



CITY OF SALINAS MEASURE E COMMITTEE

DATE: JANUARY 15, 2026

DEPARTMENT: FINANCE DEPARTMENT

FROM: SELINA ANDREWS, FINANCE DIRECTOR
ABE PEDROZA, ASSISTANT FINANCE DIRECTOR
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TITLE: DECEMBER 31, 2025 MEASURE E QUARTERLY REPORT

RECOMMENDED MOTION:

It is recommended that the Measure E Committee receive the December 31, 2025 Quarterly Report.

BACKGROUND:

Measure V was a one half-cent general Transaction and Use Tax approved by Salinas voters in 2005 for a ten-year (10) term with an expiration year of 2016.

In 2012, Measure V became Measure E when Salinas voters approved the renewal of the transaction and use tax with no expiration date by removing the language addressing the sunset.

City Council appropriates Measure E funding to maintain and in certain instances enhance City services to include but not limited to, police, fire safety, paramedics, libraries, crossing guards, graffiti removal, anti-gang programs, street and park maintenance; and other City services.

Staff present quarterly Financial Reports which include revenues received and cumulative expenditures to date for the current fiscal year.

ANALYSIS:

Measure E Transaction and Use Tax is projected to generate \$17.2 million in revenue for FY 2025-26, supporting a wide range of essential City services and projects, including public safety and major capital projects.

Measure E is funding a variety of projects in FY 2025-26. Some of those projects are listed below.

- Tennis Court Improvements
- District 5 Recreation Center
- Monterey Garage Improvements
- Fire Station Repairs

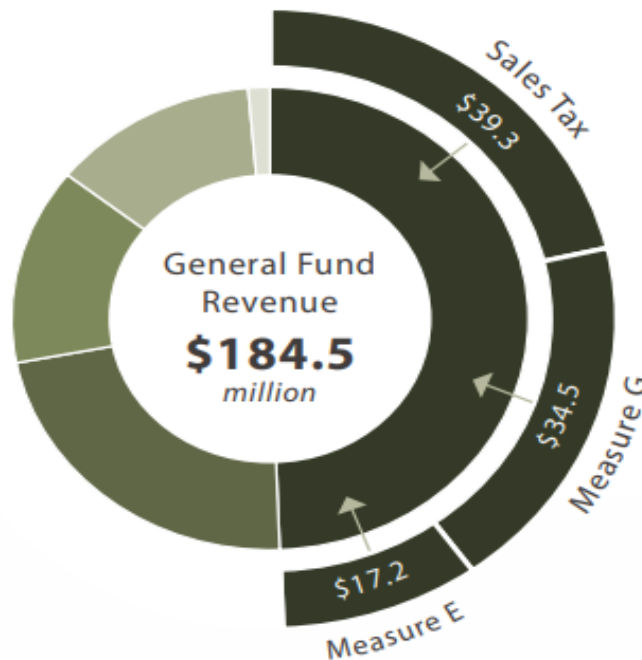
- El Gabilan Library
- Striping & Signing Improvements
- Closter Park Improvements
- EV Charging Infrastructure
- Restroom Replacement at City Parks
- Steinbeck Library Upgrades
- Cesar Chavez Park Dry Basin Repair
- City Facility Improvements

Measure E is also funding 90.5 full-time positions as identified below.

- 31 within the Police Department (sworn and non-sworn)
- 3 within the Fire Department (sworn and non-sworn)
- 17 within Recreation (community services and parks)
- 39.5 within the Library Division

Additional operating budget in this fiscal year includes contracts with vendors and consultants, fleet maintenance, debt, insurance premiums, the 911 emergency dispatch contract with the County, and the joint agreement with Monterey County for Animal Services.

The below graphic illustrates Measure E's portion of the projected sales tax revenue for FY 2025-26.



The current transaction and use tax revenue shows 36% received through the first two quarters. However, this only reflects the months of July-October due to the timing of when payments are received from the state. The benchmark for four out of twelve months is 33%, therefore the City is tracking just ahead of pace with November revenues to be received shortly.

Expenditures by department are tracking at or behind pace with nothing of concern identified. Overall, before transfers, Measure E spending is at 44% of the budgeted amount through the end of the first two quarters. Transfers out for capital projects, debt, insurance, and other services are at 24% spent, mainly due to timing for capital projects.

The City has an internal process to allocate CIP expenditures to the appropriate funds, including Measure E. This process is up to date through November 2025. CIP expenditures are tracking at 19% spent and/or encumbered through the midway point of the fiscal year.

Oversight of the fund is provided by a citizen-led Oversight Committee. The committee meets on a quarterly basis to receive financial reporting updates from staff.

ATTACHMENTS:

December 31, 2025 Measure E Quarterly Report
PowerPoint