MEMORANDUM

Date: March 21, 2016

To: The Honorable Chair and Members  
Pima County Board of Supervisors

From: C.H. Huckleberry  
County Administrator

Re: Department of Transportation Fiscal Year (FY) 2016 Adopted Budget Comparisons of  
Pima, Maricopa and Pinal Counties

Attached is a direct comparison of Department of Transportation (DOT) revenues,  
expenditures, number of employees, unincorporated population, County area, and a number  
of other budgeted expenditures of each of these counties in the area of transportation,  
operation and maintenance, and capital expenditures.

A review of the revenue component of this comparison indicates there are dramatic  
differences in the revenues available to each county for transportation purposes. While total  
revenues for Pima County are nearly $55 million, they are significantly less than the $138  
million available for Maricopa County. Pinal County has available revenues of $37 million.

Only Pima County has used County General Funds in FY16 to support their transportation  
agency. Neither Maricopa nor Pinal Counties have utilized General Funds to support their  
Transportation Department. All three counties spend their Highway User Revenue Funds  
(HURF) or Vehicle License Taxes (VLT) on personnel and operating expenses, including  
maintenance.

Maricopa County employs the most employees in their Transportation Department at 416,  
compared to Pima County’s 293; even though Pima County has an unincorporated  
population of approximately 354,000 compared to Maricopa County’s 284,000. Costs per  
employee (FTE) are equitably close, with Maricopa County being $73,927/FTE, Pima County  
$68,608/FTE, and Pinal $63,122. This puts Pima County at 8 percent below Maricopa and  
8 percent higher than Pinal.

Pinal County has a sales tax dedicated to their transportation capital improvements, as well  
as for pavement preservation. Neither Pima County nor Maricopa County has a direct sales  
tax for this purpose.

Other observations are as follows:

1. Pima County expends $6.4 million for transit services, while neither Maricopa  
nor Pinal have to devote any share of HURF/VLT monies for such purposes.
2. Pinal County’s significant amount of unpaved road mileage (1,043 miles) compared to both Pima (300 miles) and Maricopa (416 miles) requires a significant expenditure for added equipment and material ($16 million versus $9.6 million for Pima County) to address dirt road maintenance needs. However, even though Maricopa County has 40 percent of the unpaved road mileage of Pinal, their maintenance operating expenses are 20 percent greater than Pinal County’s.

3. Capital expenses from operating revenues in the maintenance area are lower for Pima County by 80 percent compared to Maricopa County and 60 percent lower compared to Pinal County. Such expenditures on a “pay as you go” basis are typically for added or replaced equipment or for contracted pavement preservation.

We have heard claims that Pima County does not spend its HURF or VLT for transportation purposes. Such is incorrect. Every dollar is spent to operate, maintain and construct a transportation system; and with limited revenues, we struggle to provide the level of service of our neighboring counties to the north.

CHH/lab

Attachment

c: John Bernal, Deputy County Administrator for Public Works
Nanette Slusser, Assistant County Administrator for Policy, Public Works
Priscilla Cornelio, Director, Transportation Department
## FY 16 Transportation Adopted Budget

<table>
<thead>
<tr>
<th></th>
<th>Pima County (PM)</th>
<th>Maricopa County (MA)</th>
<th>Pinal County (PN)</th>
<th>notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population, Total County</td>
<td>980,263</td>
<td>3,817,117</td>
<td>375,770</td>
<td>2010 Census</td>
</tr>
<tr>
<td>Population, Unincorporated County</td>
<td>353,264</td>
<td>284,304</td>
<td>204,925</td>
<td>2010 Census</td>
</tr>
<tr>
<td>Mile of Roads Maintained</td>
<td>2,300</td>
<td>2,482</td>
<td>2,071</td>
<td>PN10, MA04, MA03</td>
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<tr>
<td>Total Area of County</td>
<td>3,189</td>
<td>3,824</td>
<td>1,734</td>
<td></td>
</tr>
<tr>
<td>Transportation Department Staff (FY15)</td>
<td>703</td>
<td>816</td>
<td>114</td>
<td></td>
</tr>
<tr>
<td>FY16: &quot;Adopted CIP&quot; Budget</td>
<td>61,892,895</td>
<td>94,370,570</td>
<td>15,000,000</td>
<td>PN07</td>
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</tbody>
</table>

### REVENUES

- **Highway User Revenue Funds (HURF)**
  - Pima: $40,580,771
  - Maricopa: $12,429,314
  - Pinal: $18,345,856

- **Other Revenues**
  - Includes COPS, CIP, Preserves, etc.  
  - Includes other special funds

- **General Fund Transfers**

- **SUBTOTALS** = $54,882,284

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<tr>
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<th>$138,417,683</th>
<th>$37,091,629</th>
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</thead>
<tbody>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$55,003,962</td>
<td>$37,091,629</td>
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</table>

### EXPENDITURES

- **Department Management/Administration**
  - Revenue, Government Fees, Highway & Streets Fees, Impact Fees, Interest Rev, Paved, Rents and Royalties, Other Misc. Revenues, & Sale of Assets

- **Engineering, Finance, Systems, CIP Division**

- **Capital Expenditures** (over $5,000)

<table>
<thead>
<tr>
<th></th>
<th>$3,444,445</th>
<th>$1,500,000</th>
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<tbody>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>$58,725,030</td>
<td>$30,348,965</td>
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</table>

### Notes

- **PM01**: Includes Licenses & Permits, Federal Revenue, State Revenue, City Revenue, Government Fees, Highway & Streets Fees, Impact Fees, Interest Rev, Paved, Rents and Royalties, Other Misc. Revenues, & Sale of Assets

- **PM02**: Grants, Interest

- **PM03**: Transportation Excise Tax, Development Fees - FY16 Budget is for $7.3M in revenues of which $5.55M goes directly to CIP and $1.75M is used for Pavement Preservation.

- **PM04**: Limited Field Inspection work is done by Pinal Co. & associated costs typically charged to the Dept., not the CIP project.

- **PM05**: Project budget $30M estimated split 50/50 between maintenance & CIP.

- **PM06**: CIP Bond and Equipment lease to purchase.

- **PM07**: Construction expenditures are charged to the specific projects.