

RENNER SANITARY DISTRICT

ANNUAL FINANCIAL REPORT 2024-2025

2024-2025 PROFIT & LOSS STATEMENT

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

1. The statement shows all our Expenses for the year and puts us at a positive net income of \$24,218.02 which shows us sitting very well for what we budgeted. If you add back in the Depreciation Expense for the year, that will put our net income at a positive \$112,506.20. The Budget sheet for last year and Profit and Loss may look a little different as I did not list the Loan Principal Payments as an expense item. In Accounting, principal payments are not considered an expense. They are considered a reduction in the liability on a Balance sheet.

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 \$30,426.87 for the year, which puts our loan balance under 1 million. 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 2.02%.

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 10/31/2025 for each account:

- Main Operating Account – FBT Checking (\$8,400.82) – Remember this works with the sweep account so we are not actually negative.
- MMA Sweep Account \$164,295.79 – This is the account that sweeps money back and forth to our main checking account. – 2025 YTD Interest Paid \$2,711.98. The interest rate has gone down on this account from 3% to 2% which is current.
- DENR MMA \$107,650.13 – This is the money market account that covers all our loan payments and where the debt service fees are deposited to help pay down that loan. 2025 YTD Interest Paid \$1,925.31 – The rate on this account has also gone down to 2%.
- 12-Month Liquid CD Investment – We started 2025 with a Liquid CD balance of \$289,480.77. This CD rate was set at 4.25%. We cashed out this CD on 9/17/2025 due to lowering of CD interest rates. We ended up earning \$12,168.10 in interest. We opened a new CD on 9/17/2025 in the amount of \$301,716.28. This has an interest rate of 3.25% and will mature in 12 months on 9/17/2026. This should earn us about \$9,805.78 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 have issued 6 new permits this year. We have issued 4 Residential permits in the Sioux Garden Addition area on Carol Street, 1 Residential permit on Beverly Street, and 1 Commercial permit on Lindbergh Lane, North of the Safari and East of the Locker.

Respectfully submitted.

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