REPORT TO UTILITY COMMITTEE

ITEM NAME: **Finance/Treasurer Office Update: Comparative Internal Financial Statements for Year-to-Date thru 06/30/2026 and 06/30/2025**
PREPARED BY: **John Jacobs, Finance Director/Treasurer**
DATE PREPARED: **07/21/2026**

I have compiled the Comparative Internal Financial Statements for Year-to-Date (YTD) thru 06/30/2026 and 06/30/2025 for all Village Funds, for the Village Board meeting scheduled for 07/27/2026. I have attached the Utility Funds financial statements here for the Utility Committee to review at mid-year.

The June 2026 budget amendments (#1 & #2) have been reflected in these June financial statements. The proposed July 2026 budget amendments (#3 & #4) will be reflected in the July financial statements next month.

I will provide several highlights here for you for the Water & Sewer Utility Funds financial statements in this meeting packet. The detailed individual line items from our accounting software system (Caselle) for the Water & Sewer Utility Funds are not included with these June 2026 financial statements, due to some "old" account numbers being used for expenditures in 2026, instead of the "new" account numbers that were to be used. I plan to include those detailed line item reports for the above mentioned funds along with the July financial statements next month.

<u>**Water Utility Fund:**</u>

- 06/30/2026 Revenues over Expenses = $119,170
- 06/30/2025 Revenues over Expenses = $140,761
- The 2026 fund balance will have ADDED $119,170 to the Water Utility fund balance as of 06/30/2026, before depreciation.
- Therefore, the 2026 budget "surplus" as of 06/30/2026 is running about 85% of where the 2025 budget "surplus" was tracking at the same time compared to last year.

- 06/30/2026 Revenues = $358,195 (or 42.14% of budgeted revenues YTD).
- 06/30/2025 Revenues = $366,106
- Therefore, the 2026 revenues are tracking at 98% of where the 2025 revenues were a year ago.

- 06/30/2026 Expenses = $239,025 (or 17.19% of original budgeted expenses YTD, before depreciation has been recorded)
- 06/30/2025 Expenses = $225,345
- Therefore, the 2026 expenses are tracking at 106% of where the 2025 expenses were a year ago.

- No capital costs are recorded as "expenses" in the Water Utility Fund for 2026. Rather, all capital costs are "capitalized" as an Asset, and will be depreciated over the useful life of the capital asset.

- The Village utilized $3,227,964 of the Safe Drinking Water Loan Program (out of a maximum of $3,385,500) as of 06/30/2026. The remaining balance of $157,536 will not be utilized. The Village paid $142,537 of principal and $32,996 interest in 2026 YTD. Principal payments began annually starting on 5/01/2025. The loan balance as of 6/30/2026 is $2,949,014.

- The 2026 budget had been set with a budgetary deficit = ($540,367).

<u>Sewer Utility Fund:</u>

- 06/30/2026 Revenues over Expenses = $51,298
- 06/30/2025 Revenues over Expenses = $205,084
- The 2026 fund balance will have ADDED $51,298 to the Sewer Utility fund balance as of 06/30/2026, before depreciation.
- Therefore, the 2026 budget "surplus" as of 06/30/2026 is running about 25% of where the 2025 budget "surplus" was tracking at the same time compared to last year.

- 06/30/2026 Revenues = $550,724 (or 41.45% of original budgeted revenues YTD)
- 06/30/2025 Revenues = $555,969
- Therefore, the 2026 revenues are tracking at 99% of where the 2025 revenues were a year ago.

- 06/30/2026 Expenses = $499,426 (or 39.64% of original budgeted expenses YTD, before depreciation has been recorded)
- 06/30/2025 Expenses = $350,885
- Therefore, the 2026 expenses are tracking at 142% of where the 2025 expenses were a year ago.

- No capital costs are recorded as "expenses" in the Sewer Utility Fund for 2026. Rather, all capital costs are "capitalized" as an Asset, and will be depreciated over the useful life of the capital asset.
    - **<u>Additional Expense Comment:</u>**
        - **There is 1 area of concern that I need to highlight at 6/30/2026.**
            1) The Rib Mt Sewerage District expenses for Jan-Jun 2026 = $286,436, as compared to $180,247 for the same period in 2025. This is a $106,189 increase in 2026, due to heavier sewer flows during Apr-Jun 2026 this year.

- There presently is no debt in the Sewer Utility Fund as of 06/30/2026.

- The 2026 budget had been set with a budgetary surplus = $68,661, before consideration for capital project costs.

There is NO "fuzzy math" here in these 6/30/2026 financial statements. These are all facts!!

VILLAGE OF KRONENWETTER

Comparative Internal Financial Statements for Year-to-Date thru June 30, 2026 and 2025

<u>Enterprise Funds</u>:

- **Water Utility Fund – Summary**
- ~~**Water Utility Fund – 2026 Budget vs. Actual Detail**~~
- **Sewer Utility Fund – Summary**
- ~~**Sewer Utility Fund – 2026 Budget vs. Actual Detail**~~

VILLAGE OF KRONENWETTER
Water Utility Fund
Year-to-Date Ended June 30, 2026 and 2025
(50% of Year Completed)

REVENUES:	6/30/2026 YTD Actual	2026 Original Budget	2026 Amended Budget	2026 Budget Variance - Positive (Negative)	6/30/2025 YTD Actual
Metered Sales-Residential	$ 177,751	$ 450,000	$ 450,000	$ (272,249)	$ 179,261
Metered Sales-Commercial	17,559	43,000	43,000	(25,441)	17,073
Metered Sales-Industrial	5,174	11,800	11,800	(6,626)	4,325
Private Fire Protection	2,239	5,343	5,343	(3,104)	2,239
Public Fire Protection	54,671	132,600	132,600	(77,929)	54,332
Industrial Fire Protection	924	2,300	2,300	(1,376)	924
Commercial Fire Protection	2,657	6,400	6,400	(3,743)	2,609
Metered Sales-Public Authority	355	685	685	(330)	322
Metered Sales-Multi Family Residential	26,553	66,600	66,600	(40,047)	26,529
Cell Tower Rental on Water Tower	35,123	31,360	31,360	3,763	31,360
Water Connection Fees	389	2,000	2,000	(1,611)	900
Misc Operating Revenues	181	350	350	(169)	103
Clear Water Revenues	11,144	52,000	52,000	(40,856)	12,656
Contributed Assets	-	-	-	-	-
Interest on Investments	22,658	43,030	43,030	(20,372)	32,175
Interest on Lease Receivables	-	-	-	-	-
Forfeited Discounts	817	2,600	2,600	(1,783)	1,202
Misc Non-Operating Revenues	-	-	-	-	96
TOTAL REVENUES	$ 358,195	$ 850,068	$ 850,068	$ (491,873)	$ 366,106
Budget Percentage Received YTD	*42.14%*				

EXPENSES:	6/30/2026 YTD Actual	2026 Original Budget	2026 Amended Budget	2026 Budget Variance - Positive (Negative)	6/30/2025 YTD Actual
Utility Committee	$ -	$ 842	$ 842	$ 842	$ 270
Maintenance of Meters	1,993	-	-	(1,993)	224
Pumping Expense	62,547	93,663	93,663	31,116	58,594
Purchased Water	-	300,000	300,000	300,000	-
Water Treatment Expense	15,119	42,626	42,626	27,507	9,622
Trans/Distribution Expense	14,425	158,045	158,045	143,620	19,168
Billing Expense	19,014	70,147	70,147	51,133	19,480
Water Administration	58,857	257,231	257,231	198,374	66,063
Misc Water Expense	45,073	-	-	(45,073)	33,451
Safe Drinking Loan - Interest	21,997	67,881	67,881	45,884	18,473
Depreciation	-	400,000	400,000	400,000	-
Transfer to General Fund	-	-	-	-	-
TOTAL EXPENSES	$ 239,025	$ 1,390,435	$ 1,390,435	$ 1,151,410	$ 225,345
Budget Percentage Expended YTD	*17.19%*				
NET CHANGE IN NET POSITION	$ 119,170	$ (540,367)	$ (540,367)	$ 659,537	$ 140,761

Asset Additions:					
Capital Projects	$ 58,605	$ -	$ -	$ (58,605)	$ 1,044,877

VILLAGE OF KRONENWETTER
Sewer Utility Fund
Year-to-Date Ended June 30, 2026 and 2025
(50% of Year Completed)

REVENUES:	6/30/2026 YTD Actual	2026 Original Budget	2026 Amended Budget	2026 Budget Variance - Positive (Negative)	6/30/2025 YTD Actual
Metered Sales-Residential	$ 383,279	$ 927,987	$ 927,987	$ (544,708)	$ 384,137
Metered Sales-Commercial	43,064	98,841	98,841	(55,777)	41,038
Metered Sales-Industrial	14,523	33,500	33,500	(18,977)	12,807
Metered Sales-Multi Family Residential	86,209	214,155	214,155	(127,946)	85,402
Metered Sales-Public Authority	2,674	4,391	4,391	(1,717)	2,043
Sewer Connection Fees	364	2,500	2,500	(2,136)	800
Misc Operating Revenues	150	60	60	90	127
Contributed Assets	-	-	-	-	-
Interest on Investments	16,460	35,000	35,000	(18,540)	23,817
Sewer Tax Roll	-	-	-	-	-
Forfeited Discounts	4,001	12,000	12,000	(7,999)	5,795
Misc Non-Operating Revenues	-	127	127	(127)	3
Apply Unrestricted Fund Balance	-	-	-	-	-
TOTAL REVENUES	$ 550,724	$ 1,328,561	$ 1,328,561	$ (777,837)	$ 555,969
Budget Percentage Received YTD	*41.45%*				
EXPENSES:					
Sewer Administration/Crew	$ 120,458	$ 181,776	$ 181,776	$ 61,318	$ 102,716
Sewer Operations/Maintenance	92,532	337,282	337,282	244,750	67,922
Rib Mt Sewerage District	286,436	460,000	460,000	173,564	180,247
Depreciation	-	280,000	280,000	280,000	-
Utility Committee	-	842	842	842	-
Transfer to General Fund	-	-	-	-	-
TOTAL EXPENSES	$ 499,426	$ 1,259,900	$ 1,259,900	$ 760,474	$ 350,885
Budget Percentage Expended YTD	*39.64%*				
NET CHANGE IN NET POSITION	$ 51,298	$ 68,661	$ 68,661	$ (17,363)	$ 205,084
Asset Additions:					
Capital Projects	$ 384,014	$ 1,116,666	$ 1,116,666	$ 732,652	$ 2,965