

Review of Governor's Budget Items and Other Items for Consideration

April 2, 2019



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Multimodal

Multimodal

Base Budget Adjustments

5 Adjust Base Budget for the Aviation Program – Aviation Fuel Tax Collections

FY 2019-20	FY 2020-21
\$800K	\$6.7M

6 Adjust Base Budget for the Rail Program – NCRRT Dividends (G.S. 124-5.1)

FY 2019-20	FY 2020-21
\$100K	\$200K

Note: NCRRT Total Dividend Payment is approx. \$3.9M

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Public Transportation Division

#7 Public Transportation Statewide Grant Match

FY 2019-20	FY 2020-21
\$5M, NR	\$5M, NR

Proposed activities:

State Match for Federal Funds	\$100K
Statewide Mobile Ticketing	\$500K
System Consolidation Incentives	\$250K
Statewide Consolidated Routes	\$1.1M
Rural Employment Initiative	\$300K
Commuter Service Planning	\$2.75M

Total Requirements would be \$13.1M for FY 2019-20 and FY 2020-21.

Multimodal Rail and Aviation

- #8 Rail – Matching Funds for Operations and Rolling Stock
 - Matching funds for Federal CMAQ funds

FY 2019-20	FY 2020-21
-	\$1.7M, NR

- #9 Equipment Budget for Unmanned Aircraft Systems (UAS) Program – Purchase equipment, including systems, mobile command centers, and technology

FY 2019-20	FY 2020-21
\$2M, NR	\$2M, NR

Multimodal Ferry

#10 Ferry Division Operating Budget

FY 2019-20	FY 2020-21
\$5M, R	\$5M, R

Inflationary increases in Operations and Maintenance (O&M) expenses have resulted in budgetary shortfalls since FY 2014-15.

Fiscal Year	Budget Gap
FY 2014-15	(\$2.35M)
FY 2015-16	(\$1.08M)
FY 2016-17	(\$3.10M)
FY 2017-18	(\$3.65M)

Division of Motor Vehicles

DMV

HQ Move

#11 New Headquarters and Relocation

FY 2019-20	FY 2020-21
\$1.2M, R	\$2.5M, R
\$4.7M, NR	

Recurring costs include lease and utilities. Non-recurring costs include packing, moving, IT set-up and equipment, security equipment, and minor renovations.

DMV

LPA Compensation

#12 DMV – License Plate Agency Compensation

FY 2019-20	FY 2020-21
\$5.1M, R	\$5.1M, R

- S.L. 2017-57 appropriated \$4.2M, NR for LPAs in FY 2017-18 and FY 2018-19 based on historical actuals.

Fiscal Year	LPA Appropriation	Projected Compensation	Projected Gap
FY 2018-19	\$12.97M	\$14.3M	(\$1.3M)
FY 2019-20	\$8.76M	\$14.3M	(\$5.5M)
FY 2020-21	\$8.76M	\$14.3M	(\$5.5M)

DMV

Customer Compliance Services

#13 DMV Customer Compliance Services

FY 2019-20	FY 2020-21
\$1.6M, R	\$1.6, R
\$115.6K, NR	
24.0 FTE	24.0 FTE

Currently 9 FTE's in Adjudications, 5 FTE's in Administrative Support, and 1 FTE in File Aid.

Maintenance and Construction

Maintenance and Construction

#14 Bridge Program – Adjustment per G.S. 119-18

FY 2019-20	FY 2020-21
\$200K	\$300K

Note: Revised Appropriation =
\$273.7M and \$273.8M

#15 Powell Bill Increase (next slide)

#16 General Maintenance Reserve

FY 2019-20	FY 2020-21
\$92.4M	\$182.7M

Note: Revised Appropriation =
\$413.8M in FY 2019-20 and
\$504.2M in FY 2020-21.

#17 Contract Resurfacing

FY 2019-20	FY 2020-21
\$15M	\$15M

Note: Revised Appropriation =
\$520.9M in each year of the biennium

#15 Powell Bill

FY 2019-20	FY 2020-21
\$2.5M	\$2.5M
Total Requirements	Total Requirements
\$150M	\$150M

75% population and 25% road mileage

Municipalities - 508 participating

Contract Resurfacing – Primary purpose 52%

Other uses – maintenance 21.5%, debt service 6%

Seasonal population – study in progress and no recommendation for formula adjustment available yet

Department Wide

Department Wide

#18 Logistics and Freight Program

FY 2019-20	FY 2020-21
\$250,000, NR	\$250,000, NR

- “Develop and conduct logistics related training for NCDOT business units and external partners...” WSII

#19 Office of Civil Rights (next slide)

#20 Capital, Repairs, and Renovations
(see slides 17-18)

FY 2019-20	FY 2020-21
\$11.7M, NR	\$11.96M, NR

#19 Office of Civil Rights

FY 2019-20	FY 2020-21
\$187,477, R	\$187,477, R

- Contract for effective strategies to promote Equal Employment Opportunity (EEO)
- Hire 1 Full-Time-Equivalent Recruitment Specialist
- Provide training to current and new staff
- Targeted recruitment activities (Advertising, Job Fairs, Brochures)

#20 – Capital, Repairs, and Renovations

	FY 2019-20	FY 2020-21
Polk Maintenance Shop Replacement	\$2,484,117	
Ocracoke Ferry Quarters	\$1,190,000	
Currituck Maintenance & Storage	\$1,491,914	
Northampton County Jackson Sub-shop		\$5,239,960
Other Repairs & Renovations ** next slide	\$6,550,000	\$6,725,000
Total Nonrecurring	\$11,716,031	\$11,964,960

20 Repairs and Renovations

Other Repair & Renovation Projects	FY 2020	FY 2021
Statewide Roof Repairs/Replacement	\$1,500,000	\$1,500,000
Statewide Demolition of Obsolete Buildings	\$500,000	\$500,000
Statewide Water and Sewer	\$750,000	\$750,000
Statewide Asbestos Abatement	\$500,000	\$500,000
Statewide ADA Compliance	750,000	750,000
Statewide Small Office Repair and Renovation	\$1,750,000	\$2,075,000
Statewide Security Upfits	\$400,000	\$500,000
Replace 20 Rooftop HVAC Units at Century Center	\$150,000	\$150,000
Art Museum Basement Concrete Repair	\$250,000	

Transfers and Reserves

#21 Global TransPark Reserves

FY 2019-20	FY 2020-21
\$658K, R **	

**Terminal parking lot, airfield parking, north cargo building, T hangers, and loading docks.

#22 Workers' Compensation Adjustment

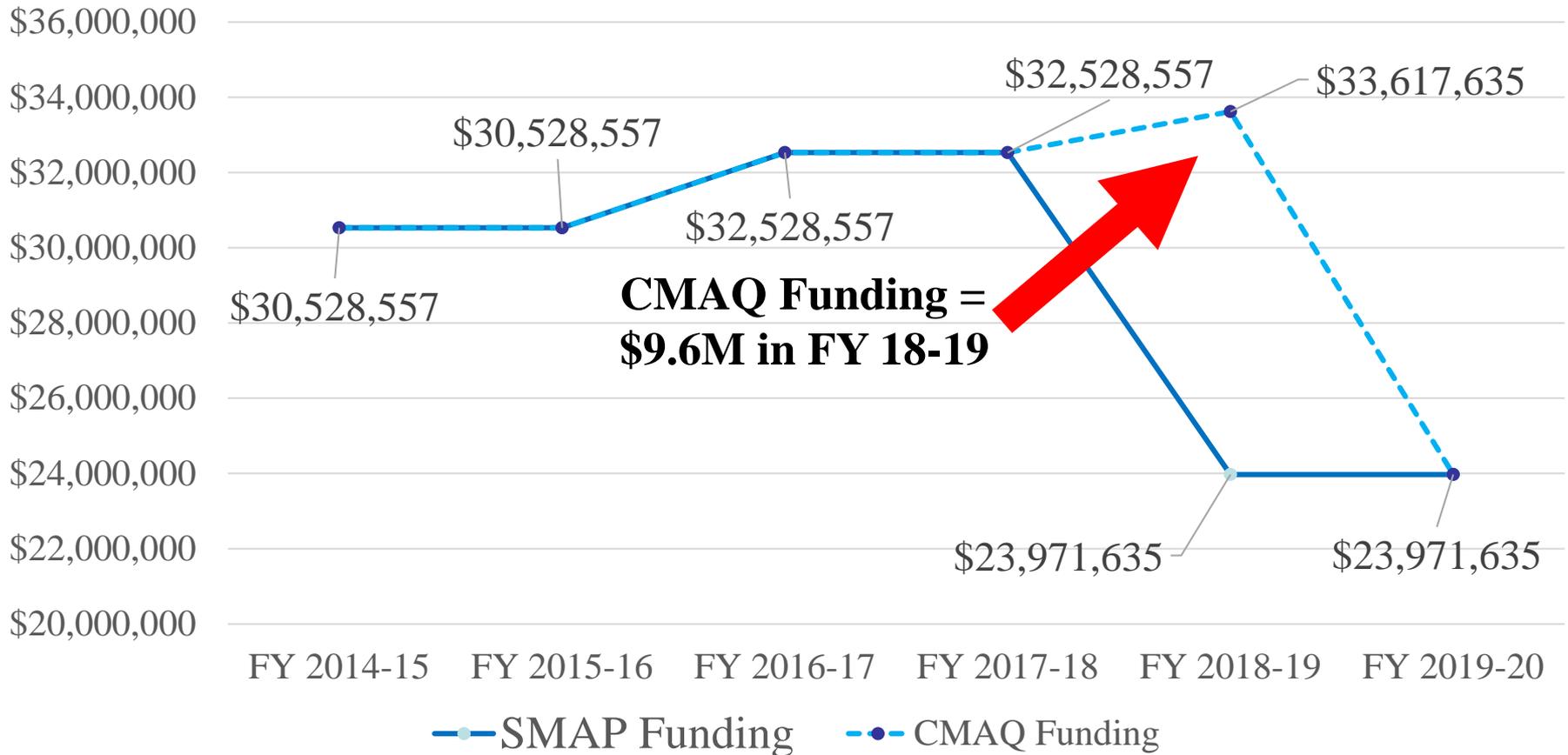
FY 2019-20	FY 2020-21
(\$6,830,000), R	(\$6,830,000), R

Other Items

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Public Transportation Division – SMAP

S.L. 2018-5 reduced the Statewide Maintenance Assistance Program (SMAP) by \$8.5M, R.



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Public Transportation Division – SMAP

- In response to S.L. 2018-5 reduction of SMAP, NCDOT leveraged Federal Congestion Mitigation and Air Quality (CMAQ) funds in a one-time effort to close the gap.
- If SMAP is funded at the current level moving forward, all 26 fixed route and regional public transportation systems will make operational cuts.
- Anticipated cuts include:
 - AppalCART: anticipated reduction of 33.1 service hours per weekday, totaling 8,240 service hours and approximately 214,202 customer trips
 - FAST Projects: anticipated 6% reduction in service, eliminating 7,180 hours and 89,500 customer trips.

SMAP Allocations, Before and After S.L. 2018-5	TOTAL (Column C+D)			TOTAL (Column F-A)		
	SMAP ALLOCATION	SMAP ALLOCATION	CMAQ ALLOCATION	SMAP + CMAQ	SMAP ALLOCATION with recurring reduction, per S.L. 2018-5	SMAP Recurring Reduction
TRANSIT SYSTEM	<i>FY 2017-18</i>	<i>FY 2018-19</i>	<i>FY 2018-19</i>	<i>FY 2018-19</i>	<i>FY 2019-20</i>	<i>FY 2019-20</i>
Chapel Hill	\$2,939,769	\$2,297,839	\$641,930	\$2,939,769	\$2,253,325	(\$686,444)
Charlotte	\$11,063,205	\$7,867,990	\$3,200,000	\$11,067,990	\$7,883,581	(\$3,179,624)
Concord	\$297,265	\$215,001	\$82,264	\$297,265	\$215,001	(\$82,264)
Go Raleigh	\$2,744,469	\$1,997,112	\$747,357	\$2,744,469	\$1,997,112	(\$747,357)
Go Triangle	\$2,557,927	\$956,764	\$2,246,028	\$3,202,792	\$1,848,812	(\$709,115)
Greensboro	\$1,877,713	\$162,992	\$2,088,154	\$2,251,146	\$1,379,700	(\$498,013)
High Point	\$452,925	\$126,920	\$392,000	\$518,920	\$341,943	(\$110,982)
PART	\$765,242	\$516,975	\$248,267	\$765,242	\$516,975	(\$248,267)
AppalCART	\$911,835	\$911,835	\$0	\$911,835	\$769,426	(\$142,409)
Asheville	\$1,115,417	\$1,115,417	\$0	\$1,115,417	\$851,492	(\$263,925)
Burlington	\$133,899	\$133,899	\$0	\$133,899	\$119,285	(\$14,614)
Fayetteville	\$771,629	\$771,629	\$0	\$771,629	\$558,194	(\$213,435)
Gastonia	\$232,509	\$232,509	\$0	\$232,509	\$173,623	(\$58,886)
Go Cary	\$217,487	\$217,487	\$0	\$217,487	\$156,532	(\$60,955)
Go Durham	\$2,736,515	\$2,736,515	\$0	\$2,736,515	\$2,239,457	(\$497,058)
Goldsboro	\$192,970	\$192,970	\$0	\$192,970	\$147,174	(\$45,796)
Greenville	\$292,055	\$292,055	\$0	\$292,055	\$199,799	(\$92,256)
Henderson County	\$166,689	\$166,689	\$0	\$166,689	\$124,397	(\$42,292)
Hickory (WPRTA)	\$155,365	\$155,365	\$0	\$155,365	\$125,555	(\$29,810)
Jacksonville	\$176,435	\$176,435	\$0	\$176,435	\$132,391	(\$44,044)
Rocky Mount / Tar River	\$234,676	\$234,676	\$0	\$234,676	\$165,854	(\$68,822)
Salisbury	\$189,253	\$189,253	\$0	\$189,253	\$158,857	(\$30,396)
Wilmington / Cape Fear	\$704,643	\$704,643	\$0	\$704,643	\$534,220	(\$170,423)
Wilson	\$173,628	\$173,628	\$0	\$173,628	\$123,284	(\$50,344)
Winston-Salem	\$1,425,037	\$1,425,037	\$0	\$1,425,037	\$955,646	(\$469,391)
Total	\$32,528,557	\$23,971,635	\$9,646,000	\$33,617,635	\$23,971,635	(\$8,556,922)

Global TransPark

Connector to GTP

- November 2017: feasibility study complete indicating two alternative routes:
 - Alignment 1 is approximately 8.18 miles along the north side of Felix Harvey Parkway. Estimated cost is \$56.8M.
 - Alignment 2 is approximately 5.7 miles to the south of the Felix Harvey Parkway extension. Estimated cost is \$39.98M.

Division of Aviation

- Division of Aviation – Commercial Airport Funds appropriated by S.L. 2017-57 included recurring and nonrecurring funds.
- A total of \$40M was appropriated in FY 2017-18 and a total of \$75M was appropriated in FY 2018-19.
 - The Governor’s Base Budget included RDU’s allocation of \$31,282,131 as recurring and the remaining funding \$43,717,869 was not included in the base.

Questions?