

Department of Transportation  
 FY 2008-09 Budget Reductions

January 15, 2009

Priority	Yes or No	Enter One	Division	Title	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE	List
	Corresponding FY 2009-10 Impact?	One Time or Base/Ongoing?									Other Departments) Affected
BR-1	No	One Time	Administration and Construction, Maintenance and Operations	Savings Associated with Hiring Freeze	\$0	\$0	\$0	\$0	\$0	0.0	N/A
<b>Total - Reductions</b>					\$0	\$0	\$0	\$0	\$0	0.0	

**Schedule 13**  
**Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10  Base Reduction Item FY 2009-10  Supplemental FY 2009-09  Budget Amendment FY 2009-10

Request Title: Savings Associated with Hiring Freeze Implementation  
 Department: Transportation *Sumz* Dept. Approval by: *[Signature]* Date: 11/10/09  
 Priority Number: S-1 OSPB Approval: *[Signature]* Date: 1-14-09

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
<b>Total of All Line Items</b>	<b>Total</b>	1,421,329,958	1,289,107,572	0	1,289,107,572	860,104,930	0	860,104,930	0	860,104,930	0
	FTE	3245.3	3350.5	0.0	3350.5	3365.5	0.0	3,365.5	0.0	3365.5	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	958,718,651	839,589,868	0	839,589,868	507,069,350	0	507,069,350	0	507,069,350	0
	CFE/RF	2,703,394	3,984,546	0	3,984,546	3,978,932	0	3,978,932	0	3,978,932	0
	FF	459,907,913	445,533,158	0	445,533,158	349,056,648	0	349,056,648	0	349,056,648	0
<b>(1) Administration</b>	<b>Total</b>	23,426,886	27,358,998	(234,007)	27,124,991	27,422,929	0	27,422,929	0	27,422,929	0
	FTE	218.0	223.2	0.0	223.2	223.2	0.0	223.2	0.0	223.2	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	22,014,964	25,286,780	(234,007)	25,052,773	25,356,325	0	25,356,325	0	25,356,325	0
	CFE/RF	1,411,922	2,072,218	0	2,072,218	2,066,604	0	2,066,604	0	2,066,604	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(2) Construction, Maintenance, and Operations (For Informational Purposes Only)</b>	<b>Total</b>	1,397,903,072	1,261,748,574	234,007	1,261,982,581	832,682,001	0	832,682,001	0	832,682,001	0
	FTE	3,027.3	3,127.3	0.0	3,127.3	3,142.3	0.0	3,142.3	0.0	3,142.3	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	936,703,687	814,303,088	234,007	814,537,095	481,713,025	0	481,713,025	0	481,713,025	0
	CFE/RF	1,291,472	1,912,328	0	1,912,328	1,912,328	0	1,912,328	0	1,912,328	0
	FF	459,907,913	445,533,158	0	445,533,158	349,056,648	0	349,056,648	0	349,056,648	0

**Non-Line Item Request:** Note: Total Departmental Personal Services savings from the hiring freeze are estimated to be \$1,970,048, of which \$234,007 impacts the Administration line item and \$1,736,041 impacts the continuously appropriated Construction, Maintenance, and Operations (CMO) line item. Personal Services savings in CMO will be redeployed towards the maintenance and reconstruction of state highways, and savings in Administration lead to corresponding increases in funds available for CMO.

**Letternote Revised Text:** This request would not impact the letternotes.

**Cash or Federal Fund Name and COFRS Fund Number:** CF: State Highway Fund # 400

**Reappropriated Funds Source, by Department and Line Item Name:** N/A.

**Approval by OIT?** Yes:  No:  N/A:

**Schedule 13s from Affected Departments:** Not applicable



# DEPARTMENT OF TRANSPORTATION

Todd Saliman

Director

Office of State Planning and Budgeting

*Proposed Cash Fund Transfer*

*January 15, 2009*

**Name of Fund:** State Infrastructure Bank

**Purpose of Fund:** To provide loans and grants to public and private entities for the acquisition, improvement, or construction of highways, multimodal transportation, and intermodal transportation facilities in the state

**Projected End-of-Year Balance:** \$ 16,660,045

	FY 08-09	FY 09-10	FY 10-11
Projected End of Year Balance with No Action	\$ 35,783,222	\$ 36,522,152	\$ 37,189,241
Current Balance YTD FY 2008-09	\$ 34,980,285	\$ 32,530,946	\$ 33,126,324
July 1 Projected Balance Out Years <sup>a</sup>			
Plus Projected Revenues <sup>b</sup>	\$ 550,661	\$ 595,378	\$ 510,795
Projected Year End Fund Balance	\$ 35,530,946	\$ 33,126,324	\$ 33,637,119
Less Projected Obligations (Loan Balances at year end)	(\$18,870,901)	(\$16,140,423)	(\$13,325,311)
Equals Proposed Projected End of Year Balance	\$ 16,660,045	\$ 16,985,901	\$ 20,311,808
<b>Recommended Transfer</b>	\$ (3,000,000)	\$ -	\$ -
Projected End of Year Balance with transfer	\$ 13,660,045	\$ 16,985,901	\$ 20,311,808

<sup>a</sup> The current fund balance shown in the FY 2008-09 column above as of January 7, 2009, includes liquid and non liquid assets.

<sup>b</sup> Includes anticipated interest earnings and scheduled interest payments for the second half of FY09. For FY10 and FY 11, includes only scheduled interest payments

### Impact of Recommended Reduction:

Transfer of these funds from the Aviation account within the State Infrastructure Bank fund would decrease the State's ability to support aviation infrastructure projects since these funds are used for loans to public and private entities.

As a result of this transfer, the following projects will be scaled back:

- Phase III of the Grand Junction Airport Master Plan – This loan would allow the Grand Junction Airport to construct a covered parking structure and rental car facility, which is a crucial step for continued economic development in Grand Junction.
- Phase II of a Mountain Radar project at municipal airports in Montrose, Gunnison, Telluride, Durango and Aspen. This is a life/safety project due to air traffic volumes in mountain air traffic corridors, which are exceptionally dangerous due to weather and geography.

**Assumptions:**

- Projected obligations include aviation funded loans for Grand Junction Municipal Airport and Phase 2 of a Mountain Radar program to be constructed at airports in Montrose, Gunnison, Durango, Aspen and Telluride. The latter program is being coordinated with the Federal Aviation Administration, who will maintain the radar system and match the State's contribution 1:1 over the life of the system.
- Of the projected end of year cash balance \$3.0 million could be transferred to the General Fund, based on the rationale that \$3.0 million was initially transferred from the capitol construction fund to the aviation account within the State Infrastructure Bank. The balance of the funds are primarily within the aviation account within the State Infrastructure Bank. These funds are constitutionally restricted for aviation uses per Article X, Section 18 of the State Constitution since they are earned based on taxes imposed on aviation fuel.

**Current Statutory Authority or Needed Statutory Change:**

Section 43-1-113.5(1), C.R.S. (2008) states: "Moneys in the revolving fund are continuously appropriated to the department for the purposes set forth in this section. Any moneys credited to the revolving fund shall remain in the revolving fund and shall not revert to the general fund at the end of any given fiscal year."



# DEPARTMENT OF TRANSPORTATION

Todd Saliman  
Director  
Office of State Planning and Budgeting

*Proposed Cash Fund Transfer*

*January 15, 2009*

**Name of Fund:** State Rail Bank

**Purpose of Fund:** To fund the acquisition, maintenance, improvement, or disposal of rail lines or railroad rights-of-way for the purposes of preserving the rail corridor for freight or passenger services, future transportation purposes or interim recreational purposes, access for agricultural or manufacturing areas of the state that would be adversely affected by the loss of rail service, or any other public use of the rail line or railroad right-of-way that is compatible with future use as a transportation system.

**Projected End-of-Year Balance:** \$1,543,937

	FY 08-09	FY 09-10	FY 10-11
Projected End of Year Balance with No Action	\$1,543,937	\$1,543,937	\$1,543,937
Current Balance YTD FY 2008-09	\$1,543,937	\$0	\$0
July 1 Projected Balance Out Years			
Less Projected Mandatory Expenditures	\$0	\$0	\$0
Equals Proposed Projected End of Year Balance	\$1,543,937	\$0	\$0
<b>Recommended Transfer</b>	<b>(\$1,543,937)</b>	<b>\$0</b>	<b>\$0</b>
<b>Projected End of Year Balance with Transfer</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Impact of Recommended Reduction:**

To the extent that business conditions force a railroad owner to abandon a railroad, the statewide transportation system may be better served in the long run by having the state expend money to preserve the existence of the rail line and the right of way.

The program is not meant to have the state become a permanent owner or operator of railroads; rather it is a short term facility to prevent the permanent loss of rights of way that may become crucial components of the transportation system in the future.

The impact of losing the \$1.5 million currently in the rail bank is that the legislature would have to transfer or appropriate General Funds to acquire any abandoned railroad in the future, as State Highway Funds may not be used for rail projects. However, the Department does not have projects planned that would utilize these funds.

**Assumptions:**

- These funds require an appropriation by the General Assembly to be spent.
- Revenues are allocated to the fund based on action by the General Assembly or from lease payments from the Towner Rail Line.

**Current Statutory Authority or Needed Statutory Change:**

Section 43-1-1309(1), C.R.S. (2008) states: "All unappropriated balances in the fund at the end of any fiscal year shall remain therein and shall not revert to the general fund."

Statutory changes are necessary to appropriate these funds to the effect that the current fund balance shall revert to the General Fund or may be used for another purpose.