

**CITY OF REDONDO BEACH
BUDGET & FINANCE COMMISSION AGENDA
Tuesday, May 26, 2026**

415 DIAMOND STREET, REDONDO BEACH

SPECIAL MEETING

**SPECIAL MEETING OF THE BUDGET AND FINANCE COMMISSION - 6:30
PM**

**ALL PUBLIC MEETINGS HAVE RESUMED IN THE CITY COUNCIL
CHAMBER. MEMBERS OF THE PUBLIC MAY PARTICIPATE IN-PERSON,
BY ZOOM, EMAIL OR eCOMMENT.**

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After registering, you will receive a confirmation email containing information about joining the meeting.

If you are participating by phone, be sure to provide your phone # when registering. You will be provided a Toll Free number and a Meeting ID to access the meeting. Note; press # to bypass Participant ID. Attendees will be muted until the public participation period is opened. When you are called on to speak, press *6 to unmute your line. Note, comments from the public are limited to 3 minutes per speaker.

eCOMMENT: COMMENTS MAY BE ENTERED DIRECTLY ON WEBSITE AGENDA PAGE:

<https://redondo.granicusideas.com/meetings>

- 1) Public comments can be entered before and during the meeting.
- 2) Select a SPECIFIC AGENDA ITEM to enter your comment;
- 3) Public will be prompted to Sign-Up to create a free personal account (one-time) and then comments may be added to each Agenda item of interest.
- 4) Public comments entered into eComment (up to 2200 characters; equal to approximately 3 minutes of oral comments) will become part of the official meeting record.

EMAIL: TO PARTICIPATE BY WRITTEN COMMUNICATION WITH ATTACHED DOCUMENTS BEFORE 3PM DAY OF MEETING:

Written materials that include attachments pertaining to matters listed on the posted agenda received after the agenda has been published will be added as supplemental materials under

the relevant agenda item.
financemail@redondo.org

SPECIAL MEETING OF THE BUDGET AND FINANCE COMMISSION - 6:30 PM

- A. CALL MEETING TO ORDER**
- B. ROLL CALL**
- C. SALUTE TO THE FLAG**
- D. APPROVE ORDER OF AGENDA**
- E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS**

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

- E.1. [For Blue Folder Documents Approved at the Budget and Finance Commission Meeting](#)**

F. CONSENT CALENDAR

Business items, except those formally noticed for public hearing, or discussion are assigned to the Consent Calendar. The Commission Members may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion following Oral Communications.

- F.1. [APPROVAL OF AFFIDAVIT OF POSTING FOR THE SPECIAL BUDGET AND FINANCE COMMISSION MEETING OF MAY 26, 2026](#)**

- F.2. [APPROVAL OF THE MINUTES FROM THE REGULAR MEETING OF APRIL 23, 2026](#)**

G. EXCLUDED CONSENT CALENDAR ITEMS

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Commission. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

- H.1. [For eComments and Emails Received from the Public](#)**

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

J. ITEMS FOR DISCUSSION PRIOR TO ACTION

- J.1. [DISCUSSION AND POSSIBLE ACTION REGARDING THE FISCAL YEAR 2026-27 CITY MANAGER'S PROPOSED BUDGET AND 2027-2031 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM.](#)**

- J.2. [DISCUSSION REGARDING SENDING A LETTER TO CITY COUNCIL CONCERNING PROFESSIONAL SERVICES PROCUREMENT](#)**

- J.3. [DISCUSSION REGARDING SENDING A LETTER TO CITY COUNCIL CONCERNING](#)**

THE CIP PROCESS

K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS

L. ADJOURNMENT

The next meeting of the Redondo Beach Budget and Finance Commission will be a regular meeting to be held at 6:30 p.m. on June 11, 2026, in the Redondo Beach Council Chambers, at 415 Diamond Street, Redondo Beach, California.

It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

An agenda packet is available 24 hours at www.redondo.org under the City Clerk.



Administrative Report

E.1., File # BF26-0652

Meeting Date: 5/26/2026

TITLE

For Blue Folder Documents Approved at the Budget and Finance Commission Meeting



Administrative Report

F.1., File # BF26-0649

Meeting Date: 5/26/2026

TITLE

APPROVAL OF AFFIDAVIT OF POSTING FOR THE SPECIAL BUDGET AND FINANCE
COMMISSION MEETING OF MAY 26, 2026

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body	Budget and Finance Commission
Posting Type	Special Meeting Agenda
Posting Locations	415 Diamond Street, Redondo Beach, CA 90277 ✓ Adjacent to Council Chambers ✓ City Clerk’s Counter, Door “1”
Meeting Date & Time	May 26, 2026 6:30 p.m.

As the Finance Director of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

*Stephanie Meyer, Finance Director
Budget and Finance Commission*

Date: May 22, 2026



Administrative Report

F.2., File # BF26-0650

Meeting Date: 5/26/2026

TITLE

APPROVAL OF THE MINUTES FROM THE REGULAR MEETING OF APRIL 23, 2026



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, Allen, Sherbin, Chair Woodham

Commissioners Absent: 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 5-0-2 by voice vote. Commissioners 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

Liaison Kamsvaag reported no Blue Folder items.

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF APRIL 23, 2026

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

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

Motion carried 4-0-3 by voice vote. Commissioner Allen abstained since she was not at the March 12, 2026 meeting. Commissioners 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 stated that surveys of North Redondo Beach residents have been done regarding what they would like to have in their community; spoke about the NRB Farmers Market from the day before and commented that it was a live demonstration of what the community wants; stated residents don't want rooftop dining and described residents wanting a place to sit, chat, and spend time with their families and friends; said residents want more businesses that involve community events centered on families and couples; stated when he goes to community meetings they are made up of residents that are normally complaining about e-Bikes and homelessness and not the people he saw at the Farmers Market; questioned who has requested rooftop dining; noted that this is a concern for Budget and Finance because the residents who don't find what they want in their own city go to other cities and spend their money and used Manhattan Village, Del Amo Mall, and Hermosa as examples; commented that the recent measure to eliminate parking requirements was good; referred to the Strategic Plan and said he sees the AREAS contract as the input basis for economic development for Artesia Blvd. and reported it was approved on January 1st but no public update has been given; asked when the FAR vote would be taken; asked if the specific procurement plan and placements meet the budget timeline; wanted an explanation as to why rooftop dining is crucial to the Strategic Plan; stated that there is nothing in the Strategic Plan about walkability, reducing the traffic speeds, or providing real public spaces; commented that the AACAP was approved in 2019 and wanted a status update; commented that there is nothing about the Galleria property in the Strategic Plan and asked if a budget provision was needed to get that started; asked the Commission to make a recommendation to the City Council to look in the budget and find what the people of North Redondo really want.

Liaison Kamsvaag reported no Zoom comments and no one online.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS - None

J. ITEMS FOR DISCUSSION PRIOR TO ACTION

J.1. FISCAL YEAR 2026-27 BUDGET INPUT

City Manager Witzansky noted he was there to take input from the Commission for the budget development process for the City and to give the Commission a chance to provide early input for that budget document; reported that the budget would be presented to Council on or about the weekend of May 15–16 and a formal receive-and-file presentation will take place at the May 19 City Council meeting; stated that the Commission would receive a formal budget presentation at a late May meeting.

Chair Woodham asked the City Manager if the City had any major expense items that would be unusual in size or scope.

City Manager Witzansky noted that they are still working on final numbers but the City is planning on another soft year in as far as revenue from TOT; stated the 26-27 revenue estimate will be higher than the 25-26 fiscal year numbers; commented that there is a lot of uncertainty in the international visitor market and they have had challenges in household income and local spending; stated that the World Cup activities occurring in the region in June should help provide some spike in the 25-26 returns; said they continue to be bearish in the TOT category and may be forced to make some tough decisions in the budget; said he may need to recommend a flexible hiring freeze to take advantage of vacancies in the organization but is committed to doing all he can to not draw from the CalPERS reserve account again this year in order to balance; stated they are trying to provide a balanced budget by relying on fund balance savings from the midyear process and by being creative with their savings strategies; reported that they have \$4.5 million in the CalPERS reserve; reported they are seeing some relief in their Unfunded Accrued Liability payment structure, potential relief in the Miscellaneous category of their PERS costs, and a possibility to extinguish the Miscellaneous PERS Unfunded Liability at the conclusion of next fiscal year, which would lower the City's payment; noted it all depends on how the market finishes in the 25-26 fiscal year; reported that they expect strong property tax revenues, sales tax will remain flat, charges for services are doing well, parking revenue has increased, success with the Emergency Response Fee that was implemented last year, and the City's program participation fee and special event charges are on the rise; commented that the biggest hole in the budget is the TOT projection.

Chair Woodham asked what the City's high was in TOT contribution.

City Manager Witzansky responded that pre-Covid it was almost \$10 million and at this time, the City is at \$6 million this year.

Chair Woodham commented that there is a delta of \$3 to \$5 million; asked for an update on the Galleria and whether they are still trying to get financing.

City Manager Witzansky reported that the Galleria went out to bid last year and he was told they were unhappy with the bids, they are reassessing, and he has been told they are considering taking on a partner in building the project as entitled; stated that the City has given them full entitlement, approved the initial 300 units, provided a secondary entitlement increasing the units to 650, and they have the potential to build houses on the northeast corner and southwest corner; noted that construction lending is high so it has been a struggle for them but the City has done all they can to incentivize redevelopment

at that site; noted that the Galleria used to be the City's largest sales tax driver and accounted for 40 to 60% of the City's annual sales tax revenue and now it accounts for less than 10%.

Chair Woodham asked if the AES site is still tied up.

City Manager Witzansky responded that it is still tied up in bankruptcy and litigation.

Chair Woodham referred to Jim Mueller's comments and asked about economic development in North Redondo and middle Redondo.

City Manager Witzansky stated that the AACAP document has been in place for years and the City has taken the administrative actions to make the changes to incentivize reinvestment in the properties; reported that the challenge is the absentee ownership of the properties in the area and a lot of the owners are trusts that don't live in the community; explained that the City hired a company called AREAS and they will find and create a list decision makers for each of the properties and explain to the decision makers the new development opportunities that exist; spoke about the FAR cap discussion that was presented to the voters and that the election is targeted for November unless they decide to do a special election earlier; stated that if the AACAP development increases that need to be approved through Article 27 happen in September, October, or November timeframe it will be a big step towards incentivization as it will give developers more flexibility to do things on their premises, noted that the Council already eliminated parking requirements; went into more detail on the environment the City is trying to create for the area and used the NRB Farmers Market as a good example of what they are looking to create; commented that Artesia has received more attention from Council and staff in the last two years than ever before but that the development community is really needed; spoke briefly about the GrubHaus project, noted that they fast tracked permitting but the ownership has stalled; commented that a lot is happening on the private side that is not bringing things forward and that the City is not the barrier for redevelopment; stated they should have an update from AREAS in a few months and their charge is to create the inventory and pair them with prospective developers who have concepts in line with the AACAP.

To answer Chair Woodham's question, City Manager Witzansky said that absentee owners seem content with collecting rent from operators and not dealing with tax implications of reinvestment or sale, that Prop 13 can prevent reinvestment, and provided other reasons why owners have been reluctant to release their properties; reported that they have lots of trusts in the Artesia area.

Commissioner Jeste asked for an update on the Police HQ and Fire Stations and the bond issue.

City Manager Witzansky explained they have separated the project into two buckets: 1) Police Station rebuild and the Annex renovation and 2) Fire Station 1 and 2 reconstruction; reported they solicited proposals from prospective progressive design building contractor firms, shortlisted it to four prospects on each side, interviewed for the Police group last Tuesday, and interviewed for the Fire group earlier that day; stated that

their evaluation team will review and shortlist it further and start the due diligence reference check process; hoped to make recommendations to Council in the next couple of months.

Commissioner Jeste asked what the latest projection is for the total cost.

City Manager Witzansky noted it is a two-step process, the firm will give the City a general estimate, 60-70% of design is done, and then a final negotiated price will be provided; stated, given the information they have, they should be able to deliver on budget; said his guess is they will probably issue the bonds later in the fall because they will be spending significant money and have been floating their pre-concept cost so far.

Commissioner Sherbin asked if the configuration of the Fire Department buildings were going to accommodate paramedic transport since 95% of the calls are for paramedic services; reported a recent incident of a heart attack in his neighborhood and mentioned three Rbfd vehicles plus the private ambulance came to the call and commented it felt overloaded.

City Manager Witzansky stated that most of the Rbfd are paramedic service certified and they are able to deliver advanced life support services from almost every unit so when a call goes out sometimes it is the heavy equipment that shows up to the call; reported that he and Fire Chief Butler recently spoke about making a concerted effort to keep the ladder truck in the station unless it is needed.

Commissioner Sherbin asked if the paramedic service could do three 8-hour shifts instead of sleeping at the Fire Station.

City Manager Witzansky explained that if they have operators on the rig all trained in advanced life support and paramedic service that is a paramedic unit except they cannot transport anybody in the engine and that is where McCormick Ambulance comes to the scene; stated that is how it is meant to work to be flexible to provide rescue support, fire suppression, and paramedic service; noted with the EMS fee being charged, the City is getting some return if they are called to an incident that could have been administered at an Urgent Care; stated it is important for the City to work in tandem to some degree and be on standby for a potential emergency or rescue call.

Commissioner Sherbin asked if they could somehow send out smaller vehicles for the paramedic calls with less operators than having the big fire engines that are fully equipped and staffed.

City Manager Witzansky explained that they can't break up the unit needed to respond in case the event is significant; added that the Fire Chief and his command team make efforts to be as efficient with the rollout as they can be.

Chair Woodham, regarding CalPERS, reported that the first two quarters of the fiscal year had a 7.7% return but the third quarter was disappointing; stated about a week ago, the S&P recovered its loss for the first quarter and commented that if things hold steady CalPERS will make their 6.8%.

City Manager Witzansky stated what they need is for CalPERS to just meet their return mark or more and that would be good for the City.

Finance Director Meyer noted that the City ramps in the losses and gains for the upcoming years of their unfunded liability, so the positive impact they are projecting for the next few years won't even be at the high point of the impact of the gains that they have seen from the last few years.

Discussion followed regarding the CalPERS reserve.

Chair Woodham stated it was the CalPERS payment that really caused the issue, so the City could justify going into the reserve for some amount of money to cover it.

City Manager Witzansky reported that the CalPERS payment they made last year for UAL far exceeded what they took from the reserve account; provided some explanation on how the City has used the fund in the past but they are hoping they won't need to this year.

Commissioner Allen asked if there is a document that summarizes the Strategic Plan Meeting.

City Manager Witzansky reported that the draft document will go to the City Council on May 5th and the City Council will consider adopting the Strategic Plan at that meeting.

Commissioner Allen commented that without that document she has no data in front of her to give any input.

City Manager Witzansky responded that the prior Strategic Plan is available online and still active if she wants to view that; stated that there were about 100 items and about 30 had been completed over the prior planning period but the goals were not changed much and it is largely a continuation of the momentum they built last year; announced he would be back at the end of next month.

Liaison Kamsvaag invited public comment.

Jim Mueller stated, as the City Manager described earlier, the City has a whole cadre of rent collectors on Artesia Blvd. slowly strangling the community; said that the Farmers Market showed that there are people within walking distance of Artesia Blvd. with money to spend but they don't spend it on Artesia Blvd.; stated there has to be something that can be done to force the rent collectors to give up their property or at least allow it to be used for the public interest; asked that the Budget & Finance Commission recommend to the City Council that they search for a way to remove the rent collectors off Artesia Blvd.; stated that he and Georgette Gantner have been interested in a property at 2017-2019 Artesia Blvd., which has been vacant for at least 12 years, noted that Ms. Gantner would like to put a community center at that location and has been working with OurNRB to assist her; reported that Ms. Gantner has already been in contact with the owner of the property and has been able to persuade that person to listen to her proposal; said the

goal of OurNRB is to offer things in the area to benefit public interest and to have their dollars spent in their community.

Steve Hague, 35-year resident, commented that he has felt like Redondo Beach is anti-business for many years and used Artesia Blvd. as an example; stated that the area is neglected and questioned the types of businesses the City has allowed to occupy Artesia Blvd.; commented that two thirds of the kids live in North Redondo and safety is a concern along with e-Bikes; voiced his concern over the LGBTQ+ statue that is scheduled to be placed in front of the Library and stated very little discussion has happened since it was mentioned in January; stated that he has done his work and 90% of the people in the area do not want that statue there and hoped it was not done.

Liaison Kamsvaag reported no one on Zoom and no eComments.

J.2. PROFESSIONAL SERVICES PROCUREMENT

Finance Director Meyer provided an update on the City's ongoing Citywide procurement review process, noting that work continued on identifying the precise amount spent annually on professional versus contractual services; reported that the City's purchasing lead is working on a detailed analysis of each professional services engagement to identify the services of the vendor and the procurement process that was followed; stated that they are not required to do any competitive bidding for professional services but they often do and the analysis will show the type of circumstances that warrant the bid; stated that they have an ongoing Citywide process to look at several aspects of purchasing in greater detail and wanted to share the project plan with the Commission; showed on the screen the project plan; explained that they have a number of task forces and are currently in the middle of phase II and III; noted that Administrative Analyst Jacob Kamsvaag is on a number of those task forces, including professional services; explained that they are looking at the City's entire system workflow including policies and procedures, best practices, planning, current state, and then they will present recommendations internally; acknowledged that the public and Commission have shown some interest in this matter and welcomed any best practices from other organizations or recommendations.

Commissioner Allen inquired about the total professional services agreements they spoke about at a previous Commission meeting and thought Director Meyer was supposed to provide that broken down by department.

Finance Director Meyer responded that they don't have the data broken down in their financial system between professional and contractual services, so it is a much more complicated task.

Commissioner Allen noted that, in a budget, there is usually a line item for professional services and questioned if the City has that line item.

Finance Director Meyer responded that they have a line item that combines contractual and professional services.

Commissioner Allen commented that is a problem and suggested that the Commission recommend having a separate line item for professional services.

Commissioner Marin asked if there was a professional services line under each individual group or department.

Finance Director Meyer reiterated that they have a combined line item for professional and contractual services and that line item is broken down by department which is then broken down further by specific org or subdivision; explained their process allows them to combine the data in ways that would help them view data by fund, by project, if a contract crosses departments, etc.; said that they can look into adding in a factor to do as Commissioner Allen suggested.

Commissioner Sherbin asked if they separate the professional services from the contractual services since the contractual services require an outside bid.

Finance Director Meyer explained that by the time they enter the requisition the project has already gone through a competitive bid or noncompetitive bid and the backup documentation would be in the agreement, noted that the agreement will not necessarily have the procurement process in it.

Commissioner Sherbin asked at what stage the departments communicate to the Finance Department if goods or services are needed and if there is a document the department gives to the Finance Department during that communication stage.

Finance Director Meyer responded that the departments contact them when they have a need that requires the Finance Department's involvement and explained that the closest document would be the RFP but that is not a formal process through the City's financial system; provided more details on the City's process for RFPs and that the Finance Department is not always involved.

More discussion followed. Director Meyer noted that anything under \$5,000 does not require authorization but anything over requires at least two quotes and documentation for Finance.

More discussion followed regarding the need to identify where in the system they could add the data point and it would require a very detailed analysis first.

Commissioner Sherbin asked if the Commission could get a copy of her outline on purchasing.

Finance Director Meyer indicated she would look into providing it.

Chair Woodham referenced a previous discussion regarding determining the amounts that go out for bid and the amounts that did not in regard to procurement and asked if those numbers were still being reviewed.

Finance Director Meyer replied that it is still in process; noted that the General Fund total for combined contractual and professional services is approximately \$7.1 million.

Liaison Kamsvaag reported no one on Zoom and no eComments.

Motion by Commissioner Allen, seconded by Commissioner Jeste, to write a letter to the City Council recommending the City Council require the City to have a separate professional services line item separate from all contractual services in the budget book so it can be tracked and to officially require a process to have a minimum of three bids for services less than \$50,000 and an RFP for services of \$50,000 plus.

Chair Woodham asked if there is anything in the City's charter, ordinances, or regulations that state limits for purchase orders.

Finance Director Meyer replied that, for professional services, the only statement made in the City's municipal code is that competition is not required; stated that the City has internal policies that set thresholds for purchase order requisition and for competitive bidding for items that do require competitive bidding.

Discussion followed regarding the requirements for a PO for professional services and the definition of professional services, which is in the municipal code, and the need to separate it out so it can be tracked.

Chair Woodham asked if the amounts are in the City Charter and if so, that would require a Charter amendment.

Finance Director Meyer reported that only Public Works is in the City Charter.

Discussion followed regarding the motion on the floor.

Motion carried 5-0-2 by voice vote. Commissioners Ramcharan and Turner were absent.

Chair Woodham suggested that Commissioner Allen draft the letter and send him a copy.

Finance Director Meyer stated that he needs to review and sign it as the Chair.

The Commission decided Chair Woodham could send it directly to the City Council and BCC the rest of the Commission.

J.3. DISCUSSION REGARDING THE CIP SUBCOMMITTEE ACTIVITY

Finance Director Meyer noted that this is a recurring item to ensure the CIP subcommittee provides the Commission with any updates and move towards providing a recommendation to the Council.

Chair Woodham reported that only one member of the subcommittee was present that evening; asked Commissioner Jeste if he had any comments.

Commissioner Jeste reported that he went through all the CIP projects completed last year and all were different; stated the change order process was established 32 years ago and has not been updated; stated that the upfront planning is not good and that the City resorts to spending money through the change order process; said the best example is the Manhattan Beach Inglewood Avenue rework, reported that the project lasted 10 years which indicates it was not urgent.

Chair Woodham asked him to elaborate on the project.

Commissioner Jeste noted that it was a complicated project and offered to summarize it and provide a report; stated that his point of contention has been why doesn't the City get bids for everything that is over a certain amount; reported that the City Engineer is authorized to spend up to \$25,000 for any emergency on projects and has used that judiciously and sparingly but that limit was raised from \$25,000 to \$100,000 for this project; questioned why that decision was made; reported that of all the money spent on CIPs last year, 80% was on change orders; said he looked at the jobs that invited bids and the difference between the lowest and the highest bid was between 5% and 7.5%, so contended that if the City solicits bids for everything over \$25,000 there would be a big cost savings; opined that the change order process is used more often than necessary; mentioned he wrote a letter to the Mayor about the issues and that the Mayor responded that the CIP process is confusing, he suggested changes, and no changes have been made; commented that the City Council has been rubber stamping all the change orders with no discussion, no questions, and no presentation of data; stated without data there is no way to improve the process to make it more cost effective or more efficient; recommended a total revamp of the entire CIP process and management and to separate the maintenance from the capital improvement.

Commissioner Allen asked the Finance Director to confirm that both the CIP projects and the maintenance projects are lumped together.

Finance Director Meyer stated that the City considers both of them as part of the larger Capital Improvement Program.

Chair Woodham and Finance Director Meyer spoke to the fact that some maintenance items take on a nature similar to a CIP and that is why they fall under that category; Director Meyer added the large dollar items, such as the City's residential rehab or annual street repaving, would be types of maintenance projects that would fall under CIP in the budget.

Commissioner Sherbin provided more definition to what distinguishes the maintenance activity to fall under CIP.

Commissioner Jeste continued with his recommendations; recommended doing away with the change order process, noted that the Engineer is authorized to spend up to \$25,000 for emergencies, and commented that nothing else should fall into the change order category.

Discussion followed regarding contractors preferring the change orders to having to go through a bid.

Chair Woodham stated that the contractors have an agreed upon price.

Commissioner Jeste stated that it is not the price but the extension of the project that he is focused on; spoke about poor planning, reliance on change orders, and instances where additional funding sources are provided; noted that some projects get completed and the City will add onto the original scope and just give the job to the original contractor without getting bids.

Chair Woodham commented that the extension of a project is done under the mandates of an RFP process that has been done so it is under contractual terms.

Commissioner Jeste said from what he looked at the project number and the contract description doesn't change, the only change is the source of funding or the additional work the City requests to be done.

Chair Woodham stated he could not make a decision based on what they have done so far and he would want to review the information from the Public Works meetings before making a decision.

Commissioner Allen questioned what information Chair Woodham felt he needed.

Chair Woodham responded that he would like to hear the Public Works Director's explanation regarding change orders and whether or not he knows they are not being charged higher prices by not going out for bids.

More discussion followed, Commissioner Jeste stated that every project is unique, so it is difficult to generalize it; Commissioner Sherbin opined that just knowing 80% of the cost is based on change orders is enough to indicate there is a problem with the planning on the front end.

Commissioner Jeste reported that the subcommittee met with the Planning staff and staff defended their process and assured the subcommittee that they understood the costs; told Chair Woodham that based on everything he has looked at he recommends that the whole process needs to be revamped.

More discussion followed. Chair Woodham suggested that the conversation and discussion should be done in front of the Public Works Director so he can answer the questions they have; noted that they have a joint meeting with Public Works in May and asked Director Meyer if they would be able to discuss budget and the City's change order process at the same time.

Finance Director Meyer replied that she could ask but commented that the Public Works Director has indicated that the Public Works Department has explained the process several times already and they did have a detailed meeting with the subcommittee as well; noted that it was unfortunate that two thirds of the subcommittee was not there that

evening to share any additional information; stated she could look back at the transcripts and video of the meetings they have had and pull the details from there; said they could bring up their question at the joint meeting but cautioned the Commission that the focus should be on the budget and not the CIP process for the May meeting.

Commissioner Allen said it is relevant to the budget.

Commissioner Jeste and Chair Woodham reported that the funding for those is from outside sources so the City is not paying for it and would not be part of the budget discussion for the May meeting.

Finance Director Meyer went into more explanation on how the CIP items are funded and how the City projects spending on the items; stated that the City only spends what is projected in the budget based on the information they are given.

Chair Woodham stated that he did not want to speak for the Commission since he was absent for the meetings with Public Works.

Commissioner Jeste read notes he took regarding two projects he highlighted; commented he noticed many projects start work and then additional funding becomes available and change orders are issued to the same contractor; provided details regarding Job No. 41240 Anita Street at PCH Improvement.

Chair Woodham asked how Public Works responded to their questions regarding the issues Commissioner Jeste identified; commented that their response was probably that they had no way of knowing what would occur, and if that is the case, the only way to adjust for it would be through change orders; stated that the bid can only be based on information that they know.

Commissioner Marin asked Commissioner Jeste if he was asking that the City send change orders over a certain level back out to bid.

Chair Woodham stated that change orders will need to occur in some circumstances; noted that Commissioner Jeste mentioned a project that took 10 years and commented that was clearly not a normal project; stated that there must be the ability to provide for contingencies.

Commissioner Jeste commented that if the scope of work changes significantly then the City should be required to get bids, which is not what currently happens.

More discussion ensued.

Commissioner Jeste stressed that the issues occur due to poor planning at the initial stage.

Chair Woodham noted that Commissioner Jeste suggested to eliminate change orders and stated that would be impossible. Commissioner Allen agreed.

Commissioner Jeste clarified that he did not say no change orders but suggested that anything over \$25,000 should get a bid.

Commissioner Allen opined that it starts with comprehensive planning at the RFP, how it is written, and the leadership behind it; suggested that they focus on that and not the change orders.

Commissioner Sherbin said the philosophy should be that there will be change orders, but the change order should not exceed 10% of the total bid or the nature of the project has been changed too much, and then it is a new project and should go out to bid again.

Chair Woodham acknowledged that the Commissioners all had valid points but wanted to know how the Public Works Department responded to their questions.

Commissioner Sherbin recalled that the Public Works staff stated as the project develops, the scope changes due to different circumstances, they go back to the Council and the Council directs them to proceed; stated he did not hear any real evidence for the change and they do not go through another process of rebidding or reevaluation; voiced his concern that staff does not see the importance of defining the project in the beginning since they have the ability to move the goal as they need to.

Commissioner Allen said the City needs to be more proactive and anticipate the changes; opined that they need an expert.

Discussion followed regarding the qualifications of the City Engineer, establishing a philosophy to work within, and the need to develop criteria.

Commissioner Jeste provided an example of an owner hiring a contractor to build a home and then adding a pool to the scope, noted that an owner would get new bids for the pool build.

Chair Woodham commented that the discussion he understood was the change orders were adding units to the original RFP but the Commissioners are now discussing complete changes to the scope of the original project which would be a totally different item.

More discussion followed that each project is different and rules need to be established for change orders; suggested that change orders can only be done based on the scope detailed in the RFP; discussion on what the Commission should present as their recommendation to the City Council.

Chair Woodham suggested that they form a new subcommittee with Commissioners Jeste and Allen to draft the Commission's recommendation to the City Council.

Discussion followed regarding who would be on the subcommittee, what the draft recommendation would include, and what their motion should be.

Liaison Kamsvaag reported no one on Zoom and no eComments.

Finance Director Meyer stated she will find the meetings where Public Works was present and share the video and transcript with the Commission.

Motion by Commissioner Allen, seconded by Commissioner Marin, to create a subcommittee of Commissioners Jeste, Sherbin, and Allen to draft a letter of recommendation to City Council regarding purchasing practices and bring it back to the Commission for approval.

Motion carried 5-0-2 by voice vote. Commissioners Ramcharan and Turner were absent.

J.4. WEBSITE CONTENT

Commissioner Allen brought to the Commission's attention that the City's financial website is not public friendly and the financial information needs to be made accessible and comprehensible to the general public; stated that the reports presently available on the City's Finance website, including the ACFR, are hundreds of pages long and could not be understood without understanding finance.

Finance Director Meyer reviewed the reports provided on the City's website; agreed that the ACFR is not easily readable but noted it is not designed for the public, it is designed for accountants and for financial oversight, and needs to be kept in that format; proposed that a Popular Annual Financial Report (PAFR) be created, which would be more readable for the general public; reported that the City's assistant director has experience with PAFR and could work on it; also proposed the creation of a budget snapshot and was open to any other ideas the Commission had to share financial information on the website; announced that the City's prior OpenGov transparency site, which costs approximately \$10,000 per year, has been discontinued due to underuse and the expiration of the contract.

Commissioner Allen suggested the City put a few pages of visual graphs on the website that are public friendly.

Discussion followed. Director Meyer pointed out that the budget book is digital, easy to pull up, and the information is straight forward.

Commissioner Allen noted that the information on the site is understandable to them because they are in the industry but is not to the general public.

More discussion followed.

Motion by Commissioner Allen, seconded by Commissioner Sherbin, to recommend that staff create summary budget charts to be available on the City's website.

Liaison Kamsvaag reported no one on Zoom and no eComments.

Motion carried 5-0-2 by voice vote. Commissioners Ramcharan and Turner were absent.

J.5. PROPOSED REGULAR MAY MEETING DATE RESCHEDULING

Chair Woodham stated the proposal is to move the Joint Meeting with PWSSC from April 27, 2026 to later in May after the budget is presented by staff to the City Council.

Finance Director Meyer proposed that the regular May meeting scheduled for May 14th, be rescheduled to May 26th; explained that the May 14th date falls directly before staff delivers the proposed budget to City Council, so no substantive document would yet be available for Commission review; noted after the budget has been presented to Council and received and filed on May 19th, the Commission would be able to have a substantive discussion; reported that it would also allow for an additional meeting in the second week of June before final budget adoption on June 16th. The Finance Director also proposed canceling the previously planned joint meeting with the Public Works Commission scheduled for the following Monday, April 27, and instead inviting the Public Works Commission to join the May 26th meeting.

Motion by Commissioner Allen, seconded by Commissioner Marin, to change the May 14th meeting to May 26th.

Liaison Kamsvaag reported no one on Zoom and no eComments.

Motion carried 5-0-2 by voice vote. Commissioners Ramcharan and Turner were absent.

Chair Woodham stated they should keep in mind that Council discusses specific operations and parts of the budget on June 2nd and capital on June 9th; asked Director Meyer if staff is presenting on May 19th.

Finance Director Meyer replied that she would be and explained that staff delivers the proposed budget document to Council by Charter on May 16th and would also send the Commission a copy on May 16th.

Commissioner Allen argued that the purpose of the Commission is to provide input to the proposed budget document before it goes to Council.

Discussion ensued regarding the timeline of when the proposed budget document is presented and when the City Council actually takes action on it.

Finance Director Meyer clarified that the purpose of presenting the proposed budget document on May 19th is to present it in a public setting, the City Manager shares his vision for the budget, and Council will have time to review the information; noted that on May 19th it is a receive and file item for the City Council; stated that official budget discussions will begin on the first Tuesday in June and decisions and adoption of the budget will take place at the last City Council meeting in June.

Commissioner Allen suggested that members of the Commission attend the meetings in June.

K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS

Discussion of what items will be on the next agenda followed.

Chair Woodham stated that the full budget would be discussed and should be the primary topic, it was noted that Public Works may be attending their next meeting.

Commissioner Allen noted that they also need to vote on the letters for approval.

L. ADJOURNMENT

Motion by Commissioner Allen, seconded by Commissioner Marin, to adjourn the meeting at 8:39 p.m.

Motion carried 5-0-2 by voice vote. Commissioners 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 May 14, 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:

Stephanie Meyer
Finance Director



Administrative Report

H.1., **File #** BF26-0651

Meeting Date: 5/26/2026

TITLE

For eComments and Emails Received from the Public



Administrative Report

J.1., File # BF26-0653

Meeting Date: 5/26/2026

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

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING THE FISCAL YEAR 2026-27 CITY MANAGER'S PROPOSED BUDGET AND 2027-2031 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM.

EXECUTIVE SUMMARY

Staff presented the FY 2026-27 Proposed Operating Budget and 2027-2031 Five-Year Capital Improvement Program to City Council along with the May 19, 2026 Council Agenda delivered May 14, 2026. This is consistent with the City Charter requirement to post an annual budget by May 16. Staff shared the same information with the Budget and Finance Commission the same evening by email. On May 19, 2026, staff presented the FY 2026-27 Proposed Budget and Five-Year CIP to City Council, responded to initial questions, and set a public hearing for the June 2, 2026 City Council Meeting. Council will discuss the Budget again on the following dates: June 2, 2026 (Operations focus); June 9, 2026 (Capital focus); and June 16, 2026 (final discussion and adoption). Council will also consider fee changes and the FY 2026-27 Appropriations Limit (GANN limit) on June 16.

BACKGROUND

City Council has received one presentation on the FY 2026-27 Proposed Operating Budget and 2027-2031 CIP. Staff also shared a preliminary list of Budget Response Reports (BRRs) to 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 currently 44 BRRs, which staff will complete and present to Council for the June meetings. The current Table of Contents is included as an attachment to the report; Council may continue to add BRRs throughout the budget process. When completed, reports will be available with the meeting agenda and at www.redondo.org/budget <<http://www.redondo.org/budget>>.

As presented, the FY 2026-27 City Manager's Proposed Budget is balanced and was developed consistent with City Council's adopted financial principles, balancing needs with resource availability. The 2027-2031 Proposed Five-Year CIP model identifies capital investment required to meet the City's General Plan and other policy goals and to ensure good stewardship of existing infrastructure.

The total proposed General Fund Budget with recommended Decision Packages is approximately \$131.0 million. The CIP budget includes 89 projects with \$130.3 million of new funding, \$92.9 million of which is associated with Measure FP for new Police and Fire Department facilities.

Both documents are available on the City's website at <<https://www.redondo.org/budget>> in pdf and

digital format.

The table below shows the scheduled meetings leading up to Budget Adoption. According to the City Charter, City Council must adopt the budget annually by June 30th

Date	Action
May 19, 2026	Receive and File the FY 2026-27 Proposed Operating Budget & 2026-2031 CIP Set Public Hearing Dates
June 2, 2026	Public Hearing - Operating Budget Focus
June 9, 2026	Public Hearing - CIP Budget Focus
June 16, 2026	FY 2026-27 Operating Budget & 2027-2031 CIP Adoption User Fee Adoption Appropriations Limit/ GANN Resolution Adoption

Staff recommends the Budget and Finance Commission receive and file the budget documents and presentation and discuss input to provide to the City Council as they pursue further budget discussions. Staff will include the Budget and Finance Commission's input from the May 26, 2026 and June 11, 2026 meetings to Council prior to the final June 16, 2026 meeting.

The FY 2026-27 Proposed Operating Budget and 2027-2031 Five-Year CIP are available at www.redondo.org/budget <<http://www.redondo.org/budget>>.

COORDINATION

All departments participated in the preparation of the Fiscal Year 2026-27 City Manager's Proposed Budget and Five-Year CIP.

FISCAL IMPACT

Following adoption, the FY 2026-27 Budget establishes spending guidelines for all City operations and for the first year of the CIP. The 2027-2031 Five-Year Capital Improvement Program is a planning document with funding appropriated for capital projects in year one of the plan only.

ATTACHMENTS

- 1) Budget Response Report Table of Contents (as of 5/22/2026)
- 2) Presentation prepared for 5/26/2026 Budget and Finance Commission Meeting

**CITY OF REDONDO BEACH
BUDGET RESPONSE REPORTS
FY 2026-27 BUDGET**

The following is a list of Budget Response Reports delivered along with the FY 2026-27 Proposed Budget. A glossary with full Department names is at the end of the document.

#	Dept	Question	Submitted
1	FS	What changes or corrections have been made to the FY 2026-27 Proposed Budget and CIP since its initial publishing on May 16, 2026?	
2	Police	What is the status of Sworn personnel staffing in the Police Department?	
3	Police	What is the status of Civilian personnel staffing in the Police Department?	
4	Police	How is the Police Department addressing traffic enforcement and safety on residential streets and the enforcement of truck routes, and what are the costs associated with these efforts?	
5	Police	What is the status of collected revenues for parking meters, parking permits, and parking citations? Can these fees be adjusted? Would additional Municipal Services Officers improve City parking enforcement and, if so, at what cost?	
6	Police	What technology platforms does the Police Department use to increase transparency and build trust, and what are the plans for the evolution of these programs to meet changing needs?	
7	Police	How does the Police Department's Wellness Program support employee health and morale, what are the plans for the evolution of these programs to meet changing needs, and what are the anticipated long-term benefits of investing in this initiative?	
8	CS	What special events were designated as Signature Events and received City subsidy in Fiscal Year 2025-26?	
9	CS	What was the cultural and entertainment rental activity at the RBPAC in FY 2025-26, and what rental activity is expected in FY 2026-27?	

#	Dept	Question	Submitted
10	CS/FS	What is the status of the John Parsons Art Fund?	
11	HR	What is the City's FY 2025-26 reporting on vacancies under AB 2561?	
12	PW	How does the City's Vehicle and Heavy Equipment Replacement Program work and what City vehicles and equipment are scheduled for replacement by the Public Works Department in the 2026-27 Fiscal Year?	
13	IT	How does the City's Information Technology Equipment Replacement Program work, and what equipment is recommended for replacement in the 2026-27 Fiscal Year?	
14	PW	What is the cost to clean the Esplanade? Can dry ice be used to improve the level of cleanliness and, if so, at what cost? How does the annual sidewalk cleaning cost along the Esplanade compare to the cost of similar services in other areas of the City?	
15	Fire	What is the status of Fire Department Personal Protective Equipment (PPE), including the replacement schedule? What is the status of the City's automated CPR machine?	
16	PW	What is the cost associated with the LEA follow-up work for Dominguez Park, and what funding is available/proposed in the Budget for these efforts?	
17	CS	What is the cost to add an ADA lift to the Teen Center stage and what is the cost for an electric wheelchair for Wilderness Park?	
18	PW	What is the cost of a parking study for Aviation Boulevard south of Artesia, and would this support the creation of a bike lane?	
19	PW	What are the options and associated costs for parkway landscaping on the medians at Flagler and Ripley and S. Juanita and Camino Real?	
20	PW	What options exist to make improvements to Ensenada Parkette, including the addition of a shade structure, and what are the costs?	
21	Fire	How have Harbor Patrol operations changed/improved since the addition of the dedicated Harbor Master position? What additional improvements are planned in the coming year?	
22	PW	What would be the cost to add concrete benches at Heritage Court, similar to those at Franklin Park?	

#	Dept	Question	Submitted
23	CS	How will the proposed Community Services Department Senior Management Analyst position in Decision Package #29 improve department operations and how will it be used to enhance citywide special event coordination?	
24	Police	How does the City utilize Automated License Plate Readers (ALPRs)? Is new ALPR technology available to further enhance police operations?	
25	CM/FS	What Measure FP Activity and Costs do we anticipate for FY 2026-27?	
26	CD	What is the process, cost, impact, and benefit of obtaining state / federal historic status for Wilderness Park?	
27	FS/ CD	What is the City's current process for considering waivers for business licenses, including the annual fiscal impact of the current process? What is the process to update the City's code to more effectively license special events?	
28	CS/ PW	What process/opportunities are there for pickleball court construction/development at Aviation Park, including possible public private partnership? Can court fees be collected for use of the future pickleball court facility, if so, how would they be collected and what is the estimated amount of revenue?	
29	PD/ Fire/ CM	What is the cost to incorporate the new City logo on Police and Fire vehicles?	
30	PW	What is the cost to replace/improve the fencing at Dominguez Park, Perry Ellison Play Field, and Alta Vista along Juanita Ave?	
31	FS/ CA	What spending is planned in the FY 2026-27 Budget for homeless services? What are the funding sources?	
32	WED/ FS	What is the status of the Harbor Tidelands Fund and Harbor Uplands Fund? What activities / revenue, and / or capital items are included in the FY 2026-27 Budget?	
33	CS	What is the status of the Seaside Lagoon, including operating balance, anticipated maintenance, attendance, and events?	
34	CS	What use of community services facilities is projected in FY 2025-26?	
35	PW	What is the cost to update (as efficiently as possible) the City's monument entry and wayfinding signs with the current brand logo?	
36	PW	What is the cost to close the Southbound Lane onto Irena from Torrance Blvd, and to add a cul de sac on Opal?	

#	Dept	Question	Submitted
37	PD	What is the cost to purchase and provide staff support and training for a new vapor wake dog, and what potential funding sources could be used?	
38	CS	What is the cost to update the Performing Arts Center panel/ tile with the new City logo?	
39	HR	What are the implications of increasing the Self-Insured Retention limit for general liability insurance from \$500,000 to \$1,000,000?	
40	CS	What is the background/purpose of the new Special Event Street Use/Encroachment Fee in Decision Package #3, and the new Dominquez Park, Wilderness Park and Veterans Park fees in Decision Package #'s 6, 7, and 8?	
41	CS	What are the options and costs to staff two attendants at Wilderness Park rather than one?	
42	PW	What are the options and costs to install retractable bollards at Artesia and Green and Vanderbilt and Green (around the North Redondo Beach Farmer's Market)?	
43	PW	What are the options and costs for realigning the Ripley / Ives / Mackay intersection?	
44	PW	How much traffic calming funding is available to support projects at crossing guard sites that will not be staffed in FY 26-27? What specific traffic calming improvements can be implemented before the start of the next school year?	

Budget Overview

Proposed FY 2026-27 Budget and 2027-2031 Five-Year CIP

Financial Services Department
May 26, 2026



Overview

- Budget Themes
- General Fund Summaries
- Capital
- Budget Calendar
- Recommendations

Budget Themes

Immediate Impact

- Revenue/ Fee updates
- Near-term cost management
- Limited priority program changes

Looking Forward

- Revenue modernization
- Longer term cost management
 - Insurance
 - CalPERS

GF Summary with Recommendations

Estimated Beginning Fund Balance	\$1,385,358
Operating Budget	
Proposed Revenues & Transfers In	125,358,157
Proposed Expenditures & Transfers Out	(127,929,960)
	(2,571,803)
Decision Packages (net)	
Recommended Decision Packages Ongoing	2,162,633
Recommended Decision Packages One-Time	(421,300)
	1,741,333
Structural Operating Budget Excess/(Deficit)	(830,470)
Additional Payments & Sources of Funds	
Vacancies	2,941,535
Unfunded Accrued Liability	(3,496,423)
Additional Payments Excess/(Deficit)	(554,888)
Estimated Year-End General Fund Balance with Recommendations	\$0

General Fund Revenues

Revenue Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Property Tax	39,787,247	1,164,706	3%
Sales and Use Tax	11,200,000	200,000	2%
Transient Occupancy Tax	8,213,000	(353,274)	(4%)
Property Tax in Lieu of LVF	11,005,773	392,270	4%
Utility Users Tax	9,468,938	435,312	5%
Property Transfer Tax	2,678,731	-	0%
Other Taxes	4,098,930	(67,190)	(2%)
Total Tax Revenue	\$86,452,619	\$1,771,824	2%
Non-Tax Revenue	42,437,217	339,321	1%
Transfers In	681,229	(6,721,899)	(91%)
Total General Fund Revenue	\$129,571,065	(\$4,610,754)	(3%)

General Fund Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	69,849,856	1,583,077	2%
Maintenance & Operations	12,932,148	(1,951,259)	(13%)
Internal Services	35,056,395	(9)	0%
Capital Outlay	40,000	(164,037)	(80%)
Subtotal Expenditures	117,878,399	(2,115,305)	(2%)
Transfers Out	12,523,137	(5,114,205)	(29%)
Structural Expenditures & Transfers Out	130,401,535	(5,646,434)	(4%)
Vacancies (One-Time)	(2,941,535)	-	-
Unfunded Accrued Liability (UAL)	3,496,423	(106,513)	(3%)
Total General Fund Expenditure	130,956,423	(8,694,482)	(6%)

Decision Packages

- Total 32 Decision Packages, 21 directly impacting the General Fund
- Proposed Fee updates/Vacancies generate net benefit
- Operational changes to support organizational goals
 - CS/WED Director Merge
 - Community Services Analyst
 - Special Event Fees
- Essential Services Funded
 - Police Technology and training
 - Crossing Guards

Proposed Decision Packages	Net Amount
Proposed Decision Packages Ongoing (net)	2,162,633
Proposed Decision Packages One-Time (net, excluding Vacancies)	(421,300)
Proposed Vacancies	2,941,535
Net General Fund Impact	\$4,682,868

Capital Projects Summary

Type	Amount (\$ millions)
FY 2026-27	
New	130.3
Carryover	69.1
Total	\$199.4
<hr/>	
Total # of Projects	89

FY 2025-26 Projections	
Amount Spent	\$16.5

Project Progress	
Completed	28
Designed/ Awarded	25

FY 2026-27
Capital Projects by Category



Budget Calendar

City Council

- **May 19** – Budget & CIP Introduction
- **June 2** – Operations Focus
- **June 9** – CIP Focus
- **June 16** – Budget & CIP Adoption

Other Meetings

- Budget and Finance Commission (May 26, June 11)

Recommended Actions

1. Receive and File the Presentation on the Proposed Operating Budget and Five-year Capital Improvement Program Documents
2. Discuss input to provide to City Council regarding Operating and CIP Budgets

Proposed Budget Book: Department Section Contents

- Mission Statement
- Organizational Chart
- Summary of Personnel
- Performance Measures
- Financial Summaries*
 - Historical Bar Chart by Spending Categories
 - Expenditure Table by Expense Category and Type
 - Expenditure Table by Fund

*If a Department has more than one Division, the book also contains subsections with Financial Summaries for each Division

Mayor and City Council Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	558,901	45,103	9%
Materials and Supplies	111,874	(10,000)	(8%)
Contracts and Services	30,173	-	0%
Internal Service All	226,714	1	0%
Total Mayor and City Council Expenditure	\$927,662	\$35,103	4%

City Clerk Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	807,880	75,064	10%
Materials and Supplies	18,575	-	0%
Equipment M&O	77,776	(28,000)	(26%)
Contracts and Services	221,418	(280,000)	(56%)
Internal Service All	264,035	(1)	0%
Total City Clerk Expenditure	\$1,389,684	(\$232,937)	(14%)

City Treasurer Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	248,864	15,257	7%
Materials and Supplies	10,100	-	0%
Contracts and Services	127,451	-	0%
Internal Service All	48,609	-	0%
Total City Treasurer Expenditure	\$435,024	\$15,256	4%

City Attorney Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	3,651,426	311,881	9%
Materials and Supplies	140,357	-	0%
Contracts and Services	848,814	(1,886,916)	(69%)
Internal Service All	413,457	1	0%
Total City Attorney Expenditure	\$5,054,054	(\$1,575,035)	(24%)

City Manager Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	1,019,282	(88,265)	(8%)
Materials and Supplies	93,712	(15,000)	(14%)
Equipment M&O	2,500	-	0%
Contracts and Services	302,110	(439,750)	(59%)
Internal Service All	88,094	-	0%
Transfers	1,206,687	366,766	44%
Total City Manager Expenditure	\$2,712,385	(\$176,249)	(6%)

Information Technology Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	1,380,358	(138,146)	(9%)
Materials and Supplies	345,000	(217,151)	(39%)
Equipment M&O	193,769	(33,331)	(15%)
Contracts and Services	2,074,005	268,610	15%
Internal Service All	940,664	(2)	0%
Capital Outlay	-	(643,685)	(100%)
Transfers	150,666	(19)	0%
Total Information Technology Expenditure	\$5,084,462	(\$763,724)	(13%)

Human Resources Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	954,151	(156,893)	(14%)
Materials and Supplies	147,129	-	0%
Contracts and Services	10,892,284	-	0%
Internal Service All	166,903	(1)	0%
Transfers	10,481	10,481	-
Total Human Resources Expenditure	\$12,170,948	(\$146,412)	(1%)

Financial Services Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	2,595,108	(3,048,686)	(54%)
Materials and Supplies	29,582	-	0%
Equipment M&O	5,600	-	0%
Contracts and Services	472,130	-	0%
Internal Service All	251,391	(1)	0%
Transfers	-	(2,300,000)	(100%)
Total Financial Services Expenditure	\$3,353,811	(\$5,348,687)	(61%)

Police Department Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	33,772,303	221,573	1%
Materials and Supplies	581,629	(229,989)	(28%)
Equipment M&O	265,087	(218,354)	(45%)
Contracts and Services	1,613,393	(533,419)	(25%)
Internal Service All	19,298,604	1	0%
Capital Outlay	250,000	(334,326)	(57%)
POB Debt	-	(71,737)	(100%)
Total Police Department Expenditure	\$55,781,016	(\$1,166,251)	-2%

Fire Department Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	20,144,970	1,154,626	6%
Materials and Supplies	562,108	(32,913)	(6%)
Equipment M&O	184,376	(13,776)	(7%)
Contracts and Services	277,310	(134,900)	(33%)
Internal Service All	6,053,789	1	0%
Capital Outlay	-	(26,311)	(100%)
POB Debt	-	(145,777)	(100%)
Total Fire Department Expenditure	\$27,222,553	\$800,950	3%

Public Library Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	2,175,455	306,140	16%
Materials and Supplies	338,207	-	0%
Equipment M&O	129,079	-	0%
Contracts and Services	19,880	-	0%
Internal Service All	2,595,356	(2)	0%
Total Public Library Expenditure	\$5,257,977	\$306,138	6%

Community Services Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	5,752,759	2,229	0%
Materials and Supplies	1,052,976	(100,493)	(9%)
Equipment M&O	556,119	18,048	3%
Contracts and Services	13,821,234	(677,102)	(5%)
Internal Service All	4,391,921	(2)	0%
Capital Outlay	40,000	(54,838)	(58%)
Transfers	4,710,850	2,966,832	170%
Total Community Services Expenditure	\$30,325,859	\$2,154,674	8%

Community Development Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	3,209,006	440,844	16%
Materials and Supplies	55,851	(13,810)	(20%)
Equipment M&O	60,000	-	0%
Contracts and Services	746,255	(1,684,594)	(69%)
Internal Service All	603,287	-	0%
Total Community Development Expenditure	\$4,674,399	(\$1,257,560)	(21%)

Waterfront & Economic Development Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	714,307	(163,066)	(19%)
Materials and Supplies	149,573	(150,597)	(50%)
Equipment M&O	67,000	(10,000)	(13%)
Contracts and Services	15,224,895	(455,340)	(3%)
Internal Service All	3,288,826	-	0%
Capital Outlay	-	(26,399)	(100%)
Transfers	93,900	(2,866)	(3%)
Total Waterfront & Econ Dev Expenditure	\$19,538,501	(\$808,268)	(4%)

Public Works Expenditures

Expenditure Type	Proposed FY 2026-27	Increase / (Decrease) over Midyear FY 2025-26	
		\$	%
Personnel	16,107,432	383,019	2%
Materials and Supplies	5,264,524	(127,333)	(2%)
Equipment M&O	6,604,726	-	0%
Contracts and Services	3,373,408	(425,998)	(11%)
Internal Service All	6,483,725	(3)	0%
Capital Outlay	-	(2,235,821)	(100%)
Transfers	225,344	(162,728)	(42%)
Total Public Works Expenditure	\$38,059,159	(\$2,568,865)	(6%)

Decision Packages

Decision Package Highlights

- Standard Annual Items
 - IT Annual Purchases
 - Vehicle Annual Purchases
- Required Costs
 - March 2027 Election
 - Pallet Shelter utilities
 - Fire Medical Director
 - Crossing Guards
- Programs/ Staff Support
 - Fire Dept coaching
 - Police tech and training
 - Waterfront reorganization
 - Events & programs admin support
- Revenue Support
 - Parking meter & citation
 - Recreation/ services fees
 - Development fees
- Cost containment
 - Vacancies 5%



Administrative Report

J.2., File # BF26-0656

Meeting Date: 5/26/2026

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

TITLE

DISCUSSION REGARDING SENDING A LETTER TO CITY COUNCIL CONCERNING PROFESSIONAL SERVICES PROCUREMENT

EXECUTIVE SUMMARY

Commissioner Allen to update the Commission on the status of a letter to City Council regarding professional services procurement.



Administrative Report

J.3., File # BF26-0654

Meeting Date: 5/26/2026

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

TITLE

DISCUSSION REGARDING SENDING A LETTER TO CITY COUNCIL CONCERNING THE CIP PROCESS

EXECUTIVE SUMMARY

Commissioners Allen, Jeste, and Sherbin to provide an update to the Commission on the status of a letter to City Council concerning the CIP process.