

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 25-26, 2003

Reference No.: 3.6
Information Item

From: ROBERT L. GARCIA
Chief Financial Officer

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Division Chief
Local Assistance

Ref: **QUARTERLY LOCAL ASSISTANCE LUMP SUM ALLOCATION STATUS REPORT
FOR 2002-03 FISCAL YEAR**

Background:

The Local Assistance Program administers the local assistance subvention budget under authority from the California Transportation Commission (Commission). The Commission provides an annual lump sum allocation consistent with the Budget Act. The Commission further delegates to the Department of Transportation (Department) the authority to adjust allocations for local assistance and reports to the Commission if any transfers in or out of an expenditure category exceed 10 percent of the total allocation.

In June 2002, the Commission passed Resolution FM-01-07, the allocation of funds for local assistance for fiscal year 2002-03. The allocation included approximately \$88 million in state funds and \$966 million in federal funds for a total of approximately \$1 billion.

In April 2003, the Commission passed Resolution FM 02-03 approving the substitution of \$15 million of federal funds for state funds for the Safe Routes to School Program. The state and federal allocations have been adjusted to reflect the substitution as follows: \$102.6 million in state funds and \$951 million in federal funds for a total of \$1 billion. This substitution of funds was consistent with SB 10 and must be approved by the Department of Finance. This approval is currently pending.

Local Assistance Lump sum Allocation Status for the Fiscal Year (FY) 2002-2003:

As of April 30, 2003, \$470 million or 45% of the \$1 billion allocated has been expended. These funds were allocated for 533 local projects. The majority of these expenditures, \$335 million or 71 percent and 212 projects are for:

Surface Transportation Program (STP) – 123 projects, \$180 million

Congestion Mitigation & Air Quality Program (CMAQ) – 89 projects, \$155 million

The remaining \$135 million of expenditures or 29 percent are for 321 projects. Three categories have not encumbered funds to date. These categories include STP State Match and Exchange, Rail Road Grade Crossing Maintenance, and Rail Road Grade Separations. These categories represent 6% of the total funds allocated and this trend is not unusual for these categories.

The Demonstration Projects category has \$26.7 million of expenditures. The initial allocation request for this category was zero since specific projects expected to receive funds during this fiscal year were not known. Including a category for Demonstration projects in the allocation from the Commission allows the Department to make allocations for these projects using excess funds from other categories. The Miscellaneous category has expenditures exceeding 176.8 percent of the allocation. Most of this category's expenditures are federal and represent only \$6 million of the total \$470 million expended to date.

Approximately 49 percent of federal funds allocated have been expended and 6 percent of the state funds have been used. The delivery to date for fiscal year 2002-03 (\$470 million or 45% of the funds allocated) is lower compared to the same period last year (\$661 million or 66% of the funds allocated). Based on historical trends, expenditures are expected to increase in the last quarter of the fiscal year and the first quarter of the following fiscal year.

The allocations do not reflect the Governor's proposed reductions to the Bridge Seismic Retrofit Program or the Federal Subvention Funds.

Attachment

LOCAL ASSISTANCE FUNDS
FY 2002-03
(As of April 30, 2003)
(Dollars in 1,000)

Attachment

Fund Description	CTC Allocation		Total Expenditures		Allocation Balance		Percent of Allocation Expended		Number of Projects	
	State	Federal	State	Federal	State	Federal	Total	Total	Total	Total
Surface Transportation Pgrm (STP)		372,945		129,864		243,081	243,081	34.8%		119
STP State Match and Exchange	46,000		0	0	46,000		46,000	0.0%		0
Congestion Mitigation & Air Qual Pgrm (CMAQ)		352,000		102,977		249,023	249,023	29.3%		72
Bridge Scour & State Match	900	3,300	0	431	900	2,869	3,769	10.3%		3
Highway Bridge Rehabilitation & Replacement (HBRR)		98,640		37,198		61,442	61,442	37.7%		83
Bridge - Seismic Retrofit	13,000	52,490	4,336	28,564	8,664	23,926	32,590	50.2%		83
RR Grade Crossing Protection		10,000		1,011		8,989	8,989	10.1%		8
RR Grade Crossing Maintenance	4,250		0	0	4,250	0	4,250	0.0%		0
Railroad Grade Separations	15,000		0	0	15,000	0	15,000	0.0%		0
Hazard Elimination & Safety (HES)		10,000		5,608		4,392	4,392	56.1%		55
Safe Routes to School	15,000	5,000	0	2,294	15,000	2,706	17,706	11.5%		3
Transportation Enhancement Activities, Regional Share		45,000	0	20,838	0	24,162	24,162	46.3%		47
Transportation Enhancement Activities Exchange	6,440		438	438	6,002	0	6,002	6.8%		4
Demonstration Projects		0		26,702		(26,702)	(26,702)			14
Miscellaneous	2,000	1,625	1,599	4,809	401	(3,184)	(2,783)	176.8%		19
Total Local Assistance Subvented Funds	102,590	951,000	6,373	360,297	96,217	590,703	686,920	34.8%		510
FTA Transfers				103,055	0	(103,055)	(103,055)			23
Total Local Assistance Including FTA Transfers	102,590	951,000	6,373	463,352	96,217	487,648	583,865	44.6%		533

Assumptions:

- The amounts do not include Freeway Service Patrol or Bay Area Ferry Operations.
- FTA transfers are \$49,634,952 for RSTP, \$52,275,279 for CMAQ and \$945,000 for TEA.
- Misc. expenditures include projects not included elsewhere.
- Balances are based on allocation requests.
- The Allocation balance is the difference between CTC allocation and Total Expenditures.
- FAU/FAS allotment and expenditures is shown under STP
- Expenditures and Number of Projects is from LP2000 report