

2008 STIP Fund Estimate Overview & Timeline

February 2007

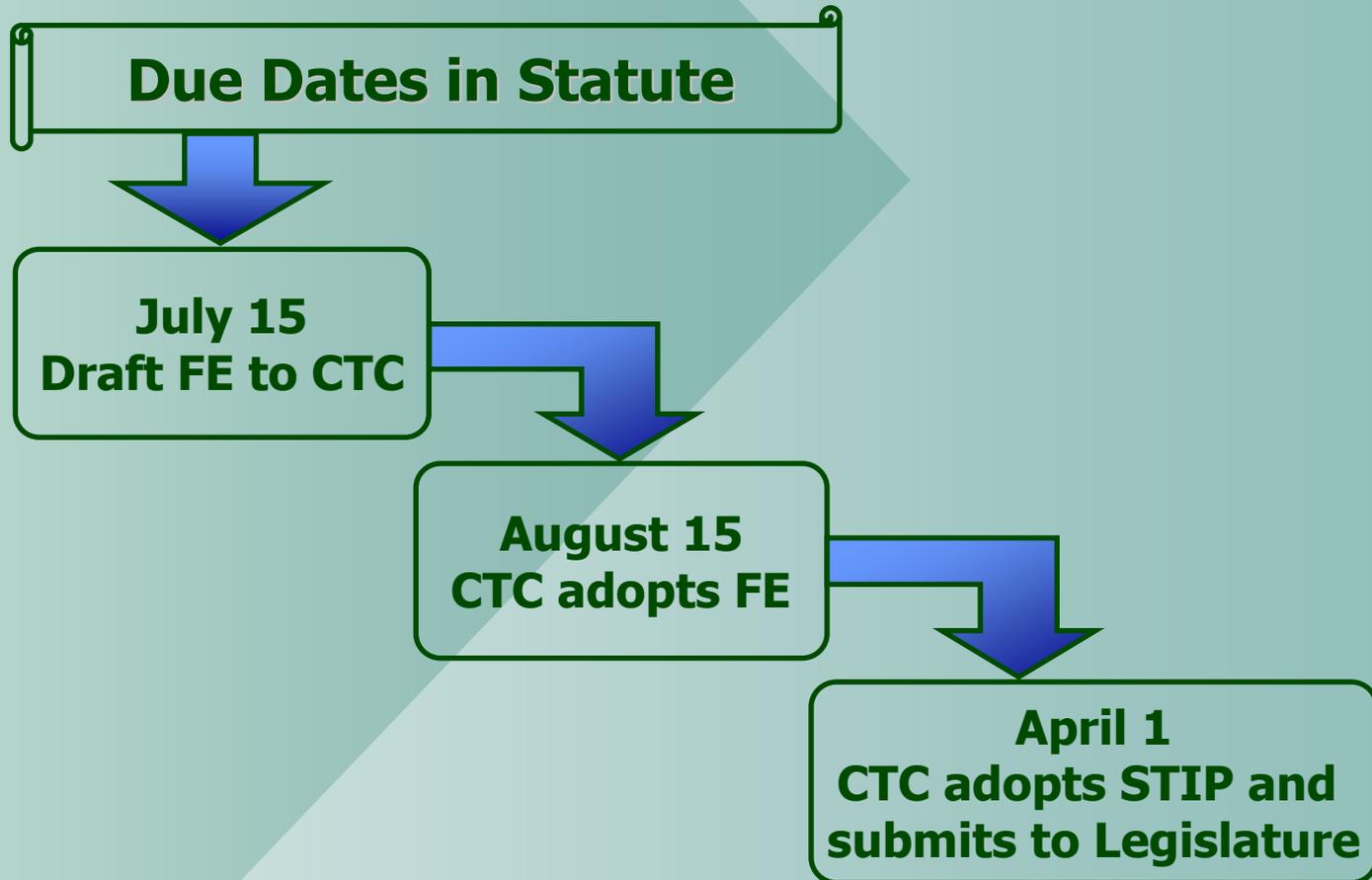
Prepared by:
Department of Transportation
Division of Budgets



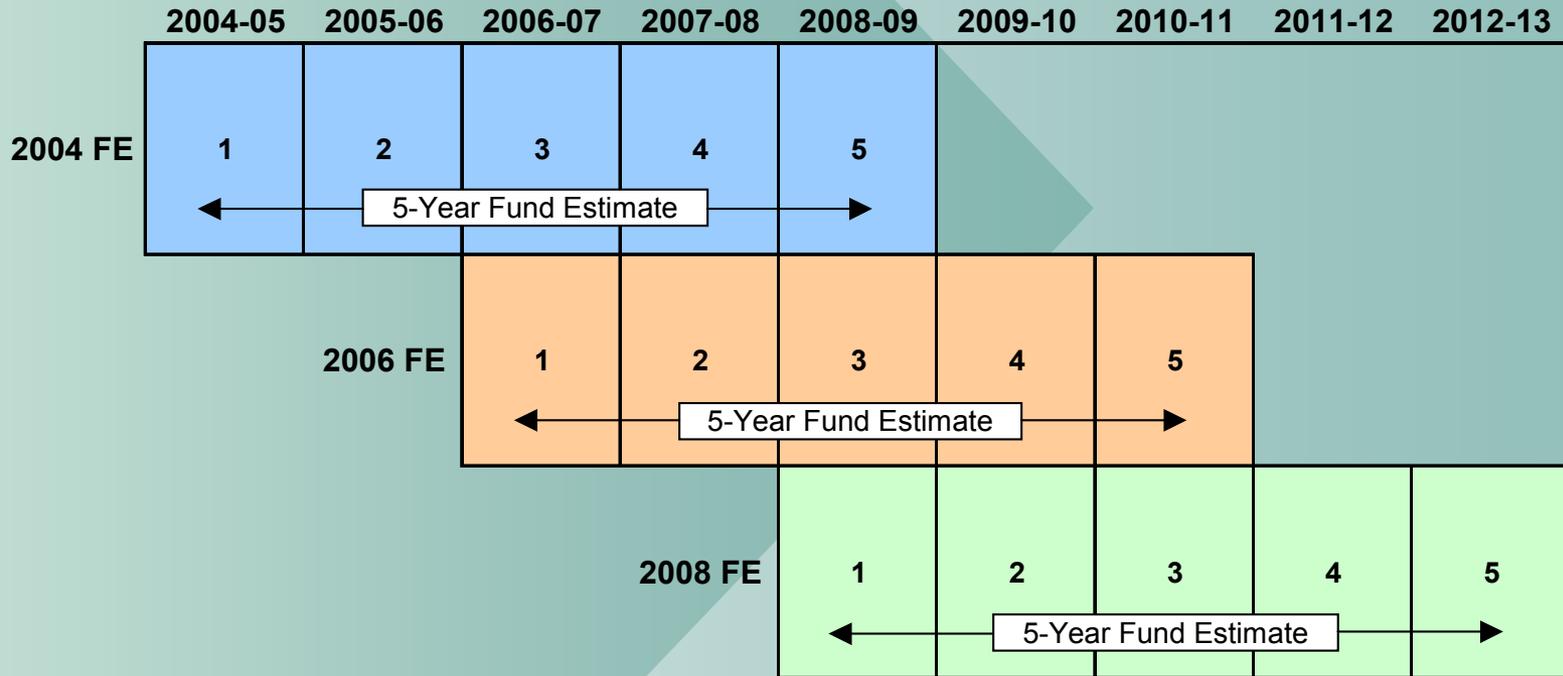
What is the Fund Estimate (FE)?

- **A long-term projection of all state and federal resources reasonably expected to be available over next 5 years**
 - Prepared every two years by the Department.
 - Includes all eligible STIP funds (SHA, PTA, TIF, TDIF, TFA).
 - Determines program capacity available for STIP & SHOPP.
- **California Transportation Commission (CTC)**
 - Provides guidance on development of FE.
 - Adopts FE by August of each odd-numbered year.
 - Adopts STIP consistent with the FE program capacity.
 - Submits STIP to Legislature by April of each even-numbered year.

Fund Estimate Statutory Deadlines



Fund Estimate Time Periods



- There is a three-year overlap between consecutive FEs.
- 2008 FE will cover 2008-09 through 2012-13.

A vertical strip on the left side of the slide shows a stack of US dollar bills, including a \$100 bill and a \$20 bill. The background of the slide is a light teal color with a large, dark teal triangle pointing downwards from the top left.

Fund Estimate Methodology

- **Methodology & Assumptions**

- Determined by CTC in consultation with Department and others.

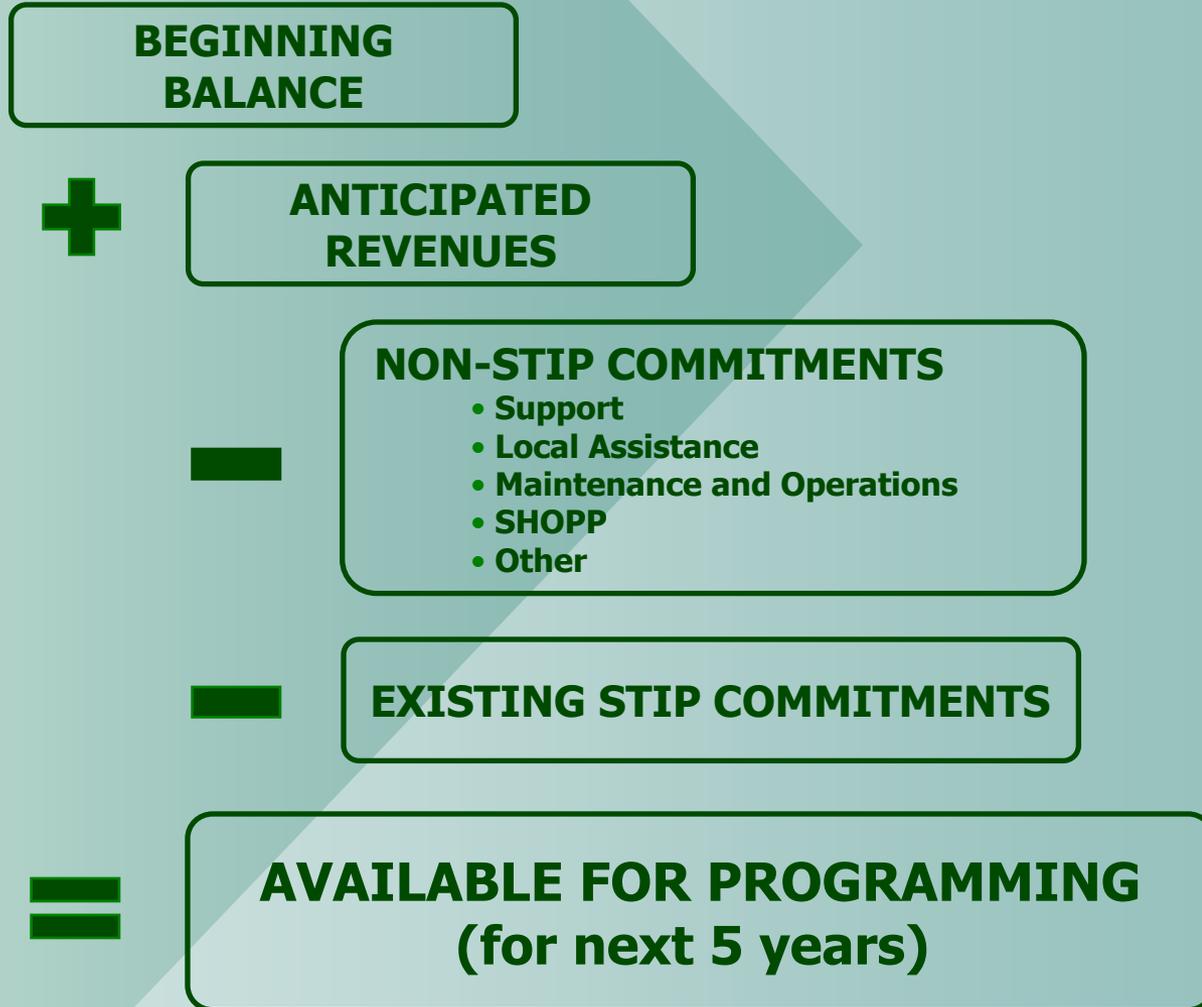
- **Statutory Guidance**

- Revenue assumptions, baseline expenditures and escalation factors, and priority of expenditures.
- Projections based on historical trends, the economic outlook, and in consultation with the California Department of Finance (DOF).
- Federal Obligation Authority is based on the Federal Transportation Act.

- **The Model - “Cash Flow Allocation”**

- Determines cash available for program capacity.
- Estimates capacity based upon cash flow requirements for allocations.
- Consistent with method used to manage the allocation of capital projects.

Cash Flow Methodology:



A vertical strip on the left side of the slide shows a stack of US dollar bills. The top bill is a \$100 bill, with the number '622927092 G' and the portrait of Benjamin Franklin visible. Below it, other bills are partially visible, including a \$20 bill.

2008 Fund Estimate Development Milestones

- **Draft FE Assumptions presented to CTC.**
- **FE Assumptions adopted by CTC.**
- **Draft of FE presented to CTC.**
- **Final FE adopted by CTC**



2008 Fund Estimate Timeline: Scheduling Factors

- **CTC Calendar**

- July Meeting on 26th
- No Meeting in August

- **2007-08 State Budget**

- Significant proposals impacting FE.
- Impact may not be known immediately.

- **2006 STIP Augmentation**

- Adoption of augmented SHOPP & STIP.

Note: Government Code Section 14525 (d) states that the CTC may postpone the adoption of the fund estimate if pending state or federal legislation will have a significant impact on the fund estimate.



**COMMENTS
OR
QUESTIONS ???**