



AGENDA

Independent Taxpayer Oversight Committee (ITOC)

June 29, 2017 – 4:00 PM

700 H Street – Suite 1445 • Sacramento, California 95814

Voting Members:	Joan Borucki, Chair Maureen Daly Pascoe Beth Tincher
Ex-Officio Members:	Robert Holderness (STA Governing Board Chair designee) Joyce Renison (Sacramento County Auditor-Controller designee) Norman Hom - STA Executive Director
Staff:	Tim Jones, STA Accounting Manager

1. Call to order
2. Approve minutes from March 30, 2017 ITOC meeting
3. Recap of April, May, and June Governing Board meetings
4. Update on the review of the Functional Guidelines
5. Status reports – active capital projects
6. Update – Neighborhood Shuttle Program
7. Present Board approved FY17/18 budget
8. Update on Measure A forecasts and bonding capacity
9. Comments from the public regarding matters not on the agenda

Agenda Item #2

Meeting Minutes

To: ITOC Committee Members

From: Tim Jones, Accounting Manager and ITOC Staff

Date: June 29, 2017

Re: March 30, 2017 ITOC Meeting Minutes

Attendees:

Joan Borucki – Chair, Maureen Daly Pascoe, Beth Tincher – voting members

Council Member Jeff Harris, Assistant County Auditor Controller Joyce Renison, Robert Holderness (absent) – ex-officio members

Agenda Item #2

- Reviewed and approved the January 26, 2017 meeting minutes with additional language added to agenda item #8 – that the ITOC is in the process of developing criteria for evaluating each funding request.

Agenda Item #3

- Discussed the proposed budget for the agency's administration of the Measure A program for fiscal year 2017-18. ITOC staff walked the committee through the budget and answered any questions fielded from committee and public members. In the future, the ITOC would like to see prior year budget amounts as a comparison. In addition, the ITOC would like to see the complete budget in the future since capital expenditures are the primary focus of the ITOC.

Agenda Item #4

- The cash-flow analysis will not be completed until later in the calendar year. The contract for financial advisory services was approved by the STA Board on April 13, 2017. Since then, our contractor provided the Authority with a 7-year projection and has delivered a draft of the long-term projections (through 2039). The Approved FY17/18 budget reflects Cash flow projections provided by our contractor for FYs 16/17 and 17/18.

Agenda Item #5

- ITOC is in the process of updating the functional guidelines and performance standards. Committee member Beth Tincher will identify and delegate sections of the guidelines and standards to each voting member to update and present to the committee.

Agenda Item #6

- Two representatives from Caltrans – (Wayne Lewis and Sutha Suthahar) presented an updated request (as a follow-up to Caltrans’ January 2017 original request) to accelerate funding for two HOV projects – I-5 and Hwy 50 - as well as a funding swap between the I-5 and Hwy 50 projects.
- I-5 Bus and Car Pool Lane Projects are currently programmed in Capital Allocation Plan for \$185 million. Caltrans would like to accelerate \$30 million in funding for Phase I of the I-5 Bus and Carpool Lane Project from fiscal years 2023 through 2037 to fiscal years 2019 through 2021. In doing so, Caltrans expects to deliver all phases of the project for less than the \$85 million programmed for just Phase 1.
- Hwy 50 HOV lane construction between Watt avenue and SR 99 was partially funded with Measure A money. Caltrans is proposing to extend the HOV lanes on Hwy 50 to the I-5 interchange and would like to move \$7.3 million in funding currently programmed for I-5 to the HWY 50 project to be ready to compete for State or Federal funding that may become available.
- Funding swap between Hwy 50 and I-5. Caltrans would like STA to allocate \$100,000 from Phase I of the I-5 project to the Hwy 50 project to perform design services necessary to expedite NEPA clearance.

Currently, the ITOC does not have a process in place to effectively determine if requests such as this one by Caltrans are reasonable and appropriate. In addition, the ITOC would like to see current cash-flow and bond capacity analyses prior to making any recommendations to the Authority Board (Board). Lastly, Authority staff and ITOC need to determine if any jurisdictions are willing to swap the timing of funding for projects to accommodate Caltrans request. Therefore, it is premature for the ITOC to make any recommendation to the Board.

Agenda Item #7

In March 2017, STA staff received a request to reallocate \$2.136 million from the Sunrise project to the Folsom - Phase II project. STA staff reviewed the request, verified that the projects identified in the funding reallocation request were programmed in the Capital Allocation Plan, and allocated but unspent funds were available to accomplish the request.

Internally, STA staff determined that the reallocation request was reasonable and placed it on the March 2017 Independent Taxpayer Oversight Committee (ITOC) agenda.

Representatives from Rancho Cordova attended the March 2017 ITOC meeting to answer any questions that may arise. Since the funding and projects were already programmed into the Capital Allocation Plan and matching grant money was available for the Folsom Boulevard – Phase II project but not for the



Sunrise project, the ITOC forwarded its recommendation to the STA Board for its approval. The Board approved the request in April 2017.

Agenda Item #8

The Neighborhood Shuttle program has not yet been implemented. The committee is generating ideas for the use of these funds – roughly \$8 million to date. Maureen will spearhead this effort.

Agenda Item #9

- Two members of the public were in attendance.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **March 31, 2017** Fiscal Year: **2016/17** Reporting Quarter: **3**

Agency: **California Department of Transportation** Project Mgr:

Project Name: **Interstate 80 Bus & Carpool Lanes**

Sponsor Project ID Number: **03-37970 and 03-3797U** STA Project ID Number: **A-44-CT**

Original Est. Project Cost: \$ **74,500,000.00** Current Est. Project Cost: \$ **133,035,000.00**

MEASURE A FUNDING

Total Measure A Funding: \$ **722,688.00**

Total Previous Contract \$ **722,688.00**

Current Contract Amount: \$ **-**

Total Previously Expended: \$ **722,688.00**

Expended This Quarter: \$ **-**

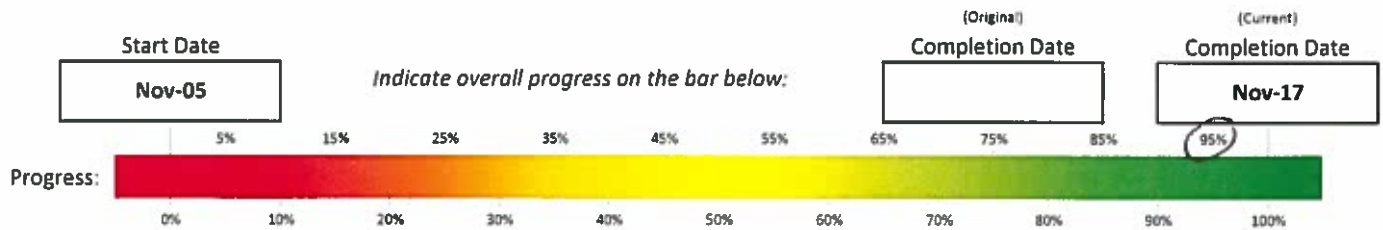
Total Remaining: \$ **-**

Projected Spending	4Q:	\$	-
	1Q:	\$	-
	2Q:	\$	-
	3Q:	\$	-

Measure A Funds Used for Local Match?

PROJECT STATUS

Completed Tasks (check all that apply):



Activity this Quarter (check all that apply):

Current Status (as of last day of reporting quarter; check only one):

Notes/Expand Details (only if necessary)

Current estimate includes roadway rehabilitation work from EA 03-0A931

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **March 31, 2017** Fiscal Year: **2016/17** Reporting Quarter: **3**
 Agency: **California Department of Transportation** Project Mgr:
 Project Name: **Interstate 5 Bus & Carpool Lanes**
 Sponsor Project ID Number: **03-3C000 , -3C001, -3C002** STA Project ID Number: **A-45-CT**
 Original Est. Project Cost: \$ **188,479,000.00** Current Est. Project Cost: \$ **125,530,000.00**

MEASURE A FUNDING

Total Measure A Funding:	\$	188,479,000.00	Projected Spending	4Q:	\$	-
Total Previous Contract	\$	3,185,454.00		1Q:	\$	-
Current Contract Amount:	\$	-		2Q:	\$	-
Total Previously Expended:	\$	3,185,454.00		3Q:	\$	-
Expended This Quarter:	\$	-				
Total Remaining:	\$	-				

Measure A Funds Used for Local Match?

PROJECT STATUS

Completed Tasks (check all that apply):

Start Date		Completion Date	Completion Date
Dec-05	Indicate overall progress on the bar below:	Dec-32	Dec-32

Progress: 0% 10% 20% 30% 40% 50% **60%** 70% 80% 90% 100%

Activity this Quarter (check all that apply):

Current Status (as of last day of reporting quarter; check only one):

Notes/Expand Details (only if necessary)
 Phase 1 HOV is scheduled to be completed by September 2027. Percent complete is based on phase 1.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **March 31, 2017** Fiscal Year: **2016/17** Reporting Quarter: **3**

Agency: **California Department of Transportation** Project Mgr:

Project Name: **US Highway 50 Bus & Carpool Lanes - phase 2**

Sponsor Project ID Number: **03-3F360** STA Project ID Number: **A-47-CT**

Original Est. Project Cost: \$ **68,315,000.00** Current Est. Project Cost: \$ **146,290,000.00**

MEASURE A FUNDING

Total Measure A Funding: \$ **15,945,604.00**

Total Previous Contract \$ **4,285,124.82**

Current Contract Amount: \$ **12,055,031.21**

Total Previously Expended: \$ **10,300,858.41**

Expended This Quarter: \$ **748,587.60**

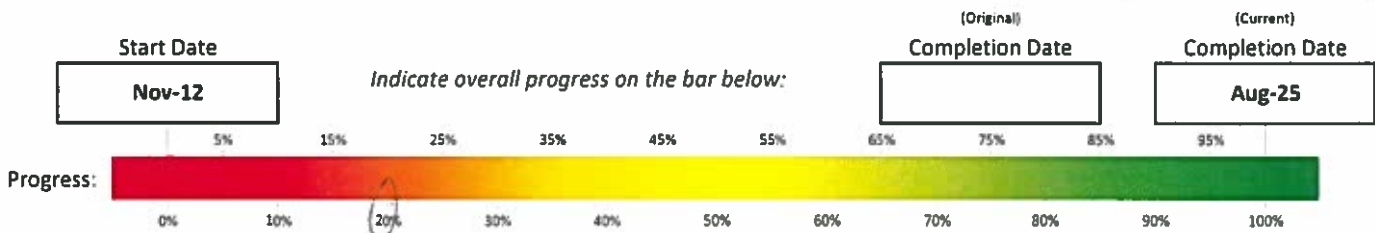
Total Remaining: \$ **4,896,157.99**

Projected Spending	4Q:	\$	1,200,000.00
	1Q:	\$	1,200,000.00
	2Q:	\$	800,000.00
	3Q:	\$	800,000.00

Measure A Funds Used for Local Match?

PROJECT STATUS

Completed Tasks (check all that apply):



Activity this Quarter (check all that apply):

Current Status (as of last day of reporting quarter; check only one):

Notes/Expand Details (only if necessary)

Project estimate increased due to addition of the segment from SR99 to I-5 on US 50 to the project.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

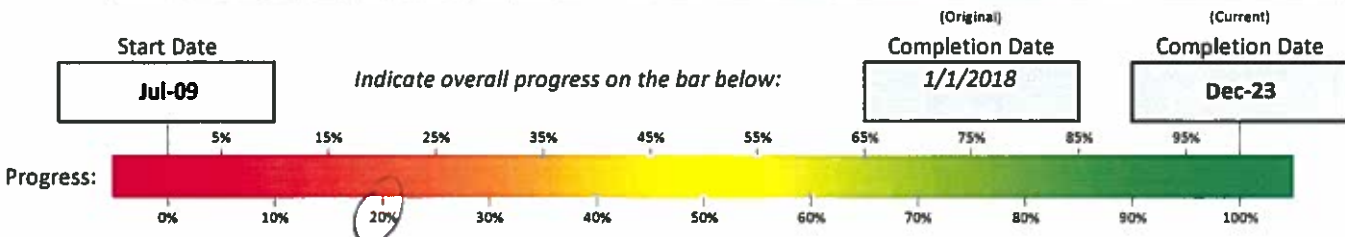
Quarter Ended: Fiscal Year: Reporting Quarter:
 Agency: Project Mgr:
 Project Name:
 Sponsor Project ID Number: STA Project ID Number:
 Original Est. Project Cost: \$ Current Est. Project Cost: \$

MEASURE A FUNDING

Total Measure A Funding:	\$ <input type="text" value="13,485,000.00"/>	Projected Spending	4Q:	\$ <input type="text" value="300,000.00"/>
Current Contract Amount:	\$ <input type="text" value="3,153,702.28"/>		1Q:	\$ <input type="text" value="300,000.00"/>
Total Previously Expended:	\$ <input type="text" value="827,722.30"/>		2Q:	\$ <input type="text" value="300,000.00"/>
Expended This Quarter:	\$ <input type="text" value="463,858.84"/>		3Q:	\$ <input type="text" value="300,000.00"/>
Total Remaining:	\$ <input type="text" value="12,194,418.86"/>		Measure A Funds Used for Local Match?	

PROJECT STATUS

Completed Tasks (check all that apply):



Activity this Quarter (check all that apply):

Current Status (as of last day of reporting quarter; check only one):

Notes/Expand Details (only if necessary)

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **March 31, 2017** Fiscal Year: **2016/17** Reporting Quarter: **3**
 Agency: **County of Sacramento** Project Mgr: **Stephen White, Senior Civil Engineer**
 Project Name: **Hazel Avenue Improvements, Phase 1 – US Highway 50 to Madison Avenue**
 Sponsor Project ID Number: **ST0XCC;ST0XCJ;DV2L43;STRL43** STA Project ID Number: **A-22-SC**
 Original Est. Project Cost: \$ **79,292,680.00** Current Est. Project Cost: \$ **110,000,000.00**

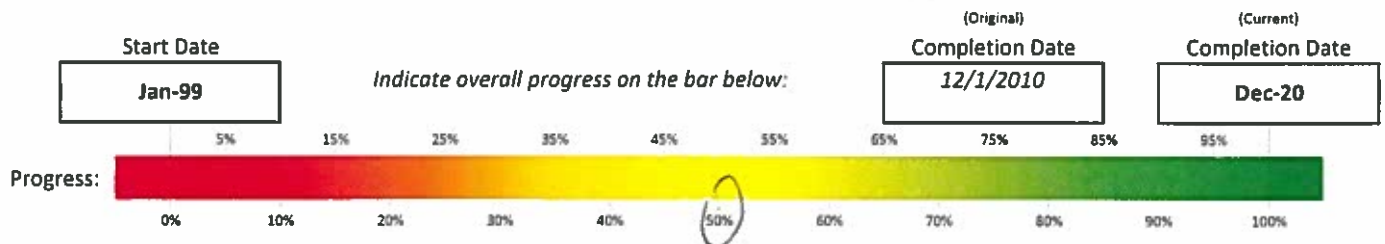
MEASURE A FUNDING

Total Measure A Funding:	\$ 33,999,044.23	Projected Spending	4Q:	\$
Current Contract Amount:	\$ 3,500,000.00		1Q:	\$
Total Previously Expended:	\$ 33,999,044.23		2Q:	\$
Expended This Quarter:	\$ -		3Q:	\$
Total Remaining:	\$ -		Measure A Funds Used for Local Match?	

PROJECT STATUS

Completed Tasks (check all that apply):

This is for the Phase 2 project. Phase 3 is currently under design with right-of-way acquisition underway.



Activity this Quarter (check all that apply):

Activity this quarter is for both the Phase 2 and Phase 3 projects.

Current Status (as of last day of reporting quarter; check only one):

Notes/Expand Details (only if necessary)

The Phase 2 project is currently under construction with a completion date of December 2017. The Phase 3 project is in the right-of-way acquisition and final design

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

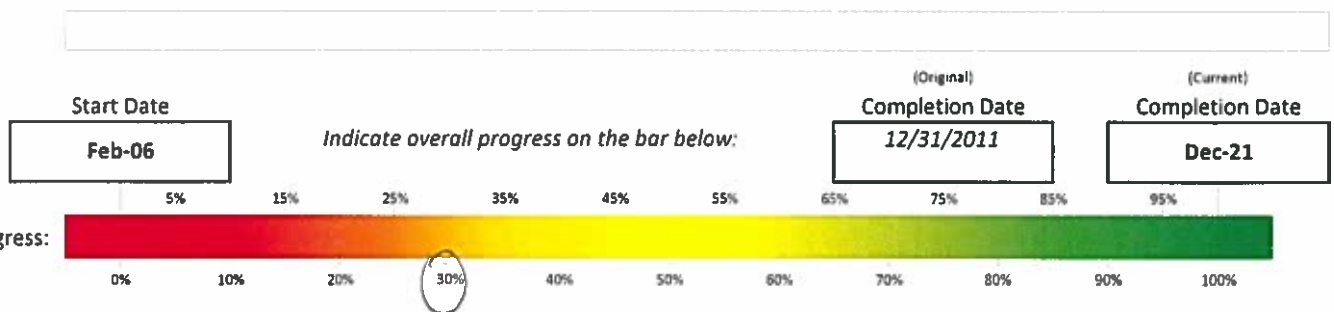
Quarter Ended: Fiscal Year: Reporting Quarter:
 Agency: Project Mgr:
 Project Name:
 Sponsor Project ID Number: STA Project ID Number:
 Original Est. Project Cost: \$ Current Est. Project Cost: \$

MEASURE A FUNDING

Total Measure A Funding:	\$ <input type="text" value="10,724,105.96"/>	Projected Spending	4Q:	\$ <input type="text" value="100,000.00"/>
Current Contract Amount:	\$ <input type="text" value="3,200,000.00"/>		1Q:	\$ <input type="text" value="100,000.00"/>
Total Previously Expended:	\$ <input type="text" value="1,115,903.82"/>		2Q:	\$ <input type="text" value="100,000.00"/>
Expended This Quarter:	\$ <input type="text" value="28,599.38"/>		3Q:	\$ <input type="text" value="100,000.00"/>
Total Remaining:	\$ <input type="text" value="9,579,602.76"/>		Measure A Funds Used for Local Match?	

PROJECT STATUS

Completed Tasks (check all that apply):



Activity this Quarter (check all that apply):

Current Status (as of last day of reporting quarter; check only one):

Notes/Expand Details (only if necessary)

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **March 31, 2017** Fiscal Year: **2016/17** Reporting Quarter: **3**

Agency: **County of Sacramento** Project Mgr: **John Jaeger, Senior Civil Engineer**

Project Name: **South Watt Avenue/Elk Grove-Florin Road Improvements, Phase 1 – Florin Road to State Route 16**

Sponsor Project ID Number: **STOXDG** STA Project ID Number: **A-27-SC**

Original Est. Project Cost: \$ **10,873,412.00** Current Est. Project Cost: \$ **30,182,360.00**

MEASURE A FUNDING

Total Measure A Funding: \$ **10,208,306.96**

Current Contract Amount: \$ **7,500,000.00**

Total Previously Expended: \$ **2,857,913.85**

Expended This Quarter: \$ **24,398.22**

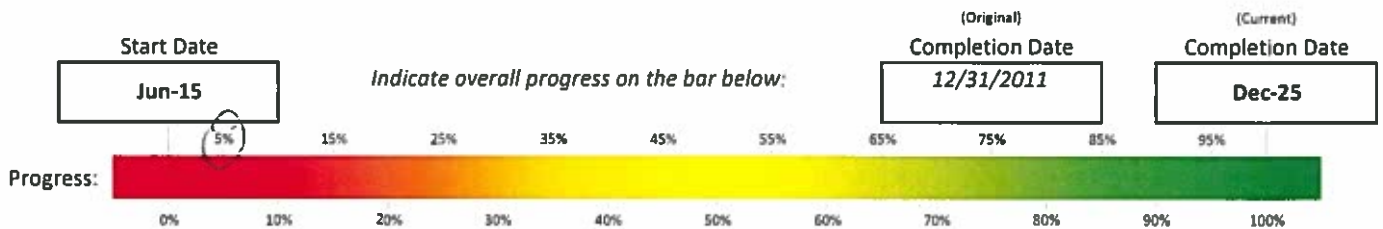
Total Remaining: \$ **7,325,994.89**

Projected Spending	4Q:	\$	46,000.00
	1Q:	\$	46,000.00
	2Q:	\$	50,000.00
	3Q:	\$	50,000.00

Measure A Funds Used for Local Match?

PROJECT STATUS

Completed Tasks (check all that apply):



Activity this Quarter (check all that apply):

Current Status (as of last day of reporting quarter; check only one):

Notes/Expand Details (only if necessary)

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **March 31, 2017** Fiscal Year: **2016/17** Reporting Quarter: **3**

Agency: **County of Sacramento** Project Mgr: **Stephen White, Senior Civil Engineer**

Project Name: **Watt Avenue Improvements – Antelope Road to Business Interstate 80**

Sponsor Project ID Number: **STOXdN** STA Project ID Number: **A-37-SC**

Original Est. Project Cost: \$ **40,825,817.00** Current Est. Project Cost: \$ **40,825,817.00**

MEASURE A FUNDING

Total Measure A Funding: \$ **17,484,000.00**

Current Contract Amount: \$ **1,000,000.00**

Total Previously Expended: \$ **-**

Expended This Quarter: \$ **171,652.92**

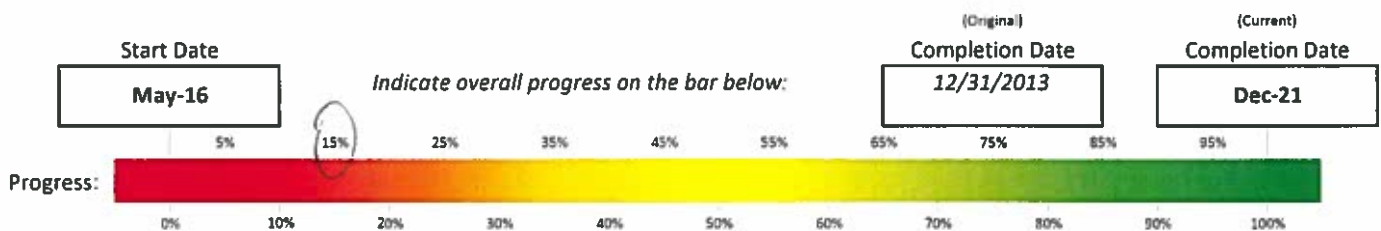
Total Remaining: \$ **17,312,347.08**

Projected Spending	4Q:	\$	75,000.00
	1Q:	\$	75,000.00
	2Q:	\$	75,000.00
	3Q:	\$	75,000.00

Measure A Funds Used for Local Match?

PROJECT STATUS

Completed Tasks (check all that apply):



Activity this Quarter (check all that apply):

Current Status (as of last day of reporting quarter; check only one):

Notes/Expand Details (only if necessary)

Project improvements on this corridor are for a segment of Watt Avenue from Orange Grove Avenue to Roseville Road. This project will evaluate and coordinate

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **March 31, 2017** Fiscal Year: **2016/17** Reporting Quarter: **3**
 Agency: **Capital Southeast Connector JPA** Project Mgr: **Tom Zlotkowski**
 Project Name: **Capital SouthEast Connector**
 Sponsor Project ID Number: **N/A** STA Project ID Number: **A-16-JP**
 Original Est. Project Cost: \$ **706,000,000.00** Current Est. Project Cost: \$ **543,800,000.00**

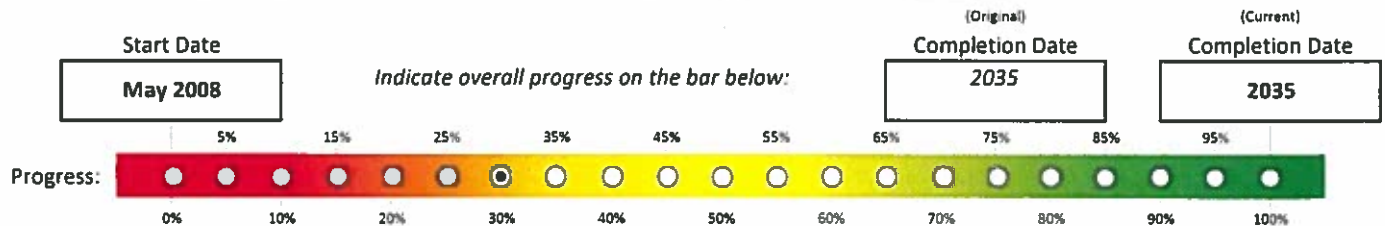
MEASURE A FUNDING

Total Measure A Funding:	\$ 119,000,000.00	Projected Spending	4Q:	\$ 1,041,428.00
Current Contract Amount:	\$ 25,640,000.00		1Q:	\$ 2,342,211.24
Total Previously Expended:	\$ 15,905,897.64		2Q:	\$ 2,046,335.91
Expended This Quarter:	\$ 489,372.02		3Q:	\$ 3,023,267.46
Total Remaining:	\$ 102,604,730.34		Measure A Funds Used for Local Match?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

PROJECT STATUS

Completed Tasks (check all that apply):

- | | | |
|---|---|---|
| <input type="checkbox"/> Design & Engineering | <input checked="" type="checkbox"/> Environmental Clearance | <input checked="" type="checkbox"/> Bidding & Contracting |
| <input checked="" type="checkbox"/> Planning/Financing/Approvals | <input type="checkbox"/> Right-of-Way Acquisition | <input checked="" type="checkbox"/> Construction |
| <input checked="" type="checkbox"/> Other: Pursuing final engineering designs and permitting in preparation for construction. | | |



Activity this Quarter (check all that apply):

- | | | |
|--|--|---|
| <input checked="" type="checkbox"/> Design/Engineering | <input checked="" type="checkbox"/> Environmental Review | <input checked="" type="checkbox"/> Bidding/Contracting |
| <input checked="" type="checkbox"/> Planning/Financing/Approvals | <input type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Construction |
| <input type="checkbox"/> Other: | | |

Current Status (as of last day of reporting quarter; check only one):

- | | | |
|---|--|---|
| <input type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input checked="" type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Notes/Expand Details (only if necessary)

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **March 31, 2017** Fiscal Year: **2016/17** Reporting Quarter: **3**
 Agency: **City of Rancho Cordova** Project Mgr: **Chris Boyer**
 Project Name: **Folsom Blvd Improvements – Bradshaw Road to Sunrise Blvd**
 Sponsor Project ID Number: **Please combine subprojects** STA Project ID Number: **A-14-RC**
 Original Est. Project Cost: \$ **10,155,200.00** Current Est. Project Cost: \$ **12,291,200.00**

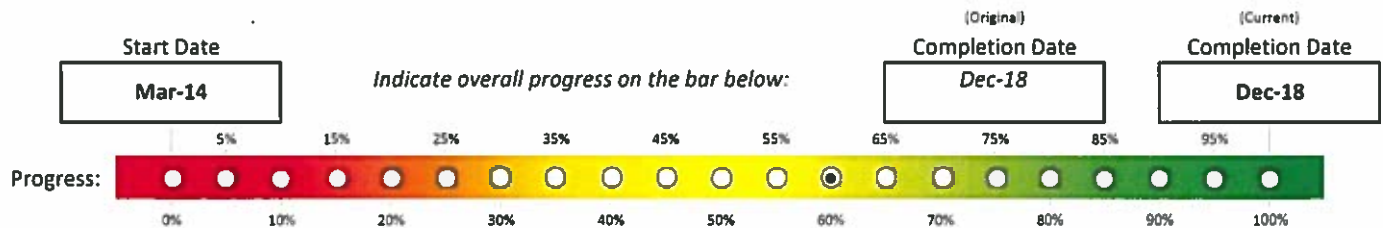
MEASURE A FUNDING

Total Measure A Funding:	\$ 10,373,000.00	Projected Spending	4Q:	\$ 250,000.00
Current Contract Amount:	\$ 3,596,000.00		1Q:	\$ 450,000.00
Total Previously Expended:	\$ 4,955,466.58		2Q:	\$ 500,000.00
Expended This Quarter:	\$ 171,511.61		3Q:	\$ 500,000.00
Total Remaining:	\$ 5,246,021.81		Measure A Funds Used for Local Match?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

PROJECT STATUS

Completed Tasks (check all that apply):

<input checked="" type="checkbox"/> Design & Engineering	<input checked="" type="checkbox"/> Environmental Clearance	<input type="checkbox"/> Bidding & Contracting
<input type="checkbox"/> Planning/Financing/Approvals	<input checked="" type="checkbox"/> Right-of-Way Acquisition	<input type="checkbox"/> Construction
<input type="checkbox"/> Other: _____		



Activity this Quarter (check all that apply):

<input checked="" type="checkbox"/> Design/Engineering	<input type="checkbox"/> Environmental Review	<input type="checkbox"/> Bidding/Contracting
<input type="checkbox"/> Planning/Financing/Approvals	<input checked="" type="checkbox"/> Right-of-Way Acquisition	<input type="checkbox"/> Construction
<input type="checkbox"/> Other: _____		

Current Status (as of last day of reporting quarter; check only one):

<input type="checkbox"/> Not Started	<input type="checkbox"/> Right-of-Way Acquisition	<input checked="" type="checkbox"/> Bidding and/or Contracting
<input type="checkbox"/> Pending or On-Hold	<input type="checkbox"/> Environmental Review	<input type="checkbox"/> Under Construction
<input type="checkbox"/> Design and/or Engineering	<input type="checkbox"/> Planning/Financing/Approval	<input type="checkbox"/> Completed

Notes/Expand Details (only if necessary)

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **March 31, 2017** Fiscal Year: **2016/17** Reporting Quarter: **3**

Agency: **City of Rancho Cordova** Project Mgr: **Ben Chan**

Project Name: **Sunrise Blvd – Gold Country Road to Jackson Road**

Sponsor Project ID Number: **CP15-2145** STA Project ID Number: **A-32-RC**

Original Est. Project Cost: \$ **4,035,000.00** Current Est. Project Cost: \$ **1,899,000.00**

MEASURE A FUNDING

Total Measure A Funding: \$ **10,217,000.00**

Current Contract Amount: \$ **1,899,000.00**

Total Previously Expended: \$ **27,902.22**

Expended This Quarter: \$ **348.05**

Total Remaining: \$ **10,188,749.73**

Projected Spending:

4Q:	\$	1,000.00
1Q:	\$	15,000.00
2Q:	\$	25,000.00
3Q:	\$	50,000.00

Measure A Funds Used for Local Match? Yes No

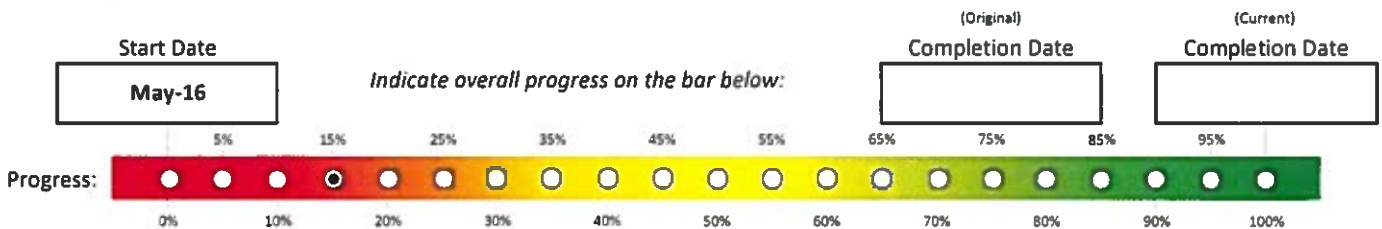
PROJECT STATUS

Completed Tasks (check all that apply):

Design & Engineering Environmental Clearance Bidding & Contracting

Planning/Financing/Approvals Right-of-Way Acquisition Construction

Other: **Completed Design Concepts**



Activity this Quarter (check all that apply):

Design/Engineering Environmental Review Bidding/Contracting

Planning/Financing/Approvals Right-of-Way Acquisition Construction

Other: **Project On Hold**

Current Status (as of last day of reporting quarter; check only one):

Not Started Right-of-Way Acquisition Bidding and/or Contracting

Pending or On-Hold Environmental Review Under Construction

Design and/or Engineering Planning/Financing/Approval Completed

Notes/Expand Details (only if necessary)

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: Fiscal Year: Reporting Quarter:
 Agency: Project Mgr:
 Project Name:
 Sponsor Project ID Number: STA Project ID Number:
 Original Est. Project Cost: Current Est. Project Cost:

MEASURE A FUNDING

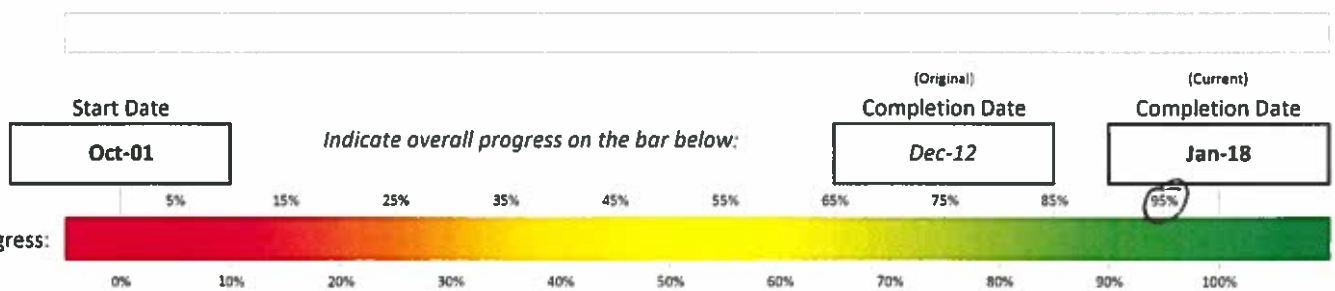
Total Measure A Funding: \$
 Current Contract Amount: \$
 Total Previously Expended: \$
 Expended This Quarter: \$
 Total Remaining: \$

Projected Spending
 4Q: \$
 1Q: \$
 2Q: \$
 3Q: \$

Measure A Funds Used for Local Match?

PROJECT STATUS

Completed Tasks (check all that apply):



Activity this Quarter (check all that apply):

Current Status (as of last day of reporting quarter; check only one):

Notes/Expand Details (only if necessary)

Project opened for service in August 2015. Some ROW and construction elements remain to be completed.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: Fiscal Year: Reporting Quarter:

Agency: Project Mgr:

Project Name:

Sponsor Project ID Number: STA Project ID Number:

Original Est. Project Cost: \$ Current Est. Project Cost: \$

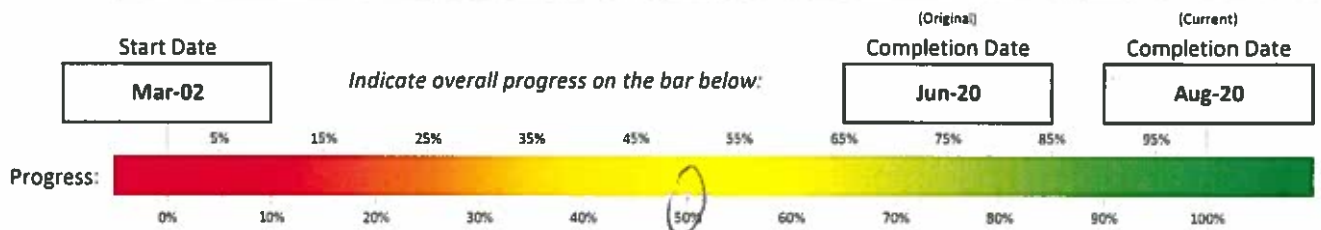
MEASURE A FUNDING

Total Measure A Funding:	\$ <input type="text" value="\$46,024,034"/>	Projected Spending	4Q:	\$ <input type="text" value="\$81,601"/>
Current Contract Amount:	\$ <input type="text" value="\$0"/>		1Q:	\$ <input type="text" value="\$110,486"/>
Total Previously Expended:	\$ <input type="text" value="\$45,249,832"/>		2Q:	\$ <input type="text" value="\$291,057"/>
Expended This Quarter:	\$ <input type="text" value="\$0"/>		3Q:	\$ <input type="text" value="\$291,057"/>
Total Remaining:	\$ <input type="text" value="\$774,202"/>		Measure A Funds Used for Local Match?	

PROJECT STATUS

Completed Tasks (check all that apply):

CEQA Clearance for SVS Loop; MOS-1 segment constructed



Activity this Quarter (check all that apply):

Current Status (as of last day of reporting quarter; check only one):

Notes/Expand Details (only if necessary)

CEQA Clearance SVS Loop; MOS-1 segment constructed; environmental review proceeding on extension to airport.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **March 31, 2017** Fiscal Year: **2016/17** Reporting Quarter: **3**
 Agency: **City of Sacramento** Project Mgr: **Greg Taylor, Supervising Architect**
 Project Name: **Downtown Intermodal Facility**
 Sponsor Project ID Number: **T15029000** STA Project ID Number: **A-38-CS**
 Original Est. Project Cost: \$ **200,000,000.00** Current Est. Project Cost: \$ **200,000,000.00**

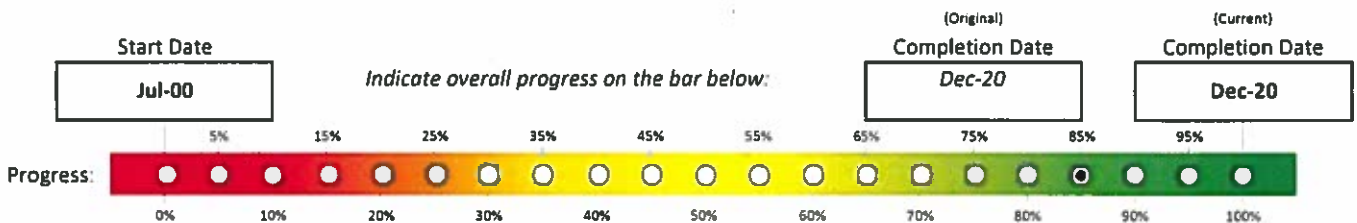
MEASURE A FUNDING

Total Measure A Funding:	\$ 103,940,000.00	Projected Spending	4Q:	\$ 500,000.00
Current Contract Amount:	\$ 19,823,000.00		1Q:	\$ 500,000.00
Total Previously Expended:	\$ 71,470,665.83		2Q:	\$ 500,000.00
Expended This Quarter:	\$ 3,891,683.56		3Q:	\$ 500,000.00
Total Remaining:	\$ 28,577,650.61	Measure A Funds Used for Local Match? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

PROJECT STATUS

Completed Tasks (check all that apply):

Design & Engineering Environmental Clearance Bidding & Contracting
 Planning/Financing/Approvals Right-of-Way Acquisition Construction
 Other: Phase 1- Construction completed. Phase 2 - Construction in progress. Phase 3 - Planning in progress.



Activity this Quarter (check all that apply):

Design/Engineering Environmental Review Bidding/Contracting
 Planning/Financing/Approvals Right-of-Way Acquisition Construction
 Other:

Current Status (as of last day of reporting quarter; check only one):

Not Started Right-of-Way Acquisition Bidding and/or Contracting
 Pending or On-Hold Environmental Review Under Construction
 Design and/or Engineering Planning/Financing/Approval Completed

Notes/Expand Details (only if necessary)

Phase 1- Construction completed. Phase 2 - Construction in progress. Phase 3 - Planning in progress.
 Note: We don't expect to fully expend the current contract by June 30, 2018. Contract extension may be needed.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: Fiscal Year: Reporting Quarter:
 Agency: Project Mgr:
 Project Name:
 Sponsor Project ID Number: STA Project ID Number:
 Original Est. Project Cost: \$ Current Est. Project Cost: \$

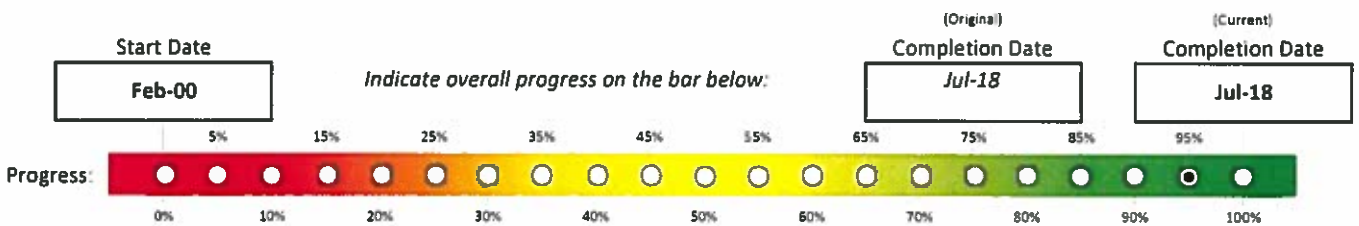
MEASURE A FUNDING

Total Measure A Funding:	\$ <input type="text" value="8,588,138.00"/>	Projected Spending	4Q:	\$ <input type="text" value="-"/>
Current Contract Amount:	\$ <input type="text" value="8,588,138.00"/>		1Q:	\$ <input type="text" value="-"/>
Total Previously Expended:	\$ <input type="text" value="8,588,138.00"/>		2Q:	\$ <input type="text" value="-"/>
Expended This Quarter:	\$ <input type="text" value="-"/>		3Q:	\$ <input type="text" value="-"/>
Total Remaining:	\$ <input type="text" value="-"/>	Measure A Funds Used for Local Match? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

PROJECT STATUS

Completed Tasks (check all that apply):

Design & Engineering Environmental Clearance Bidding & Contracting
 Planning/Financing/Approvals Right-of-Way Acquisition Construction
 Other:



Activity this Quarter (check all that apply):

Design/Engineering Environmental Review Bidding/Contracting
 Planning/Financing/Approvals Right-of-Way Acquisition Construction
 Other:

Current Status (as of last day of reporting quarter; check only one):

Not Started Right-of-Way Acquisition Bidding and/or Contracting
 Pending or On-Hold Environmental Review Under Construction
 Design and/or Engineering Planning/Financing/Approval Completed

Notes/Expand Details (only if necessary)

Working on Closing this Project. STA approved to move the cosunnes remaining balance \$1,615,862 to Richards project.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: Fiscal Year: Reporting Quarter:
 Agency: Project Mgr:
 Project Name:
 Sponsor Project ID Number: STA Project ID Number:
 Original Est. Project Cost: \$ Current Est. Project Cost: \$

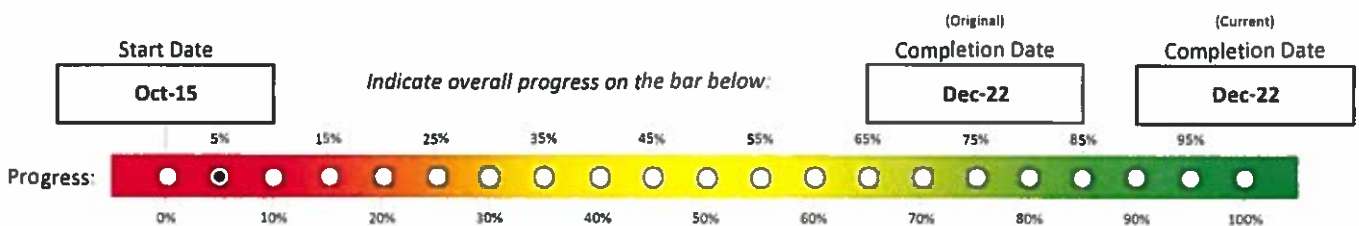
MEASURE A FUNDING

Total Measure A Funding:	\$ <input type="text" value="39,977,862.00"/>	Projected Spending	4Q:	\$ <input type="text" value="10,000.00"/>
Current Contract Amount:	\$ <input type="text" value="1,500,000.00"/>		1Q:	\$ <input type="text" value="10,000.00"/>
Total Previously Expended:	\$ <input type="text" value="16,793.71"/>		2Q:	\$ <input type="text" value="10,000.00"/>
Expended This Quarter:	\$ <input type="text" value="9,143.63"/>		3Q:	\$ <input type="text" value="10,000.00"/>
Total Remaining:	\$ <input type="text" value="39,951,924.66"/>	Measure A Funds Used for Local Match? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

PROJECT STATUS

Completed Tasks (check all that apply):

<input type="checkbox"/> Design & Engineering	<input checked="" type="checkbox"/> Environmental Clearance	<input type="checkbox"/> Bidding & Contracting
<input checked="" type="checkbox"/> Planning/Financing/Approvals	<input type="checkbox"/> Right-of-Way Acquisition	<input type="checkbox"/> Construction
<input type="checkbox"/> Other: <input type="text"/>		



Activity this Quarter (check all that apply):

<input type="checkbox"/> Design/Engineering	<input type="checkbox"/> Environmental Review	<input type="checkbox"/> Bidding/Contracting
<input checked="" type="checkbox"/> Planning/Financing/Approvals	<input type="checkbox"/> Right-of-Way Acquisition	<input type="checkbox"/> Construction
<input type="checkbox"/> Other: <input type="text"/>		

Current Status (as of last day of reporting quarter, check only one):

<input type="checkbox"/> Not Started	<input type="checkbox"/> Right-of-Way Acquisition	<input type="checkbox"/> Bidding and/or Contracting
<input type="checkbox"/> Pending or On-Hold	<input type="checkbox"/> Environmental Review	<input type="checkbox"/> Under Construction
<input type="checkbox"/> Design and/or Engineering	<input checked="" type="checkbox"/> Planning/Financing/Approval	<input type="checkbox"/> Completed

Notes/Expand Details (only if necessary)

STA approved to move the cosumnes remaining funding balance \$1,615,862 to Richards project. However, the fund will not be allocated to Richards project until bond issued. At this time, the \$1,615,862 extra funding from Cosumnes is pending contract.

Note: Current Contract expires on June 30, 2018. contract extension may be needed.

APPROVED BUDGET | FISCAL YEAR 2017/18



SACRAMENTO TRANSPORTATION AUTHORITY
SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY
SACMETRO FREEWAY SERVICE PATROL

Approved Budget

SACRAMENTO TRANSPORTATION AUTHORITY
SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY
FISCAL YEAR 2017/18 BUDGET

Governing Board

Patrick Kennedy, Chair
Sacramento County Board of Supervisors

Larry Carr
Sacramento City Council

Jeff Harris, Vice Chair
Sacramento City Council

Eric Guerra
Sacramento City Council

Sue Frost
Sacramento County Board of Supervisors

Steve Hansen
Sacramento City Council

Don Nottoli
Sacramento County Board of Supervisors

Jay Schenirer
Sacramento City Council

Susan Peters
Sacramento County Board of Supervisors

Patrick Hume
Elk Grove City Council

Phil Serna
Sacramento County Board of Supervisors

Darren Suen
Elk Grove City Council

Curt Campion
Galt City Council

Albert Fox
Citrus Heights City Council

Robert McGarvey
Rancho Cordova City Council

Kerri Howell
Folsom City Council

Executive Director (interim)

Norman Hom

General Counsel

William Burke

431 I Street, Suite 106
Sacramento, CA 95814

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SECTION 1

Executive Director Letter

June 5, 2017

Chairman and Members of the Board:

I am pleased to present the Operating and Capital Budgets of the Sacramento Transportation Authority (Authority) for Fiscal Year 2017/18. Section 180105 of the California Public Utilities Code instructs the Authority to adopt an annual budget. This budget was created in accordance with State Law, Authority policy, and the Government Finance Officers Association (GFOA) Budget Awards Program criteria. The budget presented is a balanced budget with current revenues and fund balance covering all operating and capital expenditures for the fiscal year.

As the Authority's policy makers, the Governing Board (Board) sets the direction of the agency. The budget provides a framework for the Authority's activities during the next year consistent with that direction and serves as a source of information for the Board, staff, the Measure A entities, and the public. The programs and services provided in this budget focus on the Authority's mission to maximize the use of limited available resources to best improve the transportation network in Sacramento County. To that end, we have established the following goals:

- Maximize program effectiveness through efficient and effective stewardship of public resources
- Collaborate with partner entities to ensure the timing of their funding needs and the availability of funding resources are complimentary
- Accurate and timely preparation and distribution of required financial reports
- Effectively implement the taxpayer safeguards identified in the Measure A Ordinance
- Provide support to the Independent Taxpayer Oversight Committee (ITOC) in its mission to safeguard public resources by overseeing annual fiscal and periodic performance audits, and
- Engage the public and solicit input on important Authority matters

The budget process is structured to allow the Board, staff, ITOC, and the public adequate time for review and analysis of the key components of the budget. The initial budget process began in January after reviewing the budget-to-actual analysis for the period ending December 31, 2016 and completion and approval of the Comprehensive Annual Financial Report (CAFR) and the annual fiscal audit. In March and April, our consultant worked with staff to develop revenue projections which were incorporated into a draft Proposed Budget for the Executive Director's review. The Proposed Budget was presented during the April Board meeting and continued to June for final Board action.

BUDGET OVERVIEW

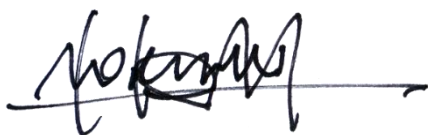
The development of the budget provides an opportunity for the Authority to summarize its financial and operational plans for the coming fiscal year. As the local economic climate continues to show steady improvement, the challenge faced by the Authority is to ensure the financial resiliency and long-term sustainability of the agency. A detailed narrative with the assumptions that built this budget are provided in Section 5, the Budget Schedules section. Key elements of the budget include the following:

Total General Fund revenues for FY17/18 are projected to be \$142.3 million, an increase of 2.2% over the FY16/17 Approved Budget. This includes the use of \$11.5 million of the \$34.6 million projected available fund balance, a reduction of \$6 million from the prior year's Approved Budget. Sales tax revenue is projected to increase by \$7 million (6.14%), a \$2.5 million (2.19%) increase based on FY16/17 projections for sales tax revenue in comparison to the FY16/17 Approved Budget and a \$4.5 million (3.95%) increase in the FY17/18 Approved Budget when compared to the FY16/17 Projections. Additionally, the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) is expected to increase by \$1 million (20%) in the coming year.

The expenditure portion of the budget starting on page 19 shows total projected General Fund expenditures of \$142.3 million comprised primarily of three components: ongoing Measure A allocations, capital expenditures, and debt service. Ongoing Measure A allocations are slated to increase by \$5.5 million (6.12%), closely paralleling projected sales tax growth. Meanwhile, capital expenditures are projected to decrease by \$5.9 million (6.12%) as some projects are nearing completion, reducing total funding needs. Debt service is expected to increase \$3.6 million (22%) due exclusively to an inadvertent omission in the prior year's Approved Budget of a required bond principal payment that was due in October 2016. Nevertheless, the FY16/17 Projected Budget materially agrees with the FY17/18 Approved Budget.

In summary, the Authority is financially stable and the outlook is good. In the coming year, we will serve the Board, local entities, and the public with transparency and continue practicing good stewardship over public resources in our work to meet the region's transportation needs.

Sincerely,



Norman K. Hom
Executive Director (interim)



Timothy Jones CPA, CPFO
Accounting/Finance Manager

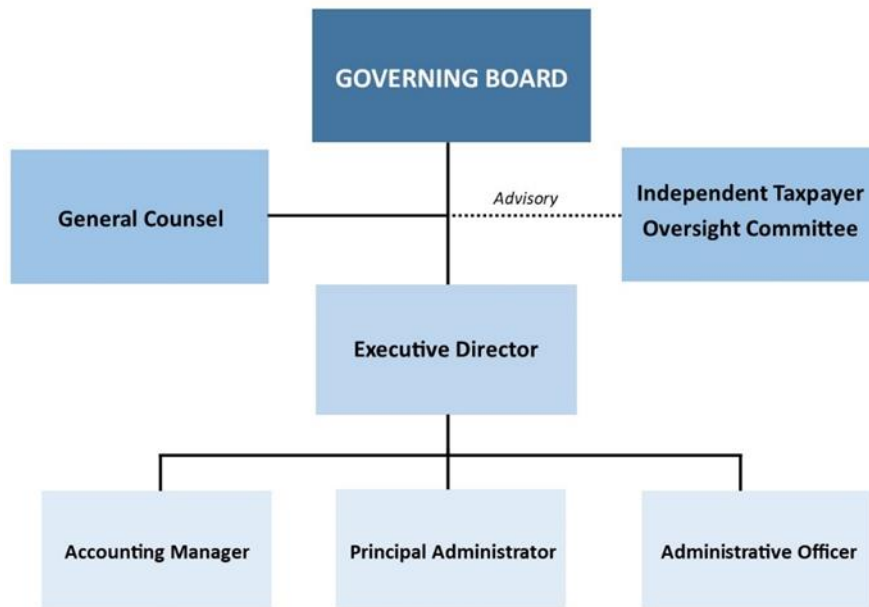
Authority Overview

This section contains the Authority’s profile and a summary of its Fiscal Year 2017/18 (FY 17/18) consolidated budget and a discussion of the factors affecting the Authority’s financial condition. The FY 17/18 Approved Budget totals \$143.5 million from all funding sources reported in the General Fund and Sacramento Abandoned Vehicle Service Authority Fund (SAVSA). The budget includes 4 authorized full-time equivalent (FTE) positions.

AUTHORITY PROFILE

The Sacramento Transportation Authority (Authority)—a Local Transportation Authority—was created in August 1988 under the Local Transportation Authority and Improvement Act (Act), commencing with Section 180000 of the California Public Utility Code. In November 1988, Sacramento County voters passed Measure A, an Ordinance enacted by the Authority imposing a 0.5% sales tax to fund transportation improvements throughout Sacramento County for a 20 year period (1988 Measure A). In November 2004, voters a 30-year extension of the 0.5% retail sales tax beginning in April 2009 (2004 Measure A). At the same time, the 1988 Measure A sales tax sunsetted.

The Authority’s Governing Board (Board) is composed of 16 members, including all five Sacramento County Supervisors, five members of the Sacramento City Council, two members of the Elk Grove City Council, and one council-member each from the Cities Citrus Heights, Folsom, Galt/Isleton, and Rancho Cordova. The Board appoints the Authority’s Executive Director. The Executive Director is responsible for carrying out the policies and ordinances of the Authority and overseeing day-to-day operations and Authority staff consisting of a Principal Administrator, Accounting Manager, and Administrative Officer.



The Board advances the Authority’s mission, vision, and core values by overseeing the prompt, and cost-effective delivery of sales tax and fee revenues to each Measure A entity. In doing so, the Authority helps to support each entity’s program implementation and capital projects. To ensure that funding and other resources are available when and where needed, Authority staff regularly work with each Measure A entity to ensure that the short and long-term plans of the Authority and entity are complimentary.

Under 2004 Measure A, there are specific safeguards to ensure that sales tax funding is spent for the specified voter- transportation projects, improvements, and programs listed in the Sacramento County Transportation Expenditure Plan 2009-2039 (Expenditure Plan) within the Ordinance. According to the Ordinance, those safeguards include the following:

- Specific projects and programs included in the Expenditure Plan are carried out by revenue raised by the sales tax and the plan can only be changed upon approval by the Sacramento County Board of Supervisors and a majority of the cities in the County representing a majority of the incorporated population.
- An Independent Taxpayer Oversight Committee (ITOC) was created to supervise fiscal and performance audits over the use of sales tax funds and provide for independent review to ensure that Measure A funds are spent in accordance with provisions of the Expenditure Plan and Ordinance as by voters.
- That sales tax proceeds can only be used for transportation programs and not to replace traditional revenues generated through development fees and assessment districts.
- The Authority will not allocate sales tax proceeds to any city or the County unless all transportation revenues at the time are used by each entity continue to be used for transportation purposes.
- A limit of 0.75% of the net sales tax proceeds funding for the administration of the sales tax program.
- Expenditure Plan reviewed once every ten years as required under the Ordinance to ensure that the program reflects current community needs as demographics, economics, and technology change.

Revenue Sources

Measure A provides funding for a variety of capital projects throughout Sacramento County. The Authority has issued a significant amount of bonds to accelerate the delivery of projects so that those paying for the improvements realize the benefits. Currently, the Authority has four outstanding 30-year bond issuances totalling \$368 million. In addition, the Authority receives semi-annual remittances for the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). Each entity charges a fee for certain construction permits as defined in the Ordinance. The fee structure is revisited annually and adjusted based on the Consumer Price Index (CPI). The majority of these funds are restricted for capital projects.

Revenue for the Sacramento Abandoned Vehicle Abatement Program (SAVSA), which is overseen by the Governing Board, is generated by a \$1 surcharge on vehicle registrations within Sacramento County. Participating entities include the cities of Citrus Heights, Elk Grove, Folsom, Galt, Rancho Cordova, Sacramento, and the County of Sacramento. The fees are remitted by the State Controller's Office quarterly.

Revenue for the SacMetro Freeway Service Patrol (FSP) program comes from two sources – a state-wide allocation appropriated by the State Legislature and administered by the California Department of

Transportation (Caltrans), and local match funds from the Capital Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE).

CONSOLIDATED BUDGET SUMMARY

In June of each year, the Board adopts a budget for the next fiscal year. Authority staff prepare the budget on a modified accrual basis. The annual budget is foundational to financial planning and control.

The Authority reports two major funds for its three programs:

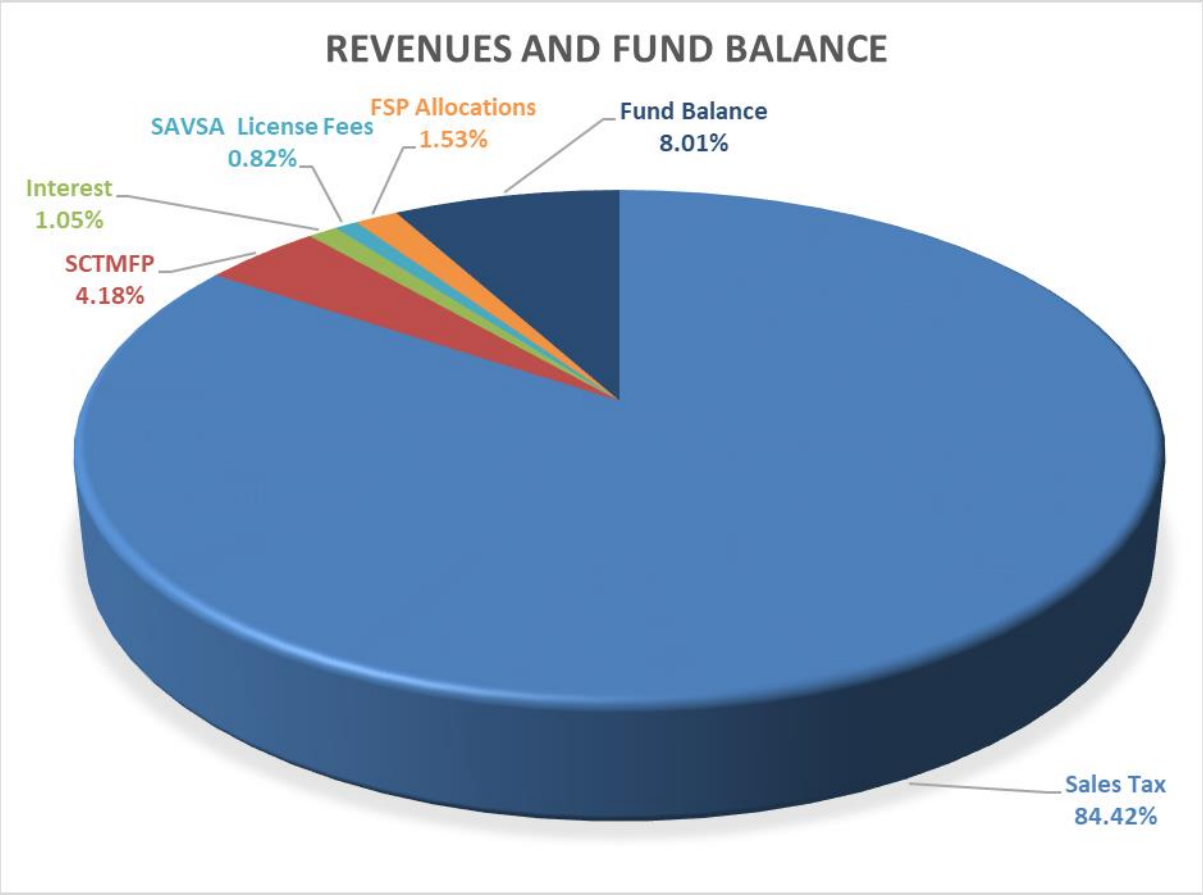
- The **General Fund** – operating fund for the New Measure A and FSP programs. New Measure A receives funding from a countywide 0.5% sales tax and the SCTMFP. This fund supports ongoing transportation and capital projects and program administration costs. Most ongoing funding is passed through to local entities, while the majority of SCTMFP proceeds fund capital projects. FSP receives revenue as described in the previous section.
- The **Special Revenue Fund** – operating fund for SAVSA. This program is funded by a \$1 registration fee collected annually on each eligible registration within Sacramento County.

The Authority’s budget reflects its role as the administrator of 2004 Measure A sales tax revenue used to reimburse and oversee expenditures for programs and projects that reduce traffic congestion, improve air quality, maintain and strengthen the county’s road and transportation systems, and enhance each local agencies’ ability to secure state and federal funding by providing local matching funds. Authority staff and the ITOC, created under the 2004 Measure A Ordinance are responsible for ensuring that all expenditures are in compliance with the Ordinance and all applicable laws. The table below summarizes the FY17/18 Approved Budget by fund, identifying the net expenditure changes from the FY16/17 Approved Budget.

FY 17/18 Approved Consolidated Budget Summary by Fund

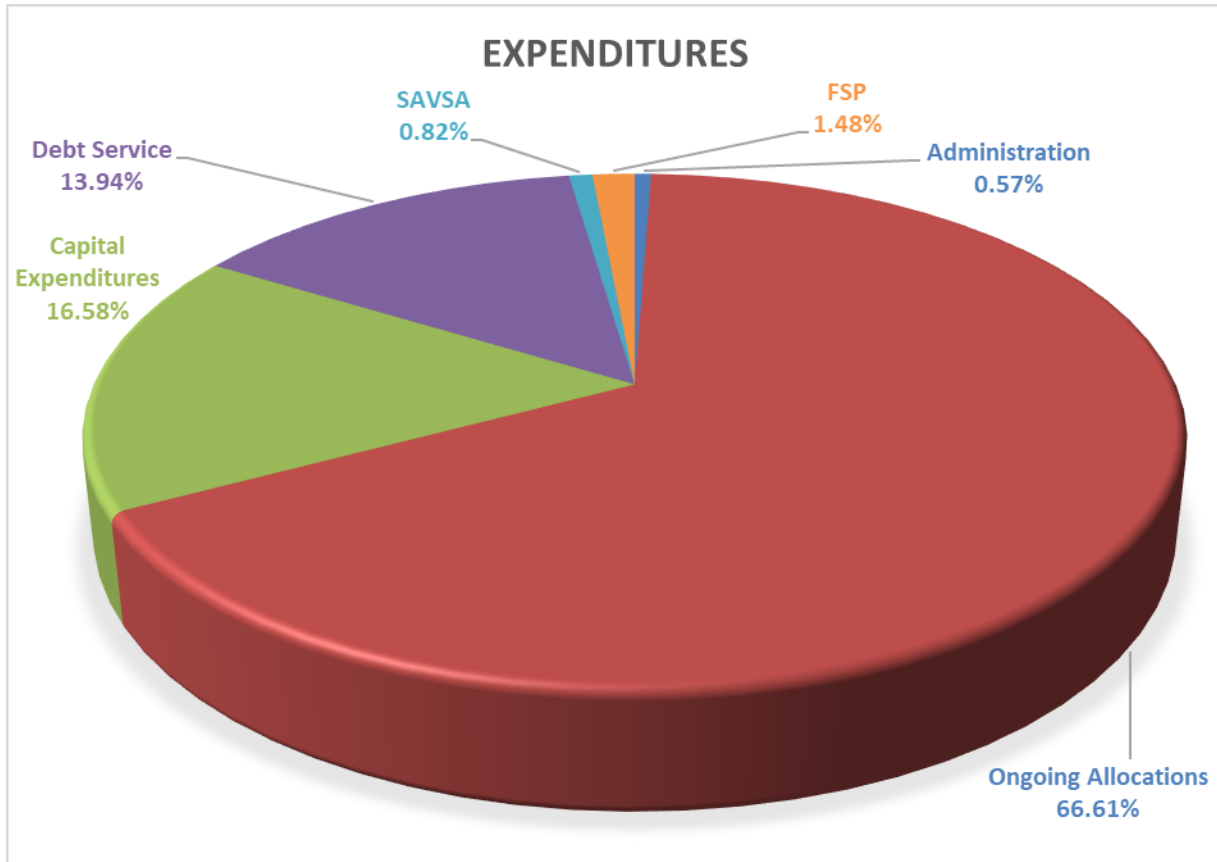
Fund	FY 16/17 Approved	Change	FY 17/18 Approved
General Fund	139,205,156	3,090,763	142,295,919
Special Revenue Fund	1,102,339	74,524	1,176,863
Total	140,307,495	3,165,287	143,472,782

The following charts identify the ratio of the revenues and expenditures to the total Consolidated Budget by category:



SCTMFP – Sacramento Countywide Transportation Mitigation Fee Program

FSP – SacMetro Freeway Service Patrol Program



FACTORS AFFECTING FINANCIAL CONDITION

Sales tax revenue is the Authority’s largest revenue source and is projected to increase 6.14% to \$121.06 million from \$114.06 million. This revenue stream is affected by many factors, including the local economy, employment rates, and population growth. The economy is projected to grow moderately in the coming year, but slow down in fiscal year 2019.

According to the California Employment Development Department, the unemployment rate for Sacramento County in April 2017 was 4.6%, a marked improvement from June 2016 when it was 5.6%. This compares to an unadjusted April 2017 unemployment rate of 4.8% for California and 4.4% for the nation. Over the last year, the leading indicators for increased sales tax revenue were the transportation, health services, and governmental sectors. Because of these positive indicators, the Authority’s sales tax revenue is expected to increase by \$7 million in the coming year when compared to the FY16/17 Approved Budget amount.

SECTION 3

Budget Process

State law requires that the Authority adopt an annual budget. Each budget presents three years of financial information – actual amounts for the prior year, Approved Budget and projected amounts for the current year, and forecasts for the coming year in the context of a multi-year financial plan. Common budgetary terms can be found in Appendix A – Glossary.

BUDGET PROCESS

The Authority's fiscal year runs from July 1 through June 30. It adopts the budget on a modified accrual basis of accounting. The appropriated budget is prepared by fund and program. Subsequent to adoption, any amendments to the budget must be brought to the Board for its approval. The legal level of budgetary control is at the function level.

Budget development begins in January, after completion of the budget-to-actual comparison for the period ending December 31. Using this information as a starting point, Authority staff discuss any significant changes to expected revenues and expenditures for the remainder of the current fiscal year. If revenue is expected to come in lower or expenditures higher than expected, staff develop revised projections through the end of the fiscal year. This information is reviewed and revised as needed during the remainder of the fiscal year to ensure the most up-to-date financial information is used.

In March, the accounting/finance manager begins preparation of the formal budget by developing forecasts for capital expenditures, staff salaries and benefits, and other operating costs. Concurrently, the Authority's financial services consultant develops revenue forecasts for the remainder of the current year and through the end of the Measure A program - 2039. Using this information, staff determines the total Measure A allocations each entity can expect. In addition, the Authority can project its total allocation and refine its planned administration expenditures accordingly.

The Authority's consultant has expertise in forecasting sales tax revenue for local governments, including transportation authorities. The consultant uses proprietary software to develop the forecast using current data from the California Board of Equalization (BOE), and economic indicators such as employment, housing starts, and population growth. Authority staff meet with the consultant periodically during the process to ensure a full understanding of the forecasts when completed.

In April, the proposed budget is presented to the Board at a public hearing. The Board may ask questions, make comments, provide direction, and then receive public testimony. This is the first of two publicly noticed meetings in which the budget is presented – the second is in June. This timeline allows the public sufficient time to comment on the proposed budget.

In June, the Final Budget is presented to the Board. In general, the Final Budget is materially consistent with the proposed budget and contains only minor financial and editorial changes. Any material changes are highlighted by Authority staff during the meeting. The Board may provide direction and vote to approve the budget. Approval of the budget requires a quorum of Board members and a majority of the voting quorum. Once the budget is approved, staff prepares the Approved Budget for printing and posting on the Authority's website. The Board may vote to adopt a resolution allowing the Authority to continue normal operations under the Proposed Budget in the event that an Approved Budget is not adopted by June 30.

FY 2017/18 Budget Development Schedule

December 31 Budget-to-actual analysis	January 2017
Approval of Comprehensive Annual Financial Report (CAFR) and audit	January 2017
Budget Discussions with Local Agency Program Managers	January 2017
Financial advisory consultant begins developing revenue projections	March 2017
Draft Proposed Budget reviewed by the Executive Director	March 2017
Proposed Budget presented to the Governing Board/First public hearing	April 2017
Final Budget presented to Board/Second public hearing – vote to approve	June 2017
Budget document printed and posted to Authority’s website	June 2017
Amendments after adoption	Any time after adoption

FINANCIAL POLICIES

Budget - the Authority was created under the Local Transportation and Authority and Improvement Act (Act) commencing with Section 180000 of the California Public Utility Code. Section 180105 instructs the Authority to adopt an annual budget and hire a Certified Public Accountant to perform an annual financial audit. The law requires the budget to be published and available for public inspection at least one time no later than the 15th day of the month prior to the day of the budget hearing.

Contracting Policies and Procedures – The Authority complies with Board adopted contracting policies and procedures to procure materials, supplies, equipment, and services in the Authority’s best interest by securing the best price within a reasonable time frame to meet the Authority’s needs. Section 18154 of the Public Utilities Code requires contracts for services, supplies, equipment, and materials in excess of \$10,000 be awarded to the lowest responsible bidder after competitive bidding.

Investments – The Authority’s funds are invested in the State of California Local Agency Investment Fund (LAIF) and in the County of Sacramento Pooled Investment Fund (Pool) through an agreement between the Authority and Sacramento County. Authorized investments and investment policies and guidelines are consistent with those of the LAIF and the Pool. Idle bond funds are deposited in the California Asset Management Program (CAMP) and managed by a professional investment team.

FISCAL STRATEGIES

The Authority strives to meet the following guidelines:

- Maintain sufficient capital program fund balance to meet anticipated capital expenditures.
- Periodically update multi-year revenue and expenditure plans for effective long-term planning.
- Proactively monitor ongoing operating costs.
- Work with the Board to establish major goals that further the mission of the Authority.

- Regularly engage entities participating in the Measure A program to determine the progress of planned capital expenditures in relation to expectations.

STRATEGIC DIRECTION

The table below provides a roadmap of the Authority’s Strategic Direction. This information summarizes the Authority’s commitment to its stakeholders to ensure it effectively manages limited resources while providing excellent customer service.

Strategic Direction

Vision
Maximize the use of limited resources to improve the transportation network in Sacramento County
Mission
To promote and fund Innovative and sustainable transportation solutions to keep Sacramento County moving
Core Values
<ul style="list-style-type: none">• Integrity• Collaboration• Transparency• Accountability
Strategic Goals
<ul style="list-style-type: none">• Maximize program effectiveness through efficient and effective stewardship of public resources• Collaborate with partner entities to ensure the timing of their funding needs and the availability of funding resources are complimentary• Accurate and timely preparation and distribution of required financial information• Effectively implement the safeguards identified in the Ordinance• Provide support ITOC in its mission to safeguard public resources by overseeing fiscal and performance audits• Engage the public and solicit input on important Authority decisions

PERFORMANCE MEASURES

The Authority tracks select performance measures which are tied to its key strategic goals. These metrics provide broad measures of the Authority’s effectiveness, efficiency, timeliness, and productivity

in critical activities. While these initiatives may change year to year, performance measures generally reflect progress in core business operations over multiple years. The table below lists key performance measures for the coming year.

Two Fiscal Years’ Performance Measures

Performance Measure	FY 16/17 Planned	FY 16/17 Actual	FY 17/18 Planned
Perform monthly Measure A allocations timely and accurately	Yes	Yes	Yes
Review, comment on, and approve all required quarterly reporting by Measure A entities	Yes	Yes	Yes
Receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes	Yes
Receive Unmodified Opinion for the Comprehensive Annual Financial Report (CAFR)	Yes	Yes	Yes
Complete the budget year within the /amended budget	Yes	Yes	Yes
Significant Deficiency or Material Weakness in Report on Internal Control over Financial Reporting	No	No	No
Regularly assess cash flows in relation to capital expenditures	Yes	Yes	Yes
Submit Budget to GFOA Budget Awards Program	No	No	Yes
Respond to all Public Record Requests as required by law	Yes	Yes	Yes
Prepare and submit all required quarterly financial information required under the Authority’s bond covenants	Yes	Yes	Yes

LONG-TERM FINANCIAL PLANNING

Revenue forecasts are the starting point of short and long-term financial planning. Annually, the Authority updates its short-term financial forecasts while long-term forecasts are performed periodically based on factors such as the need to assess opportunities to issue new bonds. The Authority’s consultant provided a seven-year forecast in April 2017 and the long-term forecasts should be completed in June 2017. The long-term forecast will cover the remaining years of the program – through 2039. This information will be used as work begins in June 2017 to develop long-term cash-flow projections.

Currently the Authority has sufficient cash on hand to cover estimated capital expenditures through the end of FY17/18. Therefore, this allows the Authority to proactively develop revenue projections and cash-flow analyses as a planning tool for funding capital expenditures expected in fiscal year 18/19.

Capital Expenditures

Early in the budget cycle, Authority staff consults with each entity expected to receive capital expenditure funding to determine their needs for the coming year. This information is gathered at the project level and summarized for the budget document. Authority staff monitor budget-to-actual expenditures on a quarterly basis. When significant variances arise, Authority staff work with the related entity to determine the cause and take any necessary action. The chart below summarizes the projects by entity identified in the Expenditure Plan.

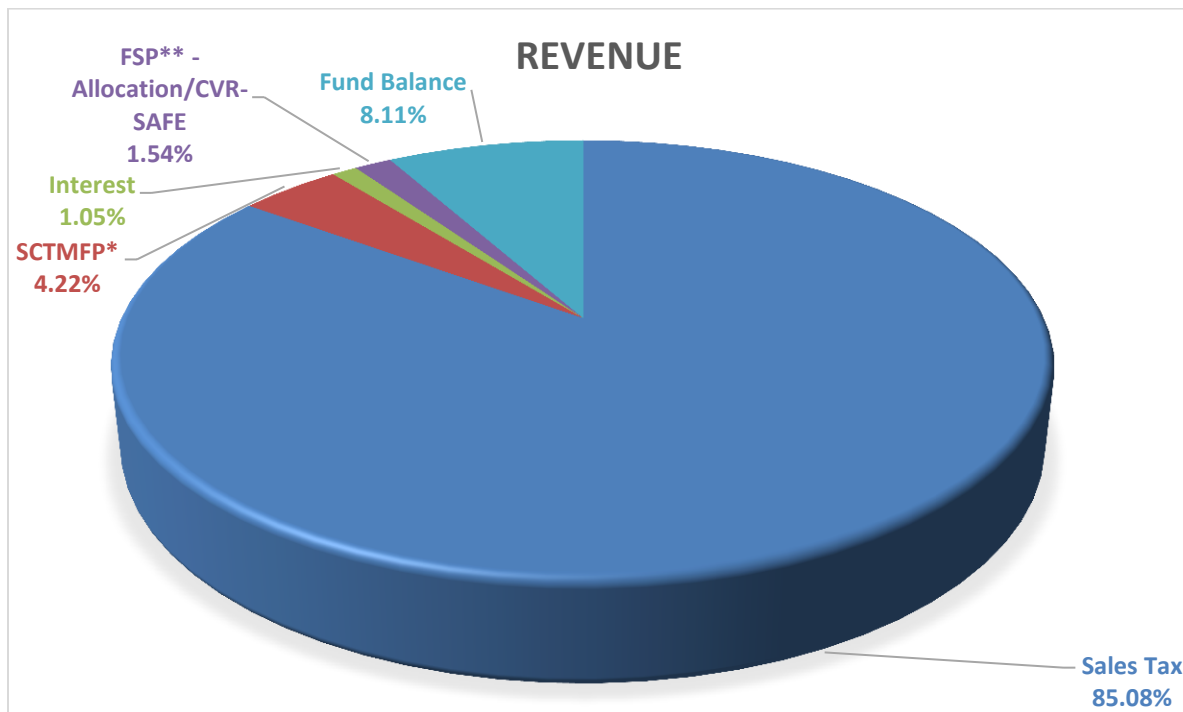
Sacramento County	Rancho Cordova
ANTELOPE ROAD (Watt Ave – Roseville Rd)	FOLSOM BOULEVARD Streetscape – Phase 1
ARDEN WAY ITS IMPROVEMENTS Phase 2	FOLSOM BOULEVARD Streetscape – Phase 2
BRADSHAW ROAD - Phase 1	SUNRISE BOULEVARD
BRADSHAW ROAD - Phase 2	
	Citrus Heights
FOLSOM BOULEVARD (Watt Ave – Bradshaw Rd)	ANTELOPE ROAD - Phase 1 (Roseville Rd - I-80)
GREENBACK LANE (Fair Oaks Blvd – Main Ave) – Phase 1	ANTELOPE ROAD - Phase 2 (I-80 - Auburn Blvd)
GREENBACK LANE (Fair Oaks Blvd – Main Ave) – Phase 2	GREENBACK LANE (West City Limit to Fair Oaks Blvd)
GREENBACK LANE (I-80 – Manzanita Ave)	SUNRISE BOULEVARD - Phase 1 (Oak Ave - Antelope Rd)
HAZEL AVENUE - Phase 1 (US 50 – Madison Ave)	SUNRISE BOULEVARD - Phase 2 (Greenback Lane – Oak Ave)
HAZEL AVENUE - Phase 2 (Madison Ave - Placer Co. Line)	SUNRISE BOULEVARD - Phase 3 (Antelope Rd – City Limit)
HAZEL AVENUE - (US Highway 50 – Folsom Blvd)	
	Elk Grove
MADISON AVENUE - Phase 1 (Sunrise Blvd – Hazel Ave)	GRANTLINE RD. /SR99 Interchange Upgrade
MADISON AVENUE - Phase 2 (Hazel Ave – Greenback Lane)	SHELDON RD. / SR99 INTERCHANGE UPGRADE
MADISON AVENUE - Phase 3 (Watt Ave – Sunrise Blvd)	BRADSHAW ROAD - (Grantline Road - Calvine Road)
SOUTH WATT/ELK GROVE-FLORIN ROAD - Phase 1	SHELDON ROAD. (Bruceville Rd - Bradshaw Rd)
SOUTH WATT / ELK GROVE-FLORIN ROAD - Phase 2	ELK GROVE-FLORIN ROAD (Calvine Rd - Elk Grove Blvd)
SUNRISE BOULEVARD (Jackson Rd – Grant Line Rd)	ELK GROVE BOULEVARD (Big Horn Blvd - Waterman Rd)
SUNRISE BOULEVARD (Madison Ave – Gold Country Blvd)	
	Folsom
WATT AVENUE (Antelope Rd – Capital City Freeway)	FOLSOM BRIDGE CROSSING
WATT AVENUE / SR50 INTERCHANGE UPGRADE	
	Galt
	CENTRAL GALT INTERCHANGE
	Regional Transit
5/50 INTERCHANGE IMPROVEMENTS	
5/80 INTERCHANGE UPGRADE, HOV CONNECTOR, and I-5 HOV LANES	DOWNTOWN NATOMAS AIRPORT LRT EXTENSION
OAK PARK (SR99/50) INTERCHANGE IMPROVEMENTS	SOUTH SACRAMENTO LRT CORRIDOR - Phase 2 (Meadowview - CRC)
I-5 BUS/CARPOOL LANES	REGIONAL RAIL
I-80 BUS/CARPOOL LANES	NORTHEAST CORRIDOR (NEC)
US 50 BUS/CARPOOL LANES Phase 1	
	CSCA (JPA)
US 50 BUS/CARPOOL LANES Phase 2	I-5 / SR 99 / US 50 CONNECTOR
	CORRIDOR ENVIRONMENT MITIGATION
Sacramento City	
ARDEN WAY ITS IMPROVEMENTS (Del Paso – Ethan)	
BRUCEVILLE ROAD WIDENING (Sheldon Rd - Cosumnes River Blvd)	
COSUMNES RIVER BOULEVARD (Freeport – Franklin)	
FOLSOM BOULEVARD (65th St. – Watt Ave.)	
RICHARDS BOULEVARD / INTERSTATE 5 Interchange Improvements	
DOWNTOWN INTERMODAL STATION	

SECTION 4 Fund Information

This section contains descriptions of the Authority’s funds and their associated budgets as approved for FY 17/18. Actual and projected revenues, expenditures and fund balance for the prior and current years are presented to provide context for the FY17/18 Approved Budget. In the audited financial statements, the Authority reports two major funds – the General Fund and Special Revenue Fund. The Special Revenue Fund includes all financial information for SAVSA. All other financial information is reported in the General Fund.

GENERAL FUND

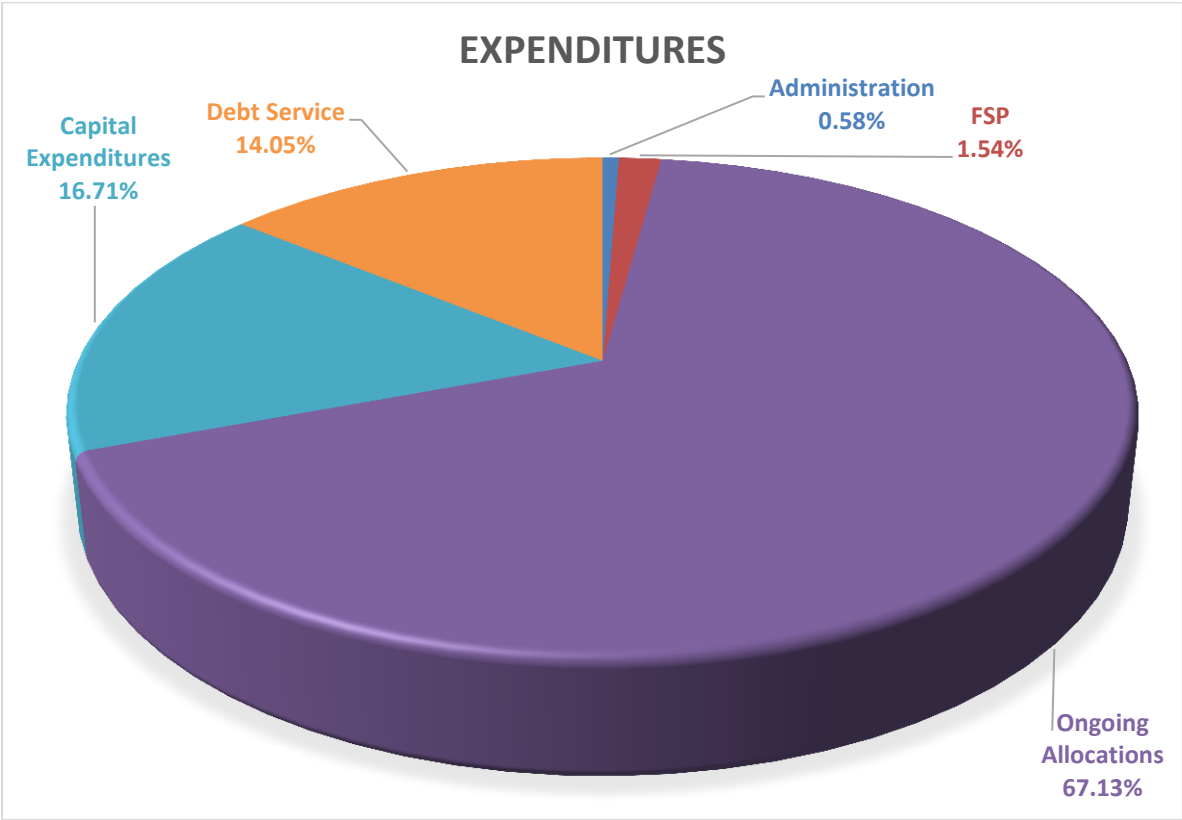
The General Fund reports all Measure A and FSP revenues and expenditures. Measure A revenues include sales tax proceeds, semi-annual SCTMFP remittances from each Measure A entity, and interest earned on fund balance. FSP revenues include state funding administered by Caltrans, and CVR-SAFE funding. Fund balance reserves are used to balance the budget.



* Sacramento Countywide Transportation Mitigation Fee Program

** SacMetro Freeway Service Patrol

A majority of the General Fund revenue is passed through to Measure A entities formulaically – per the Ordinance. The chart below shows that ongoing allocations represent 67 percent of the expenditures. Expenditures for capital projects and principal and interest payments on debt service account for about 31% of the remaining budget.



General Fund Budget - Revenues, Expenditures, and Fund Balance

Description	FY 15/16 Actual	FY 16/17 Approved	FY 16/17 Projected	FY 17/18 Approved	Variance Approved / Approved
Revenues and Fund Balance					
Sales Tax	110,707,633	114,061,318	116,579,000	121,062,000	7,000,682
SCTMFP* Fees	4,363,650	5,000,000	6,500,000	6,000,000	1,000,000
Interest	952,493	600,000	1,537,510	1,500,000	900,000
FSP** - State Allocation/CVR-SAFE	1,991,947	1,927,000	2,011,815	2,187,596	260,596
New Revenues	118,015,723	121,588,318	126,628,325	130,749,596	9,161,278
2009 Series Bonds Held in Reserve	7,946,575	7,980,000	8,000,564	8,300,000	320,000
2012 Series Bonds Held in Reserve	15,392,978	4,300,000	4,261,443	4,500,000	200,000
2014A and 2015A Series Bonds	17,720,674	5,130,000	5,260,910	1,100,000	(4,030,000)
SCTMFP	9,885,863	17,422,324	13,296,991	8,233,652	(9,188,672)
Administration	308,689	-	(195,546)	(69,410)	(69,410)
FSP	173,707	361,761	164,338	50,133	(311,628)
Capital Improvement Program	17,155,461	23,251,283	20,999,032	25,283,971	2,032,688
Beginning Fund Balance	68,583,947	58,445,368	51,787,732	47,398,346	(11,047,022)
Total Revenue and Fund Balance	186,599,670	180,033,686	178,416,057	178,147,942	(1,885,744)
Administration	1,334,542	855,460	731,613	824,416	(31,044)
FSP	2,001,317	2,228,520	2,126,020	2,187,596	(40,924)
Contributions to Measure A Entities					
Ongoing Allocations	87,368,034	90,008,176	91,990,186	95,519,365	5,511,189
Capital Expenditures	25,952,542	29,713,000	16,319,892	23,774,542	(5,938,458)
Debt Service	18,155,503	16,400,000	19,850,000	19,990,000	3,590,000
Total Expenditures	134,811,938	139,205,156	131,017,711	142,295,919	3,090,763
Ending Fund Balance	51,787,732	40,828,530	47,398,346	35,852,023	(4,976,507)

* Sacramento County Transportation Mitigation Fee Program (SCTMFP)

** SacMetro Freeway Service Patrol

The ending fund balance is expected to decrease \$5 million overall. This can be explained by a revenue increase of \$9.1 million, beginning fund balance decrease of \$11 million, and increased expenditures of \$3.1 million. The changes in revenue and expenditures are explained in the Budget Section of this document, while the \$11 million (18.9%) change in beginning fund balance is explained below. The most significant changes are as follows:

- 2014A and 2015A series bonds - \$4 million (78.6%) decrease because these two funds are used to reimburse entities for capital expenditures.
- SCTMFP - \$9.2 million (52.7%) decrease because the fund balance in the FY16/17 Approved Budget was incorrectly calculated (overstated by \$4 million). In addition, the Authority began paying capital expenditures claims with this funding source in FY16/17.
- Capital Improvement Program - \$2 million (8.7%) increase because the total sales tax allocations – 20.75% of the net proceeds – are projected to exceed debt service expenditures.

SPECIAL REVENUE FUND

The SAVSA is funded by a vehicle registration surcharge. This is a pass-through fund for the abandoned vehicle abatement program. Over 99.25 percent of the fees received are distributed to reimburse SAVSA claims. Distributions to entities are based 50% on population and 50% on the relative number of abatements performed during each calendar quarter.

As shown in the table below, over the three-year period presented, revenues and expenditures are roughly equal one another, leaving the program with a small positive fund balance per the FY17/18 Approved Budget.

SAVSA Budget - Revenues, Expenditures, and Fund Balance

Description	FY 15/16	FY 16/17	FY 16/17	FY 17/18	Variance
	Actual	Approved	Projected	Approved	Approved/Approved
Revenue and Fund Balance					
Vehicle License Fees	\$1,272,697	\$1,100,000	\$1,100,000	\$1,174,600	\$74,600
Interest	3,415	400	400	400	0
New Revenues	1,276,112	1,100,400	1,100,400	1,175,000	74,600
Beginning Fund Balance	121,827	1,939	154,549	1,863	(76)
Total Revenue and Fund Balance	1,397,939	1,102,339	1,254,949	1,176,863	74,524
Administration	26,873	75,000	75,000	62,377	(12,623)
Contributions to SAVSA Entities	1,216,517	1,027,000	1,178,086	1,112,623	85,623
Total Expenditures	1,243,390	1,102,000	1,253,086	1,175,000	73,000
Ending Fund Balance	154,549	339	1,863	1,863	1,524

DEBT SERVICE FUND

Under 2004 Measure A, the Authority may issue sales tax revenue bonds. The Sales Tax Bonds debt service fund is used to account for all activities related to the sales tax revenue bonds incurred by the Authority. Debt service is a significant cost to the Authority, second only to Measure A allocations found in the FY17/18 Approved Budget. Therefore, the Board, authority staff, and its bond trustee carefully monitor this fund to ensure sufficient resources are available when payments are due.

The funding for debt service is provided by General Fund transfers of Measure A sales tax proceeds. As seen in the budget section, debt service costs average about 80% of the total sales tax revenue allocated to service the debt.

Debt Service Fund

Description	FY 15/16 Actual	FY 16/17 Approved	FY 16/17 Projected	FY 17/18 Approved	Variance Approved / Approved
Revenue					
Interest	456	-	500	500	500
Total Revenues	456	0	500	500	500
Principal Payments	-	-	3,450,000	3,590,000	3,590,000
Interest Payments	16,023,860	16,400,000	16,400,000	16,400,000	-
Total Expenditures	16,023,860	16,400,000	19,850,000	19,990,000	3,590,000
Other Financing Sources (Uses)					
Transfers In	18,155,503	16,400,000	20,300,000	20,800,000	4,400,000
Total Financing Sources (Uses)	18,155,503	16,400,000	20,300,000	20,800,000	4,400,000
Beginning Fund Balance	4,230,361	6,362,460	6362460	6,812,960	450,500
Ending Fund Balance	6,362,460	6,362,460	6,812,960	7,623,460	1,261,000

SECTION 5 Budget Schedules

This section presents balanced budgets for the General Fund and SAVSA. The schedules contain the actual amounts from the previous fiscal year (FY 15/16), the Approved Budget and year-end projected amounts for the current fiscal year (FY 16/17), the Approved amounts for the coming fiscal year (FY 17/18), and the variance between FY 17/18 and FY16/17 Approved Budgets. Below is the Authority's Consolidated Budget.

CONSOLIDATED BUDGET

Consolidated Budget (General Fund and SAVSA) - Revenues and Expenditures

Description	FY 15/16 Actual	FY 16/17 Approved	FY 16/17 Projected	FY 17/18 Approved	Variance Approved / Approved
Revenues and Fund Balance					
Sales Tax	110,707,633	114,061,318	116,579,000	121,062,000	7,000,682
SCTMFP*	4,363,650	5,000,000	6,500,000	6,000,000	1,000,000
Interest	952,493	600,000	1,537,510	1,500,000	900,000
FSP** - Allocation/CVR-SAFE	1,991,947	1,927,000	2,011,815	2,187,596	260,596
SAVSA - Fees	1,397,939	1,102,339	1,254,949	1,176,863	74,524
Fund Balance	16,796,215	17,616,838	4,389,386	11,546,323	(6,070,515)
Total Revenues	136,209,877	140,307,495	132,272,660	143,472,782	3,165,287
Administration	1,334,542	855,460	731,613	824,416	(31,044)
FSP	2,001,317	2,228,520	2,126,020	2,187,596	(40,924)
SAVSA	1,243,390	1,102,000	1,253,086	1,175,000	73,000
Contributions to Measure A Entities:					
Ongoing Monthly Allocations	87,368,034	90,008,176	91,990,186	95,519,365	5,511,189
Capital Expenditures	25,952,542	29,713,000	16,319,892	23,774,542	(5,938,458)
Debt Service	18,155,503	16,400,000	19,850,000	19,990,000	3,590,000
Fund Balance	154,549	339	1,863	1,863	1,524
Total Expenditures	136,209,877	140,307,495	132,272,660	143,472,782	3,165,287

* Sacramento Countywide Transportation Mitigation Fee Program

** SacMetro Freeway Service Patrol

All budget information is reported on the modified accrual basis of accounting. This is consistent with the financial information reported in the audited financial statements. The only significant accruals are found in the General Fund. Sales tax revenue for the last two months of each fiscal year are received in July and August. In addition, a clean-up payment is received in September, representing the difference between the advances received for the months of April through June and the actual sales tax receipts. Since most sales tax revenue is passed-through to each Measure A entity, the Authority accrues the expenditures associated with the revenue above at the same time it records the revenue.

The Authority reports two major funds in its CAFR – the General Fund and a Special Revenue Fund that captures only SAVSA financial information and a debt service fund. However, for budgetary control

purposes, the Authority also presents detailed budgets for ongoing allocations, capital projects, FSP and administration costs – all of which are reported in the General Fund.

GENERAL FUND

General Fund Budget - Revenue and Expenditures

Description	FY 15/16 Actual	FY 16/17 Approved	FY 16/17 Projected	FY 17/18 Approved	Variance Approved /Approved
Revenues					
Sales Tax	110,707,633	114,061,318	116,579,000	121,062,000	7,000,682
SCTMFP*	4,363,650	5,000,000	6,500,000	6,000,000	1,000,000
Interest	952,493	600,000	1,537,510	1,500,000	900,000
FSP** - Allocation/CVR-SAFE	1,991,947	1,927,000	2,011,815	2,187,596	260,596
Fund Balance	16,796,215	17,616,838	4,389,386	11,546,323	(6,070,515)
Total Revenues	134,811,938	139,205,156	131,017,711	142,295,919	3,090,763
Administration	1,334,542	855,460	731,613	824,416	(31,044)
FSP	2,001,317	2,228,520	2,126,020	2,187,596	(40,924)
Contributions to Measure A Entities:					
Ongoing Allocations	87,368,034	90,008,176	91,990,186	95,519,365	5,511,189
Capital Expenditures	25,952,542	29,713,000	16,319,892	23,774,542	(5,938,458)
Debt Service	18,155,503	16,400,000	19,850,000	19,990,000	3,590,000
Total Expenditures	134,811,938	139,205,156	131,017,711	142,295,919	3,090,763

* Sacramento Countywide Transportation Mitigation Fee Program

** SacMetro Freeway Service Patrol

Notable changes between the FY 17/18 Approved Budget and the FY 16/17 Approved Budget include:

Revenues – the Authority’s revenues are expecting an overall increase of \$3.09 million consisting of the following:

- Sales tax - \$7 million (6.14%) increase is made up of two components - \$2.52 million representing current year projections in excess of FY16/17 Approved Budget revenue, and \$4.48 million represents FY 17/18 Approved Budget revenue in excess of FY16/17 Projected Revenue.
- SCTMFP - \$1 million (20%) increase over the FY16/17 Approved Budget, but is \$500,000 less than the FY16/17 Projected revenue.
- Interest - \$0.9 million (150%) increase over the FY16/17 Approved Budget, but is consistent with the FY16/17 Projection. This can be explained by the impact of increased interest rates on the Authority’s fund balance.
- Fund Balance - \$6.07 million (34.5%) decrease from the FY16/17 Approved Budget. This can be explained by increased revenue and decreased capital expenditures in the FY17/18 Approved Budget.

Expenditures – The Authority’s expenditures are expected to increase overall by \$3.09 million, primarily consisting of the following:

- Ongoing Allocations - \$5.51 million (6.12%) increase directly related to the increase revenue. This money is passed through to Measure A entities formulaically.
- Capital Expenditures – \$5.94 million (19.99%) decrease as some capital projects are nearing completion, reducing the funding needs.
- Debt Service - \$3.59 million (22%) increase because the FY16/17 Approved Budget did not include a bond principal payment due in October 2016. However, the FY16/17 Projected Budget materially agrees with the FY17/18 Approved Budget.

Measure A sales tax is collected by the BOE. The proceeds are remitted to the Authority’s bond trustee who pays all debt service costs on behalf of the Authority. The remainder is remitted to the Authority’s General Fund. The following table summarizes the allocation of funds per the Ordinance using the FY17/18 Approved Budget:

General Fund - Measure A Ongoing Allocations – FY 17/18

Description	Percentage	Amount	Explanation
Total Revenue		121,062,000	This represents the total revenue net of BOE’s administrative cost assessment - \$1,366,400
Isleton	.04	48,425	
Galt	1.00	1,210,620	
Neighborhood Shuttle		1,000,000	Set annual amount
Net proceeds		118,802,955	This is the amount used for the remaining allocations below (net proceeds)
County Regional Parks		1,000,000	Set annual amount
Capital Expenditures	20.75	24,651,613	This is used exclusively to pay costs for the capital program – debt service and pay-as-you-go
Program Administration	.75	891,022	To fund administrative operations – office, salaries and benefits, contractors, etc.
SMAQMD*	1.50	1,782,044	
Traffic Control and Safety**	3.00	3,564,089	
Paratransit	3.5	4,158,103	
CTSA Set Aside	1.00	1,188,029	
Safety, Streetscaping, Pedestrian, and Bike Facilities**	5.00	4,940,148	Equals 5% less \$1,000,000 to fund the County Regional Parks Program (see above)
Street and Road Maintenance**	30.00	35,640,887	
Sacramento Regional Transit District	34.50	40,987,020	
Total	100	118,802,955	Total monthly allocations of net proceeds

* Sacramento Metropolitan Air Quality Management District

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

Three allocations above are distributed to the cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, Sacramento, and Sacramento County formulaically. The formula is updated annually based on road lane miles and population within each jurisdiction. The allocations are as follows:

Allocation Per Lane Miles and Population

Entity	Allocation in Percent	Amount
City of Citrus Heights	5.41144	2,388,887
City of Elk Grove	11.13918	4,917,405
City of Folsom	5.39257	2,380,557
City of Rancho Cordova	5.17438	2,284,236
City of Sacramento	31.47097	13,892,898
County of Sacramento	41.41146	18,281,140
Total	100	44,145,123

Sales tax revenue is allocated (passed-through) to each Measure A entity based on a formula in the Ordinance. Therefore, these amounts change at the same rate as sales tax proceeds. The table below summarizes the allocations on an annual basis.

General Fund Ongoing Measure A Allocations Budget - Expenditures

Description	FY 15/16	FY 16/17	FY 16/17	FY 17/18	Variance
	Actual	Approved	Projected	Approved	Approved / Approved
Isleton	44,283	45,625	46,632	48,425	2,800
Galt	1,107,076	1,140,613	1,165,790	1,210,620	70,007
Neighborhood Shuttle Set-Aside	1,000,000	1,000,000	1,000,000	1,000,000	-
SMAQMD	1,628,344	1,678,126	1,715,499	1,782,044	103,918
Traffic Control & Safety	3,256,688	3,356,252	3,430,997	3,564,089	207,837
Paratransit (CTSA)	3,799,470	3,915,628	4,002,830	4,158,103	242,475
CTSA Set Aside	1,085,563	1,118,751	1,143,666	1,188,030	69,279
County Regional Parks	1,000,000	1,000,000	1,000,000	1,000,000	-
Safety, Streetscaping, Ped, Bike	4,427,814	4,593,754	4,718,329	4,940,148	346,394
Street & Road Maintenance	32,566,882	33,562,524	34,309,974	35,640,887	2,078,363
SRTD	37,451,914	38,596,903	39,456,470	40,987,020	2,390,117
Total Distributions	87,368,034	90,008,176	91,990,186	95,519,365	5,511,189

The table below summarizes the capital expenditures at the entity level for three fiscal years. The Authority's capital plan covers the 30-year term program term and all entities planning on receiving project funding. Entities not in the table but included in the capital program are the cities of Folsom, Galt, and Elk Grove. Information for the FY17/18 Approved Budget is based on each entity's FY17/18 Proposed Budget. Authority staff work with each entity throughout the year to identify any material changes in expectations and determine the cause so that appropriate actions can be taken.

General Fund - Capital Projects Budget - Expenditures

Description*	FY 15/16	FY 16/17	FY 16/17	FY 17/18	Variance
	Actual	Approved	Projected	Approved	Approved / Approved
Caltrans	5,017,750	2,715,000	3,311,910	3,300,000	585,000
Capital Southeast Connector (JPA)	2,280,206	7,000,000	2,001,651	8,560,378	1,560,378
Rancho Cordova	217,270	2,748,000	27,062	5,547,999	2,799,999
Sacramento City	13,696,971	11,500,000	8,354,681	2,040,000	(9,460,000)
Sacramento County	3,358,007	5,750,000	2,503,041	3,909,000	(1,841,000)
Sacramento Regional Transit District	791,576	-	121,548	417,165	417,165
Citrus Heights	590,762	-	-	-	-
Total Capital Expenditures	25,952,542	29,713,000	16,319,892	23,774,542	(5,938,458)

FSP revenue is materially consistent each year. However, because of an increase in CVR-SAFE revenue for FY17/18, the revenues are expected to exceed expenditures for the first time in three years.

General Fund - FSP Budget - Revenue and Expenditures

Description	FY 15/16	FY 16/17	FY 16/17	FY 17/18	Variance
	Actual	Approved	Projected	Approved	Approved / Approved
Revenues and Fund Balance					
State Allocation	1,234,947	1,100,000	1,184,815	1,244,056	144,056
SAFE	757,000	827,000	827,000	943,540	116,540
Fund Balance	9,370	301,520	114,205	-	(301,520)
Total Revenues	2,001,317	2,228,520	2,126,020	2,187,596	(40,924)
Salaries and Benefits	140,033	170,100	170,100	126,379	(43,721)
Rent	16,999	16,920	15,885	12,000	(4,920)
Conferences and Travel	600	2,500	1,321	850	(1,650)
Communications	50,570	55,000	56,708	46,125	(8,875)
Professional and Legal Services	126,461	149,000	149,000	130,375	(18,625)
Other Operating Expenditures	6,667	15,000	30,939	19,925	4,925
Contractors	1,659,987	1,820,000	1,702,067	1,787,170	(32,830)
Fund Balance	-	-	-	64,772	64,772
Total Expenditures	2,001,317	2,228,520	2,126,020	2,187,596	(40,924)

The table below represents operational data for FSP over the last 10 years. The program consistently provides over 30,000 assists per year, helping make Sacramento and Yolo Counties' freeways safer by assisting stranded motorists.

**Freeway Service
Patrol Assists**

Fiscal Year	Assists
2016	37,091
2015	34,395
2014	30,097
2013	36,538
2012	38,180
2011	35,301
2010	36,368
2009	38,142
2008	32,915
2007	32,597
Total	351,624

Revenue for the administration budget is generated by a .75% allocation of the net sales tax proceeds. As the table below indicates, the administration expenditures have been constrained in the current and coming fiscal years to begin establishing a reserve fund balance.

General Fund - Administration Budget - Revenues and Expenditures

Description	FY 15/16 Actual	FY 16/17 Approved	FY 16/17 Projected	FY 17/18 Approved	Variance Approved / Approved
Revenues and Fund Balance					
Sales Tax*	830,307	855,460	857,749	891,022	35,562
Fund Balance	504,235	-	-	-	-
Total Revenues	1,334,542	855,460	857,749	891,022	35,562
Salaries and Benefits	435,516	471,000	382,627	488,874	17,874
CalPERS Unfunded Liability	52,679	-	52,893	62,202	62,202
Rent	41,543	59,650	42,352	31,680	(27,970)
Conferences and Travel	20,566	15,000	7,046	3,500	(11,500)
Insurance	30,510	32,000	32,000	28,000	(4,000)
Professional Services	665,109	200,000	132,180	81,120	(118,880)
ITOC	52,000	65,000	53,900	96,040	31,040
Other Operating Expenditures**	36,619	12,810	28,616	33,000	20,190
Fund Balance	-	-	126,136	66,606	66,606
Total Expenditures	1,334,542	855,460	857,749	891,022	35,562

* Administration is limited to .75% of the net sales tax revenue

** General office and utilities combined with "Other Operating Expenditures"

SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY (SAVSA)

SAVSA is a stable program that annually generates materially consistent revenue. Since program funding is passed-through to the participating entities, expenditures closely parallel revenue.

SAVSA Budget - Revenues and Expenditures

Description	FY 15/16 Actual	FY 16/17 Approved	FY 16/17 Projected	FY 17/18 Approved	Variance Approved / Approved
Revenue					
Vehicle License Fees	1,272,697	1,100,000	1,100,000	1,174,600	74,600
Interest	3,415	400	400	400	-
Total Revenues	1,397,939	1,102,339	1,254,949	1,176,863	74,524
Administration	26,873	75,000	75,000	62,377	(12,623)
Contributions to SAVSA Entities	1,216,517	1,027,000	1,178,086	1,112,623	85,623
Fund Balance	154,549	16,400,000	19,850,000	1,863	1,524
Total Expenditures	1,397,939	17,502,000	21,103,086	1,176,863	74,524

DEBT SERVICE

The Authority’s bond program is funded entirely through sales tax revenue allocations. Under the Ordinance, 20.75% percent of the net sales tax proceeds are restricted due to the Authority’s bond covenants and set aside to pay debt service costs and pay-as-you-go capital expenditures. Bond proceeds and pay-as-you-go funding is restricted for capital projects identified in the Expenditure Plan. The Authority issued variable interest rate bonds in 2009, but those bonds have been hedged with derivatives that fix the interest rate paid providing financial stability.

The Authority’s bonds are highly rated – currently AA+ by S&P. All bonds issued by the Authority have held a rating of at least AA+ since the bonds were issued in 2009. The rating agency cited Sacramento’s relatively stable economy which consistently provides sufficient sales tax revenue to fund the bond program.

The Authority does not have a debt limit policy per se, but is constrained by the 20.75% allocation that funds the principle and interest payments on its debt. This allocation is regularly assessed in relation to the anticipated debt service costs. This effort is a collaboration between staff and the Authority’s financial advisory consultant. As the debt service allocation table below demonstrates, the Authority annually expends about 80% of the allocation for debt service costs, leaving a prudent cushion.

Actual Debt Service to Revenue Allocation Ratios

Description	2017	2016	2015	2014	2013
CIP*	23,731,065	22,525,426	21,469,273	20,339,685	19,790,794
Debt Service Charges	19,850,000	18,155,503	16,300,401	16,880,820	16,345,685
Actual Ratio	83.65%	80.60%	75.92%	82.99%	82.59%

*Capital Improvement Program

Debt Repayment Schedule

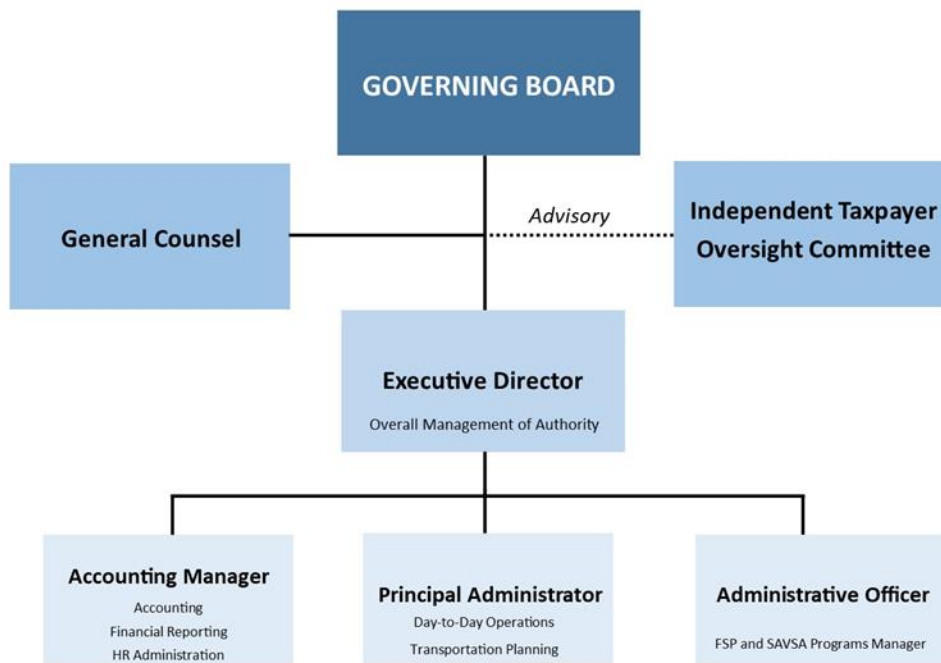
Fiscal Year Ending June 30	Principal	Interest	Hedging Derivatives	Ancillary Fees	Total
2018	\$3,590,000	\$3,113,985	\$11,018,329	\$962,755	\$18,685,069
2019	3,740,000	2,967,385	11,018,329	962,755	18,688,469
2020	3,890,000	2,814,785	11,018,329	965,248	18,688,362
2021	4,050,000	2,655,985	11,018,329	962,318	18,686,632
2022	4,235,000	2,469,110	11,018,329	962,755	18,685,194
2023-2027	24,680,000	8,854,175	55,091,645	4,815,831	93,441,651
2028-2032	104,320,000	3,854,842	48,500,425	4,242,014	160,917,281
2033-2037	150,300,000	1,947,211	25,451,064	2,225,528	179,923,802
2038-2039	69,400,000	185,633	2,426,534	212,396	72,224,562
Totals	368,205,000	28,863,111	186,561,313	16,311,600	599,941,023

SECTION 6 Organizational Overview

The Authority administers three programs – Measure A, FSP, and SAVSA. This section includes the Authority’s organizational structure, each staff member’s area of responsibility, pay schedules, and the Authority accomplishments.

ORGANIZATIONAL STRUCTURE

Organization Chart



The Authority employs 4 full-time personnel. Because of its small size, staff work in multiple programs. All positions are funded according to the ratios below. The ratios are determined using historical and anticipated workload ratios. Staffing levels for FY15/16, FY16/17, and FY17/18 have been stable at 4 positions. There are no anticipated staffing changes for FY17/18.

Personnel – Full-time equivalent FY17/18			
	Measure A	SAVSA	FSP
Executive Director	.90	.05	.05
Principal Administrator	.95	.05	N/A
Accounting/Finance Manager	.85	.05	.10
Administrative Officer	.05	.05	.90

Authority Position Descriptions

Executive Director

Under the direction of the Governing Board, the Executive Director (ED) is responsible for overall management of the Authority. This includes overseeing the establishment of policies and procedures, overall management of personnel and resources, and the implementation of the Measure A, FSP, and SAVSA programs.

Principal Administrator

Under the direction of the ED, manages the day-to-day activities and operation of the Authority consistent with the Authority's short and long range plans. The Principal Administrator coordinates with the ED to develop work plans, Governing Board agendas and action items, and acts on behalf of the ED in his/her absence or as authorized by the ED.

Accounting/Finance Manager

Under the direction of the ED, the Accounting/Finance Manager performs all of the Authority's accounting duties, human resource functions, and participates in short and long-term finance planning and implementation.

Administrative Officer

Under the direction of the ED, the Administrative Officer is responsible for managing the FSP and SAVSA programs. Responsibilities include contract, funding and budget management, compliance oversight, data collection and reporting.

The Authority aligns its pay schedules to comparable Sacramento County classifications. The following pay schedules represent the monthly minimum and maximum published amounts for FY15/16 with an anticipated 2.3% cost of living adjustment for FY17/18. The published amounts for FY17/18 will be available at a later date.

Pay Schedules

Classification	Monthly Minimum	Monthly Maximum
Executive Director	13,510	14,897
Principal Administrator	10,655	11,746
Accounting/Finance Manager	8,416	9,277
Administrative Officer	5,125	6,230

AUTHORITY ACCOMPLISHMENTS

In FY 16/17, the Authority achieved numerous accomplishments including the following:

- Published a new website for the ITOC
- Collaborated with the ITOC to develop new Capital Projects Quarterly Status Reports
- Recruited new ITOC voting member and completed filling the open ex-officio positions – filling out the ITOC for the first time since its inception in 2009
- Implemented a new accounting system that allows for more efficient data entry and financial reporting on a modified accrual basis
- Reduced operating expenditures by procuring lower-cost dental, vision, and life insurance benefits and increased use of electronic payment and deposit software
- Increased Authority transparency, in part, by restructuring this budget document and attending and holding more public meetings
- Increased IT security by transitioning to web-based software managed by Microsoft
- Updated procedures for plans, reports, etc.
- Increased abandoned vehicle abatements by encouraging entities to be more proactive
- Consolidated Board meetings – from 10 per year down to 7
- Established an annual work plan
- Submitted FY17/18 budget for consideration in the GFOA Budget Awards Program
- Completed providing FSP for the 80 across-the-top construction project
- Encouraged entities to identify projects for 1988 Measure A funding still held by the Authority
- Established greater collaboration between agency staff and initiated performance reviews

SECTION 6 Statistical Information

OPERATONAL STATISTICS

The Authority measures numerous operational and financial statistics. Financial statistics are from the Authority's June 30, 2016 audited financial statements.

Sacramento Abandoned Vehicle Abatements

Fiscal Year	Abatements
2016	8,586
2015	5,037
2014	5,247
2013	6,222
2012	6,239
2011	7,334
2010	8,718
2009	11,575
2008	13,736
2007	14,690
Total	87,384

FINANCIAL STATISTICS

Balances of Governmental Funds (Modified Accrual)

	2016	2015	2014	2013	2012
General Fund					
Nonspendable	\$ 10,027	\$ 10,027	\$ 10,027	\$ 10,027	\$ 10,027
Restricted	51,973,251	81,243,264	91,591,253	101,338,670	46,521,997
Unassigned	(195,546)	329,381	427,430	740,000	600,000
Total General Fund	51,787,732	81,582,672	92,028,710	102,088,697	47,132,024
All Other Governmental Funds					
Restricted	6,517,009	4,352,188	4,232,983	4,439,725	3,860,118
Total all other governmental funds	6,517,009	4,352,188	4,232,983	4,439,725	3,860,118
Total Governmental Funds	\$58,304,741	\$85,934,860	\$96,261,693	\$106,528,422	\$50,992,142

Changes in Balances of Governmental Funds (Modified Accrual)

	2016	2015	2014	2013	2012
Revenues					
Taxes	\$110,707,633	\$105,564,247	\$100,063,237	\$97,390,177	\$92,239,996
Development Impact Fees (Mitigation)	4,363,650	4,624,139	3,540,542	3,176,382	2,957,362
Vehicle registration fees	1,272,697	1,220,900	1,172,833	1,130,254	1,166,769
State grant	1,155,194	1,176,786	1,179,459	1,167,759	1,109,848
FSP / State / SHOPP	79,753	126,787	196,064	-	-
SAFE Funds	757,000	747,000	747,000	747,000	732,250
Use of money and property	941,859	555,414	430,196	660,928	641,940
Miscellaneous	14,505	1,415	712	1,452	-
Total Revenues	119,292,291	114,016,688	107,330,043	104,273,952	98,848,165
Expenditures					
General government:					
Administrative	1,342,300	805,331	1,008,517	745,552	658,391
Freeway service patrol	2,000,559	2,090,267	2,164,149	1,765,562	1,729,539
Intergovernmental	114,537,093	104,405,460	97,543,286	94,103,672	108,225,941
Debt Service:					
Interest and other charges	16,016,860	17,042,463	16,880,820	16,804,043	15,167,878
Total Expenditures	133,896,812	124,343,521	117,596,772	113,418,829	125,781,749
Excess of Expenditures over Revenue	(14,604,521)	(10,326,833)	(10,266,729)	(9,144,877)	(26,933,584)
Other Financing Sources (Uses)					
Transfers in	18,182,376	16,439,131	16,694,009	16,950,657	14,869,554
Transfers out	(18,182,376)	(16,439,131)	(16,694,009)	(16,950,657)	(14,869,554)
Refunding 2009A and 2009B Series Bonds	-	(212,200,000)	-	-	-
Premium from issuance of long term debt	-	-	-	11,326,155	-
Issuance of 2014A and 2015 Series Bonds	-	212,200,000	-	53,355,000	-
Total Other Financing Sources (Uses)	-	-	-	64,681,155	-
Net Change in Fund Balances	\$(14,604,521)	\$(10,326,833)	\$(10,266,729)	\$ 55,536,278	\$(26,933,584)

Debt Service as a Percentage of Noncapital

Expenditures	11.96%	13.71%	14.35%	14.82%	12.06%
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Revenue Capacity - Revenue Base and Revenue Rate

Fiscal Year	Sales Tax Rate	Total Sales Tax Revenue	Total Taxable Sales*
2016	0.5%	\$ 110,708	\$ 22,141,600
2015	0.5%	105,564	21,112,800
2014	0.5%	100,063	21,061,901
2013	0.5%	97,390	20,097,095
2012	0.5%	92,240	19,089,848
2011	0.5%	87,299	18,003,765
2010	0.5%	81,414	16,904,528
2009	0.5%	89,395	16,563,853
2008	0.5%	101,155	19,331,847
2007	0.5%	105,367	20,560,510

Revenue Capacity - Principal Revenue Payers

	2014			2006		
	Rank	Amount	Percentage of Taxable Sales	Rank	Amount	Percentage of Taxable Sales
All Other Outlets	1	\$ 6,412,208	30.4%	1	\$ 5,438,465	25.7%
Automotive	2	2,797,532	13.3%	2	2,636,783	12.5%
General Merchandise Stores	3	2,157,986	10.2%	4	2,454,816	11.6%
All Other Retail Stores	4	2,131,227	10.1%	3	2,852,716	13.5%
Eating and Drinking Places	5	2,071,554	9.8%	6	1,687,711	8.0%
Service Stations	6	1,857,065	8.8%	7	1,442,926	6.8%
Building Materials	7	1,168,008	5.6%	5	1,511,444	7.1%
Food Stores	8	959,756	4.6%	9	920,753	4.4%
Apparel Stores	9	921,913	4.4%	11	652,320	3.1%
Household & Home Furnishings	10	340,187	1.5%	10	653,574	3.1%
Nonstore Retailers	11	244,464	1.2%	8	888,878	4.2%
Total All Outlets		\$ 21,061,900	100.0%		\$ 21,140,386	100.0%

Private Sector Principal Employers

Employer	2015			2006		
	Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment
UC Davis Health System	1	9,905	1.57%			
Sutter/California Health Services	2	7,352	1.16%	2	11,284	1.79%
Dignity/Mercy Healthcare	3	6,212	0.98%			
Intel Corporation	4	6,000	0.95%	5	6,500	1.03%
Kaiser Permanente	5	5,421	0.86%	1	11,729	1.86%
Raley's Inc/Belair	6	3,289	0.52%	3	8,203	1.30%
Apple Inc.	7	2,500	0.40%			
VSP Global	8	2,382	0.38%			
Health Net of California Inc.	9	2,299	0.36%			
Wells Fargo & Co.	10	2,190	0.35%			
University of California, Davis				4	8,000	1.27%
Hewlett Packard				8	4,500	0.71%
Wal-Mart				10	3,300	0.52%
Target Corporations				9	3,693	0.58%
SBC Communications				6	5,753	0.91%
CHW / Mercy Health Care				7	5,229	0.83%
Total		47,550	7.53%		68,191	10.80%

Demographic and Economic Statistics

Fiscal Year	Population	Personal Income (000's)	Per Capita Per Income	Unemployment Rate
2016	1,501,335	\$69,870,482	\$46,539	0.06
2015	1,481,474	65,391,250	44,139	0.07
2014	1,462,338	61,654,690	42,162	0.09
2013	1,448,466	59,775,785	41,268	0.11
2012	1,435,548	57,498,308	40,053	0.12
2011	1,422,010	54,666,004	38,443	0.13
2010	1,408,601	53,826,177	38,213	0.11
2009	1,394,438	54,773,648	39,280	0.07
2008	1,381,161	52,721,398	38,172	0.05
2007	1,369,563	50,965,290	37,213	0.05

Operating Information - Demand for Services, Measure A - By Jurisdiction

Jurisdiction	2016	2015	2014	2013	2012
SMAQMD	\$1,604,995	\$1,541,388	\$1,474,887	\$1,407,308	\$1,342,830
RT South Line	-	-	-	-	-
City of Folsom	2,105,522	2,018,853	1,978,191	1,905,848	1,816,009
City of Rancho Cordova	2,013,909	1,922,210	1,803,645	1,711,239	1,627,805
City of Galt	1,091,347	1,048,496	1,003,696	958,170	914,734
City of Isleton	43,654	41,940	40,150	38,327	36,592
Paratransit	3,744,989	3,596,572	3,441,403	3,283,718	3,133,270
Regional Transit	36,914,890	35,451,925	33,922,401	32,368,073	30,885,085
City of Citrus Heights	2,152,319	2,071,744	1,985,463	1,891,987	1,802,800
City of Elk Grove	4,318,918	4,135,491	3,927,291	3,706,060	3,523,059
City of Sacramento	12,539,139	12,037,403	11,534,598	11,011,678	10,506,441
County of Sacramento	16,530,072	15,862,799	15,134,616	14,424,979	13,742,240
Sacramento Regional Parks	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Neighborhood Shuttle Set Aside	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
CTSA Set Aside	1,069,997	1,027,592	983,258	938,205	895,220
Debt Service	22,202,434	21,322,534	20,402,604	19,467,754	18,575,812
Administration	802,498	770,694	737,444	703,654	671,415
Total allocations	109,134,682	104,849,638	100,369,646	95,817,000	91,473,309

Ratios of Outstanding Debt

Fiscal Year	Sales Tax Revenue Bonds	Percentage of Personal Income	Per Capita
2016	\$380,023,772	N/A	N/A
2015	380,778,849	0.6%	\$257
2014	381,533,926	0.6%	260
2013	382,289,003	0.6%	264
2012	318,300,000	0.5%	222
2011	318,300,000	0.6%	224
2010	318,300,000	0.6%	226
2009	182,320,000	0.3%	131
2008	182,320,000	0.3%	132
2007	100,090,000	0.2%	73

APPENDIX A

GLOSSARY

Account – The primary accounting field in the budget used to describe the type of financial transaction.

Accrual Basis – Revenues and expenditures are recorded in the period earned or incurred regardless of whether cash is received or disbursed in that period.

Actual – Actual level of expenditures.

Balanced Budget – refers to a budget in which revenues equal expenditures. Oftentimes, excess fund balance is used to balance the budget.

Beginning/Ending Fund Balance – Unencumbered resources available in a fund from the prior/current year after payment of the prior/current year's expenditures. Not necessarily cash on hand. Also refer to fund balance.

Budget – An annual financial plan consisting of Proposed/ expenditures for specified purposes and the Proposed/ means of financing them.

California Board of Equalization (BOE) – The public agency charged with tax administration and fee collection in the State of California.

Capital Expenditures – Measure A sales tax revenue used to fund specific capital construction projects identified in the Expenditure Plan (see below for definition).

Capital Improvement Program (CIP) – Sales tax proceeds set aside for debt service costs and pay-as-you-go capital expenditure funding. The Ordinance establishes the rate as 20.75% of the net sales tax proceeds.

Capitol Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE) – Sacramento region's Call Box and 511 Motorist Aid Program – funded by an annual \$1 charge on eligible vehicle registrations in the County.

Comprehensive Annual Financial Report (CAFR) - Government financial statements comprising the Authority's financial report that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB).

County of Sacramento Pooled Investment Fund – A pool of local agency funds managed by the Sacramento County Department of Finance.

Debt Issue – Issuance of bonds to finance capital projects throughout Sacramento County.

Debt Service – The costs of paying the principal and interest on borrowed money according to a predetermined payment schedule.

Expenditure – The actual spending of funds authorized by an appropriation and are generally divided into various categories such as employee salaries and benefits, services and supplies, debt service, and capital construction costs.

Expenditure Plan – Sacramento County Transportation Expenditure Plan 2009-2039. This plan identifies specific projects and funding for the 30-year 2004 Measure A program.

Fiscal Year – A time period designated by the Authority signifying the beginning and ending period for recording financial transactions. The Authority's fiscal year is July 1 through June 30.

Full-Time Equivalent (FTE) – The hours worked by one employee on a full-time basis. On an annual basis, an FTE is considered to be 2,080 hours, which is calculated as 8 hours per day.

Fund – A group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Each fund has its own budget and tracks revenues and expenditures separately.

Fund Balance – The total amount remaining after current expenditures are subtracted from the sum of the beginning fund balance and current resources.

Government Finance Officers Association (GFOA) - The GFOA was founded in 1906 to represent public finance officials throughout the United States and Canada. GFOA's mission is to promote excellence in state and local government financial management.

Independent Taxpayer Oversight Committee (ITOC) – Citizen volunteers that supervise fiscal and performance audits regarding the use of all sales tax funds and provide for independent review to ensure compliance with the Expenditure Plan and Ordinance by voters.

Local Agency Investment Fund (LAIF) – A pool of local agency funds managed by the California State Treasurer's Office.

Local Transportation Authority and Improvement Act (Act) - commences with Section 180000 of the California Public Utility Code.

Measure A Retail Sales Tax (2004 Measure A) – Voter one-half of one-percent retail sales and use tax collected over a 30-year period in Sacramento County and dedicated for transportation planning, design, construction, operation and maintenance through 2039.

Modified Accrual Basis - Method under which revenues are recognized in the period they become available and measurable, and expenditures are recognized in the period the associated liability is incurred.

Net Sales Tax Revenue – Equals total sales tax proceeds less the required allocations to the cities of Isleton and Galt, and the Neighborhood Shuttle Program as required under the Ordinance.

Ordinance – The action carried out by the Governing Board establishing the one-half of one percent sales and use tax within Sacramento County.

Revenues - Income received from various sources including retail sales tax, development impact fees, grants, and interest income.

Variance – Change in revenue or expenditures between fiscal years.