



OHIO AUDITOR OF STATE
KEITH FABER





BASIC AUDIT REPORT

City of Medina Energy Special Improvement District
Medina County
144 North Broadway Street
Medina, Ohio 44256

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the City of Medina Energy Special Improvement District, Medina County, (the District) for the years ended December 31, 2024 and 2023.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2024 and 2023.

The District's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observations

1. The District did not prepare a bank reconciliation during fiscal year 2024 nor were bank reconciliations prepared after year end through July 2025. Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. Unidentified differences result in inaccurate fund cash balance information and conceivably could cause deficit spending.

Also, the District's small size requires governing board involvement with critical accounting processes (such as bank reconciliation) to compensate for the inability to segregate these duties. The absence of these reviews may be a material weakness in internal accounting control, resulting in inaccurate cash balances, or even undetected theft.

The District shall prepare monthly bank reconciliations for board review.

Current Year Observations (Continued)

2. **Ohio Rev. Code §117.38** requires entities filing on a cash-basis to file annual financial reports with the Auditor of State within 60 days of the fiscal year-end.

The District did not file the 2024 prior to the due date of March 3, 2025.

The District shall file annual financial reports prior to the required due date.

3. The District's ending fund cash balance on the filed financial statements did not agree to the District's ledger or the bank statement due to a debt payment reported on the 2024 financial statements but paid after fiscal year-end. The District reports on a cash basis; therefore, this expenditure should not have been reported on the financial statements, and the outstanding debt should have been included in the notes to the financial statements.

The District shall report cash-basis revenue and expenditures on the filed financial statements.

KEITH FABER
Ohio Auditor of State



Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

August 28, 2025

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CITY OF MEDINA ENERGY SPECIAL IMPROVEMENT DISTRICT

MEDINA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 9/16/2025

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This report is a matter of public record and is available online at
www.ohioauditor.gov