



STAFF REPORT

DATE: 06/04/2025
TO: Honorable Mayor and City Council Members
FROM: Finance Department

2025-215

**REQUEST FOR CITY COUNCIL ACTION
CORONA HOUSING AUTHORITY ACTION
CORONA UTILITY AUTHORITY ACTION
CORONA PUBLIC FINANCING AUTHORITY**

SUBJECT:

ADOPTION OF THE CITY OF CORONA PROPOSED BUDGET FOR FISCAL YEAR 2026, AMENDMENTS TO THE FISCAL YEAR 2025 ADOPTED BUDGET, AND RELATED CONTRACT AMENDMENTS, CHANGE ORDERS, AND PURCHASE ORDERS

EXECUTIVE SUMMARY:

The Fiscal Year 2026 Proposed Budget was reviewed and discussed at the Spring Financial Workshop on April 10, 2025, and at the Study Session on May 21, 2025. This report recommends approval of the proposed budget and includes additional actions identified after the last budget presentation to be incorporated into the Fiscal Year 2026 Adopted Budget. In addition, this report includes recommended Fiscal Year 2025 budget adjustments and purchase orders for Fiscal Year 2026.

RECOMMENDED ACTION:

That the:

- a. City Council Adopt Resolution No. 2025-071, adopting the City's budget for Fiscal Year 2026, Revised Budget Items, and General Fund Budget Policies.

- b. Corona Utility Authority adopts Resolution No. 2025-072, adopting said Authority's budget for Fiscal Year 2026, Revised Budget Items, and Budget Policies.
- c. Corona Public Finance Authority adopts Resolution No. 2025-073, adopting said Authority's budget for Fiscal Year 2026, Revised Budget Items, and Budget Policies.
- d. Corona Housing Authority adopts Resolution No. 2025-074, adopting said Authority's budget for Fiscal Year 2026, Revised Budget Items, and Budget Policies.
- e. City Council adopts Resolution No. 2025-075, adopting the annual appropriations limit for Fiscal Year 2026 and selecting the population and inflation factors accordingly.
- f. City Council and Corona Utility Authority approve the following additional budget items to be included in the Fiscal Year 2026 Adopted Budget:
 - i. Authorize an appropriation in the amount of \$175,000 from the General Fund 110 Designated Revenue Reserve (Public, Educational and Government (PEG)) to the City Broadcast System Overhaul, Capital Improvement Project No. TC-2022-02.
 - ii. Authorize an appropriation in the total amount of \$1,733,984 across multiple funds (see Analysis section) for Other Post Employment Benefits (OPEB) erroneously omitted from the proposed budget.
 - iii. Authorize an appropriation reduction in the amount of \$41,409 from the Residential Refuse/Recycling Fund 260 and a corresponding appropriation by the same amount in the Water Utility Fund 570 for the Utility Billing and Administration Manager Reallocation.
 - iv. Authorize an appropriation in the amount of \$40,000 from the Airport Fund 275 to conduct a flight check for various equipment.
 - v. Authorize an appropriation reduction in the amount of \$500,000 from the Road Maintenance and Rehabilitation Act (RMRA) Fund 221 and a corresponding appropriation in the same amount from the Measure A Fund 227 for the Pavement Maintenance and Resurfacing, Operations and Maintenance Project No. 69220.
 - vi. Authorize an appropriation reduction in the amount of \$300,000 from the Road Maintenance and Rehabilitation Act (RMRA) Fund 221 and a corresponding appropriation in the same amount from the Measure A Fund 227 for the Miscellaneous Repair and Replacements of Traffic Signals, Operations and Maintenance Project No. 70940.

- vii. Authorize an estimated revenue increase in the amount of \$200,000 in the General Fund 110 to account for Waste Management's annual contribution towards the City beautification program. The estimate was erroneously omitted from the proposed budget.
- viii. Authorize one (1) full-time Facilities Supervisor in the Community Services Department, and an appropriation in the amount of \$33,988 in the General Fund 110. Recurring costs will be funded 20% in the salary/benefits budget and 80% through Capital Improvement Projects. The total recurring budget impact for the position is approximately \$169,938.
- g. City Council and Corona Utility Authority approve the following contract amendments, change orders, and purchase orders for Fiscal Year 2026:
 - i. Authorize the City Manager, or his designee, to issue purchase orders for the attached list (Exhibit 8) of Information Technology software renewals for Fiscal Year 2026 including any non-substantive extensions, change orders, purchase orders, and amendments up to the lesser of either \$100,000 or 10% of the original contract amount as authorized by Corona Municipal Code Section 3.08.070 (I).
 - ii. Authorize the Second Amendment to the Professional Services Agreement with South Coast Automation, Inc., for SCADA Integration Services to extend the term for an additional one-year period at the rates set forth therein and with a total compensation amount of \$700,000 annually.
 - Authorize the City Manager, or his designee, to negotiate and execute non-substantive extensions, change orders, and amendments up to the amount authorized by Corona Municipal Code [Section 3.08.070\(I\)](#).
 - iii. Authorize the Third Amendment to the Professional Services Agreement with Z and K, Inc. for Temporary Staffing Services to extend the term through June 30, 2027 at the rates set forth therein, with a total compensation amount of \$160,000 annually.
 - Authorize the City Manager, or his designee, to negotiate and execute non-substantive extensions, change orders, and amendments up to the amount authorized by Corona Municipal Code [Section 3.08.070\(I\)](#).
 - Make a determination under Corona Municipal Code Section 3.08.140(E) that competitive bidding is not required for this purchase based upon the reasons provided in this agenda report.
 - iv. Authorize the issuance of a purchase order in the amount of \$175,000, annually, through June 30, 2028 to Ewing Irrigation Products, Inc. for the purchase of irrigation-related materials for parks and special districts.
 - Authorize the City Manager, or his designee, to negotiate and execute non-substantive extensions, change orders, amendments, and additional purchase orders up to the amount permitted under Corona

Municipal Code Section 3.08.080(I), which is equivalent to 10% of the contract value or \$17,500

- v. Authorize an extension of the Maintenance/General Services Agreement with National Construction Rentals, Inc. for as needed temporary fencing and portable restroom rental services.
 - Authorize the City Manager, or his designee, to execute the Second Amendment to the Maintenance/General Service Agreement to extend the term through June 30, 2027, at the rates set forth therein and with a total compensation of \$175,000 annually, including any non-substantive extensions, change orders, purchase orders, and amendments up to the amount authorized by Corona Municipal Code Section 3.08.060 (I), which is equivalent to 10% or \$17,500.
 - Authorize the City Manager, or his designee, to issue a Purchase Order to National Construction Rentals, Inc., in the amount of \$175,000.

- h. City Council and Corona Utility Authority approve the following budget amendments for Fiscal Year 2025:
 - i. Authorize a continuing appropriation in the amount not to exceed \$2,586,405 in the Measure X Fund 120 from Fiscal Year 2025 to Fiscal Year 2026 for Homeless program activities. The final amount will be determined based on the fiscal year-end balance.

 - ii. Authorize a continuing appropriation in the amount not to exceed \$304,576 in the Measure X Fund 120 from Fiscal Year 2025 to Fiscal Year 2026 for program expenditures related to the City Brand Implementation in the Communications Division. The final amount will be determined based on the fiscal year-end balance.

 - iii. Authorize a continuing appropriation in the amount not to exceed \$172,950 in the Measure X Fund 120 from Fiscal Year 2025 to Fiscal Year 2026 for Professional and Contractual Services in Economic Development. The final amount will be determined based on the fiscal year-end balance.

 - iv. Authorize a continuing appropriation in the amount not to exceed \$1,376,862 (\$509,241 in the General Fund 110 and \$867,621 in the Measure X Fund 120) from Fiscal Year 2025 to Fiscal Year 2026 for multiple items in the Fire Department and Information Technology Department. The final amount will be determined based on the fiscal year-end balance.

 - v. Authorize a continuing appropriation in the amount not to exceed \$16,335 in the Measure X Fund 120 from Fiscal Year 2025 to Fiscal Year 2026 for the Lobby Refresh project in the Planning and Development Department. The final amount will be determined based on the fiscal year-end balance.

- vi. Authorize a budgetary transfer in the amount of \$30,000 from the Animal Control Fire Alarm System Capital Improvement Project No. FC-2025-02 to the Police Department Locker Room/Facility Expansion Capital Improvement Project No. FC-2024-03 within the Measure X Fund 120.
- vii. Authorize an appropriation in the amount of \$300,000 from the Water Utility Fund 570 to the Waterline Infrastructure Operating and Maintenance Project No. 71930.
- i. Adopt Resolution No. 2025-076, approving the City of Corona Position Library and Compensation Plan and repealing all prior Plans, including Resolution No. 2025-038, effective June 14, 2025.

BACKGROUND & HISTORY:

The Fiscal Year (FY) 2026 budget process began in November 2024. On Thursday, April 10, 2025, the Spring Financial Workshop was held to discuss the budget, set goals, and receive direction from the City Council for the development of the FY 2026 budget. The Spring Financial Workshop was an extremely important step in the budget process and included reviewing the City's Strategic Plan. From this workshop, staff prepared the operating budget, capital improvement plan, and additional service adjustment requests for the City Council's consideration.

On May 21, 2025, a Study Session was held to update the public and City Council on the progress of the FY 2026 proposed budget. Staff presented the proposed budget overview and a recap of the budget items discussed during the Spring Financial Workshop.

ANALYSIS:

The City of Corona FY 2026 Proposed Operating Budget and Capital Improvement Plan are presented in this report for the City Council's consideration and adoption. Additionally, there are budgetary adjustments identified after the Study Session meeting on May 21, 2025, which need to be incorporated in the FY 2026 budget, and budgetary amendments to the FY 2025 budget are presented for the City Council's consideration and approval.

The estimated revenue budget for FY 2026 is \$523.3 million, which represents an increase of \$70.6 million, or 15.6%, compared to the FY 2025 revenue projections. The most significant increase, \$46.3 million, is in the Capital Projects Fund Type, this is primarily for the McKinley Grade Separation. The second largest change is an increase of \$14.8 million in the General Fund, due to increases in Sales Tax, Property Tax, Interest on Investments, and the Sale of Surplus Property. The third largest change is in the Enterprise Funds, with an increase of \$6.3 million, with the primary reason being an increase in Interest on Investments and Commercial Water Sales. Lastly, a \$2.9 million increase for Internal Service Funds. This increase is primarily due to the reevaluation of the Information Technology Fund and increasing the charges through the Cost Allocation Plan to cover the actual costs of providing the services.

The proposed expenditure budget for FY 2026 totals \$456.3 million, which is a decrease of \$9.3 million, or 2.0%, compared to the FY 2025 adopted budget. The net change is based on increases in the following categories: \$17.1 million in Personnel Costs, \$1.1 million in Utilities, and \$3.9 million in Operating & Maintenance Projects. In addition, there are decreases of \$0.2 million in Capital Outlay, \$9.4 million in Contractual, \$0.2 million in Materials & Supplies, and \$22.3 million in Capital Improvement Projects.

Recommended actions a, b, c, and d: Annual Budget, Revised Budget Items and Budget Policies

The FY 2026 budget was developed in alignment with the City’s adopted Strategic Plan and the following six strategic goals:

1. Financial Stability
2. Strong Economy
3. Sound Infrastructure
4. Safe Community
5. Sense of Place
6. High Performing Government

Presented for consideration by the City Council, Corona Utility Authority, Corona Housing Authority, and Corona Public Financing Authority are the resolutions to adopt the FY 2026 Proposed Operating Budget and Ten-Year Capital Improvement Plan, along with Revised Budget Items as specified in Attachment A to each resolution, if applicable. The Revised Budget Items are changes that have been identified since the Study Session on May 21, 2025. The Ten-Year Capital Improvement Plan allows for the coordination, financing, and timing of major City public improvements. These documents are prepared to communicate the City’s strategic goals and use of resources.

Recommended action e: Appropriations Limit for FY 2026

Article XIII B of the California Constitution specifies that appropriations made by local governments may increase annually by a factor comprised of the change in population from one year to another, combined with an inflation factor. For the population factor, jurisdictions have a choice between the percentage change in the City’s population growth or the County’s population growth. For the inflation factor, jurisdictions can choose between the California per capita personal income or the increase in non-residential assessed valuation due to new construction. Under the California Constitution, a jurisdiction is required to adopt the Gann Appropriation Limit annually by resolution, selecting each factor by a vote of the governing body. The factors that pertain to the Fiscal Year 2026 calculation are as follows:

Population Percentage Grown

City of Corona	-0.32%
County of Riverside	0.27%

Inflation Percentage Factors

California per capital personal income	6.44%
Change in non-residential assessed	

Valuation due to new construction

Not Available

Staff recommends that the County's population change of 0.27% and the California per capita personal income change of 6.44% be approved by the City Council. The change in non-residential assessed valuation is usually not available to the City at the time the limit needs to be adopted. When the change in non-residential assessed valuation due to new construction is available, and if it is higher than the California per capita personal income change, staff will recalculate the Appropriations Limit and will resubmit to the City Council for approval. The City's audit firm provides an attestation letter of the calculation during the audit process each fiscal year.

Recommended action f: City Council and Corona Utility Authority approve the following additional budget items to be included in the Fiscal Year 2026 Adopted Budget

After the proposed budget information was presented to the City Council on May 21, 2025, the following items were identified as budget revisions and are recommended for funding in the FY 2026 budget:

- i. Authorize an appropriation in the amount of \$175,000 from the General Fund 110 Designated Revenue Reserve (Public, Educational and Governmental (PEG)) to the City Broadcast System Overhaul, Capital Improvement Project No. TC-2022-02.

The funds will be used to refresh, replace, and enhance the broadcast system located in the City Council Chambers. Specifically, this will involve replacing the two projectors and screens with two video wall screens. Additionally, the funding will be used to upgrade existing hardware and remodel the back studio area within the City Council Chambers to be more functional and make better use of the additional space after removing the projectors and screens. The project will be funded through the Public, Educational, and Governmental Access (PEG) designated reserve within the General Fund.

- ii. Authorize an appropriation in the total amount of \$1,733,984 across multiple funds for Other Post Employment Benefits (OPEB) erroneously omitted from the proposed budget.

The City is obligated to pay certain other post-employment benefits (OPEB) to eligible retirees, consisting primarily of retiree medical costs. The budget is based on the most recent actuarial report which considers a multitude of factors to calculate the City's contribution. For FY 2026, the total OPEB budget is \$11,293,857. However, only the General Fund portion of \$9,559,873 was included in the proposed budget. Contributions of \$1,136,009 from the Water, Sewer, and Electric funds, along with \$597,975 from other funds, were erroneously omitted. As a result, an additional \$1,733,984 will need to be allocated across multiple funds to fully fund the OPEB obligations.

Fund	Amount
Gas Tax Fund (222)	\$ 106,830
Abandoned Vehicle Abatement Fund (241)	6,031
NPDES Fund (245)	40,248
Residential Refuse/Recycling Fund (260)	22,180
Airport Fund (275)	6,352
Corona Housing Authority Fund (291)	10,074
CDBG Fund (431)	728
Successor Agency Fund (475)	1,980
Reclaimed Water Utility Fund (567)	11,538
Water Utility Fund (570)	614,295
Sewer Utility Fund (572)	466,000
Direct Access Electric Utility Fund (576)	13,924
Transit Service Fund (577)	13,322
Greenfield Electric Utility Fund (578)	44,176
Warehouse Fund (680)	12,346
Information Technology Fund (681)	286,989
Fleet Operations Fund (682)	76,971
Total	\$ 1,733,984

- iii. Authorize an appropriation reduction in the amount of \$41,409 from the Residential Refuse/Recycling Fund 260, and a corresponding appropriation in the same amount to the Water Utility Fund 570 for the Utility Billing and Administration Manager Reallocation.

With the addition of the Sustainability Supervisor, oversight in the division by the Utility Billing and Administration Manager has been reduced, resulting in an allocation reduction in the Residential Refuse/Recycling Fund 260.

- iv. Authorize an appropriation in the amount of \$40,000 from the Airport Fund 275 to conduct a flight check for various equipment.

In coordination with the Federal Aviation Administration (FAA) and Flight Standards, the Corona Municipal Airport (KAJO) must conduct a flight check of the following equipment: Medium Intensity Runway Edge Lights (MIRL), Runway End Identifier Lights (REIL), and the Visual Approach Slope Indicator (VASI).

- v. Authorize an appropriation reduction in the amount of \$500,000 from the Road Maintenance and Rehabilitation Act (RMRA) Fund 221 and a corresponding appropriation in the same amount from the Measure A Fund 227 for the

Pavement Maintenance and Resurfacing, Operations and Maintenance Project No. 69220.

Funding for this project was originally allocated to RMRA Fund 221. However, after further consideration, this project will be funded with Measure A Fund 227.

- vi. Authorize an appropriation reduction in the amount of \$300,000 from the Road Maintenance and Rehabilitation Act (RMRA) Fund 221 and a corresponding appropriation in the same amount from the Measure A Fund 227 for the Miscellaneous Repair and Replacements of Traffic Signals, Operations and Maintenance Project No. 70940.

Funding for this project was originally allocated to RMRA Fund 221. However, after further consideration, this project will be funded with Measure A Fund 227.

- vii. Authorize an estimated revenue increase in the amount of \$200,000 in the General Fund 110 to account for Waste Management's annual contribution towards the City beautification program.

The annual contribution was approved on November 15, 2023, as part of the Second Amended and Restated Franchise Agreement with USA Waste of California, Inc., for solid waste handling services. The estimate was inadvertently excluded from the estimates previously presented on May 21, 2025.

- viii. Authorize one (1) full-time Facilities Supervisor in the Community Services Department, and an appropriation in the amount of \$33,988 in the General Fund 110. Recurring costs will be funded 20% in the salary/benefits budget and 80% through Capital Improvement Projects. The total recurring budget impact for the position is approximately \$169,938.

After further discussions about the City's new enhanced maintenance team (EMT), it was determined that a supervisor level position is necessary to provide direct supervision and direction to the team on project sites.

Recommended action g: City Council and Corona Utility Authority approve the following contract amendments, change orders, and purchase orders for Fiscal Year 2026

- i. Authorize the City Manager, or his designee, to issue purchase orders for the attached list (Exhibit 8) of Information Technology software renewals for Fiscal Year 2026 including any non-substantive extensions, change orders, purchase orders, and amendments up to the lesser of either \$100,000 or 10% of the original contract amount as authorized by Corona Municipal Code Section 3.08.070 (I).

The City utilizes a wide range of software for City operations. In an effort to streamline the procurement process for annual routine software renewals, staff is recommending approval of the attached list of annual renewals. Including a

comprehensive list of items greater than \$55,000 will help to ensure maximum efficiency and savings are realized in the procurement of the annual technology maintenance agreements. The City's ability to continue to use technology is typically tied to the continuation of annual maintenance payments or subscriptions for that technology. Many vendors are the sole providers of support for their products (i.e., software, hardware, and professional services). Due to the nature of the security requirements related to credit card processing and online payment gateways, many financial software vendors have established relationships with specific third-party providers so their products can maintain certifications and ensure that they meet current and future security standards. These relationships result in making those service providers the sole source for that application.

- ii. Authorize the Second Amendment to the Professional Services Agreement with South Coast Automation, Inc., for SCADA Integration Services to extend the term for an additional one-year period at the rates set forth therein and with a total compensation amount of \$700,000 annually.

On June 17, 2020, City Council awarded the Professional Services Agreement to South Coast Automation Systems, Inc. for Supervisory Control and Data Acquisition (SCADA) Integration Services for a five-year term through Fiscal Year 2025. South Coast Automation Systems provides automation, PLC programming, input/output mapping, alarm set up, and ongoing maintenance of the primary components of the SCADA system.

The Utilities Department relies on the SCADA system to monitor and operate all treatment plants, wastewater reclamation facilities, wells, lift stations, booster stations, water storage tanks, select pressure regulating stations, and electric utility wholesale distribution access tariff (WDATs). Throughout the term of the agreement, South Coast Automation Systems has consistently met performance standards, fulfilled expectations, and delivered reliable services.

Staff is requesting a one-year extension of the contract with South Coast Automation Systems to ensure continuity of services while UD and the Purchasing Division issue a new Request for Proposals (RFP) for these services.

- iii. Authorize the Third Amendment to the Professional Services Agreement with Z and K, Inc. for Temporary Staffing Services to extend the term through June 30, 2027 at the rates set forth therein, with a total compensation amount of \$160,000 annually.

On November 2, 2022, the City entered into a Professional Services Agreement with Z and K Consultants, Inc. pursuant to Corona Municipal Code (CMC) Sections 3.08.070 and 3.08.040, utilizing the alternative procurement procedure. Z and K Consultants, Inc. has provided temporary professional staffing services, specifically supporting Project Administrator and Administrative Analyst functions across various capital and operational projects. These services include support

during the planning, budgeting, plan specification and estimates (PS&E), and construction phases.

The consultant's continued involvement has been critical to maintaining continuity on active projects, leveraging their accumulated institutional knowledge and technical expertise.

BASIS FOR EXCEPTION TO COMPETITIVE BIDDING

Staff believes that an exception to competitive bidding is warranted for this purchase pursuant to CMC 3.08.140 (E), which states as follows:

Purpose of bidding is otherwise accomplished. When the purchasing agent and the authorized contracting party, with the approval of the City Manager, determine that it is in the best interest of the city and its administrative operations to dispense with public bidding for non-public projects under this chapter.

Z and K Consultants, Inc. has demonstrated consistent performance and an understanding of the City's unique project needs. Their ongoing participation supports operational efficiency and mitigates potential delays that could arise from onboarding new consultants unfamiliar with the City's systems, procedures, and current project statuses. Accordingly, staff believes it is in the best interest of the City to continue with Z and K Consultants under the amended agreement terms.

Staff requests a purchase order in the amount of \$160,000 annually to Z and K Consultants Inc., for temporary professional staffing services through June 30, 2027.

- iv. Authorize the issuance of a purchase order in the amount of \$175,000, annually, through June 30, 2028 to Ewing Irrigation Products, Inc. for the purchase of irrigation-related materials for parks and special districts.

The City of Corona utilizes Ewing Irrigation for on call as needed irrigation and landscape materials. Ewing irrigation has the staff and knowledge to supply the city with commercial grade irrigation and landscape supplies to maintain its citywide parks and facilities. Ewing Irrigation is a local vendor and has access to provide and deliver the materials in a professional and timely manner the city requires.

- v. Authorize an extension of the Maintenance/General Services Agreement with National Construction Rentals, Inc. for as needed temporary fencing and portable restroom rental services.

The City of Corona utilizes professional contractual services for on-call temporary fencing and portable toilet services throughout its city facilities and parks. These contractual services supply the equipment, materials, and staff needed to conduct

this work in a safe and effective manner. These contractual services are utilized for field renovations and citywide special events.

Recommended action h: City Council and Corona Utility Authority approve the following budget amendments for Fiscal Year 2025

- i. Authorize a continuing appropriation in the amount not to exceed \$2,586,405 in the Measure X Fund 120 from Fiscal Year 2025 to Fiscal Year 2026 for Homeless program activities. The final amount will be determined based on the fiscal year-end balance.

The balance is requested as Housing & Homeless Solutions has been focused on meeting expenditure and reporting deadlines for multiple grants. A few of these grants are connected to the City Net Agreement: \$1 million Corona and \$1 million Norco Santa Ana Riverbed (SAR) grants and an \$800,000 Norco SAMHSA grant. Not meeting these deadlines would have resulted in the recapture of funds.

The County of Riverside and the cities of Corona and Norco approved the SAR grants retroactively to allow the cities to leverage city dollars that would have otherwise been spent in the SAR as part of addressing fire hazards, swift water rescues, wildlife habitat and trail destruction, as well as other homeless encampment issues in the SAR in both cities. Corona's SAR grant was fully expended by the County's May 15th deadline with Corona being eligible to receive \$114,580 of Norco's unexpended SAR funds. This allocation opportunity is pending budget modification approval by the County of Riverside.

Now that the grant cost allocation and invoice reconciliation process has been completed, the FY 2025 Measure X funds that City Council previously approved as part of the 2025 budget for City Net need to be added to the City Net agreement to cover homeless services and activities not covered by the grants in Corona during FY 2025. The term of the existing City Net agreement is July 1, 2022 to September 30, 2025. The FY 2025 Measure X funds that were budgeted for this agreement need to be added to cover eligible contract activities such as outreach, engagement, shelter, and housing services that were conducted in FY 2025 and not eligible for reimbursement from the grants. Any funds not used for FY 2025 activities will be used to support FY 2026 activities already authorized by the Council as part of the City Net agreement or the Homeless Strategic Plan.

- ii. Authorize a continuing appropriation in the amount not to exceed \$304,576 in the Measure X Fund 120 from Fiscal Year 2025 to Fiscal Year 2026 for program expenditures related to the City Brand Implementation in the Communications Division. The final amount will be determined based on the fiscal year-end balance.

Creating a sense of place is a fundamental element of the City's Strategic goals. The City's Brand Implementation efforts are underway and will continue through FY 2026.

- iii. Authorize a continuing appropriation in the amount not to exceed \$172,950 in the Measure X Fund 120 from Fiscal Year 2025 to Fiscal Year 2026 for the Economic Development Department. The final amount will be determined based on the fiscal year-end balance.

These funds couldn't be spent – not for lack of need, but due to the limited staffing and capacity within the Economic Development Department. Rather than requesting an increase to the overall budget, this request simply allows for unspent funding to be retained and used for its intended purpose such as the South Mall opening and the North Mall pre-development and entitlement work.

- iv. Authorize a continuing appropriation in the amount not to exceed \$1,376,862 (\$509,241 in the General Fund 110 and \$867,621 in the Measure X Fund 120) from Fiscal Year 2025 to Fiscal Year 2026 for multiple items in the Fire Department and Information Technology Department. The final amount will be determined based on the fiscal year-end balance.

The Fire Department is requesting continuing appropriations for the following items:

- Professional and Contractual Services in the amount of \$56,303 for the Training and Safety Division. Physical and wellness fitness tests with the Riverside Medical Center remain pending.
- Conference, Training, and travel in the amount of \$37,432 for the Training and Safety Division. This funding will support various conferences and trainings such as boat training, USAR quarterly drills, and Captains Leadership Training that are scheduled beyond the current fiscal year due to timing constraints.
- Live Burn Training Prop Project in the amount of \$318,100 for the Training and Safety Division. The soil sample has been taken, and the Fire Department and Purchasing teams are currently working on the RFP.
- Professional and Contractual Services in the amount of \$17,425 for the Fire Prevention Division. There are still outstanding bills with Interwest for Fire System Plan Reviews, as well as pending invoices for fireworks enforcement and weed abatement services. In addition, a wildfire mitigation plan project is currently in progress.
- Conference, Training, and Travel in the amount of \$6,765 for the Fire Prevention Division. Various conferences and trainings are scheduled beyond the current fiscal year due to timing and scheduling constraints.
- Public Safety Radio Communication in the amount of \$9,013 for the Operations and Suppression Division. The City will fully transition to PSEC. The Department has coordinated with the County, and invoices may be received before the fiscal year-end or may overlap into the new fiscal year.

- Equipment Maintenance in the amount of \$14,574 for the Operations and Suppression Division. Invoices for a large ladder purchase from LN Curtis remain outstanding due to supply chain delays. The order was placed in October 2024.
- Professional and Contractual Services in the amount of \$81,992 for the Operations and Suppression Division. CAL FIRE Wildland Protection Agreement (WPA) billing and administration fees are still pending from the County of Riverside.
- Computer Equipment and Software in the amount of \$30,849 for the Operations and Suppression Division. The Fire Department deploys a variety of technology hardware that includes cell phones and tablets, both on Android and IOS platforms. Additional technology that needs a formalized replacement schedule includes drones, VR, and ATAK. The IT Department supports the software and SAS functions of the platforms, not the hardware. This line item establishes the year-over-year replacement of the actual devices, hence the need for continued support through the rollover of this line item.
- American Medical Response (AMR) Enhancement Funds in the amount of \$243,496 for the Emergency Medical Services Division. The 2022-2023 AMR Enhancement Funds were Council-approved (5/1/24) as a part of the FY 2024 Quarter 3 budget adjustment. Funds will go towards Emergency Medical Services (EMS) Skills Lab Educational Tools/Resources, Enhanced Training (Non-Personnel), Enhanced Training (Personnel), and Homeless Solutions (Personnel). The funds from the 2022-2023 AMR Fee Distribution are provided under the contractual obligation with the Riverside EMS Agency and spent solely on the EMS system enhancements.
- Minor Equipment and Furniture in the amount of \$29,550 for the Emergency Medical Services Division. The funds were scheduled to be used to replace and reconfigure the Fire Department's Emergency Medical Services (EMS) equipment bags. The prospective new equipment failed during field testing, causing the purchase of this equipment to be delayed until FY 2026.
- Job Required Certificates and Licenses in the amount of \$12,692 for the Emergency Medical Services Division. Emergency Medical Technician (EMT) and Paramedic recertifications, as well as new Paramedic licensing, are required for newly hired staff.

The Fire Department and Information Technology (IT) Department are requesting continuing appropriations for the following item:

- CAD Dispatch Services in the amount of \$518,671.61 for the Mobile Data Computer Division within the Information Technology Department. The City Council approved a Fire Dispatch and Emergency Communications Services agreement between the Cities of Corona and Ontario in FY 2022. Approval included the appropriation of short-term/one-time costs from the Measure X Reserve (Public Safety) to the Fire Department's operating budget. Recurring costs were budgeted in the IT budget in FY 2023. Dispatch transition was delayed due to the onboarding of a new CAD operator. The Fire and the IT

Departments are requesting to roll over the remainder of the unspent funds from FY 2025 to FY 2026 to continue the efforts of implementation.

- v. Authorize a continuing appropriation in the amount not to exceed \$16,335 in the Measure X Fund 120 from Fiscal Year 2025 to Fiscal Year 2026 for the Lobby Refresh project in the Planning and Development Department. The final amount will be determined based on the fiscal year-end balance.

This project was approved and funded as part of the FY 2024 budget and adopted by City Council. The last item of the project is a mural for the lobby. The Planning & Development Department is working with the Communications team on the design.

- vi. Authorize a budgetary transfer in the amount of \$30,000 from the Animal Control Fire Alarm System Capital Improvement Project No. FC-2025-02 to the Police Department Locker Room/Facility Expansion Capital Improvement Project No. FC-2024-03 within the Measure X Fund 120.

Staff requests the transfer of funds from the Alarm Control Fire Alarm Project to the Police Department Locker Room/Facility Expansion Project due to urgent facility needs. The current women's locker room lacks sufficient locker space and an adequate number of showers to accommodate employees, creating functional and operational challenges. Addressing these deficiencies is a higher immediate priority to support health, safety, and user capacity requirements. Reallocating funds will enable timely improvements and ensure the facility meets current demand.

- vii. Authorize an appropriation in the amount of \$300,000 from the Water Utility Fund 570 to the Waterline Infrastructure Operating and Maintenance Project No. 71930.

The Waterline Infrastructure Operating and Maintenance Project has incurred unanticipated expenses due to two significant events that exceeded original budget projections. In March 2025, a major failure occurred on a 30-inch transmission water main located at South Promenade Avenue, south of Sampson Avenue. Emergency repairs were required, with total costs estimated at approximately \$300,000. In addition, water main replacement and asphalt patching were performed over a three-month period in connection with the Green Alleys Project along North Merrill Street and North Sheridan Street. These unforeseen expenditures have resulted in a funding shortfall in the budget, impacting the ability to complete scheduled maintenance activities through the end of the fiscal year.

Staff recommends an appropriation of \$300,000 from the Water Utility Fund (Fund 570) to the Waterline Infrastructure Operating and Maintenance Project No. 71930

for FY2025 to support the completion of all remaining water infrastructure maintenance work through the end of the fiscal year.

Recommended action i: Adopt Resolution No. 2025-076, approving the City of Corona Position Library and Compensation Plan and repealing all prior Plans, including Resolution No. 2025-038, effective June 14, 2025

State regulations for public employers require disclosure of position classifications and corresponding compensation. In an effort to ensure position compliance updates and for even greater transparency, the City Council regularly adopts and updates the Position Library and Compensation Plan, a document that includes a list of all authorized employment positions for the City and their corresponding compensation ranges (“Plan”).

The Plan provides added organizational efficiency and permits departments to continue streamlining operations without impacting service levels. Additionally, it allows members of the public to see what any given position, even those not currently filled, is paid. To this end, it is essential to note that this document is strictly a resource of all employment positions, and the positions listed will not necessarily be budgeted or funded in any given fiscal year. A list of full-time budgeted positions is located on the City’s website and within the City’s Operating Budget.

Updates to the City of Corona Position Library and Compensation Plan have been modified to reflect newly added positions for Fiscal Year 2026 based on the needs of the organization, as well as two new positions for Fiscal Year 2025: Recycling & Program Specialist I and Recycling & Program Specialist II.

FINANCIAL IMPACT:

Recommended actions a, b, c, d, and e: FY 2026 Budget Resolutions and Annual Appropriations Limit

Recommended actions a, b, c, d, and e will adopt the budget for Fiscal Year 2026 for each of the City’s authorities and approve the annual appropriations limit calculation. The total expenditures for all Governmental, Proprietary, and Agency funds in Fiscal Year 2026 is \$456,297,373. The City’s appropriations subject to the limit, based on the annual appropriations limit (a.k.a. Gann Limit) are \$200,810,708. With an appropriations limit of \$783,318,153, the City of Corona’s proposed expenditure budget is \$327,020,780 under the appropriations limit. Approval of the resolutions will not result in any additional financial impacts.

Recommended actions f: Budget Adjustments for Fiscal Year 2026

The Fiscal Year 2026 financial impacts for this recommended action are shown below. There is sufficient fund balance or working capital in each of the respective funds for approval of the recommended actions. Once authorized by the City Council and the Corona Utility Authority, the items will be incorporated into the FY 2026 Adopted Budget.

Fund	Appropriations	Offsetting Revenue	Net Impact Total
General Fund (110)	208,988	200,000	8,988
Road Maint. and Rehab Act Fund (221)	(800,000)		(800,000)
Gas Tax Fund (222)	106,830	-	106,830
Measure A Fund (227)	800,000		800,000
Abandoned Vehicle Abatement Fund (241)	6,031	-	6,031
NPDES Fund (245)	40,248	-	40,248
Residential Refuse/Recycling Fund (260)	(19,229)	-	(19,229)
Airport Fund (275)	46,352	-	46,352
Corona Housing Authority Fund (291)	10,074	-	10,074
CDBG Fund (431)	728	-	728
Successor Agency Fund (475)	1,980	-	1,980
Reclaimed Water Utility Fund (567)	11,538	-	11,538
Water Utility Fund (570)	655,704	-	655,704
Sewer Utility Fund (572)	466,000	-	466,000
Direct Access Electric Utility Fund (576)	13,924	-	13,924
Transit Service Fund (577)	13,322	-	13,322
Greenfield Electric Utility Fund (578)	44,176	-	44,176
Warehouse Fund (680)	12,346	-	12,346
Information Technology Fund (681)	286,989	-	286,989
Fleet Operations Fund (682)	76,971	-	76,971
Total	\$ 1,982,972	\$ 200,000	\$ 1,782,972

Recommended actions g: Contract amendments, change orders, and purchase orders for Fiscal Year 2026

The budget for this recommended action is already included in the FY 2026 Proposed Budget. No additional financial impact is associated with this recommended action.

Recommended actions h: Budget Adjustments for Fiscal Year 2025

The Fiscal Year 2025 financial impacts for this recommended action are shown below.

Fund	Appropriations	Offsetting Revenue	Net Impact Total
Water Utility Fund (570)	300,000	-	300,000
Total	\$ 300,000	\$ -	\$ 300,000

Recommended actions i: City of Corona Position Library and Compensation Plan

No additional financial impact is associated with this recommended action.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action adopts the City’s FY 2026 budget, and makes other budgetary and contract amendments, and there is no possibility that approval of the report will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: JULIE KENNICUTT, DEPUTY FINANCE DIRECTOR

REVIEWED BY: KIM SITTON, FINANCE DIRECTOR

ATTACHMENTS:

1. Exhibit 1 – Fiscal Year 2026 Proposed Budget
2. Exhibit 2 – Fiscal Year 2026-2035 Proposed Capital Improvement Plan
3. Exhibit 3 – Resolution No. 2025-071, City Council Budget Resolution for Fiscal Year 2026
4. Exhibit 4 – Resolution No. 2025-072, Corona Utility Authority Budget Resolution for Fiscal Year 2026
5. Exhibit 5 – Resolution No. 2025-073, Corona Public Financing Authority Budget Resolution for Fiscal Year 2026
6. Exhibit 6 – Resolution No. 2025-074, Corona Housing Authority Budget Resolution for Fiscal Year 2026
7. Exhibit 7 – Resolution No. 2025-075, Annual Appropriations Limit for Fiscal Year 2026
8. Exhibit 8 – Fiscal Year 2026 IT Renewal Items
9. Exhibit 9 – Southcoast Automation – Second Amendment to Professional Services Agreement
10. Exhibit 10 – Z & K Consultants, Inc. – Third Amendment to Professional Services Agreement

11. Exhibit 11 – National Construction Rentals, Inc. – Second Amendment to Maintenance/General Services Agreement
12. Exhibit 12 – Resolution No. 2025-076 Position Library and Compensation Plan
13. Exhibit 13 – Position Library and Compensation Plan - Clean