Highlands Recreation District

1851 Lexington Avenue • San Mateo, CA 94402
(650) 341-4251 • Fax (650) 349-9627
www.highlandsrec.ca.gov

"A Community Place to Learn, Grow & Play"

REVISED Board Meeting Packet

October 14, 2025

7:00 P.M. – Regular Board Meeting

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2. Meeting Minutes……Page 3-4
3. Manager's Report……Page 5-28
4. Financials……Page 29-40
5. New Business……Page 41-56

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"A Community Place to Learn, Grow & Play"

Topic: HRD Regular Board Meeting
Time: October 14, 2025, 07:00 PM Pacific Time (US and Canada)
Location: Multi-Purpose Room, Highlands Recreation District, 1851 Lexington Ave., San Mateo, CA 94402
Remote Teleconference Location: New York Hilton Midtown, 1335 Avenue of the Americas, New York, New York, 10019

Board meetings are held in-person, with a Zoom participation option provided to the public as a courtesy. Public comment is limited to (3) minutes per person per item. The public is encouraged to participate in whatever form they are most comfortable. If participating remotely via Zoom, see details below:

Topic: HRD Regular Board Meeting
Time: October 14, 2025, 07:00 PM Pacific Time (US and Canada)

Join Zoom Meeting
https://us06web.zoom.us/j/86897396127?pwd=ENb0lMPaCMhygsOg8RcBVV3XS2GppB.1

Meeting ID: 868 9739 6127
Passcode: 041879
Find your local number: https://us06web.zoom.us/u/kPeuY2H5c

1. Call to Order

2. Review and approval of the minutes for:
    a. Regular Board Meeting on September 9, 2025.

3. Public Forum: The public forum provides an opportunity for members of the public to speak on any item within the jurisdiction of the Board that is not on the agenda. When an item is not listed on the agenda, State law prohibits Board discussion or action. Board Members may only "briefly respond" to statements made and questions posed. For example, State law allows Board Members to ask questions for clarification and provide a reference for staff or other resources for factual information. Additionally, the Board may also direct staff to report back and/or place a matter on a future agenda for discussion.

4. Manager's Information Report
    a. Administration
    b. Programming

5. Financial Information Report
    a. August 2025 Monthly Statement Memo
    b. September 2025 Monthly Statement (Preliminary)

6. New Business:
    a. Discussion/Action: Adopt Resolution 2025-04 for Determining the Calculation of the Appropriations Limits for fiscal year 2025-2026, Section 7910 Government Code, California Constitution Article XIIIB. Report: Tamsen Burke, General Manager

Description: This is a routine annual item of the appropriations limits for fiscal year 2025-2026 for Board review and approval. In addition, a historical accounting of appropriation limits for HRD will be presented.

b. Discussion: Review of the 2026-2027 Budget Schedule (Draft)
Report: Tamsen Burke, General Manager
Description: This item will be a Board discussion on the proposed budget schedule and timeline for the 2026-2027 fiscal year budget.

7. Upcoming Meetings:
   a. Board of Directors: November 11, 2025 (Cancelled) – December 9, 2025 – January 13, 2026
   b. Special Meeting, Board of Directors: November 12, 2025

8. Review and Payment of Bills
   a. Action: Motion to approve Expenditures
   Report: Bea Robertson, Bookkeeper
   Description: This is a routine item of the itemized bills for Board review and approval.
   Recommendation: Approve the Expenditures

9. HRD Board of Directors Announcements

10. Adjournment

Written public comments can be submitted to the District prior to the meeting by emailing generalmanager@highlandsrec.ca.gov. Written comments received by email prior to 3 pm on the day of the meeting will be forwarded to the Board prior to the meeting, made a part of the public record, and be available for public review at this link: https://highlandsrec.ca.gov/hrd-board-meetings.

Oral public comments will be taken on each agenda item during the meeting, subject to a limit of three (3) minutes per person per item. To comment orally in real time during the meeting, you may raise your hand if you are participating in person or use the Zoom "raise hand" function on your computer screen or the *9 function on your phone. Please note that the District provides a Zoom participation option to the public as a courtesy in order to facilitate participation. The District cannot, however, guarantee the adequacy of the audio/video quality or that meeting participation will be uninterrupted via Zoom. If technical difficulties arise relating to the Zoom participation option, the Board meeting may continue with public attendance in person only.

Board Meetings are accessible to people with disabilities. Individuals who need special assistance or disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting; or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact the Board Secretary at generalmanager@highlandsrec.ca.gov. Notification in advance of the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. Public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. The Board has designated the office of the Highlands Recreation District, located at 1851 Lexington Ave, for the purpose of making those public records available for inspection. The agenda, meeting notice, agenda packet and other writings distributed to the Board in connection with this meeting are also available for public review at this link: https://highlandsrec.ca.gov/hrd-board-meetings.

Topic: HRD Regular Board Meeting
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Board Members:
Pam Merkadeau
Andrew Aquino (President)
Chris Carlos
Uy Ut (Vice President) – Remote
Ranya Francis

Staff:
Tamsen Burke (General Manager)
Meg Catmull (Assistant General Manager)
Mike Koenig (K-8 Childcare Director)
Julia Fior (Recreation Coordinator)
Julie Fernandez (EEC Director)

1. Call to Order
   The meeting was called to order at 7:00 pm by President Aquino.

2. Review and Approval of Minutes
   Board Member Carlos made a motion, Board Member Ut second, to approve the Regular Board Meeting Minutes from August 12, 2025. The motion passed unanimously.
   Vote: AA - Y; CC - Y; PM – Y; UU – Y; RF – Y

3. Public Forum:
   Public comments were received.

4. Manager's Information Report
   a. Administration
   b. Programming

5. Financial Information Report
   a. July 2025 Monthly Statement Memo
   b. August 2025 Monthly Statement (Preliminary)

For the good of the order, President Aquino moved agenda item #7.a prior to item #6.a

6. Old Business
    a. Discussion: Updated Annual Workforce Recruitment, Vacancy, and Retention Report

    b. Discussion/Action: Data Security Policy (Second Read)
        i. Board Member Ut made a motion, Board Member Carlos second, to adopt the Data Security Policy. The motion passed unanimously.
        Vote: AA - Y; CC – Y; PM – Y; UU – Y; RF – Y

    c. Discussion/Action: Revised Budget for Fiscal Year 2025–2026 (Resolution 2025-03)
        i. Board Member Francis made a motion, Board Member Ut second, to adopt Revised Budget for Fiscal Year 2025–2026 and corresponding Resolution #2025-03. The motion passed unanimously.
        Vote: AA - Y; CC – Y; PM – Y; UU – Y; RF – Y

7. New Business
    a. Discussion: Tennis and Rental Contract

8. Upcoming BOD Meetings:
    a. Board of Directors Regular Meetings: October 14, 2025 – November 11, 2025 (Cancelled due to Veteran's Day) – December 9, 2025
    b. Board of Directors Special Meeting: Wednesday, November 12, 2025 at 7:00 PM

9. Review and Payment of Bills
    a. Action: Motion to approve Expenditures
        i. Board Member Ut made a motion, Board Member Francis second, to pay the bills. The motion passed unanimously.
        Vote: AA - Y; CC – Y; PM – Y; UU – Y; RF – Y

10. HRD Board of Directors Announcements

11. Adjournment
    Board Member Carlos made a motion, Board Member Merkadeau second, to adjourn the meeting. The motion passed unanimously.
    Vote: AA - Y; CC – Y; PM – Y; UU – Y; RF – Y

    The Meeting adjourned at 9:08 pm.

Respectfully Submitted,

Megan Catmull
Board Secretary

Board President or Vice President: _____

Signature: _____

MEMORANDUM

Date: October 14, 2025

To: Board of Directors

From: Tamsen K. Burke, General Manager

Re: General Manager Report

ADMINISTRATION

UPDATES California Legislative Bills and Anticipated Senate Discussion

- SB-707 signed into law 10.3.2025. All Brown Act-observing agencies will need to become familiar with the new law before January 1, 2026. Additionally, some cities, counties, and special districts that fall into the "eligible legislative bodies" classification (established by the bill's provisions) will have to follow additional requirements generally starting July 1, 2025.

Project Updates

- Highlands Recreation District slide repair improvements project (north of bathrooms) Waiting on Permit | BLD2025-00492 to the San Mateo County Planning and Building Department, Redwood City, CA. See Attached Exhibit A – Process Status
- HRD Organizational structure, positions, and recommendations review per Director Merkadeau. The Personnel Ad Committee has met twice and will be putting forward recommendations to the Board of Directors, November BOD meeting.
- GM is participating in the 2026 San Mateo County Local Hazard Mitigation Plan Review which includes HRD Special District

Financial

- O'Connor and Company - FY 24-25 Audit engagement executed and to begin October 2025 and conclude December 2025 to ensure completion before the SCO report due in January 2026.
- Preparation Of The HRD Notice Of Determination Of Appropriations Limit For Fiscal Year 2025/2026 And Disclosures are for BOD review October BOD
- Finalizing Draft of Compensation, Salary Schedule – scheduling Personnel Ad Hoc committee to review and prepare for BOD – tentatively November 2025
- Review Capital Improvement Project (CIP) and Major Maintenance (MM) plans and project under guidance of Governmental Accounting Standards Board (GASB). Planning to discuss transition model to an (1) annual operating budget and (2) establish capital budgets, with impact of the short team financial health of the business and influence of long-term growth and sustainability, and prevailing wage labor and the thresholds that dictate it; contained in

labor law, Department of Industrial Relations regulations §1725.5(f) stating the $15,000 maintenance threshold and $25,000 CIP threshold in Fall/Winter BOD Strategy Session(s).

Facility and Operations

- Facilities
  - Pool Closed – Mechanical/System Repairs
    - Schedule - 10/28/2025 - California Department of Public Health AB1040 Compliance – Replace (2) Natare VGB-GPM-18x18.G Drain Covers.
      Impact - Odessey and Pool Users notified of closure from 7:00am-12:00pm (based on service time).
      Cost - $3,700, Funds to be used from remaining $25K interior pool lights.
    - Replacement of interior pool lights – Completed, (2) lights unrepaired which require construction of the due to broken conduit. Cost - $16,000 / $25,000
    - Replacement of the PACO pump – Scheduled 9/12/2025.
  - IT – Admin Coordinator completed R&R plan for district. Budgeted (4) tower/laptops will be replaced. Including the computer and system software updates for EEC HVAC controllers managed by Maintenance Manager
  - RFPs for Landslide Tennis Courts are being prepared.
  - CERT Annual Emergency Drill – HRD will be host location on Saturday, October 11, 10 m – 2 pm, Highlands Recreation Center Gym
  - Safety Committee - The entire HRD campus will host the Great ShakeOut on **October 16, 10:16 am**.
    The Great ShakeOut is an annual event designed to promote earthquake preparedness and safety. It encourages individuals, schools, and organizations to participate in earthquake drills, practicing the "Drop, Cover, and Hold On" technique, which is essential for safety during an earthquake. Communication has been shared with EEC, ASP, Parents along with ENews announcement in October publication.
  - Working with the Recreation Coordinator to review and implement updated Facility Use / Rental Agreements, Insurance requirements, and Indemnification forms have been reviewed by General Counsel and implemented in November 2025.
  - Continue to expand use of CAPRI Evident COI Management for Rentals, at no cost to District. This also provides insurance to renters who do not have sources of insurance, including alcohol services, SAM for special events, and rentals.

- Operations (Administrative Business) (Ongoing)
  - Welcome to Aquatic Supervisor, Sam Anderson started September 15, 2025. Sam has served as the Aquatic Supervisor for the United States Space and Rocket Center with multiple certifications CPO, WSI, LGI, LG, BLS, NAUI Master Scuba Diver.
  - Business Efficiency and Cost Savings – The Bookkeeper and GM have reviewed the Merchant Services contract and fee structure. Effective 10/13/2025, we will be switching our Merchant Services from Titanium Payments (third party provider) to First Citizens Bank (HRD current bank) and updating our two Credit Card terminals. Merchant Services with First Citizens Bank offers a reduced transaction fee to our guests and faster funding to district. Key business information:
    - HRD Account funding from 2-3 days now to Next Business Day.
    - Increase service response, software updates, and transactional reporting.
    - <u>Current (Titanium)</u> <u>New (First Citizens)</u>
      3.95% per CC Transaction 0.35% per CC Transaction
    - Authorized Agents for Highlands Recreation District to sign Declaration of Unincorporated Business/Entity Agreement

- Presented HRD Organizational Structure to the Personnel Ad Hoc committee based on organizational needs, business priorities, and efficiencies. Anticipated recommendation and presentation to the BOD in November 2025.
- Contacting several Districts and public municipalities with new, recently renovated or constructed indoor/outdoor pools (Ladera, Peidmont, S Dr. MLK Jr. Community Pool, Brisbane Community Pool, Oceana Swimming Pool, and Sava Pool) for site visits, contract agreements, and service providers for review and consideration of HRD Renovation Project FY 2025-2028. Board is welcome to attend.
- Preparing with the Personnel Ad Hoc Committee a Merit Policy for the Board of Directors review to ensure consistency in methodology, implementation, and communication to HRD employees as a part of the strategic operational goals for each unit.
- Review of HRD Department and Business Compliance.
    - CalPERS Employee Benefits Plan for 2025-2026 to be presented to BOD at October 2025 BOD meeting for December enrollment (2026)
    - Finalizing proposal to transition Retirement 457 Plan to Principal, current provider of HRD insurances. Simple IRA retirement plan audit is under review.
    - In consultation with General Counsel on the development of Contractual Service Agreements for service contractors (Seasonal Instructors, IT, Custodial, Landscape, etc.).

Community Engagement

- GM will host several 'Listening Tours, and two Open Forum to engage and provide discussions with community on (1) Tennis Court Resurfacing (2) Pickleball (3) Annual Fee Schedule for programs and services.
- Ongoing work with HCA president on district community members connections and resources.
- Work with CAPRI on liability to district on member transports, in communication with the HCA President and the Senior Network officers to better understand their role to the community and ADA accommodations for members/non-members.
    - Public Comment – "Golf cart transportation from Rec Parking up the hill to classes & events"
    - CAPRI Advice
        - Unaware of any other district that provide such a service of transporting people from their vehicles to their facilities and vise versa. The only time it may be a district responsibility is when your District has an offsite event and part of the event is to have everyone load up in your van and be transported to that event location. This would include everyone signing a waiver and release for that event/activity.
        - It is not the recommendation of CAPRI to provide transportation from people's vehicles in the parking lot to your facilities due to the time commitment and the liability factor.
        - BOD 20231212 board meeting minutes of December 12, 2023, the Highlands Senior Network had an outing planned to have Chinese food catered for lunch at your rec multi-purpose room but due to attendance numbers and the cost of having food delivered to the rec room, the senior network changed plans and met at a restaurant in San Mateo. The notes reflect due to the last-minute change; your District do not offer transportation.
        - Recommendation: HCA or Senior Network look into the City of Weed through Measure O taxes provides the van transportation service and the City has the driver and insurance. https://www.weedrec.org/weed-senior-shuttle
- Per request of the Senior Network, GM is drafting a Memorial Bench Policy for the district for the current bench and an additional request received

Professional Development

- California Special District Leadership Academy Certification and cohort conclude - October.
- California Special District Association – Certified Special District Manager Cohort and Certification – concludes November 2025
- Attend – CRPD, CSDA GM and Legislative Meetings, and monthly Parks and Recreation District - GMs

Board Of Directors Directives Schedule

The General Manager has created a schedule to record the Board of Directors requests for additional information or action by the General Manager from each meeting to be complete or provide a status report. Attached is a time stamp response/action for record keeping (see attached).

MEETING 09.9.2025

General Manager – Tamsen Burke

Tasks - Directives	Director Requested	Responsible	Updates / Completion Notes
Restatement for the September P&L	Director Aquino	Tamsen Burke	Bookkeeper has restated the $51,035.18 to the P&L
Update on Landslide Permit		Tamsen Burke	Information outlined in General Manager Report – Exhibit A
Tennis Rental Contract, Rental Rates & Resident Rental Policy Update	Director Aquino	Tamsen Burke	To be reported by Recreation Coordinator - Julia Fior and Assistant General Manager - Megan Catmull
Use of Professional Development Funds FY 25-26	Director Merkadeau	Tamsen Burke	As a part of performance review and professional goals, directors/staff are preparing. FY 25-26 department and professional goals recommended for upskills, additional training, workshops, and educational courses. In addition, a Professional Development / Education policy and request/approval process is in development.
Personnel (Employee) Handbook	Director Merkadeau	Tamsen Burke Meg Catmull	AGM has completed draft review and provided recommendations. In review by Prism HR attorney and GM. Anticipate November BOD agenda item.
Status of Funds on Capital Projects	Director Carlos	Tamsen Burke	Landslide – Budgeted & Remaining $ - $225,000. Pool Systems/Lights – Budgeted $25,000, Remaining $5,250 Admin Office – Budgeted $25,000, Remaining $20,000 Tennis Resurfacing /

Exhibit A

County San Mateo Building Permit
Record BLD2025-00492: Landscaping / Retaining Wall

Email Received
Sent: Thursday, September 18, 2025 9:32 AM
Subject: Building Permit Application Accepted | BLD2025-00492

Dear Applicant,
Re: BLD2025-00492
1851 LEXINGTON AVE, SAN MATEO, CA 94402-0000
041132010
Landscaping / Retaining Wall

Staff has reviewed your building permit application and accepted it for processing. Online Permits has been assigned to this building permit application. All plan check fees must be paid prior to your project being routed to the applicable reviewing agencies for comment. Following the initial 30-day review period, plan review comments will be emailed directly to you from the reviewer(s) or a consolidated comment letter will be provided.

Processing Status

- ✓ Application Submittal
- ✓ Plan Review Distribution
- Environmental Health Review
  - Environmental Health Review Distribution
  - Land Use Review
  - Commercial Kitchens Review
  - Hazardous Materials Review
  - Environmental Health Review Consolidation
- Sewer Review
- Water Review
- Fire Review
- Additional Review
- PCB Monitoring
- Grading Permit
- EC Pre-Construction
- Waste Management Review
- ⌛ Building Review

  Due on **10/18/2025**, assigned to **SYC**
  Marked as **Assigned** on **09/18/2025** by **JB**

  Due on **10/18/2025**, assigned to **SYC**
  Marked as **TBD** on **TBD** by **TBD**
- ⌛ Planning Review

  Due on **10/18/2025**, assigned to **TBD**
  Marked as **Assigned** on **09/18/2025** by **JB**

Due on **10/18/2025**, assigned to **JXB**
Marked as **TBD** on **TBD** by **TBD**

Public Works

Due on **10/18/2025**, assigned to **TC**
Marked as **Assigned** on **09/18/2025** by **JB**

Due on **10/18/2025**, assigned to **TC**
Marked as **TBD** on **TBD** by **TBD**

Civil and Drainage Review

Due on **10/18/2025**, assigned to **FT**
Marked as **Assigned** on **09/18/2025** by **JB**

Due on **10/18/2025**, assigned to **FT**
Marked as **TBD** on **TBD** by **TBD**

Civil Review Distribution

- Drainage Review
- Erosion Control Review
- Stormwater Treatment Review
- Civil Review Consolidation

Geotechnical Review

Due on **10/18/2025**, assigned to **QIT**
Marked as **Assigned** on **09/18/2025** by **JB**

Due on **10/18/2025**, assigned to **QIT**
Marked as **TBD** on **TBD** by **TBD**

Geotechnical Review Distribution

- In House Geotechnical
- Out of House Geotechnical
- Out of House Geological
- Geotechnical Review Consolidation

Review Consolidation

Plan Preparation for Issuance

Ready to Issue Permit

Inspections

MEMORANDUM

Date: October 14, 2025

To: Tamsen Burke, General Manager

From: Meg Catmull, Assistant General Manager

Re: Assistant General Manager's Staff Report

Human Resources & Staff Engagement:

- **HR Business and Compliance**
  - Review of the 2025 Draft Employee Handbook is completed and is under GM and Prism HR Attorney review.
  - Biennial audit and refresh of anti-harassment training for all employees is underway. This process ensures the District remains in compliance with State training requirements and provides updated content to support a safe and respectful workplace environment. Staff completion will be tracked and documented to ensure full compliance.
- **Recruiting:**
  - The District currently has the following open positions: EEC Assistant Director and Swim Coach.
  - September Applicants per position:
    - EEC Assistant Director: 73
    - Swim Coach: 1
    - Head Lifeguards & Lifeguards (Part time): 7
    - Swim instructors (Part time): 27

Operations:

- **Recreation and Registration Operations:**
  - The RecDesk go-live date, originally targeted for July 1, has been delayed due to inconsistent product delivery to contract. Staff met with RecDesk representatives in August to review concerns and work together towards workable solutions. Staff are reviewing compatibility with bookkeeping and accounting software.
  - Staff review refunds, cancellation, credit, and transfer policies to better align practices across departments. The goal is to create clear, consistent, and transparent procedures that improve customer experience and support efficient program administration.
  - A draft Surplus Asset Disposal Policy has been prepared and is under review. This policy would address the proper identification, disposition, and documentation of surplus or obsolete District property, ensuring compliance with applicable laws and

regulations. It establishes clear procedures for declaring assets surplus, evaluating disposal methods (e.g., sale, donation, recycling, or disposal), and maintaining accurate records of asset disposition. Once finalized, this policy will provide consistent guidance to staff and help safeguard District resources.

- **IT**
    - A draft Request for Proposal (RFP) for Information Technology Services has been prepared. The RFP outlines the District's current needs and expectations for IT support, systems maintenance, cybersecurity, and long-term infrastructure planning.
    - Over the past year, the Administrative Coordinator has compiled a technology inventory across all departments. Using this inventory, we are now developing a structured IT Refresh & Replacement (Repair and Replacement) Plan. This plan will guide budgeting and lifecycle management for computers, servers, network equipment, and other technology assets.

- **Maintenance:**
    - Maintenance Manager to renew Certified Pool Operator (CPO) certification in October, ensuring continued compliance with state and local health and safety regulations for pool operations.
    - The Maintenance Manager continues to serve as the primary interim lead for pool pump room and chemical maintenance and has been training the new Aquatics Supervisor to gradually assume more of these responsibilities through cross-training and hands-on support.
    - Completed maintenance tickets from September include:
        - Patched and painted EEC classrooms.
        - Replaced and secured tarps over landslide areas on North and South campus boundaries in preparation of winter rains.
        - Repaired bent backstroke flag poles on pool deck in-house, resulting in cost savings and minimizing program disruption.
        - Repaired folding table in MPR.
        - Cleaned gutter behind tennis court.
        - Repaired blinds in EEC.
        - Completed annual Bay Alarm testing.

- **Risk Management:**
    - The Safety Committee met for its Q3 meeting in September to review recent incident report trends, ongoing safety initiatives, and upcoming training needs. Action items and recommendations from the meeting are being incorporated into program and facility operations.
    - The Safety Committee met for its Q3 meeting in September to review recent incident reports, ongoing safety initiatives, and upcoming training needs. Action items and

recommendations from the meeting are being incorporated into program and facility operations.

2025 Updated Planned Policy Reviews

Date	Policy	Status
December 10, 2024	Injury and Illness Prevention Program Policy	Approved by BOD.
January 14, 2025	Emergency Action Plan (EAP)	Approved by BOD.
January 2025	Hazard Communication Plan (HCP)	Drafted. Departments are updating Safety Data Sheets (SDS) and Chemicals Inventory list.
February 11, 2025	Blood Borne Pathogens & Exposure Control Plan (BBP)	Implemented internally. (Completed)
April 8, 2025	Workplace Violence Policy (WVP)	Approved by BOD.
April 8, 2025	Americans with Disabilities Act (ADA) Policy	Approved by BOD.
June 10, 2025	Heat Illness Guide	Approved by BOD.
	COVID and Respiratory Illness Plans	Drafted. BOD presentation delayed to November.
	Data & Cybersecurity Policy	Approved by BOD.
	HRD Employee Handbook	Drafted. BOD presentation delayed to November.

MEMORANDUM

Date: October 14, 2025

To: Tamsen Burke, General Manager

From: Meg Catmull, Assistant General Manager

Re: Employee Benefits Review Staff Report

Executive Summary and Background

The Highlands Recreation District offers a comprehensive package of employee benefits, including medical, dental, vision, life, disability, retirement savings (SIMPLE IRA and 457(b)), EAP, and flexible spending accounts. The District contributes toward core benefits while providing voluntary options for employees to tailor coverage for themselves and their families.

The District's current annual cost for health and insurance benefits is approximately $182,016, with an additional $17,128 in retirement contributions, for a total of about $199,144. If all employees maintain their current elections, projected costs for the upcoming plan year (December 1, 2025 – November 30, 2026) are $198,546 for health and insurance benefits, or $215,673 including retirement. This reflects a 9.1% increase in health and insurance costs and an 8.3% increase overall compared to current.

Because the benefits plan year does not align with the District's fiscal year (July–June), the FY 2025–26 budget impact will reflect approximately five months at current rates and seven months at renewal rates, for an estimated $192,300 in health and insurance benefits or $208,787 including retirement contributions. The approved FY 2025–26 benefits budget is $225,682.51, which includes retirement contributions, and current projections remain within this allocation.

Current Benefit Offerings

The District's benefit offerings include medical, dental, vision, life insurance, disability, SIMPLE IRA and 457(b) retirement plans, EAP, and flexible spending accounts. The District

contributes toward core benefits such as medical, dental, and vision coverage. Voluntary programs such as dependent coverage, retirement plans, and FSAs allow employees to tailor benefits to individual and family needs.

Medical, dental, vision, life insurance, and disability benefits renew on a 12-month cycle beginning December 1. Flexible spending accounts renew on a 12-month cycle beginning January 1. Open Enrollment typically occurs in late October through early November for health and insurance benefits. Retirement plans (SIMPLE IRA and 457(b)) are open for enrollment year-round.

Retirement Offerings

The District provides a matching SIMPLE IRA contribution of up to 3% of employee salary. The 457(b) plan includes a $520 annual District contribution without employee match. Exempt employees receive an additional 1% contribution, while the General Manager receives 7%. Retirement plans carry no additional administrative or premium costs.

Current Enrollment Snapshot

As of September 30, 20 employees were eligible for benefits (18 regular full time and 2 RNE-3). By-benefit participation as of September 30 is as follows:

	Medical	Dental	Vision	Healthcare FSA	Dependent Care FSA	Simple IRA	457(b)
# Enrolled	15	15	15	11	3	5	7
% Enrolled	75%	75%	75%	55%	15%	25%	35%

All eligible employees are enrolled in LTD/STD and Life/AD&D.

Vacancies

At the time of this report, the EEC Assistant Director position is vacant and the new Aquatics Supervisor has not yet completed the waiting period for benefits. All projected costs are based on enrollment as of September 30, 2025, reflecting vacancy levels consistent with the past two years. If all benefit-eligible positions are filled, total costs will rise accordingly.

Current Costs and Projected Renewal Costs

The District's cost for health and insurance benefits in the current plan year is approximately $182,016. Retirement contributions add an approximate $17,128 annually based on September 30, 2025 elections.

If all employees maintain their current elections, projected costs for the upcoming fiscal year are $198,546 for health and insurance benefits, or a combined $215,673 including

retirement. This reflects a 9.1% increase for health and insurance benefits alone and an 8.3% overall increase compared to current year costs. For clarity, retirement contributions are excluded from the tables as they fluctuate with employee earnings and elections.

The table below provides a comparison of current versus projected costs:

Carrier	Benefit Type	Plan	Currently Enrolled	Current Annual Premium	Projected Annual Premium	% Change
Kaiser Permanente	Medical	Gold 80 HMO 250/35 + Child Dental	6	$ 62,768.30	$ 65,279.04	4.0%
Kaiser Permanente	Medical	Platinum 90 HMO 0/10 + Child Dental Alt	4	$ 41,931.94	$ 48,221.73	15.0%
Kaiser Permanente	Medical	Platinum 90 HMO 0/20 + Child Dental	5	$ 52,323.48	$ 59,136.96	13.0%
Principal	Dental	Principal Dental PPO Option 1UCR	10	$ 7,030.80	$ 7,382.40	5.0%
Principal	Dental	Principal Dental PPO Option 2 MAC	5	$ 4,154.40	$ 4,362.00	5.0%
Principal	Vision	Principal VSP Choice B $10/$25	15	$ 1,447.20	$ 1,447.20	0.0%
Principal	Disability	Principal STD	20	$7,056.00	$7,056.00	0.0%
Principal	Disability	Principal LTD	20	$5,064.00	$ 5,393.16	6.5%
Principal	Life	Principal Life	20	$180.00	$ 207.36	15.2%
Principal	AD&D	Principal AD&D	20	$60.00	$60.00	0.0%
Navia	FSA	Medical FSA	15	$200 monthly minimum; $6.15 Participant Fee; Plan Year Fee $250		0.0%
Navia	FSA	Dependent Care FSA	3			0.0%
Totals				**$ 182,016.12**	**$ 198,545.85**	**9.1%**

Conclusion

This report is provided for informational purposes only. Projected renewal costs for employee benefits remain within the approved FY 2025–26 budget, and staff will continue to monitor enrollment and final renewal rates.

MEMORANDAUM

Date: October 14, 2025

To: Tamsen Burke, General Manager

From: Mike Koenig, K-8th Child-Care Director

Re: ASP/IC Program Update

PROGRAM/DEPARTMENT OVERVIEW

- Auto deduction began for program participants this month. 84% of ASP/In-Crowd families are enrolled for the 25-26 school year. This number typically increases as the school year goes on and families transition over.
- Fall Camp ended on October 3. Camp attendance was less than anticipated and finished at 58% of projected budget. Program staff scheduled accordingly to ensure camp revenue aligns with staffing expenses.
- The program will be having a Halloween party for the kids on October 31. Program staff will plan fun activities, and the children can celebrate in their costumes.
- ASP will be hosting their first Kids Night Out on the school year on October 10 from 6pm-10pm.
- Rec swim ended for ASP children on September 24. Starting October 8, ASP will offer weekly cooking classes to program participants. This additional enrichment will run from October 8 – December 17.

STAFF UPDATES

- ASP staff, Erik Godoy, celebrated his 4-year work anniversary on October 11. Staff thanked him for his service and acknowledged his importance to the program.

FACILITY/GROUNDS

- Staff purchased a white 2017 Nissan Titan SV long bed pickup on September 25. This vehicle will replace the district's 1998 Ford F-50 long bed which has been in service since 2013. Staff will now focus on identifying a van replacement as soon as possible. A District Surplus Asset Disposal Policy is being developed for current HRD fleet/vehicles.

UPCOMING EVENTS

- Kids night out planning/staffing/advertising.
- November parent/teacher conferences scheduling
- District van replacement
- Fall program enrichment.

MEMORANDUM

Date: October 14, 2025

To: Tamsen Burke, General Manager

From: Sam Anderson, Aquatics Supervisor

Re: Aquatic Supervisor Report

Program/Department Overview (First Impressions)

I want to begin by thanking the Board and staff for the warm welcome into this role. Over the past several weeks, I have been working to gain an initial understanding of our operations, and the Aquatics Department has an opportunity to grow.

The key strategic priorities and facets of the pool including facilities, cleaning, maintenance, and staffing are my focus. A small team of lifeguards are sustaining day-to-day operations. With the return of the school year, availability among our predominantly high school staff has sharply declined and the need to resubmit new work permits has compounded the issue. As a result, pool coverage has become an acute challenge, and at present, the Aquatic Coordinator and I are often the only staff ensuring the facility remains open. Addressing staffing is therefore my top priority. I have already begun transitioning the lifeguard team from an “open shift” model to a set schedule, which will bring consistency and accountability, and I am ramping up hiring efforts to rebuild the team.

In my first few weeks, I have also taken inventory of the full range of tasks and improvements needed across staffing, facilities, training, and compliance. This work is forming the basis of a comprehensive plan to guide priorities in the months ahead. While I am still in the process of gathering information and listening to staff and community perspectives, I am encouraged by the opportunities ahead.

Despite the current challenges, I am excited to tackle the work before us. I see tremendous potential to not only to stabilize and improve operations but also to build an Aquatics program that serves as a point of pride for our community.

Key Highlights

- **Staffing:** Began gathering staff availability, feedback, and preferences through surveys and direct communication. Initial responses indicate broad support for moving away from the open shift model. Making a focused push towards hiring core staff with broader availability as our summer staff transition back to school.
- **Training and Certifications:** Planning to reintroduce lifeguard in-service training with a first session focused on skill assessments, followed by facility expectations and chemical training. A new Lifeguard Certification Course is in development, with a first step of establishing the Aquatic Supervisor as an ARC instructor affiliated with HRD.
- **Swim Team:** Renaming current groups to lower confusion. Ongoing evaluation of the coaching structure with Aquatic Coordinator and General Manager are underway, exploring either solidifying the current structure or restructuring roles for clearer alignment. Three swim meets are coming up:
    - *Burlingame Aquatics SCY C/B/A+ Meet, Oct 25–26, 2025* (Burlingame, CA)
    - *ALTO Swim Club SCY C/B/A+ Meet, Nov 15–16, 2025*
    - *Daly City Dolphins SCY C/B/A+ Meet, Dec 6–7, 2025*

Financials

- Initial review of the Aquatics budget is underway to better understand cash flow and identify opportunities for improvement.
- Lesson and swim team pricing models are being evaluated to ensure alignment with participation levels, district standards, and community expectations.
- Cash control and accounting systems are under review to strengthen internal consistency and reduce gaps.
- Goal: build financial sustainability while maximizing program value for the community.

Challenges and Responses

- **Staff Scheduling:** Transitioning from open shifts to set schedules. This requires adjustment, but early feedback shows staff support for the change, and we are moving toward full implementation.

- **Staff Training:** Current staff have a wide variety of training backgrounds and limited in-service exposure. We are addressing this by launching regular in-services focused on skill reinforcement, facility standards, and emergency procedures.

Maintenance/Operations Updates

- **Pump Room:** Organization and safety review underway; hazards are being cataloged and addressed systematically.
- **Short-Term Wins:** Establishing a cleaning schedule and prioritizing visible improvements to restore community confidence in the facility.

Compliance Updates

- Developing new chemical check procedures and record-keeping systems to meet ARC, HRD insurance, and internal policy requirements. Exploring a digital log solution for consistency and transparency.
- Reviewing and updating EAPs, SOPs, and incident procedures (weather, fecal) to ensure compliance and readiness.
- Main drains scheduled for replacement 10.28.2025, to ensure full compliance with local and national standards.

Future Goals and Plans

- **Staffing:** Build a sustainable staffing pipeline with regular certification opportunities and mentorship, including the Junior Lifeguard Program in 2026.
- **Facilities:** Begin with “easy wins” (flags, lane lines, cleaning schedule). Explore reopening of the baby pool (pending codes/regulations). In discussion with the General Manager about future aquatic facility improvements and water feature attraction as a part of the renovations or construction of new pool.
- **Programming:** Continue evaluation of swim lessons and swim team structure to balance recreational and competitive opportunities. Explore semi-private and adult lesson offerings.
- **Leadership:** Finalizing and assigning the head guard position to strengthen on-deck leadership and daily oversight.

MEMORANDUM

Date: October 14, 2025

To: Tamsen Burke, General Manager

From: Julie Fernandez, EEC Director

Re: EEC Director Report

Key Highlights:

- Staff Professional Development Day was very productive. Team meetings were held, classrooms were adjusted to support new curriculum, and minor maintenance repairs were done.
- The application to expand our preschool license to include 18-month-olds has been completed and submitted to licensing.

Staff Updates

- Assistant Director candidates have been narrowed down to two people, and an offer has been extended.

Metrics and Data:

- Current Enrollment for August:
  Seventy-six percent (29/38) enrolled for full-time students and 100% (6/6) enrolled for part-time students. Up 3% from last month.

    - **Monkeys (8 full capacity)**
        - 8/8 full day enrolled.
        - August: 8/8, September 8/8, October 8/8, November 8/8
        - 3 FT Teachers to maintain a 1:4 ratio as required by licensing. EEC provides a 1:3.5 ratio for best practice and to ensure a 1:4 ratio is consistently maintained.
        - Tours have been consistently coming in for infant room interest, as well as communication from families on the waitlist to keep us informed of their interest.
    - **Chameleons (18 full capacity)**
        - October 11/18; November 12/18
        - 2 FT teachers plus 1 floater teacher to maintain a 1:6 ratio; 1:12 is required by licensing, but for best practice and as advertised, the EEC maintains a lower ratio for better care and supervision. When this class is predominantly a 2-year-to-3-year-old classroom, 1:6 is preferred; however, while the Chameleon room will

not be at capacity, the floater teacher will assist picking up the TK students from the elementary school.

- **Tigers (18 full capacity)**
  - October: 10/12 FD, 6/6 Half Day TK
    - We have several tours in the upcoming weeks for the two available full-day spots in the Tiger class.
  - We recently toured someone for this class and hope to enroll them for November.

Future Goals and Plans:

- October 10: EEC Pumpkin Patch and Petting Zoo
- October 10: EEC Staff meeting
- October 31: EEC Halloween Parade

MEMORANDAUM

Date: October 14, 2025
To: Megan Catmull, Assistant General Manager
From: Julia Fior, Recreation Coordinator
Re: Seasonal Programs and Rentals Update – September 2025

PROGRAM/DEPARTMENT OVERVIEW

- Fall programs will run through December 20; current offerings include Toddler/Preschool mixed-sports classes, Youth tennis lessons, Youth and Adult martial arts classes, and weekend sport classes.
    - Tennis lessons switched to a Tuesday/Thursday format to support students that participate in Tennis and Kuk Sool martial arts.
    - Weekend sports classes are being offered based on results from the community survey done in June 2025.
- September facility rentals saw an increase with more school-year groups returning, as well as an increased demand for private rental use.
- The Recreation Coordinator is planning the annual Halloween Family Fun Night, set for October 24, 6:30pm – 8:30pm. Pre-sale tickets went on sale October 1, and will be on sale through Thursday, October 23. Day-of-door tickets will also be available.

KEY HIGHLIGHTS

- Toddler sports program, Amazing Athletes, has seen two very successful sessions run with both classes exceeding minimum enrollment requirements.
- Main school-year recurring rentals have returned, which provides Aquatics and Rentals with consistent monthly income.
    - Odyssey school returned September 29, with a very smooth transition back.
    - A previous recurring renter at the pool inquired on beginning again, with a planned start date in November 2025.
- General counsel returned the Rental Agreement draft with notes, and at the time of this report, the GM and Recreation Coordinator are scheduling time to make necessary adjustments.
    - Anticipated implementation – November 1, 2025, with notices on website.
    - Adjustments to this agreement will allow for a more uniform process for all rental facilities, along with a universal agreement for all facilities.
    - Recurring renters were provided with temporary extensions of current agreements during approval of new agreements.

- Recommendations for new rental rates were provided to the GM and are under review; once approved, recurring renters will be provided with a 30-day notice for new rates. New one-time rentals or recurring rentals would be subject to the new rates.
    - Rate recommendations were made based on comps taken from other local parks and recreation agencies, special districts.

METRICS AND DATA – SEASONAL PROGRAMS

- The Recreation Coordinator is finalizing plans for the 2025 Halloween Family Fun Night; this event tends to be the biggest annual HRD event, with at least 400 in attendance.
    - The Recreation Coordinator has made efforts to create a more elevated experience for the community by bringing in food and drink trucks, including a local brewery who manages all the county-mandated paperwork.
    - The Recreation Coordinator has also worked to create more spaces for all ages to engage, while putting a fresh, new spin on activities.
        - In 2024, we implemented a "Monster Bash", which turned the gym into a light filled dance floor. The Recreation Coordinator received significant feedback that the community enjoyed it and would like to see it return.
    - With requests from HRD directors, the Recreation Coordinator is working to involve more volunteers as well as improve other activities during the event, such as the costume contest.
- Planning for the Winter/Spring 2026 Activity Guide is underway, with director page submissions due October 23.
    - The shift to a Winter/Spring guide instead of a Spring/Summer Guide allows departments to have additional time when planning summer offerings. This will allow for a more accurate Guide based on total staffing.
    - Department specific pages are edited/approved upon receiving from director/department head. Once completed, the Guide will go to the GM for full approval.
    - Registration for Winter/Spring is set to open November 10, 2025, for Highlands Residents and November 17, 2025, for Non-Residents.

METRICS AND DATA – RENTALS

September rental numbers show the return of usual school year groups, as well as positive numbers for private rentals. Aquatics rentals were lower than expected due to unexpected pool closures as well as lower demand for pool parties due to cooler weather.

September totaled 32 rentals total; rentals include:

- **Aquatics**
    - 4 Pool Parties
    - 2 Scuba Rentals
    - 1 Odyssey School Rental
- **Non-Aquatics**
    - 4 Recurring Gym Rentals
    - 4 Recurring MPR Rentals
    - 3 Private Gym Rentals
    - 1 Odyssey Gym Rental
    - 11 Community Group Rentals (CERT, HSN, Scouts, HCA, etc.) – Fee Waived

- October rental numbers will continue to increase to reflect a full month of recurring school-year rentals.

METRICS AND DATA - MARKETING/ADVERTISING

- Advertising through social media, website updates, and monthly newsletters will continue to support advertising for hiring needs, upcoming programs, and successes from different departments.
- A Marketing/Media training was held with department heads to cover recurring marketing and media processes including submissions (Lowdown, eNews, Activity Guides, etc.) on September 26.
    - This will allow for a more consistent style in writing as well as consistency in submissions.
    - This training also covered all submission dates for October 2025 – June 2026.
- The Recreation Coordinator is continuing to work on a District-wide branding guide, which will include:
    - Templates for District-wide, non-department specific, publications
    - Color schemes and font styles for individual departments.
    - Templates for recurring department media needs

STAFF UPDATES

- Currently, the rental department has 4 Rec Leaders who work as building attendants. This is the ideal number of staff to cover the uptick in rental requests.
    - Having four building attendants also allows for longer shifts (8+ hour long rentals) to be broken into shifts, to reduce part-time staff going over hours.

MEMORANDAUM

Date: October 14, 2025
To: HRD Board of Directors
From: Julia Fior, Recreation Coordinator
Re: Tennis Court Rental Rates – Resident vs. Non-Resident

Background

The Highlands Recreation District maintains three tennis courts that historically have been available for various types of use:

- Resident Use: Highlands residents may purchase a tennis court key with a one-time fee. This key provides access to the weekly Sign-Up Genius reservation list. Court reservations for casual, non-tournament play do not incur any additional fees.
- Tennis Professionals: Two tennis professionals rent courts on a monthly basis to provide private and group lessons. Some lessons are offered through HRD, while others are independently managed by the tennis pros.
- Special Events/Organization Use: Per HRD Tennis Court Rules, special events or organizations (e.g., leagues or tournaments) may rent the courts for a fee. Historically, one Highlands resident has rented all three courts annually for a USTA tournament.
- Non-Resident Use: Non-residents may use the courts only when accompanied by a Highlands resident or when participating in lessons with an HRD-approved tennis pro. Tennis court keys are not sold to non-residents, and non-resident reservations are not accepted.

Because Highlands residents can reserve courts for free for casual use, HRD has historically maintained a single rental rate for all tennis court rentals. This single rate has applied both to tennis professionals and to Highlands residents renting courts for organized use (such as USTA tournaments).

Below is a chart detailing recommendation from the Recreation Coordinator for tennis court rentals, including the previously discussed options for pre-paid court usage versus payment for exact usage and a new separated Resident rental rate.

	Deposit - Refundable	**Rental Fees (Hourly)**	**Additional Fees**
Current	None	$15 R / $15 NR	None
Recommended	$100	**Pre-paid hours** (based on renter's provided hours): $15 R / $17 NR **Actual usage** (invoiced at the end of the month): $17 R / $20 NR	Change of Date: $35 Admin Fee: $35

Comparisons

Historically, HRD has not established separate resident and non-resident rental rates since residents are able to reserve courts for free for casual play. Generally, other cities do charge for advance reservations, though many still allow free walk-up play. Most nearby agencies follow a similar model to HRD's, where rental rates are consistent across resident and non-resident renters.

Comp Location	Pricing	Capacity	Features/Notes
San Mateo City	Organization Rental: $12.50 R / $12.50 NR Match Reservation: $9.50 R / $9.50 NR	NA	NA
Hillsborough	$17 R / $17 NR	NA	NA
Burlingame – USTA Tournaments	$41 R / $67 NR	NA	NA
Burlingame – For Profit Rental	$25 R / $29 NR	NA	NA
Burlingame - Reservations	$26 R / $30 NR		

MEMORANDUM

Date: October 14, 2025

To: Tamsen Burke, General Manager

From: Bea Robertson, Bookkeeper

Re: Bookkeeper Report

Update on August 2025 Financial Statements

The financial statements for August 2025 were revised after receiving the County of San Mateo Activities of Account report on September 12, 2025. The updated figures include additional transactions recorded in QuickBooks after the preliminary August financial reports were presented to the Board. The key changes incorporated into the final reports are outlined below:

1. **Revenue Adjustment**
   - Ledger Item - Property Tax Revenue (GL Code 102100):
     - Original: $0.00
     - Revised: $781.56
     - **Increase: $781.56**
   - Ledger Item – Parks & Recreation Fees (GL Code 232100):
     - Original: $287,993.97
     - Revised: $287,838.72
     - **Reduction: $155.25**
2. **Expense Adjustment**
   - Ledger Item – Plumbing & Piping (GL Code 545902):
     - Original: $306.00
     - Revised: $0.00
     - **Reduction in Expense: $306.00**

2. Net Impact on Financial Statements

As a result of the revisions above, the net impact to our Profit & Loss for August 2025 is as follows:

- **August 2025:**
    - Original Net Loss: $(46,301.45)
    - Revised Net Loss: $(45,369.14)
    - **Decrease in Net Loss: $932.31**

- **FYTD through August 2025:**
    - Original Net Income: $58,229.01
    - Revised Net Income: $59,161.32
    - **Increase in Net Income : $932.31**

It was brought to my attention that the additional July Interest Revenue of $51,035.18 received post-July financial reporting, as described in my Bookkeeper's Memo of September 9, 2025, was erroneously omitted from the Fiscal Year to Date P&L Budget Comparison report. Attached is an updated FYTD report through August, correcting this oversight. Note: This error only affected the manually-entered Excel report.

QuickBooks Migration Update

On 9/22/2025, we migrated from QuickBooks Desktop Enterprise 2019 to QuickBooks Online Advanced. The migration was successful, but the FY25-26 budget required manual reentry, and 138,000 sales receipts were duplicated, a known issue per QuickBooks Support.

Sales, expenses, and balance sheet figures are accurate, though duplicated records have greatly slowed transaction processing. A temporary workaround is in use. After consulting with our Auditor, I will work with QuickBooks Support to remove excess records while preserving data integrity.

I am adapting to the new reporting capabilities of QuickBooks Online Advanced and exploring customization options to align with the Board's preferred formats. September and FYTD Financial Reports will be finalized by 10/13/2025 and I anticipate timely delivery of reports moving forward.

Highlands Recreation District		10:42 AM			
Balance Sheet		10/12/2025			
As of SEPTEMBER 2025		Accrual Basis			
	SEPT PREVIOUS YEAR COMPARISON		FISCAL YEAR END - PREVIOUS 3-YEAR COMPARISON		
	Sept 30, 2025	Sept 30, 2024	Jun 30, 25	Jun 30, 24	Jun 30, 23
			FINAL, UNAUDITED	FINAL	FINAL
ASSETS					
Current Assets			FISCAL YEAR END		
Checking/Savings					
004000 · Petty Cash	100.00	100.00	100.00	100.00	100.00
005000 · First Citizens Bank Note 1 *FY25 & FY26 Incl. Sweep Acct Balance	50,853.72	243,813.06	294,731.68	181,489.38	246,427.73
006000 · Pettycash-pool	80.00	80.00	80.00	80.00	80.00
007000 - Bank of New York Mellon					
011100 · Cash in Treasury	5,098,566.68	4,344,812.91	5,125,302.84	4,542,608.79	3,883,842.03
Total Checking/Savings	5,149,600.40	4,588,805.97	5,420,214.52	4,724,278.17	4,130,449.76
Accounts Receivable					
1200 - Accounts Receivable					
Total Accounts Receivable					
Other Current Assets					
027000- Interest Receivable				0.00	0.00
040000 · Prepaid Expenses	49,503.70	41,102.54	5,857.75	5,776.75	9,633.29
Total Other Current Assets	49,503.70	41,102.54	5,857.75	5,776.75	9,633.29
Total Current Assets	5,199,104.10	4,629,908.51	5,426,072.27	4,730,054.92	4,140,083.05
Fixed Assets					
90001 · Building					
0571 · Accum depr-Building	-2,090,534.54	-1,910,686.24	-2,090,534.54	-1,910,686.24	-1,716,621.84
90001 · Building - Other	5,815,567.00	5,815,567.00	5,815,567.00	5,815,567.00	5,815,567.00
Total 90001 · Building	3,725,032.46	3,904,880.76	3,725,032.46	3,904,880.76	4,098,945.16
90002 · Improvements					
0572 · Accum depr-Improv	-395,000.84	-356,942.30	-395,000.84	-348,468.73	-274,487.70
90002 · Improvements - Other	685,984.50	685,984.50	685,984.50	677,510.93	685,984.50
Total 90002 · Improvements	290,983.66	329,042.20	290,983.66	329,042.20	411,496.80
90003 · Equipment					
0570 · Accum depr-Equip	-228,412.79	-216,442.54	-228,412.79	-216,442.54	-165,899.99
90003 · Equipment - Other	266,505.00	266,505.00	266,505.00	266,505.00	266,505.00
Total 90003 · Equipment	38,092.21	50,062.46	38,092.21	50,062.46	100,605.01
90004 · Land	19,532.00	19,532.00	19,532.00	19,532.00	19,532.00
90005 · Construction in Progress	224,295.56	202,785.73	219,388.90	202,125.73	22,697.00
Total Fixed Assets	4,297,935.89	4,506,303.15	4,293,029.23	4,505,643.15	4,653,275.97
TOTAL ASSETS	**9,497,039.99**	**9,136,211.66**	**9,719,101.50**	**9,235,698.07**	**8,793,359.02**

Highlands Recreation District		10:42 AM			
Balance Sheet		10/12/2025			
As of SEPTEMBER 2025		Accrual Basis			
	SEPT PREVIOUS YEAR COMPARISON		FISCAL YEAR END - PREVIOUS 3-YEAR COMPARISON		
	Sept 30, 2025	Sept 30, 2024	Jun 30, 25	Jun 30, 24	Jun 30, 23
			FINAL, UNAUDITED	FINAL	FINAL
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Accounts Payable					
064000 - Accounts Payable	20,587.07	9,546.32	34,828.56	17,609.03	12,180.60
Total Accounts Payable	20,587.07	9,546.32	34,828.56	17,609.03	12,180.60
Other Current Liabilities					
065000 · Payroll Liability	0.00	0.00	0.00	0.00	0.00
065010 · Payroll Liability-FSA	686.97	2,464.70	32.65	1,722.82	5,021.73
Other Accrued Expenses	0.00	0.00	89,766.40	75,507.43	62,225.00
80002 · Accr Interest Pay -Bond	4,076.50	4,471.75	17,887.00	19,416.34	20,904.32
80003 · Bond Principal Accrual	12,750.00	12,750.00	127,500.00	123,333.34	120,000.00
Total Other Current Liabilities	17,513.47	19,686.45	235,186.05	219,979.93	208,151.05
Total Current Liabilities	38,100.54	29,232.77	270,014.61	237,588.96	220,331.65
Long Term Liabilities					
265900 · COP-Bond	1,565,250.00	1,718,250.00	1,603,500.00	1,755,666.66	1,903,000.00
266000 · Compensated Absences	46,234.76	41,164.68	48,500.44	46,397.73	43,359.24
Total Long Term Liabilities	1,611,484.76	1,759,414.68	1,652,000.44	1,802,064.39	1,946,359.24
Total Liabilities	1,649,585.30	1,788,647.45	1,922,015.05	2,039,653.35	2,166,690.89
Equity					
081300 · Fund Balance	349,181.59	349,181.59	349,181.59	349,181.59	349,181.59
081400 · Retained Earnings	4,903,762.63	4,236,936.32	4,236,936.32	3,667,515.84	3,149,753.71
9998 · Amount to be provided	-1,582,076.50	-1,735,471.75	-1,748,887.00	-1,898,416.34	-2,043,904.32
9999 · Investment in Capital Assets	4,297,935.89	4,506,303.15	4,293,029.23	4,505,643.15	4,653,275.97
Net Income	-121,348.92	-9,385.10	666,826.31	572,120.48	518,361.18
Total Equity	7,847,454.69	7,347,564.21	7,797,086.45	7,196,044.72	6,626,668.13
TOTAL LIABILITIES & EQUITY	**9,497,039.99**	**9,136,211.66**	**9,719,101.50**	**9,235,698.07**	**8,793,359.02**

Note 1. There were three payroll check runs in September and we purchased a used truck from our daily corporate checking account.

Profit and Loss		Accrual Basis October 12, 2025 11:53 PM
Highlands Recreation District		**Month of September 2025**
September 2025		
Distribution account	**Total**	
Income		
102100 Property Taxes	331.75	
152100 Interest Earned	38.31	
232100 Park & Recreation Fees	155,897.98	
232101 Refunds of Fees	-4,118.00	Rec-Cancelled Aquatics Pgrms = $3,355
232103 Deposits Received & Returned	1,100.00	
Total for 232100 Park & Recreation Fees	**$152,879.98**	
265800 Miscellaneous Revenue	644.62	US Bank CalCard Q2 Rebate
Total for Income	**$153,894.66**	
Cost of Goods Sold		
Gross Profit	**$153,894.66**	
Expenses		
411000 Total Employee Cost		
411100 Permanent Salaries	57,387.59	Three payroll checks issued in Sept
411103 Longevity Pay	349.62	
416101 Office Wages	20,998.21	
416102 Pool Wages	26,304.12	
416103 Maintenance Wages	9,543.05	
416104 Supervision Wages/Bldg Attndnts	7,928.24	
416106 Program/Enrichmt Specist-STAFF	200.85	
416107 ASP/Camp Wages	27,375.93	
416108 EEC Wages	56,692.68	
416110 Vacation Expnse (Adjstng Acct)	582.35	
431100 Social Security	12,583.58	
431200 Medicare Contribution	2,942.94	
445100 Unemployment Insurance	-134.00	Refund CARES Act Overpymt Claim Date May 2020
463100 District Employee Benefits	19,160.75	
Total for 411000 Total Employee Cost	**$241,915.91**	
515600 Household Expenses		
515601 Recology (Waste)	1,259.71	
515602 Janitorial Supplies	93.58	
515605 Cleaning Company	4,050.00	
Total for 515600 Household Expenses	**$5,403.29**	
519300 Office Expenses		
519301 Outside Printing & Copy Serv	22.00	
519302 Licensing Fees	242.00	
519303 General Office Supplies	97.98	
519304 Recruitment & Advertising	404.01	
519307 Other Ofc. Expns -Svc or Agrmnt	1,891.81	
519308 Credit Card/ACH fees	1,873.24	
519309 Payroll Processing Fees	2,732.87	
Total for 519300 Office Expenses	**$7,263.91**	
533100 Memberships & Subscriptions	1,400.47	
545900 Maintnce-Facility & Imprv		

Profit and Loss		Accrual Basis October 12, 2025 11:53 PM
Highlands Recreation District		**Month of September 2025**
September 2025		
Distribution account	**Total**	
545902 Plumbing & Piping	306.00	
545903 Paint, Solvents & Chemicals	4,678.71	
545904 Pool Maintenance Supplies	376.34	
545909 Other General Maintenance	962.03	
545911 Landscape/Garden Expense	250.00	
545912 Vehicle Expense	26,218.82	2017 Nissan Titan SV Truck
Total for 545900 Maintnce-Facility & Imprv	**$32,791.90**	
563800 Utility Expense		
563801 P G & E	6,318.05	
563802 Water	1,979.43	
Total for 563800 Utility Expense	**$8,297.48**	
585600 Contract Expenses		
585603 Legal Fees	1,608.00	July 2025 Legal Services
585604 Consultants	1,080.04	Includes $396 new docking station for GM
585605 Vendors/Instructors/Pgrm Specs	13,208.40	Includes July & Aug 3 x Weekly Water Chem Trtmnt
Total for 585600 Contract Expenses	**$15,896.44**	
596600 Program Specific Expenses		
596604 Supplies-ASP	589.57	
596608 Employee Recognition/ Misc- ASP	6.75	
596610 Misc Expense-OFFICE	109.14	
596611 Employee Recognition/Misc-OTHER	246.13	
596612 Special Events	856.57	
596614 Pool Program & Facility Supply	211.13	
596616 In-Crowd Rent	1,194.35	
596617 Seasonal Programs	35.49	
596621 EEC Supplies	2,400.17	
596622 EEC Snacks	555.60	
596623 EEC Special Activities	22.34	
596624 Employee Recognition/ Misc-EEC	104.08	
596627 Staff Development	350.00	
596628 Training & Certification Expnse	26.97	
Total for 596600 Program Specific Expenses	**$6,708.29**	
671200 Telephone & Internet Expns	349.46	
673100 Insurance		
673101 CAPRI-Worker's Comp	2,042.75	
673102 CAPRI-General Liability/Auto	12,335.00	
Total for 673100 Insurance	**$14,377.75**	
Total for Expenses	**$334,404.90**	
Net Operating Income	**-$180,510.24**	
Other Income		
Other Expenses		
Net Other Income		
Net Income	**-$180,510.24**	

Profit and Loss		Accrual Basis October 12, 2025 11:54 PM
Highlands Recreation District		Fiscal Year To Date through September 2025
July 1-September 30, 2025		
Distribution account	Total	
Income		
102100 Property Taxes	1,113.31	
102101 ERAF	101,268.82	
152100 Interest Earned	51,325.03	
199700 Capital Grants & Contrib	3,275.00	EEC QRIS Quality Improvement Grant
232100 Park & Recreation Fees	659,381.93	
232101 Refunds of Fees	-6,734.00	$2K ASP Cust-Withdrawl Summer Camps $4.1K Rec-Cncld Aquatics Pgms
232103 Deposits Received & Returned	2,950.00	
Total for 232100 Park & Recreation Fees	**$655,597.93**	
265800 Miscellaneous Revenue	669.62	US Bank Cal Card Q2 Rebate
Total for Income	**$813,249.71**	
Cost of Goods Sold		
Gross Profit	**$813,249.71**	
Expenses		
411000 Total Employee Cost		
411100 Permanent Salaries	112,636.46	3 Payroll Checks Issued in September
411103 Longevity Pay	815.78	
416101 Office Wages	42,410.37	
416102 Pool Wages	57,652.65	
416103 Maintenance Wages	19,247.47	
416104 Supervision Wages/Bldg Attndnts	16,572.47	
416106 Program/Enrichmt Specist-STAFF	200.85	
416107 ASP/Camp Wages	71,354.76	
416108 EEC Wages	128,218.43	
416110 Vacation Expnse (Adjstng Acct)	-2,265.68	
431100 Social Security	27,214.90	
431200 Medicare Contribution	6,364.74	
445100 Unemployment Insurance	-134.00	Refund CARES Act OverPymt Claim Date 05/2020
463100 District Employee Benefits	50,447.04	
Total for 411000 Total Employee Cost	**$530,736.24**	
512100 Clothing & Uniforms	0.00	
515600 Household Expenses		
515601 Recology (Waste)	3,849.35	
515602 Janitorial Supplies	2,453.98	
515605 Cleaning Company	12,150.00	
Total for 515600 Household Expenses	**$18,453.33**	
519300 Office Expenses		
519301 Outside Printing & Copy Serv	22.00	
519302 Licensing Fees	968.00	
519303 General Office Supplies	1,409.35	
519304 Recruitment & Advertising	606.46	
519305 Postage & Mailing Expenses	105.49	

Profit and Loss		Accrual Basis October 12, 2025 11:54 PM
Highlands Recreation District		Fiscal Year To Date through September 2025
July 1-September 30, 2025		
Distribution account	Total	
519307 Other Ofc. Expns -Svc or Agrmnt	3,364.52	
519308 Credit Card/ACH fees	6,162.22	
519309 Payroll Processing Fees	7,661.63	
Total for 519300 Office Expenses	**$20,299.67**	
533100 Memberships & Subscriptions	4,550.44	
542300 Maintenance-Equipment (deleted)	0.00	
545900 Maintnce-Facility & Imprv		
545902 Plumbing & Piping	306.00	
545903 Paint, Solvents & Chemicals	12,399.13	
545904 Pool Maintenance Supplies	618.81	
545905 Locks & Security System	693.84	
545906 Signage Expense	55.13	
545907 General Electrical Expense	385.00	
545909 Other General Maintenance	1,511.30	
545911 Landscape/Garden Expense	320.81	
545912 Vehicle Expense	26,225.68	2017 Nissan Titan SV Truck
Total for 545900 Maintnce-Facility & Imprv	**$42,515.70**	
563800 Utility Expense		
563801 P G & E	22,464.09	
563802 Water	5,966.63	
Total for 563800 Utility Expense	**$28,430.72**	
585600 Contract Expenses		
585601 Audit Fees	0.00	
585603 Legal Fees	3,182.50	June & July
585604 Consultants	2,869.04	
585605 Vendors/Instructors/Pgrm Specs	31,393.64	
Total for 585600 Contract Expenses	**$37,445.18**	
596600 Program Specific Expenses		
596601 Buses-ASP	4,954.00	June/July/Aug Summer Camps
596602 Spec Activities-ASP	2,515.60	July/Aug Summer Camps
596603 Snacks-ASP	1,973.87	
596604 Supplies-ASP	1,812.58	
596607 Employee Recognition/ Misc-POOL	0.00	
596608 Employee Recognition/ Misc- ASP	47.58	
596610 Misc Expense-OFFICE	326.79	
596611 Employee Recognition/Misc-OTHER	825.23	
596612 Special Events	950.31	
596614 Pool Program & Facility Supply	646.97	
596616 In-Crowd Rent	3,583.05	
596617 Seasonal Programs	35.49	
596621 EEC Supplies	3,314.16	
596622 EEC Snacks	1,386.07	

Profit and Loss		Accrual Basis October 12, 2025 11:54 PM
Highlands Recreation District		**Fiscal Year To Date through September 2025**
July 1-September 30, 2025		
Distribution account	**Total**	
596623 EEC Special Activities	61.37	
596624 Employee Recognition/ Misc-EEC	135.84	
596626 Swim Team Expenses	199.90	
596627 Staff Development	444.00	
596628 Training & Certification Expnse	35.96	
Total for 596600 Program Specific Expenses	**$23,248.77**	
633100 Bond Interest Expense	26,830.49	
633200 Bond Principal Expense	153,000.00	
671200 Telephone & Internet Expns	1,048.38	
673100 Insurance		
673101 CAPRI-Worker's Comp	6,128.25	
673102 CAPRI-General Liability/Auto	37,004.80	
Total for 673100 Insurance	**$43,133.05**	
721000 Fixed Assets-Structure/Imprvmts		
721101 Construction In Progress	4,906.66	Building Permits for Slide Repair
Total for 721000 Fixed Assets-Structure/Imprvmts	**$4,906.66**	
Total for Expenses	**$934,598.63**	
Net Operating Income	**-$121,348.92**	
Other Income		
Other Expenses		
Net Other Income		
Net Income	**-$121,348.92**	

Highlands Recreation District

FY25-26 Annual Budget vs. FYTD Actuals thru September 2025

INCLUDES ALLOCATIONS

3 of 12 months = 25% of Fiscal Year

Monday, Oct 13, 2025 3:55pm PM Accrual Basis

	NOTES	FY25-26 Annual Budget	ASP			EEC			OTHER			POOL			RENTAL			SEASONAL PGRMS			TOTAL		
			FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	FY25-26 Annual Budget	% of Budget
Income																							
102100 Property Taxes	1	749,124.00							1,113.31	749,124.00	0.15%										1,113.31	749,124.00	0.15%
102101 ERAF	2	152,532.00							101,268.82	152,532.00	66.39%										101,268.82	152,532.00	66.39%
152100 Interest Earned	1	156,000.00							51,325.03	156,000.00	32.90%										51,325.03	156,000.00	32.90%
199700 Capital Grants & Contrib	3	10,618.00				3,275.00	3,275.00	100.00%		7,343.00	0.00%										3,275.00	10,618.00	30.84%
232100 Park & Recreation Fees		3,370,107.00	197,569.99	1,059,627.00	18.65%	296,472.39	1,420,815.00	20.87%	3,615.75	18,900.00	19.13%	105,734.60	527,500.00	20.04%	25,571.00	177,761.00	14.39%	30,418.20	165,504.00	18.38%	659,381.93	3,370,107.00	19.57%
232101 Refunds of Fees		-42,000.00	-1,950.00	-5,000.00	39.00%		-2,000.00	0.00%				-3,815.00	-6,000.00	63.58%		-15,000.00	0.00%	-969.00	-14,000.00	6.92%	-6,734.00	-42,000.00	16.03%
232102 Bounced Check Fees Pd by Guest	4	-1,000.00											-1,000.00	0.00%							0.00	-1,000.00	0.00%
232103 Deposits Received & Returned		0.00										150.00			2,800.00						2,950.00	0.00	
Total 232100 Park & Recreation Fees		**3,327,107.00**	**195,619.99**	**1,054,627.00**	**18.55%**	**296,472.39**	**1,418,815.00**	**20.90%**	**3,615.75**	**18,900.00**	**19.13%**	**102,069.60**	**520,500.00**	**19.61%**	**28,371.00**	**162,761.00**	**17.43%**	**29,449.20**	**151,504.00**	**19.44%**	**655,597.93**	**3,327,107.00**	**19.70%**
265800 Miscellaneous Revenue	4	0.00							669.62												669.62	0.00	
Total Income		**4,395,381.00**	**195,619.99**	**1,054,627.00**	**18.55%**	**299,747.39**	**1,422,090.00**	**21.08%**	**157,992.53**	**1,083,899.00**	**14.58%**	**102,069.60**	**520,500.00**	**19.61%**	**28,371.00**	**162,761.00**	**17.43%**	**29,449.20**	**151,504.00**	**19.44%**	**813,249.71**	**4,395,381.00**	**18.50%**
Gross Profit		**4,395,381.00**	**195,619.99**	**1,054,627.00**	**18.55%**	**299,747.39**	**1,422,090.00**	**21.08%**	**157,992.53**	**1,083,899.00**	**14.58%**	**102,069.60**	**520,500.00**	**19.61%**	**28,371.00**	**162,761.00**	**17.43%**	**29,449.20**	**151,504.00**	**19.44%**	**813,249.71**	**4,395,381.00**	**18.50%**
Expenses																							
411000 Total Employee Cost		0.00																			0.00	0.00	
411100 Permanent Salaries	5	662,471.00	37,964.52	189,175.00	20.07%	36,099.21	184,120.00	19.61%	14,379.33	88,175.00	16.31%	17,802.52	161,811.00	11.00%	3,195.44	19,595.00	16.31%	3,195.44	19,595.00	16.31%	112,636.46	662,471.00	17.00%
411102 Vacation Buy Out		2,020.00		2,020.00	0.00%																0.00	2,020.00	0.00%
411103 Longevity Pay	5	3,030.00	815.78	3,030.00	26.92%																815.78	3,030.00	26.92%
416101 Office Wages	5	182,312.00	9,542.34	41,020.00	23.26%	9,542.34	41,020.00	23.26%	9,542.31	41,020.00	23.26%	9,542.34	41,020.00	23.26%	2,120.52	9,116.00	23.26%	2,120.52	9,116.00	23.26%	42,410.37	182,312.00	23.26%
416102 Pool Wages	5	332,163.88										57,652.65	332,163.88	17.36%							57,652.65	332,163.88	17.36%
416103 Maintenance Wages	5	97,792.00	4,330.68	22,003.00	19.68%	4,330.68	22,003.00	19.68%	4,330.67	22,003.00	19.68%	4,330.68	22,003.00	19.68%	962.38	4,890.00	19.68%	962.38	4,890.00	19.68%	19,247.47	97,792.00	19.68%
416104 Supervision Wages/Bldg Attndnts	5	70,671.00													11,545.38	48,843.00	23.64%	5,027.09	21,828.00	23.03%	16,572.47	70,671.00	23.45%
416106 Program/Enrichmt Specist-STAFF	6	5,400.00																200.85	5,400.00	3.72%	200.85	5,400.00	3.72%
416107 ASP/Camp Wages	5	325,000.00	71,354.76	325,000.00	21.96%																71,354.76	325,000.00	21.96%
416108 EEC Wages	5	584,875.00				128,218.43	584,875.00	21.92%													128,218.43	584,875.00	21.92%
416110 Vacation Expnse (Adjstng Acct)	7	0.00							-2,265.68												-2,265.68	0.00	
431100 Social Security	5	145,720.08	7,581.09	37,715.00	20.10%	10,770.01	54,081.00	19.91%	1,667.88	9,828.00	16.97%	5,436.39	35,134.08	15.47%	1,072.03	5,359.00	20.00%	687.50	3,603.00	19.08%	27,214.90	145,720.08	18.68%
431200 Medicare Contribution	5	33,370.76	1,773.05	8,628.00	20.55%	2,518.80	12,405.00	20.30%	390.08	2,192.00	17.80%	1,271.35	8,110.76	15.67%	250.70	1,220.00	20.55%	160.76	815.00	19.73%	6,364.74	33,370.76	19.07%
445100 Unemployment Insurance		1,000.00							-134.00	1,000.00	-13.40%										-134.00	1,000.00	-13.40%
463100 District Employee Benefits		225,682.00	13,723.37	60,198.00	22.80%	22,595.40	89,684.00	25.19%	2,019.34	13,436.00	15.03%	7,952.39	43,599.00	18.24%	2,079.13	8,785.00	23.67%	2,077.41	9,980.00	20.82%	50,447.04	225,682.00	22.35%
Total 411000 Total Employee Cost		**2,671,507.72**	**147,085.59**	**688,789.00**	**21.35%**	**214,074.87**	**988,188.00**	**21.66%**	**29,929.93**	**177,654.00**	**16.85%**	**103,988.32**	**643,841.72**	**16.15%**	**21,225.58**	**97,808.00**	**21.70%**	**14,431.95**	**75,227.00**	**19.18%**	**530,736.24**	**2,671,507.72**	**19.87%**
512100 Clothing & Uniforms		20,171.00		5,500.00	0.00%	0.00				10,500.00	0.00%		3,371.00	0.00%					800.00	0.00%	0.00	20,171.00	0.00%
515600 Household Expenses		0.00																			0.00	0.00	
515601 Recology (Waste)		15,000.00	866.10	3,375.00	25.66%	866.10	3,375.00	25.66%	866.12	3,375.00	25.66%	866.10	3,375.00	25.66%	192.47	750.00	25.66%	192.46	750.00	25.66%	3,849.35	15,000.00	25.66%
515602 Janitorial Supplies		16,300.00	453.77	2,750.00	16.50%	851.81	6,250.00	13.63%	398.07	2,250.00	17.69%	573.44	4,050.00	14.16%	88.45	500.00	17.69%	88.44	500.00	17.69%	2,453.98	16,300.00	15.06%
515605 Cleaning Company		55,000.00	3,645.00	13,750.00	26.51%	4,860.00	19,250.00	25.25%	729.00	2,750.00	26.51%	2,430.00	16,500.00	14.73%	486.00	2,750.00	17.67%				12,150.00	55,000.00	22.09%
Total 515600 Household Expenses		**86,300.00**	**4,964.87**	**19,875.00**	**24.98%**	**6,577.91**	**28,875.00**	**22.78%**	**1,993.19**	**8,375.00**	**23.80%**	**3,869.54**	**23,925.00**	**16.17%**	**766.92**	**4,000.00**	**19.17%**	**280.90**	**1,250.00**	**22.47%**	**18,453.33**	**86,300.00**	**21.38%**
519300 Office Expenses		0.00																			0.00	0.00	
519301 Outside Printing & Copy Serv	8	12,950.00		2,531.00	0.00%		2,531.00	0.00%		2,531.00	0.00%	22.00	4,231.00	0.52%		563.00	0.00%		563.00	0.00%	22.00	12,950.00	0.17%
519302 Licensing Fees	9	2,600.00	726.00	1,800.00	40.33%	242.00	800.00	30.25%													968.00	2,600.00	37.23%
519303 General Office Supplies		5,080.00	303.61	1,143.00	26.56%	311.26	1,143.00	27.23%	303.64	1,143.00	26.57%	303.61	1,143.00	26.56%	119.79	254.00	47.16%	67.44	254.00	26.55%	1,409.35	5,080.00	27.74%
519304 Recruitment & Advertising		7,900.00	330.00	1,450.00	22.76%		2,450.00	0.00%		450.00	0.00%	276.46	2,850.00	9.70%		100.00	0.00%		600.00	0.00%	606.46	7,900.00	7.68%
519305 Postage & Mailing Expenses	8	7,702.00	34.92	1,888.00	1.85%	34.92	1,688.00	2.07%	8.86	1,688.00	0.52%	18.55	1,688.00	1.10%	4.12	375.00	1.10%	4.12	375.00	1.10%	105.49	7,702.00	1.37%
519307 Other Ofc. Expns -Svc or Agrmnt		32,982.00	977.98	7,207.00	13.57%	662.98	7,607.00	8.72%	682.29	7,207.00	9.47%	679.35	7,207.00	9.43%	150.97	1,602.00	9.42%	210.95	2,152.00	9.80%	3,364.52	32,982.00	10.20%
519308 Credit Card/ACH fees		28,000.00	1,386.51	6,300.00	22.01%	1,386.51	6,300.00	22.01%	1,386.48	6,300.00	22.01%	1,386.51	6,300.00	22.01%	308.11	1,400.00	22.01%	308.10	1,400.00	22.01%	6,162.22	28,000.00	22.01%
519309 Payroll Processing Fees		26,250.00	1,723.87	5,906.00	29.19%	1,723.87	5,906.00	29.19%	1,723.86	5,906.00	29.19%	1,723.87	5,906.00	29.19%	383.08	1,313.00	29.18%	383.08	1,313.00	29.18%	7,661.63	26,250.00	29.19%
Total 519300 Office Expenses		**123,464.00**	**5,482.89**	**28,225.00**	**19.43%**	**4,361.54**	**28,425.00**	**15.34%**	**4,105.13**	**25,225.00**	**16.27%**	**4,410.35**	**29,325.00**	**15.04%**	**966.07**	**5,607.00**	**17.23%**	**973.69**	**6,657.00**	**14.63%**	**20,299.67**	**123,464.00**	**16.44%**
533100 Memberships & Subscriptions		26,614.00	974.02	5,543.00	17.57%	1,237.00	6,743.00	18.34%	957.00	5,043.00	18.98%	957.03	7,043.00	13.59%	212.70	1,121.00	18.97%	212.69	1,121.00	18.97%	4,550.44	26,614.00	17.10%
542300 Maintenance-Equipment (deleted)		0.00										0.00									0.00	0.00	
545900 Maintnce-Facility & Imprv		0.00																			0.00	0.00	
545902 Plumbing & Piping		18,538.00	68.85			68.85			68.85	16,538.00	0.42%	68.85	2,000.00	3.44%	15.30			15.30			306.00	18,538.00	1.65%
545903 Paint, Solvents & Chemicals		41,050.00	19.09			19.09	10,000.00	0.19%	19.09	1,050.00	1.82%	12,333.38	30,000.00	41.11%	4.24			4.24			12,399.13	41,050.00	30.20%
545904 Pool Maintenance Supplies		10,000.00										618.81	10,000.00	6.19%							618.81	10,000.00	6.19%
545905 Locks & Security System	10	2,500.00	77.25	500.00	15.45%	616.59				2,000.00	0.00%										693.84	2,500.00	27.75%
545906 Signage Expense		7,500.00	12.40			12.40			12.41	7,500.00	0.17%	12.40			2.76			2.76			55.13	7,500.00	0.74%
545907 General Electrical Expense		30,500.00								10,500.00	0.00%	385.00	20,000.00	1.93%							385.00	30,500.00	1.26%
545908 Motor, Pump & Generator		6,500.00											6,500.00	0.00%							0.00	6,500.00	0.00%
545909 Other General Maintenance		12,500.00	225.61			558.61			281.12	10,500.00	2.68%	290.20	2,000.00	14.51%	105.63			50.13			1,511.30	12,500.00	12.09%
545911 Landscape/Garden Expense		25,000.00				0.00			320.81	25,000.00	1.28%										320.81	25,000.00	1.28%
545912 Vehicle Expense	11	80,525.00		525.00	0.00%				26,225.68	80,000.00	32.78%										26,225.68	80,525.00	32.57%
545913 Ground/Facility Improvements		25,000.00					10,000.00	0.00%		15,000.00	0.00%										0.00	25,000.00	0.00%
Total 545900 Maintnce-Facility & Imprv		**259,613.00**	**403.20**	**1,025.00**	**39.34%**	**1,275.54**	**20,000.00**	**6.38%**	**26,927.96**	**168,088.00**	**16.02%**	**13,708.64**	**70,500.00**	**19.44%**	**127.93**	**0.00**		**72.43**	**0.00**		**42,515.70**	**259,613.00**	**16.38%**
563800 Utility Expense		0.00																			0.00	0.00	
563801 P G & E		147,000.00	1,816.35	31,050.00	5.85%	2,170.88	36,300.00	5.98%	1,638.55	16,200.00	10.11%	16,048.61	49,950.00	32.13%	473.83	5,400.00	8.77%	315.87	8,100.00	3.90%	22,464.09	147,000.00	15.28%
563802 Water		20,900.00	1,265.70	4,400.00	28.77%	1,249.09	4,500.00	27.76%	747.92	2,600.00	28.77%	2,128.67	7,400.00	28.77%	345.20	800.00	43.15%	230.05	1,200.00	19.17%	5,966.63	20,900.00	28.55%
563803 Sewer Fees	12	13,502.00		3,038.00	0.00%		3,038.00	0.00%		3,038.00	0.00%		3,038.00	0.00%		675.00	0.00%		675.00	0.00%	0.00	13,502.00	0.00%

Highlands Recreation District

FY25-26 Annual Budget vs. FYTD Actuals thru September 2025

INCLUDES ALLOCATIONS

3 of 12 months = 25% of Fiscal Year

Monday, Oct 13, 2025 3:55pm PM Accrual Basis

	NOTES	FY25-26 Annual Budget	ASP			EEC			OTHER			POOL			RENTAL			SEASONAL PGRMS			TOTAL		
			FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	Annual Budget	% of Budget	FYTD thru Sept Actual	FY25-26 Annual Budget	% of Budget
Total 563800 Utility Expense		**181,402.00**	**3,082.05**	**38,488.00**	**8.01%**	**3,419.97**	**43,838.00**	**7.80%**	**2,386.47**	**21,838.00**	**10.93%**	**18,177.28**	**60,388.00**	**30.10%**	**819.03**	**6,875.00**	**11.91%**	**545.92**	**9,975.00**	**5.47%**	**28,430.72**	**181,402.00**	**15.67%**
585600 Contract Expenses		0.00																			0.00	0.00	
585601 Audit Fees		15,950.00							0.00	15,950.00	0.00%										0.00	15,950.00	0.00%
585603 Legal Fees		50,000.00							3,182.50	50,000.00	6.37%										3,182.50	50,000.00	6.37%
585604 Consultants		60,250.00	645.54	13,750.00	4.69%	645.54	13,500.00	4.78%	645.48	13,500.00	4.78%	645.54	13,500.00	4.78%	143.47	3,000.00	4.78%	143.47	3,000.00	4.78%	2,869.04	60,250.00	4.76%
585605 Vendors/Instructors/Pgrm Specs	18	100,394.00										10,575.00	10,000.00	105.75%				20,818.64	90,394.00	23.03%	31,393.64	100,394.00	31.27%
585606 ASP/Camp Contractors		250.00		250.00	0.00%																0.00	250.00	0.00%
585608 Contract Expense-Other	14	40,000.00		9,000.00	0.00%		9,000.00	0.00%		9,000.00	0.00%		9,000.00	0.00%		2,000.00	0.00%		2,000.00	0.00%	0.00	40,000.00	0.00%
Total 585600 Contract Expenses		**266,844.00**	**645.54**	**23,000.00**	**2.81%**	**645.54**	**22,500.00**	**2.87%**	**3,827.98**	**88,450.00**	**4.33%**	**11,220.54**	**32,500.00**	**34.52%**	**143.47**	**5,000.00**	**2.87%**	**20,962.11**	**95,394.00**	**21.97%**	**37,445.18**	**266,844.00**	**14.03%**
596600 Program Specific Expenses		0.00																			0.00	0.00	
596601 Buses-ASP	15	12,000.00	4,954.00	12,000.00	41.28%																4,954.00	12,000.00	41.28%
596602 Spec Activities-ASP	15	16,000.00	2,515.60	16,000.00	15.72%																2,515.60	16,000.00	15.72%
596603 Snacks-ASP		10,000.00	1,973.87	10,000.00	19.74%																1,973.87	10,000.00	19.74%
596604 Supplies-ASP		10,000.00	1,812.58	10,000.00	18.13%																1,812.58	10,000.00	18.13%
596607 Employee Recognition/ Misc-POOL		2,000.00										0.00	2,000.00	0.00%							0.00	2,000.00	0.00%
596608 Employee Recognition/ Misc- ASP		4,000.00	47.58	4,000.00	1.19%																47.58	4,000.00	1.19%
596610 Misc Expense-OFFICE		5,000.00							326.79	5,000.00	6.54%										326.79	5,000.00	6.54%
596611 Employee Recognition/Misc-OTHER		4,000.00							825.23	4,000.00	20.63%										825.23	4,000.00	20.63%
596612 Special Events	16	15,500.00											1,000.00	0.00%				950.31	14,500.00	6.55%	950.31	15,500.00	6.13%
596613 Conferences/Seminars		14,000.00		2,500.00	0.00%		2,500.00	0.00%		5,000.00	0.00%		3,000.00	0.00%					1,000.00	0.00%	0.00	14,000.00	0.00%
596614 Pool Program & Facility Supply		6,000.00										646.97	6,000.00	10.78%							646.97	6,000.00	10.78%
596616 In-Crowd Rent		15,000.00	3,583.05	15,000.00	23.89%																3,583.05	15,000.00	23.89%
596617 Seasonal Programs		9,600.00		8,600.00	0.00%													35.49	1,000.00	3.55%	35.49	9,600.00	0.37%
596621 EEC Supplies	3	8,000.00				3,314.16	8,000.00	41.43%													3,314.16	8,000.00	41.43%
596622 EEC Snacks		10,000.00				1,386.07	10,000.00	13.86%													1,386.07	10,000.00	13.86%
596623 EEC Special Activities		10,000.00				61.37	10,000.00	0.61%													61.37	10,000.00	0.61%
596624 Employee Recognition/ Misc-EEC		2,000.00				135.84	2,000.00	6.79%													135.84	2,000.00	6.79%
596625 Pool Concessions		1,000.00											1,000.00	0.00%							0.00	1,000.00	0.00%
596626 Swim Team Expenses		10,000.00										199.90	10,000.00	2.00%							199.90	10,000.00	2.00%
596627 Staff Development		6,500.00		1,500.00	0.00%		1,500.00	0.00%	350.00	1,500.00	23.33%	94.00	2,000.00	4.70%							444.00	6,500.00	6.83%
596628 Training & Certification Expnse		3,650.00	35.96	150.00	23.97%		500.00	0.00%		1,000.00	0.00%		2,000.00	0.00%							35.96	3,650.00	0.99%
Total 596600 Program Specific Expenses		**174,250.00**	**14,922.64**	**79,750.00**	**18.71%**	**4,897.44**	**34,500.00**	**14.20%**	**1,502.02**	**16,500.00**	**9.10%**	**940.87**	**27,000.00**	**3.48%**	**0.00**	**0.00**		**985.80**	**16,500.00**	**5.97%**	**23,248.77**	**174,250.00**	**13.34%**
633100 Bond Interest Expense	17	51,289.00				20,122.87	38,467.00	52.31%	3,353.81	6,411.00	52.31%				3,353.81	6,411.00	52.31%				26,830.49	51,289.00	52.31%
633200 Bond Principal Expense	17	153,000.00				114,750.00	114,750.00	100.00%	19,125.00	19,125.00	100.00%				19,125.00	19,125.00	100.00%				153,000.00	153,000.00	100.00%
671200 Telephone & Internet Expns		12,300.00	221.25						827.13	12,300.00	6.72%										1,048.38	12,300.00	8.52%
673100 Insurance		0.00																			0.00	0.00	
673101 CAPRI-Worker's Comp		47,415.00	622.02	10,414.00	5.97%	867.15	13,035.00	6.65%	192.99	3,968.00	4.86%	4,237.71	16,968.00	24.97%	104.19	1,725.00	6.04%	104.19	1,305.00	7.98%	6,128.25	47,415.00	12.92%
673102 CAPRI-General Liability/Auto		134,924.00	8,326.05	30,358.00	27.43%	8,326.05	30,358.00	27.43%	8,326.15	30,358.00	27.43%	8,326.05	30,358.00	27.43%	1,850.25	6,746.00	27.43%	1,850.25	6,746.00	27.43%	37,004.80	134,924.00	27.43%
Total 673100 Insurance		**182,339.00**	**8,948.07**	**40,772.00**	**21.95%**	**9,193.20**	**43,393.00**	**21.19%**	**8,519.14**	**34,326.00**	**24.82%**	**12,563.76**	**47,326.00**	**26.55%**	**1,954.44**	**8,471.00**	**23.07%**	**1,954.44**	**8,051.00**	**24.28%**	**43,133.05**	**182,339.00**	**23.66%**
721000 Fixed Assets-Structure/Imprvmts		0.00																			0.00	0.00	
721100 Fixed Assets-Structures/Imprvmt		75,000.00								50,000.00	0.00%		25,000.00	0.00%							0.00	75,000.00	0.00%
721101 Construction In Progress		225,000.00							4,906.66	225,000.00	2.18%										4,906.66	225,000.00	2.18%
721102 FA - S&I - Not Capitalized		2,500.00		2,500.00	0.00%																0.00	2,500.00	0.00%
Total 721000 Fixed Assets-Structure/Imprvmts		**302,500.00**	**0.00**	**2,500.00**	**0.00%**	**0.00**	**0.00**		**4,906.66**	**275,000.00**	**1.78%**	**0.00**	**25,000.00**	**0.00%**	**0.00**	**0.00**		**0.00**	**0.00**		**4,906.66**	**302,500.00**	**1.62%**
731000 Fixed Assets - Equipment		0.00																			0.00	0.00	
731100 Fixed Assets-Equipment		15,000.00								15,000.00	0.00%										0.00	15,000.00	0.00%
731101 FA Equipmnt Not Capitalized		5,200.00		2,500.00	0.00%		2,700.00	0.00%													0.00	5,200.00	0.00%
Total 731000 Fixed Assets - Equipment		**20,200.00**	**0.00**	**2,500.00**	**0.00%**	**0.00**	**2,700.00**	**0.00%**	**0.00**	**15,000.00**	**0.00%**	**0.00**	**0.00**		**0.00**	**0.00**		**0.00**	**0.00**		**0.00**	**20,200.00**	**0.00%**
Total Expenses		**4,531,793.72**	**186,730.12**	**935,967.00**	**19.95%**	**380,555.88**	**1,372,379.00**	**27.73%**	**108,361.42**	**883,835.00**	**12.26%**	**169,836.33**	**970,219.72**	**17.50%**	**48,694.95**	**154,418.00**	**31.53%**	**40,419.93**	**214,975.00**	**18.80%**	**934,598.63**	**4,531,793.72**	**20.62%**
Net Operating Income		**-136,412.72**	**8,889.87**	**118,660.00**	**7.49%**	**-80,808.49**	**49,711.00**	**-162.56%**	**49,631.11**	**200,064.00**	**24.81%**	**-67,766.73**	**-449,719.72**	**15.07%**	**-20,323.95**	**8,343.00**	**-243.60%**	**-10,970.73**	**-63,471.00**	**17.28%**	**-121,348.92**	**-136,412.72**	**88.96%**
Net Income		**-136,412.72**	**8,889.87**	**118,660.00**	**7.49%**	**-80,808.49**	**49,711.00**	**-162.56%**	**49,631.11**	**200,064.00**	**24.81%**	**-67,766.73**	**-449,719.72**	**15.07%**	**-20,323.95**	**8,343.00**	**-243.60%**	**-10,970.73**	**-63,471.00**	**17.28%**	**-121,348.92**	**-136,412.72**	**88.96%**

1. September and FYTD figures include all property tax revenue & interest earned from San Mateo County in the month of September.
2. Approximately 50% of FY25-26 ERAF revenue was received so far this Fiscal Year. The remaining 50% of funds will be received in Jan 2026.
3. EEC Quality Improvement Grant received July 2025. Offsetting expenses are reflected in related expense categories.
4. Bounced check fees are recorded under Miscellaneous Revenue GL#265800. Sept Misc Revenue is US Bank CalCard Qtr #2 rebate.
5. Three payroll checks were issued in September 2025. No Aquatics Supervisor July & August.
6. Program Specialist for Lunchtime Enrichment began work in September.
7. This ledger code is an Adjusting Acct which offsets the Liability Account for Compensated Absences on the Balance Sheet.
8. Fall/Winter Recreation Guide expenses are fortcoming this calendar year.
9. Dept of Soc Svcs ASP Licensing Fees 10/2025-9/2026 Inv Date 7/2/25.
10. Fire & Sprinkler monitoring is billed Quarterly, in advance.
11. Purchase of a used Nissan Truck Sept 2025.
12. Payment #1 of 2 will be issued in November, 2025. Payment #2 of 2 will be issued in March, 2026.
13. Work on the Audit will commence in the coming weeks, with the goal to complete by December 2025.
14. Funds budgeted for Master Plan.
15. Majority of Bus Trips & Spec Activities have concluded this calendar year, to resume Spring/Summer FY25-26. Bus Expns=June/July Smmr Cmps
16. The majority of Special Events expenses are forthcoming Oct (Halloween), Dec (Holiday) and Mar/Apr (Spring/Easter).
17. 50% of FY25-26 Bond Interest Expense has been paid (Aug 2025) and 100% of FY25-26 Bond Principal Expense was paid (Aug 2025).
18. July & August Pool CPO Services (3x per week)

P&L Budget Comparison (modified accr basis)	Plug in new month #'s in column B, then copy & paste #'s to appropriate month in O-Z columns								
July 25 through Sept 25							APPROVED	100%	DIFF
September	Sept 25	Sep 24	Sep 23	July 23 - Sep 23	July 24 - Sep 24	Jul 25 - Sept 25	BUDGET	% of Budget	Budget - Current YTD
Unrestricted beginning Fund Balance									
Income									
102100 Property Taxes	331.75	95.12	598.04	1,124.80	43,432.29	1,113.31	749,124.00	0.15%	748,010.69
102101 ERAF	0.00	0.00	0.00	92,992.23	92,764.48	101,268.82	152,532.00	66.39%	51,263.18
152100 Interest Earned	38.31	264.67	42.93	28,484.80	543.92	51,325.03	156,000.00	32.90%	104,674.97
187100 State-aid	0.00	0.00	0.00	0.00	0.00	0.00		0.00%	-
199200 All Other Local Govt Rev	0.00	0.00	0.00	0.00	0.00	0.00		0.00%	-
199700 Cap grants & Contributions	0.00	0.00	0.00	0.00	0.00	3,275.00	10,618.00	30.84%	7,343.00
232100 Park & Recreation Fees									
ASP	26,768.50	49,635.50	47,269.59	206,278.98	217,524.50	195,619.99	1,054,627.00	18.55%	859,007.01
Pool	15,170.77	52,536.09	39,884.50	136,312.84	194,764.73	102,069.60	520,500.00	19.61%	418,430.40
Seasonal Prog	3,563.98	3,690.00	5,658.16	23,920.16	18,667.40	29,449.20	151,504.00	19.44%	122,054.80
Fac Rental	13,615.50	7,167.50	9,391.00	23,429.50	20,210.00	28,371.00	162,761.00	17.43%	134,390.00
EEC	92,943.70	92,840.50	103,451.80	325,324.72	285,296.50	296,472.39	1,418,815.00	20.90%	1,122,342.61
Other	1,832.21	1,116.77	1,218.70	5,522.29	5,547.15	4,630.43	18,900.00	24.50%	14,269.57
~~Transaction fees~~	0.00	0.00	0.00	0.00	0.00	0.00		0.00%	-
Total Park & Rec fees	152,879.98	206,986.36	277,461.47	791,376.21	742,010.28	655,597.93	3,327,107.00	19.70%	2,671,509.07
264200 Stale-Dated Checks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	-
265800 Miscellaneous Revenue **	644.62	483.28	1,294.86	2,756.86	503.28	669.62	0.00	0.00%	(669.62)
Total Income	153,894.66	207,829.43	208,809.58	846,147.18	879,254.25	814,264.39	4,395,381.00	18.53%	3,581,116.61
Expense									
411100 Permanent Salaries	57,387.59	24,692.35	40,377.12	113,778.76	59,815.63	112,636.46	662,471.00	17.00%	549,834.54
411101 Temporary Out of Class	0.00	2,700.00	0.00	0.00	8,100.00	0.00	0.00	0.00%	-
411102 Vacation Buy Out (New GL Code FY25-26)		0.00	0.00	0.00	0.00	0.00	2,020.00	0.00%	2,020.00
411103 Longevity Pay (New GL Code FY25-26)	349.62	0.00	0.00	0.00	0.00	815.78	3,030.00	26.92%	2,214.22
416101 Office Wages	20,998.21	-16,491.58	12,481.45	29,677.64	32,239.32	42,410.37	182,312.00	23.26%	139,901.63
416102 Pool Wages	26,304.12	24,404.44	23,216.82	77,041.15	82,320.74	57,652.65	332,163.88	17.36%	274,511.23
416103 Maintenance Wages	9,543.05	6,847.01	5,941.05	14,756.90	16,575.60	19,247.47	97,792.00	19.68%	78,544.53
416104 Supervision / Building Attendant Wages	7,928.24	5,262.78	4,532.52	11,961.65	12,863.84	16,572.47	70,671.00	23.45%	54,098.53
~~416106 EEP Wages~~	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	-
416106 Prgm Spec-**Staff** (Lunchtime Enrichment) FY25-26	200.85					200.85	5,400.00	3.72%	5,199.15
416107 ASP/Camp Wages	27,375.93	22,504.90	21,614.85	71,600.63	72,885.31	71,354.76	325,000.00	21.96%	253,645.24
416108 EEC Wages	56,692.68	55,255.83	37,923.27	107,710.73	121,664.62	128,218.43	584,875.00	21.92%	456,656.57
416110 Vacation Expense	582.35	-4,537.76	806.51	8,011.25	-7,933.05	-2,265.68	0.00	0.00%	2,265.68
431100 Social Security	12,583.58	9,688.90	8,997.07	26,191.74	24,803.11	27,214.90	145,720.08	18.68%	118,505.18
431200 Medicare Contribution	2,942.94	2,265.97	2,104.15	6,123.90	5,800.75	6,364.74	33,370.76	19.07%	27,006.02
445100 Unemployment Insurance	-134.00	0.00	0.00	32.00	0.00	-134.00	1,000.00	-13.40%	1,134.00
463100 District Employee Benefits	19,160.75	14,687.81	15,843.27	47,277.64	38,171.14	50,447.04	225,682.00	22.35%	175,234.96
TOTAL EMPLOYEE COST SUBTOTAL	241,915.91	180,263.81	173,838.08	514,163.99	467,307.01	530,736.24	2,671,507.72	19.87%	2,140,771.48
585605 Contract Expenses - **Vendors > Non-Employee**	13,208.40	0.00	3,090.30	11,023.00	11,557.20	31,393.64	100,394.00	31.27%	69,000.36
~~416109 Prog spec-Swimteam~~	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	-
~~416111 ASP/Camp Contractors~~ (FY25-26 See GL#585606)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	-
~~416112 EEC Contractors~~ (FY25-26 See GL#585607)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	-
512100 Clothing & Uniforms	0.00	1,312.46	0.00	1,323.72	1,312.46	0.00	20,171.00	0.00%	20,171.00
515600 Household Expense	5,403.29	6,872.74	4,689.53	13,204.06	18,693.31	18,453.33	86,300.00	21.38%	67,846.67
519300 Office Expense	7,263.91	8,208.65	6,484.12	28,683.30	28,130.30	20,299.67	123,464.00	16.44%	103,164.33
533100 Memberships / Subscriptions	1,400.47	1,536.23	0.00	12,084.00	9,573.70	4,550.44	26,614.00	17.10%	22,063.56
542300 Maintenance-Equipment	0.00	1,276.24	0.00	2,099.92	2,799.12	0.00	0.00	0.00%	-
545900 Maintenance-Facilities & Imprv	32,791.90	5,425.12	10,081.02	20,007.67	17,057.16	42,515.70	259,613.00	16.38%	217,097.30
563800 Utility Expense	8,297.48	8,922.66	8,955.60	28,414.15	27,939.41	28,430.72	181,402.00	15.67%	152,971.28
~~572200 Employee Expense Reimb~~	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	-
585600 Contract Expenses **(Audit/Legal/Consultants)**	2,688.04	23,083.70	200.00	4,117.80	60,461.00	6,051.54	166,450.00	3.64%	160,398.46
596600 Program Specific Expenses	6,708.29	6,920.05	6,782.95	32,214.92	26,407.89	23,248.77	174,250.00	13.34%	151,001.23
671200 Telephone Service Charges	349.46	325.97	343.04	976.53	980.75	1,048.38	12,300.00	8.52%	11,251.62
673100 Insurance	14,377.75	11,990.92	12,000.58	36,271.75	35,432.74	43,133.05	182,339.00	23.66%	139,205.95
721102 F/A Struct. & Imprvmnts - **Not Capitalized**	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00	0.00%	2,500.00
731101 F/A Equipment - **Not Capitalized**	0.00	1,076.25	0.00	0.00	3,202.80	0.00	5,200.00	0.00%	5,200.00
TOTAL OPERATING EXPENSES	334,404.90	257,214.80	226,465.22	704,584.81	710,854.85	749,861.48	4,012,504.72	18.69%	3,262,643.24
NET INCOME AFTER OPERATING EXP	-180,510.24	-49,385.37	52,932.08	212,150.09	168,399.40	63,388.23	382,876.28	16.56%	319,488.05
633100 Bond-Interest Expense	0.00	0.00	0.00	31,356.50	29,124.50	26,830.49	51,289.00	52.31%	24,458.51
633200 Bond-Principal Expense	0.00	0.00	0.00	144,000.00	148,000.00	153,000.00	153,000.00	100.00%	-
721100 Fixed Assets-Structures/Improv	0.00	0.00	0.00	0.00	0.00	0.00	75,000.00	0.00%	75,000.00
721101 Construction in Progress	0.00	660.00	434.24	12,586.24	660.00	4,906.66	225,000.00	2.18%	220,093.34
731100 Fixed Assets-Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15,000.00	0.00%	15,000.00
TOTAL FIXED ASSETS	0.00	660.00	434.24	12,586.24	660.00	4,906.66	315,000.00	1.56%	310,093.34
NET INC AFTER OPEX, BOND INT & PRINC PYMT. & F/A	-180,510.24	-50,045.37	52,497.84	24,207.35	-9,385.10	-121,348.92	-136,412.72	0.00%	(15,063.80)
80002 Accrued Bond Interest Payable					as of 9/30/2025	4,076.50			
80003 Accrued Bond Principal					as of 9/30/2025	12,750.00			
861100 Approp. for Contingencies							0.00		
088300 Capital Reserve							0.00		
882100 General Reserve							0.00		
Building Renovations Reserve							0.00		
Unassigned Fund balance							0.00		

Date: October 14, 2025

To: HRD Board of Directors

From: Tamsen K. Burke, General Manager

Re: Discussion/Motion – Adopt Resolution 2025-04 for Determining the Calculation of the Appropriations Limits for fiscal year 2025-2026, Section 7910 Government Code, California Constitution Article XIIIB.

BACKGROUND:
California Revenue and Taxation Code section 2227 requires the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2025, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2025-26.

Exhibit A Provides historical data as well as FY 2025 calculations for the appropriation limits which include (1) provides the change in California's per capita personal income and an example for utilizing the factors to calculate the 2025-26 appropriations limit. (2) population percentage change; (3) population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal, and state institutionalized populations and military populations. The District is required by law to calculate their appropriations limit and present it as part of its annual audit.

A notice of determination of calculation limits is available to the public for the period of fifteen days as required by law (noticed on September 29, 2025).

DISCUSSION:
The annual letter from the California Department of Finance is included as (Attachment A). The letter provides the necessary data for the calculation of the District's appropriations limit for the fiscal year. Moving forward staff will bring future resolutions to the Board for their approval as part of the annual budget approval process.

FISCAL IMPACT:
There is no fiscal impact on the District with the adoption of the following resolution. The District's budgeted appropriations subject to limitation are under the limit with $506,719 for fiscal year 2025.

RECOMMENDATION:
Staff recommend the Board adopt resolution 2025-04 determining the final calculation of the appropriations limit of the District for Fiscal Year 2025.

EXHIBITS:

EXHIBIT A

Gann Appropriate Limit Calculation

Highlands Recreation District
Gann Appropriation Limit

/ Factors	FY 2019/2020	FY 2020/2021	FY 2021/2022	FY 2022/2023	FY 2023/2024	FY 2024/2025	F 2025
ppropriation Limit (Prior Year)	$923,353	$962,792	$1,003,858	$1,035,055	$1,075,431	$1,144,944	$1,1
tion Change (%)	0.4	-0.6	-1.73	-1.01	-1.04	-0.65	
e Personal Income (%)	3.85	3.73	5.73	7.55	4.44	3.62	
pita Cost Living Change -Population ted Ratio	1.0427	1.0311	1.039	1.0723	1.0407	1.0379	
Appropriations Limit Year App. Limit x Adjustment	$962,792	$1,003,859	$1,035,055	$1,075,422	$1,144,944	$1,189,442	$1,2
pperty tax budgeted	$524,668	$543,559	$589,137	$612,557	$656,369	$682,723	$7
t	$398,685	$438,124	$460,299	$445,918	$462,874	$488,575	$5

ATTACHMENTS:
State of California, Department of Finance - Price Factor and Population Information, Appropriations Limit Cover Letter Fiscal Year 2025

May 2025

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit
California Revenue and Taxation Code Section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2025, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2025-26. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2025-26 appropriations limit. Attachment B provides the city and unincorporated county population percentage change along with the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts
Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code Section 2228 provides additional information regarding the appropriations limit. Article XIII B, Section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: http://leginfo.legislature.ca.gov/faces/codes.xhtml.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification
The population certification program applies only to cities and counties. California Revenue and Taxation Code Section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2025**.

Please Note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

JOE STEPHENSHAW
Director
By:

ERIKA LI
Chief Deputy Director

Attachment

A. **Price Factor**: Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2025-26 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2025-26	6.44

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2025-26 appropriation limit.

2025-26:

Per Capita Cost of Living Change = 6.44 percent
Population Change = 0.28 percent

Per Capita Cost of Living converted to a ratio: $\frac{6.44 + 100}{100} = 1.0644$

Population converted to a ratio: $\frac{0.28 + 100}{100} = 1.0028$

Calculation of factor for FY 2025-26: 1.0644 x 1.0028 = 1.0674

PUBLIC NOTICE

Pursuant to Government Code Section 7910: The Board of Directors shall publish the notice of documentation used in the determination of the fiscal year 2025 appropriations limit has been available to the public for 15 days before the Board of Directors determination in this matter.

- Under Article XIIIB of the Constitution of the State of California, the Highlands Recreation District ("District") may not appropriate any proceeds of taxes in excess of its appropriations limit (Limit)
- Since fiscal year 1979 the District is permitted to annually adjust its Limit in accordance with inflation and population adjustment factors
- Pursuant to Government Code Section 37200, the calculation of the Limit and the total appropriations subject to the limit are hereby set forth for the District for Fiscal Year 2025.
- Pursuant to Government Code 7901 and 7910, the calculation of the Limit has been determined, and the adjustment factors on which the calculation is based are a change in California per capita income and a change in the population growth for unincorporated San Mateo County

This notice is hereby given that the Board of Directors of the Highlands Recreation District will review, consider and adopt the Highlands Recreation District Appropriations Limit for Fiscal Year 2025–2026 at the following date, time, and location:

Date: Tuesday, October 14, 2025
Time: 7:00 PM
Location: Highlands Recreation District, Multi-Purpose Room
1851 Lexington Avenue, San Mateo, CA 94402

Members of the public are invited to attend and provide comments. The proposed Gann Appropriations Limits for Highlands Recreation District will be available for public inspection beginning September 29, 2025, during normal business hours at the District Registration Office or online at highlandsrec.ca.gov.

For additional information, please contact the District Office at (650) 341-4251 or email generalmanager@highlandsrec.ca.gov.

Proposed Appropriations Limit for the Highlands Recreation District for the fiscal year 2025-2026

SECTION 1. The Appropriations Limit for the Highlands Recreation District for the fiscal year 2024-2025, actual $488,575 as documented in Exhibit A, attached hereto and incorporated herein by reference.

SECTION 2. The Appropriations Limit for the Highlands Recreation District for the fiscal year 2025-2026 shall be estimated at $506,719, as documented in Exhibit A, attached hereto and incorporated herein by reference.

SECTION 3. The inflation factor being utilized to calculate the fiscal year 2025-2026 appropriations limit is the California per capita income.

SECTION 4. The population factor being utilized to calculate the fiscal year 2025-2026 appropriations limit is the County of San Mateo's Unincorporated population growth provided by the State of California Department of Finance.

Exhibit A: Highlands Recreation District

Proposed Gann Appropriate Limit Calculation

Highlands Recreation District
Gann Appropriation Limit

Factors	FY 2019/2020	FY 2020/2021	FY 2021/2022	FY 2022/2023	FY 2023/2024	FY 2024/2025	F 2025
ppropriation Limit (Prior Year)	$923,353	$962,792	$1,003,858	$1,035,055	$1,075,431	$1,144,944	$1,1

tion Change (%)	0.4	-0.6	-1.73	-1.01	-1.04	-0.65	
e Personal Income (%)	3.85	3.73	5.73	7.55	4.44	3.62	
pita Cost Living Change -Population ted Ratio	1.0427	1.0311	1.039	1.0723	1.0407	1.0379	
Appropriations Limit Year App. Limit x Adjustment	$962,792	$1,003,859	$1,035,055	$1,075,422	$1,144,944	$1,189,442	$1,2
pperty tax budgeted	$524,668	$543,559	$589,137	$612,557	$656,369	$682,723	$7
t	$398,685	$438,124	$460,299	$445,918	$462,874	$488,575	5

HIGHLANDS RECREATION DISTRICT
RESOLUTION NO. 2025-04

RESOLUTION OF BOARD OF DIRECTORS OF THE HIGHLANDS RECREATION DISTRICT ESTABLISHING THE HIGHLANDS RECREATION DISTRICT APPROPRIATIONS LIMIT FOR FISCAL YEAR 2025-2026

WHEREAS, under Article XIIIB of the Constitution of the State of California, the Highlands Recreation District ("District") may not appropriate any proceeds of taxes in excess of its appropriations limit (Limit); and

WHEREAS, since fiscal year 1979 the District is permitted to annually adjust its Limit in accordance with inflation and population adjustment factors; and

WHEREAS, pursuant to Government Code Section 37200, the calculation of the Limit and the total appropriations subject to the limit are hereby set forth for the District for Fiscal Year 2025.

WHEREAS, pursuant to Government Code 7901 and 7910, the calculation of the Limit has been determined, and the adjustment factors on which the calculation is based are a 6.44% change in California per capita income and a -.32% change in the population growth for unincorporated San Mateo County; and

WHEREAS, documentation used in the determination of the fiscal year 2025 - 2026 appropriations limit has been available to the public for 15 days before the Board of Directors determination in this matter, as required by Government Code Section 7910.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the Highlands Recreation District, resolves as follows:

SECTION 1. The Appropriations Limit for the Highlands Recreation District for the fiscal year 2024-2025, actual $488,575 as documented in Exhibit A, attached hereto and incorporated herein by reference.

SECTION 2. The Appropriations Limit for the Highlands Recreation District for the fiscal year 2025 – 2026 shall be estimated at $506,719, as documented in Exhibit A, attached hereto and incorporated herein by reference.

SECTION 3. The inflation factor being utilized to calculate the fiscal year 2025-2026 appropriations limit is the California per capita income.

SECTION 4. The population factor being utilized to calculate the fiscal year 2025-2026 appropriations limit is the County of San Mateo's Unincorporated population growth provided by the State of California Department of Finance.

The Board hereby adopts the estimate calculation of the Appropriations Limit of the District for Fiscal Year 2025-2026.

PASSED AND ADOPTED at the regular meeting of the Board of Directors of Highlands Recreation District, this 14th day of October 2025, by the following vote:

AYES:
NOES:
ABSENT:
ATTEST:

HIGHLANDS RECREATION DISTRICT
SAN MATEO COUNTY, CALIFORNIA

By _____
President, Board of Directors

ATTEST: I, Megan Catmull, do hereby certify that I am the District Secretary of the Board of Directors of the HIGHLANDS RECREATION DISTRICT and that the above is a true and correct copy of the resolution adopted by the Board of Directors of said District at a meeting of the 10th day of December 2024.
Secretary, Board of Directors

EXHIBIT A to Resolution 2025-04

Gann Appropriate Limit Calculation

Highlands Recreation District
Gann Appropriation Limit

Factors	FY 2019/2020	FY 2020/2021	FY 2021/2022	FY 2022/2023	FY 2023/2024	FY 2024/2025	F 2025
ppropriation Limit (Prior Year)	$923,353	$962,792	$1,003,858	$1,035,055	$1,075,431	$1,144,944	$1,1

tion Change (%)	0.4	-0.6	-1.73	-1.01	-1.04	-0.65	
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Appropriations Limit Year App. Limit x Adjustment	$962,792	$1,003,859	$1,035,055	$1,075,422	$1,144,944	$1,189,442	$1,2
pperty tax budgeted	$524,668	$543,559	$589,137	$612,557	$656,369	$682,723	$7
t	$398,685	$438,124	$460,299	$445,918	$462,874	$488,575	$5

Highlands Recreation District

DRAFT (10/14/2025)

Budget Development Timeline 2026-2027

Role & Responsibilities:

1. **Role of the Management Team (General Manager/Asst. GM) -** Develop Budget timeline, assumptions, narratives; conduct budget review sessions with Directors/Supervisors and recommend edits to budget requests; prepare the annual budget according to the HRD Bylaws and budget policies; recommend changes to the Budget Committee and Board of Directors.
2. **Role of the Department Directors and Supervisor** - Prepare preliminary and annual budget requests. Work with the Management Team to review and edit annual budget requests.
3. **Role of Bookkeeper -** Prepare Mid-Year Forecast. Work with Management Team to review and implement approved budget for accounting purposes.
4. **Role of the Budget Committee** - Review and recommend budget schedule, allocations, policies, and annual budget to the Board of Directors. Conduct budget review sessions with General Manager and Director/Supervisor and recommend edits to the budget requests.
5. **Role of the Budget Committee & Board** - Approve the budget schedule, budget assumptions, policies, and annual budget.

Schedule:

November 2025	**Management Team:** Draft budget development timeline. Approve manager budget templates.
November 2025	**Board of Directors and/or Budget Committee:** Review budget schedule timeline, guidelines for budget development, and budget compliance policies per Government Code Title 6 Districts, Division 3 Community Service Districts, Part 3. Purposes, Services and Facilities Chapter 2, Budget (61100-61226.5). **Board of Directors and/or Budget Committee:** Review Capital Improvement Project (CIP) and Major Maintenance (MM) plans and project under guidance of Governmental Accounting Standards Board (GASB). Discuss transition model to an (1) annual operating budget and (2) establish capital budgets, with impact of the short team financial health of the business and

	influence of long-term growth and sustainability, and prevailing wage labor and the thresholds that dictate it; contained in labor law, Department of Industrial Relations regulations §1725.5(f) stating the $15,000 maintenance threshold and $25,000 CIP threshold.
December 2025	**Board of Directors:** Approve budget development timeline, guidelines for budget development, and budget policies.
	Departments Directors & Supervisors: Approved budget development schedule is sent to all Directors & Supervisors.
January 2026	**Department Directors & Supervisors:** Identify milestones, review budget assumptions, develop narratives and contingency plans, and review budget template and procedures.
	Departments Directors & Supervisors: Submit forecast for 2025-2026 end of year to General Manager.
	Management: Present 2026-2027 department goals status, forecast for end of year, and preliminary budget assumptions for 2026- 2027 budget and recommended organizational changes not limited to fees, operations, programs, services to the Board of Directors.
February 2026	**Management:** Distribute annual budget 2026-2027 request templates to departments.
	Personnel Ad Hoc Committee - 1st Read – Finalize HRD Salary Schedule and compensation, merit increase, and anticipated benefits expenses
	Departments Directors & Supervisors: Annual budget 2026-2027 requests due to General Manager.
March 2026	**Management Team & Budget Committee:** Presentations of departmental budget requests.
	Departments Directors & Supervisors: Provide responses to Budget Committee inquiries to the Management Team.
	Management Team: Review final requests and adjust budget

April 2026	**Budget & Personnel Ad Hoc Committee:** 1st Read **-** Discuss annual budget requests, capital, equipment, and reserve expenditures and recommend edits.
	Board of Directors: 1st Read **-** Distribute annual budget, budget narrative, capital, equipment, and reserve expenditures recommendations to the Board for review.
May 2026	**Budget & Personnel Ad Hoc Committee:** 2nd Read **-** Approve annual budget recommendation and forward to the Board. Approve capital, equipment and reserve expenditures and forward to the Board.
	Board of Directors: 2nd Read **-** Approve annual budget 2026-2027 as well as approve capital, equipment, and reserve expenditures.
June 2026	**Board of Directors:** Adopt resolution establishing appropriations limits, if any, and make other necessary determinations for the following fiscal year pursuant to Article XIII B of the California Constitution and Division 9 (commencing with Section 7900) for audit.
	Management Team: Prepare budget summary pages, signature pages, and complete packet. Prepare an action memo and list significant changes from 2026-2027.
	Bookkeeper: Prepare Budget Accounting (Quickbooks)
July 2026	**Management:** 2026-2027 Budget Cycle Begins

MEMORANDUM

Date: October 14, 2025

To: HRD Board of Directors

From: Tamsen Burke, General Manager

Re: 2026-2027 Budget Planning Schedule

Background:

After reviewing the process for the development and adoption of the Highlands Recreation District 2024-2025 Budget in compliance with the procedures outlined in the Government Code Title 6 Districts, Division 3 Community Service Districts, Part 3. Purposes, Services and Facilities Chapter 2, Finance (61100-61226.5), I am making a recommendation to the Board of Directors to adopt an operating budget schedule methodology and practice.

What Is a Budget Planning Calendar?

A budget planning calendar is necessary for the creation of complex budgets used by organizations and requires valuable data from departments to develop a comprehensive operating budget for fiscal year planning. In preparation of the schedule, the reference to CA Government Codes for Districts Finance below outlines preliminary budget processes which conform to generally accepted accounting and budgeting procedures for special districts.

How a Budget Planning Calendar Works

The budget planning calendar schedule outlines specific dates, roles and responsibilities of contributors/approvers, and deliverables in the preparation of an operating budget.

Purpose of the Operating Budget Planning Cycle

The purpose of the budget planning schedule is to provide directions, timing, and workflows for the Board of Directors, the General Manager, and Department Directors in the preparation of the operating budget for Board of Director approval on an annual basis.

In addition, to establish the methodology for determining and mapping out an organization's short- and long-term financial goals and to mitigate budget challenges in the future to ensure the organizational success. The following are considerations outlined in the schedule for teams to navigate through the process.

1. Determine operating budget planning process based Zero-based budget, static or incremental, performance-based budget, an activity-based budget, and a value proposition budget decisions for fund allocation and revenue goals.
    a. Provides opportunities to set realistic strategic direction of the Highlands Recreation District and aligns internal goals.
    b. Ensure financial stability for a balanced budget with operating expenses and revenue goals met.
    c. Establish funding priorities and identify revenue sources such as tuition, programs/rentals, and a foundation.
    d. Establish cost allocation for direct cost and indirect for cost recovery of shared resources/expenses.
    e. Establish resource prioritization for projects, deferred maintenance, on owned buildings, structures, and related HRD property.
2. Develop key financial assumptions to forecast operating budget and deliverables.
    a. Property Tax, Grants, EARF
    b. Revenue Assumptions
    c. Fixed Cost - Workforce investment (compensation, and health care)
    d. Future growth, financial impacts, and uncertainty (inflation, emergency provisions), and
    e. Establish contingency planning and strategies to bridge budget gaps.
3. Develop designated balances for short term obligations, capital infrastructure, catastrophic events, and reserves for economic uncertainty.
4. Assess Financial Health including assets and liabilities, tax planning and strategies.
5. Board of Director and newly elected members training on strategic direction and goals of the organization, financial planning, and compliance requirements for District Finance.

Important Compliance Points:

1. The Board of Directors adopts a preliminary budget that conforms to generally accepted accounting and budgeting procedures for special districts.

2. On or before September 1 of each year or, for districts using two one-year budgets or a biennial budget, every other year, the board of directors shall adopt a final budget that conforms to generally accepted accounting and budgeting procedures for special districts. The general manager shall forward a copy of the final budget to the auditor of each county in which the district is located.
3. The board of directors shall publish a notice stating all the following:
    a. Either that it has adopted a preliminary budget or that the general manager has prepared a proposed final budget which is available for inspection at a time and place within the district specified in the notice.
    b. The date, time, and place when the board of directors will meet to adopt the final budget and that any person may appear and speak regarding any item in the budget or regarding the addition of other items.
    c. The Board of Directors shall publish the notice at least two weeks before the hearing in at least one newspaper of general circulation in the district pursuant to Section 6061.
    d. 61113. The board of directors shall adopt a resolution establishing its appropriations limit, if any, and make other necessary determinations for the following fiscal year pursuant to Article XIII B of the California Constitution and Division 9 (commencing with Section 7900).
    e. 61115. The board of directors may, by resolution or ordinance, do the following:
        i. Establish rates or other charges for services and facilities that the district provides.
        ii. Provide for the collection and enforcement of those rates or other charges.

Conclusion

The Highlands Recreation District must articulate the practices and methodologies utilized in determining annual budgets which should result in justifiable distribution of cost and anticipated revenue on an annual basis through planning, preparation, and transparency through the planning and approval process.

References:

Government Code – GOV. TITLE 6. DISTRICTS [58000 - 62312] CHAPTER 2. Finance

Attached: Budget Schedule for 2026-2027