

DEPARTMENT OF TRANSPORTATION

M e m o r a n d u m**To:** CHAIR AND COMMISSIONERS**CTC Meeting:** July 13-14, 2005**Reference No.:** 4.9
Information Item**From:** CINDY MCKIM
Chief Financial Officer**Prepared by:** Norma Ortega
Chief
Division of Budgets**Ref:** **Draft 2006 Fund Estimate**

Biennially, the California Department of Transportation (Department), at the direction of the California Transportation Commission (Commission), develops the State Transportation Improvement Program (STIP) Fund Estimate (FE). The 2006 FE includes five-year estimates for the State Highway Account (SHA), the Public Transportation Account (PTA), the Transportation Investment Fund (TIF), and the Transportation Deferred Investment Fund (TDIF).

The purpose of the STIP FE is to provide both an estimate of all federal and state funds reasonably expected to be available for programming in the subsequent STIP, and a plan to manage these funds over the subsequent five years. In addition to the STIP FE, the Department will also prepare a fund estimate of the Aeronautics Account. Both the STIP FE and the Aeronautics FE will cover the years 2006-07 through 2010-11, with the 2005-06 year included as the base year.

Government Code 14524(d) requires the Commission to determine the method by which the estimates are determined, in consultation with the Department, transportation planning agencies, and county transportation commissions. The Commission adopted the set of assumptions used to build the Draft 2006 FE at the regularly scheduled Commission meeting on May 26, 2005.

The Draft 2006 STIP FE and Aeronautics FE will be available prior to the July 2005 Commission meeting and will also be distributed to the Regional Transportation Planning Agencies. After presentation of the Draft 2006 STIP FE and the Aeronautics FE, the Department will incorporate any changes as directed by the Commission, and the final fund estimates will be presented in August for adoption by the Commission.