ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SACOG

Sacramento Area Council of Governments

SACRAMENTO, CALIFORNIA

SACOG VISION

A vibrant and thriving Sacramento region for all.

SACOG MISSION

SACOG convenes and connects the region to advance an equitable, sustainable, and prosperous future.

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SACRAMENTO AREA COUNCIL OF GOVERNMENTS

1415 L Street, Suite 300
Sacramento, California 95814

Prepared by:
Finance Team
Loretta Su, Finance Director

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Sacramento Area Council of Governments

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SACOG
Sacramento Area Council of Governments

1415 L Street, Suite 300
Sacramento, CA 95814

916.321.9000
sacog.org

December 19, 2025

Honorable Chair and Members of Board of Directors
Sacramento Area Council of Governments

We are pleased to present the basic financial statements of the Sacramento Area Council of Governments (SACOG) for the fiscal year ended June 30, 2025. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of SACOG. A comprehensive framework of internal controls has been designed and implemented to ensure the assets of SACOG are protected from loss, theft, or misuse, and to ensure that financial information is accurate and complete. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

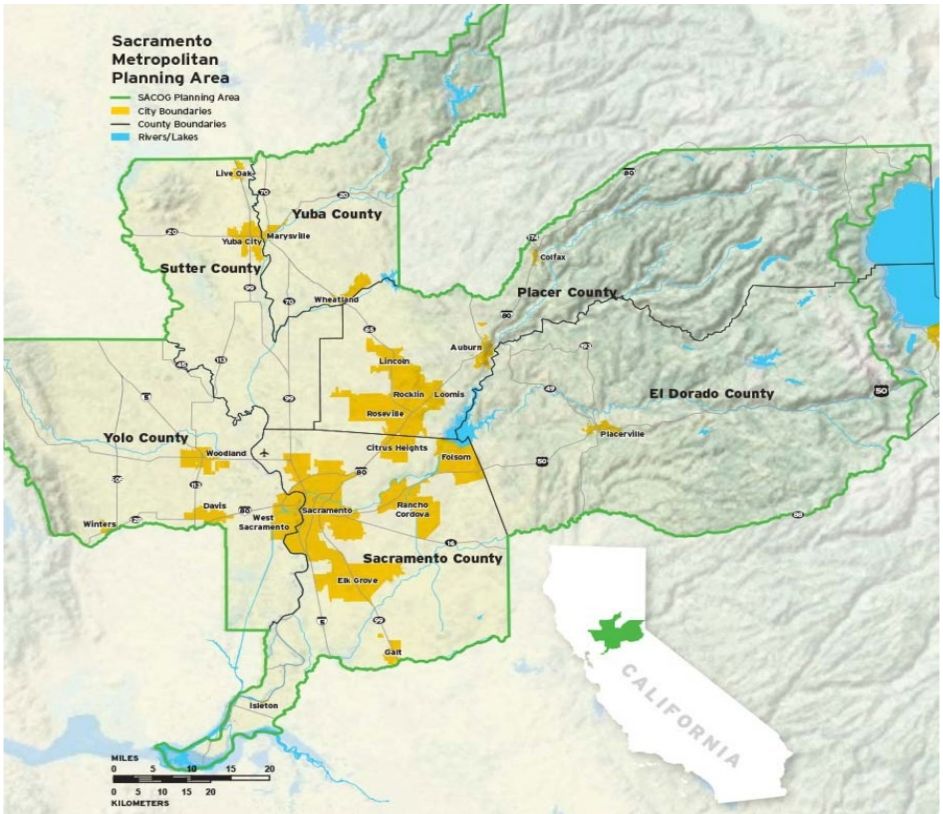
To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position including results of SACOG's operations. All disclosures necessary to enable the reader to gain an understanding of SACOG's financial activities have been included.

Eide Bailly has issued an unmodified ("clean") opinion on SACOG's financial statements for the fiscal year ended June 30, 2025. Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of Sacramento Area Council of Governments

The Sacramento Area Council of Governments (SACOG) is a joint powers authority of local governments formed by six counties and 22 cities in the region. Member governments are the counties of El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba and the cities of Auburn, Citrus Heights, Colfax, Davis, Elk Grove, Folsom, Galt, Isleton, Lincoln, Live Oak, Loomis, Marysville, Placerville, Rocklin, Rancho Cordova, Roseville, Sacramento, West Sacramento, Wheatland, Winters, Woodland, and Yuba City. SACOG provides transportation planning and funding for the region and serves as a forum for local government leaders in the Sacramento region come together to advance the three strategic goals of equity, economy and environment. In addition to preparing the region's long-range transportation plan and assisting member agencies in delivery of the projects within that plan, SACOG approves the distribution of affordable housing in the region and assists in planning for transit, bicycle and pedestrian networks, clean air, and airport land uses.

SACOG has a 31-member Board of Directors comprised of elected officials from each of the member agencies, plus one ex-officio member from Caltrans. These members sit on three committees: Policy and Innovation; Land Use & Natural Resources; and Transportation. The SACOG Board of Directors also meets as the Board of Directors for Capitol Valley SAFE; and the Airport Land Use Commission (ALUC) for Sacramento, Sutter, Yolo, and Yuba counties.



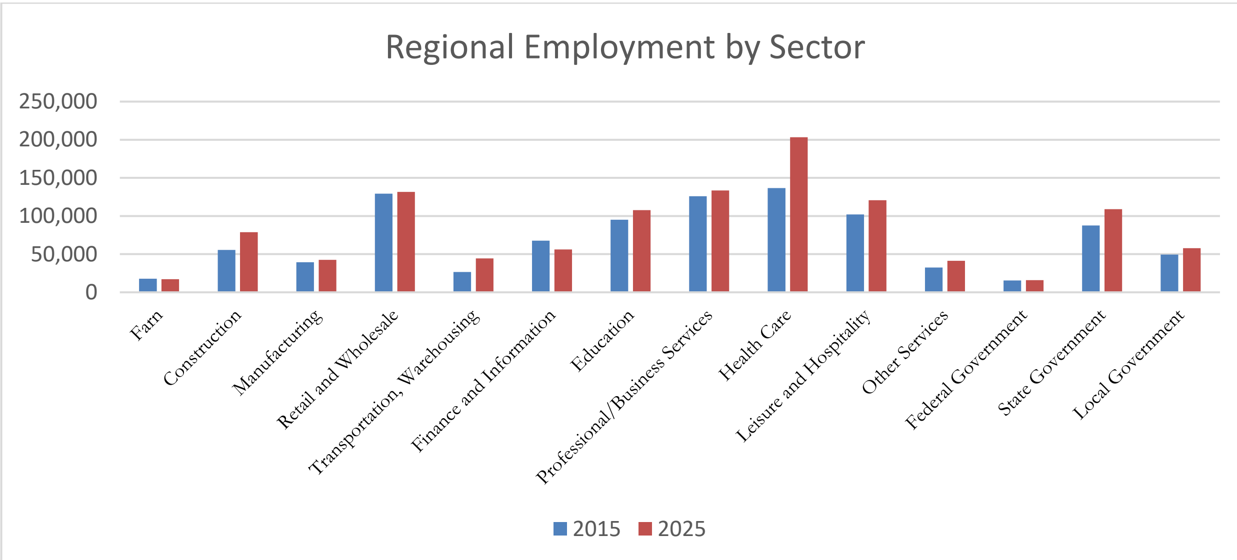
Factors Affecting Financial Condition

Local Economy

The Sacramento region has experienced steady growth, though it slowed after the rapid expansion of the early 2000s, when its job growth rate was three times the national average. The region was hit especially hard during the great recession, enduring a more severe and prolonged impact than many other regions. Following the downturn, consistent employment gains helped Sacramento regain its momentum, once again exceeding national job growth rates. As with many regions, the Covid-19 pandemic led to considerable job losses and increased unemployment in 2020; however, these effects proved temporary, as the region has since recouped all lost jobs and generated approximately 50,000 new jobs.

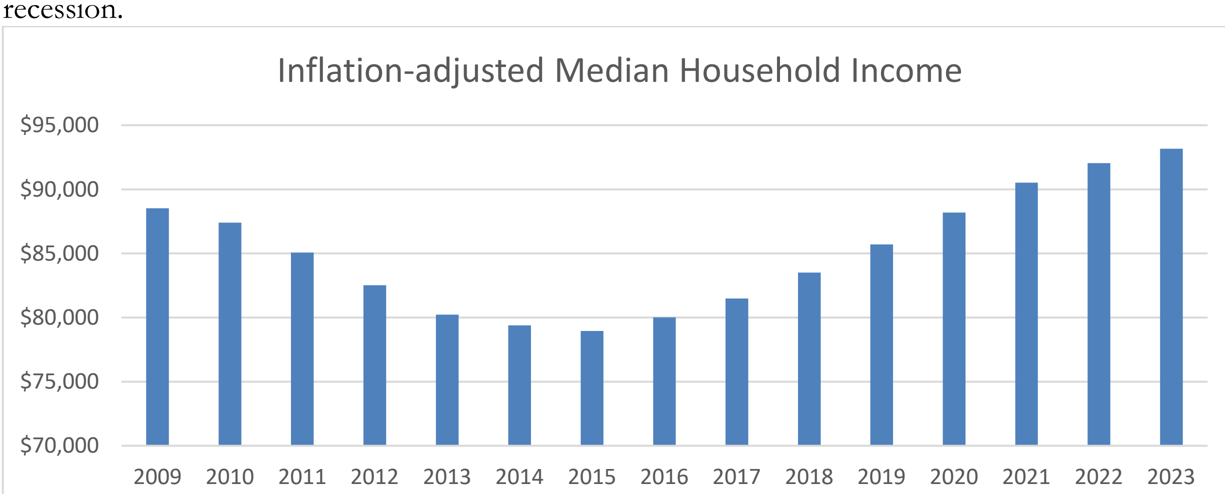
Over the last decade (August 2015 to August 2025, the most recent month with sector-level data) the region has added over 175,000 jobs (though part of this job growth was recovering from jobs lost in the Great Recession). The largest gains by far have come from health care, which has accounted for a third of all new jobs. While healthcare has been a fast-growing industry nationwide, it has grown more quickly here. Other sectors that have added significant employment in the region the last decade include construction (which was recovering from significant jobs losses in the great recession), government (including both state and local), and the leisure/hospitality sector.

The regional economy is largely driven by a handful of major sectors. The public sector accounts for roughly 25% of jobs (with the state of California making up nearly 10%). Government, healthcare, and education together represent over 40% of total employment.



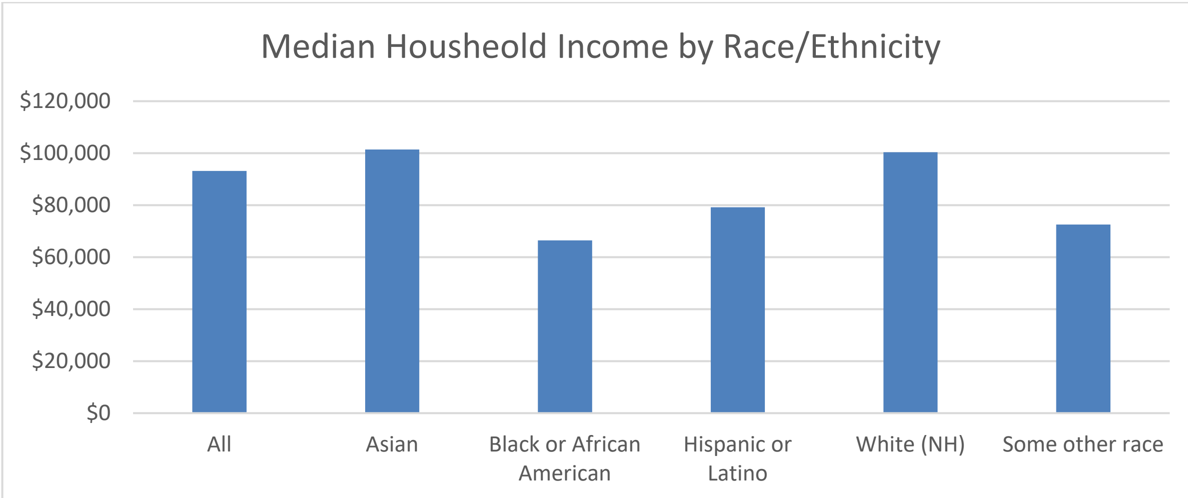
Source: SACOG analysis of CA EDD industry data

During the recession, the region experienced a decline in median household income when adjusted for inflation; however, income levels have since recovered and now exceed those observed prior to the recession.



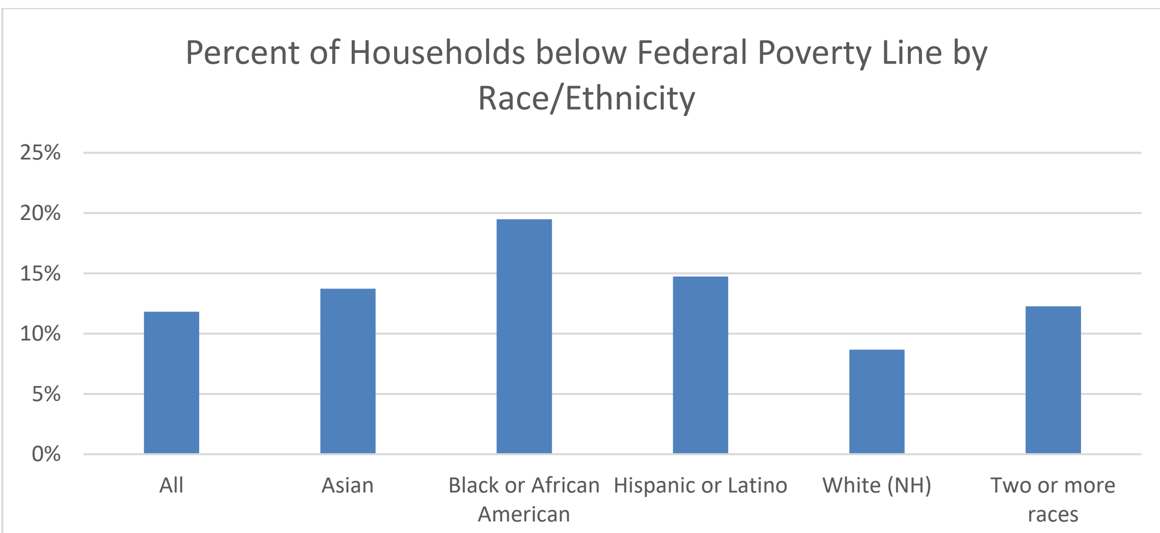
Source: SACOG analysis of 5-year ACS data in 2023

Despite progress, income gaps among racial and ethnic groups remain. Median incomes for Hispanic and Black households continue to fall significantly below the regional median.



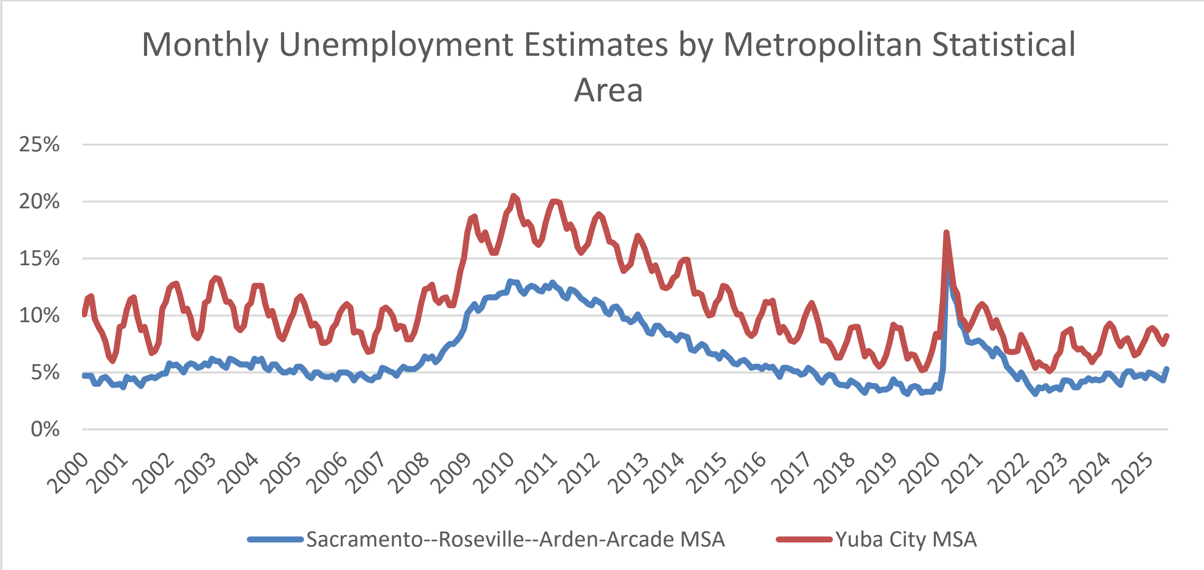
Source: SACOG analysis of ACS 2023 5-year data

The same trend holds for the poverty rate, where Black and Hispanic households in the Sacramento region are more likely to fall within the federal poverty level.



Source: SACOG analysis of ACS 2023 5-year data

The SACOG region is home to two Metropolitan Statistical Areas (MSAs): Sacramento—Roseville-Arden-Arcade and Yuba City. Unemployment in the region continues to follow macro economic influences. Generally, unemployment is higher in Yuba and Sutter counties (which form their own Metropolitan Statistical Area, or MSA) compared to the 4-county MSA of El Dorado, Placer, Sacramento and Yolo counties.



Source: SACOG analysis of Bureau of Labor Statistics Local Area Unemployment Survey

Looking ahead, SACOG's 2025 Blueprint plan forecasts that the Sacramento region will enhance its competitive position. The plan forecasts regional employment growth exceeding both state and national averages. Nonetheless, despite this favorable employment outlook, the projected average annual employment growth for the region, California, and the nation is expected to remain below levels observed over the past three decades. This deceleration is attributed to demographic factors such as an aging population, declining birth rates, and diminished workforce participation rates, partly resulting from advancements in emerging technologies.

Recent local economic initiatives, like the We Prosper Together plan, have highlighted promising avenues for new employment. Their analysis identified four sectors with strong potential for generating quality jobs:

- Precision manufacturing
- Agricultural technology and biomedical innovation
- Working lands value chains
- Business services

While traditional sectors such as agriculture and working lands have historically played a central role in regional economic development, recent analyses have identified emerging opportunity sectors poised to drive future economic expansion. The nearly $2 billion investment by Bosch in a semiconductor facility in Roseville exemplifies the foundational efforts undertaken to attract a broader array of economic activities to the area. Additional significant projects include Aggie Square in Sacramento, which offers state-of-the-art research facilities to advance the region's life sciences sector, and the forthcoming Research and Technology Park in Woodland, dedicated to ag-tech, food science, and health innovation. Successfully completing and scaling these and other economic development initiatives will be critical to achieving the region's robust job growth projections and advancing the goal of diversifying the regional economy across multiple sectors.

Long-Term Financial Planning

SACOG mainly relies on formula revenues and planning grants from the Federal Highway Administration (FHWA), Federal Transit Administration (FTA), and the State of California, with most of these funds funneled through Caltrans. SACOG also collects administrative and transportation-planning fees for managing Transportation Development Act Funds (TDA). The TDA offers three main funding sources: the Local Transportation Fund (LTF), which comes from a one-quarter state sales tax in Sacramento, Sutter, Yolo, and Yuba counties; and both State Transit Assistance (STA) and State of Good Repair (SGR), which are funded by a statewide diesel fuel sales tax. Additionally, SACOG has memoranda of understanding with El Dorado and Placer counties' transportation agencies to be compensated in exchange for conducting transportation planning and programming activities on their behalf.

In 2017, the California State Legislature enacted Senate Bill 1, the Road Repair and Accountability Act (SB 1), which is projected to allocate approximately $5.4 billion annually through both competitive and formula-based distributions to cities, counties, transit agencies, and Metropolitan Planning Organizations such as SACOG, beginning in fiscal year 2018. Concurrently, there is an anticipated long-term reduction in state transportation funding attributable to increasing vehicle fuel efficiency, which has led to decreased gas tax revenues. This trend places additional pressure on municipalities and counties to identify alternative funding sources to maintain existing infrastructure.

In November 2021, Congress enacted the $1.2 trillion Infrastructure Investments and Jobs Act (IIJA), which succeeded the FAST Act as the primary legislation governing surface transportation. The IIJA provides guaranteed funding for formula programs over a minimum five-year period through federal fiscal year 2026, incorporating both one-time and recurring increases. Allocation of these funds by federal agencies is predominantly determined by established formulas and remains subject to Congressional appropriation.

In July 2023, the California Legislature enacted Senate Bill 125 (SB 125), amending the Budget Act of 2023 to allocate $4 billion from the General Fund through the Transit and Intercity Rail Capital Program (TIRCP) over the next two fiscal years. This allocation, distributed to regional transportation planning agencies based on population, provides flexibility for funding either transit operations or capital improvements. Additionally, the transportation budget trailer bill establishes the $1.1 billion Zero-Emission Transit Capital Program (ZETCP) over the next four fiscal years, also allocated to regional transportation agencies using a population-based formula, supplemented with a revenue-based component, to support zero-emission transit equipment and operations. Senate Bill 125 mandates that the California State Transportation Agency (CalSTA) develop and oversee an accountability program to govern fund distribution. As the Regional Transportation Planning Agency for Sacramento, Sutter, Yolo, and Yuba counties, SACOG will receive approximately $200.9 million in TIRCP funds and $37.3 million in ZETCP funds, working collaboratively with the four county transit agencies to develop a regional short-term financial plan for distribution of these funds.

According to the latest projections from the Bureau of Labor Statistics (BLS), the U.S. economy is expected to add approximately 5.2 million jobs between 2024 and 2034, representing a 3.1 percent increase in employment over the decade. This anticipated growth rate is considerably lower than the 13.0 percent expansion observed during the 2014–2024 period. The healthcare and social assistance sector is forecasted to experience the highest overall job growth, with projected employment increasing by 8.4 percent over the next ten years. The BLS attributes this expansion primarily to an aging population and a rising incidence of chronic conditions, such as heart disease, cancer, and diabetes.

The growing demand for artificial intelligence (AI), data processing, computer programming, software development, and related services is anticipated to increase employment in the professional, scientific, and technical services sector by 7.5 percent over the next decade, as well as by 6.5 percent within the information sector. However, as AI technology advances, many industries may require fewer workers, particularly in roles that involve repetitive tasks or routine analysis. Additionally, AI-driven data centers and the expanded adoption of electric vehicles are expected to drive higher electricity consumption. Drones and robotics offer potential avenues for productivity enhancement, although these innovations may not necessarily lead to substantial employment growth. Within the retail sector, the ongoing integration of automation and e-commerce is likely to continue reducing jobs at physical retail locations; however, some of these losses may be offset by increased employment in transportation and warehousing sectors that facilitate online commerce.

SACOG regularly conducts comprehensive long-range employment projections. The most recent projection for the Sacramento region identified a trend consistent with the national pattern of moderated employment growth compared to previous decades. However, it also indicated that the Sacramento region is expected to surpass the national rate of job growth, attributable to its established strengths and continued investment in several rapidly expanding industries.

Major Initiatives

SACOG has committed to working toward three strategic goals of equity, economy and environment for the SACOG region. SACOG will use its analysis, board discussions, and recommendations to achieve all three goals. While equitable opportunity, economic prosperity, and environmental stewardship are often framed as in tension with one another, we believe pursuing all three as equally important and interconnected goals will create greater opportunity for all of the region’s residents today and for generations to come. In order to implement our mission and goals and deliver on our region’s long range transportation plan and sustainable communities strategy, SACOG’s work focuses on the four priorities: 1) Build vibrant and inclusive places; 2) foster the next generation of mobility solutions; 3) modernize the way we pay for transportation infrastructure; and 4) build and maintain a safe, equitable and resilient transportation system. Major initiatives we have undertaken during fiscal year 2024-2025 to further these priorities included, but not limited to, the following highlights:

Land Use & Natural Resources

2025 BLUEPRINT ADOPTED BY SACOG BOARD OF DIRECTORS

After years of planning and collaboration on the region's long-range plan, the 2025 Blueprint was officially adopted by the Board of Directors. This marks a significant milestone for the region. The 2025 Blueprint represents the collective work of SACOG, our member agencies, and partners to plan for and build a connected region for the residents of today and tomorrow.

GREEN MEANS GO IN ACTION: FOLSOM INFILL HOUSING

Ten new families now get to call the City of Folsom home. Habitat for Humanity of Greater Sacramento constructed an infill housing project at 300 Persifer Street, close to Historic Folsom, is complete with single family and ADU homes. The project received $374,000 award in Green Means Go funding.

Funding

FIRST EVER BOARD ADOPTED GRANT PRIORITIZATION LIST LEADS TO $25 MILLION REGION WIN

The Board of Directors adopted its first ever grant prioritization list that is focused on larger federal grant programs. The list helped SACOG and partners to focus on collectively advocating for projects, which lead to an award of $25 million in federal transportation funding to the Grant Line Road Safety Improvements Project in Sacramento County.

2025 MTIP APPROVED, KEEPS PROJECTS MOVING FORWARD

After working with partners and project sponsors to review more than 550 projects, the board approved the 2025 Metropolitan Transportation Improvement Program (MTIP) to keep transportation projects moving forward. In total, SACOG obligated 48 projects totaling more than $75.5 million in transportation dollars.

FIRST ROUND OF ENGAGE, EMPOWER, IMPLEMENT (EEI) PROGRAM AWARDS $3.8 MILLION

The first round of SACOG's EEI Program concluded with 11 projects receiving $3.8 million in funding. This is a huge landmark for the project that has been in development over the last four years. Cities and counties will partner with community-based organizations to develop a pipeline of community led and informed projects. The funds will support disinvested communities across the region to help address disparities , and set a framework for future funding in the region.

EEI Grant Award Highlight: The City of Marysville and the Marysville Chinese Community Inc. received nearly $500,000 to invest in and safeguard California's last surviving Chinatown in the Gold Country, located in the heart of Marysville. The project will define Chinatown's limits and get it legally recognized to preserve its history and legacy.

Transportation

$4.7 MILLION APPROVED FOR ACTIVE TRANSPORTATION FUNDING PROGRAM

Four projects across the region were awarded $4.7 million in active transportation funds through the state's Active Transportation Funding Program. While historically this was considered the smallest six-county funding allocation because of available funding from the state, SACOG was successful in awarding two more projects than originally planned for. Each project will improve connections and safety for the region.

MODE SHIFT GRANT PROGRAM SUCCESSES

SACOG's Mode Shift Grant Program allowed organizations throughout the region to test ideas to provide affordable alternatives to driving. The Asian Community Center of Sacramento Valley (ACC), ACC Rides program provided more transportation offerings to seniors to help reduce VMT with the $248,000 grant.

NORCAL GO IS CONNECTING THE REGION

In early 2025, NorCal GO launched as the region's resources to connect residents to carpool, vanpool, transit options, and bike connections to reduce single occupancy car trips and congestion. Users sign up, log their trips, and are eligible to claim prizes as a reward for choosing options other than driving alone.

Since launch, NorCal GO now has more than 3,000 users who have logged 115,000+ trips. This results in savings of 68,000 gallons of gas, and a reduction of 1.6 million vehicle miles.

TEN MOBILITY ZONES ADOPTED, PROGRESS CONTINUES

SACOG's Board of Directors adopted ten Mobility Zones across the region. These zones reflect community input and collaboration with local partners who identified infrastructure gaps and mobility challenges. Next steps include identifying, prioritizing, and adopting projects in each zone for investment.

CONSTRUCTION BEGINS ON YOLO 80 MANAGED LANES

The first phase of approximately 17 miles of the region's first tolled managed lanes are now under construction along the I-80 corridor between Davis and Sacramento. The Capital Area Tolling Authority (CARTA) continues to develop long-term operational systems and policies for tolling in the region.

US 50 CORRIDOR PLAN FRAMEWORK ADOPTED, STRATEGY DEVELOPMENT CONTINUES

The SACOG Board of Directors provided key guidance on the Policy Framework for the US 50 Comprehensive Multimodal Corridor Plan (CMCP). The plan, in partnership with Caltrans District 3, will identify transportation projects to improve safety, reliability and access along the Highway 50 corridor. This is a key project in SACOG's external grants strategy and implementation of the 2025 Blueprint, opening eligibility to the SB1 Solutions for Congested Corridors Program to priority projects in the plan.

Wins for the Region

MARYSVILLE ADOPTS 2050 GENERAL PLAN, FIRST UPDATE SINCE 1985

The City of Marysville adopted its 2050 General Plan, the city's long-range vision for growth. The plan details land use policies, open space conservation, transportation, and includes a Downtown Specific Plan to enhance the city's urban core. This is the first general plan update the city has undergone in 40 years.

CITY OF CITRUS HEIGHTS ADVOCATE FOR VISION OF SUNRISE MALL'S FUTURE

Earlier this year, the Sunrise Tomorrow project faced a difficult challenge when a local developer approached city leaders with a plan to amend the project. Residents showed up en masse to share their overwhelming support, and council members rejected the amendment proposal. The city received a Green Means Go grant to map out infrastructure investment for the project.

SYCAMORE TRAIL OVERPASS CONNECTS WEST SACRAMENTO

The City of West Sacramento celebrated the opening of the Sycamore Trail Overpass, a much-anticipated bridge that allows pedestrians and cyclists to safely cross over US 50. The trail connects schools and neighborhoods previously cut off by the highway. The grand opening represents years of hard work to bring this vital connection to the community.

FRANKLIN BOULEVARD COMPLETE STREETS BREAKS GROUND IN CITY OF SACRAMENTO

The City of Sacramento broke ground on the Franklin Boulevard Complete Streets project which will reduce traffic lanes, add protected bike lanes, sidewalks, and landscaping to the corridor. Over a decade in the making and informed through persistent community input, the final project will improve safety and connectivity for the community and surrounding businesses.

Other Events & Activities

NEW REGIONAL INDICATORS DASHBOARD PROVIDES ACCESS TO MORE DATA

Community members and jurisdictions now have access to the new Regional Indicators Dashboard that launched this year. The dashboard tracks more than 75 indicators in key areas such as economic growth, development, travel and more. The data is updated as new information becomes available.

FIFTH DATA AND MODELING USER CONFERENCE

SACOG hosted more than 100 professionals at the fifth Data and Modeling User Conference. The two-day event provided insight into the methodologies and tools that are used to monitor data in the region and provide greater access to agency modelling tools.

SPRING TOUR OF NORTHERN VIRGINIA REGION

Before the Metro Chamber Cap to Cap event in May, board members toured the Northern Virginia region to learn more about housing, infill, and transportation projects. The peer region tours offer an opportunity to learn from elected officials and planners around the nation on how they are tackling similar challenges to the Sacramento region.

MORE THAN 250 STUDENTS JOIN YLA ALUMNI RANKS

2025 marked the seventh cohort to complete the Youth Leadership Academy (YLA) with more than 250 high school students from across the region participating since the program launched. This year, students got a behind the scenes tour at the Sacramento International Airport, explored Three Sisters Farm in Yolo County, they also engaged in discussions around local government, economic mobility, and equity.

Budgeting Controls

The annual budget serves as the foundation for SACOG's financial planning and control. SACOG prepares and adopts a final budget for the SACOG Planning and Administration General Fund and Capitol Valley SAFE Fund by June of each year. The budget must be approved by a three-part majority of the Board of Directors: a majority of cities, a majority of counties, and a majority of the population by those members present. SACOG reports its primary activities through the Planning and Administration General Fund. The annual budgets are prepared on the modified accrual basis of accounting and adopted on a basis consistent with generally accepted accounting principles. The legal level of control is at the major object level and the board must approve additional appropriations.

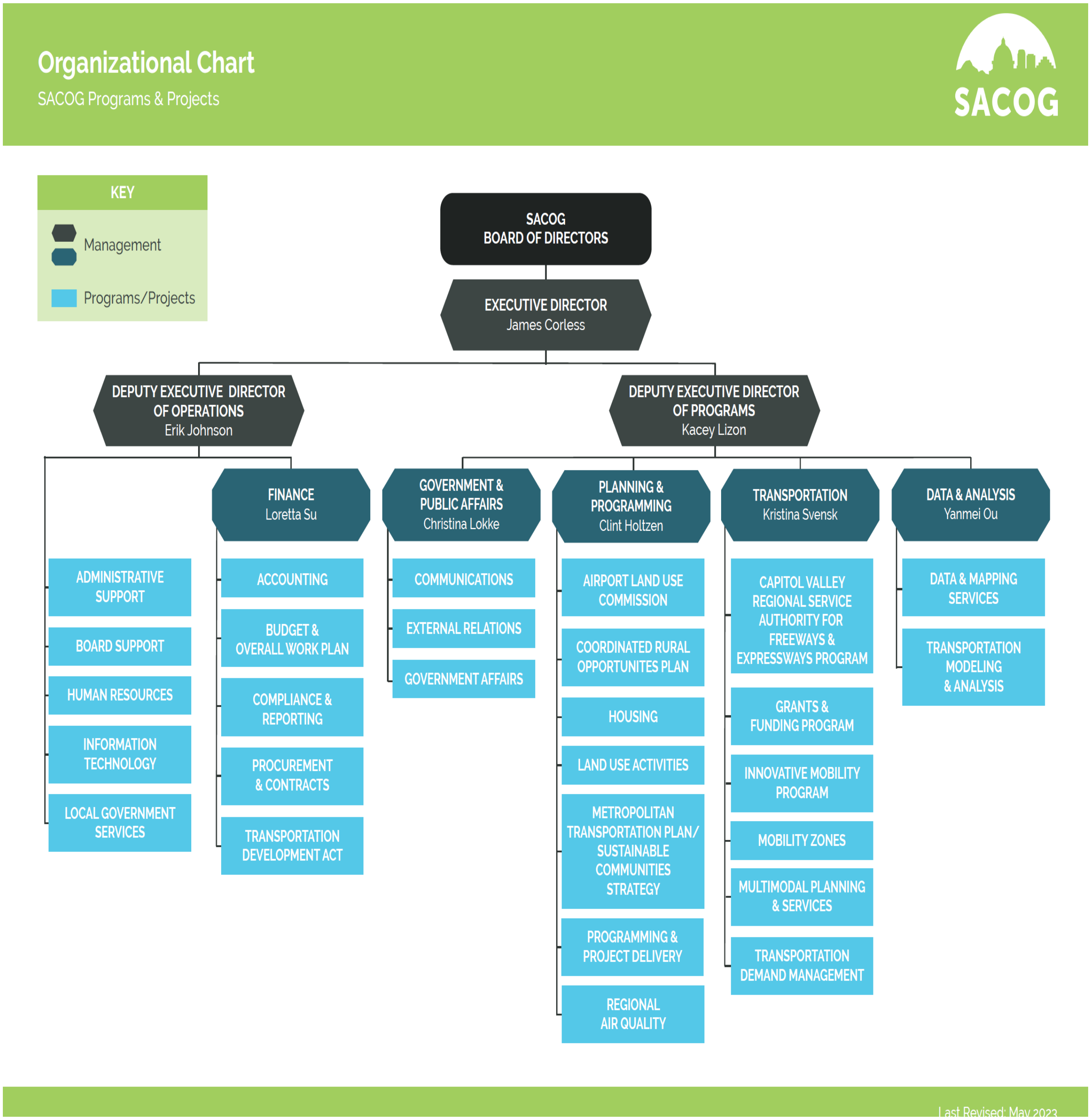
Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) to SACOG for its annual comprehensive financial report for fiscal year ended June 30, 2024. This was the nineth consecutive year that SACOG has received this prestigious award. To be awarded the Certificate of Achievement, SACOG had to publish an easily readable and efficiently organized annual comprehensive financial report that satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine eligibility for another Certificate of Achievement.

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Team and the cooperation and assistance of all SACOG staff. Their dedication to professional excellence is reflected in this annual comprehensive financial report. We would also like to commend SACOG's Board of Directors for their interest in, and support of, this substantial effort, as well as a shared commitment to assuring the financial viability of SACOG, which remains progressively committed to meeting the transportation planning needs of the region.

Respectfully submitted,

James Corless Executive Director	Erik Johnson Deputy Executive Director of Operations	Loretta Su Finance Director


Organizational Chart
SACOG Programs & Projects
SACOG
KEY
Management
Programs/Projects
SACOG BOARD OF DIRECTORS
EXECUTIVE DIRECTOR James Corless
DEPUTY EXECUTIVE DIRECTOR OF OPERATIONS Erik Johnson
DEPUTY EXECUTIVE DIRECTOR OF PROGRAMS Kacey Lizon
ADMINISTRATIVE SUPPORT
BOARD SUPPORT
HUMAN RESOURCES
INFORMATION TECHNOLOGY
LOCAL GOVERNMENT SERVICES
FINANCE Loretta Su
ACCOUNTING
BUDGET & OVERALL WORK PLAN
COMPLIANCE & REPORTING
PROCUREMENT & CONTRACTS
TRANSPORTATION DEVELOPMENT ACT
GOVERNMENT & PUBLIC AFFAIRS Christina Lokke
COMMUNICATIONS
EXTERNAL RELATIONS
GOVERNMENT AFFAIRS
PLANNING & PROGRAMMING Clint Holtzen
AIRPORT LAND USE COMMISSION
COORDINATED RURAL OPPORTUNITES PLAN
HOUSING
LAND USE ACTIVITIES
METROPOLITAN TRANSPORTATION PLAN/ SUSTAINABLE COMMUNITIES STRATEGY
PROGRAMMING & PROJECT DELIVERY
REGIONAL AIR QUALITY
TRANSPORTATION Kristina Svensk
CAPITOL VALLEY REGIONAL SERVICE AUTHORITY FOR FREEWAYS & EXPRESSWAYS PROGRAM
GRANTS & FUNDING PROGRAM
INNOVATIVE MOBILITY PROGRAM
MOBILITY ZONES
MULTIMODAL PLANNING & SERVICES
TRANSPORTATION DEMAND MANAGEMENT
DATA & ANALYSIS Yanmei Ou
DATA & MAPPING SERVICES
TRANSPORTATION MODELING & ANALYSIS
Last Revised: May 2023

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Sacramento Area Council of Governments
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

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Financial Section

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Independent Auditor's Report

To the Board of Directors
Sacramento Area Council of Governments
Sacramento, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sacramento Area Council of Governments (SACOG) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the SACOG's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of June 30, 2025, and the respective changes in financial position thereof, and the respective budgetary comparison for the Planning and Administration General Fund and the SAFE Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Local Transportation Funds, the State Transit Assistance Fund, the SB 125 Fund, and the State of Good Repair Fund, which are major funds and collectively represent 78 percent, 80 percent, and 90 percent, respectively, of the assets, net position, and revenues of the governmental activities as of June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Local Transportation Funds, the State Transit Assistance Special Revenue Fund, the SB 125 Fund, and the State of Good Repair Special Revenue Fund, are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SACOG, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

eidebailly.com
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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SACOG's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SACOG's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SACOG's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability, the schedule of contributions – retirement plan, the schedule of changes in the net OPEB liability and related ratios, and the other postemployment benefit plan (OPEB) schedule of contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise SACOG's basic financial statements. The board of director's and advocacy budgetary schedule and schedule of indirect service costs are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the board of director's and advocacy budgetary schedule and schedule of indirect service costs are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2025 on our consideration of SACOG's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of SACOG's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SACOG's internal control over financial reporting and compliance.

Eide Bailly LLP

Sacramento, California
December 19, 2025

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Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

The Management Discussion and Analysis (MD&A) of the Sacramento Area Council of Governments (SACOG) presents an overview and analysis of the financial activities and changes in financial position of SACOG and its blended component units for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal. This annual comprehensive financial report includes the following funds:

- SACOG Planning and Administration Fund
- State Transit Assistance Fund (STA)
- State of Good Repair Fund (SGR)
- Local Transportation Funds (LTF)
- Senate Bill 125 Fund (SB 125)
- Capitol Valley Regional Service Authority for Freeways and Expressways and Glenn County Service Authority for Freeways and Expressways (SAFE Funds)

Financial Highlights

Highlights of SACOG and its blended component units' financial performance during the fiscal year ended June 30, 2025, are below:

- At the end of fiscal year 2024-2025, the assets and deferred outflow of resources of SACOG exceeded liabilities and deferred inflows of resources by $56.5 million (net position), an increase of $16.3 million compared to the prior year. The net position consisted of net investment in capital assets of $0.5 million, restricted net position of $49.4 million and unrestricted net position of $6.6 million.

- As of June 30, 2025, SACOG governmental funds reported combined fund balances of $75.0 million, an increase of $15.5 million compared to June 30, 2024. Of the total combined fund balances, $18.0 million (24%) is available for spending at the SACOG board's discretion (*unassigned fund balance*).

- As of June 30, 2025, SACOG governmental funds reported combined revenues of $255.1 million, an increase of $78.8 million (45%) compared to June 30, 2024. The increase is due primarily to the new SB 125 special revenue of $77.5 million and higher investment earnings of $2.4 million and other revenues of $1.4 million, offset by a decrease of $2.5 million in sales and use taxes.

- As of June 30, 2025, SACOG governmental funds reported combined expenditures of $240.9 million, an increase of $60.2 million (33.3%) compared to June 30, 2024. The increase is primarily due to the SB 125 program expenditures of $61.6 million, Planning and Administration expenditures and capital outlay of $8.2 million and SAFE expenditures of $0.4 million, partially offset by decrease of $10.0 million in transportation claimant's expenditures.

Overview of the Financial Statements

The MD&A is intended to serve as an overview of SACOG's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the basic financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of SACOG's finances in a manner like private-sector financial statements. This means reporting the extent to which SACOG met its operating objectives. The government-wide statements ignore the partitions created by the funds, bringing the financial activity together in one place, reporting all assets and liabilities, and inflows and outflows of resources.

The statement of net position presents information on all SACOG's assets and liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of SACOG is improving or deteriorating.

The statement of activities presents information showing how SACOG's net position changed during the last fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future periods (e.g., unused vacation leave).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. SACOG has one general fund (Planning and Administration) and five (5) special revenue funds used to account for the activities supported by grants, sales taxes, intergovernmental revenues, member assessments, charges for services, administrative services, and other similar types of revenue sources. These funds focus on the near-term annual inflows and outflows of resources, rather than the longer-term focus of governmental activities as seen in the government-wide financial statements. The governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate the comparison of the governmental funds to the government-wide statements.

The SACOG Board of Directors adopted an annual budget for the Planning and Administration Fund which included the Overall Work Program (OWP), the Board and Advocacy activities, capital assets and other related functions/expenses not associated with the OWP. Much of the Planning and Administration fund budget is formulated through the OWP to comply with state and federal grant budgeting requirements. The OWP identifies the revenue sources and planned program expenditures for each of the project elements. The California Department of Transportation (Caltrans), Federal

Highway Administration (FHWA), and Federal Transit Administration (FTA) also review and approve the OWP.

The LTF, STA, SGR, and SB 125 funds have approved allocations and project for transportation claimants each fiscal year. These funds are all governed by the relevant California state statutes and California Code of Regulation requirements specific to each program. The Capitol Valley Regional SAFE Fund and Glenn County SAFE Fund (SAFE funds) operate under annual budgets that are separately adopted by their respective Boards of Directors, which consist of members from the SACOG Board of Directors as well as two representatives from San Joaquin County.

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found at the end of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents the required supplementary information concerning SACOG's progress in funding its obligation to provide pension and OPEB benefits to its employees.

Government-Wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of SACOG's financial position. For the fiscal year ended June 30, 2025, SACOG's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $56.5 million. The following table shows SACOG's condensed government-wide statement of net position for the fiscal years ended June 30, 2025 and June 30, 2024.

CONDENSED STATEMENT OF NET POSITION
As of June 30, 2025 and 2024

	Governmental Activities		
	2025	**2024**	**Increase (Decrease)**
ASSETS			
Current and other assets	$ 170,341,908	$ 134,339,646	$ 36,002,262
Capital assets	5,637,498	5,805,390	(167,892)
Total assets	175,979,406	140,145,036	35,834,370
DEFERRED OUTFLOWS			
Deferred outflows related to OPEB	2,411,145	1,616,111	795,034
Deferred outflows related to pensions	5,974,009	8,699,726	(2,725,717)
Total deferred outflows	8,385,154	10,315,837	(1,930,683)
LIABILITIES			
Other liabilities	97,182,814	76,400,223	20,782,591
Long term liabilities	27,933,954	29,370,168	(1,436,214)
Total liabilities	125,116,768	105,770,391	19,346,377
DEFERRED INFLOWS			
Deferred inflows related to OPEB	2,118,354	696,437	1,421,917
Deferred inflows related to pensions	665,157	3,858,668	(3,193,511)
Total deferred inflows	2,783,511	4,555,105	(1,771,594)
NET POSITION			
Net Investment in capital assets	517,362	550,637	(33,275)
Restricted:			
Restricted for pension contributions	-	1,997,024	(1,997,024)
Transportation projects	135,582	2,752,100	(2,616,518)
SAFE	3,884,851	-	3,884,851
Transportation claimants	45,349,216	31,862,466	13,486,750
Unrestricted	6,577,270	2,973,150	3,604,120
Total net position	$ 56,464,281	$ 40,135,377	$ 16,328,904

As of June 30, 2025, total assets and deferred outflows of resources were $184.4 million, an increase of $33.9 million (22.5%) over the fiscal year ended June 30, 2024. The key activities in SACOG's major funds are as follows:

- Assets for Planning and Administration fell by $1.5 million (5%), mainly because restricted revenue from the Green Means Go program was used during the fiscal year ending June 30, 2025.
- The combined assets of the four LTF funds grew by $8.7 million (15%) due to lower disbursements from prior and current years' apportionments.
- STA and SGR fund assets declined by $3.8 million (8%) as a result of lower sales tax revenue.
- SB 125 reported $32.5 million in assets this fiscal year from Transit and Intercity Rail Capital Program (TIRCP) and Zero-Emission Transit Capital Program (ZETCP) to support the zero-emission vehicles, infrastructure, ridership recovery, and clean transit projects.
- SAFE assets dropped by $0.2 million (5%), mainly because of increased expenditures related to call-box service operations during the fiscal period.

For the fiscal year ending June 30, 2025, total liabilities and deferred inflows amounted to $127.9 million, representing an increase of $17.6 million (16%) compared to the previous year. The increase was primarily attributable to an additional $20.8 million in STA, SGR, LTF, and SB 125 funds owed to transportation claimants, partially offset by a $3.2 million reduction in long-term liabilities and deferred inflows related to pension and OPEB obligations.

For the fiscal year ending June 30, 2025, the total net position reached $56.5 million, reflecting an increase of $16.3 million (41%) compared to the previous year. The increase was primarily attributed to an increase in LTF and SB 125 funds of $20.4 million, which partially offset the decline in STA and SGR funds of $2.8 million and planning and administration and SAFE funds of $2.1 million.

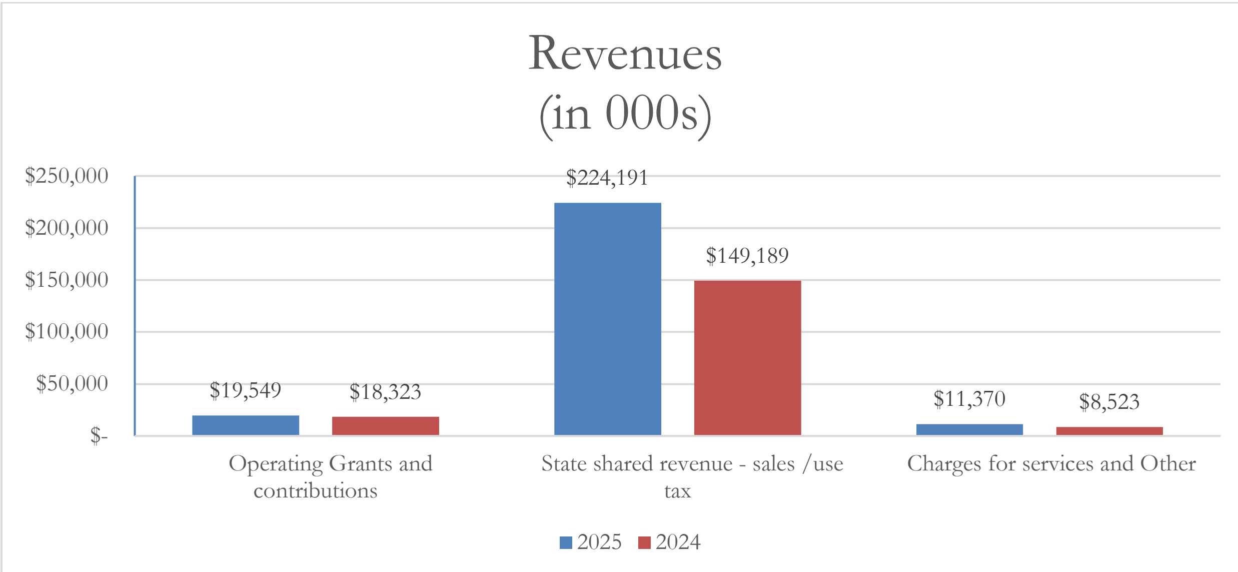
The following table shows SACOG's condensed statement of activities for the fiscal years ended June 30, 2025 and June 30, 2024:

CONDENSED STATEMENT OF ACTIVITIES

For the Years Ended June 30, 2025 and 2024

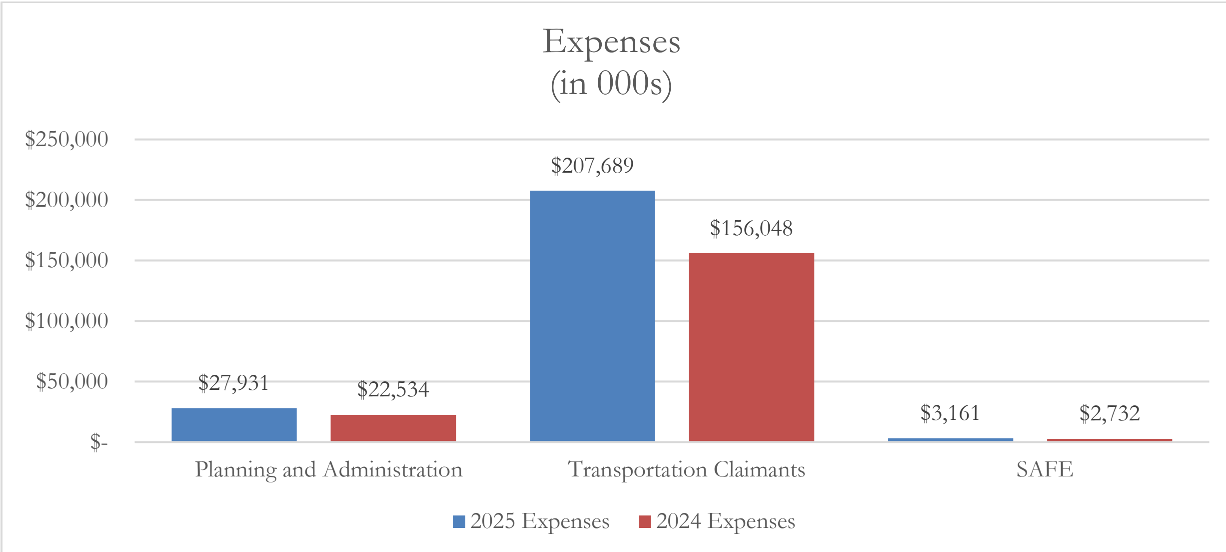
	Governmental Activities		
	2025	**2024**	**Increase (Decrease)**
Revenues			
Program Revenues:			
Charges for services	$ 4,034,604	$ 3,672,250	$ 362,354
Operating grants and contributions	19,548,860	18,322,704	1,226,156
General revenues:			
State shared revenue	224,190,682	149,189,295	75,001,387
Investment earnings	7,139,415	4,782,582	2,356,833
Other and in-kind	196,216	68,577	127,639
Total Revenues	255,109,777	176,035,408	79,074,369
Expenses			
Planning and Administration	27,931,268	22,534,070	5,397,198
Transportation Claimants	207,688,991	156,047,771	51,641,220
SAFE	3,160,614	2,731,534	429,080
Total expenses	238,780,873	181,313,375	57,467,498
Change in Net Position	16,328,904	(5,277,967)	21,606,871
Net- Position Beginning	40,135,377	45,413,344	(5,277,967)
Net - Position Ending	$ 56,464,281	$ 40,135,377	$ 16,328,904

As of June 30, 2025, total revenues were $255.1 million, an increase of $79.1 million (45%) compared to fiscal year ended June 30, 2024. The key revenue activities in SACOG's major funds are as follows:



- Operating Grants and Contributions revenue increased by $1.2 million (7%). Major factors include increases in federal revenue of $0.9 million and state revenue of $0.4 million, offset by a decrease in local revenue of $0.1 million.
- State Shared Revenue increased by $75.0 million (50%), primiarly due to addition of $77.5 million the SB 125 funding which supports zero-emission vehicles, infrastructure, ridership recovery, and clean transit projects. LTF had an increase of $1.1 million due to increased activity in sectors like restaurants, hotels, fulfillment centers, technology, biotech, and agriculture. These increases were partially offset by a reduction of $3.6 million in STA and SGR revenues, reflecting an ongoing trend of diminished fuel consumption
- Investment earnings increased by $2.4 million compared to the prior fiscal year.

As of June 30, 2025, total expenses were $238.8 million, an increase of $57.5 million (32%) over fiscal year ended June 30, 2024.

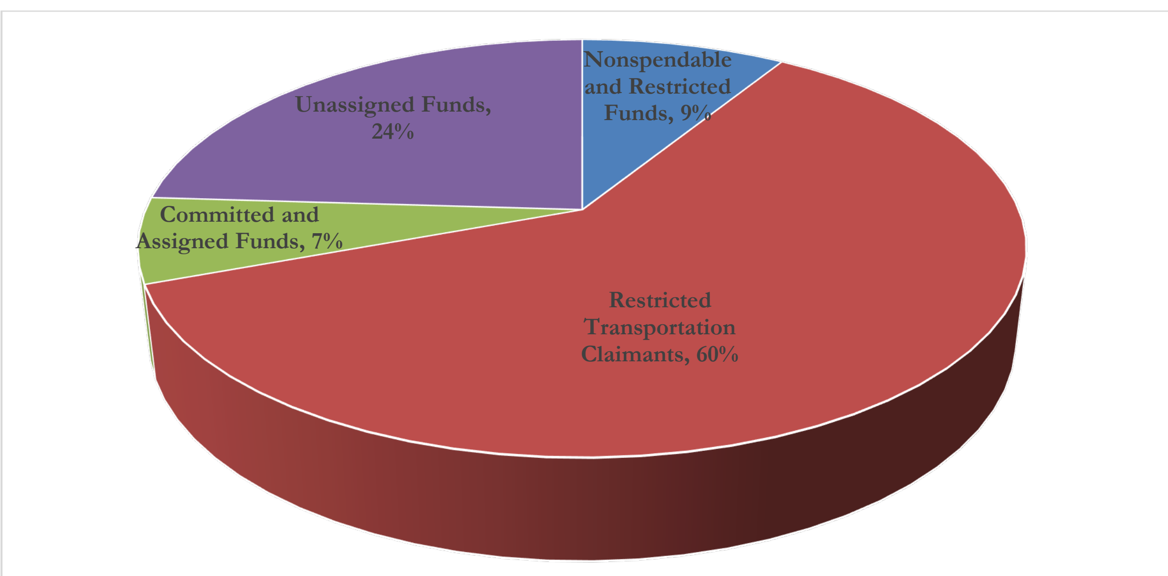


The key activities during fiscal year 2025 were :

- Transportation claimants' expenses rose by $51.6 million (33%), primarily as a result of $61.6 million in new SB 125 revenue, partially offset by a $10.0 million decrease in annual STA/SGR/LTF apportionments.
- The Planning and Administration expenses increased by $5.4 million (17%) in fiscal year 2025 compared to fiscal year 2024, primiarily due to higher federal and state pass-through costs.

Fund Financial Statement Analysis

As noted earlier, SACOG uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements. The chart below shows the fund balance components as of June 30, 2025.



The following table represents the fund balances for the governmental funds for the fiscal years ended June 30, 2025 and June 30, 2024:

	Fund Balance 2025	Fund Balance 2024	Increase (Decrease)
Planning and Administration	$ 25,735,330	$ 27,579,793	$ (1,844,463)
State Transit Assistance Fund (STA)	5,877,220	8,898,139	(3,020,919)
State of Good Repair Fund (SGR)	1,301,864	1,032,176	269,688
Local Transportation Funds (LTF)	19,968,524	17,801,547	2,166,977
SB125 Funds	18,201,608	-	18,201,608
SAFE Funds	3,884,851	4,130,604	(245,753)
Total Fund Balance	**$ 74,969,397**	**$ 59,442,259**	**$ 15,527,138**

Key elements for SACOG's governmental funds at June 30, 2025 were:

- The Planning and Administration fund balance decreased by $1.8 million (7%), primarily due to the utilization of restricted revenue associated with the Green Means Go program during the fiscal year.
- The STA fund balance decreased by $3.0 million (34%), largely as a result of using fund reserves to compensate for actual sales tax revenues falling below board-approved apportionments.
- The SGR fund balance increased by $270 thousand (26%), mainly attributable to investment earnings.
- The LTF funds balance increased by $2.2 million (12%), also primarily resulting from investment earnings.
- The SB 125 fund balance of $18.2 million represents revenue received for projects authorized in the subsequent fiscal year.
- The SAFE funds balance decreased by $246 thousand (6%), reflecting reduced vehicle registration fees received for the fiscal year.

General Fund Budgetary Highlights

The Board adopts an annual budget for the SACOG Planning and Administration General Fund and the Capitol Valley SAFE Fund (SAFE Funds) based on anticipated projects at the beginning of the year. SACOG reports its primary activities through the Planning and Administration General Fund which includes the Overall Work Program (OWP), Board of Directors and Advocacy budget, capital assets, and other related functions not associated with the OWP. When the original budget is prepared, the exact carry-in balances of continuing projects are unknown and estimates are made. Amendments are made throughout the year to the budget to true-up available grant funds remaining at the end of the prior fiscal year for multi-year grant funded projects, add new projects, and adjust existing projects as needed. During FY 2024-2025, there were two formal amendments and one administrative amendment to SACOG's original adopted budget. The difference between the original budget and the final budget resulted in approximate increase of $633,000 in revenues and a reduction of $53,000 in expenditures and debt services, attributable primarily to the following factors:

- The final budget reflected an increase of $959,000 in investment earnings, partially offset by $325,000 decrease in intergovernmental revenues due to deferment of certain grant project expenditures to future fiscal year.
- Expenditures were reduced by $53,000 in the final budget, mainly because of $328,000 savings in salaries and benefits, partially offset by an additional $300,000 pass-through costs.

The following table represents the final amended budget and the actual expenditure for fiscal year 2025:

	Final Budget	Actual	Variance with Final Budget	Percentage Variance
Revenues:				
Intergovernmental	$ 30,941,341	$ 19,541,782	$ (11,399,559)	-37%
Member assessments	1,035,649	1,035,651	2	0%
Other	1,119,529	1,630,132	510,603	46%
Total revenues	33,096,519	22,207,565	(10,888,954)	-33%
Expenditures:				
Planning and administration	39,384,897	26,941,430	12,443,467	32%
Payments to SMF grantees	611,243	199,587	411,656	67%
Capital outlay	130,000	1,331,719	(1,201,719)	-924%
Debt Service	1,000,481	1,552,308	(551,827)	-55%
Total expenditures	41,126,621	30,025,044	11,101,577	27%
Deficiency of revenue under expenditures	(8,030,102)	(7,817,479)	212,623	-3%
Other Financing Sources:				
IT Subscription	-	1,292,010	1,292,010	100%
Transfers in	4,681,006	4,681,006	-	0%
Total Other Financing Sources (Uses)	4,681,006	5,973,016	1,292,010	28%
Net Change in fund balances	$ (3,349,096)	(1,844,463)	$ 1,504,633	-45%
Fund balance - beginning		27,579,793		
Fund balance - ending		$ 25,735,330		

Significant budgetary variances between the final amended budget and the actual expenditures are as follows:

- The negative variance of approximately $11.4 million (37%) in intergovernmental revenues resulted from delayed implementation of several projects and programs, including the Green Means Go program, Innovative Mobility Program, and other discretionary grants. Because associated expenditures did not occur within the fiscal year, the corresponding reimbursement revenues were not requested. These project expenditures have been carried forward into the next fiscal year.

- The approximately $12.4 million (32%) positive variance in planning and administration expenditures was primarily attributable to the following factors:
  - $10.5 million in consulting, pass-through, and other costs associated with the timing of grant-funded project expenditures, which encompassed the Green Means Go Program, Innovative Mobility Program, and additional discretionary awards.
  - $800 thousand in salaries and fringe benefits, resulting from staffing changes during the fiscal year.

Capital Assets

Total investment in capital assets on June 30, 2025, net of accumulated depreciation and amortization, was $5.6 million, a decrease of $168 thousand from last fiscal year, primarily due to amortization of right to use subscription IT assets and leases.

	Balance as of June 30, 2025	Balance as of June 30, 2024
Computers, Equipment, Leasehold Improvements	$ 1,386,136	$ 1,377,964
Right to Use Lease Assets	6,180,597	6,180,597
Right to Use Subscription IT assets	3,250,052	1,958,042
Less Accumulated Depreciation and Amortization	(5,179,287)	(3,711,213)
Capital Assets, Net	$ 5,637,498	$ 5,805,390

Additional information regarding capital assets can be found in Note E to the Basic Financial Statements.

Debt Administration

Long-term debt include the lease liability and IT subscription liability. The lease liability at June 30, 2025 is $3,425,679, a decrease of $730,388 due to regular principal payments. The IT subscription liability at June 30, 2025 is $1,694,457, a net increase of $595,771 which includes additional IT subscription of $1,292,010 offset by regular principal payments of $696,239. This is the third year the subscription liability is recorded due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, effective July 1, 2022. Additional information can be found in Note G and H to the Basic Financial Statements.

Economic Factors and Next Year's Budget

Leading economic indicators remain mixed as the economy continues to slowly recover from COVID-19 pandemic. Uncertainty remains for both federal and state funding impacting the projects SACOG can undertake and the services it is able to provide to its member jurisdictions. Ongoing challenges are the rising salaries, fringe benefits, and indirect costs charged to each project as well as finding enough resources to fully fund new goals and initiatives.

In November 2021, President Biden enacted a $1.2 trillion infrastructure law, formally known as the Infrastructure Investments and Jobs Act (IIJA) that provides certainty over at least five years for formula programs, along with a combination of one-time and ongoing funding increases. As with prior transportation reauthorization laws, funds from federal agencies are primarily determined by formula and subject to Congressional appropriation. Authorization for discretionary grant programs and formula grant programs will expire in September 2026. Based on precedent, Congress is most likely going to continue current levels for a period of time while it works on a new multi-year reauthorization law. However, given the unprecedented level of discretionary grant funding included in IIJA, it is probable that there will be a reduction in overall funding in the next reauthorization law, but a continuation of formula funding for SACOG operations at existing levels. If discretionary grant programs are cut, this would decrease the probability of SACOG receiving such grants to fund direct programs after September 2026.

In May 2025, the SACOG Board of Directors approved the FY 2025-2026 budget for the SACOG Planning and Administration General Fund, authorizing $49.2 million in expenditures. This budget anticipates utilizing $1.4 million from SACOG Managed Fund reserves and other restricted fund balances to support community design projects and meet grant project matching requirements, while expecting $47.8 million from federal, state, and local funding sources. Incorporated within the budget is the Overall Work Program (OWP), which allocates resources for annual transportation planning projects; a significant portion of these funds reflect grant carryovers or pass-through allocations to partner agencies. The identified projects are strategically aligned with SACOG's five-year work plan and its three core regional goals: equity, economy, and environment. These objectives correspond with the policy framework and implementation actions described in SACOG's 2025 Blueprint, also referred to as the Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS).

SACOG and its constituent entities continue to demonstrate fiscal stability. Both management and the Board of Directors exercise prudence in their financial strategies by refraining from budgeting for unverified revenue sources; expenditures are diligently monitored and adjusted as necessary to reflect changing circumstances. Although a substantial portion of the budget is supported by federal and state funding, there is a consistent inflow of resources from various programs dedicated to transportation and housing planning. As new funds become available, projects are evaluated to ensure alignment with SACOG's five-year work plan and overarching goals, as well as to assess staff capacity for implementation. SACOG remains devoted to supporting member agencies in land use and transportation planning to foster a more livable region.

Requests for Information

This financial report is designed to provide the reader with a general overview of SACOG's finances and to demonstrate SACOG's accountability for the resources it receives. If you have questions about this report or need additional financial information, please contact the Finance Team, Sacramento Area Council of Governments, 1415 L Street, Suite 300, Sacramento, California 95814.

Statement of Net Position

June 30, 2025

		Governmental Activities
ASSETS		
Current assets:		
Cash and investments	$	125,745,746
Restricted cash and investments		2,206,070
Receivables		41,964,276
Other assets		425,816
Total current assets		170,341,908
Non-current assets:		
Capital assets, net of accumulated depreciation		472,496
Right to use lease and subscription IT assets, net of accumulated amortization		5,165,002
Total non-current assets		5,637,498
Total assets		175,979,406
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to OPEB		2,411,145
Deferred outflows related to pension		5,974,009
Total deferred outflows of resources		8,385,154
LIABILITIES		
Current liabilities:		
Payables		95,372,511
Compensated absences - due within one year		361,938
Lease liability - due within one year		758,157
IT Subscription liability - due within one year		659,311
Accrued interest		30,897
Total current liabilities		97,182,814
Non-current Liabilities		
Compensated absences		620,432
Net OPEB liability		3,044,922
Net pension liability		20,565,932
Lease liability		2,667,522
IT Subscription liability		1,035,146
Total non-current liabilities		27,933,954
Total liabilities		125,116,768

The notes to the financial statements are an integral part of this statement.

Statement of Net Position

June 30, 2025

		Governmental Activities
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to OPEB	$	2,118,354
Deferred inflows related to pensions		665,157
Total deferred inflows of resources		2,783,511
NET POSITION		
Net investment in capital assets		517,362
Restricted for transportation projects		135,582
Restricted for SAFE		3,884,851
Restricted for transportation claimants		45,349,216
Unrestricted		6,577,270
Total net position	$	56,464,281

The notes to the financial statements are an integral part of this statement.

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Statement of Activities

For the Fiscal Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Primary Government:				
Governmental activities:				
Planning and administration	$ 27,931,268	$ 1,302,158	$ 19,548,860	$ (7,080,250)
Transportation claimants	207,688,991	-	-	(207,688,991)
SAFE	3,160,614	2,732,446	-	(428,168)
Total governmental activities	$ 238,780,873	$ 4,034,604	$ 19,548,860	(215,197,409)
General revenues:				
State shared revenue				224,190,682
Unrestricted investment earnings				7,139,415
Other				196,216
Total general revenue				231,526,313
Change in net position				16,328,904
Net Position - beginning				40,135,377
Net Position - ending				$ 56,464,281

The notes to the financial statements are an integral part of this statement.

Balance Sheet – Governmental Funds

June 30, 2025

		Special Revenue	
	Planning and Administration	State Transit Assistance Fund	State of Good Repair Fund
Assets			
Cash and investments	$ 14,425,521	$ 24,319,957	$ 5,856,498
Restricted cash and investments	2,206,070	-	-
Accounts receivable	-	-	-
Miscellaneous receivable	360,437	-	-
Due from other funds	305,649	-	-
Due from other governments	10,769,582	6,463,413	1,157,185
Interest receivable	449,666	518,321	139,237
Prepaid items and advances	425,816	-	-
Total assets	$ 28,942,741	$ 31,301,691	$ 7,152,920
Liabilities and fund balances			
Liabilities:			
Accounts payable	$ 3,166,630	$ -	$ -
Accrued liabilities	40,781	-	-
Due to other funds	-	-	-
Due to other governments	-	25,424,471	5,851,056
Total liabilities	3,207,411	25,424,471	5,851,056
Fund Balances:			
Nonspendable:			
Prepaid Items	425,816	-	-
Restricted:			
State Transit Assistance Funds	-	5,877,220	-
State of Good Repairs	-	-	1,301,864
Local Transportation Funds	-	-	-
SAFE Funds	-	-	-
SB 125 Funds	-	-	-
Transportation Projects	135,582	-	-
Pension Contributions (CEPPT)	2,206,070	-	-
Committed:			
Board & Advocacy	441,887	-	-
SACOG Managed Fund Grantees	2,390,392	-	-
Assigned:			
Legal defense	500,000	-	-
Project specific carryover funds	462,699	-	-
Capital equipment	153,043	-	-
Contingencies	1,000,000	-	-
Unassigned:			
Unassigned	18,019,841	-	-
Total fund balances	25,735,330	5,877,220	1,301,864
Total liabilities, deferred inflows of resources, and fund balances	$ 28,942,741	$ 31,301,691	$ 7,152,920

The notes to the financial statements are an integral part of this statement.

Balance Sheet – Governmental Funds (Continued)

June 30, 2025

	Special Revenue			
	Local Transportation Funds	SB 125 Funds	SAFE Funds	Total Governmental Funds
Assets				
Cash and investments	$ 45,968,993	$ 31,473,519	$ 3,701,258	$ 125,745,746
Restricted cash and investments	-	-	-	2,206,070
Accounts receivable	-	-	488,049	488,049
Miscellaneous receivable	-	-	-	360,437
Due from other funds	-	-	-	305,649
Due from other governments	20,243,486	-	-	38,633,666
Interest receivable	305,227	992,106	77,567	2,482,124
Prepaid items and advances	-	-	-	425,816
Total assets	$ 66,517,706	$ 32,465,625	$ 4,266,874	$ 170,647,557
Liabilities and fund balances				
Liabilities:				
Accounts payable	$ -	$ -	$ 129,211	$ 3,295,841
Accrued liabilities	-	-	-	40,781
Due to other funds	-	52,837	252,812	305,649
Due to other governments	46,549,182	14,211,180	-	92,035,889
Total liabilities	46,549,182	14,264,017	382,023	95,678,160
Fund Balances:				
Nonspendable:				
Prepaid Items	-	-	-	425,816
Restricted:				
State Transit Assistance Funds	-	-	-	5,877,220
State of Good Repairs	-	-	-	1,301,864
Local Transportation Funds	19,968,524	-	-	19,968,524
SAFE Funds	-	-	3,884,851	3,884,851
SB 125 Funds	-	18,201,608		18,201,608
Transportation Projects	-	-	-	135,582
Pension Contributions (CEPPT)	-	-	-	2,206,070
Committed:				
Board & Advocacy	-	-	-	441,887
SACOG Managed Fund Grantees	-	-	-	2,390,392
Assigned:				
Legal defense	-	-	-	500,000
Project specific carryover funds	-	-	-	462,699
Capital equipment	-	-	-	153,043
Contingencies	-	-	-	1,000,000
Unassigned:				
Unassigned	-	-	-	18,019,841
Total fund balances	19,968,524	18,201,608	3,884,851	74,969,397
Total liabilities, deferred inflows of resources, and fund balances	$ 66,517,706	$ 32,465,625	$ 4,266,874	$ 170,647,557

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2025

Total Fund Balances on Governmental Funds' Balance Sheet	$	74,969,397
Capital assets, right to use leased assets, and subscription IT assets used in government activities are not financial resources, and therefore, are not reported as assets in the governmental funds.		5,637,498
Compensated absences not due and payable in the current period, and therefore, not reported in the governmental funds' Balance Sheet.		(982,370)
Long-term items related to leases and IT subscription liabilities are not due and payable in the current period and therefore are not reported in the fund.		
Lease liability		(3,425,679)
IT subscription liability		(1,694,457)
Accrued interest payable		(30,897)
Net pension liability and related deferred inflows and outflows are not due and payable in the current period and, therefore, are not reported as a liability in the governmental funds.		
Deferred outflows related to pension		5,974,009
Net pension liability		(20,565,932)
Deferred inflows related to pension		(665,157)
Net OPEB liability and related deferred inflows and outflows are not due and payable in the current period and, therefore, are not reported as a liability in the governmental funds.		
Deferred outflows related to OPEB		2,411,145
Net OPEB liability		(3,044,922)
Deferred inflows related to OPEB		(2,118,354)
Net position of governmental activities	$	56,464,281

The notes to the financial statements are an integral part of this statement.

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Statement of Revenues, Expenditures, and Changes In Fund Balances – Governmental Funds

For the Fiscal Year Ended June 30, 2025

		Special Revenue	
	Planning and Administration	State Transit Assistance Fund	State of Good Repair Fund
Revenues:			
Sales and use taxes	$ -	$ 27,167,020	$ 4,628,752
Vehicle registration fees and traffic fines	-	-	-
Intergovernmental:			
Federal	10,193,838	-	-
State	8,737,725	-	-
Local	610,219	-	-
Charges for services	266,507	-	-
Member assessments	1,035,651	-	-
Investment earnings	1,167,409	1,185,256	334,579
Other	196,216	-	-
Total revenues	22,207,565	28,352,276	4,963,331
Expenditures:			
Current:			
Transportation Claimants	-	31,373,195	4,693,643
SAFE services	-	-	-
Planning and administration	26,941,430	-	-
Payments to SMF grantees	199,587	-	-
Capital outlay	1,331,719	-	-
Debt Service:			
Principal	1,426,627	-	-
Interest	125,681	-	-
Total expenditures	30,025,044	31,373,195	4,693,643
Excess (deficiency) of revenues over (under) expenditures	(7,817,479)	(3,020,919)	269,688
Other Financing Sources (Uses):			
IT Subscription	1,292,010	-	-
Transfers in	4,681,006	-	-
Transfers out	-	-	-
Total other financing sources (uses)	5,973,016	-	-
Net change in fund balances	(1,844,463)	(3,020,919)	269,688
Fund balances - beginning	27,579,793	8,898,139	1,032,176
Fund balances - ending	$ 25,735,330	$ 5,877,220	$ 1,301,864

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes In Fund Balances – Governmental Funds (Continued)

For the Fiscal Year Ended June 30, 2025

	Special Revenue			
	Local Transportation Funds	SB 125 Fund	SAFE Funds	Total Governmental Funds
Revenues:				
Sales and use taxes	$ 114,915,068	$ -	$ -	$ 146,710,840
Vehicle registration fees and traffic fines	-	-	2,732,446	2,732,446
Intergovernmental:				
Federal	-	-	-	10,193,838
State	-	77,479,842	-	86,217,567
Local	-	-	7,078	617,297
Charges for services	-	-	-	266,507
Member assessments	-	-	-	1,035,651
Investment earnings	1,919,655	2,357,179	175,337	7,139,415
Other	-	-	-	196,216
Total revenues	116,834,723	79,837,021	2,914,861	255,109,777
Expenditures:				
Current:				
Transportation Claimants	109,986,740	61,635,413	-	207,688,991
SAFE services	-	-	3,160,614	3,160,614
Planning and administration	-	-	-	26,941,430
Payments to SMF grantees	-	-	-	199,587
Capital outlay	-	-	-	1,331,719
Debt Service:				
Principal	-	-	-	1,426,627
Interest	-	-	-	125,681
Total expenditures	109,986,740	61,635,413	3,160,614	240,874,649
Excess (deficiency) of revenues over (under) expenditures	6,847,983	18,201,608	(245,753)	14,235,128
Other Financing Sources (Uses):				
IT Subscription	-	-	-	1,292,010
Transfers in	-	-	-	4,681,006
Transfers out	(4,681,006)	-	-	(4,681,006)
Total other financing sources (uses)	(4,681,006)	-	-	1,292,010
Net change in fund balances	2,166,977	18,201,608	(245,753)	15,527,138
Fund balances - beginning	17,801,547	-	4,130,604	59,442,259
Fund balances - ending	$ 19,968,524	$ 18,201,608	$ 3,884,851	$ 74,969,397

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities Governmental Funds

For the Fiscal Year Ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds	$ 15,527,138
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported in the governmental funds as expenditures. However, they are capitalized on the Statement of Net Position and allocated over the estimated useful life of the asset as depreciation. This is the amount by which depreciation and amortization exceeded capital asset additions and deletions in the period:	
Depreciation and Amortization	(1,499,611)
Capital Outlay	1,331,719
In the Statement of Activities, certain operating expenses, such as compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(40,802)
In the governmental funds, pension costs are based on employer contributions made to the pension plan during the year. However, in the Statement of Activities, pension expense is the net effect of all changes in the deferred outflows, deferred inflows and net pension liability during the year.	644,919
In the governmental funds, OPEB costs are based on employer contributions made to the OPEB plan during the year. However, in the Statement of Activities, OPEB expense is the net effect of all changes in the deferred outflows, deferred inflows and net OPEB liability during the year.	230,408
The issuance of long-term debt provides current financial resources to governmental funds, but are not reported as revenues in the statement of activities. resources of governmental funds.	(1,292,010)
Principal payments and accrued interest on long term lease and IT subscription liabilities reported in the statement of activities are reported as expenditures in the governmental funds.	1,427,143
Change in Net Position of Governmental Activities	$ 16,328,904

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual — Planning and Administration
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental:				
Federal	$ 13,895,528	$ 14,337,661	$ 10,193,838	$ (4,143,823)
State	17,271,093	16,166,249	8,737,725	(7,428,524)
Local	100,000	437,431	610,219	172,788
Charges for services	-	337,431	266,507	(70,924)
Member assessments	1,035,649	1,035,649	1,035,651	2
Investment earnings	150,000	550,000	1,167,409	617,409
Other	41,000	232,098	196,216	(35,882)
Total revenues	32,493,270	33,096,519	22,207,565	(10,888,954)
Expenditures:				
Current:				
Planning and administration:				
Salaries	7,115,808	6,998,898	6,468,364	530,534
Fringe Benefits	6,575,325	6,363,921	6,094,364	269,557
Consulting Costs	4,961,247	4,979,756	3,477,587	1,502,169
Pass-Through to Other Agencies	18,207,999	18,508,516	9,579,350	8,929,166
Other Costs	2,570,967	2,533,806	1,321,765	1,212,041
Total planning and administration:	39,431,346	39,384,897	26,941,430	12,443,467
Payments to SMF grantees	647,750	611,243	199,587	411,656
Capital outlay	130,000	130,000	1,331,719	(1,201,719)
Debt Service:				
Principal	930,388	930,388	1,426,627	(496,239)
Interest	70,093	70,093	125,681	(55,588)
Total expenditures	41,209,577	41,126,621	30,025,044	11,101,577
Deficiency of revenues under expenditures	(8,716,307)	(8,030,102)	(7,817,479)	212,623
Other Financing Sources:				
IT Subscription	-	-	1,292,010	1,292,010
Transfers in	5,011,358	4,681,006	4,681,006	-
Total other financing sources	5,011,358	4,681,006	5,973,016	1,292,010
Change in fund balances	$ (3,704,949)	$ (3,349,096)	(1,844,463)	$ 1,504,633
Fund balance - beginning			27,579,793	
Fund balance - ending			$ 25,735,330	

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual –SAFE Funds Special Revenue Fund
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Vehicle registration fees	$ 2,700,940	$ 2,700,940	$ 2,732,446	$ 31,506
Local	25,645	50,300	7,078	(43,222)
Investment earnings	90,000	90,000	175,337	85,337
Total revenues	2,816,585	2,841,240	2,914,861	73,621
Expenditures:				
Current:				
Salaries	229,091	227,026	210,444	16,582
Fringe Benefits	300,459	297,699	275,955	21,744
Consultants	504,640	509,640	497,287	12,353
Pass-through to Other Agencies	1,576,800	1,576,800	1,523,513	53,287
Other Costs	863,437	1,022,744	653,415	369,329
Total safe services:	3,474,427	3,633,909	3,160,614	473,295
Total expenditures	3,474,427	3,633,909	3,160,614	473,295
Change in fund balance	$ (657,842)	$ (792,669)	(245,753)	$ 546,916
Fund balance - beginning			4,130,604	
Fund balance - ending			$ 3,884,851	

The notes to the financial statements are an integral part of this statement.

Statement of Fiduciary Net Position

June 30, 2025

		Custodial Fund - CARTA
ASSETS		
Cash and investments	$	705,871
Receivables		4,322
Interest Receivable		21,988
Prepaids		42,138
Total current assets		774,319
LIABILITIES		
Accounts payable		86,202
Accrued liabilities		56,492
Due to other governments		1,300,000
Total current liabilities		1,442,694
NET POSITION		
Restricted	$	(668,375)

The notes to the financial statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended June 30, 2025

	Custodial Fund - CARTA
ADDITIONS	
Investment income	$ 52,018
Total additions	52,018
DEDUCTIONS	
Administration	720,393
Total deductions	720,393
Change in net position	(668,375)
Net position - beginning	-
Net position - ending	$ (668,375)

The notes to the financial statements are an integral part of this statement.

NOTE A — Summary of Significant Accounting Policies

I. Reporting Entity

In January 1965, the Sacramento Regional Area Planning Commission (SRAPC) was organized under the State Planning Law to provide a forum for elected officials to address multi-county problems, issues, and needs. In January 1981, the Sacramento Area Council of Governments (SACOG) succeeded SRAPC under a new Joint Powers Agreement pursuant to Section 6500 of the California Government Code. Per Title 26 of the Internal Revenue Code, Section 115, states that income derived from a governmental function is tax exempt. Since SACOG's members are all governmental entities and SACOG exercises the common powers of its members and governmental functions, SACOG's income is exempt from federal taxation.

SACOG is an association of local governments formed by six (6) counties and twenty-two (22) cities in the region. SACOG's member governments are the counties of El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba, and the cities of Auburn, Citrus Heights, Colfax, Davis, Elk Grove, Folsom, Galt, Isleton, Lincoln, Live Oak, Loomis, Marysville, Placerville, Rocklin, Rancho Cordova, Roseville, Sacramento, West Sacramento, Wheatland, Winters, Woodland, and Yuba City.

SACOG is governed by a 32-member Board of Directors composed of elected officials representing the member governments including one ex-officio member from California Department of Transportation (Caltrans). The Board of Directors maintains budgetary controls over SACOG's accounts.

SACOG's various designations and certifications include:

Designations as:

- Regional Transportation Planning Agency (RTPA) for Sacramento, Sutter, Yolo, and Yuba counties by the California State Transportation Agency Secretary.
- Metropolitan Planning Organization (MPO) by the Governor and the U.S. Department of Transportation for the Sacramento, Yuba City, and Davis Urbanized Areas.
- Metropolitan Planning Organization in the Sacramento Metropolitan Planning Area (MPA) by the California State Transportation Agency Secretary.
- Airport Land Use Commission (ALUC) for Sacramento, Sutter, Yolo and Yuba counties.
- Service Authority for Freeway and Expressways for Sacramento, San Joaquin, Yolo, Yuba, Sutter, and El Dorado counties.
- Area Wide Clearinghouse for the counties of El Dorado, Sacramento, Sutter, Yolo, and Yuba and the cities of Lincoln, Rocklin, and Roseville by the State of California Procedures of Intergovernmental Review of Federal Financial Assistance and Direct Development Activities.

Joint Certification as:

- Sacramento Area Metropolitan Planning Process by the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA).

NOTE A — Summary of Significant Accounting Policies, Continued

The governmental reporting entity consists of SACOG and its component units. Component units are legally separate organizations for which the Board is financially responsible, or other organizations whose nature and significant relationship with SACOG are such that exclusion would cause SACOG's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either SACOG's ability to impose its will on the organization or (ii) the potential for the organization to provide a financial benefit to or impose a financial burden on SACOG.

Blended Component Units:

The Capitol Valley Regional Service Authority for Freeways and Expressways (Capitol Valley SAFE) and Glenn County SAFE were established pursuant to the provisions of Chapter 14 of Division 3 of the Street and Highways Code of the State of California (the "Freeway Act") to serve as the service authority for freeway emergencies in the counties of El Dorado, Sacramento, San Joaquin, Sutter, Yolo, Yuba, and Glenn County. Under the Freeway Act, Capitol Valley SAFE and Glenn County SAFE are authorized to impose a fee on vehicles registered in the seven counties for the implementation, maintenance and operation of the motorist aid system of call boxes. Capitol Valley SAFE and Glenn County SAFE are administered by a governing board consisting of members of SACOG's Board of Directors plus one member representing San Joaquin County and one member representing the cities of San Joaquin County. SACOG provides administrative services for Capitol Valley SAFE and Glenn County SAFE. Capitol Valley SAFE and Glenn County SAFE are included in SACOG's reporting entity because of the significance of their financial or operational relationship and its mutual governing board. Capitol Valley SAFE and Glenn County SAFE are reported in SAFE Funds special revenue fund.

The financial statements of SACOG have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

II. Government-wide Financial Statements

The statement of net position and statement of activities report information on all of the activities of SACOG. SACOG is engaged only in governmental activities, which are normally supported by taxes and intergovernmental revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of SACOG's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a specific function. Program revenues include (i) charges paid by the recipients of the goods or services offered by the programs and (ii) grants and contributions that are restricted for meeting the operational requirements of SACOG's activities. Sales and use taxes, investment earnings, and other revenues not included among program revenues are reported as general revenues.

NOTE A — Summary of Significant Accounting Policies, Continued

III. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* if they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, SACOG considers revenues to be available if they are collected within twelve months of the end of the current fiscal period. SACOG uses a twelve-month availability period to align with the reimbursement timeline associated with most of its funding sources, except for LTF revenues, which is 60 days. Revenues considered susceptible to accrual primarily include sales tax revenues, federal, state and local funds, as well as investment earnings. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Major sources of revenue are federal, state and local planning grants and sales tax revenues. Grant revenue is recognized as soon as all eligibility requirements imposed by the provider have been met. When such funds are received in advance, they are recorded as unearned revenue until SACOG has satisfied the grantor's eligibility requirements. Such funding is subject to review by the funding agency and may result in disallowance in subsequent periods. Sales taxes collected and held by the state at year-end on behalf of SACOG are recognized as revenue.

SACOG reports the following major Governmental Funds:

Planning and Administration Fund
Used to account for SACOG's Overall Work Program (OWP) activities funded from various federal, state and local sources. Also included in it are the transactions for the Board and Advocacy Fund and the SACOG Managed Fund.

SACOG reports the following Major Special Revenue Funds:

State Transit Assistance Fund
Created pursuant to the Transportation Development Act (TDA) to account for the allocations received from the state restricted for transportation planning, public transportation and community transit purposes as specified by the Legislature. Funds are derived from the statewide sales tax on gasoline and diesel fuel.

NOTE A — Summary of Significant Accounting Policies, Continued

State of Good Repair Fund
Created pursuant to Senate Bill (SB) 1, the Road Repair and Accountability Act of 2017 to account for a new transportation improvement fee on vehicle registrations due on or after January 1, 2018. The fee is to provide capital assistance to Regional Transportation Planning Agencies (RTPAs) to rehabilitate and modernize existing local transportation system, including the purchase of new vehicles and the maintenance and rehabilitation of transit facilities and vehicles.

Local Transportation Funds
Created pursuant to the TDA to account for the proceeds received from the California Department of Tax and Fee Administration of the ¼ cent of the state's 7.5 percent retail sales tax collected for the Counties of Sacramento, Yuba, Sutter, and Yolo. These restricted funds are administered by SACOG on behalf of 4-Counties and used to fund various transportation related activities as authorized by California Law, under the TDA.

SB 125 Fund
Created pursuant to Senate Bill 125 to account for monies received to support the Transit and Intercity Rail Capital Program (TIRCP) and the Zero-Emission Transit Capital Program (ZETCP). These programs provide funding for zero-emission vehicles, fueling infrastructure, ridership recovery, and other clean transit initiatives. The Sacramento Area Council of Governments (SACOG) administers and reports these funds for the Sacramento region, which includes the counties of Sacramento, Sutter, Yolo, and Yuba.

SAFE Funds
The SAFE Funds account for the activity of the Capitol Valley Regional SAFE Fund and the Glenn County SAFE Fund.

- ***Capitol Valley Regional SAFE Fund (CVR-SAFE)***
  Used to account for SACOG's administrative 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 and Yuba. Revenues are derived from the vehicle registration fee imposed pursuant to the provisions of Chapter 14 of Division 3 of the Streets and Highways Code.

- ***Glenn County SAFE Fund***
  Used to account for activities in accordance with the contract with the County of Glenn for implementing, operating and maintaining the motorist aid system of call boxes within the County of Glenn pursuant to Street and Highways Code section 2553. Revenues are derived from the vehicle registration fee imposed pursuant to the provisions of Chapter 14 of Division 3 of the Streets and Highways Code. The Glenn County SAFE reimbursed CVR-SAFE for its share of expenditures. For the fiscal year, Glenn SAFE received a vehicle registration fee of $32,884, interest income of $10,388 and paid for its share of expenditures of $36,713. The fund balance as of June 30, 2025 is $237,669.

NOTE A — Summary of Significant Accounting Policies, Continued

Fiduciary Fund
SACOG reports the following fiduciary fund:

- ***Custodial Fund***
  Custodial funds are used to account for resources held for the benefit of parties outside the government. Custodial funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support SACOG's own programs. Custodial Funds apply the accrual basis of accounting using the economic resources measurement focus. SACOG reports the resources held for the Capital Area Regional Tolling Authority (CARTA) in the custodial fund.

IV. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

Investments/Fair Value Measurement
Investments are recorded at fair value. SACOG categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Interest Receivable
Investment income earned but not yet received at June 30, 2025.

Prepaid Items
Payments for services that will benefit periods beyond June 30, 2025. SACOG uses the consumption method of accounting for Prepaid Items. Under the consumption method — governments may initially report inventories and prepaid items they purchased as an asset and defer the recognition of the expenditure until the period the inventories and prepaid items are consumed or used.

Capital Assets (including Intangible, Right to Use Lease Assets, and Right to Use Subscription IT Assets)
Capital and intangible assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the SACOG date of receipt of donation. Capital and intangible assets are defined by SACOG as assets with an initial, individual cost of more than $5,000 and an estimated useful life of more than one year. Capital and intangible assets used in operations are depreciated/amortized using the straight-line method over their estimated useful lives in the government-wide statements of net position.

NOTE A — Summary of Significant Accounting Policies, Continued

Right to use lease assets are recognized at the lease commencement date and represent SACOG's right to use an underlying asset for the lease term. Right to use lease assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use lease assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 5 to 8 years.

Right to use subscription IT assets are recognized at the subscription commencement date and represent SACOG's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies from 2 to 6 years.

Lease Liabilities

Lease liabilities represent SACOG's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments is discounted based on a borrowing rate determined by SACOG.

IT Subscription Liabilities

Subscription Liabilities represent SACOG's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments is discounted based on a borrowing rate determined by SACOG.

Compensated Absences

Compensated absences are accrued as a liability in the government-wide financial statements as the benefits are earned for leave balances that are more likely than not to be used for compensated leave or settled through cash or noncash means.

It is SACOG's policy to permit employees to accumulate earned, but unused paid time off (PTO) leave benefits and to cap PTO accrual at 450 hours. For employees who have more than 350 hours of unused PTO at June 30 of each fiscal year have the options to cash out up to 80 hours and/or deposit into the Special Pay Plan. Employee's entitlement to these balances is attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon separation or retirement.

NOTE A — Summary of Significant Accounting Policies, Continued

Interfund Transfers
Interfund transfers typically report the amounts provided to SACOG for planning and administrative services performed by the Local Transportation Funds.

Deferred Outflows/Inflows of Resources
In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future periods.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Balance Policy
The Fund Balance Policy establishes a key element of the financial stability of SACOG by setting guidelines for fund balance. Fund balance is an important measure of economic stability. It is essential that SACOG maintains adequate levels of fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The fund balance also provides cash flow liquidity for the general operations of SACOG. The policy also authorizes and directs management to prepare financial reports which accurately categorize fund balance as per Government Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

The general policies applicable to all SACOG funds are as follows:

1. Maintaining adequate fund balance reserves is an essential part of sound financial management. SACOG realizes the importance of reserves in providing reliable service to its members, financing its operations, and funding emergencies should the need arise.

2. For committed fund balances, the highest level of decision-making authority is the Board of Directors; a SACOG Board resolution or motion is required to formally establish, modify, or rescind a fund balance commitment.

NOTE A — Summary of Significant Accounting Policies, Continued

3. The Board delegates to the Executive Director authority to assign, change, and manage unassigned fund balance transactions going in and out of the funds where SACOG's intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements.

4. It is the policy of SACOG that when an expenditure is incurred, and both restricted and unrestricted fund balance is available for the expenditure, that the expenditure reduces the restricted balance first and the unrestricted balance second.

5. It is the policy of SACOG that when an expenditure is incurred, and committed, assigned, or unassigned fund balance is available for the expenditure, that the expenditure reduces the committed balance first, the assigned fund balance second, and the unassigned fund balance last.

6. SACOG's Fund Balance Policy is reviewed as a part of the annual budget process.

Fund Balance

Nonspendable – This category represents amounts that cannot be spent because they are either (i) not in a spendable form, such as prepaid items, inventories of supplies, or loans receivable; or (ii) legally or is contractually required to be maintained intact, such as the principal portion of an endowment. At June 30, 2025, SACOG has $425,816 for prepaid expenditures that are considered nonspendable.

Restricted Fund Balance – This category represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Restricted for Transportation Projects relates to specific grant funds for specific projects that were received in advance of work performed. The revenue was recognized in the current year; however, fund balance is being restricted for the expenditures for these project activities, as they are expected to occur in future years.

Committed – This category represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority and remain binding unless removed in the same manner. SACOG's Board of Directors is the highest level of decision-making authority. Any formal actions to establish (and modify or rescind) a fund balance commitment would have to be approved by the Board of Directors through Board resolution or motion.

Board and Advocacy – represents a portion of fund balance segregated for that portion of discretionary revenue available to support activities of the Board of Directors.

NOTE A — Summary of Significant Accounting Policies, Continued

SACOG Managed Fund grantees – represents a portion of the SACOG Managed Fund balance segregated for grantee commitments that are contracted for, but services have not yet been acted on by the grantee.

Assigned – This category represents amounts that are constrained by the government's intent to be used for specific purposes, but that are neither restricted nor committed. Such intent needs to be established at either the highest level of decision-making or by an official designated for that purpose. The SACOG Board of Directors has designated the Executive Director for this purpose.

Unassigned Fund Balance – This category includes amounts that do not fall into one of the above four categories. The general fund is the only fund that should report a positive amount in this category of fund balance. These funds are the amounts in the Planning and Administration fund not classified as nonspendable, restricted, committed, or assigned.

The unassigned fund balance includes an operating reserve of $2,625,000 at June 30, 2025. The unassigned fund balance also includes funds previously reported in the SACOG Managed Fund now included in the Planning and Administration fund. The SACOG Managed Fund has been used to accumulate funds from local agencies for reimbursement of projects originally expected to have been completed with local funds but were instead funded with available Federal Funds. Through these reimbursement arrangements, SACOG has been able to accumulate flexible local funds without the burden of state and federal restrictions and processes. The SACOG Managed Fund has been used to provide financing and cash flow to benefit local agency projects. As of June 30, 2025, the approximate amount of unassigned fund balance that is attributable to the SACOG Managed Fund was $9,136,843. The SACOG Managed Fund cash balance was $11,527,235.

Pensions

In the government-wide financial statements, retirement plans are required to be recognized and disclosed using the accrual basis of accounting (see Note M), regardless of the amount recognized as pension expenditures on the governmental fund statements, which use the modified accrual basis of accounting.

SACOG recognizes a net pension liability which represents SACOG's proportional share of the excess of the total pension liability over the fiduciary net position of the pension reflected in the actuarial report provided by California Public Employees' Retirement System (CalPERS). The net pension liability is measured as of SACOG's prior fiscal year-end. Employer pension contributions made subsequent to the measurement period are recorded as deferred outflows of resources. For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of SACOG's pension plan with CalPERS (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE A — Summary of Significant Accounting Policies, Continued

Postemployment Benefits Other Than Pensions (OPEB)
For purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position of SACOG's other postemployment benefits plan (OPEB Plan), and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit term. Investments are reported at fair value.

V. Implementation of New Governmental Accounting Standard

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provides guidance for a consistent recognition and measurement of the compensated absence liability. SACOG has determined this Statement did not have a material effect on the financial statements.

GASB Statement No. 102 – In January 2024, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The Statement requires management to evaluate whether there are risks related to a government's vulnerabilities due to certain concentrations or constraints that require disclosure. SACOG has determined that this statement did not have an effect on the financial statements.

NOTE B — Budgetary Information

The Board adopts an annual budget for the SACOG Planning and Administration General Fund (General and Administration Fund) and the SAFE Funds based on anticipated projects at the beginning of the year. The Planning and Administration Fund annual budget includes the Overall Work Program (OWP) activities, Board of Directors and Advocacy budget, capital assets, and can include other related functions not associated with the OWP. The annual budgets are prepared on a modified accrual basis of accounting and adopted on a basis consistent with generally accepted accounting principles. The legal level of control is at the object level by fund and the Board must approve additional appropriations.

The OWP is intended to comply with SACOG's federal grant responsibilities and to serve as a management device to measure financial and program performance. The OWP work elements include (1) Core and Long-Range Transportation and Planning Activities, (2) Discretionary Transportation Planning Grant Activities and Partnership Projects, (3) Regional Projects, (4) Pass-Through to Other Agencies, and (5) Services to Other Agencies. The OWP identifies grant sources and the line-item budget allocation to support each work element's direct and indirect costs. Management determines fund sources and line-item budget amounts for all projects in accordance with the objectives and tasks of each project. Line-item budgets are established for staff, indirect and fringe benefits, consultants, pass-through, and other designated line items. The Overall Work Program requires the approval of the California Department of Transportation (Caltrans), Federal Highway Administration (FHWA), and the Federal Transit Administration (FTA) after the adoption by the Board of Directors.

NOTE B — Budgetary Information, Continued

During the Fiscal Year 2024-2025 the original adopted budget was amended by the Board of Directors. The final budget data contained in the financial statements reflects the effect of all approved budget amendments.

The STA, SGR and LTF special revenue funds have distinct and separate annual Board approval processes (February and March of each year) whereby their annual funds are apportioned and allocated for the next year, and therefore not included in SACOG's budgetary process. Glenn County SAFE is a legally separate organization (and included as a component unit herein) that has contracted with SACOG to provide management and accounting services for implementing, operating, and maintaining the motorist aid system of callboxes with the County of Glenn pursuant to Street and Highway Code Section 2553. The County of Glenn has not directed SACOG to prepare a budget for their activities.

Because of SACOG's dependency on federal, state, and local budgetary decisions, revenue estimates are based upon the best available information as to potential sources of funding. SACOG's annual budget differs from that of a local government in two respects: (i) the uncertain nature of grant awards from other entities, and (ii) conversion of grant budgets to a fiscal year basis.

NOTE C — Cash and Investments

Investments Authorized by the California Government Code and SACOG's Investment Policy

The table below identifies the investment types that are authorized for SACOG by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

	Maximum Maturities	Maximum Concen-trations	Maximum Investment in One Issuer	Minimum Rating
U.S. Treasury Notes and Agency Obligations	5 years	100%	--	SP-1/MIGI
Washington Supranational Obligations	5 years	30%	10%	SP-1/MIGI
Bonds Issued by Local Agencies	5 years	80%	--	SP-1/MIGI
Registered State Warrants and Municipal Notes	5 years	80%	--	None
Bankers' Acceptances	180 days	40%	10%	A-1
Commercial Paper	270 days	40%	10%	A1/P1
Negotiable Certificates of Deposit	180 days	30%	10%	A-1
CRA Bank Deposits/Certificates of Deposit	1 Year	30%	--	A-2/P-2
Repurchase Agreements	1 Year	30%	10%	None
Reverse Repurchase Agreements	92 days	20%	10%	None
Medium Term Corporate Notes	180 days	30%	10%	A-1
Shares of Money Market Mutual fund	SEC regs	20%	10%	None
Collateralized Mortgage Obligations	180 days	20%	10%	None
Local Agency Investment Fund (LAIF)	--	Max $75 million per account	10%	None

NOTE C — Cash and Investments, Continued

The ultimate maximum maturity of any investment shall be five (5) years. The dollar-weighted average maturity of all securities shall be equal to or less than three (3) years.

No more than 80 percent of the portfolio may be invested in issuers other than United States Treasuries and Government Agencies. No more than 10 percent of the portfolio, except Treasuries and Agencies, Bonds issued by Local Agencies, Notes, and Bank Deposits may be invested in securities of a single issuer including its related entities.

Restricted Cash and Investments - Pension Trust (Mutual Fund)

During the fiscal year ending June 30, 2021, SACOG established a Section 115 trust with California Public Employees' Retirement System (CalPERS) called California Employers' Pension Prefunding Trust (CEPPT) that is dedicated to pre-funding employer contributions to the defined benefit pension plan. Trust account holders can select one of two strategy options for investments. SACOG selected the CEPPT asset allocation Strategy 1 portfolio, which seeks to provide capital appreciation and income consistent with its strategic asset allocation.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. SACOG manages its exposure to interest rate risk by investing a significant portion of its investments in investment pools not subject to such risk and by purchasing investments with maturity dates evenly distributed over time. SACOG's cash and investments at county pools and their respective maturities are as follows:

	Weighted Average Maturity		Total Fair Value
Governmental Funds:	No Maturity	0 - 5 Years	at June 30, 2025
Petty Cash	$ 300	$ -	$ 300
Deposits in banks	228,620	-	228,620
Mutual Fund	2,206,070	-	2,206,070
County of Sacramento investment pool	-	89,923,993	89,923,993
County of Sutter investment pool	-	5,745,305	5,745,305
County of Yolo investment pool	-	29,120,770	29,120,770
County of Yuba investment pool	-	726,758	726,758
Total Cash and Investments	$ 2,434,990	$ 125,516,826	$ 127,951,816
Fiduciary Funds:			
Deposits in banks	$ 22,000	$ -	$ 22,000
County of Sacramento investment pool	-	683,871	683,871
Total Cash and Investments	$ 22,000	$ 683,871	$ 705,871

NOTE C — Cash and Investments, Continued

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. SACOG's investments in the Mutual Fund and the County of Sacramento, County of Sutter, County of Yolo, and County of Yuba's investment pools are not rated.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

SACOG has no exposure to custodial credit risk because it primarily invests in external investment pools and CEPPT (Mutual Fund). The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secures deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. At year end, the carrying amount of SACOG's cash deposits was $25,620 which was fully insured and collateralized.

Fair Value Measurements

SACOG categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. SACOG's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals are made on the basis of $1 and not fair value. Accordingly, the SACOG's proportionate share of investments held in County Treasurers' Investment Pools at June 30, 2025, of $125,516,826 are uncategorized inputs not defined as Level 1, Level 2, or Level 3 inputs. SACOG's investment in the Mutual Fund is Categorized as Level 1.

NOTE D — Receivables

Receivables as of June 30, 2025, for SACOG are as follows:

Fund Name	Accounts Receivable	Due from Other Governments	Interest Receivable	Miscellaneous Receivable	Total
Planning and Administration	$ -	$ 10,769,582	$ 449,666	$ 360,437	$ 11,579,685
State Transit Assistance Fund	-	6,463,413	518,321	-	6,981,734
State of Good Repair Fund	-	1,157,185	139,237	-	1,296,422
Local Transportation Funds	-	20,243,486	305,227	-	20,548,713
SB 125 Funds	-	-	992,106	-	992,106
SAFE Funds	488,049	-	77,567	-	565,616
Total Receivables – Governmental Activities	$ 488,049	$ 38,633,666	$ 2,482,124	$ 360,437	$ 41,964,276

NOTE E — Capital Assets

Capital asset activity for the fiscal year ended June 30, 2025, was as follows:

	July 1, 2024	Additions	Deletions	June 30, 2025
Capital assets, being depreciated:				
Computers	$ 666,357	$ -	$ -	$ 666,357
Equipment	31,537	39,709	31,537	39,709
Leasehold Improvements	680,070	-	-	680,070
Total capital assets, being depreciated	1,377,964	39,709	31,537	1,386,136
Less accumulated depreciation:				
Computers	448,157	74,155	-	522,312
Equipment	31,537	3,971	31,537	3,971
Leasehold Improvements	318,274	69,083	-	387,357
Total accumulated depreciation	797,968	147,209	31,537	913,640
Total net book value of capital assets, being depreciated	579,996	(107,500)	-	472,496
Right to use leased and subscription IT assets, being amortized:				
Right to Use Lease Building	6,165,674	-	-	6,165,674
Right to Use Lease Automobile	14,923	-	-	14,923
Right to Use Subscription IT Assets	1,958,042	1,292,010	-	3,250,052
Total right to use leased and subscription IT assets being amortized	8,138,639	1,292,010	-	9,430,649
Less accumulated amortization:				
Right to Use Lease Building	2,242,062	747,354	-	2,989,416
Right to Use Lease Automobile	9,769	3,256	-	13,025
Right to Use Subscription IT Assets	661,414	601,792	-	1,263,206
Total accumulated amortization	2,913,245	1,352,402	-	4,265,647
Total net book value of right to use lease assets, being amortized	5,225,394	(60,392)	-	5,165,002
Total net book value of capital assets	$ 5,805,390	$ (167,892)	$ -	$ 5,637,498

Depreciation and amortization expense is charged to the planning and administration function in the statement of activities.

Notes to the Basic Financial Statements (Continued)

For the Fiscal Year Ended June 30, 2025

NOTE F — Payables

Payables as of June 30, 2025, for SACOG are as follows:

Fund Name	Accounts Payable	Accrued Liabilities	Due to Other Funds	Due to Other Governments	Total
Planning and Administration	$ 3,166,630	$ 40,781	$ -	$ -	$ 3,207,411
State Transit Assistance Fund	-	-	-	25,424,471	25,424,471
State of Good Repair Fund	-	-	-	5,851,056	5,851,056
Local Transportation Funds	-	-	-	46,549,182	46,549,182
SB 125 Funds	-	-	52,837	14,211,180	14,264,017
SAFE Funds	129,211	-	252,812	-	382,023
Total Payables – Governmental Funds	$ 3,295,841	$ 40,781	$ 305,649	$ 92,035,889	$ 95,678,160

NOTE G — Leases

Changes in the lease liability for the fiscal year ended June 30, 2025, are summarized as follows:

	July 1, 2024	Additions	Deletions	June 30, 2025	Due within One year
Lease Liability	$ 4,156,067	$ -	$ 730,388	$ 3,425,679	$ 758,157

SACOG has entered into two agreements to lease certain assets. The first lease is to lease a vehicle for business use. Under the terms of the lease, SACOG is required to make monthly principal and interest payments of $280 through January, 2026. The second lease is to lease commercial office space which expires on September 30, 2029. Under the terms of the lease, SACOG is required to make monthly principal and interest payments, with payment amounts increasing by 2.5% in October of each year. Monthly principal and interest payments were $63,568 in July 2024 increasing to a monthly payment of $65,158 in October 2024. SACOG used an interest rate of 1.31% on each lease respectively, based on SACOG's estimated incremental borrowing rate at the inception of the leases.

Remaining obligations associated with these leases are as follows:

Year ending June 30,	Principal	Interest
2026	$ 758,157	$ 40,354
2027	786,207	30,260
2028	817,102	19,776
2029	848,918	8,882
2030	215,295	470
Total	$ 3,425,679	$ 99,742

NOTE H — Subscription Based Information Technology Arrangements (SBITA)

SACOG has entered into 19 SBITA contracts for various software subscriptions. SACOG is required to make principal and interest payments through November 2028. The SBITA contracts have an interest rate of 4.86% - 5.78% based on SACOG's incremental borrowing rate at the inception of the subscriptions.

A summary of the changes in subscription IT liabilities during the year ended June 30, 2025 is as follows:

	July 1, 2024	Additions	Deletions	June 30, 2025	Due within One year
IT Subscription Liability	$ 1,098,686	$ 1,292,010	$ 696,239	$ 1,694,457	$ 659,311

Remaining obligations associated with these SBITA's are as follows:

Year ending June 30,	Principal	Interest
2026	$ 659,311	$ 72,828
2027	465,730	41,015
2028	361,719	18,894
2029	207,697	5,433
Total	$ 1,694,457	$ 138,170

NOTE I — Compensated Absences

Compensated absences activity for the fiscal year ended June 30, 2025, was as follows:

	July 1, 2024	Net Change	June 30, 2025	Due within One year
Compensated Absences	$ 941,568	$ 40,802	$ 982,370	$ 361,938

A portion of the ending balance is expected to be paid out in the next fiscal year so it is categorized as due within one year.

NOTE J — Contingent Liabilities and Commitments

SACOG received federal and state grants for specific purposes that are subject to review and audit by the granting agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, SACOG believes such disallowance, if any, will be immaterial.

NOTE J — Contingent Liabilities and Commitments, Continued

Commitments generally represent open consultant contracts and subrecipient agreements, whereby the goods and services for which the contracts and agreements were set up but were not received or provided by the end of the year and are expected to be liquidated in the following year(s). In some cases, certain longer-term amounts (commitments) are shown at their total amount, even though the work to be performed will cover multiple future years' activity and be funded by future revenues.

At June 30, 2025, the Planning and Administration Fund commitments totaled $52,043,618, of which $1,028,352 is included in the restricted, committed, and assigned fund balances and the remaining balance of $51,015,266 will be paid with future revenues. The SAFE Fund commitments totaled $612,204 at June 30, 2025. These amounts are not intended to tie out to the committed fund balance sections of the financial statements.

NOTE K — 401(a)/ Special Pay Plans

The Board of Directors has established six defined contribution plans (IRC Section 401(a)) for SACOG employees. The contributions to these plans are 100% vested at the time of contribution. As a defined contribution plan, benefits are dependent solely on amounts contributed to the plan plus investment earnings. These plans are administered by MissionSquare Retirement (formerly ICMA-RC).

The first plan is the FICA-Alternative Plan. This plan is for temporary employees and interns. These employees are exempt from the Old Age and Survivors Disability Insurance portion of Social Security and employees contribute 7.5 percent of their gross pay to the plan. These funds are fully vested to the employee. Under this program, neither SACOG nor the employee contribute to Social Security. SACOG does not contribute to this plan, and it is funded solely by the employee.

The second plan is for year-end PTO hours and employees who terminate employment. The cash value of Paid Time Off (PTO) leave in excess of 350 hours is deposited to the Special Pay Plan based on the PTO balance as of June 30, 2025. In addition, any employee who separates from SACOG employment with cash value of accumulated PTO hours over 80 hours will be deposited to the Special Pay Plan, subject to IRS limitation. Total contributions to this plan were $91,796 for the year.

The third plan is a voluntary 401(a) money purchase program for all regular employees. SACOG does not contribute to the plan, and it is funded solely by voluntary employee contributions. Employees may designate a percentage of compensation they wish to contribute up to the then-current IRS limits for 401(a) contributions. The minimum contribution is 1 percent of gross taxable monthly salary, and the maximum contribution is 20 percent of gross taxable monthly salary. Contributions shall be in increments of 1 percent only. Once an option is selected, changes may not be made to the amount contributed or to select an option to not participate. Deposits to the MissionSquare 401(a) Plan shall be coordinated with deposits to the Special Pay Plan in manner such that the then-current maximum amount to be deposited to an individual 401(a) plan is not exceeded for any employee.

NOTE K — 401(a)/ Special Pay Plans, Continued

The fourth plan is for eligible employees who opt out of retiree health benefits and instead choose to have ten years of the Kaiser two-party Sacramento premium rate at the time of retirement deposited into a health retirement savings account (HRSA). Additionally, new hires starting employment with SACOG on or after July 1, 2017, will receive $50 per month deposited into the HRSA plan as a hybrid defined benefit/defined contribution plan. SACOG will continue to pay the then-current minimum health insurance contribution for retirees (PEMHCA minimum), which is currently $158 per month. Total contributions to this plan as of June 30, 2025, were $119,391.

The fifth plan is an executive deferred compensation plan. Per employment contract, the executive director has deferred compensation contributed by SACOG to a 401(a) plan. SACOG contributes 5% of earnings on behalf of the executive director. This plan was amended to include $350 that was previously deposited in the 457 Plan. Total contributions to this plan as of June 30, 2025, were $19,816.

The sixth plan is for PEPRA non-management employees who will receive 1% of salary deposited into the 401(a) as a hybrid defined benefit/defined contribution plan. Total contributions to this plan as of June 30, 2025, were $45,049.

NOTE L — Risk Management

SACOG is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. SACOG reports its risk management activities in its Planning and Administration Fund and SAFE Funds. SACOG purchases commercial insurance through the Golden State Risk Management Authority, a pooled risk Joint Powers Authority. To date, there have been no reductions in any of SACOG's insurance coverage, and no settlement amounts have exceeded commercial insurance coverage for the last three years.

NOTE M — Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple- Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. SACOG sponsors one miscellaneous rate Plan. Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

NOTE M — Pension Plan, Continued

Assembly Bill (AB) 340 created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of "new member" under PEPRA. Employees who meet the definition of "classic member" hired on or after January 1, 2013 fall into the Tier II benefit formula.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The rate plan provisions and benefits in effect at June 30, 2025, are summarized as follows:

	MISCELLANEOUS		
	Tier I	Tier II	PEPRA
Hire Date	Prior to May 1, 2011	May 1, 2011 - December 31, 2012	On or after January 1, 2013
Benefit Formula	2.5% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	55	55	62
Monthly benefits, as a % of annual salary	2.5%	2%	2%
Required employee contribution rates	7.96%	6.93%	8.00%
Required employer contribution rates	14.75%	12.41%	8.07%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. SACOG is required to contribute the difference between the actuarially determined rate and the contribution rates of employees. Based on the most recent MOU with SEA, employees pay their full employee share of PERS contributions beginning on July 1, 2019. Additionally, Tier I and Tier II employees split with SACOG (50-50) of any normal increase of the employer rate, with a 1 percent cap for the burden on employees beginning on July 1, 2019.

NOTE M — Pension Plan, Continued

SACOG's employer contributions to the Plan for the year ended June 30, 2025 were $2,384,089.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources to Pensions

As of June 30, 2025, SACOG reported a net pension liability for its proportionate share of the net pension liability of the Plan of $20,565,932. The net pension liability is liquidated from the Planning and Administration fund.

SACOG's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. SACOG's proportion of the net pension liability was based on a projection of SACOG's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. SACOG's proportionate share of the net pension liability measured as of June 30, 2024, and 2023 was as follows:

Proportion - June 30, 2023	0.16627%
Proportion - June 30, 2024	0.16958%
Change	0.00331%

For the year ended June 30, 2025, SACOG recognized pension expense of $644,919. At June 30, 2025, SACOG reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumptions	$ 528,587	$ -
Difference between expected and actual experience	1,778,113	69,381
Net differences between projected and actual earnings on plan investments	1,183,956	-
Changes in proportion and differences between employer's contributions and proportionate share of contributions	99,264	595,776
Pension contributions subsequent to the measurement date	2,384,089	-
Total	$ 5,974,009	$ 665,157

NOTE M — Pension Plan, Continued

The $2,384,089 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30		
2026	$	777,604
2027		2,573,286
2028		(20,399)
2029		(405,728)
Total	$	2,924,763

Actuarial Assumptions – The total pension liabilities in the June 30, 2023 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Inflation	2.30%
Investment Rate of Return	6.90%
Projected Salary Increase	Varies by Entry Age and Service
Mortality	Derived using CalPERS' Membership Data for all Funds (1)

(1) The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 80% of scale MP 2020. For more details on this table, please refer to the November 2021 experience study report that can be found on the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

NOTE M — Pension Plan, Continued

The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	Target Allocation	Real Return Years 1-10
Global Equity - cap-weighted	30.00%	4.54%
Global Equity - non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-back Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE M — Pension Plan, Continued

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the SACOG's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what SACOG's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1 % Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Net Pension Liability	$ 30,422,339	$ 20,565,932	$ 12,452,659

Pension Plan Fiduciary Net Position – Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE N — Other Postemployment Benefit Plan (OPEB)

General Information about the OPEB Plan

Plan Description

SACOG has established a Retiree Healthcare Plan (HC Plan) and participates in an agent multi-employer plan with the California Employer's Retiree Benefit Trust (CERBT or The Plan). The CERBT was established by Chapter 331 of the 1988 California Statutes, and employers elect to participate in the CERBT to pre-fund health, dental, and other non-pension postemployment benefits for their retirees and survivors. The CERBT has pooled administrative and investments functions, while separate employer accounts are maintained to prefund and pay for health care or other postemployments in accordance to terms of participating employers' plans. The Plan is administered by the California Public Employees' Retirement System (CalPERS). Financial statements of CERBT are included in the CalPERS ACFR. Copies of the CalPERS ACFR may be obtained from the CalPERS Executive Office – 400 P Street, Sacramento, California, 95814.

Benefits Provided

Through June 30, 2017, SACOG provided three-tier post-retirement health insurance coverage, in accordance with the Public Employees' Medical and Hospital Care Act (PEMHCA), Chapter One, Article 8 of the California Public Employees Retirement Law, to employees who retire under the Public Employee's Retirement System on or after attaining the age of 50. On July 1, 2017, a new Memorandum of Understanding between SACOG and the SACOG Employees Association modified post-retirement health benefits for future retirees (current employees) and all new hires. The long-term effect of this change should reduce SACOG's overall OPEB liability with the reduction of future

NOTE N — Other Postemployment Benefit Plan (OPEB), Continued

benefits for current employees and the introduction of a hybrid defined benefit/defined contribution plan for new employees. The benefits below are provided to employees who retired prior to December 31, 2018:

- Tier I employees receive 100 percent of their health premiums up to the maximum amount of the Kaiser Bay Area/Sacramento Family rate, currently $2,893.54 per month.
- Tier II employees, those hired after November 1, 2005, and before June 30, 2006, are funded based on the vesting schedule identified in Article 8 of the PEMHCA. Employees who have five years of SACOG service and five years of other PERS service shall receive the premium value of 50 percent of the Kaiser Bay Area/Sacramento Family rate. Tier II employees will also receive an additional 5 percent of the premium for each year up to 20 years of service which will entitle them to 100 percent of the Kaiser Bay Area/Sacramento Family rate.
- Tier III employees, those hired on or after July 1, 2006, are subject to the same vesting schedule as Tier II employees; however, their benefit is limited to the Kaiser/Sacramento Two-Party Basic premium, currently $2,225.80 per month.

In addition, employees hired prior to July 1, 2006, may "opt out" of any retiree health benefits in exchange for monthly Health Retirement Savings Account payments, net of OASDI and Medicare premiums, equal to the Kaiser Bay Area/Sacramento Two-Party Basic premium as of the retirement date, for ten years from the date of retirement. As of June 30, 2025, 5 retirees and their spouses met the Tier I eligibility requirements, and there were no Tier II retirees and no Tier III retirees.

There are two Tiers that took effect January 1, 2019 for employees retiring on or after that date:

- Tier 1: For employees hired prior to July 1, 2017, those who retire from SACOG and retire from CalPERS within 120 days would receive the same SACOG contribution towards the medical benefit premium amount as existing employees, with the vesting schedule based on years of service at SACOG if applicable, below. As the employee benefit portion paid by SACOG increases, retirees will see this same increase. SACOG will pay the then-current PEMHCA minimum, which is set by CalPERS. The current rate is $158 per month towards CalPERS-provided health premiums. The rest of the premium will be paid to the retiree through an HRSA, and the premium amount will be deposited by direct deposit to the retiree account once the retiree identifies annually to the benefits administrator the monthly premium amount. Tier 1 employees hired prior to July 1, 2006 will still be eligible for the "opt out" option described above.
- Tier 2: For employees hired starting on or after July 1, 2017, those who retire from SACOG and retire from CalPERS within 120 days will receive the then-current PEMHCA minimum, which is set by CalPERS. The current rate is $158 per month towards CalPERS-provided health premiums. An additional $50 per month will be added to a portable HRSA during employment at SACOG (i.e., the employee can take the HRSA funds if they leave SACOG, pre- or post-retirement).

NOTE N — Other Postemployment Benefit Plan (OPEB), Continued

SACOG provides post-retirement health benefits to spouses, surviving spouses and dependent children (up to age 26) of eligible retirees. SACOG's policy is to contribute the cost of retiree and dependent medical coverage based on the limits identified above. Once the eligible retiree has reached the age of 65, the retiree is required to enroll in Medicare, and the cost to SACOG decreases.

As of the most recent valuation date, the following current and former employees were covered by the benefit terms under the HC Plan:

Active employees	60
Inactive employees or beneficiaries currently receiving benefit payments	49
Total	109

Contributions

The contribution rate is determined on an annual basis by an independent actuary and is authorized by the SACOG Board of Directors. The annual contribution is based on the actuarially determined contribution. Employees are not required to contribute to the plan. Contributions recognized by the plan from the employer for the year ended June 30, 2025 were **$**515,950.

OPEB Liability

SACOG's net OPEB liability of the HC Plan was measured as of June 30, 2024, using an actuarial valuation as of June 30, 2023. The net OPEB liability is liquidated from the Planning and Administration fund.

Actuarial Assumptions – The total OPEB liability in the June 30, 2024 (measurement period) actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:	
Measurement Date	June 30, 2024
Valuation Date	June 30, 2024
Inflation	2.50%
Salary increases	2.75%
Investment rate of return	6.75%
Mortality rate	2021 CalPERS Mortality for Miscellaneous and Schools Employees
Healthcare cost trend rates	4% per year

NOTE N — Other Postemployment Benefit Plan (OPEB), Continued

The long-term expected rate of return on the HC Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	49%	7.25%
Fixed Income	23%	4.25%
Global Real Estate (REIT)	20%	7.25%
Treasury Inflation Protected Securities	5%	7.25%
Commodities	3%	3.00%
Total	100%	

Discount Rate – The discount rate used to measure the total OPEB liability was 6.75 percent for the Plan, which is a change from 6.10 percent used in the 2023 measurement period. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that SACOG's contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, the HC Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total liability.

Changes in the Net OPEB liability for the HC Plan measured as of June 30, 2024 are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2024	$ 10,268,674	$ 6,366,461	$ 3,902,213
Changes in the year:			
Service cost	190,826	-	190,826
Interest on total OPEB liability	609,859	697,761	(87,902)
Contribution - employer	-	591,457	(591,457)
Benefit payments	(732,786)	(732,786)	-
Administrative expenses	-	(2,075)	2,075
Experience (Gains)/Losses	1,574,095	-	1,574,095
Changes in Assumptions	(1,944,928)	-	(1,944,928)
Other	-	-	-
Net change	(302,934)	554,357	(857,291)
Balance at June 30, 2025	$ 9,965,740	$ 6,920,818	$ 3,044,922

NOTE N — Other Postemployment Benefit Plan (OPEB), Continued

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability of SACOG, as well as what the SACOG's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate, for measurement period ended June 30, 2024.

	1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
Net OPEB liability	$ 4,089,554	$ 3,044,922	$ 2,166,770

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the net OPEB liability of SACOG, as well as what the SACOG's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (4.8%) or one percentage point higher (6.8%) than the current healthcare cost trend rates (5.8%):

	1% Decrease in Healthcare Trend Rate	Current Healthcare Cost Trend Rate	1% Increase in Healthcare Trend Rate
Net OPEB liability	$ 2,053,968	$ 3,044,922	$ 4,246,564

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CalPERS financial reports.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2025, SACOG recognized OPEB expense of $(230,401) and reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	$ 445,172	$ 1,695,578
Differences between expected and actual experience	1,372,287	422,776
Net difference between projected and actual earnings on plan investments	77,736	-
OPEB contributions subsequent to measurement date	515,950	-
Total	$ 2,411,145	$ 2,118,354

NOTE N — Other Postemployment Benefit Plan (OPEB), Continued

The $515,950 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended June 30,		
2026	$	(61,207)
2027		164,526
2028		(92,709)
2029		(100,646)
2030		(47,542)
Thereafter		(85,581)
	$	(223,159)

Required Supplementary Information

Required Supplementary Information
Schedule of SACOG'S Proportionate Share of the Net Pension Liability

For the Fiscal Year Ended June 30, 2025
Last 10 Fiscal Years

	2025	2024	2023	2022
SACOG's Proportion of the net pension liability	0.16958%	0.16627%	0.16854%	0.19921%
SACOG's Proportionate share of the net pension liability	$ 20,565,932	$ 20,743,057	$ 19,467,971	$ 10,774,039
Covered payroll	$ 7,222,412	$ 6,375,850	$ 5,445,822	$ 5,686,986
SACOG's Proportionate Share of the net pension liability as a percentage of covered payroll	35.12%	30.74%	27.97%	52.78%
Plan fiduciary net position as a percentage of the total pension liability	78.08%	76.21%	76.68%	88.29%
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021

Required Supplementary Information
Schedule of SACOG'S Proportionate Share of the Net Pension Liability

For the Fiscal Year Ended June 30, 2025
Last 10 Fiscal Years

2021	2020	2019	2018	2017	2016
0.15829%	0.15864%	0.15807%	0.15793%	0.15979%	0.16382%
$ 17,222,664	$ 16,254,664	$ 15,231,710	$ 15,664,853	$ 13,826,741	$ 11,244,576
$ 5,801,807	$ 5,610,618	$ 5,311,623	$ 5,214,553	$ 5,066,256	$ 5,070,320
33.69%	34.52%	34.87%	33.29%	36.64%	45.09%
75.10%	75.26%	75.26%	70.93%	74.06%	78.40%
June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015

Required Supplementary Information
Schedule of Contributions – Retirement Plan
For the Fiscal Year Ended June 30, 2025
Last 10 Fiscal Years

	2025	2024	2023
Actuarially determined contributions	$ 2,384,089	$ 2,072,097	$ 2,041,703
Contributions in relation to the actuarially determined contribution	2,384,089	2,072,097	2,041,703
Contribution deficiency (excess)	$ -	$ -	$ -
Covered payroll	$ 7,458,754	$ 7,222,412	$ 6,375,850
Contributions as a percentage of covered payroll	31.96%	28.69%	32.02%

Required Supplementary Information
Schedule of Contributions – Retirement Plan

For the Fiscal Year Ended June 30, 2025

Last 10 Fiscal Years

2022	2021	2020	2019	2018	2017	2016
$ 1,797,626	$ 1,929,552	$ 1,778,408	$1,590,293	$ 1,395,452	$ 1,292,761	$ 1,194,202
1,797,626	1,929,552	1,778,408	1,590,293	1,395,452	1,292,761	1,194,202
$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 5,445,822	$ 5,686,986	$ 5,801,807	$5,610,618	$ 5,311,623	$ 5,214,553	$ 5,066,256
33.01%	33.93%	30.65%	28.34%	26.27%	24.79%	23.57%

Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2025
Last 10 Fiscal Years*

	2025	2024	2023
Total OPEB liability			
Service cost	$ 190,826	$ 185,268	$ 202,800
Interest on the total OPEB liability	609,859	609,117	684,186
Differences between actual and expected experience	-	-	-
Changes of assumptions	(1,944,928)	-	760,830
Benefit payments, including refunds of employee contributions	(732,786)	(651,926)	(596,605)
Changes of benefit terms	-	-	(242,324)
Plan experience	1,574,095	-	(622,577)
Net change in total OPEB liability	(302,934)	142,459	186,310
Total OPEB liability - beginning	10,268,674	10,126,215	9,939,905
Total OPEB liability - ending (a)	$ 9,965,740	$ 10,268,674	$ 10,126,215
Plan fiduciary net position			
Contributions - employer	$ 591,457	$ 651,926	$ 658,602
Net investment income	697,761	384,191	(916,591)
Benefit payments	(732,786)	(651,926)	(596,605)
Administrative expenses	(2,075)	(1,738)	(1,732)
Other expenses	-	-	-
Net change in plan fiduciary net position	554,357	382,453	(856,326)
Plan fiduciary net position - beginning	6,366,461	5,984,008	6,840,334
Plan fiduciary net position - ending (b)	6,920,818	6,366,461	5,984,008
Net OPEB liability - ending (a)-(b)	$ 3,044,922	$ 3,902,213	$ 4,142,207
Plan fiduciary net position as a percentage of the total OPEB liability	69.45%	62.00%	59.09%
Covered-employee payroll	$ 7,219,594	$ 6,507,338	$ 5,445,822
Net OPEB liability as a percentage of covered-employee payroll	42.18%	59.97%	76.06%
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022

Notes to Schedule:

*Fiscal year 2018 was the first year of implementation, therefore only eight years are shown.

Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2025

Last 10 Fiscal Years*

2022	2021	2020	2019	2018
$ 196,893	$ 233,675	$ 226,320	$ 232,998	$ 225,664
664,624	663,187	641,287	676,349	644,344
-	(350,731)	-	(967,249)	51,759
-	149,311	-	92,179	-
(575,301)	(564,347)	(559,879)	(497,096)	(439,248)
-	-	-	-	-
-	-	-	-	-
286,216	131,095	307,728	(462,819)	482,519
9,653,689	9,522,594	9,214,866	9,677,685	9,195,166
$ 9,939,905	$ 9,653,689	$ 9,522,594	$ 9,214,866	$ 9,677,685
$ 654,342	$ 681,500	$ 676,609	$ 653,354	$ 478,305
1,458,104	177,450	284,966	328,990	391,353
(575,301)	(564,347)	(559,879)	(497,096)	(439,248)
(2,007)	(2,449)	(988)	(2,203)	(1,986)
-	-	-	(5,468)	-
1,535,138	292,154	400,708	477,577	428,424
5,305,196	5,013,042	4,612,334	4,134,757	3,706,333
6,840,334	5,305,196	5,013,042	4,612,334	4,134,757
$ 3,099,571	$ 4,348,493	$ 4,509,552	$ 4,602,532	$ 5,542,928
68.82%	54.96%	52.64%	50.05%	42.72%
$ 5,694,892	$ 5,801,807	$ 5,610,618	$ 5,529,653	$ 5,191,432
54.43%	74.95%	80.38%	83.23%	106.77%
June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017

Required Supplementary Information
Other Postemployment Benefit Plan (OPEB)
Schedule of Contributions
For the Fiscal Year Ended June 30, 2025
Last 10 Fiscal Years*

	2025	2024	2023
Actuarially determined Contributions	$ 515,950	$ 591,457	$ 594,098
Contributions in relation to the actuarially determined contributions	515,950	591,457	651,926
Contribution deficiency (excess)	$ -	$ -	$ (57,828)
Covered-employee payroll	$ 6,609,187	$ 7,219,594	$ 6,507,338
Contributions as a percentage of covered-employee payroll	7.81%	8.19%	10.02%

Notes to Schedule

* Fiscal year 2018 was the first year of implementation, therefore, only eight years are shown.

Required Supplementary Information
Other Postemployment Benefit Plan (OPEB)
Schedule of Contributions
For the Fiscal Year Ended June 30, 2025
Last 10 Fiscal Years*

2022	2021	2020	2019	2018
$ 658,535	$ 654,342	$ 681,500	$ 676,609	$ 607,178
658,602	654,342	681,500	676,609	478,305
$ (67)	$ -	$ -	$ -	$ 128,873
$ 5,445,822	$ 5,694,892	$ 5,801,807	$ 5,610,618	$ 5,529,653
12.09%	11.49%	11.75%	12.06%	8.65%

Schedule of Revenues and Expenditures
Board of Directors and Advocacy
Budget and Actual
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget (over) and under budget
Revenues:				
Member assessments	$ 1,035,649	$ 1,035,649	$ 1,035,651	$ 2
Other	-	-	24,553	24,553
Total revenues	1,035,649	1,035,649	1,060,204	24,555
Expenditures:				
Current:				
Salaries and benefits	401,541	401,531	409,218	(7,687)
Consultant	308,000	308,000	187,360	120,640
Board services	62,749	62,749	69,577	(6,828)
Other direct services	167,000	167,024	76,705	90,319
Other costs	298,756	298,742	334,837	(36,095)
Total expenditures	1,238,046	1,238,046	1,077,697	160,349
Excess (deficiency) of expenditures over (under) revenues	$ (202,397)	$ (202,397)	$ (17,493)	$ (135,794)

Schedule of Indirect Service Costs
For the Fiscal Year Ended June 30, 2025

DIRECT COSTS:		
Salaries	$	4,756,819
INDIRECT COSTS:		
Allocated Indirect Costs (79.05%):		
Service costs		3,760,265
Actual Indirect Costs:		
Building Costs		752,529
Career Development Program		152,358
Computer Software & Maint		326,859
Consultants		245,809
Depreciation		57,403
Insurance		165,001
Legal		124,429
Memberships		51,049
Office Supplies		17,118
Office Equipment		89,722
Publications/Data/Subscriptions		10,492
Recruitment		16,953
Salaries		1,897,008
Salaries-Intern		24,981
Services - Other		45,290
Services - Telecommunications		13,857
Staff Training		47,504
Vehicle Lease		3,264
Travel and Meeting Expenses		3,938
Vehicle Parking		6,000
Total indirect costs		4,051,564
Under-absorbed indirect costs	$	(291,299)

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Statistical Section

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Statistical Section

For the Fiscal Year Ended June 30, 2025

This section of SACOG's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the SACOG's overall financial health. This information has not been audited by the independent auditor.

Financial Trends
These schedules contain trend information to help the reader understand how the SACOG's financial performance and wellbeing has changed over time.

Demographic and Economic Information
These schedules contain demographic and economic indicators to assist the reader in understanding the environment within which SACOG's financial activities take place.

Principal Employers Operational Information
These schedules contain service and infrastructure data to help the reader understand how the information in the SACOG's financial report relates to the services SACOG provides and the activities it performs.

Index of Tables

Net Position by Component

For Ten Fiscal Years Ended June 30

	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES:				
Net Investment in Capital Assets	$ 204,303	$ 209,730	$ 339,945	$ 288,240
Restricted for Pension Contributions (CEPPT)	-	-	-	-
Restricted for Transportation Projects	574,181	473,445	485,831	445,642
Restricted for SAFE	-	-	-	-
Restricted for Transportation Claimants	32,365,872	30,653,263	32,188,187	36,731,395
Unrestricted	2,952,631	3,657,730	957,629	864,290
Total governmental activities Net Position	**$ 36,096,987**	**$ 34,994,168**	**$ 33,971,592**	**$ 38,329,567**

Note: For SACOG, governmental activities are the same as the Primary Government Activities. Therefore, the Primary Government Activities section is not shown.

Source: Individual internal fund statements

Net Position by Component

For Ten Fiscal Years Ended June 30

2020	2021	2022	2023	2024	2025
$ 967,986	$ 830,170	$ 610,910	$ 679,978	$ 550,637	$ 517,362
-	2,005,991	1,752,902	1,840,373	1,997,024	-
1,774,167	1,861,884	1,308,224	950,474	2,752,100	135,582
-	-	-	-	-	3,884,851
30,274,437	51,327,551	60,437,285	46,879,108	31,862,466	45,349,216
(1,495,640)	(2,537,435)	(133,886)	1,778,228	2,973,150	6,577,270
$ 31,520,950	**$ 53,488,161**	**$ 63,975,435**	**$ 52,128,161**	**$ 40,135,377**	**$ 56,464,281**

Note: For SACOG, governmental activities are the same as the Primary Government Activities. Therefore, the Primary Government Activities section is not shown.

Source: Individual internal fund statements

Statement of Activities & Changes in Net Position

For Ten Fiscal Years Ended June 30

	2016	2017*	2018	2019
EXPENSES				
Transportation Claimants	$ 81,636,347	$ 79,530,309	$ 90,155,212	$ 103,433,330
Planning and Administration	16,149,917	22,248,042	21,322,636	16,894,265
Sacramento Emergency Clean Air & Transportation Program	-	-	-	317,840
PTMISEA	5,452,494	4,930,158	4,018,076	3,664,050
Capitol Valley SAFE	2,472,852	2,961,035	3,177,595	3,364,043
Glenn County SAFE	90,061	889	29,140	39,527
SAFE Funds	-	-	-	-
Total Expenses	**$ 105,801,671**	**$ 109,670,433**	**$ 118,702,659**	**$ 127,713,055**
PROGRAM REVENUES				
Operating Grants and Contributions:				
Planning and Administration	11,371,902	17,663,047	18,072,722	11,671,349
Sacramento Emergency Clean Air & Transportation Program	-	303,776	-	-
PTMISEA	887,174	3,902,487	149,858	3,347,585
Charges for Services:				
Planning and Administration	851,521	577,946	1,035,151	1,149,781
Capitol Valley SAFE	2,521,364	2,487,681	2,490,482	2,569,529
Glenn County SAFE	31,453	32,667	32,551	33,416
SAFE Funds	-	-	-	-
Total Program Revenues	15,663,414	24,967,604	21,780,764	18,771,660
Net Expense	**$ (90,138,257)**	**$ (84,702,829)**	**$ (96,921,895)**	**$ (108,941,395)**
General Revenues and Other Changes in Net Position				
State Shared Revenue	$ 82,144,492	$ 83,067,575	$ 99,868,505	$ 111,253,431
Investment Earnings	407,335	421,368	547,564	1,886,474
Other	46,431	111,067	154,091	159,465
Total General Revenues	**$ 82,598,258**	**$ 83,600,010**	**$ 100,570,160**	**$ 113,299,370**
Change in Net Position	(7,539,999)	(1,102,819)	3,648,265	4,357,975
Net Position - Beginning	43,636,986	36,096,987	30,323,327	33,971,592
Prior Period Adjustment Pension Liability GASB 68	-	-	-	-
Prior Period Adjustment Pension Liability GASB 75	-	(4,670,841)	-	-
Prior Period Adjustment - Receivable Recognition	-	-	-	-
Net Position - Ending	**$ 36,096,987**	**$ 30,323,327**	**$ 33,971,592**	**$ 38,329,567**

Note: For SACOG, governmental activities are the same as the Primary Government Activities. Therefore, the Primary Government Activities section is not shown.
*2017 Net Position was restated due to implementation of GASB 68 and 75 respectively.
**2024 Net Position was restated due to the change in recognition of receivables.
Source: Individual internal fund statements

Statement of Activities & Changes in Net Position

For Ten Fiscal Years Ended June 30

	2020	2021	2022	2023	2024**	2025
	$ 111,388,368	$ 94,439,801	$ 125,225,317	$ 159,804,150	$ 156,047,771	$ 207,688,991
	17,160,749	17,183,884	14,245,570	19,247,670	22,534,070	27,931,268
	375	-	-	-	-	-
	3,982,780	910,549	1,574,017	4,457,295	-	-
	2,432,718	-	-	-	-	-
	19,949	-	-	-	-	-
	-	2,469,900	2,258,401	2,513,218	2,731,534	3,160,614
	$ 134,984,939	**$ 115,004,134**	**$ 143,303,305**	**$ 186,022,333**	**$ 181,313,375**	**$ 238,780,873**
	11,576,978	13,114,579	10,150,156	13,506,650	18,322,704	19,548,860
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,066,343	1,471,071	1,255,511	1,354,055	1,001,167	1,302,158
	2,559,315	-	-	-	-	-
	32,598	-	-	-	-	-
	-	2,708,373	2,659,603	2,681,030	2,671,083	2,732,446
	15,235,234	17,294,023	14,065,270	17,541,735	21,994,954	23,583,464
	$ (119,749,705)	**$ (97,710,111)**	**$ (129,238,035)**	**$ (168,480,598)**	**$ (159,318,421)**	**$ (215,197,409)**
	$ 111,018,556	$ 119,562,002	$ 140,860,552	$ 153,150,081	$ 149,189,295	$ 224,190,682
	1,737,139	(16,612)	(1,382,768)	3,094,415	4,782,582	7,139,415
	185,393	131,932	247,525	388,828	68,577	196,216
	$ 112,941,088	**$ 119,677,322**	**$ 139,725,309**	**$ 156,633,324**	**$ 154,040,454**	**$ 231,526,313**
	(6,808,617)	21,967,211	10,487,274	(11,847,274)	(5,277,967)	16,328,904
	38,329,567	31,520,950	53,488,161	63,975,435	52,128,161	40,135,377
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	(6,714,817)	-
	$ 31,520,950	**$ 53,488,161**	**$ 63,975,435**	**$ 52,128,161**	**$ 40,135,377**	**$ 56,464,281**

Note: For

*2017 Net Position was restated due to implementation of GASB 68 and 75 respectively.
**2024 Net Position was restated due to the change in recognition of receivables.
Source: Individual internal fund statements

Changes in Fund Balance
Planning and Administration Fund
For Ten Fiscal Years Ended June 30

	2016	2017	2018	2019
REVENUES				
Federal	$ 7,560,062	$ 12,059,126	$ 12,710,609	$ 7,340,007
State	2,726,891	904,757	3,386,211	2,740,627
Local	1,084,949	1,425,276	3,621,790	2,110,096
Charges for Services	475,533	153,416	595,289	686,918
Member Assessments	375,988	424,530	439,862	462,863
Investment Earnings	54,698	71,896	92,779	301,556
Other	46,431	111,067	122,115	112,323
Total Revenues	12,324,552	15,150,068	20,968,655	13,754,390
EXPENDITURES				
Planning and Administration	15,106,301	21,655,454	19,165,515	15,981,412
Payments to SMF grantees	453,123	272,244	554,757	316,055
Capital Outlay	90,755	68,258	210,452	50,260
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	15,650,179	21,995,956	19,930,724	16,347,727
Deficiency of Revenues under Expenditures	(3,325,627)	(6,845,888)	1,037,931	(2,593,337)
OTHER FINANCING SOURCES				
IT Subscription	-	-	-	-
Transfers in	2,891,043	3,082,708	3,063,312	3,348,050
Change in Fund Balance	(434,584)	(3,763,180)	4,101,243	754,713
Fund Balance - Beginning	13,601,182	13,166,598	9,403,418	13,504,661
Fund Balance - Ending	$ 13,166,598	$ 9,403,418	$ 13,504,661	$ 14,259,374
Fund Balance				
Nonspendable - Prepaid Items	$ 81,339	$ 66,217	$ 59,025	$ 108,059
Restricted:				
Restricted for Transportation Projects	574,181	473,445	485,831	445,642
Restricted for Pension Contributions (CEPPT)	-	-	-	-
Committed:				
Board and Advocacy	384	7,985	32,385	28,452
SACOG Managed Fund Grantees	1,351,093	1,029,814	1,601,425	2,290,899
Assigned:				
Legal Defense	500,000	500,000	500,000	500,000
Self Insurance	200,000	200,000	200,000	200,000
Project Specific Carryover Funds	193,182	193,182	193,182	193,182
Capital Equipment	-	-	-	-
GIS Recipients	184,897	209,897	234,897	259,897
Contengencies	-	-	-	-
Unassigned:				
Unassigned	10,081,522	6,722,878	10,197,916	10,233,243
Total Ending Fund Balance	**$ 13,166,598**	**$ 9,403,418**	**$ 13,504,661**	**$ 14,259,374**

Source: Individual internal fund statements

Changes in Fund Balance
Planning and Administration Fund
For Ten Fiscal Years Ended June 30

2020	2021	2022	2023	2024	2025
$ 6,755,581	$ 6,504,971	$ 5,921,351	$ 7,878,466	$ 9,305,316	$ 10,193,838
4,334,061	3,822,830	3,253,940	4,843,490	8,512,583	8,737,725
894,336	2,368,975	2,054,656	548,725	733,725	610,219
465,049	730,455	375,573	412,990	-	266,507
601,294	740,616	879,938	941,065	1,001,167	1,035,651
315,592	(22,198)	(347,590)	631,072	1,104,609	1,167,409
161,633	131,932	247,525	229,131	121,996	196,216
13,527,546	14,277,581	12,385,393	15,484,939	20,779,396	22,207,565
15,513,013	16,020,331	14,643,561	17,240,725	19,554,444	26,941,430
263,527	225,676	284,288	677,944	371,244	199,587
821,497	22,429	43,582	649,734	727,236	1,331,719
-	-	647,887	1,054,053	1,154,196	1,426,627
-	-	77,106	68,461	95,204	125,681
16,598,037	16,268,436	15,696,424	19,690,917	21,902,324	30,025,044
(3,070,491)	(1,990,855)	(3,311,031)	(4,205,978)	(1,122,928)	(7,817,479)
-	-	-	522,560	688,597	1,292,010
4,804,623	6,416,039	4,337,717	5,187,707	5,064,459	4,681,006
1,734,132	4,425,184	1,026,686	1,504,289	4,630,128	(1,844,463)
14,259,374	15,993,506	20,418,690	21,445,376	22,949,665	27,579,793
$ 15,993,506	$ 20,418,690	$ 21,445,376	$ 22,949,665	$ 27,579,793	$ 25,735,330
$ 86,526	$ 273,296	$ 96,286	$ 117,533	$ 262,299	$ 425,816
1,774,167	1,861,884	1,308,224	950,474	2,752,100	135,582
-	2,005,991	1,752,902	1,840,373	1,997,024	2,206,070
109,919	222,850	250,881	342,792	453,697	441,887
781,510	1,255,834	821,546	967,463	2,621,977	2,390,392
356,575	500,000	500,000	500,000	500,000	500,000
200,000	-	-	-	-	-
193,182	187,137	159,028	408,990	436,061	462,699
-	-	-	156,783	156,783	153,043
258,682	243,105	270,503	-	-	-
-	-	-	1,000,000	1,000,000	1,000,000
12,232,945	13,868,593	16,286,006	16,665,257	17,399,852	18,019,841
$ 15,993,506	**$ 20,418,690**	**$ 21,445,376**	**$ 22,949,665**	**$ 27,579,793**	**$ 25,735,330**

Source: Individual internal fund statements

Changes in Fund Balances – Governmental Funds

For Ten Fiscal Years Ended June 30

	2016	2017	2018	2019
REVENUES				
Sales and Use Taxes	$ 83,031,666	$ 86,970,062	$ 100,018,363	$ 114,601,016
Vehicle registration fees and traffic fines	2,552,816	2,520,348	2,523,033	2,602,945
Intergovernmental:				
Federal	7,560,062	12,059,126	12,710,609	7,340,007
State	2,726,891	1,208,533	3,386,211	2,740,627
Local	1,084,949	1,425,276	3,621,790	2,110,096
Charges for services	475,533	153,416	595,289	686,918
Member assessments	375,988	424,530	439,862	462,863
Investment earnings	407,335	421,368	547,564	1,886,474
Other	46,431	111,067	154,091	159,465
Total Revenues	**98,261,671**	**105,293,726**	**123,996,812**	**132,590,411**
EXPENDITURES				
SAFE services	814,681	742,901	1,126,665	3,403,570
Freeway service patrol	886,303	924,423	1,083,741	-
Equipment and maintenance	414,471	920,121	487,710	-
Insurance and DMV fees	22,293	22,907	26,129	-
Planning and Administration	15,531,462	22,075,284	19,648,005	15,981,412
Payments to SMF grantees	-	-	-	316,055
Transportation Claimants	81,636,347	79,530,309	90,155,212	103,433,330
Public Transportation Modernization				
Improvement & Service Enhancement	5,452,494	4,930,158	4,018,076	3,664,050
Community Design Grants	453,123	272,244	554,757	-
SECAT grants or refunds	-	-	-	317,840
Capital outlay	90,755	-	210,452	50,260
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	106,168,696	109,418,347	117,310,747	127,166,517
Excess of Revenues over Expenditures	(7,907,025)	(4,124,621)	6,686,065	5,423,894
OTHER FINANCING USES				
IT Subscription	-	-	-	-
Transfers in	2,891,043	3,082,708	3,063,312	3,348,050
Transfers out	(2,891,043)	(3,082,708)	(3,063,312)	(3,348,050)
Total other financing uses	-	-	-	-
Net Change in Fund Balances	(7,907,025)	(4,124,621)	6,686,065	5,423,894
Fund Balance - Beginning	55,022,555	47,115,530	42,990,909	49,676,974
Prior Period Adjustment - Receivable Recognition	-	-	-	-
Fund Balance - Ending	**$ 47,115,530**	**$ 42,990,909**	**$ 49,676,974**	**$ 55,100,868**

Source: Individual internal fund statements

Changes in Fund Balances – Governmental Funds

For Ten Fiscal Years Ended June 30

2020	2021	2022	2023	2024	2025
$ 111,018,556	$ 119,562,002	$ 140,860,552	$ 153,150,081	$ 149,189,295	$ 146,710,840
2,591,913	2,708,373	2,659,603	2,681,030	2,671,083	2,732,446
6,755,581	6,504,971	5,921,351	7,878,466	9,305,316	10,193,838
4,334,061	3,822,830	3,253,940	4,843,490	8,512,583	86,217,567
894,336	2,388,397	2,074,865	552,186	737,313	617,297
465,049	730,455	375,573	412,990	-	266,507
601,294	740,616	879,938	941,065	1,001,167	1,035,651
1,737,139	(16,612)	(1,382,768)	3,094,415	4,782,582	7,139,415
185,393	131,932	247,525	335,409	121,996	196,216
128,583,322	**136,572,964**	**154,890,579**	**173,889,132**	**176,321,335**	**255,109,777**
2,452,667	2,469,900	2,258,401	2,513,218	2,731,534	3,160,614
-	-	-	-	-	-
-	-	-	-	-	-
-					
15,513,013	16,020,331	14,643,561	17,240,725	19,554,444	26,941,430
263,527	225,676	284,288	677,944	371,244	199,587
111,388,368	94,439,801	125,225,317	159,804,150	156,047,771	207,688,991
3,982,780	910,549	1,574,017	4,457,295	-	-
-	-	-	-	-	-
375	-	-	-	-	-
821,497	22,429	43,582	649,734	727,236	1,331,719
-	-	647,887	1,054,053	1,154,196	1,426,627
-	-	77,106	68,461	95,204	125,681
134,422,227	114,088,686	144,754,159	186,465,580	180,681,629	240,874,649
(5,838,905)	22,484,278	10,136,420	(12,576,448)	(4,360,294)	14,235,128
-	-	-	522,560	688,597	1,292,010
4,804,623	6,416,039	4,337,717	5,187,707	5,064,459	4,681,006
(4,804,623)	(6,416,039)	(4,337,717)	(5,187,707)	(5,064,459)	(4,681,006)
-	-	-	522,560	688,597	1,292,010
(5,838,905)	22,484,278	10,136,420	(12,053,888)	(3,671,697)	15,527,138
55,100,868	49,261,963	71,746,241	81,882,661	69,828,773	59,442,259
-	-	-	-	(6,714,817)	-
$ 49,261,963	**$ 71,746,241**	**$ 81,882,661**	**$ 69,828,773**	**$ 59,442,259**	**$ 74,969,397**

Source: Individual internal fund statements

Components of Fund Balances

For Ten Fiscal Years Ended June 30

	2016	2017	2018	2019
Nonspendable				
Prepaid Items	$ 84,654	$ 66,217	$ 59,025	$ 108,059
Restricted:				
SECAT Program	-	306,460	309,945	492
PTMISEA Funds	15,178,617	14,269,401	10,566,038	10,662,059
State Transit Assistance Funds	-	144,397	1,229,432	1,517,485
State of Good Repair Funds	-	-	816,435	1,600,037
Local Transportation Funds	12,700,720	11,914,277	15,793,073	20,129,615
Capitol Valley Regional SAFE	4,392,796	3,892,104	3,341,870	2,691,841
Glenn County SAFE	93,739	126,624	131,394	130,358
SAFE Funds	-	-	-	-
SB 125 Funds	-	-	-	-
Restricted for Transportation Projects	574,181	473,445	485,831	445,642
Restricted for Pension Contributions (CEPPT)	-	-	-	-
Committed:				
Board and Advocacy	384	7,985	32,385	28,452
SACOG Managed Fund Grantees	1,351,093	1,029,814	1,601,425	1,034,226
Office Improvements	-	-	-	1,200,000
Assigned:				
Legal Defense	500,000	500,000	500,000	500,000
Self Insurance	200,000	260,000	200,000	200,000
Project Specific Carryover Funds	193,182	193,182	193,182	193,182
GIS Recipients	184,897	209,897	234,897	259,897
Post Employment Benefits (OPEB)	3,909,655	3,939,388	3,984,126	-
Purpose of the Fund	-	-	-	2,909,607
Capital Equipment	-	-	-	-
Contingencies	-	-	-	-
Unassigned:				
Unassigned Fund Balance	7,751,612	5,657,718	10,197,916	11,489,916
Total Fund Balance	**$ 47,115,530**	**$ 42,990,909**	**$ 49,676,974**	**$ 55,100,868**

Source: Individual internal fund statements

Components of Fund Balances

For Ten Fiscal Years Ended June 30

2020	2021	2022	2023	2024	2025
$ 86,526	$ 273,296	$ 96,286	$ 117,533	$ 262,299	$ 425,816
295	-	-	-	-	-
6,909,745	5,971,910	4,352,315	-	-	-
842,909	5,209,812	6,578,115	9,629,828	8,898,139	5,877,220
1,605,345	4,956,169	7,912,566	7,147,439	1,032,176	1,301,864
17,862,156	31,878,903	37,890,860	26,093,026	17,801,547	19,968,524
2,907,548	-	-	-	-	-
146,734	-	-	-	-	-
-	3,310,757	3,703,429	4,008,815	4,130,604	3,884,851
-	-	-	-	-	18,201,608
1,774,167	1,861,884	1,308,224	950,474	2,752,100	135,582
-	2,005,991	1,752,902	1,840,373	1,997,024	2,206,070
109,919	222,850	250,881	342,792	453,697	441,887
781,510	1,255,834	821,546	967,463	2,621,977	2,390,392
-	-	-	-	-	-
356,575	500,000	500,000	500,000	500,000	500,000
200,000	-	-	-	-	-
193,182	187,137	159,028	408,990	436,061	462,699
258,682	243,105	270,503	-	-	-
-	-	-	-	-	-
2,993,725	-	-	-	-	-
-	-	-	156,783	156,783	153,043
-	-	-	1,000,000	1,000,000	1,000,000
12,232,945	13,868,593	16,286,006	16,665,257	17,399,852	18,019,841
$ 49,261,963	**$ 71,746,241**	**$ 81,882,661**	**$ 69,828,773**	**$ 59,442,259**	**$ 74,969,397**

Source: Individual internal fund statements

Total Population by Jurisdiction

For Ten Fiscal Years Ended June 30

	2016	2017	2018	2019*	2020*	2021	2022	2023	2024	2025
SACOG 6- County Region	**2,443,181**	**2,474,083**	**2,502,061**	**2,528,449**	**2,578,590**	**2,577,328**	**2,578,693**	**2,585,309**	**2,615,535**	**2,627,674**
El Dorado County	**183,684**	**185,147**	**188,185**	**190,018**	**191,185**	**191,054**	**190,465**	**188,063**	**190,632**	**190,770**
Placerville	10,555	10,658	10,748	10,836	10,811	10,636	10,646	10,520	10,627	10,642
South Lake Tahoe	21,346	21,346	22,116	22,304	21,425	21,508	21,199	20,688	21,033	21,022
Unincorporated	151,783	153,143	155,321	156,878	158,949	158,910	158,620	156,855	158,972	159,106
Placer County	**376,508**	**383,598**	**389,387**	**395,978**	**404,739**	**407,517**	**409,025**	**410,319**	**420,436**	**421,446**
Auburn	14,135	14,223	14,342	14,440	13,781	13,795	13,608	13,344	13,457	13,286
Colfax	2,083	2,098	2,113	2,121	2,001	2,016	2,042	2,012	2,026	1,996
Lincoln	46,962	47,736	48,264	48,679	49,731	50,422	51,252	52,286	54,167	54,520
Loomis	6,697	6,775	6,803	6,828	6,814	6,833	6,739	6,603	6,729	6,689
Rocklin	61,646	64,205	66,410	68,806	71,290	71,644	71,663	71,472	72,967	73,172
Roseville	132,676	135,398	137,983	141,299	147,245	148,794	151,034	152,858	157,304	158,494
Unincorporated	112,309	113,163	113,472	113,805	113,877	114,013	112,687	111,744	113,786	113,289
Sacramento County	**1,496,385**	**1,512,721**	**1,527,132**	**1,541,301**	**1,585,055**	**1,580,624**	**1,576,618**	**1,583,676**	**1,596,281**	**1,604,745**
Citrus Heights	86,453	87,106	87,550	87,731	87,715	87,245	86,367	86,533	86,655	86,280
Elk Grove	167,395	170,103	171,774	173,170	176,337	176,769	176,972	178,189	180,599	182,842
Folsom	76,562	77,398	78,019	79,171	82,943	83,075	84,592	86,104	88,996	92,577
Galt	24,841	25,153	25,562	25,655	25,467	25,383	25,239	25,540	25,738	26,092
Isleton	814	817	825	827	795	790	780	771	769	764
Rancho Cordova	72,749	74,492	75,937	77,438	79,139	79,536	80,359	81,851	82,837	85,451
Sacramento	487,455	492,858	498,563	505,230	520,264	518,322	518,037	521,871	526,327	527,979
Unincorporated	580,116	584,794	588,902	592,079	612,395	609,504	604,272	602,817	604,360	602,760
Sutter County	**96,868**	**98,607**	**100,634**	**102,914**	**99,633**	**98,908**	**99,145**	**98,704**	**99,431**	**100,257**
Live Oak	8,459	8,850	8,973	9,164	9,159	9,191	9,394	9,491	9,602	9,658
Yuba City	67,669	68,753	70,336	72,005	70,181	69,614	69,663	69,304	69,781	70,453
Unincorporated	20,740	21,004	21,325	21,745	20,293	20,103	20,088	19,909	20,048	20,146
Yolo County	**215,016**	**218,039**	**219,990**	**220,896**	**216,403**	**217,237**	**221,165**	**221,467**	**224,088**	**225,433**
Davis	67,270	68,141	68,596	69,179	64,687	66,687	64,869	65,146	65,708	65,423
West Sacramento	53,089	53,384	53,876	53,995	52,787	53,776	52,837	54,543	54,938	55,403
Winters	6,990	7,130	7,204	7,169	6,954	7,399	7,422	7,597	7,702	8,021
Woodland	58,681	59,568	60,079	60,068	59,654	60,999	60,137	60,374	61,406	61,623
Unincorporated	28,986	29,816	30,235	30,485	32,321	28,376	35,900	33,807	34,334	34,963
Yuba County	**74,720**	**75,971**	**76,733**	**77,342**	**81,575**	**81,988**	**82,275**	**83,080**	**84,667**	**85,023**
Marysville	12,294	12,336	12,323	12,333	13,189	13,003	12,824	12,643	12,825	12,717
Wheatland	3,568	3,591	3,613	3,620	3,720	3,708	3,664	3,823	3,922	4,012
Unincorporated	58,858	60,044	60,797	61,389	64,666	65,277	65,787	66,614	67,920	68,294

* Rise and Fall of total population within Sutter County are due to the temporary movement of persons affected by the Butte County Fires of 2018 into and out of Sutter County

Source: State of California, Department of Finance, E-5 Population Estimates for Cities, Counties and the State, California Department of Finance, Demographic

NOTE: DOF adjusts their population count each year for back years from the latest decennial Census. This table has been updated to reflect changes in population estimates by jurisdiction as of the 2020 E-5 series.

Total Households by County

For Ten Fiscal Years Ended June 30

	2016		2017		2018	
	Total Units	Vacant	Total Units	Vacant	Total Units	Vacant
SACOG Region	**952,724**	**83,625**	**959,216**	**92,747**	**966,695**	**96,697**
El Dorado County	89,675	18,145	90,353	18,422	91,745	18,852
Placer County	160,369	20,075	162,489	20,961	164,820	21,415
Sacramento County	564,517	37,254	567,281	44,636	570,305	47,291
Sutter County	34,205	2,244	34,339	2,253	34,363	2,243
Yolo County	75,869	3,247	76,449	3,793	77,138	4,004
Yuba County	28,089	2,660	28,305	2,682	28,324	2,892

	2019		2020		2021	
	Total Units	Vacant	Total Units	Vacant	Total Units	Vacant
SACOG Region	**974,711**	**97,388**	**997,519**	**68,989**	**1,004,712**	**69,642**
El Dorado County	91,987	18,904	93,467	18,147	94,035	18,161
Placer County	167,548	21,637	172,356	20,255	174,035	20,622
Sacramento County	574,449	47,645	587,551	23,106	591,185	23,338
Sutter County	34,398	2,244	34,499	1,437	34,601	1,442
Yolo County	77,679	4,031	80,188	3,594	81,108	3,605
Yuba County	28,650	2,927	29,458	2,450	29,748	2,474

	2022		2023		2024	
	Total Units	Vacant	Total Units	Vacant	Total Units	Vacant
SACOG Region	**1,014,896**	**70,207**	**1,026,463**	**52,057**	**1,036,065**	**71,342**
El Dorado County	94,680	18,265	95,278	**0**	95,301	18,508
Placer County	177,369	20,813	181,012	20,816	184,178	21,109
Sacramento County	595,939	23,522	601,226	23,448	606,021	23,880
Sutter County	34,749	1,448	34,882	1,465	34,960	1,454
Yolo County	81,945	3,637	83,172	3,826	84,103	3,760
Yuba County	30,214	2,522	30,893	2,502	31,502	2,631

	2025	
	Total Units	Vacant
SACOG Region	**1,048,356**	**72,170**
El Dorado County	95,899	18,373
Placer County	187,722	21,545
Sacramento County	612,589	24,293
Sutter County	35,052	1,457
Yolo County	85,068	3,785
Yuba County	32,026	2,717

Source: California Department of Finances E-5 City/County Population and Housing Estimates (Annual)
(http://www.dof.ca.gov/HTML/DEMOGRAP/ReportsPapers/ReportsPapers.php)
Note: Counts as of July 1, of each year.

* There are a large number of vacation homes in the region. Particularly in El Dorado and Placer Counties unincorporated areas.

NOTE: DOF may adjust their housing unit count each year for back years from the latest decennial Census. This table has been updated to reflect changes in total units estimates by jurisdiction as of the 2020 E-5 series.

Labor Force & Unemployment by County

For Ten Fiscal Years Ended June 30

	2015				2016			
	Labor Force	Employment	Unemploy-ment	Rate	Labor	Employment	Unemploy-ment	Rate
SACOG Region	**1,133,100**	**1,063,600**	**69,600**	**6.1**	**1,146,800**	**1,084,100**	**62,600**	
El Dorado County	89,100	84,100	5,100	5.7	89,700	85,200	4,500	5.1
Placer County	178,200	169,200	9,000	5.0	179,800	171,800	8,000	4.4
Sacramento County	689,000	647,600	41,400	6.0	697,400	660,100	37,300	5.4
Sutter County	44,800	40,000	4,800	10.8	45,300	41,000	4,300	9.6
Yolo County	103,900	97,200	6,700	6.4	106,300	100,100	6,100	5.8
Yuba County	28,100	25,500	2,600	9.2	28,300	25,900	2,400	8.5

	2017				2018			
	Labor Force	Employment	Unemploy-ment	Rate	Labor	Employment	Unemploy-ment	Rate
SACOG Region	**1,156,100**	**1,101,300**	**54,900**		**1,170,300**	**1,124,500**	**46,000**	
El Dorado County	89,900	86,000	3,900	4.4	91,600	88,300	3,300	3.6
Placer County	182,200	175,200	7,000	3.8	185,200	179,400	5,800	3.1
Sacramento County	702,000	669,500	32,600	4.6	710,400	683,500	27,000	3.8
Sutter County	45,700	41,800	3,900	8.6	45,500	42,100	3,400	7.5
Yolo County	107,800	102,400	5,400	5.0	108,500	104,000	4,600	4.2
Yuba County	28,500	26,400	2,100	7.4	29,100	27,200	1,900	6.4

	2019				2020			
	Labor Force	Employment	Unemploy-ment	Rate	Labor	Employment	Unemploy-ment	Rate
SACOG Region	**1,589,700**	**1,132,000**	**44,700**		**1,163,400**	**1,060,700**	**102,800**	
El Dorado County	92,000	88,800	3,200	3.5	90,800	83,300	7,500	8.3
Placer County	187,900	182,100	5,800	3.1	184,900	171,300	13,600	7.3
Sacramento County	712,400	686,300	26,100	3.7	707,200	641,600	65,600	9.3
Sutter County	458,700	42,400	3,400	7.3	45,500	40,500	5,000	11.0
Yolo County	108,700	104,200	4,400	4.1	105,000	97,100	7,900	7.5
Yuba County	30,000	28,200	1,800	6.0	30,000	26,900	3,200	10.5

	2021				2022			
	Labor Force	Employment	Unemploy-ment	Rate	Labor Force	Employment	Unemploy-ment	Rate
SACOG Region	**1,175,200**	**1,098,100**	**77,200**	**7.0**	**1,202,400**	**1,155,700**	**46,700**	**4.0**
El Dorado County	91,100	85,900	5,200	5.7	93,400	90,200	3,200	3.4
Placer County	188,000	178,700	9,400	5.0	193,800	187,900	5,900	3.1
Sacramento County	714,000	664,400	49,700	7.0	728,300	699,800	28,500	3.9
Sutter County	45,200	41,100	4,100	9.0	46,300	43,300	3,000	6.6
Yolo County	106,100	99,900	6,200	5.8	109,000	104,600	4,400	4.0
Yuba County	30,800	28,100	2,600	8.5	31,600	29,900	1,700	5.5

	2023				2024			
	Labor Force	Employment	Unemployment	Rate	Labor Force	Employment	Unemployment	Rate
SACOG Region	**1,207,800**	**1,188,500**	**54,800**	**4.6**	**1,261,800**	**1,200,400**	**61,400**	**5.1**
El Dorado County	93,700	85,200	3,700	4.1	90,200	86,000	4,200	4.7
Placer County	194,700	194,400	7,400	3.6	204,700	196,300	8,400	4.1
Sacramento County	731,000	730,900	32,700	4.3	774,700	738,200	36,500	4.7
Sutter County	46,700	41,300	3,600	8.1	45,700	41,800	3,900	8.6
Yolo County	109,800	104,100	5,200	4.8	111,000	105,000	6,000	5.4
Yuba County	31,900	32,600	2,200	6.2	35,500	33,100	2,400	6.8

(http://www.labormarketinfo.edd.ca.gov/)
(http://www.labormarketinfo.edd.ca.gov/)
Information for 2025 is not yet available.

Largest Employment Centers by County

For 2024 and 2025

El Dorado County

2024			2025		
Employer	# of Emps	%	Employer	# of Emps	%
El Dorado County	1,975	2.3%	El Dorado County	1,975	2.3%
Marshall Medical Center	1,442	1.7%	Marhsal Medical Center	1,442	1.7%
Red Hawk Casino	1,200	1.4%	Blue Shield of California	1,210	1.4%
Barton Health	907	1.1%	Red Hawk Casino	1,200	1.4%
Safeway	843	1.0%	Barton Health	902	1.0%
US Government	623	0.7%	Safeway	773	0.9%
Sierra at Tahoe	600	0.7%	Sierra at Tahoe	700	0.8%
Stateof CA	548	0.6%	Buckeye Union Elem School District	525	0.6%

Placer County

2024			2025		
Employer	# of Emps	%	Employer	# of Emps	%
Sutter Health	6,672	3.4%	Sutter Health	6,682	3.4%
Kaiser Permanente	6,094	3.1%	Kaiser Permanente	6,154	3.1%
Placer County	2,745	1.4%	Placer County	2,745	1.4%
Thunder Valley casino Resort	2,400	1.2%	Thunder Valley Casino	2,508	1.3%
Sierra Joint Community College District	1,900	1.0%	Roseville City School District	1,861	0.9%
Roseville City School District	1,783	0.9%	Sierra Joint Community College District	1,514	0.8%
City of Roseville	1,386	0.7%	City of Roseville	1,386	0.7%
Safeway	1,217	0.6%	Pacific Gas and Electric	1,360	0.7%
PG&E	1,120	0.6%	Safeway	1,181	0.6%

Sacramento County

2024			2025		
Employer	# of Emps	%	Employer	# of Emps	%
State of CA	113,610	15.4%	State of California	118,943	15.9%
UC Davis Health	16,075	2.2%	UC Davis Health	16,617	2.2%
Sacramento County	13,611	1.8%	Sacramento County	13,653	1.8%
Kaiser Permanente	11,856	1.6%	Kaiser Permanente	12,624	1.7%
US Government	10,699	1.4%	US Government	10,568	1.4%
Sutter Health	10,129	1.4%	Sutter Health	10,129	1.4%
Dignity Health	7,353	1.0%	Dignity Health	7,353	1.0%
San Juan Unified School District	5,346	0.7%	San Juan Unified School District	5,499	0.7%
Intel	4,300	0.6%	City of Sacramento	5,029	0.7%
Los Rios Community College District	3,366	0.5%	Apple	5,000	0.7%
CSUS	2,925	0.4%	Intel	4,000	0.5%

Sources: primarily annual Sacramento Business Journal Book of Lists for El Dorado, Placer, Sacramento & Yolo Counties; SACOG employment inventory and EDD for Sutter and Yuba Counties

Largest Employment Centers by County

For 2024 and 2025

Sutter County

2023			2024*		
Employer	**# of Emps**	**%**	**Employer**	**# of Emps**	**%**
Yuba City School District	1,325	3.1%	County Of Sutter	1,001	3.0%
Sunsweet Growers	632	1.5%	Yuba City Unified School District	951	2.9%
Legend Transportation	650	1.5%	Chavez Farm Labor Contractor Inc.	744	2.2%
Sysco Sacramento, Inc	490	1.1%	Wal-Mart Associates Inc	611	1.8%
Sutter County	500	1.2%	Sunsweet Growers Inc.	599	1.8%
Sutter North Yuba City	500	1.2%	Sutter Health	516	1.5%
Yuba City	475	1.1%	New Legend, Inc.	496	1.5%
Express Services	300	0.7%	City Of Yuba City	444	1.3%
Walmart	418	1.0%	Cirilo Becerra	418	1.3%
			Sysco Sacramento, Inc.	370	1.1%

Yolo County

2024			2025		
Employer	**# of Emps**	**%**	**Employer**	**# of Emps**	**%**
State of California	21,818	20.8%	State Of California	22,608	21.1%
Yolo County	11,027	10.5%	Yolo County	11,372	10.6%
University of California, Davis	9,673	9.2%	University Of California, Davis	9,589	9.0%
US Government	2,485	2.4%	Us Government	2,355	2.2%
Cache Creek Casino Resort	2,000	1.9%	Cache Creek Casino Resort	1,820	1.7%
Dignity Health	1,154	1.1%	Dignity Health	1,154	1.1%
PG&E	860	0.8%	Pg&E	950	0.9%
Raley's	826	0.8%	Raley'S	827	0.8%
			Clark Pacific	764	0.7%

Yuba County

2023			2024*		
Employer	**# of Emps**	**%**	**Employer**	**# of Emps**	**%**
Beale AFB	1,300	4.4%	Rideout Memorial Hospital	1,749	8.5%
Adventist Rideout Mem Hospital	2,109	7.1%	State Of California	1,303	6.4%
Marysville Joint Unified School District	1,211	4.1%	Marysville Joint Unified School Dis	1,101	5.4%
Hard Rock Casino & Hotel	1,135	3.8%	Enterprise Rancheria Of Maidu India	964	4.7%
Caltrans	720	2.4%	Yuba County Auditor	926	4.5%
Yuba College	708	2.4%	Dept Of Defense	735	3.6%
Bishop's Pumpkin Farm	450	1.5%	Yuba Community College District	558	2.7%
Walmart	405	1.4%	Live Nation Worldwide, Inc.	457	2.2%
Bear River School District	170	0.6%	Wal-Mart Associates Inc	437	2.1%
			Ampla Health	317	1.5%

Sources: primarily annual Sacramento Business Journal Book of Lists for El Dorado, Placer, Sacramento & Yolo Counties; SACOG employment inventory and EDD for Sutter and Yuba Counties

*Information for 2025 is not yet available.

Public School Enrollment by County

For Ten Fiscal Years Ended June 30

	2016	2017	2018	2019	2020
SACOG Region	**406,734**	**411,074**	**416,220**	**419,464**	**424,666**
El Dorado	26,987	27,021	27,875	28,221	31,126
Placer	71,435	72,769	74,063	74,927	75,208
Sacramento	242,725	244,394	245,906	246,663	249,540
Sutter	21,693	22,633	23,690	24,813	23,308
Yolo	29,681	29,841	30,067	30,085	30,569
Yuba	14,213	14,416	14,619	14,755	14,915

	2021	2022	2023	2024	2025
SACOG Region	**418,374**	**417,218**	**438,243**	**431,919**	**438,640**
El Dorado	30,131	30,637	32,180	31,895	32,270
Placer	73,926	74,446	70,522	76,050	77,048
Sacramento	246,069	243,002	264,502	253,331	258,235
Sutter	23,695	24,444	24,346	24,764	25,420
Yolo	29,839	29,689	31,652	30,050	29,590
Yuba	14,714	15,000	15,041	15,829	16,077

Source: County Reports (Annual), California Department of Education

Total Acreage by County

	Total Acreage
SACOG Region	**4,196,599**
El Dorado	1,143,270
Placer	961,427
Sacramento	636,389
Sutter	389,384
Yolo	653,966
Yuba	412,163

Source: U.S. Census Bureau, Census 2020 Tiger Line File

Average Weekly & Annual Wages by County

For Ten Fiscal Years Ended June 30

	2015		2016		2017		2018		2019	
	Average Weekly Wages	Average Annual Wages[1]	Average Weekly Wages	Average Annual Wages[1]	Average Weekly Wages	Average Annual Wages	Average Weekly Wages	Average Annual Wages	Average Weekly Wages	Average Annual Wages
SACOG Region	**$954**	**$49,614**	**$964**	**$50,128**	**$993**	**$51,636**	**$1,149**	**$59,726**	**$1,172**	**$60,965**
El Dorado County	$837	$43,524	$871	$45,292	$899	$46,748	$1,032	$53,664	$1,019	$52,992
Placer County	$989	$51,428	$1,013	$52,676	$1,036	$53,872	$1,141	$59,328	$1,164	$60,504
Sacramento County	$983	$51,116	$986	$51,272	$1,015	$52,780	$1,192	$61,980	$1,222	$63,552
Sutter County	$714	$37,128	$727	$37,804	$739	$38,428	$828	$43,056	$833	$43,308
Yolo County	$872	$45,344	$891	$46,332	$928	$48,256	$1,032	$53,676	$1,030	$53,580
Yuba County	$823	$42,796	$835	$43,420	$877	$45,604	$948	$49,296	$1,017	$52,872

	2020		2021		2022		2023		2024	
	Average Weekly Wages	Average Annual Wages	Average Weekly Wages	Average Annual Wages	Average Weekly Wages	Average Annual Wages	Average Weekly Wages	Average Annual Wages	Average Weekly Wages	Average Annual Wages
SACOG Region	**$1,164**	**$60,528**	**$1,214**	**$63,128**	**$1,245**	**$64,740**	**$1,419**	**$73,788**	**$1,478**	**$76,856**
El Dorado County	$1,058	$55,016	$1,087	$56,524	$1,178	$61,256	$1,234	$64,168	$1,273	$66,196
Placer County	$1,235	$64,220	$1,295	$67,340	$1,327	$69,004	$1,361	$70,772	$1,400	$72,800
Sacramento County	$1,183	$61,516	$1,232	$64,064	$1,425	$74,100	$1,475	$76,700	$1,541	$80,132
Sutter County	$852	$44,304	$911	$47,372	$989	$51,428	$1,031	$53,612	$1,061	$55,172
Yolo County	$1,098	$57,096	$1,132	$58,864	$1,377	$71,604	$1,404	$73,008	$1,474	$76,648
Yuba County	$1,032	$53,664	$1,074	$55,848	$1,174	$61,048	$1,233	$64,116	$1,287	$66,924

Source: California Employment Development Department, Labor Market Information Division
labormarketinfo.edd.ca.gov/qcew/cew-select.asp -- is no longer a viable link and only available data is at MSA level

[1]Average Annual Wages based upon Average Weekly Wages
https://ledextract.ces.census.gov/static/data.html
Quarterly Census of Employment and Wages (QCEW) (ca.gov)

Information for 2025 is not yet available.

Transit Providers by County

SACOG REGION	TRANSIT PROVIDERS
El Dorado County	El Dorado Transit
	Local Fixed Route Bus
	Sacramento Commuter
	Dial A Ride
	ADA Paratransit
Placer County	Placer County Transit
	Local Fixed Route Bus
	Placer Commuter Express
	Dial A Ride
	GO South Placer
	Dial A Ride
	Auburn Transit
	Lincoln Transit
	Roseville Transit
	Local Fixed Route Bus
	Commuter Bus
	Arrow
	ADA Paratransit
Sacramento County	Sacramento Regional Transit District
	Fixed Route Bus Service
	SacRT Flex
	SacRT GO Paratransit
	Rancho CordoVan
	Causeway Connection (operated jointly with Yolo Transportation District)
	Paratransit, Inc.
	South County Transit/ SCT LINK
	Galt Dial A Ride
	Delta Route
	Highway 99 Express
	Galt to Sacramento Commuter Express
Yolo County	Davis Community Transit
	UC Davis - Mobility Assistance Shuttle
	Unitrans
	Yolo Transportation District / YoloBus
	Fixed Route Bus
	Local
	Intercity
	Express
	Yolobus Special (paratransit)
	Bee Line
Yuba-Sutter County	Yuba-Sutter Transit
	Local Fixed Route Bus
	Rural Bus
	Sacramento Commuter and Midday Express
	Dial A Ride
	MOD Ride

Source: SACOG

Summary of Full-Time Equivalent Employees By Function & Project

For Ten Fiscal Years Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
FUNCTION										
Executive Director	1	1	1	1	1	1	1	1	1	1
Deputy Executive Director	-	-	-	2	2	2	2	2	2	2
Chief Operations Officer/ General Counsel	1	1	1	1	-	-	-	-	-	-
Administration	9	10	10	7	7	7	7	7	7	8
Finance	4	4	6	7	7	7	7	8	10	10
Research Analysts**	11	11	13	11	12	8	6	11	12	10
Information Technology	1	1	1	-	-	-	-	-	-	-
Planning	21	24	22	19	18	18	24	15	19	22
Public Affairs and Communications	7	7	6	8	8	6	9	8	9	8
Interns	1	5	8	2	1	2	1	3	7	2
Total Approved Full-Time Positions	**56**	**64**	**68**	**58**	**56**	**51**	**57**	**55**	**67**	**63**

*Formerly called Chief Executive Officer

** Formerly called Geographic Information Systems

Source: Individual internal fund statements

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Direct Projects										
Core and Long-Range Member, Agency and Transportation Services and Planning Activities	27.3	28.2	34.1	30.4	27.9	26.0	31.5	27.8	34.3	29.5
Discretionary Transportation Planning Grant Activities & Partnership Projects*	9.1	4.4	2.6	0.9	1.5	2.4	1.7	0.8	2.6	0.4
Regional Projects and Pass-Through Grants	-	6.2	2.1	0.5	0.2	0.7	1.9	3.0	1.9	3.3
Services to Other Agencies	2.9	1.8	2.7	1.7	1.6	1.2	0.8	0.5	1.9	1.0
Board and Advocacy	1.8	1.3	0.6	0.4	0.8	0.5	0.8	0.7	0.7	2.2
Subtotal - Direct Projects	41.1	42.0	42.1	33.9	32.0	30.8	36.9	32.8	41.4	36.4
Indirect	12.9	22.3	23.7	21.6	23.3	20.1	20.1	22.9	24.3	14.5
Total FTEs Based on Total Hours	**54.0**	**64.2**	**65.8**	**55.6**	**55.3**	**50.9**	**57.0**	**55.7**	**65.7**	**50.9**

Source: Individual internal fund statements

Planning & Administration Fund
Indirect Service Cost Comparison
For the last Ten Fiscal Years Ended June 30

	2016	2017	2018	2019
INDIRECT COSTS				
Building Costs	$ 627,635	$ 662,936	$ 675,365	$ 660,713
Career Development Program	64,409	75,491	99,761	95,680
Consultants	193,000	153,126	234,109	140,629
Depreciation	61,358	62,831	80,237	101,964
Insurance	72,503	72,193	91,079	97,323
Legal	92,152	111,393	81,456	88,858
Maintenance	8,037	6,509	3,294	235
Meetings	1,655	1,628	13,741	21,172
Memberships	43,282	41,012	28,050	34,716
Miscellaneous	8,359	32,803	43,368	48,064
Office Equipment	43,835	61,122	34,093	98,280
Parking	7,510	8,070	11,360	10,048
Postage	5,028	12,473	6,018	1,464
Printing	22,944	17,250	18,974	20,366
Publications	2,442	4,222	3,335	1,554
Salaries	991,498	1,048,707	1,224,653	1,461,019
Services - other	-	-	-	-
Software & Maintenance	121,058	99,682	171,244	150,991
Supplies	16,154	22,662	41,181	15,374
Travel and Meeting Expenses	14,869	13,345	13,712	13,439
Accounting Services	14,481	6,006	870	-
Unemployment Costs	5,333	-	-	-
Telephone/Telcommunications	22,940	28,228	28,286	25,362
Temporary services/Recruitment	37,880	48,916	92,365	43,595
Staff Training	-	-	-	-
Vehicle Lease	-	-	-	-
Miscellaneous (Gain)/Loss	-	-	-	-
Total Indirect Costs	**$ 2,478,361**	**$ 2,590,606**	**$ 2,996,551**	**$ 3,130,844**

Source: Individual internal fund statements

Planning & Administration Fund
Indirect Service Cost Comparison
For the last Ten Fiscal Years Ended June 30

2020	2021	2022	2023	2024	2025
$ 568,493	$ 706,712	$ 729,859	$ 743,976	$ 758,901	$ 752,529
56,507	15,355	41,229	78,951	132,636	152,358
124,890	141,946	124,175	152,705	214,916	245,809
103,864	96,004	82,468	63,668	57,819	57,403
102,348	96,566	114,710	130,522	142,387	165,001
107,689	115,072	131,314	121,269	149,012	124,429
1,457	310	-	-	-	-
10,549	447	-	-	-	-
45,014	40,959	41,725	44,111	43,576	51,049
65,949	35,769	27,078	-	-	-
56,020	1,064	32,638	40,899	8,867	89,722
9,237	9,200	9,200	7,338	3,541	6,000
1,284	440	767	-	-	-
12,425	771	401	-	-	-
765	12,511	13,397	980	9,572	10,492
1,596,700	1,472,547	1,421,711	1,578,382	1,823,120	1,921,989
-	-	-	15,436	48,765	45,290
164,618	203,772	281,394	305,804	323,876	326,859
14,286	4,599	2,385	11,626	10,480	17,118
13,225	-	1,032	4,778	1,969	3,938
-	-	-	-	-	-
-	-	-	-	-	-
26,329	60,510	54,499	11,397	7,807	13,857
319	4,401	15,103	22,257	38,960	16,953
29,976	27,832	9,357	19,863	77,647	47,504
-	-	3,135	4,527	3,283	3,264
-	-	-	(10,099)	-	-
$ 3,111,944	**$ 3,046,787**	**$ 3,137,577**	**$ 3,348,390**	**$ 3,857,134**	**$ 4,051,564**

Source: Individual internal fund statements

Capital Assets – by Fund

For Ten Fiscal Years Ended June 30

	2016	2017	2018	2019
Planning and Administration Fund:				
Computers, Equipment, Leasehold Improvements, and Automobiles, net	$ 204,303	$ 209,730	$ 339,945	$ 288,240
Right to use leased assets, net	-	-	-	-
Right to use subscription assets, net	-	-	-	-
Total	**$ 204,303**	**$ 209,730**	**$ 339,945**	**$ 288,240**

Source: Individual internal fund statements

Capital Assets – by Fund

For Ten Fiscal Years Ended June 30

2020	2021	2022	2023	2024	2025
$ 967,986	$ 830,170	$ 713,633	$ 676,425	$ 579,996	$ 472,496
-	-	5,429,987	4,679,376	3,928,766	3,178,156
-	-	719,135	1,044,529	1,296,628	1,986,846
$ 967,986	**$ 830,170**	**$ 6,862,755**	**$ 6,400,330**	**$ 5,805,390**	**$ 5,637,498**

Source: Individual internal fund statements

Ratios of Outstanding Debt
For Ten Fiscal Years Ended June 30

	2022	2023	2024	2025
Lease liability	$ 5,532,710	$ 4,858,135	$ 4,156,067	$ 3,425,679
IT subscription liability	-	862,217	1,098,686	1,694,457
Total	**$ 5,532,710**	**$ 5,720,352**	**$ 5,254,753**	**$ 5,120,136**
Total Debt as a Percentage of County Personal Income	0.01%	0.01%	0.01%	(a)
Total Debt Per Capita	2.15	2.21	2.01	1.95

Source: Schedule 6 - Total Population, Schedule 8 - Labor Force and Schedule 12 - Annual Average Wages.

Notes
(a) Information not yet available.

Miscellaneous Statistics

For Fiscal Year Ended June 30, 2025

Date of Joint Powers Authority	In January 1965, the Sacramento Regional Area Planning Commission (SRAPC) was organized under the State Planning Law to provide a forum for elected officials to address multi-county problems, issues, and needs. In January 1981, SACOG succeeded SRAPC under a new Joint Powers agreement pursuant to section 6500 of the California Government Code.
Form of Government	Joint Powers Authority, Board of Directors.
Member Jurisdictions	Six counties and 22 Cities within the greater Sacramento Metropolitan Area.
Board of Directors	Board of Supervisors and City Council members appointed by their member jurisdictions, 31 members and one ex-officio member from Caltrans.
Board Committees	Policy and Innovation; Land Use & Natural Resources; Transportation; and Strategic Planning.
Board Terms	Board members serve multi-year terms and may be reappointed. The chair and vice-chair, elected by voting members of SACOG, serve one-year terms.
SACOG Vision	A vibrant and thriving Sacramento region for all.
SACOG Mission	SACOG convenes and connects the region to advance an equitable, sustainable, and prosperous future.
Regional Transportation Planning Agency	Sacramento, Sutter, Yolo, and Yuba Counties.
Metropolitan Planning Organization	Sacramento, Yuba City, and Davis Urbanized Areas and the Sacramento Metropolitan Planning Area.
Airport Land Use Commission	Sacramento, Sutter, Yolo, and Yuba Counties.
Service Authority for Freeways and Expressways	Sacramento, San Joaquin, Yolo, Yuba, and Sutter Counties.
Designated Recipient for Sacramento Large Urbanized Area	FTA Section 5316 Job Access Reverse Commute and Section 5317 New Freedom Programs.

Source: SACOG

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WHAT WE DO

The Sacramento Area Council of Governments (SACOG) is an association of local governments in the six-county Sacramento region. Its members include the counties of El Dorado, Placer, Sacramento, Sutter, Yolo, Yuba and the 22 cities within.

The Sacramento Area Council of Governments serves as a joint powers authority of city and county governments in El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba counties. As the only public agency with members from all 28 jurisdictions in the greater Sacramento region, SACOG plays a unique role as the place where local governments can come together to take on critical issues facing the region and to tackle problems that are too big for any one jurisdiction to solve on its own. SACOG is tasked by state and federal law with long-range planning for the region but also plays an important role in working with our local partners to advance more immediate solutions to some of the region's shared challenges of transportation, housing, air quality, climate change and the protection of the region's agricultural and natural resources.

This report was funded in part through grants from the Federal Highway Administration and Federal Transit Administration, U.S. Department of Transportation. The views and opinions of the authors or agency expressed herein do not necessarily state or reflect those of the U.S. Department of Transportation.

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Executive Director

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Federal Awards Reports in Accordance with the Uniform Guidance
June 30, 2025

Sacramento Area Council of Governments

Eide Bailly

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
Sacramento Area Council of Governments
Sacramento, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sacramento Area Council of Governments (SACOG) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise SACOG's basic financial statements and have issued our report thereon dated December 19, 2025. Our report includes a reference to other auditors who audited the financial statements of the Local Transportation Funds, the State Transit Assistance Fund, the SB 125 Fund, and the State of Good Repair Fund, as described in our report on SACOG's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered SACOG's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SACOG's internal control. Accordingly, we do not express an opinion on the effectiveness of SACOG's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether SACOG's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Sacramento, California
December 19, 2025

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Board of Directors
Sacramento Area Council of Governments
Sacramento, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Sacramento Area Council of Governments (SACOG)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of SACOG's major federal programs for the year ended June 30, 2025. SACOG's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, SACOG complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of SACOG and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of SACOG's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to SACOG's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on SACOG's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about SACOG's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding SACOG's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of SACOG's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of SACOG's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of SACOG as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise SACOG's basic financial statements. We issued our report thereon dated December 19, 2025, which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors who audited the financial statements of the Local Transportation Funds, the State Transit Assistance Fund, the SB 125 Fund, and the State of Good Repair Fund, as described in our report on SACOG's financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Eide Bailly LLP

Sacramento, California
January 28, 2026

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Grant Award Number or Pass-through Entity Identifying Number	Federal Expenditures	Amounts Passed-Through To Subrecipients
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Programs:				
Federal Transit Cluster:				
Federal Transit Formula Grants - Regional Network Transit Plan	20.507	CA-2022-180-00	$ 60,426	$ -
Federal Transit Formula Grants - Remix	20.507	CA-2022-181-01	196,958	-
Federal Transit Formula Grants - Transit Asset and Grants Management	20.507	CA-2025-052-00	139,370	-
Subtotal - Federal Transit Formula Grants			396,754	-
Subtotal - Federal Transit Cluster			396,754	-
National Infrastructure Investments - Mobility Zones (Raise Grant)	20.933	CA-2024-008-00	1,536,703	-
Passed through the State of California, Department of Transportation				
Highway Planning and Construction - Planning	20.205	74A0816/74A1616	3,711,912	-
Highway Planning and Construction - CMAQ - Transportation Demand Management	20.205	03-6085F15	72	-
Highway Planning and Construction - Regional Surface Transportation Program (RSTP) Transportation Demand Management	20.205	03-6085F15	1,072,986	271,569
Highway Planning and Construction - CMAQ Regional Bike Share	20.205	03-6085F15	44,257	-
Highway Planning and Construction - FHWA Partnership Planning	20.205	74A0816/74A1616	352,395	-
Highway Planning and Construction - RSTP - Planning, Programming, and Monitoring	20.205	03-6085F15	651,535	-
Highway Planning and Construction - Reconnecting Communities and Neighborhoods (RCN)	20.205	03-6085F15	180,277	108,317
Subtotal - Highway Planning and Construction			6,013,434	379,886
Metropolitan Transportation Planning, and State Metropolitan Planning & Research				
Section 5303 - Metropolitan Transportation Planning	20.505	74A0816/74A1616	1,513,054	-
Section 5304 - Statewide Transportation Planning	20.505	74A0816/74A1616	271,269	271,269
Subtotal - Metropolitan Transportation Planning, and State Metropolitan Planning & Research			1,784,323	271,269
Total U.S. Department of Transportation			9,731,214	651,155
ENVIRONMENTAL PROTECTION AGENCY				
Greenhouse Gas Reduction Fund: National Clean Investment Fund				
Planning, Programming and Monitoring - Carbon Reduction Program	66.957	03-6085F15	16,880	-
Trails Plan Implementation - Carbon Reduction Program	66.957	03-6085F15	145,743	-
Subtotal - Greenhouse Gas Reduction Fund: National Clean Investment Fund			162,623	-
Total Environmental Protection Agency			162,623	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 9,893,837**	**$ 651,155**

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Sacramento Area Council of Governments (SACOG) under programs of the federal government for the year ended June 30, 2025. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of SACOG, it is not intended to and does not present the financial position, changes in net position, or cash flows of SACOG.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, except for subrecipient expenditures, which are reported on the cash basis. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

SACOG has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance.

Section I – Summary of Auditor's Results

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a):	No

Identification of major programs:

Name of Federal Program	Federal Financial Assistance Listing
National Infrastructure Investments	20.933
Metropolitan Transportation Planning, and State Metropolitan Planning & Research	20.505

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

None reported.