



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, October 6, 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) earlier this summer.

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 soon thereafter, which allowed the final report to be filed with the Government Finance Officers Association (GFOA) at that time.

That Independent Auditor's Report was reviewed by the AOS, approved, and finally publicly released yesterday, Thursday, October 5.

Contained within the complete 2022 ACFR is the Independent Auditor's Report – Report on the Financial Statements. The words that every entity that gets audited longs to hear are written in it:

2022 Annual Financial Report – Continued

“In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Independence as of December 31, 2022...”

It's not a spectacular accomplishment to have these words written about an organization's financial reports, but in this case, this is a testament to the Independence Finance Office's efficiency, effectiveness and proficiency.

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 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 – the third different audit team in three years.

It may not sound like much 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, Independence Finance Office Team!