PrairieCat

Date: **10/16/2026**

To: **PrairieCat Delegates Assembly**

From: **Elena Mendoza, RAILS Staff Accountant for PrairieCat**

Subject: **PrairieCat Fiscal Year 2026 Audit**

Executive Summary:

The fiscal year 2026 audit was presented to and accepted by the Administrative Council on October 2, 2026. The auditors have issued an unmodified (clean) opinion, as usual.

Detailed Discussion:

The Management's Discussion and Analysis (MD&A) highlights PrairieCat's major organizational accomplishments during fiscal year 2026 and shortly thereafter. It provides an overview of the financial statements and reviews financial performance in comparison with the fiscal year 2025 audited financial statements. The MD&A is an easily readable narrative that provides context for PrairieCat's fiscal year-end financial position, operating revenues and expenses, and changes in net position.

As of June 30, 2026, PrairieCat reported a total net position of $1,980,701, a decrease of $21,886 from the previous fiscal year. This decrease was $35,077 less than anticipated in the fiscal year 2026 budget, representing a more favorable year-end result than projected.

PrairieCat reported $1,551,199 of operating revenues, along with $527,062 of RAILS LLSAP support grant funding, and $35,003 of investment income. Operating expenses included $1,628,349 of administrative costs and $450,294 of depreciation and amortization, along with $56,507 of interest expense related to subscription arrangements.

The accompanying notes to the financial statements provide additional details that further explain the numbers in the basic financial statements and PrairieCat's operations.

A schedule comparing actual and budgeted operating expenses, along with an analysis of variances between actual operating revenues and expenses and the final approved budget is located at the end of the annual financial report. As a part of the implementation of the new Governmental Accounting Standards Board (GASB) Statement 103, the budget to actual analysis was moved from the MD&A to its own separate section following the schedule.