

**Department of Transportation - 5% Plan**

5% Base Budget Reduction Form

[17-7-111-3\(f\)](#)

5% Base Budget Reduction Form

**AGENCY CODE & NAME:**

54010 - Department of Transportation

**Form A**

		Minimum Requirement	
		General Fund	State Special Revenue Fund
<b>TARGETED REDUCTION TO EQUAL 5% OF CURRENT BASE BUDGET</b>			\$ 100,000
Priority	SERVICE(S) TO BE ELIMINATED OR REDUCED	General Fund Annual Savings	State Special Revenue Annual Savings
1	Grants to Garfield County based on requirements within 17-7-111(3)(f),MCA, however this was all paid in FY2018 and is not within MDT's FY 2019 starting point to reduce.		\$ -
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
<b>TOTAL SAVINGS</b>		\$ -	\$ -
<b>DIFFERENCE</b>			<b>0 100000</b>

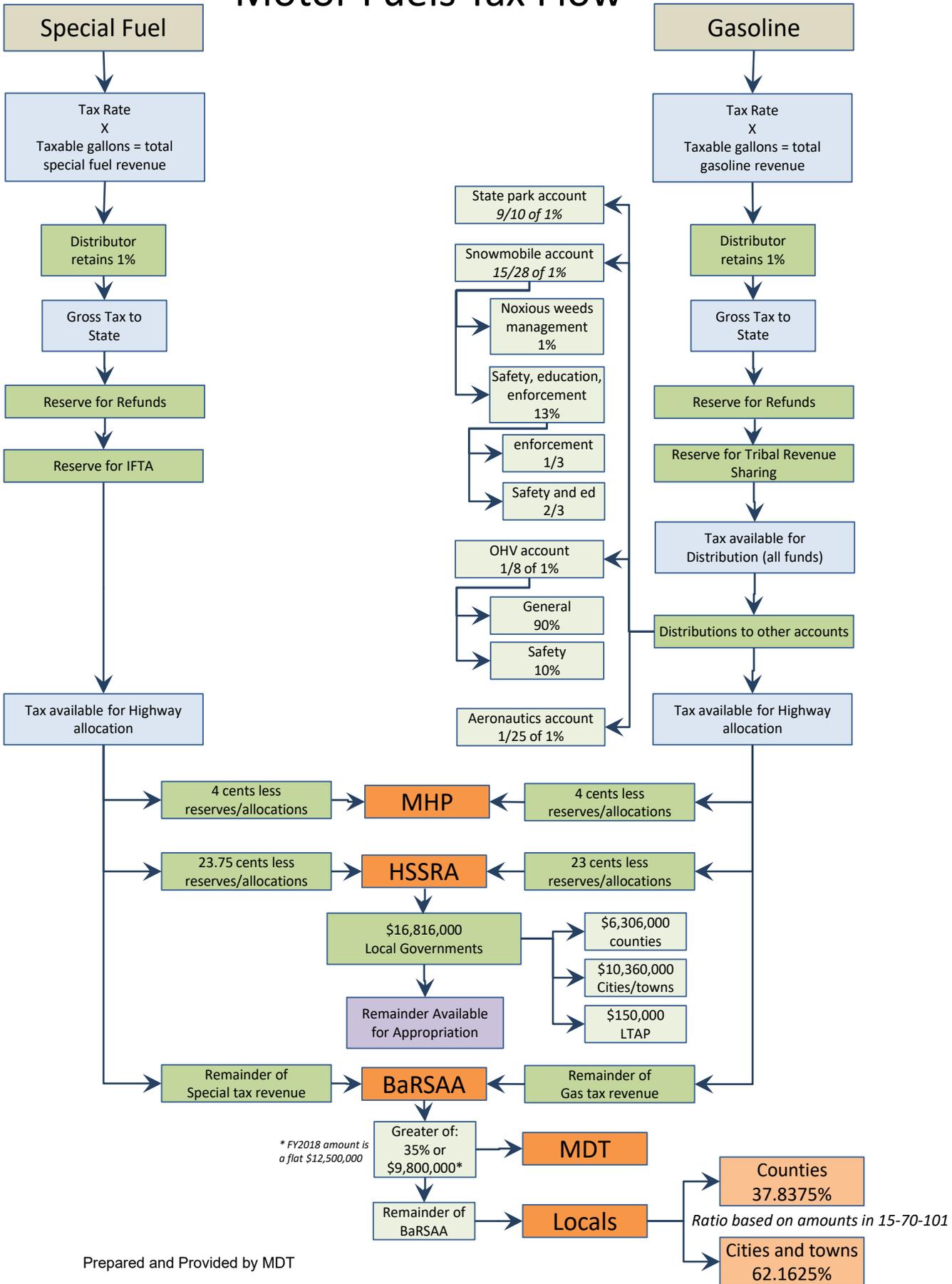
**Form B**

Following 17-7-111-3(f), it states

"Exempt from the calculations of the 5% target amounts are legislative audit costs, administratively attached entities that hire their own staff under 2-15-121, and state special revenue accounts that do not transfer their investment earnings or fund balances to the general fund." ***The 02411 fund is a state parks fund, all of MDT's state special revenue funds did retain their own interest and are exempt.***

- #1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**  
MDT's 5% reduction plan will be a reduction in fund 02411. This \$2 million dollar change package was the
- #2 THE SAVINGS THAT ARE EXPECTED:**  
\$100,000 based on requirements within 17-7-111(3)(f),MCA, however this was all paid in FY2018 and is not
- #3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**  
There is no impact as the fund, sub-class, and appropriation no longer exists.
- #4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**  
There is no impact as the fund, sub-class, and appropriation no longer exists.
- #5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**  
no

# Motor Fuels Tax Flow



**2021 Biennium Projected Working Capital Balances  
MDT Major State Special Revenue Accounts**

Item	HSSRA - Non-Rest.					HSSRA - Restricted					BaRSAA - Restricted					All Major Funds
	2018A	2019	2020	2021	Total 2021 Bien.	2018A	2019	2020	2021	Total 2021 Bien.	2018A	2019	2020	2021	Total 2021 Bien.	Total 2021 Bien.
Biennium Beginning Balance	\$1,219,113	\$2,749,556				\$45,857,574	\$59,490,713				\$0	\$9,244,932				
Working Capital Adjustment						21,979					0					
Beginning Balance	1,219,113	2,749,556	759,033	(951,237)	759,033	45,879,553	59,490,713	65,833,189	61,071,908	65,833,189	0	9,244,932	2,394,760	241,882	2,394,760	68,986,983
Revenues <sup>1</sup>																
Gasoline Tax					0	100,754,044	99,149,415	99,837,711	99,991,925	199,829,636					0	199,829,636
Diesel Tax					0	64,344,118	61,895,363	63,325,355	64,411,797	127,737,152					0	127,737,152
BaRSAA Fuel Tax										0	12,500,000	9,800,000	10,647,122	10,686,318	21,333,440	21,333,440
Gross Vehicle Weight Fees (GVW)	8,195,233	7,886,280	7,849,410	7,812,540	15,661,950	27,024,671	26,061,301	25,939,460	25,817,619	51,757,079					0	67,419,029
Federal Indirect Cost Recovery					0	44,841,240	49,197,021	43,281,650	44,145,357	87,427,007					0	87,427,007
Other Revenues	280,464	190,472	189,644	190,441	380,085	5,362,068	5,388,879	5,415,823	5,442,902	10,858,725	45,160				0	11,238,810
Total Revenue	8,475,697	8,076,752	8,039,054	8,002,981	16,042,035	242,326,142	241,691,979	237,799,999	239,809,599	477,609,599	12,545,160	9,800,000	10,647,122	10,686,318	21,333,440	514,985,074
HB 2																
Department of Transportation (MDT)																
General Operations Program	14				0	27,914,492	30,186,089	31,625,760	31,416,803	63,042,563					0	63,042,563
Construction Program	30,374	145,000	145,000	145,000	290,000	56,075,655	71,434,978	60,482,117	60,540,295	121,022,412	2,963,471	9,800,000	12,800,000	12,800,000	25,600,000	146,912,412
Maintenance Program	0	0	7,602,163	7,602,163	15,204,326	117,394,502	128,172,685	124,827,555	125,010,020	249,837,575					0	265,041,901
Motor Carrier Services	44,126	44,528	44,528	44,528	89,056	6,868,574	7,838,329	8,115,674	8,111,167	16,226,841					0	16,315,897
Rail, Transit, & Planning Program	1,588,891	1,313,620	1,316,175	1,316,142	2,632,317	3,722,919	4,658,971	4,810,175	4,968,463	9,778,638					0	12,410,955
All MDT Carry Forward Authority	176,952				0	3,376,169	4,713,353			0					0	0
Non-Budgeted Authority	776,694	250,000	250,000	250,000	500,000	9,292,685				0	336,757				0	500,000
Special Session Transfers in FY 2019		8,000,000			0					0					0	0
Continued Authority		388,554			0		31,697,406			0		12,609,132			0	0
Spending Adjustment (MDT Planning) <sup>2</sup>		(465,885)			0		(51,519,351)			0		(5,758,961)			0	0
Total MDT HB 2	2,617,052	9,675,817	9,357,866	9,357,833	18,715,699	224,644,996	227,182,460	229,861,281	230,046,748	459,908,029	3,300,228	16,650,171	12,800,000	12,800,000	25,600,000	504,223,728
Department of Justice (DOJ)																
Highway Patrol					0	245,788				0					0	0
Justice Information Technology	67,887	7	7	7	14	3,156				0					0	14
Criminal Investigation (MLEA)	177,117	83	83	83	166					0					0	166
Forensic Services Division	378,973	391,336	391,336	391,336	782,672					0					0	782,672
Motor Vehicle Division	3,504,065	0	0	0	0	252,793				0					0	0
Central Services	200,160	32	32	32	64					0					0	64
Total Department of Justice HB 2	4,328,202	391,458	391,458	391,458	782,916	501,736	0	0	0	0	0	0	0	0	0	782,916
Capital Budgets																
HB 5 and HB 10 (Long-Range) MDT						1,294,655	6,156,419	7,000,000		7,000,000					0	7,000,000
HB 5 Projects - Long-Range Building						2,273,596	2,010,623	5,700,000	0	5,700,000					0	5,700,000
Total MDT Capital Budgets (HB5, HB 10)	0	0	0	0	0	3,568,250	8,167,042	12,700,000	0	12,700,000	0	0	0	0	0	12,700,000
Total Expenditures / Appropriations	6,945,254	10,067,275	9,749,324	9,749,291	19,498,615	228,714,983	235,349,502	242,561,281	230,046,748	472,608,029	3,300,228	16,650,171	12,800,000	12,800,000	25,600,000	517,706,644
Revenue less Expenditures / Appropriations	1,530,443	(1,990,523)	(1,710,270)	(1,746,310)	(3,456,580)	13,611,160	6,342,477	(4,761,282)	9,762,851	5,001,570	9,244,932	(6,850,171)	(2,152,878)	(2,113,682)	(4,266,560)	(2,721,570)
Actual / Projected Ending Balance	\$2,749,556	\$759,033	(\$951,237)	(\$2,697,547)	(\$2,697,547)	\$59,490,713	\$65,833,189	\$61,071,908	\$70,834,759	\$70,834,759	\$9,244,932	\$2,394,760	\$241,882	(\$1,871,800)	(\$1,871,800)	\$66,265,412

<sup>1</sup> Revenues based HJ 2 projections. Other revenues and federal indirect cost recovery are projected by MDT.

<sup>2</sup> FY 2019 authority is adjusted for planned spending by MDT.

## CONSTRUCTION PROGRAM - DECEMBER 15 CHANGES

Construction Program Funding Table-Revised:

Department of Transportation, 02-Construction Program Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non- Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0	0.00 %
02349 Highway Non- Restricted Account	290,000	0	0	0	290,000	0.20 %
02422 Highways Special Revenue	121,022,412	0	0	0	121,022,412	82.21 %
02447 BaRSAA MDT Fuel Tax	25,600,000	0	0	0	25,600,000	17.39 %
02437 Local Gvt/LTAP	0	0	0	300,000	300,000	0.20 %
<b>State Special Total</b>	<b>\$146,912,412</b>	<b>\$0</b>	<b>\$0</b>	<b>\$300,000</b>	<b>\$147,212,412</b>	<b>15.73 %</b>
03407 Highway Trust - Sp Rev	769,337,953	0	0	19,335,900	788,673,853	100.00 %
<b>Federal Special Total</b>	<b>\$769,337,953</b>	<b>\$0</b>	<b>\$0</b>	<b>\$19,335,900</b>	<b>\$788,673,853</b>	<b>84.27 %</b>
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Total All Funds</b>	<b>\$916,250,365</b>	<b>\$0</b>	<b>\$0</b>	<b>\$19,635,900</b>	<b>\$935,886,265</b>	

### DP 207-Bridge and Road Fund Switch – BaRSAA

The executive requests a fund switch of \$12,800,000 in FY 2020 and \$12,800,000 in FY 2021 of state special revenue in the restricted highway state special revenue account (HSSRA) to the restricted bridge and road safety and accountability account (BaRSAA) to adjust the contractor payments funding model for BaRSAA-selected projects.

#### LFD COMMENT

During the 2017 Legislature, HB 473 created the Bridge and Road Safety and Accountability Restricted Account (BaRSAA) to provide state matching funds through the fuels tax increases to available federal dollars for bridge and road construction projects. When the new tax revenue was appropriated in HB 473, the legislature and the public were aware of the amount of new funding available for highway projects. To ensure accountability, the legislation required that all highway projects where the state match is provided through BaRSAA be accounted for on a website. The website has been developed and information on the MDT BaRSAA projects is found at:

<https://app.mdt.mt.gov/barsaa/agency/project/list> (Select MDT from the "Submitting Agency" filter)

DP 207 would provide the appropriation of BaRSAA funds as a funding switch within the base budget appropriation. As a result, the proposal makes the appropriation and its corresponding federal appropriation less visible. Ultimately, the legislature in its entirety would not be aware of how much of the BaRSAA funding is either expected or required to be tracked.

The Section C Subcommittee could consider separating the appropriation from the base and placing the appropriation in a separate line. While such a change makes the Construction Program budget more complex, it would provide greater certainty to the legislature and the public of the level of funding expected through the BaRSAA fuel tax increase.

# MAINTENANCE PROGRAM - DECEMBER 15 CHANGES

Maintenance Program Funding Table-Revised:

Department of Transportation, 03-Maintenance Program Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non- Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0	0.00 %	
02349 Highway Non- Restricted Account	15,204,326	0	0	0	15,204,326	5.73 %	
02422 Highways Special Revenue	249,837,575	0	0	0	249,837,575	94.22 %	
02121 Shared-Use Path	0	0	0	114,062	114,062	0.04 %	
<b>State Special Total</b>	<b>\$265,041,901</b>	<b>\$0</b>	<b>\$0</b>	<b>\$114,062</b>	<b>\$265,155,963</b>	<b>94.21 %</b>	
03407 Highway Trust - Sp Rev	16,303,480	0	0	0	16,303,480	100.00 %	
<b>Federal Special Total</b>	<b>\$16,303,480</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,303,480</b>	<b>5.79 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$281,345,381</b>	<b>\$0</b>	<b>\$0</b>	<b>\$114,062</b>	<b>\$281,459,443</b>		

Maintenance Program Present Law Adjustments Table:

Present Law Adjustments	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	1,257,778	12,664	1,270,442	0.00	0	1,255,541	12,649	1,268,190
DP 2 - Fixed Costs	0.00	0	20,169	0	20,169	0.00	0	20,169	0	20,169
DP 3 - Inflation Deflation	0.00	0	1,155	128	1,283	0.00	0	1,434	159	1,593
DP 301 - Maintenance Program Fund Switch	0.00	0	0	0	0	0.00	0	0	0	0
DP 306 - Secondary Roads	0.00	0	0	0	0	0.00	0	105,214	0	105,214
DP 307 - Restore Winter Maintenance	0.00	0	2,000,000	0	2,000,000	0.00	0	2,000,000	0	2,000,000
DP 308 - Rest Area Contracts	0.00	0	204,488	0	204,488	0.00	0	260,309	0	260,309
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$3,483,590</b>	<b>\$12,792</b>	<b>\$3,496,382</b>	<b>0.00</b>	<b>\$0</b>	<b>\$3,642,667</b>	<b>\$12,808</b>	<b>\$3,655,475</b>

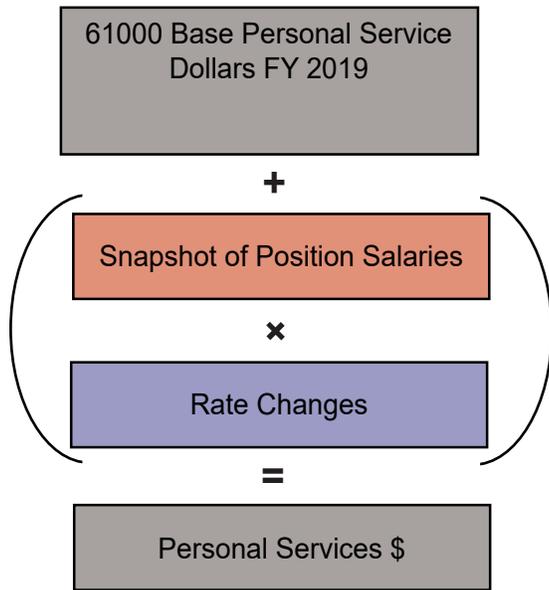
\*\*\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

## PL 301 Maintenance Program Fund Switch

The 2017 Special Session authorized a cash transfer from the Highway Non-Restricted Account (02349) to the general fund. To accommodate this transfer, MDT adjusted funding levels in the Maintenance Program by transferring appropriation authority from the Highway non-Restricted Account to the Highways State Special Revenue Account (02422) in the amount of \$7,602,163. The Maintenance Program base budget starting point for the 2021 Biennium reflects funding change. This request would restore the funding mix for the Maintenance Program to the pre-special Session levels by transferring \$7,602,163 per year in budget authority from the Highways State Special Revenue Account (02422) to the Highway non-Restricted Account (02349).

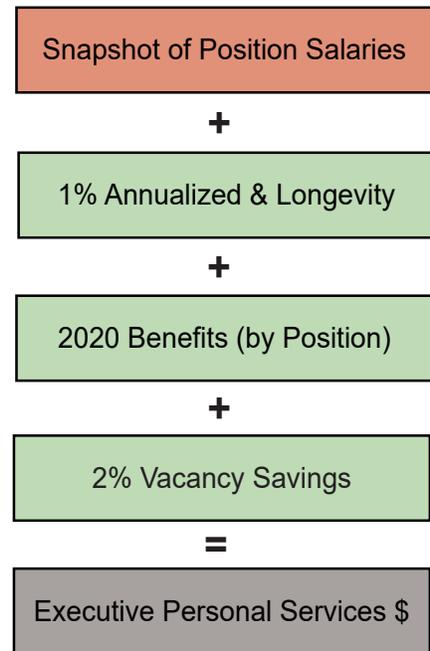
# 2021 Biennium Personal Services Comparison

## Expected PS Calculations



Personal Services  
- 61000 FY 2019 Personal Services Base  
= Compare to DP1

## Executive



Executive Personal Services  
- 61000 FY 2019 Personal Services Base  
= DP1 Statewide Present Law Adjustment

## Expected Personal Services Calculation Details

(Base 61000 Amount plus Expected-Benefit-Changes-Amount)

