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**MARION PUBLIC HEALTH
MARION COUNTY
Regular Audit
For the Years Ended December 31, 2016 and 2015**

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Dave Yost • Auditor of State

Members of the Board
Marion Public Health
181 S. Main Street
Marion, Ohio 43302

We have reviewed the *Independent Auditor's Report* of the Marion Public Health, Marion County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2015 through December 31, 2016. 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 Marion Public Health is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

September 1, 2017

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**MARION PUBLIC HEALTH
MARION COUNTY**

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INDEPENDENT AUDITOR'S REPORT

June 28, 2017

Marion Public Health
Marion County
181 S. Main Street
Marion, Ohio 43302

To the Members of the Board:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of **Marion Public Health**, Marion County, (the District) as of and for the years ended December 31, 2016 and 2015.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2016 and 2015, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Marion Public Health, Marion County as of December 31, 2016 and 2015, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permits, described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2017, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**MARION PUBLIC HEALTH
MARION COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts:			
Charges for Services	\$ 157,208	\$ 174,867	\$ 332,075
Fines, Licenses, and Permits	80,209	202,376	282,585
Intergovernmental:			
Apportionments/Subdivisions	233,113	-	233,113
Grants	124,589	562,602	687,191
Other/City Assessment	426,214	215,685	641,899
Miscellaneous	56,241	57,048	113,289
	1,077,574	1,212,578	2,290,152
Cash Disbursements:			
Current:			
Health:			
Salaries & Benefits	484,445	825,569	1,310,014
Supplies	14,254	32,582	46,836
Equipment	7,216	15,833	23,049
Contract Services	136,486	63,753	200,239
Travel & Expenses	3,091	24,300	27,391
Advertising and Printing	3,933	8,577	12,510
Maintenance	-	22,136	22,136
Improvements	-	7,759	7,759
Other Expenses	3,966	2,782	6,748
Vaccine	-	49,460	49,460
Remittance-State	77,909	12,563	90,472
State of Ohio Permit Fee	-	5,318	5,318
Utilities	32,989	14,698	47,687
HSTS Improvement Assist	-	82,155	82,155
Debt Service:			
Principal Retirement	-	18,975	18,975
Interest and Fiscal Charges	-	18,935	18,935
	764,289	1,205,395	1,969,684
Excess of Cash Receipts Over/(Under) Disbursements	313,285	7,183	320,468
Other Financing Receipts/(Disbursements):			
Transfers-In	-	66,700	66,700
Transfers-Out	(63,000)	(3,700)	(66,700)
Advances-In	125,000	120,000	245,000
Advances-Out	(120,000)	(125,000)	(245,000)
	(58,000)	58,000	-
Net Change in Fund Cash Balances	255,285	65,183	320,468
Fund Cash Balances, January 1	211,701	569,753	781,454
Fund Cash Balances, December 31			
Restricted	-	634,936	634,936
Assigned	68,487	-	68,487
Unassigned	398,499	-	398,499
	\$ 466,986	\$ 634,936	\$ 1,101,922

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

**MARION PUBLIC HEALTH
MARION COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts:			
Charges for Services	\$ 160,389	\$ 158,166	\$ 318,555
Fines, Licenses, and Permits	59,125	168,491	227,616
Intergovernmental:			
Apportionments/Subdivisions	210,505	-	210,505
Grants	14,153	629,576	643,729
Other/City Assessment	476,851	141,433	618,284
Miscellaneous	39,798	69,162	108,960
	<u>960,821</u>	<u>\$1,166,828</u>	<u>2,127,649</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
Health:			
Salaries & Benefits	458,105	975,846	1,433,951
Supplies	19,249	50,557	69,806
Equipment	4,148	38,403	42,551
Contract Services	119,235	80,629	199,864
Travel & Expenses	1,197	17,620	18,817
Advertising and Printing	2,993	5,266	8,259
Maintenance	-	11,862	11,862
Improvements	-	21,921	21,921
Other Expenses	3,099	7,729	10,828
Vaccine	-	37,544	37,544
Remittance-State	80,781	3,465	84,246
State of Ohio Permit Fee	-	11,186	11,186
Utilities	24,397	21,568	45,965
Debt Service:			
Principal Retirement	-	18,271	18,271
Interest and Fiscal Charges	-	19,640	19,640
	<u>713,204</u>	<u>1,321,507</u>	<u>2,034,711</u>
Total Cash Disbursements			
Excess of Cash Receipts Over/(Under) Disbursements	<u>247,617</u>	<u>(154,679)</u>	<u>92,938</u>
Other Financing Receipts/(Disbursements):			
Transfers-In	1,600	149,481	151,081
Transfers-Out	(149,276)	(1,805)	(151,081)
Advances-In	140,000	190,000	330,000
Advances-Out	(190,000)	(140,000)	(330,000)
	<u>(197,676)</u>	<u>197,676</u>	<u>-</u>
Total Other Financing Receipts/(Disbursements)			
Net Change in Fund Cash Balances	49,941	42,997	92,938
Fund Cash Balances, January 1	<u>161,760</u>	<u>526,756</u>	<u>688,516</u>
Fund Cash Balances, December 31			
Restricted	-	569,753	569,753
Assigned	69,074	-	69,074
Unassigned	142,627	-	142,627
	<u>211,701</u>	<u>569,753</u>	<u>781,454</u>
Fund Cash Balances, December 31			

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

**MARION PUBLIC HEALTH
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 1 - Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Marion Public Health, Marion County, Ohio (the District) as a body corporate and politic. A seven-member Board and a Health Commissioner govern the District. The District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services and issues health-related licenses and permits.

On January 1, 2010, the District Board of Health, Marion County, and the City of Marion Health Department merged, creating a new entity known as Marion Public Health.

The District participates in a public entity risk pool. Note 8 to the financial statements provides additional information for this entity. This organization is:

Public Entity Risk Pool:

Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments.

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

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

1. General Fund

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

2. Special Revenue Funds

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

Women, Infants, and Children (WIC) Fund – This Federal grant fund accounts for the Special Supplemental Nutrition Program.

Child and Family Health Fund - This fund receives grant revenue and program income from clinics. The revenue is used for the staff and for supplies to provide services.

Public Health Nursing Fund - This fund receives income from various clinics and an interagency agreement with Bureau of Children with Medical Handicaps. This revenue is used for the staff and for supplies to provide services.

**MARION PUBLIC HEALTH
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 2 - Summary of Significant Accounting Policies (Continued)

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

The Ohio Revised Code requires the District to budget each fund annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The County Budget Commission must also approve the annual appropriation measure and amendments thereto. Unencumbered appropriations lapse at year-end.

2. Estimated Resources

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

3. Encumbrances

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

A summary of 2016 and 2015 budgetary activity appears in Note 3.

Capital Assets

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

Accumulated Leave

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

**MARION PUBLIC HEALTH
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 2 - Summary of Significant Accounting Policies (Continued)

Fund Balance

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

1. Nonspendable

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

2. Restricted

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

3. Committed

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

4. Assigned

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

5. Unassigned

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

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

**MARION PUBLIC HEALTH
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 3 - Budgetary Activity

Budgetary activity for the years ending December 31, 2016 and 2015 follows:

2016 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 948,526	\$ 1,077,574	\$ 129,048
Special Revenue	1,509,490	1,279,278	(230,212)
Total	<u>\$ 2,458,016</u>	<u>\$ 2,356,852</u>	<u>\$ (101,164)</u>

2016 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,047,257	\$ 895,776	\$ 151,481
Special Revenue	1,669,377	1,310,176	359,201
Total	<u>\$ 2,716,634</u>	<u>\$ 2,205,952</u>	<u>\$ 510,682</u>

2015 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 969,940	\$ 962,421	\$ (7,519)
Special Revenue	1,330,663	1,316,309	(14,354)
Total	<u>\$ 2,300,603</u>	<u>\$ 2,278,730</u>	<u>\$ (21,873)</u>

2015 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,050,921	\$ 931,554	\$ 119,367
Special Revenue	1,606,330	1,390,987	215,343
Total	<u>\$ 2,657,251</u>	<u>\$ 2,322,541</u>	<u>\$ 334,710</u>

Note 4 - Deposits and Investments

As required by the Ohio Revised Code, the Marion County Treasurer is custodian for the District's deposits. The County's deposit and investment pool holds the District's assets, valued at the Treasurer's reported carrying amount.

Note 5 – Intergovernmental Funding

The County apportions the excess of the District's appropriations over other estimated receipts among the township and municipalities composing the District, based on their taxable property valuations. The County withholds the apportioned excess from the property tax settlements and distributes it to the District. The financial statements present these amounts as intergovernmental receipts.

**MARION PUBLIC HEALTH
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 6 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. For 2016 and 2015, OPERS members contributed 10% of their gross salaries and the District contributed an amount equaling 14% of participants' gross salaries. The District has paid all contributions required through December 31, 2016.

Note 7 - Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, that includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. OPERS contributes 2 percent of the employer contribution to fund these benefits.

Note 8 – Risk Management

The District is exposed to various risks of property and casualty losses, and injuries to employees.

The District insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2016, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

**MARION PUBLIC HEALTH
MARION COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 8 – Risk Management (Continued)

Financial Position

PEP’s financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Assets	\$42,182,281	\$38,307,677
Liabilities	(13,396,700)	(12,759,127)
Net Position	<u>\$28,785,581</u>	<u>\$25,548,550</u>

At December 31, 2016 and 2015, respectively, the liabilities above include approximately \$12.0 million and \$11.5 million of estimated incurred claims payable. The assets above also include approximately \$11.5 million and \$11.0 million of unpaid claims to be billed. The Pool’s membership increased from 520 members in 2016 to 499 members in 2015. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the District’s share of these unpaid claims collectible in future years is approximately \$9,000.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

<u>Contributions to PEP</u>	
<u>2016</u>	<u>2015</u>
\$14,434	\$15,086

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year’s contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

Note 9 – Contingent Liabilities

Management believes there are no pending claims or lawsuits.

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



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

June 28, 2017

Marion Public Health
Marion County
181 S. Main Street
Marion, Ohio 43302

To the Members of the Board:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the **Marion Public Health**, Marion County, (the District) as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements and have issued our report thereon date June 28, 2017, wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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Compliance and Other Matters

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

Purpose of this Report

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



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio



Dave Yost • Auditor of State

MARION PUBLIC HEALTH

MARION 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
SEPTEMBER 14, 2017**