



Council Agenda Report

Department: Administration
Cost Center: 2001
For Agenda of: 2/11/2023
Placement: Business
Estimated Time: 5.5 Hours

FROM: Derek Johnson, City Manager
Prepared By: Emily Jackson, Finance Director

SUBJECT: 2023-25 FINANCIAL PLAN PROCESS: COUNCIL GOAL SETTING WORKSHOP

RECOMMENDATION

1. Consider information and community feedback (to-date) for deliberation during the goalsetting process and develop Major City Goals and identify related desired outcomes for the 2023- 25 Financial Plan; and
2. Direct Staff to return to the City Council in April 2023 with recommended preliminary work programs and Capital Improvement Plan (Strategic Budget Direction) and related budget appropriations required to operate core services of the various departments and advance Major City Goals.

POLICY CONTEXT

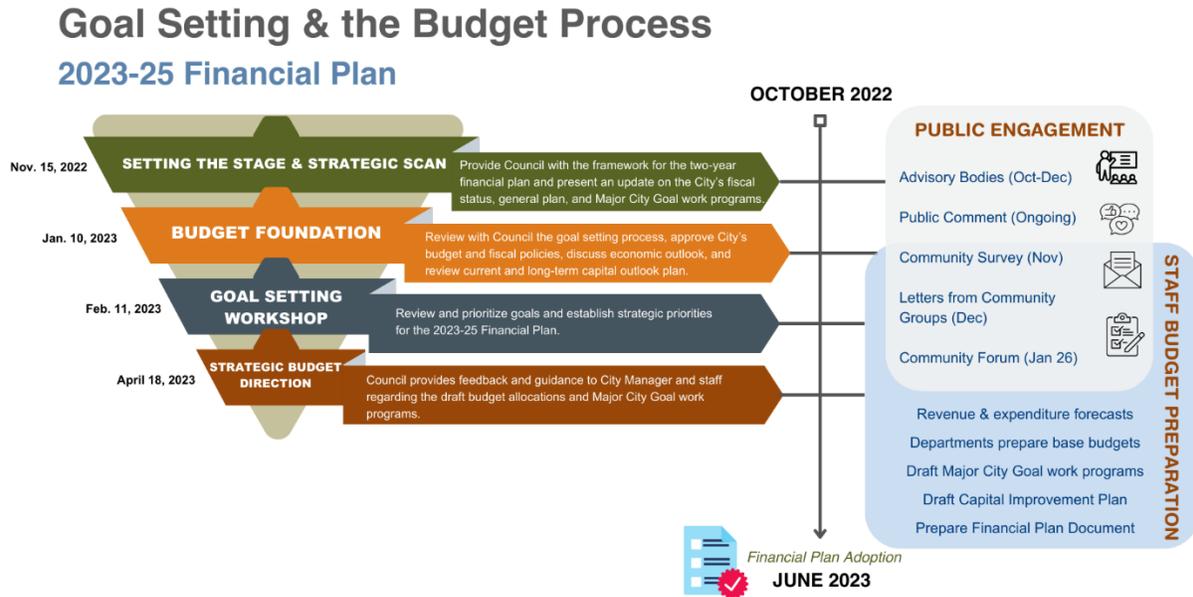
The City of San Luis Obispo utilizes a two-year financial planning process to create its budgets. The fundamental purpose of the City's budget process is to link, through public engagement and strategic deliberation, the interests of the community to the available financial resources to achieve the desired outcomes. The process allows the City Council to engage the community in identifying Major City Goals for the City while also providing information and education regarding the City's core services and programs, including the day-to-day work and responsibilities carried out by City employees to support residents' quality of life. The Goal-Setting Workshop is the opportunity for Council Members to take the feedback from the Community Forum and previous community input and come up with Major City Goals for the 2023-25 Financial Plan.

DISCUSSION

The Council Goal-Setting meeting is one of the most important steps of the financial planning process where Council Members will collaboratively develop the City's Major City Goals for the 2023-25 Financial Plan. All prior staff reports related to the 2023-25 Financial Planning process and community feedback on priorities will be linked in this report for reference. The Council will use this information to develop up to five Major City Goals. These goals will guide staff in the preparation of the budget and recommended Major City Goal work program allocations for the 2023-25 Financial Plan.

Background

Since November 2022, there have been a variety of opportunities for community members to provide input to the City Council to enable them to establish the Major City Goals. These opportunities are highlighted on the following chart and include input from City Advisory Bodies, a Community Priorities Survey, a notice to over 100 community groups and individuals and a Community Forum on January 26, 2023.



Over 200 community members attended the Community Forum which was noticed as a Joint Session of the City Council and Revenue Enhancement Oversight Commission. Nine breakout/input stations were hosted by staff to field questions and take input. New this year, was a switch to a digital approach to receiving community feedback. Attendees were able to scan a QR code on their phone or with the support of staff, rank potential ways that the City could achieve any of the potential Major City Goals. Additionally, attendees were also able to submit other ideas that weren't included in the ranking process if they felt that there was something else the City should address. The meeting concluded with public comment.

Attachment A includes a report from Slido (the tool used to gather input) with the full set of responses from the Community Forum. In the report there is a section for each station at the Community Forum. For the stations that had priority ranking, there is the ranked order that shows how the community ranked the potential tasks that the City could undertake to achieve that potential Major City Goal. For stations that had an 'other ideas' option, the full list of community responses is included. In the 'other ideas' section, community members had the ability to submit more than one idea, so it is possible to have more responses than participants. Across all stations more community members participated in the ranking exercise than submitting other ideas.

Item 3a

City staff are also engaged in a Workforce Planning exercise. Staff expects to be able to share results of the exercise at Strategic Budget Direction in April.

Format

In advance of the meeting the Council will return the Council Worksheet (Attachment E) to answer the following questions by February 8th at 9 am:

1. What edits to the FY 21-23 Major City Goals (Attachment C) would you make to focus on the most important items in these Goal areas?
2. Are there any Major City Goals that need to be added?
3. Are there any work efforts that need to be added? (Any added/new work efforts will have trade-offs in the existing workplan or reducing core services.)
4. Within the current goals or high-level, high importance tasks, what do you think could be stopped or deferred, if needed?

Based upon answers provided by the Council Members, the facilitator will guide the Council in discussion on goals by category and the relationship of those goals to current activities and services. The intent of the discussion is to develop desired long-term outcomes and capture tangible steps that can be taken by the City in the next two years to get closer to that long-term outcome. The Council may choose to discuss alignment on the goals for the next two years or if needed use a prioritization activity to focus the priorities for the 23-25 Financial Plan.

Major City Goals

Major City Goals are defined as the most important, highest priority goals for the City to accomplish over the next two years, and as such, resources to accomplish them should be provided and included in the 2023-25 Financial Plan.

Previous Council or Advisory Body Action

- November 15, 2022 - City Council Meeting: Setting the Stage/Strategic Scan
- January 12, 2023 - City Council Meeting: 2023-25 Financial Plan Process, Economic Outlook, Budget Policies and Capital Improvement Plan Review
- January 26, 2023 - Community Forum - Joint Special Meeting of the City Council and Citizen' s Revenue Enhancement Oversight Commission
- February 7, 2023 – FY 2022-23 Q2 (Mid-Year) Budget Review

Future Council Actions

- April 2023- Major City Goal Work Program and Strategic Budget Direction
- June 2023- Preliminary and Final Budget Adoption Hearings

Public Engagement

Public comment on this item can be provided to the city council through written correspondence prior to the workshop and through public testimony at the workshop.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to the recommended action in this report, because the action does not constitute a “Project” under CEQA Guidelines Sec. 15378.

FISCAL IMPACT

Budgeted: Yes

Budget Year: 2022-23

Funding Identified: Yes

Fiscal Analysis:

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
General Fund	\$4,000	\$4,000	\$0	\$
State				
Federal				
Fees				
Other:				
Total	\$4,000	\$4,000	\$0	\$

Funding for the third-party facilitator was budgeted in the Finance Department and is consistent with previously facilitated Forums.

ATTACHMENTS

- A - Community Forum Results
- B - Community Priorities Survey Results
- C - Major City Goals 21-23 Overview
- D - FY23 Q2 Major City Goals Update
- E - Council Worksheet