



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Market District Improvement Corporation (dba Ohio City Improvement Corporation)  
Cuyahoga County  
3308 Lorain Avenue  
Cleveland, Ohio 44113

We have performed the procedures enumerated below on the Market District Improvement District's (dba Ohio City Improvement District) (the District) receipts, disbursements and balances recorded in the cash basis accounting records for the period July 1, 2021 through December 31, 2022 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the District. The District is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the period July 1, 2021 through December 31, 2022 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District.

The Board of Directors and the district officers, district members and directors and their designees or proxies, herein governing of the District have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the period July 1, 2021 through December 31, 2022, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

### Cash

1. We recalculated the June 30, 2022 and December 31, 2022 bank reconciliations. We found no exceptions.
2. We agreed the July 1, 2021 beginning fund balance recorded in the General Ledger to the June 30, 2021 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the July 1, 2022 beginning fund balance recorded in the General Ledger to the June 30, 2021 balance in the General Ledger. We found no exceptions.
3. We agreed the 2022 and 2021 bank reconciliation as of June 30, 2022 and December 31, 2022 to the total fund cash balances reported in the General Ledger and the financial statements filed by the District in the Hinkle System. The amounts agreed.

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4. We confirmed the December 31, 2022 bank account balance with the District's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2022 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2022 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register and determined the debits were dated prior to December 31. We found no exceptions.

### **Confirmable Cash Receipts**

1. We confirmed the tax amounts paid from the City of Cleveland to the District during 2022 and 2021, with the City. We found no exceptions.
  - a. We inspected the General Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.
2. As required by Resolution from the City of Cleveland, we inspected the General Ledger for 2022 and 2021 to inspect whether each year included all semi-annual receipts from the City of Cleveland. We found no exceptions.

### **Non-Payroll Cash Disbursements**

1. We selected 10 disbursements from the General Ledger for the year ended June 30, 2022 and 10 from the period ended December 31, 2022 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check or EFT agreed to the check number, date, payee name and amount recorded in the General Ledger and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

### **Sunshine Law Compliance**

1. We obtained and inspected the District's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We inquired with District management and determined that the District did not have any completed public records requests during the engagement period.
  - a. The District did not have any denied public records requests during the engagement period.
  - b. The District did not have any public records requests with redactions during the engagement period.
3. We inquired whether the District had a records retention schedule and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.

5. We inspected the District's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We observed that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We did not select any applications submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. The District is not subject to the Ohio Rev. Code records authority. Therefore this step is not applicable and applications were not inspected or inquired about.
8. We inquired with District management and determined that the District did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the District notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
  - a. Prepared – a file is created following the date of the meeting
  - b. Filed – placed with similar documents in an organized manner
  - c. Maintained - retained, at a minimum, for the engagement period
  - d. Open to public inspection – available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
  - a. Executive sessions were only held at regular or special meetings.
  - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
  - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

#### **Other Compliance**

1. Ohio Rev. Code § 117.38 requires these districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the District filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the period ended December 31, 2022 in the Hinkle system. Financial information for the year ended June 30, 2022 was filed on January 20, 2023 which was not within the allotted timeframe. The District is required to maintain an "active" status with the Secretary of State to operate. In order to maintain an "active" status the District must file annual financial statements. We inspected the Secretary of State's website and confirmed the District is in "active" status. We found no exceptions.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.



Keith Faber  
Auditor of State  
Columbus, Ohio

August 16, 2023

# OHIO AUDITOR OF STATE KEITH FABER



**MARKET DISTRICT IMPROVEMENT CORPORATION DBA OHIO CITY IMPROVEMENT  
CORPORATION**

**CUYAHOGA 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 8/29/2023**

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