To: Mayor, City Council, City Administration

From: Robin Beltramini, Councilmember

Subject: Using fund balance to advance sustainability

Date: March 8, 2010

At the end of our study session last Monday night, some of you expressed tacit concurrence with my suggestion to use part of fund balance in ways that might lead to sustainability of community services, departments and facilities. Some of you also said that, while you appreciated the idea, you saw no way for it to impact the upcoming budget discussions. I beg to differ.

We have options for the 2010-11 budget. Pursuant to our resolution, we have requested that management reduce the undesignated-unreserved fund balance in the General Fund to 15%. Where that additional $1.78 million gets appropriated is part of the budget discussion. First, we could, as we have done in the past, simply allocate those monies to existing budget lines to put off further cuts. Alternatively, we could set aside part of those monies and allocate them toward activities that could result in sustainability of jobs, functions and venues within the community. It is my opinion that to adhere to past practice simply pushes any decision on cuts forward without any sustainability action. It is "musical chairs funding." I would much prefer that we use those funds to find ways to restructure, redesign, re-partner as we create an even leaner and more efficient local government structure for the 21st century. I envision a two-pronged, parallel path approach.

Internal Grants: As we know, the regulatory departments are being given the benefit of private sector RFPs to give them a hint as to how to restructure to become more efficient. General government, public safety, quality of life amenities are simply being scheduled for reductions—without that beneficial comparison, suggested structure and outside research.

It would seem prudent to offer any department not benefitting from private sector analysis to avail themselves of an opportunity to investigate a business plan for increased, sustainable revenue streams, changes in service delivery, combining and further cross-training of personnel, etc. My list is not exhaustive, but gives you a flavor of the proposal. This would not be a willy-nilly allocation. I foresee an application for funds based on a need for legal, functional or some other expertise or partnership development—an articulated vision for investigation and sustainability. There would be a review committee, time and reporting requirements.

There could be a discussion regarding the makeup of a review committee, but, I believe, such a committee is fully within the purview of city management in a Council-Manager form of government. As this is an allocation of tax dollars, council would have to allocate the aggregate of "grant funding" as part of the budget process. Following that, all allocations over $10,000 would have to come to us to approve going forward on a case by case basis.

Public Engagement: Again, I believe in the research that says that a diverse group of average achievers will have a higher success rate at solving problems than a homogeneous group of high

achievers. In our own community, when we have put disparate interests at the table and allowed our citizens to deliberate over the problem, we have been given a solution that, ultimately, is owned by the community and can be implemented with that understanding (think Civic Center Priority Task Force). In the cases of the projected closures and cutbacks, I don't believe that our community feels that they have been offered the opportunity to play a role in solving these problems.

In seven years of studying the body of knowledge on Democratic Governance, I have learned that there are many methods, issues that lend themselves to public engagement, opportunities and challenges, but most of all practice across the nation has taught me that public engagement is the best and most fruitful path when substantive changes must occur. I have both studied and practiced in the area. I have advocated for more such involvement in Troy and believe that now is the absolute best time to avail ourselves of this growing discipline. It is a proactive method of reaching solutions, not rehashing the negatives.

I know that it is easy to say that if we involve the community, we give them false hope. I don't believe that! We give them opportunity to use their skills, thoughts, expertise in an area, or areas, that could benefit our community. There are structures available to us that make the "false hope" argument not only irrelevant, but null. If, as a community, we have a practice and value of public engagement we build sustainability and reduce divisiveness.

First, there is *Rules/Principles for Public Engagement:*

> Careful planning and preparation—must have a clearly defined purpose that meets the needs of both government and the participants.
>
> Demographic diversity—must incorporate diverse people, opinions, ideas and information for solutions to have quality outcomes and legitimacy
>
> Collaboration and shared purpose—this is about common good in the community; what I have termed "the best for the most with what we have."
>
> Openness and learning—participants listen to each other, explore ideas without predetermined outcomes, generate new options and rigorously evaluate for effectiveness
>
> Transparency and trust—clear rules and expectations of the process, record-keeping of participants, outcomes and range of ideas expressed
>
> Impact and action—ensure that each public activity has a potential to make a difference; be clear regarding follow-up actions and responsibilities

We have an opportunity to make this a cultural shift in how we do business with our citizens. Since we foresee city revenues declining for at least the next five years, we can establish relevant practices and models for resident participation in the redesign of government. Even under management's Option 1, we see our government structures and functions changing constantly and remarkably over the next five years. We could be a much less divided community if our citizens were actively engaged in discussions regarding these changes. Different citizens bring different experiences to the table and can have that deliberative exploration of ideas themselves within a structured, facilitated public engagement process.

Second, we must have an articulated *Purpose for Public Engagement*. In our case, the functions/purposes primarily are conflict transformation and decision-making. Before the end of the five years, we will also need collaborative action. As with all other structures dealing with people, these are not as discreet as they appear. Let me share some basic definitions, uses, strategies and methodologies pertinent to deciding what to use and when.

Conflict Transformation: Primary purpose is to resolve conflicts, foster healing and growth and to improve relations among groups.

> Key features: creating safe space to hear from everyone, build trust, share stories and views
>
> Important when: relationships among participants are poor or not yet established. Issue can be resolved when people change attitude, behavior, expand perspective or take time to reflect. In our case, there was much finger-pointing and name-calling ("You are insane!" "You're an idiot" "Liar") in the millage proposal campaign that cannot just be forgotten. It must be addressed and changes for the future are essential so that we all may move forward with shared purpose.
>
> Strategy: create safe space for people with different views to talk and feel heard
>
> Key Design Questions: How do we frame the issue such that all sides are brought to and welcomed at the table? What are the people's divergent needs (healing, action, respect. . .) relating to this issue and how can those be met effectively? How do we move from healing to "what's next"?

Some of the methodologies which could be used for *Conflict Transformation* are:

> 21st Century Town Meetings—an all day event which allows people to sit in small groups at tables discussing, evaluating and determining best feedback alternatives for thorny issues.
>
> Citizen Choicework—minimum two-hour event, with much the same physical set-up as 21st Century Town Meetings. The discussion has a structured mechanism to work through values conflicts, practical tradeoffs while developing a sense of priorities and direction. It is often used as a clarifying event to know how to start the discussion "where the public starts."
>
> Consensus Conference—minimum two, two-day sessions where a large group of participants meet to discuss issues. First stage involves small group meetings with experts to discuss issues and work toward consensus. The second stage assembles experts, media and the public for exposition of the conferences main observations and conclusions. This is more often used for technical decision-making.

Decision-Making: Primary purpose is to influence policy decision and improve public knowledge.

> Key features: naming and framing, weighing all options, deliberation, revealing public values, brainstorming solutions
>
> Important when: issue is within government's sphere of influence

Strategy: involve broadly representative group of citizens in thorough conversations about complicated policy issues

Key Design Questions: How can we best recruit a representative group of participants (random selection, active recruitment, how many. . .)? Can public officials participate? Side-by-side with citizens? What materials need to be developed and provided? How do we ensure that the process influences policy?

The framing, preparation and recruitment can be slightly more refined for *Decision-Making* if the methods of 21st Century Town Meetings, Citizen Choicework, or Consensus Conference were to be proposed for this purpose. An additional methodology has proven effective for some communities:

Study Circles—four to six two-hour sessions; can accommodate hundreds of participants who work together in small groups and then come together for an Action Forum. This combines the public engagement values of dialogue, deliberation enabling public talk to build understanding and explore a range of solutions—can serve as catalyst for social and policy change.

Collaborative Action: Primary purpose is to empower people and groups to solve complicated problems and take responsibility for the solution, which can involve responsibility for the implementation of the solution, as well.

Key Features: using dialogue and deliberation to generate ideas for community action, developing and implementing action plans—collaboratively

Important when: issue requires intervention across multiple public and private entities, anytime community-based action is important

Strategy: Encourage integrated efforts across diverse stakeholders and partners

Key Design Questions: Who needs to be at the table? Are there power dynamics already in play? Who/what group is most resistant to change? Who is affected, but not at the table?

In addition to Study Circles, another popular methodology which can be used for *Collaborative Action* issues is:

Charrettes—needs a small team of experts/facilitators, one to three sessions minimally (but more may be required) involving representatives of a range of organized stakeholders. This is often used in planning and zoning processes, but can be used for other government functions. The team of experts provides constant feedback based on consensus of each session until a shared consensus product is achieved.

Finally, as a governing body, we must decide for or against instituting a *Process for Public Engagement*. If we believe that our citizens can assist in bridging our looming budget gaps, if we believe there is expertise and experience in the community waiting to be tapped, if we believe some of the changes/closures proposed are changes to long-held community values, if we believe our community is fractured over these issues, if we believe any of those if not all of those, we must show the effort and leadership necessary to find a better way. It may be that even the citizens who will put in the time necessary to participate may not be able to identify alternatives which will assist enough to save significant functions. However, I believe all of my "believe"

clauses and encourage all of us to have the courage to offer our community a chance to reinvent the City of Troy.

A further opportunity can be created with online conversations. There are reputable managers of these venues with requirements for participation—use your own name, must be part of the community, no personal information regarding any other participant, no profanity or unsubstantiated accusations, etc. Violations of this code of conduct results in removal from the forum and conversations. Several communities across the nation are using these mechanisms as follow-up to face-to-face community conversations. Some are using them alone. Some of our proposed cutbacks, particularly those without generalized emotional attachments, may warrant this leaner method of engagement. Information on how online forums can be organized is available at http://e-democracy.org/if/.

In addition to background information, some of you asked what such a process could look like. As an example—not the only way, but one way the process could look for public engagement on the library:

First, there can be no predetermined outcome, nor can there be suggestions that move beyond what is reasonable to attempt to accomplish within the timeframe allotted for meeting the budget parameters. Additionally, the process needs to work so well that each participant feels that they were valued and heard.

As an aide to participants, a non-biased, educational fact-sheet must be prepared and given to all participants or posted for access throughout the discussion. Such a sheet might contain some of the answers to these questions as a start: What are the requirements to remain part of the Suburban Cooperative and statewide loan system? What percentage of Troy cardholders uses those services? What percentage of our collection is loaned to non-Troy cardholders? What is the anticipated General Fund allocation to the TPL over the next five years? What portion of that is building expense that would have to be paid with or without services? What jobs, if any, in a public library must be paid jobs? What are the educational requirements for library jobs? What revenue support for TPL comes from sources other than the General Fund? How much? From where? . . .

A representative group of citizens must be recruited to participate. I would think that Friends of the Troy Public Library would be active participants, as would students, parents, grandparents, foreign-born citizens, users of any of the special collections or services and people who believe that the library is truly a frill. In addition to self-selection, council and community members would be encouraged to invite participants.

The actual, face-to-face session could follow a blended model of Study Circles and Community Choicework. In this case, participants would meet for two or three evenings, or a Saturday (9 am-3 pm +/-). There would be a brief overview of the process, goals and projected impact on city policy at the beginning of the session. Then, the group would be divided into small discussion groups of diverse composition. Some identification/ice breaker activity might be necessary. The small group discussions could go in any direction, but might best begin with an essential function of the library discussion. From there, the group can brainstorm, talk about, evaluate, cull and support a whole range of revenue enhancements, service options and other alternatives which could meet the expected budget parameters for the next five years. I would expect that the role of the Friends would be discussed and could be redefined. Each small group would have a report-out function. The small group suggestions could then be evaluated by all of the small groups with an eye to the most viable. The entire group would decide upon a range of suggestions to recommend to management and council—those suggestions deemed to be the best by virtue of their creativity,

maintenance of _____(whatever library service or value was deemed most necessary), cost, revenue production, whatever matrix the aggregate group decides is most effective.

This process would require at least one non-Troy government facilitator, more depending upon the number of participants anticipated through sign-ups. It would require a physical set-up where participants would be able to interact in groups of 6-8. Also, it could be helpful to have a knowledgeable expert in the room, such as a retired or non-Troy public librarian.

This scenario could be augmented with either a before or after component of a working group from staff, the Library Advisory Board and the Friends of the Troy Public Library. If before, this work group could develop the list of value trade-offs necessary in any restructuring of funding or library services which would then be the basis for the "essential elements" discussion by the public. If after, this group would take their working knowledge of legal and practical requirements to fine-tune the public engagement suggestions before sending them off to management for budget deliberations.

Further subsequent follow-up by all participants could be designed for online input. If used as a follow-up technique, online input would be limited to participants within the large, original group. Again, it is a reward for having invested one's own time and talent. Participants have already learned from each other, expanded their knowledge and understanding, have had the crucial conversations with each other. Editing of ideas is a privilege that must be earned. Additionally, the strictures of the online engagement are a reasonable way to maintain the validity of the structure used for public engagement.

In conclusion, even I realize that these mechanisms can be expanded, modified, even truncated to meet fiscal and time restraints. However, the free flow of ideas is what will build community, consensus and workable solutions to our challenges. Therefore, I would recommend against any quick and easy, "check a box" or limited access discussions as the chosen way to accomplish community dialogue and deliberation. We have a divided community whose members must be offered the opportunity to talk to each other to work together to solve these issues or to decide that the budget gap is unbridgeable. Ultimately, it must be recognized that Public Engagement, even coupled with Internal Grants may not be able to save all community functions, but it will offer the best opportunity for anyone interested in investing their own time and talent to make a positive impact.

I request that city council direct management to set aside some funding in the 2010-11 budget for sustainability activities—both Internal Grants and Public Engagement. The activities I have outlined above could be used in some form for any function or department wishing to use expertise or public input unavailable to them within our current system. While it is the proverbial "fresh eyes" as well as "two heads are better than one" those are adages that have proven to be true for centuries. We asked the people to tell us if they were willing to pay more for services. The answer was a firm "No." I am unconvinced it was a "No, do what you want." As leaders we will have to make tough decisions. I am prepared to do that. I am unprepared to do it without offering the citizens a chance for more nuanced input than the millage election provided.