Department of Transportation
Governor’s FY 2012 and FY 2013 Recommendations

Staff Presentation to the House Finance Committee
March 27, 2012
Department of Transportation

- Central Management
  - Internal audits and control
- Management and Budget
  - Financial oversight and administration
- Infrastructure Engineering
  - Design and construction of all transportation projects
- Infrastructure Maintenance
  - Maintain state highways, bridges, roadsides, pavement and drainage systems
Department of Transportation

- Over 1,100 road miles
  - Over 3,300 lane miles
- 644 state owned bridges
  - 171 structurally deficient
  - 216 functionally obsolete
  - 64 posted
  - 25 closed
Federal Highway Projects

- Construction and repair for highways, roads and bridges
- Safety improvements
- Resurfacing
- Drainage and lighting improvements
Fund Sources

- Federal Highway Administration Funds
  - State uses $40.0 million of G.O. bonds as 20% state match for approximately $200 million annually
  - Historically matched with $80.0 million bond referenda during election years
  - 2012 ballot includes only $20.0 million
  - Part of pay-go initiative
**Fund Sources**

- **Stimulus Funds**
  - Over $140.0 million
  - 62 individual projects
  - Commuter rail
  - Majority of funds have been spent
  - $2.9 million for FY 2013
Fund Sources

- Other Federal Funds
  - Approximately $90 million in FY 2013
  - Grant funding from National Highway Transportation Safety Administration
  - Federal Transit Authority
Fund Sources

- Land Sale Revenue
- FY 2013 - $1.9 million
  - Derived from the sale of department owned land
  - Funds used for equipment purchases
Fund Sources

- I-195 Land Sale Revenue
- FY 2013 - $20.5 million
  - Derived from the sale of department owned land
  - Funding used to purchase equipment
  - Larger amounts that are available from Interstate 195 relocation
  - Funds must be used for project costs
Fund Sources

Gasoline Tax
- Derived from 32.5 cents per gallon
- Approximately $135 million annually
- Deposited into Intermodal Surface Transportation Fund
- Distribution to transportation entities contained in statute
## Gasoline Tax Proceeds

<table>
<thead>
<tr>
<th>Entity</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Transportation</td>
<td>21.75</td>
</tr>
<tr>
<td>Public Transit Authority</td>
<td>9.75</td>
</tr>
<tr>
<td>Elderly Transportation - DHS</td>
<td>1.0</td>
</tr>
<tr>
<td>Environmental Protection Fee</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>33.0</strong></td>
</tr>
</tbody>
</table>
Gasoline Tax Proceeds

- Based on Department of Revenue’s estimate
- Gas tax is currently 33.0 cents
- DOT share is 21.75 cents
## Gasoline Tax Proceeds

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Per Penny Yield</th>
<th>DOT Share</th>
<th>Total Funding</th>
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</thead>
<tbody>
<tr>
<td>2007</td>
<td>4.707</td>
<td>20.75</td>
<td>97.7</td>
</tr>
<tr>
<td>2008</td>
<td>4.513</td>
<td>20.75</td>
<td>93.6</td>
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<tr>
<td>2009</td>
<td>4.327</td>
<td>20.75</td>
<td>89.8</td>
</tr>
<tr>
<td>2010</td>
<td>4.185</td>
<td>21.75</td>
<td>91.0</td>
</tr>
<tr>
<td>2011</td>
<td>4.268</td>
<td>21.75</td>
<td>92.8</td>
</tr>
<tr>
<td>2012 Rev.</td>
<td>4.224</td>
<td>21.75</td>
<td>91.9</td>
</tr>
<tr>
<td>2013 Rec.</td>
<td>4.224</td>
<td>21.75</td>
<td>91.9</td>
</tr>
</tbody>
</table>

*In millions*
Gasoline Tax Expenditures

- Maintenance Division
  - Personnel
  - Operations
  - Electricity – highway lighting
  - Vehicle maintenance
  - Winter maintenance
## Winter Maintenance

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Cost (Millions)</th>
<th>Hours of Operation</th>
<th>Cost per Hour</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$7.9</td>
<td>290</td>
<td>$27,142</td>
</tr>
<tr>
<td>2009</td>
<td>16.2</td>
<td>354</td>
<td>45,768</td>
</tr>
<tr>
<td>2010</td>
<td>11.7</td>
<td>374</td>
<td>31,294</td>
</tr>
<tr>
<td>2011</td>
<td>18.8</td>
<td>401</td>
<td>46,883</td>
</tr>
<tr>
<td>2012</td>
<td>8.0</td>
<td>162</td>
<td>49,382</td>
</tr>
<tr>
<td><strong>5-year Avg.</strong></td>
<td><strong>$12.5</strong></td>
<td><strong>316</strong></td>
<td><strong>$40,094</strong></td>
</tr>
</tbody>
</table>
Winter Maintenance

- Revised request of $12.9 million
- Costs consist of
  - $4.7 million related to storm operations
  - $3.3 million related to other operations
- Anticipated expenditures of $8.0 million
- $4.9 million of winter maintenance expenditure surplus
- Included by Governor to reduce shortfall
Gasoline Tax Proceeds

- General Obligation Bond Debt Service
  - $42.3 million

- Reduced amount reflects
  - Debt restructuring
  - Rebate available from Build America Bond proceeds
  - $2.0 million from general revenues
Gasoline Tax Proceeds

- Total of $137.3 million for transportation in FY 2013
- Elderly Transportation - $4.2 million
- RIPTA - $41.2 million
- DOT - $91.9 million
Gasoline Tax Expenditures FY 2013

- Personnel: 20%
- Debt Service: 39%
- RIPTA Transfer: 32%
- Winter Maintenance: 9%
FY 2012 Revised Recommendation

- Governor recommends $440.9 million
- $25.3 million more than enacted
  - $28.9 million more from federal funds
  - $3.7 million less from other sources
- 772.6 full-time equivalent positions
  - 443.6 funded with federal funds
  - 297.0 funded with gasoline tax proceeds
  - 32.0 funded with other sources
FY 2012 Revised Recommendation

- Department does not receive general revenues
- Governor recommends $2.0 million of general revenues to pay debt service
- Increases available gasoline tax proceeds for operations
- Reduces available general revenue
## FY 2012 Revised Recommendation

<table>
<thead>
<tr>
<th>(Millions)</th>
<th>Enacted</th>
<th>Governor</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Funds</td>
<td>$310.0</td>
<td>$338.9</td>
<td>$28.9</td>
</tr>
<tr>
<td>Gas Tax</td>
<td>92.5</td>
<td>91.9</td>
<td>(0.6)</td>
</tr>
<tr>
<td>Res. Receipts</td>
<td>1.0</td>
<td>1.0</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>23.5</td>
<td>20.4</td>
<td>(3.1)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$427.0</strong></td>
<td><strong>$452.3</strong></td>
<td><strong>$25.3</strong></td>
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</tbody>
</table>
FY 2012 Revised Recommendation

- FHWA Projects - $7.8 million more
  - Reflects revised award and expenditures
- Salaries and Benefits - $5.2 million more
  - Reflects actual filled positions
  - Includes turnover for approximately 32.0 positions
  - As of pay period ending March 10th
  - 711.6 filled positions
FY 2012 Revised Recommendation

- NHTSA grants - $1.9 million less
  - DUI enforcement, seatbelt usage and speeding
- Commuter Rail - $13.3 million more
  - Revised award from Federal Transit Administration
  - Used for development of South County Commuter Rail project
FY 2012 Revised Recommendation

- Department originally anticipated a $12.2 million deficit for FY 2012
- Revised request reduced it to $9.6 million
- Quarterly review determined shortfall closer to $7.4 million
FY 2012 Revised Recommendation

- Governor includes
  - $2.0 million from general revenues for a portion of debt service
  - Build America Bond rebates
  - Additional winter maintenance savings
- Now projecting a $2.5 million shortfall
FY 2013 Recommendation

- Governor recommends $492.3 million
  - $65.3 million more than enacted
    - $52.3 million more from federal funds
    - $13.0 million more from other sources
- Includes $13.6 million of new funding from accelerated transportation fees
- Supplements gas tax for operating costs
FY 2013 Recommendation

- Agencies used pre-reform retirement rates when preparing their budgets
  - Governor’s budget adjusts rates to reflect new, lower costs and reduces general revenues expenses
  - Savings from other sources shifted to unidentified operating expenses
    - For DOT, these total approx. $3.9 million
    - Some may be available to offset state costs
## Gasoline Tax Expenditures – FY 2013

<table>
<thead>
<tr>
<th></th>
<th>FY 2013</th>
<th>FY 2014</th>
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<tbody>
<tr>
<td><strong>Balance Forward</strong></td>
<td>($2,469,372)</td>
<td>($2,469,372)</td>
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<tr>
<td>Gasoline Tax</td>
<td>91,876,350</td>
<td>91,876,350</td>
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<tr>
<td>Accelerated Fees (Art.25)</td>
<td>-</td>
<td>13,646,434</td>
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<tr>
<td><strong>Available Proceeds</strong></td>
<td>$89,406,978</td>
<td>$103,053,412</td>
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<tr>
<td>Debt Service</td>
<td>$50,766,354</td>
<td>$50,766,354</td>
</tr>
<tr>
<td>Winter Maintenance</td>
<td>11,745,350</td>
<td>11,745,350</td>
</tr>
<tr>
<td>Vehicle Maintenance</td>
<td>6,560,223</td>
<td>6,560,223</td>
</tr>
<tr>
<td>Other Maintenance</td>
<td>22,242,497</td>
<td>22,242,497</td>
</tr>
<tr>
<td>All Other</td>
<td>9,420,402</td>
<td>9,420,402</td>
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<tr>
<td><strong>Expenditures</strong></td>
<td>$100,734,826</td>
<td>$100,734,826</td>
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<tr>
<td><strong>(Deficit)/Surplus</strong></td>
<td>($11,327,848)</td>
<td>$2,318,586</td>
</tr>
</tbody>
</table>
FY 2013 Sources (in millions)

- Federal Funds $362.3
- Gasoline Tax $103.3
- Restricted Receipts $1.0
- Other Sources $25.7
FY 2013 Expenditures (in millions)

- Assistance & Grants: $32.3
- Capital Purchases: $204.7
- Operating Transfers: $101.8
- Operating: $41.8
- Contracted Services: $37.2
- Personnel: $74.5
## FY 2013 Changes to Enacted

<table>
<thead>
<tr>
<th>FY 2012 Enacted</th>
<th>$427.0 million</th>
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<tr>
<td>Federal Highway Projects</td>
<td>54.4</td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>8.0</td>
</tr>
<tr>
<td>GARVEE Bond Projects</td>
<td>4.1</td>
</tr>
<tr>
<td>Commuter Rail</td>
<td>(5.9)</td>
</tr>
<tr>
<td>Interstate 195 Relocation</td>
<td>5.8</td>
</tr>
<tr>
<td>Winter Maintenance</td>
<td>(1.4)</td>
</tr>
<tr>
<td>All Other Changes</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Total Changes</strong></td>
<td><strong>65.3</strong></td>
</tr>
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**FY 2013 Governor**  
$492.3 million
FY 2013 Recommendation

- FHWA projects - $271.7 million
  - $54.4 million more
  - Revised award and planned expenditures
  - Consistent with upcoming Transportation Improvement Program
FY 2013 Recommendation

- Salaries and Benefits - $74.5 million
  - Authorized level of FTEs – 772.6
  - $8.0 million more than enacted
  - Turnover for 27 positions

- Filled positions
  - FY 2009 average filled – 640.8
  - FY 2010 average filled – 696.4
  - FY 2011 average filled – 707.6
  - Currently 711.6 filled positions
GARVEE Bond Projects

- The 2003 Assembly authorized the state to advance certain projects with GARVEE bonds (Grant Anticipation Revenue Vehicles)
- Program approved by Congress that allows states to borrow funds, which are then backed and repaid by the annual allocation of federal funds
Funds were combined with proceeds from the Motor Vehicle Tax Revenue bonds, which are financed through a two-cent dedication of DOT’s gas tax.

Occasionally the value of the two cents has been higher than the necessary debt service payment.

Remaining amount is deposited into a residual account.
GARVEE Bond Projects

- Accounts for $4.1 million in FY 2013
- Budget programs these funds into capital program to make final payments for the GARVEE funded projects
  - Freight Rail Improvement Plan
  - Relocation of Interstate 195
  - Route 403 interchange
  - Sakonnet River Bridge
  - Washington Bridge
Washington Bridge Repairs

- Received unbudgeted funding from a federal earmark; also cost savings
- Made additional $9.6 million available
- The article would increase authorization of bonds for Sakonnet Bridge
- Not borrowing additional funds; transferring amount from one project to another
FY 2013 Recommendation

- Commuter Rail - $12.8 million
  - $5.9 million less than enacted
  - Revised award from Federal Transit Administration
  - Used for development of South County Commuter Rail project
FY 2013 Recommendation

- Interstate 195 Relocation Land Sales
  - $20.5 million
  - $5.8 million more than enacted
  - Funds can only be used for project costs
  - Reflects anticipated land sales
FY 2013 Recommendation

- Winter Maintenance - $11.7 million
  - Used for salt, sand and vendors
  - Other activities taking place during the winter
    - Pot hole filling, vehicle repair, traffic lights
  - Consistent with 5-year average
  - $1.4 million less than enacted
Governor includes three transportation articles in 2012-H 7323

- Article 5 – Bond Referenda
- Article 20 – East Bay Bridge System
- Article 25 – Transportation Fees
- Heard on March 8th
Article 5 – Question 2, Transportation

- Budget includes $201.4 million of general obligation bonds for November 2012 ballot
- Question 2, Transportation
  - $20.0 million for Highway Improvement Prog.
  - $1.5 million for RIPTA
- Remaining ballot questions were heard on March 20th
Article 5 – Question 2, Transportation

- Used to match Federal Highway Funding
  - Interstate improvement, bridge improvement, pavement management, and congestion mitigation and air quality
- Used to match Federal Transit Funding
  - Bus purchases, repairs and rehabilitation
- According to Governor’s plan, this would be the last G.O. bond authorization for DOT
Article 20 – East Bay Bridge System

- Transfers ownership from DOT to RITBA
  - Sakonnet River Bridge
  - Jamestown Verrazzano Bridge
- Establishes East Bay Infrastructure Fund
  - Bridges
  - Capital Improvement Projects
  - East Bay Area
Article 20 – East Bay Bridge System

- Allows tolling
  - Explicitly on Sakonnet
  - Requires permission from federal agencies
    - Revised Environmental Impact Statement
    - Public outreach program
  - RITBA currently awaiting toll study
Article 20 – East Bay Bridge System

- Allows Sakonnet and Jamestown to be subject to current financing mechanisms of Authority
- Effective upon passage
- Implementation in FY 2014 – FY 2015
  - Federal approval
Article 25 – Division of Motor Vehicles

- Accelerates the incremental transportation related fee increases included by the 2011 Assembly
- Fully implemented on January 1, 2013
- Department would use this funding in FY 2013 for operations
- Estimated to yield $13.6 million
Article 25 – Division of Motor Vehicles

- In FY 2014, fees will be deposited into
  - Intermodal Surface Transportation Fund
  - Highway Maintenance Trust Fund
- Transfer to Trust Fund increases by 1/3 each year until all funds deposited into Trust
## Article 25 – Division of Motor Vehicles

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total New Fee Revenue</th>
<th>ISTF</th>
<th>Highway Maint. Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$13.6</td>
<td>$13.6</td>
<td>-</td>
</tr>
<tr>
<td>2014</td>
<td>$20.8</td>
<td>$13.9</td>
<td>$6.9</td>
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<tr>
<td>2015</td>
<td>$20.8</td>
<td>$7.0</td>
<td>$13.9</td>
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<tr>
<td>2016</td>
<td>$20.8</td>
<td>-</td>
<td>$20.8</td>
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</table>

*In millions*
### Article 25 – Division of Motor Vehicles

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Current Debt</th>
<th>Build America Bonds</th>
<th>New Debt Service</th>
<th>Projected Restruc.</th>
<th>General Revenue</th>
<th>Debt Service</th>
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</thead>
<tbody>
<tr>
<td>2013</td>
<td>$54.1</td>
<td>($2.0)</td>
<td>$1.1</td>
<td>($10.9)</td>
<td>-</td>
<td>$42.3</td>
</tr>
<tr>
<td>2014</td>
<td>$46.1</td>
<td>($2.0)</td>
<td>$4.4</td>
<td>($6.5)</td>
<td>($10.0)</td>
<td>$32.0</td>
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<tr>
<td>2015</td>
<td>$49.7</td>
<td>($2.0)</td>
<td>$4.9</td>
<td>($4.1)</td>
<td>($20.0)</td>
<td>$28.4</td>
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<tr>
<td>2016</td>
<td>$45.3</td>
<td>($2.0)</td>
<td>$4.9</td>
<td>$2.0</td>
<td>($30.0)</td>
<td>$20.3</td>
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<tr>
<td>2017</td>
<td>$45.0</td>
<td>($2.0)</td>
<td>$4.9</td>
<td>$2.0</td>
<td>($43.1)</td>
<td>$9.9</td>
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<tr>
<td>2018</td>
<td>$36.5</td>
<td>($2.0)</td>
<td>$4.9</td>
<td>$3.7</td>
<td>($42.1)</td>
<td>-</td>
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</table>

*In millions*
## Current Law

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Biannual Registration Fee</th>
<th>Annual Registration Fee</th>
<th>License Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$60.00</td>
<td>$30.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>2014</td>
<td>$70.00</td>
<td>$35.00</td>
<td>$40.00</td>
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<tr>
<td>2015</td>
<td>$80.00</td>
<td>$40.00</td>
<td>$50.00</td>
</tr>
<tr>
<td>2016</td>
<td>$90.00</td>
<td>$45.00</td>
<td>$60.00</td>
</tr>
</tbody>
</table>
# Article 25 – Division of Motor Vehicles

## Governor’s Proposal

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Biannual Registration Fee</th>
<th>Annual Registration Fee</th>
<th>License Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$60.00</td>
<td>$30.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>2014</td>
<td>$90.00</td>
<td>$45.00</td>
<td>$60.00</td>
</tr>
</tbody>
</table>
$3,470.5 million total project costs
$1,754.8 million for FY 2013 through FY 2017
Includes projects in the Highway Improvement Program
   Bridge replacement
Department asset protection projects
   Installation of fire alarms
Train Station Repairs - $2.0 million
- Repairs at three train stations; Woonsocket, Kingston and Westerly
- Kingston and Westerly stations are currently active; Woonsocket serves as a bus depot
- Maintenance division is currently responsible for these facilities
- Larger scale asset protection projects, such as roof and window repairs, painting and HVAC upgrades
Capital Development Plan – New Projects

- Maintenance Agreement- $5.0 million
  - Convert RIPTA’s former maintenance facility to a cooperative facility for the Department’s heavy fleet and the Authority’s buses
  - Elmwood facility is currently obsolete
  - Maintenance has been shifted to the Authority’s new headquarters
  - Architectural and engineering services to design the facility; construction costs for the conversion
## Capital Development Plan

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Cost</th>
<th>Financing</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highway Imp. Program</td>
<td>Revised</td>
<td>$2,229.8 million</td>
<td>G.O. bonds, FHWA, RICF</td>
<td>Perpetual</td>
</tr>
<tr>
<td>I-195 Relocation</td>
<td>Revised</td>
<td>$426.8 million</td>
<td>FHWA, GARVEE</td>
<td>FY 2016</td>
</tr>
<tr>
<td>Sakonnet River Bridge</td>
<td>Revised</td>
<td>$142.4 million</td>
<td>FHWA, GARVEE</td>
<td>FY 2013</td>
</tr>
<tr>
<td>Equipment Replacement</td>
<td>Revised</td>
<td>$46.9 million</td>
<td>State Revolving</td>
<td>Perpetual</td>
</tr>
<tr>
<td>Maintenance Fire Alarms</td>
<td>Revised</td>
<td>$0.5 million</td>
<td>RICAP</td>
<td>FY 2013</td>
</tr>
</tbody>
</table>
## Capital Development Plan

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Cost</th>
<th>Financing</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commuter Rail</td>
<td>Revised</td>
<td>$238.6 million</td>
<td>MBTA, G.O. Bonds</td>
<td>Post FY 2017</td>
</tr>
<tr>
<td>Salt Storage Facilities</td>
<td>Revised</td>
<td>$17.5 million</td>
<td>G.O. Bonds RICAP</td>
<td>FY 2017</td>
</tr>
<tr>
<td>Maintenance Asset Protec.</td>
<td>Revised</td>
<td>$3.6 million</td>
<td>RICAP</td>
<td>FY 2017</td>
</tr>
<tr>
<td>Freight Rail Improvement</td>
<td>Revised</td>
<td>$155.6 million</td>
<td>GARVEE, FRA</td>
<td>FY 2013</td>
</tr>
<tr>
<td>Project</td>
<td>Status</td>
<td>Cost</td>
<td>Financing</td>
<td>End Date</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>------------</td>
<td>--------------</td>
<td>---------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Washington Bridge</td>
<td>Ongoing</td>
<td>$69.6 million</td>
<td>GARVEE</td>
<td>FY 2016</td>
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<tr>
<td>Pawtucket-CF Train Study</td>
<td>Ongoing</td>
<td>$3.4 million</td>
<td>RICAP, FTA, Local</td>
<td>FY 2016</td>
</tr>
<tr>
<td>E.P. Maint. Facility</td>
<td>Ongoing</td>
<td>$4.9 million</td>
<td>G.O. Bonds RICAP</td>
<td>FY 2012</td>
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<tr>
<td>Lincoln Maint. Fac.</td>
<td>Ongoing</td>
<td>$4.1 million</td>
<td>G.O. Bonds RICAP</td>
<td>FY 2013</td>
</tr>
</tbody>
</table>
## Capital Development Plan

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Cost</th>
<th>Financing</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance Asset Protec.</td>
<td>Ongoing</td>
<td>$3.6 million</td>
<td>RICAP</td>
<td>FY 2017</td>
</tr>
<tr>
<td>Quonset Route - 403</td>
<td>Ongoing</td>
<td>$114.0 million</td>
<td>FHWA, GARVEE</td>
<td>FY 2013</td>
</tr>
<tr>
<td>Portsmouth Facility</td>
<td>Ongoing</td>
<td>$5.5 million</td>
<td>GO Bonds, RICAP</td>
<td>FY 2014</td>
</tr>
</tbody>
</table>
Rhode Island Public Transit Authority: Governor’s FY 2012 Revised and FY 2013 Budgets

Staff Presentation to the House Finance Committee
March 27, 2012
Organization and Structure

- Quasi-public agency
- Established in 1964
- Responsible for fixed-route bus service and Americans with Disabilities Act paratransit service operations
- Governed by an 8 member Board of Directors
Organization and Structure

- **Service**
  - 1,436 square miles
  - 3,300 daily trips
  - Routes range from 2.5 miles to 45.5 miles
  - 54 fixed routes statewide

- **Fares**
  - One-way: $2.00
  - Monthly pass: $62.00
Organization and Structure

- Currently 815.0 filled positions
- 23 non-union; Union members belong to:
  - 618 - Bus Operators/Maintenance
  - 618 A - Street & Shop Supervisors
  - 808 - Administrative
- Fleet of 241 fixed-route buses
- 135 paratransit vans
  - Includes RIde and ADA trips
Ridership - Passengers

- FY 2008: 20.8 million
- FY 2009: 18.6 million
- FY 2010: 18.0 million
- FY 2011: 18.2 million
- Totals includes 0.6 to 0.7 million passengers annually on paratransit vehicles
FY 2012

- Originally projected a $4.6 million deficit
- Summer of 2011, held 10 public hearing regarding service cuts
- Due to response, Board decided to not address shortfall with service cuts
- Explored alternatives
## Deficit Reduction - Millions

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Deficit</td>
<td>$(4.6)</td>
</tr>
<tr>
<td>Personnel Savings</td>
<td>0.3</td>
</tr>
<tr>
<td>Fuel Savings</td>
<td>0.5</td>
</tr>
<tr>
<td>Insurance Savings</td>
<td>0.8</td>
</tr>
<tr>
<td>Utilities, Capital Match, ADA</td>
<td>0.9</td>
</tr>
<tr>
<td>Maintenance</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3.0</strong></td>
</tr>
<tr>
<td><strong>Current Deficit</strong></td>
<td><strong>$(1.7)</strong></td>
</tr>
</tbody>
</table>
Gasoline Tax
- $41.2 million
- Based on a per penny yield of $4.2 million
- 9.75 cent share
- 42.2% of all revenue sources
- Based on Department of Revenue estimate included in Transportation budget
**Gasoline Tax Proceeds**

<table>
<thead>
<tr>
<th>Entity</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Transportation</td>
<td>21.75</td>
</tr>
<tr>
<td>Public Transit Authority</td>
<td>9.75</td>
</tr>
<tr>
<td>Elderly Transportation - DHS</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32.5</strong></td>
</tr>
</tbody>
</table>
# Gasoline Tax Proceeds

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Per Penny Yield</th>
<th>DOT Share</th>
<th>Total Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>4.707</td>
<td>7.25</td>
<td>34.1</td>
</tr>
<tr>
<td>2008</td>
<td>4.513</td>
<td>7.25</td>
<td>32.7</td>
</tr>
<tr>
<td>2009</td>
<td>4.327</td>
<td>7.75</td>
<td>42.2</td>
</tr>
<tr>
<td>2010</td>
<td>4.185</td>
<td>9.75</td>
<td>40.8</td>
</tr>
<tr>
<td>2011</td>
<td>4.268</td>
<td>9.75</td>
<td>41.6</td>
</tr>
<tr>
<td>2012 Rev.</td>
<td>4.224</td>
<td>9.75</td>
<td>41.2</td>
</tr>
<tr>
<td>2013 Rec.</td>
<td>4.224</td>
<td>9.75</td>
<td>41.2</td>
</tr>
</tbody>
</table>

*In millions*
## FY 2013 Revenue Sources

<table>
<thead>
<tr>
<th>Fund Source</th>
<th>FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gasoline Tax</td>
<td>$41.2 M</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>19.5</td>
</tr>
<tr>
<td>Passenger Revenue</td>
<td>23.3</td>
</tr>
<tr>
<td>Paratransit Reimbursement</td>
<td>10.7</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>1.0</td>
</tr>
<tr>
<td>Other Sources</td>
<td>1.9</td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td><strong>$97.6 M</strong></td>
</tr>
</tbody>
</table>

As included in Governor’s budget, Board subsequently revised FY 2013 budget
FY 2013 Revenue Sources - Millions

- Gasoline Tax: $41.2, 42%
- Federal Funds: $19.5, 20%
- Passenger Revenue: $23.3, 24%
- Paratransit: $10.7, 11%
- Special Revenue: $1.0, 1%
- Other: $1.9, 2%
## Passenger Revenue

<table>
<thead>
<tr>
<th>Source</th>
<th>FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farebox</td>
<td>$5.4 M</td>
</tr>
<tr>
<td>Rlte Care</td>
<td>7.3</td>
</tr>
<tr>
<td>RIPTIKS/15 Ride pass/Upass</td>
<td>4.4</td>
</tr>
<tr>
<td>Monthly Passes</td>
<td>3.8</td>
</tr>
<tr>
<td>Senior Rides</td>
<td>2.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$23.3 M</strong></td>
</tr>
</tbody>
</table>
Passenger Revenue

- **Farebox**: $5.4, 23%
- **RIte Care**: $7.3, 31%
- **RIPTIKS/15 Ride/Upass**: $4.4, 19%
- **Monthly Passes**: $3.7, 16%
- **Senior Rides**: $2.5, 11%
## Expenditures

<table>
<thead>
<tr>
<th>In millions</th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>$44.6</td>
<td>$45.8</td>
<td>$1.2</td>
</tr>
<tr>
<td>Benefits</td>
<td>23.9</td>
<td>24.8</td>
<td>0.9</td>
</tr>
<tr>
<td>Operations</td>
<td>34.3</td>
<td>34.7</td>
<td>0.4</td>
</tr>
<tr>
<td>Special Services</td>
<td>0.7</td>
<td>2.3</td>
<td>1.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$103.5</strong></td>
<td><strong>$107.6</strong></td>
<td><strong>$4.1</strong></td>
</tr>
</tbody>
</table>
FY 2013 Expenses

- **Salaries and Wages**
  - $45.8 million

- **Employees Benefits**
  - $24.8 million
  - Defined pension benefit plan
  - Health care benefits consistent with state employees
    - Co-shares and waivers are different
FY 2013 Expenses

- Operating expenses - $34.7 million
  - Fuel and maintenance
  - Rlde program expenses and ADA
  - Debt service for general obligation bonds
FY 2013 Expenses

- Special Services - $2.3 million
  - Legal services
  - Actuarial studies
  - Auditing services
  - Environmental services
  - Project support
    - Engineering, ARRA, Metro Transit Study
Bus Purchases

- $1.5 million referenda for 2012 ballot
- Article 5, heard on March 20th
- FY 2013 – 2017
  - 139 vehicles
  - Buses, trolleys and flex vehicles
<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Cost</th>
<th>Financing</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solar/Roof Technologies</td>
<td>New</td>
<td>$2.4 million</td>
<td>ARRA, FTA RIPTA</td>
<td>FY 2012</td>
</tr>
<tr>
<td>Paratransit Vehicles</td>
<td>Revised</td>
<td>$28.3 M</td>
<td>Fed., RICAP RIPTA</td>
<td>Perpetual</td>
</tr>
<tr>
<td>Bus Purchases</td>
<td>Revised</td>
<td>$142.8 M</td>
<td>Fed., New G.O. bonds</td>
<td>Perpetual</td>
</tr>
<tr>
<td>Providence Connector</td>
<td>Revised</td>
<td>$8.2 million</td>
<td>FTA</td>
<td>FY 2015</td>
</tr>
</tbody>
</table>
## FY 2013 – 2017 Capital Plan

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Cost</th>
<th>Financing</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intelligent Transportation</td>
<td>Ongoing</td>
<td>$10.8 M</td>
<td>Fed., RIPTA</td>
<td>FY 2014</td>
</tr>
<tr>
<td>Land &amp; Building Enhancements</td>
<td>Ongoing</td>
<td>$13.3 M</td>
<td>Fed., G.O. Bonds, RICAP, RIPTA</td>
<td>Perpetual</td>
</tr>
<tr>
<td>Project</td>
<td>Status</td>
<td>Cost</td>
<td>Financing</td>
<td>End Date</td>
</tr>
<tr>
<td>-------------------------</td>
<td>---------</td>
<td>--------</td>
<td>-----------------</td>
<td>----------</td>
</tr>
<tr>
<td>Radio Interoperability</td>
<td>Ongoing</td>
<td>$4.3 M</td>
<td>FEMA</td>
<td>FY 2012</td>
</tr>
<tr>
<td>Elmwood Expansion</td>
<td>Ongoing</td>
<td>$41.7 M</td>
<td>FTA, RIPTA RICAP</td>
<td>FY 2012</td>
</tr>
<tr>
<td>Bus Washes</td>
<td>Ongoing</td>
<td>$0.6 M</td>
<td>ARRA</td>
<td>FY 2012</td>
</tr>
</tbody>
</table>
Budget Issues

- Projecting $1.7 million deficit for FY 2012
- $10.0 million deficit for FY 2013
  - Board’s revised budget lowers projection to $8.0 million
- Fuel prices
- Gasoline Tax
- Debt Service
Budget Issues

- Debt Service
  - FY 2009: $759,878
  - FY 2010: $824,797
  - FY 2011: $981,691
  - FY 2012: $1,105,344
  - FY 2013: $2,021,932

- Not addressed by Governor’s transportation initiatives
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March 27, 2012