



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