



Dave Yost • Auditor of State





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Cedar Fairmount Special Improvement District  
Cuyahoga County  
2460 Fairmount Boulevard  
Cleveland Heights, Ohio 44106

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Cedar Fairmount Special Improvement District, Cuyahoga County, (the District) for the years ended December 31, 2015 and 2014.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 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, 2015 and 2014.

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

## **Current Year Observation – Finding for Recovery Repaid Under Audit**

*State ex rel McClure v. Hagerman* (1951), 155 Ohio St. 320 provides that expenditures made by a governmental unit should serve a public purpose. Typically the determination of what constitutes a "proper public purpose" rests with the judgment of the governmental entity, unless such determination is arbitrary or unreasonable. Auditor of State Bulletin 2003-005 states that governmental entities may not make expenditures of public monies unless they are for a valid public purpose. The Bulletin indicates that the Auditor of State's Office will only question expenditures where the legislative determination of a public purpose is manifestly arbitrary and incorrect. The Bulletin further states that the Auditor of State's Office does not view the expenditure of public funds for alcoholic beverages as a proper public purpose and will issue findings for recovery for such expenditures as manifestly arbitrary and incorrect.

On February 5, 2015 and November 10, 2015, Kaye Lowe, Executive Director, made debit card disbursements totaling \$107. These disbursements included alcohol purchases totaling \$33. Based on the above, expenditure for alcohol is not a proper public purpose.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Kaye Lowe in the amount of \$33, and in favor of the Cedar Fairmount Special Improvement District, in the amount of \$33.

**Current Year Observation – Finding for Recovery Repaid Under Audit**

On July 5, 2016, Kaye Lowe issued check number 6164 in the amount of \$33 in settlement of this finding.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

July 25, 2016



# Dave Yost • Auditor of State

**CEDAR FAIRMOUNT SPECIAL IMPROVEMENT DISTRICT**

**CUYAHOGA 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  
AUGUST 4, 2016**