



AGENDA REPORT

City Council Meeting

TODAY'S DATE: July 28, 2025

MEETING DATE: August 6, 2025

TO: Mayor & City Council

FROM: Sarah Lynds, Finance Director/Treasurer

SUBJECT: FY 2025 3rd Quarter Financial Report Review (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:

To highlight a few areas of the quarterly report - the fiscal year is 75% complete as of June 30, 2025. The construction season is just starting to get underway with the exception of a few isolated projects and so the funds/budgets associated with these expenditures are showing low budget to actuals. This is expected and normal at this time of the year.

EXPENSES:

The General Fund is 38.37% expended as a whole, but a closer look at separate categories reflects 63.14% in personnel services, 27.41% in maintenance & operations and 5.86% in capital outlay.

Garbage, Water and Wastewater funds are at 74%/35.3%/33% budget to actual for total expenditures. Water and Wastewater salaries and benefits are 50.6% and 59.4% budget to actual. Water and Wastewater capital outlay expenditures are at 8.7% and 24% with the majority of expenditures expected to come in the 4th quarter of the fiscal year.

All of these percentages are in line with prior year trends of budget to actual expenditures besides General Fund M&O. This budget to actual is much lower compared to the prior year due to the Great Northern Project. This project has a General Fund M&O budget of \$4.26M. Approximately \$11K of project expenditures has been spent so and this is causing the GF M&O budget to actual to be low compared to the prior year. See the Capital Improvement Financial Report for more details and links to this project.

REVENUES:

The construction season normally begins towards the end of the 3rd quarter of the fiscal year with the majority of the projects occurring in the 4th quarter. Capital outlay budget to actual expended percentages reflect a low completion status at the end of the 3rd quarter. Several of the FY25 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 41.3% 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 47.7%. The Cities' largest single source of General Fund revenue, property taxes, is at 65.3% received. Property taxes are received monthly paid with the largest remittance in January (2nd Quarter) and the second largest in July (4th quarter).

State and Local Government Shared Revenues (54.7% and 67.3%) are received quarterly (January, April, July and the final quarter in October).

Water and Wastewater fund revenue overall is 36.9%/44.4% budget to actual. Water includes \$4,836,251 of beginning cash, after removing this from the calculation the budget to actual is 70%. Wastewater includes \$6,894,000 of beginning cash, after removing this from the calculation the budget to actual revenues is 98.3%.

All of these percentages are in line with prior year trends of budget to actual revenues.

CAPITAL:

The FY25 Capital Improvement Plan has budgeted \$23,261,500 for 31 projects. At the end of the 3rd quarter these projects had expended \$5,982,531 which is 25.72% 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 FY26 budget.
- The Road Reconstruction & Seal Coating Projects started in fall of FY25 with a mill and overlay pavement maintenance on Fourth Ave. More maintenance is anticipated during the 4th quarter.
- 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 FY25. The project was completed on time & within budget.
- The Sidewalk and Bike Path Project efforts have not begun. Construction is anticipated to occur during the 4th quarter FY25.

- The Cedar Street Reconstruction project is currently in design. Construction is anticipated to start towards the end of FY25 and continue into FY26.
- The Great Northern Road Corridor Improvements project completed 60% design.

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

- The James E. Russell Sports Center project has been completed.
- The Travers Park Inclusive Playground & Splash Pad project has also been completed.
- The Memorial Grandstand HVAC replacement project is currently in the engineering phase of the project with the 3 units projected to be replaced in FY 2026. This budget has been carried forward to next fiscal year.
- The Park Master Plan Identified Projects includes a picnic shelter, a skate park shade shelter and completion of batting cages at Travers Park and is scheduled to be completed during the 4th quarter of fiscal year 2025.

STAFF RECOMMENDATION and ACTION:

Acknowledgement and acceptance of these reports (for information only)

ATTACHMENTS:

FY25 3rd Quarterly Financial Report

FY25 3rd Capital Improvement Plan Financial Report

LINK TO ELECTRONIC FINANCIAL TRANSPARENCY:

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