City of Big Lake

February 2026 Financial Update

16.67% of Budget Year – Unaudited

General Fund Overview

General Fund revenues are **generally in line with projections** for the beginning of the fiscal year.

***Total Revenues Collected*:** $579,004

Key observations:

- Property taxes are not received until **July and December**.
- Franchise fees are received **quarterly**.
- Interest revenue reflects **reversal of year-end accrued interest**.

Revenue Highlights

- **Charges for Services:** $55,133 (21% of budget)
- **Fines & Forfeitures:** $6,357 (12% of budget)
- **Licenses & Permits:** $57,593 (7% of budget)
- **Intergovernmental Revenue:** $94,193 (20% of budget)
- **Transfers from Other Funds:** $450,000 (completed for year)

Activity Comparison to 2025

- Administration/Finance revenue: **$387,792 vs $423,153**
- Building permits: **$54,413 vs $80,291** (no new single-family permits yet)
- Police revenues consistent with prior year
- Parks and seasonal permits consistent with prior years

Expenditure

***Total Expenditures*:** $1,909,605

25% of Budget

Spending levels remain **within normal early-year trends**.

Breakdown:

- Personnel: **15% of budget**
- Professional Services: **23%**
- Operational Expenses: **22%**
- Marketing: **0%**

Cost to provide City services:

≈ $1.24 per day per utility connection.

Fund Balance

Unassigned Fund Balance: $3,718,967

- **48% of the 2026 General Fund Budget**
- Equivalent to **approximately 6 months of operating expenses**

City financial policy target: **42–50%**

Using the **2027 concept budget**, the projected balance is **approximately 46%**, remaining within policy guidelines.

Capital Improvement Funds

Major Capital Fund Balances

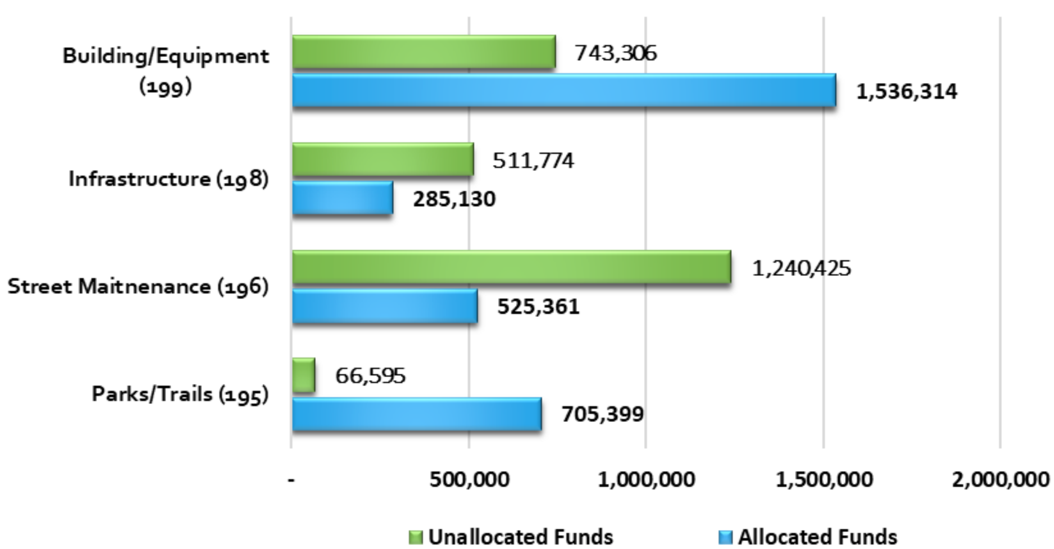
- **Infrastructure Fund (198):** $796,904
- **Street Maintenance Fund (196):** $1,765,786
- **Equipment Replacement Fund (199):** $2,279,672
- **Computer Replacement Fund (194):** $101,530
- **Park / Trail Maintenance (195):** $771,995
    - $580,007 could be used for other Park projects such as the Skate Park
- **Lake Maintenance (197):** $64,604

Key Capital Notes

- **2026 LGA:** $627,591 (down $124,920 from 2025)
- **$160,000 allocated for equipment**
    - Ladder Truck: $125,000
    - Future Fire Engine: $35,000

Major ongoing projects include:

- Pedestrian Safety/Connectivity Project
- Street reconstruction planning
- Park improvements at **Lakeside Park and Lake Ridge Park**



Special Revenue Funds

EDA Fund: $200,546

- $100,000 reserved for revolving loans
- $188,699 designated for redevelopment projects
- Smith Property purchase to be reimbursed through **2026A bonds.**

Other programs remain stable:

- Farmers Market Fund
- Music in the Park Fund
- Veterans Memorial Fund

Park Dedication Fund

Balance: $492,115

Funds allocated for park improvements:

- **Lakeside Park:** $285,341
- **Lake Ridge Park:** $59,646

Projected remaining balance after purchases: **$147,128.**

Enterprise Funds

Water Fund

- Cash Balance: **$1,043,532**
- Revenues: **$273,359 (12%)**
- Expenses: **$702,219 (18%)**

Water sales slightly down due to:

- **5% rate decrease in 2026.**
- Water Access Charges redirected to CIP fund.

Sewer Fund

- Cash Balance: **$3,163,654**
- Revenues: **$663,061 (18%)**
- Expenses: **$784,109 (21%)**
- 2026 rate increase: **10%**

Storm Sewer Fund

- Cash Balance: **$585,44**
- Revenues: **17% of budget**

Liquor Store Fund

- Cash Balance: **$1,280,932**

Sales remain slightly higher than 2025.
Net operating profit before transfers: **~$30,913 (4%)**

Investments

Total Investments: **$16,294,805**

Portfolio breakdown:

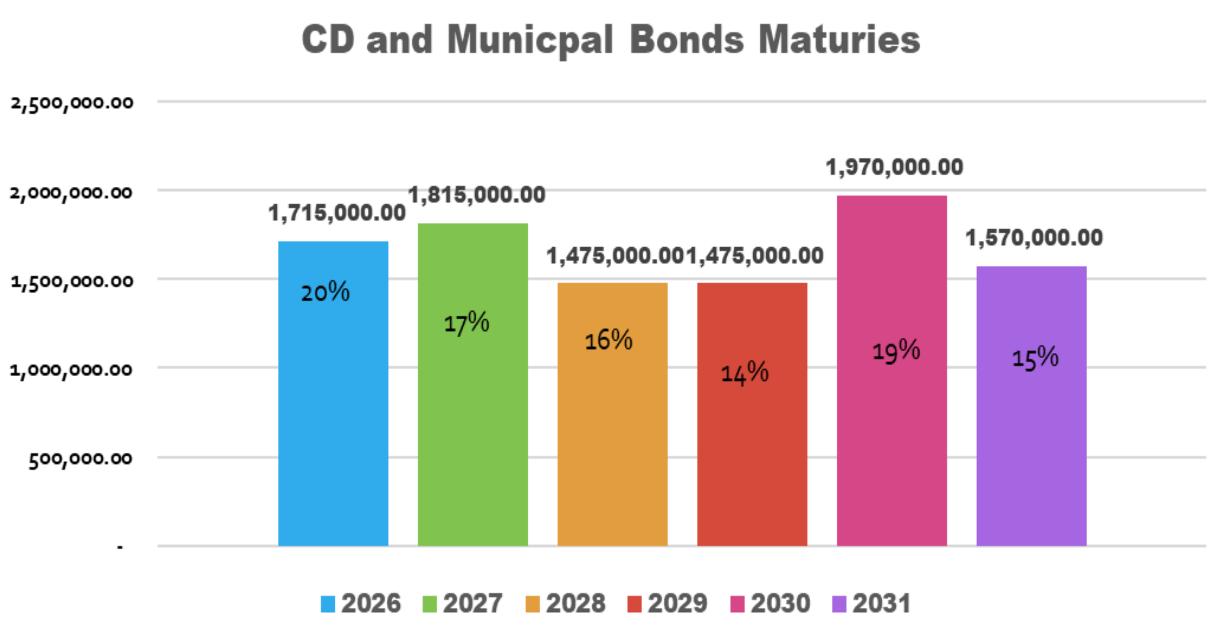
- CDs: **35%**
- Municipal Bonds: **25%**
- 4M Long-Term Duration Fund: **28%**
- Money Market Funds: **12%**

Current interest rates:

- CDs: **3.70% – 3.85%**
- Money Market: **3.63%**

Total interest earned to date: **$116,128**

The City's investments do not represent excess or unused cash. These funds are existing fund balances that have been strategically placed into investment instruments rather than held in the checking account. This approach allows the city to earn interest while still maintaining liquidity to meet operational and capital needs.



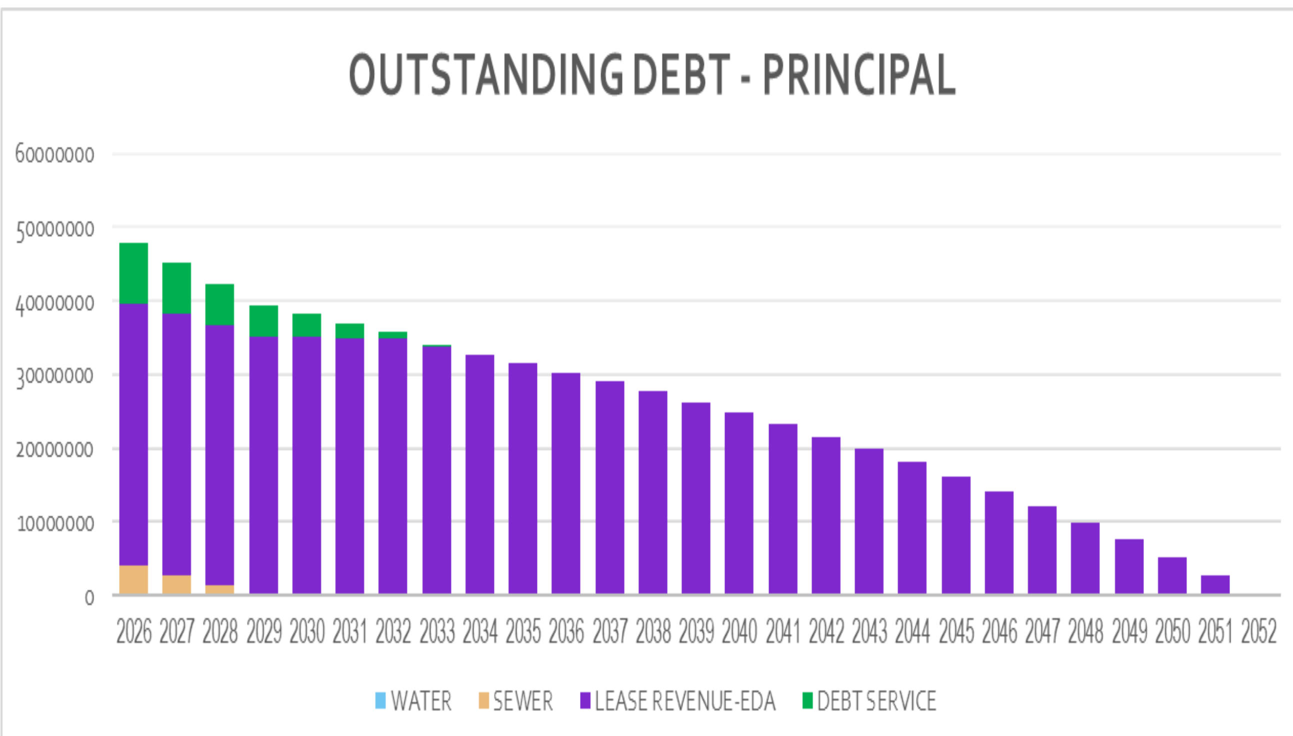
Debt

Outstanding debt after 2026 payments:
$47,879,000

Includes planned **$35M Public Safety Facility financing**.

2026 Debt Service Breakdown

Issue and Project	Principal Outstanding	Final Payment
2009 PFA – WWTP Expansion	2,806,000	8/20/2029
2010 PFA – Intersection 10/25	443,000	8/20/2029
2015A - Refunding(Fire Hall, Industrial Park, Public Works Facility, Street Project)	1,485,000	2/1/2029
2016A- Refunding (Industrial Park Expansion)	550,000	2/1/2030
2016B Police/Library	105,000	2/1/2028
2018A Street Projects	1,380,000	2/1/2034
2021A Street Projects	1,990,000	2/1/2032
2022A Street Projects	3,740,000	2/1/2033
2026A Public Safety/City Hall Building	35,380,000	2/1/2052
Total outstanding Debt	$ 47,879,000	



Current municipal bond rates:

- **10-Year GO AA:** ~2.60%
- **20-Year GO AA:** ~4.10%

Economic Indicators

- Federal Funds Rate: **3.75%**
- Prime Rate: **6.75%**
- Inflation: **2.40%**

Overall Position

✓ General Fund tracking as expected early in the year

✓ Fund balance remains within policy

✓ Enterprise funds performing as planned (timing of transfers impacts early results)

✓ Investments continue to perform well

⚠ Development activity slower to start the year (no new home permits yet)

⚠ Continued monitoring of utility fund depreciation coverage

The City remains in a stable financial position early in 2026, with results aligned with typical seasonal trends.

Additional Information

Attached documents include detailed line-item reports for each department as well as each fund.

Please reach out if you have any additional questions.

"Responsible financial stewardship today so Big Lake can continue to Live Big."

unaudited

% OF TIME PASSED
16.67%

REVENUES BASED ON SERVICE THROUGH FEBRUARY 2026
GENERAL GOVERNMENT

SERVICE	2024 YTD AMOUNT	2025 YTD AMOUNT	2026 YTD AMOUNT	2026 ORIG BUDGET	2026 REMAINING BUDGET	% OF BUDGET	+/- LAST YEAR
GENERAL FUND							
Charges for Services	$ 58,514	$ 81,650	$ 55,133	$ 265,319	$ 210,186	20.78%	
Donations/Grants	1,570	-	-	1,500	1,500	0.00%	
Fines/Forfeitures	9,179	8,650	6,357	51,250	44,893	12.40%	
Franchise Fees	-	-	-	452,223	452,223	0.00%	
Insurance Proceeds	-	-	-	2,500	2,500	0.00%	
Interest Earned	(7,179)	(29,608)	(39,042)	95,500	134,542	-40.88%	
Intergovernmental	79,651	88,119	94,193	474,555	380,362	19.85%	
License & Permits	34,578	85,244	57,593	784,790	727,197	7.34%	
Capital Grants-Leased Equipment	-	-	-	-	-		
Other Uses	1,628	1,387	3,176	7,710	4,534	41.19%	
Property Tax	(3,107)	(45,918)	(48,405)	5,205,407	5,253,812	-0.93%	
Special Assessment	-	-	-	1,000	1,000	0.00%	
Transfers	450,000	450,000	450,000	450,000	-	100.00%	
TOTAL GENERAL FUND	$ 624,835	$ 639,522	$ 579,004	$ 7,791,754	$ 7,152,232	8.10%	-9.46%
total w/o transfers	$ 174,835	$ 189,522	$ 129,004	$ 7,341,754			-31.93%

EXPENDITURES THROUGH FEBRUARY 2026
GENERAL GOVERNMENT

SERVICE	2024 YTD AMOUNT	2025 YTD AMOUNT	2026 YTD AMOUNT	2026 ORIG BUDGET	2026 REMAINING BUDGET	% OF BUDGET	+/- LAST YEAR
GENERAL FUND							
Personnel	$ 800,296	$ 765,811	$ 787,065	$ 4,953,376	$ 4,187,565	15.89%	
Elections	1,419	910	790	33,100	32,190	2.39%	
Professional Services	14,521	21,998	57,024	244,440	222,442	23.33%	
Operation Expense	315,514	442,393	431,027	1,918,827	1,476,434	22.46%	
Marketing	454	632	-	8,000	7,368	0.00%	
Transfers to CIP & other Funds	455,611	460,861	634,011	634,011	173,150	100.00%	
TOTAL GENERAL FUND	$ 1,587,815	$ 1,692,605	$ 1,909,917	$ 7,791,754	$ 6,099,149	24.51%	12.84%
total w/o transfers	$ 1,132,204	$ 1,231,744	$ 1,275,906	$ 7,157,743			3.59%
Fund Balance Increase/(Decrease	(962,980)	(1,053,083)	(1,330,913)	-			

2026 General Fund Cash Balance $ 4,224,442.05

2026 General Fund Balance

2,577.43	Nonspendable - prepaids
71,657.83	Assigned fund Balance
3,718,967.14	**Unassigned Fund Balances**
3,793,202.40	
7,791,754.00	2026 Final Budget
47.73%	Unassigned Fund Balance-% of 2026Approved Budget
45.88%	Unassigned Fund Balance-% of 2027 Concept Budget

Assigned Fund Balances by Department and/or Program - Adjusted at Year End

Administration/Finance	$ 6,000.00	Liquor Check Violations
Police	49,156.94	Using for unbudgeted items
Wellness Program	299.83	Using for Staff lunch and learns
Advance Resignation	7,500.00	Advance Resignation Program
Movie in the Park Program	8,701.06	Using for Movie in Park
	$ 71,657.83	

unaudited

Fund Balance/Working Capital - Unallocated Fund Balance
As of Month End

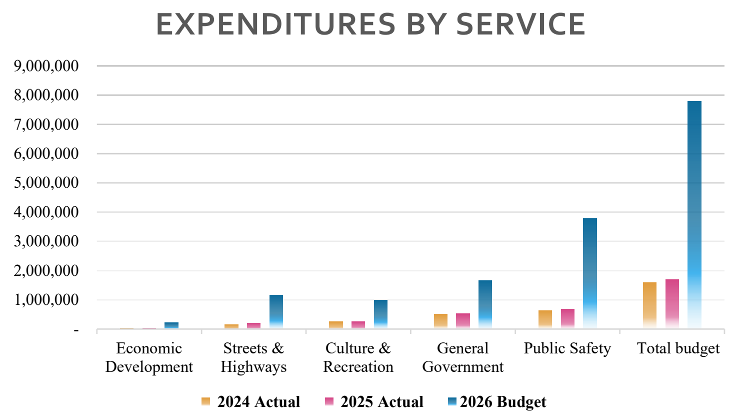
	Fund	1/1/2026 Beginning Fund Balance/Working Capital	2/28/2026 + Revenues	- Expenses	Ending Fund Balance/Working Capital
101	101 - GENERAL FUND	$ 5,052,457.53	579,003.89	1,909,916.85	$ 3,721,544.57
116	116 - 2009 NSP GRANT	$ -	-	-	$ -
118	118 - SMALL CITIES DEVELOP PROGRAM	$ 7,250.00	-	-	$ 7,250.00
120	120 - PARK DEVELOPMENT	$ 488,615.29	3,499.64	-	$ 492,114.93
130	130 - CRIME REWARD FUND	$ -	-	-	$ -
141	141 - IND PK EXP LAND PURCH	$ (467,468.72)	75,250.04	-	$ (392,218.68)
150	150 - CAPITAL PROJECT/LOCAL DEVELOF	$ -	-	-	$ -
165	165 - LAKE STREET REDEV/TIF 1-3	$ 3,577.08	61.71	-	$ 3,638.79
170	170 - CAPITAL PROJECT/TIF 1-4	$ 98,705.22	46.84	-	$ 98,752.06
171	171 - CAPITAL PROJECT/TIF 1-5	$ 9,796.21	1.30	9,622.34	$ 175.17
172	172 - CAP PROJ-TIF 1-6 - CHERRYWOOD	$ 0.01	-	-	$ 0.01
173	173 - CAP PROJ-TIF 1-7 -NORTHSTAR	$ -	-	-	$ -
175	175 - CAPITAL PROJECT/STREET IMPROV	$ 104,995.33	34,885,427.39	14,287.66	$ 34,976,135.06
194	194 - COMPUTER REPLACEMENT FUND	$ 17,024.47	10,854.60	14,543.23	$ 13,335.84
195	195 - PARKS-TRAIL IMPROVEMENT/MAIN	$ 659,151.16	112,843.40	-	$ 771,994.56
196	196 - STREET IMPROVEMENT/MAINT FUN	$ 1,311,416.31	461,158.29	849.49	$ 1,771,725.11
197	197 - LAKE MAINTENANCE	$ 64,292.17	311.94	-	$ 64,604.11
198	198 - INFRASTRUCTURE IMPRMNT FUND	$ 788,388.53	4,532.69	2,527.50	$ 790,393.72
199	199 - EQUIP & BLDG REPLACEMENTS	$ 766,830.73	41,489.44	200,222.39	$ 608,097.78
211	211 - TRLF-GO STATE AID LOAN 2010	$ 7,972.81	14.12	5,057.18	$ 2,929.75
222	222 - GO REFUNDING BOND 2015A	$ 102,840.46	62.81	73,007.05	$ 29,896.22
223	223 - GO TAXABLE REFUNDING - 2016A	$ 217,217.01	2,707.39	191,355.00	$ 28,569.40
224	224 - GO CIP BOND - 2016B	$ 57,639.01	0.73	57,295.00	$ 344.74
226	226 - GO IMPROVEMENT RFND 2016C	$ 349,517.60	33.60	333,300.00	$ 16,251.20
227	227 - GO IMPROVEMENT BOND 2018A	$ 229,875.64	676.80	173,775.00	$ 56,777.44
228	228 - GO IMPROVEMENT BOND 2021A	$ 494,003.91	580.66	324,825.00	$ 169,759.57
229	229 - GO IMPROVEMENT BOND 2022A	$ 844,658.49	15,731.60	526,900.00	$ 333,490.09
274	274 - AMERICAN RESCUE PLAN ACT (ARP	$ -	-	-	$ -
275	275 - ECONOMIC DEVELOPMENT AUTHOI	$ 842,152.12	5,150.66	66,085.80	$ 781,216.98
276	276 - NARCOTIC FORFEITURE	$ 85,355.81	414.08	-	$ 85,769.89
277	277 - DWI FORFEITURE	$ 16,287.86	80.72	-	$ 16,368.58
278	278 - TRAFFIC SAFETY PROGRAM	$ 22.61	0.11	-	$ 22.72
280	280 - FARMERS MARKET	$ 31,961.19	8,284.30	1,768.85	$ 38,476.64
281	281 - VETERANS & OTHER MEMORIAL FU	$ 1,184.92	10.67	-	$ 1,195.59
282	282 - MUSIC IN THE PARK	$ 1,546.43	23,106.55	3,745.01	$ 20,907.97
301	301 - WATER ENTERPRISE FUND	$ 11,045,194.70	273,359.33	702,914.70	$ 10,615,639.33
399	399 - WATER -EQUIP/BLDG REPLCMNT FU	$ 5,542,658.88	258,000.00	52,714.28	$ 5,747,944.60
401	401 - SEWER ENTERPRISE FUND	$ 13,914,250.02	663,060.81	784,109.47	$ 13,793,201.36
499	499 - SEWER-EQUIP/BLDG REPLCMNT FU	$ 8,845,509.40	286,208.42	28,790.00	$ 9,102,927.82
501	501 - LIQUOR ENTERPRISE FUND	$ 2,598,778.25	709,154.34	1,265,962.88	$ 2,041,969.71
599	599 - LIQUIR-EQUIP/BLDG REPLCMNT FU	$ 188,908.86	35,000.00	6,326.00	$ 217,582.86
601	601 - STORM WATER ENTERPRISE FUND	$ 2,378,704.12	50,130.50	86,708.11	$ 2,342,126.51
699	699 - STORM WATER-EQUIP/BLDG REPLC	$ 287,500.00	35,000.00	-	$ 322,500.00
		$ 56,988,771.42	38,541,249.37	6,836,608.79	$ 88,693,412.00

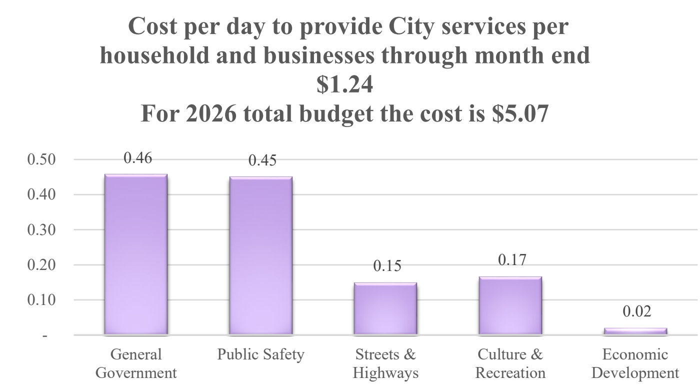
City of Big Lake
General Fund Expenditure Budget - Unaudited
Prior to Budget Amendments
Summary by Service through February 2026

% OF TIME PASSED
16.67%

Service	2024 Actual	2025 Actual	2026 Actual	2026 Adopted Budget	Variance +/-	% of Budget Left	% of Total Budget
General Government							
Mayor/Council	6,761	6,782	6,505	34,284	27,779	81.03%	
Planning	35,803	19,243	27,534	196,704	169,170	86.00%	
Elections	1,419	6,910	790	33,100	32,310	97.61%	
Administration/Finance	405,335	408,968	598,434	1,083,420	484,986	44.76%	
Computer/Software/IT	59,973	78,027	69,780	307,576	237,796	77.31%	
Total General Government	509,292	519,931	703,043	1,655,084	952,041	57.52%	21.24%
Public Safety							
Police	543,198	597,878	594,891	3,305,401	2,710,510	82.00%	
Fire	59,044	65,236	64,172	238,413	174,241	73.08%	
Building	32,468	22,943	33,065	229,354	196,289	85.58%	
Total Public Safety	634,710	686,056	692,128	3,773,168	3,081,040	81.66%	48.43%

Service	2024 Actual	2025 Actual	2026 Actual	2026 Final Budget	Variance +/-	% of Budget Left	% of Total Budget
Streets & Highways							
Engineering	15,918	18,233	25,441	143,303	117,862	82.25%	
Fleets	37,128	37,719	50,867	245,962	195,095	79.32%	
Streets	105,451	148,133	152,477	767,756	615,279	80.14%	
Total Streets & Highways	158,498	204,084	228,785	1,157,021	928,236	80.23%	14.85%
Culture & Recreation							
Parks	214,508	208,431	211,584	790,004	578,420	73.22%	
BLCSC	13,780	18,156	17,980	72,497	54,517	75.20%	
Community - Recreation (other	26,155	28,897	25,583	124,303	98,720	79.42%	
Total Culture & Recreation	254,443	255,483	255,146	986,804	731,658	74.14%	12.66%
Economic Development	30,872	27,051	30,815	219,677	188,862	87.69%	2.82%
Total General Fund Expenditur	1,587,815	1,692,605	1,909,917	7,791,754	5,881,837	78.28%	
		-	-		**24.51%**	**spent**	

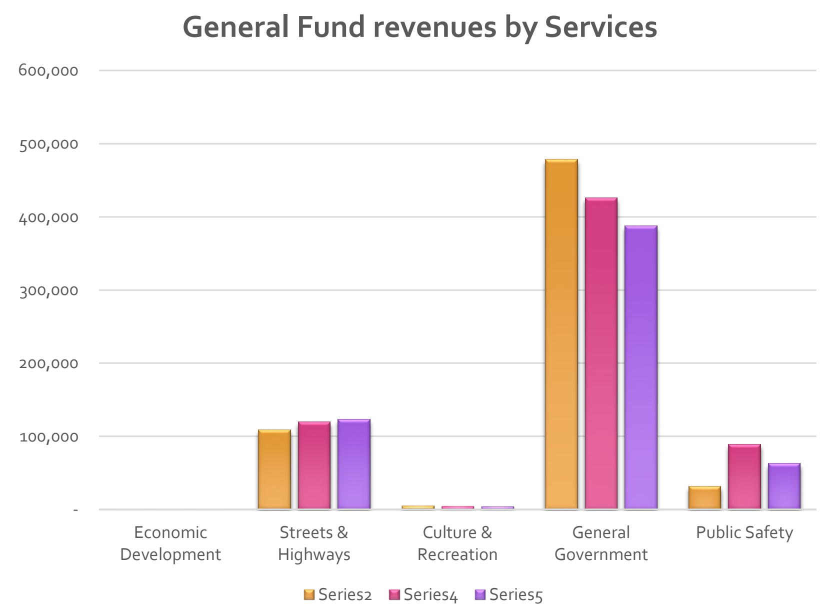




City of Big Lake
General Fund Revenue Budget - Unaudited
Summary by Service through February 2026

% OF TIME PASSED
16.67%

Service	2024 Actual	2025 Actual	2026 Actual	2026 Adopted Budget	% of Budget Received	% of Total Revenues
General Government						
Mayor/Council	-	-	-	-		
Planning	4,985	2,905	105	26,000	0.40%	
Elections	-	-	-	-		
Administration/Finance	473,603	423,153	387,792	6,300,949	6.15%	
Total General Government	478,588	426,058	387,897	6,326,949	6.13%	66.99%
Public Safety						
Police	9,299	8,910	8,746	270,055	3.24%	
Fire	-	-	-	-		
Building	22,495	80,291	54,413	681,140	7.99%	
Total Public Safety	31,794	89,201	63,159	951,195	6.64%	10.91%
Streets & Highways						
Engineering	-	-	-	-		
Fleet	-	2,533	3,220	2,600	123.84%	
Streets	109,273	117,570	120,347	421,900	28.53%	
Total Streets & Highways	109,273	120,103	123,567	424,500	29.11%	21.34%
Culture & Recreation						
Parks	1,180	1,660	1,881	77,450	2.43%	
BLCSC	2,500	2,500	2,500	10,160	24.61%	
Community - Recreation (other)	1,500	-	-	1,500	0.00%	
Total Culture & Recreation	5,180	4,160	4,381	89,110	4.92%	0.76%
Economic Development	-	-	-	-		0.00%
Total General Fund Revenues	624,835	639,522	579,004	7,791,754	7.43%	



% of time passec 16.67%

Unaudited

Big Lake Economic Development Authority
Statement of Operating Revenues and Expenditures
Through February 2026

Revenues	YTD Actual 2025	YTD Actual 2026	Budget 2026	Remaining Budget	% of Budget Received Spent	Comments
RE & PP Taxes - Current	-	-	158,400.00	158,400.00		Not received until July and August
RE & PP Taxes - Delinquent	-	-	400.00	400.00		
Lease/Rental Income	4,000.00	4,000.00	-	(4,000.00)		Pizza Factory
Interest Earned	1,361.50	1,150.66	2,500.00	1,138.50		
Sub Total Operating Revenues	5,361.50	5,150.66	161,300.00	155,938.50		
Total Revenues	5,361.50	5,150.66	161,300.00	155,938.50	3%	
Expenditures						
Wages & Fringe	3,964.49	6,733.32	46,936.00	42,971.51		Community Development Director - 50%
Audit	-	350.00	1,200.00	1,200.00		
Advertising	-	-	2,000.00	2,000.00		
Marketing	-	-	10,000.00	10,000.00		2020 Branding Project
Consultants	-	-	5,000.00	5,000.00		Annual Reports - TIF REPORTS
Contractors hired	-	-	100.00	100.00		Sharpline Lawn Care- Industrial Park
Engineering	-	-	250.00	250.00		
Legal	-	54.00	6,000.00	6,000.00		
Meals	-	-	100.00	100.00		
Uniforms	-	-	100.00	100.00		
Other Operating Expenses	-	-	50.00	50.00		.
Postage	-	10.20	25.00	25.00		
Cleaning Service	910.00	980.00	1,700.00	790.00		Restrooms - Pizza Factory
General Liability Insurance	2,399.25	2,441.25	3,195.00	795.75		Old School Building
Real Estate Taxes	-	1,914.00	2,758.00	2,758.00		421 Foley Ave
Recording Fees	-	-	500.00	500.00		Land Sales/IP
Repair/Maintenance - Bldg held	-	-	1,500.00	1,500.00		Old School Building/parking lot
Sanitation/Garbage Removal	829.36	897.45	-	(829.36)		Pizza Factory - Garbage
Special Assessments - Transfer	-	50,000.00	50,000.00	50,000.00		Transfer to Industrial Park Fund prior year assessments
Subscriptions/Dues	-	-	-	-		MN Marketing Partnership
Training/Schools	525.00	538.87	1,500.00	975.00		Community Development Director - Conferences
Travel/Mileage	-	59.45	150.00	150.00		
Electricity	1,019.94	469.41	3,600.00	2,580.06		Old School Building/Pizza Factory
Natural Gas	2,123.48	1,035.89	3,240.00	1,116.52		Old School Building
Water/Sewer	1,035.77	601.96	2,400.00	1,364.23		421 Foley/Old School Building
Website	-	-	250.00	250.00		
Total Operating Expenditures	12,807.29	66,085.80	142,554.00	129,746.71		
Total Expenditures	12,807.29	66,085.80	142,554.00	129,746.71	9%	
Operating Revenues less Expenditures	(7,445.79)	(60,935.14)	18,746.00	26,191.79		
Projected Fund Balance Inc/(Deci	**(7,445.79)**	**(60,935.14)**	**18,746.00**			
Projected Cash balance Inc/(Decr	**(7,445.79)**	**(60,935.14)**				

Cash Balance at month end	$ 197,462.73	
Designed Fund Balance	(100,000.00)	Revolving loan fund
Designed Fund Balance	(188,699.38)	Land Purchase/Redevelopment
Unassigned Fund Balance	$ (94,320.97)	

% of time passec 16.67%

Unaudited
Farmers Market Fund 280
Statement of Operating Revenues and Expenditures
Through February 2026

Revenues	**YTD Actual 2026**	**Budget 2026**	**Remaining Budget**	**% of Budget Received Spent**	**Comments**
Inter-Govt Revenue	-	1,000.00	1,000.00		Sherburne Cty Health Human Services
Vendor License	140.00	4,000.00	3,860.00		
Vendor License - Winter Market	210.00	1,000.00	790.00		
Donations from Organizations	7,750.00	9,500.00	1,750.00		
Farmer Market Bags	3.46	10.00	6.54		
Interest Earned	167.84	100.00	(67.84)		
Other Grant Proceeds	13.00	200.00	187.00		Hunger Cash
Other Grant Proceeds-Private Org	-	1,000.00	1,000.00		Centra Care
Sub Total Operating Revenues	8,284.30	16,810.00	8,525.70	49.28%	
Total Revenues	8,284.30	16,810.00	8,525.70		
Expenditures					
Wages & Fringe	729.63	5,133.00	4,403.37	14.21%	5% of Rec coordinator time
Bank Charges	56.62	700.00	643.38	8.09%	
Operating Supplies	-	1,000.00	1,000.00	0.00%	
Other Operating Expenses	135.00	6,500.00	6,365.00	2.08%	Market Bucks/POP/Promotional Tokens
Advertising	108.58	700.00	591.42	15.51%	
Training/Schools	-	50.00	50.00	0.00%	
Telephone/Internet - FM IPAD	80.02	480.00	399.98	83.33%	
Contractirs Hired	400.00	4,300.00	3,900.00	9.30%	
Subscriptions/Dues	259.00	879.00	620.00	29.47%	45/month sub -
Signs and Banners	-	-	-		
Total Operating Expenditures	1,768.85	19,742.00	17,973.15		
Total Expenditures	1,768.85	19,742.00	17,973.15	8.96%	
Operating Revenues less Expenditures	6,515.45	(2,932.00)	(9,447.45)		
Projected Fund Balance Inc/(Decr)	**6,515.45**	**(2,932.00)**			
Projected Cash balance Inc/(Decr)	**6,515.45**	**(2,932.00)**			
Cash Balance as of month end	$ 40,422.71				

% of time passec 16.67%

Unaudited
Music in th Park Fund 282
Statement of Operating Revenues and Expenditures
Through February 2026

Revenues	**YTD Actual 2026**	**Budget 2026**	**Remaining Budget**	**% of Budget Received Spent**	**Comments**
Donations from Organizations	13,000.00	22,000.00	9,000.00		
Interest Earned	106.55	200.00	93.45		
Transfer In from General Fund	10,000.00	10,000.00	-		
Sub Total Operating Revenues	23,106.55	32,200.00	9,093.45	71.76%	
Total Revenues	23,106.55	32,200.00	9,093.45		
Expenditures					
Wages & Fringe	745.01	5,133.00	4,387.99		
Advertising	75.00	200.00	125.00		
Operating Supplies	-	-	-		
Other Operating Expenses	-	100.00	100.00		
Rent/Lease	2,925.00	6,000.00	3,075.00		
Contractirs Hired	-	21,161.00	21,161.00		
Signs/Banners	-	-	-		
Total Operating Expenditures	3,745.01	32,594.00	28,848.99		
Total Expenditures	3,745.01	32,594.00	28,848.99	11.49%	
Operating Revenues less Expenditures	19,361.54	(394.00)	(19,755.54)		
Projected Fund Balance Inc/(De	**19,361.54**	**(394.00)**			
Projected Cash balance Inc/(De	**19,361.54**	**(394.00)**			

Cash Balance as of month end **$ 20,907.97**

There will need to be an additional funding source for this program

% of time passed 16.67%

Unaudited
Park Dedication Fund 120
Statement of Operating Revenues and Expenditures
Through February 2026

Revenues	**YTD Actual 2026**	**Budget 2026**	**Remaining Budget**	**Comments**
Park Dedication Funds	-	-	-	
Interest Earned	3,499.64	-	3,499.64	
Sub Total Operating Revenues	3,499.64	-	3,499.64	
Total Revenues	3,499.64	-	3,499.64	
Expenditures				
Capital Improvement-new park	-	345,341.00	345,341.00	NEW PARK
Total Operating Expenditures	-	345,341.00	345,341.00	
Total Expenditures	-	345,341.00	345,341.00	
Operating Revenues less Expenditures	3,499.64	(345,341.00)	(341,841.36)	
Projected Fund Balance Inc/(Decr)	**3,499.64**	**(345,341.00)**		
Projected Cash balance Inc/(Decr)	**3,499.64**	**(345,341.00)**		
Cash Balance as of month end	**$ 492,114.93**	*$344,987 is allocated towards Lake Ridge and Lake Side Park equipmen		

Unaudited % of time passed 16.67%

Water Fund - 301
Statement of Revenues and Expenses
Through February 2026

Revenues	**YTD Actual 2024**	**YTD Actual 2025**	**YTD Actual 2026**	**Budget 2026**	**Remaining Budget**	**% of Budget Received Spent**	**Comments**	**Change from Prior**
Operating Revenues								
Water Sales	$ 244,348.56	$ 263,800.31	$ 250,293.75	$2,152,391.00	$ 1,902,097.25		water usage is down	-5%
Sub Total Operating Revenues	244,348.56	263,800.31	250,293.75	2,152,391.00	1,902,097.25		rates were decreased by 5%	
Other Revenues:								
Charges for Services	26,026.21	8,466.20	12,405.33	62,850.00	50,444.67		late fees/Trunk charges for new development	
Other Revenues	18,601.48	10,123.77	10,660.25	23,321.00	12,660.75		interest/refunds/insurance proceeds	
Sub Total Other Revenues	44,627.69	18,589.97	23,065.58	86,171.00	63,105.42		**WAC is now posted to water CIP fund 399	
							**2025 in January posting error of 52K fixed in Feb	
Total Revenues	288,976.25	282,390.28	273,359.33	2,238,562.00	1,965,202.67	12.21%	Total revenues in line to budget	-3%
Expenses								
Personnel	121,561.23	119,586.23	138,079.50	946,218.00	808,138.50			
Professional Services	9,808.00	10,036.00	17,260.00	108,860.00	91,600.00			
Operations	76,853.15	82,655.12	115,708.33	605,003.00	489,294.67			
Capital/Transfers	903,000.00	575,048.00	265,834.00	258,000.00	(7,834.00)		Total transfers less that in 2024 to Water CIP	
Depreciation	149,961.50	156,968.40	165,336.72	954,005.00	788,668.28			
Total Operating Expenses	1,261,183.88	944,293.75	702,218.55	2,872,086.00	2,169,867.45	24.45%	Total Expenses in line to budget	-26%
Other Expenses								
Debt Service - Interest Paymt	2,247.72	881.09	696.15	7,680.00	6,983.85	0.00%		
Total Expenses	1,263,431.60	945,174.84	702,914.70	2,879,766.00	2,176,851.30	24.41%		
Net Income (Loss)	(974,455.35)	(662,784.56)	(429,555.37)	(641,204.00)	(211,648.63)			
Debt Service Principal Payments	96,338.00	97,505.00	103,088.50	103,088.50	-			
Projected Fund Balance Inc/(Decr)	**(974,455.35)**	**(662,784.56)**	**(429,555.37)**	**(641,204.00)**				

**does not include principal debit payment

Projected Cash balance Inc/(Decr)	**(920,831.85)**	**(603,321.16)**	**(367,307.15)**	**209,712.50**

**less depreciation expense and includes debt service principal balance

Cash Balance as of end of period $ 1,043,531.75
% of Budget **33%** 3,183,146.00 2027 Concept Budget
Accounts Receivable as of end of period 172,626.44
Normal balance is approx 150K

Net Income(Loss) less Depreciation	**(824,493.85)**	**(505,816.16)**	**(264,218.65)**	**312,801.00**
% of Depreciation covered	**-550%**	**-322%**	**-160%**	**33%**

Water CIP Fund 399	**YTD Actual 2024**	**YTD Actual 2025**	**YTD Actual 2026**	**Budget 2026**	**Remaining Budget**		
Charges for Services	$ (55,895.00)	$ -	$ -	$ (141,775.00)	$ (141,775.00)	0.00%	WAC Fees

Cash Balance as of end of period $ 1,453,567 will be used for the upcoming improvement for well/tower maintenance

Unaudited % of time passed 16.67%

Sewer Fund - 401
Statement of Revenues and Expenses
Through February 2026

Revenues	**YTD Actual 2024**	**YTD Actual 2025**	**YTD Actual 2026**	**Budget 2026**	**Remaining Budget**	**% of Budget Received Spent**	**Comments**	Change fror Prior Year
Operating Revenues								
Sewer Sales	$ 384,395.45	$ 556,056.94	$ 611,945.59	$ 3,547,929.00	$ 2,935,983.41		Water usage down, but rate increase	10%
Sub Total Operating Revenues	384,395.45	556,056.94	611,945.59	3,547,929.00	2,935,983.41		Rates increased by 10% in 2026	
Other Revenues:								
Charges for Services	19,465.57	17,967.39	21,270.98	101,000.00	79,729.02		late fees/trunk fees	
Other Revenues	37,585.84	32,818.04	29,844.24	84,885.00	55,040.76		**SAC are posted in sewer CIP fund	
Sub Total Other Revenues	57,051.41	50,785.43	51,115.22	185,885.00	134,769.78			
Total Revenues	441,446.86	606,842.37	663,060.81	3,733,814.00	3,070,753.19	17.76%	Total revenue in line with budget	9%
Expenses								
Personnel	125,586.61	116,080.97	136,202.54	948,585.00	812,382.46			
Professional Services	2,494.71	2,332.12	4,396.76	53,500.00	49,103.24			
Operations	67,712.20	105,514.59	120,313.68	857,166.00	736,852.32			
Capital/Transfers	200,000.00	100,000.00	286,000.00	286,000.00	-		Transfer to CIP Sewer for projects	
Depreciation	238,912.46	225,563.96	226,397.08	1,435,595.00	1,209,197.92			
Total Operating Expenses	634,705.98	549,491.64	773,310.06	3,580,846.00	2,807,535.94	21.60%	Total Expenses in line with budget	
Other Expenses								
Debt Service - Interest Paymt	46,712.21	(13,142.38)	10,799.41	123,866.00	113,066.59	8.72%	remaining budget -accrued interest payable	
Total Expenses	681,418.19	536,349.26	784,109.47	3,704,712.00	2,920,602.53	21.17%		46%
Net Income (Loss)	(239,971.33)	70,493.11	(121,048.66)	29,102.00	150,150.66			
Debt Service Principal Payments	288,662.00	302,495.00	306,911.50	1,198,912.00	892,000.50			

Projected Fund Balance Inc/(Decr)	**(239,971.33)**	**70,493.11**	**(121,048.66)**	**29,102.00**
**does not include principal debit payment				
Projected Cash balance Inc/(Decr)	**(289,720.87)**	**(6,437.93)**	**(201,563.08)**	**265,785.00**
**less depreciation expense and includes debt service principal balance				

Cash Balance as of end of period $ 3,163,654.19 **
% of Budget 47% 6,762,087.00 2027 Concept Budget
Accounts Receivable as of end of period 342,834.93
Normal balance is approx 257K

Net Income(Loss) less Depreciatio	**(1,058.87)**	**296,057.07**	**105,348.42**	**1,464,697.00**
% of Depreciation covered	**0%**	**131%**	**47%**	**102%**

Sewer CIP Fund	**YTD Actual 2024**	**YTD Actual 2025**	**YTD Actual 2026**	**Budget 2026**	**Remaining Budget**		
Charges for Services	$ 77,240.00	$ -	$ -	$ 209,275.00	$ 209,275.00	0.00%	SAC FEES

Cash Balance as of end of period $ 2,639,631 will be used for the upcoming improvement to the WWTP and equipment

Unaudited % of time passed 16.67%

Storm Sewer Fund - 601
Statement of Revenues and Expenses
Through February 2026

Revenues	YTD Actual 2024	YTD Actual 2025	YTD Actual 2026	Budget 2026	Remaining Budget	% of Budget Received Spent	Comments	Change from Prior Year
Operating Revenues								
Storm Sewer Sales	$ 43,504.01	$ 43,880.05	$ 44,394.17	$ 268,228.00	$ 223,833.83		new accounts - residentials/commercial	1%
Sub Total Operating Revenues	43,504.01	43,880.05	44,394.17	268,228.00	223,833.83			
Other Revenues:								
Charges for Services	1,915.40	1,810.34	1,904.52	10,200.00	8,295.48		late fees/trunk fees	
Other Revenues	4,350.71	3,748.77	3,831.81	9,400.00	5,568.19			
Sub Total Other Revenues	6,266.11	5,559.11	5,736.33	19,600.00	13,863.67			
Total Revenues	49,770.12	49,439.16	50,130.50	287,828.00	237,697.50	17.42%	Total revenues in line with projections	1%
Expenses								
Personnel	24,559.06	19,862.05	21,534.80	165,176.00	143,641.20			
Professional Services	-	-	500.00	3,000.00	2,500.00			
Operations	6,991.00	5,235.57	4,467.87	28,600.00	24,132.13			
Capital/Transfers	30,000.00	30,000.00	35,000.00	35,000.00	-		Transfer to Storm Sewer CIP for fututre equipment	
Depreciation	30,140.88	25,205.44	25,205.44	181,700.00	156,494.56			
Total Operating Expenses	91,690.94	80,303.06	86,708.11	413,476.00	326,767.89	20.97%	Total expenses up due to transfer to CIP	8%
Other Expenses								
Debt Service - Interest Paymt	10,241.00	-	-	-	-		Final transfer was in 2024	
Total Expenses	101,931.94	80,303.06	86,708.11	413,476.00	326,767.89	20.97%		
Net Income (Loss)	(52,161.82)	(30,863.90)	(36,577.61)	(125,648.00)	(89,070.39)			
Projected Fund Balance Inc/(Decr)	**(52,161.82)**	**(30,863.90)**	**(36,577.61)**	**(125,648.00)**				
**does not include principal debit payment								
Projected Cash balance Inc/(Decr)	**(22,020.94)**	**(5,658.46)**	**(11,372.17)**	**56,052.00**				
**less depreciation expense and includes debt service principal balance								
Cash Balance as of end of period	$ 585,143.84							
% of Budget	137%	427,763.00	2027 Concept Budget					
Accounts Receivable as of end of period	28,893.13							
Normal balance is approx 30K								
Net Income(Loss) less Depreciatic	**(22,020.94)**	**(5,658.46)**	**(11,372.17)**	**56,052.00**				
% of Depreciation covered	**-73%**	**-22%**	**-45%**	**31%**				
Storm Water CIP Fund								
Cash Balance as of end of period	$ 322,500	will be used for future equipment purchases						

2023 - 26th rank in state for Gross Sales -27.8%
2023 - 25th rank in state for net profit - 11.2%
2023 - 3rd rank in region for net profits- 11.2%

Liquor Store Fund

Unaudited

Through February 2026

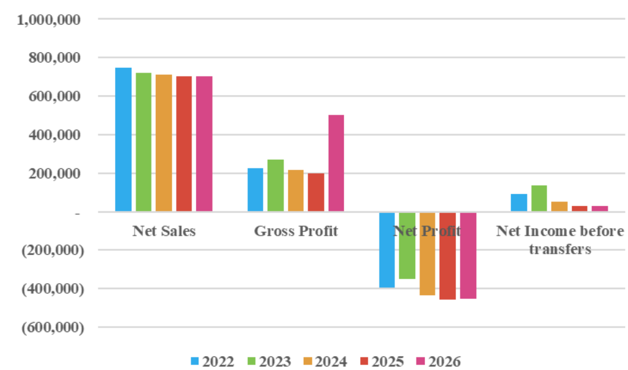
	2022 YTD	2023 YTD	2024 YTD	2025 YTD	2026 YTD	2025-2026 $ Change	2025-2026 % Change
Sales							
Gross Sales	$ 751,303	$ 722,998	$ 717,133	$ 708,601	$ 706,282	$ (2,319)	
Less Loyalty Club	(4,220)	(4,390)	(3,840)	(3,950)	(4,020)	(70)	
Net Sales	747,083	718,608	713,293	704,651	702,262	(2,389)	-0.34%
Less Cost of Goods Sold - With Inventory Adjustment	522,459	449,249	497,799	507,688	500,696	(6,992)	-1.38%
Gross Profit	**$ 224,624**	**$ 269,359**	**$ 215,494**	**$ 196,963**	**$ 201,566**	**$ 4,603**	2.34%
Gross Profit %	**30%**	**37%**	**30%**	**28%**	**29%**		

	2022 YTD	2023 YTD	2024 YTD	2025 YTD	2026 YTD	2025-2026 $ Change	2025-2026 % Change	Budget 2026	% Of Budget used
Revenue Budget									
Gross Sales less Loyalty Club	$ 747,083	$ 718,608	$ 713,293	$ 704,651	$ 702,262	$ (2,389)	-0.34%	$ 5,406,725	
Other Revenues	1,114	8,776	12,453	7,616	6,892	(723)	-9.50%	40,400	
Total Revenues	**$ 748,198**	**$ 727,385**	**$ 725,746**	**$ 712,267**	**$ 709,154**	**$ (3,113)**	**-0.44%**	**$ 5,447,125**	**13.02%**
			-	-	-				
Expense Budget									
Personnel -	$ 88,447	$ 94,050	$ 123,358	$ 114,592	$ 121,577	$ 6,985	6.10%	$ 927,445	
Professional Services	-	-	544	-	1,622	1,622		10,100	
Operations	33,088	37,556	41,818	47,072	47,723	651	1.38%	280,253	
Cost of Goods Sold - (COGS)	588,861	580,250	596,586	557,380	595,711	38,331	6.88%	4,065,413	
Inventory Adjustment -adjustment to COGS	(66,402)	(131,001)	(98,787)	(49,692)	(95,015)	(45,323)	91.21%		
Transfers	485,000	485,000	485,000	485,000	485,000	-	0.00%	485,000	
Debt	687	-	-	-	-	-			
Depreciation	12,093	12,093	12,198	13,183	6,624	(6,559)	-49.76%	75,158	
Total Expenses	**$ 1,141,775**	**$ 1,077,949**	**$ 1,160,717**	**$ 1,167,535**	**$ 1,163,241**	**$ (4,294)**	**-0.37%**	**$ 5,843,369**	**19.91%**
Net Income/(Loss) with Depreciation & Transfer	**$ (393,577)**	**$ (350,564)**	**$ (434,970)**	**$ (455,268)**	**$ (454,087)**	**$ 1,181**		**$ (396,244)**	
Net Income/(Loss) %	**-53%**	**-48%**	**-60%**	**-64%**	**-64%**				
Net Income/(Loss) before Transfers	**$ 91,423**	**$ 134,436**	**$ 50,030**	**$ 29,732**	**$ 30,913**			**$ 88,756**	
Net Income/(Loss) before transfers %	**12%**	**18%**	**7%**	**4%**	**4%**			**2%**	
Cash Balance as of end of month	**$ 1,036,950**	**$ 1,135,720**	**$ 1,077,470**	**$ 1,325,380**	**$ 1,280,932**				

	2022	2023	2024	2025	2026
Inventory Balance - Beginning	401,737	357,042	486,109	552,805	494,221
Inventory Adjustment -adjustment to COGS	66,402	131,001	98,787	49,692	95,015
Inventory Balance - Ending	468,139	488,043	584,896	602,497	589,236

City uses the purchase method for inventory and then adjusts the inventory and expenses at year end to reflect actual inventory balances

Cash Balance as of month end	1,280,932		
Cash Balance as a % of next year concept budget	22%	5,904,609	2027 Concept Budget
Liquor Store CIP Fund - used for future projects	129,731		
Personnel costs to sales	17%		
Personnel cost plus COGS to sales	89%		



City of Big Lake Financial Recap

Executive Update & Operational Dashboard

February 2026 (16.67% of Budget Year) – Unaudited

Executive Summary: The Bottom Line at 16.67%

General Fund: Tracking as expected early in the year.

Fund Balance: Remains safely within city policy.

Enterprise Funds: Performing as planned (seasonal transfer timing noted).

Investments: Continuing to perform well and generate yield.

Development: Slower activity to start the year (no new home permits yet).

Utilities: Continued monitoring required for utility fund depreciation coverage.

Cost to provide City services: $1.24 per day per utility connection.

General Fund Operations & The Seasonality Factor

The Data

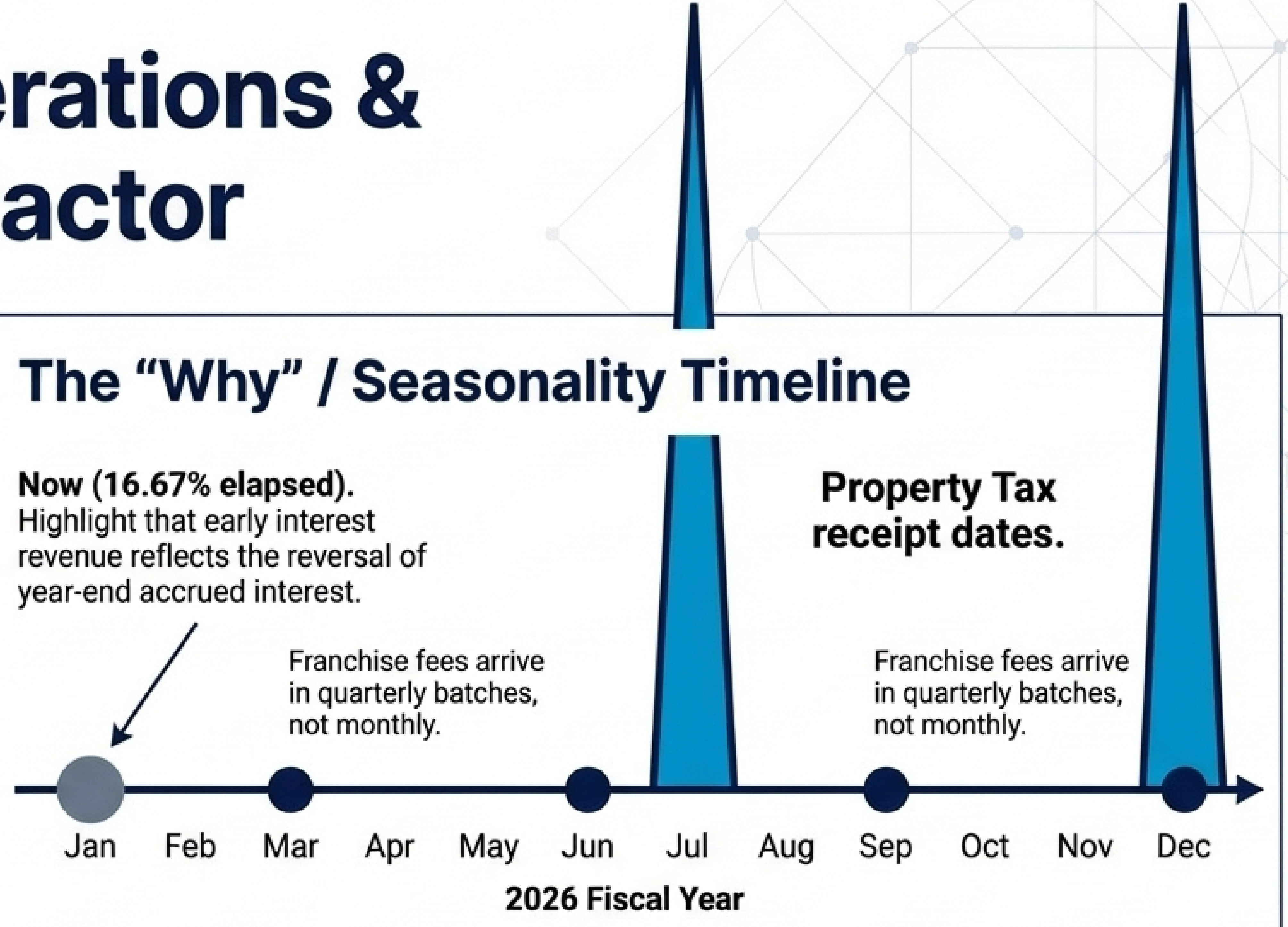
Revenues

$579,004 collected
(8% of budget)

Expenditures

$1,909,605 spent
(25% of budget)

The “Why” / Seasonality Timeline



Early-year variance is structurally normal; revenues will align with expenditures following July tax receipts.

Early Fiscal Revenue Drivers

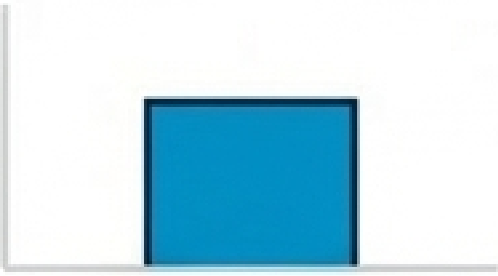
Breakdown of $579,004 Collected to Date

Intergovernmental

$94,193
(20% of budget)

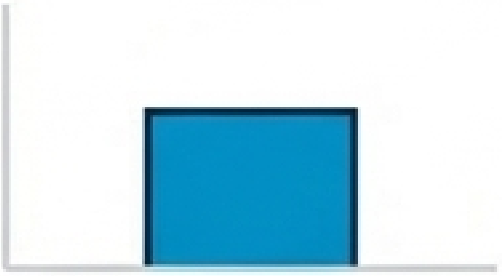
Licenses & Permits

$57,593
(7% of budget)



Charges for Services

$55,133
(21% of budget)

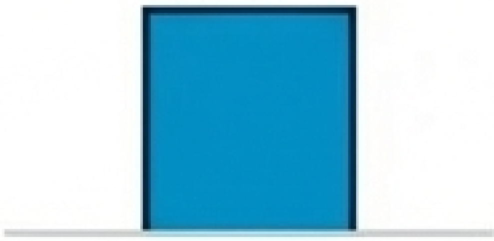


Fines & Forfeitures

$6,357
(12% of budget)

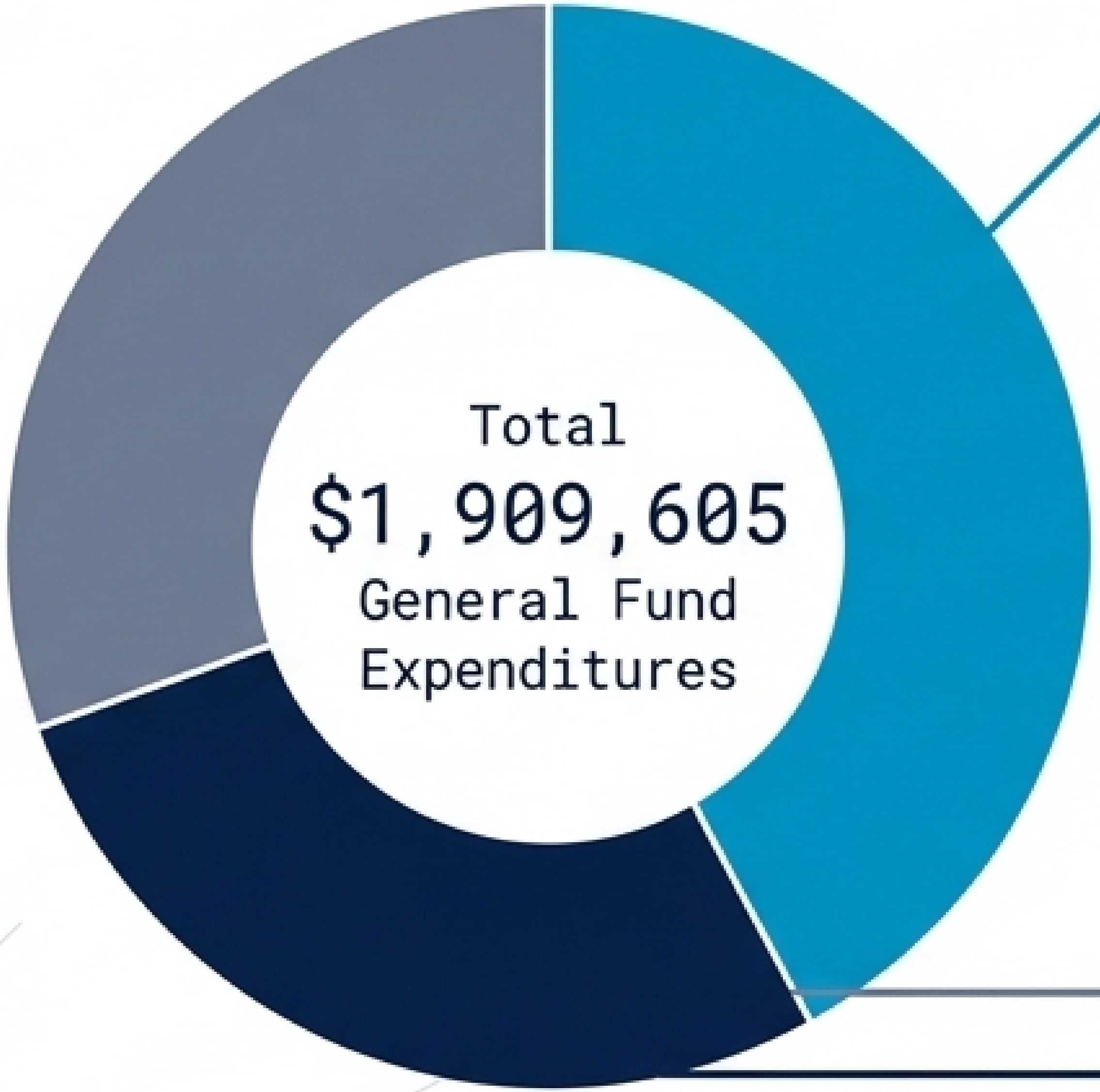
Transfers from Other Funds

$450,000
(100% complete for the year)



Building permits down ($54k vs $80k in 2025) – zero new single-family permits issued to date.

Expenditure Pacing by Category



Professional Services
23% pacing ($57,024 actual)

Operational Expenses
22% pacing ($431,027 actual)

Personnel
15% pacing ($787,065 actual)

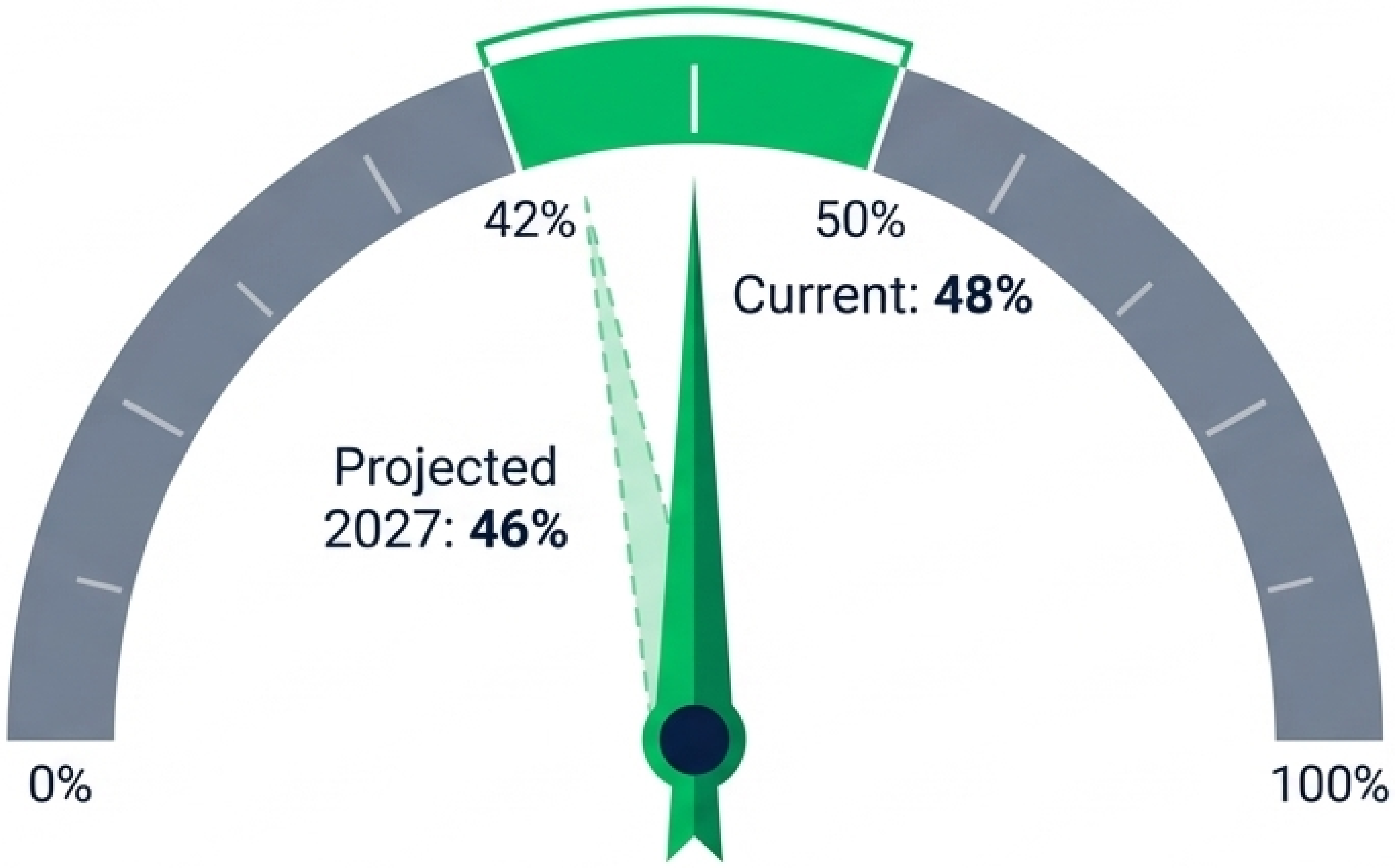
Marketing: 0% pacing

Spending levels across all major departments remain within normal early-year historical trends.

Structural Health: Unassigned Fund Balance

Current Unassigned Balance

$3,718,967



Health Gauge

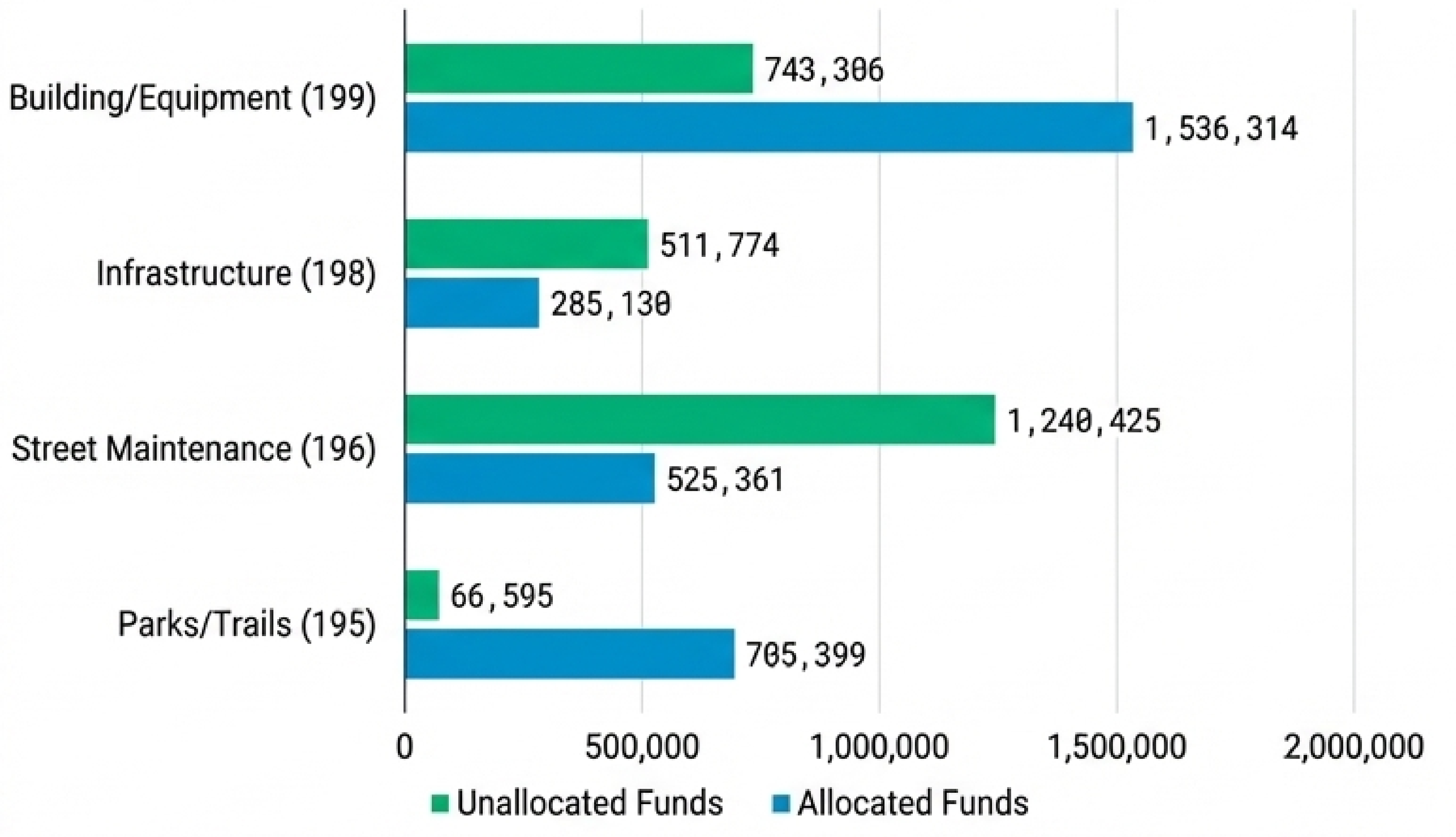
0% to General Fund budget

Operational Equivalency

Equivalent to approximately 6 months of operating expenses.

Capital Improvement Funds (CIP) & Major Assets

Allocated vs Unallocated Funds



Major Balances

Equipment Replacement:	$2,279,672
Street Maintenance:	$1,765,786
Infrastructure:	$796,904
Park/Trail Maintenance:	$771,995

- (Note: $580k available for projects like the Skate Park)

2026 Allocations (Ongoing)

Pedestrian Safety/Connectivity, Lakeside & Lake Ridge Park improvements.

Equipment & Funding Notes

Equipment: $160k allocated ($125k Ladder Truck, $35k Future Fire Engine). Note: 2026 LGA is $627,591 (down $124k from 2025).

Special Revenue & Community Dedication

Economic Development Authority (EDA)

Total Balance: $200,546

- Revolving Loans Reserved: **$100,000**
- Redevelopment Designated: **$188,699**

Note: Smith Property purchase to be reimbursed via 2026A bonds.

Parks & Community

Park Dedication Balance: $492,115

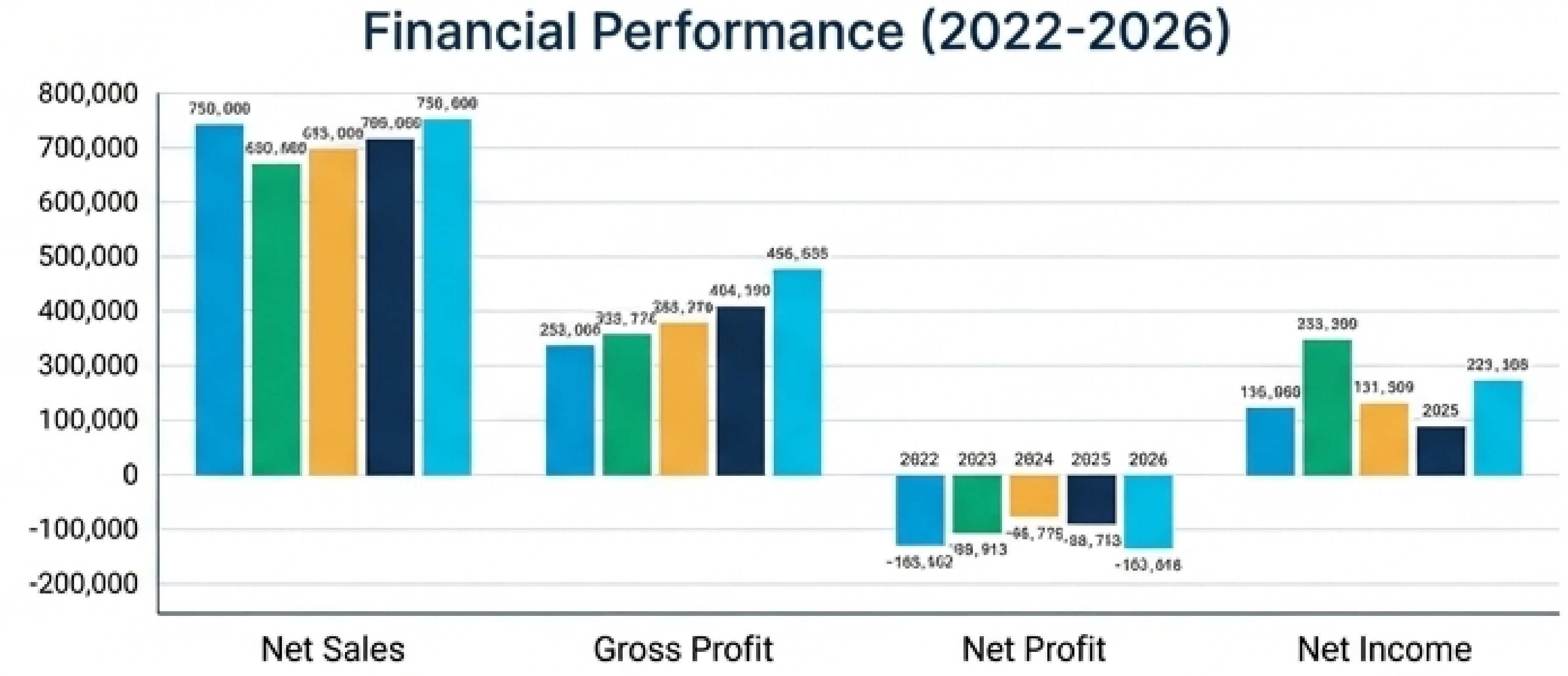
- Allocated: Lakeside Park (**$285,341**)
- Allocated: Lake Ridge Park (**$59,646**)
- Remaining balance after purchases: **$147,128**

Status: Farmers Market and Music in the Park remain stable, though Music in the Park requires an additional funding source.

Enterprise Operations: Utility Matrix

	Water	Sewer	Storm Water
Cash Balance	$1,043,532	$3,163,654	$585,143
2026 Rate Adjustments	-5% Decrease	+10% Increase	Neutral
Revenue / Expense Pacing	Rev 12% / Exp 18%	Rev 18% / Exp 21%	Rev 17% / Exp 21%
Strategic Notes	Sales down slightly (5%); WAC fees redirected to CIP; Depreciation coverage at -160%.	SAC fees redirected to CIP; Depreciation coverage at 47%.	New residential/commercial accounts active.

Enterprise Spotlight: Lake Liquors



Cash Balance

$1,280,932

Net Operating Profit

~$30,913 (4% margin)

*(before transfers)

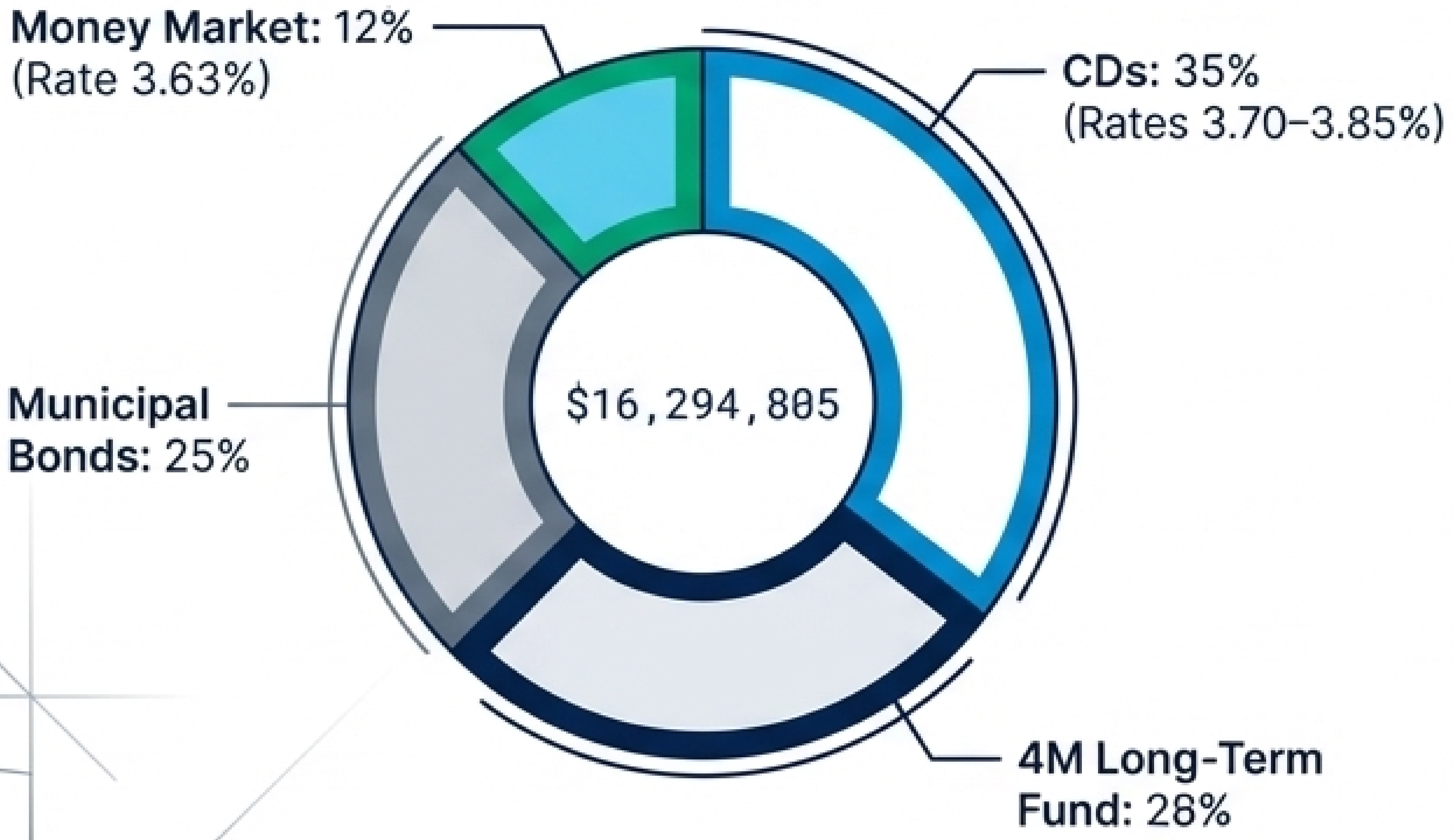
Sales Status

Tracking slightly higher than 2025.

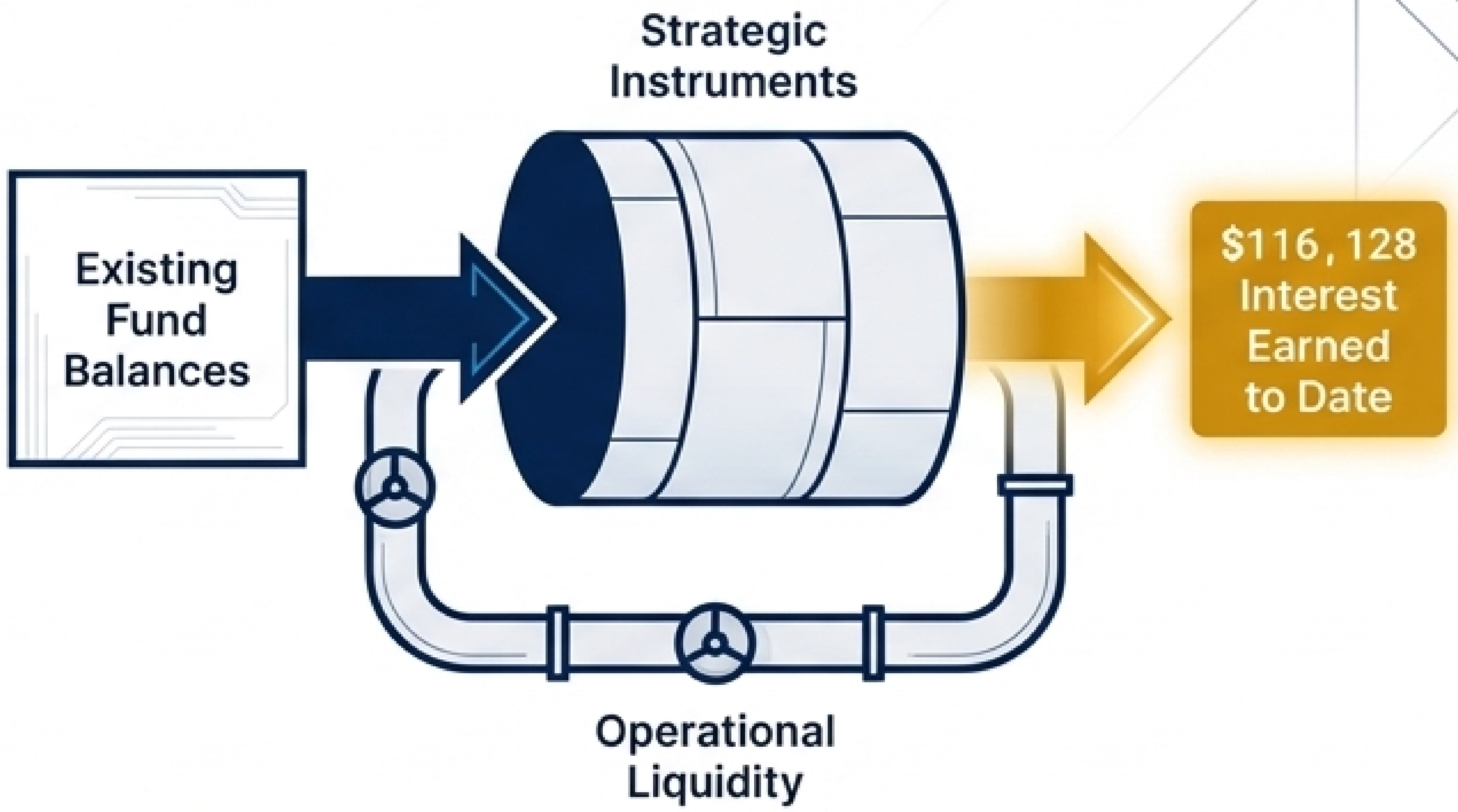
Ranked 25th in the State and 3rd in the Region for net profit (11.2% in 2023).

Strategic Investments & Working Capital

The Portfolio



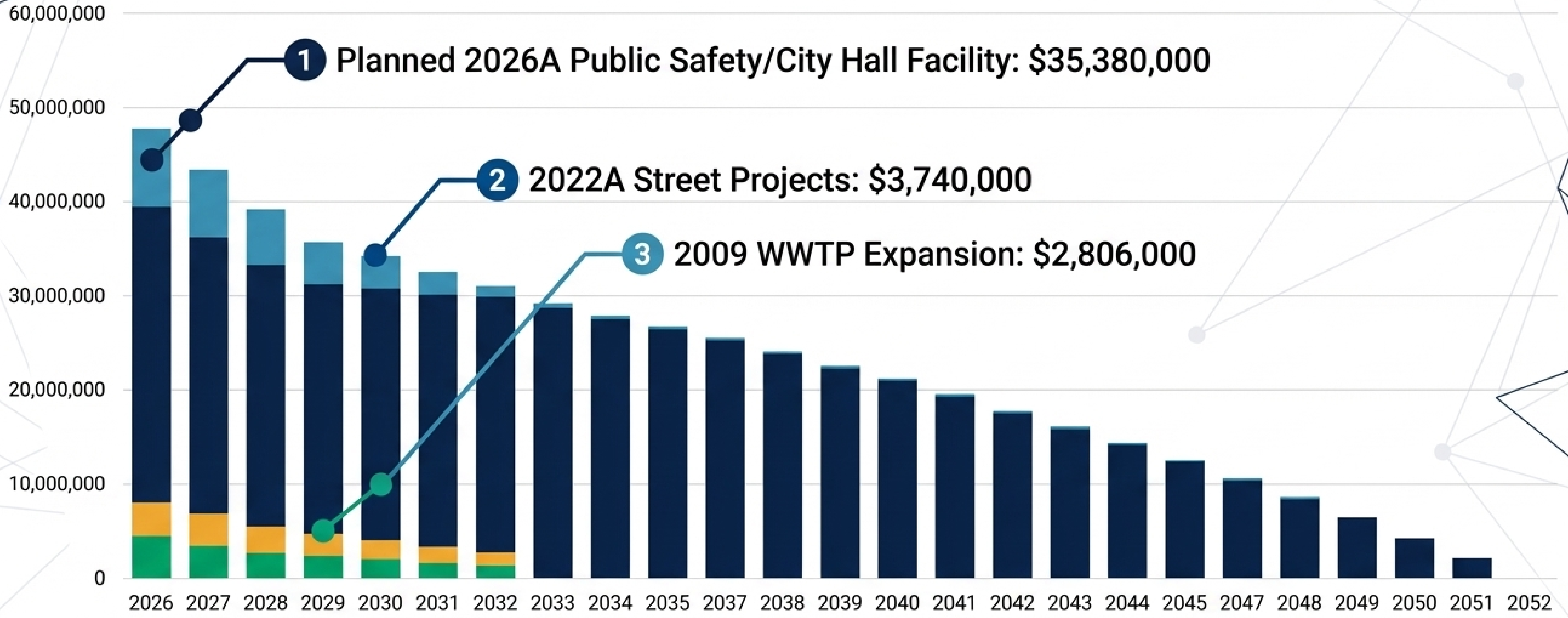
The Flowchart



Investments do not represent unused cash. They are existing balances strategically placed to earn yield while maintaining required liquidity.

Long-Term Obligations: Debt Profile

Total Outstanding Debt $47,879,000



NotebookLM

Economic Environment & Look Ahead

Federal Funds Rate	Prime Rate	Inflation	10-Year GO AA Bond	20-Year GO AA Bond
3.75%	6.75%	2.40%	~2.60%	~4.10%

Responsible financial stewardship today so Big Lake can continue to Live Big.

The City remains in a stable financial position early in 2026, aligned with typical seasonal trends.