



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: July 13, 2026

Agenda Item: 2025 Financial Statement.

- CohnReznick has confirmed the filing with the State Auditors office for compliance
- Annual Financial Statement Review | Administrative Dashboard

Subject | Summary: An unmodified clean opinion was presented and adopted Mach 9th of 2026 for the year ending December 31st, 2025. Confirmation has been received from CohnReznick that the report has been filed with the State Auditors office.

The administrative review of key measures has been completed and has been summarized in a dashboard format. This information will be reviewed in more depth during the upcoming budgeting cycle for 2027.

- The General Fund expenditure to fund balance ratio remains at an acceptable level at \$1,806,721, which is above the 50% of expenditure level and higher than last years balance. It is noted as a cautionary (yellow) thumbs down, as the S&P threshold has increased from the \$1million or 50% level to \$2 million or 50% level. Not an item worth "chasing", rather an area to address slowly over a period of years.
- The General fund Asset | Unassigned Fund Balance to Total Fund balance ratio is healthy.
- The water operations fund cash balance at \$524,449 (12.6% of expenses) is below the 20-40% of expenses guideline. The water fund also owes the waste water fund \$150,000 from a prior year inter-fund loan.
- The water reserve fund is in the process of being re-established.
- The waste water operations fund cash balance at \$273,469 is in the 20-40% of expenses range
- The waste water reserve fund is in the process of being re-established.
- The dept per capita at \$3,936 is below the rating agencies guideline of less than \$5k per capita, but above our guideline of \$3,500 per person. Also, the rating agency recently doubled the weighting factor, meaning debt now has a larger impact on the rating.

Agenda Category: Consent

Submitted By: Michele Peterson

Recommended Motion:

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

[Annual Audited Financial Statement Administrative Review Dashboard - 2025.pdf](#)

[2025 Issued Financial Statement.pdf](#)