

RENNER SANITARY DISTRICT ANNUAL FINANCIAL REPORT 2023-2024

2023-2024 PROFIT & LOSS STATEMENT

Our yearly profit and loss statement can be looked at in the following way:

1. The statement shows all our Equipment repairs, Flooding response expenses for the year and puts us at a negative net income of (\$125,708.89), which puts us outside of our budget guidelines we set last year. If you add back in the Depreciation Expense for the year, that will put our net income at a negative (\$19,621.33). We did have an unexpected loss this year due to increasing prices of repairs and flooding.

Remember that the Depreciation Expense does not physically come out of our checking accounts. When we do any repairs that add to the value of our system, that is considered an Asset. A set value is then assigned to each asset for depreciation over a length of time.

SD STATE LOAN

We made some great progress paying on our state loan from the drainage project. We were able to pay down \$29,788.80 for the year. We make quarterly payments, and it was decided to stick with the quarterly payments and not make a big principal payment. The interest rate on the loan is a fixed rate of 2.125%. Our current DENR checking account with First Bank and Trust is an interest-bearing account with the rate of 3%. Currently, it does not make sense to pay down on the loan.

BANK ACCOUNTS

Our First Bank and Trust Accounts have been doing well this year. We have a main checking/operating account, 2 Money Market Accounts, and a 12-month Liquid CD. One money market account is a sweep account which is connected to our main operating account. The balance from our main account will sweep over to the money market account every night leaving a balance of \$100.00. We do this so that we can earn more interest on our funds. Those two accounts act as one. Here are our balances and interest earnings as of 10/31/2024 for each account:

- FBT Checking (\$4711.91) – Remember this works with the sweep account so we are not really negative.
- MMA Sweep Account \$192,475.86 – This is the account that sweeps money back and forth to our main checking account. – 2024 YTD Interest Paid \$5,311.62
- DENR MMA \$95,913.84 – This is the money market account that covers all of our loan payments and where the debt service fees are deposited to help pay down that loan. 2024 YTD Interest Paid \$2,398.23
- 12-Month Liquid CD Investment – We started 2024 with a Liquid CD balance of \$278,163.70. This CD rate was set at 4.5%. We cashed out this CD on 9/19/2024 due to lowering of CD interest rates. We ended up earning \$11,522.83 in interest. We opened a new CD on 9/19/2024 for the amount of \$289,480.77. This has an interest rate of 4.25% and will mature in 12 months on 9/19/2025. This should earn us about \$12,302.93 in interest for the 12 months. This is also a Liquid CD which means we can make up to 4 withdrawals from it with no penalty when needed for emergencies.

PERMITS

We did have a permit finalized in 2024 but did not issue any new sewer permits .

Respectfully submitted.

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