CITY OF TEMECULA, CALIFORNIA

PROPOSED ANNUAL OPERATING BUDGET



FISCAL YEAR
2026-2027

ANNUAL OPERATING BUDGET

Fiscal Year 2026-27



City Council

Jessica Alexander, Mayor
Matt Rahn, Mayor Pro-Tem
Zak Schwank, Council Member
James Stewart, Council Member
Brenden Kalfus, Council Member

City Management

Aaron Adams, City Manager
Luke Watson, Assistant City Manager
Jennifer Hennessy, Finance Director

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Temecula
The Heart of Southern California
Wine Country

Temecula Mayor Jessica Alexander was first elected in 2020 to serve on the City Council and re-elected in 2024. As a proud Marine Veteran and former New York Police Officer, Mayor Alexander is a strong advocate for public safety, improving the City's infrastructure and roadways, and protecting the high quality of life that defines Temecula including its safe neighborhoods, beautifully landscaped parks, and family-friendly amenities.

"It is a profound honor to serve as Mayor, and I approach this responsibility grounded in service and shared hope for 2026." She adds, "I am deeply committed to leading with compassion, integrity and a steadfast sense of duty that strengthens the heart of Temecula's service-oriented community."

Mayor Alexander also values preserving the rural character of Temecula's equestrian communities, along with the City's overall picturesque appeal from the charm of Old Town to the scenic setting of Temecula Valley Wine Country.

"Temecula's success lies in its extraordinary people, and I am dedicated to working collaboratively and diligently alongside my council colleagues for the well-being of our City and all its residents."

Jessica Alexander
Mayor
City of Temecula



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TRANSMITTAL MESSAGE

May 21, 2026

Honorable Mayor and Members of the City Council:

I am pleased to submit the Proposed Annual Operating Budget for the Fiscal Year 2026-27. This budget document was developed to serve as the financial plan for the City's programs and policies. It reflects the resources necessary to meet the goals, programs, and service priorities that the City Council is committed to providing its citizens.

The Fiscal Year 2026-27 Annual Operating Budget has been developed after a considerable review process. Departmental budget submittals were prepared and reviewed by line item in connection with projected revenues. Detailed performance objectives and accountability measures were developed consistent with the City's Quality of Life Master Plan. Five-year revenue and expenditure projections were developed to identify the future impacts of staffing and program changes, as well as the impact of capital improvement projects. The resulting budget is realistic and balanced and continues to provide quality services to the community while effectively utilizing available resources.

As you will read below, the City's General Fund is not only balanced for the ensuing fiscal year, but also projected to be balanced for the next five fiscal years. Additionally, the City's reserve funds are fully funded across all five years of the long-range financial forecast.

CITY OF TEMECULA PROFILE



The City of Temecula is a dynamic community comprised of approximately 113,618 citizens. The City maintains 42 parks on 337 developed acres throughout the community, which provide recreation opportunities for both the citizens of Temecula, as well as surrounding communities. Law Enforcement and Fire Protection services are provided through contracts with the County of Riverside.

Known as Southern California's Wine Country, the City of Temecula is a nationally and internationally known tourist destination welcoming over 3 million visitors a year. Temecula is also an innovative, dynamic economic powerhouse and job center for the region, all the while retaining its small-town charm and character that residents cherish. Offering the finest quality of life, Temecula is listed among the safest cities in the State and Nation per FBI statistics. With a diverse population, citizens enjoy picturesque neighborhoods, a vast array of beautifully manicured parks and trails, multi-cultural dining options, retail stores that include the region's premier shopping destination Promenade Temecula, the highest rated School District in Riverside County for its outstanding academic scores, higher education opportunities including Mount San Jacinto College's Temecula Campus and Cal State San Marcos at Temecula.



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As a visitor destination, Temecula also offers a vibrant Old Town with boutique shops, outdoor markets, and a distinct foodie district, Pechanga Resort Casino, Southern California's Wine Country speckled each morning with hot air balloons hovering over grapevines and equestrian trails, championship golf courses, Vail Ranch Historic Headquarters comprised of turn-of-the-century old west structures restored into specialty restaurants and retail, and City of Temecula signature events, parades, museums and a theater. Temecula's scenic landscape of rolling hills, vineyards and wineries are swept clean each afternoon with fresh ocean breezes that funnel through the Santa Margarita gap of the coastal mountains providing an ambience that magnifies the beauty of the City and Temecula Valley.



ECONOMIC INDICATORS

The City of Temecula monitors several economic and demographic indicators, which play a role in the development of revenue projections.

113,618	39.9 years	38,128	Income $166,346	Home Price $759,000 (Apr'26)	54,300 (Apr'26)	Rate 4.4% (Mar'26)

- Estimated Population: up 1.2% from 2025 *(Source: State Department of Finance)*
- Median Age: up from 37.5 in 2025 *(Source: Pop-Facts Report, 4-28-26)*
- Number of Households: up 3.3% from 2025 *(Source: Pop-Facts Report, 4-28-26)*
- Average Household Income: up 14.6% from 2025 *(Source: Pop-Facts Report, 4-28-26)*
- April Median Home Price: up 3.8% from 2025 (Source: *HdL Companies)*
- Number of Jobs: up 0.4% from April 2025 *(Source: EDD)*
- April Unemployment Rate: zero change from April 2025 (Riverside County: 5.1%, CA: 5.3%, Nation: 4.3% *(Source: EDD & BLS)*

Temecula has experienced increases in the majority of the above economic indicators. Population has increased 1.2%, marking two consecutive years of growth. Housing prices continue to climb due to the low inventory, with a 3.8% increase in the median home price. Temecula's average household income has increased by 14.6%, while the number of jobs has remained relatively flat over the prior year. Unemployment is unchanged, but remains lower than both Riverside County and the State.

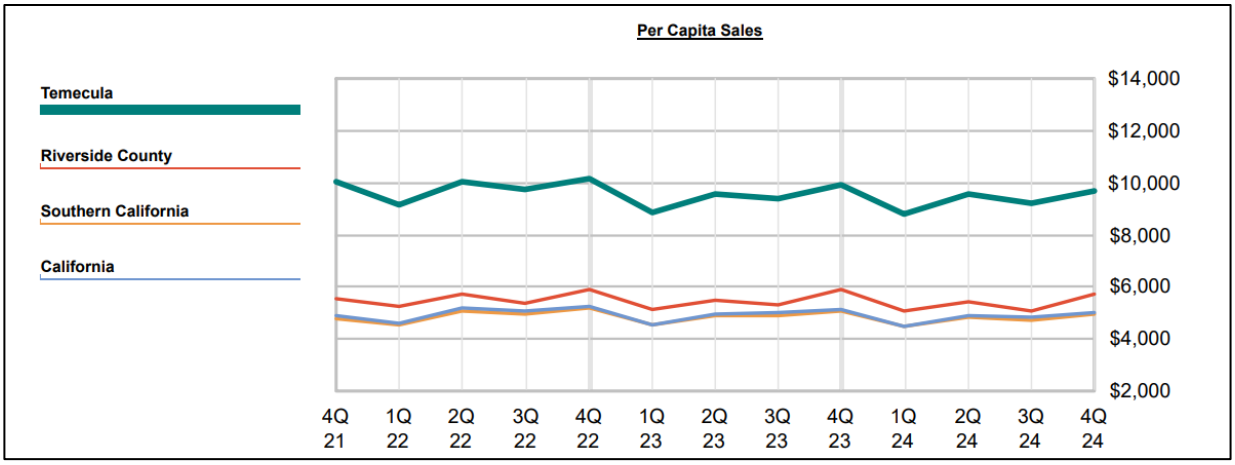
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LOCAL ECONOMY AND LEGISLATIVE IMPACTS

Local Economy

As the economic indicators noted above have improved over 2025, the impact to the local economy is evident in the retail activity and sales tax trends. Sales Tax revenue is projected to continue to grow at a modest 2.0% next fiscal year, as both national retailers and local entrepreneurs continue to invest in Temecula by opening businesses, undergoing expansion projects and starting new construction. Currently, there are nine new businesses slated to open soon, including a trampoline park, and multiple retailers and restaurants.

With Temecula's regional shopping mall, Old Town district, and auto mall, shoppers from the entire Temecula Valley region contribute to the City's sales tax base. Temecula residents generated $36,988 in sales tax per capita in 2025, which far outpaced neighboring cities and statewide averages.



Source: HdL Companies

Legislative Impacts

The City of Temecula actively follows state and federal legislative proposals each year and works closely with the League of California Cities and the National League of Cities to stay informed and engaged to ensure the City supports legislation that aligns with the City's local legislative platform guiding principles:

I. Preservation of Local Control - Support measures that preserve and protect the City's general law powers and duties to enact legislation and policy direction concerning local affairs. Oppose measures that preempt local authority.

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II. Promotion of Fiscal Stability - Support measures that promote fiscal stability, predictability, and financial independence. Support measures that preserve and promote the City's revenue base. Oppose measures that mandate costs with no guarantee of local reimbursement or offsetting benefit. Oppose measures that shift local funds to the county, state, or federal government, without offsetting benefit.

III. Support Funding Opportunities - Support measures that allow the City to compete for its fair share of regional, state and federal funding including competitive grants and other funding programs. Support measures that promote dedicated funding streams at the regional, state and federal levels allowing the City to maximize local revenues, offset and leverage capital expenditures, and maintain City goals and standards.

Governor Newsom's proposed 2026-27 budget makes significant reductions to the Homeless Housing, Assistance and Prevention (HHAP) grant program. Funding for the program is being reduced by one-half of its historic funding level. Reducing funding to this level will significantly impact shelter capacity, rental assistance, and the development of supportive housing.

California Proposition 36 – Homelessness, Drug Addiction, and Theft Reduction Act was passed in November 5, 2024 and became effective December 18, 2024. This new law allows felony charges for certain repeat theft and drug offenses—including fentanyl possession—reversing portions of Proposition 47. While Temecula is a contract City, Proposition 36 and its implementation impacts the City. Local governments are encouraging lawmakers to approve a $400 million budget request to fund Proposition 36.

Senate Bill 707 Open Meetings: Meeting and Teleconference Requirements – SB 707 was signed into law on October 3, 2025 and became effective January 1, 2026. This new law updates public meeting rules for local agencies, focusing on enhanced teleconferencing, increased accessibility, and, for many, mandatory agenda translation into multiple languages.

Assembly Bill 1383 Public Employees' Retirement Benefits: Safety Members – AB 1383 is a bill in the California Legislature that addresses public employees' retirement benefits, specifically for safety members (such as certain law enforcement, fire, and other designated public safety roles) under the Public Employees' Retirement Law (PERL). Currently, PERL — and the California Public Employees' Pension Reform Act of 2013 (PEPRA) — set rules for how defined benefit pensions are calculated, including factors like final compensation, credited service, and retirement age. AB 1383 proposes adjustments to these provisions for safety members, potentially modifying eligibility criteria, benefit formulas, or retirement age requirements.

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GOALS AND OBJECTIVES

The City Council recently adopted the Temecula 2040 Quality of Life Master Plan (QLMP) in November 2022. The Temecula 2040 Plan is a living document that reflects the vision and long-term goals of the City. As Temecula continues to grow and mature, the Temecula 2040 Plan will be a crucial part of not only maintaining the City's quality of life, but to take a proactive approach and identify specific community needs, goals, and possible improvements. The City of Temecula utilizes the QLMP to formulate and budget Citywide projects. In addition, the QLMP is used to guide planning, investment decisions, provide vision and continuity for the next phase of the City's journey, and for continuous process improvement in partnership with Temecula's residents.

To incorporate the QLMP into the City's budget process, the QLMP includes specific goals based on the Core Values of the QLMP. These goals are used by each department to develop short-term objectives and performance measures for completion in the upcoming fiscal year and are reflected in the Department Information and Performance Measures sections of the budget document.

The QLMP outlines 7 Core Values:

- Healthy & Livable City
- Economic Prosperity
- Safe & Prepared Community
- Sustainable & Resilient City
- Transportation Mobility & Connectivity
- Accountable & Responsive City Government
- Equity

BUDGET OVERVIEW

The Fiscal Year 2026-27 Budget reflects a structurally balanced, healthy fiscal outlook across all major funds for the City of Temecula. General Fund, Special Revenue Funds and the Temecula Community Services District (TCSD) Fund revenues are growing, albeit at a modest pace, and expenditures include all contractually obligated increases offset by various budget reductions necessary to partially absorb rising costs in Public Safety departments.

TRANSMITTAL MESSAGE

Major changes from the prior Operating Budget are summarized below.

Fund Category	Revenue & Transfers In Change from Prior Year	Expenditures & Transfers Out Change from Prior Year	Change in Fund Balance from Prior Year	Variance Analysis
GENERAL FUNDS	7,357,943	(23,087,065)	(10,095,956)	Revenue growth attributable to Sales Tax, Measure S Tax, and Transfers In to support Public Safety expenditures. Expenditure reduction due to reduced Capital Project funding, a one-time transfer between funds to accelerate the City's debt paydown, and reduced transfers from Measure S.
SPECIAL REVENUE FUNDS	10,116,160	(30,054,868)	8,749,284	Revenue growth attributable to Development Impact Fees. Expenditure reduction due to reduced Capital Project funding from Development Impact Fees, Measure A, Affordable Housing and Road Maintenance Funds.
TEMECULA COMMUNITY SERVICES DISTRICT (TCSD)	1,951,443	223,512	(357,577)	Revenue growth attributable to the TCSD Operations and Library Funds. Expenditure growth due to higher internal service fund allocations, increased contractual obligation with Riverside County for library services, and increased Waste Hauling costs.
SUCCESSOR AGENCY TO THE TEMECULA REDEVELOPMENT AGENCY (SARDA)	(715,662)	15,803	(1,013,132)	Revenue decline due to reduced Redevelopment Property Tax Trust Fund distributions due to the wind down of the former Redevelopment Agency. Expenditure increase due partly to Depreciation which had not been budgeted in the prior year.
INTERNAL SERVICE FUNDS	1,054,560	(1,605,988)	144,801	Revenue increase due to one-time transfers in to the Facility Replacement Fund. Expenditure decline due to reduced one-time transfers.
ALL BUDGETED CITY FUNDS	(121,006,977)	(210,032,368)	2,647,639	

Assumptions, combined with known contractual obligations are used in forecasting revenue sources, expenditure trends, as well as the long-term financial forecasts.

Current year revenue assumptions are based on multiple factors, including input from the City's Sales Tax and Property Tax consultants, input from the State of California, local economic trends and development activity. Assumptions beyond the current year include general inflationary growth projections plus any known development projects, new hotels, expanding businesses and any other specific data that may impact revenue growth. The table below summarizes the growth assumptions for the General Fund Five-Year Revenue Forecast:

Summary of Revenue Assumptions	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
Property Tax	4.3%	4.0%	4.0%	4.0%	4.0%
Sales and Use Tax	2.0%	3.0%	3.5%	3.5%	3.5%
Less: Sales Tax Sharing Agmt	6.0%	3.0%	3.0%	3.0%	3.0%
Franchise Fees	0.0%	0.0%	0.0%	0.0%	0.0%
Transient Occupancy Tax	-2.0%	2.0%	3.0%	3.0%	3.0%
Special Tax (Measure C)	0.5%	0.5%	0.5%	0.5%	0.5%
Licenses, Permits and Service Charges	1.9%	2.0%	2.0%	2.0%	2.0%
Fines and Forfeitures	10.2%	1.0%	1.0%	1.0%	1.0%
Use of Money and Property	0.0%	1.0%	1.0%	1.0%	1.0%
Intergovernmental Revenues	3.5%	3.8%	4.0%	4.0%	4.0%
Reimbursements	-17.5%	3.1%	-12.3%	3.8%	3.8%
Miscellaneous	-28.3%	1.0%	1.0%	1.0%	1.0%

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Assumptions used in forecasting Operating expenditures include the following:

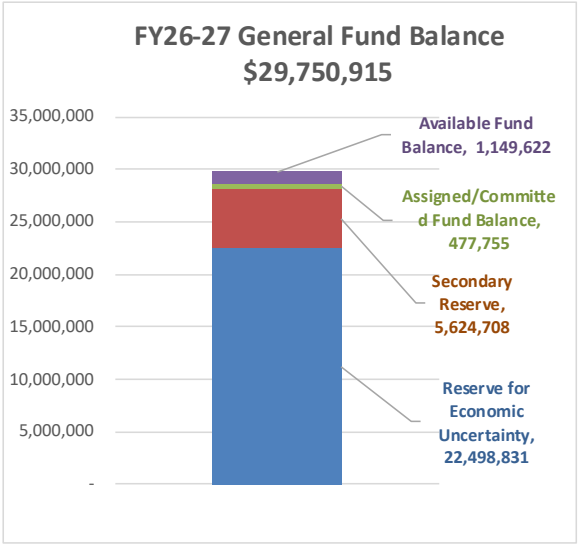
- Contractual obligations:
  - Negotiated cost of living adjustment of 3.0% for City employees
  - Negotiated cafeteria benefit increase of $200 per month for City employees
  - Public Safety labor contracts (7.5% for Sheriff positions, 12.2% for Fire positions, due to vacant Medic positions in the prior fiscal year)
  - Reclassification of 20 full-time authorized positions
  - CalPERS Pension cost sharing of 3% for eligible employees
- Council policies:
  - Acceleration of the Debt/Liability Paydown Strategy ($9,349,256 in FY26-27 for additional discretionary payments towards the City's CalPERS unfunded pension liability). This is the final payment in the Debt/Liability Paydown Strategy causing the City's CalPERS Pension program fully funded.
  - Annual Replacement allocations for Fleet, Technology, Facilities, Support Services, Street Maintenance and Street Light assets.
- Expected savings achieved from the Debt/Liability Paydown Strategy, which will generate approximately $6 million in annual operating savings and $47.7 million in total interest savings.
- Actuarially determined contributions to the City's pension and retiree health programs
  Estimated inflation for non-personnel related expenditures.

GENERAL FUND ANALYSIS

The General Fund forecast over the coming five years is balanced, with its Reserve for Economic Uncertainty and its Secondary Reserve fully funded in all five years.

Ending fund balance for Fiscal Year 2026-27 is projected to be $29,750,915, of which $28,123,539 is committed to fulfilling the Fund's policy-level reserves of 25% of Operating Expenditures. A total of $477,755 of fund balance is committed to cover the costs of a Sheriff's Deputy position funded by the Pechanga Tribe.

A total of $1,149,622 in fund balance is unassigned and available for one-time appropriations.



General Fund Revenue Highlights

General Fund revenue is projected to increase by 5.9% over the prior year with a total of $126,785,291. Tax revenues, excluding the transfer from Measure S Fund, are projected to increase by 2.5%. The transfer of Measure S is increasing significantly to fund Public Safety expenditures.

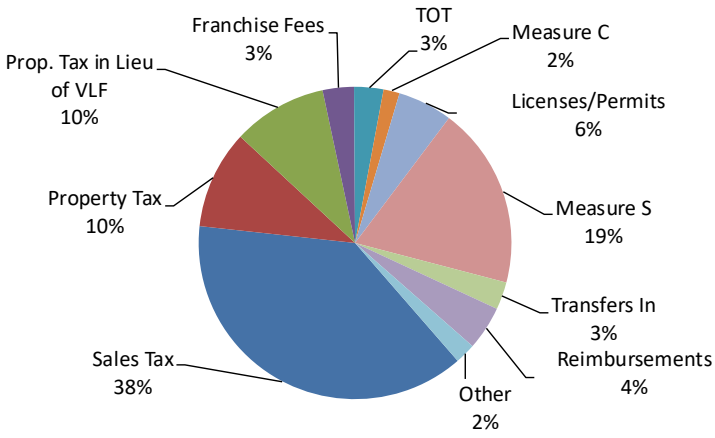
TRANSMITTAL MESSAGE

The General Fund major revenue sources are summarized below:

- **Sales Tax ($50,186,189)** is projected to increase by 2.0% over the prior fiscal year as taxable retail sales are projected to increase slightly, although there are still concerns about the overall trajectory of the economy.

- **Property Tax ($12,907,422)** is projected to increase by 4.3%, due to a stable housing market. Property Tax revenue for Fiscal Year 2026-27 is based on assessed valuation from the year prior, which have shown steady growth, as inventory is still low and home prices continue to rise slightly.

Fiscal Year 2026-27 General Fund Revenue - $126,785,291



- **Franchise Fees ($4,100,000)** are projected to stay flat due to slight increases in utilities services, offset by continuing declines in cable subscribers.

- **Transient Occupancy Tax ($3,841,603)** is projected to decline by 2% over the prior year, due to lower occupancy and average daily rates charged by the local hotel and motel establishments.

- **Licenses, Permits & Service Charges ($7,175,200)** are projected to increase by 1.9% due to the continuation of development activity within the City.

- **Intergovernmental Revenues ($12,373,457)** are projected to increase by 3.1% due to the increases expected in Property Tax In Lieu of Vehicle License Fees which is driven by property value assessments within the City.

- **Operating Transfers In ($3,612,514)** are projected to decrease by 75.2% due to several one-time Transfers in FY25-26 related to the Debt/Liability Paydown Strategy. FY26-27 reflect the Transfers In of Gas Tax ($3,329,012) and Supplemental Law Enforcement Services Fund ($283,502) revenue.

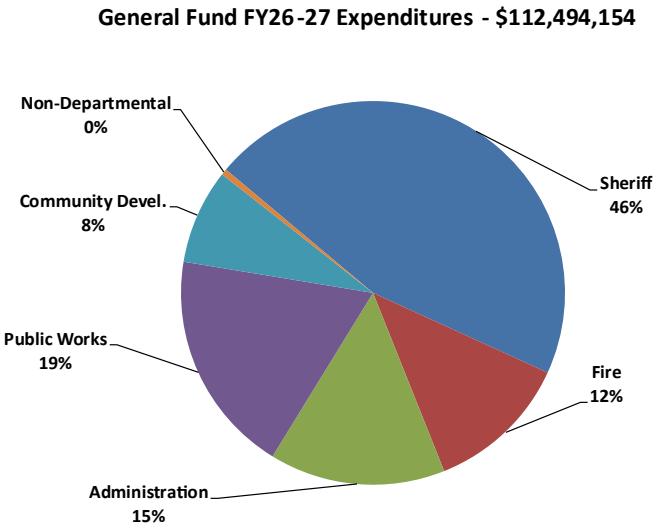
- **Operating Transfers In - Measure S ($23,872,579)** will continue to fund 11 Sheriff Deputies, staffing for Fire Station No. 95, funding for the future replacement of the fire ladder truck and inspection vehicles, enhanced park maintenance services, plus additional funding to further support Public Safety.

TRANSMITTAL MESSAGE

General Fund Expenditure Highlights

The largest expenditure of the General Fund is Public Safety, making up 58% of total General Fund expenditures. In accordance with the Measure S ballot language and City Council appropriation guidelines, the City has invested heavily in Public Safety over the past several years and continues to hold Public Safety as its highest priority.

In addition to the ongoing Measure S-funded Public Safety expenditures, the Sheriff Department will continue to exceed the staffing goal of one officer per 1,000 residents and the Fire Department will continue to provide four firefighter personnel per engine at all five fire stations.



General Fund expenditures total $112,494,154, which represents a 7.8% increase over the prior fiscal year.

- **Sheriff's Office ($51,423,077)** is increasing by 8.0% over the prior year due to inflationary adjustments in the contract with Riverside County. The budget reflects 117 Sworn Deputies, which includes continued patrol coverage of 210 hours per day, and full staffing for the Metro and CORE Teams. The budget also includes the replacement of two motorcycles.

- **Fire Department ($13,649,632)** is increasing by 7.7% due to inflationary adjustments in the contract with Riverside County. The total Fire budget of $27,136,371 is offset by the Structural Fire Tax Credit of $13,486,739. The department employs 79 positions and provides four firefighters per engine/truck staffing model.

- **Non-Safety Departments ($46,852,809)** represent a -0.2% decrease over the prior year, due to reductions in the operations, maintenance, project employees and capital outlay expenditures, which more than offset the costs of the reclassification of several positions, the 3% cost of living adjustment and increased Cafeteria benefit in accordance with the City's negotiated labor agreements.

- **Non-Departmental ($568,636)** includes the Staffing Continuity Reserve, PERS Replacement Benefit and Property Tax Administrative fees.

Operating Transfers Out & One-Time Payments

This category of expenditures reflects funds that are transferred to meet the Debt/Liability Paydown Strategy, to the Capital Improvement Program and the Fire Facility Acquisition Fund.

- **Fire Facility Acquisition Fund ($1,000,000)** to repay a portion of the $5 million advance from this fund in FY25-26 in an effort to expedite the paydown of the City's unfunded pension liability.

TRANSMITTAL MESSAGE

- **CalPERS Unfunded Pension Liability ($9,349,256)** to fully fund the City's CalPERS pension program and further reduce the City's annual pension costs by an estimated $6 million per year.

- **Section 115 Pension Trust ($7,500,000)** to augment the Trust for the potential payoff of future CalPERS unfunded pension liabilities, in accordance with Budget Policy XIII – Pension Funding.

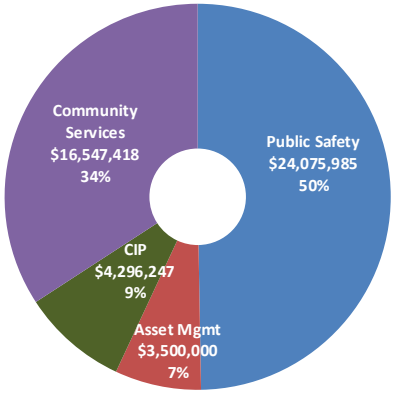
Overall, the General Fund remains structurally balanced, with revenues exceeding expenditures, and reserves are fully-funded each year of the ensuing five-year financial forecast. The City continues to budget in a conservative, yet realistic, manner while keeping close watch on several economic indicators. As conditions change throughout the fiscal year, adjustments to revenue or expenditure budgets will be recommended to the City Council for their approval.

MEASURE S FUND

With the approval of a one-cent transactions and use tax measure in November 2016, the Measure S Fund was established to account for this new revenue source. Fiscal Year 2026-27 Measure S revenue is projected to be $40,708,524.

Measure S appropriations of $48,419,650 reflect the priorities established in Budget Policy IV – Transactions and Use Tax Funding.

Measure S - FY26-27 Appropriations
$48,419,650



Public Safety (50%)

The budget includes $24,075,985 of Measure S funding to support the contracts for the Sheriff and Fire Departments. Measure S provides for 11 Sheriff's Deputies, staffing for Fire Station No. 95, and funding for the future replacement of the fire ladder truck, inspection vehicles and additional funding to further support Public Safety expenditures

Asset Management/Investment (7%)

As noted in Council's appropriation guidelines for Measure S, ensuring adequate reserves are set aside for the future replacement of City-owned assets is critical to the long-term viability of the City's operations. For Fiscal Year 2026-27, Measure S is contributing $2,500,000 to the Facilities Replacement Fund, and $1,000,000 to the Streets Maintenance Fund.

Capital Improvement Program (9%)

The budget includes an additional $4,296,247 appropriation in Fiscal Year 2026-27 to complement the current year budget of $32,687,242 to fund multiple CIP projects. The influx of Measure S funding has allowed the City to leverage other funding sources, such as Development Impact Fees and various grant funds, to complete projects in a timelier manner.

TRANSMITTAL MESSAGE

Major Projects funded by Measure S include:

- Fire Station 73 Gym/Garage – to construct a gym, storage room and a second garage at the station to house the squad and additional vehicles.
- La Paz Road Roundabout – to redesign and reconstruct the existing roundabout on Ynez Road at the intersection of La Paz Road.
- Mercedes Street Sidewalk – to construct the missing segment of sidewalk on the west side of Mercedes Street between Main Street and 160 feet south of 3rd Street.
- Playground Equipment Enhancement and Safety Surfacing – to fund the playground enhancements/safety surfacing replacement at the Mike Naggar, Crowne Hill and Pauba Ridge Parks.

General/Community Services (34%)

The Temecula Community Services District (TCSD) has historically been funded with voter-approved Measure C funding and program-related revenue. Measure S funding is used to augment Measure C, in order to maintain the award-winning programs, activities and events TCSD provides to the citizenry.

- TCSD Operations contribution - $14,675,947
- Library contribution - $1,774,877
- Enhanced Custodial Services - $96,594

The ending fund balance within the Measure S Fund is projected to be $26,201,199, which will carry-forward to the ensuing fiscal year. Over the forecasted five-year period, Measure S is projected to have adequate resources to fund public safety, asset management, capital projects and general services.

OTHER GENERAL FUNDS

Fund 006 – Fire Facility Acquisition Fund: This fund was established in Fiscal Year 2021-22 to accumulate resources to acquire and/or construct property for a future Fire Station. At their May 27, 2025 meeting, the City Council approved an advance of $5,000,000 from this fund to accelerate the paydown of the City's unfunded pension liability. The $5 million advance will be repaid from the savings generated by paying down the unfunded pension liability, with $1 million appropriated in FY26-27. The ending fund balance is projected to be $3,301,210 for Fiscal Year 2026-27.

Fund 110 –Community Reinvestment Program Fund: This fund was established in Fiscal Year 2021-22 to provide grant funding to support the local economy to rebound from the global pandemic. A total of $14,080,000 was transferred into this fund from available General Fund balance. The Council approved six funding categories, including: (1) Business Support ($3,080,000); (2) Non-Profit Support ($1,000,000); (3) Homeless Services ($1,000,000); (4) Housing Assistance ($5,500,000); (5) Behavioral Health Services ($1,500,000) and (6) Higher Education/Workforce Development ($1,000,000). Per Council direction at their May 27, 2025 meeting, available fund balance of $1 million was transferred to the General Fund to accelerate the paydown of the City's unfunded pension liability.

TRANSMITTAL MESSAGE

MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for activities paid for by taxes or other designated revenue sources that have specific limitations on use according to law. The City has several Special Revenue Funds. The major Special Revenue funds are highlighted below.

Fund 100 - Gas Tax: Gas Tax revenue is projected to be $3,329,012 which reflects an increase of 1.8% as the volume of gasoline sales is projected to increase slightly. These funds are transferred to the General Fund to support street and road maintenance.

Fund 102 – Road Maintenance Rehabilitation Account (RMRA): Per the Road Repair and Accountability Act of 2017 (SB1-Beall), increased gas tax and vehicle registration fees were imposed to fund street and road projects and other transportation uses Statewide. RMRA revenue is projected to be $3,307,005, which is an increase of 5.7%. These funds are allocated to the Pavement Rehabilitation Capital Improvement Project.

Fund 103 – Street Maintenance: This fund was established in Fiscal Year 2018-19 to accumulate resources for the future replacement of streets and roads throughout the City. Measure S contributes annually to this fund, which has a projected Fiscal Year 2026-27 ending balance of $5,863,309. FY2026-27 appropriations of $224,356 will partially fund the Overland Drive Widening capital project.

Fund 105 – NPDES In Lieu Fees: This fund was established in Fiscal Year 2019-20 to account for the collection of In Lieu fees associated with the National Pollutant Discharge Elimination System (NPDES). Revenue is received as private development subject to NPDES requirements occur. There are no expenditures programmed for 2026-27 and the ending fund balance is projected to be $195,425.

Fund 106 – Uptown Temecula New Streets In-Lieu Fees: This fund was established in Fiscal Year 2019-20 in conjunction with the adoption of the Uptown Temecula Specific Plan New Streets In-Lieu Fee. Developers within the Specific Plan who cannot build new streets will be charged the In Lieu Fee. No activity is anticipated in this fund for 2026-27, and the ending fund balance totals $1,244,370.

Fund 120 – Development Impact Fees (DIF): DIF revenue is projected to be $13,233,663, which reflects an increase of 231.6% due to development activity in the Altair, Elderberry Park and Sommer's Bend developments. DIF revenue varies from year-to-year as it is based on anticipated development projects. DIF Revenues are transferred to the CIP to fund capital projects. Fiscal Year 2026-27 ending fund balance is projected to be $13,040,554.

Fund 125 – Public, Education & Government (PEG): PEG Fund revenues are received from local cable operators for the sole purpose of supporting the access facilities within the City. PEG Revenues are projected to be $161,436, which will be spent on various technology equipment used to support the broadcast of City Council meetings and events. Fiscal Year 2026-27 ending fund balance is projected to be $991,499.

Fund 140 – Community Development Block Grant (CDBG): CDBG grant revenues are received from the U.S. Department of Housing and Urban Development (HUD). Fiscal Year 2026-27 revenue is projected to be $986,807 and will support operations, community grants and capital projects.

TRANSMITTAL MESSAGE

Fund 145 – Temecula Energy Efficiency Asset (TEAM) Fund: This fund was established to capture energy efficiency rebates to be used to fund future energy efficiency projects. In Fiscal Year 2020-21, the City received a rebate of $640,754 for the acquisition of street lights and conversion to LED bulbs. There is no activity programmed for Fiscal Year 2026-27, and the ending fund balance is projected to be $155,805.

Fund 150 – AB2766 Motor Vehicle Subvention Fund: This fund was established to account for subvention funds used to implement programs/projects to reduce air pollution from motor vehicles. Fiscal Year 2026-27 revenue is projected to be $170,028. The majority of these funds are programmed for capital projects, including the Citywide Bike Lane and Trail Program, and to support the Clean Cities Coalition. Fiscal Year 2026-27 ending fund balance is projected to be $95,837.

Fund 160 – Supplemental Law Enforcement Services Fund: This fund was established to account for state grant funds to assist cities in delivering front-line law enforcement services. Fiscal Year 2026-27 revenue is projected to be $283,502 and will be transferred to the General Fund to support law enforcement.

Fund 165 – Affordable Housing Fund: The Affordable Housing Fund reflects the housing-related activities of the former Temecula Redevelopment Agency. Total Revenue for Fiscal Year 2026-27 of $863,091 includes the State Department of Finance allocation of $250,000 designated for the administration of the wind down of redevelopment obligations, plus $238,091 in investment interest, and $375,000 for the anticipated sale of an affordable housing unit re-acquired by the City in Fiscal Year 2025-26. Expenditures reflect the ongoing administration of the City's Affordable Housing program.

Fund 170 – Measure A: Measure A revenue is projected to be $4,578,301 which reflects a 7.9% increase over the prior year. This revenue is restricted for use on local streets and roads and is programmed to support street and road maintenance. Fiscal Year 2026-27 ending fund balance is projected to be $1,538,439.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the funding of goods and services provided by one department to other benefitting departments on a cost-reimbursement basis. Additionally, the City maintains several Replacement Funds designed to accumulate resources for the future replacement of City equipment, technology, and facilities.

Fund 300 – Insurance: Projected expenses total $3,891,654, which covers the cost of administering the City's liability and property insurance programs. The projected fund balance of $2,562,829 exceeds the desired reserve level of $1.5 million, which is three times the City's self-insured retention of $500,000 per incident.

Fund 305 – Workers' Compensation: Projected expenses total $627,245, which covers the cost of administering the City's self-insured Workers' Compensation program. The projected fund balance is $1,310,593 and nearly meets the desired balance of $1.5 million, which represents three times the City's self-insured retention of $500,000 per incident.

Fund 310 – Vehicles and Equipment: Projected expenses total $924,527 to replace several fleet vehicles and heavy equipment that have reached the end of their useful lives. The projected fund balance is $5,119,660. Replacements planned for 2026-27 include a Construction Dump Truck, a Backhoe, two Ford F-250s, and one Ford F-350.

TRANSMITTAL MESSAGE

Fund 320 – Information Technology: Projected expenses total $7,066,816, which provides for the management of the City's computers, audio-visual equipment, cyber security, and telephone systems. The projected fund balance is $1,238,806.

Fund 325 – Technology Replacement: Projected expenses total $526,158 to replace the City's phone system, network switch, and to fund the annual computer replacement program. The projected fund balance is $4,121,708.

Fund 330 – Support Services: Projected expenses total $447,700, which provides for the management of the City's central reception, printing and mail activities. The projected fund balance is $20,143.

Fund 335 – Support Services Replacement: Projected expenses total $72,200 to replace the Central Services copy machines and includes $42,200 in depreciation expenses. The projected fund balance is $362,222.

Fund 340 – Facilities: Projected expenses total $1,756,842, which provide for the operations and maintenance of the City's buildings and parking structure. The projected fund balance is $7,842.

Fund 350 – Facility Replacement: Projected expenses total $1,945,434 for Capital Outlay to support the City Facilities Rehabilitation capital project and includes $87,338 in depreciation expenses. The projected fund balance is $4,498,686.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY (SARDA)

Fund 380 – SARDA: Projected expenses total $7,422,458 primarily to pay debt service expenditures on the outstanding 2017A and 2017B Redevelopment Agency Tax Allocation Bonds.

TEMECULA COMMUNITY SERVICES DISTRICT (TCSD)

The Temecula Community Services District was established as an assessment district to provide a comprehensive neighborhood and community park system, as well as a complement of recreational and cultural programs and events. TCSD also provides street lighting, median and slope maintenance, refuse hauling and a recycling program, and library services (known as Service Level Funds).

Combined revenue for TCSD totals $35,926,933, which reflects an increase of 5.7% over the prior year. The majority of the increase is from waste hauling assessments and Temecula Public Library operations. Combined expenditures for TCSD total $36,284,510 and reflect an increase of 0.6% due primarily to higher waste hauling costs reflected in the Service Level D (Refuse/Recycling) Fund.

Ending fund balance for TCSD is projected to be $4,745,036 for Fiscal Year 2026-27.

TRANSMITTAL MESSAGE

TCSD Operations, excluding the Service Levels and Library Funds, is projected over a five-year period, as summarized below.

Temecula Community Services District 5-Year Forecast

	2024-25 Actuals	2025-26 Revised	2026-27 Proposed	2027-28 Projection	2028-29 Projection	2029-30 Projection	2030-31 Projection
Measure C Revenue	1,894,831	1,935,718	1,955,075	1,974,626	1,994,372	2,014,316	2,034,459
Measure S Revenue	15,864,726	14,331,992	14,675,947	14,992,340	15,621,807	16,168,295	16,732,288
Program Revenue	3,303,682	2,997,259	3,039,166	3,069,558	3,100,254	3,131,256	3,162,569
Total Revenue	21,063,238	19,264,970	19,670,188	20,036,524	20,716,433	21,313,867	21,929,316
Operations Expenditures	18,332,692	18,424,551	17,646,025	17,979,213	18,597,449	19,140,979	19,701,101
Maintenance Expenditures	1,998,927	2,096,536	2,024,164	2,057,310	2,118,984	2,172,888	2,228,214
Total Expenditures	20,331,619	20,521,086	19,670,189	20,036,524	20,716,433	21,313,867	21,929,315
Beginning Balance	624,497	1,356,116	100,000	100,000	100,000	100,000	100,000
Ending Balance	**1,356,117**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**
% Revenue from Measure S	75%	74%	75%	75%	75%	76%	76%

The Five-Year Forecast shows the various revenue sources and projected operating expenditures, which are increasing between 1.9 – 3.4% per year. A long-term fiscal strategic plan is in progress to address the increased reliance on Measure S to balance this Fund into the future. In Fiscal Year 2026-27, TCSD operations will hold five authorized positions and 13 project positions vacant as part of the TCSD Workplan to curtail cost escalation.

CAPITAL IMPROVEMENT PROGRAM (CIP)

The City's five-year Capital Improvement Program (CIP) is presented to the City Council under separate cover. This program provides a five-year plan for capital improvements that is updated annually to ensure compliance with the program. The impact of capital projects on maintenance and operating costs were taken into consideration in the development of the operating budget.

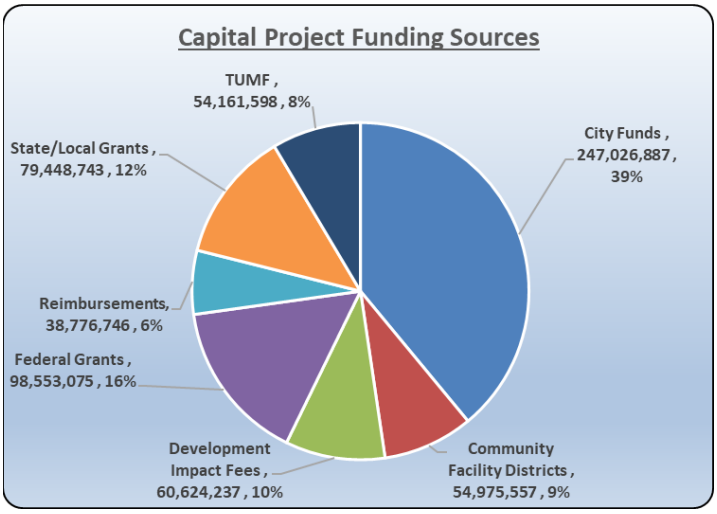
Project Type	Number of Projects	Total Project Cost
Circulation	19	**659,137,242**
Housing	4	**20,971,000**
Infrastructure	47	**114,137,946**
Parks/Rec	22	**58,484,803**
CFD-Funded	2	**63,591,689**
Total CIP	**94**	**916,322,680**

The CIP includes a total of $916,322,680 in identified capital projects, with a total of $633,566,842 in project funding, representing 69% of all Project Costs. There is $282,755,838 in "Unspecified" project funding, indicating that a revenue source has not yet been secured for these projects, which have been identified as necessary infrastructure for the City, and will require that funding be secured before the project construction can commence. Capital projects are categorized into five Project Types, as noted in the adjacent table.

Various sources contribute to the funding of the Capital Improvement Program, including many City Funds, State and Federal Grants, Community Facility District Funds, Successor Agency Funds, and Transportation Uniform Mitigation Fee (TUMF) Funds. The City seeks all available funding sources for projects, including federal, state, and local grants, outside contributions and City funds.

TRANSMITTAL MESSAGE

Total funding for the Fiscal Years 2027-31 CIP program reflects 64% from outside funding sources, with the remaining 36% provided by various local funds, including Measure S, Measure A, Development Impact Fee Funds, General Fund, Capital Financing, and several other sources.



Four new projects have been added to the CIP, the Civic Center HVAC System Upgrade ($3,000,000), and the CRC Pool Cantilever Restoration ($400,000), these projects provide necessary upgrades to aging facility components. The Ronald Reagan Sports Park Trail ($100,000) project includes the design and construction of this multi-use trail, and the Long Canyon Creek Park to Ynez Trail ($30,000) includes the design of this off-street route bicycle trail.

As part of the development of the Capital Improvement Program budget, each project is evaluated to identify any ongoing impacts to the Operating Budget. The amounts identified in the table below are incorporated into the Operating Budget and the Five-Year Financial Projections.

Summary of Operating & Maintenance Impacts

Capital Project	Operating Budget Account	Description	2026-27 Proposed*	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected
PW17-01/711 - CITY SECURITY CAMERA SYSTEM	5250 - OTHER OUTSIDE SERVICES	Maintenance and Operations of Security Camera System	300,000	300,000	300,000	300,000	300,000
FN19-01/724 - CITYWIDE FINANCIAL SYSTEM UPGRADE	5211 - SOFTWARE & MAINTENANCE	Annual Software Maintenance	86,000	86,000	86,000	86,000	86,000
PW21-09/683 - ELECTRIC VEHICLES CHARGING STATION	5215 - REPAIR & MAINTENANCE - EQUIPMENT	Electric Charging Vehicles Fees	(33,100)	(33,100)	(33,100)	(33,100)	(33,100)
PW17-19/690 - I-15/STATE ROUTE 79 SOUTH INTERCHANGE ENHANCED LANDSCAPING	5415 - LANDSCAPE MAINTENANCE	Required by Caltrans	62,046	63,289	65,188	67,144	69,159
PW17-21/692 - MARGARITA RECREATION CENTER	5100 - SALARIES & WAGES	Staffing for MRC (4 positions)	548,551	570,493	591,600	614,370	636,190
	5119 - PART-TIME (PROJECT)	Project Staffing for MRC (45 positions - 13.07 FTEs)	735,361	764,775	795,366	825,978	860,268
	5240 - UTILITIES	Additional Utility Costs	72,828	74,285	77,034	79,999	82,840
	5250 - OTHER OUTSIDE SERVICES	Janitorial/Security	131,888	134,526	139,504	144,873	150,018
			1,488,628	1,544,079	1,603,504	1,665,220	1,729,315
PWPE07-03/PW23-18 - LONG CANYON CREEK PARK RESTROOMS	5250 - OTHER OUTSIDE SERVICES	Janitorial Services	30,475	31,085	31,706	32,340	32,987
PWPE-07/155 - PARK RESTROOMS RENOVATIONS, EXPANSION AND ADA IMPROVEMENTS	5250 - OTHER OUTSIDE SERVICES	Janitorial Services	28,154	28,717	29,292	29,878	30,476
PWPE07-02 - VAIL RANCH PARK RESTROOMS	5250 - OTHER OUTSIDE SERVICES	Janitorial Services	30,475	31,085	31,706	32,340	32,987
Total Incremental Operating & Maintenance Impacts			**1,992,678**	**2,051,155**	**2,114,296**	**2,179,822**	**2,247,824**

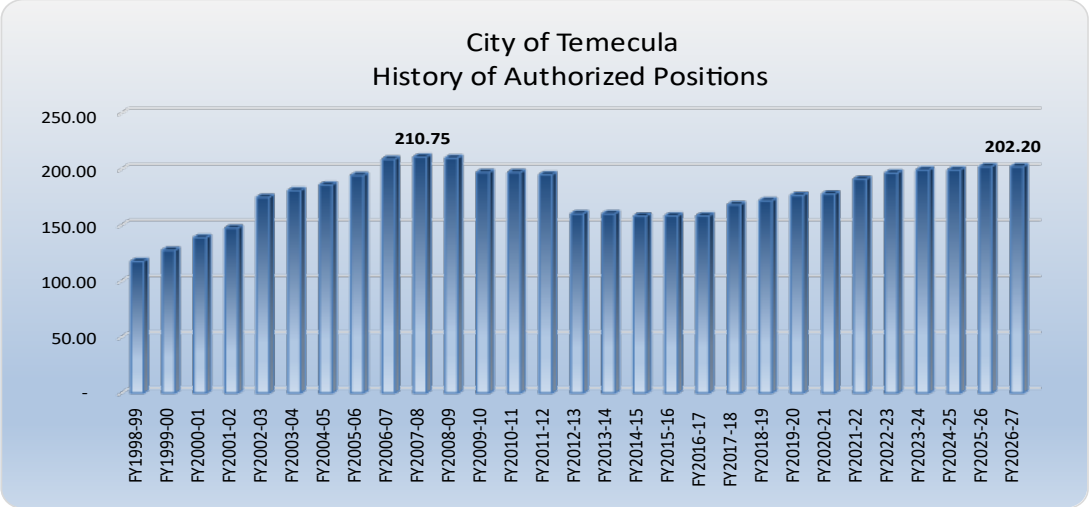
Operating cost impacts are estimated by the Project Manager.
** 2026-27 Proposed O&M Impacts are included in the Proposed Operating Budget*
The Projected Operating impacts have been reflected in the City's General Fund and TCSD 5-Year Financial Forecasts.

TRANSMITTAL MESSAGE

2026-27 AUTHORIZED STAFFING

Total authorized Full Time Equivalent (FTE) positions total 202.2 authorized positions, including five Council Members and 6 unfunded positions for Fiscal Year 2026-27. The total reflects no change in the number of positions compared to the prior year.

Public Safety personnel is provided through contracts with Riverside County and CAL FIRE. A total of 117 sworn Sheriff's Deputies and 18 Community Service Officers are included in the Sheriff's budget, and a total of 79 personnel are reflected in the Fire Department budget for Fiscal Year 2026-27.



In addition to the Authorized Positions, the City employs three Limited-Term-Assignment positions related to the implementation of a new Human Resources/Payroll software system. A significant number of part-time, non-benefitted Project employees are also employed to assist with the multitude of programs offered by the Temecula Community Services District. For Fiscal Year 2026-27, an estimated 88 full-time equivalents will be hired as seasonal and part-time support, which is a reduction of two full-time equivalent positions from the prior year.

TRANSMITTAL MESSAGE

CONCLUSION

In conclusion, the City of Temecula is in a solid fiscal position with the General Fund balanced and all reserves fully funded not only in Fiscal Year 2026-27 but throughout the ensuing five-year period. The Capital Improvement Program is robust, with 69% of all Project Costs funded, and will deliver a wide array of improvements to infrastructure, facilities, affordable housing, enhanced parks, new trails and many other amenities the citizens of Temecula enjoy. With the ongoing support of the Council, the City accelerated its Debt/Liability Paydown Strategy and will become 100% debt- free by July 2026 with a fully-funded CalPERS Pension program.

I would like to express my appreciation to the City Council for providing the direction and support crucial to achieving the City's goals. I would also like to recognize the contributions of City staff for not only creating a responsive operating budget, but also for their commitment to providing top quality services to all who live, work, and play in Temecula. I would like to give special thanks to the City's Budget Team: Jennifer Hennessy, Director of Finance; Ward Komers, Assistant Director of Finance; Paula Majors, Fiscal Services Manager; and Catlin Dorset, Budget Manager for their long hours and dedication to the City and this budget process.

Sincerely,



Aaron Adams
City Manager

DIRECTORY

EXECUTIVE MANAGEMENT:

City Manager..... *Aaron Adams*

City Attorney..... *Peter M. Thorson*

Assistant City Manager..... *Luke Watson*

Director of Legislative Affairs/City Clerk..... *Randi Johl*

Director of Finance..... *Jennifer Hennessy*

Director of Public Works/City Engineer..... *Ron Moreno*

Director of Community Development..... *Matt Peters*

Director of Community Services..... *Erica Russo*

Director of Information Technology and Support Services..... *Michael Heslin*

Interim Director of Human Resources/Risk Management..... *Becky Obmann*

Captain/Temecula Police Chief..... *Mark Rigali*

Division Chief/Temecula Fire Chief..... *John Crater*

Assistant to the City Manager..... *Betsy Lowrey*

CITY OF TEMECULA BUDGET TEAM:

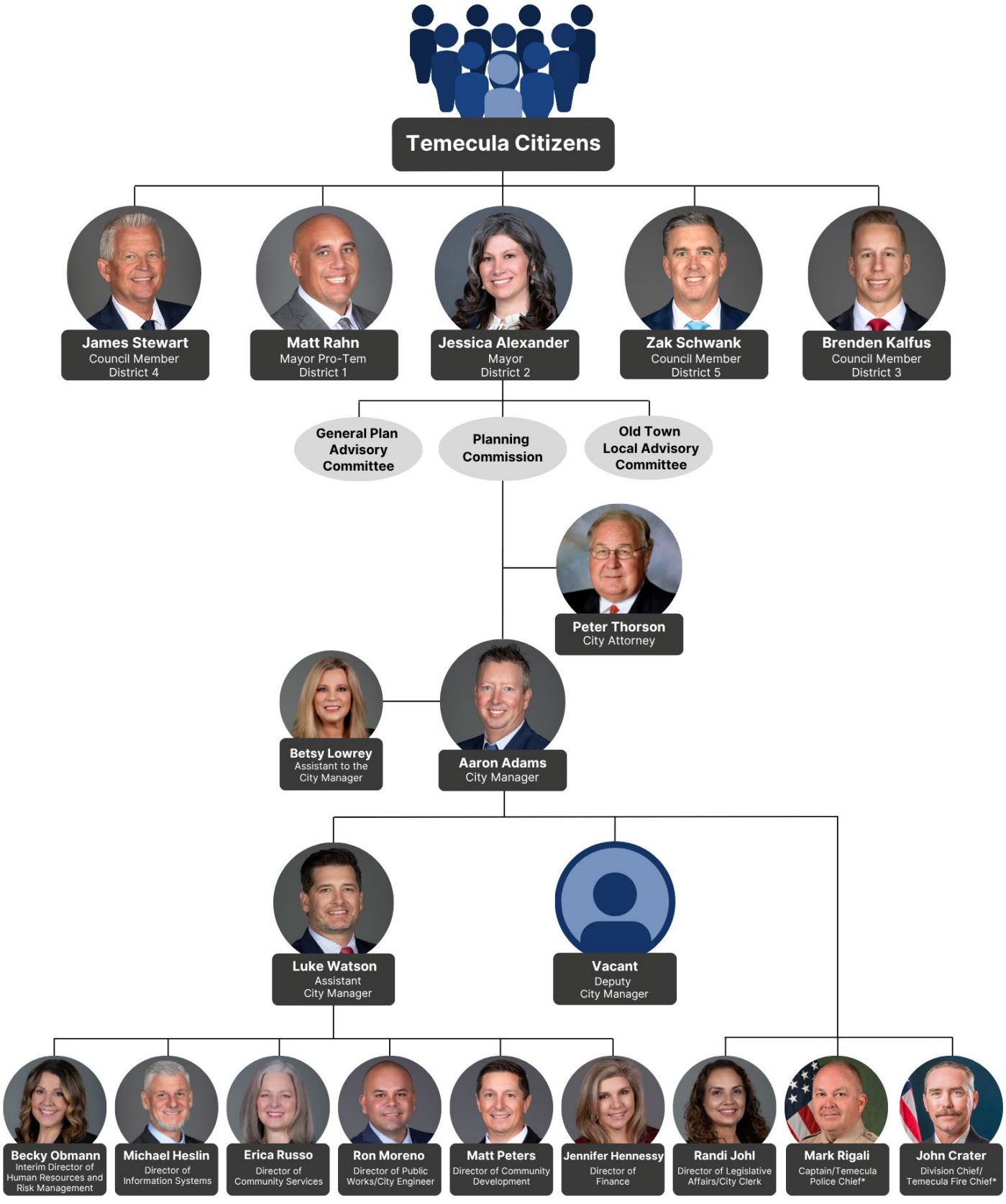
Director of Finance..... *Jennifer Hennessy*

Assistant Finance Director..... *Ward Komers*

Fiscal Services Manager..... *Paula Majors*

Management Analyst..... *Catlin Dorset*

CITY ORGANIZATIONAL CHART



**Police and Fire Services are contracted through Riverside County.*

MISSION STATEMENT

The mission of the City of Temecula is to maintain a safe, secure, clean, healthy, and orderly community; to balance the utilization of open space, parks, trail facilities, quality jobs, public transportation, diverse housing, and adequate infrastructure; and to enhance and revitalize historic areas.

The City will encourage programs for all age groups, utilize its human resources, and preserve its natural resources while stimulating technology, promoting commerce, and utilizing sound fiscal policy.

It is the City Council's resolve that this mission will instill a sense of pride and accomplishment in its citizens and that the City will be known as a progressive, innovative, balanced, and environmentally sensitive community.

VALUE STATEMENT

T **TEAMWORK** among all employees

E **ENHANCEMENT** of the work environment through open lines of communication

M **MUTUAL** respect of others

E **EDUCATION** of employees and citizens about the operations and accomplishments of the City

C **CUSTOMER** service is our most important product

U **UNLIMITED** potential for continued personal growth and organizational development

L **LEADERSHIP** in local government

A **ASSUMING** 100% responsibility for projects and assignments

CITYWIDE LONG-TERM GOALS

CORE VALUES: The Quality of Life Master Plan (QLMP) provides the framework for the City's Strategic Budgeting activities. The City Council has set priorities and guided staff in developing seven (7) core values upon which to focus time and resources (as identified in the QLMP). These areas include:

Safe & Prepared Community

Remain one of the safest cities in California and the nation. Ensure funding for public safety remains the highest priority. Maintain a ratio of one police officer per 1,000 population. Support community oriented policing and maximize community leadership in public safety. Achieve a City ISO rating of 1.0. Maintain a five minute or less response time for fire protection. Minimize impact to life, property and the environment from natural hazards and emergency situations. Provide recreational and other activities for youth. Provide effective enforcement of City zoning, building, fire and grading codes, and graffiti abatement. Continue to provide public information and training surrounding emergency management and public safety.

Transportation Mobility & Connectivity

Maintain and improve our roadway network. Promote job growth in Temecula and nearby areas. Market the opportunities to work and shop locally. Expand and enhance the transportation network. Establish a connected pedestrian, bicycle and equestrian transportation system. Coordinate land use and transportation to create a balanced, modern and integrated transportation system. Increase transportation and mobility options. Develop a Complete Streets Policy document. Additional public Electric Vehicle (EV) charging stations.

Healthy & Livable City

Support healthy and active lifestyles. Be a sustainable community that embraces residents' quality of life. Be a diverse community that values and supports people of all ages, backgrounds, cultures, disabilities and religious beliefs. Provide accessible sports, recreational, cultural, health/therapeutic and community engagement facilities, programs and resources for all Temecula residents. Enhance Temecula's position as a regional medical center of excellence. Value the growth of non-profit organizations, churches, temples, mosques, and other places of worship. Continue to be a community where local history is remembered and respected, and local culture and artistic creativity is supported.

CITYWIDE LONG-TERM GOALS

Economic Prosperity



Provide an entrepreneurial culture that offers a growing number of diverse high-paying jobs. Encourage the broadening of higher education opportunities both public and private. Foster an integrated Career Technical Education (CTE) system that builds on curricula offered through Temecula Valley Unified School District, Mt. San Jacinto College and the CSU San Marcos campus at Temecula. Continue to protect the City's special natural resources.

Sustainable & Resilient City



Be the most sustainable city in Southern California. Ensure safe and sufficient water supplies for the 21st century. Work to maintain the City's high level of air quality possible in Temecula. Develop community resiliency in infrastructure, the economy, natural resources, and hazard mitigation. Adopt a Climate Action Plan (CAP) as part of the General Plan update and Environmental Impact Report (EIR).

Accountable & Responsive City Government



Provide consistently professional services and information to customers and constituents. Promote innovation and adopt technology that enhances access to information and data. Maintain a flexible organization which responds to the changing needs and priorities of the community. Provide the highest quality of service at the most cost-effective rate while being fiscally responsible. Ensure transparency in all aspects of City government.

Equity



Support the fair and equitable treatment of all human beings in a just society. Foster a healthy environment and prosperous opportunities for all residents of Temecula. Exhaust all methods of communication and outreach between the City and its residents. Monitor the City's budget and resource allocation to close inequity gaps to ensure that the City's programs, services, educational pathways and infrastructure meet the needs of diverse communities.

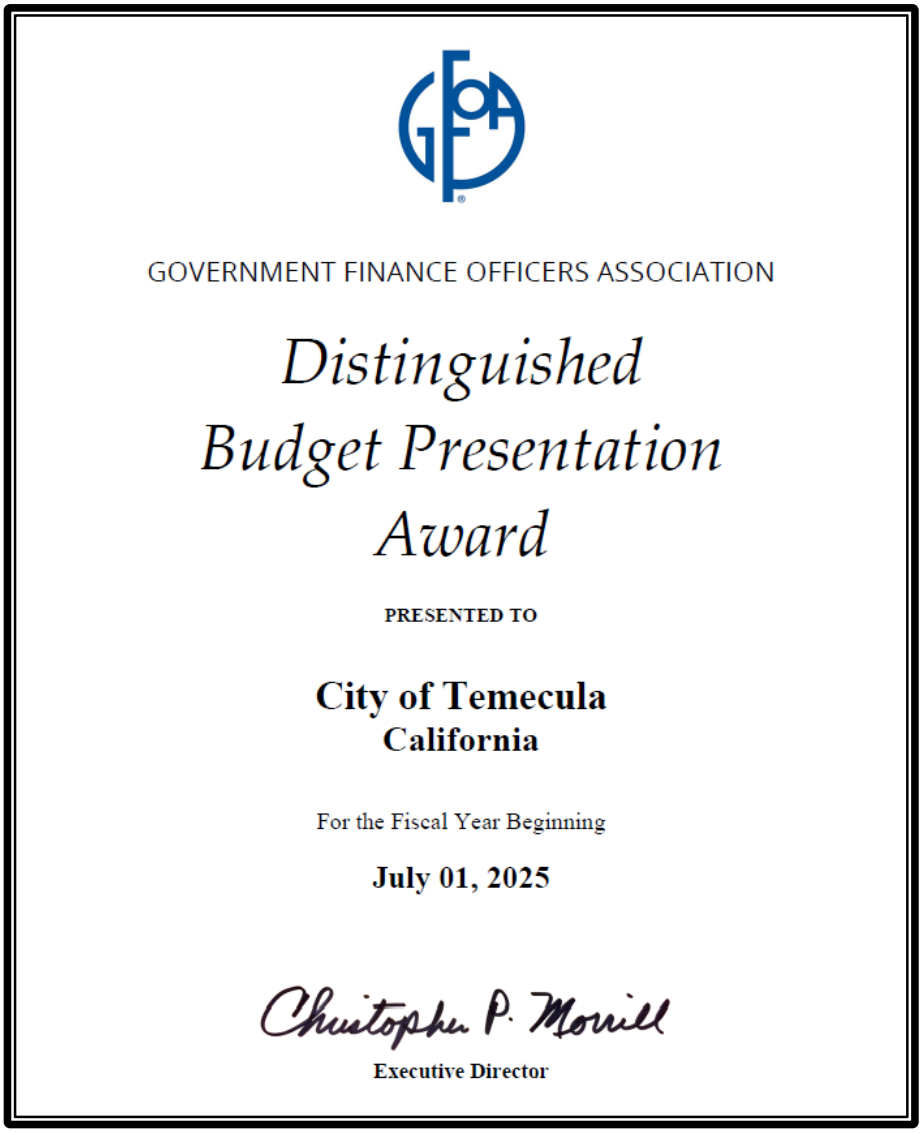
SHORT TERM OBJECTIVES: In order to ensure meaningful financial priorities, each department develops Short Term Objectives rooted in the Citywide Long-Term Goals and the Core Values. Each Short-Term Objective is a department's incremental step toward achieving the overall Citywide Long-Term Goals.

Within the Departmental Information Section of this budget, each Department provides their Short-Term Objectives for the ensuing fiscal year.

GOVERNMENT FINANCE OFFICERS ASSOCIATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the City of Temecula for its annual budget for the fiscal year beginning July 1, 2025.

To receive this award, a governmental unit must publish a budget document that meets programs criteria such as policy document, operations guide, financial plan, and communication device. The award is valid for a period of one year only, and the City of Temecula has received this award every year since 2001. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.


GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Temecula
California

For the Fiscal Year Beginning

July 01, 2025

Christopher P. Morrill

Executive Director

CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS AWARD

The California Society of Municipal Finance Officers (CSMFO) recognizes those entities with highly professional budget documents with two levels of certificates. The first level is the "Meritorious Budget Award," which requires the entity to meet a very specific list of criteria defined by CSMFO. The second level is the "Operating Budget Excellence Award," which requires that the organization meet even higher criteria which effectively enhances the usability of the document.

In preparing the ensuing Fiscal Year budget, staff has once again followed CSMFO's criteria. This document will be submitted to the CSMFO for the Fiscal Year 2026-27 budget award program.



California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award
Fiscal Year 2025-2026

Presented to the

City of Temecula

For meeting the criteria established to achieve a CSMFO Award in Budgeting.

February 5, 2026

Jennifer Wakeman
2025 CSMFO President

James Russell-Field, Chair
Recognition Committee

Dedicated to Excellence in Municipal Financial Reporting

CITY OF TEMECULA AT A GLANCE

Demographics



Median Housing Values
April 2026: $759,000
April 2025: $731,500

Within Temecula City limits

Population
2026: 113,618
2025: 112,220

15th Safest City in the U.S.
Forbes, 2024

Median Age	39.9
Number of Jobs	54,300
Avg. Household Income	$166,346
Unemployment Rate (Mar '26)	4.4%
Number of Registered Voters	71,907



Fiscal Highlights

General Fund
Operating Revenue: $126,785,290
Operating Expenditures: $112,494,154
Fund Balance: $29,750,913

Capital Improvement Program
$916,322,680 — 94 Projects

42	# of Parks
329	Miles of Streets
79	Fire Personnel
117	Sworn Sheriff's Officers
202.2	Authorized/Benefitted Positions

Top 20%
TVUSD Test Scores rank in the top 20% of all public schools in California



Education
TK-12 Schools: 30
Students: 26,531
Teachers: 1,453



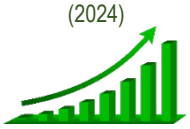
40%
Percentage of residents with a 4-year College Degree

Quality of Life



8.75%
Sales Tax Rate

3.4 million
Visitors Per Year (2024)



Local Economy

Annual Sales Tax Revenue (2025)
Promenade Mall Area = $9.4M
Motor Car Parkway = $8.5M
Business Park = $5.9M
Temecula Pkwy = $5.3M
Regional Shopping = $11.5M
Old Town Temecula = $931k



General Law City
Council-Manager Form of Government
Incorporated December 1, 1989

City Motto:
"Old Traditions,
New Opportunities"

UNDERSTANDING THE BUDGET DOCUMENT

This budget document provides the public with concise and readable information about City government, and displays the objectives and budget of the City of Temecula for the Fiscal Year 2026-27. The budget document is divided into the following sections:

INTRODUCTION

The budget document begins with the transmittal letter by the City Manager, which provides an overview of the Fiscal Year 2026-27 Operating Budget by highlighting programs, major projects and changes in revenue and expenditure allocations for the upcoming fiscal year. There is an analysis of the impact of legislation on the City budget, as well as recent economic indicators. The introduction section details Temecula's Mission and Value Statements. The Long-Term Goals and Objectives provide further detail into the policies and the goals and objectives which drive the budget process. These are linked to each Department's long-term goals and objectives. The City Directory outlines the Executive Management and Budget Team staff members who work on a daily basis implementing the goals and strategies outlined in the Annual Operating Budget. The Citywide Organization Chart displays City Departments and reporting structure. This section also includes copies of budget awards for the previous fiscal year budgets.

GUIDE TO THE BUDGET DOCUMENT

In addition to this document, the Guide to the Budget Document section contains the Budgetary Fund Structure, which provides a quick graphic overview of the City's budgetary fund structure and includes all funds that are subject to appropriation. The Description of Funds provides a narrative description of these funds which are graphically depicted in the Fund Use by Department section. The Summary of Accounting Principles explains the basis of accounting or all appropriated funds. The Budget Process and Budget Calendar describe the City's process for preparing this year's Annual Operating Budget.

FIVE YEAR FORECAST

This section outlines the City of Temecula's five-year strategic planning tool which allows the City to project the impacts of proposed programs, operating costs, and capital improvement projects in the future. This forecast assists in long range planning and policy development by ensuring that resources will be available to meet the needs of our community into the future.

FINANCIAL SUMMARIES

The Financial Summaries section provides a complete overview and analysis of the total resources budgeted by the organization. There is detail on each specific fund, fund balance changes, and a complete budget picture for the current and previous two fiscal years. This section includes summaries of revenues and expenditures for all appropriated Operating Budget funds. Fund balance, revenue and expenditure changes are explained in this section as well. Historical and categorical data are provided for comparative purposes.

UNDERSTANDING THE BUDGET DOCUMENT

PERFORMANCE MEASURES

The Performance Measures section includes the listing of each department's performance measures used in the development of the programs, activities and objectives for each department. The performance measures align with the City's seven Core Values identified in the Temecula 2040 Quality of Life Master Plan (QLMP) and the strategic goals established for each Core Value.

DEPARTMENTAL INFORMATION

The Department Information section includes the department/program description, mission statements, and quantifiable short-term objectives and performance measures for each operating program in the General Fund, Temecula Community Services District, and Internal Service Funds. Budget information is organized by department and/or cost center and a short narrative is provided which analyzes expenditure changes from the previous year.

CAPITAL IMPROVEMENT PROGRAM

This section summarizes the budgeted capital expenditures which are further detailed in the separate Capital Improvement Budget. This section provides a summary of all projected Capital Improvement revenues and descriptions of those sources, as well as a description of all Capital Improvement Program projects. This section also includes forecasts of operating costs associated with Capital Improvement projects which have been included as part of the operating budget.

BUDGET AND FISCAL POLICIES

The General Financial policies outline the City's policies related to budget preparation, staffing, debt management, fund/district purposes and financial reporting requirements.

APPENDIX

This section provides supplemental financial statistical information such as, property tax information, and comparative City information. There is also a glossary of acronyms and terms to guide the reviewer in understanding this document.

Additional information on the City's fiscal affairs is available on the City's website:

TemeculaCA.gov/Financial Reports

- Quarterly Financial Statements
- Annual Comprehensive Financial Reports
- Cities Financial Transactions Reports

For further information, please contact the Temecula Finance Department at (951) 694-6430.

BUDGETARY FUND STRUCTURE

GOVERNMENTAL FUNDS

GENERAL FUNDS

- General (Fund 001)*
- Measure S (Fund 002)*
- Fire Facility Acquisition (Fund 006)*
- Community Reinvestment Program (Fund 110)*

SPECIAL REVENUE FUNDS

- Gas Tax (Fund 100)
- Road Maintenance Rehabilitation Account (RMRA) (Fund 102)
- Street Maintenance (Fund 103)
- NPDES In Lieu Fees (Fund 105)
- Uptown Temecula New Streets In-Lieu Fees (Fund 106)
- Development Impact Fees (DIF) (Fund 120)
- Public, Education & Government (PEG) Fees (Fund 125)
- Community Development Block Grant (Fund 140)
- Temecula Energy Efficiency Asset Management (Fund 145)
- AB 2766 Motor Vehicle Subvention (Fund 150)
- Supplemental Law Enforcement Services (Fund 160)
- Affordable Housing (Fund 165)*
- Measure A (Fund 170)*
- Public Art (Fund 198)*

TEMECULA COMMUNITY SERVICES (TCSD) FUNDS

- Parks and Recreation Citywide Operations (Fund 190)*
- Service Level B – Streetlight Replacement (Fund 191)*
- Service Level B - Street Lighting (Fund 192)*
- Service Level D - Refuse and Recycling (Fund 194)*
- Service Level R - Street/Road Maintenance (Fund 195)*
- Service Level L - Harveston Lake Park Maintenance (Fund 196)*
- Service Level C - Landscape/Slope Maintenance (Fund 501-530)*
- Library (Fund 197)*

BUDGETARY FUND STRUCTURE

GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

- Capital Improvement Fund (Fund 210)*^
- Community Facilities District Funds (Fund 273-278)^

PROPRIETARY FUNDS

INTERNAL SERVICES FUNDS

- Insurance (Fund 300)
- Workers' Compensation (Fund 305)
- Vehicle and Equipment (Fund 310)
- Information Technology (Fund 320)
- Technology Replacement (Fund 325)
- Support Services (Fund 330)
- Support Services Replacement (Fund 335)
- Facilities (Fund 340)
- Facilities Replacement (Fund 350)

FIDUCIARY FUNDS

PRIVATE – PURPOSE TRUST FUNDS

- Successor Agency to the Redevelopment Agency (SARDA) Debt Service (Fund 380)

**Denotes the City's Major Funds*

^Denotes funds which are subject to appropriation and included in audited financial statements, but are summarized and adopted separately and/or as part of the Capital Improvement Program budget.

DESCRIPTION OF FUNDS

The City of Temecula revenues and expenditures are accounted for in a series of funds. Each fund is an autonomous accounting entity, established in accordance with legal and professional accounting standards. Funds are used to segregate the various financial activities of a governmental entity and to demonstrate compliance with specific regulations, restrictions or limitations, (i.e., demonstrating that restricted revenues are spent only for allowed purposes).

Funds used in government are classified into three broad categories: governmental, proprietary and fiduciary. Governmental funds include activities usually associated with the operations of a typical state or local government (public safety, general government activities, etc.). Proprietary funds are used in government to account for activities often found in the private sector (utilities, stadiums, and golf courses are prime examples). Fiduciary funds are utilized in situations where the government is acting in a fiduciary capacity as a trustee or agent.

The appropriated funds utilized by the City of Temecula, governmental, fiduciary, and proprietary, are detailed below. The City of Temecula details the Capital Improvement Funds in a separate document, although the Capital Improvement program and its operating impacts are outlined in this budget document in the Capital Improvement Program section.

BASIS OF BUDGETING

All governmental funds are accounted for and budgeted using the **modified accrual basis of accounting**. Their revenues are recognized when they become “measurable” and “available.” Revenues are considered measurable when they are reasonably estimable. Revenues are considered available when they will be collected either during the current period or 60 days after the end of the period to pay current year liabilities. The primary revenue sources susceptible to accrual are property and sales taxes, franchise fees, transient occupancy taxes, investment income, fines and forfeitures collected by County courts, and motor vehicle-in-lieu subventions. The basis of budgeting is the same as the basis of accounting used in the City's Annual Comprehensive Financial Report (ACFR).

Expenditures are generally recognized under the **modified accrual basis of accounting** when the related fund liability is incurred. An exception to this general rule is principal and interest due on general long-term debt which is recognized when due.

Proprietary and Fiduciary funds are accounted for and budgeted using the **full accrual basis of accounting**, i.e., revenues are recognized in the period earned and expenses are recognized in the period incurred.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the governmental funds. Outstanding encumbrances committed to current-year encumbrances at the end of the fiscal year are recorded as reservation of fund balance since the commitments will be paid in the subsequent year. Encumbrances do not constitute expenditures or liabilities.

DESCRIPTION OF FUNDS

GOVERNMENTAL FUNDS

General Funds:

General Funds are used to account for most governmental functions and focus on the near-term inflows and outflows of spendable resources.

General Fund (001)* - This is the general operating fund for the City, utilized to account for all resources not required to be accounted for in another fund.

Measure S Fund (002)* - This fund is used to track the uses of the one-cent Transactions Use Tax, known as Measure S, approved by Temecula voters on November 8, 2016. This revenue source is discretionary and is to be used in accordance with the Council's Appropriation Guidelines, noted in the City's Budget and Fiscal Policies.

Fire Facility Acquisition Fund (006)* – This fund is used to accumulate the necessary funds to acquire property for a future Fire Station, construct a future Fire Station, and/or renovate existing Fire Stations.

Community Reinvestment Program (110)* – This fund was established to provide various community grants to support the local economy in its recover from the COVID-19 global pandemic.

Special Revenue Funds:

Special Revenue Funds are used to account for specific resources that are legally restricted to expenditure for particular purposes.

Gas Tax Fund (100) – The City maintains this fund to account for the Highway User's Tax revenues received from the State of California under Sections 2013, 2105, 2107, and 2107.5 of the Streets and Highways Code.

Road Maintenance Rehabilitation Account (RMRA) Fund (102) – This fund is to account for gasoline and vehicle taxes pursuant to the Road Repair and Accountability Act of 2017 (SB1 Beall). Monies are collected by the State of California and allocated to local agencies for streets and roads projects and other transportation uses.

Street Maintenance Fund (103) – This fund was established to accumulate resources for the future replacement of streets and roads throughout the City.

NPDES In Lieu Fees Fund (105) – This fund was established to account for the collection of fees to fund, or partially fund, alternative compliance projects in-lieu of meeting certain requirements of the National Pollutant Discharge Elimination System (NPDES) Permit onsite.

Uptown Temecula new Streets In-Lieu Fees (106) – This fund was established in conjunction with the adoption of the Uptown Temecula Specific Plan New Streets In-Lieu Fee. The Specific Plan requires developers to dedicate right-of-way and construct new street improvements adjacent to or through their development sites. Developers within the Specific Plan who cannot contribute right-of-way and/or build new streets will be charged a new streets in-lieu fee.

DESCRIPTION OF FUNDS

***Development Impact Fees Fund (120)* –** Used to account for activity generated and funded by development applications to offset the effect of development. Mitigation projects include infrastructure, fire protection, public facilities and services, libraries, roads, schools, parks, traffic signal mitigation and open space. This fund is appropriated through the Capital Improvement Program budget.

***Public, Education & Government (PEG) Fees Fund (125)* –** Public Education and Government Access programming is supported by the PEG fee that is assessed to each cable subscriber. According to state law, these funds must be used only for the production of PEG Access programming.

***Community Development Block Grant (CDBG) Fund (140)* –** This fund is used to account for grants received from the U.S. Department of Housing and Urban Development (HUD). The grants are used for the redevelopment of a viable community by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of

***Temecula Energy Efficiency Asset Management (TEEM) Fund (145)* –** This fund was created to capture energy efficiency rebates and reimbursements as well as expenditure savings resulting from energy efficiency projects completed at various City facilities.

***AB 2766 Motor Vehicle Subvention Fund (150)* –** This fund is used to account for State funds that are used to implement programs and projects that reduce air pollution from motor vehicles. This fund is used for Capital projects and to account for operational costs such as the Natural Gas operated Harveston Trolley, which provides free transportation within the Temecula business district.

***Supplemental Law Enforcement Services Fund (160)* –** The City maintains this fund to account for the Supplemental Law Enforcement Services (SLESF) monies which are exclusively expended to provide front line law enforcement services provided by the State of California. These monies supplement existing services and are unable to be used to supplant any existing funding for law enforcement services provided by the City.

Affordable Housing Fund (165)* – The Affordable Housing fund contains the assets as well as loan and rental income from the former Redevelopment Agency which have been transferred to the City of Temecula.

Measure A Fund (170)* – This fund was established to account for the City's share of the County of Riverside's additional one-half percent sales tax allocation. These monies are restricted for use on local streets and roads. Measure A was approved by the Riverside County voters originally in 1988 and was extended in 2002. The funds are administered by the Riverside County Transportation Commission (RCTC) and will continue to fund transportation improvements through 2039.

Public Art Fund (198)* – This fund was established pursuant to Temecula Municipal Code Section 5.08.040, whereby the fund serves as a depository for the fees paid in lieu of art as well as monetary donations for public art. The Public Art In Lieu fee is one-tenth of one percent of an eligible development project in excess of $100,000. Eligible uses of this fund include the design, acquisition, installation, improvement, maintenance and insurance of public artwork; offering of performing arts programs on City property for the community; and art education programs on City property for the community.

DESCRIPTION OF FUNDS

Temecula Community Services District (TCSD) Funds (190-198, 501-530)*:

Upon incorporation of the City of Temecula, effective December 1, 1989, voters approved the formation of the Temecula Community Services District (TCSD) to provide specified services to properties within its jurisdiction. TCSD is a separate legal entity than the City and operates under the authority of Community Services District Law. Benefit assessments, and a special tax (Measure C) are charged to property owners within the District, are received to provide specified services identified below:

- Parks and Recreation - Facility operations and maintenance, community recreation programs
- Service Level "B" - Streetlight Replacement
- Service Level "B" - Residential streetlights
- Service Level "C" - Perimeter landscaping and slope maintenance
- Service Level "D" - Refuse collection, recycling, and street sweeping
- Service Level "R" - Street and road maintenance
- Service Level "L" - Harveston Lake Park maintenance
- Library Fund - Services at the Ronald H. Roberts Temecula Public Library on Pauba Road

Capital Projects Funds:

Capital Projects funds are used to account for the acquisition and/or construction of major capital assets.

Capital Improvement Fund (210)* – This fund was established to account for the City's Capital Improvement Program revenues and expenditures.

PROPRIETARY FUNDS

Internal Service Funds:

Internal Services Funds are used to account for the financing of goods or services by one department to other departments of the City on a cost reimbursement basis.

Insurance (300) - This fund was established to fund and account for the City's liability and property insurance costs.

Workers' Compensation (305) - This fund was established to accumulate resources for Workers' Compensation liabilities.

Vehicles and Equipment (310) - This fund was established to accumulate resources for the purchase of future replacement vehicles and equipment.

Information Technology (320) - This fund was established to account for the City's Information Technology activities.

Technology Replacement (325) - This fund was established to account for computer, software and telephone equipment and to accumulate resources for replacement of this equipment.

Support Services (330) - This fund was established as a cost center for the City's central duplicating, printing, and mailing activities.

Support Services Replacement (335) - This fund was established to account for the City's copy and duplicating equipment and to accumulate resources for replacement of this equipment.

DESCRIPTION OF FUNDS

Facilities (340) **-** This fund was established to account for the cost of the Civic Center, Business Incubator, City Maintenance Facility, and Civic Center Parking Structure operations and maintenance.

Facilities Replacement Fund (350) **-** This fund was established to accumulate resources for the future replacement of equipment, systems and fixtures within City-owned facilities.

FIDUCIARY FUNDS

Private-Purpose Trust Funds:

Private-Purpose Trust Funds are used to account for resources held and administered by the reporting government when it is acting in a fiduciary capacity for other governments.

Successor Agency to the Redevelopment Agency (SARDA) Debt Service Fund (380) **–** This fund is used to account for payment obligations of the successor agency as a result of the State's dissolution of Redevelopment Agencies.

*****Denotes the City's Major Funds*

FUNDS AND DEPARTMENTS

City of Temecula

City Funds

001 General*
002 Measure S*
006 Fire Facility Acquisition*
100 Gas Tax
102 Road Maintenance Rehabilitation Act (RMRA)
103 Street Maintenance Fund
105 NPDES In Lieu Fees
106 Uptown Temecula New Streets In Lieu Fees
110 Community Reinvestment Program*
120 Development Impact Fees
125 Public, Education & Government (PEG)
140 Community Development Block Grant (CDBG)
145 Temecula Energy Efficiency Asset Management
150 AB 2766 Motor Vehicle Subvention
160 Supplemental Law Enforcement Services
165 Affordable Housing*
170 Measure A*
198 Public Art*
210 Capital Improvement Program*
300 Insurance
305 Workers' Compensation
310 Vehicles and Equipment
320 Information Technology
325 Technology Replacement
330 Support Services
335 Support Services Replacement
340 Facilities
350 Facilities Replacement
380 SARDA Debt Service

General Fund Departments

001.100 City Council
001.101 Community Support
001.110 City Manager
001.111 Office of Public Information & Economic Development
001.115 Emergency Management
001.120 City Clerk
001.130 City Attorney
001.140 Finance
001.150 Human Resources
001.161 Planning
001.162 Building & Safety
001.163 Land Development
001.164 Public Works
001.165 CIP Public Works
001.167 Parks Maintenance
001.170 Temecula Sheriff's Office
001.171 Fire
001.172 Animal Control
001.199 Non-Departmental

*****Denotes the City's Major Funds*

FUNDS AND DEPARTMENTS

Temecula Community Services District (TCSD)

TCSD Funds

190 TCSD Citywide Operations*
191 Service Level B – Streetlight Replacement*
192 Service Level B – Street Lighting*
194 Service Level D – Refuse and Recycling*
195 Service Level R – Emergency Road Maintenance*
196 Service Level L – Harveston Lake Park Maintenance*
197 Library*
501-530 Service Level C – Landscape/Slope Maintenance*

TCSD Departments

190.180.164 General Maintenance
190.180.999 General Operations
190.181.999 Human Services Operations
190.182.999 Community Recreation Center Operations
190.183.999 Special Events Operations
190.184.999 Facilities & Rentals Operations
190.185.999 Museum and Cultural Arts Operations
190.186.999 Aquatics Operations
190.187.999 Sports Operations
190.189.999 Community Theater Operations
190.197.999 Contract Classes Operations
190.201.999 Homeless Outreach and Prevention Operations
190.202.999 Workforce Development



Denotes the City's Major Funds

FUNDING SOURCES BY DEPARTMENT

City Funds	General Government	Development Services	Community Services	Public Works	Public Safety
Major Funds					
Fund 001: General Fund	✓	✓	✓	✓	✓
Fund 002: Measure S Fund	✓	✓	✓	✓	✓
Fund 006: Fire Facility Acquisition	✓				✓
Fund 165: Affordable Housing		✓			
Fund 170: Measure A				✓	
Fund 190: Temecula Community Svcs-Citywide Operations	✓	✓	✓	✓	
Fund 191: Service Level B - Streetlight Replacement			✓	✓	
Fund 192: Service Level B - Street Lighting			✓	✓	
Fund 194: Service Level D - Refuse and Recycling				✓	
Fund 195: Service Level R - Road Maintenance			✓	✓	
Fund 196: Service Level L - Harveston Lake Park Maint.			✓	✓	
Fund 197: Library			✓	✓	
Fund 198: Public Art	✓	✓	✓		
Funds 501-530: Service Level C - Landscape/Slope Maint.			✓	✓	
Fund 210: Capital Improvement Program	✓	✓	✓	✓	✓
Non-Major Funds					
Fund 100: Gas Tax		✓		✓	
Fund 102: Road Maintenance Rehab. Account (RMRA)		✓		✓	
Fund 103: Street Maintenance		✓		✓	
Fund 105: NPDES In Lieu Fees		✓		✓	
Fund 106: Uptown Temecula New Streets In Lieu Fees		✓		✓	
Fund 120: Development Impact Fees (DIF)		✓		✓	
Fund 125: Public, Education & Government (PEG) Fees	✓				
Fund 140: Community Development Block Grant		✓	✓	✓	
Fund 145: Temecula Energy Efficiency Asset Mgmt		✓		✓	
Fund 150: AB 2766 Motor Vehicle Subvention	✓			✓	
Fund 160: Supplemental Law Enforcement Services					✓
Fund 380: Debt Service	✓	✓			
Fund 300: Insurance	✓	✓	✓	✓	✓
Fund 305: Workers' Compensation	✓	✓	✓	✓	✓
Fund 310: Vehicles and Equipment	✓	✓	✓	✓	✓
Fund 320: Information Technology	✓	✓	✓	✓	✓
Fund 325: Technology Replacement	✓	✓	✓	✓	✓
Fund 330: Support Services	✓	✓	✓	✓	✓
Fund 335: Support Services Replacement	✓	✓	✓	✓	✓
Fund 340: Facilities	✓	✓	✓	✓	✓
Fund 350: Facilities Replacement	✓	✓	✓	✓	✓

BUDGET PROCESS

The annual budget process begins in February of each year. The budget team, which includes the City Manager, Finance Director, Assistant Finance Director, Fiscal Services Manager and Management Analyst, reviews the fiscal policies and procedures and prepares five-year projections for the General Fund, Measure S Fund and Temecula Community Services District. The budget team uses these projections to develop spending priorities and department expenditure targets for the upcoming fiscal year.

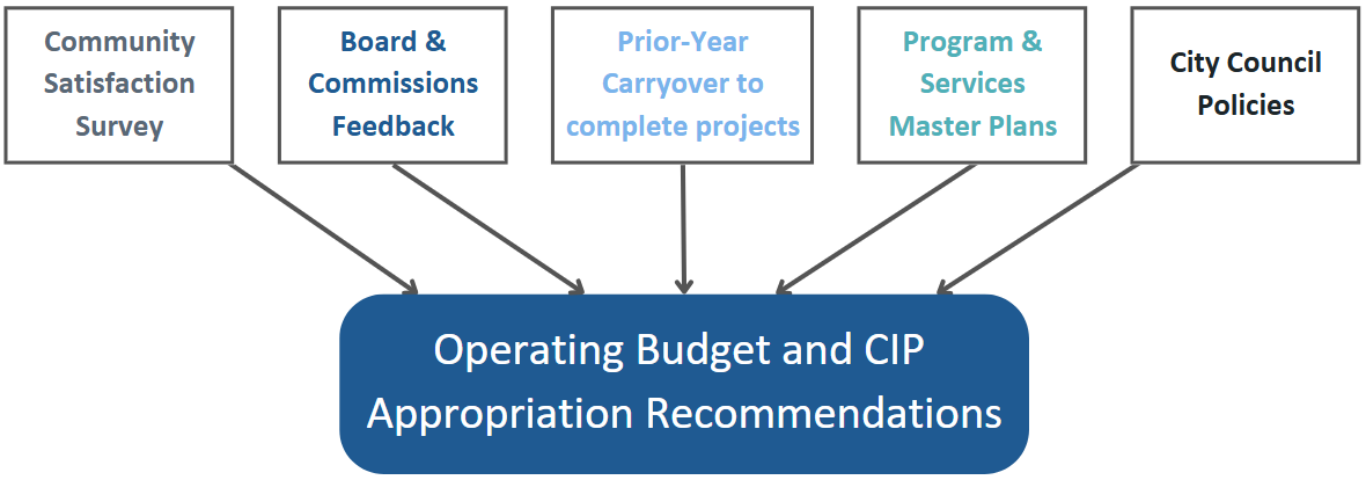
In February, a Budget Kickoff Workshop is held with the City Manager, Department Directors, and Department Analysts. This workshop includes a briefing on the status of the current fiscal year budget, a review of the budget process calendar, the impacts of the current economic conditions, and a discussion of elements of the budget process. The budget preparation guidelines and department targets used in preparing department budget requests are distributed. Additionally in February, the City Council discusses the Budget Policies and Priorities and provides the budget team with any changes they wish to have reflected in the ensuing fiscal year.

In late February and March, Finance holds Budget Engagement Sessions with each of the City's Boards and Commissions. Obtaining feedback from the commissions earlier on in the budget process allows staff to incorporate community and commission input and confirm budgetary priorities.

Preparation of budget requests includes comparative analysis of historic and current expenditure levels. Department revenue estimates are compiled from projections of activity for the upcoming fiscal year. The Executive Team, which consists of Department Directors and the City Manager, meets shortly after requests are submitted to outline and prioritize requests. This includes a review of the following:

- Expenditure requests above the established department target;
- Requests for new equipment (greater than $5,000) or vehicles;
- Requests for information technology;
- Personnel requests, including temporary personnel, and any proposed reclassifications.

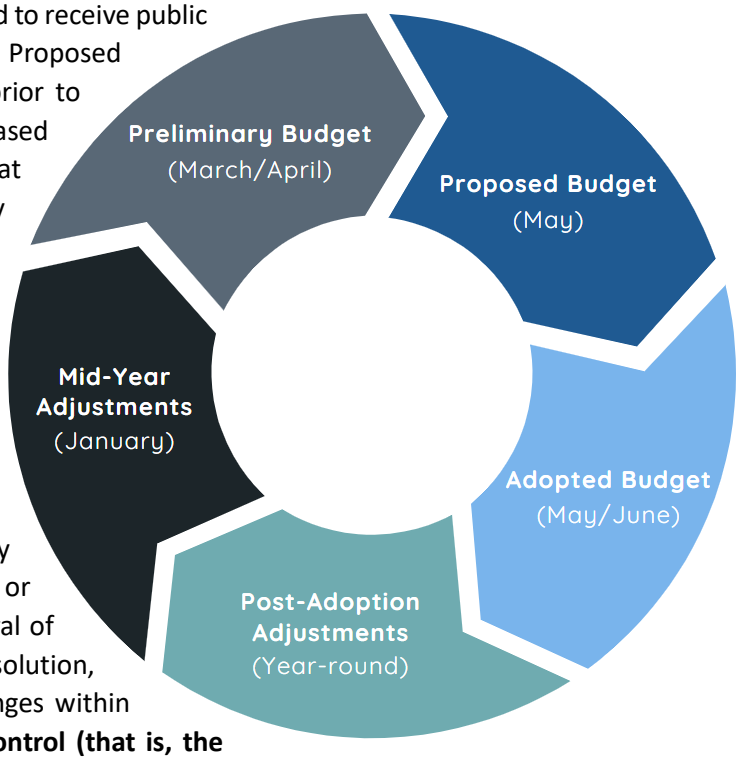
Several tools are utilized to determine and reinforce budget priorities and guide appropriation recommendations, as diagrammed below.



BUDGET PROCESS

During March and April, the budget team holds meetings with each department to discuss their budget requests and to obtain additional information to assist in the resolution of the requests. Following this review, department staff performs a final adjustment to their line item submissions and develops an internal Preliminary Budget to review with the City Manager.

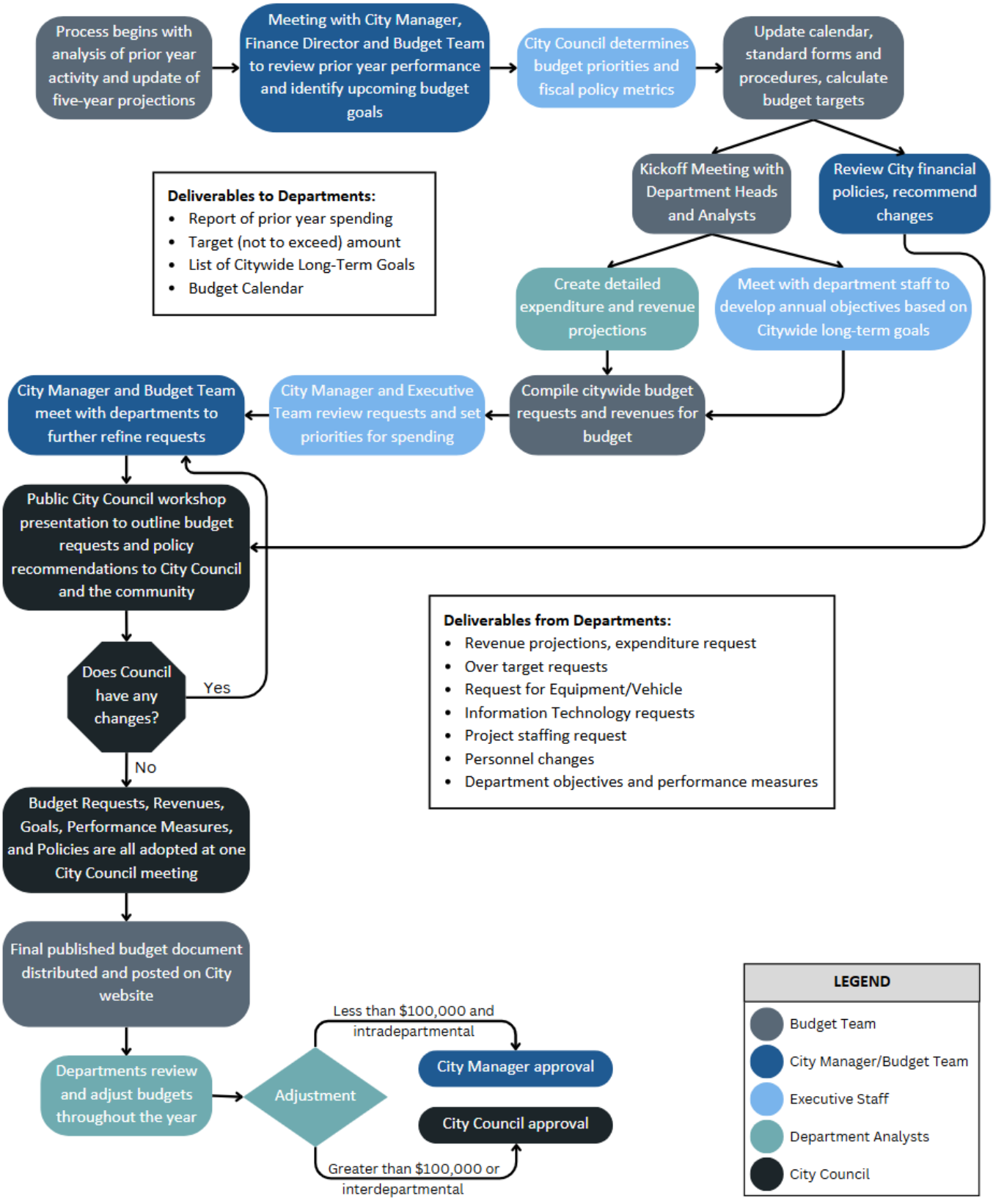
In May, a public City Council budget workshop is held to receive public comment and to review the components of the Proposed Budget and any modifications to fiscal policies, prior to formal consideration for adoption. Any changes based on this review are incorporated prior to adoption at the following City Council meeting, which typically occurs in late May or early June.



All appropriations lapse at year-end, except for those relating to grants and encumbrances approved for carryover to the following fiscal year. The City Council has the legal authority to amend the budget at any time during the fiscal year. Budgetary controls are maintained to ensure compliance with the budget as approved by the City Council. Adjustments between departments or requests for additional funding require the approval of the City Council. As referenced in the Budget Resolution, the City Manager has the authority to make changes within departmental budgets. **The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the department level.**

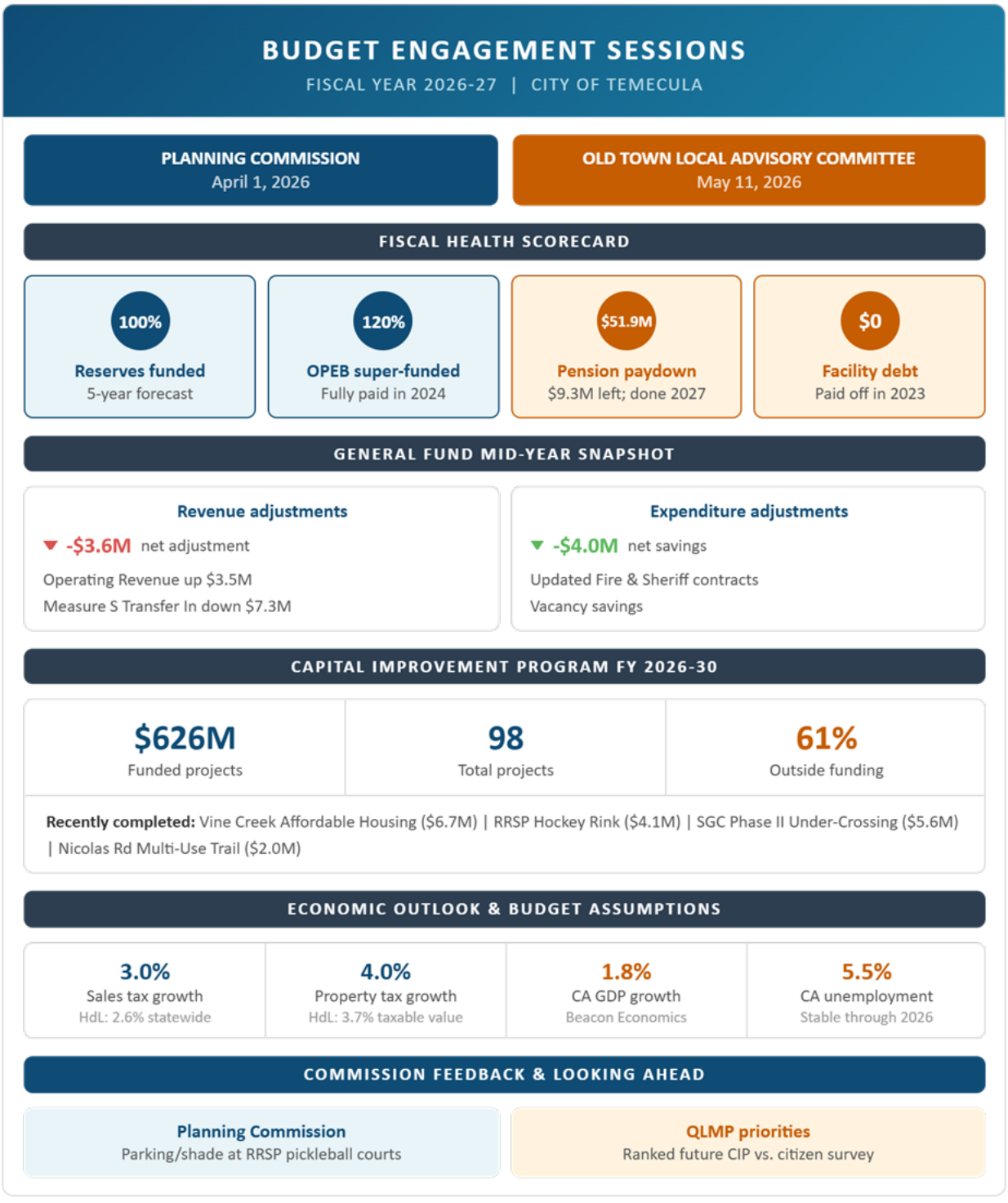
The City has a formalized midyear budget review process which is used to update the appropriations and revenue projections halfway through the fiscal year. The City begins this process in December by analyzing revenue projections, service contracts, new City Council priorities, and the impacts of legislation from the State and Federal Government. This information is compiled into an updated five-year projection. In early January, departments review their individual budgets to identify any savings or to request additional funds to meet the needs of new programs or spending priorities. The result is a final balanced budget document that ensures that sufficient funding is available to meet the updated objectives and priorities for the remainder of the fiscal year. This document is taken to the City Council for adoption in February.

BUDGET PROCESS



BUDGET ENGAGEMENT SESSIONS

The City of Temecula remains committed to transparent and thoughtful financial planning that reflects community priorities. As part of the Fiscal Year 2026-2027 budget engagement process, presentations were made to the Planning Commission and the Old Town Local Advisory Committee. These sessions provided Commissioners the opportunity to share feedback on emerging priorities for the City's operational and capital planning. The results of the budget engagement sessions are summarized in the following infographic.



BUDGET CALENDAR

FISCAL YEAR 2026-27

Date	Item	Responsible Department
2/2/26	Update General Fund and TCSD Revenue & Expenditure Five-Year Forecast	Finance
2/18/26	Annual Operating Budget (AOB) Kick-Off Meeting	All Departments
2/18/26	Capital Improvement Program (CIP) Kick-Off Meeting	All Departments
3/9/26	CIP Project and Operating Requests due	All Departments
3/10/26	City Council Review of Budget Policies & Priorities	City Manager/Finance
3/16-3/19/26	AOB Review Meetings	All Departments
3/23/26	Preparation of Internal Service Fund Allocations	Finance
3/27/26	Department Narratives for AOB due	All Departments
4/1/26	Budget Engagement Session with Planning Commission	Finance
4/1/26	CIP Review Meeting	All Departments
4/2/26	City Manager review of Operating Requests	City Manager/Finance
4/16/26	Finalize Budget Policies	City Manager/Finance
4/23/26	Appendices due	All Departments
5/6/26	Planning Commission review of CIP	Community Development
5/11/26	Budget Engagement Session with Old Town Local Advisory Committee	Finance
5/18/26	Proposed CIP and AOB Document Distribution	Finance
5/19/26	Strategic Finance Ad Hoc Subcommittee Meeting	City Manager/Finance
5/21/26	City Council Budget Workshop	All Departments
6/9/26	City Council Meeting – Budget Adoption	All Departments

CITY OF TEMECULA
1989
OLD TRADITIONS ♦ NEW OPPORTUNITIES

LONG RANGE FINANCIAL PROJECTION

In addition to the Annual Operating Budget and Capital Improvement Program, the City of Temecula also prepares a Five-Year Financial Projection for the General Fund, Measure S Fund and Temecula Community Services District Funds. The long-range forecasts serve as a strategic planning tool to help evaluate the City's ability to meet its long-term obligations. The benefit of long-range planning is to alert decision-makers of trends in time to implement changes, if necessary.

GENERAL FUND REVENUE

General Fund Revenue is projected by line item using a combination of known information and anticipated trends for the coming five-year period. The City's Budget Team works in tandem with Community Development to identify future projects that could affect revenue levels, such as the addition of new housing developments and commercial establishments. The City also utilizes Sales and Property Tax consultants to assist with identifying statewide trends that may impact City revenues.

Revenue Forecasting Assumptions

- Tax revenues – projected based on recent growth trends combined with known changes in the economy, such as the addition of new businesses or hotels.
- Licenses, Permits and Service Charges – projected based on development projects for which the City has received a planning application and is actively pursuing building permits.
- Intergovernmental revenues – projected based on the growth in the City's overall assessed valuation, as this revenue source reflects Property Tax in Lieu of Vehicle License Fees.
- Reimbursements – this revenue source primarily reflects the transfer of funds from the Capital Improvement Program (CIP) to reimburse the Public Works department for the administration of the CIP program.
- Operating Transfers In –projected based on assumed inflationary growth factors.
- Operating Transfers In – Measure S –projected based on the General Fund expenditures eligible for Measure S funding, in accordance with the Appropriation Guidelines noted in the Budget and Fiscal Policies. Public Safety personnel and equipment are the primary recipients of Measure S Transfers.

GENERAL FUND EXPENDITURES

General Fund Expenditure trends are developed using a number of economic assumptions that are applied to the category of expenditures. For Salary and Benefit projections, the City's Budget Team reflects any anticipated changes in staffing levels, CalPERS pension contribution rates, negotiated terms from the City's employment contracts, and Public Safety Contract projections received from the County of Riverside. Non-salary expenditure projections were targeted to remain flat compared to the prior year, with any new requests justified on a case-by-case basis.

Expenditure Forecasting Assumptions

- Salaries – projected using current employee salary levels, plus eligible merit and/or negotiated cost of living increases for the ensuing fiscal years, plus newly authorized positions, less any known decreases to authorized positions.

LONG RANGE FINANCIAL PROJECTION

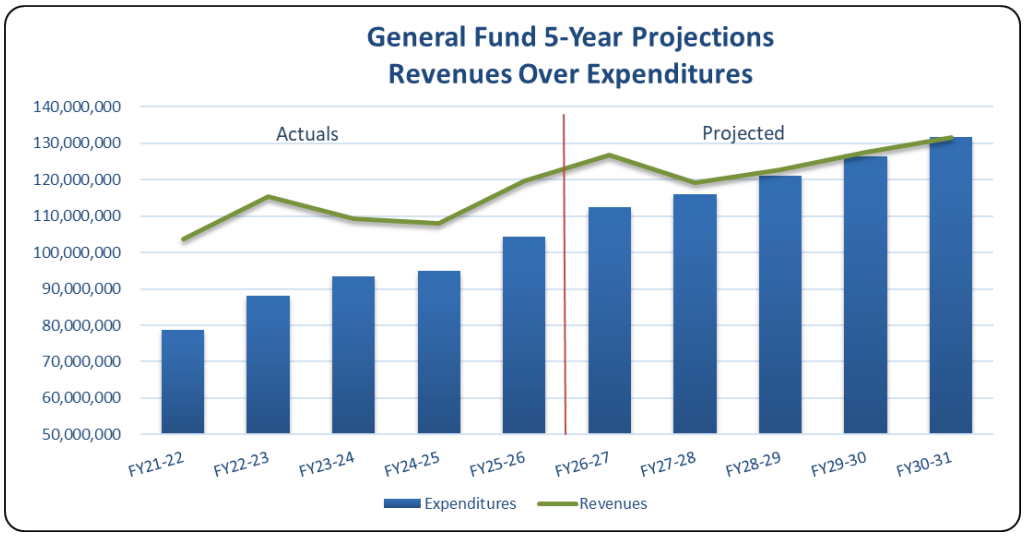
- Benefits – projected using an employer contribution pension rate of 14.6% of labor costs, plus a 3% cost of living adjustment negotiated per the City's employment contracts. The City has pro-actively reduced the CalPERS unfunded pension liability utilizing available fund balance and monies set aside in a Section 115 Irrevocable Pension Trust. To date, a total of $52 million has been remitted to CalPERS in the form of "Additional Discretionary Payments (ADP)," which has resulted in ongoing annual savings of approximately $5 million in pension costs. An additional $9.3 million ADP is scheduled for Fiscal Year 2026-27 which will fully fund the pension liability.
- Operations and Maintenance Costs – projected utilizing recent trends, adjusted for one-time expenditures and other known anomalies, plus known contractual increases.
- Internal Service Fund Allocations - projected utilizing recent trends, adjusted for one-time expenditures and other known anomalies, plus known contractual increases.

GENERAL FUND ANALYSIS

The General Fund Forecast over the coming five years is balanced, with its Reserve for Economic Uncertainty and its Secondary Reserve fully-funded in all five years. Ending Fund Balance for Fiscal Year 2026-27 is projected to be $29,750,915, of which $28,123,539 is committed to fulfilling the Fund's reserves. A total of $477,755 of fund balance is committed to cover the costs of a Sheriff's Deputy position funded by the Pechanga Tribe. A total of $1,149,622 in fund balance is unassigned and available for one-time appropriations.

Fiscal Year 2026-27 General Fund Revenue is projected to increase 5.9% over the prior year with a total of $126,785,291. Tax revenues are projected to increase by 23%, with the growth expected in Sales Tax (1.9%), Property Tax (4.3%), Transient Occupancy Tax (-2.0%), Measure C (0.5%), and Transfers-In from Measure S to support Public Safety, which vary from year-to-year depending on the needs of the departments.

Total Fiscal Year 2026-27 General Fund Operating Expenditures total $112,494,154, which represents a 7.8% increase over the prior fiscal year, due primarily to significant increases in Public Safety contracts with the County of Riverside. The Sheriff Department is projected to increase by 8.0%, due mostly to the negotiated increases in the County's labor agreements, plus the acquisition of two motorcycles due for replacement. The Fire Department is projected to increase by 7.7%, due to contractual increases reflected in the County's contract with CalFire.



FIVE-YEAR FINANCIAL PROJECTION – GENERAL FUND

	FY 24-25	FY 25-26		FY 26-27		FY 27-28		FY 28-29		FY 29-30		FY 30-31	
	Actuals	Revised Budget	% Change	Proposed Budget	% Change	Projected Budget	% Change	Projected Budget	% Change	Projected Budget	% Change	Projected Budget	% Change
Revenue:													
Property Tax	11,579,752	12,375,529	6.9%	12,907,422	4.3%	13,423,719	4.0%	13,960,668	4.0%	14,519,094	4.0%	15,099,858	4.0%
Sales and Use Tax	47,504,820	49,182,480	3.5%	50,186,189	2.0%	51,691,775	3.0%	53,500,987	3.5%	55,373,521	3.5%	57,311,595	3.5%
Less: Sales Tax Sharing Agmt	(1,649,137)	(1,760,000)	6.7%	(1,865,655)	6.0%	(1,921,625)	3.0%	(1,979,273)	3.0%	(2,038,652)	3.0%	(2,099,811)	3.0%
Franchise Fees	4,190,577	4,100,000	-2.2%	4,100,000	0.0%	4,100,000	0.0%	4,100,000	0.0%	4,100,000	0.0%	4,100,000	0.0%
Transient Occupancy Tax	4,355,559	3,920,003	-10.0%	3,841,603	-2.0%	3,918,435	2.0%	4,035,988	3.0%	4,157,068	3.0%	4,281,780	3.0%
Special Tax (Measure C)	1,894,830	2,100,000	10.8%	2,110,500	0.5%	2,121,053	0.5%	2,131,658	0.5%	2,142,316	0.5%	2,153,028	0.5%
Licenses, Permits and Service Charges	5,632,840	7,040,176	25.0%	7,175,280	1.9%	7,315,556	2.0%	7,458,606	2.0%	7,604,484	2.0%	7,753,247	2.0%
Fines and Forfeitures	407,648	424,159	4.1%	467,627	10.2%	472,303	1.0%	477,026	1.0%	481,797	1.0%	486,615	1.0%
Use of Money and Property	2,716,088	2,024,115	-25.5%	2,024,198	0.0%	2,044,440	1.0%	2,064,884	1.0%	2,085,533	1.0%	2,106,389	1.0%
Intergovernmental Revenues	11,334,094	11,960,224	5.5%	12,373,457	3.5%	12,846,672	3.8%	13,355,405	4.0%	13,884,436	4.0%	14,434,576	4.0%
Reimbursements	4,809,755	6,996,498	45.5%	5,772,969	-17.5%	5,952,632	3.1%	5,219,592	-12.3%	5,416,483	3.8%	5,621,672	3.8%
Miscellaneous	523,090	288,295	-44.9%	206,609	-28.3%	208,675	1.0%	210,762	1.0%	212,869	1.0%	214,998	1.0%
Subtotal - Operating Revenues	**93,299,918**	**98,536,687**	**5.6%**	**99,300,198**	**0.8%**	**102,173,635**	**2.9%**	**104,536,302**	**2.3%**	**107,938,950**	**3.3%**	**111,463,945**	**3.3%**
Operating Transfers In - Gas Tax/SLESF/PARS/CRP/Fire Facility	8,619,524	14,557,929	68.9%	3,612,514	-75.2%	3,679,094	1.8%	3,747,006	1.8%	3,816,276	1.8%	3,886,932	1.9%
Operating Transfers In - Measure S	5,995,925	6,496,605	8.4%	23,872,579	267.5%	13,206,716	-44.7%	14,425,859	9.2%	15,778,874	9.4%	16,165,545	2.5%
Total Revenues & Transfers In	**107,915,367**	**119,706,013**	**10.9%**	**126,785,291**	**5.9%**	**119,059,445**	**-6.1%**	**122,709,168**	**3.1%**	**127,534,100**	**3.9%**	**131,516,422**	**3.1%**
Prior Version (FY25-26 Mid-Year)	107,915,367	119,637,935		120,903,667		118,287,368		120,776,953		124,646,175		n/a	
Expenditures by Dept:													
City Council	663,370	754,919	13.8%	736,167	-2.5%	749,349	1.8%	771,891	3.0%	793,090	2.7%	814,885	2.7%
Community Support	125,000	115,000	-8.0%	190,000	65.2%	190,000	0.0%	190,000	0.0%	190,000	0.0%	190,000	0.0%
City Manager	2,586,337	2,908,135	12.4%	2,665,325	-8.3%	2,705,463	1.5%	2,801,173	3.5%	2,882,777	2.9%	2,966,781	2.9%
Economic Development	1,910,221	1,956,792	2.4%	1,867,086	-4.6%	1,897,198	1.6%	1,958,807	3.2%	2,012,878	2.8%	2,068,477	2.8%
Emergency Management	654,708	763,398	16.6%	924,359	21.1%	762,677	-17.5%	784,909	2.9%	805,940	2.7%	827,552	2.7%
City Clerk	1,764,400	1,607,220	-8.9%	1,722,556	7.2%	1,749,998	1.6%	1,808,134	3.3%	1,858,937	2.8%	1,911,194	2.8%
City Attorney	887,250	815,000	-8.1%	950,000	16.6%	969,000	2.0%	988,380	2.0%	1,008,148	2.0%	1,028,311	2.0%
Finance	4,078,831	4,511,191	10.6%	4,422,108	-2.0%	4,487,831	1.5%	4,648,851	3.6%	4,785,439	2.9%	4,926,067	2.9%
Human Resources	2,227,353	2,931,464	31.6%	2,722,071	-7.1%	2,766,701	1.6%	2,853,017	3.1%	2,929,124	2.7%	3,007,324	2.7%
Planning	3,175,766	3,875,128	22.0%	3,512,542	-9.4%	3,568,917	1.6%	3,687,202	3.3%	3,791,066	2.8%	3,897,910	2.8%
Building & Safety	4,630,844	5,140,206	11.0%	5,492,263	6.8%	5,577,783	1.6%	5,767,732	3.4%	5,931,935	2.8%	6,100,887	2.8%
Land Development	2,122,077	2,264,555	6.7%	2,706,720	19.5%	2,747,408	1.5%	2,846,588	3.6%	2,931,446	3.0%	3,018,840	3.0%
Public Works	7,616,645	8,836,075	16.0%	8,952,245	1.3%	9,107,114	1.7%	9,379,060	3.0%	9,627,439	2.6%	9,882,610	2.7%
CIP Admin	3,246,939	3,442,363	6.0%	2,967,104	-13.8%	3,010,604	1.5%	3,120,778	3.7%	3,213,881	3.0%	3,309,766	3.0%
Parks Maintenance	6,139,543	6,489,790	5.7%	6,558,739	1.1%	6,679,328	1.8%	6,849,505	2.5%	7,010,302	2.3%	7,175,030	2.3%
Sheriff	42,927,265	47,597,381	10.9%	51,423,077	8.0%	54,004,515	5.0%	56,598,555	4.8%	59,382,187	4.9%	62,306,879	4.9%
Fire	8,383,534	12,671,544	51.1%	13,649,632	7.7%	14,065,582	3.0%	15,051,964	7.0%	16,284,313	8.2%	17,371,871	6.7%
Animal Control	410,427	520,815	26.9%	463,524	-11.0%	468,159	1.0%	472,841	1.0%	477,569	1.0%	482,345	1.0%
Non-Departmental	1,464,366	627,500	-57.1%	568,636	-9.4%	373,509	-34.3%	378,539	1.3%	383,732	1.4%	389,094	1.4%
Projected Pension UAL Savings		(3,477,724)	0.0%										
Total Expenditures	**95,014,876**	**104,350,751**	**9.8%**	**112,494,154**	**7.8%**	**115,881,137**	**3.0%**	**120,957,923**	**4.4%**	**126,300,202**	**4.4%**	**131,675,824**	**4.3%**
Prior Version (FY25-26 Mid-Year)	95,014,876	104,503,936		111,027,975		114,295,435		119,064,683		124,740,193		n/a	
Revenue Over Expenditures	**12,900,491**	**15,355,262**		**14,291,137**		**3,178,308**		**1,751,244**		**1,233,899**		**(159,402)**	

FIVE-YEAR FINANCIAL PROJECTION – GENERAL FUND

	FY 24-25	FY 25-26		FY 26-27		FY 27-28		FY 28-29		FY 29-30		FY 30-31	
	Actuals	Revised Budget	% Change	Proposed Budget	% Change	Projected Budget	% Change	Projected Budget	% Change	Projected Budget	% Change	Projected Budget	% Change
Transfers Out and One Time Payments:													
Community Reinvestment Program		(80,000)											
Transfer to Capital Improvement Fund	(32,219)	(1,953,134)		-		-		-		-		-	
- I-15 Congestion Relief	*(32,219)*	*(270,275)*											
- General Plan Update		*(1,682,859)*											
Fire Facility Acquistion Fund		(2,000,000)		(1,000,000)		(1,000,000)		(1,000,000)					
Insurance Fund Reserve	(1,172,672)	-											
Workers' Compensation Fund Reserve	(436,678)	-											
CalPERS Unfunded Liability Paydown	(7,913,492)	(22,267,833)		(9,349,256)		-		-		-		-	
Section 115 Pension Trust	-	-		(7,500,000)		-		-		-		-	
Total Transfers Out/One-Time Pmts	**(9,555,061)**	**(26,300,967)**		**(17,849,256)**		**(1,000,000)**		**(1,000,000)**		**-**		**-**	
Revenues Over/(Under) Expenditures	**3,345,430**	**(10,945,705)**		**(3,558,119)**		**2,178,308**		**751,244**		**1,233,899**		**(159,402)**	
Beginning Fund Balance	40,909,309	44,254,739		33,309,034		29,750,915		31,929,224		32,680,468		33,914,367	
Ending Fund Balance	**44,254,739**	**33,309,034**		**29,750,915**		**31,929,224**		**32,680,468**		**33,914,367**		**33,754,965**	
Prior Version (FY25-26 Mid-Year)	44,254,739	33,167,771		32,694,208		35,686,140		36,398,410		36,304,393		n/a	
Desired Reserve Balance (25%)	23,753,719	26,087,688		28,123,539		28,970,284		30,239,481		31,575,050		32,918,956	
Reserve Balance	**23,753,719**	**26,087,688**		**28,123,539**		**28,970,284**		**30,239,481**		**31,575,050**		**32,918,956**	
% Funded	**100%**	**100%**		**100%**		**100%**		**100%**		**100%**		**100%**	
Fund Balance Components													
Committed to:													
Economic Uncertainty (20%)	19,002,975	20,870,150		22,498,831		23,176,227		24,191,585		25,260,040		26,335,165	
Secondary Reserve (5%)	4,750,744	5,217,538		5,624,708		5,794,057		6,047,896		6,315,010		6,583,791	
Pechanga IGA	449,171	446,498		477,755		501,642		526,719		553,049		580,701	
Assigned to:													
Capital Projects	1,953,134	-		-		-		-		-		-	
Unassigned:	18,098,715	6,774,849		1,149,622		2,457,297		1,914,268		1,786,268		255,308	
Total Fund Balance as of 6/30	**44,254,739**	**33,309,034**		**29,750,915**		**31,929,224**		**32,680,468**		**33,914,367**		**33,754,965**	
Unassigned Fund Balance as % of Op. Exp.	19%	6%		1%		2%		2%		1%		0%	

FIVE-YEAR REVENUE PROJECTION – GENERAL FUND

	FY 24-25 Actuals	FY 25-26 Revised	% Chg From Prior Yr	FY 26-27 Proposed	% Chg From Prior Yr	FY 27-28 Projection	% Chg From Prior Yr	FY 28-29 Projection	% Chg From Prior Yr	FY 29-30 Projection	% Chg From Prior Yr	FY 30-31 Projection	% Chg From Prior Yr
PLANNING	504,010	912,704	81.1%	798,358	-12.5%	814,325	2.0%	830,612	2.0%	847,224	2.0%	864,168	2.0%
BUILDING	2,261,758	2,214,845	-2.1%	2,708,712	22.3%	2,762,886	2.0%	2,818,144	2.0%	2,874,507	2.0%	2,931,997	2.0%
LAND DEVELOPMENT	1,294,871	2,290,914	76.9%	2,185,731	-4.6%	2,229,446	2.0%	2,274,035	2.0%	2,319,516	2.0%	2,365,906	2.0%
PUBLIC WORKS	700	24,600	3414.3%	24,837	1.0%	25,085	1.0%	25,336	1.0%	25,590	1.0%	25,845	1.0%
PARKS & FACILITIES MAINTENANCE													
Special Tax (Measure C)	1,894,830	2,100,000	10.8%	2,110,500	0.5%	2,121,053	0.5%	2,131,658	0.5%	2,142,316	0.5%	2,153,028	0.5%
Lease Income	85,187	88,267	3.6%	93,732	6.2%	94,669	1.0%	95,616	1.0%	96,572	1.0%	97,538	1.0%
Other	10,116	7,815	-22.7%	5,810	-25.7%	5,868	1.0%	5,927	1.0%	5,986	1.0%	6,046	1.0%
POLICE													
Parking Citations	95,581	109,159	14.2%	106,614	-2.3%	107,680	1.0%	108,757	1.0%	109,845	1.0%	110,943	1.0%
Miscellaneous	175,960	139,811	-20.5%	112,978	-19.2%	114,108	1.0%	115,249	1.0%	116,401	1.0%	117,565	1.0%
Vehicle Impound Fees	137,554	125,000	-9.1%	125,000	0.0%	126,250	1.0%	127,513	1.0%	128,788	1.0%	130,076	1.0%
Reimbursements	118,643	180,000	51.7%	160,715	-10.7%	162,322	1.0%	163,945	1.0%	165,585	1.0%	167,241	1.0%
FIRE													
Various	1,284,754	1,302,772	1.4%	1,159,574	-11.0%	1,182,765	2.0%	1,206,421	2.0%	1,230,549	2.0%	1,255,160	2.0%
Grants	61,911	38,032	-38.6%	16,000	-57.9%	0	-100.0%	0	0.0%	0	0.0%	0	0.0%
NON-DEPARTMENTAL													
Residual RPTTF Distribution	279,534	280,000	0.2%	291,200	4.0%	302,848	4.0%	314,962	4.0%	327,560	4.0%	340,663	4.0%
Property Tax (Secured)	9,636,401	10,563,581	9.6%	11,022,785	4.3%	11,463,696	4.0%	11,922,244	4.0%	12,399,134	4.0%	12,895,099	4.0%
Property Tax (Unsecured)	503,306	536,966	6.7%	558,444	4.0%	580,782	4.0%	604,013	4.0%	628,174	4.0%	653,300	4.0%
Supplemental Tax-AB 2345	335,698	274,482	-18.2%	285,461	4.0%	296,879	4.0%	308,755	4.0%	321,105	4.0%	333,949	4.0%
Property Transfer Tax	758,140	650,000	-14.3%	676,000	4.0%	703,040	4.0%	731,162	4.0%	760,408	4.0%	790,824	4.0%
Franchise Fees	4,190,577	4,100,000	-2.2%	4,100,000	0.0%	4,100,000	0.0%	4,100,000	0.0%	4,100,000	0.0%	4,100,000	0.0%
Transient Occupancy Tax	4,355,559	3,920,003	-10.0%	3,841,603	-2.0%	3,918,435	2.0%	4,035,988	3.0%	4,157,068	3.0%	4,281,780	3.0%
Sales and Use Tax - State of Calif.	47,504,820	49,182,480	3.5%	50,186,189	2.0%	51,691,775	3.0%	53,500,987	3.5%	55,373,521	3.5%	57,311,595	3.5%
Less: Sales Tax Sharing Agreement	(1,649,137)	(1,760,000)	6.7%	(1,865,655)	6.0%	(1,921,625)	3.0%	(1,979,273)	3.0%	(2,038,652)	3.0%	(2,099,811)	3.0%
FEMA Grants	125,321	40,000	-68.1%	0	-100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Homeowner Exemption	66,673	70,500	5.7%	73,532	4.3%	76,473	4.0%	79,532	4.0%	82,713	4.0%	86,022	4.0%
MVLF- property tax in lieu	11,099,170	11,754,429	5.9%	12,188,015	3.7%	12,675,536	4.0%	13,182,557	4.0%	13,709,859	4.0%	14,258,254	4.0%
Motor Vehicle in Lieu- State	173,014	167,763	-3.0%	169,442	1.0%	171,136	1.0%	172,848	1.0%	174,576	1.0%	176,322	1.0%
Vehicle Code Fines	174,513	190,000	8.9%	236,013	24.2%	238,373	1.0%	240,757	1.0%	243,164	1.0%	245,596	1.0%

FIVE-YEAR REVENUE PROJECTION – GENERAL

	FY 24-25 Actuals	FY 25-26 Revised	% Chg From Prior Yr	FY 26-27 Proposed	% Chg From Prior Yr	FY 27-28 Projection	% Chg From Prior Yr	FY 28-29 Projection	% Chg From Prior Yr	FY 29-30 Projection	% Chg From Prior Yr	FY 30-31 Projection	% Chg From Prior Yr
Business Licenses	276,631	286,526	3.6%	292,257	2.0%	295,180	1.0%	298,131	1.0%	301,113	1.0%	304,124	1.0%
Miscellaneous	208,497	146,299	-29.8%	93,631	-36.0%	94,567	1.0%	95,513	1.0%	96,468	1.0%	97,433	1.0%
Right of Way Advertising	0	2,185	0.0%	0	-100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Investment Interest	2,095,753	1,757,567	-16.1%	1,757,567	0.0%	1,775,143	1.0%	1,792,894	1.0%	1,810,823	1.0%	1,828,931	1.0%
Lease Income	86,004	178,281	107.3%	165,323	-7.3%	166,976	1.0%	168,646	1.0%	170,332	1.0%	172,036	1.0%
Reimbursements - Miscellaneous	206,098	80,000	-61.2%	81,600	2.0%	81,600	0.0%	81,600	0.0%	81,600	0.0%	81,600	0.0%
Reimbursements - Pechanga IGA	410,208	2,273,557	454.2%	1,396,498	-38.6%	1,427,755	2.2%	501,642	-64.9%	526,719	5.0%	553,049	5.0%
Reimbursements - Capital Improvement Program	3,038,031	3,098,127	2.0%	2,790,884	-9.9%	2,902,519	4.0%	3,018,620	4.0%	3,139,365	4.0%	3,264,939	4.0%
Operating Transfer In - Measure S Fund	5,995,925	6,496,605	8.4%	23,872,579	267.5%	13,206,716	-44.7%	14,425,859	9.2%	15,778,874	9.4%	16,165,545	2.5%
Operating Transfer In - Gas Tax	3,142,939	3,269,427	4.0%	3,329,012	1.8%	3,395,592	2.0%	3,463,504	2.0%	3,532,774	2.0%	3,603,430	2.0%
Operating Transfer In - COPS	334,997	283,502	-15.4%	283,502	0.0%	283,502	0.0%	283,502	0.0%	283,502	0.0%	283,502	0.0%
Operating Transfer In - CRP Fund		1,000,000	0.0%		-100.0%		0.0%		0.0%		0.0%		0.0%
Operating Transfer In - Fire Facility Fund		5,000,000	0.0%		-100.0%		0.0%		0.0%		0.0%		0.0%
Operating Transfer In - PARS Trust	5,000,000	5,005,000	-100.0%		0.0%		0.0%		0.0%		0.0%		0.0%
Interest Income - Leases	89,409	0	-100.0%	7,576	0.0%	7,652	1.0%	7,728	1.0%	7,806	1.0%	7,884	1.0%
Reimbursements - Services CFDs	746,925	1,166,748	56.2%	1,262,366	8.2%	1,297,220	2.8%	1,372,258	5.8%	1,421,372	3.6%	1,472,683	3.6%
State Mandated Cost Reimbursement	133,155	127,466	-4.3%	50,000	-60.8%	50,000	0.0%	50,000	0.0%	50,000	0.0%	50,000	0.0%
AB1379 Collection State Imposed $4 Fee	31,374	30,600	-2.5%	30,906	1.0%	31,215	1.0%	31,527	1.0%	31,842	1.0%	32,161	1.0%
Contributions	141,587		-100.0%		0.0%		0.0%		0.0%		0.0%		0.0%
Other Financing Sources-SBITA	138,633		-100.0%		0.0%		0.0%		0.0%		0.0%		0.0%
Change in Fair Value of Investments	359,735		-100.0%		0.0%		0.0%		0.0%		0.0%		0.0%
TOTAL	**107,915,367**	**119,706,013**	**10.9%**	**126,785,291**	**5.9%**	**119,059,445**	**-6.1%**	**122,709,168**	**3.1%**	**127,534,100**	**3.9%**	**131,516,422**	**3.1%**

FIVE-YEAR EXPENDITURE PROJECTION – GENERAL FUND

		24-25 Actuals	25-26 Revised	% Change	26-27 Proposed	% Change	27-28 Projection	% Change	28-29 Projection	% Change	29-30 Projection	% Change	30-31 Projection	% Change
City Council:	Salaries	163,330	219,665	34.5%	230,002	4.7%	233,061	1.3%	242,034	3.9%	249,295	3.0%	256,774	3.0%
	O&M	179,236	204,111	13.9%	188,206	-7.8%	191,970	2.0%	195,810	2.0%	199,726	2.0%	203,720	2.0%
	ISF	320,804	331,143	3.2%	317,959	-4.0%	324,318	2.0%	334,048	3.0%	344,069	3.0%	354,391	3.0%
		663,370	**754,919**	**13.8%**	**736,167**	-2.5%	**749,349**	1.8%	**771,891**	3.0%	**793,090**	2.7%	**814,885**	2.7%
Community Support		**125,000**	**115,000**	**-8.0%**	**190,000**	65.2%	**190,000**	0.0%	**190,000**	0.0%	**190,000**	0.0%	**190,000**	0.0%
City Manager:	Salaries	1,948,223	2,057,408	5.6%	1,965,463	-4.5%	1,991,604	1.3%	2,068,280	3.9%	2,130,329	3.0%	2,194,239	3.0%
	Project Salaries		102,000	0.0%	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	O&M	179,380	246,572	37.5%	233,619	-5.3%	238,291	2.0%	243,057	2.0%	247,918	2.0%	252,877	2.0%
	ISF	458,734	502,155	9.5%	466,243	-7.2%	475,568	2.0%	489,835	3.0%	504,530	3.0%	519,666	3.0%
		2,586,337	**2,908,135**	**12.4%**	**2,665,325**	-8.3%	**2,705,463**	1.5%	**2,801,173**	3.5%	**2,882,777**	2.9%	**2,966,781**	2.9%
Economic Dev.	Salaries	1,023,378	1,065,282	4.1%	1,057,166	-0.8%	1,071,226	1.3%	1,112,469	3.8%	1,145,843	3.0%	1,180,218	3.0%
	Project Salaries	20,144	21,762	8.0%	21,857	0.4%	22,148	1.3%	23,000	3.9%	23,690	3.0%	24,401	3.0%
	O&M	505,503	481,095	-4.8%	451,100	-6.2%	460,122	2.0%	469,324	2.0%	478,711	2.0%	488,285	2.0%
	ISF	361,196	388,653	7.6%	336,963	-13.3%	343,702	2.0%	354,013	3.0%	364,634	3.0%	375,573	3.0%
		1,910,221	**1,956,792**	**2.4%**	**1,867,086**	-4.6%	**1,897,198**	1.6%	**1,958,807**	3.2%	**2,012,878**	2.8%	**2,068,477**	2.8%
Emerg Mgmt	Salaries	186,222	209,207	12.3%	211,022	0.9%	213,829	1.3%	222,061	3.9%	228,723	3.0%	235,585	3.0%
	Project Salaries		-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	O&M	199,313	235,420	18.1%	241,809	2.7%	246,645	2.0%	251,578	2.0%	256,610	2.0%	261,742	2.0%
	Capital Outlay	4,960	5,000	0.8%	175,250	3405.0%		-100.0%		0.0%		0.0%		0.0%
	ISF	264,213	313,771	18.8%	296,278	-5.6%	302,204	2.0%	311,270	3.0%	320,608	3.0%	330,226	3.0%
		654,708	**763,398**	**16.6%**	**924,359**	21.1%	**762,677**	-17.5%	**784,909**	2.9%	**805,940**	2.7%	**827,552**	2.7%
City Clerk:	Salaries	987,074	1,080,496	9.5%	1,046,097	-3.2%	1,060,010	1.3%	1,100,820	3.8%	1,133,845	3.0%	1,167,860	3.0%
	Project Salaries	9,450	2,700	-71.4%	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	O&M	412,419	202,303	-50.9%	330,791	63.5%	337,407	2.0%	344,155	2.0%	351,038	2.0%	358,059	2.0%
	ISF	355,457	321,721	-9.5%	345,668	7.4%	352,581	2.0%	363,159	3.0%	374,054	3.0%	385,275	3.0%
		1,764,400	**1,607,220**	**-8.9%**	**1,722,556**	7.2%	**1,749,998**	1.6%	**1,808,134**	3.3%	**1,858,937**	2.8%	**1,911,194**	2.8%
City Attorney (Contract)		**887,250**	**815,000**	**-8.1%**	**950,000**	16.6%	**969,000**	2.0%	**988,380**	2.0%	**1,008,148**	2.0%	**1,028,311**	2.0%

FIVE-YEAR EXPENDITURE PROJECTION – GENERAL FUND

		24-25 Actuals	25-26 Revised	% Change	26-27 Proposed	% Change	27-28 Projection	% Change	28-29 Projection	% Change	29-30 Projection	% Change	30-31 Projection	% Change
Finance	Salaries	3,079,449	3,234,760	5.0%	3,190,033	-1.4%	3,232,460	1.3%	3,356,910	3.9%	3,457,617	3.0%	3,561,346	3.0%
	Project Salaries	2,360	176,326	7371.4%	200,819	13.9%	203,490	1.3%	211,324	3.9%	217,664	3.0%	224,194	3.0%
	O&M	258,378	279,925	8.3%	276,593	-1.2%	282,125	2.0%	287,767	2.0%	293,523	2.0%	299,393	2.0%
	Capital Outlay	-	33,000	0.0%	-									
	ISF	738,644	787,180	6.6%	754,663	-4.1%	769,756	2.0%	792,849	3.0%	816,634	3.0%	841,133	3.0%
		4,078,831	**4,511,191**	**10.6%**	**4,422,108**	-2.0%	**4,487,831**	1.5%	**4,648,851**	3.6%	**4,785,439**	2.9%	**4,926,067**	2.9%
HR	Salaries	1,246,127	1,136,730	-8.8%	1,464,438	28.8%	1,483,915	1.3%	1,541,046	3.8%	1,587,277	3.0%	1,634,895	3.0%
	Project Salaries	9,030	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	O&M	712,544	1,457,028	104.5%	911,570	-37.4%	929,801	2.0%	948,397	2.0%	967,365	2.0%	986,713	2.0%
	Capital Outlay		-	0.0%	-									
	ISF	259,652	337,706	30.1%	346,063	2.5%	352,984	2.0%	363,574	3.0%	374,481	3.0%	385,715	3.0%
		2,227,353	**2,931,464**	**31.6%**	**2,722,071**	-7.1%	**2,766,701**	1.6%	**2,853,017**	3.1%	**2,929,124**	2.7%	**3,007,324**	2.7%
Planning:	Salaries	1,911,552	2,236,234	17.0%	2,041,386	-8.7%	2,068,536	1.3%	2,148,175	3.9%	2,212,620	3.0%	2,278,999	3.0%
	Project Salaries	55,854	10,500	-81.2%	29,616	182.1%	30,010	1.3%	31,165	3.9%	32,100	3.0%	33,063	3.0%
	O&M	417,323	803,439	92.5%	649,035	-19.2%	662,016	2.0%	675,256	2.0%	688,761	2.0%	702,536	2.0%
	ISF	791,037	824,955	4.3%	792,505	-3.9%	808,355	2.0%	832,606	3.0%	857,584	3.0%	883,311	3.0%
	Capital Outlay			0.0%	-									
		3,175,766	**3,875,128**	**22.0%**	**3,512,542**	-9.4%	**3,568,917**	1.6%	**3,687,202**	3.3%	**3,791,066**	2.8%	**3,897,910**	2.8%
Code Enforcement	Salaries	951,653	884,173	-7.1%	1,213,151	37.2%	1,229,286	1.3%	1,276,613	3.9%	1,314,912	3.0%	1,354,359	3.0%
	Project Salaries		-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	O&M	132,326	291,360	120.2%	276,360	-5.1%	281,887	2.0%	287,525	2.0%	293,275	2.0%	299,141	2.0%
	Capital Outlay	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	ISF	286,831	370,952	29.3%	412,991	11.3%	421,251	2.0%	433,888	3.0%	446,905	3.0%	460,312	3.0%
		1,370,810	**1,546,485**	**12.8%**	**1,902,502**	23.0%	**1,932,424**	1.6%	**1,998,027**	3.4%	**2,055,092**	2.9%	**2,113,812**	2.9%
Building & Safety	Salaries	2,368,568	2,524,496	6.6%	2,417,475	-4.2%	2,449,627	1.3%	2,543,938	3.9%	2,620,256	3.0%	2,698,864	3.0%
	Project Salaries		-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	O&M	278,975	422,246	51.4%	572,246	35.5%	583,691	2.0%	595,365	2.0%	607,272	2.0%	619,417	2.0%
	Capital Outlay		-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	ISF	612,491	646,979	5.6%	600,040	-7.3%	612,041	2.0%	630,402	3.0%	649,314	3.0%	668,794	3.0%
		3,260,034	**3,593,721**	**10.2%**	**3,589,761**	-0.1%	**3,645,359**	1.5%	**3,769,705**	3.4%	**3,876,842**	2.8%	**3,987,075**	2.8%

FIVE-YEAR EXPENDITURE PROJECTION – GENERAL FUND

		24-25 Actuals	25-26 Revised	% Change	26-27 Proposed	% Change	27-28 Projection	% Change	28-29 Projection	% Change	29-30 Projection	% Change	30-31 Projection	% Change
Land Development:	Salaries	1,469,026	1,537,167	4.6%	2,006,977	30.6%	2,033,670	1.3%	2,111,966	3.9%	2,175,325	3.0%	2,240,585	3.0%
	Project Salaries	19,324	23,425	21.2%	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	O&M	81,792	97,076	18.7%	51,800	-46.6%	52,836	2.0%	53,893	2.0%	54,971	2.0%	56,070	2.0%
	Capital Outlay	-	-	0.0%	-	0.0%		0.0%		0.0%		0.0%		0.0%
	ISF	551,935	606,887	10.0%	647,943	6.8%	660,902	2.0%	680,729	3.0%	701,151	3.0%	722,185	3.0%
		2,122,077	**2,264,555**	**6.7%**	**2,706,720**	19.5%	**2,747,408**	1.5%	**2,846,588**	3.6%	**2,931,446**	3.0%	**3,018,840**	3.0%
Public Works:	Salaries	3,140,812	3,437,163	9.4%	3,539,254	3.0%	3,586,326	1.3%	3,724,400	3.9%	3,836,132	3.0%	3,951,216	3.0%
	Project Salaries	29,646	71,056	139.7%	69,142	-2.7%	70,062	1.3%	72,759	3.9%	74,942	3.0%	77,190	3.0%
	O&M	2,457,831	3,282,921	33.6%	3,171,172	-3.4%	3,234,595	2.0%	3,299,287	2.0%	3,365,273	2.0%	3,432,579	2.0%
	Capital Outlay	-	-	0.0%		0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	ISF	1,988,356	2,044,935	2.8%	2,172,677	6.2%	2,216,131	2.0%	2,282,614	3.0%	2,351,093	3.0%	2,421,626	3.0%
		7,616,645	**8,836,075**	**16.0%**	**8,952,245**	1.3%	**9,107,114**	1.7%	**9,379,060**	3.0%	**9,627,439**	2.6%	**9,882,610**	2.7%
CIP Admin:	Salaries	2,632,454	2,777,958	5.5%	2,364,443	-14.9%	2,395,890	1.3%	2,488,132	3.9%	2,562,776	3.0%	2,639,659	3.0%
	Project Salaries		-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	O&M	30,529	49,748	63.0%	50,000	0.5%	51,000	2.0%	52,020	2.0%	53,060	2.0%	54,122	2.0%
	Capital Outlay	33,395	-	-100.0%	-	0.0%								
	ISF	550,561	614,657	11.6%	552,661	-10.1%	563,714	2.0%	580,626	3.0%	598,044	3.0%	615,986	3.0%
		3,246,939	**3,442,363**	**6.0%**	**2,967,104**	-13.8%	**3,010,604**	1.5%	**3,120,778**	3.7%	**3,213,881**	3.0%	**3,309,766**	3.0%
Parks Maint	Salaries	1,376,562	1,493,350	8.5%	1,453,409	-2.7%	1,472,739	1.3%	1,529,440	3.9%	1,575,323	3.0%	1,622,583	3.0%
	Project Salaries	76,865	122,105	58.9%	126,557	3.6%	128,240	1.3%	133,177	3.9%	137,173	3.0%	141,288	3.0%
	O&M	4,151,329	4,199,054	1.1%	4,295,227	2.3%	4,381,132	2.0%	4,468,754	2.0%	4,558,129	2.0%	4,649,292	2.0%
	Capital Outlay	96,451	-	-100.0%	-	0.0%		0.0%		0.0%		0.0%		0.0%
	ISF	438,336	675,281	54.1%	683,546	1.2%	697,217	2.0%	718,133	3.0%	739,677	3.0%	761,868	3.0%
		6,139,543	**6,489,790**	**5.7%**	**6,558,739**	1.1%	**6,679,328**	1.8%	**6,849,505**	2.5%	**7,010,302**	2.3%	**7,175,030**	2.3%
Police:	Salaries	2,719	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	Project Salaries	26,317	17,512	-33.5%	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	Contract	40,781,766	43,959,855	7.8%	48,735,746	10.9%	51,256,977	5.2%	53,782,091	4.9%	56,494,875	5.0%	59,346,740	5.0%
	O&M-contract	702,933	1,708,464	143.0%	803,262	-53.0%	827,488	3.0%	852,514	3.0%	878,369	3.0%	905,080	3.0%
	Capital Outlay	-	199,914	0.0%	85,000	-57.5%	85,000	0.0%	85,000	0.0%	85,000	0.0%	85,000	0.0%
	ISF	567,015	678,823	19.7%	705,738	4.0%	719,853	2.0%	741,448	3.0%	763,692	3.0%	786,603	3.0%
	O&M	846,515	1,032,813	22.0%	1,093,331	5.9%	1,115,197	2.0%	1,137,501	2.0%	1,160,251	2.0%	1,183,456	2.0%
		42,927,265	**47,597,381**	**10.9%**	**51,423,077**	8.0%	**54,004,515**	5.0%	**56,598,555**	4.8%	**59,382,187**	4.9%	**62,306,879**	4.9%

FIVE-YEAR EXPENDITURE PROJECTION – GENERAL FUND

		24-25 Actuals	25-26 Revised	% Change	26-27 Proposed	% Change	27-28 Projection	% Change	28-29 Projection	% Change	29-30 Projection	% Change	30-31 Projection	% Change
Fire	Capital outlay	-	25,065	0.0%	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	Salaries	627,941	773,731	23.2%	787,490	1.8%	797,964	1.3%	828,685	3.9%	853,546	3.0%	879,152	3.0%
	Project Salaries	28,265	20,000	-29.2%	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Contract	Fire Suppression	5,244,559	8,416,234	60.5%	9,443,010	12.2%	10,235,742	8.4%	11,072,932	8.2%	12,156,866	9.8%	13,089,947	7.7%
Contract	Fire Prevention	1,061,075	1,555,818	46.6%	1,555,818	0.0%	1,633,609	5.0%	1,715,289	5.0%	1,801,054	5.0%	1,891,107	5.0%
	O&M	721,697	1,070,655	48.4%	998,203	-6.8%	515,855	-48.3%	526,172	2.0%	536,695	2.0%	547,429	2.0%
	ISF	699,997	810,042	15.7%	865,111	6.8%	882,413	2.0%	908,886	3.0%	936,152	3.0%	964,237	3.0%
		8,383,534	**12,671,544**	**51.1%**	**13,649,632**	7.7%	**14,065,582**	3.0%	**15,051,964**	7.0%	**16,284,313**	8.2%	**17,371,871**	6.7%
Animal Control		342,427	380,764	11.2%	325,797	-14.4%	329,055	1.0%	332,346	1.0%	335,669	1.0%	339,026	1.0%
Animal Control - Debt Service		68,000	140,051	106.0%	137,727	-1.7%	139,104	1.0%	140,495	1.0%	141,900	1.0%	143,319	1.0%
		410,427	**520,815**	**26.9%**	**463,524**	**-11.0%**	**468,159**	**1.0%**	**472,841**	**1.0%**	**477,569**	**1.0%**	**482,345**	**1.0%**
Non-Departmental:														
Retiree Medical Contribution		1,172,649	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
PERs Replacement Benefit		87,817	91,800	4.5%	93,636	2.0%	95,509	2.0%	97,419	2.0%	99,367	2.0%	101,355	2.0%
Projected Pension UAL Savings			(3,477,724)	0.0%		-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Capital Project O&M Costs			-	0.0%		0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Staffing Continuity Reserve			442,100	0.0%	400,000	-9.5%	200,000	-50.0%	200,000	0.0%	200,000	0.0%	200,000	0.0%
Capital Outlay-SBITA		138,633	-	-100.0%		0.0%		0.0%		0.0%		0.0%		0.0%
Prop. Tax Admin		65,267	93,600	43.4%	75,000	-19.9%	78,000	4.0%	81,120	4.0%	84,365	4.0%	87,739	4.0%
		1,464,366	**(2,850,224)**	**-294.6%**	**568,636**	-120.0%	**373,509**	-34.3%	**378,539**	1.3%	**383,732**	1.4%	**389,094**	1.4%
Total General Fund Expenditures		**95,014,876**	**104,350,751**	**9.8%**	**112,494,154**	**7.8%**	**115,881,137**	**3.0%**	**120,957,923**	**4.4%**	**126,300,202**	**4.4%**	**131,675,824**	**4.3%**

Summary by Category

Salaries/Benefits	23,115,090	24,667,820	6.7%	24,987,806	1.3%	25,320,144	1.3%	26,294,969	3.8%	27,083,818	3.0%	27,896,333	3.0%
Pension UAL Savir	0	-3,477,724		0	-100.0%	0		0		0		0	
Project Salaries	277,255	567,386	104.6%	447,991	-21.0%	453,949	1.3%	471,426	3.8%	485,569	3.0%	500,136	3.0%
O&M	12,987,767	15,806,579	21.7%	15,394,586	-2.6%	15,191,730	-1.3%	15,487,083	1.9%	15,788,296	1.9%	16,095,486	1.9%
ISF	9,245,259	10,255,840	10.9%	10,297,049	0.4%	10,502,990	2.0%	10,818,080	3.0%	11,142,622	3.0%	11,476,901	3.0%
Capital Outlay	134,806	262,979	95.1%	260,250	-1.0%	85,000	-67.3%	85,000	0.0%	85,000	0.0%	85,000	0.0%
Fire Contract Prev	6,305,634	9,972,052	58.1%	10,998,828	10.3%	11,869,351	7.9%	12,788,221	7.7%	13,957,920	9.1%	14,981,053	7.3%
Police Contract	41,484,699	45,668,319	10.1%	49,539,008	8.5%	52,084,465	5.1%	54,634,605	4.9%	57,373,244	5.0%	60,251,820	5.0%
Non-Departmenta	1,464,366	627,500	-57.1%	568,636	-9.4%	373,509	-34.3%	378,539	1.3%	383,732	1.4%	389,094	1.4%
	95,014,876	104,350,751	9.8%	112,494,154	7.8%	115,881,137	3.0%	120,957,923	4.4%	126,300,202	4.4%	131,675,824	4.3%

FIVE-YEAR FINANCIAL PROJECTION – MEASURE S FUND

	2024-25 Actuals	2025-26 Revised	2026-27 Proposed	2027-28 Projection	2028-29 Projection	2029-30 Projection	2030-31 Projection
Revenue							
Sales Tax	37,475,912	37,621,488	38,980,154	40,149,559	41,354,045	42,594,667	43,872,507
Investment Interest	2,397,423	1,728,370	1,728,370	1,780,221	1,833,628	1,888,637	1,945,296
Total Revenue	**39,873,335**	**39,349,858**	**40,708,524**	**41,929,780**	**43,187,673**	**44,483,303**	**45,817,802**
% Growth over Prior Year	-0.3%	-1.3%	1.7%	3.0%	3.0%	3.0%	3.0%
Transfers Out - Operating Expenditures							
Public Safety							
Sheriff Staffing	4,757,194	5,178,099	5,540,561	5,817,641	6,108,606	6,414,078	6,734,886
Fire Staffing (Station 95)	977,292	1,072,490	1,083,188	1,137,347	1,194,215	1,253,926	1,316,622
Public Safety Subsidy		-	17,000,000	6,000,000	7,000,000	8,000,000	8,000,000
Fire - ISF (4 Inspect. Vehicles & Ladder Truck)	170,390	152,236	152,236	152,236	20,562	5,320	5,320
IT - Citywide Security Cameras O&M	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Asset Management							
Reserve Fund Contribution - Street Maintenance Fund (103)	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Reserve Fund Contribution - Facilities Replacement Fund (350)	2,500,000	1,250,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
General Services							
TCSD Operations (subsidy)	15,864,726	14,331,992	14,675,947	14,992,340	15,621,807	16,168,295	16,732,288
Library (subsidy)	1,127,563	1,308,073	1,774,877	1,828,123	1,882,967	1,939,456	1,997,640
Public Works - Enhanced Custodial Svcs	91,049	93,780	96,594	99,492	102,476	105,551	108,717
Total Operating Expenditures	**27,788,214**	**24,686,670**	**44,123,403**	**33,827,179**	**35,730,633**	**37,686,625**	**38,695,473**
% Growth over Prior Year	15.1%	-11.2%	28.7%	-23.3%	5.6%	5.5%	2.7%
Excess of Revenues Over/(Under) Operating Expenditures	12,085,121		(3,414,879)	8,102,600	7,457,040	6,796,678	7,122,330

FIVE-YEAR FINANCIAL PROJECTION – MEASURE S FUND

		2024-25 Actuals	2025-26 Revised	2026-27 Proposed	2027-28 Projection	2028-29 Projection	2029-30 Projection	2030-31 Projection
Transfers Out - Capital Improvement Program								
612	ADA Transition Plan Implementation	9,193	393,694	78,660	78,660	78,660	78,660	78,660
790	Auto Mall Wayfinding Signs	67,525	667,693					
768	Bike Lane and Trail Program - Great Oak Trail Lighting		352,808					
793	Bike Land and Trail Program - Ronald Reagan Sports Park Trails	12,497	-					
720	Bike Lane and Trail Program - Temecula Creek South Side Trail	56,126	192,161					
PW23-10	Bike Lane Upgrades - Citywide		49,900					
524	Cherry Street Extension and Murrieta Creek Low-Flow Crossing		-					
779	City Facility Security Improvements	42,754	107,246					
711	Citywide Security Cameras		(297,477)					
	Citywide Community Wildfire Protection Plan		771,000					
722	Citywide Drainage Master Plan	171,188	198,165					
688	Citywide Streetlight Acquisition LED Conversion	(32,553)	(0)					
730	Community Recreation Center Renovation	216,727	499,181					
205	CRC Splashpad and Shade Structures	862,619	31,889					
521	Diaz Road Expansion (Rancho Cal to Cherry St)	37,289	613,642					
207	Dog Park Renovation	89,514	(634)					
145	Eagle Soar Splash Pad Control System Renovation		15,000					
PW23-20	Empire Creek Improvements	18,594	452,355					
789	Fiber Optic Communication Systems - Citywide		87,850					
550	Fiber Optic Communication System Upgrades	(71,097)	-					
697	Fire Station 73 - Gym/Garage	85,854	4,398,035	1,359,712				
687	Fire Station 84 Renovations		909,210					
670	Flashing Beacons and Speed Advisory Signs	38,554	-					
127	Flood Control Channel Reconstruction and Repair	(28)	-					
726	French Valley Parkway / I-15 Interchange Improvements-Phase II	40,184	429,578	200,000				
728	French Valley Parkway / I-15 Interchange Improvements-Phase III	177,513	548,120					
690	I-15/SR79 South Interchange Enhanced Landscaping		620,306					
	La Paz Road Roundabout Reconstruction		3,009,000	800,000				
755	Local Roadway Safety Plan		35,000					
PW23-18	Long Canyon Creek Park Restrooms	273,598	1,208,905					
692	Margarita Recreation Center	40,560	95,916					

FIVE-YEAR FINANCIAL PROJECTION – MEASURE S FUND

		2024-25 Actuals	2025-26 Revised	2026-27 Proposed	2027-28 Projection	2028-29 Projection	2029-30 Projection	2030-31 Projection
Transfers Out - Capital Improvement Program								
782	Mary Phillips Senior Center Enhancement and Renovation		(70,694)					
704	Medians & Traffic Calmining Improvements - Citywide		680,000					
	Mercedes Street Sidewalk		1,400,000	350,000				
	Mike Naggar Park Pickleball Court Conversion		200,000					
648	Murrieta Creek Bridge at Overland		879,334					
735	Murrieta Creek Improvements	1,208,348	125,319					
785	Nicolas Road Multi-Use Trail Extension		150,000					
PW24-02	North General Kearny Street Improvements	72,978	-					
694	Old Town Parking Structure		405,000					
780	Old Town Security Camera and Sound System Upgrade		-					
155	Park Restrooms Expansion, Renovations and ADA Improvements	260,481	121,519					
130	Parks Improvement Program	398,782	0					
PW23-09	Pavement Management Program Update		85,020				100,000	
	Pavement Rehabilitation Program-Winchester Road		-					
PW23-11	Pedestrian Ramp Upgrades - Citywide	23,279	26,671					
518	Pedestrian Signal Equipment Upgrade - Citywide	(92,372)	-					
787	Pickleball Courts	1,393,611	(1,841)					
120	Playground Equipment Enhancement and Safety Surfacing	67,849	332,151	939,725				
786	Rainbow Canyon Road Pavement Rehabilitation	41,070	-					
791	Rancho California Road Medians	18,099	125,667					
223	RRSP Hockey Rink	27,436	1,825,896					
222	RRSP Skate Park	116,329	4,471,237					
	RRSP Trail			100,000				
739	Santa Gertrudis Creek Pedestrian/Bicycle Trail Extension and Interconnect		(319,984)					
732	Santa Gertrudis Creek Phase II - Margarita Under-Crossing	1,758,376	-					
708	Sidewalks -Citywide	507,549	115,104					
766	Sidewalks -Old Town Improvement Project		(299,719)					
555	Sidewalks -Sixth Street Improvements		-					
PWSW-02	Sidewalks - Pauba Road	132,892	696,316					
PW23-03	Sidewalks - Third Street	1,149	-					
PW22-16	Sixth Street Improvements	685,548	149,291					

FIVE-YEAR FINANCIAL PROJECTION – MEASURE S FUND

		2024-25 Actuals	2025-26 Revised	2026-27 Proposed	2027-28 Projection	2028-29 Projection	2029-30 Projection	2030-31 Projection
Transfers Out - Capital Improvement Program								
141	Sports Court Resurfacing	107,840	206,427		100,000	100,000		
113	Sports Field Lighting LED Conversion	1,100,500	264,083					
PWSD-23	Storm Drain Pipe Lining	75,983	964,931		1,870,050		1,870,050	
	Temecula Creek Fencing		-					
NEW	Temecula Duck Pond Spillway Project	1,286	-					
680	Traffic Signal Equipment Enhancement Program - Citywide	85,416	1,446,424	260,000	260,000	260,000		
682	Traffic Signal Installation – Citywide	131,702	427,056					
605	Traffic Signal Park and Ride Access Improvements	2,706	-					
PW23-12	Traffic Signal - Pedestrian Signal Equipment Upgrade Phase 2 - Citywide	5,134	74,586					
PW23-13	Traffic Signal - Safety Lights & Signal Communications Upgrade		220,000					
	Traffic Signal Fiber Optic Extension	25,515	239,485	208,150				
PW22-12	Uptown Temecula Sports Park	3,347	1,366,404					
	Utility Undergrounding - Citywide		(74,852)					
PW23-06	Vail Ranch Park Restrooms	299,771	1,067,867					
Total CIP Project Expenditures		**10,597,215**	**32,687,242**	**4,296,247**	**2,308,710**	**438,660**	**2,048,710**	**78,660**
Total Expenditures/Transfers Out		**38,385,429**	**57,373,912**	**48,419,650**	**36,135,889**	**36,169,293**	**39,735,335**	**38,774,133**
Excess of Revenues Over/(Under) Total Expenditures		1,487,906	(18,024,054)	(7,711,126)	5,793,890	7,018,380	4,747,968	7,043,670
Fund Balance, Beginning of Year		**50,449,273**	**51,937,179**	**33,913,125**	**26,201,999**	**31,995,890**	**39,014,269**	**43,762,238**
Fund Balance, End of Year		**51,937,179**	**33,913,125**	**26,201,999**	**31,995,890**	**39,014,269**	**43,762,238**	**50,805,907**

FIVE-YEAR FINANCIAL PROJECTION – TEMECULA COMMUNITY SERVICES DISTRICT FUND

	FY24-25	FY25-26		FY26-27		FY27-28		FY28-29		FY29-30		FY30-31	
	Actuals	Revised Budget	% Change	Proposed Budget	% Change	Projected Budget	% Change	Projected Budget	% Change	Projected Budget	% Change	Projected Budget	% Change
TCSD Program Revenues	3,303,682	2,997,259	-9.3%	3,039,166	1.4%	3,069,558	1.0%	3,100,254	1.0%	3,131,256	1.0%	3,162,569	1.0%
Measure C Revenues	1,894,831	1,935,718	2.2%	1,955,075	1.0%	1,974,626	1.0%	1,994,372	1.0%	2,014,316	1.0%	2,034,459	1.0%
Measure S Contribution	15,864,726	14,331,992	-9.7%	14,675,947	2.4%	14,992,340	2.2%	15,621,807	4.2%	16,168,295	3.5%	16,732,288	3.5%
Total Revenues	**21,063,238**	**19,264,970**	**-8.5%**	**19,670,188**	**2.1%**	**20,036,524**	**1.9%**	**20,716,433**	**3.4%**	**21,313,867**	**2.9%**	**21,929,316**	**2.9%**
% from Measure S	75%	74%		75%		75%		75%		76%		76%	
Expenditures by Division													
TCSD Operations	4,741,521	5,041,560	6.3%	4,657,516	-7.6%	4,793,051	2.9%	4,973,766	3.8%	5,147,262	3.5%	5,327,021	3.5%
TCSD Maintenance	1,998,927	2,096,536	4.9%	2,024,164	-3.5%	2,057,310	1.6%	2,118,984	3.0%	2,172,888	2.5%	2,228,214	2.5%
Senior & Inclusive Services	1,115,733	1,765,298	58.2%	1,718,817	-2.6%	1,742,704	1.4%	1,806,907	3.7%	1,859,520	2.9%	1,913,679	2.9%
Community Rec Center Operations	1,328,013	1,200,259	-9.6%	1,248,323	4.0%	1,265,670	1.4%	1,312,302	3.7%	1,350,515	2.9%	1,389,851	2.9%
Special Events	1,190,627	1,237,330	3.9%	1,058,550	-14.4%	1,077,934	1.8%	1,104,491	2.5%	1,129,387	2.3%	1,154,865	2.3%
TCC Operations	404,349	470,995	16.5%	549,419	16.7%	556,754	1.3%	578,112	3.8%	595,413	3.0%	613,232	3.0%
Museum & Cultural Arts	979,855	650,094	-33.7%	598,585	-7.9%	607,117	1.4%	628,884	3.6%	646,865	2.9%	665,367	2.9%
Aquatics Operations	2,293,522	2,462,636	7.4%	2,490,173	1.1%	2,524,475	1.4%	2,618,334	3.7%	2,695,047	2.9%	2,774,024	2.9%
Sports	893,405	849,154	-5.0%	768,571	-9.5%	779,417	1.4%	807,668	3.6%	830,930	2.9%	854,870	2.9%
Community Theater Operations	1,615,673	1,517,308	-6.1%	1,509,094	-0.5%	1,531,276	1.5%	1,584,285	3.5%	1,628,536	2.8%	1,674,048	2.8%
Contract Classes	1,692,791	1,538,000	-9.1%	1,398,618	-9.1%	1,423,134	1.8%	1,461,268	2.7%	1,495,922	2.4%	1,531,433	2.4%
Homeless Outreach & Prevention	1,641,371	1,691,916	3.1%	1,648,359	-2.6%	1,677,682	1.8%	1,721,432	2.6%	1,761,584	2.3%	1,802,711	2.3%
Workforce Development	435,832	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Expenditures	**20,331,619**	**20,521,086**	**0.9%**	**19,670,189**	**-4.1%**	**20,036,524**	**1.9%**	**20,716,433**	**3.4%**	**21,313,867**	**2.9%**	**21,929,315**	**2.9%**
Excess of Revenues	11%												
Over Expenditures	**731,619**	**(1,256,116)**		**-**		**-**		**-**		**-**		**-**	
Beginning Fund Balance	624,497	1,356,116		100,000		100,000		100,000		100,000		100,000	
Ending Fund Balance	**1,356,116**	**100,000**		**100,000**		**100,000**		**100,000**		**100,000**		**100,000**	

CITY OF TEMECULA
1989
OLD TRADITIONS ♦ NEW OPPORTUNITIES

FUND BALANCE SUMMARY - ALL FUNDS

	Beginning Balance 2025-26	Revenues/ Transfers In 2025-26	Expenditures/ Transfers Out 2025-26	Beginning Balance 2026-27	Revenues/ Transfers In 2026-27	Expenditures/ Transfers Out 2026-27	Ending Balance 2026-27
GENERAL FUNDS							
001: GENERAL FUND	44,254,734	119,706,013	130,651,717	33,309,030	126,785,290	130,343,408	29,750,913
002: MEASURE S FUND	51,937,180	39,349,858	57,373,912	33,913,126	40,708,524	48,419,650	26,202,000
006: FIRE FACILITY ACQUISITION FUND	4,954,636	2,173,287	5,000,000	2,127,923	1,173,287	-	3,301,210
110: COMMUNITY REINVESTMENT PROGRAM	8,806,614	80,000	8,824,494	62,120	-	-	62,120
TOTAL GENERAL FUNDS	109,953,164	161,309,159	201,850,123	69,412,199	168,667,102	178,763,058	59,316,243
SPECIAL REVENUE FUNDS							
100: GAS TAX FUND	-	3,269,427	3,269,427	-	3,329,012	3,329,012	-
102: ROAD MAINTENANCE REHABILITATION ACCOUNT (RMRA) FUND	5,001,057	3,128,263	6,907,425	1,221,896	3,307,005	2,883,697	1,645,204
103: STREET MAINTENANCE FUND	8,498,006	1,227,222	4,864,784	4,860,443	1,227,222	224,356	5,863,309
105: NPDES IN LIEU FEES FUND	311,601	19,603	155,382	175,822	19,603	-	195,425
106: UPTOWN TEMECULA NEW STREETS IN-LIEU FEES	1,648,347	48,440	500,857	1,195,930	48,440	-	1,244,370
120: DEVELOPMENT IMPACT FEES FUND	15,218,421	3,991,196	13,181,795	6,027,822	13,233,663	6,220,931	13,040,554
125: PUBLIC EDUCATION & GOVERNMENT (PEG) FUND	1,153,685	136,436	135,058	1,155,063	161,436	325,000	991,499
140: COMMUNITY DEV BLOCK GRANT FUND	(43,945)	906,825	862,880	(0)	986,807	986,807	(0)
145: TEMECULA ENERGY EFFICIENCY ASSET (TEAM) FUND	322,349	22,054	210,653	133,751	22,054	-	155,805
150: AB 2766 MOTOR VEHICLE SUBVENTION FUND	593,350	166,694	651,035	109,009	170,028	183,200	95,837
160: SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND	-	283,502	283,502	-	283,502	283,502	-
165: AFFORDABLE HOUSING FUND	11,292,614	668,091	5,031,464	6,929,241	863,091	471,516	7,320,815
170: MEASURE A FUND	10,662,925	4,242,301	13,478,087	1,427,139	4,578,301	4,467,000	1,538,439
198: PUBLIC ART FUND	305,413	16,091	15,540	305,964	12,141	118,000	200,105
TOTAL SPECIAL REVENUE FUNDS	54,963,825	18,126,145	49,547,890	23,542,080	28,242,305	19,493,021	32,291,364
TEMECULA COMMUNITY SERVICES DISTRICT (TCSD)							
190: TEMECULA COMMUNITY SERVICES DISTRICT FUND	1,356,116	19,264,970	20,521,086	100,000	19,670,189	19,670,189	100,000
191: TCSD SERVICE LEVEL "B" STREETLIGHT REPLACEMENT FUND	1,592,004	47,370	20,000	1,619,374	47,370	40,000	1,626,744
192: TCSD SERVICE LEVEL "B" STREET LIGHTS FUND	641,400	673,929	679,738	635,590	673,909	737,225	572,274
194: TCSD SERVICE LEVEL "D" REFUSE/RECYCLING FUND	737,968	10,680,929	11,279,506	139,390	11,759,698	11,899,089	(0)
195: TCSD SERVICE LEVEL "R" STREET/ROAD MAINT FUND	47,551	6,943	2,434	52,060	6,943	10,434	48,569
196: TCSD SERVICE LEVEL "L" LAKE PARK MAINT. FUND	358,276	287,841	376,576	269,541	287,434	370,364	186,610
197: TEMECULA LIBRARY FUND	254,678	1,357,507	1,512,186	100,000	1,824,161	1,824,161	100,000
501: SERVICE LEVEL"C"ZONE 1 SADDLEWOOD FUND	27,436	38,573	43,266	22,743	38,573	43,059	18,257
502: SERVICE LEVEL"C"ZONE 2 WINCHESTER CREEK FUND	151,640	47,188	61,547	137,281	47,188	62,813	121,656
503: SERVICE LEVEL"C"ZONE 3 RANCHO HIGHLANDS FUND	77,201	49,542	52,703	74,039	49,542	54,155	69,426
504: SERVICE LEVEL"C"ZONE 4 THE VINEYARDS FUND	7,330	6,577	7,796	6,112	6,577	8,048	4,641
505: SERVICE LEVEL"C"ZONE 5 SIGNET SERIES FUND	44,783	40,178	39,195	45,766	40,178	40,938	45,006
506: SERVICE LEVEL"C"ZONE 6 WOODCREST COUNTRY FUND	62,002	33,988	31,919	64,071	35,051	33,881	65,241
507: SERVICE LEVEL"C"ZONE 7 RIDGEVIEW FUND	20,575	15,845	15,380	21,040	15,845	19,620	17,265
508: SERVICE LEVEL"C"ZONE 8 VILLAGE GROVE FUND	144,321	140,940	136,905	148,356	140,940	142,709	146,586
509: SERVICE LEVEL"C"ZONE 9 RANCHO SOLANA FUND	31,436	6,123	5,172	32,387	6,123	5,747	32,763
510: SERVICE LEVEL"C"ZONE 10 MARTINIQUE FUND	19,253	10,283	9,977	19,559	10,283	10,685	19,157
511: SERVICE LEVEL"C"ZONE 11 MEADOWVIEW FUND	4,704	2,591	2,495	4,799	2,591	2,544	4,846
512: SERVICE LEVEL"C"ZONE 12 VINTAGE HILLS FUND	102,879	99,230	97,755	104,354	99,230	103,007	100,578
513: SERVICE LEVEL"C"ZONE 13 PRESLEY DEVELOP FUND	42,844	35,385	34,330	43,899	35,385	35,342	43,943
514: SERVICE LEVEL"C"ZONE 14 MORRISON HOMES FUND	16,703	15,195	14,240	17,658	15,195	16,136	16,717
515: SERVICE LEVEL"C"ZONE 15 BARCLAY ESTATES FUND	20,654	10,359	10,122	20,891	10,359	10,471	20,779
516: SERVICE LEVEL"C"ZONE 16 TRADEWINDS FUND	104,576	40,859	44,512	100,924	40,859	45,349	96,434
517: SERVICE LEVEL"C"ZONE 17 MONTE VISTA FUND	3,769	2,221	4,288	1,702	2,221	2,955	968
518: SERVICE LEVEL"C"ZONE 18 TEMEKU HILLS FUND	115,539	96,987	92,905	119,622	96,987	97,652	118,957
519: SERVICE LEVEL"C"ZONE 19 CHANTEMAR FUND	95,941	57,369	59,701	93,609	57,369	59,897	91,082
520: SERVICE LEVEL"C"ZONE 20 CROWNE HILL FUND	329,470	188,033	180,145	337,358	188,033	184,965	340,425
521: SERVICE LEVEL"C"ZONE 21 VAIL RANCH FUND	228,368	234,762	235,285	227,846	234,762	243,563	219,045
522: SERVICE LEVEL"C"ZONE 22 SUTTON PLACE FUND	15,176	4,864	7,305	12,736	4,864	7,447	10,153
523: SERVICE LEVEL"C"ZONE 23 PHEASENT RUN	35,885	9,539	8,591	36,833	9,539	8,783	37,589
524: SERVICE LEVEL"C"ZONE 24 HARVESTON FUND	79,617	163,138	161,755	81,001	163,138	170,503	73,636

FUND BALANCE SUMMARY - ALL FUNDS

	Beginning Balance 2025-26	Revenues/ Transfers In 2025-26	Expenditures/ Transfers Out 2025-26	Beginning Balance 2026-27	Revenues/ Transfers In 2026-27	Expenditures/ Transfers Out 2026-27	Ending Balance 2026-27
525: SERVICE LEVEL"C"ZONE 25 SERENA HILLS FUND	105,796	47,061	55,800	97,057	47,061	57,333	86,786
526: SERVICE LEVEL"C"ZONE 26 GALLERY TRADITION FUND	3,067	2,253	2,170	3,150	2,253	2,219	3,184
527: SERVICE LEVEL"C"ZONE 27 AVONDALE FUND	15,020	9,476	10,212	14,284	9,476	10,384	13,376
528: SERVICE LEVEL"C"ZONE 28 WOLF CREEK FUND	243,891	240,733	239,997	244,628	240,733	246,749	238,612
529: SERVICE LEVEL"C"ZONE 29 GALLERY PORTRAIT FUND	14,189	5,443	4,005	15,628	5,608	6,093	15,143
530: SERVICE LEVEL"C"ZONE 30 FUTURE ZONES FUND	36,062	1,263	-	37,325	1,263	-	38,589
TOTAL TCSD	7,188,121	33,975,490	36,060,999	5,102,612	35,926,933	36,284,510	4,745,036
SUCCESSOR AGENCY TO THE TEMECULA REDEVELOPMENT AGENCY (SARDA)							
380: SARDA DEBT SERVICE FUND	(30,392,177)	7,124,988	7,406,655	(30,673,844)	6,409,326	7,422,458	(31,686,976)
TOTAL SARDA	(30,392,177)	7,124,988	7,406,655	(30,673,844)	6,409,326	7,422,458	(31,686,976)
INTERNAL SERVICE FUNDS							
300: INSURANCE FUND	2,460,104	3,853,042	3,750,317	2,562,829	3,891,654	3,891,654	2,562,829
305: WORKERS' COMPENSATION FUND	1,676,027	627,598	695,835	1,607,789	330,049	627,245	1,310,593
310: VEHICLES AND EQUIPMENT FUND	5,672,783	631,670	935,978	5,368,475	675,712	924,527	5,119,660
320: INFORMATION TECHNOLOGY FUND	1,037,997	7,127,726	6,926,918	1,238,806	7,066,816	7,066,816	1,238,806
325: TECHNOLOGY REPLACEMENT FUND	4,865,314	440,721	1,014,491	4,291,543	356,323	526,158	4,121,708
330: SUPPORT SERVICES FUND	144	466,201	446,201	20,144	447,700	447,700	20,143
335: SUPPORT SERVICES REPLACEMENT FUND	425,293	43,610	72,200	396,703	37,719	72,200	362,222
340: FACILITIES FUND	24,000	1,674,946	1,696,104	2,842	1,761,841	1,756,842	7,842
350: FACILITY REPLACEMENT FUND	5,451,771	1,483,305	3,326,521	3,608,555	2,835,565	1,945,434	4,498,686
TOTAL INTERNAL SERVICE FUNDS	21,613,433	16,348,818	18,864,565	19,097,686	17,403,378	17,258,576	19,242,488
CAPITAL IMPROVEMENT PROGRAM							
210: CAPITAL IMPROVEMENT PROGRAM FUND	10,821,039	168,255,832	171,056,022	8,020,849	19,984,411	20,537,261	7,467,999
TOTAL CAPITAL IMPROVEMENT PROGRAM	10,821,039	168,255,832	171,056,022	8,020,849	19,984,411	20,537,261	7,467,999
PENSION TRUST							
700: CERBT CALIFORNIA EE RETIREE-GASB45	22,982,940	-	1,726,931	21,256,009	-	1,726,931	19,529,078
701: PENSION RATE STABILIZATION FUND	6,424,485	-	5,005,000	1,419,485	7,500,000	-	8,919,485
TOTAL PENSION TRUST	29,407,425	-	6,731,931	22,675,494	7,500,000	1,726,931	28,448,563
Grand Total	**203,554,829**	**405,140,432**	**491,518,183**	**117,177,077**	**284,133,455**	**281,485,815**	**119,824,716**

DETAIL OF MAJOR REVENUE SOURCES - ALL FUNDS

	General Fund/ Measure S	Special Revenue/ Debt Funds	TCSD Citywide Operations	TCSD Service Levels	Internal Service Funds	SARDA	Total Revenues
Taxes and Franchises							
Property Tax	12,907,422						12,907,422
Sales Tax	50,186,189						50,186,189
Sales Tax Sharing Agreement	(1,865,655)						(1,865,655)
Transactions And Use Tax	38,980,154						38,980,154
Franchise Fees	4,100,000						4,100,000
Transient Occupancy Tax	3,841,603						3,841,603
Special Tax (Measure C)	2,110,500		1,955,076				4,065,576
Gas Tax		6,434,939					6,434,939
Redevelopment Property Tax Fund Distribution						6,243,697	6,243,697
PEG Fees		125,000					125,000
Total Taxes and Franchises	**110,260,213**	**6,559,939**	**1,955,076**			**6,243,697**	**125,018,925**
Licenses, Permits and Service Charges							
Quimby Fees		997,030					997,030
Land Development	2,185,627						2,185,627
Police	76,652						76,652
Printing & Copies			13,442				13,442
Harveston Lake Boat Revenue				7,500			7,500
Aquatics			337,650				337,650
Sports Leagues & Tournaments			271,375				271,375
Recycling Program				27,553			27,553
Development Fees	203,390						203,390
Public Art		2,350					2,350
Development Impact Fees		11,656,008					11,656,008
Business Licenses	292,257						292,257
Building	2,805,612						2,805,612
Planning	635,515						635,515
Fire	1,048,394						1,048,394
Contract Classes			1,200,000				1,200,000
Classes/Activities			64,500				64,500
Facility Rentals			419,081				419,081
Museum Admissions			95,100				95,100
Theater Admissions			297,000				297,000
Day Camps			120,450				120,450
Assessments				14,218,378			14,218,378
Charges For Services	950				14,113,811		14,114,761
Total Licenses, Permits and Service Charges	**7,248,397**	**12,655,387**	**2,818,598**	**14,253,431**	**14,113,811**		**51,089,624**
Fines and Forfeitures							
Fines & Forfeitures	467,627		10,178				477,805
Total Fines and Forfeitures	**467,627**		**10,178**				**477,805**
Use of Money and Property							
Lease/Rental Income	266,631		16,540				283,171
Other	78,082	375,000					453,082
Investment Interest	3,659,224	1,701,838	22,049	173,152	489,567	165,629	6,211,458
Total Use of Money and Property	**4,003,937**	**2,076,838**	**38,589**	**173,152**	**489,567**	**165,629**	**6,947,710**

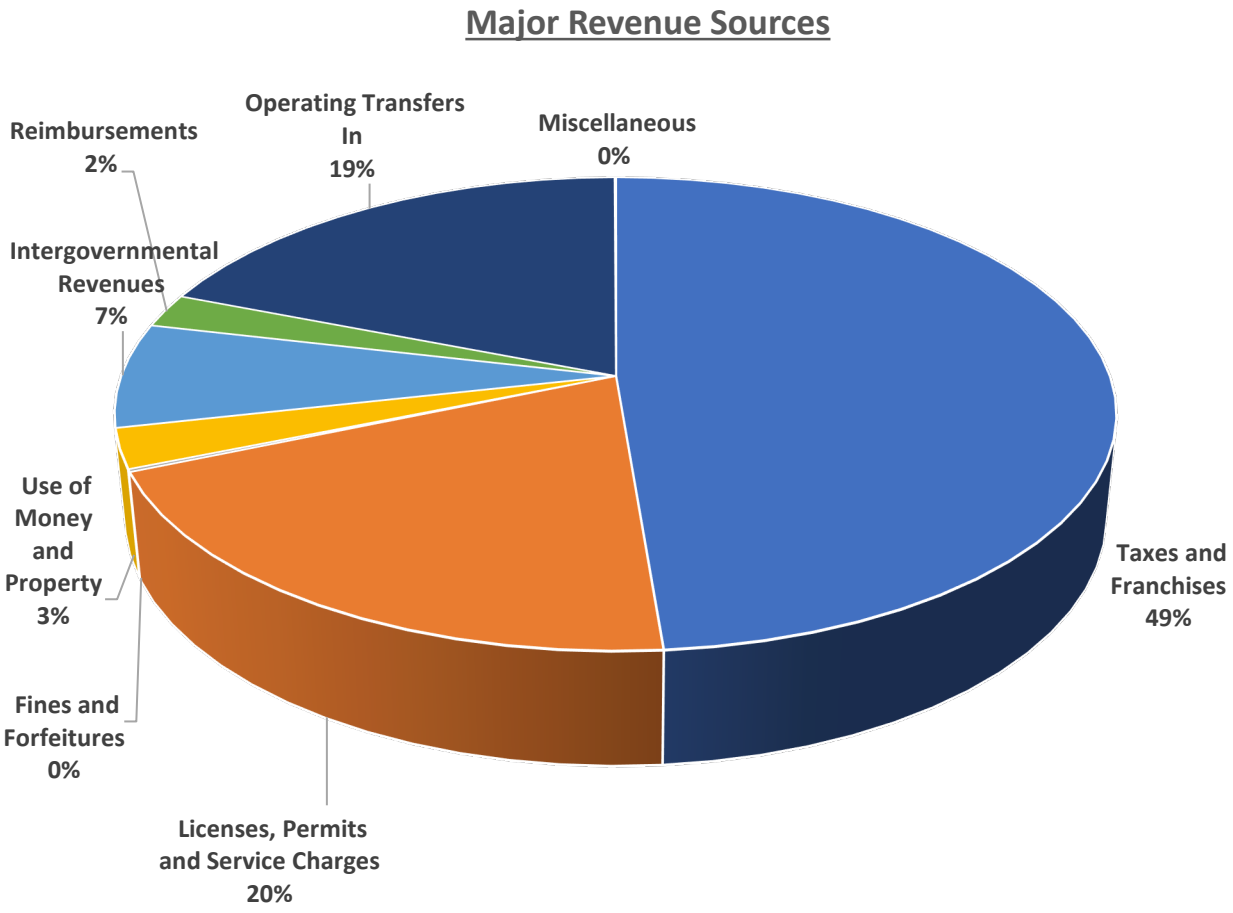
DETAIL OF MAJOR REVENUE SOURCES - ALL FUNDS

	General Fund/ Measure S	Special Revenue/ Debt Funds	TCSD Citywide Operations	TCSD Service Levels	Internal Service Funds	SARDA	Total Revenues
Intergovernmental Revenues							
Property Tax In Lieu Of VLF	12,188,015						12,188,015
Vehicle License Fees	169,442						169,442
Grants	16,000						16,000
Community Development Block Grant		986,807					986,807
AB2766 Motor Vehicle Subvention		153,334					153,334
Agency Trust Contribution		250,000					250,000
SLESF Grant		280,000					280,000
Measure A		4,280,000					4,280,000
Total Intergovernmental Revenues	**12,373,457**	**5,950,141**					**18,323,598**
Reimbursements							
Capital Improvement Program	2,790,884						2,790,884
Pechanga IGA	1,396,498						1,396,498
Other Reimbursements	1,591,397		131,510				1,722,907
Total Reimbursements	**5,778,779**		**131,510**				**5,910,289**
Operating Transfers In							
Operating Transfers In	4,612,514						4,612,514
Contribution From Measure S	23,872,579	1,000,000	16,450,824		2,800,000		44,123,403
Total Operating Transfers In	**28,485,093**	**1,000,000**	**16,450,824**		**2,800,000**		**48,735,917**
Miscellaneous	49,599		89,576	6,000			145,175
Total Miscellaneous	**49,599**		**89,576**	**6,000**			**145,175**
Total Revenues and Other Sources	**168,667,102**	**28,242,305**	**21,494,351**	**14,432,583**	**17,403,378**	**6,409,326**	**256,649,044**

DETAIL OF MAJOR REVENUE SOURCES - ALL FUNDS

	General Fund/ Measure S	Special Revenue/ Debt Funds	TCSD Citywide Operations	TCSD Service Levels	Internal Service Funds	SARDA	Total Revenues
Taxes and Franchises	110,260,213	6,559,939	1,955,076			6,243,697	125,018,925
Licenses, Permits and Service Charges	7,248,397	12,655,387	2,818,598	14,253,431	14,113,811		51,089,624
Fines and Forfeitures	467,627		10,178				477,805
Use of Money and Property	4,003,937	2,076,838	38,589	173,152	489,567	165,629	6,947,710
Intergovernmental Revenues	12,373,457	5,950,141					18,323,598
Reimbursements	5,778,779		131,510				5,910,289
Operating Transfers In	28,485,093	1,000,000	16,450,824		2,800,000		48,735,917
Miscellaneous	49,599		89,576	6,000			145,175
Total Revenues and Other Sources	**168,667,102**	**28,242,305**	**21,494,351**	**14,432,583**	**17,403,378**	**6,409,326**	**256,649,044**
Total Revenues less Interfund Transfers*							**207,913,127**

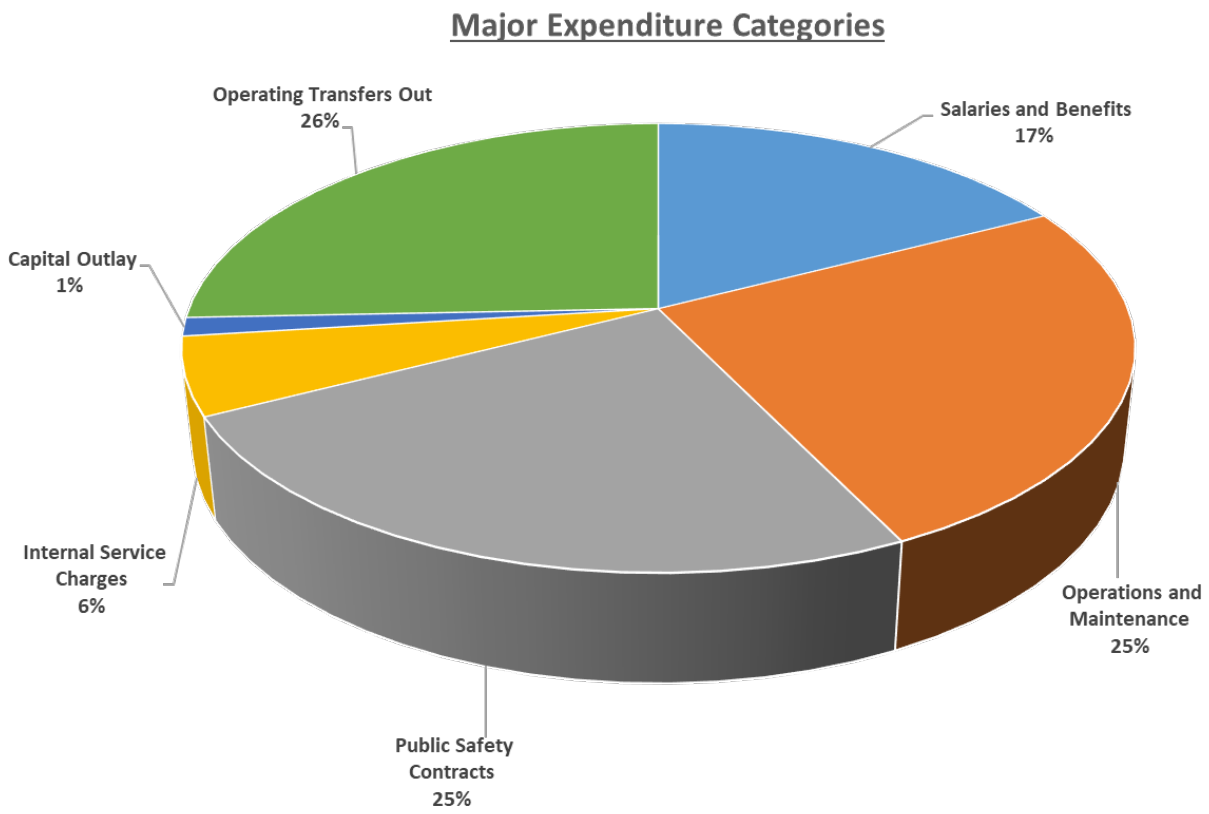
** Interfund Transfers are eliminated at the Citywide level*



DETAIL OF MAJOR EXPENDITURE CATEGORIES - ALL FUNDS

	General Funds	Special Revenue/ Debt Funds	TCSD Citywide Operations	TCSD Service Levels	Internal Service Funds	SARDA	Total Expenditures
Salaries and Benefits	25,435,796		12,250,598	323,280	4,741,828		42,751,502
Operations and Maintenance	25,302,476		5,834,656	14,426,237	9,758,652	7,172,458	62,494,479
Public Safety Contracts	60,537,837						60,537,837
Internal Service Charges	10,297,049		3,409,096	40,643			13,746,788
Capital Outlay	270,250				2,758,096	250,000	3,278,346
Operating Transfers Out	56,919,650	4,570,601			1,550,000		63,040,251
Total Expenditures	**178,763,058**	**4,570,601**	**21,494,350**	**14,790,160**	**18,808,576**	**7,422,458**	**245,849,203**
Total Expenditures less Interfund Transfers*							**182,808,952**

** Interfund Transfers are eliminated at the Citywide level*



MAJOR REVENUE SOURCES

All revenue estimates are developed using historical trend data and estimates of commercial and residential construction, assessed valuation, retail sales, population, changes in consumer price indexes, and general economic factors. Property tax revenue estimates are derived with input from an outside consultant, and considers estimated changes on the tax levy, property sales, appeals, and real property improvements. Sales tax revenue estimates are also derived with the input from an outside consultant, and considers factors such as new and closed retailers, business types, population changes, price fluctuations and the general economy. Licenses, permits, and service charges are estimated using building forecasts of the development community, changes in consumer price indexes, established fees for services and program, and historical trend data. The revenue estimates for Transient Occupancy Taxes are derived using average room rates, projected changes in room occupancy, special events, and feedback from Visit Temecula Valley.

Taxes and Franchises – 49% of Total Revenue

Sales and Use Tax: The largest revenue source for the City of Temecula is Sales and Use Tax, including the City's Transactions and Use Tax, Measure S. In accordance with the California Revenue and Taxation Code, the State of California imposes a 7.25% sales and use tax on all taxable sales in the City, of which 1% is allocated to the City of Temecula. In 2016, City residents approved Measure S to establish an additional one percent Transactions and Use Tax revenue. This new tax became effective April 1, 2017. The City established the Measure S Fund to account for the fiscal activities related to this new revenue source. In addition, Riverside County voters approved Measure A in 1988, and again in 2002, to establish a half-cent Sales Tax dedicated to transportation funding. Measure A revenue is recorded in a separate Special Revenue Fund and is categorized as Intergovernmental Revenues. Currently, the total Sales Tax rate within the City is 8.75%

The City of Temecula serves as a regional shopping hub with the Promenade Mall, Old Town, and an Auto Mall. Sales and Use Tax revenue is projected to increase by 1.9% over the prior fiscal year to $48,320,534.

The City continues to maintain a strong and diverse sales tax base by promoting economic development in areas such as manufacturing, light industrial, and retail businesses. Temecula continues to exceed the State, County, and surrounding areas with respect to sales per capita.

The Measure S Transactions and Use Tax is estimated to yield $38,980,154 which is a 3.6% increase over the prior year, consistent with projected growth in Sales Tax. Historically, Measure S receipts have averaged 80% of Sales Tax receipts.

Property Tax: Per Proposition 13, passed by California voters in 1978, the ad valorem Property Tax is assessed at 1% of the assessed valuation of real property, as determined by the County Assessor's Office. The City is projecting Property Tax revenues to increase by 4.3% to a total of $12,907,422 due to the steady housing market, which still shows signs of low inventory and increasing home values.

Transient Occupancy Tax (TOT): The City of Temecula collects an 8% tax on the amount of transient (30 days or less) lodging rentals. TOT revenue is expected to decrease by 2.0% over the prior year, with a total of $3,841,603.

MAJOR REVENUE SOURCES

Licenses, Permits and Service Charges – 20% of Total Revenue

The California Government Code and State Constitution authorize the City to assess certain license and permit fees as a means of recovering the cost of regulating various activities. Examples include building permits and business licenses. The City also assesses service charges for the Community Services District on recreation programs and facility rentals. Charges for Services also reflect the allocation of costs to departments from the Internal Service Funds, which include Workers' Compensation, Vehicle and Equipment Replacement, Information Technology, Technology Replacement, Support Services, Support Services Replacement, Facility Operations, and Facility Replacement.

In Fiscal Year 2026-27 Licenses, Permits and Service Charges revenue is projected to be $51,089,624. This category varies from year-to-year, primarily due to development-related revenue.

Intergovernmental Revenues – 7% of Total Revenue

Intergovernmental Revenues reflect revenue received from other governmental agencies, including: Property Tax distributions from the County for the Successor Agency to the Redevelopment Agency for administration ($250,000); Vehicle License Fees ($169,442); Property Tax in Lieu of Vehicle License Fees ($12,188,015); Public Safety, Recycling, and Community Development Block Grants ($1,436,141); and Measure A transportation revenue ($4,280,000). The estimated intergovernmental revenue is projected to be $18,323,598.

Operating Transfers – 19% of Total Revenue

This category consists of operating transfers between funds. The estimated operating transfers for Fiscal Year 2026-27 totals $48,735,917. Significant transfers from the Measure S Fund include $16,450,824 to TCSD Operations and Library and $23,872,579 to the General Fund to support operations within these funds. Additionally, Measure S transfers include deposits into the City's Asset Management Funds in the amount of $2,500,000 to supplement the existing balances in these replacement funds, and $1,000,000 to the Street Maintenance Fund. Other significant transfers include monies from the Gas Tax Fund to the General Fund in the amount of $3,329,012. Gas tax revenues are required to be recorded in a Special Revenue Fund and then transferred to support street and road maintenance costs reflected in the General Fund. Supplemental Law Enforcement Services grant revenue of $283,502 is transferred to the General Fund to support law enforcement expenditures. A $1,000,000 transfer from the General Fund to the Fire Facility Acquisition Fund is also reflected to account for the repayment of an advance from the Fire Facility Acquisition Fund for the acceleration of the City's pay down of the unfunded pension liability.

Total Revenue Sources for Fiscal Year 2026-27, excluding Interfund Transfers, are projected to be $207,913,127 across all funds.

GENERAL FUND

The General Fund is the main operating fund for the City of Temecula. It is used to account for all financial resources for the City that are not restricted to a special purpose and otherwise required to be accounted for in another fund. The General Fund provides the resources necessary to sustain the day-to-day activities and pays for all administrative and operating expenditures.

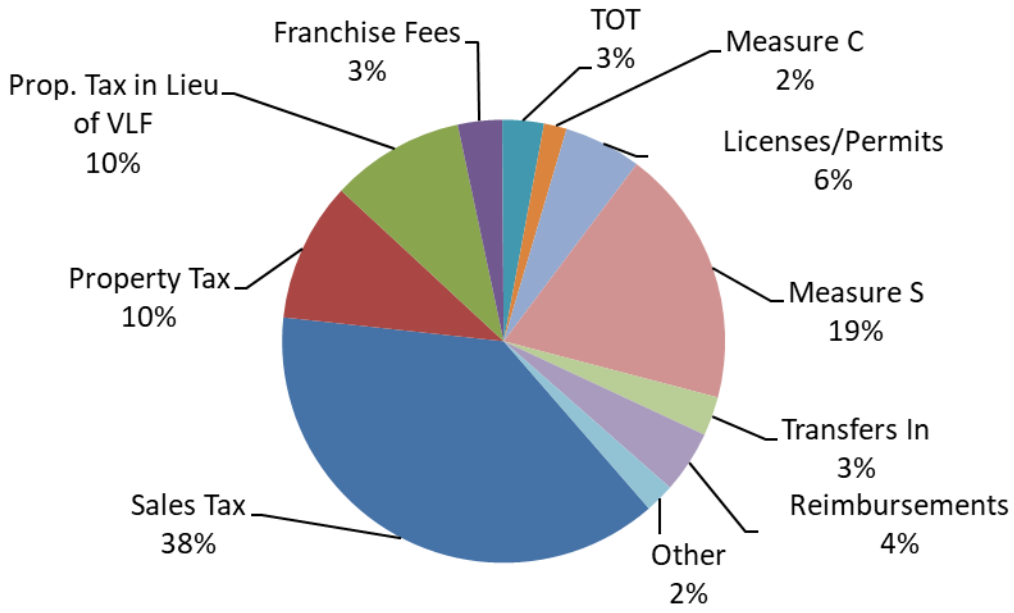


CITY OF TEMECULA

GENERAL FUND REVENUES

As illustrated in the chart below, Sales and Use Tax is the largest revenue source for the General Fund and represents 38% of total General Fund revenue. This is due to regional retail destinations within Temecula such as the Promenade Mall, Old Town and the Auto Mall. Sales and Use Tax revenue is projected to increase by 1.9% over the prior year as the local economy is expected to continue to grow at a modest pace.

Fiscal Year 2026-27 General Fund Revenue - $126,785,291



Property Taxes are the second largest source of revenue for the General Fund and comprise 10% of total General Fund revenue. These revenues primarily include Secured and Unsecured Property Taxes, property transfer taxes, and residual Redevelopment Property Tax Trust Fund (RPTTF) distributions. Property tax revenues are projected to increase 4.3% over the prior fiscal year to $12,907,422. This growth is based on an anticipated increase in assessed valuation of property within the City.

Operating Transfers In from Measure S comprise 19% of total General Fund revenues. This one-cent Transactions and Use Tax is accounted for in a separate fund, and a portion is transferred into the General Fund to support public safety. The transfer of $23,872,579 will fund the continued cost of eleven sworn Sheriff's Deputies to maintain the current officer-per-resident ratio of 1:1000. Additionally, Measure S funds the staffing of Fire Station No. 95 which opened January 1, 2019, the fire inspection program, future vehicle replacement costs for a new Fire Ladder Truck, four inspection vehicles and the ongoing cost to maintain fire department personnel staffing levels at four-persons-per-engine.

Property Tax in Lieu of Vehicle License Fees comprises 10% of total General Fund revenue. This revenue source is allocated to cities based on overall City assessed property valuation. Property Tax in Lieu of Vehicle License Fee revenue is expected to increase by 3.5% over the prior fiscal year to $12,373,457. This change is based on an anticipated increase in assessed valuation of property within the City of Temecula.

GENERAL FUND REVENUES

Licenses, Permits, and Charges for Services comprise 6% of total General Fund revenues and include Business License and Permit fees. This category is projected to increase by 1.9% over the prior year to $7,175,280, reflecting continued development activity within the City.

Franchise Fees comprise 3% of total General Fund revenues. Franchise fees are the "rent" or "reimbursement" that utility and cable providers pay for the use of the public's right-of-way. The City of Temecula receives Franchise Fees from cable, natural gas, electricity and refuse collection operators. These revenues are projected to remain flat from the prior year at $4,100,000.

Transient Occupancy Tax (TOT) is an 8% tax collected by the City on the amount of all transient (30 days or less) lodging rentals. This tax comprises 3% of General Fund Revenues. TOT revenue is projected to decrease 2.0% to $3,841,603, consistent with softening hospitality market conditions.

Operating Transfers In comprise 3% of total General Fund revenues. This category includes the operating transfer of Gas Tax revenue ($3,329,012) and grant funds from the Supplemental Law Enforcement Services Fund ($283,502).

Reimbursements comprises 4% of total General Fund revenue and consists of reimbursement revenue from the Capital Improvement Program for administration and funding received from the Pechanga Tribe for a dedicated Sheriff's Deputy.

Special Tax (Measure C) comprises 2% of total General Fund revenues. This category is projected to increase by 0.5% over the prior year to $2,110,500, as new residential developments are assessed this parcel tax. Measure C is a special tax charged to property owners in order to finance the operation, maintenance and servicing of public parks and recreational facilities, recreational and community services programs, median landscaping, arterial streetlights and traffic signals. Measure C is allocated 50% in the General Fund and 50% in the Community Services District.

Other Revenue comprises 2% of total General Fund revenue and consists primarily of smaller miscellaneous revenue sources.

REVENUE BY SOURCE
001 - GENERAL FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Taxes and Franchises					
PROPERTY TAX	11,579,752	12,375,529	12,907,422	531,894	4.3%
SALES TAX	47,504,820	49,182,480	50,186,189	1,003,709	2.0%
SALES TAX SHARING AGREEMENT	(1,649,137)	(1,760,000)	(1,865,655)	(105,655)	-6.0%
FRANCHISE FEES	4,190,577	4,100,000	4,100,000	-	0.0%
TRANSIENT OCCUPANCY TAX	4,355,559	3,920,003	3,841,603	(78,400)	-2.0%
SPECIAL TAX (MEASURE C)	1,894,830	2,100,000	2,110,500	10,500	0.5%
Licenses, Permits and Service Charges					
LAND DEVELOPMENT	1,294,871	2,290,812	2,185,627	(105,185)	-4.6%
POLICE	104,781	103,485	76,652	(26,833)	-25.9%
DEVELOPMENT FEES	67,124	274,658	203,390	(71,268)	-25.9%
BUSINESS LICENSES	276,631	286,526	292,257	5,731	2.0%
BUILDING	2,368,922	2,319,845	2,805,612	485,767	20.9%
PLANNING	443,955	678,054	635,515	(42,539)	-6.3%
FIRE	1,171,051	1,183,792	1,048,394	(135,398)	-11.4%
CHARGES FOR SERVICES	1,962	1,200	950	(250)	-20.8%
Fines and Forfeitures					
FINES & FORFEITURES	408,449	424,159	467,627	43,468	10.2%
Use of Money and Property					
LEASE/RENTAL INCOME	260,600	266,548	266,631	83	0.0%
OTHER	327,033	126,000	78,082	(47,918)	-38.0%
INVESTMENT INTEREST	2,454,881	1,757,567	1,757,567	-	0.0%
Intergovernmental Revenues					
PROPERTY TAX IN LIEU OF VLF	11,099,170	11,754,429	12,188,015	433,586	3.7%
VEHICLE LICENSE FEES	173,014	167,764	169,442	1,678	1.0%
GRANTS	198,002	78,032	16,000	(62,032)	-79.5%
Reimbursements					
CAPITAL IMPROVEMENT PROGRAM	3,038,031	3,098,127	2,790,884	(307,243)	-9.9%
PECHANGA IGA	410,208	2,273,557	1,396,498	(877,059)	-38.6%
OTHER REIMBURSEMENTS	1,254,280	1,592,629	1,591,397	(1,232)	-0.1%
Operating Transfers In					
OPERATING TRANSFERS IN	8,619,524	14,562,429	3,612,514	(10,949,915)	-75.2%
CONTRIBUTION FROM MEASURE S	5,995,925	6,496,605	23,872,579	17,375,974	267.5%
Miscellaneous					
MISCELLANEOUS	70,541	51,784	49,599	(2,185)	-4.2%
Total Revenues and Other Sources	**107,915,357**	**119,706,013**	**126,785,290**	**7,079,277**	**5.9%**

REVENUE DETAIL
001 - GENERAL FUND

Fund 001	Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
161 - PLANNING		504,010	912,704	798,358	(114,346)	-12.5%
162 - BUILDING & SAFETY		2,261,758	2,214,845	2,708,712	493,867	22.3%
163 - LAND DEVELOPMENT		1,294,871	2,290,914	2,185,731	(105,183)	-4.6%
164 - PUBLIC WORKS		700	24,600	24,837	237	1.0%
167 - PARKS MAINTENANCE		1,990,134	2,196,082	2,210,042	13,960	0.6%
170 - SHERIFF'S OFFICE		527,728	553,970	505,307	(48,663)	-8.8%
171 - FIRE		1,346,665	1,340,804	1,175,574	(165,230)	-12.3%
199 - NON-DEPARTMENTAL						
4008	RESIDUAL RPTTF DISTRIBUTION	279,534	280,000	291,200	11,200	4.0%
4010	PROPERTY TAX - SECURED	9,636,401	10,563,581	11,022,785	459,204	4.3%
4012	PROPERTY TAX - UNSECURED	503,306	536,966	558,444	21,479	4.0%
4013	SUPPLEMENTAL TAX - AB 2345	335,698	274,482	285,461	10,979	4.0%
4016	PROPERTY TRANSFER TAX	758,140	650,000	676,000	26,000	4.0%
4018	FRANCHISE FEES	4,190,577	4,100,000	4,100,000	-	0.0%
4020	TRANSIENT OCCUPANCY TAX	4,355,559	3,920,003	3,841,603	(78,400)	-2.0%
4024	SALES & USE TAX - STATE	47,504,820	49,182,480	50,186,189	1,003,709	2.0%
4025	GRANTS	125,321	40,000	-	(40,000)	-100.0%
4026	SALES TAX SHARING AGREEMENT	(1,649,137)	(1,760,000)	(1,865,655)	(105,655)	-6.0%
4028	HOMEOWNER PROPERTY TAX RELIEF	66,673	70,500	73,532	3,032	4.3%
4043	PROPERTY TAX IN LIEU OF VLF	11,099,170	11,754,429	12,188,015	433,586	3.7%
4046	MOTOR VEHICLE IN LIEU-STATE	173,014	167,764	169,442	1,678	1.0%
4047	VEHICLE CODE FINES	174,513	190,000	236,013	46,013	24.2%
4056	BUSINESS LICENSE	276,631	286,526	292,257	5,731	2.0%
4057	PASSPORT PROCESSING	22,650	20,000	20,000	-	0.0%
4060	MISCELLANEOUS NON-TAXABLE	113,356	76,000	28,082	(47,918)	-63.1%
4061	RETURNED CHECK FEE	120	-	-	-	0.0%
4062	RECOVERY OF PRIOR YEAR EXPENSE	11,952	3,599	3,599	-	0.0%
4064	RIGHT OF WAY ADVERTISING	-	2,185	-	(2,185)	-100.0%
4065	INVESTMENT INTEREST	2,095,753	1,757,567	1,757,567	-	0.0%
4070	CASH OVER & SHORT	(606)	-	-	-	0.0%
4075	RENTAL INCOME	86,004	170,000	86,864	(83,136)	-48.9%
4076	REIMBURSEMENTS	206,098	80,000	81,600	1,600	2.0%
4078	REIMBURSEMENT-PECHANGA IGA	410,208	2,273,557	1,396,498	(877,059)	-38.6%
4084	REIMBURSEMENTS FROM CIP	3,038,031	3,098,127	2,790,884	(307,243)	-9.9%
4091	CONTRIBUTIONS	141,587	-	-	-	0.0%
4094	LEASE INCOME	82,017	8,281	78,459	70,178	847.5%
4162	ELECTRIC VEHICLE CHARGING FEES	35,318	26,000	26,000	-	0.0%
4168	INTEREST INCOME - LEASES	7,392	-	7,576	7,576	100.0%
4177	MSHCP ADMIN FEE	1,962	1,200	950	(250)	-20.8%
4181	REIMBURSEMENT SERVICES CFD	746,925	1,108,314	1,203,932	95,618	8.6%
4182	FIA - SERVICES	7,969	58,434	58,434	-	0.0%
4300	STATE MANDATED COST	133,155	127,466	50,000	(77,466)	-60.8%
4545	GASB 31 - FMV ON INVESTMENTS	359,735	-	-	-	0.0%
4550	GAIN ON DISPOSAL OF ASSETS	15,775	15,000	15,000	-	0.0%
4858	OTHER FINANCING SOURCE - SBITA	138,633	-	-	-	0.0%

REVENUE DETAIL
001 - GENERAL FUND

Fund 001	Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
4941	AB1379 COLLECTION STATE $4 FEE	31,374	30,600	30,906	306	1.0%
6002	TRANSFER IN FROM MEASURE S FUND	5,995,925	6,496,605	23,872,579	17,375,974	267.5%
6006	TRANSFER IN FROM FIRE FACILITY ACQUISITION FUND	-	5,000,000	-	(5,000,000)	-100.0%
6100	TRANSFER IN FROM GAS TAX FUND	3,142,939	3,269,427	3,329,012	59,585	1.8%
6110	TRANSFER IN FROM CRP FUND	-	1,000,000	-	(1,000,000)	-100.0%
6160	TRANSFER IN FROM SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND	334,997	283,502	283,502	-	0.0%
6275	TRANSFER IN FROM CFD 03-3 WOLF CREEK FUND	-	500	-	(500)	-100.0%
6277	TRANSFER IN FROM CFD 03-02 RORIPAUGH RANCH FUND	-	4,000	-	(4,000)	-100.0%
6701	TRANSFER IN FROM PENSION RATE STABILIZATION FUND	5,000,000	5,005,000	-	(5,005,000)	-100.0%
	TOTAL GENERAL FUND	**107,915,357**	**119,706,013**	**126,785,290**	**7,079,277**	**5.9%**

001 - GENERAL FUND SUMMARY

Description	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
Revenues by Category					
Taxes and Franchises	67,876,402	69,918,012	71,280,059	1,362,048	1.95%
Licenses, Permits and Service Charges	5,729,298	7,138,372	7,248,397	110,025	1.54%
Fines and Forfeitures	408,449	424,159	467,627	43,468	10.25%
Use of Money and Property	3,042,515	2,150,115	2,102,279	(47,836)	-2.22%
Intergovernmental Revenues	11,470,185	12,000,225	12,373,457	373,232	3.11%
Reimbursements	4,702,519	6,964,313	5,778,779	(1,185,534)	-17.02%
Operating Transfers In	14,615,449	21,059,034	27,485,093	6,426,059	30.51%
Miscellaneous	70,541	51,784	49,599	(2,185)	-4.22%
Total Operating Revenues	**107,915,357**	**119,706,013**	**126,785,290**	**7,079,277**	**5.91%**
Expenditures by Department					
City Council	663,370	754,919	736,167	(18,753)	-2.48%
Community Support	125,000	115,000	190,000	75,000	65.22%
City Manager	2,586,337	2,908,135	2,665,325	(242,811)	-8.35%
Economic Development	1,910,221	1,956,792	1,867,085	(89,707)	-4.58%
Emergency Management	654,709	763,398	924,359	160,961	21.08%
City Clerk	1,764,400	1,607,220	1,722,556	115,336	7.18%
City Attorney	887,250	815,000	950,000	135,000	16.56%
Finance	4,078,830	4,511,190	4,422,108	(89,082)	-1.97%
Human Resources	2,227,352	2,931,465	2,722,071	(209,393)	-7.14%
Planning	3,175,766	3,875,129	3,512,542	(362,587)	-9.36%
Building & Safety	4,630,845	5,140,206	5,492,263	352,057	6.85%
Land Development	2,122,077	2,264,555	2,706,720	442,165	19.53%
Public Works	7,616,645	8,836,074	8,952,245	116,171	1.31%
Cip Public Works	3,246,939	3,442,362	2,967,104	(475,258)	-13.81%
Parks Maintenance	6,139,542	6,489,790	6,558,739	68,949	1.06%
Sheriff's Office	42,927,265	47,597,381	51,423,077	3,825,696	8.04%
Fire	8,383,535	12,671,544	13,649,632	978,088	7.72%
Animal Control	410,427	520,815	463,524	(57,291)	-11.0%
Non Departmental:					
P.E.R.S. Retirement	0	(3,477,724)	0	3,477,724	-100.0%
Property Tax Admin Fees	60,344	93,600	75,000	(18,600)	-19.87%
Other Outside Services	4,923	0	0	0	0.0%
Staffing Continuity Reserve	0	442,100	400,000	(42,100)	-9.52%
PERS Replacement Benefit	87,817	91,800	93,636	1,836	2.0%
Retiree Medical Contribution	1,172,649	0	0	0	0.0%
Capital Outlay - SBITA	138,633	0	0	0	0.0%
Unfunded Accrued Liability Contribution	7,913,492	22,267,833	9,349,256	(12,918,577)	-58.01%
Total Operating Expenditures	**102,928,369**	**126,618,583**	**121,843,408**	**(4,775,175)**	**-3.77%**
Excess of Revenues Over (Under) Expenditures	4,986,988	(6,912,570)	4,941,883	11,854,452	-171.49%

Fund Description

The General Fund is the main operating fund for the City of Temecula. It is used to account for all financial resources for the City that are not restricted to a special purpose and otherwise required to be accounted for in another fund. The General fund provides the resources necessary to sustain the day-to-day activities and pays for all administrative and operating expenditures.

001 - GENERAL FUND SUMMARY

Description	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
Excess of Revenues Over (Under) Expenditures	4,986,988	(6,912,570)	4,941,883	11,854,452	-171.49%
Operating Transfers Out / One-Time Payments					
Transfer Out to Fire Facility Acquisition Fund	0	2,000,000	1,000,000	(1,000,000)	-50.0%
Transfer Out to CRP Fund	0	80,000	0	(80,000)	-100.0%
Transfer Out to CIP Fund	32,219	1,953,134	0	(1,953,134)	-100.0%
Transfer Out to Insurance Fund	1,172,672	0	0	0	0.0%
Transfer Out to Workers Comp Fund	436,678	0	0	0	0.0%
Transfer Out to PARS	0	0	7,500,000	7,500,000	100.0%
Total Transfers Out/One-Time Payments	1,641,569	4,033,134	8,500,000	4,466,866	110.75%
Fund Balance, Beginning of Year	40,909,314	44,254,734	33,309,030	(10,945,704)	-24.73%
Fund Balance, End of Year	44,254,734	33,309,030	29,750,913	(3,558,117)	-10.68%
Detail of Fund Balance					
Committed To:					
Economic Uncertainty Reserve (20%)	19,002,975	20,870,150	22,498,831	(1,628,681)	7.8%
Secondary Reserve (5%)	4,750,744	5,217,538	5,624,708	(407,170)	7.8%
Pechanga IGA	449,171	446,498	477,755	(31,257)	7.0%
Assigned To:					
Capital Projects	1,953,134	0	0	0	0.0%
Unassigned:	18,098,710	6,774,844	1,149,619	5,625,225	-83.03%
	44,254,734	33,309,030	29,750,913	(3,558,117)	-10.68%

002 - MEASURE S FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Taxes and Franchises					
TRANSACTIONS AND USE TAX	37,475,912	37,621,488	38,980,154	1,358,666	3.6%
Use of Money and Property					
INVESTMENT INTEREST	2,397,423	1,728,370	1,728,370	-	0.0%
Revenues/Other Sources	**39,873,335**	**39,349,858**	**40,708,524**	**1,358,666**	**3.5%**
Expenditures by Category					
TRANSFERS	38,385,429	57,373,912	48,419,650	(8,954,262)	-15.6%
Expenditures/Other Financing Uses	**38,385,429**	**57,373,912**	**48,419,650**	**(8,954,262)**	**-15.6%**
Net Revenues	1,487,906	(18,024,054)	(7,711,126)	10,312,928	-7.9%
Fund Balance, Beginning of Year	50,449,274	51,937,180	33,913,126	(18,024,054)	-34.7%
Fund Balance, End of Year	51,937,180	33,913,126	26,202,000	(7,711,126)	-22.7%

Fund Description

Measure S, approved by the voters on November 8, 2016, established a one-cent Transactions and Use Tax for the City. The measure was approved based on the commitment to maintain 9-1-1 emergency response times, prevent cuts to local paramedic/police/fire protection, school safety patrols, youth/after-school, senior and disabled services; improve freeway interchanges/reduce traffic and provide for other general services.

Analysis/Comments

Measure S revenue is expected to increase by 3.5% due to anticipated local economic growth in Transactions and Use Tax receipts (+3.6%) and flat investment interest earnings. Expenditures are decreasing 15.6% from the prior year due to a decrease in transfer obligations of $9.0 million. Overall, expenditures are in line with the Council's Appropriation Guidelines for Measure S and reflect transfers to fund Public Safety ($24.1 million), Asset Management ($3.5 million), Capital Improvements ($4.3M), and General/Community Services ($16.5 million). The Measure S ending fund balance is projected at $26.2 million, a decrease of 22.7% from the prior year.

006 - FIRE FACILITY ACQUISITION FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Use of Money and Property					
INVESTMENT INTEREST	252,851	173,287	173,287	-	0.0%
Operating Transfers In					
OPERATING TRANSFERS IN	-	2,000,000	1,000,000	(1,000,000)	-50.0%
Revenues/Other Sources	**252,851**	**2,173,287**	**1,173,287**	**(1,000,000)**	**-46.0%**
Expenditures by Category					
TRANSFERS	-	5,000,000	-	(5,000,000)	-100.0%
Expenditures/Other Financing Uses	**-**	**5,000,000**	**-**	**(5,000,000)**	**-100.0%**
Net Revenues	252,851	(2,826,713)	1,173,287	4,000,000	-83.6%
Fund Balance, Beginning of Year	4,701,785	4,954,636	2,127,923	(2,826,713)	-57.1%
Fund Balance, End of Year	4,954,636	2,127,923	3,301,210	1,173,287	55.1%

Fund Description

This fund was established to accumulate resources necessary to acquire property for a future Fire Station, construct new Fire Station or refurbish existing Fire Stations.

Analysis/Comments

Revenue is projected to decrease 46.0% due to a $1.0 million reduction in Operating Transfers In from the General Fund. Investment interest earnings are held flat at $173,287. The Operating Transfer In comes from available General Funds and represents a $1M repayment of the $5.0 million advance to the General Fund approved by Council in FY 2025-26 to expedite the paydown of the City's unfunded pension liability. The ending fund balance is projected at $3.3 million, an increase of 55.1% over FY 2025-26.

110 - COMMUNITY REINVESTMENT PROGRAM

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Operating Transfers In					
OPERATING TRANSFERS IN	-	80,000	-	(80,000)	-100.0%
Revenues/Other Sources	**-**	**80,000**	**-**	**(80,000)**	**-100.0%**
Expenditures by Category					
SALARIES & BENEFITS	191,555	150,858	-	(150,858)	-100.0%
OPERATIONS & MAINTENANCE	286,820	1,510,391	-	(1,510,391)	-100.0%
TRANSFERS	183,103	7,163,245	-	(7,163,245)	-100.0%
Expenditures/Other Financing Uses	**661,478**	**8,824,494**	**-**	**(8,824,494)**	**-100.0%**
Net Revenues	(661,478)	(8,744,494)	-	8,744,494	-100.0%
Fund Balance, Beginning of Year	9,468,092	8,806,614	62,120	(8,744,494)	-99.3%
Fund Balance, End of Year	8,806,614	62,120	62,120	-	0.0%

Fund Description

This fund was established in Fiscal Year 2021-22 to provide various community grants to support the local economy in its recovery from the COVID-19 global pandemic. Available General Fund balance was transferred into this fund to establish this new program.

Analysis/Comments

No revenue or expenditures are expected in this fund for FY2026-27. Previously, this fund was established in FY2021-22 to provide various community grants to support the local economy in its recovery from the COVID-19 global pandemic. The Council approved six funding categories, including:

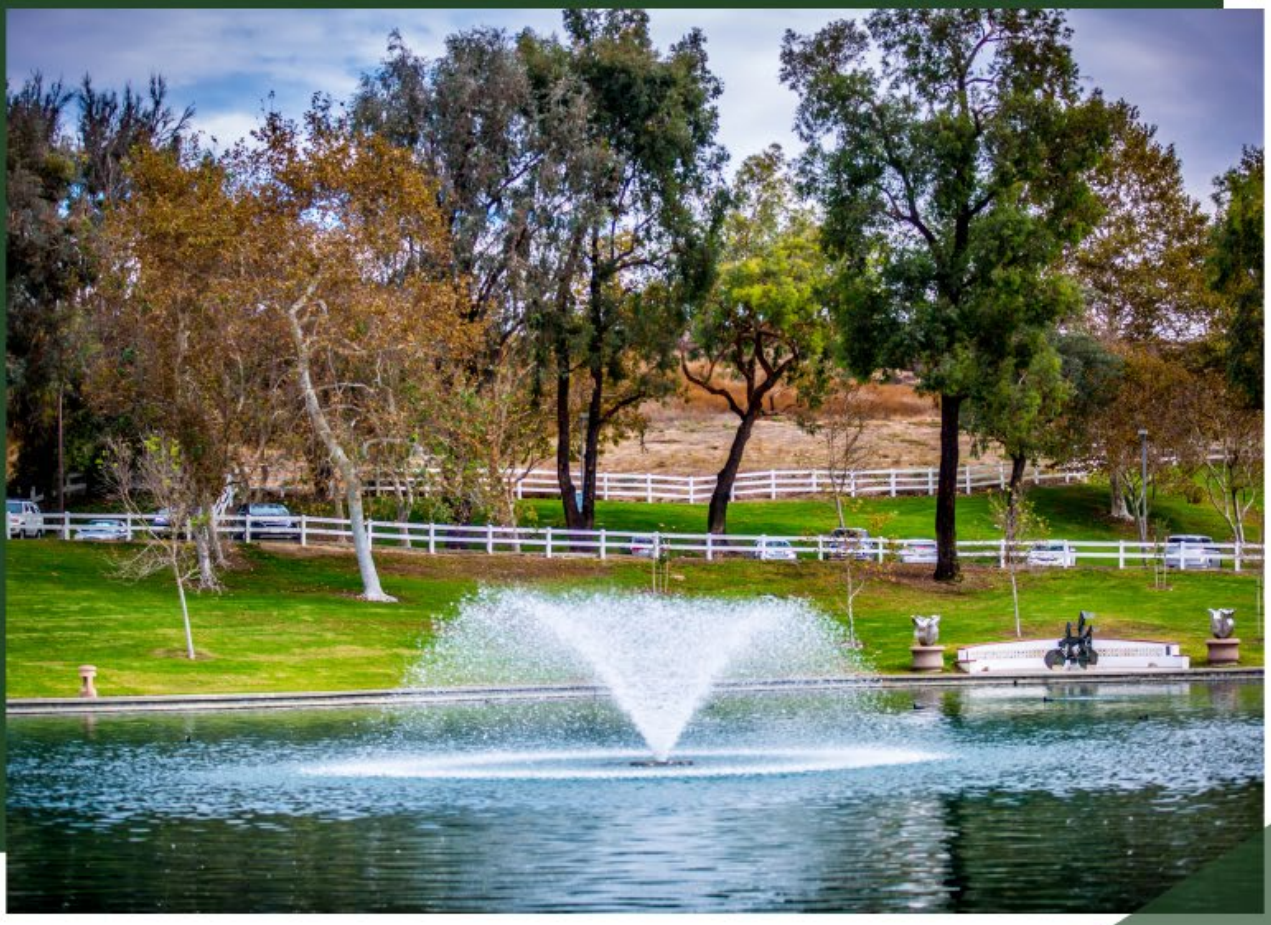
- Business Support ($3,080,000)
- Non-Profit Support ($1,000,000)
- Homeless Services ($1,000,000)
- Housing Assistance ($5,500,000)
- Behavioral Health Services ($1,500,000)
- Higher Education/Workforce Development ($1,000,000)

Per Council direction at their May 27, 2025 meeting, available fund balance of $1 million was transferred to the General Fund to accelerate the paydown of the City's unfunded pension liability. The remaining fund balance of $62,120 will be maintained.

SPECIAL REVENUE AND DEBT SERVICE FUND

Special Revenue Funds are used to account for activities paid for by taxes or other designated revenue sources that have specific limitations on use according to law.

Debt Service Funds are used to account for the resources necessary to pay principle and interest payments on general long-term debt obligations of the City and related entities.



CITY OF TEMECULA

REVENUE DETAIL
SPECIAL REVENUE & DEBT SERVICE

	Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
100- GAS TAX FUND						
4065	INVESTMENT INTEREST	71,258	42,801	42,801	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	3,878	-	-	-	0.0%
4700	GAS TAX 2106	438,336	456,446	464,458	8,012	1.8%
4701	GAS TAX 2105	679,775	721,054	733,620	12,566	1.7%
4702	GAS TAX 2107	902,487	963,690	981,018	17,328	1.8%
4704	GAS TAX 2107.5	10,000	10,000	10,000	-	0.0%
4706	GAS TAX 2103	1,037,206	1,075,436	1,097,115	21,679	2.0%
	TOTAL GAS TAX FUND	**3,142,939**	**3,269,427**	**3,329,012**	**59,585**	**1.8%**
102 - ROAD MAINTENANCE REHABILITATION ACCOUNT (RMRA) FUND						
4065	INVESTMENT INTEREST	199,042	158,277	158,277	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	22,596	-	-	-	0.0%
4709	RMRA-ROAD MAINTENANCE REHABILITATION ACT	2,983,049	2,969,986	3,148,728	178,742	6.0%
	TOTAL ROAD MAINTENANCE REHABILITATION ACCOUNT (RMRA) FUND	**3,204,686**	**3,128,263**	**3,307,005**	**178,742**	**5.7%**
103 - STREET MAINTENANCE FUND						
4065	INVESTMENT INTEREST	295,837	227,222	227,222	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	35,979	-	-	-	0.0%
6002	TRANSFER IN FROM MEASURE S FUND	2,000,000	1,000,000	1,000,000	-	0.0%
	TOTAL STREET MAINTENANCE FUND	**2,331,816**	**1,227,222**	**1,227,222**	**-**	**0.0%**
105 - NPDES IN-LIEU FEES FUND						
4065	INVESTMENT INTEREST	21,258	19,603	19,603	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	3,208	-	-	-	0.0%
	TOTAL NPDES IN LIEU FEES FUND	**24,466**	**19,603**	**19,603**	**-**	**0.0%**
106- UPTOWN TEMECULA NEW STREETS IN-LIEU FEES						
4065	INVESTMENT INTEREST	60,979	48,440	48,440	-	0.0%
4259	UPTOWN TEMECULA NEW STREETS IN LIEU FEES	188,073	-	-	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	8,177	-	-	-	0.0%
	TOTAL UPTOWN TEMECULA NEW STREETS IN-LIEU FEES	**257,230**	**48,440**	**48,440**	**-**	**0.0%**
120 - DEVELOPMENT IMPACT FEES (DIF) FUND						
4051	CIP - DIF-OPEN SPACE AND TRAILS	384,531	119,476	616,835	497,359	416.3%
4065	INVESTMENT INTEREST	701,449	580,626	580,626	-	0.0%
4240	CIP - DIF - QUIMBY	1,072,013	591,945	997,030	405,085	68.4%
4242	CIP - DIF-STREET IMPROVEMENTS	675,847	1,643,296	5,619,488	3,976,192	242.0%
4243	CIP - DIF-TRAFFIC SIGNALS	98,858	232,564	799,999	567,435	244.0%
4244	CIP - DIF-PARK & REC IMPROVEMENTS	470,401	409,902	2,116,237	1,706,335	416.3%
4245	CIP - DIF-CORPORATE FACILITIES	101,717	135,309	653,180	517,871	382.7%
4246	CIP - DIF-FIRE PROTECTION FACILITIES	29,852	52,380	538,232	485,852	927.6%
4247	CIP - DIF-LIBRARY FACILITIES	479,461	131,864	834,828	702,964	533.1%
4256	CIP - DIF-POLICE FACILITIES	48,664	93,834	477,209	383,375	408.6%
4545	GASB 31 - FMV ON INVESTMENTS	75,061	-	-	-	0.0%
	TOTAL DEVELOPMENT IMPACT FEES FUND	**4,137,853**	**3,991,196**	**13,233,663**	**9,242,467**	**231.6%**

REVENUE DETAIL
SPECIAL REVENUE & DEBT SERVICE

	Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
125 - PUBLIC EDUCATION & GOVERNMENT (PEG) FUND						
4039	PEG FEES REVENUES	125,757	100,000	125,000	25,000	25.0%
4065	INVESTMENT INTEREST	45,702	36,436	36,436	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	5,944	-	-	-	0.0%
	TOTAL PUBLIC EDUCATION & GOVERNMENT (PEG) FUND	**177,403**	**136,436**	**161,436**	**25,000**	**18.3%**
140 - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND						
4081	COMM DEVELOPMENT BLOCK GRANT	214,983	906,825	986,807	79,982	8.8%
	TOTAL COMMUNITY DEV BLOCK GRANT FUND	**214,983**	**906,825**	**986,807**	**79,982**	**8.8%**
145 - TEMECULA ENERGY EFFICIENCY ASSET (TEAM) FUND						
4065	INVESTMENT INTEREST	24,601	22,054	22,054	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	3,544	-	-	-	0.0%
	TOTAL TEMECULA ENERGY EFFICIENCY ASSET (TEAM) FUND	**28,146**	**22,054**	**22,054**	**-**	**0.0%**
150 - AB 2766 MOTOR VEHICLE SUBVENTION FUND						
4048	AB 2766 REVENUES	143,690	150,000	153,334	3,334	2.2%
4065	INVESTMENT INTEREST	21,699	16,694	16,694	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	2,658	-	-	-	0.0%
	TOTAL AB 2766 MOTOR VEHICLE SUBVENTION FUND	**168,048**	**166,694**	**170,028**	**3,334**	**2.0%**
160 - SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND						
4065	INVESTMENT INTEREST	6,562	3,502	3,502	-	0.0%
4085	SUPPLEMENTAL LAW ENFORCEMENT SERVICES	328,144	280,000	280,000	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	291	-	-	-	0.0%
	TOTAL SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND	**334,997**	**283,502**	**283,502**	**-**	**0.0%**
165 - AFFORDABLE HOUSING FUND						
4009	RESIDUAL RECEIPT PAYMENT	360	180,000	-	(180,000)	-100.0%
4065	INVESTMENT INTEREST	280,892	238,091	238,091	-	0.0%
4072	SALE OF PROPERTY	-	-	375,000	375,000	100.0%
4076	REIMBURSEMENTS	3,679	-	-	-	0.0%
4092	CONTRIBUTIONS AGENCY TRUST	250,000	250,000	250,000	-	0.0%
4094	LEASE INCOME	25,200	-	-	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	37,554	-	-	-	0.0%
	TOTAL AFFORDABLE HOUSING FUND	**597,685**	**668,091**	**863,091**	**195,000**	**29.2%**
170 - MEASURE A FUND						
4065	INVESTMENT INTEREST	368,244	298,301	298,301	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	45,857	-	-	-	0.0%
4725	MEASURE A ALLOCATIONS	4,199,604	3,944,000	4,280,000	336,000	8.5%
	TOTAL MEASURE A FUND	**4,613,705**	**4,242,301**	**4,578,301**	**336,000**	**7.9%**
198 - PUBLIC ART FUND						
4065	INVESTMENT INTEREST	12,156	9,791	9,791	-	0.0%
4251	PUBLIC ART	18,441	6,300	2,350	(3,950)	-62.7%
4545	GASB 31 - FMV ON INVESTMENTS	1,649	-	-	-	0.0%
	TOTAL PUBLIC ART FUND	**32,246**	**16,091**	**12,141**	**(3,950)**	**-24.5%**

100 - GAS TAX FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Taxes and Franchises					
GAS TAX	3,067,804	3,226,626	3,286,211	59,585	1.8%
Use of Money and Property					
INVESTMENT INTEREST	75,136	42,801	42,801	-	0.0%
Revenues/Other Sources	**3,142,939**	**3,269,427**	**3,329,012**	**59,585**	**1.8%**
Expenditures by Category					
TRANSFERS	3,142,939	3,269,427	3,329,012	59,585	1.8%
Expenditures/Other Financing Uses	**3,142,939**	**3,269,427**	**3,329,012**	**59,585**	**1.8%**
Net Revenues	-	-	-	-	1.8%
Fund Balance, Beginning of Year	-	-	-	-	0.0%
Fund Balance, End of Year	-	-	-	-	0.0%

Fund Description

This fund was established to account for the tax per gallon on the purchase of motor vehicle fuel imposed by the State of California. A portion is allocated to the City of Temecula as specified in the California Streets and Highways Code (SHC) (Sections 2013, 2105, 2107 and 2107.5). Gas Tax monies are restricted to the repair, maintenance and upkeep of City streets and roads, and the purchase of equipment used to maintain roads.

Analysis/Comments

Gas Tax revenue is projected to increase 1.8% compared to the current budget, as projected by the State of California. Investment interest earnings are held flat at $42,801. Expenditures reflect the transfer of funds to the General Fund to augment the Public Works budget for street and road maintenance. This fund operates as a pass-through, with no fund balance retained.

102 - ROAD MAINTENANCE REHABILITATION ACCOUNT (RMRA) FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Taxes and Franchises					
GAS TAX	2,983,049	2,969,986	3,148,728	178,742	6.0%
Use of Money and Property					
INVESTMENT INTEREST	221,637	158,277	158,277	-	0.0%
Revenues/Other Sources	**3,204,686**	**3,128,263**	**3,307,005**	**178,742**	**5.7%**
Expenditures by Category					
TRANSFERS	2,012,555	6,907,425	2,883,697	(4,023,728)	-58.3%
Expenditures/Other Financing Uses	**2,012,555**	**6,907,425**	**2,883,697**	**(4,023,728)**	**-58.3%**
Net Revenues	1,192,131	(3,779,161)	423,308	4,202,470	-38.3%
Fund Balance, Beginning of Year	3,808,926	5,001,057	1,221,896	(3,779,161)	-75.6%
Fund Balance, End of Year	5,001,057	1,221,896	1,645,204	423,308	34.6%

Fund Description

This fund is to account for gasoline and vehicle registration taxes pursuant to the Road Repair and Accountability Act of 2017 (SB1 Beall). Monies are collected by the State of California and allocated to local agencies for streets and roads projects and other transportation uses.

Analysis/Comments

RMRA revenue is projected to increase by 5.7% due to a 6.0% increase in Gas Tax receipts as projected by the State of California, with investment interest earnings held flat. Expenditures reflect the transfer to the Capital Improvement Program to fund the Pavement Rehabilitation project. Expenditures are projected to decrease by 58.3% from the prior year, as the prior year expenditures reflect budget rolled forward from previous years. The ending fund balance is projected at $1.6 million, an increase of 34.6% over the prior year.

103 - STREET MAINTENANCE FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Use of Money and Property					
INVESTMENT INTEREST	331,816	227,222	227,222	-	0.0%
Operating Transfers In					
CONTRIBUTION FROM MEASURE S	2,000,000	1,000,000	1,000,000	-	0.0%
Revenues/Other Sources	**2,331,816**	**1,227,222**	**1,227,222**	**-**	**0.0%**
Expenditures by Category					
TRANSFERS	-	4,864,784	224,356	(4,640,428)	-95.4%
Expenditures/Other Financing Uses	**-**	**4,864,784**	**224,356**	**(4,640,428)**	**-95.4%**
Net Revenues	2,331,816	(3,637,562)	1,002,866	4,640,428	-76.2%
Fund Balance, Beginning of Year	6,166,190	8,498,006	4,860,443	(3,637,562)	-42.8%
Fund Balance, End of Year	8,498,006	4,860,443	5,863,309	1,002,866	20.6%

Fund Description

This fund was established to accumulate resources for the future replacement of streets and roads throughout the City.

Analysis/Comments

Contributions from the Measure S Fund will continue at $1.0 million in order to accumulate resources for future street and road replacement. Revenue is projected to remain flat compared to the current budget. Expenditures are projected to decrease 95.4% over the prior year due to varying Capital Project funding needs. The ending fund balance is projected at $5.9 million, an increase of 20.6% over the prior year.

105 - NPDES IN LIEU FEES FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Use of Money and Property					
INVESTMENT INTEREST	24,466	19,603	19,603	-	0.0%
Revenues/Other Sources	**24,466**	**19,603**	**19,603**	**-**	**0.0%**
Expenditures by Category					
CAPITAL OUTLAY	344,618	155,382	-	(155,382)	-100.0%
Expenditures/Other Financing Uses	**344,618**	**155,382**	**-**	**(155,382)**	**-100.0%**
Net Revenues	(320,152)	(135,779)	19,603	155,382	-88.8%
Fund Balance, Beginning of Year	631,753	311,601	175,822	(135,779)	-43.6%
Fund Balance, End of Year	311,601	175,822	195,425	19,603	11.1%

Fund Description

This fund was established to account for the collection of In Lieu fees associated with the National Pollutant Discharge Elimination System (NPDES).

Analysis/Comments

Revenue is received as private development subject to NPDES requirements occurs. Revenue is projected to remain flat compared to the current budget, with investment interest earnings held at $19,603. No Capital Outlay expenditures are budgeted for FY2026-27, due to the phasing of the replacement of the City's Storm Drain Inlet Filters. The ending fund balance is projected at $195,425, an increase of 11.1% over the prior year.

106 - UPTOWN TEMECULA NEW STREETS IN-LIEU FEES

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
DEVELOPMENT IMPACT FEES	188,073	-	-	-	0.0%
Use of Money and Property					
INVESTMENT INTEREST	69,157	48,440	48,440	-	0.0%
Revenues/Other Sources	**257,230**	**48,440**	**48,440**	**-**	**0.0%**
Expenditures by Category					
TRANSFERS	-	500,857	-	(500,857)	-100.0%
Expenditures/Other Financing Uses	**-**	**500,857**	**-**	**(500,857)**	**-100.0%**
Net Revenues	257,230	(452,417)	48,440	500,857	-91.2%
Fund Balance, Beginning of Year	1,391,118	1,648,347	1,195,930	(452,417)	-27.4%
Fund Balance, End of Year	1,648,347	1,195,930	1,244,370	48,440	4.1%

Fund Description

This fund was established in conjunction with the adoption of the Uptown Temecula Specific Plan New Streets In-Lieu Fee. The Specific Plan requires developers to dedicate right-of-way and construct new street improvements adjacent to or through their development sites. Developers within the Specific Plan who cannot contribute right-of-way and/or build new streets will be charged a new streets in-lieu fee.

Analysis/Comments

Revenue in this fund is related to development that occurs in the Uptown Temecula Specific Plan area. Revenue is projected to remain flat at $48,440, consisting solely of investment interest earnings. No expenditures are budgeted for FY2026-27, a 100.0% decrease from the prior year, due to the completion of the Capital Improvement Program to support the Las Haciendas Affordable Housing Project. The ending fund balance is projected at $1.2 million, an increase of 4.1% over the prior year.

120 - DEVELOPMENT IMPACT FEES FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
QUIMBY FEES	1,072,013	591,945	997,030	405,085	68.4%
DEVELOPMENT IMPACT FEES	2,289,331	2,818,625	11,656,008	8,837,382	313.5%
Use of Money and Property					
INVESTMENT INTEREST	776,510	580,626	580,626	-	0.0%
Revenues/Other Sources	**4,137,853**	**3,991,196**	**13,233,663**	**9,242,467**	**231.6%**
Expenditures by Category					
TRANSFERS	4,783,586	13,181,795	6,220,931	(6,960,864)	-52.8%
Expenditures/Other Financing Uses	**4,783,586**	**13,181,795**	**6,220,931**	**(6,960,864)**	**-52.8%**
Net Revenues	(645,733)	(9,190,599)	7,012,732	16,203,331	13.3%
Fund Balance, Beginning of Year	15,864,154	15,218,421	6,027,822	(9,190,599)	-60.4%
Fund Balance, End of Year	15,218,421	6,027,822	13,040,554	7,012,732	116.3%

Fund Description

This fund accounts for the development impact fees received as a result of development activity within the City. The fees are primarily used to fund Capital Improvement Projects designed to mitigate the impacts of development projects.

Analysis/Comments

Development Impact Fee (DIF) revenues are projected to increase 231.6% over the current year, driven by a 313.5% increase in Development Impact Fees ($8.8 million) and a 68.4% increase in Quimby Fees, in accordance with expected development activity. Investment interest earnings are held flat at $580,626. Expenditures of DIF reflect the transfer of $6.2 million to the Capital Improvement Program to fund the projects necessary to mitigate the impacts of development, a decrease of 52.8% from the prior year. The ending fund balance is projected at $13.0 million, an increase of 116.3% over the prior year.

125 - PUBLIC EDUCATION & GOVERNMENT (PEG) FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Taxes and Franchises					
PEG FEES	125,757	100,000	125,000	25,000	25.0%
Use of Money and Property					
INVESTMENT INTEREST	51,646	36,436	36,436	-	0.0%
Revenues/Other Sources	**177,403**	**136,436**	**161,436**	**25,000**	**18.3%**
Expenditures by Category					
CAPITAL OUTLAY	57,396	135,058	325,000	189,942	140.6%
Expenditures/Other Financing Uses	**57,396**	**135,058**	**325,000**	**189,942**	**140.6%**
Net Revenues	120,007	1,378	(163,564)	(164,942)	79.2%
Fund Balance, Beginning of Year	1,033,678	1,153,685	1,155,063	1,378	0.1%
Fund Balance, End of Year	1,153,685	1,155,063	991,499	(163,564)	-14.2%

Fund Description

This fund was established to account for Public Education and Government (PEG) fees. Fees received from local cable operators for the sole purpose of supporting the access facilities and activities within the City.

Analysis/Comments

PEG fee revenue is projected to increase 25.0% to $125,000, with investment interest earnings held flat at $36,436. Total revenue is projected to increase 18.3% over the current year. Capital Outlay expenditures of $325,000 represent a 140.6% increase over the prior year, reflecting the investment in updating the broadcast equipment used to manage the content and broadcast of the City's public television channel. The ending fund balance is projected at $991,499, a decrease of 14.2% from the prior year.

140 - COMMUNITY DEV BLOCK GRANT FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Intergovernmental Revenues					
COMMUNITY DEVELOPMENT BLOCK GRANT	214,983	906,825	986,807	79,982	8.8%
Revenues/Other Sources	**214,983**	**906,825**	**986,807**	**79,982**	**8.8%**
Expenditures by Category					
SALARIES & BENEFITS	39,204	45,804	78,663	32,859	71.7%
OPERATIONS & MAINTENANCE	146,285	255,440	250,964	(4,476)	-1.8%
TRANSFERS	(323,453)	561,636	657,180	95,544	17.0%
Expenditures/Other Financing Uses	**(137,964)**	**862,880**	**986,807**	**123,926**	**14.4%**
Net Revenues	352,947	43,945	-	(43,944)	11.5%
Fund Balance, Beginning of Year	(396,892)	(43,945)	-	43,945	100.0%
Fund Balance, End of Year	(43,945)	-	-	-	85.7%

Fund Description

This fund was established to account for grants received from the U.S. Department of Housing and Urban Development (HUD). The grants are used for the redevelopment of a viable community by providing decent housing, a suitable living environment, and for expanding opportunities, principally for persons of low and moderate income.

Analysis/Comments

CDBG revenue of $986,807 reflects the reimbursement for operations and Capital projects expected to be completed during the fiscal year, an 8.8% increase over the prior year's budget. The transfers of $657,180 provides funding for Capital Improvement Projects. The fund is projected to have a zero ending fund balance.

145 - TEMECULA ENERGY EFFICIENCY ASSET (TEAM) FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Use of Money and Property					
INVESTMENT INTEREST	28,146	22,054	22,054	-	0.0%
Revenues/Other Sources	**28,146**	**22,054**	**22,054**	**-**	**0.0%**
Expenditures by Category					
TRANSFERS	340,199	210,653	-	(210,653)	-100.0%
Expenditures/Other Financing Uses	**340,199**	**210,653**	**-**	**(210,653)**	**-100.0%**
Net Revenues	(312,053)	(188,599)	22,054	210,653	-90.5%
Fund Balance, Beginning of Year	634,403	322,349	133,751	(188,599)	-58.5%
Fund Balance, End of Year	322,349	133,751	155,805	22,054	16.5%

Fund Description

This fund was established to capture energy efficiency rebates and reimbursements as well as expenditure savings resulting from energy efficiency projects completed at various City facilities. Revenue collected in this fund will be utilized on future energy efficiency projects.

Analysis/Comments

TEAM Fund revenues are projected to remain flat at $22,054, consisting solely of investment interest earnings. No expenditures are budgeted for FY2026-27, a 100.0% decrease from the prior year, as no transfers to the Capital Improvement Program for energy efficiency projects are expected. The ending fund balance is projected at $155,805, an increase of 16.5% over the prior year.

150 - AB 2766 MOTOR VEHICLE SUBVENTION FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Use of Money and Property					
INVESTMENT INTEREST	24,357	16,694	16,694	-	0.0%
Intergovernmental Revenues					
AB2766 MOTOR VEHICLE SUBVENTION	143,690	150,000	153,334	3,334	2.2%
Revenues/Other Sources	**168,048**	**166,694**	**170,028**	**3,334**	**2.0%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	13,200	13,200	13,200	-	0.0%
TRANSFERS	1,240	637,835	170,000	(467,835)	-73.3%
Expenditures/Other Financing Uses	**14,440**	**651,035**	**183,200**	**(467,835)**	**-71.9%**
Net Revenues	153,608	(484,341)	(13,172)	471,169	-56.8%
Fund Balance, Beginning of Year	439,743	593,350	109,009	(484,341)	-81.6%
Fund Balance, End of Year	593,350	109,009	95,837	(13,172)	-12.1%

Fund Description

This fund was established to account for subvention funds that are used to implement programs and projects that reduce air pollution from motor vehicles. AB2766 Funds are derived from a Motor Vehicle Registration fee surcharge. Local governments are allocated $1.60 for every eligible vehicle registered within the South Coast Air Quality Management District. Funds are disbursed based on the City's population as a percentage of the total population within the District. This fund is used for Capital projects and the City's share of WRCOG's Clean Cities Coalition.

Analysis/Comments

AB2766 Motor Vehicle Subvention revenue is projected to increase 2.2% to $153,334. Expenditures are allocated to fund the Clean Cities Coalition ($13,200) and $170,000 in transfers for Capital Improvement Projects. Total expenditures are projected to decrease 71.9% from the prior year due prior-year transfers to support the Nicolas Road Trail Extension project. The ending fund balance is projected at $95,837, a decrease of 12.1% from the prior year.

160 - SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Use of Money and Property					
INVESTMENT INTEREST	6,853	3,502	3,502	-	0.0%
Intergovernmental Revenues					
SLESF GRANT	328,144	280,000	280,000	-	0.0%
Revenues/Other Sources	**334,997**	**283,502**	**283,502**	**-**	**0.0%**
Expenditures by Category					
TRANSFERS	334,997	283,502	283,502	-	0.0%
Expenditures/Other Financing Uses	**334,997**	**283,502**	**283,502**	**-**	**0.0%**
Net Revenues	-	-	-	-	0.0%
Fund Balance, Beginning of Year	-	-	-	-	0.0%
Fund Balance, End of Year	-	-	-	-	0.0%

Fund Description

This fund was established to account for the Supplemental Law Enforcement Services grant monies from the State of California which are provided to assist cities in delivering front line law enforcement services. These monies supplement existing services and may not be used to supplant any existing funding for law enforcement services provided by the City.

Analysis/Comments

Supplemental Law Enforcement Services (SLESF) revenues are projected to remain flat for FY2026-27 at $283,502. Expenditures reflect the transfer of these funds to the General Fund to supplement the Sheriff's budget. This fund operates as a pass-through, with no fund balance retained.

165 - AFFORDABLE HOUSING FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Use of Money and Property					
LEASE/RENTAL INCOME	25,200	-	-	-	0.0%
OTHER	360	180,000	375,000	195,000	108.3%
INVESTMENT INTEREST	318,446	238,091	238,091	-	0.0%
Intergovernmental Revenues					
AGENCY TRUST CONTRIBUTION	250,000	250,000	250,000	-	0.0%
Reimbursements					
OTHER REIMBURSEMENTS	3,679	-	-	-	0.0%
Revenues/Other Sources	**597,685**	**668,091**	**863,091**	**195,000**	**29.2%**
Expenditures by Category					
SALARIES & BENEFITS	195,539	248,132	232,607	(15,524)	-6.3%
OPERATIONS & MAINTENANCE	268,206	601,121	185,308	(415,813)	-69.2%
INTERNAL SERVICE FUND ALLOCATIONS	50,028	53,766	53,601	(165)	-0.3%
TRANSFERS	962,914	4,128,445	-	(4,128,445)	-100.0%
Expenditures/Other Financing Uses	**1,476,687**	**5,031,464**	**471,516**	**(4,559,947)**	**-90.6%**
Net Revenues	(879,001)	(4,363,373)	391,574	4,754,947	-76.6%
Fund Balance, Beginning of Year	12,171,616	11,292,614	6,929,241	(4,363,373)	-38.6%
Fund Balance, End of Year	11,292,614	6,929,241	7,320,815	391,574	5.7%

Fund Description

The Affordable Housing fund contains the assets as well as loan and rental income which have been transferred to the City of Temecula from the former Redevelopment Agency .

Analysis/Comments

Affordable Housing Fund revenues are projected to increase 29.2% over the prior year, driven by a 108.3% increase primarily due to the anticipated sale of an affordable housing unit the City re-acquired in the prior fiscal year. Investment interest earnings are held flat at $238,091 and the Agency Trust Contribution remains at $250,000. Expenditures are projected to decrease 90.6% from the prior year to $471,516, primarily due to a 100.0% reduction in Transfers as no Affordable Housing Capital Improvement Projects are programmed for FY 2026-27. The ending fund balance is projected at $7.3 million, an increase of 5.7% over the prior year.

170 - MEASURE A FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Use of Money and Property					
INVESTMENT INTEREST	414,102	298,301	298,301	-	0.0%
Intergovernmental Revenues					
MEASURE A	4,199,604	3,944,000	4,280,000	336,000	8.5%
Revenues/Other Sources	**4,613,705**	**4,242,301**	**4,578,301**	**336,000**	**7.9%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	411,378	3,622,265	3,155,000	(467,265)	-12.9%
TRANSFERS	1,907,206	9,855,823	1,312,000	(8,543,823)	-86.7%
Expenditures/Other Financing Uses	**2,318,584**	**13,478,087**	**4,467,000**	**(9,011,087)**	**-66.9%**
Net Revenues	2,295,121	(9,235,787)	111,301	9,347,087	-49.0%
Fund Balance, Beginning of Year	8,367,804	10,662,925	1,427,139	(9,235,787)	-86.6%
Fund Balance, End of Year	10,662,925	1,427,139	1,538,439	111,301	7.8%

Fund Description

This fund was established to account for the City's allocation of the County of Riverside's additional one-half percent sales tax for transportation. These monies are restricted for use on local streets. In 2002, Measure A was extended by Riverside County voters. Measure A will continue to fund transportation improvements through 2039.

Analysis/Comments

Measure A revenue is projected to increase 8.5% to $4.28 million. Total revenues are projected to increase 7.9% over the prior year. Operational expenditures of $3.16 million, which support the Public Works department in the maintenance of streets and roads, are decreasing 12.9%. Transfers to the Capital Improvement Program of $1.31 million, to primarily fund the Pavement Rehabilitation Program, are decreasing 86.7% as the FY2025-26 expenditures included budget rolled forward from previous years. Total expenditures are projected to decrease 66.9%. The ending fund balance is projected at $1.5 million, an increase of 7.8% over the prior year.

198 - PUBLIC ART FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
PUBLIC ART	18,441	6,300	2,350	(3,950)	-62.7%
Use of Money and Property					
INVESTMENT INTEREST	13,805	9,791	9,791	-	0.0%
Revenues/Other Sources	**32,246**	**16,091**	**12,141**	**(3,950)**	**-24.5%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	7,316	15,540	18,000	2,460	15.8%
TRANSFERS	-	-	100,000	100,000	100.0%
Expenditures/Other Financing Uses	**7,316**	**15,540**	**118,000**	**102,460**	**659.3%**
Net Revenues	24,930	551	(105,859)	(106,410)	311.4%
Fund Balance, Beginning of Year	280,483	305,413	305,964	551	0.2%
Fund Balance, End of Year	305,413	305,964	200,105	(105,859)	-34.6%

Fund Description

This fund was established pursuant to Temecula Municipal Code Section 5.08.040, whereby the fund serves a a depository for the fees paid in lieu of art as well as monetary donations for public art. The Public Art In Lieu fee is one-tenth of one percent of an eligible development project in excess of $100,000. Eligible uses of this fund include the design, acquisition, installation, improvement, maintenance and insurance of public artwork; offering of performing arts programs on City property for the community; and art education programs on City property for the community.

Analysis/Comments

The Public Art Fund revenue fluctuates each year along with development activity. Revenue for FY2026-27 is projected to decrease 24.5%, which includes a 62.7% decline in revenue from development fees. Investment interest earnings are held flat at $9,791. Expenditures are projected to increase to $118,000, which includes $18,000 in Operations & Maintenance and a $100,000 transfer to the Capital Improvement Program to begin funding the design of the I-15 Corridor Branding and Visioning Improvements. The ending fund balance is projected at $200,105, a decrease of 34.6% from the prior year.

TEMECULA COMMUNITY SERVICES DISTRICT FUNDS

The Temecula Community Services District (TCSD) was established as an assessment district to provide a comprehensive neighborhood and community park system, as well as a complement of recreational and cultural programs, community and human services and special events activities aimed at enhancing the high quality of life of our youth, teens, adults, seniors and special needs population.

The District also provides street lighting, median and slope maintenance, refuse hauling and a recycling program, emergency dirt road maintenance, library services and an intern fellowship program.



CITY OF TEMECULA

REVENUE BY SOURCE
190 - TEMECULA COMMUNITY SERVICES DISTRICT FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Taxes and Franchises					
SPECIAL TAX (MEASURE C)	1,894,831	1,935,718	1,955,076	19,358	1.0%
Licenses, Permits and Service Charges					
AQUATICS	362,952	337,726	337,650	(76)	0.0%
SPORTS LEAGUES & TOURNAMENTS	309,516	231,943	271,375	39,432	17.0%
CONTRACT CLASSES	1,202,678	1,200,000	1,200,000	-	0.0%
CLASSES/ACTIVITIES	114,279	71,077	64,500	(6,577)	-9.3%
FACILITY RENTALS	441,776	428,576	419,081	(9,495)	-2.2%
MUSEUM ADMISSIONS	101,832	95,045	95,100	55	0.1%
THEATER ADMISSIONS	245,400	271,800	297,000	25,200	9.3%
DAY CAMPS	137,217	120,450	120,450	-	0.0%
Use of Money and Property					
INVESTMENT INTEREST	39,567	35,000	12,924	(22,076)	-63.1%
Reimbursements					
OTHER REIMBURSEMENTS	248,698	123,263	131,510	8,247	6.7%
Operating Transfers In					
CONTRIBUTION FROM MEASURE S	15,864,726	14,331,992	14,675,947	343,955	2.4%
Miscellaneous					
MISCELLANEOUS	99,767	82,380	89,576	7,196	8.7%
Total Revenues and Other Sources	**21,063,238**	**19,264,970**	**19,670,189**	**405,219**	**2.1%**

REVENUE DETAIL
190 - TEMECULA COMMUNITY SERVICES DISTRICT FUND

Fund 190	Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
180 - OPERATIONS						
4004	SPECIAL TAX (MEASURE C)	1,894,831	1,935,718	1,955,076	19,358	1.0%
4065	INVESTMENT INTEREST	32,104	35,000	12,924	(22,076)	-63.1%
4070	CASH OVER & SHORT	(68)	-	-	-	0.0%
4387	FILMING LOCATION AGREEMENT FEE	120	80	80	-	0.0%
6002	TRANSFER IN FROM MEASURE S FUND	15,864,726	14,331,992	14,675,947	343,955	2.4%
181 - TCSD - HUMAN SERVICES						
4076	REIMBURSEMENTS	31,510	23,263	31,510	8,247	35.5%
4977	INCLUSIVE CLASSES/ACTIVITIES	4,331	6,100	6,000	(100)	-1.6%
4978	SENIOR/INCLUSIVE DAY CAMP	24,678	1,602	-	(1,602)	-100.0%
4983	TRANSPORTATION	1,499	1,700	2,700	1,000	58.8%
4986	EXCURSIONS	2,215	4,250	4,250	-	0.0%
4990	INDOOR RENTALS	269	576	999	423	73.4%
182 - TCSD - COMMUNITY RECREATION CENTER						
4966	OPEN GYM RESIDENT/NONRESIDENT	10,964	13,250	13,250	-	0.0%
4980	CLASSES/ACTIVITIES	-	-	1,871	1,871	100.0%
4984	DAY CAMP	137,217	120,450	120,450	-	0.0%
4990	INDOOR RENTALS	15,425	9,500	8,000	(1,500)	-15.8%
4992	SPECIAL EVENTS	13,477	2,100	-	(2,100)	-100.0%
4998	SKATE PARK	-	-	300	300	100.0%
183 - TCSD - SPECIAL EVENTS						
4161	SPECIAL EVENT PERMITS	100	100	100	-	0.0%
4992	SPECIAL EVENTS	64,510	63,000	63,000	-	0.0%
184 - TCSD - FACILITIES & RENTALS						
4921	INDOOR RENTALS - CONFERENCE CENTER	10,935	7,000	7,000	-	0.0%
4989	PICNIC SHELTER RENTALS	21,654	17,500	15,000	(2,500)	-14.3%
4990	INDOOR RENTALS	45,570	40,000	65,000	25,000	62.5%
185 - TCSD - MUSEUM AND CULTURAL ARTS						
4088	DONATIONS	395	-	-	-	0.0%
4508	GIFT SHOP	19,765	13,500	15,000	1,500	11.1%
4951	TOURS	98	45	100	55	122.2%
4953	FIELD TRIPS	3,354	3,000	2,754	(246)	-8.2%
4980	CLASSES/ACTIVITIES	780	-	-	-	0.0%
4990	INDOOR RENTALS	1,335	-	-	-	0.0%
4991	ADMISSIONS	24,427	20,000	20,000	-	0.0%
186 - TCSD - AQUATICS						
4970	SWIM LESSONS	285,795	250,000	250,000	-	0.0%
4971	LAP SWIM	21,907	22,000	22,000	-	0.0%

REVENUE DETAIL
190 - TEMECULA COMMUNITY SERVICES DISTRICT FUND

Fund 190	Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
4972	PUBLIC SWIM	43,989	55,000	55,000	-	0.0%
4973	FAMILY NIGHT SWIM	278	76	-	(76)	-100.0%
4974	POOL RENTALS	15,889	24,000	24,000	-	0.0%
4976	NON RESIDENT SWIM	10,983	10,650	10,650	-	0.0%
4980	CLASSES/ACTIVITIES	70,112	48,500	41,000	(7,500)	-15.5%
187 - TCSD - SPORTS						
4959	ADULT BASKETBALL LEAGUE	13,820	6,923	-	(6,923)	-100.0%
4960	ADULT SOFTBALL	51,450	40,000	46,500	6,500	16.2%
4961	ADULT KICKBALL	3,010	4,400	4,400	-	0.0%
4962	HOCKEY	27,599	30,110	72,265	42,155	140.0%
4963	TOURNAMENTS	185,380	125,000	122,400	(2,600)	-2.1%
4965	YOUTH LEAGUES - NON RESIDENT	17,293	12,260	12,260	-	0.0%
4988	FIELD RENTALS/LIGHTS	222,954	230,000	204,082	(25,918)	-11.3%
4997	CONCESSIONS	-	2,500	10,296	7,796	311.8%
189 - TCSD - COMMUNITY THEATER						
4901	FRONT OF HOUSE FEES	8,913	8,800	7,000	(1,800)	-20.5%
4906	THEATER-STAGEHAND LABOR REIMB.	99,525	110,000	110,000	-	0.0%
4907	THEATER-TICKET SERVICES REIMB.	41,399	43,000	40,000	(3,000)	-7.0%
4910	THEATER-TEMECULA PRESENTS	95,564	110,000	140,000	30,000	27.3%
4990	INDOOR RENTALS	74,995	65,000	60,000	(5,000)	-7.7%
4991	ADMISSIONS	77,306	75,000	75,000	-	0.0%
4997	CONCESSIONS	1,500	1,200	1,200	-	0.0%
4999	THEATER-EQUIPMENT RENTALS	32,752	35,000	35,000	-	0.0%
197 - TCSD - CONTRACT CLASSES						
4982	CONTRACTED CLASSES	1,202,678	1,200,000	1,200,000	-	0.0%
201 - TCSD - HOMELESS OUTREACH AND PREVENTION						
4076	REIMBURSEMENTS	217,189	100,000	100,000	-	0.0%
202 - TCSD - WORKFORCE DEVELOPMENT						
4248	TCSD WORKFORCE PROGRAMS	7,210	5,825	5,825	-	0.0%
199 - NON-DEPARTMENTAL						
4545	GASB 31 - FMV ON INVESTMENTS	7,532	-	-	-	0.0%
TOTAL TEMECULA COMMUNITY SERVICES DISTRICT FUND		**21,063,238**	**19,264,970**	**19,670,189**	**405,219**	**2.1%**

REVENUE DETAIL
TEMECULA COMMUNITY SERVICE DISTRICT

	Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
191 - TCSD SERVICE LEVEL "B" STREETLIGHT REPLACEMENT FUND						
4065	INVESTMENT INTEREST	59,969	47,370	47,370	-	0.0%
6192	TRANSFER IN FROM SVC LVL B STREET LIGHTS FUND	200,000	-	-	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	7,813	-	-	-	0.0%
	TOTAL TCSD SERVICE LEVEL "B" STREETLIGHT REPLACEMENT FUND	**267,781**	**47,370**	**47,370**	**-**	**0.0%**
192 - TCSD SERVICE LEVEL "B" STREET LIGHTS FUND						
4005	ASSESSMENTS	657,526	658,173	658,153	(20)	0.0%
4065	INVESTMENT INTEREST	21,859	15,756	15,756	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	3,552	-	-	-	0.0%
	TOTAL TCSD SERVICE LEVEL "B" STREET LIGHTS FUND	**682,937**	**673,929**	**673,909**	**(20)**	**0.0%**
194 - TCSD SERVICE LEVEL "D" REFUSE/RECYCLING FUND						
4005	ASSESSMENTS	10,577,457	10,586,696	11,698,506	1,111,810	10.5%
4065	INVESTMENT INTEREST	57,867	33,639	33,639	-	0.0%
4096	RECYCLING PROGRAM	66,174	60,593	27,553	(33,040)	-54.5%
4545	GASB 31 - FMV ON INVESTMENTS	15,507	-	-	-	0.0%
4858	OTHER FINANCING SOURCE - SBITA	50,755	-	-	-	0.0%
	TOTAL TCSD SERVICE LEVEL "D" REFUSE/RECYCLING FUND	**10,767,760**	**10,680,929**	**11,759,698**	**1,078,770**	**10.1%**
195 - TCSD SERVICE LEVEL "R" STREET/ROAD MAINT. FUND						
4005	ASSESSMENTS	5,667	5,532	5,532	-	0.0%
4065	INVESTMENT INTEREST	1,796	1,410	1,410	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	240	-	-	-	0.0%
	TOTAL TCSD SERVICE LEVEL "R" STREET/ROAD MAINT FUND	**7,703**	**6,943**	**6,943**	**-**	**0.0%**
196 - TCSD SERVICE LEVEL "L" LAKE PARK MAINT. FUND						
4005	ASSESSMENTS	257,481	259,318	261,911	2,593	1.0%
4007	HARVESTON LAKE BOAT REVENUE	1,500	7,500	7,500	-	0.0%
4065	INVESTMENT INTEREST	15,400	12,023	12,023	-	0.0%
4301	PERMITS	10,095	9,000	6,000	(3,000)	-33.3%
4545	GASB 31 - FMV ON INVESTMENTS	2,461	-	-	-	0.0%
	TOTAL TCSD SERVICE LEVEL "L" LAKE PARK MAINT. FUND	**286,937**	**287,841**	**287,434**	**(407)**	**-0.1%**
197 - TEMECULA LIBRARY FUND						
4065	INVESTMENT INTEREST	12,957	9,124	9,124	-	0.0%
4070	CASH OVER & SHORT	1	-	-	-	0.0%
4071	FINES & FEES	11,997	10,178	10,178	-	0.0%
4076	REIMBURSEMENTS	-	150	-	(150)	-100.0%
4079	PRINTING & COPIES	12,176	13,442	13,442	-	0.0%
4274	FACILITIES RENTALS	14,538	16,540	16,540	-	0.0%
6002	TRANSFER IN FROM MEASURE S FUND	1,127,563	1,308,073	1,774,877	466,804	35.7%
4545	GASB 31 - FMV ON INVESTMENTS	1,847	-	-	-	0.0%
	TOTAL TEMECULA LIBRARY FUND	**1,181,079**	**1,357,507**	**1,824,161**	**466,654**	**34.4%**
501-530 TCSD SERVICE LEVEL "C" SLOPE MAINT. FUNDS						
4005	ASSESSMENTS	1,589,964	1,593,048	1,594,276	1,228	0.1%
4065	INVESTMENT INTEREST	80,628	62,954	62,954	-	0.0%
4545	GASB 31 - FMV ON INVESTMENTS	14,096	0	0	-	0.0%
	TOTAL SERVICE LEVEL"C"ZONE 1 SADDLEWOOD FUND	**1,684,688**	**1,656,002**	**1,657,230**	**1,228**	**0.1%**

TEMECULA COMMUNITY SERVICES DISTRICT (TCSD) - ALL FUNDS COMBINED

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Fund					
190 - TCSD Operations	21,063,238	19,264,970	19,670,189	405,219	2.1%
191 - Service Level B (Streetlight Replacement)	267,781	47,370	47,370	-	0.0%
192 – Service Level B (Street Lights)	682,937	673,929	673,909	(20)	0.0%
194 – Service Level D (Refuse/Recycling)	10,767,760	10,680,929	11,759,698	1,078,770	10.1%
195 – Service Level R (Road Maintenance)	7,703	6,943	6,943	-	0.0%
196 – Service Level L (Lake Park Maintenance)	286,937	287,841	287,434	(407)	-0.1%
197 – Temecula Public Library	1,181,079	1,357,507	1,824,161	466,654	34.4%
501-530 – Service Level C (Slope Maintenance)	1,684,688	1,656,002	1,657,230	1,228	0.1%
Total Revenues and Other Sources	**35,942,124**	**33,975,490**	**35,926,933**	**1,951,443**	**5.7%**
Expenditures by Fund					
190 - TCSD Operations	20,331,619	20,521,086	19,670,189	(850,897)	-4.1%
191 - Service Level B (Streetlight Replacement)	-	20,000	40,000	20,000	100.0%
192 – Service Level B (Street Lights)	564,803	679,738	737,225	57,487	8.5%
194 – Service Level D (Refuse/Recycling)	10,974,991	11,279,506	11,899,089	619,583	5.5%
195 – Service Level R (Road Maintenance)	274	2,434	10,434	8,000	328.7%
196 – Service Level L (Lake Park Maintenance)	301,441	376,576	370,364	(6,211)	-1.6%
197 – Temecula Public Library	1,181,727	1,512,186	1,824,161	311,975	20.6%
501-530 – Service Level C (Slope Maintenance)	1,565,410	1,669,473	1,733,047	63,574	3.8%
Total Expenditures and Other Financial Uses	**34,920,265**	**36,060,999**	**36,284,510**	**223,512**	**0.6%**
Excess of Revenues Over (Under) Expenditures	1,021,859	(2,085,508)	(357,577)	1,727,932	3.1%
Fund Balance, Beginning of Year	6,166,262	7,188,121	5,102,613	(2,085,508)	-29.0%
Fund Balance, End of Year	7,188,121	5,102,613	4,745,036	(357,577)	-7.0%

Fund Description

Citywide Operations reflects the collection of the Special Tax (Measure C) charged to households for recreation programs as well as fees for classes and activities. Accounts for facility operations, maintenance, and community recreation programs. Measure C was approved by residents in 1997 at a rate of $74.44 per parcel for the purpose of maintaining the City's parks, recreation facilities, arterial street lighting and traffic signals. The Special Tax revenue is allocated equally between TCSD and the General Fund to fund both recreation programs and parks maintenance.

TEMECULA COMMUNITY SERVICES DISTRICT (TCSD) OPERATIONS SUMMARY

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Department					
AQUATICS	448,953	410,226	402,650	(7,576)	-1.85%
COMMUNITY RECREATION CENTER	177,082	145,300	143,871	(1,429)	-0.98%
COMMUNITY THEATER	431,953	448,000	468,200	20,200	4.51%
CONTRACT CLASSES	1,202,678	1,200,000	1,200,000	-	0.00%
HOMELESS OUTREACH AND PREVENTION	217,189	100,000	100,000	-	0.00%
MUSEUM AND CULTURAL ARTS	50,154	36,545	37,854	1,309	3.58%
NON-DEPARTMENTAL	7,532	-	-	-	0.00%
OPERATIONS	17,791,712	16,302,790	16,644,027	341,237	2.09%
SENIOR AND INCLUSIVE SERVICES	64,501	37,491	45,459	7,968	21.25%
SPECIAL EVENTS	64,610	63,100	63,100	-	0.00%
SPORTS	521,506	451,193	472,203	21,010	4.66%
TEMECULA COMMUNITY CENTER	78,159	64,500	87,000	22,500	34.88%
WORKFORCE DEVELOPMENT	7,210	5,825	5,825	-	0.00%
Total Revenues and Other Sources	**21,063,238**	**19,264,970**	**19,670,189**	**405,219**	**2.10%**
Expenditures by Department					
AQUATICS	2,293,522	2,462,636	2,490,173	27,537	1.12%
COMMUNITY RECREATION CENTER	1,328,013	1,200,259	1,248,323	48,064	4.00%
COMMUNITY THEATER	1,615,673	1,517,308	1,509,094	(8,213)	-0.54%
CONTRACT CLASSES	1,692,791	1,538,000	1,398,618	(139,382)	-9.06%
HOMELESS OUTREACH AND PREVENTION	1,641,371	1,691,916	1,648,359	(43,557)	-2.57%
MUSEUM AND CULTURAL ARTS	979,855	650,094	598,585	(51,509)	-7.92%
OPERATIONS	6,740,448	7,138,096	6,681,680	(456,416)	-6.39%
SENIOR AND INCLUSIVE SERVICES	1,115,733	1,765,298	1,718,817	(46,481)	-2.63%
SPECIAL EVENTS	1,190,627	1,237,330	1,058,550	(178,781)	-14.45%
SPORTS	893,405	849,154	768,571	(80,583)	-9.49%
TEMECULA COMMUNITY CENTER	404,349	470,995	549,419	78,425	16.65%
WORKFORCE DEVELOPMENT	435,832	-	-	-	0.00%
Total Expenditures and Other Financial Uses	**20,331,619**	**20,521,086**	**19,670,189**	**(850,897)**	**-4.15%**
Excess of Revenues Over (Under) Expenditures	731,620	(1,256,116)	-	1,256,116	-100.00%
Fund Balance, Beginning of Year	624,497	1,356,116	100,000	(1,256,116)	-92.6%
Adjustment to Fund Balance	-	-	-	-	0.0%
Fund Balance, End of Year	1,356,116	100,000	100,000	0	0.0%

Fund Description

Citywide Operations reflects the collection of the Special Tax (Measure C) charged to households for recreation programs as well as fees for classes and activities. Accounts for facility operations, maintenance, and community recreation programs. Measure C was approved by residents in 1997 at a rate of $74.44 per parcel for the purpose of maintaining the City's parks, recreation facilities, arterial street lighting and traffic signals. The Special Tax revenue is allocated equally between TCSD and the General Fund to fund both recreation programs and parks maintenance.

Analysis/Comments

TCSD revenue is projected to increase 2.1% overall, including a 2.4% increase in the Contribution from Measure S and a 17.0% increase in Sports Leagues & Tournaments revenue. Theater Admissions are projected to increase 9.3%. Expenditures are projected to decrease 4.1%, including a 3.7% decrease in Salaries & Benefits and a 4.4% reduction in Operations & Maintenance expenditures. Internal Service Fund Allocations are decreasing 5.7%. These expenditures continue to provide the community recreational, cultural arts, sports, and human service programs. The ending fund balance is projected at $100,000, unchanged from the current year.

191 - TCSD SERVICE LEVEL "B" STREETLIGHT REPLACEMENT FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Use of Money and Property					
INVESTMENT INTEREST	67,781	47,370	47,370	-	0.0%
Operating Transfers In					
OPERATING TRANSFERS IN	200,000	-	-	-	0.0%
Revenues/Other Sources	**267,781**	**47,370**	**47,370**	**-**	**0.0%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	-	20,000	40,000	20,000	100.0%
Expenditures/Other Financing Uses	**-**	**20,000**	**40,000**	**20,000**	**100.0%**
Net Revenues	267,781	27,370	7,370	(20,000)	29.7%
Fund Balance, Beginning of Year	1,324,223	1,592,004	1,619,374	27,370	1.7%
Fund Balance, End of Year	1,592,004	1,619,374	1,626,744	7,370	0.5%

Fund Description

This fund was established to accumulate resources for the replacement of streetlight equipment, poles and lightbulbs, as the City has acquired street lights from Southern California Edison, and to install new street lights as needed throughout the City. Each year, $200,000 is transferred to this fund from the TCSD Service Level "B" Street Lights Fund (Fund 192), until the desired reserve of $1.5 million is reached.

Analysis/Comments

Revenue is projected to remain flat at $47,370, consisting solely of investment interest earnings. No Operating Transfers In are budgeted, as the desired reserve of $1.5 million has been reached. Expenditures of $40,000 represent a 100.0% increase over the prior year in order to maintain the newly acquired residential street lights. The ending fund balance is projected at $1.63 million, an increase of 0.5% over the prior year.

192 - TCSD SERVICE LEVEL "B" STREET LIGHTS FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
ASSESSMENTS	657,526	658,173	658,153	(20)	0.0%
Use of Money and Property					
INVESTMENT INTEREST	25,412	15,756	15,756	-	0.0%
Revenues/Other Sources	**682,937**	**673,929**	**673,909**	**(20)**	**0.0%**
Expenditures by Category					
SALARIES & BENEFITS	-	206,647	212,894	6,247	3.0%
OPERATIONS & MAINTENANCE	364,803	436,488	483,688	47,200	10.8%
INTERNAL SERVICE FUND ALLOCATIONS	-	36,603	40,643	4,040	11.0%
TRANSFERS	200,000	-	-	-	0.0%
Expenditures/Other Financing Uses	**564,803**	**679,738**	**737,225**	**57,487**	**8.5%**
Net Revenues	118,135	(5,810)	(63,317)	(57,507)	4.2%
Fund Balance, Beginning of Year	523,266	641,400	635,590	(5,810)	-0.9%
Fund Balance, End of Year	641,400	635,590	572,274	(63,317)	-10.0%

Fund Description

Service Level B reflects the collection of benefit assessments charged to property owners. Service Level B includes only those parcels within residential subdivisions that receive residential street lighting services. This service level includes operational, administrative, maintenance and utility costs of residential streetlights. Each year, $200,000 is transferred from this fund to the TCSD Service Level "B" Streetlight Replacement Fund (Fund 191) to accommodate these costs, until the desired reserve in Fund 191 of $1.5 million is reached.

Analysis/Comments

Service Level B assessment revenue is projected to remain flat at $658,153. Total expenditures are projected to increase 8.5%, including a 3.0% increase in Salaries & Benefits, a 10.8% increase in Operations & Maintenance, and an 11.0% increase in Internal Service Fund Allocations. The expenditure increases reflect the continued support of the ongoing operations and maintenance of the streetlight network. The ending fund balance is projected at $572,274, a decrease of 10.0% from the prior year.

194 - TCSD SERVICE LEVEL "D" REFUSE/RECYCLING FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
RECYCLING PROGRAM	66,174	60,593	27,553	(33,040)	-54.5%
ASSESSMENTS	10,577,457	10,586,696	11,698,506	1,111,810	10.5%
Use of Money and Property					
OTHER	50,755	-	-	-	0.0%
INVESTMENT INTEREST	73,374	33,639	33,639	-	0.0%
Revenues/Other Sources	**10,767,760**	**10,680,929**	**11,759,698**	**1,078,770**	**10.1%**
Expenditures by Category					
SALARIES & BENEFITS	70,288	82,946	96,021	13,075	15.8%
OPERATIONS & MAINTENANCE	10,828,043	11,157,451	11,803,068	645,617	5.8%
CAPITAL OUTLAY	76,659	39,109	-	(39,109)	-100.0%
Expenditures/Other Financing Uses	**10,974,991**	**11,279,506**	**11,899,089**	**619,583**	**5.5%**
Net Revenues	(207,230)	(598,577)	(139,391)	459,187	7.7%
Fund Balance, Beginning of Year	945,198	737,968	139,390	(598,577)	-81.1%
Fund Balance, End of Year	737,968	139,390	-	(139,391)	-100.0%

Fund Description

Service Level D Fund is used to collect benefit assessments charged to property owners for the purpose of providing refuse collection, recycling, and street sweeping throughout the City, which is provided by CR&R. In addition, Service Level D has received grants to increase recycling efforts Citywide.

Analysis/Comments

Service Level D revenues are projected to increase 10.1% overall, driven by a 10.5% increase in Assessments ($1.1 million). Total expenditures are projected to increase 5.5%, primarily due to a 5.8% increase in Operations & Maintenance reflecting the pass-through of Assessment revenue to CR&R for Refuse and Recycling services. Capital Outlay is reduced 100.0% as no equipment purchases are planned. The ending fund balance is projected to be zero by year-end.

195 - TCSD SERVICE LEVEL "R" STREET/ROAD MAINT FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
ASSESSMENTS	5,667	5,532	5,532	-	0.0%
Use of Money and Property					
INVESTMENT INTEREST	2,035	1,410	1,410	-	0.0%
Revenues/Other Sources	**7,703**	**6,943**	**6,943**	**-**	**0.0%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	274	2,434	10,434	8,000	328.7%
Expenditures/Other Financing Uses	**274**	**2,434**	**10,434**	**8,000**	**328.7%**
Net Revenues	7,429	4,509	(3,491)	(8,000)	85.3%
Fund Balance, Beginning of Year	40,123	47,551	52,060	4,509	9.5%
Fund Balance, End of Year	47,551	52,060	48,569	(3,491)	-6.7%

Fund Description

Service Level R Fund reflects the operational, administrative, construction and maintenance costs for certain unpaved roads that become inaccessible after inclement weather. Zone R-1 provides service in the Nicolas/Liefer Road area. The maximum rate that can be charged for Zone R-1 for an improved parcel is $115.26 and for an unimproved parcel is $57.62.

Analysis/Comments

Service Level R revenue is projected to remain flat at $6,943. Expenditures of $10,434 represent a 328.7% increase over the prior year, which includes an increased allocation for emergency street maintenance. Expenditures reflect the maintenance costs of Leifer Road and other unpaved roads in the area. The ending fund balance is projected at $48,569, a decrease of 6.7% from the prior year.

196 - TCSD SERVICE LEVEL "L" LAKE PARK MAINT. FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
HARVESTON LAKE BOAT REVENUE	1,500	7,500	7,500	-	0.0%
ASSESSMENTS	257,481	259,318	261,911	2,593	1.0%
Use of Money and Property					
INVESTMENT INTEREST	17,861	12,023	12,023	-	0.0%
Miscellaneous					
MISCELLANEOUS	10,095	9,000	6,000	(3,000)	-33.3%
Revenues/Other Sources	**286,937**	**287,841**	**287,434**	**(407)**	**-0.1%**
Expenditures by Category					
SALARIES & BENEFITS	13,319	14,976	14,364	(611)	-4.1%
OPERATIONS & MAINTENANCE	288,123	361,600	356,000	(5,600)	-1.5%
Expenditures/Other Financing Uses	**301,441**	**376,576**	**370,364**	**(6,211)**	**-1.6%**
Net Revenues	(14,504)	(88,735)	(82,931)	5,804	-1.0%
Fund Balance, Beginning of Year	372,780	358,276	269,541	(88,735)	-24.8%
Fund Balance, End of Year	358,276	269,541	186,610	(82,931)	-30.8%

Fund Description

Service Level L Fund reflects the benefit assessments charged to property owners for the purpose of maintaining the Harveston Lake Park. Expenditures include operational, administrative and maintenance costs.

Analysis/Comments

Service Level L revenue is projected to decrease 0.1%, with a 1.0% increase in Assessments offset by a 33.3% decrease in Miscellaneous revenue related to fishing permits at Harveston Lake. Expenditures are projected to decrease 1.6% due to a reduction in Operations & Maintenance costs. The ending fund balance is projected at $186,610, a decrease of 30.8% from the prior year.

197 - TEMECULA LIBRARY FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
PRINTING & COPIES	12,176	13,442	13,442	-	0.0%
Fines and Forfeitures					
FINES & FORFEITURES	11,997	10,178	10,178	-	0.0%
Use of Money and Property					
LEASE/RENTAL INCOME	14,538	16,540	16,540	-	0.0%
INVESTMENT INTEREST	14,805	9,124	9,124	-	0.0%
Reimbursements					
OTHER REIMBURSEMENTS	-	150	-	(150)	-100.0%
Operating Transfers In					
CONTRIBUTION FROM MEASURE S	1,127,563	1,308,073	1,774,877	466,804	35.7%
Revenues/Other Sources	**1,181,079**	**1,357,507**	**1,824,161**	**466,654**	**34.4%**
Expenditures by Category					
SALARIES & BENEFITS	282,939	345,661	298,756	(46,905)	-13.6%
OPERATIONS & MAINTENANCE	517,259	583,961	766,742	182,781	31.3%
INTERNAL SERVICE FUND ALLOCATIONS	381,529	541,414	758,663	217,249	40.1%
CAPITAL OUTLAY	-	41,150	-	(41,150)	-100.0%
Expenditures/Other Financing Uses	**1,181,727**	**1,512,186**	**1,824,161**	**311,975**	**20.6%**
Net Revenues	(649)	(154,679)	-	154,679	27.1%
Fund Balance, Beginning of Year	255,327	254,678	100,000	(154,679)	-60.7%
Fund Balance, End of Year	254,678	100,000	100,000	-	0.0%

Fund Description

The Library Fund is used to account for the maintenance and operations of the Ronald H. Roberts Temecula Public Library on Pauba Road.

Analysis/Comments

Contributions from Measure S serve as the primary funding source for library operations. Library revenues are projected to increase 34.4% over the prior year, driven by a 35.7% increase in the Contribution from Measure S ($466,804). All other revenue sources are held flat. Library expenditures are projected to increase 20.6%, primarily due to the increase in contractual services with Riverside County to provide library services, and a 40.1% increase in Internal Service Fund Allocations related to the increase in technology devices allocated to the Library. These increases are partially offset by a 13.6% decrease in Salaries & Benefits and a 100.0% reduction in Capital Outlay. The ending fund balance is projected at $100,000, unchanged from the prior year.

FUNDS 501-530 SERVICE LEVEL C - LANDSCAPE / SLOPE MAINTENANCE

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
ASSESSMENTS	1,589,964	1,593,048	1,594,276	1,228	0.1%
Use of Money and Property					
INVESTMENT INTEREST	94,724	62,954	62,954	-	0.0%
Revenues/Other Sources	**1,684,688**	**1,656,002**	**1,657,230**	**1,228**	**0.1%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	1,526,293	1,668,781	1,733,047	64,266	3.9%
TRANSFERS	39,117	692	-	(692)	-100.0%
Expenditures/Other Financing Uses	**1,565,410**	**1,669,473**	**1,733,047**	**63,574**	**3.8%**
Net Revenues	119,278	(13,470)	(75,817)	(62,347)	462.8%
Fund Balance, Beginning of Year	2,080,849	2,200,127	2,186,656	(13,470)	-0.6%
Fund Balance, End of Year	2,200,127	2,186,656	2,110,839	(75,817)	-3.5%

Fund Description

Service Level C Fund reflects the collection of benefit assessments charged to property owners for the purpose of providing perimeter landscaping and slope maintenance throughout the City. Service Level C assesses only those parcels within residential subdivisions receiving TCSD perimeter landscaping and slope maintenance and are separated into 32 zones. The rate levels for Zones 6 and 29, are subject to a Consumer Price Index-Urban Consumers (CPI-U) annual inflator while all other rate levels will not increase. Zones 30-32 will not be assessed, as the property owners have elected to have the landscaping maintained by the respective Homeowner's Associations (HOAs).

Analysis/Comments

Service Level C Fund revenue will increase slightly due to an increase in assessments within two zones. FY26-27 expenditures will increase by 3.8% due to increased landscape and maintenance costs.

SUCCESSOR AGENCY TO THE TEMECULA REDEVELOPMENT AGENCY FUND

The Successor Agency to the Temecula Redevelopment Agency, known as SARDA, was established in 2012, per Assembly Bill 1x26, which dissolved all California Redevelopment Agencies.

SARDA activities are limited to those necessary to pay the outstanding debts and obligations of the former Redevelopment Agency.



CITY OF TEMECULA

380 - SARDA DEBT SERVICE FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Taxes and Franchises					
REDEVELOPMENT PROPERTY TAX FUND DISTRIBUTION	-	6,959,359	6,243,697	(715,662)	-10.3%
Use of Money and Property					
INVESTMENT INTEREST	195,373	165,629	165,629	-	0.0%
Operating Transfers In					
OPERATING TRANSFERS IN	8,267,538	-	-	-	0.0%
Revenues/Other Sources	**8,462,911**	**7,124,988**	**6,409,326**	**(715,662)**	**-10.0%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	1,566,993	1,548,261	1,548,261	-	0.0%
DEBT SERVICE - PRINCIPAL	-	2,980,000	3,125,000	145,000	4.9%
DEBT SERVICE - INTEREST	2,746,135	2,628,394	2,499,197	(129,197)	-4.9%
TRANSFERS	250,000	250,000	250,000	-	0.0%
Expenditures/Other Financing Uses	**4,563,128**	**7,406,655**	**7,422,458**	**15,803**	**0.2%**
Net Revenues	3,899,782	(281,667)	(1,013,132)	(731,465)	-4.8%
Fund Balance, Beginning of Year	(34,291,959)	(30,392,177)	(30,673,844)	(281,667)	-0.9%
Fund Balance, End of Year	(30,392,177)	(30,673,844)	(31,686,976)	(1,013,132)	-3.3%

Fund Description

The Successor Agency to the Redevelopment Agency (SARDA) Debt Service Fund was established to account for payment obligations of the Successor Agency as a result of the State's dissolution of Redevelopment Agencies. This is a private-purpose trust fund that is used to account for resources held and administered by the SARDA acting in a fiduciary capacity for other governments.

Analysis/Comments

SARDA revenue is associated with the former Redevelopment Agency's Recognized Obligation Payment Schedule (ROPS), and varies based on the obligations for each given fiscal year. Redevelopment Property Tax Fund Distribution is projected to decrease 10.3% to $6.2 million. Debt Service expenditures are for the 2017A and 2017B Tax Allocation Refunding Bonds, with principal payments increasing 4.9% and interest payments decreasing 4.9%.

INTERNAL SERVICE FUNDS

Internal Service Funds (ISFs) are used to account for the funding of goods and services provided by one department to other benefitting departments on a cost-reimbursement basis.



CITY OF TEMECULA

REVENUE DETAIL
INTERNAL SERVICE FUNDS

	Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
300 - INSURANCE FUND						
4065	INVESTMENT INTEREST	88,119	52,725	52,725	-	0.0%
4176	CHARGES FOR SERVICES	3,356,143	3,800,317	3,838,929	38,612	1.0%
4545	GASB 31 - FMV ON INVESTMENTS	9,601	-	-	-	0.0%
6001	TRANSFER IN FROM GENERAL FUND	1,172,672	-	-	-	0.0%
	TOTAL INSURANCE FUND	**4,626,534**	**3,853,042**	**3,891,654**	**38,612**	**1.0%**
305 - WORKERS' COMPENSATION FUND						
4065	INVESTMENT INTEREST	37,527	29,354	29,354	-	0.0%
4176	CHARGES FOR SERVICES	697,813	598,244	300,695	(297,549)	-49.7%
4545	GASB 31 - FMV ON INVESTMENTS	6,314	-	-	-	0.0%
6001	TRANSFER IN FROM GENERAL FUND	436,678	-	-	-	0.0%
	TOTAL WORKERS' COMPENSATION FUND	**1,178,332**	**627,598**	**330,049**	**(297,549)**	**-47.4%**
310 - VEHICLES AND EQUIPMENT FUND						
4065	INVESTMENT INTEREST	150,365	119,763	119,763	-	0.0%
4176	CHARGES FOR SERVICES	475,657	511,907	555,949	44,042	8.6%
4545	GASB 31 - FMV ON INVESTMENTS	19,994	-	-	-	0.0%
	TOTAL VEHICLES AND EQUIPMENT FUND	**646,016**	**631,670**	**675,712**	**44,042**	**7.0%**
320 - INFORMATION TECHNOLOGY FUND						
4065	INVESTMENT INTEREST	24,999	25,533	25,533	-	0.0%
4176	CHARGES FOR SERVICES	6,092,741	6,802,193	6,741,283	(60,910)	-0.9%
4545	GASB 31 - FMV ON INVESTMENTS	8,668	-	-	-	0.0%
6002	TRANSFER IN FROM MEASURE S FUND	300,000	300,000	300,000	-	0.0%
	TOTAL INFORMATION TECHNOLOGY FUND	**6,426,408**	**7,127,726**	**7,066,816**	**(60,910)**	**-0.9%**
325 - TECHNOLOGY REPLACEMENT FUND						
4065	INVESTMENT INTEREST	157,614	119,388	119,388	-	0.0%
4176	CHARGES FOR SERVICES	229,987	321,333	236,935	(84,398)	-26.3%
4545	GASB 31 - FMV ON INVESTMENTS	15,715	-	-	-	0.0%
6320	TRANSFER IN FROM INFORMATION TECHNOLOGY FUND	1,748,615	-	-	-	0.0%
	TOTAL TECHNOLOGY REPLACEMENT FUND	**2,151,931**	**440,721**	**356,323**	**(84,398)**	**-19.1%**

REVENUE DETAIL
INTERNAL SERVICE FUNDS

	Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
330 - SUPPORT SERVICES FUND						
4065	INVESTMENT INTEREST	348	321	321	-	0.0%
4176	CHARGES FOR SERVICES	382,179	465,880	447,379	(18,501)	-4.0%
4545	GASB 31 - FMV ON INVESTMENTS	90	-	-	-	0.0%
	TOTAL SUPPORT SERVICES FUND	**382,617**	**466,201**	**447,700**	**(18,501)**	**-4.0%**
335 - SUPPORT SERVICES REPLACEMENT FUND						
4065	INVESTMENT INTEREST	15,735	12,729	12,729	-	0.0%
4176	CHARGES FOR SERVICES	24,263	30,881	24,990	(5,891)	-19.1%
4545	GASB 31 - FMV ON INVESTMENTS	2,130	-	-	-	0.0%
	TOTAL SUPPORT SERVICES REPLACEMENT FUND	**42,128**	**43,610**	**37,719**	**(5,891)**	**-13.5%**
340 - FACILITIES FUND						
4065	INVESTMENT INTEREST	14,188	18,000	18,000	-	0.0%
4076	REIMBURSEMENTS	24,000	24,000	-	(24,000)	-100.0%
4176	CHARGES FOR SERVICES	1,643,743	1,632,946	1,743,841	110,895	6.8%
4545	GASB 31 - FMV ON INVESTMENTS	4,460	-	-	-	0.0%
	TOTAL FACILITIES FUND	**1,686,391**	**1,674,946**	**1,761,841**	**86,895**	**5.2%**
350 - FACILITIY REPLACEMENT FUND						
4065	INVESTMENT INTEREST	158,532	111,755	111,755	-	0.0%
4176	CHARGES FOR SERVICES	117,020	121,550	223,810	102,260	84.1%
4545	GASB 31 - FMV ON INVESTMENTS	12,644	-	-	-	0.0%
6002	TRANSFER IN FROM MEASURE S FUND	2,500,000	1,250,000	2,500,000	1,250,000	100.0%
6340	TRANSFER IN FROM FACILITIES FUND	606,326	-	-	-	0.0%
	TOTAL FACILITY REPLACEMENT FUND	**3,394,522**	**1,483,305**	**2,835,565**	**1,352,260**	**91.2%**

300 - INSURANCE FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
CHARGES FOR SERVICES	3,356,143	3,800,317	3,838,929	38,612	1.0%
Use of Money and Property					
INVESTMENT INTEREST	97,719	52,725	52,725	-	0.0%
Operating Transfers In					
OPERATING TRANSFERS IN	1,172,672	-	-	-	0.0%
Revenues/Other Sources	**4,626,534**	**3,853,042**	**3,891,654**	**38,612**	**1.0%**
Expenditures by Category					
SALARIES & BENEFITS	215,356	273,382	243,130	(30,252)	-11.1%
OPERATIONS & MAINTENANCE	3,140,788	3,476,935	3,648,524	171,589	4.9%
Expenditures/Other Financing Uses	**3,356,143**	**3,750,317**	**3,891,654**	**141,337**	**3.8%**
Net Revenues	1,270,391	102,725	-	(102,725)	2.4%
Fund Balance, Beginning of Year	1,189,713	2,460,104	2,562,829	102,725	4.2%
Fund Balance, End of Year	2,460,104	2,562,829	2,562,829	-	0.0%

Fund Description

The Insurance Fund was established to account for the City's liability and property insurance costs. Fund Balance is a combination of both spendable and non spendable assets. These costs are allocated to each department based on the total number of Full Time Equivalent positions assigned to those departments. The City has a Self-Insured Retention (SIR) of $500,000 per incident, and strives to maintain a fund balance equal to three times the SIR.

Analysis/Comments

Insurance Fund revenues are projected to increase 1.0% over the prior year, driven by a 1.0% increase in Charges for Services. Investment interest earnings are held flat at $52,725. Expenditures are projected to increase 3.8%, primarily due to a 4.9% increase in Operations & Maintenance reflecting higher insurance premiums. Salaries & Benefits are decreasing 11.1%. The ending fund balance is projected at $2.6 million, unchanged from the current year, maintaining the City's target of three times the $500,000 Self-Insured Retention.

305 - WORKERS' COMPENSATION FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
CHARGES FOR SERVICES	697,813	598,244	300,695	(297,549)	-49.7%
Use of Money and Property					
INVESTMENT INTEREST	43,842	29,354	29,354	-	0.0%
Operating Transfers In					
OPERATING TRANSFERS IN	436,678	-	-	-	0.0%
Revenues/Other Sources	**1,178,332**	**627,598**	**330,049**	**(297,549)**	**-47.4%**
Expenditures by Category					
SALARIES & BENEFITS	200,224	273,564	243,640	(29,924)	-10.9%
OPERATIONS & MAINTENANCE	349,407	422,272	383,605	(38,667)	-9.2%
Expenditures/Other Financing Uses	**549,631**	**695,835**	**627,245**	**(68,590)**	**-9.9%**
Net Revenues	628,701	(68,238)	(297,197)	(228,959)	-27.7%
Fund Balance, Beginning of Year	1,047,326	1,676,027	1,607,789	(68,238)	-4.1%
Fund Balance, End of Year	1,676,027	1,607,789	1,310,593	(297,197)	-18.5%

Fund Description

The Workers' Compensation Fund was established in Fiscal Year 2014-15 as the City transitions to a self-insured status for Workers' Compensation liabilities. Departments are charged based on each position allocated on a Full Time Equivalent basis, with a cost assigned to each position based on job duties and potential for risk. The desired Net Position for this fund is $1.5 million, which represents three-times the City's Self-Insured Retention amount of $500,000.

Analysis/Comments

Workers' Compensation Fund revenues are projected to decrease 47.4% from the prior year, primarily due to a 49.7% decrease in Charges for Services as the fund draws down existing fund balance. Investment interest earnings are held flat at $29,354. Expenditures are projected to decrease 9.9%, including a 10.9% decrease in Salaries & Benefits and a 9.2% decrease in Operations & Maintenance. The ending fund balance is projected at $1.3 million, a decrease of 18.5% from the prior year, which remains below the desired Net Position of $1.5 million.

310 - VEHICLES AND EQUIPMENT FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
CHARGES FOR SERVICES	475,657	511,907	555,949	44,042	8.6%
Use of Money and Property					
INVESTMENT INTEREST	170,359	119,763	119,763	-	0.0%
Revenues/Other Sources	**646,016**	**631,670**	**675,712**	**44,042**	**7.0%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	378,379	429,527	429,527	-	0.0%
CAPITAL OUTLAY	495	506,451	495,000	(11,451)	-2.3%
Expenditures/Other Financing Uses	**378,874**	**935,978**	**924,527**	**(11,451)**	**-1.2%**
Net Revenues	267,141	(304,308)	(248,815)	55,493	2.1%
Fund Balance, Beginning of Year	5,405,642	5,672,783	5,368,475	(304,308)	-5.4%
Fund Balance, End of Year	5,672,783	5,368,475	5,119,660	(248,815)	-4.6%

Fund Description

The Vehicles and Equipment Fund was established to account for the depreciation of vehicles and capital equipment over their estimated useful lives, and to accumulate resources for the purchase of future replacement vehicles and equipment. Fund Balance is a combination of both spendable and non spendable assets. Departments are charged based on the replacement costs for each asset benefitting the department.

Analysis/Comments

Vehicles and Equipment Fund revenues are projected to increase 7.0%, driven by an 8.6% increase in Charges for Services. Investment interest earnings are held flat at $119,763. Expenditures are projected to decrease 1.2%, with Operations & Maintenance held flat and a 2.3% decrease in Capital Outlay. Capital Outlay of $495,000 includes the replacement of a Construction Dump Truck, a Backhoe, two Ford F-250s, and one Ford F-350 that have reached the end of their useful life. The ending fund balance is projected at $5.1 million, a decrease of 4.6% from the prior year.

320 - INFORMATION TECHNOLOGY FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
CHARGES FOR SERVICES	6,092,741	6,802,193	6,741,283	(60,910)	-0.9%
Use of Money and Property					
INVESTMENT INTEREST	33,667	25,533	25,533	-	0.0%
Operating Transfers In					
CONTRIBUTION FROM MEASURE S	300,000	300,000	300,000	-	0.0%
Revenues/Other Sources	**6,426,408**	**7,127,726**	**7,066,816**	**(60,910)**	**-0.9%**
Expenditures by Category					
SALARIES & BENEFITS	2,937,030	3,202,901	3,111,541	(91,360)	-2.9%
OPERATIONS & MAINTENANCE	3,489,377	3,724,017	3,955,275	231,258	6.2%
CAPITAL OUTLAY	(396,398)	-	-	-	0.0%
TRANSFERS	1,748,615	-	-	-	0.0%
Expenditures/Other Financing Uses	**7,778,625**	**6,926,918**	**7,066,816**	**139,898**	**2.0%**
Net Revenues	(1,352,217)	200,808	-	(200,808)	0.6%
Fund Balance, Beginning of Year	2,390,214	1,037,997	1,238,806	200,808	19.3%
Fund Balance, End of Year	1,037,997	1,238,806	1,238,806	-	0.0%

Fund Description

The Information Technology Fund was established to fund and account for computer and telephone system operating and maintenance expenses. Fund Balance is a combination of both spendable and non spendable assets. Adjustments are made to Fund Balance to include additional spendable resources available for expenditure. Departments are charged based on the number of electronic devices assigned. The Ronald H. Roberts Temecula Public Library facility is charged directly for all IT expenditures and personnel costs related to the facility.

Analysis/Comments

Information Technology Fund revenues are projected to decrease 0.9% from the current year, driven by a 0.9% decrease in Charges for Services. The Contribution from Measure S remains flat at $300,000. Expenditures are projected to increase 2.0%, with a 2.9% decrease in Salaries & Benefits offset by a 6.2% increase in Operations & Maintenance expenses. The ending fund balance is projected at $1.2 million, unchanged from the prior year.

325 - TECHNOLOGY REPLACEMENT FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
CHARGES FOR SERVICES	229,987	321,333	236,935	(84,398)	-26.3%
Use of Money and Property					
INVESTMENT INTEREST	173,329	119,388	119,388	-	0.0%
Operating Transfers In					
OPERATING TRANSFERS IN	1,748,615	-	-	-	0.0%
Revenues/Other Sources	**2,151,931**	**440,721**	**356,323**	**(84,398)**	**-19.1%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	231,684	151,158	151,158	-	0.0%
CAPITAL OUTLAY	3,500	319,552	325,000	5,448	1.7%
TRANSFERS	157,724	543,782	50,000	(493,782)	-90.8%
Expenditures/Other Financing Uses	**392,908**	**1,014,491**	**526,158**	**(488,333)**	**-48.1%**
Net Revenues	1,759,023	(573,771)	(169,835)	403,935	-39.4%
Fund Balance, Beginning of Year	3,106,290	4,865,314	4,291,543	(573,771)	-11.8%
Fund Balance, End of Year	4,865,314	4,291,543	4,121,708	(169,835)	-4.0%

Fund Description

The Technology Replacement Fund was established in Fiscal Year 2014-15 in order to accumulate resources for computer and telephone equipment and software to fund future equipment replacement. Fund Balance is a combination of both spendable and non spendable assets. Contributions to this fund are made by departments utilizing the assets in an amount equivalent to the estimated cost to replace the item at the end of its useful life.

Analysis/Comments

Technology Replacement Fund revenues are projected to decrease 19.1%, driven by a 26.3% decrease in Charges for Services. Investment interest earnings are held flat at $119,388. Expenditures are projected to decrease 48.1%, primarily due to the reduction in Transfers. Capital Outlay of $325,000 is budgeted for the replacement of the City's computers, network switch, and phone system. The ending fund balance is projected at $4.1 million, a decrease of 4.0% from the prior year.

330 - SUPPORT SERVICES FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
CHARGES FOR SERVICES	382,179	465,880	447,379	(18,501)	-4.0%
Use of Money and Property					
INVESTMENT INTEREST	438	321	321	-	0.0%
Revenues/Other Sources	**382,617**	**466,201**	**447,700**	**(18,501)**	**-4.0%**
Expenditures by Category					
SALARIES & BENEFITS	260,700	312,201	308,700	(3,500)	-1.1%
OPERATIONS & MAINTENANCE	121,917	134,000	139,000	5,000	3.7%
Expenditures/Other Financing Uses	**382,617**	**446,201**	**447,700**	**1,500**	**0.3%**
Net Revenues	(1)	20,000	(1)	(20,001)	-1.9%
Fund Balance, Beginning of Year	145	144	20,144	20,000	13875.3%
Fund Balance, End of Year	144	20,144	20,143	(1)	0.0%

Fund Description

The Support Services Fund was established as a cost center for the City's central receptionist, duplicating, printing, and mailing activities. It is also used to depreciate all related copying and mailing equipment over their useful lives, and to accumulate resources for the purchase of future equipment. Fund Balance is a combination of both spendable and non spendable assets. Departments are charged based on a count of copies made in the previous fiscal year.

Analysis/Comments

Support Services Fund revenues are projected to decrease 4.0%, driven by the decrease in Charges for Services. Expenditures are projected to increase 0.3%, with a 1.1% decrease in Salaries & Benefits offset by a 3.7% increase in Operations & Maintenance. The ending fund balance is projected at $20,143, essentially unchanged from the prior year.

335 - SUPPORT SERVICES REPLACEMENT FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
CHARGES FOR SERVICES	24,263	30,881	24,990	(5,891)	-19.1%
Use of Money and Property					
INVESTMENT INTEREST	17,865	12,729	12,729	-	0.0%
Revenues/Other Sources	**42,128**	**43,610**	**37,719**	**(5,891)**	**-13.5%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	1,597	42,200	42,200	-	0.0%
CAPITAL OUTLAY	1,235	30,000	30,000	-	0.0%
Expenditures/Other Financing Uses	**2,832**	**72,200**	**72,200**	**-**	**0.0%**
Net Revenues	39,296	(28,590)	(34,481)	(5,891)	-5.1%
Fund Balance, Beginning of Year	385,998	425,293	396,703	(28,590)	-6.7%
Fund Balance, End of Year	425,293	396,703	362,222	(34,481)	-8.7%

Fund Description

The Support Services Replacement Fund was established to accumulate resources for the future replacement of the City's duplicating equipment.

Analysis/Comments

Support Services Replacement Fund revenues are projected to decrease 13.5%, driven by a 19.1% decrease in Charges for Services. Expenditures are projected to remain flat at $72,200, including funding for the annual replacement of the City's copiers. The ending fund balance is projected at $362,222, a decrease of 8.7% from the prior year.

340 - FACILITIES FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
CHARGES FOR SERVICES	1,643,743	1,632,946	1,743,841	110,895	6.8%
Use of Money and Property					
INVESTMENT INTEREST	18,648	18,000	18,000	-	0.0%
Reimbursements					
OTHER REIMBURSEMENTS	24,000	24,000	-	(24,000)	-100.0%
Revenues/Other Sources	**1,686,391**	**1,674,946**	**1,761,841**	**86,895**	**5.2%**
Expenditures by Category					
SALARIES & BENEFITS	617,234	759,844	834,816	74,972	9.9%
OPERATIONS & MAINTENANCE	1,045,157	936,260	922,025	(14,235)	-1.5%
TRANSFERS	606,326	-	-	-	0.0%
Expenditures/Other Financing Uses	**2,268,717**	**1,696,104**	**1,756,842**	**60,738**	**3.6%**
Net Revenues	(582,326)	(21,158)	5,000	26,157	4.4%
Fund Balance, Beginning of Year	606,326	24,000	2,842	(21,158)	-88.2%
Fund Balance, End of Year	24,000	2,842	7,842	5,000	175.9%

Fund Description

The Facilities Fund was established to account for the cost of the Civic Center, Former City Hall Facility, City Maintenance Facility, Field Operations Center, and Civic Center Parking Structure operations and maintenance. Fund Balance is a combination of both spendable and non spendable assets. Departments are charged based on square footage allotted as well as full time staff equivalents assigned.

Analysis/Comments

Facilities Fund revenues are projected to increase 5.2% over the prior year, driven by a 6.8% increase in Charges for Services, partially offset by the elimination of Other Reimbursements. Expenditures are projected to increase 3.6%, including a 9.9% increase in Salaries & Benefits offset by a 1.5% decrease in Operations & Maintenance. The ending fund balance is projected at $7,842, an increase over the prior year.

350 - FACILITY REPLACEMENT FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
CHARGES FOR SERVICES	117,020	121,550	223,810	102,260	84.1%
Use of Money and Property					
INVESTMENT INTEREST	171,176	111,755	111,755	-	0.0%
Operating Transfers In					
OPERATING TRANSFERS IN	606,326	-	-	-	0.0%
CONTRIBUTION FROM MEASURE S	2,500,000	1,250,000	2,500,000	1,250,000	100.0%
Revenues/Other Sources	**3,394,522**	**1,483,305**	**2,835,565**	**1,352,260**	**91.2%**
Expenditures by Category					
OPERATIONS & MAINTENANCE	81,875	87,338	87,338	-	0.0%
CAPITAL OUTLAY	21,920	-	358,096	358,096	100.0%
TRANSFERS	483,211	3,239,183	1,500,000	(1,739,183)	-53.7%
Expenditures/Other Financing Uses	**587,006**	**3,326,521**	**1,945,434**	**(1,381,087)**	**-41.5%**
Net Revenues	2,807,516	(1,843,216)	890,131	2,733,347	-0.6%
Fund Balance, Beginning of Year	2,644,255	5,451,771	3,608,555	(1,843,216)	-33.8%
Fund Balance, End of Year	5,451,771	3,608,555	4,498,686	890,131	24.7%

Fund Description

The Facility Replacement Fund was established to accumulate resources for the future replacement of equipment, systems and fixtures within City-owned facilities.

Analysis/Comments

The Facility Replacement Fund is augmented with a $2.5 million contribution from Measure S, a 100.0% increase over the current year, in order to accumulate resources to replace City facilities. Charges for Services are increasing 84.1%. Total revenues are projected to increase 91.2%. Expenditures are projected to decrease 41.5%, primarily due to the reduction of Transfers to the Capital Improvement Program. Capital Outlay of $358,096 is budgeted for the replacement of the City's Theater sound system. The ending fund balance is projected at $4.5 million, an increase of 24.7% over the prior year.

CAPITAL IMPROVEMENT PROGRAM FUND

Local governments undertake capital projects to acquire, develop, improve or maintain various facilities, other infrastructure and/or equipment. These projects are generally large in scale, require significant funding and are long-term. A Capital Projects Fund is used to account for the financial resources supporting capital projects during the life of the project.



CITY OF TEMECULA

210 - CAPITAL IMPROVEMENT PROGRAM FUND

Description	2024-2025 Actuals	2025-2026 Current Budget	2026-2027 Proposed Budget	Increase/ (Decrease)	% Increase/ Decrease
Revenues by Source					
Licenses, Permits and Service Charges					
QUIMBY FEES	690,517	2,923,233	500,000	(2,423,233)	-82.9%
DEVELOPMENT IMPACT FEES	4,093,069	10,258,563	5,720,931	(4,537,632)	-44.2%
Intergovernmental Revenues					
GRANTS	706,494	3,547,034	2,000,000	(1,547,034)	-43.6%
Reimbursements					
CAPITAL IMPROVEMENT PROGRAM	42,171,975	65,710,188	-	(65,710,188)	-100.0%
OTHER REIMBURSEMENTS	-	(1,523,304)	-	1,523,304	-100.0%
Operating Transfers In					
OPERATING TRANSFERS IN	5,796,035	54,652,877	7,467,233	(47,185,644)	-86.3%
CONTRIBUTION FROM MEASURE S	10,597,215	32,687,242	4,296,247	(28,390,995)	-86.9%
Revenues/Other Sources	**64,055,305**	**168,255,832**	**19,984,411**	**(148,271,421)**	**-88.1%**
Expenditures by Category					
CIP	62,478,484	171,056,022	20,537,261	(150,518,761)	-88.0%
Expenditures/Other Financing Uses	**62,478,484**	**171,056,022**	**20,537,261**	**(150,518,761)**	**-88.0%**
Net Revenues	1,576,821	(2,800,189)	(552,850)	2,247,339	-88.1%
Fund Balance, Beginning of Year	9,244,218	10,821,039	8,020,849	(2,800,189)	-25.9%
Fund Balance, End of Year	10,821,039	8,020,849	7,467,999	(552,850)	-6.9%

Fund Description

This fund was established to account for the City's Capital Improvement Program revenues and expenditures.

Analysis/Comments

The Capital Improvement Fund revenues and expenditures fluctuate each year as projects are identified. FY2026-27 revenues are projected at $20.0 million, a decrease of 88.1% from the prior year, reflecting reduced contributions from Measure S (-86.9%), Operating Transfers In (-86.3%), and the reduction in Capital Improvement Program reimbursements. CIP expenditures of $20.5 million represent an 88.0% decrease from the piror year. Many projects are programmed in their initial year and, if not completed, the funds are rolled forward to the subsequent year. The ending fund balance is projected at $7.5 million, a decrease of 6.9% from the prior year.

PERFORMANCE MEASURES

The City Council adopted the Temecula 2040 Quality of Life Master Plan (QLMP) in November 2022. The QLMP defines the strategic priorities of Temecula's residents, leaders, and partners for the City's next twenty years. It reflects the vision for the City's future and commits the City to a performance based process to accomplish those goals. This plan was developed by engaging residents, businesses, local institutions, and regional partners in an inclusive process.

In an effort to incorporate the QLMP into the City's budget process, City of Temecula Executive Staff developed Goals based on the Core Values of the Quality of Life Master Plan. These goals are used by each Department to develop Performance Measures that link back to the City's Core Values developed through the QLMP process.

CORE VALUES LEGEND:

- **Safe & Prepared Community**
- **Transportation Mobility & Connectivity**
- **Healthy & Livable City**
- **Economic Prosperity**
- **Sustainable & Resilient City**
- **Accountable & Responsive City Government**
- **Equity**

PERFORMANCE MEASURES

- Safe & Prepared Community
- Transportation Mobility & Connectivity
- Healthy & Livable City
- Economic Prosperity
- Sustainable & Resilient City
- Accountable & Responsive City Government
- Equity

Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
CITY COUNCIL Go to Department Section					
	Be a sustainable community that embraces residents' quality of life	Resident satisfaction with Temecula's crime rate, based on citizen survey	83.2	85%	80-90%
	Ensure transparency in all aspects of City government	Number of City Council committee assignments	53	50-60	50-60
	Foster a healthy environment and prosperous opportunities for all residents of Temecula	Number of projects completed from the Quality of Life Master Plan	5	2	10
CITY COUNCIL - COMMUNITY SUPPORT Go to Department Section					
	Value the growth of non-profit organizations, churches, temples, mosques, and other places of worship	Number of nonprofit organizations awarded grants through the Community Service Funding and the City Council Grant Programs	33	25-30	25-35
	Value the growth of non-profit organizations, churches, temples, mosques, and other places of worship	Total funding awarded to support nonprofit programs through the Community Service Funding and City Council Grant Programs	$107,500	$125,000	$125,000
CITY MANAGER Go to Department Section					
	Exhaust all methods of communication and outreach between the City and its residents	Number of public outreach messages, advisories, press releases or posts (in print or electronically) shared with the community containing City information	1650	1,400-1,800	1,400-1,800
	Remain one of the safest cities in California and the nation	Percentage of annual budget that supports fire, police, first responders, and associated infrastructure/technology, for the safety and protection of Temecula citizens and businesses	56%	Greater than 50%	Greater than 50%
	Develop community resiliency in infrastructure, the economy, natural resources, and hazard mitigation	Number of agreements and contracts reviewed and signed Citywide to maintain, promote and preserve City assets/infrastructure	421	350-400	350-450
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Number of City Council Agendas developed and brought forward with policies, programs or projects supported by the City Council for the long-term solvency of the City of Temecula	24	20-24	20-24

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- Safe & Prepared Community
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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
OFFICE OF PUBLIC INFORMATION AND ECONOMIC DEVELOPMENT Go to Department Section					
	Be a sustainable community that embraces residents' quality of life	Leading City efforts to attract and build higher education hub (MSJC and CSUSM), measured by engagements	2	2	2
	Provide an entrepreneurial culture that offers a growing number of diverse high-paying jobs	Number of local business site visits, meetings and ribbon cuttings (to foster business relationships)	69	40-50	40-50
	Foster a healthy environment and prosperous opportunities for all residents of Temecula	Number of no cost, professional workshops and trainings to the business community via the TVE2	271	75	75
	Ensure transparency in all aspects of City government	Citywide social media posts - number of posts across all platforms (Facebook, Instagram and Twitter) within one week	832	5	750-850
CITY CLERK Go to Department Section					
	Be the most sustainable city in Southern California	Percentage of electronic delivery of agenda and materials	100%	100%	100%
	Be the most sustainable city in Southern California	Number of electronic WebQA requests	1,263	1,277	1,600
	Ensure transparency in all aspects of City government	Percentage of Public Records Act requests processed in statutory time period	100%	100%	100%
	Ensure transparency in all aspects of City government	Number of Council, Board, Committee, Commission, and employee positions for annual Conflict of Interest filings	76	68	60
	Ensure transparency in all aspects of City government	Percentage of open meeting / Public Notices published on or before statutory time period	100%	100%	100%

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Percentage of positions cross-trained for departmental coverage	100%	100%	100%
FINANCE Go to Department Section					
	Promote job growth in Temecula and nearby areas	Number of business licenses issued	7,764	8,000	8,000
	Promote innovation and adopt technology that enhances access to information and data	Percentage of online business license renewals	78%	85%	85%
	Promote innovation and adopt technology that enhances access to information and data	Number of invoices processed via electronic payment	8,435	7,000	8,000
	Promote innovation and adopt technology that enhances access to information and data	Number of vendors receiving electronic payments versus paper checks	1,401	500	1,500
HUMAN RESOURCES - MANAGEMENT Go to Department Section					
	Promote innovation and adopt technology that enhances access to information and data	Number of HR processes converted from manual or paper-based workflows to electronic workflows within the HRIS	NEW	NEW	15
	Maintain a flexible organization which responds to the changing needs and priorities of the community	Average number of days from opening of recruitment to hire	81	70	80
	Provide consistently professional services and information to customers and constituents	Percentage of employees receiving professional development and training (includes mandatory training)	70%	90%	90%
	Ensure transparency in all aspects of City government	Number of employment-related policies or guidelines created or revised	1	3	3

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Be a diverse community that values and supports people of all ages, backgrounds, cultures, disabilities, and religious beliefs	Number of new employee benefit programs offered that support different life stages	NEW	NEW	2
HUMAN RESOURCES - RISK MANAGEMENT Go to Department Section					
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Percentage of interactive process meetings held for workers' compensation injuries for employees off work or on modified duty	100%	100%	100%
	Support healthy and active lifestyles	Percentage of employees participating in wellness programs (mental health support, fitness challenges, financial wellness, etc.)	45%	65%	65%
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Number of safety-related programs created or revised	2	3	2
COMMUNITY DEVELOPMENT - CURRENT PLANNING & PERMIT CENTER Go to Department Section					
	Provide consistently professional services and information to customers and constituents	Average customer service wait times (in minutes) for Building and Safety transactions	9	Less than 30	Less than 30
	Provide consistently professional services and information to customers and constituents	Average customer service wait times (in minutes) for Planning transactions	7.4	Less than 30	Less than 30
	Promote innovation and adopt technology that enhances access to information and data	Average number of business days for online public inquiry response time for Planning	1	Less than 2	Less than 2
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Percentage of Building Permits issued within 30 days	73%	75	75
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Average number of days from application to issuance for Building Permits	28	30	30

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Average number of business days for Planning Case Reviews	23	21	21
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Average number of business days for submittal reviews for Temporary Use Permits	31	14	14
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Average number of business days for submittal reviews for Massage	12	21	21
COMMUNITY DEVELOPMENT - LONG RANGE PLANNING	Go to Department Section				
	Be a diverse community that values and supports people of all ages, backgrounds, cultures, disabilities and religious beliefs	Number of Housing Element Programs completed	4	4	4
	Establish a connected pedestrian, bicycle and equestrian transportation system	Number of miles of bike lanes striped	1.25	2	2
COMMUNITY DEVELOPMENT - BUILDING & SAFETY	Go to Department Section				
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Average number of business days for online public inquiry response for Building and Safety	1	2	2
	Maintain a flexible organization which responds to the changing needs and priorities of the community	Average number of business days for inspection delay for Building and Safety	1	2	2
	Promote innovation and adopt technology that enhances access to information and data	Percentage of online Building and Safety transactions	76%	75%	75%
	Maintain a flexible organization which responds to the changing needs and priorities of the community	Number of inspections per person, per day	30	20	12
COMMUNITY DEVELOPMENT - CODE ENFORCEMENT	Go to Department Section				

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Promote innovation and adopt technology that enhances access to information and data	Average number of business days for response time of online public inquiries for Code Enforcement	1	3	2
	Provide effective enforcement of City zoning, building, fire and grading codes, and graffiti abatement	Number of hours for turnaround time for graffiti abatement	168	48	48
	Provide effective enforcement of City zoning, building, fire and grading codes, and graffiti abatement	Average number of business days for Code Case time open	48	30	30
SARDA	Go to Department Section				
	Be a diverse community that values and supports people of all ages, backgrounds, cultures, disabilities and religious beliefs	Number of agreements with an affordable housing developer for the use of available Tax Allocation Bond proceeds	1	1	1
COMMUNITY DEVELOPMENT - CDBG	Go to Department Section				
	Ensure transparency in all aspects of City government	Number of objectives completed for the Five-Year Consolidated Plan	4	4	4
	Ensure transparency in all aspects of City government	Number of HUD timeliness tests met	1	1	1
COMMUNITY DEVELOPMENT - ADMINISTRATION	Go to Department Section				
	Ensure transparency in all aspects of City government	Average number of days to fulfill records requests for Community Development Divisions	8	12	12
PUBLIC WORKS - LAND DEVELOPMENT	Go to Department Section				
	Provide consistently professional services and information to customers and constituents	Average of business days to complete 1st plan check	13	13	13

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Provide consistently professional services and information to customers and constituents	Percentage of development inspections completed within 48 hours of requested time	90%	90%	90%
	Provide consistently professional services and information to customers and constituents	Percentage of QLess appointments staff responds to within 5 minutes of scheduled time	90%	90%	90%
PUBLIC WORKS - TRAFFIC ENGINEERING Go to Department Section					
	Remain one of the safest cities in California and the nation	Percentage of citizen requests staff responds to within 5 business days	95%	95%	95%
	Remain one of the safest cities in California and the nation	Percentage of traffic call-outs staff responds to within 2 hours to resolve traffic signal malfunctions	95%	95%	95%
	Maintain and improve our roadway network	Average number of business days to complete first plan check of traffic control plans	10	10	10
PUBLIC WORKS - STREET MAINTENANCE Go to Department Section					
	Be a sustainable community that embraces residents' quality of life	Total number of street trees trimmed each year	2,025	3,050	2,500
	Provide effective enforcement of City zoning, building, fire and grading codes, and graffiti abatement	Percentage of graffiti reports completed within 24 hours	95%	95%	95%
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Total number of storm drain inlets inspected/cleaned	2,613	3,500	3,000
	Maintain and improve our roadway network	Total number of street signs replaced, repaired and installed	1,882	1,300	1,500

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Maintain and improve our roadway network	Total square feet of asphalt repairs completed each year	39,000	100,000	70,000
	Maintain and improve our roadway network	Total linear feet of traffic lanes, bike lanes & curbs painted	2,700,000	3,430,530	4,000,000
PUBLIC WORKS - CAPITAL IMPROVEMENT PROGRAM Go to Department Section					
	Ensure transparency in all aspects of City government	Percentage of projects completed on schedule and within budget	90%	90%	90%
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Total lane miles of pavement rehabilitation projects completed each year	10	10	10
PUBLIC WORKS - FACILITY MAINTENANCE Go to Department Section					
	Be the most sustainable city in Southern California	Number of facility energy efficiency upgrades performed each year	10	10	10
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Average number of facility service order requests completed each year	1,000	2,000	2,000
PUBLIC WORKS - PARKS MAINTENANCE Go to Department Section					
	Be a sustainable community that embraces residents' quality of life	Number of trees trimmed in parks, slopes and medians each year	6,000	3,200	4,000
	Be the most sustainable city in Southern California	Average number of park site energy efficiency lighting system conversions each year	6	6	6
	Provide consistently professional services and information to customers and constituents	Average number of parks maintenance service order requests completed each year	1,450	1,500	1,500

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Average number of City park rehabilitation and repair projects completed each year	6	6	6
PUBLIC WORKS - STORMWATER Go to Department Section					
	Be a sustainable community that embraces residents' quality of life	Percentage of trash capture devices installed. Goal is 150 devices per year, across five phases	80%	85%	100%
	Be a sustainable community that embraces residents' quality of life	Percentage of City businesses inspected annually to verify permit requirements and stormwater pollution compliance	80%	95%	95%
	Be a sustainable community that embraces residents' quality of life	Percentage of Stormwater Best Management Practices (BMPs) inspected annually to ensure these devices are functioning and effective	70%	70%	80%
SHERIFF'S OFFICE - ADMINISTRATION Go to Department Section					
	Remain one of the safest cities in California and the nation	Number of management team with Advanced Incident Command System training	7	7	8
	Provide consistently professional services and information to customers and constituents	Number of fingerprint cards and live scans taken at the mall and substation	3,208	4,500	4,000
SHERIFF'S OFFICE - INVESTIGATIONS/SPECIAL TEAMS Go to Department Section					
	Remain one of the safest cities in California and the nation	Reduce property crimes	Reduced by 18%	Reduce by 10%	Reduce by 10%
SHERIFF'S OFFICE - TRAFFIC ENFORCEMENT Go to Department Section					
	Be a sustainable community that embraces residents' quality of life	Number of high visibility/ traffic checkpoints	3	20	20

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Maintain and improve our roadway network	Number of DUI arrests	346	500	500
	Maintain and improve our roadway network	Number of traffic collision investigations	716	700	675
SHERIFF'S OFFICE - PATROL SERVICES Go to Department Section					
	Be a sustainable community that embraces residents' quality of life	Number of overall calls for Police service	64,868	85,000	80,000
	Remain one of the safest cities in California and the nation	Percentage of patrol officers maintaining 24-hour perishable skills training	55%	100%	100%
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Average response time (in minutes) for priority 1 calls from the time it is dispatched to the time officers arrive	6.1	4.0	5
FIRE - EMERGENCY MANAGEMENT Go to Department Section					
	Support community oriented policing and maximize community leadership in public safety	Number of community outreach events conducted	17	10	12
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Percentage of employees assigned to the Incident Management Team who are trained in the roles, responsibilities, and functions of the Emergency Operations Center	65%	60%	100%
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Number of external agreements developed to support the execution of the Emergency Management Program	5	3	3
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Percentage of Temecula Population enrolled in the Citywide mass notification system	12%	17%	20%

PERFORMANCE MEASURES

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Support community oriented policing and maximize community leadership in public safety	Number of citizens trained in Community Emergency Response Team training (CERT)	114	150	150
FIRE - EMERGENCY OPERATIONS  Go to Department Section					
	Support community oriented policing and maximize community leadership in public safety	Number of citizens trained in CPR, First Aid, and healthcare provider CPR, and Stop the Bleed Program	900	900	1500
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Average response time (in minutes) to City emergency incidents	5	5	5
FIRE - FIRE MARSHAL  Go to Department Section					
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Number of Fire Department plan reviews performed	5,500	5,000	3,500
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Number of Fire Department new construction & tenant improvement inspections performed	5,000	5,000	3,500
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Number of State-mandated inspections	2,600	3,000	3,200
	Minimize impact to life, property and the environment from natural hazards and emergency situations	Number of annual inspections completed	4,000	4,000	5,000
TEMECULA COMMUNITY SERVICES DISTRICT (TCSD) - COMMUNITY SERVICES  Go to Department Section					
	Be a sustainable community that embraces residents' quality of life	Number of digital media communications	NEW	30	30
	Provide accessible sports, recreational, cultural, health/therapeutic and community engagement facilities, programs and resources for all Temecula residents	Maintain facility rentals ≥80% of availability	NEW	85%	80%

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Provide accessible sports, recreational, cultural, health/therapeutic and community engagement facilities, programs and resources for all Temecula residents	Maintain 75% participation rate in contract classes	75%	75%	75%
	Exhaust all methods of communication and outreach between the City and its residents	Number of social media posts per year	210	285	300
TEMECULA COMMUNITY SERVICES DISTRICT (TCSD) - RECREATION	Go to Department Section				
	Provide accessible sports, recreational, cultural, health/therapeutic and community engagement facilities, programs and resources for all Temecula residents	Monthly attendance of teen gym at the CRC	300	300	300
	Provide accessible sports, recreational, cultural, health/therapeutic and community engagement facilities, programs and resources for all Temecula residents	Maintain field allocation at ≥ 90% of availability	100%	100%	100%
	Support community oriented policing and maximize community leadership in public safety	Number of special needs participants provided with swim lessons and water safety programs	177	140	180
TEMECULA COMMUNITY SERVICES DISTRICT (TCSD) - CITYWIDE EVENTS	Go to Department Section				
	Be a diverse community that values and supports people of all ages, backgrounds, cultures, disabilities and religious beliefs	Number existing community events refreshed per year	2	2	2
	Exhaust all methods of communication and outreach between the City and its residents	Number of social media posts and reels per year to promote City activities and to obtain more community participation	75	75	40
TEMECULA COMMUNITY SERVICES DISTRICT (TCSD) - ARTS & CULTURE	Go to Department Section				
	Be a sustainable community that embraces residents' quality of life	Partnerships with local vendors to enhance patron theater experiences in Old Town with pre- and post-performance audience engagement techniques	15	15	15
	Provide consistently professional services and information to customers and constituents	Number of active volunteers at the Temecula Valley Museum	12	12	12

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Be a diverse community that values and supports people of all ages, backgrounds, cultures, disabilities and religious beliefs	Number of student, adult, and city delegation visits to foster and enhance the Sister Cities partnership	NEW	NEW	2
TEMECULA COMMUNITY SERVICES DISTRICT (TCSD) - HUMAN SERVICES Go to Department Section					
	Provide accessible sports, recreational, cultural, health/therapeutic and community engagement facilities, programs and resources for all Temecula residents	Resource opportunities	35	37	37
	Provide recreational and other activities for youth	Human Service programs for at-risk youth	37	40	150
	Be a sustainable community that embraces residents' quality of life.	Provide bridge housing to unsheltered households with children	NEW	NEW	6
	Be a sustainable community that embraces residents' quality of life.	Number of rehousing, housing retention and emergency hotel stays provided through Flexible Family Assistance	NEW	NEW	60
	Provide consistently professional services and information to customers and constituents	Maintain a ≤72-hour City response time to incoming requests and notifications regarding homeless concerns	NEW	NEW	100%
TEMECULA COMMUNITY SERVICES DISTRICT (TCSD) - ADMINISTRATION Go to Department Section					
	Provide consistently professional services and information to customers and constituents	Complete departmental initiatives or analysis	6	6	4
	Provide accessible sports, recreational, cultural, health/therapeutic and community engagement facilities, programs and resources for all Temecula residents	Collaborate with Riverside County Law Library to offer law related classes to the public	4	4	4
	Provide accessible sports, recreational, cultural, health/therapeutic and community engagement facilities, programs and resources for all Temecula residents	Computer classes provided in the technology homework center at the Temecula Public Library	12	12	20

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Core Value	Five-Year Long-Term Goal	Performance Measure	FY 2024-25 Actuals	FY 2025-26 Target	FY 2026-27 Target
	Ensure transparency in all aspects of City government	Support City Manager's Office in Special Projects	4	8	4
INFORMATION TECHNOLOGY (IT) Go to Department Section					
	Promote innovation and adopt technology that enhances access to information and data	Number of City Council meetings supported with audiovisual services	25	24	24
	Promote innovation and adopt technology that enhances access to information and data	Number of updates to the Temecula Outreach Channel 3 and YouTube	105	100	80
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Percentage of computers that need to be replaced to adhere to the Computer Lifecycle Replacement Program	20%	20%	20%
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Reduce the number of open Helpdesk tickets to an average of 75	31	40	40
INFORMATION TECHNOLOGY (IT) - SUPPORT SERVICES Go to Department Section					
	Provide the highest quality of service at the most cost-effective rate while being fiscally responsible	Average number of hours to resolve Helpdesk tickets for out of service copiers	3.3	4	4

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OLD TRADITIONS ♦ NEW OPPORTUNITIES

DEPARTMENTAL INFORMATION

The following section provides detailed information for each Department, including the Department's Mission, Services, Organizational Chart, Summary of Expenditures, Personnel, Prior Year Accomplishments and Objectives for the Current Fiscal Year.

Each Department's Objectives have been used to develop the operating budgets for the ensuing fiscal year. These objectives are linked to the Citywide long-term goals presented in the Introduction section of the budget. The long-term goals are then linked to the Core Values as identified in the City's Quality of Life Master Plan. Each Department's objectives are measurable and include performance measures which demonstrate the progress made in the recent fiscal years toward their objectives.

General Fund Departments

The General Fund serves as the City Council's primary operating fund used to finance the majority of City services including; Public Safety, Public Works, Community Development and City Administration.

Temecula Community Services District (TCSD) Departments

The Temecula Community Services District (TCSD) was established as an assessment district to provide a comprehensive neighborhood and community park system, as well as a complement of recreational and cultural programs, community and human services and special events, and activities aimed at enhancing the high quality of life of our youth, teens, adults, seniors, and special needs population. The District also provides street lighting, median and slope maintenance, refuse hauling and a recycling program, emergency dirt road maintenance, and library services.

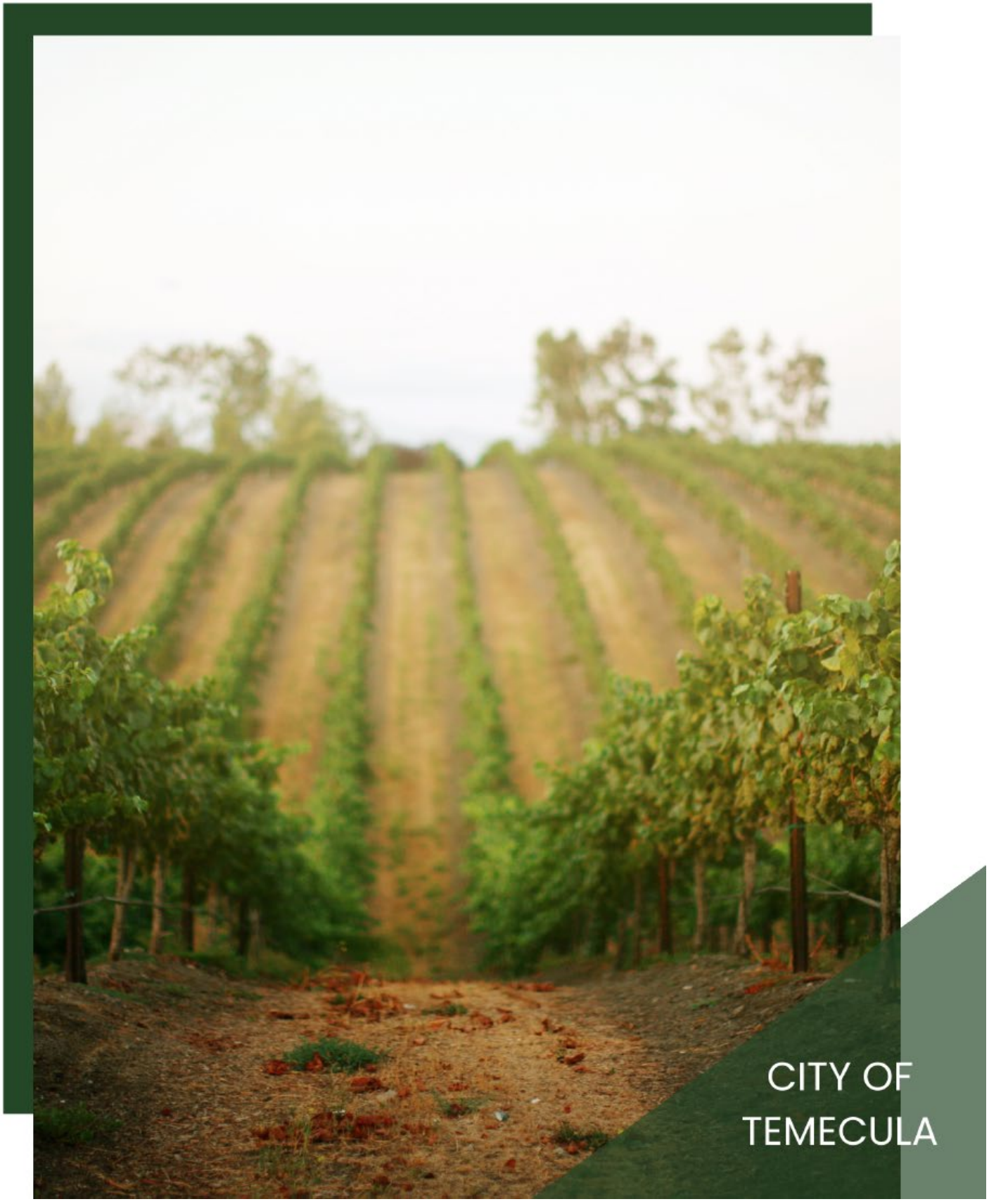
Internal Service Fund (ISF) Departments

Internal Services Funds are used to account for the funding of goods and services provided by one department to another benefitting department on a cost-reimbursement basis. Departments providing internal services include Insurance, Workers' Compensation, Vehicles and Equipment, Information Technology, Support Services, and Facilities.



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CITY COUNCIL



DEPARTMENT OVERVIEW

MISSION

The City Council is elected by the citizens of Temecula to adopt laws and set overall policy decisions for the City of Temecula. The City Council gives direction to the City Manager to ensure effective and efficient operation of the City and to identify the types and levels of programs and services that will maintain and enhance Temecula's high quality of life which is consistent with the City's adopted Quality of Life Master Plan (QLMP) Core Values as follows:

- **Safe & Prepared Community**
- **Transportation Mobility & Connectivity**
- **Healthy & Livable City**
- **Economic Prosperity**
- **Sustainable & Resilient City**
- **Accountable & Responsive City Government**
- **Equity**

SERVICES

City Council

- Serves as a five-member voice on behalf of the City of Temecula as elected by the citizens.
- Adopts laws and regulations that govern Temecula.
- Sets City fiscal policy and provides direction to the City Manager to balance a high quality of life with fiscally sustainable decisions.
- Represents the interests of the City of Temecula in local, regional, State, Federal, tribal and international affairs in addition to serving as members (or commissioners) for related agencies or organizations for the benefit of the City of Temecula.

Community Support

- Reviews annual funding applications from nonprofit organizations that provide services or programs to Temecula residents.
- Enters into agreements to disburse financial assistance, as budgeted Citywide, to multiple selected nonprofit organizations that benefit the residents of Temecula.

Organizational Chart | Expenditures by Category | Personnel | Performance Measures

ACCOMPLISHMENTS

Prior fiscal year accomplishments from the City Council include:

City Council

- Provided an enhanced level of economic resource information, outreach, and assistance to citizens and businesses to support a vibrant local economic post-pandemic recovery within Temecula. This includes providing grants to assist residents and businesses. *(Economic Prosperity)*
- Continued to make public safety a top priority by maintaining strategically staffed and structured Sheriff's Office and Fire Department, and equipping public safety personnel with modern technology, equipment, and apparatuses. *(Safe & Prepared Community)*
- Continued to prioritize public outreach. Engaged with citizens and businesses via social media, e-blasts, Channel 3, the City of Temecula website, Citywide newsletters, Press Releases, the Guide to Leisure Activities, presentations to the community, and other means of communication. *(Accountable & Responsive City Government)*
- Introduced, implemented, and communicated the Mayor's initiative to preserve the quality of life for all residents by supporting public safety, investing in youth and recreation, and fostering a strong community where families can thrive for generations. Specifically focused on ensuring public safety remains a top priority, and promoting transparency and civic engagement through open communication and public education about City government. *(Accountable & Responsive City Government)*
- Provided resources and assistance to businesses and entrepreneurs within the City of Temecula that benefit citizens of Temecula in terms of job creation and economic prosperity. *(Economic Prosperity)*

Community Support

- Through Community Service Funding and the City Council Grant Program, funded non-profit organizations that will assist and provide services to the citizens of Temecula. *(Healthy & Livable City)*


Organizational Chart


Expenditures by Category


Personnel


Performance Measures

GOALS AND OBJECTIVES

Current fiscal year goals from the City Council include:

City Council

- Continue to make public safety a top priority by maintaining a strategically staffed and structured Sheriff's Office and Fire Department, and equipping public safety personnel with modern technology, equipment, and apparatuses. *(Safe & Prepared Community)*
- Continue to prioritize public outreach, promoting transparency and civic engagement through open communication and public education about City government. Engage with citizens and businesses via social media, e-blasts, and channel 3, the City of Temecula website, Citywide newsletters, Press Releases, the Guide to Leisure Activities, presentations to the community, and other means of communication. *(Accountable & Responsive City Government)*
- Introduce and implement initiatives to preserve the high quality of life for all residents by supporting public safety, investing in infrastructure, roadways, youth and recreation, and fostering an enhanced, elevated City where families can thrive for generations. *(Healthy and Livable City)*
- Provide resources and assistance to businesses and entrepreneurs within the City of Temecula that benefit citizens of Temecula in terms of job creation and economic prosperity. *(Economic Prosperity)*
- Continue to elevate and enhance the City's appeal and landscape beauty as a destination City, the heart of Southern California Wine Country. *(Economic Prosperity)*

Community Support

- Through Community Service Funding and the City Council Grant Program, fund non-profit organizations that will assist and provide services to the citizens of Temecula. *(Healthy & Livable City)*

ORGANIZATIONAL CHART

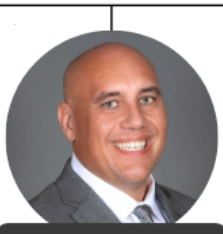


Temecula Citizens



James Stewart
Council Member
District 4

Term: 2016-2028
Mayor: 2024
Mayor: 2020
TCSD President: 2026
TCSD President: 2023
TCSD President: 2022
TCSD Vice President: 2025
TCSD Vice President: 2021



Matt Rahn
Mayor Pro-Tem
District 1

Terms: 2014-2022, 2024-2026
Mayor: 2022
Mayor: 2018
Mayor Pro Tem: 2026
Mayor Pro Tem: 2021
Mayor Pro Tem: 2017



Jessica Alexander
Mayor
District 2

Term: 2020-2028
Mayor: 2026
Mayor Pro Tem: 2025
TCSD Vice President: 2024
TCSD Vice President: 2023



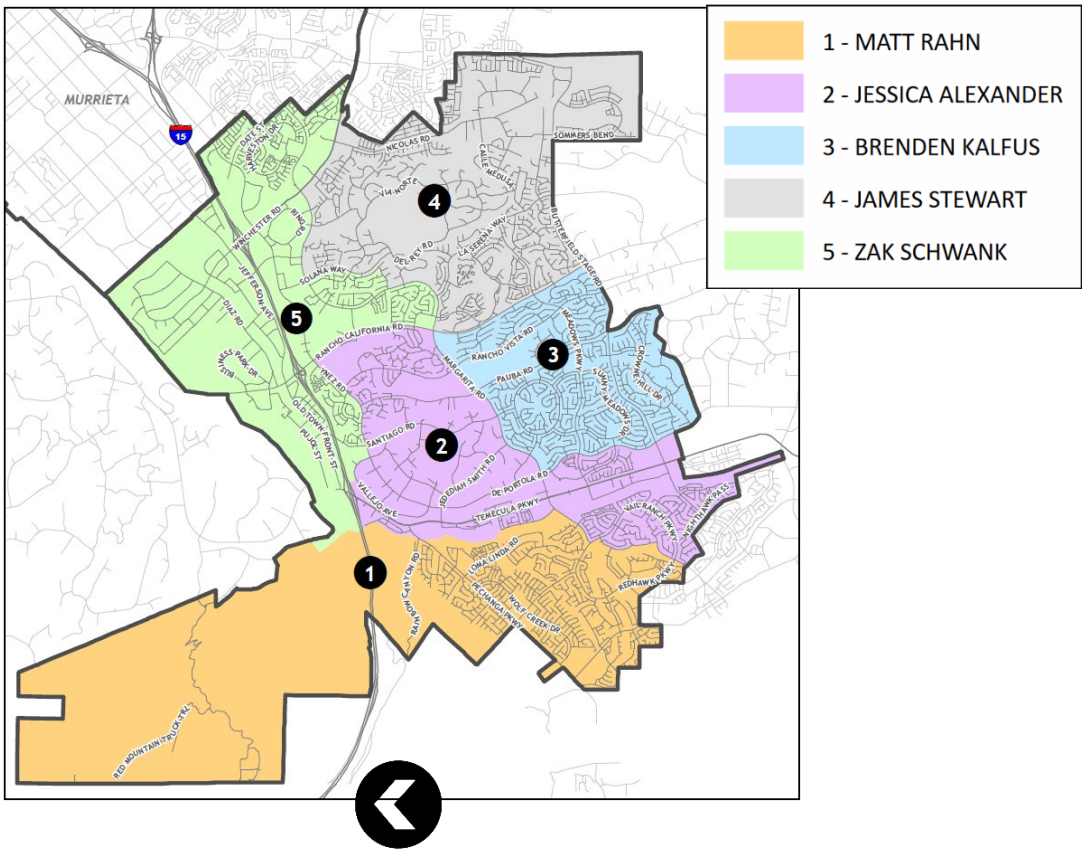
Zak Schwank
Council Member
District 5

Term: 2018-2026
Mayor: 2023
Mayor Pro Tem: 2022
TCSD President: 2025
TCSD President: 2024
TCSD President: 2021
TCSD Vice President: 2026
TCSD Vice President: 2022
TCSD Vice President: 2020



Brenden Kalfus
Council Member
District 3

Term: 2022-2026
Mayor: 2025
Mayor Pro Tem: 2024



EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
CITY COUNCIL 100					
SALARIES & BENEFITS Total	163,330	219,665	230,002	10,336	4.71%
OPERATIONS & MAINTENANCE Total	179,236	204,111	188,206	(15,905)	-7.79%
INTERNAL SERVICE FUND ALLOCATIONS Total	320,804	331,143	317,959	(13,184)	-3.98%
Division Total	**663,370**	**754,919**	**736,167**	**(18,753)**	**-2.48%**
COMMUNITY SUPPORT 101					
OPERATIONS & MAINTENANCE Total	125,000	115,000	190,000	75,000	65.22%
Division Total	**125,000**	**115,000**	**190,000**	**75,000**	**65.22%**

ANALYSIS/COMMENTS

City Council:

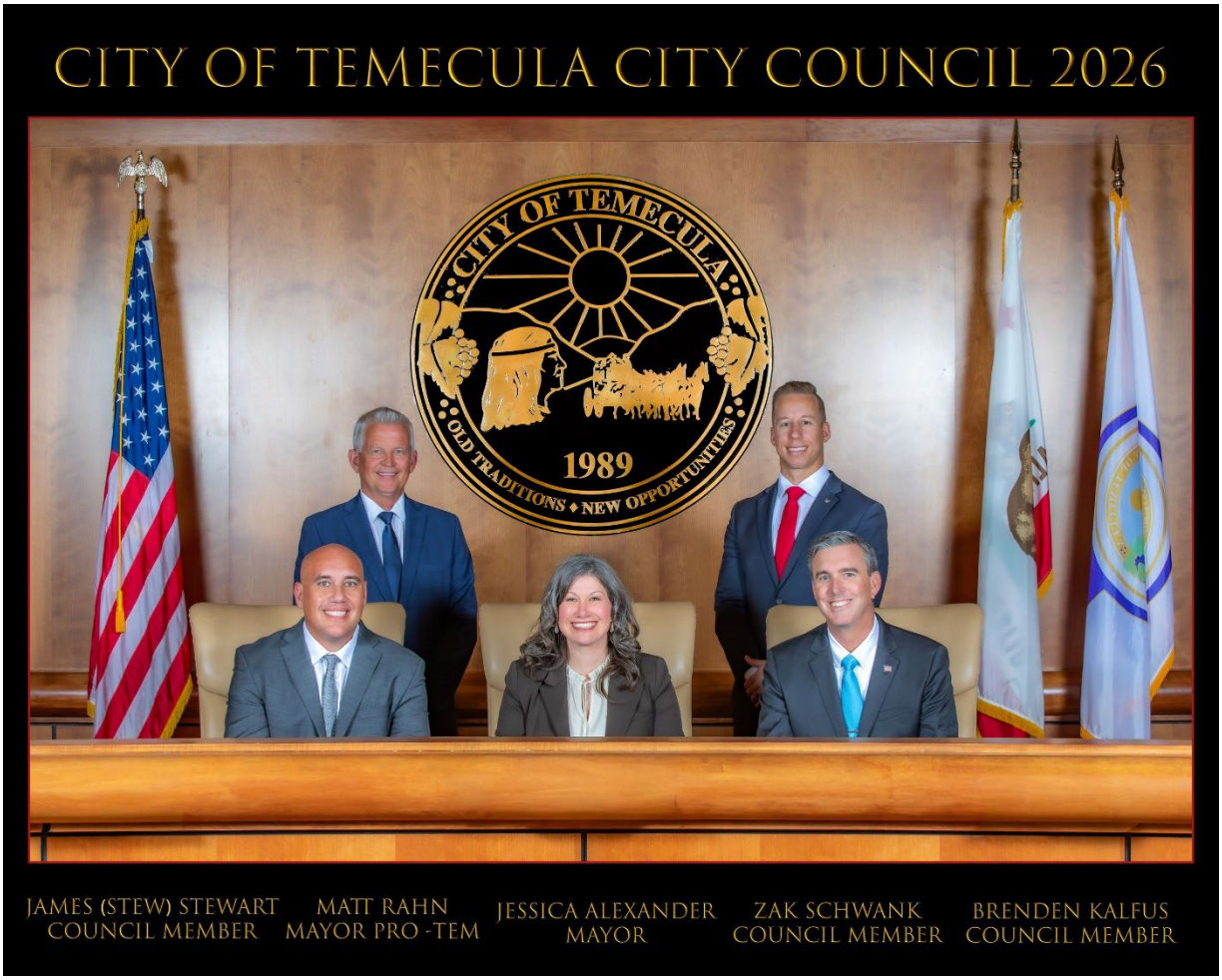
City Council expenditures reflect a 2.48% reduction due to decreased Dues & Memberships and Consulting Services costs, as well as lower technology costs allocated through the Internal Service Fund. These reductions are partially offset by an increase in Salaries & Benefits related to the increased Cafeteria benefit in accordance with the City's labor agreements.

Community Support:

Community Support expenditures reflect an increase of 65.22% due to the increase of Community Grants.

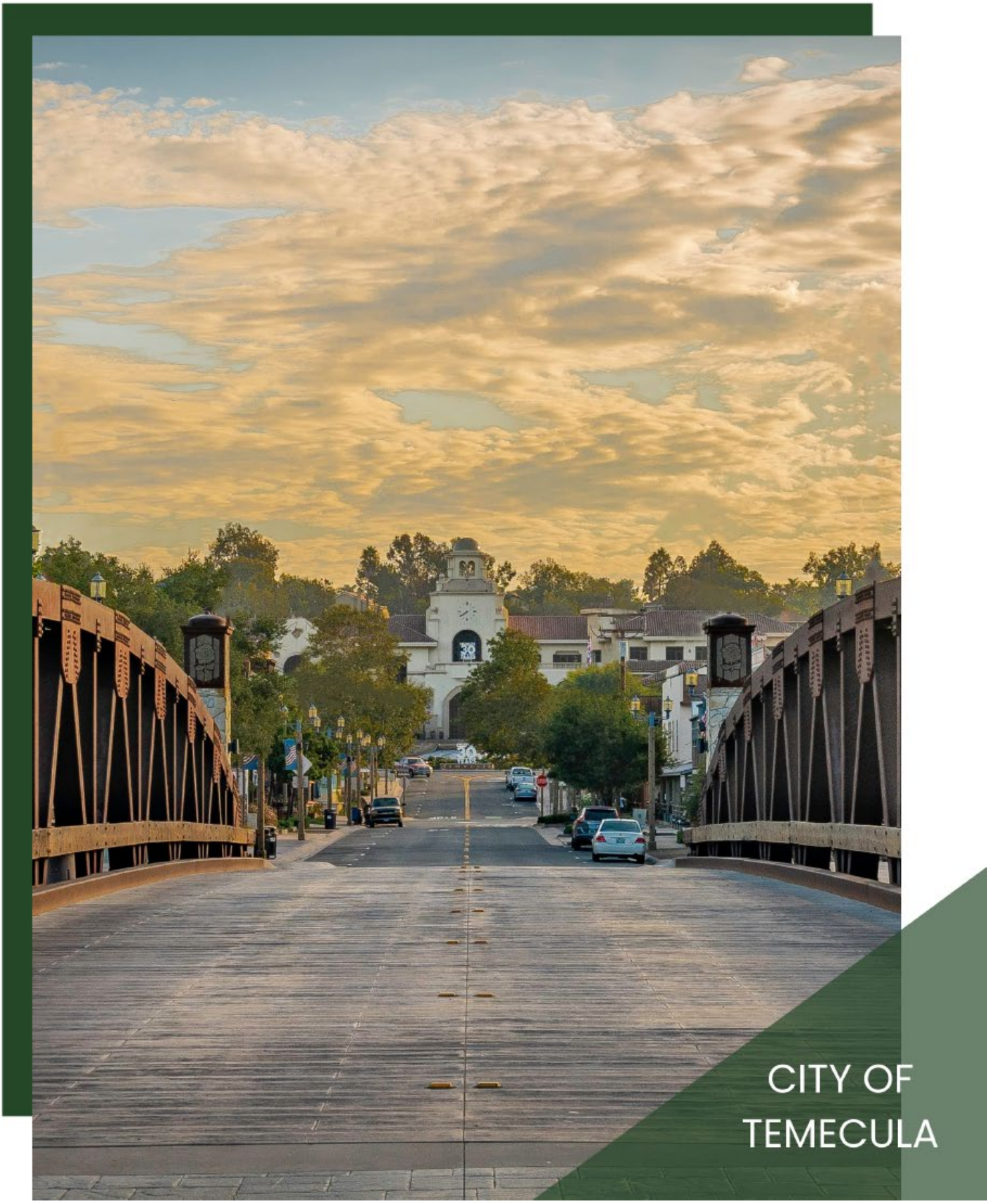
PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
CITY COUNCIL				
Council Members	5.00	5.00	5.00	-
Total	**5.00**	**5.00**	**5.00**	**-**



CITY OF TEMECULA
1989
OLD TRADITIONS ♦ NEW OPPORTUNITIES

CITY MANAGER'S OFFICE



DEPARTMENT OVERVIEW

MISSION

The City Manager Department serves as the City's executive office responsible to the City Council for implementing their priorities and objectives; to effectively deliver exceptional services, projects and programs to the citizens of Temecula; providing timely and accurate dissemination of City news and information to the community; and serves as the City's primary public liaison to all community stakeholders as well as intergovernmental relations with local, regional, State, Federal, tribal and international governments. The City Manager Department provides organizational leadership to City staff and operations, oversees the preparation and administration of a balanced annual budget, and implements all City Council policies, as guided by the Quality of Life Master Plan (QLMP).

SERVICES

General Administration Division

- Ensure the QLMP goals and citizen priorities adopted by the City Council are achieved through Citywide strategic planning, policy implementation and budget development.
- Keep the City Council informed about City operations and important community issues that impact the City.
- Implement City Council's long-term and short-term directives.
- Provide prudent leadership and clear policy direction to City executives and staff Citywide concerning organizational decisions to efficiently provide the highest quality of public services.

Office of Public Information and Economic Development Division

- Support existing businesses and encourages their continued prosperity and growth.
- Manage an ongoing marketing/branding program to attract commercial and industrial development, entrepreneurs, and innovative startups.
- Administer the business incubator and resource center facility to foster new business formation and provide resources to new and existing businesses.
- Work to attract new industries that bring an enhanced tax base, quality jobs, and new capital into the community.
- Maintain strong relationships with educational, business and community leaders, and key partners (TVCC, VTV, EDC, SBDC, IEWBC, and IECE) to continue to maximize opportunities.
- Facilitate smooth processing and problem solving for local businesses and businesses looking to expand in or relocate to Temecula.
- Manage and creates content for the City's social media channels (including radio and television).
- Create, plan, and produce the annual State of the City (SOTC) event and related activities.
- Assist other departments and other public agencies with marketing, social media, branding campaigns and press releases.
- Maintain strong focus on engaging the business community through site visits, meetings and ribbon cuttings.
- Support small businesses by guiding them through the permit process to obtain their business license.
- Produce informational videos regarding infrastructure updates and progress.



ACCOMPLISHMENTS

Prior fiscal year accomplishments from the City Manager's Office include:

General Administration Division

- Continued to update the City's General Plan. *(Accountable & Responsive City Government)*
- Implemented fiscal policies and Council priorities, while maintaining a balanced budget. *(Sustainable & Resilient City)*
- Introduced, implemented and communicated the Mayor's initiatives as presented in the Mayor's State of the City, including public safety, public works infrastructure and circulation, support for local businesses and entrepreneurs, community events, and more. *(Accountable & Responsive City Government)*
- Provided excellent governmental transparency and public outreach to citizens and businesses via social media, e-blasts, Channel 3, the City website, presentations to the community, press releases, Citywide newsletters, and the Guide to Leisure Activities. *(Healthy & Livable City)*
- Maintained public safety as a top priority with a strategically staffed and structured Sheriff's Office and Fire Department. *(Safe & Prepared Community)*

Office of Public Information and Economic Development Division

- Produced the 2026 Temecula Magazine. *(Economic Prosperity)*
- Created, planned and produced the annual State of the City (SOTC) address and related activities in 2026. *(Economic Prosperity)*
- Facilitated business growth and boosted City economics via creative social media campaigns. *(Economic Prosperity)*
- Expanded the number of tenants located within and programs offered at the Temecula Valley Entrepreneur's Exchange (TVE2). *(Economic Prosperity)*



GOALS AND OBJECTIVES

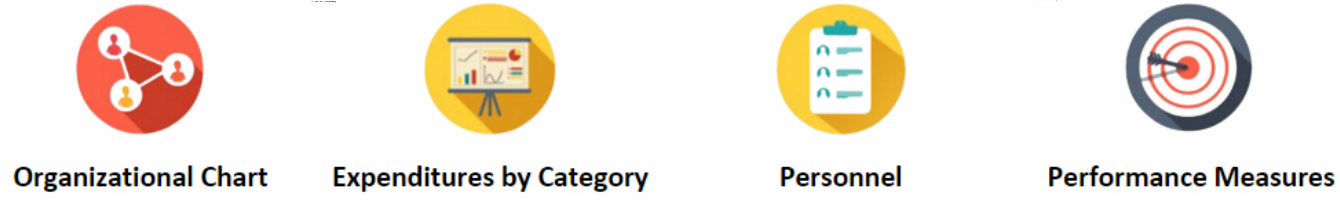
Current fiscal year goals from the City Manager's Office include:

General Administration Division

- Continue to update the City's General Plan. *(Accountable & Responsive City Government)*
- Implement fiscal policies and Council priorities, while maintaining a balanced budget. *(Sustainable & Resilient City)*
- Introduce, implement and communicate any Council or Mayoral initiatives, including preparation of the Mayor's State of the City address, public safety, public works infrastructure and circulation, support for local businesses and entrepreneurs, community events, and more. *(Accountable & Responsive City Government)*
- Provide excellent governmental transparency and public outreach to citizens and businesses via social media, e-blasts, Channel 3, the City website, presentations to the community, press releases, Citywide newsletters, and the Guide to Leisure Activities. *(Healthy & Livable City)*
- Maintain public safety as a top priority with a strategically staffed and structured Sheriff's Office and Fire Department. *(Safe & Prepared Community)*

Office of Public Information and Economic Development Division

- Produce the 2027 Temecula Magazine. *(Economic Prosperity)*
- Create, plan and produce the annual State of the City (SOTC) address and related activities in 2027. *(Economic Prosperity)*
- Facilitate business growth and boost City economics via creative social media campaigns. *(Economic Prosperity)*
- Grow the number of and graduate more tenants within the Temecula Valley Entrepreneur's Exchange (TVE2) through offered programs. *(Economic Prosperity)*
- Attract and secure new high-wage and tax revenue-producing businesses to Temecula. *(Economic Prosperity)*
- Continue to grow public outreach and engagement with the community, including outreach on Citywide Capital Improvement Projects. *(Accountable & Responsive Government)*



ORGANIZATIONAL CHART



Aaron Adams
City Manager

- General Administration
  - Support to Mayor and City Council
  - Intergovernmental
  - QLMP
  - Federal Legislation and Advocacy
  - Community Funding
  - Special Projects
- Office of Public Information and Economic Development
  - Business Attraction & Retention
  - Citywide Public Information & Marketing
  - Business Ombudsman
  - Community Liaison
  - Temecula Valley Entrepreneur's Exchange
  - Social Media

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
CITY MANAGER 110					
SALARIES & BENEFITS Total	1,948,223	2,159,408	1,965,463	(193,946)	-8.98%
OPERATIONS & MAINTENANCE Total	179,380	246,572	233,619	(12,953)	-5.25%
INTERNAL SERVICE FUND ALLOCATIONS Total	458,734	502,155	466,243	(35,912)	-7.15%
Division Total	**2,586,337**	**2,908,135**	**2,665,325**	**(242,811)**	**-8.35%**
OFFICE OF PUBLIC INFORMATION AND ECONOMIC DEVELOPMENT - BUSINESS INCUBATOR RESOURCE					
SALARIES & BENEFITS Total	234,733	191,845	197,654	5,809	3.03%
OPERATIONS & MAINTENANCE Total	19,424	16,096	18,885	2,789	17.33%
INTERNAL SERVICE FUND ALLOCATIONS Total	113,150	143,633	124,058	(19,575)	-13.63%
Division Total	**367,307**	**351,574**	**340,597**	**(10,977)**	**-3.12%**
OFFICE OF PUBLIC INFORMATION AND ECONOMIC DEVELOPMENT 111					
SALARIES & BENEFITS Total	808,789	895,199	881,369	(13,830)	-1.54%
OPERATIONS & MAINTENANCE Total	486,079	464,999	432,215	(32,784)	-7.05%
INTERNAL SERVICE FUND ALLOCATIONS Total	248,046	245,020	212,905	(32,115)	-13.11%
Division Total	**1,542,914**	**1,605,218**	**1,526,488**	**(78,729)**	**-4.9%**

ANALYSIS/COMMENTS

City Manager:

City Manager expenditures reflect an 8.35% decrease due to staff retirements and vacancies, decreased Conferences costs, and lower technology costs distributed through the Internal Service Fund allocations.

Office of Public Information and Economic Development:

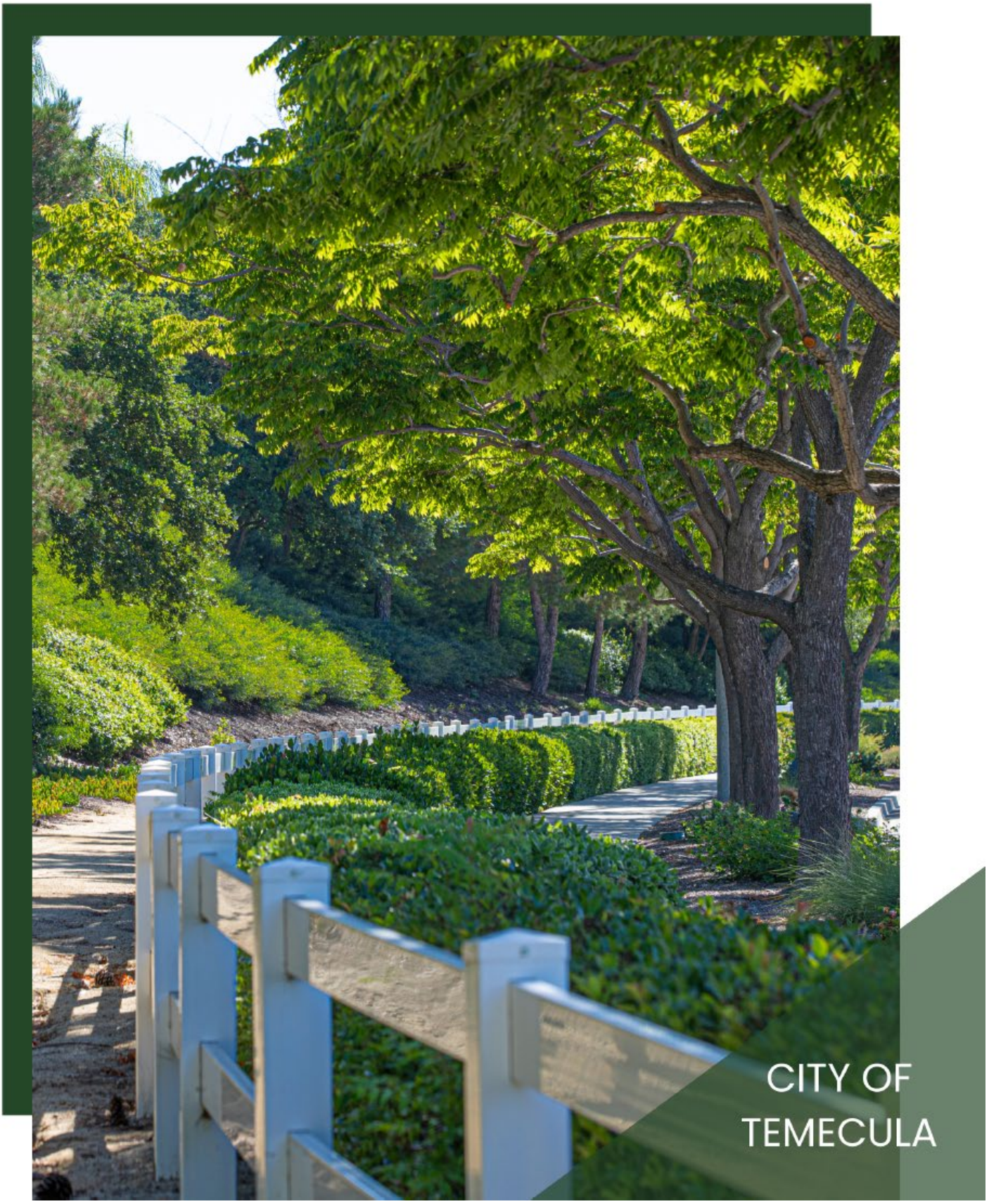
Office of Public Information and Economic Development divisions' expenditures reflect a net 4.6% decrease due to lower PERS rates in the Salaries & Benefits, lower technology costs allocated through the Internal Service Fund, and less Economic Development grants.

PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
CITY MANAGER				-
Assistant City Manager	1.00	1.00	1.00	-
Assistant to the City Manager	0.50	0.50	0.50	-
City Manager	1.00	1.00	1.00	-
Deputy City Manager	-	1.00	1.00	-
Executive Assistant	1.00	1.00	-	(1.00)
Executive Assistant II	-	-	1.00	1.00
Senior Office Specialist	1.00	1.00	1.00	-
Total	**4.50**	**5.50**	**5.50**	**-**
OFFICE OF PUBLIC INFORMATION & ECONOMIC DEVELOPMENT				-
Administrative Assistant	1.00	1.00	1.00	-
Assistant to the City Manager	0.50	0.50	0.50	-
Economic Development Manager	1.00	1.00	1.00	-
Management Analyst	1.00	-	-	-
Multimedia Coordinator	-	1.00	1.00	-
Multimedia Specialist II	1.00	-	-	-
Senior Management Analyst	1.00	2.00	2.00	-
Total	**5.50**	**5.50**	**5.50**	**-**
Grand Total	**10.00**	**11.00**	**11.00**	**-**

CITY OF TEMECULA
1989
OLD TRADITIONS ♦ NEW OPPORTUNITIES

CITY CLERK



MISSION

The City Clerk's Office is dedicated to serving our community with integrity, transparency, and professionalism. We are committed to strengthening communication with the public, fostering trust in local government through accountability and openness, safeguarding the integrity of the democratic and participatory process, and ensuring equitable access to services and programs for all segments of the community.

SERVICES

- Conduct regular and special general municipal elections in consolidation with the County of Riverside for the election of City Council members and local initiatives, referendums and recalls.
- Administer campaign disclosure statements, conflict of interest filings, and related responsibilities for candidates, and elected and appointed officials pursuant to the Political Reform Act.
- Administer public meetings, noticing, and related responsibilities for legislative body and advisory boards and commissions pursuant to the Ralph M. Brown Act.
- Administer Citywide records management program and ensure public access to records pursuant to the Public Records Act.
- Administer annual board and commission recruitment process for expiring terms and unscheduled vacancies pursuant to the Government Code.
- Administer Citywide legislative platform working with lobbyists to monitor, track, and advocate for organizational priorities based upon community needs.

ACCOMPLISHMENTS

Prior fiscal year accomplishments from the City Clerk's Office include:

- Facilitated approval of the consolidation of the 2026 General Municipal Election for the City with the County of Riverside and prepared for the candidate nomination period for Districts 1, 3 and 5 to open in Summer 2025. *(Accountable & Responsive City Government)*
- Facilitated review and adoption of annual legislative platform, develop legislative priority materials, and conducted related legislative action days in Sacramento. *(Accountable & Responsive City Government)*
- Facilitated comprehensive review of the City's existing board, committee, and commission structure to ensure alignment with the community's current needs and implemented City Council direction regarding the same. *(Accountable & Responsive City Government)*
- Facilitated approval of the City's Title VI Program by the City Council, served as Title VI Coordinator, and implemented related requirements regarding access to Citywide programs and services for all segments of the community, including those with physical disabilities and limited English proficiency. *(Equity)*



GOALS AND OBJECTIVES

Current fiscal year goals from the City Clerk's Office include:

- Conduct General Municipal Election for Districts 1, 3 and 5 in November 2026 and perform related responsibilities for candidate nominations, campaign filings, and election certification. *(Accountable & Responsive City Government)*
- Implement Senate Bill 707 (SB 707) requirements, pursuant to law, related to reasonable accommodation, hybrid meetings, translated agendas, website updates, and public outreach. *(Accountable & Responsive City Government)*
- Conduct review of City's Title VI Program as Title VI Coordinator, pursuant to law, and implement related adjustments to Citywide services and program to ensure access for all segments of the community. *(Equity)*
- Facilitate review and adoption of annual legislative platform, development legislative priorities for advocacy efforts, and conduct related activities in conjunction with statewide lobbying efforts on behalf of the City on various matters including housing and transportation. *(Accountable & Responsive City Government)*



ORGANIZATIONAL CHART



Randi Johl
Director of Legislative Affairs/City Clerk

- Open Meetings, Elections, Records Management
- Elections/Redistricting
- Fair Political Practices, Comissions (FPPC) Filings
- Records Services and Programs
- Legislative Operations
- Boards and Commissions

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
CITY CLERK 120					
SALARIES & BENEFITS Total	996,524	1,083,196	1,046,097	(37,100)	-3.43%
OPERATIONS & MAINTENANCE Total	412,419	202,303	330,791	128,488	63.51%
INTERNAL SERVICE FUND ALLOCATIONS Total	355,457	321,721	345,668	23,947	7.44%
Division Total	**1,764,400**	**1,607,220**	**1,722,556**	**115,336**	**7.18%**

ANALYSIS/COMMENTS

City Clerk:

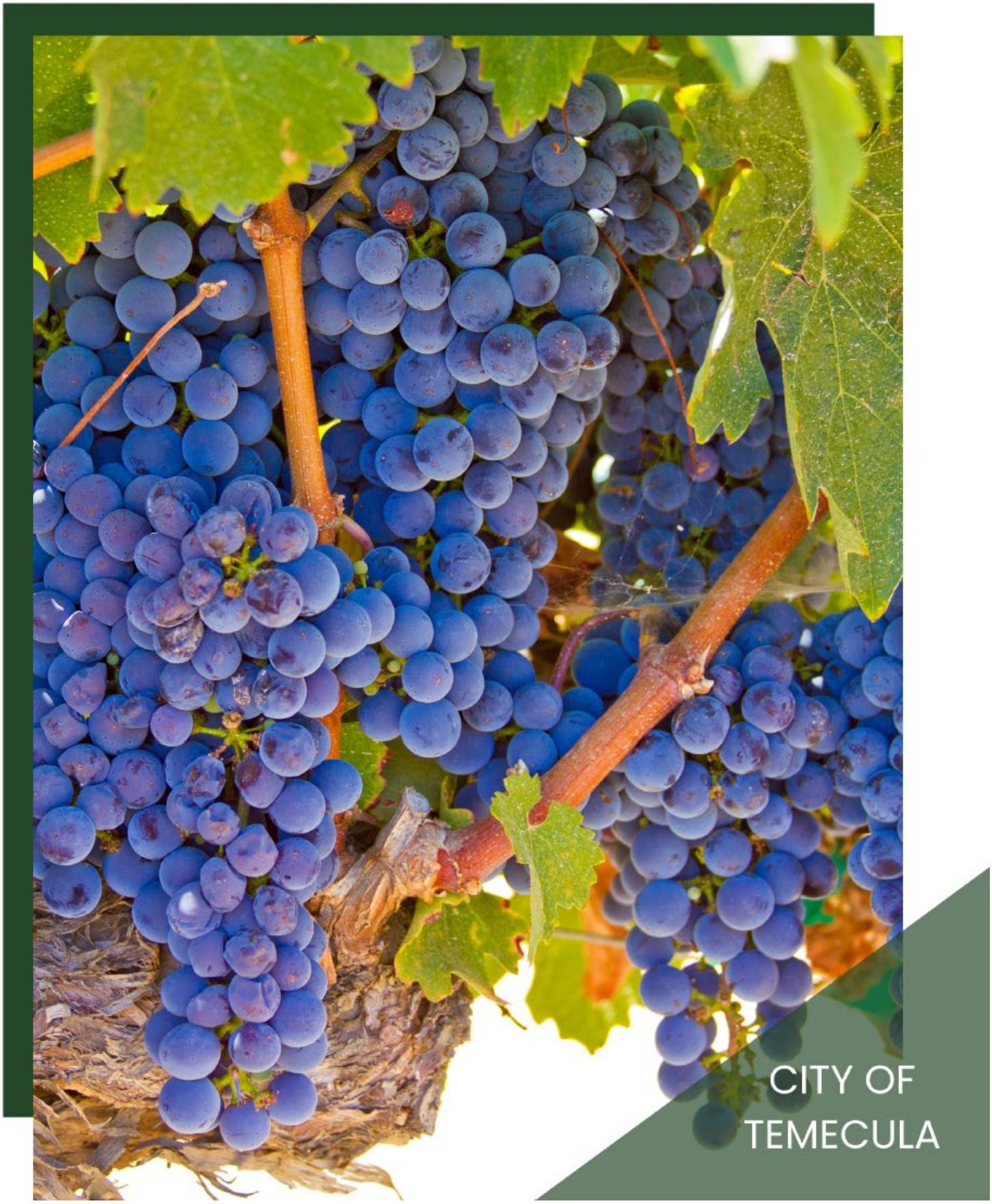
City Clerk expenditures are projected to increase by 7.18% primarily due to Election Costs and increased technology and facilities Internal Service Fund allocations, which are offset by the decrease in Salaries & Benefits related to lower PERS rates.

PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
CITY CLERK				-
Assistant City Clerk	-	-	1.00	1.00
Deputy City Clerk	1.00	1.00	-	(1.00)
Director of Legislative Affairs/City Clerk	1.00	1.00	1.00	-
Management Assistant	1.00	1.00	1.00	-
Records Manager	1.00	1.00	1.00	-
Records Technician	1.00	1.00	1.00	-
Total	**5.00**	**5.00**	**5.00**	**-**

CITY OF TEMECULA
1989
OLD TRADITIONS ♦ NEW OPPORTUNITIES

CITY ATTORNEY



DEPARTMENT OVERVIEW

MISSION

The mission of the City Attorney's Office is to provide quality, timely, and cost-effective legal analysis, opinion, and advice to the City's elected officials, departments, appointed commissions and boards on a broad range of legal, administrative, legislative, and procedural matters, including application of constitutional, statutory, administrative, and local government law. The City Attorney's Office strives to effectively provide timely research, analysis, evaluation, and drafting of legal and other documents necessary to the accomplishment of the City's municipal functions and goals. The City Attorney's mission includes representation of the City in judicial, administrative, and appellate proceedings in an efficient and cost-effective manner. The City contracts with Richards, Watson & Gershon to provide City Attorney and public law services.

SERVICES

- Serves as legal advisor to the City Council, City Manager, and the various City departments, Commissions, Committees, and Boards.
- Prepares and approves the majority of proposed City ordinances, resolutions, contracts, and other legal documents.
- Represents the City of Temecula in all litigation.



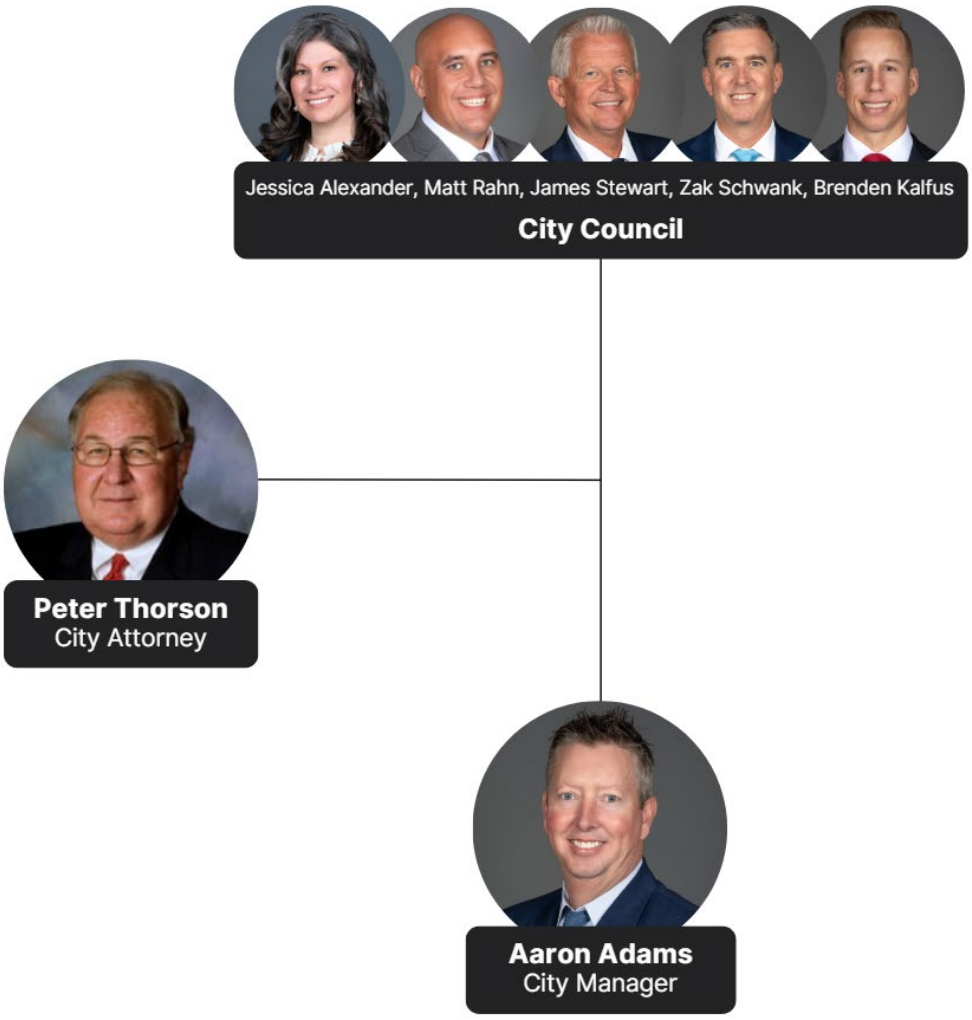
Organizational Chart

Expenditures by Category

Personnel
*N/A for City Attorney

Performance Measures
*N/A for City Attorney

ORGANIZATIONAL CHART



EXPENDITURES BY CATEGORY

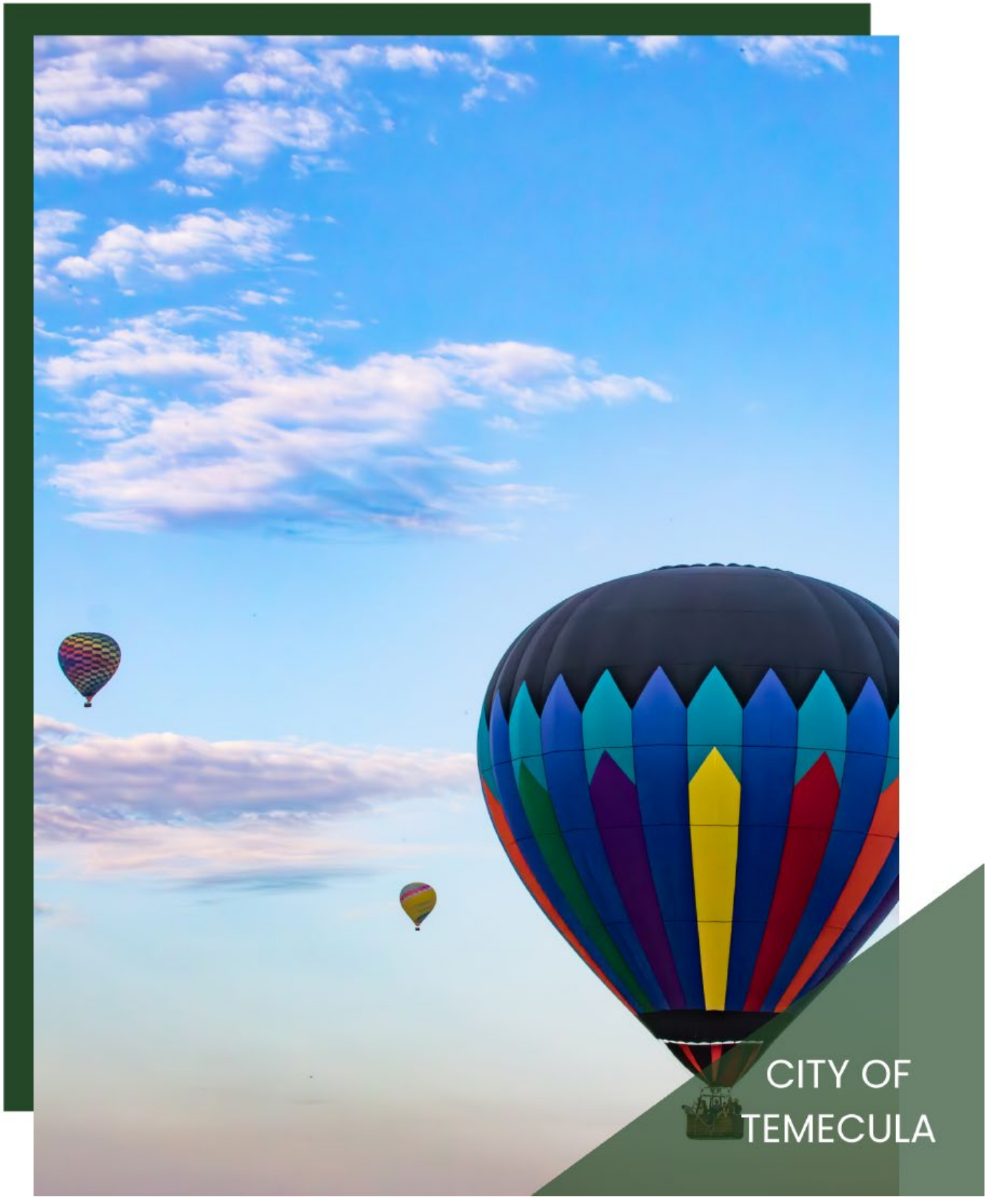
	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
CITY ATTORNEY 130					
OPERATIONS & MAINTENANCE Total	887,250	815,000	950,000	135,000	16.56%
Division Total	**887,250**	**815,000**	**950,000**	**135,000**	**16.56%**

ANALYSIS/COMMENTS

City Attorney:
City Attorney expenditures reflect increased Legal Services for FY26-27.



FINANCE



DEPARTMENT OVERVIEW

MISSION

Primary responsibilities of the Finance Department include cash and investment management, financial reporting, coordination and preparation of the Annual Operating Budget and Capital Improvement Program, internal audit, payroll, accounts receivable, financial oversight, business licensing, purchasing and contracting, financial management of Sheriff and Fire contracts, and administration of all City funds and accounts.

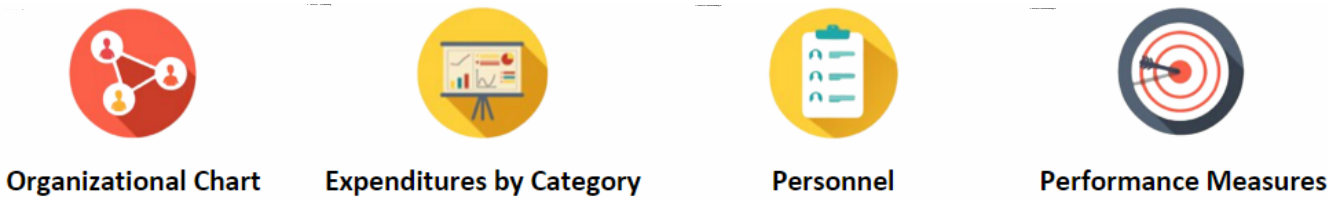
SERVICES

- Oversee the Citywide coordination of the City's Annual Operating and Capital Improvement Program Budgets.
- Manage and develop annual and five-year forecasts for City funds and programs, provide oversight of City's internal controls and manage audit requirements.
- Provide front-line customer service to the public and manage the issuance and renewal of business licenses for businesses operating within the City limits.
- In accordance with the City's Investment Policy, manage cash and investments focusing on safety and liquidity, then yield (or return on investment).
- Prepare Annual Comprehensive Financial Report, Single Audit Reports, State Reports and Quarterly Financial reports.
- Process Accounts Payable, Accounts Receivable, biweekly Payroll, and yearly W-2 and 1099 reporting.
- Maintain and update general ledger accounts for budget preparation and financial reports.
- Assist in the review of City contracts to ensure compliance with State law, Public Contract Code and the Temecula Municipal Code.
- Administer the City's purchasing process in accordance with the Temecula Municipal Code.
- Administer the City's debt obligations, including Community Facility District bonds and Tax Allocation Bonds.
- Coordinate the annual update of the rates and charges of the City's eligible Service Levels.

ACCOMPLISHMENTS

Prior fiscal year accomplishments from the Finance Department include:

- Continued the implementation of the City's new financial accounting system's payroll module. *(Accountable & Responsive City Government)*
- Received professional association awards for the City's Annual Operating Budget, Capital Improvement Program Budget and Annual Comprehensive Financial Report. *(Accountable & Responsive City Government)*
- Continued to identify operational efficiencies within the Finance Department to utilize technology and streamline systems. *(Accountable & Responsive City Government)*



- Monitored the City's financial position as it relates to the Debt/Liability Paydown Strategy and provided recommendations to the City Council if additional payments are feasible to expedite the reduction in the unfunded pension liability. *(Accountable & Responsive City Government)*
- Conducted a Request for Proposals to secure a new independent auditing firm. *(Accountable & Responsive City Government)*
- Conducted a Request for Proposals for an update to the Citywide Cost Allocaton Plan and User Fee Study. *(Accountable & Responsive City Government)*
- Updated long-range financial and strategic plans for all major operating funds to ensure ongong fiscal solvency. *(Accountable & Responsive City Government)*

GOALS AND OBJECTIVES

Current fiscal year goals from the Finance Department include:

- Complete the implementation of a new payroll software that integrates with existing Human Resources personnel management systems. *(Accountable & Responsive City Government)*
- Coordinate the update of the Citywide Cost Allocaton Plan, User Fee Study and Development Impact Fee Study. *(Accountable & Responsive City Government)*
- Receive professional association awards for the City's Annual Operating Budget, Capital Improvement Program Budget and Annual Comprehensive Financial Report. *(Accountable & Responsive City Government)*
- Implement new Pension and Other Post Employment Benefits (OPEB) policies to ensure the City stays fully funded in both programs. *(Accountable & Responsive City Government)*
- Create a consolidated Citywide Fee Schedule to maximize transparency. *(Accountable & Responsive City Government)*



Organizational Chart | Expenditures by Category | Personnel | Performance Measures

ORGANIZATIONAL CHART



Jennifer Hennessy
Director of Finance

- Procurement
  - Purchasing
  - Contracts
- General Accounting
  - Accounts Payable
  - Accounts Receivable/ Cashiering
  - Payroll
  - Financial Reporting
- Debt Administration
  - Community Facility District Administration
  - SARDA Administration
- Treasury
  - Investments
  - Banking
  - Reporting
- Budgeting
  - Operating
  - Capital Improvement Program
  - Long-Term Forecasting

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
FINANCE 140					
SALARIES & BENEFITS Total	3,081,809	3,411,086	3,390,852	(20,234)	-0.59%
OPERATIONS & MAINTENANCE Total	258,378	279,925	276,593	(3,332)	-1.19%
INTERNAL SERVICE FUND ALLOCATIONS Total	738,644	787,180	754,663	(32,517)	-4.13%
CAPITAL OUTLAY Total	0	33,000	0	(33,000)	-100.0%
Division Total	**4,078,830**	**4,511,190**	**4,422,108**	**(89,082)**	**-1.97%**

ANALYSIS/COMMENTS

Finance:
Finance expenditures reflect a decrease of 1.97% due to lower PERS rates in Salaries & Benefits, lower technology costs through the Internal Service Fund allocations, and no Capital Outlay requests for FY26-27.

PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
FINANCE				-
Accountant I	1.00	2.00	1.00	(1.00)
Accountant II	-	-	1.00	1.00
Accounting Assistant	1.00	1.00	1.00	-
Accounting Assistant - Cashier	2.00	2.00	2.00	-
Accounting Technician I/II	1.00	1.00	-	(1.00)
Assistant Director of Finance	1.00	1.00	1.00	-
Director of Finance	0.96	0.96	0.96	-
Finance Manager	1.00	1.00	1.00	-
Fiscal Services Manager	1.86	1.86	1.86	-
Management Analyst	2.00	2.00	1.00	(1.00)
Purchasing Manager	-	-	1.00	1.00
Senior Accountant (Confidential)	1.00	1.00	1.00	-
Senior Accounting Technician	1.00	1.00	1.00	-
Senior Accounting Technician (Confidential)	1.00	1.00	2.00	1.00
Total	**14.82**	**15.82**	**15.82**	**-**
COMMUNITY FACILITY DISTRICTS				-
Director of Finance	0.04	0.04	0.04	-
Fiscal Services Manager	0.14	0.14	0.14	-
Total	**0.18**	**0.18**	**0.18**	**-**
Grand Total	**15.00**	**16.00**	**16.00**	**-**

HUMAN RESOURCES AND RISK MANAGEMENT



DEPARTMENT OVERVIEW

MISSION

The Human Resources and Risk Management Department is dedicated to providing quality service to our internal and external customers, and specifically to the City of Temecula employees of the past, present, and future by attracting, developing, and retaining a highly qualified, diverse, positive, and productive workforce. Human Resources and Risk Management staff is committed to fostering an environment of trust, objectivity, mutual respect, collaboration, innovation, open communication, safety, health, compassion, and well-being.

SERVICES

Human Resources

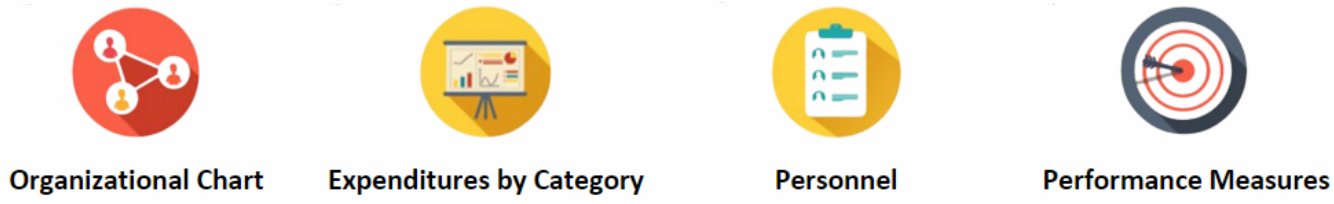
- **Administration**: Review, update, and develop policies and procedures to ensure compliance with public sector labor and employment laws and alignment with Citywide operations and objectives; prepare and monitor the department's budget and expenditures; manage and oversee federal and state government-mandated compliance programs including Department of Motor Vehicles (DMV) pull notice, Department of Justice (DOJ) LiveScan fingerprinting, and professional license/certificate verifications; maintain employee files and personnel records; and maintain the City's Personnel System as outlined in the City's Municipal Code.
- **Classification and Compensation**: Conduct objective studies of classifications and labor markets to ensure City staff is appropriately classified and equitably compensated; and develop and revise classification specifications to accurately reflect required qualifications, job duties, and scope of responsibility.
- **Employee Benefits**: Administer the City's comprehensive employee benefit program for eligible employees and retirees; update and maintain employee data in Human Resource Information System (HRIS)/payroll system; ensure compliance with the Affordable Care Act (ACA) and its mandates to offer and report offers of health coverage to eligible employees; manage employee leave and disability benefit programs ensuring regulatory compliance with federal and state laws; interpret and apply CalPERS regulations; and administer COBRA benefits for separated employees.
- **Recruitment, Selection and Retention**: Coordinate with department managers to conduct recruitment and testing processes for vacant positions to ensure the hiring of highly qualified individuals; evaluate recruitment and turnover trends and develop strategies to effectively staff the organization; assist with organizational restructuring and succession planning efforts; conduct new employee orientation sessions; and develop and implement retention strategies.
- **Organizational Development and Training**: Coordinate and implement employee training programs to foster personal and professional development; and manage compliance training programs in accordance with legal requirements and best practices.
- **Employee Relations**: Administer performance evaluation process and advise management on performance management issues; counsel and advise employees on personnel matters; oversee disciplinary actions and appeals; manage and resolve employee grievances; conduct employee investigations to address and resolve personnel issues; and plan and implement employee recognition programs.



- **Labor Relations**: Meet and confer with represented employee organizations regarding wages, hours and other terms and conditions of employment; interpret and apply provisions of the City's Personnel Rules and labor contracts; and maintain effective working relationships with employees and collective bargaining units.

Risk Management

- **Administration**: Review, update, and develop policies and procedures to ensure compliance with State and Federal OSHA and alignment with Citywide operations and objectives; prepare and monitor the Risk Management budget and expenditures; manage and oversee federal mandated compliance program Department of Transportation (DOT) drug/alcohol testing.
- **Insurance**: Coordinate with the City's insurance broker to secure lines of insurance for the City's liability, workers' compensation, and property coverage in excess of the City's self-insured retention limits. Ensure all City agreements have proper insurance certificates related to the scope of work to transfer risk exposure.
- **General Liability**: Coordinate with third-party administrators and legal counsel for the cost- effective resolution of general liability claims and lawsuits.
- **Workers' Compensation**: Coordinate with third-party administrators and legal counsel to manage workers' compensation claims and facilitate the proper treatment and resolution of employee injuries and illnesses, confer with managers to provide light duty or modified duty as appropriate, and assist employees with issues related to workplace injuries and illnesses.
- **Employee Safety**: Establish and maintain a safe and healthy work environment by maintaining open lines of communication throughout the organization and providing up-to-date safety trainings from industry experts. Comply with established federal, state and local regulations, and implement practices that promote working safely to mitigate risk.
- **Employee Training**: Administer the City's mandated and elective training programs to comply with federal, state, and local requirements. To empower employees to discover and pursue a path to a fulfilling career through professional development.
- **Claims Administration**: Work in unison with Third Party Administrators to process both liability and workers' compensation claims against the City.
- **Cost Recovery**: Coordinate with various City departments and Third Party Administrator for the recovery of costs associated with damage to City-owned property.
- **Wellness Program**: Administer the City's Employee Wellness Program with educational and interactive programs. These programs are designed to encourage employees to achieve their individual health goals while enabling employees to live their personal and professional lives in the healthiest and most productive way possible.
- **Risk Exposure:** Administer the City's general liability program by investigating and evaluating risk exposure and providing strategies for decreasing the City's general liability.
- **Contract Compliance:** Administer contract compliance for the City's agreements ensuring all agreements adhere to rules and regulations to minimize operational risk. Monitor vendor compliance, evaluate potential issues and put safety measures in place to protect the City's interests.



ACCOMPLISHMENTS

Prior fiscal year accomplishments from Human Resources, Risk and Emergency Management include:

Human Resources

- Produced quarterly spotlights to educate employees on current benefit offerings, HR services, and other topics of interest. *(Accountable & Responsive Government)*
- Designed and implemented initiatives to enhance and maintain high job satisfaction among City employees. *(Accountable & Responsive City Government)*
- Facilitated the design, structure, content and workflows in the new HRIS system. *(Accountable & Responsive City Government)*
- Completed the personnel file scanning project to digitize paper records, enhancing efficiency, reducing paper waste and optimizing resource management. *(Accountable & Responsive City Government)*
- Continued enhancing NEOGOV modules to digitize HR forms, streamline processes, and create a centralized hub for electronic employee documents, improving efficiency and accessibility. *(Accountable & Responsive City Government)*

Risk Management

- Continued to develop, implement, and/or update Citywide safety training programs (to prevent workplace injuries and illnesses) through June 2026. *(Safe & Prepared Community)*
- Continued to deliver the City's Employee Wellness Program, offering information, opportunities and events for all City employees through June 2026. *(Accountable & Responsive City Government)*
- Maintained the Hepatitis A&B Vaccination program for all current City staff and new hires, ensuring coverage based on job-related exposure through June 2026. *(Safe & Prepared Community)*
- Continued to maintain the City's Cost Recovery Program for damages to City-owned property, for all affected City departments through June 2026. *(Accountable & Responsive City Government)*
- Continued administering the City's Safety Footwear Program, facilitating an annual on-site safety footwear event in partnership with Boot World, and ensuring all exposed employees receive compliant safety footwear through June 2026. *(Safe & Prepared Community)*
- Continued to monitor the Workplace Violence Prevention Program at City worksites, in accordance with the City's Workplace Violence Prevention Plan, through June 2026. *(Safe & Prepared Community)*
- Updated the City's Safety Footwear allowance, language and classifications in the MOU to ensure all exposed employees are provided with compliant safety footwear. *(Safe & Prepared Community)*
- Completed a revision of the Injury and Illness Prevention Program and Heat Illness Prevention Plan to align with Cal\OSHA requirements. *(Safe & Prepared Community)*
- Facilitated and implemented Evident ID Certificate of Insurance software program to ensure insurance compliance for all City agreements/contracts. *(Accountable & Responsive City Government)*


Organizational Chart


Expenditures by Category


Personnel


Performance Measures

GOALS AND OBJECTIVES

Current fiscal year goals from Human Resources, Risk and Emergency Management include:

Human Resources

- Produce monthly spotlights to educate employees on current benefit offerings, HR services, and other topics of interest. *(Accountable & Responsive Government)*
- Design and implement initiatives to enhance and maintain high job satisfaction among City employees. *(Accountable & Responsive City Government)*
- Continue implementation and optimization of the new HRIS system, including development of workflows, reporting tools, and employee self-service features. *(Accountable & Responsive City Government)*
- Enhance and promote the use of NEOGOV modules to support paperless workflows, streamline HR processes, and improve employee access to HR information and tools. *(Accountable & Responsive City Government)*
- Evaluate recruitment processes and implement strategies to improve hiring timelines and attract highly qualified candidates. *(Accountable & Responsive City Government)*
- Review, update and modernize employment-related policies and guidelines to ensure compliance with evolving labor and employment laws and alignment with City operations. *(Accountable & Responsive City Government)*
- Evaluate employee benefit programs to ensure offerings are inclusive of employees with diverse backgrounds, family structures, and life stages. *(Heathy and Livable City)*

Risk Management

- Continue to develop, implement, and/or update Citywide safety training programs (to prevent workplace injuries and illnesses) through June 2027. *(Safe & Prepared Community)*
- Continue to deliver the City's Employee Wellness Program, offering information, opportunities and events for all City employees through June 2027. *(Accountable & Responsive City Government)*
- Maintain the Hepatitis A&B Vaccination program for all current City staff and new hires, ensuring coverage based on job-related exposure through June 2027. *(Safe & Prepared Community)*
- Continue to maintain the City's Cost Recovery Program for damages to City-owned property, for all affected City departments through June 2027. *(Accountable & Responsive City Government)*
- Continue administering the City's Safety Footwear Program, facilitating an annual on-site safety footwear event in partnership with Boot World, and ensuring all exposed employees receive compliant safety footwear through June 2027. *(Safe & Prepared Community)*
- Continue to monitor the Workplace Violence Prevention Program at City worksites, in accordance with the City's Workplace Violence Prevention Plan, through June 2027. *(Safe & Prepared Community)*
- Continue to update City agreement templates to maintain legal and regulatory compliance, through June 2027. *(Accountable & Responsive City Government)*



ORGANIZATIONAL CHART



Becky Obmann
Interim Director of Human Resources and Risk Management

- Human Resources
  - Administration
  - Classification and Compensation
  - Employee Benefits
  - Recruitment, Selection, and Retention
  - Organizational Development and Training
  - Employee Relations
  - Labor Relations
- Risk Management
  - Insurance
  - General Liability
  - Workers' Compensation
  - Employee Safety
  - Claims Administration
  - Risk Exposure
  - Employee Wellness Program
  - Cost Recovery
  - Contract Compliance

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
HUMAN RESOURCES 150					
SALARIES & BENEFITS Total	1,255,157	1,136,731	1,464,438	327,708	28.83%
OPERATIONS & MAINTENANCE Total	712,544	1,457,028	911,570	(545,458)	-37.44%
INTERNAL SERVICE FUND ALLOCATIONS Total	259,652	337,706	346,063	8,357	2.47%
Division Total	**2,227,352**	**2,931,465**	**2,722,071**	**(209,393)**	**-7.14%**

ANALYSIS/COMMENTS

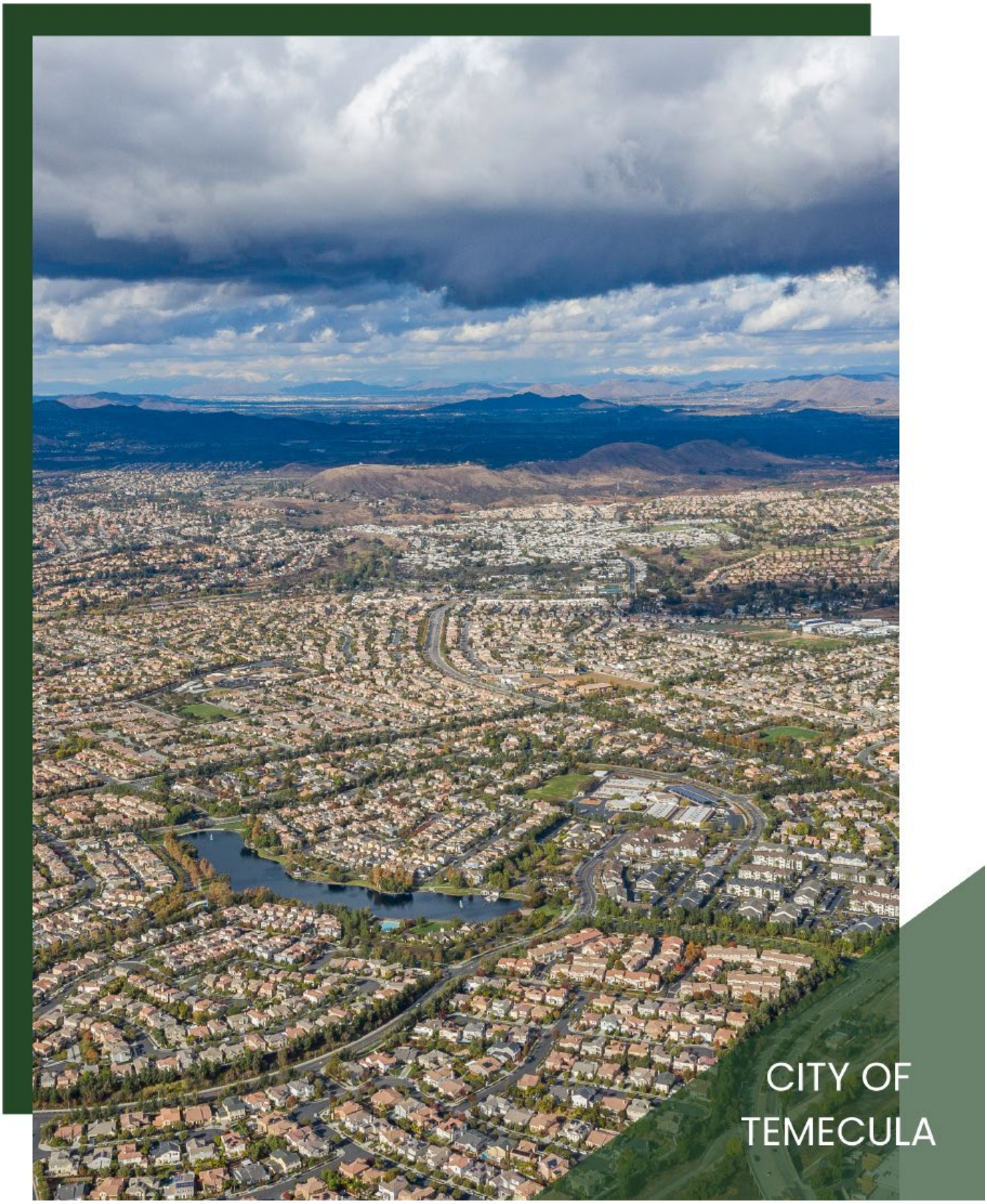
Human Resources Management:
Human Resources expenditures are projected to decrease by 7.14% due to a combination of lower Legal Services and Settlements costs, offset by an increase in Limited Term Assignment staffing budget that was charged to the Capital Improvement Program in FY25-26.

PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
HUMAN RESOURCES				-
Assistant Director of HR/Risk Management	-	1.00	0.50	(0.50)
Director of HR/Risk Management	0.50	0.50	1.00	0.50
Human Resources Technician II	2.00	-	-	-
Human Resources Supervisor	-	1.00	1.00	-
Management Analyst	-	1.00	1.10	0.10
Management Assistant (Confidential)	0.90	1.10	1.00	(0.10)
Risk Manager	-	-	0.10	0.10
Senior Management Analyst	2.10	0.10	-	(0.10)
Total	**5.50**	**4.70**	**4.70**	**-**

CITY OF TEMECULA
1989
OLD TRADITIONS ♦ NEW OPPORTUNITIES

COMMUNITY DEVELOPMENT



DEPARTMENT OVERVIEW

MISSION

Community Development is a multi-disciplinary department providing planning, development services, Community Development Block Grant (CDBG), and affordable housing to citizens, elected officials, appointed boards, commissions, and City departments. The department guarantees all development is consistent with the General Plan, Municipal Codes, and Building Codes. Community Development ensures that the goals of the community are met, with regards to health, life safety, public welfare, and neighborhood preservation. The department also conducts activities related to the winding down of redevelopment through the Successor Agency to the Temecula Redevelopment Agency.

SERVICES

Long Range Planning

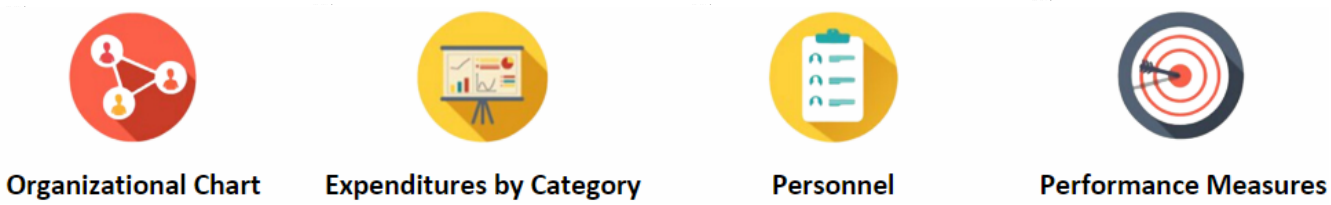
- Provide planning related analysis and recommendations to community, City staff, City Commissions and City Council for issues related to current and future development.
- Provide environmental review services for future development projects.
- Provide oversight, analysis, and implementation of the goals of the City's General Plan to ensure consistency with the objectives of the City Council, the community, and economic trends as the community matures.
- Conduct legislative analysis and implementation to maintain compliance with all applicable State and Federal laws.
- Engage in all planning processes regarding future development of the City and region.
- Conduct public outreach efforts.

Current Planning and Permit Center

- Provide development and environmental review services for development projects.
- Provide planning-related analysis and recommendations to Planning Commission and City Council for issues related to development applications.
- Process building permits, including initial application, plan check, issuance, and records retention.
- Guide and educate customers on building permit requirements, and the residential development code to ensure code compliance and a seamless permitting process for the applicants.

Building & Safety

- Promote life, health, and fire safety standards adopted through California Building Codes.
- Provide plan examinations and building inspections to applicants seeking to improve their property.
- Facilitate timely and efficient plan check and permitting services for businesses, residents, and developers, allowing customers to handle development services in one convenient location.



Code Enforcement

- Provide commercial and residential neighborhood preservation to ensure a high-quality standard of living and sustainability in communities.
- Identify substandard housing to promote life, health, and safety standards.

SARDA/Housing

- Administer the affordable housing compliance program to ensure compliance at all affordable housing developments monitored by the City.
- Identify, negotiate, and enter into funding agreements for the construction of affordable housing units.
- Administer the Successor Agency to the Temecula Redevelopment Agency to wind down the obligations of the former Temecula Redevelopment Agency.

Community Development Block Grant

- Administer the Community Development Block Grant (CDBG) program, which provides funding for community-based services and capital infrastructure projects.
- Complete compliance and documentation requirements for U.S. Department of Housing and Urban Development (HUD).
- Implement the goals of the Federal Community Development Block Grant program. Develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low and moderate-income persons.

Administration

- Review all department contracts to ensure compliance with Public Contract Code and City Municipal Code and internal financial policies.
- Manage department purchasing, contract administration, and procurement.
- Provide support to Planning Commission and Old Town Local Review Board by managing and noticing agendas and reports.
- Prepare department's Annual Operating Budget, Capital Improvement Program, and Five-Year Forecast.
- Provide external agencies with quarterly, monthly, and annual development and fee reports.
- Liaison to Human Resources for personnel responsibilities such as recruitment and evaluations.

ACCOMPLISHMENTS

Prior fiscal year accomplishments from Community Development include:

Long Range Planning

- Continued to make progress on the fourth phase of the General Plan Update. *(Accountable & Responsive City Government)*

Current Planning and Permit Center

- Continued to maintain an average response time of less than one day for online public inquiries for Planning (excluding weekends and holidays). *(Economic Prosperity)*

Building & Safety

- Maintained 75% of building permit transactions to be conducted online. *(Economic Prosperity)*

Code Enforcement

- Maintained an average Code Case open date rate of less than 60 days. *(Accountable & Responsive City Government)*

SARDA/Housing

- Solicited a request for proposal (RFP) for one affordable housing site. *(Healthy & Livable City)*

Community Development Block Grant

- Continued to maintain CDBG timeliness requirements for the disbursement of funds. *(Accountable & Responsive City Government)*

Administration

- Continued to support the implementation of the Old Town Local Advisory Committee. *(Economic Prosperity)*

GOALS AND OBJECTIVES

Current fiscal year goals from Community Development include:

Long Range Planning

- Continue to make progress on the fourth phase of the General Plan Update. *(Accountable & Responsive City Government)*

Current Planning and Permit Center

- Maintain an average response time of less than one day for online public inquiries for Planning (excluding weekends and holidays). *(Economic Prosperity)*

Building & Safety

- Maintain 75% of building permit transactions to be conducted online. *(Economic Prosperity)*

Code Enforcement

- Maintain an average Code Case open date rate of less than 60 days. *(Accountable & Responsive City Government)*

SARDA/Housing

- Solicit and award a request for proposal (RFP) for one affordable housing site. *(Healthy & Livable City)*

Community Development Block Grant

- Continue to maintain CDBG timeliness requirements for the disbursement of funds. *(Accountable & Responsive City Government)*

Administration

- Support the implementation of the Old Town Local Advisory Committee. *(Economic Prosperity)*

ORGANIZATIONAL CHART



Matt Peters
Director of Community Development

- Long Range Planning
  - General Plan
  - Zoning Ordinance Development
  - CEQA Management
  - Community Engagement
  - Energy Conservation Programs
- Current Planning/Permit Center
  - Current Planning
    - Development Review
    - Public Information
    - CEQA Management
  - Permit Center
    - Plan Processing
    - Permit Issuance
    - Public Information
- Building and Safety
  - Inspection Services
  - Plan Review Processing
  - Public Information
- Code Enforcement
  - Nuisance Abatement
  - Weed Abatement
  - Sign Abatement
  - Abandoned Vehicle Abatement
  - Animal Control
- SARDA/Housing
  - ROPS/LRPMP
  - Affordable Housing Compliance
  - Real Estate Acquisition and Disposition
- Community Development Block Grant
  - Consolidated Plan Implementation
  - HUD Grant Administration and Compliance
  - Sup-recipient Contract Administration
  - Capital Projects Administration
  - Community Engagement
- Administration
  - Operating Budget
  - CIP Budget
  - Procurement and Contract Administration
  - Public Information
  - Personnel
  - Grant Writing Administration

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
PLANNING 161					
SALARIES & BENEFITS Total	1,967,406	2,246,734	2,071,002	(175,733)	-7.82%
OPERATIONS & MAINTENANCE Total	417,323	803,439	649,035	(154,404)	-19.22%
INTERNAL SERVICE FUND ALLOCATIONS Total	791,037	824,955	792,505	(32,450)	-3.93%
Division Total	**3,175,766**	**3,875,129**	**3,512,542**	**(362,587)**	**-9.36%**
BUILDING & SAFETY - CODE ENFORCEMENT					
SALARIES & BENEFITS Total	951,653	884,173	1,213,151	328,978	37.21%
OPERATIONS & MAINTENANCE Total	132,326	291,360	276,360	(15,000)	-5.15%
INTERNAL SERVICE FUND ALLOCATIONS Total	286,831	370,952	412,991	42,039	11.33%
Division Total	**1,370,810**	**1,546,485**	**1,902,502**	**356,017**	**23.02%**
BUILDING & SAFETY 162					
SALARIES & BENEFITS Total	2,368,568	2,524,496	2,417,475	(107,021)	-4.24%
OPERATIONS & MAINTENANCE Total	278,975	422,246	572,246	150,000	35.52%
INTERNAL SERVICE FUND ALLOCATIONS Total	612,491	646,979	600,040	(46,939)	-7.26%
Division Total	**3,260,035**	**3,593,721**	**3,589,761**	**(3,960)**	**-0.11%**
ANIMAL CONTROL 172					
OPERATIONS & MAINTENANCE Total	410,427	520,815	463,524	(57,291)	-11.0%
Division Total	**410,427**	**520,815**	**463,524**	**(57,291)**	**-11.0%**

ANALYSIS/COMMENTS

Planning:
Planning expenditures are projected to decrease by 9.36% due to a combination of lower PERS rates and staffing allocations, decreased Consulting and Other Outside Services costs, and lower technology costs allocated through the Internal Service Fund.

Code Enforcement:
Code Enforcement division expenditures are projected to increase by 23.02% primarily due to the reallocation of staff from Planning and Building & Safety, and increased Overtime and Insurance costs, offset by a reduction in Small Tools/Equipment.

Building & Safety:
Building & Safety division reflects a reduction in Salaries & Benefits due to lower PERS rates and reallocated staff, an increase in Consulting Services costs, and a decrease in technology costs allocated through the Internal Service Fund.

Animal Control:
Animal Control expenditures decreased by 11% as a result of negotiated contract costs.

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
COMMUNITY DEV BLOCK GRANT FUND 140					
NON-DEPARTMENTAL 199					
SALARIES & BENEFITS Total	39,204	45,804	78,663	32,859	71.74%
OPERATIONS & MAINTENANCE Total	146,285	255,440	250,964	(4,476)	-1.75%
TRANSFERS Total	(323,453)	561,636	657,180	95,544	17.01%
Division Total	**(137,964)**	**862,880**	**986,807**	**123,926**	**14.36%**
AFFORDABLE HOUSING FUND 165					
NON-DEPARTMENTAL 199					
SALARIES & BENEFITS Total	195,539	248,132	232,607	(15,524)	-6.26%
OPERATIONS & MAINTENANCE Total	268,206	601,121	185,308	(415,813)	-69.17%
INTERNAL SERVICE FUND ALLOCATIONS Total	50,028	53,766	53,601	(165)	-0.31%
TRANSFERS Total	962,914	4,128,445	0	(4,128,445)	-100.0%
Division Total	**1,476,687**	**5,031,464**	**471,516**	**(4,559,947)**	**-90.63%**
SARDA DEBT SERVICE FUND 380					
NON-DEPARTMENTAL 199					
OPERATIONS & MAINTENANCE Total	4,313,128	7,156,655	7,172,458	15,803	0.22%
TRANSFERS Total	250,000	250,000	250,000	0	0.0%
Division Total	**4,563,128**	**7,406,655**	**7,422,458**	**15,803**	**0.21%**

ANALYSIS/COMMENTS

Community Development Block Grant:
CDBG expenditures reflect an increase of 14.36% due to reallocated staffing and the increased Cafeteria benefit in accordance with the City's labor agreements, and fluctuations in the Transfers Out to support Capital Projects.

Affordable Housing:
Affordable Housing expenditures are anticipated to decrease 90.63% due to lower PERS rates and Legal Services costs, and the removal of the Transfers Out to support Capital Projects.

SARDA:
SARDA expenditures reflect a slight increase in the Operations & Maintenance due to Principal Debt Service costs.

PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
COMMUNITY DEVELOPMENT - PLANNING				-
Asst. Director of Community Development	0.65	0.65	0.35	(0.30)
Assistant Planner	1.00	1.00	1.00	-
Associate Planner I	1.00	1.00	1.00	-
Associate Planner II	1.00	1.00	1.00	-
Community Development Technician I	0.30	0.30	0.10	(0.20)
Community Development Technician II	-	-	0.20	0.20
Deputy City Manager	0.55	-	-	-
Directory of Community Development	-	0.65	0.65	-
Management Assistant	-	-	0.35	0.35
Planning Manager	1.00	1.00	1.00	-
Planning Technician	2.00	1.00	0.90	(0.10)
Principal Management Analyst	0.35	0.55	0.20	(0.35)
Principal Planner	-	1.00	-	(1.00)
Senior Administrative Assistant	0.83	0.83	0.83	-
Senior Community Development Technician	0.20	0.20	0.20	-
Senior Management Analyst	0.30	0.10	0.10	-
Senior Office Specialist	1.00	1.00	1.00	-
Senior Planner	1.00	1.00	2.00	1.00
Total	**11.18**	**11.28**	**10.88**	**(0.40)**

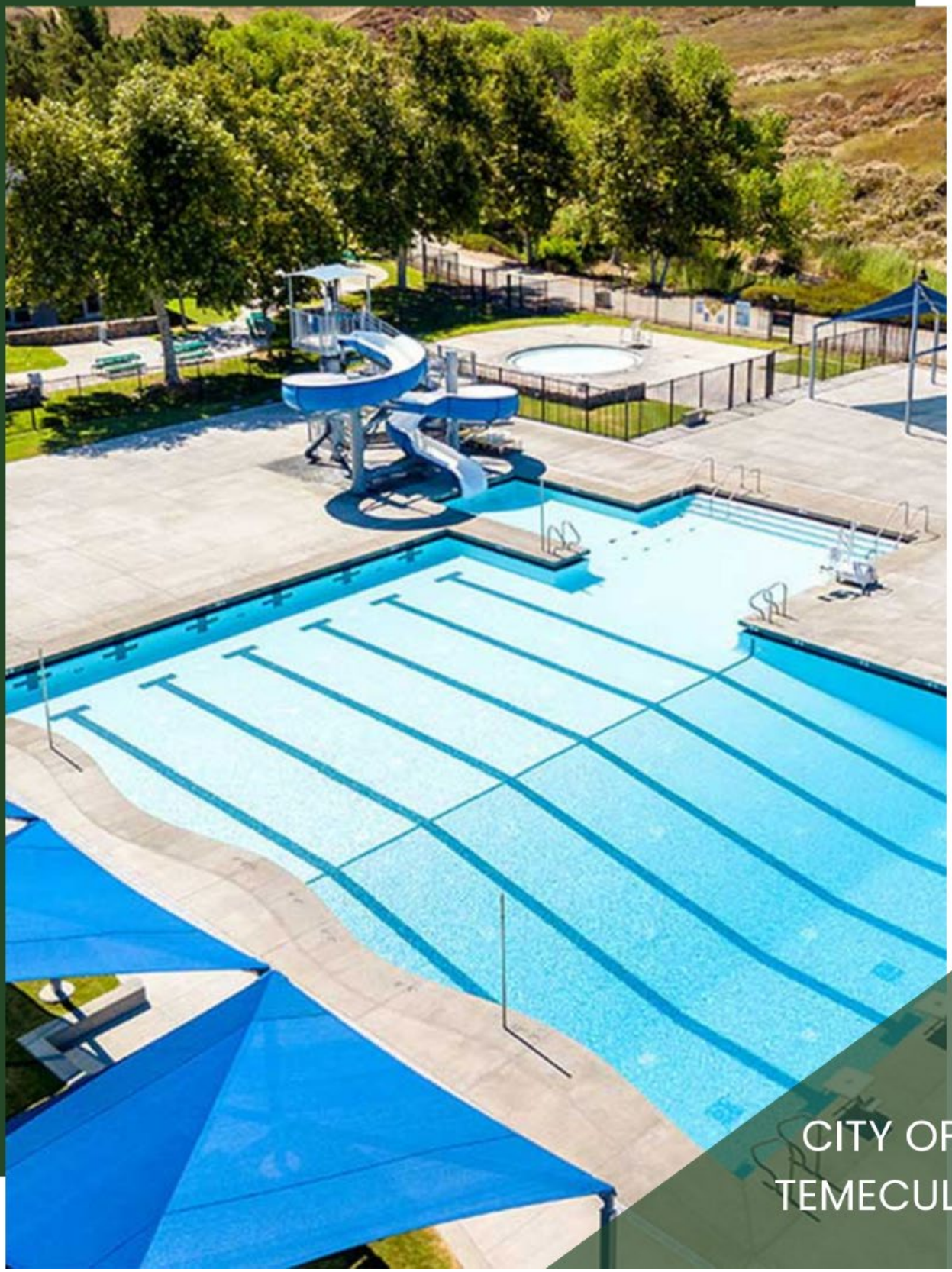
COMMUNITY DEVELOPMENT - BUILDING & SAFETY				-
Administrative Assistant	2.00	-	-	-
Asst. Director of Community Development	0.25	0.25	0.45	0.20
Building Inspector I	1.00	1.00	1.00	-
Building Inspector II	2.00	2.00	2.00	-
Building Official	1.00	1.00	1.00	-
Code Enforcement Manager	-	1.00	1.00	-
Code Enforcement Officer I	1.00	1.00	2.00	1.00
Code Enforcement Officer II	2.00	2.00	2.00	-
Community Development Technician I	2.70	2.70	0.90	(1.80)
Community Development Technician II	-	-	1.80	1.80
Deputy City Manager	0.25	-	-	-
Director of Community Development	-	0.25	0.25	-
Field Supervisor Code Enforcement	0.95	0.95	-	(0.95)
Management Assistant	-	-	0.45	0.45
Plan Checker	1.00	1.00	1.00	-
Principal Management Analyst	0.45	0.45	-	(0.45)
Senior Administrative Assistant	0.15	2.15	2.15	-
Senior Building Inspector	2.00	2.00	2.00	-
Senior Code Enforcement Officer	1.00	-	-	-
Senior Community Development Technician	1.80	1.80	1.80	-

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
Senior Management Analyst	0.90	0.90	0.90	-
Total	**20.45**	**20.45**	**20.70**	**0.25**
CDBG				-
Management Assistant	-	-	0.20	0.20
Principal Management Analyst	0.20	0.20	0.20	-
Total	**0.20**	**0.20**	**0.40**	**0.20**
AFFORDABLE HOUSING				-
Asst. Director of Community Development	0.10	0.10	-	(0.10)
Deputy City Manager	0.20	-	-	-
Director of Community Development	-	0.10	0.10	-
Planning Technician	-	-	0.10	0.10
Principal Management Analyst	-	0.80	0.80	-
Principal Planner	-	-	-	-
Senior Administrative Assistant	0.02	0.02	0.02	-
Senior Management Analyst	0.80	-	-	-
Total	**1.12**	**1.02**	**1.02**	**-**
Grand Total	**32.95**	**32.95**	**33.00**	**0.05**

**This increase reflects a reallocation of 0.05 FTE from the Temecula Community Services District.*

One Principal Planner position is unfunded for FY2026-27.

PUBLIC WORKS



DEPARTMENT OVERVIEW

MISSION

The mission of the Public Works Department is to provide quality services that support the infrastructure demands of the City of Temecula and enhance the safety, welfare and aesthetic environment of the residents, businesses and visitors. This is accomplished through the development and maintenance of City streets, sidewalks, traffic systems, bike lanes, parks, buildings, trails and drainage facilities; professional engineering oversight of public and private improvement projects; and implementation of erosion/sediment controls and storm water quality measures.

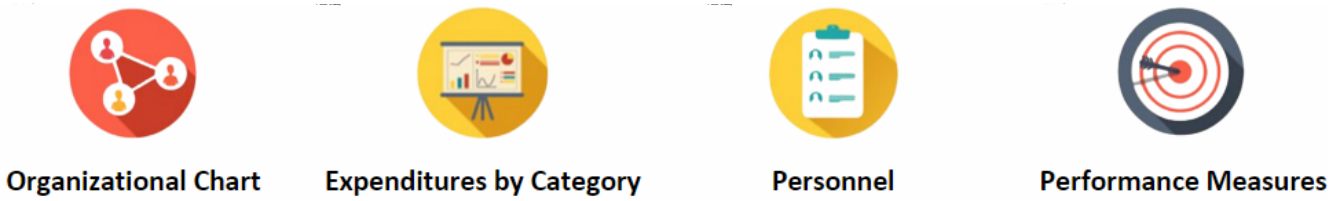
SERVICES

Land Development

- Provide plan check and engineering review and approval of parcel maps, subdivision maps and improvement plans as required by the Subdivision Map Act. Review planning applications to enforce the implementation of proper mitigation measures, conditions and code requirements.
- Provide inspection oversight services for private development construction activity for all streets, drainage facilities, parks and slopes to be included within City right-of-way and maintenance areas.
- Review and issue permits for encroachments into the public right-of-way including private and public capital improvement construction activities, utility installation, repair work, special events, haul routes, etc.
- Review of legal descriptions for property transactions and/or right-of-way acquisition, abandonment and easement requests.
- Provide Water Quality Management Plan (WQMP) reviews, inspections and oversight for the development community to ensure proper measures are considered during the development (planning/construction) process to meet NPDES regulations and requirements.

Traffic Engineering

- Maintain the Intelligent Transportation System (ITS) Network to provide for the efficient progression of traffic on the City's primary corridors.
- Conduct an effective preventative maintenance program for traffic signal and communication equipment to minimize signal equipment failures.
- Review proposed development plans to ensure consistency with the City's General Plan, Circulation Element and QLMP goals.
- Review and respond to citizen requests for traffic control devices and traffic calming measures, with input from the Traffic Safety Commission.
- Ensure neighborhood and school areas traffic safety by providing education through the Neighborhood Traffic Calming Program.



- Monitor traffic conditions and develop proactive measures to provide for the safe and efficient movement of traffic on City arterials.
- Design, implement, and maintain fiber optic communications to traffic signals and facilities.

Capital Improvement Program

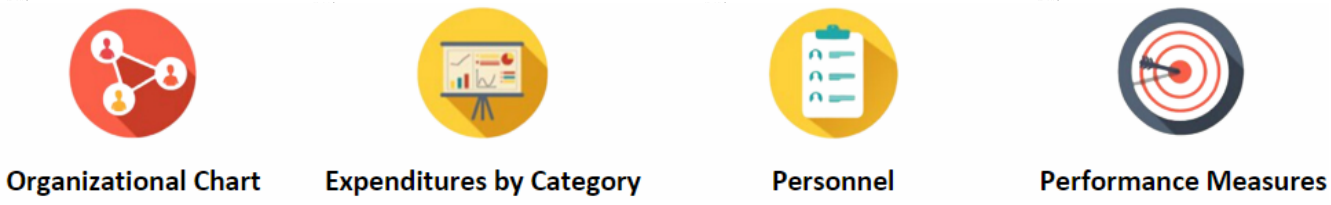
- Project management and administration of all activities related to the City's Capital Improvement Program (CIP) involving design and construction contracts for roadways, bridges, flood control and drainage improvements, parks, buildings, and other improvements.
- Administration of assessment and special district design and construction projects.
- Coordination with federal, state, regional and local agencies related to design and construction of CIP projects.
- Application for and administration of funding and grants from federal, state, regional, and local sources for CIP projects.
- Monitor regional, state, and federal transportation initiatives to ensure City transportation interests are met.
- Administration of right-of-way acquisitions, including negotiations, appraisal reviews, title and escrow services, and management of right-of-way consulting services.

Street Maintenance

- Provide well-maintained right-of-way areas for the safety and mobility of motorists, bicyclists and pedestrians, including traffic signing and striping as directed by the Traffic Engineering Division.
- Maintain City-owned storm drains, catch basins, and surface drainage facilities, and monitor illegal dump areas in support of the City's NPDES program.
- Proactively mitigate graffiti vandalism from the right-of-way and expedite transmission of relevant graffiti information to police investigators.
- Respond to emergency situations and natural disasters, provide special event support and perform weed abatement and litter control.
- Administer the Trees for Temecula Program to replace missing or damaged street trees within residential neighborhoods.

Facility Maintenance

- Administer the maintenance, repairs, and cleaning of all City-owned or leased buildings and aquatics facilities through in-house personnel and administration of outside contract services.
- Manage scheduled inspections and license/permit requirements associated with the operation of facility fire prevention and elevator systems, kitchen equipment, emergency generators, and pool facility water quality/chemistry systems.
- Respond to routine and emergency work order requests.
- Provide Council Chamber and meeting set-ups at various City facilities.



- Provide special event support and day porter services to ensure a safe and clean environment for all users.

Parks Maintenance

- Administer the ongoing maintenance, repair and cleaning of all City parks, trails, open space areas, landscaped medians and applicable slope areas.
- Administer and oversee landscape water use for all City parks, landscaped medians, applicable slope areas, and recreation/administrative facility properties.
- Manage the urban forest within City parks, open space areas, landscaped medians, applicable slope areas, and recreation/administrative facility properties.
- Respond to routine and emergency work order requests, and provide support services for Citywide programs and special events.

Stormwater

- Administer and implement the City's National Pollutant Discharge Elimination System (NPDES) program to ensure compliance with Federal and State water quality regulations.
- Coordinate with Riverside County Flood Control and Water Conservation District to review pollutant monitoring data and supporting regulatory requirements.
- Ensure compliance with Federal Emergency Management Agency (FEMA) floodplain regulations and applicable City Code requirements.
- Provide NPDES engineering plan reviews, construction inspections, and development oversight to verify adherence to stormwater design standards and water quality controls.
- Conduct Illicit Discharge Detection and Elimination (IDDE) investigations to identify, trace, and resolve unauthorized discharges to the storm system.
- Develop and administer alternative compliance stormwater credit program for qualifying development projects.
- Prepare and submit required fiscal analyses and program documentation to the State.
- Deliver community outreach and public education initiatives to promote watershed protection, regulatory awareness, and environmental stewardship.

ACCOMPLISHMENTS

Prior fiscal year accomplishments from Public Works include:

Land Development

- New and existing Land Development policies and procedures outlined. *(Accountable & Responsive City Government)*

Traffic Engineering

- Implemented signal timing coordination on Pechanga Parkway. *(Transportation Mobility & Connectivity)*

Capital Improvement Program

- Completed Citywide Pavement Rehabilitation Program – Rancho Way (Business Park Dr to Diaz Rd), Santiago Rd. (E of I-15 bridge to Ynez Rd.), and Felix Valdez Ave. (Vincent Moraga Dr. to Sixth St.). *(Transportation Mobility & Connectivity)*
- Completed construction of Ronald Reagan Sports Park Hockey Rink Renovation. *(Transportation Mobility & Connectivity)*
- Completed construction of I-15/SR-79 Enhanced Landscaping. *(Transportation Mobility & Connectivity)*

Street Maintenance

- Continued to maintain and improve the City's roadway network. *(Sustainable & Resilient City)*
- Continued to provide effective graffiti abatement. *(Sustainable & Resilient City)*
- Continued to provide well-maintained right-of-way areas. *(Sustainable & Resilient City)*

Facility Maintenance

- Continued to retrofit various City facilities with LED lighting fixtures. *(Sustainable & Resilient City)*
- Began fabricating and installing trash enclosure covers for all City facilities. *(Sustainable & Resilient City)*
- Completed parking lot repairs at the Community Recreation Center. *(Sustainable & Resilient City)*

Parks Maintenance

- Completed parking lot pavement rehabilitation at Patricia H. Birdsall Sports Park. *(Sustainable & Resilient City)*
- Planted 300 trees throughout the City's right-of-way, parks, medians and facilities. *(Healthy & Livable City)*

Stormwater

- Developed a policy and procedures manual to outline common workflows for the Stormwater Division. *(Accountable & Responsive City Government)*



GOALS AND OBJECTIVES

Current fiscal year goals from Public Works include:

Land Development

- Develop a policy and procedures manual to outline common workflows for the Land Development Division. *(Accountable & Responsive City Government)*

Traffic Engineering

- Install fiber optic communication system along Ynez Road and implement signal timing coordination. *(Transportation Mobility & Connectivity)*
- Replace all safety lighting at signalized intersections with LED lighting. *(Safe & Prepared Community)*
- Install green bike lane pavement markings on Winchester Road, Rancho California Road, and Temecula Parkway. *(Transportation Mobility & Connectivity)*

Capital Improvement Program

- Complete construction of Fire Station 84 renovation in Fall 2026. *(Accountable & Responsive City Government)*
- Complete Ronald Reagan Sports Park Skate Park renovation in Winter 2026. *(Transportation Mobility & Connectivity)*
- Complete construction of Long Canyon Creek Park Restrooms in Summer 2026. *(Healthy & Livable City)*
- Complete construction of Vail Ranch Park Restrooms in Summer 2026. *(Healthy & Livable City)*
- Complete construction of ADA Curb Ramp Replacement Phase I in Fall 2026. *(Equity)*
- Complete construction of Pauba Road Pavement Rehabilitation in Winter 2026. *(Transportation Mobility & Connectivity)*
- Complete construction of Auto Mall Wayfinding Signs in Winter 2026. *(Economic Prosperity)*
- Begin construction of Fire Station 73 Gym and Garage in Fall 2026. *(Safe & Prepared Community)*
- Complete design and bid package for Meadows Parkway Pavement Rehabilitation in Winter 2026. *(Transportation Mobility & Connectivity)*

Street Maintenance

- Complete Citywide cleaning of municipal separate storm sewer systems (MS4s) in the Wolf Creek area. *(Sustainable & Resilient City)*



Organizational Chart



Expenditures by Category



Personnel



Performance Measures

Facility Maintenance

- Continue to retrofit various City facilities with LED lighting fixtures. *(Sustainable & Resilient City)*
- Paint City facility exteriors (FOC, West Wing, TVE2, Library, 6th Street Restroom, Fire Station 95). *(Sustainable & Resilient City)*
- Continue fabricating and installing trash enclosure covers for all City facilities. *(Sustainable & Resilient City)*
- Upgrade appliances and replace Fire panel within the Community Recreation Center (CRC). *(Sustainable & Resilient City)*
- Replace kitchen cabinets, counters, sink and flooring at Fire Station 95. *(Sustainable & Resilient City)*

Parks Maintenance

- Replacement of playground equipment at Paseo Gallante Park. *(Healthy & Livable City)*
- Convert and install LED lighting at Patricia H. Birdsall Sports Park for soccer fields one through four. *(Sustainable & Resilient City)*
- Install sidewalk improvements at various City parks. *(Sustainable & Resilient City)*
- Continue to plant new trees throughout the City's right-of-way, parks, medians and facilities. *(Healthy & Livable City)*

Stormwater

- Streamline workflow procedures for the Stormwater Division. *(Accountable & Responsive City Government)*
- Conduct a Community Creek Clean Up. *(Healthy & Livable City)*
- Develop an Enforcement Response Plan in conjunction with Temecula Code Enforcement. *(Accountable & Responsive City Government)*



ORGANIZATIONAL CHART



Ron Moreno
Director of Public Works/City Engineer

- **Engineering**
  - Land Development
    - Permits and Development Inspection
    - FEMA Project and Floodplan Administration
    - Bond Administration and Map Recordation
    - Development Plans Check and Review Conditions
    - Planning Commission
  - Traffic Engineering
    - Traffic/Safety Commission
    - Speed Surveys
    - Traffic Signal Maintenance and Timing
    - Traffic Analysis and Census
    - Public Service Requests
    - Traffic Impact Analysis/ Review
    - Traffic Control Plans
  - Capital Projects Administration
    - Project Development, Management and Inspection
    - Grant Application Administration
    - Plans and Specifications
    - Requests for Proposals and Public Bidding
    - Assessment and CFD Districts
    - Measure A and TUMF Administration
  - Stormwater
    - NPDES Compliance and Inspection
    - MS4 Permit Compliance
    - Alternative Compliance Management
    - BMP and IGP Inspections
    - Public Information
- **Maintenance**
  - Street Maintenance
    - Asphalt/ Concrete Maintenance
    - Signing/ Striping
    - Tree Trimming and Weed Abatement
    - Drainage Channels/ Catch Basins
    - Public Service Requests and Graffiti Removal
    - Special Events and Emergency Service Response
  - Facility Maintenance
    - Building Maintenance and Rehab
    - Old Town Facilities
    - Custodial Services
    - Public Service Requests
    - Special Events and Emergency Service Response
  - Park and Landscape Maintenance
    - Park/Trail Maintenance
    - Median and Slope Maintenance
    - Facility Landscape Maintenance
    - Plan Check Review
    - CIP Projects
    - Special Events and Emergency Service Response

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
LAND DEVELOPMENT 163					
SALARIES & BENEFITS Total	1,488,350	1,560,592	2,006,977	446,385	28.6%
OPERATIONS & MAINTENANCE Total	81,792	97,076	51,800	(45,276)	-46.64%
INTERNAL SERVICE FUND ALLOCATIONS Total	551,935	606,887	647,943	41,056	6.77%
Division Total	**2,122,077**	**2,264,555**	**2,706,720**	**442,165**	**19.53%**
PUBLIC WORKS - STREETS MAINTENANCE					
SALARIES & BENEFITS Total	1,648,860	1,946,957	2,047,227	100,270	5.15%
OPERATIONS & MAINTENANCE Total	1,363,518	1,468,278	1,673,700	205,422	13.99%
INTERNAL SERVICE FUND ALLOCATIONS Total	1,988,356	2,044,935	2,172,677	127,742	6.25%
Division Total	**5,000,734**	**5,460,169**	**5,893,604**	**433,435**	**7.94%**
PUBLIC WORKS - TRAFFIC ENGINEERING					
SALARIES & BENEFITS Total	561,583	619,840	612,909	(6,931)	-1.12%
OPERATIONS & MAINTENANCE Total	77,190	236,582	156,620	(79,962)	-33.8%
Division Total	**638,773**	**856,422**	**769,529**	**(86,893)**	**-10.15%**
PUBLIC WORKS - OLD TOWN MAINTENANCE					
SALARIES & BENEFITS Total	131,175	146,833	151,010	4,178	2.85%
OPERATIONS & MAINTENANCE Total	203,142	205,382	207,809	2,427	1.18%
Division Total	**334,318**	**352,214**	**358,819**	**6,605**	**1.88%**
PUBLIC WORKS - NPDES COMPLIANCE					
SALARIES & BENEFITS Total	373,320	432,730	406,983	(25,746)	-5.95%
OPERATIONS & MAINTENANCE Total	670,196	1,144,479	946,743	(197,736)	-17.28%
Division Total	**1,043,515**	**1,577,209**	**1,353,726**	**(223,483)**	**-14.17%**
PUBLIC WORKS - TRAFFIC MAINTENANCE					
SALARIES & BENEFITS Total	455,520	361,859	390,267	28,407	7.85%
OPERATIONS & MAINTENANCE Total	143,785	228,200	186,300	(41,900)	-18.36%
Division Total	**599,305**	**590,059**	**576,567**	**(13,493)**	**-2.29%**
CIP PUBLIC WORKS 165					
SALARIES & BENEFITS Total	2,632,454	2,777,958	2,364,443	(413,515)	-14.89%
OPERATIONS & MAINTENANCE Total	30,529	49,748	50,000	253	0.51%
INTERNAL SERVICE FUND ALLOCATIONS Total	550,561	614,657	552,661	(61,996)	-10.09%
CAPITAL OUTLAY Total	33,395	0	0	0	0.0%
Division Total	**3,246,939**	**3,442,362**	**2,967,104**	**(475,258)**	**-13.81%**

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
PARKS MAINTENANCE 167					
SALARIES & BENEFITS Total	1,453,427	1,615,455	1,579,966	(35,489)	-2.2%
OPERATIONS & MAINTENANCE Total	4,151,329	4,199,054	4,295,227	96,173	2.29%
INTERNAL SERVICE FUND ALLOCATIONS Total	438,336	675,281	683,546	8,265	1.22%
CAPITAL OUTLAY Total	96,451	0	0	0	0.0%
Division Total	**6,139,542**	**6,489,790**	**6,558,739**	**68,949**	**1.06%**
DEVELOPMENT IMPACT FEES FUND 120					
NON-DEPARTMENTAL 199					
TRANSFERS Total	4,783,586	13,181,795	6,220,931	(6,960,864)	-52.81%
Division Total	**4,783,586**	**13,181,795**	**6,220,931**	**(6,960,864)**	**-52.81%**
MEASURE A FUND 170					
NON-DEPARTMENTAL 199					
OPERATIONS & MAINTENANCE Total	411,378	3,622,265	3,155,000	(467,265)	-12.9%
TRANSFERS Total	1,907,206	9,855,823	1,312,000	(8,543,823)	-86.69%
Division Total	**2,318,584**	**13,478,087**	**4,467,000**	**(9,011,087)**	**-66.86%**

ANALYSIS/COMMENTS

Land Development:
Land Development expenditures are increasing by 19.53% due to reallocated staff, the increased Cafeteria benefit in accordance with the City's labor agreements, and increased Insurance costs, offset by a decrease in Consulting Services.

Public Works:
All Public Works divisions reflect a net increase of 1.31% compared to the prior year, due to reallocated staff and increased technology costs allocated through the Internal Service Fund.

CIP:
CIP division expenditures are decreasing by 13.81% due to reallocated staff and lower PERS rates, combined with lower Insurance and Technology costs allocated through the Internal Service Fund.

Parks Maintenance:
Parks Maintenance expenditures are projected to increase by 1.06% primarily due to higher Landscape Maintenance costs, offset by a reduction in the PERS rate.

Measure A and Development Impact Fee Funds:
Expenditures in these funds fluctuate each year based on the variability in the Capital Improvement Program and the projects supported by these funding sources.

PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
PUBLIC WORKS - LAND DEVELOPMENT				-
Assistant Engineer II	1.00	-	-	-
Asst. Director of Public Works	1.00	-	-	-
Associate Civil Engineer	1.00	1.00	1.00	-
Associate Engineer I	-	1.00	1.00	-
Associate Engineer II	1.00	2.00	2.00	-
Director of Public Works	0.15	0.15	0.15	-
Engineering Tech I	1.00	1.00	-	(1.00)
Management Analyst	1.00	1.00	1.00	-
Principal Civil Engineer	-	-	1.00	1.00
Principal Management Analyst	0.10	-	-	-
Public Works Inspector II	0.90	0.90	0.90	-
Senior Administrative Assistant	0.20	0.20	0.20	-
Senior Civil Engineer	-	-	1.00	1.00
Senior Management Analyst	-	-	0.10	0.10
Senior Office Specialist	1.00	0.60	0.60	-
Senior Public Works Inspector	0.75	0.75	0.75	-
Total	**9.10**	**8.60**	**9.70**	**1.10**
PUBLIC WORKS				-
Associate Civil Engineer	1.00	1.00	1.00	-
Custodian II	0.20	0.20	0.10	(0.10)
Director of Public Works	0.40	0.40	0.40	-
Field Supervisor - Trades	0.15	-	0.10	0.10
Landscape Inspector II	0.20	0.20	0.20	-
Lead Maintenance Worker	3.00	-	-	-
Lead Maintenance Worker-Electrician	0.10	0.10	-	(0.10)
Lead Maintenance Worker-HVAC	0.05	0.05	0.05	-
Maintenance Manager	0.85	0.85	0.85	-
Maintenance Superintendent	0.10	0.10	0.10	-
Maintenance Superintendent-Streets	1.00	1.00	1.00	-
Maintenance Worker I	7.00	7.00	5.00	(2.00)
Maintenance Worker II	-	3.00	5.00	2.00
Management Analyst	-	0.35	-	(0.35)
Management Assistant	0.35	-	-	-
Office Specialist II	-	1.00	-	(1.00)
Principal Civil Engineer	-	1.00	1.00	-
Principal Management Analyst	0.35	-	-	-
Program Manager	1.00	1.00	1.00	-
Public Works Inspector II	0.10	0.10	0.10	-
Senior Administrative Assistant	0.20	0.20	0.20	-
Senior Civil Engineer	1.00	-	-	-
Senior Landscape Inspector	0.20	0.20	0.20	-
Senior Management Analyst	-	-	0.75	0.75
Senior Office Specialist	1.00	0.40	2.30	1.90

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
Senior Public Works Inspector	0.25	0.25	0.25	-
Senior Signal Technician	2.00	1.20	1.20	-
Signal Technician I	-	0.60	0.60	-
Total	**20.50**	**20.20**	**21.40**	**1.20**
PUBLIC WORKS - CIP ADMINISTRATION				-
Asst. Director of Public Works	-	1.00	1.00	-
Assistant Engineer I	1.00	-	-	-
Assistant Engineer II	2.00	2.00	1.00	(1.00)
Associate Civil Engineer	1.00	1.00	-	(1.00)
Associate Engineer I	-	1.00	2.00	1.00
Associate Engineer II	3.00	2.00	2.00	-
Director of Public Works	0.25	0.25	0.25	-
Engineering Manager	1.00	-	-	-
Principal Civil Engineer	1.00	2.00	1.00	(1.00)
Principal Management Analyst	0.45	-	-	-
Public Works Inspector I	-	-	1.00	1.00
Senior Administrative Assistant	0.60	0.60	0.60	-
Senior Civil Engineer	1.00	1.00	-	(1.00)
Senior Management Analyst	-	-	0.45	0.45
Senior Public Works Inspector	2.00	2.00	1.00	(1.00)
Supervising Public Works Inspector	1.00	1.00	1.00	-
Total	**14.30**	**13.85**	**11.30**	**(2.55)**
PARKS MAINTENANCE				-
Director of Public Works	0.10	0.10	0.10	-
Landscape Inspector II	0.50	0.55	0.55	-
Lead Maintenance Worker	2.00	2.00	2.00	-
Lead Maintenance Worker-Electrician	0.10	0.10	-	(0.10)
Maintenance Superintendent	0.95	0.95	0.95	-
Maintenance Worker I	1.00	1.00	1.00	-
Maintenance Worker II	1.00	1.00	1.00	-
Management Assistant	0.25	-	-	-
Management Analyst	-	0.25	-	(0.25)
Parks & Trails Specialist I*	2.00	-	-	-
Parks & Trails Specialist II*	1.00	3.00	3.00	-
Senior Landscape Inspector	0.50	0.50	0.50	-
Senior Management Analyst	-	-	0.20	0.20
Total	**9.40**	**9.45**	**9.30**	**(0.15)**
Grand Total	**53.30**	**52.10**	**51.70**	**(0.40)**

**This decrease reflects a reallocation of 0.40 FTE to the Internal Service Fund's Facilities division.*

SHERIFF'S OFFICE



DEPARTMENT OVERVIEW

MISSION

The Temecula Sheriff's Office is tasked with ensuring the safety of our community while maintaining the outstanding quality of life we all enjoy. The City contracts with the Riverside County Sheriff's Department for Police services and maintains 117 sworn officers, 18 non-sworn officers Community Service Officers (CSOs), three Sheriff Service Officers (SSOs), plus an additional 22 administrative support positions. Temecula has two centrally located Police Substations, one in Old Town Temecula at the Civic Center and one in the Promenade Mall.

SERVICES

Administration

- Manage personnel and operations at two Substation locations, City Hall, and the Southwest Station.
- Coordinate with Human Resources to ensure effective deployment of personnel.
- Prepare annual budgets and ensure sufficient funds are allocated for equipment and operations.
- Coordinate station logistics, ensuring tracking of all equipment, property and evidence.
- Oversee law enforcement aspects of City-held special events.

Investigations/Special Teams

- Provide specialized enforcement related to gangs, narcotics, crime trends, vice, and quality of life issues.
- Develop and implement anti-graffiti programs and operations.
- Follow up on investigations initiated through patrol calls for service.
- Supervise and perform compliance enforcement of sex registrants.
- Develop and implement community outreach programs including crime prevention and youth education.
- Prepare and perform business liaison programs and presentations.
- Provide a safety plan for all public events, as well as safety planning for City buildings.
- Work collaboratively with the Code Enforcement and Fire Departments to address various crimes and municipal code violations.

Traffic Enforcement

- Maintain the safe flow of traffic and perform investigations of traffic collisions.
- Ensure the safety of Temecula streets through the enforcement of all traffic laws.
- Work with Traffic Engineering to analyze traffic flow and assist with developing methods to achieve the safe and efficient movement of traffic on Temecula roadways.
- Provide rapid deployment for critical incidents.

Organizational Chart | Expenditures by Category | Personnel | Performance Measures

Patrol Services

- Utilize centralized, countywide K9 resources to assist in the detection of narcotics, the search for persons, and building searches in support of patrol operations.
- Serve as first responders to calls for service, providing timely and effective response to criminal incidents while enforcing laws and maintaining public safety.
- Identify, evaluate, and document quality-of-life issues, including graffiti, vandalism, and disturbances, and take appropriate enforcement or corrective action to preserve public order.
- Maintain high-visibility patrol throughout the City and engage with community members to build partnerships, promote public trust, and deter criminal activity.

ACCOMPLISHMENTS

Prior fiscal year accomplishments from the Sheriff's Office include:

Administration

- Remained one of the safest cities in California and the nation. *(Accountable & Responsive City Government)*
- Provided consistently professional services and information to customers and constituents. *(Accountable & Responsive City Government)*

Investigations/Special Teams

- The Robbery/Burglary Suppression Team (BRST) focused solely on investigating robberies and burglaries (vehicle, residential and commercial) occurring in the City of Temecula. This included actively identifying robbery and burglary suspects, making arrests, and preparing cases for criminal filings. *(Safe & Prepared Community)*
- The CORE Team conducted proactive patrol and directed enforcement to address the quality-of-life issues in Temecula, including illegal vending, massage parlor compliance, and panhandling. *(Safe & Prepared Community)*
- The CORE Team established working relationships with business owners in Temecula and address various crimes and municipal code violations while educating employees working at businesses on the laws. *(Healthy & Livable City).*
- The CORE Team worked with the city Homeless Outreach Team to manage issues related to the homeless and/transient community. *(Healthy & Livable City).*
- The Special Enforcement Team continued to conduct specialized enforcement related to gangs, narcotics, and crime trends. *(Safe & Prepared Community)*
- The METRO Team provided proactive patrols in the Old Town area and continued to work with Code Enforcement, Building & Safety, and the Fire Department to address business-related concerns and maintain a safe environment. *(Safe & Prepared Community)*



Traffic Enforcement

- Continued the open dialog with Traffic Engineering to improve traffic safety in the new fiscal year. *(Transportation Mobility & Connectivity)*
- Continued to partner with non-profit agencies such as MADD, OTS, and DUITT to provide traffic safety presentations, DU-related enforcement and educational programs. *(Safe & Prepared Community)*
- Continued to provide enforcement and education with the goal of reducing red light violators by 20%. *(Transportation Mobility & Connectivity)*
- Continued high-visibility enforcement with the goal of reducing street racing and noise pollution. *(Transportation Mobility & Connectivity)*
- Continued the partnership with TVUSD and School Resource Deputies to increase traffic safety in school zones. The Motorcycle Enforcement Team will remain visible at Temecula schools during drop-off and pick-up times. *(Transportation Mobility & Connectivity)*
- Increased the number of high-visibility saturation patrols for FY2025-26. *(Transportation Mobility & Connectivity)*

Patrol Services

- Continued collaboration and briefing training with the Community Behavioral Health Assessment Team (CBAT) to assist patrol deputies in utilizing best practices when dealing with persons in distress/crisis due to mental health issues. *(Safe & Prepared City)*
- Continued collaboration with CORE Team to effectively help homeless people within the City. Utilized all options and available resources as an alternative to incarceration. *(Healthy & Livable City)*
- Promoted continued education and ensured deputies receive specialized training to properly investigate a wide variety of crimes. *(Healthy & Livable City)*

GOALS AND OBJECTIVES

Current fiscal year goals from the Sheriff's Office include:

Administration

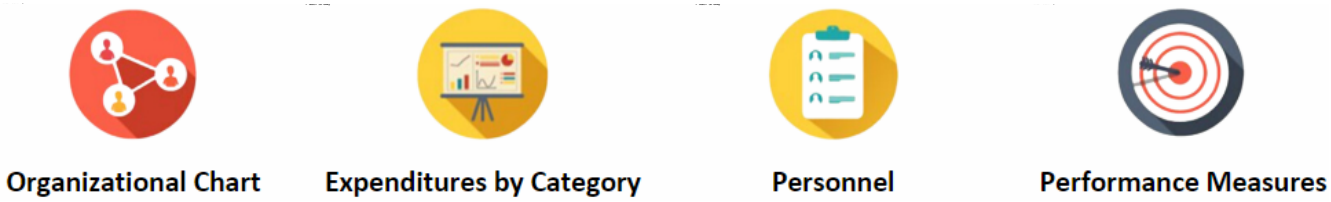
- Maintain Temecula's status as one of the safest cities in California and the nation by supporting operational effectiveness, resource management, and strategic planning efforts. *(Accountable & Responsive City Government)*
- Enhance the delivery of professional services and information to customers and constituents by improving communication, administrative processes, and overall service efficiency. *(Accountable & Responsive City Government)*

Investigations/Special Teams

- Enhance targeted enforcement and investigative efforts by the Robbery/Burglary Suppression Team (RBST) to identify, apprehend, and prosecute offenders involved in robbery and burglary crimes, with a focus on reducing crime trends and improving case outcomes. *(Safe & Prepared Community)*
- Strengthen proactive enforcement and problem-oriented policing efforts by the CORE Team to address quality-of-life issues, including illegal vending, code violations, and disorder-related offenses, while maintaining public order and community standards. *(Safe & Prepared Community)*
- Expand collaboration between the CORE Team, Homeless Outreach Team, and community stakeholders to address issues related to the unhoused population through a balanced approach of enforcement, engagement, and service connection. *(Healthy & Livable City / Equity)*
- Advance specialized enforcement efforts by the Special Enforcement Team (SET) to address gang activity, narcotics-related crimes, and emerging crime trends through intelligence-led and data-driven strategies. *(Safe & Prepared Community)*
- Enhance proactive policing and partnership-based enforcement by the METRO Team in the Old Town area, coordinating with Code Enforcement, Building & Safety, and the Fire Department to address business-related concerns and maintain a safe environment. *(Safe & Prepared Community)*

Traffic Enforcement

- Continue the open dialog with Traffic Engineering to improve traffic safety in the new fiscal year. *(Transportation Mobility & Connectivity)*
- Continue to partner with non-profit agencies such as MADD, OTS, and DUITT to provide traffic safety presentations, DU-related enforcement and educational programs. *(Safe & Prepared Community)*
- Continue to provide enforcement and education with the goal of reducing red light violators by 20%. *(Transportation Mobility & Connectivity)*
- Continue high-visibility enforcement with the goal of reducing street racing and noise pollution. *(Transportation Mobility & Connectivity)*



- Continue the partnership with TVUSD and School Resource Deputies to increase traffic safety in school zones. The Motorcycle Enforcement Team will remain visible at Temecula schools during drop-off and pick-up times. *(Transportation Mobility & Connectivity)*
- Increase the number of high-visibility saturation patrols for FY2026-27. *(Transportation Mobility & Connectivity)*
- Continue partnering with TVUSD, parents, and other community organizations to address growing e-bike concerns through enforcement and education. *(Safe & Prepared Community)*

Patrol Services

- Expand coordination with the Community Behavioral Health Assessment Team (CBAT) to enhance Patrol's response to individuals in crisis, including increased co-response efforts, improved tracking of mental health-related calls for service, and a focus on reducing repeat incidents, while emphasizing de-escalation and the appropriate use of discretion. *(Safe & Prepared City)*
- Strengthen collaboration with the CORE Team through targeted, data-driven strategies to address homelessness, focusing on high-frequency locations and individuals, increasing service connections, and reducing related calls for service and quality-of-life concerns, while maintaining public safety and public order. *(Healthy & Livable City / Equity)*
- Advance Patrol readiness by expanding specialized training and implementing data-driven, proactive policing strategies to address emerging crime trends, enhance investigative capabilities, and ensure deputies apply lawful authority in a fair, reasonable, and professional manner. *(Safe & Prepared City / Accountable & Responsive Government)*

ORGANIZATIONAL CHART



Mark Rigali
Captain/Temecula Police Chief

- Police Administration
  - Administrative Support
  - Clerical
  - Training
  - Logistics
- Investigations/ Special Teams
  - Detectives
  - Special Enforcement Team
  - CORE Team
  - METRO Team
  - Gang Task Force
  - Burglary/Robbery Suppression Team
- Traffic Enforcement
  - School Resources Officers
  - Traffic Unit
  - Special Events
  - Volunteers
  - Mall/Old Town Substations
  - Sheriff Service Officers
- Patrol Services
  - Patrol Officers
  - Patrol CSOs

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
SHERIFF'S OFFICE 170					
SALARIES & BENEFITS Total	29,036	17,512	0	(17,512)	-100.0%
OPERATIONS & MAINTENANCE Total	42,331,213	46,701,131	50,632,339	3,931,208	8.42%
INTERNAL SERVICE FUND ALLOCATIONS Total	567,015	678,823	705,738	26,915	3.96%
CAPITAL OUTLAY Total	0	199,914	85,000	(114,914)	-57.48%
Division Total	**42,927,265**	**47,597,381**	**51,423,077**	**3,825,696**	**8.04%**

ANALYSIS/COMMENTS

Temecula Sheriff's Office:

Expenditures are projected to increase by 8.04% to reflect the contractual obligations between the City and Riverside County, who provides law enforcement services to the City, and higher Internal Service Fund Allocations. Salaries & Benefits reflect all Part-Time Project positions shifting over to Sheriff's Support Officers to be provided by the County through the contract. Capital Outlay expenditures have decreased to reflect the purchase of two motorcycles in FY26-27, compared to the purchase of four in FY25-26.

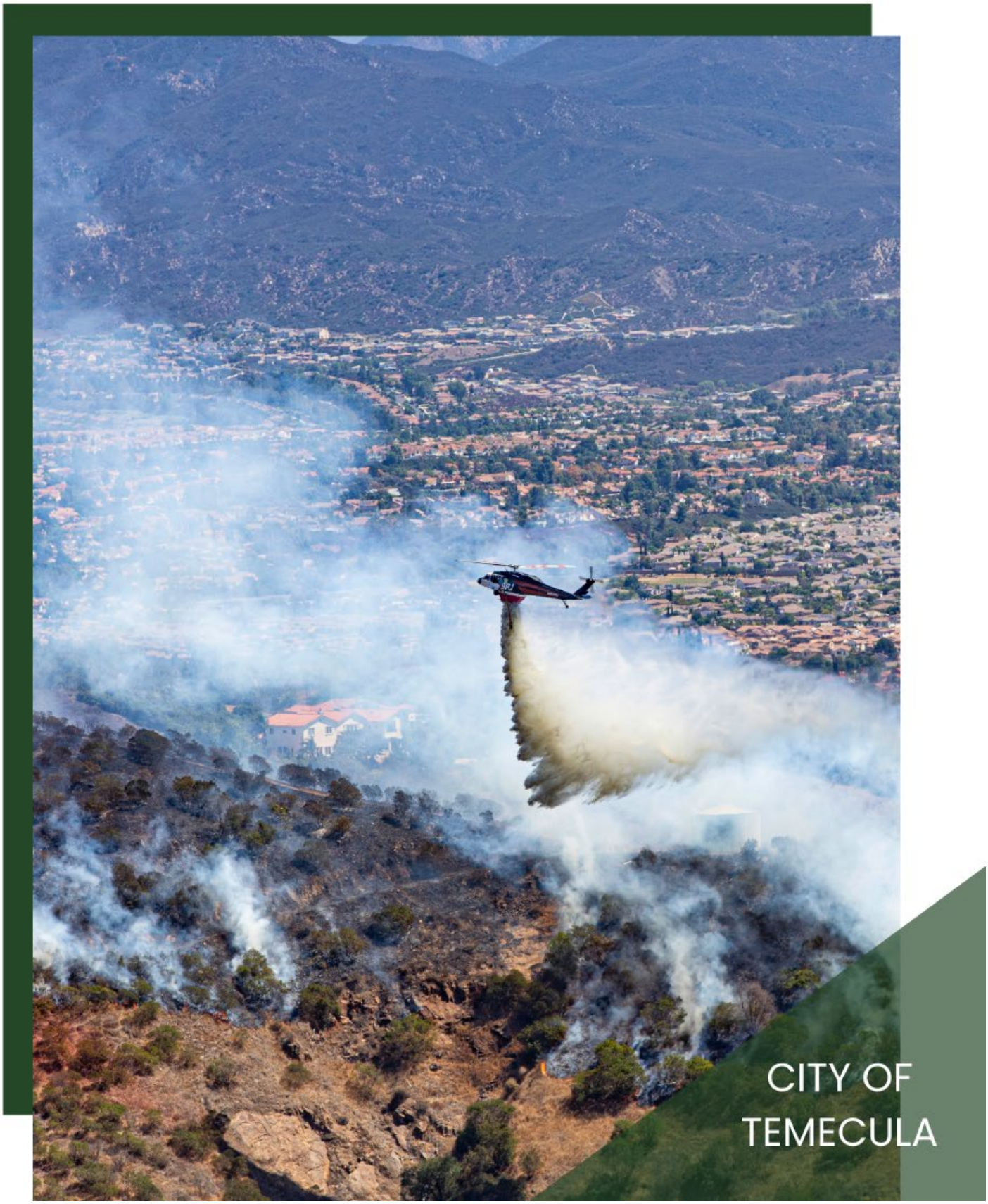


PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
SHERIFF'S OFFICE (Contract Employees)				
Chief of Police	1.00	1.00	1.00	-
Lieutenant	5.00	5.00	5.00	-
Sergeant	15.00	15.00	15.00	-
Patrol Officers	40.70	40.70	40.70	-
Gang Task Force Officer	1.00	1.00	1.00	-
Mall Officers	4.00	4.00	4.00	-
Traffic Accident Investigators	5.00	5.00	5.00	-
Traffic Motorcycle Officers	12.00	12.00	12.00	-
K9 Officers	-	-	-	-
Special Enforcement Team Officers	18.00	18.00	18.00	-
Problem Oriented Policing Team Officers	-	-	-	-
Civic Center Deputy	1.00	1.00	1.00	-
Pechanga Deputy	1.00	1.00	1.00	-
School Resource Officers	5.00	5.00	5.00	-
Youth Action Team (YAT) Officer	1.00	1.00	1.00	-
Investigators	7.00	7.00	7.00	-
Total	**116.70**	**116.70**	**116.70**	**-**

CITY OF TEMECULA
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OLD TRADITIONS ♦ NEW OPPORTUNITIES

FIRE DEPARTMENT



DEPARTMENT OVERVIEW

MISSION

The Temecula Fire Department maintains the highest levels of fire and rescue, Fire Marshal, Emergency Management and community involvement in order to provide the safety of both our residents and visitors of Temecula. The City of Temecula contracts with the CAL FIRE/Riverside County Fire Department for Fire services. The Temecula Fire Department provides Emergency Operation, Emergency Management, Fire Department and Fire Marshal services. Fire Department Emergency Operations provides comprehensive emergency services utilizing a highly trained work force, progressive technology, and modern equipment to provide fire and paramedic services. The Fire Marshal's office in cooperation with the Fire Department is dedicated to conducting public information and education programs that emphasizes the prevention of fire to preserve life and create fire safety. The Fire department is expanding the education with the business community through the annual inspection program. This allows the department to collaborate with the business owners to ensure they are in compliance, and they can continue to operate in a safe environment.

SERVICES

Emergency Operations

- Serve as first responders for all risk emergency calls and public assist calls for service within the City of Temecula.
- Provide CPR/AED, Health Care Provider, and First Aid certification training.

Emergency Management

- Enhance public protective actions and promote domestic preparedness through a comprehensive and effective emergency management program that will adequately mitigate, prepare for, appropriately respond to, and quickly recover from natural, technological, and terrorist-related emergencies that may impact the City of Temecula.
- Increase the capability of City staff, Incident Management Team (IMT) members, and community stakeholders to effectively respond to all-hazards event, and develop and coordinate with internal and external stakeholders in the execution of an Integrated Prepared Plan (IPP) that incorporates the training goals of the "whole community."
- Coordinate with various City agencies and volunteer groups to promote individual and family preparedness and readiness in support of department's "Disaster Ready – Disaster Resilient" strategic goal.
- Establish and maintain the equipment, hardware, and software necessary to ensure Citywide interoperability of communications systems in support of first responder agencies, volunteer groups, and emergency operations.

Organizational Chart | Expenditures by Category | Personnel | Performance Measures

- Coordinate with City departments, offices, agencies, and stakeholders in executing the functions as the hub for providing resource allocation to responding agencies during times of disaster or emergency. Serve as the central point of coordinating operational, administrative, and support needs of the City. Assist in the coordination and communication between response agencies and mutual aid coordinators during emergency response and recovery operations.
- Develop and implement required plans, support plans, and hazard specific appendices that support the response operations of the City in collaboration with the County and community stakeholders utilizing an all-hazards approach. Prioritize, scope, and implement projects that are designed to mitigate risk. Plan, train, and exercise public safety professionals to enhance their readiness to respond.
- Provide oversight and guidance to the Temecula Citizen Corps (TCC) and their Emergency Response Team program.

Fire Marshal

- Perform annual and State-mandated inspections to ensure fire and life safety compliance.
- Educate the public in fire safety and prevention strategies.

ACCOMPLISHMENTS

Prior fiscal year accomplishments from Fire include:

Emergency Operations

- Maintained five-minute response times to all calls for service. *(Safe & Prepared Community)*
- Retained four-person staffing on all City engines and truck companies. *(Safe & Prepared Community)*
- Continued CPR, First Aid, Stop the Bleed and Community Emergency Response Team (CERT) classes to the community in a safe environment. *(Safe & Prepared Community)*
- Continued to train with the City's Emergency Operations manager and Center to be ready for an emergency incident within the City. *(Safe & Prepared Community)*
- Continued to work and train with cooperating agencies and to maintain good relationships for response to multi-jurisdictional incidents within the Temecula Valley. *(Safe & Prepared Community)*

Emergency Management

- Began the development of the City's first City-Wide Mass Evacuation Plan to ensure the principles, structures, roles, and responsibilities are in place for a coordinated evacuation. The plan incorporates and complies with principles and requirements found in Federal and State laws, regulations, and guidelines. *(Safe & Prepared Community)*

Organizational Chart | Expenditures by Category | Personnel | Performance Measures

- Continued to increase the capability and capacity of the Temecula Citizen Corps (TCC) program to ensure the ability to rapidly deploy and respond to emergencies and incidents. Developed and maintained Community Bases CERT Training program to further enhance the community's resilience through education and preparedness. *(Safe & Prepared Community)*
- Continued to provide additional inclusive training opportunities to the City's population by providing CERT Training and LISTOS training in Spanish. *(Safe & Prepared Community)*

Fire Marshal

- Continued inspections for all State-mandated regulated facilities governed by the State Fire Marshal on an annual basis for fire and life safety. *(Safe & Prepared Community)*
- Continued working with the community to educate them on Fire, Life and Safety. *(Safe & Prepared Community)*

GOALS AND OBJECTIVES

Current fiscal year goals from Fire include:

Emergency Operations

- Maintain five-minute response times to all calls for service. *(Safe & Prepared Community)*
- Retain four-person staffing on all City engines and truck companies. *(Safe & Prepared Community)*
- Continue CPR, First Aid, Stop the Bleed and Community Emergency Response Team (CERT) classes to the community in a safe environment. *(Safe & Prepared Community)*
- Continue to train with the City's Emergency Operations manager and Center to be ready for an emergency incident within the City. *(Safe & Prepared Community)*
- Continue to work and train with cooperating agencies and to maintain good relationships for response to multi-jurisdictional incidents within the Temecula Valley. *(Safe & Prepared Community)*

Emergency Management

- Continue the development of the City's first Citywide Mass Evacuation Plan that ensures the principles, structures, roles and responsibilities are in place for a coordinated evacuation. The plan will incorporate and comply with the principles and requirements found in Federal and State Laws, legislation, regulations, and guidelines. *(Safe & Prepared Community)*
- Develop complete mitigation projects as approved within the Local Hazard Mitigation Plan (LHMP) to reduce or lessen the impact of identified hazards within the community and their impacts to residents and their livelihoods. *(Safe & Prepared Community)*



- Begin the development of the Emergency Operations Center (EOC) cost recovery standards, resource ordering and tracking process under the Logistics Section, ensuring that the proper documentation standards are established as required by FEMA and CalOES. This will ensure that the City is able to recover all potential reimbursement costs post-incident. *(Safe & Prepared Community)*
- Begin the development of the City's Continuity of Government / Continuity of Operations (COG/COOP) Plan. Conduct a comprehensive review and/or rewrite of the Emergency Operations and Local Hazard Mitigation Plans as required while incorporating new legislation for the inclusion of Access and Functional Needs (AFN) support within the community. *(Safe & Prepared Community)*

Fire Marshal

- Continue inspections for all State-mandated regulated facilities governed by the State Fire Marshal on an annual basis for fire and life safety. *(Safe & Prepared Community)*
- Continue working with the community to educate them on Fire, Life and Safety. *(Safe & Prepared Community)*

ORGANIZATIONAL CHART



John Crater
Division Chief/Temecula Fire Chief

- Emergency Operations
  - Fire Suppression
  - Emergency Medical Services
  - All Risk Responses
  - Non-Response Activities
- Fire Marshal
  - Information and Education
  - Planning and Engineering
  - Enforcement
  - Annual Program
  - Inspection Services
  - Permit Issuance
- Emergency Management
  - Program Management
  - Training and Exercises
  - Community Engagement and Outreach
  - Communications
  - Emergency Operations Center
  - Planning
  - Temecula Citizen Corps

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
FIRE - PREVENTION					
SALARIES & BENEFITS Total	483,179	601,433	601,862	430	0.07%
OPERATIONS & MAINTENANCE Total	1,252,906	2,087,568	2,008,868	(78,700)	-3.77%
INTERNAL SERVICE FUND ALLOCATIONS Total	200,854	460,387	493,905	33,518	7.28%
CAPITAL OUTLAY Total	68,320	0	0	0	0.0%
Division Total	**2,005,260**	**3,149,388**	**3,104,635**	**(44,752)**	**-1.42%**
FIRE - PARAMEDICS					
OPERATIONS & MAINTENANCE Total	52,584	92,528	71,900	(20,628)	-22.29%
Division Total	**52,584**	**92,528**	**71,900**	**(20,628)**	**-22.29%**
FIRE - SUPPRESSION 171					
SALARIES & BENEFITS Total	173,027	183,598	185,628	2,030	1.11%
OPERATIONS & MAINTENANCE Total	5,653,521	8,871,311	9,906,263	1,034,952	11.67%
INTERNAL SERVICE FUND ALLOCATIONS Total	499,143	349,655	371,206	21,551	6.16%
CAPITAL OUTLAY Total	0	25,065	10,000	(15,065)	-60.1%
Division Total	**6,325,691**	**9,429,629**	**10,473,097**	**1,043,468**	**11.07%**
EMERGENCY MANAGEMENT 115					
SALARIES & BENEFITS Total	186,222	209,207	211,022	1,815	0.87%
OPERATIONS & MAINTENANCE Total	199,313	235,420	241,809	6,389	2.71%
INTERNAL SERVICE FUND ALLOCATIONS Total	264,213	313,771	296,278	(17,493)	-5.58%
CAPITAL OUTLAY Total	4,960	5,000	175,250	170,250	3,405.0%
Division Total	**654,709**	**763,398**	**924,359**	**160,961**	**21.08%**

ANALYSIS/COMMENTS

Fire:
Fire expenditures reflect a net increase of 7.72% due to inflationary adjustments in the contract with Riverside County. The total Fire budget of $27.1 million is offset by the Structural Fire Tax Credit of $13.5 million. The department employs 79 positions and provides four firefighters per engine/truck staffing model.

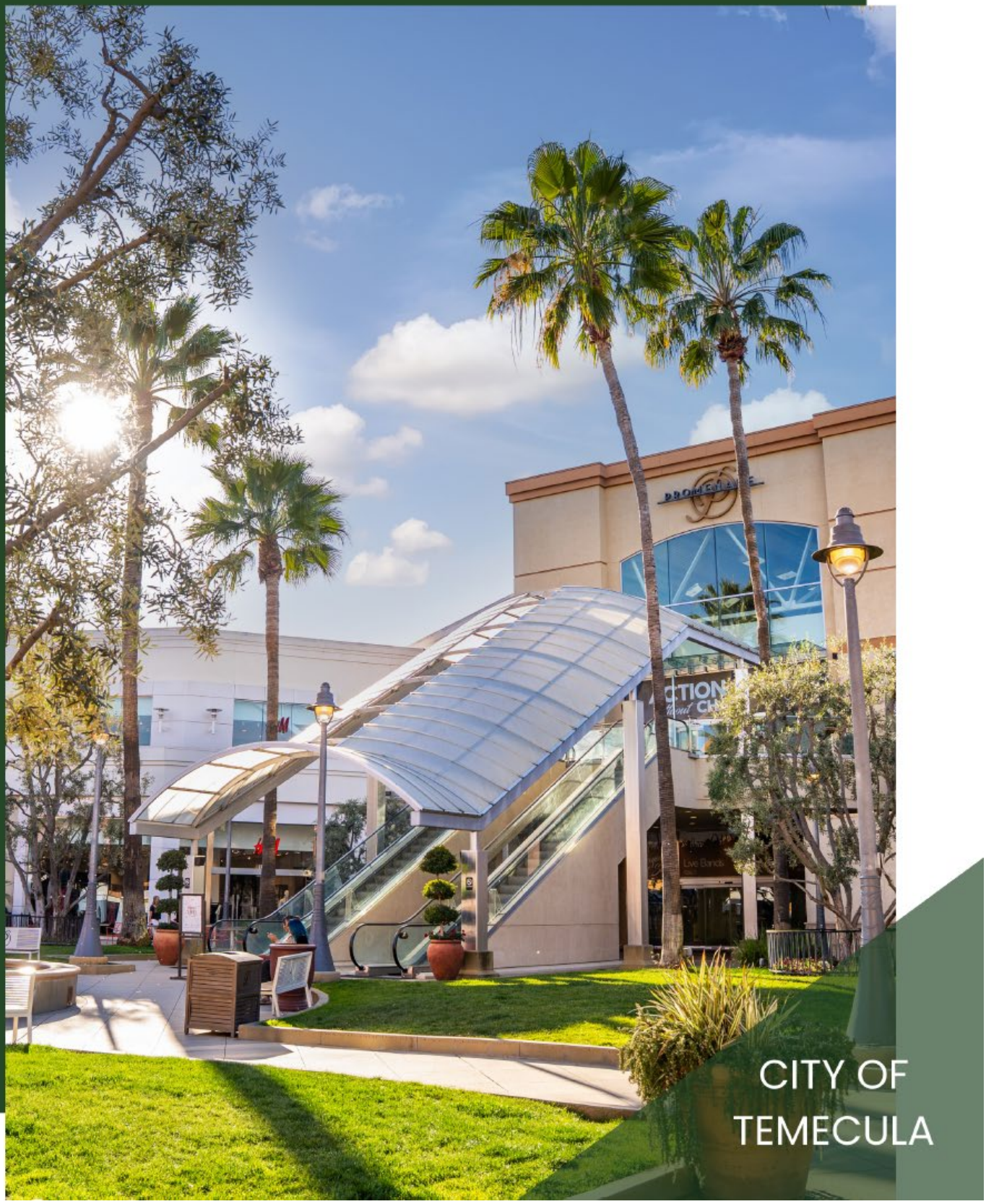
Emergency Management:
Emergency Management reflects an increase of 21.08% due to various Capital Outlay costs, partially offset by a reduction in technology costs allocated through the Internal Service Fund.

PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
EMERGENCY MANAGEMENT				-
Emergency Manager	-	1.00	1.00	-
Senior Management Analyst	1.00	-	-	-
Total	**1.00**	**1.00**	**1.00**	**-**
FIRE (Non-Contract Employees)				-
Community Development Technician I-Fire	1.00	1.00	-	(1.00)
Community Development Technician II-Fire	1.00	1.00	2.00	1.00
Fire Inspector II	1.00	1.00	1.00	-
Management Analyst	1.00	1.00	-	(1.00)
Office Specialist I	-	1.00	1.00	-
Senior Management Analyst	-	-	1.00	1.00
Total	**4.00**	**5.00**	**5.00**	**-**
FIRE (Contract Employees)				
Battalion Chief	1.00	1.00	1.00	-
Fire Captain	18.00	17.00	17.00	-
Fire Captain Medic	1.00	1.00	1.00	-
Fire Chief	1.00	1.00	1.00	-
Fire Engineer	11.00	11.00	11.00	-
Fire Engineer Medic	6.00	6.00	6.00	-
Fire Fighter II	16.00	22.00	22.00	-
Fire Fighter II Medic	18.00	12.00	12.00	-
Fire Safety Supervisor	1.00	1.00	1.00	-
Fire Safety Specialist	2.00	2.00	2.00	-
Fire Systems Inspector	3.00	5.00	5.00	-
Total	**78.00**	**79.00**	**79.00**	**-**
Grand Total	**83.00**	**85.00**	**85.00**	**-**

Riverside County provides cost sharing for staffing at Fire Station No. 95, whereby the County pays for 4 positions.

NON-DEPARTMENTAL



DEPARTMENT OVERVIEW

MISSION

Non-Departmental is a cost center for general administrative expenditures such as the Retiree Medical Contribution, CalPERS Replacement Benefit and Property Tax Administrative Fees. It also reflects Operating Transfers Out to the Capital Improvement Program and other City funds.



EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
GENERAL FUND 001					
NON-DEPARTMENTAL 199					
SALARIES & BENEFITS Total	0	(3,477,724)	0	3,477,724	-100.0%
OPERATIONS & MAINTENANCE Total	1,325,733	627,500	568,636	(58,864)	-9.38%
CAPITAL OUTLAY Total	138,633	0	0	0	0.0%
TRANSFERS Total	9,555,061	26,300,967	17,849,256	(8,451,711)	-32.13%
Division Total	**11,019,427**	**23,450,743**	**18,417,892**	**(5,032,851)**	**-21.46%**

ANALYSIS/COMMENTS

Non-Departmental:

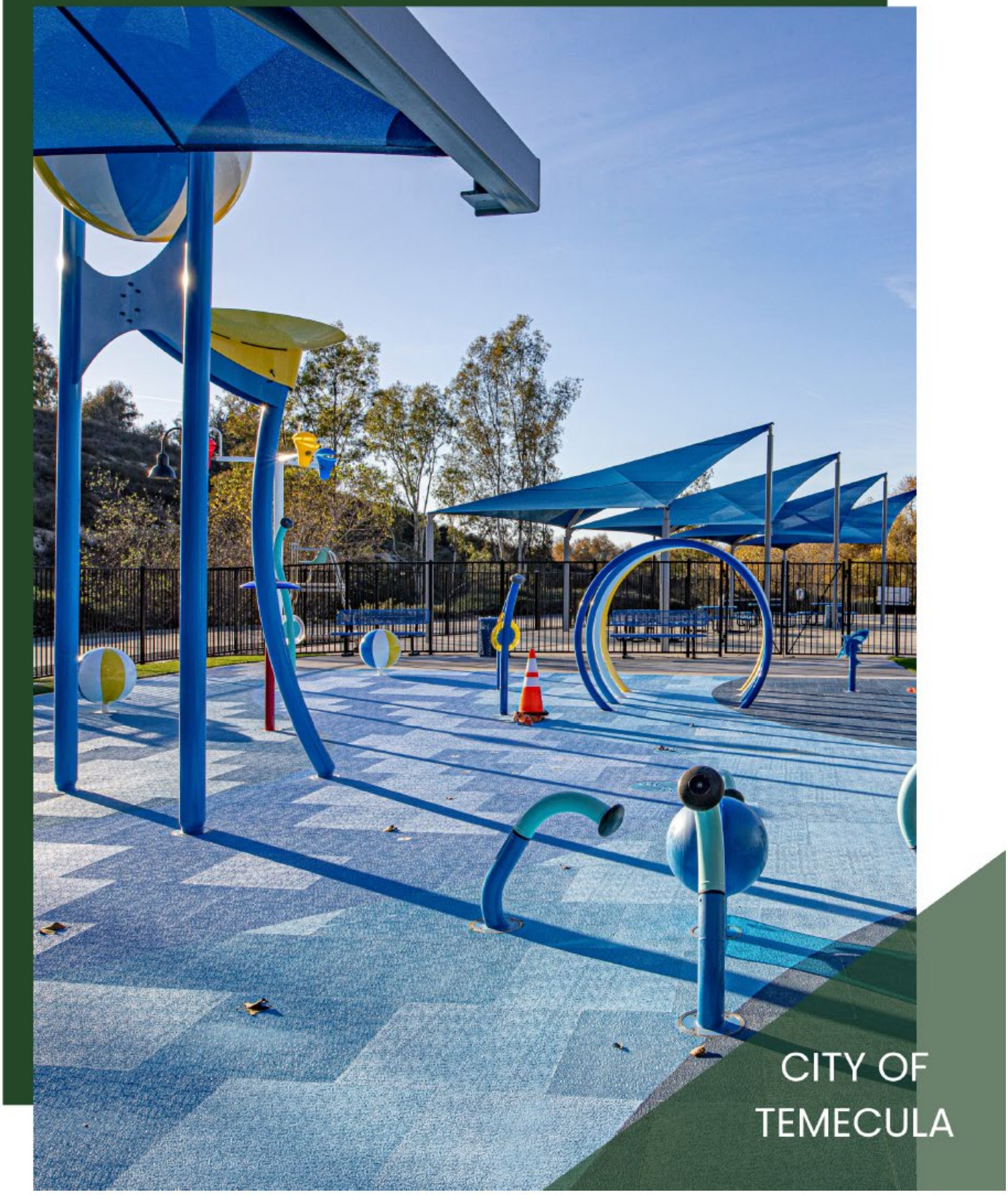
Non-Departmental expenditures are projected to decrease in FY26-27, primarily due to large one-time transfers associated with the City's ongoing Debt/Liability Paydown Strategy. This includes an additional $9,349,256 contribution toward the City's unfunded pension liability. No transfers to the Capital Improvement Program are planned this year.

The Salaries & Benefits category reflected anticipated CalPERS employer contribution savings in FY25-26, whereas these savings are directly reflected in each department's Salaries & Benefits budgets for FY26-27.

As of June 2026		Funding Sources		Payoff Schedule				Annual	Updated
Year #	Fiscal Year	Pension Trust	Available Fund Balance	OPEB Liability	Pension Liability	Civic Center Loan	MRC Loan	Budgetary Savings	Change From Original
1	2022-23	5,000,000	19,913,606		7,250,000	12,624,607	5,038,999	(1,088,848)	(531,153)
2	2023-24	7,000,000	10,792,003	3,254,000	14,538,003			(2,708,012)	(361,552)
3	2024-25	5,000,000	2,913,492		7,913,492			(3,477,724)	(1,107,923)
4	2025-26	5,000,000	17,267,833		22,267,833			(5,076,325)	(148,263)
5	*2026-27*		*9,349,256*		*9,349,256*			*(6,448,334)*	*381,014*
6	*2027-28*							*(6,918,347)*	*430,565*
7	*2028-29*							*(6,980,906)*	*(538,830)*
8	2029-30							(6,561,321)	(1,910,000)
9	2030-31							(6,205,558)	(1,931,889)
10	2031-32							(5,976,348)	(990,439)
		22,000,000	60,236,190	3,254,000	61,318,584	12,624,607	5,038,999	(51,441,723)	(6,708,471)
Total Interest Savings				**n/a**	**44,481,764**	**2,187,894**	**1,036,267**	**47,705,925**	

CITY OF TEMECULA
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OLD TRADITIONS ♦ NEW OPPORTUNITIES

TEMECULA COMMUNITY SERVICES DISTRICT



DEPARTMENT OVERVIEW

MISSION

Provide programs that educate, entertain, and enrich the community. Host exceptional special events that foster a sense of community and pride for our residents and raise the City's profile as a tourism destination. Arrange for services and programs to support at-risk populations, including seniors, veterans, teens, and those with special needs.

SERVICES

Community Services

- Plan, program and implement a wide variety of leisure services and contract classes for residents of all ages and abilities.
- Participate in the Capital Improvement Program with projects that include developing new and/or improving existing parks and recreational facilities.
- Reserve and program numerous facilities, including the Community Recreation Center, Temecula Community Center, Temecula Skate Park, Margarita Recreation Center, Patricia H. Birdsall Sports Park, Jefferson Recreation Center, Ronald H. Roberts Temecula Public Library, The Sports Ranch at Sommers Bend and Citywide park shelters.
- Create multi-media Community Outreach collateral to increase public awareness of Community Services programs, facilities, and events.

Recreation

- Provide a variety of recreational and competitive sporting opportunities Citywide.
- Provide an all-inclusive year-round aquatics program.
- Program, reserve and maintain the sports fields, pools, courts, and rinks for recreation and competitive leagues and tournaments.

Citywide Events

- Organize signature City events such as the Easter Egg Hunts, Fourth of July celebration, Santa's Electric Light Parade, and Rod Run.
- Provide free family activities including annual CultureFest and seasonal Summer Concert series.
- Provide co-sponsorship of funds or in-kind services for special events.

Organizational Chart | Expenditures by Category | Personnel | Performance Measures

Arts and Culture

- Enrich, educate, and entertain our community by providing cultural experiences through the fine and performing arts.
- Continue to strive for excellence by bringing in professional artists and continuing the traditional and unique programming through "Temecula Presents."
- Partner with local schools and studios to offer enhanced artistic and cultural experiences to youth.
- Serve as a significant cultural asset to the local and regional community.
- Enrich, educate, and entertain the community by providing experiences in historical preservation and cultural learning.
- Supplement public education through use of traveling exhibits, historical walking tours, museum tours, and history contests.
- Fostering and strengthening friendship, opportunities, and cooperation with Sister Cities program partners and delegates.

Human Services

- Build and expand partnerships that improve the overall quality and coordination of services and programs.
- Develop opportunities that support youth, young adults, persons with disabilities, senior citizens, and at-risk populations.
- Engage youth in student-based advisory boards which promote community and civic involvement.
- Offer nutritional, health, and wellness education, and social programs for seniors.
- Provide learning experiences, leadership development, and career and educational pathways for youth, young adults, older adults, and veterans through inclusive workforce opportunities.
- Provide training among City staff and local key constituencies that serve persons with disabilities.
- Provide outreach to the City's military and veteran community.

Administration

- Support City strategic initiatives that enhance community partnerships, optimize utilization of resources, and advance the mission of the organization.
- Participate in the Capital Improvement Program with projects that include developing new and/or improving existing parks and recreational facilities.
- Provide library services including collections that include books, periodicals, DVDs, CDs and resource databases geared for adults, teens, and children; provide resources via a partnership between the Temecula Valley Unified School District, and Law Library Services via a partnership with the Riverside County Law Library.
- Coordinate Homeless Outreach, prevention, and mitigation efforts with staff, community partners, businesses, and public safety.


Organizational Chart


Expenditures by Category


Personnel


Performance Measures

ACCOMPLISHMENTS

Prior fiscal year accomplishments from Temecula Community Services District include:

Community Services

- Enhanced customer service experience and increased revenue by auditing existing rental facilities and procedures, and by working with the media team to promote City facilities. *(Healthy & Livable City)*
- Finalized and released the new TCSD Marketing & Media guide to create consistency across all TCSD divisions and safeguard our brand's reputation. *(Healthy & Livable City)*
- Increased community classes and programs at the Temecula Community Center to maintain the number of classes offered to Temecula residents. *(Healthy & Livable City)*
- Updated TCSD division webpages to ensure each provides the most up-to-date information. *(Accountable & Responsive City Government)*

Recreation

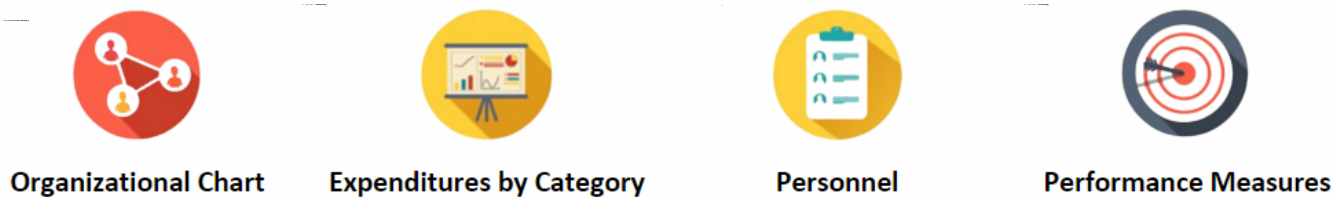
- Continued to provide a fun and safe environment at Summer Day Camp, featuring a wide variety activities. *(Healthy & Livable City)*
- Continued programming for leagues, rentals, and tournaments at Ronald Reagan Sports Park's renovated hockey rink. *(Healthy & Livable City)*
- Created new programs and opportunities within the Teen Zone to increase membership. *(Healthy & Livable City)*
- Created a Water Safety Program geared toward all ages and abilities to promote water safety, the importance of supervision around water activities, and swim lessons to reduce the risk of drowning. *(Safe & Prepared Community)*
- Established programming for public use of the new pickleball complex at Ronald Reagan Sports Park. *(Healthy & Livable City)*
- Planned, programmed, and operated two year-round and one seasonal aquatic centers with a variety of classes and activities for a range of ages at the MRC, CRC and Chaparral High School. *(Healthy & Livable City)*

Citywide Events

- Provided safe and family-friendly community events for all residents and visitors. *(Healthy & Livable City)*
- Worked closely with the Riverside Sheriff's Office, CAL FIRE, and Emergency Management to ensure the safety of all staff, spectators, and participants during events. *(Safe & Prepared Community)*

Arts and Culture

- Continued to work with the local art community to expand opportunities for public art. *(Healthy & Livable City)*
- Created strategic partnerships to increase area awareness about the Community Theater and its productions. *(Healthy & Livable City)*



- Provided educational experiences and events in historical preservation, appreciation, celebration, and cultural learning through monthly Culture Day celebrations, guest lectures, gallery talks, Temecula History Day, and Out of The Archives presentations. *(Healthy & Livable City)*
- Partnered with local schools to offer educational experiences via field trip tours, history project contests, and performance and visual arts. *(Healthy & Livable City)*

Human Services

- Conducted a City-focused homeless census to help connect individuals experiencing homelessness to shelters and local resources, in an effort to reduce the City's incidence of homelessness. *(Healthy & Livable City)*
- Developed programs to provide more valuable experiences to youth through workforce programs, such as CPR certifications, Food Handlers Certificate, and facility tours. *(Healthy & Livable City)*
- Participated in the 2026 Point-In-Time Count and continue to reduce the City's incidence of homelessness by providing outreach and connecting individuals to appropriate resources for stabilization. *(Healthy & Livable City)*
- Continued to promote diversity of programs at the Margarita Recreation Center that meet the needs of the community. *(Equity)*
- Continued to offer the Margarita Recreation Center's After School Program based on the needs of the community, which includes after school snack, homework/tutoring, literacy, enrichment, and recreation. *(Equity)*
- Provided comprehensive support to seniors and active adults at the Mary Phillips Senior Center by way of transportation service, meals and nutrition, health and wellness, recreation, and socialization. *(Healthy & Livable City)*
- Met the service demands of the Summer Food Service Program at the Mike Naggar Community Park. *(Equity)*
- Ensured seamless operation of the summer day camp program (Camp SOAR) at the Margarita Recreation Center. *(Equity)*
- Collaborated with public and private agencies to leverage funds and resources that support youth, at-risk families, and individuals with disabilities. *(Sustainable & Resilient City)*
- Developed community service opportunities that support the community (Veterans Appreciation Breakfast and Young Men's Career Conference). *(Equity)*

Administration

- Continued to seek grant funding to increase recreation opportunities for underserved populations and address funding gaps within the Department. *(Accountable & Responsive City Government)*
- Continued to implement recommendations from the Community Services Master Plan. *(Healthy & Livable City)*
- Continued to partner with Public Works to complete replacements of identified park playgrounds. *(Sustainable & Resilient City)*
- Worked with Community Services managers to accurately project budget needs and minimize variances. *(Accountable & Responsive City Government)*


Organizational Chart


Expenditures by Category


Personnel


Performance Measures

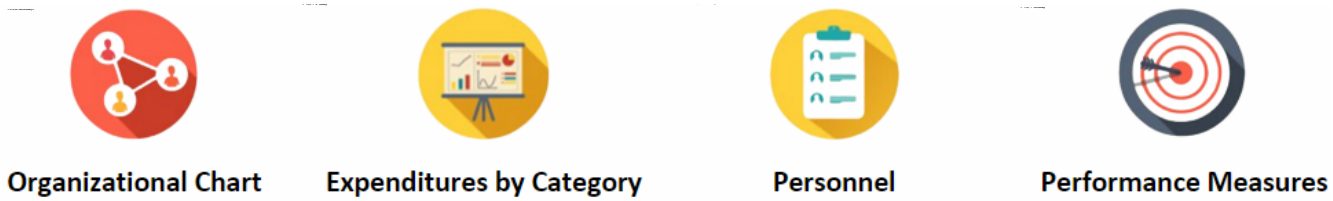
- Provided library services including collections of books, periodicals, DVDs, CDs and resource databases geared for adults, teens, and children. Provided resources via a partnership between the Temecula Valley Unified School District. *(Equity)*
- Continued partnership with Riverside County Law Library to provide Temecula Law Resource Center, which offers free legal assistance and legal resources in the library, as well as free programs on topics like estate planning, landlord/tenant relations and more. *(Equity)*
- Provided Little Sprouts Seed Library in cooperation with Vlada's Seeds of Life and sponsored by Friends of the Temecula Libraries, which provides free seeds to encourage families to grow a home garden and educate children about nutrition and sustainable gardening. *(Healthy & Livable City)*
- Continued to offer lunch at the library pop-up at MRC. Library staff presented story times with related activities for youth from low-income families, providing free books to build home libraries and meals during summer when children are not receiving free lunches at school. *(Equity)*
- Promoted Teens Teaching Tech program in partnership with the Heart of Temecula Leo Club. This cross-generational program provides community service hours towards graduation requirements for teens who provide adults/seniors with one-on-one tutoring for electronic devices. *(Equity)*
- Collaborated with TVUSD to host the Technology Homework Center. In addition to providing computers, Wi-Fi, and study space, the Homework Center (staffed by TVUSD personnel) offers free peer tutoring and homework assistance to K-12 students five days a week. Peer tutors earn volunteer service hours towards graduation requirements. *(Healthy & Livable City)*
- Served on the Audiovisual Automation RFP panel and coordinated with City's IT and Emergency Management Departments to equip library to serve as secondary EOC for the City. *(Safe & Prepared Community)*
- Provided new outreach and socialization with an Inclusive Social Hour for adults with special needs. *(Equity)*
- Continued providing educational programs in coordination with the City's Emergency Manager on Wildfire Preparedness and Earthquake Preparedness, and other safety topics. *(Safe & Prepared Community)*

GOALS AND OBJECTIVES

Current fiscal year goals from Temecula Community Services District include:

Community Services

- Enhance customer experience and increase revenue by auditing existing rental facilities and procedures, and working with the media team to promote City facilities. *(Healthy & Livable City)*
- Increase community classes and programs held at the Temecula Community Center to maintain the number of classes offered to Temecula residents. *(Healthy & Livable City)*
- Update the remaining TCSD division webpages to ensure each page provides our community with the most up-to-date information. *(Accountable & Responsive City Government)*



Recreation

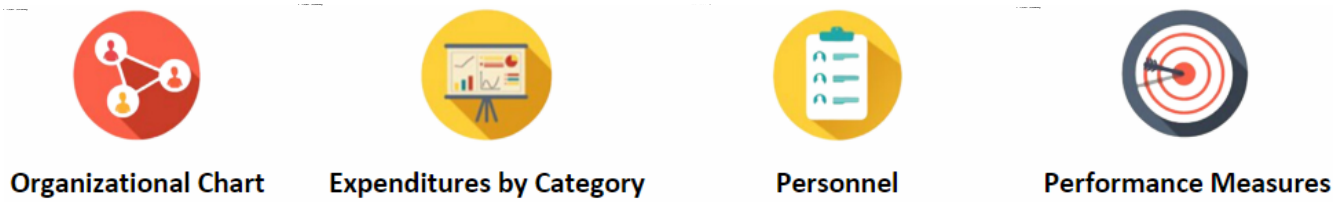
- Provide a fun and safe environment during Summer Day Camp by featuring a wide variety of activities. *(Healthy & Livable City)*
- Continue to establish programming for leagues, rentals, and tournaments at Ronald Reagan Sports Park's recently renovated hockey rink. *(Healthy & Livable City)*
- Provide community service opportunities for teens at local non-profit organizations such as Mission Hope and Rose Haven Heritage Garden. *(Healthy & Livable City)*
- Continue to develop the Water Safety Program with multiple segments designed to serve individuals of all ages and abilities. *(Safe & Prepared Community)*
- Continue to plan, program, and operate two year-round aquatic centers offering a wide variety recreational opportunities for individuals of all ages and abilities at the MRC and CRC aquatic centers. *(Healthy & Livable City)*
- Continue to invest in the training and professional development of aquatic staff to maintain the highest standards of safety, customer service, and program quality set by the Temecula Aquatics Division. *(Safe & Prepared Community)*

Citywide Events

- Provide safe and family-friendly community events for all residents and visitors. *(Healthy & Livable City)*
- Work closely with the Riverside Sheriff's Office, CAL FIRE, and Emergency Management to ensure the safety of all staff, spectators, and participants during events. *(Safe & Prepared Community)*

Arts and Culture

- Promote and enhance cultural exchange, encourage community engagement and volunteer opportunities, and develop youth exchange programs for the Sister Cities program. *(Economic Prosperity)*
- Create strategic partnerships to increase area awareness about the Community Theater and its productions. *(Healthy & Livable City)*
- Promote arts education and creativity through performance and visual arts with local schools. *(Healthy & Livable City)*
- Enrich, educate, and entertain our community by providing experiences in historical preservation, cultural learning, and fine art. *(Healthy & Livable City)*
- Supplement public education through use of traveling exhibits, historical walking tours, museum tours, and historical monthly events. *(Healthy & Livable City)*
- Partner with local schools to offer educational experiences to youth through field trip tours and history project contests. *(Healthy & Livable City)*
- Serve as a significant cultural asset to the local and regional community through Culture Day celebrations, guest lectures, gallery talks, and strategic partnerships. *(Healthy & Livable City)*
- Continue to work with the local art community to expand opportunities for public art. *(Healthy & Livable City)*



Human Services

- Enhance and promote diversity of programs at the Margarita Recreation Center to meet the needs of the community. *(Equity)*
- Continue to offer the SOAR After School Program at the Margarita Recreation Center to support recreation, enrichment and socialization of local Temecula youth. *(Equity)*
- Continue to offer the SOAR Homeschool Club at the Margarita Recreation Center for youth who participate in a homeschool program and assess the recreation needs of the local area youth and families who are homeschooled. *(Equity)*
- Enhance and refresh programs and services for seniors and active adults at the Mary Phillips Senior Center by way of transportation, meals and nutrition, health and wellness, recreation and socialization. *(Healthy & Livable City)*
- Continue to address the top priorities of the senior community based on the Senior Services Master Plan (SSMP) and the 10-year SSMP Retrospective. *(Healthy & Livable City)*
- Meet the service demands of the Summer Food Service Program at the Mike Naggar Community Park. *(Equity)*
- Implement the first Specialized Summer Camp for youth with special needs at the Margarita Recreation Center. *(Equity)*
- Continue to provide community service opportunities that support youth, young adults, individuals with disabilities, and veterans with workforce programs. *(Equity)*
- Partner with Mission Hope to provide bridge housing to unsheltered households with children. *(Healthy & Livable City)*
- Provide assistance through Flexible Family Assistance to end or prevent homelessness for vulnerable households with children through rapid rehousing, housing retention, and emergency motel stays. *(Healthy & Livable City)*
- Conduct a City-focused homeless census to gather data that will help connect individuals experiencing homelessness to shelters and local resources in an effort to reduce the City's incidence of homelessness. *(Healthy & Livable City)*
- Participate in the 2027 Point-In-Time Count and show a reduction on the City's incidence of homelessness by continuing to provide outreach and connect individuals to appropriate resources for stabilization. *(Healthy & Livable City)*

Administration

- Continue to seek grant funding to increase recreation opportunities for underserved populations and address funding gaps within the department. *(Accountable & Responsive City Government)*
- Continue to implement recommendations from the Community Services Master Plan. *(Healthy & Livable City)*
- Continue to partner with Public Works to complete Community Services' Capital Improvement Projects, and maintain City facilities and parks. *(Healthy & Livable City)*


Organizational Chart


Expenditures by Category


Personnel


Performance Measures

- Collaborate with Community Services managers to accurately project budget needs and minimize variances. *(Accountable & Responsive City Government)*
- Continue to clear dangerous and unhealthy encampments within City limits. *(Healthy & Livable City)*
- Continue providing library services including collections of books, periodicals, DVDs, CDs and resource databases geared for adults, teens and children, and resources via a partnership between the Temecula Valley Unified School District. *(Equity)*
- Provide free legal assistance and resources in the library, plus informative programming on legal issues through continuing partnership with the Riverside County Law Library and the Temecula Law Resource Center. *(Equity)*
- Provide free seeds to encourage families to grow a home garden and educate children about nutrition and sustainable gardening. *(Healthy & Livable City)*
- Provide weekly story time, crafts and free books to build home libraries at inclusive, partial-day camp for children with developmental disabilities over the summer, and at monthly S.O.A.R. After School Program library visits during the school year. *(Equity)*
- Promote Teens Teaching Tech program in partnership with the Heart of Leo Club, to offer adults and seniors one-on-one tutoring on electronic devices in exchange for student community service hours for graduation. *(Equity)*
- Collaborate with TVUSD to host the Technology Homework Center with computers, Wi-Fi, study space, free peer tutoring and homework assistance to K-12 students, five days a week. Peer tutors earn volunteer service hours towards graduation. *(Healthy & Livable City)*
- Coordinate with the City's IT and Emergency Management Departments to equip the library to serve as secondary EOC for the City, and to offer quarterly safety and preparedness classes. *(Safe & Prepared Community)*
- Provide ongoing BiblioBabble Book Club for adults to promote literacy and community. *(Healthy & Livable City)*
- Provide Inclusive Social Hour for adults with special needs and Inclusive Storytimes for all ages to foster socialization and community. *(Equity)*
- Collaborate with the Native Plant Network and City to seek funding for additional native plants, maintenance, enhancements, and programming about monarch migration and pollinator gardens to educate families. *(Healthy & Livable City)*
- Promote literacy for all ages through year-round reading challenges. *(Healthy & Livable City)*

ORGANIZATIONAL CHART



Erica Russo
Director of Community Services

- Community Services
  - Contract Services
  - Facility Rentals
  - Media/ Community Relations
- Recreation
  - Sports
  - Aquatics
  - Recreation Programming
  - Parks and Fields
- Special Events
  - Signature Events
  - Community Events
  - Cultural Arts Events
- Arts & Culture
  - Community Theater
  - History Museum
  - Sister Cities
  - Public Art
- Human Services
  - Seniors and Active Adults
  - Inclusion Services
  - Homeless Outreach
  - College and Career Preparation
  - Veterans Outreach
- Administration
  - Park and Facility Development
  - Strategic and Master Planning
  - Library Services
  - City & Regional Initiatives Support
  - Budget Administration
  - Volunteer Coordination

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
TEMECULA COMMUNITY SERVICES DISTRICT FUND 190					
CITYWIDE OPERATIONS 180					
SALARIES & BENEFITS Total	11,070,376	11,435,540	10,856,795	(578,746)	-5.06%
OPERATIONS & MAINTENANCE Total	4,617,399	4,178,624	4,138,798	(39,826)	-0.95%
INTERNAL SERVICE FUND ALLOCATIONS Total	2,644,917	2,810,386	2,650,433	(159,953)	-5.69%
Division Total	**18,332,692**	**18,424,551**	**17,646,026**	**(778,525)**	**-4.23%**
OPERATIONS - MAINTENANCE					
SALARIES & BENEFITS Total	805,325	971,314	1,095,048	123,734	12.74%
OPERATIONS & MAINTENANCE Total	1,193,602	1,125,222	929,116	(196,106)	-17.43%
Division Total	**1,998,927**	**2,096,536**	**2,024,164**	**(72,372)**	**-3.45%**
TCSD SERVICE LEVEL "B" STREETLIGHT REPLACEMENT FUND 191					
OPERATIONS 180					
OPERATIONS & MAINTENANCE Total	0	20,000	40,000	20,000	100.0%
Division Total	**0**	**20,000**	**40,000**	**20,000**	**100.0%**
TCSD SERVICE LEVEL "B" STREET LIGHTS FUND 192					
OPERATIONS 180					
SALARIES & BENEFITS Total	0	206,647	212,894	6,247	3.02%
OPERATIONS & MAINTENANCE Total	364,803	436,488	483,688	47,200	10.81%
INTERNAL SERVICE FUND ALLOCATIONS Total	0	36,603	40,643	4,040	11.04%
TRANSFERS Total	200,000	0	0	0	0.0%
Division Total	**564,803**	**679,738**	**737,225**	**57,487**	**8.46%**
SERVICE LEVEL "C" ZONES 1-29					
OPERATIONS 180					
OPERATIONS & MAINTENANCE Total	1,526,293	1,668,781	1,733,047	64,266	3.85%
TRANSFERS Total	39,117	692	0	(692)	-100.0%
Division Total	**1,565,410**	**1,669,473**	**1,733,047**	**63,574**	**3.81%**

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
TCSD SERVICE LEVEL "D" REFUSE/RECYCLING FUND 194					
OPERATIONS 180					
SALARIES & BENEFITS Total	70,288	82,946	96,021	13,075	15.76%
OPERATIONS & MAINTENANCE Total	10,665,883	10,921,662	11,803,068	881,406	8.07%
Division Total	**10,736,172**	**11,004,608**	**11,899,089**	**894,481**	**8.13%**
OPERATIONS - DEPARTMENT OF CONSERVATION GRANT					
CAPITAL OUTLAY Total	23,405	39,109	0	(39,109)	-100.0%
Division Total	**23,405**	**39,109**	**0**	**(39,109)**	**-100.0%**
OPERATIONS - SB 1383 CAL RECYCLE GRANT					
OPERATIONS & MAINTENANCE Total	162,160	235,789	0	(235,789)	-100.0%
Division Total	**162,160**	**235,789**	**0**	**(235,789)**	**-100.0%**
TCSD SERVICE LEVEL "L" LAKE PARK MAINT. FUND 196					
OPERATIONS 180					
SALARIES & BENEFITS Total	13,319	14,976	14,364	(611)	-4.08%
OPERATIONS & MAINTENANCE Total	288,123	361,600	356,000	(5,600)	-1.55%
Division Total	**301,441**	**376,576**	**370,364**	**(6,211)**	**-1.65%**
TCSD SERVICE LEVEL "R" STREET/ROAD MAINT FUND 195					
OPERATIONS 180					
OPERATIONS & MAINTENANCE Total	274	2,434	10,434	8,000	328.68%
Division Total	**274**	**2,434**	**10,434**	**8,000**	**328.68%**
TEMECULA LIBRARY FUND 197					
OPERATIONS 180					
OPERATIONS & MAINTENANCE Total	222,663	248,103	440,084	191,981	77.38%
INTERNAL SERVICE FUND ALLOCATIONS Total	381,529	541,414	758,663	217,249	40.13%
Division Total	**604,192**	**789,517**	**1,198,747**	**409,230**	**51.83%**
OPERATIONS - MAINTENANCE					
SALARIES & BENEFITS Total	282,939	345,661	298,756	(46,905)	-13.57%
OPERATIONS & MAINTENANCE Total	294,596	335,858	326,658	(9,200)	-2.74%
CAPITAL OUTLAY Total	0	41,150	0	(41,150)	-100.0%
Division Total	**577,535**	**722,669**	**625,414**	**(97,255)**	**-13.46%**
PUBLIC ART FUND 198					
NON-DEPARTMENTAL 199					
OPERATIONS & MAINTENANCE Total	7,316	15,540	18,000	2,460	15.83%
TRANSFERS Total	0	0	100,000	100,000	100.0%
Division Total	**7,316**	**15,540**	**118,000**	**102,460**	**659.34%**

ANALYSIS/COMMENTS

Citywide Operations:
TCSD Operational expenditures reflect a net decrease of 4.15% due to five vacant/unfunded positions and lower PERS rates, as well as decreased Other Outside Services and Utilities costs, offset by seven Part-Time Project Custodians added for FY26-27.

Service Level B:
Service Level B Expenditures reflect a net increase of 11.07% to accommodate increased costs of Street Lighting and Repair & Maintenance.

Service Level C:
Service Level C expenditures reflect an increase of 3.81% due to reassessment of parcels within the City limits.

Service Level D:
Service Level D expenditures reflect a net increase of 5.49% due to increasing waste hauling rates resulting from the contractually obligated consumer price index adjustments to keep pace with inflation, offset by the reduction of Grants the City expects to receive in FY26-27.

Service Level L:
Service Level L expenditures reflect a decrease of 1.65% due to decreased Utilities costs.

Service Level R:
Service Level R expenditures reflect a 328.68% increase to accommodate Emergency Street Maintenance costs.

Library:
Library expenditures reflect a net increase of 20.63% primarily due to the increased cost of Contracted Library Services through Riverside County, and increased technology costs allocated through the Internal Service Fund. These are offset by decreased PERS rates in Salaries & Benefits and no Capital Outlay budget for FY26-27.

Public Art:
Public Art expenditures are increasing 659.34% to accommodate a Transfer Out to the Capital Improvement Program and continued work on the Utility Box Art project.

PERSONNEL ALLOCATIONS

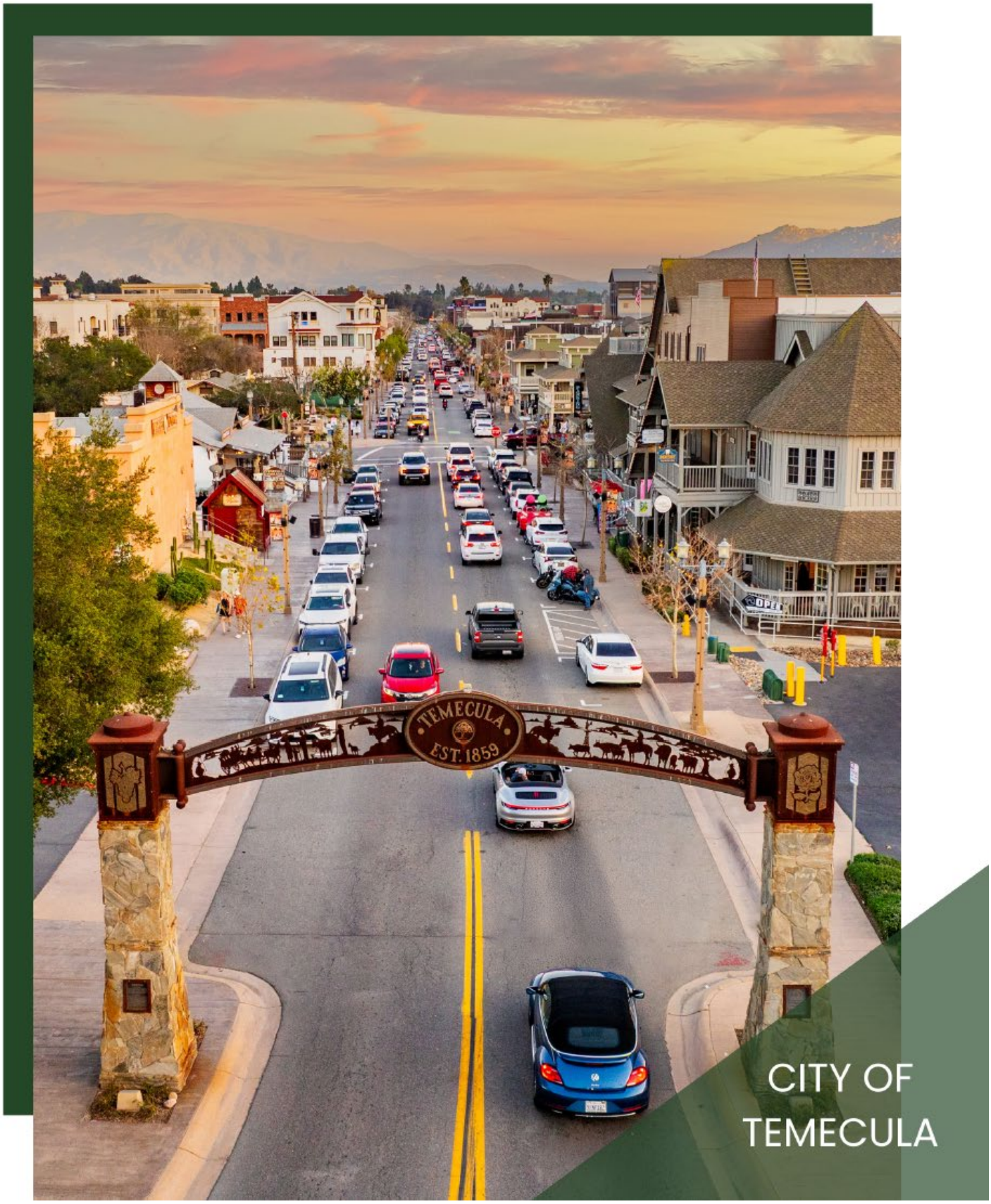
	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
PARKS AND RECREATION				-
Assistant Director of Community Services	1.00	1.00	1.00	-
Community Services Coordinator I	2.00	3.00	4.00	1.00
Community Services Coordinator II	3.00	3.00	2.00	(1.00)
Community Services Manager	9.00	8.00	4.00	(4.00)
Community Services Specialist I/II	1.00	1.00	1.00	-
Community Services Superintendent	1.00	1.00	3.00	2.00
Community Services Supervisor I	5.00	7.00	5.00	(2.00)
Community Services Supervisor II	6.00	6.00	6.00	-
Community Services Supervisor I/II	1.00	-	-	-
Custodian II	1.10	1.10	0.80	(0.30)
Director of Community Services	1.00	1.00	1.00	-
Field Supervisor-Code Enforcement	0.05	0.05	-	(0.05)
Field Supervisor-Trades	0.50	0.10	0.40	0.30
Landscape Inspector II	0.20	0.20	0.20	-
Lead Maintenance Worker-Electrician	0.40	0.40	0.50	0.10
Lead Maintenance Worker-Facilities	0.10	-	0.50	0.50
Lead Maintenance Worker-HVAC	0.50	0.50	0.50	-
Lead Maintenance Worker-Trades	-	-	0.55	0.55
Maintenance Superintendent	0.30	0.30	0.30	-
Maintenance Worker I - Facilities	0.45	0.45	-	(0.45)
Maintenance Worker II - Facilities	1.50	1.95	1.15	(0.80)
Management Assistant	1.00	1.00	1.00	-
Multimedia Coordinator	2.00	2.00	2.00	-
Office Specialist II	1.00	-	-	-
Principal Management Analyst	1.00	1.00	-	(1.00)
Senior Landscape Inspector	0.20	0.20	0.20	-
Theater Technical Coordinator I	1.00	1.00	1.00	-
Theater Technical Specialist II	1.00	1.00	1.00	-
Total	**42.30**	**42.25**	**37.10**	**(5.15)**
SERVICE LEVEL B				-
Senior Signal Technician	-	0.80	0.80	-
Signal Technician I	-	0.40	0.40	-
Total	**-**	**1.20**	**1.20**	**-**
SERVICE LEVEL D				-
Maintenance Manager	0.15	0.15	0.15	-
Management Analyst	-	0.20	-	(0.20)
Management Assistant	0.20	-	-	-
Principal Management Analyst	0.05	-	-	-
Senior Management Analyst	-	-	0.25	0.25

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
Senior Office Specialist	-	-	0.10	0.10
Total	**0.40**	**0.35**	**0.50**	**0.15**
SERVICE LEVEL L				-
Maintenance Superintendent	0.05	0.05	0.05	-
Total	**0.05**	**0.05**	**0.05**	**-**
LIBRARY				-
Custodian II	0.30	0.30	0.30	-
Field Supervisor-Trades	0.10	0.10	0.10	-
Landscape Inspector II	0.10	0.05	0.05	-
Lead Maintenance Worker-Electrician	0.15	0.10	0.10	-
Lead Maintenance Worker-HVAC	0.15	0.10	0.10	-
Lead Maintenance Worker-Trades	-	-	0.05	0.05
Maintenance Superintendent	0.10	0.10	0.10	-
Maintenance Worker I - Facilities	0.25	0.25	-	(0.25)
Maintenance Worker II - Facilities	0.35	0.60	0.50	(0.10)
Senior Landscape Inspector	0.10	0.10	0.10	-
Total	**1.60**	**1.70**	**1.40**	**(0.30)**
Grand Total	**44.35**	**45.55**	**40.25**	**(5.30)**

**This decrease reflects five positions defunded for FY26-27 (two Community Service Managers, one Community Services Superintendent, and two Community Services Supervisor I/II), a reallocation of 0.05 FTE to the Community Development Department, and a reallocation of 0.25 FTE to the Internal Service Fund's Facilities division.*

CITY OF TEMECULA
1989
OLD TRADITIONS ♦ NEW OPPORTUNITIES

INTERNAL SERVICE FUNDS



Insurance

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
INSURANCE FUND 300					
NON-DEPARTMENTAL 199					
SALARIES & BENEFITS Total	215,356	273,382	243,130	(30,252)	-11.07%
OPERATIONS & MAINTENANCE Total	3,140,788	3,476,935	3,648,524	171,589	4.94%
Division Total	**3,356,143**	**3,750,317**	**3,891,654**	**141,337**	**3.77%**

ANALYSIS/COMMENTS

Insurance:
The Insurance accomplishments and objectives are reflected in the Human Resources Department summary, under the Risk Management division.

Insurance expenditures are projected to increase by 3.77% due to higher Insurance premiums, offset by lower PERS rates and staffing vacancies reflected in the Salaries & Benefits.

PERSONNEL ALLOCATION

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
INSURANCE				-
Assistant Director of HR/Risk Management	-	-	0.25	0.25
Director of HR/Risk Management	0.25	0.25	-	(0.25)
Management Analyst	-	-	0.45	0.45
Management Assistant (Confidential)	0.10	0.45	-	(0.45)
Risk Manager	-	-	0.45	0.45
Senior Management Analyst	0.45	0.45	-	(0.45)
Total	**0.80**	**1.15**	**1.15**	**-**

Workers' Compensation

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
WORKERS' COMPENSATION FUND 305					
NON-DEPARTMENTAL 199					
SALARIES & BENEFITS Total	200,224	273,564	243,640	(29,924)	-10.94%
OPERATIONS & MAINTENANCE Total	349,407	422,272	383,605	(38,667)	-9.16%
Division Total	**549,631**	**695,835**	**627,245**	**(68,590)**	**-9.86%**

ANALYSIS/COMMENTS

Workers' Compensation

The Workers' Compensation accomplishments and objectives are reflected in the Human Resources Department summary, under the Risk Management division.

Workers' Compensation expenditures are projected to decrease by 9.86% due to lower PERS rates and staffing vacancies, and lower Worker's Compensation Claims costs.

PERSONNEL ALLOCATION

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
WORKERS' COMPENSATION				-
Assistant Director of HR/Risk Management	-	-	0.25	0.25
Director of HR/Risk Management	0.25	0.25	-	(0.25)
Management Analyst	-	-	0.45	0.45
Management Assistant (Confidential)	-	0.45	-	(0.45)
Risk Manager	-	-	0.45	0.45
Senior Management Analyst	0.45	0.45	-	(0.45)
Total	**0.70**	**1.15**	**1.15**	**-**

Vehicles and Equipment

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
VEHICLES AND EQUIPMENT FUND 310					
NON-DEPARTMENTAL 199					
OPERATIONS & MAINTENANCE Total	378,379	429,527	429,527	0	0.0%
CAPITAL OUTLAY Total	495	506,451	495,000	(11,451)	-2.26%
Division Total	**378,874**	**935,978**	**924,527**	**(11,451)**	**-1.22%**

ANALYSIS/COMMENTS

Vehicles and Equipment:

Vehicles and Equipment expenditures include the replacement of several vehicles and heavy equipment, all of which have reached the end of their useful lives. A list of the replacement items can be found in the list of Consolidated Capital Outlay, located in Appendix B.



Information Technology

DEPARTMENT OVERVIEW

MISSION

Information Technology and Support Services (ITSS) is charged with providing the highest quality of leadership, support, and essential services to the organization's operating departments to maintain service levels necessary to efficiently and effectively meet all departmental program requirements at the Civic Center and off-site facilities. These services include Geographic Information Systems (GIS), Enterprise Applications, Media Services, Network Infrastructure, Tech Support, and Support Services. ITSS oversees 500+ electronic devices, network infrastructure, and 500+ user accounts at the Civic Center and 20+ offsite facilities Citywide. There are currently over 35 business application systems administered and supported by staff. In addition, Media Services oversees social media and E-Government services, and produces original video content for direct communications with residents.

SERVICES

Information Technology and Support Services

- Provide maintenance and IT support to City staff, its facilities, and the public on all network functions, which support the City's website, security systems, communications, databases, and applications.
- Provide technical support, manage applications, and assess needs to assist in business process analysis.
- Provide public and staff access to the City's online application for generating maps and conducting geographic analysis.
- Maintain and support the City's website and utilize social media and E-Government services to provide official information to the public.
- Provide technical support for City emergency operations and emergency communications.

Support Services

- Provide consistent, resourceful, and efficient customer service to the public by professionally handling phone calls and/or by servicing the needs of the visiting public.
- Provide central printing services for Citywide departments and off-site facilities, mailroom services, and auxiliary services (laminating, folder/inserter, wide-format printing, binding).
- Manage the Canon copier lease/maintenance/replacement for the Civic Center and off-site facilities, including the Library.

Organizational Chart | Expenditures by Category | Personnel | Performance Measures

ACCOMPLISHMENTS

Prior fiscal year accomplishments from Information Technology include:

Information Technology and Support Services

- Offered improved efficiency for staff, residents, and vendors, through the implementation and use of software designed to manage contracts and allow for digital signatures. *(Accountable & Responsive City Government)*
- Enriched and enhanced the experience enjoyed by residents and visitors to the Ronald Reagan Sports Park through the lifecycle replacement of the amphitheater audio system. *(Accountable & Responsive City Government)*
- Improved the resilience and reliability of the City network through the testing of disaster recovery and other City security systems. *(Accountable & Responsive City Government)*
- Delivered efficient and effective communication with the residents through production and sharing of videos of public meetings, special events, and announcements. *(Accountable & Responsive City Government)*

Support Services

- Offered increased reliability and improved staff efficiency through the life cycle replacement of City copiers. *(Accountable & Responsive City Government)*
- Coordinated and oversaw managed print services for all public and staff copy machines throughout the Civic Center and all off-site facilities. *(Accountable & Responsive City Government)*
- Provided mail room, copy-center, and related services (large format printing, laminating, folding/inserting, binding, etc.) for Citywide departments and off-site facilities. *(Accountable & Responsive City Government)*



GOALS AND OBJECTIVES

Current fiscal year goals from Information Technology include:

Information Technology and Support Services

- Enhance public engagement by replacing and modernizing Council Chamber audio and video production equipment to provide high quality, professional broadcast and streaming services. *(Accountable & Responsive City Government)*
- Enhance public safety for residents and visitors by expanding, modernizing, and managing the City's security camera systems across facilities and traffic intersections, including the installation of new technologies and the ongoing operation and maintenance of existing infrastructure. *(Safe & Prepared City)*
- Strengthen organizational security, resilience, and staff productivity by implementing robust cybersecurity practices, including the timely updating, patching, and lifecycle management of software applications and technology infrastructure. *(Accountable & Responsive City Government)*
- Improve equitable access to public meetings and civic engagement by implementing California Senate Bill 707 requirements and enhancing ADA compliant tools and practices to ensure inclusive participation for all community members. *(Equity)*
- Enhance organizational communication and service responsiveness by implementing a reliable, redundant, cloud-based Voice over IP (VoIP) telephone system that supports efficient interactions with residents and staff. *(Accountable & Responsive City Government)*
- Strengthen accountability and operational effectiveness by auditing and updating department plans, policies, and procedures to ensure Information Technology operations align with industry best practices. *(Accountable & Responsive City Government)*

Support Services

- Improve reliability and staff efficiency through the lifecycle replacement and modernization of City copiers. *(Accountable & Responsive City Government)*
- Coordinate and oversee managed print services for all staff copy machines across the Civic Center and offsite facilities to ensure consistent, efficient operations. *(Accountable & Responsive City Government)*
- Provide centralized mail room and copy center services, including large format printing, laminating, folding/inserting, and binding, to support Citywide departments and offsite facilities. *(Accountable & Responsive City Government)*


Organizational Chart


Expenditures by Category


Personnel


Performance Measures

ORGANIZATIONAL CHART



Michael Heslin
Director of Information Technology and Support Services

Media Services	Enterprise Application Services (EAS)	Geographic Information Systems (GIS)	Support Services	Tech Support	Infrastructure
Website & Social Networking	Workflow Development	Analysis & Mapping	Copy Center	Help Desk	Network Administration
Television Station Management	Database Administration	GIS Application Development	Mailroom Services	Computer Support	System Administration
Media Services Support	Application Support	Training & Support	Copier & Printer Management	Inventory Management	Telecom
Audio Visual Production	Report Development	Data Collection & Maintenance	Civic Center Reception Services	Public Safety Support	Security Systems
Graphic Design	End User Training	Database Administration	Print Services	Library Technology Support	Security Cameras
Aerial Video & Photography	Mobile Device Management	Web & Spatial Data Services	Shipping & Receiving	Asset Life Cycle Management	Cybersecurity

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
INFORMATION TECHNOLOGY FUND 320					
NON-DEPARTMENTAL 199					
SALARIES & BENEFITS Total	2,269,590	2,453,184	2,387,394	(65,790)	-2.68%
OPERATIONS & MAINTENANCE Total	3,392,093	3,529,942	3,754,700	224,758	6.37%
CAPITAL OUTLAY Total	(396,398)	0	0	0	0.0%
TRANSFERS Total	1,748,615	0	0	0	0.0%
Division Total	**7,013,900**	**5,983,126**	**6,142,094**	**158,968**	**2.66%**
GIS-GEOGRAPHIC INFORMATION TECHNOLOGY 610					
SALARIES & BENEFITS Total	442,513	473,880	455,396	(18,483)	-3.9%
OPERATIONS & MAINTENANCE Total	28,855	108,875	109,875	1,000	0.92%
Division Total	**471,368**	**582,755**	**565,271**	**(17,483)**	**-3.0%**
LIBRARY-INFORMATION TECHNOLOGY 620					
SALARIES & BENEFITS Total	224,928	275,837	268,751	(7,087)	-2.57%
OPERATIONS & MAINTENANCE Total	68,430	85,200	90,700	5,500	6.46%
Division Total	**293,357**	**361,037**	**359,451**	**(1,587)**	**-0.44%**
TECHNOLOGY REPLACEMENT FUND 325					
NON-DEPARTMENTAL 199					
OPERATIONS & MAINTENANCE Total	231,684	151,158	151,158	0	0.0%
CAPITAL OUTLAY Total	3,500	319,552	325,000	5,448	1.7%
TRANSFERS Total	157,724	543,782	50,000	(493,782)	-90.81%
Division Total	**392,908**	**1,014,491**	**526,158**	**(488,333)**	**-48.14%**
SUPPORT SERVICES FUND 330					
NON-DEPARTMENTAL 199					
SALARIES & BENEFITS Total	260,700	312,201	308,700	(3,500)	-1.12%
OPERATIONS & MAINTENANCE Total	121,917	134,000	139,000	5,000	3.73%
Division Total	**382,617**	**446,201**	**447,700**	**1,500**	**0.34%**
SUPPORT SERVICES REPLACEMENT FUND 335					
NON-DEPARTMENTAL 199					
OPERATIONS & MAINTENANCE Total	1,597	42,200	42,200	0	0.0%
CAPITAL OUTLAY Total	1,235	30,000	30,000	0	0.0%
Division Total	**2,832**	**72,200**	**72,200**	**0**	**0.0%**
PUBLIC EDUCATION & GOVERNMENT (PEG) FUND 125					
NON-DEPARTMENTAL 199					
CAPITAL OUTLAY Total	57,396	135,058	325,000	189,942	140.64%
Division Total	**57,396**	**135,058**	**325,000**	**189,942**	**140.64%**

ANALYSIS/COMMENTS

Information Technology:
Information Technology expenses reflect a net increase of 2.02% primarily due to increased Telephone Service and Software & Maintenance costs, offset by lower PERS rates within the Salaries & Benefits.

Technology Replacement:
Technology Replacement Capital Outlay expenditures total $325,000 to replace network switches ($85,000), the City's phone system ($115,000) and to fund the annual computer lifecycle replacement program ($125,000). Additionally, the Transfer Out to support Capital programs has decreased for FY26-27.

Support Services:
Support Services expenses reflect a slight increase to reflect higher costs of Software & Maintenance and Office Supplies, offset by lower PERS rates in Salaries & Benefits.

Support Services Replacement:
Support Services Replacement reflects no change in year-over-year budget.

Public Education & Government:
PEG expenses total $325,000 for the replacement of general audiovisual production equipment ($25,000) and the audiovisual equipment within Council Chambers ($300,000).



PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
INFORMATION TECHNOLOGY				-
Assistant Director of IT/SS	1.00	1.00	1.00	-
Director of Information Technology	1.00	1.00	1.00	-
Information Technology Manager	1.00	1.00	1.00	-
Information Technology Specialist I	1.00	2.00	2.00	-
Information Technology Specialist II	1.00	-	-	-
Information Technology Supervisor	5.00	5.00	5.00	-
Information Technology Technician I/II	0.50	1.00	1.00	-
Management Analyst	1.00	1.00	1.00	-
Senior Administrative Assistant	1.00	1.00	1.00	-
Senior Information Technology Specialist	2.00	2.00	2.00	-
Support Services Supervisor	0.10	0.10	0.10	-
Total	**14.60**	**15.10**	**15.10**	**-**
SUPPORT SERVICES				-
Information Technology Technician I/II	0.50	-	-	-
Office Specialist - AM	0.60	0.60	0.60	-
Office Specialist - PM	0.60	0.60	0.60	-
Support Services Supervisor	0.90	0.90	0.90	-
Total	**2.60**	**2.10**	**2.10**	**-**
Grand Total	**17.20**	**17.20**	**17.20**	**-**



Facilities

EXPENDITURES BY CATEGORY

	2024-25 Actuals	2025-26 Current Budget	2026-27 Proposed Budget	Increase/ (Decrease)	% Increase/ (Decrease)
FACILITIES FUND 340					
NON-DEPARTMENTAL 199					
SALARIES & BENEFITS Total	617,234	759,844	834,816	74,972	9.87%
OPERATIONS & MAINTENANCE Total	1,045,157	936,260	922,025	(14,235)	-1.52%
TRANSFERS Total	606,326	0	0	0	0.0%
Division Total	**2,268,717**	**1,696,104**	**1,756,842**	**60,738**	**3.58%**
FACILITY REPLACEMENT FUND 350					
NON-DEPARTMENTAL 199					
OPERATIONS & MAINTENANCE Total	81,875	87,338	87,338	0	0.0%
CAPITAL OUTLAY Total	21,920	0	358,096	358,096	100.0%
TRANSFERS Total	483,211	3,239,183	1,500,000	(1,739,183)	-53.69%
Division Total	**587,006**	**3,326,521**	**1,945,434**	**(1,381,087)**	**-41.52%**

ANALYSIS/COMMENTS

Facilities:

Facilities departmental expenditures are projected to decrease by a net 26.3% over the prior year due to the decreased transfer of funding to the Capital Improvement Program Fund for the City Facilities Rehabilitation project, offset by the Capital Outlay budget added to FY26-27 to support the audio system upgrade at the Community Theater.

PERSONNEL ALLOCATIONS

	Adopted 2024-25	Current 2025-26	Proposed 2026-27	Incr/(Decr) from Prior Yr
FACILITIES				-
Custodian II	0.40	0.40	0.80	0.40
Director of Public Works	0.10	0.10	0.10	-
Field Supervisor-Trades	0.25	0.80	0.40	(0.40)
Lead Maintenance Worker-Electrician	0.30	0.30	0.40	0.10
Lead Maintenance Worker-Facilities	0.80	-	0.50	0.50
Lead Maintenance Worker-HVAC	0.35	0.35	0.35	-
Lead Maintenance Worker-Trades	-	-	0.40	0.40
Maintenance Superintendent	0.50	0.50	0.50	-
Maintenance Worker I - Facilities	0.30	0.30	-	(0.30)
Maintenance Worker II - Facilities	0.15	0.45	0.35	(0.10)
Management Analyst	-	0.20	-	(0.20)
Management Assistant	0.20	-	-	-
Principal Management Analyst	0.05	-	-	-
Senior Management Analyst	-	-	0.25	0.25
Total	**3.40**	**3.40**	**4.05**	**0.65**

**This increase reflects a reallocation of 0.25 FTE from the Temecula Community Services District, and 0.40 FTE from the Public Works Department.*



CITY OF TEMECULA
1989
OLD TRADITIONS ♦ NEW OPPORTUNITIES

CAPITAL IMPROVEMENT PROGRAM SUMMARY

The City prepares a separate Capital Improvement Program Budget document, which serves as a five-year planning tool to program the financing and scheduling of major projects undertaken by the City. The CIP Budget is prepared in accordance with generally accepted accounting principles. Within this section of the Annual Operating Budget, summary schedules from the Capital Improvement Program Budget are included. To access the individual Project Budget Sheets, please refer to the Fiscal Years 2027-31 Capital Improvement Program Budget.

The CIP Budget includes the City's major projects, which exceed $30,000 in cost, have long-term life spans, and are generally non-recurring. These projects include land and right-of-way acquisition, design, construction or rehabilitation of public buildings or facilities, public infrastructure design and construction, park design and construction, and affordable housing projects.

The City's goal in providing a CIP Budget is to develop a multi-year plan for capital improvements, update it annually, and follow through with all projects in accordance with the plan. In determining the relative merit of a proposed project, key management team members evaluate projects for feasibility, community enhancement, infrastructure and historic preservation, and safety.

PLAN DEVELOPMENT

A component of the CIP includes the integration of the budget with the Quality-of-Life Master Plan (QLMP). The QLMP provides the framework for the City's strategic budgeting activities. The City Council has set priorities and guided staff in developing seven Core Values upon which to focus time and resources (as identified in the QLMP). These areas include:

1. Safe & Prepared City
2. Transportation Mobility & Connectivity
3. Healthy & Livable City
4. Economic Prosperity
5. Sustainable & Resilient City
6. Accountable & Responsive City Government
7. Equity

All projects presented in the CIP are carefully programmed in concurrence with the City's QLMP to ensure the community's capital improvement needs are met both now and in the future. The framework for the CIP is further defined in the City's CIP fiscal policy to provide a structure within which fiscal decisions can be made and to optimize all available resources toward the accomplishment of the City's Core Values as defined in the QLMP.

This CIP budget document was developed by incorporating input from key management team members based on community comments and feedback received throughout the year. Through several workshops, the team then identified and evaluated community needs in the areas of roads/streets, bridges, public buildings, parks and recreation facilities. Each proposed project was reviewed and discussed to ensure funding, timing, and necessity. All projects are evaluated by the City's Planning Commission to ensure consistency with the provisions of the City of Temecula General Plan, while considering the City's long-term vision as developed by the City Council. The proposed circulation, infrastructure, and parks and recreation projects are reviewed and approved by the Planning Commission, Traffic Safety Commission, and the Parks and Recreation Commission.

CAPITAL IMPROVEMENT PROGRAM SUMMARY

Projects have been scheduled in each of the five fiscal years based on community needs, as determined by the City Council and availability of funding. Priority rankings in each major category of Circulation, Infrastructure, Parks and Recreation, Housing, and Community Facilities Districts (CFD) Funded Projects have been assigned in accordance with the priority guidelines as follows:

LEVEL I: The project is urgent and must be completed as soon as feasible. Failure to address the project may impact the health, safety, or welfare of the community or have a potential significant impact on the financial well-being of the City. The project must be initiated, or financial opportunity losses may result.

LEVEL II: The project is important and addressing it is necessary. The project impacts safety, law enforcement, health, welfare, economic base, quality of life, and has been identified as a priority in the Quality-of-Life Master Plan.

LEVEL III: The project will enhance quality of life and will provide a benefit to the community. Completion of the project will improve the community by providing cultural, recreational, and/or aesthetic value, or is deemed as a necessary improvement to a public facility.

FUTURE YEARS PROJECTS: The project will be an improvement to the community but does not necessarily need to be completed within a five-year capital improvement program time frame.

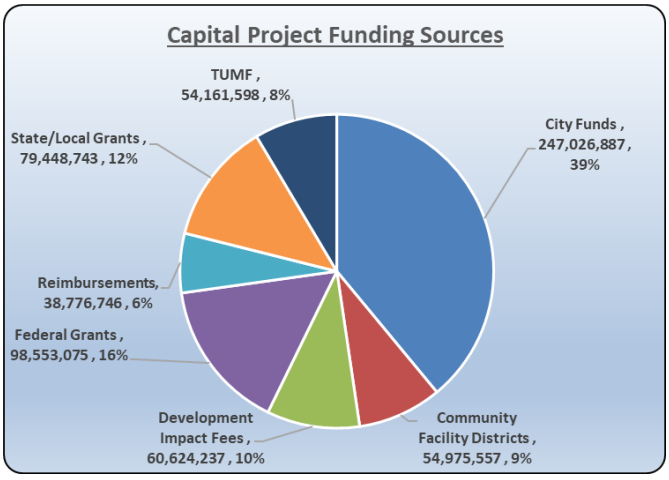
FISCAL YEARS 2027-31 CAPITAL IMPROVEMENT PROGRAM SUMMARY

The CIP includes a total of $916,322,680 in identified capital projects, with a total of $633,566,842 in project funding, representing 69% of all Project Costs. There is $282,755,838 in "Unspecified" project funding, indicating that a revenue source has not yet been secured for these projects, which have been identified as necessary infrastructure for the City, and will require that funding be secured before the project construction can commence. Capital projects are categorized into five Project Types, as noted in the table below.

Project Type	Number of Projects	Total Project Cost
Circulation	19	**659,137,242**
Housing	4	**20,971,000**
Infrastructure	47	**114,137,946**
Parks/Rec	22	**58,484,803**
CFD-Funded	2	**63,591,689**
Total CIP	**94**	**916,322,680**

CAPITAL IMPROVEMENT PROGRAM SUMMARY

Various sources contribute to the funding of the Capital Improvement Program, including many City Funds, State and Federal Grants, Community Facility District Funds, Successor Agency Funds, and Transportation Uniform Mitigation Fee (TUMF) Funds. The City seeks all available funding sources for projects, including federal, state, and local grants, outside contributions and City funds. Total funding for the Fiscal Years 2027-31 CIP program reflects 64% from outside funding sources, with the remaining 36% provided by various City funds, including Measure S, Measure A, Development Impact Fee Funds, General Fund, Capital Financing, and several other sources.



Four new projects have been added to the CIP, the Civic Center HVAC System Upgrade ($3,000,000), and the CRC Pool Cantilever Restoration ($400,000), these projects provide necessary upgrades to aging facility components. The Ronald Reagan Sports Park Trail ($100,000) project includes the design and construction of this multi-use trail, and the Long Canyon Creek Park to Ynez Trail ($30,000) includes the design of this off-street route bicycle trail.

As part of the development of the Capital Improvement Program budget, each project is evaluated to identify any ongoing impacts to the Operating Budget. The amounts identified in the table below are incorporated into the Adopted Operating Budget and the Five-Year Financial Projections.

Summary of Operating & Maintenance Impacts

Capital Project	Operating Budget Account	Description	2026-27 Proposed*	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected
PW17-01/711 - CITY SECURITY CAMERA SYSTEM	5250 - OTHER OUTSIDE SERVICES	Maintenance and Operations of Security Camera System	300,000	300,000	300,000	300,000	300,000
FN19-01/724 - CITYWIDE FINANCIAL SYSTEM UPGRADE	5211 - SOFTWARE & MAINTENANCE	Annual Software Maintenance	86,000	86,000	86,000	86,000	86,000
PW21-09/683 - ELECTRIC VEHICLES CHARGING STATION	5215 - REPAIR & MAINTENANCE - EQUIPMENT	Electric Charging Vehicles Fees	(33,100)	(33,100)	(33,100)	(33,100)	(33,100)
PW17-19/690 - I-15/STATE ROUTE 79 SOUTH INTERCHANGE ENHANCED LANDSCAPING	5415 - LANDSCAPE MAINTENANCE	Required by Caltrans	62,046	63,289	65,188	67,144	69,159
PW17-21/692 - MARGARITA RECREATION CENTER	5100 - SALARIES & WAGES	Staffing for MRC (4 positions)	548,551	570,493	591,600	614,370	636,190
	5119 - PART-TIME (PROJECT)	Project Staffing for MRC (45 positions - 13.07 FTEs)	735,361	764,775	795,366	825,978	860,268
	5240 - UTILITIES	Additional Utility Costs	72,828	74,285	77,034	79,999	82,840
	5250 - OTHER OUTSIDE	Janitorial/Security	131,888	134,526	139,504	144,873	150,018
			1,488,628	1,544,079	1,603,504	1,665,220	1,729,315
PWPE07-03/PW23-18 - LONG CANYON CREEK PARK RESTROOMS	5250 - OTHER OUTSIDE SERVICES	Janitorial Services	30,475	31,085	31,706	32,340	32,987
PWPE-07/155 - PARK RESTROOMS RENOVATIONS, EXPANSION AND ADA IMPROVEMENTS	5250 - OTHER OUTSIDE SERVICES	Janitorial Services	28,154	28,717	29,292	29,878	30,476
PWPE07-02 - VAIL RANCH PARK RESTROOMS	5250 - OTHER OUTSIDE SERVICES	Janitorial Services	30,475	31,085	31,706	32,340	32,987
Total Incremental Operating & Maintenance Impacts			**1,992,678**	**2,051,155**	**2,114,296**	**2,179,822**	**2,247,824**

Operating cost impacts are estimated by the Project Manager.
** 2026-27 Adopted O&M Impacts are included in the Adopted Operating Budget*
The Projected Operating impacts have been reflected in the City's General Fund and TCSD 5-Year Financial Forecasts.

DESCRIPTION OF REVENUE SOURCES

Affordable Housing Fund

The Affordable Housing fund contains the assets as well as loan and rental income from the former Redevelopment Agency which have been transferred to the City of Temecula.

Assembly Bill 2766 (AB 2766)

State funds that are available to implement programs and projects that reduce air pollution from motor vehicles.

Capital Financing

Funding available through financing proceeds to be used for Capital Improvements.

Community Development Block Grant (CDBG)

The Federal Department of Housing and Urban Development (HUD) provides funds through the Community Development Block Grant Program (CDBG) for local community development, housing activities, and public services. The primary objective of the CDBG Program is the development of viable communities by providing decent housing, a suitable living environment, and expanded economic opportunities primarily focused on low- and moderate-income persons and neighborhoods.

Community Facilities District (CFD)

A tool that allows the City to construct desired and authorized public improvements with costs of the projects paid for by the benefitted properties within the boundaries of a designated area. The costs are then financed through the issuance of bonds payable over a period of years.

Community Project Funding/Congressionally Directed Spending

CPF is appropriated and allocated from the General Fund for Transit Infrastructure Grants only on an annual basis and at the discretion of Congress. The total funding amounts are specified in the Consolidated Appropriations Act corresponding with each fiscal year, if applicable

Community Reinvestment Program

The fund was established to provide various community grants to support the local economy in its recovery from the COVID-19 global pandemic.

Department of Water Resources (DWR) Proposition 84

Funding made available from the State of California Department of Water Resources funding from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. 2015 Proposition 84 Integrated Regional Water Management (IRWM) Implementation Grant, California Public Resources Code Section 75026 of Divisions 26.5 of the California Water Code (CWC).

Development Impact Fees (DIF)

Fees generated by development applications to offset the effect of development to include infrastructure, fire protection, public facilities and services, libraries, roads, schools, parks, traffic signal mitigation and open space/public art. Fees are determined by the cost of the project at the time of application.

Facilities Replacement Fund

This Fund was established to accumulate resources necessary to replacement future Facilities systems, equipment and fixtures.

Gax Tax Fund

The City maintains this fund to account for the Highway User's Tax revenues received from the State of California under Sections 2013, 2105, 2107, and 2107.5 of the Streets and Highways Code.

General Fund

City General Funds retained for capital improvement projects.

Highway Safety Improvement Program

The Highway Safety Improvement Program (HSIP), codified as Section 148 of Title 23, United States Code (23 U.S.C §148), is a core federal-aid program to States for the purpose of achieving a significant reduction in fatalities and serious injuries on all public roads.

DESCRIPTION OF REVENUE SOURCES

Highway Bridge Program

This program is funded by Federal Highway Administration (FHWA) and authorized by United States Code (USC) Title 23, Section 144. The purpose of the Program is to replace or rehabilitate public highway bridges over waterways, other topographical barriers, other highways, or railroads when the State and the Federal Highway Administration determine that a bridge is significantly important and is unsafe because of structural deficiencies, physical deterioration, or functional obsolescence.

Infrastructure for Rebuilding America (INFRA)

The INFRA program provides dedicated, discretionary funding for projects that address critical issues facing our nation's highways and bridges.

Local Early Action Planning (LEAP) Grant

This grant program is provided by the California Department of Housing and Community Development (HCD). LEAP provides one-time grant funding to cities and counties to update their planning documents and implement process improvements that will facilitate the acceleration of housing production and help local governments prepare for their 6th cycle Regional Housing Needs Allocation (RHNA).

Measure A (Local Streets and Roads)

Riverside County's half-cent sales tax to fund transportation projects to improve local streets and roads, major highways, commuter rail, and public transit throughout Riverside County.

Measure S

Pursuant to Ordinance 16-06, on November 8, 2016, the people of Temecula approved a local 1% Transactions and Use Tax, effective on April 1, 2017, to maintain 9-1-1 emergency response times, prevent cuts to local paramedic, sheriff, fire protection, school safety patrols, youth/after-school, senior, disabled services, improve freeway interchanges, reduce traffic and provide for other general services.

Mobile Source Air Pollution Reduction Review Committee (MSRC)

The MSRC is the Mobile Source Air Pollution Reduction Review Committee, established under state law (AB 2766) whose sole mission is to fund projects that reduce air pollution from motor vehicles within the South Coast Air District in Southern California.

Public Art Fund

Public Artwork enhances the quality of life for individuals living and working in the Temecula. This fund was adopted by City Council for design, acquisition, installation, improvement, maintenance and insurance of public artwork displayed on City property; offering of performing arts programs on City property for the community; and art education programs on City property for the community (provided, however, that not more than five percent of the fund's annual budget shall be used for this purpose).

Quimby

The City's park-in-lieu or park development fee is assessed under provisions of the Subdivision Map Act which allows the City to require the dedication of land or the payment of a fee in lieu of land to be used for the purchase (or development) of park property.

Reimbursements/Other

Funding made available from other agencies or sources on a reimbursement, donation, and contribution basis. The actual agreement states the conditions of monies specific to a particular project.

Safe, Accountable, Flexible, Efficient, Transportation Equity Act - Legacy for Users (SAFETEA–LU)

Signed into law on August 10, 2005, and provides for highways, highway safety, and public transportation to improve safety, reduce traffic congestion, and other activities related to solving transportation problems. This new program takes off where STP, TEA-21, and ISTEA left off.

DESCRIPTION OF REVENUE SOURCES

Senate Bill 1/Road Repair and Accountability Act (RMRA)/Active Transportation Program (ATP)

The State of California imposes per gallon excise and sales taxes on fuel sales, as well as registration taxes on motor vehicles, for allocation to agencies for transportation purposes. In 2017, the State established the Road Repair and Accountability Act (RMRA) to allocate a greater share of additional monies for transportation purposes.

Senate Bill 2

SB 2 (2017) is part of a $15 billion housing package aimed at addressing the state's housing shortage and high housing costs. Specifically, SB 2 established a permanent source of revenue intended to increase the affordable housing stock in California. The PGP is intended for the preparation, adoption, and implementation of plans that streamline housing approvals and accelerate housing production.

Senate Bill 621

Represents a regional organization made up of tribal governments primarily within Riverside and San Bernardino counties. Tribal Alliance of Sovereign Indian Nations (TASIN) member tribes contribute a percentage of their gaming revenues to the Indian Gaming Special Distribution Fund (SDF), as established by the State Legislature, to offset the impacts of Indian gaming on public services and infrastructure.

Senate Bill 821

B 821, the Bicycle and Pedestrian Facilities Program, is provided through the Transportation Development Act (TDA), funded through a ¼ cent of the general sales tax collected statewide. The TDA provides two major sources of funding for public transportation: the Local Transportation Fund (LTF) and the State Transit Assistance (STA). The LTF provides funding for essential transit and commuter rail services, SB 821 and planning. Each year, two percent of the LTF revenue is made available for use on bicycle and pedestrian facility projects through the SB 821 program.

Service Level C

Service Level C Fund reflects the collection of benefit assessments charged to property owners for the purpose of providing perimeter landscaping and slope maintenance throughout the City. Service Level C assesses only those parcels within residential subdivisions receiving TCSD perimeter landscaping and slope maintenance and are separated into 32 zones. The rate levels for Zones 6 and 29, are subject to a Consumer Price Index-Urban Consumers (CPI-U) annual inflator while all other rate levels will not increase. Zones 30-32 will not be assessed, as the property owners have elected to have the landscaping maintained by the respective Homeowner's Associations (HOAs).

State Transportation Improvement Program (STIP)

The State Transportation Improvement Program (STIP) is the biennial five-year plan adopted by the California Transportation Commission (CTC) for future allocations of certain state transportation funds for state highway improvements, intercity rail, and regional highway and transit improvements. State law requires the Commission to update the STIP biennially, in even-numbered years, with each new STIP adding two new years to prior programming commitments.

State Highway Operation Protection Program & Minor Program (SHOPP)

State Highway System's program that funds repair and preservations, emergency repairs, safety improvements and some highway operational improvements.

Surface Transportation Program (STP)

Federal funds available for local agencies to improve the safety and efficiency of the local transportation system.

Sustainable Communities Program

The Sustainable Communities Program is a key Southern California Association of Governments (SCAG) initiative for implementing the 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), combining Integrated Land Use assistance for integrated land use and transportation planning with Green Region assistance aimed at local sustainability and Active Transportation assistance for bicycle and pedestrian planning efforts.

DESCRIPTION OF REVENUE SOURCES

Tax Allocation Refunding Bonds Series 2017A and 2017B

As of January 31, 2012, the Redevelopment Agency of the City of Temecula has been dissolved and the City has elected to become the Successor Agency. The Successor Agency will be responsible for the winding down of the remaining activities of the dissolved Redevelopment Agency. These remaining activities include completing affordable housing and infrastructure projects that are funded with tax allocation bonds issued by the former redevelopment agency. The Series 2017A and 2017B Refunding Bonds were issued in 2017 to refinance 2002, 2006, 2007, 2010, and 2011 Tax Allocation Bonds to provide financing for low and moderate income housing projects. The outstanding bonds will be repaid in full in 2038. Monies to pay bond debt service is requested from the State and disbursed by the County from the Trust Fund established to accumulate tax increment generated by the former Temecula Redevelopment Agency area.

TEAM Fund

Expenditures reflect the transfer of funds to the Capital Improvement Program to fund an Electric Vehicle Charging Station project, lighting along Murrieta Creek and Sports Park Lighting upgrades.

Technology Replacement Fund

This fund is used for the replacements of computers, system Software and all other Information Technology equipment.

Transportation Uniform Mitigation Fee (TUMF)

Multi-jurisdictional development impact fee paid for by new development to provide the transportation infrastructure necessary to accommodate new development.

WRCOG-BEYOND Framework Fund Program

Local assistance funding program for Economic Development and Sustainability Projects.

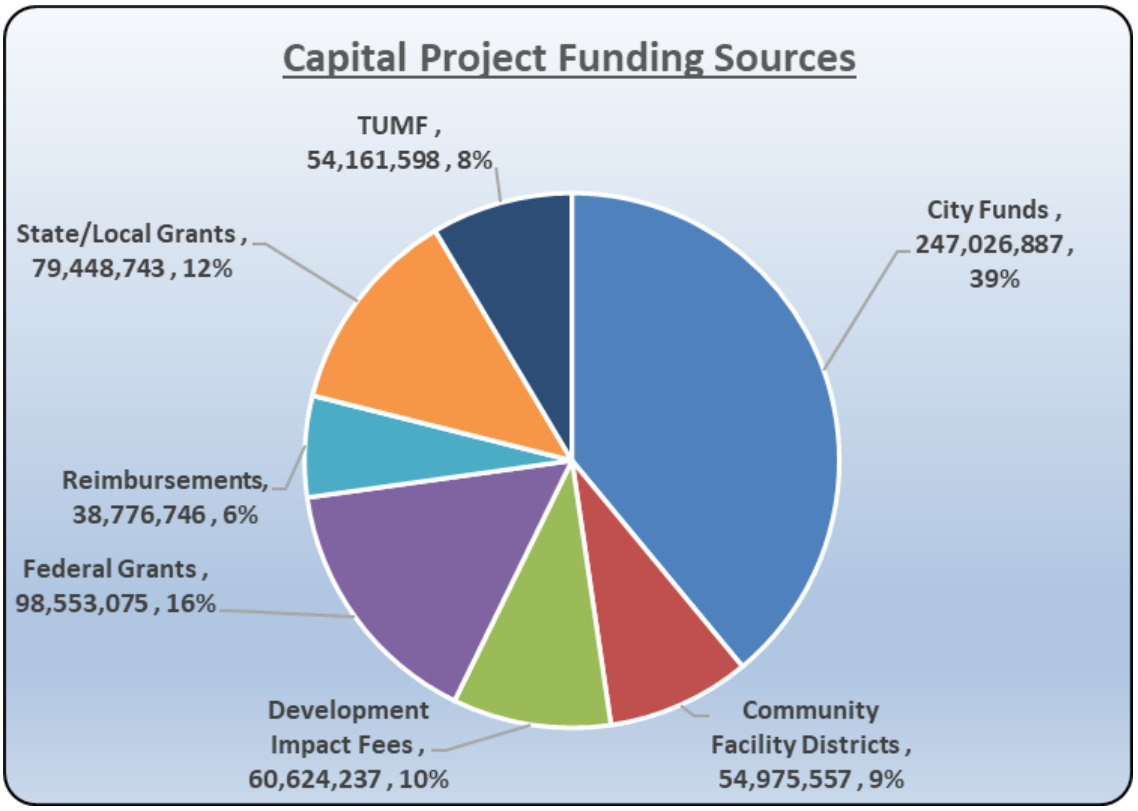
CAPITAL PROJECTS REVENUE SUMMARY

Funding Source	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
City Funds								
Affordable Housing	10,580,492	4,128,445						14,708,937
Assembly Bill 2766	441,723	637,835	170,000	175,000	185,000	185,000	185,000	1,979,558
Capital Financing	6,405,000							6,405,000
Community Reinvestment Program	237,309	6,166,691						6,404,000
Contribution of Land		561,000	570,000	1,300,000				2,431,000
Facilities Replacement Fund	2,834,176	3,239,184	1,500,000	1,000,000	1,000,000	1,000,000	4,400,000	14,973,360
Gas Tax	1,200,000							1,200,000
General Fund	17,153,704	1,953,133						19,106,837
Measure A	27,955,684	9,855,823	1,312,000	1,086,620	551,866	562,904	574,162	41,899,059
Measure S	46,883,448	32,687,242	4,296,247	2,308,710	438,660	2,048,710	78,660	88,741,676
Public Art Fund			100,000					100,000
RMRA - Road Repair & Accountability Act	12,442,942	6,907,425	2,883,697	3,743,911	3,940,332	4,044,276	3,812,417	37,775,000
Service Level C - Zone 28	499,308	692						500,000
Street Maintenance Fund	3,600,000	4,864,784	224,356					8,689,140
TEAM - Temecula Energy Efficiency Asset Fund	588,276	210,653						798,929
Technology Replacement Fund	219,752	543,782	50,000					813,534
Uptown Temecula New Streets In Lieu Fee		500,857						500,857
City Funds Total	**131,041,815**	**72,257,544**	**11,106,300**	**9,614,241**	**6,115,858**	**7,840,890**	**9,050,239**	**247,026,887**
Community Facility District Funds								
CFD 01-02 (Harveston)	1,005,840							1,005,840
CFD 03-01 (Crowne Hill)	502,211							502,211
CFD 03-02 (Roripaugh Ranch)	38,413,523	8,331,133						46,744,656
CFD 16-01 (Roripaugh Ranch-Phase II)		6,722,850						6,722,850
Community Facility Districts Total	**39,921,574**	**15,053,983**						**54,975,557**
Development Impact Fee Funds								
DIF-Corporate Facilities	1,305,738	752,131						2,057,869
DIF-Fire Protection Facilities	127,336	448,248	194,890					770,474
DIF-Library Facilities	322,875	617,125						940,000
DIF-Open Space & Trails	1,619,926	315,159	262,000					2,197,085
DIF-Park & Rec Improvements	5,437,113	748,783			2,000,000			8,185,896
DIF-Police Facilities	1,244,384	13,729	649,000					1,907,113
DIF-Quimby	4,672,161	2,923,233	500,000		1,000,000			9,095,394
DIF-Street Improvements	11,377,222	6,626,818	4,240,041	8,933,719	918,545			32,096,345
DIF-Traffic Signals	1,962,491	736,570	375,000		300,000			3,374,061
Development Impact Fees Total	**28,069,247**	**13,181,795**	**6,220,931**	**8,933,719**	**4,218,545**			**60,624,237**

CAPITAL PROJECTS REVENUE SUMMARY

Funding Source	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Federal Grants								
CDBG - Community Development Block Grant	2,496,060	561,636	657,180	325,000	325,000	325,000	325,000	5,014,876
CPFCDS- Community Project Funding/Congressionally Directed Spending			2,000,000					2,000,000
HBP-Highway Bridge Program	1,218,308	3,236,692		21,065,000				25,520,000
INFRA - Infrastructure for Rebuilding America Grant	43,016,249	6,983,751						50,000,000
SAFETEA-LU - Safe, Accountable, Flexible, Efficient Transportation	2,879,679	162,521						3,042,199
STP (RCTC) - Surface Transportation Program	12,279,728	696,272						12,976,000
Federal Grants Total	**61,890,024**	**11,640,871**	**2,657,180**	**21,390,000**	**325,000**	**325,000**	**325,000**	**98,553,075**
Reimbursements/Other								
County AD 159		4,008,270						4,008,270
Developer Contribution	2,597,514	12,313,159						14,910,673
Reimbursement-Pechanga IGA	5,000,000							5,000,000
Reimbursements	9,340,369	4,326,852						13,667,221
Reimbursements/Other	1,190,582							1,190,582
Reimbursements/Other Total	**18,128,465**	**20,648,281**						**38,776,746**
State/Local Grants								
Beyond Grant	19,857							19,857
Grants	1,483,092	3,547,034						5,030,126
HSIP- Highway Safety Improvement Program	186,510	3,750,130						3,936,640
MSRC-Mobile Source Air Review Committee Grant	111,574	29,426						141,000
Senate Bill 1 - Active Transportation Program	1,398,424	103,576						1,502,000
Senate Bill 621	14,446,520	160,000						14,606,520
Senate Bill 821		362,600						362,600
SHOPP - State Highway Operation & Protection Program	1,250,000							1,250,000
STIP-Surface Transportation Improvement Program	38,478,724	14,121,276						52,600,000
State/Local Grants Total	**57,374,701**	**22,074,042**						**79,448,743**
Transportation Uniform Mitigation Fund (TUMF)								
TUMF	1,438,000							1,438,000
TUMF (CETAP/RCTC)	7,223,465	2,475,482						9,698,947
TUMF (RCTC)	8,142,124	(673,562)						7,468,562
TUMF (WRCOG)	23,958,693	11,597,396						35,556,089
Transportation Uniform Mitigation Fund (TUMF) Total	**40,762,282**	**13,399,316**						**54,161,598**
Grand Total	**377,188,107**	**168,255,832**	**19,984,411**	**39,937,960**	**10,659,403**	**8,165,890**	**9,375,239**	**633,566,842**

CIP MAJOR REVENUE SOURCES



PROJECTED REVENUES: $633,466,842

CAPITAL PROJECT EXPENDITURE SUMMARY

Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Circulation Projects								
Butterfield Stage Road Storm Drain Improvements		11,861,900						**11,861,900**
De Portola Road/Jedediah Smith Road Roundabout	538,821	3,930,179						**4,469,000**
Diaz Road Expansion	1,627,483	11,809,031	2,000,000				3,614,478	**19,050,991**
French Valley Parkway/I-15 Improvements - Phase II	120,303,913	19,447,434	200,000					**139,951,346**
French Valley Parkway/I-15 Improvements - Phase III	5,083,508	5,673,286			3,750,000	62,189,400	450,000	**77,146,194**
I-15 / French Valley Parkway Improvements-Phase IV							181,400,000	**181,400,000**
I-15 Congestion Relief	7,566,190	1,692,520						**9,258,710**
I-15/State Route 79 South Ultimate Interchange	49,363,108	1,728,789						**51,091,897**
La Paz Road Roundabout Reconstruction	5,847	3,003,153	800,000					**3,809,000**
Medians & Parkways - Citywide	666,838		100,000					**766,838**
Mercedes Street Sidewalk		1,400,000	350,000					**1,750,000**
Murrieta Creek Bridge At Overland	1,905,687	5,827,233	150,000	29,826,283	918,545			**38,627,748**
Overland Drive Extension Commerce Center	7,982,529	335,368						**8,317,897**
Overland Drive Widening	668,058	6,189,746	2,482,597	172,436				**9,512,837**
Pavement Rehabilitation Program - Citywide	50,700,213	8,035,568	4,195,697	4,342,371	4,492,198	4,192,200	4,386,579	**80,344,826**
Rancho California Road Median Improvements	135,284	822,716				7,500,000		**8,458,000**
Traffic Signal - Equipment Enhancement Program - Citywide	1,560,364	1,446,424	260,000	260,000	260,000			**3,786,788**
Traffic Signal - Installation - Citywide	1,914,517	693,166	375,000		300,000			**3,282,683**
Ynez Road Improvements - Phase I	437,571	4,081,216	1,731,800					**6,250,587**
Circulation Total	**250,459,931**	**87,977,727**	**12,645,094**	**34,601,090**	**9,720,743**	**73,881,600**	**189,851,057**	**659,137,242**
Housing Projects								
Habitat for Humanity Old Town Units		1,261,000						**1,261,000**
Las Haciendas Affordable Housing Project	8,910,698	1,219,302						**10,130,000**
Uptown Temecula Affordable Housing Site		1,000,000	570,000	1,300,000				**2,870,000**
Vine Creek Affordable Housing Project		6,710,000						**6,710,000**
Housing Total	**8,910,698**	**10,190,302**	**570,000**	**1,300,000**				**20,971,000**
Infrastructure Projects								
American With Disabilities Act (ADA) Transition Plan Implementation	830,709	805,957	735,840	403,660	403,660	403,660	403,660	**3,987,146**
Auto Mall Wayfinding Signs	65,953	669,265						**735,218**
Bike Lane And Trail Program - Citywide	418,913	187,835	170,000	175,000	185,000	185,000	1,144,558	**2,466,305**
Bike Lane and Trail Program - Great Oak Trail Lighting	497,902	354,906	232,000					**1,084,808**
Bike Lane And Trail Program - Temecula Creek South Side Trail	601,394	192,326			8,593,350			**9,387,069**
Bike Lane Upgrades - Citywide	50	274,450						**274,500**
Bridge Maintenance	176,766	849,554		488,160		300,000		**1,814,480**

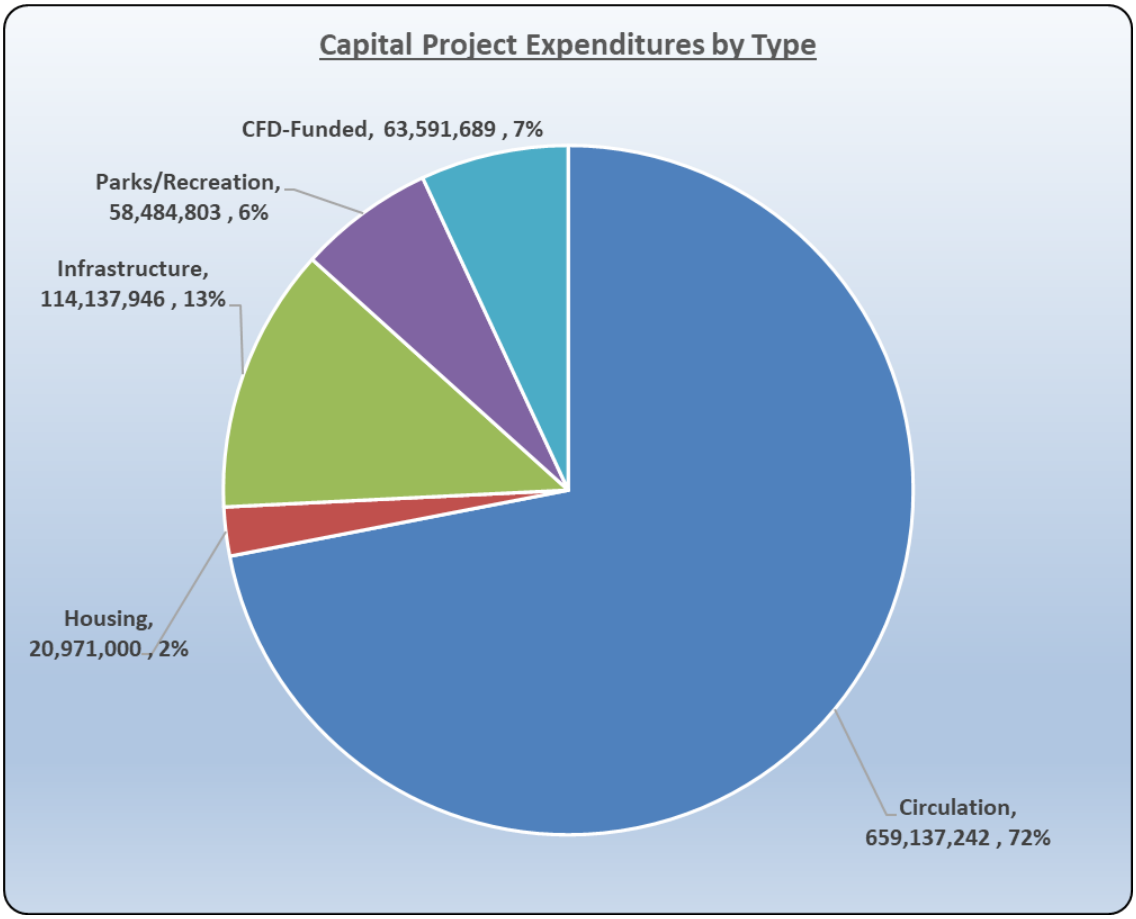
CAPITAL PROJECT EXPENDITURE SUMMARY

Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
City Facilities Rehabilitation	4,584,484	2,439,183	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000	**12,523,666**
City Facility Security	119,948	155,052						**275,000**
City Security Camera System	3,739,813							**3,739,813**
Citywide Community Fire Protection Plan		950,000						**950,000**
Citywide Drainage Master Plan	653,181	198,372					60,000	**911,553**
Citywide Financial System Upgrade	890,494	486,224	50,000					**1,426,718**
Civic Center HVAC System Upgrade							3,000,000	**3,000,000**
Community Recreation Center (CRC) Renovations	5,651,404	484,470						**6,135,874**
Community Wildfire Protection Plan	216,004	161,996						**378,000**
Comprehensive General Plan Update	740,323	2,809,677						**3,550,000**
Electric Vehicles Charging Station	328,369	164,361						**492,729**
Fiber Optic Communications Systems - Citywide	132,165	75,835						**208,000**
Fire Station 73 Gym/Garage	734,562	4,431,118	1,554,602					**6,720,282**
Fire Station 84 Training Room Renovation	517,846	3,011,604						**3,529,450**
I-15/State Route 79 South Interchange Enhanced Landscaping	1,733,993	1,896,302						**3,630,295**
Interstate 15 Corridor Branding and Visioning Improvements			100,000		100,000	200,000	200,000	**600,000**
Library Alternate Emergency Operations Center Enhancements	250,938	449,062						**700,000**
Library Technology Enhancements	71,937	168,063						**240,000**
Local Roadway Safety Plan Update		155,000						**155,000**
Long Canyon Creek Park to Ynez Trail			30,000					**30,000**
Margarita Recreation Center	12,202,399	119,109						**12,321,508**
Mary Phillips Senior Center Enhancement And Renovation	2,218,995							**2,218,995**
Medians & Traffic Calming Improvements - Citywide	122,349	854,552						**976,900**
Murrieta Creek Improvements	2,533,703	303,898						**2,837,601**
Nicolas Road Multi-Use Trail Extension		2,000,000						**2,000,000**
Old Town Parking Structure	607,248	797,752						**1,405,000**
Old Town Temecula Parklets Program	122,309	327,691						**450,000**
Pavement Management Program Update	181,428	193,572				214,980		**589,980**
Pedestrian Ramp Upgrades - Citywide	69,922	205,078						**275,000**
Santa Gertrudis Creek Phase II - Margarita Under-Crossing	5,313,750	286,373						**5,600,123**
Sidewalks - Citywide	1,677,265	95,311						**1,772,575**
Sidewalks - Old Town Improvements	1,902,573	(73,989)						**1,828,585**
Sidewalks - Pauba Road	193,552	1,063,572						**1,257,124**
Sixth Street Improvements	942,848	149,478						**1,092,326**
South Side Senior Center		100,000						**100,000**
Storm Drain Pipe Lining	87,652	965,448		1,870,050		1,870,050		**4,793,200**
Traffic Signal - Pedestrian Signal Equipment Upgrade Phase 2 - Citywide	107,846	464,854						**572,700**
Traffic Signal - Safety Lights and Signal Communications Upgrade- Citywide	280,775	2,975,125						**3,255,900**

CAPITAL PROJECT EXPENDITURE SUMMARY

Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Traffic Signal Fiber Optic Extension	25,515	239,485	1,410,000					**1,675,000**
Utility Undergrounding - Citywide	169,523							**169,523**
Infrastructure Total	**51,716,798**	**32,437,918**	**5,782,442**	**3,936,870**	**10,282,010**	**4,173,690**	**5,808,218**	**114,137,946**
Parks/Recreation Projects								
Children's Museum Enhancement Project	375,366	169,724						**545,090**
Community Recreation Center Splash Pad & Shade Structures	2,544,472	32,675						**2,577,147**
CRC Pool Cantilever Restoration							400,000	**400,000**
Dog Park Renovation	1,177,366							**1,177,366**
Eagle Soar Splash Pad Rehabilitation		315,000						**315,000**
Empire Creek Improvements	18,594	452,355				4,191,230		**4,662,179**
Harveston Community Park Building Renovation and Expansion	227,861	4,269						**232,130**
Infill Recreational Amenities	353,986	46,014						**400,000**
Long Canyon Creek Park Restrooms	286,294	1,211,636						**1,497,930**
Mike Naggar Park Pickleball Court Conversion		200,000						**200,000**
Park Restrooms Renovations, Expansion And Americans With Disabilities Act (ADA) Improvements	595,868	133,932						**729,800**
Parks Improvement Program	3,809,224	269,149						**4,078,374**
Pickleball Courts	3,503,725							**3,503,725**
Playground Equipment Enhancement & Safety Surfacing	5,385,773	832,151	1,439,725					**7,657,649**
Ronald Reagan Sports Park Hockey Rink	936,172	3,184,234						**4,120,406**
Ronald Reagan Sports Park Skate Park	303,740	5,806,260						**6,110,000**
Ronald Reagan Sports Park Trail			100,000					**100,000**
Santiago Site - Community Garden		360,000						**360,000**
Sports Court Resurfacing	363,830	206,427		100,000	100,000			**770,257**
Sports Field Lighting - Light Emitting Diode (LED) Conversion	2,465,917	264,083						**2,730,000**
Uptown Temecula Sports Park	139,979	2,237,021			12,547,822			**14,924,822**
Vail Ranch Park Restrooms	322,311	1,070,619						**1,392,930**
Parks/Recreation Total	**22,810,479**	**16,795,547**	**1,539,725**	**100,000**	**12,647,822**	4,191,230	**400,000**	**58,484,803**
Projects Funded by Community Facilities District Bonds								
Butterfield Stage Road Extension	39,925,377	1,481,653						**41,407,029**
Nicolas Road Extension & Improvements	11,784	22,172,876						**22,184,660**
Projects Funded by Community Facilities District Bonds Total	**39,937,161**	**23,654,528**						**63,591,689**
Total Capital Improvement Program	**373,835,067**	**171,056,022**	**20,537,261**	**39,937,960**	**32,650,575**	**82,246,520**	**196,059,275**	**916,322,680**

EXPENDITURE SUMMARY BY PROJECT TYPE



PROJECTED EXPENDITURES: $916,322,680

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Assembly Bill 2766								
Bike Lane And Trail Program - Citywide	326,878	187,835	170,000	175,000	185,000	185,000	185,000	1,414,713
Bike Lane And Trail Program - Temecula Creek South Side Trail	67,845	0	0	0	0	0	0	67,845
Electric Vehicles Charging Station	47,000	0	0	0	0	0	0	47,000
Nicolas Road Multi-Use Trail Extension	0	450,000	0	0	0	0	0	450,000
Project Funding	441,723	637,835	170,000	175,000	185,000	185,000	185,000	1,979,558
Revenue Projection	1,035,073	166,694	156,828	159,965	163,164	166,427	169,756	
Available Funding	593,350	122,209	109,037	94,002	72,166	53,593	38,348	
Capital Financing								
Margarita Recreation Center	6,405,000	0	0	0	0	0	0	6,405,000
Project Funding	6,405,000	0	0	0	0	0	0	6,405,000
Revenue Projection	6,405,000	0	0	0	0	0	0	
Available Funding	0	0	0	0	0	0	0	
Community Facility Districts								
Butterfield Stage Road Extension	38,401,739	635,200	0	0	0	0	0	39,036,939
French Valley Parkway/I-15 Improvements - Phase II	1,005,840	0	0	0	0	0	0	1,005,840
I-15/State Route 79 South Ultimate Interchange	502,211	0	0	0	0	0	0	502,211
Nicolas Road Extension & Improvements	11,784	14,418,783	0	0	0	0	0	14,430,567
Project Funding	39,921,574	15,053,983	0	0	0	0	0	54,975,557
Revenue Projection	56,577,716	0	0	0	0	0	0	
Available Funding	16,656,142	1,602,159	1,602,159	1,602,159	1,602,159	1,602,159	1,602,159	
Community Reinvestment Program								
Citywide Community Fire Protection Plan	0	179,000	0	0	0	0	0	179,000
Eagle Soar Splash Pad Rehabilitation	0	300,000	0	0	0	0	0	300,000
Old Town Temecula Parklets Program	122,309	327,691	0	0	0	0	0	450,000
Santiago Site - Community Garden	0	360,000	0	0	0	0	0	360,000
Uptown Temecula Affordable Housing Site	115,000	1,000,000	0	0	0	0	0	1,115,000
Vine Creek Affordable Housing Project	0	4,000,000	0	0	0	0	0	4,000,000
Project Funding	237,309	6,166,691	0	0	0	0	0	6,404,000
Revenue Projection	237,309	6,166,691	0	0	0	0	0	
Available Funding	0	0	0	0	0	0	0	
Development Impact Fees (DIF)								
DIF - Corporate Facilities								
City Facilities Rehabilitation	280,000	0	0	0	0	0	0	280,000

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
City Facility Security	0	25,000	0	0	0	0	0	25,000
City Security Camera System	752,087	0	0	0	0	0	0	752,087
Dog Park Renovation	100,000	0	0	0	0	0	0	100,000
Fire Station 73 Gym/Garage	43,651	50,000	0	0	0	0	0	93,651
Fire Station 84 Training Room Renovation	0	662,131	0	0	0	0	0	662,131
Murrieta Creek Improvements	130,000	15,000	0	0	0	0	0	145,000
Project Funding	1,305,738	752,131	0	0	0	0	0	2,057,869
Revenue Projection	1,581,869	135,309	653,180	565,071	224,475	129,440	132,028	
Available Funding	276,131	(340,691)	312,489	877,560	1,102,035	1,231,474	1,363,503	
DIF - Fire Facilities								
Fire Station 73 Gym/Garage	127,336	0	194,890	0	0	0	0	322,226
Fire Station 84 Training Room Renovation	0	448,248	0	0	0	0	0	448,248
Project Funding	127,336	448,248	194,890	0	0	0	0	770,474
Revenue Projection	179,847	52,380	538,232	424,544	184,330	141,714	144,549	
Available Funding	52,511	(343,357)	(15)	424,529	608,859	750,573	895,122	
DIF - Library								
Library Alternate Emergency Operations Center Enhancements	250,938	449,062	0	0	0	0	0	700,000
Library Technology Enhancements	71,937	168,063	0	0	0	0	0	240,000
Project Funding	322,875	617,125	0	0	0	0	0	940,000
Revenue Projection	2,621,001	131,864	834,828	370,217	236,048	280,235	285,840	
Available Funding	2,298,126	1,812,865	2,647,693	3,017,910	3,253,957	3,534,192	3,820,032	
DIF - Open Space & Trails								
Bike Lane And Trail Program - Citywide	72,177	0	0	0	0	0	0	72,177
Bike Lane and Trail Program - Great Oak Trail Lighting	0	0	232,000	0	0	0	0	232,000
Long Canyon Creek Park to Ynez Trail	0	0	30,000	0	0	0	0	30,000
Nicolas Road Multi-Use Trail Extension	300,000	0	0	0	0	0	0	300,000
Santa Gertrudis Creek Phase II - Margarita Under-Crossing	1,247,749	315,159	0	0	0	0	0	1,562,908
Project Funding	1,619,926	315,159	262,000	0	0	0	0	2,197,085
Revenue Projection	1,801,601	119,476	616,835	230,903	258,323	306,681	312,814	
Available Funding	181,675	(14,008)	340,827	571,730	830,054	1,136,734	1,449,548	
DIF - Parks & Recreation								
Children's Museum Enhancement Project	145,090	0	0	0	0	0	0	145,090
Community Recreation Center (CRC) Renovations	1,521,208	0	0	0	0	0	0	1,521,208
Margarita Recreation Center	600,000	0	0	0	0	0	0	600,000

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Pickleball Courts	1,450,000	0	0	0	0	0	0	1,450,000
Playground Equipment Enhancement & Safety Surfacing	1,040,000	0	0	0	0	0	0	1,040,000
Ronald Reagan Sports Park Hockey Rink	680,815	0	0	0	0	0	0	680,815
Ronald Reagan Sports Park Skate Park	0	334,159	0	0	0	0	0	334,159
South Side Senior Center	0	314,624	0	0	0	0	0	314,624
Uptown Temecula Sports Park	0	100,000	0	0	2,000,000	0	0	2,100,000
Project Funding	5,437,113	748,783	0	0	2,000,000	0	0	8,185,896
Revenue Projection	7,652,562	409,902	2,116,237	792,187	886,234	1,052,134	1,073,176	
Available Funding	2,215,449	1,876,568	3,992,805	4,784,992	3,671,226	4,723,360	5,796,536	
DIF - Police Facilities								
City Security Camera System	1,121,113	0	0	0	0	0	0	1,121,113
Fiber Optic Communications Systems - Citywide	12,015	(12,015)	0	0	0	0	0	0
Margarita Recreation Center	111,256	25,744	0	0	0	0	0	137,000
Traffic Signal Fiber Optic Extension	0	0	649,000	0	0	0	0	649,000
Project Funding	1,244,384	13,729	649,000	0	0	0	0	1,907,113
Revenue Projection	1,527,981	93,834	477,209	251,906	232,155	227,501	232,051	
Available Funding	283,597	363,702	191,911	443,817	675,972	903,473	1,135,525	
DIF - Quimby								
Community Recreation Center (CRC) Renovations	3,050,592	(15,000)	0	0	0	0	0	3,035,592
Harveston Community Park Building Renovation and Expansion	186,910	(14,780)	0	0	0	0	0	172,130
Infill Recreational Amenities	353,986	46,014	0	0	0	0	0	400,000
Parks Improvement Program	250,000	0	0	0	0	0	0	250,000
Pickleball Courts	261,000	0	0	0	0	0	0	261,000
Playground Equipment Enhancement & Safety Surfacing	440,000	500,000	500,000	0	0	0	0	1,440,000
Ronald Reagan Sports Park Hockey Rink	0	520,432	0	0	0	0	0	520,432
Ronald Reagan Sports Park Skate Park	0	1,016,240	0	0	0	0	0	1,016,240
Uptown Temecula Sports Park	129,673	870,327	0	0	1,000,000	0	0	2,000,000
Project Funding	4,672,161	2,923,233	500,000	0	1,000,000	0	0	9,095,394
Revenue Projection	7,763,687	591,945	997,030	8,835	9,012	9,192	9,376	
Available Funding	3,091,526	760,238	1,257,268	1,266,103	275,115	284,307	293,682	
DIF - Street Improvements								
De Portola Road/Jedediah Smith Road Roundabout	538,987	1,970,013	0	0	0	0	0	2,509,000
Diaz Road Expansion	590	0	0	0	0	0	0	590
French Valley Parkway/I-15 Improvements - Phase II	75,360	0	0	0	0	0	0	75,360

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Medians & Parkways - Citywide	666,838	0	100,000	0	0	0	0	766,838
Medians & Traffic Calming Improvements - Citywide	40,000	0	0	0	0	0	0	40,000
Murrieta Creek Bridge At Overland	1,181,533	1,096,387	150,000	8,761,283	918,545	0	0	12,107,748
Overland Drive Extension Commerce Center	8,082,475	0	0	0	0	0	0	8,082,475
Overland Drive Widening	671,306	1,321,714	2,482,597	172,436	0	0	0	4,648,053
Rancho California Road Median Improvements	115,254	635,546	0	0	0	0	0	750,800
Ynez Road Improvements - Phase I	4,879	1,603,158	1,507,444	0	0	0	0	3,115,481
Project Funding	11,377,222	6,626,818	4,240,041	8,933,719	918,545	0	0	32,096,345
Revenue Projection	17,943,156	1,643,296	5,619,488	6,311,233	2,432,867	622,889	635,347	
Available Funding	6,565,934	1,582,412	2,961,859	339,372	1,853,694	2,476,583	3,111,930	
DIF - Traffic Signals								
Traffic Signal - Equipment Enhancement Program - Citywide	541,788	0	0	0	0	0	0	541,788
Traffic Signal - Installation - Citywide	1,299,810	262,873	375,000	0	300,000	0	0	2,237,683
Traffic Signal - Safety Lights and Signal Communications Upgrade- Citywide	120,893	473,697	0	0	0	0	0	594,590
Project Funding	1,962,491	736,570	375,000	0	300,000	0	0	3,374,061
Revenue Projection	2,215,963	232,564	799,999	909,004	350,654	88,166	89,930	
Available Funding	253,472	(250,533)	174,466	1,083,470	1,134,124	1,222,290	1,312,220	
Development Impact Fee Total Project Funding	28,069,247	13,181,795	6,220,931	8,933,719	4,218,545		0	60,624,237
Development Impact Fee Total Revenue Projection	43,287,668	3,410,571	12,653,037	9,863,900	4,814,096	2,857,952	2,915,111	
Development Impact Fee Total Available Funding	15,218,421	5,447,197	11,879,304	12,809,484	13,405,035	16,262,987	19,178,098	
Facilities Replacement Fund								
City Facilities Rehabilitation	2,554,482	2,439,184	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000	10,493,666
Civic Center HVAC System Upgrade	0	0	0	0	0	0	3,000,000	3,000,000
CRC Pool Cantilever Restoration	0	0	0	0	0	0	400,000	400,000
Fire Station 84 Training Room Renovation	0	800,000	0	0	0	0		800,000
Mary Phillips Senior Center Enhancement And Renovation	279,694	0	0	0	0	0	0	279,694
Project Funding	2,834,176	3,239,184	1,500,000	1,000,000	1,000,000	1,000,000	4,400,000	14,973,360
Revenue Projection	8,285,947	3,239,183	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	
Available Funding	5,451,771	5,451,770	5,201,770	5,451,770	5,701,770	5,951,770	2,801,770	
General Fund								
City Facilities Rehabilitation	1,750,000	0	0	0	0	0	0	1,750,000
Comprehensive General Plan Update	1,057,141	1,682,859	0	0	0	0	0	2,740,000
French Valley Parkway/I-15 Improvements - Phase II	4,236,174	0	0	0	0	0	0	4,236,174

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
French Valley Parkway/I-15 Improvements - Phase III	30,000	0	0	0	0	0	0	30,000
I-15 Congestion Relief	1,638,435	270,275	0	0	0	0	0	1,908,710
Murrieta Creek Improvements	135,858	0	0	0	0	0	0	135,858
Old Town Parking Structure	1,000,000	0	0	0	0	0	0	1,000,000
Overland Drive Extension Commerce Center	235,422	0	0	0	0	0	0	235,422
Parks Improvement Program	1,003,059	0	0	0	0	0	0	1,003,059
Pavement Rehabilitation Program - Citywide	5,692,614	0	0	0	0	0	0	5,692,614
Sidewalks - Citywide	375,000	0	0	0	0	0	0	375,000
Project Funding	17,153,704	1,953,133	0	0	0	0	0	19,106,837
Revenue Projection	17,153,704	1,953,133		0	0	0	0	
Available Funding	0	0	0	0	0	0	0	
Grants - Federal								
American With Disabilities Act (ADA) Transition Plan Implementation	589,050	561,636	657,180	325,000	325,000	325,000	325,000	3,107,866
Diaz Road Expansion	0	0	2,000,000	0	0	0	0	2,000,000
French Valley Parkway/I-15 Improvements - Phase II	44,456,088	7,146,272	0	0	0	0	0	51,602,360
I-15/State Route 79 South Ultimate Interchange	13,719,567	696,272	0	0	0	0	0	14,415,839
Mary Phillips Senior Center Enhancement And Renovation	1,057,584	0	0	0	0	0	0	1,057,584
Murrieta Creek Bridge At Overland	1,218,308	3,236,692	0	21,065,000	0	0	0	25,520,000
Sidewalks - Old Town Improvements	849,426	0	0	0	0	0	0	849,426
Project Funding	61,890,024	11,640,871	2,657,180	21,390,000	325,000	325,000	325,000	98,553,075
Revenue Projection	61,890,024	11,640,871	2,657,180	21,390,000	325,000	325,000	325,000	
Available Funding	0	0	0	0	0	0	0	
Grants - State & Local								
Bike Lane And Trail Program - Citywide	19,857	0	0	0	0	0	0	19,857
Bike Lane Upgrades - Citywide	0	224,550	0	0	0	0	0	224,550
Community Wildfire Protection Plan	266,598	111,402	0	0	0	0	0	378,000
Comprehensive General Plan Update	731,488	78,512	0	0	0	0	0	810,000
De Portola Road/Jedediah Smith Road Roundabout	0	800,000	0	0	0	0	0	800,000
Dog Park Renovation	447,126	0	0	0	0	0	0	447,126
Electric Vehicles Charging Station	111,574	29,426	0	0	0	0	0	141,000
French Valley Parkway/I-15 Improvements - Phase II	38,478,724	9,121,276	0	0	0	0	0	47,600,000
French Valley Parkway/I-15 Improvements - Phase III	0	5,000,000	0	0	0	0	0	5,000,000
I-15 Congestion Relief	1,250,000	0	0	0	0	0	0	1,250,000
I-15/State Route 79 South Ultimate Interchange	14,446,520	160,000	0	0	0	0	0	14,606,520

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Local Roadway Safety Plan Update	0	120,000	0	0	0	0	0	120,000
Pedestrian Ramp Upgrades - Citywide		225,000	0	0	0	0	0	225,000
Santa Gertrudis Creek Phase II - Margarita Under-Crossing	1,398,424	103,576	0	0	0	0	0	1,502,000
Sidewalks - Pauba Road	0	362,600	0	0	0	0	0	362,600
Traffic Signal - Pedestrian Signal Equipment Upgrade Phase 2 - Citywide	0	492,930	0	0	0	0	0	492,930
Traffic Signal - Safety Lights and Signal Communications Upgrade- Citywide	186,510	2,254,800	0	0	0	0	0	2,441,310
Traffic Signal Fiber Optic Extension	0	552,850	0	0	0	0	0	552,850
Ynez Road Improvements - Phase I	37,880	2,437,120	0	0	0	0	0	2,475,000
Project Funding	57,374,701	22,074,042	0	0	0	0	0	79,448,743
Revenue Projection	57,374,701	22,074,042	0	0	0	0	0	
Available Funding	0	0	0	0	0	0	0	
Housing								
French Valley Parkway/I-15 Improvements - Phase III	1,669,794	0	0	0	0	0	0	1,669,794
Habitat for Humanity Old Town Units	0	1,261,000	0	0	0	0	0	1,261,000
Las Haciendas Affordable Housing Project	8,910,698	718,445	0	0	0	0	0	9,629,143
Uptown Temecula Affordable Housing Site	0	0	570,000	1,300,000	0	0	0	1,870,000
Vine Creek Affordable Housing Project	0	2,710,000	0	0	0	0	0	2,710,000
Project Funding	10,580,492	4,689,445	570,000	1,300,000	0	0	0	17,139,937
Revenue Projection	10,580,492	4,689,445	570,000	1,300,000	0	0	0	
Available Funding	0	0	0	0	0	0	0	
Measure A								
Bridge Maintenance	185,104	841,216	0	488,160	0	300,000	0	1,814,480
De Portola Road/Jedediah Smith Road Roundabout	0	1,160,000	0	0	0	0	0	1,160,000
Diaz Road Expansion	351,941	5,530,606	0	0	0	0	0	5,882,547
French Valley Parkway/I-15 Improvements - Phase II	1,627,914	0	0	0	0	0	0	1,627,914
Nicolas Road Multi-Use Trail Extension	0	1,100,000	0	0	0	0	0	1,100,000
Pavement Rehabilitation Program - Citywide	25,650,726	1,224,000	1,312,000	598,460	551,866	262,904	574,162	30,174,118
Sidewalks - Old Town Improvements	140,000	0	0	0	0	0	0	140,000
Project Funding	27,955,684	9,855,823	1,312,000	1,086,620	551,866	562,904	574,162	41,899,059
Revenue Projection	38,618,609	520,037	1,423,301	1,451,767	1,480,802	1,510,418	1,540,627	
Available Funding	10,662,925	1,327,139	1,438,440	1,803,587	2,732,524	3,680,038	4,646,503	

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Measure S								
American With Disabilities Act (ADA) Transition Plan Implementation	92,286	393,694	78,660	78,660	78,660	78,660	78,660	879,280
Auto Mall Wayfinding Signs	67,525	667,693	0	0	0	0	0	735,218
Bike Lane and Trail Program - Great Oak Trail Lighting	0	352,808	0	0	0	0	0	352,808
Bike Lane And Trail Program - Temecula Creek South Side Trail	533,713	192,161	0	0	0	0	0	725,874
Bike Lane Upgrades - Citywide	50	49,900	0	0	0	0	0	49,950
Children's Museum Enhancement Project	400,000	0	0	0	0	0	0	400,000
City Facility Security	142,754	107,246	0	0	0	0	0	250,000
City Security Camera System	2,164,091	(297,477)	0	0	0	0	0	1,866,613
Citywide Community Fire Protection Plan	0	771,000	0	0	0	0	0	771,000
Citywide Drainage Master Plan	653,388	198,165	0	0	0	0	0	851,553
Citywide Financial System Upgrade	613,184	0	0	0	0	0	0	613,184
Community Recreation Center (CRC) Renovations	1,079,893	499,181	0	0	0	0	0	1,579,074
Community Recreation Center Splash Pad & Shade Structures	2,545,258	31,889	0	0	0	0	0	2,577,147
Diaz Road Expansion	208,734	613,642	0	0	0	0	0	822,376
Dog Park Renovation	630,874	(634)	0	0	0	0	0	630,240
Eagle Soar Splash Pad Rehabilitation	0	15,000	0	0	0	0	0	15,000
Empire Creek Improvements	18,594	452,355	0	0	0	0	0	470,949
Fiber Optic Communications Systems - Citywide	120,150	87,850	0	0	0	0	0	208,000
Fire Station 73 Gym/Garage	546,658	4,398,035	1,359,712	0	0	0	0	6,304,405
Fire Station 84 Training Room Renovation	709,861	909,210	0	0	0	0	0	1,619,071
French Valley Parkway/I-15 Improvements - Phase II	5,601,757	429,578	200,000	0	0	0	0	6,231,335
French Valley Parkway/I-15 Improvements - Phase III	343,697	548,120	0	0	0	0	0	891,817
I-15/State Route 79 South Interchange Enhanced Landscaping	509,989	620,306	0	0	0	0	0	1,130,295
La Paz Road Roundabout Reconstruction	0	3,009,000	800,000	0	0	0	0	3,809,000
Local Roadway Safety Plan Update	0	35,000	0	0	0	0	0	35,000
Long Canyon Creek Park Restrooms	289,025	1,208,905	0	0	0	0	0	1,497,930
Margarita Recreation Center	5,083,592	95,916	0	0	0	0	0	5,179,508
Mary Phillips Senior Center Enhancement And Renovation	952,411	(70,694)	0	0	0	0	0	881,717
Medians & Traffic Calming Improvements - Citywide	231,900	680,000	0	0	0	0	0	911,900
Mercedes Street Sidewalk	0	1,400,000	350,000	0	0	0	0	1,750,000
Mike Naggar Park Pickleball Court Conversion	0	200,000	0	0	0	0	0	200,000
Murrieta Creek Bridge At Overland	120,666	879,334	0	0	0	0	0	1,000,000
Murrieta Creek Improvements	1,262,139	125,319	0	0	0	0	0	1,387,458
Nicolas Road Multi-Use Trail Extension	0	150,000	0	0	0	0	0	150,000

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Old Town Parking Structure	0	405,000	0	0	0	0	0	405,000
Park Restrooms Renovations, Expansion And Americans With Disabilities Act (ADA) Improvements	608,281	121,519	0	0	0	0	0	729,800
Parks Improvement Program	2,440,000	0	0	0	0	0	0	2,440,000
Pavement Management Program Update	0	85,020	0	0	0	100,000	0	185,020
Pavement Rehabilitation Program - Citywide	2,000,000	0	0	0	0	0	0	2,000,000
Pedestrian Ramp Upgrades - Citywide	23,329	26,671	0	0	0	0	0	50,000
Pickleball Courts	1,794,566	(1,841)	0	0	0	0	0	1,792,725
Playground Equipment Enhancement & Safety Surfacing	3,905,773	332,151	939,725	0	0	0	0	5,177,649
Rancho California Road Median Improvements	24,333	125,667	0	0	0	0	0	150,000
Ronald Reagan Sports Park Hockey Rink	259,104	1,825,896	0	0	0	0	0	2,085,000
Ronald Reagan Sports Park Skate Park	307,899	4,471,237	0	0	0	0	0	4,779,136
Ronald Reagan Sports Park Trail	0	0	100,000	0	0	0	0	100,000
Santa Gertrudis Creek Phase II - Margarita Under-Crossing	2,535,215	(319,984)	0	0	0	0	0	2,215,231
Sidewalks - Citywide	1,282,471	115,104	0	0	0	0	0	1,397,575
Sidewalks - Old Town Improvements	1,138,877	(299,719)	0	0	0	0	0	839,159
Sidewalks - Pauba Road	198,208	696,316	0	0	0	0	0	894,524
Sixth Street Improvements	828,034	149,291	0	0	0	0	0	977,326
Sports Court Resurfacing	363,830	206,427	0	100,000	100,000	0	0	770,257
Sports Field Lighting - Light Emitting Diode (LED) Conversion	2,165,917	264,083	0	0	0	0	0	2,430,000
Storm Drain Pipe Lining	88,169	964,931	0	1,870,050	0	1,870,050	0	4,793,200
Traffic Signal - Equipment Enhancement Program - Citywide	1,018,576	1,446,424	260,000	260,000	260,000	0	0	3,245,000
Traffic Signal - Installation - Citywide	367,944	427,056	0	0	0	0	0	795,000
Traffic Signal - Pedestrian Signal Equipment Upgrade Phase 2 - Citywide	5,184	74,586	0	0	0	0	0	79,770
Traffic Signal - Safety Lights and Signal Communications Upgrade- Citywide	0	220,000	0	0	0	0	0	220,000
Traffic Signal Fiber Optic Extension	25,515	239,485	208,150	0	0	0	0	473,150
Uptown Temecula Sports Park	10,596	1,366,404	0	0	0	0	0	1,377,000
Utility Undergrounding - Citywide	244,375	(74,852)	0	0	0	0	0	169,523
Vail Ranch Park Restrooms	325,063	1,067,867	0	0	0	0	0	1,392,930
Project Funding	46,883,448	32,687,242	4,296,247	2,308,710	438,660	2,048,710	78,660	88,741,676
Revenue Projection	50,883,448	33,554,706	296,247	2,308,710	438,660	2,048,710	78,660	
Available Funding	4,000,000	4,867,464	867,464	867,464	867,464	867,464	867,464	

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Public Art Fund								
Interstate 15 Corridor Branding and Visioning Improvements	0	0	100,000	0	0	0	0	100,000
Project Funding	0	0	100,000	0	0	0	0	100,000
Revenue Projection	0	305,964	12,141	12,384	12,631	12,884	13,142	
Available Funding	0	305,964	218,105	230,489	243,120	256,004	269,146	
Reimbursements/Other								
Butterfield Stage Road Extension	932,090	0	0	0	0	0	0	932,090
Butterfield Stage Road Storm Drain Improvements	0	11,861,900	0	0	0	0	0	11,861,900
Electric Vehicles Charging Station	0	5,800	0	0	0	0	0	5,800
French Valley Parkway/I-15 Improvements - Phase II	6,023,250	1,000,000	0	0	0	0	0	7,023,250
French Valley Parkway/I-15 Improvements - Phase III	165,183	0	0	0	0	0	0	165,183
Harveston Community Park Building Renovation and Expansion	1,415,000	(1,355,000)	0	0	0	0	0	60,000
I-15 Congestion Relief	2,600,000	0	0	0	0	0	0	2,600,000
I-15/State Route 79 South Interchange Enhanced Landscaping	2,500,000	0	0	0	0	0	0	2,500,000
I-15/State Route 79 South Ultimate Interchange	1,929,774	694,068	0	0	0	0	0	2,623,842
Medians & Traffic Calming Improvements - Citywide	0	25,000	0	0	0	0	0	25,000
Murrieta Creek Improvements	969,285	0	0	0	0	0	0	969,285
Nicolas Road Extension & Improvements	0	7,754,093	0	0	0	0	0	7,754,093
Parks Improvement Program	103,315	282,000	0	0	0	0	0	385,315
Pavement Rehabilitation Program - Citywide	308,054	0	0	0	0	0	0	308,054
Rancho California Road Median Improvements	0	57,200	0	0	0	0	0	57,200
Ronald Reagan Sports Park Hockey Rink	500,000	0	0	0	0	0	0	500,000
Santa Gertrudis Creek Phase II - Margarita Under-Crossing	0	319,984	0	0	0	0	0	319,984
Traffic Signal - Installation - Citywide	246,764	3,236	0	0	0	0	0	250,000
Ynez Road Improvements - Phase I	435,750	0	0	0	0	0	0	435,750
Project Funding	18,128,465	20,648,281	0	0	0	0	0	38,776,746
Revenue Projection	18,128,465	20,648,281	0	0	0	0	0	
Available Funding	0	0	0	0	0	0	0	
SB1/Road Maintenance and Rehabilitation Account (RMRA)								
Pavement Management Program Update	183,289	106,691	0	0	0	114,980	0	404,960
Pavement Rehabilitation Program - Citywide	13,459,653	6,800,733	2,883,697	3,743,911	3,940,332	3,929,296	3,812,417	38,570,039
Project Funding	13,642,942	6,907,424	2,883,697	3,743,911	3,940,332	4,044,276	3,812,417	38,974,999
Revenue Projection	18,643,999	3,128,263	3,307,005	3,373,145	3,440,608	3,509,420	3,579,609	
Available Funding	5,001,057	1,221,896	1,645,204	1,274,438	774,714	239,858	7,050	

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Service Level C - Zone 28								
Bike Lane and Trail Program - Great Oak Trail Lighting	499,308	692	0	0	0	0	0	500,000
Project Funding	499,308	692	0	0	0	0	0	500,000
Revenue Projection	499,308	692	0	0	0	0	0	
Available Funding	0	0	0	0	0	0	0	
Street Maintenance Fund								
Overland Drive Widening	0	4,864,784	0	0	0	0	0	4,864,784
Pavement Rehabilitation Program - Citywide	3,600,000	0	0	0	0	0	0	3,600,000
Ynez Road Improvements - Phase I	0	0	224,356	0	0	0	0	224,356
Project Funding	3,600,000	4,864,784	224,356	0	0	0	0	8,689,140
Revenue Projection	12,098,006	1,227,222	1,227,222	0	0	0	0	
Available Funding	8,498,006	4,860,444	5,863,310	5,863,310	5,863,310	5,863,310	5,863,310	
TEAM Fund								
Electric Vehicles Charging Station	188,277	110,652	0	0	0	0	0	298,929
Murrieta Creek Improvements	100,000	100,000	0	0	0	0	0	200,000
Sports Field Lighting - Light Emitting Diode (LED) Conversion	300,000	0	0	0	0	0	0	300,000
Project Funding	588,276	210,653	0	0	0	0	0	798,929
Revenue Projection	910,625	22,054	0	0	0	0	0	
Available Funding	322,349	133,750	133,750	133,750	133,750	133,750	133,750	
Technology Replacement Fund								
Citywide Financial System Upgrade	219,752	543,782	50,000	0	0	0	0	813,534
Project Funding	219,752	543,782	50,000	0	0	0	0	813,534
Revenue Projection	5,085,066	543,782	0	0	0	0	0	
Available Funding	4,865,314	4,865,314	4,815,314	4,815,314	4,815,314	4,815,314	4,815,314	
Transportation Uniform Mitigation Fee (TUMF)								
Butterfield Stage Road Extension	1,438,000	0	0	0	0	0	0	1,438,000
Diaz Road Expansion	1,065,923	5,665,077	0	0	0	0	0	6,731,000
French Valley Parkway/I-15 Improvements - Phase II	19,489,986	1,059,127	0	0	0	0	0	20,549,113
French Valley Parkway/I-15 Improvements - Phase III	1,324,898	1,675,102	0	0	0	0	0	3,000,000
I-15 Congestion Relief	2,071,971	1,428,029	0	0	0	0	0	3,500,000
I-15/State Route 79 South Ultimate Interchange	15,371,504	3,571,981	0	0	0	0	0	18,943,485
Project Funding	40,762,282	13,399,316	0	0	0	0	0	54,161,598
Revenue Projection	40,762,282	13,399,316	0	0	0	0	0	
Available Funding	0	0	0	0	0	0	0	

CAPITAL PROJECTS SUMMARY – BY FUNDING SOURCE

Funding Source - Project Name	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Uptown Temecula New Streets In Lieu Fee								
Las Haciendas Affordable Housing Project	0	500,857	0	0	0	0	0	500,857
Project Funding	0	500,857	0	0	0	0	0	500,857
Revenue Projection	1,648,347	48,440	48,440	49,409	50,397	51,405	52,433	
Available Funding	1,648,347	1,195,930	1,244,370	1,293,779	1,344,176	1,395,581	1,448,014	
Grand Total Project Funding	377,188,107	168,255,832	19,984,411	39,937,960	10,659,403	8,165,890	9,375,239	633,566,842
Grand Total Revenue Projection	450,105,789	126,739,387	23,601,401	41,159,279	11,975,358	11,732,217	9,924,337	
Grand Total Available Funding	**72,917,682**	**31,401,237**	**35,018,227**	**36,239,546**	**37,555,501**	**41,121,828**	**41,670,927**	
Unspecified								
Bike Lane And Trail Program - Citywide	0	0	0	0	0	0	959,558	959,558
Bike Lane And Trail Program - Temecula Creek South Side Trail	0	0	0	0	8,593,350	0	0	8,593,350
Citywide Drainage Master Plan	0	0	0	0	0	0	60,000	60,000
Diaz Road Expansion	0	0	0	0	0	0	3,614,478	3,614,478
Empire Creek Improvements	0	0	0	0	0	4,191,230	0	4,191,230
French Valley Parkway/I-15 Improvements - Phase III	0	0	0	0	3,750,000	62,189,400	450,000	66,389,400
I-15 / French Valley Parkway Improvements-Phase IV	0	0	0	0	0	0	181,400,000	181,400,000
Interstate 15 Corridor Branding and Visioning Improvements	0	0	0	0	100,000	200,000	200,000	500,000
Rancho California Road Median Improvements	0	0	0	0	0	7,500,000	0	7,500,000
Uptown Temecula Sports Park	0	0	0	0	9,547,822	0	0	9,547,822
Project Funding	0	0	0	0	21,991,172	74,080,630	186,684,036	282,755,838
Revenue Projection	0	0	0	0	0	0	0	
Available Funding	0	0	0	0	(21,991,172)	(96,071,802)	(282,755,838)	
Grand Total Project Funding	377,188,107	168,255,832	19,984,411	39,937,960	32,650,575	82,246,520	196,059,275	916,322,680
Grand Total Revenue Projection	450,105,789	126,739,387	23,601,401	41,159,279	11,975,358	11,732,217	9,924,337	
Grand Total Available Funding	72,917,682	31,401,237	35,018,227	36,239,546	15,564,329	(54,949,974)	(241,084,911)	

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source		Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
CIRCULATION PROJECTS										
Butterfield Stage Road Storm Drain Improvements	County AD 159			4,008,270						4,008,270
	Developer Contribution			4,853,630						4,853,630
	Reimbursements			3,000,000						3,000,000
		Total		11,861,900						11,861,900
De Portola Road/Jedediah Smith Road Roundabout	DIF-Street Improvements		538,987	1,970,013						2,509,000
	Grants			800,000						800,000
	Measure A			1,160,000						1,160,000
		Total	538,987	3,930,013						4,469,000
Diaz Road Expansion	DIF-Street Improvements		590							590
	Grants				2,000,000					2,000,000
	Measure A		351,941	5,530,606						5,882,547
	Measure S		208,734	613,642						822,376
	TUMF (WRCOG)		1,065,923	5,665,077						6,731,000
	Unspecified								3,614,478	3,614,478
		Total	1,627,188	11,809,325	2,000,000				3,614,478	19,050,991
French Valley Parkway/I-15 Improvements - Phase II	CFD 01-02 (Harveston)		1,005,840							1,005,840
	Developer Contribution			1,000,000						1,000,000
	DIF-Street Improvements		75,360							75,360
	General Fund		4,236,174							4,236,174
	INFRA Grant		43,016,249	6,983,751						50,000,000
	Measure A		1,627,914							1,627,914
	Measure S		5,601,757	429,578	200,000					6,231,335
	Reimbursements		6,023,250							6,023,250
	SAFETEA-LU		1,439,840	162,521						1,602,360
	STIP-Surface Transportation Improvement Program		38,478,724	9,121,276						47,600,000
	TUMF (CETAP/RCTC)		(200,721)	999,668						798,947
	TUMF (RCTC)		3,690,124	(673,562)						3,016,562
	TUMF (WRCOG)		16,000,583	733,021						16,733,604
		Total	120,995,093	18,756,253	200,000					139,951,346

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
French Valley Parkway/I-15 Improvements - Phase III	Affordable Housing	1,669,794							1,669,794
	General Fund	30,000							30,000
	Measure S	343,697	548,120						891,817
	Reimbursements	165,183							165,183
	STIP-Surface Transportation Improvement Program		5,000,000						5,000,000
	TUMF (WRCOG)	1,324,898	1,675,102						3,000,000
	Unspecified					3,750,000	62,189,400	450,000	66,389,400
	Total	3,533,572	7,223,222			3,750,000	62,189,400	450,000	77,146,194
I-15 / French Valley Parkway Improvements-Phase IV	Unspecified							181,400,000	181,400,000
I-15 Congestion Relief	General Fund	1,638,435	270,275						1,908,710
	Reimbursement-Pechanga IGA	2,500,000							2,500,000
	Reimbursements	100,000							100,000
	SHOPP	1,250,000							1,250,000
	TUMF (CETAP/RCTC)	2,071,971	1,428,029						3,500,000
	Total	7,560,406	1,698,304						9,258,710
I-15/State Route 79 South Ultimate Interchange	CFD 03-01 (Crowne Hill)	502,211							502,211
	Reimbursements	739,192	694,068						1,433,260
	Reimbursements/Other	1,190,582							1,190,582
	SAFETEA-LU	1,439,839							1,439,839
	Senate Bill 621	14,446,520	160,000						14,606,520
	STP (RCTC)	12,279,728	696,272						12,976,000
	TUMF (CETAP/RCTC)	5,352,215	47,785						5,400,000
	TUMF (RCTC)	4,452,000							4,452,000
	TUMF (WRCOG)	5,567,289	3,524,196						9,091,485
	Total	45,969,577	5,122,321						51,091,897
La Paz Road Roundabout Reconstruction	Measure S		3,009,000	800,000					3,809,000
Medians & Parkways - Citywide	DIF-Street Improvements	666,838		100,000					766,838
Mercedes Street Sidewalk	Measure S		1,400,000	350,000					1,750,000

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source		Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Murrieta Creek Bridge At Overland	DIF-Street Improvements		1,181,533	1,096,387	150,000	8,761,283	918,545			12,107,748
	HBP-Highway Bridge Program		1,218,308	3,236,692		21,065,000				25,520,000
	Measure S		120,666	879,334						1,000,000
		Total	2,520,507	5,212,413	150,000	29,826,283	918,545			38,627,748
Overland Drive Extension Commerce Center	DIF-Street Improvements		8,082,475							8,082,475
	General Fund		235,422							235,422
		Total	8,317,897							8,317,897
Overland Drive Widening	DIF-Street Improvements		671,306	1,321,714	2,482,597	172,436				4,648,053
	Street Maintenance Fund			4,864,784						4,864,784
		Total	671,306	6,186,498	2,482,597	172,436				9,512,837
Pavement Rehabilitation Program - Citywide	Gas Tax		1,200,000							1,200,000
	General Fund		5,692,614							5,692,614
	Measure A		25,650,726	1,224,000	1,312,000	598,460	551,866	262,904	574,162	30,174,118
	Measure S		2,000,000							2,000,000
	Reimbursements		308,054							308,054
	RMRA		12,259,653	6,800,734	2,883,697	3,743,911	3,940,332	3,929,296	3,812,417	37,370,040
	Street Maintenance Fund		3,600,000							3,600,000
		Total	50,711,047	8,024,734	4,195,697	4,342,371	4,492,198	4,192,200	4,386,579	80,344,826
Rancho California Road Median Improvements	Developer Contribution			57,200						57,200
	DIF-Street Improvements		115,254	635,546						750,800
	Measure S		24,333	125,667						150,000
	Unspecified							7,500,000		7,500,000
		Total	139,587	818,413				7,500,000		8,458,000
Traffic Signal - Equipment Enhancement Program - Citywide	DIF-Traffic Signals		541,788							541,788
	Measure S		1,018,576	1,446,424	260,000	260,000	260,000			3,245,000
		Total	1,560,364	1,446,424	260,000	260,000	260,000			3,786,788
Traffic Signal - Installation - Citywide	Developer Contribution		246,764	3,236						250,000
	DIF-Traffic Signals		1,299,810	262,873	375,000		300,000			2,237,683
	Measure S		367,944	427,056						795,000

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source		Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
		Total	1,914,518	693,165	375,000		300,000			3,282,683
Ynez Road Improvements - Phase I	Developer Contribution		435,750							435,750
	DIF-Street Improvements		4,879	1,603,158	1,507,444					3,115,481
	Grants		37,880	2,437,120						2,475,000
	Street Maintenance Fund				224,356					224,356
		Total	478,509	4,040,278	1,731,800					6,250,587
TOTAL CIRCULATION PROJECTS			**247,205,396**	**91,232,262**	**12,645,094**	**34,601,090**	**9,720,743**	**73,881,600**	**189,851,057**	**659,137,243**
				HOUSING PROJECTS						
Habitat for Humanity Old Town Units	Affordable Housing			700,000						700,000
	Contribution of Land			561,000						561,000
		Total		1,261,000						1,261,000
Las Haciendas Affordable Housing Project	Affordable Housing		8,910,698	718,445						9,629,143
	Uptown Temecula New Streets In Lieu Fee			500,857						500,857
		Total	8,910,698	1,219,302						10,130,000
Uptown Temecula Affordable Housing Site	Community Reinvestment Program			1,000,000						1,000,000
	Contribution of Land				570,000	1,300,000				1,870,000
		Total		1,000,000	570,000	1,300,000				2,870,000
Vine Creek Affordable Housing Project	Affordable Housing			2,710,000						2,710,000
	Community Reinvestment Program			4,000,000						4,000,000
		Total		6,710,000						6,710,000
TOTAL HOUSING PROJECTS			**8,910,698**	**10,190,302**	**570,000**	**1,300,000**				**20,971,000**
				INFRASTRUCTURE PROJECTS						
American With Disabilities Act (ADA) Transition Plan Implementation	CDBG		589,050	561,636	657,180	325,000	325,000	325,000	325,000	3,107,866
	Measure S		92,286	393,694	78,660	78,660	78,660	78,660	78,660	879,280
		Total	681,336	955,330	735,840	403,660	403,660	403,660	403,660	3,987,146
Auto Mall Wayfinding Signs	Measure S		67,525	667,693						735,218

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Bike Lane And Trail Program - Citywide	Assembly Bill 2766	326,878	187,835	170,000	175,000	185,000	185,000	185,000	1,414,713
	Beyond Grant	19,857							19,857
	DIF-Open Space & Trails	72,177							72,177
	Unspecified							959,558	959,558
	Total	418,912	187,835	170,000	175,000	185,000	185,000	1,144,558	2,466,305
Bike Lane and Trail Program - Great Oak Trail Lighting	DIF-Open Space & Trails			232,000					232,000
	Measure S		352,808						352,808
	Service Level C - Zone 28	499,308	692						500,000
	Total	499,308	353,500	232,000					1,084,808
Bike Lane And Trail Program - Temecula Creek South Side Trail	Assembly Bill 2766	67,845							67,845
	Measure S	533,713	192,161						725,874
	Unspecified					8,593,350			8,593,350
	Total	601,558	192,161			8,593,350			9,387,069
Bike Lane Upgrades - Citywide	HSIP-Highway Safety Improvement Program		224,550						224,550
	Measure S	50	49,900						49,950
	Total	50	274,450						274,500
Bridge Maintenance	Measure A	185,104	841,216		488,160		300,000		1,814,480
City Facilities Rehabilitation	DIF-Corporate Facilities	280,000							280,000
	Facilities Replacement Fund	2,554,482	2,439,184	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000	10,493,666
	General Fund	1,750,000							1,750,000
	Total	4,584,482	2,439,184	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000	12,523,666
City Facility Security	DIF-Corporate Facilities		25,000						25,000
	Measure S	142,754	107,246						250,000
	Total	142,754	132,246						275,000
City Security Camera System	DIF-Corporate Facilities	752,087							752,087
	DIF-Police Facilities	1,121,113							1,121,113
	Measure S	2,164,091	(297,477)						1,866,613
	Total	4,037,291	(297,477)						3,739,813
Citywide Community Fire Protection Plan	Community Reinvestment Program		179,000						179,000

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source		Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
	Measure S			771,000						771,000
		Total		950,000						950,000
Citywide Drainage Master Plan	Measure S		653,388	198,165						851,553
	Unspecified								60,000	60,000
		Total	653,388	198,165					60,000	911,553
Citywide Financial System Upgrade	Measure S		613,184							613,184
	Technology Replacement Fund		219,752	543,782	50,000					813,534
		Total	832,936	543,782	50,000					1,426,718
Civic Center HVAC System Upgrade	Facilities Replacement Fund								3,000,000	3,000,000
Community Recreation Center (CRC) Renovations	DIF-Park & Rec Improvements		1,521,208							1,521,208
	DIF-Quimby		3,050,592	(15,000)						3,035,592
	Measure S		1,079,893	499,181						1,579,074
		Total	5,651,693	484,181						6,135,874
Community Wildfire Protection Plan	Grants		266,598	111,402						378,000
Comprehensive General Plan Update	General Fund		1,057,141	1,682,859						2,740,000
	Grants		731,488	78,512						810,000
		Total	1,788,629	1,761,371						3,550,000
Electric Vehicles Charging Station	Assembly Bill 2766		47,000							47,000
	MSRC-Mobile Source Air Review Committee Grant		111,574	29,426						141,000
	Reimbursements			5,800						5,800
	TEAM		188,277	110,652						298,929
		Total	346,851	145,878						492,729
Fiber Optic Communications Systems - Citywide	DIF-Police Facilities		12,015	(12,015)						
	Measure S		120,150	87,850						208,000
		Total	132,165	75,835						208,000
Fire Station 73 Gym/Garage	DIF-Corporate Facilities		43,651	50,000						93,651
	DIF-Fire Protection Facilities		127,336		194,890					322,226
	Measure S		546,658	4,398,035	1,359,712					6,304,405

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source		Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
		Total	717,645	4,448,035	1,554,602					6,720,282
Fire Station 84 Training Room Renovation	DIF-Corporate Facilities			662,131						662,131
	DIF-Fire Protection Facilities			448,248						448,248
	Facilities Replacement Fund			800,000						800,000
	Measure S		709,861	909,210						1,619,071
		Total	709,861	2,819,589						3,529,450
I-15/State Route 79 South Interchange Enhanced Landscaping	Measure S		509,989	620,306						1,130,295
	Reimbursement-Pechanga IGA		2,500,000							2,500,000
		Total	3,009,989	620,306						3,630,295
Interstate 15 Corridor Branding and Visioning Improvements	Public Art Fund				100,000					100,000
	Unspecified						100,000	200,000	200,000	500,000
		Total			100,000		100,000	200,000	200,000	600,000
Library Alternate Emergency Operations Center Enhancements	DIF-Library Facilities		250,938	449,062						700,000
Library Technology Enhancements	DIF-Library Facilities		71,937	168,063						240,000
Local Roadway Safety Plan Update	Grants			120,000						120,000
	Measure S			35,000						35,000
		Total		155,000						155,000
Long Canyon Creek Park to Ynez Trail	DIF-Open Space & Trails				30,000					30,000
Margarita Recreation Center	Capital Financing		6,405,000							6,405,000
	DIF-Park & Rec Improvements		600,000							600,000
	DIF-Police Facilities		111,256	25,744						137,000
	Measure S		5,083,592	95,916						5,179,508
		Total	12,199,848	121,660						12,321,508
Mary Phillips Senior Center Enhancement And Renovation	CDBG		1,057,584							1,057,584
	Facilities Replacement Fund		279,694							279,694
	Measure S		952,411	(70,694)						881,717
		Total	2,289,689	(70,694)						2,218,995

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Medians & Traffic Calming Improvements - Citywide	DIF-Street Improvements	40,000							40,000
	Measure S	231,900	680,000						911,900
	Reimbursements		25,000						25,000
	Total	271,900	705,000						976,900
Murrieta Creek Improvements	DIF-Corporate Facilities	130,000	15,000						145,000
	General Fund	135,858							135,858
	Measure S	1,262,139	125,319						1,387,458
	Reimbursements	969,285							969,285
	TEAM	100,000	100,000						200,000
	Total	2,597,282	240,319						2,837,601
Nicolas Road Multi-Use Trail Extension	Assembly Bill 2766		450,000						450,000
	DIF-Open Space & Trails	300,000							300,000
	Measure A		1,100,000						1,100,000
	Measure S		150,000						150,000
	Total	300,000	1,700,000						2,000,000
Old Town Parking Structure	General Fund	1,000,000							1,000,000
	Measure S		405,000						405,000
	Total	1,000,000	405,000						1,405,000
Old Town Temecula Parklets Program	Community Reinvestment Program	122,309	327,691						450,000
Pavement Management Program Update	Measure S		85,020				100,000		185,020
	RMRA	183,289	106,691				114,980		404,960
	Total	183,289	191,711				214,980		589,980
Pedestrian Ramp Upgrades - Citywide	HSIP-Highway Safety Improvement Program		225,000						225,000
	Measure S	23,329	26,671						50,000
	Total	23,329	251,671						275,000
Santa Gertrudis Creek Phase II - Margarita Under-Crossing	DIF-Open Space & Trails	1,247,749	315,159						1,562,908
	Measure S	2,535,215	(319,984)						2,215,231
	Reimbursements		319,984						319,984

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source	Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
	Senate Bill 1	1,398,424	103,576						1,502,000
	Total	5,181,387	418,736						5,600,123
Sidewalks - Citywide	General Fund	375,000							375,000
	Measure S	1,282,471	115,104						1,397,575
	Total	1,657,471	115,104						1,772,575
Sidewalks - Old Town Improvements	CDBG	849,426							849,426
	Measure A	140,000							140,000
	Measure S	1,138,877	(299,719)						839,159
	Total	2,128,303	(299,719)						1,828,585
Sidewalks - Pauba Road	Measure S	198,208	696,316						894,524
	Senate Bill 821		362,600						362,600
	Total	198,208	1,058,916						1,257,124
Sixth Street Improvements	Community Reinvestment Program	115,000							115,000
	Measure S	828,034	149,291						977,326
	Total	943,034	149,291						1,092,326
South Side Senior Center	DIF-Park & Rec Improvements		100,000						100,000
Storm Drain Pipe Lining	Measure S	88,169	964,931		1,870,050		1,870,050		4,793,200
Traffic Signal - Pedestrian Signal Equipment Upgrade Phase 2 - Citywide	HSIP-Highway Safety Improvement Program		492,930						492,930
	Measure S	5,184	74,586						79,770
	Total	5,184	567,516						572,700
Traffic Signal - Safety Lights and Signal Communications Upgrade-Citywide	DIF-Traffic Signals	120,893	473,697						594,590
	HSIP-Highway Safety Improvement Program	186,510	2,254,800						2,441,310
	Measure S		220,000						220,000
	Total	307,403	2,948,497						3,255,900
Traffic Signal Fiber Optic Extension	DIF-Police Facilities			649,000					649,000
	HSIP-Highway Safety Improvement Program		552,850						552,850
	Measure S	25,515	239,485	208,150					473,150

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source		Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
		Total	25,515	792,335	857,150					1,675,000
Utility Undergrounding - Citywide	Measure S		244,375	(74,852)						169,523
TOTAL INFRASTRUCTURE PROJECTS			**55,417,646**	**29,289,918**	**5,229,592**	**3,936,870**	**10,282,010**	**4,173,690**	**5,808,218**	**114,137,945**
PARKS/RECREATION PROJECTS										
Children's Museum Enhancement Project	DIF-Park & Rec Improvements		145,090							145,090
	Measure S		400,000							400,000
		Total	545,090							545,090
Community Recreation Center Splash Pad & Shade Structures	Measure S		2,545,258	31,889						2,577,147
CRC Pool Cantilever Restoration	Facilities Replacement Fund								400,000	400,000
Dog Park Renovation	DIF-Corporate Facilities		100,000							100,000
	Grants		447,126							447,126
	Measure S		630,874	(634)						630,240
		Total	1,178,000	(634)						1,177,366
Eagle Soar Splash Pad Rehabilitation	Community Reinvestment Program			300,000						300,000
	Measure S			15,000						15,000
		Total		315,000						315,000
Empire Creek Improvements	Measure S		18,594	452,355						470,949
	Unspecified							4,191,230		4,191,230
		Total	18,594	452,355				4,191,230		4,662,179
Harveston Community Park Building Renovation and Expansion	Developer Contribution		1,415,000	(1,355,000)						60,000
	DIF-Quimby		186,910	(14,780)						172,130
		Total	1,601,910	(1,369,780)						232,130
Infill Recreational Amenities	DIF-Quimby		353,986	46,014						400,000
Long Canyon Creek Park Restrooms	Measure S		289,025	1,208,905						1,497,930
Mike Naggar Park Pickleball Court Conversion	Measure S			200,000						200,000
Park Restrooms Renovations, Expansion And Americans With	Measure S		608,281	121,519						729,800

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source		Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
Disabilities Act (ADA) Improvements										
Parks Improvement Program	DIF-Quimby		250,000							250,000
	General Fund		1,003,059							1,003,059
	Measure S		2,440,000							2,440,000
	Reimbursements		103,315	282,000						385,315
		Total	3,796,374	282,000						4,078,374
Pickleball Courts	DIF-Park & Rec Improvements		1,450,000							1,450,000
	DIF-Quimby		261,000							261,000
	Measure S		1,794,566	(1,841)						1,792,725
		Total	3,505,566	(1,841)						3,503,725
Playground Equipment Enhancement & Safety Surfacing	DIF-Park & Rec Improvements		1,040,000							1,040,000
	DIF-Quimby		440,000	500,000	500,000					1,440,000
	Measure S		3,905,773	332,151	939,725					5,177,649
		Total	5,385,773	832,151	1,439,725					7,657,649
Ronald Reagan Sports Park Hockey Rink	Developer Contribution		500,000							500,000
	DIF-Park & Rec Improvements		680,815	334,159						1,014,974
	DIF-Quimby			520,432						520,432
	Measure S		259,104	1,825,896						2,085,000
		Total	1,439,919	2,680,487						4,120,406
Ronald Reagan Sports Park Skate Park	DIF-Park & Rec Improvements			314,624						314,624
	DIF-Quimby			1,016,240						1,016,240
	Measure S		307,899	4,471,237						4,779,136
		Total	307,899	5,802,101						6,110,000
Ronald Reagan Sports Park Trail	Measure S				100,000					100,000
Santiago Site - Community Garden	Community Reinvestment Program			360,000						360,000
Sports Court Resurfacing	Measure S		363,830	206,427		100,000	100,000			770,257
Sports Field Lighting - Light Emitting Diode (LED) Conversion	Measure S		2,165,917	264,083						2,430,000
	TEAM		300,000							300,000

CAPITAL PROJECTS SUMMARY – BY PROJECT

Capital Project Name	Funding Source		Prior Years Actuals	2025-26 Amended	2026-27 Proposed Budget	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	Total Project Cost
		Total	2,465,917	264,083						2,730,000
Uptown Temecula Sports Park	DIF-Park & Rec Improvements						2,000,000			2,000,000
	DIF-Quimby		129,673	870,327			1,000,000			2,000,000
	Measure S		10,596	1,366,404						1,377,000
	Unspecified						9,547,822			9,547,822
		Total	140,269	2,236,731			12,547,822			14,924,822
Vail Ranch Park Restrooms	Measure S		325,063	1,067,867						1,392,930
TOTAL PARKS/RECREATION PROJECTS			**24,870,754**	**14,735,274**	**1,539,725**	**100,000**	**12,647,822**	**4,191,230**	**400,000**	**58,484,805**
PROJECTS FUNDED BY COMMUNITY FACILITIES DISTRICT BONDS PROJECTS										
Butterfield Stage Road Extension	CFD 03-02 (Roripaugh Ranch)		38,401,739	635,200						39,036,939
	Reimbursements		932,090							932,090
	TUMF		1,438,000							1,438,000
		Total	40,771,829	635,200						41,407,029
Nicolas Road Extension & Improvements	CFD 03-02 (Roripaugh Ranch)		11,784	7,695,933						7,707,717
	CFD 16-01 (Roripaugh Ranch-Phase II)			6,722,850						6,722,850
	Developer Contribution			7,754,093						7,754,093
		Total	11,784	22,172,876						22,184,660
TOTAL PROJECTS FUNDED BY COMMUNITY FACILITIES DISTRICT BONDS PROJECTS			**40,783,613**	**22,808,076**						**63,591,689**
TOTAL CAPITAL IMPROVEMENT PROGRAM			**377,188,107**	**168,255,833**	**19,984,411**	**39,937,960**	**32,650,575**	**82,246,520**	**196,059,275**	**916,322,680**

SUMMARY OF OPERATING & MAINTENANCE IMPACTS

Capital Project	Operating Budget Account	Description	2026-27 Proposed*	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected
PW17-01/711 - CITY SECURITY CAMERA SYSTEM	5250 - OTHER OUTSIDE SERVICES	Maintenance and Operations of Security Camera System	300,000	300,000	300,000	300,000	300,000
FN19-01/724 - CITYWIDE FINANCIAL SYSTEM UPGRADE	5211 - SOFTWARE & MAINTENANCE	Annual Software Maintenance	86,000	86,000	86,000	86,000	86,000
PW21-09/683 - ELECTRIC VEHICLES CHARGING STATION	5215 - REPAIR & MAINTENANCE - EQUIPMENT	Electric Charging Vehicles Fees	(33,100)	(33,100)	(33,100)	(33,100)	(33,100)
PW17-19/690 - I-15/STATE ROUTE 79 SOUTH INTERCHANGE ENHANCED LANDSCAPING	5415 - LANDSCAPE MAINTENANCE	Required by Caltrans	62,046	63,289	65,188	67,144	69,159
PW17-21/692 - MARGARITA RECREATION CENTER	5100 - SALARIES & WAGES	Staffing for MRC (4 positions)	548,551	570,493	591,600	614,370	636,190
	5119 - PART-TIME (PROJECT)	Project Staffing for MRC (45 positions - 13.07 FTEs)	735,361	764,775	795,366	825,978	860,268
	5240 - UTILITIES	Additional Utility Costs	72,828	74,285	77,034	79,999	82,840
	5250 - OTHER OUTSIDE SERVICES	Janitorial/Security	131,888	134,526	139,504	144,873	150,018
			1,488,628	1,544,079	1,603,504	1,665,220	1,729,315
PWPE07-03/PW23-18 - LONG CANYON CREEK PARK RESTROOMS	5250 - OTHER OUTSIDE SERVICES	Janitorial Services	30,475	31,085	31,706	32,340	32,987
PWPE-07/155 - PARK RESTROOMS RENOVATIONS, EXPANSION AND ADA IMPROVEMENTS	5250 - OTHER OUTSIDE SERVICES	Janitorial Services	28,154	28,717	29,292	29,878	30,476
PWPE07-02 - VAIL RANCH PARK RESTROOMS	5250 - OTHER OUTSIDE SERVICES	Janitorial Services	30,475	31,085	31,706	32,340	32,987
Total Incremental Operating & Maintenance Impacts			**1,992,678**	**2,051,155**	**2,114,296**	**2,179,822**	**2,247,824**

Operating cost impacts are estimated by the Project Manager.

** 2026-27 Adopted O&M Impacts are included in the Adopted Operating Budget*

The Projected Operating impacts have been reflected in the City's General Fund and TCSD 5-Year Financial Forecasts.

FUTURE YEARS PROJECTS

The following projects have been identified through the City's Quality of Life Master Plan (QLMP) update and reflects the citizens' 20-Year Priorities Timeline. Additional capital projects identified by City staff are also reflected. Cost estimates will be reflected when the projects are included in the 5-Year Capital Improvement Program Budget.

Project Title	Department
CIRCULATION	
Butterfield Stage Road Separated Bike Lanes	Public Works
Cherry Street Extension and Murrieta Creek Low-Flow Crossing	Public Works
La Paz Street Widening from Ynez Road to Temecula Parkway	Public Works
Margarita Road Street Improvements	Public Works
Pauba Road Improvements - east of Margarita Road on the north side	Public Works
Temecula Creek Bridge at Avenida de Missiones	Public Works
Rancho Way Bridge at I-15	Public Works
Murrieta Creek Bridge at Cherry Street (connecting at French Valley Parkway)*	Public Works
Ynez Road Improvements - Phase II	Public Works
Western Bypass Corridor*	Public/Private Development
INFRASTRUCTURE / OTHER	
Acquisition of Fire Station 12 in Old Town*	City Manager's Office
Complete Temecula Loop Trail*	Community Development
Climate Action Plan*	Community Development
History Museum Renovation	Community Development
Integrated Watershed Management Plan*	Community Development
Bike Lane and Trail Program - RRSP Trails	Public Works
I-15 Gateway Monument*	Public Works
Fire Training Facility with Tower*	Public/Private Development
Wildlife Crossing over I-15*	Public/Private Development
Emergency Operations Center	Public Works
PARKS and RECREATION	
Vail Ranch Park Site D	Community Services
Mobile Library Resource Vans*	Public/Private Development
Tennis Complex*	Public/Private Development
Performing Arts Center*	Public/Private Development
Aquatics Facility with Olympic-size Swimming Pool*	Public/Private Development

** Items identified in the Quality of Life Master Plan - 2040*

CITY OF TEMECULA
1989
OLD TRADITIONS ♦ NEW OPPORTUNITIES

BUDGET AND FISCAL POLICIES COMPLIANCE MATRIX

The City of Temecula's Budget and Fiscal Policies provide a framework for ensuring proper fiscal stewardship in managing public funds, allocating resources and controlling expenditures. The Policies are reviewed annually by the City Council prior to the Adoption of the Budget to either confirm or update fiscal metrics and budget priorities outlined in the Policies. The matrix below summarizes the City's compliance with the Budget and Fiscal Policies.

Budget and Fiscal Policy	Target Metric	Compliance	Comment
I. Financial Strategic Plan Purpose and Organization	N/A	Yes	General outline of Budget components and process
II. Financial Reporting	N/A	Yes	ACFR, Quarterly Budget Reports, Budget Amendments, State/Federal Reporting requirements
III. Fund Balance and Reserves			
B. Reserve for Economic Uncertainty	20% of Operating Expenditures	Yes	$22,498,831 Reserve for Economic Uncertainty (FY26-27)
C. Secondary Reserve for Contingencies	5% of Operating Expenditures	Yes	$5,624,708 Secondary Reserve (FY26-27)
IV. Transactions and Use Tax (Measure S)			
B. Appropriation Priorities			
1.a. Sheriff Department Staffing Levels	1 sworn officer per 1,000 residents	Yes	1.03 sworn officers per 1,000 residents
1. b. Fire Department Staffing Levels	4 personnel per engine/truck	Yes	4 personnel per engine/truck
V. Contingency Planning	N/A	N/A	Only applicable when ongoing fiscal constraints are present
VI. Staffing	N/A	Yes	Outlines hiring process, types of employees/contractors, and leave payouts
VII. Asset Management and Replacement	N/A	Yes	Annual contributions to ensure adequate funding for the replacement of the City's vehicles, equipment, technology, and facilities
VIII. Capital Financing and Debt Management	N/A	Yes	Defines parameters for Capital Financing, Debt Management, Disclosure Counsel, Land-Based Financings
IX. Creation of Services Community Facilities Districts	N/A	Yes	Defines circumstances and parameters for calculating the annual contribution to fund City services impacted by development.
X. Interfund Transfers and Loans	N/A	Yes	The City currently does not have any interfund loans and all interfund transfers are noted in the Financial Summaries section of the Budget
XI. Appropriations Limitation	$390,425,308	Yes	FY2025-26 appropriations subject to this limit is $107,737,717, which is $282,687,591 below the limit
XII. Cost Allocation Plan and User Fee Study Updates	N/A	Yes	Establishes the desired timeline to update the City's Cost Allocation Plan and User Fee Studies

BUDGET AND FISCAL POLICIES COMPLIANCE MATRIX

The City of Temecula's Budget and Fiscal Policies provide a framework for ensuring proper fiscal stewardship in managing public funds, allocating resources and controlling expenditures. The Policies are reviewed annually by the City Council prior to the Adoption of the Budget to either confirm or update fiscal metrics and budget priorities outlined in the Policies. The matrix below summarizes the City's compliance with the Budget and Fiscal Policies.

Budget and Fiscal Policy	Target Metric	Compliance	Comment
XIII. Pension Funding	$10 million	No	Funding target, funding mechanism and allowable uses of the IRC Section 115 Irrevocable Pension Trust
XIV. Retiree Health Benefit Funding	100% Funded Status	Yes	Establishes the funding mechanism to achieve a 100% funded status in the City's Internal Revenue Code (IRC) Section 115 Irrevocable OPEB Trust
XV. Signature Delegation			
City Manager	$100,000	Yes	For expenditure authorization and Settlement Authority
Assistant City Manager	$100,000	Yes	For contract and agreement approvals
Director of Community Services	$60,000	Yes	For Entertainment, Performance and Event Agreements
Deputy City Manager	$60,000	Yes	For Maintenance and Minor Construction Agreements
Director of Human Resources/Risk Management	$10,000	Yes	For all Personal Injury, Property and Employment Claim settlements
XVI. Emergency Appropriation	N/A	N/A	Only applicable when an emergency declaration has occurred

BUDGET AND FISCAL POLICIES

I. Financial Strategic Plan Purpose and Organization

A. Annual Operating Budget (AOB)

Through its Annual Operation Budget, the City will link resources with results by:

1. Identifying community needs for essential services that improve quality of life through strategic planning that:
    a. Organize the programs required to provide these essential services;
    b. Establish program policies and goals, which define the nature and level of program services required;
    c. Identify activities performed in delivering program services.
2. Proposing goals for improving the delivery of program services that:
    a. Identify and appropriate the resources required to perform program activities and accomplish program goals.
    b. Set objectives to measure Performance (progress) pertaining to:
        - Long term goals that align Council priorities with financial resources;
        - Output of program activities;
        - Accomplishment of program objectives;
        - Expenditure of program appropriations.
3. The AOB process encompasses the development, implementation, and evaluation of a plan for the provision of services for the upcoming fiscal year. The process includes political, managerial, planning, communication, and financial dimensions. The budget incorporates a long-term perspective, establishes linkages to broad organizational goals, and focuses budget decisions on desired results and outcomes. The AOB is formalized via the following process:
    a. A budget workshop is held with the City Council to receive Council direction and public comment, prior to budget preparation;
    b. Budget team updates policies and procedures for budget preparation, creates the budget process calendar, and prepares the current budget schedules for each department to use in preparing the new budget;
    c. A budget kickoff workshop is held with the City Manager, Department Directors, and Department Analysts to discuss the status of the current fiscal year budget, discuss the Five-Year Financial Forecast, review the upcoming budget process calendar, discuss the impacts of the current economic conditions at the State and Federal levels, and discuss the essential principles and elements of the budget process;
    d. Individual meetings are held with the budget team and each department to assist in the budget development process;

BUDGET AND FISCAL POLICIES

e. The City Manager, in collaboration with the budget team, holds reviews each department budget request and makes recommendations to include in the proposed budget;

f. A budget workshop is held with the City Council to receive public comment and to review the components of the proposed budget, prior to formal consideration for adoption;

g. City Manager submits the proposed AOB and salary plan to the City Council at a public meeting for approval.

B. Balanced Budget

The City will strive to maintain a balanced budget over the Five-Year Financial Forecast, by meeting the following targets:.

1. Operating revenues must fully cover operating expenditures;
2. Ending fund balance must meet minimum policy levels. For the General Fund, this level has been established at 20% of operating expenditures for economic uncertainties and to support the City's credit worthiness, cash flow, and response to local disasters.

C. Five-Year Financial Forecast

The City will prepare a five-year financial forecast bi-annually to assist in long range planning and policy development. The five-year forecast provides a tool to evaluate the ability of the City to fund proposed programs, operating and maintenance costs, capital expenditures, as well as operating costs related to future capital improvement projects.

1. Revenues are projected using a realistic approach, and are based on historical trends, stable residential development projections, internal analysis, and commercial growth that incorporates known development projects. Separate sets of assumptions are developed for major revenue types such as sales tax, property tax, community development fees, transient occupancy taxes, and investment income;
2. Departmental expenditure projections are developed using anticipated cost of living increases for general administrative operating costs. Additional assumptions are incorporated for major expenditure categories such as public safety to ensure that commercial and residential growth projections are addressed to main current service levels. The five-year capital improvement program is reviewed with the annual operating budget, and maintenance costs of each proposed project are identified and included in the forecast;
3. The five-year forecast indicates whether projected revenue growth will support anticipated expenditures for current levels of service. However, as the City continues to grow, it is important to ensure that it can meet increasing demands and be in a position to respond to possible changes in economic conditions. The five-year forecast is a dynamic tool that requires bi-annual update and review of its underlying assumptions to keep the City in a position of strong fiscal condition.

BUDGET AND FISCAL POLICIES

D. Capital Improvement Program (CIP)

1. CIP Purpose - The purpose of the Capital Improvement Program (CIP) budget document is to serve as a planning tool, which coordinates the level ranking, financing, and scheduling of major projects undertaken by the City. All projects presented in the five-year CIP budget are carefully programmed to ensure the community's capital improvement needs are met both now and in the future. In addition, the projects provide additional opportunities and access to the City and improve the overall quality of life as identified in the Quality of Life Master Plan (QLMP).

   This document is dynamic and must be revised annually to address changing needs, level rankings, and financial conditions. The City's goal in providing a CIP Budget is to develop a multi-year plan for capital improvements, update it annually, and follow through with all capital improvements in accordance with the plan. It also allows staff to budget operating and maintenance costs into the five-year projection in order to determine the total cost of each project before it is undertaken.

2. CIP Development - This CIP budget document is developed by incorporating input from City Council and key management team members, based on community comments and feedback received throughout the year. This team then, through several workshops, identifies and evaluates community needs in the areas of roads/streets, bridges, public buildings, parks and recreation facilities, and affordable housing projects. Each proposed project is reviewed and discussed to ensure funding, timing, and necessity. The budget workshop is held annually to provide the City Council with an opportunity to review each project in detail, and to receive public comments concerning the five-year program.

3. CIP Projects: $30,000 or More - The capital improvements presented in the budget are the City's major projects, which exceed $30,000 in cost, have long-term life spans, and are generally non-recurring. These projects include land and right of way acquisition, design, construction or rehabilitation of public buildings or facilities, public infrastructure design and construction, park design and construction, and affordable housing projects.

4. Project Manager - Every CIP project will have a project manager who will prepare the project proposal, ensure that required phases are completed on schedule, authorize all project expenditures, ensure that all regulations and laws are observed, and periodically report project status.

5. Project Benefit - Projects must identify a benefit and reference a Core Value (QLMP) goal.

6. CIP Review Committee - In determining the relative merit of a proposed project, key management team members evaluate projects for feasibility, community enhancement, infrastructure and historic preservation, and safety.

7. CIP Levels - Projects in the CIP are scheduled in each of five fiscal years based on community needs, as determined by the City Council and availability of funding. Level rankings in each major category (Circulation, Infrastructure/Other, Parks and Recreation, Affordable Housing, and Projects Funded By Community Facilities Districts) are assigned in accordance with the following guidelines:

BUDGET AND FISCAL POLICIES

a. LEVEL I: The project is urgent and must be completed as soon as feasible. Failure to address the project may impact the health, safety, or welfare of the community or have a potential significant impact on the financial well-being of the City. The project must be initiated, or financial opportunity losses may result.

b. LEVEL II: The project is important and addressing it is necessary. The project impacts safety, law enforcement, health, welfare, economic base, quality of life, and has been identified as a priority in the Quality of Life Master Plan.

c. LEVEL III: The project will enhance quality of life and will provide a benefit to the community. Completion of the project will improve the community by providing cultural, recreational, and/or aesthetic value, or is deemed as a necessary improvement to a public facility.

d. Future Years Projects: The project will be an improvement to the community but does not necessarily need to be completed within a five-year capital improvement program time frame.

8. CIP Administrative Costs - The administrative costs associated with managing CIP projects are estimated (generally as five to ten percent of estimated construction costs) and included in each project budget.

9. CIP Operations and Maintenance (O & M) - Future operations and maintenance costs that result from CIP projects are estimated and identified in the CIP project sheets. These incremental future operating costs are incorporated into the five-year forecast.

10. CIP Phases - The CIP will emphasize project planning, with projects progressing through at least two and up to ten of the following phases:

a. *Designate (Assigned).* Appropriates funds based on projects designated for funding by the Council through adoption of the Capital Improvement Program budget.

b. *Study.* Concept design, site selection, feasibility analysis, schematic design, environmental determination, property appraisals, scheduling, grant application, grant approval, specification preparation for equipment purchases.

c. *Environmental Review.* Compliance with CEQA, NEPA and other environmental studies, if necessary.

d. *Real Property Acquisitions.* Property acquisition for projects, if necessary.

e. *Site Preparation.* Demolition, hazardous materials abatements, other pre- construction work.

f. *Design.* Final design, plan and specification preparation and construction cost estimation.

g. *Construction.* Construction contracts.

h. *Construction Management.* Contract project management and inspection, soils and material tests, other support services during construction.

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i. *Equipment Acquisitions.* Vehicles, heavy machinery, computers, office furnishings, other equipment items acquired and installed independently from construction contracts.

11. CIP Appropriation - The City's annual CIP appropriation for study, design, acquisition and/or construction is based on the projects designated by the Council through adoption of the Capital Improvement Program budget. If project costs at the time of bid award are less than the budgeted amount, the balance will be unappropriated and returned to fund balance or allocated to another project. If project costs at the time of bid award are greater than budget amounts, five basic options are available:

    a. Eliminate the project;

    b. Defer the project for consideration to the next Capital Improvement Program budget period;

    c. Rescope or change the phasing of the project to meet the existing budget;

    d. Transfer funding from another specified, lower-level ranking project.

    e. Appropriate additional resources as necessary from fund balance.

12. CIP Budget Carryover - Project accounts, which have been appropriated, will not lapse until completion of the project phase.

13. Program Objectives - Project phases will be listed as objectives in the program narratives of the programs, which manage the projects.

14. General Plan Consistency Review - All projects are evaluated by the City's Planning Commission to ensure consistency with the provisions of the City of Temecula General Plan, while considering the City's long-term vision as developed by the City Council. The proposed capital projects are also reviewed by the Traffic Safety Commission, and the Parks and Recreation Commission.

II. Financial Reporting

A. Annual Reporting

The City will prepare annual financial statements as follows:

1. The City will contract for an annual audit by a qualified independent certified public accountant (or accounting firm). The City will strive for an unqualified auditors' opinion.

2. The City will use generally accepted accounting principles in preparing its annual financial statements and will strive to meet the requirements of the GFOA's Award for Excellence in Financial Reporting program.

3. The City will issue audited financial statements within 180 days after year-end.

BUDGET AND FISCAL POLICIES

B. Interim Reporting

The City will prepare and issue timely interim reports on the City's fiscal status to the Council and staff. This includes online access to the City's financial management system by City staff; quarterly reports to the Council and Department Directors; and mid-year budget reviews.

C. Budget Amendments

The Council may amend or supplement the budget at any time after its adoption by majority vote of the Council members. The City Manager has the authority to make administrative adjustments to the budget as long as those changes will not have a significant policy impact nor affect budgeted year-end fund balances.

D. Extended Annual Reporting

The City will prepare extended annual reports as required by Federal and State requirements including, but not limited to:

1. State Controller Reports
2. Street Report

III. Fund Balance and Reserves

A. Fund Balance Policy

Fund balance represents the accumulation of actual revenues and other financing sources in excess of actual expenditures and other uses at year-end. In general terms, it represents the City's accumulated "savings" from year to year, as any fund balance realized at year-end is added to (or deducted from if expenditures exceeded revenues for that particular year) the previous year's fund balance. Fund balance is often referred to as "reserves."

B. Reserve for Economic Uncertainty

The City will maintain a minimum fund balance of at least 20% of operating expenditures in the General Fund, in order to adequately provide resources in the event of an unexpected draw on City finances. Eligible uses of these reserve funds include:

- Expenditures due to local disasters/acts of nature
- Loss of major revenue source(s) due to financial hardship or economic downturn
- State-imposed take of local revenue/mandated payments
- Significant unanticipated expenditures
- Significant payout of Comprehensive Annual Leave for employees leaving City service

BUDGET AND FISCAL POLICIES

C. Secondary Reserve for Contingencies

In addition to the Reserve for Economic Uncertainty, the City will strive to maintain an operating reserve within the General Fund in the amount of 5% of General Fund operating expenditures. Use of these reserve funds shall be limited to:

- Covering annual operating expenditures if revenue falls short of projections, creating an annual operating deficit.
- Making one-time investments in Capital infrastructure that will create long-term operational savings to the General Fund, leverage available grant funds, or provide funding for projects that will create an economic benefit to the City.

D. Future Capital Project Designations

The Council may designate specific fund balance levels for future development of capital projects that it has determined to be in the best long-term interests of the City.

E. Other Designations and Reserves

In addition to the designations noted above, fund balance levels will be sufficient to meet funding requirements for projects approved in prior years which are carried forward into the new year; debt service reserve requirements; reserves for encumbrances; and other reserves or designations required by contractual obligations, state law, or generally accepted accounting principles.

F. Fund Balance Components

This policy establishes the procedures for reporting unrestricted fund balance in the General Fund financial statements, as well as a fund balance expenditures hierarchy. Fund Balance commitments and assignments ensure that there will be adequate financial resources to protect the City against circumstances such as revenue shortfalls and unanticipated expenditures. The Policy also authorizes and directs the Director of Finance to prepare financial reports and categorize fund balance per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

There are five separate components of fund balance which identify the specific purposes for which amounts can be spent: (1) Non-expendable Fund Balance – inherently non-expendable; (2) Restricted Fund Balance – externally enforceable limitations on use; (3) Committed Fund Balance – self-imposed limitations on use; (4) Assigned Fund Balance – limitation resulting from intended use; (5) Unassigned Fund Balance – residual net resources.

1. *Non-expendable Fund Balance* - Amounts that cannot be spent because they are either (a) not in spendable form, such as prepaid items or inventories; or (b) legally required to be maintained intact, such as the principal portion of an endowment.
2. *Restricted Fund Balance* - Amounts for a specific purpose that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, other governments' regulations; or (b) imposed by law through constitutional provisions or enabling legislation.

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3. *Committed Fund Balance* - Amounts authorized for specific purposes by a government's highest level of decision-making authority (City Council). These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same 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. The City's committed fund balance includes a reserve for economic uncertainty. Amounts are committed to finance any significant unanticipated revenue shortfalls, negative State budget impacts or impacts from natural disasters or other catastrophic events.

4. *Assigned Fund Balance* - Amounts that are constrained for specific purposes but are neither restricted nor committed. For all governmental funds other than the General Fund, any remaining amounts not classified as non-expendable, restricted, or committed are considered assigned. For the General Fund, this policy delegates the authority to assign amounts to be used for specific purposes to the Director of Finance in consultation with the City Manager for the purpose of reporting these amounts in annual financial statements.

5. *Unassigned Fund Balance* - Residual net resources of the General Fund in excess of what can be classified in one of the other four categories.

G. Hierarchy of Spending Fund Balance

Restricted fund balance should be spent first when an expenditure is incurred for which both restricted and unrestricted fund balance is available. When an expenditure is incurred for purposes where amounts in any of the unrestricted classifications of fund balance could be used, committed amounts are to be spent first, followed by assigned amounts and then unassigned amounts.

H. Unassigned Fund Balance – General Fund

At the end of each fiscal year, the Finance Department will report on the audited year-end financial results. In the event that actual General Fund revenues exceed expenditures and encumbrances, a year-end operating surplus shall be reported. Any year-end operating surplus which exceeds the levels required by the reserve policies, noted above, will be deemed as Unassigned Fund Balance, and shall be appropriated for one-time (non-recurring) expenditures in accordance with the following guidelines, subject to City Council approval. Ongoing, or recurring expenditures, are not appropriate uses of available Unassigned Fund Balance.

1. Public Safety equipment or non-recurring programs
2. Asset Management reserves
3. Capital improvement projects
4. Reduction of unfunded liabilities related to CalPERS pension and Other Post-Employment Benefits (OPEB)
5. Reduction, or avoidance, of City debt

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IV. Transactions and Use Tax Funding (Measure S)

A. Measure S Revenue

Pursuant to Ordinance 16-06, on November 8, 2016, the people of Temecula approved a local 1% Transactions and Use Tax, effective on April 1, 2017, to maintain 9-1-1 emergency response times, prevent cuts to local paramedic, police, fire protection, school safety patrols, youth/after-school programs, senior services, disabled services, improve freeway interchanges, reduce traffic and provide for other general services.

B. Appropriation Priorities of Measure S Revenue

In accordance with the approved ballot language related to Measure S, maintaining public safety services is the City's top priority, followed by the appropriate maintenance and replacement of City assets to ensure long-term viability of City operations. As surplus funds are available, the City Council may allocate Measure S funding to capital projects identified in the Capital Improvement Program as well as any associated general services.

1. Public Safety

    a. Within the Temecula Sheriff's Office, the City will strive to maintain a target staffing ratio of one sworn officer per 1,000 residents (1:1,000), as outlined in the City's General Plan. Upon receiving Population Estimate from the California Department of Finance, in May of each year, the Temecula Sheriff's Office staffing ratio shall be evaluated, and if the ratio falls below 1:1,000, the City Council may allocate available Measure S resources to meet the target staffing ratio.

    b. Desired Fire Department staffing levels include four persons per fire engine or fire truck (4-0 staffing). During the Annual Operating Budget process, the Fire staffing ratio shall be evaluated, and if the ratio falls below 4-0 staffing, the City Council may allocate available Measure S resources to meet the target staffing ratio.

2. Asset Management/Investment

    In accordance with the Asset Management and Replacement Policy, noted in Section VII., the City strategically manages the life cycle and replacement of its assets; including capital infrastructure, City facilities and parks, fleet vehicles and equipment, and the City's technology and communication systems. Ensuring adequate reserves are set-aside for the future replacement of City-owned assets is critical to the long-term viability of the City's operations.

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The City's Street and road network serves as the capital infrastructure for public transportation in and around the City. A Pavement Management Study is designed to evaluate the current condition of the road network and establish a recommended level of investment necessary to properly maintain the condition of the street and road network. The City Council will strive to allocate an amount up to the recommended level of investment, as stated in the most recent Pavement Management Study, to the Capital Improvement Program – Pavement Rehabilitation Program, or other appropriate capital infrastructure projects designated for street and road network improvements.

The City Council will strive to allocate an amount to be deposited into each asset replacement fund, based on the results of the specific asset management plan conducted periodically for each grouping of asset types (i.e., facilities, parks, vehicles and technology).

3. Capital Improvement Projects

   A Capital Improvement Project is defined as a major project, which exceeds $30,000 in cost, has a long-term life span, and is generally non-recurring. The City Council may allocate available Measure S resources to fund projects identified in the Capital Improvement Program.

4. General Services

   Operations and maintenance costs associated with City programs, administration and general services to the public are considered eligible appropriations of Measure S resources, so long as the abovementioned priorities are considered first.

   a. Operations and maintenance costs related to the addition of a new City facility, program or service funded by Measure S, shall have priority over existing City general services.

V. Contingency Planning

In response to adverse financial and economic conditions that could negatively impact the City's fiscal health, a Contingency Plan will provide for a measured response to potential fiscal challenges, as opposed to reactionary decision-making that could hinder the long-term financial solvency of the City.

In accordance with Budget Policies III.B and III.C, the City will strive to maintain reserves in the amount of 25% of General Fund operating expenditures. Eligible uses of these reserve funds are outlined in the aforementioned policy; however, this Contingency Plan will address the hierarchy of utilizing reserve funds, in the event the City experiences significant or sudden fiscal constraints.

The type of fiscal challenge will dictate the appropriate budgetary measure to implement in order to ensure solvency. If the fiscal constraint cannot be absorbed by annual budgetary savings, the following hierarchy shall be followed:

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A. One-Time Events

In the event the City is faced with a non-recurring fiscal constraint, such as a State mandated payment or a natural disaster, the use of reserve funds is an appropriate mitigation. The Secondary Reserve for Contingencies shall be utilized first, and fully exhausted prior to utilizing the Economic Uncertainty Reserve.

B. Ongoing Fiscal Constraints

In the event the City experiences the loss of a major revenue source outside of the City's control (i.e. acts of legislation, corporate decisions and/or economic downturn), the City will need to adjust its operations in order to maintain a balanced budget. Circumstances may arise when the City is unable to react quick enough to offset a sudden loss in revenue, and will be required to utilize reserves to supplant the current Operating Budget. The Secondary Reserve for Contingencies shall be utilized first, and fully exhausted prior to utilizing the Economic Uncertainty Reserve. Continued use of reserve funds shall not exceed two budget cycles, to allow adequate time for the implementation of operational changes, while limiting the ongoing dependency on reserves.

Implementation of Contingency Plan actions requires the majority approval of the City Council.

VI. Staffing

A. Regular Staffing

1. The budget will fully appropriate the resources needed for authorized regular staffing.
2. Regular benefitted employees will represent the core work force and the preferred means of staffing ongoing, year-round program activities and services. The City will strive to provide competitive compensation and benefits for its authorized regular workforce. Each regular employee will:
    a. Fill a position on the Schedule of Authorized Positions in the applicable, approved Annual Operating Budget;
    b. Receive compensation and benefits consistent with labor agreements or other City Council approved compensation plans.
3. To manage the growth of the regular work force and overall staffing costs, the City will follow these procedures:
    a. The Council will authorize all regular positions.
    b. The Human Resources Department will coordinate and approve the hiring of all regular employees.
    c. Supplement core staff with a balanced workforce consisting of part-time, contract, and independent contractors.
    d. All requests for additional regular positions will include evaluations of:
        - The demand for, term and expected results of the proposed activity;

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- Staffing and material costs including salary, benefits, equipment, uniforms, clerical support and facilities;
- The ability of private industry to provide the services being demanded;
- Additional revenues or cost savings, which may be realized.

e. Periodically, and before any request for additional regular positions, existing programs will be re-evaluated to determine if services can be provided with existing regular employees.

B. Project Staffing

1. The hiring of project employees will not be used as a method for expanding the City's regular workforce on a long-term basis.
2. Project employees include all employees other than regular employees, temporary staffing, elected officials and volunteers. Project employees will generally augment regular City staffing as extra-help employees, seasonal employees, and interns.
3. The City Manager and Department Directors will encourage the use of project employees to meet temporary peak workload requirements, fill interim vacancies, and accomplish tasks where less than full-time, year-round staffing is required. Under this guideline, project employees will be hired for up to one year at a time in conjunction with the annual operating budget on an at-will basis. Moreover, project employee hours will generally not exceed 50% of a regular, full-time position (1,000 hours annually). There may be limited circumstances where the use of project employees on an ongoing basis in excess of this target may be appropriate due to unique programming or staffing requirements. However, any such exceptions must be approved by the City Manager based on the review and recommendation of the Human Resources Department.

C. Temporary Staffing

1. Temporary Staffing agencies can be contacted only in the case of a short-term assignment such as sick leave, disability leave, maternity leave, isolated peak in workload, etc.
2. The City will pay the Temporary Staffing Agency a fair base rate for the employee with a negotiated markup while the temporary employee is providing work for the City.

D. Work Hours

1. Regular employee, project employee, and temporary employee work hours will be based on the needs of the City and the position.
2. Employee work hours may be flexed in an effort to minimize overtime.

E. Overtime Management

1. Overtime should be used only when necessary and when other alternatives are not feasible or cost effective.

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2. All overtime must be pre-authorized by a Department Director or delegated in accordance with existing policy.
3. Departmental operating budgets should reflect anticipated annual overtime costs and departments will regularly monitor overtime use and expenditures.
4. When considering the addition of regular, project, or temporary staffing, the use of overtime as an alternative will be considered. The department will take into account:
    a. The duration that additional staff resources may be needed;
    b. The cost of overtime versus the cost of additional staff;
    c. The skills and abilities of current staff;
    d. Training costs associated with hiring additional staff;
    e. The impact of overtime on existing staff;
    f. The impact on quality of services.

F. Independent Contractors

Independent contractors are not City employees. They may be used in two situations:

1. Short-term, peak workload assignments to be accomplished using personnel contracted through an outside employment agency (OEA). In this situation, it is anticipated that City staff will closely monitor the work of OEA employees and minimal training will be required. However, they will always be considered the employees of the OEA and not the City. All placements through an OEA will be coordinated through the Human Resources Department and subject to the approval of the Human Resources Department.
2. Construction of public works projects and delivery of operating, maintenance or specialized professional services not routinely performed by City employees. Such services will be provided without close supervision by City staff, and the required methods, skills and equipment will generally be determined and provided by the contractor. Contract awards will be guided by the City's purchasing policies and procedures.

G. Productivity

The City will continually monitor and review the City's methods of operation to ensure that services continue to be delivered in the most cost-effective manner possible. This review process encompasses a wide range of productivity issues, including:

1. Analyzing systems and procedures to identify and remove unnecessary review requirements.
2. Evaluating the ability of new technologies and related capital investments to improve productivity.
3. Developing the skills and abilities of all City employees.
4. Developing and implementing appropriate methods of recognizing and rewarding exceptional employee performance.

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5. Evaluating the ability of the private sector to perform the same level of service at a lower cost.

6. Periodic formal reviews of operations on a systematic, ongoing basis.

7. Maintaining a decentralized approach in managing the City's support service functions. Although some level of centralization is necessary for review and control purposes, decentralization supports productivity by:

   a. Encouraging accountability by delegating responsibility to the lowest possible level;

   b. Stimulating creativity, innovation and individual initiative;

   c. Reducing the administrative costs of operation by eliminating unnecessary review procedures;

   d. Improving the ability of the organization to respond to changing needs, and identify and implement cost-saving programs;

   e. Assigning responsibility for effective operations and citizen responsiveness to the department.

H. Contracting for Services – Private Sector

1. General Policy Guidelines

   a. Contracting with the private sector for the delivery of services may provide the City with a significant opportunity for cost containment and productivity enhancements. As such, the City is committed to using private sector resources in delivering municipal services as a key element in our continuing efforts to provide cost-effective programs.

   b. Private sector contracting approaches under this policy include construction projects, professional services, outside employment agencies and ongoing operating and maintenance services.

   c. In evaluating the costs of a private sector contracts compared with in-house performance of the service, indirect, direct, and contract administration costs of the City will be identified and considered.

   d. Whenever private sector providers are available and can meet established service levels, they will be seriously considered as viable service delivery alternatives using the evaluation criteria outlined below.

   e. For programs and activities currently provided by City employees, conversions to contract services will generally be made through attrition reassignment to absorption by the contractor.

2. Evaluation Criteria – Within the general policy guidelines stated above, the cost effectiveness of contract services in meeting established service levels will be determined on a case-by-case basis using the following criteria

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a. Is a sufficient private sector market available to competitively deliver this service and assure a reasonable range of alternative service providers?

b. Can the contract be effectively and efficiently administered?

c. What are the consequences if the contractor fails to perform, and can the contract reasonably be written to compensate the City for any such damages?

d. Can a private sector contractor better respond to expansions, contractions or special requirements of the service?

e. Can the work scope be sufficiently defined to ensure that competing proposals can be fairly and fully evaluated, as well as contractor's performed after bid award?

f. Does the use of contract services provide us with an opportunity to redefine service levels?

g. Will the contract limit our ability to deliver emergency or other high priority services?

h. Overall, can the City successfully delegate the performance of the service but still retain accountability and responsibility for this delivery?

I. Contracting for Services – Government Service Contracts

1. General Policy Guidelines:

a. Contracting with other government entities for the delivery of services such as police and fire provides the City with significant opportunities for cost containment and productivity enhancements. The City utilizes government service contracts to deliver municipal services as a key element in the City's continuing efforts to provide cost-effective programs.

b. Sheriff Contract Services – The City contracts with Riverside County Sheriff's Department for police services. Under this contract the City maintains a ratio of one (1) uniformed police officer for every one-thousand (1,000) residents. The City will ensure that contracted staffing levels are compatible with the City population and needs. Contracting with the County facilitates an efficient, effective and affordable model of policing for the community. The Sheriff contract allows the City to partner with the County to leverage resources to reduce costs for supervision, administration, training, clerical support, vehicles and equipment.

c. Fire Contract Services - The City contracts with the Riverside County Fire Department for all fire services. Contracting with the County facilitates an efficient, effective and affordable model of fire protection, disaster preparedness, fire prevention, and emergency operation services for the community. The fire contract allows the City to partner with the County to leverage resources to reduce costs for supervision, administration, training, clerical support, vehicles and equipment.

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J. Contracting for Services – Regional Approach

1. A regional approach to public services leverages economies of scale to improve outcomes and services to the citizens. Therefore, prior to entering into private or government service contracts, the City will require the completion of a systematic assessment to determine whether a regional approach to providing services is necessary.

    a. Animal Control Services - The City contracts with Animal Friends of the Valleys for animal control services and the County of Riverside (via the Southwest Community Financing Authority) for animal sheltering services. Contracting with multi-agencies for these services demonstrates a regional approach of leveraging resources to provide efficient services (at a reduced cost).

K. Comprehensive Annual Leave Payout

1. Upon an employee's separation from City service, the employee shall have the option to defer their official separation date to that which corresponds to the exhaustion of the employee's Comprehensive Annual Leave (CAL) balance in accordance with established personnel policies and/or labor agreements.

2. When an employee vacates a position using paid time off (e.g., Comprehensive Annual Leave) for an extended period of time, the vacant position will be evaluated by the Department Director, and upon City Manager approval, the Department Director may fill the vacant position in order to continue operations without disruption to City services. In the event the department does not have adequate savings to offset the cost to fill the vacancy, the City Manager is authorized to transfer an amount equal to the funding shortfall from the General Fund Non-Departmental Account No. 001.199.999.5353 – Staffing Continuity Reserve to the affected department.

VII. Asset Management and Replacement

The City has established multiple asset management and replacement funds to accumulate the necessary financial resources to properly maintain City assets over the long-term. The replacement funds are designated for the purpose of purchasing replacement assets at the end of the item's useful life.

Vehicles, equipment, technology, and facilities are tracked on separate replacement schedules, used to determine the annual contribution amounts for each department owning an eligible asset. The annual contribution amounts are equivalent to the estimated cost to replace the asset at the end of its useful life divided by the number of years of useful life.

A. Replacement Funds

1. Fund 310 – Vehicles and Equipment Fund. Eligible assets include vehicles and large equipment items that have a useful life longer than three years and cost in excess of $10,000.

2. Fund 325 – Technology Replacement Fund. Eligible assets include those technology-related assets that have a useful life longer than three years and cost in excess of $5,000.

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3. Fund 335 – Support Services Replacement Fund. Eligible assets include copier machines utilized by all City departments and maintained by the Information Technology/Support Services department.

4. Fund 350 – Facilities Replacement Fund. Eligible assets include City buildings, systems, and infrastructure necessary to properly operate and maintain all City facilities.

5. Fund 191 – Streetlight Replacement Fund. This fund was established when the City acquired the streetlight network from Southern California Edison, in order to have available resources to repair and replace the light standards, bulbs and other infrastructure of the streetlight network. Resources for this fund are accumulated through Service Level B rate and charges assessed on the properties utilizing the Citywide residential streetlight network.

The funds are discretionary in nature and may be reappropriated by the City Council to provide financial reserves to respond to natural disasters and other emergencies; provide a source for internal loans and liquidity; or serve as collateral for City debt issues.

VIII. Capital Improvement Project Financing and Debt Management

A. Policy Goals Related to Debt Management

The City is committed to protecting taxpayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs. The following policy goals shall be considered before the issuance of debt.

1. Remain committed to long-term financial planning, maintain appropriate reserves levels and employ prudent practices in governance, management and budget administration, including debt issuance and management.

2. Support long-term infrastructure and economic growth, and not use long-term debt to support routine operating expenditures or structural budget deficits.

3. Ensure intergenerational fairness by using long-term debt only for assets that provide benefits over multiple decades.

4. Use debt strategically to leverage grants, partnerships and catalytic development opportunities when they provide clear long-term public benefit.

5. Protect the City's long-term fiscal resilience by ensuring that current decisions to not limit future councils' ability to respond to economic uncertainty.

6. Comply with applicable State and Federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

BUDGET AND FISCAL POLICIES

B. Types of Long-Term Debt That May Be Issued

To implement the financing (or refinancing) objectives, the City may consider the issuance of generally accepted types of debt, including:

1. **Revenue Bonds** – limited-liability obligations tied to a specific fund or revenue stream where the projects financed clearly benefit or relate to the fund or are otherwise permissible uses of the special revenue.

7. **Special Assessment/Special Tax Bonds** – limited liability obligations secured by special assessments or special taxes as described below under "Land-Based Financings".

8. **General Fund Supported Lease Revenue Bonds or Certificates of Participation** – generally involves a lease arrangement between the City and a joint powers authority (or another entity), whereby bonds are issued by the authority for the financing of the project, and the City agrees to make lease payments in sufficient amounts to secure debt service payments on the bonds.

9. **General Obligation Bonds** – bonds secured by either a pledge of full faith and credit of the General Fund or by a promise to levy taxes in an unlimited amount necessary to pay debt service (i.e., a property tax in excess of the 1% basic ad valorem property tax rate) that will be issued only after two-thirds voter approval pursuant to the State Constitution and other applicable laws.

10. **Tax Increment Bonds** – bonds secured by a portion of ad valorem property tax that are allocated to the successor agency (of the former redevelopment agency) or another entity formed pursuant by law (such as an enhanced infrastructure financing district or a community revitalization infrastructure district). The successor agency will consider issuance of bonds for refunding purposes only. The City has not yet formed any enhanced infrastructure financing district, community revitalization infrastructure district or any similar entity, and will undertake applicable legal and feasibility analysis at the time of consideration of the formation of any such entity.

11. **Conduit Financing Bonds** – bonds as described below under "Conduit Financings," for which debt service will be secured by the applicant's payments and the role of the City (or the City affiliated entity) will be limited to be the conduit issuer, without financial liability.

The above list is not exhaustive. The City may from time to time consider other types of debt to accommodate its financing and refinancing objectives

C. Capital Improvement Project Financing

1. The City will consider the use of debt financing only for one-time capital improvement projects and only under the following circumstances:

    a. When the project's useful life will exceed the term of the financing.

    b. When project revenues or specific resources will be sufficient to service the long-term debt.

BUDGET AND FISCAL POLICIES

2. The City will include debt issuances in the Capital Improvement Program and will reflect the ongoing debt service costs in the City's Five-Year Financial Forecast.

3. Debt financing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures.

4. Capital improvements will be financed primarily through user fees, service charges, assessments, special taxes or developer contributions when benefits can be specifically attributed to users of the facility. Accordingly, development impact fees should be created and implemented at levels sufficient to ensure that new development pays its fair share of the cost of constructing necessary community facilities.

5. The City will use the following criteria to evaluate pay-as-you-go versus long-term financing in funding capital improvements:

   a. Factors Favoring Pay-As-You-Go Financing:

      - Current revenues and adequate fund balances are available, or project phasing can be accomplished.
      - Existing debt levels adversely affect the City's credit rating.
      - Market conditions are unstable or present difficulties in marketing.

   b. Factors Favoring Long-Term Financing:

      - Revenues available for debt service are deemed sufficient and reliable so that long-term financings can be marketed with investment grade credit ratings.
      - The project securing the financing is of the type, which will support an investment grade credit rating.
      - Market conditions present favorable interest rates and demand for City financings.
      - A project is mandated by State or Federal requirements, and resources are insufficient or unavailable.
      - The project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.

D. Criteria for Obligating the General Fund

The City will not obligate the General Fund to secure long-term financings except when the following criteria have been met. Prior to the authorization of any General Fund-Supported Debt, the Council must consider the following criteria and approve the General Fund Obligation Checklist attached as Exhibit A.

1. The General Fund budget is structurally balanced for the ensuing five-year period.

BUDGET AND FISCAL POLICIES

a. A structurally balanced General Fund budget is one in which ongoing operating expenditures are funded entirely by ongoing recurring revenues, without reliance on (i) one-time revenues, (ii) utilization of reserves, (iii) utilization of unassigned General Fund balance, or (iv) interfund transfers used as a substitute for operating revenues.

2. The Reserve for Economic Uncertainty is fully funded in accordance with Budget Policy III.B.

3. The City's Pension is 100% funded.

   a. The City's CalPERS Miscellaneous pension funded ratio, measured using the most recent actuarial valuation report, is at or above one hundred percent (100%) on an actuarial basis, considering both assets held with CalPERS and assets held in the City's Section 115 Pension Trust.

   b. If the funded ratio is below one hundred percent (100%), General Fund-Supported Debt may be authorized only if: (i) the City is in full compliance with the contribution schedule and funding targets established in the City's Pension Funding Policy, including any supplemental contributions required to return the plan to 100% funded status within the timeline established therein; and (ii) the Council makes specific written findings that deferral of the proposed debt issuance until pension funding targets are restored would result in greater fiscal harm than proceeding with issuance.

4. Debt Service shall not exceed 10% of General Fund Operating Revenue, excluding one-time Interfund Transfers.

   a. An independent feasibility analysis, prepared by or in consultation with the City's Municipal Advisor, demonstrates that projected annual debt service on the proposed obligation, when combined with all existing General Fund-Supported Debt service, will not cause aggregate annual General Fund-Supported debt service to exceed ten percent (10%) of operating, recurring General Fund revenues (net of interfund transfers in) in any year through final maturity, based on conservative revenue projections consistent with the City's Five-Year Financial Forecast.

5. Financial analysis of alternative financing methods has been evaluated and deemed to be unavailable, insufficient, or materially less cost-effective than General Fund supported debt.

6. The proposed issuance will not adversely impact the City's Credit Rating.

BUDGET AND FISCAL POLICIES

a. The Director of Finance, in consultation with the City's Municipal Advisor, has provided a written assessment of the projected impact of the proposed issuance on the City's credit ratings and overall debt burden metrics. If the proposed issuance is reasonably expected to result in a credit rating downgrade, the Council shall make specific findings that the public benefit of the proposed financing justifies the expected increase in current and future borrowing costs.

7. The projected useful life of the asset being financed exceeds the term of the debt issuance.

E. Debt Management

1. An internal feasibility analysis will be prepared for each long-term financing which analyzes the impact on current and future budgets for debt service and operations. This analysis will also address the reliability of revenues to support debt service.

2. The City will generally conduct financings on a competitive basis. However, negotiated financings may be used due to market volatility or the use of an unusual or complex financing or security structure.

3. The City will seek an investment grade rating (Baa/BBB or greater) on any direct debt and will seek credit enhancement such as letters of credit or insurance when necessary for marketing purposes, availability, and cost-effectiveness.

4. The City will monitor all forms of debt annually coincident with the City's Five-Year Financial Forecast preparation and review process and report concerns and remedies, if needed, to the Council.

5. The City will diligently monitor its compliance with bond covenants, including but not limited to any Federal tax compliance requirements with respect to any tax-exempt debt obligations, and ensure its adherence to applicable regulations.

6. The City will maintain good, ongoing communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement).

7. The City will periodically review the requirements of, and will remain in compliance with, any continuing disclosure undertakings, particularly under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 with respect to debt issues.

8. The City will diligently monitor the use of proceeds from its debt issues, to ensure that the proceeds will be directed to the intended use. The City will maintain records of the intended use of the proceeds when the debt was originally issued and the use of the proceeds at the time they are expended. Such records shall be retained so long as the debt issue (and any subsequent debt issue which refunded the debt) remains outstanding and for three years following the final maturity or redemption. The City shall consult legal counsel regarding the use of proceeds that is different from the original intended purpose.

BUDGET AND FISCAL POLICIES

9. So long as required by California Government Code Section 8855(k), the City shall file annual report(s) to the California Debt and Investment Advisory Commission (CDIAC) in accordance with CDIAC's requirements on a timely basis. The City shall retain a copy of each such annual report.

10. In connection with each debt issue, the City will file or cause Bond Counsel or another applicable member of the financing team to file on behalf of the City, a report of proposed issuance and a report of final sale, as required by California Government Code Section 8855(i) and (j).

F. Debt Limits

1. General Purpose Debt Limits. The City will carefully monitor its levels of general-purpose debt. Because the general-purpose debt capacity is limited, it is important that the City only use general-purpose debt financing for high-priority projects where it cannot reasonably use other financing methods for two key reasons:

   a. In accordance with Government Code Section 43605, the City shall not incur an indebtedness for public improvements which exceed 15 percent of the assessed value of all real and personal property of the City. Debt obligations from taxes levied on taxable property is subject to the legal debt limitation;

   b. Funds committed for debt repayment today are not available to fund operations in the future. In evaluating debt capacity, general-purpose annual debt service payments should generally not exceed 10% of General Fund revenues. Further, direct debt will not exceed 2% of assessed valuation; and no more than 60% of capital improvement outlays will be funded from long-term financings.

G. Independent Disclosure Counsel

For any public offering debt issue, the City will retain independent disclosure counsel to assist with the preparation of the official statement or any other similar offering document and the continuing disclosure agreement. The roles of bond counsel and disclosure counsel may be served by the same firm, based on the City's determination on a case-by-case basis.

H. Land-Based Financings

1. Public Purpose. There will be a clearly articulated public purpose in forming an assessment or special tax district in financing public infrastructure improvements. This should include a finding by the Council as to why this form of financing is preferred over other funding options such as impact fees, reimbursement agreements or direct developer responsibility for the improvements.

BUDGET AND FISCAL POLICIES

2. Eligible Improvements. Except as otherwise determined by the Council when proceedings for district formation are commenced, preference in financing public improvements through a special tax district will be given for those public improvements that help achieve clearly identified community facility and infrastructure goals in accordance with adopted facility and infrastructure plans as set forth in key policy documents such as the General Plan, Specific Plan, Facility or Infrastructure Master Plans, or Capital Improvement Plan.

   Such improvements include study, design, construction and/or acquisition of:

   a. Public safety facilities;

   b. Major transportation system improvements, such as freeway interchanges; bridges; intersection improvements; construction of new or widened arterial or collector streets (including related landscaping and lighting); sidewalks and other pedestrian paths; transit facilities; and bike paths;

   c. Storm drainage, creek protection and flood protection improvements;

   d. Parks, trails, community centers and other recreational facilities;

   e. Open space;

   f. Cultural and social service facilities;

   g. Other governmental facilities and improvements such as offices, information technology systems and telecommunication systems.

3. Active Role. Even though land-based financings may be a limited obligation of the City, staff will play an active role in managing the district. This means that the City will select and retain the financing team, including the financial advisor, bond counsel, trustee, appraiser, disclosure counsel, assessment engineer, special tax consultant and underwriter, as appropriate. Any costs incurred by the City in retaining these services will generally be the responsibility of the property owners or developer and will be advanced via a deposit when an application is filed; or will be paid on a contingency fee basis from the proceeds from the bonds.

4. Credit Quality. When a developer requests a district, the City will carefully evaluate the applicant's financial plan and ability to carry-out the project, including the payment of assessments and special taxes during build-out. This may include detailed background, credit and lender checks, and the preparation of independent appraisal reports and market absorption studies. For districts where one property owner accounts for more than 25% of the annual debt service obligation, a letter of credit further securing the financing may be required.

5. Reserve Fund. A reserve fund should be established in the lesser amount of: the maximum annual debt services; 125% of the annual average debt service; or 10% of the bond proceeds.

BUDGET AND FISCAL POLICIES

6. Value-to-Debt Ratios. The minimum value-to-debt ratio should generally be 4:1. This means the value of the property in the district, with the public improvements, should be at least four times the amount of the assessment or special tax debt. In special circumstances, after conferring and receiving the concurrence of the City's financial advisor and bond counsel that a lower value-to-debt ratio is financially prudent under the circumstances; the City may consider allowing a value-to-debt ratio of 3:1. The Council should make special findings in this case.

7. Appraisal Methodology. Determination of value of property in the district will be based upon the full case value as shown on the ad valorem assessment roll or upon an appraisal by an independent Member Appraisal Institute (MAI). The definitions, standards and assumptions to be used for appraisals will be determined by the City on a case-by-case basis, with input from City consultants and district applicants, and by reference to relevant materials and information promulgated by the State of California, including the Appraisal Standards for Land Secured Financings prepared by the California Debt and Investment Advisory Commission.

8. Capitalized Interest During Construction. Decisions to capitalize interest will be made on a case-by-case basis, with the intent that if allowed, it should improve the credit quality of the bonds and reduce borrowing costs, benefiting both current and future property owners.

9. Maximum Burden. Annual assessments (or special taxes in the case of Mello-Roos or similar districts) should generally not exceed 1% of the sales price of the property; and total property taxes, special assessments and special taxes payments collected on the tax roll should generally not exceed 2%, with priority going toward special assessments and/or special taxes used to offset any negative fiscal impact of providing municipal services, as determined by a Fiscal Impact Analysis.

10. Benefit Apportionment. Assessments and special taxes will be apportioned according to a formula that is clear, understandable, equitable and reasonably related to the benefit received by, or burden attributed to, each parcel with respect to its financed improvement. No annual escalation factor will be permitted for special assessments or special taxes that support debt service on bonds utilized to finance public infrastructure. Annual escalation factors on special assessments and/or special taxes used to fund municipal services shall be as identified in the Fiscal Impact Analysis.

11. Special Tax District Administration. In the case of Mello-Roos or similar special tax districts, the total maximum annual tax should not exceed 110% of annual debt service. The rate and method of apportionment should include a back-up tax in the event of significant changes from the initial development plan and should include procedures for prepayments.

12. Foreclosure Covenants. In managing administrative costs, the City will establish minimum delinquency amounts per owner, and for the district as a whole, on a case-by-case basis before initiating foreclosure proceedings.

BUDGET AND FISCAL POLICIES

13. Disclosure to Bondholders. In general, each property owner who accounts for more than 10% of the annual debt service or bonded indebtedness must provide ongoing disclosure information annually as described under SEC Rule 15(c)-12.

14. Disclosure to Prospective Purchasers. Full disclosure about outstanding balances and annual payments should be made by the seller to prospective buyers at the time that the buyer bids on the property. It should not be deferred to after the buyer has made the decision to purchase. When appropriate, applicants or property owners may be required to provide the City with a disclosure plan.

I. Conduit Financings

1. The City will consider requests for conduit financing on a case-by-case basis using the following criteria:

   a. The City's bond counsel will review the terms of the financing, and render an opinion that there will be no liability to the City in issuing the bonds on behalf of the applicant;

   b. There is a clearly articulated public purpose in providing the conduit financing;

   c. The applicant is capable of achieving this public purpose.

2. The review of requests for conduit financing will generally be a two-step process:

   a. First, obtaining Council's interest in the request, and establishing the ground rules for evaluating it;

   b. Second, return to Council with the results of this evaluation and recommend approval of appropriate financing documents, if warranted.

   This two-step approach ensures that the issues are clear for both the City and applicant, and that key policy questions are answered.

3. The work scope necessary to address these issues will vary from request to request and will have to be determined on a case-by-case basis. Additionally, the City should generally be fully reimbursed for costs incurred in evaluating the request; however, this should also be determined on a case-by-case basis.

J. Refinancings

1. General Guidelines. Periodic reviews of all outstanding debt will be undertaken to determine refinancing opportunities. Refinancings will be considered (within Federal tax law constraints) under the following conditions:

   a. There is a net economic benefit;

   b. It is needed to modernize covenants that are adversely affecting the City's financial position or operations;

   c. The City wants to reduce the principal outstanding in order to achieve future debt service savings, and it has available working capital to do so from other sources.

BUDGET AND FISCAL POLICIES

2. Standards for Economic Savings. In general, refinancing for economic savings will be undertaken whenever net present value savings of at least five percent (5%) of the refunded debt can be achieved.

   a. Refinancings that produce net present value savings of less than five percent will be considered on a case-by-case basis, provided that the present value savings are at least three percent (3%) of the refunded debt.

   b. Refinancings with savings of less than three percent (3%), or with negative savings, will not be considered unless there is a compelling public policy objective.

K. Arbitrage Rebate Compliance

The City will comply with the Internal Revenue Service (IRS) arbitrage rebate and yield restriction requirements for its tax-exempt financings.

1. Arbitrage Rebate is the requirement that issuers of tax-exempt bonds pay the federal government any earnings made by investing bond proceeds in higher-yielding taxable securities. The IRS allows bond issuers to earn interest up to the arbitrage yield or interest paid on the bonds. To prevent the City from profiting from tax-exempt borrowing, this rule requires calculating arbitrage and potentially rebating it to the IRS every five years.

2. The City Treasurer may utilize a third-party service provider to assist with post-issuance tax compliance matters to comply with IRS rules and regulations.

IX. Creation of Services Community Facilities District

It is the City's goal to support new development projects that address public need and provide a public benefit. In consideration of these projects, the City desires to ensure that the provision of both general services and public safety services are addressed.

The City shall require developments that propose an increase in a higher density residential use than what is currently allowed by the General Plan or Zoning Code to form, or annex into, a Community Facilities District (CFD) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, for the purposes of providing municipal services and public safety services.

The City shall make the final determination as to which public financing mechanism, if any, shall be used to assist in the funding of a service. The City may confer with the applicant to learn of any unique circumstances before making its final determination.

A. Eligible Expenses

1. All City and any consultant costs incurred in evaluating applications requesting the establishment of CFDs shall be paid by the applicant by advance deposit increments, or as otherwise agreed upon in writing by the City. The City shall not incur any non-reimbursable expense for processing such applications. Expenses not chargeable to the District shall be borne by the applicant.

BUDGET AND FISCAL POLICIES

2. In general, the services to be financed by a public services CFD are those identified in the Mello-Roos Community Facilities Act which are provided by the City including:

   a. Police protection services, including put not limited to, criminal justice services.

   b. Fire protection and suppression services, and ambulance and paramedic services.

   c. Provision of municipal services including, but not limited to, parks and park maintenance, street maintenance, facility maintenance, parkway maintenance, recreation funding, library services, open space, flood and storm protection services, and operation of museums and cultural facilities.

   d. Other services as may be permitted pursuant to the Mello-Roos Community Facilities Act as it may be amended from time to time.

B. Selection of Consultants

1. The City shall select and solely manage, coordinate, and direct the work of the special tax consultant, assessment engineer, financial advisor, special district administrator, and other professionals and consultants it deems appropriate in relation to the formation of, or annexation into, a Services CFD.

C. Fiscal Impact Analysis (FIA)

4. The City shall enter into an agreement with a third-party consultant to conduct a fiscal impact analysis that analyzes the cost of the provision of services to the proposed development.

   a. The applicant shall be responsible for incurring all costs of the FIA and pay a deposit in advance, or as otherwise agreed upon, in writing, by the City.

   b. The FIA shall utilize the final project description, as provided by the applicant, for analysis. The project description must also match that description used for the necessary California Environmental Quality Act (CEQA) analysis.

   c. The FIA shall utilize the most current adopted budget data, to be provided by the City, to develop the projected cost of services relative to the proposed development. The most current available data regarding CPI and other inflators, contract increases, expenditure and revenue trends, and future known legislation affecting the City's budget shall be used.

   d. The FIA shall maintain a 1:1,000 police officer ratio, as the population of the City continues to increase.

   e. If the FIA is completed more than one year prior to the completion of the entitlement process, the FIA shall be updated to reflect the most recent budget data.

   f. If a significant change in in the City's fiscal environment occurs between the finalization of the FIA and the completion of the entitlement process, the City may require an updated FIA to be completed.

BUDGET AND FISCAL POLICIES

D. Rate and Method of Apportionment

1. The findings of the FIA will be utilized in the determination of the rate and method of apportionment (RMA) for the CFD, as calculated by a third-party special tax consultant, after the proposed development has received its entitlements.
2. The RMA should provide for an annual increase in the maximum special tax.
3. For residential components of development projects, the projected ad valorem tax and other direct and overlapping debt for the proposed CFD shall not exceed 2.0% of the anticipated initial sales price to the ultimate home buyer, per City policy. Any deviations from the foregoing will not be permitted unless specifically approved by the City Council.
4. The term of the Services CFD shall be in perpetuity, unless otherwise agreed to by the City Council.
5. The City will consider the apportionment of assessments to those properties that are found by the assessment engineer to be benefited by the municipal services provided. The assessment engineer will review the services provided to each parcel in order to comply with the requirements of Proposition 218 and applicable State statutes.
6. The rate and method of special taxes will be structured in such a manner as to result in a fair and reasonable taxing structure. The City and its special tax consultant will consider input from the proponent of the development project, but the City will make the final determination.

E. Deposit/Reimbursement Agreement

1. As stipulated earlier in this policy, all City and any consultant costs incurred in evaluating applications requesting the establishment of CFDs shall be paid by the applicant by advance deposit increments, or as otherwise agreed upon in writing by the City.
2. The City and the applicant shall enter into a Deposit/Reimbursement Agreement that stipulates the terms of payment for the costs in conducting proceedings for the formation of the Services Community Facility District.
3. The Director of Finance may draw upon the deposits to pay costs including, but not limited to fees and expenses of any consultants employed in connection with the formation or annexation of the CFD; the costs of publication of notices; appraisal or other studies determined necessary; and reasonable charges for City staff time.

BUDGET AND FISCAL POLICIES

F. Conditions for Project Approval for New Projects

1. Effective upon adoption of this policy, the City shall require all developments that propose an increase in a higher density residential use than what is currently allowed by the General Plan or Zoning Code to form or annex into a CFD pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, for the purposes of providing general municipal services and public safety services, for the purpose of offsetting the cost of providing said services to new residents. Determination of an eligible CFD will be made at the discretion of the City. If an eligible CFD does not exist, a new services CFD formation will be required. It is the City's goal to provide a consistent level of service to all City residents.
2. The City may choose to enter into a Development Agreement with the applicant, requiring the development to form, or annex into, the Services CFD.
3. If no Development Agreement is entered into between the City and the applicant, a condition of approval will be placed upon the project during the entitlement phase, stipulating that prior to the approval of any map, it will be required that the development form, or annex into, a Services CFD.
4. The City, in conjunction with its financial advisors, shall determine whether the aggregate cost of public services, allowable under statute, shall equal an amount that renders the formation of a District economically both cost-effective and efficient.
5. The City will work, on a case by case basis, to determine the appropriate tax rate to be levied for proposed projects, in conjunction with a Services CFD applying for the development of affordable housing, as defined by the California Health and Safety Code.

X. Interfund Transfers and Loans

A. Establishment of Various Funds

The City has established various funds to account for revenues whose use should be restricted to certain activities. Accordingly, each fund exists as a separate financing entity from other funds, with its own revenue sources, expenditures and fund equity.

B. Transfer Between Funds

Any transfers between funds for operating purposes are set forth in the budget. These operating transfers, under which financial resources are transferred from one fund to another, are distinctly different from interfund borrowings, which are usually made for temporary cash flow reasons, and are not intended to result in a transfer of financial resources. In summary, interfund transfers result in a change in fund equity; interfund borrowings do not, as the intent is to repay the loan in the near term.

1. At its meeting on May 27, 2025, the City Council authorized a $5 million transfer from Fund 006-Fire Facility Acquisition Fund to Fund 001-General Fund for the acceleration of the City's Debt/Paydown Strategy. This $5 million will be repaid to F006 over the next five years, or sooner if approved by the City Council.

BUDGET AND FISCAL POLICIES

C. Interfund Loans

Interfund loans may be appropriate whenever the loan is expected to be repaid within the immediate future. The most common use of interfund loans is for grant programs, where costs are incurred before drawdowns are initiated and received. Receipt of funds is typically received shortly after the request for funds has been made.

XI. Appropriations Limitation

A. Adopting a Resolution

The Council will annually adopt a resolution establishing the City's appropriations limit calculated in accordance with Article XIII-B of the Constitution of the State of California, Section 7900 of the State of California Government Code, and any other voter approved amendments or state legislation that affect the City's appropriations limit.

B. Supporting Documentation Available for Review

The supporting documentation used in calculating the City's appropriations limit and projected appropriations subject to the limit will be available for public and Council review at least fifteen days before Council consideration of a resolution to adopt an appropriations limit. The Council will generally consider this resolution in connection with final approval of the budget.

C. Calculating Appropriations

The City will strive to develop revenue sources, both new and existing, which are considered non-tax proceeds, in calculating its appropriations subject to limitation.

D. Support of Legislation or Initiatives

The City will actively support legislation or initiatives sponsored or approved by League of California Cities which would modify Article XIII-B of the Constitution in a manner which would allow the City to retain projected tax revenues resulting from growth in the local economy for use as determined by the Council.

E. Voter Approval to Amend Appropriation Limit

The City will seek voter approval to amend its appropriation limit at such time that tax proceeds are in excess of allowable limits.

XII. Cost Allocation Plan and User Fee Study Updates

The City charges a variety of fees for services provided to residents and businesses, such as inspection, permits, recreational services, use of City property and other services. These fees are charged to recover the costs associated with providing the services.

BUDGET AND FISCAL POLICIES

In accordance with the Government Finance Officers Association (GFOA) and Federal Government Office of Management and Budget (OMB) 2 CFR Part 200 (formerly OMB Circular A-87), the City should calculate the full cost of delivering the aforementioned services and determine the levels of cost recovery and associated fee charges for each service provided

A. Cost Allocation Plan

A cost allocation plan (CAP) is a document that identifies, accumulates, and fairly distributes central service costs to operating departments, programs, or grants. Central service costs generally include expenditures reflected in the City Council, City Manager, City Attorney, City Clerk, Finance, Human Resources departments. The CAP must comply with OMB 2 CFR Part 200 in order to allocate costs to a federal grant and receive reimbursement. The CAP shall be updated in conjunction with the User Fee Study by an independent consultant specializing in such studies.

1. Full Cost Plan – this version of the CAP provides an accurate reflection of the total operational costs of the City but is not intended to comply with 2 CFR Part 200. The Full Cost Plan may be used for determining Citywide overhead to be used in the fully-burdened cost basis for user and regulatory fees, and for determining interfund charges.

2. Federal Plan – this version of the CAP follows the guidance and is compliant with the OMB 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. This Plan determines an indirect cost rate intended to recover the costs from external funds such as Federal and/or State grants or agreements.

B. User Fee Study (Cost of Services Study)

A User Fee Study, commonly referred to as a Cost of Services Study, is a document that determines the cost of providing identified services that provide a special benefit to members of the public or business. The Study is used to develop target cost recovery rates to ensure all reasonable costs incurred in providing the services are being recovered or to determine appropriate levels of subsidy.

C. Frequency of Studies

A comprehensive Cost Allocation Plan and User Fee Study is recommended to be updated every three to five years in order to maintain adequate cost recovery and validate subsidy levels.

An annual review of User Fees is recommended as part of the budget process, and applicable inflationary adjustments, if any, shall be applied to the ensuing fiscal year fees.

XIII. Pension Funding

A. Establishment of an Internal Revenue Code (IRC) Section 115 Irrevocable Trust

The City contracts with the California Public Employees Retirement System (CalPERS) to provide pension benefits to its employees. The pension is funded with a combination of employer and employee contributions. To mitigate the volatility in the employer contribution rates, the City has established a Section 115 Trust to prefund its pension obligations. Assets from the Trust are restricted for the payment of pension obligations.

BUDGET AND FISCAL POLICIES

B. Funding of the Section 115 Irrevocable Trust

The primary benefit of a Section 115 Trust is the flexibility of investment options available to the Trust that cities are prohibited from utilizing. The broader investment options have the ability to generate higher yields and investment earnings, thereby increasing the assets held in trust.

The City established the Section 115 Trust with a one-time contribution of $8 million as seed funding during Fiscal Year 2017-18. Subsequent deposits and withdrawals have been made since the Trust was established to meet the goals of the City's Debt/Liability Paydown Strategy Policy. By Fiscal Year 2026-27, the City will have effectively paid down the full CalPERS Pension Unfunded Accrued Liability (UAL). Given the annual update in the CalPERS actuarial valuation of the City's Pension, future UALs are likely to occur. The City shall maintain its Section 115 Trust to accumulate funds to assist in the pay down of future UALs and other eligible pension payments as noted in this Policy.

Effective Fiscal Year 2026-27 and every year thereafter until amended by Council, the City shall fund the Section 115 Trust either through annual one-time deposits or through ongoing, budgeted contributions, until such time as the fund balance in the trust reaches $10 million.

1. Annual/One-Time Deposits
    a. During Fiscal Year 2026-27, a one-time deposit of $7 million from the General Fund shall be transferred to the Section 115 Trust.
    b. Upon the closing of the annual financials, thirty percent (30%) of the Operating Budget Surplus within the General Fund may be deposited into the Section 115 Trust, The Operating Budget Surplus is defined as the excess amount over the budgeted Revenue over Expenditures calculation.
    c. Additional Trust contributions may be programmed through the Annual Operating Budget process each year, as approved by Council.
    d. The Director of Finance may exercise the option of depositing the funds in tranches throughout the fiscal year and employ dollar cost averaging to mitigate risk in fluctuating markets.
2. Ongoing, Budgeted Contributions
    a. The City shall add 1.25% to the CalPERS Normal Cost Employer Rate through its annual budget process to generate funding to transfer to the Section 115 Trust. This percentage will be re-evaluated each fiscal year as part of the budget process.
    b. The City shall determine the amount of Health Flex Forfeiture above $150,000 per year and deposit the excess into the Section 115 Trust.

C. Allowable Uses of the Section 115 Irrevocable Trust

Accumulated funds in the Section 115 Irrevocable Trust shall only be used for the payment of CalPERS pension obligations, and will be prioritized as follows:

1. Additional Discretionary Payments (ADP) to reduce the City's CalPERS Unfunded Accrued Liability (UAL),

BUDGET AND FISCAL POLICIES

2. Annual prepayment of the City's UAL, as determined by the annual CalPERS Actuarial Valuation Report, to take advantage of the prepayment discount.

3. Annual payment of the City's "Normal Cost," as determined by the annual CalPERS Actuarial Valuation Report.

4. Reimbursement of prior pension obligations paid by the City. Reimbursement is limited to pension payments made in the current year plus one year back, as long as there were no Trust disbursements made during this time period.

XIV. Retiree Health Benefit Funding

A. Retiree Health Benefit

The City will provide medical, dental and vision benefits for eligible employees and their spouse upon retirement from the City of Temecula, as defined in the City's labor agreements.

1. To provide funding for the Retiree Health Benefit, the City joined the California Employer's Retirement Benefit Trust (CERBT), which is an Internal Revenue Code (IRC) Section 115 trust dedicate to prefunding Other Post-Employment Benefits (OPEB).

B. Actuarial Valuation Reporting

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions), an actuarial valuation report is required of state and local government employers to measure and report their total OPEB liability at least every two years.

1. As a result of the City's Debt/Liability Paydown Strategy, in 2025 the City achieved "super-funded" status in the CERBT Trust, which was 120% funded due to additional discretionary contributions made to the trust.

C. Funding the CERBT

The Actuarial Valuation Report calculates the anticipated assets and liabilities of the trust, and the resulting actuarially determined contribution (ADC) required to cover the annual service costs of the benefit and the unfunded liability (if any).

1. Annual service costs of providing the retiree benefit is approximately $1.7 million.

2. The City shall utilize the assets in the CERBT to reimburse itself for the service costs of this benefit so long as the CERBT is at least 100% funded, per the latest Actuarial Valuation Report.

3. If the funded status in the CERBT falls below a 100%, the City shall include the annual service costs in the Annual Operating Budget and make additional discretionary contributions over the ensuing two fiscal years to bring the funded status back to 100%.

    a. Additional discretionary contributions may come from available unassigned General Fund balance, in accordance with Budget Policy III.H.4.

BUDGET AND FISCAL POLICIES

XV. Signature Delegation

A. Delegation of City Manager Signature Authority

In accordance with the Budget Resolution Section 1.E-F., the City Manager may authorize expenditures of funds in the amounts up to one-hundred thousand dollars ($100,000). Any expenditures in excess of $100,000 requires City Council action.

With regard to contracts and agreements, the City Manager hereby delegates his signature authority, up to $100,000 to the Assistant City Manager, and up to $60,000 as follows:

1. Temecula Community Service District contracts and agreements may be approved by the Director of Community Services for the following contract types:
    a. Entertainment, Performance and Event Agreements
2. Public Works contracts and agreements may be approved by the Deputy City Manager or the Director of Public Works for the following contract types:
    a. Maintenance Agreements
    b. Minor Construction Agreements

B. Delegation of City Manager Settlement Authority

In accordance with the Budget Resolution Section 1.G., the City Manager, in consultation with the City Attorney, is authorized to settle personal injury and property damage lawsuits and enter into settlement agreements on behalf of the City, Temecula Community Services District, and the Successor Agency to the Temecula Redevelopment Agency where the amount of the settlement does not exceed one-hundred thousand dollars ($100,000).

1. For all Personal Injury, Property, and Employment Claim settlements, the City Manager hereby delegates his signature authority to the Director of Human Resources/Risk Management to negotiate settlements up to $10,000.

XVI. Emergency Appropriation Policy

In the event of an emergency resulting from acts of nature or other unforeseen activity, the City Manager is authorized to appropriate budgetary funds for the emergency purchase of goods and services to address such emergency.

In the event the emergency requires a significant Public Works response, an emergency exemption to the Public Works bidding requirements must be approved by the City Council via an Emergency Exemption Resolution.

City of Temecula
Budget Policy VIII.D. – Criteria for Obligating General Fund
Exhibit A
General Fund Debt Obligation Checklist

In accordance with Budget Policy VIII.D, the City will not obligate the General Fund to secure long-term financings except when certain criteria have been met. Prior to the authorization of any General Fund-Supported Debt, the City Council must approve the criteria noted in the following Checklist. This Checklist shall accompany the City Council Agenda Report for the proposed debt financing.

Section I. - General Fund Fiscal Health

1) Is the General Fund structurally balanced over the ensuing five fiscal years? ❑ Yes ❑ No

2) Is the Reserve for Economic Uncertainty fully funded, in accordance with Budget Policy III.B.? ❑ Yes ❑ No

Section II. – Pension Funding Status

3) Is the City's CalPERS Miscellaneous pension 100% funded, including assets held at CalPERS and in the City's Section 115 Pension Trust? ❑ Yes ❑ No

If No, the Council may consider issuing General Fund Debt if the following are true:

A. The City is in full compliance with the contribution schedule and funding targets established in the City's Pension Funding Policy, including any supplemental contributions required to return the plan to 100% funded status within the timeline established therein, and ❑ Yes ❑ No

B. The Council makes written findings that deferral of the proposed debt issuance until pension funding targets are restored would result in greater fiscal harm than proceeding with issuance. ❑ Yes ❑ No

Section III. – Alternative Financing Analysis

4) Has the City conducted alternative financial analysis to evaluate pay-as-you-go options? ❑ Yes ❑ No
If Yes, state the reasons debt financing is the preferred option:

_____

_____

Section IV. – Additional Criteria

5) Is the purpose of the debt to raise capital for: ❑ One-time Capital Improvements, or ❑ Ongoing operations?

6) Does the proposed annual debt service exceed 10% of General Fund Operating Revenue, excluding one-time interfund transfers and including other General Fund Debt Obligations, as determined by the City's Municipal Advisor? ❑ Yes ❑ No

7) Will the proposed financing adversely impact the City's Credit Rating, as determined by the City's Municipal Advisor? ❑ Yes ❑ No

8) The projected useful life of the asset being financed shall not exceed the term of the proposed debt issuance:

A. Estimated useful life of the asset being financed (in years) _____

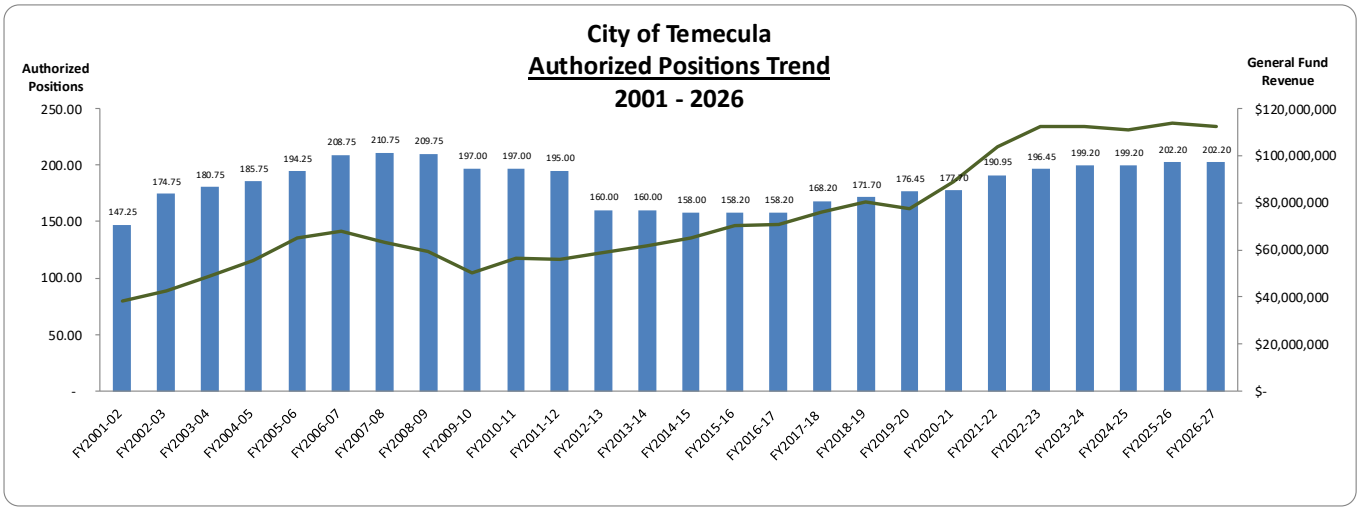
B. Term of the proposed debt financing (in years) _____

CITY OF TEMECULA
1989
OLD TRADITIONS ♦ NEW OPPORTUNITIES

SUMMARY OF CHANGES IN AUTHORIZED POSITIONS, PERSONNEL AND BENEFIT COSTS

Total authorized Full Time Equivalent (FTE) positions equal 202.20 authorized positions, including six authorized/unfunded positions (one Principal Planner in the Community Development department; and two Community Services Managers, one Community Services Superintendent, and two Community Services Supervisors I/II in the Temecula Community Services District). The total reflects no change in the number of positions compared to the prior year.

Total Authorized Positions remains below the peak in 2007-08 by 8.55 positions.



In addition to the Authorized Positions, the City employs six Limited Term positions to support the implementation of the City's new Human Resources/Payroll software system and to cover long-term leaves of absence. A significant number of part-time, non-benefitted Project employees also are employed to assist with the multitude of programs offered by the Temecula Community Services District. For Fiscal Year 2026-27, an estimated 88 full-time equivalents will be hired as seasonal and part-time support.

Public Safety personnel are provided through contracts with Riverside County and CAL FIRE. A total of 117 Sworn Sheriff's Deputies, 18 non-sworn Community Service Officers, and three Sheriff Service Officers are included in the Temecula Sheriff's Office budget, and a total of 79 contract Fire personnel are reflected in the Fire Department budget for FY2026-27.

Employee Salaries

In accordance with the City's labor agreements, a 3% cost of living adjustment will go into effect July 1, 2026. The salary and benefits contained in the Adopted Budget reflect the anticipated salary adjustments.

Pursuant to Section 47.3 of the MOU and Section 31.3 of the Management Compensation Plan (MCP), a Reclassification Request Process is available to employees whose work has fundamentally changed due to a department reorganization, changes to staffing levels, introduction of new programs or services, and/or reallocations of work and internal reporting relationships. Employees may request an evaluation of their job duties by an independent consultant, to determine the proper job classification for the work performed.

SUMMARY OF CHANGES IN AUTHORIZED POSITIONS, PERSONNEL AND BENEFIT COSTS

In accordance with the provisions of the MOU and MCP, a total of 20 employees are recommended for reclassification, effective July 1, 2026. The expected fiscal impact of these reclassified positions is $154,702.

Employee Benefits

The City contributes to the California Public Employees Retirement System (CalPERS), a multiple-employer public employee defined benefit pension plan for all authorized employees and temporary employees who work more than 1,000 hours per year, or who have previously been part of CalPERS pension program. CalPERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions and all other requirements are established by the State statute and City ordinance, with the City providing the following benefits:

- Tier 1: 2.7% @ 55 formula for employees hired prior to September 11, 2011
- Tier 2: 2.0% @ 60 formula for employees hired after September 11, 2011
- Tier 3: 2.0% @ 62 for employees, new to the CalPERS system, hired after January 1, 2013, in accordance with the Public Employees' Pension Reform Act of 2013 (PEPRA)

Employees pay 3% of their annual salary for their CalPERS Retirement benefit, and the City pays a contribution on behalf of authorized employees; (5% for Tier 1 and 4% for Tier 2 employees), in addition to the required actuarially determined employer contribution rate. The annual cost for the CalPERS pension for eligible personnel for Fiscal Year 2026-27 is budgeted to be $4,478,238.

The City provides a Section 125 Flexible Benefits Plan for all authorized employees. The total monthly cafeteria allotment is $1,200 from which employees can purchase health, dental, life, and disability insurance benefits. Also included in this Plan are options for medical and dependent care reimbursement, deferred compensation, or a "cash back" option. The cafeteria allotment is also provided to eligible retirees as part of the City's retiree health plan.

As part of the MOU and MCP agreements, in addition to the cafeteria allotment, the City provides employees a $1,000 per month contribution to a Health Flex Contribution account to be used for medical, dental or vision premiums, or directed to a Healthcare Flexible Spending Account. Any unused amount not utilized for these purposes will be forfeited.

The annual cost of the cafeteria benefit plan for Fiscal Year 2026-27 is estimated to be $5,280,000.

SCHEDULE OF AUTHORIZED POSITIONS

As of July 1, 2026

	FY2025-26 Number of Positions	Salary Schedule Monthly Salary Minimum	Salary Schedule Monthly Salary Maximum	Bargaining Unit***	Exempt/Non-Exempt
CITY COUNCIL					
Councilmember	5.0	1,900	1,900	N/A	E
City Council Subtotal:	**5.0**				
CITY MANAGER					
Assistant City Manager	1.0	19,711	27,855	Exec	E
Assistant to the City Manager	1.0	13,373	18,893	MCP	E
City Manager	1.0	N/A	30,918	Contract	E
Deputy City Manager	1.0	17,923	25,324	Exec	E
Executive Assistant I/II	1.0	6,375	9,464	MCP	E
Senior Office Specialist	1.0	5,105	6,535	Rep	NE
City Manager Subtotal:	**6.0**				
OFFICE OF PUBLIC INFORMATION & ECONOMIC DEVELOPMENT					
Administrative Assistant	1.0	5,496	7,037	Rep	NE
Economic Development Manager	1.0	10,974	15,508	MCP	E
Multimedia Coordinator	1.0	7,212	9,233	Rep	NE
Senior Management Analyst	2.0	8,365	11,820	MCP	E
Office of Public Information & Economic Development Subtotal:	**5.0**				
CITY CLERK					
Assistant City Clerk	1.0	9,700	13,707	MCP	E
Director of Legislative Affairs/City Clerk	1.0	15,895	22,459	Exec	E
Management Assistant	1.0	5,919	7,576	Rep	NE
Records Manager	1.0	7,393	10,449	MCP	E
Records Technician	1.0	4,293	5,496	Rep	NE
City Clerk Subtotal:	**5.0**				
HUMAN RESOURCES					
Assistant Director of HR/Risk Management	1.0	12,418	17,545	MCP	E
Director of HR/Risk Management	1.0	15,895	22,459	Exec	E
Human Resources Supervisor (Confidential)	1.0	7,212	10,190	MCP	NE
Management Analyst	1.0	7,212	10,190	MCP	E
Management Assistant (Confidential)	1.0	5,919	8,365	MCP	NE
Risk Manager	1.0	10,709	15,129	MCP	E
Senior Management Analyst (underfill as Management Analyst)	1.0	8,365	11,820	MCP	E
Human Resources Subtotal:	**7.0**				

SCHEDULE OF AUTHORIZED POSITIONS

As of July 1, 2026

	FY2025-26 Number of Positions	Salary Schedule Monthly Salary Minimum	Salary Schedule Monthly Salary Maximum	Bargaining Unit***	Exempt/Non-Exempt
FINANCE					
Accountant I/II	2.0	7,393	9,942	Rep	NE
Accounting Assistant (Cashier & AP)	3.0	5,231	6,698	Rep	NE
Assistant Director of Finance	1.0	13,373	18,893	MCP	E
Director of Finance	1.0	16,293	23,022	Exec	E
Finance Manager	1.0	9,464	13,373	MCP	E
Fiscal Services Manager	2.0	10,974	15,508	MCP	E
Management Analyst	1.0	7,212	10,190	MCP	E
Purchasing Manager	1.0	8,161	11,530	MCP	E
Senior Accountant (Confidential)	1.0	8,575	12,116	MCP	NE
Senior Accounting Technician	1.0	6,698	8,575	Rep	NE
Senior Accounting Technician - Payroll (Confidential)	2.0	6,698	9,464	MCP	NE
Finance Subtotal:	**16.0**				
INFORMATION TECHNOLOGY					
Assistant Director Information Technology/Support Svcs	1.0	13,045	18,434	MCP	E
Director of Information Technology/Support Svcs	1.0	15,895	22,459	Exec	E
Information Technology Manager	1.0	11,820	16,699	MCP	E
Information Technology Specialist I/II (Confidential)	2.0	6,375	9,464	MCP	NE
Information Technology Supervisor (Confidential)	4.0	8,161	11,530	MCP	NE
Information Technology Supervisor (Multimedia Services) (Confidential)	1.0	8,161	11,530	MCP	NE
Information Technology Technician I/II	0.5	5,496	8,161	MCP	NE
Management Analyst	1.0	7,212	10,190	MCP	E
Senior Administrative Assistant	1.0	6,068	7,769	Rep	NE
Senior Information Technology Specialist (Confidential)	2.0	7,393	10,449	MCP	NE
Support Services					
Information Technology Technician I/II	0.5	5,496	8,161	MCP	NE
Office Specialist I/II - AM	0.6	4,401	5,919	Rep	NE
Office Specialist I/II - PM	0.6	4,401	5,919	Rep	NE
Support Services Supervisor	1.0	5,105	6,535	Rep	NE
Information Technology Subtotal:	**17.2**				
COMMUNITY DEVELOPMENT					
Assistant Director of Community Development	1.0	13,373	18,893	MCP	E
Director of Community Development	1.0	16,293	23,022	Exec	E
Management Assistant	1.0	5,919	7,576	Rep	NE
Senior Administrative Assistant	1.0	6,068	7,769	Rep	NE
Planning					
Assistant Planner	1.0	6,698	8,575	Rep	NE

SCHEDULE OF AUTHORIZED POSITIONS

As of July 1, 2026

	FY2025-26 Number of Positions	Salary Schedule Monthly Salary Minimum	Salary Schedule Monthly Salary Maximum	Bargaining Unit***	Exempt/Non-Exempt
Associate Planner I (underfill as Planning Technician)	1.0	7,769	9,942	Rep	NE
Associate Planner I/II	1.0	7,769	10,974	Rep	NE
Community Development Technician II	2.0	6,535	8,365	Rep	NE
Community Development Technician II (underfill as Comm Dev Tech I)	1.0	6,535	8,365	Rep	NE
Planning Manager	1.0	11,530	16,293	MCP	E
Principal Management Analyst	1.0	9,233	13,045	MCP	E
Principal Planner (underfill as Associate Planner I)	1.0	10,449	14,759	MCP	E
Senior Community Development Technician	2.0	7,212	9,233	Rep	NE
Senior Management Analyst	0.1	8,365	11,820	MCP	E
Senior Office Specialist	1.0	5,105	6,535	Rep	NE
Senior Planner	2.0	9,464	13,373	MCP	E
Building and Safety/Code Enforcement					
Building Inspector I	1.0	6,864	8,790	Rep	NE
Building Inspector II	2.0	7,576	9,700	Rep	NE
Building Official	1.0	12,116	17,120	MCP	E
Code Enforcement Manager	1.0	8,575	12,116	MCP	E
Code Enforcement Officer I	2.0	5,775	7,393	Rep	NE
Code Enforcement Officer II	1.0	6,375	8,161	Rep	NE
Plan Checker	1.0	9,233	11,820	Rep	NE
Senior Administrative Assistant	2.0	6,068	7,769	Rep	NE
Senior Building Inspector	2.0	8,365	10,709	Rep	NE
Senior Code Enforcement Officer (underfill as Code Enforcement Officer II)	1.0	7,037	9,006	Rep	NE
Senior Management Analyst	0.9	8,365	11,820	MCP	E
Community Development Subtotal:	**33.0**				
PUBLIC WORKS					
Assistant Director of Public Works	1.0	14,401	20,348	MCP	E
Director of Public Works	1.0	16,293	23,022	Exec	E
Program Manager	1.0	9,233	13,045	MCP	E
Senior Administrative Assistant	1.0	6,068	7,769	Rep	NE
Senior Management Analyst	1.0	8,365	11,820	MCP	E
CIP Administration					
Assistant Engineer I/II	1.0	7,393	9,942	Rep	NE
Associate Engineer I	2.0	8,575	10,974	Rep	E
Associate Engineer II	2.0	9,464	12,116	Rep	E
Principal Civil Engineer	2.0	12,418	17,545	MCP	E
Senior Civil Engineer	1.0	11,251	15,895	MCP	E
Senior Public Works Inspector	2.0	8,161	10,449	Rep	NE
Senior Public Works Inspector (underfill as Public Works Inspector I)	1.0	8,161	10,449	Rep	NE
Supervising Public Works Inspector	1.0	9,006	11,530	Rep	NE

SCHEDULE OF AUTHORIZED POSITIONS

As of July 1, 2026

	FY2025-26 Number of Positions	Salary Schedule Monthly Salary Minimum	Salary Schedule Monthly Salary Maximum	Bargaining Unit***	Exempt/Non-Exempt
Land Development/NPDES					
Associate Civil Engineer	1.0	9,942	12,728	Rep	E
Associate Civil Engineer (underfill as Associate Engineer I)	1.0	9,942	12,728	Rep	E
Associate Engineer II	2.0	9,464	12,116	Rep	E
Management Assistant (underfill as Senior Office Specialist)	1.0	5,919	7,576	Rep	NE
Senior Management Analyst (underfill as Management Analyst)	1.0	8,365	11,820	MCP	E
Senior Office Specialist	1.0	5,105	6,535	Rep	NE
Senior Public Works Inspector	1.0	8,161	10,449	Rep	NE
Traffic					
Associate Civil Engineer	1.0	9,942	12,728	Rep	E
Principal Civil Engineer	1.0	12,418	17,545	MCP	E
Senior Signal Technician	2.0	8,161	10,449	Rep	NE
Signal Technician I/II	1.0	7,037	9,464	Rep	NE
Maintenance (Streets, Facilities, Parks)					
Custodian II - Facilities	2.0	3,987	5,105	Rep	NE
Field Supervisor - Trades	1.0	7,961	10,190	Rep	NE
Landscape Inspector II	1.0	6,698	8,575	Rep	NE
Lead Maintenance Worker - Electrician	1.0	7,212	9,233	Rep	NE
Lead Maintenance Worker - Facilities	1.0	7,212	9,233	Rep	NE
Lead Maintenance Worker - HVAC	1.0	7,212	9,233	Rep	NE
Lead Maintenance Worker - Parks	2.0	5,775	7,393	Rep	NE
Lead Maintenance Worker - Streets (underfill as Maintenance Worker II)	3.0	5,775	7,393	Rep	NE
Lead Maintenance Worker - Trades	1.0	7,212	9,233	Rep	NE
Maintenance Manager	1.0	12,116	17,120	MCP	E
Maintenance Superintendent	3.0	10,974	15,508	MCP	E
Maintenance Worker I - Parks	1.0	4,741	6,068	Rep	NE
Maintenance Worker I - Streets	5.0	4,741	6,068	Rep	NE
Maintenance Worker II - Facilities	2.0	6,221	7,961	Rep	NE
Maintenance Worker II - Parks	1.0	5,231	6,698	Rep	NE
Maintenance Worker II - Streets	2.0	5,231	6,698	Rep	NE
Parks & Trails Specialist II	3.0	6,375	8,161	Rep	NE
Senior Landscape Inspector	1.0	7,393	9,464	Rep	NE
Senior Management Analyst	1.0	8,365	11,820	MCP	E
Senior Office Specialist	1.0	5,105	6,535	Rep	NE
Public Works Subtotal:	**64.0**				
FIRE					
Community Development Technician II	2.0	6,535	8,365	Rep	NE
Fire Inspector II	1.0	8,790	11,251	Rep	NE
Office Specialist I/II	1.0	4,401	5,919	Rep	NE

SCHEDULE OF AUTHORIZED POSITIONS

As of July 1, 2026

	FY2025-26 Number of Positions	Salary Schedule Monthly Salary Minimum	Salary Schedule Monthly Salary Maximum	Bargaining Unit***	Exempt/Non-Exempt
Senior Management Analyst	1.0	8,365	11,820	MCP	E
Emergency Management					
Emergency Manager	1.0	8,790	12,418	MCP	E
Fire Subtotal:	**6.0**				
COMMUNITY SERVICES					
Assistant Director of Community Services	1.0	13,045	18,434	MCP	E
Community Services Coordinator I/II	6.0	5,919	7,961	Rep	NE
Community Services Manager	4.0	10,709	15,129	MCP	E
Community Services Specialist I/II	1.0	5,105	6,864	Rep	NE
Community Services Superintendent	3.0	11,820	16,699	MCP	E
Community Services Supervisor I/II	11.0	6,864	9,233	Rep	NE
Director of Community Services	1.0	15,895	22,459	Exec	E
Management Assistant	1.0	5,919	7,576	Rep	NE
Multimedia Coordinator	2.0	7,212	9,233	Rep	NE
Theater Technical Coordinator I/II	1.0	5,919	7,961	Rep	NE
Theater Technical Coordinator I/II (underfill as Theater Technical Specialist II)	1.0	5,919	7,961	Rep	NE
Community Services Subtotal:	**32.0**				

Total By Department	**Positions**
City Council	5.0
City Manager	6.0
Economic Development	5.0
City Clerk	5.0
Human Resources	7.0
Finance	16.0
Information Technology	17.2
Community Development	33.0
Public Works	64.0
Fire	6.0
Community Services	32.0
Total Authorized/Funded Positions:	**196.2**
Total of Authorized/Unfunded Positions:	**6.0**
Total Authorized Positions:	**202.2**

*** Bargaining Units:*
Rep = Represented
MCP = Management/Confidential
Exec = Executive

SCHEDULE OF AUTHORIZED POSITIONS

As of July 1, 2026

	FY2025-26 Number of Positions	Salary Schedule Monthly Salary Minimum	Salary Schedule Monthly Salary Maximum	Bargaining Unit***	Exempt/Non-Exempt
Authorized/Unfunded positions:					
Community Development - Planning					
Principal Planner	1.0	10,449	14,759	MCP	E
Community Services					
Community Services Manager	2.0	10,709	15,129	MCP	E
Community Services Superintendent	1.0	11,820	16,699	MCP	E
Community Services Supervisor I/II	2.0	6,864	9,233	Rep	NE
Limited Term Assignment Positions:					
COMMUNITY DEVELOPMENT					
Planning Technician	1.0	6,068	7,769	Rep	NE
COMMUNITY SERVICES					
Management Assistant	1.0	5,919	7,576	Rep	NE
HUMAN RESOURCES					
Administrative Assistant (Confidential)	1.0	5,496	7,769	MCP	NE
Human Resources Technician I/II	1.0	5,637	8,365	MCP	NE
Senior Management Analyst	1.0	8,365	11,820	MCP	E
INFORMATION TECHNOLOGY					
Office Specialist I/II - PM	1.0	4,401	5,919	Rep	NE

SCHEDULE OF CHANGES IN ALLOCATED POSITIONS

	Adopted 2024-25	Unfunded 2024-25	Changes	Current 2025-26	Unfunded 2025-26	Changes	Proposed 2026-27	Unfunded 2026-27
GENERAL FUND								
CITY COUNCIL								
Council Members	5.00	-	-	5.00	-	-	5.00	-
CITY MANAGER								
Assistant City Manager	1.00	-	-	1.00	-	-	1.00	-
Assistant to the City Manager	0.50	-	-	0.50	-	-	0.50	-
City Manager	1.00	-	-	1.00	-	-	1.00	-
Deputy City Manager	-	-	1.00	1.00	-	-	1.00	-
Executive Assistant	1.00	-	-	1.00	-	(1.00)	-	-
Executive Assistant II	-	-	-	-	-	1.00	1.00	-
Senior Office Specialist	1.00	-	-	1.00	-	-	1.00	-
	4.50	-	1.00	5.50	-	-	5.50	-
OFFICE OF PUBLIC INFORMATION & ECONOMIC DEVELOPMENT								
Administrative Assistant	1.00	-	-	1.00	-	-	1.00	-
Assistant to the City Manager	0.50	-	-	0.50	-	-	0.50	-
Economic Development Manager	1.00	-	-	1.00	-	-	1.00	-
Management Analyst	1.00	-	(1.00)	-	-	-	-	-
Multimedia Coordinator	-		1.00	1.00	-	-	1.00	-
Multimedia Specialist II	1.00	-	(1.00)	-	-	-	-	-
Senior Management Analyst	1.00	-	1.00	2.00	-	-	2.00	-
	5.50	-	-	5.50	-	-	5.50	-
EMERGENCY MANAGEMENT								
Emergency Manager	-	-	1.00	1.00	-	-	1.00	-
Senior Management Analyst	1.00	-	(1.00)	-	-	-	-	-
	1.00	-	-	1.00	-	-	1.00	-
CITY CLERK								
Assistant City Clerk	-	-	-	-	-	1.00	1.00	-
Deputy City Clerk	1.00	-	-	1.00	-	(1.00)	-	-
Director of Legislative Affairs/City Clerk	1.00	-	-	1.00	-	-	1.00	-
Management Assistant	1.00	-	-	1.00	-	-	1.00	-
Records Manager	1.00	-	-	1.00	-	-	1.00	-
Records Technician	1.00	-	-	1.00	-	-	1.00	-
	5.00	-	-	5.00	-	-	5.00	-
FINANCE								
Accountant I	1.00	-	1.00	2.00	-	(1.00)	1.00	-
Accountant II	-	-	-	-	-	1.00	1.00	-
Accounting Assistant	1.00	-	-	1.00	-	-	1.00	-
Accounting Assistant - Cashier	2.00	-	-	2.00	-	-	2.00	-
Accounting Technician I/II	1.00	-	-	1.00	-	(1.00)	-	-
Assistant Director of Finance	1.00	-	-	1.00	-	-	1.00	-
Director of Finance	0.96	-	-	0.96	-	-	0.96	-
Finance Manager	1.00	-	-	1.00	-	-	1.00	-
Fiscal Services Manager	1.86	-	-	1.86	-	-	1.86	-
Management Analyst	2.00	-	-	2.00	-	(1.00)	1.00	-
Purchasing Manager	-	-	-	-	-	1.00	1.00	-
Senior Accountant (Confidential)	1.00	-	-	1.00	-	-	1.00	-
Senior Accounting Technician	1.00	-	-	1.00	-	-	1.00	-

SCHEDULE OF CHANGES IN ALLOCATED POSITIONS

	Adopted 2024-25	Unfunded 2024-25	Changes	Current 2025-26	Unfunded 2025-26	Changes	Proposed 2026-27	Unfunded 2026-27
Senior Accounting Technician (Confidential)	1.00	-	-	1.00	-	1.00	2.00	-
	14.82	-	1.00	15.82	-	-	15.82	-
HUMAN RESOURCES								
Assistant Director of HR/Risk Management	-	-	1.00	1.00	-	(0.50)	0.50	-
Director of HR/Risk Management	0.50	-	-	0.50	-	0.50	1.00	-
Human Resources Technician II	2.00	-	(2.00)	-	-	-	-	-
Human Resources Supervisor	-	-	1.00	1.00	-	-	1.00	-
Management Analyst	-	-	1.00	1.00	-	0.10	1.10	-
Management Assistant (Confidential)	0.90	-	0.20	1.10	-	(0.10)	1.00	-
Risk Manager	-	-	-	-	-	0.10	0.10	-
Senior Management Analyst	2.10	-	(2.00)	0.10	-	(0.10)	-	-
	5.50	-	(0.80)	4.70	-	-	4.70	-
COMMUNITY DEVELOPMENT - PLANNING								
Asst. Director of Community Development	0.65	-	-	0.65	-	(0.30)	0.35	-
Assistant Planner	1.00	-	-	1.00	-	-	1.00	-
Associate Planner I	1.00	-	-	1.00	-	-	1.00	-
Associate Planner II	1.00	-	-	1.00	-	-	1.00	-
Community Development Technician I	0.30	-	-	0.30	-	(0.20)	0.10	-
Community Development Technician II	-	-	-	-	-	0.20	0.20	-
Deputy City Manager	0.55	-	(0.55)	-	-	-	-	-
Directory of Community Development	-	-	0.65	0.65	-	-	0.65	-
Management Assistant	-	-	-	-	-	0.35	0.35	-
Planning Manager	1.00	-	-	1.00	-	-	1.00	-
Planning Technician	2.00	-	(1.00)	1.00	-	(0.10)	0.90	-
Principal Management Analyst	0.35	-	0.20	0.55	-	(0.35)	0.20	-
Principal Planner	-	0.65	-	-	0.65	-	-	0.65
Senior Administrative Assistant	0.83	-	-	0.83	-	-	0.83	-
Senior Community Development Technician	0.20	-	-	0.20	-	-	0.20	-
Senior Management Analyst	0.30	-	(0.20)	0.10	-	-	0.10	-
Senior Office Specialist	1.00	-	-	1.00	-	-	1.00	-
Senior Planner	1.00	-	-	1.00	-	1.00	2.00	-
	11.18	0.65	(0.90)	10.28	0.65	0.60	10.88	0.65
COMMUNITY DEVELOPMENT - BUILDING & SAFETY								
Administrative Assistant	2.00	-	(2.00)	-	-	-	-	-
Asst. Director of Community Development	0.25	-	-	0.25	-	0.20	0.45	-
Building Inspector I	1.00	-	-	1.00	-	-	1.00	-
Building Inspector II	2.00	-	-	2.00	-	-	2.00	-
Building Official	1.00	-	-	1.00	-	-	1.00	-
Code Enforcement Manager	-	-	1.00	1.00	-	-	1.00	-
Code Enforcement Officer I	1.00	-	-	1.00	-	1.00	2.00	-
Code Enforcement Officer II	2.00	-	-	2.00	-	-	2.00	-
Community Development Technician I	2.70	-	-	2.70	-	(1.80)	0.90	-
Community Development Technician II	-	-	-	-	-	1.80	1.80	-
Deputy City Manager	0.25	-	(0.25)	-	-	-	-	-
Director of Community Development	-	-	0.25	0.25	-	-	0.25	-
Field Supervisor Code Enforcement	0.95	-	-	0.95	-	(0.95)	-	-
Management Assistant	-	-	-	-	-	0.45	0.45	-
Plan Checker	1.00	-	-	1.00	-	-	1.00	-
Principal Management Analyst	0.45	-	-	0.45	-	(0.45)	-	-

SCHEDULE OF CHANGES IN ALLOCATED POSITIONS

	Adopted 2024-25	Unfunded 2024-25	Changes	Current 2025-26	Unfunded 2025-26	Changes	Proposed 2026-27	Unfunded 2026-27
Senior Administrative Assistant	0.15	-	2.00	2.15	-	-	2.15	-
Senior Building Inspector	2.00	-	-	2.00	-	-	2.00	-
Senior Code Enforcement Officer	1.00	-	(1.00)	-	-	-	-	-
Senior Community Development Technician	1.80	-	-	1.80	-	-	1.80	-
Senior Management Analyst	0.90	-	-	0.90	-	-	0.90	-
	20.45	-	-	20.45	-	0.25	20.70	-
PUBLIC WORKS - LAND DEVELOPMENT								
Assistant Engineer II	1.00	-	(1.00)	-	-	-	-	-
Asst. Director of Public Works	1.00	-	(1.00)	-	-	-	-	-
Associate Civil Engineer	1.00	-	-	1.00	-	-	1.00	-
Associate Engineer I	-	-	1.00	1.00	-	-	1.00	-
Associate Engineer II	1.00	-	1.00	2.00	-	-	2.00	-
Director of Public Works	0.15	-	-	0.15	-	-	0.15	-
Engineering Tech I	1.00	-	-	1.00	-	(1.00)	-	-
Management Analyst	1.00	-	-	1.00	-	-	1.00	-
Principal Civil Engineer	-	-	-	-	-	1.00	1.00	-
Principal Management Analyst	0.10	-	(0.10)	-	-	-	-	-
Public Works Inspector II	0.90	-	-	0.90	-	-	0.90	-
Senior Administrative Assistant	0.20	-	-	0.20	-	-	0.20	-
Senior Civil Engineer	-	-	-	-	-	1.00	1.00	-
Senior Management Analyst	-	-	-	-	-	0.10	0.10	-
Senior Office Specialist	1.00	-	(0.40)	0.60	-	-	0.60	-
Senior Public Works Inspector	0.75	-	-	0.75	-	-	0.75	-
	9.10	-	(0.50)	8.60	-	1.10	9.70	-
PUBLIC WORKS								
Associate Civil Engineer	1.00	-	-	1.00	-	-	1.00	-
Custodian II	0.20	-	-	0.20	-	(0.10)	0.10	-
Director of Public Works	0.40	-	-	0.40	-	-	0.40	-
Field Supervisor - Trades	0.15	-	(0.15)	-	-	0.10	0.10	-
Landscape Inspector II	0.20	-	-	0.20	-	-	0.20	-
Lead Maintenance Worker	3.00	-	(3.00)	-	-	-	-	-
Lead Maintenance Worker-Electrician	0.10	-	-	0.10	-	(0.10)	-	-
Lead Maintenance Worker-HVAC	0.05	-	-	0.05	-	-	0.05	-
Maintenance Manager	0.85	-	-	0.85	-	-	0.85	-
Maintenance Superintendent	0.10	-	-	0.10	-	-	0.10	-
Maintenance Superintendent-Streets	1.00	-	-	1.00	-	-	1.00	-
Maintenance Worker I	7.00	-	-	7.00	-	(2.00)	5.00	-
Maintenance Worker II	-	-	3.00	3.00	-	2.00	5.00	-
Management Analyst	-	-	0.35	0.35	-	(0.35)	-	-
Management Assistant	0.35	-	(0.35)	-	-	-	-	-
Office Specialist II	-	-	1.00	1.00	-	(1.00)	-	-
Principal Civil Engineer	-	-	1.00	1.00	-	-	1.00	-
Principal Management Analyst	0.35	-	(0.35)	-	-	-	-	-
Program Manager	1.00	-	-	1.00	-	-	1.00	-
Public Works Inspector II	0.10	-	-	0.10	-	-	0.10	-
Senior Administrative Assistant	0.20	-	-	0.20	-	-	0.20	-
Senior Civil Engineer	1.00	-	(1.00)	-	-	-	-	-
Senior Landscape Inspector	0.20	-	-	0.20	-	-	0.20	-
Senior Management Analyst	-	-	-	-	-	0.75	0.75	-

SCHEDULE OF CHANGES IN ALLOCATED POSITIONS

	Adopted 2024-25	Unfunded 2024-25	Changes	Current 2025-26	Unfunded 2025-26	Changes	Proposed 2026-27	Unfunded 2026-27
Senior Office Specialist	1.00	-	(0.60)	0.40	-	1.90	2.30	-
Senior Public Works Inspector	0.25	-	-	0.25	-	-	0.25	-
Senior Signal Technician	2.00	-	(0.80)	1.20	-	-	1.20	-
Signal Technician I	-	-	0.60	0.60	-	-	0.60	-
	20.50	-	(0.30)	20.20	-	1.20	21.40	-
PUBLIC WORKS - CIP ADMINISTRATION								
Asst. Director of Public Works	-	-	1.00	1.00	-	-	1.00	-
Assistant Engineer I	1.00	-	(1.00)	-	-	-	-	-
Assistant Engineer II	2.00	-	-	2.00	-	(1.00)	1.00	-
Associate Civil Engineer	1.00	-	-	1.00	-	(1.00)	-	-
Associate Engineer I	-	-	1.00	1.00	-	1.00	2.00	-
Associate Engineer II	3.00	-	(1.00)	2.00	-	-	2.00	-
Director of Public Works	0.25	-	-	0.25	-	-	0.25	-
Engineering Manager	1.00	-	(1.00)	-	-	-	-	-
Principal Civil Engineer	1.00	-	1.00	2.00	-	(1.00)	1.00	-
Principal Management Analyst	0.45	-	(0.45)	-	-	-	-	-
Public Works Inspector I	-	-	-	-	-	1.00	1.00	-
Senior Administrative Assistant	0.60	-	-	0.60	-	-	0.60	-
Senior Civil Engineer	1.00	-	-	1.00	-	(1.00)	-	-
Senior Management Analyst	-	-	-	-	-	0.45	0.45	-
Senior Public Works Inspector	2.00	-	-	2.00	-	(1.00)	1.00	-
Supervising Public Works Inspector	1.00	-	-	1.00	-	-	1.00	-
	14.30	-	(0.45)	13.85	-	(2.55)	11.30	-
PARKS MAINTENANCE								
Director of Public Works	0.10	-	-	0.10	-	-	0.10	-
Landscape Inspector II	0.50	-	0.05	0.55	-	-	0.55	-
Lead Maintenance Worker	2.00	-	-	2.00	-	-	2.00	-
Lead Maintenance Worker-Electrician	0.10	-	-	0.10	-	(0.10)	-	-
Maintenance Superintendent	0.95	-	-	0.95	-	-	0.95	-
Maintenance Worker I	1.00	-	-	1.00	-	-	1.00	-
Maintenance Worker II	1.00	-	-	1.00	-	-	1.00	-
Management Assistant	0.25	-	(0.25)	-	-	-	-	-
Management Analyst	-	-	0.25	0.25	-	(0.25)	-	-
Parks & Trails Specialist I*	2.00	-	(2.00)	-	-	-	-	-
Parks & Trails Specialist II*	1.00	-	2.00	3.00	-	-	3.00	-
Senior Landscape Inspector	0.50	-	-	0.50	-	-	0.50	-
Senior Management Analyst	-	-	-	-	-	0.20	0.20	-
	9.40	-	0.05	9.45	-	(0.15)	9.30	-
FIRE (Non-Contract Employees)								
Community Development Technician I-Fire	1.00	-	-	1.00	-	(1.00)	-	-
Community Development Technician II-Fire	1.00	-	-	1.00	-	1.00	2.00	-
Fire Inspector II	1.00	-	-	1.00	-	-	1.00	-
Management Analyst	1.00	-	-	1.00	-	(1.00)	-	-
Office Specialist I	-	-	1.00	1.00	-	-	1.00	-
Senior Management Analyst	-	-	-	-	-	1.00	1.00	-
	4.00	-	1.00	5.00	-	-	5.00	-
General Fund Total	**130.25**	**0.65**	**0.10**	**130.35**	**0.65**	**0.45**	**130.80**	**0.65**

SCHEDULE OF CHANGES IN ALLOCATED POSITIONS

	Adopted 2024-25	Unfunded 2024-25	Changes	Current 2025-26	Unfunded 2025-26	Changes	Proposed 2026-27	Unfunded 2026-27
SPECIAL REVENUE FUNDS								
CDBG								
Management Assistant	-	-	-	-	-	0.20	0.20	-
Principal Management Analyst	0.20	-	-	0.20	-	-	0.20	-
	0.20	-	-	0.20	-	0.20	0.40	-
AFFORDABLE HOUSING								
Asst. Director of Community Development	0.10	-	-	0.10	-	(0.10)	-	-
Deputy City Manager	0.20	-	(0.20)	-	-	-	-	-
Director of Community Development	-	-		0.10			0.10	
Planning Technician	-	-	-	-	-	0.10	0.10	-
Principal Management Analyst	-	-	0.80	0.80	-	-	0.80	-
Principal Planner	-	0.35	-	-	0.35	-	-	0.35
Senior Administrative Assistant	0.02	-	-	0.02	-	-	0.02	-
Senior Management Analyst	0.80	-	(0.80)	-	-	-	-	-
	1.12	0.35	(0.10)	1.02	0.35	-	1.02	0.35
Special Revenue Funds Total	**1.32**	**0.35**	**(0.10)**	**1.22**	**0.35**	**0.20**	**1.42**	**0.35**
COMMUNITY FACILITY DISTRICTS			-			-		
FINANCE								
Director of Finance	0.04	-	-	0.04	-	-	0.04	-
Fiscal Services Manager	0.14	-	-	0.14	-	-	0.14	-
	0.18	-	-	0.18	-	-	0.18	-
COMMUNITY SERVICES			-			-		
PARKS AND RECREATION								
Assistant Director of Community Services	1.00	-	-	1.00	-	-	1.00	-
Community Services Coordinator I	2.00	-	1.00	3.00	-	1.00	4.00	-
Community Services Coordinator II	3.00	-	-	3.00	-	(1.00)	2.00	-
Community Services Manager	9.00	-	(1.00)	8.00	-	(4.00)	4.00	2.00
Community Services Specialist I/II	1.00	-	-	1.00	-	-	1.00	-
Community Services Superintendent	1.00	-	-	1.00	-	2.00	3.00	1.00
Community Services Supervisor I	5.00	-	2.00	7.00	-	(2.00)	5.00	-
Community Services Supervisor II	6.00	-	-	6.00	-	-	6.00	-
Community Services Supervisor I/II	1.00	-	(1.00)	-	-	-	-	2.00
Custodian II	1.10	-	-	1.10	-	(0.30)	0.80	-
Director of Community Services	1.00	-	-	1.00	-	-	1.00	-
Field Supervisor-Code Enforcement	0.05	-	-	0.05	-	(0.05)	-	-
Field Supervisor-Trades	0.50	-	(0.40)	0.10	-	0.30	0.40	-
Landscape Inspector II	0.20	-	-	0.20	-	-	0.20	-
Lead Maintenance Worker-Electrician	0.40	-	-	0.40	-	0.10	0.50	-
Lead Maintenance Worker-Facilities	0.10	-	(0.10)	-	-	0.50	0.50	-
Lead Maintenance Worker-HVAC	0.50	-	-	0.50	-	-	0.50	-
Lead Maintenance Worker-Trades	-	-	-	-	-	0.55	0.55	-
Maintenance Superintendent	0.30	-	-	0.30	-	-	0.30	-
Maintenance Worker I - Facilities	0.45	-	-	0.45	-	(0.45)	-	-
Maintenance Worker II - Facilities	1.50	-	0.45	1.95	-	(0.80)	1.15	-
Management Assistant	1.00	-	-	1.00	-	-	1.00	-
Multimedia Coordinator	2.00	-	-	2.00	-	-	2.00	-
Office Specialist II	1.00	-	(1.00)	-	-	-	-	-

SCHEDULE OF CHANGES IN ALLOCATED POSITIONS

	Adopted 2024-25	Unfunded 2024-25	Changes	Current 2025-26	Unfunded 2025-26	Changes	Proposed 2026-27	Unfunded 2026-27
Principal Management Analyst	1.00	-	-	1.00	-	(1.00)	-	-
Senior Landscape Inspector	0.20	-	-	0.20	-	-	0.20	-
Theater Technical Coordinator I	1.00	-	-	1.00	-	-	1.00	-
Theater Technical Specialist II	1.00	-	-	1.00	-	-	1.00	-
	42.30	-	(0.05)	42.25	-	(5.15)	37.10	5.00
SERVICE LEVEL B								
Senior Signal Technician	-	-	0.80	0.80	-	-	0.80	-
Signal Technician I	-	-	0.40	0.40	-	-	0.40	-
	-	-	1.20	1.20	-	-	1.20	-
SERVICE LEVEL D								
Maintenance Manager	0.15	-	-	0.15	-	-	0.15	-
Management Analyst	-	-	0.20	0.20	-	(0.20)	-	-
Management Assistant	0.20	-	(0.20)	-	-	-	-	-
Principal Management Analyst	0.05	-	(0.05)	-	-	-	-	-
Senior Management Analyst	-	-	-	-	-	0.25	0.25	-
Senior Office Specialist	-	-	-	-	-	0.10	0.10	-
	0.40	-	(0.05)	0.35	-	0.15	0.50	-
SERVICE LEVEL L								
Maintenance Superintendent	0.05	-	-	0.05	-	-	0.05	-
	0.05	-	-	0.05	-	-	0.05	-
LIBRARY								
Custodian II	0.30	-	-	0.30	-	-	0.30	-
Field Supervisor-Trades	0.10	-	-	0.10	-	-	0.10	-
Landscape Inspector II	0.10	-	(0.05)	0.05	-	-	0.05	-
Lead Maintenance Worker-Electrician	0.15	-	(0.05)	0.10	-	-	0.10	-
Lead Maintenance Worker-HVAC	0.15	-	(0.05)	0.10	-	-	0.10	-
Lead Maintenance Worker-Trades	-	-	-	-	-	0.05	0.05	-
Maintenance Superintendent	0.10	-	-	0.10	-	-	0.10	-
Maintenance Worker I - Facilities	0.25	-	-	0.25	-	(0.25)	-	-
Maintenance Worker II - Facilities	0.35	-	0.25	0.60	-	(0.10)	0.50	-
Senior Landscape Inspector	0.10	-	-	0.10	-	-	0.10	-
	1.60	-	0.10	1.70	-	(0.30)	1.40	-
Community Services Total	**44.35**	**-**	**1.20**	**45.55**	**-**	**(5.30)**	**40.25**	**5.00**
INTERNAL SERVICE FUNDS			-			-		
INSURANCE								
Assistant Director of HR/Risk Management	-	-	-	-	-	0.25	0.25	-
Director of HR/Risk Management	0.25	-	-	0.25	-	(0.25)	-	-
Management Analyst	-	-	-	-	-	0.45	0.45	-
Management Assistant (Confidential)	0.10	-	0.35	0.45	-	(0.45)	-	-
Risk Manager	-	-	-	-	-	0.45	0.45	-
Senior Management Analyst	0.45	-	-	0.45	-	(0.45)	-	-
	0.80	-	0.35	1.15	-	-	1.15	-
WORKERS' COMPENSATION			-			-		
Assistant Director of HR/Risk Management	-	-	-	-	-	0.25	0.25	-
Director of HR/Risk Management	0.25	-	-	0.25	-	(0.25)	-	-
Management Analyst	-		-	-	-	0.45	0.45	-
Management Assistant (Confidential)	-		0.45	0.45	-	(0.45)	-	-

SCHEDULE OF CHANGES IN ALLOCATED POSITIONS

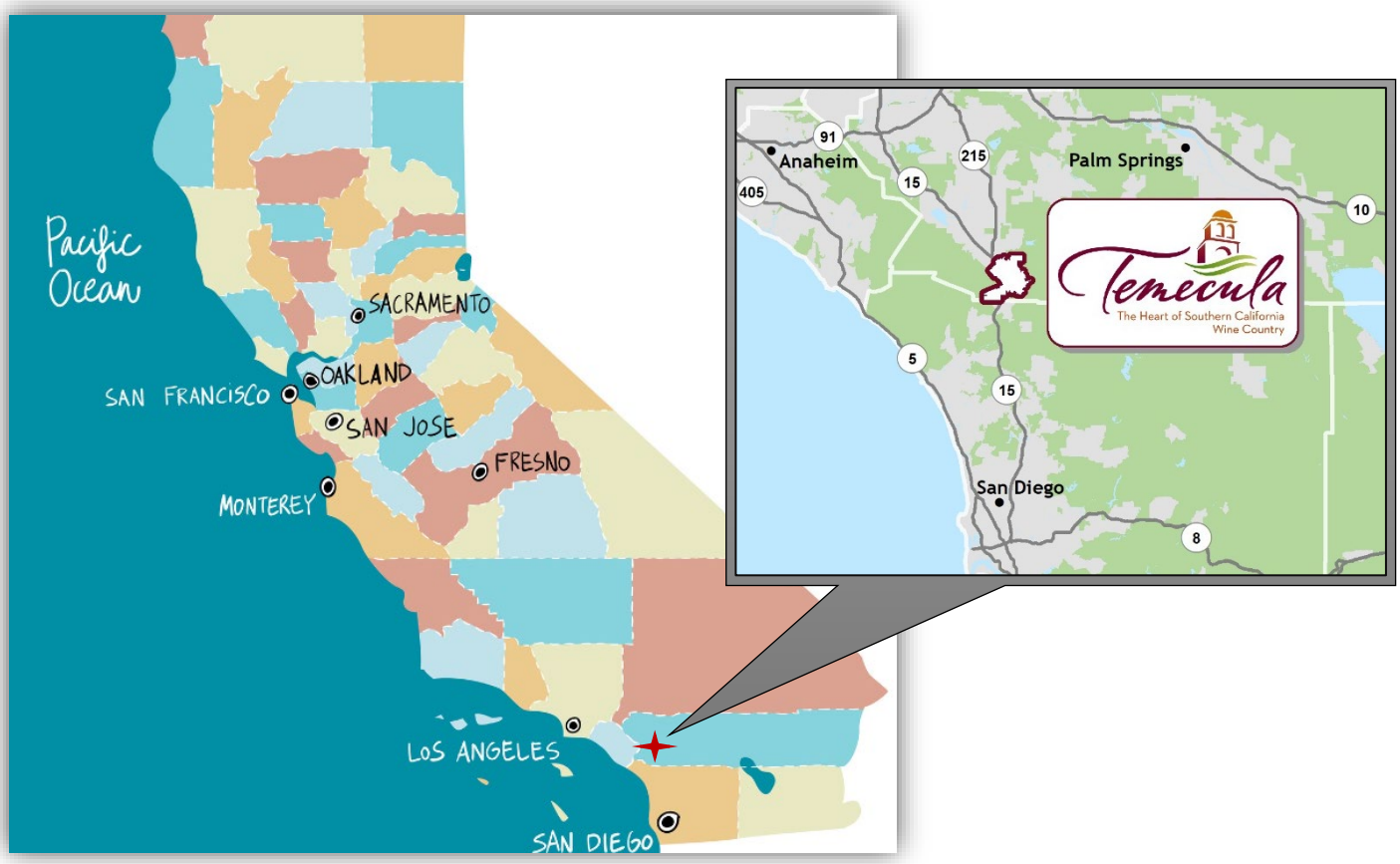
	Adopted 2024-25	Unfunded 2024-25	Changes	Current 2025-26	Unfunded 2025-26	Changes	Proposed 2026-27	Unfunded 2026-27
Risk Manager	-		-	-	-	0.45	0.45	-
Senior Management Analyst	0.45		-	0.45	-	(0.45)	-	-
	0.70	-	0.45	1.15	-	-	1.15	-
INFORMATION TECHNOLOGY			-			-		
Assistant Director of IT/SS	1.00	-	-	1.00	-	-	1.00	-
Director of Information Technology	1.00	-	-	1.00	-	-	1.00	-
Information Technology Manager	1.00	-	-	1.00	-	-	1.00	-
Information Technology Specialist I	1.00	-	1.00	2.00	-	-	2.00	-
Information Technology Specialist II	1.00	-	(1.00)	-	-	-	-	-
Information Technology Supervisor	5.00	-	-	5.00	-	-	5.00	-
Information Technology Technician I/II	0.50	-	0.50	1.00	-	-	1.00	-
Management Analyst	1.00	-	-	1.00	-	-	1.00	-
Senior Administrative Assistant	1.00	-	-	1.00	-	-	1.00	-
Senior Information Technology Specialist	2.00	-	-	2.00	-	-	2.00	-
Support Services Supervisor	0.10	-	-	0.10	-	-	0.10	-
	14.60	-	0.50	15.10	-	-	15.10	-
SUPPORT SERVICES								
Information Technology Technician I/II	0.50	-	(0.50)	-	-	-	-	-
Office Specialist - AM	0.60	-	-	0.60	-	-	0.60	-
Office Specialist - PM	0.60	-	-	0.60	-	-	0.60	-
Support Services Supervisor	0.90	-	-	0.90	-	-	0.90	-
	2.60	-	(0.50)	2.10	-	-	2.10	-
FACILITIES								
Custodian II	0.40	-	-	0.40	-	0.40	0.80	-
Director of Public Works	0.10	-	-	0.10	-	-	0.10	-
Field Supervisor-Trades	0.25	-	0.55	0.80	-	(0.40)	0.40	-
Lead Maintenance Worker-Electrician	0.30	-	-	0.30	-	0.10	0.40	-
Lead Maintenance Worker-Facilities	0.80	-	(0.80)	-	-	0.50	0.50	-
Lead Maintenance Worker-HVAC	0.35	-	-	0.35	-	-	0.35	-
Lead Maintenance Worker-Trades	-	-	-	-	-	0.40	0.40	-
Maintenance Superintendent	0.50	-	-	0.50	-	-	0.50	-
Maintenance Worker I - Facilities	0.30	-	-	0.30	-	(0.30)	-	-
Maintenance Worker II - Facilities	0.15	-	0.30	0.45	-	(0.10)	0.35	-
Management Analyst	-	-	0.20	0.20	-	(0.20)	-	-
Management Assistant	0.20	-	(0.20)	-	-	-	-	-
Principal Management Analyst	0.05	-	(0.05)	-	-	-	-	-
Senior Management Analyst	-	-	-	-	-	0.25	0.25	-
	3.40	-	-	3.40	-	0.65	4.05	-
Internal Service Funds Total	**22.10**	**-**	0.80	**22.90**	**-**	0.65	**23.55**	**-**
TOTAL AUTHORIZED POSITIONS	**198.20**	**1.00**	**2.00**	**200.20**	**1.00**	**(4.00)**	**196.20**	**6.00**

SUMMARY OF BUDGETED POSITIONS

Department	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
City Council	5.00	5.00	5.00	5.00	5.00
City Manager:					
City Manager	4.45	3.65	4.50	5.50	5.50
Economic Development	5.30	6.35	5.50	5.50	5.50
City Clerk:	5.00	5.00	5.00	5.00	5.00
Human Resources:					
Emergency Management	1.30	0.00	0.00	0.00	0.00
Human Resources	5.00	5.10	5.50	4.70	4.70
Finance:	14.77	14.73	14.82	15.82	15.82
Community Development:					
Planning	12.90	10.80	11.18	11.28	10.88
Building & Safety	19.90	20.45	20.45	20.45	20.70
Public Works:					
Land Development	8.50	7.95	9.10	8.60	9.70
Public Works	19.31	20.05	20.50	20.20	21.40
CIP Administration	13.70	14.55	14.30	13.85	11.30
Parks Maintenance	9.73	10.80	9.40	9.45	9.30
Sheriff's Office*	0.15	0.15	0.00	0.00	0.00
Fire*					
Emergency Management	0.00	1.00	1.00	1.00	1.00
Fire	4.00	4.00	4.00	5.00	5.00
Community Services:					
Parks and Recreation	41.91	42.70	42.30	42.25	37.10
Service Level B	0.00	0.00	0.00	1.20	1.20
Service Level D	0.40	0.40	0.40	0.35	0.50
Service Level L	0.05	0.05	0.05	0.05	0.05
Library	1.50	1.35	1.60	1.70	1.40
Special Revenue Funds:					
Community Development Block Grant	0.20	0.20	0.20	0.20	0.40
Affordable Housing	0.95	1.50	1.12	1.02	1.02
Community Facility Districts:	0.08	0.12	0.18	0.18	0.18
Internal Service Funds:					
Insurance	0.85	0.95	0.80	1.15	1.15
Information Technology	13.10	15.10	14.60	15.10	15.10
Support Services	2.60	2.10	2.60	2.10	2.10
Facilities	3.95	3.20	3.40	3.40	4.05
Workers' Compensation	0.85	0.95	0.70	1.15	1.15
Total Budgeted Positions	195.45	198.20	198.20	201.20	196.20
Unfunded Authorized Positions	1.00	1.00	1.00	1.00	6.00
Total Authorized Positions	196.45	199.20	199.20	202.20	202.20

*Sheriff and Fire services are contracted through Riverside County.
Temecula Sheriff's Office Staffing for Fiscal Year 2026-27 includes 116.7 Sworn Officers and 18 Community Service Officers.
Fire Staffing for Fiscal Year 2026-27 is 79.

LOCATOR MAP



The City of Temecula is a General Law City located in southwestern California, United States, with a population of 113,618. The City was incorporated on December 1, 1989.

Temecula, known as the Heart of Southern California Wine Country, is conveniently located off the I-15 freeway, approximately one hour north of San Diego. Temecula's central location attracts visitors from popular Southern California locales like Palm Springs, Los Angeles, Anaheim, Irvine, Carlsbad and San Diego.

COMMUNITY PROFILE AND DEMOGRAPHICS

Type of Government: General Law
Form of Government: City Manager
Located: 55 miles north of San Diego

Date of Incorporation: December 1, 1989
Altitude: 1000-1200 ft.

RECREATION/TOURIST DATA

Recreation and Culture:

	Number of Parks	Number of Park Acres
2026	42	337
2025	42	337
2024	42	337
2023	42	337
2022	42	337

Hotels/Motels:

	Number of Lodging Properties	Total Number of Rooms
2026	21	2,922
2025	21	2,933
2024	20	2,808
2023	20	2,813
2022	20	2,691

(Includes Pechanga Resort & Casino)

EDUCATIONAL DATA

Temecula Unified School District (TK-12):

	Number of Schools	Number of Teachers	Number of Students
2026	30	1,453	26,531
2025	30	1,357	26,668
2024	30	1,424	26,577
2023	29	1,404	26,981
2022	29	1,391	26,733

Libraries:

	Number of Libraries	Number of Volumes
2026	2	1.1 million
2025	2	1.1 million
2024	2	1.2 million
2023	2	1.3 million
2022	2	1.2 million

(Total volumes in County available to Temecula residents)

PUBLIC SAFETY DATA

Fire Protection:
(contract with Riverside County)

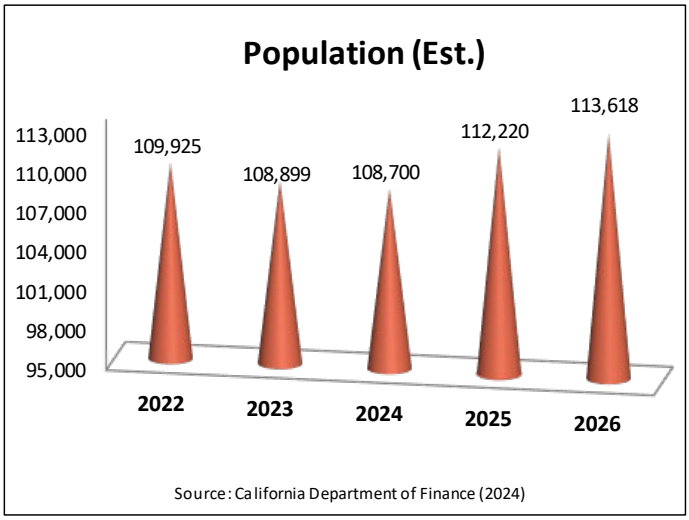
	Number of Stations	Number of Staff
2026	5	79
2025	5	79
2024	5	78
2023	5	72
2022	5	72

Police Protection:
(contract with Riverside County)

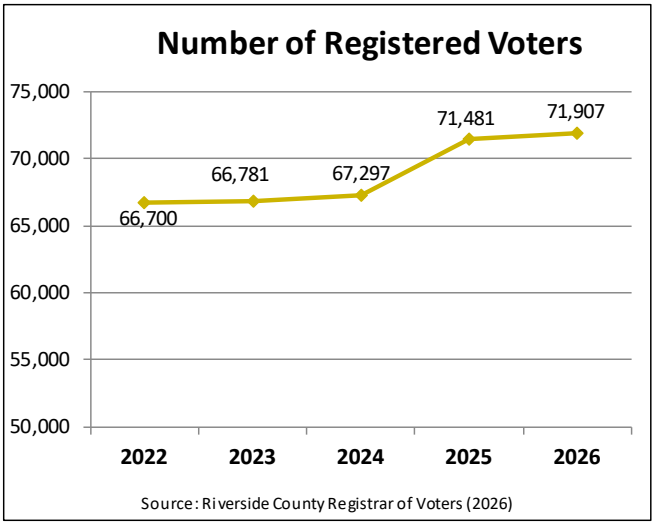
	Number of Stations	Number of Sworn Officers
2026	3	117
2025	3	117
2024	3	117
2023	3	117*
2022	3	119

(*Reduction due to change in Patrol Deputy shifts. Patrol coverage remains at same level as 2022, which is 210 hours per day)

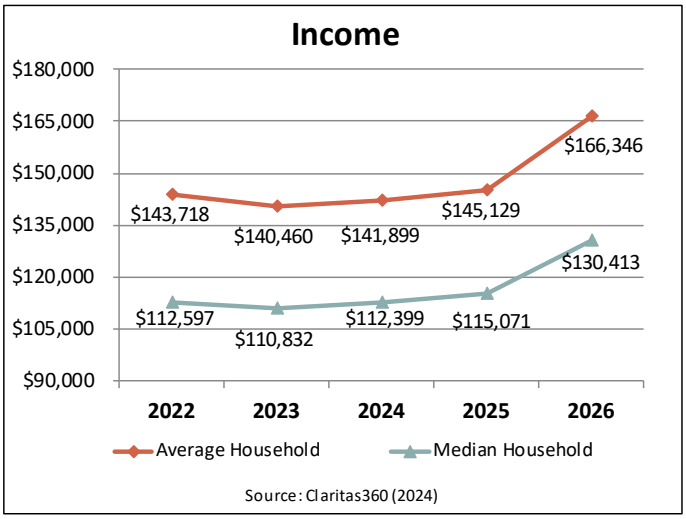
COMMUNITY PROFILE AND DEMOGRAPHICS



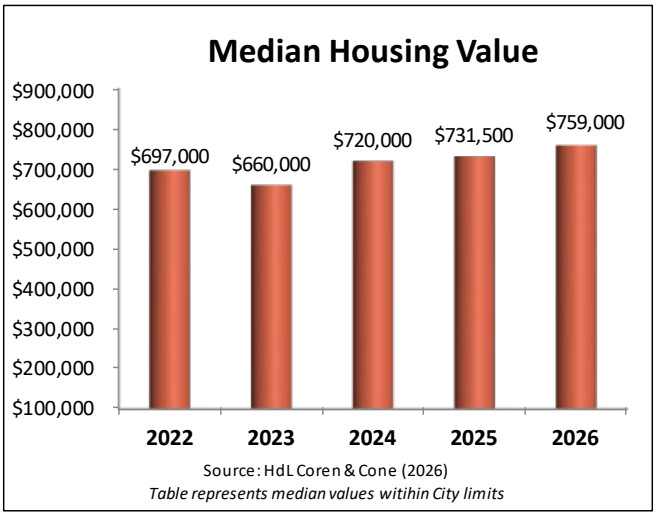
Source: California Department of Finance (2024)



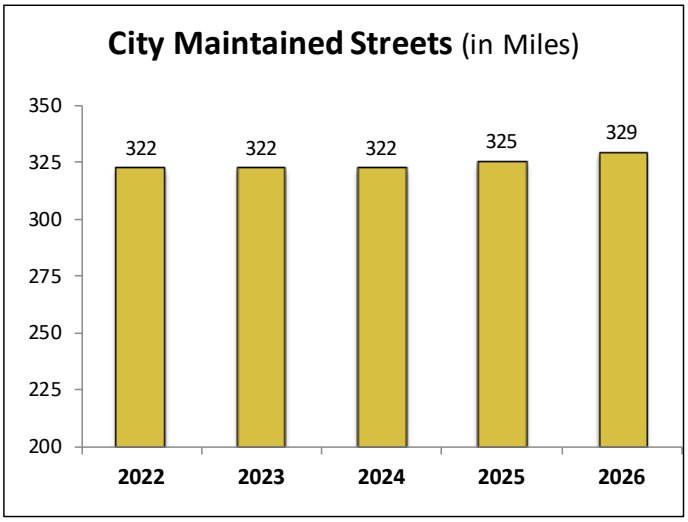
Source: Riverside County Registrar of Voters (2026)

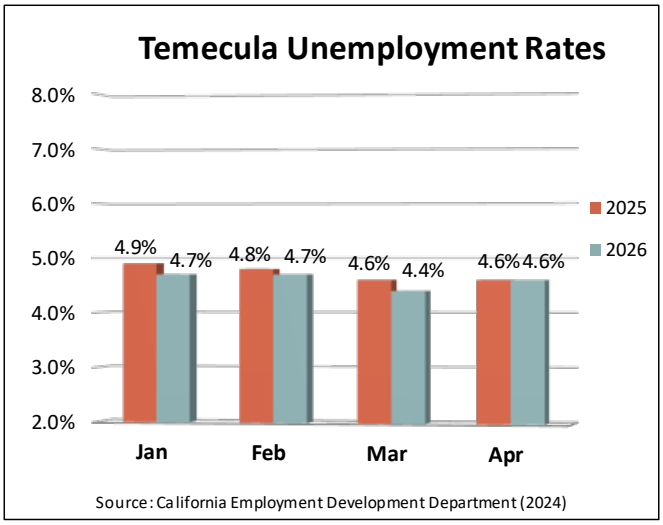


Source: Claritas360 (2024)



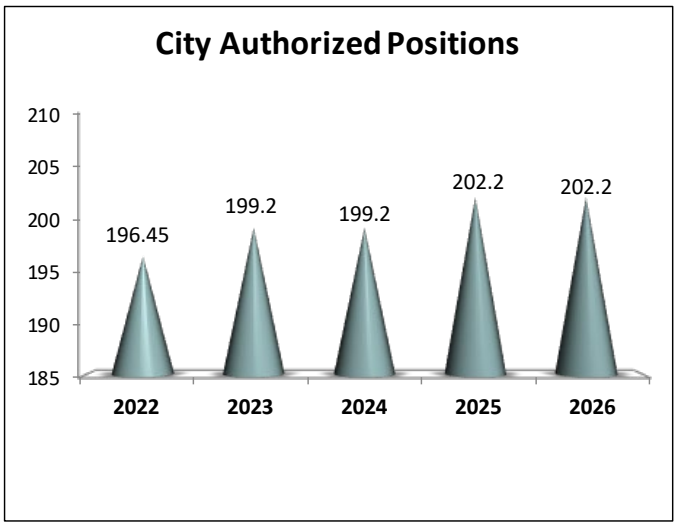
Source: HdL Coren & Cone (2026)
Table represents median values witihin City limits

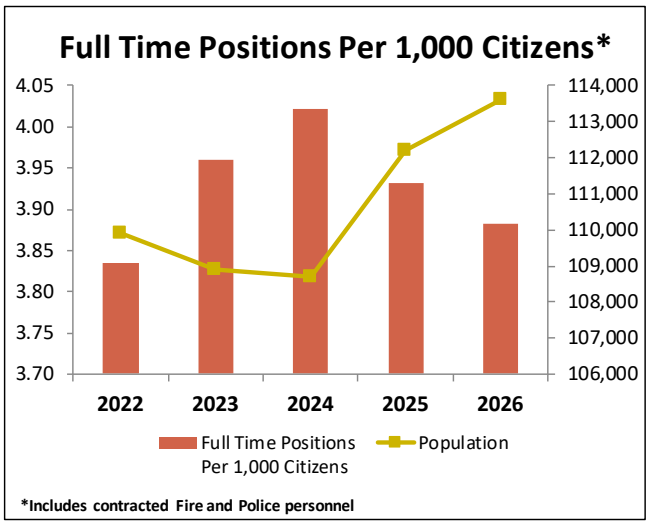




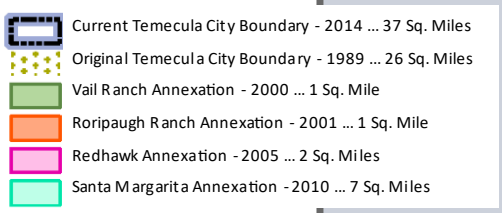
Source: California Employment Development Department (2024)

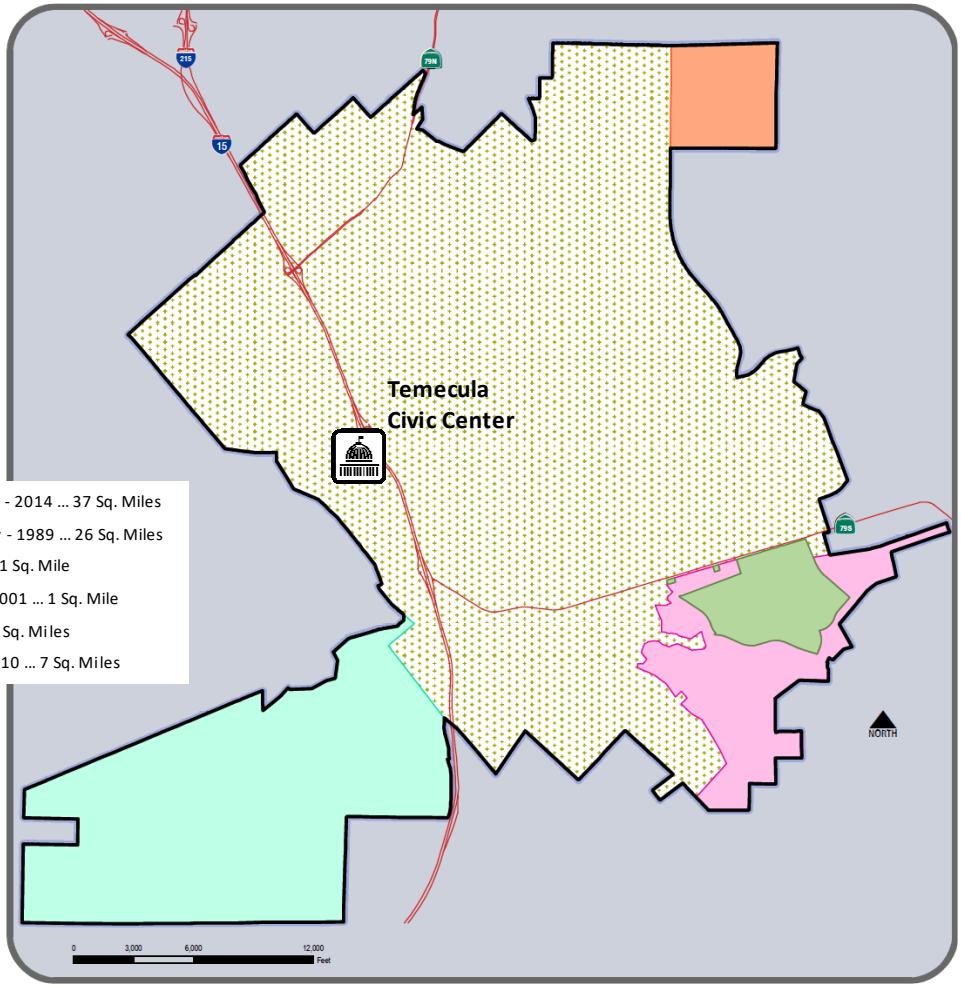
COMMUNITY PROFILE AND DEMOGRAPHICS





Temecula's Annexed Area





CONSOLIDATED CAPITAL OUTLAY REQUESTS

Fund	Dept	Item Description	Purchase Amount	Justification	Funding Source
EMERGENCY MANAGEMENT					
001	115	Emergency Pet Shelter Trailer & Supplies	$35,250	To provide emergency animal care and housing as required by AB-781.	001.115.999.5610
001	115	Meridian Barricades (8)	$140,000	These will be used during Special Events and Public Works' road closures.	001.115.999.5610
			$172,250		
PUBLIC WORKS					
001	164	**Streets Maintenance** Construction Dump Truck	$100,000	Additional $100,000 appropriation ($250,000 total) to replace unit 98-038 which is currently 28 years old and has become unreliable and costly to maintain.	310.199.999.5610
001	164	**Streets Maintenance** John Deere Backhoe	$170,000	To replace unit 11-204 which is currently 15 years old and has become unreliable for daily use and costly to maintain.	310.199.999.5610
001	164	**Traffic Maintenance** Ford F-250 Truck	$75,000	To replace unit 96-030 which is currently 30 years old and has become costly to maintain. Replacement will include a liftgate and an arrow/message board.	310.199.999.5610
001	167	**Parks Maintenance** Ford F-350 Truck	$75,000	To replace unit 06-139 which is currently 20 years old and has become costly to maintain.	310.199.999.5610
340	199	**Facilities Maintenance** Ford F-250 Truck	$75,000	To replace unit 07-150 which is currently 19 years old and has become costly to maintain.	310.199.999.5610
			$495,000		
SHERIFF'S DEPARTMENT					
001	170	Motorcycle & Add-ons	$42,500	To replace aged fleet.	001.170.999.5610
001	170	Motorcycle & Add-ons	$42,500	To replace aged fleet.	001.170.999.5610
			$85,000		
FIRE DEPARTMENT					
001	171	Thermal Imaging Cameras	$10,000	To enhance firefighter safety and operational effectiveness by allowing crews to detect victims, pets, and structural hazards through smoke and darkness.	001.171.999.5610
			$10,000		

CONSOLIDATED CAPITAL OUTLAY REQUESTS

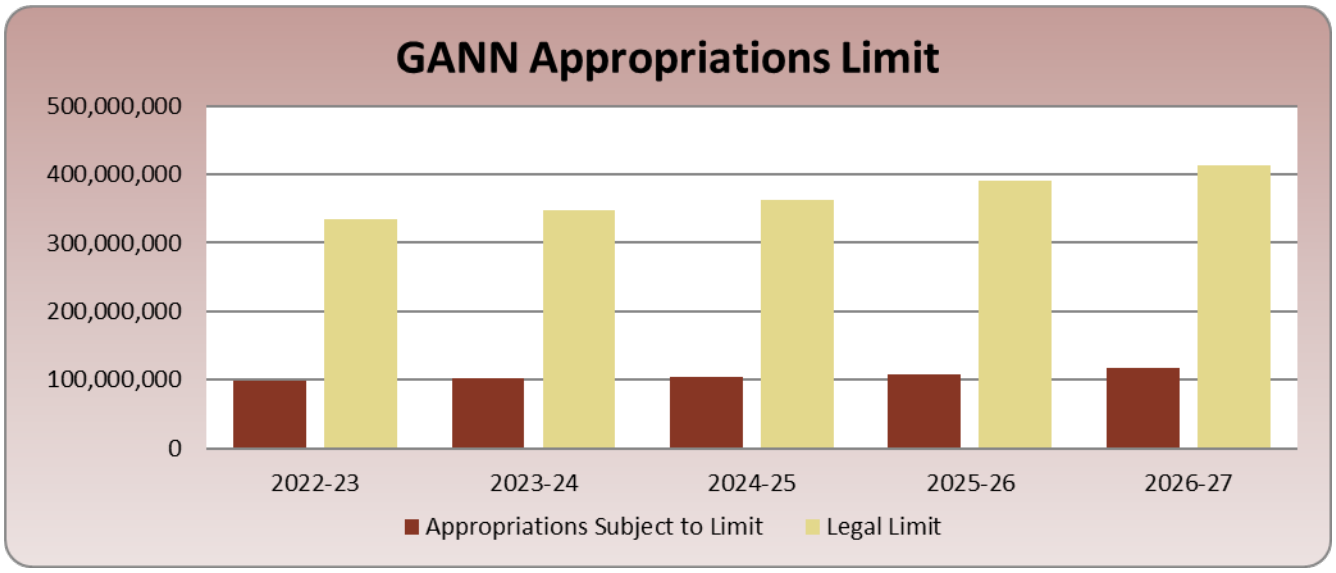
Fund	Dept	Item Description	Purchase Amount	Justification	Funding Source
PUBLIC EDUCATION & GOVERNMENT (PEG) FUND					
125	199	AV Production Equipment	$25,000	To purchase audiovisual equipment used in video production for public meetings, workshops, special events and more.	125.199.999.5610
125	199	Council Chamber AV Equipment	$300,000	To replace audiovisual equipment in the Council Chamber that has aged beyond its useful life.	125.199.999.5610
			$325,000		
INFORMATION TECHNOLOGY - REPLACEMENT FUND					
325	199	Computer Lifecycle Replacement	$125,000	To replace computers that have aged beyond their useful life.	325.199.999.5610
325	199	Switch Lifecycle Replacement	$85,000	To replace network equipment that has aged beyond their useful life.	325.199.999.5610
325	199	Phone System Replacement, Phase I & II	$115,000	To replace on-premises phone system with a cloud-based system.	325.199.999.5610
			$325,000		
SUPPORT SERVICES - REPLACEMENT FUND					
335	199	Copier Lifecycle Replacement	$30,000	To replace copiers that are broken or have aged beyond their useful life.	335.199.999.5610
			$30,000		
FACILITY REPLACEMENT FUND					
350	199	Theater Audio System	$358,096	To replace the original, 20-year-old obsolete analog system with a more reliable digital audio system.	350.199.999.5610
			$358,096		
TOTAL CAPITAL OUTLAY			**$1,803,346**		

GANN APPROPRIATIONS LIMIT

Article XIIIB of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Limit, was approved by California voters in November 1979, and placed limits on the amount of proceeds of taxes that state and local government agencies can receive and spend each year. For cities that incorporated after 1978-79 (such as the City of Temecula), the voters set the initial appropriations limit at the time of incorporation. Proposition 111 was approved by California voters in June 1990, which provided new adjustment formulas which make the appropriations limit more responsive to local growth issues. Each year the City Council must adopt by resolution the appropriations limit for the following year. Following is the calculation of the City's Gann Appropriations Limit for Fiscal Year 2025-26:

Fiscal Year 2025-26 Appropriations Limits	$390,425,308
City Population Growth	0.85%
Per Capita Personal Income Change	4.95%
Fiscal Year 2026-27 Appropriations Limit	$413,234,247

Appropriations subject to the limit in the Fiscal Year 2026-27 Budget total $117,543,685 which is $295,690,562 less than the computed limit. Additional appropriations to the budget funded by non-tax sources such as service charges, restricted revenues from other agencies, grants or beginning fund balances would be unaffected by the appropriations limit. However, any supplemental appropriations funded through increased tax sources would be subject to the appropriations limit and could not exceed the $295,690,562 variance indicated. Further, any overall actual receipts from tax sources greater than $295,690,562 from budget estimates will result in proceeds from taxes in excess of the City's appropriations limit, requiring refunds of the excess within the next two fiscal years or voter approval of an increase in the City's appropriations limit. Voter approval for an increase in the City's appropriations limit is not anticipated in the future due to the margin between the limit and tax revenue.



ASSESSED VALUE OF TAXABLE PROPERTY

FISCAL YEAR	TOTAL SECURED AND UNSECURED	EXEMPTIONS (VETERAN, CHURCH, ETC.)	NET ASSESSED VALUE	HOME OWNERS EXEMPTIONS	NET TOTAL ASSESSED VALUE
		(Value in Thousands)			
2014	12,581,717	(153,544)	12,428,173	(109,890)	12,318,283
2015	13,547,737	(182,877)	13,364,860	(108,001)	13,256,859
2016	14,268,280	(204,291)	14,063,989	(107,401)	13,956,588
2017	14,978,638	(211,399)	14,767,239	(107,239)	14,660,000
2018	15,679,713	(261,352)	15,418,361	(107,152)	15,311,209
2019	16,376,826	(281,515)	16,095,311	(105,164)	15,990,147
2020	17,062,378	(310,210)	16,752,168	(102,448)	16,649,720
2021	17,817,872	(331,846)	17,486,026	(100,051)	17,385,975
2022	18,632,809	(358,555)	18,274,254	(97,842)	18,176,412
2023	20,026,545	(386,974)	19,639,572	(95,663)	19,543,908
2024	21,352,737	(419,890)	20,932,847	(95,795)	20,837,052
2025	22,496,081	(478,362)	22,017,718	(95,556)	21,922,163
2026	23,859,889	(542,314)	23,317,575	(95,238)	23,222,337

Source: HdL Coren & Cone

SUMMARY OF FEDERAL GRANT EXPENDITURES

AGENCY/GRANT NAME	Actual FY2022-23	Actual FY2023-24	Actual FY2024-25	Budgeted FY2025-26	Budgeted FY2026-27
Department of Homeland Security:					
Homeland Security Grant - 2019					
Homeland Security Grant - 2020					
Homeland Security Grant - 2021	12,894				
Emergency Management Performance Grant-2021		28,338	24,224		
Emergency Management Performance Grant-2022		24,867			
Emergency Management Performance Grant-2023			13,557		
Disaster Grants- Public Assistance (Presidentially Declared Disasters)		125,321			
Fire Management Grant		919	8,430		
Department of Housing and Urban Development:					
Community Development Block Grant	1,306,751	1,450,820	231,208	561,636	657,180
Department of Justice:					
Edward Byrne Memorial Justice Assistance Grant Program		19,512	10,770		
Department of Transportation:					
Highway Bridge Program (HBP)				3,236,692	
Highway Safety Improvement Program (HSIP)	468,702	492,433	(528)		
Highway Planning and Construction (BR-NBIL)	12,291	564,148	126,093		
Local Road Safety Plan (LRSPL)					
Safe Routes 2 School (SR2S) - Pedestrian Bridge					
Highway Planning and Construction (STPHPLUL)		1,439,839			
SAFETEA-LU				162,521	
STP and STPL				696,272	
INFRA Grant	2,770,479	24,088,201	15,770,396	3,236,692	
Community Project Funding/Congressionally Directed Spending (CPFCDS)					2,000,000
Department of Treasury:					
COVID-19 Coronavirus State and Local Fiscal Recovery funds American Rescue Plan Act (ARPA)	7,039,754	200,000			
TOTALS	**$ 11,610,871**	**$ 28,434,398**	**$ 16,184,150**	**$ 7,893,813**	**$ 2,657,180**

Note: Amounts Unaudited

LEGAL DEBT MARGIN

In accordance with Government Code Section 43605, the City shall not incur an indebtedness for public improvements which exceed 15 percent of the assessed value of all real and personal property of the City. Debt obligations from taxes levied on taxable property is subject to the legal debt limitation.

The City's debt limit for Fiscal Year 2026-27 is $3,497,636,197 while the City's debt subject to the limitation is $0. As a result, the City has not exceeded its legal debt limit.

	Fiscal Year 2026-27
Net Total Assessed Value	$23,222,336,847
Plus: Exempt Property	$95,237,800
TOTAL ASSESSED VALUE	**$23,317,574,647**
DEBT LIMIT - 15% of Total Assessed Value	**$3,497,636,197**
Debt Obligations Applicable to Limit:	
None	$0
Less: Assets in Debt Service Funds Available for Payment of Principal	$0
NET DEBT APPLICABLE TO LIMIT	**$0**
LEGAL DEBT MARGIN	**$3,497,636,197**

Note: Amounts Unaudited
Source: HdL Coren & Cone

FISCAL YEAR 2026-27 DEBT OBLIGATIONS

FUND	ISSUE DATE	DESCRIPTION	BOND RATING*	MATURITY DATE	INTEREST RATES	FISCAL YEAR 2026-27 PRINCIPAL	FISCAL YEAR 2026-27 INTEREST	FISCAL YEAR 2026-27 TOTAL DEBT OBLIGATION	OUTSTANDING PRINCIPAL	INTEREST TO MATURITY
380	2017	Tax Allocation Bonds, Series 2017A	AA	12/15/2038	2.00 - 5.00%	1,890,000	1,625,000	3,515,000	31,795,000	10,437,625
380	2017	Tax Allocation Bonds, Series 2017B (Taxable)	AA	12/15/2039	2.00 - 4.00%	1,235,000	874,197	2,109,197	22,075,000	6,272,825
Successor Agency to the Redevelopment Agency (SARDA) Total						**$3,125,000**	**$2,499,197**	**$5,624,197**	**$53,870,000**	**$16,710,450**
					TOTAL	**$3,125,000**	**$2,499,197**	**$5,624,197**	**$53,870,000**	**$16,710,450**

*The Successor Agency to the Temecula Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017A and 2017B were rated by Standard & Poor's and assigned an underlying rating of "BBB+" and an insured rating of "AA," per the Official Statement dated December 19, 2017.

The City has programmed the use of Debt Financing for the following Capital Improvement Projects:

1) Las Haciendas Affordable Housing Project ($9,629,143) in bond proceeds from the Tax Allocation Bond, Series 2017B.
2) Vine Creek Affordable Housing Project ($1,408,281) in bond proceeds from the Tax Allocation Bond, Series 2017B.

The City's General Fund has no other debt obligations. In December 2022, the City Council adopted the Debt/Liability Pay Down Strategy, outlining a goal for the City to become debt-free and fully funded in its Pension and Other Post-Employment Benefits (OPEB) programs. As of Fiscal Year 2025-26, the City has fully paid off its facility loans for the Civic Center ($12.6 million) and the Margarita Recreation Center ($5.0 million), saving over $3 million in operating expenses per year. Additionally, the City's OPEB unfunded liability has been paid off and $29.7 million has been paid towards the City's $62 million unfunded pension liability, saving nearly $3 million in annual pension costs.

SUMMARY OF PROPERTY TAX COLLECTIONS

FISCAL YEAR	SECURED TAX LEVY	UNSECURED TAX LEVY	TOTAL TAX LEVY	TOTAL COLLECTIONS	PERCENTAGE OF LEVY COLLECTED
			(Value in Thousands)		
2016	5,885,507	265,256	6,150,763	6,316,654	102.70%
2017	6,201,407	287,494	6,488,901	6,708,009	103.38%
2018	6,516,826	288,369	6,805,195	6,974,177	102.48%
2019	6,811,965	298,560	7,110,525	7,327,720	103.05%
2020	7,339,082	189,434	7,528,516	7,689,815	102.14%
2021	7,576,606	194,018	7,770,624	7,966,105	102.52%
2022	7,926,685	196,480	8,123,165	8,309,101	102.29%
2023	8,576,578	209,079	8,785,657	9,087,650	103.44%
2024	9,164,037	250,592	9,414,629	9,705,806	103.09%
2025	9,610,563	291,559	9,902,121	10,166,451	102.67%

Since the fiscal year ended June 30, 1994, the City of Temecula has received its property tax revenues in accordance with the Teeter Plan. Under the Teeter Plan, the City is paid in full each year for the actual amount of property taxes levied, regardless of the amount of delinquencies. As delinquent property taxes are collected, they are kept by the County including any penalties and interest. After 1994, any differences between the total tax levy and total collections are due to tax roll adjustments made during the year, resulting in a percentage that may be higher than 100%.

Source: Riverside County Auditor-Controller
City of Temecula, Finance Department

PRINCIPAL SECURED PROPERTY OWNERS

TAXPAYER	TYPE OF BUSINESS	Secured 2025-26 Assessed Valuation (in 000s)	Unsecured 2025-26 Assessed Valuation (in 000s)	Total 2025-26 Assessed Valuation (in 000s)	Percent of Net Assessed Valuation
Temecula Towne Center Associates*	Regional Shopping Center	181,606	-	181,606	0.78%
Temecula Valley Hospital Inc*	Health Care	141,558	-	141,558	0.61%
Solana Winchester LLC	Residential	131,743	-	131,743	0.56%
Solana Ridge*	Residential Apartments	108,539	-	108,539	0.47%
Breit MF Campanula Way LLC	Residential	101,180	778	101,958	0.44%
Advanced Cardiovascular System Inc.*	Industrial	101,046	-	101,046	0.43%
CRP-GREP Upper Temecula Owner*	Residential	93,936	-	93,936	0.40%
Abbott Laboratories*	Medical Appliances Manufacturing	-	88,404	88,404	0.38%
42200 Moraga Road LLC	Residential Apartments	87,175	-	87,175	0.37%
EXETER 42500 WINCHESTER LLC	Industrial	85,869	-	85,869	0.37%
TOTAL - TOP TEN		1,032,653	89,182	1,121,835	4.81%
TOTAL - CITYWIDE		**22,601,884**	**715,691**	**23,317,575**	

* Pending Appeals on Parcels

NOTE: Assessed values of parcel owned by related entities have been aggregated.

Source: HdL Coren & Cone

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT

2024-25 Assessed Valuation:	$	22,050,620,172
Redevelopment Successor Agency Incremental Valuation:	$	2,601,789,605
Adjusted Assessed Valuation:	$	19,448,830,567

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable (1)	Debt 6/30/24
Metropolitan Water District	0.53%	90,407
Eastern Municipal Water District, I.D. No. U-8	84.89%	1,740,307
Mt. San Jacinto Community College District	15.78%	37,443,554
Murrieta Valley Unified School District	0.01%	12,659
Temecula Valley Unified School District	66.94%	104,642,000
Eastern Municipal Water District Community Facilities District No. 2002-04, I.A. 3	100.00%	350,000
Eastern Municipal Water District Community Facilities District No. 2002-08	100.00%	1,510,000
Eastern Municipal Water District Community Facilities District No. 2005-38, I.A. B	100.00%	364,000
Eastern Municipal Water District Community Facilities District No. 2010-60	100.00%	2,155,000
Eastern Municipal Water District Community Facilities District No. 2013-63	100.00%	3,065,582
Temecula Public Financing Authority Community Facilities District No. 01-2	99.78%	8,875,342
Temecula Public Financing Authority Community Facilities District No. 03-1	100.00%	6,845,000
Temecula Public Financing Authority Community Facilities District No. 03-2	100.00%	6,910,000
Temecula Public Financing Authority Community Facilities District No. 03-3	100.00%	12,735,000
Temecula Public Financing Authority Community Facilities District No. 03-6	100.00%	2,420,000
Temecula Public Financing Authority Community Facilities District No. 16-1	100.00%	46,280,180
Temecula Public Financing Authority Community Facilities District No. 20-01	98.27%	12,474,742
Temecula Valley Unified School District CFD No. 2002-1, I.A. No. 1	27.65%	985,865
Temecula Valley Unified School District CFD No. 2002-2	100.00%	11,935,000
Temecula Valley Unified School District CFD No. 2004-1, I.A. A and B	100.00%	13,005,000
Temecula Valley Unified School District CFD No. 2005-1	28.72%	1,876,852
Temecula Valley Unified School District CFD No. 2017-1	100.00%	6,770,000
Temecula Valley Unified School District CFD No. 2018-1	42.16%	828,503
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		**$283,314,993**

DIRECT AND OVERLAPPING GENERAL FUND DEBT:	% Applicable (1)	Debt 6/30/24
Riverside County General Fund Obligations	5.20%	58,933,540
Riverside County Pension Obligation Bonds	5.20%	31,334,738
Murrieta Valley Unified School District Certificates of Participation	0.01%	3,125
City of Temecula General Fund Obligations	100.00%	0
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		**$90,271,403**

OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	100.00%	$59,975,000

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT

TOTAL DIRECT DEBT	$0	
TOTAL OVERLAPPING DEBT	$433,561,396	
COMBINED TOTAL DEBT	$433,561,396	(2)

(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 2024-25 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.28%
Total Direct Debt ($0)	0.00%
Combined Total Debt	1.97%

Ratios to Redevelopment Successor Agency Incremental Valuation ($2,601,789,605):

Total Overlapping Tax Increment Debt	2.31%

Amounts will be updated for the Adopted Budget

LARGEST EMPLOYERS BY NUMBER OF EMPLOYEES

NAME OF EMPLOYER	NUMBER OF EMPLOYEES As of June 2021	As of June 2022	As of June 2023	As of June 2024	As of June 2025
Pechanga Resort & Casino	5,257	5,257	5,257	5,257	5,257
Temecula Valley Unified School District	3,000	3,000	3,000	3,238	3,238
Abbott Laboratories	1,500	1,500	1,500	1,700	1,793
Temecula Valley Hospital	1,009	1,009	1,009	1,270	1,344
FFF Enterprises Inc.	366	366	366	366	700
Milgard Manufacturing	468	468	515	530	530
Walmart	500	500	500	500	510
Costco Wholesale Corporation	420	500	500	500	500
Southwest Traders	455	484	484	484	467
South Coast Winery Resort & Spa	260	260	260	330	405
Millipore Sigma	370	370	370	370	370
The Scotts Company	220	220	220	335	335
DCH Auto Group Temecula	290	290	314	314	314
Macy's	295	295	295	295	295
Temecula Valley Winery Management	274	274	274	274	274
Paradise Chevrolet Cadillac	198	198	234	228	228
PHS Medline	250	250	250	220	220
Temecula Creek Inn	15	15	220	230	210
City of Temecula	178	195	198	198	201
Albertson's	205	205	200	200	200
Rancho Family Medical Group	200	200	200	200	200
Opto 22, Inc.	135	135	135	200	200
Home Depot	268	268	268	268	196
Toyota of Temecula Valley	204	204	204	191	191
Motorola	190	190	190	190	190
WinCo	165	165	179	176	176
Target	200	200	200	170	170
Rancho California Water District	164	164	164	164	165
Garmon Corp	175	175	175	175	159
Stater Bros. Markets	115	115	115	150	150
BJ's Restaurant & Brewery	79	97	95	145	145
Securitas Security Services USA, Inc.	140	140	140	140	140
JC Penney Company	138	138	138	138	138
Mercedes-Benz of Temecula	120	120	120	53	133
Gosch Ford Lincoln Mercury	140	140	120	121	121
Lowe's	120	120	115	115	115
Pacific Hydraulic Services/MWA	150	79	80	107	107
Red Robin	**	50	50	102	102
Bomatic, Inc.	100	100	100	100	100
Kaiser Permanente	100	100	100	100	100

** *Data Not Available*

Source: Temecula Valley Chamber of Commerce

Amounts will be updated for the Adopted Budget

COMPARATIVE CITY INFORMATION

NAME OF CITY	FISCAL YEAR	NUMBER OF EMPLOYEES	POPULATION	ACTUAL GENERAL FUND REVENUES	ACTUAL GENERAL FUND EXPENDITURES	EXPENDITURES PER CAPITA
TEMECULA	2023-24	198*	108,700	$138,480,475	$143,109,707	$1,317
	2022-23	195*	108,899	$144,924,798	$139,646,241	$1,282
	2021-22	178*	109,925	$133,795,830	$105,645,373	$961
	2020-21	173*	112,771	$119,353,336	$91,974,475	$816
	2019-20	177*	111,970	$100,394,398	$90,566,062	$809
	2018-19	172*	113,826	$104,304,439	$99,332,578	$873
ESCONDIDO	2023-24	995	151,038	$139,230,119	$136,320,504	$903
	2022-23	944	150,002	$134,974,385	$125,215,962	$835
	2021-22	958	149,799	$124,247,952	$116,872,468	$780
	2020-21	928	150,679	$123,559,876	$112,189,804	$745
	2019-20	927	151,688	$106,434,879	$107,260,822	$707
	2018-19	960	153,008	$105,610,444	$105,815,142	$692
MORENO VALLEY	2023-24	531	207,146	$169,532,496	$164,910,799	$796
	2022-23	463	208,289	$161,326,241	$161,721,140	$776
	2021-22	447	209,407	$136,693,576	$127,385,754	$608
	2020-21	426	209,426	$122,004,499	$106,113,032	$507
	2019-20	429	208,838	$114,002,121	$109,264,995	$523
	2018-19	450	208,297	$112,290,853	$102,279,118	$491
HEMET	2023-24	302	89,663	$77,717,310	$69,692,828	$777
	2022-23	305	89,918	$69,772,536	$60,688,229	$675
	2021-22	277	89,646	$69,626,631	$55,161,595	$615
	2020-21	273	84,525	$62,962,518	$50,270,666	$595
	2019-20	267	85,175	$54,365,179	$49,708,090	$584
	2018-19	279	84,754	$54,065,184	$48,514,586	$572
LAKE ELSINORE	2023-24	163	71,452	$68,157,933	$66,585,063	$932
	2022-23	164	71,973	$58,935,767	$58,044,761	$806
	2021-22	141	71,615	$56,583,350	$52,952,565	$739
	2020-21	118	64,762	$47,882,184	$45,202,392	$698
	2019-20	105	63,453	$42,225,782	$42,311,820	$667
	2018-19	101	62,949	$41,336,324	$41,054,855	$652
MURRIETA	2023-24	466	109,177	$106,549,851	$90,448,901	$828
	2022-23	432	109,177	$100,001,063	$78,224,768	$716
	2021-22	431	109,998	$88,827,370	$67,613,815	$615
	2020-21	407	111,183	$81,447,222	$71,149,130	$640
	2019-20	355	115,172	$71,716,032	$53,467,907	$464
	2018-19	347	115,561	$58,115,146	$51,949,869	$450

* Denotes total authorized positions within the City of Temecula

Amounts will be updated for the Adopted Budget

SUMMARY OF INTERFUND TRANSFERS

Transfers In:			Transfers From:
Operating Funds			
Fund 001: General Fund		23,623,749	Measure S Fund - Public Safety Personnel Costs
Fund 001: General Fund		152,236	Measure S Fund - Fire Vehicles and Ladder Truck
Fund 001: General Fund		96,594	Measure S Fund - Enhanced Custodial Services
Fund 001: General Fund		3,329,012	Gas Tax Fund
Fund 001: General Fund		283,502	Supplemental Law Enforcement Services Fund
	Subtotal	27,485,093	
Fund 006: Fire Facility Acquisition Fund		1,000,000	General Fund - Fire Facility Acquisition Fund Repayment
Fund 701: Pension Rate Stabilization Fund		7,500,000	General Fund
Special Revenue Funds			
Fund 103: Street Maintenance		1,000,000	Measure S Fund - Street Maintenance Reserve Fund Contribution
	Subtotal	1,000,000	
Temecula Community Services District (TCSD)			
Fund 190: Citywide Operations		14,675,947	Measure S Fund - TCSD Operations Subsidy
Fund 197: Library		1,774,877	Measure S Fund - Library Subsidy
	Subtotal	16,450,824	
Capital Projects Funds			
Fund 210: Capital Improvement Fund		4,296,247	Measure S Fund
Fund 210: Capital Improvement Fund		2,883,697	Road Maintenance Rehab Account Fund
Fund 210: Capital Improvement Fund		657,180	CDBG Fund
Fund 210: Capital Improvement Fund		224,356	Street Maintenance Fund
Fund 210: Capital Improvement Fund		170,000	AB 2766 Motor Vehicle Subvention Fund
Fund 210: Capital Improvement Fund		1,312,000	Measure A Fund
Fund 210: Capital Improvement Fund		50,000	Technology Replacement Fund
Fund 210: Capital Improvement Fund		1,500,000	Facilities Replacement Fund
Fund 210: Capital Improvement Fund		100,000	Public Art Fund
	Subtotal	11,193,480	
Internal Service Funds			
Fund 320: Information Technology		300,000	Measure S Fund - Citywide Security Camera Project Maintenance
Fund 350: Facility Replacement		2,500,000	Measure S Fund - Facility Replacement Reserve Fund Contribution
	Subtotal	2,800,000	
	Total	**67,429,397**	

SUMMARY OF AFFORDABLE HOUSING INVESTMENT

The City of Temecula, in conjunction with the former Temecula Redevelopment Agency (RDA), has invested $57 million in a variety of affordable housing options for Temecula residents, with 902 units completed since the City incorporated in 1989, and 95 of those units funded and completed by the County of Riverside.



Cameron Building

- 24 rental units for moderate-income households 120% of area median income (AMI)
- RDA Investment $3 million
- Mixed-use building with commercial retail space on the bottom floor and 24 affordable housing units on floors 2-4

Palomar Heritage

- 22 rental units for low and moderate-income households 60% and 110% AMI
- RDA investment $3.3 million
- Mixed used building with commercial retail space on the bottom floor and 22 affordable housing units on floors 2-3



Both the Cameron Building and the Palomar Heritage Building were the first of their kind in Old Town. The projects provided a great opportunity for the City to not only work towards meeting the community's affordable housing needs but also to spur economic development within the Old Town District. The use of affordable housing funds to produce affordable housing and commercial space in a mixed-use building in Old Town allowed the City to leverage the City's affordable housing funds for multiple purposes within the same development. This strategy of investment for the two future affordable housing / mixed use buildings served as a model for two other City-funded developments in Old Town.



Portola Terrace

- 44 rental units for low and very low-income households 50% and 60% AMI
- RDA investment $5.5 million
- Completed in 2013

Madera Vista

- 110 affordable units in larger family-sized apartments
- RDA investment $8.4 million
- 20 units set aside for seniors



The Madera Vista development was originally a private condo development that fell into foreclosure during the Great Recession. The project partially built and in disrepair. The City, along with Bridge Housing utilized affordable housing funds to purchase the property and completed construction.

SUMMARY OF AFFORDABLE HOUSING INVESTMENT

In addition to providing funding to construct affordable housing units, the former Redevelopment Agency invested $524,356 to provide a First-Time Home Buyer Program available to moderate-income households (120% AMI) and assisted 20 First-Time Home Buyers to purchase homes in Temecula.

The City of Temecula and the former RDA have partnered with Habitat for Humanity since 2003 to construct five homes for low-income households to purchase. Total RDA investment of $582,000. An additional $700,000 investment with Habitat for Humanity is programmed for a future project to build six for-sale affordable/workforce housing units available to moderate and low-income homebuyers.





The City's primary funding source for affordable housing was the Temecula Redevelopment Agency. In 2012, the State of California disbanded all redevelopment agencies within the State. The City of Temecula serves as the Successor Agency to the Redevelopment Agency (SARDA) and is responsible for the eventual wind down of the remaining RDA obligations, including the investment of the remaining $12.8 million in bond proceeds of the former RDA. Two affordable housing projects have been identified and the City Council has approved funding agreements with developers to provide an additional 137 affordable units.



Vine Creek – Completed

- 60 rental units for low and very low-income households
- 14 units set aside for special needs residents
- RDA investment of $6.7 million

Las Haciendas – Completed

- 77 rental units for extremely low to low-income households
- RDA investment $10.2 million
- Project is the first residential development in Uptown Temecula Specific Plan area





In Fiscal Year 2021-22, the City set-aside $1 million in Community Reinvestment Program (CRP) Funds for a future affordable housing development in the Uptown Specific Plan area.

SUMMARY OF CITY GRANT RECIPIENTS

RECIPIENT	Community Services Funding (CSF) Grant		Community Development Block Grant (CDBG)		Economic Development Sponsorship		Community Services Funding (CSF) Council Member Grant		Community Reinvestment Program (CRP) Rent Waiver Program	
	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26
3 Sixty-Five Framers									$4,500	$4,500
Assistance League of Temecula Valley	$5,000	$2,500	$7,474	$10,138						
Bike Temecula Valley Co.					$2,000	$2,000				
Bonded Bean, LLC dba P3 Cost Analyst										$1,200
Boys & Girls Club of Southwest County	$5,000	$2,500	$7,474	$10,138						
Canine Support Teams, Inc.	$5,000	$5,000								
Ceylone										$1,200
City of Temecula			$404,189	$333,931						
City of Temecula: Community Services Department			$7,474	$10,138						
Domestic Violence and Abuse Protection	$5,000	$2,500								
E2LogicX									$2,700	$2,700
EasyCycle Online, Inc.										$1,200
EDC of Southwest CA					$43,560	$43,480				
Empower America Veteran Alliance										$3,120
Empty Cradle	$5,000	$2,500								
Exim 20/20 Group, LLC									$3,120	
Fair Housing Council of Riverside County			$20,000	$15,000						
Five Star Construction Services										$1,200
The Firehouse Family							$5,000	$4,000		
Girls on the Run Riverside County	$2,500									
Green Acres Interactive Therapy, Inc.	$5,000									
Habitat for Humanity Inland Valley	$5,000	$5,000		$75,000						
His Little Feet		$2,500								
Hospice of the Valleys	$5,000	$5,000	$7,474	$10,138						
Iatrix Air, Inc.									$3,780	
Inland Empire Film Services - Film Permits					$6,000	$6,000				
Inside Door										$1,200
Inspired Business Performance										$1,200
Interactive iXperience, Inc.									$4,800	$4,800
Jacob's House	$5,000	$2,500								
Jovi B2B										$3,000
The Local Gist, LLC									$3,000	$3,000
Michelle's Place	$5,000	$5,000			$10,000	$5,000				
Milvet		$5,000								
Mission Hope	$5,000	$5,000		$10,138			$1,500			
Mothers Against Drunk Driving (MADD)								$1,000		
NORA (Nurture, Outreach, Resilience, Advocacy)			$7,474	$5,000						

SUMMARY OF CITY GRANT RECIPIENTS

RECIPIENT	Community Services Funding (CSF) Grant		Community Development Block Grant (CDBG)		Economic Development Sponsorship		Community Services Funding (CSF) Council Member Grant		Community Reinvestment Program (CRP) Rent Waiver Program	
	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26
NZN Labs, Inc.									$11,400	$5,400
Phi Alpha Contract Solutions									$3,000	$3,000
Project Touch							$2,000	$4,000		
Rock Your Red	$5,000	$2,500								
Rok Lab, LLC										$1,200
Rose Again Foundation							$1,500			
Rotary Club of Temecula	$5,000	$2,500								
SAFE Family Justice Centers	$5,000	$5,000	$7,474	$10,138						
Savingsmore Digital Marketing, LLC									$1,200	$1,200
Sisu VR									$1,200	$1,200
Skyrocket Pediatric Therapy Foundation	$2,500	$2,500								
Small Business Development Centers (SBDC)					$7,500	$7,500				
Spero Vineyards	$5,000	$5,000								
Student of the Month Program (w/ Chamber of Commerce)								$5,000		
Temecula Historical Society						$3,750				
Temecula Valley Chamber of Commerce					$200,000	$200,000				
Temecula Valley Posse	$5,000	$5,000								
Temecula Valley Rose Society		$5,000								
Temecula Valley Woman's Club (GFWC)		$2,500								
Temecula Valley Writers and Illustrators	$5,000	$2,500								
Terra Network Solutions									$3,900	$3,900
The Learning Project, LLC										$1,200
Tonntowin Investment Group, LLC										$1,200
Valley of the Mist Quilter's Guild					$1,800	$1,600				
Veterans of Foreign Wars - Auxiliary		$2,500								
Veterans of Foreign Wars - Car Show							$2,500			
Veterans of Foreign Wars - 5k Walk								$1,000		
Visit Temecula Valley					$60,000	$60,000				
VIVIANS										$1,200
Voices for Children		$2,500	$7,474	$10,138						
Warfighter Made								$1,000		
Waves Project Inc	$5,000									
Western Eagle Foundation	$5,000									
TOTAL	**$100,000**	**$82,500**	**$476,507**	**$499,897**	**$360,860**	**$329,330**	**$12,500**	**$16,000**	**$42,600**	**$47,820**

COMMUNITY REINVESTMENT PROGRAM FUNDING MATRIX

Program	Total Amount	Amount by Fiscal Year FY21-22 Actuals	FY22-23 Actuals	FY23-24 Actuals	FY24-25 Actuals	FY25-26 Budget	FY26-27 Budget	Account Number
Business Support								
Wayfinding Signage - Old Town	$500,000		$59,064	$12,500	-$25,000	$453,436		110.199.102.5267
Marketing Campaign	$500,000		$480,000					110.199.102.5267
Rent Waiver for TVE2 Businesses	$160,000		$20,925	$40,300	$41,820	$56,955		110.199.102.5267
General Business Grants								
Internships	$180,000			$85,354	$88,351	$39,416		110.199.102.5122
Externships	$300,000			$52,233	$103,203	$111,442		110.199.102.5123
On-the-job Training	$520,000			$500,000	$20,000			110.199.102.5267
	$1,000,000	$0	$0	$637,587	$211,555	$150,858	$0	
CIP - Old Town Parklets	$450,000			$68,866	$53,443	$327,691		110.199.102.7210
CIP - Citywide Community Fire Protection Plan	$179,000				$0	$179,000		110.199.102.7210
CIP - Eagle Soar Splash Pad Rehabilitation	$300,000				$0	$300,000		110.199.102.7210
CIP - Santiago Site Community Garden	$360,000				$0	$360,000		110.199.102.7210
CIP - Sixth Street Improvements	$115,000				$115,000			110.199.102.7210
TCSD Enhanced Xmas Lighting	$75,000			$70,000	$0	$0		110.199.102.5267
	$1,479,000	$0	$0	$138,866	$168,443	$1,166,691	$0	
Total Business Support	**$3,639,000**	**$0**	**$559,989**	**$829,253**	**$396,818**	**$1,827,940**	**$0**	
Non-Profit Support								
Community Services Funding Grants	$1,000,000		$338,750	$626,525	$0			110.199.103.5267
Total Non-Profit Support	**$1,000,000**	**$0**	**$338,750**	**$626,525**	**$0**	**$0**	**$0**	
Homeless Services								
Outreach, Prevention, Diversion Programs	$500,000		$500,000					190.201.999.5901
CIP - Temecula Creek Fencing	$21,000			$9,786	$14,660	$0		110.199.104.7210
Total Homeless Services	**$521,000**	**$0**	**$500,000**	**$9,786**	**$14,660**	**$0**	**$0**	
Housing Services								
CIP - Vine Creek Affordable Housing Project	$4,000,000				$0	$4,000,000		110.199.105.7210
CIP - Uptown Temecula Future Affordable Housing Project	$1,000,000				$0	$1,000,000		110.199.105.7210
Residential Rehabilitation Grant Program	$500,000			$250,000	$250,000			110.199.105.5267
Total Housing Services	**$5,500,000**	**$0**	**$0**	**$250,000**	**$250,000**	**$5,000,000**	**$0**	
Behavioral Health Services Support								
Veterans/First Responders/At-Risk	$1,000,000		$1,000,000					110.199.106.5267
Firefighters' Benevolent Fund	$250,000		$250,000					110.199.106.5267
Riverside County Sheriff's Charities	$250,000		$250,000					110.199.106.5267
Total Behavioral Health	**$1,500,000**	**$0**	**$1,500,000**	**$0**	**$0**	**$0**	**$0**	
Higher Education/Workforce Development								
CSUSM/MSJC Certificate Programs	$1,000,000				$0	$1,000,000		110.199.107.5267
Total Higher Ed/Workforce Development	**$1,000,000**	**$0**	**$0**	**$0**	**$0**	**$1,000,000**	**$0**	
Acceleration of Pension Liability Paydown	$1,000,000					$1,000,000		110.199.999.7001
Total Community Reinvestment Program	**$14,160,000**	**$0**	**$2,898,739**	**$1,715,564**	**$661,478**	**$8,827,940**	**$0**	

ADDITIONAL RESOURCES

Throughout the electronic version of the Annual Operating Budget, several links to documents are provided to allow the reader to access supplemental information about a specific topic, study, master plan or strategic plan. Below is a list of additional resources to provide a broader range of information about the City of Temecula operations and long-term strategic plans.

Strategic Plans

- Temecula 2040 Quality of Life Master Plan - TemeculaCA.gov/689/Temecula-2040
- Temecula General Plan - TemeculaCA.gov/345/General-Plan
- Specific Plans - TemeculaCA.gov/351/Specific-Plans
- Growth Management Plan - TemeculaCA.gov/GrowthManagementHandout

Master Plan Documents

- Multi-Use Trails and Bikeways Master Plan - TemeculaCA.gov/DocumentCenter/View/1971
- Community Services Master Plan - TemeculaCA.gov/TCSMasterPlan
- Youth Master Plan - TemeculaCA.gov/809/Youth-Master-Plan

Miscellaneous Resources

- Fiscal Years 2027-31 Capital Improvement Program - TemeculaCA.gov/306/Budget-Management
- #BudgetTalk Series on Instagram - TemeculaCA.gov/306/Budget-Management
- 2026 Temecula Magazine - TemeculaCA.gov/20602/2026-Temecula-Magazine
- Temecula Municipal Code - TemeculaCA.gov/MunicipalCode
- Labor Agreements - TemeculaCA.gov/253/Human-Resources
- Around & About Temecula Video Series - TemeculaCA.gov/1222/Around-About-Temecula



GLOSSARY OF ACRONYMS

ACM – Assistant City Manager

ADA – Americans with Disabilities Act

AED – Automated External Defibrillator

ALPR – Automated License Plate Reader

AOB – Annual Operating Budget

ARPA – American Rescue Plan Act

ARRA – American Recovery and Reinvestment Act of 2009

CAFR – Comprehensive Annual Financial Report

CAP – Community Action Patrol

CDBG – Community Development Block Grant

CFD – Community Facilities District

CEQA – California Environmental Quality Act

CERT – Community Emergency Response Team

CIP – Capital Improvement Program

COP – Certificate of Participation

CPI – Consumer Price Index

CPR – Cardiopulmonary Resuscitation

CRC – Community Recreation Center

CRP – Community Reinvestment Program

CSMFO – California Society of Municipal Finance Officers

CSO – Community Services Officer

DFCI – Diesel Fuel Component Index

DIF – Development Impact Fee

DOJ – Department of Justice

DOT – Department of Transportation

EECBG – Energy Efficiency Conservation Block Grant

EMS – Emergency Medical Services

EMT – Executive Management Team

EOC – Emergency Operations Center

EOP – Emergency Operation Plan

GLOSSARY OF ACRONYMS

FEMA – Federal Emergency Management Agency

FOC – Field Operations Center

FTE – Full-Time Equivalents

GAAP – Generally Accepted Accounting Principles

GASB – Governmental Accounting Standards Board

GFOA – Government Finance Officers Association

GIS – Geographic Information System

HELPS – Healthy Living Programs for Seniors

HRIS – Human Resources Information System

HSIP – Highway Safety Improvement Plan

HUD – United States Department of Housing and Urban Development

IT – Information Technology

ITS – Intelligent Transportation System

JRMP – Jurisdictional Runoff Management Plan

LHMP – Local Hazard Mitigation Plan

LRPMP – Long Range Property Management Plan

MCP – Management Compensation Plan

MOU – Memorandum of Understanding

MS4 – Municipal Separate Storm Sewer System

MSHCP – Multi-Species Habitat Conservation Plan

MVLF – Motor Vehicle License Fee

NPDES – National Pollutant Discharge Elimination System

PEG – Public, Education & Government Fees Fund

PERS - California Public Employees Retirement System

POD – Point of Destination

POST – Peace Officers Standards and Training

QLMP – Quality of Life Master Plan

RCTC – Riverside County Transportation Commission

RDA – Redevelopment Agency

REACH – Real Exceptional Adults Creating Hope

GLOSSARY OF ACRONYMS

ROPS – Recognized Obligation Payments Schedule

RPTTF – Redevelopment Property Tax Trust Fund

RTA – Riverside Transit Agency

SARDA – Successor Agency to the Redevelopment Agency

SEMS – California's Standardized Emergency Management System

SLESF – Supplemental Law Enforcement Services Fund

SOR – Service Order Requests

SQL – Structured Query Language

TCC – Temecula Citizens' Corps

TCSD – Temecula Community Services District

TEEM – Temecula Energy Efficiency Asset Management Fund

TOT – Transient Occupancy Tax

TUMF – Transportation Uniform Mitigation Fee

TVE^2/TVEE – Temecula Valley Entrepreneurs' Exchange

TVUSD – Temecula Valley Unified School District

WQIP – Water Quality Improvement Plan

WQMP – Water Quality Management Plan

WRCOG – Western Riverside Council of Governments

YEPP – Youth Emergency Preparedness Program

GLOSSARY OF TERMS

ABATEMENT - Abatement usually applies to tax levies, special assessments, and service charges.

ACCOUNTING SYSTEM - The methods and records established to identify, assemble, analyze, classify, record, and report a government's transactions and to maintain accountability for the related assets and liabilities.

ACCRUAL BASIS - The recording of the financial effects on a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events, and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

ACTUAL - Represents the actual costs from the results of operations.

ADOPTED - Represents the budget as approved by the City Council.

ADOPTION - Formal action by the City Council that sets the spending limits for the fiscal year.

AGENCY FUND - A fund normally used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or other funds.

APPROPRIATION - A legal authorization granted by the City Council to make expenditures and incur obligations for specific purposes.

AMERICANS WITH DISABILITIES ACT OF 1990 (ADA) - A federal law providing for a wide range of protection to individuals which directly benefit District members.

ASSESSMENT DISTRICT - A separate local government agency formed to provide specific local public improvements that directly benefit District members.

AUDIT - A systematic collection of the sufficient, competent evidential matter needed to attest to fairness of management's assertions in the financial statements or to evaluate whether management has efficiently and effectively carried out its responsibilities.

BALANCE SHEET - The financial statement disclosing the assets, liabilities, and equity of an entity at a specified date.

BALANCED BUDGET - A budget that reflects operating revenues that fully cover operating expenditures.

BUDGET - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year.

BUDGETARY CONTROL - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and revenues.

CAPITAL EXPENDITURES - Expenditures resulting in the acquisition of or addition to the government's general fixed assets having a unit cost of $5,000 or more and a useful life of greater than one year. Infrastructure assets of $100,000 or more are also recorded capital expenditures.

GLOSSARY OF TERMS

CAPITAL IMPROVEMENT - Construction or major repair of City buildings, infrastructure, and facilities such as streets, roads, highways, bridges, curbs, gutters, sidewalks, storm drains, traffic signals, streetlights, gas and water distribution facilities, and parks.

CAPITAL IMPROVEMENT PROGRAM (CIP) - A comprehensive plan which projects the capital needs of the community. Generally, it is a cyclical process that projects the needs for a set number of years. Capital improvements plans are essential to sound infrastructure and financial planning. The annual capital budget is derived from the long-term CIP.

CAPITAL OUTLAY - Expenditures which qualify as capital costs according to accounting standards. This includes furniture, fixtures, machinery, equipment, and other relatively minor fixed assets.

CAPITAL PROJECT - A specific undertaking involving the procurement, construction or installation of facilities and related equipment which improves, preserves, enhances, or modernizes the City's provision of municipal services, has a long-term useful life, and for which costs exceed $30,000.

CAPTITAL PROJECTS FUNDS - A fund established to account for the acquisition and/or construction of major capital assets.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) - Funds allocated to local government from the federal government, based on a formula, but required to be applied for and used within a broad functional area such as community development.

CONSTRUCTION ENGINEERING - Engineering work during the construction process that ensures projects are constructed in accordance with design parameters and specifications. The primary construction engineering functions are construction inspections, laboratory services, field surveys and design plan updates or interpretations.

CONTINGENCY - A budgetary reserve set aside for emergency or unanticipated expenditures.

CONTRACTUAL SERVICES - Contracts for professional services.

CORE VALUE - The Quality of Life Master Plan (QLMP) provides the framework for the City's Strategic Budgeting activities. The City Council has set priorities and guided staff in developing seven (7) Core Values upon which to focus time and resources (as identified in the QLMP). These areas include:

1. A Safe & Prepared Community
2. Transportation Mobility & Connectivity
3. Healthy & Livable City
4. Economic Prosperity
5. Sustainable & Resilient City
6. Accountable & Responsive City Government
7. Equity

COVID-19 - The viral outbreak, caused by a coronavirus that causes upper-respiratory illness, became a pandemic in the first quarter of 2020. The economic impact it will have on local government is difficult to predict due to the sudden and unprecedented nature of the pandemic. The full effect may not be known for some time but local governments are likely to see significant reductions in tax revenues.

GLOSSARY OF TERMS

CURRENT BUDGET - Represents the original adopted budget plus any approved changes and anticipated year-end adjustments.

DEBT SERVICE FUND - Funds established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Sometimes referred to as a Sinking Fund.

DEPARTMENT - An organizational unit comprised of programs and program managers. A single director manages each department.

DESIGNATED FUND BALANCE - Management's intended use of available expendable financial resources in governmental funds reflecting actual plans approved by the City Council.

ENCUMBRANCE - Obligations in the form of purchase orders, contracts, or other commitments. They cease to be encumbrances when paid, cancelled, or when the actual liability is set up.

EXPENDITURES - Decreases in net financial resources that include current operating expenses that require the current or future use of net current assets, debt services, and capital outlays.

FEES - Charges for specific services.

FINES AND FORFEITURES - A fine is a financial penalty imposed by a government agency as restitution for wrongdoing. The wrongdoing is typically defined by a codification of legislation, regulations, and decrees. Forfeiture is the automatic loss of property, including cash, as a penalty for breaking the law, or as compensation for losses resulting from illegal activities. Once property has been forfeited, the City may claim it, resulting in confiscation of the property.

FISCAL YEAR - The period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Temecula has a fiscal year of July 1 through June 30.

FRANCHISE - A special privilege granted by a government, permitting the continued use of public property, such as refuse disposal and cable television, and usually involving the elements of monopoly and regulation.

FULL-TIME EQUIVALENTS (FTE) - The amount of time a position has been budgeted for in terms of the amount of time a regular, full-time employee normally works in a year. Most full-time employees are paid for 2,080 hours in a year.

FUND - A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances and changes therein which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE - The difference between assets and liabilities that is generally spendable or available for appropriation. Some Governmental funds as well as Proprietary and Fiduciary funds which utilize full accrual basis of accounting also include non-spendable fund balance which includes amounts that cannot be spent because they include prepaid items or inventories or are legally required to be maintained intact, such as the principal portion of an endowment.

GLOSSARY OF TERMS

FUTURE YEARS - The intent of the future period is to project out to ten (10) years, projects that are anticipated by staff and the City Council that will ultimately have a very large impact on the City and surrounding area.

GANN APPROPRIATIONS LIMIT - This term refers to Article XIIIB of the California State Constitution that places limits on the amount of proceeds from taxes that state and local governmental agencies can receive and spend each year.

GENERAL FUND - Accounts for tax and other general fund revenues (e.g., sales taxes, property taxes, fines and forfeitures, investment interest, etc.) and records the transactions of general governmental services (e.g., police, fire, library, parks and recreation, public service, etc.).

GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP) - GAAP is the uniform minimum standards of and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad guidelines of general application and detailed practices and procedures. GAAP provides a standard by which to measure financial presentations.

GOALS - The desired result of accomplishments within a given time frame, usually a fiscal year.

GRANTS - Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose.

INTERGOVERNMENTAL REVENUES - Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

INTERNAL SERVICE FUNDS - Funds used to account for financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

LEVY - To impose taxes for the support of government activities.

LICENSES, PERMITS AND SERVICE CHARGES - License and permit fees are charged as a means of recovering the cost of regulating various activities. These charges are authorized through the California Government Code and State Constitution. Examples include building permits and business licenses. The City also assesses service charges through user fees on everything from recreation programs to facility rentals. Service charge is also the classification for the Community Services funding allocation from the General Fund to the Temecula Community Services District. It is also the classification for charges back to departments from Internal Service Funds.

LONG-TERM DEBT - Debt with a maturity of more than one year after the date of issue.

LONG-TERM GOALS - An observable and measurable result, having one or more objectives to be achieved within a set time frame.

GLOSSARY OF TERMS

MEASURE C (SPECIAL TAX) - A voter approved special tax charged to property owners in order to finance the operation, maintenance and servicing of public parks and recreational facilities, recreational and community services programs, median landscaping, arterial streetlights and traffic signals. The maximum amount for each fiscal year is set by ordinance at $74.44 per single-family residential dwelling unit, $55.83 per multi-family residential dwelling unit, $148.88 per acre of vacant property in a residential zone, $297.76 per acre of vacant property in a non-residential zone, $446.64 per acre of non- residential improved property, and $37.22 per acre for agriculture uses. Special Tax is allocated 50% in the General Fund and 50% in the Community Services District.

MEASURE S (SALES TAX) - A one cent add-on sales tax, approved by voters on November 8, 2016, to maintain 9-1-1 emergency response times, prevent cuts to local paramedic/police/fire protection, school safety patrols, youth/afterschool senior, disabled services; improve freeway interchanges/reduce traffic; and other general services. It is estimated that this tax will generate approximately $23 million annually.

MISCELLANEOUS REVENUE - Revenue which includes Police charges for services including report copies, fingerprint rolling fees, etc. as well as right of way advertising revenue**,** charges for planning commission packets and other miscellaneous charges and reimbursements.

MODIFIED ACCRUAL BASIS - The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments are recognized when they become susceptible to accrual that is when they become both “measurable” and “available” to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred except for (1) inventories of materials and supplies that may be considered expenditures either when purchased or when used. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis for accounting.

MOTOR VEHICLE LICENSE FEE - The motor vehicle license fee (MVLF), also called the motor vehicle in- lieu tax, is a tax on the ownership of a registered vehicle in place of taxing vehicles as personal property. The MVLF is paid annually upon vehicle registration in addition to other fees, such as the vehicle registration fee, air quality fees, and commercial vehicle weight fees all of which fund specific state programs. The MVLF funds City services.

OBJECTIVES - The necessary steps to be accomplished in order to achieve a desired goal.

OPERATING BUDGET - Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled.

OPERATING TRANSFERS IN/OUT - Authorized exchanges of cash or other resources between funds.

OPERATIONS & MAINTENANCE - Supplies and other materials used in the normal operations of City departments.

ORGANIZATION - A unit of operation having specific responsibilities and duties and collectively form an Agency. The terms organization and division is used interchangeably throughout the budget document (i.e., Accounting Organization, Traffic Division, etc.).

OTHER TAXES - Classification for all taxes with the exception of property tax and sales and use tax which are defined on their own. Includes Gas Tax, Measure C (Special Tax), Transient Occupancy Tax and Franchise Fees.

GLOSSARY OF TERMS

PRIVATE-PURPOSE TRUST FUNDS - These funds are used to account for resources held and administered by the reporting government when it is acting in a fiduciary capacity for other governments.

PROPERTY TAX - A 1% levy upon the assessed valuation of property, as established by Proposition 13 in 1978.

PROPERTY TAX IN LIEU OF VLF - A swap from the state of California, where over 90% of California City and county vehicle license fee revenues were exchanged for additional property tax. Subsequent to the Fiscal Year 2004-05 base year, each city's and county's property tax in lieu of VLF increases annually in proportion to the growth in gross assessed valuation in that jurisdiction.

RESOURCES - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

REVENUES - The yield of taxes and other sources of income that a governmental unit collects and receives for public use.

SALES AND USE TAX - Sales tax applies to the sale of merchandise, including vehicles within the State of California. The use tax applies to the use, storage or other consumption of those same kinds of items within the state. Sales tax applies when physical merchandise is purchased in California and use tax applies when a similar purchase without tax is made from a business located outside the state.

SPECIAL ASSESSMENT - A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

SPECIAL REVENUE FUNDS - These funds are used to account for specific resources that are legally restricted to expenditure for particular purposes.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY (SARDA) - Successor agency established in order to pay the debts and obligations and to perform the obligated activities of the former Temecula Redevelopment Agency (RDA) due to ABx1 26 which dissolved Redevelopment Agencies.

TAXES - Compulsory charges levied by a government to finance services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments. Neither does the term include charges for services rendered only to those paying such charges.

TEMECULA COMMUNITY SERVICES DISTRICT (TCSD) - An assessment district that was established in Temecula to provide a comprehensive, balanced neighborhood and community park system by constantly reviewing growth, demographics and facilities available. It also provides street lighting, median and slope maintenance, refuse hauling and a recycling program, emergency dirt road maintenance, library services and an intern fellowship program.

GLOSSARY OF TERMS

TEMECULA COMMUNITY SERVICES DISTRICT (TCSD) FUNDS (190-198, 501-530) - Upon incorporation of the City of Temecula, effective December 1, 1989, voters approved the formation of the Temecula Community Services District (TCSD) to provide specified services to properties within its jurisdiction. TCSD is a separate legal entity than the City and operates under the authority of Community Services District Law. Benefit assessments, and a special tax (Measure C) are charged to property owners within the District, are received to provide specified services identified below:

- Parks and Recreation - Facility operations and maintenance, community recreation programs
- Service Level "B" - Streetlight Replacement
- Service Level "B" - Residential streetlights
- Service Level "C" - Perimeter landscaping and slope maintenance
- Service Level "D" - Refuse collection, recycling, and street sweeping
- Service Level "R" - Street and road maintenance
- Service Level "L" - Harveston Lake Park maintenance
- Library Fund - Services at the Ronald H. Roberts Temecula Public Library on Pauba Road

TRANSIENT OCCUPANCY TAX - Also called a Hotel Tax, this revenue source originates in a tax placed on lodging facilities for the occupancy of a room. The City of Temecula's Transient Occupancy Tax rate is 8%.

TRANSFERS IN/OUT - Payments from one fund to another fund primarily for work or services provided.

TRANSFERS TO CIP - Authorized exchanges of cash or other resources to the Capital Improvement Program.

UNDESIGNATED FUND BALANCE - Available expendable financial resources in a governmental fund that are not the object of tentative management plans (i.e. designations).

UNSPECIFIED - Funds that have not been identified for various proposed projects.

USE OF MONEY AND PROPERTY - Classification used for revenue sources which include lease and rental income, as well as investment interest.

USER CHARGES/FEES - A sum of money paid by the individual who chooses to access a service or facility. Examples of user fees include building permit fees and recreation class fees. With user fees, the individual directly pays for something he or she wants and receives what he or she has paid for.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS (WRCOG) - WRCOG is a voluntary association that represents Riverside County, 17-member local cities located in Western Riverside County, Eastern Municipal Water District and Western Riverside Water District, that seek to provide cooperative planning, coordination, and technical assistance on issues of mutual concern that cross jurisdictional lines. The primary functions of WRCOG include (a) serve as a forum for consideration, study and recommendation on area-wide and regional problems; (b) assemble information helpful in the consideration of problems peculiar to Western Riverside County; (c) explore practical avenues for intergovernmental cooperation, coordination and action in the interest of local public welfare and means of improvements in the administration of governmental services; and (d) serve as the clearinghouse review body for Federally-funded projects in accordance with Circular A-95 in conjunction with the Southern California Association of Governments.

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