



City of Long Beach
Working Together to Serve

Office of Gerrie Schipske
Councilwoman, Fifth District
Memorandum Revised
R-11

Date: May 1, 2012

To: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

From: Councilwoman Gerrie Schipske, Fifth District
Councilmember Rae Gabelich, Eighth District *RGJ*

Subject: **AGENDA ITEM:** Engaging Residents in FY2013 Budget Decisions
Through Use of Interactive On Line Budgeting Software

DISCUSSION:

With the City of Long Beach facing a \$26.5 million deficit over the next three years, it is vital to keep the public informed and engaged in this year's budget process. In addition, to the annual district community budget meetings and the community budget document, the City Council should continue to pursue their request of the purchasing of a interactive budget software that will illustrate the current budget situation facing council, and allow the public to suggest how to create a balance budget for FY13. This idea was brought up by City Council members during the FY 12 budget cycle and no action was taken then to go forward.

At the budget meeting on March 6, 2012, the City Council requested the City Manager to provide proposals for budget modeling software for the fiscal year (FY) 2013. In response to this request, John Gross, Director of Financial Management, and Curtis Tani, Director of Technology Services, provided a memo to the City Council regarding several vendors, in addition to information on the implementation. Possible vendors include:

- **Budget Allocator:** Approximate cost: \$4,000. <http://bangthetable.com/products/budget-allocator/feature-tour/>
- **Next10:** Approximate cost: \$15,000 (is used for the California Budget Project and by several cities). <http://www.budgetchallenge.org/pages/home>
- **User Voice:** Approximate cost: \$289 per month (is used by the City of Seattle). <http://www.uservoiced.com/>
- **Peak Democracy:** Approximate cost: \$500 per month. http://www.peakdemocracy.com/how_it_works
- **Budget Simulator:** Approximate cost: \$4,000 – 6,000. <http://www.budgetsimulator.com/info/>

Several news outlets and cities are sponsoring these same online tools to encourage citizen participation in the governmental budget process. These outlets include:

- **New York Times:** You Fix the Budget: <http://www.nytimes.com/interactive/2010/11/13/weekinreview/deficits-graphic.html?scp=1&sq=fix%20the%20deficit&st=cse>
- **MinnPost:** You Fix the Minnesota Deficit: <http://www.minnpost.com/data/2011/02/you-fix-minnesota-deficit>
- **Los Angeles Times:** California Budget Balancer: <http://www.latimes.com/news/local/budget/>
- **California Budget Challenge:** <http://www.budgetchallenge.org/pages/home>
- **Cleveland Plain Dealer:** Try Your Hand at Closing the Gap: http://www.cleveland.com/open/index.ssf/2011/03/the_budget_widget_try_your_han.html

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- **City of Houston:** Budget Balancer: <http://www.houstonbudgetbalancer.com/>

FISCAL IMPACT: Cost of the software as noted above. Staff time will vary depending upon which software is purchased.

RECOMMENDATION:

By motion of the City Council, direct the City Manager to process an RFP for the purchase of an interactive budget software program for the City of Long Beach FY13 budget and to explore a possible partnership with Long Beach news media in hosting an online interactive budgeting tool.