



Meeting Agenda

Thursday, May 7, 2026

10:00 AM

Regular Meeting

City Hall Complex, 915 I Street, Sacramento, CA 95814

Sacramento Children's Fund Planning and Oversight Commission

***Eugenia Richardson, Chair
Lilian Ghafari, Vice Chair
Nicole Kravitz-Wirtz***

***Monica Ruelas Mares
Davon Thomas
Volma Volcy
Shannon Williams***

Open Session

Roll Call

Land Acknowledgement

Pledge of Allegiance

Consent Calendar

1. **Approval of Sacramento Children's Fund Planning and Oversight Commission Meeting Minutes**

File ID: 2026-00024

Location: Citywide

Recommendation: Pass a **Motion** approving Sacramento Children's Fund Planning and Oversight Commission Regular Meeting Minutes dated February 5, 2026.

Contact: Rosanna Montesinos, Administrative Analyst, (916) 808-7171, rmontesinos@cityofsacramento.org, Office of the City Clerk

Attachments: [2026-00024 STAFF REPORT](#)

2. **Sacramento Children's Fund Planning and Oversight Commission Follow-Up Log**

File ID: 2026-00273

Location: Citywide

Recommendation: Pass a **Motion** approving the Sacramento Children's Fund Planning and Oversight Commission Follow-Up Log.

Contact: Rene Kausin, Program Manager, (916) 808-6157, rkausin@cityofsacramento.org, Youth, Parks, and Community Enrichment Department

Attachments: [2026-00273 STAFF REPORT](#)

3. **Dissolution of the Community Engagement Ad Hoc Committee**

File ID: 2026-00844

Location: Citywide

Recommendation: Pass a **Motion** dissolving the Community Engagement Ad Hoc Committee.

Contact: Jacob Bredberg, Administrative Analyst, (916) 808-6846, jbredberg@cityofsacramento.org; Mindy Cuppy, City Clerk, (916) 808-5441, mcuppy@cityofsacramento.org; Office of the City Clerk

Attachments: [2026-00844 STAFF REPORT](#)

Discussion Calendar

4. **City Auditor's Fiscal Year (FY) 2024/2025 Baseline Funding Verification for the Sacramento Children's Fund**

File ID: 2026-00484

Location: Citywide

Recommendation: Review and comment.

Contact: Farishta Ahrary, City Auditor, (916) 808-7266, fahrary@cityofsacramento.org; Joe Fleming, Senior Fiscal Policy Analyst, (916) 808-7285, jfleming@cityofsacramento.org; Office of the City Auditor

Attachments: [2026-00484 STAFF REPORT](#)

5. **City Auditor's Fiscal Year (FY) 2024/2025 Audited Cannabis Business Operations Tax Amount for the Sacramento Children's Fund**

File ID: 2026-00485

Location: Citywide

Recommendation: Review and comment.

Contact: Farishta Ahrary, City Auditor, (916) 808-7266, fahrary@cityofsacramento.org; Joe Fleming, Senior Fiscal Policy Analyst, (916) 808-7285, jfleming@cityofsacramento.org; Office of the City Auditor

Attachments: [2026-00485 STAFF REPORT](#)

6. **Sacramento Children's Fund Planning and Oversight Commission Implementation Update**

File ID: 2026-00895

Location: Citywide

Recommendation: 1) Review Strategic Investment Plan and discuss outcomes and potential recommendations to align outcomes with the five fund goals; and 2) Pass a **Motion** on whether to make recommendations on changes to the competitive selection process for funding recipients or recommendations on changes to the Strategic Investment Plan.

Contact: Julie Garen, Program Specialist, (916) 808-1531, jgaren@cityofsacramento.org, Department of Youth, Parks, & Community Enrichment

Attachments: [2026-00895 STAFF REPORT](#)

Target Populations Ad Hoc Committee Updates

Commissioner Comments-Ideas and Questions

Public Comments-Matters Not on the Agenda

Adjournment

Where to Find the Agenda and Staff Reports: The agenda provides a general description and staff recommendation; however, legislative bodies may take action other than what is recommended. Full staff reports are available at <https://meetings.cityofsacramento.org>.

Watch the Legislative Body Meeting Online: Live video streams and archives of past meetings are available at <https://meetings.cityofsacramento.org>.

Submit Written Comments Online: Written comments received are distributed to members, filed in the record, and will not be read aloud. Members of the public are encouraged to submit public comments electronically via eComment through the City's Upcoming Meetings website at <https://meetings.cityofsacramento.org>.

Public Comment Speaker Time Limits: In the interest of facilitating the legislative body's conduct of the business of the City, members of the public (speakers) who wish to address the legislative body during the meeting will have two minutes per speaker for Consent Calendar Items, Public Hearing Items, Discussion Calendar Items, and Matters not on the Agenda for a maximum total of eight minutes per speaker per meeting. Each speaker shall limit his/her remarks to the specified time allotment.

Notice to Lobbyists: When addressing the legislative body, you must identify yourself as a lobbyist and announce the client/business/organization you are representing.

Assistance: In compliance with the Americans with Disabilities Act, if you need special assistance, a disability-related modification or accommodation, agenda materials in an alternative format, or auxiliary aids to participate in this meeting, please contact the Office of the City Clerk at 916-808 7200 or clerk@cityofsacramento.org as soon as possible. Providing at least 72 hours' notice will help ensure that reasonable arrangements can be made.

City of Sacramento
**Sacramento Children's Fund Planning and Oversight
Commission Report**
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-00024

5/7/2026

Approval of Sacramento Children's Fund Planning and Oversight Commission Meeting Minutes

File ID: 2026-00024

Location: Citywide

Recommendation: Pass a **Motion** approving Sacramento Children's Fund Planning and Oversight Commission Regular Meeting Minutes dated February 5, 2026.

Contact: Rosanna Montesinos, Administrative Analyst, (916) 808-7171, rmontesinos@cityofsacramento.org, Office of the City Clerk

Presenter: None

Attachments:

1-Description/Analysis

2-February 5, 2026, Sacramento Children's Fund Planning and Oversight Commission Draft Regular Meeting Minutes

Description/Analysis

Issue Detail: It is best practice for the Sacramento Children's Fund Planning and Oversight Commission to approve the minutes for each meeting.

Policy Considerations: The City Clerk keeps a permanent record of the Sacramento Children's Fund Planning and Oversight Commission proceedings, showing all action considered and taken and the vote of each member on matters before the Commission.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: After each Sacramento Children’s Fund Planning and Oversight Commission meeting, the City Clerk composes the DRAFT Minutes noting the action taken by the Commission. The attached DRAFT Minutes are presented to the Commission for its approval as a permanent record of the meeting actions.

Financial Considerations: None.

Local Business Enterprise (LBE): None.

**SACRAMENTO CHILDREN'S FUND
PLANNING AND OVERSIGHT COMMISSION**

Monica Ruelas Mares, Chair
Eugenia Richardson, Vice Chair
Lilian Ghafari
Nicole Kravitz-Wirtz
Davon Thomas
Volma Volcy
Shannon Williams

COMMISSION STAFF

Jennifer Gore, Senior Deputy City Attorney
Jackie Beecham, Director of Youth, Parks, & Community
Enrichment
Rene Kausin, Program Manager
Julie Garen, Program Specialist

City of
SACRAMENTO

DRAFT Minutes
Sacramento Children's Fund
Planning and Oversight
Commission

City Hall Complex

915 I Street, Sacramento, CA 95814

*Published by the Office of the City Clerk
(916) 808-7200*

Thursday, February 5, 2026

10:00 a.m.

NOTICE TO THE PUBLIC

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Public Comment Speaker Time Limits: In the interest of facilitating the legislative body's conduct of the business of the City, members of the public (speakers) who wish to address the legislative body during the meeting will have two minutes per speaker for Consent Calendar Items, Public Hearing Items, Discussion Calendar Items, and Matters not on the Agenda for a maximum total of eight minutes per speaker per meeting. Each speaker shall limit his/her remarks to the specified time allotment.

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City of Sacramento
Sacramento Children’s Fund Planning and Oversight Commission

City Hall Complex, 915 I Street, Sacramento, CA 95814

Regular Meeting DRAFT Minutes

Thursday, February 5, 2026

10:00 AM

Open Session

Regular meeting called to order by Chair Ruelas Mares at 10:02 a.m. on Thursday, February 5, 2026, at the Sacramento City Hall Council Chamber.

Commissioners Present: Lilian Ghafari, Nicole Kravitz-Wirtz, Eugenia Richardson, Davon Thomas, Volma Volcy, Shannon Williams, and Chair Monica Ruelas Mares.

Land Acknowledgement – Led by Chair Ruelas Mares.

Pledge of Allegiance – Led by Commissioner Volcy.

Consent Calendar

All items listed under the Consent Calendar are considered and acted upon by one Motion.

Action: Moved/Seconded: Commissioner Ghafari / Commissioner Richardson.

Yes: Commissioners Lilian Ghafari, Nicole Kravitz-Wirtz, Eugenia Richardson, Davon Thomas, Volma Volcy, Shannon Williams, and Chair Monica Ruelas Mares.

A motion **passed** to adopt the Consent Calendar in one motion except as indicated at each item.

1. Approval of Sacramento Children’s Fund Planning and Oversight Commission Meeting Minutes

File ID: 2025-01921

Location: Citywide

Action: Passed a **Motion** approving Sacramento Children’s Fund Planning and Oversight Commission Regular Meeting Minutes dated November 6, 2025.

Contact: Jacob Bredberg, Administrative Analyst, (916) 808-6846, jbredberg@cityofsacramento.org, Office of the City Clerk

2. Sacramento Children’s Fund Planning and Oversight Commission Follow-Up Log

File ID: 2026-00272

Location: Citywide

Action: Passed a **Motion** approving the Sacramento Children's Fund Planning and Oversight Commission Follow-Up Log.

Contact: Rene Kausin, Program Manager, (916) 808-6157, rkausin@cityofsacramento.org, Youth, Parks, and Community Enrichment Department

Discussion Calendar

3. **Sacramento Children's Fund Implementation, Planning and Timeline Update**

File ID: 2026-00475

Location: Citywide

Action: Reviewed and discussed the Sacramento Children's Fund Implementation, Planning and Timeline Update; and 2) Chair Ruelas Mares created the Target Populations Ad Hoc Committee and appointed Commissioners Williams, Kravitz-Wirtz and Ruelas Mares to the committee.

Contact: Julie Garen, Program Specialist, (916) 808-1531, Department of Youth, Parks, & Community Enrichment

4. **Selection of Chair and Vice Chair for Calendar Year 2026**

File ID: 2026-00281

Location: Citywide

Action: Moved/Seconded: Commissioner Ghafari / Chair Ruelas Mares.

Yes: Commissioners Lilian Ghafari, Nicole Kravitz-Wirtz, Eugenia Richardson, Davon Thomas, Volma Volcy, Shannon Williams, and Chair Monica Ruelas Mares.

Passed a **Motion** selecting Eugenia Richardson as Chair for calendar year 2026.

Action: Moved/Seconded: Commissioner Richardson / Commissioner Volcy.

Yes: Commissioners Lilian Ghafari, Nicole Kravitz-Wirtz, Eugenia Richardson, Davon Thomas, Volma Volcy, Shannon Williams, and Chair Monica Ruelas Mares.

Passed a **Motion** selecting Lilian Ghafari as Vice Chair for calendar year 2026.

Contact: Rosanna Montesinos, Administrative Analyst, (916) 808-7171, rmontesinos@cityofsacramento.org; Mindy Cuppy, City Clerk, (916) 808-5442, mcuppy@cityofsacramento.org; Office of the City Clerk

Community Engagement Ad-Hoc Report Out

Community Engagement Ad-Hoc provided updates.

Commissioner Comments-Ideas and Questions

None.

Public Comments-Matters Not on the Agenda

None.

Adjourned – 11:55 a.m.

City of Sacramento
**Sacramento Children's Fund Planning and Oversight
Commission Report**
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-00273

5/7/2026

Sacramento Children's Fund Planning and Oversight Commission Follow-Up Log

File ID: 2026-00273

Location: Citywide

Recommendation: Pass a **Motion** approving the Sacramento Children's Fund Planning and Oversight Commission Follow-Up Log.

Contact: Rene Kausin, Program Manager, (916) 808-6157, rkausin@cityofsacramento.org, Youth, Parks, and Community Enrichment Department

Presenter: None

Attachments:

1-Description/Analysis

2-Sacramento Children's Fund Planning and Oversight Commission Follow-Up Log

Description/Analysis

Issue Detail: Like other City commissions and committees, the Sacramento Children's Fund Planning and Oversight Commission maintains, as a standing item, a follow-up log to organize and track items that may be considered in the future. The follow-up log details each item and gives an estimate of when staff expects to bring the item back to the Commission. Commission members are welcome to add items to the log during each meeting.

Policy Considerations: None.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: None.

Financial Considerations: None.

Local Business Enterprise (LBE): None.

Follow-Up Log Completed Items May 7, 2026 Meeting

Item #	Subject Matter	Requested by:	Meets Which Powers & Duties (Scope) of Commission	Commission Priority (High, Medium, Low)	Dated Added to Log	Scheduled To Be Heard (Future Meeting Date or TBD)	Notes / Status
	<i>What is the subject or topic and specific request for follow up?</i>	<i>Which Commissioner(s) requested this follow up item?</i>	<i>How does this request meet the scope of the Commission? Align with powers & duties as described in forming docs (i.e. city code, bylaws, resolution, etc.)</i>	<i>What is the priority of the Commission?</i>	<i>What was the meeting date this request was made?</i>	<i>What is the meeting date when this request will be brought back to Commission for consideration?</i>	<i>Provide a status of the request prior to each meeting. Note date request was completed then move to Completed Requests tab.</i>
1	Subject: Sacramento Children's Fund Planning and Oversight Commission request: Requested research on how other cities allocate and distribute funding across their priority goals.	Commissioner Ruelas-Mares	To prioritize funding goals for the Sacramento Children's Fund	To prioritize funding goals for the Sacramento Children's Fund	6-Nov-25	Complete	City Staff sent an email to the SCF commission prior to the meeting with examples of other local Children's Funds Strategic Investment Plans and RFPs for research purposes to inform the commission on how other cities allocate and distribute funding across priority goals.
2	Subject: Sacramento Children's Fund Planning and Oversight Commission request: Requested joint meeting with SYC.	Commissioner Thomas And Commissioner Ruelas-Mares	To prioritize funding goals for the Sacramento Children's Fund	To prioritize funding goals for the Sacramento Children's Fund	6-Nov-25	Complete	City Staff is has tentatively scheduled a joint meeting between SCF and SYC for Monday October 5, 2026 @ 5:00pm in City Hall Council Chambers. City Staff will confirm with the City Clerk's Office and update the commission.
3	Subject: Sacramento Children's Fund Planning and Oversight Commission request: Requesting Violence Prevention present to the commission	Chair Williams	To prioritize funding goals for the Sacramento Children's Fund	To prioritize funding goals for the Sacramento Children's Fund	1-May-25	Complete	City Staff were unable to secure a presentation from the Office of Violence Prevention at this time. In lieu of a presentation the commission was provided with the OVP annual report, a link to past presentations to Council and the Measure U committee and Staff have facilitated a question and response thread.
4	Subject: Sacramento Children's Fund Planning and Oversight Commission request: Requested a overview of how the City and CBO funding split landed, along with a more detailed analysis of the allocation breakdown.	Chair Ruelas-Mares	To prioritize funding goals for the Sacramento Children's Fund	To prioritize funding goals for the Sacramento Children's Fund	5-Feb-26	Complete	A Sacramento Children's Fund Funding Overview is included as an attachment to this follow-up log.
5	Subject: Sacramento Children's Fund Planning and Oversight Commission request: Requested to provide a list of questions for Violence Prevention	Chair Richardson	To prioritize funding goals for the Sacramento Children's Fund	To prioritize funding goals for the Sacramento Children's Fund	5-Feb-26	Complete	City Staff sent an email to the SCF commission prior to this meeting and provided the commission with a link to a recent presentation to the Measure U committee. Staff have facilitated a question and response thread with OVP and will be providing a VP report from OVP.

6	Subject: Sacramento Children's Fund Planning and Oversight Commission request: Requested to provide a progress report on grantee performance to date.	Commissioner Volcy	To prioritize funding goals for the Sacramento Children's Fund	To prioritize funding goals for the Sacramento Children's Fund	5-Feb-26	Complete	A Draft Sacramento Children's Fund Quarter 3 Progress Report is attached to this follow-up log
7	Subject: Sacramento Children's Fund Planning and Oversight Commission request: Requested to provide a legal opinion on Prop 209	Commissioner Ruelas Mares	To prioritize funding goals for the Sacramento Children's Fund	To prioritize funding goals for the Sacramento Children's Fund	5-Feb-26	Complete	The City Attorney emailed the commission the Legal Opinion on Prop 209 prior to this meeting.

Follow-Up Log Pending Items May 7, 2026 Meeting

Item #	Subject Matter	Requested by:	Meets Which Powers & Duties (Scope) of Commission	Commission Priority (High, Medium, Low)	Dated Added to Log	Scheduled To Be Heard (Future Meeting Date or TBD)	Notes / Status
	<i>What is the subject or topic and specific request for follow up?</i>	<i>Which Commissioner(s) requested this follow up item?</i>	<i>How does this request meet the scope of the Commission? Align with powers & duties as described in forming docs (i.e. city code, bylaws, resolution, etc.)</i>	<i>What is the priority of the Commission?</i>	<i>What was the meeting date this request was made?</i>	<i>What is the meeting date when this request will be brought back to Commission for consideration?</i>	<i>Provide a status of the request prior to each meeting. Note date request was completed then move to Completed Requests tab.</i>
1	Subject: Sacramento Children's Fund Planning and Oversight Commission request: Requesting a map of impact areas and how fund goals are spread out with the funding.	Commissioner Kravitz-Wirtz	To prioritize funding goals for the Sacramento Children's Fund	To prioritize funding goals for the Sacramento Children's Fund	1-May-25	Pending	This request is pending with the Sacramento Children's Fund Staff, the City's GIS team and the evaluation firm hired as a result of the RFP for evaluation services.
2	Subject: Sacramento Children's Fund Planning and Oversight Commission request: Requested the evaluator provide a presentation.	Commissioner Ruelas-Mares	To prioritize funding goals for the Sacramento Children's Fund	To prioritize funding goals for the Sacramento Children's Fund	5-Feb-26	Pending	This request is pending with the Sacramento Children's Fund Staff and the evaluator. City Staff will schedule a presentation with Harder & Company once the evaluation has launched.
3	Subject: Sacramento Children's Fund Planning and Oversight Commission request: Requested an update on GBI	Commissioner Ruelas-Mares	To prioritize funding goals for the Sacramento Children's Fund	To prioritize funding goals for the Sacramento Children's Fund	5-Feb-26	Pending	This request is pending with the Sacramento Children's Fund Staff and the grantee. City Staff will ask the grantee to present to the commission once the contract is executed. In the interim, City Staff will update the commission on the GBI program in the Implementation Update Agenda Item.

\$25,849,460
Total Grant Award

24
Funded Programs

3
Entity Types

2025–28
Grant Period

AWARD BY ENTITY TYPE

CBO	\$16,887,230 · 65.3%
City	\$7,489,952 · 29.0%
Public Entity	\$1,472,278 · 5.7%
Total: \$25,849,460	

CBO BREAKDOWN

Large CBOs	\$8,587,230 · 50.9%
GBI	\$8,000,000 · 47.4%
Small CBOs	\$300,000 · 1.8%
Total: \$16,887,230	

AWARD BY ENTITY TYPE — EXCLUDING GBI

CBO (excl. GBI)	\$8,887,230	50.2%
City	\$7,489,952	42.3%
Public Entity	\$1,472,278	8.3%
Total (excl. GBI): \$17,849,460		

AWARD BY FUND GOAL — ALL CATEGORIES

Mental Health	\$9,823,953	38.0%
Foster Youth	\$8,000,000	30.9%
Children 0–5	\$3,921,899	15.2%
Youth Homelessness	\$3,147,282	12.2%
Youth Violence	\$881,326	3.4%
Substance Abuse	\$75,000	0.3%
Total: \$25,849,460		

AWARD BY FUND GOAL — EXCLUDING FOSTER YOUTH

Mental Health	\$9,823,953	55.0%
Children 0–5	\$3,921,899	22.0%
Youth Homelessness	\$3,147,282	17.6%
Youth Violence	\$881,326	4.9%
Substance Abuse	\$75,000	0.4%
Total (excl. Foster Youth): \$17,849,460		

5-Year Strategic Investment Plan — Projected Funding Budget

Fiscal Year	Administrative Expenses	Guaranteed Income Grants	CBO Funding	City/PE Funding	Total Measure L Funding
2024	\$1,868,160	\$1,494,528	\$2,989,056	\$2,989,056	\$9,340,800
2025	\$1,356,600	\$1,537,480	\$3,074,960	\$3,074,960	\$9,044,000
2026*	\$904,400	\$1,627,920	\$3,255,840	\$3,255,840	\$9,044,000
2027*	\$904,400	\$1,627,920	\$3,255,840	\$3,255,840	\$9,044,000
2028*	\$904,400	\$1,627,920	\$3,255,840	\$3,255,840	\$9,044,000
Total*	\$5,937,960	\$7,915,768	\$15,831,536	\$15,831,536	\$45,516,800

* 2026–2028 projections based on SIP funding model. Administrative expenses not yet determined for years 2027–2028.



SACRAMENTO CHILDREN’S FUND DRAFT PROGRESS REPORT

Reporting Period: July 1, 2025 – March 31, 2026 (Q1–Q3, Grant Year 2025–2028)

\$25,849,460

Total Grant Award
2025–2028

3,884

Participants Served
Q1–Q3 FY2025–26

20 of 24

Programs Reporting
Up to Q3

1. Report Overview

This draft progress report summarizes participant data and program outcomes for the Sacramento Children’s Fund (SCF) open grant portfolio for the first three quarters of the first grant term, covering July 1, 2025 through March 31, 2026. This reporting is submitted to the City of Sacramento Youth, Parks & Community Enrichment Department in accordance with Measure L grant reporting requirements. This includes a portion of the grantee reporting as some grantees have asked for reporting extensions and others are still in the start up phase of programming. The data presented below reflects cumulative unduplicated participant counts across 19 of the 23 funded programs for the reporting period.

2. Financial Overview

The following reflects total funds expended to date, including 25% advances and reimbursed invoices, through Q3 FY2025–26 (July 1, 2025 – March 31, 2026).

Category	Amount Expended
CBOs	\$1,208,688.27
City / Non-City	\$60,360.71
Total Funds Expended to Date	\$1,269,048.98

3. Total Participants Served

Across all funded programs, the **Sacramento Children’s Fund reached a cumulative total of 3,884 individuals** during the first three quarters of the grant period. This figure represents unduplicated participants served across all program areas including mental health services, foster youth supports, early childhood development, youth homelessness programs, and community engagement initiatives.

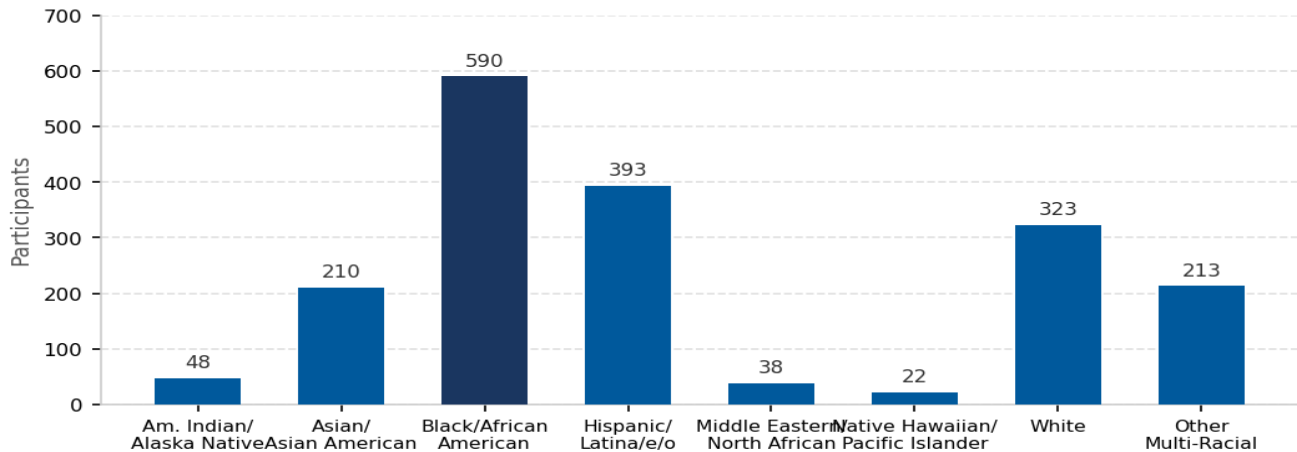
4. Participant Demographics

The following tables and charts present the demographic breakdown of participants served during the reporting period. Due to the voluntary nature of demographic disclosure, a portion of participants are captured under “Not Reported” or “Client Prefers Not to Answer” categories.

4a. Race/Ethnicity

Category	Participants Served
American Indian, Alaska Native, or Indigenous	48
Asian or Asian American	210
Black, African American, African	590
Hispanic/Latina/e/o	393
Middle Eastern or North African	38
Native Hawaiian or Pacific Islander	22
White	323
Other Multi-Racial	213
Not Reported	805
Client Prefers Not to Answer	1,242
TOTAL	3,884

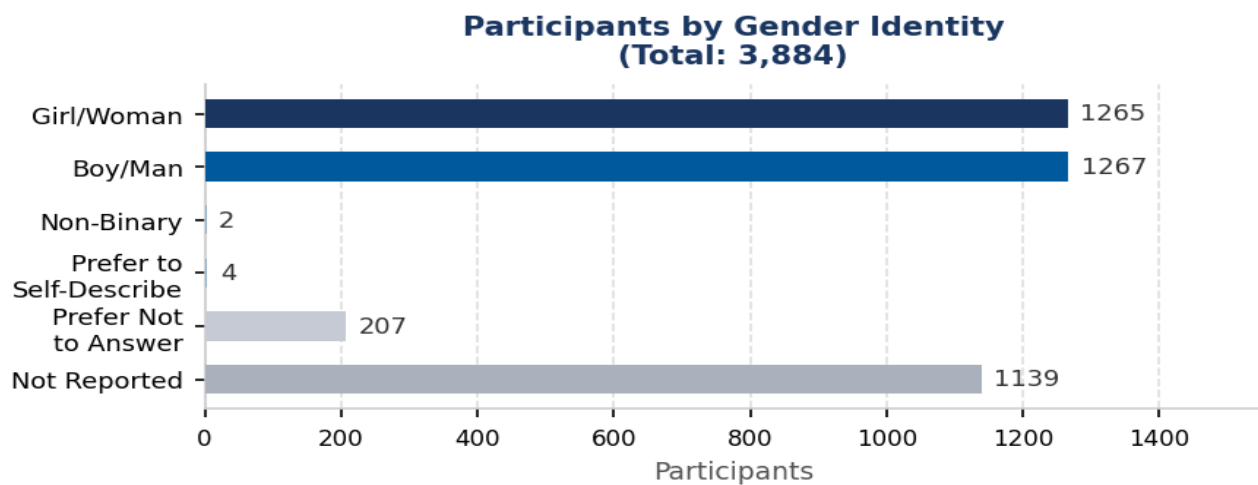
**Participants by Race/Ethnicity
(Reported only — excl. Not Reported & Prefer Not to Answer)**



4b. Gender Identity

Category	Participants Served
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Girl/Woman	1,265
Boy/Man	1,267
Non-Binary	2
Prefer Not to Answer	207
Prefer to Self-Describe	4
Not Reported	1,139
TOTAL	3,884



4c. Age Groups

Category	Participants Served
Youth (0–5)	743
Youth (6–12)	1,893
Youth (13–19)	893
Youth (20–24)	67
No Response	288
TOTAL	3,884

5. Populations Experiencing Additional Barriers

The table below identifies participants who experience one or more additional barriers or vulnerabilities. Individuals may be counted in multiple categories; therefore, the total may not equal the overall unduplicated participant count. A total of 2,459 participant instances were recorded across these population categories.

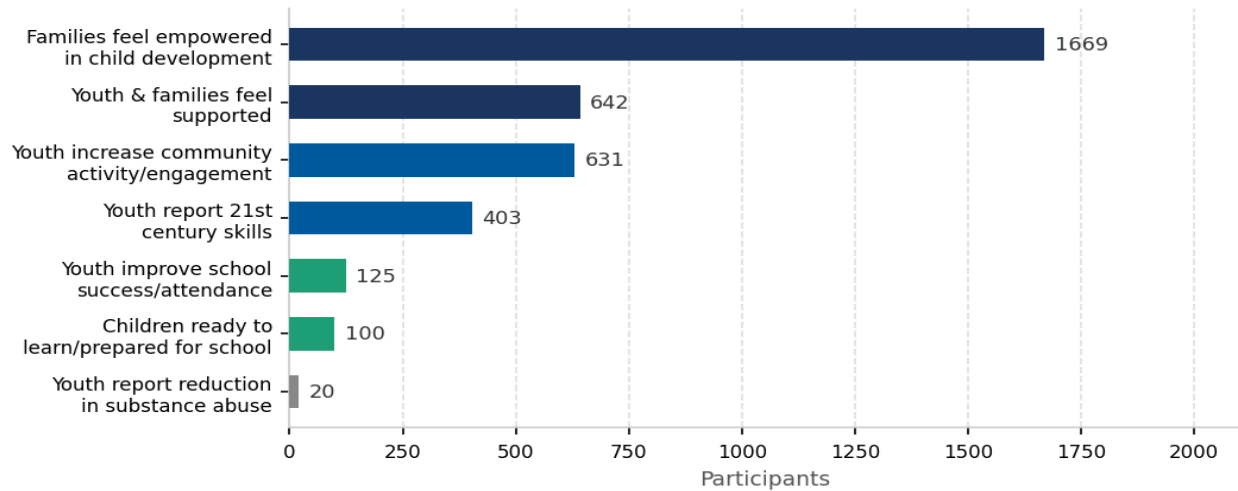
Category	Participants Served
Children and youth who identify as LGBTQ+	18
Youth transitioning out of foster care	8
Children and youth who are first generation immigrants or refugees	176
Youth who are not in school or working	110
Youth or families that are currently unhoused/underhoused	47
Children, youth or families that are low-income	1,986
Children and youth who have been involved in the juvenile or criminal legal systems	8
Children or youth experiencing/exposed to violence	20
Children and youth with disabilities	86
TOTAL	2,459

6. SCF Planned Indicators — Progress to Date

The following table and chart summarize progress toward the Sacramento Children’s Fund’s planned program indicators for the 2025–2028 grant cycle.

Category	Participants Served
Youth report development of 21st century skills through programming	403
Youth show improvement in school success — academic performance and/or attendance	125
Families report feeling empowered to engage in their children’s healthy development	1,669
Youth increase activity and engagement in community	631
Children are ready to learn and prepared for school	100
Youth and families report feeling supported	642
Youth report a reduction in substance abuse	20
TOTAL	3,590

SCF Planned Indicators — Progress to Date (Total Instances: 3,590)



7. Notes and Data Considerations

The following considerations should be noted when reviewing this report:

- Demographic data is self-reported and voluntary. High “Not Reported” and “Prefer Not to Answer” rates reflect participant privacy preferences.
- Indicator totals may exceed unduplicated participant counts as a single participant may contribute to multiple outcome indicators.
- This report covers Q1–Q3 of the grant year (July 1, 2025 – March 31, 2026).

City of Sacramento
**Sacramento Children's Fund Planning and Oversight
Commission Report**
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-00844

5/7/2026

Dissolution of the Community Engagement Ad Hoc Committee

File ID: 2026-00844

Location: Citywide

Recommendation: Pass a **Motion** dissolving the Community Engagement Ad Hoc Committee.

Contact: Jacob Bredberg, Administrative Analyst, (916) 808-6846, jbredberg@cityofsacramento.org; Mindy Cuppy, City Clerk, (916) 808-5441, mcuppy@cityofsacramento.org; Office of the City Clerk

Attachments:

1-Description/Analysis

Description/Analysis

Issue Detail: Per the City's administrative policy, ad hoc committees are to be dissolved within one year of creation with a summary report provided to the commission. At the May 1, 2025, Sacramento Children's Fund Planning and Oversight Commission (Commission) meeting, the Commission Chair created the Community Engagement Ad Hoc Committee (Committee) to work with staff to revise the Sacramento Children's Fund Community Engagement Plan. At the November 6, 2025, Commission meeting, the Commission reviewed and commented on the draft Community Engagement Plan.

The Community Engagement Ad Hoc Committee has met several times since its inception and made progress on planning and engagement. The Committee's work has reached a natural pause as planned community engagement events will not occur for several months. Since it has been one year since the creation of the Committee, it is appropriate to dissolve. The Commission may reconvene a similar ad hoc at another date and time with a more specific purpose.

Policy Considerations: Sacramento City Code section 2.40.160(A) states that city commissions may create temporary meeting bodies that are known as ad-hoc committees, and they are subject to the restrictions of both the Ralph M. Brown Act (Cal. Gov. Code § 54952 (b).) and the City's administrative policy pertaining to ad-hoc committees.

Economic Impacts: Not applicable.

Environmental Considerations: Not applicable.

Sustainability: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: This action formally dissolves the Metrics Ad Hoc Committee as required by the City's Administrative Policy on Ad-Hoc Committees.

Financial Considerations: Not applicable

Local Business Enterprise (LBE): None.

City of Sacramento
**Sacramento Children's Fund Planning and Oversight
Commission Report**
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-00484

5/7/2026

City Auditor's Fiscal Year (FY) 2024/2025 Baseline Funding Verification for the Sacramento Children's Fund

File ID: 2026-00484

Location: Citywide

Recommendation: Review and comment.

Contact: Farishta Ahrary, City Auditor, (916) 808-7266, fahrary@cityofsacramento.org; Joe Fleming, Senior Fiscal Policy Analyst, (916) 808-7285, jfleming@cityofsacramento.org; Office of the City Auditor

Presenter: Farishta Ahrary, City Auditor, (916) 808-7266, fahrary@cityofsacramento.org; Joe Fleming, Senior Fiscal Policy Analyst, (916) 808-7285, jfleming@cityofsacramento.org; Office of the City Auditor

Attachments:

1-Description/Analysis

2-City Auditor's Fiscal Year 2024/2025 Baseline Funding Verification for the Sacramento Children's Fund

3-Presentation

Description/Analysis

Issue Detail: This project was approved as part of the City Auditor's FY2025/26 Work Plan. According to the City Council Rules of Procedures, the Budget and Audit Committee shall receive, review, and forward to the Council as appropriate, reports, recommendations, and updates from the City Auditor. This report documents the City Auditor's FY2024/2025 Baseline Funding Verification for the Sacramento Children's Fund, which details the City Auditor's efforts related to verifying that the Baseline Funding amount of \$22.9 million was expended in FY2024/2025. According to City Council direction provided during the February 11, 2025 meeting, the City Auditor's Office will conduct a comprehensive review of all programs with potentially eligible expenditures that would qualify for the Baseline Funding Verification every other year, which corresponds with every even year, to determine the full amount of qualifiable expenditures. In the alternate years, or every odd year, the City Auditor's Office will review programs with potentially eligible expenditures up to the Baseline Funding amount. Given that this is an odd year, this report verifies that the Baseline Funding amount of \$22.9 million

was expended in FY2024/2025. The amount that qualified for the Baseline Funding Verification in FY2024/2025 was \$23.5 million for the programs reviewed.

Policy Considerations: The Sacramento Children and Youth Health and Safety Act, also known as Measure L, was passed by voters in November 2022. Measure L amended the Sacramento City Charter, adding Section 120 - Sacramento Children's Fund. The section outlines the establishment and operations of the "Sacramento Children's Fund" in the City of Sacramento.

In subsection (e), paragraph (1), and subparagraph (A) of the Sacramento Children's Fund, the City Auditor is directed to calculate and publish the baseline funding amount by no later than December 31, 2023. The baseline funding amount represents general fund revenue expended on baseline services, which are services provided to youth that meet objectives similar to the fund goals defined in the Sacramento Children's Fund. This report was published in December 2023.

In subsection (e), paragraph (1), and subparagraph (C) of the Sacramento Children's Fund, the City Auditor is directed to verify that the baseline funding amount was expended in the previous fiscal year by January 15 of each year. This report documents the City Auditor's FY2024/2025 Baseline Funding Verification for the Sacramento Children's Fund, which details the City Auditor's efforts related to verifying that the Baseline Funding amount of \$22.9 million was expended in FY2024/2025.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: On February 3, 2026, the Budget and Audit Committee passed a motion to accept the City Auditor's Fiscal Year 2024/2025 Baseline Funding Verification for the Sacramento Children's Fund and to forward to the City Council for approval. On February 24, 2026, the City Council passed a motion to approve the City Auditor's Fiscal Year 2024/2025 Baseline Funding Verification for the Sacramento Children's Fund.

Rationale for Recommendation: This staff report provides the Sacramento Children's Fund Planning and Oversight Commission with information on the City Auditor's FY 2024/2025 Baseline Funding Verification for the Sacramento Children's Fund.

Financial Considerations: The cost of the City Auditor's FY2024/2025 Baseline Funding Verification for the Sacramento Children's Fund was funded as allowable administrative costs from the Sacramento Children's Fund.

Local Business Enterprise (LBE): None.

City Auditor's Fiscal Year 2024/2025 Baseline Funding Verification for the Sacramento Children's Fund

Report# 2025/26-06 | January 2026



City of
SACRAMENTO
Office of the City Auditor

Research and Analysis Division

Farishta Ahrary, City Auditor
Kevin Christensen, Assistant City Auditor
Joe Fleming, Senior Fiscal Policy Analyst
All Office of the City Auditor Staff



January 2026

Our Mission

To provide a catalyst for improvements of municipal operations and promote a credible, efficient, effective, equitable, fair, focused, transparent, and fully accountable City government.

Our Vision

To improve City services by providing independent, objective, and reliable information regarding the City's ability to meet its goals and objectives and establish an adequate system of internal controls, root out improper governmental activities (i.e., fraud, waste, or abuse), and address racial, gender, and ethnic inequities.

Suggest an Audit

The Office of the City Auditor conducts performance audits of the City of Sacramento's operations to determine whether these operations and programs are operating efficiently and effectively. If you would like to offer ideas for audits to save the City money, increase revenues, or improve the efficiency and effectiveness of City operations and programs, please fill out our online form:

https://forms.cityofsacramento.org/f/Suggest_an_Audit_Form

Whistleblower Hotline

In the interest of public accountability and being responsible stewards of public funds, the City has established a whistleblower hotline. The hotline protects the anonymity of those leaving tips to the extent permitted by law. The service is available 24 hours a day, 7 days week, 365 days per year. Through this service, all phone calls and emails will be received anonymously by third party staff.

Report online at <http://www.cityofsacramento.ethicspoint.com> or call toll-free: 888-245-8859.

The City of Sacramento's Office of the City Auditor can be contacted by phone at 916-808-1166 or at the address below:

915 I Street
MC09100
Historic City Hall, Floor 2
Sacramento, CA 95814

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City Auditor's Fiscal Year 2024/2025 Baseline Funding Verification for the Sacramento Children's Fund

Department	Eligible Programs	Fund Goals					Baseline Funding Verification
		1	2	3	4	5	
Youth, Parks, and Community Enrichment	16	●	●	●	●	●	\$ 13,135,132
Department of Community Response	8	●	●	●		●	\$ 3,195,246
Office of Violence Prevention	3	●		●	●		\$ 2,623,552
Sacramento Fire Department	7	●					\$ 2,152,007
Sacramento Police Department	4	●		●	●		\$ 1,302,462
Office of Innovation & Economic Development	2	●				●	\$ 877,905
Office of the City Manager	1	●					\$ 250,000
Total	41						\$ 23,536,304

\$22.9
million

**Baseline
Amount**

\$23.5
million

**Baseline
Verification**

Fund goals numbers correspond to the following descriptions: 1) Supporting the mental health and emotional wellness of youth; 2) Preventing and reducing homelessness among youth, including youth transitioning out of foster care; 3) Preventing and reducing youth substance abuse; 4) Preventing and reducing youth violence; 5) Supporting the healthy development of children ages 0 to 5 years old

*We discontinued our analysis of other program expenditures after reaching the baseline. As a result, other eligible expenditures in various City departments were not included in this review

Introduction

In accordance with the Sacramento City Charter and the City Auditor's 2025/26 Audit Plan, we have completed the *City Auditor's Fiscal Year 2024-2025 Baseline Funding Verification for the Sacramento Children's Fund*. The Sacramento Children's Fund was established to support positive youth development and youth violence prevention programs to children and youth less than 25 years of age with a strategic priority on serving children and youth most impacted by poverty, trauma, and violence. This report details the City Auditor's efforts related to verifying that the Baseline Funding amount of \$22.9 million was expended in fiscal year 2024/2025 (fiscal year 2024/25).

The City Auditor's Office would like to thank the Office of the City Manager, the Department of Youth, Parks and Community Enrichment, the Fire Department, the Police Department, the Department of Community Response, the City Attorney's Office and all other City departments for their cooperation and collaboration during this project.

Background

Sacramento Children and Youth Health and Safety Act (Measure L)

The Sacramento Children and Youth Health and Safety Act, also known as Measure L, was passed by voters in November 2022. Measure L amended the Sacramento City Charter, adding Section 120 – Sacramento Children's Fund. The section outlines the establishment and operations of the "Sacramento Children's Fund" in the City of Sacramento. The following are key takeaways from the section:

- **Purpose and Fund Goals:** The Sacramento Children's Fund is created to support positive youth development and youth violence prevention programs in Sacramento. The Fund's goals include supporting mental health, preventing homelessness among youth, reducing substance abuse and violence, and supporting healthy development for children aged 0 to 5.
- **Funding Sources and Allocation:** The Fund is financed by allocating at least 40 percent of the estimated revenue from the "Cannabis Business Operations Tax" (CBOT) each year. Additional funding can come from interest, unspent amounts, grants, gifts, and other sources. These funds are maintained separately from the General Fund.
- **Commission and Oversight:** Measure L established the "Sacramento Children's Fund Planning and Oversight Commission". This commission is responsible for developing Five-Year Strategic Investment plans and reviewing service performance and impact evaluations prepared by the City Manager. It is also empowered to make recommendations to the City Council based on its reviews.

- **Qualified Organizations:** Qualified Organizations refers to specific entities that are eligible to receive funding from the Sacramento Children's Fund to provide youth services. These organizations can include both public entities (including City offices and departments) and organizations that are exempt from taxation under the United States Internal Revenue Code section 501(c)(3).
- **Recipient Organizations:** The City shall select qualified organizations to receive Sacramento Children's Fund money based on an open, transparent, and competitive process, as may be established by the City.
- **Expenditures and Administrative Costs:** Fund money can be used for youth services provided by qualified organizations and allowable administrative costs. Specific services, like mental health counseling, substance abuse prevention, and educational programs, fall within the scope of youth services.
- **Maintenance of Effort:** The Fund does not replace existing Baseline Funding, as calculated by the City Auditor. Each annual budget must include Baseline Funding for youth services in addition to the amount allocated from CBOT. The City Auditor verifies the appropriate Baseline Funding annually.
- **Planning and Reports:** The commission develops and submits Five-Year Strategic Investment Plans to City Council to address Fund Goals, target populations, and performance measures. Annual Service Performance Reports and Youth Impact Evaluation Reports are developed by the City Manager to assess progress in youth service performance and youth outcome metrics.
- **Implementation and Amendments:** The City Council is authorized to pass ordinances and resolutions to implement Measure L's provisions, ensuring consistency with its purpose.

Measure L establishes a mechanism to support youth services in Sacramento through dedicated funding, strategic planning, oversight, and evaluations.

Key Definitions

The following key definitions have been summarized to provide clarification on important aspects of the Sacramento Children's Fund.

Baseline Funding

Baseline Funding, as defined in the City Charter, refers to the amount of General Fund revenue that was expended on Baseline Services during the fiscal year 2022/23.¹ These Baseline Services were services provided to youth that aligned with the objectives of the Sacramento Children's Fund, as outlined in the City Charter. Baseline Funding serves as a foundational level of financial support for Baseline Services. The City Charter establishes guidelines for calculating and adjusting Baseline Funding to ensure its continuation at appropriate levels.

Baseline Services

Baseline Services refer to services provided to youth that are designed to achieve the same objectives as the goals of the Sacramento Children's Fund, as defined in the City Charter. These services are intended to address areas such as mental health and emotional wellness of youth, homelessness prevention, substance abuse reduction, youth violence prevention, and supporting the healthy development of children aged 0 to 5 years old.

Fund Goals

Fund Goals pertain to the overarching objectives set out by the Sacramento Children's Fund. These goals include supporting the mental health and emotional wellness of youth, preventing, and reducing homelessness among youth (including those transitioning out of foster care), preventing, and reducing youth substance abuse, preventing and reducing youth violence, and supporting the healthy development of children aged 0 to 5 years old.

General Fund

The General Fund refers to all revenue received by the City that is not restricted in its usage and can be allocated for any lawful purpose.

Youth

In the context of the Sacramento Children's Fund, "youth" refers to individuals who are under 25 years of age.

¹ Fiscal year 2022/23 refers to the period beginning July 1, 2022, and ending on June 30, 2023.

Youth Services

Youth services encompass services and programs provided by qualified organizations that support and implement the Five-Year Strategic Investment Plan. These services can include, but are not limited to, mental health counseling and wellness services, substance abuse prevention services, street outreach, violence intervention, case management, youth workforce development, summer programs, after-school programs, and early childhood education and family support services.

City Auditor's Responsibilities

The City Auditor's responsibilities primarily relate to the calculation and verification of certain financial aspects of the Sacramento Children's Fund. In December 2023, the City Auditor fulfilled the obligation to calculate and publish the Baseline Funding amount by no later than December 31, 2023; the City Auditor calculated the Baseline Funding amount to be \$22.9 million.² This report details the City Auditor's efforts related to verifying that the Baseline Funding amount of \$22.9 million was expended in fiscal year 2024/25.³ Guidance from City Council states that, in odd years, the City Auditor will publish an analysis of expenditures up to the Baseline Funding amount, and in even years publish a full accounting of eligible youth-related expenditures across all departments. As the current analysis is for the odd year of fiscal year 2024/25, we have published the relevant eligible, youth-related expenditures from the departments needed to meet the Baseline Funding amount.

Objective, Scope, and Methodology

The primary objective of this project was to fulfill the requirement outlined in §120 Sacramento Children's Fund, section (e)(1)(C) of the Sacramento City Charter by verifying that the Baseline Funding amount of \$22.9 million was expended in fiscal year 2024/25. The scope of this project was City expenditures for fiscal year 2024/25, or those made between July 1, 2024, and June 30, 2025. To achieve our objective, we distributed individualized youth program identification worksheets to departments requesting they provide information on programs identified during the Baseline Funding calculation for fiscal year 2023/24; we also requested departments identify any new youth programs and services offered in fiscal year 2024/25. Additionally, we gathered and analyzed general ledger data to support and supplement the information provided by departments. We discontinued our analysis of other program expenditures after reaching the baseline. As a result, other eligible expenditures in various City departments were not included in this review.

² Sacramento City Charter § 120(e)(1)(A)

³ Sacramento City Charter § 120(e)(1)(C)

Program Qualification Analysis

We researched programs identified as a potential youth program, aiming to gain an understanding of their key characteristics. To confirm that a program qualified toward the Baseline Funding verification, we conducted an analysis to verify its compliance with the City Charter. This analysis specifically involved identifying expenditures from fiscal year 2024/25, net of program revenues, confirming their source as unrestricted General Fund revenue, aligning the program with one or more Fund Goals,⁴ and verifying that expenditures did not fall into prohibited categories. We maintained ongoing consultations with the City Attorney's Office throughout this process, seeking their guidance to enhance our comprehension of City Charter compliance and its practical application to the tasks at hand. All program expenditures counted towards the Baseline Funding verification were paid for from either the City's General Fund or the Measure U Special Revenue Fund.⁵

Reliance on Management's Estimates for Youth Expenditure Allocation

In our effort to verify the Baseline Funding amount was expended in fiscal year 2024/25, we collaborated closely with management to accurately identify youth-related expenditures. As we progressed through this process, it became evident that, in certain situations, the most appropriate method for determining the correct allocation of youth-related expenditures was to rely on management's estimates. In specific cases, we employed management's estimations to determine the appropriate distribution of administrative costs among eligible youth programs. Additionally, we depended on management's assessments of youth program participation to isolate and allocate the youth-related portion within programs that had a partial youth component. These estimates were based on available program attendance records. It's important to note that we did not conduct independent audit procedures to validate the accuracy or completeness of management's estimations.

Challenges with Youth Program Identification and Expenditure Tracking

When conducting the tasks associated with verifying the Baseline Funding amount was expended in fiscal year 2024/25, we collaborated with City departments to pinpoint eligible youth expenditures. A significant challenge we encountered during this endeavor revolved around the identification and calculation of youth-related expenses for each department. For example, in one case, we were not able to identify fiscal year 2024/25 program expenditures due to a lack of accounting records. In other cases, departments identified youth programs with eligible youth

⁴ In instances where a program description did not specifically address a Fund Goal, we considered the potential benefits of the type of services provided by the program to ensure Fund Goal alignment.

⁵ Sacramento voters approved a new version of the City's Measure U sales tax on Nov. 6, 2018, extending it and raising it from a half-cent to a full cent. Measure U is a general tax, and the revenue it produces goes in the City's Measure U – Special Revenue Fund and can be used for any municipal purpose.

expenditures that were not identified during the Baseline Funding calculation. We reached out to the City Attorney's Office to determine whether the Baseline Funding amount could be adjusted post-publication. The City Attorney's Office has opined that the Baseline Funding amount published by the City Auditor by December 31, 2023, is final and cannot be adjusted. The City Auditor understands Measure L contemplates youth expenditures as a whole, providing the City the flexibility to adjust youth programming based on changing youth needs. Accordingly, any youth program with eligible expenditures was counted as eligible towards the Baseline Funding verification, whether or not the program was included in the Baseline Funding amount.

Summary of the City Auditor’s Fiscal Year 2024/2025 Baseline Funding Verification for the Sacramento Children’s Fund

After reviewing the City of Sacramento's youth programs and related expenditures for fiscal year 2024/25, the City Auditor has verified that the City expended the Baseline Funding amount for the Sacramento Children’s Fund. The following table summarizes City departments’ youth-related expenditures in fiscal year 2024/25 that sum to at least the Baseline Funding level of \$22.9 million, as well as the Fund Goals that those departments’ programs address in the Baseline Funding verification. As part of the Baseline Funding Verification process, the City Auditor compiled and analyzed only those departments’ expenditures that were needed to meet the Baseline Funding amount, per guidance from the City Council. The City Auditor analysis focused on 41 programs across seven departments, totaling \$23,536,304.

Figure 1: Programs, Amounts, and Fund Goals Counted Towards the fiscal year 2024/25 Baseline Funding Verification by Department

Department	Eligible Programs	Fund Goals					Baseline Funding Verification
		1	2	3	4	5	
Youth, Parks, and Community Enrichment (YPCE)	16	•	•	•	•	•	\$ 13,135,132
Department of Community Response (DCR)	8	•	•	•		•	\$ 3,195,246
Office of Violence Prevention (OVP)	3	•		•	•		\$ 2,623,552
Sacramento Fire Department (SFD)	7	•					\$ 2,152,007
Sacramento Police Department (SPD)	4	•		•	•		\$ 1,302,462
Office of Innovation & Economic Development (OIED)	2	•				•	\$ 877,905
Office of the City Manager	1	•					\$ 250,000
Total	41						\$ 23,536,304

Source: Auditor generated based on Baseline Funding verification analysis.

Note: Fund goals numbers correspond to the following descriptions: 1) Supporting the mental health and emotional wellness of youth; 2) Preventing and reducing homelessness among youth, including youth transitioning out of foster care; 3) Preventing and reducing youth substance abuse; 4) Preventing and reducing youth violence; 5) Supporting the healthy development of children ages 0 to 5 years old.

It is important to note that the table doesn't provide a full accounting of youth program offerings in the City of Sacramento, or necessarily all the youth programs within the listed departments. Other City departments provide youth programs that would be considered eligible towards the Baseline Funding Verification. Instead, the table above highlights the eligible expenditures for programs that were needed only to identify

that the Baseline Funding amount was reached in the 2024/25 fiscal year, so long as those programs met one or more Fund Goals and fit the Baseline Funding criteria of the Sacramento Children’s Fund.

In determining the eligibility of expenditures in accordance with the Baseline Funding criteria, some expenditures from youth-related programs were excluded. Common reasons for reducing the amount included as eligible towards the Baseline Funding verification were due to an ineligible funding source, prohibited expenditure category, or programs with only a partial youth component.

Appendix A: City of Sacramento Charter, Section 120 – Sacramento Children’s Fund

§ 120 Sacramento Children's Fund.

(a) Definitions. The following definitions apply in this section:

(1) "Administrative costs" means the City of Sacramento's costs for strategic planning, grant making, grants management, data collection and evaluation, technical assistance, organizational capacity-building, communications, community engagement, and service performance and impact evaluation.

(2) "Baseline funding" means the amount of general fund revenue expended in the 2022-2023 fiscal year on baseline services, as calculated and annually adjusted pursuant to subsection (e).

(3) "Baseline services" means services provided to youth that are designed to meet the same objectives as the fund goals (as defined herein), but excluding any amounts that would be considered prohibited expenditures under subsection (d)(2).

(4) "Budget" means the city's fiscal year budget adopted by the city council pursuant to section 111.

(5) "Cannabis business operations tax" or "CBOT" means the tax imposed by Sacramento City Code section 3.08.205, as amended from time to time, or any successor tax on cannabis businesses.

(6) "Commission" means the Sacramento Children's Fund Planning and Oversight Commission.

(7) "Estimated CBOT" means the amount of cannabis business operations tax revenue in the next fiscal year, as estimated by the city manager no later than January 15 immediately preceding the next fiscal year.

(8) "Five-Year Strategic Investment Plan" means the plan developed by the Sacramento Children's Fund Planning and Oversight Commission and approved by the city council, as provided in this section.

(9) "Fund goals" means the following: supporting the mental health and emotional wellness of youth; preventing and reducing homelessness among youth, including youth transitioning out of foster care; preventing and reducing youth substance abuse; preventing and reducing youth violence; and supporting the healthy development of children ages 0 to 5 years old.

(10) "General fund" means all revenue received by the city that is unrestricted and that can be used for any lawful purpose.

(11) "Operational department" means an office or department of the city funded primarily from general fund revenue.

(12) "Qualified organization" means a public entity (including the city through its offices and departments) or any organization exempt from taxation under United States Internal Revenue Code section 501(c)(3).

(13) "Sacramento Youth Commission" means the commission established pursuant to Sacramento City Code chapter 2.126 or any successor commission.

(14) "Sacramento Children's Fund" means the fund that receives the general fund revenue allocation required by subsection (c), and that is maintained and accounted for separately and apart from the remainder of the general fund.

(15) "Youth" means persons under 25 years of age.

(16) "Youth services" means qualified-organization-provided services and programs that support and implement the Five-Year Strategic Investment Plan. Youth services may include, but are not limited to:

- (A) Mental health counseling and wellness services;
- (B) Substance abuse prevention services;
- (C) Street outreach, violence intervention, and case management;
- (D) Youth workforce development, including career pathways that advance the city's climate-action goals;
- (E) Summer programs and after-school programs; and
- (F) Early childhood education and family support services.

(b) Sacramento Children's Fund.

(1) There is hereby established a fund to be known as the Sacramento Children's Fund, which shall be maintained and accounted for separately and apart from the remainder of the general fund.

(2) The Sacramento Children's Fund shall consist of:

- (A) The annual allocation from the general fund required by subsection (c);
- (B) All interest earned on the Sacramento Children's Fund;

(C) All amounts in the Sacramento Children's Fund not spent or encumbered at the end of a fiscal year, which amounts shall carry over to the next fiscal year as a supplement to the amount required to be allocated in that next fiscal year; and

(D) Any other money specifically directed to the Sacramento Children's Fund, from sources such as grants, gifts, and council-approved additional allocations.

(c) Annual funding required; calculation; adjustments

(1) Each budget adopted after the effective date of this section must allocate an amount equal to at least 40% of the estimated CBOT, as adjusted according to subsection (c)(2), to the Sacramento Children's Fund.

(2) Starting in 2025, by each January 15 the city auditor shall publish an audited amount of CBOT for the prior fiscal year. If 40% of that audited amount is greater than the amount allocated to the Sacramento Children's Fund in the prior fiscal year, the difference shall be added to the amount required to be allocated the next fiscal year. If 40% of the audited amount is less than the amount allocated to the Sacramento Children's Fund in the prior fiscal year, the difference shall be deducted from the amount required to be allocated the next fiscal year.

(d) Expenditures.

(1) Money in the Sacramento Children's Fund may only be used to engage qualified organizations to provide youth services in accordance with an adopted Five-Year Strategic Investment Plan, plus allowable administrative costs.

(A) Notwithstanding the lack of a Five-Year Strategic Plan during the 2023-2024 fiscal year, money in the Sacramento Children's Fund may be used during the 2023-2024 fiscal year for administrative costs.

(2) Prohibited expenditures. Sacramento Children's Fund money may not be spent for:

(A) Services that only incidentally benefit youth;

(B) Acquisition, lease, or maintenance of any capital item or real property that is not for primary and direct use by youth; or

(C) Services for which a fixed or minimum level of expenditure is mandated by state or federal law, to the extent of that fixed or minimum level of expenditure.

(3) Recipient organizations.

(A) The city shall select qualified organizations to receive Sacramento Children's Fund money based on an open, transparent, and competitive process, as may be established by the city.

(B) All qualified organizations receiving money under this section are subject to, and shall cooperate in, performance and financial audits by the city and its representatives.

(C) Before receiving money from the Sacramento Children's Fund, any non-city public agency must demonstrate a cash match for each dollar it receives from the fund.

(4) Administrative costs.

- (A) For fiscal year 2023-2024, no more than 20% of the Sacramento Children's Fund may be spent on administrative costs.
- (B) For fiscal year 2024-2025, no more than 15% of the Sacramento Children's Fund may be spent on administrative costs.
- (C) Beginning with fiscal year 2025-2026, no more than 10% of the Sacramento Children's Fund may be spent on administrative costs.

(e) Maintenance of effort.

(1) The Sacramento Children's Fund does not supplant baseline funding. In addition to the annual allocation required by subsection (c), the budget must include the baseline funding amount for baseline services, subject to this subsection (e).

(A) The city auditor shall calculate and publish the baseline funding amount no later than December 31, 2023.

(B) Recognizing that the baseline funding amount will not be calculated before adoption of the budget for fiscal year 2023- 2024, that budget need not expressly comply with this subsection (e)(1). However, if the auditor's verification pursuant to subsection (e)(1)(C) establishes the fiscal year 2023-2024 expenditures on baseline services fell below the baseline funding amount, the difference shall be added to the fiscal year 2025-2026 budget as a one-time addition to fund baseline services, as provided in subsection (e)(1)(C).

(C) Beginning in 2025, by January 15 of each year the city auditor shall verify that the baseline funding amount was expended in the previous fiscal year. If in any year the auditor determines expenditures for baseline services fell below the baseline funding amount, the difference between amount expended and the baseline funding amount shall be added to the succeeding fiscal year budget as a one-time addition to fund baseline services.

(2) The baseline funding amount may be reduced in any year during which general fund revenue support for operational departments is reduced; provided, however, the percentage reduction in baseline funding cannot exceed the percentage reduction of general fund revenue support to operational departments.

(3) Following any reduction pursuant to subsection (e)(2) above, in subsequent years during which there are increases in general fund revenue support to operational departments, the reduced baseline funding amount must receive the same percentage increase as the percentage increase of general fund revenue support to operational departments, until such time as the baseline funding amount returns to the amount described in subsection (e)(1).

(f) Planning and Oversight Commission.

(1) There is hereby established a nine-member Sacramento Children's Fund Planning and Oversight Commission.

(2) The commission has the power and duty to:

(A) In consultation with the Sacramento Youth Commission, develop Five-Year Strategic Investment Plans and submit them to the city council for adoption;

(B) Conduct a review of each Five-Year Strategic Investment Plan before the end of the third year of that plan;

(C) Review and accept annual Service Performance Reports, Three-Year Youth Impact Evaluation Reports, Five-Year Youth Impact Performance Reports, and fiscal and performance audit reports; and

(D) Make recommendations to the city council as a result of its review of the plans and reports described in subsections (f)(2)(B), (C).

(3) Appointment; qualifications.

(A) Notwithstanding section 230 of this charter, each member of the city council (including the mayor) shall appoint one member to the commission. In making these appointments, the members of the city council shall endeavor to constitute a commission that reflects the demographic profile of the city's youth.

(B) Each commission member must have:

(i) Personal experience as a consumer (past or present) of youth services; or

(ii) Demonstrated knowledge and professional experience in youth development theory, youth program implementation, or youth program evaluation.

(4) Except as otherwise provided in this section, the commission and commissioners shall be subject to the same rules and regulations as other city boards and commissions.

(5) The city manager shall assign sufficient staff to support the commission in the discharge of its duties, including the preparation of plans and reports.

(g) Plans and Reports.

(1) Five-Year Strategic Investment Plan.

(A) The commission shall develop and submit to the city council for final adoption Five-Year Strategic Investment Plans, which may be amended from time to time.

(B) The first Five-Year Strategic Investment Plan covers the period of July 1, 2024 through June 30, 2029; subsequent plans cover succeeding five-year periods.

(C) Contents. Each Five-Year Strategic Investment Plan must include the following:

(i) Problems and challenges to be addressed in each of the fund goals;

(ii) Target populations to be served within each of the fund goals, using multiple data sources to identify those populations most impacted by poverty, trauma, and violence;

(iii) Service performance measures and youth outcome metrics to evaluate progress toward achieving the fund goals;

(iv) Strategies to achieve outcomes for the target populations for each of the fund goals;

(v) Alignment, leveraging, and coordination of other public and private resources, including resources of the County of Sacramento, local school districts, and philanthropy, to maximize program performance and impact beyond what Sacramento Children's Fund monies can achieve alone.

(2) Annual Service Performance Reports. The city manager shall develop for the commission's review an annual report evaluating all services funded by the Sacramento Children's Fund, assessing those services' performance and progress toward youth outcome metrics established in the Five-Year Strategic Investment Plan.

(3) Youth Impact Evaluation Reports. After the third year of each Five-Year Strategic Investment Plan, as well as after the end of each Five-Year Strategic Investment Plan, the city manager shall develop for the commission's review Youth Impact Evaluation Reports that assess progress in youth services performance and youth outcome metrics.

(h) Implementation.

(1) The city council may adopt ordinances and resolutions to implement this section, to the extent those are consistent with this section and effectuate its purpose.

(2) If the Sacramento Youth Commission, including any successor, ceases to exist, the city council shall identify another city board, commission, or committee to perform the duties of the Sacramento Youth Commission under this section. (Added by Res. 2022-0231, 7/21/22)



City Auditor's Fiscal Year 2024/2025 Baseline Funding Verification for the Sacramento Children's Fund

A dark blue silhouette of the Sacramento skyline, including various buildings and the two towers of the Golden Gate Bridge.

Office of the City Auditor | Research and Analysis Division

Farishta Ahrary, City Auditor

Objective, Scope, and Methodology

- The objective of this project was to fulfill the requirement outlined in §120 Sacramento Children's Fund, section (e)(1)(C) of the Sacramento City Charter by verifying that the Baseline Funding amount of \$22.9 million was expended in fiscal year 2024/25.
- We collaborated with departments to identify youth programs and services offered in fiscal year 2024/25. We then analyzed youth program information and general ledger data to evaluate eligibility based on Measure L criteria.

Results

Department	Eligible Programs	Fund Goals					Baseline Funding Verification
		1	2	3	4	5	
Youth, Parks, and Community Enrichment	16	●	●	●	●	●	\$ 13,135,132
Department of Community Response	8	●	●	●		●	\$ 3,195,246
Office of Violence Prevention	3	●		●	●		\$ 2,623,552
Sacramento Fire Department	7	●					\$ 2,152,007
Sacramento Police Department	4	●		●	●		\$ 1,302,462
Office of Innovation & Economic Development	3	●				●	\$ 877,905
Office of the City Manager	1	●					\$ 250,000
Total	42						\$ 23,536,304



Fund goals numbers correspond to the following descriptions: 1) Supporting the mental health and emotional wellness of youth; 2) Preventing and reducing homelessness among youth, including youth transitioning out of foster care; 3) Preventing and reducing youth substance abuse; 4) Preventing and reducing youth violence; 5) Supporting the healthy development of children ages 0 to 5 years old

*We discontinued our analysis of other program expenditures after reaching the baseline. As a result, other eligible expenditures in various City departments were not included in this review

YPCE Program Name	Baseline Funding Verification
Aquatics	\$ 3,017,444
Community Centers	\$ 2,911,746
Youth Employment and Civic Engagement	\$ 2,709,914
YPCE Administration	\$ 1,432,714
OYD Administration	\$ 824,179
#SacTownYouthNights	\$ 815,075
Community Recreation	\$ 359,894
Access Leisure	\$ 304,369
Youth Program Scholarship Fund	\$ 274,574
Sacramento Youth Development Plan Funding	\$ 189,456
Youth Expanded Learning	\$ 71,092
Marina Vista/Alder Grove	\$ 58,688
Camp Sacramento	\$ 57,160
Participatory Budgeting Grant	\$ 55,674
START Program	\$ 48,157
Playgrounds	\$ 4,996
TOTAL	\$ 13,135,132

DCR

DCR Program Name	Baseline Funding Verification
Outreach and Engagement Center	\$ 985,584
Women and Family Shelter Project	\$ 873,310
Motel Shelter Program	\$ 540,011
Outreach from Neighborhood Resource Coordinators	\$ 328,763
DCR Administration	\$ 294,515
Coordinated Access System	\$ 106,382
Outreach from Hope Cooperative	\$ 51,685
Emergency Bridge Housing at the Grove	\$ 14,996
TOTAL	\$ 3,195,246

OVP

OVP Program Name	Baseline Funding Verification	
Gang Prevention and Intervention Task Force Program	\$	1,425,279
Evidence-Based Violence Interruption, Disruption, and Suppression	\$	699,668
Office of Violence Prevention Administration	\$	498,605
TOTAL	\$	2,623,552

SFD Program Name	Baseline Funding Verification
Diversity, Outreach, and Recruitment Administration	\$ 659,065
Firefighter Youth Academy	\$ 613,645
Emergency Medical Services Internship	\$ 526,623
Sac Area Girls Camp	\$ 158,049
SFD Reserves	\$ 116,995
EMS Corps	\$ 41,667
High School Career Technical Education Program	\$ 35,963
TOTAL	\$ 2,152,007

SPD

SPD Program Name	Baseline Funding Verification
Criminal Justice Academy	\$ 1,075,615
Natomas Unified School District School Resource Officers	\$ 159,885
Kops-n-Kids	\$ 40,616
Cadet Program	\$ 26,346
TOTAL	\$ 1,302,462

OIED

OIED Program Name	Baseline Funding Verification	
Thousand Strong	\$	639,408
Childcare Project Manager	\$	138,741
OIED Administration	\$	99,756
TOTAL	\$	877,905

City Manager

City Manager Program Name	Baseline Funding Verification	
RydeFree RT	\$	250,000
TOTAL	\$	250,000

SITE NAVIGATION

City Auditor Reports

Measure L Reports

Activity Reports

Annual Community Survey

Annual Workplans

Audit Reports

Diversity Audits

Peer Review

Recommendation Follow-Up

Whistleblower Hotline Activity

CITY AUDITOR REPORTS

Measure L Reports

The Sacramento Children and Youth Health and Safety Act, also known as Measure L, was passed by voters in November 2022. Measure L amended the Sacramento City Charter, adding Section 120 - Sacramento Children's Fund. This page documents the City Auditor's compliance with its responsibilities outlined in Sacramento City Charter Section 120.

City Auditor's responsibilities

The City Auditor's responsibilities primarily relate to the calculation and verification of certain financial aspects of the Sacramento Children's Fund. Specifically:


- The City Auditor shall calculate and publish the Baseline Funding amount no later than December 31, 2023;
- Beginning in 2025, by January 15 of each year, the City Auditor shall verify that the Baseline Funding amount was expended in the previous fiscal year; and
- Beginning in 2025, by January 15 of each year, the City Auditor shall publish an audited amount of the Cannabis Business Operations Tax (CBOT) for the prior fiscal year.

Fiscal Year 2024-2025



FY25 baseline verification

Baseline funding amount was expended in FY25



FY25 audited CBOT revenue

\$22,609,932

Thank you

Farishta Ahrary

City Auditor

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Joe Fleming

Senior Fiscal Policy Analyst

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jfleming@cityofsacramento.org

City of
SACRAMENTO



City of Sacramento
**Sacramento Children's Fund Planning and Oversight
Commission Report**
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-00485

5/7/2026

**City Auditor's Fiscal Year (FY) 2024/2025 Audited Cannabis Business Operations Tax Amount
for the Sacramento Children's Fund**

File ID: 2026-00485

Location: Citywide

Recommendation: Review and comment.

Contact: Farishta Ahrary, City Auditor, (916) 808-7266, fahrary@cityofsacramento.org; Joe Fleming, Senior Fiscal Policy Analyst, (916) 808-7285, jfleming@cityofsacramento.org; Office of the City Auditor

Presenter: Farishta Ahrary, City Auditor, (916) 808-7266, fahrary@cityofsacramento.org; Joe Fleming, Senior Fiscal Policy Analyst, (916) 808-7285, jfleming@cityofsacramento.org; Office of the City Auditor

Attachments:

1-Description/Analysis

2-City Auditor's Fiscal Year 2024/2025 Audited Cannabis Business Operations Tax Amount for the Sacramento Children's Fund

3-Presentation

Description/Analysis

Issue Detail: This project was approved as part of the City Auditor's FY2025/26 Work Plan. According to the City Council Rules of Procedures, the Budget and Audit Committee shall receive, review, and forward to the Council as appropriate, reports, recommendations, and updates from the City Auditor. This report documents the City Auditor's FY2024/2025 Audited Cannabis Business Operations Tax Amount for the Sacramento Children's Fund.

Policy Considerations: The Sacramento Children and Youth Health and Safety Act, also known as Measure L, was passed by voters in November 2022. Measure L amended the Sacramento City Charter, adding Section 120 - Sacramento Children's Fund. The section outlines the establishment and operations of the "Sacramento Children's Fund" in the City of Sacramento.

In subsection (c) and paragraph (2) of the Sacramento Children's Fund, the City Auditor is directed to

publish an audited amount of Cannabis Business Operations Tax (CBOT) for the prior fiscal year by January 15 of each year. This report documents the City Auditor's FY2024/2025 Audited Cannabis Business Operations Tax Amount for the Sacramento Children's Fund.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: On February 3, 2026, the Budget and Audit Committee passed a motion to accept the City Auditor's FY2024/2025 Audited Cannabis Business Operations Tax Amount for the Sacramento Children's Fund and to forward to the City Council for approval. On February 24, 2026, the City Council passed a motion to approve City Auditor's FY2024/2025 Audited Cannabis Business Operations Tax Amount for the Sacramento Children's Fund.

Rationale for Recommendation: This staff report provides the Sacramento Children's Fund Planning and Oversight Commission with information on the City Auditor's FY2024/2025 Audited Cannabis Business Operations Tax Amount for the Sacramento Children's Fund.

Financial Considerations: The City contracted with Macias Gini & O'Connell LLP to audit the FY2024/2025 Cannabis Business Operations Tax Amount at a cost of \$19,050. The cost of the City Auditor's FY2024/2025 Audited Cannabis Business Operations Tax Amount for the Sacramento Children's Fund was funded as allowable administrative costs from the Sacramento Children's Fund.

Local Business Enterprise (LBE): None.

**CITY OF SACRAMENTO
CANNABIS BUSINESS OPERATIONS TAX REVENUE**

Independent Auditor's Report and
Schedule of Cannabis Business
Operations Tax Revenue

Year Ended June 30, 2025
Report No. 2025/26-07
January 2026

CITY OF SACRAMENTO
CANNABIS BUSINESS OPERATIONS TAX REVENUE
Independent Auditor’s Report and Schedule of Cannabis Business Operations Tax Revenue
Year Ended June 30, 2025

Table of Contents

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Schedule of Cannabis Business Operations Tax Revenue.....	3
Notes to the Schedule of Cannabis Business Operations Tax Revenue.....	4
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	5

Independent Auditor's Report

City Council
City of Sacramento, California

Opinion

We have audited the schedule of cannabis business operations tax revenue of the City of Sacramento, California (City) for the year ended June 30, 2025, and the related notes (the "Schedule").

In our opinion, the accompanying Schedule presents fairly, in all material respects, the cannabis business operations tax revenue of the City for the year ended June 30, 2025, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 3 to the Schedule, the Schedule presents only the cannabis business operations tax revenue of the City and does not purport to, and does not, present fairly the changes in its financial position for the year ended June 30, 2025, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Schedule

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

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedule.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Sacramento, California
January 14, 2026

CITY OF SACRAMENTO
CANNABIS BUSINESS OPERATIONS TAX REVENUE
Schedule of Cannabis Business Operations Tax Revenue
Year Ended June 30, 2025

Cannabis Business Operations Tax Revenue	<u>\$22,609,932</u>
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The notes to the schedule are an integral part of this schedule.

CITY OF SACRAMENTO
CANNABIS BUSINESS OPERATIONS TAX REVENUE
Notes to the Schedule of Cannabis Business Operations Tax Revenue
Year Ended June 30, 2025

(1) GENERAL

In November 2022, voters in the City of Sacramento approved the Sacramento Children and Youth Health and Safety Act, also known as Measure L. This Act established the Sacramento Children’s Fund (“SCF” or “the Fund”), a dedicated funding stream designed to support positive youth development and youth violence prevention programs for Sacramento residents under the age of 25. These programs include services for homeless youth and foster children, mental health counseling, substance abuse treatment, prevention and early intervention, and after-school activities. The Fund operates through an open, transparent, and competitive grant process, guided by a strategic plan developed by a commission and adopted by the City Council.

Measure L also created the nine-member Sacramento Children’s Fund Planning and Oversight Commission (SCF Commission). The SCF Commission consists of one member appointed by the Mayor and one member appointed by each City Council member representing the eight council districts. The SCF Commission collaborates with the Sacramento Youth Commission to develop the five-year Strategic Investment Plan, review annual service performance and evaluation reports, and make recommendations to the City Council regarding investments in programs and services that support children and youth. These efforts are designed to ensure that children and youth have the opportunities and resources to fully participate, prosper, and reach their full potential.

The SCF is primarily funded through General Fund revenue. Specifically, the equivalent of 40% of the annual cannabis business operations tax (CBOT) revenue is allocated to the Fund to support children and youth services, in addition to existing City budget allocations for similar programs.

Measure L mandates that by each January 15, the City Auditor publishes an audited amount of CBOT for the prior fiscal year; this report demonstrates the City Auditor’s compliance with this requirement.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule is intended to present the City’s CBOT revenues, which is accounted for in the General Fund, and is not intended to be a complete presentation of the City’s changes in financial position. Revenues are recorded under the modified accrual basis of accounting and recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

(3) RELATIONSHIP TO THE BASIC FINANCIAL STATEMENTS

The CBOT revenue is reported in the City’s basic financial statements as part of the tax revenues within the General Fund. The Schedule is intended to present only the CBOT revenue. It does not purport to, and does not, present fairly the changes in the financial position of the City and the City’s General Fund for the year ended June 30, 2025, in accordance with accounting principles generally accepted in the United State of America.

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

City Council
City of Sacramento, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the Schedule of Cannabis Business Operations Tax Revenue (Schedule) of the City of Sacramento, California (City), for the year ended June 30, 2025, and the related notes to the Schedule, and have issued our report thereon dated January 14, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Macias Gini & O'Connell LLP

Sacramento, California

January 14, 2026



City Auditor's Fiscal Year 2024/2025 Audited Cannabis Business Operations Tax Amount for the Sacramento Children's Fund

A dark blue silhouette of a city skyline, including various buildings and two prominent towers on the right side, set against a light blue background.

Office of the City Auditor | Research and Analysis Division

Farishta Ahrary, City Auditor

Objective, Scope, and Methodology

- The objective of this project was to fulfill the requirement outlined in §120 Sacramento Children's Fund, section (c)(2) of the Sacramento City Charter by publishing an audited amount of CBOT for the prior fiscal year.
- We determined that contracting with the City's external auditors would be the most efficient use of resources to complete this audit. As such, the external auditors completed the audit in accordance with Generally Accepted Auditing Standards and Government Auditing Standards.

FY 2024/2025
Audited
Amount of
CBOT
Revenue

\$22,609,932

Budget vs Actuals

- The City makes an estimate of CBOT revenues each year during the budget process and budgets an amount equivalent to 40% of the CBOT revenue budget to be transferred from the General Fund to the Children's Fund.
- During the fiscal year end process, the Finance Department 'true-up' the contribution to the Children's Fund to match 40% of the actual CBOT revenue.

FY 2024/25 (millions, rounded)

CBOT Approved Budget:	\$23.3
Children's Fund Budget:	\$9.3
Actual CBOT:	\$22.6
CBOT under Budget:	-\$0.7
Transfer to Children's Fund ('true up'):	-\$0.3
Total to Children's Fund:	\$9.04

Thank you

Farishta Ahrary

City Auditor

916-808-7266

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Joe Fleming

Senior Fiscal Policy Analyst

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City of
SACRAMENTO



City of Sacramento
**Sacramento Children’s Fund Planning and Oversight
Commission Report**
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-00895

5/7/2026

Sacramento Children’s Fund Planning and Oversight Commission Implementation Update

File ID: 2026-00895

Location: Citywide

Recommendation: 1) Review Strategic Investment Plan and discuss outcomes and potential recommendations to align outcomes with the five fund goals; and 2) Pass a **Motion** on whether to make recommendations on changes to the competitive selection process for funding recipients or recommendations on changes to the Strategic Investment Plan.

Contact: Julie Garen, Program Specialist, (916) 808-1531, jgaren@cityofsacramento.org, Department of Youth, Parks, & Community Enrichment

Presenter: Julie Garen, Program Specialist, (916) 808-1531, jgaren@cityofsacramento.org, Department of Youth, Parks, & Community Enrichment

Attachments:

1-Description/Analysis

2-Sacramento Children’s Fund Presentation

Issue Detail: As part of the third year review, city staff will present updates on the implementation of the Sacramento Children’s Fund Planning and Oversight Commission including a progress report on grantee performance to date, a financial breakdown of where funding landed in the first round of open grant awards, and updates on the Guaranteed Basic Income award.

The Sacramento Children’s Fund Planning and Oversight Commission will discuss the implementation updates and potential recommendations it may wish to make to better align outcomes with the five fund goals, which include: (1) supporting the mental health and emotional wellness of youth; (2) preventing and reducing homelessness among youth, including youth transitioning out of foster care; (3) preventing and reducing youth substance abuse; (4) preventing and reducing youth violence; and (5) supporting the healthy development of children ages 0 to 5 years old.

and the Commission may also consider its approach to potential changes in funding for the second round of open grants. The commission may vote on whether they would like to make

recommendations to on revisions to the competitive selection process for awarding funding and/or the Strategic Investment Plan (SIP).

Any recommendations to revise the competitive selection process must be consistent with the Commission's powers and duties, as established in Section 120 of the City Charter, as well as the SIP approved by Council. Certain recommended revisions to the competitive selection process, and any revisions to the SIP, would require City Council approval.

Policy Considerations: Sacramento City Charter § 120 Sacramento Children's Fund.

Economic Impacts: Not applicable.

Environmental Considerations: Not applicable.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: As outlined in Measure L, Sacramento City Charter § 120 Sacramento Children's Fund, the Sacramento Children's Fund Planning and Oversight Commission is charged with the power and duty to complete a third year review of the Strategic Investment Plan. The Commission may make recommendations on how to implement changes to the next round of open grant funding and/or the SiP after review and discussion of the implementation updates.

Financial Considerations: Not applicable.

Local Business Enterprise (LBE): Not applicable.



Julie Garen – Sacramento Children’s Fund

Thursday, May 7, 2026 @ 10:00 AM

A dark blue silhouette of the Sacramento skyline, including various buildings and the two towers of the Bay Bridge, set against a lighter blue background.

Sacramento Children’s Fund

Planning and Oversight Commission Meeting

Implementation Update

- SCF grantees have submitted Quarter 3 Programmatic and Financial Reports- See Draft Progress Report
- Harder & Company has launched Evaluation- Monitoring, Evaluation and Learning framework planning phase. Site visits and community of practice to launch in Summer 2026.
- United Way California Capitol Region awarded up to \$8 million dollars for Guaranteed Basic Income for transitional age foster youth. Approved by City Council 5/5/26.

Key dates for Sacramento Children's Fund

ACTION ITEM	DATE
SIP Third-Year Review by SCF Commission DUE (per Measure L)	June 30, 2027
Commission makes recommended changes to City Staff	Summer 2027
Edits, amendments and deletions to the SIP made as a result of the third-year review incorporated into a final Revised SIP	May 2027
Final Revised SIP taken to City Council for adoption	Summer 2027
The City plans to release another RFP for open grants with a two-year grant period	Fall 2027/Winter 2028

SCF Projected Budget for 5-year SIP Cycle

Fiscal Year	Administrative Expenses	Guaranteed Income Grants	CBO Funding	City/PE Funding	Total Measure L Funding
2024	\$1,868,160	\$1,494,528	\$2,989,056	\$2,989,056	\$9,340,800
2025	\$1,356,600	\$1,537,480	\$3,074,960	\$3,074,960	\$9,044,000
2026*	\$904,400	\$1,627,920	\$3,255,840	\$3,255,840	\$9,044,000
2027*	\$904,400	\$1,627,920	\$3,255,840	\$3,255,840	\$9,044,000
2028*	\$904,400	\$1,627,920	\$3,255,840	\$3,255,840	\$9,044,000
Total*	\$5,937,960	\$7,915,768	\$15,831,536	\$15,831,536	\$45,516,800

*FY 26, 27, 28 and total are projected amounts based off of the most current CBOT revenue from FY25

SCF Second Round Open Grant Funding

- Second Round of Open Grant Funding RFP to tentatively be released in Fall/Winter 2027 with a funding start date of January 1, 2028
- Second Round of Open Grant Funding to tentatively run for two years from January 1, 2028 through December 31, 2029
- If the CBOT remains steady at the FY25 amount, the RFP may be released for \$13.8 million dollars. With the split that would be approximately \$6.9 million dollars for CBOs and \$6.9 million dollars for the City of Sacramento and non-City Public entities
- The full five year SIP amount of up to \$8 million dollars has been awarded to UWCCR for Guaranteed Basic Income (contingent upon performance and fund availability). There will not be a second round of GBI funding during the current SIP cycle

Questions?

Discussion

Contact us: scf@cityofsacramento.org



2026	
May	Commission begins third year review the SIP SIP
June	End of Year 2 of the SIP (7/1/25- 6/30/26)
July	Beginning of Year 3 of the SIP (7/1/26-6/30/27) GBI grants begin funding
December	End of initial 1.5 agreements-performance review
2027	
June	End of Year 3 of the SIP (7/1/26-6/30/27) Commission completes third-year review/edits
July	Revised SIP approved by City Council Beginning of Year 4 of the SIP (7/1/27-6/30/28)
Fall	City issues RFP for second round of open grants
December	City takes RFP results to City Council for approval City announces second round of open grants
2028	
January	Funding is distributed to second round open grants
2029	
June	Commence next SIP planning process End of Year 5 of the SIP (7/1/28-6/30/29)
June	End of Year 4 of the SIP (7/1/27-6/30/28)
December	End of second round open grants for first SIP
July	Beginning of Year 5 of the SIP (7/1/28-6/30/29)



Tentative Timeline

- Five-Year Strategic Investment Plan by FY
- Year 1 – July 1, 2024 – June 30, 2025
 - Year 2 – July 1, 2025 – June 30, 2026
 - Year 3 – July 1, 2026 – June 30, 2027
 - Year 4 – July 1, 2027 – June 30, 2028
 - Year 5 – July 1, 2028 – June 30, 2029