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CITY OF OAKLAND



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To: Council President Kemighan and City Council Members

Date: May 16, 2013

Re: Supplemental Modifications to Item 13

The attached supplemental Resolution contains additional revisions to the proposed Budget Process Transparency & Public Participation Policy. The regular redline changes were recommended by the Finance and Management Committee. The redline changes in Ariel font are newly recommended modifications based on additional feedback from Councilmembers and Local 21.

Item 13
City Council
May 21, 2013

2013 MAY 16 PM 5:14

Approved as to Form and Legality

City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER LIBBY SCHAAF

RESOLUTION ESTABLISHING THE CITY OF OAKLAND'S BUDGET PROCESS TRANSPARENCY AND PUBLIC PARTICIPATION POLICY

WHEREAS, Article VIII, section 801, of the Charter of the City of Oakland provides that the City Administrator shall propose budget recommendations for the next fiscal year under the direction of the Mayor and the City Council in the form, in the manner and at a time as the Council shall prescribe by resolution; and

WHEREAS, the City's Adopted Biannual Budget designates how all revenues shall be allocated among City functions, services, and liabilities, such as police, libraries, and employee retirement costs, and bond liabilities; and

WHEREAS, the level of core municipal services provided to the public directly impacts the quality of life of the people who live, work and recreate in Oakland; and

WHEREAS, every two years, the Mayor and City Administrator release a proposed budget for City Council consideration; and

WHEREAS, the City Council, after considering the public's priorities as well as the totality of current and projected revenues and liabilities, must adopt a balanced biannual budget by June 30 in each two-year budget cycle; and

WHEREAS, no formal policy currently exists for clearly ensuring minimal levels of transparency or public participation into the development of the budget beyond what is required by Oakland's Sunshine Ordinance; and

WHEREAS, public participation and collaboration may enhance local government's effectiveness, expand its range of options, improve the quality of its decisions, and enlist the problem-solving capacities of the general public and organizations outside local government, and

WHEREAS, knowledge and talent are widely dispersed in society, and all benefit when those skills and abilities are directed toward common goals; now, therefore, be it

RESOLVED, that the City Council of the City of Oakland hereby finds, determines, declares and resolves that all of the recitals set forth above are true and correct; and be it

FURTHER RESOLVED, in order to ensure that the public has access to and an ability to participate in the creation of the City of Oakland's biannual budget and that Oakland decision makers have the public feedback to allow them to prudently manage the City's fiscal resources and adopt a budget responsive to public needs and priorities, the City Council hereby adopts the Budget Process Transparency and Public Participation Policy, as set forth below:

THE CITY OF OAKLAND'S BUDGET PROCESS TRANSPARENCY AND PUBLIC PARTICIPATION POLICY

All deadlines apply only to budget development years, normally odd numbered years, and not to mid-cycle revisions to an adopted two-year budget.

1. Council Budget Briefing and Priorities Discussion

Deadlines: Late fall.

Requirements: The Mayor and City Council will hold a bi-annual budget workshop in late fall of the year preceding the year in which a budget is adopted. The workshop will include briefings on estimated baseline expenditures, revenue projections and an overview of the City's budgeting process. The workshop will provide the Mayor and Council with the opportunity to begin discussing priorities for the next budget year based on preliminary projected increases or decreases in the next budget.

2. Five Year Forecast

Deadlines: Produced by February 1st and at least 10 days before the matter is heard by a Council body. Heard by the Council's Finance & Management Committee by February 15th. Forecast Fact Sheets should be distributed to City community centers and Forecast data should be available on Open Data Portal within two weeks of Council acceptance.

Requirements: Each Budget Cycle, the City Administrator must prepare a Five Year Forecast pursuant to Resolution 81399. The Forecast shall contain the two-year baseline budget for the forthcoming two-year budget period, clearly reflecting projected expenditures to maintain existing service levels and obligations, plus an additional three-year forecast of revenues and expenditures. The Baseline Budget shall consist of projected expenditures necessary to maintain existing staffing and service levels, plus an estimate of anticipated revenues for the two-year period. The Forecast shall also contain information on the variance between prior forecasts and actual amounts, including the factors that influenced these variances. Revenue estimates shall be based on the most current data available; at a minimum, revenue projections shall take into account projected revenue for the current fiscal year, as reflected in the 2nd quarter Revenue and Expenditure Report, with appropriate trending into future years and an explanation as to how such revenue projections were derived.

The Forecast shall also contain information on the variance between prior forecasts and actual amounts, including the factors that influenced these variances.

The report shall include a Five Year Forecast “Fact Sheet” document, which summarizes the Forecast’s key findings with simplified text and graphics so as to make this important budgetary information more accessible to the general public. Within two weeks after the Forecast is accepted by the City Council, the City Administrator shall print and distribute the Forecast Fact Sheet to all City libraries, recreation centers and senior centers, including in languages required by Oakland’s Equal Access Ordinance. The full Five Year Forecast shall also be posted on the City of Oakland’s website. Forecast data shall be available in open data format on Oakland’s data portal within two weeks of acceptance by City Council.

32. Assessment of Stakeholder Needs, Concerns and Priorities

Deadlines: Budget Advisory Committee review by January 30th. Survey completion by March 30th. Results publicly available within two weeks of survey’s close.

Requirements: During the January – March period prior to Budget Adoption of a budget adoption year, the City Administrator shall ~~shall~~ should develop or secure a statistically valid survey for assessing the public’s concerns, needs and priorities. Whenever feasible, the City should conduct a professional poll administered to a statistically relevant and valid sample of residents that is representative of Oakland’s population in terms of race, income, neighborhood, age, profession, family size, homeownership/renter-ship, etc. If that’s not possible, then demographic information should be collected and reported out with the survey results.

Prior to release, the survey questions shall be submitted to the Budget Advisory Committee for review of bias, relevance, consistency in administration, inclusion of benchmark questions, and ability to assess concerns, needs and priorities. The survey instrument, method of dissemination, and any instructions for administration shall be publicly available.

If the City cannot afford a professional survey, an informal survey shall be made available for broad dissemination by the Mayor and Councilmembers through community listserves and other communication channels. A list of those dissemination channels should be publicly available along with survey results. Survey results should be publicly available no longer than two weeks after the survey closes.

in the event that City’s statistically valid survey has been completed their-proposed budget, the Mayor and City Administrator must shall include in their proposed budget a summary of the survey data and a statement regarding how the data was or was not incorporated into the final proposed budget. informal surveys and their results shall be made public but not included in their proposed budget document.

The City Administrator shall also create an email address, a phone number with voicemail service, and a web-based engagement platform to collect resident input prior to

budget development. Furthermore, the City Administrator shall take steps to promote participation, such as issuing a Flyer promoting participation in the survey and methods of participation (survey internet link, email, phone number) and posting such Fliers near publicly available computers in all City libraries, Recreation Centers, and Senior Centers.

43. Statement of Councilmember Priorities

Deadlines: Written submission due by April 1st.

Requirements: City Council Members will have the opportunity to advise the Mayor and City Administrator publicly of their priorities. Each Councilmember shall be invited to submit up to seven expenditure priorities in ranked and/or weighted order for changes to the baseline budget as presented in the Five Year Forecast. Councilmember priority statements may either be submitted as part of a report to be heard by the City Council and/or in a publicly available writing to the Mayor and City Administrator. In addition to the priorities, Councilmembers may also submit other suggestions, including revenue suggestions.

54. Administrator's Budget Outlook Message & Calendar Report:

Deadline: Heard by City Council before April 15th.

Requirement: The City Administrator shall bring as a report to the City Council a Budget Outlook Message & Calendar no later than April 15th that provides an overview of the budget development process and lists all key dates and estimated dates of key budget events, including, but not limited to the release of the Mayor and Administrator's Proposed Budget, Community Budget Forums, Council meetings, and final budget passage dates. This publication shall be posted on the City's website and by other means determined by the City Administrator.

65. Release of Mayor & Administrator's Proposed Budget & Fact Sheet

Deadlines: Published and publicly available by May 1st. Heard by City Council and Fact Sheet distributed by May 15th.

Requirements: The Proposed Budget must be released by May 1st and shall clearly indicate any substantive changes from the current baseline budget, including all changes to service levels from the current budget. The Proposed Budget shall indicate staffing by listing the number of positions in each classification for each Department, including a listing of each position proposed for addition or deletion. The Council shall hold a public meeting to present the Proposed Budget no later than May 15th in budget adoption years. The full proposed budget document shall be made available online from the City's website, and printed copies shall be available in all City libraries. Additionally, the proposed budget data shall be available in open data format on the City's open data portal by May 1st. ~~To the extent feasible, any additional requests for departmental budget details shall also be made available on the City's website and open data portal.~~ Every effort should be made to thoroughly respond to any public request for departmental budget details, such as line item budgets. The requested information shall also be made available on the City's website and open data portal within a reasonable time period following the request.

The Proposed Budget must include a Budget Fact Sheet with easy-to-understand graphics and text explaining the City's overall finances, the Proposed Budget and that year's Budget Calendar. The Fact Sheet shall be published in languages required by Oakland's Equal Access Ordinance. The Fact Sheet shall be printed and made available in all City Recreation Centers and Senior Centers as well as all City libraries by May 15th or the presentation to the Council, whichever is sooner.

76. Community Budget Forums

Deadlines: Between May 1st and June 10th

Requirements: The Administration and Council shall hold at least three (3) Community Budget Forums at varied times in different neighborhoods away from City Hall. These meetings, organized by the City Administrator's Office shall be scheduled so as to maximize residents' access. These meetings must consist of include sufficient time for question and answer period as well as a presentation of budget facts by City staff. One or more of the meetings must be scheduled in the evening. Another must be scheduled on the weekend. These meetings shall also be scheduled so that Councilmembers have sufficient opportunity to attend a meeting close to their council district. Every member of the City Council shall make their best effort to attend at least one Community Budget Forum. In addition, members of the Budget Advisory Commission shall be requested to attend at least one Community Budget Forum. Translators will be provided by request with forty-eight hours advance notice, per Oakland's Equal Access Ordinance. Sufficient Fact Sheets in all available languages shall be available at all Forums.

Meetings shall be held in ADA accessible facilities served by public transit (BART stop, frequently running bus line, etc). Every effort shall be made to record the meeting via video or audio. The City Administrator shall prepare an Informational Report summarizing the Community Forum process, to be heard by the City Council at its the next available budget discussion following the final Forum. The summary memo shall attempt to identify key areas of public agreement and disagreement, as well as respond to the most commonly asked questions.

87. Budget Advisory Commission's Report

Deadline: June 1st

Requirements: The Budget Advisory Committee (BAC) shall be requested to submit a published, written report to the full City Council regarding the proposed budget with any suggested amendments no later than June 1 in budget adoption years. If submitted, the statement shall be published as part of the next budget report to the City Council. The BAC is encouraged to provide similar statements during the mid-cycle budget revise and any other significant budget actions.

98. Council President's Report Proposed Budget

Deadline: June 17th

Requirements: The City Council President shall prepare a proposed budget for Council consideration to be heard at a Special City Council Budget Hearing occurring before June 17th. The Council President may delegate the duty to prepare a budget proposal to another member of the Council. A costing analysis request for any proposed amendments must have been submitted. ~~City-Council-President-shall-prepare-written-report-regarding-the-proposed-budget-to-be-heard-at-a-Special-City-Council-Budget-Hearing-occurring-before-June-17th. The statement may contain suggested amendments to the proposed budget that the President intends to propose to the full City Council for adoption. A costing analysis request for any proposed amendments must have been submitted to the City Administrator at least five working days prior to the Special City Council Budget Hearing. The City Council may schedule additional Special City Council Budget Hearings or Workshops as needed.~~

109. Council Budget Amendments

Deadline: no later than up to three days prior to final budget adoption

Requirements: In addition to the Council President's Statement proposed budget, any Councilmember or group of Councilmembers may submit proposed budget amendments at any time during the budget process. However, the adopted budget shall not contain substantive amendments made on the floor by Councilmembers at the final meeting when the budget is adopted. All substantive amendments must have been published in the City Council agenda packet for at least three days prior to the budget's final adoption. This three-day noticing requirement may be waived by a vote of at least six Councilmembers upon a finding that (1) new information came to the attention of the body after the publication deadline making it not reasonably possible to meet the additional notice requirement and (2) the need to take immediate action on the item is required to avoid a substantial adverse impact that would occur if the action were deferred to a subsequent special or regular meeting.

Additionally, a costing analysis request for the proposed budget amendment must have been submitted to the City Administrator at least five working days prior to the budget's final adoption.

1140. Process Feedback & Continual Improvement

Deadline: September 30th following budget adoption

Requirements: The Budget Advisory Commission (BAC) shall be requested to submit an Informational Report to the Council's Finance and Management Committee containing their analysis of the budget adoption process including, but not limited to: 1) the informational quality of the Proposed Budget; 2) the City Administration's and City Council's attention to engaging the public and its impacts on the budget process and product; 3) the level of transparency and open dialogue in all public meetings dedicated to the budget; and 4) opportunities for improving the process in future years.

In assessing opportunities for continually improving public participation in the budget process, the Administration, City Council and BAC shall be requested to consider the following guiding principles:

- **Inclusive Design:** The design of a public participation process includes input from appropriate local officials as well as from members of intended participant communities. Public participation is an early and integral part of issue and opportunity identification, concept development, design, and implementation of city policies, programs, and projects.
- **Authentic Intent:** A primary purpose of the public participation process is to generate public views and ideas to help shape local government action or policy.
- **Transparency:** Public participation processes are open, honest, and understandable. There is clarity and transparency about public participation process sponsorship, purpose, design, and how decision makers will use the process results.
- **Inclusiveness and Equity:** Public participation processes identify, reach out to, and encourage participation of the community in its full diversity. Processes respect a range of values and interests and the knowledge of those involved. Historically excluded individuals and groups are included authentically in processes, activities, and decision and policymaking. Impacts, including costs and benefits, are identified and distributed fairly.
- **Informed Participation:** Participants in the process have information and/or access to expertise consistent with the work that sponsors and conveners ask them to do. Members of the public receive the information they need, and with enough lead time, to participate effectively.
- **Accessible Participation:** Public participation processes are broadly accessible in terms of location, time, and language, and support the engagement of community members with disabilities.
- **Appropriate Process:** The public participation process uses one or more engagement formats that are responsive to the needs of identified participant groups; and encourage full, authentic, effective and equitable participation consistent with process purposes. Participation processes and techniques are well-designed to appropriately fit the scope, character, and impact of a policy or project. Processes adapt to changing needs and issues as they move forward.
- **Use of Information:** The ideas, preferences, and/or recommendations contributed by community members are documented and given consideration by decision-makers. Local officials communicate decisions back to process participants and the broader public, with a description of how the public input was considered and used.
- **Building Relationships and Community Capacity:** Public participation processes invest in and develop long-term, collaborative working relationships and learning opportunities with community partners and stakeholders. This may include relationships with other temporary or ongoing community participation venues.
- **Evaluation:** Sponsors and participants evaluate each public participation process with the collected feedback and learning shared broadly and applied to future public participation efforts.

.; and be it

FURTHER RESOLVED, that the above policy is intended to ensure the minimal requirements and a baseline for transparency and public participation in the budget

process and that the City of Oakland shall continually strive for more robust public participation in all its decision-making; and be it

FURTHER RESOLVED, that this Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF, AND
 PRESIDENT KERNIGHAN

NOES –
ABSENT –
ABSTENTION –

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council of the City of
Oakland, California