



Fiscal Year 2024-2025 Quarterly Financial Report

Receive and File

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Attachments: Yes

Referring Committee: Policy & Innovation

Issue:

This report summarizes the material variances between the budget and revenues and expenses for the three months ended September 30, 2024.

Request:

Receive & File

Recommendation for Board:

None, this is for information only.

Recommendation for Committee:

None, this is for information only.

Background:

The SACOG Board of Directors adopts an annual budget for the SACOG Planning and Administration General Fund (General Fund Budget) which includes the Overall Work Program activities (OWP), Board of Directors and Advocacy budget, capital assets, and other related functions/activities not associated with the OWP. The Capitol Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE) Board of Directors adopts its annual budget which includes expenses related to motorist aid services and its activities are also included in the OWP.

SACOG's Planning and Administration General Fund Budget is separated into two functional budgets for tracking and reporting purposes. The first budget is the Operations Budget which includes OWP activities, capital assets and other related activities not associated with the OWP and is mainly funded through a combination of formula-based federal and state revenue sources, supplemented by short term specific discretionary and non-discretionary grants and contract funds. The second budget is the Board and Advocacy Budget which includes a portion of technical assistance SACOG provides to its members, the agency's state and federal advocacy efforts, as well as board costs such as per diem and mileage expenses. The Board and Advocacy Budget is primarily funded by annual dues payments from SACOG member cities and counties.

Capitol Valley SAFE budget (CVR-SAFE) includes activities for implementing, operating, and maintaining the

motorist aid system of call boxes and 511 operations within the counties of El Dorado, Sacramento, San Joaquin, Sutter, Yolo, Yuba, and Glenn (which contracts with CVR-SAFE).

The Board of Directors adopted the General Fund Budget which includes the Operations Budget/OWP and Board and Advocacy Budget for Fiscal Year 2024-2025 on May 14, 2024, and the CVR-SAFE Board of Directors adopted the CVR-SAFE budget on June 20, 2024, respectively. Amendments to the Budget/OWP are typical throughout the year to modify projects, add new projects or revenues, change project descriptions, or adjust staff and expenditures between OWP work elements and/or operating activities.

Discussion/Analysis:

The attached financial reports contain the cumulative effect of SACOG Operations, Board and Advocacy and CVR-SAFE Budgets from July 1, 2024, to September 30, 2024, as well as budget-to-actual comparison. The budget comparison reflected Amendment #1 to the Budget/OWP for Fiscal Year 2024-2025 which was approved by the board in October 2024. The budget reflects a linear programming of funds while actual work is contingent on various factors so there will be fluctuations of budget-to-actual. Since SACOG funding is primarily on a reimbursement basis, any deviation in expenditure also results in a corresponding deviation in revenue.

The table below shows a combined summary of revenues and expenditures for SACOG Operations and Board & Advocacy Budgets, as well as budget-to-actual comparison for the three months ended September 30, 2024.

SACOG Financial Summary				
Budget-to-Actual (unaudited)				
Three Months Ended September 30, 2024			Budget YTD - 25%	
REVENUES	Annual Budget, Amend #1	Actual	Budget Remaining	% of Budget
Federal	\$ 14,432,200	\$ 1,178,411	\$ 13,253,789	8%
State	16,611,539	722,605	15,888,935	4%
Local	5,547,784	5,215,233	332,551	94%
Member Dues	1,035,649	1,035,651	(2)	100%
Other/Use of designated funds	5,322,792	1,395	5,321,397	0%
TOTAL REVENUES	\$ 42,949,965	\$ 8,153,295	\$ 34,796,670	19%
EXPENDITURES:				
Salaries & Benefits	\$ 13,642,002	\$ 3,165,196	\$ 10,476,806	23%
Consulting Costs	6,164,575	454,895	5,709,681	7%
Pass-Through Costs	19,974,927	666,210	19,308,717	3%
Other Direct Services	665,536	32,083	633,453	5%
Other Costs	2,502,926	770,608	1,732,318	31%
TOTAL EXPENDITURES	\$ 42,949,965	\$ 5,088,991	\$ 37,860,974	12%
NET CHANGE IN FUND BALANCE		\$ 3,064,304		

As noted above, the budget reflects a linear programming of funds, but the actual work is contingent on various factors. For the three months ended September 30, 2024, some of the major projects/grants were under

budget due to the timing of work by consultants and member jurisdictions:

- **Green Means Go:** The Green Means Go pass-through funds reflect the vast majority of the variance in pass-through costs due to the state budget cuts to REAP 2 funds of approximately \$2 million. This is the result of strong collaboration with member agencies, the housing and development and fellow regional agencies to demonstrate the value of REAP 2 and make the cast to protect this committed funding which resulted in a reduction of roughly 7 percent from the original proposed 50 percent. Staff is working on any needed amendments to scope, contracts or memoranda of understanding with Green Means Go project sponsors and partners to spend the remaining funds by October 2025.
- **Discretionary Grants:** These discretionary grants are at the early stages of implementation, so consulting and pass-through costs are under budget. Projects include Mobility Zone, Carbon Reduction Program, Trail Plan Implementation, U.S. 50 Comprehensive Multimodal Corridor Plan and Del Paso Multimodal Transit Network & Lan Use Action Plan.
- **Advocacy:** Due to the timing of planned board trips (cap to cap and peer region tour), the expenses for the first two quarters are typically lower than budgeted.

The table below shows a combined summary of revenues and expenditures for the CVR-SAFE, as well as budget-to-actual comparison for the three months ended September 30, 2024.

CVR-SAFE Financial Summary				
Budget-to-Actual (unaudited)				
Three Months Ended September 30, 2024			Budget YTD - 25%	
REVENUES	Annual Budget, Amend #1	Actual	Budget Remaining	% of Budget
Federal	\$ -	\$ -	\$ -	-
Local	25,645	-	25,645	0%
DMV Fees/Service to Others	2,700,940	691,231	2,009,709	26%
Other/use of designated funds	747,842	-	747,842	0%
TOTAL REVENUES	\$ 3,474,427	\$ 691,231	\$ 2,783,196	20%
EXPENDITURES:				
Salaries and Benefits	\$ 529,549	\$ 107,134	\$ 422,416	20%
Consulting Costs	509,640	46,867	462,773	9%
Pass-Through Costs	1,576,800	960,000	616,800	61%
Other Direct Services	390,939	8,647	382,292	2%
Other Costs	467,498	93,887	373,612	20%
TOTAL EXPENDITURES	\$ 3,474,427	\$ 1,216,534	\$ 2,257,893	35%
NET CHANGE IN FUND BALANCE		\$ (525,303)		

Fiscal Impact/Grant Information:

Included in the Overall Work Program/Budget

List of Attachments:

Financial report