



*City of Arts & Innovation*

# Mayor's Nominating and Screening Committee Memorandum

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

**DATE: FEBRUARY 6, 2018**

**FROM: FINANCE DEPARTMENT**

**WARDS: ALL**

**SUBJECT: BUDGET ENGAGEMENT COMMISSION - STATUS UPDATE**

## **ISSUE:**

Receive and provide input on a report from the Budget Engagement Commission regarding the structure and process.

## **RECOMMENDATION:**

That the Mayor's Nominating and Screening Committee receive and provide input on this status update on the Budget Engagement Commission's structure and process.

## **LEGISLATIVE HISTORY:**

On October 25, 2016, the Mayor's Nominating and Screening Committee (MNSC) recommended unanimously that the City Council adopt an ordinance forming the Budget Engagement Commission (BEC) and that: 1) the BEC have a meaningful role in providing input to the City Council on the City's budget and related matters, including community engagement; and 2) have staff return to the MNSC in January 2018 with a report on how the BEC process is working, and whether changes are needed.

On November 8, 2016, the City Council approved the recommendations of the MNSC to introduce an ordinance forming the BEC (Chapter 2.90). The ordinance was adopted on January 10, 2017.

## **BACKGROUND:**

The purpose of the BEC is to provide input to the City Council on spending and policy priorities based on the information received through quarterly financial and performance reports, and to assist City staff in maximizing public engagement on municipal budgetary issues.

The BEC is comprised of 18 members, consisting of:

1. Nine 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

2. Nine business members, with seven nominated by each of the Council members who own a business in their ward or live in their ward and own a business in any ward, and two Citywide nominations made by the Mayor.

BEC members were appointed by the Mayor and City Council on February 14, 2017.

### **DISCUSSION:**

The BEC met fourteen times between February 2017 and January 2018, including four regular quarterly meetings and ten special meetings. The BEC participated in numerous discussions related to the City's financial issues and development of the Measure Z Five-Year Spending Plan and made recommendations to City Council on these items.

In addition to receiving quarterly financial and performance updates, the BEC is currently providing input on the development of the FY 2018-2020 Two-Year Budget.

The current BEC structure and process seem to be working. At the November 30, 2017 and January 24, 2018 BEC meetings, BEC Commissioners commented on the following items related to the Commission's structure and process:

1. *Additional BEC meetings:* Interest was expressed in having additional BEC meetings. The BEC has consistently scheduled special meetings, and will continue doing so in the future. The BEC also has the ability to meet in locations other than City Hall, subject to the availability of technology to audio and video record such meetings.
2. *Information on critical fiscal decisions by the City Council:* City staff recently began sharing with the BEC on a periodic basis, as appropriate, copies of the City Council agendas and materials (also available publicly), and highlighting critical fiscal decisions particularly related to Measure Z. On occasion, BEC members attended City Council meetings to speak on critical items of interest to them.

### **FISCAL IMPACT:**

There is no fiscal impact associated with this report.

Prepared by:	Kristie Thomas, Interim Budget & Revenue Manager
Approved as to availability of funds:	Adam Raymond, Chief Financial Officer / City Treasurer
Approved by:	Marianna Marysheva, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachment:	Presentation
-------------	--------------