



FY18 Appropriation Request

**Presented to the
Legislative Finance Committee
December 8, 2016**

July 2016 Road Fund Forecast

NMDOT State Revenue Sources - Fiscal Years 2007 thru 2020

Table 1

(Dollars in thousands)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	(N-L)	(N/L)	O	P
	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16		FY17		FY18	FY17 to FY18		FY19	FY20
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Jan-15 Leg. Bud. Estimate	Jul-16 Revenue Update	Jan-16 Leg. Bud. Estimate	Jul-16 Revenue Update	Jul-16 Bud. Req. Estimate	Budget Growth \$ Change % Diff	Jul-16 Long Run Estimate	Jul-16 Long Run Estimate
Road Fund:																		
Road Fund -- Ordinary Revenue:																		
1 Gasoline Tax	114,577	107,671	108,125	109,163	109,282	104,987	111,795	107,998	110,672	111,900	112,100	111,600	111,700	111,500	(100)	-0.1%	111,200	110,200
2 Special Fuel Tax	97,008	101,483	85,559	88,029	91,078	92,326	92,563	92,923	97,566	97,200	98,200	101,300	99,330	103,410	2,110	2.1%	107,770	111,930
3 Weight/Distance	88,365	77,424	75,485	69,598	74,916	72,786	73,489	75,367	79,985	81,600	83,290	84,100	83,070	85,770	1,670	2.0%	88,840	91,730
4 Trip Tax	7,557	4,904	5,776	5,488	5,973	5,689	5,045	4,666	5,232	5,200	6,160	5,800	6,220	6,170	370	6.4%	6,140	6,130
5 Vehicle Registration	73,512	73,679	72,190	72,863	73,445	75,626	74,135	76,218	75,455	77,900	80,530	79,400	83,920	85,490	6,090	7.7%	85,530	84,660
6 Vehicle Transaction	1,191	1,165	1,070	1,041	1,065	1,114	1,163	1,200	1,173	1,200	1,300	1,250	1,350	1,350	100	8.0%	1,400	1,400
7 Driver's License	4,329	4,738	4,622	4,493	4,718	4,424	4,227	4,193	4,158	4,500	4,370	4,600	4,500	4,500	(100)	-2.2%	4,600	4,300
8 Oversize/Overweight	4,590	4,961	4,539	3,778	4,687	4,820	4,805	5,026	5,229	5,200	5,040	5,400	5,300	5,300	(100)	-1.9%	5,400	5,500
9 Public Regulatory Commission Fees (UCR)	377	866	2,286	1,420	2,740	881	3,191	2,009	3,362	2,000	3,300	3,300	3,300	3,300	-	0.0%	3,300	3,300
10 MVD Miscellaneous	2,452	2,570	2,569	2,735	2,725	2,991	3,100	3,302	3,509	3,400	3,950	3,400	4,000	4,120	720	21.2%	4,120	4,240
11 Subtotal Ordinary Income	393,958	379,461	362,221	358,609	370,629	365,645	373,513	372,902	386,340	390,100	398,240	400,150	402,690	410,910	10,760	2.7%	418,300	423,390
Road Fund -- Extraordinary Income:																		
12 All Other (Reimbursements, Asset Sales, etc.)	4,140	2,240	4,758	6,568	6,584	10,375	10,354	6,493	12,365	2,700	2,200	2,200	2,200	2,200	-	0.0%	2,200	2,200
13 Rail Runner Track Maintenance Fees			4,080	2,000	2,350	17	2,014	1,782	2,143	2,100	2,100	2,000	2,000	2,000	-	0.0%	2,000	2,000
14 Road Fund Interest	708	0	19	16	95	108	209	80	39	440	140	450	450	810	360	80.0%	1,125	1,305
15 Subtotal Extraordinary Income	4,848	2,240	8,857	8,584	9,029	10,500	12,576	8,355	14,547	5,240	4,440	4,650	4,650	5,010	360	7.7%	5,325	5,505
16 TOTAL (Recurring) ROAD FUND	398,806	381,701	371,080	367,193	379,658	376,145	386,089	381,257	400,887	395,340	402,680	404,800	407,340	415,920	11,120	2.7%	423,625	428,895
17 WIPP Settlement (Nonrecurring)										0	7,200	0	26,800					
18 TOTAL ROAD FUND	398,806	381,701	371,080	367,193	379,658	376,145	386,089	381,257	400,887	395,340	409,880	404,800	434,140	415,920	11,120	2.7%	423,625	428,895

- This estimate is one of two annual forecasts of NMDOT revenues. Another update will be released next January before the FY2018 budget is set.
- Current expectations for FY 2017 are pretty much in line with the last January forecast. This forecast update increases FY 2017 Road Fund revenues by \$2.5 million that represents a 0.6% increase.
- FY 2018 Road Fund revenues (recurring "ordinary" income) are currently estimated at \$410.9 million. This represents 2.7% or \$10.7 million in growth from the FY 2017 budget.
- The increases in revenue are primarily due to strong consumer spending and low gas prices that have boosted car and SUV sales.
 - Compared to FY 2017 budget, in FY 2018 both vehicle registration and vehicle transaction revenues are projected to grow by about 7.7% and 8%, respectively. In FY 2017, vehicle registration revenue is expected to become the third largest source of revenue after Gasoline and Special Fuel.
 - Strong consumer spending is foreseen to positively impact Weight Distance revenue, forecast to grow around 3% yearly with only a slowdown in FY 2017, while Special Fuel revenue is forecast around 1% in FY 2017 and 2018 and around 4% in the following years. Gasoline revenue is expected to be flat, because of increasing passenger vehicle efficiency and only modest increases in NM's population.

NMDOT State Revenue Sources - Fiscal Years 2007 thru 2020

Table 2

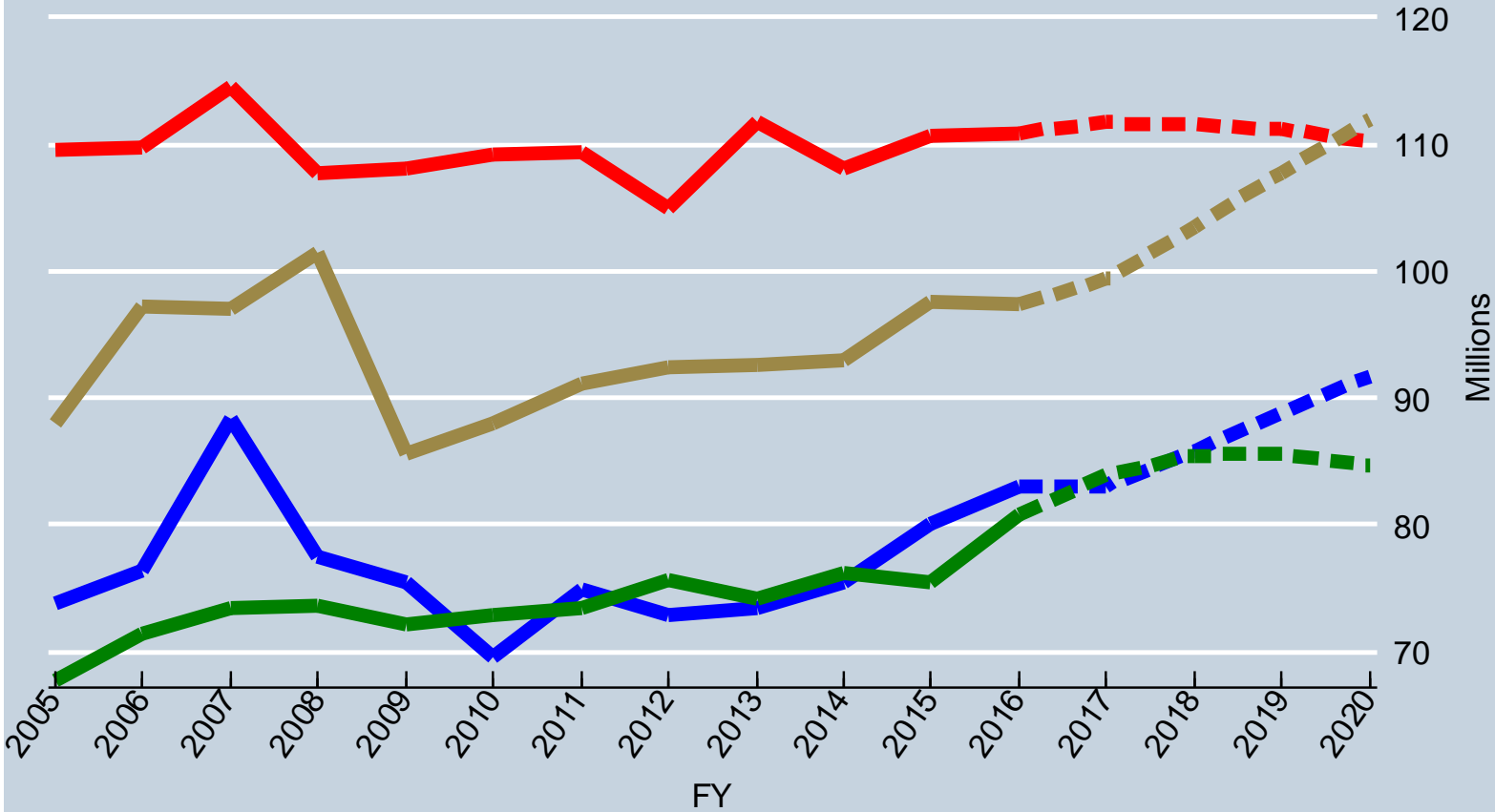
(Dollars in thousands)

		A	B	C	D	E	F	G	H	I	J	K	L	M	N	(N-L)	(N/L)	O	P	
		FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16		FY17		FY18	FY17 to FY18		FY19	FY20	
											Jan-15	Jul-16	Jan-16	Jul-16	Jan-16	Budget Growth		Jan-16	Jan-16	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Prelim. Actual	Leg. Bud. Estimate	Revenue Update	Leg. Bud. Estimate	Revenue Update	Long Run Estimate	\$ Change	% Diff	Long Run Estimate	Long Run Estimate	
Other Funds:																				
Highway Infrastructure Fund:																				
19	Leased Vehicle Gross Receipts	4,844	6,963	5,444	5,397	5,657	5,731	5,214	5,889	5,773	5,940	5,770	5,862	5,939	6,059	197	3.4%	6,091	6,127	
20	Tire Recycling Fees	1,758	1,782	1,604	1,791	1,806	1,831	1,807	1,836	1,810	1,870	1,900	1,880	1,980	2,020	140	7.4%	2,040	2,020	
21	Interest	164	164	99	18	16	16	25	7	7	70	13	77	77	140	63	81.8%	196	231	
22	Total Highway Infrastructure Fund	6,766	8,909	7,147	7,206	7,479	7,579	7,047	7,047	7,589	7,880	7,683	7,819	7,996	8,219	400	5.1%	8,327	8,378	
23	Total State Infrastructure Bank	540	135	300	597	83	29	45	15	17	180	41	203	203	365	162	79.8%	508	589	
Local Government Road Fund:																				
24	From Interest	966	243	143	24	33	30	46	15	19	140	50	200	200	360	160	80.0%	500	580	
25	From Special Fuel	10,105	10,489	8,980	9,200	9,546	9,659	9,709	9,753	10,218	10,200	10,190	10,633	10,310	10,740	107	1.0%	11,200	11,640	
26	From PPL Fee	7,073	6,936	6,711	6,725	6,775	6,612	6,926	6,768	6,986	7,050	7,070	7,120	7,090	7,210	90	1.3%	7,320	7,380	
27	From DWI reinstatement fees & ID cards	1,068	1,113	1,129	784	1,015	971	929	896	896	900	900	900	900	900	-	0.0%	900	900	
28	From Gasoline Tax (MAP)	2,248	2,116	2,126	2,145	2,147	2,066	2,195	2,123	2,174	2,197	2,202	2,190	2,193	2,190	-	0.0%	2,183	2,166	
29	Leased Vehicle Gross Receipts	1,615	2,321	1,815	1,799	1,886	1,910	1,738	1,963	1,924	1,980	1,923	1,954	1,980	2,020	66	3.4%	2,030	2,042	
30	Total Local Government Road Fund	23,075	23,218	20,903	20,677	21,402	21,249	21,543	21,518	22,217	22,467	22,335	22,997	22,673	23,420	423	1.8%	24,133	24,708	
Aviation Fund:																				
31	Gasoline Taxes (Aviation)	406	382	384	387	387	372	395	383	392	397	398	395	396	395	-	0.0%	394	391	
32	Aviation Jet Fuel	826	932	1,314	1,852	1,667	2,808	1,952	1,542	1,243	1,070	620	1,000	800	1,000	-	0.0%	1,400	1,400	
33	Aircraft License Fees	74	75	73	74	66	68	60	69	48	70	63	60	60	60	-	0.0%	70	70	
34	0.046% General Fund GRT (Air Service)	883	891	783	779	855	747	0	1,106	1,009	1,040	950	1,075	1,019	1,079	4	0.4%	1,132	1,193	
35	General Fund (2007 Enhancement)		960	1,917	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	-	0.0%	3,000	3,000	
36	Aviation Fund Interest Earnings		107	34	8	16	20	36	12	14	97	32	100	100	180	80	80.0%	250	290	
37	Total Aviation Fund Income	2,189	3,347	4,504	6,100	5,991	7,016	5,443	6,112	5,707	5,674	5,063	5,630	5,375	5,714	84	1.5%	6,246	6,344	
Transportation Fund:																				
38	Motorcycle Registration (Fund 20600)	93	120	131	130	135	138	135	133	135	140	130	140	130	130	(10)	-7.1%	130	130	
39	Motorcycle Train. Fund Interest (20600)	5	9	2	1	0	0	0	0	0	1	0	1	1	1	-	0.0%	1	1	
40	Driver Improvement Fees (10020)	205	208	193	331	349	340	319	271	274	250	240	250	240	240	(10)	-4.0%	240	240	
41	DWI Prevention (20700)	282	331	458	650	486	530	513	517	487	470	475	500	475	475	(25)	-5.0%	475	475	
42	Traffic Safety Fees (Fund 20800)	412	474	473	469	446	419	390	526	404	500	950	500	500	500	-	0.0%	500	500	
43	Traffic Safety Fees Interest (20800)	92	95	35	3	3	2	2	1	0	1	1	1	2	3	2	200.0%	4	4	
44	Community DWI Prevention Fee (20800)	700	1,021	1,150	1,000	1,017	838	789	363	426	410	400	410	400	400	(10)	-2.4%	400	400	
45	Red Light Fees (from AOC) (20800)						144	153	158	109	50	50	50	50	50	-	0.0%	50	50	
46	Traffic Safety - Interlock Device (82600)	900	775	854	700	2,029	1,167	1,054	810	777	750	760	780	780	780	-	0.0%	780	780	
47	Total Transportation Fund Income	2,690	3,033	3,296	3,284	4,466	3,578	3,356	2,779	2,611	2,572	3,006	2,632	2,578	2,579	(53)	-2.0%	2,580	2,580	
48	TOTAL NMDOT STATE REVENUES	434,066	420,343	407,229	405,056	419,079	415,595	423,523	418,728	439,028	434,113	448,008	444,081	472,965	456,217	12,136	2.7%	465,419	471,494	

- Overall NMDOT State Funds are forecast at \$456 million in FY 2018 representing growth of 2.7% or \$12 million from the current FY2017 budget.
 - In FY2016 the Aviation Fund has been significantly revised down by about 11%, because low gas prices have impacted revenue coming from aviation jet fuel and have depressed the Oil and Gas sector and consequently the revenue coming from Gross Receipt Tax. In following years, the Aviation Fund is expected to increase again at a 6% rate per year.





NMDOT's Main Revenues

- Gasoline
- Special Fuel
- Weight Distance
- Vehicle Registration Fees



Distribution of State Road User Revenues

July 2016 Forecast

		Revenue to Road Fund by Fiscal Year (\$ Million)								% of total (FY 2017)		
		2010	2011	2012	2013	2014	2015	2016	2017	Road Fund	NMDOT State Rev	
	Gasoline Tax (17.0 cents / gallon)	→ 5.76% to County Government Road Fund	8.6	8.6	8.2	8.8	8.5	8.7	8.8			
		→ 0.13% to Motorboat Fuel Tax Fund	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2		
		→ 0.26% to State Aviation Fund	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4		
		→ 10.38% to Municipalities and Counties	14.7	14.8	14.4	15.2	14.5	14.8	15.9	15.8		
		→ 76.27% to State Road Fund - (-13 cents per gallon)	109.2	109.3	105.0	111.8	108.0	110.7	112.1	111.7	27.4%	25.0%
		→ 5.76% to Municipalities	8.6	8.6	8.2	8.8	8.5	8.7	8.8	8.8		
		→ 1.44% to Municipal Arterial Program (MAP)	2.1	2.1	2.1	2.2	2.1	2.2	2.2	2.2		
	Special Fuel (diesel) Tax (21.0 cents/gallon ~ effective 7/1/2004)	→ 90.48% to State Road Fund - (19 cents per gallon)	88.0	91.1	92.3	92.6	92.9	97.6	98.2	99.3	24.4%	22.3%
		→ 9.52% to Local Governments Road Fund	9.3	9.6	9.7	9.7	9.8	10.3	10.3	10.5		
	Petroleum Products Loading Fee (1.875 cents/gallon)	→ 26.67% to Local Governments Road Fund	6.8	6.8	7.0	6.8	6.9	7.0	7.1	7.1		
		→ 73.33% to Corrective Action Fund	18.7	18.8	19.2	18.8	18.8	19.2	19.4	19.5		
	Weight Distance Tax (1¢-4¢/mile)	→ 100% to State Road Fund	69.6	74.9	72.8	73.5	75.4	80.0	83.3	83.1	20.4%	18.6%
	Trip Tax (7¢-16¢/mile)	→ 100% to State Road Fund	5.5	6.0	5.7	5.0	4.7	5.2	6.2	6.2	1.5%	1.4%
	Oversize / Overweight Fees	→ 100% to State Road Fund	3.8	4.7	4.8	4.8	5.0	5.2	5.0	5.3	1.3%	1.2%
	Motor Trans. Regulatory Fees	→ 100% to State Road Fund	1.4	2.7	0.9	3.2	2.0	3.4	3.3	3.3	0.8%	0.7%
	Vehicle Registration Fees (\$21-\$172/year) A similar distribution applies to many Miscellaneous Motor Vehicle Fees (but only Vehicle Registration Fee revenue amounts are shown in revenue table)	→ = 50 cents on Each Registration to Beautification Fund										
		→ = \$2.00 of each Motorcycle Registration to Motorcycle Training Fund										
		→ = \$2.00 of each Motorcycle Registration to the Taxation & Revenue Department										
		→ = 100% of Placard Fees to Taxation and Revenue Department										
		→ = 100% of Traffic Safety Training Fee (from Penalty Assessments) and Amateur Radio Fees to State Road Fund										
		→ = Tire Recycling Fee (effective 7/1/2003):										
		\$ 1.00 Each Motorcycle	→ 50% to Highway Infrastructure Fund									
		\$ 0.50 per wheel of each bus	→ 50% to Tire Recycling Fund									
		\$ 1.50 each car or light truck	→ \$1.00 to Highway Infrastructure Fund									
		\$ 1.50 each heavy truck	→ \$0.50 to Tire Recycling Fund									
	<i>Effective March 1, 2004 remaining revenues go to:</i>											
	→ 74.65% to State Road Fund	72.9	73.4	75.6	74.1	76.2	75.5	80.5	83.9	20.6%	18.8%	
	→ 7.60% to County General Funds (allocated by Registration Fees on Vehicles in Each County)	7.4	7.5	7.7	7.5	7.8	7.7	8.2	8.5			
	→ 7.60% to County Road Funds (allocated by miles of public Roads maintained)	7.4	7.5	7.7	7.5	7.8	7.7	8.2	8.5			
	→ 4.06% to Municipal Street Funds (allocated by property Tax net Taxable value)	4.0	4.0	4.1	4.0	4.1	4.1	4.4	4.6			
	→ 6.09% to County and Municipal General Funds (allocated by property Tax amounts due)	5.9	6.0	6.2	6.0	6.2	6.2	6.6	6.8			
	→ \$5 or \$6 to Municipal, County or Fee AGENTS											
	<i>Remaining revenues from Transaction Fees go to:</i>											
	→ 50% to State Road Fund	1.0	1.1	1.1	1.2	1.2	1.2	1.3	1.4	0.3%	0.3%	
	→ 50% to County Road Fund (allocated by miles of public roads maintained)	1.0	1.1	1.1	1.2	1.2	1.2	1.3	1.4			
	→ = \$6 or \$7 per License to Municipal, County or Fee Agents											
	→ = 100% of Remaining Drivers License Fee to S Road Fund	4.5	4.7	4.4	4.2	4.2	4.2	4.4	4.5	1.1%	1.0%	
	→ = 100% Limited License Fees to DWI Prevention and Education Fund	0.1	0.1	0.1	0.1	0.1	0.1	0.0	*			
	→ = 100% DWI Reinstatement Fees and remainder of ID Cards to Local Gov. Road Fund	0.8	1.0	1.0	0.9	0.9	0.9	0.9	0.9			
	→ = 100% Enhanced Drivers License Fee (\$3) to Taxation & Revenue Department	0.0	0.0	0.0	0.0	0.0	0.0	0.0	*			
	→ = 100% Driver Safety Fee (\$3) to public schools for DWI education	0.0	0.0	0.0	0.0	0.0	0.0	0.4	*			
	* no estimates available											
		Total Local Governments Road Fund	20.7	21.4	21.2	21.5	21.5	22.2	22.3	22.7		
		Total Amount Distributed to Local Governments & other Recipients	95.9	96.9	97.2	98.1	97.6	99.1	102.7	103.9		
		Total of Gasoline, Diesel, W/D & Registrations NMDOT	339.7	348.7	345.7	352.0	352.5	363.7	374.1	378.0	92.8%	84.7%
		Total State Road Fund Revenues	367.2	379.7	376.1	386.1	381.3	400.9	402.7	407.3	100.0%	91.3%
		Total NMDOT State Revenues	405.1	419.1	415.6	423.5	418.7	439.0	440.8	446.2	NA	100%

Agency

- Overall, the FY18 annual appropriation request totals \$862.8 million, a \$4.8 million reduction from the approved FY17 operating budget. This includes \$415.9 million from State Road fund revenues, \$39.6 from restricted fund revenues, \$3.8 million from other state agencies, and \$2.0 million from state road fund balances, and \$401.5 million from federal sources.
- This includes a \$3.2 million, or 2.0 percent decrease to the Project Design and Construction Program; a \$6.0 million decrease to the Highway Operations Program; no change to Business Support; and a \$4.4 million increase to Modal.
- Major differences between FY17 and FY18, includes the elimination of \$14.0 million of State Road Fund balances utilized in FY17, elimination of \$5.0 million of Restricted Fund balances utilized in FY17, and a \$11.1 million or 2.7 percent increase in growth in the State Road Fund from the FY17 Budget. Other major differences include the formal implementation of Port of Entry initiative.

	A	B	C	D	
	FY17 Approved Operating	FY18 Request	Dollar Change	% Change	
1	Expenditures				
2	200 - Personal Services and Employee Benefits	\$158,654.5	\$161,580.9	\$2,926.4	2%
3	300 - Contractual Services	\$392,973.6	\$386,684.4	(\$6,289.2)	-2%
4	400 - Other	\$315,924.9	\$314,538.5	(\$1,386.4)	0%
5	500 - Other Financing Uses	\$0.0	\$0.0	\$0.0	0%
6	Total Expenditures	\$867,553.0	\$862,803.8	(\$4,749.2)	-1%
7	FTE	2,487.5	2,541.5	54.0	6
8					8
9	Revenues				9
10	State Revenues				10
11	State Road Fund (SRF)	\$398,554.0	\$415,920.0	\$17,366.0	4%
12	Highway Infrastructure Fund (HIF) -- Restricted	\$7,819.0	\$8,219.0	\$400.0	5%
13	State Infrastructure Bank (SIB) -- Restricted	\$0.0	\$0.0	\$0.0	0%
14	Local Government Road Fund (LGRF) -- Restricted	\$22,997.0	\$23,420.0	\$423.0	2%
15	State Aviation Fund -- Restricted	\$5,630.0	\$5,714.0	\$84.0	1%
16	Transportation/Traffic Safety Funds -- Restricted	\$2,332.0	\$2,279.0	(\$53.0)	-2%
17	Total State Revenues	\$437,332.0	\$455,552.0	\$18,220.0	4%
18	Other Revenues				18
19	Transfers from Other State Agencies	\$300.0	\$3,800.0	\$3,500.0	1167%
20	Other Revenues	\$300.0	\$3,800.0	\$3,500.0	1167%
21	Restricted Fund Balances				21
22	State Infrastructure Bank	\$0.0	\$0.0	\$0.0	0%
23	Aviation Fund	\$0.0	\$0.0	\$0.0	0%
24	Traffic Safety	\$2,000.0	\$0.0	(\$2,000.0)	-100%
25	Local Government Road Fund	\$0.0	\$0.0	\$0.0	0%
26	HIF	\$3,001.2	\$0.0	(\$3,001.2)	-100%
27	WIPP	\$0.0	\$0.0	\$0.0	0%
28	State Road Fund Balances	\$16,000.0	\$2,000.0	(\$14,000.0)	-88%
29	Total Fund Balances	\$21,001.2	\$2,000.0	(\$19,001.2)	-90%
30	General Funding Estimates				30
31	General Fund	\$0.0	\$0.0	\$0.0	0%
32	Total General Fund	\$0.0	\$0.0	\$0.0	0%
33	Federal Funding Estimates				33
34	FHWA Funding	\$375,600.0	\$367,653.0	(\$7,947.0)	-2%
35	National Highway Traffic Safety Administration	\$15,731.4	\$15,731.4	\$0.0	0%
36	Waste Isolation Pilot Plant (WIPP)	\$0.0	\$0.0	\$0.0	0%
37	Federal Transit Administration (FTA)	\$16,158.6	\$16,637.6	\$479.0	3%
38	Federal Railroad Administration (FRA)	\$0.0	\$0.0	\$0.0	0%
39	Rec Trails	\$1,429.8	\$1,429.8	\$0.0	0%
40	Total Federal Revenues	\$408,919.8	\$401,451.8	(\$7,468.0)	-2%
41	Total Revenues	\$867,553.0	\$862,803.8	(\$4,749.2)	-1%

Project Design and Construction

- Overall, the request for Project Design and Construction totals \$526.8 million; a \$3.1 million or 2.0 percent decrease under FY17 approved operating levels. This includes \$129.1 million from State Road fund revenues, \$31.6 million from restricted fund revenues, and \$366.1 million from federal sources.
- In addition, the request eliminates the use of fund balances totaling \$13.0 million utilized in FY17 from restricted and unrestricted sources. Taking advantage of state road fund balances will be discussed during the FY18 budget negotiations/consensus.
- Key features are as follows:
 - Personal services & employee benefits –10% vacancy rate.
 - 6 FTE moved to P565- Traffic Safety Division.
 - \$307.1 million for 'Road Betterments' construction budget.
 - \$59.0 million- State Road Fund.
 - \$248.1 million – Federal Highway Administration.
 - \$161.6 million for debt service – principal, interest and related fees.
 - \$109.6 million- Federal.
 - \$43.8 million- State Road Fund.
 - \$8.2 million- Highway Infrastructure Fund.
 - \$23.4 million for the Local Government Road fund.

	A	B	C	D	
	FY17 Approved Operating	FY18 Request	Dollar Change	% Change	
1 Expenditures					1
2 200 - Personal Services and Employee Benefits	\$25,729.3	\$25,468.8	(\$260.5)	-1%	2
3 300 - Contractual Services	\$316,915.3	\$312,376.1	(\$4,539.2)	-1%	3
4 400 - Other	\$187,260.4	\$188,949.8	\$1,689.4	1%	4
5 500 - Other Financing Uses	\$0.0	\$0.0	\$0.0	0%	5
6 Total Expenditures	\$529,905.0	\$526,794.7	(\$3,110.3)	-1%	6
7 FTE	372.0	366.0	(6.0)		7
8					8
9 Revenues					9
10 State Revenues					10
11 State Road Fund (SRF)	\$112,058.0	\$129,072.9	\$17,014.9	15%	11
12 Highway Infrastructure Fund (HIF) -- Restricted	\$7,819.0	\$8,219.0	\$400.0	5%	12
13 State Infrastructure Bank (SIB) -- Restricted	\$0.0	\$0.0	\$0.0	0%	13
14 Local Government Road Fund (LGRF) -- Restricted	\$22,997.0	\$23,420.0	\$423.0	2%	14
15 State Aviation Fund -- Restricted	\$0.0	\$0.0	\$0.0	0%	15
16 Transportation/Traffic Safety Funds -- Restricted	\$0.0	\$0.0	\$0.0	0%	16
17 Total State Revenues	\$142,874.0	\$160,711.9	\$17,837.9	12%	17
18 Other Revenues					18
19 Transfers from Other State Agencies	\$0.0	\$0.0	\$0.0	0%	19
20 Other Revenues	\$0.0	\$0.0	\$0.0	0%	20
21 Restricted Fund Balances					21
22 State Infrastructure Bank	\$0.0	\$0.0	\$0.0	0%	22
23 Aviation Fund	\$0.0	\$0.0	\$0.0	0%	23
24 Traffic Safety	\$0.0	\$0.0	\$0.0	0%	24
25 Local Government Road Fund	\$0.0	\$0.0	\$0.0	0%	25
26 HIF	\$3,001.2	\$0.0	(\$3,001.2)	-100%	26
27 WIPP	\$0.0	\$0.0	\$0.0	0%	27
28 State Road Fund Balances	\$10,000.0	\$0.0	(\$10,000.0)	-100%	28
29 Total Fund Balances	\$13,001.2	\$0.0	(\$13,001.2)	-100%	29
30 General Funding Estimates					30
31 General Fund	\$0.0	\$0.0	\$0.0	0%	31
32 Total General Fund	\$0.0	\$0.0	\$0.0	0%	32
33 Federal Funding Estimates					33
34 FHWA Funding	\$372,600.0	\$364,653.0	(\$7,947.0)	-2%	34
35 National Highway Traffic Safety Administration	\$0.0	\$0.0	\$0.0	0%	35
36 Waste Isolation Pilot Plant (WIPP)	\$0.0	\$0.0	\$0.0	0%	36
37 Federal Transit Administration (FTA)	\$0.0	\$0.0	\$0.0	0%	37
38 Federal Railroad Administration (FRA)	\$0.0	\$0.0	\$0.0	0%	38
39 Rec Trails	\$1,429.8	\$1,429.8	\$0.0	0%	39
40 Total Federal Revenues	\$374,029.8	\$366,082.8	(\$7,947.0)	-2%	40
41 Total Revenues	\$529,905.0	\$526,794.7	(\$3,110.3)	-1%	41

Highway Operations

- Overall, the request for Highway Operations totals \$227.8 million; a \$6.0 million decrease compared to FY17. This includes \$224.8 million from State Road fund revenues and \$3.0 million from federal sources.
- In general, the FY18 request for Highway Operations decreased by \$6.0 million due to eliminating unobligated fund balance in FY17. Taking advantage of state road fund balances will be discussed during the FY18 budget negotiations/ consensus.
- Key features include:
 - Personal services & employee benefits – 8% vacancy rate.
 - Highway Road Betterments \$81.8 million:
 - Contract Maintenance - \$44.1 million.
 - Field Supplies - \$37.6 million.
 - The Road Maintenance program request supports the following activities, i.e. Chip Seal, Fog Seal, Crack Seal, Overlay, Guardrail, Blade and Pothole Patching, and Snow Removal.
 - \$1.9 million or a 15% decrease in DoIT Radio Communication charges compared to FY17 rates.

		A	B	C	D	
		FY17 Approved Operating	FY18 Request	Dollar Change	% Change	
1	Expenditures					1
2	200 - Personal Services and Employee Benefits	\$104,510.1	\$104,510.1	\$0.0	0%	2
3	300 - Contractual Services	\$47,522.6	\$45,772.6	(\$1,750.0)	-4%	3
4	400 - Other	\$81,762.2	\$77,512.2	(\$4,250.0)	-5%	4
5	500 - Other Financing Uses	\$0.0	\$0.0	\$0.0	0%	5
6	Total Expenditures	\$233,794.9	\$227,794.9	(\$6,000.0)	-3%	6
7	FTE	1,827.7	1,827.7	-		7
8						8
9	Revenues					9
10	State Revenues					10
11	State Road Fund (SRF)	\$224,794.9	\$224,794.9	\$0.0	0%	11
12	Highway Infrastructure Fund (HIF) -- Restricted	\$0.0	\$0.0	\$0.0	0%	12
13	State Infrastructure Bank (SIB) -- Restricted	\$0.0	\$0.0	\$0.0	0%	13
14	Local Government Road Fund (LGRF) -- Restricted	\$0.0	\$0.0	\$0.0	0%	14
15	State Aviation Fund -- Restricted	\$0.0	\$0.0	\$0.0	0%	15
16	Transportation/Traffic Safety Funds -- Restricted	\$0.0	\$0.0	\$0.0	0%	16
17	Total State Revenues	\$224,794.9	\$224,794.9	\$0.0	0%	17
18	Other Revenues					18
19	Transfers from Other State Agencies	\$0.0	\$0.0	\$0.0	0%	19
20	Other Revenues	\$0.0	\$0.0	\$0.0	0%	20
21	Restricted Fund Balances					21
22	State Infrastructure Bank	\$0.0	\$0.0	\$0.0	0%	22
23	Aviation Fund	\$0.0	\$0.0	\$0.0	0%	23
24	Traffic Safety	\$0.0	\$0.0	\$0.0	0%	24
25	Local Government Road Fund	\$0.0	\$0.0	\$0.0	0%	25
26	HIF	\$0.0	\$0.0	\$0.0	0%	26
27	WIPP	\$0.0	\$0.0	\$0.0	0%	27
28	State Road Fund Balances	\$6,000.0	\$0.0	(\$6,000.0)	-100%	28
29	Total Fund Balances	\$6,000.0	\$0.0	(\$6,000.0)	-100%	29
30	General Funding Estimates					30
31	General Fund	\$0.0	\$0.0	\$0.0	0%	31
32	Total General Fund	\$0.0	\$0.0	\$0.0	0%	32
33	Federal Funding Estimates					33
34	FHWA Funding	\$3,000.0	\$3,000.0	\$0.0	0%	34
35	National Highway Traffic Safety Administration	\$0.0	\$0.0	\$0.0	0%	35
36	Waste Isolation Pilot Plant (WIPP)	\$0.0	\$0.0	\$0.0	0%	36
37	Federal Transit Administration (FTA)	\$0.0	\$0.0	\$0.0	0%	37
38	Federal Railroad Administration (FRA)	\$0.0	\$0.0	\$0.0	0%	38
39	Rec Trails	\$0.0	\$0.0	\$0.0	0%	39
40	Total Federal Revenues	\$3,000.0	\$3,000.0	\$0.0	0%	40
41	Total Revenues	\$233,794.9	\$227,794.9	(\$6,000.0)	-3%	41

Business Support

- The request for Business Support totals \$42.1 million of state road fund revenue or 0% change compared to FY17 operating budget.

- Personal services and employee benefits- 10% vacancy rate.

- Decrease of 1 FTE to P563, Fleet Management Bureau.

- Business Support is responsible for paying all 'agency-wide' costs for the department including the following:

- GSD charges - \$6.5 million.
- DOIT charges – Tech, HRMS, and Telecommunication charges - \$3.5 million (radio charges of \$1.9 million are billed directly to Highway Operations).
- Audit Services & Financial Statements - \$.3 million.
- Agency-wide costs including GSD and DoIT rates account for \$10.1 million, or 23.8 percent of all Business Support costs.

		A	B	C	D	
		FY17 Approved Operating	FY18 Request	Dollar Change	% Change	
1	Expenditures					1
2	200 - Personal Services and Employee Benefits	\$24,757.5	\$24,757.5	\$0.0	0%	2
3	300 - Contractual Services	\$4,472.8	\$4,465.0	(\$7.8)	0%	3
4	400 - Other	\$12,941.6	\$12,949.4	\$7.8	0%	4
5	500 - Other Financing Uses	\$0.0	\$0.0	\$0.0	0%	5
6	Total Expenditures	\$42,171.9	\$42,171.9	(\$0.0)	0%	6
7	FTE	237.8	236.8	(1.0)		7
8						8
9	Revenues					9
10	State Revenues					10
11	State Road Fund (SRF)	\$42,171.9	\$42,171.9	\$0.0	0%	11
12	Highway Infrastructure Fund (HIF) -- Restricted	\$0.0	\$0.0	\$0.0	0%	12
13	State Infrastructure Bank (SIB) -- Restricted	\$0.0	\$0.0	\$0.0	0%	13
14	Local Government Road Fund (LGRF) -- Restricted	\$0.0	\$0.0	\$0.0	0%	14
15	State Aviation Fund -- Restricted	\$0.0	\$0.0	\$0.0	0%	15
16	Transportation/Traffic Safety Funds -- Restricted	\$0.0	\$0.0	\$0.0	0%	16
17	Total State Revenues	\$42,171.9	\$42,171.9	\$0.0	0%	17
18	Other Revenues					18
19	Transfers from Other State Agencies	\$0.0	\$0.0	\$0.0	0%	19
20	Other Revenues	\$0.0	\$0.0	\$0.0	0%	20
21	Restricted Fund Balances					21
22	State Infrastructure Bank	\$0.0	\$0.0	\$0.0	0%	22
23	Aviation Fund	\$0.0	\$0.0	\$0.0	0%	23
24	Traffic Safety	\$0.0	\$0.0	\$0.0	0%	24
25	Local Government Road Fund	\$0.0	\$0.0	\$0.0	0%	25
26	HIF	\$0.0	\$0.0	\$0.0	0%	26
27	WIPP	\$0.0	\$0.0	\$0.0	0%	27
28	State Road Fund Balances	\$0.0	\$0.0	\$0.0	0%	28
29	Total Fund Balances	\$0.0	\$0.0	\$0.0	0%	29
30	General Funding Estimates					30
31	General Fund	\$0.0	\$0.0	\$0.0	0%	31
32	Total General Fund	\$0.0	\$0.0	\$0.0	0%	32
33	Federal Funding Estimates					33
34	FHWA Funding	\$0.0	\$0.0	\$0.0	0%	34
35	National Highway Traffic Safety Administration	\$0.0	\$0.0	\$0.0	0%	35
36	Waste Isolation Pilot Plant (WIPP)	\$0.0	\$0.0	\$0.0	0%	36
37	Federal Transit Administration (FTA)	\$0.0	\$0.0	\$0.0	0%	37
38	Federal Railroad Administration (FRA)	\$0.0	\$0.0	\$0.0	0%	38
39	Rec Trails	\$0.0	\$0.0	\$0.0	0%	39
40	Total Federal Revenues	\$0.0	\$0.0	\$0.0	0%	40
41	Total Revenues	\$42,171.9	\$42,171.9	\$0.0	0%	41

MODAL

- Overall, the request for MODAL totals \$66.0 million; a \$4.4 million or 91% increase compared to FY17 operating budget. This includes \$19.9 million from state road fund revenue, \$8.0 million from restricted fund revenue (i.e. Traffic Safety and Aviation); a \$3.8 million transfer(s) from other state agencies; \$2.0 million from state road fund balance and \$32.4 million from federal revenues.
- Ports of Entry implementation:
 - Total budget: \$5.5 million; \$2.0 million from state road fund balance, \$2.0 million transfer in from TRD and \$1.5 million transfer in from TRD/DPS.
 - Category 200- \$2.8 million for personal services and employee benefits, 57 FTE increase.
 - Category 300- \$700.0 thousand to hire temp contractors “if needed” and Promiles software license.
 - Category 400- \$2.0 million for building maintenance and repair activities.
- Personal services and employee benefits –10% vacancy rate.
- Restricted Funds FY18 Budget:
 - Transit and Rail- \$33.1 million.
 - Aviation- \$5.7 million.
 - Traffic Safety-
 - NHTSA- \$15.7 million.
 - Ports of Entry- \$5.5 million.
 - Other Traffic Safety Programs. -\$6.0 million.

	A	B	C	D	
	FY17 Approved Operating	FY18 Request	Dollar Change	% Change	
1 Expenditures					1
2 200 - Personal Services and Employee Benefits	\$3,657.6	\$6,844.5	\$3,186.9	87%	2
3 300 - Contractual Services	\$24,062.9	\$24,070.7	\$7.8	0%	3
4 400 - Other	\$33,960.7	\$35,127.1	\$1,166.4	3%	4
5 500 - Other Financing Uses	\$0.0	\$0.0	\$0.0	0%	5
6 Total Expenditures	\$61,681.2	\$66,042.3	\$4,361.1	7%	6
7 FTE	50.0	111.0	61.0		7
8					8
9 Revenues					9
10 State Revenues					10
11 State Road Fund (SRF)	\$19,529.2	\$19,880.3	\$351.1	2%	11
13 Highway Infrastructure Fund (HIF) -- Restricted	\$0.0	\$0.0	\$0.0	0%	12
14 State Infrastructure Bank (SIB) -- Restricted	\$0.0	\$0.0	\$0.0	0%	13
15 Local Government Road Fund (LGRF) -- Restricted	\$0.0	\$0.0	\$0.0	0%	14
16 State Aviation Fund -- Restricted	\$5,630.0	\$5,714.0	\$84.0	1%	15
17 Transportation/Traffic Safety Funds -- Restricted	\$2,332.0	\$2,279.0	(\$53.0)	-2%	16
18 Total State Revenues	\$27,491.2	\$27,873.3	\$382.1	1%	17
Other Revenues					18
Transfers from Other State Agencies	\$300.0	\$3,800.0	\$3,500.0	1167%	19
Other Revenues	\$300.0	\$3,800.0	\$3,500.0	1167%	20
19 Restricted Fund Balances					21
20 State Infrastructure Bank	\$0.0	\$0.0	\$0.0	0%	22
21 Aviation Fund	\$0.0	\$0.0	\$0.0	0%	23
22 Traffic Safety	\$2,000.0	\$0.0	(\$2,000.0)	-100%	24
23 Local Government Road Fund	\$0.0	\$0.0	\$0.0	0%	25
24 HIF	\$0.0	\$0.0	\$0.0	0%	26
25 WIPP	\$0.0	\$0.0	\$0.0	0%	27
26 State Road Fund Balances	\$0.0	\$2,000.0	\$2,000.0	0%	28
27 Total Fund Balances	\$2,000.0	\$2,000.0	\$0.0	0%	29
28 General Funding Estimates					30
29 General Fund	\$0.0	\$0.0	\$0.0	0%	31
30 Total General Fund	\$0.0	\$0.0	\$0.0	0%	32
31 Federal Funding Estimates					33
32 FHWA Funding	\$0.0	\$0.0	\$0.0	0%	34
33 National Highway Traffic Safety Administration	\$15,731.4	\$15,731.4	\$0.0	0%	35
34 Waste Isolation Pilot Plant (WIPP)	\$0.0	\$0.0	\$0.0	0%	36
35 Federal Transit Administration (FTA)	\$16,158.6	\$16,637.6	\$479.0	3%	37
36 Federal Railroad Administration (FRA)	\$0.0	\$0.0	\$0.0	0%	38
37 Rec Trails	\$0.0	\$0.0	\$0.0	0%	39
38 Total Federal Revenues	\$31,890.0	\$32,369.0	\$479.0	2%	40
39 Total Revenues	\$61,681.2	\$66,042.3	\$4,361.1	7%	41