

City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: NOVEMBER 8, 2016

FROM: OFFICE OF THE CITY MANAGER WARDS: ALL
OFFICE OF THE CITY CLERK

SUBJECT: FORMATION OF THE BUDGET ENGAGEMENT COMMISSION

ISSUE:

Adopt an ordinance to form the Budget Engagement Commission, at the recommendation of the Mayor's Nominating and Screening Committee.

RECOMMENDATION:

That the City Council adopt the attached ordinance to form the Budget Engagement Commission, amended as necessary.

COMMITTEE RECOMMENDATION:

On September 6, 2016 and October 25, 2016, the Mayor's Nominating and Screening Committee (MNSC) discussed staff's recommendations regarding the formation of the Budget Engagement Commission (BEC). On October 25, 2016, the MNSC recommended unanimously that the City Council adopt the attached ordinance to form the BEC, with two requests:

1. That 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. That staff return to the MNSC in January 2018 with a report on how the BEC process is working, and whether changes are needed.

DISCUSSION:

Based on the direction from the Mayor's Nominating and Screening Committee, the attached legislation to form the BEC contains the following key terms.

- *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, as well as a supplemental BEC application form (see draft in 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, and provide input to staff and then 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 attached legislation for the BEC incorporates the above statement.

- *Legislation*

An ordinance outlining the above recommendations is presented in Attachment 1.

FISCAL IMPACT:

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

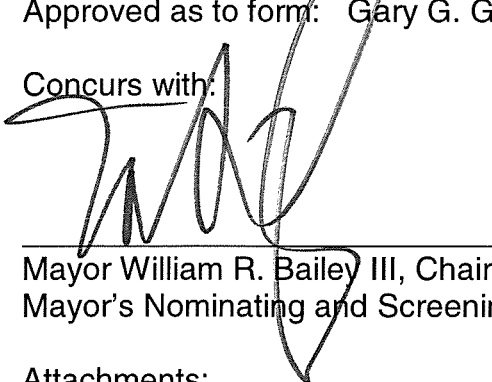
Prepared by: Marianna Marysheva, Assistant City Manager
Colleen Nicol, City Clerk

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

Concurs with:



Mayor William R. Bailey III, Chair
Mayor's Nominating and Screening Committee

Attachments:

1. Ordinance to form the Budget Engagement Commission
2. Supplemental application form for the Budget Engagement Commission