



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 Allen, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Commissioners Present: Marin, Jeste, Chair Allen, Sherbin, Woodham

Commissioners Absent: Ramcharan, Samples

Officials Present: Stephanie Meyer, Finance Director
Eugene Solomon, City Treasurer
Erin Smith, Administrative Analyst/Liaison

C. SALUTE TO THE FLAG

Chair Allen led in the salute to the flag.

D. APPROVE ORDER OF AGENDA

Motion by Commissioner Woodham, seconded by Commissioner Marin, to approve the order of the agenda.

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

E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

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

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

Analyst Smith reported three Blue Folder items: the minutes, public comment, and Q3 revenues.

Chair Allen, regarding the item on public comment, asked the Commission if they would like to add it for the next meeting's agenda; asked Analyst Smith to put the items from the Blue Folder on the screen; stated that Jim Mueller offered some suggestions and wondered if they wanted to discuss or recommend any to staff in August or September.

Finance Director Meyer informed the Commission that staff is scheduled to bring back a summary of homelessness costs at the August meeting and it is on the agenda.

Chair Allen moved to the second item in the Blue Folder, which was the minutes from May 8, 2025.

Finance Director Meyer asked Analyst Smith to clarify when public comment was allowed and what was required for Blue Folder items.

Analyst Smith stated that public comment is during Non-Agenda Items and Blue Folder is a receive and file.

Chair Allen put on the screen May 8, 2025, Minutes Addendum; explained she put them in the Blue Folder so everyone could see it and wanted to make sure they did not receive and file them because she wanted to discuss it further.

Analyst Smith explained that, when the Commission moves on to Consent Calendar items, she will want to move item F.2 to Items for Discussion Prior to Action and there she can have a full discussion; stated they still need to receive and file the Blue Folder Items to proceed.

Chair Allen stated she asked Finance Director Meyer to send Q3 revenue since they did not receive the actuals vs what was budgeted; noted they cannot discuss it because it is not on the agenda.

Finance Director Meyer mentioned Chair Allen had asked for a comparison with the prior year to show the periodicity or flow of how they receive the revenues so Finance put it in the form they are used to seeing it in; noted they cannot discuss it but they wanted to present for a receive and file.

Chair Allen asked when they planned to present Q4.

Finance Director Meyer said they would present Q4 in either September or early October right before they do their carryover report because it's the end of the year; mentioned they would also get the Treasurer's report next month; stated if they look at the Q3 revenue and have any questions or comments on the format or additional detail that they would like to see, they would love to hear that before the next report so that they can incorporate it.

Motion by Commissioner Woodham, seconded by Commissioner Sherbin, to receive and file the Blue Folder items.

Motion carried 5-0, by voice vote.

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF JULY 10, 2025

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

F.2. Pulled by Chair Allen

Chair Allen pulled F.2 for further discussion.

Motion by Commissioner Marin, seconded by Commissioner Woodham, to pull F.2 and approve F.1.

Motion carried 5-0, by voice vote.

G. EXCLUDED CONSENT CALENDAR ITEMS

F.2. APPROVAL OF THE MINUTES FROM THE SPECIAL JOINT MEETING OF THE PUBLIC WORKS & SUSTAINABILITY AND BUDGET AND FINANCE COMMISSION OF APRIL 28, 2025; AMENDED MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF MAY 8, 2025 AND THE REGULAR MEETING OF JUNE 12, 2025

Chair Allen stated she made a mistake at the last meeting (June 12, 2025); stated that she said that the Treasurer mentioned that revenues were declining and because of that he was unable to invest longer than two years; reported she went back and looked and the Treasurer did not say “revenues were declining”, he did not use the word declining anywhere; stated she went through the exchange they had and asked Analyst Smith to put the Blue Folder item on the screen; reported she went and transcribed her exchange with the Treasurer and wanted to show what he said; mentioned she wrote down the whole conversation, which is in the Blue Folder, straight from the video and included the link to the video.

For the meeting, the screen showed highlighted areas of the conversation she was speaking about between Chair Allen and City Treasurer Eugene Solomon.

Chair Allen explained that the conversation began after she asked why the City isn't investing for longer than two years to get a better rate of return; she read the response City Treasurer Solomon gave and stated his response led her to believe he was concerned for the revenue, but he did not say there would be a decline; noted that he kept mentioning there is uncertainty in the market, economically, in the City, etc and some of the projects they hoped to come online, such as Legado Hotel, have not as expected;

Chair Allen pointed out in her transcription that City Treasurer Solomon used the word “reduced” a few times but not “decline”; stated she wanted to clear up her statements since it was a public meeting and she had said the Treasurer said revenues have declined but he did not and this exercise was to show the everyone verbatim what was said.

Chair Allen invited public comment.

City Treasurer Solomon commented that the only reason he appeared that evening was to clear up and correct the language in the draft minutes from the May 8, 2025, in which it stated he said “declining”; stated he appreciated Chair Allen for demonstrating with her transcripts that the word was not; asked that the minutes be corrected in the way in which the transcript reads.

Chair Allen asked if what she said is removed or if it stays in the minutes since she said it.

Analyst Smith felt it could not be removed but maybe a motion could be made to amend.

Discussion took place at this time; Commissioner Marin suggested having a note put in the minutes that there was improper wording or miscommunication; Analyst Smith stated she would talk to the City Clerk regarding the situation and would ask for her advice.

Commissioner Sherbin spoke of the minutes addressing a certain meeting and memorializing that meeting; asked if something happened during that meeting that was deemed incorrect, wouldn't that subject matter be covered in the current meeting minutes unless it was the transposition itself that was incorrect.

Finance Director Meyer felt the issue was that the initial minutes did not reflect that statement and Chair Allen requested that the minutes be revised and amended specifically to reflect that City Treasurer Solomon said the word “declining”.

Chair Allen interrupted Finance Director Meyer for a moment because she did not want another misinterpretation; Finance Director Meyer apologized if she said anything wrong but wanted to state that the amended minutes were brought back that evening with the correction made to the May 8, 2025, minutes.

Chair Allen stated she looked specifically for the part where they were discussing the decline of revenues; mentioned she was summarizing the whole discussion and not just specifically the decline of revenues and that is what she wanted to convey but it was not conveyed in the minutes.

Analyst Smith and Chair Allen scrolled through the May 8, 2025 amended minutes and found the part that needed to be revised (on page 3); Analyst Smith confirmed Chair Allen wanted to amend the revised minutes for May 8th and Chair Allen said yes and requested the minutes be amended to her “blue” highlighted words on the addendum she put together.

Analyst Smith stated she will check with the City Clerk to confirm proper protocol; felt it would be to attach her Blue Folder item; mentioned that the revised minutes they are looking at are still in draft form and she will ask the City Clerk if they can just revise them and bring them back to have approved or revised.

Chair Allen stated she said “decline” and is owning it and showing exactly what City Treasurer Solomon said.

Discussion followed that they could hold off on the item until they investigate how to proceed with the May 8, 2025 minutes.

Chair Allen proceeded with discussion on the other two items: the special joint meeting and June 12, 2025 minutes and received no response to discuss from the other Commissioners.

Motion by Commissioner Woodham, seconded by Commissioner Marin, to bring back all the minutes from that evening’s discussion and to ask the City Clerk’s Office for direction on how to resolve the minutes from May 8, 2025.

Motion carried 5-0, by voice vote.

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

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

Jim Mueller voiced his surprise that the room is empty even though budget and finance is such an important part to the City; hoped since he sent the Blue Folder items the template for analyzing homeless and financial data would be available; mentioned he wants to be helpful and not cause problems; stated he tried a report format customary in financial analysis called Sources and Uses of Funds and explained why he used it; stated he was there to talk about how to get the data and noted he included a procedure for the City in the Blue Folder; stated there is a specific procedure that Munis and Excel have accommodated; suggested that the Finance Department, IT Department, and the Munis vendor work together to create a procedure for extracting the data; noted it may also reduce the amount of person power that the Finance Department has to expend; felt the City’s budget document isn’t very useful for certain analysis; mentioned the City runs several risks: 1) the inability to assess a program’s cost benefit performance, 2) runaway absorption of resources, and 3) questionable sustainability; spoke about other cities experiencing those problems and pointed out in his spreadsheet template that the homeless program uses resources from at least four different City departments, which many are part-time or split-use employees; stated that the homeless program is funded from several different sources and the budget document does not break those out by program or project; reported using the 2022 document to put together the spreadsheet template in the Blue Folder for what resources the homeless program needs.

City Treasurer Solomon wanted to speak to remind everyone what great accomplishments the Budget & Finance Commission can achieve; spoke about his time on the Commission back in 2017 and mentioned his predecessor was a bit combative

with the Commission; stated he made a promise to himself that he would not do that in his role as City Treasurer and hoped he has accomplished that so far; stated there will be times that the Commission and he will disagree but he is committed to having those conversations in an open, transparent, and fluid way that is not combative; hoped the Commission would understand as a staff, him as the Treasurer, they are going to take their suggestions, consider them, but make the decisions for the City; noted some of their suggestions would be implemented, their contributions help the City and staff will continue to improve their processes and their transparency; thanked them for their volunteerism.

Commissioner Jeste asked, that if they make a suggestion that the City does not accept or they disagree with, if the City could explain to them why it was not acceptable, so they have an understanding of where they went wrong.

City Treasurer Solomon said that is fair to ask for an explanation and will commit to doing that.

Chair Allen stated that she asks questions so she can learn and so they can know where to help; referenced May 28th and a situation that occurred.

City Treasurer Solomon interrupted her to say they could not get into a discussion about that but he would be back in August.

Analyst Smith reported there was no one online and no eComments.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

I.1. CIP PROJECTS REPORTED BY PROJECT-PROPOSED TEMPLATE (COMMISSIONER JESTE)

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

I.2. BUILDING MAINTENANCE/REPLACEMENT PLANNING

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

Chair Allen stated Items I.1 and I.2 were kept on the agenda so the Commission did not forget about them for the August meeting.

Finance Director Meyer stated that she was prepared to share with the Commission the CIP template that Commissioner Jeste had put together; reported Jesse Reyes from the Public Works Department is planning to come to the August or September meeting to present numbers on it.

Commissioner Jeste asked if they could add one more column to the template to show number of bids received.

Finance Director Meyer stated she would pass along that note and added Jesse Reyes will most likely add more detail to the template as well.

Motion by Commissioner Marin, seconded by Commissioner Woodham, to keep the item on the agenda for the next meeting.

Motion carried 5-0, by voice vote.

J. ITEMS FOR DISCUSSION PRIOR TO ACTION - None

K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS

Chair Allen hoped that they would have the homelessness numbers for the agenda next time from Finance.

Finance Director Meyer stated they will have those numbers for the August meeting and mentioned she will check with Public Works to see if their timeline works for August or September; reported prior to that she would like to have a special meeting for their Annual Financial Report and, once they have that, she would like to call a special meeting to have the Budget & Finance Commission review it; reported sharing some potential dates with the Commission and are holding those dates for them if they could respond asap with preferences by emailing her; expected to have their final document in the next week.

Chair Allen questioned why they needed to have it presented to them asap and it couldn't wait two weeks.

Finance Director Meyer said the reason is she would like to finalize it and submit it because they are late in getting it complete but felt it is important for them to share.

Discussion followed regarding the availability of each Commissioner and if they would have a quorum for any of the dates of the 24th, 30th, or 31st of July; noted that the 30th or the 31st might work and Finance Director Meyer would confirm that with everyone once they pick a date.

Chair Allen mentioned Commissioner Woodham had an item regarding deferred compensation or CalPERS; spoke about Commissioner Woodham possible term extension or reappointment to the Commission.

Commissioner Woodham stated the issue is on retirements issues and Finance Director Meyer is working on them; noted they want to go back at least five years and pull out the expense that the City pays for retirement and went into more detail as to what they are looking for; mentioned many municipalities are burdened by increasing retirement and wanted to see where RB is positioned.

Chair Allen asked if he wanted to add it as an agenda item.

Commissioner Woodham felt they needed to have the input before adding it as a discussion item.

Commissioner Jeste pulled up an article called: Success Story: Fort Wayne, Indiana; hoped everyone had read the story; mentioned living in Fort Wayne before moving back to RB; spoke of the training he went through for process improvement and has practiced it for 30 years in three different companies; reported his experiences with it and stated it works when you get the whole team to buy into change and produces dramatic results; went into more details about the process and the training programs; stated he has had success with the program in other companies he worked for and it made a huge difference in the profitability and the customer service quality; noticed that the City has issues with waste, duplication, or redundancy and without the data and analysis nothing can be solved; opined it needs to start with the Mayor, the City Council, and then heads of departments and there needs to be unwavering commitment from the top; noted with today's technology the data can be retrieved in minutes and what is needed is a change of mindset and determination to improve; felt the budget deficit would more than be offset by the savings that the City would find in this program.

Commissioner Woodham provided an article from the Wall Street Journal focused on retirees forming an ad hoc association or group to shadow CalPERS and raise questions; felt it's a good idea but that some of the comments were disparaging CalPERS from the standpoint of fees; explained why he felt that way; mentioned comments made in the article were misplaced; stated some parts of the article were over the top but the idea of the retirees shadowing CalPERS and checking their returns and data are fine; said it should help them evaluate CalPERS on an ongoing basis.

Commissioner Marin offered some comments and felt it was a good idea as well.

L. ADJOURNMENT – 7:33 P.M.

Motion by Chair Allen to adjourn the meeting at 7:33 p.m.

Motion carried 5-0 by voice vote.

The next meeting of the Redondo Beach Budget & Finance Commission will be a regular meeting to be held at 6:30 p.m. on August 14, 2025, in the Redondo Beach Council Chambers, at 415 Diamond Street, Redondo Beach, California.

Respectfully submitted:

Stephanie Meyer
Finance Director