

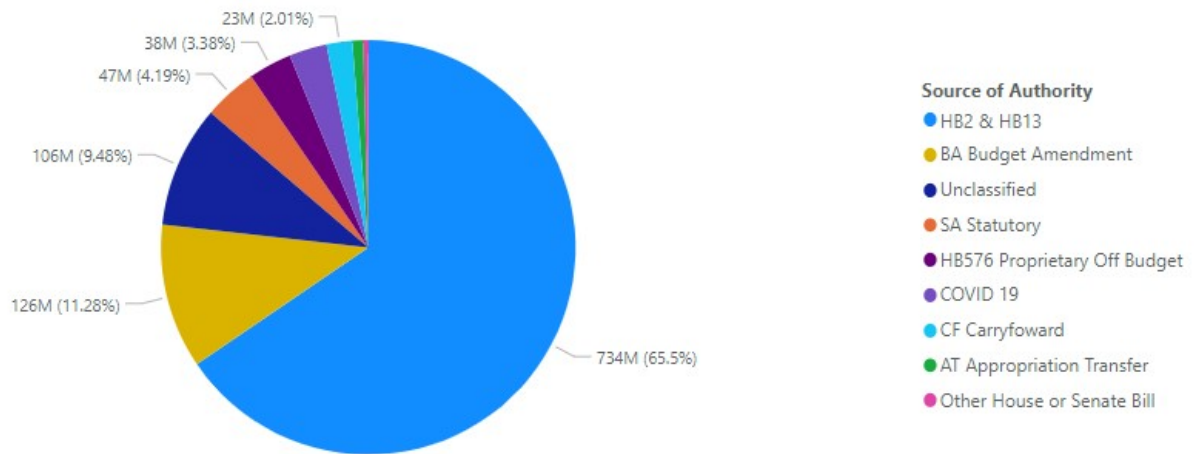
# DEPARTMENT OF TRANSPORTATION

## TOTAL APPROPRIATION AUTHORITY

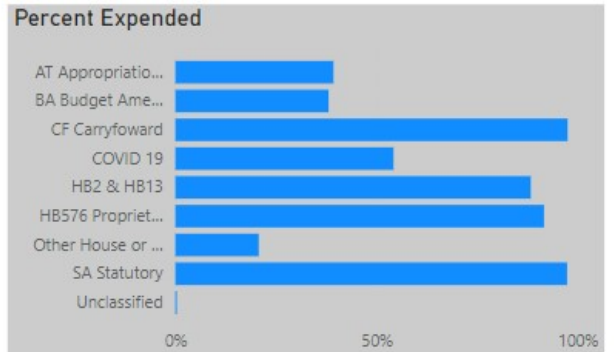
The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 65.5% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

Department of Transportation

Total Appropriation Authority



Fiscal Year	2021			
LFD_src_auth_descr	Budget	FYE Expended	Percent Expended	
AT Appropriation Transfer	9,438,146	3,710,669	39.3%	
BA Budget Amendment	126,374,922	48,152,575	38.1%	
CF Carryforward	22,539,074	21,986,542	97.5%	
COVID 19	32,894,195	17,845,343	54.3%	
HB2 & HB13	734,120,275	648,896,878	88.4%	
HB576 Proprietary Off Budget	37,831,117	34,684,840	91.7%	
Other House or Senate Bill	4,389,523	909,806	20.7%	
SA Statutory	46,971,684	45,761,701	97.4%	
Unclassified	106,268,181	74	0.0%	
<b>Total</b>	<b>1,120,827,117</b>	<b>821,948,428</b>	<b>73.3%</b>	



## **Appropriation Transfers (AT)**

Unused AT authority in the amount of \$5.7 million consists of \$3.9 million federal, and \$1.8 million state special funds.

Appropriation transfers in the Montana Department of Transportation (MDT) budget are from the Department of Administration of long range building authority from previous years HB 5 and HB 10 for MDT specific information technology projects, and environmental assessments.

Transfers of HB 10 long range information technology (LRIT) authority from the Department of Administration support the federal billing system project that is currently in development and will be deployed in two phases. This project is expected to be complete in Fall 2022. MDT also transferred \$385,000 of HB 5 authority to the architecture and engineering (A&E) program in the Department of Administration to pay contractors for a new equipment storage building in Eureka.

## **Budget Amendments**

Unused budget amendment authority consists almost entirely of additional federal obligations of redistributed funds that other states had failed to utilize. The August redistribution funds are obligated to specific projects and will be completed as scheduled on the Tentative Construction Plan (TCP).

## **Carryforward and/or Continuing Authority**

MDT utilized nearly all of its carryforward authority. Continuing authority is discussed in the HB 2 modifications section below.

## **Non-Budgeted Proprietary Funding**

These funds support MDT's three proprietary programs: state motor pool, the highway equipment program, and the Yellowstone Airport. The majority of the funds were expended.

## **Other Bills**

MDT has a \$2.3 million appropriation in HB 5 (2023), and \$1.9 million in remaining authority from HB 5 (2021). Some of the projects that will be completed with these funds have not been awarded to contractors yet as bids submitted for these projects have recently been excessive. Projects will be re-let as labor markets and supply chains recover from the pandemic.

### ***HB 630***

MDT has \$102.7 million in federal special authority as a result of CARES Act II, which is included in HB 630 (2021). These funds will be spent in the construction and maintenance programs in coming years.

### ***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. Administrative authority for CARES I and ARPA appropriations was allocated to the agency by the Governor's Office. Administration authority is not an appropriation and thus is not included in the total appropriation authority on the shown on the previous page. The appropriation authority for CARES I and ARPA shown below remains with the Governor's Office.

## Coronavirus Stimulus Appropriations Department of Transportation

Stimulus Authority	Budget	FYE Expended	Percent Expended
ARPA	3,377,812	74	0.0%
CARES I	43,299,794	28,250,942	65.2%
CARES II	102,700,000		

CARES Act I funding was split primarily between the aeronautics division and the transit program in the rail, transit and planning division. Both air travel and transit were underutilized last year and several small local programs that would typically apply for grants received federal money through other means.

CARES Act II funding from HB 630 is split between the construction and maintenance programs and will be used primarily for contractor payments. The programs typically have projects and funding planned, and in place, years in advance and will need to use previously obligated federal funds before they expire. This funding will be available beyond the 2023 biennium and will be used strategically.

ARPA funding from HB 632 provides roughly \$600,000 to the aeronautics program for personal services and operating costs at state owned airports. The bill also provides \$2.8 million to the transit program for grants and administration costs. These appropriations were not needed in the final months of the 2021 biennium but will be used over time.

### **Statutory Appropriations**

MDT expended nearly all of its statutory appropriations in FY 2021. MDT is responsible for the distribution of \$16.7 million in fuel taxes to city and county governments in addition to \$18.4 million in BARSAA fuel taxes distributed under the same formula based on population, road mileage and area (counties only). Fuel taxes are also distributed to tribes in the amount of \$6.1 million. The aeronautics grant program was roughly 50.0% expended due to an influx of COVID-19 funding and a drop in demand for air traffic. Most smaller statutory appropriations were fully 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.

### HB 2 Modifications Department of Transportation

Agency Program	HB2 Budget	FYE Modified Budget	Net Modifications
01 GENERAL OPERATIONS PROGRAM	33,475,285	35,938,473	2,463,188
02 HIGHWAYS & ENGINEERING	459,602,549	488,355,153	28,752,604
03 MAINTENANCE PROGRAM	142,186,615	146,254,518	4,067,903
22 MOTOR CARRIER SERVICES	12,806,220	13,842,715	1,036,495
40 AERONAUTICS PROGRAM	2,576,300	4,357,755	1,781,455
50 RAIL TRANSIT & PLANNING	37,366,254	45,371,661	8,005,407
<b>Total</b>	<b>688,013,223</b>	<b>734,120,275</b>	<b>46,107,052</b>

Expenditure Account	HB2 Budget	FYE Modified Budget	Net Modifications
61000 Personal Services	174,067,353	184,536,832	10,469,479
62000 Operating Expenses	471,240,679	494,520,616	23,279,937
63000 Equipment & Intangible Assets	3,927,658	7,210,104	3,282,446
64000 Capital Outlay	12,956,865	15,032,478	2,075,613
66000 Grants	23,905,320	30,546,099	6,640,779
68000 Transfers-out	1,830,078	2,274,146	444,068
69000 Debt Service	85,270	0	-85,270

Fund Type	HB2 Budget	FYE Modified Budget	Net Modifications
02 State/Other Spec Rev	259,130,664	287,154,326	28,023,662
03 Fed/Other Spec Rev	428,882,559	446,965,949	18,083,390

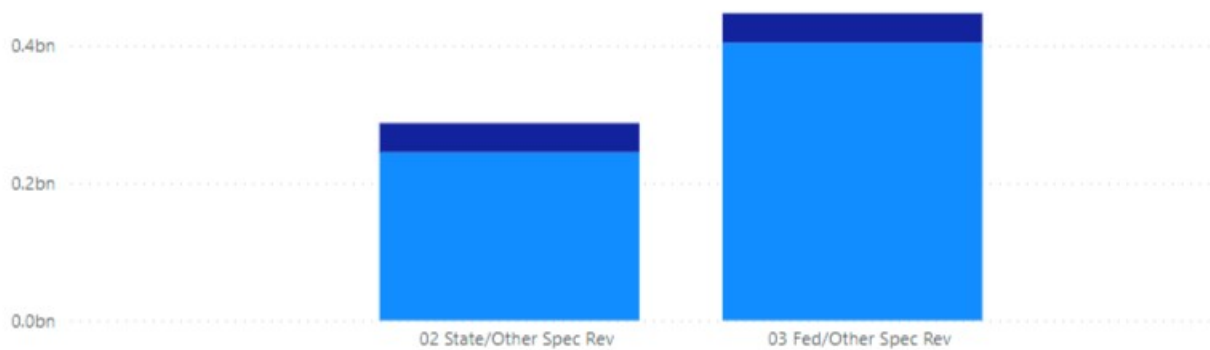
The department had a total of \$46.1 million in net modifications, comprised of \$46.3 million in continuing authority and negative \$164,522 in workers compensation adjustments. This department has a biennial budget so continuing authority is unused authority from the previous fiscal year.

The general operations program had a total of \$2.0 million in continuing authority, which was evenly split between operating costs and personal services and also included \$45,803 in equipment costs and \$3,114 in transfers. The construction program had \$29.0 million in continuing authority and negative \$22,910 in workers compensation adjustments. The bulk of this included \$5.2 million in personal services, \$18.6 million in operating costs, and roughly \$2.0 million in capital outlay and grants, respectively. The maintenance program had a total of \$4.3 million in adjustments, which was comprised of continuing authority, except for negative \$136,032 in work comp adjustments. Maintenance program continuing authority was comprised of \$3.0 million in personal services, \$812,573 in operating costs, and \$639,294 in equipment costs. The motor carrier services (MCS) program had a total of \$966,570 in continuing authority and negative \$2,858 in work comp adjustments. MCS continuing authority totals were \$514,926 in personal services, \$410,562 in operating costs, \$38,828 in equipment costs, and \$2,255 in transfers. Aeronautics had \$1.8 million in continuing authority, which was mostly operating costs. Rail, transit and planning had \$8.1 million in continuing authority, the bulk of which was \$4.8 million in grants, followed by \$1.8 million in operating costs with the remainder split between personal services, equipment and transfers.

## HB 2 APPROPRIATION AUTHORITY

### HB 2 Expenditures

● FYE Expended ● Remaining Budget



Expenditure Account	FYE Modified Budget	FYE Expended	Percent Expended
62000 Operating Expenses	494,520,616	457,009,849	92.4%
61000 Personal Services	184,536,832	163,889,364	88.8%
66000 Grants	30,546,099	13,392,251	43.8%
64000 Capital Outlay	15,032,478	7,360,958	49.0%
63000 Equipment & Intangible Assets	7,210,104	5,232,899	72.6%
68000 Transfers-out	2,274,146	2,011,556	88.5%
69000 Debt Service	0	0	

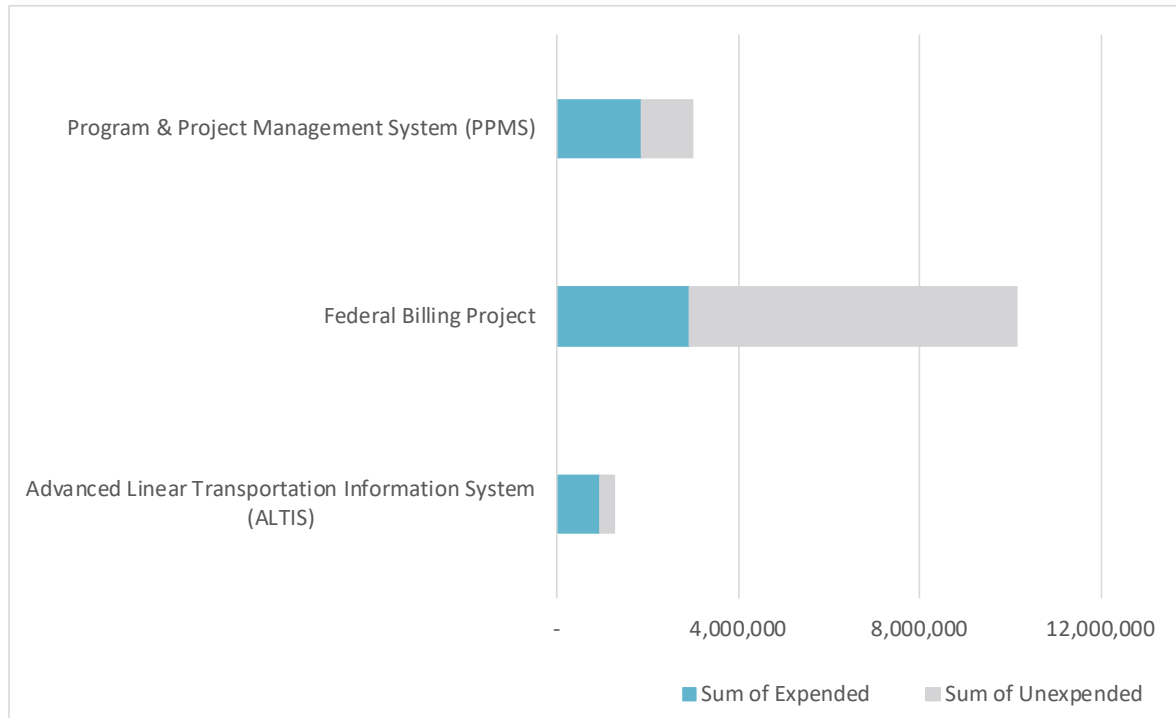
Agency Program	FYE Modified Budget	FYE Expended	Percent Expended
01 GENERAL OPERATIONS PROGRAM	35,938,473	33,084,442	92.1%
02 HIGHWAYS & ENGINEERING	488,355,153	439,401,505	90.0%
03 MAINTENANCE PROGRAM	146,254,518	134,548,847	92.0%
22 MOTOR CARRIER SERVICES	13,842,715	12,267,498	88.6%
40 AERONAUTICS PROGRAM	4,357,755	1,252,920	28.8%
50 RAIL TRANSIT & PLANNING	45,371,661	28,341,665	62.5%
<b>Total</b>	<b>734,120,275</b>	<b>648,896,878</b>	<b>88.4%</b>

MDT expended a total of 88.4% of its \$734.1 million in HB 2 authority in FY 2021. This is slightly above average when compared with recent fiscal years. 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 28.8% of its HB 2 authority. This 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.

## OTHER ISSUES

### Information Technology Project Expenditures



Large Information Technology Projects Original and Revised Budgets				
Project	Original Budget	Revised Budget	Change from Original Budget	
Advanced Linear Transportation Information System (ALTIS)	1,106,770	1,263,050	14.1%	///
Federal Billing Project	5,964,440	10,160,640	70.4%	///
Program & Project Management System (PPMS)	2,972,349	2,972,349	0.0%	///

Large Information Technology Projects Original and Revised Delivery Date				
Project	Start Date	Original Delivery Date	Revised Delivery Date	Change from Original Delivery Date
Advanced Linear Transportation Information System (ALTIS)	6/25/2018	6/3/2019	6/30/2020	114.6%
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%

ALTIS, the advanced linear transportation information system is used to access and query all statistics and data for all roads in the state. The budget was altered due to the inclusion of soft costs which were not part of the original proposal. The timeline was pushed out due to data migration and validation taking longer than anticipated.

PPMS is the program and project management system to create and manage all parts of the project management and nomination process for the Federal Highway Administration (FHWA).

The Federal Billing Project was originally planned in order to satisfy billing requirements of the 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 in order to capture all costs.

