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2026

SACRAMENTO TRANSPORTATION AUTHORITY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2026

PREPARED BY STA STAFF
SACRAMENTO, CA

SACRAMENTO TRANSPORTATION AUTHORITY
SACRAMENTO, CALIFORNIA

Annual Comprehensive Financial Report

For the Year Ended June 30, 2026

Prepared by:

The Finance Department

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SACRAMENTO TRANSPORTATION AUTHORITY
SACRAMENTO, CALIFORNIA

Annual Comprehensive Financial Report

For the Year Ended June 30, 2026

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SACRAMENTO, CALIFORNIA

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Sacramento Transportation Authority

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October 28, 2026

To the Sacramento Transportation Authority Governing Board, the Independent Taxpayer Oversight Committee and Citizens of Sacramento County:

Letter of Transmittal

The Annual Comprehensive Financial Report (ACFR) for the Sacramento Transportation Authority (the Authority) for the year ended June 30, 2026, is hereby submitted. State law and our bond covenants require the Authority to publish, within 210 days of fiscal year-end, a complete set of financial statements prepared in accordance with U.S. generally accepted accounting principles (GAAP) and audited by independent certified public accountants in accordance with generally accepted auditing standards.

Management assumes responsibility for the completeness and reliability of the information presented in this report based on the Authority's comprehensive framework of internal controls established for this purpose. Because the cost of internal control should not exceed its anticipated benefits, the Authority's framework is designed to provide reasonable rather than absolute assurance that the financial statements are free of material misstatement.

Measure A established the Independent Taxpayer Oversight Committee (ITOC) to oversee fiscal and performance audits of all transportation sales-tax funds and to conduct periodic independent reviews of compliance with the Measure A Ordinance and Transportation Expenditure Plan. Under the supervision of the ITOC, the Authority engages an independent audit firm to perform the annual financial and compliance audit of all Measure A, Sacramento County Abandoned Vehicle Service Authority (SAVSA) and Sacramento Metropolitan Freeway Service Patrol (SacMetro FSP) funds.

Our independent auditor, LSL, LLP, has issued an unmodified opinion on the Authority's financial statements for the year ended June 30, 2026. The Independent Auditors' Report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Authority

The Authority was established in August 1988 under the Local Transportation Authority and Improvement Act, California Public Utilities Code Division 19. The 16-member Governing Board includes five members of the Sacramento County Board of Supervisors; five members of the Sacramento City Council; one member representing Citrus Heights; two members representing Elk Grove; one member representing Folsom; one member representing Rancho Cordova; and one member representing either Galt or Isleton, as provided by the Authority's governing statute. The Board is responsible for establishing ordinances, adopting an annual budget, and hiring and overseeing the Executive Director. The Executive Director is responsible for carrying out the policies and ordinances of the Authority as well as overseeing day-to-day operations and Authority staff including the Chief Financial Officer and Special Programs Manager.

The Authority administers the voter-approved Measure A Ordinance and Transportation Expenditure Plan, which impose a half-cent sales tax to fund transportation operations and improvements throughout Sacramento County. The original 20-year measure (Original Measure A) was approved in 1988 and began in April 1989. In 2004, voters approved a 30-year extension of Original Measure A beginning in April 2009 (Measure A). All sales tax revenue is restricted to transportation related expenses. Of net Measure A sales-tax revenue, 0.75% is allocated to the Authority for administration.

Measure A also created the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). This program applies a uniform transportation mitigation fee to new development countywide to help fund roadway and transit improvements required to accommodate projected growth.

In addition to the Measure A programs, the Board administers the SacMetro FSP program and acts concurrently as the authority over SAVSA which was established under California Vehicle Code Section 22710 in 1992. The code allows counties to impose a $1 surcharge on vehicle registrations to help fund the abatement of abandoned vehicles. The statutory authority for the SAVSA vehicle registration surcharge expired on April 30, 2022. During fiscal year 2025-26, the Authority continued administering residual program resources and obligations while evaluating the steps necessary to conclude the program. No dedicated source of ongoing funding has been established. Participating jurisdictions include the County of Sacramento and the Cities of Citrus Heights, Elk Grove, Folsom, Galt, Rancho Cordova, and Sacramento. Each participating jurisdiction has adopted a local ordinance which establishes procedures for the abatement, removal, and disposal of abandoned vehicles.

SacMetro FSP was established in 1992 through a Memorandum of Understanding (MOU) with the California Department of Transportation (Caltrans), California Highway Patrol (CHP) and the Authority. Additionally, in 2009 the Authority assumed responsibility for administering FSP for Yolo County. Funding for the program is through the State Highway Account and local match funds from the Capitol Valley Regional Service Authority for Freeways & Expressways (CVR-SAFE). The program consists of a system of roving tow trucks deployed at peak traffic times to assist motorists with stalled vehicles and remove related hazards from the roadway. This reduces freeway delays caused by minor accidents, stalled vehicles, and in-lane debris, improving highway safety, and reducing emissions by easing highway congestion.

This report includes all funds and component units, if any, for which the Authority is financially accountable under accounting principles generally accepted in the United States of America. Accountability is determined through budget adoption, taxing authority, and imposition of will.

Local Economy

Sacramento County continues to benefit from a diverse and relatively stable economy anchored by state government, healthcare, education, technology, logistics, and construction. The County's population remains approximately 1.6 million residents and growth has moderated in recent years, reflecting broader statewide demographic trends. Government employment remains a significant component of the regional economy, providing stability during periods of economic uncertainty and helping support a resilient local tax base.

The local economy experienced mixed conditions during fiscal year 2025-26. Sacramento County's unemployment rate increased modestly compared to the prior year and remained generally consistent with statewide averages. While labor market conditions softened in some sectors, employment growth continued in healthcare, government, and professional services. The region's economic fundamentals remain relatively strong due to its diversified employment base, central location within Northern California, and role as the State Capital.

The housing market has continued to stabilize following several years of significant appreciation. Property values remain substantially above pre-pandemic levels, although higher interest rates have moderated housing activity and affordability. New residential and commercial development remains active in portions of the region, particularly in growth areas such as Elk Grove, Rancho Cordova, Natomas, and portions of unincorporated Sacramento County. The County's assessment roll has continued to grow, reflecting the long-term strength of the local real estate market and ongoing development activity.

Consumer spending and taxable sales activity reflected continuing pressure from inflation, elevated borrowing costs, and changing consumer purchasing patterns. As a result, transportation sales tax receipts and revenues associated with automobile sales experienced slower growth or declines in certain categories during the fiscal year. Despite these near-term challenges, most economic forecasts continue to anticipate moderate long-term growth in taxable sales and population-serving economic activity within the Sacramento region.

From a transportation perspective, the Sacramento region continues to face significant challenges associated with congestion, traffic safety, system preservation, and funding adequacy. The existing transportation network is required to serve a large and geographically diverse county while accommodating continued residential and employment growth. Maintaining the transportation system in a state of good repair and addressing safety deficiencies will require sustained investment over the coming decades. Additional investment would also be required to expand transportation capacity, improve multimodal connectivity, and support future economic development.

While economic conditions remain subject to regional, state, and national uncertainties, Sacramento County continues to possess many of the characteristics that have supported long-term growth, including a highly educated workforce, strategic location, diverse employment sectors, major educational institutions, and significant public and private sector investment. These characteristics are expected to support the region's long-term economic competitiveness and transportation funding base.

Long Term Financial Planning

Proactive, long-term financial planning supports the Authority's implementation of the Measure A Transportation Expenditure Plan. The Authority regularly updates revenue and expenditure projections, monitors program objectives, and coordinates with Measure A recipient agencies to align programmed commitments with available resources.

The Authority annually updates its long-term sales tax revenue projections and cash-flow forecasts to assess the timing and availability of funding for capital projects programmed in the Measure A Transportation Expenditure Plan. These forecasts incorporate current revenue trends and updated project information provided by recipient agencies. Authority staff also consult with the Authority's municipal advisor to evaluate debt-management opportunities, including potential actions to reduce financing costs when supported by market conditions and consistent with applicable legal and policy requirements.

Accomplishments

Build 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.
- Responded 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.

Develop Great Relationships

- 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.

Align 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.

In the coming fiscal year, staff will continue to identify and act on improvements in operations. The business environment and transportation industry are continuously on the move – so are we.

Awards and Acknowledgements

The Government Finance Officers Association awarded the Certificate of Achievement for Excellence in Financial Reporting to the Authority for its ACFR for the fiscal year ended June 30, 2025. This was the 31st consecutive year the Authority received this recognition. The Authority believes the current ACFR continues to meet the Certificate of Achievement program's requirements and has submitted it to GFOA for consideration.

Preparation of this report was a collaborative effort involving Authority staff and the Authority's independent auditors. We appreciate their commitment to accuracy, transparency, and timely financial reporting. We also thank the Governing Board and the Independent Taxpayer Oversight Committee for their leadership and oversight.

Respectfully Submitted,



DUSTIN PURINTON, CPA
Chief Financial Officer



KEVIN BEWSEY, PE
Executive Director

SACRAMENTO TRANSPORTATION AUTHORITY

LIST OF PRINCIPAL OFFICIALS

June 30, 2026

GOVERNING BOARD MEMBERS

PATRICK HUME, County of Sacramento (Vice Chair)
PATRICK KENNEDY, County of Sacramento
PHIL SERNA, County of Sacramento
RICH DESMOND, County of Sacramento
ROSARIO RODRIGUEZ, County of Sacramento
JUSTIN RAITHEL, City of Folsom (Chair)
ROGER DICKINSON, City of Sacramento
ERIC GUERRA, City of Sacramento
MAI VANG, City of Sacramento
CAITY MAPLE, City of Sacramento
KARINA TALAMANTES, City of Sacramento
PORSCHE MIDDLETON, City of Citrus Heights
BOBBIE SINGH-ALLEN, City of Elk Grove
KEVIN SPEASE, City of Elk Grove
PAMELA BULAHAN, City of Galt and Isleton
SIRI PULIPATI, City of Rancho Cordova

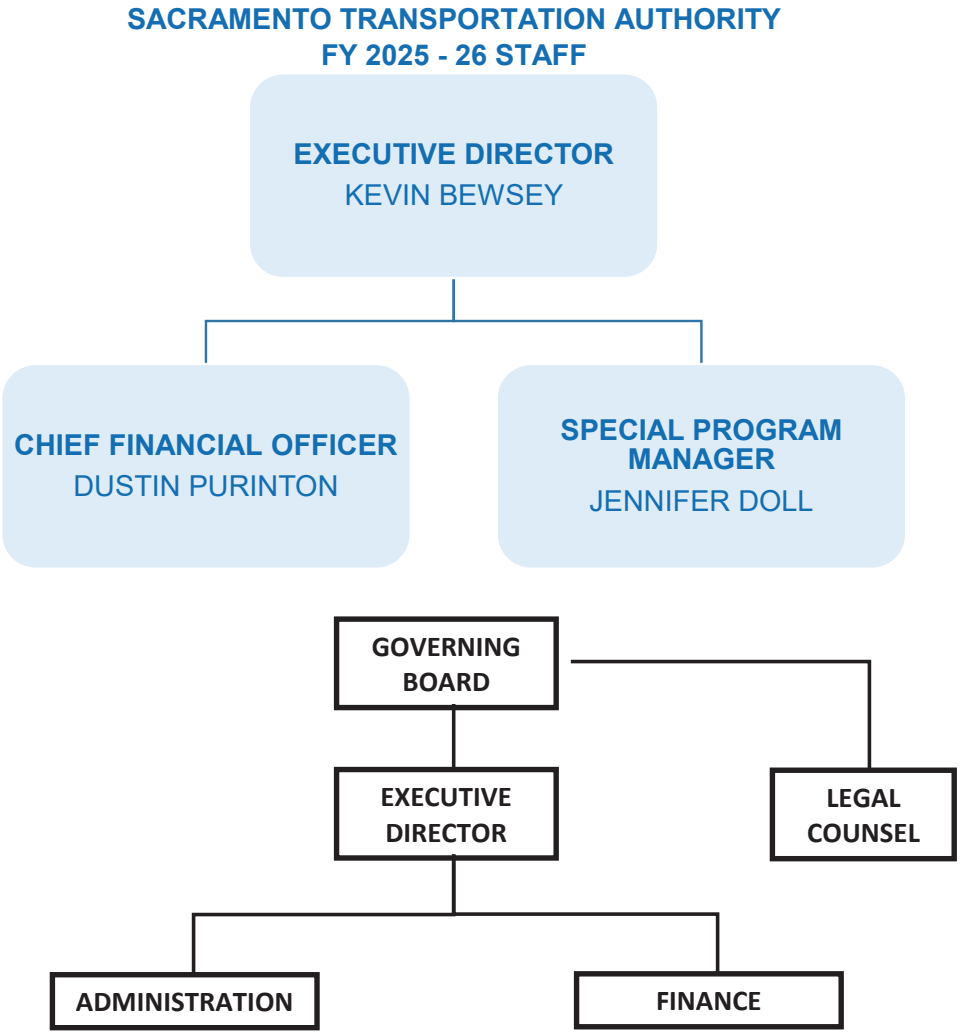
Alternates

NICK AVDIS, County of Sacramento
PAUL SANDHU, City of Galt
SARAH AQUINO, City of Folsom
GARRETT GATEWOOD, City of Rancho Cordova
DARREN SUEN, City of Elk Grove
KELSEY NELSON, City of Citrus Heights
PHIL PLUCKEBAUM, City of Sacramento

STAFF

KEVIN BEWSEY, Executive Director
DUSTIN PURINTON, Chief Financial Officer
JENNIFER DOLL, Special Programs Manager
WILLIAM BURKE, Legal Counsel

SACRAMENTO TRANSPORTATION AUTHORITY
For the Year Ended June 30, 2026
Organization Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Sacramento Transportation Authority
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2025



and issued to the public 133 days after the fiscal year end

Christopher P. Morrill

Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Sacramento Transportation Authority
Sacramento, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Sacramento Transportation Authority, (hereafter, the Authority) as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and required pension and other post-employment benefits schedules as listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Directors
Sacramento Transportation Authority
Sacramento, California

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying nonmajor fund budgetary comparison information (supplementary information) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.

LSL, LLP

Sacramento, California
October 28, 2026

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SACRAMENTO TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2026

As management of the Sacramento Transportation Authority (Authority) and the Sacramento Abandoned Vehicle Service Authority (SAVSA), collectively the Authority, we offer readers the Authority's financial statements and this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2026. We encourage readers to consider the information presented here in conjunction with additional information furnished in the transmittal letter and financial statements, which are included in this report.

Overview of the Financial Statements

This discussion and analysis serve as an introduction to the Authority's basic financial statements, which are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report contains the required supplementary information and other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The *government-wide financial statements* provide readers with a broad overview of the Authority's finances, like a private sector business.

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

The *statement of activities* presents information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements report the functions of the Authority principally supported by sales tax and mitigation fee revenues. The governmental activities of the Authority include Measure A formulaic allocations, capital program costs, Sacramento Metropolitan (SacMetro) Freeway Service Patrol (FSP) and SAVSA services, transit services, and general administration.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting ensures and demonstrates compliance with finance-related legal requirements.

Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, governmental fund financial statements focus on near-term inflows/outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. As a result, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide financial information.

The Authority's governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balance include four separate funds - the General Fund, two Special Revenue Funds, and a Debt Service Fund.

The Authority adopts an annual budget for the General Fund, SAVSA Special Revenue fund, Transit Special Revenue fund, and Debt Service fund. A budgetary comparison schedule for the General fund, SAVSA fund and Transit fund are part of the required supplementary information, while the Debt Service budgetary comparison schedule can be found in the supplementary section.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Financial Summary

The Authority implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, for the fiscal year ended June 30, 2026. The implementation did not change the Authority's underlying financial position, but it affects the organization and emphasis of this MD&A and certain financial statement presentations.

At June 30, 2026, the Authority reported total assets of $115.7 million and total liabilities of $387.7 million. Total net position was a deficit of $270.1 million, compared with a deficit of $256.4 million at June 30, 2025. The $13.7 million decrease primarily reflects the planned use of accumulated resources for Measure A and Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) projects. The deficit is expected to persist because the Authority reports debt issued to finance transportation assets that are owned and reported by the partner agencies that construct them.

Other assets declined by $12.6 million, primarily because restricted cash and investments decreased as project expenditures and debt-related outflows exceeded current-year cash inflows. Long-term liabilities decreased by $9.4 million due primarily to scheduled bond principal payments and amortization of bond premiums. Other liabilities increased by $9.5 million, principally from higher year-end project payables and amounts due to other governments.

SACRAMENTO TRANSPORTATION AUTHORITY
CONDENSED STATEMENT OF NET POSITION

	2026	2025	Variance Dollar	Variance Percent
Other assets	$ 115,542,660	$ 128,163,867	$ (12,621,207)	(9.8%)
Capital assets, not being amortized	46,487	-	46,487	100.0%
Capital assets, net of amortization	84,283	143,777	(59,494)	(41.4%)
Total assets	115,673,430	128,307,644	(12,634,214)	(9.8%)
Deferred outflows of resources	3,513,595	4,754,198	(1,240,603)	(26.1%)
Other liabilities	42,596,741	33,072,421	9,524,320	28.8%
Long-term liabilities				
Due within one year	5,218,018	4,953,804	264,214	5.3%
Due in more than one year	339,838,678	349,507,877	(9,669,199)	(2.8%)
Total Long-Term Liabilities	345,056,696	354,461,681	(9,404,985)	(2.7%)
Total liabilities	387,653,437	387,534,102	119,335	0.0%
Deferred inflows of resources	1,652,265	1,974,342	(322,077)	(16.3%)
Net Position				
Net invested in capital assets	23,134	(31,171)	54,305	(174.2%)
Restricted:				
Measure A	49,273,819	60,400,828	(11,127,009)	(18.4%)
Transit services	346,132	478,703	(132,571)	(27.7%)
Transportation mitigation	17,444,728	28,732,331	(11,287,603)	(39.3%)
Freeway service patrol	416,643	209,749	206,894	98.6%
Debt service	7,640,420	7,524,751	115,669	1.5%
Abandoned vehicles	146,797	161,112	(14,315)	(8.9%)
Net pension asset	47,747	-	47,747	N/A
Unrestricted	(345,458,097)	(353,922,905)	8,464,808	(2.4%)
Total net position (deficit)	$ (270,118,677)	$ (256,446,602)	$ (13,672,075)	5.3%

SACRAMENTO TRANSPORTATION AUTHORITY CONDENSED STATEMENT OF ACTIVITIES			Variance	
	2026	2025	Dollar	Percent
Revenues:				
Program Revenue				
Sacramento countywide transportation mitigation fee program	$ 9,548,799	$ 11,851,054	$ (2,302,255)	(19.4%)
Freeway service patrol program	3,304,345	3,135,127	169,218	5.4%
Sacramento abandoned vehicle service authority	40,193	2,459	37,734	1,534.5%
Total Program Revenue	12,893,337	14,988,640	(2,095,303)	(14.0%)
General Revenue				
Measure A	178,502,473	174,857,050	3,645,423	2.1%
Use of money and property	3,108,667	4,207,279	(1,098,612)	(26.1%)
Other	9,090	-	9,090	N/A
Total General Revenue	181,620,230	179,064,329	2,555,901	1.4%
Total revenues	194,513,567	194,052,969	460,598	0.2%
Expenses:				
Measure A and SCTMFP	191,096,365	158,398,348	32,698,017	20.6%
Debt Service	11,408,349	11,719,222	(310,873)	(2.7%)
Transit Services	1,151,042	1,724,714	(573,672)	(33.3%)
Freeway Service Patrol Program	3,123,263	2,831,863	291,400	10.3%
SAVSA	61,228	1,711	59,517	3,478.5%
Administration	1,345,395	1,352,623	(7,228)	(0.5%)
Total expenses	208,185,642	176,028,481	32,157,161	18.3%
Change in net position	(13,672,075)	18,024,488	(31,696,563)	(175.9%)
Net position (deficit) - beginning	(256,446,602)	(274,471,090)	18,024,488	(6.6%)
Net position (deficit) - ending	$ (270,118,677)	$ (256,446,602)	$ (13,672,075)	5.3%

Total revenues were $194.5 million, an increase of $0.5 million, or 0.2%. Sales tax revenue increased by $3.6 million, or 2.1%, to $178.5 million. This increase was largely offset by a $2.3 million decrease in mitigation fee revenue and lower investment earnings. The timing of SCTMFP fee collections was anticipated to be affected by Senate Bill 937, which generally shifted development impact fee collection from building permit issuance to final occupancy. Impact fee collections were relatively lower in fiscal year 2025-26 because receipts depend on the timing and composition of development activity.

Total expenses increased by $32.2 million, or 18.3%, to $208.2 million. Measure A expenses increased by $14.8 million, reflecting higher capital project activity, including the South Watt Avenue improvement project. SCTMFP expenses increased by $17.9 million as spending accelerated on eligible projects, including Highway 50 work within the City of Sacramento return-to-source allocation. These increases were partially offset by lower transit services costs as the CTSA and Neighborhood Shuttle programs continued to spend down remaining allocations.

Detailed Analysis

Governmental Activities

The Authority's total net position decreased by $13.7 million. Although revenue was stable, current-year expenses exceeded revenue because the Authority used accumulated restricted resources to fund voter-approved transportation projects. The Authority's financial position continues to reflect its role as a financing and pass-through entity. Debt is reported by the Authority, while most capital assets financed with those proceeds are reported by local agencies.

Governmental Funds Financial Analysis

At June 30, 2026, the Authority's governmental funds reported combined fund balances of $76.7 million, a decrease of $22.3 million, or 22.5%, from $99 million at June 30, 2025. Of the ending balance, $75.3 million was nonspendable or restricted and $1.4 million was unassigned and available for general administration.

SACRAMENTO TRANSPORTATION AUTHORITY
FUND BALANCE

	2026	2025	Variance Dollar	Variance Percent
General Fund	$ 68,600,386	$ 90,822,880	$ (22,222,494)	(24.5%)
SAVSA*	146,797	161,112	(14,315)	(8.9%)
Transit Service	346,132	478,703	(132,571)	(27.7%)
Debt Service	7,640,420	7,524,751	115,669	1.5%
Total	$ 76,733,735	$ 98,987,446	$ (22,253,711)	(22.5%)

* Sacramento Abandoned Vehicle Service Authority

Major Fund Discussion

General Fund - The General Fund is the Authority's primary operating fund and accounts for Measure A sales tax revenues, SCTMFP, SacMetro Freeway Service Patrol activities, and general administration. The fund ended the year with a balance of $68.6 million, a decrease of $22.2 million, or 24.5%.

- Sales tax revenue increased $3.6 million, or 2.1%, to $178.5 million, consistent with generally stable regional taxable sales.
- Mitigation fee revenue decreased $2.3 million, or 19.4%, to $9.5 million. The decrease reflects the unpredictable nature of development in the County. Revenue receipts are primarily single family home developments.
- Intergovernmental capital expenditures increased $29.8 million to $51.3 million. The increase was concentrated in active Measure A and SCTMFP capital projects, including significant current year expenditures from South Watt Avenue and Highway 50.
- Cash and restricted investments decreased $11.5 million, or 14.3%, to $68.7 million as project disbursements exceeded cash receipts during the year.
- Amounts due to other governments increased $6.4 million, or 22.5%, to $35.0 million, primarily because of the timing of year-end capital project billings and accruals.

Debt Service Fund - The Debt Service Fund ended with fund balance of $7.6 million, an increase of $0.1 million, or 1.5%. The fund received $20.2 million in transfers from the General Fund and paid $4.8 million of principal and $15.5 million of interest and fiscal charges. Debt service reserve balances remained available for scheduled obligations.

Transit Services Fund - The Transit Services Fund ended with fund balance of $0.3 million, a decrease of $0.1 million, or 27.7%. The fund received a $1.0 million transfer and incurred $1.2 million of transit-related expenditures. Spending declined from the prior year as the CTSA and Neighborhood Shuttle programs approached completion, with remaining resources expected to support closeout activity.

Abandoned Vehicle Fund - The SAVSA Fund ended with fund balance of $0.1 million, a decrease of $14,315, or 8.9%. Current-year activity included $40,000 of partner-agency contributions for a regional public polling initiative and $60,657 of administrative and professional service expenditures.

Significant Capital Asset and Long-Term Financing Activity

The Authority does not own significant transportation infrastructure. Its capital assets consist primarily of right-to-use assets associated with the administrative office lease and costs related to a subscription-based information technology arrangement (SBITA) that remained under development at June 30, 2026. Because the SBITA has not yet been placed into service, no amortization expense has been recognized. Net capital and right-to-use assets totaled $130,770 at June 30, 2026, compared with $143,777 at June 30, 2025. The decrease reflects current-year amortization of existing right-to-use assets, partially offset by $46,487 of SBITA development costs capitalized during the year.

The Authority did not incur any new debt or other significant long-term financing obligations during the year. In October 2009, the Authority issued $318.3 million in variable rate sales tax revenue bonds. The bonds issued were in three Series – 2009A, B, and C. Subsequently, Series 2014A and 2015A bonds refunded Series 2009A and 2009B bonds, respectively. In July 2012, the Authority issued an additional $53.4 million in fixed-rate sales tax revenue bonds to accelerate transportation construction projects. The Authority began making principal payments on the Series 2012 bonds in FY 2016-17. In September 2022, the Authority refinanced the Series 2012 bonds with the Series 2022 bonds at a more favorable interest rate over the maturity of the debt. In September 2023, the Authority refinanced the Series 2009C, 2014A, and 2015A bonds at a fixed rate of interest over the maturity of the debt, terminating the related interest rate swap agreements. Below is a summary of the Authority's bond portfolio as of June 30, 2026. For more detailed information on long-term debt, please refer to note 8.

SACRAMENTO TRANSPORTATION AUTHORITY
LONG-TERM DEBT

	Amount	Type	Interest Rate	Maturity
Series 2023	$ 296,415,000	Fixed	5.0%	October 2038
Series 2022	10,430,000	Fixed	5.0%	October 2027
Total	$ 306,845,000			

Currently Known Facts, Decisions, or Conditions

The fiscal year 2026-27 budget continues planned investment in regional transportation projects while maintaining resources for debt service and program administration. Management expects the timing of SCTMFP receipts to continue to reflect Senate Bill 937 collection rules, which may create differences between development activity and the fiscal period in which fees are received.

Construction, engineering, and professional service costs remain above pre-pandemic levels. Management will continue coordinating with partner agencies to update project cost estimates, cash-flow schedules, and funding plans. The Authority will also monitor sales tax performance, pooled investment rates, grant reimbursement timing, and the pace of capital project billing because these factors directly affect liquidity and the timing of changes in restricted fund balances.

The Authority adopted GASB Statement No. 103 for fiscal year 2025-26. Management will continue monitoring future GASB projects concerning revenue and expense recognition, going-concern uncertainties and severe financial stress, and infrastructure assets for their potential effect on future financial reporting.

Contacting the Authority's Management

This financial report provides a general overview of the Authority's finances and demonstrates accountability for the resources it receives. Questions concerning this report or requests for additional information should be addressed to the Chief Financial Officer, Sacramento Transportation Authority, 801 12th Street, Floor 5, Sacramento, California 95814-2947. The report is available at www.sacta.org.

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SACRAMENTO TRANSPORTATION AUTHORITY
Statement of Net Position
June 30, 2026

ASSETS	
Cash and investments	$ 1,262,191
Receivables:	
Accrued interest	1,519,792
Due from other governments	36,788,959
Restricted assets:	
Cash and investments	75,875,687
Prepaid items	48,284
Net pension asset	47,747
Right-to-use assets, not being amortized	46,487
Right-to-use assets, net of amortization	84,283
Total assets	**115,673,430**
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding	3,381,283
Pension-related	127,787
OPEB-related	4,525
Total deferred outflows of resources	**3,513,595**
LIABILITIES	
Accounts payable	3,385,114
Accrued liabilities	5,591
Due to other governments	35,370,473
Accrued interest payable	3,835,563
Long-term liabilities	
Due within one year:	
Bonds payable, due in one year	5,085,000
Compensated absences, due in one year	56,104
Leases, due in one year	74,994
Total OPEB liability, due in one year	1,920
Due in more than one year:	
Bonds payable, due in more than one year	339,674,702
Compensated absences, due in more than one year	48,007
Leases, due in more than one year	32,642
Total OPEB liability, due in more than one year	83,327
Total liabilities	**387,653,437**
DEFERRED INFLOWS OF RESOURCES	
Deferred amount on refunding	959,577
Pension-related	647,909
OPEB-related	44,779
Total deferred inflows of resources	**1,652,265**
NET POSITION	
Net investment in capital assets	23,134
Restricted:	
Measure A projects	49,273,819
Transit services	346,132
Transportation mitigation	17,444,728
Freeway service patrol	416,643
Debt service	7,640,420
Abandoned vehicles	146,797
Net pension asset	47,747
Unrestricted	(345,458,097)
Total net position	**$ (270,118,677)**

See Notes to Financial Statements.

SACRAMENTO TRANSPORTATION AUTHORITY
Statement of Activities
For the Year Ended June 30, 2026

Functions/Programs:	Expenses	Program Revenues Operating Contributions and Grants	Net (Expenses) Revenues and Changes in Net Position
Primary government:			
Governmental activities:			
Measure A	$ 169,318,801	$ -	$ (169,318,801)
Sacramento countywide transportation mitigation fee program	21,777,564	9,548,799	(12,228,765)
Transit services	1,151,042	-	(1,151,042)
Freeway service patrol program	3,123,263	3,304,345	181,082
Sacramento abandoned vehicle service authority	61,228	40,193	(21,035)
Administration	1,345,395	-	(1,345,395)
Interest and fiscal charges	11,408,349	-	(11,408,349)
Total primary government	**$ 208,185,642**	**$ 12,893,337**	**(195,292,305)**
	General revenues:		
	Sales taxes		178,502,473
	Use of money and property		3,108,667
	Other		9,090
	Total general revenues		**181,620,230**
	Change in net position		**(13,672,075)**
	Net position-beginning		(256,446,602)
	Net position-ending		**$ (270,118,677)**

See Notes to Financial Statements.

SACRAMENTO TRANSPORTATION AUTHORITY
Balance Sheet
Governmental Funds
June 30, 2026

	General	Special Revenue Funds: Abandoned Vehicle Special Revenue	Special Revenue Funds: Transit Services Special Revenue	Debt Service	Total Governmental Funds
ASSETS					
Cash and investments	$ 1,262,191	$ -	$ -	$ -	$ 1,262,191
Receivables:					
Interest	1,506,204	3,234	10,354	-	1,519,792
Due from other governments	36,788,950	9	-	-	36,788,959
Due from other funds	22,988	-	166,667	-	189,655
Prepaid items	48,284	-	-	-	48,284
Restricted assets:					
Cash and investments, restricted	67,436,443	204,211	585,711	7,649,322	75,875,687
Total assets	**$ 107,065,060**	**$ 207,454**	**$ 762,732**	**$ 7,649,322**	**$ 115,684,568**
LIABILITIES					
Accounts payable	$ 3,341,105	$ 38,750	$ -	$ 5,259	$ 3,385,114
Accrued payroll	5,591	-	-	-	5,591
Due to other governments	34,953,873	-	416,600	-	35,370,473
Due to other funds	164,105	21,907	-	3,643	189,655
Total liabilities	**38,464,674**	**60,657**	**416,600**	**8,902**	**38,950,833**
FUND BALANCES					
Nonspendable	48,284	-	-	-	48,284
Restricted for:					
Measure A	49,273,819	-	-	-	49,273,819
Transit services	-	-	346,132	-	346,132
Transportation mitigation	17,444,728	-	-	-	17,444,728
Freeway service patrol	416,643	-	-	-	416,643
Debt service	-	-	-	7,640,420	7,640,420
Abandoned vehicles	-	146,797	-	-	146,797
Unassigned	1,416,912	-	-	-	1,416,912
Total fund balances	**68,600,386**	**146,797**	**346,132**	**7,640,420**	**76,733,735**
Total liabilities and fund balances	**$ 107,065,060**	**$ 207,454**	**$ 762,732**	**$ 7,649,322**	**$ 115,684,568**

See Notes to Financial Statements.

SACRAMENTO TRANSPORTATION AUTHORITY
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2026

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds		$ 76,733,735
Lease liability, and related right of use asset, are not recognized under the current financial resources measurement focus and therefore are not reported in the funds.		
Right-to-use assets, net	130,770	
Lease liability	(107,636)	
Total lease items		23,134
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings, and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the Statement of Net Position.		
Deferred outflows-pension related	127,787	
Deferred outflows-OPEB related	4,525	
Deferred inflows-pension related	(647,909)	
Deferred inflows-OPEB related	(44,779)	
Total deferred outflows and inflows related to postemployment benefits		(560,376)
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either labeled unavailable or not reported in the funds.		
Net pension asset		47,747
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		
Bonds payable, including premiums	(344,759,702)	
Compensated absences	(104,111)	
Accrued interest payable on long-term debt	(3,835,563)	
Total OPEB liability	(85,247)	
Total long-term liabilities		(348,784,623)
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the Statement of Activities.		
Deferred gain on refunding	(959,577)	
Deferred loss on refunding	3,381,283	
Total premiums, discounts, and deferred items		2,421,706
Net position of governmental activities		**$ (270,118,677)**

See Notes to Financial Statements.

SACRAMENTO TRANSPORTATION AUTHORITY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2026

	General	Special Revenue Funds: Abandoned Vehicle Special Revenue	Special Revenue Funds: Transit Services Special Revenue	Debt Service	Total Governmental Funds
REVENUES					
Taxes	$ 178,502,473	$ -	$ -	$ -	$ 178,502,473
Mitigation fees	9,548,799	-	-	-	9,548,799
Vehicle registration fees	-	193	-	-	193
Grants for freeway services	3,304,345	-	-	-	3,304,345
Use of money and property	2,864,989	6,149	18,471	219,058	3,108,667
Contributions from partner agencies	-	40,000	-	-	40,000
Miscellaneous	9,090	-	-	-	9,090
Total revenues	**194,229,696**	**46,342**	**18,471**	**219,058**	**194,513,567**
EXPENDITURES					
General government:					
Administrative	961,893	60,657	-	2,400	1,024,950
Freeway service patrol	3,112,227	-	-	-	3,112,227
Intergovernmental:					
Intergovernmental - Ongoing	139,728,989	-	1,151,042	-	140,880,031
Intergovernmental - Capital	51,319,489	-	-	-	51,319,489
Capital outlay	46,487	-	-	-	46,487
Debt service:					
Principal	67,312	-	-	4,835,000	4,902,312
Interest and fiscal charges	5,254	-	-	15,476,528	15,481,782
Total expenditures	**195,241,651**	**60,657**	**1,151,042**	**20,313,928**	**216,767,278**
Excess (deficiency) of revenues over (under) expenditures	**(1,011,955)**	**(14,315)**	**(1,132,571)**	**(20,094,870)**	**(22,253,711)**
OTHER FINANCING SOURCES (USES)					
Transfers in	2,500	-	1,000,000	20,213,039	21,215,539
Transfers out	(21,213,039)	-	-	(2,500)	(21,215,539)
Total other financing sources (uses)	**(21,210,539)**	**-**	**1,000,000**	**20,210,539**	**-**
Net change in fund balances	**(22,222,494)**	**(14,315)**	**(132,571)**	**115,669**	**(22,253,711)**
Fund balances - beginning	90,822,880	161,112	478,703	7,524,751	98,987,446
Fund balances - ending	**$ 68,600,386**	**$ 146,797**	**$ 346,132**	**$ 7,640,420**	**$ 76,733,735**

See Notes to Financial Statements.

SACRAMENTO TRANSPORTATION AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2026

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds:		$ (22,253,711)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the impact on change in net position in the current period.		
Capital outlay	46,487	
Amortization expense	(59,494)	
Total adjustment		(13,007)
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Principal payments on bonds	4,835,000	
Amortization of bond premiums	3,464,465	
Amortization of deferred amounts on refunding	553,785	
Principal payments on leases	67,312	
Total adjustment		8,920,562
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Accrued interest on long-term debt	60,437	
Compensated absences	(23,553)	
Changes in pension liabilities and related deferred outflows and inflows of resources	(369,726)	
Changes in OPEB liabilities and related deferred outflows and inflows of resources	6,923	
Total adjustment		(325,919)
Change in net position of governmental activities		**$ (13,672,075)**

See Notes to Financial Statements.

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Sacramento Transportation Authority (Authority) and the Sacramento Abandoned Vehicle Service Authority (SAVSA) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Organizations: In August 1988, the Authority was established under the Local Transportation and Improvement Act, California Public Utilities Code Division 19. In November 1988, Sacramento County voters approved an ordinance (Original Measure A) enacted by the Authority's Governing Board (Board) imposing a retail transactions and use tax (sales tax) increase throughout the County at a maximum rate of 0.5% for a period of 20 years. In November 2004, taxpayers approved a 30-year extension of the sales tax beginning in April 2009 (New Measure A) and the creation of the Sacramento County Transportation Mitigation Fee Program (SCTMFP).

In 1992, SAVSA was established as a separate legal entity under California Vehicle Code Section 22710. The code establishes a $1 vehicle registration fee to be used for the abatement of abandoned vehicles for counties electing to impose the fee. The County Board of Supervisors, by a two-thirds vote, and the City Councils of a majority of the cities within the County having a majority of the incorporated population, adopted resolutions providing for the establishment of SAVSA. SAVSA reimburses the County, and the Cities of Citrus Heights, Elk Grove, Folsom, Galt, Rancho Cordova, and Sacramento according to the Sacramento Abandoned Vehicle Abatement Plan. SAVSA is considered a blended component unit of the Authority as the board and management of the Authority are also the board and management of SAVSA. SAVSA is presented as the Abandoned Vehicle Special Revenue Fund. The current SAVSA program expired in April 2022. The Governing Board approved placing a tax measure 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-thirds voter approval requirement with a 57.7% voter approval. Staff is continuing to work on possible options to reinstate the SAVSA program. During fiscal year 2026, SAVSA, in coordination with participating jurisdictions, conducted regional public polling to assess public attitudes regarding abandoned vehicle abatement services and the potential renewal of the vehicle registration fee that historically funded the program. The polling initiative resulted in 57% of likely voters supported continuing the program. The polling was funded through $40,000 of contributions from participating partner agencies.

In 1992, the Authority entered into a Memorandum of Understanding (MOU) with the Department of Transportation (Caltrans) and the California Highway Patrol (CHP) to administer the Sacramento Metropolitan Freeway Service Patrol Program (SacMetro FSP). In 2009, the Authority began administering the SacMetro FSP program for Yolo County. Funding for the program is provided by state grants from Caltrans and local matching funds from the Capitol Valley Regional Service Authority for Freeways & Expressways (CVR-SAFE).

The Authority's Board consists of sixteen members – five from the Sacramento County Board of Supervisors, five from the Sacramento City Council, one from the Citrus Heights City Council, two from the Elk Grove City Council, one from the Folsom City Council, one shared member from the Galt or Isleton City Council, and one from the Rancho Cordova City Council. Under Measure A, the Authority distributes sales tax proceeds as prescribed by the Measure A Ordinance and Transportation Expenditure Plan to the County of Sacramento, the Cities of Citrus Heights, Elk Grove, Folsom, Galt, Isleton, Rancho Cordova, and Sacramento, the Sacramento Regional Transit District, Paratransit, Inc., the Sacramento Metropolitan Air Quality Management District, the California Department of Transportation, the SouthEast Connector JPA, and the Neighborhood Shuttle Program.

A. Basis of Presentation

Government-wide financial statements (the Statement of Net Position and the Statement of Activities) provide information on all of the nonfiduciary activities of the Authority.

The Statement of Net Position reports all financial resources of the Authority as a whole in a format in which assets and deferred outflows of resources equal liabilities and deferred inflows of resources, plus net position. The Statement of Activities demonstrates the degree to which the expenses of a given function are offset by program revenues. Sales tax and interest earnings are not program related, but reported as general revenues. Fund financial statements are provided for governmental funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Authority maintains the minimum number of funds consistent with legal and managerial requirements. Major governmental funds are reported in separate columns in the fund financial statements.

Governmental fund types are used to account for activities primarily supported by taxes, grants, and similar revenue sources. The Authority reports the following major governmental funds:

General Fund – The General Fund is the main operating fund of the Authority. It accounts for transactions related to resources obtained and used for those services, including FSP, that need not be accounted for in another fund.

Abandoned Vehicle Special Revenue Fund – Reports the vehicle registration fee revenue and related expenditures.

Transit Services Special Revenue Fund – Reports unspent Measure A funds allocated for Consolidated Transportation Services Agency (CTSA) services and Neighborhood Shuttle Program Transit Services.

Debt Service Fund – Reports the debt service on the Authority's Measure A Sales Tax Revenue Bonds.

B. Measurement Focus and Basis of Accounting

The government-wide financial statements use the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Authority records revenue sources when earned or when due, provided they are measurable and available within 90 days after the end of the fiscal year. Those revenues susceptible to accrual at both the government-wide and fund level are sales taxes, mitigation fees, vehicle license fees, FSP grants and interest revenue. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Proceeds of governmental long-term debt are reported as other financing sources.

Non-exchange transactions, in which the Authority gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Certain indirect costs are included in program expenses reported for individual functions and activities.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the Authority may fund certain programs with a combination of cost-reimbursement grants and general revenues. Thus, funds included in restricted and unrestricted net position may be available to finance program expenditures. The Authority's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are exchange or exchange-like transactions between functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Budgetary Information

As required by Public Utilities Code 180105 of the State of California, the Authority prepares and legally adopts an operating budget each fiscal year. Operating budgets are adopted for the governmental fund types on the modified accrual basis of accounting. Budgetary control and the legal level of control are at the program level. Significant amendments, appropriation transfers between programs and transfers from contingencies must be approved by the Authority's Board.

D. Restricted Assets

Restricted cash and investments represent resources whose use is limited by external requirements, including voter-approved measures and ordinances, enabling legislation, grant and program requirements, and other applicable legal or contractual provisions. Restricted resources include amounts held for Measure A transportation projects, the Sacramento Countywide Transportation Mitigation Fee Program, Freeway Service Patrol, Transit Services, the Sacramento Abandoned Vehicle Service Authority, and debt service.

E. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

F. Capital Assets

Capital assets for governmental fund types are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements. It is the Authority's policy to capitalize leases, subscriptions, furniture and equipment exceeding $5,000. Depreciation and amortization are recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Type	Useful Life
Intangible right-to-use assets	Shorter of the useful life of the underlying asset or the term of the arrangement
Furniture and equipment	3-20 years

G. Compensated Absences

The Authority compensates employees for unused vacation pay, up to a maximum of 400 hours, upon termination. It also pays one-half of unused sick leave at the time of retirement, up to a maximum of 500 hours pay, or applies any portion of sick leave toward retirement credit. The Authority has accrued sick leave to the extent it is expected to be paid out.

All vacation pay is accrued when earned by the employee in the government-wide financial statements. A liability for these amounts is recorded in the government funds only if they have matured, for example, as a result of employee resignations and retirements, and is currently payable. The General Fund is used to liquidate compensated absences.

H. Long-Term Debt

In the government-wide financial statements, long-term debt is recorded as a liability in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method if it does not materially differ from the straight-line method. Bonds payable are reported net of applicable bond premiums or discounts. Bond issuance costs are recognized as an expense in the period incurred.

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the fund financial statements, governmental fund types recognize bond premiums and discounts incurred during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

I. Pensions

For purposes of measuring the net pension liability/(asset) and deferred outflow/inflow of resources related to pensions, and pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The net pension liability/(asset) is liquidated by the Authority's General Fund.

J. Other Postemployment Benefits (OPEB)

The Authority reports a total OPEB liability for its unfunded defined benefit OPEB plan. Benefit payments are recognized when due and payable in accordance with the benefit terms. The General Fund liquidates the liability.

K. Deferred Outflows and Inflows of Resources

In addition to liabilities, the statement of net position reports separate sections for deferred outflows and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources represent an acquisition of net assets that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until the earning process is complete. Deferred outflows and inflows of resources represent amounts deferred related to the Authority's pension and OPEB plan as described in Notes 3, 5, and 8.

L. Fund Balance

1. ***Net Position*** - The government-wide financial statement includes the following categories of net position:

   Net Investment in capital assets – represents the net amount invested in capital assets (original cost, net of accumulated depreciation and amortization and net of capital-related debt). The Authority's net investment of capital assets related to the right-of-use lease and subscription assets, and lease and subscription liabilities, is $23,134.

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

   Unrestricted net position – any amount that is not restricted.

2. ***Fund Balance*** - In the fund financial statements, fund balance amounts are reported based on the Authority's constraints on the use of funds.

   Nonspendable fund balances are not expected to be converted to cash within the next operating cycle and are typically comprised of prepaid items. As of June 30, 2026, the Authority had $48,284 of prepaid items classified as nonspendable.

   Restricted fund balances are subject to external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Committed fund balances are subject to constraints imposed by formal action of the Authority's Board which may be altered only by formal action of the Authority's Board consisting of an ordinance or resolution. As of June 30, 2026, the Authority had no committed fund balances.

Assigned fund balances are amounts constrained by the Authority's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Authority's Board or management and may be changed at their discretion. As of June 30, 2026, the Authority had no assigned fund balances.

Unassigned is the residual amount of the General Fund not included in the four classifications described above. In other governmental funds in which expenditures incurred for specific purposes exceeded amounts restricted, committed, or assigned to those purposes, a negative unassigned fund balance is reported. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

The Authority typically spends resources in the following order when an expenditure is incurred: restricted, committed, assigned, and unassigned.

M. Insurance

The Authority provides employees with commercial worker's compensation insurance. In addition, the Authority purchases commercial insurance for general liability claims. At June 30, 2026, there were no claims outstanding. There were no reductions in coverage during the year. The amount of settlements did not exceed insurance coverage for each of the past three fiscal years.

N. Leases

The Authority is a lessee for a noncancellable lease of office space. The Authority recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The Authority recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Authority uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Authority is reasonably certain to exercise.

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Subscription-Based Information Technology Arrangements

From time to time, the Authority may be a subscriber for noncancellable subscriptions of information technology services. The Authority recognizes a subscription liability and an intangible right-to-use subscription asset (subscription asset) in the government-wide financial statements. The Authority recognizes subscription liabilities with an initial, individual value of $5,000 or more.

At the commencement of a subscription, the Authority initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscriptions include how the Authority determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The Authority uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the Authority generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.

- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments that the Authority is reasonably certain to exercise.

The Authority monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

P. Compensated absences

Vacation

The Authority's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Sick Leave

If an employee not eligible for retirement dies while employed by the Authority, whether or not the death is job related, the beneficiary shall be paid the monetary value of all accrued sick leave. If an employee was eligible for retirement at the time of death, the beneficiary shall have the right to waive cash payment, and instead receive credit toward retirement.

If an employee retires, as defined by CalPERS, one half the monetary value of accrued sick leave is paid at the time of retirement, up to the equivalent of 500 hours pay. All remaining retiree sick leave shall be counted as credit toward retirement.

Outside of the separation situations described in the previous two paragraphs, accumulated sick leave lapses when employees leave the employ of the Authority and, upon separation from service, no monetary obligation exists.

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. New Accounting Pronouncements Effective during Fiscal Year

The following Governmental Accounting Standards Board (GASB) pronouncements were effective for and implemented for the fiscal year ended June 30, 2026:

- **GASB Statement No. 103, *Financial Reporting Model Improvements***

  This Statement addresses improvements to key components of the financial reporting model, the purposes of which are to enhance the effectiveness of the financial reporting model in providing information that is essential for decision making and assessing a government's accountability. It updates the older GASB 34 framework by cleaning up Management's Discussion and Analysis (MD&A) to remove repetitive text, redefining nonoperating revenue categories for proprietary funds, providing comparative analysis of the Original and Final Budgets of the General Fund and all major special revenue funds, and replacing extraordinary items with unusual or infrequent occurrences.

  This change in accounting principle resulted in minor changes in presentation of the budgetary comparison schedules, but no change in accounting method or adjustment to prior period net position.

- **GASB Statement No. 104, *Disclosure of Certain Capital Assets***

  This Statement requires certain types of capital assets, such as leases and subscriptions, to be disclosed separately in the capital assets note disclosures required by Statement 34. In addition, this Statement requires intangible assets other than those types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale.

  This change in accounting principle resulted in no changes in presentation of the financial statements, and no change in accounting method or adjustment to prior period net position.

- **GASB Statement No. 105, *Subsequent Events***

  This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This Statement also requires the date through which subsequent events have been evaluated to be disclosed. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. The Authority has implemented this Statement early.

  This change in accounting principle resulted only in minor changes to the presentation of Note 11: Subsequent Events.

NOTE 2: CASH AND INVESTMENTS

Cash and investments as of June 30, 2026, are classified in the accompanying financial statements as follows:

Statement of Net Position		
Cash and investments	$	1,262,191
Restricted:		
Cash and investments		75,875,687
Total cash and investments	$	77,137,878
Cash on hand		
Deposits with financial institutions	$	370,236
Total cash and deposits		370,236
Pooled Funds		
County Treasury		69,118,320
Money Market Mutual Fund		7,649,322
Total Investments		76,767,642
Total cash and investments	$	77,137,878

A. Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized for the Authority by the California Government Code and the Authority's investment policy. The table also identifies certain provisions of the California Government Code (or the Authority's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the Authority, rather than the general provisions of the California Government Code or the Authority's investment policy.

Investment Types Authorized by State Law	Maximum Maturity *	Maximum Percentage of Portfolio *
U.S. Treasury obligations	5 years	100%
Bonds issued by local agencies	5 years	80%
Registered State Warrants and Municipal Notes	5 years	80%
Bankers acceptances	180 days	40%
Commercial paper	270 days	40%
Certificates of deposit (negotiable)	180 days	30%
CRA Bank Deposit/Certificate of Deposit	1 year	30%
Repurchase Agreements	1 year	30%
Reverse Repurchase Agreements	92 days	20%
Medium Term Corporate Notes	180 days	30%
Shares of Money Market Mutual Fund	90 days	20%
Collateralized Mortgage Obligations	180 days	20%
California Assets Management Program (CAMP)	None	None
County Pool	None	None
LAIF	None	None

* Based on state law requirements or Authority investment policy requirements, whichever is more restrictive.

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

B. Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than general provisions of the California Government Code or the Authority's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds or Obligations	None	None	None
U.S. Treasury obligations	None	None	None
U.S. Agency Securities	None	None	None
Bankers acceptances	1 year	None	None
Commercial paper	270 days	None	None
Money Market Funds	None	None	None
Certificates of Deposit	None	None	None
Investment Agreements	None	None	None
Repurchase agreements	None	None	None
Mutual Funds	None	None	None
LAIF	None	None	None

C. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. As of June 30, 2026, the Authority's investments are all considered current.

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

For investments identified herein as held by bond trustee, the bond trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

As of June 30, 2026, none of the Authority's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

E. Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfil its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2026, none of the Authority's investments are subject to credit risk disclosure.

F. Concentration of Credit Risk

The investment policy of the Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2026, the Authority held no investments in any one issuer (other than U.S. Treasury securities, US Treasury notes, mutual funds, and external investment pools) that represented 5% or more of total Authority investments.

G. Fair Value Hierarchy

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs utilized by the Authority to determine fair market value include: matrix pricing, market corroborated pricing, and other inputs such as yield curves and indices. Level 3 inputs are significant unobservable inputs. At June 30, 2026, all of the Authority's investments are valued as follows:

		Input Category
Investment Type	Total	Level 2
Money market mutual funds	$ 7,649,322	$ 7,649,322
Investments Measured at Net Asset Value:		
County Pool	69,118,320	
	$ 76,767,642	

NOTE 3: PENSION PLANS

General Information About the Pension Plans

Plan Descriptions: All qualified permanent and probationary employees are eligible to participate in the Authority's cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). The Authority has a single plan and within that plan has the following cost-sharing rate plans:

- **Miscellaneous Plan**
- **PEPRA Miscellaneous Plan**

Benefit provisions under the Plans are established by State statute and Board resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the 1959 Survivor Benefit level 3, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

NOTE 3: PENSION PLANS (CONTINUED)

The Plan's provisions and benefits in effect at June 30, 2026, are summarized as follows:

	Miscellaneous	PEPRA Miscellaneous
Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula (at full retirement)	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52-67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	8.00%	7.75%
Required employer contribution rates	13.46%	7.96%

In addition to the contribution rate above, the Authority was also required to make payments of $59,366 towards its unfunded actuarial liability during the fiscal year ended June 30, 2026.

The Miscellaneous Plan is closed to new members that are not already CalPERS participants.

Contributions: Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The contributions to the Plan were $136,691 for the year ended June 30, 2026.

Pension Liabilities, Pension Expenses and Deferred Outflow/Inflow of Resources Related to Pensions: As of June 30, 2026, the Authority reported a net pension asset for its proportionate share of the net pension liability of the Plan of $(47,747). The Authority's net pension asset for the Plan is measured as the proportionate share of the net pension liability. The net pension liability as of June 30, 2026 is measured as of June 30, 2025 and the total pension liability is determined by an actuarial valuation as of June 30, 2024. The Authority's proportion of the net pension liability is based on a projection of the Authority's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The Authority's proportionate share of the net pension liability as of June 30, 2026 and 2025 is as follows:

	Miscellaneous
Proportion - June 30, 2026	0.02364 %
Proportion - June 30, 2025	0.02436 %
Change - Increase (Decrease)	(0.00072) %

NOTE 3: PENSION PLANS (CONTINUED)

For the year ended June 30, 2026, the Authority recorded pension expense of $507,064. At June 30, 2026, the Authority reported deferred outflow of resources and deferred inflow of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	$ 121,327	$ -
Differences between expected and actual experience	-	5,720
Net difference between projected and actual earnings on pension plan investments	6,460	-
Adjustment due to differences in proportions	-	104,431
Change in employer's proportion	-	537,758
Total	$ 127,787	$ 647,909

The $121,327 reported as deferred outflow of resources related to contributions subsequent to the measurement date will be recognized as an increase to the net pension asset in the fiscal year ended June 30, 2027. Other amounts reported as deferred inflow and outflow of resources relate to pensions and will be recognized as pension expense as follows:

Fiscal year ended June 30,	Deferred Outflows/(Inflows) of Resources
2027	$ (267,903)
2028	(228,948)
2029	(147,064)
2030	2,466
Total	$ (641,449)

Actuarial Assumptions: The total pension liabilities in the actuarial valuations for the Plan were determined using the following actuarial assumptions:

Valuation Date	June 30, 2024
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Projected Salary Increase (1)	Varies
Mortality	Derived using CalPERS membership data for all funds

(1) Depending on age and service

The underlying mortality assumptions and all other actuarial assumptions used in June 30, 2026 were based on the results of a November 2021 actuarial experience study for the period 2000 to 2019. Further details of the Experience Study can be found on the CalPERS website.

NOTE 3: PENSION PLANS (CONTINUED)

Discount Rate: The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class for the Plan as of the measurement date of June 30, 2025. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return [1, 2]
Public equity	37.00%	4.56%
Private equity	17.00%	5.56%
Fixed income	28.00%	2.53%
Real assets	15.00%	3.03%
Private debt	8.00%	4.93%
Leverage	-5.00%	1.40%

[1] An expected inflation of 2.30% used for this period.
[2] Figures are based on the 2024 Asset Liability Management mid-cycle review.

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

	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
Plan's net pension liability/(asset)	$ 765,159	$ (47,747)	$ (716,758)

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

NOTE 4: DEFERRED COMPENSATION PLAN

The Authority offers its regular employees a deferred compensation plan under the provisions of Internal Revenue Code (IRC) Section 457. The plan permits these employees to defer a portion of their salary until future years. Employees contributed 5% to 11% of their pay to the plan, limited to $24,500 for 2026 and an additional $8,000 for those over age 50. The Authority provides matching for employees up to 4% and an additional 2% for employees participating in the PEPRA plan. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency. The Authority does not participate in Social Security.

The Authority has established a separate independent trust which is administered outside the Authority to hold the assets and earnings of its deferred compensation plans for the exclusive benefit of the participants that are not included in the Authority's financial statements.

The Authority participates in a Retiree Health Savings Account, a section 115 trust fund, and contributes $100 per month and employees are required to contribute 1%.

NOTE 5: OTHER POST-EMPLOYMENT BENEFIT (OPEB) OBLIGATIONS

A. Plan Description

The Authority's defined benefit OPEB plan provides OPEB benefit for all permanent full-time employees of the Authority. Benefits are set by the Board and may be amended by the Board. The Plan is a single employer defined benefit OPEB plan administered by the Authority. No assets are accumulated in a trust.

B. Plan Membership

At June 30, 2026, membership consisted of:

Inactive members currently receiving benefits	1
Inactive members entitled to but not yet receiving benefits	6
Active members	3
Total	10

C. Benefits Provided

The Plan provides healthcare benefits to all permanent full-time employees who retire directly from the Authority, at a minimum age of 52, with a minimum of five years of service. Eligible employees' surviving spouses are also eligible for benefits. The Authority participates in the Public Employees' Medical and Hospital Care Act (PEMHCA) provided through the California Public Employees' Retirement System (CalPERS).

D. Total OPEB Liability

At June 30, 2026, the Authority reported an OPEB liability for the PEMHCA of $85,247. The OPEB liability for the PEMHCA was measured as of June 30, 2025, and the total OPEB liability for the PEMHCA used to calculate the OPEB liability was determined by an actuarial valuation as of that date.

NOTE 5: OTHER POST-EMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

E. Actuarial Assumptions

The total OPEB liability for the PEMHCA, after considering the sharing of benefit-related costs with inactive PEMHCA members, based on the established pattern of practice, was determined by an actuarial valuation performed as of June 30, 2025, using the following actuarial methods and assumptions.

Valuation Date	June 30, 2025
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry-Age Normal Cost Method
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Inflation	2.50%
Salary increases	3.00%
Retirement age	50 to 75
Healthcare Cost Trend Rates	6.5% in 2027, fluctuates to ultimate rate of 3.9% in 2075

The actuarial assumptions used in the June 30, 2025, valuation were based on the results of a 2025 actuarial experience study using data from 2000 to 2023. Mortality rates were based on the MacLeod Watts Scale 2022.

F. Discount Rate

The discount rate used to measure the total OPEB liability was 5.20%, which is an increase from the 3.93% used at the previous measurement date. The discount rate is based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index rate for tax-exempt general obligations bonds with an average rating of AA/Aa or higher at June 30, 2025 as published by the Federal Reserve.

G. Changes in Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2025 (measured June 30, 2024)	$ 105,425
Changes recognized for the measurement period:	
Service cost	6,637
Interest on total OPEB liability	4,367
Changes of assumptions	(18,753)
Differences between expected and actual experience	(10,539)
Benefit payments, including refunds of employee contributions	(1,890)
Net changes	(20,178)
Balance at June 30, 2026 (measured June 30, 2025)	$ 85,247

NOTE 5: OTHER POST-EMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

H. Discount Rate and Healthcare Rate Sensitivity Analysis

The following is a sensitivity analysis of the OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the OPEB liability calculated using the discount rate of 5.20% as well as what the OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Discount Rate -1% 4.20%	Current Discount Rate 5.20%	Discount Rate +1% 6.20%
Plan's total OPEB liability	$ 98,884	$ 85,247	$ 74,116

The table below presents the OPEB liability of the Authority calculated using the healthcare rate of 6.50% as well as what the OPEB liability would be if it were calculated using a healthcare rate that is one percentage point lower or one percentage point higher than the current rate:

	1 Percent Decrease	Current Healthcare Trend Rate	1 Percent Increase
Plan's total OPEB liability	$ 72,789	$ 85,247	$ 100,848

I. OPEB Expense and Deferred Items Summary

For the year ended June 30, 2026, the Authority recognized PEMHCA OPEB expense of $28,994. At June 30, 2026, the Authority reported deferred outflows of resources and deferred inflows of resources related to the PEMHCA from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	$ 1,920	$ -
Changes of assumptions	2,605	16,253
Differences between expected and actual experience	-	28,526
Total	$ 4,525	$ 44,779

The $1,920 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability during the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ended June 30,	Deferred Outflows/(Inflows) of Resources
2027	$ (8,814)
2028	(8,814)
2029	(8,814)
2030	(6,221)
2031	(3,649)
Thereafter	(5,862)
Total	$ (42,174)

NOTE 6: LEASES AND SUBSCRIPTION ARRANGEMENTS

A. Lease

The Authority has entered into a lease agreement as lessee for the acquisition and use of the Authority's offices. The term of the leasing arrangement is 120 months. As of June 30, 2026, the total value of the lease liability was $107,636. The Authority is required to make monthly principal and interest payments with totals ranging from $33,600 to $78,180 annually. The lease has an implied interest rate of 2.85%.

The future principal and interest lease payments as of June 30, 2026, were as follows:

June 30	Principal	Interest
2027	$ 74,994	$ 3,186
2028	32,642	958
Totals	$ 107,636	$ 4,144

B. Subscription

The Authority has entered into a SBITA contract for information technology (IT) software. As of June 30, 2026, only initial implementation costs for the IT software have been incurred and the software is not yet in service, so the costs have been capitalized as construction in progress. As of June 30, 2026, as the implementation process is not complete, the Authority is not yet obligated for future subscription payments, therefore no SBITA liability is recorded.

C. Lease and Subscription Assets

Information on the right-to-use assets as of June 30, 2026, is as follows:

	Balance June 30, 2025	Additions	Retirements	Balance June 30, 2026
Right-to-use assets, not being amortized				
Construction in progress - Software implementation	$ -	$ 46,487	$ -	$ 46,487
Total right-to-use assets, not being amortized	-	46,487	-	46,487
Right-to-use assets, being amortized				
Leased building	381,753	-	-	381,753
Leased building - accumulated amortization	(237,976)	(59,494)	-	(297,470)
Right-to-use assets, net of amortization	143,777	(59,494)	-	84,283
Total right-to-use assets	$ 143,777	$ (13,007)	$ -	$ 130,770

The Authority's amortization expense is charged to its governmental function as follows:

Measure A	$ 43,639
Sacramento countywide transportation mitigation fee program	4,248
Freeway service patrol program	11,036
Sacramento abandoned vehicle service authority	571
	$ 59,494

NOTE 7: INTERFUND ACTIVITIES

A. Interfund Receivables and Payables

The composition of interfund balances as of June 30, 2026, is as follows:

Receivable Fund	Payable Fund	Amount
General fund	Abandoned Vehicle	$ 21,907
General fund	Debt Service	1,081
Transit	General fund	164,105
Transit	Debt Service	2,562
	Total	$ 189,655

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures are incurred on behalf of another fund, (2) transactions are recorded in the accounting system, and (3) reimbursements between funds are made. These balances are expected to be settled in the subsequent year.

B. Interfund Transfers

The composition of interfund transfers for the year ended June 30, 2026, is as follows:

	Transfers in			
	General fund	Transit	Debt Service	Total
Transfers out				
General fund	$ -	$ 1,000,000	$ 20,213,039	$ 21,213,039
Debt Service	2,500	-	-	2,500
Total	$ 2,500	$ 1,000,000	$ 20,213,039	$ 21,215,539

Interfund transfers from the General Fund to the Debt Service Fund were used to repay principal and interest per the debt agreement in the amount of $20,213,039. Interfund transfers from the General Fund to the Transit Services Fund of $1,000,000 represent the Neighborhood Shuttle annual Measure A allocation. Interfund transfers from the Debt Service Fund to the General Fund in the amount of $2,500 were used to repay administrative costs paid by the General Fund on behalf of the Debt Service Fund.

NOTE 8: LONG-TERM LIABILITIES

A. Bonds Payable

The Authority issues bonds to provide funds for the acquisition and construction of major capital facilities. Bonds are direct obligations and pledge the full faith and credit of the Authority. These bonds generally are issued as serial bonds with equal amounts of principal maturing each year with maturities that range from 6 to 30 years. Bonds payable outstanding at June 30, 2026, are as follows:

Bonds payable	Original Borrowing	Interest Rates	Final Maturity	Outstanding at Year-End
Series 2022A	$ 24,245,000	5%	2027	$ 10,430,000
Series 2023A	296,415,000	5%	2038	296,415,000
Total bonds payable				$ 306,845,000

NOTE 8: LONG-TERM LIABILITIES (CONTINUED)

B. Advance Refunding

In August 2023, the Authority issued $296,415,000 in Sales Tax Revenue refunding bonds with interest rates at 5%. The proceeds were used to advance refund $318,300,000 of outstanding 2009 Series C, 2014A Series A, and 2015A Series A Sales Tax Revenue refunding bonds which had interest rates ranging from 3.66% to 6.37%. The net proceeds of $318,509,258 (including a $46,050,953 premium and after payment of $865,785 in underwriting fees and other issuance costs, SWAP termination payments of $27,045,000 and additional funds of $3,954,090 contributed by the Authority) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the 2009 Series C, 2014A, and 2015A Sales Tax Revenue refunding bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by $4,163,348. This amount is reported as a deferred outflow of resources and amortized over the remaining life of the refunding debt, which had a shorter remaining life than the refunded debt. The advance refunding increased its total debt service payments by $353,410,831 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $4,163,348. The net carrying amount of the deferred loss on refunding is $3,381,283 at June 30, 2026, net of accumulated amortization.

In August 2022, the Authority issued the 2022 Measure A Sales Tax Revenue Refunding Bonds in the amount of $24,245,000 with an interest rate of 5.00%, to refund $30,400,000 of the 2012 Revenue with an interest rate of 5.00%. The Authority completed the advance refunding to release $5,660,000 from debt service reserves. The net economic gain (difference between the present value of the old and new debt service payments) of the 2022 Refunding Bonds is $1,829,981. The advance refunding resulted in differences between the reacquisition price and the net carrying amount of the outstanding debt of $959,577 at June 30, 2026, net of accumulated amortization. The deferred amount on refunding, reported in the accompanying financial statements as a deferred inflow, is being credited to operations over 5 years using the straight-line method.

C. Change in Long-Term Liabilities

Changes in the Authority's long-term liabilities for the year ended June 30, 2026, are as follows:

	Balance June 30, 2025	Additions	Deletions	Balance June 30, 2026	Amount Due Within One Year
Governmental activities					
Bonds payable					
2022 bonds	$ 15,265,000	$ -	$ 4,835,000	$ 10,430,000	$ 5,085,000
2023 bonds	296,415,000	-	-	296,415,000	-
Premium	41,379,167	-	3,464,465	37,914,702	-
Total bonds payable	353,059,167	-	8,299,465	344,759,702	5,085,000
Leases	174,948	-	67,312	107,636	74,994
Compensated absences*	80,558	23,553	-	104,111	56,104
Total governmental activities	$ 353,314,673	$ 23,553	$ 8,366,777	$ 344,971,449	$ 5,216,098

*Change in compensated absences is presented as additions net of deletions.

Bonds payable consist of the following at June 30, 2026:

2022 Series Bonds - In August 2022, the Authority issued fixed rate Measure A Sales Tax Bonds in the amount of $24.2 million to finance transportation projects approved by voters in 2004, at an interest rate of 5%. Principal payments range from $4.4 million to $5.3 million. These Bonds were issued to refund the Series 2012 Bonds in 2023.

NOTE 8: LONG-TERM LIABILITIES (CONTINUED)

2023 Series Bonds - In August 2023, the Authority issued fixed rate Measure A Sales Tax Bonds in the amount of $296.4 million to refinance 2009C, 2014A, and 2015A Sales Tax Bonds at an interest rate of 5%. Principal payments range from $19.6 million to $34.5 million.

The Authority has pledged all of the future sales tax proceeds to cover all debt service requirements. The total principal and interest remaining on the 2022 and the 2023 bonds is $426.4 million. For the current year, the principal and interest paid and total incremental sales tax revenues were $20.3 million and $178.5 million, respectively. The 2022 Series Bonds were issued to refund the 2012 Series Bonds. The 2023 Series Bonds were issued to refund the 2009C, 2014A and 2015A Series Bonds. As of June 30, 2026, the future annual debt service requirements on the Authority's 2022 and 2023 Series Bond obligations are detailed in the schedule below.

The debt service requirements for the Authority's bonds, loans, and notes are as follows:

June 30,	Principal	Interest
2027	$ 5,085,000	$ 15,215,125
2028	5,345,000	14,954,375
2029	19,565,000	14,331,625
2030	21,820,000	13,297,000
2031	22,835,000	12,180,625
2032-2036	133,830,000	42,011,500
2037-2039	98,365,000	7,545,375
Totals	$ 306,845,000	$ 119,535,625

D. Events of default

Events of Default: Events of default with financial consequences may occur under the Indenture that allow the Trustee to enforce its rights by any one or more of the remedies. Significant remedies under the indenture include:

- The Authority shall immediately transfer to the Trustee all revenues held by the Authority.
- Bring legal action upon the Bonds.
- Limit the Authority's ability to issue new bonds unless the issuance of those bonds will remedy the default.

E. Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax exempt bonds after August 31, 1986. Arbitrage regulations deal with investments of all tax-exempt bond proceeds at an interest yield greater than the interest paid to bondholders. Generally, all interest paid to bond holders can be retroactive if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years. The Authority's arbitrage liability is currently estimated to be immaterial.

NOTE 9: FUND BALANCE

A. Fund Balance Classifications

The Authority's net position and fund balance are restricted for the following purposes:

Measure A Projects – bond proceeds and sales tax revenues restricted by local ordinance for transportation-related projects.

Sacramento Countywide Mitigation Fee Program – represents the fund balance of the SCTMFP to assist with funding road and transit system improvements needed to accommodate projected growth and development.

Freeway Service Patrol Program – to reflect funds restricted by the Department of Transportation for urban traffic congestion mitigation. Sacramento Abandoned Vehicle Service Authority – represents the fund balance of SAVSA to fulfill the program objectives of the Abandoned Vehicles program.

Transit Services – represents the unspent Measure A funds allocated to CTSA and Neighborhood Shuttle.

Debt Service – represents debt service reserves required by the related debt covenants.

Net Pension Asset – represents the value of the Authority's net pension asset.

NOTE 10: GOVERNMENT-WIDE NET POSITION

As of June 30, 2026, the Authority had negative net position of $270 million. Under a typical bond financing arrangement, the public entity issues debt and expends the funds on capital projects that are reported on the statement of net position as capital assets. The capital assets generally offset the bonded debt. However, the Authority issues bonds that pay for assets reported in other jurisdictions' financial statements, resulting in a deficit net position. Therefore, the deficit will continue, but decrease over time as the Authority makes bond principal payments.

NOTE 11: SUBSEQUENT EVENTS

The Authority evaluated subsequent events for recognition and disclosure through October 28, 2026, the date on which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2026, that required recognition or disclosure in these financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

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SACRAMENTO TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
General Fund
For the Year Ended June 30, 2026

	Original	Final	Variance with Original Budget over (under) Final Budget	Actual Amounts Budgetary (and GAAP basis)	Variance with Final Budget over (under) Actual Amounts
REVENUES					
Taxes	$ 171,777,300	$ 171,777,300	$ -	$ 178,502,473	$ 6,725,173
Mitigation fees	3,749,000	3,749,000	-	9,548,799	5,799,799
Grants for freeway services	3,099,666	3,099,666	-	3,304,345	204,679
Use of money and property	1,619,000	1,619,000	-	2,864,989	1,245,989
Miscellaneous	-	-	-	9,090	9,090
Total revenues	**180,244,966**	**180,244,966**	**-**	**194,229,696**	**13,984,730**
EXPENDITURES					
General government:					
Administrative	1,387,065	1,387,065	-	961,893	425,172
Freeway service patrol	2,846,262	2,846,262	-	3,112,227	(265,965)
Intergovernmental:					
Intergovernmental - Ongoing	134,325,752	134,325,752	-	139,728,989	(5,403,237)
Intergovernmental - Capital	67,912,000	72,036,000	4,124,000	51,319,489	20,716,511
Capital outlay	-	-	-	46,487	(46,487)
Debt Service					
Principal	49,220	49,220	-	67,312	(18,092)
Interest and fiscal charges	-	-	-	5,254	(5,254)
Total expenditures	**206,520,299**	**210,644,299**	**4,124,000**	**195,241,651**	**15,402,648**
Excess (deficiency) of revenues over (under) expenditures	**(26,275,333)**	**(30,399,333)**	**4,124,000**	**(1,011,955)**	**29,387,378**
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	2,500	2,500
Transfers out	(21,301,125)	(21,301,125)	-	(21,213,039)	88,086
Total other financing sources (uses)	**(21,301,125)**	**(21,301,125)**	**-**	**(21,210,539)**	**90,586**
Net change in fund balances	**$ (47,576,458)**	**$ (51,700,458)**	**$ (4,124,000)**	(22,222,494)	**$ 29,477,964**
Fund balance-beginning of period				90,822,880	
Fund balance-end of period				**$ 68,600,386**	

See Notes to Required Supplementary Information.

SACRAMENTO TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Abandoned Vehicle Special Revenue
For the Year Ended June 30, 2026

	Original	Final	Variance with Original Budget over (under) Final Budget	Actual Amounts Budgetary (and GAAP basis)	Variance with Final Budget over (under) Actual Amounts
REVENUES					
Vehicle registration fees	$ -	$ -	$ -	$ 193	$ 193
Use of money and property	3,000	3,000	-	6,149	3,149
Contributions from partner agencies	-	-	-	40,000	40,000
Total revenues	**3,000**	**3,000**	-	**46,342**	**43,342**
EXPENDITURES					
General government:					
Administrative	151,644	151,644	-	60,657	90,987
Total expenditures	**151,644**	**151,644**	**-**	**60,657**	**90,987**
Net change in fund balances	**$ (148,644)**	**$ (148,644)**	**$ -**	**(14,315)**	**$ 134,329**
Fund balances-beginning				161,112	
Fund balance-end of period				**$ 146,797**	

See Notes to Required Supplementary Information.

SACRAMENTO TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Transit Services Special Revenue
For the Year Ended June 30, 2026

	Original	Final	Variance with Original Budget over (under) Final Budget	Actual Amounts Budgetary (and GAAP basis)	Variance with Final Budget over (under) Actual Amounts
REVENUES					
Use of money and property	$ 4,500	$ 4,500	$ -	$ 18,471	$ 13,971
Total revenues	**4,500**	**4,500**	-	**18,471**	**13,971**
EXPENDITURES					
Intergovernmental:					
Intergovernmental - Ongoing	1,252,865	1,252,865	-	1,151,042	101,823
Total expenditures	**1,252,865**	**1,252,865**	**-**	**1,151,042**	**101,823**
Excess (deficiency) of revenues over (under) expenditures	**(1,248,365)**	**(1,248,365)**	**-**	**(1,132,571)**	**115,794**
OTHER FINANCING SOURCES (USES)					
Transfers in	1,000,000	1,000,000	-	1,000,000	-
Total other financing sources (uses)	**1,000,000**	**1,000,000**	**-**	**1,000,000**	**-**
Net change in fund balances	**$ (248,365)**	**$ (248,365)**	**$ -**	**(132,571)**	**$ 115,794**
Fund balance-beginning of period				478,703	
Fund balance-end of period				**$ 346,132**	

See Notes to Required Supplementary Information.

NOTE A: BUDGETARY BASIS OF ACCOUNTING

The Authority is legally required to adopt an annual budget and adhere to the provisions of the California Public Utilities Code (Section 180105). 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.

Budgets are adopted for the General, special revenue, and debt service funds. Budgets are prepared on a budgetary basis that treats other financing sources and uses as revenues and expenditures and does not include financial reporting adjustments. The Board annually conducts a public hearing for the discussion of a proposed budget. At the conclusion of the hearings, statutorily no later than June 30, the Board adopts the final budget including revisions by resolution. The Board also adopts subsequent revisions that occur throughout the year. All annual appropriations, except amounts that have been encumbered, lapse at fiscal year-end.

NOTE B: ACTUAL BUDGET RESULTS

	General Fund Over (Under)	Abandoned Vehicle Special Revenue Over (Under)
BUDGETARY REVENUES		
Differences - final budget to actual:		
Mitigation fee revenues: The favorable variance occurred because the anticipated impact of SB937 did not materially affect fee collections during the fiscal year. The budget assumed that only 50% of mitigation fees would be collected due to expected delays in fee remittances resulting from SB937; however, actual collections remained substantially higher than anticipated.	$ 5,799,799	$ -
Use of money and property revenues: The favorable variance was primarily attributable to higher-than-budgeted investment earnings resulting from elevated County of Sacramento pool interest rates and higher average cash balances during the fiscal year.	1,245,989	-
BUDGETARY EXPENDITURES		
Differences - final budget to actual:		
Administrative expenditures: The favorable variance in the General Fund was primarily the result of staff time and overhead costs being allocated to specific programs rather than the General Fund. In addition, certain budgeted professional service expenditures, including public relations and enterprise resource planning (ERP) consulting services, were lower than anticipated during the fiscal year. The favorable variance in the Abandoned Vehicle Special Revenue Fund was primarily due to the program retaining funds to determine the future of the program. This was offset by additional spending on polling. The polling was fully funded by participating jurisdictions and was focused on voter sentiment for renewal of the Department of Motor Vehicles licensing fee that supports the program.	425,172	90,987
Intergovernmental - Capital expenditures: The favorable variance was primarily attributable to project delivery schedules and spending by external agencies occurring at a slower pace than anticipated. Consistent with prior years, agencies generally budget expenditures assuming full project advancement without delays; however, actual expenditures are limited to project progress and contractual funding allocations.	20,716,511	-

Note: Other budget variances reported in the required supplementary information and in the supplementary information fall below the Authority's threshold for materiality in budget analysis.

SACRAMENTO TRANSPORTATION AUTHORITY
Schedules of Proportionate Share of Net Pension Liability/(Asset)
As of June 30, for the Last Ten Fiscal Years

Reporting Date [1] as of June 30,	Proportion of the Net Pension Liability / (Asset)	Proportionate Share of Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability/(Asset) as a % of Covered Payroll	Plan's Fiduciary Net Position as a % of the Total Pension Liability/(Asset)
		Miscellaneous Plan			
2026	0.02364%	$ (47,747)	$ 545,265	-8.8%	84.3%
2025	0.02436%	1,041,583	521,836	199.6%	79.9%
2024	0.02470%	1,330,145	472,847	281.3%	78.0%
2023	0.02853%	1,334,975	434,779	307.0%	75.4%
2022	0.03036%	576,412	451,405	127.7%	88.9%
2021	0.02721%	1,147,819	388,487	295.5%	76.0%
2020	0.02688%	1,076,426	348,630	308.8%	74.5%
2019	0.02659%	1,002,151	352,622	284.2%	75.4%
2018	0.02650%	1,044,537	451,635	231.3%	72.5%
2017	0.02616%	908,590	351,909	258.2%	75.6%

Notes to Schedule of Proportionate Share of the Net Pension Liability/(Asset):

Benefit Changes:
There were no changes to benefit terms that applied to all members of the Public Agency Pool.

Changes of Assumptions :
There were no assumption changes in 2023 through 2025. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 *CalPERS Experience Study and Review of Actuarial Assumptions* . The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement date June 30, 2016.

1 The proportions and proportionate share of the net pension liability/(asset) are measured as of one year behind the reporting date.

SACRAMENTO TRANSPORTATION AUTHORITY
Schedule of Changes in Total OPEB Liability and Related Ratios
As of June 30, for the Last Ten Fiscal Years [1]

	2026	2025	2024	2023
Measurement Date	6/30/2025	6/30/2024	6/30/2023	6/30/2022
TOTAL OPEB LIABILITY				
Service cost	$ 6,637	$ 6,185	$ 5,679	$ 8,098
Interest on total OPEB liability	4,367	4,090	5,509	4,090
Changes of assumptions	(18,753)	3,232	677	(41,990)
Difference between expected and actual experience	(10,539)	-	(35,919)	-
Benefit payments, including refunds of employee contributions	(1,890)	(1,848)	(22,376)	(19,012)
Net change in total OPEB liability	**(20,178)**	**11,659**	**(46,430)**	**(48,814)**
Total OPEB liability-beginning	105,425	93,766	140,196	189,010
Total OPEB liability-ending (a)	**$ 85,247**	**$ 105,425**	**$ 93,766**	**$ 140,196**
Covered-employee payroll	$ 560,152	$ 521,836	$ 526,056	$ 378,335
Plan total OPEB liability/(asset) as a percentage of covered-employee payroll	**15.22%**	**20.20%**	**17.82%**	**37.06%**

Notes to Schedule of Changes in the Total OPEB Liability and Related Ratios:

Benefit Changes: None

Changes of Assumptions:
Municipal Bond Index - Updated from the S&P 20 Year High Grade General Obligation Municipal Bond Index to the Bond Buyer General Obligation 20-Bond Municipal Bond Index.
Discount Rate - Changed from 3.93% as of June 30 2024, to 5.20% as of June 30, 2025, based on the published change in return for the applicable municipal bond index.
Healthcare Trend - Updated the base healthcare trend scale from Getzen Model 2023 to Getzen Model 2025, as published by the Society of Actuaries

[1] *Fiscal year 2018 was the first year of GASB Statement No. 75 implementation; therefore only nine years are shown.*

2022	2021	2020	2019	2018
6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
$ 6,406	$ 6,042	$ 11,244	$ 10,559	$ 11,232
5,369	5,614	5,427	5,308	4,497
12,166	3,687	18,668	3,160	(9,257)
(22,446)	-	-	-	-
(15,842)	(14,302)	(7,808)	(6,521)	(1,518)
(14,347)	**1,041**	**27,531**	**12,506**	**4,954**
203,357	202,316	174,785	162,279	157,325
$ 189,010	**$ 203,357**	**$ 202,316**	**$ 174,785**	**$ 162,279**
$ 367,149	$ 345,777	$ 405,975	$ 352,622	$ 348,630
51.48%	**58.81%**	**49.83%**	**49.57%**	**46.55%**

SACRAMENTO TRANSPORTATION AUTHORITY
Schedules of Plan Contributions
As of June 30, for the Last Ten Fiscal Years

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
		Miscellaneous Cost-Sharing, Multiple-Employer Pension Plan			
2026	$ 121,327	$ 136,691	(15,364)	$ 588,502	23.2%
2025	108,870	969,750	(860,880)	545,265	177.8%
2024	142,270	394,513	(252,243)	521,836	75.6%
2023	135,030	135,030	-	472,847	28.6%
2022	139,206	139,206	-	434,779	32.0%
2021	126,347	126,347	-	451,405	28.0%
2020	115,317	115,317	-	388,487	29.7%
2019	108,775	108,775	-	348,630	31.2%
2018	91,285	91,285	-	352,622	25.9%
2017	89,707	89,707	-	451,635	19.9%

SUPPLEMENTARY INFORMATION

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SACRAMENTO TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Debt Service
For the Year Ended June 30, 2026

	Original	Final	Variance with Original Budget over (under) Final Budget	Actual Amounts Budgetary (and GAAP basis)	Variance with Final Budget over (under) Actual Amounts
REVENUES					
Use of money and property	$ 138,000	$ 138,000	$ -	$ 219,058	$ 81,058
Total revenues	**138,000**	**138,000**	-	**219,058**	**81,058**
EXPENDITURES					
General government:					
Administrative	-	-	-	2,400	(2,400)
Debt Service					
Principal	4,835,000	4,835,000	-	4,835,000	-
Interest and fiscal charges	15,566,125	15,566,125	-	15,476,528	89,597
Total expenditures	**20,401,125**	**20,401,125**	**-**	**20,313,928**	**87,197**
Excess (deficiency) of revenues over (under) expenditures	**(20,263,125)**	**(20,263,125)**	**-**	**(20,094,870)**	**168,255**
OTHER FINANCING SOURCES (USES)					
Transfers in	20,301,125	20,301,125	-	20,213,039	(88,086)
Transfers out	-	-	-	(2,500)	(2,500)
Total other financing sources (uses)	**20,301,125**	**20,301,125**	**-**	**20,210,539**	**(90,586)**
Net change in fund balances	**$ 38,000**	**$ 38,000**	**$ -**	**115,669**	**$ 77,669**
Fund balance-beginning of period				7,524,751	
Fund balance-end of period				**$ 7,640,420**	

See Notes to Required Supplementary Information.

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STATISTICAL SECTION

SACRAMENTO TRANSPORTATION AUTHORITY
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2017	**2018**	**2019**	**2020**
Governmental activities:				
Net invested in capital assets***	$ -	$ -	$ -	$ -
Restricted: Measure A*	42,991,554	23,381,713	31,053,300	30,876,253
Restricted: Transit Services**	-	-	-	-
Restricted: transportation mitigation	4,692,718	23,315,012	21,083,317	17,303,331
Restricted: freeway service patrol	-	331,181	388,196	433,052
Restricted: for abandoned vehicles	-	160,919	167,490	159,226
Restricted: debt service	6,588,099	6,923,116	6,919,991	6,884,105
Net pension asset	-	-	-	-
Unrestricted	(379,947,580)	(374,969,271)	(370,198,612)	(366,110,626)
Total governmental activities net position	$ (325,675,209)	$ (320,857,330)	$ (310,586,318)	$ (310,454,659)

Source: Audited Financial Statements

* Amounts for Measure A prior to 2017 were reported as unrestricted
** New fund added as a result of implementing GASB 84
*** New line item added as a result of implementing GASB 87

Fiscal Year					
2021	2022	2023	2024	2025	2026
$ -	$ -	$ -	$ (32,104)	$ (31,171)	$ 23,134
32,366,900	38,547,188	46,807,299	60,454,530	60,400,828	49,273,819
12,916,670	7,108,570	6,159,270	1,168,788	478,703	346,132
10,708,825	5,563,502	11,862,462	19,796,669	28,732,331	17,444,728
279,056	232,776	143,432	-	209,749	416,643
162,960	134,606	143,428	152,752	161,112	146,797
6,714,470	6,714,471	7,498,295	6,872,725	7,524,751	7,640,420
-	-	-	-	-	47,747
(360,830,258)	(354,670,061)	(349,268,818)	(362,884,450)	(353,922,905)	(345,458,097)
$ (297,681,377)	$ (296,368,948)	$ (276,654,632)	$ (274,471,090)	$ (256,446,602)	$ (270,118,677)

SACRAMENTO TRANSPORTATION AUTHORITY
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2017	**2018**	**2019**	**2020**
Expenses				
Governmental Activities:				
Measure A	$ 92,332,335	$ 105,146,632	$ 110,900,345	$ 112,506,367
Transportation mitigation	16,547,233	2,126,292	3,727,641	11,712,770
Transit Services*				
Freeway Service Patrol	2,271,606	2,126,051	1,986,738	2,658,784
Abandoned Vehicle Service Authority	1,400,871	1,118,297	1,316,666	1,333,747
Administration**	979,254	633,150	813,062	1,144,831
Interest on long-term debt	16,227,155	17,662,386	18,570,877	18,124,579
Total governmental activities expenses	129,758,454	128,812,808	137,315,329	147,481,077
Program Revenues				
Operating grants and contributions	11,196,129	11,396,632	10,044,457	11,574,361
Net (expense) revenue	(118,562,325)	(117,416,176)	(127,270,872)	(135,906,716)
General Revenues and Other Changes in Net Position				
Sales taxes	116,877,996	119,187,748	131,757,081	131,591,165
Investment earnings	1,954,329	3,202,114	5,784,803	4,447,211
Other	-	-	-	-
Total general revenues	118,832,325	122,389,862	137,541,884	136,038,375
Change in Net Position	$ 270,000	$ 4,973,686	$ 10,271,012	$ 131,659

Source: Audited Financial Statements

* New fund added as a result of implementing GASB 84

Fiscal Year					
2021	2022	2023	2024	2025	2026
$ 130,680,444	$ 144,610,202	$ 147,289,159	$ 147,136,775	$ 154,478,399	$ 169,318,801
15,503,665	13,373,784	2,625,751	2,238,265	3,919,949	21,777,564
6,140,147	6,753,289	2,207,849	6,236,128	1,724,714	1,151,042
3,305,277	3,680,165	3,792,562	3,278,329	2,831,863	3,123,263
1,338,699	1,082,042	25,139	15,137	1,711	61,228
698,336	830,473	1,448,668	1,169,373	1,352,623	1,345,395
14,881,164	14,626,531	18,120,762	33,722,714	11,719,222	11,408,349
172,547,732	184,956,486	175,509,890	193,796,721	176,028,481	208,185,642
13,472,954	13,148,712	12,619,443	12,534,572	14,988,640	12,893,337
(159,074,778)	(171,807,774)	(162,890,447)	(181,262,149)	(161,039,841)	(195,292,305)
153,560,355	172,916,487	174,233,661	177,812,690	174,857,050	178,502,473
161,520	203,716	8,371,102	5,633,001	4,207,279	3,108,667
-	-	-	-	-	9,090
153,721,875	173,120,203	182,604,763	183,445,691	179,064,329	181,620,230
$ (5,352,903)	$ 1,312,429	$ 19,714,316	$ 2,183,542	$ 18,024,488	$ (13,672,075)

SACRAMENTO TRANSPORTATION AUTHORITY
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2017	**2018**	**2019**	**2020**
General Fund				
Nonspendable	$ 4,763	$ -	$ -	$ -
Restricted	47,684,272	47,027,906	52,524,813	48,612,636
Unassigned	(38,522)	664,031	861,894	722,530
Total general fund	47,650,513	47,691,937	53,386,707	49,335,166
All Other Governmental Funds				
Restricted	6,588,099	7,084,035	7,087,481	7,043,331
Total all other governmental funds	6,588,099	7,084,035	7,087,481	7,043,331
Total Governmental Funds	$ 54,238,612	$ 54,775,972	$ 60,474,188	$ 56,378,497

Source: Audited Financial Statements

Fiscal Year					
2021	2022	2023	2024	2025	2026
$ -	$ -	$ 53,062	$ 75,338	$ 59,507	$ 48,284
43,354,781	44,343,466	58,813,193	80,251,199	89,342,908	67,135,190
1,261,987	1,871,973	1,556,024	1,618,857	1,420,465	1,416,912
44,616,768	46,215,439	60,422,279	81,945,394	90,822,880	68,600,386
19,794,101	14,223,277	13,800,993	8,194,265	8,164,566	8,133,349
19,794,101	14,223,277	13,800,993	8,194,265	8,164,566	8,133,349
$ 64,410,869	$ 60,438,716	$ 74,223,272	$ 90,139,659	$ 98,987,446	$ 76,733,735

SACRAMENTO TRANSPORTATION AUTHORITY
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2017	**2018**	**2019**	**2020**
Revenues				
Taxes	$ 116,877,996	$ 119,187,748	$ 131,757,081	$ 131,591,165
Mitigation fees	7,848,175	7,621,753	6,684,039	7,551,556
Vehicle registration fees	1,282,433	1,275,901	1,316,666	1,319,166
State grant	2,065,521	2,498,978	2,043,752	2,703,639
Use of money and property	1,795,119	3,081,259	5,784,803	4,447,211
Contributions from partner agencies	-	-	-	-
Miscellaneous	159,210	120,855	-	-
Total Revenues	130,028,454	133,786,494	147,586,340	147,612,737
Expenditures				
General government:				
Administrative	977,515	542,737	794,117	1,133,643
Freeway service patrol	2,271,606	2,126,051	1,986,738	2,658,784
Intergovernmental:				
Ongoing	93,578,879	95,096,646	105,217,067	105,116,994
Capital**	16,701,560	13,250,240	10,705,881	20,410,835
Capital outlay	-	-	-	-
Debt Service:				
Principal	3,450,000	3,590,000	3,740,000	3,890,000
Interest and other charges	17,115,023	18,643,460	19,444,322	18,498,171
Total expenditures	134,094,583	133,249,134	141,888,125	151,708,427
Excess of Revenues over Expenditures	(4,066,129)	537,360	5,698,215	(4,095,690)
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Transfers in	20,823,804	22,520,621	23,096,608	22,290,456
Transfers out	(20,823,804)	(22,520,621)	(23,096,608)	(22,290,456)
Refunding Bonds	-	-	-	-
Bond Premium	-	-	-	-
Proceeds from lease asset	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	$ (4,066,129)	$ 537,360	$ 5,698,215	$ (4,095,690)
Debt Service as a Percentage of Noncapital Expenditures*	18.11%	20.03%	19.53%	17.31%

Source: Audited Financial Statements

* Debt service divided by the total of administrative, freeway service patrol, and ongoing/capital intergovernmental expenditures

** Intergovernmental capital expenditures are not capital outlay of the Authority.

Fiscal Year					
2021	2022	2023	2024	2025	2026
$ 153,560,355	$ 172,916,487	$ 174,233,661	$ 177,812,690	$ 174,857,050	$ 178,502,473
8,956,992	8,237,424	8,856,243	9,465,384	11,851,054	9,548,799
1,364,680	1,277,403	59,982	12,784	2,459	193
3,151,282	3,633,885	3,703,218	3,056,404	3,135,127	3,304,345
161,520	203,716	8,368,587	5,629,910	4,206,107	3,108,667
-	-	-	-	-	40,000
-	-	2,515	3,093	1,172	9,090
167,194,829	186,268,915	195,224,206	195,980,265	194,052,969	194,513,567
615,219	833,685	1,576,619	1,224,725	1,864,186	1,024,950
3,305,277	3,680,165	3,792,562	3,278,329	2,831,863	3,112,227
127,582,088	143,176,416	138,516,326	145,410,585	138,564,886	140,880,031
26,080,868	22,642,901	13,631,572	10,200,583	21,558,176	51,319,489
-	381,753	-	-	-	46,487
4,050,000	4,278,519	48,626	4,434,233	4,660,427	4,902,312
15,655,190	15,629,382	19,775,761	39,681,376	15,725,644	15,481,782
177,288,642	190,622,821	177,341,466	204,229,831	185,205,182	216,767,278
(10,093,813)	(4,353,906)	17,882,740	(8,249,566)	8,847,787	(22,253,711)
-	-	24,245,000	342,465,953	-	-
20,534,968	21,116,140	25,296,978	20,010,130	21,719,170	21,215,539
(20,534,968)	(21,116,140)	(25,296,978)	(20,010,130)	(21,719,170)	(21,215,539)
-	-	(30,400,000)	(318,300,000)	-	-
-	-	2,056,816	-	-	-
-	381,753	-	-	-	-
-	381,753	(4,098,184)	24,165,953	-	-
$ (10,093,813)	$ (3,972,153)	$ 13,784,556	$ 15,916,387	$ 8,847,787	$ (22,253,711)
12.50%	11.66%	12.59%	27.55%	12.37%	10.38%

SACRAMENTO TRANSPORTATION AUTHORITY
Revenue Capacity - Revenue Base and Revenue Rate
Last Ten Fiscal Years

Fiscal Year	Sales Tax Rate	Total Sales Tax Revenue (000's)	Total Taxable Sales (000's)
2026	0.5%	$ 178,502	$ 35,700,400
2025	0.5%	174,857	34,971,400
2024	0.5%	177,813	35,562,600
2023	0.5%	174,234	34,846,800
2022	0.5%	172,916	34,583,200
2021	0.5%	153,560	30,712,000
2020	0.5%	131,591	26,318,233
2019	0.5%	131,757	26,351,416
2018	0.5%	119,188	23,837,550
2017	0.5%	116,878	23,375,600

Source: California Department of Tax and Fee Administration

SACRAMENTO TRANSPORTATION AUTHORITY
Revenue Capacity - Principal Revenue Payers
Calendar Years 2026 and 2016

	2026			2016		
Business Type:	Rank	Amount (000's)	Percentage of Taxable Sales	Rank	Amount (000's)	Percentage of Taxable Sales
All Other Outlets	1	$ 11,832,830	31.7%	1	$ 6,821,972	30.9%
All Other Retail Stores	2	6,884,371	18.4%	5	1,825,439	8.3%
Automotive	3	4,322,399	11.6%	2	3,201,485	14.5%
Eating and Drinking Places	4	3,833,602	10.3%	3	2,273,722	10.3%
General Merchandise Stores	5	2,973,636	8.0%	4	2,003,553	9.1%
Service Stations	6	1,990,773	5.3%	6	1,575,528	7.1%
Building Materials	7	1,873,689	5.0%	7	1,275,705	5.8%
Food Stores	8	1,266,154	3.4%	9	989,546	4.5%
Apparel Stores	9	1,276,604	3.4%	10	959,454	4.4%
Household & Home Furnishings	10	1,107,120	3.0%	8	1,116,793	5.1%
Total All Outlets		$ 37,361,178	100.0%		$ 22,043,197	100.0%

Source: California Department of Tax and Fee Administration

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SACRAMENTO TRANSPORTATION AUTHORITY
Private Sector Principal Employers
June 30, 2025 and 2016

	2025*			2016		
Employer:	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	1.60%	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	0.51%	5	6,200	0.96%
Raley's Inc/Bel Air	7	2,519	0.32%	6	3,289	0.50%
Siemens Mobility Inc.	8	2,500	0.32%			
VSP Global	9	1,950	0.25%	8	2,415	0.37%
Safeway	10	1,854	0.23%			
Health Net of California				9	2,299	0.31%
Wells Fargo & Co.				10	2,038	0.31%
Total		64,546	8.16%		50,014	7.67%

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

*Latest information available

SACRAMENTO TRANSPORTATION AUTHORITY
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (000's)	Per Capita Personal Income	Unemployment Rate
2025	1,593,000	$ 112,207,831	$ 70,438	5.5%
2024	1,584,000	103,143,749	65,104	4.4%
2023	1,588,000	98,105,641	61,775	3.9%
2022	1,589,000	98,241,828	61,829	7.0%
2021	1,559,000	90,908,707	58,307	9.3%
2020	1,552,000	85,775,621	55,266	3.7%
2019	1,541,000	80,969,087	52,544	3.8%
2018	1,531,000	76,832,120	50,197	4.6%
2017	1,514,000	72,878,458	48,122	5.4%
2016	1,497,000	70,110,138	46,845	6.0%

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

SACRAMENTO TRANSPORTATION AUTHORITY
Operating Information - Employees
Last Ten Fiscal Years

Activity:	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Measure A/SAVSA	2.36	2.38	2.18	2.12	2.07	2.07	2.07	1.95	2.95	2.65
Freeway Service Patrol	0.64	0.62	0.82	0.88	0.93	0.93	0.93	1.05	1.05	1.15

Source - Payroll Allocation

SACRAMENTO TRANSPORTATION AUTHORITY
Operating Information - Demand for Services
Measure A - By Jurisdiction
Last Ten Fiscal Years

Jurisdiction	Fiscal Year 2026	2025	2024	2023
City of Citrus Heights	$ 3,381,831	$ 3,333,906	$ 3,402,895	$ 3,411,859
County of Sacramento	26,575,392	26,168,475	26,775,567	26,048,852
CTSA Set Aside*	-	-	-	-
City of Elk Grove	7,322,375	7,149,180	7,261,506	7,218,305
City of Folsom	3,885,045	3,701,111	3,675,936	3,467,694
City of Galt	1,784,903	1,748,207	1,777,859	1,741,134
City of Isleton	71,396	69,928	71,114	69,645
Neighborhood Shuttle	1,000,000	1,000,000	1,000,000	1,000,000
Paratransit	2,371,059	2,322,035	2,361,648	2,312,585
Sacramento Regional Parks	1,000,000	1,000,000	1,000,000	1,000,000
City of Rancho Cordova	3,564,026	3,474,547	3,506,626	3,446,223
Regional Transit	66,126,200	64,758,977	65,863,751	64,495,437
City of Sacramento	21,012,250	20,554,552	20,853,500	20,502,062
SMAQMD	2,634,510	2,580,039	2,624,054	2,569,539
Debt Service	20,313,928	20,318,463	39,672,394	19,765,089
Administration	1,317,255	1,848,272	1,312,027	1,284,770
Total allocations	$ 162,360,170	$ 160,027,692	$ 181,158,877	$ 158,333,194

Source: Authority accounting records
* Per Authority Ordinance, allocations to this fund were discontinued June 30, 2019

Fiscal Year						
2022	2021	2020	2019	2018	2017
$ 3,397,512	$ 3,017,591	$ 2,589,796	$ 2,594,616	$ 2,347,540	$ 2,302,514
26,033,861	23,142,052	19,780,254	19,824,716	17,951,156	17,620,170
-	-	-	1,078,447	1,168,157	1,146,027
7,125,601	6,275,989	5,356,571	5,367,420	4,780,559	4,739,611
3,430,713	3,081,437	2,600,243	2,603,896	2,335,123	2,294,486
1,729,165	1,535,604	1,315,912	1,317,357	1,191,381	1,168,176
69,167	61,424	52,636	52,694	47,656	46,727
1,000,000	1,000,000	1,000,000	1,000,000	1,083,334	1,000,000
2,296,595	2,038,005	5,815,018	4,743,008	4,088,549	4,011,094
1,000,000	1,000,000	1,000,000	1,000,000	1,083,334	1,000,000
3,390,744	2,904,098	2,492,262	2,497,862	2,239,524	2,201,648
64,049,486	56,837,693	44,581,803	44,631,157	40,301,412	39,537,925
20,266,469	17,944,897	15,285,468	15,270,445	13,652,724	13,390,589
2,551,772	2,264,450	1,938,339	1,940,485	1,752,235	1,719,040
19,852,119	19,705,190	22,388,171	23,184,323	22,233,460	20,565,023
1,040,770	1,132,225	969,170	970,243	1,033,546	899,939
$ 157,233,974	$ 141,940,655	$ 127,165,643	$ 128,076,669	$ 117,289,690	$ 113,642,969

SACRAMENTO TRANSPORTATION AUTHORITY
Ratios of Outstanding Debt and Lease Liabilities
Last Ten Fiscal Years

Fiscal Year	Sales Tax Revenue Bonds	Lease Liabilities		Total	Percentage of Personal Income	Per Capita
2025	$ 311,680,000	$ 174,948		$ 311,854,948	0.3%	196
2024	316,280,000	235,375		316,515,375	0.3%	200
2023	318,300,000	289,608		318,589,608	0.3%	201
2022	348,700,000	338,234		349,038,234	0.4%	220
2021	352,935,000	381,753	**	353,316,753	0.4%	227
2020	356,985,000	-		356,985,000	0.4%	230
2019	360,875,000	-		360,875,000	0.4%	234
2018	364,615,000	-		364,615,000	0.5%	238
2017	368,205,000	-		368,205,000	0.5%	243
2016	371,655,000	-		371,655,000	0.5%	248

Source: Sacramento County June 30, 2025 Annual Comprehensive Financial Report (ACFR) and Audited Financial Statements

* Latest information available

** GASB 87 was implemented during this fiscal year creating the lease liability.

SACRAMENTO TRANSPORTATION AUTHORITY
Operating Information - Abandoned Vehicle Abatements
Last Ten Fiscal Years

Fiscal Year	Abatements
2026	$ -
2025	-
2024	-
2023	6,176
2022	21,413
2021	19,790
2020	22,518
2019	18,877
2018	14,670
2017	13,019

Source: Authority records