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- Taught Public Budgeting and Finance at UCLA for 21 years
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ROLE OF A CIVIC ASSEMBLY IN RESPONDING TO THE CITY'S BUDGET CHALLENGES

City of Culver City
City Council Presentation
October 27, 2025

Presenter: Michelle Dennis

TEN YEARS OF BUDGET CHALLENGES

- The City's July 1 fiscal forecast shows a total structural deficit of \$ 129 M over the next 10 years that will use up all City reserves leaving no fiscal room for anything new.
- My factoring in the Aug. voter approved Sales Tax increase, results in:
 - Over the next 4 years, a total structural deficit of \$ 47.9 M that will use up the same amount of reserves;
 - Over the following 3 years, rough structural balance between revenues expenditures is achieved; and
 - Over the remaining 3 years, revenues out perform expenditures by \$ 3 M to \$ 4 M per year if voters re-approve an expiring .5 % Sales Tax before Mar. 2033.

Primary Implication: For the next 7 years at least, there is no fiscal room other than using remaining reserves for government services to expand or be added as the City's population grows.

RESPONDING TO THESE BUDGET CHALLENGES

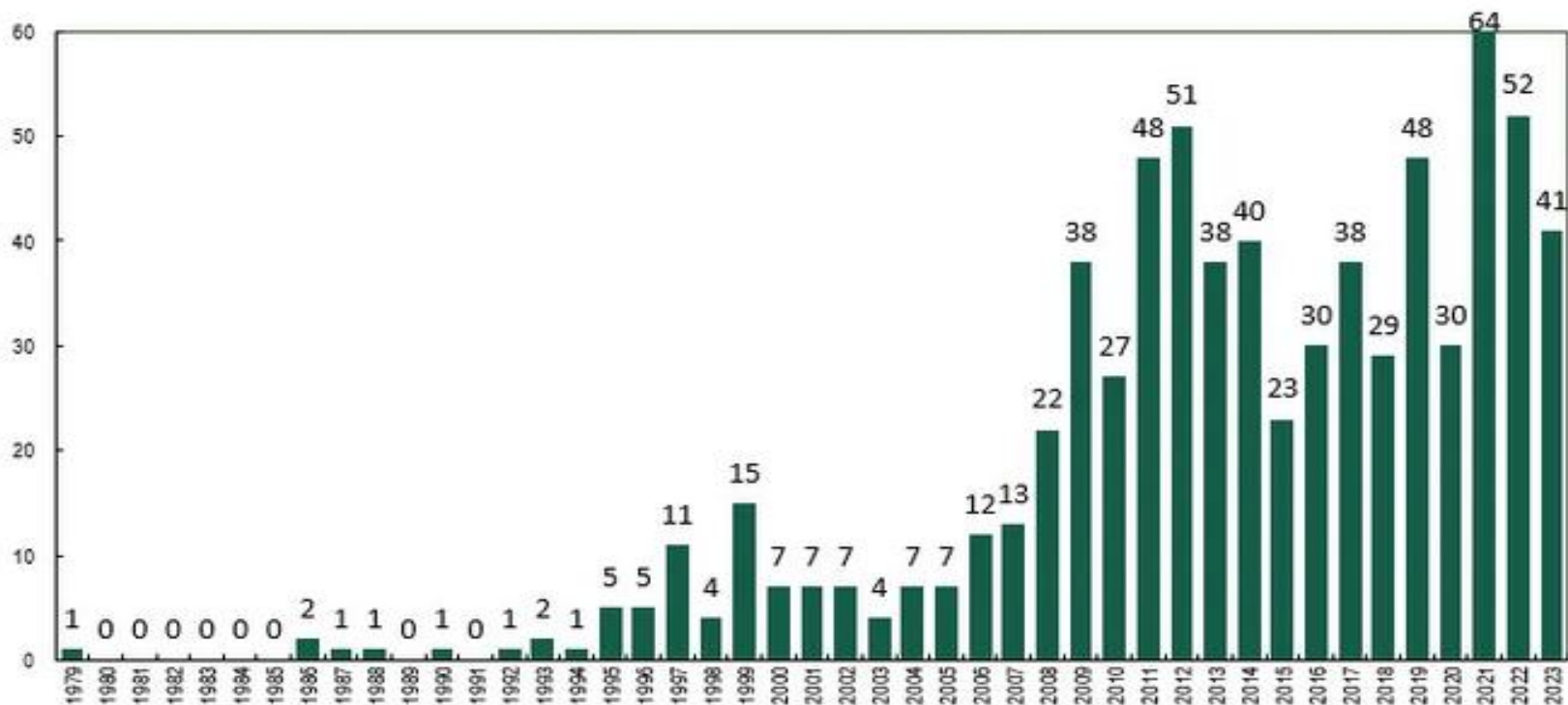
- These budget challenges will significantly impact the community, and responding will require a new collaboration and partnership with the community in the budget process.
- Currently, the community can participate in the budget process by speaking for 1 to 3 minutes at Council meetings. Planned is a budget priorities survey, and for the community to go to two question and answer budget information sessions. These are top down opportunities created FOR the community.
- A Civic Assembly provides a way for the community to say how they want to participate in the budget process– these can be bottom up opportunities created BY the community.

WHAT IS A CIVIC ASSEMBLY?

- A Civic Assembly is a demographically representative group of community members selected by lot to learn about, deliberate upon, and make recommendations to City Council about a public matter.
- It is up to City Council whether or not to follow the recommendations of the Civic Assembly.

Figure: The deliberative wave continues to grow

Number of representative deliberative processes over time (total per year), 1979-2023



Note: n=733; Processes that spanned over multiple years noted by the year of their completion (except for permanent ongoing processes). For 2023, additional 16 cases were submitted but were not included as were still in progress during the data validation stage.

Source: OECD Deliberative Democracy Database (2023).

SOURCE: Mejia Mauricio, "2023 Trends in Deliberative Democracy: OECD Database Update, Dec. 7, 2023

CIVIC ASSEMBLY PART I – CITY COUNCIL PLANNING

- **Select Civic Assembly facilitating organization**
- **Determine topic to be addressed by the Civic Assembly**
- **Determine City demographics to be matched by Civic Assembly participants**
- **Choose experts to provide learning input to Civic Assembly participants**

CIVIC ASSEMBLY PART II– SELECTION OF PARTICIPANTS

- **Invitation to all households in the City**
- **Random selection of participants from household respondents reflecting demographic characteristics of the City**
- **Computer creation of multiple combinations of Civic Assembly participants from pool reflecting demographic characteristics of City**
- **Random selection of one combination**
- **Comprehensive support is provided to the one combination of Civic Assembly participants**

CIVIC ASSEMBLY PART III – LEARNING AND DELIBERATION BY PARTICIPANTS

- **Experts provide initial learning input**
- **Community members meet with Civic Assembly participants to present and discuss their ideas**
- **Experts continue to be on tap, not on top**
- **Structured deliberation process is followed**
- **Deliberation is facilitated so that all voices are heard**

CIVIC ASSEMBLY PART IV – RECOMMENDATIONS PREPARED AND SUBMITTED

- **Rough consensus sought to form recommendations**
- **Recommendations written by Civic Assembly participants**
- **Recommendations presented by Civic Assembly participants to City Council**
- **Written response to recommendations from City Council**

CAN YOU TRUST RANDOMLY SELECTED PEOPLE ?

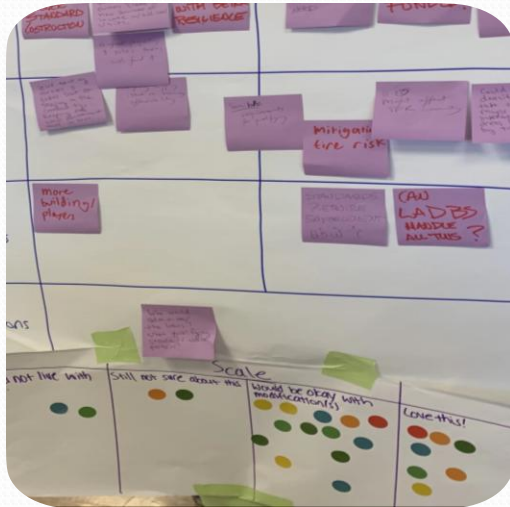
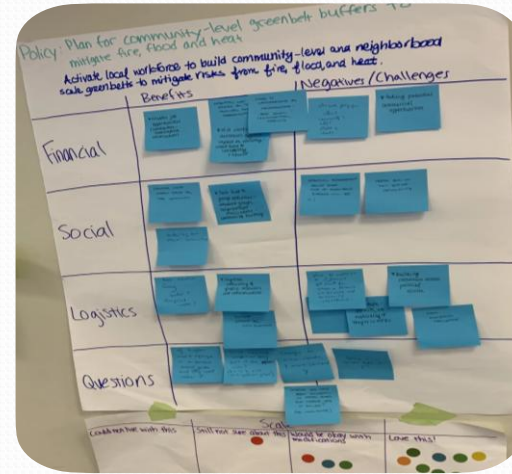


Voices from Petaluma Fairgrounds Assembly, 2022



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CULVER CITY MODEL CIVIC ASSEMBLY



“I was surprised at just how nuanced our discussion could get,” and “I was so floored by how it encourages collaboration and deep respect between people.”

A CIVIC ASSEMBLY BENEFITS THE CITY

- **Provides informed and deliberated recommendations on complex issues and processes**
- **Builds civic communication skills**
- **Enables inclusivity**
- **Builds trust and transparency in government**
- **Empowers the community**

PROPOSAL

- **Approve a Civic Assembly to find out how the community wants to participate in the budget making process.**
- **Retain Healthy Democracy for a maximum of \$ 250,000 to facilitate the following primary Civic Assembly tasks and various other administrative matters:**
 - 1) Select a random panel of 20 community members, and a few back up community members by February, 2026;**
 - 2) Prepare the selected community members to participate at each public opportunity in the upcoming budget making process;**
 - 3) Activate a Civic Assembly with the 20 community member panel in July 2026;**
 - 4) Assist Civic Assembly community members to prepare and submit recommendations to City Council in August, 2026.**

Community members who are selected are paid for their participation.

CONTRACTING AS SOLE SOURCE

- Only two organizations in the United States have facilitated a Civic Assembly for local government: Healthy Democracy and Unify America.
- Healthy Democracy has facilitated six Civic Assemblies (2019 – 2025), and Unify America has facilitated one (2023).
- It is proposed Healthy Democracy be retained as a sole source provider because:

Healthy Democracy is the most experienced and qualified ;

There is a lack of multi organization competition;

Sole source provides specialized expertise quickly; and

Sole source avoids high administrative and time costs associated with an RFP process to be conducted by City staff.