

**SACRAMENTO TRANSPORTATION AUTHORITY**  
**INDEPENDENT ACCOUNTANT'S REPORT**  
**AND**  
**AGREED-UPON PROCEDURES PERFORMED**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**SACRAMENTO TRANSPORTATION AUTHORITY  
SACRAMENTO, CALIFORNIA**

**MEASURE A PERFORMANCE AND COMPLIANCE MEASURES**

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**MEASURE A BACKGROUND INFORMATION**

**SACRAMENTO TRANSPORTATION AUTHORITY  
MEASURE A PERFORMANCE AND COMPLIANCE MEASURES  
MEASURE A BACKGROUND INFORMATION**

The Sacramento Transportation Authority (STA) was created in 1988 to administer a half-cent sales tax program in Sacramento County which voters approved in November 1988. The 20-year program started in April 1989 and sunset in March 2009. Funds collected during the term of the initial program were expended on projects to relieve traffic congestion, improve air quality, construct new and repair existing highways, local streets and roads, expand public transit, and increase public safety by providing essential countywide transportation improvements.

In November 2004, voters approved a 30-year extension to the half-cent sales tax program (Measure A). The program extension began in April 2009 and will sunset in March 2039. The Measure A sales tax is projected to generate \$4.8 billion for transportation improvements throughout the Sacramento region. The current program has provided monthly formula driven revenue allocations (on-going) for transit operations and maintenance, road maintenance, safety and congestion relief programs, pedestrian and bicycle facilities, air quality improvement programs, senior and disabled transportation services, and American River Parkway improvements and maintenance. In addition, Measure A provides funding for 33 capital improvement projects and mitigation programs (capital projects) identified in the Sacramento County Transportation Expenditure Plan 2009-2039 (Expenditure Plan) approved by voters. An additional 2 capital projects were added to the Expenditure Plan as part of the Local Arterials program. Measure A provides this funding to the State and local agencies listed below.

- City of Citrus Heights
- City of Elk Grove
- City of Folsom
- City of Galt
- City of Isleton
- City of Rancho Cordova
- City of Sacramento
- County of Sacramento
- Sacramento Metropolitan Air Quality Management District
- Paratransit
- Capital SouthEast Connector
- Sacramento Regional Transit (Regional Transit)
- California Department of Transportation (Caltrans)

About the time Measure A started in 2009, the nation was nearing the end of a significant recession that impacted every federal, state, and local jurisdiction in profound ways. In particular, consumer spending had declined. As a result, sales tax revenue started declining in fiscal year 2007 and did not reach its pre-recession level until fiscal year 2016. However, sales tax revenue has increased on average 5.3% since the program's inception through June 30, 2025 – the scope of this performance audit.

In addition to sales tax revenue, Measure A generates fees from the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) which also began in April 2009. Each local agency participating in Measure A collects mitigation fees for certain new construction and remits those funds to STA. These funds are used to finance the capital improvement projects and mitigation programs identified in the expenditures plan.

Collectively, Measure A revenues from sales tax and SCTMFP fees from the inception of Measure A through the year ended June 30, 2025, totaled approximately \$2.13 billion as reported and summarized in STA's Annual Comprehensive Annual Financial Report (ACFR) by fiscal year in the following table:

Fiscal Year	STA Sales Tax Revenue		SCTMFP Fee	
	Amount (thousands)	Growth Rate	Amount (thousands)	Growth Rate
2009-10	\$ 81,414		\$ 3,074	
2010-11	87,299	7.2%	2,334	-24.1%
2011-12	92,240	5.7%	2,957	26.7%
2012-13	97,390	5.6%	3,176	7.4%
2013-14	100,063	2.7%	3,541	11.5%
2014-15	105,564	5.5%	4,624	30.6%
2015-16	110,708	4.9%	4,364	-5.6%
2016-17	116,878	5.6%	7,848	79.8%
2017-18	119,188	2.0%	7,622	-2.9%
2018-19	131,757	10.5%	6,684	-12.3%
2019-20	131,591	-0.1%	7,552	13.0%
2020-21	153,560	16.7%	8,957	18.6%
2021-22	172,916	12.6%	8,237	-8.0%
2022-23	176,143	1.9%	8,856	7.5%
2023-24	177,813	0.9%	9,465	6.9%
2024-25	174,857	-1.7%	11,851	25.2%
<b>Total / Average</b>	<b>\$ 2,029,381</b>	<b>5.3%</b>	<b>\$ 101,142</b>	<b>11.6%</b>

As shown in the table above, sales tax revenue has grown steadily since the program's inception. Using actual sales tax receipts through June 30, 2025, and the forecast amounts, the program is expected to generate about \$2.0 billion which is consistent with the sales tax revenue estimate in the Expenditure Plan. All sales tax revenue is allocated by formula to Measure A programs. Each month, STA allocates Measure A funds to these programs and to the local agencies receiving funds from these programs as identified in the Expenditure Plan.

In contrast to sales tax revenue, SCTMFP fee revenue has proven to be volatile. As the table above documents, the growth rate has varied from a reduction of 24.1% to growth of 79.9%. Using data from program inception through June 30, 2025, the growth rate averaged 11.6%. The long-term forecast for the SCTMFP fee program indicates it might generate approximately \$254.4 million using a projected 2.1% growth rate from fiscal year June 30, 2025, through the end of the Measure A program. This amount is slightly more than half of the amount included in the Measure A Expenditure Plan totaling \$488.0 million. As noted above, SCTMFP fee revenue is subject to significant volatility year over year which means the long-term forecast is also subject to significant volatility.

In addition to sales tax and fee revenues, STA issued \$183 million in bonds in 2006 and 2007 in anticipation of the sales tax revenue collections beginning in April 2009. In the Sacramento region there were projects ready for construction funding, so debt was issued to advance them. These bonds were paid off in fall 2009 when \$318 million in new bonds were issued, all variable rate bonds hedged with an interest rate swap agreement, partly to pay off the previously issued bonds and to provide additional funding for shovel-ready projects. There were three bond series outstanding from this early debt action, the 2009C, 2014A and 2015A Series. In July 2012 (2012 Series), \$53 million in additional bonds were issued. These bonds have since been refinanced to optimize the debt repayment. In August 2022 (2022 Series), \$24.2 million in bonds were issued to refund the 2012 Series, as of June 30, 2025, \$20.1 million is still outstanding on this issuance with a maturity of October 2027. In August 2023 (2023 Series), \$296.4 million in bonds were issued to refund Series 2009C, 2014A and 2015A, this refinancing moved the debt into a fixed rate series, with a potential to refinance in ten years, \$296.4 million is currently outstanding on the 2023 Series.

The table below represents all outstanding debt on June 30, 2025.

Measure A Sales Tax Revenue Bonds			
Bond	Amount (000's)	Issue Date	Bond Type
Series 2022	\$ 20,100	September 2022	Fixed Rate
Series 2023	296,415	September 2023	Fixed Rate
Total	<u>\$ 316,515</u>		

Issuing debt is a vital element of financing capital projects identified in the Expenditure Plan. The Authority regularly works with its capital program partners to determine how much funding is needed and when to determine if enough cash will be available when necessary. In cases where cash on hand will be insufficient, the Authority works with its financial advisory team to determine how much debt to issue. As noted in the previous discussion this effort has led to several issuances over the course of the program.

It is important to issue debt in amounts that can be spent in three years or less to avoid paying interest on unused funds. Accounting standards require that agencies demonstrate they have done so. In the Authorities case, it hires a third party that performs analysis to confirm compliance with the accounting standard and other regulations.

All local agencies with capital projects in the project development phase or under construction are required to report the status of those projects on a quarterly basis. This information is remitted to STA staff then reviewed by the Independent Taxpayer Oversight Committee (ITOC) and the Governing Board of the Sacramento Transportation Authority (Governing Board). The process is dynamic since the reports may generate questions that staff are directed to follow-up on. Occasionally, staff from local agencies building the projects represent them before the ITOC and Governing Board to provide a forum for more in-depth conversations.

There are 35 specific capital projects identified in the Amended Expenditure Plan. As of June 30, 2025, the following table identifies those projects that have been completed.

<b>Completed Projects</b>						
<b>Primary Project</b>	<b>Sub Project</b>	<b>Year Completed</b>	<b>Total Project Cost</b>	<b>Measure A Expenditures</b>	<b>Grant Expenditures</b>	
<b>Local Freeway Interchange Congestion Relief Upgrades</b>						
Cosumnes Blvd. I-5 Interchange		2016	\$ 85,315,164	\$ 8,588,138	\$ 31,009,376	
Central Galt Interchange		2013	50,641,711	9,966,000	13,962,875	
Grantline Rd. Hwy 99 Interchange Upgrade		2008	77,400,000	37,229,290	-	
Sheldon Rd. Hwy 99 Interchange Upgrade		2010	73,470,838	8,291,743	20,801,000	
Watt Ave. Hwy 50 Interchange		2014	38,318,000	11,835,390	26,962,680	
<b>Local Freeway Interchange Congestion Relief Upgrades Total</b>			<b>\$ 325,145,713</b>	<b>\$ 75,910,561</b>	<b>\$ 92,735,931</b>	
<b>Local Arterial Program</b>						
Antelope Road, Watt Ave to Auburn Blvd.	Roseville Rd. to I-80 Phase 1	2009	\$ 12,397,000	\$ 1,088,744	\$ 6,200,000	
Bradshaw Rd. Grantline Rd. to Folsom Blvd.	Calvine Rd. to Florin Rd. Phase 1	2010	19,547,000	7,923,277	-	
Folsom Blvd: 65th St. to Sunrise Blvd.	Bradshaw Rd. to Sunrise Blvd. Phase 1	2010	4,759,152	5,066,265	3,659,900	
	Bradshaw Rd. to Sunrise Blvd. Phase 2	2012	14,667,761	36,455	10,805,860	
	Bradshaw Rd. to Sunrise Blvd. Phase 3	2012	6,836,770	-	2,724,000	
	Bradshaw Rd. to Sunrise Blvd. Phase 4	2018	5,062,000	3,093,804	4,838,000	
	Bradshaw Rd. to Sunrise Blvd. Phase 5	2020	6,100,000	1,445,428	5,500,000	
	South Watt Ave to Bradshaw Rd. Phase 1	2022	7,987,000	1,509,918	2,708,000	
Folsom Bridge Crossing		2009	145,851,098	37,577,078	100,152,288	
Consumnes River Permanent Open Space Preserve		N/A	5,000,000	5,000,000	-	
Greenback Ln. I/80 to Auburn/Folsom Rd.	West City Limit to Fair Oaks Blvd.	2009	19,176,000	2,225,000	16,188,000	
Hazel Ave.: Placer County to Folsom Blvd.	US 50 to Madison Ave.	2023	86,500,000	47,553,653	35,711,000	
Sunrise Blvd. Placer Co. to Grant Line Rd.	Folsom Blvd to White Rock Rd	2021	7,735,000	10,948,038	-	
	Oak Ave. to Antelope Rd. Phase 1	2014	5,178,000	4,528,000	650,000	
	Greenback Ln. to Oak Ave Phase 2	2016	11,850,000	600,000	5,382,800	
<b>Local Arterial Program Total</b>			<b>\$ 358,646,781</b>	<b>\$ 128,595,660</b>	<b>\$ 194,518,948</b>	
<b>Rail Transit Improvements</b>						
South Sac LRT Extension		2022	\$ 270,000,000	\$ 25,265,683	\$ 240,312,246	
DNA LRT Extension		2012	49,000,000	37,311,000	14,711,845	
LRT I-80 Corridor Improvements		2019	247,200	247,200	-	
<b>Rail Transit Improvements Total</b>			<b>\$ 319,247,200</b>	<b>\$ 62,823,883</b>	<b>\$ 255,024,091</b>	
<b>Regional Bus/Carpool Lane Connectors/Extensions</b>						
I-80 I-5 to Capital City Freeway	I-80 I-5 to Capital City Freeway	2017	\$ 63,259,688	\$ 722,688	\$ 62,537,000	
I-5 Bus/Carpool Lanes	US 50 to 1.1 miles south of Elk Grove Blvd.	2023	370,000,000	27,222,595	56,800,000	
Hwy 50 Bus/Carpool Lanes Sunrise Blvd. to Downtown Sunrise Blvd.	to Downtown Phase 1	2012	100,406,202	32,793,233	67,612,969	
<b>Regional Bus/Carpool Lane Connectors/Extensions Total</b>			<b>\$ 533,665,890</b>	<b>\$ 60,738,516</b>	<b>\$ 186,949,969</b>	
<b>Grand Total</b>			<b>\$ 1,536,705,584</b>	<b>\$ 328,068,620</b>	<b>\$ 729,228,939</b>	

## **INDEPENDENT ACCOUNTANT’S REPORT ON AGREED-UPON PROCEDURES APPLIED TO MEASURE A COMPLIANCE**

To the Management and Honorable Members of the  
Board of Directors  
Sacramento Transportation Authority

We have performed the procedures enumerated below on compliance with requirements of Measure A of the Sacramento Transportation Authority (the “Authority”), for the period between July 1, 2023 and June 30, 2025. These procedures are the responsibility of the Authority, which were agreed to by the Authority, and were performed solely to assist the Authority in determining compliance with the requirements of Measure A. The Authority management is responsible for Measure A compliance.

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose determining compliance with the requirements of Measure A. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and our findings were as follows:

### **1. Measure A Revenue Distribution**

- A. Determine if the distribution of Measure A revenues is in accordance with the voter-approved expenditure plan (STA 04-01 Exhibit A).

**Result:** No exceptions were noted. The related maintenance of effort requirements are met. The Authority is in the process of implementing a recommendation from their predecessor auditor to amend the Ordinance to include annual reporting requirements related to timing and maintenance of effort.

- B. Determine if ongoing allocations are based on annually updated population and lane mile data in compliance with the Ordinance (STA 04-01 Exhibit A Sections IV A and B and Section IX).

**Result:** No exceptions were noted.

### **2. Eligibility and Timeliness of Capital Program and Ongoing Program Allocation Expenditures**

- A. Determine if all capital project expenditures meet eligibility criteria as adopted by the STA Board in August 2021.

**Result:** We selected five of the largest projects for the agencies subject to testing for the fiscal years 2023/24 and 2024/25. From each project selected, we reviewed supporting documentation, including general ledgers and invoices, and tested a sample of project costs representing approximately 20% of total project expenditures. Based on the procedures performed for the projects tested during the 2023/24 and 2024/25 audit periods, no exceptions were noted. The following is a summary of projects tested:

Jurisdiction	Project	Sub Project	Project Type	Expenditures Tested
Caltrans	Hwy 50 Bus/Carpool Lanes Sunrise Blvd. to Downtown	Sunrise Blvd. to Downtown Phases 1 and 2	Bus/Carpool	\$7,826,886
County of Sacramento	South Watt Ave./Elk Grove-Florin Rd.	Folsom Blvd. to Calvine Rd. Phases 1 and 2	Local arterial	3,736,385
County of Sacramento	Hazel Ave. Placer County to Folsom Blvd.	Hwy 50 to Madison Ave.	Local arterial	779,665
JPA Connector	Capital SouthEast Connector	I-5/Hwy 99/Hwy 50	Local arterial	694,318
City of Rancho Cordova	Smart Growth Incentive Program	Chase Drive	Local arterial	431,890
			Total	<u>\$ 13,469,144</u>

B. Determine if Capital contract awards agree with total project expenditures.

**Result:** We compared capital contract award amounts to total project expenditures for the projects tested. Total project expenditures did not exceed the related award amounts; no exceptions were noted.

Jurisdiction	Project	Sub Project	Award Amount	Total Project Expenditures
Caltrans	Hwy 50 Bus/Carpool Lanes Sunrise Blvd. to Downtown	Sunrise Blvd. to Downtown Phases 1 and 2	\$52,050,000	\$8,451,036
County of Sacra	South Watt Ave./Elk Grove-Florin Rd.	Folsom Blvd. to Calvine Rd. Phases 1 and 2	42,887,409	2,791,072
County of Sacra	Hazel Ave. Placer County to Folsom Blvd.	Hwy 50 to Madison Ave.	42,887,409	2,182,746
JPA Connector	Capital SouthEast Connector	I-5/Hwy 99/Hwy 50	4,000,000	1,329,345
City of Rancho	(Smart Growth Incentive Program	Chase Drive	788,000	356,654
		Total	<u>\$ 142,612,818</u>	<u>\$ 15,110,853</u>

C. Determine the effectiveness of the timing of Capital Allocation and Expenditure Contracts are executed and expended.

**Result:** We reviewed contract and amendment documentation to identify applicable extension periods for the projects tested. No exceptions were noted. The following is a breakdown of the projects and their extensions:

Project	Sub Project	Extension Period
Hwy 50 Bus/Carpool Lanes Sunrise Blvd. to Downtown	Sunrise Blvd. to Downtown Phases 1 and 2	7 years
South Watt Ave./Elk Grove-Florin Rd.	Folsom Blvd. to Calvine Rd. Phases 1 and 2	5 years
Hazel Ave. Placer County to Folsom Blvd.	Hwy 50 to Madison Ave.	5 years
Capital SouthEast Connector	I-5/Hwy 99/Hwy 50	3 years
Smart Growth Incentive Program	Chase Drive	-

D. Determine if all ongoing allocation expenditures meet eligibility criteria as adopted by the STA Board in August 2021.

**Result:** For agencies subject to testing, we obtained their general ledgers, reconciled activity to STA records, selected 20% of ongoing expenditures, and reviewed invoices and supporting schedules for all four quarters of fiscal years 2023/24 and 2024/25. Due to discrepancies noted while reconciling the City of Folsom's general ledger to STA records for quarters 1 and 2 of fiscal year 2024/25, we expanded our testing to include all four quarters for each fiscal year. No exceptions were noted for the other agencies tested. The City of Isleton did not provide sufficient documentation or required reporting for STA to assess compliance with applicable performance, financial, and program requirements. The matters related to the City of Folsom and the City of Isleton are discussed further in the Management Letter.

E. Determine if ongoing allocation funds are spent timely.

**Result:** We reviewed ongoing allocation funding balances to determine whether funds were spent timely. No exceptions were noted, except for the City of Isleton, which did not provide sufficient documentation or required reporting for STA to assess compliance with applicable performance, financial, and program requirements. This matter is discussed further in the Management Letter.

<b>Ongoing Funding Balance as a Percentage of Annual Funding Provided</b>					
	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>
Traffic Control and Safety Program	154.40%	166.60%	183.90%	193.50%	181.20%
Safety, Streetscaping, Pedestrian, and Bicycle Facilities	221.00%	247.20%	263.20%	308.10%	343.90%
City Street and County Road Maintenance	51.10%	61.70%	67.90%	82.40%	91.40%

- F. Determine if capital and ongoing allocation expenditures are restricted to projects and activities located within Sacramento County boundaries.

**Result:** For the sample of capital costs described in step 2A and the sample of ongoing expenditures described in step 2D, we reviewed invoices and related supporting documentation to determine whether capital and ongoing allocation expenditures were restricted to projects and activities located within Sacramento County. No exceptions were noted, except for the City of Isleton, which did not provide sufficient documentation or required reporting for STA to assess compliance with applicable performance, financial, and program requirements. This matter is discussed further in the Management Letter.

- G. Verify that grant matching funds are applied exclusively to the Sacramento portion of projects.

**Result:** For the sample of capital costs described in step 2A and the sample of ongoing expenditures described in step 2D, we reviewed grant matching funds to verify they were applied exclusively to the Sacramento portion of projects. No exceptions were noted, except for the City of Isleton, which did not provide sufficient documentation or required reporting for STA to assess compliance with applicable performance, financial, and program requirements. This matter is discussed further in the Management Letter.

**3. Independent Taxpayer Oversight Committee (ITOC)**

- A. Determine if the ITOC is operating in compliance with the Ordinance.

**Result:** No exceptions were noted. ITOC’s operations per our understanding are in compliance with the stated requirements in the Ordinance.

**4. Establishment of the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP)**

- A. Confirm that each local agency established an impact fee program in compliance with the Ordinance.

**Result:** No exceptions were noted.

**5. Administration Expenses**

- A. Verify that administration allocations and expenditures are limited to 0.75 percent of sales tax revenue as required under the Ordinance.

**Result:** We noted the administrative costs for the fiscal year 2024/25 exceeded 0.75 percent of sales tax revenue as required under the Ordinance. See the administrative allocation comparison below.

<u>Fiscal Year</u>	<u>Sales Tax Receipts</u>	<u>Admin Allocation</u>	<u>Admin Costs</u>	<u>Surplus (Deficit)</u>
20/21	153,560,355	1,151,703	1,132,225	19,478
21/22	172,916,487	1,296,874	1,275,886	20,988
22/23	174,233,661	1,306,752	1,284,770	21,982
23/24	177,812,690	1,333,595	1,210,737	122,858
24/25	174,857,049	1,311,428	1,848,273	(536,845)
Total	<u>\$ 853,380,242</u>	<u>\$ 6,400,352</u>	<u>\$ 6,751,891</u>	<u>\$ (351,539)</u>

\* The fiscal year 2024/25 deficit may be covered by available fund balance; therefore, no exception was noted.

## 6. Maintenance of Effort

- A. Determine if Measure A funds were used to match other funding sources.

**Result:** Results are pending completion of the following agencies: County of Sacramento and City of Folsom.

- B. Create a summary of each funding source and amount for a sample of capital projects.

**Result:** We selected 5 projects, see expenditure-to-date table below:

<u>Jurisdiction</u>	<u>Project</u>	<u>Sub Project</u>	<u>Measure A</u>	<u>General</u>	<u>CalTrans</u>	<u>Federal</u>
Caltrans	Hwy 50 Bus/Carpool Lanes Sunrise Blvd. to Downtown	Sunrise Blvd. to Downtown Phases 1 and 2				
County of Sacramento	South Watt Ave./Elk Grove-Florin Rd.	Folsom Blvd. to Calvine Rd. Phases 1 and 2	13,131,897	-	411,268	-
County of Sacramento	Hazel Ave. Placer County to Folsom Blvd.	Hwy 50 to Madison Ave.	5,768,629	-	-	-
JPA Connector	Capital SouthEast Connector	I-5/Hwy 99/Hwy 50				
City of Rancho Cordova	Smart Growth Incentive Program	Chase Drive	788,000	2,032,517	-	-
<b>Total</b>			-	-	-	-
<u>Jurisdiction</u>	<u>Project</u>	<u>Sub Project</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>	
Caltrans	Hwy 50 Bus/Carpool Lanes Sunrise Blvd. to Downtown	Sunrise Blvd. to Downtown Phases 1 and 2				
County of Sacramento	South Watt Ave./Elk Grove-Florin Rd.	Folsom Blvd. to Calvine Rd. Phases 1 and 2	-	3,059,542	16,602,707	
County of Sacramento	Hazel Ave. Placer County to Folsom Blvd.	Hwy 50 to Madison Ave.	7,708	2,838,456	8,614,793	
JPA Connector	Capital SouthEast Connector	I-5/Hwy 99/Hwy 50				
City of Rancho Cordova	Smart Growth Incentive Program	Chase Drive	-	297,007	3,117,524	
<b>Total</b>			-	-	-	

- C. Determine that Measure A funding does not supplant or replace existing road funding programs or to replace requirements for new development to provide for its own road needs.

**Result:** No exceptions were noted.

## 7. Internal Controls Over Procurement and Cash Disbursements

- A. Evaluate internal controls over payment processing to determine if there are any deficiencies in the design of the internal control environment.

**Result:** Internal control structure is sufficient for the size of the Authority. No deficiencies were noted in the design of the internal control environment.

**8. Measure A Sales Tax Revenues**

- A. Document the process for developing revenue projections and make recommendations for process improvements.

**Result:** The Authority uses two methods to project revenues. Measure A sales tax revenues are forecast twice annually by an independent consultant. SCTMFP revenues are based on consultant-prepared forecasts developed every five years, which are then supplemented with historical revenue trends to produce a more current and responsive projection.

**9. SCTMFP Revenues**

- A. Determine if local agencies are charging the appropriate fees and remitting them to the STA timely.

**Result:** For the agencies subject to testing, we identified those allocated SCTMFP revenues and obtained the permit detail and copies of checks. For a sample of 20% of permits, we verified that the proper rates were used. We also reviewed all copies of checks to verify fees were remitted to STA within 60 days of January 1 and July 1. No exceptions were noted.

**10. Bond Issuance**

- A. Document the cost and effectiveness of when bonds were issued and expended in relation to capital program needs.

**Result:** No bonds were issued or expended during the period under review.

**11. Fiscal and Performance Audits and Annual Budgets**

- A. Determine if timely annual fiscal audits were performed as required by the law.

**Result:** No exceptions were noted, see table in Item B below.

- B. Determine if timely annual budgets were approved by the Board.

**Result:** No exceptions were noted, see table for details.

<u>Fiscal Year</u>	<u>Audit Completion</u>	<u>Budget Approval</u>
2020/21	11/4/2021	5/14/2020
2021/22	11/3/2022	6/17/2021
2022/23	10/24/2023	6/1/2022
2023/24	11/7/2024	6/16/2023
2024/25	10/29/2025	6/13/2024

**12. Documentation of Program Management Procedures**

- A. Document and evaluate the Authority’s strategies to maximize funding and reduce program costs.

**Result:** The Authority seeks funding opportunities that align with the priorities of the Board and represent Jurisdictions including grants and local matches. The Authority reviews reimbursement requests for capital projects to ensure the costs are eligible for reimbursement under the Measure A ordinance. The Authority also uses a procurement process which includes soliciting bids and limits of contracts to three-year terms with two optional extensions. The strategies to maximize funding and reduce program costs are appropriate.

- B. Document project status reporting and the status of each project in the voter-approved expenditure plan.

**Result:**

**13. Accomplishments During the Audit Period**

- A. Document the program’s actual accomplishments during the audit period in comparison to anticipated accomplishments.

**Result:** The Measure A program contributed to the completion of one Bus/Carpool project during the 2024-2025 period. There were no indications of any projects going over expected completion dates. The following is a listing of those projects completed:

Project	Sub-Project	Project Type
I-5 Bus/Carpool Lanes	US 50 to 1.1 miles south of Elk Grove Blvd.	Bus/Carpool

- B. Document and evaluate capital improvement project budget versus actual expenditures through current audit period.

**Result:** We compared the actual expenditures from project inception through June 30, 2025 and compared to the budgeted amounts. See below.

Jurisdiction	Project	Sub Project	June 30, 2024		
			Budget	Actual	Variance
Caltrans	Hwy 50 Bus/Carpool Lanes Surise Blvd. to Downtown	Sunrise Blvd. to Downtown Phases 1 and 2	7,274,940	1,229,366	6,045,574
County of Sacramento	South Watt Ave./Elk Grove- Florin Rd.	Folsom Blvd. to Calvine Rd. Phases 1 and 2	2,694,000	3,924,396	(1,230,396)
County of Sacramento	Hazel Ave. Placer County to Folsom Blvd.	Hwy 50 to Folsom Blvd.	4,895,000	2,330,080	2,564,920
JPA Connector	Capital SouthEast Connector	I-5/Hwy 99/Hwy 50	-	1,360,668	(1,360,668)
City of Rancho Cordova	Smart Growth Incentive Program	Chase Drive	-	172,573	(172,573)

Jurisdiction	Project	Sub Project	June 30, 2025		
			Budget	Actual	Variance
Caltrans	Hwy 50 Bus/Carpool Lanes Surise Blvd. to Downtown	Sunrise Blvd. to Downtown Phases 1 and 2	9,130,000	8,451,036	678,964
County of Sacramento	South Watt Ave./Elk Grove- Florin Rd.	Folsom Blvd. to Calvine Rd. Phases 1 and 2	4,850,000	2,791,072	2,058,928
County of Sacramento	Hazel Ave. Placer County to Folsom Blvd.	Hwy 50 to Folsom Blvd.	5,752,000	2,182,746	3,569,254
JPA Connector	Capital SouthEast Connector	I-5/Hwy 99/Hwy 50	550,000	1,329,345	(779,345)
City of Rancho Cordova	Smart Growth Incentive Program	Chase Drive	-	356,654	(356,654)

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We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to, and did not, conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with requirements of Measure A. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information of the Authority Board of Directors and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

Bakersfield, California  
\_\_\_\_\_, 2026

