



City of Palo Alto

MEMORANDUM

To: City Council

Date: May 11, 2020

SUBJECT: AGENDA ITEM #10: DISCUSS AND PROVIDE DIRECTION ON THE REVISED FY 2021 PROPOSED OPERATING AND CAPITAL BUDGET OVERVIEW

In preparation for the budget deliberations scheduled for this week on May 11, 12, and 13, below are some procedural guidelines for City Council consideration to assist in running these hearings. It is recommended that the Council consider these procedures and take a vote on how to proceed.

With an \$800 million budget, it will be critical to be organized and deliberate in discussions. Based on procedures typically used by the Finance Committee, the following have been adapted in light of the full Council involvement. Procedural guidelines could include the following:

- 1) The agenda is organized by service area, staff will make a brief presentation at the beginning of each agenda item or service area that will include multiple departments.
 - a. Public comment may be taken for each agenda item (service area).
 - b. To facilitate the Council/staff discussion, questions could be done in “rounds.” Each Committee member is afforded the opportunity to ask a few questions, not to exceed 5 minutes, City staff will respond, and then the next Councilmember is offered a turn. Additional “rounds” can be used until questions are exhausted (within schedule availability).
 - c. After each service area, motions will be taken to tentatively approve service areas (by majority vote). Any additional direction, as described below, will be addressed by staff in preparation for City Council consideration on May 26. For each service area, a tentative motion may look like “Tentative Approval of [FY 2021 Operating/Capital Budget for the _____ Service Area/Fund] for City Council Consideration on May 26.”

- 2) All participants are expected to foster an environment of professional and collegial decorum. These are difficult conversations, with all parties are working to do their best to evaluate options and provide the best information. Personalized criticisms will be avoided, and an environment of respect will be maintained at all times.

3) Council may place items in the “short term” or “long term” parking lot by a vote of 3.

Short Term parking lot: Items that the Council would like to revisit at the end of Budget Hearings for final determination. There are actions that might cause significant concern by the City Council, have a request for additional critical information necessary for decision making. Staff will make it clear what additional information can be provided by May 26 at the latest, if it is not available by that date, the Council may consider issues being placed on a list of “Long Term” parking lot items.

Long Term Parking Lot: These are items or requests for information or further action that will extend beyond the budgeting process between May and June 2020. Staff will bring this list back to the City Council upon budget adoption on June 22 for confirmation of formal referrals to staff over the coming year. These are typically more policy level requests.

4) Council may request an alternative action or modification to a specific proposal with a majority vote. This would require staff to return with an alternative to a specific proposal identified by the Council for consideration no later than May 26.

Many of the proposals being discussed during May 11-13 as outlined in the staff report will be further refined, specific position impacts identified, and recommended final balancing strategy reviewed and acted upon by the City Council May 26.

For May 11, the City Council will be presented an overview of the revised balancing strategy and discussing and determining operating protocols for the May 12 and 13 budget hearings.

May 12-13 Council will be presented by service area the potential balancing actions and discussion of the services that will remain. There will be time to review the progress of the hearings at the end of the May 13 with any final guidance for May 26.

May 26, the City Council will discuss final edits to the recommended balancing strategy and provide approval of what they expect to be brought forward for final budget adoption scheduled on June 22, 2020.



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