

Transportation Fund FY2018 Interim Budget and Appropriation Reduction Plan  
32 VSA Sec. 704(b)(1)  
Joint Fiscal Committee August 17, 2017

	A	B	C	D	E	F	G
1	Description	TFund - 20105	CG Fund - 57100	Description	Impact	DeptID	Major Object
2							
3	July 2017 consensus revenue forecast revision Transportation Fund FY2018 impact.	(3,500,000)		Consensus Transportation Fund FY2018 forecast was reduced by \$3.5M - from \$279.7M to \$276.2M.			
4	Transfer from Central Garage Fund to Transportation Fund	1,100,000	(1,100,000)	Central Garage will reduce planned equipment replacements by 14% and manage the reduction to minimize adverse impact. In addition to a transfer from the Central Garage Fund to the Transportation Fund, this requires a corresponding appropriation reduction (see below).			
5	FY2018 Transportation Fund stabilization reserve impacts from FY2017 year-end appropriation reductions/reversions.	317,439		Reduced FY2018 stabilization reserve requirement associated with FY2017 end-of-year carry forward reversions to cover the FY2017 Transportation Fund revenue shortfall (5% of \$6.35M). This is a Transportation Fund operating statement adjustment.	No impact to the FY2018 Transportation Program.		
6	Net Transportation Fund FY2018 shortfall after fund transfers and stabilization reserve impacts.	(2,082,561)			This is 0.34% of the overall Transportation budget of \$615 million, and a 0.8% reduction to Transportation Fund budget of \$249.4 million.		
7							
8	FY2018 appropriation adjustment plan:						
9	Agency-wide cost reductions	(457,561)		These reductions would be allocated across appropriations based on estimated savings. Savings will be achieved by reductions in discretionary spending - travel, increased vacancy savings, etc.	Agency appropriations would be asked to constrain spending to achieve savings while minimizing adverse impacts. This is less than 0.1% of total agency budget of \$615 million.	TBD - various	
10	Central Garage		(1,100,000)	Reduce Central Garage equipment purchases by \$1.1 million (14%) in FY2018 (from \$7.9M to \$6.8M). Central Garage will manage the reduction to minimize adverse impact. In addition to an appropriation reduction, this requires a transfer from the Central Garage Fund to the Transportation Fund (see above).	No immediate impact to condition of fleet. Potential impacts could occur if reduced level of funding is sustained in future years. This is a 5.5% reduction to the Central Garage appropriation of \$20.1 million.	8110000200	Operating
11	Maintenance	(1,200,000)		Anticipated savings from lower diesel fuel pricing relative to budget assumption and reduced salt costs associated with lower prices in FY2018 salt contracts.	No anticipated impacts but salt usage is weather dependent. Anticipated savings is based on three-year average usage. This is a 1.3% reduction to the Maintenance appropriation of \$89.3 million.	8100002000	Operating
12	Aviation	(300,000)		Reduce statewide facilities improvements line item by 18% - from \$1.7M to \$1.4M.	Airport facilities are in relatively good condition. Savings will come from controlling costs - temporary staff hours, use of contractors, etc. Some planned facility improvements are being delayed while an alternative to utilize 90% FAA funding is explored. This is a 1.7% reduction to the Aviation appropriation of \$17.7 million.	8100000200	Operating - LSI
13	Transportation Buildings	(125,000)		Anticipated savings from reduced scope of District 2 salt brine project.	No current impact - adding brine storage tanks instead of a brine-making facility. This is a 6.6% reduction to the Transportation Buildings appropriation of \$1.9 million.	8100000700	Operating - LSI
14	<b>TOTAL APPROPRIATION ADJUSTMENTS</b>	<b>(2,082,561)</b>	<b>(1,100,000)</b>				