

Representative Jim Fannin  
Chairman



Representative Simone Champagne  
Vice Chairman

**FY 14-15 Executive Budget Review**  
**DEPARTMENT OF TRANSPORTATION & DEVELOPMENT**  
**&**  
**PARISH TRANSPORTATION FUND**

**House Committee on Appropriations**  
by the House Fiscal Division  
March 18, 2014



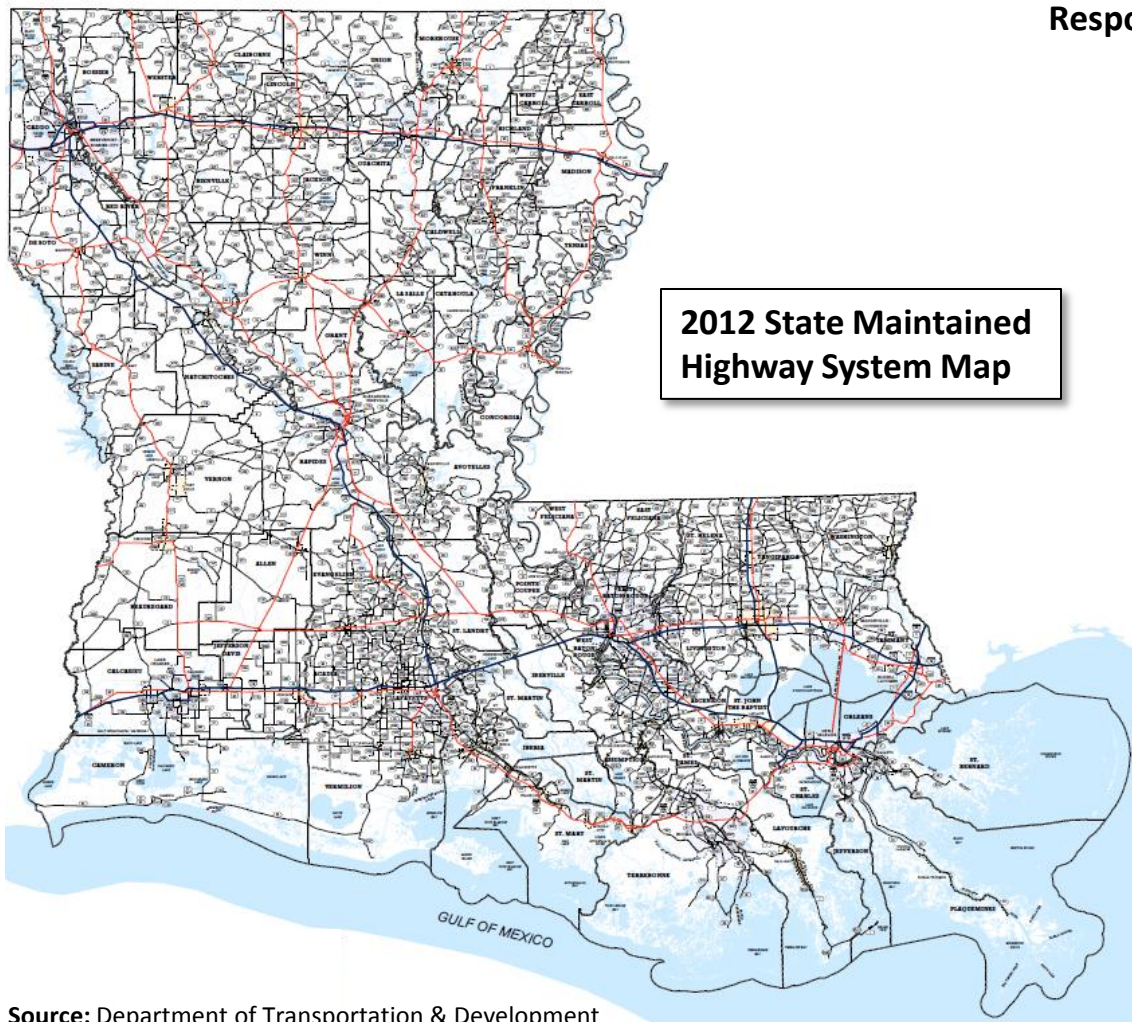
# Agenda

## Budget Overview

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# Department Overview



## Responsibilities Include:

- **Roadway** (includes over 16,500 miles of roadway, over 890 miles of interstate)
- **Bridges** (includes over 13,000)
- **Airports** (includes over 60 general aviation airports and 7 commercial airports)
- **Ports, Public Transit, Freight Rail, Public Works, Waterways**
- **Operations** (includes over 3.6 million acres mowed annually, over 71,000 cubic yards of litter collected, over 3,000 highway-rail crossing, over 3,000 traffic signals, over 1 million traffic signs, over 700 buildings, rest areas, and ferry service locations)

Source: Department of Transportation & Development



# 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 14-15

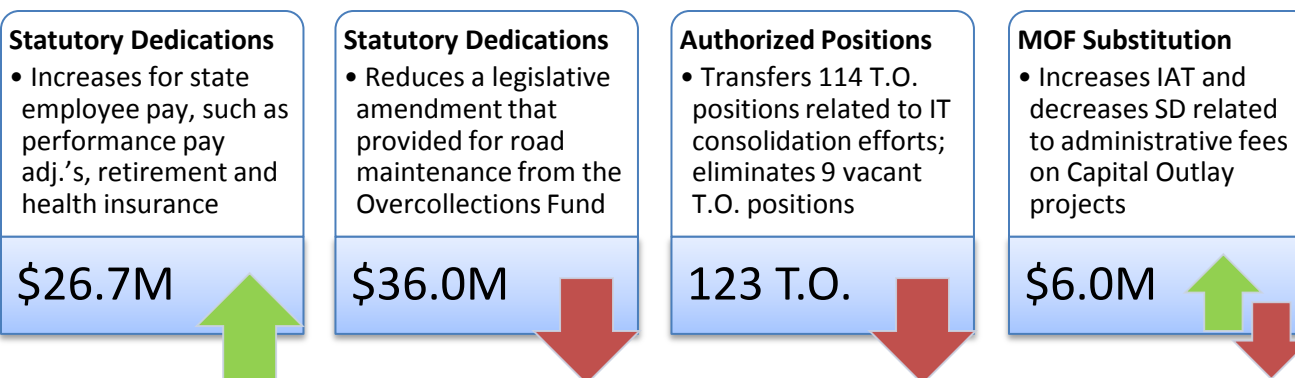
Means of Finance	Transportation & Development	Total State Budget	% of Total State Budget
State General Fund	\$0	\$8,617,600,000	0.0%
Interagency Transfers	\$11,910,000	\$1,767,132,013	0.7%
Fees and Self-Gen. Rev.	\$26,175,937	\$3,861,523,669	0.7%
Statutory Dedications	\$504,348,904	\$4,065,764,569	12.4%
Federal Funds	\$26,761,411	\$9,886,615,632	0.3%
<b>TOTAL MOF</b>	<b>\$569,196,252</b>	<b>\$28,198,635,883</b>	<b>2.0%</b>
Authorized Positions	4,187	53,109	7.9%



# Means of Finance

Means of Finance	FY 12-13 Actual Expenditures	FY 13-14 Existing Operating Budget (12/1/13)	FY 14-15 Executive Budget Recommendation	Change from FY 13-14 to FY 14-15	Percent Change from FY 13-14 to FY 14-15
State General Fund	\$145,292	\$92,440	\$0	(\$92,440)	(100.0%)
Interagency Transfers	\$8,423,993	\$7,311,950	\$11,910,000	\$4,598,050	62.9%
Fees and Self-Gen Rev	\$40,327,033	\$24,605,008	\$26,175,937	\$1,570,929	6.4%
Statutory Dedications	\$460,425,000	\$529,210,586	\$504,348,904	(\$24,861,682)	(4.7%)
Federal Funds	\$14,100,364	\$26,761,411	\$26,761,411	\$0	0.0%
<b>TOTAL</b>	<b>\$523,421,682</b>	<b>\$587,981,395</b>	<b>\$569,196,252</b>	<b>(\$18,785,143)</b>	<b>(3.2%)</b>
Authorized Positions	4,322	4,310	4,187	(123)	(2.9%)

## Significant Adjustments:

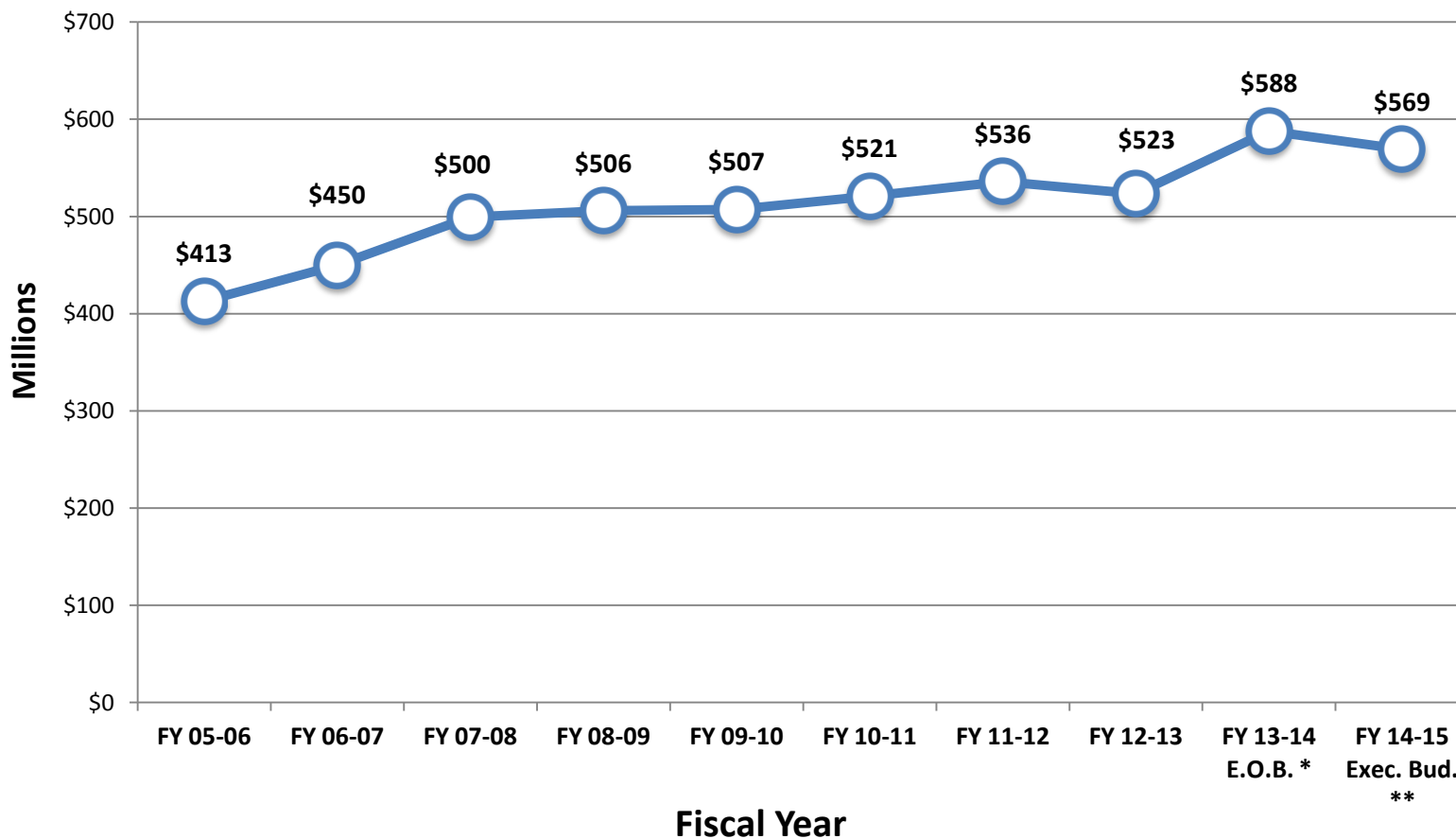






# 10-Year Budget History

## DEPARTMENT OF TRANSPORTATION & DEVELOPMENT (Total Funding)



Source: Executive Budget Supporting Documents

\*Existing Operating Budget as of 12/1/13

\*\*Governor's Executive Budget Recommendation



# Major Sources of Revenues FY 14-15

## Interagency Transfers - \$11.9 million

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

## Self-Generated Revenues - \$26.2 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 - \$504.3 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 Transition Fund
- New Orleans Ferry Fund

## Federal Funds – \$26.8 million

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





# Expenditure Breakdown

Expenditures	FY 12-13 Actual Expenditures	FY 13-14 Existing Operating Budget (12/1/13)	FY 14-15 Executive Budget Recommendation	Change from FY 13-14 to FY 14-15	Percent Change from FY 13-14 to FY 14-15
Salaries	\$207,237,780	\$201,780,877	\$203,453,095	\$1,672,218	0.8%
Other Compensation	\$3,717,547	\$2,309,066	\$2,309,066	\$0	0.0%
Related Benefits	\$105,196,187	\$103,697,303	\$120,489,125	\$16,791,822	16.2%
Travel	\$2,833,072	\$2,620,268	\$2,488,465	(\$131,803)	(5.0%)
Operating Services	\$28,304,262	\$33,696,125	\$26,170,665	(\$7,525,460)	(22.3%)
Supplies	\$44,986,021	\$63,529,807	\$37,975,741	(\$25,554,066)	(40.2%)
Professional Services	\$20,713,360	\$42,445,735	\$32,918,644	(\$9,527,091)	(22.4%)
Other Charges	\$88,475,825	\$115,287,523	\$120,796,341	\$5,508,818	4.8%
Acq/Major Repairs	\$21,957,628	\$22,614,691	\$22,595,110	(\$19,581)	(0.1%)
<b>TOTAL EXP</b>	<b>\$523,421,682</b>	<b>\$587,981,395</b>	<b>\$569,196,252</b>	<b>(\$18,785,143)</b>	<b>(3.2%)</b>

## Salaries and Related Benefits

- Increase for state employee pay, such as performance pay adjustments, retirement adjustments, and health insurance adjustments.

## Professional Services

- Reduces funding associated with carryforwards. These obligations occurred in FY 12-13 and were carried into FY 13-14. Part of the decrease is also related to IT consolidation efforts.

## Operating Services and Supplies

- Operating Services decrease is primarily associated with IT consolidation efforts. Supplies is related to reducing a legislative amendment that provided for road maintenance.

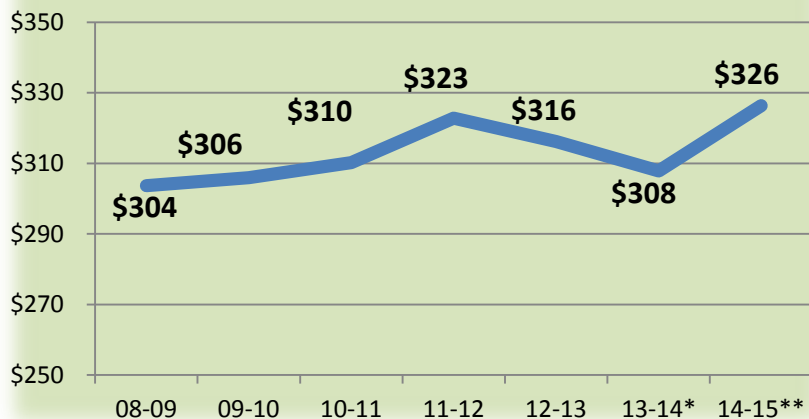
## Other Charges

- Increase associated with information technology consolidation efforts; transferring positions but the funding will stay. The funding will now be sent (IAT expenditure) to OTS instead of appearing under the Salary and Related Benefits category.

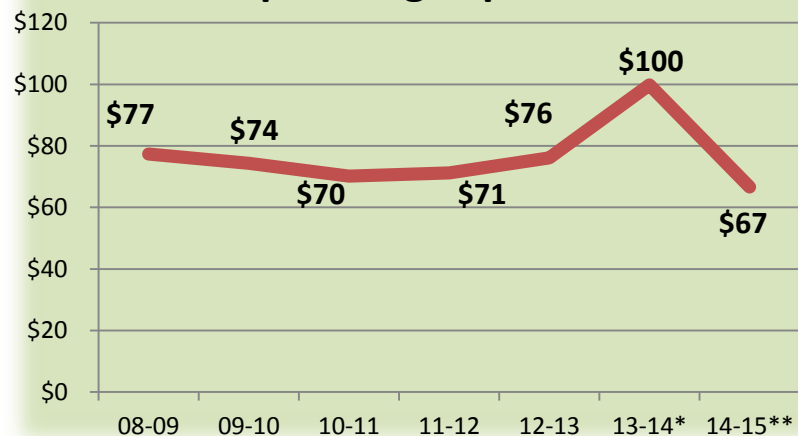


# 7-Year Expenditure History (in millions)

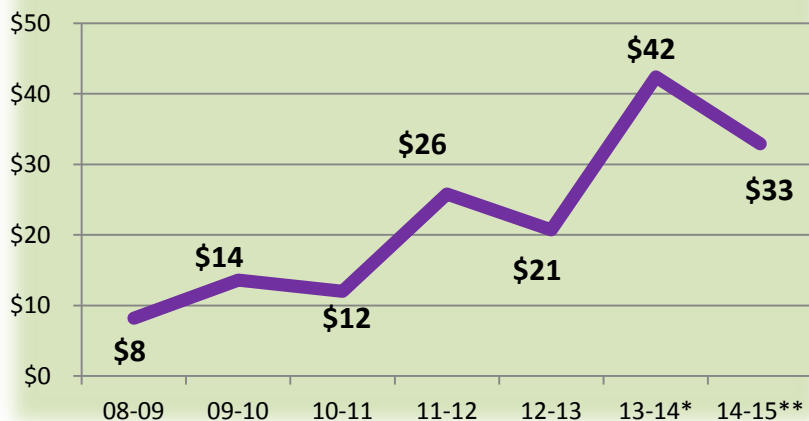
## Personal Services



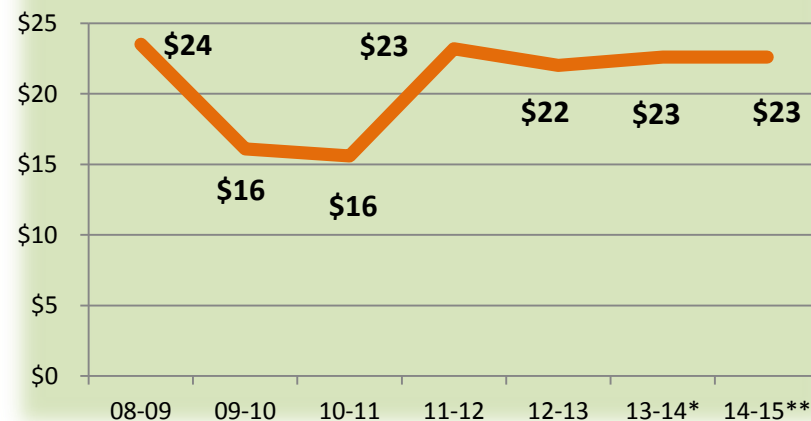
## Operating Expenses



## Professional Services

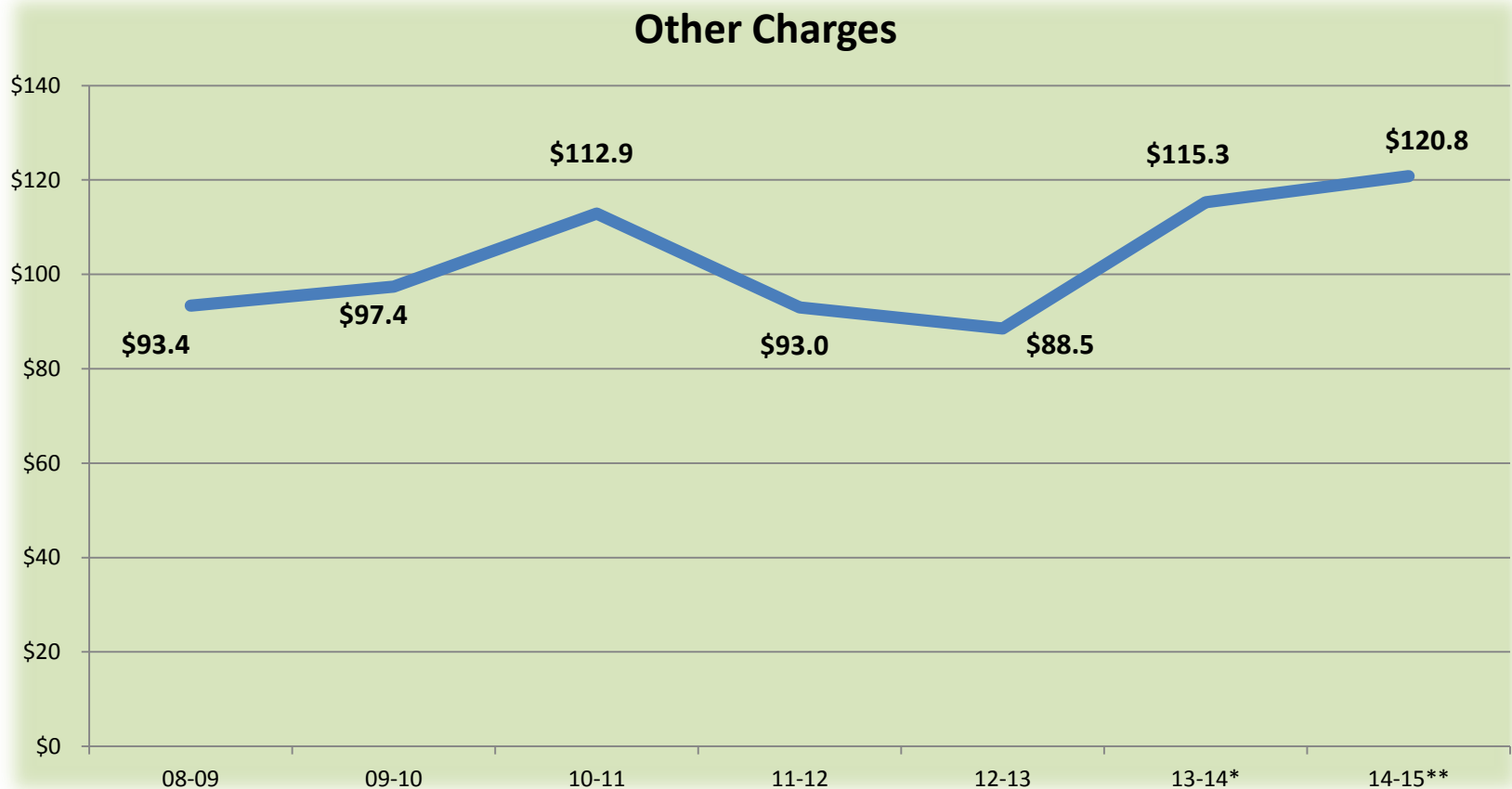


## Acquisitions & Major Repairs





# 7-Year Expenditure History (in millions)



Source: Executive Budget Supporting Documents

\*Existing Operating Budget as of 12/1/13

\*\*Governor's Executive Budget Recommendation



# Significant Adjustments

**\$26.7 M**  
**SD**



Provides additional funding out of the Transportation Trust Fund for state employee pay, such as performance pay adjustments, retirement adjustments, and health insurance adjustments.

**(\$11.0) M**  
**Various**  
**MOF**



Reduces funding associated with carryforwards. These obligations occurred in FY 12-13 and were carried into FY 13-14. (-\$92,440 SGF, -\$1.4M IAT, -\$429,071 SGR, -\$9.1M SD)

**(\$36.0) M**  
**SD**



Reduces funding out of the Overcollections Fund related to a legislative amendment for the Operations Program that evenly divided the funding among the nine highway districts for road maintenance.

**(114)**  
**T.O.**



Transfers 114 T.O. positions and no related funding due to the information technology consolidation efforts creating the Office of Technology Services. Funding will be sent to the Office of Technology Services through the interagency transfers expenditure category.

**(\$767,198)**  
**SD**



Eliminates 9 vacant T.O. positions and related funding out of the Transportation Trust Fund.



# Other Significant Items

**\$6.0 M**  
**MOF**  
**Swap**



Means of financing substitution increasing \$6.0 million Interagency Transfers and decreasing \$6.0 million Statutory Dedications out of the Transportation Trust Fund for administrative fees (engineering and construction services) on eligible Capital Outlay projects administered by the department.

- The Capital Outlay Bill typically contains language each fiscal year that permits DOTD and the Office of Facility Planning & Control to charge up to 6% of the individual line-item appropriations as a cost of administering the project.
- The 4-cent gasoline tax dedicated to the TIMED program is insufficient to cover the TIMED debt service payments. Early estimates indicate \$27.1 million from the Transportation Trust Fund's 16 cents per gallon revenue stream will be needed for TIMED debt service payments in FY 14-15. That's roughly 1 cent out of the 16 cents tax revenue.
- On March 5, 2014 the state Civil Service Commission approved the New Orleans area ferry operations privatization. The "net efficiency realized" by privatizing these services is estimated to be \$1.7M and include enhanced and expanded services.
- The FY 14-15 Executive Budget Recommendation provides \$59.8 million from the Transportation Trust Fund directly to the Department of Public Safety. DOTD is also sending the Department of Public Safety's Traffic Enforcement Program \$6.6 million from the Transportation Trust Fund for weight enforcement.
  - This is a \$13.9 million increase in DPS compared to the FY 13-14 existing operating budget (as of 12/1/13).
  - \$5 million of this increase funds the 50-man State Police training academy cadet class.



# Other Significant Items

- Article 7, Section 27 (B) of the Louisiana Constitution states “The state generated tax monies appropriated for ports, Parish Transportation Fund, or its successor, and the Statewide Flood-Control Program, or its successor, and state police for traffic control purposes, shall not exceed twenty percent annually of the state generated tax revenues in the trust fund;”
- The table to the right uses the latest Revenue Estimating Conference adopted forecast and the FY 14-15 Executive Budget Recommendation. Because House Bill 2 has yet to be filled, the table also uses a standstill level of funding for HB2 items.
- Note: The FY 14-15 Executive Budget recommendation also sends \$6.6 million (IAT expenditure) in TTF from DOTD to DPS for weights enforcement. The fixed site scales and mobile weights enforcement consolidated under DPS in FY 10-11. If this funding is considered a use of transportation funding for traffic control purposes, **the 20% cap would be exceeded by \$2 million.**

## 20% Constitutional Cap (in millions)

● Total State Generated Tax Revenues	\$545.0
● 20 Percent Cap	20%
<b>Total Allowable Use</b>	<b>\$109.0</b>

### House Bill 1

● DPS - State Police (only TTF tax generated revenues, removed \$26.8M in TTF fees and interest earnings. DPS total TTF budget is \$59.8M)	\$33.0
● Parish Transportation Fund	\$46.4
<b>Total</b>	<b>\$79.4</b>

### House Bill 2

**Assumption strictly based on a standstill level from the current year to next fiscal year (HB2 has not been released at this time)**

● Ports Priority Program	\$16.1
● Flood Control Program	\$8.9
<b>Total</b>	<b>\$25.0</b>

<b>Total HB1 and HB2</b>	<b>\$104.4</b>
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<b>Amount under the 20% Cap:</b>	<b>\$4.6</b>
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# Discretionary/Nondiscretionary Funding in FY 14-15

## Executive Budget

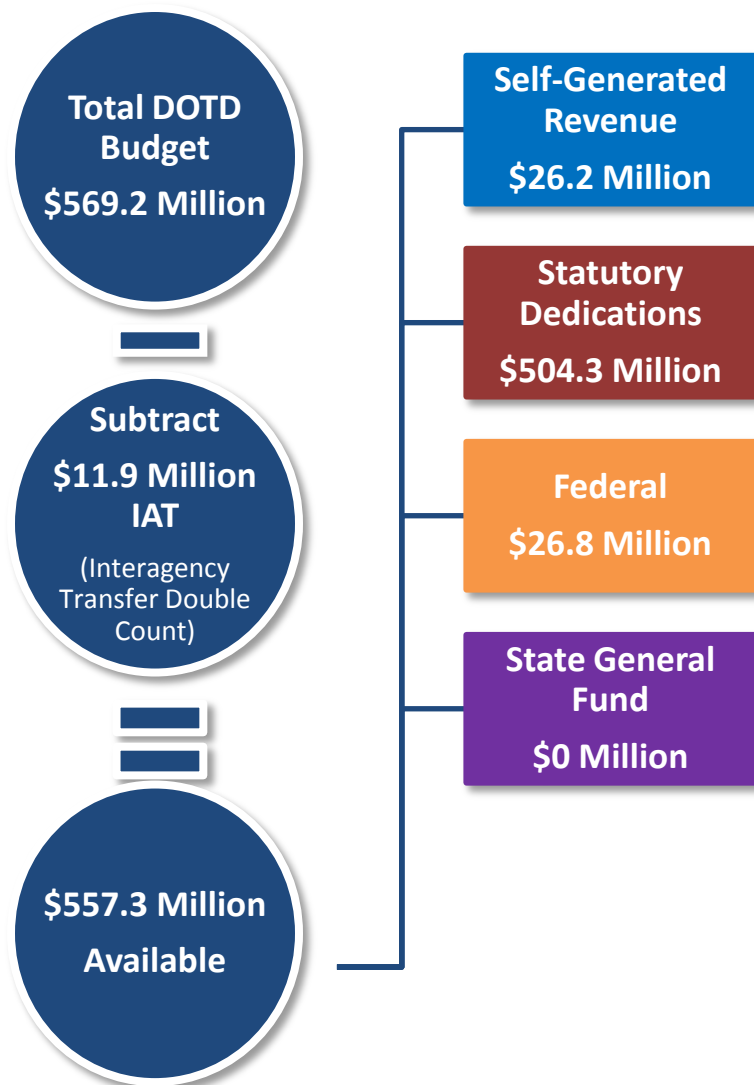
Activity/Program	TOTAL FUNDING - \$569,196,252		STATE GENERAL FUND - \$0	
	Discretionary	Non-Discretionary	Discretionary	Non-Discretionary
<b><u>Administration</u></b>	<b>\$ 43,238,267</b>	<b>\$ 1,829,479</b>	<b>\$ 0</b>	<b>\$ 0</b>
Office of the Secretary	\$ 4,932,063	\$ 528,607	\$ 0	\$ 0
Office of Management and Finance	\$ 38,306,204	\$ 1,300,872	\$ 0	\$ 0
<b><u>Engineering and Operations</u></b>	<b>\$ 498,482,030</b>	<b>\$ 25,646,476</b>	<b>\$ 0</b>	<b>\$ 0</b>
Engineering	\$ 80,469,888	\$ 3,437,744	\$ 0	\$ 0
Multimodal Planning	\$ 52,118,488	\$ 467,330	\$ 0	\$ 0
Operations	\$ 364,559,280	\$ 21,679,107	\$ 0	\$ 0
Aviation	\$ 1,334,374	\$ 62,295	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 541,720,297</b>	<b>\$ 27,475,955</b>	<b>\$ 0</b>	<b>\$ 0</b>





# Discretionary/Nondiscretionary Funding in FY 14-15

## Executive Budget





# Salaries and Positions

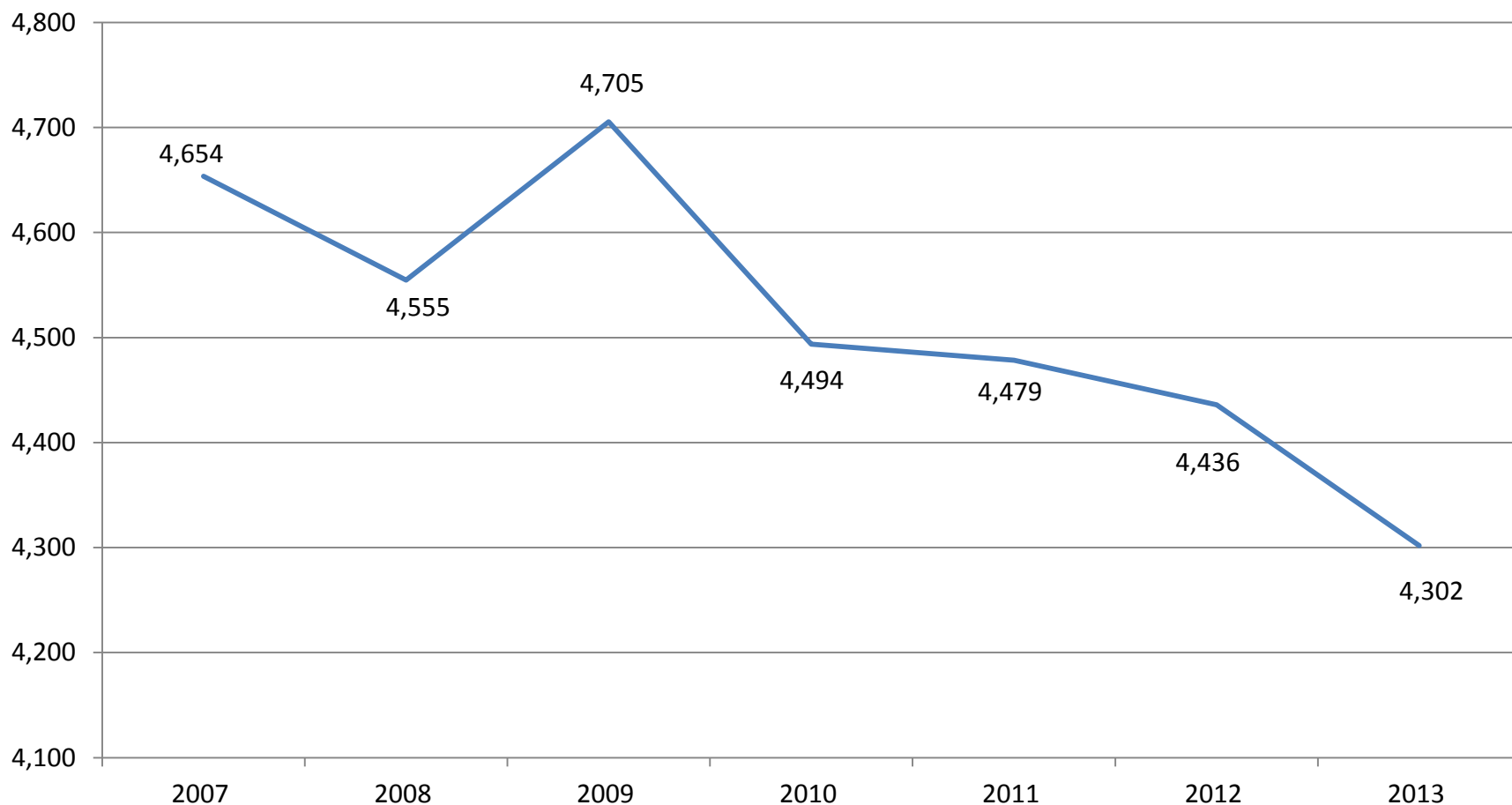
## FY 14-15 SALARIES/POSITIONS

- \$205.8 million for Salaries and Other Compensation
- \$120.5 million for Related Benefits
- Total Personnel Services = \$326.3 million; 72.8% of the Department of Transportation and Development's total Executive Budget Recommendation (excluding Other Charges)
- 4,187 Authorized Positions (4,163 classified and 24 unclassified)
- 49 full-time non-T.O. positions
- 0 Other Charges positions
- As of 12/27/2013, Department of Transportation and Development had 40 vacancies; Executive Budget eliminates 9 of these vacant positions.



# Salaries and Positions

## TOTAL FULL-TIME EQUIVALENT (FTE) POSITIONS

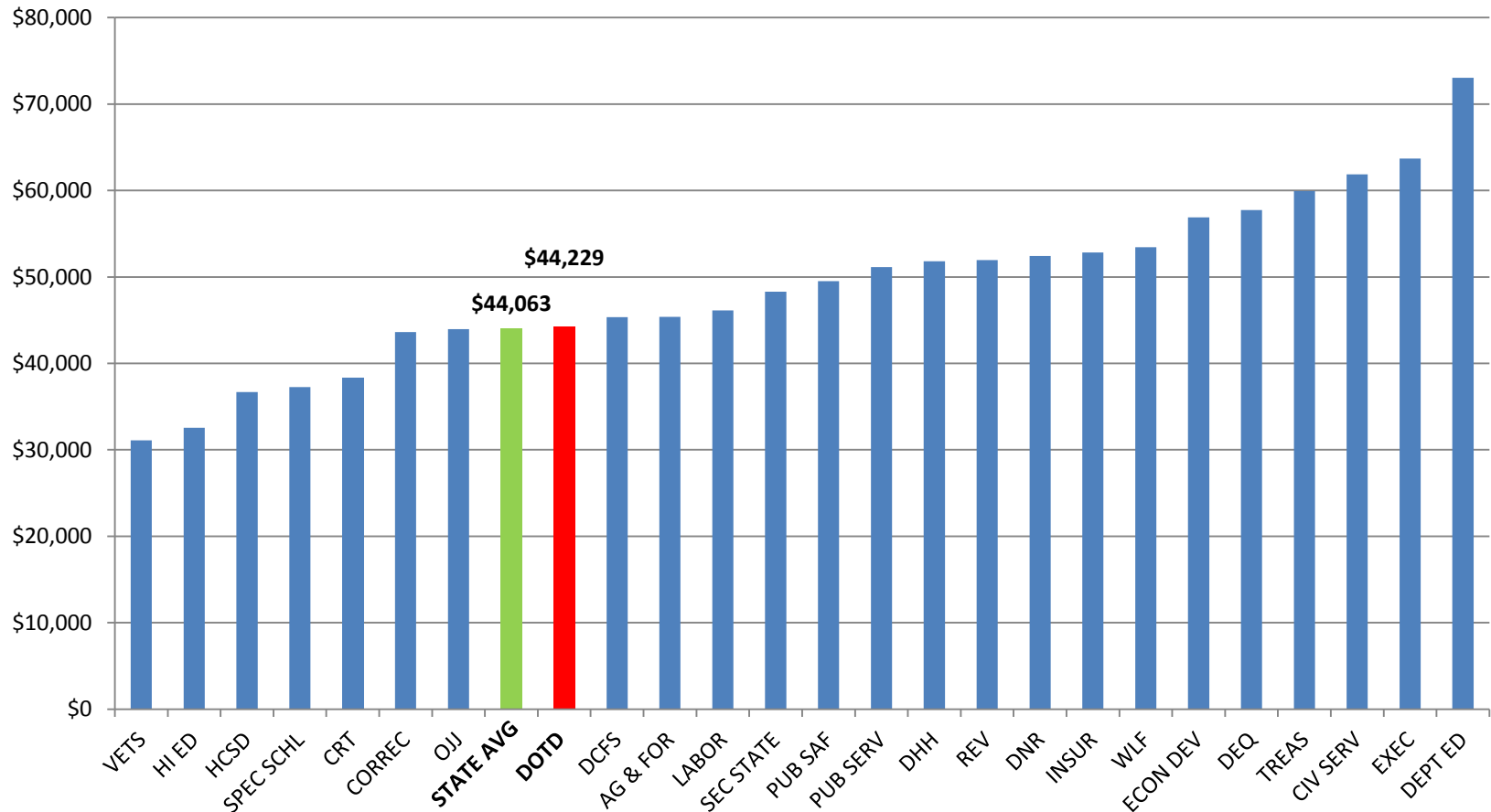


Source: Prepared by House Fiscal Division staff using information from ISIS-HR



# Salaries and Positions

## FY 13 CLASSIFIED AVERAGE ANNUAL PAY PER FTE

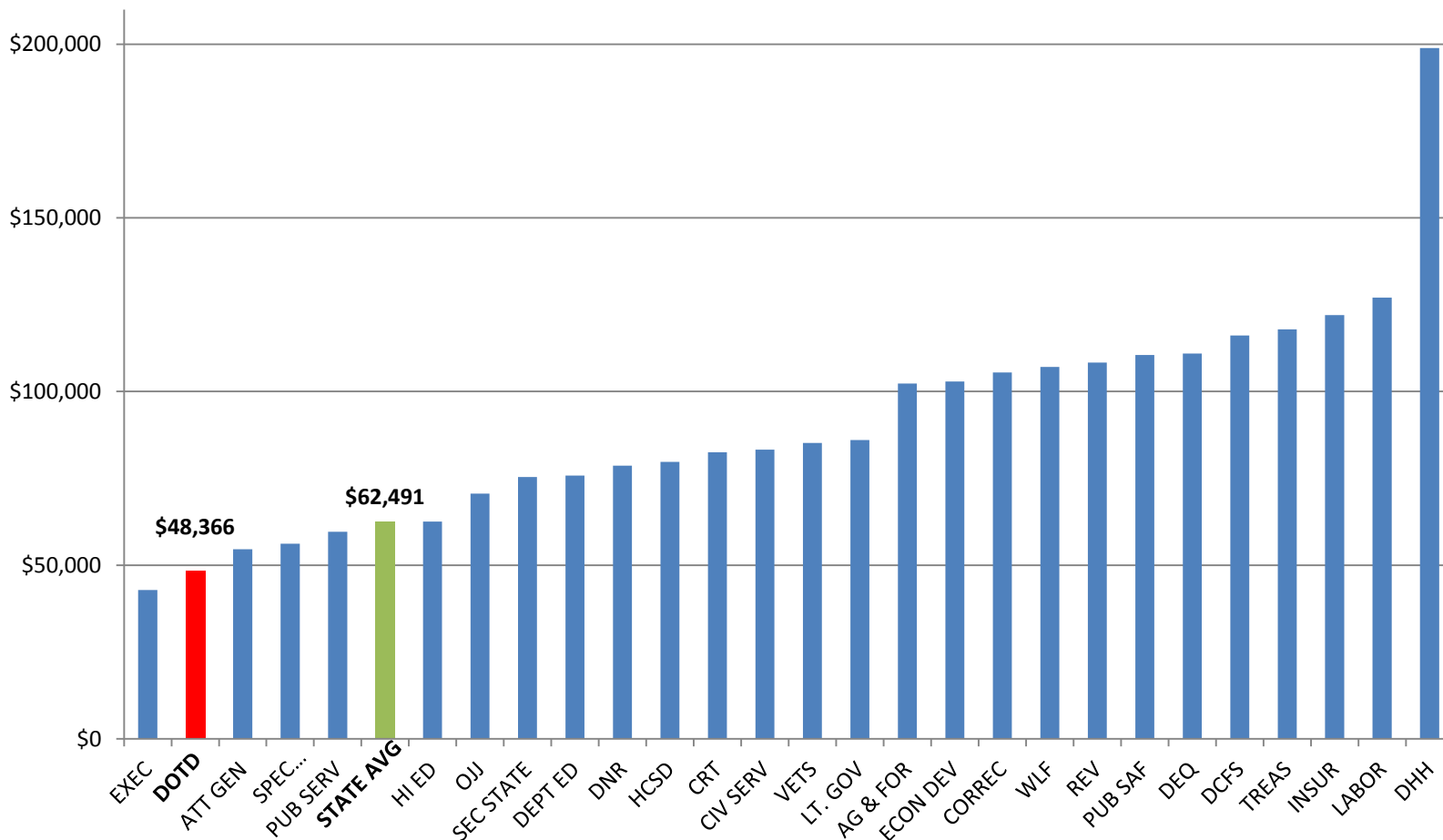


Source: Prepared by House Fiscal Division staff using information from ISIS-HR and Civil Service



# Salaries and Positions

## FY 13 UNCLASSIFIED AVERAGE ANNUAL PAY PER FTE



Source: Prepared by House Fiscal Division staff using information from 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	FY 12-13 Actual Expenditures	FY 13-14 Existing Operating Budget (12/1/13)	FY 14-15 Executive Budget Recommendation	Change from FY 13-14 to FY 14-15	Percent Change from FY 13-14 to FY 14-15
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	\$46,400,000	\$43,400,000	\$46,400,000	\$3,000,000	6.9%
Federal Funds	\$0	\$0	\$0	\$0	0.0%
<b>TOTAL</b>	<b>\$46,400,000</b>	<b>\$43,400,000</b>	<b>\$46,400,000</b>	<b>\$3,000,000</b>	<b>6.9%</b>
Authorized Positions	0	0	0	0	0.0%

- Revenue source is the Transportation Trust Fund – Regular.





# Parish Transportation Fund

## Parish Road Program

Statutory Dedications	FY 12-13 Actual Expenditures	FY 13-14 Existing Operating Budget (12/1/13)	FY 14-15 Executive Budget Recommendation	Change from FY 13-14 to FY 14-15	Percent Change from FY 13-14 to FY 14-15
TTF - Regular Per-capita Formula	\$34,000,000	\$34,000,000	\$34,000,000	\$0	0.0%
TTF - Regular Road Mileage Formula	\$4,445,000	\$4,445,000	\$4,445,000	\$0	0.0%
<b>TOTAL</b>	<b>\$38,445,000</b>	<b>\$38,445,000</b>	<b>\$38,445,000</b>	<b>\$0</b>	<b>0.0%</b>

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



# Parish Transportation Fund

## Mass Transit Program

Statutory Dedications	FY 12-13 Actual Expenditures	FY 13-14 Existing Operating Budget (12/1/13)	FY 14-15 Executive Budget Recommendation	Change from FY 13-14 to FY 14-15	Percent Change from FY 13-14 to FY 14-15
TTF - Regular	\$4,955,000	\$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

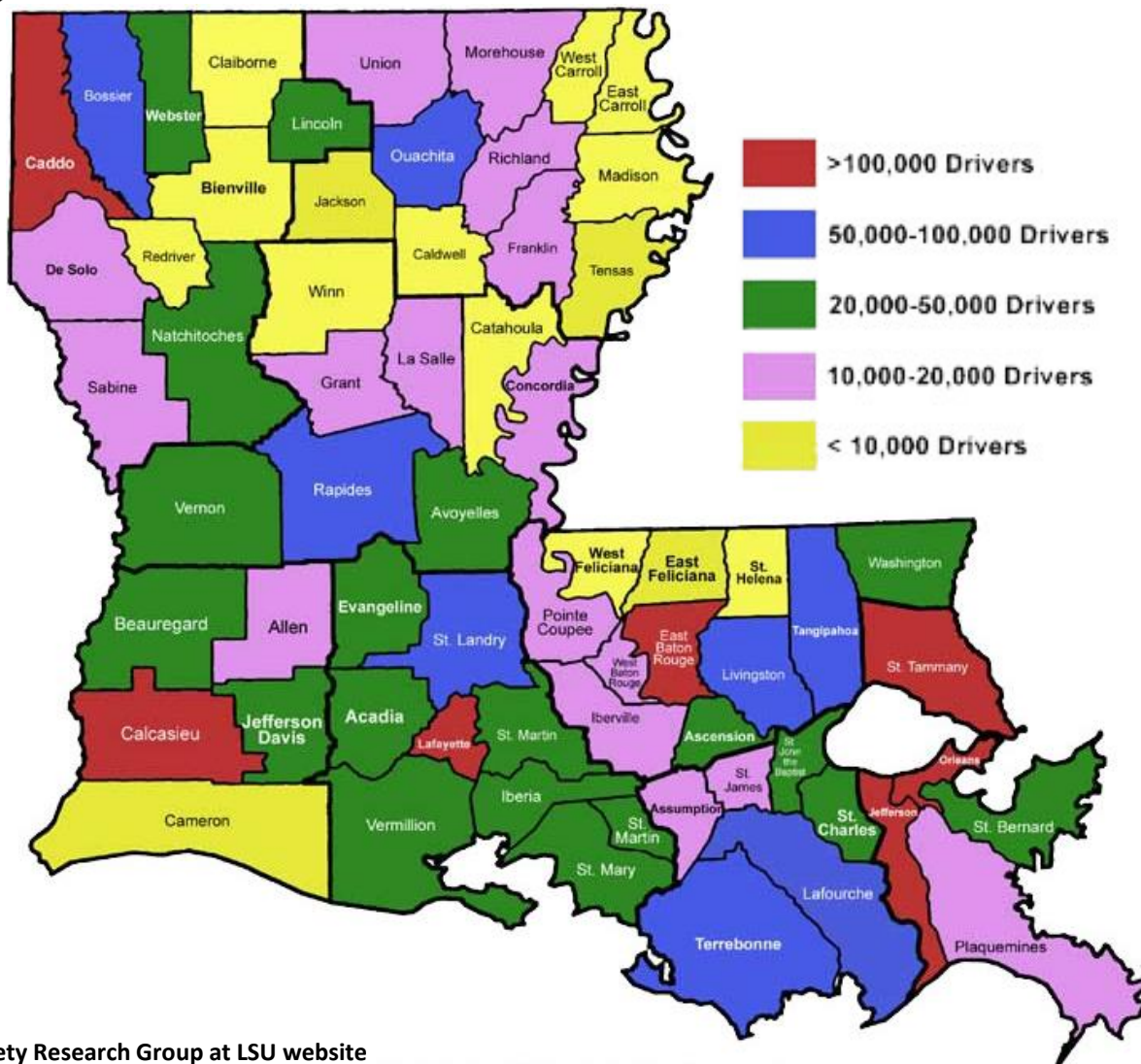
## Off-System Roads and Bridges Program

Statutory Dedications	FY 12-13 Actual Expenditures	FY 13-14 Existing Operating Budget (12/1/13)	FY 14-15 Executive Budget Recommendation	Change from FY 13-14 to FY 14-15	Percent Change from FY 13-14 to FY 14-15
TTF - Regular	\$3,000,000	\$0	\$3,000,000	\$3,000,000	100.0%

- 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.
- In FY 13-14, the program was funded through the Capital Outlay Bill at the same funding level of \$3 million.



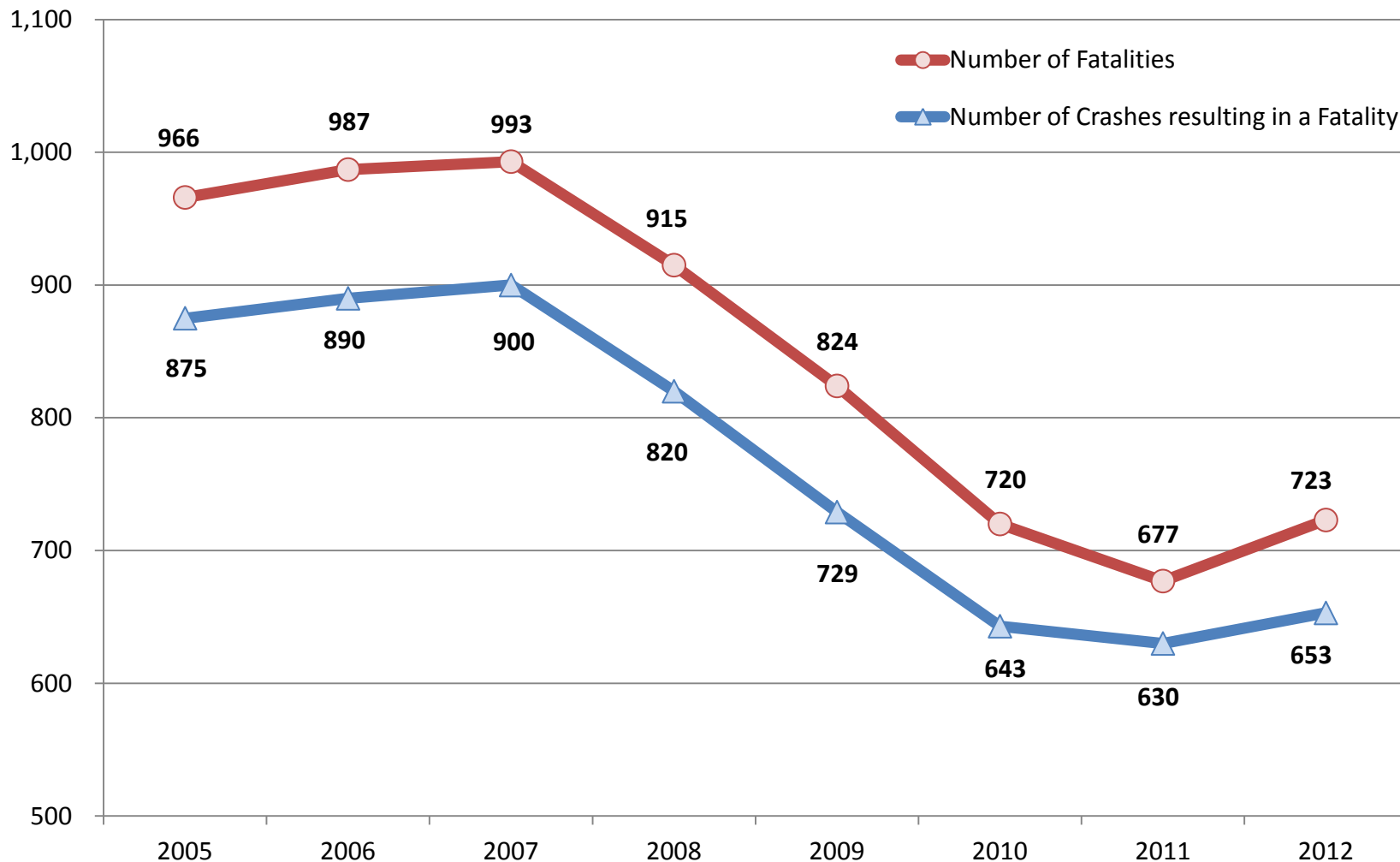
# Average Number of Drivers



Source: Highway Safety Research Group at LSU website



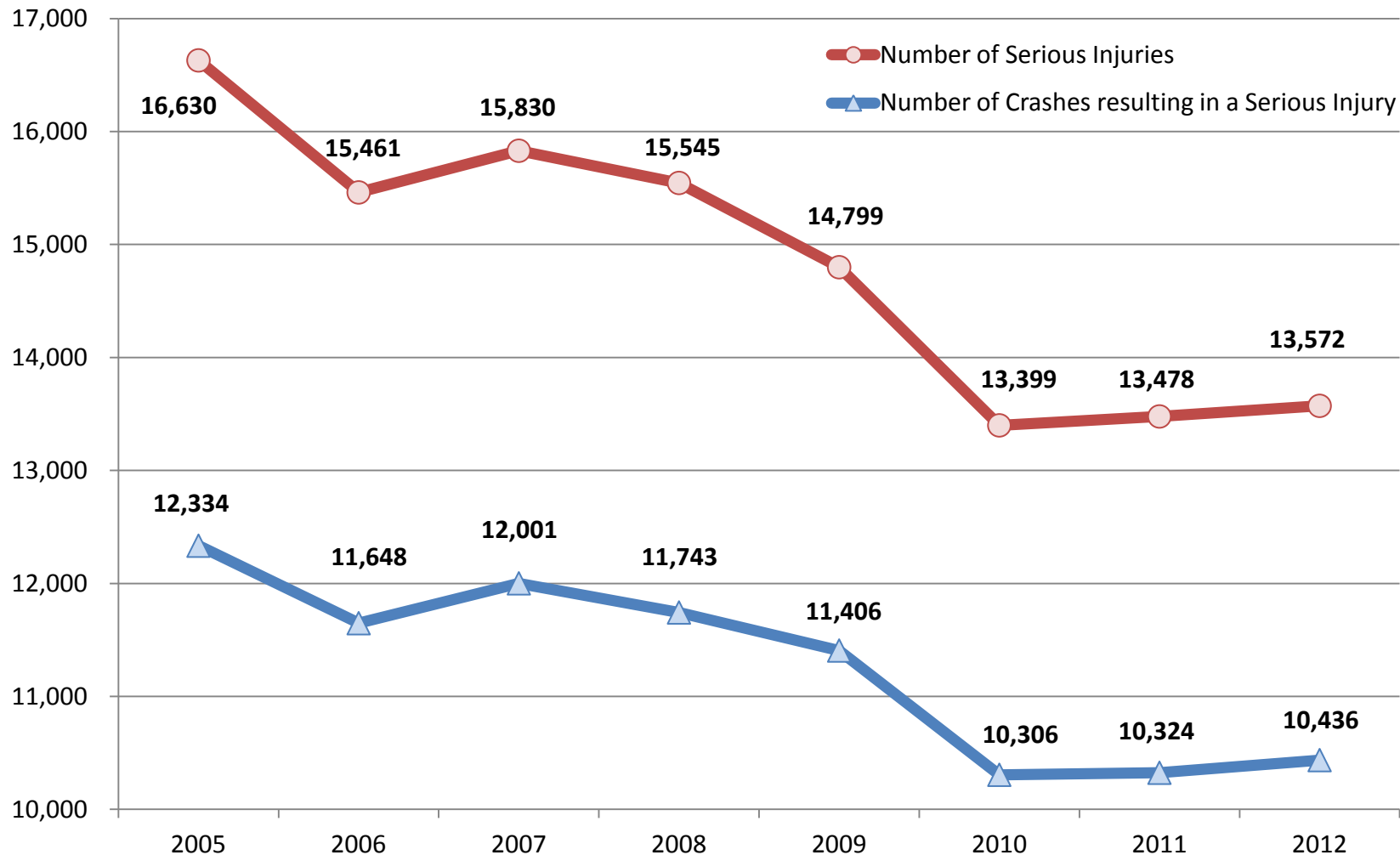
# Louisiana Fatality Crash Data



Source: Highway Safety Research Group at LSU



# Louisiana Serious Injury Crash Data



Source: Highway Safety Research Group at LSU



# National Fatality Crash Data

## Percent Change in the Number of Fatalities from 2005 to 2011

Rank	% Change	Rank	% Change	Rank	% Change
1	New Hampshire (45.8%)	19	Hawaii (28.6%)	36	Pennsylvania (20.4%)
2	Dis of Columbia (43.8%)	20	New Mexico (27.7%)	37	Indiana (20.0%)
3	Nevada (42.4%)	21	Kentucky (26.8%)	38	Iowa (20.0%)
4	South Dakota (40.3%)	22	Colorado (26.2%)	39	Maine (19.5%)
5	Idaho (39.3%)		<b>U.S. Average (25.6%)</b>	40	Virginia (19.3%)
6	Missouri (37.6%)	23	Delaware (25.6%)	41	New York (18.5%)
7	California (35.6%)	24	Tennessee (25.5%)	42	Montana (16.7%)
8	Nebraska (34.4%)	25	Vermont (24.7%)	43	New Jersey (16.1%)
9	Minnesota (34.2%)	26	South Carolina (24.3%)	44	Arkansas (16.1%)
10	Illinois (32.6%)	27	Rhode Island (24.1%)	45	Utah (14.9%)
11	Mississippi (32.3%)	28	Massachusetts (23.6%)	46	Texas (14.7%)
12	Oregon (32.0%)	29	Ohio (23.1%)	47	Oklahoma (13.3%)
13	Florida (31.8%)	30	Alabama (22.1%)	48	West Virginia (9.9%)
14	Arizona (30.0%)	31	Michigan (21.3%)	49	Kansas (9.8%)
15	<b>Louisiana (29.9%)</b>	32	Maryland (21.0%)	50	Alaska (1.4%)
16	Washington (29.6%)	33	Connecticut (20.9%)	51	North Dakota 20.3%
17	Georgia (29.3%)	34	North Carolina (20.7%)		
18	Wisconsin (28.6%)	35	Wyoming (20.6%)		

Source: National Highway Traffic Safety Administration





# National Fatality Crash Data

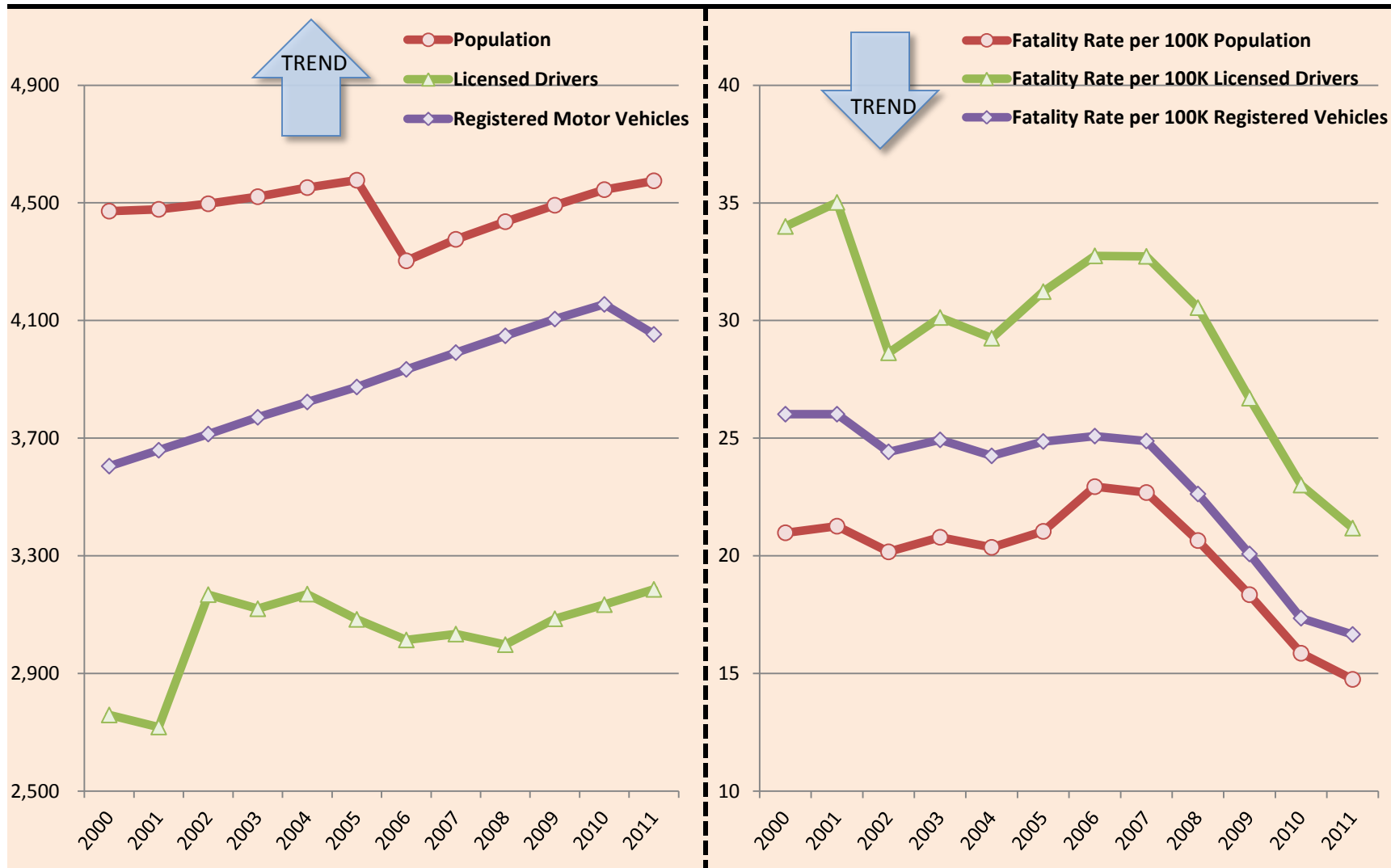
% Change in the # of Crashes resulting in a Fatality from 05 to 11

Rank		% Change	Rank		% Change	Rank		% Change
1	Dis of Columbia	(50.0%)	19	Colorado	(25.7%)	36	Wyoming	(18.4%)
2	New Hampshire	(45.8%)	20	Washington	(25.1%)	37	Delaware	(17.5%)
3	Nevada	(39.6%)	21	Wisconsin	(24.6%)	38	Michigan	(17.3%)
4	Idaho	(37.2%)	22	Hawaii	(24.2%)	39	Iowa	(16.9%)
5	South Dakota	(36.1%)	23	Tennessee	(23.9%)	40	New York	(16.7%)
6	Missouri	(35.0%)	24	Kentucky	(23.8%)	41	Montana	(15.0%)
7	Minnesota	(32.8%)		<b>U.S. Average</b>	<b>(23.1%)</b>	42	Maine	(14.9%)
8	Mississippi	(32.5%)	25	Ohio	(22.0%)	43	Oklahoma	(14.1%)
9	Illinois	(31.2%)	26	South Carolina	(21.3%)	44	Arkansas	(13.8%)
10	California	(31.0%)	27	Massachusetts	(21.3%)	45	New Jersey	(12.8%)
11	Nebraska	(30.5%)	28	Rhode Island	(21.3%)	46	Texas	(10.8%)
12	Florida	(29.5%)	29	Alabama	(20.0%)	47	Kansas	(8.6%)
13	Vermont	(29.4%)	30	Indiana	(19.9%)	48	West Virginia	(5.9%)
14	Georgia	(28.7%)	31	Connecticut	(19.8%)	49	Utah	(5.6%)
15	Oregon	(28.7%)	32	Virginia	(19.7%)	50	Alaska	(3.1%)
16	New Mexico	(26.7%)	33	North Carolina	(19.2%)	51	North Dakota	26.2%
17	<b>Louisiana</b>	<b>(26.6%)</b>	34	Maryland	(19.2%)			
18	Arizona	(26.2%)	35	Pennsylvania	(18.9%)			

Source: National Highway Traffic Safety Administration

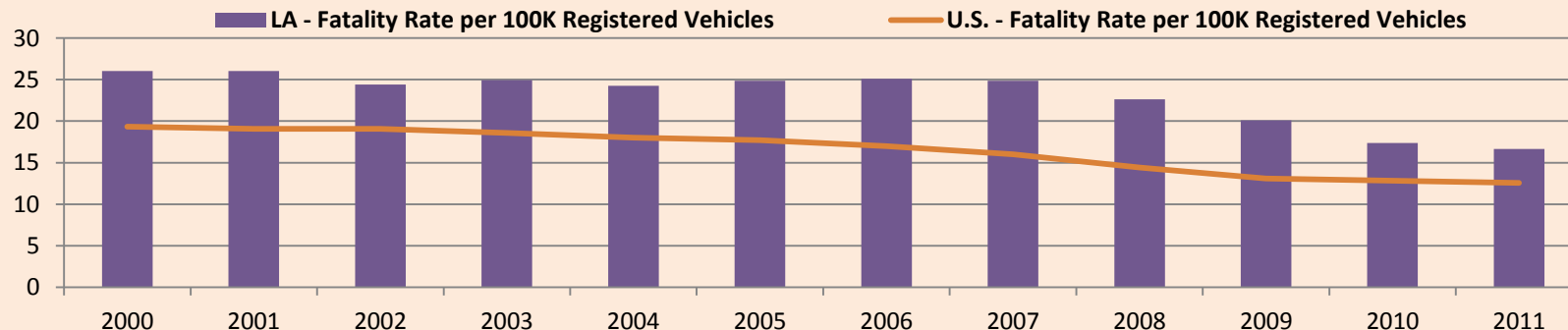
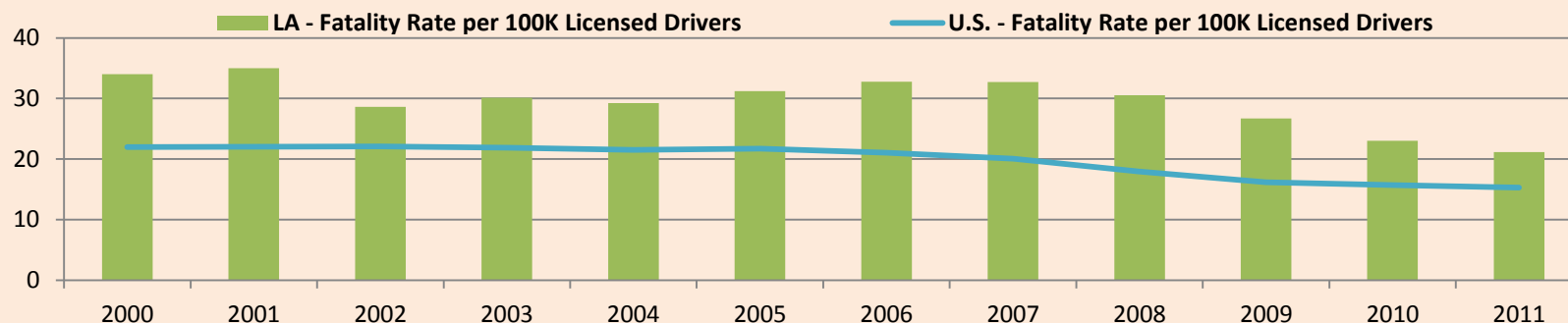
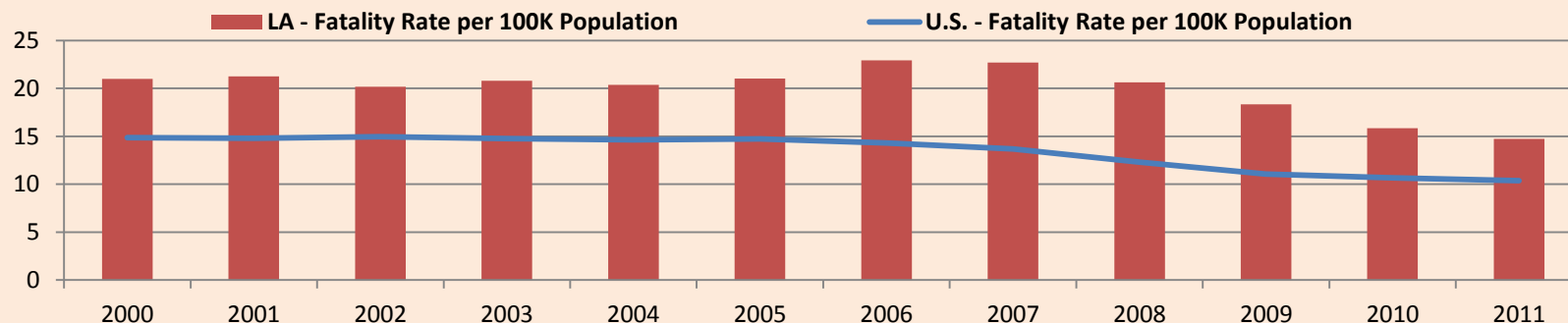


# Louisiana Fatality Rate Trend





# Louisiana vs U.S. Fatality Rate Trend





# Department Contacts

AGENCY	Agency Head	Phone
Secretary	Ms. Sherri LeBas	225-379-1200
Deputy Undersecretary	Mr. Eric Kalivoda	225-379-1200
Undersecretary	Mr. Michael Bridges	225-379-1270
Deputy Undersecretary	Ms. Nita Chambers	225-379-1010