



NORTH CAROLINA
Department of Transportation

NCDOT Update

Transportation Secretary Joey Hopkins
Chief Operating Officer Chris Peoples

Feb. 29, 2024

Connecting people, products and places safely and efficiently with customer focus, accountability and environmental sensitivity to enhance the economy and vitality of North Carolina

State Budget

Financial Highlights

Cash

Cash Balance
\$2,044M

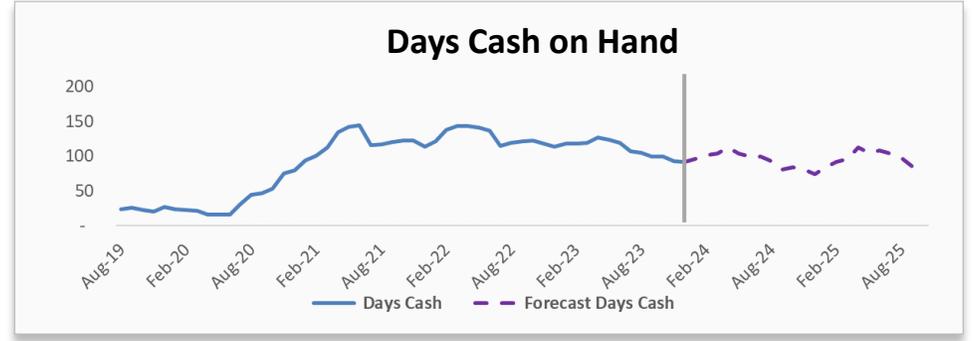
Highway Fund:	Trust Fund:	Ferry Capital:
\$1,372m	\$653M	\$19M

FY24 Forecast Average Monthly Expenditures
\$675M

Days Cash On Hand
92.1

Last Month: 92.4*

*As a result of Spend Plan Amendment 1

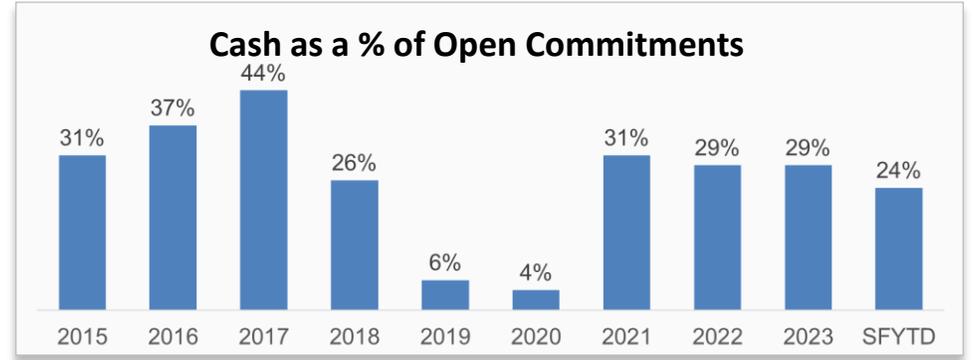


Commitments

Open Commitments
\$8,352M

Last Month: \$8,463M

Category	Percentage
Construction	75%
Maintenance	14%
Other	7%
Modal	4%



Project Activity

New Active Projects
December

10 Projects
\$21.2M
 (Bid Amounts)

Month	# of Projects	Bids (\$m)
March	75	~300
April	59	~150
May	38	~180
June	39	~250
July	58	~280
August	31	~350
September	25	~100
October	43	~550
November	24	~300
December	10	~100

Accepted Projects
December

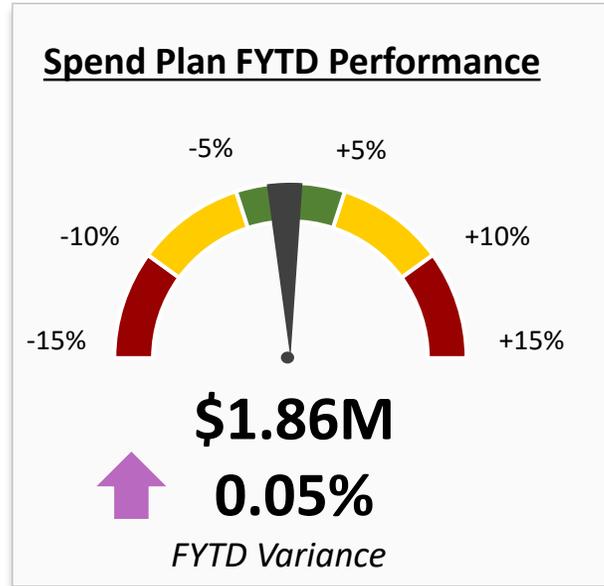
40 Projects
\$156.0M
 (Estimate to Date)

Month	# of Projects	Estimate (\$m)
March	43	~150
April	26	~100
May	57	~300
June	37	~150
July	35	~250
August	40	~200
September	39	~150
October	74	~300
November	43	~200
December	40	~150

The Fast Five

 <p>Cash</p>	<ul style="list-style-type: none"> Total Highway Fund and Highway Trust Fund cash on December 31, 2023: \$2,044M Days of cash on hand: 92.1 GREEN Cash as a percentage of open commitments: 24.5% YELLOW Change in total cash from last month to date: Decreased by \$6.5M Change in total cash from last year to date: Decreased by \$249.9M
 <p>Revenues and Other Receipts</p>	<ul style="list-style-type: none"> Total revenues and other receipts- \$1.9M or 0.05% above forecast FYTD. State revenues (MFT, HUT, and license & fees) remain strong with annual growth YOY. Total revenues and other receipts FYTD are \$3,543.4M; 45.6% of our target plan.
 <p>Expenditures and Other Disbursements</p>	<ul style="list-style-type: none"> Total overall expenditures and other disbursements - \$20.7M or 0.5% above forecast FYTD. Construction expenditures and other disbursements - \$21.7M or 1.0% above forecast FYTD. Maintenance expenditures and other disbursements - \$19.3M or 1.8% below forecast FYTD. Modal expenditures and other disbursements - \$34.2M or 17.7% above forecast FYTD.
 <p>Other Financial Indicators & Information</p>	<ul style="list-style-type: none"> Open Commitments in December 2023: \$8,352M; December 2022: \$8,348M; Last month: \$8,463M. In December new active projects totaled \$21.2M in bid amounts and 40 projects were accepted. Producer Price Index (PPI) decreased for the 3rd consecutive month; PPI declined by 1.0% in the past 12 mos. GDP increased at a 3.3% annualized rate in the 4th quarter of 2023, while the annualized rate of inflation dropped to 3.4% in December 2023 compared to 2.6% December 2022.
 <p>General Updates</p>	<ul style="list-style-type: none"> On January 30th 2024, NCTA closed on financing C540 Phase 2. Financing: <ul style="list-style-type: none"> Senior Lien Turnpike Revenue Bonds, Series 2024A (Current Interest Bonds \$305M) & Senior Lien Turnpike Revenue Bonds, Series 2024B (Capital Appreciation Bonds \$36M) Triangle Expressway System Revenue Bond, TIFIA Series 2024 (\$417M) Spend plan audit is finalized without negative findings.

Revenues and Other Receipts

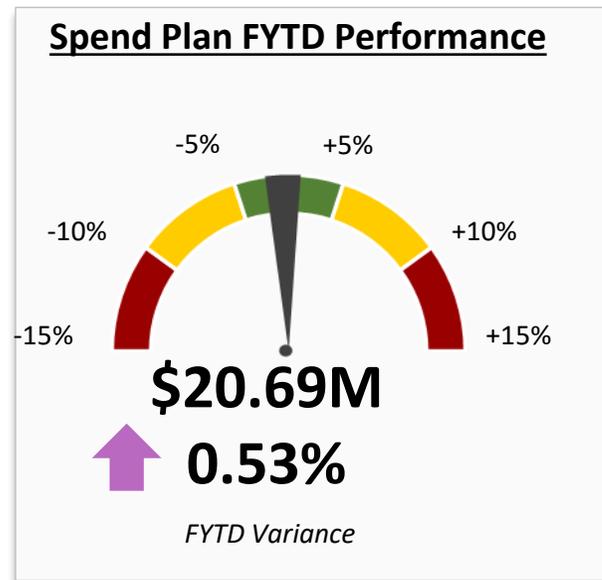


Revenues and Other Receipts Commentary

- The December and FYTD revenues and other receipts were \$1.9M above forecast after executing Spend Plan Amendment 1.
- Other revenues include a \$150M transfer in the Highway Fund from the Transportation Reserve Fund for GMR and Contingency.
- NCDOT continues to bill FHWA at approximately \$25M per week (on average).



Expenditures and Other Disbursements



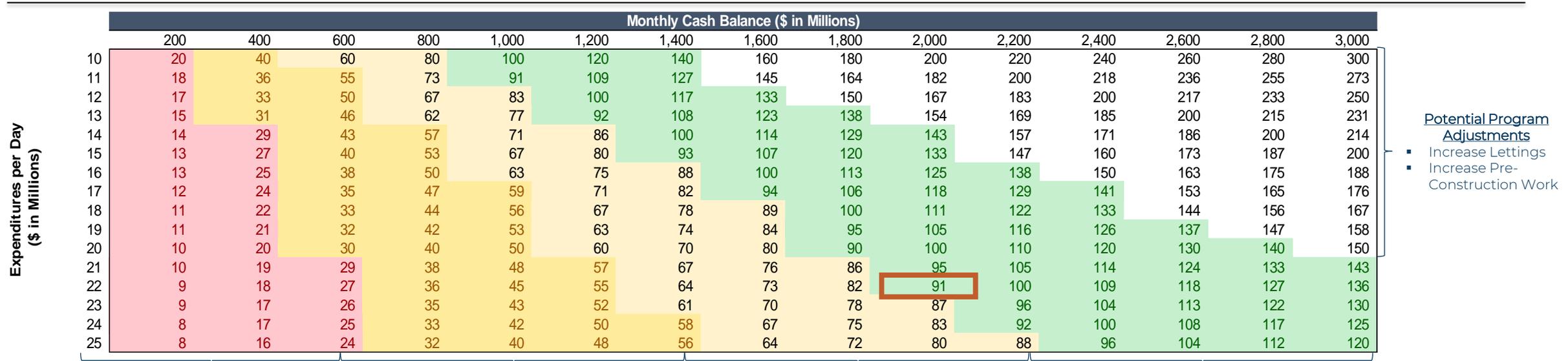
- ### Expenditures and Other Disbursements Commentary
- The December and FYTD expenditures and other disbursements were \$20.7M above forecast after executing Spend Plan Amendment 1.
 - Construction and Modal were above forecast for December by \$21.7M and \$34.2M, respectively.
 - FYTD expenditures and other disbursements were slightly above forecast by 0.5%.
 - Overall expenditures and other disbursements are up YOY by 5.6%.



Days Cash on Hand

Days of cash on hand is 92.1 days as of December 2023 month-end

Days Cash on Hand



- Potential Program Adjustments**
- Increase Lettings
 - Increase Pre-Construction Work

- Potential Program Adjustments**
- Stop Maintenance Lettings & Activities
 - Stop Construction Lettings
 - Stop Non-Essential Purchase Order Activity

- Additional Key Parties Notified**
- All notifications in yellow/ light yellow sections as well as;
 - Joint Legislative Transportation Oversight Committee

- Potential Program Adjustments**
- Reduce Administrative Spend
 - Reduce Pre-Construction Work
 - Delay Maintenance Activities
 - No Overtime/No Temporary Staff
 - Delay Right of Way Purchases

- Additional Key Parties Notified**
- All notifications in light yellow section as well as;
 - Office of State Budget and Management,
 - Department of State Treasurer

- Potential Program Adjustments**
- Reduce Mowing Expenses
 - Reduce Overtime Work
 - Reduce Travel
 - Reduce Equipment Rental

- Key Parties Notified**
- Secretary
 - Chairman of the BOT
 - BOT Finance Chairman and Co-Chairman
 - Financial Planning Committee.

- Potential Program Adjustments**
- No Program Adjustments Needed

Key

 < 30 Days	 60 – 89 Days	 > 143 Days
 30 – 59 Days	 90 – 143 Days	 Current Days

Monthly Ending Cash as a % of Commitments

Cash as a % of open commitments is 24.5% as of December 2023 month-end

Monthly Ending Cash as a % of Commitments

Commitments (\$ in Millions)	Monthly Cash Balance (\$ in Millions)														
	200	400	600	800	1,000	1,200	1,400	1,600	1,800	2,000	2,200	2,400	2,600	2,800	3,000
6,000	3%	7%	10%	13%	17%	20%	23%	27%	30%	33%	37%	40%	43%	47%	50%
6,200	3%	6%	10%	13%	16%	19%	23%	26%	29%	32%	35%	39%	42%	45%	48%
6,400	3%	6%	9%	13%	16%	19%	22%	25%	28%	31%	34%	38%	41%	44%	47%
6,600	3%	6%	9%	12%	15%	18%	21%	24%	27%	30%	33%	36%	39%	42%	45%
6,800	3%	6%	9%	12%	15%	18%	21%	24%	26%	29%	32%	35%	38%	41%	44%
7,000	3%	6%	9%	11%	14%	17%	20%	23%	26%	29%	31%	34%	37%	40%	43%
7,200	3%	6%	8%	11%	14%	17%	19%	22%	25%	28%	31%	33%	36%	39%	42%
7,400	3%	5%	8%	11%	14%	16%	19%	22%	24%	27%	30%	32%	35%	38%	41%
7,600	3%	5%	8%	11%	13%	16%	18%	21%	24%	26%	29%	32%	34%	37%	39%
7,800	3%	5%	8%	10%	13%	15%	18%	21%	23%	26%	28%	31%	33%	36%	38%
8,000	3%	5%	8%	10%	13%	15%	18%	20%	23%	25%	28%	30%	33%	35%	38%
8,200	2%	5%	7%	10%	12%	15%	17%	20%	22%	24%	27%	29%	32%	34%	37%
8,400	2%	5%	7%	10%	12%	14%	17%	19%	21%	24%	26%	29%	31%	33%	36%
8,600	2%	5%	7%	9%	12%	14%	16%	19%	21%	23%	26%	28%	30%	33%	35%
8,800	2%	5%	7%	9%	11%	14%	16%	18%	20%	23%	25%	27%	30%	32%	34%
9,000	2%	4%	7%	9%	11%	13%	16%	18%	20%	22%	24%	27%	29%	31%	33%

- Potential Program Adjustments**
- Increase Lettings
 - Increase Pre-Construction Work

- Potential Program Adjustments**
- Stop Maintenance Activities
 - Stop Construction Lettings
 - Stop Non-Essential Purchase Order Activity
 - Reduction in Workforce

- Additional Key Parties Notified**
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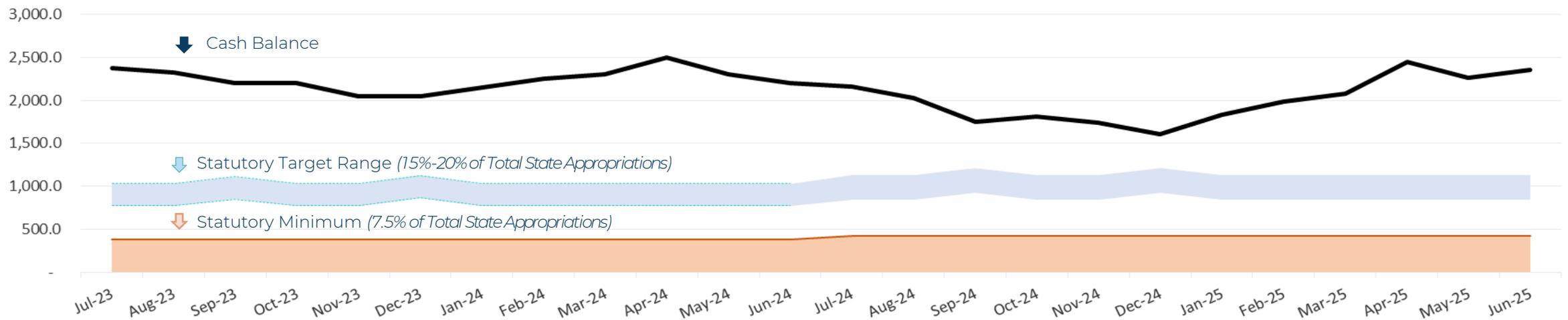
- Potential Program Adjustments**
- No Program Adjustments Needed

Key

<10% OC	18% – 25% OC	> 33% OC
10% – 17% OC	26% – 33% OC	Current %

24 Month Cash Forecast – SFY 24 / SFY 25 Spend Plan

Projected Cash Balances and Statutory Thresholds



Commentary

- **Cash balance** as of December 2023 is \$2,044M.
- Balance is above the **Statutory Target Range**, per N.C.G.S. 143C-6-11.
 - Range is between 15% and 20% of the total appropriations for the current fiscal year or \$775M and \$1,033M, respectively.
- The **Statutory Minimum** line has a cash balance requirement of \$387M.

Notes on Cash Balance

- Reflects 24 mo. Spend Plan Amendment 1, approved by BOT on January 4th.
- Conventional, D-B, Build NC, USDOT Discretionary Grants & GARVEE - SAS Project Expenditure Model (Using the Hybrid Model)
- Federal Revenue including Obligation Authority

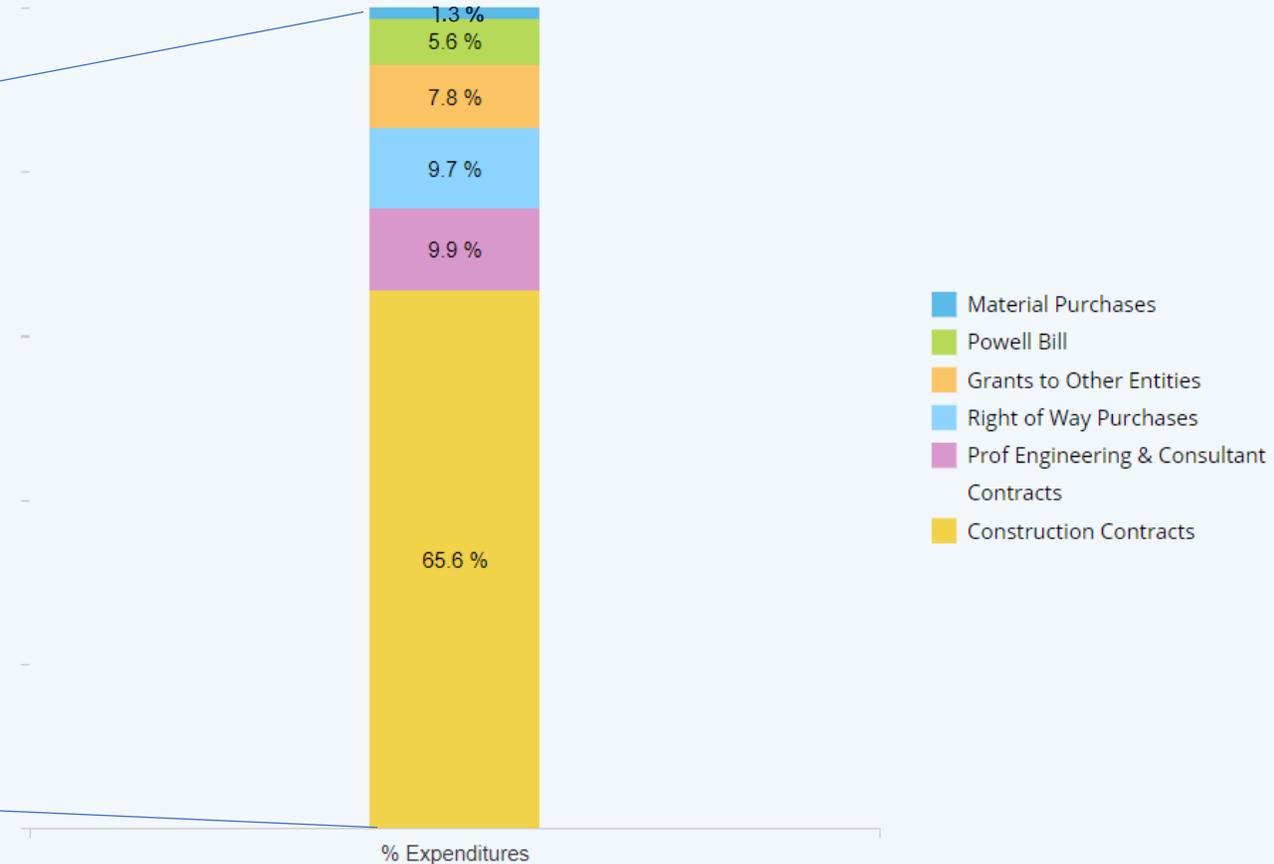
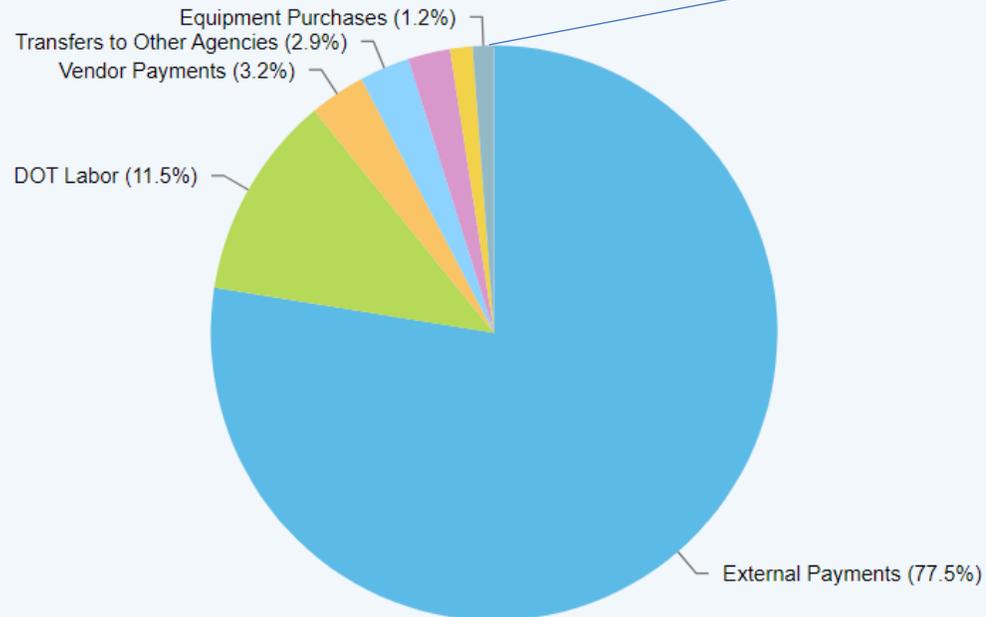
Unaudited - Not in Accordance with GAAP

NCDOT Expenditures SFY2024 as of December 31, 2023

NCDOT Expenditures (\$M)

NCDOT External Payments (%)

- External Payments
- DOT Labor
- Vendor Payments
- Transfers to Other Agencies
- Miscellaneous Service Contracts
- Debt Service
- Equipment Purchases
- Not Assigned G/L Account (s)





Personnel Update

Work Zone Safety

Increasing the Presence of Blue Lights in Work Zones

A close-up photograph of two blue LED light bars, likely used for work zone safety. The lights are arranged in a row and are illuminated, casting a bright blue glow. The background is dark, making the blue light stand out.

AGC, CAPA, NCDOT and NCSHP effort

The Challenges:

1. Law Enforcement faces challenges filling ranks.
2. Many other businesses have started using off duty law enforcement personnel.
3. The market competition often pays more; may have less risks.
4. Increase in nighttime work especially in urban areas

Who Can Operate Blue Lights on NC Highways?

- NC General Statutes are very strict about who can have blue lights in or on their vehicles. (§ 20-130.1. Use of red or blue lights on vehicles prohibited; exceptions.)

Increasing the Presence of Blue Lights in Work Zones

Solution:

- Department to fund the purchase and maintenance of blue light trailers by NCSHP
- At project site, Department and/or Contractor staff can transport and operate within project limits
- Currently 25 devices deployed with 25 additional units in procurement



2024 N.C. TRANSPORTATION SUMMIT

*MOVING FROM VISION TO REALITY
AT THE SPEED OF CHANGE*



SAVE THE DATE

MAY
21-22
.....
2024



QUESTIONS? CONTACT BLAKE KING
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NCTransportationSummit.com

