AUDIT REPORT

Central Ohio Community Improvement Corporation

Franklin County

Report on Audited Financial Statements

For the Years Ended December 31, 2017 and 2016

PARMS + COMPANY

Dave Yost • Auditor of State

Board of Trustees
Central Ohio Community Improvement Corporation
373 South High Street, 15th Floor
Columbus, Ohio 43215

We have reviewed the *Independent Auditor's Report* of the Central Ohio Community Improvement Corporation, Franklin County, prepared by Parms & Company, LLC, for the audit period January 1, 2016 through December 31, 2017. 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 Central Ohio Community Improvement Corporation is responsible for compliance with these laws and regulations.

Dave Yost
Auditor of State

June 25, 2018

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CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY

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PARMS
+ COMPANY

ACCOUNTANTS + CONSULTANTS

585 South Front Street
Suite 220
Columbus, Ohio 43215

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Central Ohio Community Improvement Corporation

We have audited the accompanying financial statements of Central Ohio Community Improvement Corporation, Franklin County (COCIC), as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements, which collectively comprise COCIC's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of COCIC as of December 31, 2017 and 2016, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards* we have also issued our report dated May 31, 2018, on our consideration of COCIC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering COCIC's internal control over financial reporting and compliance.

Parms & Company, LLC

May 31, 2018
Columbus, Ohio

This discussion and analysis, along with the accompanying financial report, of the Central Ohio Community Improvement Corporation ("COCIC") are designed to provide its Board Members, creditors and other interested parties with a general overview of COCIC and its financial activities.

The mission of COCIC is to acquire properties in order to improve the quality of neighborhoods, increase property values and return unproductive properties to contributing, tax-paying status, and create diverse housing and business opportunities by leveraging resources to promote and facilitate the reclamation, rehabilitation and reutilization of vacant, abandoned, tax-foreclosed, or other real property in Franklin County.

FINANCIAL HIGHLIGHTS – 2017

COCIC's main programs are the Blight Removal Program, Responsible Landlord Program and the Trusted Partners Program.

The Blight Removal Program (BRP) generally involves the demolition, environmental remediation, or both, of blighted properties, and the sale of the formerly blighted property to a responsible party for reutilization. Typically, sale proceeds are nominal and represent only a limited recovery of demolition, remediation and transaction expenditures. Properties for which there is an expectation of significant sale proceeds or recoveries are included with Property Inventory.

During 2017, the BRP demolished 426 blighted units at a cost of approximately $4.4 million. Such costs were funded with approximately $4.1 million from the Ohio Housing Finance Agency's Neighborhood Initiative Program (OHFA NIP) demolition grant and with approximately $192,000 from the Franklin County Delinquent Tax Assessment & Collection (DTAC) funding. Property maintenance and other costs associated with demolitions amounted to approximately $103,000.

In 2017, COCIC continued the Tax Lien Certificate Program. This program is used to assure an inventory of blighted structures for demolition with the OHFA NIP demolition grant. COCIC purchased an additional 156 tax lien certificates in 2017, combined with the 274 purchased in 2016 giving a total of 430 deeply blighted properties, at a nominal cost, with the view to prosecuting tax lien foreclosures through forfeiture or sale and demolishing the forfeited properties. While the OHFA NIP demolition grant reimburses foreclosure costs, funding is required to carry the costs until reimbursement, typically a lag of nine months. To address the timing issue, COCIC identified $1,500,000 of foreclosure cost funding. Franklin County Treasurer contributed $500,000 in each of 2016 and 2017. COCIC encumbered $125,000 in each of 2016 and 2017. The City of Columbus contributed $250,000 in 2017. At year-end 2017, $920,000 of foreclosure costs were incurred in connection with tax lien certificates on 388 properties with $235,000 in reimbursements from the OHFA NIP grant.

FINANCIAL HIGHLIGHTS – 2017 (continued)

COCIC began the Receivership Loan Program (RLP) in 2017. A Receiver, appointed by the Franklin County Environmental Court is charged with abating nuisances at distressed properties, conducting court approved rehabilitation and clearing title. COCIC assists the receiver by using a closed-end loan, disbursing up to $50,000 per property based on the court approved expenditures proposed by the Receiver. The closed-end loan will earn interest of 3% per annum, compounded annually and is secured by the property. The term of the loan is payable upon demand, but payment is expected when the receiver sells the property which may take anywhere from 6 months to 24 months dependent on the ease of clearing the title. Initially in 2017, one property in the North Linden neighborhood and another property in the Driving Park neighborhood, received $20,000 each. One of the properties has already sold and loan proceeds were paid off in February 2018.

The Responsible Landlord Program (RLL) is a land reutilization program employing a strategic intervention for stabilizing or improving market support, executed through a loan program to responsible landlords engaged in market-based rehabilitation of blighted, distressed or substandard properties. At the end of 2017, COCIC had a note receivable of approximately $405,000 accruing interest at 1.5% per annum, compounded monthly.

The Trusted Partners Program (TPP) is also a land reutilization program, involving a strategic intervention for the purpose of stabilizing or improving market support, executed through a grant program to trusted partners engaged in the total rehabilitation of blighted properties or new construction in blighted neighborhoods, with a view to sale to owner-occupants. In 2017, COCIC expensed approximately $863,000 of grants to trusted partners in connection with 41 properties.

FINANCIAL HIGHLIGHTS – 2016

The total assets of COCIC increased 16% in 2016 to $11,805,970 from $10,160,044 in 2015. The increase in total assets was due to a combination of the purchase and construction in progress of the Land Bank Office of approximately $991,000 and an addition to Property Inventory in the amount of $240,000. Operating income decreased 16% in 2016 by $258,000 primarily due to an increase in Demolition and Remediation expenses of approximately $410,000. Cash flows generated by operating activities increased in 2016 over 2015 by $4.9 million mostly due to an increase in Grant Receipts from the OHFA NIP of $4.2 million over 2015.

NET POSITION COMPARISON

Table 1 summarizes the Comparison of the net position of COCIC.

	2017	2016	2015
Assets			
Current Assets	$ 7,905,254	$ 7,019,634	$ 6,468,238
Noncurrent Assets	4,818,100	4,786,336	3,691,806
Total Assets	12,723,354	11,805,970	10,160,044
Liabilities			
Current Liabilities	1,057,123	1,050,888	499,084
Long-Term Liabilities	3,732,708	4,048,055	4,329,918
Total Liabilities	4,789,831	5,098,943	4,829,002
Deferred Inflows of Resources	-	75,000	75,000
Total Net Position	$ 7,933,523	$ 6,632,027	$ 5,256,042

In 2017, Total Assets increased over 2016 by 8% or $917,000 mostly due to the increase in receivables. Accounts Receivable increased $302,000; Grant Receivable increased $619,000 and Program Service Receivables increased $292,000. Total Liabilities in 2017 decreased 6% or $309,000 over 2016 due to the paydown on the outstanding bond of $200,000 and decrease in Landfill Post Closure Care liability of $116,000.

STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET POSITION

Table 2 summarizes the Statements of Revenues, Expenses and Change in Net Position.

	2017	2016	2015
Operating Revenues			
Total Operating Revenues	$ 8,286,372	$ 6,940,989	$ 6,847,418
Operating Expenses			
Total Operating Expenses	7,141,198	5,624,681	5,272,563
Operating Income	1,145,174	1,316,308	1,574,855
Non-Operating Revenues			
Total Non-Operating Revenue	156,322	59,677	93,546
Change in Net Position	1,301,496	1,375,985	1,668,401
Net Assets Beginning of Year	6,632,027	5,256,042	3,587,641
Net Assets End of Year	$ 7,933,523	$ 6,632,027	$ 5,256,042

STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET POSITION (continued)

Operating Revenues increased 19% or $1.3 million over 2016 due to a combination of funds received from the City of Columbus Land Redevelopment office of $250,000 for the Tax Lien Certificate program plus reimbursement of $367,000 for property demolitions and an increase in OHFA NIP grant revenue of $614,000. Operating Expenses increased slightly more than Operating Revenues in 2017. The increase of Operating Expenses over 2016 was 27% or $1.5 million mostly due to an increase of $891,000 in Demolition expenses and $422,000 increase in Program Services. The Change in Net Position in 2017 was $74,000 or 5% decrease over 2016.

STATEMENTS OF CASH FLOWS

Table 3 summarizes the Cash Flows of COCIC.

	2017	2016	2015
Change in Cash and cash equivalents			
Net Cash Provided by (Used for) Operating Activities	$ 816,082	$ 3,985,959	$ (875,757)
Net Cash Provided by Non-Capital Financing Activities	138,375	75,741	56,511
Net Cash (Used for) Capital and Related Financing Activities	(388,004)	(1,082,356)	(379,791)
Net Change in Cash and Cash Equivalents	$ 566,453	$ 2,979,344	$ (1,199,037)

Net Cash Provided by Operating Activities decreased 80% or $3.2 million during 2017 in comparison to 2016 from a decrease in Grant Receipts and increases in Demolition Expense and Program Services Expense. Grant Receipts decreased $1.3 million due to a higher beginning Grants Receivable in 2016. Activity for Demolition Expense and Program Services Expense increased $1.2 million and $432,000, respectively.

CAPITAL ASSETS

Table 4 summarizes the Net Capital Assets of COCIC.

	2017	2016	2015
Capital Assets:			
Office - Land	$ 39,200	$ 39,200	$ -
Office - Building & Fixtures	1,103,049	1,059,326	-
Landfill Land	1,031,249	1,031,249	1,031,249
Golf Course Project Construction Cost	2,350,142	2,350,142	2,350,142
Total Capital Assets	$ 4,523,640	$ 4,479,917	$ 3,381,391

Capital Assets increased in 2017 and 2016 due to the purchase, renovation and fit-up of the Land Bank Center.

DEBT

Table 5 summarizes the debt of COCIC.

	2017	2016	2015
Debt:			
Landfill Closure and Post Closure Care	$ 1,916,843	$ 2,033,336	$ 2,122,187
Franklin County	2,000,000	2,200,000	2,321,429
Economic Development Term Loan	-	-	78,571
Total Debt	$ 3,916,843	$ 4,233,336	$ 4,522,187

COCIC decreased debt in 2017, 2016 and 2015 with loan payoffs and repayments, and reductions for landfill closure and post closure care expenditures incurred.

BUDGET

Pursuant to the Board financial policies, COCIC prepares and adopts an annual budget which includes estimated revenues and expenditures for the fiscal year and a forecast of revenues and expenditures. COCIC will from time to time adopt budget revisions as necessary.

CONTACT INFORMATION

Questions regarding this report and requests for additional information should be forwarded to President, Central Ohio Community Improvement Corporation, 845 Parsons Avenue, Columbus, Ohio, 43206.

CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY

STATEMENTS OF NET POSITION
AT DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 5,489,982	$ 4,923,681
Accounts Receivable	440,470	138,828
Grants Receivable	1,095,955	477,285
Program Services Receivable	445,553	152,962
Property Inventory	405,000	1,274,031
Prepaids and Other Assets	28,294	52,847
Total Current Assets	7,905,254	7,019,634
Noncurrent Assets:		
Cash and Cash Equivalents - Debt Service Reserve	152,186	152,034
Investment in Joint Venture	142,274	154,385
Capital Assets:		
Office Land, Building & Fixtures	1,178,214	1,098,526
Landfill Land	1,031,249	1,031,249
Golf Course Project Cost	2,350,142	2,350,142
Accumulated Depreciation	(35,965)	-
Net Capital Assets	4,523,640	4,479,917
Total Noncurrent Assets	4,818,100	4,786,336
TOTAL ASSETS	**12,723,354**	**11,805,970**
LIABILITIES		
Current Liabilities:		
Accounts Payable	323,993	471,033
Accrued Liabilities	548,995	394,574
Landfill Post Closure Care Liability- Current Portion	91,278	92,424
Notes Payable- Current Portion	92,857	92,857
Total Current Liabilities	1,057,123	1,050,888
Long-Term Liabilities		
Landfill Post Closure Care Liability - Non Current Portion	1,825,565	1,940,912
Notes Payable- Non Current Portion	1,907,143	2,107,143
Total Long-Term Liabilities	3,732,708	4,048,055
TOTAL LIABILITIES	**4,789,831**	**5,098,943**
DEFERRED INFLOWS OF RESOURCES		
Rental Payments received in Advance	-	75,000
TOTAL DEFERRED INFLOWS OF RESOURCES	**-**	**75,000**
NET POSITION		
Net Investment in Capital Assets	2,523,640	2,279,917
Restricted - Expendable	152,186	152,034
Unrestricted	5,257,697	4,200,076
TOTAL NET POSITION	**$ 7,933,523**	**$ 6,632,027**

See accompanying notes to the basic financial statements.

CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Operating Revenues		
Delinquent Tax Assessment & Collection Income	$ 3,147,678	$ 3,174,186
Grant Revenues	4,462,437	3,598,841
Demolition Recovery, Reimbursement & Property Sales	676,257	167,962
Total Operating Revenues	8,286,372	6,940,989
Operating Expenses		
Demolition and Remediation	5,164,835	4,274,296
Program Services Expense	863,000	440,855
Payroll Expense	670,058	658,753
Insurance Expense	86,192	94,860
Legal and Professional Expense	126,066	49,218
Maintenance and Repair Expense	41,516	-
Meeting Expense	7,574	2,804
Utilities Expense	42,909	22,711
Office Expense	69,455	61,534
Staff Training and Travel Expense	5,685	4,151
Depreciation Expense	35,965	-
Other Expense	27,943	15,499
Total Operating Expenses	7,141,198	5,624,681
Operating Income	**1,145,174**	**1,316,308**
Non-Operating Revenue		
Loss on Investment	(12,111)	(4,149)
Rent Income	94,000	-
Service Income	6,136	5,957
Subsidies	50,000	50,000
Interest	18,297	7,869
Total Non-Operating Revenue	156,322	59,677
Change in Net Position	**1,301,496**	**1,375,985**
Net Position, Beginning of Year	**6,632,027**	**5,256,042**
Net Position, End of Year	**$ 7,933,523**	**$ 6,632,027**

See accompanying notes to the basic financial statements.

CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Cash Flows from Operating Activities		
Delinquent Tax Assessment & Collection Income	$ 3,147,678	$ 3,174,186
Grant Receipts	3,930,537	5,268,446
Demolition Recovery, Reimbursement & Property Sales	1,273,017	357,543
Program Service Reimbursement	-	892,253
Demolition and Remediation Expense	(5,229,950)	(4,002,161)
Payment for Property Inventory Acquisitions	(90,000)	-
Program Services Expense	(1,092,890)	(660,578)
Payroll Expense	(656,011)	(655,190)
Insurance Expense	(61,139)	(105,971)
Legal and Professional Expense	(93,496)	(77,338)
Maintenance and Repairs Expense	(39,943)	-
Meeting Expense	(5,074)	(3,229)
Utilities Expense	(41,342)	(21,878)
Office Expense	(71,182)	(63,481)
Staff Training and Travel Expense	(5,685)	(4,151)
Landfill Closure Expense	(120,495)	(96,589)
Other Operating Payments	(27,943)	(15,903)
Net Cash Provided by Operating Activities	816,082	3,985,959
Cash Flows from Non-Capital Financing Activities		
Proceeds from Subsidies	100,000	50,000
Service Income	6,136	5,957
Rental Proceeds and Fees	19,000	-
Interest	13,239	19,784
Net Cash Provided by Non-Capital Financing Activities	138,375	75,741
Cash Flows from Capital and Related Financing Activities		
Principal Paid on Debt	(200,000)	(200,000)
Purchase of New Land Bank Office	-	(220,000)
Land Bank Office Construction Build-Out Costs	(188,004)	(662,356)
Net Cash Used In Capital and Related Financing Activities	(388,004)	(1,082,356)
Net Change in Cash and Cash Equivalents	**566,453**	**2,979,344**
Cash and Cash Equivalents Beginning of Year	**5,075,715**	**2,096,371**
Cash and Cash Equivalents End of Year	**$ 5,642,168**	**$ 5,075,715**
Cash and Cash Equivalents - Current	**$ 5,489,982**	**$ 4,923,681**
Cash and Cash Equivalents - Noncurrent	**152,186**	**152,034**
Total Cash and Cash Equivalents	**$ 5,642,168**	**$ 5,075,715**

See accompanying notes to the basic financial statements.

CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(continued)

Reconciliation of Operating Income/(Loss) to Net Cash Provided by (Used In) Operating Activities	**2017**	**2016**
Operating Income	$ 1,145,174	$ 1,316,308
Depreciation Expense	35,965	-
(Increase) Decrease in Assets:		
Accounts Receivable	(394,261)	154,552
Grants Receivable	(618,670)	1,688,612
Program Services Receivable	(292,591)	740,174
Property Inventory	869,031	(216,550)
Prepaid Items	24,553	(11,086)
Increase (Decrease) in Liabilities:		
Accounts Payable	8,953	29,132
Accrued Liabilities	154,421	373,667
Landfill Post Closure Care Liability	(116,493)	(88,850)
Net Cash Provided by Operating Activities	**$ 816,082**	**$ 3,985,959**

See accompanying notes to the basic financial statements.

NOTE 1 – DESCRIPTION OF REPORTING ENTITY

The Central Ohio Community Improvement Corporation (COCIC) was formed as a nonprofit corporation on May 9, 2005 pursuant to Ohio Revised Code Chapter 1724 to assist in economic development of nonproductive and distressed properties in Franklin County. It was reconstituted on March 25, 2012 as the land reutilization corporation for Franklin County under Ohio Revised Code Chapters 1724 and 5722. A nine-member Board of Directors has been established for oversight of the operations. The Franklin County Commissioners and the Franklin County Treasurer are Ex-Officio members of the Board, as well as three other members appointed by the Commissioners and Treasurer. The Ohio Revised Code requires that the Board consists of a representative of the County's largest city and a representative of townships having more than 10,000 population in their unincorporated area. The COCIC's management believes the financial statements present all activities for which the COCIC is financially accountable.

Reporting Entity
The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of COCIC are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from COCIC. For COCIC, there are no other boards and agencies other than COCIC. Component units are legally separate organizations for which COCIC is financially accountable. COCIC is financially accountable for an organization if COCIC appoints a voting majority of the organization's governing board and (1) COCIC is able to significantly influence the programs or services performed or provided by the organization; or (2)(a) COCIC is legally entitled to or can otherwise access the organization's resources; (b) COCIC is legally obligated to or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (c) COCIC is obligated for the debt of the organization. Component units may also include organizations for which COCIC approves the budget, the issuance of debt or levying of taxes. The Poindexter Community Renaissance LLC is a blended component unit of COCIC which was renamed and re-organized in 2017.

Poindexter Community Renaissance LLC (PCR) was established in 2006 to assist in the acquisition of the blighted and vacant Poindexter Tower condo units in Columbus, Ohio. PCR did not conduct any official business and was dormant almost since its inception. Not having use under its original purpose, PCR was renamed to PCR2 LLC and reorganized to become an agent of COCIC in strategic activities/transactions and in any project approved by COCIC's Board that is consistent with COCIC's mission. PCR2 LLC's board of managers and officers are COCIC's President, COCIC's Secretary/Treasurer and COCIC's Assistant Secretary.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement Focus and Basis of Accounting

COCIC's operations are accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the operation are included on the statement of net position. The operating statement presents increases (i.e. revenues) and decreases (i.e. expenses) in net position.

Basis of Presentation

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements and measurement focus relates to the timing of the measurements made.

COCIC's basic financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. The financial statements of COCIC have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). COCIC uses enterprise fund accounting to maintain its financial records during the fiscal year. Enterprise fund accounting focuses on the determination of operating income, changes in net position, financial position and cash flows. Enterprise accounting is used to account for any activity for which a fee is charged to external users for goods or services.

Net Position is comprised of unrestricted and restricted components. Operating statements present increases (e.g. revenues) and decreases (e.g. expenses) in net position.

Net position is the difference between the COCIC's assets, its liabilities and deferred inflows of resources. GASB establishes standards for external financial reporting which require that resources be classified for accounting and reporting purposes into the following net position categories:

Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

Restricted – Expendable: Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the Organization or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. COCIC first applies restricted resources when an expense is incurred for which both restricted and unrestricted net position are available. As of December 31, 2017, and 2016, $152,186 and $152,034, respectively, were restricted related to bond reserve funds held as security for outstanding bond debt.

Unrestricted: Net position whose use by COCIC is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

Accounting Pronouncements

The following are pronouncements that either became effective during fiscal year 2017 or will become effective in future fiscal years and could impact COCIC's financial reports:

GASB 73 – "Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68". The standard became effective for fiscal year 2017.

GASB 74 – "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans." The standard became effective for fiscal year 2017.

GASB 75 – "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." The standard became effective for fiscal year 2017.

GASB 80 – "Blending Requirements for Certain Component Units-an Amendment of GASB Statement No. 14." The guidance became effective during 2017.

GASB 81 – "Irrevocable Split-Interest Agreements." The standard became effective for fiscal year 2017.

GASB 82 – "Pension Issues – an Amendment of GASB Statement No. 67, No. 68, and No. 73." Effective for reporting periods beginning after June 15, 2016, with certain exceptions where measurement date is on or after June 15, 2017.

GASB 83 – "Certain Asset Retirement Obligations." Effective for reporting periods beginning after June 15, 2018.

GASB 84 – "Fiduciary Activities." Effective for reporting periods beginning after December 15, 2018.

GASB 85 – "Omnibus 2017." Effective for periods beginning after June 15, 2017.

GASB 86 – "Certain Debt Extinguishment Issues." Effective for reporting periods beginning after June 15, 2017.

GASB 87 – "Leases." Effective for reporting periods beginning after December 15, 2019.

GASB 88 – "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements." Effective for reporting periods beginning after June 15, 2018.

Accounting Pronouncements (continued)

COCIC has adopted all applicable GASB standards that were effective during its fiscal years 2017 and 2016. COCIC determined those standards adopted had no material impact on its financial statements as of December 31, 2017 and 2016.

COCIC has not fully determined the effect statements with effective dates subsequent to current reporting period will have on its financial reporting in subsequent fiscal years.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Grant and Account Receivables

Expenses incurred during the year that will be reimbursed in future years are recognized as revenue and receivables in the year the expense is incurred.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the current fiscal year, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

Property Inventory

COCIC’s land reutilization activities often require that it hold title to real property, typically until reutilization activities can be completed and the property sold and sometimes to satisfy a holding period prescribed by the terms of grant funding. Properties that are held as of the end of the fiscal year, with a view to sale in the near or intermediate term and with an expectation of significant sale proceeds, are carried in Property Inventory. Other properties are of nominal value and, in the aggregate, not material to the financial statements.

Capital Assets

Capital assets are capitalized at cost and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market value as of the date received. COCIC has a capitalization threshold of $5,000.

Capital Contributions

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

Accrued Liabilities and Notes Long-Term Obligations

All payables and other accrued liabilities are reported on the statement of net position.

Deferred Outflows and Deferred Inflows

In addition to assets, the statement of net position may report a separate category of deferred outflows of resources. Deferred outflows represent consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense) until then. At December 31, 2017 and 2016, COCIC reported no deferred outflows of resources. In addition to liabilities, the statement of net position may report a separate category of deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenues) until then. At December 31, 2016, COCIC reported deferred inflows of resources in the amount of $75,000, related rental payments received in advance which were recognized in 2017.

Capitalization of Land Development Costs

Land and development costs are generally capitalized at the time development begins based on actual costs incurred.

Reclassifications

Certain reclassifications have been made to the 2016 financial statement presentations to conform to the 2017 financial statement presentations.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of COCIC. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the COCIC. All revenues and expenses not meeting this definition are reported as non-operating.

Income Taxes

COCIC was formed as a nonprofit organization and was then determined by the IRS as exempt from federal income taxes under Section 501(c)(4) of the Internal Revenue Code. In 2012 when COCIC was reconstituted as the Franklin County land reutilization corporation, it was organized to be exempt under Section 115(1) of the Internal Revenue Code. As the IRS has made no determination of exemption under Section 115(1), COCIC, as a precautionary measure, pursued and received in 2017 a reinstatement of the determination of exemption under Section 501(c)(4) which lapsed after the 2012 reconstitution.

Uncertain Tax Positions

COCIC adopted the provisions of Accounting for Uncertainty in Income Taxes on January 1, 2009. Those provisions clarify the accounting and recognition for income tax positions taken or expected to be taken in COCIC's income tax returns. COCIC's income tax filings are subject to audit by various taxing authorities. In evaluating COCIC's tax provisions and accruals, future taxable income, and the reversal of temporary differences, interpretations and tax planning strategists are considered. COCIC has analyzed the tax positions taken and believes there are no uncertain positions taken or expected to be taken that would require recognition of a liability or an asset.

NOTE 3 - CASH

The COCIC maintains its cash balance in banking accounts. At December 31, 2017 and 2016, the COCIC's carrying values of cash were $5,642,168 and $5,075,715, respectively, including $152,186 and $152,034, respectively, in cash held as security for repayment of outstanding bonds payable. At December 31, 2017 and 2016, the COCIC's bank balances, held by two different financial institutions, were $5,873,040 and $5,398,948, respectively. Carrying values of cash and bank balances reconcile when adjusted for outstanding items. Of the bank balances, as of December 31, 2017 and 2016, $2,619,646 and $1,521,340, respectively, were covered by FDIC insurance, and $3,253,394 and $3,877,608, respectively, were covered by government securities collateralizing public deposits. COCIC cash holdings include funds held in money market account extra (MMAX) bank funds. These accounts allow deposits to be distributed to multiple banks in network up to the $250,000 FDIC limit per bank. As of December 31, 2017, and 2016, funds covered by FDIC insurance include $1,967,460 and $869,306, respectively, in MMAX covered funds.

Custodial Credit Risk is the risk that in the event of bank failure, the COCIC's deposits may not be returned. The COCIC has no policy regarding custodial credit risk. COCIC's practice is to maintain all deposits within FDIC limits or require collateralization consistent with state laws governing public deposits.

NOTE 4 – PROGRAM SERVICES RECEIVABLE

Responsible Landlord Program

The Responsible Landlord Program (RLL) is a loan program to assist in rehabilitation of rental residential properties. A closed-end revolving loan accruing interest at 1.5% per annum and compounded monthly, is made for the rehabilitation of blighted, distressed or substandard properties. The loan is secured by a mortgage against the property. Since the program's inception in 2014, COCIC has issued two loans, each with a maximum line of credit amount of $1 million. The first loan, for the rehabilitation of 13 properties had disbursements of $107,747 in the first quarter of 2016 and was paid off in March 2016 with principal and accrued interest of $1,016,746. The second loan began disbursing in June 2016 with $152,079 of disbursements during 2016 and continued to disburse another $247,535 through 2017 for the rehabilitation of 4 properties. The outstanding balance of principal and accrued interest on the second loan at December 31, 2017 was $405,164 and $152,962 at December 31, 2016. Interest accrued on the second loan during 2017 was $4,667 and $814 in 2016.

Receivership Loan Program

New in 2017, the Receivership Loan Program. A Receiver, appointed by the Franklin County Environmental Court is charged with abating nuisances at distressed properties, conducting court approved rehabilitation and clearing title. COCIC assists the receiver by using a closed-end revolving loan, disbursing up to $50,000 per property based on the court approved expenditures proposed by the receiver. The loan is secured by a mortgage against the property and will earn interest of 3%, compounded annually with a term due upon demand but expected to repay within approximately 6 months to 24 months, dependent on the ease of clearing the title. As of December 31, 2017, there was $40,000 in loan principal advances. Interest accrued during 2017 was $390.

NOTE 5 – PROPERTY INVENTORY

Property inventoried as of December 31, 2017 and 2016 was $405,000 and $1,274,031, respectively.

During 2017, $90,000 was booked to Property Inventory for the location at 2683 Winchester Pike. In 2016, COCIC added 1829 E Long Street to property inventory in the amount of $240,000. Both properties are expected to sell during 2018.

In 2014, COCIC inventoried $959,031 from acquisition and demolition costs of the Georgesville Road Property. COCIC had a 3-year purchase option agreement with a buyer for a price equal to the aggregate demolition and maintenance costs at the Property but not more than $1,200,000. The property was sold in March 2017 for $964,752.

NOTE 6 – INVESTMENTS

The fair value of investments as of December 31, 2017 and 2016 are summarized as follows:

	2017	2016
Investment in Joint Venture	$ 142,274	$ 154,385

In March 2011, COCIC entered into an agreement with Depot Golf Center, LLC to place $356,000 on deposit for Depot Golf Center's construction of the clubhouse. In return, COCIC obtained an 11% equity interest in Depot Golf Center. COCIC would classify this as a long-term asset given its nature and intent. Total realized and unrealized activity for the year ended December 31, 2017 and 2016 were losses of $12,111 and $4,149, respectively.

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2017 and 2016 was as follows:

	01/01/17	Additions	Deductions	12/31/17
Non-Depreciable Assets:				
Land (Landfill)	$ 1,031,249	-	-	$ 1,031,249
Golf Course Project Construction	2,350,142	-	-	2,350,142
Office - Land	39,200	-	-	39,200
Depreciable Assets:				
Office - Building & Fixtures	1,059,326	79,688	-	1,139,014
Total Capital Assets	4,479,917	79,688	-	4,559,605
Accumualted Depreciation	-	(35,965)	-	(35,965)
Net Capital Assets	$ 4,479,917	43,723	-	$ 4,523,640

	01/01/16	Additions	Deductions	12/31/16
Non-Depreciable Assets:				
Land (Landfill)	$ 1,031,249	-	-	$ 1,031,249
Golf Course Project Construction	2,350,142	-	-	2,350,142
Office - Land	-	39,200	-	39,200
Depreciable Assets:				
Office - Building & Fixtures	-	1,059,326	-	1,059,326
Total Capital Assets	$ 3,381,391	1,098,526		$ 4,479,917

NOTE 7 – CAPITAL ASSETS (continued)

In 2016, COCIC purchased the property and building at 845 Parsons Avenue for renovation into The Land Bank Center, which houses and co-locates the operations of COCIC and the City of Columbus Land Redevelopment Office.

NOTE 8 – NOTES PAYABLE

2017	Amount Outstanding 12/31/2016	Additions	Deletions	Amount Outstanding 12/31/2017	Amounts Due in One Year
Franklin County	$ 2,200,000	-	(200,000)	$ 2,000,000	$ 92,857
Total Notes Payable	$ 2,200,000	-	(200,000)	$ 2,000,000	$ 92,857

2016	Amount Outstanding 12/31/2015	Additions	Deletions	Amount Outstanding 12/31/2016	Amounts Due in One Year
Franklin County	$ 2,321,429	-	(121,429)	$ 2,200,000	$ 92,857
Development Term Loan	78,571	-	(78,571)	-	-
Total Notes Payable	$ 2,400,000	-	(200,000)	$ 2,200,000	$ 92,857

In December 2009, COCIC received additional working capital from the sale of a $2,600,000, 30 year, 0% interest, Ohio Air Quality Development Authority Bond which was purchased by the Community Improvement Corporation of Gahanna and immediately assigned to Franklin County. $150,000 of the proceeds was deposited in an account at Heartland Bank to secure the repayment of the Bond. COCIC is responsible for the debt service on this Bond. The balance at December 31, 2017 was $2,000,000.

In the same transaction, COCIC received a loan from Franklin County of $200,000 for working capital, also for 30 years at 0% interest. In April 2011, COCIC signed amendments for both the bond and loan to extend the first payment date to March 2012, thus increasing the maturity date one year to 2040. The balance at December 31, 2015 was $78,571 and was paid off in March of 2016.

The following is the scheduled maturities of the debt agreement as of December 31, 2017:

2018	$ 92,857
2019	92,857
2020	92,857
2021	92,857
2022	92,857
2023 and after	1,535,715
Total	$ 2,000,000

NOTE 9 – TRANSACTIONS WITH OTHER ENTITIES

On June 28, 2007, COCIC entered into a 20 year ground lease with Tartan Fields Golf Club LLC for the purposes of managing the construction of a golf facility and operating the golf facility for a twenty year period. The ground lease was revised in September 2009 with purchase option and terms being changed. A second revision was made in March 2011 with the ground lease terms and base rent terms being adjusted. The ground lease agreement with Tartan Fields Golf Club was mutually terminated effective April 1, 2014. A new ground lease effective dated the same day was entered into with The Depot Golf Center, LLC containing new lease terms and base rent amounts expiring December 31, 2017 with an automatic annual renewal extension through December 31, 2030.

On December 27, 2007, COCIC sold 126.8218 acres to Value Recovery Group II for $403,053 in cash, an assumption by VRG II of outstanding COCIC debts of $7,787,846 and an agreement to pay COCIC a 5% participation fee of the net proceeds from VRG's subsequent sale of that acreage. Effective January 2015 the terms of payment changed, COCIC will receive a participation fee of 9.5% of the net proceeds from VRG's subsequent sales after gross property sales exceed $5.5 million. There were no sales in 2017 and 2016 as the participation fee from a property sale under this agreement.

NOTE 10 – LANDFILL CLOSURE COSTS AND CHANGE IN ESTIMATE

State and federal laws and regulations require COCIC to place a final cover on its Bedford Landfill and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The Bedford Landfill was officially closed June 13, 2008. As of December 31, 2017, and 2016, the book value of the landfill, excluding the related closure and post closure liability is $1,031,249.

The $1,916,843 and $2,033,336 reported as landfill closure and post-closure care liability at December 31, 2017 and 2016, respectively, represents the remaining estimated cost of closure and post-closure care. The remaining balance of the liability will be obtained through revenues to be paid to COCIC from the lease of the golf facility, a participation in VRG property sales and a closing and annual assessment on all property sold by VRG. New agreements were issued in 2014 and 2015 postponing the lease income from the golf facility until 2017, changing the 5% participation fee on property sales to a 9.5% participation fee after gross sales of $5.5 million and a closing assessment plus an annual assessment on those properties sold. Total expenditures in 2017 and 2016 for this liability were $116,493 and $88,850, respectively with lease income recognized in 2017 of $75,000.

COCIC is required by state and federal laws and regulations to maintain a trust to finance closure and post-closure care. Although COCIC did not establish a trust, they performed alternative actions approved by the Ohio EPA Director to satisfy the requirements. The city of Gahanna is required to pay up to $50,000 per year to COCIC to cover any shortfall.

NOTE 11 – TAX LIEN CERTIFICATE PURCHASE

In May 2017 and October 2016, COCIC purchased tax lien certificates on 156 and 274, respectively, deeply blighted properties, all with the view that COCIC would prosecute tax lien foreclosures through forfeiture or sale and that properties forfeited to COCIC would be demolished using funds from the OHFA NIP grant. The purchase price was $595,604 in 2017 and $1,706,044 in 2016, with $156 in 2017 and $274 in 2016 payable at closing and $595,448 in 2017 and $1,705,770 in 2016 balance payable under a non-recourse note. Such note limits COCIC's liability thereunder to any recovery of delinquent taxes and assessments resulting from redemptions or foreclosures of the tax certificates, which are expected to be nominal. COCIC does not recognize possible redemption or foreclosure proceeds as receivables, until received, at which time the same are applied in full satisfaction of COCIC's obligations under the note.

While there is no obligation for COCIC to foreclose the purchased tax lien certificates, COCIC has identified $1,500,000 of funding for the cost of foreclosures. In 2016, Franklin County Treasurer contributed $500,000 and COCIC $125,000. In 2017, Franklin County and COCIC again contributed $500,000 and $125,000, respectively and the City of Columbus contributed $250,000 in 2017. Further, foreclosure costs are reimbursable under the OHFA NIP grant, making the reimbursements available to fund continuing foreclosure and demolition activity. Tax Lien Certificate title search expenses were $905,364 in 2017 and $260,031 in 2016. Reimbursement of the title search expenses from the OHFA NIP grant started in 2017 of $235,643.

NOTE 12 – GRANT REVENUES

Under terms of a cooperative agreement signed with the Ohio Housing Finance Agency (OHFA), COCIC receives grant funding from OHFA's Neighborhood Initiative Program (NIP). OHFA receives funding for NIP through the Hardest Hit Fund (HHF), a program authorized under the Emergency Economic Stabilization Act (EESA) and funded through the U.S. Department of the Treasury. Through the cooperative agreement, OHFA and COCIC utilize NIP funding to strategically target residential demolition in designated areas. The goal of the program is to stabilize property values by removing and greening vacant and abandoned properties in an effort to prevent future foreclosures for existing homeowners. The maximum assistance provided under this program is $25,000 per property to be demolished. Financial assistance through the NIP program is provided through a non-interest bearing loan and secured by the property. The loan however is forgiven at the end of three years. Payment is only required in the event there are proceeds from a sale or refinance, which is considered remote. Therefore, COCIC records proceeds received under the NIP as revenues and does not record any loan payable back to OHFA on its statement of financial position.

NOTE 13 – RISK MANAGEMENT

Commercial Insurance
COCIC has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Environmental Insurance
- Directors and Officers Insurance

NOTE 14 – EMPLOYEE BENEFIT 401(k) PLAN

COCIC offers a defined contribution 401(k) plan to its employees. Eligible employees must be at least 21 years of age, have 12 consecutive months of service and have worked at least 1,000 hours. Under the plan, COCIC may make an employer discretionary contribution, which is vested 100% at the time of contribution. The plan also allows eligible employees to contribute from 1% up to 90% of their salary and wages. The employer and employee contributions are not to exceed Internal Revenue Service limits.

COCIC's contribution expense at the end of December 31, 2017 and 2016 was $26,500 and $22,330, respectively.

NOTE 15 – LEASE AGREEMENTS

Land Bank Office, 845 Parsons Avenue:
COCIC as lessor, is leasing part of the Land Bank office space to the City of Columbus Land Redevelopment Office, the city's land bank office. The lease began on February 2017 and will end on January 31, 2024 with an annual lease renewal. Lease income received during 2017 was $19,000.

The following is the scheduled of annual lease obligation from the city's land bank as of December 31, 2017:

2018	$ 19,570
2019	21,157
2020	21,762
2021	21,384
2022	22,026
2023 and after	22,687
Total	$ 128,586

NOTE 15 – LEASE AGREEMENTS (continued)

Franklin County Government Center, 373 South High Street:
COCIC, as lessee, leased office space at the Franklin County Government Center on a month-to-month basis. Office rental expense for such space was $1,940 and $18,990, for the year ended December 31, 2017 and 2016, respectively. Such month-to-month lease was concluded in February 2017.

NOTE 16 – CONTINGENT LIABILITIES

Amounts grantor agencies pay to the COCIC 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.

COCIC is also subject to litigation and claims. In the opinion of management, the ultimate liabilities, if any, resulting from such litigation and claims will not materially affect the financial position of COCIC.

PARMS + COMPANY

ACCOUNTANTS + CONSULTANTS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To Board of Trustees
Central Ohio Community Improvement Corporation

We have audited, in accordance with the 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, the financial statements of Central Ohio Community Improvement Corporation, Franklin County Ohio (COCIC), which comprise the statements of net position as of December 31, 2017 and 2016, and the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements which collectively comprise COCIC's basic financial statements, and have issued our report thereon dated May 31, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered COCIC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of COCIC's internal control. Accordingly, we do not express an opinion on the effectiveness of COCIC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Parms & Company, LLC

Columbus, Ohio
May 31, 2018

Dave Yost • Auditor of State

CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION

FRANKLIN 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
JULY 5, 2018