



## **REGULAR MEETING OF THE BUDGET AND FINANCE COMMISSION – 6:30 P.M.**

### **A. CALL MEETING TO ORDER**

A Regular Meeting of the Redondo Beach Budget and Finance Commission was called to order at 6:30 p.m. by Chair Woodham, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

### **B. ROLL CALL**

Commissioners Present: Marin, Jeste, Sherbin, Chair Woodham

Commissioners Absent: Allen, Ramcharan, Turner

Officials Present: Stephanie Meyer, Finance Director  
Jacob Kamsvaag, Administrative Analyst/Liaison

### **C. SALUTE TO THE FLAG**

Chair Woodham led in the salute to the flag.

### **D. APPROVE ORDER OF AGENDA**

Motion by Commissioner Marin, seconded by Commissioner Jeste, to approve the order of the agenda as presented.

Motion carried 4-0-3 by voice vote. Commissioners Allen, Ramcharan, and Turner were absent.

### **E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS**

#### **E.1. For Blue Folder Documents Approved at the Budget and Finance Commission Meeting**

Analyst Kamsvaag reported one Blue Folder item for J.1.

Motion by Commissioner Marin, seconded by Commissioner Jeste, to receive and file the Blue Folder item.

Motion carried 4-0-3 by voice vote. Commissioners Allen, Ramcharan, and Turner were absent.

**F. CONSENT CALENDAR**

**F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF MARCH 12, 2026**

**F.2. APPROVAL OF THE MINUTES FROM THE REGULAR MEETING OF FEBRUARY 12, 2026**

Motion by Commissioner Sherbin, seconded by Commissioner Marin, to approve the Consent Calendar as written.

Motion carried 4-0-3 by voice vote. Commissioners Allen, Ramcharan, and Turner were absent.

**G. EXCLUDED CONSENT CALENDAR ITEMS - None**

**H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

**H.1. For eComments and Emails Received from the Public**

Jim Mueller said he noticed the procurement item fell off the agenda and hoped it would come back; reported that the procurement regulations are about 15 years old and opined that there are problems with Professional Services procurement; stated there were a couple of egregious contracts that did not have sole source justification and felt it was worth looking into; noted that the Professional Services item is over \$10 million in the City's budget.

Chair Woodham stated the plan is to continue with it and delve into it.

Analyst Kamsvaag reported no one online and no eComments.

**I. ITEMS CONTINUED FROM PREVIOUS AGENDAS - None**

**J. ITEMS FOR DISCUSSION PRIOR TO ACTION**

**J.1. DISCUSSION AND POSSIBLE ACTION REGARDING FY 2025-26 MIDYEAR BUDGET**

**CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR**

Finance Director Meyer stated they would be discussing the midyear results for the year through December 31, 2025; noted it is an important time of the year especially leading into their budget preparation; started with General Fund Revenue and noted they had mixed results; provided a slide to review the City's taxes: property tax, property transfer tax, sales tax, TOT, and franchise fees; said they had some increases in property tax, some charges for service, and one-time items but they also had some significant

reductions which has put them into a challenging position for this fiscal year; reported that taxes as a category are down about \$600,000 and went through each of the items under the tax category; noted they had a slightly better than anticipated result in property tax, ended better than expected in property transfer tax, had a significant decrease in sales tax.

Chair Woodham asked if the pluses and minuses meant versus the budget or versus last year.

Finance Director Meyer replied yes; noted that for sales tax the two most significant categories are in restaurants and hotels and both are down for the City; spoke about TOT and the hotels are down about 5% which is consistent across the South Bay.

Commissioner Sherbin commented that with the current events, in respect to the price of petroleum and travel, they may not see a rebound in the short term on the TOT and sales tax.

Finance Director Meyer referred to the TOT and noted that the carryover report and others now include the revenue from the City's three hotels with which the City has site specific tax agreements; stated that staff is going to record all the revenue they receive there and record payments as an expenditure adjustment; said with Franchise Fees it looks about the same amount below budget for 24-25 so they are going to go ahead and make the adjustment and will look for more detailed data as they go into FY 26-27; reported in Other Revenue they have stronger than expected revenue, noted that they already collected 100% of the budgeted amount in ambulance fees and they are only halfway through the year, they have better than anticipated results for the City's parking meter fees, and the City received one-time payments from an old lawsuit and a signing bonus from Google from an agreement they just signed; stated that they include the City's internal service fund adjustments at their Mid-Year Report and the overhead charges are a net zero to the General Fund which means they record them as revenue and also as expense and it was \$1.4 million (about a 9% increase) in largely personnel costs; reiterated the General Fund is projected overall at about \$2.4 million ahead of what they had budgeted; provided a General Fund Spending slide with two bullet points: Internal Service: \$2.9 million (10% increase) and Authority Funded Reserve: \$2.3 million; recalled that the City has many Internal Service funds and noted the major ones are Self-Insurance Fund, Vehicle Replacement Fund, and IT Fund; stated they review them every year and update the City's costs and explained they mostly fit into operational and personnel costs; noted that the \$2.9 million increase is strongly driven by increases to the City's Self-Insurance Fund.

Commissioner Marin asked if the 35% was above what the City has budgeted for.

Finance Director Meyer responded that they don't budget for the increase because they do the calculation every year; further explained it is unbudgeted because they don't have the information ahead of time to tell them what the increases could be; stated they knew the Self-Insurance would be high because they reflect the City's liability, workers' compensation premiums and claims; explained that the issue this year was actually related to 23-24 which had a very high year for both and they did not include it in the last

year because they identified it in their final audit adjustments; stated the next largest increase was due to vehicle maintenance which reflects the City's annual replacement and advance purchases that were made for the Fire Department years ago that are now being built into the schedule; reported the City's second large item is for their Authority Funded Reserve; explained those are payments related to their site-specific tax agreement with the City's hotels; noted they had weaker than projected tourism demand and the hotels brand required refresh cost was higher than anticipated; estimated that they expect to pay a total of \$2.3 million this year; stated that they look at the rest of the City's spending at this time of the year and they overspent in salaries in 24-25 but had a significant savings in contracts and professional services; said they project significant salary savings this year; reported with all the adjustments they are at an additional \$4.2 million in spending; showed data on the Internal Services Citywide and reported that it is a \$5.7 million increase or about 14% over the prior year and mainly driven by the City's Self-Insurance costs and provided information by plan and the totals; reported at Mid-Year they also present Decision Packages for Council approval; stated their General Fund reflect program changes that are net zero and one is related to a contract they have for their Paramedic Assessment Fee and the other is for their Contract Building Plan Review; said what staff is recommending is offsetting revenue and expense, the City will collect more revenue than the City pays out, but they do need to pay the vendor so they are proposing to add it to the budget and they will segregate that from the regular budget; reported in their Other Funds, which are grant and external funding adjustments, that the City has received for specific projects; said it represents the City's 25-26 plan for their CDBG Program, their Proposition 68 funding is for Alta Vista tennis court resurfacing, the Measure A funding is for the Veterans' Library and they will build a statue using John Parsons art funding; reported they will have two staffing reorganizations in IT and Public Works and noted both were offset; stated they have their Refuse Rate Adjustment, and their Vehicle Replacement Fund purchases that are required for operational needs; stated the City is ending with about \$3.15 million estimated ending fund balance; reported that they project having approximately \$1.3 million remaining at the end of the year including all the estimates; noted that it is a conservative estimate but they don't recommend having any additional spending at this point; stated they would like to introduce some cost savings or reduction items to Council for feedback and direction as they go into the 26-27 budget which are: crossing guards, insurance, and pension debt; stated that the City pays and staff's 27 crossing guard stations and they are going to ask Council's direction to reconsider that item; stated that staff has looked into the City's property liability premiums and realized about one million of the \$1.7 million total is related to earthquake insurance and after some research feel it is worth considering dropping some of the buildings; spoke of having other items listed on the City's insurance and felt Council should review and consider reducing the list; noted that the City has experienced very few claims and they are recommending Council consider increasing the City's deductible; reported receiving an update through CalPERS and their projection tool for the City's unfunded liability of what it would look like incorporating the last year's positive returns which showed it would be about \$18.8 million with the City's miscellaneous plan being potentially overfunded; noted that doesn't actually do anything for the City's annual unfunded liability payments and according to CalPERS current projections the City will be paying \$4.2 million next year and \$3 million for the next three to five years; explained that

the City will have some challenging years and staff will ask Council to consider giving them direction to look at potential refinancing options to guard the City against the fluctuations they see with CalPERS; stated staff would involve the Budget & Finance Commission in the evaluation if Council is interested in the City pursuing refinancing options.

Commissioner Jeste asked if staff had any dollar figures for the items.

Finance Director Meyer responded that they do not but they have some estimates but not for the pension debt at this time; stated they would have to do a lot more work to figure out the possible deltas for the pension but for the City's insurance they could potentially cut about \$500,000 from their annual premium just by reducing the number of properties that are covered; spoke about the other list of items that could reduce the City's spending and help them since the budget is not very strong.

Commissioner Jeste said she needed to show the best possible estimate and without the estimate her information doesn't mean anything.

Finance Director Meyer stated they are not asking Council to take action immediately, but they are asking Council to direct staff regarding whether they want them to look into it and potentially include the items for the 26-27 budget.

Chair Woodham referenced the UAL and asked Director Meyer to clarify a few points; mentioned they were looking at it over a 20-year period and, based on what she was saying that evening, it looked as if the UAL would decline to about \$18 million; stated if the City is paying at a rate of \$3 or \$4 million, and CalPERS makes the 6.8% return, the City would amortize it in about four to five years; asked if CalPERS has changed the way it has to be repaid.

Finance Director Meyer responded that CalPERS has not and that he made a good point; explained the City would still be paying unfunded liability payments through the whole 20-year cycle and they would be amortizing each year's experiences over 20 years so even after the City has paid down the \$18 million they would be still be making unfunded liability payments related to prior losses.

Chair Woodham commented that is what he doesn't understand; explained when they did the bond issue they were 100% funded, which meant the City had a zero UAL but, in the four years since then, CalPERS has underperformed their actuarial assumption on average by about 2% each year with a lot of volatility; commented that the \$50 million drops to \$18 million after they adjust for fiscal 25 returns and didn't understand why they were going to pay it down in four years since there will be no UAL left.

Finance Director Meyer reported that she did speak to their actuary about it and he said at the point that a plan is fully funded, the City will cease paying and the City will cease having an unfunded liability for that plan; mentioned she had looked at the CalPERS projection tool and from memory thought they have unfunded liability payments in the projection going out 10 years but she would need to double check.

More discussion followed regarding the Chair Woodham's understanding of the bond issue, payment to CalPERS, and the UAL; Director Meyer stated she would look at the projection again and confirm it back to the Commission.

Chair Woodham stated at the last meeting they were looking at the possibility of paying back the CalPERS Reserve, but it doesn't look like the City has enough money to do that.

Finance Director Meyer responded they do not, but another item that the City is keeping in mind, as they look at the 26-27 budget, is not taking any more money from there and that is a priority for the City to refill.

Chair Woodham reported they ended up with a balanced budget for fiscal year 26 but with the differences in income and expenses it would seem they will have a deficit for fiscal 27.

Finance Director Meyer agreed and said that is something they will be looking at with the budget; noted each year they present decision packages to City Council for consideration and this year they put forward to City Council that anything beyond core budget would require an additional appropriation; reported that the City Manager had requested staff to look at the total of the City's One-Time items that were funded over the past two years in order to find where they could reduce funds from the budget; stated she had a few more slides to go through for her presentation and moved onto Next Steps; stated that the next step will be budget input with the City Manager; reminded the Commission that the April meeting was rescheduled to April 23<sup>rd</sup> and the joint Public Works and Budget & Finance Commission meeting would be on April 27<sup>th</sup>; stated she would not go over the regular revenue and expenditure second quarter slides since they had the Mid-Year presentation for this meeting but would share it with the Commission so they can review it at their leisure; noted it was a good sign that the percent received to date compared to prior years is not really different even with the challenges they have; provided another slide with information on expenditures year-to-date and highlighted some data regarding personnel and fringe; stated that the remaining items within the City's General Fund spending are on track and within budget; presented a slide showing all spending by department to date in the fiscal year which includes all funds; noted, in regards to the Capital Spending year-to-date, she included an attachment to the report so the Commission could track their capital spending as they go through the year; stated staff's recommendation would be to receive and file the report and identify any input they would like to provide to City Council for next Tuesday's meeting.

Analyst Kamsvaag reported that the Commission already passed Non-Agenda Items open discussion, but the speaker could speak on this item.

Gil Escontrias, District 1, stated, although the Commission serves in an advisory capacity, they are all residents and taxpayers that understand the fiduciary responsibility and proper stewardship of public funds; spoke of their responsibility as the Budget & Finance Commission and wanted to address a document they received called Homeless Spending by Type, Program, and Source; reported he received the document and it was referred to as an audit of the homeless issues and the funds that the City Attorney was spending;

stated clarification is needed because it is not an audit but a report of what was expended and what was spent; said his concern was over how the money was spent and why it was spent and said, in reviewing the document, several expenditures appeared questionable or need further explanation; stated they should not settle for status quo when it comes to the expenditure of public funds and the public deserves transparency and accountability; noted that he is a former Public Safety Commissioner and opined when they asked questions about homeless spending the City Attorney stopped coming to the meetings; stated, as a 43-year veteran of the police department, when people don't want to answer questions it sends up a red flag; questioned why the City doesn't have audits, documentation, and why it isn't presented to everybody; urged the Commission to recommend and request a formal independent audit of the City's homeless expenditures.

Motion by Commissioner Sherbin, seconded by Commissioner Marin, to extend the speaker's time.

Motion carried 4-0-3 by voice vote. Commissioners Allen, Ramcharan, and Turner were absent.

Gil Escontrias stated it was important that they understood it but warned them if they ask the hard questions, they may be out of a job; felt as a taxpayer he wants the City to be successful but he wants the City's money to be utilized properly.

Finance Director Meyer provided a clarifying comment that a lot of the funding the City spends on homelessness is grant funded and that the grantor does audit the City's spending; noted that the City's entire finances are independently audited annually and they look closely at grant funding as well.

Gil Escontrias responded that grantors are only given what they ask for and some of the expenditures that he saw were suspect; questioned why a police officer is needed at the Homeless Court when there are already two deputies there; stated that he knows the City does an audit but it is very general and does not show receipts; questioned why the Homeless Coordinator has a credit card and spends \$2,000 a month on it, noted the information is all public record; stated he has worked at the homeless shelter and currently does a lot of volunteer work but continued to question the City's actions and spending.

Chair Woodham asked Director Meyer if she could resend the last three slides to the Commission members.

Analyst Kamsvaag invited public comments.

Jim Mueller recommended that the Commission make some proposals to the Council; said the first one should be to have a quarterly budget created and quarterly actuals should be reported against those; reasoned that the Finance Department has chosen to compare the spending of this year to the spending of last year and commented the City thinks things are all right because the spending is the same and he cannot fathom that; said the second one should be an analysis of the crossing guard cuts because child safety is at risk and voiced concern if a child were to be hit if they reduce the number of crossing

guards; commented that at several Council meetings staff has claimed that they are not able to respond to requests from the Council because the staff is overworked and understaffed to do the job and didn't see any justification in those statements in the reports they receive so requested they recommend the Council review that as well; stated that the budget versus actuals would promote understanding in the community and a more thorough explanation of the variances is needed; commented that during election time the information would be helpful to the community.

Finance Director Meyer provided clarification that she meant to communicate, in regard to the personnel savings, that personnel costs overall are up but the City does not anticipate spending all that they have budgeted for it.

Commissioner Marin asked if that meant they are leaving certain jobs unfilled or professional services are lower.

Finance Director Meyer responded it usually just reflects normally occurring vacancies; explained that last year they did not budget well and under budgeted overtime; said she pointed it out because they anticipate having savings this year due to regular turnover and because they budgeted more appropriately; noted that regular vacancies may be related to some of the issues Jim Mueller mentioned in terms of staff workload.

Chair Woodham asked if the report they are discussing went to City Council.

Finance Director Meyer replied it had not but would go to them the following day.

Motion by Commissioner Sherbin, seconded by Commissioner Marin, to receive and file the report.

Motion carried 4-0-3 by voice vote. Commissioners Allen, Ramcharan, and Turner were absent.

## **J.2. DISCUSSION REGARDING THE CIP SUBCOMMITTEE ACTIVITY**

**CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR**

Commissioner Jeste noted that he is the only one out of the three members that is present; reported that they had a meeting with the planners and the engineer and the head of Planning about four to six weeks ago; stated there was resistance to change and insistence on carrying the activity just as the City has done for many years; reported that he spent an enormous amount of time going through all the completed projects that Director Meyer had given them; noted he went into even more detail on Job No. 41240 (Anita St. at PCH Improvement), and Job No. 40960 (Inglewood Ave. at Manhattan Beach Blvd. intersection improvement); said he found that, based on all the finished projects, the change orders accounted for 80% of the funds spent and the administrative change order policy was created on August 17, 1993 and has not been updated or changed since then; reported that part of the funding for CIPs come from various propositions and major state tax and grants; reported that change orders are fully funded by Metro measures or similar measures and awarded to contractors without getting competitive bids; stated the change

orders are approved by the City Council and Mayor without any dissent; spoke of the letter the Mayor wrote, dated July 22, 2025, in response to his letter said three things: CIPs are confusing, recommended improvements so they are more understandable, and that the deficit was driven by CIPs deferred by various councils; highlighted Job No. 40960 (Inglewood Ave. at Manhattan Beach Blvd. intersection improvement) reported the funding started at \$5,175,000 from Metro and there were three contractors that worked on the project; stated that the project lasted for 10 years so the justification of using change orders for this project is not justified since there did not appear to be urgency; recognized that the project was very complicated and some of the delays were unavoidable and unanticipated plus new technology and some acquisition of land took place; opined that it still does not explain why the City did not get bids for three different parts of the job when three different contracts were involved; said he only saw one job where bids were invited but could not find anything on the other two; reported that the change order authority was raised from \$25,000 to \$125,000 but he did not know if that was only for one project or for all the projects; spoke of being in project management and process improvement in the private sector for 30 years and opined that the City of Fort Wayne has been the gold standard for 25 years as one of the best managed cities in the US; felt the processes could be done for the City and is very passionate about it; stated in all the presentations he has seen by the Mayor and Finance Director he noticed two things: 1) there is tremendous reluctance to change the way things are being done, and 2) the data collection and analysis is practically non-existent; noted that with today's AI tools and technology it is much easier, faster, and more thorough to get the analysis of data and that is what the City's administration needs to do; stated he keeps bringing it up because when the voters approve large bonds, such as the \$93 million bond issued last year, they put enormous faith and confidence in the City's administration and the City cannot manage that project like all the other ones they have done; said that statements the City Manager has made in the City Council meetings have been disturbing and gave an example from the the December meeting where the City Manager said they wanted \$98 million but felt it was too much so asked for \$93 million; said the amount requested was with no documentation, no rationale, and no explanation; opined with all the change orders the initial planning for the projects are done poorly with no incentive to do it right since change orders can be given; said another thing the City Manager said that was disturbing was, "In an ideal world we would have another \$50 million to play with but we don't."; felt that was astronomical and if that's the operating style the administration wants to pursue it won't take long for the voters to get upset; opined the City needs to have a complete overhaul of the entire process; recommended getting someone full-time, an independent consultant, who can make things happen and change the system and said there is no reason the City cannot do that.

Chair Woodham stated he cannot form an opinion until he hears more from the other two members of the subcommittee who are not there; noted clearly there are possibilities for improvement for overspending based on the points made by Commissioner Jeste but more analysis of that data is still needed along with opinions from Commissioners Turner and Ramcharan; reported that he is not ready to vote on a recommendation that evening for City Council.

Commissioner Marin agreed with Chair Woodham and asked what the Commission's next steps would be; asked Commissioner Jeste if he had recommendations to offer to the Council to improve the process and create better efficiency and transparency throughout the process.

Commissioner Jeste stated it took him a very long time to do what he was able to do, he does not have the software needed, the right size monitor, or enough data to do it; felt the analysis needs to be done by the Finance Department or from the Planning Department; opined the best thing the Commission could do is recommend that an outside consultant be hired to assess the situation and make recommendations; stated the subcommittee or even the Commission cannot do much beyond that because it is difficult to get everyone together to even discuss; noted that the other subcommittee members were not prepared and it is new territory for them.

Commissioner Sherbin commented that he would like to understand the process the City is currently using to develop the quotes and solicit bids; noted it might not be the City Manager but Public Works that can help them understand it more clearly; felt once they understood it they could look at best practices and things of that nature.

Commissioner Jeste said that it is a full-time job and none of the Commissioners would be able to do that.

Commissioner Sherbin spoke of understanding the process better and finding out what department would be able to explain it to them; provided some scenarios and suggested maybe the process just needs to be fine-tuned, which might be the objective; stated hearing from the people that actually go out and solicit the bids then have to go back to the Council for more money would be valuable to him.

Commissioner Marin asked Commissioner Jeste if he had any direction to give to the City Council on hiring a consultant.

Commissioner Jeste said he could work with the consultant if they hire one.

Discussion followed regarding the \$93 million project.

Chair Woodham asked Director Meyer if she could add anything to the discussion, specifically on the Fire and Police project.

Finance Director Meyer stated that they have had a number of milestones on the project with detailed reports to Council for every step; noted that recently the City issued RFPs for specific pieces of the project and they are now going out to bid; reported they presented a detailed project plan to the City Council and stated they have an Owner's Representative to help the City manage the project; explained that it is a professional firm that has experience in managing large projects and understands how to plan and sequence each step and was approved by the City Council; reported they had an initial meeting with the City's financial advisor and with the City's bond and disclosure counsel to give them an update on their scheduling which helps them with the actual bond issuance; reported she has, as discussed with Chair Woodham, a list to provide to the

Commission with each of the agenda items that has gone to Council starting from the first planning stages; felt the planning stages would be informative given the discussion they had that evening since it gives detailed analysis that supported the bond amount; noted they did hire a professional consultant to look at various options given the type of rebuilding the City wanted to do; stated that she has spoken to the rest of the planning team on when it would be best to come give an update to the Commission; opined it would make more sense for them to come closer to the bond issuance since that is the most relevant piece to the Budget & Finance Commission.

Chair Woodham stated one of the things that seemed out of sequence in the process, and what might be causing some of the question, we would have this detailed analysis to show what the cost would be for the project that we need and that process was hurried up and felt some details on that would be helpful; said normally you would develop the plan for the project, the cost, and then get the authorization to issue the bonds but they got the issue authorization to issue the bonds before the work had been done on planning the project, which seemed out of sequence.

Finance Director Meyer explained one of the reasons behind that was the City wanted to issue the bond to coincide with the School District issuing their bond; explained further, in terms of developing an analysis, they did hire a firm to do an analysis and what the City did upfront and what they do after really depended on the level of detail; noted that the City did not want to spend six months and lots of money developing specific plans if the City did not have the funding; stated they had a financial advisor and other legal counsel involved in preparing the bond measure and neither expressed any concerns about the level of detail supporting the City's bond issuance; reiterated that the City did not want to engage in a project this expensive and detailed before they had the money.

Chair Woodham pointed out that it was a public tax-exempt bond issue, the City had to get approval for the taxes to pay for it before they could go forward, the City didn't have time to do all the planning that one would want to do, so they were forced into that position because of the vote for the bond issue; asked Director Meyer when they would be able to see the information on the planning she spoke about earlier.

Finance Director Meyer responded she would send it directly after the meeting and provided some direction on how to navigate through the information; offered to create a high-level timeline of the milestones in the project which she can send to the Commission.

Chair Woodham confirmed the Commission would like that information; commented that the big issue is the overall planning for CIPs and the fear that a lot of the work is being done with the work orders and that they are spending more money than the City needs to; stated the idea that they should be doing more RFPs in the middle of some of the projects is countered by the knowledge that each of the extensions has been at the same price as the first piece; noted that the projects are continued at the lowest price they were able to get in the initial bid, so the City is not knowingly paying more for the projects, and the fear of missing out on getting a lower bid if they do an RFP in the middle is countered by the fact that costs are continually going up; commented that he doesn't believe labor and material costs have gone down in the last 10 years so they haven't proven the reality

that the City is wasting money; suggested they get the information from Finance on the planning for the Fire and Police issue and bring it back to the next meeting.

Analyst Kamsvaag reported no one on Zoom and no eComments.

Motion by Commissioner Marin, seconded by Commissioner Sherbin, to continue the item to the next meeting.

Motion carried 4-0-3 by voice vote. Commissioners Allen, Ramcharan, and Turner were absent.

### **J.3. DISCUSSION AND POSSIBLE ACTION REGARDING INPUT AND SUGGESTIONS FOR THE CITY COUNCIL'S CONSIDERATION DURING THE UPCOMING STRATEGIC PLANNING SESSION**

**CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR**

Chair Woodham asked Director Meyer to explain what the Strategic Planning Session is and what the Commission would be able to provide for it.

Finance Director Meyer stated that the Strategic Planning Session is held by City Council annually; explained that they take the prior year's Strategic Plan and review the overall goals and objectives then add, change, delete, and prioritize the Plan; noted it is a time for the City Council to set their priorities and their work plans for the year; reported that all City staff attend and provide input for funding decisions; stated they could attend as the Commission or on their own behalf; stated that they could write a letter, as a Commission, that could be sent to the City Council in advance of the March 31<sup>st</sup> Strategic Planning Session; suggested if they choose to do that they should form a subcommittee to work on it and that letter would be discussed during the Session; announced the Session would be held in the conference room at the Library starting at 2:00 p.m. and no Council meeting is scheduled for that day.

Commissioner Marin asked if Director Meyer could send the Strategic Planning information in an email.

Finance Director Meyer pulled it up on the screen and explained the details of the information; reported that it was also sent as an attachment if the agenda packet.

More discussion followed on what was being viewed on the screen.

Finance Director Meyer stated the discussion at the Session will center around the Strategic Plan as created but if they have ideas outside of it, such as building the City's reserves, they could submit it as a recommendation from the Budget & Finance Commission as a goal for the City to pursue related to financial sustainability.

Commissioner Jeste commented that it looked more like an action plan than a strategic plan.

Finance Director Meyer stated the action for the Commission that evening would be to discuss whether they want to write a letter to send formally or whether they would like to attend as a Commission or individually and participate on the date of the Session.

Chair Woodham suggested they go individually and take part in the discussion when the opportunity presents itself; stated he didn't see the benefit of writing a letter saying they believe in strong financial management, they should watch expenses, generate revenue, and make the City a better place to live since that is what he would put in a letter; said if the Commission feels differently they can discuss drafting a letter and sending it.

Commissioner Jeste spoke of best practices and looking at what other cities to follow their best practices, such as Fort Wayne.

Commissioner Marin agreed with Chair Woodham and did not feel they were in a position to write a letter in terms of recommendations; opined going to the meeting as an individual would be beneficial.

More discussion followed regarding the Strategic Planning Session.

#### **K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS**

Finance Director Meyer asked if anyone wanted to make any recommendations on the Mid-Year Report or if they were fine with staff's recommendations provided.

Chair Woodham stated as a Commission they are just encouraging continued sound financial management.

Commissioner Marin referenced the Decision Packages and asked if there were any discretionary items that the Commission would want to revisit or postpone.

Finance Director Meyer responded that the only discretionary item are the purchases from the Vehicle Replacement Fund and that fund is healthy and the two items are operationally important; noted that all the General Fund items are fully offset by revenue.

Chair Woodham asked when they prepare for the budget for the next year do they put data together based on what is happening in the current year.

Finance Director Meyer stated that their starting point is the final changes to the current Mid-Year review, they strip down the City's expenditure budget down to their core needs, they anticipate what they can expect from their core revenue sources, they talk to their consultants and various other experts, and then see where that core gets them; noted that their budget is required to be balanced by the City Charter.

More discussion followed.

Commissioner Sherbin cautioned that they should not use the first six months of the current budget as an assumption that the second six months are going to provide the

same level of revenues for the items dependent on TOT, sales tax, and those types of items.

Finance Director Meyer said he brought up a good point, and they will make reasonable assumptions for the trends that they are currently seeing.

More discussion followed.

## **L. ADJOURNMENT**

Motion by Commissioner Sherbin, seconded by Commissioner Jeste, to adjourn the meeting at 8:03 p.m.

Motion carried 4-0-3 by voice vote. Commissioners Allen, Ramcharan, and Turner were absent.

The next meeting of the Redondo Beach Budget & Finance Commission will be a regular meeting to be held at 6:30 p.m. on April 23, 2026, in the Redondo Beach Council Chambers, at 415 Diamond Street, Redondo Beach, California.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted:

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Stephanie Meyer  
Finance Director