



TO: FRUITA CITY COUNCIL AND MAYOR

FROM: MARGARET SELL, FINANCE DIRECTOR/CITY CLERK

DATE: JUNE 20, 2022

AGENDA TEXT: **2021 DRAFT FINANCIAL STATEMENTS** - Presentation of the 2021 Draft Financial Statements and Fiscal Health Analysis – *Finance Director/City Clerk Margaret Sell*

BACKGROUND

The DRAFT 2021 Financial Statements will be presented to the City Council. This overview is intended to provide information on the City's financial condition as of December 31, 2021 and a framework for upcoming discussions regarding the 2023 budget. The City's auditors (Chadwick, Steinkirchner and Davis – "CSD") have completed their field work and are in the process of final review of the financial statements. They will present the auditor's report on the financial statements at the July 19, 2022 Council meeting. No significant changes are anticipated to the attached DRAFT Financial Statements.

The Fiscal Health Analysis (FHA) will also be presented to the City Council for review. The FHA is a set of seven financial ratios developed by the Local Government Audit Division of the Office of the State Auditor to assess financial health. This information can assist the City in identifying areas to focus on for further examination and, if needed, take appropriate action.

The following documents are attached for your information and review:

- 2021 Financial Statements
- Fiscal Health Analysis.

FISCAL IMPACT

N/A

APPLICABILITY TO CITY GOALS AND OBJECTIVES

Financial Statements and the Fiscal Health Analysis information related to the City's financial condition and changes in financial position from year to year. This information is important for future planning of the use of economic resources to meet the needs of the community and identify areas of concern with the City's financial condition.

OPTIONS AVAILABLE TO THE COUNCIL

N/A

RECOMMENDATION

This item is for informational purposes only. Final approval of the 2021 Financial Statements is scheduled for the July 19 meeting after the Council has received the auditor's report on the 2021 Financial Statements..