

STAFF REPORT



MEETING DATE:	April 30, 2026
SUBJECT:	Receive Preliminary Findings of Apportionment Report for the Fiscal Year 2026/27 Local Transportation Fund (LTF)
AGENDA ITEM:	7-6
STAFF CONTACT:	Jessica Carlson, Chief Fiscal Officer

SUMMARY:

Annually, the Shasta County Auditor provides SRTA an estimate of the available Local Transportation Fund (LTF) for the Shasta Region for the upcoming fiscal year based on projected revenues from the one-quarter percent (0.25%) of general sales tax collected for transit (primary) and non-transit (secondary) transportation needs. SRTA prepares and notifies local agencies of their estimated LTF apportionment, which is provided prior to receiving RABA's budget and making any necessary funding "true-ups" from the prior year. Final Fiscal Year (FY) 2026/27 payments will be determined by the Transportation Development Act (TDA) budget and brought to the SRTA Board of Directors in June for approval.

STAFF RECOMMENDATION:

It is recommended that the board of directors receive the estimated FY 2026/27 LTF apportionments (Attachment A).

DISCUSSION:

Background – As the designated regional transportation planning agency (RTPA) for the Shasta Region, SRTA is responsible for administering Transportation Development Act (TDA) funds. TDA provides funding to support public transportation services first and foremost and may be used for eligible non-transit uses after all other public transportation services are funded, based on a specific list of priorities (see priority uses below). TDA revenue includes State Transit Assistance (STA) and Local Transportation Funds (LTF):

- STA comes from the state sales tax on diesel fuel and can only be used for public transit (operations, capital, and planning purposes). STA revenue may not fund SRTA's administration costs nor streets and roads projects. Historically, STA significantly covers the transit operating costs of the Redding Area Bus Authority (RABA).
- LTF is one-quarter percent (0.25%) of the general sales tax collected within the region. LTF revenue must be apportioned, by population, to areas within Shasta County. An area can be a transit district, city, county, etc.

Priority Uses – The uses of LTF are prescriptive and based on a priority order established under existing governing codes (Attachment B):

- **TDA Administration** – First, LTF provides funding for transportation planning activities relating to TDA administration such as audits; transit planning and coordination; local match for grants; and activities ineligible for reimbursement from other grant programs, such as indirect (overhead) costs. SRTA uses these administrative funds as local match to federal and state formula and competitive planning grants awarded to the agency, to fulfill prior board-approved reserve commitments or reimbursement for borrowed funds for capital asset repairs, and transportation planning not billable through the Overall Work Program (OWP).
- **Pedestrian and bicycle facilities** – Second, two percent (2%) of the remaining LTF is designated to SRTA's Non-Motorized program for city and county pedestrian and bicycle facility projects. SRTA and

regional partners use this money as local match for competitive grant programs. Non-Motorized funds have successfully brought in over \$39 million in capital active transportation and road improvements to the region during the last three ATP grant cycles.

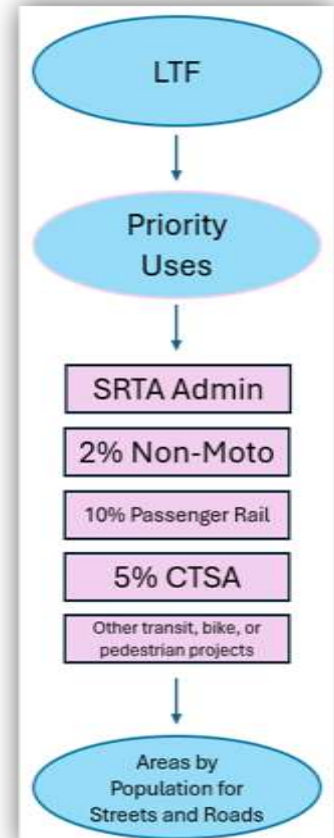
- **Passenger rail service** – Third, up to ten percent (10%) of remaining LTF can be for rail passenger service. However, such services do not currently exist in the region beyond the once-daily Amtrak nationwide service (and not applicable to the Shasta Region).
- **Consolidated Transportation Services Agency** – Fourth, up to five percent (5%) of remaining LTF is designated for consolidated transportation service agency (CTSA) services, which serve individuals who cannot use conventional transit services, such as people with disabilities or seniors. RABA is currently the designated CTSA provider for the Shasta Region, using Dignity Health Connected Living (DHCL) as the operator.
- **Other public transit services, active transportation projects, and local streets and roads construction and maintenance** – Finally, additional projects can be funded with remaining LTF funds under Article 4 and Article 8 of the Public Utilities Code, like other public transportation services or projects, bicycle, and pedestrian projects, and construction and maintenance of streets and roads. See Attachment B for a table summarizing the priority of projects to be funded with LTF funds, consistent with California’s Public Utilities Code, the TDA Statutes and California Code of Regulations Handbook, and SRTA policies.

Each of the TDA prioritized funds are passed through the County Treasurer from the State Controller’s Office. They are each held in an individual account by SRTA, designated for its specific use.

Article 8 Estimates for Other Uses, Streets, and Roads – Public transit needs vary from region to region, so TDA provisions allow any remaining unallocated LTF, in counties with populations under 500,000, to be used for local streets and road construction and maintenance, as well as other transportation purposes after allocating funds for the above-described priorities.

The California Department of Tax and Fee Administration (CDTFA) did not provide the necessary information until March 30, 2026, after the TDA-required report deadline of March 1. The Shasta County Auditor prepares the fiscal year quarter percent tax revenue projections from financial data provided by the CDTFA and up to 90 percent of those projections can be used for the Findings of Apportionment. This portion of LTF is estimated to be \$9,184,133 in FY 2026/27, decreasing from FY 2025/26 projections by four percent (\$9,598,326).

Estimated payments for each LTF claimant are formulated in proportion to each jurisdiction’s population. Population estimates are provided by the California Department of Finance (DOF) and are updated in May each year. In 2025, the Shasta Region was estimated to have a total population of 180,201. The estimated funds shown below (\$7,014,758) are available for Article 4 transit uses and Article 8 uses like streets and roads, after the priority use requirements have been met. Prior fiscal year final allocations are provided for comparison.



Preliminary Findings of Apportionment

	Anderson	Redding	Shasta Lake	Shasta County	Total
FY 2026/27 Article 8 Estimates	\$418,417	\$3,568,551	\$386,600	\$2,501,541	\$6,875,108
Percentage Share by Population	6.09%	51.91%	5.62%	36.39%	100%
FY 2023/24 Allocations	\$560,083	\$2,816,884	\$483,259	\$3,404,646	\$7,264,872
FY 2022/23 Allocations	\$480,503	\$4,028,117	\$444,140	\$2,875,940	\$7,828,700
FY 2021/22 Allocations	\$492,865	\$3,225,316	\$490,640	\$3,287,183	\$7,496,004
FY 2020/21 Allocations	\$497,691	\$4,433,579	\$517,958	\$3,145,707	\$8,594,935

*Fiscal Years' 2025/26 and 2024/25 allocations not included as the final figures have not been audited.

OTHER AGENCY INVOLVEMENT:

//The Technical Advisory Committee met on April 15, 2026, to review and discuss LTF Apportionments.//

FISCAL AND POLICY COMMITTEE REVIEW:

//The Fiscal and Policy Committee met on April 20, 2026, to review and discuss LTF Apportionments.//

ALTERNATIVES:

This is an informational item only as required under California Code of Regulations Section 6644 and requires no board action. The board of directors may request additional information from staff.

FISCAL IMPACT:

Estimated FY 2026/27 LTF payments are five percent lower than FY 2023/24 actuals (last audited year), due to higher-than-expected tax collections in FY 2023/24. Also, the FY 2026/27 administrative budget for the Overall Work Program has not been finalized or reviewed and approved by FHWA, FTA, and Caltrans. After TDA funds are independently audited each year, a "true-up" is calculated to reconcile the budgeted apportionments to what was actually paid out during the fiscal year. The precaution of using only ninety percent of the projected tax to be collected often results in more LTF funds than budgeted, leaving those unallocated. Any additional funds provided to the region in the prior fiscal year that were not distributed are carried over into the next fiscal year budget and are proportionately disbursed. Any transit obligations funded in excess of the budget are also considered. Therefore, actual apportionments may change after the FY 2024/25 true-up process has been completed, any reconciliations are brought forward, and after review of any requests from RABA for TDA funds to fund transit operations and capital. The TDA budget and final claimant disbursements will be presented to the board of directors in June.

Sean Tiedgen, AICP, Executive Director

Attachments:

A: Estimated FY 2026/27 LTF Apportionments

B: TDA Funding Priorities for the Shasta Region and Applicable Laws

ATTACHMENT A

SHASTA REGIONAL TRANSPORTATION AGENCY - FISCAL YEAR (FY) 2026/27 ESTIMATED LOCAL TRANSPORTATION FUND (LTF) APPORTIONMENTS									
(SRTA Policy)									
		Anderson	Redding	Shasta Lake	County		SRTA	CTSA	Bike & Ped
	Totals	Budget	Budget	Budget	Budget		Budget	Budget	Budget
1 Local Transportation Fund (LTF)	9,184,133								
2 Local Transportation Fund- FY 2025/26 (Estimate)	9,184,133								
3 Less: Local Transportation Fund (LTF) for SRTA Administration (1305.3)	(1,799,484)						1,799,484		
4 Less: Article 3 - Bicycle and Pedestrian (2%) (1307.1)	(147,693)								147,693
5 Less: Article 4.5 - LTF to fund Consolidated Transportation Agency (CTSA) (5%) (1309.3)	(361,848)							361,848	
6 Total Estimated LTF Available	6,875,108								
7 Apportionment Percentage (Population*)	100.00%	6.09%	51.91%	5.62%	36.39%				
8 Estimated Amount to be Apportioned for Article 8 (streets and roads) Claims	6,875,108	418,417	3,568,551	386,600	2,501,541				
9									
10 Total Estimated Apportionment for All Local Transportation Funds	9,184,133	418,417	3,568,551	386,600	2,501,541		1,799,484	361,848	147,693

Actual apportionments may change after the 2024/25 true-up process has been completed.

*City and County Populations from Department of Finance estimates, E1 issued May 2025