



Administrative Report

L.2., File # 21-2396

Meeting Date: 6/15/2021

To: MAYOR AND CITY COUNCIL
From: MARNI RUHLAND, FINANCE DIRECTOR

TITLE

CONTINUED PUBLIC HEARING TO CONSIDER FISCAL YEAR 2021-2022 CITY MANAGER'S PROPOSED BUDGET, FISCAL YEAR 2021-2026 CITY MANAGER'S PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM AND BUDGET RESPONSE REPORTS

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2106-064, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING AN ANNUAL BUDGET FOR FISCAL YEAR 2021-2022

PROCEDURES:

- a. Reconvene Public Hearing, take testimony; and
- b. Close Public Hearing; and
- c. Receive and file Budget Response Reports; and
- d. Adopt by title only Resolution No. CC-2106-064

EXECUTIVE SUMMARY

In accordance with the City Charter, on May 16, 2021, the Mayor and City Council received the Proposed Budget for Fiscal Year 2021-2022 and the Proposed Five-Year Capital Improvement Program (CIP) for Fiscal Year 2021-2026. On May 18, 2021, an overview of the Proposed Operating and Capital Budget Budgets was presented, and the Public Hearing on these documents was held on June 1 and 8, 2021.

The City Charter requires that the annual budget be adopted by June 30, 2021. A resolution for City Council adoption of the Fiscal Year 2021-2022 Operating and CIP Budgets is attached for City Council consideration.

BACKGROUND

Tonight's meeting is a follow-up to the May 18, 2021 presentation of the Proposed Budgets and the June 1 and 8, 2021 Public Hearing also related to the Proposed Budgets. A copy of the Administrative Report from the June 1, 2021 City Council meeting is included for additional background information. Copies of the Proposed Budget documents are attached and are available online at www.redondo.org/budget, including on the OpenGov financial transparency data portal.

As has been well documented, the City's local economy has been significantly impacted by the

COVID-19 public health crisis. It is evident that FY 2021-2022 is the beginning of the road to recovery with revenues anticipated to increase, although not to pre-pandemic levels. And with Federal COVID recovery funds and a bond issuance to refinance the City's CalPERS unfunded accrued liability (UAL), the budget is balanced and includes the resources necessary to satisfy the City's obligations in the coming year. If all Decision Packages are adopted as modifications to the core budget, the General Fund's unallocated balance (annual revenues over expenditures) would be \$869. To date, 54 Budget Response Reports (attached) have been prepared and submitted to the City Council. There are a small number of Budget Response Reports which will be provided via Blue Folder.

Staff will be available at tonight's meeting to assist in tabulating budget modifications as the City Council works toward adoption of the Fiscal Year 2021-2022 Operating and Capital Budgets.

COORDINATION

All City departments participated in the preparation of the Fiscal Year 2021-2022 Proposed Budget and the Fiscal Year 2021-2026 Proposed Five-Year Capital Improvement Program. The Budget and Finance Commission reviewed the Proposed Budgets at its meetings on May 27, 2021 and June 10, 2021. The Harbor Commission reviewed the Proposed Budgets at its meeting on June 2, 2021. Commission feedback has been provided in a Budget Response Report.

FISCAL IMPACT

The adopted version of the Fiscal Year 2021-2022 Budget will create the financial guideline for all City operations. The Fiscal Year 2021-2026 Five-Year Capital Improvement Program is a planning document only. Funding for capital projects in the first year of the plan will be approved as part of the Fiscal Year 2021-2022 Budget.

APPROVED BY:

Joe Hoefgen, City Manager

ATTACHMENTS

June 1, 2021 Administrative Report
Budget Adoption Resolution
Fiscal Year 2021-2022 Budget Response Reports