



FRUITA
COLORADO

AGENDA ITEM COVER SHEET

TO: FRUITA CITY COUNCIL AND MAYOR

FROM: MARGARET SELL, FINANCE DIRECTOR/CITY CLERK

DATE: JUNE 20, 2023

AGENDA TEXT: **2022 FINANCIAL STATEMENTS** - Presentation of the 2022 Financial Statements, Fiscal Health Analysis and Auditor's Report – *Finance Director/City Clerk Margaret Sell and Lisa Hemann, Director of Audit Services for Chadwick Steinkirchner, Davis & Co., PC*

BACKGROUND

The Financial Statements for fiscal year ending December 31, 2022, will be presented to the City Council. This overview is intended to provide information on the City's financial condition as of December 31, 2022 and a framework for upcoming discussions regarding the 2024 budget.

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.

Following this presentation, Lisa Hemann, President and Director of Audit Services with Chadwick, Steinkirchner, Davis and Co., PC (CSD) will present the Independent Auditor's Report on the Financial Statements for the City of Fruita at December 31, 2022.

The following documents are attached for your information and review:

- 2022 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.

The purpose of an audit is to review the city's financial statements and express an independent opinion,

as to whether the financial statements are fairly presented in conformity with the appropriate accounting principles. This independent review of the City's financial statements is required by the city charter and state law, increases the value and credibility of the statements, and can be used to promote accountability for city staff.

OPTIONS AVAILABLE TO THE COUNCIL

- Approve the Financial Statements for Fiscal Year 2022 and accept the auditor's report
- Request additional information

RECOMMENDATION

It is the recommendation of City Staff that the Council move to:

APPROVE THE CITY OF FRUITA 2022 FINANCIAL STATEMENTS AND ACCEPT THE AUDITORS REPORT