



Administrative Report

J.1., File # BF25-0832

Meeting Date: 6/12/2025

To: BUDGET AND FINANCE COMMISSION
From: STEPHANIE MEYER, FINANCE DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING THE FISCAL YEAR 2025-2026 CITY MANAGER'S PROPOSED BUDGET AND FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM.

EXECUTIVE SUMMARY

On May 16, 2025, consistent with City Charter, staff posted the Proposed FY 2025-26 Budget and the Proposed Five-Year Capital Improvement Program (CIP) to the City's website. Staff shared the link to the document with the Budget and Finance Commission. On May 20, 2025, staff presented the FY 2025-26 Proposed Budget and Five-Year CIP to City Council at a high level and heard initial questions. Council voted to receive and file the document and set June 3, 2025 as the first public hearing date. On June 3, 2025, staff presented additional operating budget detail and responded to questions. Council voted to continue the public hearing to June 10, 2025 when the discussion will focus on the CIP budget. Staff has noticed a further public hearing on June 17, 2025, projected for budget adoption. On June 17, 2025, staff will also present proposed fee changes and the FY 2025-26 Appropriations Limit (GANN limit) calculation for Council consideration and adoption.

BACKGROUND

City Council has met twice on the Proposed FY 2025-26 Budget and Proposed Five-Year CIP: to receive and file the budget document (May 20, 2025) and for an initial public hearing focused on operations (June 3, 2025). The City will hold a third budget-focused meeting June 10, 2025 to focus on the Proposed CIP. Administrative Reports, presentations, and related attachments for all meetings are included as attachments to this document.

In addition to the FY 2025-26 Proposed Budget and Five-Year CIP, staff has prepared Budget Response Reports (BRRs) in response to Council requests. Budget Response Reports offer detailed information on significant budget issues that are of interest to the City Council and that the proposed budget document does not specifically address. There are 59 BRRs, of which staff has completed 54 as of June 9, 2025. The Budget Response Reports are available at www.redondo.org/budget and included as an attachment to this report. Staff will present the final five BRRs prior to the June 17, 2025 meeting.

The Budget and Finance Commission's regular June meeting focuses on the Proposed FY 2025-26 Budget and Proposed Five-Year CIP. Staff will present the Commission's feedback from this meeting to Council prior to the June 17, 2025 meeting as an update to BRR #02 transmitting all City Commission feedback.

The Proposed Fiscal Year 2025-2026 Budget is balanced in accordance with the City Council's

adopted Financial Principles. If Council approves all Decision Packages as proposed, the General Fund's unallocated balance would be \$42,906.

The FY 2025-26 Proposed Budget and Five-Year CIP and BRR lists are available at www.redondo.org/budget <<http://www.redondo.org/budget>>.

COORDINATION

All departments participated in the preparation of the Fiscal Year 2025-26 City Manager's Proposed Budget and Five-Year CIP.

FISCAL IMPACT

The adopted version of the Fiscal Year 2025-26 Budget will create the financial guideline for all City operations. The Five-Year CIP is a planning document only. Only funding for capital projects identified in the first year of the Plan will be appropriated as part of the Fiscal Year 2025-26 Budget.

ATTACHMENTS

- 1) May 20, 2025 City Council Administrative Report
- 2) May 20, 2025 FY 25-26 Budget Presentation
- 3) June 3, 2025 City Council Administrative Report
- 4) June 3, 2025 FY 25-26 Budget Presentation
- 5) June 3, 2025 FY 25-26 Proposed Budget - Obagi Worksheet
- 6) June 10, 2025 City Council Administrative Report
- 7) Budget Response Reports -June 10, 2025