City of Sunnyvale

Agenda Item

15-0003 **Agenda Date:** 1/6/2015

REPORT TO COUNCIL

SUBJECT
Annual Public Hearing - Discussion of Potential Council Study Issues and Budget Issues for Calendar Year 2015

BACKGROUND
Council typically reviews all study and budget issues once a year at the Annual Public Hearing which provides the opportunity for members of the public to comment on proposed issues for study or budget consideration, and/or to suggest potential new issues. The purpose of the January 6 meeting is to receive that public testimony.

On January 30, 2015, Council will conduct a workshop devoted to a review of all proposed study and budget issues. At the workshop, Council will rank study issues for completion during 2015 and will identify budget issues to be forwarded to the City Manager for consideration in the FY 2015/16 budget. A **study issue** is a topic of concern that can result in a new City policy or a revision to an existing policy. A **budget issue** represents a new City service or a change in the level of an existing City service (including possible elimination).

Study and Budget Issues Process
The study issues process provides a method for identifying, prioritizing and analyzing policy issues important to the community. It provides a structured approach for addressing the large number of issues that are raised each year, allowing Council to rank the issues and set priorities within the limits of time and resources.

The budget issues process provides a method for identifying and addressing proposals to add a new service, eliminate a service, or change the level of an existing service.

Major Steps in the Process Leading to the Public Hearing
- Study and budget issues are proposed year round by Council, boards and commissions, the public, or the City Manager.
- Staff prepares study issue papers or budget issue papers for all qualifying issues. These issue papers describe the topic of concern and provide information Council will use to determine whether or not to further explore each issue. The study issue paper is also designed to capture the intent and interests that originated the issue. The purpose of the budget issue summary form is to briefly summarize the issue and provide an initial estimate of the fiscal impact.
- In October and November boards/commissions review and rank proposed budget and study issues under their purview; these rankings are forwarded to Council for consideration.

EXISTING POLICY

Council Policy 7.3.26 *Study Issues Process*
Council Policy 7.1.7 *Budget Issues Process*

Council Fiscal Policy 7.1.1 A.1.2 which states, "A Fiscal Issues Workshop will be held each year prior to preparation of the City Manager's Recommended Budget to consider budget issues for the upcoming Resource Allocation Plan."

ENVIRONMENTAL REVIEW

N/A

DISCUSSION

Staff has prepared write-ups of the study issues and budget issues proposed to date. These study issue papers, budget issue papers, and other materials can be viewed on the City's Study Issues Website at *StudyIssues.inSunnyvale.com <http://www.StudyIssues.inSunnyvale.com>*, at the Sunnyvale Public Library, or at the City Clerk's office. Copies will also be available to the public at the Study Issues/Budget Issues Public Hearing.

Study Issues/Budget Issues Public Hearing

This Public Hearing is a critical step in the City's policy-setting process. A number of policy issues are submitted annually for possible study by City Council in the upcoming calendar year. The purpose of the hearing is to invite public comment on the relative importance of proposed issues, and for the public to suggest new issues for Council's consideration. Issues proposed by the public must be sponsored by at least two Councilmembers in order to be considered at the Study/Budget Issues Workshop. Staff has advised the board and commission chairs that this is also the appropriate time for them to testify on issues recommended by their board or commission.

Should new issues be added during the January 6 Public Hearing, those issue papers will be developed and distributed to Council as soon as possible prior to the January 30 Workshop. The deadline for Council-initiated study or budget issue papers this year is January 9 - three weeks prior to the Workshop.

Study Issues/Budget Issues Workshop

On January 30, Council will conduct a workshop devoted to a review of all proposed study and budget issues. Council will prioritize or rank study issues that are not dropped or deferred. Budget issues receiving majority support from Council will be forwarded to the City Manager for consideration in the upcoming fiscal year's recommended budget.

Following the Council Workshop, and based on Council's priority rankings, the City Manager identifies the number of Council-ranked study issues that can be completed during the calendar year without disrupting service delivery or modifying service levels set by Council. Staff updates the Tentative Council Meeting Agenda Calendar for the coming year, identifying when the results of staff's study of specific policy issues will be brought back to Council for action. Lower-priority issues ranked by Council, but not placed on the Council calendar, are automatically reconsidered during the next year's study issue process.

All budget issues referred to the City Manager are returned for Council's consideration as a part of the City Manager's Recommended Budget for the next fiscal year in the form of *budget supplements*.

These *supplements* are considered by the City Manager in the context of all the other City projects and services, but are not automatically recommended by the City Manager for funding.

For many years this approach has provided both City Council and City staff with a valuable planning and management tool that allows Council to set priorities for examining policy issues, provides preliminary review of budget issues, and allows staff to balance policy study with the delivery of day-to-day City services.

FISCAL IMPACT

There is no fiscal impact associated with this report. Each issue paper provides information regarding fiscal impact where warranted, including an estimated cost of studying the issue and estimated implementation costs. Staff recommends any Council-prioritized study issues that require funding be resubmitted as a budget supplement to be considered within the context of all new requests for funding in the FY 2015/16 Recommended Budget. This is consistent with past practice.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

The public hearing is open to the public and public testimony regarding study issues and budget issues will be heard by Council. Copies of study and budget issue papers may be viewed by accessing the City's Study Issues Website at *StudyIssues.inSunnyvale.com <http://www.StudyIssues.inSunnyvale.com>*.

The January 30 Workshop is open to the public and will be televised live and rebroadcast on KSUN, Channel 15. Consistent with past Council practice, however, public testimony will be limited. The public's primary opportunity to comment on study and budget issues is on January 6.

STAFF RECOMMENDATION

No action is needed at this time. Councilmembers may request new study issues and/or budget issues be developed for review at the Annual Study Issues/Budget Issues Workshop; a minimum of two Councilmembers is required to sponsor either.

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ATTACHMENTS

1. Proposed 2015 Study Issue Papers (Hyperlink)