

## Goal-Setting and the Budget Process

Overview of Proposed Process  
March 2013

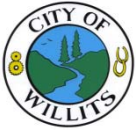
The HSM Team

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## Purpose of Goal-Setting Process

- Link the most important, highest priority things for the City to accomplish with the resources needed to do so.
  - To do this, Council goal-setting needs to drive the budget process, not follow it.
  - This means starting the budget process with Council identifying top priorities.

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## Benefits

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- Via the Preliminary Budget, staff can better recommend realistic implementation measures as well as identify the resources – in terms of time, staff and finances – needed to accomplish them.
- This becomes the basis of an effective, practical budget that can make a positive difference to the City and its citizens.

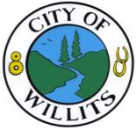
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## Three Keys to Success

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- ① Identify most important, highest priority things to accomplish for the community
- ② Prepare work programs for top priorities as part of Preliminary Budget process
- ③ Report on results

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## 1 Identify Top Priorities

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- The City can accomplish *anything*
- What it can't accomplish is *everything*
  - Council leadership is essential in setting goals with a sense of importance and priority that will drive the resource allocation process.
  - And that's what budgets are all about: making trade-offs between goals and resources.

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## Tough Fiscal Times and Goal-Setting

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- Tendency to think that goal-setting and tough fiscal times are incompatible concepts.
- But it's even more important to focus on key goals in tough times, because the consequence of getting priorities wrong is even greater.

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## 2 Work Programs

- In preparing Preliminary Budget around top Council goals, essential for clear understanding of what the Council hopes to achieve
- Purpose of work programs is to:
  - *Define and scope the adopted goal*
  - *Ensure clear understanding of the goal so appropriate resources are allocated, and progress measured in achieving it*

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## Council said they wanted a swing ...



How the  
City  
Engineer  
saw it



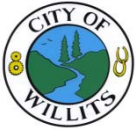
Parks  
program's  
take

Finance  
Director's  
hope



All the  
Council  
wanted

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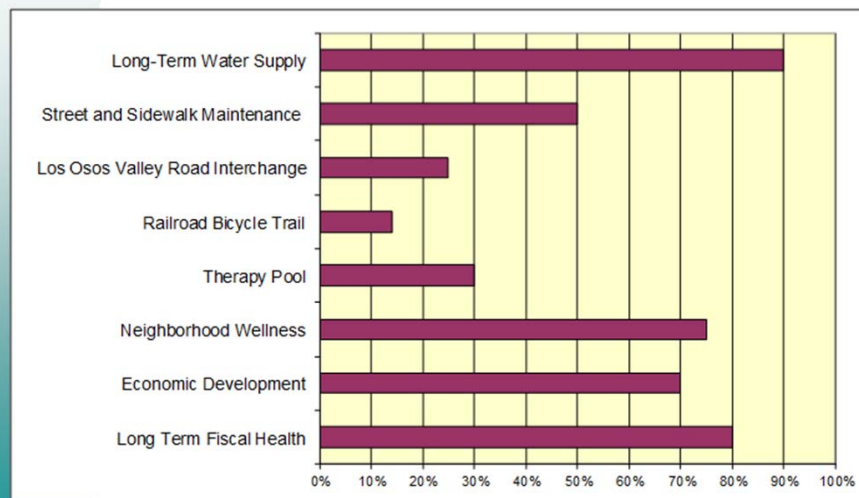


### 3 Reporting on Results

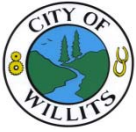
- Allocating resources and adopting clear plans alone will not provide results: that comes from using those resources in implementing the plan.
- For that reason, ongoing reporting on the status of the “action plan” in concise but meaningful ways to the staff, Council and community is an essential component for success.

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### Sample “Report Card”



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## Proposed Process

- Two Steps
  - Council prepares seven “candidate goals”
  - Goal-setting workshop: April 2, 2013

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**Council  
“Homework”  
Assignment:  
Due 3-27-13**

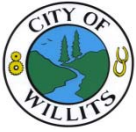
### Council Member Proposed Major City Goals

*Please prepare up to seven proposed Major City Goals (the most important, highest priority things for the City to accomplish over the next two years) and submit them by Wednesday, March 27, 2013. The HSM Team will then compile a verbatim, composite list by topic without identifying who submitted the particular statements; and where appropriate, suggest wording for composite goal statements where similar ideas have been submitted. These will be distributed at the Council goal-setting workshop on Tuesday, April 2, 2013, and form the foundation for setting goals and establishing priorities.*

*Please refrain from releasing your personal list so that each Council member has flexibility to review all of the submissions and discuss them at the Council Goal-Setting Workshop before staking a position. An electronic version of this form will be provided to you.*

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## Sample Goal Statements

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- Continue with aggressive efforts to develop permanent, reliable water sources to meet General Plan build-out needs.
- Acquire right-of-way and property for extension of the Railroad Bicycle Trail.
- Adopt a balanced budget that addresses the City's long-term fiscal health and preserves critical services.

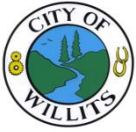
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## Goal-Setting Workshop: Step 1

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- After introduction and process overview, begins with list of proposed goals submitted by Council members, by theme
  - Where similar goals are submitted, HSM Team will draft synthesized goal statements for consideration

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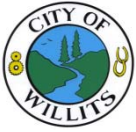
# Goal-Setting Workshop: Next Steps

- Review goals for clarity and understanding
- Finalize “menu” of goals for ranking
- Weight, rank and identify “tiers”

# Sample Ballot

COUNCIL GOAL-SETTING PRIORITIES					
Goal Statement	Mayor Madrigal	Vice Mayor Orenstein	Council Member Burton	Council Member Stranske	Council Member Strong
<b>TOTAL</b>					





## Recommended Priority Scale

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- 4 Most important, highest priority for the City to achieve over the next two years
- 3 Important goal to achieve
- 2 Address if resources are available
- 1 Defer to next budget for consideration
- 0 Not a priority goal

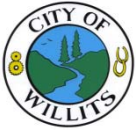
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## How many points in total?

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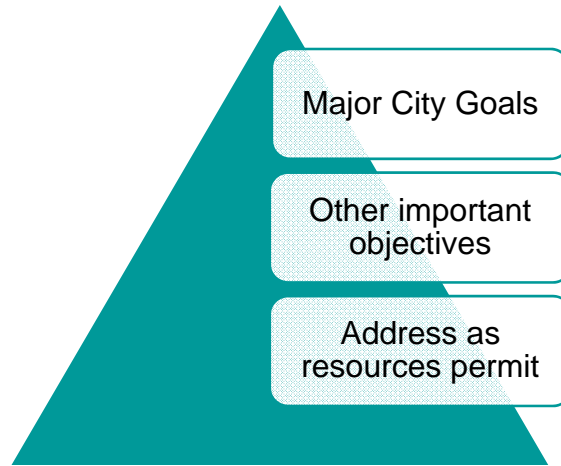
- Recommend limiting “total points” to focus on priorities
- Suggested target: two points per “menu” goal
  - For example, if 25 goals, 50 points total

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## Likely Goal-Setting Result: 3 Priority Tiers

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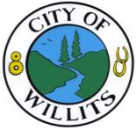
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## 1 Major City Goals

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- Most important, highest priority goals for City to achieve over next 5 years
- Detailed “Work Programs” developed for consideration as part of Preliminary Budget

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## Other Tiers

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### ② Other Important Objectives

Important for City to accomplish and resources included in 2013-14 Budget if at all possible

### ③ Address as Resources Permit

While desirable to achieve this goal, doing so is subject to current resource availability

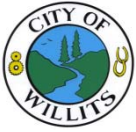
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## Suggested Criteria for Major City Goals

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- Few, clear, and understandable
- High priority and a real commitment
- Require strong Council support – sends a message, the “oomph” factor!
- Created in a supportive atmosphere
- Translatable into work programs and employee objectives – things that can be done! (connected to reality)

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## Work Programs

- Title
- Objective
- Discussion
  - Workscope summary
  - Existing situation
  - Work completed
  - Constraints/limitations
  - Stakeholders
  - Key assumptions
- Action Plan
- Responsible Department
- Resources
- Outcome

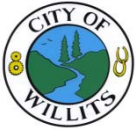
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MAJOR CITY GOAL WORK PROGRAM				
GOAL TITLE				
OBJECTIVE				
Action statement adopted by the Council (some modest word-usage okay for clarity and brevity).				
DISCUSSION				
Workscope Summary				
Existing Situation				
Work Completed				
Constraints/Limitations				
Stakeholders				
Key Assumptions				
ACTION PLAN				
Task		Date		
1.				
2.				
3.				
RESPONSIBLE DEPARTMENT				
Who is the lead department in accomplishing the work program?				
FINANCIAL AND STAFF RESOURCES REQUIRED TO ACHIEVE THE GOAL				
<b>2013-16 Cost Summary</b>				
	Operating Budget		Capital Improvement Program	
	2013-14	2014-15	2013-14	2014-15
Cost Item				
Cost Item				
Cost Item				
Total	\$0	\$0	\$0	\$0
<b>2013-16 Funding Source</b>				
	Operating Budget		Capital Improvement Program	
	2013-14	2014-15	2013-14	2014-15
Funding Source				
Funding Source				
Funding Source				
Total	\$0	\$0	\$0	\$0
Discuss "out-year" resource requirements				
OUTCOME—FINAL WORK PRODUCT				
What will we get if we achieve the goal, and why is this important?				

## Draft Goal-Setting Workshop Agenda

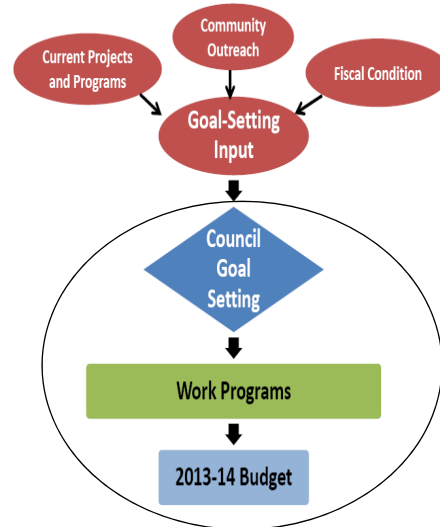
- Light refreshments 8:30
- Purpose, process and guidelines 9:05
- Review consolidated goals by category 9:15
- Finalize "menu" goals
- *Break: preparation of goal "ballot"* 10:00
- Each Council member ranks goals 10:15
- *Break: tabulation of results* 10:45
- Review and identify major City goals 11:15
- Public comment 11:30
- Wrap-up: Where to from here? 11:50

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## What about community engagement?

- Ideally, along with fiscal outlook and “what’s on the plate” already,” the goal-setting process would start with community outreach
- Due to time constraints, not possible this year – but will be able to do the three most important steps ... and



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## Goal-setting is the start of the process

- Not the end: there will be lot’s of opportunity for community participation when the Preliminary Budget is issued
  - Finance Committee Review (May)
  - Budget Workshop (May)
  - Two Public Hearings (June 12 and 26)

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