



OHIO AUDITOR OF STATE
KEITH FABER

VILLAGE OF MARBLEHEAD
OTTAWA COUNTY

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Village of Marblehead
Ottawa County
513 West Main Street, P.O. Box 306
Marblehead, Ohio 43440-0306

To the Village Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of the Village of Marblehead, Ottawa County, Ohio (the Village) as of and for the years ended December 31, 2018 and 2017.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2018 and 2017, and the respective changes in financial position or cash flows thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Village of Marblehead, Ottawa County, Ohio as of December 31, 2018 and 2017, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2019, 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 internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Keith Faber
Auditor of State

Columbus, Ohio

September 30, 2019

Village of Marblehead
Ottawa County
Combined Statement of Receipts, Disbursements,
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2018

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$527,741				\$527,741
Intergovernmental	122,394	\$222,539		\$24,894	369,827
Charges for Services	30,900				30,900
Fines, Licenses, and Permits	25,269	6,788			32,057
Special Assessments			\$21,784		21,784
Earnings on Investments	24,742	3,436			28,178
Miscellaneous	48,907	146			49,053
<i>Total Cash Receipts</i>	<u>779,953</u>	<u>232,909</u>	<u>21,784</u>	<u>24,894</u>	<u>1,059,540</u>
Cash Disbursements					
Current:					
Security of Persons and Property	434,495	9,718			444,213
Public Health	21,826				21,826
Leisure Time Activities	24,698				24,698
Community Environment	16,096	4,721			20,817
Transportation	88,663	260,004			348,667
General Government	160,521	13,308	21		173,850
Capital Outlay	19,645				19,645
Principal Retirement			15,000		15,000
Interest and Fiscal Charges			8,138		8,138
<i>Total Cash Disbursements</i>	<u>765,944</u>	<u>287,751</u>	<u>23,159</u>	<u>24,894</u>	<u>1,076,854</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>14,009</u>	<u>(54,842)</u>	<u>(1,375)</u>	<u>24,894</u>	<u>(17,314)</u>
Other Financing Receipts (Disbursements)					
Advances In	165,401	140,507			305,908
Advances Out	(140,507)	(140,507)		(24,894)	(305,908)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>24,894</u>	<u> </u>	<u> </u>	<u>(24,894)</u>	<u> </u>
<i>Net Change in Fund Cash Balances</i>	38,903	(54,842)	(1,375)		(17,314)
<i>Fund Cash Balances, January 1</i>	<u>990,420</u>	<u>376,835</u>	<u>65,934</u>	<u>94,965</u>	<u>1,528,154</u>
Fund Cash Balances, December 31					
Restricted		299,922	64,559	94,965	459,446
Committed		22,071			22,071
Assigned	612,840				612,840
Unassigned	416,483				416,483
<i>Fund Cash Balances, December 31</i>	<u>\$1,029,323</u>	<u>\$321,993</u>	<u>\$64,559</u>	<u>\$94,965</u>	<u>\$1,510,840</u>

See accompanying notes to the financial statements

Village of Marblehead
Ottawa County
Combined Statement of Receipts, Disbursements,
and Changes in Fund Balances (Regulatory Cash Basis)
Proprietary Fund Type
For the Year Ended December 31, 2018

	Enterprise
Operating Cash Receipts	
Charges for Services	\$636,173
Operating Cash Disbursements	
Salaries	258,229
Employee Fringe Benefits	80,421
Purchased Services	84,486
Supplies and Materials	56,001
Other	1,793
<i>Total Operating Cash Disbursements</i>	<i>480,930</i>
<i>Operating Income</i>	<i>155,243</i>
Non-Operating Receipts (Disbursements)	
Special Assessments	26,131
Miscellaneous Receipts	2,290
Principal Retirement	(100,529)
Interest and Other Fiscal Charges	(16,824)
<i>Total Non-Operating Receipts (Disbursements)</i>	<i>(88,932)</i>
<i>Income before Transfers</i>	<i>66,311</i>
Transfers In	87,991
Transfers Out	(87,991)
<i>Net Change in Fund Cash Balances</i>	<i>66,311</i>
<i>Fund Cash Balances, January 1</i>	<i>573,056</i>
<i>Fund Cash Balances, December 31</i>	<i>\$639,367</i>
<i>See accompanying notes to the financial statements</i>	

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 – Reporting Entity

The Village of Marblehead, Ottawa 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. A publicly-elected six-member Council directs the Village. The Village provides general government services, water utilities, cemetery operations (public health services), park operations (leisure time activities), zoning operations (community environment), street and highway services, and police services. The Village contracts with Danbury Township to receive fire protection and emergency medical services.

Public Entity Risk Pool

The Village participates in the Ohio Plan Risk Management, Inc. (OPRM) public entity risk pool. OPRM provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements, and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements, and changes in fund balances (regulatory cash basis) for the proprietary fund type which are organized on a fund type basis.

Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

Street Maintenance Fund The street maintenance fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of streets within the Village.

Permissive Motor Vehicle License Tax Fund The permissive motor vehicle license tax fund receives proceeds from license taxes to plan, construct, reconstruct, improve, maintain, or repair any of the streets within the Village.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Debt Service Funds These funds account for and report financial resources that are restricted to expenditure for principal and interest. The Village had the following significant Debt Service Fund:

Special Assessment-Island View 2006 Fund The special assessment-island view 2006 fund receives special assessments for the payment of bonds issued for Harsh Road Improvements and waterline installation.

Capital Project Funds These funds account for and report financial resources that are restricted to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant Capital Project Fund:

Natureworks-2015-OTTA029 Fund The natureworks-2015-ottawa029 fund accounts for and reports proceeds of a grant administered by the Ohio Department of Natural Resources for the acquisition of land.

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

Water Revenue Plant Operating-BPA Fund The water revenue plant operating-bpa fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Rev. Code Section 117.38 and Ohio Admin. Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Rev. Code Section 117.38 and Ohio Admin. Code Section 117-2-03 (D) permit.

Budgetary Process

The Ohio Revised Code requires each fund be budgeted annually.

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

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 approve estimated resources.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2018

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

A summary of 2018 budgetary activity appears in Note 3.

Deposits and Investments

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Village's investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Capital Assets

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

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

Fund Balance

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

Nonspendable The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

Note 3 – Budgetary Activity

Budgetary activity for the year ended December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$648,650	\$779,953	\$131,303
Special Revenue	217,007	232,909	15,902
Debt Service	22,000	21,784	(216)
Capital Projects	24,894	24,894	
Enterprise	683,078	752,585	69,507
Total	\$1,595,629	\$1,812,125	\$216,496

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,165,312	\$804,019	\$361,293
Special Revenue	568,182	365,154	203,028
Debt Service	57,731	23,159	34,572
Capital Projects	93,520		93,520
Enterprise	1,256,135	738,010	518,125
Total	\$3,140,880	\$1,930,342	\$1,210,538

Note 4 – Deposits and Investments

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

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2018

	2018
Demand deposits	\$327,067
Certificates of deposit	37,829
Other time deposits (savings accounts)	1,313,937
Total deposits	1,678,833
STAR Ohio	471,374
Total deposits and investments	\$2,150,207

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Village.

Investments

Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Property Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

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

Note 6 – Risk Management

Risk Pool Membership

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Rev. Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2018

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2016, the OPRM retained 50% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 764 members as of December 31, 2017 (the latest information available).

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, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2017 (the latest information available).

Assets	\$14,853,620
Liabilities	<u>(9,561,108)</u>
Members' Equity	<u>\$ 5,292,512</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

Ohio Police and Fire Retirement System

The Village's full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.50 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2018.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Social Security

Several Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

Note 8 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2018. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2018. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

Note 9 – Debt

Debt outstanding at December 31, 2018 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bonds - 1998	\$40,000	4.35-5.00%
General Obligation Notes - 2006	140,000	4.10-5.25%
Ohio Public Works Commission Loan - 2009	61,657	0%
Ohio Public Works Commission Loan - 2010	42,277	0%
Ohio Water Development Authority Loan - 2010	<u>601,958</u>	2%
Total	<u><u>\$885,892</u></u>	

The 1998 General Obligation (G.O.) Bonds relate to a water line extension project. The bonds were issued in 1998 in the amount of \$525,000 and will be repaid over a 20 year period.

The 2006 G.O. Bonds relate to improving Harsh Road and installing a six inch waterline. The bonds were issued in 2006 in the amount of \$265,000 and will be repaid over a 20 year period.

The Village's taxing authority collateralized the G.O. Bonds.

The Ohio Public Works Commission (OPWC) Loan - 2009 relates to a water treatment plant improvement project. The OPWC loan was issued in the amount of \$98,652 and will be paid over a 20 year period.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2018

The OPWC Loan - 2010 relates to the Phase I State Route 163 Waterline project. The OPWC loan was for \$65,041 and will be repaid over a 20 year period.

The Ohio Water Development Authority (OWDA) Loan - 2010 relates to a new water treatment plant. The OWDA loan was for \$1,052,872 and will be paid over a 20 year period.

Amortization

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

Year Ending December 31:	OPWC Loans	OWDA Loans	General Obligation Bonds
2019	\$8,184	\$64,122	\$64,350
2020	8,185	63,075	21,563
2021	8,184	62,028	20,775
2022	8,185	60,981	19,988
2023	8,184	59,934	24,200
2024-2028	40,923	283,968	66,300
2029-2031	22,089	80,086	
Total	\$103,934	\$674,194	\$217,176

Note 10 – Contingent Liabilities

The Village is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Village's financial condition.

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

The Village is awaiting final accounting from Ohio Public Entity Consortium Health Cooperative (OPECHC), a public entity risk pool for health insurance that the Village belonged to until December 31, 2017. The Village withdrew from this pool effective January 1, 2018. An estimate for run-out claims has been paid. However, any possible final loss is not reasonably estimated currently.

Note 11 – Miscellaneous Receipts

General fund miscellaneous receipts consisted primarily of proceeds from tower leases and rentals.

Village of Marblehead
Ottawa County
Combined Statement of Receipts, Disbursements,
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2017

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$519,581				\$519,581
Intergovernmental	123,136	\$76,393		\$366,400	565,929
Charges for Services	31,532				31,532
Fines, Licenses, and Permits	13,175	7,713			20,888
Special Assessments			\$21,826		21,826
Earnings on Investments	6,605	968			7,573
Miscellaneous	63,864	120,627			184,491
<i>Total Cash Receipts</i>	<u>757,893</u>	<u>205,701</u>	<u>21,826</u>	<u>366,400</u>	<u>1,351,820</u>
Cash Disbursements					
Current:					
Security of Persons and Property	340,905	11,199			352,104
Public Health	22,691				22,691
Leisure Time Activities	34,641				34,641
Community Environment	15,839	3,097			18,936
Transportation	83,967	24,725			108,692
General Government	164,752		22		164,774
Capital Outlay	275,936			101,725	377,661
Principal Retirement			15,000		15,000
Interest and Fiscal Charges			8,925		8,925
<i>Total Cash Disbursements</i>	<u>938,731</u>	<u>39,021</u>	<u>23,947</u>	<u>101,725</u>	<u>1,103,424</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(180,838)</u>	<u>166,680</u>	<u>(2,121)</u>	<u>264,675</u>	<u>248,396</u>
Other Financing Receipts (Disbursements)					
Transfers In	263,231				263,231
Transfers Out				(263,231)	(263,231)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>263,231</u>			<u>(263,231)</u>	
<i>Net Change in Fund Cash Balances</i>	82,393	166,680	(2,121)	1,444	248,396
<i>Fund Cash Balances, January 1</i>	<u>908,027</u>	<u>210,155</u>	<u>68,055</u>	<u>93,521</u>	<u>1,279,758</u>
Fund Cash Balances, December 31					
Restricted		346,425	65,934	94,965	507,324
Committed		30,410			30,410
Assigned	516,662				516,662
Unassigned	473,758				473,758
<i>Fund Cash Balances, December 31</i>	<u>\$990,420</u>	<u>\$376,835</u>	<u>\$65,934</u>	<u>\$94,965</u>	<u>\$1,528,154</u>

See accompanying notes to the financial statements

Village of Marblehead
Ottawa County
Combined Statement of Receipts, Disbursements,
and Changes in Fund Balances (Regulatory Cash Basis)
Proprietary Fund Type
For the Year Ended December 31, 2017

	Enterprise
Operating Cash Receipts	
Charges for Services	\$615,886
Operating Cash Disbursements	
Personal Services	247,765
Employee Fringe Benefits	62,279
Contractual Services	75,569
Supplies and Materials	104,952
Other	2,150
<i>Total Operating Cash Disbursements</i>	492,715
<i>Operating Income</i>	123,171
Non-Operating Receipts (Disbursements)	
Special Assessments	26,950
Miscellaneous Receipts	9,435
Capital Outlay	(18,910)
Principal Retirement	(95,530)
Interest and Other Fiscal Charges	(19,621)
<i>Total Non-Operating Receipts (Disbursements)</i>	(97,676)
<i>Income before Transfers</i>	25,495
Transfers In	83,925
Transfers Out	(83,925)
<i>Net Change in Fund Cash Balances</i>	25,495
<i>Fund Cash Balances, January 1</i>	547,561
<i>Fund Cash Balances, December 31</i>	\$573,056

See accompanying notes to the financial statements

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 – Reporting Entity

The Village of Marblehead, Ottawa 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. A publicly-elected six-member Council directs the Village. The Village provides general government services, water utilities, cemetery operations (public health services), park operations (leisure time activities), zoning operations (community environment), street and highway services, and police services. The Village contracts with Danbury Township to receive fire protection and emergency medical services.

Public Entity Risk Pools

The Village participates in two public entity risk pools. Note 7 to the financial statements provides additional information for these entities.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements, and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements, and changes in fund balances (regulatory cash basis) for the proprietary fund type which are organized on a fund type basis.

Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

Street Maintenance Fund The street maintenance fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of streets within the Village.

James Park Maintenance and Improvement Fund The James park maintenance and improvement fund received a contribution restricted for maintenance and improvement of the park.

Debt Service Funds These funds account for and report financial resources that are restricted to expenditure for principal and interest. The Village had the following significant Debt Service Fund:

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Special Assessment-Island View 2006 Fund The special assessment-island view 2006 fund receives special assessments for the payment of bonds issued for Harsh Road Improvements and waterline installation.

Capital Project Funds These funds account for and report financial resources that are restricted to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant Capital Project Fund:

Clean Ohio-2016-CEJAC Fund The Clean Ohio-2016-CEJAC fund accounts for and reports proceeds of a Clean Ohio grant for acquisition of park property. Clean Ohio is administered by the Ohio Public Works Commission.

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

Water Revenue Plant Operating-BPA Fund The water revenue plant operating-bpa fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Rev. Code Section 117.38 and Ohio Admin. Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Rev. Code Section 117.38 and Ohio Admin. Code Section 117-2-03 (D) permit.

Budgetary Process

The Ohio Revised Code requires each fund be budgeted annually.

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

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 approve estimated resources.

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

A summary of 2017 budgetary activity appears in Note 3.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Deposits and Investments

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Village's investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Capital Assets

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

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

Fund Balance

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

Nonspendable The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2017

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

Note 3 – Budgetary Activity

Budgetary activity for the year ended December 31, 2017 follows:

2017 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$641,180	\$1,021,124	\$379,944
Special Revenue	75,650	205,701	130,051
Debt Service	22,000	21,826	(174)
Capital Projects	391,294	366,400	(24,894)
Enterprise	662,672	736,196	73,524
Total	\$1,792,796	\$2,351,247	\$558,451

2017 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,371,327	\$985,422	\$385,905
Special Revenue	286,005	46,681	239,324
Debt Service	58,518	23,947	34,571
Capital Projects	459,920	364,956	94,964
Enterprise	1,206,835	753,613	453,222
Total	\$3,382,605	\$2,174,619	\$1,207,986

Note 4 – Deposits and Investments

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

	2017
Demand deposits	\$805,814
Certificates of deposit	37,303
Other time deposits (savings accounts)	795,818
Total deposits	1,638,935
STAR Ohio	462,275
Total deposits and investments	\$2,101,210

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Village.

Investments

Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Property Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

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

Note 6 – Interfund Balances

Advances

Outstanding advances at December 31, 2017 consist of a \$24,894 advance from the general fund to the natureworks-2015-OTTA029 fund to provide working capital for the grant project.

Note 7 – Risk Management

Risk Pool Membership – Ohio Plan Risk Management, Inc.

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Rev. Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2017

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2016, the OPRM retained 50% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 764 members as of December 31, 2017.

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, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2017.

Assets	\$14,853,620
Liabilities	<u>(9,561,108)</u>
Members' Equity	<u>\$ 5,292,512</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Risk Pool Membership – Ohio Public Entity Consortium Health Cooperative

The Village was previously a member of the Ohio Public Entity Consortium Health Cooperative (OPECHC), a risk-sharing pool, which provided employee health care benefits. As of December 31, 2017 OPECHC dissolved. As of January 1, 2018 the Township began participation in Anthem Blue Cross and Blue Shield for health care benefits. At the time of this report, the Village is unable to determine the potential impact this closure may have. Any possible loss is not reasonably estimated currently.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2017.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Ohio Police and Fire Retirement System

The Village’s full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.50 percent of full-time police members’ wages. The Village has paid all contributions required through December 31, 2017.

Social Security

Several Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants’ gross salaries. The Village has paid all contributions required through December 31, 2017.

Note 9 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. OPERS contributes 1% of the employer contribution to fund these benefits, and OP&F contributes 0.5% to fund these benefits.

Note 10 – Debt

Debt outstanding at December 31, 2017 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bonds - 1998	\$80,000	4.35-5.00%
General Obligation Notes - 2006	155,000	4.10-5.25%
Ohio Public Works Commission Loan - 2009	66,590	0%
Ohio Public Works Commission Loan - 2010	45,529	0%
Ohio Water Development Authority Loan - 2010	654,303	2%
Total	<u>\$1,001,422</u>	

The 1998 General Obligation (G.O.) Bonds relate to a water line extension project. The bonds were issued in 1998 in the amount of \$525,000 and will be repaid over a 20 year period.

The 2006 G.O. Bonds relate to improving Harsh Road and installing a six inch waterline. The bonds were issued in 2006 in the amount of \$265,000 and will be repaid over a 20 year period.

The Village’s taxing authority collateralized the G.O. Bonds.

Village of Marblehead
Ottawa County
Notes to the Financial Statements
For the Year Ended December 31, 2017

The Ohio Public Works Commission (OPWC) Loan – 2009 relates to a water treatment plant improvement project. The OPWC loan was issued in the amount of \$98,652 and will be paid over a 20 year period.

The OPWC Loan – 2010 relates to the Phase I State Route 163 Waterline project. The OPWC loan was for \$65,041 and will be repaid over a 20 year period.

The Ohio Water Development Authority (OWDA) Loan – 2010 relates to a new water treatment plant. The OWDA loan was for \$1,052,872 and will be paid over a 20 year period.

Amortization

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

Year Ending December 31:	OPWC Loans	OWDA Loans	General Obligation Bonds
2018	\$8,185	\$65,169	\$67,138
2019	8,184	64,122	64,350
2020	8,185	63,075	21,563
2021	8,184	62,028	20,775
2022	8,185	60,981	19,988
2023-2027	40,923	289,202	90,500
2028-2031	30,273	134,786	
Total	\$112,119	\$739,363	\$284,314

Note 11 – Contingent Liabilities

The Village is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Village’s financial condition.

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

Note 12 – Miscellaneous Receipts

General fund miscellaneous receipts consisted primarily of proceeds from tower leases and rentals, while Special Revenue Fund Type miscellaneous receipts consisted primarily of a restricted contribution.

OHIO AUDITOR OF STATE KEITH FABER



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

Village of Marblehead
Ottawa County
513 West Main Street, P.O. Box 306
Marblehead, Ohio 43440-0306

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the Village of Marblehead, Ottawa County, Ohio (the Village) as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements and have issued our report thereon dated September 30, 2019 wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Village's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2018-001 to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

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



Keith Faber
Auditor of State

Columbus, Ohio

September 30, 2019

**VILLAGE OF MARBLEHEAD
OTTAWA COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2018 AND 2017**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2018-001

Material Weakness - Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

Special Revenue Fund Type and Enterprise Fund Type budgetary expenditures were increased in the amounts of \$77,401 and \$51,735, respectively, in order to bring amounts reported in the notes to the financial statements in line with actual budgetary expenditures for the year ended December 31, 2018.

These errors were not identified and corrected prior to the Village preparing its notes to the financial statements due to deficiencies in the Village's internal controls over financial statement monitoring. The accompanying notes to the financial statements have been adjusted to reflect these changes. Additional errors in smaller relative amounts were also noted for the years ended December 31, 2018 and 2017.

To help ensure the Village's financial statements and notes to the financial statements are complete and accurate, the Village should adopt policies and procedures, including a final review of the financial statements and notes to the financial statements by the Fiscal Officer and Village Council, to help identify and correct errors and omissions.

Officials' Response:

We did not receive a response from Officials to this finding.

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OHIO AUDITOR OF STATE
KEITH FABER



VILLAGE OF MARBLEHEAD

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
OCTOBER 17, 2019**