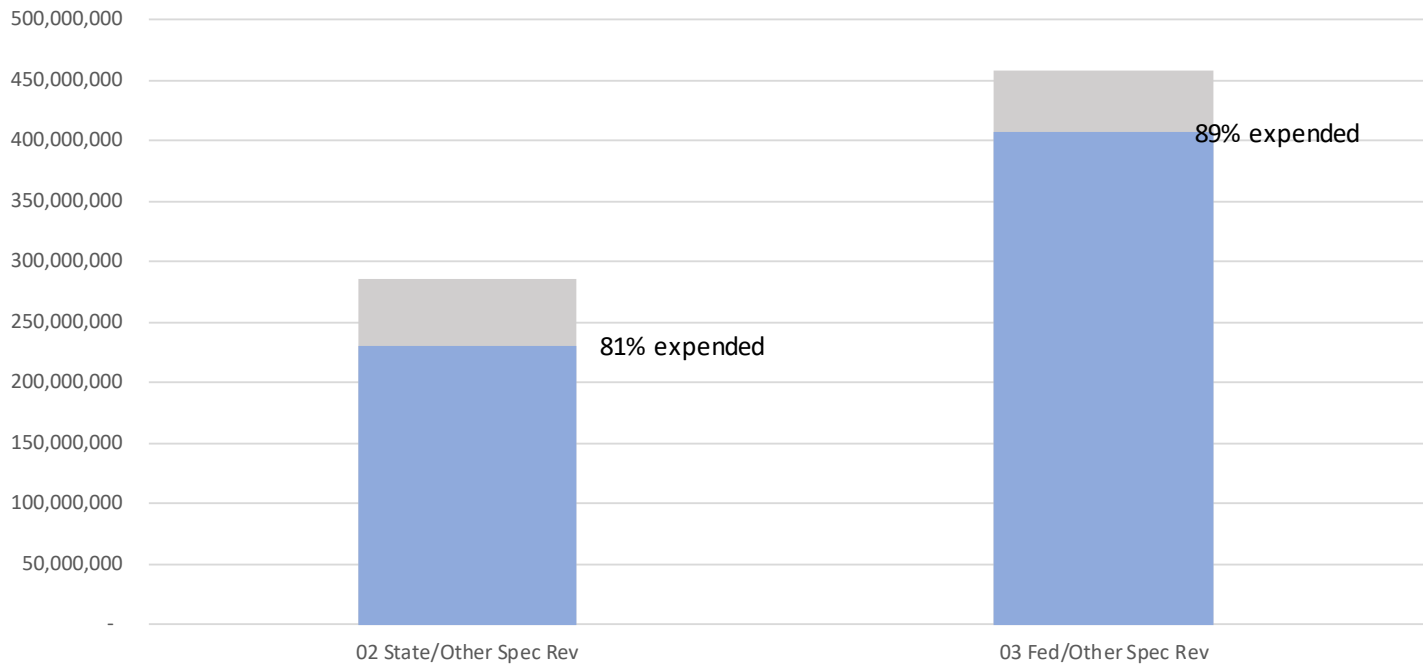


Department of Transportation has \$991,774,213 in total authority, \$743,785,342 (75%) is HB 2 authority
HB 2 Expenditures

86% of the agency's total HB2 budget was expended, **85%** is the 5 year average

Budgeted vs. Expended

by fund type



Expenditure Account	Budgeted	Expended	% Expended
Personal Services	168,770,253	159,699,882	95%
Operating Expenses	513,420,766	449,130,519	87%
Equipment & Intangible Assets	4,839,600	2,172,100	45%
Capital Outlay	19,448,776	6,388,342	33%
Grants	34,264,237	19,363,308	57%
Transfers-out	2,935,123	1,688,114	58%
Debt Service	106,588	-	0%
Agency Program	Budgeted	Expended	% Expended
01 General Operations Program	34,196,288	30,540,536	89%
02 Highways & Engineering	510,166,532	431,725,805	85%
03 Maintenance Program	141,579,757	132,153,253	93%
22 Motor Carrier Services	13,681,675	11,276,005	82%
40 Aeronautics Program	3,665,782	2,170,368	59%
50 Rail Transit & Planning	40,495,308	30,576,298	76%
Total	743,785,342	638,442,265	86%

Federal funds make up 61.2% of all funds appropriated to the Department of Transportation (MDT). With state special revenue comprising the remainder.

The expenditures in capital outlay appeared low for FY 2019. This account is primarily used to purchase right-of-way for upcoming construction projects. The department needs to have sufficient authority to purchase land for this purpose. Needs vary greatly dependent upon the construction mix in any given year, therefore having unexpended authority in this account is not unusual. Grants were 57% expended, the budget included funds for the CTEP program which expired in FY 2018.

Most agency programs spent at levels consistent with historical averages, however MDT's entire budget is biennial, which can lead to the appearance of unusually low spending during the second year of the budget cycle, especially in the smaller programs. All unused authority from the first year of the biennium is continued in the second year. The Aeronautics Program's HB 2 budget was 59% due to unused authority from incomplete projects that were budgeted in the first year of the biennium and not started. The Rail, Transit and Planning Division expended 76% of its budget which is lower than the historical average. This was in part due to the revegetation program being placed on hold as well as other planned projects being delayed.

HB 2 Modifications

Negative modifications vs. positive modifications, by program

The net budget modifications were \$0.

Agency Program	April Budget	FYE Modified Budget	Net Modifications
01 General Operations Program	34,196,288	34,196,288	-
02 Highways & Engineering	510,166,532	510,166,532	-
03 Maintenance Program	141,579,757	141,579,757	-
22 Motor Carrier Services	13,681,675	13,681,675	-
40 Aeronautics Program	3,665,782	3,665,782	-
50 Rail Transit & Planning	40,495,308	40,495,308	-
Expenditure Account	April Budget	FYE Modified Budget	Net Modifications
Personal Services	168,770,253	168,770,253	-
Operating Expenses	513,574,966	513,420,766	(154,200)
Equipment & Intangible Assets	4,839,600	4,839,600	-
Capital Outlay	19,448,776	19,448,776	-
Grants	34,150,037	34,264,237	114,200
Transfers-out	2,895,123	2,935,123	40,000
Debt Service	106,588	106,588	-
Fund Type	April Budget	FYE Modified Budget	Net Modifications
02 State/Other Spec Rev	295,664,828	285,231,216	(10,433,612)
03 Fed/Other Spec Rev	448,120,514	458,554,126	10,433,612
Total	743,785,342	743,785,342	-

There were few modifications to the budget since May, and most modifications were accounting adjustments used to meet fiscal year end funding needs and requirements. Overall, grants had a positive net modification of \$114,200, which included a transfer within the Aeronautics Program, and a transfer in the Rail Transit and Planning program of \$40,000 which was split between operating expenses and transfers-out. A net reduction of \$154,200 operating expenses in the Aeronautics Division was a result of a HB 661 change. The program needed to transfer authority to the correct account in order to make Pavement Preservation payments in FY 2019 rather than in FY 2020 as planned.

At the end of each fiscal year the department of transportation makes adjustment to its HB 2 appropriations between state special revenue and federal special revenue as allowed by language in HB 2. For FY 2019 these modifications transferred \$10.4 million of authority from state special funds to federal funds, which results in a greater use of federal funds.