

FINANCIAL STATEMENTS  
AND REQUIRED SUPPLEMENTAL INFORMATION

**Ohio Municipal Joint Self-Insurance Pool**

*Years ended March 31, 2020 and 2019  
with Independent Auditors' Report*





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Board of Trustees  
Ohio Municipal Joint Self Insurance Pool  
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We have reviewed the *Independent Auditor's Report* of the Ohio Municipal Joint Self Insurance Pool, Franklin County, prepared by Petrow Kane Leemhuis, for the audit period April 1, 2019 through March 31, 2020. 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 Ohio Municipal Joint Self Insurance Pool is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

November 23, 2020

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# Ohio Municipal Joint Self-Insurance Pool

## Financial Statements and Required Supplemental Information

Years ended March 31, 2020 and 2019

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## Ohio Municipal Joint Self-Insurance Pool Management Discussion and Analysis

This section of the Ohio Municipal Joint Self Insurance Pool’s (the “Pool”) financial statements contains a discussion and analysis by management of the Pool’s financial results as of March 31, 2020 and 2019, and for the years then ended.

Content of the audit report is broken into three sections, *management discussion and analysis* (this section) the *basic financial statements* (including footnotes) and *required supplementary information*.

### Financial Highlights

The table below provides a summary of the Pool’s assets and liabilities as of March 31:

	2020	2019
<b>Assets</b>		
Cash and short term investments	\$ 903,839	\$ 1,567,734
Member contributions receivable	36,570	11,319
Prepaid expenses	-	3,130
Total assets	\$ 940,409	\$ 1,582,183
<b>Liabilities and accumulated surplus</b>		
Losses and loss adjustment expenses payable	\$ 292,357	\$ 550,577
Member contributions received in advance	56,556	536,516
Administrator, sponsor fees and commissions payable	10,836	126
Total liabilities	359,749	1,087,219
Accumulated surplus	580,660	494,964
Total liabilities and accumulated surplus	\$ 940,409	\$ 1,582,183

### Key financial highlights for fiscal year 2019 are as follows:

Cash, cash equivalents, and investments, net member contributions received in advance, decreased 17.8%, or \$183,935, from \$1,031,218 in 2019 to \$847,285 in 2020. Pre-paid member contributions received in advance was down \$479,960, due to the effects of COVID-19 payment timing issues. Therefore, the Pool’s total assets decreased \$641,774 or 41% to \$940,409 in 2020.

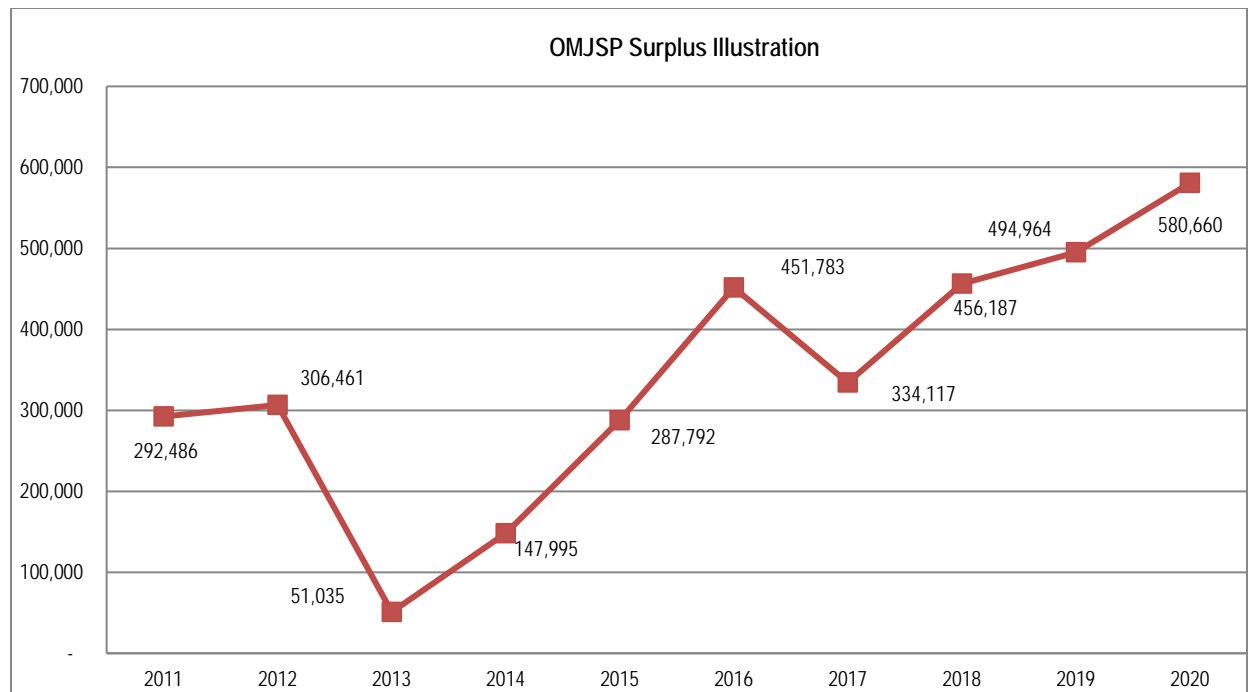
The Pool’s losses and loss expenses reserves decreased 47%, from \$550,577 in 2019 to \$292,357 in 2020. The Pool’s consulting actuary determined that the total loss reserves, including an allocation for incurred but not reported losses, were reasonable and fell within the consulting actuary’s acceptable range for unpaid losses and loss adjustment expense.

Member’s accumulated surplus grew by 17% or \$85,696 from \$494,964 in 2019 to \$580,660 in 2020.

The Pool purchases excess of loss property and liability reinsurance to protect its members from unexpected large losses. The Board and the Administrator receive competitive bids annually in order to make sure the excess reinsurance terms remain competitive for Pool members. The Pool's current self-insured retention for property losses is \$100,000 and the liability loss retention is set at \$100,000 per occurrence.

The Pool has received a determination letter from the Internal Revenue Service indicating that the Pool's income is excludable from taxation.

**The Pool's surplus position for the last ten fiscal years is as follows:**





## Statements of Income and Expenses

The table below provides a summary of the Pool's revenues and expenses for the years ended March 31:

	<u>2020</u>	<u>2019</u>
Revenues:		
Gross written contributions	\$ 2,205,496	\$ 2,204,426
Member surplus contributions	352,072	353,191
Reinsurance premiums	(937,317)	(939,436)
Investment income	<u>22,539</u>	<u>21,295</u>
Total	<b>1,642,790</b>	1,639,476
Expenses:		
Losses and loss adjustment expenses	1,163,235	1,065,424
Ceded losses recovered	(175,516)	(98,500)
Administrator, sponsor fees and commissions	502,236	565,595
Professional fees	55,019	58,650
Other expenses	<u>9,120</u>	<u>9,530</u>
Total	<u>1,557,094</u>	1,600,699
Net income	<b>\$ 85,696</b>	\$ 38,777

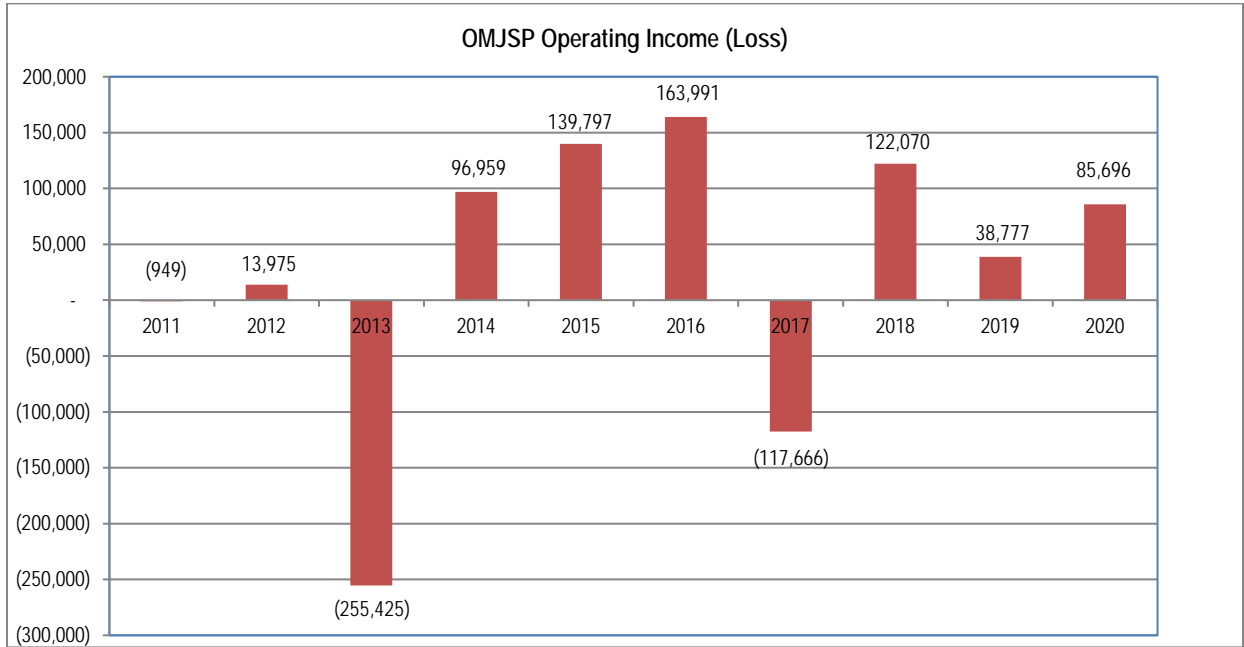
The Pool's gross contribution revenue remained relatively flat at \$2,557,568 in 2020 as compared to \$2,557,617 in 2019. Total net revenues after the deduction for reinsurance expenses increased by less than 1%, or \$2,070, in 2020.

The Pool's net claim loss expense increased by \$20,795, to \$987,719 in 2020 compared to \$966,924 in 2019.

Commissions and administration fee expense decreased by 11%, or \$60,359 in 2020.

The Pool's total net income for the year increased by \$46,919, to \$85,696, in 2020.

**The Pool's income (loss) for the last ten fiscal years is as follows:**



Board of Trustees  
Ohio Municipal Joint Self-Insurance Pool

**Report on the Financial Statements**

We have audited the accompanying financial statements of Ohio Municipal Joint Self-Insurance Pool, which comprise the balance sheets as of March 31, 2020 and 2019 and the related statements of income and changes in accumulated surplus and cash flows for the years then ended, and the related notes to the financial statements.

**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.

**Auditors' 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 audit 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 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 the significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ohio Municipal Joint Self-Insurance Pool as of March 31, 2020 and 2019, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Management's Discussion and Analysis (page 1) and the Schedule of Claims Development Information (page 15) are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2020 on our consideration of Ohio Municipal Joint Self-Insurance Pool's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant 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 Ohio Municipal Joint Self-Insurance Pool's internal control over financial reporting and compliance.

*Petrow Kane Leembuis*

September 15, 2020

# Ohio Municipal Joint Self-Insurance Pool

## Balance Sheets

	<b>March 31</b>	
	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Cash and short term investments	\$ 903,839	\$ 1,567,734
Member contributions receivable	36,570	11,319
Prepaid expenses	-	3,130
Total assets	<u>\$ 940,409</u>	<u>\$ 1,582,183</u>
<b>Liabilities and accumulated surplus</b>		
Losses and loss adjustment expenses payable	\$ 292,357	\$ 550,577
Member contributions received in advance	56,556	536,516
Administrator, sponsor fees and commissions payable	10,836	126
Total liabilities	<u>359,749</u>	<u>1,087,219</u>
Accumulated surplus	<u>580,660</u>	<u>494,964</u>
Total liabilities and accumulated surplus	<u>\$ 940,409</u>	<u>\$ 1,582,183</u>

*See accompanying notes and independent auditors' report.*

## Ohio Municipal Joint Self-Insurance Pool

### Statements of Income and Changes in Accumulated Surplus

	<b>Years ended March 31</b>	
	<b>2020</b>	<b>2019</b>
Operating revenues:		
Gross written contributions	\$ 2,205,496	\$ 2,204,426
Member surplus contributions	352,072	353,191
Reinsurance premiums	(937,317)	(939,436)
	<b>1,620,251</b>	1,618,181
Program expenses:		
Losses and loss adjustment expenses	1,163,235	1,065,424
Ceded losses recovered	(175,516)	(98,500)
	<b>987,719</b>	966,924
Management and administrative expenses:		
Administrator, sponsor fees and commissions	505,236	565,595
Professional fees	55,019	58,650
Other expenses	9,120	9,530
	<b>569,375</b>	633,775
Total operating expenses	<b>1,557,094</b>	1,600,699
Operating income	<b>63,157</b>	17,482
Non-operating revenues:		
Investment income	22,539	21,295
Net increase in accumulated surplus	<b>85,696</b>	38,777
Accumulated surplus beginning of year	<b>494,964</b>	456,187
Accumulated surplus end of year	<b>\$ 580,660</b>	\$ 494,964

*See accompanying notes and independent auditors' report.*

# Ohio Municipal Joint Self-Insurance Pool

## Statements of Cash Flows

	<b>Years ended March 31</b>	
	<b>2020</b>	<b>2019</b>
<b>Operating activities</b>		
Member and surplus contributions received	\$ 2,066,659	\$ 2,765,460
Reinsurance premiums paid	(937,317)	(940,390)
Loss and allocated expenses paid, net of deductibles collected	(1,308,600)	(1,021,223)
Reinsurance, salvage and subrogation recoveries received	49,278	65,645
Administrator, sponsor fees and commissions paid	(491,960)	(582,075)
Professional fees paid	(62,311)	(66,341)
Other expenses	(2,183)	(1,497)
Net cash (used) provided by operating activities	(686,434)	219,579
<b>Investing activities</b>		
Investment income	22,539	21,295
Net cash provided by investing activities	22,539	21,295
Net change in cash and short term investments	(663,895)	240,874
Cash and short term investments at beginning of the year	1,567,734	1,326,860
Cash and short term investments at end of the year	\$ 903,839	\$ 1,567,734
<b>Reconciliation of net income to net cash used by operating activities:</b>		
Operating income	\$ 63,157	\$ 17,482
Cash provided by operating activities:		
Changes in operating assets and liabilities:		
Member contributions receivable	(25,251)	2,949
Losses and loss expenses payable	(258,220)	6,085
Prepaid expenses	3,130	(3,130)
Member contributions received in advance	(479,960)	209,636
Administrator, sponsor fees and commissions payable	10,710	(13,443)
Net cash (used) provided by operating activities	\$ (686,434)	\$ 219,579

*See accompanying notes and independent auditors' report.*

# Ohio Municipal Joint Self-Insurance Pool

## Notes to Financial Statements

March 31, 2020 and 2019

### **1. Organization and Significant Accounting Policies**

#### **Organization**

The Ohio Municipal Joint Self-Insurance Pool (the “Pool”) is an unincorporated nonprofit association which provides a program of property and casualty self-insurance for its member organizations. Membership is restricted to municipal corporations and their instrumentalities in the State of Ohio. Under the terms of the membership agreement, members are subject to a supplemental assessment or a refund, depending on the Pool’s underwriting results for each coverage year.

#### **Basis of Presentation**

The Pool accounts for its activities in an enterprise fund and the accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”), provided that they do not conflict or contradict statements issued by the Government Accounting Standards Board (“GASB”). GASB Statement No. 10 *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* provides standards for accounting and reporting that apply to public entity risk pools.

#### **Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

#### **Short term investments**

All highly liquid investments with maturities of three months or less when purchased are classified as short term investments and are stated at cost, which approximates market.

#### **Losses and Loss Adjustment Expenses Payable**

The liabilities for losses and loss adjustment expenses and incurred but not reported claims are estimated based on historical information and claim experience, and represent management’s best estimate of the ultimate cost of claims. Because the ultimate claim costs can be affected by factors such as inflation, legal settlements and damage awards, the estimation process includes considerable variability. Management believes that the recorded liabilities are adequate. The estimates are continually reviewed and updated as experience develops or new information becomes known; such adjustments are reflected in current operations.



# Ohio Municipal Joint Self-Insurance Pool

## Notes to Financial Statements

March 31, 2020 and 2019

### 1. Organization and Significant Accounting Policies (continued)

#### Revenue Recognition

Policies are billed on an annual basis. Members are charged a contribution for the insurance coverage(s) provided by the Pool, which is recognized as revenue ratably over the term of the policy (one year). The amount of the contribution is dependent on underwriting factors such as past claim experience, rating and market and competitive factors.

#### Concentrations of Credit Risk

All written and surplus contributions are received from cities and municipalities in the State of Ohio.

#### Income Taxes

The Internal Revenue Service (“IRC”) has determined that the Pool is performing an essential governmental function within the provisions of IRC Section 115 and qualifies as a non-taxable entity, therefore is exempt from filing returns.

### 2. Cash and Short Term Investments

Cash represent demand deposits and short term investments held in three accounts at a commercial bank. Custodial credit risk is the risk that depositor’s funds may be lost in the event of a bank failure. Deposits at the Pool’s financial institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Pool has not experienced any losses in its deposits and management believes it is not exposed to any significant risk on it’s cash and investments. At March 31, 2020 and 2019, the Pool’s uninsured cash and investment balances totaled \$653,839 and \$1,317,734, respectively. To limit its interest rate and credit risk, the Pool invests only in short-term cash and U.S. Government securities with a maturity of two years or less. The Pool has not established a limit on the amount of funds that may be invested with any one institution.

### 3. Administrative Services Agreement

The Pool has outsourced its administrative functions to ONB Benefits Administrations LLC DBA JWF Specialty Company (“JWF”), a third-party administrator located in Indiana, under a service agreement effective 2001 and renewable yearly. In accordance with the agreement, JWF performs all policy management, underwriting, billing, claims management and payment functions and financial management for the Pool, and is paid a fee based on a percentage of written contribution. Administrative expenses incurred in connection with this agreement totaled \$271,192 and \$330,380 for the years ended March 31, 2020 and 2019, respectively, and are included in administrator, sponsor fees and commissions in the accompanying statements of income and changes in accumulated surplus.

# Ohio Municipal Joint Self-Insurance Pool

## Notes to Financial Statements

March 31, 2020 and 2019

### 4. Reinsurance

The Pool cedes portions of its gross written contributions to a reinsurer under excess reinsurance agreements in order to limit its losses. Treaty basis excess of loss contracts in-force protect the Pool against losses over the retention level. At March 31, 2020, the Pool's retention levels are \$50,000 and \$100,000 for property and casualty coverages, respectively.

The effect of ceded reinsurance on contributions earned and losses paid for the years ended March 31 is as follows:

	<u>2020</u>	<u>2019</u>
Reinsurance expense	\$ 937,317	\$ 939,436
Ceded losses and loss expenses	175,516	98,500

The Pool remains liable to the extent the reinsuring companies are unable to meet their contractual obligations under reinsurance agreements.

### 5. Losses and Loss Adjustment Expenses Payable

The following table provides a reconciliation of the beginning and ending balances of the liability for losses and loss adjustment expenses:

	<u>2020</u>	<u>2019</u>
Balances at April 1	\$ 550,577	\$ 544,492
Losses incurred related to:		
Current year	607,721	864,918
Prior years	379,998	102,006
Total losses incurred	987,719	966,924
Paid related to:		
Current year	327,918	391,534
Prior years	918,021	569,305
Total paid	1,245,939	960,839
Balance at March 31	<u>\$ 292,357</u>	<u>\$ 550,577</u>

# Ohio Municipal Joint Self-Insurance Pool

## Notes to Financial Statements

March 31, 2020 and 2019

Losses incurred related to prior years varies from previously estimated liabilities as the claims are ultimately settled. The changes in amounts incurred related to prior years are the result of adverse development of settled and open claims.

Losses and loss adjustment expenses payable include a reserve credit for policy deductible amounts billed to the insured. Reserve credits taken for these deductible amounts at March 31 are as follows:

	<u>2020</u>	<u>2019</u>
Deductibles receivable	\$ 104,514	\$ 47,364
Deductibles recoverable	29,115	88,435
	<u>\$ 133,629</u>	<u>\$ 135,799</u>

### 6. Functional Classification of Expenses

Functional classification of expenses for the Pool for the years ended March 31 consisted of the following:

	<u>2020</u>	<u>2019</u>
Program (claims)	\$ 987,719	\$ 966,924
Management and Administrative	569,375	633,775
Total operating expenses	<u>\$ 1,557,094</u>	<u>\$ 1,600,699</u>

### 7. Liquidity

The Pool had \$940,409 and \$1,579,053 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of \$903,839 and \$1,567,734 and member contributions receivable of \$36,570 and \$11,319 as of March 31, 2020 and 2019, respectively. All of the Pool's financial assets are to be used to pay claims and operating expenses.

The Pool is funded by member contributions. The Pool must maintain adequate resources to cover claims and operating expenses. As part of its liquidity management, the Pool has the statutory authority to assess the members for surplus deficiencies. Also as a part of its liquidity management, the Pool has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due. The Pool invests its cash in excess of its daily needs in short-term investments to receive a better return on investment as opposed to leaving cash in a lower yielding checking account. In the event of an unanticipated liquidity need, the Pool has the capability to withdraw cash and liquidate short term investments as needed.

# Ohio Municipal Joint Self-Insurance Pool

## Notes to Financial Statements

March 31, 2020 and 2019

### **8. Subsequent Events**

Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at the date of the balance sheet but arose after that date (that is, nonrecognized subsequent events).

The Pool has evaluated subsequent events through September 15, 2020, the date these financial statements were available for issuance.

Beginning around March 2020, the Covid-19 virus has been declared a global pandemic as it continues to spread rapidly. Business continuity, including supply chains and consumer demand across a broad range of industries and countries could be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

## Required Supplemental Information

Ohio Municipal Joint Self-Insurance Pool

Schedule of Claims Development Information

	Three Months Ended March 31,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gross written premium	585,208	1,313,829	1,765,486	1,741,328	1,993,215	2,197,303	2,262,144	2,217,226	2,204,426	2,205,496
Earned revenue	674,995	1,630,953	2,000,918	2,073,554	2,354,458	2,418,046	2,551,763	2,572,652	2,557,617	2,557,568
less ceded	(378,547)	(1,051,527)	(961,144)	(898,496)	(850,915)	(941,139)	(1,044,710)	(1,002,216)	(939,436)	(937,317)
Net earned	296,448	579,426	1,039,774	1,175,058	1,503,543	1,476,907	1,507,053	1,570,436	1,618,181	1,620,251
Non-claim expenses	160,363	709,587	656,689	533,132	613,926	705,211	634,783	626,936	633,775	569,375
Incurred loss and loss adjustment expenses:										
End of policy year	460,115	517,975	411,642	345,890	477,702	398,785	393,160	642,843	732,023	423,709
End of first year	445,987	723,255	528,067	447,739	586,607	582,665	539,153	883,105	994,361	
End of second year	481,297	792,761	703,140	503,800	660,148	788,917	571,498	955,353		
End of third year	477,906	833,317	688,102	542,376	634,910	809,692	733,555			
End of fourth year	476,458	814,800	743,858	529,684	629,860	835,319				
End of fifth year	481,445	826,023	749,116	561,294	629,134					
End of sixth year	478,661	810,617	749,116	591,294						
End of seventh year	478,661	810,604	786,116							
End of eighth year	478,661	810,604								
End of ninth year	478,661									
Paid losses and loss adjustment expenses (cumulative) as of:										
End of policy year	284,330	227,755	254,970	164,045	266,618	240,611	244,243	456,222	391,534	327,918
End of first year	372,625	451,891	434,110	378,599	485,794	410,484	448,003	744,151	775,651	
End of second year	423,278	707,144	507,668	431,258	577,777	562,003	471,531	909,927		
End of third year	476,214	787,153	684,381	499,546	627,812	775,984	909,927			
End of fourth year	476,445	798,736	714,203	515,418	629,134	813,120				
End of fifth year	477,989	810,472	746,116	528,135	629,134					
End of sixth year	478,661	810,604	746,116	576,549						
End of seventh year	478,661	810,604	765,518							
End of eighth year	478,661	810,604								
End of ninth year	478,661									

See accompanying notes and independent auditors' report.

**Independent Auditors' Report on Internal Control  
over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

Board of Trustees  
Ohio Municipal Joint Self-Insurance Pool

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 Ohio Municipal Joint Self-Insurance Pool, which comprise the balance sheets as of March 31, 2020 and 2019, and the related statements of income and changes in accumulated surplus and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated September 15, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audits of the financial statements, we considered Ohio Municipal Joint Self-Insurance Pool'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 Ohio Municipal Joint Self-Insurance Pool's internal control. Accordingly, we do not express an opinion on the effectiveness of Ohio Municipal Joint Self-Insurance Pool'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 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.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Ohio Municipal Joint Self-Insurance Pool's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect of 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 Ohio Municipal Joint Self-Insurance Pool's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ohio Municipal Joint Self-Insurance Pool's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Petrow Kane Leenhuis*

September 15, 2020



# OHIO AUDITOR OF STATE KEITH FABER



## OHIO MUNICIPAL JOINT SELF INSURANCE POOL OUT OF STATE

### AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 12/8/2020

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)