

**TRUMBULL COUNTY SCHOOLS EMPLOYEE INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

***BASIC FINANCIAL STATEMENTS
(AUDITED)***

***FOR THE FISCAL YEAR ENDED
JUNE 30, 2018***

OHIO AUDITOR OF STATE KEITH FABER



Members of the Assembly and Insurance Committee
Trumbull County School Employee Insurance Benefit Consortium
6000 Youngstown-Warren Road
Niles, Ohio 44446

We have reviewed the *Independent Auditor's Report* of the Trumbull County School Employee Insurance Benefit Consortium, Trumbull County, prepared by Julian & Grube, Inc., for the audit period July 1, 2017 through June 30, 2018. 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 Trumbull County School Employee Insurance Benefit Consortium is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

February 20, 2019

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**TRUMBULL COUNTY SCHOOLS EMPLOYEE INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

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Julian & Grube, Inc.
Serving Ohio Local Governments

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Independent Auditor's Report

Trumbull County Schools Employee Insurance Benefit Consortium
Trumbull County
6000 Youngstown-Warren Road
Niles, Ohio 44446-4603

To the Members of the Assembly and Insurance Committee:

Report on the Financial Statements

We have audited the accompanying financial statements of the Trumbull County Schools Employee Insurance Benefit Consortium, Trumbull County, Ohio, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Trumbull County Schools Employee Insurance Benefit Consortium'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 the Trumbull County Schools Employee Insurance Benefit Consortium'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 Trumbull County Schools Employee Insurance Benefit Consortium'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 the overall financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Trumbull County Schools Employee Insurance Benefit Consortium, Trumbull County, Ohio, as of June 30, 2018, and the respective changes in financial position and cash flows thereof 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 December 18, 2018, on our consideration of the Trumbull County Schools Employee Insurance Benefit Consortium'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 Trumbull County Schools Employee Insurance Benefit Consortium's internal control over financial reporting and compliance.



Julian & Grube, Inc.
December 18, 2018

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

The management's discussion and analysis of the Trumbull County Schools Employee Insurance Benefit Consortium (the "Consortium") financial performance provides an overall review of the Consortium's financial activities for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to look at the Consortium'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 Consortium's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2018 are as follows:

- In total, net position was \$1,392,460 at June 30, 2018. This represents a decrease of \$1,921,047, or 57.98%, from June 30, 2017's net position.
- The Consortium had operating revenues of \$25,621,413 and operating expenses of \$27,561,882 for fiscal year 2018. The Consortium had \$61,478 in interest revenue earned on the Consortium's investments and \$42,056 in decrease in fair value on investments. Operating loss and the decrease in net position for the fiscal year was \$1,940,469 and \$1,921,047, 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 Consortium's financial activities. The *statement of net position* and *statement of revenues, expenses, and changes in net position* provide information about the activities of the Consortium, including all short-term and long-term financial resources and obligations. The *statement of cash flows* provides information about cash provided by or used in various activities of the Consortium.

Reporting the Consortium 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 we do financially during fiscal year 2018?" 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 will take into account all of the current fiscal 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 Consortium's *net position* and changes in that position. This change in net position is important because it tells the reader that, for the Consortium as a whole, the *financial position* of the Consortium has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. The Consortium's statement of net position and statement of revenues, expenses, and changes in net position can be found on pages 7-8 of this report.

The statement of cash flows provides information about how the Consortium finances and meets the cash flow needs of its operations. The statement of cash flows can be found on page 9 of this report.

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 11-18 of this report.

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Required Supplementary Information

Ten years of loss development information can be found on pages 21-23 of this report.

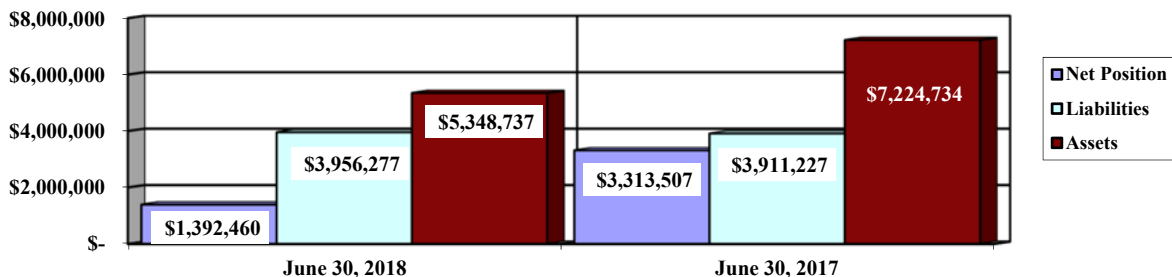
Net Position and Changes in Net Position

The table below provides a summary of the Consortium's net position for at June 30, 2018 and June 30, 2017.

| | 2018 | 2017 |
|--|--------------|--------------|
| <u>Assets</u> | | |
| Cash and cash equivalents with fiscal agent | \$ 1,496,379 | \$ 1,369,354 |
| Investments with fiscal agent | 3,305,390 | 5,842,136 |
| Receivables (net of allowance for uncollectibles): | | |
| Accounts | 382,761 | - |
| Accrued interest | 8,887 | 13,244 |
| Prepayments | 155,320 | - |
| Total assets | 5,348,737 | 7,224,734 |
| <u>Liabilities:</u> | | |
| Claims payable | 1,828,700 | 1,941,700 |
| Unearned revenue | 2,127,577 | 1,969,527 |
| Total liabilities | 3,956,277 | 3,911,227 |
| <u>Net Position:</u> | | |
| Unrestricted | 1,392,460 | 3,313,507 |
| Total net position | \$ 1,392,460 | \$ 3,313,507 |

The assets of the Consortium are comprised mainly of cash and cash equivalents and investments that are held with the Consortium's fiscal agent, the Trumbull County Educational Service Center. Liabilities of the Consortium are mainly claims payable related to medical, prescription, dental and vision incurred but not reported (IBNR) claims outstanding at fiscal year-end and unearned revenue.

The chart below shows a breakdown of the Consortium's assets, liabilities and net position at June 30, 2018 and June 30, 2017.



**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

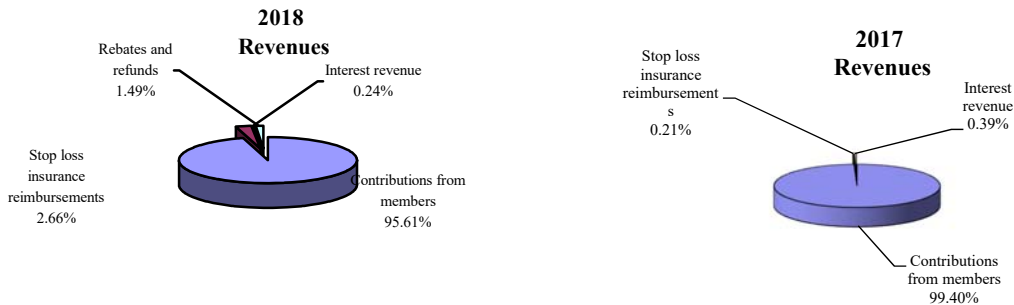
The table below shows the changes in net position for fiscal year 2018 and 2017.

Change in Net Position

| | <u>2018</u> | <u>2017</u> |
|---------------------------------------|---------------------|---------------------|
| <u>Operating Revenues:</u> | | |
| Contributions from members | \$ 24,556,704 | \$ 22,436,792 |
| Stop loss insurance reimbursements | 681,948 | 48,252 |
| Rebates and refunds | 382,761 | - |
| Total operating revenue | <u>25,621,413</u> | <u>22,485,044</u> |
| <u>Operating Expenses:</u> | | |
| Claims | 26,016,269 | 22,600,640 |
| Premiums | 1,427,652 | 1,671,739 |
| Administrative fees | 99,578 | 147,597 |
| Professional fees | 17,633 | 19,836 |
| Other | 750 | - |
| Total operating expenses | <u>27,561,882</u> | <u>24,439,812</u> |
| Operating loss | <u>(1,940,469)</u> | <u>(1,954,768)</u> |
| <u>Nonoperating revenues:</u> | | |
| Interest revenue | 61,478 | 87,954 |
| Decrease in fair value of investments | (42,056) | (101,915) |
| Total nonoperating revenues | <u>19,422</u> | <u>(13,961)</u> |
| Change in net position | <u>(1,921,047)</u> | <u>(1,968,729)</u> |
| Net position, July 1 | <u>3,313,507</u> | <u>5,282,236</u> |
| Net position, June 30 | <u>\$ 1,392,460</u> | <u>\$ 3,313,507</u> |

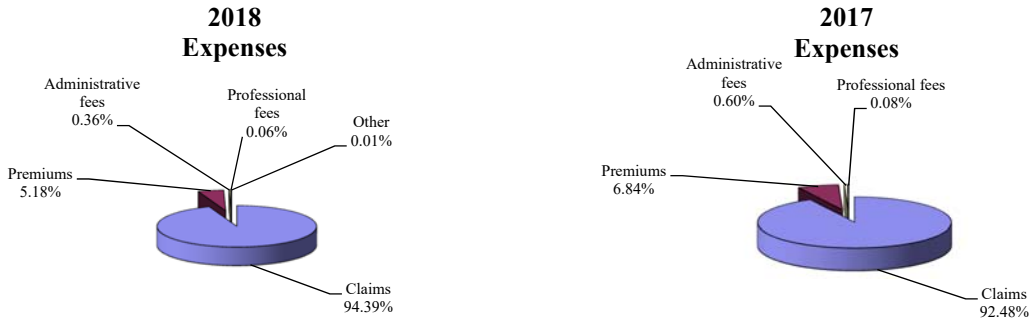
During fiscal year 2018, the Consortium's net position decreased by \$1,921,047. The Consortium claims expense related to medical, Rx, dental and vision increased \$3,415,629 or 15.11% compared to fiscal year 2017. In hopes to counteract this increase, the Consortium increased premiums charges to members at its 17 member school districts. Contributions increased \$2,119,912 or 9.45%.

The charts below reflect the percentage of the revenues and expenses in fiscal year 2018 and 2017.



**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**



Current Financial Related Activities

The Consortium is a not-for-profit insurance consortium owned and operated by seventeen school districts in Trumbull County, Ohio. The Consortium's main source of operating cash receipts is premiums paid by the member school districts. The Consortium also receives interest receipts through investments.

The Consortium is committed to providing its member districts with the advantages of a large buying cooperative, while maintaining control by the local district leadership. Underwriting considerations are of utmost importance in reviewing new membership applications, as the Consortium is committed to protecting the long-term financial interests of its core members, and will not admit a new member that will adversely impact premiums and claims payments.

The Consortium requires its members to participate in the medical/prescription insurance program, with individual district choice as to participation in the dental, vision, and life programs. The Consortium Board and its consultant, CBIZ, Inc., continually discuss program enhancements to the existing product line, in addition to watching for new opportunities for Consortium members.

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

The most significant challenge facing the Consortium Board is the current trend of skyrocketing health care costs, primarily medical and prescription drug. These two programs were the impetus that brought the participating districts together in an attempt to benefit from the economies of scale that could be reaped from a group of approximately 1,700 covered employees, in lieu of each individual district independently entering the insurance marketplace. As the claims costs for medical and prescription drug continue to escalate, the Board is faced with the unenviable task of attempting to balance a quality benefits offering within the financial constraints facing Ohio's public school districts. This is much the same as the dilemma facing American businesses today, and is complicated by the fact that each member school district in the Consortium must collectively bargain benefit levels with the respective employee unions. The challenge is set before the Consortium and its Board, and the future looks better from the collective, as opposed to individual, view of the seventeen participating districts.

Contacting the Consortium's Financial Management

This financial report is designed to provide our member districts, citizens and other interested parties with a general overview of the Consortium's finances and to show the Consortium's accountability for the money it receives. If you have questions about this report or need additional financial information contact: Mrs. Lori Simone, Treasurer, Trumbull County Schools Employee Insurance Benefit Consortium, 6000 Youngstown-Warren Road, Niles, Ohio 44446.

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2018

| | |
|---|----------------------------|
| Assets: | |
| Cash and cash equivalents with fiscal agent | \$ 1,496,379 |
| Investments with fiscal agent | 3,305,390 |
| Receivables: | |
| Accounts | 382,761 |
| Accrued interest. | 8,887 |
| Prepayments | <u>155,320</u> |
| Total assets. | <u>5,348,737</u> |
| Liabilities: | |
| Claims payable | 1,828,700 |
| Unearned revenue | <u>2,127,577</u> |
| Total liabilities | <u>3,956,277</u> |
| Net position: | |
| Unrestricted. | <u>1,392,460</u> |
| Total net position. | <u><u>\$ 1,392,460</u></u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

| | |
|--|----------------------------|
| Operating revenues: | |
| Contributions from members | \$ 24,556,704 |
| Stop loss insurance reimbursements | 681,948 |
| Rebates and refunds | 382,761 |
| Total operating revenues | <u>25,621,413</u> |
| Operating expenses: | |
| Claims | 26,016,269 |
| Premiums | 1,427,652 |
| Administrative fees | 99,578 |
| Professional fees | 17,633 |
| Other. | 750 |
| Total operating expenses. | <u>27,561,882</u> |
| Operating loss | <u>(1,940,469)</u> |
| Non-operating revenues: | |
| Interest revenue | 61,478 |
| Decrease in fair value of investments | (42,056) |
| Total nonoperating revenues | <u>19,422</u> |
| Change in net position | (1,921,047) |
| Net position at beginning of year | <u>3,313,507</u> |
| Net position at end of year | <u>\$ 1,392,460</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

| | |
|---|------------------------------|
| Cash flows from operating activities: | |
| Cash received from members | \$ 24,714,754 |
| Cash received from stop loss insurance reimbursements. | 681,948 |
| Cash payments for claims | (26,129,269) |
| Cash payments for premiums | (1,581,778) |
| Cash payments for administrative fees | (100,772) |
| Cash payments for professional fees | (17,633) |
| Cash payments for other expenses | (750) |
| | <hr/> |
| Net cash used in operating activities | (2,433,500) |
| Cash flows from investing activities: | |
| Interest received | 65,835 |
| Cash received from the maturity of investments | 2,494,690 |
| | <hr/> |
| Net cash provided by investing activities | 2,560,525 |
| Net increase in cash and cash cash equivalents with fiscal agent | 127,025 |
| Cash and cash equivalents with fiscal agent at beginning of year | 1,369,354 |
| Cash and cash equivalents with fiscal agent at end of year | <u>\$ 1,496,379</u> |
| Reconciliation of operating loss to net cash used in operating activities: | |
| Operating loss | \$ (1,940,469) |
| Changes in assets and liabilities: | |
| Accounts receivable | (382,761) |
| Prepayments | (155,320) |
| Claims payable | (113,000) |
| Unearned revenue | 158,050 |
| | <hr/> |
| Net cash used in operating activities. | <u>\$ (2,433,500)</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1 - DESCRIPTION OF THE CONSORTIUM

The Trumbull County Schools Employee Insurance Consortium, Trumbull County, (the “Consortium”) is a Council of Governments established pursuant to Ohio Revised Code Chapter 167. The Council of Governments (the “Consortium”) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio as defined by Chapter 167 of the Ohio Revised Code.

The Consortium is a shared risk pool as defined by Government Accounting Standards Board (GASB) Statement No. 10 as amended by GASB Statement No. 30. It was formed to carry out a cooperative program for the provisions and administration of health care benefits for member employees in accordance with the Consortium’s bylaws.

The Governing Body of the Consortium is an Assembly composed of the Superintendents of the members and any other representative of members who have been appointed by the respective governing bodies of the members. All representatives shall serve without compensation. As of June 30, 2018, there were 17 participating members of the Consortium. The Insurance Committee (Executive Board) shall function as the advisory body to the Assembly. It shall consist of five representatives of the members, four of whom shall be appointed by the President of the Trumbull County Superintendent’s Association, and the fifth of whom shall be the Superintendent of the Fiscal Agent. The Trumbull County Educational Service Center shall serve as the Consortium’s fiscal agent and the Treasurer of the Consortium shall be the Treasurer of the Fiscal Agent. The Consortium administers medical, prescription, dental, and vision benefit plans for employees of the participating school systems and their eligible dependents.

The Consortium’s management believes these basic financial statements present all activities for which the Consortium is financially accountable.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Consortium have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Consortium'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 Consortium are not misleading. On this basis, no governmental organizations other than the Consortium itself are included in the financial reporting entity.

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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

B. Fund Accounting

The Consortium 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 receipts and disbursements. The Consortium 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 Consortium 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.

The Consortium’s activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the Consortium’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 net position.

The Consortium distinguishes operating revenues and expenses from nonoperating items. Operating revenues generally result from participants contributions for insurance coverage and stop loss insurance premiums and stop loss insurance reimbursements. Operating expenses for the Consortium include the payment of claims, premiums, administrative fees and professional fees. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Investments

The Consortium’s Fiscal Agent maintains the Consortium financial activity under a specific fund designated for Consortium activity. The Fiscal Agent is responsible for administering the financial transactions of the Consortium. For fiscal year 2018, the Trumbull County Educational Service Center served as Fiscal Agent for the Consortium.

The Treasurer of the Consortium, who also serves as Treasurer of the Fiscal Agent (the Trumbull County Educational Service Center) has established separate depository accounts for Consortium activities and purchases specific investments for the Consortium. The interest earnings on these Consortium accounts are distributed to the Consortium.

During fiscal year 2018, the Consortium’s cash was maintained in demand deposit accounts.

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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

During fiscal year 2018, investments were limited to Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities and U.S. Treasury bonds. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

For purposes of the statement of net position and the statement of cash flows, investments purchased by the Fiscal Agent for the Consortium with original maturities of three months or less at the time they are purchased are considered to be “cash equivalents”. Investments purchased by the Fiscal Agent for the Consortium with original maturities of more than three months at the time they are purchased are considered to be “investments”. An analysis of the Consortiums cash and investments with its Fiscal Agent at fiscal year-end is provided in Note 4.

E. Budgetary Process

Each member school district of the Consortium are required by Ohio law to adopt an annual budget. The Consortium itself is not required to follow the budgetary process and, therefore, no budgetary information is provided in these basic financial statements.

F. 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.

G. Fair Value Measurements

The Consortium categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

H. Prepayments

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items on the statement of net position. These items are reported as assets on the statement of net position using the consumption method. A current asset for prepaid amounts is recorded at the time of the purchase and the expense is reported in the year in which services are consumed.

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For fiscal year 2018, the Consortium has implemented GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pension", GASB Statement No. 81 "Irrevocable Split-Interest Agreements" GASB Statement No. 85, "Omnibus 2017" and GASB Statement No. 86, "Certain Debt Extinguishments".

GASB Statement No. 75 improves the accounting and financial reporting by state and local governments for postemployment benefits other than pension (OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The implementation of GASB Statement No. 75 did not have an effect on the financial statements of the Consortium.

GASB Statement No. 81 improves the accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the Consortium.

GASB Statement No. 85 addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and OPEB. The implementation of GASB Statement No. 85 did not have an effect on the financial statements of the Consortium.

GASB Statement No. 86 improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources - resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The implementation of GASB Statement No. 86 did not have an effect on the financial statements of the Consortium.

NOTE 4 - CASH AND INVESTMENTS WITH FISCAL AGENT

The Treasurer of the Consortium, who also serves as Treasurer of the Fiscal Agent, maintains a specific depository account and purchases specific investments for the Consortium. The deposit and investment of Consortium monies follows the investment policy of the ESC. The following disclosures are required by GASB Statement No. 40, "Deposits and Investment Risk Disclosures".

State statutes allow the ESC as Fiscal Agent for the Consortium to deposit or invest the Consortium's monies in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 4 - CASH AND INVESTMENTS WITH FISCAL AGENT - (Continued)

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Protection of the Consortium'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 Treasurer 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.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Consortium, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

As Fiscal Agent, the ESC maintains separate depository accounts and separate investment accounts for monies specific to the Consortium. The amounts held in the depository accounts and the investment accounts at fiscal year year-end are described below.

A. Deposits with Fiscal Agent held in Financial Institutions

At June 30, 2018, the carrying amount of all Consortium deposits and bank balance of the Consortium deposits was \$1,496,379. Of the bank balance, \$250,000 was covered by the FDIC and \$1,246,379 was covered by the Ohio Pooled Collateral System.

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 4 - CASH AND INVESTMENTS WITH FISCAL AGENT - (Continued)

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a reduced rate set by the Treasurer of State.

B. Investments

As of June 30, 2018, the Consortium had the following investments and maturities:

| Measurement/Investment Type: | Measurement Value | Investment Maturities | | | |
|------------------------------|----------------------|--------------------------|-------------------|--------------------|---------------------------|
| | | 6 months or less | 7 to 12 months | 13 to 18 months | Greater than 24 months |
| Fair value: | | | | | |
| FHLMC | \$ 244,948 | \$ - | \$ - | \$ - | \$ 244,948 |
| FNMA | 593,879 | - | 496,513 | - | 97,366 |
| US Treasury bonds | 2,466,563 | 498,750 | - | 986,563 | 981,250 |
| Total | <u>\$ 3,305,390</u> | <u>\$ 498,750</u> | <u>\$ 496,513</u> | <u>\$ 986,563</u> | <u>\$ 1,323,564</u> |

The weighted average of maturity of investments is 1.49 years.

The Consortium's investments in federal agency securities (FHLMC, FNMA) and U.S. Treasury bonds are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

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 Consortium's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: The Consortium's investments in federal agency securities and U.S. Treasury bonds were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The Consortium's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Consortium 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 Consortium's name. The Consortium 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.

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 4 - CASH AND INVESTMENTS WITH FISCAL AGENT - (Continued)

Concentration of Credit Risk: The Consortium places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the Consortium at June 30, 2018:

| <u>Measurement/Investment Type:</u> | Measurement | |
|-------------------------------------|---------------------|-------------------|
| | <u>Value</u> | <u>% of Total</u> |
| Fair Value: | | |
| FHLMC | \$ 244,948 | 7.41 |
| FNMA | 593,879 | 17.97 |
| US Treasury bonds | <u>2,466,563</u> | <u>74.62</u> |
| Total | <u>\$ 3,305,390</u> | <u>100.00</u> |

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

The following is a reconciliation of cash and investments with Fiscal Agent as reported in the note above to cash and investments with Fiscal Agent as reported on the statement of net position as of June 30, 2018:

| | | |
|--|--|---------------------|
| <u>Cash and investments with Fiscal Agent per note</u> | | |
| Carrying amount of deposits with Fiscal Agent | | \$ 1,496,379 |
| Investments with Fiscal Agent | | <u>3,305,390</u> |
| Total | | <u>\$ 4,801,769</u> |
| <u>Cash and investments with Fiscal Agent per financial statements</u> | | |
| Cash and cash equivalents with Fiscal Agent | | <u>\$ 4,801,769</u> |

NOTE 5 - CONTRACTED SERVICES

For fiscal year 2018, the Consortium contracts with CBIZ, Inc. to assist them with the annual renewals of its health and welfare plans. CBIZ, Inc. also helps the Consortium and its members with maintaining the current plan of benefits including design, claim adjudication, customer service, billing and compliance issues. In addition, they review alternative plan design and determine that claims are paid in accordance to specifications of the plan.

NOTE 6 - RISK MANAGEMENT

The Consortium contracts with third party administrators, Medical Mutual of Ohio, Caremark RX and Delta Dental of Ohio, to process and pay health claims, prescriptions, dental and vision claims respectively incurred by its members. Members pay monthly premiums to the Consortium based upon an annual estimate determined by the Executive Board. The Treasurer issues payments to the third party administrators for actual insurance claims processed, stop-loss premiums, and administrative charges.

The Consortium employs reinsurance agreements (stop-loss coverage) to reduce its risk that large losses may be incurred on medical claims. This allows the Consortium to recover a portion of losses on claims from re-insurers, although it does not discharge their primary liability.

It is not necessary for each member school district to hold a reserve for Incurred But Not Reported (IBNR) claims. The IBNR information is presented by the Consortium 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", and is not available on a District-by-District basis.

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 6 - RISK MANAGEMENT - (Continued)

The claims liability of \$1,828,700 reported at June 30, 2018, is based on an actuarial estimate provided by the third party administrator and the requirements of GASB Statement No. 10 as amended by GASB Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling the claims.

Changes in claims activity for the fiscal year ended June 30, 2018 and 2017 were as follows:

| | 2018 | 2017 |
|--|--------------|--------------|
| Claims payable at beginning of fiscal year | \$ 1,941,700 | \$ 1,954,100 |
| <u>Claims expenses:</u> | | |
| Claims expenses for insured events of the current period | 24,365,057 | 20,874,961 |
| Increase in claims expenses for insured events of the prior years | 1,651,212 | 1,725,679 |
| Total claims expenses | 26,016,269 | 22,600,640 |
| <u>Payments:</u> | | |
| Claims expenses paid attributable to insured events of the current year | 24,490,457 | 20,887,361 |
| Claims expenses paid attributable to insured events of prior years | 1,638,812 | 1,725,679 |
| Total claims payments | 26,129,269 | 22,613,040 |
| Claims payable at end of fiscal year | \$ 1,828,700 | \$ 1,941,700 |

NOTE 7 - LITIGATION

The Consortium is not party to legal proceedings which, in the opinion of Consortium management, would have a material effect, if any, on the financial condition of the Consortium.

NOTE 8 - RECEIVABLES

At June 30, 2018, the Consortium had \$382,761 in drug rebates due for the period of January 1, 2018 - June 30, 2018.

REQUIRED SUPPLEMENTARY INFORMATION

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**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
TEN-YEAR LOSS DEVELOPMENT INFORMATION**

The following table illustrates how the Consortium's earned revenue and investment income compares to related costs of loss and other expenses assumed by the Consortium 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 Consortium including overhead and loss adjustment expenses not allocable to individual claims.
- (3) This line shows the Consortium'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 June 30, 2009 through 2018 is provided on the next page. The Consortium began reporting on the accrual basis of accounting in fiscal year 2017. Information provided for fiscal year 2009-2016 is on a cash-basis of accounting.

**TRUMBULL COUNTY SCHOOLS EMPLOYEE
INSURANCE BENEFIT CONSORTIUM
TRUMBULL COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
TEN-YEAR LOSS DEVELOPMENT INFORMATION (CONTINUED)**

| | <u>2009 (1)</u> | <u>2010 (1)</u> | <u>2011 (1)</u> | <u>2012 (1)</u> | <u>2013 (1)</u> |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1. Premiums and investment income | \$ 17,471,661 | \$ 19,208,474 | \$ 18,777,044 | \$ 20,844,321 | \$ 21,348,900 |
| 2. Unallocated expenses | 1,042,657 | 1,100,196 | 1,141,555 | 1,214,232 | 1,288,459 |
| 3. Estimated losses incurred and expense, end of year | n/a | n/a | n/a | n/a | n/a |
| 4. Paid, cumulative as of: | | | | | |
| End of accident year | 13,777,491 | 15,192,489 | 16,950,738 | 16,887,413 | 19,584,481 |
| One year later | 15,199,123 | 16,541,578 | 18,869,725 | 18,565,989 | 20,689,122 |
| Two years later | 15,201,451 | 16,546,530 | 18,870,505 | 18,565,989 | 20,689,122 |
| Three years later | 15,201,451 | 16,547,692 | 18,870,505 | 18,565,989 | 20,689,122 |
| Four years later | 15,201,451 | 16,547,692 | 18,870,505 | 18,565,989 | 20,689,122 |
| Five years later | 15,201,451 | 16,547,692 | 18,870,505 | 18,565,989 | 20,689,122 |
| Six years later | 15,201,451 | 16,547,692 | 18,870,505 | 18,565,989 | - |
| Seven years later | 15,201,451 | 16,547,692 | 18,870,505 | - | - |
| Eight years later | 15,201,451 | 16,547,692 | - | - | - |
| Nine years later | 15,201,451 | - | - | - | - |
| 5. Re-estimated incurred losses and expense: | | | | | |
| End of accident year | 13,777,491 | 15,192,489 | 16,950,738 | 16,887,413 | 19,584,481 |
| One year later | 15,199,123 | 16,541,578 | 18,869,725 | 18,565,989 | 20,689,122 |
| Two years later | 15,201,451 | 16,546,530 | 18,870,505 | 18,565,989 | 20,689,122 |
| Three years later | 15,201,451 | 16,547,692 | 18,870,505 | 18,565,989 | 20,689,122 |
| Four years later | 15,201,451 | 16,547,692 | 18,870,505 | 18,565,989 | 20,689,122 |
| Five years later | 15,201,451 | 16,547,692 | 18,870,505 | 18,565,989 | 20,689,122 |
| Six years later | 15,201,451 | 16,547,692 | 18,870,505 | 18,565,989 | - |
| Seven years later | 15,201,451 | 16,547,692 | 18,870,505 | - | - |
| Eight years later | 15,201,451 | 16,547,692 | - | - | - |
| Nine years later | 15,201,451 | - | - | - | - |
| 6. Increase in estimated incurred losses and expenses from end of accident year | n/a | n/a | n/a | n/a | n/a |

(1) Information presented on the cash-basis of accounting.
n/a - information not available.

| 2014 (1) | 2015 (1) | 2016 (1) | 2017 | 2018 |
|-----------------|-----------------|-----------------|---------------|---------------|
| \$ 21,041,865 | \$ 19,468,381 | \$ 21,645,464 | \$ 22,524,746 | \$ 24,618,182 |
| 1,287,406 | 1,652,464 | 1,717,171 | 1,839,172 | 1,545,613 |
| n/a | n/a | n/a | 20,874,961 | 24,365,057 |
| 16,038,724 | 18,698,148 | 18,981,881 | 20,887,361 | 24,490,457 |
| 17,327,458 | 20,827,038 | 20,707,560 | 22,526,173 | - |
| 17,327,458 | 20,827,038 | 20,707,560 | - | - |
| 17,327,458 | 20,827,038 | - | - | - |
| 17,327,458 | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 16,038,724 | 18,698,148 | 18,981,881 | 20,874,961 | 24,365,057 |
| 17,327,458 | 20,827,038 | 20,707,560 | 22,526,173 | - |
| 17,327,458 | 20,827,038 | 20,707,560 | - | - |
| 17,327,458 | 20,827,038 | - | - | - |
| 17,327,458 | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| n/a | n/a | 1,725,679 | 1,651,212 | - |

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Julian & Grube, Inc.
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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***

Trumbull County Schools Employee Insurance Benefit Consortium
Trumbull County
6000 Youngstown-Warren Road
Niles, Ohio 44446-4603

To the Members of the Assembly and Insurance Committee:

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 Trumbull County Schools Employee Insurance Benefit Consortium, Trumbull County, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Trumbull County Schools Employee Insurance Benefit Consortium's basic financial statements and have issued our report thereon dated December 18, 2018.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Trumbull County Schools Employee Insurance Benefit Consortium'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 the Trumbull County Schools Employee Insurance Benefit Consortium'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 Trumbull County Schools Employee Insurance Benefit Consortium'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.

Compliance and Other Matters

As part of reasonably assuring whether the Trumbull County Schools Employee Insurance Benefit Consortium'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 Trumbull County Schools Employee Insurance Benefit Consortium's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Trumbull County Schools Employee Insurance Benefit Consortium's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Julian & Grube, Inc.
December 18, 2018

OHIO AUDITOR OF STATE KEITH FABER



TRUMBULL COUNTY SCHOOLS EMPLOYEE INSURANCE BENEFIT CONSORTIUM

TRUMBULL 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
MARCH 5, 2019**