



Budget Engagement Commission

City of Arts & Innovation

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TO: HONORABLE COMMISSIONERS **DATE: OCTOBER 12, 2023**

FROM: CITY CLERK'S OFFICE **WARDS: ALL**

SUBJECT: BUDGET ENGAGEMENT COMMISSION MEMBERSHIP, PURPOSE, AND RECRUITMENT EFFORTS

ISSUE:

Receive and file a presentation on Budget Engagement Commission membership, purpose, and recruitment efforts.

RECOMMENDATION:

That the Budget Engagement Commission receive and file a presentation on Budget Engagement Commission membership, purpose, and recruitment efforts.

BACKGROUND:

This report provides an overview of the history of the Budget Engagement Commission (BEC), which consists of eighteen (18) members. Understanding the background and evolution of the Commission is crucial for its members to grasp its purpose and challenges over time. This report aims to present a concise account of the BEC's history, highlighting its purpose, attendance, and engagement.

The BEC was established on January 10, 2017, by the City Council with the primary goal of enhancing public participation, ensuring transparency in the budgeting process, and advising the City Council on spending and policy priorities based on information received through quarterly financial and performance reports, including revenues from transaction and use tax, to work with City staff to maximize public engagement on municipal budgetary issues and to provide input on performance measures and reporting programs.

DISCUSSION:

Over the years, the BEC's recommendations and resident input have influenced budget decisions, leading to more community-centered resource allocations. This influence has been recognized by the City Council and stakeholders, reinforcing the Commission's significance.

The history of BEC demonstrates significant progress in fostering transparent and participatory budgeting practices. Despite some challenges, particularly in membership vacancies and attendance, the commissions' accomplishments serve as the foundation for further engagement, outreach efforts, and stakeholder collaboration, which is crucial for the BEC's success in promoting public participation and improving budgetary decisions.

The BEC meets monthly to review financial and performance reports and provide input on Measure Z spending initiatives before they are presented to the City Council and.

The Riverside Municipal Code (RMC), section 2.90.040, states that the commission must establish rules to provide that a quorum is made based on the total membership of the 18 members, attendance requirements, and other rules as agreed upon by the membership.

Further, the BEC Bylaws state if any member of the Commission is absent without excusal by a vote of the Commission for three (3) consecutive meetings or absent, regardless of excuse, for more than one-third (1/3) of the meetings in a calendar year the City Council shall review the Commissioner's status.

The attendance of board members plays a crucial role in achieving BEC's goals and objectives. Quorum requirements can restrict BEC's capacity to carry out all desired initiatives and activities. Absences can arise for various reasons, but they can adversely affect the commission's effectiveness, resulting in decision-making delays and impeding its overarching objectives. Below is a table indicating the number of meetings that have been canceled due to a lack of quorum:

YEAR	MEETING CANCELLATION
2017	0
2018	0
2019	2
2020*	0 (6 Canceled due to COVID)
2021	0
2022	3
2023	4

In addition to attendance, commission vacancies can disrupt BEC's convening ability. Vacancies arise in two ways: when members' terms expire or when an "unscheduled" vacancy occurs due to a member's resignation or removal during their term. To ensure continuity, new cohorts of BEC members are inaugurated every March. The City Clerk's office follows statutory requirements to solicit interest for appointments to fill unscheduled vacancies. Below is a list indicating the unscheduled vacancies that have occurred since 2020:

2020

- Business Ward 5 – Andrew Walker
- Business Citywide – Rose Mayes
- Business Ward 1 – Ronaldo Fierro
- Resident Citywide – Gaby Plascencia

2021

Resident Ward 5 – Gustavo Segura

Resident Ward 1 – David St. Pierre

Business Ward 4 – Reginald Kyles (passed away)

2022

Business Citywide – Robert L. Mendez

Business Ward 3 – Megan Demshki

Resident Ward 5 – John T. White

Business Ward 5 – Cassandra Gonzalez-Kester

Resident Citywide – Jose Arballo

As of 2023, up to this point

Business Citywide – Norm H. Pelzer

Business Citywide – Angel Sanchez Jr.

Resident Ward 4 – John P. Lyell

Resident Ward 3 – Michael Scarano

Resident Ward 7 – Gabriel S. Garcia

Resident Citywide – Michael H. Fine

Resident Citywide – Ana S. Miramontes

Current vacancies

Business Ward 4

Business Ward 7

BEC Conflict of Interest:

The RMC also states that a BEC member may not make, participate in making, or attempt to influence a governmental decision if reasonably foreseeable that the decision could have a material financial effect on that member, the member's immediate family, or any of their economic interests. A member of the Commission is prohibited from entering any contract with the City. Further, a member shall refrain from using their position to direct, supervise, or order City staff on any matter the Commission may consider.

Moreover, the city recently adopted a revised Conflict of Interest Code, requiring BEC members to file a Fair Political Practices Commission (FPPC) Statement of Economic Interest, Form 700, based on BEC's purview of influencing governmental decisions. Form 700 provides transparency and ensures accountability in two ways:

1. It provides necessary information to the public about member's personal financial interests to ensure that officials are making decisions in the public's best interest and not enhancing their personal economic interests.
1. It serves as a reminder to the members of potential conflicts of interest so that Commissioners can abstain from making or participating in governmental decisions deemed conflicts of interest.

Due to implementing the Statement of Economic Interest requirement, the city witnessed a significant departure of members, possibly due to their reluctance to complete the form and, perhaps, a lack of information provided by staff before the requirement was put into effect.

Community Engagement:

BEC members serve as the bridge connecting community members and City staff. BEC's community engagement efforts create openings for inclusive public participation, enhancing a cooperative process that links City staff with the community in a mutually advantageous manner by exchanging fresh ideas, skills, information, expertise, and experience.

BEC may interact with communities by coordinating outreach programs, educational campaigns, and awareness initiatives. These initiatives aim to promote public understanding of the budgeting process, nurture a sense of ownership, and cultivate trust within the community.

Recruitment:

The City Clerk's office conducts recruitment campaigns on an annual basis. Their latest approach involves actively connecting with the community during events like the City Insect Fair, encouraging participation in City Boards and Commissions. This strategy aims to generate increased interest and a more diverse pool of applicants.

Here is a table displaying the current applications sorted by Ward.

City Geographical Area	Number of Applications
WARD 1	3
WARD 2	9
WARD 3	7
WARD 4	7
WARD 5	5
WARD 6	0
WARD 7	4

The City Clerk's initiatives also focus on reaching out to challenging recruitment areas by maintaining a consistent presence in those communities. They aim to inform residents about the city's activities to generate increased interest.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

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Approved by: Mike Futrell, City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. BEC Ordinance
2. BEC Bylaws
3. BEC Attendance Reports