

**CITY OF MURRIETA
Council Chambers
1 Town Square
Murrieta 92562**



**Thursday, September 18, 2025
Transaction and Use Tax
Oversight Committee
10:00 AM REGULAR MEETING**

The City of Murrieta intends to comply with the Americans with Disabilities Act (ADA). Persons with special needs should call the Finance Department at (951) 461-6031 or email at CityClerk@MurrietaCA.gov at least 72 hours in advance. Any writings or documents provided to a majority of the Transaction and Use Tax Oversight Committee regarding any item on this agenda will be made available for public inspection at the public counter at City Hall located at 1 Town Square, Murrieta, CA during normal business hours.

Any presentation requiring the use of the City of Murrieta's equipment must be submitted to the City Clerk's department 24 hours prior to the scheduled Transaction and Use Tax Oversight Committee meeting at City Hall located at 1 Town Square, Murrieta, CA; via email at CityClerk@MurrietaCA.gov or call (951) 461-6031. Any writings or documents provided to a majority of the Transaction and Use Tax Oversight Committee regarding any item on this agenda will be made available for public inspection at the public counter at City Hall located at 1 Town Square, Murrieta, CA during normal business hours.

**Rahoof Oyewole
Chair**

**Heather Penko
Vice Chair**

**Liz Jones
Committee Member**

**YOU MAY VIEW THE MEETING LIVESTREAMED VIA THE CITY'S WEBSITE AT
<https://murrieta.legistar.com/Calendar.aspx>**

10:00 AM REGULAR MEETING

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PUBLIC COMMENT (NON-AGENDA)

CONSENT CALENDAR

Minutes of the March 27, 2025 Transaction and Use Tax Oversight Committee Regular Meeting

FINANCE DIRECTOR - ADMINISTRATIVE UPDATES

DISCUSSION

District Sales & Use Tax History (Measure T) Budget to Actual Report for FY 2024/25

District Sales & Use Tax (Measure T Fund) Adopted Budget for Fiscal Years 2025/26 and 2026/27

COMMITTEE MEMBER COMMENTS/ANNOUNCEMENTS

ADJOURNMENT



CITY OF MURRIETA

Transaction and Use Tax Oversight Committee Meeting Agenda Report

9/18/2025
Agenda Item No.

TO: HONORABLE CHAIR AND MEMBERS OF THE TRANSACTION AND USE TAX
OVERSIGHT COMMITTEE

FROM: Javier Carcamo, Finance Director

PREPARED BY: Jennifer Serna, Executive Assistant

SUBJECT: Minutes of the March 27, 2025 Transaction and Use Tax Oversight Committee
Regular Meeting

RECOMMENDATION

Approve Minutes

**CITY OF MURRIETA
TRANSACTION AND USE TAX
OVERSIGHT COMMITTEE
MINUTES**



**MARCH 27, 2025
10:00 A.M.
1 TOWN SQUARE
MURRIETA, CA 92562
COUNCIL CHAMBERS**

The City of Murrieta intends to comply with the Americans with Disabilities Act (ADA). Persons with special needs should call the Finance Department at (951) 461-6438 or email at ENicolai@MurrietaCA.gov at least 72 hours in advance. Any writings or documents provided to a majority of the Transaction and Use Tax Oversight Committee regarding any item on this agenda will be made available for public inspection at the public counter at City Hall located at 1 Town Square, Murrieta, CA during normal business hours.

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Committee Members

Chair Rahoof Oyewole

Vice Chair Heather Penko

Committee Member Liz Jones

10 :00 AM REGULAR MEETING

CALL TO ORDER

10:00 a.m.

ROLL CALL

Present: Chair Rahoof Oyewole, Vice Chair Penko, Committee Member Jones

Absent: None

PLEDGE OF ALLEGIANCE

Led by Committee Member Jones

APPROVAL OF AGENDA

Action: It was moved by Committee Member Jones, seconded by Vice Chair Penko, to approve the Agenda for March 27. 2025.

The motion carried by the following vote:

Ayes: Oyewole, Penko, Jones

Noes: None

Absent: None

FINANCE DIRECTOR - ADMINISTRATIVE UPDATES

Finance Director Administrative Updates is the opportunity for the Finance Director to provide community updates, as well as Department or Committee announcements on current or upcoming projects.

- Director of Finance Javier Carcamo: Financial reports and budget updates

PUBLIC COMMENTS None.

APPROVAL OF MINUTES

Action: It was moved by Committee Member Jones, seconded by Vice Chair Penko, to approve the Minutes for October 31, 2024.

The motion carried by the following vote:

Ayes: Oyewole, Penko, Jones

Noes: None

Absent: None

DISCUSSION ITEMS

1. Transaction and Use Tax (Measure T) Budget to Actual Report for FY 2024/25

Staff report and PowerPoint presentation provided by Director of Finance Javier Carcamo, with presentations by:

- Bernard Molloy, Fire Chief
- Matt Henry, Police Chief
- Brian Ambrose, Community Services Director

Chair Oyewole requested a forecasted Fund Balance be added to future reports. General discussion took place.

Action: Receive and File.

COMMISSIONER COMMENTS/ ANNOUNCEMENTS None.

ADJOURNMENT 10:48 A.M.



CITY OF MURRIETA

Transaction and Use Tax Oversight Committee Meeting Agenda Report

9/18/2025
Agenda Item No.

TO: HONORABLE CHAIR AND MEMBERS OF THE TRANSACTION AND USE TAX
OVERSIGHT COMMITTEE

FROM: Javier Carcamo, Finance Director

PREPARED BY: Evan Crockett, Management Analyst - Special Projects

SUBJECT: District Sales & Use Tax History (Measure T) Budget to Actual Report for FY
2024/25

RECO MILLIONENDATION

Receive and File.

PRIOR ACTION/VOTE

On July 17, 2018, the City Council adopted Resolution No. 18-3953, proposing an ordinance enacting a transaction and use tax be placed on the November 6, 2018 ballot (Vote 5-0).

On December 18, 2018, the City Council adopted a Resolution declaring the results of the November 6, 2018, General Election, including therein adoption of Ordinance No. 540-18 enacting a Transaction and Use Tax (Vote 5-0).

On February 5, 2019, the City Council adopted a Resolution establishing an advisory Transaction and Use Tax Citizens Oversight Committee (Vote 5-0).

CITY COUNCIL GOAL

Maintain a high performing organization that values fiscal sustainability, transparency, accountability and organizational efficiency.

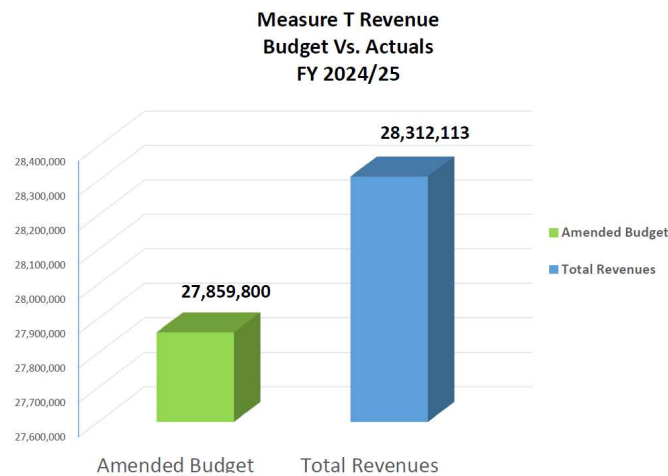
BACKGROUND

I am pleased to present the Measure T oversight report for the fiscal year (FY) ending June 30, 2025. The Citizens Oversight Committee provides oversight of Measure T district sales tax revenues and expenses. This Measure T Oversight Report covers the reporting period from July 1, 2024, through June 30, 2025. City staff also prepared a separate Measure T budget report for the FYs 2025/26 and 2026/27. This report includes a recap of all Measure T activities. As of the date of this report, the independent external audit for FY 2024/25

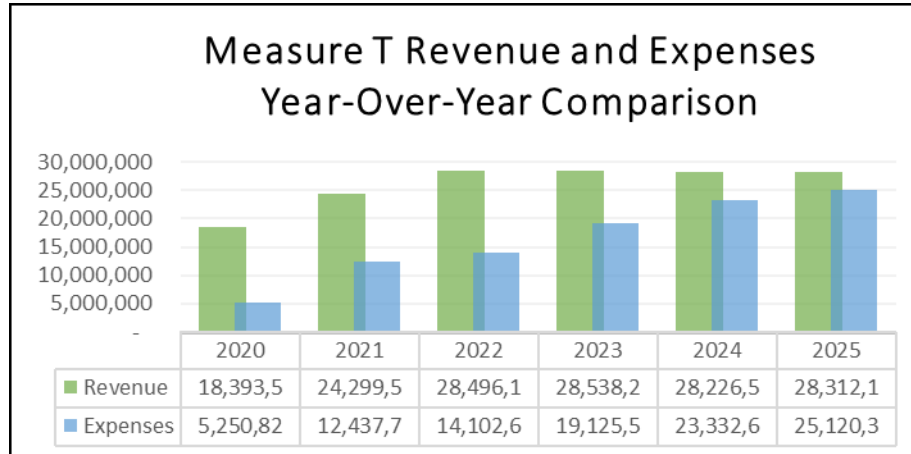
has not been concluded. As a result, the actual amounts are subject to change should accounting adjustments be necessary prior to finalizing the audit.

Revenues

The adopted and amended FY 2024/25 revenue projections were \$31.4 million and \$29.0 million, respectively. The City's sales tax consultant provided updated projections throughout the fiscal year based on factors such as the economic landscape, actual sales, collections, and upcoming economic developments in the fiscal year. The City opted to remain cautious in the second half of the fiscal year with its revenue projections due to expected decreases in sales attributable to uncertainty created by the national public policy, primarily with tariff impositions, inflation concerns, and potential changes to the Federal Fund rate. Furthermore, amending the budget to \$27.9 million at the close of the fiscal year.



At the March 2025 Oversight Committee meeting, we projected sales tax revenue at the close of the fiscal year to be nearly \$28.5 million based on sales tax collections through December 2024. Due to sales tax receipts being lower than expected for January and February 2025, staff recommended that the City Council amend the budget to \$27.9 million. As of June 2025, the fiscal year-to-date Measure T revenue is \$28.3 million, approximately \$450,000 over the amended budget. The FY 2024/25 sales tax revenue was consistent with the prior year's revenue of approximately \$28 million, a sign of revenue plateau during the last few fiscal years, as shown on the following graph.



Expenses

The FY 2024/25 amended expenditure budget is approximately \$22.9 million. Akin to revenue projections, staff proposed amendments to the adopted budget to account for an increase in personnel cost based on approved labor agreements after budget adoption, influx of capital improvement projects, and unanticipated recurring and one-time expenses. The year-to-date expenditures at the close of the fiscal year are \$25.2 million. This amount includes Capital Improvement Plan project expenditures. The operating budget was approximately \$658,798 over budget. The various expenses categories over budgets are attributable to employee benefits costs higher than expected, such as CalPERS Health premium increase, CalPERS retirement, leave buyouts, and vacancy factors. These items were primarily linked with Fire and Police.

Measure T Fund Operating Budget	FY 2024/25 Amended Budget	FY 2024/25 Actuals ^{2 3}	FY 2024/25 Balance
Personnel Costs	12,715,135	14,086,492	(1,371,357)
Operations & Maintenance	2,238,814	1,626,604	612,210
Capital Outlay	748,118	647,769	100,349
Internal Services Charges	928,500	928,500	-
Transfers Out	6,259,200	6,259,200	-
Capital Improvement Projects ⁴	-	1,571,757	(1,571,757)
Total Expenditures - Measure T Fund	22,889,768	25,120,322	(2,230,555)

Below is a non-exhaustive list of significant Measure T fund expenses:

- 67 authorized positions funded by Measure T since inception;
- 77% of the Measure T budget is dedicated to public safety;
- Police
 - Police vehicles, including upfitting costs;
 - Police safety equipment for new hires;
 - Police Taser and body-worn cameras, equipment, and license;
 - Police License plate reader software; and
 - Police Unmanned Aircraft Systems (AUS) equipment.

- Fire
 - Fire annual hose test services;
 - Fire annual ladder test services;
 - Fire Emergency Medical Services (EMS) Priority Emergency Medical Dispatcher (EMD);
 - Fire mapping response system and image trend annual fees;
 - Fire Public Safety Enterprise Communication (PSEC) radio system annual subscription and radio installation;
 - Fire Mobile data terminals;
 - Fire PPE gear and safety equipment (i.e., turnout gear and other Fire Dept services and equipment);
 - Fire replacement equipment (i.e., hoses and ladders);
 - Wildland fire service agreement;
 - Fire emergency software (i.e., table command, pulse point, Computer Aided Dispatch (CAD) integration system);
 - Fire station annual facilities maintenance and major repairs;
 - Fire stations PPE extractors for Fire Stations 1, 2, and 3;
 - Fire EMS rental agreement;
 - Fire Station 2 and 3 generator replacements; and
 - Fire Stations maintenance/repairs.
- Economic Development data market research and event marketing;
- Graffiti & weed abatement;
- Vehicle Lease program; and
- Establish operating and sustainability reserves.

Capital Improvement Plan

The Measure T revenue source currently funds several projects in the five-year Capital Improvement Plan as adopted by the City Council that support various enhancements to the services provided to our residents. During the Fiscal Year 2024/25, Measure T allocated approximately \$467,000 to fund the rehabilitation and improvement of four community park tot lots throughout the City. An additional \$600,000 was allocated to the Parks and Rec Master Plan, Cal Oaks Sports Park Pool for design cost, and the design and construction of pickleball courts. Fire Station 1 is budgeted for about \$2.8 million in improvements to rehabilitate the living quarters and for concrete repairs and sewer connections. Measure T fund will aid in funding new projects for the City's library. Nearly \$2.7 million has been contributed or will be contributed to the library's improvements for the roof, HVAC, flooring, and walls, rain mitigation, and \$1.0 million of this will go towards the children's area expansion.

In addition to these completed and current projects, the following table summarizes other Capital Improvement Plan projects funded or partially funded by the Measure T Fund.

Project No		Project Description	Budget
08137	1	Pavement Resurf-SlurrySeal	223,577
10022		ADA Transition Plan	150,000
10041		North Amphitheater Parking Lot	430,068
10042	2	Library Bin Sorter	165,245
10043	2	City Hall Improvements Proj	1,561,532
10046		72 SCBA Equipment Replacement	990,842
21016	2	Police Building Exterior Paint	200,000
21018		Public Works Facility Expansion	780,000
21019		Fire Station 1 Sewer and Concrete Replac	1,349,000
21020		Fire Station 2 Concrete Replacement	414,150
21022		Police Dept Mobile Command Center	120,000
21023	2	Library Bldg-Roof Project	382,194
21024	2	Library Bldg-HVAC Proj	139,580
21025		Library Bldg-Flooring and Walls	634,400
21026		Library Bldg-Rain Mitigation	500,000
21027		Library Bldg-Children Area Expansion	1,075,000
21029		Murrieta Innovation Center	-
21031		Library Building Community Room Tech	66,800
21033		Fire Station 6	200,000
21035	2	Police Dept Admin Office Improvement	81,985
21036		Police Dept Traffic Office Improvement	142,938
21037		Fire Station 1 Impr Proj	1,500,000
21038		Fire Station 2 Impr Proj	-
21039		Fire Station 3 Impr Proj	-
21040	2	CITY Hall Annexation Improvement	473,180
21041	2	Police Dept Locker Room Remodel	200,000
22025	1	Cal Oaks Sports Park Pool Repl	254,701
22028		Parks and Rec Mstr Plan	209,570
22029		Alta Murrieta Park Tot Lot	53,663
22030		Eastgate Park Tot Lot	94,095
22031		Rancho Acacia Park Tot Lot	156,825
22032		Sycamore Park Tot Lot	162,325
22033		COSP Skate Park Fencing	75,000
22042		Pickleball Court	134,932
		Total	12,921,602

1 Project is completed or substantially completed.

2 Project status closed

3 Project balance excluding encumbrances

The attached report provides a complete list of Measure T Fund Capital Improvement Projects, including year-to-date expenditures and the remaining balance for each project.

Operating and Sustainability Reserves

The City Council's formal policy calls for Operating Reserves of 25% of the adopted budget, with an informal goal of 30%. The Measure T operating reserve balance of \$5.2 million fulfills the City Council's operating reserve requirement. In addition, the Measure T fund set aside approximately \$2.3 million in FY 2023/24 and almost \$283,000 in FY 2024/25 to supplement the operating reserve for the Fire District, Community Services District, and Murrieta Library funds to meet the required reserve requirements.

In addition to the Operating Reserve, certain commitments and assignments of fund balance will help ensure

adequate financial resources for planned expenses and unforeseen circumstances and events such as an economic downturn, catastrophic events, unanticipated expenses, and one-time purchases.

For FY 2024/25, the Measure T fund will have an estimated ending balance of \$35.5 million, net of contributions and uses, in various Operating and Sustainability Reserves. In February 2025, the City Council approved the use of the Fleet Replacement Reserve for \$100,000 for the purchase of a used aerial apparatus. This apparatus will serve as a dedicated training device prior to receiving a new Pierce Tractor Drawn Aerial Apparatus for Murrieta Fire & Rescue (MFR). In April 2025, the City Council also approved the use of \$120,000 from the Fleet Replacement Reserves for a portion of the cost of the Police Department Mobile Command Center, \$200,000 from the Facility Replacement Reserves for the Police Department Locker Room project, and \$900,000 from the Fire Facility Reserve for the Fire Station 1 concrete and sewer connection project. The amounts in each Operating and Sustainability Reserve account are shown in the table below.

	FY 2023/24 Beginning Balance	FY 2023/24 Contributions	FY 2023/24 Uses	Ending Balance FY 2023/24	FY 2024/25 Contributions	FY 2024/25 Uses	Est. Ending Balance FY 2024/25
Operating Reserve	3,812,350	1,120,458	-	4,932,808	342,976	-	5,275,784
Operating Reserve - Fire	1,817,745	1,609,391	-	3,427,136	210,435	-	3,637,571
Operating Reserve - CSD	50,047	491,704	-	541,751	50,273	-	592,024
Operating Reserve - Library	-	246,152	-	246,152	22,803	-	268,955
Fleet Replacement	1,153,000	300,000	-	1,453,000	-	(220,000)	1,233,000
Fleet Replacement - Fire	2,415,443	1,400,000	-	3,815,443	-	-	3,815,443
Facility Repair	1,100,000	800,000	(533,000)	1,367,000	-	(200,000)	1,167,000
Facility Repair - Fire	35,000	900,000	-	935,000	-	(900,000)	35,000
Facility Repair - CSD	1,105,850	4,500,000	-	5,605,850	-	-	5,605,850
Pension Rate Stabilization	3,000,000	2,000,000	-	5,000,000	-	-	5,000,000
OPEB 115 Trust	-	1,000,000	-	1,000,000	-	-	1,000,000
Economic Contingency	3,827,168	-	-	3,827,168	-	-	3,827,168
Continuing Operations	4,025,000	-	-	4,025,000	-	-	4,025,000
Total	22,341,603	14,367,705	(533,000)	36,176,308	626,487	(1,320,000)	35,482,795

Fiscally responsible budgeting, prudent long-term financial projections, fund oversight, and financial transparency have strengthened the City's reserves since the implementation of Measure T. It is consistent with the City Council's Goal to maintain a high-performing organization that values fiscal sustainability, transparency, accountability, and organizational efficiency. Measure T is a general-purpose tax revenue source that supports the City's operations, including emergency services such as police, fire, and paramedics; street maintenance and improvements; parks and recreation; maintenance of public facilities, such as graffiti removal and other expenses that support the Murrieta quality of life. The FY 2024/25 Budget to Actual report can be found attached to this narrative report.

FISCAL IMPACT

There is no fiscal impact related to receiving and filing this report.

ATTACHMENTS

1. FY 2024/25 Budget to Actual Report



City of Murrieta

FY 2024/25 Budget to Actual Report

District Sales & Use Tax Report



City of Murrieta
FY 2024/25
Revenue and Expenditures (Year-To-Date)

Measure T (District Sales Tax)

Revenues¹

July 2024	2,249,628
August 2024	2,163,304
September 2024	2,391,166
October 2024	2,435,094
November 2024	2,224,790
December 2024	2,933,480
January 2025	2,159,239
February 2025	1,929,514
March 2025	2,619,810
April 2025	2,393,686
May 2025	2,560,697
June 2025	2,251,705

Total Revenues	<u><u>28,312,113</u></u>
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Expenses^{2 3}

Personnel Costs	14,086,492
Operations & Maintenance	1,626,604
Capital Outlay	647,769
Internal Svcs Charges & Alloc. Cost	928,500
Transfers Out	6,259,200
Capital Improvement Projects ⁴	1,571,757

Total Expenses³	<u><u>25,120,322</u></u>
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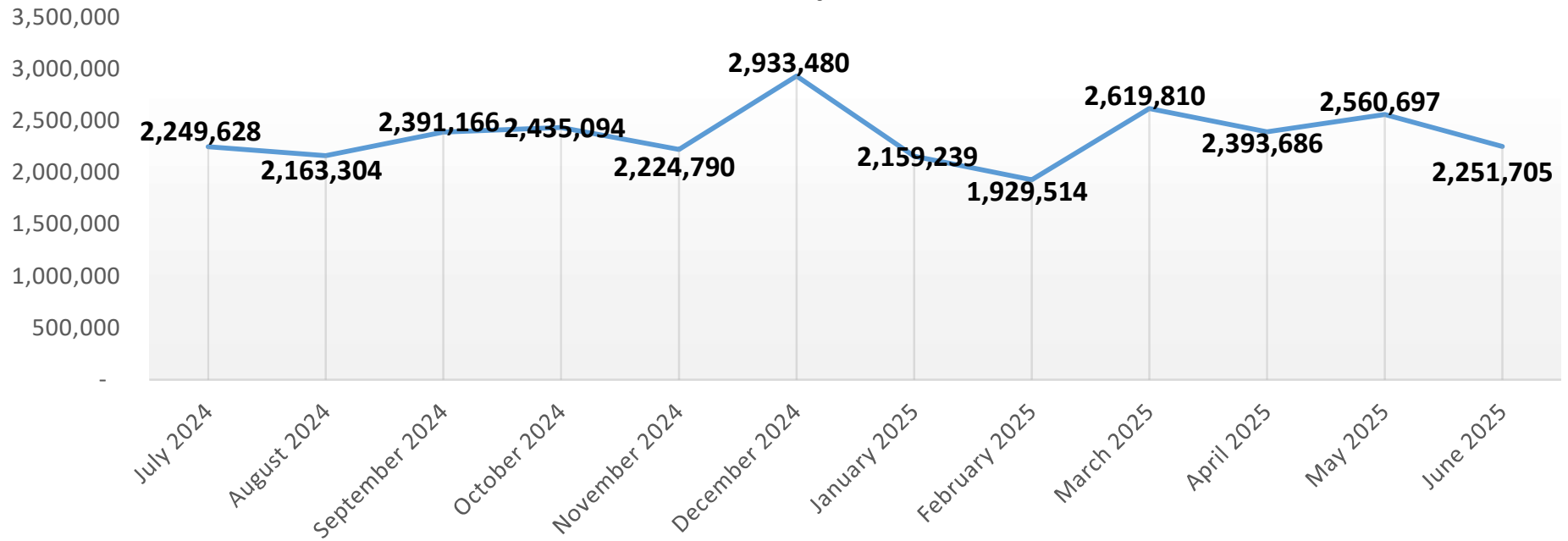
¹ Revenues reported through June 2025

² Expenses reported through June 2025

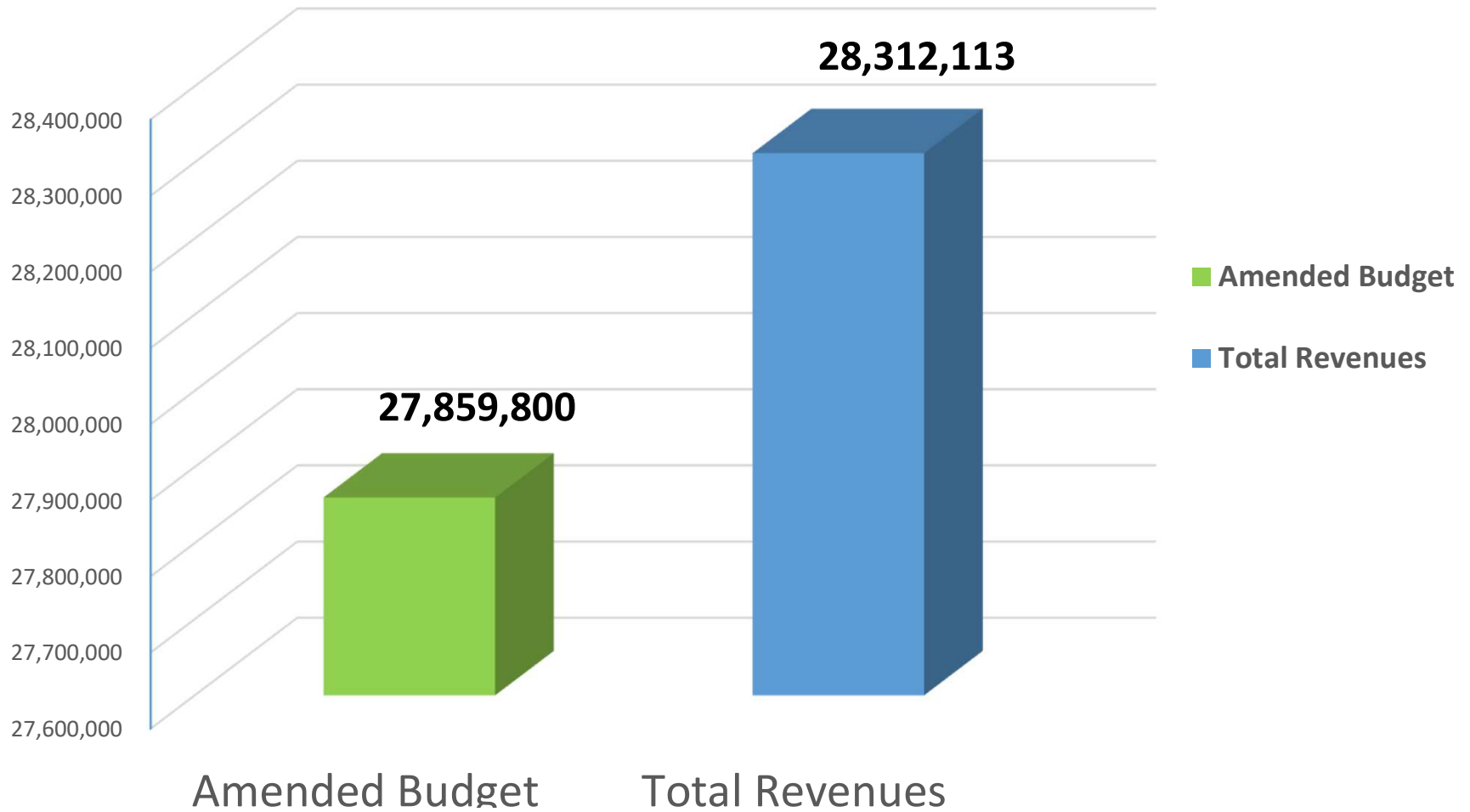
³ Excludes encumbrances

⁴ Capital Improvement Capital budget is maintain on a separate general ledger

Measure T Fund Monthly Sales Tax Receipts FY 2024/25



Measure T Revenue Budget Vs. Actuals FY 2024/25





**City of Murrieta
FY 2024/25
Budget to Actuals Report**

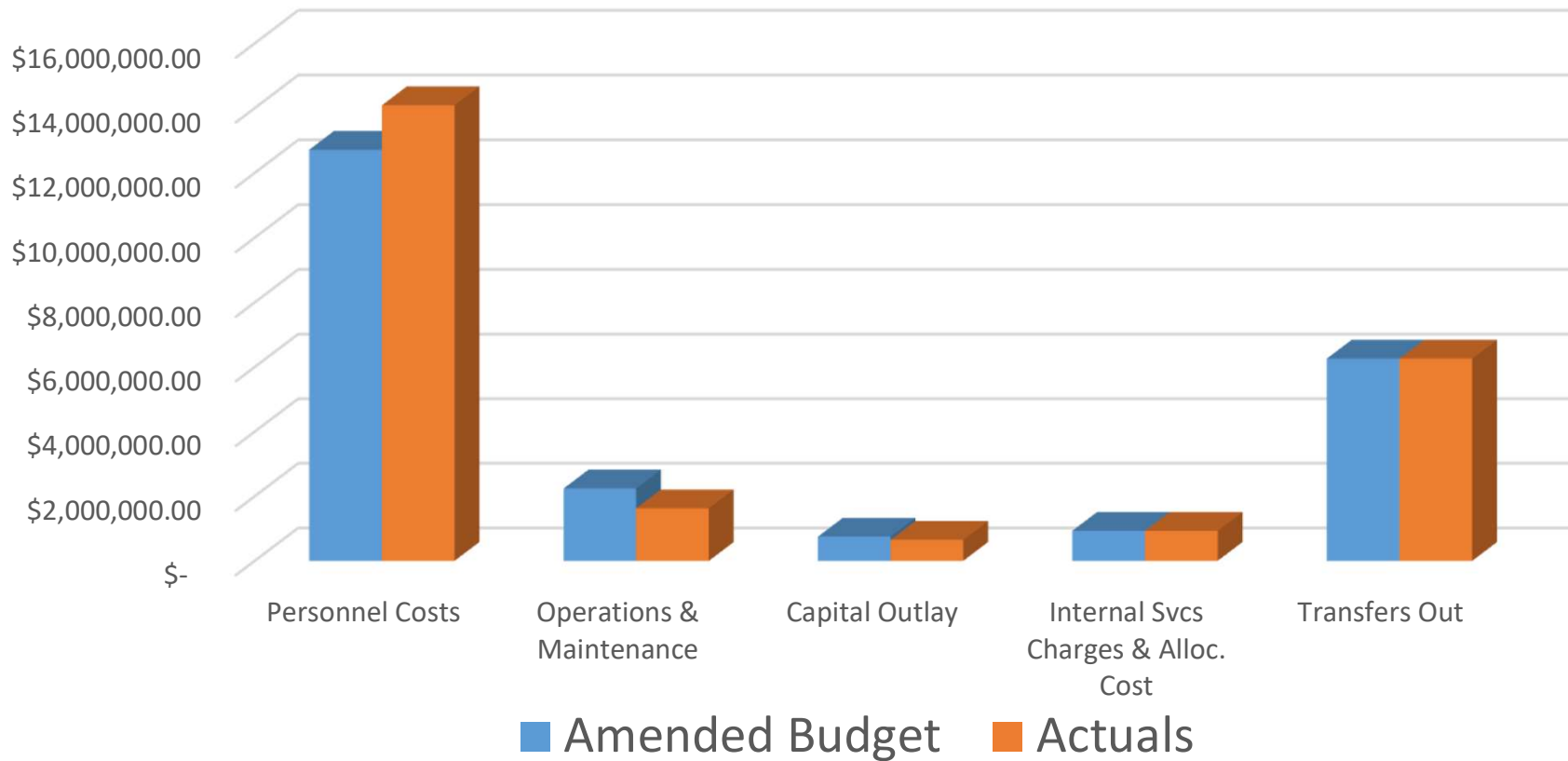
	FY 2024/25 Amended Budget	FY 2024/25 Actuals ²³	FY 2024/25 Balance
Non-Departmental	107,322	55,198	52,123
Administrative Services	632,132	638,344	(6,212)
Finance	167,940	172,511	(4,571)
Police	7,304,480	7,586,670	(282,190)
Fire District	6,066,242	6,413,414	(347,172)
Economic Development	117,250	86,898	30,352
Development Services	719,048	777,374	(58,326)
Public Works & Engineering	854,030	959,157	(105,128)
Community Services District	471,700	370,254	101,445
Homeless Program	98,645	141,962	(43,317)
Library	91,781	87,581	4,200
Transfers Out	6,259,200	6,259,200	
Capital Improvement Projects ⁴	-	1,571,757	(1,571,757)
Total	22,889,768	25,120,322	(2,230,555)

² Expenses reported through June 2025

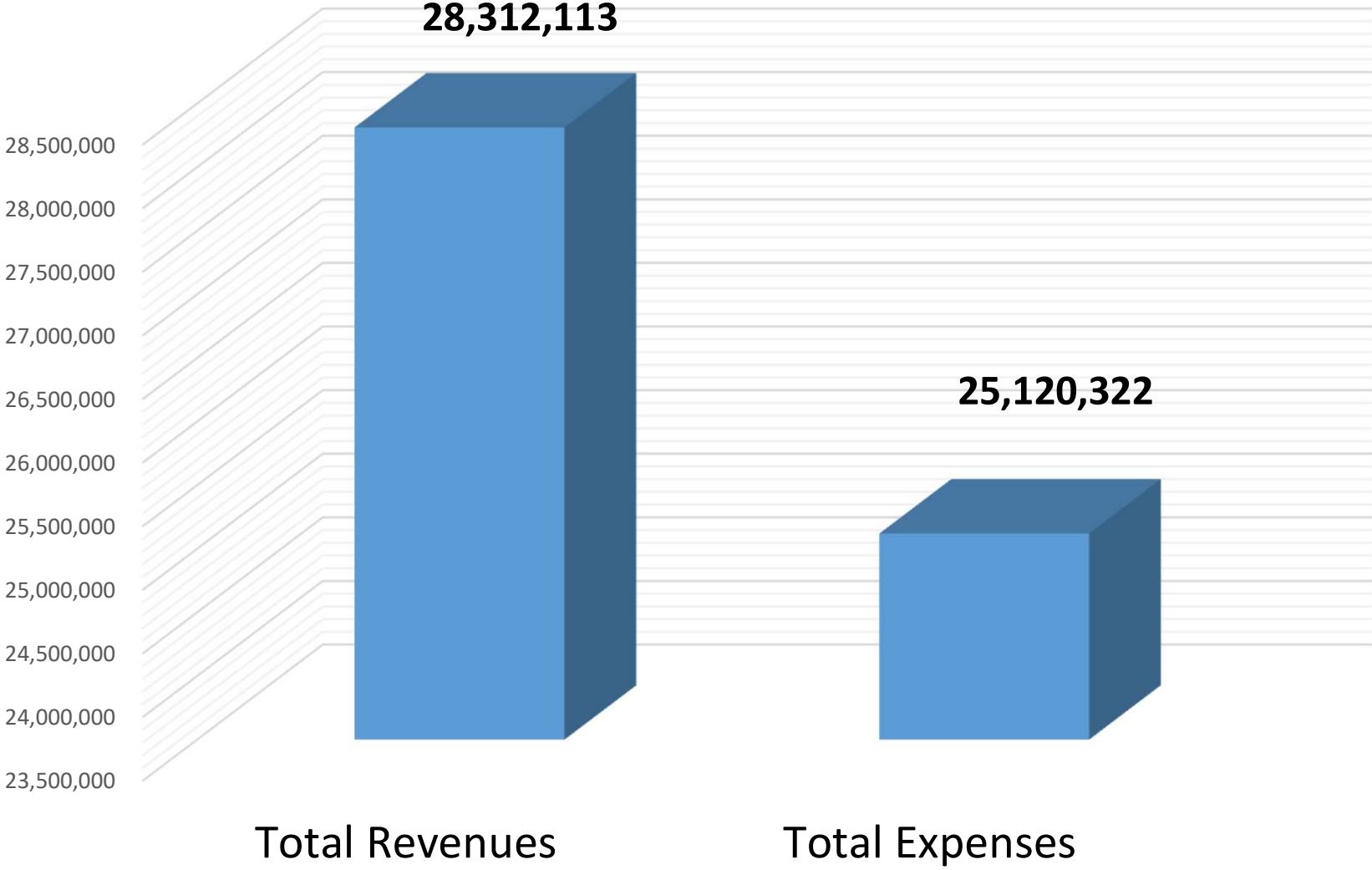
³ Excludes encumbrances

⁴ Capital Improvement Capital budget is maintain on a separate general ledger

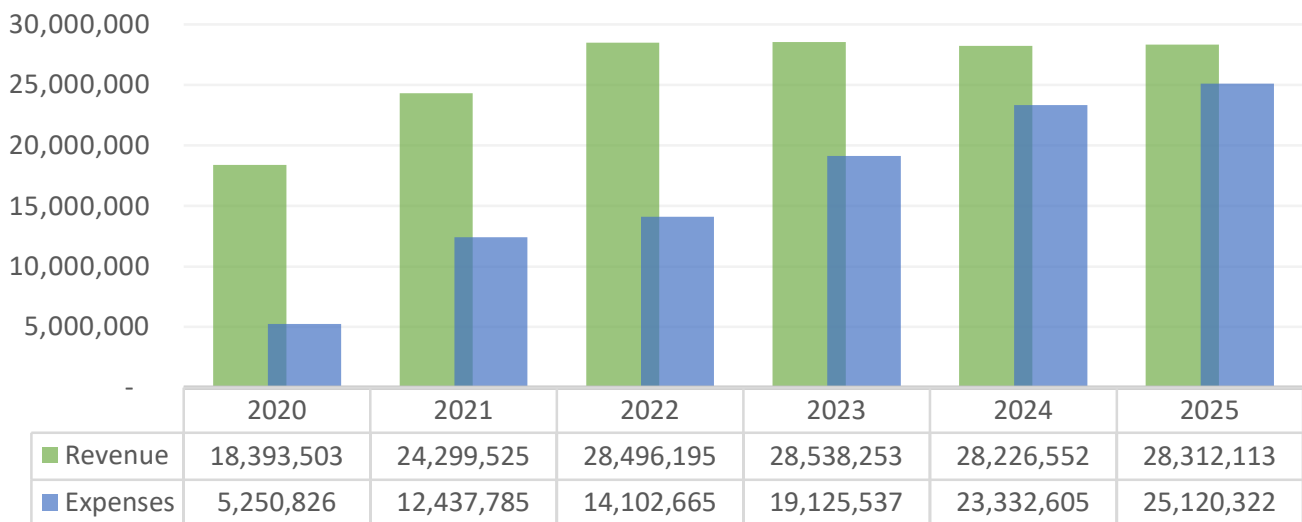
MEASURE T BUDGET VS ACTUALS FY 2024/25



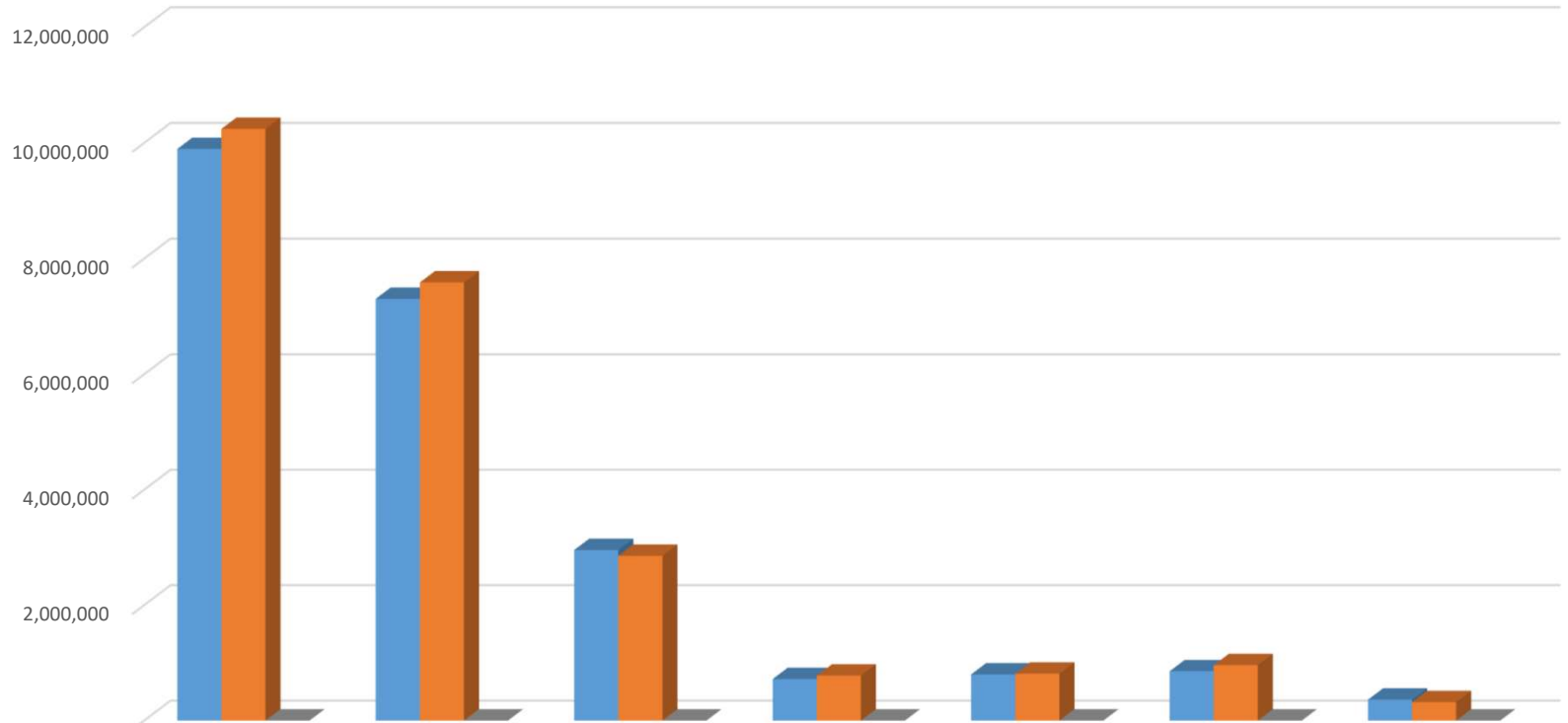
**Measure T
Revenue Vs. Expenses
FY 2024/25**



Measure T Revenue and Expenses Year-Over-Year Comparison



Measure T Fund FY 2024/25 Budget Vs. Actuals



	Fire Dept	Police Dept	CSD Dept	Development Services	Administration	Public Works & Engineering	Other Dept
FY 2024/25 Amended Budget	9,895,021	7,304,480	2,954,893	719,048	800,072	854,030	362,224
FY 2024/25 Actuals	10,242,194	7,586,670	2,853,447	777,374	810,856	959,157	318,866
% Spent	104%	104%	97%	108%	101%	112%	88%

City of Murrieta

FY 2024/25

Measure T Funded Capital Improvement Projects

Project No	Project Description	Budget	Year-to- Date Expenses	Inception to Date Expenses	Encumbrance	Remaining Balance ³
08137	1 Pavement Resurf-SlurrySeal	223,577	-	223,577	-	-
10022	ADA Transition Plan	150,000	-	85,380	1,420	64,620
10041	North Amphitheater Parking Lot	430,068	112,617	362,477	79,384	67,591
10042	2 Library Bin Sorter	165,245	-	165,245	-	0
10043	2 City Hall Improvements Proj	1,561,532	787	1,555,262	-	6,270
10046	72 SCBA Equipment Replacement	990,842	789,514	789,514	-	201,328
21016	2 Police Building Exterior Paint	200,000	90,275	95,902	-	104,098
21018	Public Works Facility Expansion	780,000	45,616	159,258	-	620,742
21019	Fire Station 1 Sewer and Concrete Replac	1,349,000	47,082	141,217	9,342	1,207,783
21020	Fire Station 2 Concrete Replacement	414,150	-	-	-	414,150
21022	Police Dept Mobile Command Center	120,000	-	-	-	120,000
21023	2 Library Bldg-Roof Project	382,194	-	382,194	-	-
21024	2 Library Bldg-HVAC Proj	139,580	-	139,580	-	-
21025	Library Bldg-Flooring and Walls	634,400	-	-	-	634,400
21026	Library Bldg-Rain Mitigation	500,000	-	-	-	500,000
21027	Library Bldg-Children Area Expansion	1,075,000	-	-	-	1,075,000
21029	Murrieta Innovation Center	-	-	-	-	-
21031	Library Building Community Room Tech	66,800	-	-	-	66,800
21033	Fire Station 6	200,000	-	10,762	-	189,238
21035	2 Police Dept Admin Office Improvement	81,985	-	81,985	-	-
21036	Police Dept Traffic Office Improvement	142,938	-	-	115,089	142,938
21037	Fire Station 1 Impr Proj	1,500,000	65,264	-	9,691	1,500,000
21038	Fire Station 2 Impr Proj	-	-	-	-	-
21039	Fire Station 3 Impr Proj	-	-	-	-	-
21040	2 CITY Hall Annexation Improvement	473,180	19,207	473,180	-	-
21041	2 Police Dept Locker Room Remodel	200,000	167,507	167,507	-	32,493
22025	1 Cal Oaks Sports Park Pool Repl	254,701	-	239,040	6,425	15,661
22028	Parks and Rec Mstr Plan	209,570	78,805	209,570	-	-
22029	Alta Murrieta Park Tot Lot	53,663	6,766	52,999	480	665
22030	Eastgate Park Tot Lot	94,095	3,054	90,434	473	3,661
22031	Rancho Acacia Park Tot Lot	156,825	7,473	112,202	-	44,623
22032	Sycamore Park Tot Lot	162,325	-	166,119	397	(3,794)
22033	COSP Skate Park Fencing	75,000	-	-	-	75,000
22042	Pickleball Court	134,932	137,792	137,792	87,745	(2,860)
Total		12,921,602	1,571,757	5,841,194	310,445	7,080,408

1 Project is completed or substantially completed.

2 Project status closed

3 Project balance excluding encumbrances



**City of Murrieta
Measure T Operating & Sustainability Reserve Balances
Fiscal Year 2023/24 and FY 2024/25**

	FY 2023/24 Beginning Balance	FY 2023/24 Contributions	FY 2023/24 Uses	Ending Balance FY 2023/24	FY 2024/25 Contributions	FY 2024/25 Uses	Est. Ending Balance FY 2024/25
Operating Reserve	3,812,350	1,120,458	-	4,932,808	342,976	-	5,275,784
Operating Reserve - Fire	1,817,745	1,609,391	-	3,427,136	210,435	-	3,637,571
Operating Reserve - CSD	50,047	491,704	-	541,751	50,273	-	592,024
Operating Reserve - Library	-	246,152	-	246,152	22,803	-	268,955
Fleet Replacement	1,153,000	300,000	-	1,453,000	-	(220,000)	1,233,000
Fleet Replacement - Fire	2,415,443	1,400,000	-	3,815,443	-	-	3,815,443
Facility Repair	1,100,000	800,000	(533,000)	1,367,000	-	(200,000)	1,167,000
Facility Repair - Fire	35,000	900,000	-	935,000	-	(900,000)	35,000
Facility Repair - CSD	1,105,850	4,500,000	-	5,605,850	-	-	5,605,850
Pension Rate Stabilization	3,000,000	2,000,000	-	5,000,000	-	-	5,000,000
OPEB 115 Trust	-	1,000,000	-	1,000,000	-	-	1,000,000
Economic Contingency	3,827,168	-	-	3,827,168	-	-	3,827,168
Continuing Operations	4,025,000	-	-	4,025,000	-	-	4,025,000
Total	22,341,603	14,367,705	(533,000)	36,176,308	626,487	(1,320,000)	35,482,795



CITY OF MURRIETA

Transaction and Use Tax Oversight Committee Meeting Agenda Report

9/18/2025
Agenda Item No.

TO: HONORABLE CHAIR AND MEMBERS OF THE TRANSACTION AND USE TAX
OVERSIGHT COMMITTEE

FROM: Javier Carcamo, Finance Director

PREPARED BY: Javier Carcamo, Finance Director

SUBJECT: District Sales & Use Tax (Measure T Fund) Adopted Budget for Fiscal Years
2025/26 and 2026/27

RECOMMENDATION

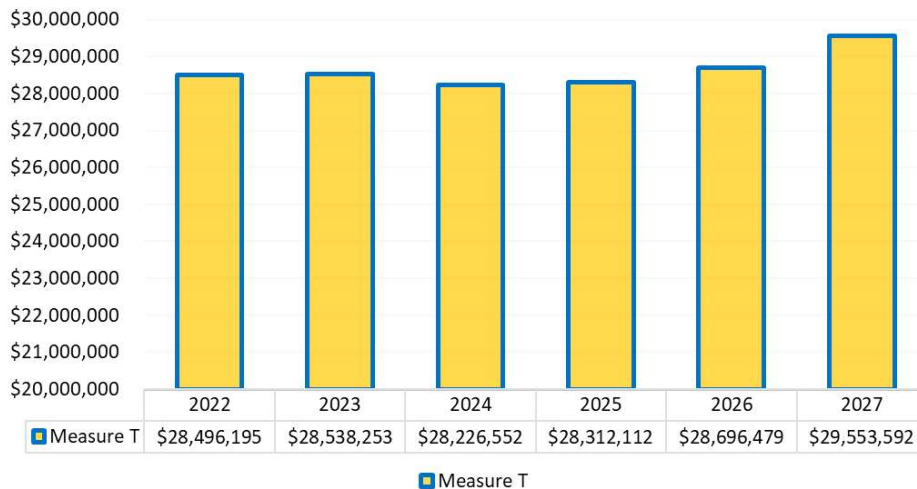
Receive and file.

BACKGROUND

In November 2018, Murrieta voters passed ballot Measure "T," a one-cent Transaction and Use Tax. Measure T is a general tax revenue source to maintain the City of Murrieta's long-term finances, provide funding for general services, including faster response times to emergencies, improved fire protection/paramedic services, increased police sworn personnel to strengthen crime prevention, reduced gang activity/drug crimes, graffiti removal, parks and recreation, and street maintenance/pothole repair.

I am pleased to present the Adopted Measure T Operating Budget for Fiscal Year (FY) 2025/26 and FY 2026/27. The estimated district sales tax revenue is \$28.7 million and \$29.5 million for FYs 2025/26 and 2026/27, respectively. The adopted sales tax revenue was budgeted using the City's sales tax consultant projections. Given economic uncertainties, the City took a conservative approach, projecting a 3% year-over-year increase compared to the FY 2024/25 amended budget, primarily based on anticipated new retail activity, business growth, and population increases.

Historical Sales Tax Revenue and Projections

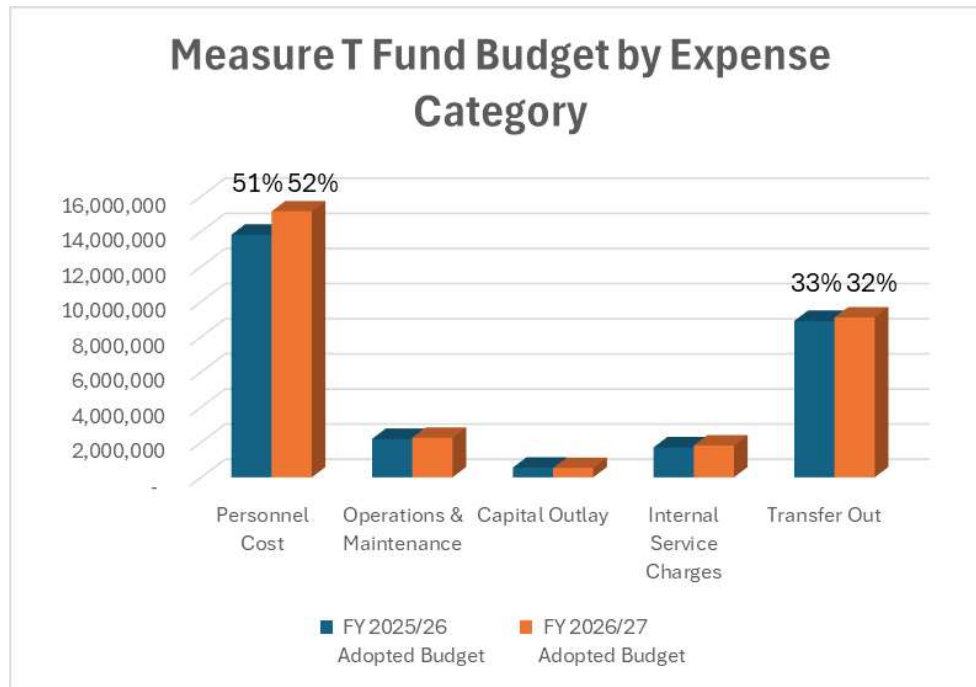


The table below summarizes the projected revenues, expenditures, and the contribution to the fund balance.

MEASURE T		
	FY 2025/26	FY 2026/27
	Adopted Budget	Adopted Budget
Revenue		
Taxes-Sales Tax	28,696,479	29,553,592
Total Revenue	28,696,479	29,553,592
Expenditures		
Personnel Cost	13,823,095	15,151,274
Operations & Maintenance	2,195,793	2,257,837
Capital Outlay	557,408	536,408
Internal Service Charges	1,711,560	1,816,340
Transfer Out	8,914,060	9,109,858
Total Expenditures	27,201,917	28,871,717
Contribution to/		
(Use of) Fund Balance	1,494,562	681,875

The Measure T Fund adopted budget includes an operating transfer to the Fire District, Community Service District, and the Library District funds. The transfers represent approximately 33% of the FY 2025/26 adopted budget, and 32% of the FY 2026/27 adopted budget. Historically, the Fire District, Community Service District, and recently, the Library funds have not been financially self-sustaining, requiring a transfer from the Measure T fund to support their operations. Aside from the transfer

budget, the personnel budget represents approximately 51% and 52% for FY 2025/26 and FY 2026/27, respectively.



The adopted biennial budget incorporates expenditure budget requests from all City departments. The proposed use of Measure T Funds includes:

Personnel

- 67 authorized positions for FY 2025/26
- 70 authorized positions for FY 2026/27
 - 77% of the Measure T budget is dedicated to public safety in FY2025/26.

Fire Operations

- Fire Service Agreement with CalFIRE
- Public Safety Enterprise Communication (PSEC) radio equipment and system subscriptions
- Emergency Medical Services (EMS) software subscriptions (EMS priority dispatching, Emergency Medical Dispatcher (EMD), image trend, NFIRS, base, elite, EMD Spanish, pulse point, tablet command, first watch)
- EMS lease/rental equipment
- Fleet Replacement Annual Allocation
- Computer Aided Dispatch (CAD) to CAD Integration system
- Mobile Data Terminals
- Equipment replacements (ladder, hose)
- Office (7) and Fire Station furniture
- Annual ladder and hose testing
- Deionized Water Treatment System
- Personal Protective Equipment (PPE) Extractor
- PPE gear and safety equipment

- Fire stations facilities maintenance & repairs

Police Operations

- Police safety equipment for new hires
- Narcan - Treatment of a known or suspected opioid overdose emergency
- Police Taser and body-worn cameras, equipment, and license
- Police License plate reader software and equipment
- Police Aircraft & accessories, software, maintenance & repairs for the Unmanned Aerial System (UAS) Program

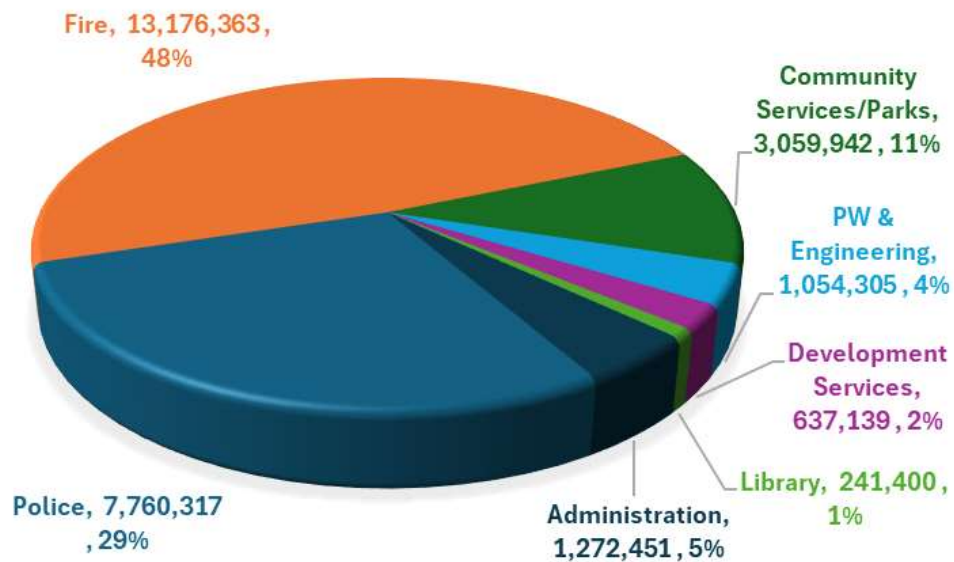
Other Operations

- Economic Development data, market research, and event marketing
- Citywide press relations, newsletter, magazine, community survey
- Professional growth development
- Enterprise Vehicle Lease Program
- Weed abatement and water-efficient landscape
- Operating transfers to Fire, CSD, and Library
- Establish operating and sustainability reserves

Attachment 1 to this report details the approved budget requests by departments.

The Measure T budget allocates approximately 48% of the budget to Fire and Paramedic services and an average of 28% to law enforcement for FY 2025/26 and FY 2026/27. This represents approximately 77% of the budget dedicated to public safety services. The chart below displays the allocation of Measure T funds to the various City operations for FY 2025/26.

MEASURE T FUND BUDGET BY DEPARTMENT



Operating Reserves and Sustainability Reserves

Consistent with the stated goal of maintaining a high-performing organization that values fiscal sustainability, transparency, accountability, and organizational efficiency, the City Council established

an operating reserve policy with a requirement of 25% of operating expenditures for the Measure T Fund. While the Operating Reserve Policy establishes the reserve levels at 25%, the City Council set an informal goal of 30% in reserve.

The adopted Operating Budget includes increasing the Measure T Fund reserve to 30% and using available (unassigned) fund balance to maintain the Fire District, Community Services District, and Library operating reserves to the City Council’s informal goal of 30% over the two-year cycle. The Measure T Fund unassigned fund balance is projected to end at approximately \$24.3 million. This projection is subject to change until the financial audit is completed and the fund balance is determined in accordance with Governmental Accounting Standard Board Statement 54, *Fund Balance Reporting*.

In addition to contributions to the Operating Reserves, staff recommended that the City Council approve the transfer of the Measure T Replacement Reserves, set aside for City and Fire fleet, into the newly established Fleet Replacement Fund. This dedicated program was created to support a proactive, long-term replacement plan for the City’s fleet and fire equipment.

At the August 19, 2025, City Council meeting, staff also recommended approval of an interfund loan of \$3.5 million from the Measure T Fund to the Library Fund for the Library expansion project. The loan would utilize Measure T reserves previously set aside for CSD facility needs. Rather than pursuing a traditional bank loan or municipal bond, staff evaluated an interfund loan as a more favorable alternative financing tool. The opportunity cost analysis indicated a positive benefit to both the lending and borrowing funds.

The estimated operating and sustainability balances funded by Measure T are shown in the table below.

	FY 2025	FY 2025/	FY 2025	Ending	FY 2026/	FY 2026	Est. End
	Beginni	FY 2025/	Uses	Balance	FY 2026/	Uses	Balance
	Balance	Contributi		FY 2025	Contributi		FY 2026
Operating Reserve	5,275,784	81,063	-	5,356,847	434,503	-	5,791,3
Operating Reserve - Fire	3,637,571	975,392	-	4,612,963	336,492	-	4,949,4
Operating Reserve - CSD	592,024	1,580	-	593,604	41,541	-	635,14
Operating Reserve - Library	268,955	12,469	-	281,424	28,940	-	310,36
Fleet Replacement	1,233,000	-	(1,233,000)	-	-	-	-
Fleet Replacement - Fire	3,815,443	-	(3,815,443)	-	-	-	-
Facility Repair	1,167,000	-	-	1,167,000	-	-	1,167,0
Facility Repair - Fire	35,000	-	-	35,000	-	-	35,00
Facility Repair - CSD	5,605,850	-	(3,500,000)	2,105,850	-	-	2,105,8
Pension Rate Stabilization	5,000,000	-	-	5,000,000	-	-	5,000,0
OPEB 115 Trust	1,000,000	-	-	1,000,000	-	-	1,000,0
Economic Contingency	3,827,168	-	-	3,827,168	-	-	3,827,1
Continuing Operations	4,025,000	-	-	4,025,000	-	-	4,025,0
Total	35,482,795	1,070,504	(3,548,443)	38,004,856	841,476	-	28,846,3

ATTACHMENTS

Attachment 1: FY 2025/26 Budget Detail by Department

FY 2026 BUDGET BY DEPARTMENT

1110000 - MT - Citywide

28,696,479 District Sales Tax Revenue

1111600 - MT - Non-Departmental

52,000 City-wide Press Relations
50,000 City newsletter, magazine, Community survey
6,038 Training for All Dept

1112100 - MT - Administrative Services Dept (ASD)

153,145 Personnel
- Internal Svcs Charges & Alloc. Cost

1112200 - MT - ASD/Human Resources

146,516 Personnel
11,400 Internal Svcs Charges & Alloc. Cost

1118340 - MT - ASD/Information Svcs/GIS

303,989 Personnel
18,800 Internal Svcs Charges & Alloc. Cost

1112600 - MT - ASD/Finance

222,548 Personnel
18,690 Internal Svcs Charges & Alloc. Cost

1113120 - MT - Police Dept Admin

115,000 License Plate Reader (Flock Cameras)
19,500 Equipment Safety for new hires
421,408 Tasers, BWC, Evidence.com, and auto tagging (includes licenses and technical support).
30,000 Aircraft & accessories, software, maintenance & repairs for the Unmanned Aerial System Program
5,000 Narcan - treatment of a known or suspected opioid overdose emergency

1113130 - MT - Police Department Dispatch Center

1,439,221 Personnel
119,030 Internal Svcs Charges & Alloc. Cost

1113160 - MT - Police Department Operations

3,412,972 Personnel
240,430 Internal Svcs Charges & Alloc. Cost

1113180 - MT - Police Department Support Division

1,735,175 Personnel
150,600 Internal Svcs Charges & Alloc. Cost

FY 2026 BUDGET BY DEPARTMENT

1113520 - MT - Fire Department Administration Division

131,519	Personnel
38,280	Internal Svcs Charges & Alloc. Cost
600,000	Fleet Replacement Charges
12,000	Annual Fire Hose Testing (Requirement)
4,200	Annual Ladder Testing (Requirement)
3,700	Auto Dispatching System Annual Cost
18,800	EMS Priority Dispatching Ongoing Cost and Licenses
1,800	Spanish EMD annual licensing
155,850	Fire Service Agreement with CalFIRE
47,700	Image Trend fees EMS, Fire, NFIRS, Base, Elite
35,000	Contingency for renewal costs and unanticipated costs
32,000	CAD to CAD Integration system
6,670	First Watch System annual subscription
29,000	Mobile Data Terminals
18,900	Furniture for seven (7) admin offices
3,500	Air Compressor Equipment Maintenance
26,000	Replace hoses and ladders
145,000	Safety Equipment and Turn out Gear
15,800	Pulse Point Software Licenses, Tablet Command
6,500	Miscellaneous Equipment
5,150	AFSS annual conference for the Administrative Section of the California Fire Chiefs Association
145,000	PSEC radio system equipment annual subscription fee
31,755	EMS Rental Equipment
91,459	EMS Equipment Lease Principal

1113580 - MT - Fire Department Operations Division

4,412,307	Personnel
7,800	Deionized Wtr Treatment System
53,500	Fire Stations Replacement Furniture
330,500	Building Maintenance, Bay Doors Replacement
9,800	Uniform Expenses for New Hires
351,520	Internal Svcs Charges & Alloc. Cost
21,000	PPE Extractors

1113590 - MT - Fire Department Prevention Division

128,602	Personnel
10,250	Internal Svcs Charges & Alloc. Cost

1114100 - MT - DSD/Economic Development

30,000	Direct Advertising, video marketing, event marketing
50,000	Market/Feasibility Studies, marketing
5,000	ACRE Annual Subscription
10,000	Conference, meeting, booth rental, event promotions
9,057	International Economic Development Council (IEDC) Professional Development

FY 2026 BUDGET BY DEPARTMENT

1114140 - MT - Development Services Code Enforcement

364,215 Personnel
34,730 Internal Svcs Charges & Alloc. Cost

1114400 - MT - DSD/Planning

122,882 Personnel
14,520 Internal Svcs Charges & Alloc. Cost

1114600 - MT - DSD/Building & Safety

98,361 Personnel
2,430 Internal Svcs Charges & Alloc. Cost

1115100 - MT - Homeless Program

172,318 Personnel
12,950 Internal Svcs Charges & Alloc. Cost

1115120 - MT - Community Services District Support Division

94,603 Personnel
110,815 Enterprise Vehicle Lease Program
8,360 Internal Svcs Charges & Alloc. Cost

1115162 - MT - Community Services District Maintenance Division

220,000 Weed removal - Enhance services
50,000 Water Efficient Plants

1115900 - MT - Library Division

122,895 Personnel
26,110 Internal Svcs Charges & Alloc. Cost

1116120 - MT - Public Works/Engineering Division

461,430 Personnel
36,200 Internal Svcs Charges & Alloc. Cost

1116145 - MT - Public Works/Maintenance Division

-

1116155 - MT - Public Works/Facilities Maintenance Division

300,394 Personnel
25,280 Internal Svcs Charges & Alloc. Cost

1116160 - MT Public Works/Vehicle Maintenance Division

231,000 Enterprise Vehicle Lease Program

1110000 - MT Transfers-Out

6,245,501 Transfer Out Fire District
2,576,164 Transfer Out Community Service District
5,048,443 Transfer Out to Fleet Replacement Fund
92,395 Transfer Out Library