



FY16 Executive Budget

Schedule 07 Department of Transportation and Development and 20-903 Parish Transportation Program



Louisiana Senate
Finance Committee
April 27, 2015

FY16 Executive Budget

Schedule 07 — DOTD Agencies

- 07-273 Administration — Provides direction and leadership for the operations of the department.
 - 273-1000 Office of the Secretary
 - 273-2000 Office of Management and Finance

- 07-276 Engineering and Operations — Develops, constructs, and maintains the state's transportation and public works systems.
 - 276-1000 Engineering
 - 276-3000 Multimodal Planning
 - 276-4000 Operations
 - 276-6000 Aviation

Audit Findings

Department of Transportation and Development
BRIDGE INSPECTION PROGRAM • APRIL 2, 2014

The Federal Highway Administration rated the Department of Transportation and Development (DOTD) compliant with nine of the administration's 23 metrics for bridge inspections, and either substantially or conditionally compliant with the remaining 14. DOTD did not receive a non-compliant rating for any of the metrics.

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Schedule 07 — Transportation Statistics

- How many miles of roads do we have in Louisiana?
 - According to the FHA, Louisiana had 61,427 miles of public roads as of 2013.
 - Of this total, 44,018 were classified as “Rural” and 17,409 were classified as “Urban.”
 - This total included interstates, freeways and expressways, major and minor arteries, major and minor collectors, and local roads under state, parish, municipal, and federal jurisdictions.

		Fair or Better Condition	
FY14 Actual	Total Miles	Percentage	Number
Interstate Highway System	1,556	98	1,532
National Highway System	2,982	92	2,750
Significant Statewide Highways	6,243	97	6,039
Significant Regional Highways	7,427	88	6,520

- Who is driving on these roads?
 - Louisiana had over 3.2 million licensed drivers (16 and older) and nearly 4 million registered vehicles (cars, trucks, buses, and motorcycles) as of January 2015.
 - These drivers, along with those passing through from other states and countries, logged over 47.7 billion total vehicle miles in Louisiana in 2013.

Highway Fatalities	
Number of Fatalities FY14	703
Number of Fatalities FY13	722
Percent reduction in fatalities	2.6

FY16 Executive Budget

Schedule 07 — Transportation Statistics

- Bridges
 - Louisiana has roughly 13,000 bridges, state and federal, as of 2014, according to the FHA.
- Freight Rail
 - As of 2010, Louisiana had 2,858 freight railroad miles and nearly 1.8 million carloads originated, carried, and terminated in the state, according to the Association of American Railroads.
- Airports
 - As of 2012, Louisiana had 7 commercial airports, 46 general aviation airports, and 3 private-use airports that combined to move 103,512 tons of commercial freight and 11.4 million passengers, as stated by the Federal Aviation Administration.
- Ports
 - At the present time, Louisiana also has 16 inland river ports and 6 deep-draft seaports which move 500 million tons of cargo on the Lower Mississippi each year, according to the Ports Association of Louisiana.
 - The state also has 9 coastal energy ports.

DOTD

FY15 Existing Operating Budget vs. Proposed FY16 Budget

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	<i>Difference</i>
DOTD	\$ 577,820,477	\$ 575,243,339	<i>\$ (2,577,138)</i>

Total Positions	4,241	4,205	<i>(36)</i>
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Other Charges Positions:

0

FY16 Non-Discretionary Funding

Total Non-Disc.: \$31,141,615

Percent Non-Disc: 5.4%

Total Non-Disc. SGF: \$0

Non-Disc. T.O.: 0

FY16 Discretionary Funding

Total Discretionary: \$544,101,724

Percent Discretionary: 94.6%

Total Discretionary SGF: \$0

Discretionary T.O.: 4,205

DOTD

Non-Discretionary/Discretionary Funding by Agency

Non-Discretionary Funding:

\$2.1 m. — Administration (retirees' group insurance and legislative auditor fees)

\$29.0 m. — Engineering and Operations (retirees' group insurance)

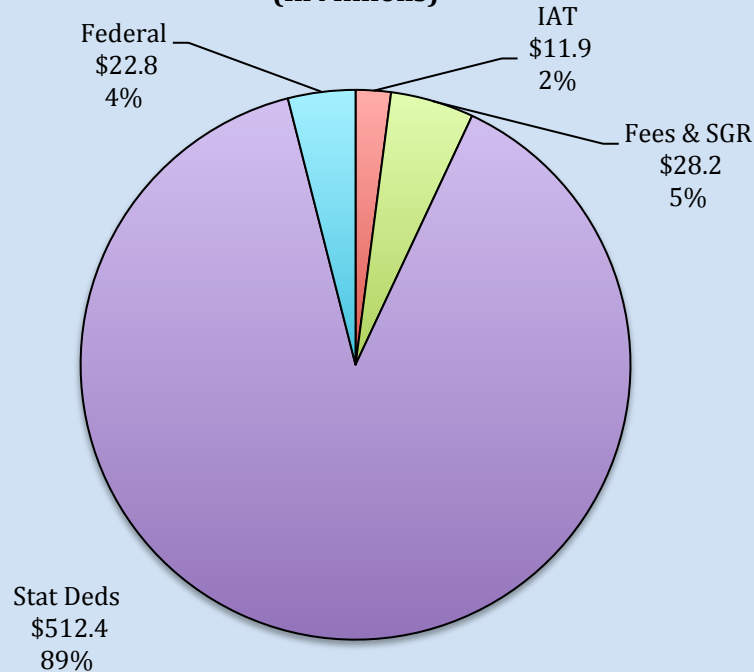
Discretionary Funding:

\$43.3 m. — Administration

\$500.8 m. — Engineering and Operations

FY16 DOTD Means of Finance

FY16 Total Means of Finance
(In Millions)



Major Non-SGF Sources of Funding:

The overwhelming majority of funding in DOTD comes from statutory dedications, particularly the Transportation Trust Fund-Regular (C) and the Transportation Trust Fund-Federal. The TTF-Regular is derived from taxes on fuels and vehicle licenses, while the TTF-Federal comes from the Federal Highway Administration.

Other statutory dedications include the La. Transportation Research Center Transportation Training and Education Center Fund (registration fees for training courses), the DOTD Right-of-Way Permit Processing Fund (permit fees from utilities), the Louisiana Highway Safety Fund (speeding tickets issued for less than 10 miles over the limit on interstate highways), the New Orleans Ferry Fund (revenues from truck and trailer registration or license tax collected in Orleans Parish), and the Geaux Pass Transition Fund (funds left over from Geaux Pass accounts, toll tag deposits, or CCC Bridge tolls paid between 1-1-13 and 3-5-13).

Fees and Self-generated Revenues come from a variety of sources, such as sales of maps and plans; administration fees to DOTD for non-entity capital outlay projects; for services performed by DOTD for the Sabine River Authority; sales of land, buildings, and equipment on right-of-way; equipment buy back; etc.

Interagency transfer sources include reimbursements from FEMA for natural disasters and administrative fees collected for capital outlay projects administered by DOTD.

FY15 Existing Operating Budget vs. FY16 Recommended

Schedule 07 DOTD — Total Expenditures

Expenditure Category	FY15 Existing Operating Budget	FY16 Recommended Budget	Difference
Personal Services	\$327,676,588	\$332,866,025	\$5,189,437
Operating Expenses	\$67,323,172	\$63,867,981	(\$3,455,191)
Professional Services	\$39,284,855	\$37,232,736	(\$2,052,119)
Other Charges	\$120,805,757	\$118,466,487	(\$2,339,270)
Acquisitions & Major Repairs	\$22,730,105	\$22,810,110	\$80,005
Total Expenditures	\$577,820,477	\$575,243,339	(\$2,577,138)

FY16 DOTD

Selected Standard Statewide Adjustments

Annualization of FY15 Mid-Year Reduction Plan — no adjustments

Performance/Salary Adjustments:

\$2.0 million SD — Annualize Classified State Employees Performance Adjustment

(\$3.6 million) SD — Attrition Adjustment

Retirement Adjustments:

\$2.6 million Total — La. State Employees' Retirement System Base

Group Insurance Adjustments (tied to OGB rate increase):

\$2.4 million Total — Group Insurance Rate Adjustment for Active Employees

\$3.0 million Total — Group Insurance Rate Adjustment for Retirees

Other:

\$23.4 million Total — Acquisitions and Major Repairs
(\$22.5 million) Total — Non-recurring Acquisitions and Major Repairs

(\$10.7 million) Total — Non-recurring Carryforwards

\$1.7 million SD — Risk Management

(\$2.2 million) SD — GEMS Savings (business office consolidations, in-house engineers, reduce construction equipment fleet, and quality assurance and control)

(\$171 k.) SD and (33) T.O. — Office of State Human Capital

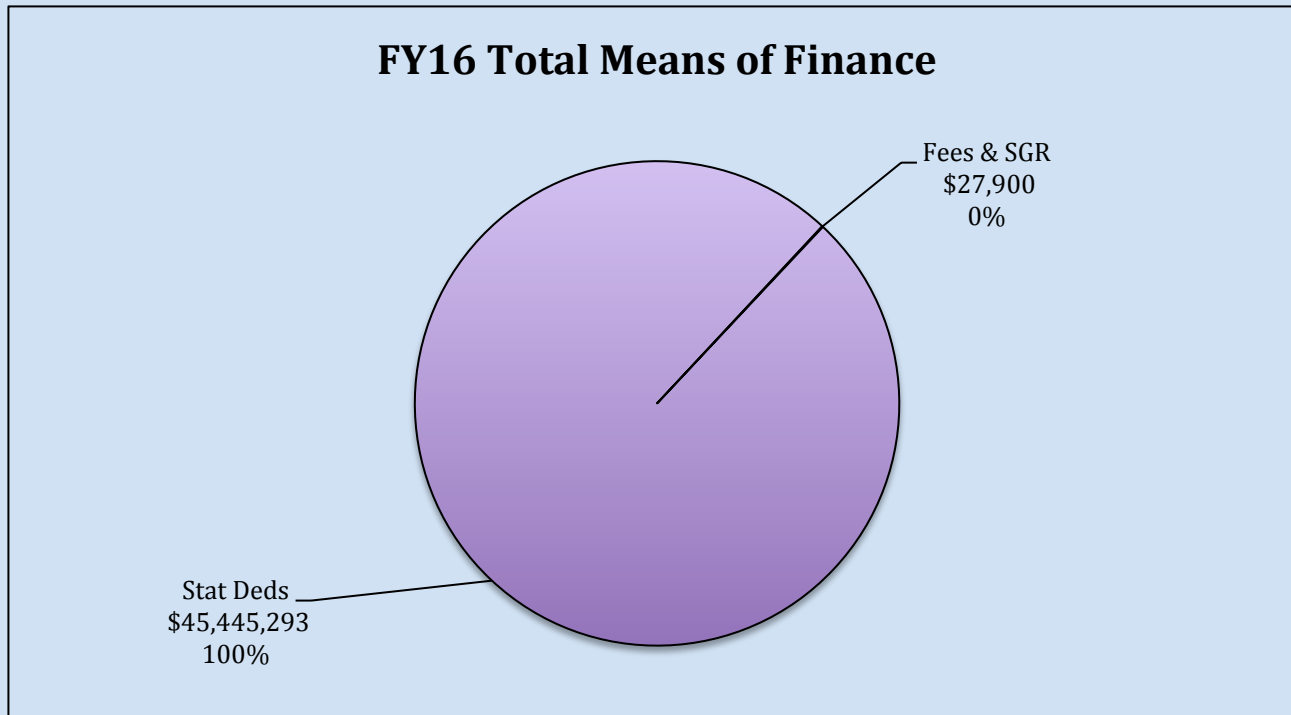
\$30 k. SD and (3) T.O. — Office of State Procurement

DOTD

07-273 Administration

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
DOTD - Admin	\$ 46,918,422	\$ 45,473,193	\$ (1,445,229)

Total Positions	190	163	(27)
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FY16 Non-Discretionary	FY16 Discretionary
\$2,184,334	\$43,288,859

DOTD

07-273 Administration

Significant FY16 Budget Issues in DOTD – Administration:

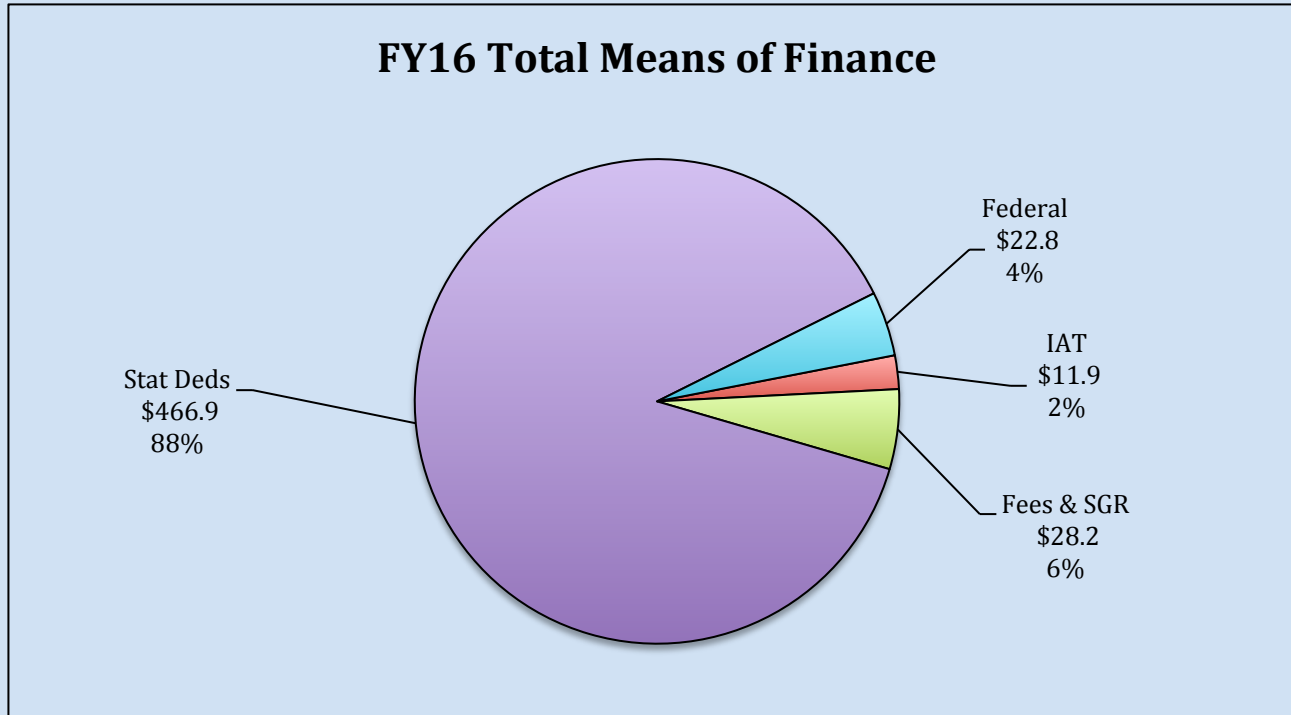
- Twelve (12) T.O. and associated funding of \$1.6 million is transferred from the Audit and Quality Control Section in the Office of Management and Finance to the Office of the Secretary to combine with the Quality and Continuous Improvement Program and Compliance Section. Zero net change for Administration.
- Twenty-six (26) T.O. and \$171 k. is reduced in the Office of Management and Finance to be transferred to the Office of State Human Capital.
- One (1) T.O. and \$30 k. is reduced in the Office of Management and Finance to be transferred to the Office of State Procurement.

DOTD

07-276 Engineering and Operations

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
DOTD - Eng & Ops	\$ 530,902,055	\$ 529,770,146	\$ (1,131,909)

Total Positions	4,051	4,042	(9)
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FY16 Non-Discretionary	FY16 Discretionary
\$28,957,281	\$500,812,865

DOTD

07-276 Engineering and Operations

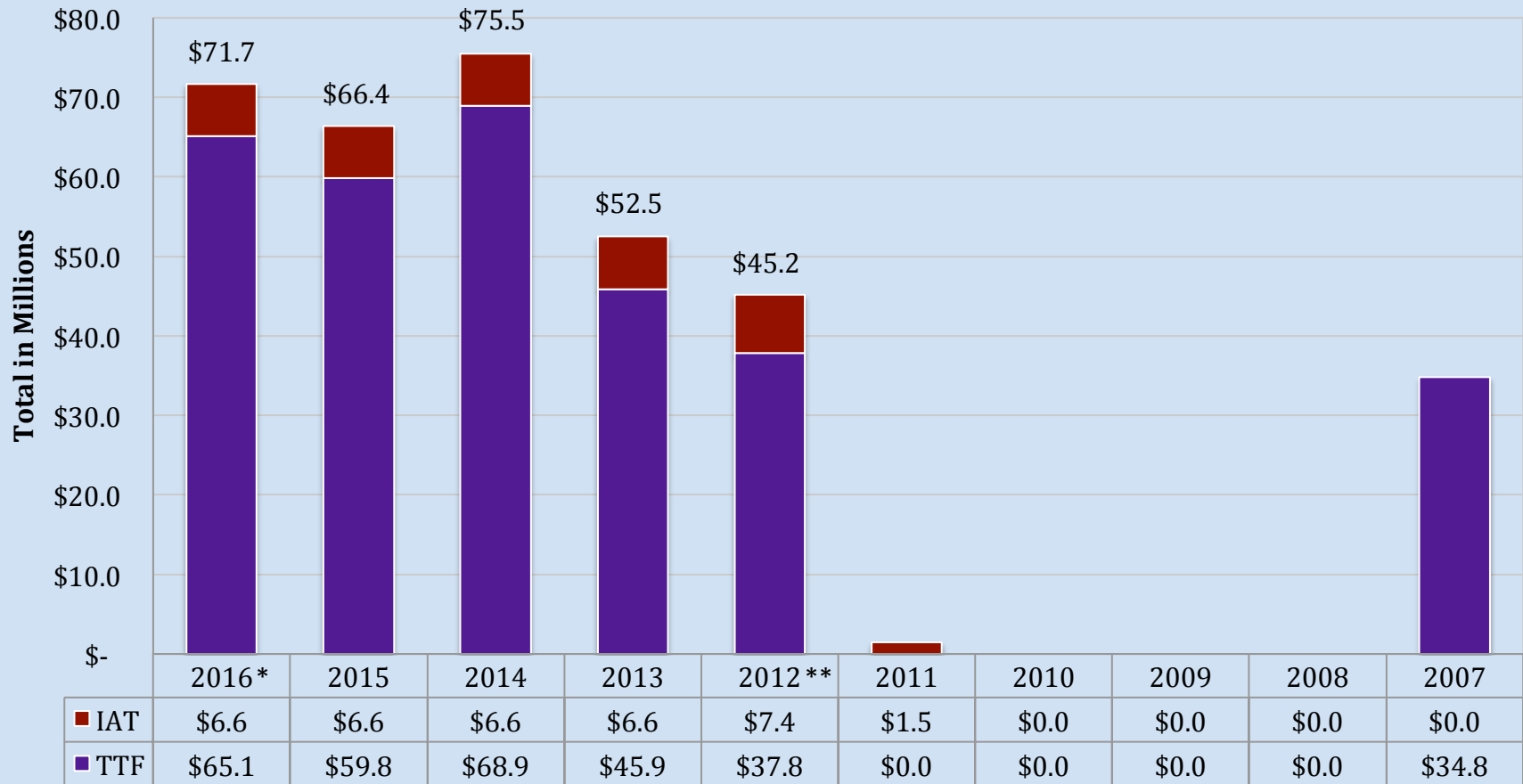
Significant FY16 Budget Issues in DOTD – Engineering and Operations:

- \$1.1 million SD — Provides for La. Equipment Acquisition Fund (LEAF) financing purchases of heavy equipment over a three-year period in the Operations Program. This replaces direct acquisitions of equipment from the TTF.
- \$369,808 SD — Annualization based on GEMS recommendations to replace contract engineers with in-house engineers and to establish a Quality Assurance and Quality Control team in the Engineering Program. Funding source is TTF-Regular.
- \$211 k. SD — MOF swap appropriating the remaining balance of the Geaux Pass Transition Fund (\$1.6 million) and reducing funding from the Crescent City Transition Fund (\$1.4 million) for lighting of approaches to the CCC Bridge, and lighting, maintenance, and improvements to the Westbank Expressway and its connections as provided for in Act 247 of the 2013 RS.
- (\$2.575 million) total — Reduction in the Operations Program tied to annualization of GEMS efficiencies savings for consolidation of business office functions at the district level (\$2 m.) and reduction of the construction equipment fleet (\$575 k.). Funding source is TTF-Regular.
- (\$700 k.) SD — Non-recurs funding from the Crescent City Transition Fund. A total of \$1.4 million had been available in prior years based on provisions of Act 247 of the 2013 RS. Of that total, \$700 k. was spent each year in FYs 14 and 15. This source is no longer available for FY16.
- (\$680.1 k.) SD — Non-recurs funding from the Geaux Pass Transition Fund. Act 247 of the 2013 RS provided that up to 30 percent of the balance of the Geaux Pass Transition Fund as of 6-30-14 would be appropriated to DOTD for the operations and maintenance of the New Orleans ferries. This funding was appropriated in FY15 and is not available for FY16.

FY16 DOTD

Use of Transportation Trust Fund in State Police by Fiscal Year

In \$ Millions



* 2016 is Recommended; 2015 is Existing Operating Budget. Other Fiscal Years are Actuals.

** Act 320 of 2010 authorized transfer of Weights and Standards police functions to State Police. DOTD interagency transfers TTF dollars to State Police for these duties. Transfers began in FY11.

Other Requirements

20-903 Parish Transportation Program

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	<i>Difference</i>
Parish Road	\$38,445,000	\$38,445,000	\$-
Mass Transit	\$4,955,000	\$4,955,000	\$-
Off-System Roads and Bridges	3,000,000	3,000,000	\$-
Total	\$46,400,000	\$46,400,000	\$-

FY16 Parish Transportation Program:

- For FY16 Recommended, the Parish Transportation Program is funded at a standstill level when compared with FY15 EOB.
- The source of funding for the program is all Transportation Trust Fund.
- The Parish Road Program is distributed to all 64 parishes on a per capita formula. Any funds in excess of the FY94 level (\$34 million) is distributed based on parish road mileage.
- The Mass Transit Program funds cities and parishes with mass transit systems. These include Alexandria, Baton Rouge, Lafayette, Lake Charles, Monroe, New Orleans, Jefferson Parish, Kenner, St. Bernard Parish, Shreveport, St. Tammany Parish, and Houma. Funding from this source is also used to provide local match to purchase buses.
- The Off-System Roads and Bridges Program provides money to match federal sources for maintenance and repair of qualifying off-system roads and bridges. This program is administered by DOTD.