108
Non-Operating Receipts:	
Utility Deposits	10,095
Interest	2,383
Special Assessments	4,270
Total Non-Operating Receipts	16,748
Non-Operating Cash Disbursements	
Debt Service:	
Principal Retirement	50,000
Interest and Fiscal Charges	35,260
Other Financing Uses	129,109
Total Non-Operating Cash Disbursements	214,369
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers	596,487
Transfers-In	71,308
Transfers-Out	(564,071)
Net Receipts Over/(Under) Disbursements	103,724
Fund Cash Balance, January 1	1,806,491
Fund Cash Balance, December 31	\$ 1,910,215

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

**VILLAGE OF GENOA
OTTAWA COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
Cash Receipts:					
Property and Other Local Taxes	\$ 91,216	\$ 53,702	\$ -	\$ -	\$ 144,918
Municipal Income Tax	-	757,375	-	-	757,375
Intergovernmental Receipts	88,271	173,170	-	-	261,441
Charges for Services	-	15,991	-	-	15,991
Fines, Licenses and Permits	4,676	5,030	-	-	9,706
Earnings on Investments	102,721	3,878	-	-	106,599
KWH Tax	70,588	-	-	-	70,588
Miscellaneous	15,526	6,553	-	3,300	25,379
Total Cash Receipts	372,998	1,015,699	-	3,300	1,391,997
Cash Disbursements:					
Current:					
Security of Persons/Property	333,231	-	-	-	333,231
Public Health Services	6,687	-	-	-	6,687
Leisure Time Activities	-	78,865	-	-	78,865
Community Environment	3,513	100	-	-	3,613
Transportation	-	99,389	-	-	99,389
General Government	234,511	3,182	-	-	237,693
Income Tax Administration	-	43,327	-	-	43,327
Income Tax Refunds	-	14,514	-	-	14,514
Capital Outlay	49,402	88,993	-	533,204	671,599
Debt Service:					
Principal Retirement	-	-	213,126	-	213,126
Interest and Fiscal Charges	-	-	282,132	-	282,132
Total Cash Disbursements	627,344	328,370	495,258	533,204	1,984,176
Total Cash Receipts Over/(Under) Cash Disbursements	(254,346)	687,329	(495,258)	(529,904)	(592,179)
Other Financing Sources/(Uses):					
Proceeds of O.P.W.C. Loan	-	-	-	16,031	16,031
Transfers-In	462,904	45,000	528,650	240,080	1,276,634
Transfers-Out	(115,588)	(702,985)	-	-	(818,573)
Total Other Financing Sources/(Uses)	347,316	(657,985)	528,650	256,111	474,092
Excess of Cash Receipts and Other Financing Sources Over/(Under) Cash Disbursements and Other Financing Uses	92,970	29,344	33,392	(273,793)	(118,087)
Fund Cash Balance, January 1	177,333	125,651	6,207	497,192	806,383
Fund Cash Balance, December 31	\$ 270,303	\$ 154,995	\$ 39,599	\$ 223,399	\$ 688,296

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

**VILLAGE OF GENOA
OTTAWA COUNTY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES - ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Proprietary Fund Type Enterprise Funds
Operating Cash Receipts:	
Charges for Services	\$ 3,199,196
Miscellaneous	21,855
Total Operating Cash Receipts	3,221,051
Operating Cash Disbursements:	
Personal Services	686,189
Contractual Services	144,128
Materials and Supplies	1,327,485
Transportation	4,223
Capital Outlay	418,474
Total Operating Cash Disbursements	2,580,499
Operating Income	640,552
Non-Operating Receipts:	
Utility Deposits	11,371
Interest	2,334
Special Assessments	6,176
Total Non-Operating Receipts	19,881
Non-Operating Cash Disbursements	
Debt Service:	
Principal Retirement	74,999
Interest and Fiscal Charges	71,772
Other Financing Uses	78,192
Total Non-Operating Cash Disbursements	224,963
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers	435,470
Transfers-In	134,638
Transfers-Out	(592,699)
Net Receipts Over/(Under) Disbursements	(22,591)
Fund Cash Balance, January 1	1,829,082
Fund Cash Balance, December 31	\$ 1,806,491

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

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Genoa, Ottawa County, (the Village) as a body corporate and politic. A publicly-elected six-member Council governs the Village. The Village provides general governmental services including water and sewer utilities, park operations and police services.

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 disbursement 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.)

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

C. CASH AND INVESTMENTS

The provisions of the Ohio Revised Code restrict investment procedures. Purchased investments are valued at purchase cost. Interest earned is recognized and recorded when received.

D. FUND ACCOUNTING

The Village maintains its accounting records in accordance with the principles of "Fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity, which stands separate from the activities, reported in other funds. The restrictions associated with each class of funds are as follows:

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

D. FUND ACCOUNTING – (continued)

Governmental Fund Types:

General Fund: The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund.

Special Revenue Funds: To account for the proceeds of specific revenue sources that is legally restricted to disbursements for specified purposes. The Village had the following significant Special Revenue Funds:

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

State Highway Improvement Fund – This fund receives gasoline tax monies from the State of Ohio for maintenance and repair of state highways in the Village.

Park and Recreation Fund – This fund receives local taxes and other revenues to provide leisure time activities to Village residents.

Permissive Motor Vehicle License Tax Fund – This fund receives motor vehicle licenses tax money to construct, maintain, and repair Village roads.

Income Tax Fund – This fund receives income tax collections from the income tax levied on Village residents and individuals who work in the Village.

Debt Service Funds: This fund is used to accumulate resources for the payment of bond and note indebtedness. The Village had the following significant debt service funds:

Waterworks Bond Fund – This fund received transfers used to pay interest and principal on mortgage revenue bonds.

OWDA Water Washington Street Fund – This fund received transfers to pay interest and principal on an OWDA loan.

General Obligation Bonds Fund – This fund received transfers to pay interest and principal on general obligation bonds.

VILLAGE OF GENOA
OTTAWA COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

D. FUND ACCOUNTING – (continued)

Governmental Fund Types:

Capital Project Funds: To account for the financial resources to be used for the acquisition or construction of major capital projects (except those financed through enterprise funds). The Village has the following significant Capital Project funds:

Capital Improvement – This fund receives proceeds of grants and other funds to be used for capital improvements for the Village

Sewer Capital Improvements Fund – This fund receives transfers in from the Local Income Tax Fund for various improvements to the Village's sewer system.

Proprietary Fund Type:

Enterprise Funds: These funds account for operations that are similar to private business enterprises, where management intends to recover the significant cost of providing certain goods or services through user charges. The Village has the following significant Enterprise Funds:

Water Fund – This fund receives charges for services from residents to cover water service costs.

Sewer Fund – This fund receives charges for services from residents to cover sewer service costs.

Electric Fund – This fund receives charges for services from residents to cover the cost of providing this utility.

Utility Deposit Fund – This fund receives security deposits required to be paid by customers in order to obtain utility services.

Garbage Fund – This fund receives charges for services from residents to cover the cost of providing this service.

E. BUDGETARY PROCESS

1. Budget

A budget of estimated cash receipts and disbursements is prepared by the Clerk/Treasurer, approved by Council, and submitted to the county auditor, as secretary of the County Budget Commission, by July 15 of each year, for the period January 1 to December 31 of the following year.

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

2. Estimated Resources

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

3. Appropriations

A temporary appropriation measure to control cash expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by March 31 of each year for the period January 1 to December 31. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

The legal level of budgetary control is at the fund, function, object level for all funds, and appropriations may not exceed estimated resources. Any budgetary modifications at this level may only be made by ordinance of the Village Council.

4. Encumbrances

The Village is required to use the encumbrance method of accounting by virtue of Ohio law. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year without being re-appropriated.

A summary of 2006 and 2007 budgetary activity appears in Note 8.

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.

G. UNPAID VACATION AND SICK LEAVE

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused vacation and sick leave. Unpaid vacation and sick leave are not reflected as liabilities on the accompanying financial statements.

H. TOTAL COLUMNS ON FINANCIAL STATEMENTS

Total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to consolidation. Interfund-type eliminations have not been made in the aggregation of this data.

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

2. EQUITY IN POOLED CASH AND CASH EQUIVALENTS

The Village maintains a cash pool using all funds. The Ohio Revised Code prescribes allowable deposits and investments.

The carrying amount of the Village's cash and investments at December 31 was as follows:

	<u>2007</u>	<u>2006</u>
Demand Deposits	\$ (46,161)	\$ 35,768
Repurchase Agreements	529,839	218,441
Certificates of Deposit	<u>2,350,533</u>	<u>2,240,578</u>
Total Deposits, Investments and Cash	<u>\$ 2,834,211</u>	<u>\$ 2,494,787</u>

Deposits are insured by the Federal Depository Insurance Corporation, or collateralized by the financial institution's public entity deposit pool.

The negative deposits are due to the Village investing in overnight repurchase agreements.

3. PROPERTY TAXES

Real property taxes are levied on assessed values, which equal 35 percent of appraised value. The county auditor reappraises all real property every six years with a triennial update. The last update was completed for tax year 2006.

Real property taxes become a lien on all non-exempt real property located in the county on January 1. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

Real property owners' tax bills are further reduced by homestead and rollback deductions when applicable. The amounts of these homestead and rollback reductions are reimbursed to the Village by the State of Ohio and are reflected in the accompanying financial statements as Intergovernmental Receipts.

Public utilities are also taxed on personal and real property located within the Village.

Owners of tangible personal property are required to file a list of such property including costs, by April 30 of each year. The property is assessed for tax purposes at varying statutory percentages of cost.

The County Treasurer collects property tax on behalf of all taxing Villages within the county. The County Auditor periodically remits to the taxing Villages their portions of the taxes collected.

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

3. LOCAL INCOME TAX

The Village levies a municipal income tax of one and one-half (1.5) percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

Seventy-five percent of the first one percent collected is credited to the General Fund. The remaining twenty-five percent is credited to the Capital Projects Fund. The remaining one-half percent is credited to the Sewer Capital Improvement fund per Village ordinance.

4. DEBT

Debt outstanding at December 31, 2007 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
OWDA Loans	\$ 608,490	6.32 - 6.58%
OPWC Loans	185,296	0%
Water System G.O. Bond	728,780	4.25%
AMP-Ohio Electric System Improvements	5,227,913	1.30%
Mortgage Revenue Bonds	645,000	5%
Total	<u>\$ 7,395,479</u>	

The Ohio Water Development Authority (OWDA) loans relate to the wastewater treatment plant and waterline improvements. The American Municipal Power Electric System Bonds relate to the construction and improvements of substations, electrical upgrades and electric generators which are, or will be used in the Village Genoa's electric system. The Water Improvement General Obligation Bonds relate to the Village's water system improvements. Mortgage Revenue Bonds were used for waterworks improvements. The OPWC loans were for sewer system and street repairs.

In 2004, as part of the AMP-Ohio bond refinancing, the Village was required to deposit \$402,370 into a Debt Service Reserve Fund to be held and maintained by the Trustee until the bond debt service payments are paid in full.

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

5. DEBT – (Continued)

Principal and interest requirements to retire long-term obligations outstanding at December 21, 2007 are as follows:

For the Year Ending 12/31	AMP Bonds	OWDA Loans	Water System	Mortgage Revenue
2008	\$ 378,788	\$ 82,849	\$ 80,421	\$ 65,341
2009	399,610	82,849	80,421	69,229
2010	399,895	82,849	80,421	68,005
2011	401,671	82,849	80,421	71,781
2012	401,427	82,849	80,421	75,446
2013-2017	1,998,283	324,396	402,106	387,875
2018-2022	2,002,645	150,451	241,264	-
2023-2027	2,396,548	-	-	-
2028-2029	795,307	-	-	-
Total	<u>\$ 9,174,174</u>	<u>\$ 889,092</u>	<u>\$ 1,045,475</u>	<u>\$ 737,677</u>

The amortization schedule for the OPWC loans were not available at the end of audit field work.

6. CAPITAL LEASES

In 2006, the Village entered into a capital lease for the purchase of capital equipment and vehicles. Capital lease payments are reflected as functional disbursements in the financial statements for the governmental funds.

The following is a schedule of future minimum lease payments under this capital lease and present value of the net lease payments at December 31, 2007:

	Year	Equipment Purchase
	2008	\$ 39,270
	2009	39,270
	2010	39,270
	2011	39,270
	2012	39,270
	2013	39,270
Total Minimum Lease Payment		\$ 235,620
Less: Amount Representing Interest		(36,290)
Present Value of Minimum Lease Payments		<u>\$ 199,330</u>

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

7. RISK MANAGEMENT

The Village belongs to the Ohio Government Risk Management Plan (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to over 550 Ohio governments ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed 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 or better rated carriers, except for the 15% casualty and the 10% property portions the Plan retains. The Plan retains the lesser of 15% or \$37,500 of casualty losses and the lesser of 10% or \$100,000 of property losses. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

Plan members 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 financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years. Also, coverages were not reduced from the prior year.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2006 and 2005 (the latest information available):

	<u>2006</u>	<u>2005</u>
Assets	\$9,620,148	\$8,219,430
Liabilities	<u>(3,329,620)</u>	<u>(2,748,639)</u>
Members' Equity	<u>\$6,290,528</u>	<u>\$5,470,791</u>

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

The Village pays the State Worker's Compensation System a premium based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs.

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

8. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2007 and 2006 is as follows:

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General Fund	\$ 1,053,403	\$ 883,656	\$ (169,747)
Special Revenue Funds	1,205,324	1,038,570	(166,754)
Debt Service	605,170	565,571	(39,599)
Capital Project Funds	1,125,786	425,355	(700,431)
Enterprise Funds	5,322,478	3,395,675	(1,926,803)
Total	\$ 9,312,161	\$ 6,308,827	\$ (3,003,334)

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

8. BUDGETARY ACTIVITY – (continued)

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General Fund	\$ 911,011	\$ 645,170	\$ 265,841
Special Revenue Funds	1,106,614	998,306	108,308
Debt Service	598,880	537,742	61,138
Capital Project Funds	1,086,402	496,234	590,168
Enterprise Funds	4,267,762	3,291,951	975,811
Total	\$ 7,970,669	\$ 5,969,403	\$ 2,001,266

2006 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General Fund	\$ 831,265	\$ 835,902	\$ 4,637
Special Revenue Funds	1,073,009	1,060,699	(12,310)
Debt Service	795,158	528,650	(266,508)
Capital Projects Funds	464,475	259,411	(205,064)
Enterprise Funds	3,588,000	3,375,570	(212,430)
Total	\$ 6,751,907	\$ 6,060,232	\$ (691,675)

2006 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General Fund	\$ 881,070	\$ 742,932	\$ 138,138
Special Revenue Funds	1,131,802	1,031,355	100,447
Debt Service	795,158	495,258	299,900
Capital Projects Funds	825,489	533,204	292,285
Enterprise Funds	4,188,674	3,398,161	790,513
Total	\$ 7,822,193	\$ 6,200,910	\$ 1,621,283

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

9. RETIREMENT SYSTEMS

Ohio Public Employees Retirement System (OPERS):

The Village's employees belong to the Ohio Public Employees Retirement System (OPERS), a state operated, cost sharing, multiple employer public employee retirement system. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Other than police officers, the Village's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

The Ohio Revised Code provides statutory authority for employee and employer contributions. In 2006, OPERS participants contributed 9.0% of their wages. The Village contributed an amount equal to 13.70% of their wages. In 2007, OPERS participants contributed 9.5% of their wages. The Village contributed an amount equal to 13.85% of their wages. The Village has paid all contributions required through December 31, 2007.

Ohio Police & Fire Pension Fund (OP&F):

The Village's law enforcement officers belong to the Ohio Police & Fire Pension Fund (OP&F). OP&F is a cost sharing, multiple employer plans. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are prescribed by the Ohio Revised Code. For 2007 and 2006, OP&F participants contributed 10% of their wages. The Village contributed an amount equal to 19.5% of police participant wages. The Village has paid all contributions through December 31, 2007.

10. TRANSFERS

The Village had numerous fund transfers during 2006 and 2007. In 2006, money was transferred from the General Fund to the Street Fund and the Recreation fund for the purpose of meeting current expenses prior to the passage of the permanent budget. Money was transferred from the Income Tax – Special Revenue Fund into the General Fund and the Capital Improvement fund for the allocation of income tax receipts. Money was transferred from the Electric and Water Funds to the General Obligation Bond Retirement Fund for payment of debt. Money was transferred from the FMHA Water Reserve Fund to the Water Fund for payment of debt.

In 2007, the Village transferred money from the General Fund to the Income Tax Fund. Money was transferred from the Income Tax – Special Revenue Fund to the General Fund and the Capital Improvement Fund for the allocation of income tax receipts. Money was transferred from the Electric and Water Funds to the Debt Service Fund for the payment of debt. Money was transferred from the Street, Electric, Water, and Sewer Funds to the Equipment Debt Service Fund for payment of debt on equipment purchases.

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

11. CONTINGENT LIABILITIES/SUBSEQUENT EVENTS

Management believes there are no pending claims or lawsuits.

12. JOINT VENTURE

Ohio Municipal Electric Generation Agency Joint Venture 2

The Village of Genoa is a Non-Financing Participant and an Owner Participant with percentages of liability and ownership of .19% and .15% respectively and shares participation with thirty-five other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency (OMEGA JV2). Owner Participants own undivided interests, as tenants in common, in the OMEGA JV2 Project in the amount of their respective Project Shares. Purchaser Participants agree to purchase the output associated with their respective Project shares, ownership of which is held in trust for such Purchaser Participants.

Pursuant to the OMEGA JV2 Agreement, the participants jointly undertook as either Financing Participants or Non-Financing Participants and as either Owner Participants or Purchaser Participants, the acquisition, construction, and equipping of OMEGA JV2, including such portions of OMEGA JV2 as have been acquired, constructed or equipped by AMP-Ohio and to pay or incur the costs of the same in accordance with the JV2 Agreement.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081MW is the participants entitlement and 4.569MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP-Ohio, which acts as the joint venture's agent. During 2001, AMP-Ohio issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. The Village's net investment in OMEGA JV2 was \$58,403 and \$62,181 at December 31, 2007 and 2006, respectively. Complete financial statements for OMEGA JV2 may be obtained from AMP-Ohio or from the State Auditor's website at www.auditor.state.oh.us.

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

12. JOINT VENTURE (continued)

The thirty-six participating subdivisions and their respective ownership shares at December 31, 2007 are:

Municipality	Percent Ownership	Kw Entitlement	Municipality	Percent Ownership	Kw Entitlement
Hamilton	23.87%	32,000	Grafton	0.79%	1,056
Bowling Green	14.32%	19,198	Brewster	0.75%	1,000
Niles	11.49%	15,400	Monroeville	0.57%	764
Cuyahoga Falls	7.46%	10,000	Milan	0.55%	737
Wadsworth	5.81%	7,784	Genoa	0.55%	737
Painesville	5.22%	7,000	Elmore	0.27%	364
Dover	5.22%	7,000	Jackson Center	0.22%	300
Galion	4.29%	5,753	Napoleon	0.20%	264
Amherst	3.73%	5,000	Lodi	0.16%	218
St. Mary's	2.98%	4,000	Genoa	0.15%	199
Montpelier	2.98%	4,000	Pemberville	0.15%	197
Shelby	1.89%	2,536	Lucas	0.12%	161
Versailles	1.24%	1,660	South Vienna	0.09%	123
Edgerton	1.09%	1,460	Bradner	0.09%	119
Yellow Springs	1.05%	1,408	Woodville	0.06%	81
Oberlin	0.91%	1,217	Haskins	0.05%	73
Pioneer	0.86%	1,158	Arcanum	0.03%	44
Seville	<u>0.79%</u>	<u>1,066</u>	Custar	<u>0.00%</u>	<u>4</u>
			Grand Total	<u>100.00%</u>	<u>134,081</u>

Year	Amount
2008	\$7,583
2009	7,581
2010	7,579
2011	7,583
2012	7,585
Subsequent	60,643
Total	\$60,554

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

12. JOINT VENTURE (continued)

Ohio Municipal Electric Generation Agency Joint Venture 5

The Village of Genoa is a Financing Participant with an ownership percentage of .69%, and shares participation with forty-one other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency Joint Venture 5 (OMEGA JV5). Financing Participants own undivided interests, as tenants in common, without right of partition in the OMEGA JV5 Project.

Pursuant to the OMEGA Joint Venture JV5 Agreement (Agreement), the participants jointly undertook as Financing Participants, the acquisition, construction, and equipping of OMEGA JV5, including such portions of OMEGA JV5 as have been acquired, constructed or equipped by AMP-Ohio.

OMEGA JV5 was created to construct a 42 Megawatt (MW) run-of-the-river hydroelectric plant (including 40MW of backup generation) and associated transmission facilities (on the Ohio River near the Bellville, West Virginia Locks and Dam) and sells electricity from its operations to OMEGA JV5 Participants.

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Beneficial Interest Certificates (Certificates) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV5, the net assets will be shared by the financing participants on a percentage of ownership basis. Under the terms of the Agreement each participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV5 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2007 Genoa has met their debt coverage obligation.

The Agreement provides that the failure of any JV5 participant to make any payment due by the due date thereof constitutes a default. In the event of a default, OMEGA JV5 may take certain actions including the termination of a defaulting JV5 Participant's entitlement to Project Power. Each Participant may purchase a pro rata share of the defaulting JV5 Participant's entitlement to Project Power, which together with the share of the other non-defaulting JV5 Participants, is equal to the defaulting JV5 Participant's ownership share of the Project, in kilowatts ("Step Up Power") provided that the sum of any such increases shall not exceed, without consent of the non-defaulting JV5 Participant, an accumulated maximum kilowatts equal to 25% of such non-defaulting JV5 Participant's ownership share of the project prior to any such increases.

**VILLAGE OF GENOA
OTTAWA COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

12. JOINT VENTURE (continued)

OMEGA JV5 is managed by AMP-Ohio, which acts as the joint venture's agent. During 1993 and 2001 AMP-Ohio issued \$153,415,000 and \$13,899,981 respectively of 30 year fixed rate Beneficial Interest Certificates (Certificates) on behalf of the Financing Participants of OMEGA JV5. The 2001 Certificates accrete to a value of \$56,125,000 on February 15, 2030. The net proceeds of the bond issues were used to construct the OMEGA JV5 Project. On February 17, 2004 the 1993 Certificates were refunded by issuing 2004 Beneficial Interest Refunding Certificates in the amount of \$116,910,000, which resulted in a savings to the membership of \$34,951,833 from the periods 2005 through 2024.

The Village's net investment to date in OMEGA JV5 was \$61,751 and \$74,542 at December 31, 2007 and 2006, respectively. Complete financial statements for OMEGA JV5 may be obtained from AMP-Ohio or from the State Auditor's website at www.auditor.state.oh.us.

Year	Amount
2008	\$ 62,872
2009	62,884
2010	62,768
2011	62,754
2012	62,768
Subsequent	754,268
Total	\$ 1,068,314

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Village of Genoa
Ottawa County
102 E. Sixth Street
Genoa, Ohio 43430

To Village Council:

We have audited the financial statements of the Village of Genoa, Ottawa County, Ohio (the Village) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated August 15, 2008, wherein we noted the Village prepared its financial statements using accounting practices the Auditor of State prescribed 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 Controls Over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

Our 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, we have identified certain deficiencies in internal control over financial reporting that we 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 Village's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis such that there is more than a remote likelihood that a misstatement of the Village's financial statements that is more than inconsequential will not be prevented or detected by the Village's internal control. We consider the deficiency described in the accompanying schedule of findings, item 2007-GENOA-01 to be a significant deficiency in internal control over financial 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 Village's internal control.

Our 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, we believe the significant deficiency described above to be a material weakness.

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, grant agreements and other matters, 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 or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of findings as items 2007 – Genoa –01 through 03.

The Village's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the Village's responses and, accordingly, we express no opinion on them.

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

Charles E. Harris and Associates, Inc.

August 15, 2008

VILLAGE OF GENOA
OTTAWA COUNTY

SCHEDULE OF FINDINGS
December 31, 2007 and 2006

<p>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</p>
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FINDING NUMBER 2007- GENOA -01: Noncompliance and Material Weakness

Ohio Admin. Code Section 117-2-02(A) provides that all local public offices should maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance and finance-related legal and contractual requirements and prepare financial statements.

The Village Officers' Handbook provides suggested account classifications. These accounts classify receipts by fund and source (taxes or charges for services, for example). Using these classifications and the aforementioned accounting records will provide the Village with information required to monitor compliance and with the budget and prepare annual reports in the format required by the Auditor of State.

During 2006 and 2007, the Village loan from OPWC included receipts of \$16,301 and \$169,265 respectively in the Capital Projects Fund. The Village posted these receipts as intergovernmental revenues in 2006 and 2007. These were reclassified as proceeds of OPWC loans.

In 2006, the Village entered into a lease agreement for the purchase of vehicles and equipment in the amount of \$266,508. This was posted as Sale of Public Debt and Capital Outlay in the Debt Service Fund. This was removed from the financial statements in line with guidance regarding capital leases and the cash basis of accounting.

In 2006 and 2007 the Village recorded its payments for the Joint Operating Agreements with AMP-Ohio as payment of principal. The amounts were \$78,768 for 2007 and \$61,454 for 2006. These were reclassified to Other Financing Uses.

Management Response:

The Fiscal Officer takes these findings under advisement and will strive to classify to proper accounts in the future.

FINDING NUMBER 2007- GENOA -02: – Noncompliance

Ohio Revised Code Section 5705.36(A)(4) requires that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency. The following funds had actual receipts below estimated receipts, which the deficiency reduced the estimated resources below the level of appropriations.

**VILLAGE OF GENOA
OTTAWA COUNTY**

**SCHEDULE OF FINDINGS – (continued)
December 31, 2007 and 2006**

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

FINDING NUMBER 2007- GENOA -02: – Noncompliance - continued

<u>2007</u>	<u>Amount</u>
<u>Special Revenue Funds:</u>	
Permissive Motor Vehicle	\$ (15,722)
 <u>Capital Projects Fund:</u>	
Capital Improvement Fund:	(406,964)
Sewer Issue II	(544,368)
 <u>2006</u>	
<u>Special Revenue Funds:</u>	
Income Tax Fund	(31,969)
 <u>Capital Projects Fund:</u>	
Sewer Issue II	(208,969)
 <u>Enterprise Funds:</u>	
Sewer Fund	(26,036)

Management Response:

The Fiscal Officer takes this finding under advisement and will monitor budgetary variances more closely in future.

FINDING NUMBER 2007- GENOA -03: – Noncompliance

Section 5705.41 (D), Revised Code, requires that encumbrances be charged against proper appropriations. Section 5705.41 (B), Revised Code, prohibits the Village from making an expenditure unless it has been properly appropriated. The following funds were found to have expenditures and encumbrances in excess of appropriations at December 31, 2006.

<u>Fund</u>	<u>Total Appropriations</u>	<u>Expenditures Plus Encumbrances</u>	<u>Variance</u>
Capital Projects-Sewer Capital Imp.	\$ 409,521	\$ 409,822	\$ (301)
Enterprise Fund-Water Reserve	-	64,050	(64,050)

The Village should institute procedures to monitor its budgetary activity more closely and amend its appropriations as needed.

Management Response:

The Fiscal Officer takes this finding under advisement and will monitor budgetary variances more closely in future.

VILLAGE OF GENOA
OTTAWA COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
December 31, 2007 and 2006

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken or Finding No Longer Valid; Explain
2005-Genoa - 001	Ohio Revised Code Section 5705.41 (D) (1)-Failure to certify expenditures	Yes	Finding no longer valid



Mary Taylor, CPA
Auditor of State

VILLAGE OF GENOA

OTTAWA 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 6, 2008