

2023-2027 STIP Financial Forecast Assumptions

Revenues

- Motor Fuel Taxes (excludes SB-262)
 - Partial rebound to pre-COVID19 level (actual 2020) for 2022
 - Annual growth rate of 1.5 percent for 2023 as rebounding continues
 - Annual growth rate of 0.0 percent for 2024
 - Annual growth rate of -0.25 percent for 2025 and beyond
 - Assumes greater fuel economy (Corporate Average Fuel Economy - CAFE standards) will off-set increases in vehicle miles traveled
 - Based on historical data and fuel consumption projections from the U.S. Energy Information Administration's Annual Energy Outlook 2021 (AEO 2021) for the region
- Motor Fuel Taxes and Decal Fees (SB-262)
 - Based on Committee on Legislative Research Oversight Division's fiscal note of April 6, 2021; FY2020 gallons with 20 percent refunds
- Motor Vehicle Sales Taxes
 - Decline to pre-COVID19 level (actual 2020) plus 3.0 percent growth for 2022
 - Annual growth rate of 2.0 percent for 2023-2024
 - Annual growth rate of 3.0 percent for 2025 and beyond
 - Based on historical data and projections from the AEO 2021
- Motor Vehicle and Driver Licensing Fees
 - Decline to pre-COVID19 level (actual 2020) plus 1.5 percent growth for 2022
 - Annual growth rate of 1.5 percent for 2023 and beyond
 - Based on historical data, population over the age of 16 projections from the AEO 2021 and driver licensing renewal data from the Department of Revenue
- Interest and Miscellaneous
 - Interest projections are based on monthly cash balances with a 0.43 percent earnings rate
 - Miscellaneous revenue is based on average annual receipts of \$41.0 million for incidentals and other fees plus reimbursements for partnering projects
 - Cost Share Program
 - \$35.0 million for 2022
 - \$40.0 million for 2023
 - \$45.0 million for 2024 and beyond
- Federal Reimbursements
 - Based on Infrastructure Investment and Jobs Act (IIJA) Federal-aid Highway Apportioned Programs and General Fund Supplemental Appropriations for Bridge Replacement, Rehabilitation, Preservation, Protection & Construction and National Vehicle Electric Formula Programs
 - \$1,254.2 million for 2022
 - \$1,279.3 million for 2023
 - \$1,499.2 million for 2024
 - \$1,525.3 million for 2025

Revenues (cont'd)

- \$1,552.0 million for 2026
- \$1,357.6 for 2027 and beyond
- Rocheport Bridge and Mineola Hill INFRA grant of \$81.2 million
- Highway Infrastructure Program allocation of \$112.4 million
 - Suballocation to Large Urban Areas of \$43.0 million
- Highway Infrastructure Bridge Program allocation of \$82.1 million
- Emergency Relief (ER) funds of \$16.9 million for Northwest flood resiliency projects
- Assumptions:
 - Local public agencies will fully utilize annual allocations and carryover balance of \$80.0 million
 - Preventative maintenance reimbursements of \$65.0 million, annually
 - Preliminary engineering (in-house) reimbursements of \$17.5 million, annually
 - Construction engineering (in-house) reimbursements of \$60.0 million, annually
 - Statewide planning and research (in-house) reimbursements of \$20.0 million, annually
- General Revenue
 - \$23.7 million for the Governor's Transportation Cost Share Program
 - \$45.2 million for the Governor's Focus on Bridges Program annual debt service payments for six years
- Bond and MTFC Loan Proceeds
 - Governor's Focus on Bridges Program bond issuance of \$100.0 million in 2022
 - Amendment 3 bond issuance of \$500.0 million in 2023
 - MTFC Loan of \$62.5 million for the Rocheport Bridge and Mineola Hill INFRA Grant project
 - \$24.4 million disbursement in 2023
 - \$24.8 million disbursement in 2024
 - \$13.3 million disbursement in 2025

Disbursements

- Operating Budget
 - Personal services includes the 2.0 percent statewide annual cost of living adjustment and department requested employee market adjustment increases starting January 1, 2022 for 2022; Program Delivery workforce expansion of 107 FTEs due to the larger construction program, Enterprise Resource Planning staff of 4 additional FTEs to implement the new accounting system; and 2.0 percent annual cost of living adjustments starting in 2023 for every year
 - Retirement contributions of 58.0 percent
 - Medical projections from the actuary for 2022-2023 and starting in 2024 the annual growth rate is the three-year average of 4.99 percent
 - Other Fringe Benefits based on personal services assumptions

- **Disbursements (cont'd)**
 - Expense and equipment includes increases of \$5.0 million to account for inflation of roadway materials; \$4.2 million for rest area improvements; \$1.0 million for winter operations' travel and lodging; \$0.9 million for weigh station improvements; \$0.8 million for radio tower maintenance; a one-time increase of \$5.0 million for dump truck repairs; and starting in 2024 increases of \$10.0 million for fleet replacement and \$2.0 million for information systems
 - Expense and equipment distribution to Districts
 - 35 percent Lane Miles – Major
 - 35 percent Lane Miles – Minor
 - 20 percent Vehicle Miles of Travel
 - 10 percent Minor Roads in Poor Condition
 - Asset management deficit program allocation of \$15.0 million for 2022-2024
- Program Delivery
 - Contractor Awards
 - \$1,118.9 million for 2022
 - \$1,530.0 million for 2023 and beyond
 - Design/Bridge Consultant Engineering (DBC)
 - \$60.0 million for 2022
 - \$70.0 million for 2023
 - \$95.0 million for 2024
 - \$100.0 million for 2025 and beyond
 - Right of Way Acquisitions
 - \$20.0 million for 2022
 - \$25.0 million for 2023 and beyond
 - Debt service
 - Based on current annual debt service payments
 - Governor's Focus on Bridges Program of \$45.2 million annually for six years
 - MTFC loan repayments for the Rocheport Bridge and Mineola Hill INFRA Grant project of \$9.2 million annually starting in 2024 for seven years
 - Amendment 3 debt service payments of \$55.0 million starting in 2024 for ten years
- Other State Agencies (Highway Patrol and Department of Revenue)
 - Based on historical data
 - Highway Patrol – 87 percent spending of FY2022 appropriation
 - Annual growth rate of 1.3 percent for 2023 and beyond