



Fiscal Year 2022-2023 Year-to-Date Budget Status Report

Receive and File

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Attachments: Yes

Approved by: James Corless

Referring Committee: Policy & Innovation

1. Issue:

This report summarizes the material variances between the budget and revenues and expenses through the third quarter of Fiscal Year 2022-2023.

2. Recommendation:

None; this is for information only.

3. Background/Analysis:

The SACOG Board of Directors adopts an annual budget for the SACOG Planning and Administration General Fund (Budget) which includes the Overall Work Program activities (OWP), Board of Directors and Advocacy budget, capital assets, and can include 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 the freeway emergencies services in the counties of El Dorado, Sacramento, San Joaquin, Sutter, Yolo, and Yuba counties and its activities are also included in 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 and member dues. 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 Operations Budget/OWP and Board and Advocacy Budget for Fiscal Year 2022-2023 on May 19, 2022, and the SAFE Board of Directors adopted the CVR-SAFE budget on June 16, 2022. 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.

4. Discussion/Analysis:

The SACOG Board of Directors adopts an annual budget for the SACOG Planning and Administration General Fund (Budget) which includes the Overall Work Program activities (OWP), Board of Directors and Advocacy budget, capital assets, and can include 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 the freeway emergencies services in the counties of El Dorado, Sacramento, San Joaquin, Sutter, Yolo, and Yuba counties and its activities are also included in OWP.

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5. Discussion/Analysis:

The attached financial reports contain the cumulative effect of SACOG Operations, Board and Advocacy and CVR-SAFE Budgets from July 1, 2022 to March 31, 2023, as well as budget-to-actual comparison. The budget comparison reflected Amendment #2 to the Budget/OWP for Fiscal Year 2022-2023, not Amendment #3 to the OWP/Budget which was approved by the board on April 20, 2023. The budget reflects a linear programming of funds while actual work is contingent on various factors. Therefore, during the fiscal year, 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, 2023.

SACOG Financial Summary

Budget-to-Actual

as of March 31, 2023

Budget YTD - 75%

REVENUES	Annual Budget, Amend #2	Actual to Date	Budget Remaining	% Spent
Federal	\$ 10,421,537	\$ 5,663,826	\$ 4,757,711	54%
State	20,604,114	3,111,913	17,492,201	15%
Local	5,118,601	5,370,554	(251,953)	105%
DMV Fees/Service to Others	532,532	244,637	287,895	46%
Member Dues	941,064	941,065	(1)	100%
Other/use of designated funds	2,455,523	258,897	2,196,626	11%
TOTAL REVENUES	\$ 40,073,371	\$ 15,590,892	\$ 24,482,479	39%
EXPENDITURES:	Annual Budget, Amend #2	Actual to Date	Budget Remaining	% Spent
Salaries & Benefits	\$ 12,583,284	\$ 8,347,841	\$ 4,235,443	66%
Indirect Costs	2,039,925	1,470,272	569,653	72%
Consulting Costs	5,039,394	1,899,446	3,139,948	38%
Pass-Through Costs	18,481,228	1,069,376	17,411,852	6%
Other Costs	1,929,540	450,590	1,478,950	23%
TOTAL EXPENDITURES	\$ 40,073,371	\$ 13,237,525	\$ 26,835,846	33%

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, 2023, the following projects/grants were under budget due to the timing of work by consultants and member jurisdictions:

- **Discretionary Grants/Projects:** These projects are still at the beginning stage of implementation, so consulting costs are under budget. Projects include Leveraging Road Pricing & Shared Use Mobility Incentives, Northern CA Megaregion Zero-Emission Vehicles Medium/Heavy Duty Vehicle Blueprint, Truxel Bridge Concept and Feasibility Study, Next Generation Regional Mobility Hub Design and Implementation.
- **Connect Card:** The close-out and transfer agreements were completed in December 2022. Final payment to vendor in January 2023. The budget amount was adjusted in Amendment #3 to the Budget/OWP.
- **REAP 1 (Housing):** Staff continued to administer approximately 80 contracts and MOUs in supporting the adoption and implementation of member jurisdictions' housing elements. All member jurisdictions' housing elements were approved and adopted by Housing and Community Development (HCD), except Davis (which needs to complete its rezoning for compliance). Due to the delay in adopting the housing elements, housing projects/tasks were delayed which resulted in lower than budgeted pass-through costs. Staff is actively working

with HCD to extend SACOG REAP for one additional year to allow consultants and member jurisdictions more time to complete their work/project.

- **Green Means Go:** This project is in the early stage of implementation. Staff and consultant provided technical panel discussion and services various member jurisdictions. HCD approved SACOG's application. The board has awarded over \$34 million in projects in the Early Activation, Planning and Capital categories. These awards reflect the vast majority of the variance in pass-through costs since these awards were recently made and are reimbursement-based.
- **Transportation Demand Management (TDM):** Staff continued ongoing work to maintain Sac Region 511 website and provided technical assistance to outreach partners in managing subsidy programs, pulling reports from the database, and other ongoing database management. Staff continued to monitor subrecipient grants on TDM projects. In February, the board awarded a new round of TDM grants (branded Mode Shift grants) for seven projects in the amount of \$1,372,000. Staff is also working with the consultant to updating the TDM framework. This framework will guide internal decision-making and priority setting for the next three to five years towards achievement of SACOG's policy goals. The framework will shift the program to go beyond traditional Transportation Demand Management programs and draw connections between existing and planned projects, plans, and programs, unifying the work under one regional, strategic cohesive approach.

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, 2023.

CVR-SAFE Financial Summary				
Budget-to-Actual				
as of March 31, 2023				Budget YTD - 75%
REVENUES	Annual Budget, Amend #2	Actual to Date	Budget Remaining	% Spent
Federal	\$ 379,091	\$ -	\$ 379,091	0%
Local	23,000	-	23,000	0%
DMV Fees/Service to Others	2,655,012	1,843,377	811,635	69%
Other/use of designated funds	45,225	11,649	33,576	26%
TOTAL REVENUES	\$ 3,102,328	\$ 1,855,026	\$ 1,247,302	60%
EXPENDITURES:	Annual Budget, Amend #2	Actual to Date	Budget Remaining	% Spent
Services Provided by SACOG	\$ 528,803	\$ 244,637	\$ 284,166	46%
Consulting Costs	880,091	344,803	535,288	39%
Pass-Through Costs	1,177,000	930,934	246,066	79%
Other Costs	516,434	334,297	182,137	65%
TOTAL EXPENDITURES	\$ 3,102,328	\$ 1,854,671	\$ 1,247,657	60%

Attachment A provides a summary of revenues and expenditures with budget-to-actual comparison for the SACOG Operations, Board and Advocacy and CVR-SAFE budgets for the nine months ended March 31, 2023.

Attachment B provides a budget-to-actual expenditures comparison by project for the nine months ended March 31, 2023.

6. Fiscal Impact/Grant Information:

The fiscal impact is noted above.