



**To:** Members of the Housing & Human Services Commission  
**From:** Staff  
**Subject** 2012 Study and Budget Issue Process Overview

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**Below is a summary of the study and budget issue process.**

### **Study Issues**

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For many years the City's study issues process has provided both City Council and City staff with a valuable planning and management tool. Through this process, Council sets priorities for studying policy issues. The process also allows staff to balance the work required to thoroughly "study" an issue with the work required to deliver ongoing City services.

### **What is a Study Issue?**

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A study issue is a topic of concern that may result in a new or revised City policy. The study issues process has been utilized by the City since the late 1970s, and provides both City Council and City staff with a valuable planning and management tool. The study issues process is an integral part of the City's Planning and Management System (PAMS), linking long-range strategic planning and short-range action planning.

For those issues that are sponsored by Councilmembers, City staff, or boards and commissions, staff prepares and submits study issue papers to the city manager for review and approval. The study issue paper describes the topic of concern proposed to be studied, identifies how the issue relates to the General Plan, the origin of the issue, expected public outreach, staff hours, any additional resources required for study, and a staff recommendation regarding whether or not to study the issue. Papers are then routed to the appropriate board and commission for ranking. Generally, boards and commissions must submit their proposed study issues by early fall in order to complete their ranking of issues in October. Study issue papers not under the purview of a board or commission are routed directly to Council for the annual Study Issues Public Hearing and Council Study Issues Workshop.

### **Overview of the Study Issues Process**

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The primary purpose of the study issues process is to provide a method for identifying, prioritizing and analyzing policy issues in an efficient and effective way. It provides a structured approach for addressing the large number of policy issues that are raised each year. With exceptions as noted below (e.g. emergency issues, safety issues, etc.) Council reviews all study issues once a year at the Council Study Issues Workshop (held annually

in January). The process allows Council to rank the issues, separating those issues that may have seemed important when they were first raised from the truly critical issues. It also allows the City Manager and department directors to set and schedule the examination of issues so the workload does not interfere with the day to day delivery of City services at levels set by Council.

As noted below in Study Issues Process Summary Timeline, the study issues process is ongoing. Currently, study issues can be proposed at any time for the upcoming calendar year by staff, Council, board and commission members, and members of the public.

## **Can I Propose a Study Issue?**

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Study Issue topics can be proposed by members of the public, Councilmembers, boards/commissions, or the city manager. Ideas proposed by the public must, however, be sponsored by Council, the city manager, or a majority of a board and commission to advance.

## **Roles in the Study Issues Process**

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The study issues process includes participation by Councilmembers, City staff, board and commission members, and the public. A brief explanation of each of their roles follows:

**Council** – Council’s role is to set policy. Regarding the study issues process, policy-related responsibilities include generating (or sponsoring) study issue topics; taking public input; prioritizing or “ranking” issues at the Council Study Issues Workshop in January; and approving target completion dates for each study.

**City staff** – City staff manage the annual study issues administrative process; generate study issue topics; prepare the study issue papers; following Council ranking of issues, determine how many issues available operating resources will support (issues are begun, and studied, in priority order); and propose target completion dates for studies able to be completed.

**Boards and Commissions** – In their advisory capacity to Council, boards and commissions generate study issue papers for Council’s consideration, and provide a recommended ranking of the issues relevant to their areas of authority. Boards and commissions also provide a forum for public input and, with majority support, can sponsor issues brought to them by members of the public.

**Members of the Public** – Members of the public may suggest study issue topics to staff, boards and commissions, or directly to Council. In order for a study issue topic to get to the Council Study Issues Workshop it must be “sponsored” by staff, Council or a board or commission. Members of the public also provide input to Council on the relative importance or priorities of individual studies at the annual Study Issues Public Hearing, which is held a week or two prior to Council’s Study Issues Workshop.

## Study Issues Process Summary Timeline

Month	Activity	Result
Day after January Public Hearing through following year's Public Hearing	Study Issue topics are proposed/generated for next calendar year by Council, the city manager, or boards and commissions.	Study issue papers sponsored by Council, boards and commissions, or staff are prepared by staff.
October	Boards and commissions rank relevant study issues proposed for next calendar year.	Board and commission priority rankings are forwarded to Council.
December	Staff posts all sponsored study issue papers to the City's Web site.	Public notice and viewing of study issues proposed for upcoming calendar year.
Very Early January	Council holds Public Hearing on study issues proposed for current calendar year. (Held on January 10 in 2012)	Members of the public comment on study issues.
Mid - Late January	Council Study Issues Workshop held. (Held on February 3 in 2012)	Council assigns priority ranking to study issues; rankings are posted to City's Website
Late January - mid February	Staff "Draws the Line": the City Manager considers staff resources by department to determine how many issues can be studied during the calendar year (issues are always studied in priority order), noting start and complete dates for each issue.	Staff presents Council a list of the study issues that will be undertaken during the current calendar year, given currently budgeted resources.
Cycle repeats.		

## Budget Issues Process Overview

Budget issues are proposals to add a new service, eliminate a service or change the level of an existing City service. Budget issues can be proposed by the City Council, Boards and Commissions, or staff. Any member of the public wishing to propose an item must get their issue sponsored by one of these three groups. While budget issues can be proposed year-round, Council reviews and takes action on budget issues once a year as a part of the Study/Budget Issues Workshop. Prior to the Study/Budget Issues Workshop, a public hearing is held to allow for input to be provided on budget issues that have already been proposed, as well as to solicit and receive any additional budget issues.

Budget issues that are proposed as a result of the public hearing, as well as any additional budget issues submitted, will be reviewed by the appropriate departments. This review will include a brief write-up on the impact to service levels and the estimated fiscal impact of the proposed budget issue. All budget issues will be summarized in one Report to Council, and the departmental write-ups will be included as an attachment to the report. This Report to Council will be included in the documentation that is provided for the Study/Budget Issues Workshop.

At the Study/Budget Issues Workshop, Council will take action on all proposed budget issues. Potential actions include referring the budget issue to the City Manager for consideration in the FY 2012/13 Recommended Budget, dropping the budget issue, or deferring it to a future year's process. Referring the budget issue to the City Manager for consideration in the FY 2012/13 Recommended Budget means that the budget issue will be incorporated into the overall

budgetary review, but it does not necessarily mean that the proposal will ultimately be included in the City Manager's Recommended Budget to Council.

## **Process & Timeline**

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**Through mid-November** – Program managers complete Budget Issue Summary Forms for any budget issues to be considered by Council. Liaisons to Boards and Commissions should work with their Board or Commission to determine if there are any budget issues that they wish to propose. Once the budget issues are identified and the Budget Issues Summary Forms are completed for each proposed issue, the summary forms should be reviewed and signed by the department director. After the department director has reviewed and signed, the summary forms should be forwarded to the Office of the City Manager for review and signature.

**Mid-November – early December** – Budget Office compiles all completed budget issues and prepares RTC material for public hearing on Study/Budget Issues.

**January 10** – Public hearing is held on Study/Budget Issues. Any new budget issues that arise from the public hearing are assigned to the appropriate department.

**February 3** – Study/Budget Issues workshop is held. Proposed budget issues are either dropped, deferred, or referred to the City Manager for consideration in the FY 2012/13 Recommended Budget. For those that Council refers to the City Manager for consideration in the FY 2012/13 Recommended Budget, a budget supplement will need to be created. Once the list of referred budget issues is established, the Budget Office will follow-up with the appropriate program managers regarding completing the budget supplements.