State of California
DEPARTMENT OF TRANSPORTATION

Business, Transportation and Housing Agency

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: September 15, 2004

Reference No.: 3.8
Information Item

From: CINDY MCKIM
Chief Financial Officer, Acting

Prepared by: Terry Abbott
Division Chief
Local Assistance

Ref: **LOCAL ASSISTANCE LUMP SUM ALLOCATION QUARTERLY STATUS REPORT FOR FISCAL YEAR 2004-05**

SUMMARY:

In June 2004, the California Transportation Commission (Commission) passed Resolution FM-03-10, allocating funds for the Local Assistance Program for fiscal year 2004-05.

The initial allocation request included approximately $74 million in state funds and $1,040 million in federal funds for a total of approximately $1.1 billion.

The allocation was reduced by $361 million, from $1 billion to $754 million, at the recommendation of the Commission pending the final report for FY 2003-04 and a prior year allocation and expenditure comparison.

The total state allocation remains the same at $74 million and the federal allocation was reduced to $680 million, for a total of $754 million. The Department of Transportation (Department) will request the Commission to fully allocate all the federal funds at the October 2004 meeting after providing the final report for FY 2003-04.

As of July 31, 2004, no expenditures have been incurred against the allocation. The budget passed on July 31, 2004, and the most current expenditure information is as of July 31, 2004.

BACKGROUND:

The Local Assistance Program administers the local assistance subvention budget under authority from the Commission. The Commission provides an annual lump sum allocation consistent with the Budget Act. The Commission further delegates to the Department the authority to adjust allocations

for local assistance and the Department reports to the Commission if transfers in or out of an expenditure category exceed 10 percent of the total allocation.

Local Assistance Lump Sum Allocation Status for the Fiscal Year (FY) 2004-2005:

As of July 31, 2004, no expenditures have been incurred against the Local Assistance funds allocated.

Consistent with prior years, the allocation for Demonstration Projects is zero since specific projects expected to receive funds during this fiscal year were not known. This category is included in the allocation to allow the Department to make allocations using excess funds from other categories and prevent allocation delays for demonstration projects. The Transportation Enhancement Activities-Regional Program projects will be allocated under the State Transportation Improvement Program and is not included in the lump sum allocation.

The current fiscal year budget was passed on July 31, 2004, and expenditures included in the lump sum report are as of July 31, 2004. In addition, it is not uncommon for funds to be spent at a slow rate at the beginning of a fiscal year.

Attachment

LOCAL ASSISTANCE FUNDS
FY 2004-05
(As of July 31, 2004)

(Dollars in 1,000)

Fund Description	CTC Allocation			Total Expenditures			Allocation Balance			Percent of Allocation Expended	Number of Projects
	State	Federal	Total	State	Federal	Total	State	Federal	Total	Total	Total
Surface Transportation Pgrm (STP)		245,764	245,764	0	0	0	0	245,764	245,764	0%	0
STP State Match and Exchange	46,000		46,000	0	0	0	46,000		46,000	0%	
Congestion Mitigation & Air Qual Pgrm (CMAQ)		268,397	268,397	0	0	0	0	268,397	268,397	0%	0
Bridge Scour & State Match	735	1,725	2,460	0	0	0	735	1,725	2,460	0%	
Highway Bridge Rehabilitation & Replacement (HBRR)		85,086	85,086	0	0	0	0	85,086	85,086	0%	0
Bridge - Seismic Retrofit	0	44,344	44,344	0	0	0	0	44,344	44,344	0%	0
RR Grade Crossing Protection		8,310	8,310	0	0	0	0	8,310	8,310	0%	0
RR Grade Crossing Maintenance	4,250		4,250	0	0	0	4,250	0	4,250	0%	0
Railroad Grade Separations	15,000		15,000	0	0	0	15,000	0	15,000	0%	
Hazard Elimination & Safety (HES)		8,310	8,310	0	0	0	0	8,310	8,310	0%	0
Safe Routes to School	0	16,619	16,619	0	0	0	0	16,619	16,619	0%	
Transportation Enhancement Activities Exchange	6,440		6,440	0	0	0	6,440	0	6,440	0%	0
Demonstration Projects		0	0	0	0	0	0	0	0		
Miscellaneous	2,000	1,062	3,062	0	0	0	2,000	1,062	3,062	0%	0
Total Local Assistance Subvented Funds	**74,425**	**679,617**	**754,042**	**0**	**0**	**0**	**74,425**	**679,617**	**754,042**	**0%**	**0**

Assumptions:

- The amounts do not include Freeway Service Patrol or Bay Area Ferry Operations.
- Misc. expenditures include projects not included elsewhere.
- Balances are based on allocation requests.
- The Allocation Balance is the difference between Commission Allocation and Total Expenditures.
- Expenditures and Number of Projects is from LP2000 report.
- Allocation Amount reflects a reduction of $360,723 per June 2004 CTC meeting.