

## Department of Transportation FY17/18

### ❖ Requested Operating Department Expenditures, Revenues and Operating Transfers

	<b>FY 16/17 Adopted Budget</b>	<b>FY 17/18 Requested Budget</b>	<b>Percent Change</b>
Operating Expenditures	\$41,393,385	\$43,493,572	+5.07
Operating Transfers Out	\$24,513,108	\$19,815,991	-19.16
Operating Revenues	\$60,347,896	\$62,014,600	+2.76
Operating Transfers In	\$121,799	\$121,799	0.0
FTE's	286	286	0.0

### ❖ Significant Changes in the Requested FY2017/18 Budget versus the FY2016/17 Adopted Budget

- Budget Revenues (Requested): Increased \$2.1 M (Includes both HURF and VLT, projected based on historical models provided by Pima Association of Governments).
- Transfers Out decreased 19% due to reduction of \$4.7 M transferred out for Pavement Preservation.
- Overall, expenditures increased by \$2.1 M; significant changes include \$1.6 M for personnel services related to Fair Labor Standards wage increases and decreased inter- and intra- departmental reimbursements; and \$800,000 for a planned Department of Transportation Technology Application Upgrade to replace legacy systems.
- No change in FTE's.

# Department of Transportation FY17/18

## ❖ Major Programs and Related Services Provided by the Department and their Contribution to Pima County Economic Development

### Major Programs & Services

- Roads
  - Capital Improvement Program
  - Roadway Maintenance
  - Roadway Design (Design Std's, Public Art, Native Plant Salvage Prog.)
  - Adopt-A-Roadway
  - Graffiti Abatement
  - Neighborhood Traffic Management Program
- Traffic Engineering (Roadway Signing, Striping, Traffic Signals, Counts, Crash Statistics, Ordinances)
- Bicycles and Pedestrian Program and Public Transit
- Transportation Planning
  - Major Streets and Scenic Routes Plan
  - Studies and Reports
  - Public Involvement
- Documents and Maps (Maps and Records)
- Airports
- Permits and Fees (Roadway Impacts, Right of Way Use, Special Events, Oversize/weight Vehicle Permit)

### Contribution

Transportation systems provide the backbone for all economic activity.

- Improved access to employment sites, hospitals, schools, and markets; improved comfort, speed, and safety; and lower vehicle operating costs
- Supports job & business to expansion
- Allows businesses to manage & transport goods more efficiently and at lower costs
- Consumers benefit from lower priced goods

These services are crucial in ensuring accessibility for all individuals.

These services are vital in planning sustainable developments and assure that important local/regional needs are meet.

Engineering information is available to the public and agencies.  
Operation of the Ajo Airport

Control of Right-of-Way

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### ❖ Major Costs of Providing Programs and Related Services by the Department

Program	Cost (millions)	
<u>1997 HURF Bonds:</u> Voter approved \$350 M in bonds to fund 57 DOT projects. HURF revenues are used to repay debt.	\$19.6	Mandated
<u>Roadway Maintenance:</u> General maintenance of the county's transportation systems that includes pothole repair, crack sealing and overlays, vegetation maintenance and storm response. (Does not include pavement preservation program for repair and resurfacing of degraded roads.)	\$15.3	Mandated
<u>Traffic Engineering:</u> Roadway signs, signals, striping, traffic studies, bike & pedestrian, and safety systems.	\$ 6.8	Mandated
<u>Transit:</u> Public transportation services (Sun Tran and Sun Van) in the unincorporated county.	\$ 6.6	Mandated
<u>Administrative Support:</u> Overall Department and various transportation-related projects & programs, including Information Technology systems, Summer Student Program; Mapping & Records; Graffiti Abatement & Community Relations.	\$10.2	Mandated & Discretionary
<u>Engineering and Planning:</u> Planning & design services on county roads and bridges.	\$ 1.8	Mandated
<u>Field Engineering:</u> Construction inspection and public right-of-way compliance services.	\$ 2.6	Mandated
<b>Mandates: ARS-11-251.29, ARS-11-561, ARS-11-562, ARS-11-806.01E, ARS-11-821C.2, ORD No. 1997-80 (The referenced mandates are representative of those which regulate the County Transportation Programs.)</b>		

## Department of Transportation FY17/18

### ❖ Major Budget Issues the Department is Facing in FY2017/18

#### Highway User Revenue Funds (HURF)/Vehicle License Tax (VLT)

- Revenues do not cover all department operational needs.
- Arizona's gas tax has not increased since 1991.
- Motor vehicles continue to become more fuel-efficient and cause further reductions in revenue.
- Arizona State Legislature HURF sweeps have hurt revenues in the past ten years and continue to threaten future years.
- \$250 M is needed to fix the approximately 60% of existing paved roads in failed condition.

#### Capital Improvement Program (CIP)

- Facing major reductions in available funds with completion of RTA projects
- Future HURF/VLT monies available for the CIP are expected to be minimal.
- PAG Regional Funds for fiscal years 2020 thru FY2026 (seven years) will be dedicated to RTA needs. This represents a reduction of approximately \$12 M to \$14 M annually.
- Many of the County RTA funded projects are completed; therefore, future RTA funds will be reduced.
- 20% of 1997 HURF Bond projects remain to be completed. Remaining projects are mainly in the City of Tucson.

#### 1997 HURF Bond Program

- Debt Service is approximately \$20 M per year, nearly 33% of total department HURF/VLT revenues.
- To limit increases in annual debt service, the sale of future '97 bonds will be spread out to extend beyond FY 2020.
- All but three of the 57 projects identified in the ordinance have been completed or are underway.

### ❖ Any Requests for Supplemental Funding Over and Above the Base Budget Amount

No supplemental funding requests have been submitted.