



Approve Local Transportation Fund Findings of Apportionment for Fiscal Year 2025-2026

Consent

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Attachments: Yes

Referring Committee: Policy & Innovation

Issue:

Each year, Auditor-Controllers of Sacramento, Sutter, Yolo and Yuba counties provide local transportation sales tax revenue estimates to SACOG. SACOG staff uses these revenue estimates to calculate proposed funding allocations to each city, county, and transit agency within the four-county region.

Request:

Approve

Recommendation for Board:

That the board approve the Findings of Apportionment for Local Transportation Funds for Sacramento, Sutter, Yolo, and Yuba counties for Fiscal Year 2025-2026.

Recommendation for Committee:

That the Policy and Innovation Committee recommend that the board approve the Findings of Apportionment for Local Transportation Funds for Sacramento, Sutter, Yolo, and Yuba counties for Fiscal Year 2025-2026.

Background:

The Local Transportation Fund (LTF) was created under the Transportation Development Act (TDA) to provide funding for public transportation. Funds for the LTF program are derived from ¼-cent of the retail sales tax collected statewide by the California Department of Tax and Fee Administration (CDTFA), as statutorily created and authorized successor to the former California State Board of Equalization. The sales tax collected is returned to local agencies within each county through the Regional Transportation Planning Agency (RTPA).

SACOG, as the RTPA, administers the LTF Program for the counties of Sacramento, Sutter, Yolo and Yuba. El Dorado County Transportation Commission and Placer County Transportation Planning Agency administer LTF in their respective counties as the RTPAs for those counties.

The County Auditor-Controllers in Sacramento, Sutter, Yolo, and Yuba counties submit to SACOG an estimate of the ending LTF balance for the current fiscal year as well as projected sales tax revenue for their county for the following fiscal year by February 1, of each year. The counties may also revise revenue estimates during the fiscal year.

SACOG, as the RTPA for the counties, is responsible for the allocation and administration of LTF, and TDA statutes require that SACOG adopts annual Local Transportation Fund Findings of Apportionment before funds can be distributed to local agencies. Once adopted, funds are distributed to public agencies for transit services, pedestrian and bicycle facilities, and streets and roads funding . These funds are audited annually as required by TDA law.

Discussion/Analysis:

The total LTF revenue estimated for apportionment in FY 2025-2026, including carryover funds and excluding administration costs, by the four-county auditor-controllers is approximately \$121,262,690. The attached FY 2025-2026 Findings of Apportionment tables show the amount of LTF funds each claimant is eligible to receive. In accordance with the TDA laws, the LTF funds are apportioned on a pro-rata basis using population estimates published by the California Department of Finance for the most recent calendar year.

Brief LTF Trend analysis:

LTF funding saw steady growth in FY 2017-2018, FY 2018-2019, FY 2019-2020, FY 2021-2022 and FY 2022-2023. Revenues declined in FY 2020-2021 and grew in FY 2023-2024 and then declined FY 2024-2025. The projections for FY 2025-2026 have slight growth. Attachment B details actual revenues for each county.

Fiscal Impact/Grant Information:

TDA statute allows SACOG and each of the member counties to claim a portion of the LTF revenues for administrative fees, which are shown in attachment A. It is SACOG's long-standing policy to assess an administrative fee of 1.117 percent, and a planning fee of 3 percent of revenues. The total administrative and planning fees are \$4,715,022 which will be reflected in SACOG's Budget and Overall Work Program.

List of Attachments:

Attachment A-FY2025-2026 LTF Revenue Estimates

Attachment B-Local Transportation Fund trend