

**CITY OF MURRIETA, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**



CITY COUNCIL

Lori Stone, Mayor
Cindy Warren, Mayor Pro-Tem
Lisa DeForest, Councilmember
Jon Levell, Councilmember
Ron Holliday, Councilmember

CITY MANAGER

Kim Summers

City of Murrieta

**Annual Comprehensive Financial Report
For the Year Ended June 30, 2024**

Table of Contents

Introductory Section:

Letter of Transmittal i
List of Principal Officers xiv
Organizational Chart xv
GFOA Certificate of Achievement for Excellence in Financial Reporting xvi

Financial Section:

Independent Auditor's Report 1
Management's Discussion and Analysis 5
Financial Statements
 Government-Wide Financial Statements
 Statement of Net Position 19
 Statement of Activities 20
 Fund Financial Statements
 Balance Sheet – Governmental Funds 21
 Reconciliation of the Balance Sheet of Governmental Funds to the
 Statement of Net Position 23
 Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Governmental Funds 24
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities 26
 Statement of Fund Net Position – Proprietary Funds 27
 Statement of Revenues, Expenses, and Changes in Fund Net Position –
 Proprietary Funds..... 28
 Statement of Cash Flows – Proprietary Funds 29
 Statement of Fiduciary Net Position 30
 Statement of Changes in Fiduciary Net Position 31
Notes to the Financial Statements 32

Required Supplementary Information:

Schedule of Proportionate Share of the Net Pension
 Liability – Miscellaneous 84
Schedule of Contributions – Miscellaneous 85
Schedule of Proportionate Share of the Net Pension
 Liability – Safety 86
Schedule of Contributions – Safety 87
Schedule of Changes in the Net OPEB Liability and Related Ratios 88
Schedule of Contributions – OPEB 89
Budgetary Comparison Schedule – General Fund 90
Budgetary Comparison Schedule – Fire District Special Revenue Fund 91
Budgetary Comparison Schedule – Federal Grants Special Revenue Fund 92

City of Murrieta

**Annual Comprehensive Financial Report
For the Year Ended June 30, 2024**

TABLE OF CONTENTS, (Continued)

Notes to Required Supplementary Information 93

Supplementary Information:

Consolidating Schedule of Balance Sheet By Sub Fund –
General Fund 94

Consolidating Schedule of Revenues, Expenditures, and Changes in
Fund Balance by Sub Fund – General Fund 96

Nonmajor Governmental Funds:

Combining Balance Sheet –Nonmajor Governmental Funds 98

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balance – Nonmajor Governmental Funds 104

Budgetary Comparison Schedule – Special Revenue Fund
State Gas Tax 110

Budgetary Comparison Schedule – Special Revenue Fund
Measure A 111

Budgetary Comparison Schedule – Special Revenue Fund
Air Quality Management District 112

Budgetary Comparison Schedule – Special Revenue Fund
Block Grants 113

Budgetary Comparison Schedule – Special Revenue Fund
Seized Assets Forfeitures 114

Budgetary Comparison Schedule – Special Revenue Fund
Supplemental Law Enforcement Services Fund (SLESF) 115

Budgetary Comparison Schedule – Special Revenue Fund
Murrieta Public Library 116

Budgetary Comparison Schedule – Special Revenue Fund
National Pollutant Discharge Elimination System (NPDES) 117

Budgetary Comparison Schedule – Special Revenue Fund
Reimbursement Agreement Fund 118

Budgetary Comparison Schedule – Special Revenue Fund
TUMF 119

Budgetary Comparison Schedule – Special Revenue Fund
Housing Authority 120

Budgetary Comparison Schedule – Special Revenue Fund
Community Services District 121

Budgetary Comparison Schedule – Special Revenue Fund
Road Maintenance and Rehabilitation Account 122

Budgetary Comparison Schedule – Special Revenue Fund
Other Grants 123

Budgetary Comparison Schedule – Special Revenue Fund
Developer Agreement 124

City of Murrieta

**Annual Comprehensive Financial Report
For the Year Ended June 30, 2024**

TABLE OF CONTENTS, (Continued)

Budgetary Comparison Schedule – Special Revenue Fund Opioid Settlement	125
Budgetary Comparison Schedule – Capital Projects Fund - Community Facilities District	126
Budgetary Comparison Schedule – Capital Projects Fund - Area Drainage	127
Budgetary Comparison Schedule – Capital Projects Fund - South West Road and Bridge	128
Budgetary Comparison Schedule – Debt Service Fund - Citywide Debt Service	129
Budgetary Comparison Schedule – Debt Service Fund - 2016A LARB	130
Budgetary Comparison Schedule – Debt Service Fund - 2016B LARB	131
Budgetary Comparison Schedule – Debt Service Fund - Town Hall Association	132
 Internal Service Funds:	
Combining Statement Fund of Net Position – Internal Service Funds	133
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds	134
Combining Statement of Cash Flows – Internal Service Funds	135
 Statistical Section:	
Statistics	136
Net Position By Component	138
Changes in Net Position	139
Fund Balances of Governmental Funds	141
Changes in Fund Balances of Governmental Funds	142
Assessed Value and Estimated Actual Value of Taxable Property	143
Direct and Overlapping Property Tax Rates	144
Principal Property Tax Payers	145
Principal Tax Levies and Collections	146
Ratios of Outstanding Debt by Type	147
Ratios of General Bonded Debt Outstanding	148
Direct and Overlapping Governmental Activities Debt	149
Legal Debt Margin Information	150
Demographic and Economic Statistics	151
Principal Employers	152
Full-Time Equivalent City Government Employees By Function/Program	153
Operating Indicators by Function/Program	154
Capital Asset Statistics by Function/Program	155



THIS PAGE INTENTIONALLY LEFT BLANK

INTRODUCTORY SECTION



THIS PAGE INTENTIONALLY LEFT BLANK



CITY OF MURRIETA

*1 Town Square
Murrieta, CA 92562*

December 12, 2024

Honorable Mayor and Members of the City Council:

The City of Murrieta (City) is pleased to present the Annual Comprehensive Financial Report (ACFR) for the fiscal year that ended June 30, 2024. The information found in this report is provided by the Murrieta City Manager and Finance Department to the City Council and the public to inform those interested in the City's fiscal condition.

The City assumes full responsibility for the completeness and reliability of the information contained in this report and has established a framework of internal controls for this purpose. Because the cost of any internal control should not outweigh its benefit, internal controls have been designed to provide reasonable, rather than an absolute, assurance that the financial statements will be free from material misstatement.

The independent auditing firm of Rogers, Anderson, Malody, and Scott, LLP has issued an unmodified (clean) opinion on the City's financial statements, indicating they are free from material misstatement and present fairly the financial position and results of operations of the city's various funds and account groups. All disclosures necessary to enable the reader to understand the City's financial activities have been included.

A section titled Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY OF MURRIETA

The City of Murrieta is located in Southwestern Riverside County and encompasses approximately 35.5 square miles. The City of Murrieta was incorporated on July 1, 1991, after voters approved cityhood by an overwhelming margin in November 1990. It is organized as a general law California city and operates under a council/manager form of government.

Murrieta has experienced significant growth since the mid-1980s and was previously one of the fastest-growing areas in California. With a population of approximately 2,500 in 1980, Murrieta is now home to an estimated 109,177 residents.



The Murrieta Community Services District (CSD) was established on July 1, 1993, as a subsidiary of the City of Murrieta to assume functions previously provided by Riverside County Service Area 143. The CSD offers parks and recreation services to the city's residents, as well as street lighting, sweeping, and landscape maintenance services.

The Murrieta Fire District was formed in 1947 as an independent, self-governed special district that provides fire protection services. On July 1, 1993, the district was reorganized as a subsidiary district of the City. Although technically still named Murrieta Fire District, as of April 2017, the Fire District is now referred to as *Murrieta Fire & Rescue*.

The Murrieta Redevelopment Agency (RDA) was established in July 1992. An amended redevelopment plan was adopted in June 1999 in conformity with the City's General Plan. The original RDA plan consisted of approximately 1,127 acres in seven non-contiguous land areas throughout the City. The Plan was amended again in July 2006 to add another 1,193 acres. On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26, which directed the dissolution of all redevelopment agencies in California. The RDA was dissolved and ceased to operate as a legal entity on February 1, 2012. This action has impacted the reporting entity of the City, which had previously reported the redevelopment agency as a blended component unit. Now, the activity of the former RDA is being reported in a fiduciary fund named the Successor Agency to the former Murrieta Redevelopment Agency (Successor Agency) in the City's financial statements through the remainder of the dissolution period. The dissolution period will extend until all recognized obligations of the former RDA are defeased (paid in full). The City elected to create the Murrieta Housing Authority to continue the housing activities of the former RDA. The activity of the Housing Authority is being reported as a special revenue fund.

The Murrieta Public Library officially opened in April 1999, moved to its current location in March 2007, and is under the full authority of the City of Murrieta. The Murrieta Public Library is a welcoming space for all, dedicated to providing free and equitable access to information, services, and technology. The Library is committed to empowering individuals and promoting resilience and a sense of belonging by providing informational, recreational, and educational resources and programs for all ages.

GOVERNANCE

The City is governed by the Murrieta City Council, consisting of five council members under the council-manager form of government. A mayor and mayor pro-tempore are selected as presiding officers by the City Council from amongst the five council members for one-year terms. The City of Murrieta has transitioned to a system where City Council members are elected by district instead of serving "at large."

The City Council appoints the City Manager and City Attorney. The City Manager appoints all other staff positions. The City Council acts as the Board of Directors for the Murrieta Fire District, Community Services District, Library District, Housing Authority, Successor Agency to the former RDA, and Murrieta Financing Authority.

MUNICIPAL SERVICES

The City of Murrieta provides a full range of municipal services to its residents and stakeholders:

- | | |
|-------------------------------------|-------------------------------------|
| Animal Control Services | Library and Arts Services |
| Community Development Services | Park Land Services |
| Economic Development Services | Recreation Services |
| Fire and Emergency Medical Services | Street Construction and Maintenance |
| General City Administration | Traffic Control Services |
| Law Enforcement Services | |

FISCAL AND OPERATING CHALLENGES

In Fiscal Year 2023/24, we saw inflation rates returning toward the normal range of 3% compared to the unprecedentedly high inflation rates of 8.5% in Fiscal Year 2021/22. The Federal Reserve (Fed) addressed the high inflation rates by raising interest rates. While higher interest rates allow for opportunities to reinvest at higher-yield investments, they negatively impact consumer spending since financing costs to purchase a house, car, and other high-ticketed purchases now cost more. The Fed cut interest rates on September 18, 2024, by 50 basis points. This was the first cut in four years. The Fed has reduced interest rates in response to the decline in inflation, with the aim of supporting economic growth and stabilizing the labor market. This reduction in interest rates is expected to encourage increased consumer spending on homes, automobiles, and other significant purchases.

Murrieta’s unemployment rate of 4.3% as of September 2024 was lower than the County and State's 5.6% and 5.3%, respectively. These rates are very comparable to the rates stated in our report from last year, which shows that the labor market has remained stable. For the City of Murrieta, we are still experiencing recruitment challenges, but the labor pool is improving. We are seeing more qualified candidates for each position that we are recruiting for.

Bond Rating

In recent years, S&P Global Ratings have upgraded the City’s bond indebtedness for the 2020A Lease Revenue Refunding Bond, the Murrieta Successor Agency 2017 Tax Allocation Refunding Bonds, and the 2023 Local Agency Revenue Refunding Bonds. These credit rating upgrades demonstrate the strength of the underlying local economy and the City’s financial condition.

The table below summarizes the recent credit rating upgrades:

Type of Bonds/Debt	Agency	Previous Credit Rating	Current Credit Rating
Lease Revenue Refunding Bonds	City of Murrieta	A+	AA-
Tax Allocation Refunding Bonds	Murrieta Successor Agency	A	A+
CFD Special Tax Refunding Bonds	Murrieta Public Financing Authority	A	A+

Grants

Grant funding is an effective way to maximize our local financial resources to provide more support and services for our residents. Staff actively pursue grant opportunities for capital purchases and expand programs provided to residents and employees. Below is a non-inclusive list of grants the City was awarded during Fiscal Year 2023/24. Many more previously awarded grants were utilized during the fiscal year.

Department/ Program	Grant	Purpose	Amount
Public Works	<i>RCTC MARA Grant</i>	To use the Funds on the Murrieta Hot Springs Widening - Margarita road to SR-79.	\$3,000,000.00
Public Works	<i>FY24 Rubberized Pavement Grant</i>	To help rehabilitate the pavement on Murrieta Hot Springs Rd to Margarita Rd, Los Alamos Rd from Lincoln Ave to the I-215 interchange, Antelope Rd from Mapleton Ave to Heritage Marketplace, Elm St from Adams Ave to Jefferson Ave, and Cherry St from Adams Ave to Jefferson Ave.	\$ 145,720.00
Police	<i>Patrick Leahy Bulletproof Vest Partnership (BVP) – FY 2023</i>	To reimburse the City for purchases of Bulletproof vests for Police Officers.	\$ 1,095.64
Police	<i>OTS Grant</i>	Best practice strategies will be conducted to reduce the number of persons killed and injured in crashes involving alcohol and other primary crash factors.	\$ 210,000.00
Police	<i>Cal DOJ Tobacco Grant</i>	To help reduce illicit sales of Tobacco products to minors.	\$ 134,061.00
Library	<i>Library for All - LSTA Grant</i>	To improve library services and access to information for all types of libraries and communities.	\$ 20,000.00
Library	<i>Lunch at the Library</i>	Collaborate with MVUSD to provide summer outreach services to disadvantaged students through pop-up library programs and activities at their summer meal sites.	\$ 11,700.00
Library	<i>Community Improvement Designation Grant</i>	Funding went to support the Library expansion project	\$ 25,900.00
Homelessness	<i>Housing, Homelessness Incentive Program - HHIP</i>	It aims to improve health outcomes and access to whole-person care services by addressing housing insecurity and instability as social determinants of health for the Medi-Cal population.	\$ 225,716.33
Fire	<i>FY23 Emergency Management Performance Grant Program</i>	Improve emergency preparedness, develop risk-based programs, and address prevention, protection, mitigation, response, and recovery capabilities.	\$ 24,680.00
Fire	<i>FY23 State Homeland Security Program Grant</i>	To reduce the number of serious injuries and fatalities on public roads by establishing a statewide framework for safety.	\$ 15,978.00
City Manager's Office	<i>SB1383 Organic Waste Recycling Grant</i>	To reduce the amount of organic waste that ends up in landfills and to rescue surplus food.	\$ 292,904.00
City Manager's Office	<i>Cal Recycle Beverage Container Recycling Grant</i>	To reduce the amount of litter in beverage containers in Murrieta,	\$ 27,828.00

Achievements

As of the date of this report, the City is honored to have received the following awards and recognitions:

2023 Best City in the Region

Murrieta has been voted the best city in the San Gabriel Valley/Inland Empire region in the Los Angeles Times' Best of the Southland 2023 Survey. Thanks to the dedication and hard work of individuals, businesses, and organizations that consistently contribute to making Murrieta the best place to live, work, and thrive, we are proud to receive this recognition.



2023 Top Workplaces

The City is honored to receive the Top Workplaces award by Inland Empire. This is a testament of the City Council and Management to always strive to move forward in the right direction.

2024 Best City in the Inland Empire

The City is excited to share that Murrieta was voted as the 2024 Best City in the Inland Empire by readers of the Inland Empire Magazine. This is the first time Inland Empire Magazine has ranked the votes. The City of Murrieta continues to provide its residents and businesses with an environment where they can thrive and takes pride in its ability to be a great place for people to live, work, and play.

Fire Accreditation International Recognition

Murrieta Fire & Rescue recently renewed its accreditation status from the Commission on Fire Accreditation International (CFAI). This recognition is a result of Murrieta Fire & Rescue's commitment to excellence, demonstrated through the voluntary self-assessment and accreditation program established by CFAI. Including Murrieta Fire & Rescue, only 22 accredited agencies are in California, and only 308 are worldwide.



ECONOMIC CONDITION AND OUTLOOK

The City of Murrieta has a stable economic future, underscored by the continued growth in FY 2023/24. The City's diverse and close-knit industry clusters have helped create a healthy and sustainable economy that generates optimism for our future.

The City of Murrieta is located at the confluence of the I-15 and I-215 freeways, close to San Diego, Los Angeles, and Orange Counties. This strategic location within Southern California

makes it an attractive destination for businesses and residents and well-positioned to capture a competitive share of regional economic growth.

Since its incorporation in 1991, Murrieta's population has grown substantially, and it was one of the fastest-growing cities in the state from 2000 to 2008. This can be attributed to its excellent climate, affordable homes, outstanding school system, low crime rate, and focus on outdoor living, with 53 City parks and countless recreation programs focusing on creating a community people want to call home. This year, the City saw the return of unparalleled permit applications with various new businesses, new housing, and major new medical developments under review.

The City has seen substantial housing growth in 2024, with 2,774 housing units pending approval, 3,594 units approved, and an additional 2,482 units under construction. This reflects a robust housing market in the city and brings in a new workforce to continue to fill our growing job market.

The unemployment rate has remained low, with Murrieta consistently ranking below the County of Riverside and State of California rates as previously stated. To help with workforce development and the creation of small businesses, the City developed the Murrieta Innovation Center (MIC) in 2014. It provides guidance to prospective business owners and start-up companies and is home to the first Genomics Research Lab in the region, along with ten biotech companies. In 2024, the City had completed design work for the MIC, which included the addition of a wet lab and creative office space. A grant from the US Department of Commerce partly funds this \$3 million investment, and the County of Riverside contributed another \$2.5M to the center. The businesses in the center have performed strongly, all receiving venture capital, grants, or some form of seed funding. Each year, the City of Murrieta accompanies the State of California on an international business recruiting event called Select USA; from this event, the city has signed multiple tenants to join the MIC, and now six international companies have joined the Murrieta Innovation Center.

The City's Economic Development team works closely with the Chamber of Commerce to host workshops, business events, and annual job fairs to attract new businesses and help Murrieta-based enterprises grow and expand in the City.

The City saw significant development interest in 2024. There have been many major new commercial openings, including:

- The Murrieta Hot Springs Resort
- Trader Joe's
- Talia's Kitchen
- Home Depot
- Ross
- Capriotti's
- Wann's Bar & Grill
- Lynn's Buffet
- Best Pizza & Brew
- Tikka Takka Indian Cuisine

Many other successful companies are planning major future expansions, including Nikkiso Cryoquip, Carmax, Driveline, Walmart, and the next phase of the Makena Medical Center with a new Ambulatory Surgery Center. The Murrieta Auto Mall is seeing a resurgence, with a soon-to-be-named auto dealership coming in to complement BMW, Volkswagen, and West Coast Exotic Automobiles. In addition, the final pads in the Auto Mall have been sold to an Auto Group that will bring in a new car dealership.

Medical growth continues to fuel the City's economy, with the following developments coming soon:

- Ambulatory Surgery Center in the Makena Medical site.
- Ambulatory Surgery Center on Hancock west of Rancho Springs Medical Center.

There are many reasons why Murrieta is achieving growth at this pace, and public safety is always at the top of the list. According to FBI statistics, the city has been consistently ranked as one of the top three safest cities in the nation for the last decade among cities with a population of over 100,000 with respect to violent crimes. This exceptional safety rating can be credited to our highly skilled police department and a strong relationship with members of the community who work with the department to prevent and stop crime. Murrieta Fire & Rescue also has a strong bond with the community and is one (1) of the twenty (20) accredited fire departments in California by the Commission of Fire Accreditation International.

Overall, the City's focus on the quality of life for families, public safety, and creating a beautiful environment continues to make Murrieta an attractive location for many families looking to raise their children in a strong, vibrant, and safe community.

FINANCIAL INFORMATION

The City's financial records for general governmental operations are maintained on a modified accrual basis. Revenues are recorded when available and measurable, and expenditures are recorded when the services or goods are received and the liability is incurred.

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of the control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Reporting Entity

This ACFR presents information on the financial position and operations of the City as a single comprehensive reporting entity. The City, Murrieta Fire District, Murrieta Community Services District, Murrieta Public Library, and the Murrieta Financing Authority have been included in this report per criteria established by the Governmental Accounting Standards Board (GASB). The reporting entity consists of all of the funds and account groups of the primary government (the City of Murrieta) and its component units, which are legally separate organizations. Blended component units, which are legally separate from the City but are so intertwined with

the City that they are in substance the same as the City, include the Murrieta Fire District, Murrieta Community Services District, and the Murrieta Public Library.

Long-term Financial Planning

Multi-year financial planning, including adopting a two-year budget and a five-year capital improvement plan (CIP), provides the City Council, departments, and the public with a greater plan regarding ongoing funding and staffing for programs, projects, and services. The City manages a long-term financial plan. The long-term financial plan projects revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables. The two-year budget, five-year CIP plan, and long-term financial plan are processes designed to bring continued transparency to the City's finances, operations, and strategic goals internally with the City Council, City Manager, employees, and departments and externally with residents and businesses.

For Fiscal Years 2023/24 and 2024/25, the City Council adopted a balanced biennial operating budget of \$172,605,264 and \$180,706,542, respectively. As part of the City's budget framework, the City Manager delivers quarterly reports and recommends providing budget updates to the City Council based on revised revenue and expenditure forecasts. The adopted budget provides a sound financial plan and supports the City Council's commitment to fostering quality of life for the residents of Murrieta.

Measure T is a one-percent (1%) general-purpose transaction and use tax (or district sales tax), with revenues going directly to the City of Murrieta. Voters approved Measure T on November 6, 2018. The City began receiving Measure T revenues in April 2019. The City has experienced steady growth, but funding for public safety programs and other essential city services has not kept pace to match the increased demand for these vital services. Measure T provides a local revenue source for increased funding of essential services, including but not limited to public safety services such as neighborhood police patrols, crime prevention programs, improved response times for emergency calls, improved fire protection, and paramedic services, improved public infrastructure, and community facilities and services. In addition, Measure T provides future fiscal sustainability through funding reserves and establishing new sustainability funds. As of June 30, 2024, the district sales tax (Measure T) proceeds were approximately \$28.2 million.

Budget Authority

The City Council approves a two-year operating budget and an annual five-year CIP, with public meetings/hearings conducted before the budget and CIP adoption. When required during the year, supplemental appropriations are also approved by the City Council. Expenditures may not exceed appropriations at the fund level. The City Manager is authorized to approve operating transfers between departments within a fund without limit. All other budget adjustments (increase in appropriation or transferring budget between funds) require City Council approval. The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget.

The City's five-year CIP provides a financial plan to fund the City's critical and essential infrastructure projects. Over five years (FY 2024/25 through FY 2028/29), the City anticipates investing \$110,335,112 in essential assets. Various funding sources provide funding for these projects, including the General Fund, Measure T Fund, Development Impact Fees,

transportation, grants, and reimbursement agreements. The following table summarizes the various funding sources:

SOURCES	
Development Impact Fee Funds	\$ 44,790,759
Transportation Funds	27,473,548
Grant Funds	18,204,274
Measure T	6,836,280
General Fund Capital	4,785,055
Other Funds	3,100,696
Drainage Funds	3,059,524
Redevelopment Agency Bond Proceeds	1,570,294
Reimbursement Agreements	514,692
TOTAL SOURCES	\$ 110,335,122

The CIP reflects the needs of our residents to ensure the streets, bridges, traffic signals, storm drains, public buildings, and parks are well maintained and operated for optimum health and safety, increased efficiency and functionality, enhanced attractiveness, and beautification. The following table summarizes the projected capital uses:

USES	
Streets & Highways	\$ 50,581,611
Bridges	19,580,524
Buildings	14,937,649
Parks	7,828,766
Other Improvements	7,262,156
Storm Drains	6,356,843
Traffic Signals	3,787,573
TOTAL USES	\$ 110,335,122

The CIP document places equal emphasis on planning for new projects and improving and preserving existing capital assets. The City's CIP document includes a list of Capital Improvement Projects by funding source and a list of unfunded Capital Improvement Projects. This is an attempt to identify and quantify the City's true CIP needs not only in the short term but also in the long term. Although the list is comprehensive and reflects a good assessment of the City's needs, it is by no means a complete list, as additional assessments need to be done in the coming years to refine this list, create guidelines to prioritize projects, and prepare a strategic approach to fund and complete these unfunded projects.

The city's website has an electronic copy of its adopted two-year budget and five-year CIP plan, which can be found [here](#).

The CIP plan addresses the City's critical and essential infrastructure projects. During the Fiscal Year 2023/24, the City substantially completed the following CIP projects:

CIP 8513: Veteran's Memorial at Town Square Park \$737,248

The Vietnam War portion of the project was completed and inaugurated during the Veteran's Day parade in November 2023. The estimated total cost of the Vietnam War portion of the

project is \$737,248, and it is currently in the closeout phase. The project is a dignified Veteran's Memorial at Town Square Park reflecting contributions made by veterans from all military branches throughout the history of the United States and acknowledging and honoring the courage, commitment, and heroism demonstrated by all veterans past and present. The inception-to-date cost is approximately \$1.3 million. The proposed additional commitment to the project's next phase is \$600,000.

CIP 10042: Automated Book Bin Sorter Replacement \$165,245

The automated book bin sorter machine was completed in August 2023. The project replaced the current system at the Murrieta Public Library to effectively streamline the process of handling approximately 20,000 books per month.

CIP 13040/13045: Pedestrian Safety Enhancements \$707,382

The project consisted of the installation and retrofitting of crosswalks and intersections to improve access for disabled persons under the Americans with Disabilities Act (ADA) and is funded utilizing Community Development Block Grant (CDBG) and Gas Tax funds in the areas of California Oaks Road and Clinton Keith Road, Bladen Avenue and Hancock Whitewood Avenue; Road Avenida and Acacias, Willowbend Drive, Calle De Tres Amigos, Blackthorne Drive, Day Lily Drive, Via Temprano (N), Via Monserate (N) and Alta Murrieta Apartments Drive. The project was substantially completed in October 2023.

CIP 21023121024: Library Roof Project \$382,144 & Library HVAC Controls Project \$139,580

The project replaced and repaired the 15-year-old roof from the visible wear and tear and leaking issues. The Heating, Ventilation, and Cooling (HVAC) project replaced and upgraded the 15-year-old HVAC control system to improve operational efficiency and save energy. Both projects were substantially completed in November 2023.

CIP 21035: Police Department Administrative Offices Improvements Project \$65,864

The project consists of optimizing existing space for improved ergonomics due to increased staff and optimizing space for more efficient storage of confidential and sensitive documents.

CIP 21040: City Hall Annex Project \$45,323

The project will provide a working space for current and future employees and anticipate housing up to 21 employees. It is estimated to be substantially completed by August 2024. The final project cost will be reported in the following capital improvement budget update.

MAJOR ACCOMPLISHMENTS AND INITIATIVES

The City accomplished various projects and programs that support the City Council's goals and objectives. These accomplishments were completed in addition to performing the day-to-day operating activities required of a city government. The following are the significant initiatives completed this year:

- Received the Distinguished Budget Award from the Government Finance Officer Association for the Fiscal Years (FY) 2023/24 and FY 2024/25 Biennial Budget Report.

- Received the Capital Budget Excellence Award from the California Society of Municipal Finance Officers for the Capital Improvement Plan & Budget for FY 2024/25.
- Received Excellence in Financial Reporting from the Government Finance Officer Association for FY 2022/23 Annual Comprehensive Financial Report.
- Achieved bond rating of A+ in our most recent bond refunding.
- Processing Environmental Impact Report for I-215/Keller Road Interchange with Caltrans.
- Completed hundreds of building and fire inspections for Murrieta Hot Springs Resort throughout the year, which resulted in their opening on January 8, 2024.
- Ranked 1st in “Crimes Against Property” and 3rd in “Crimes Against Persons” in the State of California for cities with a population between 100,000 to 249,999 inhabitants.
- Processing of the Shops at the Triangle. A 279,538 sq. ft. commercial center on approximately 46 acres of the 64-acre specific plan area consisting of 18-22 buildings. The City Council approved a specific plan amendment in the summer of 2024. Plans for a groundbreaking in progress for fall 2024.
- MFR achieved Renewed Accredited Agency Status from the Commission on Fire Accreditation International.
- Signed Newman Hospitality Group to bring four large-scale events to Town Square Park Amphitheater in 2024. The first, Jazz and Blues Festival was a successful event.
- The City hosted two Police Chiefs' Roundtable events in collaboration with the City's risk pool, PERMA, to provide the Police Chiefs in various member agencies with an opportunity to learn and discuss risk management strategies that impact City costs and staffing shortages.
- Completed construction and unveiled the Vietnam Veterans Memorial Wall at Town Square Park at the Veteran's Day Parade.
- Completed initial 2023 implementation items for Housing Element certification, resulting in the Housing Element being certified by State Housing and Community Development (HCD) on 10/26/23.
- Staff worked with RCA/Agencies on the Los Alamos Phase II Sports Park (Soccer project) and are preparing the necessary information to support the required agency permits to grade the property. The Criteria Refinement application to Agencies is planned for submission this summer.
- Permit System: Enterprise Permitting & Licensing (EP&L)—Online permitting is now available to improve customer service.
- Developed and implemented an Alternative Work Schedule policy to allow the City to open for business every Friday.
- Due to overcrowding, a coordinated multi-department effort relocated HR and CSD across Jefferson Ave. in the new City Hall Annex.
- The Police department rolled out the Live911 system, which allows officers to listen to 911 calls in real-time and before they are dispatched, improving response time.

- The City Clerk’s office deployed the new Legistar agenda management system to improve the agenda process and end product.
- The City entered into an MOU with the City of Wildomar to coordinate and provide homeless services.
- Utilizing the \$500,000 in SAMSHA funding awarded by Congress Member Ken Calvert, Baker Tilly was competitively selected as a consultant to create and formalize the Regional Homeless Alliance to create a Homeless Action Plan for the region.
- Facilitated the Trader Joe’s opening in Murrieta and assisted Home Depot with their development in The Orchard shopping center.
- Worked with Western Municipal Water District on new water and road infrastructure in the Madison Corridor to create the opportunity for development of a job corridor west of I-15, east of Jefferson, and south of Murrieta Hot Springs Road.
- Added 20 Flock License Plate Reader (LPR) cameras, with 40 now deployed throughout the city.
- Launched the employee-focused “Be Well Murrieta” wellness program, which incorporates training, unique challenges, and prizes. Two hundred ninety accounts have been activated, and 14,517 challenges have been accomplished by participating employees.
- Assisted Downtown Night Market Events with signage and placement of Meridian barricades to provide a safe pedestrian environment during the Downtown Market Night Events.
- \$3MM in Measure A Regional Arterial funding accepted from Riverside County Transportation Commission for the Murrieta Hot Springs Road widening from Margarita Road to Winchester Road, CIP 8079 (fall 2024).
- The Library began providing passport services, and 180 passports have already been processed.
- Children’s Area Expansion and Storytime Room – Work continues with an architecture firm on the schematic design and detailed cost estimate.
- The Summer 2024 Aquatics Program lasted from June 1 to September 29 at Vista Murrieta High School and offered lap swimming, water exercise, swimming lessons, and public swimming.
- Completed equipment purchase and design for Tot Lot Replacement Project Phase 1, which will construct new playgrounds where none exists today at Northstar Park, Monte Vista Park, and Oak Terrace Park, and replace equipment at Palomar Park. Anticipate awarding of construction contracts by June 2024.
- Completed purchase of equipment, design, and construction bidding for Tot Lot Replacement Project Phase 2, which will result in new tot lot equipment being installed at Alta Murrieta Park, Firefighters Park, Eastgate Park, Rancho Acacias Park, and Sycamore Park.
- Completed the design for installing new lighting for the tennis and pickleball courts at Cal Oaks Sports Park.

- Completed design for construction of two pickleball courts at Firefighters Park. Anticipate construction will be completed by September 2024.
- The City entered into a three-year reimbursement agreement with Riverside County's Flood Control for \$75,000 annually. The first clean-up was held in December 2023 at a Flood Control Property in southwest Murrieta, where 28.8 tons of debris was removed.
- Completed the new Wet Lab, Dry Lab, and Office Space design phase at the Murrieta Innovation Center.
- Launched the department's first-ever Support K9 Program, Simpson.
- Assisted with the Civic Center Surplus Land process, to be completed in spring 2024.
- Helped negotiate four new labor contracts with police, fire, police management, and fire management.

A complete list of Citywide accomplishments can be found on the City's website [here](#).

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Murrieta for its ACFR for the fiscal year ending June 30, 2023. A government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report to be awarded a Certificate of Achievement. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for one year. The City strives to develop an ACFR that will continue to meet the Certificate of Achievement Program's requirements. We believe our current report conforms to the program requirements, and we are submitting it to the GFOA to determine its eligibility for the Certificate of Achievement for Excellence in Financial Reporting.

The preparation and development of this complex report results from the cooperation and dedication of all City staff and the diligent work of the entire Finance Department, particularly Jennifer Terry, Finance Manager, and Ashley Lopez, Accounting Supervisor. I also appreciate the professionalism of the staff of Rogers, Anderson, Malody, and Scott, LLP, who audited this financial report. I would also like to express my appreciation to the City Council for their leadership and support throughout the year and their dedication to the citizens of Murrieta.

Respectfully submitted,



Kim Summers
City Manager



Javier Carcamo
Director of Finance

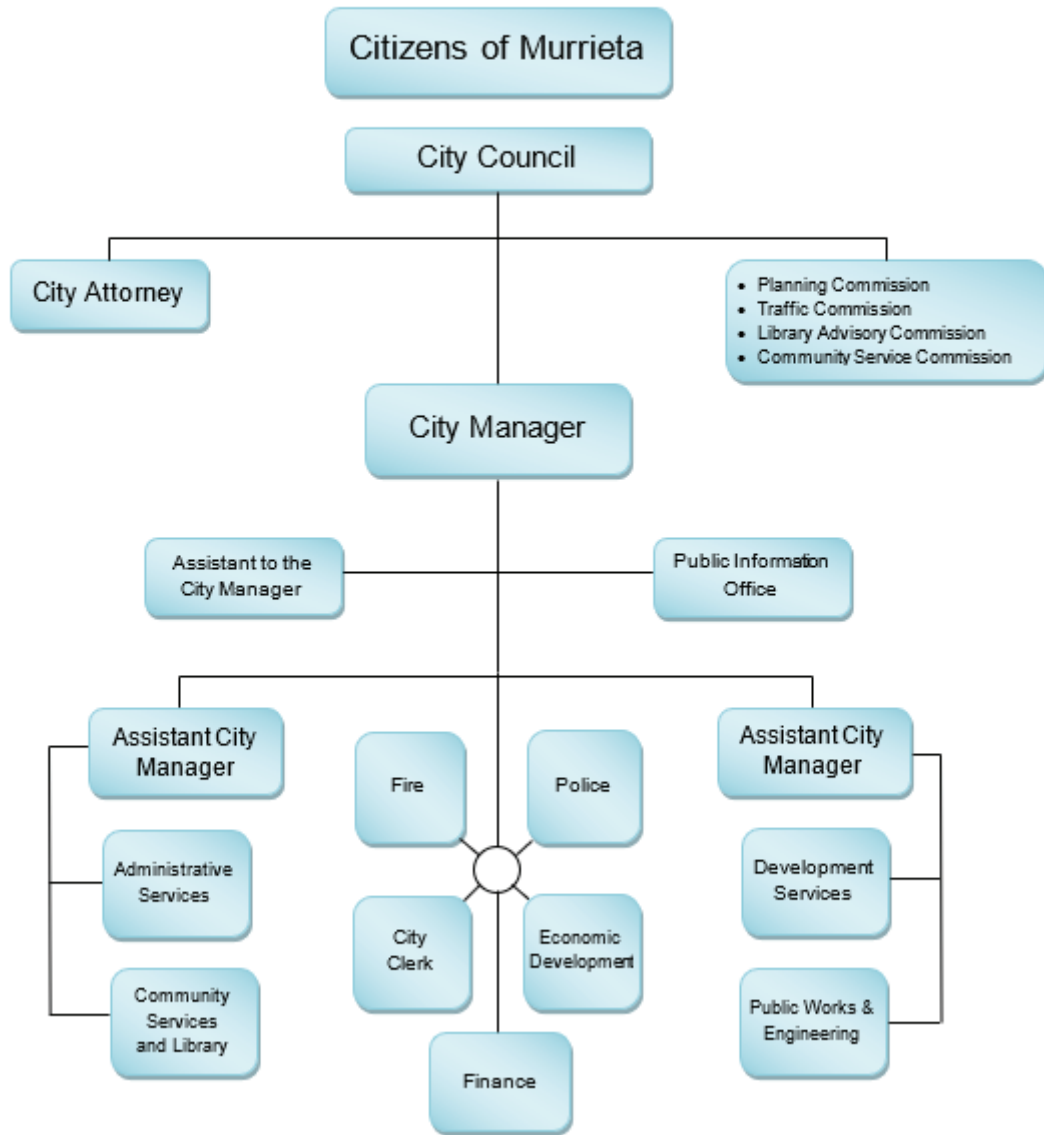


**City of Murrieta
List of Principal Officers**

City Manager	Kim Summers
Assistant City Manager	Kristen Crane
Assistant City Manager	Justin Clifton
Administrative Services Director	Diego Chavez
City Attorney	Tiffany Israel
City Clerk	Cristal McDonald
Community Services Director	Brian Ambrose
Development Services Director	David Chantarangsu
Economic Development Director	Scott Agajanian
Director of Finance	Javier Carcamo
Director of Public Works/City Engineer	Bob Moehling
Fire Chief	Bernard Molloy
Police Chief	Anthony Conrad



City of Murrieta Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Murrieta
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



THIS PAGE INTENTIONALLY LEFT BLANK



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

Independent Auditor's Report

PARTNERS

Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)
Terry P. Shea, CPA (Partner Emeritus)

City Council Members
City of Murrieta
Murrieta, California

To the Honorable City Council

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Murrieta (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As described in Note 1 to the financial statements, in the year ended June 30, 2024, the City adopted new accounting guidance under Statement of Governmental Accounting Standards Board (GASB Statement) No. 100, *Accounting Changes and Error Corrections*. Our opinions are not modified with respect to this matter.

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA
Monica Wysocki, CPA
Jacob Weatherbie, CPA, MSA
Bolim Han, CPA, MAcc
Anny Gonzalez, CPA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants



Proud Member of
AlliottGlobalAlliance™

As described in Note 19 to the financial statements, the fund balances of certain funds and net position of governmental activities at July 1, 2023 were restated for the correction of an error. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of proportionate share of the net pension liability for the miscellaneous and safety plans, the schedules of plan contributions for the miscellaneous and safety plans, the schedule of changes in the net OPEB liability and related ratios, schedule of contributions for OPEB and the budgetary comparison schedules for the General Fund and major Special Revenue Funds, identified as required supplementary information in the accompanying table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report (ACFR). The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino,
December 12, 2024

City of Murrieta

**Management’s Discussion and Analysis
For the Year Ended June 30, 2024**

As management of the City of Murrieta, we offer readers of the City of Murrieta’s financial statements this narrative overview and analysis of the City’s financial activities for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the enclosed letter of transmittal and basic financial statements.

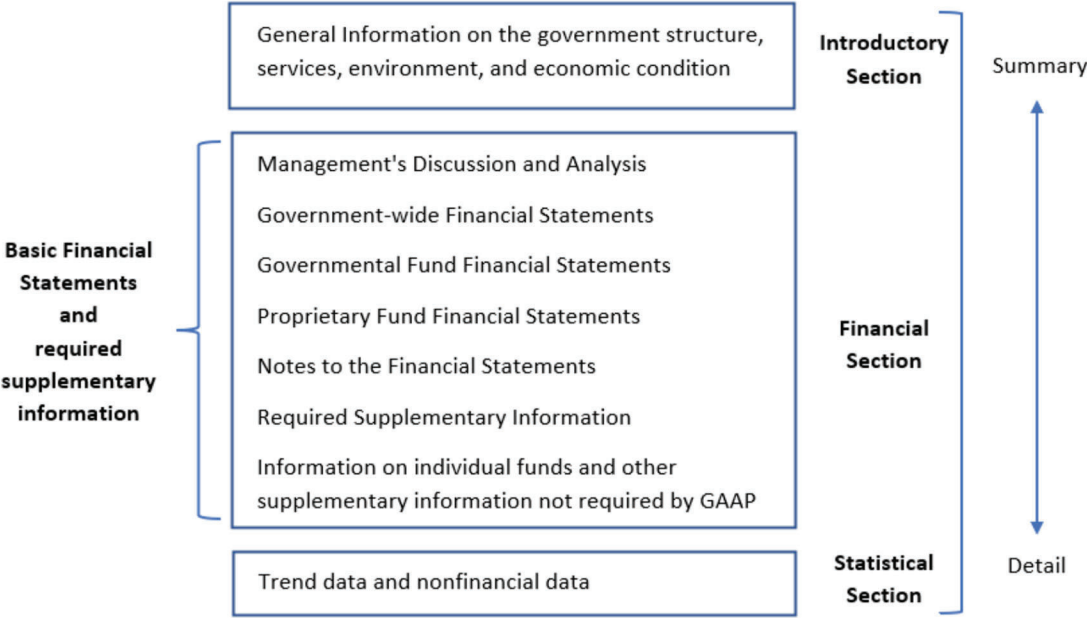
FINANCIAL HIGHLIGHTS

Programs and general revenues	\$ 173,354,606
Cost of governmental activities	<u>(156,934,595)</u>
Net revenues over expenditures	16,420,011
Net Position at Beginning of Year, as Restated	<u>558,681,375</u>
Net Position at End of Year	<u><u>\$ 575,101,386</u></u>

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Murrieta’s basic financial statements. The City of Murrieta’s basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

COMPONENTS OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT



Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Murrieta’s finances in a manner similar to a private-sector business.

City of Murrieta

Management's Discussion and Analysis For the Year Ended June 30, 2024

The statement of net position presents information on all of the City of Murrieta's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a valuable indicator of whether the financial position of the City of Murrieta is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City of Murrieta that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Murrieta include general government, public safety, community development, parks and recreation, and public works.

The government-wide financial statements include not only the City but also the Murrieta Financing Authority, the Murrieta Fire District, the Murrieta Community Services District, and the Murrieta Public Library. Although these entities are legally separate, they function, for all practical purposes, as a part of the City. Therefore, they have been included as blended component units as an integral part of the primary government.

Fund financial statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City of Murrieta, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Murrieta can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide statements, governmental fund financial statements focus on near-term and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Murrieta maintains 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Fire District Special Revenue Fund, the Federal Grants Special Revenue Fund, and the Development Impact Capital Project Fund, all of which are considered to be major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the supplementary information section of this report.

City of Murrieta

Management's Discussion and Analysis For the Year Ended June 30, 2024

The City of Murrieta adopted an operating budget for its General Fund and two of the three other major funds. To demonstrate compliance with the budget, a budgetary comparison statement has been provided for the General Fund, the Fire District Fund, and the Federal Grants Special Revenue Fund.

Proprietary Funds

The City of Murrieta maintains only the internal service fund type of proprietary funds. The internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

The City uses internal service funds to account for its Information Technology and Risk Management activities. Because the City does not maintain enterprise-type proprietary funds, all of the internal service funds' activities have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement due to the fact that the resources of those funds are not available to support the City of Murrieta's own programs.

Notes to the Financial Statements

The notes provide additional information essential to fully understanding the data provided in the government-wide and fund financial statements.

Combining Statements

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements.

Government-Wide Financial Analysis

Our analysis in the Management's Discussion and Analysis focuses on the net position (Table 1) of the City's governmental activities reported in the government-wide statements.

City of Murrieta

Management's Discussion and Analysis For the Year Ended June 30, 2024

TABLE 1
NET POSITION
For the years ended June 30, 2024 and 2023

	Governmental Activities		
	2024	2023	Change
Current and Other Assets	\$ 327,141,523	\$ 299,198,009	\$ 27,943,514
Capital Assets, Net	442,471,511	447,446,827	(4,975,316)
TOTAL ASSETS	769,613,034	746,644,836	22,968,198
Deferred Outflows of Resources	52,618,734	50,081,038	2,537,696
Current and Other Liabilities	49,081,383	42,113,359	6,968,024
Long-term Liabilities	187,549,732	182,942,531	4,607,201
TOTAL LIABILITIES	236,631,115	225,055,890	11,575,225
Deferred Inflows of Resources	10,499,267	12,585,317	(2,086,050)
Net Position:			
Net Investment			
In Capital Assets	432,409,678	436,191,370	(3,781,692)
Restricted	133,963,316	123,733,392	10,229,924
Unrestricted	8,728,392	(840,095)	9,568,487
TOTAL NET POSITION	\$ 575,101,386	\$ 559,084,667	\$ 16,016,719

The City's combined net position as of June 30, 2024, as shown in table 1, was \$575,101,386. The City's net position increased by \$16,016,719 compared to the prior fiscal year. The increase in the City's net position is primarily due to a rise of \$25,505,894 in total assets, net of deferred outflows of resources, and an increase of \$9,489,175 in total liabilities, net of deferred inflows of resources. The most substantial growth was seen in the restricted net position, which rose by \$10,229,924, with \$9,107,071 allocated for Public Works. The unrestricted net position rose by \$9,568,487.

Current assets increased by \$27,943,514, or 9.34%, compared to prior year balances. The increase is mostly attributable to the following items: an increase in cash and investments of \$26,183,721 and an increase in the sum of all receivables totaling \$4,400,647.

The capital assets net of accumulated depreciation has decreased by \$4,975,316. The decrease represents the difference between additions, deletions, and depreciation in the current year. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Governmental activities' capital assets are discussed in more detail in the capital asset section of this report, and additional detailed information can be found in the *Notes to the Basic Financial Statements* (Note 6 – Capital Assets).

**Management’s Discussion and Analysis
For the Year Ended June 30, 2024**

Changes in the various components associated with Governmental Accounting Standards Board (GASB) statement 68 *Accounting and Financial Reporting for Pension*, statement 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pension (OPEB)*, and statement 87 *Leases* impacted deferred outflows and inflows, and changes in pension, OPEB and leases liabilities for the year. GASB 68 and GASB 75 pronouncements required the City to record the net pension and OPEB liabilities on the books. The deferred outflows of resources increased by \$2,537,696, while the deferred inflows of resources decreased by \$2,086,050.

Current liabilities increased by \$6,968,024, or 16.55%. The increase is primarily attributable to the increase in compensated absences of \$4,224,298. Another contributing factor to the increase was an increase of \$426,906 in the GASB 96 accounting for software licenses. The remaining increase of \$599,368 came from increasing debt service, note payable, lease liability, and claims and judgment. Accounts payables increased by \$1,658,909, accrued liabilities increased by \$1,585,676, unearned revenue decreased by \$2,136,457 due to recognized grant revenue from the American Rescue Plan Act grant, and the remaining increase of \$606,326 came from other liabilities.

Long-term liabilities such as outstanding debt, leases, employee benefit accruals, claims and judgments, and OPEB liability increased by \$4,607,201, an increase of approximately 2.5% from the prior year. The most significant addition is attributable to the increase in actuarial valuation for OPEB liability of \$6,559,867 and an increase in pension liability of \$7,717,344. Other notable increases were from software licenses and a commercial lease for expanded staff space totaling \$1,626,792. Bonded debt decreased by \$7,584,848 due to annual principal payments and compensated absences reduced by \$3,627,885 as a result of a greater shift in due within one year. All other outstanding debt categories decreased by \$84,069. Debt activities for the governmental funds can be found in the Long-Term Debt section of this report, and additional detailed information can be found in the *Notes to the Basic Financial Statements* (Note 7 – Long-Term Debt).

Approximately 75.0% of the City's net position is a net investment in capital assets (i.e., land, construction in progress, buildings, land & building improvements, parkland improvement, vehicles, equipment, and infrastructure), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending.

The restricted net position represents resources subject to external restrictions and earmarked for a specific purpose. The unrestricted net position represents the resources that may be used to meet the government's ongoing obligations to creditors and services to residents.

Government Activities

The Statement of Activities presents program revenues, expenses, and general revenues in detail.

City of Murrieta

Management's Discussion and Analysis For the Year Ended June 30, 2024

TABLE 2
CHANGES IN NET POSITION
For the years ended June 30, 2024 and 2023

	Governmental Activities		
	2024	2023	Change
REVENUES:			
Program Revenues:			
Charges for Services	\$ 28,113,801	\$ 26,358,037	\$ 1,755,764
Operating Grants and Contributions	9,317,753	7,658,257	1,659,496
Capital Grants and Contributions	15,917,682	27,420,836	(11,503,154)
Total Program Revenues	<u>53,349,236</u>	<u>61,437,130</u>	<u>(8,087,894)</u>
General Revenues:			
Taxes:			
Property Taxes	41,557,398	38,545,304	3,012,094
Sales Taxes	53,880,062	55,580,286	(1,700,224)
Franchise Taxes	5,156,401	4,915,332	241,069
Business License Tax	1,185,824	928,285	257,539
Transient Occupancy Taxes	1,989,170	1,907,457	81,713
Property Transfer Tax	686,263	576,080	110,183
Motor Vehicle License	136,741	113,965	22,776
Investment Income	14,329,611	4,579,089	9,750,522
Gain on Sale of Capital Assets	46,631	21,566	25,065
Miscellaneous	1,037,269	1,082,009	(44,740)
Total General Revenues	<u>120,005,370</u>	<u>108,249,373</u>	<u>11,755,997</u>
TOTAL REVENUES	<u>173,354,606</u>	<u>169,686,503</u>	<u>3,668,103</u>
EXPENSES:			
General Government	20,331,417	17,679,910	2,651,507
Public Safety	84,583,049	72,506,682	12,076,367
Community Development	8,168,208	8,202,449	(34,241)
Parks & Recreation	20,377,781	19,693,193	684,588
Public Works	20,239,187	19,808,063	431,124
Interest on Long-term Debt	3,234,953	2,462,044	772,909
TOTAL EXPENSES	<u>156,934,595</u>	<u>140,352,341</u>	<u>16,582,254</u>
CHANGE IN NET POSITION	<u>16,420,011</u>	<u>29,334,162</u>	<u>(12,914,151)</u>
NET POSITION, BEGINNING OF YEAR, AS RESTATED	558,681,375	529,750,505	28,930,870
NET POSITION, END OF YEAR	<u>\$ 575,101,386</u>	<u>\$ 559,084,667</u>	<u>\$ 16,016,719</u>

The City's combined net position as of June 30, 2024, as shown above in table 2, is \$575,101,386. The City's net position increased by \$16,016,719 or approximately 2.86% compared to the prior fiscal year. The City had a beginning of year restatement of \$403,292, which affected the General Fund and Housing Authority. Additional information can be found in Note 19. This increase occurs when spending is less than the revenues received. There were several reasons for the increase in net position, including improved property taxes, investment earnings, charges for services, and operating and grant revenues.

City of Murrieta

Management's Discussion and Analysis For the Year Ended June 30, 2024

When combining general and program revenues, sales and property taxes make up approximately 55.1% of total revenues, which are the City's two most significant revenue sources. As of June 30, 2024, program revenues totaled \$53,349,236, while general revenues totaled \$120,005,370. Total revenue for the year totaled \$173,354,606, an increase of \$3,668,103 compared to the prior fiscal year. The most noteworthy changes are as follows:

Program revenues decreased by \$8,087,894 to \$53,349,236, or approximately 11.8% from the previous year.

- Charges for services increased by \$1,755,764, or 6.7%, during the fiscal year 2023/24 primarily due to the following: charges for services for Community Development were higher by \$5,956,188 compared to the prior year. Parks and Recreation revenue was steady, with an increase of \$240,963 compared to the prior year. While General Government, Public Safety, and Public Works experienced reductions over the prior year of \$1,109,623, \$857,755, and \$2,474,009, respectively.
- Operating contributions and grant revenue increased in total by \$1,659,496. That represents an increase of approximately 21.7% as compared to last year. The most significant increase occurred in the Parks and Recreation category by \$2,391,347, while General Government decreased by \$1,794,209. Public Safety and Community Development had more moderate increases of \$749,083 and \$313,275, respectively. This year, capital grants and contributions decreased by \$11,503,154, or 41.95%. The decrease is mainly in the Public Works category due to development impact fees and federal and state grants.

General revenues increased by \$11,755,997 to \$120,005,370 in the current year.

- The most significant increase in general revenues was property taxes by \$3,012,094, and investment income by \$9,750,522. This represents an increase of approximately 7.8% in property tax revenues and 212.9% in investment income.
 - The increase in property tax revenue was from new residential and commercial developments and changes in valuation due to existing home sales.
 - The increase in investment income is attributable to the higher investment yields in the City's investment portfolio, Local Agency Investment Fund, and Cash Sweep investment program. Additionally, due to a favorable bond market, the value of our investment portfolio has increased, which required a GASB Statement No. 31 entry, which increased investment earnings by \$3,739,260. The dividends earned through June 30, 2024, in the Cash Sweep investment program total \$5,247,246.
- Transient Occupancy Tax (TOT) increased by \$81,713, or 4.3%, from the prior year. TOT revenues increased slightly over the prior year. This can be attributed to the Murrieta Hot Springs Resort opening for business in February 2024 after being closed to the public for more than thirty years and being run as a Bible college.
- Sales tax decreased by \$1,700,224 or 3.1% from the prior year. Inflation has negatively impacted sales tax generation, particularly in the auto sale, building and construction, and fuel and service station industries. The Federal Reserve has been addressing inflation by managing interest rates, which has an impact on large ticket purchases that require financing.

Total governmental activities expenses increased by \$16,582,254 from \$140,352,341 to \$156,934,595, or approximately 11.8% compared to the prior year.

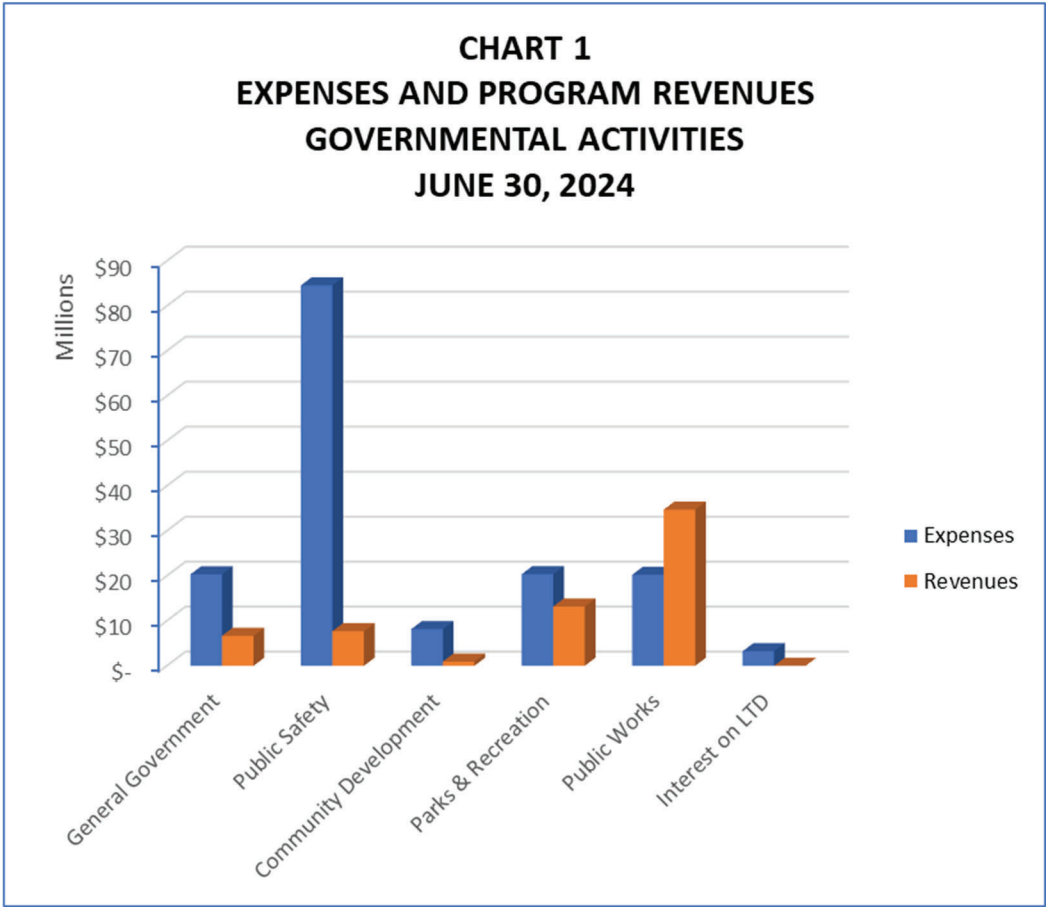
Management’s Discussion and Analysis
For the Year Ended June 30, 2024

- The General Government, Public Safety, Public Works, and Parks and Recreation expense categories experienced an increase in expenditures associated with personnel-related salary and benefits as a result of new labor agreements and increases in operating-related expenses such as legal, contract services, landscape maintenance, and animal control services.

Chart 1 – Expenses & Program Revenues

This chart highlights the cost for each of the City’s five largest programs. General Government, Public Safety, and Community Development are funded with general fund revenues such as taxes, grants and contributions, and other sources. The chart indicates that the overall cost of the government is more than the revenues generated to support it.

Parks & Recreation is primarily funded by Development Impact Fees (DIF), which are, in turn, allocated towards construction capital projects. The operating expenditures for Parks & Recreation are primarily funded by assessments and charges for services, with General Fund revenues providing additional subsidies as needed. The Public Works program is also mainly funded by DIF, capital grants, and contributions, which are used for large capital projects.



City of Murrieta

**Management’s Discussion and Analysis
For the Year Ended June 30, 2024**

Financial Analysis of the City’s Funds

The City of Murrieta uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City of Murrieta’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Murrieta’s financing requirements. In particular, unassigned fund balance may serve as a valuable measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Murrieta’s governmental funds reported combined ending fund balances of \$276,099,682, an increase of \$26,710,713 or approximately 10.71% compared to last year’s governmental funds balance. The change in fund balance for the General Fund column totaled \$16,140,781, broken down by fund as follows.

Fund Title	Change in Fund Balance
General Fund	\$ 10,893,353
Transaction Sales Tax (Measure T)	5,132,987
General Capital Fund	114,692
Traffic Safety Fund	(2,034)
Crime Prevention Fund	(38,899)
Vehicle Replacement Fund	40,682
Total Net Changes in Fund Balance	\$ 16,140,781

Additional information can be found in the consolidating schedule on pages 96 of this report.

The other net changes in fund balances in the governmental funds include an increase of \$4,154,681 for the Capital Project Development Impact Fee fund, \$918,004 for the Fire District fund, and \$5,470,536 for the Non-Major Governmental Funds. The non-Major Government Fund - fund balance includes the Debt Service fund balance of \$1,883,583, which is now reported as a Non-Major Governmental Fund and a beginning balance restatement of \$24,635. The Federal Grant fund's negative unassigned fund balance was reduced by \$26,711 and is due to pending grant reimbursements. The General Fund increased by \$15,762,124 net of a beginning balance restatement of \$378,657. Additionally, Debt Service Fund 2016A LARB was removed from a major fund classification and is now reported as a nonmajor fund.

In accordance with GASB Statement No. 54 (thoroughly discussed in the notes to the financial statements Note 9 - Fund Balance), the combined ending fund balance of \$276,099,682 is broken down as follows:

Governmental Funds

Fund Balance Classification	2024	2023	Change
Non-Spendable	\$ 4,310,607	\$ 4,738,334	\$ (427,727)
Restricted	133,463,316	123,233,392	10,229,924
Committed	86,200,190	51,229,664	34,970,526
Assigned	52,482	57,042	(4,560)
Unassigned	52,073,087	70,533,829	(18,460,742)
Total Fund Balance	\$ 276,099,682	\$ 249,792,261	\$ 26,307,421

**Management’s Discussion and Analysis
For the Year Ended June 30, 2024**

The non-spendable category represents that portion of fund balance that cannot be spent because it is either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. The restricted category represents that portion of fund balance that reflects constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws/regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. The committed category represents that portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the City of Murrieta’s highest level of decision-making authority (City Council) and remains binding unless removed in the same manner. The assigned category represents that portion of fund balance that includes amounts constrained by the City of Murrieta’s intent to be used for specific purposes that are neither restricted nor committed. The intent was established at either the highest level of decision-making or by an official designated for that purpose, typically through the adoption of the Budget. The remaining category, unassigned, is that portion of fund balance that does not fall into one of the four other categories and may only be reported as a positive number in the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned, it may be necessary to report a negative unassigned fund balance.

General Fund

For the financial statement presentation, the General Fund column includes the following funds: General Fund, Measure T Fund, General Capital Fund, Traffic Safety Fund, Crime Prevention Fund, and Vehicle Replacement Fund. At the end of the fiscal year, the General Fund’s revenues exceeded expenditures, including other financing sources (uses) of \$16,140,781, thereby increasing the General Fund balance at the end of June 30, 2024, to \$142,929,305.

General Fund revenues increased by \$6,456,663 to \$106,589,682, including transfers and proceeds from sale of assets, compared to the prior year. The increase is primarily attributable to an increase of \$7,619,682 in the Use of Money and Property, an increase in Taxes of \$510,151, and an increase of \$497,887 in Transfers In. Conversely, other revenue types saw reductions over the prior year: License and Permits decreased by \$285,875, Intergovernmental Revenues decreased by \$779,096, and Charges for Services decreased by \$1,010,667. Lastly, the remaining revenue categories declined by approximately \$95,419.

The increase in the Use of Money & Property is due to two factors. The first is an increase in investment income associated with the City’s investment portfolio and short-term investment through the City’s sweep account. The investment income increase is approximately \$2,220,165. The other component is associated with the accounting required by GASB 31 to recognize unrealized gain or loss of securities that weren’t sold or matured at year-end. The change in recognition of unrealized gain or loss of securities accounts over the prior year is \$5,394,189. During the fiscal year, the value of fixed-income securities, like the ones in the city’s portfolio, have an inverse relationship to the movement of interest rates. The value of a bond will increase as interest rates decrease. Conversely, the value of bonds decreases when interest rates rise.

General Fund expenditures increased by \$12,224,133 to \$90,448,901, which included transfers out and other financing uses. The increase in expenditures is mainly attributable to Public Safety operations and services by \$6,686,184. Personnel-related expenditures accounted for \$6,315,390 or 94.4% of the increase and the balance of \$370,794 was for operating costs.

The General Government Category increased by \$1,730,906. This increase is associated with personnel-related expenditures of \$1,112,073 and operating costs increases of \$618,834 for special legal and contract services, and building and vehicle maintenance. Transfers out increased by \$1,544,505. The category provides funding to special revenue funds that have operating shortfalls. Public Works and Community Development increased by \$424,187 and \$236,719, respectively. All other expenditure categories increased by \$1,601,631.

City of Murrieta

**Management’s Discussion and Analysis
For the Year Ended June 30, 2024**

The total fund balance includes funds classified as non-spendable in the amount of \$3,742,577, primarily made up of long-term note receivables, long-term advances to other funds, inventory, and prepaid costs, which are not in spendable form. A non-spendable classification means the funds are set aside since those resources cannot be accounted as City funds until collected or, in the case of inventory and prepaid, until it is used or goods/services received.

The restricted fund balance of \$137,371 represents cash in an escrow account for the streetlight retrofit project, and partial annual debt service obligation by the General Fund. Additional information regarding the capital lease can be found on Note 7 - Capital Lease Liability on page 54 of this report.

Committed funds totaled \$86,200,190. These funds are slated for capital projects, continuing appropriations, economic contingency reserves, operating reserves, pension rate stabilization reserves, fleet replacement reserves, and facility replacement reserves. It includes an operating reserve of \$20,416,330 from the General Fund and \$9,147,847 from the Measure T fund, of which \$4,215,039 is set aside to fund the Fire District, Community Services District, and Library operating reserves at an average level of 31.8%. The combined operating reserve of \$29,564,177 is approximately 30% of the annual operating budget. The operating reserve is established by a City Council policy to provide sufficient cash flow and resources to pay the annual debt and obligated long-term debt requirements and to maintain City operations should a catastrophic event such as a natural disaster or an economic or legislative change occur that might have an adverse impact to the City’s financial position. The current operating reserve policy requires a 25% reserve. The committed fund balance includes a \$8,382,884 economic contingency reserve, \$9,000,000 pension and other post-employment benefit trust reserves, \$8,355,258 fleet replacement, \$11,907,850 facilities and equipment reserve, and \$6,025,000 in continuing operations.

The assigned fund balance totaling \$52,482 is set aside for City programs. The second most significant portion of the fund balance is unassigned fund balance in the amount of \$52,796,685. The unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. More detailed information about the City’s fund balance is presented in Note 9 to the financial statements.

General Fund Budgetary Highlights

As customary, Finance staff delivers quarterly budget update reports to the City Council. As necessary, staff recommends budget adjustments to revenue and expenses to align the budget with actual financial activities, unanticipated revenue or expenses, or revised forecasts.

The revised revenue budget for FY 2023/24 totaled \$96,860,003, while actual revenues totaled \$106,589,682, outperforming revenue projections by \$9,729,679. The most significant budgetary variance is in the use of money and property (interest earning), property taxes, intergovernmental revenue, and charges for services categories. While other revenue categories, licenses and permits, and transfers in, licenses and permits, and transfers in experienced a moderate increase when compared to the amended budget. Fines & forfeitures was slightly under budget when compared to the amended budget.

The General Fund Sales & Use tax and Transaction tax were \$679,077 (or two percent) under budget. This coincides with the general economy being down from an extended period of high interest rates, which has affected our new and used auto sales and general goods sales. However, property taxes outperformed the budget by \$2,321,955, primarily due to conservative budgeting and new residential and commercial development. Additionally, franchise taxes and property transfer taxes came in higher than the amended budget by \$504,401 and \$136,263, respectively.

The increase in the use of money and property is primarily due to the extended periods of high interest rates, which have had a positive outcome with higher interest earnings. The General Fund’s portion of interest earnings from the investment portfolio was \$4,770,024. As required by GASB Statement 31 -

City of Murrieta

**Management’s Discussion and Analysis
For the Year Ended June 30, 2024**

Accounting and Financial Reporting for Investments, a non-cash accounting adjustment to record gains or losses in investments either not yet sold or matured. The positive change in the valuation of investment at year-end was \$3,739,260. The value of fixed-income securities may fluctuate with changes in interest rates. As interest rates go up, the market value of the securities may go down, and the reverse is true; when interest rates go down, the market value of the securities may go up. The difference between book value and fair market value is considered an unrealized gain or loss

Licenses and Permits and Charges for Services outperformed its budget by \$54,616 and \$200,721, respectively, due to multifamily housing and commercial developments for permits, plan checks, and inspection services. The Intergovernmental revenue category was \$484,488 higher than the budget primarily due to the collection of deferred payments from the previous fiscal year associated with the intergovernmental agreement for dispatch services.

GENERAL FUND BUDGET TO ACTUAL			
General Fund	Budget	Actuals	Variance
Revenues			
Taxes	\$ 81,979,140	\$ 84,167,091	\$ 2,187,951
Licenses and permits	3,056,075	3,110,691	54,616
Intergovernmental	3,977,620	4,462,108	484,488
Charges for services	4,420,120	4,620,841	200,721
Use of money and property	2,102,880	8,938,220	6,835,340
Fines & forfeiture	479,750	345,917	(133,833)
Miscellaneous revenues	232,466	398,291	165,825
Transfers in	504,108	506,692	2,584
Sales of capital assets	107,844	39,831	(68,013)
Total Revenues	96,860,003	106,589,682	9,729,679
Expenses			
General government	15,351,728	13,617,617	(1,734,111)
Public safety	52,399,168	49,377,354	(3,021,814)
Community development	9,855,404	7,767,694	(2,087,710)
Parks and recreation	2,210,277	1,515,713	(694,564)
Public works	7,554,183	6,487,087	(1,067,096)
Capital outlay	4,028,566	3,851,966	(176,600)
Debt service	46,736	915,701	868,965
Transfers out	11,120,203	6,915,769	(4,204,434)
Total Expenses	102,566,265	90,448,901	(12,117,364)
Net Revenues over Expenses	\$ (5,706,262)	\$ 16,140,781	\$ 21,847,043

The total revised General Fund operating expenditure budget in FY 2023/24 totaled \$102,566,265, while actual expenses at year-end totaled \$90,448,901. The actual operating expenses were \$12,117,364 lower than the budgeted figures. This negative variance (or budgetary savings) comprised of Personnel, Operations & Maintenance, Allocations (or Internal Service Charges), and Transfer Out across the various expenditure functions.

Operations & Maintenance had budgetary savings of approximately \$1.8 million savings across multiple departments in contract services for consultants, contracts, and special legal services. The General Fund has budgetary savings across all departments totaling \$4.3 million. This can be attributed to the time to recruit for vacant positions. The Transfer Out savings of \$4.2 million in this category are primarily due to reduced expenditures and increased revenue in the Fire District, Community Services District (CSD), and Library, which resulted in a lower Transfer In from the General Fund’s District sales tax fund to make the aforementioned district’s fund whole.

City of Murrieta

**Management’s Discussion and Analysis
For the Year Ended June 30, 2024**

Capital assets

At the end of FY 2023/24, the City had capital assets (net of accumulated depreciation) of \$442,471,511, including land, construction in progress (CIP), buildings and improvements, improvements to land, parkland improvements, equipment (including vehicles), infrastructure, leased assets, and right-to-use subscriptions. Current year additions to all asset categories totaled \$13,963,593, while deletions totaled \$4,238,424. The accumulated depreciation increased by \$14,700,485 net of deletions. Capital assets with the most significant increase were in Construction in Progress with \$1,900,926. The asset class with the next most significant increase was Right to Use Subscriptions with \$1,423,381. The capital asset category with the most significant decreases net of depreciation was infrastructure, with \$5,169,246, followed by parkland improvements, with \$1,375,484, and then equipment, with \$1,145,883. The remaining categories had an overall decrease of \$609,010. The decreases were primarily due to current-year depreciation.

Note 6, Capital Assets, on page 53 of this report provides additional information on the city's capital assets.

CAPITAL ASSETS, NET OF DEPRECIATION

	Governmental Activities	
	<u>2024</u>	<u>2023</u>
Land	\$ 178,561,254	\$ 178,561,254
Construction in Progress	12,738,266	10,837,340
Buildings & Improvements	30,567,847	31,411,469
Improvements to Land	1,605,958	1,722,707
Parkland Improvements	15,265,876	16,641,360
Equipment	13,476,470	14,622,353
Infrastructure	186,482,522	191,651,768
Lease Assets	1,884,022	1,532,661
Right-to-use Subscriptions	1,889,296	465,915
Total Capital Assets	\$ 442,471,511	\$ 447,446,827

*More detailed information about the City’s capital assets is presented in Note 1 and Note 6 to the financial statements.

Long-Term Debt

At the end of the current fiscal year, the City of Murrieta had bonded debt and leases outstanding, along with liability for claims and judgments, an obligation for employee post-employment benefits (OPEB), compensated absences payable, and Net Pension liabilities totaling \$203,113,902. The total outstanding debt increased by approximately 5.10% or \$9,857,773 during FY 2023/24. The most significant increase relates to the increase in Net Pension Liability.

The pension (CalPERS) liability increased by \$7,717,344 due to changes in assumptions, differences between expected and actual experiences, differences between projected and actual investment earnings, differences between employer’s contributions and proportionate share of contributions, and changes in employer’s proportion of costs.

**Management’s Discussion and Analysis
For the Year Ended June 30, 2024**

The increase in Other Post Employment Benefits (OPEB) liability of approximately \$6,559,867 is attributed to a reduction in the discount rate from 5.70% to 5.06%, changes in assumptions, and differences between expected and actual experiences. Claims and Judgments related to the City’s general liability and Workers’ Compensation decreased by \$111,058 due to the actuarial valuation of future liability. Compensated absences had an increase of \$570,713 due to an increase in the number of employees and increases in the salary and compensation schedules. The remaining outstanding debt items had an overall decrease of \$4,879,093 primarily due to payment of annual debt service payments.

OUTSTANDING DEBT

	Governmental Activities	
	2024	2023
City Related Debt		
Lease Revenue Bond Series 2020A	\$ 2,214,504	\$ 2,903,446
Leases, Subscriptions & Notes Payable	8,351,960	7,314,398
Net Pension Liability	70,410,154	62,692,810
Claims and Judgments	13,195,313	13,306,371
OPEB Liability	34,621,448	28,061,581
Compensated Absences	7,363,387	6,792,674
Total City Related Debt	136,156,766	121,071,280
CFD Related Debt		
Local Agency Revenue Bond, Series 2022	27,407,136	29,814,849
Local Agency Revenue Bond, Series 2016A	33,510,000	35,900,000
Local Agency Revenue Bond, Series 2016B	6,040,000	6,470,000
Total CFD Related Debt	66,957,136	72,184,849
Total Outstanding Debt	\$ 203,113,902	\$ 193,256,129

*More detailed information about the City’s long-term debt is presented in Note 7 to the financial statements.

Contacting the City’s Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Finance Director Javier Carcamo, Finance Department at:

Finance Department
 City of Murrieta
 1 Town Square
 Murrieta, CA 92562
 (951) 461-6090
JCarcamo@MurrietaCA.Gov

FINANCIAL STATEMENTS



THIS PAGE INTENTIONALLY LEFT BLANK

City of Murrieta

Statement of Net Position June 30, 2024

	Governmental Activities
ASSETS	
Cash and Investments	\$ 272,604,390
Receivables, net:	
Accounts	1,610,357
Taxes	17,354,360
Loans	12,109,134
Accrued interest	2,469,990
Leases	3,171,516
Prepaid Costs	1,218,694
Inventories	83,969
Deposits Held with Others	2,042,873
Due from Other Governments	5,427,637
Land Held for Resale	3,515,665
Restricted Assets:	
Cash and Investments with Fiscal Agents	5,532,938
Capital Assets, Not Depreciable	191,299,520
Capital Assets, Net of Accumulated Depreciation	251,171,991
Total Assets	<u>769,613,034</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred Loss on Refunding	316,440
Deferred Pension-Related Items	36,527,160
Deferred OPEB-Related Items	15,775,134
Total Deferred Outflows of Resources	<u>52,618,734</u>
 LIABILITIES	
Accounts Payable	5,172,118
Accrued Liabilities	5,650,572
Accrued Interest	894,531
Due to Other Governments	5,517
Deposits Payable	11,847,756
Unearned Revenues	9,946,719
Long-term Liabilities, Due Within One Year	15,564,170
Due in More Than One Year:	
Long-term Liabilities	82,518,130
Net Pension Liability	70,410,154
Net OPEB Liability	34,621,448
Total Liabilities	<u>236,631,115</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred Pension-Related Items	2,530,132
Deferred OPEB-Related Items	5,031,962
Deferred Amounts Related to Leases	2,937,173
Total Deferred Inflows of Resources	<u>10,499,267</u>
 NET POSITION	
Net Investment in Capital Assets	432,409,678
Restricted for:	
Community Development:	
Nonexpendable	500,000
Expendable	22,393,683
Public Safety	5,272,184
Public Works	96,393,287
Capital Projects	4,111,142
Public Education and Government	1,278,300
Debt Service	4,014,720
Unrestricted	8,728,392
Total Net Position	<u>\$ 575,101,386</u>

The accompanying notes are an integral part of these financial statements.



THIS PAGE INTENTIONALLY LEFT BLANK

City of Murrieta

Statement of Activities For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
General Government	\$ 20,331,417	\$ 737,081	\$ 2,407,204	\$ -	\$ (17,187,132)
Public Safety	84,583,049	2,600,341	4,010,312	-	(77,972,396)
Community Development	8,168,208	10,981,702	435,336	-	3,248,830
Parks and Recreation	20,377,781	10,463,663	2,464,901	28,734	(7,420,483)
Public Works	20,239,187	3,331,014	-	15,888,948	(1,019,225)
Interest on Long-Term Debt	3,234,953	-	-	-	(3,234,953)
Total Governmental Activities	<u>\$ 156,934,595</u>	<u>\$ 28,113,801</u>	<u>\$ 9,317,753</u>	<u>\$ 15,917,682</u>	<u>(103,585,359)</u>

General Revenues:

Taxes:	
Property Taxes, Levied for General Purposes	25,165,760
Property Taxes, Levied for Fire Safety	16,391,638
Property Transfer Taxes	686,263
Transient Occupancy Taxes	1,989,170
Sales and Use Taxes	53,880,062
Franchise Taxes	5,156,401
Business Licenses Taxes	1,185,824
Motor Vehicle License	136,741
Investment Income	14,329,611
Sale of Assets	46,631
Miscellaneous	1,037,269
Total General Revenues	<u>120,005,370</u>

Change in Net Position	<u>16,420,011</u>
Net Position - Beginning of Year, as Previously Reported	559,084,667
Adjustment - Correction of Error	<u>(403,292)</u>
Net Position - Beginning of Year, As Restated	<u>558,681,375</u>
Net Position - End of Year	<u>\$ 575,101,386</u>

The accompanying notes are an integral part of these financial statements.

City of Murrieta

**Balance Sheet – Governmental Funds
June 30, 2024**

	Special Revenue			Capital Projects
	General	Fire District	Federal Grants	Development Impact
ASSETS				
Pooled Cash and Investments	\$ 132,259,430	\$ 4,935,921	\$ 8,641,027	\$ 57,523,800
Receivables:				
Accounts	1,336,469	64,388	6,455	100,000
Taxes	16,375,673	539,455	-	-
Loans	3,177,228	-	-	-
Accrued Interest	1,786,082	-	-	-
Leases	-	2,566,991	-	-
Prepaid Costs and Other Assets	331,974	31,365	-	-
Inventories	44,899	5,330	-	-
Due from Other Governments	1,697,594	88,269	545,581	-
Due from Other Funds	2,545,950	-	-	-
Land Held for Resale	-	-	-	-
Advance to Other Funds	197,149	-	-	-
Restricted Assets:				
Cash and Investments with Fiscal Agents	61,684	-	-	-
Total Assets	\$ 159,814,132	\$ 8,231,719	\$ 9,193,063	\$ 57,623,800
LIABILITIES				
Accounts Payable	\$ 2,030,264	\$ 144,738	\$ 11,920	\$ 159,848
Accrued Liabilities	3,689,666	1,048,358	-	2,700
Deposits Payable	9,460,521	2,300	-	-
Unearned Revenue	200,000	-	8,580,702	-
Due to Other Governments	701	-	-	4,816
Due to Other Funds	-	-	559,258	-
Advances from Other Funds	-	-	-	197,149
Total Liabilities	15,381,152	1,195,396	9,151,880	364,513
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	1,503,675	22,759	247,544	100,000
Deferred Inflows Related to Leases	-	2,373,215	-	-
Total Deferred Inflows of Resources	1,503,675	2,395,974	247,544	100,000
FUND BALANCES (DEFICITS):				
Nonspendable	3,742,577	36,695	-	-
Restricted	137,371	4,603,654	-	57,159,287
Committed	86,200,190	-	-	-
Assigned	52,482	-	-	-
Unassigned	52,796,685	-	(206,361)	-
Total Fund Balances (Deficits)	142,929,305	4,640,349	(206,361)	57,159,287
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 159,814,132	\$ 8,231,719	\$ 9,193,063	\$ 57,623,800

The accompanying notes are an integral part of these financial statements.

City of Murrieta

Balance Sheet – Governmental Funds (Continued)
June 30, 2024

Total Nonmajor Governmental Funds	Total Governmental Funds
\$ 60,888,208	\$ 264,248,386
93,319	1,600,631
439,232	17,354,360
8,931,906	12,109,134
683,908	2,469,990
604,525	3,171,516
9,192	372,531
22,143	72,372
3,093,193	5,424,637
-	2,545,950
3,515,665	3,515,665
-	197,149
<u>5,471,254</u>	<u>5,532,938</u>
<u>\$ 83,752,545</u>	<u>\$ 318,615,259</u>
\$ 2,713,645	\$ 5,060,415
788,305	5,529,029
2,384,935	11,847,756
1,164,869	9,945,571
-	5,517
1,986,692	2,545,950
-	197,149
<u>9,038,446</u>	<u>35,131,387</u>
2,573,039	4,447,017
563,958	2,937,173
<u>3,136,997</u>	<u>7,384,190</u>
531,335	4,310,607
71,563,004	133,463,316
-	86,200,190
-	52,482
(517,237)	52,073,087
<u>71,577,102</u>	<u>276,099,682</u>
<u>\$ 83,752,545</u>	<u>\$ 318,615,259</u>

City of Murrieta

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2024

Fund Balances - Total Governmental Funds		\$ 276,099,682
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of depreciation (excluding those in the internal service fund) have not been included as financial resources in governmental fund activity.		441,813,213
Long-term debt and compensated absences that have not been included in the governmental fund activity (excluding those in the internal service fund):		
Lease Revenue Bonds	\$ (2,005,000)	
Local Agency Revenue Bonds	(64,780,000)	
Premium	(2,386,640)	
Notes, Leases and Subscription Liabilities	(8,105,260)	
Loss on Refunding	316,440	
Compensated Absences	<u>(7,241,877)</u>	(84,202,337)
Accrued interest payable for the current portion of interest due on bonds are not reported in the governmental funds.		(894,531)
Pension-related debt is not due and payable in current period and accordingly is not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the statement of net position as the changes in these amounts affect only the government-wide statements for governmental activities.		
Deferred Outflows of Resources	36,527,160	
Deferred Inflows of Resources	(2,530,132)	
Pension Liability	<u>(70,410,154)</u>	(36,413,126)
OPEB-related debt is not due and payable in current period and accordingly is not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the statement of net position as the changes in these amounts affect only the government-wide statements for governmental activities.		
Deferred Outflows of Resources	15,775,134	
Deferred Inflows of Resources	(5,031,962)	
Net OPEB Liability	<u>(34,621,448)</u>	(23,878,276)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		4,447,017
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.		<u>(1,870,256)</u>
Net Position of Governmental Activities		<u>\$ 575,101,386</u>

The accompanying notes are an integral part of these financial statements.

City of Murrieta

**Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
For the Year Ended June 30, 2024**

	Special Revenue Funds			Capital Projects
	General	Fire District	Federal Grants	Development Impact
REVENUES				
Taxes	\$ 84,167,091	\$ 16,391,638	\$ -	\$ -
Assessments	-	1,548,599	-	-
Licenses and Permits	3,110,691	14,421	-	-
Intergovernmental	4,462,108	1,004,761	3,130,440	-
Charges for Services	4,620,841	678,176	-	-
Use of Money and Property	8,938,220	289,328	358,489	2,085,566
Fines and Forfeitures	345,917	166,260	-	-
Developer Participation	-	-	-	3,613,297
Miscellaneous	398,291	139,062	-	-
Total Revenues	<u>106,043,159</u>	<u>20,232,245</u>	<u>3,488,929</u>	<u>5,698,863</u>
EXPENDITURES				
Current:				
General Government	13,617,617	-	2,148,261	-
Public Safety	49,377,354	23,201,737	469,930	-
Community Development	7,767,694	-	-	-
Parks and Recreation	1,515,713	-	182,119	-
Public Works	6,487,087	-	-	21,591
Capital Outlay	3,851,966	-	155,243	1,351,913
Debt Service:				
Principal Retirement	831,373	73,887	-	-
Interest and Fiscal Charges	84,328	-	-	-
Total Expenditures	<u>83,533,132</u>	<u>23,275,624</u>	<u>2,955,553</u>	<u>1,373,504</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>22,510,027</u>	<u>(3,043,379)</u>	<u>533,376</u>	<u>4,325,359</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	506,692	3,954,583	-	-
Transfers Out	(6,915,769)	-	(506,665)	(170,678)
Proceeds from Sale of Capital Assets	39,831	6,800	-	-
Total Other Financing Sources (Uses)	<u>(6,369,246)</u>	<u>3,961,383</u>	<u>(506,665)</u>	<u>(170,678)</u>
NET CHANGE IN FUND BALANCES	<u>16,140,781</u>	<u>918,004</u>	<u>26,711</u>	<u>4,154,681</u>
Fund Balances (Deficit), beginning of year	127,167,181	3,722,345	(233,072)	53,004,606
Adjustment - change from major to nonmajor fund	-	-	-	-
Adjustment - correction of error	(378,657)	-	-	-
Fund Balances (Deficit), beginning of year, as restated (Note 19)	<u>126,788,524</u>	<u>3,722,345</u>	<u>(233,072)</u>	<u>53,004,606</u>
Fund Balances (Deficit), end of year	<u>\$ 142,929,305</u>	<u>\$ 4,640,349</u>	<u>\$ (206,361)</u>	<u>\$ 57,159,287</u>

The accompanying notes are an integral part of these financial statements.

City of Murrieta

**Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds (Continued)
For the Year Ended June 30, 2024**

<u>Debt Service Fund</u>			
2016A LARB (formerly major)	Total Nonmajor Governmental Funds	Total Governmental Funds	
	\$ 2,847,305	\$ 103,406,034	
	18,259,339	19,807,938	
	-	3,125,112	
	13,456,743	22,054,052	
	709,693	6,008,710	
	2,544,194	14,215,797	
	14,231	526,408	
	80,912	3,694,209	
	230,898	768,251	
	<u>38,143,315</u>	<u>173,606,511</u>	
	1,138,738	16,904,616	
	806,884	73,855,905	
	31,944	7,799,638	
	15,634,659	17,332,491	
	3,523,486	10,032,164	
	5,459,067	10,818,189	
	6,202,288	7,107,548	
	3,007,550	3,091,878	
	<u>35,804,616</u>	<u>146,942,429</u>	
	<u>2,338,699</u>	<u>26,664,082</u>	
	4,283,110	8,744,385	
	(1,151,273)	(8,744,385)	
	-	46,631	
	<u>3,131,837</u>	<u>46,631</u>	
	<u>5,470,536</u>	<u>26,710,713</u>	
\$ 1,883,583	64,247,618	249,792,261	
(1,883,583)	1,883,583	-	
-	(24,635)	(403,292)	
<u>-</u>	<u>66,106,566</u>	<u>249,388,969</u>	
<u>\$ -</u>	<u>\$ 71,577,102</u>	<u>\$ 276,099,682</u>	

The accompanying notes are an integral part of these financial statements.

City of Murrieta

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ 26,710,713

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Outlays	\$ 14,239,805	
Depreciation and amortization	<u>(18,354,486)</u>	(4,114,681)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. These amounts are the net effect of these differences in the treatments of long-term debt and related items.

Principal Payments	4,401,401	
Amortization of Premium	291,655	
Amortization on Loss on Refunding	<u>(31,644)</u>	4,661,412

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. (389,965)

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (582,364)

Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (7,732,390)

OPEB obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (2,088,114)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. (673,324)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service fund is reported with governmental activities. 628,724

Change in Net Position of Governmental Activities \$ 16,420,011

City of Murrieta

**Statement of Fund Net Position – Proprietary Funds
June 30, 2024**

	Internal Service Funds
ASSETS	
Current Assets:	
Cash and Investments	\$ 8,356,004
Accounts Receivable	9,726
Prepaid Costs	846,163
Inventory	11,597
Due From Other Governments	3,000
Deposits Held with Others	2,042,873
Total Current Assets	<u>11,269,363</u>
Noncurrent:	
Capital Assets, Net of Accumulated Depreciation	<u>658,298</u>
Total Assets	<u>11,927,661</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	111,703
Accrued Liabilities	121,543
Unearned Revenue	1,148
Compensated Absences	92,052
Claims and Judgments	5,509,984
Note Payable	203,561
Total Current Liabilities	<u>6,039,991</u>
Noncurrent:	
Compensated Absences	29,458
Claims and Judgments	7,685,329
Note Payable	43,139
Total Noncurrent Liabilities	<u>7,757,926</u>
Total Liabilities	<u>13,797,917</u>
NET POSITION (DEFICIT)	
Net Investment in Capital Assets	411,598
Restricted for Public, Education, Government	432,860
Unrestricted	(2,714,714)
Total Net Position (Deficit)	<u>\$ (1,870,256)</u>

The accompanying notes are an integral part of these financial statements.

City of Murrieta

**Statement of Revenues, Expenses, and Changes in Fund Net Position –
Proprietary Funds
For the Year Ended June 30, 2024**

	Internal Service Funds
OPERATING REVENUES	
Interdepartmental Charges	\$ 12,936,042
Franchise Taxes	36,903
Total Operating Revenues	<u>12,972,945</u>
OPERATING EXPENSES	
Administration and General	8,237,503
Claims Expense	3,345,705
Depreciation Expense	565,491
Total Operating Expenses	<u>12,148,699</u>
OPERATING INCOME	<u>824,246</u>
NONOPERATING REVENUES (EXPENSES)	
Interest Revenue	374,788
Interest Expense	(13,121)
Gain (loss) on sale of equipment	(557,189)
Total Nonoperating Revenues (Expenses)	<u>(195,522)</u>
CHANGES IN NET POSITION	628,724
Net Position (Deficit), beginning of year	<u>(2,498,980)</u>
Net Position (Deficit), end of year	<u>\$ (1,870,256)</u>

The accompanying notes are an integral part of these financial statements.

City of Murrieta

Statement of Cash Flows – Proprietary Funds For the Year Ended June 30, 2024

	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Interfund Service Provided	\$ 12,971,798
Cash Paid to Suppliers for Goods and Services	(6,521,923)
Cash Paid to Employees for Services	(1,684,970)
Claims Paid	(663,324)
Net Cash Provided by Operating Activities	<u>4,101,581</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal payments on subscription-based liability	(146,585)
Principal payments on note	(39,452)
Interest payments on note	(13,121)
Purchase of equipment	(262,045)
Net Cash Used by Capital and Related Financing Activities	<u>(461,203)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	374,788
Net Cash Provided by Investing Activities	<u>374,788</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	4,015,166
Cash and Cash Equivalents, beginning of year	<u>4,340,838</u>
Cash and Cash Equivalents, end of year	<u>\$ 8,356,004</u>
RECONCILIATION OF OPERATING (INCOME) TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating (Income)	<u>\$ 824,246</u>
Adjustments to Reconcile Operating (Income) to Net Cash Provided by Operating Activities:	
Depreciation Expense	565,491
(Increase) Decrease in Accounts Receivable	720
(Increase) Decrease in Prepaid Costs	57,033
(Increase) Decrease in Inventory	5,380
(Increase) Decrease in Due From Other Governments	(3,000)
(Increase) Decrease in Deposits Held with Others	2,793,439
Increase (Decrease) in Accounts Payable	(48,140)
Increase (Decrease) in Accrued Liabilities	27,988
Increase (Decrease) in Unearned Revenue	1,133
Increase (Decrease) in Claims and Judgments	(111,058)
Increase (Decrease) in Compensated Absences	(11,651)
Total Adjustments	<u>3,277,335</u>
Net Cash Provided by Operating Activities	<u>\$ 4,101,581</u>

The accompanying notes are an integral part of these financial statements.

City of Murrieta

**Statement of Fiduciary Net Position
June 30, 2024**

	Custodial Fund	Successor Agency Private- Purpose Trust Fund
ASSETS		
Pooled Cash and Investments	\$ 38,180	\$ 2,649,652
Receivables, net:		
Accounts	25,802	-
Taxes	77,300	-
Prepaid Costs	-	406
Restricted Assets:		
Cash and Investments with Fiscal Agents	10,889,304	2,273,535
Total Assets	<u>11,030,586</u>	<u>4,923,593</u>
LIABILITIES		
Accounts Payable	2,015	145,875
Accrued Liabilities	-	20,870
Deposits Payable	12,965	-
Interest Payable	-	465,863
Long-Term Liabilities:		
Due in One Year	-	1,715,000
Due in More than One Year	-	28,911,447
Total Liabilities	<u>14,980</u>	<u>31,259,055</u>
NET POSITION (DEFICIT)		
Restricted for Other Organizations	11,015,606	-
Unrestricted for Successor Agency	-	(26,335,462)
Total Net Position (Deficit)	<u>\$ 11,015,606</u>	<u>\$ (26,335,462)</u>

The accompanying notes are an integral part of these financial statements.

City of Murrieta

**Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2024**

	<u>Custodial Fund</u>	<u>Successor Agency Private- Purpose Trust Fund</u>
ADDITIONS		
Taxes	\$ 1,749,095	\$ 3,002,498
Interest Income	440,535	99,651
Total Additions	<u>2,189,630</u>	<u>3,102,149</u>
DEDUCTIONS		
Administrative Costs	293,869	243,286
Residual Commitments of the Agency	768,421	757,540
Interest on Bonds	872,467	1,073,124
Total Deductions	<u>1,934,757</u>	<u>2,073,950</u>
CHANGES IN NET POSITION	<u>254,873</u>	<u>1,028,199</u>
Net Position (Deficit), beginning of year	10,760,733	(28,575,565)
Adjustment - correction of error	-	1,211,904
Net Position (Deficit), beginning of year, as restated	<u>10,760,733</u>	<u>(27,363,661)</u>
Net Position (Deficit), end of year	<u>\$ 11,015,606</u>	<u>\$ (26,335,462)</u>

The accompanying notes are an integral part of these financial statements.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The City of Murrieta (the City) is a reporting entity, which consists of the primary government and component units:

- Reporting Entity:
 - Primary Government
 - City of Murrieta
- Component Units:
 - Murrieta Financing Authority
 - Murrieta Fire Protection District
 - Murrieta Community Services District
 - Murrieta Public Library Board
 - Murrieta Housing Authority

As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Murrieta (the primary government) and its component units. Component units are entities for which the government is considered to be financially accountable.

The City was incorporated on July 1, 1991, under the laws of the state of California and enjoys all the rights and privileges applicable to a General Law City. It is governed by an elected five-member board. The City operates under a council-manager form of government and currently provides a wide variety of services to its citizens, including police, fire, public services, community development, general and administrative, and other services. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units. Component units are legally separate entities that meet any one of the following three tests:

1. The City appoints the voting majority of the board of the potential component unit and is able to impose its will on the component unit and/or is in a relationship of financial benefit or burden with the potential component unit.
2. The potential component unit is fiscally dependent upon the City.
3. The financial statements would be misleading if data from the potential component units were not included.

Component units are legally separate entities. However, the City Council serves in separate sessions as the governing body of these related agencies and they are, in substance, part of the City's operations, so data from these units are combined with data of the City. Based on the above criteria, the accompanying financial statements include the financial activities of the entities listed below.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

A) Reporting Entity, (Continued)

Blended Component Units

The Murrieta Financing Authority (the Authority) was formed on March 1, 1993, by a joint powers agreement between the City and the Redevelopment Agency of the City of Murrieta (the Agency). The City appoints the voting majority of the board and the City has operational responsibility for the Authority. It was created for the purpose of assisting in the financing and refinancing of certain redevelopment activities of the Agency and certain public programs and projects of the City and for the purpose of aiding in the financing and refinancing of public capital improvements. The operations of the Authority are reported as a debt service fund.

The Murrieta Fire Protection District (MFPD) was an independent (self-governed) special district formed pursuant to the State of California Health and Safety Code commencing with Section 13800, for the purpose of providing fire protection services. Effective July 1, 1993, the MFPD was reorganized as a subsidiary district of the City of Murrieta. The MFPD continues to operate as a special district under the same Health and Safety Code provisions. As a subsidiary district, the City Council of the City of Murrieta now serves as MFPD's governing Board of Directors and the City has operational responsibility for the District. The operations of the MFPD are reported as a special revenue fund.

On June 25, 1992, the Board of Supervisors of the County of Riverside adopted Resolution No. 50 90 to form the Murrieta Community Services District (MCSD) as a subsidiary of the City of Murrieta and detach the area within the City boundaries from the county service area (CSA143). The formation of MCSD and the detachment from CSA143 were effective on July 1, 1993. As a subsidiary district, the City Council of the City of Murrieta now serves as the District's governing Board of Directors and the City has operational responsibility for the District. The operations of the Community Services District are reported as a special revenue fund.

The Murrieta Public Library's (the Library) board was established on February 17, 1998, by City Ordinance 185. The City provides for the Murrieta public library system and adopted the provisions of an act of the legislature of the state of California entitled "Municipal Libraries" as set forth in Education Code Section 18900 et seq. regarding the regulation and maintenance of a public library system. The City Council of the City of Murrieta now serves as the Library's governing Board of Directors and the City has operational responsibility for the Library. The operations of the Murrieta Public Library are reported as a special revenue fund.

On April 5, 2011, the City established the Murrieta Housing Authority (the Housing Authority). The majority of the Housing Authority's activities began when it became the successor housing entity to the former Murrieta Redevelopment Agency. The City Council of the City of Murrieta serves as the governing Board of Directors and the City has operational responsibility for the Housing Authority. The operations of the Housing Authority are reported as a special revenue fund.

Separate financial statements are not prepared for the component units.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

B) Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities that rely, to a significant extent, on fees and charges for support. Certain eliminations have been made as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34 in regard to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated. In the statement of activities, all interfund services have been eliminated.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead, as general revenues.

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Separate financial statements for the City's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and other governmental and proprietary funds in the aggregate for nonmajor funds. Fiduciary fund statements, even though excluded from the government-wide financial statements, include financial information for private-purpose trust funds and custodial funds.

C) Basis of Accounting and Measurement Focus

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

C) Basis of Accounting and Measurement Focus, (Continued)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary funds financial statements. Under the economic resources measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activity are included on their statements of net position. Operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The City's fiduciary fund financial statements report custodial fund and private purpose trust fund. Custodial funds are used to account for situations where the government's role is purely custodial.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets, current liabilities, and deferred inflows of resources are generally included on their balance sheets. The reported fund balance is considered to be a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due. Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

C) Basis of Accounting and Measurement Focus, (Continued)

The City reports the following major governmental funds:

The *General Fund* is the City’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Fire District Special Revenue Fund* accounts for proceeds of property taxes and other sources that are restricted by law or administrative action to expenditures for the operation of the City’s fire stations.

The *Federal Grants Special Revenue Fund* accounts for revenues and expenditure made under federal grant programs.

The *Development Impact Capital Projects Fund* accounts for developer contributions and other revenue sources that are restricted by law or administrative action to expenditures for development purposes.

The City also reports the following fund types:

Governmental Fund Types

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are restricted to expenditures for special purposes.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major facilities other than those financed by Proprietary, Special Assessment and/or Trust Funds.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs other than those being financed by proprietary funds.

Proprietary Fund Types

Internal Service Funds – These funds account for goods and services provided by one City department to other City departments or agencies. These activities include self-insurance and information technology.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

C) Basis of Accounting and Measurement Focus, (Continued)

Fiduciary Fund Types

The *Private-Purpose Trust Fund* is used to account for the balances and transactions of the Successor Agency to the Murrieta Redevelopment Agency (Successor Agency). The Successor Agency private purpose trust fund accounts for the assets and liabilities of the former redevelopment agency and its allocated revenue to pay estimated installment payments of enforceable obligations until the obligations of the former redevelopment agency are paid in full and assets have been liquidated.

Custodial funds are used to report fiduciary activities that are not required to be reported in private-purpose trust funds. The City uses the custodial fund to account for various assessment districts for which the City acts as an agent for debt service activity.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary fund’s principal ongoing operations. The principal operating revenues of the City’s internal service funds are charges to funds for services. Operating expenses for the internal service funds include the costs of sales and services, maintenance of capital assets, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City’s internal service funds are presented in the proprietary fund financial statements. Because the principal users of the internal services are the City’s governmental activities, the financial statements of the internal service funds are consolidated in the governmental activities column when presented in the governmentwide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, community development, etc.).

D) Implementation of New Accounting Pronouncements

For the year ended June 30, 2024 the financial statements include the adoption of GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

E) Cash and Investments

Investments for the City, as well as for its component units, are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

For purposes of the statement of cash flows, cash equivalents represent demand deposits of proprietary funds held in financial institutions or in cash management pools where funds can be added or withdrawn at any time without prior notice or penalty and cash equivalents are highly liquid investments with a maturity of three months or less from the date of purchase.

F) Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of the interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in the general fund to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means when due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Riverside collects property taxes for the City. Tax liens attach annually as of 12:01 a.m. on the first day in January preceding the fiscal year for which the taxes are levied. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent on August 31.

G) Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Notes to the Financial Statements
For the Year Ended June 30, 2024

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

H) Restricted Assets

Certain proceeds of debt issues, as well as certain resources set-aside for their repayment, are classified as restricted assets in the financial statements because their use is limited by applicable bond covenants.

I) Capital Assets and Right-to-Use Leased Assets

Capital assets, which include property, plant, equipment, right-to-use leased assets and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the Governmental Activities column of the government-wide and proprietary fund financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received are recorded at acquisition value as of the date received. Right-to-use lease/subsorption assets, which include equipment and vehicles, follow the same capitalization thresholds as capital assets. Right-to-use lease/subsorption assets are recorded at the amount of the initial measurement of the lease/subsorption liabilities and modified by any lease/subsorption payments made to the lessor at or before the commencement of the lease term.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	20 to 50 years
Equipment	5 to 20 years
Furniture and fixtures	10 to 20 years
Infrastructure	20 to 50 years

J) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has the following items that qualify for reporting in this category:

- Deferred loss on refunding, net of accumulated amortization. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

J) Deferred Outflows/Inflows of Resources, (Continued)

- Deferred outflows related to pensions and other postemployment benefits (OPEB) equal to employer contributions made after the measurement date of the net pension liability and OPEB liability. These amounts will be recognized in the next fiscal year.
- Deferred outflows related to pensions and OPEB for differences between expected and actual experience. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions and OPEB through the plans.
- Deferred outflows from OPEB resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with OPEB through the plans.
- Deferred outflows related to pensions for the changes in employer’s proportion and differences between the employer’s contributions and the employer’s proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net asset that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred inflows from unavailable revenues, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources, which are taxes, interest, and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows from lease receivable is initially measured at the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.
- Deferred inflows related to OPEB for differences between expected and actual experience. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the plans.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

J) Deferred Outflows/Inflows of Resources, (Continued)

- Deferred inflows from pensions and OPEB resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with pensions and OPEB through the plans.
- Deferred inflows related to pensions for the changes in proportion and differences between the employer’s contributions and the employer’s proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions through the plans.
- Deferred inflows related to pensions and OPEB resulting from the net differences between projected and actual earnings on plan investments of the pension and OPEB plans’ fiduciary net position. These amounts are amortized over five years.

K) Lease Receivable

The City measures lease receivable at the present value of lease payments expected to be received during the lease term. Interest revenue is recognized ratably over the contract term.

L) Unearned Revenue

Unearned revenues are reported in connection with resources that have been received but not yet earned.

M) Compensated Absences

All vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Murrieta has six employee bargaining groups, and each group has its own Memorandum of Understanding (MOU). Management is unrepresented and has a compensation plan. All MOUs or plans provide for annual leave (used for both vacation and sick leave) or vacation leave when taken, with a cash-out of unused/accrued leave upon termination.

Notes to the Financial Statements
For the Year Ended June 30, 2024

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

M) Compensated Absences, (Continued)

Maximum accrual limits for each MOU or plan are:

Murrieta General Employees Association (MGEA)	544 Hours
Murrieta Police Officers Association (MPOA)	544 Hours
Murrieta Police Management Association (MPMA)	544 Hours
Murrieta Supervisors Association	594 Hours
Management/Confidential (M/C):	
Confidential	644 Hours
At-will Employees	1,000 Hours

The Murrieta Firefighters Association (MFA) and Murrieta Fire Management Association (MFMA) 24 hour battalion chiefs’ vacation leave maximum accruals are limited to the equivalent of two years’ accrual (annual accruals vary with longevity of employee). MFMA 40-hour battalion chiefs’ maximum annual leave accrual is limited to 644 hours.

Sick leave is payable when an employee is unable to work because of illness. Employees with continuous employment of five years or more may receive a payment of 25% of unused sick leave when they resign or retire at the then rate of compensation. Employees with continuous employment over 10 years may receive a payment of 50% of the unused sick leave when they resign or retire at the then rate of compensation. Police management employees with continuous employment over 15 years may receive a payment of 75% of the unused sick leave when they resign or retire.

The liability for compensated absences will be paid in future years from the Fire, Library, Community Services District, Information Technology, and General Funds.

N) Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the governmental activities and proprietary fund statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

O) Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. It is the City’s policy to consider restricted net position to have been depleted before unrestricted net position.

P) Fund Balances

In the fund financial statements, governmental funds report the following fund balance classification:

Nonspendable Fund Balance – Amounts that cannot be spent either because they are in nonspendable form or are required to be maintained intact.

Restricted Fund Balance – Amounts that are constrained to specific purposes by state or federal laws, or externally imposed conditions by grantors or creditors.

Committed Fund Balance – The City Council, as the City’s highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. City Council action to commit fund balance needs to occur within the fiscal reporting period; however, the amount can be determined subsequently.

Assigned Fund Balance – Amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. The City’s fund balance policy delegates the authority to assign amounts to be used for specific purposes to the City Manager or designee for the purpose of reporting these amounts in the annual financial statements.

Unassigned Fund Balance – These are either residual positive net resources of fund balance in excess of what can properly be classified in one of the other four categories, or negative balances. The General Fund is the only fund that reports a positive unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

Notes to the Financial Statements
For the Year Ended June 30, 2024

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Q) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City’s California Public Employees’ Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

R) Postemployment Benefits Other Than Pensions

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City’s OPEB plans and additions to/deductions from the OPEB plans’ fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, the City’s OPEB plans recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

S) Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Balances

The following funds had deficit fund balances at June 30, 2024:

	Deficits
Federal Grants Special Revenue Fund	\$ (206,361)
Block Grants Special Revenue Fund	(146,134)
Other Grants Special Revenue Fund	(367,828)
Opioid Settlement Special Revenue Fund	(3,275)
Risk Management Internal Service Fund	(6,115,598)

These deficits will be eliminated by future revenues or transfers from General Fund.

City of Murrieta

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Expenditures in Excess of Appropriations

The following departments/funds reported expenditures in excess of appropriations at June 30, 2024:

	Final Budget	Actual	Variance with Final Budget
General Fund			
City Council	\$ 182,174	\$ 185,922	\$ (3,748)
City Attorney	221,600	272,698	(51,098)
Animal Control	433,830	485,730	(51,900)
Emergency Services	-	4,828	(4,828)
City Clerk	1,480,651	1,551,522	(70,871)
Debt Service - Principal	-	831,373	(831,373)
Debt Service - Interest	46,736	84,328	(37,592)
State Gas Tax			
Capital Outlay	401,923	459,711	(57,788)
Measure A			
Capital Outlay	148,164	769,641	(621,477)
AQMD			
Public Works	284	338	(54)
Block Grants			
General Government	121,413	787,265	(665,852)
Seized Assets Forfeiture			
Debt Service - Principal	5,664	162,288	(156,624)
SLESF			
General Government	-	2,113	(2,113)
Public Safety	348,432	361,951	(13,519)
Housing Authority			
General Government	-	3,359	(3,359)
Community Service District			
Capital Outlay	181,506	190,868	(9,362)
RMRA			
Public Works	1,260	2,125	(865)
Capital Outlay	12,446	1,614,680	(1,602,234)
Developer Agreement			
Capital Outlay	-	3,875	(3,875)
Area Drainage			
Capital Outlay	24,001	52,654	(28,653)
South West Road and Bridge			
Public Works	88	107	(19)
Town Hall Association			
Parks and Recreation	5,223	11,868	(6,645)

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

3) CASH AND INVESTMENTS

As of June 30, 2024, cash and investments were reported in the accompanying financial statements:

Statement of Net Position	
Cash and Investments	\$ 272,604,390
Restricted:	
Cash and Investments with Fiscal Agent	5,532,938
Statement of Net Position Fiduciary Funds	
Cash and Investments	2,687,832
Restricted:	
Cash and Investments with Fiscal Agent	13,162,839
Total	<u>\$ 293,987,999</u>

Cash and investments as of June 30, 2024, consisted of the following:

Cash on hand	\$ 7,800
Deposits with Financial Institutions	3,522,356
Investments	290,457,843
Total	<u>\$ 293,987,999</u>

Investments Authorized by the California Government Code and the City’s Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City’s investment policy, where more restrictive) that address interest rate risk, credit risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City’s investment policy.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

3) CASH AND INVESTMENTS, (Continued)

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio	Investment in One Issuer
United States Treasury Obligations	5 Years	None	None
United States Government Sponsored			
Agency Securities	5 Years	30%	20%
Mortgage-Backed Securities	5 Years	20%	5%
Repurchase Agreements	1 Year	20%	None
Commercial Paper	270 Days	25%	5%
Banker's Acceptances	180 Days	30%	5%
Medium Term Notes	5 Years	30%	5%
Supranational	5 Years	30%	10%
State of California Local Agency			
Investment Fund (LAIF)	None	None	None
California Local Agency Bonds	5 Years	30%	5%
Money Market Funds	5 Years	20%	10%
Mutual Funds	5 Years	20%	10%
Negotiable Certificates of Deposits	5 Years	30%	5%
Federally Insured Time Deposits			
(Non-Negotiable Certificates of Deposits)	5 Years	20%	None
Collateralized Non- Negotiable			
Certificates of Deposits	5 Years	20%	None
Certificate of Deposit Placement			
Service (CDARS)	5 Years	30%	None
Collateralized Bank Deposits	5 Years	None	None

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City’s investment policy.

Notes to the Financial Statements
For the Year Ended June 30, 2024

3) CASH AND INVESTMENTS, (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flows and liquidity needed for operations. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk. As of June 30, 2024, the City had the following investments and original maturities:

	Remaining Investment Maturities				
	6 Months or Less	6 Months to 1 Year	1 to 3 Years	3 to 5 Years	Total
U.S. Treasury Securities	\$ 13,011,080	\$ 8,698,107	\$ 25,720,461	\$ 9,080,844	\$ 56,510,492
Federal Agency Securities	1,371,603	1,912,717	27,234,528	8,582,836	39,101,684
Money Market Mutual Fund	125,373,960	-	-	-	125,373,960
LAIF	1,903,635	-	-	-	1,903,635
Asset-Backed Securities	-	888,801	3,599,015	4,505,258	8,993,074
Commercial Paper	-	4,540,379	-	-	4,540,379
Medium-Term Notes	1,440,578	5,366,495	21,303,806	3,179,129	31,290,008
Negotiable Certificates of Deposit	2,001,814	-	-	-	2,001,814
Supranational	1,567,273	-	-	481,770	2,049,043
Cash with Fiscal Agent:					
Money Market Mutual Fund	18,693,754	-	-	-	18,693,754
Total	\$ 165,363,697	\$ 21,406,499	\$ 77,857,810	\$ 25,829,837	\$ 290,457,843

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the minimum rating required by (where applicable) the California Government Code, the City’s investment policy, or debt agreements, and the actual rating, by Standard & Poor’s, as of fiscal year end for each investment type.

	Total	Minimum Legal Rating	Ratings as of Fiscal Year End			
			AAA	AA+	Other	Exempt/ Not Related
U.S. Treasury Securities	\$ 56,510,492	N/A	\$ -	\$ 56,510,492	\$ -	\$ -
Federal Agency Securities	39,101,684	N/A	-	-	-	39,101,684
Money Market Mutual Fund	125,373,960	AAA	-	-	259,923	125,114,037
LAIF	1,903,635	N/A	-	-	-	1,903,635
Asset-Backed Securities	8,993,074		7,502,996	-	-	1,490,078
Commercial Paper	4,540,379	A	-	-	-	4,540,379
Medium-Term Notes	31,290,008	A	-	-	31,290,008	-
Negotiable Certificates of Deposit	2,001,814		-	-	-	2,001,814
Supranational	2,049,043	AA	2,049,043	-	-	-
Cash with Fiscal Agent:						
Money Market Mutual Funds	18,693,754	AAA	18,693,754	-	-	-
Total	\$290,457,843		\$ 28,245,793	\$ 56,510,492	\$ 31,549,931	\$ 174,151,627

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

3) CASH AND INVESTMENTS, (Continued)

The actual ratings for the “Other” category above are as follows:

	A	A+/AA+	A-	AA-	AA	Total
Medium-Term Notes	\$ 16,158,937	\$ 10,136,772	\$ 2,073,712	\$ 2,498,271	\$ 422,316	\$ 31,290,008
	AAAm	Total				
Money Market Mutual Fund	\$ 259,923	\$ 259,923				

The City’s investment policy imposes restrictions on percentages that the City can invest in certain types of investments and with any one issuer for certain types of investments. GASB 40 requires a separate disclosure if any single issuer comprises more than 5% of the total investment value. As of June 30, 2024, the City had investments in Federal Home Loan Bank (FHLB) in excess of 5% of total investments.

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The California Government Code requires California banks and savings and loan associations to secure the City’s deposits by pledging government securities with a value of 110% of a City’s deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City’s total deposits. The City Treasurer may waive the collateral requirement for deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the state of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an Agent of Depository.

These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an “Agent of Depository” has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository is considered to be held for, and in the name of, the local governmental agency.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

3) CASH AND INVESTMENTS, (Continued)

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the state of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with state statute. The state Treasurer’s Office audits the fund annually. The fair value of the City’s investment in this pool is reported in the accompanying financial statements at amounts based upon the City’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Fair Value Measurements

The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the relative inputs used to measure the fair value of the investments. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices of similar assets in active markets and Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2024:

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
U.S. Treasury Securities	\$ -	\$ 56,510,492	\$ -	\$ 56,510,492
Federal Agency Securities	-	39,101,684	-	39,101,684
Asset-backed Securities	-	8,993,074	-	8,993,074
Commercial Paper	-	4,540,379	-	4,540,379
Medium-Term Notes	-	31,290,008	-	31,290,008
Supranational	-	2,049,043	-	2,049,043
Total Leveled Investments	\$ -	\$ 142,484,680	\$ -	142,484,680
LAIF*				1,903,635
Money Market Mutual Funds*				144,067,714
Negotiable Certificates of Deposit*				2,001,814
Total Investment Portfolio				\$ 290,457,843

*Not subject to fair value measurements.

4) LOANS RECEIVABLE

In October 2020, the City sold property that resulted in a note receivable of \$4,500,000 due to the City. \$2,400,000 of the note is payable in monthly interest and principal payment of \$17,957 and bears interest at 4.25% per annum. Each monthly payment is due on the first day of each calendar month. The remaining \$2,100,000 of the note is paid by sales tax generated by and directly attributable to business owned or operated by the borrower, or owned or operated by an affiliate of the borrower, which are located on the property. The balance of this note as of June 30, 2024, is \$3,177,228.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

4) LOANS RECEIVABLE (Continued)

In February 2004, the former Murrieta Redevelopment Agency (Agency) entered into a Participation Agreement with a California limited partnership for the development, construction and operation of a 64-unit apartment complex of which units shall be available to qualified low and moderate income tenants. Under the terms of the agreement, the Agency loaned \$610,046 of its low and moderate income housing funds toward the actual cost for the development, construction, and operation of the project. The loan is for a term of not more than fifty-five years and bears interest at a rate of one percent (3%).

The agreement is secured by a deed of trust on the property. Due to the dissolution of redevelopment agencies by AB 26x1, the Housing Authority assumed responsibility of the Agency notes receivable. The balance of the loan outstanding at June 30, 2024 was \$532,663. Payments on the note are based on a percentage of residual receipts as defined in the agreement. Any unpaid balance is due and payable at the maturity date.

In April 2010, the former Murrieta Redevelopment Agency (Agency) entered into a Disposition and Development Agreement (DDA) with a developer for the development, construction and operation of 40 units which shall be rented exclusively to extremely low income, very low income and low income households. As part of the DDA, the Developer promised to pay the Agency \$2,222,222 and is evidenced by a nonrecourse residual receipts promissory note. The loan is for a term of not more than fifty-five years and bears interest at a rate of one percent (3%). The agreement is secured by a deed of trust on the property. Due to the dissolution of redevelopment agencies by AB 26x1, the Housing Authority assumed responsibility of the Agency notes receivable. The principal balance of the loan outstanding at June 30, 2024 was \$2,222,222. Payments on the loan are based on a percentage of the Partnership's surplus cash as defined in the agreement. Any unpaid balance is due and payable at the maturity date.

In June of 2023, the Murrieta Housing Authority finalized an agreement with National Community Renaissance of California (National CORE) to a loan using ARPA funds of \$1,500,000 and a Housing Authority Loan for \$6,142,807. These loans provide financing for the construction of affordable housing on the property known as 24960 Adams Avenue in the City of Murrieta. Both loans are for a term of not more than sixty-five years and bears interest at a rate of one percent (3%). The Housing Authority Note is secured by the Housing Successor Deed of Trust. As of June 1, 2023, only \$6,142,807 was loaned to National CORE, the ARPA Loan will be executed when National CORE enters Phase Two of the Project. Payments on the loan are based on a percentage of the Partnership's surplus cash as defined in the agreement under the Housing Successor's Share of Residual Receipts. Any unpaid balance is due and payable at the maturity date. All payments applied to this Note will be applied first to penalties and late fees, then to interest, then to reduce the principal amount owed. As of June 30, 2024, the principal balance of the loan outstanding is \$6,142,807.

Housing loans receivable of \$34,214 in the Housing Authority Special Revenue Fund consist of various low-interest home loans made to low-income families.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

5) LEASE RECEIVABLE

As of June 30, 2024, the City had 7 active land leases. The leases have receipts that range from \$7,940 to \$52,803 and interest rates that range from 0.8927% to 2.5833%. As of June 30, 2024, the total combined value of the lease receivable is \$3,171,516, the total combined value of the short-term lease receivable is \$132,141, and the combined value of the deferred inflow of resources is \$2,937,173.

Certain leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases.

Total future minimum lease payments to be received under lease agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 132,141	\$ 73,334	\$ 205,475
2026	117,598	70,985	188,583
2027	101,468	68,740	170,208
2028	109,227	66,427	175,654
2029	117,350	63,937	181,287
2030 - 2034	691,442	275,751	967,193
2035 - 2039	693,684	193,544	887,228
2040 - 2044	527,869	115,239	643,108
2045 - 2049	278,365	71,014	349,379
2050 - 2054	355,432	30,312	385,744
2055	46,940	405	47,345
Totals	\$ 3,171,516	\$ 1,029,688	\$ 4,201,204

Remainder of this page left intentionally blank.

City of Murrieta

Notes to the Financial Statements For the Year Ended June 30, 2024

6) CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, is as follows:

Governmental Activities	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital Assets, not being depreciated:					
Land	\$ 178,561,254	\$ -	\$ -	\$ -	\$ 178,561,254
Construction in progress	10,837,340	10,092,467	-	(8,191,541)	12,738,266
Total capital assets, not being depreciated	189,398,594	10,092,467	-	(8,191,541)	191,299,520
Capital assets being depreciated/amortized:					
Buildings and improvements	58,974,391	-	-	635,493	59,609,884
Improvements to land	3,328,592	-	-	-	3,328,592
Parkland improvements	37,073,025	-	-	760,084	37,833,109
Equipment	39,863,087	954,905	(4,227,121)	1,258,397	37,849,268
Infrastructure	407,191,698	-	-	5,537,567	412,729,265
Right-to-use leases	2,156,114	832,219	-	-	2,988,333
Right-to-use subscriptions	683,956	2,084,002	(11,303)	-	2,756,655
Total capital assets being depreciated/amortized	549,270,863	3,871,126	(4,238,424)	8,191,541	557,095,106
Less: accumulated depreciation:					
Buildings and improvements	27,562,922	1,479,115	-	-	29,042,037
Improvements to land	1,605,885	116,749	-	-	1,722,634
Parkland improvements	20,431,665	2,135,568	-	-	22,567,233
Equipment	25,240,734	2,774,762	(3,642,698)	-	24,372,798
Infrastructure	215,539,930	10,706,813	-	-	226,246,743
Less: accumulated amortization:					
Right-to-use leases	623,453	480,858	-	-	1,104,311
Right-to-use subscriptions	218,041	660,621	(11,303)	-	867,359
Total accumulated depreciation and amortization	291,222,630	18,354,486	(3,654,001)	-	305,923,115
Total capital assets being depreciated/amortized, net	258,048,233	(14,483,360)	(584,423)	8,191,541	251,171,991
Government activities capital assets, net	\$ 447,446,827	\$ (4,390,893)	\$ (584,423)	\$ -	\$ 442,471,511

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 1,166,794
Public Safety	3,039,055
Community Development	22,652
Parks and Recreation	2,552,157
Public Works	11,008,337
Internal Service Fund	565,491
Total Depreciation and Amortization Expense	<u>\$ 18,354,486</u>

City of Murrieta

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

7) LONG-TERM LIABILITIES

The following is a schedule of changes in long-term liabilities of the City for the fiscal year ended June 30, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Other Debt:					
Lease Revenue Refunding					
Bonds, Series 2020A	\$ 2,620,000	\$ -	\$ (615,000)	\$ 2,005,000	\$ 640,000
Premium	283,446	-	(73,942)	209,504	73,942
Local Agency Revenue					
Bonds, Series 2016B	6,470,000	-	(430,000)	6,040,000	435,000
Local Agency Revenue					
Bonds, Series 2022	27,420,000	-	(2,190,000)	25,230,000	2,290,000
Premium	2,394,849	-	(217,713)	2,177,136	217,713
Private Placement:					
Local Agency Revenue					
Bonds, Series 2016A	35,900,000	-	(2,390,000)	33,510,000	2,465,000
Direct Borrowings					
Note payable	5,393,589	-	(657,452)	4,736,137	468,806
Lease Liability	1,492,303	805,296	(433,547)	1,864,052	449,989
Subscription Liability	428,506	1,945,703	(622,438)	1,751,771	626,748
Other Long-Term Liabilities:					
Claims and Judgments	13,306,371	34,349	(145,407)	13,195,313	2,386,988
Compensated Absences	6,792,674	6,495,081	(5,924,368)	7,363,387	5,509,984
Total Long-Term Debt	<u>\$ 102,501,738</u>	<u>\$ 9,280,429</u>	<u>\$ (13,699,867)</u>	<u>\$ 98,082,300</u>	<u>\$ 15,564,170</u>

Lease Revenue Bonds, Series 2020

On February 27, 2020, the Murrieta Financing Authority issued \$3,790,000 of Lease Refunding Bonds, Series 2020A to advance refund the 2007 Certificates of Participation. The bonds consist serial bonds with annual maturity dates from May 1, 2022 through May 1, 2027, with interest rates ranging from .89% to 1.100%. Interest is payable semiannually beginning May 1, 2020. The Bonds have no reserve requirement. The balance outstanding on the Bonds at June 30, 2024 was \$2,005,000.

The following is a schedule by years of future minimum debt service requirements as of June 30, 2024:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 640,000	\$ 80,200	\$ 720,200
2026	670,000	54,600	724,600
2027	695,000	27,800	722,800
Totals	<u>\$ 2,005,000</u>	<u>\$ 162,600</u>	<u>\$ 2,167,600</u>

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

7) LONG-TERM LIABILITIES, (Continued)

2016 Local Agency Refunding Bonds Series B

On June 2, 2016, the Murrieta Financing Authority issued \$8,850,000 Local Agency Refunding Bonds 2016 Series B (the “2016B Bonds”). The 2016B Bonds were issued to (i) acquire \$3,195,000 City of Murrieta Community Facilities District No. 2004-1 (“CFD 2004-1”) 2016 Special Tax Refunding Bonds; \$1,810,000 Community Facilities District 2004-2 (“CFD 2004-2”) 2016 Special Tax Refunding Bonds; and \$3,845,000 Community Facilities District 2004-3 (“CFD 2004-3”) 2016 Special Tax Refunding Bonds, – (collectively, the “Local Obligations” or the “Districts”), (ii) to purchase a municipal bond insurance policy from Build America Mutual Assurance Company guaranteeing the scheduled payment of principal and interest on the Bonds maturing on and between September 1, 2028 and September 1, 2035, inclusive, and (iii) to purchase a debt service reserve insurance policy relating to the Bonds.

The 2016B Bonds are special obligations of the Authority secured and payable solely from pledged Special Tax Revenues derived by Special Taxes (“Special Taxes”) collected by the Districts from real property within their boundaries and other amounts held under the Fiscal Agent Agreement. The 2016B Bonds are not a debt or liability of the City, the State of California, or any of its political subdivisions and neither the City, the State of California, nor any of its political subdivisions is liable. The Bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limit or restriction.

Principal ranges from \$345,000 to \$595,000 maturing annually through September 1, 2035. The bonds bear interest at rates ranging from 2.0% to 5.0%, due semiannually on March 1 and September 1.

The following is a schedule by years of future minimum debt service requirements as of June 30, 2024:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 435,000	\$ 191,438	\$ 626,438
2026	445,000	182,637	627,637
2027	455,000	166,813	621,813
2028	475,000	143,562	618,562
2029	500,000	125,437	625,437
2030 - 2034	2,745,000	380,006	3,125,006
2035 - 2036	985,000	41,250	1,026,250
Totals	<u>\$ 6,040,000</u>	<u>\$ 1,231,143</u>	<u>\$ 7,271,143</u>

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

7) LONG-TERM LIABILITIES, (Continued)

2022 Local Agency Refunding Bonds

On May 12, 2022, the Murrieta Financing Authority issued \$29,075,000 Local Agency Refunding Bonds 2022 (the “2022 Bonds”). The 2022 Bonds were issued to (i) acquire \$6,710,000 City of Murrieta Community Facilities District No. 2000-1 (“CFD 2000-1”) 2022 Special Tax Refunding Bonds; \$4,180,000 Community Facilities District 2001-1 Area A (“CFD 2001-1 A”) 2022 Special Tax Refunding Bonds; \$3,170,000 Community Facilities District 2001-1 Area B (“CFD 2001-1 B”) 2022 Special Tax Refunding Bonds, \$11,945,000 Community Facilities District No. 2003-1 (“CFD 2003-1”) 2022 Special Tax Refunding Bonds and \$3,070,000 Community Facilities District No. 2003-2 (“CFD 2003-2”) 2022 Special Tax Refunding Bonds – (collectively, the “Local Obligations” or the “Districts”), (ii) to purchase a municipal bond insurance policy from Build America Mutual Assurance Company guaranteeing the scheduled payment of principal and interest on the Bonds when due, (iii) to purchase a debt service reserve insurance policy relating to the Bonds to satisfy 50% of the reserve requirement, and (iv) to fund a cash deposit to the reserve fund for the remaining 50% of the reserve requirement. The Local Obligations, together with certain available funds on hand, were issued to refund 2012 Local Agency Bonds.

The 2022 Bonds are special obligations of the Authority secured and payable solely from pledged Special Tax Revenues derived by Special Taxes (“Special Taxes”) collected by the Districts from real property within their boundaries and other amounts held under the Fiscal Agent Agreement. The 2022 Bonds are not a debt or liability of the City, the State of California, or any of its political subdivisions and neither the City, the State of California, nor any of its political subdivisions is liable. The Bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limit or restriction.

Principal ranges from \$1,395,000 to \$3,065,000 maturing annually through September 1, 2034. The bonds bear interest at rates ranging from 4.0% to 5.0%, due semiannually on March 1 and September 1.

The following is a schedule by years of future minimum debt service requirements as of June 30, 2024:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 2,290,000	\$ 1,204,250	\$ 3,494,250
2026	2,405,000	1,086,875	3,491,875
2027	2,520,000	963,750	3,483,750
2028	2,645,000	834,625	3,479,625
2029	2,770,000	699,250	3,469,250
2030 - 2034	11,075,000	1,536,125	12,611,125
2035	1,525,000	38,125	1,563,125
Totals	\$ 25,230,000	\$ 6,363,000	\$ 31,593,000

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

7) LONG-TERM LIABILITIES, (Continued)

2016 Local Agency Refunding Bonds Series A

On January 20, 2016, the Murrieta Financing Authority issued \$49,790,000 Local Agency Refunding Bonds 2016 Series A (the “2016A Bonds”). The 2016A Bonds were issued to (i) acquire \$20,100,000 City of Murrieta Community Facilities District No. 2000-2 Area A (“CFD 2000-2 A”) 2016 Special Tax Refunding Bonds; \$9,195,000 Community Facilities District 2000-2 Area B (“CFD 2000-2 B”) 2016 Special Tax Refunding Bonds, \$14,865,000 Community Facilities District 2003-3 (“CFD 2003-3”) 2016 Special Tax Refunding Bonds, \$1,980,000 Community Facilities District No. 2003-4 (“CFD 2003-4”) 2016 Special Tax Refunding Bonds, and \$3,650,000 Community Facilities District No. 2005-1 (“CFD 2005-1”) 2016 Special Tax Refunding Bonds – (collectively, the “Local Obligations” or the “Districts”), and (ii) to fund a cash deposit to the reserve fund for the reserve requirement. The 2016A Bonds were issued by a private sale through a placement agent.

The 2016A Bonds are special obligations of the Authority secured and payable solely from pledged Special Tax Revenues derived by Special Taxes (“Special Taxes”) collected by the Districts from real property within their boundaries and other amounts held under the Fiscal Agent Agreement. The 2016A Bonds are not a debt or liability of the City, the State of California, or any of its political subdivisions and neither the City, the State of California, nor any of its political subdivisions is liable. The Bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limit or restriction.

Principal ranges from \$1,065,000 to \$3,470,000 maturing annually through September 1, 2035. The bonds bear interest at rates ranging from 3.030% to 3.680%, due semiannually on March 1 and September 1.

The following is a schedule by years of future minimum debt service requirements as of June 30, 2024:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 2,465,000	\$ 1,145,887	\$ 3,610,887
2026	2,555,000	1,064,488	3,619,488
2027	2,630,000	981,174	3,611,174
2028	2,710,000	895,430	3,605,430
2029	2,795,000	800,492	3,595,492
2030 - 2034	15,600,000	2,351,520	17,951,520
2035 - 2036	4,755,000	134,780	4,889,780
Totals	\$ 33,510,000	\$ 7,373,771	\$ 40,883,771

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

7) LONG-TERM LIABILITIES, (Continued)

Notes Payable

On December 19, 2017, the City entered into a purchase and sale agreement with Southern California Edison to acquire an estimated 6,424 streetlight poles (property) to allow for conversion of the current high-pressure sodium fixtures to energy efficient light-emitting diodes. On April 10, 2018, the City entered into a finance agreement with Banc of America Leasing and Capital LLC to finance the cost of acquiring the streetlight poles. On October 6, 2020, the City entered into a refinancing agreement with Banc of America to take advantage of lower interest rates. Payments are to be paid by the City on each June 1 and December 1 consist of principal and interest at a rate of 3.25% per annum. The balance outstanding on the lease payable at June 30, 2024, was \$4,693,000. The following is a schedule by years of future minimum debt service requirements as of June 30, 2024:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 429,000	\$ 149,045	\$ 578,045
2026	443,000	134,989	577,989
2027	458,000	120,461	578,461
2028	473,000	105,437	578,437
2029	488,000	89,961	577,961
2030 - 2034	2,402,000	199,175	2,601,175
Totals	<u>\$ 4,693,000</u>	<u>\$ 799,068</u>	<u>\$ 5,492,068</u>

On May 21, 2020, the City entered into purchase agreement to purchase copiers. The agreement is payable in annual principal and interest payments of 40,029 through 2026. The agreement bears an annual rate of .8927%. The balance outstanding on the note payable at June 30, 2024, was \$43,137. The following is a schedule by years of future minimum debt service requirements as of June 30, 2024:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 39,806	\$ 223	\$ 40,029
2026	3,331	3	3,334
Totals	<u>\$ 43,137</u>	<u>\$ 226</u>	<u>\$ 43,363</u>

Lease Liability

As of June 30, 2024, the City had 1 active equipment lease. The lease has payments that range from \$91,459 to \$91,459 and interest rates that range from 1.6063% to 1.6063%. As of June 30, 2024, the total combined value of the lease liability is \$600,982, the total combined value of the short-term lease liability is \$81,805. The combined value of the right to use asset, as of June 30, 2024 of \$852,191 with accumulated amortization of \$200,408 is included within the Lease Class activities table found below.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

7) LONG-TERM LIABILITIES, (Continued)

Lease Liability (continued)

As of June 30, 2024, the City had 1 active other lease. The lease has payments that range from \$9,249 to \$9,249 and interest rates that range from 2.7520% to 2.7520%. As of June 30, 2024, the total combined value of the lease liability is \$598,339, the total combined value of the short-term lease liability is \$96,570. The combined value of the right to use asset, as of 06/30/2024 of \$618,688 with accumulated amortization of \$20,623 is included within the Lease Class activities table found below.

As of June 30, 2024, the City had 45 active vehicle leases. The leases have payments that range from \$6,585 to \$19,894 and interest rates that range from 3.6100% to 8.1396%. As of June 30, 2024, the total combined value of the lease liability is \$664,731, the total combined value of the short-term lease liability is \$271,614. The combined value of the right to use asset, as of June 30, 2024 of \$1,517,454 with accumulated amortization of \$883,280 is included within the Lease Class activities table found below.

Asset Class	Lease Asset Value	Accumulated Amortization
Vehicles	\$ 1,517,454	\$ 883,280
Equipment	852,191	200,408
Other	618,688	20,623
Total Leases	\$ 2,988,333	\$ 1,104,311

Total future minimum lease payments under lease agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 449,989	\$ 59,870	\$ 509,859
2026	355,459	43,192	398,651
2027	329,957	28,348	358,305
2028	261,707	15,238	276,945
2029	197,003	8,408	205,411
2030 - 2034	269,937	5,471	275,408
Totals	\$ 1,864,052	\$ 160,527	\$ 2,024,579

Subscription Liability

As of June 30, 2024, the City had 9 active subscriptions. The subscriptions have payments that range from \$7,151 to \$389,329 and interest rates that range from 0.0% to 3.48%. As of June 30, 2024, the total combined value of the subscription liability is \$1,751,771, and the total combined value of the short-term subscription liability is \$626,748. The combined value of the right to use asset, as of June 30, 2024 of \$2,756,655 with accumulated amortization of \$867,359 is included within the right to use subscriptions class of capital assets, found in Note 6.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

7) LONG-TERM LIABILITIES, (Continued)

Subscription Liability (continued)

Total future minimum lease payments under lease agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 626,748	\$ 52,954	\$ 679,702
2026	364,595	34,407	399,002
2027	377,538	21,691	399,229
2028	382,890	8,526	391,416
Totals	<u>\$ 1,751,771</u>	<u>\$ 117,578</u>	<u>\$ 1,869,349</u>

Long-term liabilities are generally liquidated by the General Fund.

Fiduciary Fund

As of June 30, 2024, long-term debt is reported in a private-purpose trust fund due to the dissolution of redevelopment agencies by the state of California.

The following is a schedule of changes in long-term debt of the Successor Agency for the fiscal year ended June 30, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Due Beyond One Year
Other Debt:						
2017 Series A	\$ 10,900,000	\$ -	\$ (765,000)	\$ 10,135,000	\$ 785,000	\$ 9,350,000
Premium	927,316	-	(76,218)	851,098	-	851,098
2017 Series B	20,820,000	-	(900,000)	19,920,000	930,000	18,990,000
Discount	(300,891)	-	21,240	(279,651)	-	(279,651)
Total	<u>\$ 32,346,425</u>	<u>\$ -</u>	<u>\$ (1,719,978)</u>	<u>\$ 30,626,447</u>	<u>\$ 1,715,000</u>	<u>\$ 28,911,447</u>

On October 16, 2017, the Successor Agency to the Murrieta Redevelopment Agency issued \$14,480,000 Tax Allocation Refunding Bonds, Series 2017 A. The Bonds were issued (i) to currently refund the outstanding principal balances of the Murrieta Redevelopment Project Tax Allocation Bonds of 2002 and Murrieta Redevelopment Project Tax Allocation Bonds of 2005, (ii) to purchase a municipal bond insurance policy and (iii) to pay certain issuance costs. The Bonds bear interest at rates varying from 2% to 5%. Interest on the bonds is payable semiannually each February 1 and August 1 beginning February 1, 2018. The Bonds are due in annual installments from \$545,000 to \$1,105,000 through August 2035.

The Successor Agency to the Murrieta Redevelopment Agency is required by the 2017 A Tax Allocation Parity Bonds to maintain reserve funds of the lesser of (1) 125% average annual debt service, (2) maximum annual debt service, and (3) 10% original proceeds. As of the fiscal year ended June 30, 2024, this reserve requirement was met.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

7) LONG-TERM LIABILITIES, (Continued)

Fiduciary Fund (continued)

The following is a schedule by years of future minimum debt service requirements as of June 30, 2024:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 785,000	\$ 392,881	\$ 1,177,881
2026	815,000	360,731	1,175,731
2027	855,000	318,981	1,173,981
2028	895,000	275,231	1,170,231
2029	935,000	229,481	1,164,481
2030 - 2034	4,710,000	563,965	5,273,965
2035 - 2036	1,140,000	35,938	1,175,938
Totals	\$ 10,135,000	\$ 2,177,208	\$ 12,312,208

On October 16, 2017, the Successor Agency to the Murrieta Redevelopment Agency issued \$25,230,000 Tax Allocation Refunding Bonds, Series 2017 B. The Bonds were issued (i) to currently refund the outstanding principal balance of the Murrieta Redevelopment Project Tax Allocation Bonds of, (ii) to purchase a municipal bond insurance policy and (iii) to pay certain issuance costs. The bonds consist of \$9,175,000 serial bonds with annual maturity dates from August 1, 2018 through August 1, 2027, with interest rates ranging from 1.60% to 3.25%, term bonds of \$5,165,000 with an interest rate of 3.625% and annual maturity dates from August 1, 2028 through August 1, 2032 and term bonds of \$5,615,000 with an interest rate of 3.75% and term bonds of \$10,440,000 with annual maturity dates from August 1, 2033 through August 1, 2037. Interest is payable semiannually beginning February 1, 2018.

The Successor Agency to the Murrieta Redevelopment Agency is required by the 2017 B Tax Allocation Parity Bonds to maintain reserve funds of the lesser of (1) 125% average annual debt service, (2) maximum annual debt service, and (3) 10% original proceeds. As of the fiscal year ended June 30, 2024, this reserve requirement was met.

The following is a schedule by years of future minimum debt service requirements as of June 30, 2024:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 930,000	\$ 699,625	\$ 1,629,625
2026	950,000	672,588	1,622,588
2027	975,000	643,103	1,618,103
2028	1,010,000	611,457	1,621,457
2029	1,045,000	576,102	1,621,102
2030 - 2034	6,320,000	2,263,623	8,583,623
2035 - 2038	8,690,000	702,749	9,392,749
Totals	\$ 19,920,000	\$ 6,169,247	\$ 26,089,247

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

8) INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Due To/From Other Funds

The following represents the composition of interfund balances as of June 30, 2024:

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>
General Fund	Federal Grants Special Revenue Fund	\$ 559,258
	Nonmajor Governmental Funds	1,986,692
Total		<u>\$ 2,545,950</u>

These were the result of temporary deficit cash balances. The deficits are expected to be repaid when receivables are collected in the following fiscal year.

Advances To/From Other Funds

The General Fund has advanced \$197,149 to the Development Impact Fees Capital Projects Fund for construction of City facilities. The advance is expected to be repaid from future development fees collected over several years.

Remainder of this page left intentionally blank.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

8) INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

Interfund Transfers

Transfers In	Transfers Out				Total
	General Fund	Federal Grants	Development Impact	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 506,665	\$ -	\$ 27	\$ 506,692
Fire District	3,783,905	-	170,678	-	3,954,583
Nonmajor Governmental Funds	3,131,864	-	-	1,151,246	4,283,110
Total	\$ 6,915,769	\$ 506,665	\$ 170,678	\$ 1,151,273	\$ 8,744,385

During the year, interfund transfers were made for purposes of financing administrative costs, capital improvements and repayment of debt. Specifically, the following transfers were made:

- The Federal American Rescue Plan Act (ARPA) Grant Funds transferred \$506,665 to the General Fund for grant eligible items and capital projects.
- Non-Governmental Funds-Other Grant Funds transferred \$27 to General Fund for grant-eligible items.
- The General Fund transferred \$3,783,905 to the Fire District Fund to augment the Fire District Fund budget to support the district's programs and services.
- The Development Impact Fee Fund transferred \$170,678 to Fire District Fund to support ongoing capital projects.
- The General Fund transferred \$2,166,491 to the Non-Major Governmental Funds - Community Services District Fund budget to support the district's programs, services.
- The General Fund transferred \$513,454 to Non-Major Governmental Funds to support operations and maintenance of Local Zones and Lighting and Landscape Districts.
- The General Fund transferred \$300,000 to Non-Major Governmental Funds - NPDES Special Revenue Fund to control pollutant discharges into surface waters.
- The General Fund transferred \$151,919 to Non-Major Governmental Funds - Citywide Debt Service Fund to support debt service of Streetlights.
- The Non-Major Governmental Funds - Measure A Special Revenue Fund and Community Services District Fund transferred a total of \$1,150,474 to Non-Major Governmental Funds - Citywide Debt Service Fund for debt service.
- The Non-Major Governmental Funds - Library Grant Fund transferred \$783 to Non-Major Governmental Funds - Library Fund for grant eligible items.

City of Murrieta

Notes to the Financial Statements For the Year Ended June 30, 2024

9) FUND BALANCE

Details of the City's governmental fund balances at June 30, 2024, are presented below:

	General Fund	Fire District	Federal Grants	Development Impact	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid Costs and Other Assets	\$ 323,301	\$ 31,365	\$ -	\$ -	\$ 9,192	\$ 363,858
Inventories	44,899	5,330	-	-	22,143	72,372
Long-Term Advances and Loans	3,374,377	-	-	-	-	3,374,377
Endowments	-	-	-	-	500,000	500,000
Restricted:						
Infrastructure Development	-	-	-	-	1,863,131	1,863,131
Fire Protection	-	4,603,654	-	-	-	4,603,654
Public Safety	-	-	-	-	606,846	606,846
Public Library Services	-	-	-	-	1,261,289	1,261,289
Regional Transportation Improvement Projects	-	-	-	57,159,287	2,248,011	59,407,298
Housing	-	-	-	-	15,347,314	15,347,314
Street Maintenance	-	-	-	-	30,908,209	30,908,209
Area Drainage	-	-	-	-	6,074,063	6,074,063
Air Pollution Reduction Measures	-	-	-	-	969,083	969,083
Storm Drain Pollution Reduction Measures	-	-	-	-	1,282,645	1,282,645
Community Service Programs	-	-	-	-	7,046,369	7,046,369
Historic Preservation	-	-	-	-	17,011	17,011
Cash Escrow - Street Lights	61,684	-	-	-	-	61,684
Debt Service	75,687	-	-	-	3,939,033	4,014,720
Committed to:						
Public Safety	116,662	-	-	-	-	116,662
Capital Improvement Projects	9,793,617	-	-	-	-	9,793,617
Continuing Appropriations	1,288,495	-	-	-	-	1,288,495
Land Acquisitions	1,766,247	-	-	-	-	1,766,247
Economic Contingency Reserve	8,382,884	-	-	-	-	8,382,884
Operating Reserve	29,564,177	-	-	-	-	29,564,177
Pension Rate Stabilization Reserve	7,000,000	-	-	-	-	7,000,000
OPEB 115 Trust (CERBT)	2,000,000	-	-	-	-	2,000,000
Fire Fleet Replacement Reserve	3,815,443	-	-	-	-	3,815,443
Fleet Replacement Reserve	4,539,815	-	-	-	-	4,539,815
Facility Repairs Reserve	1,367,000	-	-	-	-	1,367,000
CSD Facility Repair Reserve	7,605,850	-	-	-	-	7,605,850
Fire Facility Repair Reserve	1,935,000	-	-	-	-	1,935,000
Information Technology Reserve	1,000,000	-	-	-	-	1,000,000
Continuing Operations	6,025,000	-	-	-	-	6,025,000
Assigned:						
General Plan	21,181	-	-	-	-	21,181
Repairs and Equipment	22,920	-	-	-	-	22,920
Dare Program	-	-	-	-	-	-
Produce for People	8,381	-	-	-	-	8,381
Unassigned	52,796,685	-	(206,361)	-	(517,237)	52,073,087
Total Fund Balance (Deficit)	\$ 142,929,305	\$ 4,640,349	\$ (206,361)	\$ 57,159,287	\$ 71,577,102	\$ 276,099,682

The unassigned category above encompasses fund designations that do not satisfy the criteria of the other categories presented. Included in Committed fund balance of the General Fund are continuing appropriations of \$1,288,495. The continuing appropriations represent open contract amounts and their related appropriation at year-end that are expected to be honored upon performance by the vendors in the following fiscal year.

10) SUMMARY DISCLOSURE OF SELF-INSURANCE CONTINGENCIES

The City is exposed to various risks of losses, including tort claims; theft of, damage to, and destruction of property; cyber-crimes; employment practices claims; professional errors and omissions; and natural disasters. The City currently reports all of its risk management activities in its Risk Management Internal Service Fund. The City participates in a risk retention pool and jointly funds coverage programs with other public agencies. The City's self-insured retention varies by program.

The General Liability program provides a coverage limit of \$50 million with a \$125,000 self-insured retention. The Liability Program provides defense and indemnity coverage against claims and suits arising from covered occurrences, including auto liability, bodily injury, property damage, personal injury, and public officials' errors and omissions.

The Workers' Compensation program provides a coverage limit of \$5 million with a \$250,000 self-insured retention. The Workers' Compensation program provides statutory benefits for employee injuries arising out of and in the course of employment and \$5,000,000 in employers' liability coverage.

The all-risk Property program provides group-purchased commercial insurance coverage on a replacement cost basis. The program provides a coverage limit of \$100 million with a \$100,000 pool deductible (inclusive of a \$10,000 City deductible). The auto physical damage program provides coverage to City-owned vehicles. Coverage is available on a replacement cost basis.

The Auto Physical Damage program provides group-purchased commercial insurance for physical damage to vehicles. The program provides a coverage limit of \$10 million with a \$25,000 pool deductible (inclusive of \$5,000 City deductible).

The Employment Practices Liability (EPL) program provides a coverage limit of \$50 million with a \$100,000 self-insured retention. The EPL program provides coverage for employment-related lawsuits, such as wrongful termination and discrimination.

The Cyber Liability program provides a coverage limit of \$12 million with a \$5,000 self-insured retention. Cyber liability provides coverage for information security and privacy liability, privacy notification costs, regulatory defense & penalties, website media content liability, cyber extortion, first-party data protection & business interruption losses.

The Crime program provides a coverage limit of \$1 million with a \$2,500 City deductible. The Crime program provides coverage for public employee dishonesty, forgery or alteration, and computer fraud coverage. The Deadly Weapon Response program provides coverage for third-party injuries while on City property, including defense costs when a weapon has been used or brandished. The program also covers crisis management services and first-party property damage, including business interruption.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

10) SUMMARY DISCLOSURE OF SELF-INSURANCE CONTINGENCIES, (Continued)

Claims expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNR). At June 30, 2024, the amount of these liabilities was \$13,195,313. The amount represents an estimate of \$8,938,601 for June 30, 2024, and \$4,256,712 of IBNR. This liability is the City’s best estimate based on available information.

The following represents the changes in claims liabilities:

Year	Beginning of Year	Changes in Estimates	Claim Payments	End of Year
2024	\$ 13,306,371	\$ 34,349	\$ 145,407	\$ 13,195,313
2023	9,991,726	3,372,569	57,924	13,306,371
2022	8,740,016	3,092,680	1,840,970	9,991,726

The City of Murrieta is a member of the Public Entity Risk Management Authority (a joint powers authority) for the purpose of pooling losses and claims of general liability and workers’ compensation with those of other member cities and agencies. The City continues to carry commercial insurance, both primary and excess, for all other risks of loss.

11) PENSION PLANS

A) General Information about the Pension Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees’ Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as “risk pools”), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City participates in four rate plans (two miscellaneous and two safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS’ website, at www.calpers.ca.gov.

11) PENSION PLANS, (Continued)

A) General Information about the Pension Plans, (Continued)

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

Remainder of this page left intentionally blank.

Notes to the Financial Statements
For the Year Ended June 30, 2024

11) PENSION PLANS, (Continued)

A) General Information about the Pension Plans, (Continued)

The Plan's provisions and benefits in effect at June 30, 2024 are summarized as follows:

	Miscellaneous		
	Tier I Prior to January 1, 2013	Tier II On or After January 1, 2013	PEPRA On or After January 1, 2013
Hire Date			
Benefit Formula	2.7% @ 55	2% @ 60	2% @ 62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	50	Monthly for Life
Retirement Age	55	60	62
Monthly Benefits, as a Percent of Eligible Compensation	Highest Single Year	3-Year Average	3-Year Average
Required Employee Contribution Rates	8.00%	7.00%	7.00%
Required Employer Contribution Rates:			
Normal Cost Rate	16.24%	10.38%	7.75%
Payment of Unfunded Liability	\$ 1,689,087	\$ -	\$ -

	Safety - Police		
	Tier I Prior to October 15, 2011	Tier II On or After October 15, 2011	TIER III - PEPRA On or After January 1, 2013
Hire Date			
Benefit Formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit Vesting Schedule	5 Years of Service	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	50	55	57
Monthly Benefits, as a Percent of Eligible Compensation	Highest Single Year	3-Year Average	3-Year Average
Required Employee Contribution Rates	9.00%	9.00%	13.00%
Required Employer Contribution Rates:			
Normal Cost Rate	27.11%	22.83%	13.54%
Payment of Unfunded Liability	\$ 1,816,020	\$ -	\$ -

	Safety - Fire	
	Tier I Prior to January 1, 2013	TIER III - PEPRA On or After January 1, 2013
Hire Date		
Benefit Formula	3% @ 50	2.7% @ 57
Benefit Vesting Schedule	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50	57
Monthly Benefits, as a Percent of Eligible Compensation	Highest Single Year	3-Year Average
Required Employee Contribution Rates	9.00%	13.00%
Required Employer Contribution Rates:		
Normal Cost Rate	27.11%	13.54%
Payment of Unfunded Liability	\$ 1,017,128	\$ -

11) PENSION PLANS, (Continued)

A) General Information about the Pension Plans, (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer Contributions to the Plan for the fiscal year ended June 30, 2024 were \$12,255,201. The actual employer payments of \$10,841,912 made to CalPERS by the City during the measurement period ended June 30, 2024 differed from the City's proportionate share of the employer's contributions of \$9,423,502 by \$1,418,410, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

B) Net Pension Liability

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

11) PENSION PLANS, (Continued)

B) Net Pension Liability, (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The collective total pension liability for the June 30, 2023 measurement period was determined by an actuarial valuation as of June 30, 2022, with update procedures used to roll forward the total pension liability to June 30, 2023. The collective total pension liability was based on the following assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry-Age Actuarial Cost Method	Entry-Age Actuarial Cost Method
Asset Valuation Method	Fair Value of Assets	Fair Value of Assets
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Salary Increases	(1)	(1)
Mortality Rate Table ⁽¹⁾	(2)	(2)
Post-Retirement Benefit Increase	(3)	(3)

1) Varies by entry age and service.
 2) Derived using CalPERS' membership data for all funds
 3) The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter.
⁽¹⁾ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

11) PENSION PLANS, (Continued)

B) Net Pension Liability, (Continued)

The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return^{1,2}</u>
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021 Asset Liability Management study.

Change of Assumptions

There were no assumption changes in 2023. Effective with the June 30, 2021 valuation date (June 30, 2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017 through June 30, 2021, 7.65% for measurement dates June 30, 2015 through June 30, 2016, and 7.50% for measurement date June 30, 2014.

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

11) PENSION PLANS, (Continued)

B) Net Pension Liability, (Continued)

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Pension Plan Fiduciary Net Position

Information about the pension plan’s assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS’ audited financial statements, which are publicly available reports that can be obtained at CalPERS’ website, at www.calpers.ca.gov. The plan’s fiduciary net position and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

C) Proportionate Share of Net Pension Liability

The following table shows the City’s proportionate share of the Plan’s net pension liability over the measurement period.

	Proportionate Share of Total Pension Liability	Proportionate Share of Fiduciary Net Pension Liability	Proportionate Share of Net Pension Liability
Miscellaneous Plan:			
Balance at 6/30/2022 (VD)	\$ 93,688,866	\$ 72,757,880	\$ 20,930,986
Balance at 6/30/2023 (MD)	101,041,972	78,080,515	22,961,457
Net Changes during 2022-23	<u>\$ (7,353,106)</u>	<u>\$ (5,322,635)</u>	<u>\$ (2,030,471)</u>
Safety Plan:			
Balance at 6/30/2022 (VD)	\$ 185,498,639	\$ 143,736,815	\$ 41,761,824
Balance at 6/30/2023 (MD)	202,469,462	155,020,765	47,448,697
Net Changes during 2022-23	<u>\$ (16,970,823)</u>	<u>\$ (11,283,950)</u>	<u>\$ (5,686,873)</u>

The City’s proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS’ website, at www.calpers.ca.gov. The City’s proportionate share of the net pension liability for the total Plan as of the June 30, 2022 and 2023 measurement dates was as follows:

	Miscellaneous	Safety
Proportion - June 30, 2022	0.44785%	0.46975%
Proportion - June 30, 2023	0.44732%	0.60775%
Change - Increase (Decrease)	<u>-0.00053%</u>	<u>0.13800%</u>

11) PENSION PLANS, (Continued)

C) Proportionate Share of Net Pension Liability, (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.9 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.9 percent) or 1 percentage-point higher (7.9 percent) than the current rate:

	Miscellaneous	Safety
One Percent Decrease	5.90%	5.90%
Net Pension Liability	\$ 36,626,955	\$ 75,223,904
Current Discount Rate	6.90%	6.90%
Net Pension Liability	\$ 22,961,457	\$ 47,448,697
One Percent Increase	7.90%	7.90%
Net Pension Liability (Asset)	\$ 11,713,570	\$ 24,740,488

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5-year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

Notes to the Financial Statements
For the Year Ended June 30, 2024

11) PENSION PLANS, (Continued)

C) Proportionate Share of Net Pension Liability, (Continued)

The EARSL for PERF C for the measurement period ending June 30, 2023 is 3.8 years, which was obtained by dividing the total service years of 600,538 (the sum of remaining service lifetimes of the active employees) by 160,073 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members’ probability of decrementing due to an event other than receiving a cash refund.

D) Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of the start of the measurement period (July 1, 2022), the City’s net pension liability was \$62,692,810. For the measurement period ending June 30, 2023 (the measurement date), the Local Government incurred a pension expense of \$19,987,593. As of June 30, 2024, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumption	\$ 4,155,459	\$ -
Differences between expected and actual experience	4,656,604	480,194
Differences between projected and actual investment earnings	10,211,007	-
Differences between employer’s contributions and proportionate share of contributions	1,057,681	2,010,639
Change in employer’s proportion	4,191,208	39,299
Pension contributions made subsequent to the measurement date	12,255,201	-
	<u>\$ 36,527,160</u>	<u>\$ 2,530,132</u>

The amounts above are net of outflows and inflows recognized in the 2021-22 measurement period expense. Contributions subsequent to the measurement date of \$12,255,201 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ 7,617,711
2026	5,166,611
2027	8,669,586
2028	287,919
2029	-
Thereafter	-
Total	<u>\$ 21,741,827</u>

11) PENSION PLANS, (Continued)

E) Payable to the Pension Plan

At June 30, 2024, the City reported a payable of \$742,453 for the outstanding amount of contributions to the pension plan required for the year then ended.

12) OPEB PLANS

A) General Information about the OPEB Plans

Plan Description

The City provides other postemployment benefits (OPEB) through the California Employers' Retiree Benefit Fund (CERBT), a single-employer defined benefit post-employment healthcare plan administered by the California Public Employees' Retirement System (CalPERS) as follows:

Members of all groups who retired prior to July 1, 2007, receive a monthly contribution of \$695.

The MGEA and MSA groups and employees covered by the Management and Confidential Compensation Plan hired prior to January 1, 2008, who choose to continue their CalPERS health insurance upon retirement, are eligible to receive a monthly contribution to a Retirement Health Savings Plan (RHS) in the amount of \$833. Those hired after January 1, 2008, but before July 14, 2014, and retire with 10 years of City service can receive \$360 per month until Medicare age and then will receive the minimum mandated amount for employer contributions to participate in Public Employees Medical and Hospital Care Act (PEMHCA). Those hired after January 1, 2008, but before July 14, 2014, and retire with less than 10 years of City service and those hired after July 15, 2014, and retire from the City, will receive the minimum mandated amount for employer contributions to participate in PEMCHA (PEMCHA minimum).

Employees of the MPOA and MPMA groups hired prior to July 1, 2007, who choose to continue their CalPERS health insurance upon retirement are eligible to receive a monthly contribution to a Retirement Health Savings Plan (RHS) in the amount of \$833. Those hired after July 1, 2007 who retire with 10 years of City service can receive \$360 per month until Medicare age and then will receive the PEMCHA minimum contribution. Those hired after July 1, 2007, who retire with less than 10 years of City service will receive the PEMCHA minimum contribution.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

12) OPEB PLANS, (Continued)

A) General Information about the OPEB Plans, (Continued)

Plan Description (Continued)

Employees of the MFA and MFMA groups hired prior to January 1, 2010 who choose to continue their CalPERS health insurance upon retirement are eligible to receive a monthly contribution to a Retirement Health Savings Plan (RHS) in the amount of \$833. Those hired after January 1, 2010, who retire with 10 years of City service can receive \$360 per month until Medicare age and then will receive the PEMCHA minimum contribution. Those hired after January 1, 2010, who retire with less than 10 years of City service will receive the PEMCHA minimum contribution.

Separate financial statements for the CERBT may be obtained by writing to CalPERS at Lincoln Plaza, North 400 Q Street, Sacramento, CA 95814 or by visiting the CalPERS website at www.calpers.ca.gov.

Employees Covered

As of the June 30, 2023 valuation date, the following current and former employees were covered by the benefit terms under the plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	167
Inactive Employees or Beneficiaries Entitled to but not yet Receiving Benefits	30
Active Employees	<u>403</u>
Total	<u><u>600</u></u>

Contributions

The plan and its contribution requirements are established by City policy and may be amended by the City Council. The annual contribution is based on the actuarially determined contribution. For the year ended June 30, 2024, the City’s cash contributions were \$1,524,269 in premium payments and the estimated implied subsidy was \$455,249 resulting in total contributions of \$1,979,518.

B) Net OPEB Liability

The City’s net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2023. A summary of the principal assumptions and methods used to determine the net OPEB liability is shown below.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

12) OPEB PLANS, (Continued)

B) Net OPEB Liability, (Continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal, Level Percent of Pay
Actuarial Assumptions:	
Discount Rate	5.06%
Inflation	2.30%
Projected Salary Increase	2.80% Per Annum, in Aggregate
Expected Long-Term Investment Rate of Return	5.10%
Healthcare Cost Trend Rates	7.40%, trending down to 4.14% over 52 years
Pre-Retirement Turnover	Derived from CalPERS Pension Plan
Mortality	Derived from CalPERS Pension Plan Updated to Reflect Most Recent Experience Study

Long-Term Expected Rate of Return

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plans' target asset allocation as of June 30, 2023, are summarized in the following table:

Asset Class	Strategy I Allocation	Long-Term Expected Real Rate of Return
CEBRT:		
Global Equity	49.00%	6.80%
Fixed Income	23.00%	3.70%
REITs	20.00%	6.00%
TIPs	5.00%	2.80%
Commodities	3.00%	3.40%
Total	100.00%	

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

12) OPEB PLANS, (Continued)

B) Net OPEB Liability, (Continued)

Discount Rate

The discount rate of 5.06% was used in the valuation. It is assumed that the City will contribute in accordance with the Funding Policy. Under this Funding Policy, the OPEB Trust is not expected to be depleted in the future.

Changes in Assumption

The discount rate was changed from 5.70% to 5.06%.

C) Changes in the Net OPEB Liability

The changes in the net OPEB liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance - June 30, 2022 (Measurement Date)	\$ 33,795,393	\$ 5,733,812	\$ 28,061,581
Changes in the Year:			
Service Cost	811,752	-	811,752
Interest on the Total OPEB Liability	1,916,190	-	1,916,190
Differences Between Actual and Expected Experience	3,833,913	-	3,833,913
Changes in Assumptions	2,344,073	-	2,344,073
Contribution - Employer	-	1,979,518	(1,979,518)
Net Investment Income	-	368,209	(368,209)
Administrative Expenses	-	(1,666)	1,666
Benefit Payments	(1,524,269)	(1,524,269)	-
Implicit Subsidy Credits	(455,249)	(455,249)	-
Net Changes	6,926,410	366,543	6,559,867
Balance - June 30, 2023 (Measurement Date)	\$ 40,721,803	\$ 6,100,355	\$ 34,621,448

Change of Benefit Terms

There were no changes of benefit terms.

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

12) OPEB PLANS, (Continued)

C) Changes in the Net OPEB Liability, (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (4.06%) or one percentage point higher (6.06%) than the current discount rate:

	One Percent Decrease (4.06%)	Discount Rate (5.06%)	One Percent Increase (6.06%)
Net OPEB Liability	\$ 39,179,187	\$ 34,621,448	\$ 30,762,482

Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	One Percent Decrease	Current Healthcare	One Percent Increase
Net OPEB Liability	\$ 33,574,126	\$ 34,621,448	\$ 35,802,434

D) OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized OPEB expense of \$4,126,294. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	\$ 2,063,847	\$ -
Differences Between Actual and Expected Experience	4,376,618	(212,981)
Change in Assumptions	8,935,241	(4,818,981)
Differences Between Projected and Actual Earnings	399,428	-
Total	\$ 15,775,134	\$ (5,031,962)

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

12) OPEB PLANS, (Continued)

D) OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB, (Continued)

Deferred outflows of resources related to contributions subsequent to the measurement date of \$2,063,847 will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 1,732,837
2026	1,698,049
2027	1,390,618
2028	1,120,650
2029	379,991
Thereafter	2,357,180

At June 30, 2024, the City had no outstanding amount of contributions to the OPEB plans required for the year ended June 30, 2024.

13) JOINT FINANCING ACQUISITION AGREEMENTS

On September 1, 1991, the City entered into a joint financing and acquisition agreement with the Community Facilities District No. 89-5 (Rancon Business Center) of the County of Riverside and Rancon Business Center/Rancho California, a California joint venture. The boundaries of the CFD No. 89-5 are completely within the boundaries of the City of Murrieta; however, the Rancho California Water District now functions as the legislative body of the CFD No. 89-5. On October 24, 1991, the CFD No. 89-5 issued its \$18,825,000 Series 1991. Bonds to provide financing for the construction and acquisition of certain public facilities, which include the acquisition and construction of certain roads and associated landscaping facilities. Funds for the bond debt service requirements, as they come due, are to be obtained from a special tax levied against properties within the CFD No. 89-5. The road facilities that were previously to be owned, maintained, and operated by the County are to be owned, maintained, and operated by the City.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

13) JOINT FINANCING ACQUISITION AGREEMENTS, (Continued)

On December 1, 1991, the City entered into a joint financing and acquisition agreement with the Community Facilities District No. 89-4 (Walsh Medical Arts Center) of the County of Riverside and Kevin P. Walsh and Regina M. Walsh. The boundaries of the CFD No. 89-4 are completely within the boundaries of the City; however, the board of the County will continue to function as the legislative body of the CFD No. 89-4. On December 20, 1991 the CFD No. 89-4 issued its \$4,825,000 Series 1991 Bonds to provide financing for the construction and acquisition of certain public facilities, which include the acquisition and construction of certain roads and associated landscaping facilities and certain flood control and drainage facilities. Funds for the bonds debt service requirements, as they come due, are to be obtained from a special tax levied against properties within the CFD No. 89-4. The road facilities that were previously to be owned, maintained, and operated by the County are to be owned, maintained, and operated by the City. The flood facilities that were previously to be owned, maintained, and operated by the Riverside County Flood Control and Water Conservation District are to be owned, maintained, and operated by the City.

14) COMMUNITY FACILITIES DISTRICT (CFD) BONDS (NONCITY OBLIGATION)

The City has issued special tax bonds for various CFDs, which are payable from special taxes levied on property within the Community Facilities Districts according to a methodology approved by the voters within the District and by the City Council. Neither the faith and credit nor taxing power of the City is pledged to the payment of the bonds. Reserves have been established from the bond proceeds to meet delinquencies should they occur. If delinquencies occur beyond the amounts held in those reserves, the City has no duty to pay the delinquency out of any available funds of the City. The City acts solely as an agent for those paying taxes levied and the bondholders. As of June 30, 2024, the remaining balance on the bonds was \$83,550,000.

15) JOINTLY GOVERNED ORGANIZATION

The City, in conjunction with six other governmental entities, created the Southwest Communities Financing Authority (Financing Authority) on November 30, 2004. The Financing Authority was formed to issue bonds for the construction of an animal shelter to be used by the member agencies. The Financing Authority’s board is composed of one member from each participating entity. The City has the following fiscal obligations: debt repayment of any bonds issued, administrative costs, and operation of the animal shelter. The debt service payments and the animal shelter operating costs will be prorated to each member based on the percentage of the animals housed at the facility, on an annual basis. The administrative costs will be borne equally by all members. For the year ended June 30, 2024, the City’s share of the payments was \$102,499 and was paid from the General Fund.

16) CONTINGENT LIABILITIES AND COMMITMENTS

Claims and Lawsuits

Various claims and lawsuits are pending against the City. Although the outcome of these claims and lawsuits is not presently determinable, in the opinion of the City’s management, on advice of legal counsel, it is unlikely that they will have a material adverse effect on the accompanying financial statements.

The City has received Federal and State funds for specific purposes that are subject to review by the grantor agencies. These programs are subject to audit by the grantor agencies and upon further examination by the grantors, certain costs could be disallowed. The City expects any such amounts to be immaterial.

The decision of Flores v. City of San Gabriel highlighted not only the need for cities to audit their policies and practices related to Fair Labor Standards Act (FLSA) compliance but also to revisit long held and generally accepted assumptions and practices related to such. In June 2017, the City of Murrieta engaged an employment law firm to conduct an audit of its FLSA regular rate of pay and payroll practices. Through the employment law firm, a forensic accounting analysis has been completed for two labor groups including an analysis and settlement of the underpayment for nonexempt employees. The City has engaged the same employment law firm to conduct an audit of its FLSA regular rate of pay and underpayment for the remaining labor groups.

The estimated amount of remaining construction contract commitments at year-end is \$3,830,098.

17) TOWN HALL ASSOCIATION ENDOWMENT

In March 2014, the City received a permanent endowment from the Town Hall Association upon dissolution of the Town Hall Association’s Board. The City maintains the \$500,000 principal nonexpendable endowment in the Town Hall Association Permanent nonmajor fund. The investment earnings on the nonexpendable endowment are to be spent 25% to the Murrieta Friends of the Library, 25% to the Murrieta High School’s Scholarship Foundation (aka Dollar for Scholars), and 50% to the Murrieta Library.

18) TAX ABATEMENTS

In accordance with California Government Code § 53083, the City provides sales tax rebates to a local sales tax generators based on sales tax generated at a site developed within the City of Murrieta. The City entered into an economic development agreement for sales tax rebates with a local sales tax generator in order to retain one of the City’s significant tax-generating business, jobs, and occupancy of land within City boundaries. The rebates are calculated based on the total taxes generated by the business.

For the fiscal year ended June 30, 2024, the City abated local sales tax totaling \$240,528.

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

19) RESTATEMENT OF NET POSITION AND FUND BALANCES

As a result of the implementation of GASB 100, as described in Note 1, the City is required to restate its June 30, 2023 governmental funds’ fund balance, as well as governmental activities net position. The 2016A LARB Debt Service Fund was previously reported as a major fund, and qualified as nonmajor for the year ending June 30, 2024. This qualifies as a change to or within the financial reporting entity, under the guidance of GASB 100.

In addition, a correction of an error was made to the prior year balance.

	Nonmajor Governmental Funds			Total Nonmajor Governmental Funds
	General Fund	Housing Authority	2016A LARB	
Fund balance, beginning of year, as previously reported	\$ 64,893,194	\$ 15,215,222	\$ 1,883,583	\$ 64,247,618
Adjustment - change from major to nonmajor fund	-	-	(1,883,583)	1,883,583
Adjustment - correction of error	(378,657)	(24,635)	-	(24,635)
Fund balance, beginning of year, as restated	\$ 64,514,537	\$ 15,190,587	\$ -	\$ 66,106,566
		Successor Agency Private- Purpose Trust Fund		
	Governmental Activities			
Net position, beginning of year, as previously reported	\$ 559,084,667	\$ (28,575,565)		
Adjustment - correction of error	(403,292)	1,211,904		
Net position, beginning of year, as restated	\$ 558,681,375	\$ (27,363,661)		

REQUIRED SUPPLEMENTARY INFORMATION



THIS PAGE INTENTIONALLY LEFT BLANK

City of Murrieta

**Schedule of Proportionate Share of the Net Pension Liability – Miscellaneous
Last Ten Fiscal Years**

Measurement Date	Employer's Proportion of the Collective Net Pension Liability ¹	Employer's Proportionate Share of the Collective Net Pension Liability	Covered Payroll	Employer's Proportionate Share of the Collective Net Pension Liability as a percentage of the Covered Payroll	Pension Plan's Fiduciary Net Position as a percentage of the Total Pension Liability
6/30/2014	0.15475%	\$ 9,629,244	\$ 9,304,312	103.49%	77.57%
6/30/2015	0.05956%	11,366,253	9,517,674	119.42%	78.40%
6/30/2016	0.51059%	13,728,601	10,158,506	135.14%	74.06%
6/30/2017	0.36862%	15,796,583	9,962,258	158.56%	73.31%
6/30/2018	0.40440%	15,240,675	10,070,150	151.35%	75.26%
6/30/2019	0.41123%	16,467,905	11,695,857	140.80%	75.26%
6/30/2020	0.40933%	17,265,656	13,637,452	126.60%	76.89%
6/30/2021	0.44785%	8,503,848	14,879,086	57.15%	76.89%
6/30/2022	0.44732%	20,930,986	15,803,799	132.44%	77.66%
6/30/2023	0.45920%	22,961,457	18,443,881	124.49%	77.28%

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

City of Murrieta

Schedule of Contributions – Miscellaneous Last Ten Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2015	\$ 1,721,566	\$ (1,721,566)	\$ -	\$ 9,517,674	18.09%
6/30/2016	1,695,346	(1,695,346)	-	10,158,506	16.69%
6/30/2017	2,369,575	(2,369,575)	-	9,962,258	23.79%
6/30/2018	1,953,751	(1,953,751)	-	10,070,150	19.40%
6/30/2019	2,314,203	(2,314,203)	-	11,695,857	19.79%
6/30/2020	2,604,872	(2,604,872)	-	13,637,452	19.10%
6/30/2021	3,022,322	(3,022,322)	-	14,876,806	20.32%
6/30/2022	4,316,257	(4,316,257)	-	15,803,799	27.31%
6/30/2023	3,674,268	(3,674,268)	-	18,443,881	19.92%
6/30/2024	4,024,435	(4,024,435)	-	22,222,171	18.11%

Notes to Schedule:

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2021 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

City of Murrieta

**Schedule of Proportionate Share of the Net Pension Liability – Safety
Last Ten Fiscal Years**

Measurement Date	Employer's Proportion of the Collective Net Pension Liability ¹	Employer's Proportionate Share of the Collective Net Pension Liability	Covered Payroll	Employer's Proportionate Share of the Collective Net Pension Liability as a percentage of the Covered Payroll	Pension Plan's Fiduciary Net Position as a percentage of the Total Pension Liability
6/30/2014	0.29795%	\$ 18,540,083	\$ 15,020,869	123.43%	78.56%
6/30/2015	0.01046%	20,107,047	15,256,435	131.79%	78.40%
6/30/2016	0.77879%	25,005,813	16,124,346	155.08%	74.06%
6/30/2017	0.54565%	28,723,325	15,382,210	186.73%	73.31%
6/30/2018	0.48605%	28,518,996	15,967,350	178.61%	75.26%
6/30/2019	0.50053%	31,245,479	15,990,879	195.40%	75.26%
6/30/2020	0.52295%	34,841,083	19,219,826	181.28%	76.17%
6/30/2021	0.46975%	16,485,795	19,879,940	82.93%	76.17%
6/30/2022	0.60775%	41,761,824	21,489,931	194.33%	77.49%
6/30/2023	0.60775%	47,448,697	19,277,127	246.14%	76.57%

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

City of Murrieta

**Schedule of Contributions– Safety
Last Ten Fiscal Years**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2015	\$ 4,158,891	\$ (4,158,891)	\$ -	\$ 15,256,435	27.26%
6/30/2016	3,536,719	(3,536,719)	-	16,124,346	21.93%
6/30/2017	3,418,924	(3,418,924)	-	15,382,210	22.23%
6/30/2018	4,565,327	(4,565,327)	-	15,967,350	28.59%
6/30/2019	4,164,182	(4,164,182)	-	15,990,879	26.04%
6/30/2020	6,002,858	(6,002,858)	-	19,219,826	31.23%
6/30/2021	6,946,768	(6,946,768)	-	19,879,940	34.94%
6/30/2022	5,738,839	(5,738,839)	-	21,489,931	26.70%
6/30/2023	7,167,644	(7,167,644)	-	19,277,127	37.18%
6/30/2024	8,230,766	(8,230,766)	-	23,158,170	35.54%

Notes to Schedule:

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2021 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

City of Murrieta

Schedule of Changes in the Net OPEB Liability and Related Ratios Last Ten Fiscal Years*

Fiscal Year End	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Measurement Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total OPEB Liability:						
Service Cost	\$ 811,752	\$ 608,999	\$ 951,994	\$ 624,020	\$ 665,335	\$ 1,134,456
Interest on Total OPEB Liability	1,916,190	2,008,234	1,802,951	1,921,683	1,611,799	1,284,754
Change in Assumptions	2,344,073	4,100,386	(7,228,470)	6,301,882	1,760,802	(8,713,953)
Differences Between Expected and Actual Experience	3,833,913	(56,650)	625,952	(337,835)	1,881,782	-
Benefit Payments	(1,979,518)	(1,859,804)	(1,734,698)	(1,498,358)	(1,429,954)	(1,357,606)
Net Change in Total OPEB Liability	6,926,410	4,801,165	(5,582,271)	7,011,392	4,489,764	(7,652,349)
Total OPEB Liability - Beginning of Year	33,795,393	28,994,228	34,576,499	27,565,107	23,075,343	30,727,692
Total OPEB Liability - End of Year (a)	40,721,803	33,795,393	28,994,228	34,576,499	27,565,107	23,075,343
Plan Fiduciary Net Position:						
Contributions - Employer	1,979,518	1,859,804	1,734,698	1,498,358	1,429,954	1,357,606
Net Investment Income	368,209	(886,356)	1,428,310	177,392	291,907	349,279
Administrative Expenses	(1,666)	(1,677)	(1,966)	(2,453)	(1,013)	(8,145)
Benefit Payments	(1,979,518)	(1,859,804)	(1,734,698)	(1,498,358)	(1,429,954)	(1,357,606)
Net Change in Plan Fiduciary Net Position	366,543	(888,033)	1,426,344	174,939	290,894	341,134
Plan Fiduciary Net Position - Beginning of Year	5,733,812	6,621,845	5,195,501	5,020,562	4,729,668	4,388,534
Plan Fiduciary Net Position - End of Year (b)	6,100,355	5,733,812	6,621,845	5,195,501	5,020,562	4,729,668
Net OPEB Liability - Ending (a)-(b)	\$ 34,621,448	\$ 28,061,581	\$ 22,372,383	\$ 29,380,998	\$ 22,544,545	\$ 18,345,675
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.98%	16.97%	22.84%	15.03%	18.21%	20.50%
Covered - Employee Payroll	\$ 41,390,955	\$ 37,293,730	\$ 32,857,278	\$ 28,448,165	\$ 27,686,736	\$ 26,037,530
Net OPEB Liability as Percentage of Covered - Employee Payroll	83.64%	75.20%	68.09%	103.28%	81.43%	70.46%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2023 to June 30, 2024, the discount rate was changed from 5.70% to 5.06%

* Fiscal year 2018 was the first year of implementation; additional years will be presented as information is available.

City of Murrieta

Schedule of Contributions - OPEB Last Ten Fiscal Years

	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Actuarially Determined Contribution	\$ 3,805,686	\$ 3,277,322	\$ 3,019,917	\$ 3,043,480	\$ 2,953,121	\$ 2,396,299
Contributions in Relation to the Actuarially Determined Contributions	(2,063,847)	(2,005,185)	(1,859,804)	(1,620,531)	(1,407,397)	(1,429,954)
Contribution Deficiency (Excess)	\$ 1,741,839	\$ 1,272,137	\$ 1,160,113	\$ 1,422,949	\$ 1,545,724	\$ 966,345
Covered - Employee Payroll	\$ 42,549,902	\$ 41,390,955	\$ 37,293,730	\$ 32,857,278	\$ 28,448,165	\$ 27,686,736
Contributions as a Percentage of Covered - Employee Payroll	4.85%	4.84%	4.99%	4.93%	4.95%	5.16%

Assumptions and Methods:

Actuarial cost method:	Entry-age normal, level percent of pay
Amortization method:	Closed period, level dollar
Amortization period:	20 years
Inflation:	2.30%
Assumed payroll growth:	N/A
Healthcare trend rates:	7.40%, trending down to 4.14%
Rate of return on assets:	5.10%
Mortality rate:	CalPERS Rates
Retirement rates:	CalPERS Rates

* Fiscal year 2018 was the first year of implementation; additional years will be presented as information is available.

City of Murrieta

Budgetary Comparison Schedule – General Fund For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 87,595,800	\$ 81,979,140	\$ 84,167,091	\$ 2,187,951
Licenses and Permits	2,920,075	3,056,075	3,110,691	54,616
Intergovernmental	3,654,022	3,977,620	4,462,108	484,488
Charges for Services	4,750,960	4,420,120	4,620,841	200,721
Use of Money and Property	543,680	2,102,880	8,938,220	6,835,340
Fines and Forfeitures	391,750	479,750	345,917	(133,833)
Miscellaneous	150,400	232,466	398,291	165,825
Total Revenues	100,006,687	96,248,051	106,043,159	9,795,108
EXPENDITURES				
Current:				
General Government:				
City Council	183,944	182,174	185,922	(3,748)
City Attorney	180,000	221,600	272,698	(51,098)
General Administration	2,578,765	3,126,046	2,551,646	574,400
Animal Control	433,830	433,830	485,730	(51,900)
Emergency Services	-	-	4,828	(4,828)
Administrative Services	833,567	839,166	784,362	54,804
Human Resources	1,619,995	1,710,861	1,682,983	27,878
City Clerk	1,481,626	1,480,651	1,551,522	(70,871)
Finance	3,187,645	3,313,785	3,026,187	287,598
Nondepartmental	2,683,274	4,043,615	3,071,739	971,876
Subtotal General Government	13,182,646	15,351,728	13,617,617	1,734,111
Public Safety:				
Police Administration	4,073,064	4,143,257	3,836,033	307,224
Police Operations	19,814,186	20,903,582	20,611,661	291,921
Police Support	15,141,576	15,989,912	15,140,157	849,755
Police Communications	6,204,054	6,203,992	5,346,309	857,683
Fire Administration	915,589	979,028	516,878	462,150
Fire Operations	3,909,841	4,179,397	3,926,316	253,081
Subtotal Public Safety	50,058,310	52,399,168	49,377,354	3,021,814
Community Development:				
Economic Development	1,214,885	1,175,164	955,655	219,509
Planning	4,107,636	4,454,726	2,906,741	1,547,985
Building and Safety	2,770,268	2,741,032	2,528,384	212,648
Code Enforcement	1,394,329	1,484,482	1,376,914	107,568
Subtotal Community Development	9,487,118	9,855,404	7,767,694	2,087,710
Parks and Recreation	2,227,795	2,210,277	1,515,713	694,564
Public Works:				
Public Works Nondepartmental	-	3,113	3,113	-
Engineering	4,472,148	4,695,451	4,084,611	610,840
Maintenance	1,365,832	1,004,499	767,396	237,103
Street Lights	181,000	181,000	107,748	73,252
Facilities Maintenance	1,574,410	1,670,120	1,524,219	145,901
Subtotal Public Works	7,593,390	7,554,183	6,487,087	1,067,096
Capital Outlay	2,086,785	4,028,566	3,851,966	176,600
Debt Service:				
Principal	-	-	831,373	(831,373)
Interest	11,596	46,736	84,328	(37,592)
Subtotal Debt Service	11,596	46,736	915,701	(868,965)
Total Expenditures	84,647,640	91,446,062	83,533,132	7,912,930
Excess of Revenues Over Expenditures	15,359,047	4,801,989	22,510,027	17,708,038
OTHER FINANCING SOURCES (USES)				
Transfers In	-	504,108	506,692	2,584
Transfers Out	(11,120,203)	(11,120,203)	(6,915,769)	4,204,434
Proceeds from Sale of Capital Assets	-	107,844	39,831	(68,013)
Total Other Financing Sources (Uses)	(11,120,203)	(10,508,251)	(6,369,246)	4,139,005
NET CHANGE IN FUND BALANCES	4,238,844	(5,706,262)	16,140,781	21,847,043
Fund Balances, beginning of year, as restated	126,788,524	126,788,524	126,788,524	-
Fund Balances, end of year	\$ 131,027,368	\$ 121,082,262	\$ 142,929,305	\$ 21,847,043

City of Murrieta

**Budgetary Comparison Schedule – Fire District Special Revenue Fund
For the Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 14,043,949	\$ 14,562,805	\$ 16,391,638	\$ 1,828,833
Assessments	1,577,711	1,577,711	1,548,599	(29,112)
Licenses and permits	10,500	10,500	14,421	3,921
Intergovernmental	715,000	1,007,000	1,004,761	(2,239)
Charges for Services	504,426	642,730	678,176	35,446
Use of Money and Property	182,764	152,764	289,328	136,564
Fines and Forfeitures	30,000	250,000	166,260	(83,740)
Miscellaneous	23,771	79,525	139,062	59,537
Total Revenues	17,088,121	18,283,035	20,232,245	1,949,210
EXPENDITURES				
Current:				
Public Safety	24,048,630	25,525,014	23,201,737	2,323,277
Total Expenditures	24,048,630	25,525,014	23,275,624	2,249,390
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(6,960,509)</u>	<u>(7,241,979)</u>	<u>(3,043,379)</u>	<u>4,198,600</u>
OTHER FINANCING USES				
Transfers In	6,960,509	7,131,187	3,954,583	(3,176,604)
Proceeds from Sale of Capital Assets	-	-	6,800	6,800
Total Other Financing Uses	6,960,509	7,131,187	3,961,383	(3,169,804)
NET CHANGE IN FUND BALANCES	-	(110,792)	918,004	1,028,796
Fund Balances, beginning of year	3,722,345	3,722,345	3,722,345	-
Fund Balances, end of year	<u>\$ 3,722,345</u>	<u>\$ 3,611,553</u>	<u>\$ 4,640,349</u>	<u>\$ 1,028,796</u>

City of Murrieta

**Budgetary Comparison Schedule – Federal Grants Special Revenue Fund
For the Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Intergovernmental	\$ -	\$ 3,873,085	\$ 3,130,440	\$ (742,645)
Use of Money and Property	-	77,010	358,489	281,479
Total Revenues	-	3,950,095	3,488,929	(461,166)
EXPENDITURES				
Current:				
General Government	21,912	2,161,122	2,148,261	12,861
Public Safety	465,185	546,515	469,930	76,585
Parks and Recreation	-	633,275	182,119	451,156
Capital Outlay	-	2,785,859	155,243	2,630,616
Total Expenditures	487,097	6,126,771	2,955,553	3,171,218
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(487,097)	(2,176,676)	533,376	2,710,052
OTHER FINANCING USES				
Transfers Out	-	(504,108)	(506,665)	(2,557)
Total Other Financing Uses	-	(504,108)	(506,665)	(2,557)
NET CHANGE IN FUND BALANCES	(487,097)	(2,680,784)	26,711	2,707,495
Fund Balances, beginning of year	(233,072)	(233,072)	(233,072)	-
Fund Balances, end of year	\$ (720,169)	\$ (2,913,856)	\$ (206,361)	\$ 2,707,495



THIS PAGE INTENTIONALLY LEFT BLANK

NOTE 1 BUDGETARY DATA

General Budget Policies

The City Council approves the bi-annual budget submitted by the City Manager prior to the beginning of the new fiscal year. A workshop and public meetings are held prior to its adoption by Council. Supplemental appropriations, where required during the period, are also approved by the Council. There were several supplemental appropriations required during the year. At fiscal year-end, all operating budget appropriations lapse.

Expenditures are monitored at the departmental level for the general fund and the fund level for all other funds with a legally adopted budget. These levels are considered the legal level of control.

Department heads are authorized to transfer budgeted amounts within their departments, within the same fund, with the approval of the City Manager. Transfers of appropriations between departments may be made only by authority of the City Manager. Transfers of appropriations between funds may be made only by authority of the City Council. Formal budgetary integration is employed as a management control device during the fiscal year for all governmental funds.

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds except for certain special revenue and capital projects funds, which adopt project-length budgets.

A budgetary comparison schedule is not presented for the 2022A LARB debt service fund as no legal budget was adopted for that fund.

Encumbrances

Encumbrances are estimations of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in the General, Special Revenue, and similar governmental funds. Encumbrances outstanding at year-end are reported as a committed fund balance. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in process at year-end are completed. They do not constitute expenditures or estimated liabilities.

The Developer Agreement, Development Impact Fee, Other Grants, Reimbursement Agreement, TUMF, Federal Grants, Road Maintenance, and Rehabilitation Account Special Revenue funds and the Area Drainage Capital Projects Fund are appropriated on a project length capital improvement budget process.



THIS PAGE INTENTIONALLY LEFT BLANK

SUPPLEMENTARY INFORMATION

City of Murrieta

**Consolidating Schedule of Balance Sheet by Sub Fund – General Fund
June 30, 2024**

	General	Measure T	Capital	Traffic Safety
ASSETS				
Pooled Cash and Investments	\$ 60,637,853	\$ 54,075,094	\$ 8,232,765	\$ 116,666
Receivables:				
Accounts	608,996	-	-	-
Taxes	11,555,024	4,820,649	-	-
Loans	3,046,911	130,317	-	-
Accrued Interest	1,786,082	-	-	-
Prepaid Costs and Other Assets	289,536	42,216	-	-
Inventories	38,413	4,486	-	-
Due from Other Governments	1,697,594	-	-	-
Due from Other Funds	2,645,342	-	-	-
Advance to Other Funds	197,149	-	-	-
Restricted Assets:				
Cash and Investments with Fiscal Agents	61,684	-	-	-
Total Assets	<u>\$ 82,564,584</u>	<u>\$ 59,072,762</u>	<u>\$ 8,232,765</u>	<u>\$ 116,666</u>
LIABILITIES				
Accounts Payable	\$ 1,946,322	\$ 72,537	\$ 263	\$ 6
Accrued Liabilities	2,777,344	909,191	-	-
Deposits Payable	787,522	-	2,726	-
Unearned Revenue	200,000	-	-	-
Due to Other Governments	701	-	-	-
Due to other Funds	-	-	-	-
Total Liabilities	<u>5,711,889</u>	<u>981,728</u>	<u>2,989</u>	<u>6</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues:				
Accounts	1,444,805	-	-	-
Total Deferred Inflows of Resources	<u>1,444,805</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Nonspendable	3,563,336	177,019	-	-
Restricted	137,371	-	-	-
Committed	37,171,282	43,440,175	4,385,256	116,662
Assigned	52,482	-	-	-
Unassigned	34,483,419	14,473,840	3,844,520	(2)
Total Fund Balances (Deficits)	<u>75,407,890</u>	<u>58,091,034</u>	<u>8,229,776</u>	<u>116,660</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 82,564,584</u>	<u>\$ 59,072,762</u>	<u>\$ 8,232,765</u>	<u>\$ 116,666</u>

City of Murrieta

**Consolidating Schedule of Balance Sheet by Sub Fund – General Fund (Continued)
June 30, 2024**

Crime Prevention	Vehicle Replacement	Deposits	Elimination	Total
\$ -	\$ 1,127,532	\$ 8,069,520	\$ -	\$ 132,259,430
117,020	-	610,453	-	1,336,469
-	-	-	-	16,375,673
-	-	-	-	3,177,228
-	-	-	-	1,786,082
222	-	-	-	331,974
2,000	-	-	-	44,899
-	-	-	-	1,697,594
-	-	-	(99,392)	2,545,950
-	-	-	-	197,149
-	-	-	-	61,684
<u>\$ 119,242</u>	<u>\$ 1,127,532</u>	<u>\$ 8,679,973</u>	<u>\$ (99,392)</u>	<u>\$ 159,814,132</u>
\$ 1,401	\$ 35	\$ 9,700	\$ -	\$ 2,030,264
3,131	-	-	-	3,689,666
-	-	8,670,273	-	9,460,521
-	-	-	-	200,000
-	-	-	-	701
99,392	-	-	(99,392)	-
<u>103,924</u>	<u>35</u>	<u>8,679,973</u>	<u>(99,392)</u>	<u>15,381,152</u>
58,870	-	-	-	1,503,675
<u>58,870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,503,675</u>
2,222	-	-	-	3,742,577
-	-	-	-	137,371
-	1,086,815	-	-	86,200,190
-	-	-	-	52,482
(45,774)	40,682	-	-	52,796,685
<u>(43,552)</u>	<u>1,127,497</u>	<u>-</u>	<u>-</u>	<u>142,929,305</u>
<u>\$ 119,242</u>	<u>\$ 1,127,532</u>	<u>\$ 8,679,973</u>	<u>\$ (99,392)</u>	<u>\$ 159,814,132</u>

City of Murrieta

Consolidating Schedule of Revenues, Expenditures, and Changes in Fund Balance by Sub Fund – General Fund For the Year Ended June 30, 2024

	General	Measure T	Capital	Traffic Safety
REVENUES				
Taxes	\$ 55,940,539	\$ 28,226,552	\$ -	\$ -
Licenses and Permits	3,110,691	-	-	-
Intergovernmental	4,462,108	-	-	-
Charges for Services	4,620,841	-	-	-
Use of Money and Property	8,892,586	-	-	4,422
Fines and Forfeitures	275,752	-	-	12,216
Miscellaneous	328,900	-	69,091	-
Total Revenues	<u>77,631,417</u>	<u>28,226,552</u>	<u>69,091</u>	<u>16,638</u>
EXPENDITURES				
Current:				
General Government	12,803,024	814,063	-	-
Public Safety	37,968,433	11,293,101	-	18,672
Community Development	7,151,551	616,143	-	-
Parks and Recreation	1,112,214	403,499	-	-
Public Works	5,839,210	647,877	-	-
Capital Outlay	819,001	2,813,498	219,467	-
Debt Service:				
Principal Retirement	114,151	717,222	-	-
Interest and Fiscal Charges	7,521	76,807	-	-
Total Expenditures	<u>65,815,105</u>	<u>17,382,210</u>	<u>219,467</u>	<u>18,672</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>11,816,312</u>	<u>10,844,342</u>	<u>(150,376)</u>	<u>(2,034)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,584	239,040	265,068	-
Transfers Out	(965,374)	(5,950,395)	-	-
Sale of Capital Assets	39,831	-	-	-
Total Other Financing Sources (Uses)	<u>(922,959)</u>	<u>(5,711,355)</u>	<u>265,068</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>10,893,353</u>	<u>5,132,987</u>	<u>114,692</u>	<u>(2,034)</u>
Fund Balances, beginning of year	64,893,194	52,958,047	8,115,084	118,694
Prior period restatement	(378,657)	-	-	-
Fund Balances, beginning of year, as restated (Note xx)	<u>64,514,537</u>	<u>52,958,047</u>	<u>8,115,084</u>	<u>118,694</u>
Fund Balances, end of year	<u>\$ 75,407,890</u>	<u>\$ 58,091,034</u>	<u>\$ 8,229,776</u>	<u>\$ 116,660</u>

City of Murrieta

**Consolidating Schedule of Revenues, Expenditures, and
Changes in Balances by Sub Fund – General Fund (Continued)
For the Year Ended June 30, 2024**

Crime Prevention	Vehicle Replacement	Deposits	Elimination	Total
\$ -	\$ -	\$ -	\$ -	\$ 84,167,091
-	-	-	-	3,110,691
-	-	-	-	4,462,108
-	-	-	-	4,620,841
-	41,212	-	-	8,938,220
57,949	-	-	-	345,917
300	-	-	-	398,291
<u>58,249</u>	<u>41,212</u>	<u>-</u>	<u>-</u>	<u>106,043,159</u>
-	530	-	-	13,617,617
97,148	-	-	-	49,377,354
-	-	-	-	7,767,694
-	-	-	-	1,515,713
-	-	-	-	6,487,087
-	-	-	-	3,851,966
-	-	-	-	831,373
-	-	-	-	84,328
<u>97,148</u>	<u>530</u>	<u>-</u>	<u>-</u>	<u>83,533,132</u>
<u>(38,899)</u>	<u>40,682</u>	<u>-</u>	<u>-</u>	<u>22,510,027</u>
-	-	-	-	506,692
-	-	-	-	(6,915,769)
-	-	-	-	39,831
-	-	-	-	(6,369,246)
<u>(38,899)</u>	<u>40,682</u>	<u>-</u>	<u>-</u>	<u>16,140,781</u>
(4,653)	1,086,815	-	-	127,167,181
-	-	-	-	(378,657)
<u>(4,653)</u>	<u>1,086,815</u>	<u>-</u>	<u>-</u>	<u>126,788,524</u>
<u>\$ (43,552)</u>	<u>\$ 1,127,497</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,929,305</u>



THIS PAGE INTENTIONALLY LEFT BLANK

NONMAJOR GOVERNMENTAL FUNDS

City of Murrieta

**Combining Balance Sheet – Nonmajor Governmental Funds
June 30, 2024**

	Special Revenue Funds			
	State Gas Tax	Measure A	Air Quality Management District	Block Grants
ASSETS				
Pooled Cash and Investments	\$ 11,018,146	\$ 13,510,819	\$ 968,604	\$ -
Receivables:				
Accounts	-	3,715	504	12,146
Taxes	261,900	-	-	-
Loans	-	-	-	-
Accrued Interest	-	-	-	-
Leases	-	-	-	-
Prepaid Costs	-	-	-	-
Inventory	22,143	-	-	-
Due from Other Governments	-	641,436	37,007	120,671
Land Held for Resale	-	-	-	-
Restricted Assets:				
Cash and Investments with Fiscal Agents	-	-	-	-
	<u>\$ 11,302,189</u>	<u>\$ 14,155,970</u>	<u>\$ 1,006,115</u>	<u>\$ 132,817</u>
LIABILITIES				
Accounts Payable	\$ 207,101	\$ 29,236	\$ 25	\$ 1,340
Accrued Liabilities	255,940	12,480	-	-
Deposits Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Due to Other Funds	-	-	-	212,896
	<u>463,041</u>	<u>41,716</u>	<u>25</u>	<u>214,236</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues:				
Accounts	-	330,401	37,007	64,715
Deferred Inflows Related to Leases	-	-	-	-
	<u>-</u>	<u>330,401</u>	<u>37,007</u>	<u>64,715</u>
FUND BALANCES (DEFICITS)				
Nonspendable	22,143	-	-	-
Restricted	10,817,005	13,783,853	969,083	-
Unassigned	-	-	-	(146,134)
	<u>10,839,148</u>	<u>13,783,853</u>	<u>969,083</u>	<u>(146,134)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 11,302,189</u>	<u>\$ 14,155,970</u>	<u>\$ 1,006,115</u>	<u>\$ 132,817</u>

City of Murrieta

Combining Balance Sheet – Nonmajor Governmental Funds (Continued)
June 30, 2024

Special Revenue Funds						
Seized Assets Forfeitures	SLESF	Murrieta Public Library	NPDES	Reimbursement Agreement Fund	TUMF	
\$ 765,557	\$ 155,837	\$ 1,448,140	\$ 883,007	\$ 22,033	\$ 1,269,149	
-	-	5,831	-	-	790	
-	-	92,346	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	426	4,228	-	-	-	
-	-	-	-	-	-	
-	-	-	437,464	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>\$ 765,557</u>	<u>\$ 156,263</u>	<u>\$ 1,550,545</u>	<u>\$ 1,320,471</u>	<u>\$ 22,033</u>	<u>\$ 1,269,939</u>	
\$ 4	\$ 6	\$ 152,294	\$ 26,843	\$ 18,848	\$ 433,905	
777	61,991	131,334	10,983	992	-	
137	-	1,400	-	-	-	
-	-	-	-	-	-	
251,633	-	-	-	-	-	
<u>252,551</u>	<u>61,997</u>	<u>285,028</u>	<u>37,826</u>	<u>19,840</u>	<u>433,905</u>	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	426	4,228	-	-	-	
513,006	93,840	1,261,289	1,282,645	2,193	836,034	
-	-	-	-	-	-	
<u>513,006</u>	<u>94,266</u>	<u>1,265,517</u>	<u>1,282,645</u>	<u>2,193</u>	<u>836,034</u>	
<u>\$ 765,557</u>	<u>\$ 156,263</u>	<u>\$ 1,550,545</u>	<u>\$ 1,320,471</u>	<u>\$ 22,033</u>	<u>\$ 1,269,939</u>	

City of Murrieta

Combining Balance Sheet – Nonmajor Governmental Funds (Continued)
June 30, 2024

	Special Revenue Funds			
	Housing Authority	Community Services District	Road Maintenance and Rehabilitation Account	Other Grants
ASSETS				
Pooled Cash and Investments	\$ 3,011,701	\$ 7,971,334	\$ 6,857,623	\$ 1,379,531
Receivables:				
Accounts	52,166	16,407	1,760	-
Taxes	-	84,986	-	-
Loans	8,931,906	-	-	-
Accrued Interest	683,908	-	-	-
Leases	-	604,525	-	-
Prepaid Costs	169	4,369	-	-
Inventory	-	-	-	-
Due from Other Governments	-	-	497,875	601,450
Land Held for Resale	3,515,665	-	-	-
Restricted Assets:				
Cash and Investments with Fiscal Agents	-	-	-	-
Total Assets	\$ 16,195,515	\$ 8,681,621	\$ 7,357,258	\$ 1,980,981
LIABILITIES				
Accounts Payable	\$ 978	\$ 779,288	\$ 972,064	\$ 89,055
Accrued Liabilities	-	227,469	76,083	8,241
Deposits Payable	-	52,561	-	-
Unearned Revenue	-	-	-	1,164,869
Due to Other Funds	-	-	-	559,439
Total Liabilities	978	1,059,318	1,048,147	1,821,604
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues:				
Accounts	847,054	7,607	1,760	527,205
Deferred Inflows Related to Leases	-	563,958	-	-
Total Deferred Inflows of Resources	847,054	571,565	1,760	527,205
FUND BALANCES (DEFICITS)				
Nonspendable	169	4,369	-	-
Restricted	15,347,314	7,046,369	6,307,351	-
Unassigned	-	-	-	(367,828)
Total Fund Balances (Deficits)	15,347,483	7,050,738	6,307,351	(367,828)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 16,195,515	\$ 8,681,621	\$ 7,357,258	\$ 1,980,981

City of Murrieta

**Combining Balance Sheet – Nonmajor Governmental Funds (Continued)
June 30, 2024**

Special Revenue Funds		Capital Projects Funds		
Developer Agreement	Opioid Settlement	Community Facilities District	Area Drainage	South West Road and Bridge
\$ 4,581,001	\$ -	\$ -	\$ 6,074,247	\$ 277,494
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	757,290
-	-	-	-	-
-	-	1,709,179	-	-
\$ 4,581,001	\$ -	\$ 1,709,179	\$ 6,074,247	\$ 1,034,784
\$ 138	\$ -	\$ 2,313	\$ 184	\$ 7
2,015	-	-	-	-
2,330,837	-	-	-	-
-	-	-	-	-
-	3,275	959,449	-	-
2,332,990	3,275	961,762	184	7
-	-	-	-	757,290
-	-	-	-	-
-	-	-	-	757,290
-	-	-	-	-
2,248,011	-	747,417	6,074,063	277,487
-	(3,275)	-	-	-
2,248,011	(3,275)	747,417	6,074,063	277,487
\$ 4,581,001	\$ -	\$ 1,709,179	\$ 6,074,247	\$ 1,034,784

City of Murrieta

Combining Balance Sheet – Nonmajor Governmental Funds (Continued)
June 30, 2024

	Debt Service			
	Citywide Debt Service	2016A LARB	2016B LARB	2022A LARB
ASSETS				
Pooled Cash and Investments	\$ 5,232	\$ 75,459	\$ 14,296	\$ 81,971
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Loans	-	-	-	-
Accrued Interest	-	-	-	-
Leases	-	-	-	-
Prepaid Costs	-	-	-	-
Inventory	-	-	-	-
Due from Other Governments	-	-	-	-
Land Held for Resale	-	-	-	-
Restricted Assets:				
Cash and Investments with Fiscal Agents	5,264	1,907,734	334,230	1,514,847
Total Assets	\$ 10,496	\$ 1,983,193	\$ 348,526	\$ 1,596,818
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-
Deposits Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues:				
Accounts	-	-	-	-
Deferred Inflows Related to Leases	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	10,496	1,983,193	348,526	1,596,818
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	10,496	1,983,193	348,526	1,596,818
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 10,496	\$ 1,983,193	\$ 348,526	\$ 1,596,818

City of Murrieta

**Combining Balance Sheet – Nonmajor Governmental Funds (Concluded)
June 30, 2024**

<u>Permanent</u>		
<u>Town Hall Association</u>	<u>Total Other Governmental Funds</u>	
\$ 517,027	\$ 60,888,208	
-	93,319	
-	439,232	
-	8,931,906	
-	683,908	
-	604,525	
-	9,192	
-	22,143	
-	3,093,193	
-	3,515,665	
-	<u>5,471,254</u>	
<u>\$ 517,027</u>	<u>\$ 83,752,545</u>	
\$ 16	\$ 2,713,645	
-	788,305	
-	2,384,935	
-	1,164,869	
-	1,986,692	
<u>16</u>	<u>9,038,446</u>	
-	2,573,039	
-	563,958	
-	<u>3,136,997</u>	
500,000	531,335	
17,011	71,563,004	
-	(517,237)	
<u>517,011</u>	<u>71,577,102</u>	
<u>\$ 517,027</u>	<u>\$ 83,752,545</u>	

City of Murrieta

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds
For the Year Ended June 30, 2024**

	Special Revenue Funds			
	State Gas Tax	Measure A	Air Quality Management District	Block Grants
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Intergovernmental	3,032,423	3,588,810	148,034	772,299
Charges for Services	-	-	-	-
Use of Money and Property	409,659	460,011	29,461	11
Fines and Forfeitures	-	-	-	-
Developer Participation	-	-	-	-
Miscellaneous	-	-	-	4,286
Total Revenues	<u>3,442,082</u>	<u>4,048,821</u>	<u>177,495</u>	<u>776,596</u>
EXPENDITURES				
Current:				
General Government	-	-	-	787,265
Public Safety	-	-	-	-
Community Development	-	-	-	-
Parks and Recreation	-	-	-	-
Public Works	2,627,847	5,158	338	-
Capital Outlay	459,711	769,641	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>3,087,558</u>	<u>774,799</u>	<u>338</u>	<u>787,265</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>354,524</u>	<u>3,274,022</u>	<u>177,157</u>	<u>(10,669)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	(724,736)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(724,736)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>354,524</u>	<u>2,549,286</u>	<u>177,157</u>	<u>(10,669)</u>
Fund Balances (Deficits), beginning of year, previously reported	10,484,624	11,234,567	791,926	(135,465)
Adjustment - change from major to nonmajor fund	-	-	-	-
Adjustment - correction of error	-	-	-	-
Fund Balances (Deficits), beginning of year, as restated (Note 19)	<u>10,484,624</u>	<u>11,234,567</u>	<u>791,926</u>	<u>(135,465)</u>
Fund Balances (Deficits), end of year	<u>\$ 10,839,148</u>	<u>\$ 13,783,853</u>	<u>\$ 969,083</u>	<u>\$ (146,134)</u>

City of Murrieta

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds (Continued)
For the Year Ended June 30, 2024**

Special Revenue Funds					
Seized Assets Forfeitures	SLESF	Murrieta Public Library	NPDES	Reimbursement Agreement Fund	TUMF
\$ -	\$ -	\$ 2,847,305	\$ -	\$ -	\$ -
-	-	-	822,466	-	-
1,569	318,979	-	-	21,890	2,250,000
-	-	22,497	-	-	-
29,655	5,918	80,199	45,870	143	-
-	-	14,231	-	-	-
-	-	-	-	19,450	-
7,067	-	42,707	-	-	-
<u>38,291</u>	<u>324,897</u>	<u>3,006,939</u>	<u>868,336</u>	<u>41,483</u>	<u>2,250,000</u>
61,098	2,113	-	-	-	-
81,880	361,951	-	-	-	-
-	-	-	-	-	-
-	-	3,130,341	-	-	-
-	-	-	883,009	-	-
212,992	7,389	-	-	19,840	1,032,703
162,288	-	-	-	-	-
4,528	-	-	-	-	-
<u>522,786</u>	<u>371,453</u>	<u>3,130,341</u>	<u>883,009</u>	<u>19,840</u>	<u>1,032,703</u>
<u>(484,495)</u>	<u>(46,556)</u>	<u>(123,402)</u>	<u>(14,673)</u>	<u>21,643</u>	<u>1,217,297</u>
-	-	783	300,000	-	-
-	-	-	-	-	-
-	-	783	300,000	-	-
<u>(484,495)</u>	<u>(46,556)</u>	<u>(122,619)</u>	<u>285,327</u>	<u>21,643</u>	<u>1,217,297</u>
997,501	140,822	1,388,136	997,318	(19,450)	(381,263)
-	-	-	-	-	-
-	-	-	-	-	-
<u>997,501</u>	<u>140,822</u>	<u>1,388,136</u>	<u>997,318</u>	<u>(19,450)</u>	<u>(381,263)</u>
<u>\$ 513,006</u>	<u>\$ 94,266</u>	<u>\$ 1,265,517</u>	<u>\$ 1,282,645</u>	<u>\$ 2,193</u>	<u>\$ 836,034</u>

City of Murrieta

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds (Continued)
For the Year Ended June 30, 2024**

	Special Revenue Funds			
	Housing Authority	Community Services District	Road Maintenance and Rehabilitation Account	Other Grants
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	9,696,227	-	-
Intergovernmental	-	-	2,856,782	465,957
Charges for Services	-	687,196	-	-
Use of Money and Property	185,699	366,932	214,621	10,119
Fines and Forfeitures	-	-	-	-
Developer Participation	-	-	-	-
Miscellaneous	6,500	18,847	-	-
Total Revenues	<u>192,199</u>	<u>10,769,202</u>	<u>3,071,403</u>	<u>476,076</u>
EXPENDITURES				
Current:				
General Government	3,359	-	-	118,396
Public Safety	-	-	-	363,053
Community Development	31,944	-	-	-
Parks and Recreation	-	12,444,907	-	47,543
Public Works	-	-	2,125	-
Capital Outlay	-	190,868	1,614,680	143,500
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>35,303</u>	<u>12,635,775</u>	<u>1,616,805</u>	<u>672,492</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>156,896</u>	<u>(1,866,573)</u>	<u>1,454,598</u>	<u>(196,416)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	2,679,944	-	-
Transfers Out	-	(425,727)	-	(810)
Total Other Financing Sources (Uses)	<u>-</u>	<u>2,254,217</u>	<u>-</u>	<u>(810)</u>
NET CHANGE IN FUND BALANCES	<u>156,896</u>	<u>387,644</u>	<u>1,454,598</u>	<u>(197,226)</u>
Fund Balances (Deficits), beginning of year, previously reported	15,215,222	6,663,094	4,852,753	(170,602)
Adjustment - change from major to nonmajor fund	-	-	-	-
Adjustment - correction of error	(24,635)	-	-	-
Fund Balances (Deficits), beginning of year, as restated (Note 19)	<u>15,190,587</u>	<u>6,663,094</u>	<u>4,852,753</u>	<u>(170,602)</u>
Fund Balances (Deficits), end of year	<u>\$ 15,347,483</u>	<u>\$ 7,050,738</u>	<u>\$ 6,307,351</u>	<u>\$ (367,828)</u>

City of Murrieta

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds (Continued)
For the Year Ended June 30, 2024**

Special Revenue Funds		Capital Projects Funds		
Developer Agreement	Opioid Settlement	Community Facilities District	Area Drainage	South West Road and Bridge
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
167,684	5,205	77,541	220,963	10,141
-	-	-	-	-
-	-	-	61,462	-
-	151,439	-	-	-
<u>167,684</u>	<u>156,644</u>	<u>77,541</u>	<u>282,425</u>	<u>10,141</u>
-	166,500	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,039	-	-	2,863	107
3,875	-	951,214	52,654	-
-	-	-	-	-
-	-	-	-	-
<u>5,914</u>	<u>166,500</u>	<u>951,214</u>	<u>55,517</u>	<u>107</u>
<u>161,770</u>	<u>(9,856)</u>	<u>(873,673)</u>	<u>226,908</u>	<u>10,034</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>161,770</u>	<u>(9,856)</u>	<u>(873,673)</u>	<u>226,908</u>	<u>10,034</u>
2,086,241	6,581	1,621,090	5,847,155	267,453
-	-	-	-	-
-	-	-	-	-
<u>2,086,241</u>	<u>6,581</u>	<u>1,621,090</u>	<u>5,847,155</u>	<u>267,453</u>
<u>\$ 2,248,011</u>	<u>\$ (3,275)</u>	<u>\$ 747,417</u>	<u>\$ 6,074,063</u>	<u>\$ 277,487</u>

City of Murrieta

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds
For the Year Ended June 30, 2024**

	Debt Service Funds			
	Citywide Debt Service	2016A LARB (formerly major)	2016B LARB	2022A LARB
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	3,615,258	630,088	3,495,300
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Use of Money and Property	-	99,613	18,528	87,072
Fines and Forfeitures	-	-	-	-
Developer Participation	-	-	-	-
Miscellaneous	-	(3)	4	51
Total Revenues	<u>-</u>	<u>3,714,868</u>	<u>648,620</u>	<u>3,582,423</u>
EXPENDITURES				
Current:				
General Government	7	-	-	-
Public Safety	-	-	-	-
Community Development	-	-	-	-
Parks and Recreation	-	-	-	-
Public Works	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	1,030,000	2,390,000	430,000	2,190,000
Interest and Fiscal Charges	272,376	1,225,258	200,088	1,305,300
Total Expenditures	<u>1,302,383</u>	<u>3,615,258</u>	<u>630,088</u>	<u>3,495,300</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,302,383)</u>	<u>99,610</u>	<u>18,532</u>	<u>87,123</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,302,383	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,302,383</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>99,610</u>	<u>18,532</u>	<u>87,123</u>
Fund Balances (Deficits), beginning of year, previously reported	10,496	-	329,994	1,509,695
Adjustment - change from major to nonmajor fund	-	1,883,583	-	-
Adjustment - correction of error	-	-	-	-
Fund Balances (Deficits), beginning of year, as restated (Note 19)	<u>10,496</u>	<u>1,883,583</u>	<u>329,994</u>	<u>1,509,695</u>
Fund Balances (Deficits), end of year	<u>\$ 10,496</u>	<u>\$ 1,983,193</u>	<u>\$ 348,526</u>	<u>\$ 1,596,818</u>

City of Murrieta

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds (Concluded)
For the Year Ended June 30, 2024**

<u>Permanent</u>	
<u>Town Hall Association</u>	<u>Total Other Governmental Funds</u>
\$ -	\$ 2,847,305
-	18,259,339
-	13,456,743
-	709,693
19,149	2,544,194
-	14,231
-	80,912
-	230,898
<u>19,149</u>	<u>38,143,315</u>
-	1,138,738
-	806,884
-	31,944
11,868	15,634,659
-	3,523,486
-	5,459,067
-	6,202,288
-	3,007,550
<u>11,868</u>	<u>35,804,616</u>
<u>7,281</u>	<u>2,338,699</u>
-	4,283,110
-	(1,151,273)
-	3,131,837
<u>7,281</u>	<u>5,470,536</u>
509,730	64,247,618
-	1,883,583
-	(24,635)
<u>509,730</u>	<u>66,106,566</u>
<u>\$ 517,011</u>	<u>\$ 71,577,102</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
State Gas Tax
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 4,049,700	\$ 3,003,380	\$ 3,032,423	\$ 29,043
Use of Money and Property	70,000	130,000	409,659	279,659
Total Revenues	<u>4,119,700</u>	<u>3,133,380</u>	<u>3,442,082</u>	<u>308,702</u>
EXPENDITURES				
Current:				
Public Works	2,731,122	2,843,509	2,627,847	215,662
Capital Outlay	-	401,923	459,711	(57,788)
Total Expenditures	<u>2,731,122</u>	<u>3,245,432</u>	<u>3,087,558</u>	<u>157,874</u>
NET CHANGE IN FUND BALANCE	1,388,578	(112,052)	354,524	466,576
Fund Balance, beginning of year	<u>10,484,624</u>	<u>10,484,624</u>	<u>10,484,624</u>	-
Fund Balance, end of year	<u>\$ 11,873,202</u>	<u>\$ 10,372,572</u>	<u>\$ 10,839,148</u>	<u>\$ 466,576</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Measure A
For the Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Intergovernmental	\$ 2,635,000	\$ 3,553,700	\$ 3,588,810	\$ 35,110
Use of Money and Property	10,000	80,000	460,011	380,011
Total Revenues	<u>2,645,000</u>	<u>3,633,700</u>	<u>4,048,821</u>	<u>415,121</u>
EXPENDITURES				
Current:				
Public Works	41,300	74,974	5,158	69,816
Capital Outlay	-	148,164	769,641	(621,477)
Total Expenditures	<u>41,300</u>	<u>223,138</u>	<u>774,799</u>	<u>(551,661)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,603,700	3,410,562	3,274,022	(136,540)
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(726,900)</u>	<u>(726,900)</u>	<u>(724,736)</u>	<u>2,164</u>
NET CHANGE IN FUND BALANCE	1,876,800	2,683,662	2,549,286	(134,376)
Fund Balance, beginning of year	<u>11,234,567</u>	<u>11,234,567</u>	<u>11,234,567</u>	<u>-</u>
Fund Balance, end of year	<u>\$ 13,111,367</u>	<u>\$ 13,918,229</u>	<u>\$ 13,783,853</u>	<u>\$ (134,376)</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Air Quality Management District
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 143,000	\$ 143,000	\$ 148,034	\$ 5,034
Use of Money and Property	4,000	5,500	29,461	23,961
Total Revenues	<u>147,000</u>	<u>148,500</u>	<u>177,495</u>	<u>28,995</u>
EXPENDITURES				
Current:				
Public Works	250	284	338	(54)
Total Expenditures	<u>250</u>	<u>284</u>	<u>338</u>	<u>(54)</u>
NET CHANGE IN FUND BALANCE	146,750	148,216	177,157	28,941
Fund Balance, beginning of year	791,926	791,926	791,926	-
Fund Balance, end of year	<u>\$ 938,676</u>	<u>\$ 940,142</u>	<u>\$ 969,083</u>	<u>\$ 28,941</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Block Grants
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 590,000	\$ 590,000	\$ 772,299	\$ 182,299
Use of Money and Property	-	20	11	(9)
Miscellaneous	-	-	4,286	4,286
Total Revenues	<u>590,000</u>	<u>590,020</u>	<u>776,596</u>	<u>186,576</u>
EXPENDITURES				
Current:				
General Government	104,000	121,413	787,265	(665,852)
Total Expenditures	<u>104,000</u>	<u>121,413</u>	<u>787,265</u>	<u>(665,852)</u>
NET CHANGE IN FUND BALANCE	486,000	468,607	(10,669)	(479,276)
Fund Balance (Deficit), beginning of year	<u>(135,465)</u>	<u>(135,465)</u>	<u>(135,465)</u>	<u>-</u>
Fund Balance (Deficit), end of year	<u>\$ 350,535</u>	<u>\$ 333,142</u>	<u>\$ (146,134)</u>	<u>\$ (479,276)</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Seized Assets Forfeitures
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 8,000	\$ 8,000	\$ 1,569	\$ (6,431)
Use of Money and Property	1,070	19,570	29,655	10,085
Miscellaneous	-	-	7,067	7,067
Total Revenues	9,070	27,570	38,291	10,721
EXPENDITURES				
Current:				
General Government	-	61,098	61,098	-
Public Safety	4,000	89,104	81,880	7,224
Capital Outlay	-	389,138	212,992	176,146
Debt Service:				
Principal	5,664	5,664	162,288	(156,624)
Interest	203,000	203,000	4,528	198,472
Total Expenditures	212,664	748,004	522,786	225,218
NET CHANGE IN FUND BALANCE	(203,594)	(720,434)	(484,495)	235,939
Fund Balance, beginning of year	997,501	997,501	997,501	-
Fund Balance, end of year	\$ 793,907	\$ 277,067	\$ 513,006	\$ 235,939

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Supplemental Law Enforcement Services Fund (SLESF)
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 280,561	\$ 280,561	\$ 318,979	\$ 38,418
Use of Money and Property	1,000	1,000	5,918	4,918
Total Revenues	<u>281,561</u>	<u>281,561</u>	<u>324,897</u>	<u>43,336</u>
EXPENDITURES				
Current:				
General Government	-	-	2,113	(2,113)
Public Safety	255,315	348,432	361,951	(13,519)
Capital Outlay	-	53,803	7,389	46,414
Total Expenditures	<u>255,315</u>	<u>402,235</u>	<u>371,453</u>	<u>30,782</u>
NET CHANGE IN FUND BALANCE	26,246	(120,674)	(46,556)	74,118
Fund Balance, beginning of year, as restated	<u>140,822</u>	<u>140,822</u>	<u>140,822</u>	-
Fund Balance, end of year	<u>\$ 167,068</u>	<u>\$ 20,148</u>	<u>\$ 94,266</u>	<u>\$ 74,118</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Murrieta Public Library
For the Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Assessments	\$ 2,424,794	\$ 2,533,814	\$ 2,847,305	\$ 313,491
Charges for services	14,300	18,750	22,497	3,747
Use of Money and Property	18,600	38,600	80,199	41,599
Fines and Forfeitures	30,000	15,000	14,231	(769)
Miscellaneous	46,600	32,100	42,707	10,607
Total Revenues	<u>2,534,294</u>	<u>2,638,264</u>	<u>3,006,939</u>	<u>368,675</u>
EXPENDITURES				
Current:				
Parks and Recreation	3,313,280	3,296,933	3,130,341	166,592
Total Expenditures	<u>3,313,280</u>	<u>3,296,933</u>	<u>3,130,341</u>	<u>166,592</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(778,986)	(658,669)	(123,402)	535,267
OTHER FINANCING SOURCES (USES)				
Transfers in	143,773	143,773	783	(142,990)
NET CHANGE IN FUND BALANCE	(635,213)	(514,896)	(122,619)	392,277
Fund Balance, beginning of year	1,388,136	1,388,136	1,388,136	-
Fund Balance, end of year	<u>\$ 752,923</u>	<u>\$ 873,240</u>	<u>\$ 1,265,517</u>	<u>\$ 392,277</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
National Pollutant Discharge Elimination System (NPDES)
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Assessments	\$ 488,000	\$ 488,000	\$ 822,466	\$ 334,466
Use of Money and Property	4,700	14,700	45,870	31,170
Total Revenues	<u>492,700</u>	<u>502,700</u>	<u>868,336</u>	<u>365,636</u>
EXPENDITURES				
Current:				
Public Works	1,325,129	1,272,183	883,009	389,174
Total Expenditures	<u>1,325,129</u>	<u>1,272,183</u>	<u>883,009</u>	<u>389,174</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(832,429)	(769,483)	(14,673)	754,810
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(532,429)	(469,483)	285,327	754,810
Fund Balance, beginning of year	<u>997,318</u>	<u>997,318</u>	<u>997,318</u>	<u>-</u>
Fund Balance, end of year	<u>\$ 464,889</u>	<u>\$ 527,835</u>	<u>\$ 1,282,645</u>	<u>\$ 754,810</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Reimbursement Agreement Fund
For the Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Intergovernmental	\$ -	\$ 21,890	\$ 21,890	\$ -
Use of Money and Property	-	-	143	143
Developer Participation	-	-	19,450	19,450
Total Revenues	-	21,890	41,483	19,593
EXPENDITURES				
Capital Outlay	-	21,890	19,840	2,050
Total Expenditures	-	21,890	19,840	2,050
NET CHANGE IN FUND BALANCE	-	-	21,643	21,643
Fund Balance (Deficit), beginning of year	(19,450)	(19,450)	(19,450)	-
Fund Balance (Deficit), end of year	\$ (19,450)	\$ (19,450)	\$ 2,193	\$ 21,643

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
TUMF
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Total Revenues	\$ -	\$ -	\$ 2,250,000	\$ 2,250,000
EXPENDITURES				
Capital Outlay	-	1,834,205	1,032,703	801,502
Total Expenditures	-	1,834,206	1,032,703	801,503
NET CHANGE IN FUND BALANCE	-	(1,834,206)	1,217,297	3,051,503
Fund Balance, beginning of year	(381,263)	(381,263)	(381,263)	-
Fund Balance (Deficit), end of year	\$ (381,263)	\$ (2,215,469)	\$ 836,034	\$ 3,051,503

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Housing Authority
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 44,000	\$ 74,000	\$ 185,699	\$ 111,699
Miscellaneous	6,500	6,500	6,500	-
Total Revenues	<u>50,500</u>	<u>80,500</u>	<u>192,199</u>	<u>111,699</u>
EXPENDITURES				
Current:				
General Government	-	-	3,359	(3,359)
Community Development	72,289	118,644	31,944	86,700
Total Expenditures	<u>72,289</u>	<u>118,644</u>	<u>35,303</u>	<u>83,341</u>
NET CHANGE IN FUND BALANCE	(21,789)	(38,144)	156,896	195,040
Fund Balance, beginning of year, as restated	<u>15,190,587</u>	<u>15,190,587</u>	<u>15,190,587</u>	<u>-</u>
Fund Balance, end of year	<u>\$ 15,168,798</u>	<u>\$ 15,152,443</u>	<u>\$ 15,347,483</u>	<u>\$ 195,040</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Community Services District
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Assessments	\$ 9,538,625	\$ 9,538,625	\$ 9,696,227	\$ 157,602
Charges for Services	520,125	548,125	687,196	139,071
Use of Money and Property	156,805	194,015	366,932	172,917
Miscellaneous	22,000	22,000	18,847	(3,153)
Total Revenues	<u>10,237,555</u>	<u>10,302,765</u>	<u>10,769,202</u>	<u>466,437</u>
EXPENDITURES				
Current:				
Parks and Recreation	13,457,463	13,671,932	12,444,907	1,227,025
Capital Outlay	18,000	181,506	190,868	(9,362)
Total Expenditures	<u>13,475,463</u>	<u>13,853,438</u>	<u>12,635,775</u>	<u>1,217,663</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,237,908)</u>	<u>(3,550,673)</u>	<u>(1,866,573)</u>	<u>1,684,100</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	3,564,002	3,564,002	2,679,944	(884,058)
Transfers Out	(425,727)	(425,727)	(425,727)	-
Total Other Financing Sources (Uses)	<u>3,138,275</u>	<u>3,138,275</u>	<u>2,254,217</u>	<u>(884,058)</u>
NET CHANGE IN FUND BALANCE	<u>(99,633)</u>	<u>(412,398)</u>	<u>387,644</u>	<u>800,042</u>
Fund Balances, beginning of year	<u>6,663,094</u>	<u>6,663,094</u>	<u>6,663,094</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 6,563,461</u>	<u>\$ 6,250,696</u>	<u>\$ 7,050,738</u>	<u>\$ 800,042</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Road Maintenance and Rehabilitation Account
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,107,697	\$ 2,650,389	\$ 2,856,782	\$ 206,393
Use of Money and Property	-	35,000	214,621	179,621
Total Revenues	<u>2,107,697</u>	<u>2,685,389</u>	<u>3,071,403</u>	<u>386,014</u>
EXPENDITURES				
Current:				
Public Works	-	1,260	2,125	(865)
Capital Outlay	-	12,446	1,614,680	(1,602,234)
Total Expenditures	<u>-</u>	<u>13,706</u>	<u>1,616,805</u>	<u>(1,603,099)</u>
NET CHANGE IN FUND BALANCE	2,107,697	2,671,683	1,454,598	(1,217,085)
Fund Balance, beginning of year	4,852,753	4,852,753	4,852,753	-
Fund Balance, end of year	<u>\$ 6,960,450</u>	<u>\$ 7,524,436</u>	<u>\$ 6,307,351</u>	<u>\$ (1,217,085)</u>

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Other Grants
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 29,840	\$ 4,354,293	\$ 465,957	\$ (3,888,336)
Use of Money and Property	22,650	23,410	10,119	(13,291)
Total Revenues	52,490	4,377,703	476,076	(3,901,627)
EXPENDITURES				
Current:				
General Government	113,592	459,695	118,396	341,299
Public Safety	30	512,912	363,053	149,859
Public Works	-	3,000,000	-	3,000,000
Parks and Recreation	25,050	144,419	47,543	96,876
Capital Outlay	-	180,818	143,500	37,318
Total Expenditures	138,672	4,297,844	672,492	3,625,352
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(86,182)	79,859	(196,416)	(276,275)
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(810)	(810)
NET CHANGE IN FUND BALANCE	(86,182)	79,859	(197,226)	(277,085)
Fund Balance (Deficit), beginning of year	(170,602)	(170,602)	(170,602)	-
Fund Balance (Deficit), end of year	\$ (256,784)	\$ (90,743)	\$ (367,828)	\$ (277,085)

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Developer Agreement
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 27,000	\$ 33,000	\$ 167,684	\$ 134,684
Total Revenues	27,000	33,000	167,684	134,684
EXPENDITURES				
Current:				
Public Works	2,250	2,480	2,039	441
Capital Outlay	-	-	3,875	(3,875)
Total Expenditures	2,250	2,480	5,914	(3,434)
NET CHANGE IN FUND BALANCE	24,750	30,520	161,770	131,250
Fund Balance, beginning of year	2,086,241	2,086,241	2,086,241	-
Fund Balance, end of year	\$ 2,110,991	\$ 2,116,761	\$ 2,248,011	\$ 131,250

City of Murrieta

**Budgetary Comparison Schedule – Special Revenue Fund –
Opioid Settlement
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ -	\$ 2,500	\$ 5,205	\$ 2,705
Miscellaneous	-	47,772	151,439	103,667
Total Revenues	-	50,272	156,644	106,372
EXPENDITURES				
Current:				
General Government	-	166,500	166,500	-
Total Expenditures	-	166,500	166,500	-
NET CHANGE IN FUND BALANCE	-	(116,228)	(9,856)	106,372
Fund Balances, beginning of year	6,581	6,581	6,581	-
Fund Balances, end of year	\$ 6,581	\$ (109,647)	\$ (3,275)	\$ 106,372

City of Murrieta

**Budgetary Comparison Schedule – Capital Projects Fund –
Community Facilities District
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 2,500	\$ 33,630	\$ 77,541	\$ 43,911
Total Revenues	2,500	33,630	77,541	43,911
EXPENDITURES				
Capital Outlay	-	990,255	951,214	39,041
Total Expenditures	-	990,255	951,214	39,041
NET CHANGE IN FUND BALANCE	2,500	(956,625)	(873,673)	82,952
Fund Balance, beginning of year	1,621,090	1,621,090	1,621,090	-
Fund Balance, end of year	\$ 1,623,590	\$ 664,465	\$ 747,417	\$ 82,952

City of Murrieta

**Budgetary Comparison Schedule – Capital Projects Fund –
Area Drainage
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 60,000	\$ 45,000	\$ 220,963	\$ 175,963
Developer Participation	110,000	110,000	61,462	(48,538)
Total Revenues	<u>170,000</u>	<u>155,000</u>	<u>282,425</u>	<u>127,425</u>
EXPENDITURES				
Current:				
Public Works	4,200	4,552	2,863	1,689
Capital Outlay	-	24,001	52,654	(28,653)
Total Expenditures	<u>4,200</u>	<u>28,553</u>	<u>55,517</u>	<u>(26,964)</u>
NET CHANGE IN FUND BALANCE	165,800	126,447	226,908	100,461
Fund Balance, beginning of year	<u>5,847,155</u>	<u>5,847,155</u>	<u>5,847,155</u>	<u>-</u>
Fund Balance, end of year	<u>\$ 6,012,955</u>	<u>\$ 5,973,602</u>	<u>\$ 6,074,063</u>	<u>\$ 100,461</u>

City of Murrieta

**Budgetary Comparison Schedule – Capital Projects Fund –
South West Road and Bridge
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 1,000	\$ 4,500	\$ 10,141	\$ 5,641
Total Revenues	1,000	4,500	10,141	5,641
EXPENDITURES				
Current:				
Public Works	60	88	107	(19)
Total Expenditures	60	88	107	(19)
NET CHANGE IN FUND BALANCE	940	4,412	10,034	5,622
Fund Balance, beginning of year	267,453	267,453	267,453	-
Fund Balance, end of year	\$ 268,393	\$ 271,865	\$ 277,487	\$ 5,622

City of Murrieta

**Budgetary Comparison Schedule – Debt Service Fund –
 Citywide Debt Service
 For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Current				
Use of Money and Property	\$ 50	\$ 450	\$ -	\$ (450)
EXPENDITURES				
Current:				
General Government	-	8	7	1
Debt service:				
Principal Retirement	1,030,000	1,030,000	1,030,000	-
Interest and Fiscal Charges	274,550	274,550	272,376	2,174
Total Expenditures	1,304,550	1,304,558	1,302,383	2,175
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,304,500)	(1,304,108)	(1,302,383)	1,725
OTHER FINANCING SOURCES (USES)				
Transfers In	1,304,546	1,304,546	1,302,383	(2,163)
NET CHANGE IN FUND BALANCE	46	438	-	(438)
Fund Balance, beginning of year	10,496	10,496	10,496	-
Fund Balance, end of year	\$ 10,542	\$ 10,934	\$ 10,496	\$ (438)

City of Murrieta

**Budgetary Comparison Schedule – Debt Service Fund –
2016A LARB
For the Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Assessments	\$ -	\$ 3,615,258	\$ 3,615,258	\$ -
Use of Money and Property	-	85,000	99,613	14,613
Miscellaneous	-	-	(3)	(3)
Total Revenues	-	3,700,258	3,714,868	14,610
EXPENDITURES				
Debt Service:				
Principal Retirement	2,390,000	2,390,000	2,390,000	-
Interest and Fiscal Charges	1,225,258	1,225,258	1,225,258	-
Total Expenditures	3,615,258	3,615,258	3,615,258	-
NET CHANGE IN FUND BALANCE	(3,615,258)	85,000	99,610	14,610
Fund Balances, beginning of year, as restated	1,883,583	1,883,583	1,883,583	-
Fund Balances, end of year	\$ (1,731,675)	\$ 1,968,583	\$ 1,983,193	\$ 14,610

City of Murrieta

**Budgetary Comparison Schedule – Debt Service Fund –
2016B LARB
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Assessments	\$ -	\$ 630,088	\$ 630,088	\$ -
Use of Money and Property	-	16,020	18,528	2,508
Miscellaneous	-	-	4	4
Total Revenues	-	646,108	648,620	2,512
EXPENDITURES				
Debt Service:				
Principal Retirement	430,000	430,000	430,000	-
Interest and Fiscal Charges	200,088	200,088	200,088	-
Total Expenditures	630,088	630,088	630,088	-
NET CHANGE IN FUND BALANCE	(630,088)	16,020	18,532	2,512
Fund Balances, beginning of year	329,994	329,994	329,994	-
Fund Balances, end of year	\$ (300,094)	\$ 346,014	\$ 348,526	\$ 2,512

City of Murrieta

**Budgetary Comparison Schedule – Permanent Fund –
Town Hall Association
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 5,000	\$ 7,000	\$ 19,149	\$ 12,149
Total Revenues	5,000	7,000	19,149	12,149
EXPENDITURES				
Current:				
Parks and recreation	5,000	5,223	11,868	(6,645)
Total Expenditures	5,000	5,223	11,868	(6,645)
NET CHANGE IN FUND BALANCE	-	1,777	7,281	5,504
Fund Balances, beginning of year	509,730	509,730	509,730	-
Fund Balances, end of year	\$ 509,730	\$ 511,507	\$ 517,011	\$ 5,504

INTERNAL SERVICE FUNDS



THIS PAGE INTENTIONALLY LEFT BLANK

City of Murrieta

**Combining Statement of Fund Net Position – Internal Service Funds
June 30, 2024**

	Governmental Activities - Internal Service Funds		
	Information Technology	Risk Management	Total
ASSETS			
Current Assets:			
Cash and Investments	\$ 3,321,946	\$ 5,034,058	\$ 8,356,004
Accounts Receivable	8,593	1,133	9,726
Prepaid Costs	730,650	115,513	846,163
Inventory	-	11,597	11,597
Due From Other Governments	-	3,000	3,000
Deposits Held with Others	-	2,042,873	2,042,873
Total Current Assets	<u>4,061,189</u>	<u>7,208,174</u>	<u>11,269,363</u>
Noncurrent:			
Capital Assets, net	658,298	-	658,298
Total Assets	<u>4,719,487</u>	<u>7,208,174</u>	<u>11,927,661</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	22,468	89,235	111,703
Accrued Liabilities	97,461	24,082	121,543
Unearned Revenues	15	1,133	1,148
Accrued Compensated Absences	105,947	(13,895)	92,052
Accrued Claims and Judgments	-	5,509,984	5,509,984
Lease and Subscription Liabilities	203,561	-	203,561
Total Current Liabilities	<u>429,452</u>	<u>5,610,539</u>	<u>6,039,991</u>
Noncurrent:			
Accrued Compensated Absences	1,554	27,904	29,458
Accrued Claims and Judgments	-	7,685,329	7,685,329
Lease and Subscription Liabilities	43,139	-	43,139
Total Noncurrent Liabilities	<u>44,693</u>	<u>7,713,233</u>	<u>7,757,926</u>
Total Liabilities	<u>474,145</u>	<u>13,323,772</u>	<u>13,797,917</u>
NET POSITION (DEFICIT)			
Net Investment in Capital Assets	411,598	-	411,598
Restricted for PEG	432,860	-	432,860
Unrestricted	3,400,884	(6,115,598)	(2,714,714)
Total Net Position (Deficit)	<u>\$ 4,245,342</u>	<u>\$ (6,115,598)</u>	<u>\$ (1,870,256)</u>

City of Murrieta

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position –
Internal Service Funds
For the Year Ended June 30, 2024**

	Governmental Activities - Internal Service Funds		
	Information Technology	Risk Management	Total
OPERATING REVENUES			
Interdepartmental Charges	\$ 4,121,389	\$ 8,814,653	\$ 12,936,042
Franchise Taxes	36,903	-	36,903
Total Operating Revenues	<u>4,158,292</u>	<u>8,814,653</u>	<u>12,972,945</u>
OPERATING EXPENSES			
Administration and General	3,123,120	5,114,383	8,237,503
Claims	-	3,345,705	3,345,705
Depreciation and Amortization	565,491	-	565,491
Total Operating Expenses	<u>3,688,611</u>	<u>8,460,088</u>	<u>12,148,699</u>
OPERATING INCOME	<u>469,681</u>	<u>354,565</u>	<u>824,246</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Revenue	117,047	257,741	374,788
Interest Expense	(13,121)	-	(13,121)
Gain (loss) on sale of equipment	(557,189)	-	(557,189)
Total Nonoperating Revenues (Expenses)	<u>(453,263)</u>	<u>257,741</u>	<u>(195,522)</u>
CHANGES IN NET POSITION	16,418	612,306	628,724
Net Position (Deficit), beginning of year	<u>4,228,924</u>	<u>(6,727,904)</u>	<u>(2,498,980)</u>
Net Position (Deficit), end of year	<u>\$ 4,245,342</u>	<u>\$ (6,115,598)</u>	<u>\$ (1,870,256)</u>

City of Murrieta

**Combining Statement of Cash Flows – Internal Service Funds
June 30, 2024**

	Governmental Activities - Internal Service Funds		
	Information Technology	Risk Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Interfund Service Provided	\$ 4,160,145	\$ 8,811,653	\$ 12,971,798
Cash Paid to Suppliers for Goods and Services	(1,723,288)	(4,798,635)	(6,521,923)
Cash Paid to Employees for Services	(1,459,062)	(225,908)	(1,684,970)
Claims Paid	-	(663,324)	(663,324)
Net Cash Provided by Operating Activities	977,795	3,123,786	4,101,581
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal payments on subscription-based liability	(146,585)		(146,585)
Principal payments on note	(39,452)	-	(39,452)
Interest payments on note	(13,121)	-	(13,121)
Purchase of equipment	(262,045)	-	(262,045)
Net Cash Provided by Noncapital Financing Activities	(461,203)	-	(461,203)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	117,047	257,741	374,788
Net Cash Provided by Investing Activities	117,047	257,741	374,788
NET CHANGE IN CASH AND CASH EQUIVALENTS	633,639	3,381,527	4,015,166
Cash and Cash Equivalents, beginning of year	2,688,307	1,652,531	4,340,838
Cash and Cash Equivalents, end of year	\$ 3,321,946	\$ 5,034,058	\$ 8,356,004

RECONCILIATION OF OPERATING (INCOME) TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating (Income)	\$ 469,681	\$ 354,565	\$ 824,246
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation and Amortization Expense	565,491	-	565,491
(Increase) Decrease in Accounts Receivable	1,853	(1,133)	720
(Increase) Decrease in Prepaid Costs	58,119	(1,086)	57,033
(Increase) Decrease in Inventory	-	5,380	5,380
(Increase) Decrease in Due From Other Governments	-	(3,000)	(3,000)
(Increase) Decrease in Deposits Held with Others	-	2,793,439	2,793,439
(Increase) Decrease in Accounts Payable	(117,453)	69,313	(48,140)
Increase (Decrease) in Accrued Liabilities	19,787	8,201	27,988
Increase (Decrease) in Unearned Revenue	-	1,133	1,133
Increase (Decrease) in Claims and Judgments	-	(111,058)	(111,058)
Increase (Decrease) in Compensated Absences	(19,683)	8,032	(11,651)
Total Adjustments	508,114	2,769,221	3,277,335
Net Cash Provided by Operating Activities	\$ 977,795	\$ 3,123,786	\$ 4,101,581



THIS PAGE INTENTIONALLY LEFT BLANK

STATISTICAL SECTION



THIS PAGE INTENTIONALLY LEFT BLANK

City of Murrieta

Statistical Section For the Year Ended June 30, 2024

Statistical Section

This part of the City of Murrieta's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

CONTENTS:

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

- Net Position by Component
- Changes in Net Position
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property taxes.

- Assessed Value and Estimated Actual Value of Taxable Property
- Direct and Overlapping Property Tax Rates
- Principal Property Tax Payers
- Property Tax Levies and Collections

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

- Ratios of Outstanding Debt by Type
- Ratios of General Bonded Debt Outstanding
- Direct and Overlapping Governmental Activities Debt
- Legal Debt Margin Information

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and help make comparisons over time and with other governments.

- Demographic and Economic Statistics
- Principal Employers

City of Murrieta

Statistical Section For the Year Ended June 30, 2024

Operating Information

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the size and scope of its operations.

- Full-Time Equivalent City Government Employees by Function/Program
- Operating Indicators by Function/Program
- Capital Assets Statistics by Function/Program

Sources: *Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.*

City of Murrieta

**Net Position by Component
Last Ten Fiscal Years (Accrual Basis of Accounting)**

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net Investment in Capital Assets										
Restricted	\$ 484,398,241	\$ 474,770,950	\$ 471,916,723	\$ 473,090,324	\$ 470,821,893	\$ 465,074,857	\$ 453,497,550	\$ 442,591,027	\$ 436,191,370	\$ 432,409,678
Unrestricted	79,838,599	87,273,906	89,929,796	105,088,044	111,079,503	103,136,669	94,056,151	186,274,667	123,733,392	133,963,316
	(16,592,998)	(14,653,798)	(13,848,839)	(41,046,353)	(31,457,063)	(9,829,207)	23,522,302	(25,236,928)	(840,095)	8,728,392
Total Governmental Activities Net Position	\$ 547,643,842	\$ 547,391,058	\$ 547,997,680	\$ 537,132,015	\$ 550,444,333	\$ 558,382,319	\$ 571,076,003	\$ 603,628,766	\$ 559,084,667	\$ 575,101,386
Primary Government										
Net Investment in Capital Assets										
Restricted	\$ 484,398,241	\$ 474,770,950	\$ 471,916,723	\$ 473,090,324	\$ 470,821,893	\$ 465,074,857	\$ 453,497,550	\$ 442,591,027	\$ 436,191,370	\$ 432,409,678
Unrestricted	79,838,599	87,273,906	89,929,796	105,088,044	111,079,503	103,136,669	94,056,151	186,274,667	123,733,392	133,963,316
	(16,592,998)	(14,653,798)	(13,848,839)	(41,046,353)	(31,457,063)	(9,829,207)	23,522,302	(25,236,928)	(840,095)	8,728,392
Total Primary Government Activities Net Position	\$ 547,643,842	\$ 547,391,058	\$ 547,997,680	\$ 537,132,015	\$ 550,444,333	\$ 558,382,319	\$ 571,076,003	\$ 603,628,766	\$ 559,084,667	\$ 575,101,386

City of Murrieta

**Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)**

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities:										
General Government	\$ 10,272,032	\$ 7,147,019	\$ 6,897,851	\$ 8,792,429	\$ 9,946,480	\$ 9,585,480	\$ 10,584,605	\$ 9,948,145	\$ 17,679,910	\$ 20,331,417
Public Safety	37,185,694	36,159,079	39,540,555	46,256,080	45,498,308	49,295,183	58,821,008	55,338,998	72,862,928	84,583,049
Community development	4,620,996	3,785,546	3,583,540	4,520,971	4,238,848	5,758,019	5,440,727	5,385,148	8,202,449	8,168,208
Parks and recreation	14,018,797	13,285,200	14,036,956	15,937,895	14,346,304	12,702,695	15,090,578	16,246,798	19,336,947	20,377,781
Public works	11,854,445	16,499,024	15,479,683	14,632,165	16,196,832	7,014,041	24,720,807	21,449,510	19,808,063	20,239,187
Interest on Long-term debt	408,261	378,892	337,616	320,046	613,581	705,260	323,746	4,278,037	2,462,044	3,234,953
Principal retirement	-	-	-	-	-	1,111,972	-	-	-	-
Cost issuance	-	-	-	-	-	37,395	-	-	-	-
Total Governmental Activities Expenses	78,360,225	77,254,760	79,876,201	90,459,586	90,840,353	86,210,045	114,981,471	112,646,636	140,352,341	156,934,595
Total Primary Government Expenses	\$ 78,360,225	\$ 77,254,760	\$ 79,876,201	\$ 90,459,586	\$ 90,840,353	\$ 86,210,045	\$ 114,981,471	\$ 112,646,636	\$ 140,352,341	\$ 156,934,595
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 344,966	\$ 393,066	\$ 380,150	\$ 339,285	\$ 506,317	\$ 358,992	\$ 407,393	\$ 766,593	\$ 1,846,704	\$ 737,081
Public Safety	3,372,277	3,173,165	3,054,659	2,835,262	2,531,423	2,302,332	2,127,808	2,216,612	3,458,096	2,600,341
Community development	1,593,650	1,619,494	1,543,461	1,801,558	2,161,102	2,105,244	2,436,099	2,736,683	5,025,514	10,981,702
Parks and recreation	9,011,424	9,210,859	9,228,886	9,789,417	10,110,756	9,720,311	9,575,095	10,139,229	10,222,700	10,463,663
Public works	1,735,377	2,519,618	2,372,120	2,181,995	3,711,312	1,536,320	2,705,445	2,878,347	5,805,023	3,331,014
Operating Contributions:										
General Government	-	-	-	-	-	-	100,213	52,631	4,201,413	2,407,204
Public Safety	1,771,525	1,912,293	2,125,732	2,846,717	2,193,855	3,048,607	6,307,152	5,412,566	3,261,229	4,010,312
Community development	127,269	-	87	978,185	357,434	192,013	393,691	67,755	122,061	435,336
Parks and recreation	561	-	-	7,210	6,551	565,563	8,252	1,619	73,554	2,464,901
Public works	11,536	-	-	-	-	-	-	-	-	-
Capital Contributions and Grants:										
Public Safety	934,577	702,382	286,376	478,295	684,204	449,730	-	-	100,744	-
Community development	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	126,167	439,480	284,038	34,897	22,845	17,233	44,605	23,785	28,734
Public works	12,800,355	11,082,791	13,934,929	16,346,203	13,726,110	10,418,244	11,867,320	18,048,160	27,296,307	15,888,948
Total Governmental Activities Revenues	31,703,507	30,739,835	33,365,880	37,888,165	36,023,961	30,720,229	35,945,701	42,364,800	61,437,130	53,349,236
Total Primary Government Revenues	\$ 31,703,507	\$ 30,739,835	\$ 33,365,880	\$ 37,888,165	\$ 36,023,961	\$ 30,720,229	\$ 35,945,701	\$ 42,364,800	\$ 61,437,130	\$ 53,349,236
Net (Expense)/Revenue										
Government Activities	(46,656,718)	(46,514,925)	(46,510,321)	(52,571,421)	(54,816,392)	(55,489,816)	(79,035,770)	(70,281,836)	(78,915,211)	(103,585,359)
Total Primary Government Net Expenses	\$ (46,656,718)	\$ (46,514,925)	\$ (46,510,321)	\$ (52,571,421)	\$ (54,816,392)	\$ (55,489,816)	\$ (79,035,770)	\$ (70,281,836)	\$ (78,915,211)	\$ (103,585,359)

City of Murrieta

**Changes in Net Position (Continued)
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)**

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes, levied for general purpose	\$ 25,375,863	\$ 26,976,510	\$ 27,365,716	\$ 18,318,390	\$ 19,249,637	\$ 20,426,934	\$ 21,298,548	\$ 21,804,948	\$ 24,419,742	\$ 25,165,760
Property taxes, levied for Fire Safety	-	-	-	10,638,490	11,130,640	11,474,940	12,322,314	12,828,976	14,125,562	16,391,638
Property transfer tax	599,789	570,417	587,705	688,336	604,380	605,043	958,733	1,224,304	576,080	686,263
Transient occupancy taxes	180,655	406,402	588,862	1,034,918	1,377,892	1,275,998	1,388,646	2,111,609	1,907,457	1,989,170
Sales taxes	13,869,833	14,827,391	15,633,644	17,813,627	23,410,479	36,672,600	47,903,495	54,788,375	55,580,286	53,880,062
Franchise tax	3,698,577	3,645,115	3,557,828	3,648,879	3,609,689	4,027,797	4,692,590	4,644,997	4,915,332	5,156,401
Business licenses taxes	653,483	690,342	752,963	769,637	779,147	780,905	797,738	920,357	928,285	1,185,824
Intergovernmental, unrestricted:										
Motor Vehicle in Lieu	-	-	-	60,489	54,500	93,491	84,757	133,053	113,965	136,741
Investment Income	-	-	-	783,865	3,844,936	5,304,590	(80,196)	2,168,412	4,579,089	14,329,611
Use of money and property	1,032,747	1,835,084	444,274	-	-	-	-	-	-	-
Gain on sale of asset	-	-	466,254	14,615	808,656	87,574	1,370,549	-	21,566.00	46,631
Other	200,084	310,880	269,945	366,363	3,258,754	838,135	925,222	1,067,693	1,082,009	1,037,269
Total Governmental Activities	45,611,031	49,262,141	49,657,191	54,137,609	68,128,710	81,588,007	91,662,396	101,692,724	108,249,373	120,005,370
Total Primary Government	\$ 45,611,031	\$ 49,262,141	\$ 49,657,191	\$ 54,137,609	\$ 68,128,710	\$ 81,588,007	\$ 91,662,396	\$ 101,692,724	\$ 108,249,373	\$ 120,005,370
Changes in Net Position										
Governmental Activities	\$ (1,045,687)	\$ 2,747,216	\$ 3,146,870	\$ 1,566,188	\$ 13,312,318	\$ 26,098,191	\$ 12,626,626	\$ 31,410,888	\$ 29,334,162	\$ 16,420,011
Total Primary Government	\$ (1,045,687)	\$ 2,747,216	\$ 3,146,870	\$ 1,566,188	\$ 13,312,318	\$ 26,098,191	\$ 12,626,626	\$ 31,410,888	\$ 29,334,162	\$ 16,420,011

City of Murrieta

**Fund Balances of Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)**

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$ 4,830,894	\$ 4,823,933	\$ 3,331,733	\$ 2,557,690	\$ 1,732,505	\$ 3,102,003	\$ 1,388,443	\$ 4,480,717	\$ 4,181,606	\$ 3,742,577
Restricted	-	-	-	6,760,566	1,102,039	1,102,039	795,242	203,435	225,188	137,371
Committed	4,441,271	4,778,387	4,521,921	16,212,641	22,506,936	22,504,550	39,848,266	59,624,816	51,229,664	86,200,190
Assigned	132,292	147,482	57,042	57,042	57,042	57,042	52,482	52,482	57,042	52,482
Unassigned	15,381,707	18,048,951	16,562,140	10,218,675	16,573,369	34,261,832	40,804,323	40,602,221	71,473,661	52,796,685
Total General Fund	\$ 24,786,164	\$ 27,798,753	\$ 24,472,836	\$ 35,806,614	\$ 41,971,891	\$ 61,027,466	\$ 82,888,756	\$ 104,963,671	\$ 127,167,181	\$ 142,929,305
All other Governmental Funds										
Nonspendable	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 506,158	\$ 528,501	\$ 531,288	\$ 536,360	\$ 556,728	\$ 568,030
Restricted	68,942,318	76,089,575	79,129,454	94,839,481	100,524,128	96,978,550	98,428,363	181,919,349	123,008,204	133,325,945
Committed	8,489,144	8,856,754	8,306,021	-	-	-	-	-	-	-
Assigned	97,452	90,042	90,042	-	-	-	-	-	-	-
Unassigned	(940,294)	(695,719)	(1,112,972)	(2,575,834)	(1,276,679)	(1,442,029)	(301,651)	(1,481,934)	(939,852)	(723,598)
Total all other Governmental Funds	\$ 77,088,620	\$ 84,840,652	\$ 86,912,545	\$ 92,763,647	\$ 99,753,607	\$ 96,065,022	\$ 98,658,000	\$ 180,973,775	\$ 122,625,080	\$ 133,170,377

City of Murrieta

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Taxes and Assessments	\$ 54,468,411	\$ 57,904,070	\$ 59,007,161	\$ 62,790,280	\$ 70,126,890	\$ 85,350,816	\$ 100,063,513	\$ 109,123,680	\$ 119,646,012	\$ 123,213,972
Licenses and permits	1,154,123	1,105,445	1,023,259	2,040,716	2,399,579	2,080,504	2,439,357	2,772,424	3,397,879	3,125,112
Intergovernmental	10,820,666	8,495,466	12,731,256	16,225,261	12,342,123	12,688,577	14,115,138	13,431,231	22,948,591	22,054,052
Charges for services	4,222,987	4,844,048	4,468,015	4,581,800	5,510,046	3,518,657	3,924,451	4,955,346	6,694,073	6,008,710
Use of money and property	962,986	1,691,970	263,706	927,905	3,725,701	5,083,461	180,913	1,581,529	4,578,267	14,215,797
Fines and Forfeitures	663,543	597,323	577,938	523,318	363,662	437,562	291,770	445,223	601,204	526,408
Developer participation	4,884,976	6,018,530	3,386,587	4,246,835	5,640,778	2,895,414	3,647,776	6,564,016	12,363,259	3,694,209
Miscellaneous	250,547	310,884	269,949	655,483	3,259,352	885,465	577,356	2,145,070	861,994	768,251
Total Revenues	77,428,239	80,967,736	81,727,871	91,991,598	103,368,131	112,920,456	125,230,274	141,018,519	171,091,279	173,606,511
Expenditures:										
General Government	5,648,042	6,588,183	8,453,497	6,980,621	9,218,519	9,585,480	8,884,662	9,601,609	16,026,437	16,904,616
Public Safety	36,495,257	37,201,869	38,655,871	39,811,607	44,155,921	49,295,183	54,706,927	61,449,186	66,154,902	73,855,903
Community development culture and recreation	4,620,996	3,785,546	3,583,540	3,842,370	4,383,037	5,758,019	5,373,799	6,100,867	7,574,717	7,799,638
Public works	12,155,071	11,292,830	11,984,108	12,914,472	12,547,690	12,702,695	13,018,592	14,619,911	15,907,301	17,332,491
Capital outlay	4,693,407	5,290,180	5,322,975	5,675,492	13,065,711	7,014,041	8,626,873	7,621,552	9,737,147	10,032,164
Capital outlay	12,774,705	4,759,269	12,060,800	11,485,200	5,387,355	11,581,057	13,565,571	10,044,523	9,687,885	10,818,189
Debt service:										
Principal retirement	700,000	929,396	964,320	1,366,431	1,381,616	1,111,972	7,560,798	6,456,648	5,571,915	7,107,548
Interest	399,412	391,209	358,887	329,372	503,045	705,260	440,514	4,463,883	2,829,855	3,091,878
Debt issuance costs	-	-	-	-	-	37,395	161,468	488,630	-	-
Total Expenditures	77,486,890	70,238,482	81,383,998	82,405,565	90,642,894	97,791,102	112,339,204	120,846,809	133,490,159	146,942,429
Excess (Deficiency) of Revenues Over (Under) Expenditures	(58,651)	10,729,254	343,873	9,586,033	12,725,237	15,129,354	12,891,070	20,171,710	37,601,120	26,664,082
Other Financing Sources (uses):										
Transfers in	3,311,249	2,691,218	3,296,696	2,313,376	4,368,720	2,441,067	5,429,618	6,503,052	8,071,183	8,744,385
Transfers out	(3,303,293)	(2,691,218)	(3,886,696)	(2,913,376)	(4,968,720)	(2,441,067)	(5,429,618)	(6,503,052)	(8,071,183)	(8,744,385)
Long-term debt issued	827,621	-	-	-	-	4,319,919	6,343,000	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	29,075,000	-	-
Bonds Premium	-	-	668,975	8,184,232	-	-	-	2,612,562	-	-
Payment to refunding escrow agent	-	-	-	-	-	(4,889,733)	-	(37,788,065)	-	-
Proceeds from sale of capital assets	1,063,802	35,367	863,376	14,615	1,030,000	87,574	4,908,825	65,866	21,566	46,631
Capital lease proceeds	-	-	-	-	-	578,545	452,704	-	-	-
Lease/SBITA acquisition	-	-	-	-	-	-	-	825,604	110,390	-
Total Other Financing Sources (uses)	1,899,379	35,367	942,351	7,598,847	430,000	96,305	11,704,529	(5,209,033)	131,956	46,631
Net change in fund balances	\$ 1,840,728	\$ 10,764,621	\$ 1,286,224	\$ 17,184,880	\$ 13,155,237	\$ 15,225,659	\$ 24,595,599	\$ 14,962,677	\$ 37,733,076	\$ 26,710,713
Debt services as a percentage of noncapital expenditures	1.70%	2.00%	1.90%	2.40%	2.20%	2.10%	8.10%	9.90%	6.79%	7.49%

City of Murrieta

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years (Dollars in Thousands)**

Fiscal Year	Residential Property	Commercial Property	Other Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Effective Tax Rate	Estimated Actual Taxable Property*	Taxable Assessed Value as a Percentage of Actual Taxable Value
2015	\$ 8,692,355	\$ 1,339,531	\$ 1,060,177	\$ (37,160)	\$ 11,054,903	0.0769%	N/A	N/A
2016	9,110,367	1,429,009	1,086,358	(37,924)	11,587,810	0.0770%	N/A	N/A
2017	9,562,560	1,285,780	1,124,523	(39,773)	11,933,090	0.0770%	N/A	N/A
2018	10,094,631	1,439,680	1,116,132	(39,528)	12,610,915	0.0771%	N/A	N/A
2019	10,630,537	1,603,699	1,178,540	(40,317)	13,372,459	0.0772%	N/A	N/A
2020	11,201,218	1,666,691	1,156,797	(391)	14,024,315	0.0772%	N/A	N/A
2021	11,738,707	1,775,724	1,182,204	-	14,696,635	0.0773%	N/A	N/A
2022	12,322,242	1,841,340	1,220,136	-	15,383,718	0.0774%	N/A	N/A
2023	13,297,795	1,940,273	1,328,166	-	16,566,234	0.0773%	N/A	N/A
2024	14,192,005	2,115,061	1,415,224	-	17,722,290	0.0776%	N/A	N/A

N/A - Data Not Available

*In 1978 the voters passed Proposition 13 which sets the property tax rate at a 1% fixed amount. The assessed valuation data show above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source:
The HdL Companies
City of Murrieta Finance Department

City of Murrieta

Direct and Overlapping Property Tax Rates Last Ten Fiscal Years (Rate Per \$100 of Taxable Value)

Agency	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Direct Rate										
City of Murrieta Library	0.02850	0.02850	0.02850	0.02850	0.02850	0.02850	0.02850	0.02850	0.02850	0.02850
County Free Library	-	-	-	-	-	-	-	-	-	-
Riverside County General	0.22270	0.22270	0.22270	0.22270	0.22274	0.11130	0.11130	0.11130	0.11130	0.11130
Elsinore Area Elementary School Fund	0.07560	0.07560	0.07560	0.07560	0.07560	0.07560	0.07560	0.07560	0.07560	0.07560
Flood Control Administration	0.00279	0.00279	0.00279	0.00279	0.00279	0.00279	0.00279	0.00279	0.00279	0.00279
Flood Control Zone 7	0.01720	0.01720	0.01720	0.01720	0.01720	0.01720	0.01720	0.01720	0.01720	0.01720
Mt. San Jacinto Junior College	0.04140	0.04140	0.04140	0.04140	0.04140	0.04140	0.04140	0.04140	0.04140	0.04140
Murrieta Cemetery	0.00298	0.00298	0.00298	0.00298	0.00298	0.00298	0.00298	0.00298	0.00298	0.00298
ERAF Share of Murrieta Fire Protection District-Cnty						0.00599	0.00599	0.00599	0.00599	0.00599
Murrieta Fire Protection-County	0.06130	0.06130	0.06130	0.06130	0.06129	0.05530	0.05530	0.05530	0.05530	0.05530
ERAF Share of Murrieta Fire Protection District-City						0.00151	0.00151	0.00151	0.00151	0.00151
Murrieta Fire Protection-City	0.05310	0.05310	0.05310	0.05310	0.05311	0.05160	0.05160	0.05160	0.05160	0.05160
ERAF Share of Murrieta General Fund						0.01247	0.01247	0.01247	0.01247	0.01247
Murrieta General Fund	0.07108	0.07108	0.07108	0.07120	0.07117	0.05870	0.05870	0.05870	0.05870	0.05870
Murrieta Unified School District	0.33370	0.33370	0.33370	0.33370	0.33370	0.33370	0.33370	0.33370	0.33370	0.33370
Riverside County Office of Education	0.04390	0.04390	0.04390	0.04390	0.04390	0.04390	0.04390	0.04390	0.04390	0.04390
Riverside County Reg Park & Open Space	0.00445	0.00445	0.00445	0.00445	0.00445	0.00445	0.00445	0.00445	0.00445	0.00445
Eastern Municipal Water District	0.04130	0.04130	0.04130	0.04130	0.04130	0.04130	0.04130	0.04130	0.04130	0.04130
Western Municipal Water 9th Fringe	-	-	-	-	-	-	-	-	-	-
ERAF Share of County General						0.11144	0.11144	0.11144	0.11144	0.11144
Total Direct Rate(1)	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Overlapping Rates:										
Eastern Municipal Water District	0.05400	0.02400	0.02400	0.01900	0.01900	0.01900	0.01900	0.01900	0.00860	0.00860
Metropolitan Water District (original area)	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Mt. San Jacinto Junior College	-	0.01394	0.01320	0.01320	0.01320	0.01320	0.01320	0.01320	0.01320	0.01320
Menifee School District	0.03275	0.03010	0.03269	0.06080	0.06303	0.06277	0.06111	0.06319	0.06201	0.06063
Murrieta Unified School District	0.11699	0.13703	0.13294	0.12587	0.11946	0.11945	0.11945	0.11955	0.11955	0.11955
Perris Union High School District	0.06303	0.06236	0.06092	0.05675	0.05243	0.08244	0.08569	0.08859	0.08859	0.08173
Rancho California Water District	0.80000	0.80000	0.80000	0.80000	0.80000	0.80000	0.80000	0.80000	0.80000	0.80000
Temecula Unified School District	0.03019	0.02741	0.03164	0.03287	0.03061	0.02938	0.02389	0.02389	0.02389	0.02389
Total Overlapping Rates(2)	1.10046	1.09834	1.09889	1.11199	1.10123	1.12974	1.12584	1.13092	1.11934	1.11110
Combined Total	2.10046	2.09834	2.09889	2.11199	2.10123	2.12974	2.12584	2.13092	2.11934	2.11110
City's Share of 1% Levy Per Prop 13(3)	0.07369	0.07369	0.07369	0.07369	0.07369	0.07369	0.07369	0.07369	0.07369	0.07369
Redevelopment Rate(4)	-	-	-	-	-	-	-	-	-	-
Total Effective Rate(5)	0.07692	0.07702	0.07706	0.07714	0.07718	0.07720	0.07726	0.07741	0.07733	0.07756

Source: The HdL Companies

Notes:

- (1) In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides. In addition to the 1.00% fixed amount, property owners are charged taxes as a % of assessed property values for the payment of any voter approved bonds.
- (2) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.
- (3) The City's share of 1% levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figures.
- (4) The RDA rate is based on the largest RDA tax rate area (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California state statute. RDA direct and overlapping rates are applied only to the incremental property values.
- (5) Total Direct Rate is the weighted average of all indirect rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City/Agency in the same proportions as general fund revenue.

City of Murrieta

Principal Property Taxpayers Current Year and Ten Years Ago

<u>Taxpayer</u>	2024		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Sreit Waterstone at Murrieta Apartments	\$ 159,822,955	1	0.90%
MG Mitchell Place Apartments LLC	136,930,064	2	0.77%
Universal Health Services of Rancho Spring	81,411,300	3	0.46%
Pacific Landing	81,056,927	4	0.46%
Murrieta Town Center Retail Owner LP	71,949,641	5	0.41%
Murrieta 492	71,677,448	6	0.40%
Arbors at California Oaks Properties	68,685,305	7	0.39%
CH Realty IX MF San Diego Eagle Glen	63,064,631	8	0.36%
FG Murrieta SR Apartments	59,199,700	9	0.33%
WalMart Realty Company	54,094,877	10	0.31%
Total	<u>\$ 847,892,848</u>		<u>4.79%</u>

<u>Taxpayer</u>	2015		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Health Care REIT	\$ 207,026,767	1	1.87%
Universal Health Services	64,141,438	2	0.58%
Murrieta 492	58,296,599	3	0.53%
Arbors at California Oaks Properties	53,497,165	4	0.48%
24850 Hancock Avenue	50,783,978	5	0.46%
Target Corporation	47,593,044	6	0.43%
FG Murrieta Sr Apartment	46,620,700	7	0.42%
Eagle Glen Apartments	43,977,489	8	0.40%
WalMart Realty Company	42,549,375	9	0.38%
Physicians Hospital of Rancho California	41,001,271	10	0.37%
	<u>\$ 655,487,826</u>		<u>5.92%</u>

Source: The HdL Companies and Riverside County Assessor

City of Murrieta

Principal Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of Levy		Collections in Subsequent Years(1)	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2015	\$ 15,585,958	\$ 14,639,096	94%	\$ 388,565	\$ 15,027,661	96%
2016	16,391,822	15,415,384	94%	405,410	15,820,794	97%
2017	17,158,388	16,281,633	95%	430,059	16,711,692	97%
2018	17,710,620	15,519,448	88%	116,863	15,636,311	88%
2019*	20,136,391	19,619,766	97%	600,825	20,220,591	100%
2020	21,320,104	20,359,445	95%	586,840	20,946,285	98%
2021	21,415,972	20,577,475	96%	775,040	21,352,515	100%
2022	22,395,811	21,515,766	96%	826,078	22,341,844	100%
2023	24,180,725	23,239,106	96%	660,030	23,899,136	99%
2024	25,807,679	24,608,498	95%	951,385	25,559,883	99%

Source:

City of Murrieta Finance Department
Office of Auditor-Controller, Riverside County

*Restatement

(1) The City of Murrieta participates in the Riverside County Teeter program which allows for a 30% advance, one settlement payment for the first installment, a 10% advance and a settlement payment for the second installment, all of which are remitted within the year of levy. One additional settlement payment is made during the subsequent year. After that, data provided by the Riverside County Office of Auditor-Controller for collection of prior year taxes, does not segregate payment information by fiscal year. Therefore, the City is not able to report any additional prior year remittances by specific year of levy.

City of Murrieta

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	General Bonded Certificates of	Unamortized Premium ^a	GASB 87 Leases	Subscriptions	Other Leases	Murrieta Financing Authority Debt ^d	Unamortized Premium ^b	Total Debt	Percentage of Personal		Per Capita ^c
									Income ^c	Income ^c	
2015	\$ 8,260,000	\$ -	\$ -	\$ -	\$ 827,621	\$ -	\$ -	\$ 9,087,621	0.30%	80	
2016	7,530,000	-	-	-	628,225	-	-	8,158,225	0.26%	71	
2017	6,770,000	-	-	-	1,092,880	-	-	7,862,880	0.25%	68	
2018	5,970,000	-	-	-	8,710,681	-	-	14,680,681	0.44%	124	
2019	5,145,000	-	-	-	7,883,717	-	-	13,028,717	0.37%	113	
2020	3,790,000	505,272	-	-	7,375,583	-	-	11,670,855	0.33%	101	
2021	3,790,000	431,330	-	-	6,491,619	-	-	10,712,949	0.29%	93	
2022	3,215,000	357,388	1,354,046	-	6,032,183	76,787,562	2,612,562	90,358,741	2.17%	789	
2023	2,620,000	283,446	1,492,303	428,506	5,393,589	72,184,849	2,394,849	84,797,542	1.95%	749	
2024	2,005,000	209,504	1,864,052	1,751,771	4,736,137	64,780,000	2,177,135	77,523,599	1.84%	705	

N/A - Data Not Available

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements. In fiscal year 2017-18, presentation has been modified to exclude non-general bonded debt and include net position restricted for debt service. In fiscal year 2022-23, presentation has been modified to remove Tax Allocations Bonds that the City has not had for

^a The 2007 Certificates of Participation Bonds were refunded in 2020 into Lease Revenue Refunding Bonds, Series 2020A, which included a Premium of \$529,919.10.

^b The FY22 Financial Statements were restated to include the previous Community Facilities Districts Debt that was refunded by the Murrieta Financing Authority. Local Agency Revenue Bonds, Series 2022 included a Premium of \$2,612,562.

^c See Demographic and Economic Statistics schedule for personal income and population data.

^d Fiscal year 22 and 23 included the unamortized premium in both the Murrieta Financing Authority Debt column and the unamortized premium column, resulting in overreported debt. Fiscal year 24 is reported separately.

Source: City of Murrieta Finance Department

City of Murrieta

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year	Tax Allocation Bonds	Certificates of Participation	Unamortized Premium ^a	Amount Restricted for Debt Service	Total	Percent of Assessed Value(1)	Per Capita ^b
2015	\$ -	\$ 8,260,000	\$ -	\$ (415,000)	\$ 7,845,000	0.07%	69
2016	-	7,530,000	-	(435,000)	7,095,000	0.06%	62
2017	-	6,770,000	-	(450,000)	6,320,000	0.05%	55
2018	-	5,970,000	-	(475,000)	5,495,000	0.04%	47
2019	-	5,145,000	-	(490,000)	4,655,000	0.03%	40
2020	-	3,790,000	505,272	(26,951)	3,763,049	0.03%	33
2021	-	3,790,000	431,330	(151,600)	3,638,400	0.02%	32
2022	-	3,215,000	357,388	(726,600)	2,488,400	0.02%	22
2023	-	2,620,000	283,446	(723,600)	1,896,400	0.01%	17
2024	-	2,005,000	209,504	(719,800)	1,285,200	0.01%	12

N/A-Data not available

Note: (1) Assessed value has been used because the actual value of taxable property is not readily available in the State of

^a The 2007 Certificates of Participation Bonds were refunded in 2020 into Lease Revenue Refunding Bonds, Series 2020A, which

^b See Demographic and Economic Statistics schedule for population data.

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Source: City of Murrieta Finance Department

City of Murrieta

**Direct and Overlapping Governmental Activities Debt
For the Year Ended June 30, 2024**

2023-24 Assessed Valuation:	<u>\$ 17,737,137,229</u>			
	Gross Bonded Debt Balance	Gross Non-Bonded Debt Balance	% Applicable to City (1)	City's Share of Debt
Overlapping Tax and Assessment Debt:				
City of Murrieta 1915 Act Bonds	\$ 1,270,000		100.000%	\$ 1,270,000
City of Murrieta Community Facilities Districts	83,550,000		100.000%	\$ 83,550,000
Total Direct Tax and Assessment Debt				<u>84,820,000</u>
Other Overlapping Tax and Assessment Debt:				
Metropolitan Water District	\$ 18,210,000		0.455%	82,856
Riverside County Flood Control and Water Conservation District, Zone 4	2,755,000		0.774%	21,324
Mt. San Jacinto Community College District	242,210,000		13.639%	33,035,022
Murrieta Valley Unified School District	152,935,205		83.415%	127,570,901
Murrieta Valley Unified School District Community Facilities Districts	83,981,152		100.000%	83,981,152
Temecula Valley Unified School District	159,316,966		0.016%	25,491
Perris Union High School District	292,042,191		5.430%	15,857,891
Perris Union High School District Community Facilities District No. 92-1	30,100,000		13.050%	3,928,050
Menifee Union School District	152,811,292		8.750%	13,370,988
Eastern Municipal Water District Improvement Districts	13,045,000		0.901-99.902%	2,107,274
Rancho California Water District Community Facilities Districts	11,610,000		100.000%	11,610,000
Eastern Municipal Water District Community Facilities Districts	4,195,000		100.000%	4,195,000
Elsinore Valley Municipal Water District Community Facilities Districts	2,834,000		100.000%	2,834,000
Western Municipal Water District Community Facilities Districts	1,567,104		100.000%	1,567,104
Riverside County Community Facilities Districts	1,375,000		100.000%	1,375,000
California Statewide Community Development Authority Assessment District No. 2018-01	1,917,000		100.000%	1,917,000
Eastern Municipal Water District 1915 Act Bonds	1,600,000		2.935%	46,960
Total Other Overlapping Tax and Assessment Debt				<u>303,526,013</u>
Combined Total Overlapping Tax and Assessment Debt				<u>388,346,013</u>
Ratios to 2022-23 Assessed Valuations:				
Total City Overlapping Tax and Assessment Debt	0.48%			
Combined Total Overlapping Tax and Assessment Debt	2.19%			
Direct Debt:				
City of Murrieta General Fund Obligations	\$ 2,005,000		100.000%	2,005,000
Premium	209,504		100.000%	209,504
Lease Liabilities		1,864,052	100.000%	1,864,052
Subscription Liabilities		1,751,771	100.000%	1,751,771
Other Leases		4,736,137	100.000%	4,736,137
Murrieta Financing Authority Debt	64,780,000		100.000%	64,780,000
Premium	2,177,136		100.000%	2,177,136
Total Direct General Fund Debt				<u>77,523,600</u>
Overlapping General Fund Debt:				
Riverside County General Fund Obligations	\$ 1,169,217,035		4.470%	52,264,001
Riverside County Pension Obligations	670,785,000		4.470%	29,984,090
Murrieta Valley Unified School District Certificates of Participation	20,360,000		83.415%	16,983,294
Other School District Certificates of Participation	84,711,044		Various	6,080,088
Western Municipal Water District General Fund Obligations	2,724,440		1.944%	52,963
Total Gross Overlapping General Fund Debt				<u>105,364,436</u>
Less: Riverside County self-supporting obligations				-
Total Net Overlapping General Fund Debt				<u>\$ 105,364,436</u>
Overlapping Tax Increment Debt (Successor Agencies):	\$ 209,545,065		0.476-100%	\$ 33,043,859
Total Direct Debt				\$ 77,523,600
Total Gross Overlapping Debt				\$ 526,754,308
Total Net Overlapping Debt				\$ 526,754,308
Grand Total Gross Direct and Overlapping Debt				\$ 604,277,908 ⁽²⁾
Grand Total Net Direct and Overlapping Debt				\$ 604,277,908

Notes:

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2023-24 Assessed Valuation:

Total Direct Debt (\$).....0.44%

Grand Total Gross Direct and Overlapping Debt.....3.41%

Grand Total Net Direct and Overlapping Debt.....3.41%

Ratios to Redevelopment Incremental Valuation (\$):

Total Overlapping Tax Increment Debt.....2.18%

Source:
Avenu Insights & Analytics
California Municipal Statistics, Inc.

City of Murrieta

**Legal Debt Margin Information
Last Ten Fiscal Years (Dollars in Thousands)**

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed value	\$ 17,737,137,229
Conversion percentage	25%
Adjusted assessed valuation	<u>4,434,284,307</u>
Debt limit (15% of assessed value)	665,142,646
Debt applicable to limit:	
General obligation bonds	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 665,142,646</u>

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total net debt Applicable to Limit</u>	<u>Legal Debt Limit</u>	<u>Legal Debt Margin as a Percentage of Debt limit</u>
2015	\$ 415,952,346	\$ -	\$ 415,952,346	100%
2016	435,965,052	-	435,965,052	100%
2017	448,982,354	-	448,982,354	100%
2018	474,580,891	-	474,580,891	100%
2019	503,136,609	-	503,136,609	100%
2020	525,930,240	-	525,930,240	100%
2021	551,096,877	-	551,096,877	100%
2022	576,758,166	-	576,758,166	100%
2023	621,780,408	-	621,780,408	100%
2024	665,142,646	-	665,142,646	100%

Note:
The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation, however; this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflects a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time the legal debt margin was enacted by the State of California for local governments located within the state.

City of Murrieta

Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year	Population (1) (3)	Personal Income* (In Thousands) (1)	Per Capita Personal Income (1)	Unemployment Rate (1) (2)
2015	113,795	\$ 3,053,592	\$ 26,834	5.4%
2016	114,914	3,091,951	26,906	4.8%
2017	114,904	3,178,810	27,662	5.0%
2018	118,125	3,350,224	28,361	3.5%
2019	115,561	3,568,992	30,884	3.3%
2020	115,172	3,731,498	32,399	8.8%
2021	111,183	4,047,908	36,408	5.8%
2022	109,998	4,220,667	38,370	3.3%
2023	109,177	4,582,265	41,970	3.8%
2024	109,177	N/A	N/A	N/A

N/A-Data not available

- Source** (1) The HdL Companies
(2) State of California Economic Development Department
(3) State of California Department of Finance

City of Murrieta

**Principal Employers
Current Year and Ten Years Ago**

<u>Employer</u>	<u>2024</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Murrieta Valley Unified School District	2,210	1	3.80%
Rancho Springs Medical Center -SHS	1,788	2	3.07%
Loma Linda University Medical Center	1,613	3	2.77%
County of Riverside	939	4	1.61%
City of Murrieta	464	5	0.80%
Target (2 locations)	396	6	0.68%
Costco Wholesale	371	7	0.64%
The Springs Health and Rehabilitation Center	339	8	0.58%
Oak Grove Center	325	9	0.56%
Walmart	301	10	0.52%
	<u>8,746</u>		<u>15.03%</u>

<u>Employer</u>	<u>2015</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Murrieta Valley Unified School District	2,041	1	7.50%
Rancho Springs Medical Center -SHS	1,474	2	5.42%
Loma Linda University Medical Center	970	3	3.57%
County of Riverside	889	4	3.27%
Oak Grove Center	380	5	1.40%
City of Murrieta	354	6	1.30%
Walmart	350	7	1.29%
Target (2 locations)	347	8	1.28%
Home Depot	295	9	1.08%
Sam's Club	200	10	0.74%
	<u>7,300</u>		<u>26.85%</u>

Source:

Source: Muniservices, LLC / Avenu Insights & Analytics
 Source: 2015, prior published ACFR
 Results based on direct correspondence with city’s local businesses.
 Note: Amazon Fresh has not responded to our employee headcount inquiries.

City of Murrieta

**Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years**

Fiscal Years:	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function/Program										
General government										
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Administration ²	38.25	38.70	39.00	40.00	41.38	41.00	50.50	51.00	51.00	61.00
Community Development										
Economic Development	4.00	4.00	4.00	3.00	3.00	2.00	3.00	3.00	3.00	4.50
Planning	9.10	9.10	9.00	9.00	11.00	11.00	12.00	12.00	12.00	15.00
Building and Safety	8.20	8.20	8.00	9.00	9.00	9.00	14.00	12.00	12.00	14.00
Housing Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Code Enforcement ¹	5.00	5.00	5.00	5.00	5.00	5.00	6.00	7.00	7.00	9.00
Redevelopment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Police										
Administration	2.00	2.00	2.00	2.00	2.00	3.00	2.00	2.00	2.00	2.00
Operations	66.00	66.00	64.00	64.00	61.00	60.00	80.00	89.50	90.50	80.50
PD Support	62.00	63.00	65.00	65.00	71.77	82.50	73.50	81.00	81.00	99.50
Fire										
Administration (including Maintenance)	7.00	8.00	8.00	8.50	12.47	10.75	10.75	10.75	10.75	11.00
Fire Suppression (including Paramedics)	49.00	49.00	48.00	48.00	54.00	50.00	61.00	61.00	61.00	62.00
Fire Prevention/Inspection	1.00	1.00	4.00	4.00	5.00	4.00	6.00	7.00	7.00	7.00
Public Works										
Admin/Engineering	8.80	8.80	13.00	13.00	11.00	11.00	25.00	29.00	29.00	20.00
Maintenance ³	15.80	15.80	13.00	13.00	21.00	20.00	21.00	21.00	21.00	17.00
Recreation & Community Services										
Administration	12.65	12.65	12.00	12.00	10.00	12.00	1.00	2.00	2.00	3.00
Recreation	9.00	9.00	9.00	9.00	7.42	12.25	17.25	19.25	19.25	34.00
Library	12.20	12.20	12.00	12.00	16.41	16.59	18.59	18.59	18.59	21.59
Total Authorized Personnel *	315.00	317.45	320.00	321.50	346.45	355.09	406.59	431.09	432.09	466.09

* Excludes part-time Crossing Guards.

¹ Code Enforcement Division was moved to Development Services Department in FY 2018/19

² City Manager, City Clerk, Finance, and Administrative Services departments

³ Community Services Support staff were moved to the Public Works & Engineering Department in FY 2018/19, and this division was not reported on prior years.

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

Source: City of Murrieta Annual Budget

City of Murrieta

Operating Indicators by Function/Program Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Community development										
Number of:										
Business licenses (A)	4,631	5,051	4,442	4,796	4,744	5,054	4,992	4,434	4,543	4,518
Plan checks (B)	225	322	410	410	478	301	262	234	350	N/A
Permits issued	2,379	2,933	2,395	2,815	2,869	2,603	3,128	3,434	3,700	3,600
NPDES inspections	101	293	349	403	445	568	247	69	655	655
Code violations (calendar basis)	4,313	5,898	6,946	5,378	4,072	2,447	1,940	1,700	1,737	1,777
Police										
Number of:										
Part 1 Crimes ³	1,802	1,695	1,673	1,499	1,579	1,472	1,095	3,777	3,634	3,475
Crimes Against Persons								711	695	789
Crimes Against Property								2,143	2,249	2,007
Crimes Against Society								923	690	679
Parking violations	1,156	1,121	1,048	1,098	1,014	495	210	314	486	152
Traffic (moving) violations	5,208	4,994	3,703	3,439	3,332	3,532	3,917	3,768	2,701	5,092
Traffic Collision Reports	762	760	813	843	815	685	715	834	766	753
Crime reports	8,121	7,917	8,409	7,826	8,189	7,487	8,492	5,869	5,715	5,997
Arrests	3,077	2,445	2,134	2,216	2,031	1,911	2,221	1,895	1,632	1,652
Public works										
Miles of:										
Slurry Seal ⁴						95	-	51	-	-
Street resurfacing/repair	46	1	2.8	-	0.5	3.3	1.9	-	2.20	1.54
Street sweeping	11,952	11,952	11,952	11,952	12,027	12,132	12,132	12,552	12,552	12,552
Number of:										
Traffic signals maintained	93	93	92	96	96	99	100	101	105	110
Trees pruned per year	2,879	4,074	2,467	3,774	5,735	4,418	4,574	4,296	4,469	4,277
Trees/stumps removed	135	143	184	152	154	247	261	168	231	156
Greenwaste to Mulch (tons)	893	901	720	406	557	972	1,030	977	1,232	1,047
Recreation & community services										
Number of enrollees/attendees:										
Aquatics ^{1,5}	6,450	6,600	6,750	7,638	3,888	2,197	-	628	3,282	493
Community services/seniors ¹	28,000	18,000	18,791	18,683	24,762	18,038	174	13,043	17,992	28,174
Small Recreation Centers ⁶										2
Day camp ¹	415	450	637	826	810	508	88	473	473	333
Park programs ¹	1,825	1,208	1,115	1,375	972	1,895	1,423	2,719	2,719	7,963
Classes ¹	25,368	17,274	26,311	23,487	12,213	10,033	1,493	6,565	8,137	8,013
Special events ¹	25,000	58,000	58,900	55,500	64,193	43,741	18,449	66,740	62,900	75,435
Skate park ²	6,452	1,098	2,521	3,178	2,545	2,857	-	-	-	-
Youth center ¹	22,308	21,042	20,360	18,900	20,270	16,444	4,991	8,645	16,789	20,655

N/A - Data not available

(A) - Includes new & renewal licenses, excludes temporary licenses

(B) - Excludes temporary plan checks; FY23 data provided through February 2023 and will no longer be reported due to a change in software

¹ FY2021 - Drop in numbers due to closures in Mid-March 2020 for COVID-19; Pool closed for second season in a row; pool reopened mid-June 2022; pool non-operational June 2023

² FY2021 - No longer manned to count attendance per Council direction March 16, 2020

³ FY2021 - Information reported is for July-March due to move to NIBRS (National Incident-Based Reporting System); FY2022 - Increase in numbers due to reporting according to NIBRS standards which includes over 50 types of crimes as compared to 8 types in previous reporting

⁴ FY2021 - Data unavailable prior to 2020

⁵ FY2024 - The aquatics season for 2023 was closed for July and August, but the City rented a high school pool and the season that started in June 2024.

⁶ The City has had the Small Recreation Centers but did not start reporting them until 2024.

Sources: Various city departments.

City of Murrieta

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Government										
Civic Center	1	1	1	1	1	1	1	1	1	1
Innovation Center	1	1	1	1	1	1	1	1	1	1
Vehicles	8	10	10	14	10	5	5	11	11	10
Equipment	43	41	47	56	57	65	75	50	52	38
Community Development										
Vehicles	7	7	7	8	9	7	9	2	2	11
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Vehicles	107	120	120	127	127	145	160	125	140	132
Police Equipment	111	308	308	347	347	353	353	334	339	310
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Vehicles	33	32	37	35	37	42	48	36	36	35
Fire Equipment	106	110	112	112	112	115	115	91	93	76
Public Works										
Vehicles	22	27	27	29	27	19	20	30	30	36
Equipment	26	26	26	26	26	26	26	29	30	29
Culture and recreation										
Park Sites	50	50	50	51	52	52	52	53	53	53
Senior Centers	1	1	1	1	1	1	1	1	1	1
Community Centers	1	1	1	1	1	1	1	1	1	1
Youth Centers	1	1	1	1	1	1	1	1	1	1
Equestrian Center	1	1	1	1	1	1	1	1	1	1
Municipal Pools ¹	1	1	1	1	1	1	1	1	1	1
Public Library	1	1	1	1	1	1	1	1	1	1
Vehicles	23	23	25	26	23	25	13	10	11	7
Equipment	30	32	34	31	31	31	31	36	36	34

¹ - FY 24 The pool is closed until renovations can take place. Timeline is TBD.

Sources:
Various city departments.