



**Section 4**  
Projections:  
2018 - 2019 - 2020

## Section 4

# Projections: Fiscal Years 2018 – 2019 – 2020

Table 4-1 presents projected state revenues over the next three fiscal years. Tables 4-2 through 4-4 show how the state proposes to spend its coastal budget over the next three fiscal years. Figures 4-1 through 4-3 depict projected expenditures by project phase for FY 2018–FY 2020, respectively.

While the three-year projections provide readers with an informative picture of the state's upcoming activities, the Legislature only reviews and approves expenditures for FY 2018 (July 1, 2017 through June 30, 2018). The implementation plan incorporates projects that have received funding for planning, design, construction, or OM&M. The state is exploring new funding sources, with the intent of obtaining a level of funding consistently from year to year so that new projects can continue to be brought on line. The state acknowledges that new project opportunities may arise as federal funds become available after the approval of the FY 2018 Annual Plan. In this event, any requests for additional expenditures will be submitted for approval by the CPRA Board.

### Sources of Coastal Funding

The state will continue to pursue new possible funding sources while we make the most efficient use of existing funding sources, which include the following:

- The state Coastal Protection and Restoration Trust Fund is largely supported by mineral revenues and severance taxes on oil and gas production on state lands. The Trust Fund provides funding for the coastal program's ongoing operating expenses and for continuing state efforts in coastal restoration and protection.
- The Louisiana Legislature allocated funds from state budget surpluses in 2007, 2008, and 2009 to the coastal program, providing a \$790 million investment in coastal protection and restoration efforts. All surplus funds are currently projected to be expended by the end of FY 2020.
- The Gulf of Mexico Energy Security Act (GOMESA) provides four Gulf Coast states, including Louisiana, with 37.5 percent of federal revenue gained from new OCS drilling leases. Full funding from GOMESA will begin in 2018 and is expected to eventually contribute \$120–140 million to Louisiana each year. No end date has been established for GOMESA funding. The state is considering bonding GOMESA funds based on expected revenue from future oil and gas royalty payments, a strategy that could contribute significant funding to the coastal program over the near-term. The state is also considering borrowing GOMESA funds from the federal government based on expected future royalties. Before bonding or borrowing can take place, however, the U.S. Department of the Interior must publish regulations for allocating funds to the state, and the state must estimate the amount of money that can be expected from oil and gas revenues (both short- and long-term). With these estimates, the potential revenue stream can be evaluated.

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- Louisiana received \$1.06 billion in CDBG funding to assist in the recovery from Hurricanes Gustav and Ike. This total includes an allocation of \$27.4 million for state coastal protection and restoration projects. All CDBG funding resulting from Hurricanes Gustav and Ike is currently projected to be expended by FY 2018.
- The Office of the Governor generates a Capital Outlay Budget Proposal with a list of projects to be granted cash and non-cash lines of credit. State and non-state entities may submit Capital Outlay requests for inclusion in the proposal. For FY 2018, the CPRA is requesting Capital Outlay funding to supplement implementation of 13 coastal projects. Additional information about this request is presented in Appendix F. Final decisions on Capital Outlay requests will be announced at the close of the 2017 Regular Legislative Session.

### Development of Funding Projections

The budget projections in Tables 4-2 through 4-4 show the amount of state funds that would actually be needed to accomplish the proposed implementation plan for the next three fiscal years. When developing these projections, the planning team worked with the following assumptions:

- Projected Trust Fund revenues are based on the most recent available information; however, this revenue is difficult to estimate in advance because of a complicated formula and funding triggers based largely on fluctuating mineral revenues.
- All remaining funds earmarked for projects from 2007, 2008, and 2009 surplus funds were carried forward and are shown as revenue for the purposes of the FY 2018 Annual Plan.
- Funding projections represent known avenues through which funding will be received. However, many uncertainties persist regarding the percentages and amounts of funding to be provided by the federal government and local sponsors. Should more dollars become available, the state will be able to expand its efforts and allocate these funds under the direction of the CPRA Board.

### Forecasting the Future Funding Picture

The Coastal Master Plan outlines projects for implementation over a 50-year planning horizon. To support this effort, the state is actively pursuing possible sources of funding that may be available over the next 50 years to support future coastal restoration and flood risk reduction projects. The *Deepwater Horizon* oil spill has the potential to be a significant source of funding in the coming years.

### Flexibility to Respond to Changing Conditions

Revenue and expenditure projections in Tables 4-1 and 4-2 are based on the most recent available information. Tables 4-1 and 4-2 present a forecast based on a snapshot in time. However, as the *Deepwater Horizon* oil spill illustrates, the coastal program needs some degree of funding flexibility to enable the state to respond appropriately to changing conditions on the ground. The CPRA has been granted authority to reprogram dollars from approved funding streams and allocate the dollars to best meet new opportunities or needs. Reprogramming of existing and new funds will likely occur, with approval from the CPRA Board, to ensure that limited coastal program funds are allocated to the areas of greatest need and in a manner that will provide the greatest overall benefit to the coast. Such flexibility allows the coastal program to respond effectively to unforeseen events that take place outside the legislatively mandated planning cycle.

### LaGov

LaGov is a new statewide integrated financial and procurement system that CPRA began using July 1, 2014. This new system integrates financial, human resources, payroll, procurement, and logistics, and brings multiple benefits to CPRA, most notably, system generated project accounting. Other important advantages are better management of federal grants and other funding sources, improvements in managing vendor relationships, improved reporting, and more efficient business processes.

► **Table 4-1: Projected Three-Year Revenues (FY 2018 - FY 2020)**

Revenue Sources	FY 2018	FY 2019	FY 2020	Program Total (FY 2018 - FY 2020)
CPR Trust Fund Annual Revenue <sup>1,2</sup>	\$14,600,000	\$15,200,000	\$15,700,000	\$45,500,000
CPR Trust Fund Carried Forward	\$6,751,177	TBD	TBD	\$6,751,177
GOMESA <sup>1,3</sup>	\$140,000,000	\$140,000,000	\$140,000,000	\$420,000,000
GOMESA Carried Forward <sup>4</sup>	\$1,600,000	\$119,750,000	TBD	\$121,350,000
DOTD Interagency Transfer <sup>1</sup>	\$4,000,000	\$4,000,000	\$4,000,000	\$12,000,000
DOTD Interagency Transfer- Projects	\$73,600	\$0	\$0	\$73,600
CWPPRA Federal Funds <sup>5</sup>	\$96,384,103	\$75,904,989	\$76,500,081	\$248,789,173
Surplus '07, '08, '09 Carried Forward	\$161,284,403	\$26,000,310	\$7,054,375	\$194,339,088
Community Development Block Grants	\$9,806,680	\$11,680	\$0	\$9,818,360
Capital Outlay Funds	\$15,560,000	TBD	TBD	\$15,560,000
NRDA Revenues ( <i>Deepwater Horizon</i> )	\$140,820,491	\$38,940,922	\$150,855,241	\$330,616,653
NFWF Revenues ( <i>Deepwater Horizon</i> )	\$54,410,295	\$65,827,227	\$519,239,290	\$639,476,812
Proposed RESTORE Revenues ( <i>Deepwater Horizon</i> )	\$61,718,000	\$48,206,637	\$132,798,175	\$242,722,812
LDNR Mitigation Funds <sup>6</sup>	\$500,000	\$500,000	\$500,000	\$1,500,000
LDNR Beneficial Use Funds <sup>6</sup>	\$250,000	\$250,000	\$250,000	\$750,000
LDWF Interagency Transfer <sup>7</sup>	\$1,000,000	\$0	\$0	\$1,000,000
MOEX Settlement <sup>8</sup>	\$704,687	\$131,250	\$704,687	\$1,540,624
Berm to Barrier <sup>9</sup>	\$98,972	\$14,600	\$21,680	\$135,252
OM&M Federal Funds <sup>10</sup>	\$29,048,815	\$17,423,395	\$15,467,305	\$61,939,515
FEMA Reimbursement for OM&M <sup>11,12</sup>	\$1,510,886	\$0	\$0	\$1,510,886
LOSCO Funding <sup>13</sup>	\$112,272	\$102,272	\$102,272	\$316,816
NAS Research Practice Grant <sup>14</sup>	\$200,000	\$200,000	\$200,000	\$600,000
Project Billing <sup>15</sup>	\$23,380,757	\$24,701,841	\$25,689,914	\$73,772,512
Capital Outlay Request Submitted for HSDRRS 30-Year Payback	\$0	\$0	\$98,000,000	\$98,000,000
<b>Total Projected Revenue</b>	<b>\$763,815,138</b>	<b>\$577,165,122</b>	<b>\$1,187,083,020</b>	<b>\$2,528,063,280</b>

Notes

1. Annually recurring revenue source to be spent in accordance with the Louisiana Constitution, specifically State Law Section 214.5.4(E) and the provisions within paragraph (3).
2. Estimate tied to mineral revenue.
3. GOMESA funds must be disbursed to the applicable states by the end of the federal fiscal year. FY 2018 GOMESA funds are anticipated to be received between April 2018 (4Q18) and September 2018 (1Q19). Because the funds would arrive no earlier than the final quarter of FY 2018, nearly all 2018 GOMESA funding would be expended no earlier than FY 2019. Projects to receive GOMESA funding will be provided in the FY 2019 Annual Plan to ensure that proper clarity is available regarding the exact amount of available GOMESA funding, and also to ensure consistency with the 2017 Master Plan (which will be in effect at the time of receipt of GOMESA funding).
4. Represents carry-forward of unexpended funds from prior-year GOMESA payments.
5. Represents anticipated Federal reimbursement for CWPPRA projects led by CPRA in which the State is initially incurring more than its 15% cost share during project implementation.
6. Supplemental funding to augment construction of eligible projects (specific projects to be determined at a later date).
7. Supplemental funding to augment construction of project ME-0018.
8. Represents anticipated balance as of FY 2018 of an initial deposit of \$6.75 million of funds from the MOEX settlement.
9. Used to fund monitoring of constructed Berm to Barrier projects.
10. Represents anticipated Federal reimbursement for CWPPRA and WRDA OM&M activities led by CPRA in which the State is initially incurring more than its cost share during project implementation.
11. Represents anticipated reimbursement associated with recovery from past disasters which has been obligated by FEMA.
12. CPRA is pursuing FEMA recovery funding through the FEMA appeals process to restore the form and function of the Coastal Barrier Island Resource System (CBRS) units S01-S08 which were lost as a result of Hurricane Katrina. The cumulative cost of this restoration is estimated to be on the order of \$500 million.
13. Represents reimbursement of expenditures for CPRA (non-DWH) oil spill response activities.
14. Represents funding applied for in December 2016 to fund select Monitoring Data and Interpretations tasks (see Table 4-3).
15. Represents salary and other work-in-kind reimbursements for services performed on projects in funding programs listed in the table above.

► **Table 4-2: Projected Three-Year Expenditures<sup>1</sup> (FY 2018 - FY 2020)**

Program / Funding Source	FY 2018	FY 2019	FY 2020	Program Total (FY 2018 - FY 2020)
CWPPRA State Expenditures (not including Surplus expenditures) <sup>2</sup>	\$8,509,289	\$14,095,011	\$13,499,919	\$36,104,219
CWPPRA Federal Expenditures <sup>3</sup>	\$96,384,103	\$75,904,989	\$76,500,081	\$248,789,173
WRDA Project Expenditures (not including Surplus expenditures)	\$0	\$0	\$0	\$0
Surplus Projects and Program Expenditures	\$161,284,403	\$26,000,310	\$7,054,375	\$194,339,088
Community Development Block Grants	\$9,806,680	\$11,680	\$0	\$9,818,360
HSDRRS 30-Year Payback <sup>4</sup>	\$0	\$0	\$98,000,000	\$98,000,000
MOEX Project Expenditures	\$704,687	\$131,250	\$704,687	\$1,540,624
DOTD Interagency Transfer- HNC Deepening Expenditures	\$73,600	\$0	\$0	\$73,600
Capital Outlay Project Expenditures	\$15,560,000	TBD	TBD	\$15,560,000
State-Only Project Expenditures (Non-Surplus)	\$188,184	\$199,864	\$199,864	\$587,912
NRDA Expenditures ( <i>Deepwater Horizon</i> )	\$140,820,491	\$38,940,922	\$150,855,241	\$330,616,653
NFWF Expenditures ( <i>Deepwater Horizon</i> )	\$54,410,295	\$65,827,227	\$519,239,290	\$639,476,812
Proposed RESTORE Expenditures ( <i>Deepwater Horizon</i> ) (not including Surplus Expenditures)	\$61,718,000	\$48,206,637	\$132,798,175	\$242,722,812
LDNR Mitigation Expenditures <sup>5</sup>	\$500,000	\$500,000	\$500,000	\$1,500,000
LDNR Beneficial Use Expenditures <sup>5</sup>	\$250,000	\$250,000	\$250,000	\$750,000
LDWF Interagency Transfer Expenditures <sup>6</sup>	\$1,000,000	\$0	\$0	\$1,000,000
OM&M- State Expenditures (not including Surplus expenditures)	\$9,126,372	\$8,673,455	\$6,083,374	\$23,883,201
OM&M- Federal Expenditures <sup>7</sup>	\$29,048,815	\$17,423,395	\$15,467,305	\$61,939,515
OM&M- Marine Debris Removal (Partially Reimbursed by FEMA) <sup>8</sup>	\$1,640,130	\$0	\$0	\$1,640,130
GOMESA Expenditures <sup>9</sup>	\$21,850,000	TBD	TBD	\$21,850,000
NAS Research Practice Grant Expenditures	\$200,000	\$200,000	\$200,000	\$600,000
Operating Costs (see Tables 4-3 and 4-4)	\$30,990,089	\$36,800,160	\$39,790,392	\$107,580,641
<b>Total Planned Expenditures</b>	<b>\$644,065,138</b>	<b>\$333,164,899</b>	<b>\$1,061,142,703</b>	<b>\$2,038,372,740</b>

Notes

1. Represents proposed expenditures provided that commensurate level of funding is received.
2. Because CWPPRA projects compete for funding annually, CWPPRA expenditures as presented in Appendix B (which include projected expenditures for approved projects only) do not adequately capture likely CWPPRA expenditures in outlying years. The State's estimated CWPPRA expenditures for FY 2019 - FY 2020 are therefore based on prior years' expenditures.
3. Represents anticipated Federal reimbursement for CWPPRA projects led by CPRA in which the State is initially incurring more than its 15% cost share during project implementation.
4. Payback is based on current HSDRRS construction schedule; payback will not commence until completion of HSDRRS construction activities. According to current USACE estimates, payback will commence in September 2019 with an estimated annual payment of \$98 million.
5. Supplemental funding to augment construction of eligible projects (specific projects to be determined at a later date).
6. Supplemental funding to augment construction of project ME-0018.
7. Represents anticipated Federal reimbursement for CWPPRA and WRDA OM&M activities led by CPRA in which the State is initially incurring more than its cost share during project implementation.
8. Represents anticipated reimbursement associated with recovery from past disasters which has been obligated by FEMA.
9. FY 2018 GOMESA expenditures include the GOMESA Infrastructure Program (\$14 million) and Adaptive Management expenditures (see Table 4-3). Projects to receive GOMESA funding will be provided in the FY 2019 Annual Plan to ensure that proper clarity is available regarding the exact amount of available funding and also to ensure consistency with the 2017 Master Plan (which will be in effect at the time of receipt of GOMESA funding).

► **Table 4-3: Programmatic Projected Three-Year Expenditures (FY 2018 - FY 2020)**

Program ID	Program Name	FY 2018	FY 2019	FY 2020	Program Total (FY 2018 - FY 2020)
<b>Ongoing Program Expenditures<sup>1</sup></b>					
N/A	Beneficial Use Program <sup>2</sup>	\$1,709,653	\$2,000,000	\$2,000,000	\$5,709,653
LA-0251	Barrier Island Maintenance Program <sup>2</sup>	\$2,644,359	TBD	TBD	\$2,644,359
N/A	Vegetative Plantings	\$400,000	\$400,000	\$400,000	\$1,200,000
PO-0162	Assistance to Levee Authorities	\$0	\$1,000,000	\$1,000,000	\$2,000,000
LA-0028	Restoration Partnerships	\$0	\$1,000,000	\$1,000,000	\$2,000,000
N/A	Project Support	\$2,700,000	\$3,000,000	\$3,000,000	\$8,700,000
<b>Total Ongoing Programs Expenditures</b>		<b>\$7,454,012</b>	<b>\$7,400,000</b>	<b>\$7,400,000</b>	<b>\$22,254,012</b>
<b>Adaptive Management Expenditures</b>					
<b>Future Project Development</b>					
LA-0255	Project Development and Implementation Program	\$250,000	\$250,000	\$250,000	\$750,000
LA-0025	Innovative Programs	\$0	\$150,000	\$150,000	\$300,000
LA-0261	Non-structural Program Development <sup>2,3</sup>	\$500,000	TBD	TBD	\$500,000
<b>Focused Applied Research</b>					
LA-0257	Louisiana Coastal Engineering, Research and Education <sup>4</sup>	\$40,000	\$0	\$0	\$40,000
LA-0158	Coastal Science Assistantship Program	\$200,000	\$385,000	\$385,000	\$970,000
N/A	Coastal Innovation Partnership Program	\$0	\$225,000	\$0	\$225,000
<b>Science and Technical Advisory Boards</b>					
LA-0260	Master Plan Advisory Committees	\$0	\$0	\$300,000	\$300,000
<b>Model Development and Refinement</b>					
LA-0250	Master Plan Predictive Models <sup>5</sup>	\$1,650,000	\$2,500,000	\$4,000,000	\$8,150,000
MR-0016-SSPM	Small Scale Physical Model <sup>6</sup>	\$500,000	\$500,000	\$500,000	\$1,500,000
<b>System Wide Assessment and Monitoring Program (SWAMP)</b>					
LA-0252	SWAMP Development <sup>4</sup>	\$600,000	\$0	\$0	\$600,000
N/A	Fisheries <sup>6,7</sup>	\$5,800,000	\$6,000,000	\$6,300,000	\$18,100,000
N/A	SWAMP Implementation <sup>4,6,7</sup>	\$17,095,000	\$17,800,000	\$22,580,000	\$57,475,000
LA-0226	Barrier Island Comprehensive Monitoring <sup>5</sup>	\$1,405,300	\$735,300	\$1,927,159	\$4,067,759
LA-0030	CRMS-Wetlands	\$1,250,000	\$1,250,000	\$1,250,000	\$3,750,000
LA-0253	Flood Protection Inspections/Analysis <sup>5</sup>	\$1,800,000	\$2,700,000	\$2,800,000	\$7,300,000
N/A	Regional Geology and Sediment Management <sup>4</sup>	\$400,000	\$400,000	\$400,000	\$1,200,000
<b>Data Management and Analysis</b>					
LA-0258	Data Management <sup>4</sup>	\$2,400,000	\$2,400,000	\$2,400,000	\$7,200,000
LA-0254	Monitoring Data Interpretations <sup>4,6,7,8</sup>	\$1,200,000	\$1,050,000	\$1,050,000	\$3,300,000

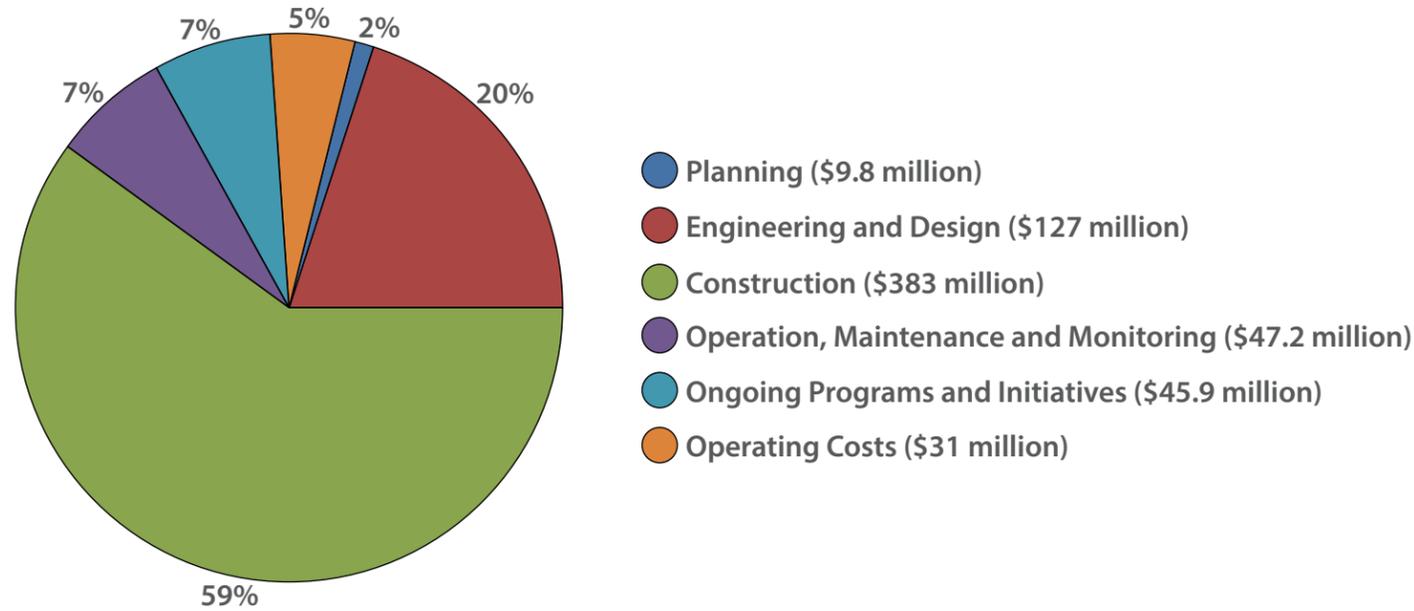
► **Table 4-3: Programmatic Projected Three-Year Expenditures (FY 2018 - FY 2020)**

Program ID	Program Name	FY 2018	FY 2019	FY 2020	Program Total (FY 2018 - FY 2020)
<b>Communication and Messaging</b>					
N/A	Workshop and Conference Development	\$150,000	\$150,000	\$150,000	\$450,000
LA-0249	Coastal Education <sup>4</sup>	\$600,000	\$600,000	\$600,000	\$1,800,000
<b>Total Adaptive Management Expenditures</b>		<b>\$35,840,300</b>	<b>\$37,095,300</b>	<b>\$45,042,159</b>	<b>\$117,977,759</b>
<b>TOTAL Programmatic Expenditures</b>		<b>\$43,294,312</b>	<b>\$44,495,300</b>	<b>\$52,442,159</b>	<b>\$140,231,771</b>
<b>Programmatic Surplus Expenditures (See Table B-5)</b>		<b>\$4,854,012</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,854,012</b>
<b>Programmatic NRDA Expenditures (See Table B-14)</b>		<b>\$11,550,000</b>	<b>\$13,387,579</b>	<b>\$16,479,325</b>	<b>\$41,416,904</b>
<b>Programmatic NFWF Expenditures (See Table B-14)</b>		<b>\$7,650,300</b>	<b>\$5,780,300</b>	<b>\$4,795,000</b>	<b>\$18,225,600</b>
<b>Programmatic RESTORE Expenditures (See Table B-14)</b>		<b>\$10,040,000</b>	<b>\$9,517,421</b>	<b>\$11,755,675</b>	<b>\$31,313,096</b>
<b>Programmatic GOMESA Expenditures</b>		<b>\$6,250,000</b>	<b>\$8,000,000</b>	<b>\$9,600,000</b>	<b>\$23,850,000</b>
<b>Programmatic NAS Expenditures</b>		<b>\$200,000</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$600,000</b>
<b>Programmatic Operations Expenditures</b>		<b>\$2,750,000</b>	<b>\$7,610,000</b>	<b>\$9,612,159</b>	<b>\$19,972,159</b>
<b>Notes</b>					
1. FY 2018 expenditures for Ongoing Programs are significantly reduced because of lower incoming Trust Fund revenues relative to prior years. Future expenditures are anticipated to return to typical levels as additional funding becomes available.					
2. FY 2018 expenditures funded by surplus funds.					
3. FY 2018 expenditures will be used to develop a coordinated strategy for implementing nonstructural projects identified in the Master Plan for coastal communities. This may also include the development of pilot projects in coastal parishes with high levels of risk and vulnerability.					
4. FY 2018 expenditures funded by RESTORE Adaptive Management Funds.					
5. FY 2018 expenditures funded by GOMESA funds (provided funding is procured within the fiscal year).					
6. FY 2018 expenditures funded by NFWF Adaptive Management Funds.					
7. FY 2018 expenditures funded by NRDA Adaptive Management Funds.					
8. FY 2018 expenditures funded by NAS Research Practice Grant (see Table 4-1).					

► **Table 4-4: State Protection and Restoration Projected Three-Year Operating Expenditures (FY 2018 - FY 2020)**

Program	FY 2018	FY 2019	FY 2020	Program Total (FY 2018 - FY 2020)
CPRA	\$23,751,770	\$24,701,841	\$25,689,914	\$74,143,525
OCM	\$2,827,134	\$2,827,134	\$2,827,134	\$8,481,402
Office of the Governor - Coastal Activities	\$1,476,185	\$1,476,185	\$1,476,185	\$4,428,555
DNR Secretary (OMF Back Office Support)	\$0	\$0	\$0	\$0
Office of the Attorney General	\$185,000	\$185,000	\$185,000	\$555,000
<b>Total Operating Costs</b>	<b>\$28,240,089</b>	<b>\$29,190,160</b>	<b>\$30,178,233</b>	<b>\$87,608,482</b>

► **Figure 4-1: Projected FY 2018 Expenditures by Project Phase**

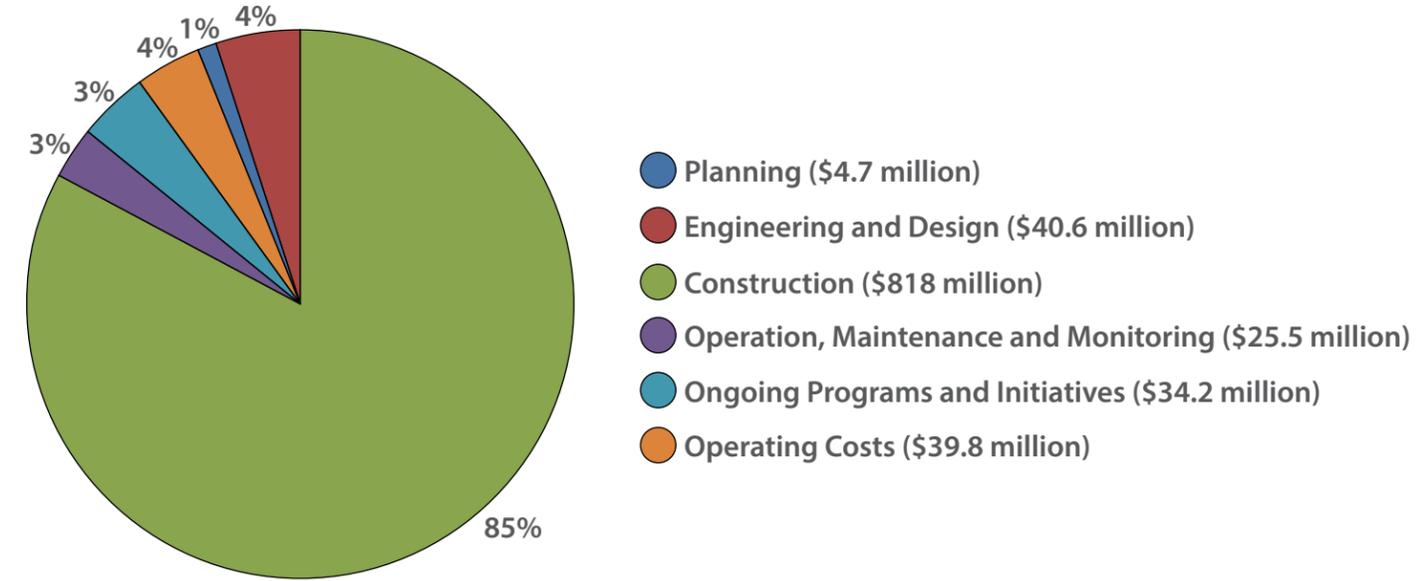


**Notes**

- Construction includes Beneficial Use (\$1.7 million)
- OM&M includes BIMP (\$2.6 million), Repair/Rehabilitation of Projects (\$759,739), Marine Debris Removal (\$1.6 million)

**TOTAL Expenditures**  
**\$644 million**

► **Figure 4-3: Projected FY 2020 Expenditures by Project Phase**

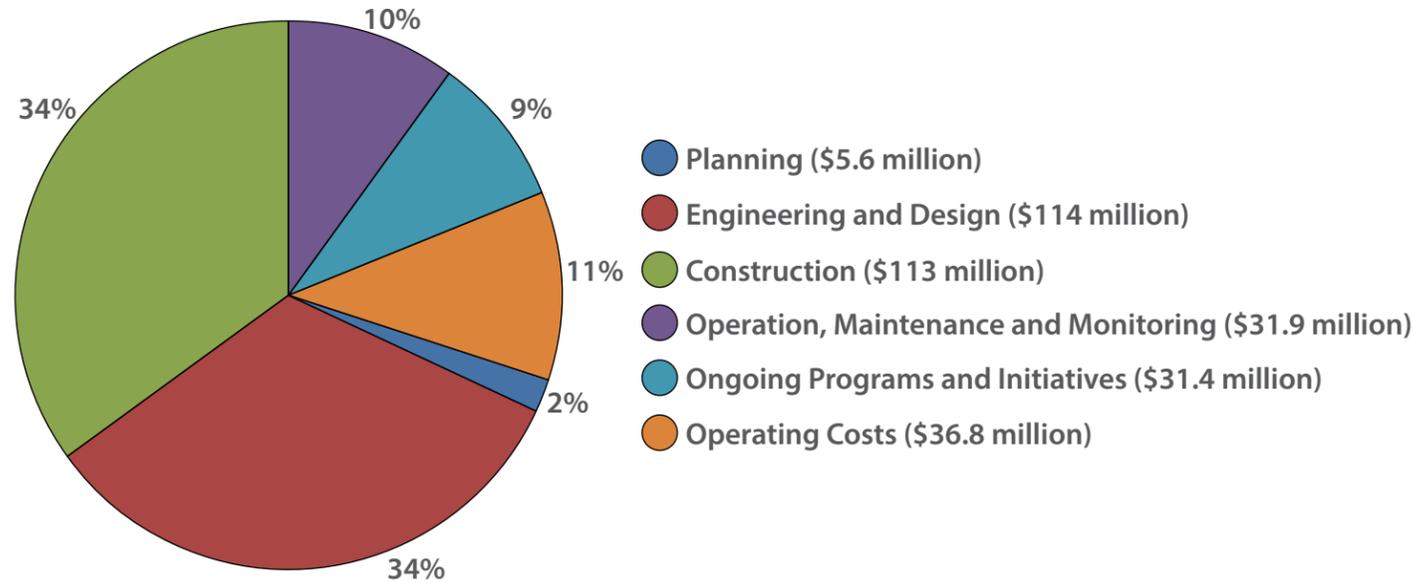


**Notes**

- Construction includes Beneficial Use (\$2 million)
- Engineering and Design and Construction include CWPPRA adjustment for outlying years (see Table 4-2 for explanation)
- Total excludes HSDRRS payback (\$98 million)
- Expenditures do not include GOMESA funding (GOMESA expenditure forecast to be developed following receipt of funding)

**TOTAL Expenditures**  
**\$963 million**

► **Figure 4-2: Projected FY 2019 Expenditures by Project Phase**



**Notes**

- Construction includes Beneficial Use (\$2 million)
- Engineering and Design and Construction include CWPPRA adjustment for outlying years (see Table 4-2 for explanation)
- Expenditures do not include GOMESA funding (GOMESA expenditure forecast to be developed following receipt of funding)

**TOTAL Expenditures**  
**\$333 million**



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