Representative Jim Fannin
Chairman

Representative Simone Champagne
Vice Chairman

FY 13-14 Executive Budget Review
DEPARTMENT OF TRANSPORTATION & DEVELOPMENT
&
PARISH TRANSPORTATION FUND

House Committee on Appropriations

by House Fiscal Division

March 19, 2013

Agenda

Budget Overview

Department Structure

Administration

- Office of the Secretary
- Office of Management and Finance

Engineering and Operations

- Engineering
- Multimodal Planning
- Operations (includes District Operations Offices)
- Aviation

Comparison to Total State Budget FY 13-14

Means of Finance	Transportation & Development	Total State Budget	% of Total State Budget
State General Fund	$0	$8,225,500,000	0.0%
Interagency Transfers	$5,910,000	$1,994,155,707	0.3%
Fees and Self-gen. Rev.	$24,175,937	$3,492,386,577	0.7%
Statutory Dedications	$490,325,168	$4,161,779,605	11.8%
Federal Funds	$26,761,411	$10,237,571,671	0.3%
TOTAL MOF	**$547,172,516**	**$28,111,393,560**	**1.9%**
Authorized Positions	4,357	56,339	7.7%

Means of Finance

Means of Finance	Actual Expenditures FY 11-12	Existing Operating Budget FY 12-13 (12/1/12)	Executive Budget Recommended FY 13-14	Change from FY12-13 to FY13-14	Percent Change from FY12-13 to FY13-14
State General Fund	$0	$238,660	$0	($238,660)	-100.0%
Interagency Transfers	$6,879,816	$9,871,386	$5,910,000	($3,961,386)	-40.1%
Fees and Self-Gen Rev	$42,774,374	$41,039,360	$24,175,937	($16,863,423)	-41.1%
Statutory Dedications	$466,675,380	$474,864,285	$490,325,168	$15,460,883	3.3%
Federal Funds	$19,550,222	$27,681,056	$26,761,411	($919,645)	-3.3%
TOTAL	$535,879,792	$553,694,747	$547,172,516	($6,522,231)	-1.2%
Authorized Positions	4,494	4,322	4,357	35	0.8%

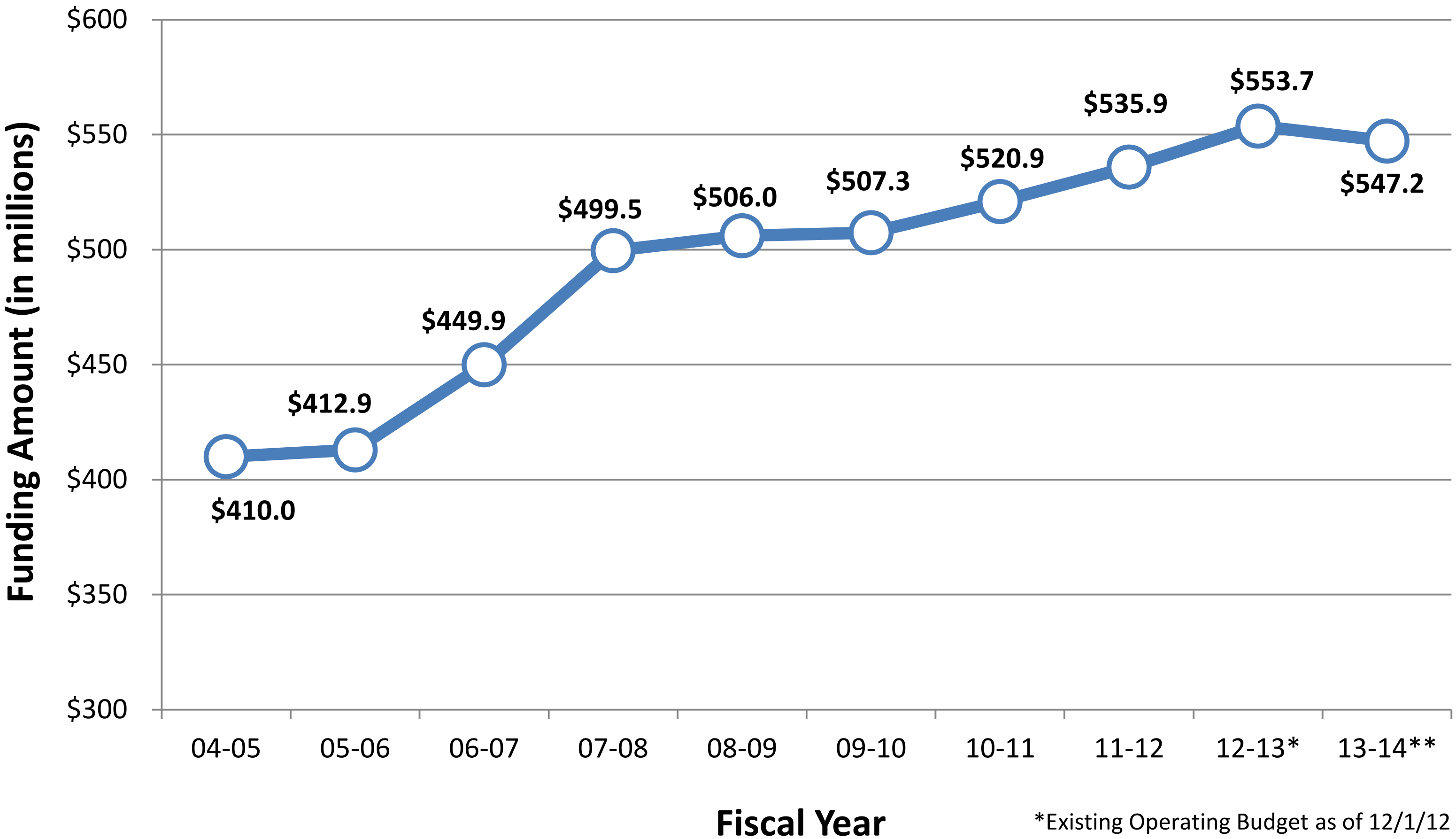
Significant Issue:

- The FY 13-14 Executive Budget Recommendation provides funding from toll revenue for the Crescent City Connection services. However, the November 6, 2012 election extending the tolls was nullified and a new election will be held on May 4, 2013.

10-Year Total MOF Budget History

Department of Transportation and Development

(Total Means of Finance)



*Existing Operating Budget as of 12/1/12
**Governor's Executive Budget Recommendation

Source: Executive Budget Supporting Documents

Major Sources of Revenues FY 13-14

Interagency Transfers - $5.9 million

- Department of Public Safety's Louisiana Highway Safety Commission for safety enhancement projects

Self-generated Revenues - $24.2 million

- Sale of maps, plans and specifications, permits for outdoor advertising, tolls on statewide ferries.
- Local agencies expenditure portion for specially equipped vehicles for elderly and disabled citizens and for capital assistance to rural transit providers
- Proceeds from the equipment buy-back program and the LOGO program

Statutory Dedications - $490.3 million

- Transportation Trust Fund (TTF – Regular: state tax – receives revenues from taxes on fuels and vehicle licenses; TTF – Federal: federal tax – receipts from the Federal Highway Administration)
- Crescent City Connection Toll Fund
- Algiers-Canal Street Ferry Fund

Federal Funds – $26.8 million

- Federal Transit Administration (FTA) grants
- Federal Research and Innovative Technology Administration (RITA) grants

Expenditure Breakdown

Expenditures	FY 11-12 Actual Expenditures	FY 12-13 Existing Operating Budget (12/1/12)	FY 13-14 Executive Budget Recommendation	Change from FY 12-13 to FY 13-14	Percent Change from FY12-13 to FY13-14
Salaries	$217,304,042	$201,337,498	$199,964,701	($1,372,797)	-0.7%
Other Compensation	$530,443	$4,338,171	$2,524,552	($1,813,619)	-41.8%
Related Benefits	$104,941,936	$107,280,365	$103,912,115	($3,368,250)	-3.1%
Travel	$2,318,469	$2,552,802	$2,503,768	($49,034)	-1.9%
Operating Services	$26,685,720	$32,181,579	$36,495,536	$4,313,957	13.4%
Supplies	$42,159,052	$45,852,949	$44,909,953	($942,996)	-2.1%
Professional Services	$25,762,285	$31,123,645	$36,635,846	$5,512,201	17.7%
Other Charges	$93,018,547	$105,401,745	$102,412,822	($2,988,923)	-2.8%
Acq/Major Repairs	$23,159,298	$23,625,993	$17,813,223	($5,812,770)	-24.6%
TOTAL EXP	$535,879,792	$553,694,747	$547,172,516	($6,522,231)	-1.2%

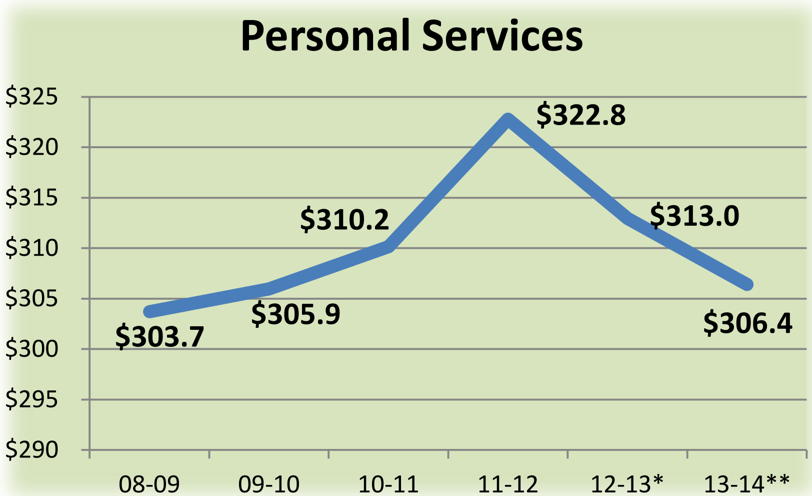
Operating Services Category

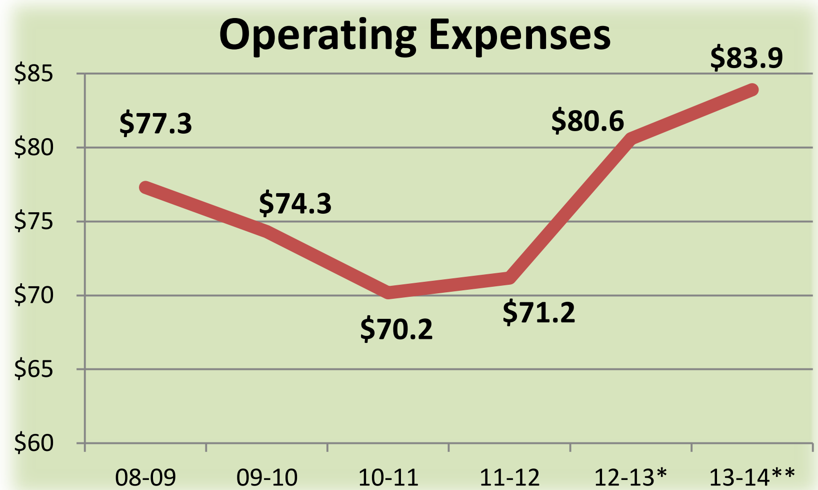
- Increase largely due to various options when purchasing heavy equipment. Swapping funding in the acquisition/major repairs category with the operating services category.

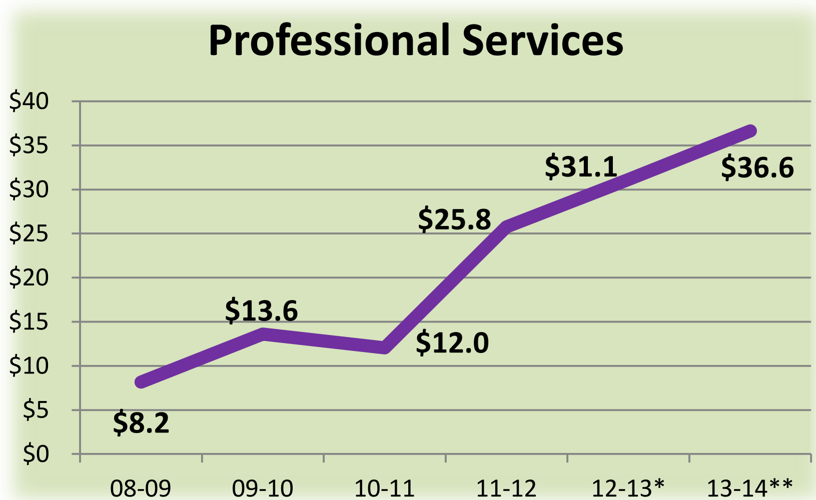
Professional Services Category

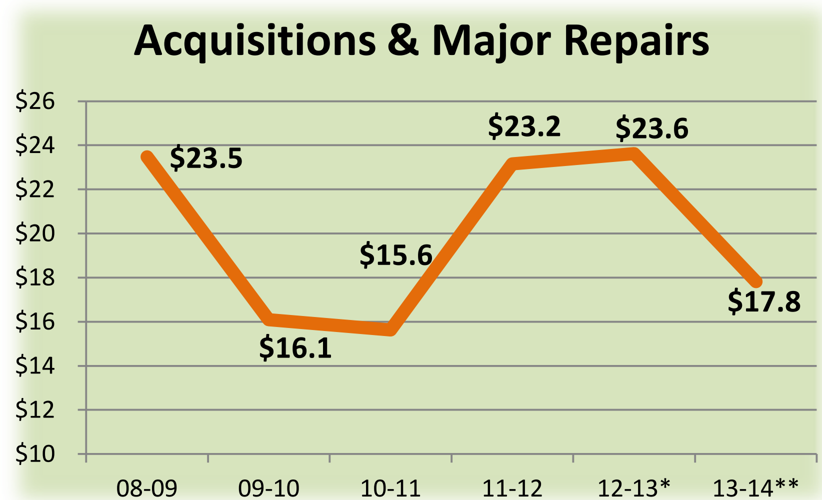
- Increase due to additional Federal Highway Administration (FHWA) funding to support the Statewide Planning and Research (SPR) program.

6-Year Expenditure History (in millions)

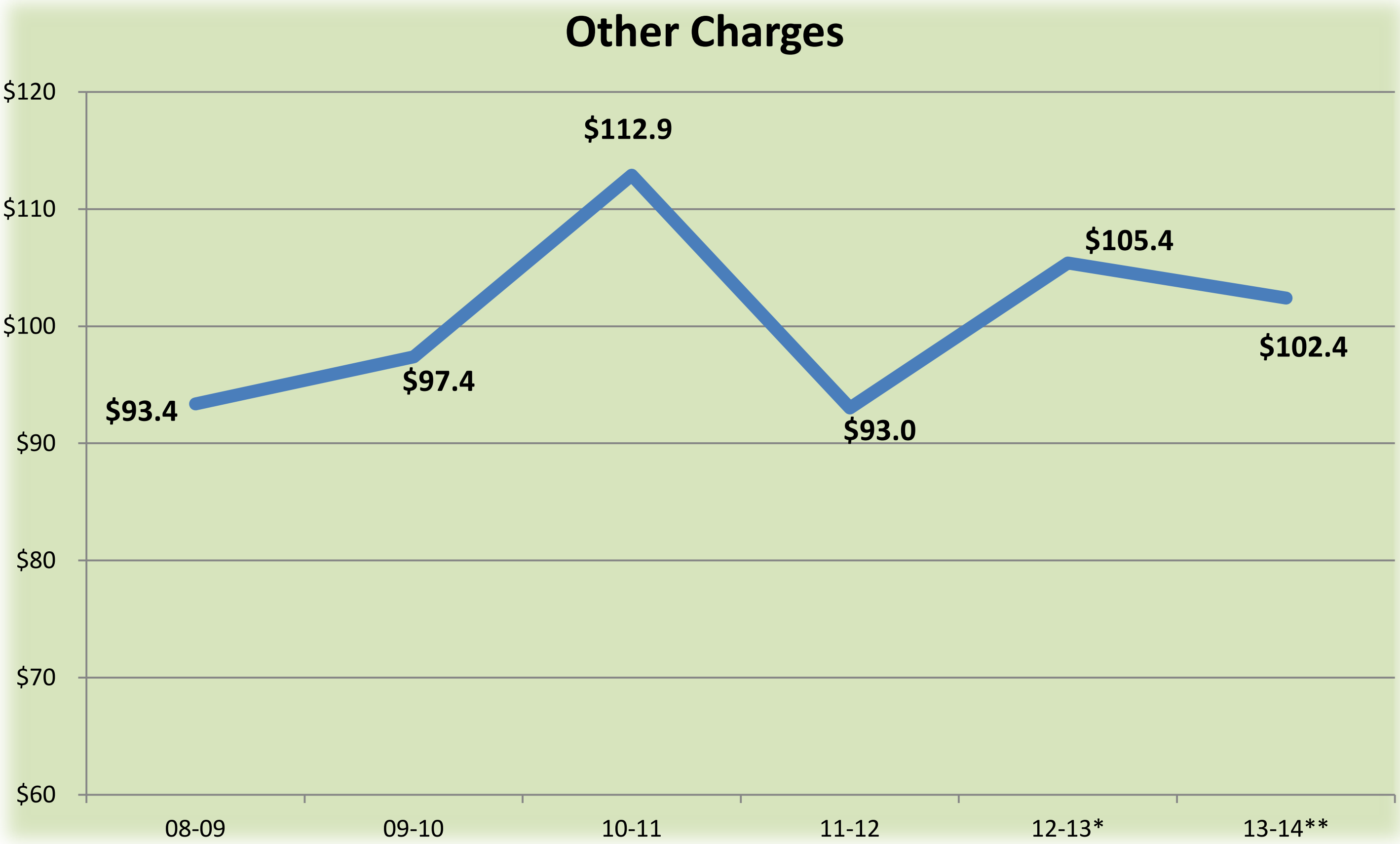








6-Year Expenditure History (in millions)



*Existing Operating Budget as of 12/1/12
**Governor's Executive Budget Recommendation

Source: Executive Budget Supporting Documents

Significant Adjustments

Reduces 12 positions and associated personnel costs in the Administration Agency. The statutory dedications come from the Transportation Trust Fund - Regular.

SGF	IAT	SGR	SD	FED	TOTAL
$0	$0	$0	($940,403)	$0	($940,403)

Non-recurs funding from GOHSEP through the Hazard Mitigation Grant Program due to the completion of the statewide mapping project.

SGF	IAT	SGR	SD	FED	TOTAL
$0	($2,000,000)	$0	$0	$0	($2,000,000)

Non-recurs a Special Legislative Project (Zachary Taylor Parkway Commission).

SGF	IAT	SGR	SD	FED	TOTAL
($100,000)	$0	$0	$0	$0	($100,000)

Reduces acquisitions (replaced much of the funding through the LEAF Program, shown in the next adjustment). Statutory dedications is TTF - Regular.

SGF	IAT	SGR	SD	FED	TOTAL
$0	$0	$0	($5,812,770)	$0	($5,812,770)

Provides funding for LEAF financing purchases of heavy equipment over a three year period in place of direct acquisitions of equipment. Statutory dedications is TTF - Regular.

SGF	IAT	SGR	SD	FED	TOTAL
$0	$0	$0	$4,120,122	$0	$4,120,122

Provides additional funding for maintenance of the statewide Traffic Management System. This will enhance system functionality and networking connectivity of the statewide traffic camera system. Statutory dedications is TTF - Regular.

SGF	IAT	SGR	SD	FED	TOTAL
$0	$0	$0	$1,744,203	$0	$1,744,203

Significant Adjustments
Crescent City Connection

- The Crescent City Connection Division (CCCD) consists of the Bridge Trust Program and the Marine Trust Program within the Engineering and Operations Agency of DOTD. FY 13-14 Executive Budget Recommendation eliminates these programs and all CCCD functions and activities are being placed under the Operations Program within the Engineering and Operations Agency of DOTD.

- Eliminates $10.7 million and 47 positions in the Bridge Trust Program and $9.3 million in the Marine Trust Program per Act 866 of 2012 Regular Session ($2.9 million Interagency Transfers and $17.1 million in Fees & Self-generated Revenue).
  - **Total Reduction: $20.0 million and 47 positions.**

- Transfers 47 positions from the Bridge Trust Program and adds 47 positions associated with tolling activities for a total of 94 positions added to the Operations Program. This adjustment also provides $8.5 million (Crescent City Connection Toll Fund) for operations and maintenance of the bridge, connecting arteries and toll and support functions. And provides $4 million (Transportation Trust Fund – Regular) for operations and support of the Chalmette ferry and $800,000 (Algiers-Canal Street Ferry Fund) for the Algiers-Canal Street ferry.
  - **Total Addition: $13.3 million and 90 positions.**

  - **Grand Total: reduces $6.7 million and adds 47 positions.**

Other Significant Items

- On November 6, 2012 voters approved extending toll collections on the Crescent City Connection Bridge through 2033. Act 865 of the 2012 Regular Session became effective on January 1, 2013. This extended toll collections, provided for policing of the bridge and surrounding arteries and created new statutory dedications earmarked for specific purposes.

- However, on March 5, 2013, the previous November 6th election was nullified and the judge ordered that a new election shall take place on May 4, 2013.

- DOTD suspended toll collections at 6pm on the evening of the March 5th judgment. The department also modified the following:

    - Removed all toll collectors from the toll booths and all Stop signs from inside and outside of each booth.

    - Placed "Toll Free, Do Not Stop" signs on the front and side windows of each toll booth.

    - Placed two Dynamic Message Signs (DMS) on the Toll Plaza approach, with the saying "Toll Free, No Stopping 25 MPH".

    - Removed all advance "Toll Collection" Signage.

Other Significant Items

- DOTD is still exploring options to outsource the Crescent City Connection ferry operations. If outsourcing options do not materialize or dollars are not reallocated from within DOTD's budget, at the current recommended level of funding, reductions in operating hours or the number of ferries in service or discontinuance of 24 hour service will be necessary.

- The 4 cent gasoline tax dedicated to the TIMED program is insufficient to cover the TIMED debt service payments. Early estimates indicate $28.1 million from the Transportation Trust Fund's 16 cents per gallon revenue stream will be needed for TIMED debt service payments in FY 13-14. That's roughly 1 cent of out the 16 cents tax revenue.

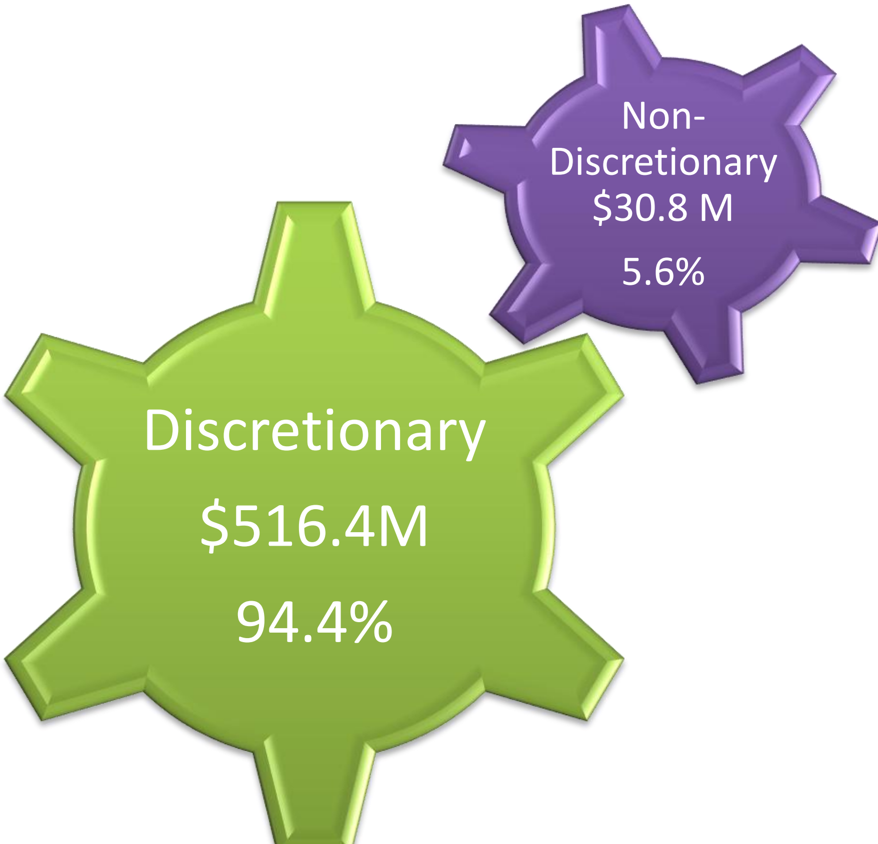
- The FY 13-14 Executive Budget Recommendation provides $74.0 million from the Transportation Trust Fund directly to the Department of Public Safety's Louisiana State Police Traffic Enforcement Program. DOTD is also sending the Traffic Enforcement Program $6.6 million from the Transportation Trust Fund for weight enforcement.

    - This is a $28.1 million increase in DPS compared the FY 12-13 existing operating budget (as of 12/1/12).

- According to the commissioner of administration's JLCB presentation on the FY13-14 Executive Budget Recommendation, in FY 14, the state will implement information technology consolidation measures. Phase three of the project will include DOTD.

Discretionary/Nondiscretionary Funding in FY 13-14 Executive Budget Total Amount

Department of Transportation and Development Total Budget
$547.2 Million



Category	Nondiscretionary Amount
Constitutionally Required	$0
Court Orders	$0
Debt Service	$0
Federal Mandate	$0
Statutory Obligation	$0
Legislative Discretion	$0
Unavoidable Obligations	$30,781,701
TOTAL	$30,781,701

- $30.1M Retirees’ Group Insurance
- $683,085 Legislative Auditor Fees

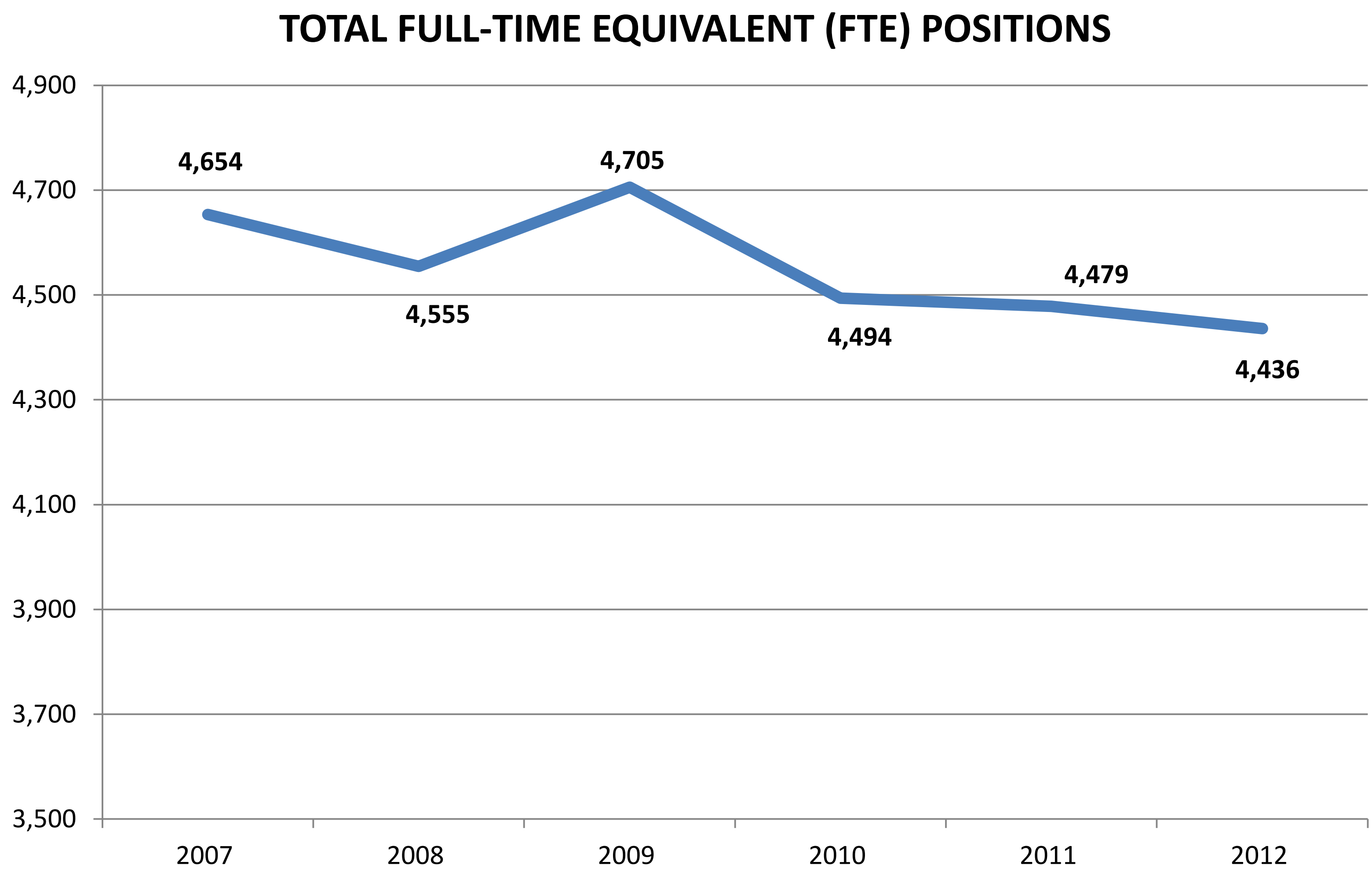
FY 13-14 Salaries and Positions

- $202.5 million for Salaries and Other Compensation
- $103.9 million for Related Benefits
- Total Personnel Services = $306.4 million or 68.9% of Department of Transportation and Development’s total Executive Budget Recommendation (excluding Other Charges)

- 4,357 Authorized Positions (4,333 classified and 24 unclassified)
- 66 Full-Time Non-T.O. Positions

- As of 1/30/2013, Department of Transportation and Development had 32 vacancies

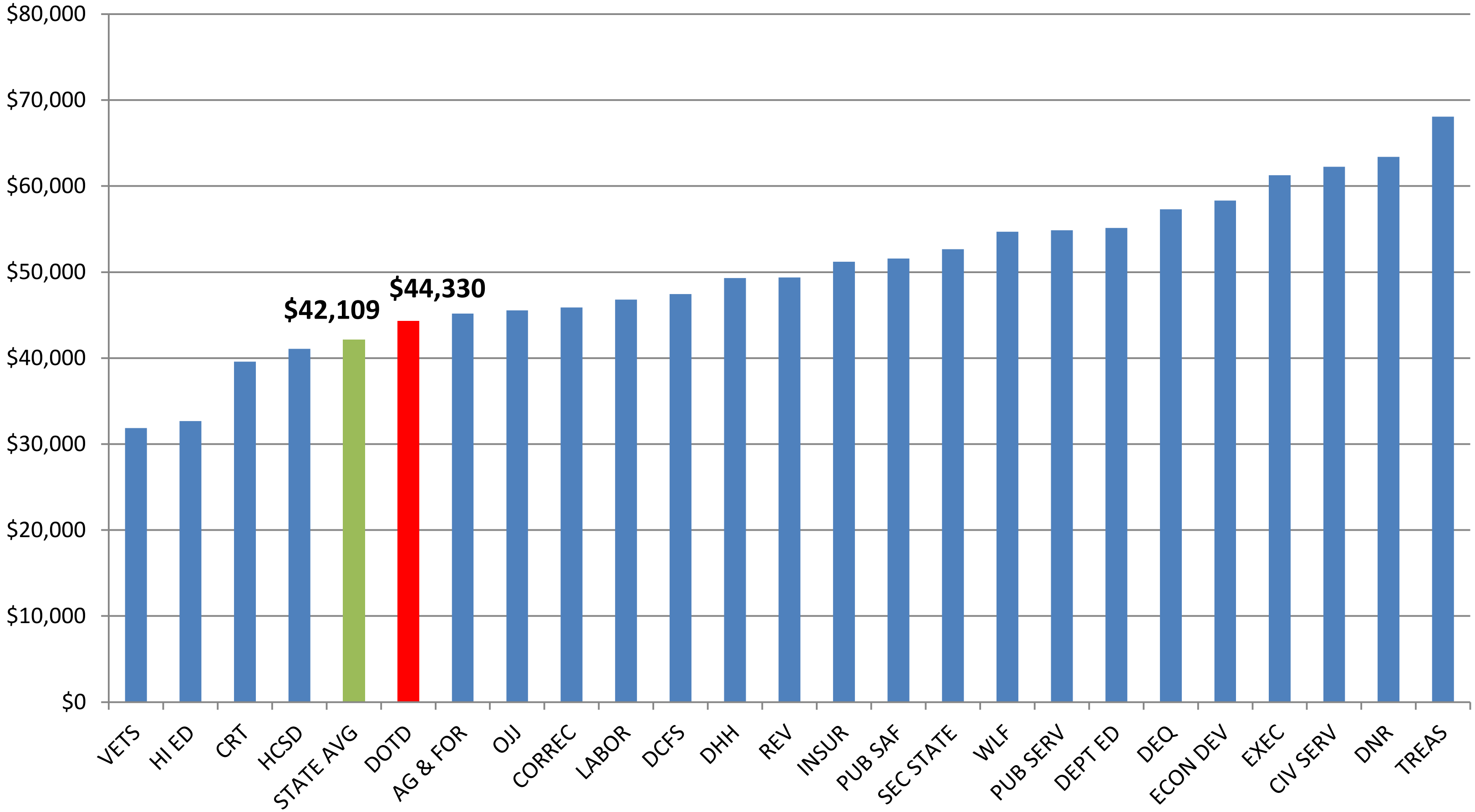
Salaries and Positions



Source: ISIS-HR

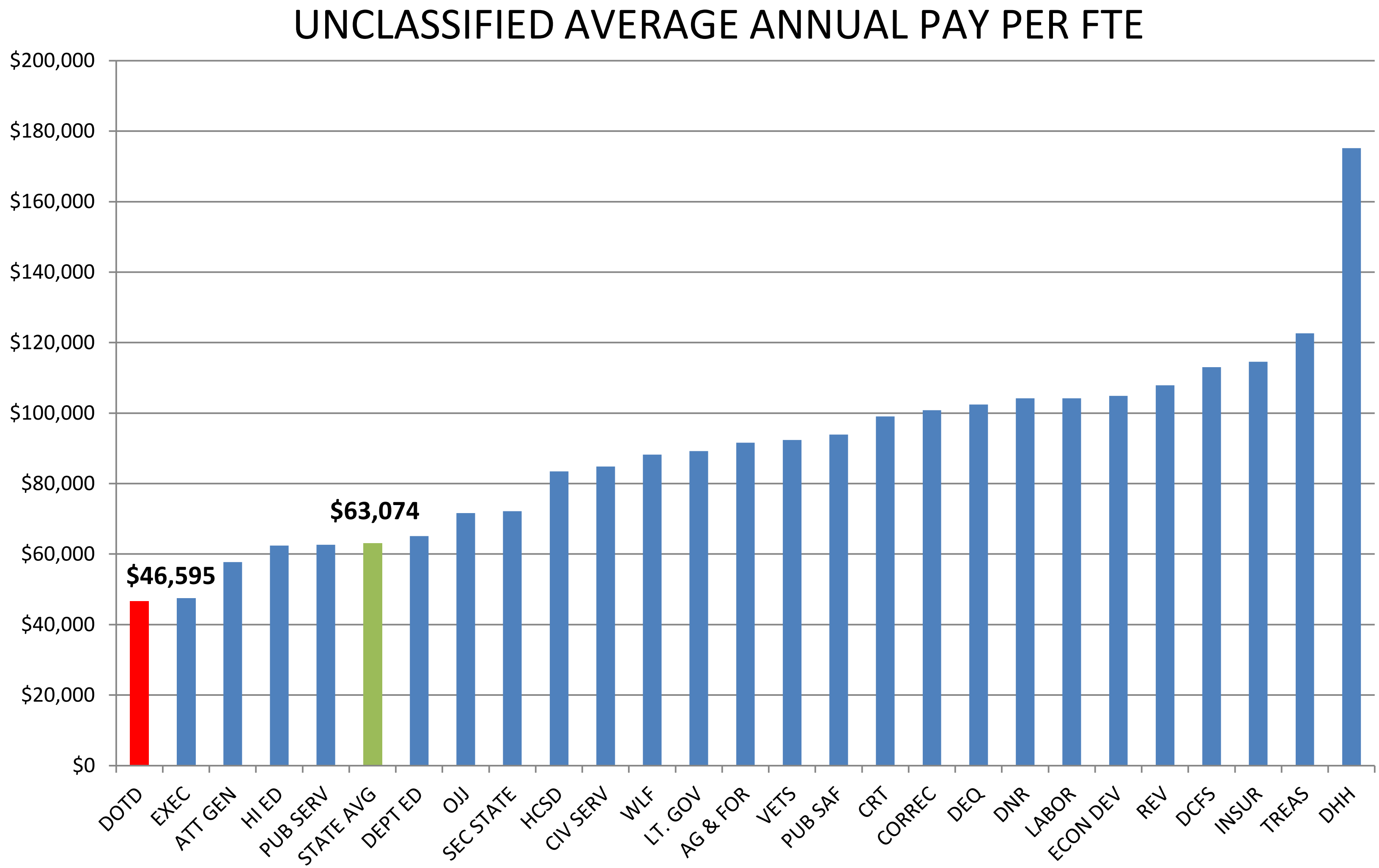
Salaries and Positions

CLASSIFIED AVERAGE ANNUAL PAY PER FTE



Source: ISIS-HR and Civil Service

Salaries and Positions



Source: ISIS-HR and Civil Service

Parish Transportation Fund

- The Parish Transportation agency is comprised of the following programs:
  - Parish Road Program
  - Mass Transit Program
  - Off-system Roads and Bridges Match Program

Parish Transportation Fund

Means of Finance	Actual Expenditures FY 11-12	Existing Operating Budget FY 12-13 (12/1/12)	Executive Budget Recommended FY 13-14	Change from FY12-13 to FY13-14	Percent Change from FY12-13 to FY13-14
State General Fund	$0	$0	$0	$0	0.0%
Interagency Transfers	$0	$0	$0	$0	0.0%
Fees and Self-Gen Rev	$0	$0	$0	$0	0.0%
Statutory Dedications	$45,538,429	$46,400,000	$41,760,000	($4,640,000)	-10.0%
Federal Funds	$0	$0	$0	$0	0.0%
TOTAL	$45,538,429	$46,400,000	$41,760,000	($4,640,000)	-10.0%
Authorized Positions	0	0	0	0	0.0%

- Revenue source is the Transportation Trust Fund – Regular.

Parish Transportation Fund

Parish Road Program

Statutory Dedications	Actual Expenditures FY 11-12	Existing Operating Budget FY 12-13 (12/1/12)	Executive Budget Recommended FY 13-14	Change from FY12-13 to FY13-14	Percent Change from FY12-13 to FY13-14
Transportation Trust Fund - Regular Per-capita Formula	$34,000,000	$34,000,000	$33,805,000	($195,000)	-0.6%
Transportation Trust Fund - Regular Road Mileage Formula	$3,731,140	$4,445,000	$0	($4,445,000)	-100.0%
TOTAL	$37,731,140	$38,445,000	$33,805,000	($4,640,000)	-12.1%

- The Parish Road Program appropriation is distributed to the sixty-four parishes for road systems maintenance. State statute provides the funds be distributed on a population-based, or per-capita, formula. State statute provides that funds in excess of the FY 93-94 appropriation level ($34,000,000) be distributed to parishes based upon parish road mileage.

Mass Transit Program

Statutory Dedications	Actual Expenditures FY 11-12	Existing Operating Budget FY 12-13 (12/1/12)	Executive Budget Recommended FY 13-14	Change from FY12-13 to FY13-14	Percent Change from FY12-13 to FY13-14
Transportation Trust Fund - Regular	$4,862,994	$4,955,000	$4,955,000	$0	0.0%

- The Mass Transit Program appropriation provides funding to the eligible cities or parishes with mass transit systems. Cities and parishes receiving such aid include the following: Alexandria, Baton Rouge, Lafayette, Lake Charles, Monroe, New Orleans, Jefferson Parish, Kenner, St. Bernard Parish, Shreveport, St. Tammany Parish, and Houma.

- Additionally the state Department of Transportation and Development - Transit Division receives funding from this source to provide local match money for the purchase of transit buses.

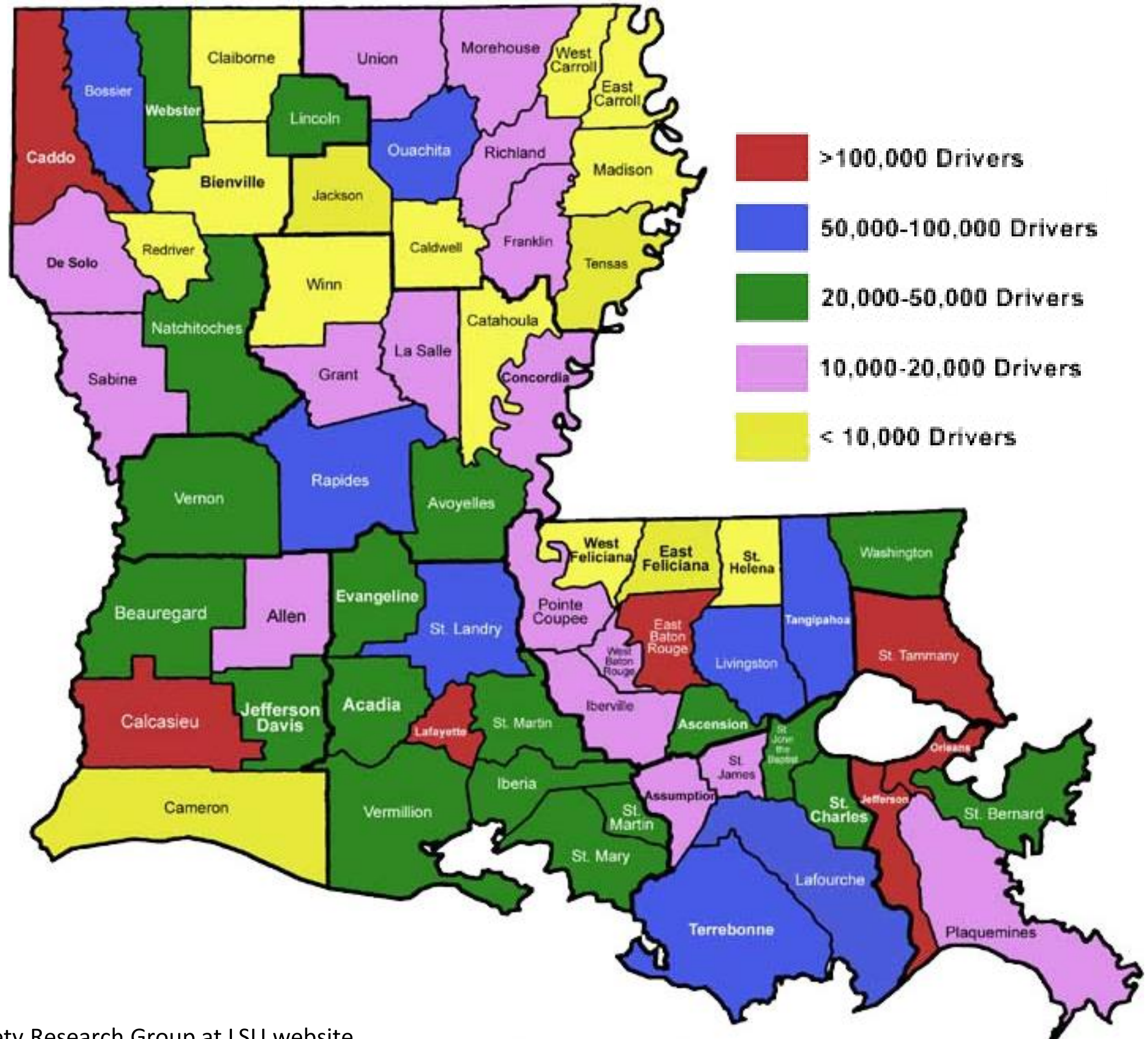
Parish Transportation Fund

Off-system Roads and Bridges Program

Statutory Dedications	Actual Expenditures FY 11-12	Existing Operating Budget FY 12-13 (12/1/12)	Executive Budget Recommended FY 13-14	Change from FY12-13 to FY13-14	Percent Change from FY12-13 to FY13-14
Transportation Trust Fund - Regular	$2,944,295	$3,000,000	$3,000,000	$0	0.0%

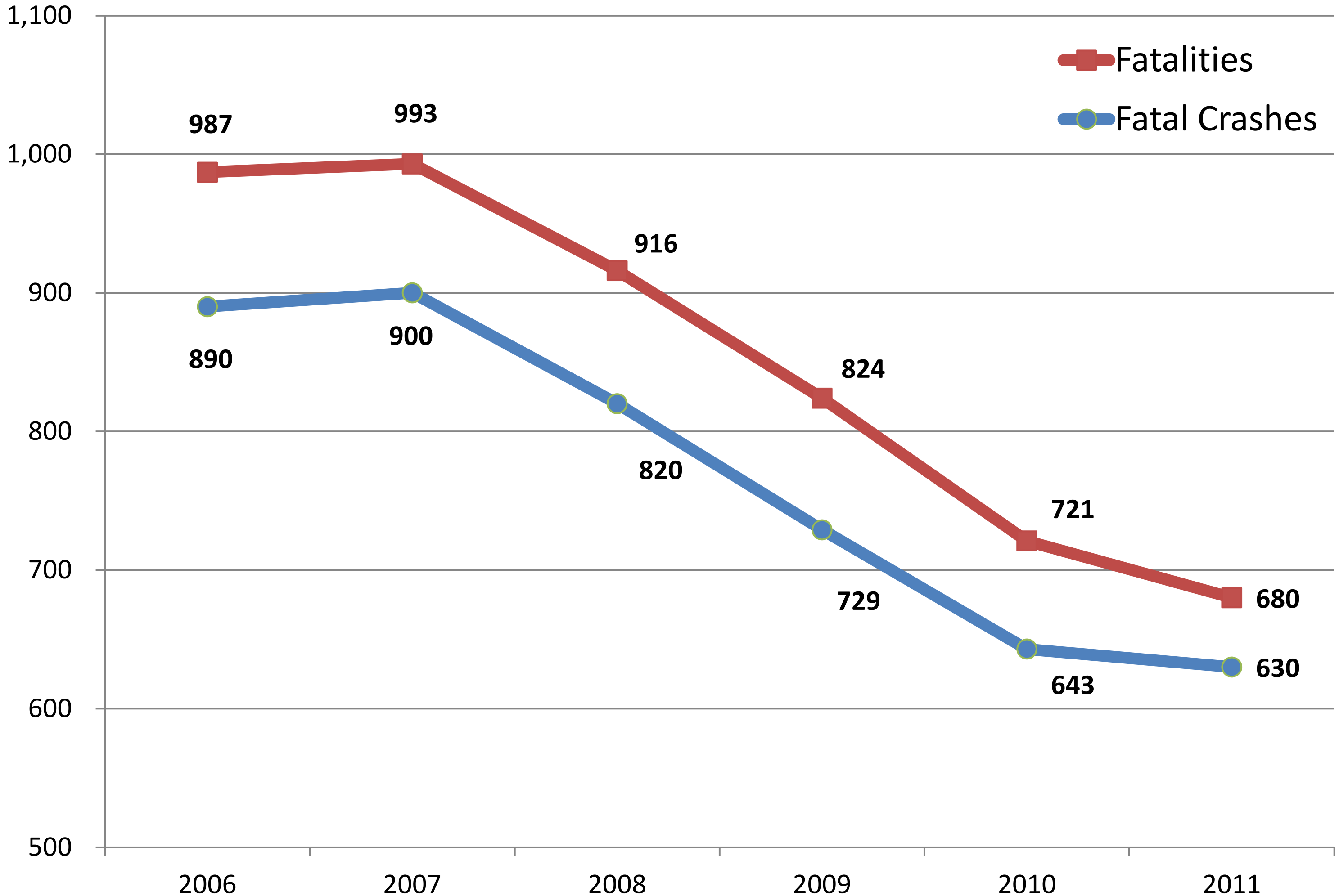
- The Local Match for Off-system Roads and Bridges Match Program appropriation provides funding to local government entities to serve as match for federal aid to off-system railroad crossings and bridges.

Average Number of Drivers



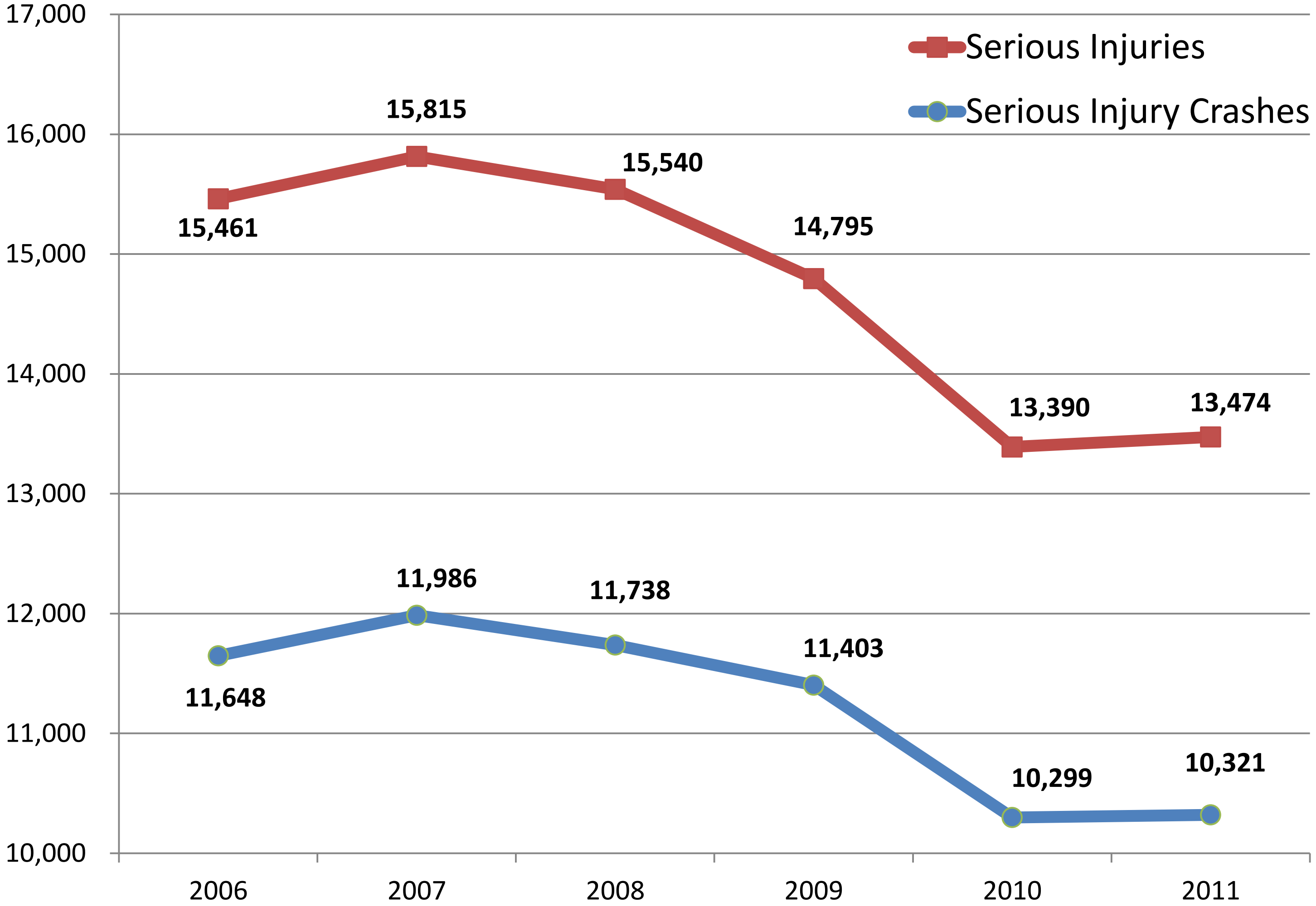
Source: Highway Safety Research Group at LSU website

Louisiana Fatality Crash Data



Source: Department of Transportation & Development

Louisiana Serious Injury Crash Data



Source: Department of Transportation & Development

Department Contacts

- Ms. Sherri LeBas – Secretary – 225.379.1200
- Mr. Eric Kalivoda – Deputy Secretary – 225.379.1200
- Mr. Michael Bridges – Undersecretary – 225.379.1270
- Ms. Nita Chambers – Deputy Undersecretary – 225.379.1010