



Madison Water Utility

Board Presentation: 2025 Financial Statement Audit

July 28, 2026



AGENDA

- Audit results
- Required communication to governing body
- Financial statement highlights and informational points
- Discussion

What were the audit results



Audit performed in accordance with Generally Accepted Auditing Standards



Audit objective – reasonable assurance that financial statements are free from material misstatement



Financial statements of Madison Water Utility received Unmodified Opinion

Auditor communication to those charged with governance

**Auditor
responsibility &
independence**

**Board
responsibility**

**Accounting
policies and
estimates**

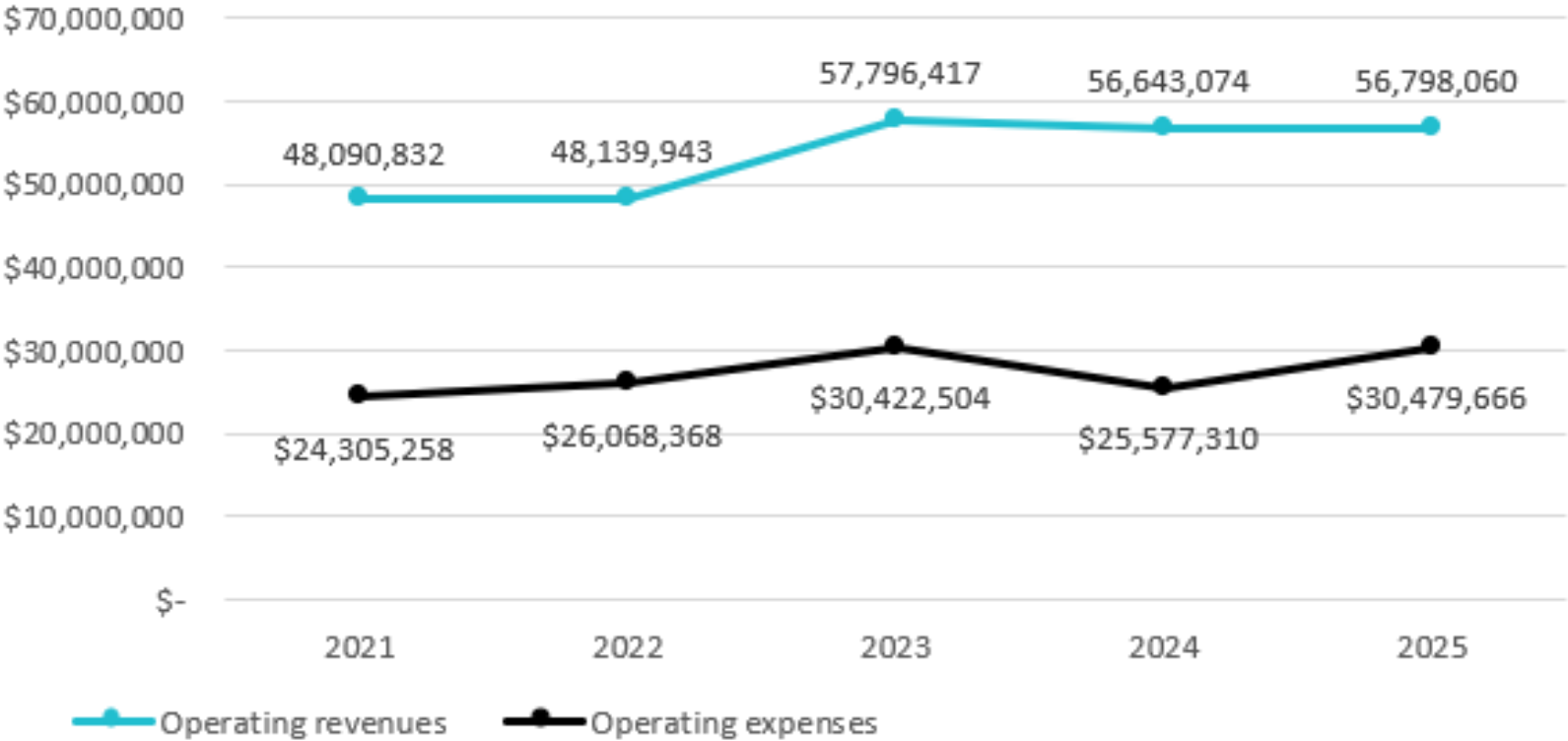
**Baker Tilly agrees with Madison
Water Utility's accounting policies
and disclosures**

**There was one
adjustment to
the financial
statements**

**No other audit findings or
concerns**

Financial Highlights

Operating results



Financial Highlights

Unrestricted Reserves

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Year end balance	\$15,133,156	\$17,537,363	\$29,457,401	\$23,344,072	\$30,415,802
Months on hand	3.78	4.37	6.12	4.95	6.43

Debt Coverage

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Actual	1.95	2.61	2.64	2.64	2.51
Required	1.25	1.25	1.25	1.25	1.25

Investment in Capital



Informational points

- Informational Points: Upcoming GASB pronouncements
 - GASB Statement No. 103, *Financial Reporting Model Improvements*
 - GASB Statement No. 104, *Disclosure of Certain Capital Assets*
 - GASB Statement No. 105, *Subsequent Events*

Madison Water Utility
Thank you!

We appreciate the support of the Madison Water Utility personnel in preparing for and assisting in the audit.



Discussion

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