



*City of Arts & Innovation*

# **Mayor's Nominating and Screening Committee Memorandum**

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**TO: MAYOR'S NOMINATING AND SCREENING COMMITTEE**

**FROM: OFFICE OF THE CITY MANAGER**

**OFFICE OF THE CITY CLERK**

**DATE: OCTOBER 25, 2016**

**WARDS: ALL**

**SUBJECT: FORMATION OF THE BUDGET ENGAGEMENT COMMISSION – FOLLOW UP ON THE DIRECTION FROM THE MAYOR'S NOMINATING AND SCREENING COMMITTEE ON SEPTEMBER 6, 2016**

## **ISSUES:**

Recommend approval to the City Council to adopt an ordinance to form the Budget Engagement Commission, including definitions of the “resident member” and “business member” of the Commission, and provide input on a supplemental questionnaire for the Commission candidates.

## **RECOMMENDATIONS:**

That the Mayor's Nominating and Screening Committee approve and forward to the City Council an ordinance to form the Budget Engagement Commission, amended as necessary.

## **BACKGROUND:**

On September 6, 2016, the Mayor's Nominating and Screening Committee discussed staff's recommendations regarding the formation of the Budget Engagement Commission, and approved a motion to:

1. Recommend the formation and purpose of the Budget Engagement Commission as outlined in the written staff report;
2. Provide that the Commission be comprised of 18 members including 9 business positions and 9 resident positions;
3. Provide that each member of the City Council nominate a business member and a resident member from their respective Wards for appointment by the Mayor and City Council, without interview;
4. Provide that the Mayor nominate two business members and two resident members Citywide for appointment by the Mayor and City Council, without interview;

5. Request staff to define the terms “resident member” and “business member” for the purpose of appointments to the Budget Engagement Commission;
6. Request staff to define conflict of interest provisions for business member participation on the Commission; and
7. Request staff to return to the Governmental Affairs Committee in October 2016 with draft legislation to form the Commission.

## **DISCUSSION:**

Based on the direction received from the Mayor’s Nominating and Screening Committee on September 6, 2016, staff presents the following revised recommendation regarding the formation of the Budget Engagement Commission.

- *Purpose of the Commission*

The purpose of BEC will be to advise the City Council on spending and policy priorities based on the information received through quarterly financial and performance reports, including revenues from the Measure Z transaction and use tax increase, if approved by the voters on November 8, 2016. Initially, the Commission will also provide input on a limited number of Citywide performance indicators, as part of the Performance Measurement and Reporting program that City management will soon launch.

BEC will also work with staff to maximize public engagement on municipal budgetary issues.

- *Membership*

BEC shall be composed of eighteen (18) members, consisting of:

- Nine (9) resident members, with seven nominated by each of the Council members to represent each of the City’s wards, and two Citywide nominations made by the Mayor; and
- Nine (9) business members, with seven nominated by each of the Council members to represent each of the City’s wards, and two Citywide nominations made by the Mayor.

BEC appointments will be made by the Mayor and City Council without interviews, based on the above nominations.

- *Definition of “Resident Member” and “Business Member”*

As reflected in the attached draft ordinance,

- A resident member of the BEC is defined as a registered Riverside voter; and
- A business member of the BEC is defined as a registered Riverside voter who owns, operates or serves in a management capacity in a Riverside-based for-profit or non-profit business.

- *Application and Selection*

BEC nominations by the Mayor and City Council members shall be from the candidates who apply using the City's standard Boards and Commissions application form (see Attachment 1), as well as a supplemental BEC application form (see Attachment 2). The supplemental form was drafted by staff to help the Mayor and City Council assess qualifications of the candidates.

- *Term of Office*

In accordance with City Charter Section 802, BEC members will serve a term of four years, for a maximum of two consecutive terms. The draft ordinance provides staggered terms to be determined by lot.

- *Meetings*

BEC will meet quarterly to review financial and performance reports before they are presented to the City Council. In addition, upon formation, BEC will review and provide input on Citywide performance indicators recommended by staff based on the Riverside 2.0 strategic priorities.

- *Staff support*

The Finance Department (Budget Office) will provide staff support to BEC.

- *Conflict of Interest*

The City's standard Boards and Commissions application form already includes a conflict of interest statement, as follows:

“Under existing California law, a member of a board or commission may not make, participate in making, or attempt to influence a governmental decision if it is reasonably foreseeable that the decision could have a material financial effect on that member, the member's immediate family, or any of his or her financial interests. There is also a special category of conflicts of interest which strictly forbids members and/or their employers from having financial interests in City contracts.”

The draft legislation for the BEC incorporates the above statement.

- *Draft Legislation*

Draft legislation outlining the above recommendations is presented in Attachment 3.

## **FISCAL IMPACT:**

This report has no direct fiscal impact. Staff support will be provided by the Finance Department utilizing the existing resources.

Prepared by: Marianna Marysheva, Assistant City Manager  
Colleen Nicol, City Clerk

Certified as to availability of funds: Scott G. Miller, PhD, Chief Financial Officer/City Treasurer

Approved by: John Russo, City Manager

Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. City's standard Boards and Commissions application form
2. Supplemental application form for the Budget Engagement Commission
3. Draft ordinance to form the Budget Engagement Commission