

SUMMIT COUNTY PORT AUTHORITY
FINANCIAL STATEMENTS
December 31, 2006 and 2005





Mary Taylor, CPA
Auditor of State

Board of Directors
Summit County Port Authority
One Cascade Plaza, Floor 19
Akron, Ohio 44308-1125

We have reviewed the *Independent Auditors' Report* of the Summit County Port Authority, prepared by Bober, Markey, Fedorovich & Company, for the audit period January 1, 2006 through December 31, 2006. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

April 23, 2007

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**Bober, Markey, Fedorovich
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Summit County Port Authority
Akron, Ohio

We have audited the accompanying balance sheets of the Summit County Port Authority, Summit County, Ohio (the "Authority") as of December 31, 2006 and 2005, and the related statements of revenues, expenses and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Summit County Port Authority as of December 31, 2006 and 2005, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

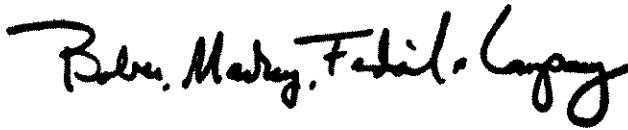
Management's Discussion and Analysis on pages 3-5 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of the Authority's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit such information and we do not express an opinion on it.

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In accordance with *Government Auditing Standards*, we have also issued our report dated March 03, 2007, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.



BOBER, MARKEY, FEDOROVICH & COMPANY

March 03, 2007



SUMMIT COUNTY PORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2006

General

The management of the Summit County Port Authority (the "Authority") provides the readers of the Authority's financial statements this brief narrative overview of the financial activities of the Authority for the fiscal year ended December 31, 2006.

The Authority is an independent political subdivision of the State of Ohio. The Authority was established for the purpose of providing economic development financing activities in Summit County, Ohio. The Authority engages in this activity by managing financing activities through issuance of revenue bonds. In addition, the Authority also provides Foreign-Trade Zone management and administrative services and the Authority is co-developer of an industrial park adjacent to the Akron-Canton Airport, whereby ground rental income is derived as tenants locate at the park.

Overview

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority engages in economic development finance activities that are stand-alone and/or bond fund projects. Stand-alone projects include the Summa Health Centers for Excellence, the Akron Civic Theater and the Summa Hudson Wellness Center projects. Bond fund projects are projects issued through the Authority's bond fund. There are only four Port Authority Bond Funds in Ohio.

It is noteworthy to consider the following regarding all of the Authority's finance projects:

1. All stand-alone transactions require the lender to look only to the borrower's lease or debt service payments and any certain specific revenue sources and cash reserves to provide funds sufficient to meet lease payments and/or debt service payments.
2. All bond fund transactions require the lender to look only to the borrower lease or loan payments for debt service unless a default arises, in which case the reserve mechanisms in the bond fund will make the debt service payments to the extent sufficient funds are available.

In 2006, the Exal Corporation manufacturing plant, a bond fund transaction, was financed in part by the Ohio Department of Development. Exal is located in the City of Youngstown, Ohio. The Authority entered into a cooperative agreement with the Western Reserve Port Authority to provide financing for the project.

Other Bond Fund transactions in 2006 include Hiney Printing in Summit County; the Superior Roll Forming project in Medina County; the Cleveland Cavaliers practice facility jointly financed with the Cleveland Cuyahoga County Port Authority and Toledo Port Authority; and the Lockheed Martin Airdock project, jointly funded by the Authority and the State of Ohio.

Major events during the year affecting the Authority financial assets include the aforementioned projects and in late December, the Authority was notified by Region 5, United States Environmental Protection Agency (EPA) its authorization to proceed with remediation of the Airdock. Loan and grant agreement with the Ohio Department of Development and EPA are to be executed early in 2007 with work to commence soon thereafter.



SUMMIT COUNTY PORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2006

The Authority also elected by resolution to restrict over \$400,000 for the purposes of supplementing its Bond Fund. These funds are restricted at Board discretion in the event of a default of the Authority Bond Fund and available if needed to meet debt service obligation.

In 2006, the Authority entered into Cooperative Agreements with the Ashland County Council of Governments and Richland County Board of Commissioners for the purposes of providing economic development Bond Fund financing.

Condensed Financial Information

Provided below is condensed balance sheet information for the Authority as of December 31, 2006 and 2005:

	2006	2005
Assets		
Current assets	\$ 1,920,573	\$ 1,528,754
Property	1,500,000	1,500,000
Restricted and other assets	59,264,443	44,141,554
Total assets	\$ 62,685,016	\$ 47,170,308
 Liabilities and Net Assets		
Current liabilities	\$ 126,205	\$ 171,335
Other liabilities	56,001,941	40,965,937
Net assets-unrestricted and invested in capital assets	1,556,870	1,033,036
Net assets-restricted	5,000,000	5,000,000
Total liabilities and net assets	\$ 62,685,016	\$ 47,170,308

Assets & Liabilities: The major change in assets and liabilities is due to the issuance of \$15.765 million of Revenue Bonds during 2006.



SUMMIT COUNTY PORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2006

The Authority's operations increased net assets by \$523,834 and \$1,872,061 in 2006 and 2005, respectively. Key elements of these changes are summarized below:

	<u>2006</u>	<u>2005</u>
Operating Revenues		
Loan processing fees	\$ 207,600	\$ 261,199
Grant	175,000	195,000
Other operating revenues	318,099	272,536
Forgiveness of debt – Summit County	115,408	98,248
Donation of real property – City of Akron	-	1,500,000
Total operating revenues	<u>816,107</u>	<u>2,326,983</u>
Operating expenses		
Salaries and benefits	362,708	307,071
Other operating expenses	<u>195,352</u>	<u>230,192</u>
Total operating expenses	<u>558,060</u>	<u>537,263</u>
Operating income	258,047	1,789,720
Nonoperating revenue		
Interest income	<u>265,787</u>	<u>82,341</u>
Total nonoperating revenue	<u>265,787</u>	<u>82,341</u>
Net increase in net assets	<u>\$ 523,834</u>	<u>\$ 1,872,061</u>

Operating revenues: Loan processing fees increased due to increased activity in economic development and financing projects during 2005. During 2005, Summit County forgave debt related to the infrastructure costs for the CAK Business Park. In December 2005, the City of Akron donated real property appraised at \$1.5 million to the Authority.



SUMMIT COUNTY PORT AUTHORITY
BALANCE SHEETS
December 31, 2006 and 2005

	2006	2005
ASSETS		
CURRENT ASSETS		
Unrestricted Assets:		
Cash	\$ 1,795,637	\$ 1,433,860
Miscellaneous receivables	105,720	81,178
Administrative fees receivable	14,237	10,500
Prepaid insurance	4,979	3,216
TOTAL CURRENT ASSETS	1,920,573	1,528,754
NONCURRENT ASSETS		
Restricted Assets:		
Restricted investments - Bond Fund Program Reserve	5,007,544	5,054,655
Building - Airdock	1,500,000	1,500,000
Note receivable - Akron Civic Theater	1,255,829	1,355,829
Lease receivable - Akron Civic Theater	14,481,070	14,556,070
Bond fund transactions:		
Note receivable - Garfield Heights project	2,750,000	2,750,000
Note receivable - Goodyear project	5,130,000	5,500,000
Note receivable - Village of Seville project	1,980,000	2,030,000
Note receivable - Twinsburg project	5,590,000	5,590,000
Note receivable - Summit County Workforce Policy project	4,830,000	4,830,000
Note receivable - Portage County Brimfield project	2,475,000	2,475,000
Note receivable - Lockheed/Martin Airdock project	2,215,000	-
Note receivable - Hiney Printing project	1,495,000	-
Note receivable - Exal Corporation project	2,910,000	-
Note receivable - Superior Roll Forming project	3,145,000	-
Note receivable - Cavalier project	6,000,000	-
TOTAL NONCURRENT ASSETS	60,764,443	45,641,554
TOTAL ASSETS	\$ 62,685,016	\$ 47,170,308

The accompanying notes are an integral part of these financial statements.



SUMMIT COUNTY PORT AUTHORITY
BALANCE SHEETS
December 31, 2006 and 2005

	2006	2005
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Payable from Unrestricted Assets:		
Deposit held	\$ 63,420	\$ 25,000
Accounts payable	50,528	136,108
Accrued payroll and payroll taxes	12,257	10,227
TOTAL CURRENT LIABILITIES	126,205	171,335
NONCURRENT LIABILITIES		
Payable from Unrestricted Assets:		
Deferred revenue	345,615	364,213
Payable from Restricted Assets:		
Note payable - Summit County	1,255,829	1,355,829
Payable to Summit County for CAK International		
Business Park infrastructure improvements	1,399,427	1,514,825
Revenue bonds - Akron Civic Theater	14,481,070	14,556,070
Bond fund transactions:		
Revenue bonds - Garfield Heights project	2,750,000	2,750,000
Revenue bonds - Goodyear project	5,130,000	5,500,000
Revenue bonds - Village of Seville project	1,980,000	2,030,000
Revenue bonds - Twinsburg project	5,590,000	5,590,000
Revenue bonds - Summit County Workforce Policy project	4,830,000	4,830,000
Revenue bonds - Portage County Brimfield project	2,475,000	2,475,000
Revenue bonds - Lockheed/Martin Airdock project	2,215,000	-
Revenue bonds - Hiney Printing project	1,495,000	-
Revenue bonds - Exal Corporation project	2,910,000	-
Revenue bonds - Superior Roll Forming project	3,145,000	-
Revenue bonds - Cavalier project	6,000,000	-
Total Payable from Restricted Assets	55,656,326	40,601,724
TOTAL NONCURRENT LIABILITIES	56,001,941	40,965,937
TOTAL LIABILITIES	56,128,146	41,137,272
NET ASSETS		
Invested in capital assets, net of related debt	1,500,000	1,500,000
Restricted	5,000,000	5,000,000
Unrestricted	56,870	(466,964)
TOTAL NET ASSETS	6,556,870	6,033,036
TOTAL LIABILITIES AND NET ASSETS	\$ 62,685,016	\$ 47,170,308

The accompanying notes are an integral part of these financial statements.



SUMMIT COUNTY PORT AUTHORITY
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 For the Years Ended December 31, 2006 and 2005

	2006	2005
OPERATING REVENUES		
Project administrative fees	\$ 160,808	\$ 55,764
CAK Business Park - lease administration revenue	140,416	161,772
Loan processing fees	207,600	261,199
Foreign Trade Zone contract services & administrative fees	16,875	55,000
Summit County operating grant	175,000	195,000
Forgiveness of debt - Summit County	115,408	98,248
Donation of real property - City of Akron	-	1,500,000
TOTAL OPERATING REVENUES	816,107	2,326,983
OPERATING EXPENSES		
Salaries and benefits	362,708	307,071
Miscellaneous operating expenses	181,679	167,436
Professional services	13,673	62,756
TOTAL OPERATING EXPENSES	558,060	537,263
OPERATING INCOME	258,047	1,789,720
NONOPERATING REVENUE		
Interest income	265,787	82,341
TOTAL NONOPERATING REVENUE	265,787	82,341
CHANGE IN NET ASSETS	523,834	1,872,061
NET ASSETS, BEGINNING OF YEAR	6,033,036	4,160,975
NET ASSETS, END OF YEAR	\$ 6,556,870	\$ 6,033,036

The accompanying notes are an integral part of these financial statements.



SUMMIT COUNTY PORT AUTHORITY
 STATEMENTS OF CASH FLOWS
 For the Years Ended December 31, 2006 and 2005

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from development	\$ 517,242	\$ 738,230
Cash received from grants	175,000	195,000
Cash payments for goods and services	(282,685)	(123,530)
Cash payments to and on behalf of employees	(360,678)	(305,836)
NET CASH PROVIDED BY OPERATING ACTIVITIES	48,879	503,864
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Lease payments received	75,000	55,000
Payments on line of credit/note payable	(100,000)	(100,000)
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	(25,000)	(45,000)
CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Net payments from the redemption of revenue bonds	(75,000)	(55,000)
Expenditures for project construction in progress	-	(337,154)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(75,000)	(392,154)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment received on note receivable	100,000	100,000
Interest income received	265,787	82,341
NET CASH PROVIDED BY INVESTING ACTIVITIES	365,787	182,341
NET INCREASE IN CASH AND CASH EQUIVALENTS	314,666	249,051
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	6,488,515	6,239,464
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 6,803,181	\$ 6,488,515
Reconciliation of cash and cash equivalents to the Balance Sheet:		
Cash - unrestricted	\$ 1,795,637	\$ 1,433,860
Restricted cash - Bond Fund Program Reserve	5,007,544	5,054,655
	\$ 6,803,181	\$ 6,488,515

The accompanying notes are an integral part of these financial statements.



SUMMIT COUNTY PORT AUTHORITY
 STATEMENTS OF CASH FLOWS
 For the Years Ended December 31, 2006 and 2005

	2006	2005
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Net operating income	\$ 258,047	\$ 1,789,720
Adjustments to reconcile operating income to net cash provided by operating activities:		
Noncash operating revenue-Summit County forgiveness of debt	(115,408)	(98,248)
Noncash operating revenue-City of Akron donation of property	-	(1,500,000)
Changes in operating assets and liabilities:		
Administrative fees receivable	(3,737)	(8,716)
Miscellaneous receivables	(24,542)	(51,002)
Prepaid insurance	(1,763)	342
Deposit held	38,420	25,000
Deferred revenue and expenses	(18,598)	239,213
Accounts payable	(85,570)	106,320
Accrued payroll and payroll taxes	2,030	1,235
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 48,879	\$ 503,864

SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:

In December 2005, the Authority received a donation of real property appraised at \$1.5 million from the City of Akron.

The Authority recognized operating revenues of \$115,408 and \$98,248 for 2006 and 2005, respectively, for forgiveness of debt by Summit County.

Throughout 2006 and 2005, the Authority issued \$15.765 million and \$20.425 million, respectively, of Revenue Bonds related to various economic development projects which are described in Note 4 to the financial statements.

The accompanying notes are an integral part of these financial statements.



SUMMIT COUNTY PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2006 and 2005

NOTE 1 – DESCRIPTION OF SUMMIT COUNTY PORT AUTHORITY

The Summit County Port Authority (the "Authority") was formed by Summit County Council in 1993 to preserve key railroad lines from abandonment in an era of rail mergers and consolidations. County Council recognized the expanding role of port authorities within the state and passed legislation enabling the Authority to use the economic development powers allowed under the Ohio Revised Code.

The Authority is now encouraging industrial development, creating employment opportunities and providing financing and tax incentives to local businesses in order to provide a foundation to compete in the international marketplace. The Authority is directed by a seven-member Board appointed by the Summit County Executive, in accordance with the procedures provided by the Summit County Charter.

The Authority's activities are financed and operated as an enterprise fund such that the costs and expenses of providing services are recovered primarily through user charges. The Authority's management believes these financial statements present all activities for which the Authority is financially accountable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. All transactions are accounted for in a single enterprise fund. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, the Authority has elected not to apply the provisions of Statements and Interpretations of the Financial Accounting Standards Board issued after November 30, 1989.

Measurement Focus

The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and liabilities for the operation of the Authority are included on the Balance Sheets. The Statement of Revenues, Expenses, and Changes in Net Assets presents increases/revenues and decreases/expenses in total net assets. The Statement of Cash Flows provides information about how the Authority finances and meets the cash flows of its enterprise activity.

Revenue

Revenues received in advance are deferred and recognized as earned over the period to which they relate.

Operating revenues consist primarily of project administrative and loan processing fees, operating grant, rents, and fees for foreign trade zone services. Operating expenses include the cost of providing these services, including administrative expenses. Non-operating revenues and expenses are all revenues not meeting the definition of operating revenues and expenses. Non-operating revenues consist of interest income. The Authority first applies restricted resources to satisfy restricted obligations.



SUMMIT COUNTY PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2006 and 2005

Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and requires an annual budget. This budget includes estimated receipts and appropriations. In addition, the Rules and Regulations of the Authority require the Board to adopt an appropriation resolution. The Authority maintains budgetary control by not permitting expenditures to exceed their respective appropriations without amendment of appropriations from the Board of Directors.

Cash and Investments

Summit County is the fiscal agent for the Authority operations. Accordingly, the Summit County Auditor maintains a portion of the Authority's cash in an Agency fund on the County's financial records. The Authority's Secretary of the Board is the fiscal agent for the Authority's development projects. The Authority maintains a portion of its cash at two banks. The Federal Deposit Insurance Corporation insures up to \$100,000 for cash deposits. At times, cash balances held at financial institutions were in excess of federally insured limits. The Authority believes no significant concentration of credit risk exists with respect to these cash deposits.

For the purposes of the statement of cash flows, all bank deposits, including investments in short-term certificates of deposit, the State Treasury Asset Reserve of Ohio (STAR Ohio) and overnight investment of excess deposits in repurchase agreements are considered to be cash equivalents.

Restricted Cash – Bond Fund Program Reserve

The Authority's investments are governed by the trust indenture and State of Ohio statutes, which allow the Authority to invest in certain obligations including State of Ohio obligations. All of the Authority's restricted investments are invested in short-term certificates of deposit and repurchase agreements at December 31, 2006. These investments are considered cash equivalents.

Capital Assets

All capital assets are capitalized at cost and updated for additions and retirements during the year. The Authority maintains a capitalization threshold of \$1,000. On December 30, 2005, ownership of the Lockheed Martin Airdock was transferred to the Authority. This property is not being depreciated since the asset is not yet in use by the Authority. Capital assets are depreciated using the straight-line method over the following useful lives:

Furniture and office equipment	5-10 years
Building	40 years

Compensated Absences

It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation pay is accrued and reported as a liability when earned by the Authority's employees.

Use of Estimates

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



SUMMIT COUNTY PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2006 and 2005

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits/Cash Pool

The Ohio Revised Code prescribes allowable deposits and investments. At December 31, 2006, the carrying amount of the Authority's deposits was \$1,795,637. These deposits were held at banks and in a cash pool maintained by the Summit County Fiscal Officer. The Authority's carrying amount of cash on deposit with the County was \$1,289,761 and \$974,064 as of December 31, 2006 and 2005, respectively. The Summit County Fiscal Officer is responsible for maintaining adequate depository collateral for all funds in the Summit County's pooled and deposit accounts and ensuring that all monies are invested in accordance with the Ohio Revised Code.

Investments

The Authority's investments are categorized to give an indication of the level of risk assumed by the Authority. Category 1 includes investments that are insured or registered, or securities held by the Authority or its agent in the Authority's name. Category 2 includes uninsured and unregistered investments for which securities are held by a trust department in the Authority's name. The Authority's investments of \$5,007,544 and \$5,054,655 at December 31, 2006 and 2005, respectively, were held in certificates of deposit and repurchase agreements which are classified as Category 2 investments.

State statutes classify monies held by the Authority into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the Authority treasury, in commercial accounts payable or withdrawable on demand, including money market accounts.

Inactive deposits are public deposits that the Board of Directors has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bill, Bonds or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States.
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal



SUMMIT COUNTY PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
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value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (1) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
6. The State Treasurer's investment pool (STAR Ohio).

NOTE 4 – BOND FUND PROGRAM

The Authority has established a Bond Fund Program to provide long-term, fixed interest rate financing for qualified industrial, commercial and public projects. The primary objective of the Bond Fund Program is to further economic development efforts and investment in Summit County through the retention and creation of quality, private-sector jobs.

The State of Ohio Department of Development (ODOD) awarded the Authority a grant of \$2 million, received in April, 2001, which was deposited into the Bond Fund Program Reserve account. The conditional grant from ODOD is for a 20 year term, with the interest earned on the fund remitted back to ODOD through December, 2011, beginning 2012 and continuing through December, 2021, 50% of the interest earned is required to be remitted back to ODOD. In February, 2001, the Authority obtained a \$3 million grant from Summit County for the Bond Fund Program, which was also deposited into the Bond Fund Program Reserve account.

Under the Program, debt service requirements on each bond issue are to be secured by a pledge of amounts to be received under lease or loan agreements with borrowers who utilize the financed facilities. In addition, all borrowers are required to provide cash or a letter of credit as additional security for the related bonds. Amounts in the Bond Fund Program Reserve may be used for debt service in the event the borrower is unable to make the required payments under the lease. Amounts held in the Authority's Bond Fund Program Reserve was \$5,007,544 and \$5,054,655 at December 31, 2006 and 2005, respectively, and are included in restricted assets in the accompanying balance sheets.

In January 2006, the Authority issued \$1.535 million Authority Development Revenue Bonds, as part of the Hiney Printing project. The proceeds of the bonds will be used to finance the acquisition of and improvements to an existing building to be used by Hiney Acquico, LLC in the City of Akron, Ohio.

In February 2006, the Authority issued \$2.215 million Authority Development Revenue Bonds, as part of the Lockheed Martin Airdock project. The proceeds of the bonds will be used to finance the costs of acquisition and installation of certain equipment to be leased to Lockheed Martin Corporation in the City of Akron, Ohio.

In February 2006, the Authority issued \$3 million Authority Development Revenue Bonds, as part of the EXAL Corporation project. The proceeds of the bonds will be used to finance the construction, installation, equipping and improvements of a manufacturing facility for EXAL Corporation in the City of Youngstown, Ohio.

In October 2006, the Authority issued \$3.145 million Authority Development Revenue Bonds, as part of the Superior Roll Forming Co. project. The proceeds of the bonds will be used to finance the construction of 80,000 square foot light manufacturing and warehouse facility for Superior Roll



SUMMIT COUNTY PORT AUTHORITY
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located in the County of Medina, Ohio. The project will enable the consolidation of the sublessee's current assembly work and provide additional space for growth; primarily for the automotive industry.

In December 2006, the Authority issued \$6 million Authority Development Revenue Bonds, as part of the Cavaliers Practice Facility project. The proceeds of the bonds will be used to finance the construction of an approximately 50,000 square foot basketball practice and training facility, including private and related public improvements, to be constructed on and adjacent to a site located in the City of Independence, Ohio.

In May 2005, the Authority issued \$5.5 million Authority Development Revenue Bonds, as part of the Goodyear Tire & Rubber project. The proceeds of the bonds will be used to finance the costs of acquisition, construction, equipping and installation of certain equipment including steam generated equipment, compressed air equipment, chillers and electrical transmission and lighting equipment for the Corporate Headquarters and Research & Development facilities in the City of Akron, Ohio.

In May 2005, the Authority issued a \$2.03 million Authority Development Revenue Bond, as part of the Village of Seville Project. The proceeds of the bond will be used to pay for renovations of an existing building to be used as the Town Hall for the Village of Seville and will also be used to upgrade and equip the Water Filtration Plant located in Seville, Ohio.

In September 2005, the Authority issued a \$5.59 million Authority Development Revenue Bond, as part of the Township of Twinsburg Project. The proceeds of the bond will be to pay for the acquisition and renovation of an existing building to be used for administrative, service, and zoning purposes for the Township, as well as the command center for the Summit County Sheriff and the satellite fire station for the Township of Twinsburg, Ohio.

In December 2005, the Authority issued \$4.83 million Authority Development Revenue Bonds, as part of the Summit County Workforce Policy Board Project. The proceeds of the bonds will be used to finance the costs of renovations to an existing building for the Summit County Workforce Policy Board located in Akron, Ohio.

In December 2005, the Authority issued a \$2.475 million Authority Development Revenue Bond, as part of the Portage County – Brimfield Project. The proceeds of the bond will be used to pay for public improvements related to the Development located in Brimfield Township, Ohio.

NOTE 5 – CAPITAL ASSETS

Summary by category of changes in capital assets:

	December 31, 2005	Additions	Disposals	December 31, 2006
Buildings	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000



SUMMIT COUNTY PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2006 and 2005

NOTE 6 – BENEFIT PLAN

All employees of the Authority are required to be members of the Public Employees Retirement System of Ohio (PERS), a cost-sharing, multiple-employer, defined benefit pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. PERS issues a stand-alone financial report that may be obtained by making a written request to PERS, 277 East Town Street, Columbus, Ohio 43215 or by calling (614) 222-6701. The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. The Authority is required to contribute 13.7% of covered payroll for 2006, 13.55% for 2005 and 13.21% for 2004. The Authority's contributions to PERS were \$39,002, \$32,202 and \$32,219 for 2006, 2005 and 2004, respectively.

New members have a choice of three retirement plans: a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. The DB Plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

NOTE 7 – CONDUIT DEBT

Collinson Apartments Project

In December 2006, the Authority issued \$4 million of Summit County Port Authority Multifamily Housing Revenue Bonds. The bond proceeds will be used to finance the costs of acquiring and renovating, and equipping a rental facility in the City of Akron. These bonds are special obligations of the Authority payable solely from the proceeds received by the Authority under its agreement with New Hillwood I Associate, LLC. and do not represent or constitute a debt or a pledge of the credit of the Authority. New Hillwood I Associate, LLC. and the Authority entered into a financing loan agreement pertaining to this project. The loan is non-cancelable until the underlying revenue bonds are paid in full. All expenses related to the revenue bonds are being paid out of the bond proceeds.

In accordance with Governmental Accounting Standards, these revenue bonds issued by the Authority are considered conduit debt and do not create a liability and therefore are not presented on the Authority's financial statements. The Authority has no responsibility for the payment of the



SUMMIT COUNTY PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
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debt and the loan payments are paid directly to the respective trustee by New Hillwood I Associate, LLC. The bond is secured by assets of the project. Total amount of conduit debt outstanding for this project was \$4 million as of December 31, 2006.

Summa Wellness Institute

In October 2006, the Authority issued \$15.405 million of Summit County Port Authority Revenue Bonds. The bond proceeds will be used to finance the construction and equipping of a wellness facility to be leased by Summa Health Systems (Summa). These bonds are special obligations of the Authority payable solely from the proceeds received by the Authority under its lease with Summa and do not represent or constitute a debt or a pledge of the credit of the Authority. Summa and the Authority entered into a financing lease agreement pertaining to this facility. The lease is non-cancelable until the underlying revenue bonds are paid in full. All expenses related to the revenue bonds are being paid out of the bond proceeds. The operation and maintenance of the buildings is the responsibility of Summa.

In accordance with Governmental Accounting Standards, these revenue bonds issued by the Authority are considered conduit debt and do not create a liability and therefore are not presented on the Authority's financial statements. The Authority has no responsibility for the payment of the debt and the lease payments are paid directly to the respective trustee by Summa. The bond is secured by an irrevocable letter of credit. Total amount of conduit debt outstanding for this project was \$15.405 million as of December 31, 2006.

KB Compost Services, Inc.

In March 2006, the Authority issued \$5 million of Summit County Port Authority Variable Rate Exempt Facility Revenue Bonds. The bond proceeds will be used to finance the costs of acquiring and installing certain machinery and equipment at the Akron Compost Facility owned by the City of Akron. These bonds are special obligations of the Authority payable solely from the proceeds received by the Authority under its agreement with the KB Compost Services, Inc. and do not represent or constitute a debt or a pledge of the credit of the Authority. KB Compost Services, Inc. and the Authority entered into a financing loan agreement pertaining to this project. The loan is non-cancelable until the underlying revenue bonds are paid in full. All expenses related to the revenue bonds are being paid out of the bond proceeds.

In accordance with Governmental Accounting Standards, these revenue bonds issued by the Authority are considered conduit debt and do not create a liability and therefore are not presented on the Authority's financial statements. The Authority has no responsibility for the payment of the debt and the loan payments are paid directly to the respective trustee by KB Compost Services, LLC. The bond is secured by assets of the project. Total amount of conduit debt outstanding for this project was \$5 million as of December 31, 2006.

Lawrence School

In August 2005, the Authority issued \$10.475 million of Summit County Port Authority Adjustable Rate Demand Revenue Bonds (Series 2005). The bond proceeds will be used to finance the cost of acquisition of a 47 acre parcel located in Sagamore Hills, Ohio, and the construction, equipping and improvement of a private school building on that site, to be owned by Lawrence School. These bonds are special obligations of the Authority payable solely from the proceeds received by the Authority under its agreement with Lawrence School and do not represent or constitute a debt or a pledge of the credit of the Authority. Lawrence School and the Authority entered into a financing lease agreement pertaining to this project. The lease is non-cancelable until the underlying revenue bonds are paid in full. All expenses related to the revenue bonds are being paid out of the bond proceeds.



SUMMIT COUNTY PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2006 and 2005

In accordance with Governmental Accounting Standards, these revenue bonds issued by the Authority are considered conduit debt and do not create a liability and therefore are not presented on the Authority's financial statements. The Authority has no responsibility for the payment of the debt and the lease payments are paid directly to the respective trustee by Lawrence School. The bond is secured by assets of the project. Total amount of conduit debt outstanding for this project was \$10.475 million as of December 31, 2006 and 2005.

Jewish Community Board

In April 2005, the Authority issued \$5.5 million of Summit County Port Authority Variable Rate Tax-Exempt Industrial Development Revenue Bonds. The bond proceeds will be used to finance the renovation and expansion of the Jewish Center's campus in Akron, Ohio to be owned by the Jewish Community Board. These bonds are special obligations of the Authority payable solely from the proceeds received by the Authority under its agreement with the Jewish Community Board and do not represent or constitute a debt or a pledge of the credit of the Authority. The Jewish Community Board and the Authority entered into a financing loan agreement pertaining to this project. The loan is non-cancelable until the underlying revenue bonds are paid in full. All expenses related to the revenue bonds are being paid out of the bond proceeds.

In accordance with Governmental Accounting Standards, these revenue bonds issued by the Authority are considered conduit debt and do not create a liability and therefore are not presented on the Authority's financial statements. The Authority has no responsibility for the payment of the debt and the loan payments are paid directly to the respective trustee by the Jewish Community Board. The bond is secured by assets of the project. Total amount of conduit debt outstanding for this project was \$5.5 million as of December 31, 2006 and 2005.

Eastland Woods, LLC

In August 2004, the Authority issued \$7.5 million of Summit County Port Authority Revenue Bonds. The bond proceeds will be used to finance the acquisition, construction, rehabilitation and equipping of an approx. 100-unit residential rental project to be owned by Eastland Woods, LLC. (Eastland Woods). These bonds are special obligations of the Authority payable solely from the proceeds received by the Authority under its agreement with Eastland Woods and do not represent or constitute a debt or a pledge of the credit of the Authority. Eastland Woods and the Authority entered into a financing lease agreement pertaining to this facility. The lease is non-cancelable until the underlying revenue bonds are paid in full. All expenses related to the revenue bonds are being paid out of the bond proceeds.

In accordance with Governmental Accounting Standards, these revenue bonds issued by the Authority are considered conduit debt and do not create a liability and therefore are not presented on the Authority's financial statements. The Authority has no responsibility for the payment of the debt and the lease payments are paid directly to the respective trustee by Eastland Woods. The bond is secured by assets of the project. Total amount of conduit debt outstanding for this project was \$2.3 million and \$7.475 million as of December 31, 2006 and 2005, respectively.

Meadow Lane, LLC

In August 2003, the Authority issued \$5.5 million of Summit County Port Authority Revenue Bonds. The bond proceeds will be used to finance the construction and equipping of a manufacturing and distribution facility to be leased by Meadow Lane, LLC (Meadow Lane). These bonds are special obligations of the Authority payable solely from the proceeds received by the Authority under its lease with Meadow Lane and do not represent or constitute a debt or a pledge of the credit of the Authority. Meadow Lane and the Authority entered into a financing



SUMMIT COUNTY PORT AUTHORITY
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December 31, 2006 and 2005

lease agreement pertaining to this facility. The lease is non-cancelable until the underlying revenue bonds are paid in full. All expenses related to the revenue bonds are being paid out of the bond proceeds. The operation and maintenance of the buildings is the responsibility of Meadow Lane.

In accordance with Governmental Accounting Standards, these revenue bonds issued by the Authority are considered conduit debt and do not create a liability and therefore are not presented on the Authority's financial statements. The Authority has no responsibility for the payment of the debt and the lease payments are paid directly to the respective trustee by Meadow Lane. The bond is secured by an irrevocable letter of credit. Total amount of conduit debt outstanding for this project was \$5.135 million and \$5.35 million as of December 31, 2006 and 2005, respectively.

NOTE 8 – PAYABLE TO SUMMIT COUNTY FOR CAK INTERNATIONAL BUSINESS PARK

During 1999, Summit County advanced funds on behalf of the Authority for the construction of the CAK International Business Park. The funds were used for road construction, water lines, sewers, and street lighting. The Authority is required to reimburse Summit County for these funds over an 18-year amortization, with annual payments of principal and interest, commencing on December 2002 through December 2019. Interest from August 1999 to December 2002 is not being charged by Summit County. Interest is variable ranging from 4.65% to 6.6%, with escalating principal payments ranging from \$25,000 to \$250,000 throughout the term of the debt. Total amount of this debt was \$1,753,627.

In November 2005, Summit County waived all reimbursement payments from the Authority for this debt. Therefore, the Authority's debt obligation is being recognized into revenue over the amortization period of the obligation. At December 31, 2006 and 2005, the forgiveness of debt is \$115,408 and \$98,248, respectively. The balance at December 31, 2006 and 2005 is \$1,399,427 and \$1,514,825, respectively, and is being recognized into revenues as forgiveness of debt as the obligation becomes due.

NOTE 9 – AKRON CIVIC THEATER PROJECT

In September 2001, the Authority issued \$14.6 million of Summit County Port Authority Revenue Bonds, comprised of \$13.6 million of Current Interest Bonds and \$1 million of Capital Appreciation Bonds. The proceeds from the revenues bonds were primarily used to fund the renovation of the Akron Civic Theater facility. These bonds are payable solely from the proceeds received by the Authority under its lease with the Akron Civic Theater.

The Akron Civic Theater and the Authority entered into a financing lease agreement pertaining to the Civic theater facility. The lease is non-cancelable until the underlying revenue bonds are paid in full. Lease payments will be derived from the County Bed Tax revenues, through agreement among Summit County, National Inventors Hall of Fame and the Authority. In addition, the City of Akron guarantees the bonds.

All expenses related to the revenue bonds were paid out of the bond proceeds. The operation and maintenance of the theater is the responsibility of the Akron Civic Theater.



SUMMIT COUNTY PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
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In 2002, there was a shortfall in fundraising revenue committed to the project by the Civic Theater which led to the notes payable and receivable explained in Note 11 below.

Approximate future annual debt service requirements for this obligation are:

	Principal	Interest
2007	\$ 100,000	\$ 676,563
2008	120,000	672,912
2009	150,000	668,293
2010	175,000	662,292
2011-2015	1,345,000	3,172,160
2016-2020	891,270	4,221,855
2021-2025	2,664,800	3,104,400
2026-2030	4,985,000	1,811,175
2031-2035	4,050,000	413,000
	\$ 14,481,070	\$ 15,402,650

NOTE 10 – NOTES PAYABLE AND NOTE RECEIVABLE

The Authority has the following unsecured notes payable, one with the City of Akron and one with Summit County. The purpose of these notes was for renovation costs for the Akron Civic Theater.

Note payable with Summit County

The balance outstanding on the unsecured note payable was \$1,255,829 and \$1,355,829 at December 31, 2006 and 2005.

Approximate annual principal payments, required to be made by the Authority, under this debt for the next five years and thereafter are:

2007	\$ 100,000
2008	1,155,829
	\$ 1,255,829

Note Receivable with Akron Civic Theater

In connection with entering the note payable with Summit County, the Authority entered into a note receivable agreement with the Akron Civic Theater. The note receivable is unsecured and non-interest bearing. The note receivable is structured such that the Akron Civic Theater pays the Authority for all amounts due under the note payable/line of credit, and the Authority then repays Summit County. Therefore, the minimum lease receipts mirror the principal payment schedule shown above. In 2006, property adjacent to the Civic Theater was sold to the City of Akron. As part of the sale agreement, the Civic Theater was to deposit \$100,000 of the sale proceeds into an escrow account. However, it is the Authority's understanding that this escrow account was not funded.



SUMMIT COUNTY PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
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Administrator of Note Payable with City of Akron

The Authority is the administrator of this unsecured, non-interest bearing note payable created by the City of Akron. The Akron Civic Theater ("Civic Theater") is responsible for making the required principal payments on the note to the Authority. The Authority is responsible for forwarding these payments to the City of Akron. The balance on the note was \$1,255,829 and \$1,355,829 at December 31, 2006 and 2005, respectively. This outstanding balance is not reflected in these financial statements since it is the obligation of the Civic Theater.

NOTE 11 – LEASES

Operating leases

The Authority leases office space and certain equipment under operating leases. Rental expense was \$40,646 and \$39,400 under these leases for 2006 and 2005, respectively.

Future minimum lease payments under non-cancelable operating leases that have initial or remaining terms in excess of one year are as follows:

2007	\$	36,000
2008		35,400
2009		35,780
2010		37,680
2011		31,400
		<hr/>
	\$	176,260
		<hr/> <hr/>

NOTE 12 – RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets; errors or omissions; injuries to employees; or acts of God. Commercial insurance has been obtained to cover damage or destruction of the Authority's property and for public liability, personal injury, and third-party property damage claims. No substantial changes in insurance coverage have occurred in any major risk category in 2006, there were no insurance settlements in 2006 and 2005.

Employee health care benefits are provided under a group insurance arrangement and the Authority is insured through the State of Ohio for workers' compensation benefits.

NOTE 13 – RELATED PARTY TRANSACTIONS AND ECONOMIC DEPENDENCE

The Authority uses certain Summit County employees without reimbursement. In addition, the Authority received a grant for operating expenses from Summit County for \$175,000 and \$195,000 for years ended December 31, 2006 and 2005, respectively.



SUMMIT COUNTY PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2006 and 2005

NOTE 14 – SUBSEQUENT EVENTS

Lockheed Martin/Airdock Brownfield Remediation

In January 2007, the Authority entered into agreement with the Director of Development of the State of Ohio for a Brownfield Revolving Fund Loan for the Akron Airdock Project. The Authority also entered into an agreement with the Clean Ohio Council for Clean Ohio Revialization Fund grant for the Airdock Project. The purpose of the loan and grant is to conduct interior remediation activities including the vacuum and clean dust and debris from the building's interior structure, at the Akron Airdock site owned by the Authority and leased to Lockheed Martin Corporation. The amount of the loan and grant is \$2M and \$3M, respectively, payable to the Authority as reimbursement for allowance expenses. The loan does not constitute a debt or pledge of faith and credit of the Authority.

Akron Thermal

In January 2007, the Authority executed a "term sheet" with Akron Thermal, whereby the Authority will issue revenue bonds for the retirement and restructuring of Akron Thermal debt. The amount of the bond issue is \$5.585M and expected to close in March, 2007, contingent upon the City of Akron's guarantee.

Ferriot, Inc.

In January 2007, the Authority executed a resolution with Ferriot, Inc., whereby the Authority will issue revenue bonds for the acquisition and installation of machinery and equipment at Ferriot, Inc.'s Akron, Ohio facility. The amount of the bond issue is \$5.4M and closed on January 24, 2007.

NOTE 15 – LETTER OF CREDIT

During 2005, the Authority obtained a \$5 million, unsecured letter of credit in order to support issuance of development bonds via the Authority's Bond Fund Program. No amounts were outstanding on this letter of credit as of December 31, 2006 and 2005.





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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Summit County Port Authority
Akron, Ohio

We have audited the accompanying financial statements of the Summit County Port Authority, Summit County, Ohio, (the "Authority") as of and for the year ended December 31, 2006, and have issued our report dated March 03, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed the no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

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This report is intended for the information and use of the finance committee, management, and the Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties.

Robert Markey, Fedorovich & Company

BOBER, MARKEY, FEDOROVICH & COMPANY

March 03, 2007





Mary Taylor, CPA
Auditor of State

SUMMIT COUNTY PORT AUTHORITY

SUMMIT 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
MAY 10, 2007**