



TO: Mayor and Council Members  
FROM: Lynn Scharff, Treasurer  
DATE: March 6, 2026  
RE: Financial Report

The following documents are included in your council packet for consideration under consent agenda:

- 1) December 2025 Treasurer's Report – updated for the “13<sup>th</sup> month” transactions and investment account reconciliation
- 2) December 2025 Check Register – updated for the “13<sup>th</sup> month” transactions
- 3) January 2026 Treasurer's Report
- 4) January 2026 Check Register
- 5) February 2026 Treasurer's Report
- 6) February 2026 Check Register

December and January have been presented before, however, there have been changes and I want to get the most current information to you for approval. December was included in February council packet, however not included in the consent agenda.

The dashboards for December, January and February are included for review. An issue I identified has been reviewed with the finance committee. As we work to close out 2025, there is the possibility of additional changes. I do not expect substantial changes. However, I want to make sure you have the most current financial information.

To review February year to date dashboard:

- 1) Tax revenues – off from budget due to the ebb and flow of tax revenues. Budget is one-sixth of the total budget amount which does not necessarily match the flow of tax revenues.
- 2) Intergovernmental revenues – Budgeted for WSDOT reimbursements for Argonne Congestion and grant for Dalton sidewalks which have not been received. In the first week of March, we received \$780,000 in TIB and WSDOT reimbursements for Argonne Congestion.
- 3) Miscellaneous revenues – off from budget due to investment earnings and \$33,000 (YTD) budgeted for potential wholesale water agreements. Total 2026 budget for wholesale water agreements is \$200,000.
- 4) General Governmental expenditures – Timing of payment of the WCIA insurance for 2026.
- 5) Other Increases/Other Decreases – interfund loan (Resolution 2026-2). We should be able to clear in March.
- 6) As noted on the dashboard, fund balances are under review for proper classification.

The mayor and I have revised the expenditure approval and check procedure. A copy of the procedure is included for your reference.

Thank you, Lynn