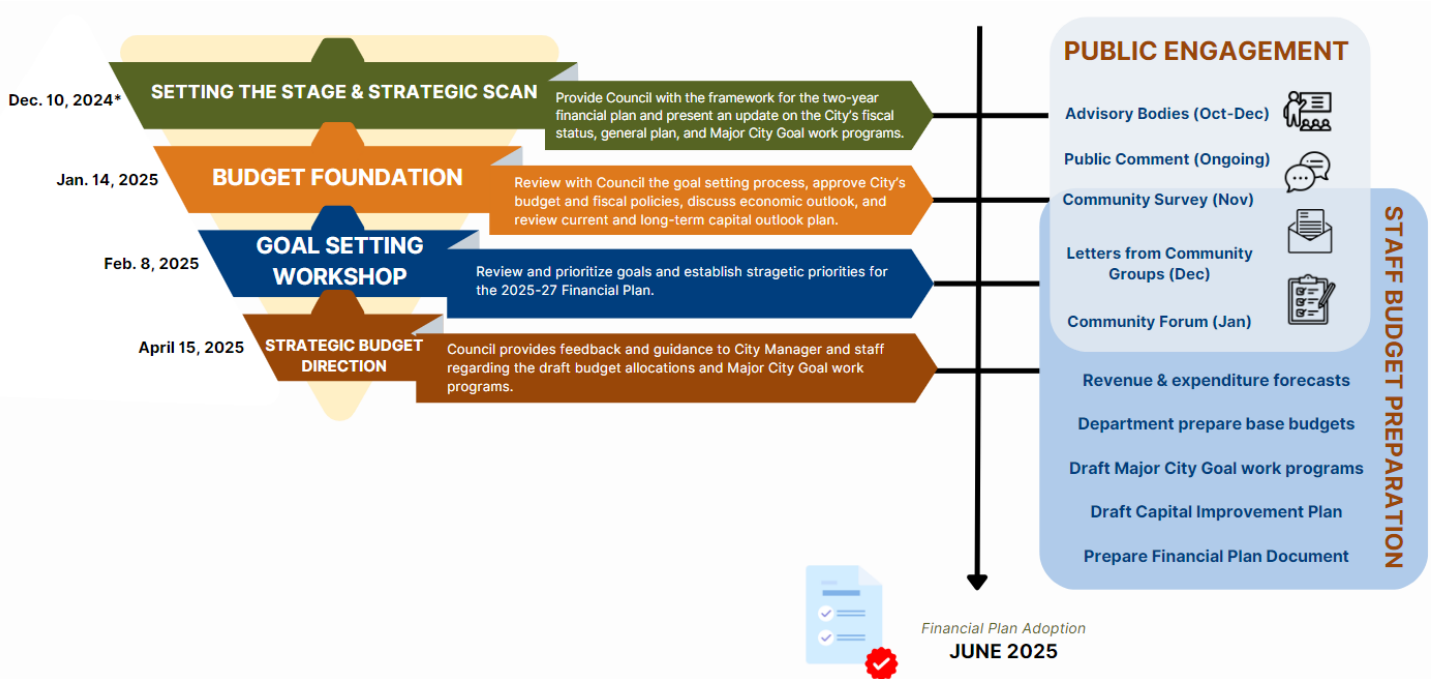


## ATTACHMENT C – 2025-27 FINANCIAL PLAN SCHEDULE

There are a number of opportunities to provide input to the City Council to establish Major City Goals with the community’s interest in mind. These opportunities are highlighted on the following chart and also listed by date at the bottom of this document. Any specific dates identified in this document are estimated and subject to change.



\*December 10<sup>th</sup> meeting subject to Council approval of an additional meeting date

1. **Pre-work and Community Outreach:** The initial phase of the Public Engagement process involves assessing the community's priorities prior to Council discussions scheduled for the following months. Compiling a preliminary list of relevant topics enables staff to refine the focus of the Community Forum and ensure that the appropriate subject-matter experts and information are available as the process progresses. The pre-work includes:
  - a. **Community Outreach Efforts.** The City uses its [Public Engagement and Noticing Manual](#) as the guide for encouraging the broadest possible participation in the community engagement process. Staff plans to place display ads in The Tribune, SLO Journal, and New Times and use social media to promote participation. Information about the goal-setting and budget process will be placed on the City’s web site and at City Hall. There will also be an informational flyer in the November utility bills (in English and Spanish) inviting the public to participate in the online Community Priorities Survey, Community Forum, goal-setting, and budget process.
  - b. **The Community Priorities Survey (see Attachment D).** The survey is an effective tool for collecting feedback from a substantial number of community members. The participation rate has increased with each Financial Plan, reaching over 1,300 responses for the 2023-25 survey. This survey will be accessible from November 12, 2024, to December 13, 2024. Feedback from previous surveys and broader research indicate that a duration of three to four weeks is optimal for a web-based survey. Furthermore, concluding the survey in mid-December enables staff to obtain community feedback prior to the holiday season, a period when many individuals may be less accessible.

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- c. **Community Letters.** The City mails notices to a comprehensive list of community partners, governmental agencies, media organizations and interested individuals inviting them to participate in the community engagement process. The letter includes a QR code linking to the survey and provides details regarding the financial planning process and the Community Forum.
  - d. **Advisory Body Input.** Consistent with past Council direction, the advisory bodies will again play an important role in the goal-setting process by providing the Council with their recommended goals for 2025-27. Staff will provide advisory body members with background materials outlining their important role in this process. An update on this process is also scheduled to be presented at the next quarterly meeting with the Mayor and advisory body chairs in October 2024. Lastly, staff liaisons are already beginning to work with Advisory Body Chairs in scheduling time for this purpose at upcoming advisory body meetings.
2. **“Setting the Stage” Workshop and the Strategic Scan.** This meeting on *Tuesday, December 10, 2024<sup>1</sup>*, will be devoted to a comprehensive review of the status of current City plans, goals, policies, and programs. This is an especially appropriate start as the Council goal-setting process should take into consideration the City’s adopted long-term plans, current two-year goals, and an updated economic outlook. Accordingly, staff plans to present reports on the following:
  - a. **FY 2024-25 1st Quarter Review.** Staff will present a brief budget update of the City’s current financial position as compared with the adopted FY 2024-25 Supplemental Budget.
  - b. **Strategic Scan/Setting the Stage.** Staff will provide an overview of important statistical information that provides trends and patterns pertaining to social, economic, and environmental factors. This will help set the stage for an overview of the City’s services and how the budget is allocated. This will provide important context for decision making through the 2025-27 financial planning process.
  - c. **Status of Major City Goals.** Staff will provide an update on the status of existing Major City Goals.
  - d. **Status of General Plan Programs.** As in past years, staff will present an overview of the status of each General Plan program in each of the ten elements (over 400 programs in total). Organized by element, staff will provide a short summary of each program, whether it has been completed, and if not, a high-level assessment of how challenging it will be to complete.
3. **“Budget Foundation” Workshop.** This meeting on *Tuesday, January 14, 2025*, will be dedicated to seeking policy guidance from Council that will serve as the foundation for the City’s budget and goal-setting process. Staff plans to cover the following topics at this workshop:
  - a. **Review survey responses and advisory body input.** The report will include attachments containing the community survey responses and the advisory body input. These materials are intended to provide information to assist in the planning of the Community Forum; however, the responses will not be discussed in detail during the meeting.
  - b. **Finalize plans for the Community Forum and Council Goal-Setting Workshop.** Staff will present a proposed approach for the forum and goal-setting workshop at this meeting.

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<sup>1</sup> Tentative date pending future Council action on Council meeting dates.

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- c. **Review of Financial Plan policies contained in the 2023-25 Financial Plan and update or recommend changes as appropriate.** This may include proposed changes to the existing fund balance targets for enterprise funds and the capital replacement funds.
  - d. **Review the organization of the Financial Plan and obtain Council guidance regarding the style of presentation expected or preferred by Council.**
  - e. **Review the long-term economic forecast.**
  - f. **Discuss additional discretionary payments (ADPs) to CalPERS intended to expedite paydown unfunded pension liabilities.** This will include an overview of the City's adopted plan to paying down pension debt and consideration of increasing the annual ADP to reflect increases to staffing costs over the last several years.
  - g. **Review Long-Range Capital Improvement Plan (CIP).** The Long-Range CIP provides a look at future infrastructure needs as envisioned by the General Plan and other Council-adopted plans. The Long-Range CIP is presented to Council as part of the Budget Foundation discussion and Goal Setting Process to provide context for future capital needs.
4. **Community Forum.** The Community Forum is a public event held in person, designed for community members to engage in discussions regarding possible goals and feedback from the advisory bodies, community organizations, and individuals who participated in the online survey. The structure of this event will closely resemble that of the 2023-25 Community Forum, featuring a walk-through environment and interactive booths where attendees can interact with City staff and fellow community members. Participants will have the opportunity to scan a QR code using their mobile devices, or with assistance from staff, to rank various methods by which the City could achieve the potential Major City Goals. Attendees will be encouraged to submit additional suggestions or feedback that Council should consider that was not part of the ranking process. Community members can also email ideas to [communityforum@slocity.org](mailto:communityforum@slocity.org) if they are unable to attend the forum in person. The Community Forum is a joint meeting of the City Council and Revenue Enhancement Oversight Commission (REOC).
5. **Council Goal-Setting Workshop.** Following collection of feedback during the Community Forum, the Council goal-setting workshop will be held on **Saturday, February 8, 2025**, in the Council Chambers. This will be an all-day workshop to answer the question, "What are the most important, highest priority things for the City to accomplish over the next two years?" Council will be asked to provide up to five goals before the workshop which staff will organize and distribute prior to the workshop. Use of an independent facilitator will allow all Council members to participate fully in the process; and allows staff to devote their efforts to listening to the discussion. Moreover, the facilitator can assist the Council to ensure that the number and scope of the goals established are appropriate.
6. **Mid-Year Report and Guiding Principles for Allocation of Resources.** The Mid-Year Review and review of the updated Five-Year Forecast, scheduled for **Tuesday, February 18, 2025**, will allow the Council an early opportunity to provide guiding principles and direction for paying down unfunded pension liabilities and efficient allocation of resources with the 2025-27 Financial Plan, focusing on community priorities.
7. **Major City Goal Work Programs and Strategic Budget Direction.** On **Tuesday, April 15, 2025**, staff will present the Major City Goal Work Programs developed out of the Goal-Setting Workshop and seek

## ATTACHMENT C – 2025-27 FINANCIAL PLAN SCHEDULE

strategic budget direction from Council on both the operating budget and Capital Improvement Plan. This process affords the City Council an opportunity to review the draft work programs and associated financial resources proposed to support existing services and accomplish Major City Goals established by the City Council in February. At this stage of the process, the City Council provides direction on any changes needed to refine these work programs and resource allocations to better achieve the desired outcomes. Additionally, the City Council is asked to provide the City Manager with the key policy direction needed to allocate resources in line with Council's expectations or to further amend budget or fiscal policies that align with Council direction. This process is extremely helpful so that the Preliminary Financial Plan that is presented to the City Council and community in June accurately reflects the Council's expectations.

At this meeting, staff will present detailed work programs for the *Major City Goals* in order to:

- a. Clearly define and scope the work programs.
- b. Ensure that there is a clear understanding of the means used in pursuing the goal.
- c. Convert the general goal into specific action steps, so progress can be measured.

Each work program will provide the following information:

**Objective.** What is to be accomplished? (This will be based on the objective adopted by the Council at the goal-setting workshop.)

**Discussion.** What are the factors driving the need for this goal? What actions have already been taken in trying to resolve this problem area? What are the key assumptions? What key challenges, constraints or obstacles can be expected in achieving this goal? What concerns, or issues will remain unresolved even if the goal is achieved? Who are the key stakeholders?

**Action Plan.** What specific tasks will need to be accomplished in order to achieve the goal, and when will they be completed? These "action steps" are the fundamental building blocks in defining and scoping the work program, and in monitoring the progress in accomplishing the goal over the next two years.

**Responsible Department.** Who is accountable for getting it done?

**Financial and Staff Resources Required to Achieve the Goal.** What will it take to achieve the goal? Will resources be needed (staffing, contract services, CIP project) to do this?

**Outcome: Final Work Product.** What are the "deliverables?"

8. **Budget Hearing and Budget Adoption.** The Budget Hearing is scheduled for **Tuesday, June 3, 2025**. State law requires that the City may not spend public funds without the authority to do so. The budget appropriates public funds, thereby providing the legal authorization from the governing body to expend these funds on operations and capital projects. Section 803 of the City Charter sets forth a requirement for a public hearing to consider adoption of the annual budget. The budget hearing is scheduled for the first meeting in June in order to hold time for the possibility of a second hearing, so that the budget can be adopted before the next fiscal year begins on July 1, 2025, pursuant to Section 804 of the City Charter.

### Budget Calendar Summary

**ATTACHMENT C – 2025-27 FINANCIAL PLAN SCHEDULE**

| <b>Item #</b> | <b>Tentative Dates</b>                    | <b>Who</b>             | <b>Action</b>  |
|---------------|---|------------------------|--|
| 1             | September 26, 2024                        | Finance                | Release of goal template and instructions to advisory body liaisons.   |
| 2             | October 1, 2024                           | Council                | Review FY 2023-24 Year End Report and approve the 2025-27 Financial Plan schedule and survey tool              |
| 3             | October 31, 2024                          | Council                | Quarterly Mayor/Advisory Body Chairs Meeting   |
| 4             | November 12, 2024                         | Finance/Admin          | Release Community Priorities Survey  |
| 5             | December 10, 2024                         | Council                | Hold Setting the Stage & the Strategic Scan workshop (Operating and CIP)                                       |
| 6             | December 11, 2024                         | Finance                | Receive written comments from community groups and interested individuals, and goals from advisory bodies      |
| 7             | December 13, 2024                         | Finance/Admin          | Community Priorities Survey closes   |
| 8             | January 7 or 14, 2025                     | Council                | Review Budget Foundation report and provide guidance to staff on development of operating budget and CIP       |
| 9             | January/February 2025<br>(exact date TBD) | Council                | Receive FY 2023-24 Audit and Annual Comprehensive Financial Report (ACFR)                                      |
| 10            | January 23, 2025                          | Council/REOC/<br>Staff | Community Forum  |
| 11            | February 8, 2025                          | Council                | Council Goal Setting Workshop (on Saturday)  |
| 12            | February 18, 2025                         | Council                | Review FY 2024-25 Mid-Year Budget Report including allocation of FY 2023-24 unassigned fund balance            |
| 13            | March, 2025                               | REOC                   | Review Capital Improvement Plan for projects utilizing Local Revenue Measure funding                           |
| 14            | April 15, 2025                            | Council                | Review strategic budget direction report (including CIP) and provide direction to staff                        |
| 15            | April 15, 2025                            | Council                | Review Impact Fee Study and Capital projects associated with those impact fees and provide direction to staff. |
| 16            | May 14, 2025                              | Planning<br>Commission | Review Capital Improvement Plan for conformity with General Plan   |
| 17            | May 20, 2025                              | Council                | Review FY 2024-25 Q3 Budget Report   |
| 18            | May 23, 2025                              | City Manager           | Issue proposed budget  |
| 19            | June 3, 2025                              | Council                | Budget Hearing and adoption of budget and CIP  |
| 20            | June 17, 2025                             | Council                | Continued Budget Hearing and adoption of budget and CIP (if necessary)   |