



THE HEART OF CUYAHOGA COUNTY

**6800 Brecksville Road
Independence, Ohio 44131
216.524.4131**

MEMORANDUM

To: Mayor Gregory P. Kurtz
Members of Council

From: Finance Director Vernon Blaze

Date: Friday, July 28, 2023

Re: Finance Office and Related Topic Updates

2022 Annual Financial Report

The City's 2022 Annual Comprehensive Financial Report (ACFR) was filed with the Auditor of State's Office (AOS) last month.

That version was simply the financial part of the document without the Independent Auditor's Report in it. The Independent Auditor's Report was completed by Zupka and Associates this week, which allowed the final report to be filed with the Government Finance Officers' Association (GFOA) today.

That Independent Auditor's Report is not available for dissemination yet until it is reviewed and approved by the AOS. Once that approval has been obtained, the Independence Finance Office will ensure that each member of Council receives it and that it is posted on the City website for the public-at-large.

Regular readers of the Independence Finance Office's Weekly Reports and monthly Independence Post articles know that the audit team that completed the 2022 audit here in 2023 was the third different independent audit team to

2022 Annual Financial Report – Continued

pour over and opine on Independence’s financial processes, procedures, and outcomes (financial reports) in the last three years.

In 2021 for fiscal year 2020, Ciuni & Panichi completed its tenth audit in a row of Independence. A lot of familiarity with Independence built up over those ten years allowed the Ciuni firm to become quite familiar with Independence’s processes and procedures.

Then in 2022 for fiscal year 2021, the Ohio Auditor of State (AOS) took the annual audit responsibility back in house. It had originally intended to keep the Independence audit “in house” for a few years, but it’s assumed that it was comfortable enough with Independence’s financial processes, procedures, and outcomes (financial reports), that it decided to contract back out the audit services with an independent auditor after just one year.

So here in 2023 for fiscal year 2022, Zupka and Associates provided the audit services to Independence.

It may not sound like a lot to a non-accountant but having to work with three different entities during the last three annual audits, each of whom brought a slightly different perspective on how it conducted its audit, is once again, a testament to the Independence Finance Office’s efficiency, effectiveness and proficiency. Job well done, once again, Team Independence Finance Office!

Regional and Community Banking

Crain’s Cleveland Business recently printed a “Personal View” column written by the chairman and president of an Ohio community bank.

The column stressed the importance and benefits of banking with a strong community bank, just as Independence does with Independence Bank.

But for diversification purposes, the City does also have significant funds on deposit with regional bank Fifth Third (and even there, mostly in U.S. Treasury instruments) and Star Ohio, and arm of the State Treasurer’s Office.