

Request for Policy Analysis (Council Referrals)

Department	Finance	Rules Date	10/1/25	Item	C.1
Department Rep. Name/Ext.	Maria Oberg x 5-7011	Councilmember Sponsorship	Ortiz		
Policy/Ordinance Subject	4th Quarter Financial Report				

Staff Recommendation			
<input checked="" type="checkbox"/> GREEN Adopt based on tradeoffs outlined on next page	<input type="checkbox"/> YELLOW Defer to a later designated date or the annual Budget Process	<input type="checkbox"/> RED Recommend Council not adopt nominated idea	<input type="checkbox"/> NEEDS CLARIFICATION OR MORE TIME TO EVALUATE

Staff Evaluation		
Is this already underway in a department work plan?	Is this time critical or an emergency?	Will this require substantial resources, staffing, budget, strategic support, or reprioritizing existing work plan?
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Criterion to Determine Scale of Project Complexity	
Project complexity is determined by scoring the project in each of the 3 criteria below and then summing the score.	
a. Low Complexity is a sum of 6 or less.	Total Score = 5
b. Medium Complexity is a sum of 7 – 9.	
c. High Complexity is a sum of 10 or greater.	

Scoring Criterion			Low Complexity		Medium Complexity				High Complexity			
	Estimated Duration		6 – 9 months <input checked="" type="checkbox"/> = 1		9 - 18 months <input type="checkbox"/> = 2				More than 18 months <input type="checkbox"/> = 3			
	Organizational Complexity (Internal)		Can easily be absorbed into existing work plan <input checked="" type="checkbox"/> = 1		Planned work (future) <input type="checkbox"/> = 2				Work not currently proposed <input type="checkbox"/> = 3			
			Have staff with required skillset/knowledge <input checked="" type="checkbox"/> = 1		Have staff with required skillset/ requires moderate research <input type="checkbox"/> = 2				Do not have staff with required skillset/requires significant research <input type="checkbox"/> = 3			
			Less than or equal 2 staff required <input checked="" type="checkbox"/> = 1		3 - 4 staff required <input type="checkbox"/> = 2				More than 5 staff required <input type="checkbox"/> = 3			
	(External)		1 Additional department; no community outreach required <input checked="" type="checkbox"/> = 1		2 Other departments Involved; some community outreach required <input type="checkbox"/> = 2				3 or more departments and/or external partners involved; significant community outreach required <input type="checkbox"/> = 3			
DEPT. Required	<input type="checkbox"/> Airport	<input type="checkbox"/> Auditor	<input type="checkbox"/> CMO	<input type="checkbox"/> OEDCA	<input type="checkbox"/> ESD	<input type="checkbox"/> Fire	<input type="checkbox"/> HR	<input type="checkbox"/> IT	<input type="checkbox"/> PRNS	<input type="checkbox"/> Police	<input type="checkbox"/> Retirement	
	<input checked="" type="checkbox"/> Attorney	<input type="checkbox"/> Clerk	<input type="checkbox"/> CMO – Budget	<input type="checkbox"/> Community Energy	<input checked="" type="checkbox"/> Finance	<input type="checkbox"/> Housing	<input type="checkbox"/> IPA	<input type="checkbox"/> Library	<input type="checkbox"/> PBCE	<input type="checkbox"/> PW	<input type="checkbox"/> DOT	

CMO Approval: /s/ Lee Wilcox Date 9/26/2025

Analysis
Explain the rationale for staff recommendation, including any mitigating factors that need to be considered (recent legislative action, significant work plan changes, etc.). Please address the following as well.
GREEN LIGHT: The Administration can implement this nominated idea under its current work plan. Item should be sent to Council to add to department work plan. (1) How will the idea be approached? (2) If adopted, what is its impact and/or tradeoff to the City Council Focus Area or to a department work plan, including strategic support? (3) What is the minimum viable scope to move the idea forward and reduce its complexity?
Administration was requested to return to Council in March 2026 with an investment analysis of the trade-offs associated with divesting from corporations that invest in U.S. Immigration and Customs Enforcement (ICE). If the requested analysis is limited to companies contracting with ICE from the time of the inauguration of President Trump (January 2025) and onward, the Finance Department will be able to review the list of contracting vendors and compare it to the corporate medium-term note holdings in the City's investment portfolio. Staff can then analyze what divesting from any identified holdings would mean in terms of interest earnings and sales price of those holdings compared to interest earnings and purchase price of replacement securities. Staff will bring this analysis to the PSFSS Committee in February 2026 for discussion and cross-reference to a subsequent Council meeting in March 2026.
YELLOW LIGHT: Administration recommends Council defer this nominated idea to a later designated date or the annual Budget Process due to (describe cost implications, workload impacts, or other factors)
RED LIGHT: The Administration recommends Council not to adopt this nominated idea due to (describe reason implementation would be difficult if not impossible – conflict with other laws, etc.).