



Policy & Innovation Committee

Meeting Date: June 2, 2025

Agenda Item No. 6

Fiscal Year 2024-2025 Quarterly Financial Report

Receive and File

Author: Loretta Su

Attachments: Yes

Referring Committee: Not Applicable

Issue:

This report summarizes the material variances between the budget and revenues and expenses for the nine months ended March 31, 2025.

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 for freeway emergency services in El Dorado, Sacramento, San Joaquin, Sutter, Yolo, and Yuba counties, which are also part of the OWP.

SACOG's Planning and Administration General Fund Budget is separated out 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.

Capital 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 Planning and Administration 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.

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 December 2024, as well as budget-to-actual comparison. The budget comparison reflected Amendment #2 to the Budget/OWP for Fiscal Year 2024-2025 which was approved by the board in April 2025. 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 nine months ended March 31, 2025.

SACOG Financial Summary				
Budget-to-Actual (unaudited)				
For the Nine Months Ended March 31, 2025 (unaudited)			Budget YTD - 75%	
REVENUES	Annual Budget, Amend #2	Actual	Budget Remaining	% of Budget
Federal	\$ 14,337,662	\$ 7,209,236	\$ 7,128,426	50%
State	16,166,249	2,778,787	13,387,462	17%
Local	5,124,437	4,785,604	338,833	93%
Member Dues	1,035,649	1,035,651	(2)	100%
Other/Use of designated funds	4,566,625	291,216	4,275,409	6%
TOTAL REVENUES	\$ 41,230,622	\$ 16,100,494	\$ 25,130,129	39%
EXPENDITURES:				
Salaries & Benefits	\$ 13,362,678	\$ 9,701,595	\$ 3,661,083	73%
Consulting Costs	5,086,943	2,059,708	3,027,235	40%
Pass-Through Costs	19,858,176	4,443,944	15,414,233	22%
Other Direct Services	493,773	147,087	346,685	30%
Other Costs	2,429,053	1,968,138	460,915	81%
TOTAL EXPENDITURES	\$ 41,230,622	\$ 18,320,471	\$ 22,910,151	44%
NET CHANGE IN FUND BALANCE		\$ (2,219,978)		

As noted above, the budget reflects a linear programming of funds, but the actual work is contingent on various factors. For the nine months ended March 31, 2025, some major programs/grants were below budget expectations due to the timing of work carried out by consultants and member jurisdictions. This includes:

- **Green Means Go Program:** The variance in pass-through costs is mainly due to the delays caused

by state budget cuts to REAP 2 funds. Staff are working closely with project sponsors to ensure the completion of their projects and the expenditure of REAP 2 funds by June 2026, in case a 12-month extension is not granted by the state's department of housing and community development (HCD). Additionally, there were delays in executing the RCN Green Means Go funding agreement and subrecipient agreements with project sponsors. Seven of the nine subrecipient agreements are executed, but work may be delayed due to ongoing coordination with Caltrans to ensure compliance with Disadvantaged Business Enterprise (DBE) requirements.

- **Discretionary Grants:** These discretionary grants are at various stages of implementation, so consulting costs are under budget due to timing of work carried out by consultants. Projects include but are not limited to Engage, Empower & Implement (EEI), Del Paso Multimodal Transit Network & Land Use Action Plan, Trail Plans Implementation and SB 125 Transit Project.
- **Advocacy:** Due to the timing of the planned trips like the Cap to Cap and the peer-region tour, the expenses for the first three 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 nine months ended March 31, 2025.

CVR-SAFE Financial Summary				
Budget-to-Actual (unaudited)				
For the Nine Months Ended March 31, 2025 (unaudited)			Budget YTD - 75%	
REVENUES	Annual Budget, Amend #2	Actual	Budget Remaining	% of Budget
Federal	\$ -	\$ -	\$ -	-
Local	50,300	-	50,300	0%
DMV Fees/Service to Others	2,700,940	2,020,556	680,384	75%
Other/use of designated funds	882,669	32,014	850,655	4%
TOTAL REVENUES	\$ 3,633,909	\$ 2,052,570	\$ 1,581,339	56%
EXPENDITURES:				
Salaries and Benefits	\$ 524,724	\$ 326,983	\$ 197,741	62%
Consulting Costs	509,640	295,766	213,874	58%
Pass-Through Costs	1,576,800	978,258	598,542	62%
Other Direct Services	397,912	248,652	149,260	62%
Other Costs	624,833	247,258	377,575	40%
TOTAL EXPENDITURES	\$ 3,633,909	\$ 2,096,916	\$ 1,536,993	58%
NET CHANGE IN FUND BALANCE		\$ (44,346)		

Fiscal Impact/Grant Information:

Included in the Overall Work Program/Budget

List of Attachments:

Financial Report_Q3_FY24-25.xls