City of Highland

Larry McCallon, Member
District 5

Jimmy Saldana, Member
District 2

Finance/Personnel Subcommittee Special Meeting Agenda

September 1, 2026 at 5:15 PM (or soon thereafter)
City Hall Upright Conference Room
27215 Base Line, Highland, CA 92346

Staff

Carlos Zamano, City Manager
Lawrence Mainez, Community Development Director
Leticia Nava-Cruz, Director of Administrative Services/City Treasurer
Lissette Nock, Deputy City Clerk
Michelle Gomez, Assistant Director of Administrative Services
Octavio Duran Jr., Public Works Director/City Engineer

Mission Statement

Highland is dedicated to the betterment of the individual, the family, the neighborhood and the community. The City Council and the staff of Highland are dedicated to providing the quality of public facilities and services that its citizens are willing to fund and will do so as efficiently as possible.

Call to Order

Roll Call

Public Comment

Limited to items on this agenda only. To address the Finance/Personnel Subcommittee, please complete a speaker form located at the entrance prior to the beginning of the meeting. For those wishing to make public comments by email, please submit your comments by 4:15 p.m. on September 1, 2026, to publiccomment@highlandca.gov. Please identify the agenda item number in the subject line. Emailed comments will be distributed to the Subcommittee and retained as part of the public record; however, submissions will not be read out loud during the meeting.

Business Items

1. Minutes - August 11, 2026 Finance/Personnel Subcommittee Special Meeting

   Approve the Minutes as submitted.

2. Artificial Intelligence (AI) Policy

   Review and recommend the item to be brought forward to the City Council regarding the Artificial Intelligence (AI) Policy.

3. 2026 Development Impact Fee (DIF) Update

   Review and recommend the proposed 2026 Development Impact Fee (DIF) adjustment, and continuation of the DIF rate lock in at time of the building permit application per Resolution 2023-040 be brought to the City Council for consideration.

4. Fiscal Year 2025/2026 Year-End Budget Adjustments

   Recommend approval of the proposed Fiscal Year 2025/2026 year-end budget adjustments to appropriations, as presented, totaling $5,429,536 in expenditures and $3,617,737 in revenue for a net budget adjustment of $1,811,799 for the City and $192,435 in expenditures for the Successor Agency.

5. Fiscal Year 2026/2027-Carryover Budget Adjustments

   Approve the proposed Fiscal Year 2026/2027 carryover budget adjustments totaling $2,128,138 in expenditure appropriations.

Adjourn

Certification

I, Alondra Muñoz, City Clerk, or my designee, hereby certify that the foregoing agenda was posted on our website at www.highlandca.gov and in the following designated areas: Highland Branch Library (7863 Central Avenue), Fire Station No. 1 (26974 Base Line), and City Hall (27215 Base Line) at least twenty-four (24) hours prior to the meeting per Government Code Section 54956.

Staff Report

to the Finance/Personnel Subcommittee

Agenda Item No.1.

Date:	September 1, 2026
From:	Carlos Zamano, City Manager
Reviewed By:	Alondra Muñoz, City Clerk
Prepared By:	Lissette Nock, Deputy City Clerk
Subject:	Minutes - August 11, 2026 Finance/Personnel Subcommittee Special Meeting

Recommendation:
Approve the Minutes as submitted.

Fiscal Impact:
None

Public Notice:
The agenda for this item was posted at the three locations per Resolution No. 2011-047 and on the City's website.

Background:
The Finance/Personnel Subcommittee is required to maintain an official record of its proceedings. Minutes serve as the permanent record of actions taken by the Finance/Personnel Subcommittee and provide transparency to the public regarding the business conducted at each meeting. In accordance with standard practice, the draft minutes from the August 11, 2026 Finance/Personnel Subcommittee Special Meeting have been prepared and are submitted for the Finance/Personnel Subcommittee's review and approval.

Attachments:
1. Minutes - August 11, 2026 Finance/Personnel Subcommittee Special Meeting

Call to Order

The Finance/Personnel Subcommittee special meeting was called to order at 5:30 p.m. in the Upright Conference Room, 27215 Base Line, Highland, California.

Roll Call

Present: McCallon, Saldana
Absent: None

Public Comment

None

Business Items

1. Minutes - July 20, 2026 Finance/Personnel Subcommittee Special Meeting
   Approved the Minutes as submitted.

2. Special Event Permit Application (SEP 26-004) by the Highland Area Chamber of Commerce Requesting Approval of the Annual 'Discover Highland 5K/10K Run' and Co-Sponsorship by the City to Waive Public Works and Police Department Fees
   Reviewed and approved the items be brought forward to City Council to:

   1. Approve the Special Event Permit SEP 26-004 subject to the conditions of approval;
   2. Authorize the use of the City Logo for promotional items; and
   3. Consider a request by the Highland Area Chamber of Commerce for Co-Sponsorship and waiving of City Police fees and Public Works traffic control fees in the amount of approximately $10,158.50.

Adjourn

There being no further business, Member Saldana adjourned the meeting at 5:41 p.m.

Submitted By:	Approved By:
______________________________	______________________________
Lissette Nock, Deputy City Clerk	Subcommittee Member

Staff Report

to the Finance/Personnel Subcommittee

Agenda Item No.2.

Date:	September 1, 2026
From:	Carlos Zamano, City Manager
Reviewed By:	Tish Nava-Cruz, Director of Administrative Services/City Treasurer
Prepared By:	Manuel Tapia Vera, Information Technology Manager
Subject:	Artificial Intelligence (AI) Policy

Recommendation:
Review and recommend the item to be brought forward to the City Council regarding the Artificial Intelligence (AI) Policy.

Fiscal Impact:
This item has no financial impact on the Adopted Budget for Fiscal Year 2026/2027.

Public Notice:
The agenda for this item was posted at the three locations per Resolution No. 2011-047 and on the City's website.

Background:
This item is being brought back after recommendations from the finance subcommittee to include a list of example AI tools as well as a list of approved tools. A section has also been added to include plug-ins or add-ons for AI in already installed software and the approval process for new AI tools.

Attachments:
1. City of Highland AI Policy

	City of Highland	City Council	
		Effective Date	
		Approval Date	
	Artificial Intelligence Policy	Supersedes	**N/A**

1. Purpose

The purpose of this policy is to establish guidelines for the use of artificial intelligence (AI) safely, securely, and ethically within the City of Highland. This policy ensures that AI is used to enhance efficiency, creativity, and analytics while still protecting sensitive information, complying with applicable laws, regulations, and City policies.

2. Background

A popular AI technology being used is generative artificial intelligence (Generative AI or GenAI). GenAI applications include (but not limited to) chatbots such as ChatGPT, Claude, and Copilot, text-to-image models such as Dall-E, Stable Diffusion, and Midjourney, and text-to-audio models just as Veo, LTX, and Sora. These tools can help in drafting documents, reviewing documents, summarizing content, data analysis, translation, and much more.

At the same time, it introduces risks in cybersecurity, law, and privacy. This policy focuses on establishing safeguards, governance, and accountability standards to ensure AI is used correctly and securely while also meeting compliance obligations.

3. Scope

This policy applies to:

- All City employees
- Elected officials when using City systems and data
- Contractors and consultants using City systems and data

This policy governs AI use on:

- City-owned devices
- City networks
- City email accounts
- Any system used for City Business

4. Guiding Principles

The city adopts the following principles for responsible AI use:

- AI must be used in a manner that protects confidential information, critical infrastructure, and public data.
- AI generated content must be reviewed and validated for proper use by a human prior to official use
- AI content may not be used in ways that result in biased outcomes, discrimination, or inequality
- Employees remain fully responsible for any content used by generative AI assistance.

5. Prohibited and Restricted Information

The following information SHALL NOT be entered into AI tools:

- Private and confidential information not for public
- Personally Identifiable Information (PII)
- Personnel records
- Legal/Attorney-Client communications
- Information System/Information Technology (configurations, data, infrastructure)

6. Approved Uses (With human review)

- Summarizing, drafting, and analyzing public/non-sensitive information
- Translating material
- Generating or recommending ideas
- Creating Media that does not harm public or city personnel (Images, Audio, Video)
- General learning

7. Prohibited Uses

- Decision making affecting the public or city personnel
- Using AI in any way that violates the law or government policy
- Using AI responses without review
- Using AI that influences outcomes based on biased profiling of protected traits. This includes race, gender, religion, sexual orientation, age, and disability, medical, and future conduct.

8. Approved and Unapproved AI Tools

8.1 Approved AI Tools

- Microsoft Copilot
- OpenAI ChatGPT
- Anthropic Claude
- Google Gemini
- Perplexity

The IT Department may maintain and update a list of approved AI Tools following the approval of the City Manager

8.2 AI Features Within Approved Software

Software that has been previously installed or approved from the City and contains features or add-ons like AI Plug-ins (e.g. Adobe Acrobat AI Assistant, Zoom, ArcGIS) may be used without separate approval, provided that:

- Features are fully implemented and not in a testing or 'beta' phase.
- Data restrictions and approved uses contained in this policy are being followed
- The IT Department has not disabled add-on

8.3 Unapproved AI Tools and Approval Request

AI tools, services, applications, browser extensions, plug-ins, or integrations that are not currently included on the Approved AI Tools List and are not part of an already-approved City application must be submitted to the IT Department for review and approved by City Manager before being used for City business.

The employee should provide:

- Name of AI Tool or Service
- Provider or Vendor
- Intended business purpose
- Reason or type of information that will be used
- Any current or future integration plans with City systems

9. Incident Reporting

Staff shall report to their supervisor and the IT department the following:

- Suspected misuse of AI tools
- Security Concerns
- Prohibited data exposure incidents

Acknowledgement Form

I acknowledge that I have received, read, and understand the City of Highland's **Artificial Intelligence Policy**. I agree to comply with the provisions contained in this policy for secure and responsible use of AI.

I understand that failure to comply with this policy may result in AI use privileges and/or disciplinary action in accordance with City Policies.

Employee Name (Print): ________________________________

Department: ____

Employee Signature: __________________________________

Date: ____

Staff Report

to the Finance/Personnel Subcommittee

Agenda Item No.3.

Date:	September 1, 2026
From:	Carlos Zamano, City Manager
Reviewed By:	Octavio Duran, Public Works Director/City Engineer
Prepared By:	Brian Wolfe, Assistant Public Works Director
Subject:	2026 Development Impact Fee (DIF) Update

Recommendation:
Review and recommend the proposed 2026 Development Impact Fee (DIF) adjustment, and continuation of the DIF rate lock in at time of the building permit application per Resolution 2023-040 be brought to the City Council for consideration.

Fiscal Impact:
Development Impact Fees will increase depending on the selected option.

Public Notice:
The agenda for this item was posted at the three locations per Resolution No. 2011-047 and on the City's website.

Background:
Development Impact Fee (DIF) Program
The City of Highland's Development Impact Fees (DIF) Program includes fees by land use type for nine (9) public services and infrastructure categories that are impacted by new development within City limits. The previous DIF program adjustment and nexus report was approved by City Council on September 12, 2023, based on findings included in the 2023 DIF Update Report. These approved rates were effective as of April 1, 2024, and fees were intended to be updated annually. On July 20, 2026, the Finance/Personnel Subcommittee provided input on the proposed increase and the proposal below addresses their comments.

Proposed DIF Increase
Pursuant to the methodology outlined in Resolution 2023-040, and input from this Subcommittee, the proposed DIF rate adjustments for infrastructure related categories are based on the California Construction Cost Index (CCCI) published by the State of California Department of General Services. Adjustments for non-infrastructure related categories are based on the Consumer Price Index (CPI) published by the U.S. Bureau of Labor Statistics. There are four DIF categories that have both infrastructure and non-infrastructure related components: Fire Suppression, General Facilities, Library, and Park Land & Park Facilities Development. For these categories, the nexus study project list was reviewed to determine the percentage of the fee attributed to infrastructure and non-infrastructure. The corresponding index increase was applied based on each and a weighted percentage increase was

calculated. Attachment 1 provides the index used, or the weighted percentage increase based on the infrastructure/non-infrastructure ratio.

The CCCI for a two-year period between April 2024 and June 2026, increased by 7.31%. CPI is based on Fiscal Year (FY) and a calculation from June 2024 to June 2026 shows a CPI increase of 5.85%. At the request of the Subcommittee, two options are being presented:

1. Option 1 utilizes the full percentage increases of 7.31% for infrastructure categories and 5.85% for non-infrastructure categories.
2. Option 2 applies half the CCCI and CPI increases, calculated at 3.65% and 2.92% (rounded down) to infrastructure and non-infrastructure costs, respectively.

Attachment 2 compares the two options and financial impact on the City using three sample projects, a single-family resident subdivision, a single-family home (Non-Subdivided), and a commercial project.

As requested, City staff notified the Building Industry Association (BIA) of the proposed increase. Staff also confirmed the proposed increase and methodology used for the "Regional Circulation System" category is consistent with the San Bernardino County Transportation Authority (SBCTA) Development Mitigation Program and its nexus study. The program does not include a regional fee, but rather establishes a fair share for each City and allows flexibility for local jurisdictions to design their own methods of achieving the required fair-share contributions towards regional transportation projects from new development. For example, the Measure I Arterial Program identifies a development share percentage (or local match) of 46.4% for the City of Highland. This means the SBCTA program will only fund 53.6% of a project's cost and the City is responsible for the remaining percentage. This percentage is intended to come from the City's DIF program, but other sources must be used to meet the requirement should DIF not be sufficient.

<u>DIF Reductions and Waivers</u>

The Subcommittee requested staff explore a fee reduction or waiver program for infill-type residential development projects. Staff reviewed DIF programs of other Cities in the State and found limited results. California State law, AB1600, was enacted in 1987 required that impact fees demonstrate a nexus between a new development and public facilities, and be proportional to the impacts created by said development. Fees must be proportionate to expected impacts, so discounts cannot be given to some users and made up by other users. The subsidies are required to be made up from other sources (grants, general fund moneys, etc.). Accordingly, a study demonstrated the reduced impact of infill projects must be conducted, and a reduced fee is not being proposed at this time.

The City's impact fees currently offer a lower fee for non-subdivided residential developments than for subdivided developments. This lower fee was a result of the nexus study, which determined that non-subdivided residential projects result in fewer municipal impacts on Park Land Acquisition and Park Facilities Development.

<u>Proposed Rate Lock</u>

In addition to the increase, staff is proposing the continuation of an existing rate lock extension policy. The City Council approved an exception in 2010 to allow development projects to pay DIFs at building occupancy, but lock in the rate at time of building permit application. The City Council has since extended this exception as an incentive for new development activity.

Attachments:

1. Proposed DIF Calculations
2. DIF Fee Comparison - Example Projects

Attachment 1

Proposed DIF Fee Calculations - Option 1 (Non-subdivided)

From the California Construction Cost Index:	
April 2024 Index	9688
June 2026 Index	10396
Percentage increase:	7.31%
Percentage increase x 1/2:	3.65%

Consumer Price Index:	
June 2024 Index	309.6
June 2026 Index	327.7
Percentage increase:	5.85%
Percentage increase x 1/2:	2.92%

Option 1: **CPI for Non-Infrastructure at 5.85%**
CCCI for Infrastructure Related Costs at 7.31%

Non-Subdivided	Detached Dwellings	Attached Dwellings	Mobile Home	Commercial Lodging	Commercial Office	Industrial	Index Used
Law Enforcement Facilities, Vehicles and Equipment	$ 93.36	$ 147.01	$ 82.63	$ 62.24	$ 0.053	$ 0.003	CCCI
Fire Suppression Facilities, Vehicles and Equipment	$ 835.02	$ 270.12	$ 980.80	$ 1,325.96	$ 0.013	$ 0.004	Infrastructure Share (CCCI)= 92.16% Non-infrastructrure Share (CPI) = 7.84% *Weighted Percentage Increase=7.19%*
Local Circulation	$ 3,019.65	$ 2,016.32	$ 1,572.06	$ 1,592.45	$ 2.820	$ 1.951	CCCI
Regional Circulation	$ 17,608.17	$ 11,756.67	$ 9,163.03	$ 9,285.36	$ 16.439	$ 11.374	CCCI
Flood Control	$ 2,883.37	$ 1,015.13	$ 1,729.81	$ 1,011.91	$ 1.085	$ 1.341	CCCI
General Facilities, Vehicles and Equipment	$ 3,720.73	$ 3,720.73	$ 3,720.73	$ 1,942.32	$ 2.068	$ 2.068	Infrastructure Share (CCCI)= 88.1% Non-infrastructrure Share (CPI) = 11.92% *Weighted Percentage Increase=7.13%*
Library Facility and Collection	$ 1,676.08	$ 1,527.03	$ 1,093.80				Infrastructure Share (CCCI)=94.73% c 5.27% *Weighted Percentage Increase=7.24%*
Public Use							
Park Land Acquisition & Facilities Development	$ 3,780.01	$ 3,441.23	$ 2,465.50				Infrastructure Share (CCCI)= 70.49% Non-infrastructrure Share (CPI)= 29.51% *Weighted Percentage Increase=6.87%*
Totals:	$ 33,616.39	$ 23,894.24	$ 20,808.36	$ 15,220.25	$ 22.48	$ 16.74	

Existing Non-Subdivided 2023 DIF (Effective April '24)		
Detached Dwellings	$ 33,183.00	per dwelling unit
Attached Dwellings	$ 23,957.00	per dwelling unit
Mobile Home	$ 20,603.00	per dwelling unit
Commercial Lodging	$ 14,188.00	per unit
Commercial Office	$ 20.949	per square foot
Industrial	$ 15.605	per square foot

Proposed Non-Subdivided 2026 DIF		
Detached Dwellings	$ 33,616.39	per dwelling unit
Attached Dwellings	$ 23,894.24	per dwelling unit
Mobile Home	$ 20,808.36	per dwelling unit
Commercial Lodging	$ 15,220.25	per unit
Commercial Office	$ 22.48	per square foot
Industrial	$ 16.74	per square foot

Proposed DIF Fee Calculations - Option 2 (Non-subdivided)

Option 2: **CPI for Non-Infrastructure at 2.93%**
CCCI for Infrastructure Related Costs at 3.65%

Non-Subdivided	Detached Dwellings	Attached Dwellings	Mobile Home	Commercial Lodging	Commercial Office	Industrial	Index Used
Law Enforcement Facilities, Vehicles and Equipment	$ 90.18	$ 142.01	$ 79.81	$ 60.12	$ 0.051	$ 0.003	CCCI
Fire Suppression Facilities, Vehicles and Equipment	$ 807.01	$ 261.06	$ 947.90	$ 1,281.48	$ 0.012	$ 0.004	Infrastructure Share (CCCI)= 92.16% Non-infrastructrure Share (CPI)= 7.84% *Weighted Percentage Increase=3.60%*
Local Circulation	$ 2,916.82	$ 1,947.66	$ 1,518.53	$ 1,538.23	$ 2.724	$ 1.884	CCCI
Regional Circulation	$ 17,008.59	$ 11,356.33	$ 8,851.02	$ 8,969.18	$ 15.879	$ 10.986	CCCI
Flood Control	$ 2,785.18	$ 980.57	$ 1,612.00	$ 977.46	$ 1.048	$ 1.296	CCCI
General Facilities, Vehicles and Equipment	$ 3,596.87	$ 3,596.87	$ 3,596.87	$ 1,877.66	$ 1.999	$ 1.999	Infrastructure Share (CCCI)= 88.1% Non-infrastructrure Share (CPI)= 11.92% *Weighted Percentage Increase=3.57%*
Library Facility and Collection	$ 1,619.54	$ 1,475.51	$ 1,056.90				Infrastructure Share (CCCI)= 94.73% Non-infrastructrure Share (CPI)= 5.27% *Weighted Percentage Increase=3.62%*
Public Use							
Park Land Acquisition & Facilities Development	$ 3,658.51	$ 3,330.62	$ 2,386.25				Infrastructure Share (CCCI)= 70.49% Non-infrastructrure Share (CPI)= 29.51% *Weighted Percentage Increase=5.09%*
Totals:	$ 32,482.70	$ 23,090.62	$ 20,049.28	$ 14,704.12	$ 21.71	$ 16.17	

Existing Non-Subdivided 2023 DIF (Effective April '24)		
Detached Dwellings	$ 31,349.00	per dwelling unit
Attached Dwellings	$ 22,287.00	per dwelling unit
Mobile Home	$ 19,408.00	per dwelling unit
Commercial Lodging	$ 14,188.00	per unit
Commercial Office	$ 20.949	per square foot
Industrial	$ 15.605	per square foot

Proposed Non-Subdivided 2026 DIF		
Detached Dwellings	$ 32,482.70	per dwelling unit
Attached Dwellings	$ 23,090.62	per dwelling unit
Mobile Home	$ 20,049.28	per dwelling unit
Commercial Lodging	$ 14,704.12	per unit
Commercial Office	$ 21.71	per square foot
Industrial	$ 16.17	per square foot

Proposed DIF Fee Calculations - Option 1 (Subdivided)

From the California Construction Cost Index:	
April 2024 Index	9688
June 2026 Index	10396
Percentage increase:	7.31%
Percentage increase x 1/2:	3.65%

Consumer Price Index:	
June 2024 Index	309.6
June 2026 Index	327.7
Percentage increase:	5.85%
Percentage increase x 1/2:	2.92%

Option 1: **CPI for Non-Infrastructure at 5.85%**
CCCI for Infrastructure Related Costs at 7.31%

Subdivided	Detached Dwellings	Attached Dwellings	Mobile Home	Commercial Lodging	Commercial Office	Industrial	Index Used
Law Enforcement Facilities, Vehicles and Equipment	$ 93.36	$ 147.01	$ 82.63	$ 62.24	$ 0.053	$ 0.003	CCCI
Fire Suppression Facilities, Vehicles and Equipment	$ 835.02	$ 270.12	$ 980.80	$ 1,325.96	$ 0.013	$ 0.004	Infrastructure Share (CCCI)= 92.16% Non-infrastructrue Share (CPI) = 7.84% *Weighted Percentage Increase=7.19%*
Local Circulation	$ 3,019.65	$ 2,016.32	$ 1,572.06	$ 1,592.45	$ 2.820	$ 1.951	CCCI
Regional Circulation	$ 17,608.17	$ 11,756.67	$ 9,163.03	$ 9,285.36	$ 16.439	$ 11.374	CCCI
Flood Control	$ 2,883.37	$ 1,015.13	$ 1,729.81	$ 1,011.91	$ 1.085	$ 1.341	CCCI
General Facilities, Vehicles and Equipment	$ 3,720.73	$ 3,720.73	$ 3,720.73	$ 1,942.32	$ 2.068	$ 2.068	Infrastructure Share (CCCI)= 88.1% Non-infrastructure Share (CPI) = 11.92% *Weighted Percentage Increase=7.13%*
Library Facility and Collection	$ 1,676.08	$ 1,527.03	$ 1,093.80				Infrastructure Share (CCCI)=94.73% c 5.27% *Weighted Percentage Increase=7.24%*
Public Use							
Park Land Acquisition & Facilities Development	$ 5,598.95	$ 5,097.73	$ 5,763.48				Infrastructure Share (CCCI)= 70.49% Non-infrastructure Share (CPI)= 29.51% *Weighted Percentage Increase=6.87%*
Totals:	$ 35,435.33	$ 25,550.74	$ 24,106.34	$ 15,220.25	$ 22.48	$ 16.74	

Existing Subdivided 2023 DIF (Effective April '24)		
Detached Dwellings	$ 33,183.00	per dwelling unit
Attached Dwellings	$ 23,957.00	per dwelling unit
Mobile Home	$ 20,603.00	per dwelling unit
Commercial Lodging	$ 14,188.00	per unit
Commercial Office	$ 20.949	per square foot
Industrial	$ 15.605	per square foot

Proposed Subdivided 2026 DIF		
Detached Dwellings	$ 35,435.33	per dwelling unit
Attached Dwellings	$ 25,550.74	per dwelling unit
Mobile Home	$ 24,106.34	per dwelling unit
Commercial Lodging	$ 15,220.25	per unit
Commercial Office	$ 22.48	per square foot
Industrial	$ 16.74	per square foot

Proposed DIF Fee Calculations - Option 2 (Subdivided)

Option 2: **CPI for Non-Infrastructure at 2.92%**
CCCI for Infrastructure Related Costs at 3.65%

Subdivided

	Detached Dwellings	Attached Dwellings	Mobile Home	Commercial Lodging	Commercial Office	Industrial	Index Used
Law Enforcement Facilities, Vehicles and Equipment	$ 90.18	$ 142.01	$ 79.81	$ 60.12	$ 0.051	$ 0.003	CCCI
Fire Suppression Facilities, Vehicles and Equipment	$ 807.01	$ 261.06	$ 947.90	$ 1,281.48	$ 0.012	$ 0.004	Infrastructure Share (CCCI)= 92.16% Non-infrastructrure Share (CPI)= 7.84% *Weighted Percentage Increase=3.60%*
Local Circulation	$ 2,916.82	$ 1,947.66	$ 1,518.53	$ 1,538.23	$ 2.724	$ 1.884	CCCI
Regional Circulation	$ 17,008.59	$ 10,956.00	$ 8,851.02	$ 8,969.18	$ 15.879	$ 10.986	CCCI
Flood Control	$ 2,785.18	$ 980.57	$ 1,670.90	$ 977.46	$ 1.048	$ 1.296	CCCI
General Facilities, Vehicles and Equipment	$ 3,596.87	$ 3,596.87	$ 3,596.87	$ 1,877.66	$ 1.999	$ 1.999	Infrastructure Share (CCCI)= 88.1% Non-infrastructrure Share (CPI)= 11.92% *Weighted Percentage Increase=3.57%*
Library Facility and Collection	$ 1,619.54	$ 1,475.51	$ 1,056.90				Infrastructure Share (CCCI)= 94.73% Non-infrastructrure Share (CPI)= 5.27% *Weighted Percentage Increase=3.62%*
Public Use							
Park Land Acquisition & Facilities Development	$ 5,418.98	$ 4,933.86	$ 3,533.35				Infrastructure Share (CCCI)= 70.49% Non-infrastructrure Share (CPI)= 29.51% *Weighted Percentage Increase=5.09%*
Totals:	$ 34,243.17	$ 24,293.54	$ 21,255.28	$ 14,704.12	$ 21.71	$ 16.17	

Existing Subdivided 2023 DIF (Effective April '24)		
Detached Dwellings	$ 33,183.00	per dwelling unit
Attached Dwellings	$ 23,957.00	per dwelling unit
Mobile Home	$ 20,603.00	per dwelling unit
Commercial Lodging	$ 14,188.00	per unit
Commercial Office	$ 20.949	per square foot
Industrial	$ 15.605	per square foot

Proposed Subdivided 2026 DIF		
Detached Dwellings	$ 34,243.17	per dwelling unit
Attached Dwellings	$ 24,293.54	per dwelling unit
Mobile Home	$ 21,255.28	per dwelling unit
Commercial Lodging	$ 14,704.12	per unit
Commercial Office	$ 21.71	per square foot
Industrial	$ 16.17	per square foot

Attachment 2

DIF Fee Comparison
Example Projects

Single Family Residential Subdivision (113 Dwelling Units)		
	Deteched Dwelling Rate	Total Revenue
Current DIFs	$ 33,183.00	$ 3,749,679.00
Option 1	$ 35,443.36	$ 4,005,099.68
Option 2	$ 34,313.33	$ 3,877,406.29
	revenue difference (option 2 vs 1)	$ (127,693.39)

New Single Family Residential (Non-Subdivided)		
	DIF per dwelling unit	Total Revenue
Current DIFs	$ 31,349.00	$ 31,349.00
Option 1	$ 33,642.09	$ 33,642.09
Option 2	$ 32,561.54	$ 32,561.54
	revenue difference (option 2 vs 1)	$ (1,080.55)

Commercial Project (7,384 Square Feet)		
	DIF per square foot	Total Revenue
Current DIFs	$ 20.95	$ 154,687.42
Option 1	$ 22.45	$ 165,770.80
Option 2	$ 21.70	$ 160,232.80
	revenue difference (option 2 vs 1)	$ (5,538.00)

Staff Report

to the Finance/Personnel Subcommittee

Agenda Item No.4.

Date:	September 1, 2026
From:	Carlos Zamano, City Manager
Reviewed By:	Carlos Zamano, City Manager
Prepared By:	Tish Nava-Cruz, Director of Administrative Services/City Treasurer
Subject:	Fiscal Year 2025/2026 Year-End Budget Adjustments

Recommendation:
Recommend approval of the proposed Fiscal Year 2025/2026 year-end budget adjustments to appropriations, as presented, totaling $5,429,536 in expenditures and $3,617,737 in revenue for a net budget adjustment of $1,811,799 for the City and $192,435 in expenditures for the Successor Agency.

Fiscal Impact:
The proposed budget adjustments for the City total $5,429,536 in expenditures and $3,617,737 in revenues. For a net budget adjustment of $1,811,799. The proposed budget adjustments for the Successor Agency total $192,435 in expenditures.

Public Notice:
The agenda for this item was posted at the three locations per Resolution No. 2011-047 and on the City's website.

Background:
As part of the fiscal year-end closing process for Fiscal Year 2025/2026, the Director of Administrative Services/City Treasurer and the City Manager reviewed actual expenditures, grant activity, capital projects, interfund transfers, and other financial activity to identify budget adjustments necessary to align the City, Housing Authority, and Successor Agency's adopted budgets with actual fiscal-year activity.

The proposed year-end budget adjustments primarily reflect planned Work Program activities, projects and expenditures that were anticipated but deferred until later in the fiscal year, as well as items previously authorized by the City Council. The adjustments also include expenditures and revenues that differed from the amounts originally budgeted, increased contractual and maintenance costs, grant-related activity, capital projects, and interfund transfers necessary to support current and anticipated expenditures.

The year-end budget adjustment process provides an opportunity to reconcile budget appropriations with actual fiscal-year activity and ensure that expenditures are properly budgeted within the appropriate funds, departments, and accounts. These adjustments also allow the City to carry forward or appropriate available funding for planned activities that were intentionally deferred and are now ready to be completed.

The proposed adjustments will be made within the applicable funds and departments identified in the attached detailed schedule. Where applicable, funding will be provided through available fund balance, grant revenues, interfund transfers, or other identified funding sources. Overall, the adjustments are intended to accurately reflect the City's fiscal-year activity and ensure that the budget appropriately corresponds with actual and planned expenditures.

The proposed adjustments include the following major categories:

Expenditure Adjustment Details

General Fund
The General Fund adjustments primarily consist of interfund transfers, increased legal and contractual services, facility maintenance, and expenditures approved by the City Council during the fiscal year.

Several transfers are proposed to move previously reserved General Fund resources to the General Capital Financing Fund for the City Hall Remodel and other future capital expenditures. Additional transfers are proposed to the Landscape Maintenance District and Street Lighting District to offset current-year expenditures.

Other General Fund adjustments include higher-than-budgeted dues and assessments, increased attorney services, the City Council-approved Fourth of July fireworks show, Police Station HVAC repairs, additional Code Enforcement legal services and board/secure costs, and HVAC repairs at the YMCA and Library facilities.

Article 3
The Article 3 adjustment reflects expenditures related to Sidewalk Project SWK 19-001 that were originally budgeted in Fiscal Year 2024/2025 but were incurred during Fiscal Year 2025/2026.

Community Development Block Grant
An adjustment is proposed to recognize expenditures associated with the Highland Senior Center HVAC project, which was not included in the original CDBG budget.

Capital Improvements
An adjustment is proposed for the grant program associated with the February 2025 flood event.

Community Facilities District
Additional funding is proposed for required continuing disclosure services associated with the Community Facilities District.

Park Maintenance District
An adjustment is proposed to recognize alarm monitoring services that were not included in the original budget.

COPS and JAG Grants
Adjustments are proposed in the COPS and JAG funds to align expenditure appropriations with actual grant activity. The COPS adjustment reflects a higher grant award received by the City, while the JAG adjustment reflects expenditures that exceeded the original budget.

General Capital Financing

The General Capital Financing adjustments primarily relate to the replacement of the City's existing Vigilant Automated License Plate Reader (ALPR) system with the citywide Flock system, an insurance department charge transferred from Gas Tax consistent with the Auditor's recommendation, and a Public Works fleet replacement approved by the City Council. The ALPR adjustment includes an increase for the Flock software subscription and a corresponding reduction in the previously budgeted equipment line item amount.

Paramedic and Fire Departments

The proposed adjustments for the Paramedic and Fire Departments primarily reflect increased vehicle maintenance costs associated with aging vehicle fleets, additional life-safety supplies, increased fire service costs, and required generator permits.

The Fire Department's budget is also being reduced by $150,000 for the second Battalion Chief vehicle because the vehicle buildout and purchase have been deferred to Fiscal Year 2026/2027.

Major Grants

An adjustment is proposed to recognize equipment expenditures associated with the Homeland Security Grant Program (HSGP) and is fully reimbursable.

General Services

The General Services adjustments primarily relate to increased electricity costs at the City's electric vehicle charging stations, temporary employee cafeteria plan costs associated with the EERP program, and a three-year service agreement for the City's electric vehicle charging stations.

SARDA

The County notified us of a Prior Period Adjustment in which the City needs to return any ROPS money to them if it wasn't spent on the scheduled payments due to cash on hand. This resulted in an unexpected expenditure in FY 25/26

Revenue Adjustment Details

Community Facilities District

The Community Facilities District received a miscellaneous reimbursement that was not included in the adopted revenue budget. Staff recommends increasing the miscellaneous revenue budget to recognize the additional revenue received.

COPS

The City received a higher COPS grant amount than originally budgeted. Staff recommends increasing both the COPS grant revenue to accurately reflect the additional grant funding available for police services.

General Capital Financing

Staff recommends recognizing a $2.6 million transfer from the General Fund to the General Capital Financing Fund. The transfer provides funding for future capital expenditures, including the City Hall Remodel and other anticipated capital needs.

General Services

Staff recommends recognizing a $1.2 million transfer from the General Fund to the General Services Fund to provide funding for future expenditures.

CONCLUSION

The proposed FY 2025/2026 year-end budget adjustments are necessary to align the City's expenditure and revenue appropriations with actual fiscal-year activity and authorized programs, projects, grants, and services.

Approval of the proposed adjustments will provide the appropriate budget authority for expenditures incurred during FY 2025/2026 and ensure that the City's final budget accurately reflects year-end financial activity.

Staff recommends approval of the proposed FY 2025/2026 year-end budget adjustments.

Attachments:

1. Budget Adjustments Year End 2025/2026

Attachment 1

Fiscal Year End 25/26 Proposed Budget Adjustments

City-Fiscal Year 2025/2026 Year-End Budget Adjustments-Expenditures

Council Approved Item
WP-Work Program Approved

General Fund

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Dues increased beyond what we anticipated for LOCC and General Assessment to San Bernardino Council of Governments	001-General	1000-City Council	4310-Dues and Subscriptions	23,860	40,650	64,510
Transfer funds to help offset current year expenditures	001-General	1450-General Government	4112-Operating Xfer Out-LMD	83,179	-	83,179
Transfer funds to help offset current year expenditures	001-General	1450-General Government	4112-Operating Xfer Out-SLD	111,652	-	111,652
WP Transfer funds for City Hall Remodel. Funds have been sitting in fund balance 001.2513 and now ready to move them to GCF to be expended. Adding $300k for architectural & contingency from 25/26 FB	001-General	1450-General Government	4123-Operating Xfer Out-Gen Capital Fin	1,300,000	-	1,300,000
Transfer funds for future expenditures	001-General	1450-General Government	4123-Operating Xfer Out-Gen Capital Fin	1,300,000	-	1,300,000
Transfer funds for future expenditures	001-General	1450-General Government	4142-Operating Xfer Out-General Services	1,200,000	-	1,200,000
Increased attorney usage do to new management staff and council as well as election/Measure E	001-General	1450-General Government	4520-Contract Services Attorney	99,960	154,200	254,160
Council approved taking on the cost of the 4th of July Firework show at Immnuel Baptist	001-General	1450-General Government	4554-Contract Services Consultant	40,000	-	40,000
Police Station HVAC Repair and Assesments	001-General	2000-Police Department	4588-Contract Services-HVAC Maintenance	55,345	11,900	67,245
Increased attorney usage do additional code cases	001-General	4600-Code Enforcement	4520-Contract Services Attorney	72,560	30,000	102,560
Council approved 25646 Baseline Demo	001-General	4600-Code Enforcement	4557-Contract Services Board/Secure	52,575	5,000	57,575
Several YMCA and Library HVAC Repairs	001-General	6000-Parks	4588-Contract Services-HVAC Maintenance	110,540	95,610	206,150

Article 3

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
SWK 19-001 budgeted in 2024/2025-Expended in 2025/2026	005-Article 3	8320-Article 3	6545-Sidewalk Repairs	115,720	215,000	330,720

Community Development Block Grant

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Council Approved Highland Senior Center HVAC Project was not part of orginal budget	006-CDBG	8400-HCD	4075-Public Facilities Improvements	19,918	-	19,918

Capital Improvements

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Council Approved Grant Program for February 2025 Flood Event	010-Capital Improvements	3830-Facilites Construction	4349-Grant Programs	25,000	-	25,000

Community Facilities District

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Continuing Disclosure	014-CFD	8520-CFD	4554-Contract Services Consultant	1,352	10,550	11,902

Park Maintenance District

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Alarm monitoring not budgeted for	016-PMD	8540-PMD	4066-Alarm Monitoring	350	-	350

COPS

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Received higher grant amount (offset by revenue full reimbursable)	021-COPS	8450-AB 3229	4560-Contract Services-Police Services	16,635	185,000	201,635

General Capital Financing

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Insurance Department Charge from Gas Tax (Auditor rec. xfer)	023-General Capital Financing	3890-Capital Construction	4199-Insurance Department Charge	482,770	10,615	493,385
Council Approved ALPR Agreement-Replaced existing Vigilant System with Flock System (Citywide)	023-General Capital Financing	3890-Capital Construction	4533-Contract Services-Software Subscription	181,760	-	181,760
ALPR Agreement-Replaced existing Vigilant System with Flock System (Citywide)	023-General Capital Financing	3890-Capital Construction	6040-Equipment	(45,000)	45,000	-
WP Fleet replacement approved at 2/10/26 CC meeting will purchase other car in 26/27	023-General Capital Financing	3890-Capital Construction	6060-Vehicles	66,525	-	66,525

JAG

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Spent more than originally budgeted (offset by revenue fully reimbursable)	026-JAG	8480-JAG	4560-Contract Services-Police Services	225	25,000	25,225

City-Fiscal Year 2025/2026 Year-End Budget Adjustments-Expenditures

Council Approved Item
WP-Work Program Approved

Paramedic Department

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Paramedic Supplies (life safety)	028-Paramedic Dept	2050-Paramedic	4207-Paramedic Supplies	17,000	28,500	45,500
Vehicle Maintenance costs increasing due to aging of vehicles	028-Paramedic Dept	2050-Paramedic	4240-Vehicle Maintenance	32,030	90,000	122,030

Fire Department

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Vehicle Maintenance costs increasing due to aging of vehicles	029-Fire	2100-Fire	4240-Vehicle Maintenance	31,515	90,000	121,515
Council Approved WPA increase in price	029-Fire	2100-Fire	4568-Contract Services Fire Services	35,380	52,000	87,380
WP Generators required special permits that were not budgeted for	029-Fire	2100-Fire	6040-Equipment	9,940	34,990	44,930
Council Approved 2nd Batalion Chief Vehicle moving to 26/27	029-Fire	2100-Fire	6060-Vehicles	(150,000)	150,000	-

Major Grants

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
HSGP Grant (offset by revenue fully reimbursable)	030-Major Grants	8495-Major Grants	4203-Equipment	32,035	-	32,035

General Services

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Council Approved Salaries but we forgot Caf Plan-EERP Temp Staff Cafeteria Plan	042-General Services	9510-Building Services	3510-Cafeteria Plan	33,115	67,200	100,315
EVC Stations had more revenue and expenditures than budgeted for 2 years ago	042-General Services	9510-Building Services	4012-Electricity EVC Stations	41,650	55,000	96,650
EVC Stations 3 year Service agreement	042-General Services	9510-Building Services	4245-Equipment Maintenance	31,945	500	32,445

Summary

Current City Expenditure Budget	61,595,135
Previously Adjusted through the year BA	1,095,728
Total Proposed Expenditure Increases	5,429,536
Total Proposed City Expenditure Budget	68,120,399

Total Proposed Expenditure Increases 5,429,536

City-Fiscal Year 2025/2026 Year-End Budget Adjustments-Revenues

Community Facilities District

Revenue	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Received misc reimbursement check	014-CFD	8520-CFD	8900-Miscellaneous	1,102	10,550	11,652

COPS

Revenue	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Received higher grant amount	021-COPS	8450-AB 3229	9350-COPS Grant	16,635	185,000	201,635

General Capital Financing

Revenue	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Transfer funds for future expenditures	023-General Capital Fi	3890-Capital Construction	9901-Operating Xfer In-General Fund	2,400,000	-	2,400,000

General Services

Revenue	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Transfer funds for future expenditures	042-General Services	9510-Building Services	9901-Operating Xfer In-General Fund	1,200,000	-	1,200,000

Summary

Current City Revenue Budget	54,499,475
Previously Adjusted through the year BA	
Total Proposed Revenue Increases	3,617,737
Total Proposed City Revenue Budget	58,117,212

Total Proposed Revenue Increases 3,617,737

Successor Agency-Fiscal Year 2025/2026 Year-End Budget Adjustments-Expenditures

RDA ORF Debt Service

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
City Administration-Prior year PPA adjustment	089-RDA	8090-SARDA Debt Service	4198-City Administration	8,815	3,450	12,265
PPA Adjustment amount due to County for Prior Years	089-RDA	8090-SARDA Debt Service	5100-Principal	183,620	2,345,895	2,529,515
			Total Proposed Expenditure Increases	192,435		

Summary

Current SA Expenditure Budget	7,356,210
Previously Adjusted through the year BA	
Total Proposed Expenditure Increases	192,435
Total Proposed SA Expenditure Budget	7,548,645

Staff Report

to the Finance/Personnel Subcommittee

Agenda Item No.5.

Date:	September 1, 2026
From:	Carlos Zamano, City Manager
Reviewed By:	Carlos Zamano, City Manager
Prepared By:	Tish Nava-Cruz, Director of Administrative Services/City Treasurer
Subject:	Fiscal Year 2026/2027-Carryover Budget Adjustments

Recommendation:
Approve the proposed Fiscal Year 2026/27 carryover budget adjustments totaling $2,128,138 in expenditure appropriations.

Fiscal Impact:
The proposed adjustments will increase the City's Fiscal Year 2026/27 expenditure appropriations by $2,128,138.

The City's current expenditure budget prior to the proposed adjustments is $78,320,715. The City has previously approved $1,219,748 in Fiscal Year 2026/27 budget adjustments. With the approval of the additional $2,128,138 proposed in this staff report, the City's total Fiscal Year 2026/27 expenditure budget will be $81,668,601.

Public Notice:
The agenda for this item was posted at the three locations per Resolution No. 2011-047 and on the City's website.

Background:
As part of the annual budget process and the transition from Fiscal Year 2025/26 to Fiscal Year 2026/27, staff reviewed prior-year expenditures, ongoing projects, contractual commitments, capital projects, and current-year operational needs to identify funding that should be carried forward or reappropriated into the new fiscal year.

The proposed adjustments include carryover of previously identified funding, reallocation of expenditures to the appropriate fund, removal of appropriations that are no longer necessary, and additional appropriations needed to address current-year operational and contractual requirements.

The proposed adjustments will be funded through the respective fund balances, available revenues, or previously designated project funding within the applicable funds. The adjustments are structured to ensure expenditures are budgeted in the appropriate funds and accounts.

The proposed adjustments are being presented together to provide the City Council with a comprehensive update to the Fiscal Year 2026/27 expenditure budget.

General Fund

City Council Compensation—The proposed adjustment increases the City Council salary budget by $28,140 to account for the approved compensation adjustment for the remaining seven months of Fiscal Year 2026/27. The additional appropriation will ensure sufficient funding is available for Council compensation through the remainder of the fiscal year.

Code Enforcement Contract Services—An additional $156,000 is requested to establish funding for Code Enforcement contract services during Fiscal Year 2026/27. The appropriation will provide the Code Enforcement Division with the necessary resources to continue contracted services and support ongoing code enforcement activities.

Community Development Director Recruitment—An additional $27,000 is requested for professional recruitment services associated with the recruitment and selection of a Community Development Director. The funds will be used for anticipated consultant and recruitment costs associated with the executive-level recruitment.

Election – Measure E and Two Council Member Seats — The Election budget is proposed to increase by $110,000 to provide sufficient funding for the upcoming election, including costs associated with Measure E and the election of two City Council members. The additional appropriation is necessary to cover the City's estimated election-related costs.

Development Impact Fees

Enterprise Processing Upgrade—The Enterprise Processing Upgrade was originally budgeted within General Services. Staff has determined that the expenditure is appropriately attributable to the General Fund-03 Development Impact Fee program, Year 2. Accordingly, $123,155 is being appropriated in the Development Impact Fee Fund to properly account for the project and ensure the expenditure is funded from the appropriate source.

General Capital Financing

ALPR System—The City is replacing its existing Vigilant Automated License Plate Reader (ALPR) system with a citywide Flock system. An appropriation of $165,000 is requested for the Flock software subscription and associated contract services. This funding will provide for the City's continued use of ALPR technology under the new system.

City Hall Remodel — The proposed $1.3 million appropriation represents funding previously designated for the City Hall Remodel project. The City had $1 million in fund balance for City Hall Remodel and allocated an additional $300,000 at the end of Fiscal Year 2025/26 for the project to include consultants and contingencies. The proposed $1.3 million appropriation places the previously designated City Hall Remodel funding in the General Capital Financing Fund from the Fund balance so that the funds are available for expenditure during Fiscal Year 2026/27.

Public Works Fleet Replacement—The proposed adjustment reduces the vehicle replacement budget by $144,000. A vehicle replacement approved by the City Council on February 10, 2026, was purchased during Fiscal Year 2025/26. Because the purchase has already occurred, the corresponding Fiscal Year 2026/27 appropriation is no longer necessary and is being removed from the budget.

Fire Department
Second Battalion Chief Vehicle and Outfitting –An appropriation of $150,000 is requested for the purchase and outfitting of a vehicle for the Second Battalion Chief. The funding will cover the vehicle and the necessary equipment and modifications required for operational use.

General Services
ADA Accessibility Compliance Software – $20,440 is requested for ADA accessibility compliance software. The software was already approved in Fiscal Year 2025/26 by City Council, and will assist the City with monitoring, managing, and documenting ADA accessibility compliance requirements.

Temporary Staffing for ERP Implementation – $152,402 is requested to provide temporary staffing support for the continued implementation and stabilization of the City's new Enterprise Resource Planning (ERP) system during Fiscal Year 2026/27. The funding consists of $132,602 in salaries and $19,800 in cafeteria plan/benefit costs for one temporary Accountant and one Intern. These positions will assist with ERP-related accounting, data review, reconciliations, system processes, and other implementation and transition activities. This position has already been approved by Council. This is merely to reflect it in the budget.

Contract Accounting Services – $40,000 is requested for contracted accounting services to support the continued implementation and stabilization of the City's new ERP system. The additional accounting support will assist with accounting review, reconciliations, system processes, and other transition-related activities.

Staff recommends approval of the proposed FY 2026/2027 carryover budget adjustments.

Attachments:
1. Budget Adjustments Carryover 2026/2027

Attachment 1

Fiscal Year 2026/2027 Proposed Carryover Budget Adjustments

City-Fiscal Year 2026/2027 Carry Over Budget Adjustments-Expenditures

Council Approved Item
WP-Work Program Approved

General Fund

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Council Approved City Council Compensation Adjustment (7 months)	001-General	1000-City Council	3010-Salaries	28,140	48,000	76,140
Council Approved Election for Measure E and 2 Council Member Seats	001-General	1200-City Clerk	4335-Elections	110,000	35,000	145,000
Community Development Director Recruitment	001-General	1600-Personnel	4554-Contract Services Consultant	27,000	-	27,000
Council Approved Code Enforcement Contract Services	001-General	4600-Code Enforcement	4538-Contract Services Code Enforcement	156,000	-	156,000

DIF

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
WP Enterprise Processing Upgrade	007-Development Impact Fees	8330-Development Impact Fees	6070-Software	123,155	-	123,155

General Capital Financing

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
WP City Hall Remodel had already budgeted $450k for FY 26/27 in DIF but cannot use DIF unless adding square footage, so moving to GCF) and allocated $550k at FY 24/25 year end and $300k at 25/26 year end for City Hall Remodel this is just to move it from fund balance to be expended in 26/27	023-General Capital Financing	3890-Capital Construction	4075-Public Facilities Improvements	1,300,000	-	1,300,000
WP ALPR Agreement-Replaced existing Vigilant System with Flock System (Citywide)	023-General Capital Financing	3890-Capital Construction	4533-Contract Services-Software Subscriptio	165,000	-	165,000
WP Fleet replacement approved at 2/10/26 CC meeting purchased other car in 25/26	023-General Capital Financing	3890-Capital Construction	6060-Vehicles	(144,000)	200,000	56,000

Fire Department

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Council Approved 2nd Batallion Chief Vehicle and Outfitting	029-Fire	2100-Fire	6060-Vehicles	150,000	-	150,000

General Services

Expenditure	Fund	Department	Account	Proposed Increase	Current Budget	Proposed Budget
Council Approved Temporary Staffing for ERP implementation (1 Accountant and 1 Intern fo	042-General Services	9510-Building Services	3010-Salaries	132,602	255,110	387,712
Council Approved Temporary Staffing for ERP implementation (1 Accountant and 1 Intern fo	042-General Services	9510-Building Services	3510-Cafeteria Plan	19,800	69,300	89,100
Council Approved ADA Accessibility Compliance Software	042-General Services	9510-Building Services	4251-ADA Compliance	20,440	2,000	22,440
Contract Accounting Services ERP implementation (1 Accountant for 26/27)	042-General Services	9510-Building Services	4535-Contract Service Personnel	40,000	-	40,000

Summary

Current City Expenditure Budget	78,320,715
Previously Adjusted through the year BA	1,219,748
Total Proposed Expenditure Increases	2,128,138
Total Proposed City Expenditure Budget	81,668,601

Total Proposed Expenditure Increases 2,128,138