



CITY OF SALINAS MEASURE G 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 G QUARTERLY REPORT

RECOMMENDED MOTION:

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

BACKGROUND:

Measure G is a one-cent general Transaction and Use Tax approved by Salinas voters in 2014. The tax has a fifteen-year (15) term with an expiration year of 2030.

City Council appropriates Measure G funding to maintain and in certain instances enhance City services to include but not limited to, facilities maintenance, crime and gang prevention; neighborhood policing and school safety; fire and paramedic response; fixing potholes, streets, and sidewalks; recreation and programs for youth and seniors; 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 G Transaction and Use Tax is projected to generate \$34.5 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 G has funded a variety of significant projects since its inception. Some of those projects are listed below.

- Fire Station Improvements
- Monterey Garage Improvements
- Storm Sewer Infrastructure
- Traffic Signal & Street Light Upgrades
- Sidewalk & Pavement Maintenance
- Safe Routes to School

- Bicycle Lane Installations & Ped Safety
- Sidewalk & Drainage Repairs
- Street Preventative Maintenance
- Boronda Rd Traffic Congestion Relief
- Striping & Signing Improvements
- Williams Rd Streetscape & Safety

In FY 2025-26, Measure G is funding 106.5 full-time positions as identified below.

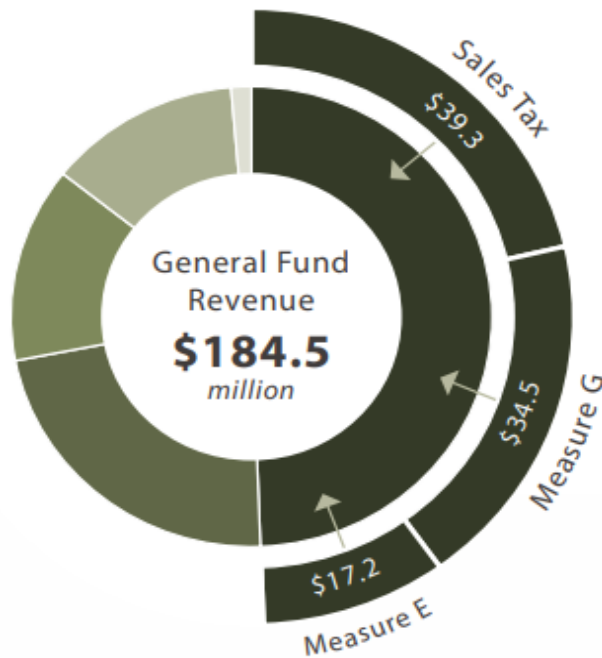
- 1 within Administration
- 1 within Human Resources
- 5 within Finance
- 10 within Community Development (mostly in Code Enforcement)
- 29 within the Police Department (sworn and non-sworn)
- 7 within the Fire Department (sworn and non-sworn)
- 38 within Public Works (engineers, inspectors, maintenance workers, and urban forestry)
- 15.5 within Recreation (parks, recreation, and sports programs)

Additional operating budget within this fiscal year includes funding for 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.

In addition to what is budgeted in the current year, there are additional CIP ongoing projects such as the Alisal Vibrancy Plan, fire station renovations, fire stations alerting system, ADA improvements to various facilities, Active Transportation Plan, sidewalk and street repairs, playground improvements, and irrigation improvements. CIPs are generally multi-year projects due to their size and availability of funding. Therefore, it generally takes a lot of planning and budget to get these projects off the ground.

Given all that Measure G is funding, it is apparent that this loss of revenue would impact the City's ability to provide services at the current level. Staff will continue to update this Committee and Council on its efforts to renew this Measure.

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



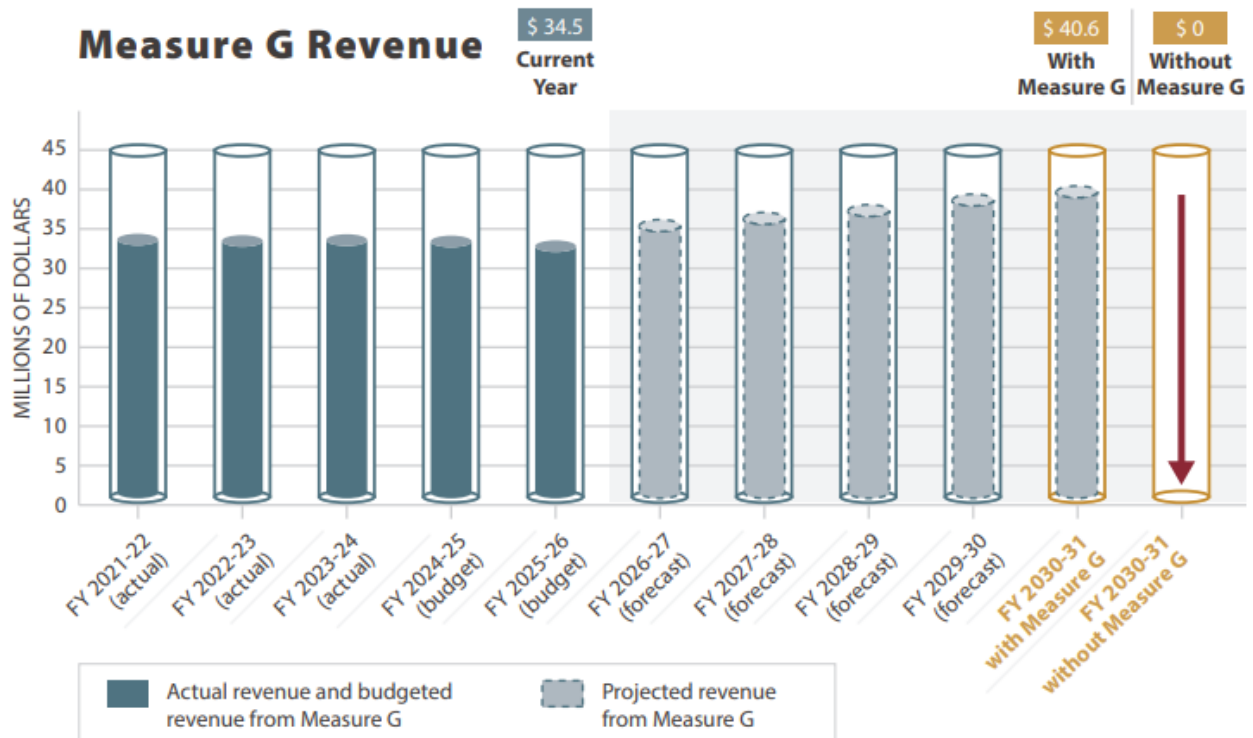
The current transaction and use tax revenue shows 36% received through the first two quarters. However, this only reflects the months of July-October due to the timing of when payments are received from the state. The benchmark for four out of twelve months is 33%, therefore the City is tracking just 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 G spending is at 50% of the budgeted amount through the end of the first two quarters. Transfers out for capital projects, debt, insurance, and other services are at 36% spent, mainly due to timing for capital projects.

The City has an internal process to allocate CIP expenditures to the appropriate funds, including Measure G. This process is up to date through November 2025. CIP expenditures are tracking right on pace, with 50% spent and/or encumbered through the midway point of the fiscal year.

In addition to the operating budget, 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.

As a time-limited measure, it is set to expire in 2030 if not renewed by voters. This would equate to a reduction of approximately 38% of the General Fund Budget - potentially leaving the City with a significant annual revenue gap of over \$40.6 million as shown in the graphic below.



ATTACHMENTS:

December 31, 2025 Measure G Quarterly Report
PowerPoint