

 CITY COUNCIL SPECIAL PROJECTS POLICY	Citywide Policy Manual Policy #25-022
	Attachments: N/A
Effective Date: April 2 <u>September 3</u> , 2025 per Resolution 25-022	Responsible Department: Administrative Services
Related Policies & Notes: N/A	City Council or Administrative Policy: City Council

Purpose

To establish City Council authority for the purpose and creation of Special Projects for inclusion and tracking as part the City's budget process.

Special Projects are defined as one-time, staff-initiated projects that require City Council approval due to the need for budget appropriations that exceed a department's base budget. Base budget items are the baseline appropriations to continue operations at the current level. In instances where there are sufficient budget appropriations the City Manager ~~must will submit an informational memo to advise the City Council of the reappropriation of funds to the special project.request City Council authority in the form of a consent agenda item to reappropriate the funds as a special project.~~ As discussed in the Special Project Reporting section below, these projects will continue to be reported in the Special Project reports.

Special Projects are not meant to track ongoing operational costs like street pavement maintenance, minor repairs, development projects which may span multiple fiscal years, or the purchase of equipment, unless the department needs to track these expenses because of the use of restricted funds to pay for the equipment or materials. Ongoing operational costs will be included in the department's base budget or added as an ongoing budget appropriation request to the City Council.

Policy

This policy, including any amendments, shall be approved by City Council Resolution and shall be effective upon the policy's adoption.

It is the objective of the City to ensure transparent financial reporting that allows Councilmembers, residents, and staff to track expenditures across multiple fiscal years.

This policy will be reviewed annually as part of the proposed budget process.

City Manager Authorization

As part of the City's proposed budget process, departments must submit for approval any new one- time projects or initiatives that require additional funding. If approved by the City Manager, these projects are included in the proposed and final budget for City Council consideration and approval.

These requests are separate and are apart from the City Work Program (CWP) items, which are Council initiated and may be one-time and/or result in ongoing costs. Both types of projects require City Council appropriation approval.

City Council Approval and Questions

All Special Projects approved by the City Manager that require additional appropriations will be included in the proposed and final budgets for City Council approval. These projects will be presented and discussed during the budget process, and appropriations added upon approval. Off cycle Special Project creation using the reappropriation of existing funds will be presented to City Council as a consent item for approval.

Any questions from City Council regarding Special Projects that are part of the regular Special Projects reporting process described in the section below will be answered as part of the supplemental report process. Questions that fall outside of the reporting process will be responded to in a timely manner based on the scope of the question.

Special Project Reporting

Special Projects will be included in the departmental narratives of the proposed and final budget. A summary of proposed Special Projects will be included in the summary section of the budget message and upon budget approval this list will be finalized as part of the final budget.

As part of the quarterly financial reports, staff will report on the following items for all Special Projects:

- Adoption Year
- Function - department that has the special project, for example Administration, which encompasses City Manager and City Attorney.
- Program - specific budget unit (e.g., 120 City Manager)
- Base and Detail Account with Detail Account description - the expense account where the special project is budgeted, for example 750-.056 Neighborhood engagement. Special project account numbers are unique to one project.
- Full Org Set Code and Description - Includes full account string (Fund-Div-

Program) and description of the org set. For example, 100-12-632, where the first three digits are the fund, the next two digits are the division, and the last three digits are the program in which the special project is budgeted. General Fund-City Manager-Comm Outreach & Neighborhood Watch.

- Amended Budget - This is the total budget in a fiscal year and includes new dollars added in proposed and any budgeted dollars that have been carried forward from the prior fiscal year as of a given date, for quarterly report they include Sept-30, Dec-31 and March-31.
- Actual Amount - dollars spent as of a given date, see amended section above.
- Encumbrance - dollars encumbered either through a contract or purchase order as of a given date.
- Status - This includes completed, in progress, not started, started, pending and cancelled.
- Outside Funding - identifies if outside funding is available like grants to fund the projects.
- Estimated Completion - the date and month the Special Project is expected to be completed.
- Notes - this includes information that staff would like to make the council and residents aware of and includes future plans like a project being carried over or defunded, along with other updates.

This quarterly financial report is meant to be informative, and the City Council is not required to approve or take any action, other than to receive the attachment as part of the financial report.