


**Date:** September 19, 2025  
**To:** Sheryl M.M. Long, City Manager  
**From:** Diana Christy, Director, MSD   
**Copy:** Cathy Bailey, Interim Assistant City Manager  
**Subject:** Release of Audit of MSD's 2024 Financial Statements

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### **Audit Findings Summary**

The Ohio Auditor of State has issued its *Independent Auditor's Report* for MSD, which concluded the following:

- **Financial Statement Opinion:** MSD again received a **clean, unmodified opinion**, confirming that the financial statements fairly and accurately present the financial position and cash flows of the District in accordance with generally accepted accounting principles.
- **Compliance:** The audit identified **no instances of non-compliance** with applicable laws or regulations.

In addition to these positive results, the Auditor of State reported certain deficiencies in internal controls over financial reporting, resulting in a finding of "material weakness." These deficiencies stemmed primarily from turnover in the staff position previously responsible for preparing the financial statements, coupled with limitations in existing review procedures.

### **Corrective Actions**

MSD has acted promptly to address these concerns and to reinforce the integrity of its financial reporting processes:

- Issuance of a Request for Proposals to engage a certified public accounting firm to assist with the preparation of financial statements and note disclosures beginning with the 2025 reporting year.
- Enhancement of reconciliation and oversight controls to provide stronger checks and balances.
- Expansion of training and development for financial staff to ensure consistency, accuracy, and compliance with professional standards.

These measures reflect MSD's commitment to sound financial stewardship, strengthened accountability, and the restoration of the high standards of reporting that have characterized prior fiscal years. MSD will continue to maintain close oversight to ensure the timely and effective implementation of these corrective actions.

Please see the attached Audit Report for more information. If you have any questions, please contact me at (513) 244-5123 or via email at [diana.christy@cincinnati-oh.gov](mailto:diana.christy@cincinnati-oh.gov).