

Distribution of Transportation Funding for Urban Areas: An Overview

*presented to the
FHWA, FTA, MPO, FDOT Statewide Meeting*



presented by

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Today's Presentation

- Overview of Surface Transportation Program funding attributable to Transportation Management Areas.
- Obligation Authority and Constraint:
 - Implications of not consuming your obligation authority annually.
- Differences between SAFETEA-LU and MAP-21 relating to Transportation Management Areas.

Obligation Authority vs. Apportionments (Funds)

- Each year Congress provides contract authority for apportionments (funds) for the various federal transportation programs.
- However, these apportionments do not represent true funds which can be spent to finance transportation projects.
- These apportionments merely represent maximum annual caps Congress has set for each transportation program, as shown in the authorizing legislation.

Obligation Authority vs. Apportionments (Funds)

- The true funds are the amount of federal budget authority (Obligation Authority) Congress designates annually to actually finance and pay for projects.
- Each year the states receive an amount of Obligation Authority (OA), which is flexible in that it may be used in conjunction with funds in any of our core federal programs.
- However, unlike the federal funds, which are usually available for four years, the Obligation Authority must be fully consumed by the end of each federal fiscal year or it lapses.

Obligation Authority vs. Apportionments (Funds)

- Important points to remember.....
 - **Annual Obligation Authority** is the amount of funds allocated to states which **must** be obligated and spent on projects by the end of the federal year.
 - **OA Constraint** is the amount of funds annually allocated to states which **cannot** be obligated and spent on projects.
 - Any annual Obligation Authority left unobligated at the end of the federal year (September 30) is lost (lapsed).

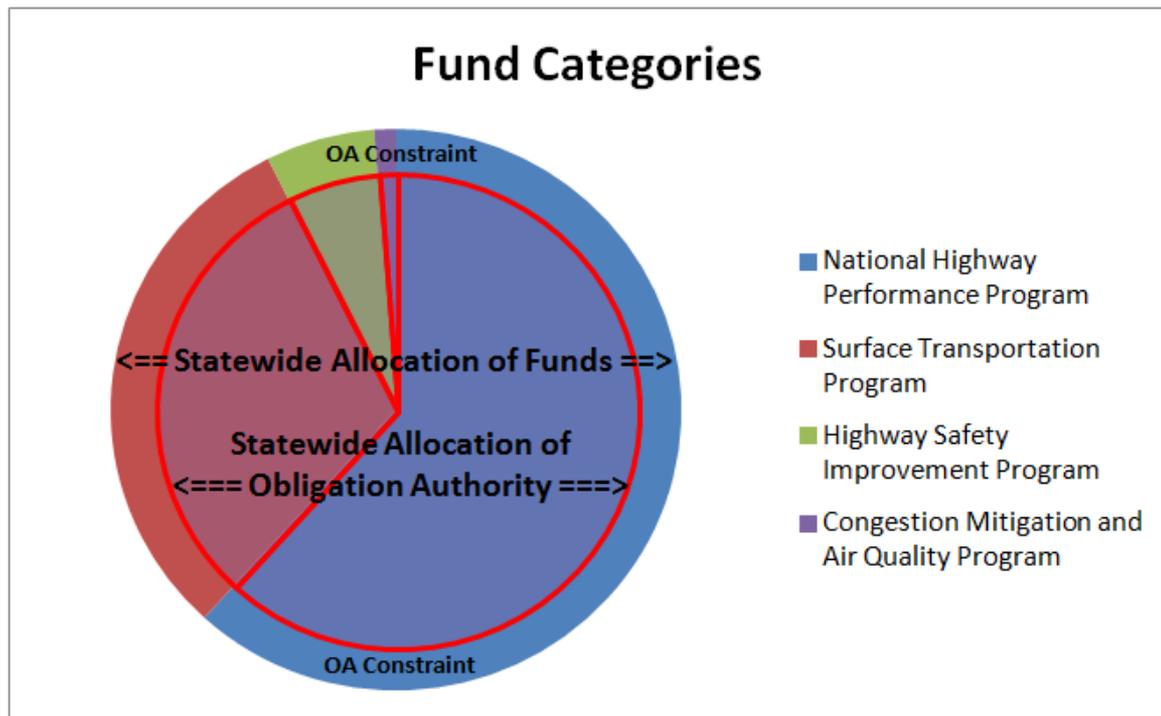
Obligation Authority vs. Apportionments (Funds)

- The difference between the amount of funds received and the amount of OA received is defined as the **Obligation Authority Constraint**.
- Example:

	Amount	Percentage
Annual Federal Funds received	1,620,000,000	100%
Less: Annual Obligation Authority received	1,522,800,000	94%
Equals: Annual Obligation Authority Constraint	97,200,000	6%

Obligation Authority vs. Apportionments (Funds)

CAUTION:
All annual OA must be obligated by federal fiscal year end. It doesn't matter to FHWA which category of funds the project obligations are made.



- Fund inside the red circle represent funds in each category which can be obligated (Funds having OA available to them).
- Funds outside the red circle represent funds in each category which cannot be obligated (Funds have OA constraint applied to them).

Describing the Process

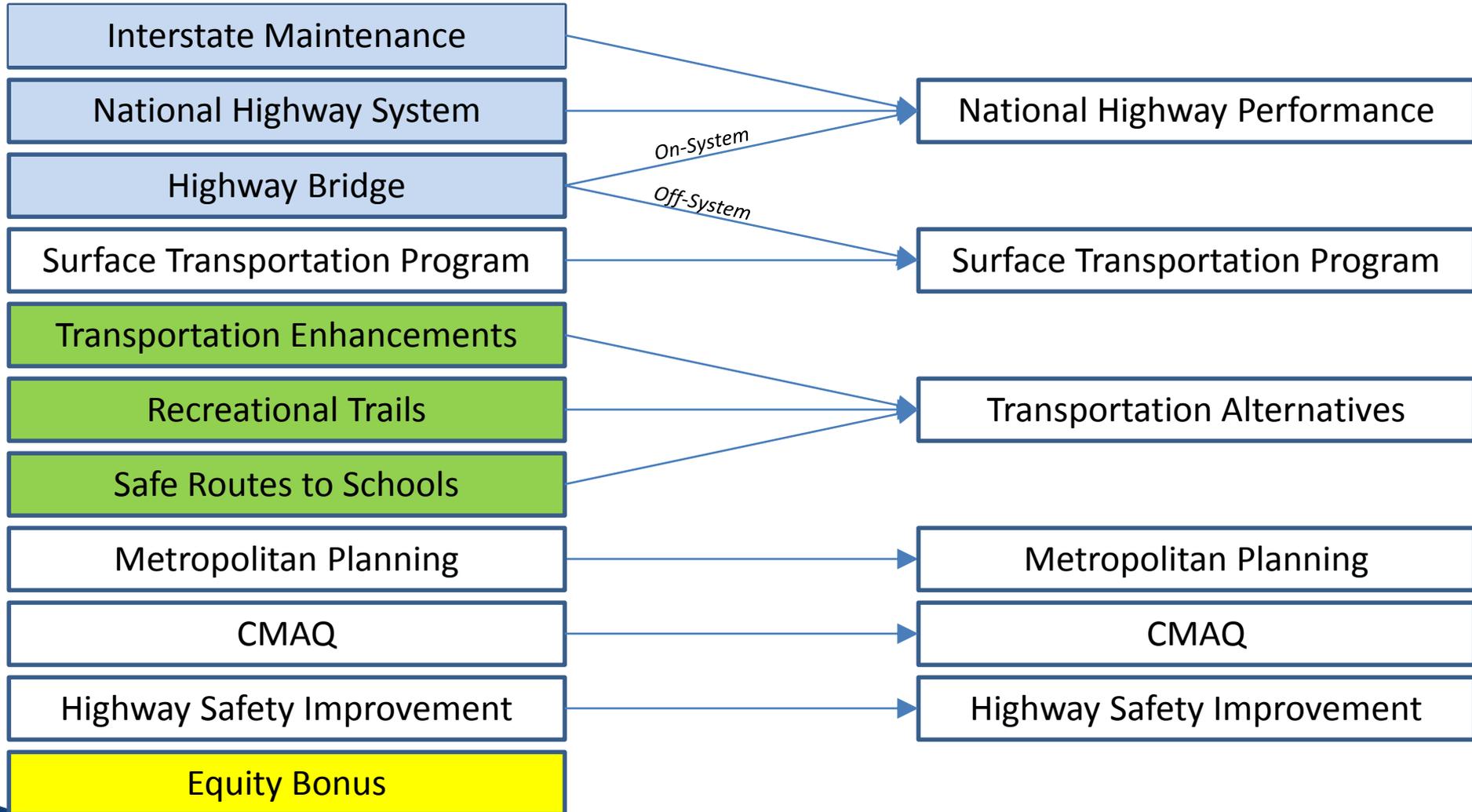
- Two other important points to consider.....
 - Obligation Authority Constraints are cumulative from year to year.
 - In each federal fiscal year the amount of overall funds provided to the State is larger than the amount of Obligation Authority provided to the State, so the cumulative OA Constraint gets larger over time.
 - The amount of the OA Constraint in any given year in any given fund category may have to be adjusted as the federal fiscal year end gets closer due to lack of “ready to obligate” projects in that particular category of funds.

Describing the Process

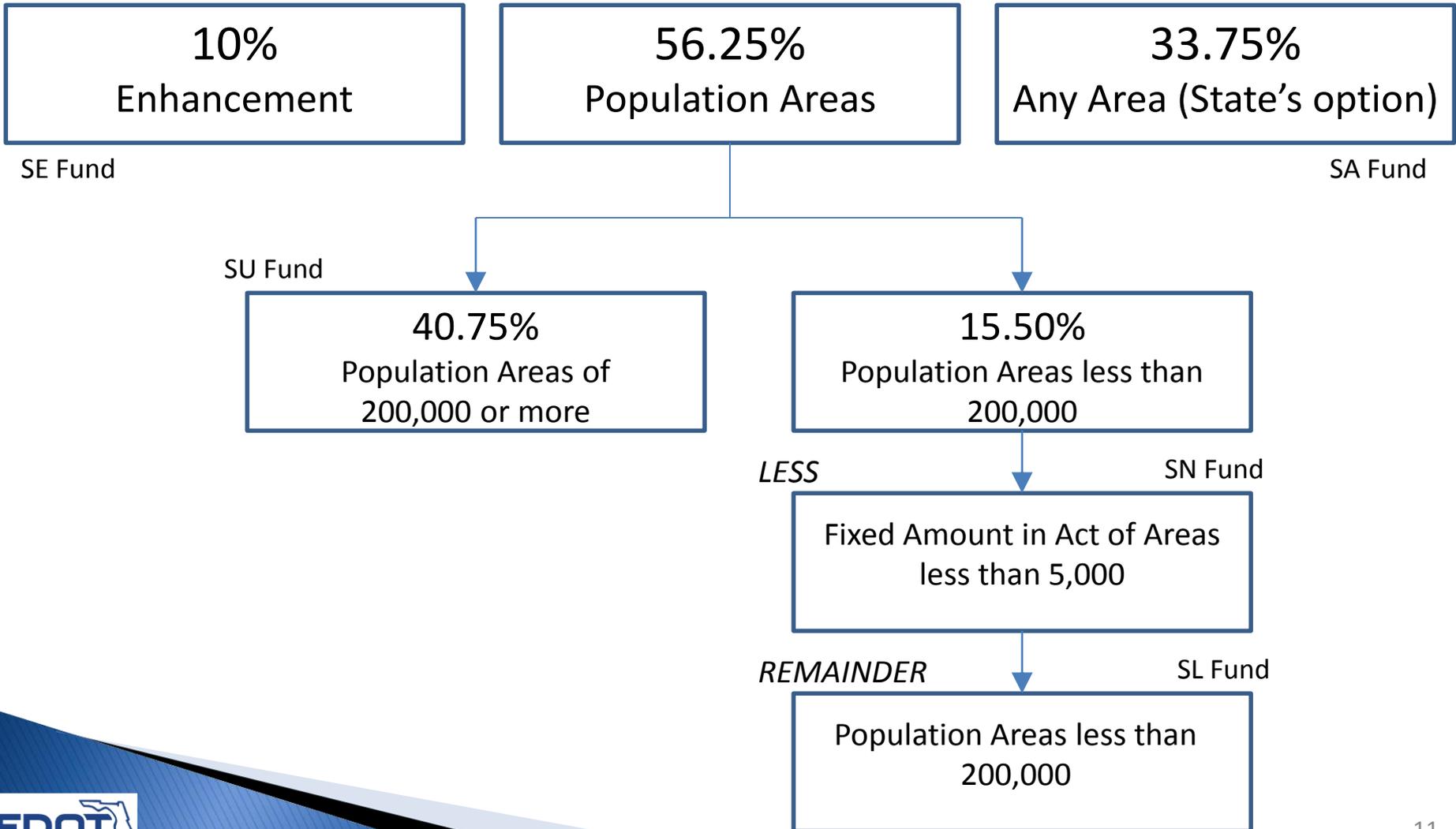
- How to maintain current levels of funds available for programming.
 - Have sufficient projects ready to obligate to ensure consumption of all your obligation authority annually.
- How to get constraint reduced.
 - Have extra projects ready to obligate.
- Florida will consume all its Obligation Authority annually.
 - There may be obligation authority available from programs or areas which were not able to consume their obligation authority.

SAFETEA-LU

MAP-21



Surface Transportation Program SAFETEA-LU



Surface Transportation Program

SAFETEA-LU

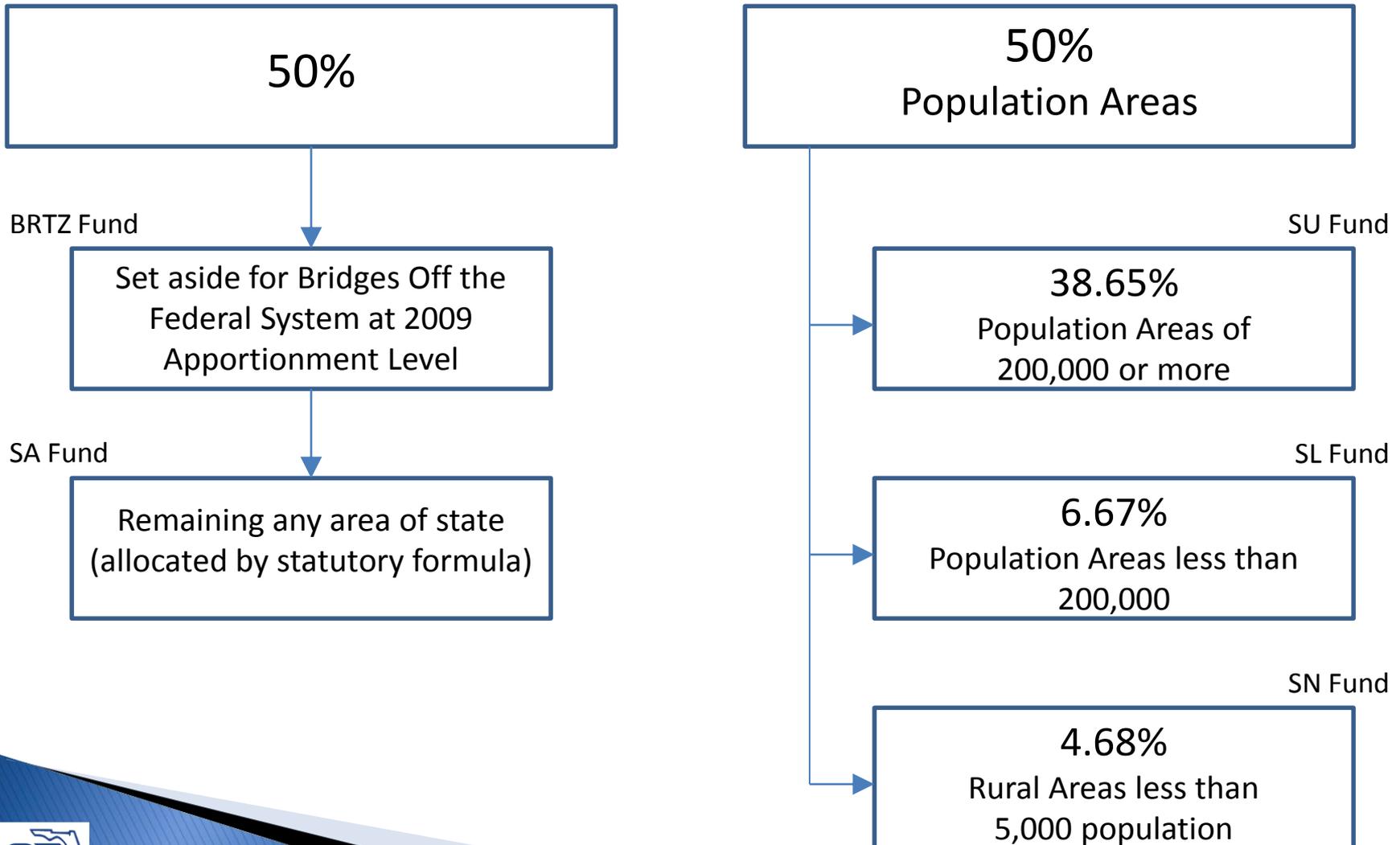
WP FUND	2012 FHWA FINAL	FHWA ACTUAL %	STP PERCENT UNDER CURRENT LAW
SA	169,439,895	33.75	34%
SE	50,197,927	10.00	10% or 2005 Amt.
SL	61,098,400	12.17	REMAINDER
SN	16,734,111	3.33	FIXED 16,734
SU	204,530,829	40.74	41.0%
	502,001,162	100.00	

Surface Transportation Program

SAFETEA-LU

	L23E	2012 FMISW10A	FHWA ACTUAL %	DIST AREA
D1	FTMYERS X1	5,825,871	2.8484	X01
D1	SARASOTA X2	9,879,992	4.8306	X02
D2	JAX X3	15,587,653	7.6212	X03
D3	PENS X4	5,686,619	2.7803	X04
D4	FT LAUD X5	28,635,121	14.0004	X05
D4	WEST PLM X6	18,998,123	9.2886	X06
D5	DAYTONA X7	4,511,364	2.2057	X07
D5	MELBOURE X8	6,948,303	3.3972	X08
D5	ORLANDO X9	20,448,525	9.9978	X09
D6	MIAMI X10	39,272,186	19.2011	X10
D7	Tpa/StPete X11	36,435,688	17.8143	X11
D1	NAPLES X12	3,908,880	1.9111	X12
D3	TALL X13	3,608,695	1.7644	X13
D4	FT PIERCE X14	4,783,809	2.3389	X14
	TOTAL	204,530,829	100.0000	

Surface Transportation Program MAP-21



Surface Transportation Program

MAP-21

WP FUND	FHWA FMISW10A N4510.763 After 0.2 Rescission	FHWA ACTUAL %	STP PERCENT UNDER CURRENT LAW
BRTZ	21,059.390	4.21	setaside from SA
SA	229,333.604	45.79	50.00%
SL	33,410.233	6.67	REMAINDER
SN	23,426.295	4.68	9.30%
SU	193,556.465	38.65	37.86%
	500,785.987	100.00	

Surface Transportation Program

MAP-21

	SU (M230)	FMISW10A Final	FHWA ACTUAL %	DIST AREA
D1	FTMYERS X1	7,062.322	3.65	X01
D1	SARASOTA X2	8,566.839	4.43	X02
D2	JAX X3	14,186.425	7.33	X03
D3	PENS X4	4,445.511	2.30	X04
D4	FT LAUD X5	23,341.913	12.06	X05
D4	WEST PLM X6	16,825.237	8.69	X06
D5	DAYTONA X7	4,648.781	2.40	X07
D5	MELBOURE X8	6,030.202	3.12	X08
D5	ORLANDO X9	20,116.823	10.39	X09
D6	MIAMI X10	33,112.699	17.11	X10
D7	Tpa/StPete X11	32,519.122	16.80	X11
D1	NAPLES X12	4,132.502	2.14	X12
D3	TALL X13	3,199.253	1.65	X13
D4	FT PIERCE X14	5,008.137	2.59	X14
D1	LAKELAND X15	3,497.214	1.81	X15
D1	WINT HAVEN X16	2,680.736	1.38	X16
D5	KISSIMMEE X17	4,182.750	2.16	X17
	TOTAL	193,556.466	100.000	

Surface Transportation Program Differences: SAFETEA-LU & MAP-21

- Under MAP-21
 - STP was expanded to include Off-System Bridge Funding
 - Previously part of Highway Bridge Program
 - Additional funding for Any Area (SA) and Rural Areas (SN)
 - Less funding for Transportation Management Areas (SU)
 - Three Transportation Management Areas Added
 - The Reduced funding for Transportation Management Areas is now distributed to 15 TMAs rather than 12 in the prior Act

Roles and Responsibilities

- Not obligating funds results in an increase of constraint placed on your funds and a reduction of constraint placed on other funds.
 - The state needs to meet its obligation authority requirements.
- Common reason why funds are not obligated annually:
 - The desire to store funds in reserve until enough has accumulated to program on a larger project.
 - Poor consideration of project schedule when programming SU funds.
 - Sudden unexpected changes in priorities and programming.
 - Not understanding the consequences.

Roles and Responsibilities

- Strong teamwork is needed between MPO staff and the FDOT MPO Liaison.
- Working together can help each party achieve their desired outcome.
 - The department has a broad assortment of funds available to help accomplish objectives.
- Coordinate and develop a plan to obligate all SU funds allocated with a buffer of ACSU should a conversion be necessary.
 - Have a backup plan in case something slips.

Conclusion

- Have sufficient projects ready to obligate:
 - To consume all your Obligation Authority annually.
 - To receive additional Obligation Authority should it become available.
- Work closely with your MPO Liaison.

Questions?



For More Information Contact:

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