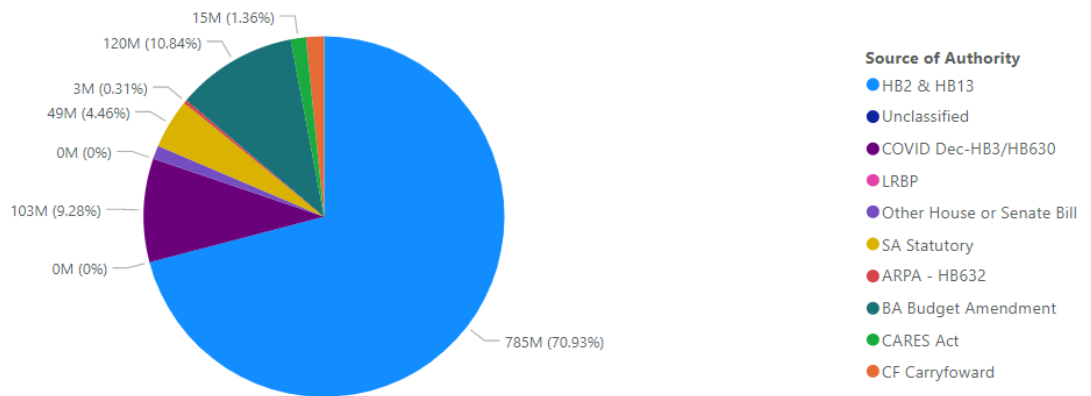


DEPARTMENT OF TRANSPORTATION

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 70.9% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

Total Modified Budget by Source of Authority



Source of Authority	FYE22 Modified Budget	FYE22 Expended Budget	Percent Expended	Report Period
HB2 & HB13	785,137,721	669,774,798	85.3%	<input checked="" type="checkbox"/> Jun
BA Budget Amendment	120,034,115			<input type="checkbox"/> Jul
CF Carryforward	17,850,374	1,019,841	5.7%	<input type="checkbox"/> Aug
LRBP	52,664	8,799	16.7%	<input type="checkbox"/> Sep
Other House or Senate Bill	13,306,794	3,371,579	25.3%	<input type="checkbox"/> Oct
SA Statutory	49,350,496	48,621,238	98.5%	<input type="checkbox"/> Nov
Unclassified	30,610			<input type="checkbox"/> Dec
CARES	15,048,852	3,906,337	26.0%	<input type="checkbox"/> Jan
CARES II	102,700,000	2,822,729	2.7%	<input type="checkbox"/> Feb
ARPA	3,377,738	846,784	25.1%	<input type="checkbox"/> Mar
Total	1,106,889,365	730,372,105	66.0%	<input type="checkbox"/> Apr

Budget Amendments

The Montana Department of Transportation (MDT) has \$120.0 million in budget authority derived from budget amendments and expended \$0.0 in FY 2022. A majority of budget amendment authority stems from continuing authority from federal re-distribution or “grab bag funds” that other states failed to utilize before their obligation limitation expired. The August redistribution

funds are obligated to specific projects and will be completed as scheduled in the Tentative Construction Plan (TCP).

Carryforward and/or Continuing Authority

The department has \$17.9 million in carryforward authority, of which \$1.0 million was expended on operating costs. Most of the carryforward authority is budgeted for operating costs in the construction, motor carrier services, and general operations programs.

Long Range Building Program

As shown in the chart above, MDT has \$52,664 of authority for an environmental assessment of the Yellowstone Airport terminal, of which \$8,799 was expended in FY 2022.

Other House or Senate Bill

The \$13.3 million in authority from other house and senate bills is comprised of HB 10 and HB 5 authority from current and past biennia. The \$3.4 million in expenditures in FY 2022 were for the federal billing system and maintenance improvements on buildings around the state.

Statutory

MDT used 98.5% of its \$49.4 million in statutory authority. The majority of this is fuel tax payments to counties, cities, and tribal governments.

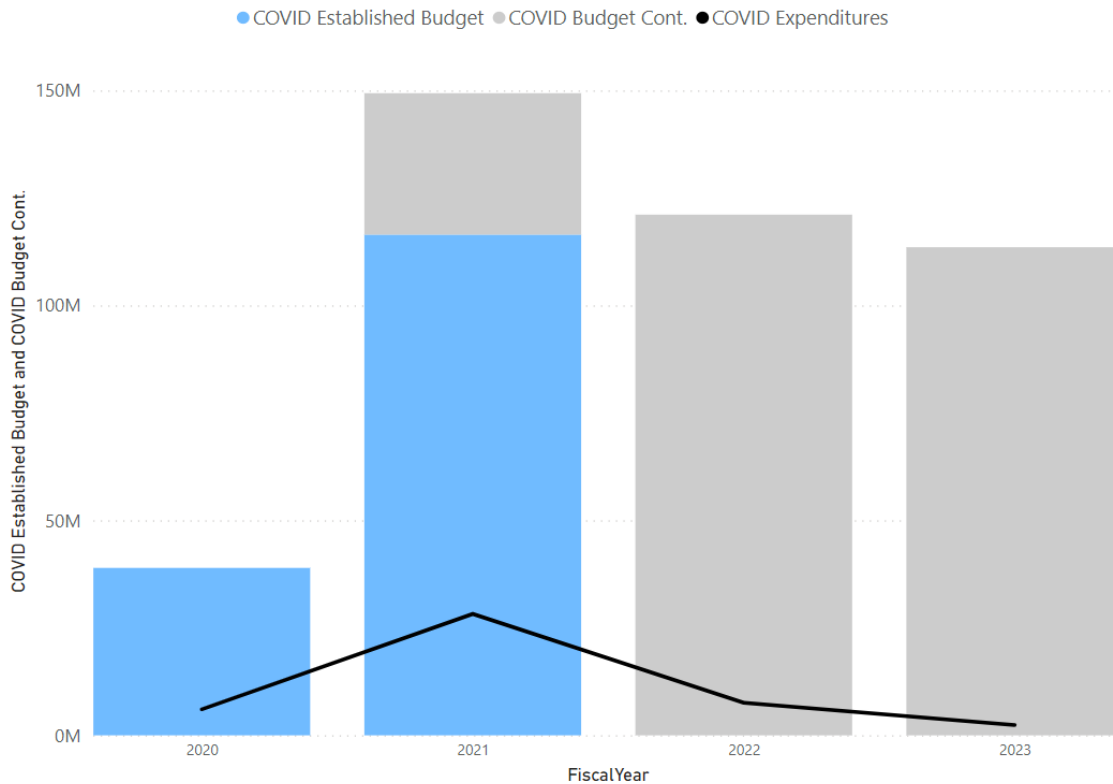
Unclassified

The department received \$30,610 in worker's compensation premium reductions in FY 2022.

COVID-19 Authority

The following chart is provided to allow the legislature to examine the funding that is available to the agency for COVID-19 impacts.

COVID Established Budget, COVID Continuing Budget, and COVID Expenditures by Fiscal Year



Coronavirus Aid, Relief, and Economic Security (CARES) Act I funding was split primarily between the aeronautics division and the transit program in the rail, transit, and planning (RTP) division. In FY 2022, MDT used \$3.9 million of this appropriation. The aeronautics division expended \$470,950 for operations and maintenance of two state-owned airports. RTP expended \$3.4 million, mostly on grants.

CARES Act II funding from HB 630 is split between the construction and maintenance programs and will be used primarily for contractor payments. Currently, \$2.8 million has been spent. However, \$23.3 million in maintenance contracts have been awarded and an additional \$12.2 million are in the process of being let. The construction program has awarded \$12.0 million of its \$52.7 million appropriation.

American Rescue Plan Act (ARPA) funding from HB 632 provides roughly \$600,000 to the aeronautics program for personal services and operating costs at state-owned airports, of which \$11,431 has been expended. The bill also provides \$2.8 million to the transit program for grants and administration costs. In FY 2022, RTP expended \$835,352 in ARPA funds on transit grants.

Statutory Appropriations

MDT expended nearly all of its statutory appropriations in FY 2022. MDT is responsible for the distribution of \$16.7 million in fuel taxes to city and county governments, in addition to \$21.5 million in Bridge and Road Safety Accountability Act (BARSAA) fuel taxes distributed under the same formula based on population, road mileage and area (counties only). Fuel taxes are also

distributed to tribal governments in the amount of \$5.8 million. Smaller statutory appropriations were primarily expended, with the exception of appropriations for shared use paths

HB 2 Budget Modifications

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the ending FYE modified budget. Net modifications to the budget include operating plan changes from one expenditure account to another, program transfers, reorganizations, and agency transfers of authority. The **positive modifications** and **negative modifications** are shown by program, expenditure account, and fund type.

Legislative Budget Compared to Modified Budget - HB 2 Only

Agency Name	June Modified Budget	FYE22 Modified Budget	Net Modifications
<input type="checkbox"/> Department of Transportation	785,137,721	785,137,721	0
AERONAUTICS PROGRAM	9,871,397	9,871,397	
GENERAL OPERATIONS PROGRAM	35,370,743	35,211,013	-159,730
HIGHWAYS & ENGINEERING	545,592,640	545,752,370	159,730
MAINTENANCE PROGRAM	143,603,010	143,603,010	
MOTOR CARRIER SERVICES	12,864,708	12,864,708	0
RAIL TRANSIT & PLANNING	37,835,223	37,835,223	0
Total	785,137,721	785,137,721	0

Acct & Lvl 1 DESC	June Modified Budget	FYE22 Modified Budget	Net Modifications
<input type="checkbox"/> 61000 Personal Services	173,349,918	173,434,518	84,600
<input type="checkbox"/> 62000 Operating Expenses	567,383,526	567,431,926	48,400
<input type="checkbox"/> 63000 Equipment & Intangible Assets	5,156,536	5,156,536	0
<input type="checkbox"/> 64000 Capital Outlay	12,956,865	12,956,865	
<input type="checkbox"/> 66000 Grants	24,337,940	24,172,940	-165,000
<input type="checkbox"/> 68000 Transfers-out	1,952,936	1,984,936	32,000

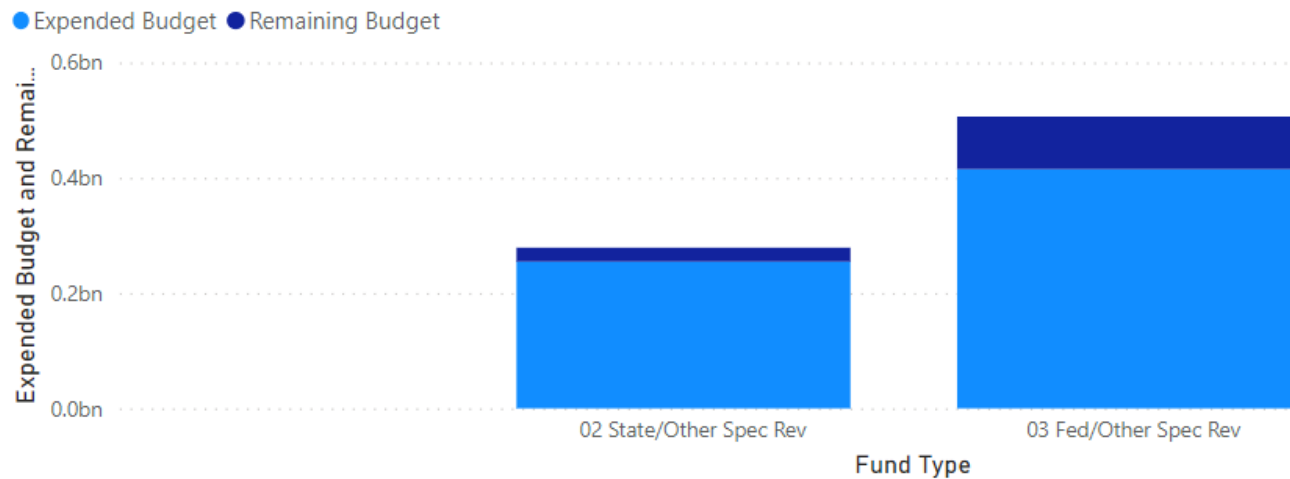
Fund Type	June Modified Budget	FYE22 Modified Budget	Net Modifications
<input type="checkbox"/> 02 State/Other Spec Rev	272,625,739	278,821,881	6,196,142
<input type="checkbox"/> 03 Fed/Other Spec Rev	512,511,982	506,315,841	-6,196,142

The department made several fiscal year-end modifications that net to \$0.0. A program transfer from general operations to highways and engineering corrected personal services amounts following a transfer of two positions between the programs. In the motor carrier services program, there was a transfer from operating costs to personal services to cover overtime worked by officers

making up for vacant positions. The rail, transit and planning program realigned the budget for its transit section by transferring funds from grants to operating costs. MDT has the ability to switch funds between state special and federal funds per HB 2 language: “The department may adjust appropriations between state special revenue and federal special revenue funds if the total state special revenue authority by program is not increased by more than 10% of the total appropriations established by the Legislature.”

HB 2 APPROPRIATION AUTHORITY

Expended Budget and Remaining Budget by Fund Type - HB 2 Only



acclv1_descr	Modified Budget	Expended Budget	Percent Expended
Personal Services	173,434,518	161,040,540	92.9%
Operating Expenses	567,431,926	482,474,910	85.0%
Equipment & Intangible Assets	5,156,536	2,243,410	43.5%
Capital Outlay	12,956,865	4,112,126	31.7%
Grants	24,172,940	18,150,069	75.1%
Transfers-out	1,984,936	1,753,745	88.4%

Program Name	Modified Budget	Expended Budget	Percent Expended
RAIL TRANSIT & PLANNING	37,835,223	33,135,479	87.6%
MOTOR CARRIER SERVICES	12,864,708	11,156,270	86.7%
MAINTENANCE PROGRAM	143,603,010	131,044,730	91.3%
HIGHWAYS & ENGINEERING	545,752,370	460,367,478	84.4%
GENERAL OPERATIONS PROGRAM	35,211,013	32,473,118	92.2%
AERONAUTICS PROGRAM	9,871,397	1,597,723	16.2%
Total	785,137,721	669,774,798	85.3%

MDT expended a total of 85.3% of its \$785.1 million in HB 2 authority in FY 2022. A lower level of expenditure in capital outlay is not unusual as this expenditure category fluctuates greatly from year to year based on right-of-way acquisition needs and costs.

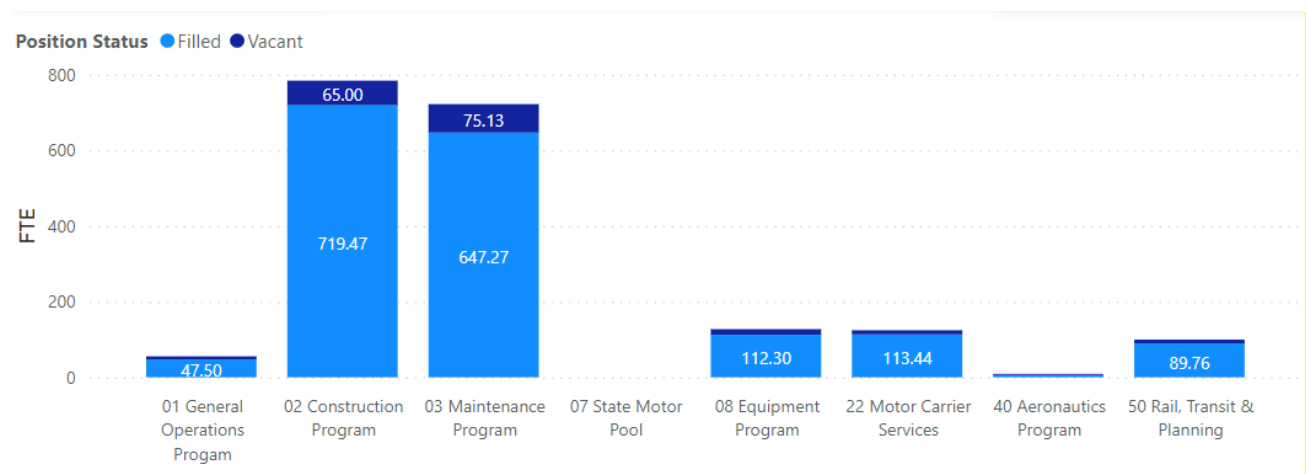
Most programs expended the majority of their HB 2 authority. The aeronautics program only expended 16.2% of its HB 2 authority. This lower expenditure is due in large part to the pandemic effects on air travel, stimulus funding to regional airports lowering the demand for grants, and the program receiving a large share of stimulus funding. This is also true with the rail, transit and planning program, in which the bulk of unspent authority is grant funding.

Personal Services

MDT expended 92.9% of its \$173.4 million personal services budget as of FYE 2022.

Vacancies

The following chart shows the filled and vacant FTE within the agency as of August 1, 2022.



MDT had 9.7% of its 1922.87 HB 2 FTE vacant as of August 1, 2022 including:

- 65.00 FTE within the construction program
- 75.13 FTE within the maintenance program
- 47.00 FTE as a combined total in the other six programs

Turn over

Since July 1, 2021, there have been 292 employees that have left the department including:

- 180 that left state employment
- 93 that retired
- 19 that transferred to another state agency

Utilization Rate

MDT utilized 93.2% of its HB 2 personal services hours. This is on track with the previous five years.

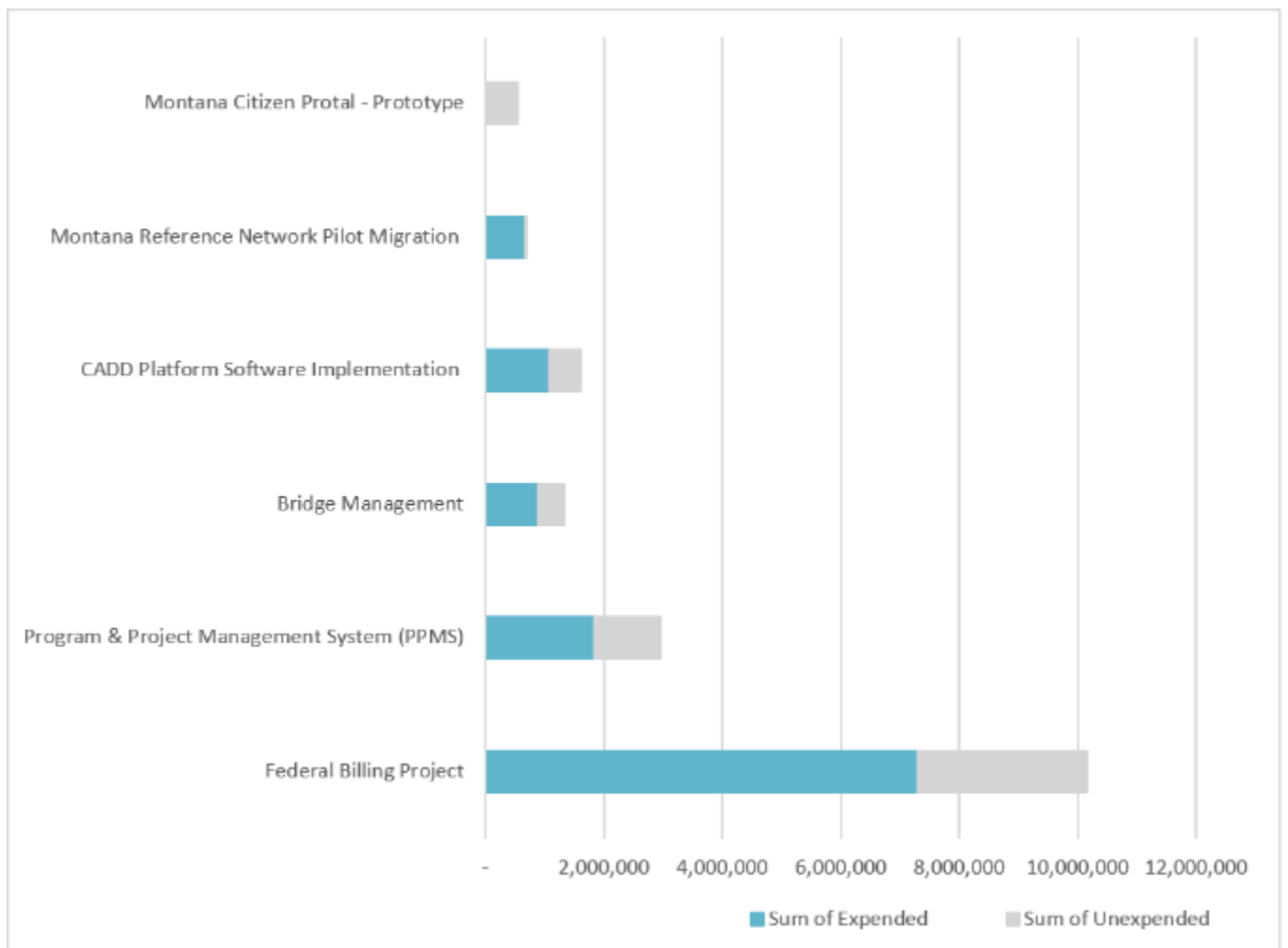
Pay Rate Changes

MDT made the following pay adjustments:

- 846 market adjustments totaling \$4.5 million
- 464 longevity adjustments totaling \$520,040
- 270 career ladder adjustments \$1.9 million
- 12 promotions totaling \$2,304
- 11 reclassifications totaling \$59,830
- 9 corrections of inaccurate pay totaling \$1,701

OTHER ISSUES

Information Technology Project Expenditures



Large Information Technology Projects Original and Revised Budgets				
Project	Original Budget	Revised Budget	Change from Original Budget	
Federal Billing Project	5,964,440	10,160,640	4,196,200	
Program & Project Management System (PPMS)	2,972,349	2,972,349	-	
Bridge Management	1,336,800	1,336,400	(400)	
CADD Platform Software Implementation	1,505,763	1,602,170	96,407	
Montana Reference Network Pilot Migration	912,989	670,000	(242,989)	
Montana Citizen Portal - Prototype	542,261	542,261	-	

Large Information Technology Projects Original and Revised Delivery Date					
Project	Start Date	Original Delivery Date	Revised Delivery Date	Change from Original Delivery Date	
Federal Billing Project	10/1/2019	8/2/2021	9/30/2022	63.2%	
Program & Project Management System (PPMS)	6/24/2019	9/7/2021	7/26/2023	85.2%	
Bridge Management	4/29/2021	9/1/2022	N/A	0.0%	
CADD Platform Software Implementation	8/2/2021	9/2/2022	10/31/2022	14.9%	
Montana Reference Network Pilot Migration	2/28/2022	3/11/2022	N/A	0.0%	
Montana Citizen Portal - Prototype	7/1/2022	12/30/2022	N/A	0.0%	

The Federal Billing Project was originally planned to satisfy billing requirements of the Federal Highway Administration (FHWA). However, the project was re-scoped when it was discovered that in order to make the project costing module effective the system needed to become an enterprise and human resource solution to capture all costs.

The Program and Project Management System (PPMS) will create and manage all parts of the project management and nomination process for the FHWA.

Bridge Management –The BrM (Bridge Structure Management System) is used to track and report system-wide conditions and perform analysis that supports bridge funding decisions. The project is on track to be completed in FY 2023.

CADD –The Computer Assisted Design and Drafting System (CADD) is a platform software tool that uses 3D modeling and data intelligence to create high-quality, high-performing infrastructure designs with conceptual and detailed design tools, integrated analysis, visualization, and simulation. The project is on track to be completed on 9/2/2022.

Montana Reference Network Pilot Migration - The Montana Real-Time Network (MTRN) Project that began in January 2021 is an initiative to conclude the pilot and implement a full statewide network of global positioning system (GPS) stations across the State of Montana to collect, process and use global positioning data in real-time.

Montana Citizen Portal Prototype - The State of Montana has multiple places citizens must navigate online to access government services. Additionally, citizens must know the destination site/webpage/form before beginning to find what they are seeking. State agencies, including MDT, Department of Corrections, and Department of Administration/Statewide Information Technology Services Division hope to implement a Citizen Portal through ServiceNow to provide “no wrong door” for customers to engage with government services online by focusing on the digital customer

experience. This is a prototype project, to prove the Citizen Portal vision for a one-stop, shop anytime, anywhere solution.

Update on Decision Packages Approved by the 2021 Legislature

DP 201 - Software Licensing, Maintenance, & Implementation –The legislature adopted an adjustment of \$1,176,520 in FY 2022 and \$525,548 in FY 2023 of state and federal special revenue funds for multiple software implementations in the engineering division.

To date, several programs have been licensed and/or upgraded with this additional appropriation, including computer-aided design and drafting (CADD), AASHTOware bridge management system (BRM), bridge design (BRD), and Numetrics.

DP 202 - NBI Bridge Inspection Program – The legislature adopted an increase of \$646,196 in FY 2022 and \$620,033 in FY 2023 in state and federal special revenue funds and 7.00 FTE for the bridge inspection program in order to meet National Bridge Inspection (NBI) Standards.

Three positions have been filled with the remainder in recruiting/hiring process. The most recent job posting that closed on 5/13/22 included multiple positions.

- New Update: Five of the seven positions have been filled, with the remaining two in the recruiting/hiring process

DP 203 - Bridge Load Rating & Overweight Permit Analysis – The legislature adopted an increase of \$319,182 in FY 2022 and \$308,147 in FY 2023 in state and federal special revenue funds and 3.00 FTE to enable the department to maintain compliance with NBI performance metrics and to respond to the commercial vehicle permit demands by adding adequate staff to complete load rating and overweight vehicle analysis for more than 4,500 publicly owned bridges statewide.

Classification for the new FTE was completed on 5/7/2022. The positions are currently in recruiting process.

- New Update: One position has been filled, and the two other positions are in the recruiting/hiring process

DP 204 - Construction Bridge Reviewer FTEs – The legislature adopted an increase of \$206,966 in FY 2022 and \$199,504 in FY 2023 in state and federal special revenue funds and 2.00 FTE to provide construction oversight, direct training, and support of MDT's bridge construction program.

Both positions were filled in August 2021.

DP 205 - Partnering Program -The legislature adopted an appropriation of \$206,400 in FY 2022 and \$198,944 in FY 2023 in state and federal special revenue and 2.00 FTE to develop and support MDT's future partnering program. There are about 150 projects in a year that will have either Level 1 partnering facilitation or Level 2 partnering facilitation.

Both positions were filled in March 2022.

DP 206 - Utility Permitting Administration System (UPAS) – The legislature adopted an appropriation of \$147,314 in FY 2022 and \$141,611 in FY 2023 in state special revenue and 2.00

FTE. This will support a new electronic permitting system. The electronic permitting module will allow utility owners to apply for and receive an approval within three days, compared to two to four weeks with the paper process. This as-built requirement will allow MDT to manage utilities' locations within the state's right-of-way.

Both positions were filled in August and September 2021.

DP 207 - Unmanned Aerial System (UAS) Program – The legislature adopted an appropriation of \$313,104 in FY 2022 and \$301,920 in FY 2023 in state and federal special revenue funds to provide 3.00 FTE and funding for MDT's future UAS Program.

This is a new program within the department. These new positions are currently in the development process and will be posted upon completion.

- New Update: One position moved to the maintenance program, one position has been filled, and the final position is in the hiring process

DP 208 - Consultant Design (RST/OTO) – The legislature adopted a one-time-only and restricted increase of \$10.3 million in FY 2022 and in FY 2023 in state and federal special revenue funds to the construction program to support consultant design. Due to the increasing use of consultants used for design-related issues, loss of FTE, or specialization of contracts/work, additional funding was needed. This budget category has experienced shortfalls in recent fiscal years and may continue to do so without an ongoing funding solution.

The additional \$10.3 million in appropriation authority for FY 2023 has been expended in full.

DP 210 - Broadband Infrastructure Deployment – The legislature adopted an appropriation of \$100,985 in FY 2022 and \$97,255 in FY 2023 in state and federal special revenue funds and 1.00 FTE to support compliance with the federal MOBILE NOW Act. This requires State DOT's to have a broadband utility coordinator responsible for facilitating infrastructure right-of-way (ROW) efforts. This FTE will assist with establishing a registration process for broadband infrastructure and work with broadband infrastructure entities regarding installation of broadband utilities in the right-of-way applicable federal-aid highway projects.

This position was filled in January 2022.

DP 303 - Wolf Point Maintenance Division FTE - The legislature adopted an increase of \$59,003 in FY 2022 and \$59,040 in FY 2023 in state special revenue to fund a permanent 1.00 FTE in the Culbertson section to help maintain additional secondary roads that were reconstructed.

This position was filled in May 2022.

DP 18001 - O&M for new facilities - The legislature adopted an appropriation for operations and maintenance costs for the Terry 3-Bay (no office), White Sulphur 8-Bay, Phillipsburg 5-Bay, Custer 5-Bay (with office), Havre Welding Shop, Billings Welding Shop/Tow Plow Storage, and Harlem 6-Bay projects. The total operations and maintenance costs are \$33,962 for FY 2022 and FY 2023.

The projects have been awarded to architectural firms through the Department of Administration's Architecture & Engineering Division, and the design process has begun.

DP 18002 - O&M for Lincoln Airport Storage Building

The legislature adopted an appropriation for operations and maintenance costs for the Lincoln Airport snow removal equipment storage building of \$500 state special funding and \$4,500 federal special funding in FY 2022 and FY 2023, pursuant to 17-7-210, MCA.

The Lincoln Airport snow removal equipment storage building was included in the final version of HB 5. At this time, construction on the building has not yet begun, but bids are anticipated to go out in FY 2023.

DP 5001 - FAST Act Reauthorization Adjustment - The legislature adopted an adjustment of \$167,372 in FY 2022 and \$328,775 in FY 2023 for an increase in federal and state special revenue to fund personal services, operating costs, and equipment costs for 2.00 FTE in FY 2022 and 4.00 FTE in FY 2023 due to more extensive statutory requirements for transportation planning and programming under the next federal surface transportation law.

One position was hired with a start date set for the beginning of June 2022. The second position is in the process of being posted.

- New Update: Both positions authorized for FY2022 have been filled. For the additional two positions authorized for FY2023, one position is in the process of being filled, and the second position is currently posted with an anticipated start date of September 2022

DP 5002 - Environmental Science Specialist FTE - The legislature adopted an increase of \$95,285 in FY 2022 and \$92,153 in FY 2023 for 1.00 FTE for the environmental services bureau of the rail, transit, & planning division.

This position was filled in March 2022.