CITY OF SACRAMENTO, CALIFORNIA

Single Audit Reports

For the Fiscal Year Ended June 30, 2025

Certified
Public
Accountants

CITY OF SACRAMENTO, CALIFORNIA
Single Audit Reports
For the Fiscal Year Ended June 30, 2025

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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*

The Honorable Mayor and Members of the
City Council of the 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 financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sacramento, California (City), as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 19, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, 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 opinions on the financial statements, 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 financial statements are 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 financial statements. 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.*

Macias Gini & O'Connell LLP
500 Capitol Mall, Suite 2200
Sacramento, CA 95814

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
December 19, 2025

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Honorable Mayor and Members of the
City Council of the City of Sacramento, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Sacramento, California's (City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the fiscal year ended June 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Macias Gini & O'Connell LLP
500 Capitol Mall, Suite 2200
Sacramento, CA 95814

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 19, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Macias Gini & O'Connell LLP

Sacramento, California
March 30, 2026, except for our report on the Schedule
of Expenditures of Federal Awards, for which the
date is December 19, 2025

CITY OF SACRAMENTO, CALIFORNIA

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2025

Grant #	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
	United States Department of Agriculture (USDA) Program:				
	Passed through GreenLatinos:				
	Inflation Reduction Act Urban & Community Forestry Program:				
G15252000	Equitable and Resilient Urban Forest Program	10.727	24-CA-11132544-013	$ 150,390	$ -
	Total United States Department of Agriculture (USDA) Program			**150,390**	-
	United States Department of Housing and Urban Development				
	Passed through Sacramento Housing and Redevelopment Agency:				
	CDBG - Entitlement Grants Cluster:				
B02000110	Tree Nursery Access Improvement Individual Project	14.218	B-22-MC-06-0003	48,761	-
L19147200	Woodlake Park	14.218	B-22-MB-06-0003	4,709	-
L19145500	O'Neil Park Restroom Replacement	14.218	B-22-MC-06-0003	9,789	-
L19155601	Robla Community Park Restroom Design	14.218	B-25-MC-06-0003	1,816	-
L19196200	Mama Marks Park	14.218	B-23-MC-06-0003	177,888	-
L19208200	Wood Park Improvements	14.218	B-24-MC-06-0003	470,944	-
L19911301	Chorley Park	14.218	B-22-MC-06-0003	37,908	-
L19911401	Camellia Park	14.218	B-22-MC-06-0003	132,096	-
L19911402	Nunn Park Improvements	14.218	B-22-MC-06-0003	86,684	-
L19912100	Ninos Park	14.218	B-23-MC-06-0003	183,995	-
L19912101	Ninos Playground Improvement	14.218	B-25-MC-06-0003	11,989	-
L19912200	North Pointe Park	14.218	B-20-MC-06-0003	209,869	-
L19912900	24th Street Bypass Park Fitness Equipment	14.218	B-25-MC-06-0003	6,980	-
L19913100	Earl Warren Park Restroom Design	14.218	B-25-MC-06-0003	4,639	-
L19913200	Argonaut Park ADA Walkways	14.218	B-25-MC-06-0003	496	-
T15036301	Fruitridge Complete Streets	14.218	B-22-MC-06-0003	165,722	-
T15225000	Envision Broadway in Oak Park	14.218	B-24-MC-06-0003	49,665	-
T15255600	Franklin Blvd Complete Street Phase 3	14.218	B-24-MC-06-0003	7,661	-
	Subtotal Community Development Block Grant/Entitlement Grants			1,611,611	-
	Total United States Department of Housing and Urban Development			**1,611,611**	-
	United States Department of the Interior				
	Direct Programs:				
	Central Valley Improvement Act, Title XXXIV:				
G14140400	Lower American River Salmonid Habitat Improvement	15.512	---	601,824	-
G14140406	Lower American River Salmonid Habitat Improvement Program - Upper Riverbend Phase 1	15.512	---	12,609	-
G14140407	Habitat and Facility Improvement American River Salmonid Spawning and Rearing Habitat Restoration	15.512	---	1,896,631	-
	Subtotal Central Valley Improvement Act, Title XXXIV			2,511,064	-
	Central Valley Project Improvement Act (CVPIA):				
G14140701	American River Juvenile Salmonid and Habitat Monitoring	15.648	---	227,647	-
	Passed through The Association for the Study of African American Life and History:				
	Cooperative Research and Training Programs – Resources of the National Park System:				
G01005000	National Underground Railroad Network to Freedom listing for Hackett House	15.945	NTF-299-2024	2,580	-
	Total United States Department of the Interior			**2,741,291**	-
	United States Department of Justice				
	Direct Programs:				
	Public Safety Partnership and Community Policing Grants:				
G11017021	COPS Hiring Program - 2021	16.710	---	904,230	-
	Subtotal Public Safety Partnership and Community Policing Grants			904,230	-
	Edward Byrne Memorial Justice Assistance Grant Program:				
G11017822	Edward Byrne Memorial Justice Assistance Grant Program - 2022	16.738	---	115,752	-
G11017823	Edward Byrne Memorial Justice Assistance Grant Program - 2023	16.738	---	41,792	-
G11018800	National Public Safety Partnership - 2024	16.738	---	219,451	-
	Subtotal Edward Byrne Memorial Justice Assistance Grant Program			376,995	-
	Total United States Department of Justice			**1,281,225**	-
	United States Department of Labor				
	Direct Programs:				
	Community Project Funding/Congressionally Directed Spending:				
G02180340	Early Childhood Education (ECE) Apprenticeship Program	17.289	---	42,731	-
	Passed through Sacramento Employment and Training Agency:				
	Workforce Investment Act/Workforce Innovation and Opportunity Act (WIA/WIOA) Cluster:				
G19090240	WIOA Youth Activities	17.259	046301IS-23	42	-
G19090250	WIOA Youth Activities	17.259	046301IS-23E	159,600	-
	Subtotal Workforce Investment Act/Workforce Innovation and Opportunity Act (WIA/WIOA) Cluster			159,642	-
	Total United States Department of Labor			**202,373**	-

The accompanying notes are an integral part of this schedule.

CITY OF SACRAMENTO, CALIFORNIA

Schedule of Expenditures of Federal Awards (Continued)

For the Fiscal Year Ended June 30, 2025

Grant #	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
	United States Department of Transportation				
	Passed through State of California Department of Transportation (CALTRANS):				
	Highway Planning and Construction Cluster:				
K15125000	Highway Planning and Construction	20.205	CML-5002(155)	$ 342,752	$ -
K15155000	Highway Planning and Construction	20.205	CML-5002(178)	9,108	-
K15165100	Highway Planning and Construction	20.205	ATPL-5002(189)	382,652	-
K15185005	Highway Planning and Construction	20.205	STPCML-5002(222)	267,894	-
T15095201	Highway Planning and Construction	20.205	BRLS-5002(220)	9,667	-
T15136000	Highway Planning and Construction	20.205	BRLS-5002(164)	2,687,930	-
T15145300	Highway Planning and Construction	20.205	BRLS-5002(168)	3,965,323	-
T15165501	Highway Planning and Construction	20.205	ATPCML-5002(219)	4,357,384	-
T15175100	Highway Planning and Construction	20.205	STPL-5002(213)	85,915	-
T15175300	Highway Planning and Construction	20.205	ATPL-5002(203)	1,642,396	-
T15185700	Highway Planning and Construction	20.205	HSIPL-5002(199)	273,624	-
T15185800	Highway Planning and Construction	20.205	HSIPL-5002(200)	513,557	-
T15186100	Highway Planning and Construction	20.205	ATPL-5002(204)	131,526	-
T15186101	Highway Planning and Construction	20.205	ATPLNI-5002(234)	7,662	-
T15205300	Highway Planning and Construction	20.205	HSIPL-5002(210)	34,956	-
T15205500	Highway Planning and Construction	20.205	HSIPL-5002(212)	137,039	-
T15215000	Highway Planning and Construction	20.205	STPL-5002(221)	443,197	-
T15215800	Highway Planning and Construction	20.205	LPPSTPL-5002(226)	106,649	-
T15225000	Highway Planning and Construction	20.205	STPL-5002(221)	255,225	-
T15225100	Highway Planning and Construction	20.205	STPL-5002(224)	199,942	-
T15235600	Highway Planning and Construction	20.205	DEMOL 5002(223)	289,483	-
T15245000	Highway Planning and Construction	20.205	CML-5002(232)	198,493	-
T15245100	Highway Planning and Construction	20.205	RSSTPL-5002 (239)	324,491	-
	Subtotal Highway Planning and Construction			16,666,865	-
	Passed through State of California Department of Transportation (CALTRANS):				
T15186000	Highway Railroad Grade Crossing Safety Program	20.301	STPLR-7500(260)	248,448	-
	Passed through State of California Office of Traffic Safety:				
	Highway Safety Cluster:				
G11016224	State and Community Highway Safety	20.600	PT24166	56,296	-
G11016225	State and Community Highway Safety	20.600	PT25216	47,330	-
	Subtotal Highway Safety Cluster			103,626	-
G11016224	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT24166	29,933	-
G11016225	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT25216	109,117	-
	Subtotal Minimum Penalties for Repeat Offenders for Driving While Intoxicated			139,050	-
	Passed through California Governor's Office of Emergency Services:				
	Hazardous Materials Emergency Preparedness Planning:				
G12903702	Hazardous Materials Emergency Preparedness 2022- Self-Contained Breathing Apparatus (SCBA)	20.703	693-32/HMEP22	11,112	-
	Total United States Department of Transportation			**17,169,101**	**-**
	United States Department of the Treasury				
	Passed through California Public Utilities Commission:				
	Coronavirus Capital Projects Fund:				
A07001801-A070010804	Sacramento Last Mile Connectivity Project	21.029	T-17835	595,331	-
	Passed through County of Sacramento:				
G17609000	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	ER3-2022-01	96,711	-
	Total United States Department of the Treasury			**692,042**	**-**
	United States Small Business Administration				
	Direct Programs:				
	Congressional Grants:				
G02180320	Neighborhood Equity Initiative	59.059	---	47,632	-
G02180360	Infant and Toddler Care Expansion and Capacity Building	59.059	---	105,252	70,762
	Total United States Small Business Administration			**152,884**	**70,762**
	United States Environmental Protection Agency				
	Direct Programs:				
	Environmental Justice Government-to-Government (EJG2G) Program:				
G15250100	Inflation Reduction Act - Environmental Justice Government-to-Government	66.312	---	29,886	-
	Brownfields Assessment and Cleanup Cooperative Agreements:				
G02180100	Revolving Loan Fund	66.818	---	348,232	-
G02180110	Multi-Purpose Cooperative Agreement	66.818	---	16,843	-
	Subtotal Brownfields Assessment and Cleanup Cooperative Agreements			365,075	-
	Total United States Environmental Protection Agency			**394,961**	**-**

The accompanying notes are an integral part of this schedule.

CITY OF SACRAMENTO, CALIFORNIA

Schedule of Expenditures of Federal Awards (Continued)

For the Fiscal Year Ended June 30, 2025

Grant #	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
	United States Department of Homeland Security				
	Direct Programs:				
	National Urban Search & Rescue (US&R) Response System:				
G12502100	Urban Search and Rescue 2021	97.025	---	$ 54,966	$ -
G12502200	Urban Search and Rescue 2022	97.025	---	49,544	-
G12502300	Urban Search and Rescue 2023	97.025	---	337,730	-
G12502400	Urban Search and Rescue 2024	97.025	---	860,882	-
G12705800	Urban Search and Rescue New Mexico Wildfires	97.025	---	73,736	-
	Subtotal National Urban Search & Rescue (US&R) Response System			1,376,858	-
	Passed through California Governor's Office of Emergency Services				
G02610300	Public Assistance Grants	97.036	PA-09-CA-4683-PW-01279(1042) PA-09-CA-4683-PW-00788(931) PA-09-CA-4683-PW-01650(1440) PA-09-CA-4683-PW-01984(1400)	188,521	-
	Subtotal Public Assistance Grants			188,521	-
C15002001	Pre-Disaster Mitigation Program	97.047	EMF-2023-PD-0004	6,364	-
	Homeland Security Grant Program				
G11016921	Homeland Security Grant Program - 2021	97.067	2021-0081	657,462	234,559
G11016922	Homeland Security Grant Program - 2022	97.067	2022-0043	2,496,475	1,077,183
G11016923	Homeland Security Grant Program - 2023	97.067	2023-0042	330,060	-
	Passed through the Sacramento County Office of Emergency Services:				
	Homeland Security Grant Program				
G12903901 - G12903902	Homeland Security Grant Program - 2023	97.067	2023-0042	136,981	-
	Subtotal Homeland Security Grant Program			3,620,978	1,311,742
	Total United States Department of Homeland Security			**5,192,721**	**1,311,742**
	Total Expenditures of Federal Awards			**$ 29,588,599**	**$ 1,382,504**

The accompanying notes are an integral part of this schedule.

CITY OF SACRAMENTO, CALIFORNIA
Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the City of Sacramento, California (City) under programs of the federal government for the fiscal year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

As a result of the COVID-19 pandemic, many new federal programs have been established and funding has been added to existing federal programs. Expenditures funded from the following acts are denoted by the prefix COVID-19 in the federal program title in the Schedule:

- Coronavirus Preparedness and Response Supplemental Appropriations Act
- Families First Coronavirus Response Act
- Coronavirus Aid, Relief, and Economic Security Act (CARES Act)
- Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)
- American Rescue Plan Act (ARP)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICY

Expenditures reported in the accompanying Schedule are presented using the modified accrual basis of accounting for governmental funds and the full accrual basis for proprietary funds. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown, if any, in the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – ASSISTANCE LISTING NUMBERS (ALN)

The ALNs included in the accompanying Schedule were determined based on the program name, review of grant contract information, and the U.S. General Service Administration's SAM.gov website.

NOTE 4 – INDIRECT COST RATE

The City has elected not to use the 15-percent de minimis indirect cost rate allowed under the Uniform Guidance Section 2 CFR 200.414.

NOTE 5 – LITIGATION RELATED TO FEDERAL GRANT FUNDING FREEZE

The City is currently engaged in litigation against the federal government concerning the suspension of certain federal grant funds. As of March 30, 2026, several federal grant programs listed in the Schedule have been impacted by the freeze, resulting in delayed reimbursements and uncertainty regarding future funding availability.

The City continues to comply with all grant requirements and is actively pursuing legal remedies to ensure the release of awarded funds. While the outcome of this litigation remains uncertain, the City is monitoring the situation closely and assessing the potential financial and operational impacts.

CITY OF SACRAMENTO, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section I Summary of Auditor's Results

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Noncompliance material to the financial statements noted?	No

FEDERAL AWARDS

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of major federal programs:

Assistance Listing Number	Name of Federal Program
14.218	Community Development Block Grants/Entitlement Grants
15.512	Central Valley Improvement Act, Title XXXIV
16.710	Public Safety Partnership and Community Policing Grants
97.067	Homeland Security Grant Program

Dollar threshold used to distinguish between type A and type B program:	$887,658
Auditee qualified as a low-risk auditee?	Yes

CITY OF SACRAMENTO, CALIFORNIA
Schedule of Findings and Questioned Costs (Continued)
For the Fiscal Year Ended June 30, 2025

Section II Financial Statement Findings

No matters were reported.

Section III Federal Awards Findings

No matters were reported.