



AGENDA REPORT

City Council Meeting

TODAY'S DATE: February 16, 2026

MEETING DATE: March 4, 2026

TO: Mayor & City Council

FROM: Sarah Lynds, Finance Director/Treasurer

SUBJECT: Report: FY 2025 4th Quarter Financial and Capital Report (for information only)

DESCRIPTION/BACKGROUND:

Idaho Statute 50-1011 requires the Treasurer to publish quarterly financial statements on the City's website.

The quarterly report is required to show specific information.

- 1.) A full statement for each fund reflecting year to date
- 2.) The balances of the debits and credits belonging to each category:
 - a. Salaries
 - b. Maintenance and Operations
 - c. Capital Outlay
- 3.) A percentage comparison to the original appropriation.

REPORT REVIEW:

The 2025 fiscal year is 100% complete as of September 30, 2025. General, Fiber, Recreation, Water, Wastewater, Debt and LID Funds ended the fiscal year positive (more revenues came in than expenses went out). The Capital (Impact Fees) Fund and the Park Improvement Fund were negative (less revenues came in than expenses went out). Several large capital projects were budgeted in these funds and beginning cash (prior year revenues) balances were used to fund these projects.

EXPENSES:

The General Fund ended at 54.74% expended as a whole, but a closer look at separate categories reflects 89.2% in personnel services, 35.17% in maintenance & operations and 21.61% in capital outlay.

Garbage, Water and Wastewater funds ended at 99.37%/52.08%/52.4% budget to actual for total expenditures. Water and Wastewater salaries and benefits were 77.51% and 84.71% budget to actual. Water and Wastewater capital outlay expenditures were at 24.89% and 44.02%.

All of these percentages are in line with prior year trends of budget to actual expenditures besides two areas. The General Fund operations budget to actual is much lower compared to the prior year due to the Great Northern Reconstruction project. This part of the project has a budget of \$4.26M and \$17K of this budget was spent in FY 2025. See the Quarterly Capital Improvement Financial Report for more details and links to this project. In addition, the Water Fund Capital outlay budget to actual expenditure percentage ended much lower when compared to prior years. This is due a project coming in well under budget and several projects that were not completed during the fiscal year and rolled into FY 2026, see the Quarterly Capital Improvement Financial Report for ending project expenditure budget to actuals.

REVENUES:

Several of the FY 2025 capital projects are being funded with beginning cash balances, this is reflective in the revenue account called 'Other Financing Sources' in the applicable funds.

Revenues for the General Fund are 69.56% budget to actual. Revenues include \$1,916,681 of beginning cash and \$1,000,000 grant revenue place holder, after removing this from the calculation the General Fund revenue budget to actual is 80.33%. The Cities' largest single source of General Fund revenue, property taxes, is at 100.3% received.

State and Local Government Shared Revenues (125.56% and 105.58%) are received quarterly (January, April, July and the final quarter in October which is accrued back into the fiscal year).

Water and Wastewater fund revenue overall is 74.26%/68.4% budget to actual. Water includes \$4,836,251 of beginning cash, after removing this from the calculation the budget to actual is 140.9%. Wastewater includes \$6,894,000 of beginning cash; after removing this from the calculation the budget to actual revenues is 151.6%. The majority of revenues coming in higher than budgeted is contributed to investment earnings.

CAPITAL:

The FY 2025 Capital Improvement Plan budgeted \$23,261,500 for 31 projects. During FY 2025 these projects expended \$7,620,031 which is 32.8% of the budget.

Public Works Project update provided by Holly Ellis, Public Works Director:

- The Bridge Street Rehabilitation & Reconstruction project was completed on time & within budget.
- The Ontario Street/Highway 2 (US-2) project has been rolled to the FY 2026 budget. Project is in the early stages of planning.
- The Road Reconstruction & Seal Coating Projects started with a mill and overlay pavement maintenance on Fourth Ave, this was rolled into FY 2026 and scheduled to pick back up in May 2026.
- The Short-Term East-West Connection, otherwise known as the Pine St and Fifth Avenue Signal Project, began in late summer of FY24 and continued through fall of FY 2025. The project was completed on time & within budget.

- The Sidewalk and Bike Path Project efforts have been rolled into the FY 2026 projects.
- At the end of FY 2025 the Cedar Street Reconstruction project was in design. Construction is anticipated to start in FY 2026.
- The Great Northern Road Corridor Improvements project completed 60% design. JUB completed a stormwater feasibility study to assess a standalone stormwater project. No construction occurred. Project rolls to FY 2026.
- The Downtown Parking Lot Improvements were completed on time.
- A portion of the Wastewater Lift Station project was rolled into FY 2026; construction was completed within budget.
- The Watermain project was rolled into the FY 2026 budget.
- The Sandcreek Water Treatment Plant Repair project was completed on time and well within budget.
- The Downtown Revitalization Phase III project was rolled into the FY 2026 budget.

Community Planning and Development Project update provided by Jason Welker, Community Planning and Development Director:

- The James E. Russell Sports Center project and the Travers Park Inclusive Playground & Splash Pad project were both completed during the FY 2025.
- The Memorial Grandstand HVAC replacement project was completed in the first quarter of fiscal year 2026. The HVAC unit upgrades are complete and the system is operating as designed.
- The Park Master Plan Identified Projects Travers Park improvements included a timber framed picnic shelter, improvements to the batting cages, and a skate park shade structure. The shelter was completed in the first quarter of fiscal year 2026. Site prep for the new batting cages and the skate park shade structure is complete, the materials are on staged on site, and installation of both will be completed by Parks staff in spring of 2026.

STAFF RECOMMENDATION and ACTION:

Acknowledgement and acceptance of these reports (for information only)

ATTACHMENTS:

Quarter Financial Report FY 2025 4th Quarter

Quarter Capital Financial Report FY 2025 4th Quarter

LINK TO ELECTRONIC FINANCIAL TRANSPARENCY:

<https://sandpoint-id.cleargov.com/>

<https://city-sandpoint-id-budget-book.cleargov.com/21096/>