

AFY 2009 & FY2010 BUDGET WORKSHOP

February 26, 2009



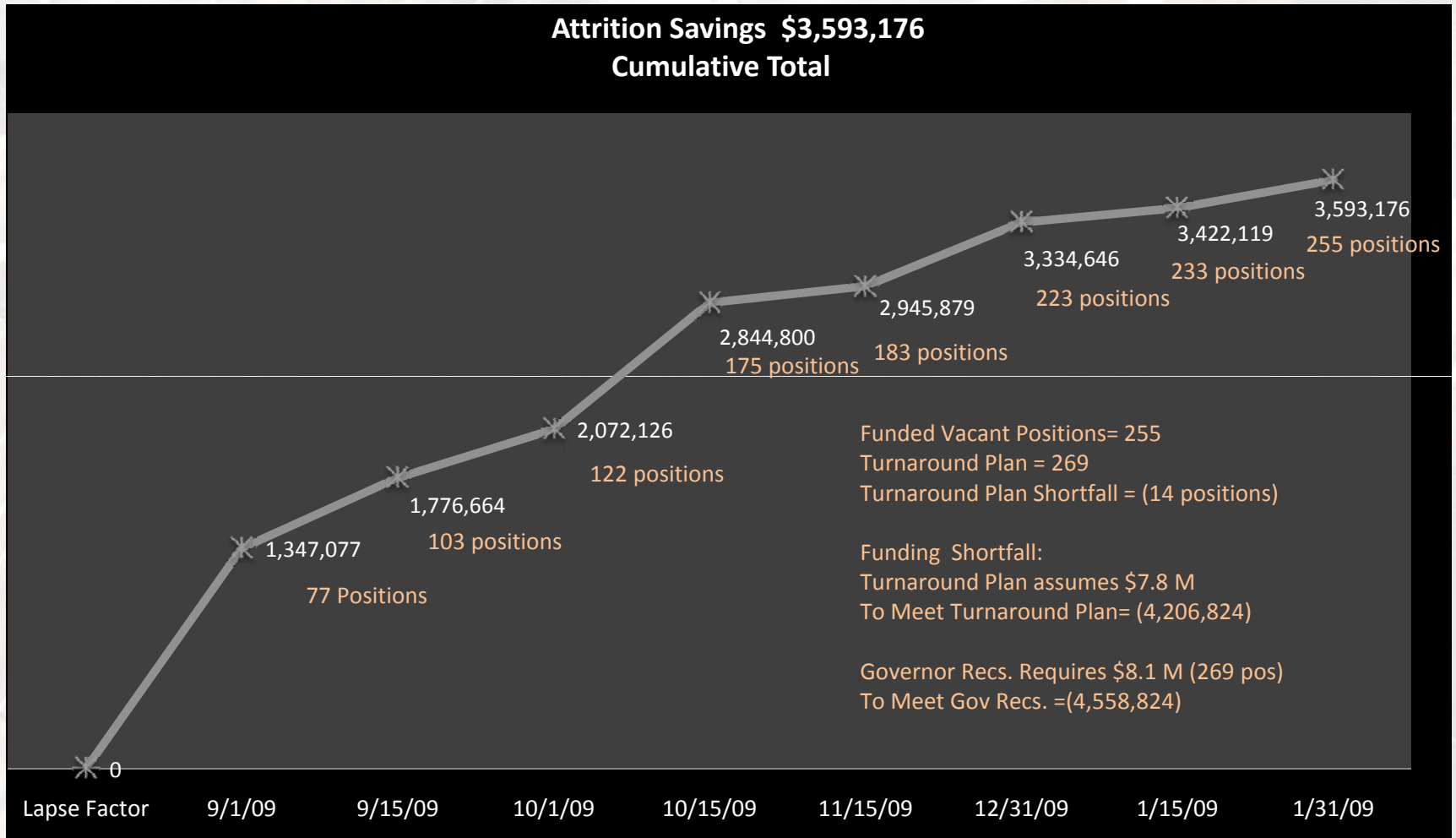


Amended FY 2009 Budget Update

FY 2009 Required to “Make It To The Finish Line”

1. Continue Hiring Freeze-Critical Hires Only
2. Proactively Manage Capital Outlay Program
3. Assumes Governor’s Recommendation or better becomes final bill
4. Amendments to the Budget based on plan
5. Implement Furlough Plan- **Board Action**
 - Effective April 1st -1 day a month for all GDOT employees
6. Accounting & OFM miscoding corrections

Recommendation #1: Continue Hiring Freeze



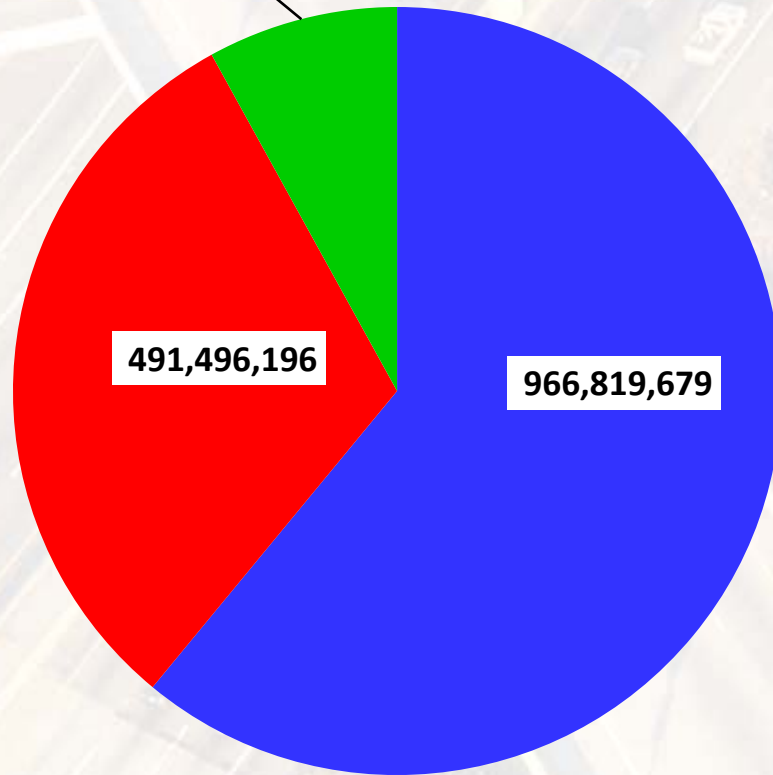
Recommendation #2: Manage Capital Outlay Program

<u>Program</u>	<u>FY09 AOB</u>	<u>Expenditures as of 01/31/09</u>	<u>Remaining Balance</u>
Construct State Highway	1,210,115,957	535,579,764	674,536,193
Local Roads	199,264,033	243,764,706	(44,500,673)
Maintain State Highway	159,856,686	151,843,305	8,013,381
Operate State Highway	16,209,125	35,631,904	(19,422,777)
Total	1,585,445,801	966,819,679	618,626,122
Adjustments:			
Outstanding Lettings			
		PY fuel & asphalt adjustments	(195,363,529)
		FY 2009 (9 month) Lettings thru March (not encumbered)	(422,717,112)
		Total	(618,080,641)
Outstanding Budget Adjustments			
		Local Match	78,047,485
		Budget Adjustments	26,255,375
		Turnaround Plan-FY09 Preliminary Gov Recs.	237,326,098
		Total	341,628,958
		Remaining Budget Available	342,174,439
		Contracts in the Pipeline	(215,044,514)
		Remaining Capital Outlay Funds	127,129,926

Recommendation#2: FY 2009 Capital Outlay

Total Budget : \$ 1,585,445,801

127,129,926



■ Expenses through 1/31/09

■ Outstanding FY 09 lettings, index adjustments, Contracts in Pipeline & Budget Adjustments

■ Remaining for 3 months (April- June)

Recommendation # 3: FY 2009 Governor's Recommendations

Recovery Needed \$ (189,538,683)

<u>GDOT Board Action</u>		<u>Gov Rec</u>	<u>House Recs</u>	<u>Legislative Action</u>		<u>Gov Rec</u>	<u>House Recs</u>
Reduce '09 Computer Equipment	\$2,000,000	✓	✓	Redirect State Infrastructure Bank (SIB)	\$28,100,000	✗	✓
Reduce '09 Equipment	\$3,000,000	✓	✓	Redirect CID appropriation	\$5,000,000	✗	✓
Reduce '09 Motor Vehicle Purchases	\$1,500,000	✓	✓	Redirect GHA appropriation	\$5,000,000	✗	✓
'09 Project 107 reduction	\$4,000,000	✓	✓	09 GO Bond Debt Service Adjustment	\$16,500,000	✓	✓
'09 I/T Consultants Reduction	\$1,500,000	✓	✓	Gov Rec.	\$16,500,000		
'09 Landscp / Mow contract reduction	\$2,490,000	✓	✓				
Eliminate '09 Payraise appropriation	(Gov \$3.6M) \$5,267,873	✓	✓				
Reduction in employer share: Health	(Gov \$14.5 M) \$1,488,527	✓	✓				
Eliminate vacant position funding (269 pos)	(Gov 8.152M) \$7,800,000	✓	✓				
Commercial Paper loan	\$50,000,000	✗	✓				
	(Gov \$20.4M)						
LARP Reduction for '09	\$28,000,000	✓	✓				
Off Sys / Most Need reduction for '09	(Gov \$22M) \$24,000,000	✓	✓				
Additional Personnel Services	\$10,000,000	✓	✓				
Additional Operating Reductions	\$19,700,000	✓	✓				
	Gov Rec. \$162,842,000						
	Revised Gov. Rec. \$ 112,842,000						
	House Rec. \$162,842,000						
				Deficit Based on Gov. Recs. (\$60,196,683)			
				Toll Credits	75,382,419		

Recommendation # 4: FY 2009 Budget Amendment Plan

Amendment Number	Amendment Purpose
5	Toll Credits - \$75M
6	Income- plane sale proceeds, logo, utility collections, local match, bus & rail lease, GARVEE premium and GSFIC Reimbursement- \$73 M
7	Amended Appropriations Bill- includes \$130 M GO Bonds, \$12.5M SRTA payments from Debt Sinking Fund
8	Redistribute-Object moves within program. Federal \$ between programs
9	Fiscal Affairs- Distribute \$250K additional SGF Governor reduction. Possibly transfer Motor Fuel funds between programs if necessary
10	Additional miscellaneous income/local match as received

Recommendation # 5: Furlough Plan

- 1 day/month Furlough- **Board Action**
\$789 K *3 months=\$2.4 M
(5478 positions)

This requires all GDOT employees to lose 1 day of pay per month for 3 months (April-June 2009)



FY 2010 Budget Update

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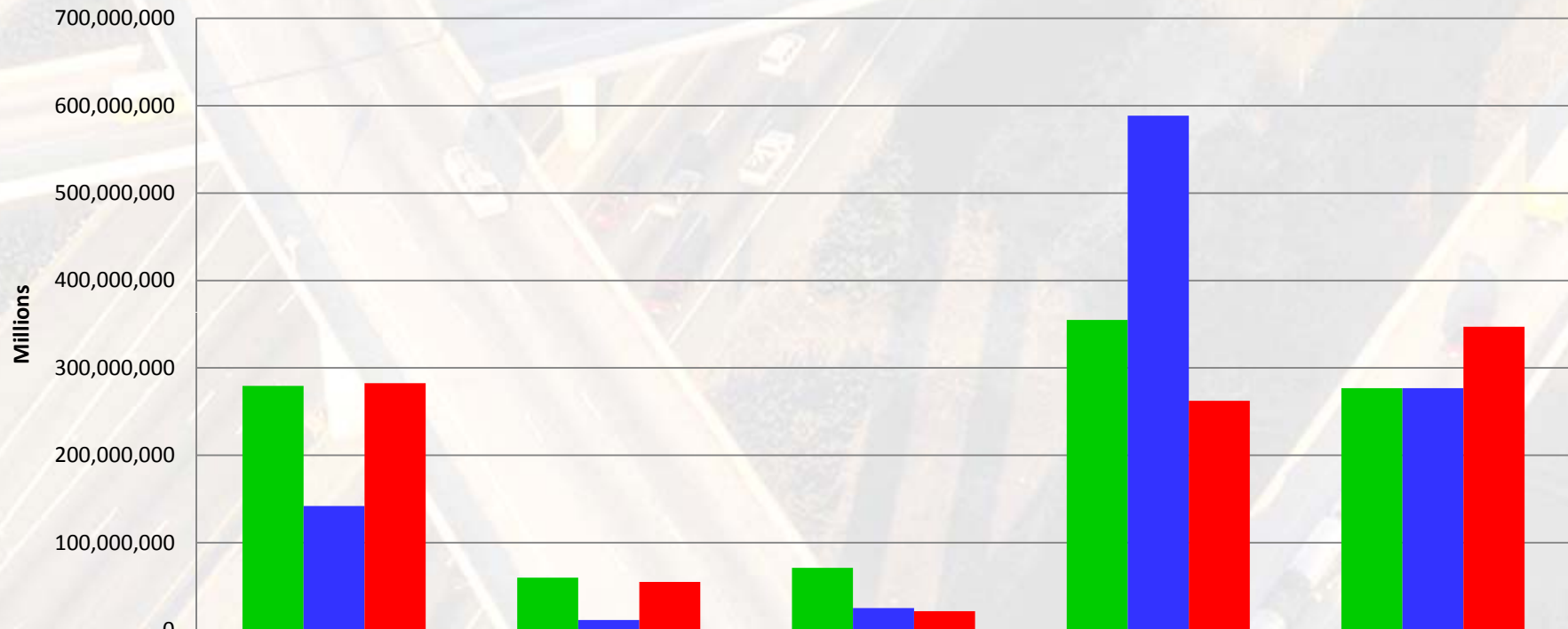
<u>Fund Source</u>	<u>FY 2010 Request</u>	<u>Governor's Rec</u>	<u>Variance</u>
Motor Fuel Funds	794,454,532	744,068,657	(50,385,875)
Federal Funds	1,221,716,549	1,269,017,438	47,300,889
Other Funds	7,417,336	7,417,336	-
State General Funds	16,467,754	19,228,318	2,760,564
Total Funds	\$2,040,056,171	\$2,039,731,749	(\$324,422)

- GDOT's Total Motor Fuel Estimate: \$1,016,000,000
- Governor's Total Motor Fuel Estimate: \$968,750,000
- GDOT estimate for GO Bond Debt Service: \$221,545,468
- Governor's Recommendation: \$224,681,343

FY 2010 Motor Fuel Impacts

GDOT Projection	1,016,000,000
Governor Recommendation Reduction	(\$47,000,000)
	\$969,000,000
Projected Rate Adjustment (Prepaid Sales Tax)	(\$56,000,000)
	913,000,000
Go Bond Debt Service	(\$225,000,000)
	\$689,000,000
Federal Match (GDOT Request)	(\$279,000,000)
	\$410,000,000
GARVEE Debt Service	(\$93,000,000)
Balance Remaining for <u>Gen Ops, LARP & State Aid Projects</u>	\$316,000,000

FY 2010 Governor's Recommendation Motor Fuel Distribution



	Match	LARP	State Aid	General Ops	Debt Service
FY09 AOB	279,388,557	60,000,000	71,204,202	354,814,971	276,751,129
AFY 09 Gov Rec	141,968,578	11,572,573	25,204,202	588,533,386	276,751,129
FY 10 Gov Rec	282,550,259	55,072,018	21,656,998	262,337,646	347,133,079

Reduction Based on Prepaid Rate Adjustment (Projection) (\$ 56,000,000)
Projected Available General Ops Balance 206,337,646

Includes STIB & CID \$33.1M

FY 2010 Recommendations

1. Continue Furlough plan in FY 2010
2. Continue Hiring Freeze- Critical Hires Only