CITY OF MILACA, MINNESOTA
SUMMARY FINANCIAL REPORT

The purpose of this report is to provide a summary of the financial information concerning the City of Milaca to interested citizens. The complete financial statements may be examined at the City Hall, 255 1st Street East. Questions about this report should be directed to Tammy Pfaff, City Manager, at 320-983-3141.

REVENUES AND EXPENDITURES FOR GENERAL OPERATIONS (GOVERNMENTAL FUNDS)

	Total 2025	Total 2024	Percent Increase (Decrease)
REVENUES			
Taxes	$ 1,057,428	$ 1,020,375	3.63%
Tax Increment	56,197	54,586	2.95%
Franchise Taxes	8,478	8,612	-1.56%
Special Assessments	25,260	4,155	507.94%
Licenses, Permits, and Fees	61,643	47,731	29.15%
Intergovernmental	1,582,050	2,595,688	-39.05%
Charges for Services	222,234	248,218	-10.47%
Fines	15,725	23,961	-34.37%
Investment Income (Loss)	118,398	215,533	-45.07%
Lease Interest	724	2,788	-74.03%
Miscellaneous	389,432	253,935	53.36%
TOTAL REVENUES	$ 3,537,569	$ 4,475,582	-20.96%
Per Capita	$ 1,163.67	$ 1,481.49	-21.45%
EXPENDITURES			
Current:			
General Government	$ 618,116	$ 594,660	3.94%
Public Safety	1,283,263	1,205,533	6.45%
Public Works	240,521	245,054	-1.85%
Parks and Recreation	192,436	208,922	-7.89%
Library	28,676	22,680	26.44%
Economic Development	50,673	49,219	2.95%
Airport	82,956	82,921	0.04%
Capital Outlay	2,051,949	2,685,872	-23.60%
Debt Service:			
Principal	215,252	225,104	-4.38%
Interest and Other Charges	99,546	68,829	44.63%
TOTAL EXPENDITURES	$ 4,863,388	$ 5,388,794	-9.75%
Per Capita	$ 1,599.80	$ 1,783.78	-10.31%
Total Long-term Indebtedness	$ 2,356,511	$ 2,571,763	-8.37%
Per Capita	$ 775.17	$ 851.30	-8.94%
General Fund and Special Revenue Funds Committed, Assigned, and Unassigned Fund Balances - December 31	$ 1,643,518	$ 1,968,700	-16.52%
Per Capita	$ 540.63	$ 651.67	-17.04%

CITY OF MILACA, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2025

	Water Fund	Sewer Fund	Liquor Fund	Totals
ASSETS				
Current Assets				
Cash and Cash Equivalents	$ 741,146	$ 480,937	$ 514,092	$ 1,736,175
Assessments Receivable	884	-	-	884
Accounts Receivable	66,549	26,447	-	92,996
Inventory	-	-	538,843	538,843
Prepaids	7,222	5,342	6,149	18,713
Lease Receivables	13,870	-	-	13,870
Total Current Assets	829,671	512,726	1,059,084	2,401,481
Noncurrent Assets				
Capital Assets Not Being Depreciated	16,831	7,924	54,788	79,543
Capital Assets Being Depreciated (Net)	2,853,418	1,313,199	606,122	4,772,739
Assessments Receivable	4,056	-	-	4,056
Lease Receivables	266,717	-	-	266,717
Total Noncurrent Assets	3,141,022	1,321,123	660,910	5,123,055
TOTAL ASSETS	3,970,693	1,833,849	1,719,994	7,524,536
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	13,000	13,296	28,952	55,248
LIABILITIES				
Current Liabilities				
Accounts Payable	117,678	6,955	91,358	215,991
Salaries Payable	3,096	3,178	4,580	10,854
Deposits Payable	16,391	-	-	16,391
Accrued Interest	3,927	-	-	3,927
Bonds Due Within One Year	248,000	-	-	248,000
Total Current Liabilities	389,092	10,133	95,938	495,163
Noncurrent Liabilities				
Compensated Absences Due After One Year	17,237	18,301	39,158	74,696
Bonds Due After One Year	158,000	-	-	158,000
Net Pension Liability	58,161	59,431	124,932	242,524
Total Noncurrent Liabilities	233,398	77,732	164,090	475,220
TOTAL LIABILITIES	622,490	87,865	260,028	970,383
DEFERRED INFLOWS OF RESOURCES				
Pensions	40,162	41,038	86,269	167,469
Leases	246,863	-	-	246,863
TOTAL DEFERRED INFLOWS OF RESOURCES	287,025	41,038	86,269	414,332
NET POSITION				
Net Investment in Capital Assets	2,464,249	1,321,123	660,910	4,446,282
Unrestricted	609,929	397,119	741,739	1,748,787
TOTAL NET POSITION	$ 3,074,178	$ 1,718,242	$ 1,402,649	$ 6,195,069

CITY OF MILACA, MINNESOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Water Fund	Sewer Fund	Liquor Fund	Totals
SALES AND COST OF SALES				
Sales	$ -	$ -	$ 3,005,410	$ 3,005,410
Cost of Sales	-	-	(2,189,748)	(2,189,748)
GROSS PROFIT	-	-	815,662	815,662
OPERATING REVENUES				
Charges for Services	779,106	326,649	-	1,105,755
TOTAL GROSS PROFIT AND OPERATING REVENUES	779,106	326,649	815,662	1,921,417
OPERATING EXPENSES				
Wages and Benefits	226,638	228,421	424,453	879,512
Materials and Supplies	21,111	4,510	9,069	34,690
Repairs and Maintenance	113,025	89,511	14,415	216,951
Professional Services	64,970	29,001	16,536	110,507
Insurance	10,614	9,976	10,421	31,011
Utilities	51,673	13,553	40,692	105,918
Miscellaneous	3,089	1,126	83,883	88,098
Depreciation	266,234	85,308	71,607	423,149
TOTAL OPERATING EXPENSES	757,354	461,406	671,076	1,889,836
NET OPERATING INCOME (LOSS)	21,752	(134,757)	144,586	31,581
NONOPERATING INCOME (EXPENSE)				
Special Assessments	461	-	-	461
Connection Fees	-	12,000	-	12,000
Investment Income	21,060	21,012	13,092	55,164
Lease Interest	9,287	-	-	9,287
Miscellaneous	27,244	67	141	27,452
Capital Contribution From Governmental Activities	152,000	310,200	-	462,200
Interest and Other Charges	(10,689)	-	-	(10,689)
TOTAL NONOPERATING INCOME (EXPENSE)	199,363	343,279	13,233	555,875
CHANGE PRIOR TO TRANSFERS	221,115	208,522	157,819	587,456
TRANSFERS				
Operating Transfers Out	(152,000)	(310,200)	(300,000)	(762,200)
CHANGE IN NET POSITION	69,115	(101,678)	(142,181)	(174,744)
NET POSITION - BEGINNING OF YEAR	3,005,063	1,819,920	1,544,830	6,369,813
NET POSITION - END OF YEAR	$ 3,074,178	$ 1,718,242	$ 1,402,649	$ 6,195,069

CITY OF MILACA, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Water Fund	Sewer Fund	Liquor Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	$ 763,925	$ 329,375	$ 3,005,535	$ 4,098,835
Cash Paid to Suppliers	(215,268)	(142,634)	(2,342,914)	(2,700,816)
Cash Paid to Employees	(244,892)	(245,885)	(443,220)	(933,997)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	303,765	(59,144)	219,401	464,022
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Taxes and Intergovernmental	1,343	-	-	1,343
Other Receipts from Customers	29,944	12,067	141	42,152
Net Operating Subsidies and Transfers from (to) Other Funds	(152,000)	(310,200)	(300,000)	(762,200)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(120,713)	(298,133)	(299,859)	(718,705)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of Capital Assets	(16,831)	(66,144)	(13,116)	(96,091)
Payments on Bond Principal	(244,000)	-	-	(244,000)
Cash Paid for Interest	(12,439)	-	-	(12,439)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(273,270)	(66,144)	(13,116)	(352,530)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	21,060	21,012	13,092	55,164
Net Change in Cash and Cash Equivalents	(69,158)	(402,409)	(80,482)	(552,049)
Cash and Cash Equivalents - Beginning of Year	810,304	883,346	594,574	2,288,224
Cash and Cash Equivalents - End of Year	$ 741,146	$ 480,937	$ 514,092	$ 1,736,175