



# 2025-2026 **BUDGET** IN BRIEF

# INTRODUCTION

As stewards of taxpayer dollars, the City of San Marcos endeavors in providing transparency and accountability in its budget. With a conservative fiscal approach, San Marcos strives to balance service enhancements with long-term fiscal sustainability. The budget is the product of a collaborative effort to meet the challenges of increasing costs while responding to the community's service needs.

In June, the City Council passed and adopted the Operations & Maintenance budget for the Fiscal Year 2025-26 as well as a five-year Capital Improvement Program (CIP) budget. The budgets fund the Council's continuing commitment to providing high levels of service to the City's residents, visitors, and business community. For more information or to view the City's complete budget document, visit [www.san-marcos.net/finance](http://www.san-marcos.net/finance).

## BUDGET DEVELOPMENT

The development of the Fiscal Year 2025-26 budget is guided by City Council's strategic priorities, budget policies, long-range fiscal sustainability, legal mandates and service level prioritization.

### CITY COUNCIL'S STRATEGIC PRIORITIES

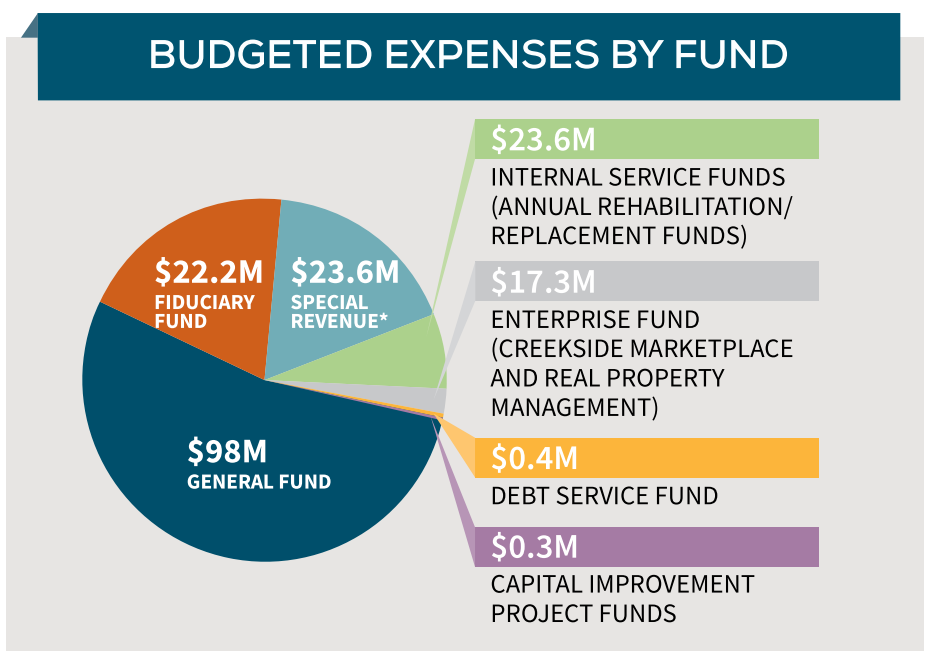


The City's Finance Department, City Manager, and department staff, works closely with each other to prepare the budget based on available resources. During this process the Finance Department engages the Budget Review Committee, which is made up of San Marcos residents to review the budget and make recommendations to City Council throughout the budgeting process. A proposed budget is then presented to City Council for further review and input. The City Council customarily adopts the budget prior to the beginning of the fiscal year.

## CITYWIDE BUDGET

The City's accounting system is organized by funds (pictured right). These funds capture all financial transactions related to the specific purpose for which the fund was created. The General Fund, the City's primary fund, reflects discretionary or unrestricted funding.

**\$185.3 million**  
in expenses are  
anticipated citywide.



\*Special Revenue is funds to be used for a specific purpose such as gas tax, traffic safety, affordable housing and Community Facility Districts.

# SAN MARCOS AT A GLANCE

Fiscal Year 2025-26

## INCORPORATION

1963

## GOVERNMENT

Charter city operating under the City Council/City Manager form of government

## PRINCIPAL EMPLOYERS

BUSINESS



HEALTH



EDUCATION



24 SQUARE MILES

## POPULATION



96,600+

## PARKS & RECREATION



44 PARKS



13 RECREATION FACILITIES

OVER 72 MILES OF TRAILS

HUNDREDS OF CLASSES, SPORTS PROGRAMS, CAMPS AND ACTIVITIES OFFERED ANNUALLY



## PUBLIC SAFETY

19,029 = NUMBER OF SHERIFF & POLICE CALLS FOR SERVICE ANNUALLY

12,326 = NUMBER OF FIRE DEPARTMENT CALLS FOR SERVICE ANNUALLY



9-1-1 CALLS



ABOVE AVERAGE RESPONSE TIME

## INFRASTRUCTURE



334

MEDIANS & PARKWAYS



140

SIGNALIZED INTERSECTIONS



44

PLAYGROUNDS



28

MILES OF FIBER OPTIC CABLE



28,000+

TREES



1,873

STORM DRAINS



4,200+

ACTIVE BUSINESS LICENSES

## REVENUE-PRODUCING PROPERTY\*



179,290

OFFICE SQ.FT.



16,800

INDUSTRIAL SQ.FT.



299,280

RETAIL SQ.FT.



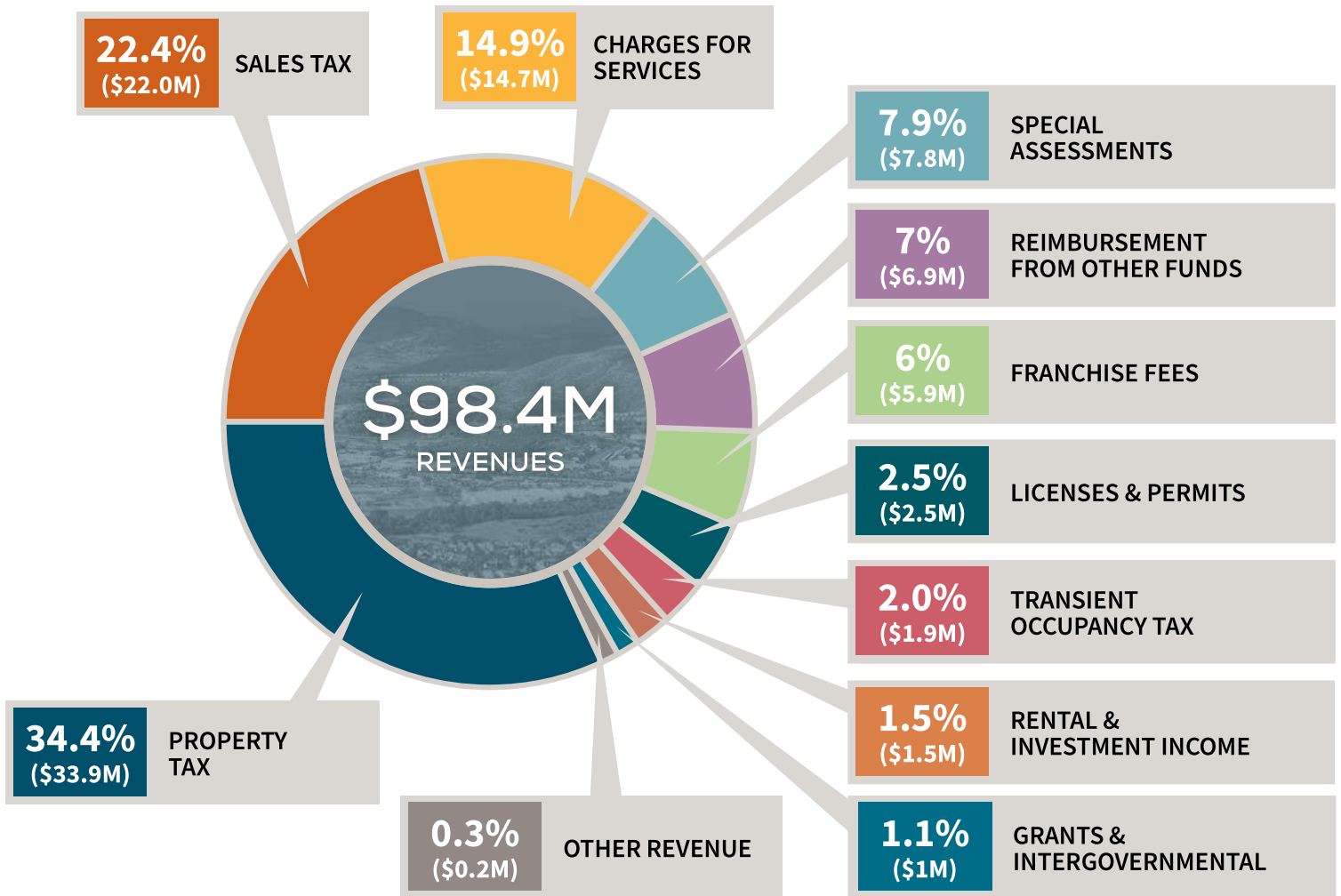
1,983,538

GROUND LEASED SQ.FT.

\*Revenue-producing property does not include municipal use sites/buildings



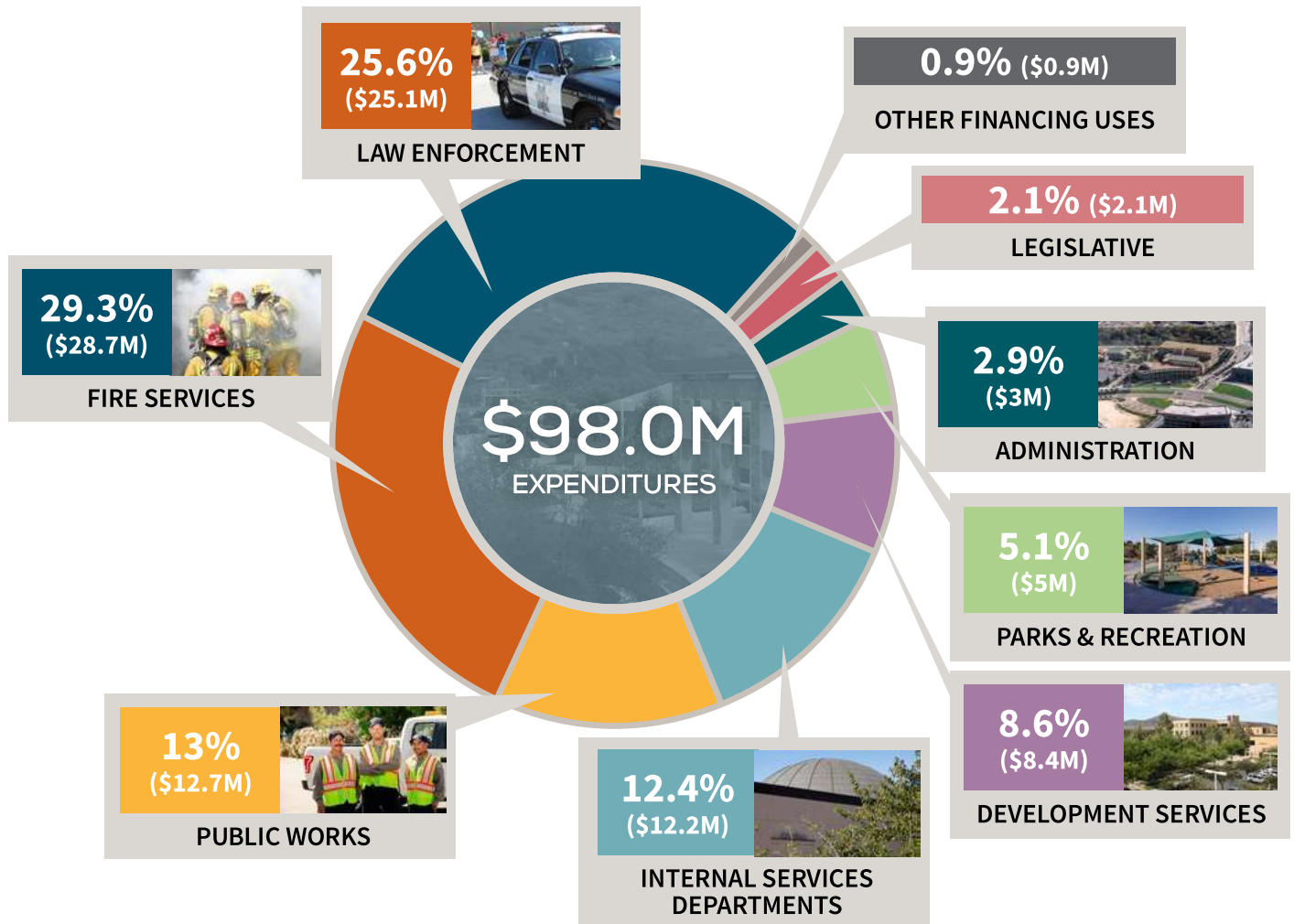
# GENERAL FUND REVENUES



Charged with an entrepreneurial spirit, the City uses a variety of revenue sources such as taxes and assessments, franchise fees, and rental income to support day-to-day operating costs.

The City's General Fund revenue portfolio is diversified with about 67% of all annual revenues generated from taxes such as Property Tax, Sales Tax, Special Assessment Tax and Transient Occupancy Tax. FY 2025-26 Sales tax revenue is projecting a slight decrease over FY 2024-25 year-end projections. County-assessed value of property tax increase during FY 2025-26 is estimated at 4.14%.

# GENERAL FUND EXPENDITURES



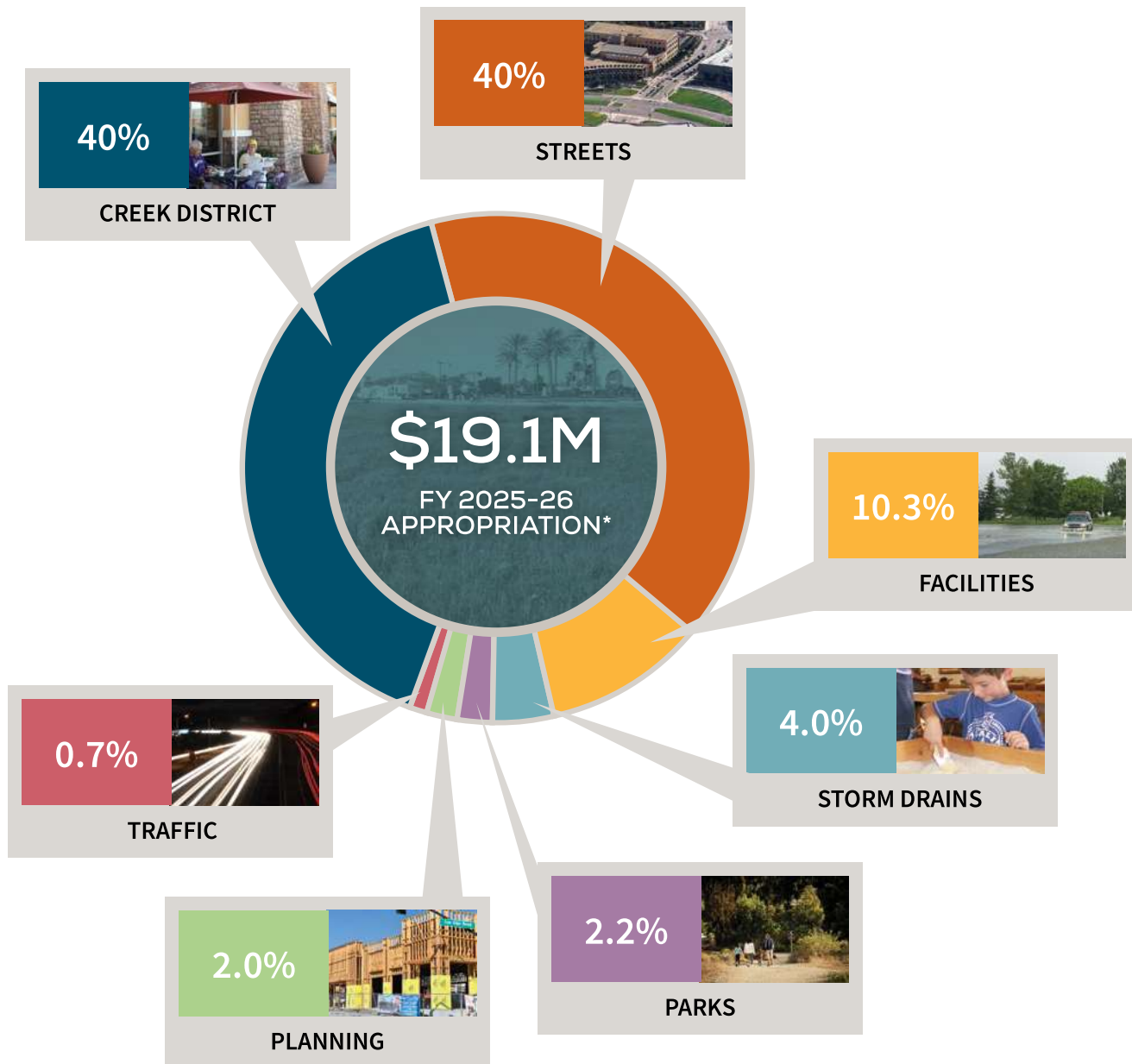
The City is focused on creating a balanced budget designed to make the best and most efficient use of the money entrusted to the City by the taxpayers.

In June, the City Council passed and adopted a \$98.0 million General Fund budget for Fiscal Year 2025-26. The General Fund pays for important services such as fire protection, law enforcement, street and park maintenance, community recreation, land use planning and general administration.

\*Total five-year CIP budget is \$324.2 million. Percentages shown are percent of five-year total.

# CAPITAL IMPROVEMENT PROJECTS PROGRAM BUDGET

The Capital Improvement Projects (CIP) Program is a five-year expenditure plan that provides the City with a financial strategy for major infrastructure improvements. Capital improvements can require multiple years to strategically plan, design, fund and eventually construct or execute. The CIP Program is updated annually to add new appropriations and and/or projects while evaluating priorities, new requirements and new funding sources.



\*Total five-year CIP budget is \$324.2 million. Percentages shown are percent of five-year total.

# PLANNED CIP PROJECTS

The CIP includes long-term city infrastructure projects such as street improvements, traffic control devices, bridges, flood control, street lighting, development, and city park facilities.

## CREEK DISTRICT PROJECTS

\$46.8 M	VIA VERA CRUZ BRIDGE & IMPROVEMENTS
\$33.4 M	BENT AVE. BRIDGE & IMPROVEMENTS
\$16.8 M	DISCOVERY ST. WIDENING & FLOOD CONTROL
\$16.4 M	ENVIRONMENTAL HABITAT AND MITIGATION
\$12.1 M	CREEKSIDE DRIVE AND PAD GRADING
\$ 5.5 M	PROMENADE CONSTRUCTION

## OTHER MAJOR PROJECTS

\$25.0 M	FIRE STATION 5
\$21.6 M	DISCOVERY STREET FROM CRAVEN TO TWIN OAKS VALLEY ROAD
\$17.4 M	WOODLAND PARKWAY HWY 78 INTERCHANGE AND BARHAM DRIVE WIDENING
\$15.0 M	ANNUAL SURFACE SEAL PROJECT FY24-FY27
\$15.0 M	ANNUAL SURFACE SEAL PROJECT FY28-FY31
\$11.6 M	SAN MARCOS BOULEVARD RECONSTRUCTION
\$10.5 M	ROADWAY REHABILITATION PROGRAM GROUP 4
\$ 8.1 M	TWIN OAKS VALLEY ROAD & BARHAM DRIVE IMPROVEMENTS
\$ 7.4 M	SOUTH SANTA FE - SMILAX TO BOSSTICK
\$ 5.6 M	RANCHO SANTA FE PAVEMENT RESTORATION
\$ 4.9 M	RANCHO SANTA FE BACKBONE STORM DRAIN
\$ 4.7 M	CHANNEL WIDENING SOUTH OF GRAND AVENUE
\$ 4.5 M	ROADWAY REHABILITATION PROGRAM GROUP 3
\$ 4.0 M	ROADWAY REHABILITATION PROGRAM GROUP 2
\$ 3.5 M	ROADWAY REHABILITATION PROGRAM GROUP 1
\$ 3.4 M	LA MIRADA BACKBONE STORM DRAIN
\$ 2.8 M	FIRE STATION 1 HVAC REPLACEMENT
\$ 2.5 M	OLIVE STREET BRIDGE
\$ 2.3 M	FIRE STATION 3 UPGRADES & MECHANICAL VENTILATION
\$ 2.0 M	RANCHO CORONADO PARK IMPROVEMENTS
\$ 1.9 M	MISSION/MULBERRY DRAINAGE IMPROVEMENTS
\$ 1.5 M	BRADLEY PARK IMPROVEMENTS PHASE 1
\$ 1.5 M	CITYWIDE FLOODPLAIN ANALYSIS
\$ 1.3 M	BRADLEY PARK PUMP TRACK
\$ 1.2 M	RICHMAR PARK PHASE 2
\$ 1.1 M	SENIOR CENTER HVAC/COOL ZONE
\$ 1.1 M	SYCAMORE DRIVE STREET IMPROVEMENTS
\$ 1.1 M	LINDA VISTA AND GRAND AVE SIGNAL
\$ 1.0 M	INLAND RAIL TRAIL/MISSION ROAD LIGHTING ENHANCEMENT



Find out more about the city budget by visiting,  
[www.san-marcos.net/finance](http://www.san-marcos.net/finance).

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