HIGHLANDS RECREATION DISTRICT EST. 1957

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"

Topic: HRD Regular Board Meeting
Time: November 10, 2026, 07:00 PM Pacific Time (US and Canada)
Location: Multi-Purpose Room, Highlands Recreation District, 1851 Lexington Ave., San Mateo, CA 94402

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: November 10, 2026, 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

1. Call to Order

2. Review and approval of the minutes for:
    a. Regular Board Meeting on October 13, 2026

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. Board Discussion on Strategic Priorities and Outcomes – Financial, Community, Facilities/Projects, Program/Services, Transparency

6. Financial Information Report

    a. August Monthly Statement Memo
    b. September 2026 Monthly Statement (Preliminary)

7. Old Business:

a. Discussion/Action: Review, consider, and adopt Resolution 2026-5, the Highlands Recreation District Appropriations Limit for Fiscal Year 2026 – 2027.
   Report: Tamsen Burke, General Manager
   Description: This item is for Board review, consider, and adopt and adopt the resolution Pursuant to Government Code Section 7910: Under Article XIIIB of the Constitution of the State of California, the Highlands Recreation District ("District") Appropriations Limit for fiscal year 2026-2027.

b. Discussion: Review and discuss the Board Vacancy and Procedures
   Report: Tamsen Burke, General Manager
   Description: This item is a Board discussion and review of the procedures applicable for the Board vacancy anticipated at next Board meeting (December 8, 2026).

8. New Business:
   a. No new business

9. Upcoming Meetings:
   a. Board of Directors: December 8, 2026, January 12, 2027, February 9, 2027

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

11. HRD Board of Directors Announcements

12. CLOSED SESSION:
   a. GENERAL MANAGER PERFORMANCE EVALUATION
      Pursuant to Government Code Section 54957(b), performance evaluation of General Manager Tamsen Burke.
   b. CONFERENCE WITH LABOR NEGOTIATORS
      Pursuant to Government Code Section 54957.6, conference with the District's designated labor negotiators for negotiations with the General Manager, an unrepresented employee.

13. 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.

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Meeting ID: 868 9739 6127
Passcode: 041879

Board Members:
Andrew Aquino
Chris Carlos
Pam Merkadeau (Arrived 7:09pm)
Ranya Francis (Vice President)
Uy Ut (President)

Staff:
Tamsen Burke (General Manager)
Mike Koenig (Director ASP)

1. Call to Order
   The meeting was called to order at 7:01pm by Director Ut

2. Review and approval of the minutes for:
   a. Board Member Aquino made a motion, Board Member Carlos second, to approve the Regular Board Meeting Minutes from Regular Board Meeting on October 13, 2026. The motion passed. Vote: UU – Y; AA – Y; CC - Y; PM – Absent; RF – Y

3. Public Forum:
   i. No Public Comments was received.

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

5. Board Discussion on Strategic Priorities and Outcomes – Financial, Community, Facilities/Projects, Program/Services, Transparency

6. Financial Information Report

a. August Monthly Statement Memo
b. September 2026 Monthly Statement (Preliminary)

7. Old Business:
    a. No old business

8. New Business:
    a. Discussion/Action: Review, consider, and adopt Resolution 2026-5, the Highlands Recreation District Appropriations Limit for Fiscal Year 2026 – 2027.
    Report: Tamsen Burke, General Manager
        i. No action was taken

    b. Discussion/Action: Review and adopt the Resolution 2026-06 to update the Highlands Recreation District Bylaws.
        i. Board Member Carlos made a motion, Board Member Aquino second, to adopt the Resolution 2026-06 to update the Highlands Recreation District Bylaws with changes. The motion passed.
        Vote: UU - Y; AA - Y; CC - Y; PM - Y; RF - Y

    c. Discussion: Review and discuss the November 3, 2026, Elections and Procedures
    Report: Tamsen Burke, General Manager
        i. No action was taken

9. Upcoming Meetings:
    a. Board of Directors: November 10, 2026, December 8, 2026, January 12, 2027

10. Review and Payment of Bills:
        i. Board Member Board Member Aquino made a motion, Board Member Carlos second, to pay the bills. The motion passed unanimously. Vote: AA - Y; CC – Y; PM – Y; UU – Y; RF – Y

11. HRD Board of Directors Announcements

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

The Meeting adjourned at 8:56 pm on October 13, 2026.

Respectfully submitted

Tamsen K. Burke
Interim Board Secretary

Board President of Vice President (Print) _____

Signature _____

MEMORANDUM

Date: November 10, 2026
To: Board of Directors
From: Tamsen K. Burke, General Manager
Re: General Manager Report

LEGISLATION

Senate Bill 122—Sales Tax on Software

SB 122 (Committee on Budget) was signed into law on June 30. The bill expands sales tax to include "digital products." Beginning January 1, 2027, prewritten (commercial, off-the-shelf) computer software will be taxable regardless of how it is delivered: on physical media, by electronic download, or accessed remotely as software as a service (SaaS). The change operates through the existing sales and uses tax law, so the full combined state and local rate applies.

ADMINISTRATION

Facility Project Updates

- Administrative Office Renovations (scheduled December 2026, preparations being made for displacement of staff)
- Pool Sewer – **Completed**
- Retaining Wall: (north of bathrooms) Permit on File | BLD2025-00492 to the San Mateo County Planning and Building Department, Redwood City, CA. **Preparing RFP for Board of Director Review**
- Trenchless Sewer Replacement (November 2026)
- Pool Renovation Preliminary Assessment and Community Engagement, Renovation, or new construction review.
- District Refresh 2027
    - Tennis Court Resurfacing: Preliminary conversation with Tennis pros on planning. (May 2027 confirmed with Tennis Pro's) after completion of Retaining Wall.
    - Resurfacing parking, walkways, sport court; landscaping for April/May 2027.
    - Landscaping and beautification property, Lexington street tree removal, new Highlands Recreation District street sign (April 2027)
    - Pool Desk repairs/power wash (December 2026)
    - EEC/MPR painting/flooring (March 2026)

Administrative / Operational Projects Updates

- Annual Open Space Letter has been sent to Highland's homeowner/resident whose property may border on land currently owned by the Highlands Recreation District.
- Design Contest for the new Highlands Recreation District Entry sign. As a part of the District property project "Refresh 2027" which will include repaving parking/walkways, tennis

courts, landscaping, residents will have an opportunity to submit their entry for the new Highland Recreation District entry sign to the property. Entries will begin in January 2027. Check website for details.

- A comprehensive business efficiency review for improvement to streamline operational processes and adopt best practices to enhance processes and reduce waste across the organization. Report and improvement to Personnel Committee (January 2026)
    - Resource Utilization - Evaluate human, financial, and physical resources to ensure optimization. Action: Analyze labor productivity, capital turnover, and asset usage; eliminate underutilized resources.
    - Technology & Tools Assessment - Review the effectiveness of software, automation, and communication tools in supporting operations. Action: Identify outdated systems, adopt automation where possible, and ensure tools align with business goals.
    - Implement Automation Tools
        - RecDesk registration, scheduling, web-site software update (January 2026)
        - Reservations, Rentals, Docusign, Membership cards/check-in
    - Communication and Customer Satisfaction -
    - Financial & Operational Efficiency - Review cost structures, cash flow, and operational workflows to reduce waste and improve profitability. Action: Streamline workflow processes and optimize procurement, reduce overhead, and improve receivable accounts cycles.

Financial

Grants

- Peninsula Health Care District, Healthy Aging and Living, Application submitted for grant proposal consideration. Requested $15,000-$20,000 to support Senior programs and services which pay instructors, enhanced programs, fitness equipment in cooperation with our services to the Senior Network. Thank you to Diana and Richard Shu for your partnership with the Senior Network. **(Decision January 2027)**

Human Resources & Staff Engagement:

- 2027 Benefits and Enrollment.
- Open Enrollment – Kaiser Medical (November 2026)
- Renegotiated Prudential Dental, Vision, and Life plans contract for a savings renew 12-1-2026. The original renewal:
    - Dental - 5% increase reduced to 4%.
    - Life - 19.3% increase reduced to 9.6%.
    - LTD - 18.2% increase reduced to 6.1%.
    - Rate pass on STD and Vision. (no change)
- CAPRI Final Payroll – (Completed)
- Operational efficiency – Estimated Payroll Reports FY 23, 24, 25, were manually run and calculated for each employee and overestimated at a rate of $60,000 to 400,000.
  All employees are now coded into Paylocity with (1) Employment Type, (2) EEO Classifications, and (3) Worker's Compensation (WC) codes for FY 25-26 and future reports. In addition, errors in Estimated Payroll submitted in FY 25-26, are corrected to now reflect potential savings FY 26-27.
- Early Education Director – renegotiating past candidate offered. Six strong candidates to interview as a backup.
- Open positions: Recreation Coordinator, EEC Substitute Teacher, Lifeguards and Swim Instructors.

- **Facilities & Maintenance**
  - District closures for November, December, January 2027. November 11, 2026 – Closed Veteran's Holiday, November 26 & November 27 - Closed Thanksgiving Holiday, December 24, 2026 – January 3, 2027 – Closed Winter Holiday and Annual Maintenance, January 18, 2027, Closed MLK Holiday
  - Annual Maintenance Projects and Winterization of Facilities – HVAC, water heaters, roofs - gutter and downspout cleaning, solar panels; debris and pressure washing –walkways, driveways, parking areas, and other common surfaces.
  - CAPRI Safety Risks EEC removed all wooden logs from playgrounds.
  - Daylight law – Several EEC parents expressed significant concerns of safety at the cross walk on Lexington Avenue to the fire lane walkway entrance to the Highland Recreation District property based on the County's daylight laws. Thank you to HCA President, Liesje Nicolas, for the partnership and working with sheriff's department on resolution.

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 10.13.2026

Tasks - Directives	Director Requested	Responsible	Updates / Completion Notes
Board of Director Training and Certification Reminder	Director Carlos	Tamsen Burke	General Manager Report
Review Appropriations Calculations	Director Carlos	Tamsen Burke	General Manager Report
3-year Balance Sheet P&L	Director Aquino	Bookkeeper	Bookkeeper Report
Comprehensive Business Operation Review	Director Merkadeau Director Francis	Tamsen Burke	In Process

HIGHLANDS RECREATION DISTRICT

Bylaws

A. FORMATION

1. Original Authorization and Purpose

The Highlands Recreation District was organized as a Community Services District pursuant to Sections 61000 *et seq.* of the Government Code of the State of California (Community Services District Law) on the 24th day of September, 1957, for the purpose of providing public recreation by means of parks, playgrounds, swimming pools, recreation buildings, a community meeting hall, and such other buildings and facilities as are necessary to the operation of such a district, including, but not limited to, the acquisition of lands, rights of way, easements, or other rights of real property therefore, the purchase, construction, furnishing, or equipping of building and other facilities therefore, and the performing of all work auxiliary to any of the above which may be necessary to complete or maintain the same.

2. Additional Purposes

The functions and purposes of the District may in the future be expanded to such other matters as are legally permissible under the appropriate sections of the Community Services District Law in the manner specified therein.

B. BOARD OF DIRECTORS

1. Governing Body

The Board is the governing body of the District.

2. Number of Directors, Qualifications and Election

The District shall have a Board of five Directors, all of whom shall be registered electors domiciled within the boundaries of the District and all of whom shall be elected at large.

3. Elections of Directors

Elections are held in accordance with the Uniform District Election Law (Sections 10500 *et seq.* of the California Election Code).

4. Time of Election

Elections will be held on the first Tuesday after the first Monday in November in each even numbered year to choose Directors who will take office at noon on the first Friday of December.

5. Term of Office

The term of office of each Director shall be four years. Elections will be held every two years with three Directors elected in the November election concurrent with the California gubernatorial election and two Directors elected in the November election concurrent with the Presidential election.

6. Filling of Vacancies

Any vacancy on the Board of Directors will be filled pursuant to Government Code Section 1780.

7. Oath of Office

Before entering upon the duties of his/her office each Director shall take and subscribe the official oath before an officer authorized by law to administer oaths and shall file it with the Board Secretary.

8. Recall of Directors

Every incumbent of the office of Director, whether elected or appointed, may be recalled by the voters in accordance with the recall provisions of the Elections Code Sections 11000 et seq.

9. Compensation of Directors

The Directors shall serve without compensation. Pursuant to Government Code Section 61047, Directors may receive their actual and necessary traveling and incidental expenses incurred while on official business for the District.

10. Training and Education of Board Members

Board Members must complete any training required by state law. Board Members shall endeavor to take two additional hours per year of education on topics relevant to their service on the Board and file proof of completion with the Secretary of the Board. A Director who does not complete this training may be subject to censure or reprimand by the Board.

10. Code of Conduct

The Board of Directors is committed to excellence in legislative leadership to promote high-quality District facilities and services. Directors will show respect for other Directors, staff, and the public; come to meetings prepared; listen attentively; and focus on providing clear policy direction to staff.

C. CONDUCT OF BUSINESS

1. President and Vice President of the Board

The President presides over meetings of the Board and the Vice President serves as President in the President's absence or inability to serve. At the regular December Board meeting, the Directors shall meet and organize as a Board. At this time, a President and a Vice-President shall be appointed, in that order. The President and Vice-President roles rotate each December among Directors as described in this section. The Vice-President will rotate into the President's role and another Director will rotate into the Vice-President role. The order shall be determined based on tenure on the Board, with newly-elected and/or appointed Directors last in order, and the rotation will continue such that all Directors have the opportunity to hold these roles before any Director is reappointed. If two or more Directors are elected at the same time, priority shall be determined by the number of votes received. If two or more Directors are appointed at the same time, priority shall be determined based on a coin toss. A Director may decline to

fulfill either of these roles at the time of their appointment. A Director who declines to serve will go to end of the order of rotation, except that they will be ahead of the Director who most recently served as President. If the Directors next in line to be President and Vice President both decline, they will both go to end of the order of rotation in that order, ahead of the Director who most recently served as President.

2. Committees

The Board may establish standing committees and temporary ad-hoc committees, appointing members as it deems appropriate. Each committee shall consist of two Directors. Meetings of standing committees shall be noticed and open to the public as required by the Brown Act. Temporary ad-hoc committees shall have a limited purpose and a defined time frame to accomplish that purpose, such that meetings need not be noticed and open to the public under the Brown Act. Each committee is authorized to meet with staff members, and/or contractors, etc. to review pertinent matters within the scope of its jurisdiction. Each committee shall report on its meetings at Board meetings, making recommendations if it so desires. No final actions may be taken by committees, which shall be only advisory in nature, i.e., committees cannot be delegated any decision-making power and return to the full Board with recommendations as appropriate.

3. Mode of Exercising Powers

The Board shall act only by ordinance, resolution, or motion passed by an affirmative vote of at least three Board Members.

4. Recording Vote

The ayes and nays shall be taken by roll call for all ordinances, resolutions, or motions and will be so entered upon the minutes of the Board.

5. Quorum

A majority of the Board (three Directors) shall constitute a quorum for the transaction of business.

6. Amendment

These Bylaws may be amended by resolution adopted by an affirmative vote of at least four Board Members.

D. MEETINGS

1. Open Meetings

All meetings of the Board shall be conducted pursuant to the Brown Act (Government Code Section 54950 et seq.). When feasible, Board meeting agendas will, as a courtesy, include an option for the public to attend via tele/videoconference.

2. Conduct of Meetings

Robert's Rules of Order shall be followed.

3. Preparation of Agenda

Any Board Member may request an item be placed on the agenda for an upcoming meeting. The agenda shall be prepared by the General Manager in consultation with the President. As required by the Brown Act, only items listed on the agenda may be discussed at meetings. The agenda shall be physically posted at the direction of the General Manager at the Highlands Recreation Center in a prominent place easily accessible to the public and posted to the District website.

4. Regular Meetings

The regular meetings of the Board of Directors shall be held at 7:00 pm on the second Tuesday of each month in a meeting room of the Highlands Recreation Center. The agenda for regular meetings shall be posted and circulated to all members of the Board at least seventy-two (72 hours) before each regular Board meeting, consistent with the Brown Act.

5. Special Meetings

A special meeting may be called by the President of the Board or by a majority of Directors in the event of matters of importance, which cannot be delayed until the next regular meeting. Notice of such a special meeting must be provided to all Directors and the public at least twenty-four (24) hours in advance of the meeting, consistent with the Brown Act.

6. Emergency Meetings

Emergency meetings may be called consistent with the Brown Act.

7. Closed Sessions

Closed sessions are limited to specific matters authorized by the Brown Act (e.g., to provide direction to a real estate negotiator, to discuss pending litigation with a legal advisor to the Board; insurance liability claims; personnel matters; and threats to public services or facilities). Any closed sessions of the Board must be briefly described in an agenda for the meeting per the requirements of the Brown Act. Prior to adjourning into closed session, a Director (usually the President of the Board) must orally announce the items to be discussed in the closed session and allow public comment. Once the closed session has been completed, the Board must reconvene in open session to make any reports as required by the Brown Act.

8. Attendance

The Board Secretary shall take attendance at all meetings and present the annual attendance record at the January Board meeting.

Punctual and regular attendance at Board meetings is an essential responsibility of each Director. Elected and appointed Directors shall make every effort to attend meetings in person, or by tele/videoconference when allowed by the Brown Act. If a Director is unable to attend a meeting, the Director should advise the Board prior to such meeting if at all possible; if not possible the Director shall advise the General Manager prior to the meeting. Consecutive absences are strongly discouraged.

Given the limited number of meetings, Director absences are disruptive to the functioning of the Board. A Director who is absent from three or more meetings in a calendar year may be subject to censure or reprimand by the Board.

9. Minutes

Draft minutes of Board meetings will be prepared by staff promptly following each Board meeting and placed on the agenda for Board approval at the next regular meeting. Following Board approval, minutes will be physically posted at the Highlands Recreation Center in a place easily accessible to the public and posted on the District's website. Minutes are to be retained indefinitely in the District's records.

E. STAFF

1. General Manager

The Board shall appoint the General Manager, who shall have the responsibilities described in the Community Services District Law. The General Manager or their designee shall serve as the Board Secretary.

2. Managerial and Supervisory Staff

The General Manager shall appoint managerial and supervisory staff members.

3. Compensation -Term

a. The General Manager shall receive compensation as determined by the Board of Directors and shall serve at its pleasure.

b. A Director shall not be General Manager.

Revised June 9, 1998 and November 12, 1998
(Bylaws Committee: Steve Gehre and Wil Pinney)
Board of Directors: President Gordon Chalmers, Vice-President Steve Gehre, Edie Kirschner, Wil Pinney, & Jim Sell.

Revised November 10, 2008
(Bylaws Committee: Brigitte Shearer and Michelle McNeil)
Board of Directors; President Hal Carroll, Vice President Brigitte Shearer, Jim Sell, Pamela Merkadeau, & Michelle McNeil.

Revised June 14, 2016
(Bylaws Committee: Pamela Merkadeau and Eric Olbekson)
Board Member: Hal Carroll, Eric Olbekson, Michelle McNeil, Pamela Merkadeau, Sterling Sakai

Revised February 13, 2018
Board Members: Eric Olbekson, Michelle McNeil, Pamela Merkadeau, Andrew Aquino, Christopher Gurr

Revised October 10, 2023 (Resolution No. 2023-4)

Board Members: Eric Olbekson, Pamela Merkadeau, Andrew Aquino, Shirin Bakhshay, Uy Ut

Revised October 13, 2026 (Resolution No. 2026-06)

Board Members: Pamela Merkadeau, Andrew Aquino, Rayna Francis, Uy Ut, Chris Carlos

MEMORANDUM

Date: November 10, 2026

To: Tamsen Burke, General Manager

From: Rodney Centeno, Aquatic Supervisor

Re: Aquatic Supervisor Report

Program/Department Overview:
With the time change and the change in weather, we see new patterns emerge at the pool. Our weekday morning regulars share the pool with local middle schoolers here for Odessey PE. The afternoons and early evenings see swim lessons and swim team practices using many of the lanes, while the community can still come to swim for fun or exercise. Local organizations rent space, usually the deep end, for classes and training throughout the year. We will make a slight change to the weekday pool hours to align with these new patterns, which also allows our aquatic and maintenance staff to attend to new tasks throughout the facility.

Key Highlights:

- Welcomed back Odyssey School students for their daily PE swim.
- Welcomed five new members to the swim team and attended first meet of the season.
- Welcomed back an experienced swim instructor and promoted a deserving staff member.
- Developed a plan for inviting EEC and ASP participants and staff to the pool to learn about safety.
- Thanks to facilities staff experienced a month of very consistent daily conditions.

Aquatic Programs

- Aquatrack Fitness: Monday/Wednesday/Friday 8:05am - 9:05am
- Swim Lessons: Monday-Friday **2:00**-6:00pm, Saturday 9:00-**11:30am**
    - Some weekday lessons utilized by EEC and ASP participants.
- Swim Team: Bronze M-Th 5:00-6:00pm, Silver 5:45-7:15pm, Gold/Platinum 5:45-7:30pm
- On the horizon: Youth water polo clinic, Adult swim workout, Pre-swim team practice

Fall/Winter Pool Hours

- Monday -Friday: 7:30am-12:00pm Lap Swim, 2:00-5:00pm Open Swim, 6:00-8:00pm Lap Swim
- Saturday: 9:00-11:45am Lap Swim, 12:00-4:00pm Open Swim
- Sunday: 12:00-4:00pm Open Swim

  ** Open Swim is meant to convey that we adjust lanes to accommodate Rec and/or Lap Swimmers.*

Facilities

- Scheduled DE Filter recharging is contributing to consistent conditions and chem usage.
- New Chlorine PPM sensor is operating optimally.
- Newly assembled 8'x10' storage shed will allow us to redistribute aquatics equipment in preparation for busy Spring/Summer seasons and growing swim team.

Metrics and Data

- 77, 30-minute Private Lessons taught per week (Monday through Saturday)
- 47 Active Members on USA Swim Team

Staff Development & Training

- Aquatic Coordinator conducted October lifeguard in-service.
- Hailey Lema, new Aquatic Coordinator collaborating with aquatic and Highlands staff to grow lessons program.
- Member of Lifeguard Staff enrolled in Lifeguard Instructor course intending to offer Lifeguard Courses at HRD, retrain our existing lifeguard staff, and prepare monthly in-services.
- Part time staff: 15 Lifeguards, 8 Swim Instructors meeting all of our staffing needs.

Fall/Winter Swim Lessons

Lesson clients now receive a weekly email about the program, the session, schedule updates and reminders about pool policies and safety rules. During November/December we will schedule group visits (field trips) from our EEC and ASP programs to learn about water safety, our staff, the facilities, lessons, and more. These will not be in-water activities but are meant to prepare youth for future pool visits.

Swim Team (HDAC)

The Highlands Dolphins team continues to grow. The team attended Burlingame Aquatic Club's Spooky Fall Classic on October 24 & 25. Next meet will be in Pacific in December.

MEMORANDAUM

Date: November 10, 2026

To: Tamsen Burke, General Manager

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

Re: ASP/IC Program Update

PROGRAM/DEPARTMENT OVERVIEW

- The program will begin advertising for the 2027-2028 school year this month. Priority enrollment for highlands residents will begin January 6. Currently enrolled family lottery will begin January 19. New non-resident lottery will begin February 1.
- On October 30, the program put on a Halloween party for the children. The kids got to hit pinata's and do Halloween crafts. The party was a success, and the children went home happy.
- The program had its first Kids Night Out of the school year on October 16. The event was a success with 25 children enrolled. The next Kids Night Out is scheduled for December 4.
- The ASP program is currently offering cooking classes each week. This additional enrichment will run from October 14 – December 16. Program staff plan to offer household science in the new year.

VEHICLE UPDATE

- This month the vehicles will receive some maintenance. Both vehicles will get an oil change, car wash and wipers replaced as we move into the rainy season. Please note, the board will see an overage in 545912-OTHER as the golf cart was slightly above budget and the cost of maintenance/fuel remains higher than anticipated.

LICENSING COMPLIANCE

- AB-2370, which passed in 2018, mandates that all child care centers constructed before January 1, 2010 must have their drinking water tested for excessive lead levels every 5 years. The program will be testing again in 2027. The five fixtures to be tested include social room water fountain, social room kitchen sink, playground water fountain, tennis court water fountain and pool water fountain. These are the fixtures used by ASP/camps per licensing. Program staff will begin the process of coordinating this as it will require a stagnation period prior to testing.

UPCOMING EVENTS

- December kids night out planning/staffing/advertising
- Winter Camp planning/staffing/advertising

- November Parent-Teacher conference staffing
- New year program enrichment

MEMORANDUM

Date: November 10, 2026

To: Tamsen Burke, General Manager

From: Debbie Labucay, Interim Director

Re: Early Education Center Director's Report

PROGRAM OVERVIEW

- EEC Substitute Teacher position – receiving applications
- 1 active sub remains on staff, will continue to build sub pool
- Children enjoyed the visit from CalFire Engine #17

ENROLLMENT

- Parrots – 3 months to 18 months
  8 infants 1:3 teacher child ratio
- Chameleons-18 months-3 years
  18 toddlers 1:6 teacher child ratio
- Tigers- 3 years-5 years
  18 PS 1:8 teacher child ratio

Current Enrollment:
November- 34
Parrots- 7
Chameleons- 12
Tigers- 15

Projected Enrollment:
November- 34
Parrots- 7
Chameleons- 12
Tigers- 15

Tours

- October: 2 & November: 2 – families looking for next Spring 2027

FUTURE GOALS AND PLANS:

- Nov. 2nd – Visit from Fire Department
- Nov. 6th – Early closure 4 pm – monthly staff meeting
- Nov. 20th – Falling for Fun Festival
- Nov. 26 & 27 – Closed for Thanksgiving

MEMORANDAUM

Date: November 10, 2026
To: Board of Directors
From: Tamsen Burke, General Manager
Re: Recreation/Seasonal Programs and Rentals Update

PROGRAM/DEPARTMENT OVERVIEW

- Fall Programs - Tennis and Swimming Lessons conclude in December. Winter program planning is underway.
- Annual Halloween Family Fun Night was a great success. We had over 15 volunteers from the Cub Scouts Pack 3 – Bear Den; Girls Scouts Troop 62390, and Event Judges: Chris Carlos, Le Gee, and Ryan Sims.

METRICS AND DATA – SEASONAL PROGRAMS

- Lunchtime Enrichment for the 2026 – 2027 SMFCSD school year will end of December and re-start in January.
- Mahjong and Tai Chi programs are a success with more participation each week.
- Planning for Winter 2027 Programs will include STEM, Art, and Nature based experiences, encouraging and incorporating physical activity. Upon approval of the Active Older Adult grant program expansion will include:
    - Tennis Lessons - Date: 1/12/27 - 2/11/27, Days: Tuesdays & Thursdays
    - Adult Tennis League (M, W, Coed)
    - Pickleball
    - Ukulele Lessons
    - Fitness Classes (Strength & Flexibility Training, Low Impact Circuit Training, Balance/Mobility)
    - Yoga, Qigong and Tai Chi
    - Square Dance, Tango Lesson and Dance Party
    - Board Game Day/Nights (Mahjong, Cribbage, Bridge, etc.)
    - Monthly Health & Wellness Speakers Series

2026 – 2027 HOLIDAY DATES

Breakfast with Santa: December 5, 2026, 10:00am – 12:00pm - Board Members are invited to prepare and serve pancakes on the day of the event.
Eggstravaganza: March 20, 10:00am – 12:00pm

METRICS AND DATA – RENTALS

The rental process and order of operations have been in the process continues to be refined to minimize unnecessary confusion for renters. Upon completion of rental application, insurance, and fee, keys to facilities are provided through access to a lockbox. Renters can access upon arrival /departure with a reservation code.

Private rentals have lower numbers this month, including December / January 2027.

October totaled 21 rentals: including:

- 1 Recurring Gym Rental
- 3 Recurring Tennis Court Rentals
- 8 Facility Rentals (Resident/NonResident)
- 6 Community Group Rentals (CERT, HSN, Scouts, HCA, etc.) – Fees Waived

MARKETING AND MEDIA

- Advertising through social media, website updates, and monthly newsletters will continue to support advertising for upcoming special events, seasonal programs, hiring needs, and successes from different departments.

MEMORANDUM

Date: November 10, 2026

To: Tamsen Burke, General Manager

From: Leah Huang, Bookkeeper

Re: Bookkeeper Report

Update on September 2026 Financial Statements

The financial statements for September 2026 were revised after receiving the County of San Mateo Activities of Account report on October 11, 2026. The updated figures below include additional transactions recorded in QuickBooks after the preliminary September 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: $863.36
     - **Increase: $863.36**
   - Ledger Item - ERAF (GL Code 102101):
     - Original: $0.00
     - Revised: -$292.01
     - **Decrease: $292.01**
   - Ledger Item - Construction In Progress (GL Code 721101):
     - Original: $1,260
     - Revised: $8,240
     - **Increase: $6,980**

2. Net Impact on Financial Statements

As a result of the revisions above, the net impact to our Profit & Loss for September 2026 is as follows:

- **September 2026:**
    - Original Revenue: -$79,311.96
    - Revised Net Revenue: -$85,701.45
    - **Negative Adjustment: $6,389.49**

- **FYTD through September 2026:**
    - Original Net Profit: -$113,408.25
    - Revised Net Profit: -$119,797.74
    - **Negative Adjustment: $6,389.49**

Highlands Recreation District

[PRELIMINARY]

Balance Sheet

As of OCT 30, 2026

		As of Oct 31, 2026	As of Oct 31, 2025	As of Jun 30, 2026	As of Jun 30, 2025	As of Jun 30, 2024
				FISCAL YEAR END		
				PRELIMINARY	FINAL	FINAL
Assets						
Current Assets						
Bank Accounts						
001000 Cash Clearing Acct - QB Migration		-	-	-		
004000 Petty Cash- ADMIN		300	100	100	100	100
005000 First Citizens Bank		195,359	154,710	282,433	367,717	181,489
006000 Petty Cash-POOL		80	80	80	80	80
011100 Cash in Treasury		5,529,386	5,140,049	5,705,763	5,125,303	4,542,609
Total for Bank Accounts		**$ 5,725,125**	**$ 5,294,939**	**$ 5,988,376**	**$ 5,493,200**	**$ 4,724,278**
Accounts Receivable						
120000 Accounts Receivable	1	849	-	-	-	-
Total for Accounts Receivable		**849**	**-**	**-**	**-**	**-**
Other Current Assets						
040000 Prepaid Expenses		33,514	39,381	6,228	5,858	5,777
050000 Undeposited Funds	2	1,140	(300)	-	(300)	-
Total for Other Current Assets		**$ 34,654**	**$ 39,081**	**$ 6,228**	**$ 5,558**	**$ 5,777**
Total for Current Assets		**$ 5,760,628**	**$ 5,334,020**	**$ 5,994,604**	**$ 5,498,757**	**$ 4,730,055**
Fixed Assets						
90001 Building		5,840,484	5,815,567	5,840,484	5,815,567	5,815,567
0571 Accum Depr-Building		(2,086,342)	(2,086,342)	(2,086,342)	(2,086,342)	(1,910,686)
Total for 90001 Building		**$ 3,754,142**	**$ 3,729,225**	**$ 3,754,142**	**$ 3,729,225**	**$ 3,904,881**
90002 Improvements		857,727	857,727	857,727	857,727	685,985
0572 Accum Depr-Improv		(361,956)	(361,956)	(361,956)	(361,956)	(356,942)
Total for 90002 Improvements		**$ 495,771**	**$ 495,771**	**$ 495,771**	**$ 495,771**	**$ 329,042**
90003 Equipment		331,116	266,505	321,204	266,505	266,505
0570 Accum Depreciation-Equipmt		(201,807)	(201,807)	(201,807)	(201,807)	(216,443)
Total for 90003 Equipment		**$ 129,310**	**$ 64,698**	**$ 119,397**	**$ 64,698**	**$ 50,062**
90004 Land		19,532	19,532	19,532	19,532	19,532
90005 Construction in Progress		35,966	22,170	27,480	17,263	202,126
Total for Fixed Assets		**$ 4,434,720**	**$ 4,331,396**	**$ 4,416,322**	**$ 4,326,489**	**$ 4,505,643**
Total for Assets		**$ 10,195,348**	**$ 9,665,416**	**$ 10,410,926**	**$ 9,825,247**	**$ 9,235,698**
Liabilities and Equity						
Liabilities						
Current Liabilities						
Accounts Payable						
064000 Accounts Payable		31,330	25,759	28,753	34,829	17,609
Total for Accounts Payable		**$ 31,330**	**$ 25,759**	**$ 28,753**	**$ 34,829**	**$ 17,609**
Other Current Liabilities						

Highlands Recreation District

[PRELIMINARY]

Balance Sheet

As of OCT 30, 2026

		As of Oct 31, 2026	As of Oct 31, 2025	As of Jun 30, 2026	As of Jun 30, 2025	As of Jun 30, 2024
				FISCAL YEAR END		
				PRELIMINARY	FINAL	FINAL
065000 Payroll Liability	3	(47)	-	-	-	-
065010 Payroll Liability-FSA		(4,049)	1,203	(5,845)	33	1,723
066300 Deferred Revenue		-	-	-	-	
066400 Accrued Sales Tax		-	-	-	-	-
066500 Other Accrued Expenses		-	-	99,082	89,766	75,507
800020 Accrued Interest Pymt-Bond		7,363	8,153	16,306	17,887	19,416
800030 Accrued Principal Pymt-Bond		26,333	25,500	127,500	127,500	123,333
Total for Other Current Liabilities		**$ 29,600**	**$ 34,856**	**$ 237,043**	**$ 235,186**	**$ 219,980**
Total for Current Liabilities		**$ 60,929**	**$ 60,615**	**$ 265,795**	**$ 270,015**	**$ 237,589**
Long-term Liabilities						
265900 COP Bond - Long Term Liability		1,398,667	1,552,500	1,450,500	1,603,500	1,755,667
266000 Compensated Absences		1,226	(655)	1,226	0	49,098
90006 Compensated Absences long term audit		104,898	104,898	104,898	104,898	
Total for Long-term Liabilities		**$ 1,504,791**	**$ 1,656,743**	**$ 1,556,624**	**$ 1,708,398**	**$ 1,804,764**
Total for Liabilities		**$ 1,565,720**	**$ 1,717,358**	**$ 1,822,420**	**$ 1,978,413**	**$ 2,042,353**
Equity						
081300 Fund Balance		349,182	349,182	349,182	349,182	349,182
999800 Amount to be Provided		(1,537,261)	(1,691,051)	(1,699,204)	(1,853,785)	(1,898,416)
999900 Investment in Capital Assets		4,434,720	4,331,396	4,416,322	4,326,489	4,505,643
081400 Retained Earnings		5,522,207	5,024,948	5,024,948	4,286,034	3,667,516
Net Income		(139,220)	(66,417)	497,259	738,913	569,420
Total for Equity		**$ 8,629,627**	**$ 7,948,057**	**$ 8,588,507**	**$ 7,846,833**	**$ 7,193,345**
Total for Liabilities and Equity		**$ 10,195,348**	**$ 9,665,416**	**$ 10,410,926**	**$ 9,825,246**	**$ 9,235,698**

*1. ASP tuition ACH bounced, replacement check issued in November

*2. Due to the timing of month-end closing, cash and check payments from Pool and Rental pending deposit

*3. IRA contributions are pending adjustments, awaiting authorization

Highlands Recreation District

[PRELIMINARY]

Profit and Loss by Class

October 2026

	Total
Income	
152100 Interest Earned	48.22
232100 Park & Recreation Fees	220,121.57
232101 Refunds of Fees	-500.00
232103 Deposits Received & Returned	1,400.00
Total for 232100 Park & Recreation Fees	**$221,021.57**
265800 Miscellaneous Revenue	3,000.00
Total Income	**$224,069.79**
Gross Profit	**$224,069.79**
Expenses	
411000 Total Employee Cost	
411100 Permanent Salaries	28,000.04
411103 Longevity Pay	233.08
416101 Office Wages	10,234.67
416102 Pool Wages	21,033.86
416103 Maintenance Wages	6,292.46
416104 Supervision Wages/Bldg Attndnts	4,591.50
416106 Program/Enrichmt Specist-STAFF	275.00
416107 ASP/Camp Wages	17,619.10
416108 EEC Wages	41,885.58
431100 Social Security	7,812.36
431200 Medicare Contribution	1,827.08
463100 District Employee Benefits	14,667.17
Total for 411000 Total Employee Cost	**$154,471.90**
515600 Household Expenses	
515601 Recology (Waste)	1,259.71
515602 Janitorial Supplies	1,313.71
515605 Cleaning Company	4,500.00
Total for 515600 Household Expenses	**$7,073.42**
519300 Office Expenses	
519301 Outside Printing & Copy Serv	179.04
519303 General Office Supplies	334.36
519307 Other Ofc. Expns -Svc or Agrmnt	1,798.39
519308 Credit Card/ACH fees	1,578.28
519309 Payroll Processing Fees	2,551.33
Total for 519300 Office Expenses	**$6,441.40**
533100 Memberships & Subscriptions	1,666.81
545900 Maintnce-Facility & Imprv	
545902 Plumbing & Piping	985.00
545903 Paint, Solvents & Chemicals	2,098.08
545904 Pool Maintenance Supplies	100.95
545905 Locks & Security System	450.34
545909 Other General Maintenance	752.40
545912 Vehicle Expense	99.79
545913 Ground/Facility Improvements	3,686.09

Highlands Recreation District

[PRELIMINARY]

Profit and Loss by Class

October 2026

	Total
Total for 545900 Maintnce-Facility & Imprv	**$8,172.65**
563800 Utility Expense	
563801 P G & E	6,430.43
563802 Water	1,404.87
563803 Sewer Fees	6,472.37
Total for 563800 Utility Expense	**$14,307.67**
585600 Contract Expenses	
585604 Consultants	6,369.23
585605 Vendors/Instructors/Pgrm Specs	1,352.63
Total for 585600 Contract Expenses	**$7,721.86**
596600 Program Specific Expenses	
596601 Buses-ASP	1,180.00
596603 Snacks-ASP	1,363.85
596604 Supplies-ASP	946.18
596608 Employee Recognition/ Misc- ASP	13.65
596612 Special Events	82.30
596613 Conferences/Seminars	8.59
596614 Pool Program & Facility Supply	28.11
596616 In-Crowd Rent	1,275.00
596617 Seasonal Programs	159.64
596621 EEC Supplies	759.17
596622 EEC Snacks	907.16
596623 EEC Special Activities	752.71
596624 Employee Recognition/ Misc-EEC	364.13
596626 Swim Team Expenses	2,566.31
596627 Staff Development	98.60
596628 Training & Certification Expnse	153.75
Total for 596600 Program Specific Expenses	**$10,659.15**
671200 Telephone & Internet Expns	558.25
673100 Insurance	
673101 CAPRI-Worker's Comp	2,655.25
673102 CAPRI-General Liability/Auto	11,153.00
Total for 673100 Insurance	**$13,808.25**
721000 Fixed Assets-Structure/Imprvmts	
721101 Construction In Progress	7,761.37
Total for 721000 Fixed Assets-Structure/Imprvmts	**$7,761.37**
731000 Fixed Assets - Equipment	
731100 Fixed Assets-Equipment	9,912.11
731101 FA Equipmnt Not Capitalized	937.56
Total for 731000 Fixed Assets - Equipment	**$10,849.67**
Total Expenses	**$243,492.40**
Net Operating Income	**-$19,422.61**
Net Income	**-$19,422.61**

Highlands Recreation District

[PRELIMINARY]

Profit and Loss

July-October, 2026

	Total
Income	
102100 Property Taxes	1,193.09
102101 ERAF	112,078.90
152100 Interest Earned	56,514.10
232100 Park & Recreation Fees	882,398.70
232101 Refunds of Fees	-5,464.00
232103 Deposits Received & Returned	3,477.50
Total for 232100 Park & Recreation Fees	**$880,412.20**
265800 Miscellaneous Revenue	3,401.35
Total Income	**$1,053,599.64**
Gross Profit	**$1,053,599.64**
Expenses	
411000 Total Employee Cost	
411100 Permanent Salaries	115,537.45
411103 Longevity Pay	1,048.86
416101 Office Wages	52,915.05
416102 Pool Wages	95,266.85
416103 Maintenance Wages	25,169.18
416104 Supervision Wages/Bldg Attndnts	11,754.67
416106 Program/Enrichmt Specist-STAFF	450.42
416107 ASP/Camp Wages	85,035.40
416108 EEC Wages	174,967.65
431100 Social Security	33,926.35
431200 Medicare Contribution	7,934.40
445100 Unemployment Insurance	1,949.76
463100 District Employee Benefits	69,843.54
Total for 411000 Total Employee Cost	**$675,799.58**
512100 Clothing & Uniforms	3,211.60
515600 Household Expenses	
515601 Recology (Waste)	5,038.84
515602 Janitorial Supplies	3,229.29
515605 Cleaning Company	17,500.00
Total for 515600 Household Expenses	**$25,768.13**
519300 Office Expenses	
519301 Outside Printing & Copy Serv	218.42
519302 Licensing Fees	726.00
519303 General Office Supplies	2,116.27
519304 Recruitment & Advertising	1,445.19
519305 Postage & Mailing Expenses	103.94
519307 Other Ofc. Expns -Svc or Agrmnt	5,184.65
519308 Credit Card/ACH fees	6,014.28
519309 Payroll Processing Fees	10,944.22
Total for 519300 Office Expenses	**$26,752.97**
533100 Memberships & Subscriptions	6,045.24
545900 Maintnce-Facility & Imprv	

	Total
545902 Plumbing & Piping	2,485.00
545903 Paint, Solvents & Chemicals	16,317.07
545904 Pool Maintenance Supplies	1,993.25
545905 Locks & Security System	1,760.77
545909 Other General Maintenance	1,861.67
545911 Landscape/Garden Expense	178.24
545912 Vehicle Expense	515.19
545913 Ground/Facility Improvements	20,056.51
Total for 545900 Maintnce-Facility & Imprv	**$45,167.70**
563800 Utility Expense	
563801 P G & E	25,192.36
563802 Water	8,301.31
563803 Sewer Fees	6,472.37
Total for 563800 Utility Expense	**$39,966.04**
585600 Contract Expenses	
585601 Audit Fees	272.50
585603 Legal Fees	11,099.80
585604 Consultants	43,000.95
585605 Vendors/Instructors/Pgrm Specs	9,181.33
Total for 585600 Contract Expenses	**$63,554.58**
596600 Program Specific Expenses	
596601 Buses-ASP	7,721.00
596602 Spec Activities-ASP	4,785.75
596603 Snacks-ASP	3,732.36
596604 Supplies-ASP	2,442.11
596607 Employee Recognition/ Misc-POOL	383.06
596608 Employee Recognition/ Misc- ASP	78.17
596610 Misc Expense-OFFICE	63.58
596611 Employee Recognition/Misc-OTHER	131.30
596612 Special Events	82.30
596613 Conferences/Seminars	98.59
596614 Pool Program & Facility Supply	122.37
596616 In-Crowd Rent	5,100.00
596617 Seasonal Programs	159.64
596621 EEC Supplies	2,795.33
596622 EEC Snacks	3,627.94
596623 EEC Special Activities	1,021.75
596624 Employee Recognition/ Misc-EEC	979.54
596626 Swim Team Expenses	2,866.16
596627 Staff Development	133.77
596628 Training & Certification Expnse	603.75
Total for 596600 Program Specific Expenses	**$36,928.47**
633100 Bond Interest Expense	24,458.99
633200 Bond Principal Expense	153,000.00
671200 Telephone & Internet Expns	1,610.46

Highlands Recreation District

[PRELIMINARY]

Profit and Loss

July-October, 2026

	Total
673100 Insurance	
673101 CAPRI-Worker's Comp	10,621.00
673102 CAPRI-General Liability/Auto	44,612.00
Total for 673100 Insurance	**$55,233.00**
721000 Fixed Assets-Structure/Imprvmts	
721101 Construction In Progress	16,001.37
Total for 721000 Fixed Assets-Structure/Imprvmts	**$16,001.37**
731000 Fixed Assets - Equipment	
731100 Fixed Assets-Equipment	9,912.11
731101 FA Equipmnt Not Capitalized	9,409.75
Total for 731000 Fixed Assets - Equipment	**$19,321.86**
Total Expenses	**$1,192,819.99**
Net Operating Income	**-$139,220.35**
Net Income	**-$139,220.35**

Highlands Recreation District
Budget vs. Actuals: FY26-27 by Class
July - October, 2026

PRELIMINARY

4 of 12 months = 34% of Fiscal Year

		ASP			EEC			OTHER			POOL			RENTAL			SEASONAL PGRMS			TOTAL		
		Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget
Income																						
102100 Property Taxes	1							1,193	796,680	0.15%										1,193	796,680	0.15%
102101 ERAF	2							112,079	201,980	55.49%										112,079	201,980	55.49%
152100 Interest Earned	3							56,514	190,000	29.74%										56,514	190,000	29.74%
199700 Capital Grants & Contrib						3,275	0.00%		2,500	0.00%										0	5,775	0.00%
232100 Park & Recreation Fees		284,550	1,118,334	25.44%	388,550	1,554,815	24.99%	3,153	10,000	31.53%	157,138	476,000	33.01%	32,662	100,000	32.66%	16,347	135,000	12.11%	882,399	3,394,149	26.00%
232101 Refunds of Fees		(1,419)	(5,000)	28.38%		(2,000)	0.00%				(900)	(7,500)	12.00%				(3,145)	(5,000)	62.90%	(5,464)	(19,500)	28.02%
232103 Deposits Received & Returned											975			2,503						3,478	0	
Total 232100 Park & Recreation Fees		**$ 283,131**	**$1,113,334**	**25.43%**	**$ 388,550**	**$ 1,552,815**	**25.02%**	**$ 3,153**	**$ 10,000**	**31.53%**	**$ 157,213**	**$ 468,500**	**33.56%**	**$ 35,165**	**$ 100,000**	**35.16%**	**$ 13,202**	**$ 130,000**	**10.16%**	**$ 880,412**	**$3,374,649**	**26.09%**
265800 Miscellaneous Revenue								3,401												3,401	0	
Total Income		**$ 283,131**	**$1,113,334**	**25.43%**	**$ 388,550**	**$ 1,556,090**	**24.97%**	**$ 176,340**	**$ 1,201,160**	**14.68%**	**$ 157,213**	**$ 468,500**	**33.56%**	**$ 35,165**	**$ 100,000**	**35.16%**	**$ 13,202**	**$ 130,000**	**10.16%**	**$ 1,053,600**	**$4,569,084**	**23.06%**
Gross Profit		**$ 283,131**	**$1,113,334**	**25.43%**	**$ 388,550**	**$ 1,556,090**	**24.97%**	**$ 176,340**	**$ 1,201,160**	**14.68%**	**$ 157,213**	**$ 468,500**	**33.56%**	**$ 35,165**	**$ 100,000**	**35.16%**	**$ 13,202**	**$ 130,000**	**10.16%**	**$ 1,053,600**	**$4,569,084**	**23.06%**
Expenses																						
411000 Total Employee Cost																				0	0	
411100 Permanent Salaries		42,384	139,610	30.36%	15,077	133,610	11.28%	11,423	38,610	29.59%	41,577	136,610	30.43%	2,538	8,580	29.59%	2,538	8,580	29.59%	115,537	465,600	24.81%
411102 Vacation Cash Out			2,020	0.00%																0	2,020	0.00%
411103 Longevity Pay		1,049	3,030	34.62%																1,049	3,030	34.62%
416101 Office Wages		11,340	29,749	38.12%	11,340	29,749	38.12%	13,856	29,749	46.58%	11,340	29,749	38.12%	2,520	6,611	38.12%	2,520	6,611	38.12%	52,915	132,218	40.02%
416102 Pool Wages								0			95,267	332,164	28.68%							95,267	332,164	28.68%
416103 Maintenance Wages		5,663	34,546	16.39%	5,663	34,546	16.39%	5,663	34,546	16.39%	5,663	34,546	16.39%	1,258	7,677	16.39%	1,258	7,677	16.39%	25,169	153,538	16.39%
416104 Supervision Wages/Bldg Attndnts														7,803	48,843	15.98%	3,952	22,701	17.41%	11,755	71,544	16.43%
416106 Program/Enrichmt Specist-STAFF																	450	5,400	8.34%	450	5,400	8.34%
416107 ASP/Camp Wages		85,035	315,000	27.00%																85,035	315,000	27.00%
416108 EEC Wages					174,968	543,092	32.22%													174,968	543,092	32.22%
431100 Social Security		8,921	27,237	32.75%	12,600	41,476	30.38%	1,820	29,728	6.12%	9,092	27,961	32.52%	851	3,175	26.79%	643	1,476	43.54%	33,926	131,053	25.89%
431200 Medicare Contribution		2,086	6,285	33.19%	2,947	9,571	30.79%	426	6,632	6.42%	2,126	5,402	39.36%	199	733	27.15%	150	341	44.06%	7,934	28,964	27.39%
445100 Unemployment Insurance	4							1,950	1,000	194.98%										1,950	1,000	194.98%
463100 District Employee Benefits		18,039	47,923	37.64%	23,928	82,828	28.89%	985	58,374	1.69%	24,338	33,517	72.61%	1,275	7,219	17.66%	1,279	7,252	17.63%	69,844	237,113	29.46%
Total 411000 Total Employee Cost		**$ 174,516**	**$ 605,400**	**28.83%**	**$ 246,522**	**$ 874,872**	**28.18%**	**$ 36,123**	**$ 198,639**	**18.19%**	**$ 189,404**	**$ 599,949**	**31.57%**	**$ 16,444**	**$ 82,838**	**19.85%**	**$ 12,791**	**$ 60,038**	**21.30%**	**$ 675,800**	**$2,421,736**	**27.91%**
512100 Clothing & Uniforms		1,377	5,500	25.04%	115	1,000	11.48%	471	5,000	9.42%	1,248	3,000	41.61%					800	0.00%	3,212	15,300	20.99%
515600 Household Expenses																				0	0	
515601 Recology (Waste)		1,134	3,600	31.49%	1,134	3,600	31.49%	1,134	3,600	31.49%	1,134	3,600	31.49%	252	800	31.50%	252	800	31.50%	5,039	16,000	31.49%
515602 Janitorial Supplies		38	500	7.66%	905	4,000	22.63%	2,215	10,000	22.15%	70	1,800	3.92%							3,229	16,300	19.81%
515605 Cleaning Company		3,925	12,375	31.72%	4,225	12,375	34.14%	3,825	12,375	30.91%	3,825	12,375	30.91%	850	2,750	30.91%	850	2,750	30.91%	17,500	55,000	31.82%
Total 515600 Household Expenses		**$ 5,097**	**$ 16,475**	**30.94%**	**$ 6,264**	**$ 19,975**	**31.36%**	**$ 7,174**	**$ 25,975**	**27.62%**	**$ 5,029**	**$ 17,775**	**28.29%**	**$ 1,102**	**$ 3,550**	**31.04%**	**$ 1,102**	**$ 3,550**	**31.04%**	**$ 25,768**	**$ 87,300**	**29.52%**
519300 Office Expenses																				0	0	
519301 Outside Printing & Copy Serv						50	0.00%	179	12,500	1.43%	39	250	15.75%							218	12,800	1.71%
519302 Licensing Fees	5	726	1,000	72.60%		800	0.00%													726	1,800	40.33%
519303 General Office Supplies		0	1,800	0.00%	107	1,800	5.97%	1,782	8,500	20.96%	143	2,000	7.15%	14	500	2.71%	70	500	14.07%	2,116	15,100	14.02%
519304 Recruitment & Advertising		74	1,000	7.40%	525	2,500	20.99%	67	5,000	1.34%	227	2,800	8.10%	553	600	92.11%	0	25	0.00%	1,445	11,925	12.12%

Highlands Recreation District
Budget vs. Actuals: FY26-27 by Class
July - October, 2026

PRELIMINARY

4 of 12 months = 34% of Fiscal Year

		ASP			EEC			OTHER			POOL			RENTAL			SEASONAL PGRMS			TOTAL		
		Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget
519305 Postage & Mailing Expenses			500	0.00%		150	0.00%	104	7,500	1.39%					375	0.00%		375	0.00%	104	8,900	1.17%
519307 Other Ofc. Expns -Svc or Agrmnt		420			70	3,000	2.32%	4,540	40,000	11.35%		150	0.00%		2,150	0.00%	155	500	30.99%	5,185	45,800	11.32%
519308 Credit Card/ACH fees								6,014	19,000	31.65%										6,014	19,000	31.65%
519309 Payroll Processing Fees								10,944	35,000	31.27%										10,944	35,000	31.27%
Total 519300 Office Expenses		**$ 1,220**	**$ 4,300**	**28.37%**	**$ 702**	**$ 8,300**	**8.46%**	**$ 23,630**	**$ 127,500**	**18.53%**	**$ 409**	**$ 5,200**	**7.87%**	**$ 566**	**$ 3,625**	**15.62%**	**$ 225**	**$ 1,400**	**16.09%**	**$ 26,753**	**$ 150,325**	**17.80%**
533100 Memberships & Subscriptions		60	4,325	1.39%	484	8,400	5.76%	5,501	3,825	143.82%		7,325	0.00%		850	0.00%		850	0.00%	6,045	25,575	23.64%
545900 Maintnce-Facility & Imprv																				0	0	
545901 Lumber & Carpentry						250	0.00%					1,000	0.00%							0	1,250	0.00%
545902 Plumbing & Piping		0	1,600	0.00%	0	150	0.00%	2,485	5,000	49.70%	0	150	0.00%	0			0			2,485	6,900	36.01%
545903 Paint, Solvents & Chemicals			9,050	0.00%		9,200	0.00%		9,000	0.00%	16,317	51,000	31.99%		2,000	0.00%		2,000	0.00%	16,317	82,250	19.84%
545904 Pool Maintenance Supplies											1,993	10,000	19.93%							1,993	10,000	19.93%
545905 Locks & Security System		77	500	15.45%	1,233	2,700	45.67%	286	2,000	14.31%		5,000	0.00%	164	150	109.37%				1,761	10,350	17.01%
545906 Signage Expense			1,788	0.00%		1,788	0.00%		1,688	0.00%		1,688	0.00%		375	0.00%		375	0.00%	0	7,702	0.00%
545907 General Electrical Expense			2,712	0.00%		2,963	0.00%		2,363	0.00%		22,363	0.00%		525	0.00%		525	0.00%	0	31,451	0.00%
545908 Motor, Pump & Generator												26,500	0.00%							0	26,500	0.00%
545909 Other General Maintenance		0	1,000	0.00%	618	2,500	24.71%	1,145	3,774	30.34%	99	2,000	4.94%	0	500	0.00%	0			1,862	9,774	19.05%
545911 Landscape/Garden Expense						2,000	0.00%	178	25,000	0.71%										178	27,000	0.66%
545912 Vehicle Expense		298	525	56.84%				217	8,500	2.55%										515	9,025	5.71%
545913 Ground/Facility Improvements	6					2,000	0.00%	20,057	17,000	117.98%										20,057	19,000	105.56%
Total 545900 Maintnce-Facility & Imprv		**$ 376**	**$ 17,175**	**2.19%**	**$ 1,851**	**$ 23,551**	**7.86%**	**$ 24,368**	**$ 74,325**	**32.79%**	**$ 18,409**	**$ 119,701**	**15.38%**	**$ 164**	**$ 3,550**	**4.62%**	**$ -**	**$ 2,900**	**0.00%**	**$ 45,168**	**$ 241,202**	**18.73%**
563800 Utility Expense																				0	0	
563801 P G & E		1,706	7,785	21.91%	2,658	16,650	15.97%	2,456	8,460	29.03%	17,703	83,730	21.14%	402	1,350	29.76%	268	2,025	13.22%	25,192	120,000	20.99%
563802 Water		1,681	4,400	38.21%	2,067	3,600	57.42%	1,179	2,600	45.35%	2,618	7,400	35.37%	454	900	50.42%	303	1,100	27.50%	8,301	20,000	41.51%
563803 Sewer Fees	13	1,456	3,038	47.94%	1,456	3,038	47.94%	1,456	3,038	47.94%	1,456	3,038	47.94%	324	675	47.94%	324	675	47.94%	6,472	13,502	47.94%
Total 563800 Utility Expense		**$ 4,843**	**$ 15,223**	**31.81%**	**$ 6,182**	**$ 23,288**	**26.54%**	**$ 5,091**	**$ 14,098**	**36.11%**	**$ 21,777**	**$ 94,168**	**23.13%**	**$ 1,179**	**$ 2,925**	**40.31%**	**$ 894**	**$ 3,800**	**23.53%**	**$ 39,966**	**$ 153,502**	**26.04%**
572200 Employee Expense Reimb						1,000	0.00%													0	1,000	0.00%
585600 Contract Expenses																				0	0	
585601 Audit Fees								273	16,000	1.70%										273	16,000	1.70%
585603 Legal Fees								11,100	50,000	22.20%										11,100	50,000	22.20%
585604 Consultants	7	0	250	0.00%	660			41,810	113,000	37.00%	531			0			0			43,001	113,250	37.97%
585605 Vendors/Instructors/Pgrm Specs																	9,181	90,394	10.16%	9,181	90,394	10.16%
585608 Contract Expense-Other									115,000	0.00%										0	115,000	0.00%
Total 585600 Contract Expenses		**$ -**	**$ 250**	**0.00%**	**$ 660**	**$ -**		**$ 53,183**	**$ 294,000**	**18.09%**	**$ 531**	**$ -**		**$ -**	**$ -**		**$ 9,181**	**$ 90,394**	**10.16%**	**$ 63,555**	**$ 384,644**	**16.52%**
596600 Program Specific Expenses																				0	0	
596601 Buses-ASP	8	7,721	12,000	64.34%																7,721	12,000	64.34%
596602 Spec Activities-ASP	8	4,786	15,000	31.91%																4,786	15,000	31.91%
596603 Snacks-ASP		3,732	10,000	37.32%																3,732	10,000	37.32%
596604 Supplies-ASP		2,442	10,000	24.42%																2,442	10,000	24.42%
596606 Concession Purchases												3,000	0.00%							0	3,000	0.00%
596607 Employee Recognition/ Misc-POOL											383	2,000	19.15%							383	2,000	19.15%

Highlands Recreation District
Budget vs. Actuals: FY26-27 by Class
July - October, 2026

PRELIMINARY

4 of 12 months = 34% of Fiscal Year

		ASP			EEC			OTHER			POOL			RENTAL			SEASONAL PGRMS			TOTAL		
		Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget
596608 Employee Recognition/ Misc- ASP		78	2,000	3.91%																78	2,000	3.91%
596610 Misc Expense-OFFICE								64	13,000	0.49%										64	13,000	0.49%
596611 Employee Recognition/Misc-OTHER								131	4,000	3.28%										131	4,000	3.28%
596612 Special Events												1,000	0.00%				82	17,000	0.48%	82	18,000	0.46%
596613 Conferences/Seminars			2,500	0.00%	99	2,500	3.94%		5,000	0.00%		2,500	0.00%					1,500	0.00%	99	14,000	0.70%
596614 Pool Program & Facility Supply											122	6,000	2.04%							122	6,000	2.04%
596616 In-Crowd Rent		5,100	16,000	31.88%																5,100	16,000	31.88%
596617 Seasonal Programs		160	8,600	1.86%														1,000	0.00%	160	9,600	1.66%
596621 EEC Supplies					2,795	11,000	25.41%													2,795	11,000	25.41%
596622 EEC Snacks					3,628	10,000	36.28%													3,628	10,000	36.28%
596623 EEC Special Activities					1,022	5,000	20.44%													1,022	5,000	20.44%
596624 Employee Recognition/ Misc-EEC					980	2,000	48.98%													980	2,000	48.98%
596626 Swim Team Expenses											2,866	10,000	28.66%							2,866	10,000	28.66%
596627 Staff Development			500	0.00%	0	1,500	0.00%		1,500	0.00%	134	2,000	6.69%							134	5,500	2.43%
596628 Training & Certification Expnse			150	0.00%		1,500	0.00%		1,000	0.00%	604	2,000	30.19%							604	4,650	12.98%
Total 596600 Program Specific Expenses		**$ 24,019**	**$ 76,750**	**31.30%**	**$ 8,523**	**$ 33,500**	**25.44%**	**$ 195**	**$ 24,500**	**0.80%**	**$ 4,109**	**$ 28,500**	**14.42%**	**$ -**	**$ -**		**$ 82**	**$ 19,500**	**0.42%**	**$ 36,928**	**$ 182,750**	**20.21%**
633100 Bond Interest Expense	9				18,344	34,910	52.55%	3,057	5,818	52.55%				3,057	5,818	52.55%				24,459	46,546	52.55%
633200 Bond Principal Expense	10				114,750	114,750	100.00%	19,125	19,125	100.00%				19,125	19,125	100.00%				153,000	153,000	100.00%
671200 Telephone & Internet Expns		300						1,310	12,300	10.65%										1,610	12,300	13.09%
673100 Insurance																				0	0	
673101 CAPRI-Worker's Comp		743	3,500	21.24%	1,168	5,500	21.24%	1,248	5,875	21.24%	6,824	32,125	21.24%	531	2,500	21.24%	106	500	21.24%	10,621	50,000	21.24%
673102 CAPRI-General Liability/Auto		10,038	31,500	31.87%	10,038	31,500	31.87%	10,038	31,500	31.87%	10,038	31,500	31.87%	2,231	7,000	31.87%	2,231	7,000	31.87%	44,612	140,000	31.87%
Total 673100 Insurance		**$ 10,781**	**$ 35,000**	**30.80%**	**$ 11,206**	**$ 37,000**	**30.29%**	**$ 11,286**	**$ 37,375**	**30.20%**	**$ 16,862**	**$ 63,625**	**26.50%**	**$ 2,762**	**$ 9,500**	**29.07%**	**$ 2,337**	**$ 7,500**	**31.16%**	**$ 55,233**	**$ 190,000**	**29.07%**
721000 Fixed Assets-Structure/Imprvmts																				0	0	
721100 Fixed Assets-Structures/Imprvmt						23,000	0.00%		50,000	0.00%										0	73,000	0.00%
721101 Construction In Progress								14,888	315,000	4.73%	1,113	20,000	5.57%							16,001	335,000	4.78%
721102 FA - S&I - Not Capitalized			2,500	0.00%																0	2,500	0.00%
Total 721000 Fixed Assets-Structure/Imprvmts		**$ -**	**$ 2,500**	**0.00%**	**$ -**	**$ 23,000**	**0.00%**	**$ 14,888**	**$ 365,000**	**4.08%**	**$ 1,113**	**$ 20,000**	**5.57%**	**$ -**	**$ -**		**$ -**	**$ -**		**$ 16,001**	**$ 410,500**	**3.90%**
731000 Fixed Assets - Equipment																				0	0	
731100 Fixed Assets-Equipment	12							9,912	16,000	61.95%										9,912	16,000	61.95%
731101 FA Equipmnt Not Capitalized	11	938	2,500	37.50%	1,944	3,275	59.37%	4,312			2,216	5,000	44.32%							9,410	10,775	87.33%
Total 731000 Fixed Assets - Equipment		**$ 938**	**$ 2,500**	**37.50%**	**$ 1,944**	**$ 3,275**	**59.37%**	**$ 14,224**	**$ 16,000**	**88.90%**	**$ 2,216**	**$ 5,000**	**44.32%**	**$ -**	**$ -**		**$ -**	**$ -**		**$ 19,322**	**$ 26,775**	**72.16%**
Total Expenses		**$ 223,527**	**$ 785,398**	**28.46%**	**$ 417,547**	**$ 1,206,821**	**34.60%**	**$ 219,627**	**$ 1,223,480**	**17.95%**	**$ 261,107**	**$ 964,243**	**27.08%**	**$ 44,399**	**$ 131,781**	**33.69%**	**$ 26,613**	**$ 190,732**	**13.95%**	**$ 1,192,820**	**$4,502,455**	**26.49%**
Net Operating Income		**$ 59,603**	**$ 327,936**	**18.18%**	**$ (28,997)**	**$ 349,269**	**-8.30%**	**$ (43,286)**	**$ (22,320)**	**193.94%**	**$ (103,895)**	**$ (495,743)**	**20.96%**	**$ (9,235)**	**$ (31,781)**	**29.06%**	**$ (13,411)**	**$ (60,732)**	**22.08%**	**$ (139,220)**	**$ 66,629**	**-208.95%**
Net Income		**$ 59,603**	**$ 327,936**	**18.18%**	**$ (28,997)**	**$ 349,269**	**-8.30%**	**$ (43,286)**	**$ (22,320)**	**193.94%**	**$ (103,895)**	**$ (495,743)**	**20.96%**	**$ (9,235)**	**$ (31,781)**	**29.06%**	**$ (13,411)**	**$ (60,732)**	**22.08%**	**$ (139,220)**	**$ 66,629**	**-208.95%**

*1. FYTD figures do not include any potential forthcoming property tax revenue or interest income from San Mateo County for the month of September

*2. 50% of FY26-27 ERAF revenue has been received this fiscal year. The remaining 50% will be received in January 2027

*3. Interest is received from San Mateo County Quarterly in July/Oct/Jan/Apr

*4. EDD Q1 2026 benefit charges for former employee on 3/31/26

Highlands Recreation District
Budget vs. Actuals: FY26-27 by Class
July - October, 2026

PRELIMINARY

4 of 12 months = 34% of Fiscal Year

		ASP			EEC			OTHER			POOL			RENTAL			SEASONAL PGRMS			TOTAL		
		Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Actual	Budget	% of Budget

*5. Annual Community Care License Renewal ASP

*6. Expenses are primarily related to downstream lining and sewer excavation & clean-out installation work

*7. Bookkeeper Temp Fees, IT Support, and registration for Pool & Reg Office

*8. Summer Camp & Special Activities Bus Transportation & Fuel Surcharge

*9. 50% of Bond Interest is paid for FY26-27; Remaining payment will be made in early 2027

*10. 100% of Bond Principal has been paid for FY26-27

*11. $4,312 is for Registration Office new desktops; $2,216 is for Pool's new desktops; $1928 is for EEC's Washer & Dryer / snake laundry dain line

*12. Purchase of a golf cart

*13. Due to the semiannual billing schedule, with the first installment due in November

Date: November 10, 2026

To: HRD Board of Directors

From: Tamsen K. Burke, General Manager

Re: Discussion/Motion – Adopt Resolution 2026-05 for Determining the Calculation of the Appropriations Limits for fiscal year 2026-2027, 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 2026-2027.

Exhibit A Provides historical data as well as FY 2026-2027 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 2025-2026 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, 2026).

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. Proposed Appropriations Limit for the Highlands Recreation District for the fiscal year 2026-2027.

SECTION 1. The Appropriations Limit for the Highlands Recreation District for the fiscal year 2025-2026, actual $475,364 as documented in Exhibit C, attached hereto and incorporated herein by reference.

SECTION 2. The Appropriations Limit for the Highlands Recreation District for the fiscal year 2026-2027 shall be estimated at $502,495, as documented in Exhibit C, attached hereto and incorporated herein by reference.

SECTION 3. The inflation factor being utilized to calculate the fiscal year 2026-2027 appropriations limit is the California per capita income.

SECTION 4. The population factor being utilized to calculate the fiscal year 2026-2027 appropriations limit is the County of San Mateo's Unincorporated population growth provided by the State of California Department of Finance.

RECOMMENDATION:
Staff recommend the Board adopt resolution 2026-05 determining the final calculation of the appropriations limit of the District for Fiscal Year 2026-2027.

EXHIBIT 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 2026–27appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2026-27	4.95

Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2026–27 appropriation limit.

2026–27:

Per Capita Cost of Living Change = 4.95 percent

Population Change = -0.02 percent

Per Capita Cost of Living converted to a ratio: $\frac{4.95 + 100}{100} = 1.0495$

Population converted to a ratio: $\frac{-0.02 + 100}{100} = 0.98$

Calculation of factor for FY 2026–27: 1.0495 x 0.98 = 1.02851

EXHIBIT B
Annual Percent Change in Population Minus Exclusions*

City	County	Percent Change 25-26	Population Minus Exclusions 1-1-25	Population Minus Exclusions 1-1-26	Total Population 1-1-26
Atherton	San Mateo	1.06	7,012	7,086	7,086
Belmont	San Mateo	-0.40	28,243	28,129	28,129
Brisbane	San Mateo	-0.34	4,678	4,662	4,662
Burlingame	San Mateo	2.76	31,568	32,438	32,438
Colma	San Mateo	-0.35	1,410	1,405	1,405
Daly City	San Mateo	-0.31	102,215	101,898	101,898
East Palo Alto	San Mateo	1.08	29,148	29,462	29,462
Foster City	San Mateo	-0.56	32,547	32,364	32,364
Half Moon Bay	San Mateo	0.86	11,309	11,406	11,406
Hillsborough	San Mateo	-0.46	11,301	11,249	11,249
Menlo Park	San Mateo	1.41	33,190	33,657	33,785
Millbrae	San Mateo	-0.47	23,171	23,062	23,062
Pacifica	San Mateo	-0.46	37,241	37,068	37,073
Portola Valley	San Mateo	-0.07	4,328	4,325	4,325
Redwood City	San Mateo	-0.37	82,109	81,809	81,809
San Bruno	San Mateo	-0.37	42,567	42,411	42,411
San Carlos	San Mateo	-0.38	29,362	29,249	29,249
San Mateo	San Mateo	-0.33	104,361	104,020	104,020
South San Francisco	San Mateo	-0.29	65,431	65,239	65,239
Woodside	San Mateo	0.35	5,206	5,224	5,224
Unincorporated	San Mateo	0.02	61,874	61,886	61,886
Incorporated	San Mateo	-0.03	686,397	686,163	686,296
County Total	San Mateo	-0.03	748,271	748,049	748,182

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

EXHIBIT C

Gann Appropriate Limit Calculation

Highlands Recreation District
Gann Appropriation Limits

Years/Factors	FY2021-2022	FY2022-2023	FY2023-2024	FY2024-2025	FY2025-2026	FY2026-2027
	1/2020 - 1/2021	1/2021 - 1/2022	1/2022 - 1/2023	1/2023 - 1/2024	1/2024 - 1/2025	1/2025-1/2026
Prior Year Appropriation Limit	$1,003,858	$1,035,055	$1,075,431	$1,144,944	$1,189,442	$1,224,488
Population Change (%) January 1 - December 31	-1.73	-1.01	-1.04	-0.65	-0.32	-0.02
Change in CA per Capita Personal Income (%)	5.73	7.55	4.44	3.62	6.44	4.95
Per Capita Cost Living Change -Population Converted Ratio Adjustment Factor	1.039	1.0723	1.0407	1.0379	1.0379	1.02851
Appropriations Limit (Prior Year App. Limit x Adjustment Factor)	$1,035,055	$1,075,422	$1,144,944	$1,189,442	$1,224,488	$1,283,263
less property tax budgeted	$589,137	$612,557	$656,369	$682,723	$749,147	$796,680
(=) under appropriation limit	$445,918	$462,874	$488,575	$506,719	$475,364	$502,495

Source:
State of California Department of Finance
These reports provide the price and population factors used for appropriation limit calculations.
Current Fiscal Year Data
Price and Population Cover Letter
Attachments A, B and C

ATTACHMENTS:

State of California, Department of Finance - Price Factor and Population Information, Appropriations Limit Cover Letter Fiscal Year 2026

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 2026-2027 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 2026-2027.
- 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 2026–2027 at the following date, time, and location:

Date: Tuesday, November 10, 2026
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, 2026, 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 2026-2027

SECTION 1. The Appropriations Limit for the Highlands Recreation District for the fiscal year 2025-2026, actual $475,364 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 2026-2027 shall be estimated at $502,495, as documented in Exhibit A, attached hereto and incorporated herein by reference.

SECTION 3. The inflation factor being utilized to calculate the fiscal year 2026-2027 appropriations limit is the California per capita income.

SECTION 4. The population factor being utilized to calculate the fiscal year 2026-2027 appropriations limit is the County of San Mateo's Unincorporated population growth provided by the State of California Department of Finance.

Exhibit C

Highlands Recreation District
Proposed Gann Appropriate Limit Calculation
FY 2026-2027

Highlands Recreation District
Gann Appropriation Limits

Years/Factors	FY2021-2022	FY2022-2023	FY2023-2024	FY2024-2025	FY2025-2026	FY2026-2027
	1/2020 - 1/2021	1/2021 - 1/2022	1/2022 - 1/2023	1/2023 - 1/2024	1/2024 - 1/2025	1/2025-1/2026
Prior Year Appropriation Limit	$1,003,858	$1,035,055	$1,075,431	$1,144,944	$1,189,442	$1,224,488
Population Change (%) January 1 - December 31	-1.73	-1.01	-1.04	-0.65	-0.32	-0.02
Change in CA per Capita Personal Income (%)	5.73	7.55	4.44	3.62	6.44	4.95
Per Capita Cost Living Change -Population Converted Ratio Adjustment Factor	1.039	1.0723	1.0407	1.0379	1.0379	1.02851
Appropriations Limit (Prior Year App. Limit x Adjustment Factor)	$1,035,055	$1,075,422	$1,144,944	$1,189,442	$1,224,488	$1,283,263
less property tax budgeted	$589,137	$612,557	$656,369	$682,723	$749,147	$796,680
(=) under appropriation limit	$445,918	$462,874	$488,575	$506,719	$475,364	$502,495

Source:
State of California Department of Finance
These reports provide the price and population factors used for appropriation limit calculations.
Current Fiscal Year Data
Price and Population Cover Letter
Attachments A, B and C

DEPARTMENT OF FINANCE
OFFICE OF THE DIRECTOR

Gavin Newsom ▪ Governor
1021 O Street, Suite 3110 ▪ Sacramento CA 95814 ▪ www.dof.ca.gov

May 1, 2026

Dear Fiscal Officer:

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, 2026, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2026–27. Attachment A provides the change in California's per capita personal income and an example for utilizing the factors to calculate the 2026–27 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides 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. 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, 2026**. 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.

/s Erika Li
Attachment

May 2026
Attachment A

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 2026–27 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2026-27	4.95

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2026–27 appropriation limit.

2026–27:

Per Capita Cost of Living Change = 4.95 percent
Population Change = -0.14 percent

Per Capita Cost of Living converted to a ratio: $\frac{4.95 + 100}{100} = 1.0495$

Population converted to a ratio: $\frac{-0.14 + 100}{100} = 0.9986$

Calculation of factor for FY 2026–27: 1.0495 x 0.9986 = 1.0480

HIGHLANDS RECREATION DISTRICT
RESOLUTION NO. 2026-05

APPROPRIATIONS LIMIT FOR FISCAL YEAR 2026 - 2027-2027

RESOLUTION OF BOARD OF DIRECTORS OF THE HIGHLANDS RECREATION DISTRICT ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2026 - 2027

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 2026 - 2027.

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 4.95% change in California per capita income and a -.02% change in the population growth for unincorporated San Mateo County; and

WHEREAS, documentation used in the determination of the Fiscal Year 2026 - 2027 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 2025-2026, actual $475,364 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 2026 - 2027 shall be estimated at $502,495, as documented in Exhibit A, attached hereto and incorporated herein by reference.

SECTION 3. The inflation factor being utilized to calculate the Fiscal Year 2026 - 2027 appropriations limit is the California per capita income.

SECTION 4. The population factor being utilized to calculate the Fiscal Year 2026 - 2027 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 2026 - 2027.

PASSED AND ADOPTED at the regular meeting of the Board of Directors of Highlands Recreation District, this 10th day of November 2026, by the following vote:

AYES:
NOES:
ABSENT:
ATTEST:

HIGHLANDS RECREATION DISTRICT
SAN MATEO COUNTY, CALIFORNIA

By _____
President, Board of Directors

ATTEST: I, Tamsen K. Burke, do hereby certify that I am the interim 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 13th day of October 2026.
Secretary, Board of Directors

*Revised. PDF

MEMORANDUM

Date: November 10, 2026

To: Board of Directors

From: Tamsen K. Burke, General Manager

Re: Board Vacancy, Schedule and Procedures Memo

Overview

The HRD Bylaws outline the filling of vacancies pursuant to Government Code Section 1780. Government Code Section 1780 (attachment b) allows the vacancy to be filled either by appointment or by calling an election. Subdivision (d)(1) allows the remaining members of the board to make an appointment within 60 days of the vacancy and outlines the requirement to post the notice of the vacancy in three or more conspicuous places in the District at least 15 days before the appointment. Subdivision (d)(2) outlines the length of the term of the appointment to be until the next general District election that is scheduled 130 or more days after the date the board is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office.

If the vacancy is not filled by the Highlands Recreation District Board of Directors by appointment, or if the Board of Directors has not called for an election within 60 days of the vacancy then the San Mateo County Board of Supervisors may appoint a person to fill the vacancy within 90 days of the vacancy, or may order the District to call an election to fill the vacancy.

Below is the proposed time schedule for Board of Director consideration for filling the vacancy.

Date	Action	Notes
11/3/2026	Election	No Board members on ballot, County will appoint
11/30/2026	County BOS deadline to appoint Board Members Gordon Strause & Uy Ut	
12/4/2026 (noon)	New Board takes over from old Board. Members: Gordon Strause, Uy Ut, Pamela Merkadeau & Christopher Carlos	See GC section 61042(a) "...Directors shall take office at noon on the first Friday in December following their election."
12/8/2026*	New Board holds regular December meeting	Meeting agenda should include an item for the Board to recognize seat as vacant, direct staff to notify the County, and direct staff to post recruitment for vacancy appointment. Board should be asked to provide direction re: whether they want to interview candidates and if they want to do that at a special or regular meeting. Per HRD Bylaws, agenda should include an item for the Board to select President & VP. OK to have ceremonial item thanking outgoing board members (Andrew Aquino & Ranya Francis) for their service. Those outgoing board members should not vote on what to do about vacancy (they can comment as members of the public).
12/29/2026	Public notice deadline (earlier OK) for potential 1/12/2027 appointment	1/12/2027 – 15 days
12/23/2026	Deadline to notify County elections of vacancy (earlier OK)	Vacancy effective date (12/8/2026*) + 15 days
1/12/2027	Regular January Board meeting	Opportunity for Board appointment at regular meeting (special meeting also possible)
2/6/2027	Deadline to appoint	Effective date of vacancy (12/8/2026*) + 60 days