

**Department of Transportation**  
**Highways**

A.R.S. § 28-101

	<b>FY 2005 Actual</b>	<b>FY 2006 Estimate</b>	<b>FY 2007 Approved</b>
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	2,522.0	2,516.0	2,516.0 <sup>1/</sup>
Personal Services	51,446,500	64,044,800	66,566,400
Employee Related Expenditures	16,992,500	22,875,400	25,947,600
Professional and Outside Services	5,316,100	1,545,100	1,545,100
Travel - In State	1,183,800	1,777,000	1,777,000
Travel - Out of State	47,300	56,900	56,900
Other Operating Expenditures	34,171,500	29,130,300	29,479,500
Equipment	7,925,500	4,007,900	4,007,900
<b>OPERATING SUBTOTAL</b>	<b>117,083,200</b>	<b>123,437,400</b>	<b>129,380,400</b>
<b>SPECIAL LINE ITEMS</b>			
Highway Maintenance	103,456,200	111,553,900	118,645,800 <sup>2/</sup>
Vehicles and Heavy Equipment	34,003,800	34,845,500	37,526,800
Vehicles and Heavy Equipment Fuel Surcharge	0	2,000,000	2,000,000
<b>PROGRAM TOTAL</b>	<b>254,543,200</b>	<b>271,836,800</b>	<b>287,553,000<sup>3/4/</sup></b>
<b>FUND SOURCES</b>			
General Fund	71,700	76,400	82,900
<u>Other Appropriated Funds</u>			
Safety Enforcement and Transportation Infrastructure Fund	558,700	558,700	558,700
State Highway Fund	219,909,000	235,356,200	248,384,600
Transportation Department Equipment Fund	34,003,800	35,845,500	38,526,800
<b>SUBTOTAL - Other Appropriated Funds</b>	<b>254,471,500</b>	<b>271,760,400</b>	<b>287,470,100</b>
<b>SUBTOTAL - Appropriated Funds</b>	<b>254,543,200</b>	<b>271,836,800</b>	<b>287,553,000</b>
Other Non-Appropriated Funds	397,075,400	427,192,600	427,192,600
Federal Funds	465,731,900	427,342,000	441,815,500
<b>TOTAL - ALL SOURCES</b>	<b>1,117,350,500</b>	<b>1,126,371,400</b>	<b>1,156,561,100</b>

**COST CENTER DESCRIPTION** — Highways plans the statewide transportation system, including highways and airports. It is responsible for the location, design, right-of-way acquisition, construction, maintenance and management of the state highway system. It maintains the department's fleet of vehicles and equipment.

<b>PERFORMANCE MEASURES</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2007 Approved</b>
• % of Maricopa regional freeway miles completed Comments: The agency did not submit information for this measure in FY 2003.	NA	79	85	100
• % of overall highway construction projects completed on schedule	96	98	98	100

<sup>1/</sup> Includes 1,172 FTE Positions funded from Special Line Items in FY 2007.

<sup>2/</sup> Of the total amount appropriated for the Highways Program, \$118,645,800 in FY 2007 for Highway Maintenance is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations, except that all unexpended and unencumbered monies of the appropriation revert to their fund of origin, either the State Highway Fund or the Safety Enforcement and Transportation Infrastructure Fund on August 31, 2007. (General Appropriation Act footnote, as adjusted for statewide allocations).

<sup>3/</sup> General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Program.

<sup>4/</sup> Of the \$439,490,100 appropriation to the Arizona Department of Transportation, the department shall pay \$16,773,800 in FY 2007 from all funds to the Arizona Department of Administration for their Risk Management payment. (General Appropriation Act footnote, as adjusted for statewide allocations).

## Operating Budget

The budget provides \$129,380,400 for the operating budget in FY 2007. This amount consists of:

	<u>FY 2007</u>
General Fund	\$82,900
State Highway Fund	129,297,500

These amounts include an increase of \$5,943,000 for statewide adjustments. This amount consists of:

General Fund	6,500
State Highway Fund	5,936,500

(Please see the Statewide Adjustments section at the end of this Appropriations Report for details.)

## Special Line Items

### Highway Maintenance

The budget provides \$118,645,800 and 925 FTE Positions for Highway Maintenance in FY 2007. This amount consists of:

Safety Enforcement and Transportation	
Infrastructure Fund	558,700
State Highway Fund	118,087,100

The special line amounts include an increase of \$4,246,900 from the State Highway Fund for statewide adjustments.

These monies were transferred from the operating budget to a new special line item to highlight highway maintenance expenditures beginning in FY 2006. Monies in this line item are used to maintain the state highway system, including pavements, bridges, landscaping, drainage, signals, lights, fences, signs, striping, and snow removal. They also operate the freeway management system and the traffic operations center. The FY 2005 numbers have been adjusted for comparability.

These budget includes the following adjustment:

### Highway Maintenance Workload

The budget provides an increase of \$2,845,000 from the State Highway Fund in FY 2007 for increased Highway Maintenance workload as additional miles of roadway come on line. The department estimates an increase of 232 maintenance lane miles in FY 2007, making a total of 27,190 statewide maintenance lane miles in FY 2007. Proposition 400 makes an additional \$3.1 million available for landscape maintenance from the non-appropriated Maricopa Regional Area Road Fund in FY 2006, and \$9 million in FY 2007.

Proposition 400 is the Maricopa County 1/2 cent sales tax extension, which was approved by Maricopa County

voters at the November 2, 2004 General Election. The Proposition 400 Publicity Pamphlet states that the Maricopa County 1/2 cent sales tax extension would generate an estimated \$9 billion for Calendar Years 2006 – 2025. The Maricopa County 1/2 cent sales tax extension includes items such as new and widened urban freeways, new or improved arterial streets, new and improved regular and express bus service, light rail, and other programs to address air quality, bicycle and pedestrian travel, future commuter rail options, and safety and transportation planning functions. (Please see the ADOT Capital Outlay Section for more information.)

### Vehicles and Heavy Equipment

The budget provides \$37,526,800 and 247 FTE Positions from the Transportation Department Equipment Fund for vehicles and heavy equipment in FY 2007. The amount includes an increase of \$1,022,600 from the Transportation Department Equipment Fund for statewide adjustments

With the transfer of these monies to a new special line item beginning in FY 2006, the operating budget no longer double counts the amounts paid by Highways sections for the rental of motor pool equipment. Monies in this line item allow the department to maintain and replace the department's fleet, and perform motor pool services for other state agencies. The FY 2005 numbers have been adjusted for comparability.

### Other Agency Revenue

The budget provides an increase of \$1,658,700 from the Transportation Department Equipment Fund in FY 2007 for increased purchases by other agencies for items such as fuel, vehicle maintenance and repair. ADOT estimates \$40,422,400 of total revenue for the Transportation Department Equipment Fund in FY 2007, as shown in the following table.

Table 1	
Other Agency Revenue	\$7,435,700
Vehicle Rental to ADOT Sections	31,049,000
Vehicle Sales	975,000
Miscellaneous Receipts and Interest	<u>962,700</u>
<b>Total FY 2007 Revenue</b>	<b>\$40,422,400</b>

### Vehicles and Heavy Equipment Fuel Surcharge

The budget provides \$2,000,000 for vehicles and heavy equipment fuel surcharge in FY 2007. This amount consists of:

State Highway Fund	1,000,000
Transportation Department Equipment Fund	1,000,000

This amount is unchanged from FY 2006.

The total of \$2,000,000 is for \$1,000,000 from the Transportation Department Equipment Fund to pay for increased gas prices, and \$1,000,000 from the State

Highway Fund for ADOT's sections to reimburse the Transportation Department Equipment Fund in order to hold the Transportation Department Equipment Fund harmless so as to not adversely impact the purchase of replacement vehicles and equipment.