

**CENTRAL OHIO RISK MANAGEMENT
ASSOCIATION (“CORMA”) SELF-INSURANCE POOL, INC.**

FRANKLIN COUNTY, OHIO

BASIC FINANCIAL STATEMENTS

***FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2015***

DEBRA MILLER, CPA, SECRETARY/TREASURER



Dave Yost • Auditor of State

Board of Trustees
Central Ohio Risk Management Association Self-Insurance Pool, Inc.
47 Hall Avenue
Powell, Ohio 43065

We have reviewed the *Independent Auditor's Report* of the Central Ohio Risk Management Association Self-Insurance Pool, Inc., Franklin County, prepared by Julian & Grube, Inc., for the audit period October 1, 2014 through September 30, 2015. 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 Risk Management Association Self-Insurance Pool, Inc. is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

May 23, 2016

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**CENTRAL OHIO RISK MANAGEMENT ASSOCIATION
("CORMA") SELF-INSURANCE POOL, INC.
FRANKLIN COUNTY, OHIO**

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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Central Ohio Risk Management Association Self-Insurance Pool, Inc.
c/o City of Powell
Franklin County
47 Hall Avenue
Powell, Ohio 43065

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the Central Ohio Risk Management Association Self-Insurance Pool (CORMA), Franklin County, Ohio, as of and for the fiscal year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise CORMA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are 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 CORMA'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 CORMA's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of overall financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CORMA, Franklin County, Ohio, as of September 30, 2015, and the respective changes in financial position and its cash flows for the fiscal year then ended in accordance with the 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 this presentation to include *Management's discussion and analysis* and *Ten-year loss development information*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2016, on our consideration of CORMA'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 CORMA's internal control over financial reporting and compliance.



Julian & Grube, Inc.
March 10, 2016

CORMA SELF-INSURANCE POOL, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

The discussion and analysis of the Central Ohio Risk Management Association (CORMA) Self-Insurance Pool, Inc.'s (the "Association") financial performance provides an overall review of the Association's financial activities for the fiscal year ended September 30, 2015. The intent of this discussion and analysis is to look at the Association's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Association's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2015 are as follows:

- The Association's net position at September 30, 2015 was \$2,186,893. This represents an increase of \$268,532, or 14.00% from September 30, 2014.
- The Association has hired an independent actuary, Financial Risk Analysts, LLC, to determine the loss and loss adjustment expense reserves. Based upon the actuary's report, the loss and loss adjustment expense reserves was \$943,273 at September 30, 2015, compared to \$783,424 at September 31, 2014.
- The Association had operating revenues of \$1,739,300 and operating expenses of \$1,509,629 for fiscal year 2015. The Association had \$28,861 in interest revenue and \$10,000 in grants and subsidies. Operating income and the change in net position for the fiscal year were \$229,671 and \$268,532, respectively.

Using these Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Association's financial activities. The *statement of net position* and the *statement of revenues, expenses, and changes in net position* provide information about the activities of the Association, including all short-term and long-term financial resources and obligations. The *statement of cash flows* provides information about the Association's short-term cash flows needs to support operations.

Reporting the Association Financial Activities

Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows

These documents look at all financial transactions and ask the question, "How did the Association perform financially during fiscal year 2015?" The statement of net position and the statement of revenues, expenses and changes in net position answer this question. These statements include *all assets, liabilities, revenues and expenses* using the *accrual basis of accounting*, similar to the accounting used by most private-sector companies. This basis of accounting considers all current year's revenues and expenses regardless of when cash is received or paid.

The statement of net position and the statement of revenues, expenses and changes in net position report the Association's *net position* and changes in that position. This change in net position is important because it tells the reader that, for the Association as a whole, the *financial position* of the Association has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. The Association's statement of net position and statement of revenues, expenses and changes in net position can be found on pages 8-9 of this report. The statement of cash flows provides information about how the Association's finances and meets the cash flow needs of its operations. The statement of cash flows can be found on page 10 of this report.

CORMA SELF-INSURANCE POOL, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. These notes to the basic financial statements can be found on pages 11-21 of this report.

Required Supplementary Information

Ten years of loss development information can be found on pages 22-24 of this report.

Net Position and Changes in Net Position

The table below provides a summary of the Association's net position for fiscal years 2015 and 2014.

	Net Position	
	<u>2015</u>	<u>2014</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 1,288,374	\$ 947,285
Investments	1,773,338	1,752,913
Receivables:		
Accounts	68,265	-
Accrued interest	<u>3,952</u>	<u>1,754</u>
Total assets	<u>3,133,929</u>	<u>2,701,952</u>
<u>Liabilities:</u>		
Accounts payable and accrued expenses	3,763	167
Loss and loss adjustment expense reserves	<u>943,273</u>	<u>783,424</u>
Total liabilities	<u>947,036</u>	<u>783,591</u>
<u>Net Position:</u>		
Unrestricted	<u>2,186,893</u>	<u>1,918,361</u>
Total net position	<u>\$ 2,186,893</u>	<u>\$ 1,918,361</u>

The Association maintained the approximate same level of investments in 2015 as in 2014 while cash and cash equivalents increased primarily due to the receipt of certain 2015 member premiums. The Association's investments consisted primarily of federal agency securities.

Accounts receivable increased as the Association incurred losses over the Association's self-insured retention amounts which are subject to reimbursement by commercial insurance carriers.

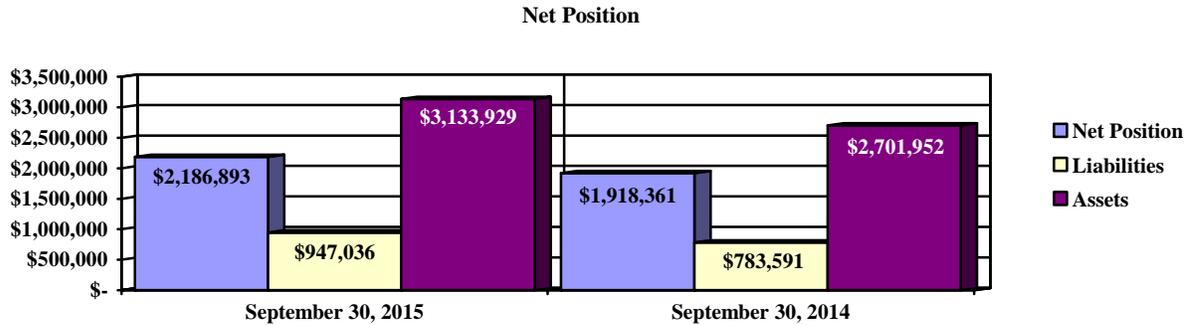
The loss and loss adjustment expense reserve increased \$159,849, or 20.41%, from September 30, 2014. The loss and loss adjustment expense reserve at fiscal year-end is provided by Financial Risk Analysts, LLC, the Association's independent actuary.

Overall, net position increased by \$268,532 from the prior year.

CORMA SELF-INSURANCE POOL, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

The chart below shows a breakdown of the Associations assets, liabilities and net position for 2015 and 2014:



The table below shows the changes in net position for fiscal years 2015 and 2014.

Change in Net Position

	2015	2014
<u>Operating revenues:</u>		
Insurance premiums	\$ 937,475	\$ 820,890
Loss fund contributions	600,000	600,000
Claims handling fees	50,000	50,000
Administrative and professional fees	125,000	96,927
Other revenues	26,825	11,400
Total operating revenue	<u>1,739,300</u>	<u>1,579,217</u>
<u>Operating expenses:</u>		
Loss and loss adjustment expenses, net	365,014	204,344
Insurance premiums	937,475	820,889
Administration fees	128,365	96,927
Claims handling fees	50,000	50,252
Professional fees	19,779	23,030
Miscellaneous expenses	8,996	16,077
Total operating expenses	<u>1,509,629</u>	<u>1,211,519</u>
Operating income	<u>229,671</u>	<u>367,698</u>
<u>Non-operating revenues:</u>		
Refunds and reimbursements	-	178,385
Grants and subsidies	10,000	10,000
Investment income	28,861	8,802
Total non-operating revenues	<u>38,861</u>	<u>197,187</u>
Change in net position	268,532	564,885
Net position, October 1	<u>1,918,361</u>	<u>1,353,476</u>
Net position, September 30	<u>\$ 2,186,893</u>	<u>\$ 1,918,361</u>

CORMA SELF-INSURANCE POOL, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

Net position was primarily affected by the fluctuation in the estimated loss and loss adjustment expense reserves, net, reported at September 30, 2015 and 2014 of \$943,273 and \$783,424, respectively. Fluctuations in the liability are reported as a component of the loss and loss adjustment expenses, net for each respective year. The fluctuation in the loss and loss adjustment expenses, net, between 2015 and 2014 resulted from differences between actuarial estimates of provisions for insured events from the current and prior years.

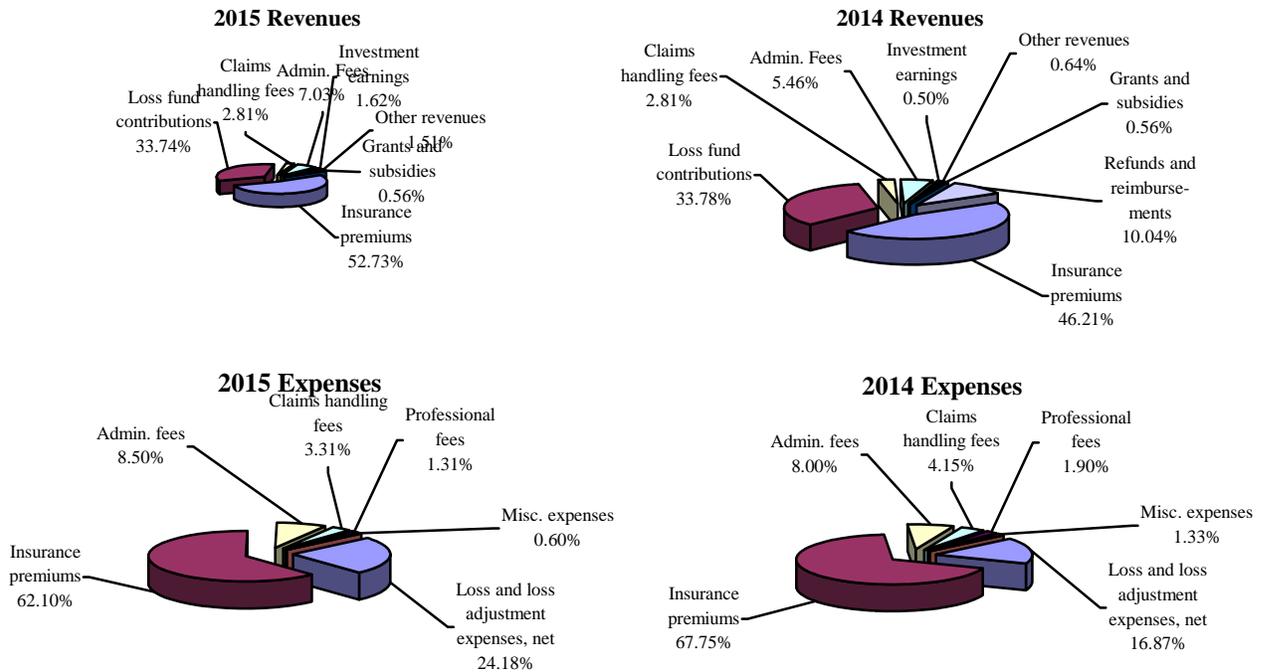
Insurance premium revenue increased \$116,585 from 2014 to 2015. The Association had the same number of members in 2015 as in 2014. Overall, operating revenue increased \$160,083 or 10.14% from fiscal year 2014.

Investment income increased \$20,059 from fiscal year 2014 due to increased investment activity and the timing of maturities. The Association also received \$10,000 in grants and subsidies in 2015 consistent with 2014.

The Association received substantial refunds and reimbursements in 2014 but did not receive any in 2015. The Association expects to receive refunds and reimbursements in 2016 namely to cover incurred losses over the Association's self-insured retention amounts which are reimbursable by commercial insurance carriers.

Operating expenses for the loss and loss adjustment expense, net, insurance premiums, administration fees and professional fees increased due to increased activity in 2015. Operating expenses for claims handling fees and miscellaneous expenses decreased from 2014 to 2015. Overall, operating expenses increased \$298,110 or 30.24% from fiscal year 2014.

The charts below reflect the percentage of the revenues and expenses in fiscal years 2015 and 2014:



CORMA SELF-INSURANCE POOL, INC.

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

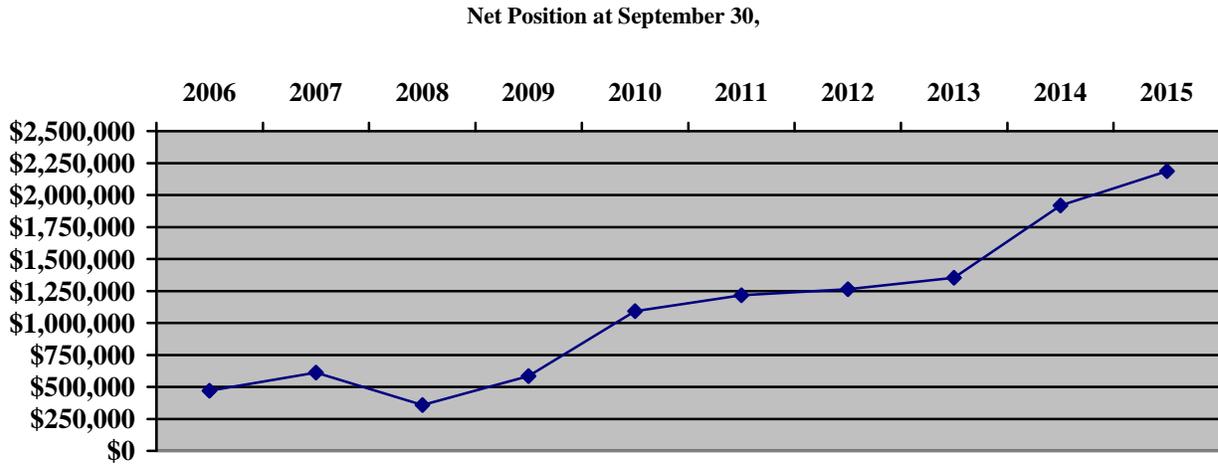
Capital Assets and Debt Administration

At September 30, 2015 the Association had no capital assets or outstanding debt obligations.

Current Financial Related Activities

The Association is committed to providing its member cities with the advantages of a large buying cooperative, while maintaining control by local city leadership. The Association continues to look at other members who meet the established criteria. Underwriting considerations are of utmost importance in reviewing new membership applications. The Association is committed to protecting the financial interests of its members and will not admit a new member that would have an adverse impact on the Association.

The Association’s net position for the last ten fiscal years is as follows:



Establishing premiums that satisfy all claims, administration fees, and other expenses of the Association, in addition to enhancing the net position is important for the short-term and long-term interests of the Association.

Contacting the Association’s Financial Management

This financial report is designed to provide interested users and our membership with a general overview of the Association’s finances and to show the Association’s accountability for the money it receives. If you have questions about this report or need additional financial information contact Ms. Debra Miller, 47 Hall Street, Powell, Ohio 43065 or by calling (614) 885-5380.

CORMA SELF-INSURANCE POOL, INC.

STATEMENT OF NET POSITION
SEPTEMBER 30, 2015

Assets:

Current assets:

Cash and cash equivalents	\$ 1,288,374
Receivables:	
Accounts	68,265
Accrued interest.	<u>3,952</u>

Total current assets	<u>1,360,591</u>
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Noncurrent assets:

Investments	<u>1,773,338</u>
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Total assets	<u>3,133,929</u>
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Liabilities:

Current liabilities:

Accounts payable and accrued expenses	3,763
Loss and loss adjustment expense reserves (see Note 6).	<u>943,273</u>

Total liabilities	<u>947,036</u>
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Net position:

Unrestricted.	<u>2,186,893</u>
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Total net position	<u>\$ 2,186,893</u>
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THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CORMA SELF-INSURANCE POOL, INC.

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

Operating revenues:	
Member contributions:	
Insurance premiums	\$ 937,475
Loss fund contributions	600,000
Claims handling fees	50,000
Administrative fees	125,000
Other revenue.	<u>26,825</u>
 Total operating revenues	 <u>1,739,300</u>
Operating expenses:	
Loss and loss adjustment expenses, net (see Note 7)	365,014
Insurance premiums	937,475
Administration fees	128,365
Claims handling fees	50,000
Professional fees.	19,779
Miscellaneous expenses	<u>8,996</u>
 Total operating expenses.	 <u>1,509,629</u>
Operating income.	<u>229,671</u>
Non-operating revenues:	
Grants and subsidies	10,000
Investment income	<u>28,861</u>
 Total non-operating revenues.	 <u>38,861</u>
 Change in net position.	 268,532
Net position, October 1	<u>1,918,361</u>
Net position, September 30	<u><u>\$ 2,186,893</u></u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CORMA SELF-INSURANCE POOL, INC.

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

Cash flows from operating activities:	
Cash received from members	\$ 1,712,475
Cash received from other operations	26,825
Cash payments to suppliers for services.	(1,200,667)
Cash payments for covered losses.	(205,165)
Cash payments for miscellaneous expenses	(8,617)
	324,851
Cash flows from noncapital financing activities:	
Cash received from nonoperating grants	10,000
	10,000
Cash flows from investing activities:	
Purchase of investments.	(1,307,034)
Redemption of investments	1,297,803
Interest received.	15,469
	6,238
Net cash provided by investing activities	6,238
Net increase in cash and cash equivalents	341,089
Cash and cash equivalents, October 1	947,285
Cash and cash equivalents, September 30	\$ 1,288,374
	1,288,374
Reconciliation of operating income to net cash provided by operating activities:	
Operating income.	\$ 229,671
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
(Increase) in accounts receivable	(68,265)
Increase in accounts payable and accrued expenses	3,596
Increase in loss and loss adjustment expense reserves	159,849
	159,849
Net cash provided by operating activities	\$ 324,851
	324,851

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

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CORMA SELF-INSURANCE POOL, INC.

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 1 - DESCRIPTION OF THE ENTITY

The Central Ohio Risk Management Association (CORMA) Self-Insurance Pool, Inc. (the "Association") is a legally separate entity organized under Ohio Revised Code Section 1702.01. The Association was established on September 24, 1997. The Association was formed to administer a joint self-insurance pool under Chapter 2744.081 of the Ohio Revised Code for the public purpose of enabling the subscribing political subdivisions to obtain insurance coverage, to provide methods for paying claims and to provide for a formalized, jointly administered self-insurance fund for its members. The Association is administered by a Board of Trustees appointed by the Members of the Association.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Association have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Association's significant accounting policies are described below.

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39 "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the basic financial statements of the Association are not misleading. On this basis, no governmental organizations or agencies other than the Association itself are included in the financial reporting entity.

B. Fund Accounting

The Association maintains its accounting records in accordance with the principles of "fund" accounting. Fund accounting is a concept developed to meet the needs of government entities in which legal or other restraints require the recording of specific revenues and expenses. The Association uses an enterprise fund to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for public policy, management control, accountability or other purposes.

C. Basis of Accounting/Measurement Focus

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

For financial statement presentation purposes, the Association utilizes the accrual basis of accounting. Under this method of accounting, revenues are recognized when they are earned and expenses are recognized when the liability is incurred.

CORMA SELF-INSURANCE POOL, INC.

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

The Association distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from charges to members for insurance premiums, loss fund contributions, claims handling fees and administrative fees. Operating expenses for the Association include the payment of loss and loss adjustment expenses, insurance premiums, administrative fees, claims handling fees, professional fees and miscellaneous expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Non-operating revenues include investment income and grants and subsidies.

D. Assets, Liabilities, and Net Position

Cash and Investments:

During fiscal year 2015, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, Federal Home Loan Bank (FHLB) securities and a U.S. government money market mutual fund. Investments are reported at fair value, which is based on quoted market prices. The fair value of investments at September 30, 2015 is presented on the statement of net position as "investments".

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price at which the investment could be sold on September 30, 2015.

For purposes of the statement of cash flows and for reporting on the statement of net position, investments with original maturities of three months or less at the time they are purchased by the Association are considered to be "cash equivalents". Investments with an initial maturity of more than three months are considered to be "investments".

The Association maintains three individual accounts for claims, losses, and administrative costs. Each separate account is a depository account with a financial institution. The total of the depository accounts, STAR Ohio investment account, and the U.S. government money market mutual fund is presented on the statement of net position as "cash and cash equivalents".

An analysis of the Association's cash and investments at fiscal year-end is provided in Note 4.

CORMA SELF-INSURANCE POOL, INC.

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Receivables:

All receivables are shown net of an allowance for uncollectible amounts, as applicable. Receivables in excess of 90 days are evaluated for the ability to collect them and an allowance is established, as deemed necessary, based on the best information available and in an amount that management believes is adequate. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. The Association has recorded receivables for the reimbursement of losses over the Association's self-insured retention amounts and for accrued interest on investments in federal agency securities at September 30, 2015.

Loss and loss adjustment expense reserves:

Provisions for loss reserves and loss adjustment expense reserves are based on information reported by members and are calculated by an actuary. These amounts represent an estimate of reported unpaid claims plus a provision for claims incurred but not reported. Adjustments to this reserve account are charged or credited to expense in the period in which they are made. The Association's management believes that the estimate of the liability for loss reserves is reasonable; however, actual incurred loss and loss adjustment expense may not conform to the assumptions inherent in the determination of the liability. Accordingly, the ultimate settlement of losses and the related loss adjustment expense may vary from the estimated amounts included in the accompanying financial statements. Should the provision for loss reserves be insufficient, supplemental contributions will be assessed to the Association members. See Note 6 for more information of the Association's loss and loss adjustment expense reserves.

Net position:

Net position is the excess of revenues over expenses during the period in which the Association has been in existence. If adequate provision has been made for the payment of all claims and expenses of the Association, the Board of Trustees, at its discretion, may distribute surplus funds to members during that particular year, provided that such members are also members in the year in which the distribution is made. In lieu of distributing surplus funds to the members, the Board may carry forward the surplus to offset annual or supplemental payments in the subsequent fiscal year.

In the event the Association is terminated, all members of the Association are obligated for any necessary supplemental payments applicable to the years during which they were members. After all claims and related expenses have been paid or reserves established for the payment of any such claims, any surplus funds will be distributed to members, past or present, who constituted the Association for that fiscal year.

E. Revenues and Expenses

Premiums, member and supplemental contributions, claims handling fees and administrative fees:

Premiums are determined based on the member's allocated insurance coverage costs as determined by the Association administrator and are recognized ratably as revenue and the related expense over the insurance coverage period.

CORMA SELF-INSURANCE POOL, INC.

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Member and supplemental contributions are determined based on a formula approved by the Board of Trustees and applied to all members to provide sufficient funds within the self-insurance pool to adequately fund administrative expenses of the Association and to create adequate reserves for claims and unallocated loss adjustment expense.

Under the terms of the cooperative agreement, should the annual contributions not be sufficient to fund operations or obligations of the Association, additional supplementary payments shall be required to be made by every member based on the formula used to determine the annual contributions.

Claims handling and administrative fees are based on a contract with a third party and are recognized ratably as revenue and the related expense by the Association over the term of the agreement.

Insurance coverage:

The Association provides insurance coverage for various lines of insurance including property, general liability, automobile liability, automobile physical damage, police liability occurrences and errors and omissions claims. The self-insured portion is limited to annual aggregates. Losses over the Association's self-insured retention amounts are payable by commercial insurance policies, only to the extent limits and coverage applies.

The Association has an agreement with a company to administer claims and loss control. During fiscal year 2015, the Association used Financial Risk Analysts, LLC as their independent actuary and Wichert Insurance Services, Inc. as their claims administrator and insurance broker. Wichert Insurance Services, Inc. handles all past and future claims.

F. Budgetary Process

Under Ohio law, the Association is not required to follow a budgetary process and, therefore, no budgetary information is provided in these basic financial statements.

G. Estimates

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

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with finance-related legal and contractual provisions:

The Association had no material violations of finance-related legal and contractual provisions.

Change in Accounting Principles:

For fiscal year 2015, the Association has implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27", GASB Statement No. 69 "Government Combinations and Disposals of Government Operations", and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68".

CORMA SELF-INSURANCE POOL, INC.

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - (Continued)

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the Association.

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 did not have an effect on the financial statements of the Association.

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities. The implementation of GASB Statement No. 71 did not have an effect on the financial statements of the Association.

NOTE 4 - DEPOSITS AND INVESTMENTS

The Treasurer of the Association pools all available cash of the Association for investment purposes. The Association's investment policy, as approved by the Association's Board, serves to define authorized investments and eligible investment transactions of the Association. Eligible investments may be derived from, or based upon Chapter 135.14 of the Ohio Revised Code (ORC), and/or include certain other investments not authorized or defined under 135.14 ORC. Investments not defined in 135.14 ORC, but authorized pursuant to the Association's investment policy, are considered as authorized investments of the Association. In some sections, the Association's investment policy places further limits upon the use of eligible investments or investment transactions. State statute and the Association's investment policy allow monies to be deposited or invested in the following:

1. United States Government Securities including bills, notes, bonds, debentures, or any other obligations or securities issued by the U.S. treasury or any other obligation guaranteed as to principal and interest by the United States;
2. United States Agency or Instrumentality Securities including bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to the Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Government National Mortgage Association (GNMA). All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Time Certificates of Deposit, Savings Accounts, and Deposit accounts including interest bearing time certificates of deposit, savings accounts, and deposit accounts of any eligible public depository as defined by ORC, provided that any such deposits and savings accounts are properly insured or secured by collateral as prescribed below;

CORMA SELF-INSURANCE POOL, INC.

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

4. Repurchase Agreements (Repo's). Before transacting a repurchase agreement with a particular broker/dealer or eligible institution, a Master Repurchase Agreement must be entered into between the Association and such broker or eligible institution. The term of a repurchase agreement may not exceed 30 days. Each Master Repurchase Agreement will provide for the collateralization of each repurchase agreement in accordance with ORC. The market value of the collateral shall not be less than 102% of the principal amount of each repurchase agreement and the collateral shall be marked to market daily;
5. State Government Securities including bonds and other obligations of the State of Ohio;
6. The State of Ohio investment pool, the State Treasury Asset Reserve of Ohio, otherwise known as STAR Ohio;
7. No-load money market mutual funds consisting exclusively of obligations described in sections (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in no-load money market mutual funds are made only through financial institutions eligible for deposit as authorized by ORC section 135.03; and
8. Bankers Acceptances of banks that are members of the federal deposit insurance corporation to which obligations both of the following apply: (1) the obligations are eligible for purchase by the Federal Reserve System and (2) the obligations mature no later than one hundred eighty days after purchase.

The Association's investment policy places the following limitations on investments as follows:

1. Limitation of investments of any single institution or issuer:
 - (a) The Association's investment with any individual issuer shall not constitute more than five percent (5%) of such issuer's total outstanding issue in Bankers Acceptances, or corporate medium term notes.
 - (b) The total value of certificates of deposit, purchased from any individual financial institution, shall not exceed three percent (3%) of the institutions total time deposits, provided that such total deposits do not exceed five percent (5%) of the Association's average portfolio at the time of purchase.
2. Limitations on the investment of interim funds:
 - (a) The aggregate investments in Bankers Acceptances shall not exceed twenty five percent (25%) of the Association's average portfolio, at the time of purchase.
 - (b) The aggregate total of all corporate medium term notes shall not exceed fifteen percent (15%) of the average portfolio, based upon purchase cost or book value, at the time of purchase. Bankers Acceptances shall not be considered when calculating the maximum holdings in any single issuer.
 - (c) The use of derivative securities, as defined in Ohio Revised Code §135.14 (C), is expressly prohibited.
 - (d) Collateralized mortgage obligations (CMO's) of any kind are expressly prohibited.
 - (e) All eligible investments will mature within five (5) years from the date of settlement.

CORMA SELF-INSURANCE POOL, INC.

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Investments in derivatives and in stripped principal or interest obligations of eligible obligations are strictly prohibited.

Protection of the Association's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Association by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

The Association's investment policy prescribes that securities purchased for Association will be held in safekeeping by a qualified trustee as provided in Section 135.37 ORC. Securities held in safekeeping by the custodian will be evidenced by a monthly statement describing such securities. The custodian may safe keep the Association's securities in (1) Federal Reserve Bank book entry form; (2) Depository Trust Company (DTC) book entry form in the account of the custodian or the custodian's correspondent bank; or (3) Non-book entry (physical) securities held by the custodian or the custodian's correspondent bank. All securities transactions will settle using standard delivery-vs-payment (DVP) procedures. The records of the custodian shall identify such securities in the name of the Association. Collateral will be required on two types of investments: certificates of deposit and repurchase agreements. The collateralization level will be as defined by ORC. Collateral is limited to eligible securities defined in ORC Sections 135.18 and 135.181. Each financial institution with which the Association has deposits shall provide a quarterly statement reflecting the securities pledged including the market value of such securities.

A. Deposits with Financial Institutions

At September 30, 2015, the carrying amount of the Association's deposits was \$1,255,844 and the bank balance was \$1,264,290. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of September 30, 2015, \$873,106 of the Association's bank balance of \$1,264,290 was exposed to custodial risk as discussed below, while \$391,184 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the Association's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the ORC, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Association. The Association has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Association to a successful claim by the FDIC.

CORMA SELF-INSURANCE POOL, INC.

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of September 30, 2015, the Association had the following investments and maturities:

Investment type	Fair Value	Investment Maturities			
		6 months or less	13 to 18 months	19 to 24 months	Greater than 24 months
U.S. government money market mutual fund	\$ 7,452	\$ 7,452	\$ -	\$ -	\$ -
STAR Ohio	25,078	25,078	-	-	-
FFCB	852,616	-	-	300,579	552,037
FHLMC	410,349	-	-	-	410,349
FNMA	260,324	-	125,117	-	135,207
FHLB	250,049	-	-	-	250,049
	<u>\$ 1,805,868</u>	<u>\$ 32,530</u>	<u>\$ 125,117</u>	<u>\$ 300,579</u>	<u>\$ 1,347,642</u>

The weighted average length to maturity of investment is 2.25 years.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the Association's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: The Association's investments in federal agency securities were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned STAR Ohio and the U.S. government money market an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Association's investment policy aims to ensure preservation of capital in the overall portfolio.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Association will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the Association's name. The Association has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

CORMA SELF-INSURANCE POOL, INC.

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The Association's investment policy places specific limitations on the amounts that may be invested in a single institution or issuer as described above. The following table includes the percentage of each investment type held by the Association at September 30, 2015:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
U.S. government money market mutual fund	\$ 7,452	0.41
STAR Ohio	25,078	1.39
FFCB	852,616	47.21
FHLMC	410,349	22.72
FNMA	260,324	14.42
FHLB	250,049	13.85
	<u>\$ 1,805,868</u>	<u>100.00</u>

C. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the statement of net position as of September 30, 2015:

<u>Cash and investments per footnote</u>	
Carrying amount of deposits	\$ 1,255,844
Investments	<u>1,805,868</u>
Total	<u>\$ 3,061,712</u>
 <u>Cash and investments on Statement of Net Position</u>	
Cash and cash equivalents	\$ 1,288,374
Investments	<u>1,773,338</u>
Total	<u>\$ 3,061,712</u>

NOTE 5 - INSURANCE COVERAGES

For the year ended September 30, 2015, the Association provided the following insurance coverage:

Self-insured portion for covered claims per occurrence:	
Property claims	\$ 50,000
Liability claims	100,000
Annual aggregate self-insured retention (liability coverages)	
	600,000

Claims over the self-insured portion are covered by commercial insurance policies with members as additional named insured's.

CORMA SELF-INSURANCE POOL, INC.

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 6 - LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES

The Association established a reserve liability that includes a provision for reported and unreported insured events and an estimate of future payment of losses and related loss adjustment expenses. The claims liability as required by GASB Statement No. 10, "*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*", as amended by GASB Statement No. 30, "*Risk Financing Omnibus*", was provided by the Associations independent actuary, Financial Risk Analysts, LLC. The changes in the aggregate liabilities for the Association for the fiscal years ended September 30, 2015 and 2014 were as follows:

	<u>2015</u>	<u>2014</u>
Unpaid loss and loss adjustment expense reserves, beginning	\$ 783,424	\$ 830,719
Incurred loss and loss adjustment expenses, provision for insured events of the current period	551,909	532,544
(Decrease) in provision for insured events of the prior years	<u>(186,895)</u>	<u>(328,200)</u>
Total incurred loss and loss adjustment expenses	<u>365,014</u>	<u>204,344</u>
Payments:		
Loss and loss adjustment expenses attributable to insured events of the current year	140,567	146,859
Loss and loss adjustment expenses paid attributable to insured events of prior years	<u>64,598</u>	<u>104,780</u>
Total payments	<u>205,165</u>	<u>251,639</u>
Unpaid loss and loss adjustment expense reserves, ending	<u>\$ 943,273</u>	<u>\$ 783,424</u>

NOTE 7 - LOSS AND LOSS ADJUSTMENT EXPENSES, NET

For fiscal years 2015 and 2014, the Association reported loss and loss adjustment expenses, net of \$365,014 and \$204,344, respectively. The increased expense for 2015 is the result of differences between actuarial estimates of provisions for insured events from the current and prior years. The Association's independent actuary for fiscal year 2015 was Financial Risk Analysts, LLC.

The \$159,849 increase in the loss and loss adjustment expense reserves from September 30, 2014 to September 30, 2015 is reflected in the fiscal year 2015 loss and loss adjustment expenses, net as reported on the Statement of Revenues, Expenses and Changes in Net Position. For fiscal year 2015, actual claims payments for covered losses were \$205,165 as reported on the Statement of Cash Flows.

NOTE 8 - CLAIMS ADMINISTRATION

The Association has entered into agreements with companies for the purpose of claims administration, claims adjustments, loss control and Association administration. For the year ended September 30, 2015, the amounts charged to expense were as follows:

Administration fees	\$ 128,365
Claims handling fees	<u>50,000</u>
Total	<u>\$ 178,365</u>

CORMA SELF-INSURANCE POOL, INC.

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

NOTE 9 - CONTINGENCIES

General:

In the normal course of business, the Association is involved in various legal proceedings. In the opinion of management, any liability resulting from such proceedings would not have a material adverse effect on the financial statements.

Concentration by geographic location and industry:

The Association is exposed to certain risks by writing all its business in the State of Ohio, thus increasing exposure to a single geographic area.

Association membership is limited to municipalities.

REQUIRED SUPPLEMENTARY INFORMATION

CORMA SELF-INSURANCE POOL, INC.

TEN-YEAR LOSS DEVELOPMENT INFORMATION

The following table illustrates how the Association's earned revenue and investment income compares to related costs of loss and other expenses assumed by the Association as of the end of the year. The rows of the table are defined as follows:

- (1) This line shows the total of each fiscal year's gross earned premiums and reported investment income.
- (2) This line shows each fiscal year's other operating costs of the Association including overhead and loss adjustment expenses not allocable to individual claims.
- (3) This line shows the Association's gross incurred losses and allocated loss adjustment expense as originally reported at the end of the year in which the event that triggered coverage occurred (called *accident year*).
- (4) This section shows the cumulative net amounts paid as of the end of the accident year.
- (5) This section shows how each accident year's net incurred losses increased or decreased as of the end of the year. (This annual re-estimation results from new information received on known losses, re-evaluation of existing information on known losses and emergence of new losses not previously known.)
- (6) This line compares the latest re-estimated net incurred losses amount to the amount originally established (line 3) and shows whether this latest estimate of losses is greater or less than originally thought.

As data for individual accident years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of net incurred losses currently recognized in less mature accident years. The columns of the table show data for successive accident years. Loss development information for the fiscal years ended September 30, 2006 through 2015 is as follows:

CORMA SELF-INSURANCE POOL, INC.

TEN-YEAR LOSS DEVELOPMENT INFORMATION (CONTINUED)

Fiscal and Accident Year Ended September 30,

	2006	2007	2008	2009	2010	2011
1. Premiums, investment and other income	\$ 1,147,024	\$ 1,284,042	\$ 1,241,153	\$ 1,302,444	\$ 1,510,339	\$ 1,317,019
2. Unallocated expenses	656,874	724,562	707,985	709,243	778,556	837,934
3. Estimated losses incurred and expense, end of year	225,754	249,791	668,835	569,892	497,758	523,431
4. Paid, cumulative as of:						
End of accident year	150,025	42,079	154,843	75,381	112,486	140,900
One year later	193,629	78,701	198,911	330,403	348,576	233,257
Two years later	185,533	78,956	214,504	252,659	584,683	322,968
Three years later	176,749	113,063	235,397	270,310	597,051	343,500
Four years later	176,749	114,033	244,503	281,250	597,050	343,500
Five years later	176,749	114,033	252,090	281,250	597,050	-
Six years later	176,749	114,033	253,002	281,250	-	-
Seven years later	176,749	114,033	253,224	-	-	-
Eight years later	176,749	114,033	-	-	-	-
Nine years later	176,749	-	-	-	-	-
5. Re-estimated incurred losses and expense:						
End of accident year	225,754	249,791	668,835	569,892	497,758	523,431
One year later	204,449	297,651	437,862	475,486	648,014	459,330
Two years later	185,533	241,712	333,069	274,492	682,400	456,684
Three years later	176,749	177,027	308,133	300,603	653,580	396,954
Four years later	176,749	114,033	302,292	299,739	632,854	362,633
Five years later	176,749	114,033	308,437	281,250	597,050	-
Six years later	176,749	114,033	253,002	281,250	-	-
Seven years later	176,749	114,033	253,224	-	-	-
Eight years later	176,749	114,033	-	-	-	-
Nine years later	176,749	-	-	-	-	-
6. Increase (decrease) in estimated incurred losses and expenses from end of accident year	(49,005)	(135,758)	(415,611)	(288,642)	99,292	(160,798)

Fiscal and Accident Year Ended September 30,

2012	2013	2014	2015
\$ 1,461,346	\$ 1,528,639	\$ 1,588,019	\$ 1,768,161
851,878	1,032,505	1,007,175	1,144,615
571,610	451,033	532,544	551,909
148,510	132,841	146,859	140,567
341,703	157,399	179,910	-
400,482	157,399	-	-
431,807	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
571,610	451,033	532,544	551,909
564,149	270,949	450,079	-
570,413	217,261	-	-
589,574	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
17,964	(233,772)	(82,465)	-



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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***

Central Ohio Risk Management Association Self-Insurance Pool, Inc.
c/o City of Powell
Franklin County
47 Hall Avenue
Powell, Ohio 43065

To the Board of Trustees:

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 Central Ohio Risk Management Association Self-Insurance Pool (CORMA), Franklin County, Ohio, as of and for the fiscal year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise CORMA's basic financial statements and have issued our report thereon dated March 10, 2016.

Internal Control Over Financial Reporting

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

Board of Trustees
Central Ohio Risk Management Association Self-Insurance Pool, Inc.

Compliance and Other Matters

As part of reasonably assuring whether CORMA'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 CORMA's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering CORMA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
March 10, 2016

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Dave Yost • Auditor of State

CENTRAL OHIO RISK MANAGEMENT ASSOCIATION SELF INSURANCE POOL INC (CORMA)

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
JUNE 2, 2016**