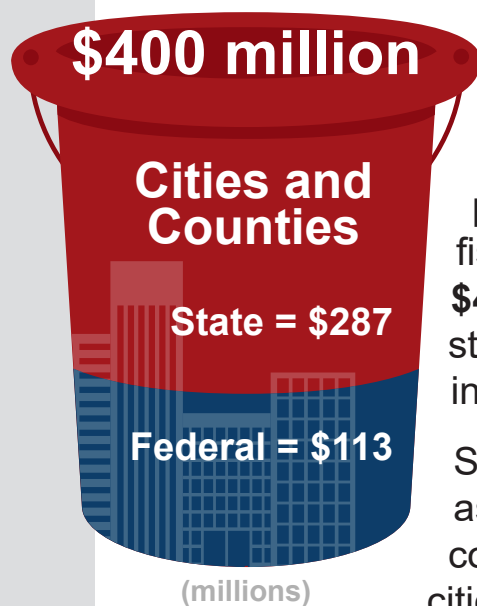


Where is the money INVESTED?

Where is the Money Invested?

MoDOT does not receive the entire \$3.1 billion of transportation revenue or the \$32 per month from the average Missouri driver. After allocations to cities, counties, other state agencies and debt payment, MoDOT received \$2.1 billion of transportation revenues in fiscal year 2021 to invest in the state transportation system. That equates to about \$20 of the \$32 per month Missouri drivers are paying.



Cities and counties in Missouri receive a share of state and federal transportation revenues for projects of their choosing. In fiscal year 2021, that totaled **\$400 million** – \$287 million in state funds and \$113 million in federal funds.

State funds are distributed as specified in the state constitution². For fuel taxes, cities and counties receive 4.55 cents of the 17 cents per gallon rate, or about 27%. In fiscal year 2021, this totaled **\$181 million**. For vehicle registration and driver's licensing fees, cities and counties received **\$33 million**, or about 9%. For motor vehicle sales tax, cities and counties received **\$73 million**, or about 14%.

² Missouri Constitution – Article IV, Sections 30(a) and 30(b)

How much of MoDOT investment flows directly to the private sector?



The distribution of federal funds is prescribed by federal law through transportation funding acts. The majority of federal revenue is dedicated to reimburse a share of eligible costs, which is typically 80%.

The federal transportation programs for cities and counties include:

- Off-System Bridge,
- Congestion Mitigation and Air Quality,
- Surface Transportation Block Grant Programs and
- Transportation Alternatives Programs – these funds encompass a variety of smaller-scale transportation projects such as pedestrian and bicycle facilities, recreational trails and other community improvements.

The majority of cities and counties also receive additional local revenues – most often from additional sales and property taxes – to build and maintain city streets and county roads. These amounts are not included in the totals discussed here.

In Nov. 2021, the federal transportation bill, called the Infrastructure Investment and Jobs Act (IIJA), was reauthorized. The new bill is estimated to increase federal funding to Missouri approximately 25% for the next five years.

The Missouri Constitution and state and federal laws determine how transportation funds are allocated to states, cities and counties.

Where is the money INVESTED?



Per the Missouri Constitution³, the Missouri Department of Revenue (DOR) and the Missouri State Highway Patrol (MSHP) also receive transportation revenue. In fiscal year 2021, the amount totaled \$222 million.

The Highway Patrol receives funding for administering and enforcing state motor vehicle laws and traffic regulations. The Missouri General Assembly determines the amount available to the MSHP each year – \$200 million was spent in fiscal year 2021. The 2020 and 2021 expenditures for the Highway Patrol were offset by reimbursements from the Coronavirus Aid, Relief, and Economic Security (CARES) Act of \$26.8 and \$44.3 million, respectively.

The Department of Revenue receives funding for the cost to collect transportation taxes and fees. The cost of collection cannot exceed 3% of the particular tax or fee collected. In fiscal year 2021, the DOR received \$22 million.

³ Missouri Constitution – Article IV, Section 30(b)

MoDOT, the Highway Patrol and the Department of Revenue are the only state agencies that may receive transportation dollars.

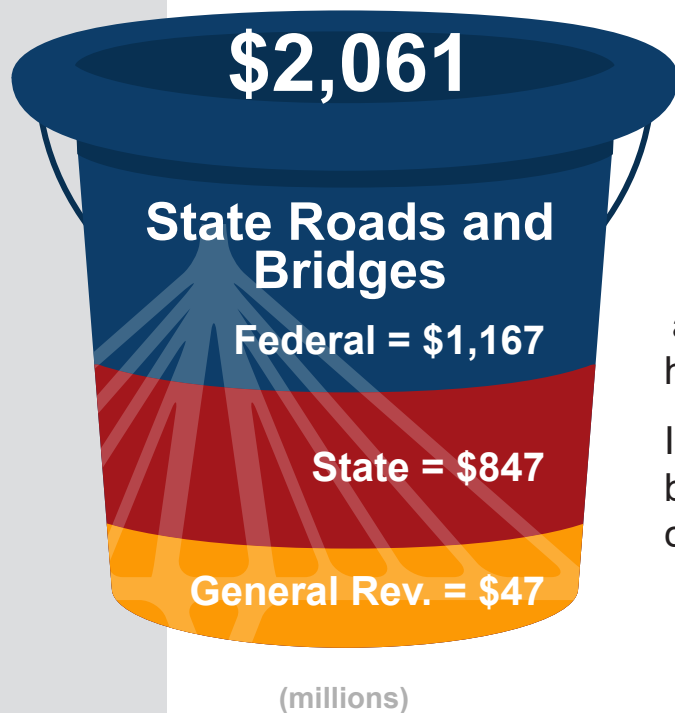
From 2000-2010, and again in 2019, MoDOT sold bonds that provided additional resources for highway improvements. Bonds are debt and similar to a home mortgage – this debt must be repaid over time. The total debt payment in fiscal year 2021 totaled \$295 million.

MoDOT has four kinds of bonds: senior bonds that were authorized by the Missouri General Assembly in 2000; Amendment 3 bonds that were authorized by Missouri voters in 2004; bonds authorized by the Missouri General Assembly in 2019 to finance the Focus on Bridges program with debt service from General Revenue over seven years; and federal GARVEE (Grant Anticipation Revenue Vehicle) bonds that financed specific projects. Borrowing advanced construction and allowed Missouri to avoid inflation in labor and materials costs; however, borrowed money must be repaid and new borrowing should be enabled with dedicated and reliable additional revenue to cover repayment and maintain credit ratings.

Senior bonds will be paid off by 2023, Amendment 3 bonds will be paid off by 2029 and GARVEE bonds will be paid off by 2033. Focus on Bridges bonds will be paid off in 2027. The average interest rate on all outstanding debt combined is 2.71%.



Where is the money INVESTED?



After distributions to cities and counties, other state agencies and the debt payment, 69% of transportation revenue is available for state roads and bridges. These are the funds that enable MoDOT to design, construct, operate and maintain a network of 33,830 miles of highways and 10,399 bridges.

Investments for state roads and bridges are summarized into five categories:

- Construction Program
- Maintenance
- Fleet, Facilities and Information Systems
- Administration
- Highway Safety Programs

The majority of MoDOT's expenditures are payments to vendors. The payments are for goods and services needed to build and maintain Missouri's transportation infrastructure. Whether it be payments to contractors, the purchase of equipment and supplies, design services or travel costs, these outward focused expenditures are an investment in Missouri's economy and drive economic opportunity in the state.



The construction program is the largest area of investment in MoDOT's budget, totaling **\$1.121 billion** in fiscal year 2021. It includes payments to contractors to build projects that maintain and improve the system (\$926 million), MoDOT engineering costs associated with administering and monitoring the construction program – including salaries, wages and fringe benefits (\$128 million), payments to engineering design consultants (\$41 million) and the cost of acquiring right of way (\$26 million).

The **maintenance** expenditures, totaling **\$448 million** in fiscal year 2021, pay for the services performed by MoDOT employees like plowing snow and mowing. But it also includes maintaining the pavements on the state's lower-volume routes, approximately 5,400 of which are not eligible for federal reimbursement. It covers utilities, tools and materials needed in maintenance buildings across the state, bridge maintenance, signing, striping, sweeping, rumble stripes, lighting, etc. The maintenance budget also allows for traveler information and incident management services.

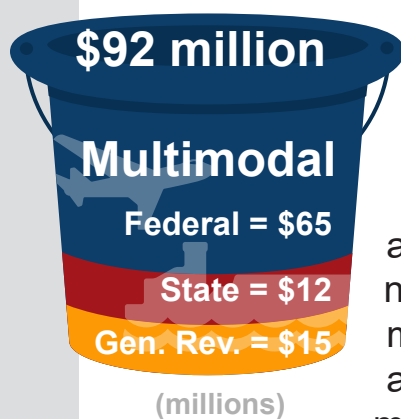
Fleet, facilities and information systems investments, totaling **\$80 million** in fiscal year 2021, cover the costs of purchasing MoDOT's fleet of trucks, constructing and maintaining MoDOT buildings and providing information technology that is needed for MoDOT to perform maintenance and engineering functions.

Where is the money INVESTED?

MoDOT's **administrative** costs – the fourth lowest in the nation – were **\$51 million** in fiscal year 2021. That includes salaries, wages and fringe benefits to provide support services like human resources, accounting, legal, executive management, customer service, etc. Administration also includes medical insurance costs for MoDOT retirees.

Road and bridge investments include **\$18 million** for **highway safety** programs that reduce fatalities and serious injuries, which includes salaries, wages and fringe benefits.

In total, MoDOT invested **\$1.718 billion** on state roads and bridges in fiscal year 2021.



Multimodal includes non-highway modes of transportation such as transit, aviation, railroads and waterways. The majority of transportation revenue is legally required to be spent on state roads and bridges, leaving only \$92 million, or about 3% of total revenue, available for multimodal needs. Unlike highways, MoDOT does not own multimodal facilities. Instead, MoDOT's role is to administer funding and provide an oversight role for multimodal improvements. Many of the multimodal entities receive local tax revenue and direct federal funding, which are not included in these amounts.

MoDOT also administered more than \$5 million in COVID-19 relief funds during FY 2021 to projects supporting non-highway transportation modes. More than \$3.6 million of those funds supported Amtrak. Coronavirus Response and Relief Supplements Appropriation (CRRSA) Act money totaled around \$2.56 million. The Coronavirus Aid, Recovery and Economic Security (CARES) Act supplied \$668,000, and American Rescue Plan Act (ARPA) funds came in at \$421,000 during the same period.

MoDOT administered \$45 million of **aviation** funds in fiscal year 2021. Missouri has dedicated taxes on aviation fuel to fund improvements to public use airports in Missouri. MoDOT also administers federal funding to improve airfield pavement conditions and lighting systems, eliminate obstructions and for expansion projects.

In fiscal year 2021, MoDOT administered \$28 million of **transit** funds. The majority of these funds are from federal programs that support operating costs and bus purchases for transit agencies across the state. There is a small amount of state and General Revenue funding to support operating costs for transit agencies.

MoDOT administered \$10 million of **rail** funds in fiscal year 2021. These funds are used to support two programs – the Amtrak passenger rail service between St. Louis and Kansas City and safety improvements at railroad crossings. The Amtrak funding is from General Revenue, and safety improvements at railroad crossings are from state and federal sources.

Waterways funding totaled \$6 million in fiscal year 2021. These funds provided operating and capital assistance to Missouri's river ports and ferry boat operators.

MoDOT also administers a \$1 million **freight** enhancement program that provides assistance to public, private or not-for-profit entities for non-highway capital projects that improve the efficient flow of freight in Missouri.

Internal operating costs to administer the various multimodal programs totaled \$3 million, including salaries, wages and fringe benefits.