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2026-2027

SACRAMENTO
TRANSPORTATION
AUTHORITY

FY 2026-27 BUDGET

SACRAMENTO, CA

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2026-2027

SACRAMENTO TRANSPORTATION AUTHORITY

FY 2026-27 BUDGET

SACRAMENTO, CA

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**Sacramento Transportation Authority
California**

For the Fiscal Year Beginning

July 01, 2025

Christopher P. Morrill

Executive Director

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CONTENTS

3 1 - LETTER OF TRANSMITTAL

- 4 Budget Overview
 - 6 Budget Improvements for FY 2026-27
 - 6 Strategic Planning Goals and Objectives
 - 10 Challenges
 - 12 Accomplishments
 - 14 Performance Measures
 - 15 Capital Improvement Program (CIP)
 - 15 Long-Term Financial Planning
 - 16 Major Fiscal Year Activities and Board Work Program
 - 16 Factors Affecting Financial Condition
-

21 2 - AUTHORITY OVERVIEW

- 21 Authority Profile
 - 26 Measure A Guiding Principles and Taxpayer Safeguards
 - 27 Revenue Sources
 - 29 Debt
 - 32 Consolidated Budget Summary
 - 34 Appropriations
-

37 3 - BUDGET PROCESS AND FISCAL POLICIES

- 39 Budget Process
- 40 Fiscal Policies
- 40 Fund Structure
- 41 Financial Planning
- 42 Financial Activity Reporting
- 44 Allocations and Rates
- 45 Fund Balance Designations and Reserve
- 48 Appropriations Limit
- 48 Capital Construction Budget

49	Cost Allocations
49	Retirement Benefit Funding Policy
51	Long-Term Financial Planning
52	Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP)

57 4 - BUDGET SCHEDULES AND FUND INFORMATION

57	Consolidated Budget
60	General Fund
64	—— Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP)
68	—— Capital Improvement Program
69	—— Sacramento Metropolitan Freeway Service Patrol Program (SacMetro FSP)
72	—— Administration
74	Special Revenue Funds
74	—— Sacramento Abandoned Vehicle Service Authority (SAVSA)
76	—— Transit Services
78	—— Federal Grants
79	Debt Service Fund

85 5 - CAPITAL IMPROVEMENT PROGRAM

85	Capital Project Financing
86	Impact of Capital Improvements on the Operating Budget
87	Projects
90	Completed Projects
91	Active Projects by Agency
98	Project Funding

105 6 - ORGANIZATIONAL OVERVIEW

106	Position Descriptions
-----	-----------------------

113 7 - STATISTICAL INFORMATION

121 8 - GLOSSARY

STA

2026-2027

SACRAMENTO TRANSPORTATION AUTHORITY

FY 2026-27 BUDGET

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LETTER OF TRANSMITTAL



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LETTER OF TRANSMITTAL

May 14, 2026

Chairman and Members of the Governing Board:

We are pleased to submit the Fiscal Year 2026-27 (FY 2026-27) final budget for the Sacramento Transportation Authority (Authority). California Public Utilities Code Section 180105 instructs the Authority to adopt an annual budget. This budget was created in accordance with State Law, the Authority's policies, and the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Awards Program criteria. This budget is balanced in that total revenues and fund balance are greater than total appropriations.

As the Authority's policy makers, the Governing Board (Board) sets the direction. This budget provides a framework for the Authority's finances and serves as a source of information for the Board, staff, Measure A agencies, and the public. The programs and services represented in this budget focus on the Authority's mission to maximize the use of limited available resources to best improve the transportation network in Sacramento County.

The budget process is structured to allow the Board, staff, ITOC, and the public adequate time for review and analysis of the budget's key components. The budget process begins in December after completion and approval of the prior year's audited annual financial statements. Staff update the budget with sales tax revenue forecasts developed in conjunction with the Authority's consultant – Neumo. At the same time, staff work with each Measure A agency to gather financial information for the Capital Improvement Program (CIP) and other ongoing transportation programs. In early May, a draft of the final budget is presented to the ITOC. In May, a draft of the final budget is presented to the Board for its consideration and comments. In June, the final budget is presented to the Board for adoption.

BUDGET OVERVIEW

The Authority receives funding for its primary program, Measure A, from two sources: a local sales tax and development fees. Despite ongoing economic uncertainty and inflationary pressures, the Authority has demonstrated notable resilience, as sales tax revenues have generally tracked with expectations. The unemployment rate, which peaked at 14.1% during the height of the pandemic, has since stabilized and stood at 4.9% as of December 2025. Sales tax revenue for FY 2024-25 was 0.2% below the originally adopted budget. In contrast, sales tax revenue for FY 2025-26 is projected to exceed the budget by \$2.9 million, or 1.7%, remaining within a range close of the FY 2024-25 actual sales tax revenues.

The final budget contains three years data – prior year actual amounts identified as “FY 2025 Actual,” current year amounts identified as “FY 2026 Estimate”, and the budget year amount, reported as “FY 2027 Proposed.” The FY 2025-26 Estimate is based on roughly 8 months of actual accounting data (modified accrual basis), while the remainder of the fiscal year is based on estimates.

The final budget anticipates \$191.2 million in total revenue, which is a increase of approximately \$10.7 million (5.9%) over the budgeted amount for the prior year. Appropriations for FY 2026-27 are expected to total \$218.8 million, a decrease of about \$14.3 million (-6.1%) compared to the prior year’s budget. The net impact on the fund balance is a decrease of \$27.5 million (-40.1%) for the proposed FY 2026-27 budget.

2026-27 FINAL BUDGET *(anticipated)*

REVENUE
\$191.2 MILLION



APPROPRIATIONS
\$218.8 MILLION

The following tables summarize consolidated revenues and appropriations reporting categories.

Consolidated Revenues (000's)			
Fiscal Year	Budget	Actuals / Estimate	Variance
2024-25	\$ 186,368	\$ 194,063	\$ 7,695
2025-26	180,498	\$ 187,558	\$ 7,059
2026-27	\$ 191,237		

Consolidated Appropriations (000's)			
Fiscal Year	Budget	Actuals / Estimate	Variance
2024-25	\$ 206,322	\$ 185,205	\$ (21,117)
2025-26	233,080	\$ 218,537	\$ (14,543)
2026-27	\$ 218,784		

The FY 2026-27 proposed budget is shaped by a combination of revenue trends, capital program demands, debt obligations, and targeted strategic initiatives.

One key budget driver is the continued stability of the local sales tax base, which remains the Authority’s primary revenue source. At the same time, the budget reflects the need to manage capital demands within the constraints of available cash flow, mitigation fee revenues, and increasing long-term debt service requirements.

The budget is also influenced by several targeted initiatives and special studies, including the Measure A economic development analysis, the countywide pavement and bridge analysis, federal grant implementation activities for a Countywide Safety Action Plan, and public communication efforts for Measure A. Although modest relative to the overall budget, these items support future Board decision-making, strategic planning, and public accountability.

Overall, the proposed budget reflects the Authority’s effort to maintain fiscal stability while advancing major capital, policy, and strategic coordination activities during FY 2026-27. In this way, the budget serves not only as a financial plan, but also as a summary of the Authority’s principal priorities for the fiscal year.

BUDGET IMPROVEMENTS FOR FY 2026-27

In our continued effort to enhance clarity, transparency, and usability, several improvements have been incorporated into this year’s financial documentation. Visual elements have been strategically added to highlight key budgetary trends and decisions, including charts illustrating multi-year revenue projections and Measure A allocation summaries. Long-term financial discussions have been expanded to provide additional context regarding the Capital Improvement Program, debt affordability, and reserves. Greater alignment between strategy, performance, and results has also been achieved by directly linking organizational goals to measurable outcomes.

Notably, the Performance Measures and Accomplishments sections have been repositioned to better align long-term goals with the results being tracked. These metrics are directly tied to the Authority’s strategic priorities and are intended to measure outcomes, enhance accountability, and inform future planning.

Collectively, these enhancements align with the Government Finance Officers Association’s (GFOA) Distinguished Budget Presentation Award criteria and reflect the Authority’s ongoing commitment to excellence in financial stewardship, transparency, and effective communication.

STRATEGIC PLANNING GOALS AND OBJECTIVES

The Authority’s mission is to fund transportation solutions to help relieve traffic congestion, improve air quality, expand public transit, address state of good repair needs, improve biking and walking, and improve public safety.

The Strategic Planning Goals articulate the Authority’s long-term goals, objectives, and priorities. It is comprised of three goals – Build Public Trust, Develop Great Relationships, and Align Transportation Priorities with Funding.

STRATEGIC
PLANNING GOALS



GOAL #1
BUILD PUBLIC TRUST



GOAL #2
DEVELOP GREAT RELATIONSHIPS



GOAL #3
**ALIGN TRANSPORTATION
PRIORITIES WITH FUNDING**

These goals were informed by the Authority’s statutory responsibilities, the Measure A Ordinance and Transportation Expenditure Plan, assessments of countywide transportation needs and priorities, and discussions with local agency staff regarding their needs. The goals were presented to the STA Governing Board for review as part of the FY 2023–24 annual budget process. The supporting objectives are reviewed periodically, including during annual budget development, to ensure they continue to advance the goals and remain aligned with current conditions, emerging issues, and the Authority’s work program. Input on the objectives is gathered through coordination with member jurisdictions, partner agencies, advisory groups, Board discussions, and public meetings. The Authority’s Measure A performance reviews and the decennial review of the Measure A Transportation Expenditure Plan also informs this process by providing an opportunity to evaluate program performance, reassess transportation priorities, and incorporate stakeholder and public feedback into the Authority’s longer-term strategic direction.



GOAL #1

BUILD PUBLIC TRUST

The Authority must continue to build public trust in the organization. The Authority exists primarily due to the voters passing Measure A in 1988 and extending it in 2004. It has been over 20 years since Measure A was passed by the voters and the public needs to be assured that the Authority remains a good steward of these taxpayer dollars. The Authority must continue its efforts to maintain financial stability and operate efficiently, showing that the Authority remains an effective guardian of taxpayer dollars. The Authority needs to educate the public on the use of Measure A funds as well as SacMetro Freeway Service Patrol so that the public can see where their taxpayer dollars are being used.

STRATEGIC OBJECTIVES

In its effort to carry out this goal, Authority staff identified the following strategic objectives:

1. Perform sales tax revenue forecasts at least annually to ensure planned distributions are fiscally constrained.
2. Perform cash flow analyses for the five-year Capital Improvement Program (CIP) to ensure that the Authority’s CIP program funds are used efficiently and effectively.
3. Maintain a fund balance reserve for the Capital Improvement Program (CIP), Freeway Service Patrol (FSP) and Administration funds.
4. As necessary, provide updated financial information to bond rating agencies.
5. Annually, summarize the debt portfolio positions and strategy to the Board.
6. As contracts for general services expire, review available options and select providers based on quality, value, and alignment with Authority needs.

7. Ensure taxpayer safeguards are being implemented effectively.
8. Promote an awareness of regularly scheduled Board meetings and Independent Taxpayer Oversight Committee (ITOC) meetings.
9. Provide public education on how Measure A funds are used on our website, social media channels, project signage, and other outlets.
10. Educate the public on our Freeway Service Patrol and its services.
11. Presenting financial information in a transparent and straightforward manner.



GOAL #2

DEVELOP GREAT RELATIONSHIPS

Relationships are critical to the success of Authority and will allow it to navigate the complicated nature of transportation funding. The Authority should strive to develop and maintain great relationships with elected officials, partner agencies, stakeholders, and regulatory authorities within the transportation sector.

STRATEGIC OBJECTIVES

In its effort to carry out this goal, Authority staff identified the following strategic objectives:

1. Ensure timely allocations and reimbursement of Measure A funding to partner agencies.
2. Regularly engage program partners through meetings and communication with individual program partners, the Professional Advisory Group (PAG), and through ongoing coordination activities.
3. Meet regularly with funding and regulatory agencies involved in the transportation sector to retain a strong understanding of current policy issues and upcoming activities.
4. Attend transportation related stakeholder organization recurring meetings and events to build strong working relationships.
5. Support program partners through consultation, advocacy, and letters of support.
6. Continue to engage with the STA's elected leadership including the Chair, Vice Chair, and Chair Emeritus as well as newly appointed board members.
7. Invite partner agencies to present their transportation needs and priorities to the STA Governing Board.



GOAL #3

ALIGN TRANSPORTATION PRIORITIES WITH FUNDING

The Authority has a history of assisting partner agencies in maximizing existing funding. STA needs to continue to assist partner agencies in finding the best path to achieve their priorities. This includes taking a more active role in advocating for partner agencies transportation priorities and helping best position those transportation priorities and needs with additional funding.

STRATEGIC OBJECTIVES

In its effort to carry out this goal, Authority staff identified the following strategic objectives:

1. Inform and educate decisions makers about transportation needs and priorities within Sacramento County.
2. Explore and lead new funding sources to help address transportation needs and priorities within Sacramento County.
3. Advocate for regional and state policies and transportation funding programs to align with local priorities.
4. Prioritize projects in collaboration with partner agencies and regional stakeholders to be competitive with other regions submitting for the same grant program.
5. Partner with the Sacramento Area Council of Governments (SACOG) and other Regional Partners to advance local priorities.
6. Organize partner agencies and lead planning efforts needed to pursue grant funds for regional projects and priorities within Sacramento County.
7. Assist partner agencies with grant applications through review, strategy development, and active leadership.

 **CHALLENGES****CAPITAL PROGRAM FINANCIAL CHALLENGES**

Fund balance applicable to the Capital Improvement Program (CIP) has been increasing, partially due to project delays, including construction bids exceeding engineers' estimates, which has postponed project starts and the related spending. In addition, some agencies have yet to secure the matching grant funds necessary to advance their projects. As project costs continue to escalate over time and given the limited availability of funding, there is a growing risk that some projects may not be completed. Compounding these challenges, the Authority will begin reserving funds for principal payments on the 2023 Bond Series starting in FY 2027-28, which will significantly reduce cash balances available for capital projects.

Delayed capital spending, constraints within the debt program, and escalating project costs are expected to result in a misalignment between funding demand and cash availability, posing significant future challenges. These issues are further exacerbated by a grant environment that is currently not well-aligned with the scope of the remaining projects. Additionally, ongoing tariff and trade uncertainties could place further pressure on the program, contributing both to potential funding reductions and rising construction costs, increasing the risk of project delays or deferrals.

OPERATIONAL AND STAFFING CONSTRAINTS

The Measure A Ordinance limits administrative expenditure to 0.75 percent of net sales tax revenues. As sales tax revenues have steadily increased over time, the workload associated with program administration has grown accordingly. In addition, the STA has evolved beyond its traditional administrative role, taking on a more active responsibility in countywide coordination and the implementation of its strategic planning goals and leveraging of Measure A. As a result, the STA anticipates supplementing its administrative and public relations capacity with targeted consultant support, enhancing communications and public outreach while allowing certain administrative functions to be absorbed externally.

Since 2017, transportation funding has become both more competitive and more complex. Senate Bill I significantly expanded state transportation funding through competitive statewide programs, and the federal Infrastructure Investment and Jobs Act of 2021 introduced similarly complex federal funding opportunities. At the same time, state policy changes, including adoption of Climate Action Plan for Transportation Infrastructure (CAPTI) in 2021, its update through CAPTI 2.0 in January 2025, and Caltrans' implementation of the Caltrans System Investment Strategy (CSIS) framework, have further shaped which projects are most competitive for discretionary funding. Similar changes have occurred at SACOG, which has narrowed the types of projects funded through its regional programs and, in 2024, began prioritizing projects for federal and state grant support through its Regional Project Prioritization Program. Collectively, these changes have increased staff workload as STA works to align Measure A funds with evolving program requirements and maximize external funding opportunities.

The formation and ongoing development of the Capital Area Regional Tolling Authority (CARTA) has also required considerable commitment of STA staff resources. In addition to supporting STA's own policy and project interests, STA has assisted in standing up a new regional organization and supporting its governance and administrative functions. CARTA's governing board includes a non-voting member from STA and staff participate in CARTA's technical advisory process, which reviews board materials in advance of board consideration and is used for consultant selection.

Compounding these operational demands is the limited public awareness of the Measure A program approved by voters in 2004, which is often confused with the failed 2022 Citizens' Initiative also called Measure A. As a result, staff must devote additional time to public education and transparency initiatives to reinforce trust and clarify the Authority's role and responsibilities. A more concerted effort to educate the public began in the fall of 2025 and is anticipated to continue for several years.

RESOLUTION AND MONITORING

The challenges noted can be resolved over the long run with careful planning and monitoring. Authority staff continue monitoring long-term program financing for the CIP and administration costs by taking steps to ensure adequate funding is available to pay for the anticipated costs. This includes performing bi-annual sales tax revenue forecasts in collaboration with Neumo and updating development fee projections with Economic & Planning Systems. Additionally, staff coordinate closely with partner agencies to adjust program expenditures based on evolving project timelines, funding availability, and economic conditions. These proactive measures help maintain financial stability and ensure that programmatic priorities remain fiscally sustainable throughout the life of the Measure A program.

ACCOMPLISHMENTS

During FY 2025-26, the Authority achieved several key fiscal and administrative accomplishments. This section has been tailored to align with the Strategic Planning Goals and Objectives. Current year's accomplishments are summarized below:



ACCOMPLISHMENTS IN BUILDING PUBLIC TRUST

- Updated performance review standards to improve clarity and accountability while focusing reporting on the information the Board and staff need from local agencies.
- Maintained the Authority's AAA credit rating with a stable outlook from both Fitch Ratings and S&P Global.
- Preserved reserve balances in the Capital Improvement Program and Administration Funds in alignment with GFOA best practices.
- Received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award.
- Respond to all Public Records Act (PRA) requests within statutory timelines, meeting transparency and compliance standards.
- Conducted a survey of the public to better understand their attitudes and awareness of Measure A and unmet transportation needs across the cities and the County.

- Strengthening collaboration between the Board, advisory committees, and partner agencies, fostering more coordinated program delivery.
- Ensure timely and accurate distribution of Measure A revenues to all program partners, supporting predictable funding flows and strengthening trust with partner agencies.
- Coordinated Quarterly public works and transportation directors' meetings to continue to build strong working relations with STA and between cities and the County.
- Staff served on several interview panels to help local agencies identify key leadership staff.
- Conducted 11 soft-sound interviews with community leaders and transportation policy influencers focused on gaining strategic insights, best practices and opportunities for future transportation funding policy efforts.
- Performed a survey of over 150 organizations to gather input on transportation priorities across Sacramento County.



ACCOMPLISHMENTS IN DEVELOPING GREAT RELATIONSHIPS



ACCOMPLISHMENTS IN
**ALIGNING
 TRANSPORTATION
 PRIORITIES WITH
 FUNDING**

- Partnered with PCTPA for a \$520,000 Sustainable Transportation Planning Grant award in July 2025 for the update to the Placer-Sacramento Gateway plan which is required for our two counties to seek large capital grants from SB 1's Solutions For Congested Corridors Program (SCCP) for projects along I-80.
- Assisted local agencies in Sacramento County in receiving over \$32 million in grant funding awards in August 2025 through SACOG's Four-County State Funding Program for their priority projects using a coordinated MOU approach developed by STA.
- Engaged with SACOG on their 2025 Regional Project Prioritization Program to ensure projects from local agencies within Sacramento County were designated as regional priorities by submitting a letter on countywide priorities and applications for multi-agency projects for regional prioritization.
- Assembly Bill 1223 was approved by the Legislature and signed into law by the Governor on October 13, 2025. The bill represents a significant modernization of STA's statutory framework and provides greater flexibility to tailor future funding measures to local and regional needs.
- Completed an update to the Measure A program's sales tax revenue forecasts, providing updated assumptions to better align long-term transportation priorities with projected funding capacity.
- Approval was granted in February 2025 for an Agreement to advance Measure A funds for the I Street Bridge Replacement Project with the City of Sacramento, enabling the City to move the project forward.
- Hosted County-wide grant training in March and April of 2026 to improve the competitiveness of County agencies in the SACOG's 6-County Federal funding round.
- Aligned budget appropriations with updated multi-year revenue forecasts, ensuring that funding commitments remain consistent with projected Measure A resources and long-term affordability.
- Applied financial and risk management best practices, including participation in the Risk Management Accreditation Program, resulting in insurance premium reductions and more efficient use of administration resources.

PERFORMANCE MEASURES

The Authority tracks select performance measures which are tied to its key strategic goals. These metrics provide broad measures of the Authority’s effectiveness, efficiency, timeliness, and productivity in critical activities. While these initiatives may change year to year, performance measures are a means to measure progress in core business operations over multiple years. The table below lists key performance measures for the current and budget years using the following key strategic goals:

BUILD PUBLIC TRUST | **DEVELOP GREAT RELATIONSHIPS** | **ALIGN TRANSPORTATION PRIORITIES WITH FUNDING**

PERFORMANCE MEASURES

Performance Measure	FY 2024-25 Actual	FY 2025-26 Planned	FY 2025-26 Estimate	FY 2026-27 Planned	Trend
Build Public Trust:					
Allocate monthly Measure A funding timely and accurately	12	12	12	12	Stable
Receive GFOA Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes	Stable
Receive GFOA Certificate of Achievement for Excellence in Financial Reporting Award	Yes	Yes	Yes	Yes	Stable
Review, accept and publish required quarterly reporting by Measure A	4	4	4	2	Adjusted - changed reporting frequency to semi-annually
Quarterly reports on Freeway Service Patrol (FSP) activities and expenditures.	4	4	4	4	Stable
Increase reach on social media platforms by 5% year over year.	0%	10%	5%	5%	Adjusted - Staff capacity has been reduced
Engage independent taxpayer oversight committee (ITOC) through regular meetings.	8	9	7	8	Stable - Meetings are held as needed
Publish a post once a week across STA social media platforms.	N/A	52	19	52	Adjusted - Staff capacity has been reduced
Develop Great Relationships:					
Meet with all agencies in person at least once a year.	11	14	11	14	Stable to Upward - Staff have increased collaborative meetings.
Attend key industry meetings and events.	6	7	4	9	Variable – Reflects staff availability and event timing.
Engage the professional advisory group (PAG) through regular meetings.	1	4	4	4	Stable
Align Transportation Priorities with Funding:					
Reach and maintain a reasonable fund reserve as determined by the annual budget. (Administrative / Capital Improvement Program / FSP)	100%	67%	67%	67%	Adjusted - Added FSP to the goal in FY25-26
Contribution to program reports or reviews that consider optimal service, including restoration of past service reductions.	100%	100%	100%	100%	Stable
Comparison of FSP performance against similar programs in California to identify and implement best practices.	100%	100%	100%	100%	Stable
Engagement frequency with regional and state policy-makers including SACOG, Caltrans, and the CTC.	20	20	35	24	Stable
Annual count of collaborative initiatives or projects undertaken with Regional Partners to advance Sacramento County's transportation priorities	9	9	11	10	Stable
Attend the annual Cap-to-Cap region-wide federal advocacy event for regional transportation priorities.	Yes	Yes	Yes	Yes	Stable

CAPITAL IMPROVEMENT PROGRAM (CIP)

In 2004 voters approved 54 projects which are identified in the Sacramento County Transportation Expenditure Plan 2009-2039 (Expenditure Plan). The agencies implementing the projects are the County of Sacramento (County), the cities of Citrus Heights, Elk Grove, Folsom, Galt, Rancho Cordova, Sacramento, the California Department of Transportation (Caltrans), Sacramento Regional Transit (SacRT), and the Capital SouthEast Connector Authority. After voters approved Measure A in 2004 and before collection of the sales tax began in April 2009, Authority staff coordinated a multi-year effort to determine funding by fiscal year for each project through the end of the Measure A program in 2039. The CIP allocation plan serves as a roadmap for the program's projects, but the Measure A Ordinance requires a review of the overall program beginning in 2019 and every 10 years thereafter. This revision process involves integrating current priorities, contingent upon feedback and endorsements from the County Board of Supervisors and the majority of city councils, representing a majority of the county's incorporated population. The inaugural review was successfully completed in June 2021.

For more detailed information regarding the Capital Improvement Program, please refer to the related section on page 85.

LONG-TERM FINANCIAL PLANNING

The Sacramento Transportation Authority (STA) engages in comprehensive long-term financial planning, with a primary focus on forecasting sales tax revenues—an essential component for both short- and long-term fiscal strategy. Twice annually, the STA partners with Neumo to update revenue forecasts for each remaining fiscal year of the Measure A sales tax program, which runs through FY 2038–39. These forecasts, based on audited historical data and forward-looking economic estimates, are critical for evaluating performance against the voter-approved Expenditure Plan adopted in 2004. They also support management of the Authority's debt program, including assessing debt service coverage ratios and informing decisions on future bond issuances.

Additionally, the STA has contracted with Economic & Planning Systems (EPS) in previous years to project revenues for the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) through FY 2038–39. STA staff refined the EPS projections by incorporating recent historical performance, enhancing the accuracy of this forecast, which is updated approximately every five years. This regular projection is budgeted in FY 2026-27. While the original 2004 estimate projected \$488 million in SCTMFP revenues, the latest forecast anticipates approximately \$253.4 million—representing 51.9% of the initial projection. This significant adjustment underscores the evolving economic landscape and reinforces the importance of ongoing, data-informed financial planning.

For more information, please refer to Section 4: Budget Process and Fiscal Policies on page 37.

MAJOR FISCAL YEAR ACTIVITIES AND BOARD WORK PROGRAM

In addition to its ongoing responsibilities administering Measure A and related programs, the Sacramento Transportation Authority's FY 2026-27 work program includes several significant activities that warrant Governing Board awareness. These activities span multiple funds and program areas and are important to understanding the Authority's principal work during the fiscal year.

A major focus in FY 2026-27 will be continued management of the Measure A Capital Improvement Program in response to project delivery delays, escalating costs, grant timing constraints, and long-term debt obligations. Staff will continue monitoring cash flow, coordinating with project sponsors, and aligning available funding with anticipated capital needs.

The Authority's FY 2026-27 work program also includes implementation activities related to the I Street Bridge Replacement Project financing, including continued coordination on a potential line of credit and development of a future implementation agreement. In addition, the Authority expects to continue countywide and regional funding coordination activities intended to improve project competitiveness for outside funding.

Several special studies and strategic initiatives are also anticipated during the fiscal year, including the Measure A economic development analysis and the countywide pavement and bridge analysis. Other key activities may include federal grant implementation for a Countywide Safety Action Plan, public education and outreach efforts on our existing Measure A, special program matters such as SAVSA renewal, and continued coordination on regional transportation initiatives.

FACTORS AFFECTING FINANCIAL CONDITION

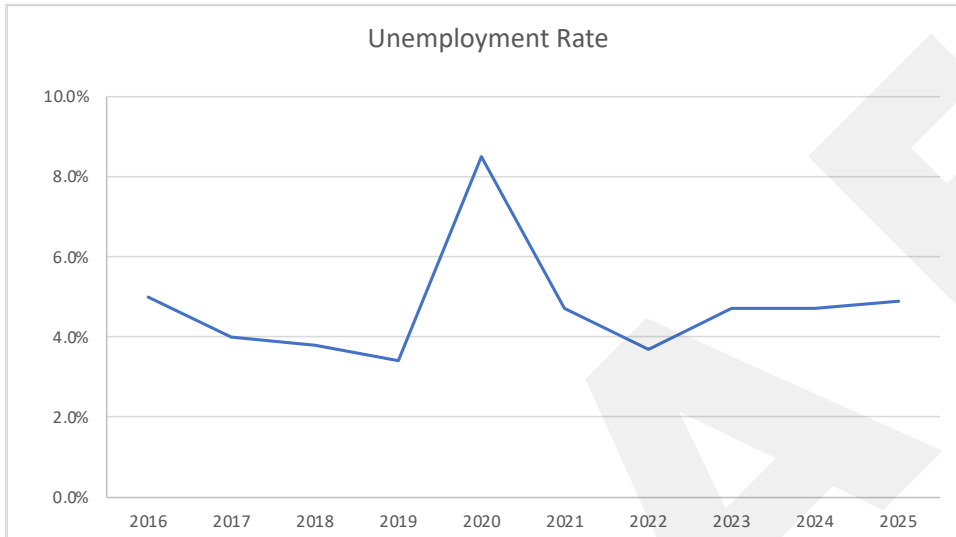
The County's unemployment rate stood at 4.9% in December 2025 consistent with the same period in the prior year. Unemployment remains relatively stable due to the County's high concentration of governmental employment, which provides a degree of insulation from broader economic fluctuations.

In 2024, the County's population grew by approximately 20,800 residents (1.3%), and per capita personal income rose by an estimated \$4,600, or 7.0%. These increases support growth in taxable retail sales and associated sales tax revenues.

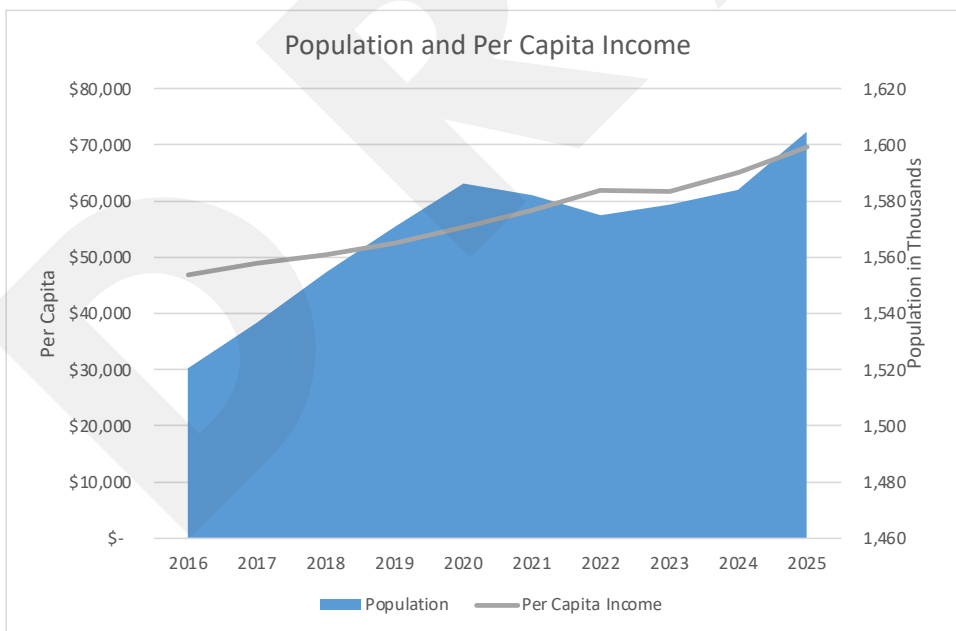
Inflation has remained moderate compared to prior years. The San Francisco-Oakland-Hayward Consumer Price Index (CPI)—a regional proxy for Sacramento County—are 2.5% in the 12 months ending February 2026, a slight decrease from the 2.7% rate recorded in the same period the year prior. The Federal Reserve has signaled a maintaining interest rates with the possibility of one rate reduction in calendar year 2026, contingent on inflation trends and other economic indicators. Meanwhile, international conflict has caused isolated energy shortfalls, resulting in broader economic uncertainty.

Despite these broader economic uncertainties, consumer spending on taxable goods in Sacramento County has remained resilient. Sales tax receipts approximated \$174.9 million in FY 2024-25. However, revenues are projected to remain consistent with FY 2024-25, \$174.7 million in FY 2025-26, with an anticipated increase to \$178.0 million in FY 2026-27.

The charts below illustrate these fundamental economic trends in Sacramento County over the past 10 years:



SOURCE: California Open Data Portal Local Area Unemployment Statistics (LAUS) for the County of Sacramento



***SOURCES:** Fred Economic Data Per Capita Personal Income in Sacramento County, CA and California Department of Finance Price Factor and Population Information

In summary, the County has prospered over the last decade, but the Authority will continue to monitor national, regional, and local trends to respond accordingly. The Board and staff will strive to serve the public with transparency and continue practicing good stewardship over public resources in their effort to fund the region's transportation needs.

Sincerely,

Dustin Purinton

Dustin Purinton, CPA
Chief Financial Officer

Kevin Bewsey

Kevin Bewsey
Executive Director

DRAFT



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AUTHORITY OVERVIEW

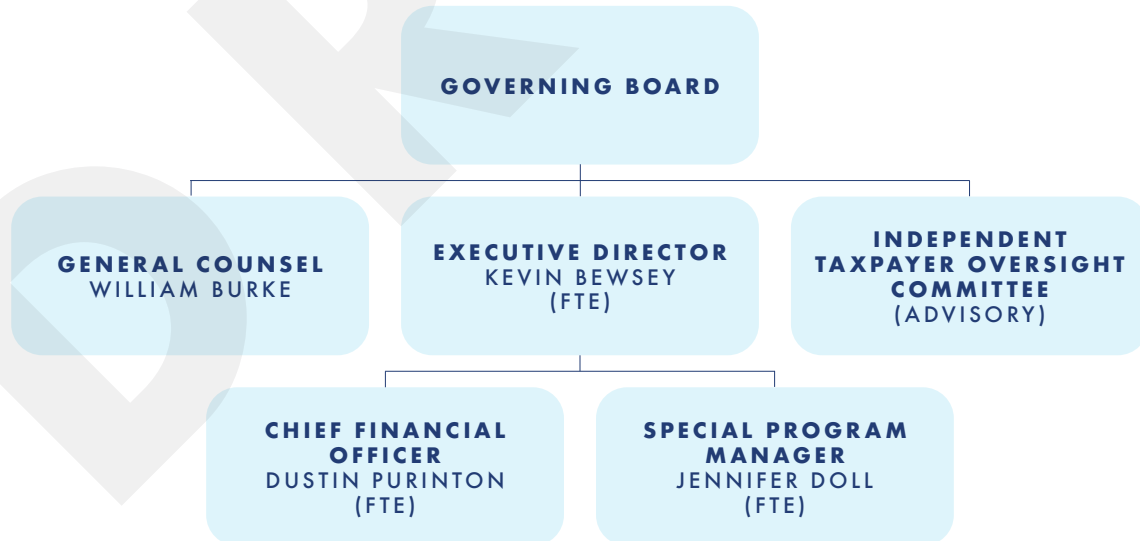
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2 AUTHORITY OVERVIEW

This section contains the Authority’s profile, Measure A safeguards, and a summary of its final budget. It also includes a discussion of the factors affecting the Authority’s financial condition. The final FY 2026-27 budget totals \$191.2 million in revenue from all funding sources reported in the General Fund, Sacramento Abandoned Vehicle Service Authority (SAVSA), Transit Funds, and Federal Fund. The budget includes maintaining 3 authorized full-time equivalent (FTE) positions.

» AUTHORITY PROFILE



THE SACRAMENTO TRANSPORTATION AUTHORITY

The Sacramento Transportation Authority (Authority) a Local Transportation Authority—was created in August 1988 under the Local Transportation Authority and Improvement Act, commencing with California Public Utility Code Section 180000 to administer the Measure A sales tax program. In November 1988, Sacramento County voters passed Measure A, an Ordinance enacted by the Authority’s Governing Board (Board) imposing a one-half cent retail sales tax to fund transportation improvements throughout Sacramento County for a 20-year period. In November 2004, voters approved a 30-year extension of the one-half cent retail sales tax beginning in April 2009 (Measure A). At the same time, the 1988 Measure A sales tax sunset. The Authority also administers the Sacramento Metropolitan Freeway Service Patrol (SacMetro FSP) and SAVSA programs, neither of which is affiliated with the Measure A retail sales tax program.



GOVERNING BOARD

The Board is composed of 16 members, including five Sacramento County Supervisors, five members of the Sacramento City Council, two members of the Elk Grove City Council, and one councilmember each from the Cities of Citrus Heights, Folsom, Galt/Isleton, and Rancho Cordova.

SACRAMENTO COUNTY BOARD OF SUPERVISORS

5 BOARDMEMBERS

SACRAMENTO CITY COUNCIL

5 BOARDMEMBERS

ELK GROVE CITY COUNCIL

2 BOARDMEMBERS

CITY OF CITRUS HEIGHTS

1 BOARDMEMBER

CITY OF FOLSOM

1 BOARDMEMBER

CITY OF RANCHO CORDOVA

1 BOARDMEMBER

CITIES OF GALT/ISLETON

1 BOARDMEMBER

16
MEMBER
BOARD

The Board generally meets monthly except for summer and fall recesses. It appoints the Authority’s Executive Director. The Executive Director is responsible for carrying out the policies and ordinances of the Authority and overseeing day-to-day operations and Authority staff consisting of the Chief Financial Officer and Special Programs Manager. As part of the Measure A Ordinance, voters approved the creation of the Independent Taxpayer Oversight Committee (ITOC) which regularly holds meetings. The ITOC consists of six members - three voting members with specific professional and/or community credentials in the areas of finance, engineering or transportation planning, and management of major development or construction projects. In addition, there are three non-voting members: STA Governing Board Chair or their designee, the Sacramento County Auditor or their designee, and the Authority’s Executive Director.

The Board advances the Authority’s mission, vision, and core values by overseeing the prompt, cost-effective delivery of funds to each Measure A agency. In doing so, the Authority helps to support each agency’s ongoing transportation programs related to street and road maintenance, traffic control and safety, streetscaping, pedestrian, and bike facilities. Additionally, the funding supports major capital construction projects throughout the region. To ensure that funding and other resources are available when needed, Authority staff regularly work with each Measure A agency to ensure that the short and long-term plans of the Authority and agency are complementary.

SACRAMENTO METROPOLITAN FREEWAY SERVICE PATROL (SACMETRO FSP)

The Authority also manages the Sacramento Metropolitan Freeway Service Patrol (FSP) Program started in November 1992 with just four trucks. Today, FSP covers all the major freeways in Sacramento and Yolo Counties with 15 trucks and provides over 30,000 assists a year, on average. The FSP program reduces freeway congestion by quickly finding and removing minor incidents from the freeways. Minor incidents are responsible for more than half of all non-recurrent freeway congestion.

**SACMETRO FSP
BY THE NUMBERS**



1992
program inception

15
trucks servicing Sacramento and Yolo County freeways

30,000+
motorist assists made by FSP patrols each year on average

SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY (SAVSA)

Authority staff manage the Sacramento Abandoned Vehicle Service Authority (SAVSA) which was created in 1991, to combat the growing problem of abandoned vehicles on both private and public property. Since SAVSA was created, over \$30 million in revenue has been collected to abate over 300,000 vehicles in the greater Sacramento Area (Sacramento City and County, and the Cities of Citrus Heights, Elk Grove, Folsom, Galt, and Rancho Cordova).

SAVSA BY THE NUMBERS



1991

program inception

\$30M+

*in revenue collected for
vehicle abatement*

300,000+

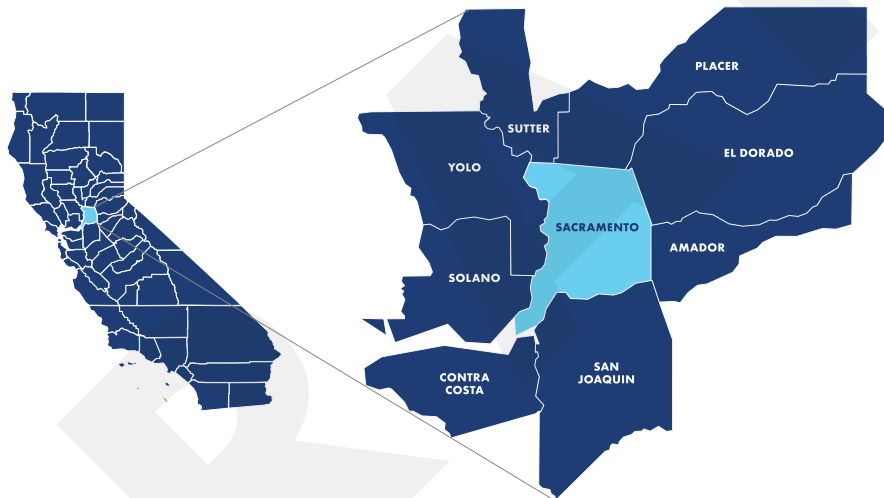
*abandoned vehicles abated
since program inception*

The current SAVSA program expired in April 2022. The Governing Board approved placing a tax measure (Measure C) on the June 2022 ballot to reinstate the program for another ten years. The final election results for Measure C were received on July 12, 2022. While the Measure did receive a majority of the vote it did fail to meet the two-third voter approval requirement with a 57.7% voter approval. In the 2023-2024 legislative session, Authority staff sought a solution through AB 333 to reinstate the SAVSA program. Unfortunately, the bill was not supported by the California State Association of Counties (CSAC) and did not move forward into committee. The SAVSA program continues to receive small amounts of funding in the form of late payments. STA approved an action in February 2026 to seek funding from the involved jurisdictions to generate voter polling on a potential future measure to reinstate the program. This budget reflects taking this measure to the voters in 2026.

SACRAMENTO COUNTY AT-A-GLANCE

Sacramento County was incorporated in 1850 as one of the original 27 counties in the State of California. The County’s largest city, the City of Sacramento, is the seat of government for the State of California and serves as the County Seat. Sacramento became the State Capital in 1854. The County encompasses approximately 994 square miles in the middle of the 400-mile long Central Valley, which is California’s prime agricultural region. The County is bordered by Contra Costa and San Joaquin Counties to the south, Amador and El Dorado Counties to the east, Placer and Sutter Counties to the north, and Yolo and Solano Counties to the west. The County extends from the low delta lands between the Sacramento and San Joaquin Rivers north to about ten miles beyond the State Capitol and east to the foothills of the Sierra Nevada Mountains. The southernmost portion of Sacramento County has direct access to the San Francisco Bay.

The geographic boundaries of the County include seven incorporated cities: Citrus Heights, Elk Grove, Folsom, Galt, Isleton, Rancho Cordova, and Sacramento. Each of these cities contributes a rich and unique dimension to the Sacramento County region.



994
SQUARE
MILES

1.6M
COUNTY
POPULATION

7.0%
INCREASE YEAR OVER YEAR IN
PER CAPITA PERSONAL INCOME

4.9%
UNEMPLOYMENT
RATE

The County’s population is approximately 1.6 million, with modest growth observed over the past few years. As of December 2025, the County’s unemployment rate elevated slightly to 4.9%, increasing 0.2% over the prior year. In 2025, per capita personal income rose 7.0% year over year, strengthening residents’ overall spending power. The region benefits from a diverse employment base, with many state agencies headquartered locally. Additionally, major healthcare providers such as UC Davis Health and Kaiser Permanente employ significant numbers of highly skilled workers. Technology leader Intel supports a substantial manufacturing workforce, and construction activity across commercial, infill, and residential sectors has remained strong, despite prevailing economic uncertainties.

Sacramento is located within a couple hour’s drive of some of the world’s most desirable outdoor recreation destinations – Lake Tahoe, the Sierra Nevada mountains, Yosemite, Mount Lassen/ Shasta, and the Giant Redwoods.

MEASURE A GUIDING PRINCIPLES AND TAXPAYER SAFEGUARDS

GUIDING PRINCIPLES

The guiding principles of Measure A are to maintain and improve the quality of life in the County by implementing the Sacramento County Transportation Expenditure Plan 2009-2039 (Expenditure Plan) which strives to:

- **REDUCE** traffic congestion.
- **IMPROVE** air quality.
- **MAINTAIN AND STRENGTHEN** the county’s road and transportation systems.
- **PRESERVE** unique, natural amenities.
- **PRESERVE** agricultural land.
- **ENHANCE** the region’s ability to secure state and federal funding for transportation by providing local matching funds.

TAXPAYER SAFEGUARDS

Under Measure A, specific taxpayer safeguards are in place to ensure that all funding is spent on specified, voter-approved transportation construction projects, improvements, and new programs identified in the Expenditure Plan. Those safeguards include the following:

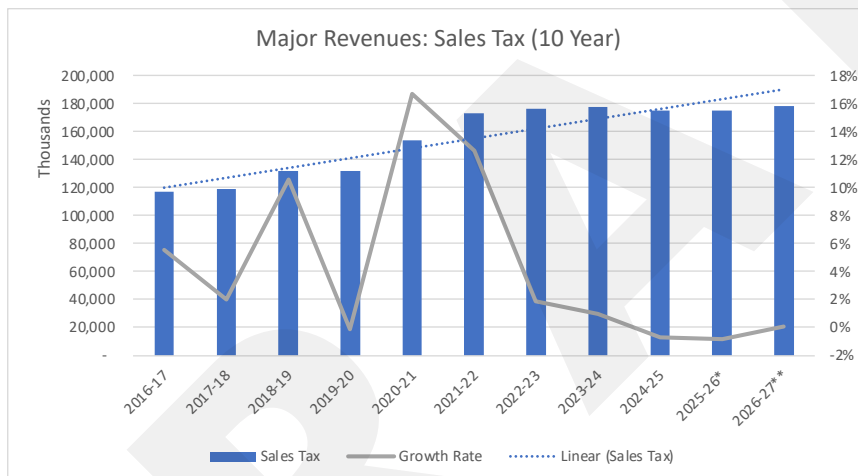


- Projects and programs included in the Expenditure Plan will be funded by revenue raised by the Measure A transactions and use tax.
- The Expenditure Plan is reviewed at least every ten years, beginning in 2019, to ensure that it reflects projected funding availability and current community needs such as demographics, economics, and technology changes.
- The Expenditure Plan can only be changed upon approval by the County Board of Supervisors and a majority of the cities in the County representing a majority of the incorporated population.
- The ITOC was created to supervise annual fiscal and periodic performance audits of all Measure A funds in addition to providing an independent review of the use of funds to ensure that Measure A funds are spent in accordance with provisions of the Expenditure Plan and Ordinance as approved by the voters.
- Sales tax proceeds can only be used for transportation programs and cannot replace traditional revenues generated through locally adopted development fees and assessment districts.
- The Sacramento Transportation Authority will continue to seek maximum funding for transportation improvements through State and federal programs.
- A limit of 0.75% of the net sales tax can be used for the administration of the sales tax program.

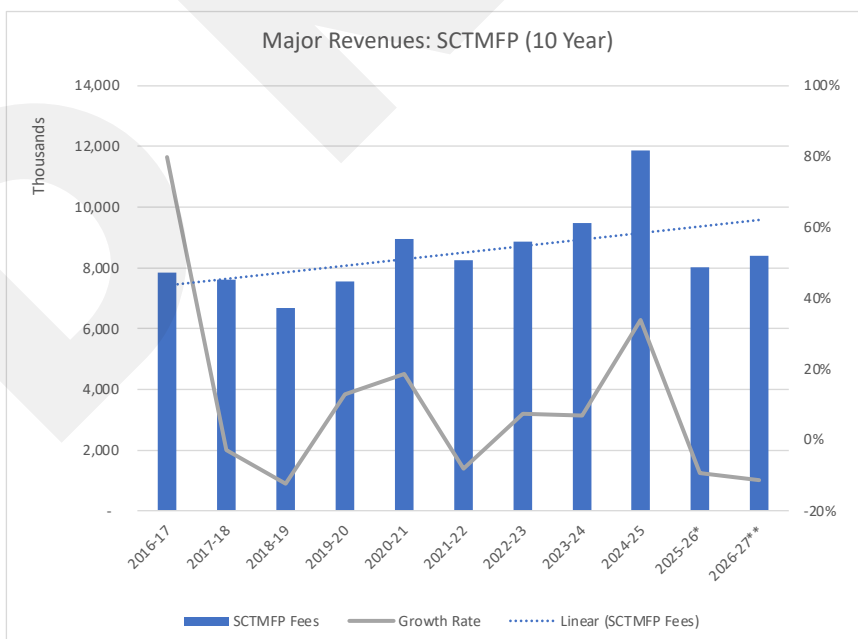
REVENUE SOURCES

Under Measure A, the Authority’s primary revenue source is generated from a local retail sales tax while a smaller revenue source is generated from development fees. Over the course of the entire measure, sales tax is estimated to comprise 94.9% of the Measure A revenues. The Measure A Ordinance authorizes the Authority to collect a one-half cent sales tax on retail sales throughout the County. The development fee is collected under the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). The charts below summarize each Measure A revenue source by fiscal year for the previous 10 years through the budget year FY 2026-27. Note that FY 2025-26 is estimated (*) and FY 2026-27 is forecast (**).

Authority staff, with the assistance of a consultant – Neumo, project sales tax revenue at least annually. Using these forecasts, staff monitor program cash-flows in relation to expected spending to determine what actions, if any, are necessary to align them.



* estimate
** forecast

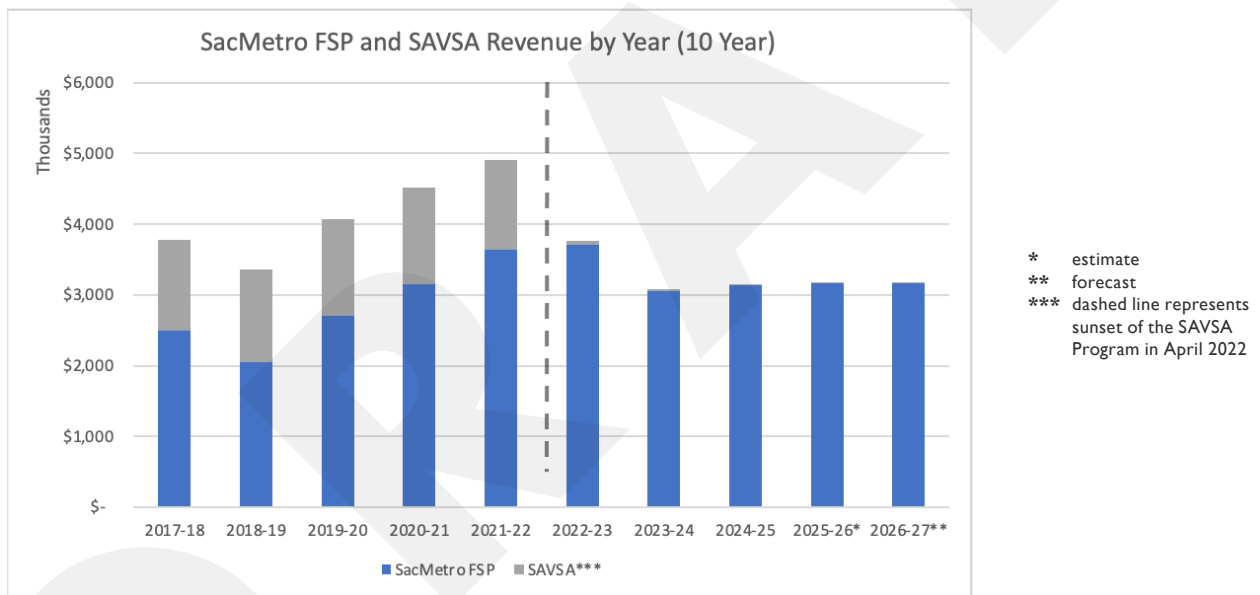


* estimate
** forecast

2 - AUTHORITY OVERVIEW

The Authority administers the Sacramento Metropolitan Freeway Service Patrol (SacMetro FSP) which is funded with state and local grants averaging \$3.1 million annually. The California Department of Transportation (Caltrans) annually approves a state grant which is received on a reimbursement basis as the Authority invoices for services. Additionally, a local grant is received annually as a lump sum through the Capitol Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE) program administered by the Sacramento Area Council of Governments (SACOG).

The Authority also administers the Sacramento Abandoned Vehicle Service Authority (SAVSA). This program was funded by a \$1 surcharge on certain vehicle registrations within the County. This revenue was remitted to the Authority by the California Department of Motor Vehicles on a quarterly basis. The program sunset in April 2022. The chart below summarizes each program’s revenue by fiscal year for the most recent 10 years. Note that FY 2024-25 is estimated (*) and FY 2025-26 is forecast (**) and the SAVSA Program sunset in April 2022; immaterial residual revenue has continued through FY 2025-26 but is anticipated to cease in FY 2026-2027. As noted, earlier STA staff were directed by the Board to look in to polling and the feasibility of placing a tax measure on the ballot in the 2026 or 2028 election.



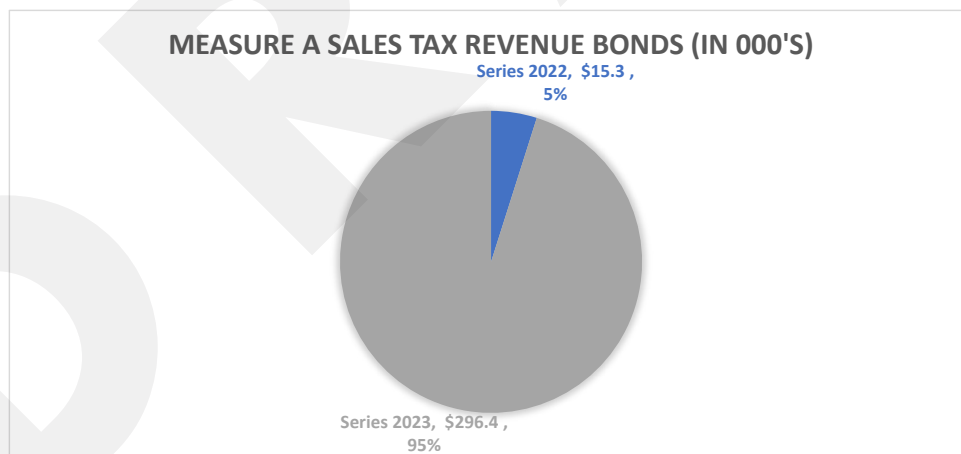
The Federal Grants Fund accounts for revenues received from federal funding sources, including the Safe Streets and Roads for All (SS4A) grant. This fund was established to ensure proper tracking and reporting of federal revenues and expenditures. While initial activity is expected to focus on the SS4A program, the fund is structured to accommodate future federal grant opportunities that support regional transportation planning and capital project development.

DEBT

The Measure A Ordinance allows the Authority to issue debt to fund transportation projects described in the Expenditure Plan. However, the amount of debt is limited to the principal, interest, and other charges that can be paid with 20.75% of the net proceeds from the sales tax revenue. Therefore, before issuing any debt, Authority staff work with its legal and financial advisory team to determine how much funding is projected to be available for debt service which in turn drives decisions related to how much additional debt is affordable.

The Authority’s commitment to fiscal responsibility and sound financial management is reflected in its AAA credit rating from Standard & Poor’s. This top-tier rating, reaffirmed in 2023 during the issuance of the Series 2023 Revenue Bonds, is a testament to the Authority’s strong financial policies, conservative debt management practices, and consistent sales tax revenue performance. The rating supports favorable borrowing terms, reduces the cost of capital, and underscores the Authority’s ability to meet its long-term obligations while maintaining flexibility to fund future capital projects. STA’s financial stewardship helps build public trust and ensures the continued effectiveness of the Measure A program.

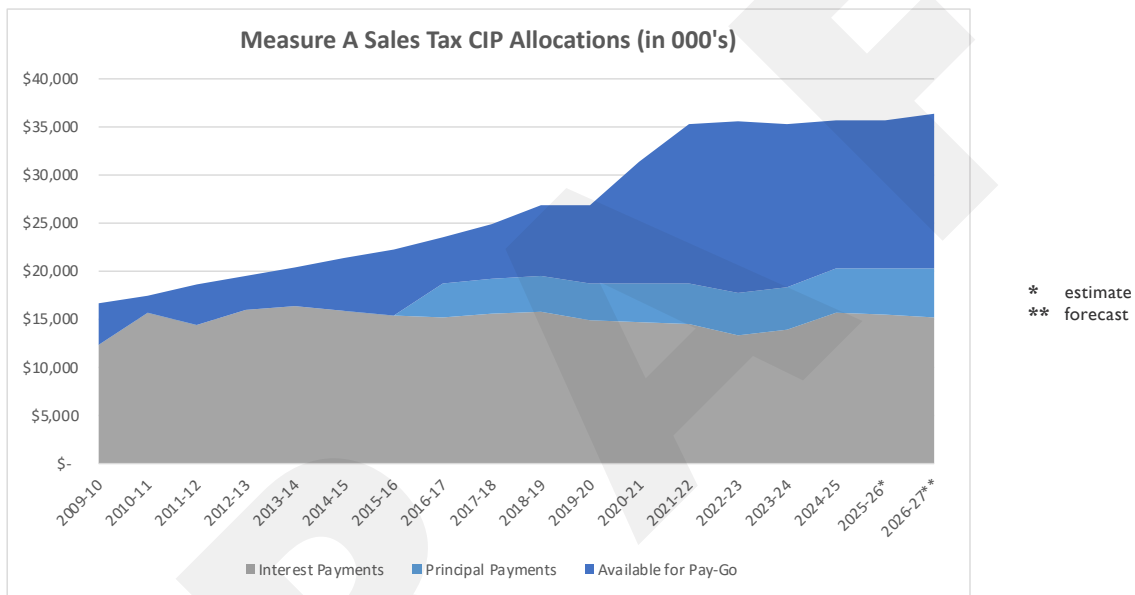
In October 2009, the Authority issued \$318.3 million in variable-rate demand bonds (VRDB). In September 2023, the VRDB’s were refunded with the 2023 Series Revenue Bonds with a par value of \$296.4 million, terminating the related interest rate swaps. In July 2012, fixed rate bonds with a par value of \$53.4 million were issued. In September 2022, the 2012 Series Revenue Bonds were refunded with the Measure A Sales Tax Refunding Bonds, Series 2022. The refunding lowered debt service costs through the maturity of the original 2012 Series. The current total outstanding debt is \$311.7 million. The table below summarizes debt issued and outstanding.



2 - AUTHORITY OVERVIEW

On a regular basis, the Authority performs an analysis to determine the Maximum Annual Debt Service (MADS). This metric represents the ratio of available cash to the annual debt obligation. A minimum MADS coverage ratio of 200% is required under the Authority’s Debt Policy and is generally preferred by financial institutions underwriting the Authority’s debt. Currently, the Authority’s MADS ratio is 4.95x (495%), based on 2025 actual sales tax revenue, when principal payments on the 2023 Bond Series reach their final fiscal year in 2038–39.

Funds remaining after covering debt service costs (interest, principal, and ancillary fees) are available for the Authority’s capital program—referred to as pay-go funding. The chart below summarizes CIP proceeds (based on 20.75% of net sales tax revenue), broken down into major categories: interest and principal payments, with the remainder allocated to pay-go funding by fiscal year.



Debt Service (in 000's)				
Fiscal Year	Principal Amortization	Bond Interest	Ancillary Fees	Total Debt Service
2025-26	\$ 4,835	\$ 15,463	\$ 103	\$ 20,401
2026-27	5,085	15,215	106	20,406
2027-28	5,345	14,954	109	20,409
2028-29	19,565	14,332	113	34,009
2029-30	21,820	13,297	116	35,233
2030-31	22,835	12,181	119	35,135
2031-32	24,085	11,008	123	35,216
2032-33	25,325	9,772	127	35,224
2033-34	26,710	8,472	130	35,312
2034-35	28,095	7,101	134	35,331
2035-36	29,615	5,659	138	35,412
2036-37	31,110	4,141	143	35,393
2037-38	32,785	2,543	147	35,475
2038-39	34,470	862	151	35,483
Total	\$ 311,680	\$ 134,999	\$ 1,760	\$ 448,439

Authority staff regularly assess the information above to determine how much funding is available for the capital program in relation to the demands for funding. Currently, the Authority does not have any plans to issue more general CIP debt for the following reasons:

- In FY 2027-28 debt service cash outflows from the General Fund to the Debt Service Fund will increase to \$29.5 million from \$20.4 million in the budget year. This amount will increase over the remaining maturity to \$35.5 million in FY 2037-38.
- Based on information provided by the Authority's capital program partners for the budget year, and the Five-Year Capital Improvement Program (CIP), the accumulation of pay-go and SCTMFP cash are projected to be enough to fund program costs in the budget year and through the term of the 5-Year CIP.

To support the City of Sacramento (City) in advancing the I Street Bridge Replacement Project, the Authority staff in coordination with City staff developed a Agreement For Advancement of Measure A funds to provide gap financing since the timing of grant reimbursement would not align with the pace of construction. As part of this effort, STA is collaborating with the City and Financial Advisor developed a Line of Credit financing option that would be structured in a way that minimizes financial risk to the Authority. Financing costs will be borne by the City's share of Measure A capital improvement program dedicated funding. This approach allows the project to move forward while preserving STA's long-term fiscal stability and supporting one of the region's highest-priority infrastructure projects. This effort could also serve to inform future initiatives by other agencies facing similar challenges. In February 2026, the STA Governing Board approved the Agreement for Advancement of Measure A Funds and authorized solicitation of a line of credit. The timing of when the line of credit may be needed remains uncertain and could range from FY 2026-27 to FY 2027-28. STA and the City must also enter into a more detailed implementation agreement establishing the specific terms, conditions, and responsibilities for use of the line of credit.

Authority staff will continue to review the program and implement necessary measures to ensure that cash flows are appropriately balanced.

CONSOLIDATED BUDGET SUMMARY

The Authority’s budget supports programs and projects that reduce traffic congestion, improve air quality, maintain, and strengthen the county’s road and transportation systems, and enhance each local agencies’ ability to secure state and federal funding by providing local matching funds.

This section presents a consolidated summary of revenues and appropriations across the Authority’s General Fund and Special Revenue Funds, which include Measure A, SacMetro FSP, SAVSA, Transit, and Federal Grants programs. Detailed budgets by program are provided in the “Budget Schedules” section. The annual budget continues to serve as a key tool for both short and long-term financial planning and appropriation control.

THE GENERAL FUND

operating fund for:

- Measure A programs
- SacMetro FSP programs

The General Fund – operating fund for Measure A and SacMetro FSP programs. It receives all Measure A sales tax, SCTMFP, the FSP State Allocation, and the CVR-SAFE local match revenues. This fund supports ongoing operations and maintenance of countywide transportation infrastructure, provides local funding for capital construction projects, and covers program administration costs. Most ongoing funding is passed through to local entities monthly, while capital projects are funded on a reimbursement basis using a combination of sales tax and SCTMFP proceeds. The SacMetro FSP program reduces freeway congestion by removing stalled or disabled vehicles.

THE SPECIAL REVENUE FUNDS

operating funds for:

- SAVSA programs
- Neighborhood Shuttle programs
- Consolidated Transportation Services Agency (CTSA) programs
- Federal Grants Fund

The Special Revenue Funds – operating funds for SAVSA, the Neighborhood Shuttle, and the Consolidated Transportation Services Agency (CTSA) programs and the Federal Grants Fund.

SAVSA is funded by a \$1 registration fee collected annually on each eligible vehicle registered within the County: this fee sunset in April 2022. The SAVSA program continues to receive small amounts of funding in the form of late payments. STA approved an action in February 2026 to seek funding from the involved jurisdictions to generate voter polling on a potential future measure to reinstate the program.

The **Neighborhood Shuttle program** is funded with pass through sales tax allocations totaling \$1 million annually. The CTSA program also called the Senior

THE SPECIAL REVENUE FUNDS

operating funds for:

- SAVSA programs
- Neighborhood Shuttle programs
- Consolidated Transportation Services Agency (CTSA) programs
- Federal Grants Fund

and Disabled Transportation Services Program was originally programed in Section VII of the Measure A Sacramento County Transportation Expenditure Plan 2009-2039 to accumulate 1% of CTSA funding from the first decennial period for distribution during the third decennial period. This was subsequently revised, during the December 10, 2020, Board Meeting to allow grant agreements in the second decennial period, in accordance with CTSA guidelines. The full amount of accumulated funding has not been fully expended; after the funds are expended the fund balance will be exhausted. There are currently no additional funds to accumulate and be allocated to the CTSA fund.

Federal Grants Fund — Established in FY 2025-26, this fund accounts for federal grant revenues and expenditures, including the Safe Streets and Roads for All (SS4A) grant and future federal funding opportunities. The fund is designed to ensure compliance with federal requirements, improve transparency, and segregate federal program activity from local funding sources. It will support federal grant programs requiring dedicated tracking of revenues, expenditures, and local match contributions.

MAJOR FACTORS IMPACTING THE BUDGET

Major factors impacting the budget are as follows:

- **Total Revenues are projected to increase** by approximately \$10.7 million (5.9%), from \$180.5 million in the FY 2025-26 Budget to \$191.2 million in FY 2026-27. The increase is primarily due to continued local economic resilience including stable unemployment, increasing per capita income, and rising population in the County.
- **Total Appropriations are expected to decrease** by \$14.3 million (-6.1%), from \$233.1 million in FY 2025-26 to \$218.8 million in FY 2026-27. This decrease reflects the high capital improvement program budgeting in FY 2025-26 that isn't anticipated to fully be realized in the fiscal year. Capital improvement fund balance will roll forward into future years.
- **Ending Fund Balance is projected to decrease** by \$6.0 million (-12.8%) between the two years, from \$46.4 million in FY 2025-26 to \$40.4 million in FY 2026-27. This result reflects reductions in capital spending between years and increased projected revenues.



CONSOLIDATED SUMMARY OF ALL FUNDS
REVENUE, APPROPRIATIONS, AND FUND BALANCE

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Revenues						
Sales Tax	\$ 174,857,050	\$ 171,777,300	\$ 174,709,000	\$ 177,981,800	\$ 6,204,500	3.6%
SCTMFP Fees *	11,851,054	3,749,000	8,022,000	8,382,000	4,633,000	123.6%
Interest and Other	4,217,283	1,523,500	1,662,082	1,359,800	(163,700)	-10.7%
SacMetro FSP **	3,135,127	3,099,666	3,164,333	3,164,333	64,667	2.1%
Federal Grants	-	349,030	-	349,030	-	100.0%
SAVSA***	2,459	-	500	200	200	0.0%
Total Revenues	\$ 194,062,973	\$ 180,498,496	\$ 187,557,915	\$ 191,237,163	\$ 10,738,667	5.9%
Appropriations						
Administration	\$ 1,848,273	\$ 1,285,348	\$ 1,186,881	\$ 1,405,071	\$ 119,723	9.3%
SacMetro FSP	2,831,861	2,846,262	2,921,414	3,067,558	221,296	7.8%
SAVSA	1,710	151,644	13,264	16,787	(134,857)	-88.9%
Federal Grants	-	349,030	-	349,030	-	100.0%
Transit	1,724,714	1,252,865	991,200	1,251,096	(1,769)	-0.1%
Professional Services	81,808	150,937	154,000	82,000	(68,937)	-45.7%
Contributions to Measure A Entities:						
Ongoing Allocations	136,840,172	134,324,914	136,631,000	139,264,159	4,939,245	3.7%
Capital Improvement Program (CIP)	21,558,176	72,318,000	56,238,000	52,942,000	(19,376,000)	-26.8%
Debt Service Debt:						
Principal	4,600,000	4,835,000	4,835,000	5,085,000	250,000	5.2%
Interest and Other Charges	15,718,463	15,566,125	15,566,125	15,321,215	(244,910)	-1.6%
Total Appropriations	\$ 185,205,177	\$ 233,080,125	\$ 218,536,884	\$ 218,783,916	\$ (14,296,209)	-6.1%
Net Increase (decrease) in Fund Balance	8,857,796	(52,581,629)	(30,978,969)	(27,546,753)	25,034,876	-47.6%
Beginning Fund Balance	90,139,659	98,997,455	98,997,455	68,018,486	(30,978,969)	-31.3%
Ending Fund Balance	\$ 98,997,455	\$ 46,415,826	\$ 68,018,486	\$ 40,471,733	\$ (5,944,093)	-12.8%
Fund Reserve****	7,500,000	6,300,000	6,300,000	9,040,000	2,740,000	43.5%
Ending Fund Balance Less Reserve	\$ 91,497,455	\$ 40,115,826	\$ 61,718,486	\$ 31,431,733	\$ (8,684,093)	-21.6%

* Sacramento Countywide Transportation Mitigation Fee Program

** Sacramento Metropolitan Freeway Service Patrol

*** Sacramento Abandoned Vehicle Service Authority

**** FY 2026-27 \$8.44 million for the capital program, \$0.3 million for FSP and \$0.3 million for administration

 **APPROPRIATIONS**

Total appropriations are expected to decrease by \$14.3 million (-6.1%) to \$218.8 million in FY 2026-27 compared to \$233.1 million for the FY 2025-26 budget. This is largely due to a \$19.4 million (-26.8%) decrease in CIP appropriations, reflecting reductions in projected capital spending between the FY 2025-26 budget and the projected FY 2026-27. These decreases are partially offset by minor variations in the other programs, as well as an increase in Ongoing Allocations proportional to the projected increase in sales tax revenue.

As a result of these budgeted activities, the Authority’s ending fund balance, not considering fund reserves, is projected to decline by \$5.9 million (-12.8 %) to \$40.4 million. This follows an underspent FY 2024-25 budget, which resulted in a higher-than-anticipated fund balance carried forward into the FY 2025-26 estimate.

3

BUDGET PROCESS AND FISCAL POLICIES



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3 BUDGET PROCESS AND FISCAL POLICIES

This budget presents three years of financial information: actuals for FY 2024-25, estimates for FY 2025-26, and proposed amounts for FY 2026-27.

The Authority's fiscal year runs from July 1 through June 30. A draft of the final budget is presented to the Board in May and brought back in June for adoption. Until it is adopted, the budget is considered a living document—staff incorporate changes recommended by the Board, Executive Director, and Independent Taxpayer Oversight Committee (ITOC). Once adopted, the budget is posted on both the Authority's websites.

AUTHORITY FISCAL YEAR



MAY
BUDGET DRAFT PRESENTED TO BOARD

JUNE
BUDGET BROUGHT BACK FOR ADOPTION

BUDGET TIMELINE

JANUARY

Budget development begins in **January**, following the review of actual expenditures for the first two quarters of the fiscal year (ending December 31) and after the Board approves the prior year's audited financial statements. The ending fund balances from the prior year are used as beginning balances for FY 2025-26. Using this information as a starting point, staff develop revenue and appropriation projections for the remainder of the current fiscal year.

During this process, staff also collaborate with the Authority's Special Programs Manager to develop budgets for the SacMetro FSP and SAVSA programs. This collaboration includes preparation of salary, benefit, and administrative overhead schedules by the Chief Financial Officer, while the Special Programs Manager develops revenue and expenditure estimates for these programs.

JANUARY - MARCH

From **January through March**, staff engage with each Measure A agency to identify funding needs for capital construction projects. This collaboration is central to determining project cash flows for the upcoming budget year and is based on existing funding agreements between the Authority and participating agencies.

In December, staff update long-term revenue forecasts in conjunction with the Authority's consulting firm Neumo. Neumo has expertise in sales tax forecasting for public agencies, including transportation authorities, and uses proprietary modeling tools, historical agency data from the California Department of Tax and Fee Administration, and key economic indicators such as employment, housing starts, and population growth. Authority staff work closely with Neumo to ensure the forecasts are well understood and integrated into long-term financial planning. These projections, which extend through the end of the Measure A program in FY 2038-39, are used to evaluate debt capacity, assess fund balances, and plan for program needs.

Staff also collaborate with the Executive Director to incorporate strategic goals and define the Authority's vision for the coming year. This iterative process continues through the end of the budget cycle in June.

BUDGET TIMELINE

MAY

In **May**, the ITOC reviews a draft of the final budget. The Chief Financial Officer attends this meeting to summarize key highlights, respond to questions, and gather feedback. Any recommendations from the committee are carefully evaluated and incorporated into the final draft as appropriate.

During the May Board meeting, members may ask questions, provide comments, and offer direction. Public input is also welcomed at the meeting. Based on this feedback, staff refine the draft in coordination with the Executive Director.

JUNE

In **June**, the final budget is presented to the Board for adoption. Typically, it remains materially consistent with the May draft, featuring only minor revisions. Staff highlights any significant changes during the June meeting. Adoption necessitates a quorum of Board members and a majority of the voting quorum. If the final budget isn't adopted by June 30, the Board may vote for a resolution allowing the Authority to continue under the draft. An amended budget can be brought to the Board if revenue and/or appropriation change warrant it at any time.

BASIS OF BUDGETING

The Sacramento Transportation Authority prepares its annual budget for all governmental funds using the modified accrual basis of accounting, which is consistent with the basis used in the Authority's Annual Comprehensive Financial Report (ACFR). Under the modified accrual basis, revenues are recognized when they are measurable and available, and expenditures are recognized when the related obligation is incurred. For the Authority, revenues are considered available if they are received within a defined period after the end of the fiscal year. This approach ensures consistency between budgetary and audited financial reporting and supports meaningful comparison across fiscal years.

BUDGET AMENDMENT PROCESS

After the adoption of the annual budget, it is sometimes necessary to amend the budget in response to changing circumstances. The Authority follows a defined process for modifying the adopted budget, which is designed to uphold transparency, accountability, and compliance with all legal requirements.

In accordance with the budget resolution, staff are authorized to adjust revenue projections—particularly those related to sales tax collections—based on actual receipts, without the need for separate Board approval. However, most amendments presented during the fiscal year concern expenditure adjustments. These changes may include increases or reallocations that are necessary to support program needs or to address evolving operating conditions.

Budget amendments can also be used to adjust the timing of expenditures. For example, budget authority may be shifted between fiscal years to align with revised project schedules or anticipated cash flows. The amendment process incorporates internal reviews and Board reporting requirements, ensuring that all changes adhere to adopted policies and maintain the established legal level of budgetary control.

FISCAL POLICIES

California's Public Utility Code (CPUC) Section 180105 requires the Authority to adopt an annual budget and hire a Certified Public Accountant to perform an annual financial audit. CPUC Section 180108 requires the Authority to notice the time and place of the public hearing on the adoption of the annual budget no later than the 15th day prior to the day of the hearing and that the budget shall be available for public inspection at least 15 days prior to the hearing. To fulfill this requirement, staff typically introduce a draft of the final budget during the Board meeting in May, whereby the public can comment, and the Board adopts the final budget during the Board meeting in June.

The Authority's foremost responsibility to the citizens of Sacramento County is the prudent management of public finances and the careful stewardship of taxpayer funds. Fiscal policies are designed to protect public assets entrusted to the Authority's administration. These policies support long-term financial planning, ensure legal compliance, enhance public trust, and help preserve the Authority's strong credit standing.

KEY POLICY BENEFITS

Establishing and adhering to financial policies supports the Authority's mission of fiscal integrity and transparency. Key benefits help the Authority to:

AFFIRM COMMITMENT

Board-approved policies affirm the Authority's commitment to the responsible stewardship of public funds, strengthening public trust.

IMPROVE APPEAL

Sound fiscal practices improve the Authority's appeal to investors and funding partners.

CONNECT PLANNING & OPERATIONS

Board-approved policies affirm the Authority's commitment to the responsible stewardship of public funds, strengthening public trust.

SUPPORT SUSTAINABILITY & STABILITY

A forward-looking approach to planning supports a sustainable and stable financial outlook.

MINIMIZE RISK

Fiscal discipline helps protect and enhance the Authority's credit rating, minimizing the risk of default on outstanding debt.

ENSURE COMPLIANCE

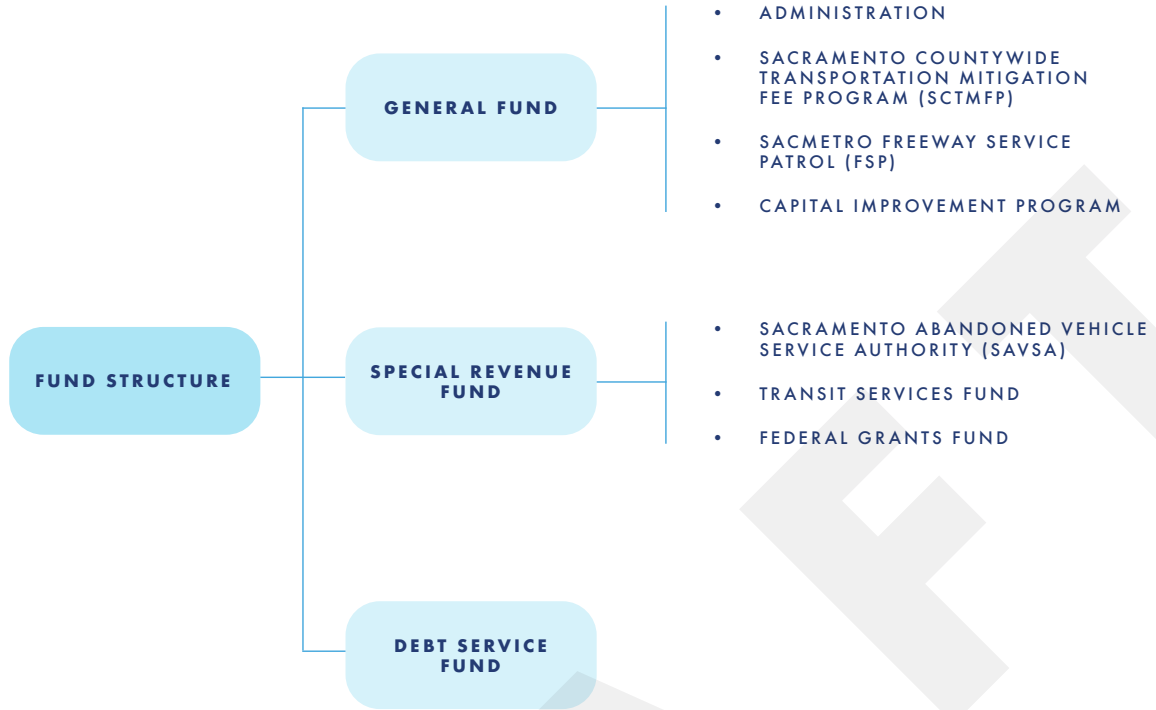
Internal controls and administrative procedures ensure all public funds are used in full legal compliance.

FUND STRUCTURE

The annual budget is organized into several distinct funds, each established for a specific purpose in managing the Authority's financial activities. A clear understanding of the fund structure supports transparency and aids in interpreting the Authority's budget.

The diagram on the following page illustrates how the Authority's finances are organized across three primary fund types: the General Fund, Special Revenue Fund, and Debt Service Fund, along with their respective program areas.

For more detailed descriptions of each fund's activities, please refer to the Budget Schedules and Fund Information section.

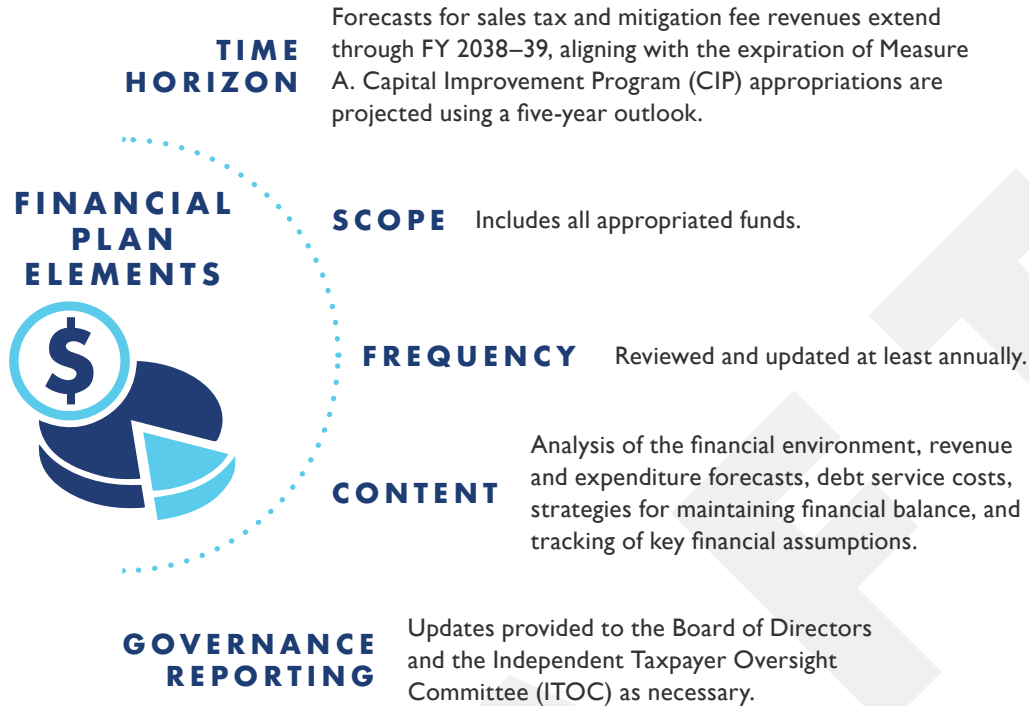


»» FINANCIAL PLANNING

Long-term financial planning combines financial forecasting with strategic planning to ensure the Authority can sustain its programs over time. It is a collaborative process that evaluates future fiscal scenarios, anticipates potential challenges, and confirms program viability.

By projecting revenues and expenditures over a multi-year horizon—based on assumptions about economic conditions, policy changes, and program objectives—the Authority gains insight into its future financial capacity. This enables the development of strategies to maintain fiscal health while navigating uncertainty.

The Authority is committed to regularly updating its financial plan and incorporating its findings into the annual budget process to support long-term program sustainability.



FINANCIAL ACTIVITY REPORTING

The Authority’s financial activity is recorded in a variety of funds, which serve as the basic accounting and reporting structures in governmental finance. This fund-based structure ensures:

- The fair and full disclosure of the financial position and results of operations, in accordance with Generally Accepted Accounting Principles (GAAP) and Government Accounting Standards Board (GASB).
- Compliance with finance-related legal and contractual requirements.

ALLOCATIONS AND RATES

As required under Measure A, agencies participating in the City Street and County Road Maintenance Program, Traffic Control and Safety Program, and Safety, Streetscaping, Pedestrian and Bicycle Facilities Program receive monthly allocations determined by a formula based on their relative population and number of lane miles. Participating jurisdictions include Sacramento County and the cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, and Sacramento. Each year, staff use population estimates from the California Department of Finance and lane mile data reported by the agencies to calculate allocation percentages for the upcoming fiscal year. These allocations are detailed in the Formulaic Allocation section.

Measure A also requires the Authority to annually update the Sacramento County Transportation Mitigation Fee Program (SCTMFP) rates collected by participating jurisdictions. These fees are adjusted annually by Board action and are indexed to changes in construction costs, as measured by the McGraw-Hill Engineering News-Record (ENR) 20-City Construction Cost Index.

The following table summarizes the adjusted SCTMFP rates for FY 2026-27 by land use category.

TABLE 1: SCTMFP FEE SCHEDULE FOR FY 2026-27

Development Type	Per	New Rates FY 2025-26 (after 7/1/2025)	New Rates FY 2026-27 (after 7/1/2026)
Single-Family Residential	unit		
Very Small (≤ 800 sq.ft.)		\$1,105	\$1,132
Small (801-1200 sq.ft.)		\$1,355	\$1,388
Medium-Small (1,201-1600 sq.ft.)		\$1,474	\$1,510
Medium (1,601-2,400 sq.ft.)		\$1,599	\$1,638
Large (>2,400 sq.ft.)		\$1,758	\$1,800
Single-Family Residential, Senior	unit		
Very Small (≤ 800 sq.ft.)		\$505	\$517
Small (801-1200 sq.ft.)		\$619	\$634
Medium-Small (1,201-1600 sq.ft.)		\$674	\$690
Medium (1,601-2,400 sq.ft.)		\$730	\$748
Large (>2,400 sq.ft.)		\$803	\$822
Multi-Family Residential	unit		
Very Small (≤ 800 sq.ft.)		\$1,011	\$1,035
Small (801-1200 sq.ft.)		\$1,240	\$1,271
Medium-Small (1,201-1600 sq.ft.)		\$1,348	\$1,381
Medium (1,601-2,400 sq.ft.)		\$1,463	\$1,499
Large (>2,400 sq.ft.)		\$1,607	\$1,646
Multi-Family Residential, Senior	unit		
Very Small (≤ 800 sq.ft.)		\$447	\$458
Small (801-1200 sq.ft.)		\$549	\$562
Medium-Small (1,201-1600 sq.ft.)		\$596	\$611
Medium (1,601-2,400 sq.ft.)		\$647	\$663
Large (>2,400 sq.ft.)		\$711	\$728
Accessory Dwelling Units	unit		
Very Small (<750 sq.ft.)		Exempt	
Otherwise (>750 sq.ft.)		Fee is based on the ratio of the floor area of the ADU compared to the primary unit, times the fee that would be charged on the primary unit, if the primary unit was being newly built.	

TABLE 2: SCTMFP FEE SCHEDULE FOR FY 2026-27

Development Type	Per	New Rates FY 2025-26 (after 7/1/2025)	New Rates FY 2026-27 (after 7/1/2026)
Office Use	KSF	\$1,836	\$1,880
Retail Use	KSF	\$2,399	\$2,457
Industrial Use	KSF	\$840	\$861
Hotel/Motel	sleeping room	\$868	\$889
Extended Stay Hotel/Motel	sleeping room	\$568	\$582
Hospital	KSF	\$1,825	\$1,869
Service Station	fueling pump	\$3,497	\$3,582
Supermarket	KSF	\$1,095	\$1,122
Warehouse/Self-Storage	KSF	\$242	\$248
Assisted Living Facility	bed	\$441	\$452
Congregate Care	unit	\$374	\$383
Child Day Care	student	\$693	\$710
Private School (K-12)	student	\$421	\$431
Auto Repair/Body Shop	KSF	\$2,399	\$2,457
Gym/Fitness Center	KSF	\$2,399	\$2,457
Drive-through Car Wash	KSF	\$2,399	\$2,457
All Other	average weekday trips generated	\$170	\$174

KSF - 1,000 Square Feet

FUND BALANCE DESIGNATIONS AND RESERVE

The Authority strives to maintain adequate fund balances across its funds—General Fund (including Administration, FSP, CIP, and SCTMFP components), SAVSA Fund, Transit Fund, Federal Grants Fund, and Debt Service Fund—to ensure financial stability, maintain creditworthiness, and provide operational flexibility.

Reserves are intended to:

- **OFFSET** revenue declines or economic disruptions;
- **ADDRESS** unforeseen operational or capital needs;
- **SUPPORT** liquidity and cash-flow timing.

The Government Finance Officers Association (GFOA) recommends maintaining reserves equivalent to two to four months of either expenditure or revenues, depending on which is more stable. Because STA’s revenues are more predictable than expenditures, the Authority uses revenues as the reserve benchmark.

The SAVSA, Neighborhood Shuttle, and CTSA programs are designed to be pass-through, break-even programs; therefore, maintaining a fund balance reserve in these funds is not necessary.



GENERAL FUND

This includes the Administration, SacMetro FSP, SCTMFP, and CIP sub-funds. Reserve targets for each are as follows:

- **Administration Fund:** Maintains a reserve of \$300,000 (approximately three months of revenue), consistent with the prior budget year.
- **CIP Fund:** Maintains a \$8.44 million reserve, equivalent to four months of pay-as-you-go revenues, up \$2.44 million from the prior budget year. Of this increase, \$0.44 million reflects the establishment of a new reserve within the Smart Growth Arterial and Corridors Program, created to ensure an adequate and stable fund balance year to year.
- **SacMetro FSP:** A target reserve of \$800,000 (approximately three months of revenue) has been established. The current projected ending fund balance is insufficient to fully fund this reserve; therefore, \$300,000 will be set aside in FY 2026–27, with a longer-term objective of reaching the full policy target as resources allow.
- **SCTMFP Fund:** No formal reserve is maintained due to the fund's supplemental nature, but balances are closely monitored for cash flow needs related to CIP payments.



SAVSA FUND

The SAVSA (Sacramento Abandoned Vehicle Service Authority) Fund administers revenues collected through vehicle registration fees to support the removal of abandoned vehicles across Sacramento County. As a pass-through program, funds are distributed to participating jurisdictions based on eligible expenses. Because the program is designed to operate on a break-even basis, maintaining a fund balance reserve is not necessary.



TRANSIT FUND

The Transit Fund supports STA's contribution to public transportation operators. Although the Authority does not maintain a fixed reserve target for this fund, staff closely monitor fund balance to ensure timely payments to transit agencies and to manage fluctuations in Measure A revenue receipts. Temporary fund balance may accumulate depending on cash flow timing and revenue performance.



FEDERAL GRANTS FUND

The Federal Grants Fund accounts for the Authority’s federal grant activity. The grant awarded to the Authority is structured on a reimbursement basis, resulting in a zero-fund balance at year-end. As such, no reserve balance is required for this fund.



DEBT SERVICE FUND

Managed by the Authority’s trustee, U.S. Bank, this fund is funded monthly from sales tax proceeds to meet debt obligations. Fund balances fluctuate based on the timing of monthly, quarterly, and semi-annual payments. As such, no reserve balance is required for this fund.

Authority staff regularly monitor all fund balances to ensure sufficient liquidity is available to meet expected claims, administrative costs, and other obligations. A summary of fund reserves for the prior, current, and upcoming budget year is presented below.

FUND BALANCE RESERVES

Fiscal Year	Policy	Amount
CIP Program		
2024-25	\$ 7,200,000	\$ 7,200,000
2025-26	6,000,000	6,000,000
2026-27*	\$ 8,440,000	\$ 8,440,000
FSP Fund		
2024-25	\$ -	\$ -
2025-26	-	-
2026-27	\$ 800,000	\$ 300,000
Administration Fund		
2024-25	\$ 300,000	\$ 300,000
2025-26	300,000	300,000
2026-27*	\$ 300,000	\$ 300,000

* FY 2026-27 Final budget includes reserve amounts per policy

APPROPRIATIONS LIMIT

The Authority annually adopts a resolution establishing its appropriations limit in accordance with Article XIII B of the California State Constitution, California Government Code Section 7900, and any applicable voter-approved amendments. This limit governs the maximum amount of tax proceeds the Authority is authorized to appropriate each year.

Each May, the California Department of Finance publishes the population and inflation factors needed to calculate the new appropriations limit. As a result, the Authority typically adopts its updated limit during the June Board meeting.

The table below summarizes the appropriations limit for the current budget year and the four preceding fiscal years:

Fiscal Year	Appropriations Limit
2022-23	\$ 338,642,284
2023-24	352,354,540
2024-25	366,847,537
2025-26	392,424,881
2026-27	414,279,827

CAPITAL CONSTRUCTION BUDGET

The Capital Improvement Program (CIP) budget reflects the Authority’s long-range financing strategy and commitment to delivering transportation investments identified in the Measure A Expenditure Plan. When voters approved the Measure A extension in 2004, they also adopted an Expenditure Plan outlining the transportation projects eligible for Measure A funding based on projected revenues.

The Expenditure Plan is formally reviewed at least once every ten years and may be amended under specific conditions to respond to changing regional transportation needs. Any amendment must be approved by the Sacramento County Board of Supervisors and a majority of city councils representing a majority of the county’s incorporated population.

COST ALLOCATIONS

The Authority oversees six programs: Measure A, SacMetro Freeway Service Patrol (FSP), Sacramento Abandoned Vehicle Service Authority (SAVSA), Neighborhood Shuttle, the Consolidated Transportation Services Agency (CTSA) and Federal Grants. Authority staff contribute to each program at varying levels:



Because each program benefits from the time and expertise of shared staff, salary and benefit costs are allocated proportionally based on actual hours worked on each program. Administrative and overhead expenses are finalized at the end of each fiscal year, using inputs such as staff time reports, program revenues, and direct program costs to determine the appropriate allocations. These inputs ensure that administrative and overhead costs are equitably distributed across all programs, reflecting actual program utilization.

RETIREMENT PLAN FUNDING POLICY

The Authority provides defined benefit retirement benefits through the California Public Employees' Retirement System (CalPERS). All full-time employees hired after January 1, 1994, are eligible to participate in the plan, which includes retirement benefits, annual cost-of-living adjustments, and death benefits. CalPERS serves as a pooled investment and administrative agent for participating public agencies, with benefits and eligibility requirements established by state statute.

The financial objective of the pension plan is to fully fund the long-term cost of benefits in a systematic and disciplined manner over the active service life of each employee. The Authority uses the Actuarially Determined Contribution (ADC) calculated annually by CalPERS actuaries to guide its funding approach. The ADC includes the normal cost of benefits for current service and an amortization component for any Unfunded Accrued Liability (UAL), based on the entry age normal cost method and approved assumptions.

3 - BUDGET PROCESS AND FISCAL POLICIES

Each year, Authority staff review CalPERS' actuarial valuations to ensure the accuracy of member census data and validate the underlying assumptions. The Authority's long-term goal is to fund the CalPERS plan to 100% of the UAL.

To accelerate progress and reduce financing costs, the Authority voluntarily follows the CalPERS 5-Year Amortization Schedule, despite not being contractually required to exceed minimum UAL payments. This strategy provides flexibility within the Authority's annual budget while reducing long-term interest. The interest savings from the accelerated UAL contributions is projected to be \$1.0 million in interest over the original 20-year amortization period.

At its April 2025 meeting, the Authority's Board of Directors authorized an Additional Discretionary Payment (ADP) of \$650,000 toward the Unfunded Accrued Liability (UAL). This discretionary payment reflects the Board's ongoing commitment to reducing long-term pension obligations and aligns with the Authority's goal of reaching full funding. By contributing above the required minimum, the Authority is expected to achieve additional interest savings and accelerate the paydown of its UAL, further strengthening the sustainability of the CalPERS pension plan. In FY 2025-26, the Authority will continue to make payments in line with the CalPERS' calculated 5-Year Amortization Schedule. These pension-related costs are included in the Salaries and Benefits section of the Administration Budget.

The table below summarizes the actuarially calculated and projected UAL, along with annual payments made by the Authority.

Unfunded Accrued Liability Summary (in thousands)

	2022-23	2023-24	2024-25	2025-26	2026-27
Unfunded Accrued Liability	\$ 1,485	\$ 1,245	\$ 244	\$ 294	\$ 219 *
Payments to UAL	168	340	912	75	69 **

* Balance is projected based on interest accruals, known payments and the fiscal year 2023-24 balance. Market conditions are not considered.

** 5 year amortization based on the CalPERS Annual Valuation Report as of June 30, 2024.

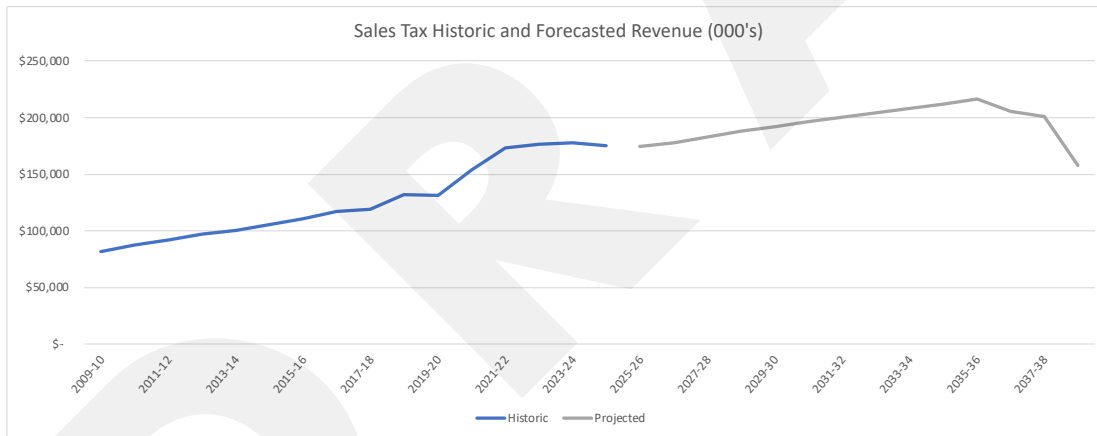
LONG-TERM FINANCIAL PLANNING

SALES TAX

Sales tax revenue is the Authority’s primary funding source and is pledged to bondholders and financial institutions participating in the Authority’s debt program. As such, revenue forecasts are essential for determining debt coverage ratios, assessing the Authority’s capacity to issue additional debt, and informing long-term capital and program planning.

At least annually, Authority staff work with Neumo, the Authority’s sales tax revenue consultant, to update forecasts based on current economic conditions and market trends. These forecasts are used to monitor financial health, support investor confidence, and evaluate liquidity needs. Sales tax revenue is projected to grow at a more moderate and stable pace over the long term compared to earlier years of the Measure A program. While average annual growth from inception through FY 2023-24 exceeded 5 percent, future growth is forecast at approximately 1.1 percent annually, reflecting a more mature revenue base and conservative economic assumptions.

Forecasts incorporate a smoothed economic model that assumes a steady economy in FY 2025-26 and one moderate recession over the remaining life of the program. This approach supports prudent financial planning, informs debt capacity decisions, and helps ensure continued compliance with coverage requirements.



* estimate
 ** Forecasts for FY 2025-26 through FY 2038-39
 *** Program sunsets in March 2039

The higher growth rates in early years are attributed to recovery from the Great Recession and a surge in taxable online sales during FY 2020-21 and FY 2021-22. By contrast, projected growth is more stable and reflects anticipated trends in construction activity, population change, unemployment rates, and personal income levels.

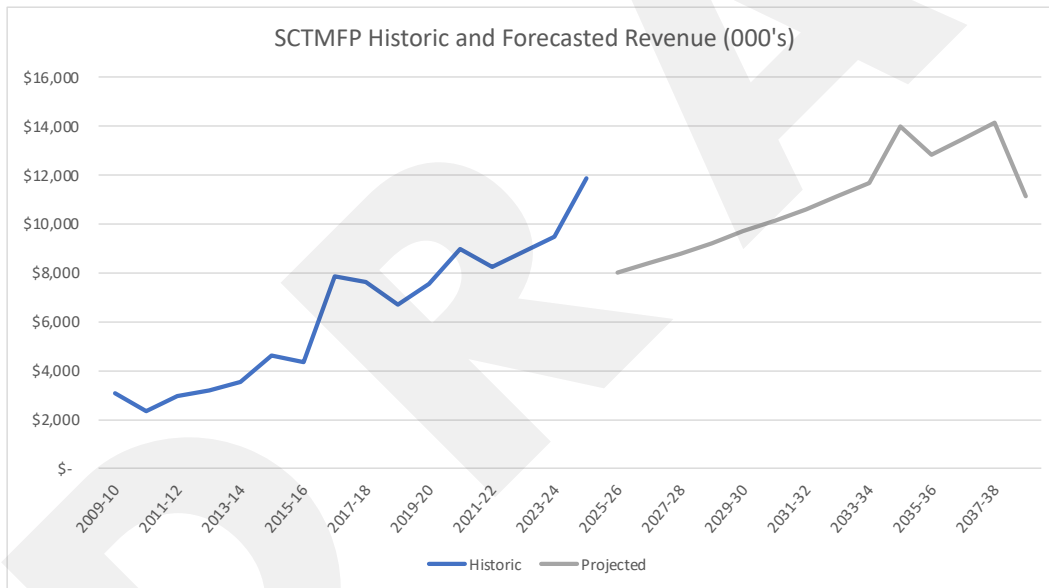
This long-term forecast supports the Authority’s prudent financial planning and ensures the continued ability to meet debt service obligations and maintain a strong credit profile.

SACRAMENTO COUNTYWIDE TRANSPORTATION MITIGATION FEE PROGRAM (SCTMFP)

Measure A includes a second, though smaller, revenue source—the SCTMFP, a development impact fee collected by Sacramento County and each incorporated city. Participation in this program is required as a condition of receiving Measure A sales tax allocations. Unlike sales tax revenue, SCTMFP proceeds are not pledged to the Authority’s debt program; instead, they are used exclusively to fund the Capital Improvement Program (CIP) on a pay-as-you-go basis.

Historically, revenue forecasts for the SCTMFP were prepared internally. However, in 2021 the Authority retained Economic & Planning Systems, a consultant with expertise in development fee modeling, to prepare long-term revenue forecasts. That forecast, completed in August 2021, established a new precedent for utilizing external expertise given the volatility of development-related revenues. Going forward, the Authority plans to continue using third-party consultants with the addition of historical figures at a 50/50 weight to improve forecast reliability through the end of the program.

The chart below illustrates the significant variation in SCTMFP revenue since the program’s inception, as well as projected revenue through FY 2038-39.



* estimate
 ** Forecasts for FY 2025-26 through FY 2038-39
 *** Program sunsets in March 2039

From FY 2009-10 through FY 2024-25, actual revenue growth ranged from -24.1% (FY 2010-11) to 79.9% (FY 2016-17), with an average annual growth rate of 11.6%. This volatility reflects construction cycles throughout the County, including a post-recession recovery and more recent urban revitalization, particularly within the City of Sacramento. In FY 2025-26, revenue is projected to moderate due to high interest rates and economic uncertainty. Looking ahead, average annual growth is forecast at 2.1% through the program sunset.

Based on the most recent forecast, the Authority anticipates collecting \$254.4 million in SCTMFP revenue over the life of the program—slightly over half of the \$488 million originally projected when voters approved Measure A in 2004.

Given the variability of this funding source, the Authority applies conservative planning assumptions to maintain CIP stability and ensure that committed project funding can be sustained.

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BUDGET SCHEDULES AND FUND INFORMATION

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4 BUDGET SCHEDULES AND FUND INFORMATION

This section presents the Authority’s program and administrative budgets, along with descriptions of each governmental fund. The budget tables include actual revenues and appropriations for FY 2024–25, estimated amounts for FY 2025–26, and proposed amounts for FY 2026–27.


The Authority reports on five governmental funds in its Annual Comprehensive Financial Report (ACFR): the General Fund, three Special Revenue Funds, and a Debt Service Fund.

CONSOLIDATED BUDGET SUMMARY BY FUND



CONSOLIDATED BUDGET

The Consolidated Budget Summary by Fund table presents total revenues, appropriations, and other financing sources and uses across the General Fund, three Special Revenue Funds, and the Debt Service Fund.




REVENUES
+5.9%
INCREASE
 (PROJECTED)

Revenues are projected to increase by \$10.7 million (5.9%) to \$191.3 million, based on projections developed in December 2025. This increase reflects increases in anticipated sales tax collections and development-related fees.

Total appropriations are expected to decrease by approximately \$14.3 million (-6.1%) to \$218.8 million, primarily due to lower Capital Improvement Program (CIP) projections. These decreases are partially offset by an increase in Ongoing Allocations that tracks with the increased sales tax revenues.

APPROPRIATIONS
-6.1%
DECREASE
 (PROJECTED)




ENDING FUND BALANCE FOR FY 2026-27
\$40.4 MILLION (PROJECTED)

The ending fund balance for FY 2026–27 is projected at \$40.4 million, a decrease of \$5.9 million (-12.8%) from the FY 2025–26 budgeted balance of \$46.4 million. This decrease is largely attributable to projected CIP spending. Because the CIP operates on a pay-as-you-go basis, unspent prior-year appropriations roll forward, resulting in significant year-to-year variation in fund balance.

The budget remains structurally balanced due to the availability of the current year fund balance. The Authority defines a balanced budget as one in which:

BALANCED BUDGET DEFINITIONS

SCENARIO 1

Total revenues are greater than or equal to total appropriations



SCENARIO 2

Total revenues plus available fund balance are greater than or equal to total appropriations

For FY 2026–27, the Authority’s budget is balanced under **SCENARIO 2**, utilizing accumulated fund balance to support one-time capital investments.

**CONSOLIDATED SUMMARY OF ALL FUNDS
REVENUE, APPROPRIATIONS, AND FUND BALANCE**

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Revenues						
Sales Tax	\$ 174,857,050	\$ 171,777,300	\$ 174,709,000	\$ 177,981,800	\$ 6,204,500	3.6%
SCTMFP Fees *	11,851,054	3,749,000	8,022,000	8,382,000	4,633,000	123.6%
Interest and Other	4,217,283	1,523,500	1,662,082	1,359,800	(163,700)	-10.7%
SacMetro FSP **	3,135,127	3,099,666	3,164,333	3,164,333	64,667	2.1%
Federal Grants	-	349,030	-	349,030	-	100.0%
SAVSA***	2,459	-	500	200	200	0.0%
Total Revenues	\$ 194,062,973	\$ 180,498,496	\$ 187,557,915	\$ 191,237,163	\$ 10,738,667	5.9%
Appropriations						
Administration	\$ 1,848,273	\$ 1,285,348	\$ 1,186,881	\$ 1,405,071	\$ 119,723	9.3%
SacMetro FSP	2,831,861	2,846,262	2,921,414	3,067,558	221,296	7.8%
SAVSA	1,710	151,644	13,264	16,787	(134,857)	-88.9%
Federal Grants	-	349,030	-	349,030	-	100.0%
Transit	1,724,714	1,252,865	991,200	1,251,096	(1,769)	-0.1%
Professional Services	81,808	150,937	154,000	82,000	(68,937)	-45.7%
Contributions to Measure A Entities:						
Ongoing Allocations	136,840,172	134,324,914	136,631,000	139,264,159	4,939,245	3.7%
Capital Improvement Program (CIP)	21,558,176	72,318,000	56,238,000	52,942,000	(19,376,000)	-26.8%
Debt Service Debt:						
Principal	4,600,000	4,835,000	4,835,000	5,085,000	250,000	5.2%
Interest and Other Charges	15,718,463	15,566,125	15,566,125	15,321,215	(244,910)	-1.6%
Total Appropriations	\$ 185,205,177	\$ 233,080,125	\$ 218,536,884	\$ 218,783,916	\$ (14,296,209)	-6.1%
Net Increase (decrease) in Fund Balance	8,857,796	(52,581,629)	(30,978,969)	(27,546,753)	25,034,876	-47.6%
Beginning Fund Balance	90,139,659	98,997,455	98,997,455	68,018,486	(30,978,969)	-31.3%
Ending Fund Balance	\$ 98,997,455	\$ 46,415,826	\$ 68,018,486	\$ 40,471,733	\$ (5,944,093)	-12.8%
Fund Reserve****	7,500,000	6,300,000	6,300,000	9,040,000	2,740,000	43.5%
Ending Fund Balance Less Reserve	\$ 91,497,455	\$ 40,115,826	\$ 61,718,486	\$ 31,431,733	\$ (8,684,093)	-21.6%

* Sacramento Countywide Transportation Mitigation Fee Program

** Sacramento Metropolitan Freeway Service Patrol

*** Sacramento Abandoned Vehicle Service Authority

**** FY 2026-27 \$8.44 million for the capital program, \$0.3 million for FSP and \$0.3 million for administration

GENERAL FUND

PROGRAMS

The General Fund accounts for all Measure A revenues, including sales tax, SCTMFP fees, and interest earnings on fund balances. It also includes SacMetro FSP revenues from state and local sources.

The Authority maintains three Special Revenue Funds: The Transit Fund, which includes programs such as the Neighborhood Shuttle and CTSA, and the SAVSA Fund, which accounts for the Sacramento Abandoned Vehicle Service Authority program, and Federal Grants Fund. Accordingly, these programs are not included in the General Fund table.

MEASURE A REVENUES

Measure A provides a countywide one-half cent sales tax and mitigation fees on qualifying new development through the SCTMFP. To receive their local street and road maintenance allocations, jurisdictions must participate in the SCTMFP. All Measure A funds are dedicated to transportation operations, maintenance, and capital improvements across Sacramento County.

Sales tax is collected by the California Department of Tax and Fee Administration (CDTFA) and remitted monthly. The Authority's trustee, U.S. Bank, intercepts the remittance to pay debt service before forwarding the balance to the General Fund. Authority staff then allocate funds to participating Measure A agencies based on the distribution percentages in the Ordinance.

GOALS AND OBJECTIVES

The General Fund and the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) together form the financial foundation of the Sacramento Transportation Authority's programs and activities. These funds support the administration, allocation, and strategic use of voter-approved revenues and development impact fees to advance countywide transportation priorities. While each fund has distinct revenue characteristics, they share common goals centered on stewardship, transparency, partnership, and alignment of funding with adopted transportation needs, that is consistent with the overall Authority Strategic Planning Goals and Objectives.

SCTMFP FEES

These mitigation fees are remitted semi-annually to the Authority by each participating jurisdiction. The initial fee structure was established through a Nexus study before the program's launch and is updated annually using criteria outlined in the Ordinance. Given their dependence on construction activity, SCTMFP revenues are inherently volatile. A new Nexus study was approved by the Board in June 2024.

FUND BALANCE

Funding for the SacMetro Freeway Service Patrol comes from two sources:

- A state grant administered by Caltrans, reimbursed based on submitted claims.
- A local match provided by CVR-SAFE and distributed as a lump sum by SACOG early each fiscal year. This match is used to fulfill grant requirements and support ongoing patrol operations.

GENERAL FUND BUDGET
REVENUE, APPROPRIATIONS, AND FUND BALANCE

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Revenues						
Sales Tax	\$ 174,857,050	\$ 171,777,300	\$ 174,709,000	\$ 177,981,800	\$ 6,204,500	3.6%
SCTMFP Fees *	11,851,054	3,749,000	8,022,000	8,382,000	4,633,000	123.6%
Interest and Other	3,923,626	1,378,000	1,422,000	1,197,000	(181,000)	-13.1%
SacMetro FSP	3,135,127	3,099,666	3,164,333	3,164,333	64,667	2.1%
Total Revenues	\$ 193,766,857	\$ 180,003,966	\$ 187,317,333	\$ 190,725,133	\$ 10,721,167	6.0%
Appropriations						
Administration	\$ 1,848,273	\$ 1,285,348	\$ 1,186,881	\$ 1,405,071	\$ 119,723	9.3%
SacMetro FSP	2,831,861	2,846,262	2,921,414	3,067,558	221,296	7.8%
Professional Services	81,808	150,937	154,000	82,000	(68,937)	-45.7%
Contributions to Measure A Entities:						
Ongoing Allocations	136,840,172	134,324,914	136,631,000	139,264,159	4,939,245	3.7%
Capital Improvement Program (CIP)	21,558,176	72,318,000	56,238,000	52,942,000	(19,376,000)	-26.8%
Total Appropriations	\$ 163,160,290	\$ 210,925,461	\$ 197,131,295	\$ 196,760,788	\$ (14,164,673)	-6.7%
Other Financing Sources (Uses)						
Transfers Out (to the Debt Service Fund)	\$ (20,719,170)	\$ (20,301,125)	\$ (20,168,843)	\$ (20,256,215)	\$ 44,910	-0.2%
Transfers Out (to the Transit Fund)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	-	0.0%
Total Financing Sources (Uses)	\$ (21,719,170)	\$ (21,301,125)	\$ (21,168,843)	\$ (21,256,215)	\$ 44,910	-0.2%
Net Increase (decrease) in Fund Balance	8,887,397	(52,222,620)	(30,982,805)	(27,291,870)	24,930,750	-47.7%
Beginning Fund Balance	81,945,394	90,832,791	90,832,791	59,849,986	(30,982,805)	-34.1%
Ending Fund Balance	\$ 90,832,791	\$ 38,610,171	\$ 59,849,986	\$ 32,558,116	\$ (6,052,055)	-15.7%
Fund Reserve****	7,500,000	6,300,000	6,300,000	9,040,000	2,740,000	43.5%
Ending Fund Balance Less Reserve	\$ 83,332,791	\$ 32,310,171	\$ 53,549,986	\$ 23,518,116	\$ (8,792,055)	-27.2%

* Sacramento Countywide Transportation Mitigation Fee Program

** Sacramento Metropolitan Freeway Service Patrol

**** FY 2026-27 \$8.44 million for the capital program, \$0.3 million for FSP and \$0.3 million for administration

REVENUE AND OTHER FINANCING SOURCES

General Fund revenue is projected to increase in FY 2026-27, primarily due to higher sales tax and Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) receipts.

Sales tax revenue is forecasted at \$178.0 million, representing a 3.6% increase over the FY 2025-26 budgeted amount of \$171.8 million. This growth reflects a projected recovery following a relatively flat FY 2025-26. The increase is supported by anticipated gains in per capita income (7.0%) and population (1.3%) within Sacramento County.

SCTMFP revenue is projected to increase by \$4.6 million (123.6%) in FY 2026-27. This increase reflects the limited impact of Senate Bill 937 in FY 2025-26, which was anticipated delayed the timing of fee collection and remittance from local jurisdictions. While SB 937 affected the timing of revenues, the total amount of fees to be collected remains unchanged, making this strictly a timing issue. In addition, fee generating development activity within Sacramento County has remained strong and stable, further supporting the projected increase.

SacMetro Freeway Service Patrol (FSP) revenue is expected to increase modestly to \$3.2 million in FY 2026-27, representing a 2.1% increase compared to the FY 2025-26 budget of \$3.1 million. This increase reflects minor adjustments in the state allocation, which is based on regional traffic patterns and population, and reflects only the current-year allocation. Local match funding from CVR-SAFE is expected to remain unchanged at \$960,000.

APPROPRIATIONS AND OTHER FINANCING USES

Appropriations are projected to decrease by \$14.2 million, to \$196.8 million in FY 2026-27. Transfers out, categorized as Other Financing Uses, are expected to remain stable at \$21.3 million and continue to fund debt service for the Authority's bond program, which currently consists of two fixed-rate bond series and the Neighborhood Shuttle program.

Ongoing allocations are anticipated to increase by \$4.9 million (3.7%) in FY 2026-27, reflecting changes in sales tax revenue. Per the Measure A Ordinance, approximately 80% of all sales tax revenue is distributed to local jurisdictions at prescribed rates.

The Capital Improvement Program (CIP) funding is expected to decrease significantly to \$52.9 million in FY 2026-27, down from a budgeted \$72.3 million in FY 2025-26, an decrease of \$19.4 million (-26.8%). This decrease reflects a difference in budgeted and actual spending as unspent funds from prior years are carried forward and expended in future periods. Estimated actual spending for FY 2025-26 is \$56.2 million, which is \$16.1 million below the budgeted amount, continuing a trend in agencies budgeting above actual funding needs.

CIP appropriations vary annually based on the number of projects under contract with the Authority and their respective phases—planning or construction. Appropriations generally increase as projects transition into the construction phase.

In FY 2026–27, appropriations are distributed among five implementing agencies: the County of Sacramento; the Cities of Citrus Heights and Sacramento; Caltrans; and the Capital SouthEast Connector Authority. Funding is also provided through two programs that support a broader range of County agencies: the Smart Growth Incentive Program (SGIP) and the Smart Growth Arterials and Corridors Program (SGACP).

Additional details on project and program specific funding and schedules are provided in the Capital Improvement Program section.

The accompanying table summarizes the net annual percentage of CIP allocations dedicated to debt service payments. This includes interest received from the Authority’s swap partners prior to the termination of those agreements in September 2023.

The percentage of CIP-related sales tax allocations committed to debt service is projected to decrease slightly from an estimated 57.2% in FY 2025-26 to 56.2% in FY 2026-27. This decrease is attributed to an increase in sales tax revenue anticipated for the budget year. The debt service percentage is expected to remain stable at the FY 2026-27 level through FY 2028-29, after which principal payments will begin on refunded the 2023 Series bonds. At that time, a larger portion of CIP sales tax allocations will be required for debt service. The remaining funds after these payments are available to support CIP projects on a pay-as-you-go basis.

DEBT SERVICE AS A SHARE OF CAPITAL IMPROVEMENT PROGRAM SALES TAX ALLOCATION

Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimate	FY 2027 Proposed
Sales Tax Allocation for CIP*	\$ 35,300	\$ 36,299	\$ 35,691	\$ 35,636	\$ 36,323
Debt Service Interfund Transfer**	\$ 19,859	\$ 16,995	\$ 20,719	\$ 20,401	\$ 20,406
Ratio	56.3%	46.8%	58.1%	57.2%	56.2%

* Equals 20.75% of the net sales tax proceeds

** Principal, interest, and ancillary fees

GENERAL FUND

 **SACRAMENTO COUNTYWIDE
TRANSPORTATION MITIGATION FEE
PROGRAM (SCTMFP) BUDGET**

GOALS AND OBJECTIVES

The General Fund and the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) together form the financial foundation of the Sacramento Transportation Authority's programs and activities. These funds support the administration, allocation, and strategic use of voter-approved revenues and development impact fees to advance countywide transportation priorities. While each fund has distinct revenue characteristics, they share common goals centered on stewardship, transparency, partnership, and alignment of funding with adopted transportation needs, that is consistent with the overall Authority Strategic Planning Goals and Objectives.

SUMMARY

The SCTMFP fund is projected to generate \$8.8 million in revenue for FY 2026-27, representing an increase of \$4.8 million, or 120.8%, compared to the \$4.0 million budgeted in FY 2025-26. This increase is primarily attributable to the immaterial impact from the implementation of Senate Bill 937 in FY 2025-26, which alters the timing of impact fee collections to a later stage in the development process. Fees were anticipated to be collected later, but no noticeable impact was registered in FY 2025-26.

Appropriations for FY 2026-27 are proposed at \$13.9 million, representing a reduction of \$4.2 million (-23.1%) from the FY 2025-26 budget. This relatively stable level of appropriations reflects a continued emphasis on prioritizing SCTMFP expenditures when projects meet program eligibility requirements.

The ending fund balance is estimated at \$19.2 million for FY 2025-26, declining to approximately \$14.1 million in FY 2026-27. Primarily due to higher levels of capital program appropriations between the FY 2025-26 budget and the proposed FY 2026-27 budget. As the remaining fund balance diminishes, the program will need to rely on incoming revenues rather than fund balance.

To manage this, staff closely monitor SCTMFP cash flow and regularly evaluate the appropriate balance between sales tax and SCTMFP resources to meet capital project reimbursement needs. A summary of SCTMFP revenue, appropriations, and fund balance is provided in the table on the following page. Additional project-level details can be found in the Capital Improvement Program section.

SACRAMENTO COUNTYWIDE TRANSPORTATION
MITIGATION FEE PROGRAM (SCTMFP) BUDGET
REVENUE, APPROPRIATIONS, AND FUND BALANCE

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Revenues						
Fees	\$ 11,851,054	\$ 3,749,000	\$ 8,022,000	\$ 8,382,000	\$ 4,633,000	123.6%
Interest	1,007,167	221,000	575,000	385,000	164,000	74.2%
Total Revenues	\$ 12,858,221	\$ 3,970,000	\$ 8,597,000	\$ 8,767,000	\$ 4,797,000	120.8%
Appropriations						
Capital Appropriations	\$ 1,867,030	\$ 12,924,000	\$ 14,381,000	\$ 12,990,000	\$ 66,000	0.5%
Smart Growth Incentive Program (SGIP) Appropriations	2,052,918	5,158,000	3,701,000	909,000	(4,249,000)	-82.4%
Total Appropriations	\$ 3,919,948	\$ 18,082,000	\$ 18,082,000	\$ 13,899,000	\$ (4,183,000)	-23.1%
Net Increase (decrease) in Fund Balance	8,938,273	(14,112,000)	(9,485,000)	(5,132,000)	8,980,000	-63.6%
Beginning Fund Balance	19,796,669	28,734,942	28,734,942	19,249,942	(9,485,000)	-33.0%
Ending Fund Balance	\$ 28,734,942	\$ 14,622,942	\$ 19,249,942	\$ 14,117,942	\$ (505,000)	-3.5%

FORMULAIC ALLOCATIONS

Measure A prescribes the distribution of all sales tax proceeds according to the formula outlined in the Measure A Ordinance and Expenditure Plan. The table accompanying this narrative summarizes the FY 2024-25 allocations by percentage and dollar amount based on projected net sales tax revenues. Distributions to each agency and program are made on a monthly basis.

- **TOTAL REVENUES** represent the net Measure A sales tax proceeds after the California Department of Tax and Fee Administration (CDTFA) withholds an administrative fee, averaging 0.66% in the 2024-25 fiscal year. These fees are withheld from distributions made to the Authority.
- **DIRECT CITY ALLOCATIONS:** The cities of Isleton and Galt receive fixed allocations of 0.04% and 1.0% of total revenues, respectively, consistent with their designation in the Expenditure Plan.
- **NEIGHBORHOOD SHUTTLE PROGRAM:** This program is programmed to receive \$30 million over the 30-year life of the Measure A program. To achieve this target, \$1 million is distributed annually.
- **NET REVENUES:** Following the deductions for CDTFA fees and fixed allocations (e.g., Isleton, Galt, and the Neighborhood Shuttle), the remaining revenues are classified as net revenues and form the basis for calculating the remaining formulaic allocations.
- **COUNTY REGIONAL PARKS:** Programmed to receive \$30 million over the life of the plan, County Regional Parks are allocated \$1 million annually. To support this distribution, the allocation for the Safety, Streetscaping, Pedestrian, and Bicycle Facilities program is reduced by \$1 million annually. The reallocated funds support the County’s American River Parkway/Bikeway Network Improvement Program.

4 - BUDGET SCHEDULES AND FUND INFORMATION

- **CAPITAL IMPROVEMENT PROGRAM (CIP):** The CIP is allocated 20.75% of net revenues. These funds first cover debt service obligations for the Authority's bond program. Any remaining funds are available for pay-as-you-go (pay-go) capital expenditures.
- **PROGRAM ADMINISTRATION:** Up to 0.75% of net revenues may be used for administrative costs, including salaries and benefits, overhead, contracted services, and required audits. These expenditures are subject to review by the Independent Taxpayer Oversight Committee (ITOC).
- **SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT (SMAQMD):** Receives 1.5% of net revenues to support regional air quality monitoring and mitigation activities.
- **CONSOLIDATED TRANSPORTATION SERVICES AGENCIES (CTSAS):** Sacramento Regional Transit (SacRT) and Paratransit, Inc., jointly receive 4.5% of net revenues in their roles as CTSAs.
- **SACRAMENTO REGIONAL TRANSIT (SACRT):** In addition to its CTSA allocation, SacRT receives the largest single allocation under the formula—34.5% of net revenues—to fund transit operations and maintenance.

**GENERAL FUND
MEASURE A SALES TAX ALLOCATIONS (SHOWN IN 000'S)**

Description	Allocation Percentage	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Total Revenues		\$ 174,857	\$ 171,777	\$ 174,709	\$ 177,982	\$ 6,205	3.6%
Professional Services		36	154	154	82	(72)	-46.8%
Net Revenues for Allocation		\$ 174,821	\$ 171,623	\$ 174,555	\$ 177,900	\$ 6,277	3.7%
Isleton***	0.04%	\$ 70	\$ 69	\$ 70	\$ 71	\$ 2	2.9%
Galt***	1.00%	1,748	1,715	1,745	1,779	64	3.7%
Neighborhood Shuttle	Fixed	1,000	1,000	1,000	1,000	-	0.0%
Net Revenues		\$ 172,003	\$ 168,839	\$ 171,740	\$ 175,050	\$ 6,211	3.7%
County Regional Parks	Fixed	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.0%
Capital Improvement Program (CIP)	20.75%	35,691	35,033	35,636	36,323	1,290	3.7%
Program Administration	0.75%	1,290	1,266	1,288	1,313	47	3.7%
SMAQMD*	1.50%	2,580	2,533	2,576	2,626	93	3.7%
Traffic Control & Safety**	3.00%	5,160	5,065	5,152	5,251	186	3.7%
Sacramento Regional Transit / Paratransit (CTSA)	4.50%	7,740	7,598	7,728	7,877	279	3.7%
Safety, Streetscaping, Ped and Bike Facilities **	5.00%	7,600	7,442	7,587	7,752	310	4.2%
Street & Road Maintenance**	30.00%	51,601	50,653	51,523	52,516	1,863	3.7%
Sacramento Regional Transit	34.50%	59,341	58,249	59,250	60,392	2,143	3.7%
Total	100.00%	\$ 172,003	\$ 168,839	\$ 171,740	\$ 175,050	\$ 6,211	3.7%

* Sacramento Metropolitan Air Quality Management District

** Subject to further allocation - see Allocation Per Population and Lane Miles Table

*** Isleton and Galt allocations will be reduced by their proportional lane miles and population share of a Countywide Pavement & Bridge Analysis

In accordance with the Measure A Ordinance and Expenditure Plan, an additional formulaic allocation is distributed annually to the County of Sacramento and the cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, and Sacramento. This allocation supports local transportation-related programs and is based on a weighted formula of 75% population and 25% lane miles.

The following three program areas are funded through this secondary allocation mechanism:

- Traffic Control and Safety (3% of net revenues)
- Safety, Streetscaping, Pedestrian, and Bike Facilities (5% of net revenues)
**Note: This allocation is reduced by \$1 million annually to support the County's Regional Parks (American River Parkway/Bikeway Network Improvement Program).*
- Street and Road Maintenance (30% of net revenues)
**Note: This allocation will be reduced by approximately \$100,000 in FY 2026-27 to support program analysis in the form of a 2025 Countywide Pavement & Bridge Analysis.*

The combined annual allocation for these three categories in FY 2026-27 is anticipated to be \$65.4 million, after subtracting \$1 million for county parks and approximately \$100,000 for a Countywide Pavement & Bridge Survey. Allocations are updated annually based on population figures from the California Department of Finance and lane mileage reported by each jurisdiction.

The table below shows the FY 2026-27 allocation by agency. The City of Sacramento and County of Sacramento receive the largest shares at 31.9% and 40.2% respectively, reflecting their larger population bases and more extensive lane mile networks.

**ALLOCATION PER POPULATION AND LANE MILES
(75/25 RATIO RESPECTIVELY) FY 2026-27**

Entity	Population*	Lane Miles**	Allocation Ratio	Amount***
City of Citrus Heights	86,280	476	5.11496%	\$ 3,346,152
City of Elk Grove	182,842	1,184	11.21298%	7,335,410
City of Folsom	92,577	779	6.05979%	3,964,245
City of Rancho Cordova	85,451	682	5.51444%	3,607,489
City of Sacramento	527,979	3,198	31.90821%	20,874,005
County of Sacramento	602,760	5,417	40.18961%	26,291,607
Total	1,577,889	11,736	100%	\$ 65,418,908

* Per California Department of Finance Report E-1

** Based on data provided by each agency in Winter 2025

*** Represents total amount less \$1 million for regional parks, less \$100,000 for a Countywide Pavement & Bridge Survey

This structure ensures that Measure A funds are equitably distributed based on infrastructure needs and population size, supporting the Authority's priority to align funding with local transportation priorities while upholding transparency and public trust.

GENERAL FUND
CAPITAL IMPROVEMENT PROGRAM (CIP)

The tables below summarize total CIP appropriations by agency across three fiscal years. While all implementing jurisdictions are eligible under the Measure A Expenditure Plan, not all have active projects programmed during this period. Specifically, the cities of Elk Grove, Folsom, and Galt do not have CIP appropriations in FY 2025, FY 2026, or FY 2027.

Estimated spending for FY 2025-26 is \$56.2 million, which is \$16.1 million below the budgeted amount. This variance is primarily due to project delays or agencies identifying other sources of funding. This funding is programmed based on projected spending estimates from the agencies. However, the unspent funds remain programmed and are expected to be utilized in future years. The CIP is supported by two primary funding sources:

1. Measure A sales tax revenues, with 20.75% of net proceeds, after deducting “off-the-top” allocations, designated for capital projects.
2. Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP).

While Measure A allocates a fixed percentage to the CIP, the actual amount available each year depends on debt service obligations. The majority of sales tax funds cover bond principal, interest, and ancillary fees for debt issued earlier in the program, especially within the first five years. Only the residual amount—commonly referred to as “pay-go”—is available to fund new capital project costs. The following tables present CIP funding by agency and funding source:

GENERAL FUND
CAPITAL IMPROVEMENT PROGRAM (CIP) (IN 000'S)

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Caltrans	\$ 8,857	\$ 16,074	\$ 16,074	\$ 20,688	\$ 4,614	28.7%
Capital SouthEast Connector JPA	1,331	5,300	1,542	8,150	2,850	53.8%
City of Citrus Heights	-	500	-	700	200	100.0%
City of Sacramento	1,549	8,489	4,762	8,840	351	4.1%
Sacramento County	7,769	36,580	30,055	12,812	(23,768)	-65.0%
Smart Growth Incentive Program	2,053	5,158	3,701	909	(4,249)	-82.4%
Smart Growth Arterials and Corridors Program	-	217	104	843	626	100.0%
Total Capital Appropriations	\$ 21,559	\$ 72,318	\$ 56,238	\$ 52,942	\$ (19,376)	-26.8%

Description	FY 2026 Budget		FY 2026 Estimate		FY 2027 Budget	
	SCTMFP	General Fund	SCTMFP	General Fund	SCTMFP	General Fund
Caltrans	\$ 4,124	\$ 11,950	\$ 8,805	\$ 7,269	\$ 6,000	\$ 14,688
Capital SouthEast Connector JPA	1,300	4,000	1,042	500	3,650	4,500
City of Citrus Heights	500	-	-	-	-	700
City of Sacramento	7,000	1,489	4,534	228	3,340	5,500
Sacramento County	-	36,580	-	30,055	-	12,812
Smart Growth Incentive Program	5,158	-	3,701	-	909	-
Smart Growth Arterials and Corridors Program	-	217	-	104	-	843
Total Capital Appropriations	\$ 18,082	\$ 54,236	\$ 18,082	\$ 38,156	\$ 13,899	\$ 39,043

GENERAL FUND


SACRAMENTO METROPOLITAN FREEWAY SERVICE PATROL PROGRAM (SACMETRO FSP)

GOALS AND OBJECTIVES

The Freeway Service Patrol (FSP) program supports public trust by operating in a transparent, fiscally responsible manner that demonstrates effective stewardship of public funds while delivering reliable freeway safety services. The program monitors costs, service levels, and performance outcomes to ensure resources are used efficiently and align with available funding. Consistent reporting on program performance and expenditures, along with public education on FSP services, helps ensure accountability and reinforces confidence in how transportation funds are managed.

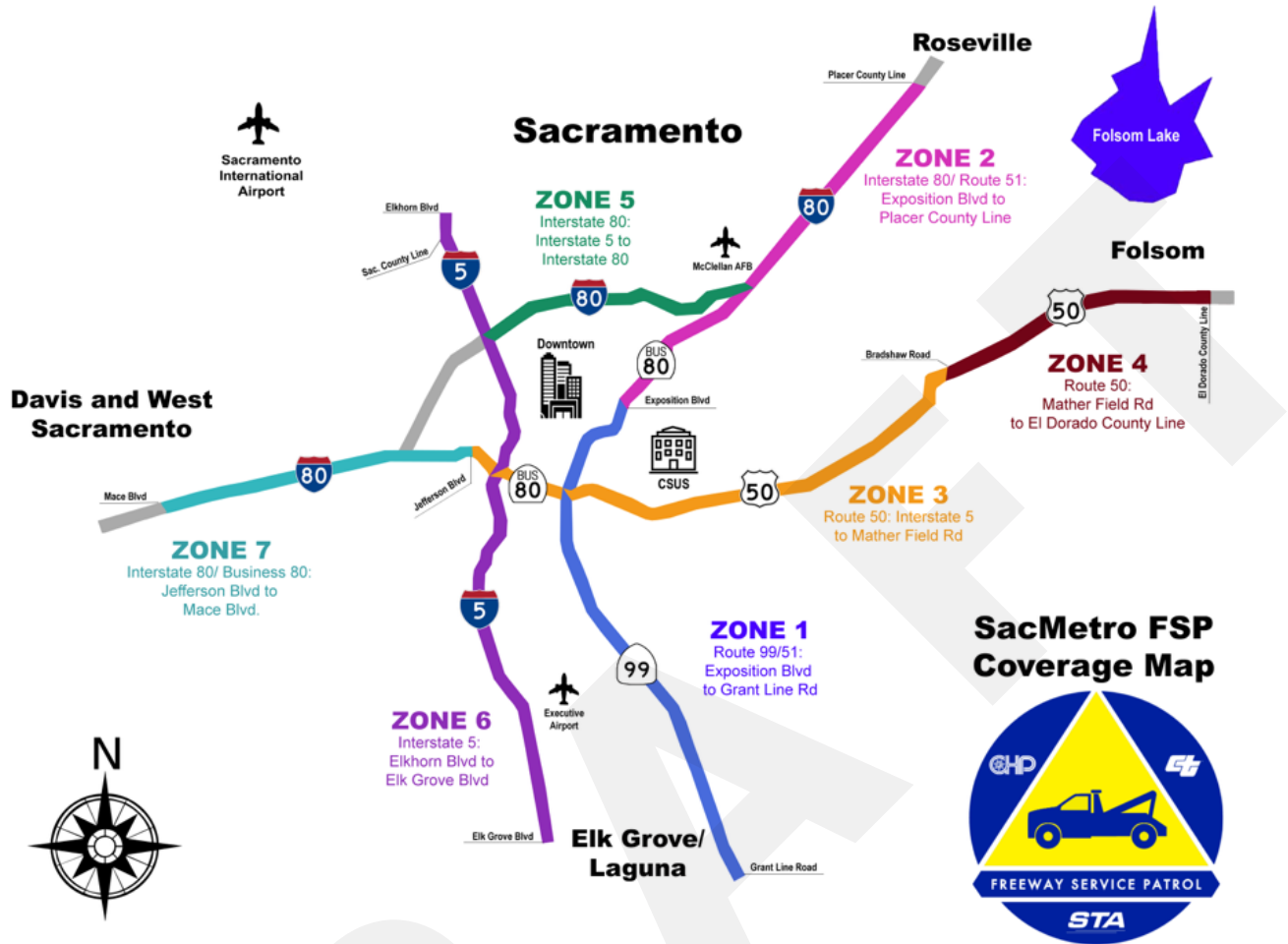
FSP also emphasizes strong collaboration with partner agencies, contractors, and transportation stakeholders to support coordinated incident response and efficient freeway operations. Program deployment and service strategies are regularly evaluated to ensure alignment with regional transportation priorities and funding constraints. By coordinating closely with Caltrans, CHP, and other partners, monitoring funding requirements, and using data to inform operational and financial decisions, the program supports long term sustainability while maintaining a level of service that reflects current transportation needs.

SUMMARY

SacMetro FSP reduces freeway congestion by removing vehicles that are stalled or have been involved in a collision which accounts for more than half of all non-recurring freeway congestion. The program is a collaboration of the Authority, California Highway Patrol (CHP), and the California Department of Transportation (Caltrans). Funding is provided by state grants administered by Caltrans and a local grant administered by the Sacramento Area Council of Governments (SACOG) which allocates Capitol Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE) funds.

FSP's special team of tow truck drivers patrol Sacramento freeways during peak commute times 6:30- 10:00 am and 2:30-6:30 pm Monday through Friday (except holidays). Drivers assist stranded motorists by helping them change flat tires, providing a gallon of fuel, jump-starting their car, or making other minor repairs as needed. If the driver cannot get the vehicle running, it is towed to a CHP-approved location where the motorist can arrange for towing and/or repair.

SacMetro FSP's coverage area is detailed in the map on the following page:



FUND BALANCE

The FSP program anticipates an ending fund balance without considering the fund balance reserve of approximately \$564,000 in FY 2026-27, compared to an estimated \$468,000 at the end of FY 2025-26. Over the past several years, the program has contended with increasing contractor costs while revenue sources have remained relatively flat. In addition, staff are pursuing supplemental funding opportunities to restore service to corridors with the highest potential benefit. For the current budget year, staff have established an interim reserve of \$300,000 toward a long term policy reserve target of \$800,000, which cannot be fully achieved in FY 2026 27 due to existing fund balance constraints. Establishing this reserve supports program stability by helping ensure continuity of operations during periods of lower cash flow without service disruption.

SACRAMENTO METROPOLITAN FREEWAY SERVICE PATROL
(FSP) BUDGET
REVENUE, APPROPRIATIONS, AND FUND BALANCE

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Revenues						
State Allocation	\$ 2,225,127	\$ 2,139,666	\$ 2,204,333	\$ 2,204,333	\$ 64,667	3.0%
CVR-SAFE* (local match)	910,000	960,000	960,000	960,000	-	0.0%
Total Revenues	\$ 3,135,127	\$ 3,099,666	\$ 3,164,333	\$ 3,164,333	\$ 64,667	2.1%
Appropriations						
Salaries and Benefits	\$ 109,248	\$ 152,486	\$ 145,143	\$ 166,074	\$ 13,588	8.9%
Overhead	39,155	32,604	53,739	77,930	45,326	139.0%
Conferences and Travel	1,087	1,534	50	1,350	(184)	-12.0%
Communications	41,658	43,210	42,752	47,955	4,745	11.0%
Other Operating Expenditures	4,503	4,525	2,223	3,030	(1,495)	-33.0%
Contractors	2,636,210	2,611,903	2,677,507	2,771,219	159,316	6.1%
Total Appropriations	\$ 2,831,861	\$ 2,846,262	\$ 2,921,414	\$ 3,067,558	\$ 221,296	7.8%
Net Increase (decrease) in Fund Balance	\$ 303,266	\$ 253,404	\$ 242,919	\$ 96,775	\$ (156,629)	-61.8%
Beginning Fund Balance	(78,494)	224,772	224,772	467,691	242,919	100.0%
Ending Fund Balance	\$ 224,772	\$ 478,176	\$ 467,691	\$ 564,466	\$ 86,290	18.0%
Fund Reserve	-	-	-	300,000	300,000	100.0%
Ending Fund Balance Less Reserve	\$ 224,772	\$ 478,176	\$ 467,691	\$ 264,466	\$ (213,710)	-44.7%

* Capitol Valley Regional Service Authority for Freeways and Expressways

REVENUE

Total revenues for the Freeway Service Patrol (FSP) program are projected at \$3.2 million in FY 2026-27. State grant funding is anticipated to increase modestly (3.0%), reflecting minor annual adjustments within an otherwise stagnant statewide FSP allocation. State funding levels are based on regional traffic volumes and population, which typically result in incremental year-to-year changes.

Local grant funding, provided through the Capital Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE) and administered in coordination with the Sacramento Area Council of Governments (SACOG), is expected to remain flat at \$960,000. These local funds serve as the required match for Caltrans-administered state funding, allowing the program to fully leverage its eligible state allocation.

APPROPRIATIONS

Budgeted appropriations for FY 2026-27 are projected to increase by approximately \$221,000 compared to the FY 2025-26 budget. The FY 2025-26 appropriation had already been optimized through staff-led efforts to refine routes and renegotiate contract terms. As a result, the FY 2026-27 budget reflects anticipated cost increases, primarily lead by contractor appropriations.

GENERAL FUND ADMINISTRATION

GOALS AND OBJECTIVES

1. **BUILD PUBLIC TRUST** – Providing centralized administrative oversight for all Authority programs to ensure compliance with the Measure A Ordinance, applicable laws and adopted policies. Produce clear, accurate, and timely financial and administrative reporting. Maintain adequate administrative fund balance and reserves.
2. **DEVELOP GREAT RELATIONSHIPS** – Support all STA programs through centralized administrative services. Ensure equitable cost allocations. Provide administrative support for guidance, oversight, public communications and outreach efforts.
3. **ALIGN TRANSPORTATION PRIORITIES WITH FUNDING** – Maintain sufficient administrative staffing and expertise to support the full portfolio of STA programs as program complexity evolves. Invest in administrative systems and processes that improve efficiency, consistency, and internal controls across all programs. Support long-term financial and strategic planning efforts by providing authority-wide administrative coordination, forecasting support, and reporting capacity.

SUMMARY

Budgeted appropriations for FY 2026-27 are projected to increase by approximately \$120,000 compared to the FY 2025-26 budget. The prior year's appropriation level had already been optimized through staff-led efforts to refine service routes and renegotiate contract terms. As a result, the FY 2026-27 budget primarily reflects anticipated cost increases, driven largely by contractor costs rather than service expansions.

Based on actual hours recorded in FY 2025-26:

- The Executive Director and Chief Financial Officer allocated 98.8% and 96.8% of their time, respectively, to the collective Measure A programs.
- The Special Programs Manager allocated 46.5% of their time to the administration of SacMetro FSP and SAVSA with the remaining allocation going to Measure A.

The FY 2026-27 Budget anticipates the following allocations due to programmatic changes:

- The Executive Director and Chief Financial Officer are anticipated to allocate 84.6% and 89.2% of their time, respectively, to the collective Measure A programs.
- The Special Programs Manager allocated 61.5% of their time to the administration of SacMetro FSP and SAVSA with the remaining allocation going to Measure A.

Each program contributes its proportional share of salaries, benefits, and overhead costs through a structured cost allocation process, ensuring equitable distribution of administrative expenses. As required by the Measure A Ordinance, funding for program administration is capped at 0.75% of net sales tax proceeds, maintaining a focus on efficiency and accountability in managing public funds.

FUND BALANCE AND RESERVE

The ending fund balance without considering the fund balance reserve of \$300,000, for FY 2026-27 is projected to increase to approximately \$1.5 million, an increase of about \$0.1 million (4.7%) compared to the FY 2025-26 budget. This improvement is primarily driven by lower-than-budgeted expenditures in FY 2025-26, combined with modest revenue growth reflected in both the FY 2025-26 estimate and the FY 2026-27 proposed budget.

Sales tax revenue, which funds the administrative budget and is subject to the Measure A 0.75% administrative cap, is expected to remain stable, with a modest 3.7% increase projected for FY 2026-27. Interest income is also anticipated to remain relatively flat, reflecting stabilizing interest rates and consistent fund balance levels throughout the year.

The fund balance reserve remains unchanged at \$300,000, resulting in an available ending fund balance, net of reserve, of approximately \$1.3 million. This represents a 5.9% increase compared to the FY 2025-26 budget and provides additional financial flexibility to absorb cost pressures or address unforeseen administrative needs.

ADMINISTRATION BUDGET
REVENUE, APPROPRIATIONS, AND FUND BALANCE

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Revenues						
Sales Tax*	\$ 1,290,019	\$ 1,266,000	1,288,043	\$ 1,312,873	\$ 46,873	3.7%
Interest and Other	58,906	20,000	29,000	32,000	12,000	60.0%
Total Revenues	\$ 1,348,925	\$ 1,286,000	1,317,043	\$ 1,344,873	\$ 58,873	4.6%
Appropriations						
Salaries and Benefits	\$ 1,528,927	\$ 648,059	637,340	\$ 659,593	\$ 11,534	1.8%
Conferences, Travel & Membership	20,521	29,172	27,049	47,420	18,248	62.6%
Insurance	16,509	18,054	14,147	14,892	(3,162)	-17.5%
Professional Services	136,984	386,326	337,418	482,009	95,683	24.8%
I/TOC	56,038	77,848	79,729	68,776	(9,072)	-11.7%
Other Operating Expenditures	35,286	76,669	39,865	79,459	2,790	3.6%
Debt Service Lease:						
Principal	50,098	45,656	47,616	50,765	5,109	11.2%
Interest and Fiscal Charges	3,910	3,564	3,717	2,157	(1,407)	-39.5%
Total Appropriations	\$ 1,848,273	\$ 1,285,348	1,186,881	\$ 1,405,071	\$ 119,723	9.3%
Net Increase (decrease) in Fund Balance	\$ (499,348)	\$ 652	130,162	\$ (60,198)	\$ (60,850)	-9332.8%
Beginning Fund Balance	1,964,438	1,465,090	1,465,090	1,595,252	130,162	8.9%
Ending Fund Balance	\$ 1,465,090	\$ 1,465,742	1,595,252	\$ 1,535,054	\$ 69,312	4.7%
Fund Reserve	300,000	300,000	300,000	300,000	-	0.0%
Ending Fund Balance Less Reserve	\$ 1,165,090	\$ 1,165,742	1,295,252	\$ 1,235,054	\$ 69,312	5.9%

*.75% of the net sales tax revenue is available for administration

APPROPRIATIONS

Total appropriations for FY 2026-27 are projected to increase by approximately \$120,000 (9.3%) compared to the FY 2025-26 budget. This increase is primarily driven by higher Professional Services costs, reflecting one-time expenditures associated with the implementation of a new Enterprise Resource Planning (ERP) system, which will occur primarily during FY 2026-27.

Professional Services appropriations are projected to increase by \$96,000 (24.8%) in FY 2026-27. This category includes a number of one-time expenses: 1) ERP implementation costs of \$148,000, 2) economic impact study at a cost of \$25,000 and 3) \$50,000 budgeted for a community survey to support future planning and outreach efforts.

In addition, staff are budgeting for increased conference, travel, and membership activity in FY 2026-27, reflecting a more typical level of professional development and external engagement. These costs are budgeted proactively to accommodate events that may occur during the fiscal year. All other expenditure categories show relatively modest year-to-year changes. Overall, administrative spending remains well within the limits established by the Measure A Ordinance, including the requirement that no more than 0.75% of net sales tax revenues be used for administration.

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS **SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY (SAVSA)**

GOALS AND OBJECTIVES

The Sacramento Abandoned Vehicle Service Authority (SAVSA) program supports public trust by managing remaining program resources responsibly and transparently while evaluating the long term viability of abandoned vehicle abatement services in Sacramento County. Consistent with Governing Board direction provided in February 2026, SAVSA is evaluating next steps through a data driven process that includes voter polling funded by program member agencies. Polling results will be used to assess public support for a potential future ballot measure, in 2026 or 2028, to renew the SAVSA fee, ensuring that any decision regarding continuation or sunset of the program is informed, fiscally responsible, and aligned with statutory requirements.

SAVSA also emphasizes collaboration with its member agencies by coordinating funding participation for polling efforts, sharing analysis, and ensuring agencies are informed partners in decision making regarding the program's future. Based on polling results and funding feasibility, the Authority will determine whether pursuing a future tax measure in a subsequent election is viable or whether an orderly program wind down is appropriate. This approach aligns transportation and community priorities with available funding while ensuring that any future actions related to SAVSA are grounded in public input, interagency coordination, and Board direction.

SUMMARY

The Sacramento Abandoned Vehicle Service Authority (SAVSA) was established in 1991 to address the increasing number of abandoned vehicles on both public and private property. The program was funded through a \$1 vehicle registration fee collected by the California Department of Motor Vehicles. While active, SAVSA supported the abatement of thousands of abandoned vehicles across the County of Sacramento and the cities of Citrus Heights, Elk Grove, Folsom, Galt, Rancho Cordova, and Sacramento. Distributions to participating entities were calculated based 50% on population and 50% on the number of abatements performed during each calendar quarter.

The SAVSA program sunset in April 2022. Although Measure C, a ballot initiative to continue the program, received 57.7% voter approval, it did not meet the two thirds threshold required for passage. Per February 2026 Board direction, staff is evaluating voter polling and related analysis to determine whether it is feasible to place a potential tax measure on a future ballot or whether an orderly wind down of the program should occur once all delinquent payments have been received and reconciled.

FUND BALANCE

Since the SAVSA program sunset in FY 2022-23, nearly all related revenue has ceased. As a result, the ending fund balance in FY 2026-27 is projected to maintain the balance from previous years. Staff are actively working on a renewal campaign, with Board approval of exploration of renewal in a future election cycle. As this effort is not certain and no funding or expenditure agreements have been entered into, these efforts will not be formally budgeted.

SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY
(SAVSA) BUDGET
REVENUE, APPROPRIATIONS, AND FUND BALANCE

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Revenues						
Vehicle License Fees	\$ 2,459	\$ -	\$ 500	\$ 200	\$ 200	0.0%
Interest	7,631	3,000	3,200	3,000	-	0.0%
Total Revenues	\$ 10,090	\$ 3,000	\$ 3,700	\$ 3,200	\$ 200	6.7%
Appropriations						
Abandoned Vehicle Abatement	\$ -	\$ 142,406	\$ -	\$ -	\$ (142,406)	-100.0%
Salaries and Benefits/Overhead	1,710	9,238	13,264	16,787	7,549	81.7%
Total Appropriations	\$ 1,710	\$ 151,644	\$ 13,264	\$ 16,787	\$ (134,857)	-88.9%
Net Increase (decrease) in Fund Balance	8,380	(148,644)	(9,564)	(13,587)	135,057	-90.9%
Beginning Fund Balance	152,752	161,132	161,132	151,568	(9,564)	-5.9%
Ending Fund Balance	\$ 161,132	\$ 12,488	\$ 151,568	\$ 137,981	\$ 125,493	1004.9%

REVENUE AND APPROPRIATIONS

Total revenues for FY 2026-27 are projected at approximately \$3,000, consistent with the FY 2025-26 budget. These funds represent final residual interest earnings, as no material vehicle registration fee revenue is expected following the program's sunset. Accordingly, the program is anticipated to maintain fund balances through FY 2026-27, with a potential renewal effort on the horizon.

Appropriations in FY 2026-27 total approximately \$17,000, all of it is allocated for administrative costs, including salaries, benefits, and overhead.

SPECIAL REVENUE FUNDS **TRANSIT SERVICES**

The Transit Services Fund accounts for two Measure A programs: the Neighborhood Shuttle and the Consolidated Transportation Services Agency (CTSA). These programs aim to enhance local and specialized transportation options throughout Sacramento County.

The Neighborhood Shuttle Program funds the development and expansion of local shuttle services, particularly in residential and commercial areas with limited or no transit connections to the regional light rail system or major bus corridors. The program receives a dedicated allocation of \$1 million annually, which the Authority awards on a competitive basis. The Authority is currently under contract with Paratransit, Inc. and Sacramento Regional Transit (SacRT) through June 2026 for Cycle 2 of the program.

The CTSA Program, also known as the Senior and Disabled Transportation Services Program, is designed to expand and coordinate specialized transportation services for seniors, individuals with disabilities, and other mobility-impaired populations. As originally outlined in Section VII of the Measure A Sacramento County Transportation Expenditure Plan (2009-2039), 1% of CTSA funding from the first decennial period was to be accumulated for distribution during the third decennial period. However, this approach was revised by the Board in December 2020, allowing CTSA funds to be awarded through grant agreements in the second decennial period, consistent with established CTSA guidelines.

With the conclusion of the first decennial period, there are currently no additional Measure A revenues accumulating in the CTSA fund beyond interest earnings. Paratransit, Inc. fully expend its CTSA grant funds during FY 2024-25, leaving SacRT with the remaining CTSA contract balance. Moving forward, all CTSA interest earnings will be allocated exclusively to SacRT.

FUND BALANCE

The ending fund balance for FY 2026-27 is projected to be approximately \$250,000, representing a 8.9% increase over the FY 2025-26 budgeted balance of \$230,000. This modest growth is primarily due to SacRT project spending delays that were anticipated in the FY 2025-26 budget, this resulted in less expenditures than anticipated.

The beginning fund balance for FY 2026-27 is projected at \$492,000, reflecting planned spending, with further drawdowns expected in subsequent years as current Neighborhood Shuttle and CTSA program commitments are completed.

TRANSIT SERVICES BUDGET
REVENUE, APPROPRIATIONS, AND FUND BALANCE

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Revenues						
Interest	\$ 34,707	\$ 4,500	\$ 4,600	\$ 9,800	\$ 5,300	117.8%
Total Revenues	\$ 34,707	\$ 4,500	\$ 4,600	\$ 9,800	\$ 5,300	117.8%
Appropriations						
Ongoing Allocations	\$ 1,724,714	\$ 1,252,865	\$ 991,200	\$ 1,251,096	\$ (1,769)	-0.1%
Total Appropriations	\$ 1,724,714	\$ 1,252,865	\$ 991,200	\$ 1,251,096	\$ (1,769)	-0.1%
Other Financing Sources (Uses)						
Transfers In	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	0.0%
Total Financing Sources (Uses)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	0.0%
Net Increase (decrease) in Fund Balance	(690,007)	(248,365)	13,400	(241,296)	7,069	-2.8%
Beginning Fund Balance	1,168,788	478,781	478,781	492,181	13,400	2.8%
Ending Fund Balance	\$ 478,781	\$ 230,416	\$ 492,181	\$ 250,885	\$ 20,469	8.9%

REVENUES AND APPROPRIATIONS

From its inception in 2009 through June 30, 2019, revenue for the CTSA program was generated in accordance with the Measure A Ordinance, accumulating annually at one percent of net sales tax revenue, along with accrued interest. No appropriations were made during this initial period, allowing the fund balance to grow substantially. In addition, the Neighborhood Shuttle program has received a dedicated annual allocation of \$1 million for the duration of the Measure A program.

The CTSA program began appropriating funds in FY 2020-21, following the execution of contracts between the Authority and its program partners—Paratransit, Inc. and Sacramento Regional Transit (SacRT). Appropriations peaked at \$1.7 million in FY 2024-25 and are expected to total \$1.0 million in FY 2025-26. For FY 2026-27, appropriations are projected at \$1.3 million. While expenditures reflect a combination of both Neighborhood Shuttle and CTSA program funding, the majority of appropriations are associated with the Neighborhood Shuttle program. Remaining CTSA balances are minimal and are held entirely with SacRT.

The Neighborhood Shuttle program remains active, with funding allocated to Paratransit and SacRT through reimbursement-based contracts that continue through FY 2025–26. The Authority is seeking to extend these contracts through FY 2027–28 to allow for the continued distribution of the \$1.0 million collected annually from the Neighborhood Shuttle program.

SPECIAL REVENUE FUNDS
FEDERAL GRANTS

The Federal Grants Fund was established by the Sacramento Transportation Authority to manage federal grant revenues anticipated to begin in Fiscal Year (FY) 2026-27. This fund is a new addition in budget year 2025-26, as the Authority has historically not received federal funding. The creation of this fund aligns with the Authority’s efforts to diversify revenue sources in support of Sacramento County’s transportation initiatives.

CURRENT STATUS AND OUTLOOK

As of May 1, 2026, the only federal grant secured is \$1,000,000 from the Safe Streets and Roads for All (SS4A) program. There are currently no pending grant applications. However, the Authority remains vigilant in monitoring and pursuing future grant opportunities that both align with Sacramento County’s transportation interest and where there is agency support to apply.

FUND BALANCE

As of May 1, 2026, the only federal grant secured is \$1,000,000 from the Safe Streets and Roads for All (SS4A) program. There are currently no pending grant applications. However, the Authority remains vigilant in monitoring and pursuing future grant opportunities that both align with Sacramento County’s transportation interest and where there is agency support to apply.

FEDERAL GRANTS - REVENUE, APPROPRIATIONS, OTHER FINANCING SOURCES, AND FUND BALANCE

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Revenue						
Federal Grants	\$ -	\$ 349,030	\$ -	\$ 349,030	\$ -	100.0%
Total Revenues	\$ -	\$ 349,030	\$ -	\$ 349,030	\$ -	100.0%
Appropriations						
Salaries and Benefits	\$ -	\$ 7,397	\$ -	\$ 20,784	\$ 13,387	100.0%
Overhead	-	1,633	-	2,087	454	100.0%
Professional Expense	-	340,000	-	326,159	(13,841)	100.0%
Total Appropriations	\$ -	\$ 349,030	\$ -	\$ 349,030	\$ -	100.0%
Net Increase (decrease) in Fund Balance	-	-	-	-	-	0.0%
Beginning Fund Balance	-	-	-	-	-	0.0%
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%

REVENUE AND OTHER FINANCING SOURCES

Federal grant revenue is recognized as eligible program expenditures are made, with reimbursements typically received approximately 45 days after invoicing. For FY 2026-27, total revenue is projected to be approximately \$350,000, reflecting anticipated activities under the SS4A program. Furthermore, the financing plan indicates expected federal grant revenue will increase in FY 2027-28 to approximately \$650,000, contingent on project progression and allowable expenses.

FEDERAL GRANTS FINANCING PLAN

	FY 2025-26 est.	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Revenue Assumptions:						
Safe Streets and Roads for All (SS4A)	-	349,030	650,970	-	-	-

APPROPRIATIONS

Total appropriations for FY 2026-27 are projected at approximately \$350,000, representing an increase of 100% compared to the prior fiscal year, which had no budgeted activity in this fund. The increase is attributable to the initiation of the SS4A grant-funded activities.

 **DEBT SERVICE FUND**

The Debt Service Fund was established by the Authority in accordance with the indenture requirements for each bond issuance. These include Series 2022 and 2023.

As of June 30, 2026, the total outstanding debt is projected to be approximately \$311.7 million. Debt service payments are funded through the 20.75% allocation of net sales tax revenue dedicated to the Capital Improvement Program, as outlined in the Measure A Ordinance.

FUND BALANCE

The ending fund balance for FY 2026-27 is projected at \$7.5 million, remaining consistent with the amount budgeted for FY 2025-26. The estimated ending fund balance for FY 2025-26 is consistent with the original budget.

As of FY 2026-27, the Authority is only repaying the principal on the Series 2022 bonds, with principal payments on the Series 2023 bonds scheduled to begin in FY 2028-29. With two fixed-rate bond series now in place, the fund balance is expected to remain steady year to year, ensuring adequate reserves for debt service obligations.

DEBT SERVICE - REVENUE, APPROPRIATIONS, OTHER FINANCING SOURCES, AND FUND BALANCE

Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change from FY 2026	Change in Percent
Revenue						
Interest	\$ 251,319	\$ 138,000	\$ 232,282	\$ 150,000	\$ 12,000	8.7%
Total Revenues	\$ 251,319	\$ 138,000	\$ 232,282	\$ 150,000	\$ 12,000	8.7%
Appropriations						
Principal	\$ 4,600,000	\$ 4,835,000	\$ 4,835,000	\$ 5,085,000	\$ 250,000	5.2%
Interest and Ancillary Cost	15,718,463	15,566,125	15,566,125	15,321,215	(244,910)	-1.6%
Total Appropriations	\$ 20,318,463	\$ 20,401,125	\$ 20,401,125	\$ 20,406,215	\$ 5,090	0.0%
Other Financing Sources (Uses)						
Transfers In	20,719,170	20,301,125	20,168,843	20,256,215	(44,910)	-0.2%
Total Financing Sources (Uses)	\$ 20,719,170	\$ 20,301,125	\$ 20,168,843	\$ 20,256,215	\$ (44,910)	-0.2%
Net Increase (decrease) in Fund Balance	652,026	38,000	(0)	-	(38,000)	100.0%
Beginning Fund Balance	6,872,725	7,524,751	7,524,751	7,524,751	(0)	0.0%
Ending Fund Balance	\$ 7,524,751	\$ 7,562,751	\$ 7,524,751	\$ 7,524,751	\$ (38,000)	-0.5%

* Interest appropriations factor in rising interest rates during the budget year

REVENUE AND OTHER FINANCING SOURCES

Interest revenue is earned on the accumulated fund balance held in the Debt Service Fund. The primary source of funding for debt service is transfers from the General Fund, which are drawn from the 20.75% Measure A allocation designated for the Capital Improvement Program. These transfers are used to fully cover annual principal, interest, and ancillary debt service costs.

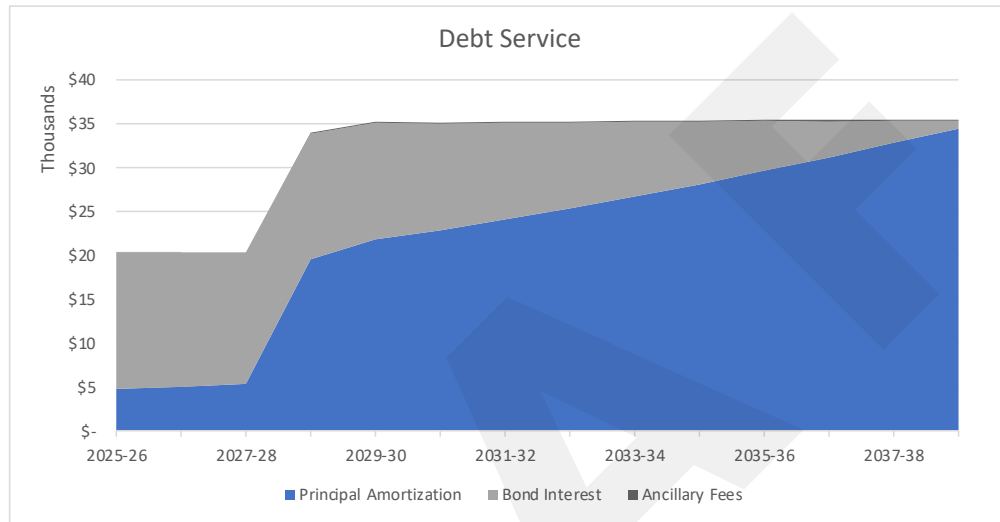
APPROPRIATIONS

To ensure timely payment of debt service obligations, the Authority sets aside one-twelfth of the upcoming fiscal year’s cash flow requirement for the Series 2022 and 2023 bonds each month. As of FY 2026-27, only the Series 2022 bonds are subject to principal amortization, while principal payments for the Series 2023 bonds will begin accruing in FY 2027-28.

Because interest payments are due semi-annually (in April and October) and principal payments are made each October, the Debt Service Fund typically maintains a substantial fiscal year-end balance, ensuring liquidity and meeting coverage requirements.

The accompanying chart illustrates projected debt service costs through FY 2038-39, the end of the Measure A program. Until FY 2027-28, principal payments are limited to the Series 2022 bonds, which will be fully repaid by that time, transitioning to the payment of the Series 2023 bonds principal. Note that the transfers in will increase substantially in FY 2027-28 to build the cash balance to begin the Series 2023 bonds principal payments in FY 2028-29.

Note: The term “Ancillary Fees” historically encompassed costs such as trustee and arbitrage reporting fees, debt financial analyst support, and other variable-rate debt-related expenses, some of which are no longer incurred.



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CAPITAL IMPROVEMENT PROGRAM



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5 CAPITAL IMPROVEMENT PROGRAM

CAPITAL PROJECT FINANCING

The Authority serves as the planning and funding entity for the Capital Improvement Program (CIP). Since the inception of the voter-approved Measure A sales tax in 2009, the program has generated approximately \$2.0 billion in total revenue, with 20.75% dedicated to capital projects. The Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) has generated approximately \$101 million in total revenue through FY 2024-25, with 100% dedicated to capital projects.

The Expenditure Plan, approved by voters and amended by the Governing Board, designates specific project categories within the CIP and assigns a percentage of the capital allocation to each:

EXPENDITURE PLAN CIP FUNDING ALLOCATION

Program Description	Sales Tax	SCTMFP
Local Arterial Program	4.27%	40.76%
Smart Growth Arterials and Corridors	0.73%	0.00%
Transit Capital Improvement Program	3.75%	14.28%
Freeway Safety and Congestion Relief Program	0.00%	41.58%
Regional Bus/Carpool Lane Connectors and Extensions	9.00%	0.00%
Local Freeway Interchange Congestion Relief Upgrades	3.00%	0.00%
Smart Growth Incentive Program	0.00%	0.34%
Transportation Project Environmental Mitigation Program	0.00%	3.04%
Total	20.75%	100.00%

It is important to note that the Authority does not construct or own any capital projects. Instead, it funds projects implemented by local jurisdictions and agencies.

Each year, the Authority requests updated spending plans from agencies with capital projects programmed to receive Measure A funding. This information is critical for annual budget development and cash flow forecasting. Only approved and programmed projects are eligible to receive Measure A CIP funding.

Capital allocation contracts are generally structured as multi-year agreements. To date, much of the capital funding has been front-loaded through the issuance of bonds early in the program to accelerate project delivery. However, proceeds from these bond issuances were fully expended by FY 2017-18. As a result, the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) and sales tax pay-as-you-go (pay-go) revenues are now the primary sources of capital funding.

In the FY 2026-27 budget year, sales tax pay-go funding is projected at \$15.9 million, and SCTMFP revenue is expected to total \$8.4 million. These funding sources, along with any available accumulated fund balance, are programmed to support the CIP in the upcoming year.

IMPACT OF CAPITAL IMPROVEMENTS ON THE OPERATING BUDGET

The Authority functions as a financing mechanism for transportation services and capital improvement projects throughout the region. When voters approved the Measure A sales tax, the Expenditure Plan outlined within the Ordinance specified the programs, agencies, and projects to which funds would be allocated.

All projects identified in the Expenditure Plan are expected to be delivered using a combination of local, state, and federal funding sources. The Authority contributes local funding that enables agencies to leverage additional external funds. Project implementation is carried out by local jurisdictions and agencies, which submit reimbursement claims to the Authority for eligible expenses. The Authority does not construct or manage any capital projects, nor does it own any resulting assets.

Accordingly, all capital assets financed with Measure A funds are recorded on the financial statements of the implementing agencies, not the Authority. As a result, capital improvements funded through Measure A have no impact on the Authority's operating budget, consistent with its role as a pass-through funding entity.

PROJECTS

Capital projects funded by Measure A are implemented by the following agencies: Sacramento County, the cities of Citrus Heights, Elk Grove, Folsom, Galt, Rancho Cordova, and Sacramento, the California Department of Transportation (Caltrans), Sacramento Regional Transit (SacRT), and the Capital SouthEast Connector Authority.

The lists below outline approved project locations across the three capital funding programs originally identified in the Measure A Expenditure Plan, as subsequently refined through the decennial review process and allowable Board-approved updates to the Local Arterial Program.

LOCAL ARTERIALS PROGRAM

18

APPROVED
PROJECT
LOCATIONS



- Antelope Road: Watt-Auburn
- Arden Way: ITS Improvements Del Paso-Fair Oaks Blvd
- Arden Way: Ethan Way to Watt Ave
- Bradshaw Road: Grant Line-Folsom Blvd
- Bruceville Road: Sheldon-Cosumnes River Blvd
- Cosumnes River Blvd: I-5-Franklin Blvd
- Elk Grove Blvd: Big Horn-Waterman
- Folsom Blvd: 65th-Sunrise
- I5/SR99/SR50 Connector, including at least \$5 million for the Cosumnes River Permanent Open Space Preserve
- Greenback Lane: I/80-Folsom/Auburn Road
- Hazel Ave Improvements: Placer Co Line-Folsom Blvd
- I Street Bridge Replacement
- Madison Ave: Watt-Greenback
- S Watt/Elk Grove-Florin Road: Folsom-Elk Grove Blvd
- Sheldon Road: Bruceville-Bradshaw
- Sunrise Blvd: Placer County line-Grant Line
- Truxel Bridge: Garden Hwy to Sequoia Pacific Blvd
- Watt Ave: Antelope-Capital City Freeway

**TRANSIT
CONGESTION
RELIEF
PROGRAM**

5
APPROVED
PROJECT
LOCATIONS



- Construct Downtown Sacramento Intermodal Station
- Construct LRT extension from Meadowview Road to Cosumnes River College
- Implement Regional Rail commuter service (Sacramento County portion)
- Fund planning, environmental, and design studies and processing for Downtown to Airport LRT Extension
- LRT Improvements in the I-80 Corridor

**FREEWAY
SAFETY AND
CONGESTION
RELIEF
PROGRAM**

12
APPROVED
PROJECT
LOCATIONS



- Bus/Carpool ramp connection from SR 50 E to SR 99 S
- I/80 Bus/Carpool Lanes: I-5-Capital City Freeway
- I-5 Bus/Carpool Lanes: Elk Grove to I-80
- Ramp Widening for connectors between SR 50 and I-5
- SR 50 Bus/Carpool Lanes: Sunrise through Downtown Sacramento
- Central Galt/SR 99 Interchange Upgrade
- Cosumnes Blvd/I-5 Interchange Upgrade
- Grant Line Road/SR 99 Interchange Upgrade
- I-5/I-80 Interchange Upgrade & Carpool Lane Connector
- Richards Blvd/I-5 Interchange Upgrade
- Sheldon Road/SR 99 Interchange Upgrade
- Watt/SR 50 Interchange Upgrade



35

**APPROVED PROJECT
LOCATIONS**

ACROSS 3 PROGRAMS

In the fiscal year 2026-27, there are 19 active projects allocated to receive funding through interagency funding agreements. Furthermore, the Smart Growth Incentive Program (SGIP) includes projects that are also budgeted to obtain funding through these agreements. Given that most capital projects are multi-year or long-term initiatives, many extend across multiple funding cycles. As the availability of funding is a crucial determinant of project timelines, certain projects may experience delays until adequate resources are secured.



DRAFT

COMPLETED PROJECTS

The following section includes a list of completed projects that received funding from Measure A and the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). The list identifies each project's program type, primary and subproject titles, year completed, and total expenditures by category. These completed projects represent both fully completed improvements and projects where Measure A funded specific phases, such as planning, preliminary engineering, environmental clearance, right-of-way acquisition, or construction.

Primary Project	Sub Project	Year Completed	Total Project Cost	Measure A Expenditures	Grant Expenditures
Local Freeway Interchange Congestion Relief Upgrades					
Cosumnes Blvd. I-5 Interchange		2016	\$ 85,315,164	\$ 8,588,138	\$ 31,009,376
Central Galt Interchange		2013	50,641,711	9,966,000	13,962,875
Grantline Rd. Hwy 99 Interchange Upgrade		2008	77,400,000	37,229,290	-
Sheldon Rd. Hwy 99 Interchange Upgrade		2010	73,470,838	8,291,743	20,801,000
Watt Ave. Hwy 50 Interchange		2014	38,318,000	11,835,390	26,962,680
Local Freeway Interchange Congestion Relief Upgrades Total			\$ 325,145,713	\$ 75,910,561	\$ 92,735,931
Local Arterial Program					
Antelope Road, Watt Ave to Auburn Blvd.	Roseville Rd. to I-80 Phase 1	2009	\$ 12,397,000	\$ 1,088,744	\$ 6,200,000
Bradshaw Rd. Grantline Rd. to Folsom Blvd.	Calvine Rd. to Florin Rd. Phase 1	2010	19,547,000	7,923,277	-
Folsom Blvd: 65th St. to Sunrise Blvd.	Bradshaw Rd. to Sunrise Blvd. Phase 1	2010	4,759,152	5,066,265	3,659,000
	Bradshaw Rd. to Sunrise Blvd. Phase 2	2012	14,667,761	36,455	10,805,860
	Bradshaw Rd. to Sunrise Blvd. Phase 3	2012	6,836,770	-	2,724,000
	Bradshaw Rd. to Sunrise Blvd. Phase 4	2018	5,062,000	3,093,804	4,838,000
	Bradshaw Rd. to Sunrise Blvd. Phase 5	2020	6,100,000	1,445,428	5,500,000
	South Watt Ave to Bradshaw Rd. Phase 1	2022	7,987,000	1,509,918	2,708,000
Folsom Bridge Crossing		2009	145,851,098	37,577,078	100,152,288
Consumnes River Permanent Open Space Preserve		N/A	5,000,000	5,000,000	-
Greenback Ln. I/80 to Auburn/Folsom Rd.	West City Limit to Fair Oaks Blvd.	2009	19,176,000	2,225,000	16,188,000
Hazel Ave.: Placer County to Folsom Blvd.	US 50 to Madison Ave.	2023	86,500,000	47,553,653	35,711,000
Sunrise Blvd. Placer Co. to Grant Line Rd.	Folsom Blvd to White Rock Rd	2021	7,735,000	10,948,038	-
	Oak Ave. to Antelope Rd. Phase 1	2014	5,178,000	4,528,000	650,000
	Greenback Ln. to Oak Ave Phase 2	2016	11,850,000	600,000	5,382,800
Local Arterial Program Total			\$ 358,646,781	\$ 128,595,660	\$ 194,518,948
Rail Transit Improvements					
South Sac LRT Extension		2022	\$ 270,000,000	\$ 25,265,683	\$ 240,312,246
DNA LRT Extension		2012	49,000,000	37,311,000	14,711,845
LRT I-80 Corridor Improvements		2019	247,200	247,200	-
Rail Transit Improvements Total			\$ 319,247,200	\$ 62,823,883	\$ 255,024,091
Regional Bus/Carpool Lane Connectors/Extensions					
I-80 I-5 to Capital City Freeway	I-80 I-5 to Capital City Freeway	2017	\$ 63,259,688	\$ 722,688	\$ 62,537,000
I-5 Bus/Carpool Lanes	US 50 to 1.1 miles south of Elk Grove Blvd.	2023	370,000,000	27,222,595	56,800,000
	Hwy 50 Bus/Carpool Lanes Sunrise Blvd. to Downtown	Sunrise Blvd. to Downtown Phase 1	2012	100,406,202	32,793,233
Regional Bus/Carpool Lane Connectors/Extensions Total			\$ 533,665,890	\$ 60,738,516	\$ 186,949,969
Grand Total			\$ 1,536,705,584	\$ 328,068,620	\$ 729,228,939

SUMMARY OF PROJECT FUNDING BY TYPE

A summary table is provided below, showing total funding amounts by project type as categorized in the Measure A Expenditure Plan, broken down by funding source.

CIP Funding Programs	Total Project Cost	Measure A Expenditures	Grant Expenditures	Grant Reimbursement %
Local Freeway Interchange Congestion Relief Upgrades	\$ 325,145,713	\$ 75,910,561	\$ 92,735,931	28.5%
Local Arterial Program	358,646,781	128,595,660	194,518,948	54.2%
Rail Transit Improvements	319,247,200	62,823,883	255,024,091	79.9%
Regional Bus/Carpool Lane Connectors/Extensions	533,665,890	60,738,516	186,949,969	35.0%
Total Completed Projects	\$ 1,536,705,584	\$ 328,068,620	\$ 729,228,939	47.5%

» ACTIVE PROJECTS BY AGENCY



11 ACTIVE PROJECTS

- **ARDEN WAY CORRIDOR PROJECT** – will construct bikeways (class 2 & 4) and sidewalks, and landscaped buffers, and medians on Arden Way between Ethan Way and Watt Avenue, and will improve signalized crossings with new curb ramps, expanded bus turnouts, and enlarged loading areas, detection for bicycles, audible and countdown pedestrian signals, and crosswalk striping, and undergrounding of overhead utilities.
- **BRADSHAW RD.: PHASE 2** – this project will construct capacity, safety, and access improvements at the Bradshaw Rd./Jackson Rd. intersection. Improvements will include traffic signal modifications to accommodate an additional lane, and two dual left turn lanes in each direction of travel. This project will reduce GHG emissions, improve mobility for all modes of travel by adding through lanes in each direction and bicycle and pedestrian facilities including bike lanes, sidewalks, and disability access features.
- **FOLSOM BLVD.: WATT AVE. TO BRADSHAW RD.** – this project will improve safety and connectivity along Folsom Boulevard between Bradshaw Road and Mayhew Road by providing sidewalk continuity, buffered bike lanes, pedestrian safety lighting, functional landscaping, and pedestrian signal upgrades.

continued ►



11 ACTIVE PROJECTS

- **GREENBACK LANE: FAIR OAKS BLVD. TO MAIN AVE.** – this project on Greenback Lane between Chestnut Avenue and Folsom City Limits will install Class II Bike lanes, separated sidewalks, ADA upgrades that include curb ramps, bicycle detection, bus stop and transit access improvements, landscape/streetscape enhancements, and undergrounding of overhead utility lines.
- **HAZEL AVE.: HWY 50 TO FOLSOM BLVD. SEGMENT 1** – project will widen the existing Hazel Ave overcrossing of US 50, modify the existing westbound on and off ramp to accommodate a shared use path to improve the multi-modal connection through the corridor, construct a retaining wall at the existing eastbound loop on-ramp to increase shoulder width and clear recovery zone, and construct a portion of a transition auxiliary lane between Alder Pond and Folsom Blvd eastbound off-ramp.
- **HAZEL AVE.: HWY 50 TO FOLSOM BLVD. SEGMENT 2** – is project will modify the existing Hazel Ave interchange at US 50 including US 50 eastbound off ramp modifications at Aerojet Road and Folsom Boulevard, extend and grade-separate Hazel Avenue over Folsom Boulevard and the Sacramento-Placerville Transportation Corridor Joint Powers Authority rail line corridor, widen Hazel Avenue from 4 lanes to 6 lanes between Folsom Blvd and US-50, and provide multi-modal corridor improvements from Folsom Blvd to the American River Parkway.
- **MADISON AVE.: FAIR OAKS BLVD. TO HAZEL AVE.** – this project will widen Madison Avenue from 4 to 6 lanes with raised medians between Fair Oaks Boulevard and Hazel Avenue in the Citrus Heights and Fair Oaks areas. The project will construct bicycle and pedestrian facilities, traffic signal modifications, traffic operations system upgrades and interconnection, landscaping, and streetscape enhancements, and soundwalls.
- **SOUTH WATT AVE.: FOLSOM BLVD. TO CALVINE RD.** – this project will widen South Watt Avenue from two to four lanes between Florin Road and Jackson Road. Proposed improvements include landscaped medians, ADA upgrades, bicycle and pedestrian facilities, and intersection upgrades.
- **SUNRISE BLVD.: JACKSON RD. TO GRANT LINE RD.** – this project will widen the existing intersection at Jackson Road and Sunrise Boulevard to add additional lanes and modify the existing traffic signal for improved efficiency, ADA upgrades, bicycle and pedestrian facilities, and intersection upgrades.

continued ►



11 ACTIVE PROJECTS

City of
SACRAMENTO

5 ACTIVE PROJECTS

- **WATT AVE.: ANTELOPE RD. TO CAPITAL CITY FREEWAY** – this project is located on Watt Avenue, from I-80 westbound ramps to Roseville Road. This project will design and construct buffered bike lanes, separated pedestrian-friendly sidewalks, landscaped medians, improved transit facilities for pedestrians including bus turnouts, improve street lighting, improve signalized intersections, and other streetscape amenities to encourage mobility by active modes of transportation and provide community identity.
- **WATT AVE.: ROSEVILLE RD PED & BIKE TRAIL** – this project is located on Watt Avenue, from Roseville Road to Peacekeeper Way. The Safe Passage Project will advance plans for raised bikeways and new sidewalks, with ADA upgrades and design elements consistent with current accessibility standards. The Project will also signalize and narrow the turn radius of channelized right-turn lanes at the intersection with Roseville Road to improve pedestrian and bicyclist crossings. The southbound channelized right turn lane will be significantly modified to support safe crossing.
- **RICHARDS BLVD.: I-5 INTERCHANGE** – this project will provide long-term operational and circulation improvements to address future impacts resulting from high density development in the Central City. The interchange was originally constructed in 1969 as part of the interstate freeway network. The interchange is a critical access point to the northern part of the Central City and reconstruction of the interchange is needed to serve planned growth in Downtown, the Railyards, and River District areas. The proximity of the Sacramento River to the west and the American River to the north restricts development west and north of the interchange and limits improvement options.
- **SACRAMENTO INTERMODAL STATION** – this project is currently in the planning phase for the expansion of the existing station facility which will better connect transportation services closer to the relocated train track and platform alignment. The timeline for full build-out is currently 2040 and is planned to be implemented in distinct phases. The program elements of the plan include a bus station for Amtrak Thruway, regional and local transit agencies, and private carriers; new bike facilities, improved drop-off and pick-up areas, implementation of current light rail and streetcar projects, public space, and new supportive transit-oriented development. Programming for future uses in the historic station will be evaluated to support the transit complex.

continued ►



5 ACTIVE PROJECTS

- **INTERMODAL GOVERNANCE** – this project is to research, analyze alternatives, coordinate with interested parties, and implement the creation of a new regional governance structure for the management and expansion of the Intermodal Station, including regional rail, light rail, intra-city transit, local transit, and multi-modal connections associated with the Sacramento Valley Station and its facilities.
- **I STREET BRIDGE** – this project will remove a series of functionally obsolete or structurally deficient bridges (approach structures) and construct a new moveable bridge approximately 1000' upriver from the existing I Street Bridge which will remain and continue to serve the railroad. The new bridge will facilitate improved traffic circulation, reduce congestion, improve operations and safety, and serve multiple modes of transportation by connecting Railyards Boulevard in Sacramento to C Street in West Sacramento. Once completed, the existing I Street bridge's upper deck will be repurposed for active transportation and provide new waterfront connections, and access to regional trails.
- **TRUXEL BRIDGE** – this project is to build a new multi-modal bridge crossing the lower American River that will improve local connectivity by providing a more direct route between North and South Natomas and the Central City that includes facilities for walking and biking that are currently very limited. This bridge will reduce regional vehicle miles traveled (VMT) due to a more direct travel path that shortens local trips for cars, makes transit a more attractive mode due to better routing, and makes walking and biking more attractive for short trips. This bridge will also reduce greenhouse gas emissions due to shorter local vehicular trips and more opportunities to walk, bike, and ride on more efficient transit lines (bus, bus rapid transit, and/or light rail). Finally, this bridge will enhance safety by reducing emergency response times and providing an additional evacuation route in the event of natural disasters.



2 ACTIVE PROJECTS

- **SUNRISE BOULEVARD COMPLETE STREETS** – Sunrise Boulevard from Sayonara Drive to North City Limits – The Sunrise Boulevard Complete Streets Improvements (multiple phases) is a comprehensive Complete Streets project that will rehabilitate and reconstruct a regionally significant arterial, adding much needed Complete Streets elements throughout the project area. The project may include design, environmental, right of way acquisition, as well as plans, specifications and estimates to prepare the project for construction. Construction may include utility relocation, stormwater enhancements, ADA, bike and pedestrian facilities, streetlights, traffic signal modifications, median enhancements, and street resurfacing.
- **ANTELOPE ROAD/I-80 PEDESTRIAN CROSSING AND TRAFFIC SAFETY IMPROVEMENTS** – The Antelope Road/I-80 Project will focus on ADA, bike, and pedestrian safety by providing dedicated facilities adjacent to the existing overcrossing, enhancing connectivity between neighborhoods for increased accessibility to schools and services. Project phases will be coordinated with Caltrans and may include the Project Study Report-Project Development Support, design, environmental, right of way and plans, specifications and estimates to prepare the project for construction. Construction may include a separated pedestrian and bike bridge, soundwalls, traffic safety upgrades, and other pedestrian and traffic safety enhancements to improve levels of service and accessibility along the interchange.



3 ACTIVE PROJECTS

- **HWY 50 BUS/CARPOOL LANES SUNRISE BLVD. TO DOWNTOWN** – this project is designed to reduce recurring congestion on U.S. 50 from the Watt Avenue Interchange (where the current HOV lanes start and stop on U.S. 50) to the I-5 Interchange in downtown Sacramento. In addition, this project will allow connectivity and consistency with the planned HOV system in the Sacramento region, enhance mobility and provide incentives for ridesharing during peak period travel, achieve the goals of the current SACOG MTP/SCS by promoting ridesharing, improving U.S. 50 to meet the growing travel demand in the Sacramento region, provide an option for reliable peak period travel time, and improved bicycle and pedestrian access.

continued ►



3 ACTIVE PROJECTS

- **I-5 BUS/CARPOOL LANES** – this project will construct approximately 12 miles in each direction of bus/carpool lanes on I-5 from the I-5/US50 Interchange to the I-5/I-80 Interchange. The purpose of this project is to promote ride sharing and the use of high occupancy vehicles such as carpools, vanpools, and express bus services during peak period travel, provide congestion relief to improve traffic flow and mobility by carrying more people in fewer vehicles during peak traffic periods, use highway facilities as efficiently as possible, and improve traffic operations and safety.
- **HWY 50 – ALHAMBRA SOUNDWALL 5A** – Construct an approximately 1,090-foot long soundwall along westbound US 50 to northbound SR 51 connector ramp on the outside shoulder embankment between 34th Street and Alhambra Blvd.



1 ACTIVE PROJECT

CAPITAL SOUTHEAST CONNECTOR - This project consists of a 34-mile-long expressway that will serve as a beltway through the southern area of Sacramento County into El Dorado County, enabling travelers to bypass downtown Sacramento and Highway 50 congestion between Elk Grove, Rancho Cordova, Folsom, and El Dorado Hills. The Connector will provide easier access to jobs, reduced congestion, more efficient goods movement, increased safety, and significant economic impact. The project's first phase includes construction of four continuous lanes from Interstate 5 and Highway 99 in Elk Grove to the new Silva Valley interchange at Highway 50 in El Dorado Hills, expanded at-grade intersections at all major access points, and a continuous path for pedestrians, bicyclists, and equestrians.

The Authority staff along with the staff from the County of Sacramento, City of Rancho Cordova, and Capital SouthEast Connector have developed a funding strategy to advance Grant Line Road between the Chrysanthy Blvd. Intersection and the White Road Intersection as a shovel ready phased project compatible with the ultimate design. This project will improve safety, mobility, pavement condition and intersection operations.

SMART GROWTH INCENTIVE PROGRAM

SMART GROWTH INCENTIVE PROGRAM (SGIP) – This program provided competitive funding for projects that advanced smart growth objectives and aligned with the Sacramento Area Council of Governments' (SACOG) Community Design competitive funding program. SGIP was funded exclusively through the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). Phase 1 was awarded in March 2022, with funding allocated over three fiscal years, and Phase 2 was awarded in May 2024. For both cycles, the Authority partnered with SACOG to provide local matching funds for the Community Design program.

Funding for SGIP, with the exception of mitigation costs for the I-5/SR 99/US 50 corridor, ceased on December 31, 2024, as the program was no longer included in the updated Nexus study. Concurrently, SACOG has discontinued its Community Design competitive funding program, concluding the partnership that had aligned local and regional smart growth funding efforts.

The budget includes the planned use of the remaining approximately \$2.3 million in funding for Smart Growth Leveraging. This third cycle would provide local matching funds for projects that advance smart growth objectives and leverage state and federal grant funding. Staff anticipate bringing a Smart Growth Leveraging item to the STA Governing Board for consideration in June or August 2026.

SMART GROWTH ARTERIALS AND CORRIDORS PROGRAM

SMART GROWTH ARTERIALS AND CORRIDORS PROGRAM (SGACP) – This program replaces the former SGIP program and is funded at comparable levels using sales tax revenue from the Local Arterial Program. SGACP supports local arterials and corridors within established communities that support smart growth principles. SGACP is structured to function as a strategic funding source aimed at improving local jurisdictions' competitiveness in securing additional state and federal transportation funding. Funding under this program commenced on January 1, 2025, coinciding with the conclusion of SGIP.

For Fiscal Years 2025-26 and 2026-27, staff are engaged in several initiatives to position local arterials and corridors for enhanced funding opportunities. These initiatives include:

- Development of Comprehensive Multimodal Corridor Plans (CMCP) along key regional corridors: US-50, I-80, and SR-99.
- 2026 SB I Grant Strategy Coordination
- 2026 SACOG 6-County Federal Funding Round Coordination and Training

continued ►

**SMART GROWTH
ARTERIALS AND
CORRIDORS
PROGRAM**

- Completion of a Countywide Vehicle Miles Traveled (VMT) Mitigation Study and Design.
- Development of the Safe Streets and Roads for All (SS4A) Countywide Safety Action Plan.
- Advancement of Mobility Zones to support multimodal connectivity.

Approximately 20% of the Executive Directors' time is spent on these efforts in a coordination, advocacy, or management role. Looking ahead to FY 2025-26, staff plan to develop and implement a comprehensive strategy to assist local agencies in pursuing federal funding from the Sacramento Area Council of Governments (SACOG) Regional Funding Round, as well as other available local, state, and federal funding sources. Implementation of this strategy will require approval by the STA Governing Board and will ensure coordinated and effective use of SGACP funds moving forward.

SGACP funding is proposed to support several efforts in FY 2026-27 through FY 2030-31. These include the following:

- Professional Services to support grant leveraging.
- Local match for federal Safe Streets and Roads for All (SS4A) grant to complete a Countywide Safety Action Plan, pending grant agreement approval.
- SB I Solutions for Congested Corridors Grant Application in 2026, 2028, and 2030
- Expanded Smart Growth Leveraging for Cycle 3 as discussed under the Smart Growth Incentive Program.

PROJECT FUNDING

The table on the following page outlines the Authority's Capital Improvement Program (CIP) financing plan, which supports the Local Arterial Program, Transit Capital Improvement Program, Regional Bus/Carpool Lane Connectors and Extensions, and Local Freeway Interchange Congestion Relief Upgrades, as defined in the Measure A Expenditure Plan. The table reflects updated estimates for FY 2025-26 and budgeted appropriations for FY 2026-27 and the four subsequent years.

Project funding levels are the result of a collaborative planning process between Authority staff and the agencies responsible for implementing the projects. This working plan is formalized through interagency funding agreements between the Authority and each implementing jurisdiction.

Sales tax revenue allocated to the CIP is projected at \$35.6 million in FY 2025-26 and \$36.3 million in FY 2026-27. Of this, approximately \$20.4 million annually is committed to debt service, which includes principal, interest, and ancillary fees, through FY 2028-29 at that point repayment of the Series 2023 principal begins at an increased amount. The remaining amount is available as pay-as-you-go (pay-go) funding for direct capital project expenditures.

In addition to sales tax revenues, the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) is expected to contribute \$8.0 million in FY 2025-26 and \$8.4 million in FY 2026-27 toward the CIP, further supporting capital project delivery.

CIP FINANCING PLAN (IN 000'S)

	FY 2025-26 est.	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Beginning Fund Balance	\$ 81,570	\$ 51,085	\$ 22,811	\$ 23,570	\$ 23,062	\$ 35,355
Revenue Assumptions:						
Sales Tax	174,555	177,900	182,914	187,660	192,089	196,150
Off the top	2,815	2,850	2,902	2,952	2,998	3,040
Net Sales Tax Available to CIP	171,740	175,050	180,012	184,708	189,091	193,110
Sales tax CIP allocation	35,636	36,323	37,352	38,327	39,237	40,070
Debt Service (net of swap interest)	20,401	20,406	20,409	34,009	35,233	35,135
Sales tax pay go	15,235	15,917	16,943	4,318	4,004	4,935
SCTMFP Fee	8,022	8,382	8,780	9,203	9,701	10,113
Professional Expenses	55	105	148	31	32	33
Net Available for Expenditure	\$ 104,772	\$ 75,279	\$ 48,386	\$ 37,060	\$ 36,735	\$ 50,370
Expenditure Assumptions						
SGACP Allocation (0.73% of Sales Tax):	\$ 1,254	\$ 1,278	\$ 1,314	\$ 1,348	\$ 1,380	\$ 1,410
California DOT:						
I-5 Carpool Lanes US 50 - I-80	978	4,608	-	-	-	-
I-5 Managed Lanes	22	5	-	-	-	-
Hwy 50 HOV - Alhambra Soundwall 5A	500	2,500	2,500	-	-	-
Hwy 50 HOV	14,574	13,575	7,750	6,500	-	-
Capital SouthEast Connector JPA:						
JPA - Capital	242	850	500	150	-	-
Grant Line Road	800	2,800	519	-	-	-
Transportation Project Environmental Mitigation Program	500	4,500	-	-	-	-
City of Citrus Heights:						
Sunrise Blvd.	-	500	500	500	-	-
Antelope Rd.	-	200	300	-	-	-
City of Sacramento:						
Intermodal	3,307	2,478	-	-	-	-
Intermodal - Governance	380	462	-	-	-	-
I-Street Bridge Replacement	75	5,500	5,500	5,500	-	-
Richards/I-5	1,000	400	494	-	-	-
County of Sacramento:						
Arden Way Complete Streets Phase 1	3,030	1,280	-	-	-	-
Arden Way Complete Streets Phase 2	-	452	274	-	-	-
Bradshaw at Jackson Rd.	795	281	-	-	-	-
Folsom Blvd.	473	55	-	-	-	-
Greenback Lane Phase 1	1,441	1,120	1,957	-	-	-
Hazel Ave. Phase 1	-	-	-	-	-	-
Hazel Ave. 50 to Folsom Seg 1	3,344	2,939	1,903	-	-	-
Hazel Ave. 50 to Folsom Seg 2	2,460	-	370	-	-	-
Madison Ave. Phase 1	54	146	-	-	-	-
South Watt Phase 1	15,000	5,139	-	-	-	-
Sunrise - Jackson to Grant Line	535	1,360	820	-	-	-
Watt Ave. - Antelope to Cap City	2,893	15	-	-	-	-
Watt Ave. - Roseville Rd Ped & Bike Trail	30	25	115	-	-	-
Total Expenditures	\$ 52,433	\$ 51,190	\$ 23,502	\$ 12,650	\$ -	\$ -
Fund Balance Reserve	6,000	8,000	8,400	4,400	4,400	5,200
Ending Fund Balance	\$ 45,085	\$ 14,811	\$ 15,170	\$ 18,662	\$ 30,955	\$ 43,760

5 - CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) Finance Plan outlines anticipated expenditures under existing capital project allocation and expenditure contracts through FY 2030-31, as well as uncontracted but planned allocations for the period FY 2026-27 through FY 2030-31. These estimates support the Authority’s long-term capital funding strategy and align with previously adopted policy principles.

In October 2020, the Authority adopted a set of principles guiding the allocation of remaining CIP funding through FY 2038-39, including a consensus plan that identifies target allocation levels for certain recipient agencies and programs. These allocation targets are used to estimate, on a percentage basis, the share of funds remaining for each agency listed. To maintain accountability and equitable distribution, the plan requires a formal review in FY 2029-30, as part of the Decennial Review process outlined in the Measure A Ordinance. This approach helps ensure that agencies which have not received funding commensurate with original expectations can anticipate receiving allocations in future years.

Adopted Allocation Targets (in 000's)
County of Sacramento - \$100,000
Caltrans - \$100,000
Citrus Heights - \$9,000
City of Sacramento - \$37,500
Capital SouthEast Connector - \$21,000
Total - \$267,500

To ensure equity in the distribution of these funds and to align with the formal decennial review requirement in the adopted principles, the Authority has established decennial allocation targets for each agency using the adopted allocation targets identified above. The table below reflects the decennial targets for each agency, the amount under contract, the planned allocations through the Five-Year CIP, the remaining funding left to be allocated by FY 2028-29.

SECOND DECENNIAL UNCONTRACTED TARGETED ALLOCATIONS THROUGH FY2028-29 (IN 000'S)

Jurisdiction	Calculated Target	Future CIP	Currently Contracted	Remaining Target
County of Sacramento	\$ 49,626	\$ 6,700	\$ 42,887	\$ 39
Caltrans	49,626	5,000	44,550	76
Citrus Heights	4,466	2,000	-	2,466
City of Sacramento	18,610	16,575	2,013	22
Capital SouthEast Connector	10,421	800	9,600	21
Total	\$ 132,749	\$ 31,075	\$ 99,050	\$ 2,624

The following tables present the Authority’s financial plan for the Smart Growth Incentive Program (SGIP) and Smart Growth Arterials and Corridors Program (SGACP), incorporating updated estimates for FY 2025-26 and projections for FY 2026-27. Project funding levels by fiscal year are the result of a collaborative planning process between Authority staff and the agencies responsible for implementing SGIP-funded projects. These funding commitments are formalized through interagency funding agreements.

Prior to January 1, 2025, SGIP was funded using 15% of revenues from the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). However, the updated SCTMFP Nexus Study no longer supports SGIP in its historical structure. As a result, the program was amended by Authority Board action in June 2024 to transition funding to the new Smart Growth Arterials and Corridors Program (SGACP), which will receive 0.73% of sales tax revenue going forward. Under the revised structure, SGIP has sunset in FY 2024-25 and no funding going forward, while SGACP is anticipated to receive \$1.3 million in FY 2025-26 and \$1.3 million in FY 2026-27. This change ensures continued support for projects that align with smart growth and sustainable transportation objectives.

CIP FINANCING PLAN - SMART GROWTH INCENTIVE PROGRAM (IN 000’S)

	FY 2025-26 est.	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Beginning Program Balance	\$ 6,901	\$ 3,200	\$ 2,291	\$ -	\$ -	\$ -
Revenue Assumptions:						
SCTMFP: SGIP Allocation (15% of SCTMFP)	-	-	-	-	-	-
Net Available for Expenditure	\$ 6,901	\$ 3,200	\$ 2,291	\$ -	\$ -	\$ -
Expenditure Assumptions						
Capital SouthEast Connector JPA:						
Consumnes River Permanent Open Space	445	-	-	-	-	-
Sacramento Regional Transit District:						
Sacramento Valley Station Loop	808	-	-	-	-	-
City of Elk Grove:						
telock Parkway/State Route 99 Interchange POC	-	52	-	-	-	-
City of Folsom:						
Roundabout Feasibility Assessment	-	52	-	-	-	-
City of Galt:						
Kost Road Improvements	45	-	-	-	-	-
Fourth Street Promenade Extension	-	36	-	-	-	-
City of Sacramento:						
Broadway Complete Streets	750	-	-	-	-	-
Envision Broadway In Oak Park	43	-	-	-	-	-
Franklin Blvd. Complete Streets	681	-	-	-	-	-
Stockton Blvd. Complete Streets	95	-	-	-	-	-
Broadway Complete Street Project Phase 3	-	501	-	-	-	-
El Camino Avenue Vision Zero	-	138	-	-	-	-
County of Sacramento:						
Greenback Lane Complete Streets	485	-	-	-	-	-
Arden Way Complete Streets	284	-	-	-	-	-
Arden Way Phase 1 and 2	-	130	-	-	-	-
Sacramento Transportation Authority:						
Placer Sacramento Gateway Plan Update	65	-	-	-	-	-
Smart Growth Ph3 Strategy	-	-	2,291	-	-	-
Total Expenditures	\$ 3,701	\$ 909	\$ 2,291	\$ -	\$ -	\$ -
Ending Program Balance	\$ 3,200	\$ 2,291	\$ -	\$ -	\$ -	\$ -

5 - CAPITAL IMPROVEMENT PROGRAM

CIP FINANCING PLAN - SMART GROWTH ARTERIALS
AND CORRIDORS PROGRAM (IN 000'S)

	FY 2025-26 est.	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Beginning Program Balance	\$ -	\$ 1,150	\$ 1,585	\$ 2,660	\$ 2,552	\$ 2,530
Revenue Assumptions:						
SCTMFP: SGACP Allocation (0.73% of Sales Tax)	1,254	1,278	1,314	1,348	1,380	1,410
Sacramento Transportation Authority:						
Federal and State Funding Advocacy and Strategy Development: Professional Services	54	80	84	88	92	97
Professional Services Support	50	-	-	-	-	-
Safe Streets 4 All Grant Match	-	53	55	58	60	63
Solutions for Congested Corridors Program Grant Application Grant Match	-	150	100	-	-	-
Countywide VMT Mitigation Phase 2	-	60	-	60	-	60
Smart Growth Ph3 Strategy	-	500	-	-	-	-
Smart Growth Ph4 Strategy	-	-	-	1,250	1,250	-
Total Expenditures	\$ 104	\$ 843	\$ 239	\$ 1,456	\$ 1,402	\$ 1,470
Fund Balance Reserve	-	440	440	440	480	480
Ending Program Balance	\$ 1,150	\$ 1,145	\$ 2,220	\$ 2,112	\$ 2,050	\$ 1,990





6

ORGANIZATIONAL OVERVIEW

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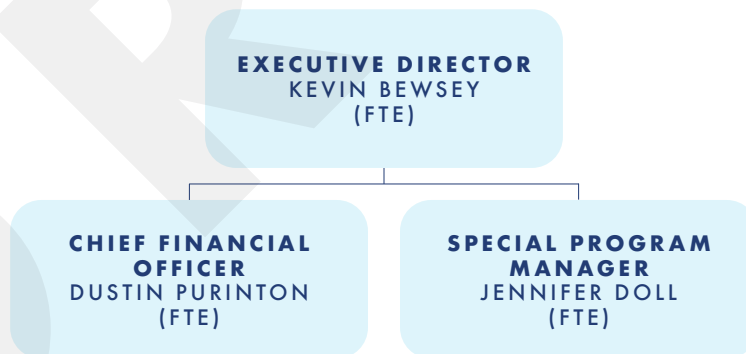


6 ORGANIZATIONAL OVERVIEW

The Authority administers six core programs: Measure A, SacMetro Freeway Service Patrol (FSP), Sacramento Abandoned Vehicle Service Authority (SAVSA), the Neighborhood Shuttle, the Consolidated Transportation Services Agency (CTSA), and the Federal Grants. This section provides an overview of the Authority’s organizational structure, including each staff member’s area of responsibility, pay schedules, and key accomplishments.

The Authority currently employs three full-time staff members, and staffing levels have remained consistent for the past nine years. Due to the organization’s small size, staff routinely support multiple programs, promoting cross-functional collaboration and operational efficiency.

SACRAMENTO TRANSPORTATION AUTHORITY STAFF



ADMINISTERING
6
CORE PROGRAMS

- Measure A
- SacMetro FSP
- SAVSA
- Neighborhood Shuttle
- CTSA
- Federal Grants

POSITION DESCRIPTIONS



EXECUTIVE DIRECTOR

Working under broad policy direction from the Governing Board, the Executive Director (ED) plans, organizes, evaluates, and directs the operations and activities of the Sacramento Transportation Authority. The Executive Director serves as the Authority's chief executive officer and is responsible for implementing Governing Board policy; advancing the Authority's legislative intent, mission, and strategic goals; administering Measure A and other Authority programs; ensuring sound financial management and regulatory compliance; and representing the Authority in regional, state, and local transportation, funding, and policy matters. The Executive Director also provides overall leadership for organizational planning, interagency coordination, program development, public accountability, and the effective use of Authority resources.

The following are more descriptive of the ED responsibilities/duties:

RESPONSIBILITIES/DUTIES

- Provides executive leadership and overall management of the Authority's programs, finances, administration, operations, and strategic initiatives.
- Guide the Authority's strategic direction consistent with its legislative intent, Measure A Ordinance and Transportation Expenditure Plan, and Governing Board goals and objectives.
- Implements Measure A programs and other Authority activities in accordance with Governing Board direction and legal requirements.
- Advises the Governing Board on significant policy, funding, legislative, operational, and strategic matters.
- Oversees preparation of Governing Board agendas, reports, resolutions, agreements, and presentations.
- Leads pursuit of local, regional, state, and federal funding opportunities and alignment of Measure A funds with external programs.
- Represents the Authority and maintains effective working relationships with member jurisdictions, partner agencies, oversight bodies, community stakeholders, and other governmental agencies.

continued ►

- Directs development of new programs, policies, funding strategies, and organizational responses to emerging issues.
- Oversees compliance with applicable laws, regulations, and funding requirements, and addresses organizational risk in coordination with General Counsel.
- Directs staff and consultant resources to ensure effective and efficient operations.
- Serves as an ex-officio member of the Measure A Independent Taxpayer Oversight Committee (ITOC).
- Concurrently acts as the Executive Director of the Sacramento Abandoned Vehicle Service Authority (SAVSA).



CHIEF FINANCIAL OFFICER

Under the direction of the Executive Director (ED), the Chief Financial Officer is responsible for all financial-related matters, including daily accounting operations, financial reporting, payroll and benefits administration, contract oversight, and financial forecasting. The Chief Financial Officer plays a key role in supporting the Authority's operational and capital programs.

Core responsibilities include:

RESPONSIBILITIES/DUTIES

- Maintains all accounting functions, including managing the chart of accounts, entering financial data, reconciling bank statements, and reporting financial information to financial institutions and other stakeholders.
- Ensures compliance with applicable local, state, and federal regulations, including Government Accounting Standards Board (GASB) requirements, IRS rules, and state controller reporting guidelines.
- Leads financial statement and performance audits of the Authority, prepares the Annual Comprehensive Financial Report (ACFR).
- Provides administrative leadership and support for the Independent Taxpayer Oversight Committee (ITOC), including meeting coordination, financial reporting, and audit-related materials.
- Presents financial information to the Board, ITOC, stakeholders, and the public.
- Establishes and monitors funds and reserves and assesses the Authority's financial condition and its ability to support operations, programs, and the Capital Improvement Program (CIP).

continued ►

- Directs development, evaluation, and presentation of the Authority's annual budget, including operations, special programs, and the Capital Improvement Program.
- Oversees administration of the budget and ensure effective fiscal controls, financial monitoring, and reporting processes.
- Presents budget recommendations and financial information to the Board, ITOC, and other stakeholders.
- Tracks budget-to-actual expenditures and delivers quarterly variance reports to the Board, ITOC, and the public, with supporting explanations.
- Provides administrative support by evaluating organizational and administrative challenges, recommending operational improvements, and promoting quality management and structural efficiency.
- Oversees the Authority's bond program, including monitoring the municipal bond market, identifying opportunities to reduce debt service costs, and collaborating with financial advisors to assess future debt issuance while ensuring compliance with bond covenants.
- Manages all human resources functions, including payroll processing, vacation and sick leave accruals, and administration of employee benefits (e.g., pension, dental, health, vision).
- Reviews and updates internal policies, vendor contracts, Memoranda of Understanding (MOUs), and CIP funding agreements in coordination with the ED and legal counsel.
- Prepares cash flow forecasts and liquidity analyses to support informed decision-making regarding funding commitments, investments, and debt coverage.



SPECIAL PROGRAMS MANAGER

Under the direction of the ED, the Special Programs Manager is responsible for managing the SacMetro FSP and SAVSA programs. Responsibilities include partnership coordination, contract procurement and administration, funding and budget management, compliance review, data collection and analysis.

Some of the Special Program Manager’s key responsibilities/duties are:

RESPONSIBILITIES/DUTIES

- Point of contact for the Authority’s special programs—SacMetro FSP and SAVSA. Facilitates communication and coordination between local and state-level government agencies and contractor partnerships.
- Program contract procurement. Prepares and distributes requests for qualifications (RFQ) and requests for Bids (RFB), coordinates and participates in the review of RFQ and RFB packets and presents recommendations to the Governing Board.
- Program financial management. Budget preparation, reviews and approves monthly and quarterly reports and invoices.
- Analyzes program data to assess productivity, needs and concerns for long-term planning and sustainability. Use data to prepare and provide detailed program analysis reports to inform contractors of operational concerns and historical trends.
- Ensure program members and contractors follow state and local laws, guidelines, and contract obligations. Partners with California Highway Patrol (CHP) officers to oversee, review and enforce program standards of operation.
- General Authority duties also include assisting with coordination and preparation of materials for Board meetings; implement, manage, and monitor Authority’s website; graphic design for social media; social media/marketing consultant management; procurement management and oversight.

PAY SCHEDULES FOR FY 2026-27 (INCLUDING AN ESTIMATED 3% COLA*)

Classification	Annual Minimum	Annual Maximum
Executive Director	\$ 256,323	\$ 291,068
Chief Financial Officer	163,621	180,374
Special Programs Manager	131,106	148,889

* Cost of Living Allowance

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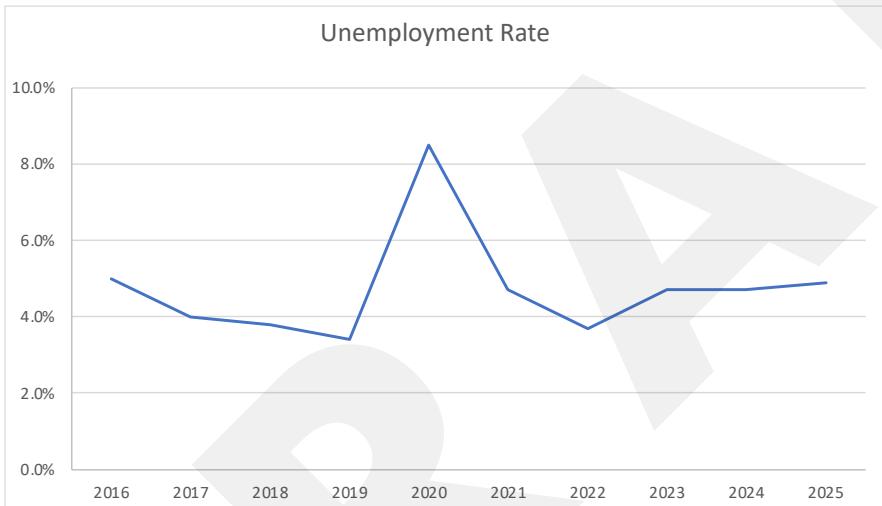
STATISTICAL INFORMATION



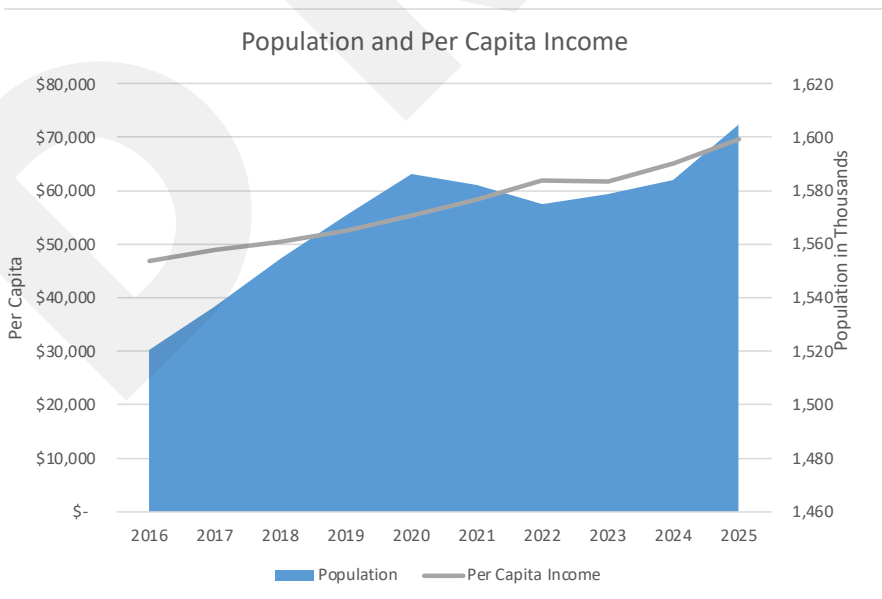
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7 STATISTICAL INFORMATION



SOURCE: California Open Data Portal Local Area Unemployment Statistics (LAUS) for the County of Sacramento



***SOURCES:** Fred Economic Data Per Capita Personal Income in Sacramento County, CA and California Department of Finance Price Factor and Population Information

PRINCIPAL EMPLOYERS

Employer:	June 30, 2025			June 30, 2016		
	Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment
UC Davis Health System	1	16,617	2.10%	1	9,706	1.50%
Kaiser Permanente	2	12,624	1.59%	3	6,464	1.00%
Sutter/California Health Services	3	10,129	1.28%	2	8,817	1.36%
Dignity/Mercy Healthcare	4	7,353	0.93%	4	6,286	0.97%
Apple Inc.	5	5,000	0.63%	7	2,500	0.39%
Intel Corporation	6	4,000	0.63%	5	6,200	0.96%
Raley's Inc/Belair	7	2,519	0.32%	6	3,289	0.50%
Siemens Mobility Inc.	8	2,500	0.32%			
VSP Vision	9	1,950	0.25%			
Safeway	10	1,854	0.23%			
Health Net of California				9	2,299	0.31%
VSP Global				8	2,415	0.37%
Wells Fargo & Co.				10	2,038	0.31%
Total		64,546	8.28%		50,014	7.67%

Source: Sacramento County June 30, 2025 Annual Comprehensive Financial Report

REVENUE CAPACITY
REVENUE BASE AND REVENUE RATE (IN 000'S)

Fiscal Year	Sales Tax Rate	Total Sales Tax Revenue	Total Taxable Sales
2025	0.5%	\$ 174,857	\$ 34,971,410
2024	0.5%	177,813	35,562,600
2023	0.5%	176,143	35,228,600
2022	0.5%	172,916	34,583,200
2021	0.5%	153,560	30,712,000
2020	0.5%	131,591	26,318,200
2019	0.5%	131,757	26,351,416
2018	0.5%	119,188	23,837,550
2017	0.5%	116,878	23,375,600
2016	0.5%	110,708	22,141,600

Source: California Department of Tax and Fee Administration

RATIOS OF OUTSTANDING DEBT

Fiscal Year	Sales Tax Revenue Bonds	Percentage of Personal Income	Per Capita
2025	\$ 311,680,000	0.3%	\$ 194
2024	316,280,000	0.3%	200
2023	346,925,000	0.4%	220
2022	348,700,000	0.4%	221
2021	352,935,000	0.4%	223
2020	356,985,000	0.4%	225
2019	360,875,000	0.4%	230
2018	364,615,000	0.5%	235
2017	368,205,000	0.5%	240
2016	371,655,000	0.5%	244

Source: Audited Financial Statements and the Bureau of Economic Analysis

DEMOGRAPHIC AND ECONOMIC STATISTICS

Fiscal Year	Population	Personal Income (000's)	Per Capita Personal Income	Unemployment Rate
2025	1,604,745	\$ 111,839,493	\$ 69,693	4.9%
2024	1,583,935	103,120,504	65,104	4.7%
2023	1,578,904	97,536,795	61,775	4.7%
2022	1,575,167	97,391,000	61,829	3.7%
2021	1,582,170	92,251,586	58,307	4.7%
2020	1,586,154	87,660,387	55,266	8.5%
2019	1,570,918	82,542,315	52,544	3.4%
2018	1,554,668	78,039,670	50,197	3.8%
2017	1,536,517	73,940,271	48,122	4.0%
2016	1,520,401	71,223,185	46,845	5.0%

Source Fred Economic Data Per Capita Personal Income in Sacramento County, CA
 California Open Data Portal Local Area Unemployment Statistics (LAUS)
 State of California Department of Finance Price Factor and Population Information

OPERATING INFORMATION - DEMAND FOR SERVICES

Jurisdiction	Fiscal Year				
	2021	2022	2023	2024	2025
City of Citrus Heights	\$ 3,017,591	\$ 3,397,512	\$ 3,411,859	\$ 3,402,895	\$ 3,333,906
County of Sacramento	23,142,052	26,033,861	26,048,852	26,775,567	26,168,475
City of Elk Grove	6,275,989	7,125,601	7,218,305	7,261,506	7,149,180
City of Folsom	3,081,437	3,430,713	3,467,694	3,675,937	3,701,111
City of Galt	1,535,604	1,729,165	1,741,134	1,777,859	1,748,207
City of Isleton	61,424	69,167	69,645	71,114	69,928
Neighborhood Shuttle	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Paratransit	2,038,005	2,296,595	2,312,585	2,361,648	2,322,035
Sacramento Regional Parks	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
City of Rancho Cordova	2,904,098	3,390,744	3,446,223	3,506,626	3,474,547
Regional Transit	56,837,693	64,049,486	64,495,437	65,863,751	64,758,976
City of Sacramento	17,944,897	20,266,469	20,502,062	20,853,500	20,533,768
SMAQMD	2,264,450	2,551,772	2,569,539	2,624,054	2,580,039
Capital Improvement Program Administration	20,534,968	21,116,140	13,631,572	10,200,583	21,558,176
	615,219	833,685	1,544,851	1,312,027	1,848,273
Total Allocations	\$ 142,253,427	\$ 158,290,910	\$ 152,459,758	\$ 151,687,067	\$ 161,246,621

Source: Authority accounting records

**CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS**

	Fiscal Year				
	2021	2022	2023	2024	2025
Revenues					
Taxes	\$ 153,560,355	\$ 172,916,487	\$ 174,233,661	\$ 177,812,690	\$ 174,857,050
Mitigation Fees	8,956,992	8,237,424	8,856,243	9,465,384	11,851,054
Vehicle registration fees	1,364,680	1,277,403	59,982	12,784	2,459
Grants for freeway services	3,151,282	3,633,885	3,703,218	3,056,404	3,135,127
Use of money and property	161,520	203,716	8,368,587	5,629,910	4,206,107
Miscellaneous	-	-	2,515	3,093	1,172
Total Revenues	\$ 167,194,829	\$ 186,268,915	\$ 195,224,206	\$ 195,980,265	\$ 194,052,969
Expenditures					
General government:					
Administrative	\$ 615,219	\$ 833,685	\$ 1,576,619	\$ 1,224,725	\$ 1,864,186
Freeway service patrol	3,305,277	3,680,165	3,792,562	3,278,329	2,831,863
Intergovernmental	153,662,956	165,819,317	152,147,898	155,611,168	160,123,062
Capital outlay	-	381,753	-	-	-
Debt Service:					
Principal	4,050,000	4,278,519	48,626	4,434,233	4,660,427
Interest and other charges	15,655,190	15,629,382	19,775,761	39,681,376	15,725,644
Total expenditures	\$ 177,288,642	\$ 190,622,821	\$ 177,341,466	\$ 204,229,831	\$ 185,205,182
Excess of Expenditures over Revenue	\$ (10,093,813)	\$ (4,353,906)	\$ 17,882,740	\$ (8,249,566)	\$ 8,847,787
Other Financing Sources (Uses)					
Refunding bonds issued	\$ -	\$ -	\$ 24,245,000	\$ 296,415,000	\$ -
Premium on refunding bonds issued	-	-	2,056,816	46,050,953	-
Payments to refunded bond escrow agent	-	-	(30,400,000)	(318,300,000)	-
Transfers in	20,534,968	21,116,140	25,296,978	20,010,130	21,719,170
Transfers out	(20,534,968)	(21,116,140)	(25,296,978)	(20,010,130)	(21,719,170)
Proceeds from leases	-	381,753	-	-	-
Total other financing sources (uses)	\$ -	\$ 381,753	\$ (4,098,184)	\$ 24,165,953	\$ -
Net change in fund balances	\$ (10,093,813)	\$ (3,972,153)	\$ 13,784,556	\$ 15,916,387	\$ 8,847,787
Debt Service as a Percentage of Noncapital Expenditures	12.50%	11.69%	12.59%	27.55%	12.37%

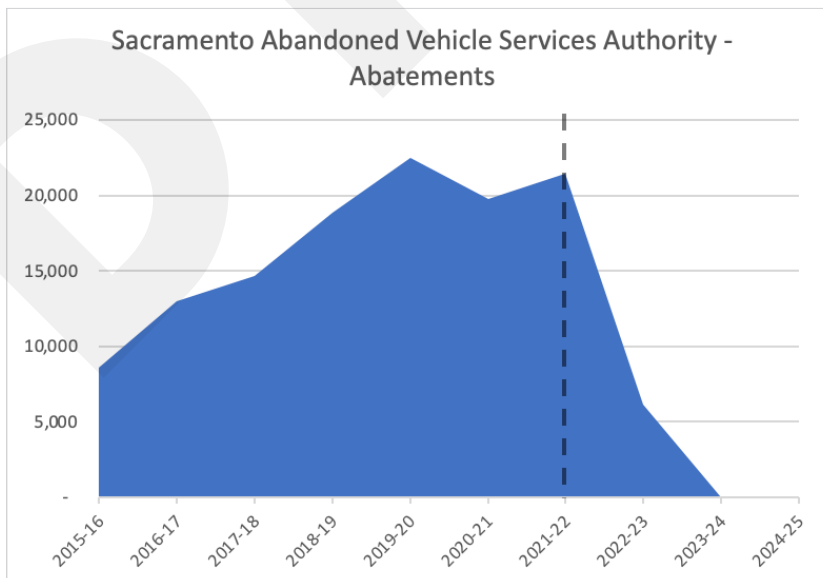
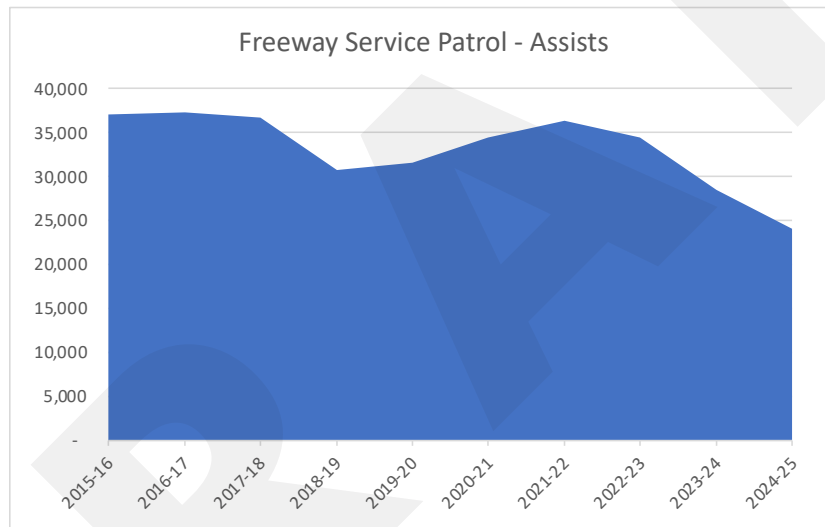
Source: Authority Audited Financial Statements

* Principal and interest and other charges, administrative, freeway service patrol, and ongoing/capital intergovernmental expenditures.

FUND BALANCES OF GOVERNMENTAL FUNDS

	Fiscal Year				
	2021	2022	2023	2024	2025
General Fund					
Nonspendable	\$ -	\$ -	\$ 53,062	\$ 75,338	\$ 59,507
Restricted	43,354,781	44,343,466	58,813,193	80,251,199	89,342,908
Unassigned	1,261,987	1,871,973	1,556,024	1,618,857	1,420,465
Total General Fund	44,616,768	46,215,439	60,422,279	81,945,394	90,822,880
All Other Governmental Funds					
Restricted	19,794,101	14,223,277	13,800,993	8,194,265	8,164,566
Total All Other Governmental Funds	19,794,101	14,223,277	13,800,993	8,194,265	8,164,566
Total Governmental Funds	\$ 64,410,869	\$ 60,438,716	\$ 74,223,272	\$ 90,139,659	\$ 98,987,446

Source: Authority Audited Financial Statements



*Dashed line represents the sunset of the program.



8

GLOSSARY

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8 GLOSSARY

A

- **account** – accounting category used to describe the type of financial transaction.
- **accrual basis** – also referred to as “full accrual” basis. Revenues and expenditures are recognized in the period earned or incurred regardless of whether cash is received or disbursed in that period.
- **actual** – actual level of expenditures.
- **adopted budget** – approved annual budget establishing the legal authority to spend in specific accounts.
- **annual comprehensive financial report (ACFR)** – financial statements comprising the Authority’s financial report that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB).
- **appropriation** – authorization by the Authority to make expenditures and to incur obligations for a specific purpose. An appropriation is usually limited in amount and to the time when it may be expended.
- **audit** – systematic collection of sufficient and competent evidential matter needed to attest to the fairness of management’s assertions in the financial statements, or to evaluate whether management has efficiently and effectively carried out its responsibilities.

B

- **balanced budget** – refers to a budget in which revenues are equal to or greater than appropriations. Oftentimes, fund balance is used to balance the budget.
- **beginning/ending fund balance** – total accumulation of resources available in a fund from the prior/current year after payment of the prior/current year's expenditures. Not necessarily cash on hand. Also refer to fund balance.
- **bond** – issuing a written promise to pay a specific sum of money at a specified date or dates in the future together with periodic interest payments.
- **budget** – plan of financial operation consisting of proposed/approved appropriations for specified purposes and the proposed/approved means of financing them.
- **budget calendar** – schedule of key dates and milestones that a government follows in the preparation and adoption of its budget.
- **budget message** – included in the opening section of the budget, the budget message (Transmittal Letter) provides an overall summary of the most important elements of the budget, changes from the prior fiscal year, and the views and recommendations of the Authority.

C

- **California Department of Tax and Fee Administration (CDTFA)** – public agency charged with tax administration and fee collection in the State of California. This agency collects sales tax on behalf of the Authority.
- **capital appropriations** – expenditures related to specific capital construction projects identified in the Expenditure Plan.
- **Capital Improvement Program (CIP)** – voter-approved capital projects funded by Measure A resources. Sales tax proceeds are set aside for debt service costs and pay-go capital expenditure funding. Measure A establishes the rate as 20.75% of the net sales tax proceeds. Also funded with SCTMFP fees.
- **Capitol Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE)** – funded by an annual \$1 charge on eligible vehicle registrations in the County, fees are collected through the State of California Department of Motor Vehicles.
- **cost allocation** – A method of distributing indirect costs across multiple programs or funds based on usage or benefit received, commonly used to allocate administrative costs to special revenue funds.
- **CTSA** – Consolidated Transportation Services Agency

D

- **debt issuance** – issuance of bonds to finance capital projects throughout the County.
- **debt limit** – policy setting specific limits of acceptable ranges of each type of debt based on legal, public policy, and financial reasons.
- **debt service** – costs of paying the principal, interest, and ancillary fees on borrowed money according to a predetermined payment schedule.
- **Decennial Review** – A formal evaluation process that occurs every 10 years as required by the Measure A Expenditure Plan, used to reassess funding allocations and program implementation.
- **draft budget** – presented initially during May, prior to being brought to the Board for adoption in June.

E

- **Enterprise Resource Planning (ERP)** – A software platform used by the Authority to manage financial operations, budgeting, and reporting in a centralized and integrated system.
- **expenditure** – funds authorized by an appropriation that are generally divided into various categories such as employee salaries and benefits, services and supplies, debt service, and capital construction costs.
- **Expenditure Plan** – Sacramento County Transportation Expenditure Plan 2009-2039. This plan identifies specific projects and funding for the Measure A program.

F

- **fiscal year** – time designated by the Authority signifying the beginning and ending period for recording financial transactions. The Authority's fiscal year is July 1 through June 30.
- **FSP (Freeway Service Patrol)** – A congestion relief program that uses roving tow trucks to assist stranded motorists and remove disabled vehicles quickly from freeways. Funded by the SacMetro program and managed in partnership with Caltrans and CHP.
- **full-time equivalent (FTE)** – hours worked by one employee on a full-time basis. On an annual basis, an FTE is 2,080 hours, which is calculated as 40 hours per week for 52 weeks in a year.
- **fund** – group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Each fund has its own budget and tracks revenues and expenditure separately.
- **fund balance** – total amount remaining after current appropriations and other financing uses are subtracted from the sum of the beginning fund balance, revenue, and other financing sources.

G

- **Generally Accepted Accounting Principles (GAAP)** – uniform minimum standards and guidelines for financial accounting and reporting.
- **General Fund** – fund used for the capital program, SCTMFP, SacMetro FSP, and program administration.
- **Government Finance Officers Association (GFOA)** – GFOA was founded in 1906 to represent public finance officials throughout the United States and Canada. GFOA’s mission is to promote excellence in state and local government financial management.
- **governmental funds** – typically used to account for most of a government’s activities, including those that are tax supported.
- **grant reimbursement** – payment received from another government or funding agency to repay the Authority for eligible expenditures that were incurred in advance under an approved grant agreement. Reimbursements are typically received after costs have been paid and documented in accordance with grant requirements.

I

- **Independent Taxpayer Oversight Committee (ITOC)** – citizen volunteers that supervise annual fiscal and periodic performance audits regarding the use of all sales tax funds and provide for independent review to ensure compliance with the Expenditure Plan approved by voters.
- **interest income** – Revenue earned from the investment of idle funds, typically in the Sacramento County Pooled Investment Fund.
- **interfund transfer** – monies moved from one fund to another. The money is transferred to finance the operations of another fund or to reimburse the fund for expenses.
- **intergovernmental revenue** – revenue received from other governmental entities, such as federal, state, or local agencies, including grants, shared revenues, and other funding provided to support programs, services, or capital projects of the Authority.

L

- **Local Transportation Authority and Improvement Act (ACT)** – commences with California Public Utility Code Section 180000.

M

- **Measure A** – in 2004, voters approved a one-half of one-percent retail sales and use tax collected over a 30-year period in the County beginning in April 2009 and dedicated for transportation planning, design, construction, operation, and maintenance through 2039.
- **modified accrual** – recognizes revenue when it becomes measurable and available, expenditures are recognized when the obligation to pay is incurred.

N

- **net sales tax revenue** – equals total sales tax proceeds less CDTFA administration costs, sales tax recovery expenses, allocations to the cities of Isleton and Galt, and the Neighborhood Shuttle Program as required under the Measure A Ordinance.
- **nonspendable fund balance** – portion of fund balance that is not available for spending because it is either not in a spendable form (such as prepaid items) or is legally or contractually required to be maintained intact.

O

- **Measure A ordinance** – result of actions carried out by the Governing Board establishing the one-half of one percent sales and use tax within the County.

P

- **performance measures** – an important component of decision making, and at a minimum, are based on program goals and objectives, measure program results or accomplishments, provide for comparisons over time, measure efficiency and effectiveness, and are reliable, verifiable, and understandable.

R

- **reimbursement** – payment of an amount remitted on behalf of another party, department, or fund.
- **reserve** – portion of a fund's balance that is available for appropriation but has been reserved for economic uncertainties.
- **resolution** – written motion adopted by the Governing Board.
- **restricted fund balance** – portion of fund balance that can only be spent for specific purposes because of constraints imposed by external parties, such as creditors, grantors, contributors, or laws and regulations.
- **revenues** – income received from various sources including retail sales tax, fees, grants, and interest income.

S

- **Sacramento Area Council of Governments (SACOG)** – is an association of local governments in the six-county Sacramento Region that collaborates on transportation planning, funding, and regional development initiatives.
- **Sacramento County Pooled Investment Fund** – pool of local agency funds managed by the Sacramento County Department of Finance.
- **Safe Streets and Roads for All (SS4A)** – program is a federal grant initiative that provides funding to local and regional planning projects aimed at preventing roadway fatalities and serious injuries.
- **SAVSA** – Sacramento Abandoned Vehicle Service Authority - A program funded by a \$1 vehicle registration fee to support the removal of abandoned vehicles throughout Sacramento County and its cities. SAVSA sunset in April 2022, but remaining funds are being distributed to participating agencies for final abatement activities.
- **salaries and benefits** – budgetary category that generally accounts for all employee salaries and benefits such as medical, dental, and retirement.
- **SCTMFP** – A development impact fee collected from new construction to fund transportation improvements that address growth-related needs. SCTMFP revenues support regional projects such as road expansions and interchange upgrades and serve as a key funding source for the Authority's Capital Improvement Program (CIP).
- **Smart Growth Arterials and Corridors Program (SGACP)** - This program is intended to replace the SGIP program using sales tax revenue from the Local Arterial Program. SGACP supports local arterials and corridors within established communities that support smart growth principles funded by sales taxes.
- **Smart Growth Incentive Program (SGIP)** – A program designed to promote transportation investments that support smart growth strategies, funded by SCTMFP.
- **Special Revenue Fund** – fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.
- **STA** – Sacramento Transportation Authority
- **Structurally balanced budget** -
- **swap agreement** – interest rate swaps are forward contracts in which one stream of future interest payments is exchanged for another based on a specific principal amount.

T

- **transfers in/out** – Movements of funds between Authority funds, typically used to support program operations, capital projects, or debt service obligations.

U

- **unassigned fund balance** – portion of fund balance that is not restricted, committed, or assigned and is available for general purposes. This category represents the Authority's primary measure of available financial resources.

V

- **VRDB** – Variable Rate Demand Bond

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