NORTH CAROLINA
Department of Transportation

Cash Balance Update

Evan Rodewald , Chief Financial Officer

May 30, 2018

Session Law 2014-100

SECTION 34.23.(c) In any month in which the Department's total cash balance on hand from the Highway Fund and the Highway Trust Fund exceeds one billion dollars ($1,000,000,000), the Department shall report its cash balance no later than the 15th day of the following month as follows:

(1) To the Board of Transportation.

(2) If the General Assembly is in session, to the Chairs of the House of Representatives Appropriations Subcommittee on Transportation, the Chairs of the Senate Appropriations Committee on Department of Transportation, and the Fiscal Research Division.

(3) If the General Assembly is not in session, to the Chairs of the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division.

The report shall include an explanation from the Department of the reasons the cash balance has exceeded the amount specified in this subsection, the actions to be taken by the Department to reduce the cash balance, and the estimated amount of time it will take to bring the cash balance to the target identified in G.S. 143C-6-11(k)(1), as amended by subsection (a) of this section.

SECTION 34.23.(d) Subsection (c) of this section becomes effective July 1, 2015.

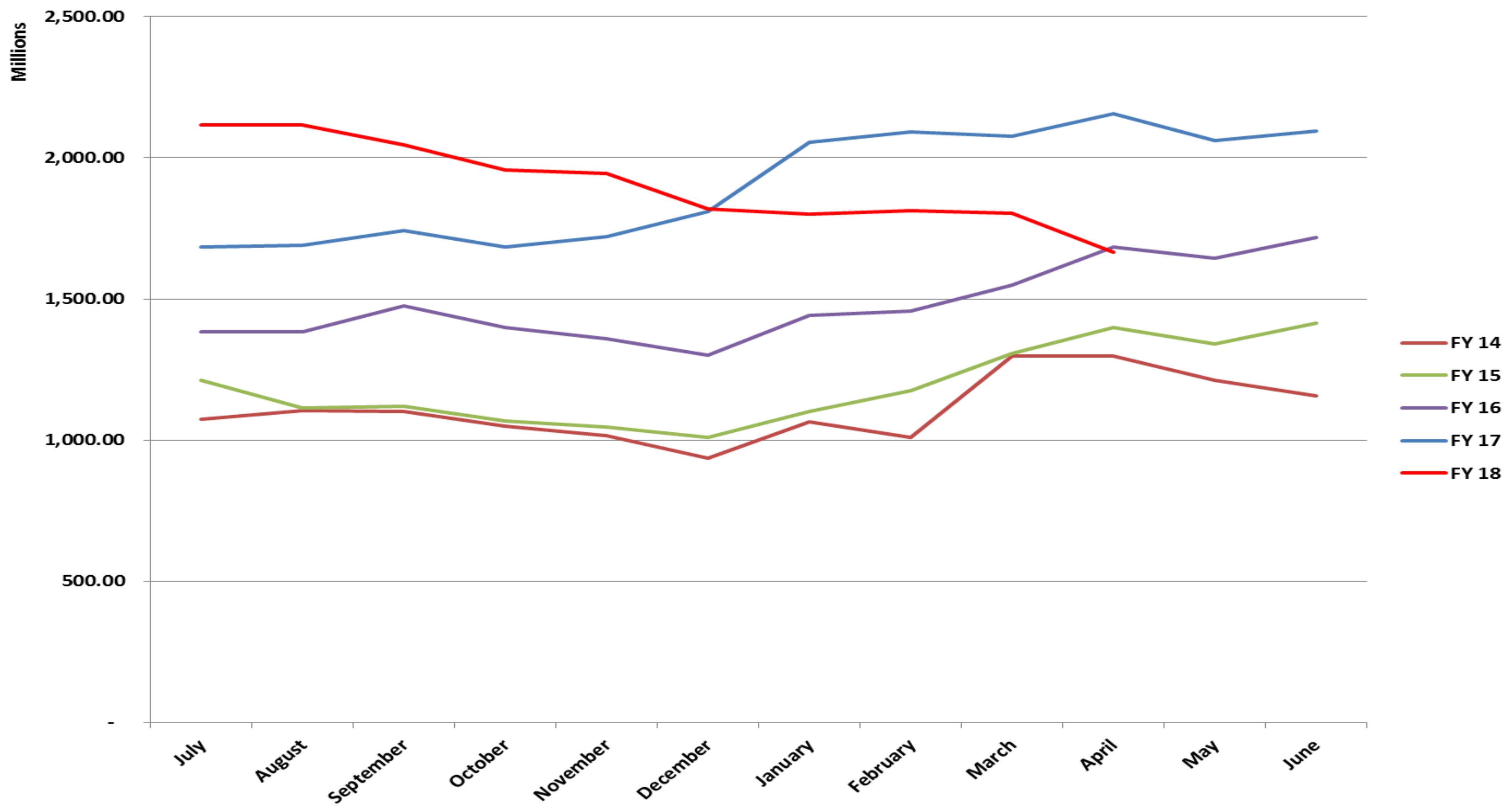
Cash Balance

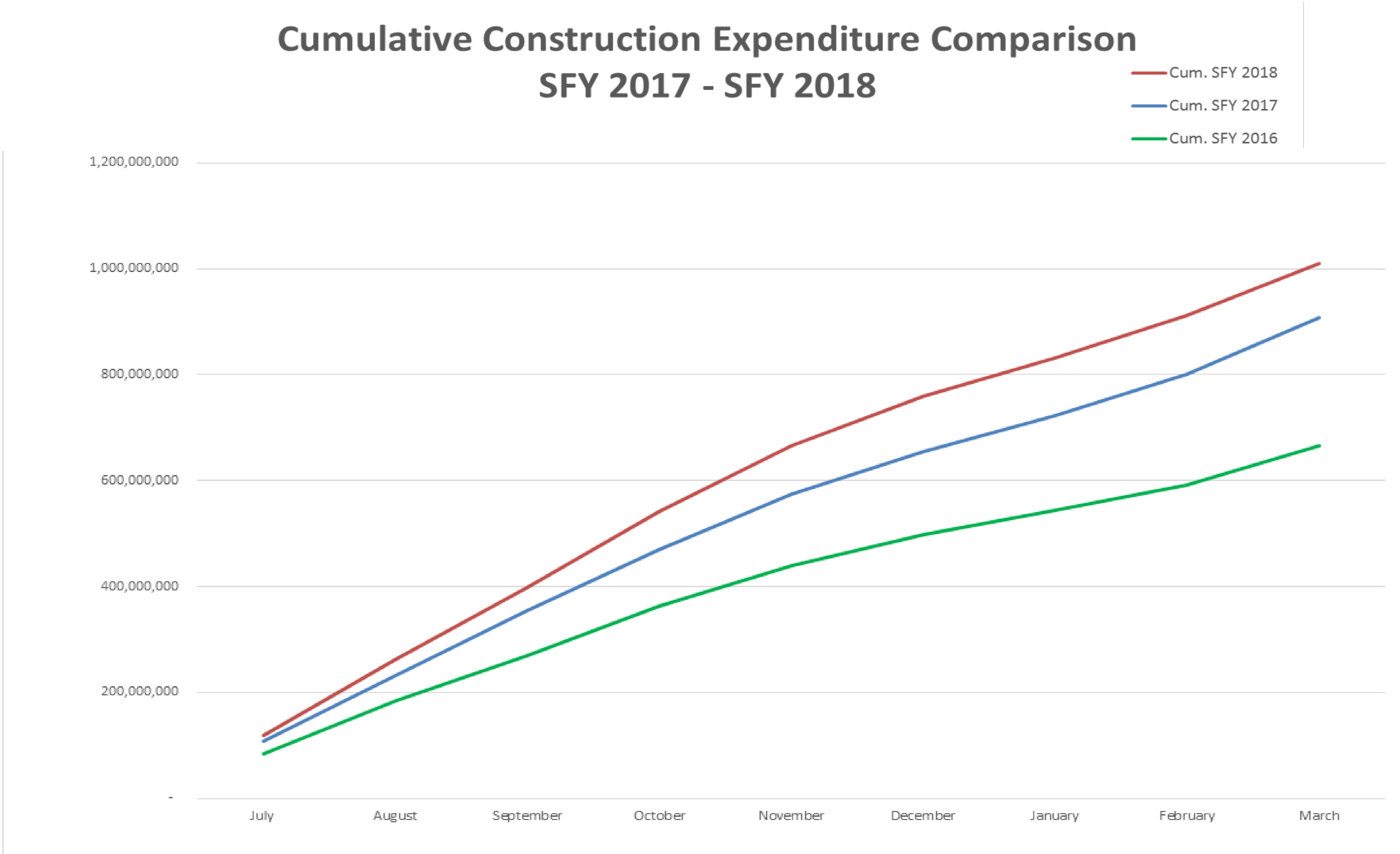
The Cash Balance As of May 30, 2018 is - $1.5 Billion

Since January 2015, the last time the cash balance was $1 Billion:

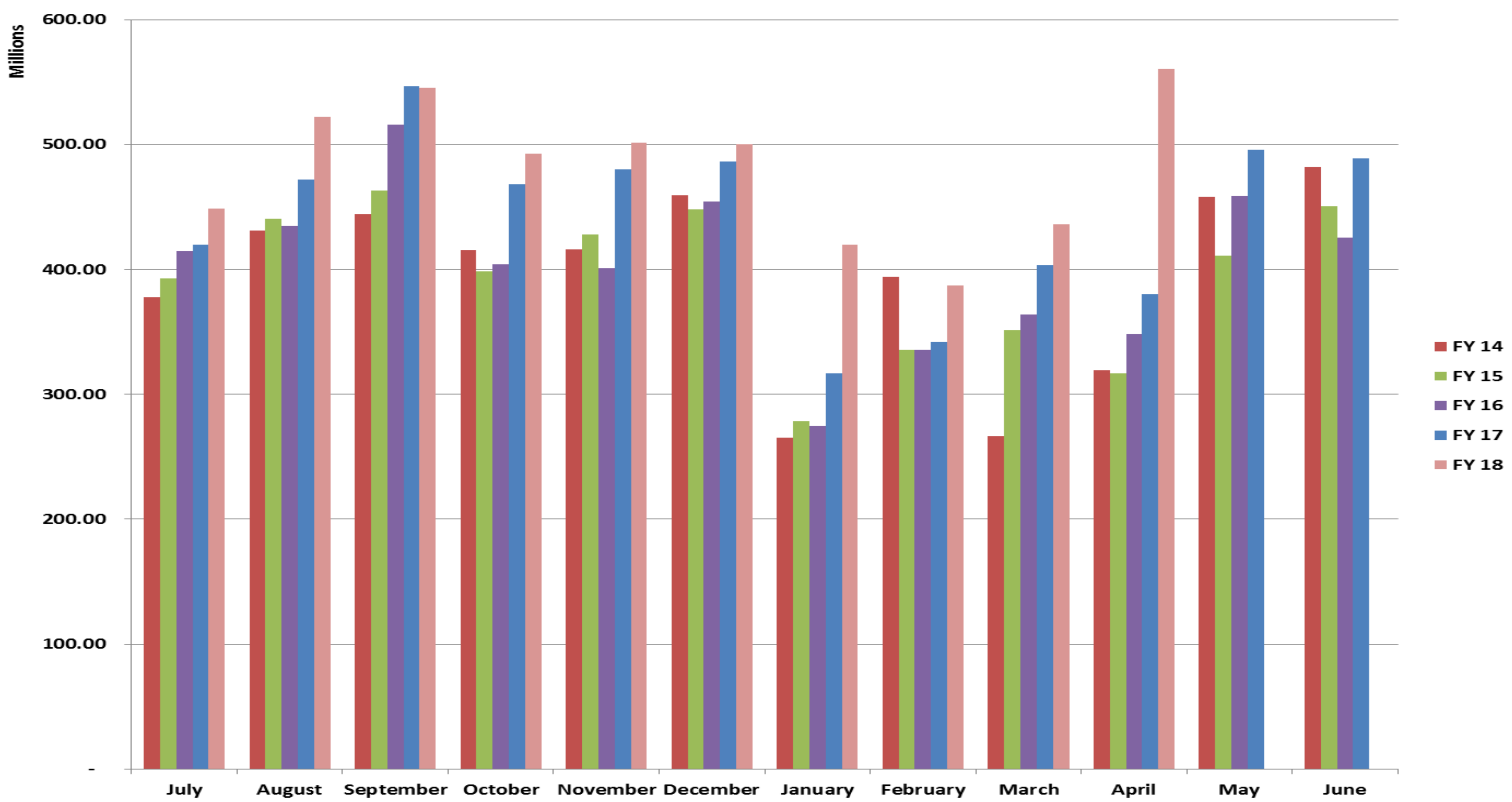
- State revenues exceeded the forecast by $493m
- Construction expenditures were less than predicted by $772m

Monthly Closing Cash Balance by SFY and Month




Cumulative Construction Expenditure Comparison
SFY 2017 - SFY 2018
Cum. SFY 2018
Cum. SFY 2017
Cum. SFY 2016
1,200,000,000
1,000,000,000
800,000,000
600,000,000
400,000,000
200,000,000
-
July
August
September
October
November
December
January
February
March

Monthly Disbursements by Fiscal Year

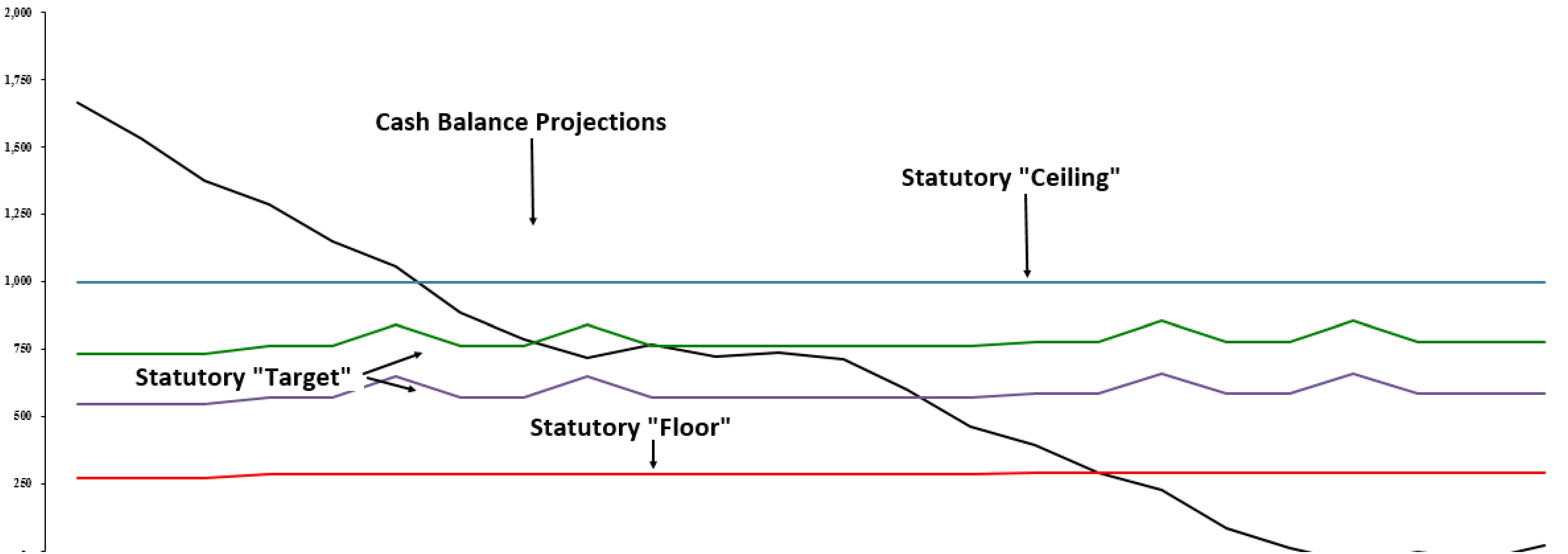


Project Delivery Indicators

(Year Over Year Comparison)

($ in millions)	July - April 2018	July - April 2017	Difference $	Difference %
PE Lettings (Awards)	582	258	324	126%
Maintenance Lettings	960	592	368	62%
Construction Lettings	1,342	1,133	209	18%
PE Expenditures	299	210	89	42%
ROW Expenditures	292	257	35	14%
Construction Expenditures	1,876	1,476	400	27%
Maintenance Expenditures	1,287	1,121	166	15%
Modal Expenditures	284	283	1	0%
Other Expenditures	440	426	14	3%
Cash Balance	1,667	2,156	-489	-23%

Projected Cash Balance



	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
Closing Cash Balance	1,667	1,536	1,375	1,290	1,151	1,056	884	787	720	770	725	738
Cash Balance Target - 20%	731	731	731	765	765	840	765	765	840	765	765	765
Cash Balance Floor	274	274	274	287	287	287	287	287	287	287	287	287
Cash Balance Ceiling	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Cash Balance Target - 15%	548	548	548	574	574	648	574	574	648	574	574	574

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
Closing Cash Balance	716	599	462	397	294	227	85	10	(44)	(5)	(34)	22
Cash Balance Target - 20%	765	765	765	780	780	856	780	780	856	780	780	780
Cash Balance Floor	287	287	287	292	292	292	292	292	292	292	292	292
Cash Balance Ceiling	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Cash Balance Target - 15%	574	574	574	585	585	661	585	585	661	585	585	585

Cash Balance Information

As of May 30, 2018 - The Cash Balance of $1.5 Billion Represents:

- 107 Days of Working Capital
- NCDOT has contractual obligations of $5.6 billion
    - Outstanding Purchase Orders of $318 million
    - Outstanding Contracts of $5.3 billion
- The following 10 contracts are 18% of contractual obligations:
    1. Flatiron Constructors, INC – BLYTHE(Future I-74, US 311 to SR 2211) $141 million
    2. Asheboro Bypass Constructors, LLC(Asheboro Southern BYP) $131 million
    3. Flatiron Constructors, INC.(Rodanthe NC-12) $123 million
    4. Balfour Beatty / Branch(Fayetteville Outer Loop) $123 million
    5. ES Wagner Company LLC/Smith-Rowe(US 29 North of Greensboro) $117 million
    6. Balfour Beatty Infrastructure, INC.(From SR 1409 to US 17 in Wilmington) $89 million
    7. Barnhill Contracting Company(Fayetteville Outer Loop from South of 401) $78 million
    8. The Lane Construction Corporation(I-85 from Lane Street in Cabarrus Co.) $76 million
    9. Flatiron Constructors, INC.(US 158/US 421/NC 150/BUSINESS 40) $73 million
    10. Dragados USA INC (Winston-Salem Northern Beltway) $67million