

SLSDC Budget Outlook

Fiscal Year 2006

The SLSDC's FY 2006 appropriation amount of \$16,121,000 was signed into law on November 30, 2005. Following an internal process of developing the agency's fiscal year work plans and budgets, senior management agreed to use the appropriations amount, plus the estimated \$900,000 in non-federal revenues and an additional \$900,000 from the SLSDC reserve account to fund agency projects and programs.

Through September 12, 2006 (95 percent of the fiscal year), the SLSDC has expended \$14,363,250 or 79 percent of the \$18,071,000 available. Operating expenses total \$13,809,529 compared to the budgeted amount of \$16,820,871, or 82 percent. Capital expenses total \$607,969, compared to the budgeted amount of \$1,143,398, or 53 percent. Travel expenses total \$136,979 compared to the budgeted amount of \$145,270, or 94 percent. Non-federal revenues for FY 2006 are estimated at \$1,082,093 which would be a 39 percent increase over FY 2005 revenues. This is due to higher interest rates, the sale of assets no longer used, and leasing of equipment and services.

Fiscal Year 2007

In February 2006, the SLSDC submitted its FY 2007 budget request to the Congress for \$17,345,000. This total includes an appropriation request of \$7,920,000 from the Harbor Maintenance Trust Fund (HMTF) and \$9,425,000 through the re-establishment of U.S. Seaway commercial tolls.

The FY 2007 request is \$1,224,000 above the FY 2006 enacted level (\$545,000 in baseline changes and \$679,000 in program changes). This change is directly attributable to:

- \$478,000 increase in net personnel compensation and benefits, including the annualization of the FY 2006 Pay Act increase;
- \$493,000 increase in capital replacements and improvements;
- \$186,000 increase in maintenance-related special projects;
- \$69,000 increase in inflationary adjustments; and a
- \$2,000 decrease in Working Capital Fund projections.

The House and Senate Appropriations Committees both passed funding levels of \$17,425,000 for the SLSDC and rejected the Administration's proposal to re-establish U.S. tolls. Although an appropriation level was passed at the Committee level this summer, a long-term Continuing Resolution is expected during the first quarter of the new fiscal year, starting October 1.

Fiscal Year 2008

The SLSDC submitted its FY 2008 budget request to the Secretary in early June for \$17,392,000, made up entirely from proposed U.S. Seaway commercial toll receipts. The FY 2008 request is \$47,000 above the FY 2007 President's Budget request level and the FY 2008 target level. The budget was then submitted to OMB for review/passback on September 11.

Within the net increase, there are several baseline and program changes:

- \$660,000 increase in net personnel compensation and benefits (*baseline*);
- \$385,000 increase in maintenance-related special projects (*program*);
- \$74,000 increase in inflationary adjustments (*baseline*);
- \$16,000 increase in DOT Working Capital Fund projections (*baseline*);
- \$15,000 increase in Homeland Security Presidential Directive (HSPD-12) security-related improvements (*program*);
- \$1,100,000 decrease in capital replacements and improvements (*program*); and a
- \$3,000 decrease in GSA rent estimates for the Washington office (*baseline*).

(Copies of the FY 2007 and 2008 budget requests are included in the "Reference Materials" binder – Tabs K and M)