

Council Agenda Bill

AB Number

AB26-015

Agenda Bill Information

Title *

Resolution Amending the Financial Management Policy

Action *

Motion

Council Agenda Section

Committee Report

Council Meeting Date *

04/27/2026

Staff Member

Drew Bouta

Department *

Finance

Committee

Finance and Administration

Committee Date



04/07/2026

Exhibits

Packet Attachments - if any

Drag and drop up to **10** files here to upload or [Choose files](#)

Files (2 uploaded)

-  [x1 Resolution Amending the Financial Management Policy.docx](#) 22.6KB
-  [x2 Exhibit A - Financial Management Policy.docx](#) 138.52KB

Click [here](#) to review attachments.

Summary

Introduction *

Brief summary.

This resolution amends the City's Financial Management Policy clarifying and changing where (i.e., what fund) the City's construction sales tax and utility taxes are recorded.

Proposed Motion

Motion authorizing the Mayor to sign the resolution amending the City's Financial Management Policy.

Background/Overview *

What was done (legislative history, previous actions, ability to hyperlink)

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The Financial Management Policy was first adopted in Resolution 1627 on November 22, 2022, and amended in subsequent resolutions on June 10, 2024, and December 8, 2025. The Financial Management Policy is designed to provide guidance and governing rules to those who implement and oversee the financial processes of City, which supports the City's long-standing goals of fiscal transparency and operational stability.

Analysis *

The amended Financial Management Policy, which contains only an update to Section 3.4 "Revenue Distribution to Funds" (p.7), would clarify and change where (i.e., what fund) the following revenue sources are recorded:

Sales Tax: The amendment clarifies that only the non-recurring portion of construction sales tax would be recorded within capital project fund sources (i.e., Non-Utility Capital Fund (#310)). The recurring portion of construction sales tax would be recorded within the General Fund (#001). The City can expect a certain amount of construction activity every year, such as residential remodels, that produce a consistent and predictable unrestricted revenue stream. As a result, the annual recurrence of this revenue could be used to support the City's ongoing General Fund obligations.

Utility Taxes: The amendment, along with a companion agenda bill, stops the apportionment of utility tax revenue between the General Fund (#001) and Non Utility Capital Fund (#310), and the outdated reference to Ordinance 1135, which was superseded by Ordinance 1296 § 8, would be eliminated. As a result, all utility tax revenue would be recorded in the General Fund. Utility taxes are a consistent and predictable unrestricted revenue stream and therefore better suited to supporting the City's ongoing General Fund obligations.

Budgetary Status *

This action has complex budgetary implications.

Budget Summary

Please see the related Biennial Budget amendment, which details the impact on both the General Fund (#001) and Non-Utility Capital Fund (#310), for more information.

Fiscal Impact

Amount of Expenditure

\$

Amount Budgeted

\$

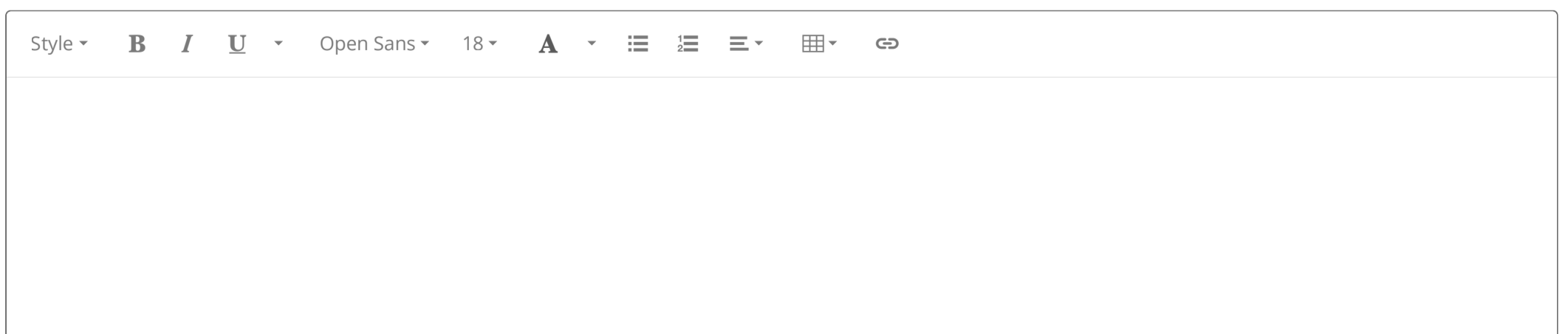
Appropriation Requested

\$

Fiscal Impact

Screenshot below is an image of the budget summary table.

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Comments: