



Fiscal Year 2024-2025 Quarterly Financial Report

Receive and File

Author: Loretta Su

Attachments: Yes

Referring Committee: Policy & Innovation

Issue:

This report summarizes the material variances between the budget and revenues and expenses for the six months ended December 31, 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.

The 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. 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 December 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 six months ended December 31, 2024.

SACOG Financial Summary

Budget-to-Actual (unaudited)

For the Six Months Ended December 31, 2024 (unaudited)			Budget YTD - 50%	
REVENUES	Annual Budget, Amend #1	Actual	Budget Remaining	% of Budget
Federal	\$ 14,432,200	\$ 4,974,803	\$ 9,457,397	34%
State	16,611,539	1,410,678	15,200,861	8%
Local	5,547,784	5,381,700	166,084	97%
Member Dues	1,035,649	1,035,651	(2)	100%
Other/Use of designated funds	5,322,792	32,313	5,290,479	1%
TOTAL REVENUES	\$ 42,949,965	\$ 12,835,145	\$ 30,114,820	30%
EXPENDITURES:				
Salaries & Benefits	\$ 13,642,002	\$ 6,526,832	\$ 7,115,170	48%
Consulting Costs	6,164,575	945,622	5,218,953	15%
Pass-Through Costs	19,974,927	3,391,894	16,583,033	17%
Other Direct Services	665,536	85,557	579,979	13%
Other Costs	2,502,926	1,548,470	954,456	62%
TOTAL EXPENDITURES	\$ 42,949,965	\$ 12,498,375	\$ 30,451,590	29%
NET CHANGE IN FUND BALANCE		\$ 336,770		

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 December 31, 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, a reduction of roughly 7 percent from the original proposed 50 percent. Staff has worked with member jurisdictions to complete all of the amendments to spend the remaining funds by June 2026.
- **Discretionary Grants:** These discretionary grants are at the early stages of implementation, so consulting and pass-through costs are under budget. Projects include but not limited to Engage, Empower & Implement (EEI), Del Paso Multimodal Transit Network & Land Use Action Plan, Reconnecting Communities Green Zone Access and Equity Regional Planning Grant (RCN Green Means Go), and SB125 Transit Project.
- **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 December 31, 2024.

CVR-SAFE Financial Summary				
Budget-to-Actual (unaudited)				
For the Six Months Ended December 31, 2024 (unaudited)			Budget YTD - 50%	
	Annual Budget, Amend #1	Actual	Budget Remaining	% of Budget
REVENUES				
Federal	\$ -	\$ -	\$ -	-
Local	25,645	-	25,645	0%
DMV Fees/Service to Others	2,700,940	1,317,442	1,383,498	49%
Other/use of designated funds	747,842	1,806	746,036	0%
TOTAL REVENUES	\$ 3,474,427	\$ 1,319,248	\$ 2,155,179	38%
EXPENDITURES:				
Salaries and Benefits	\$ 529,549	\$ 203,980	\$ 325,569	39%
Consulting Costs	509,640	134,109	375,531	26%
Pass-Through Costs	1,576,800	969,348	607,452	61%
Other Direct Services	390,939	89,560	301,379	23%
Other Costs	467,498	166,501	300,997	36%
TOTAL EXPENDITURES	\$ 3,474,427	\$ 1,563,498	\$ 1,910,929	45%
NET CHANGE IN FUND BALANCE		\$ (244,250)		

Fiscal Impact/Grant Information:

Included in the Overall Work Program (OWP)/Budget

List of Attachments: Financial Report_Q2_FY24-25.xls