

State Transportation Board Study Session

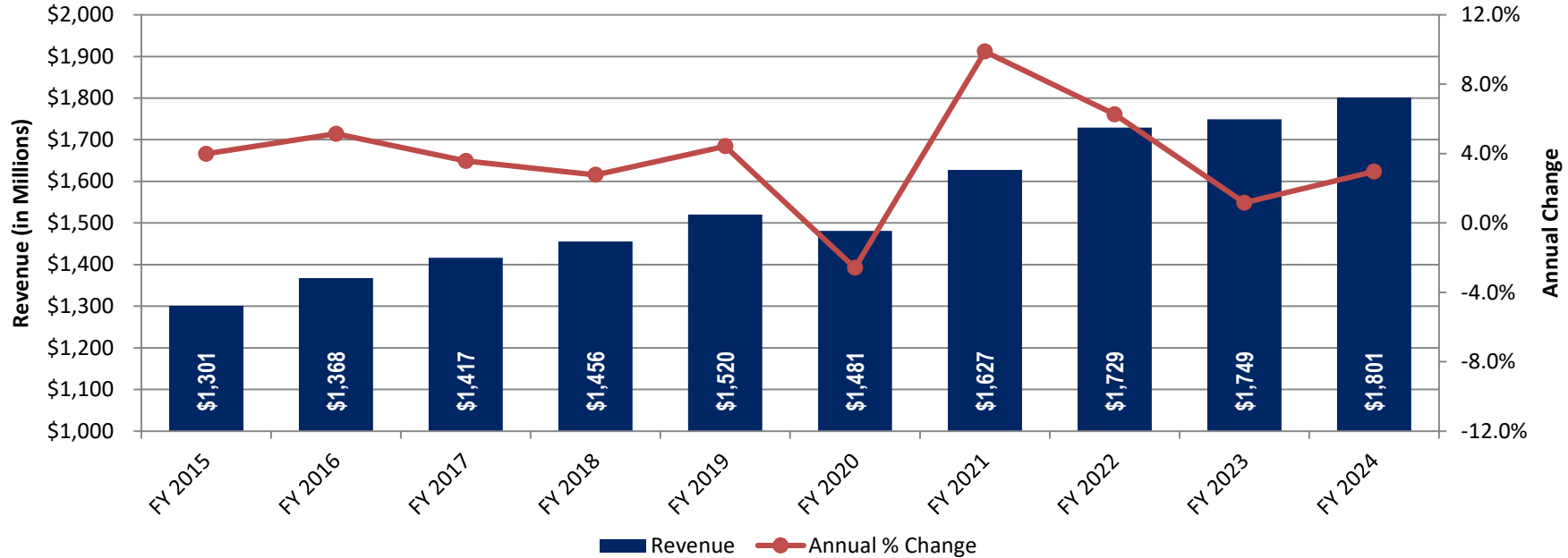
FY2026 – FY2030 Tentative Highway Construction Program **Financial Plan**

Prepared by: Kristine Ward, CFO
February 6, 2025

Revenue & Financing Forecasts

- **Highway User Revenue Fund (HURF)**
- **Regional Area Road Fund (RARF)**
- **Federal Funds**
- **Financing/Bonding**
- **Funding Available for 5 Year Program**

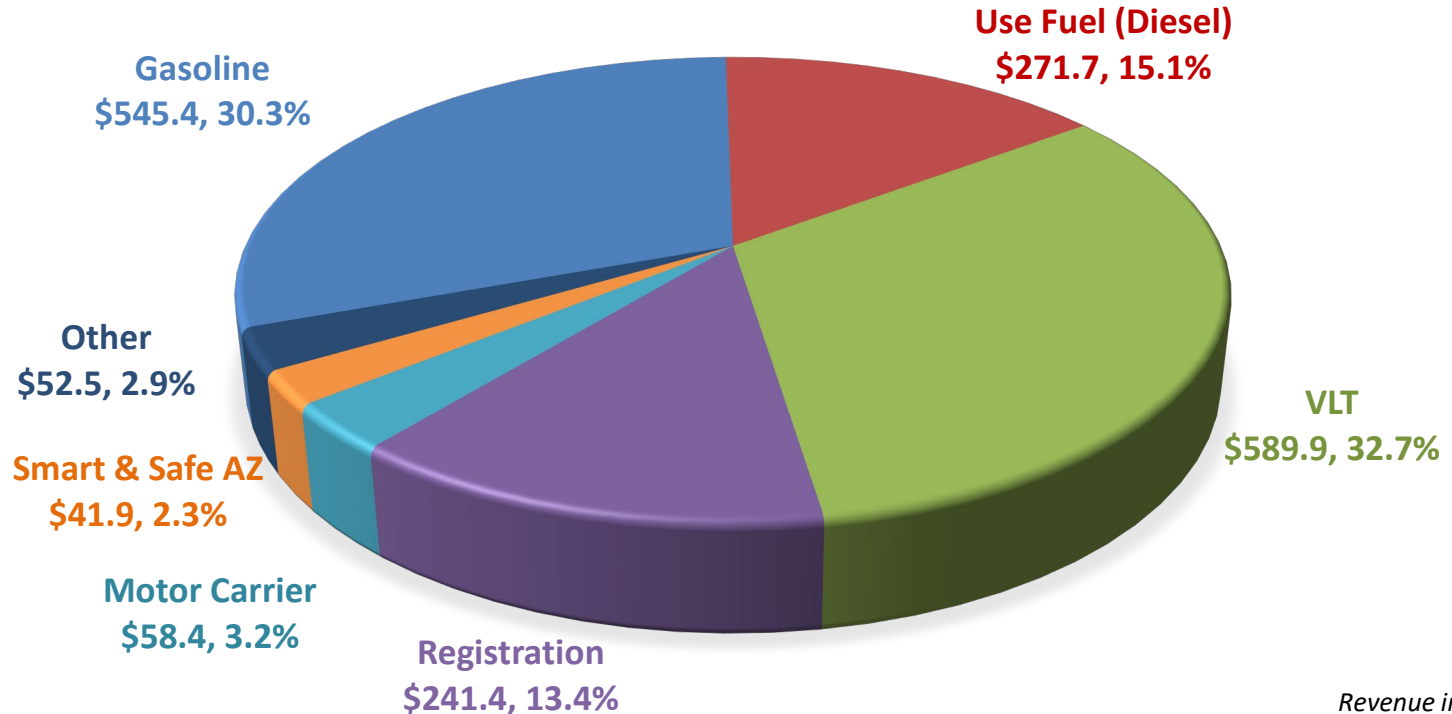
Highway User Revenue Fund (HURF): FY 2024 Revenues



	FY 2023 Actual	FY 2024 Actual	Change	FY 2024 Estimate	Difference
Total	\$ 1,749.3	\$ 1,801.1	3.0%	\$ 1,766.5	2.0%

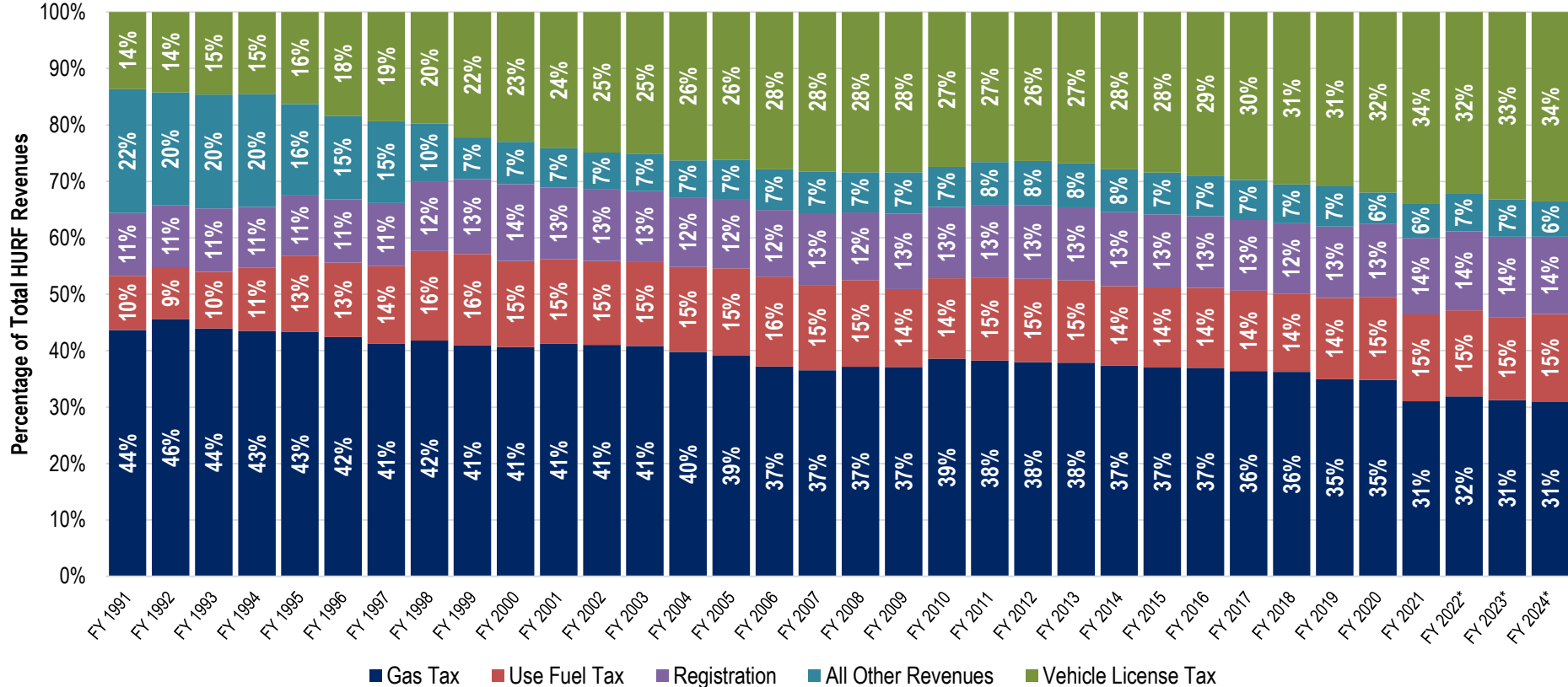
Highway User Revenue Fund (HURF)

FY 2024 - \$1,801.1 Million



Revenue in millions

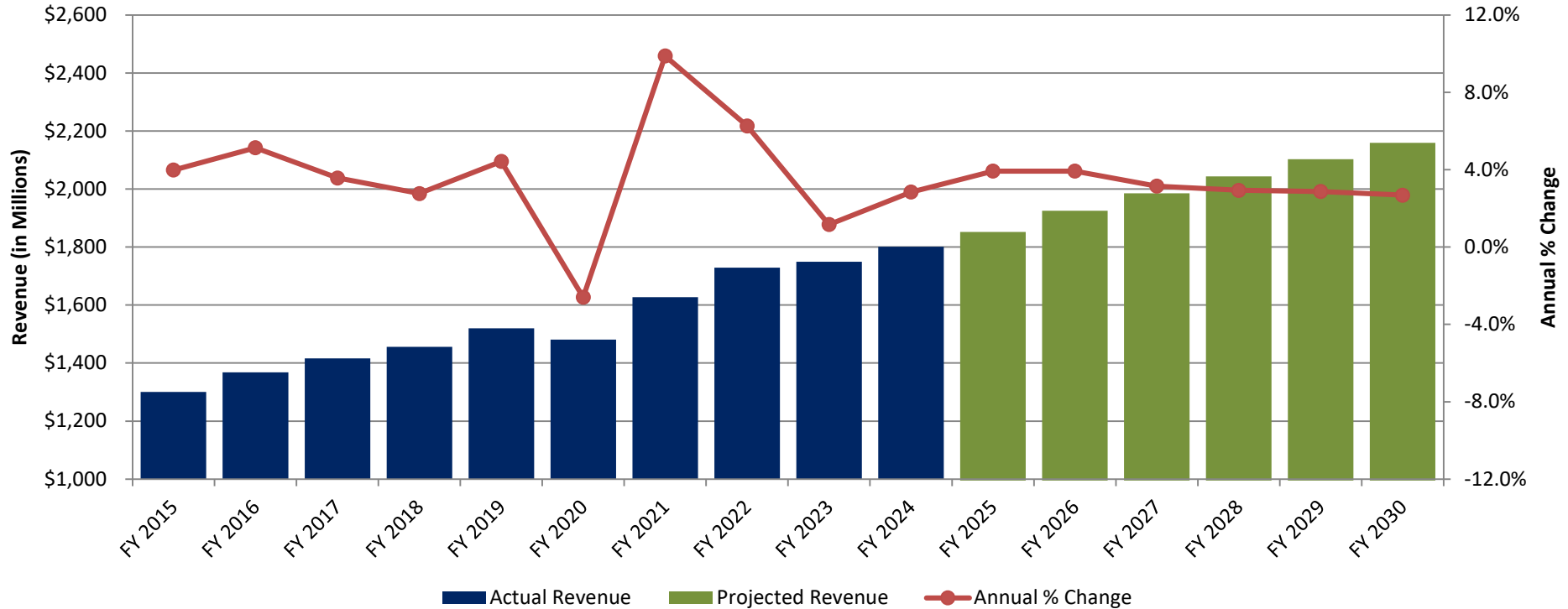
Revenue Categories as a Percentage of HURF



* The Smart & Safe AZ Fund added a new HURF revenue source in FY 2022. Revenue from this source has been removed to normalize the historical distribution.

Highway User Revenue Fund (HURF)

Revenue History and Forecast



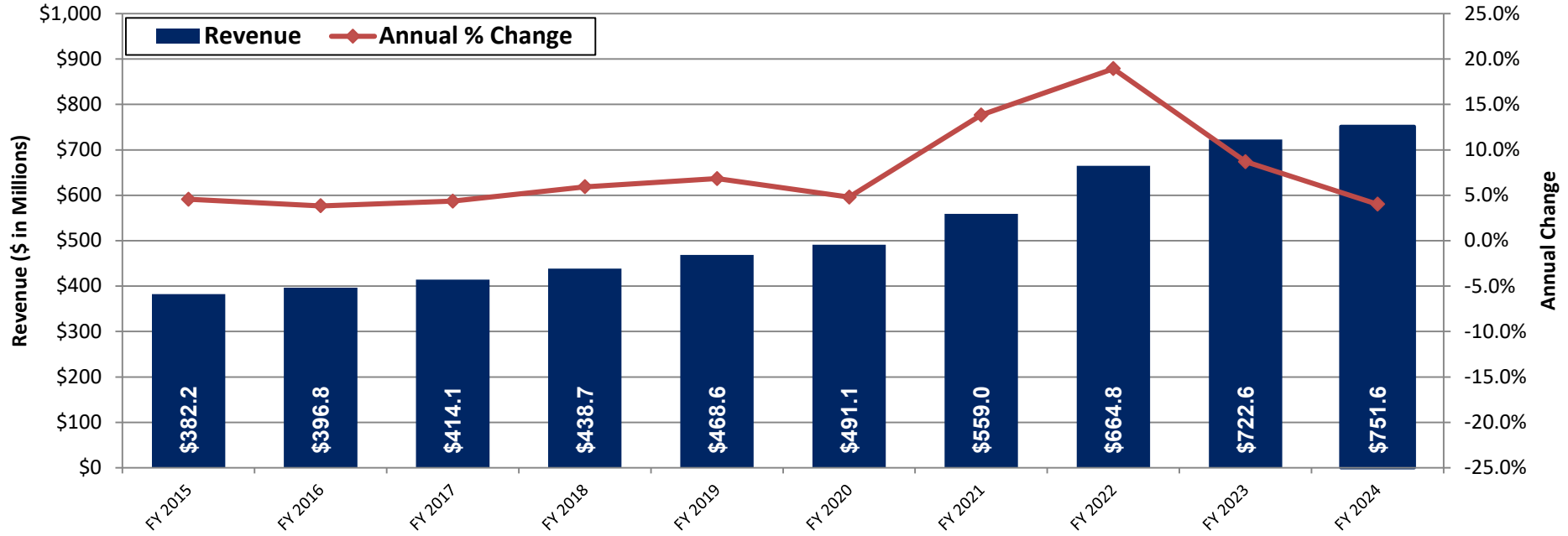
Highway User Revenue Fund (HURF)

2025 Revenue Forecast

FY 2025-2030 Comparative Forecast (Dollars in Millions)			
Fiscal Year	Sep. 23 Official Forecast	Sep. 24 Official Forecast	Difference
2025	\$1,826.6	\$1,852.4	\$25.7
2026	1,882.2	1,925.1	42.9
2027	1,937.1	1,985.7	48.6
2028	1,990.7	2,044.0	53.3
2029	2,045.5	2,102.7	57.3
2030	2,101.0	2,159.2	58.1
Total	\$11,783.1	\$12,069.0	\$285.9
Avg. CGR	2.8%	3.1%	

Regional Area Road Fund (RARF)

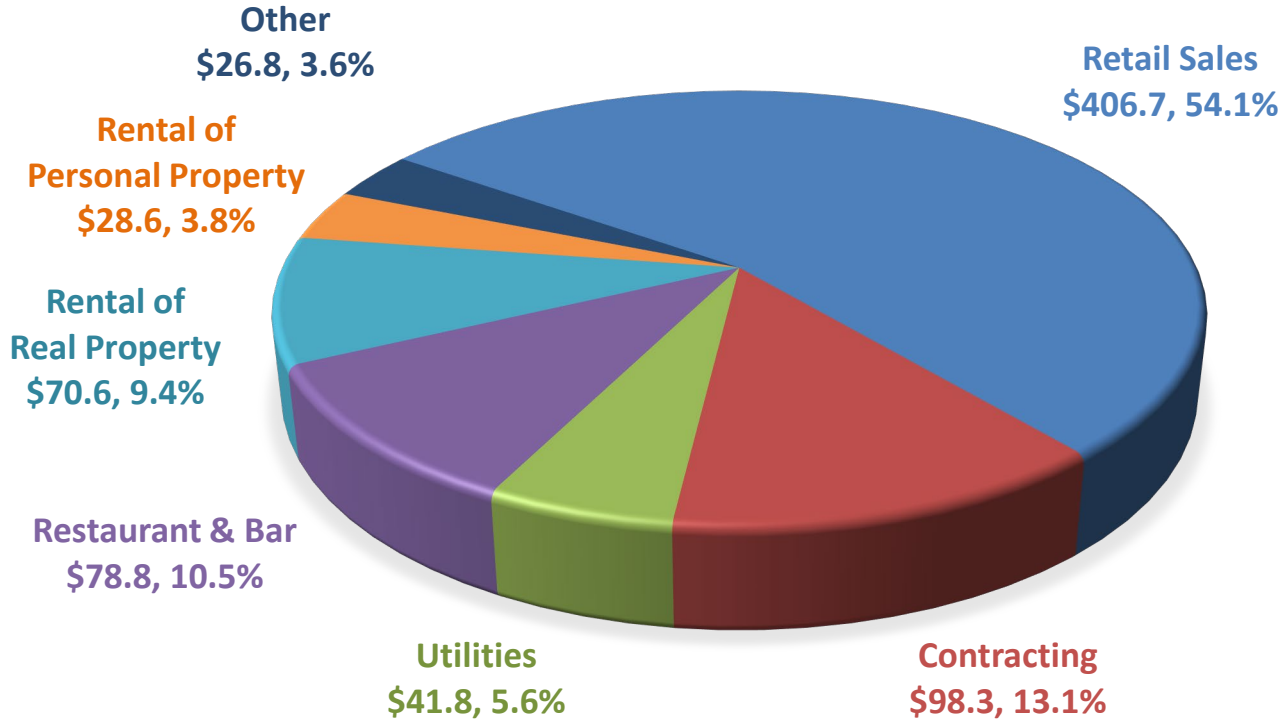
Historic Revenues



	FY 2023 Actual	FY 2024 Actual	Change	FY 2024 Estimate	Difference
Total	\$ 722.6	\$ 751.6	4.0%	\$ 745.8	0.8%

Regional Area Road Fund (RARF)

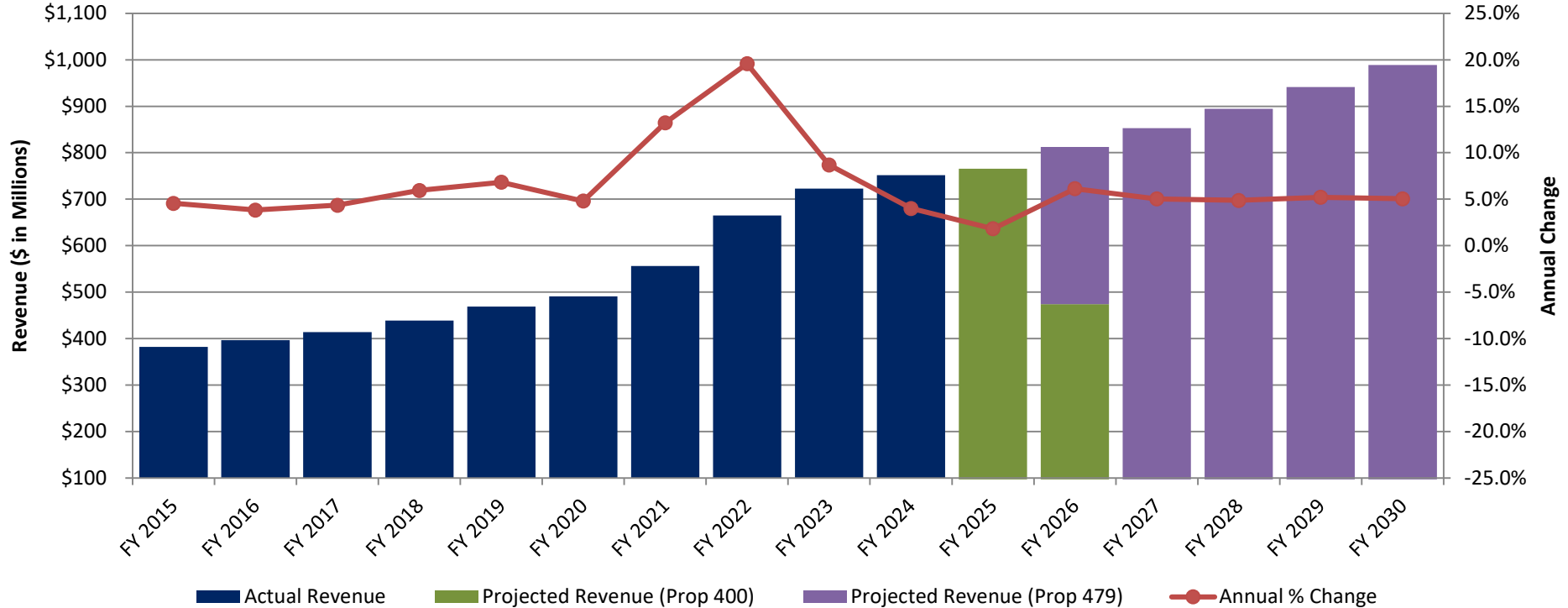
FY 2024 - \$751.6 Million



Revenue in millions

Regional Area Road Fund (RARF)

Revenue History and Forecast



Regional Area Road Fund (RARF)

2025 Revenue Forecast

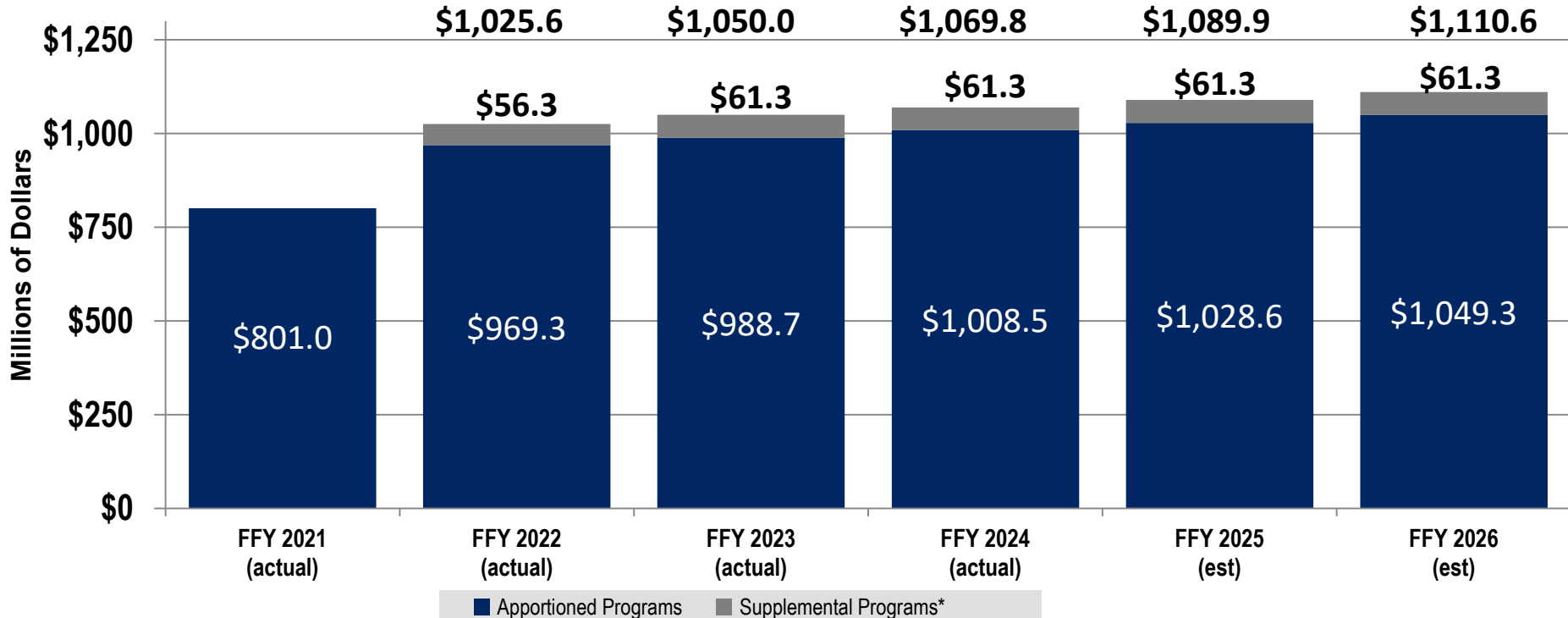
FY 2025-2030 Comparative Forecast			
(Dollars in Millions)			
Fiscal Year	Sep. 23 Official Forecast	Sep. 24 Official Forecast	Difference
2025	\$783.4	\$765.3	(\$18.1)
2026 /1	821.0	812.2	(8.8)
2027	860.8	853.1	(7.7)
2028	901.7	894.7	(7.0)
2029	947.0	941.3	(5.7)
2030	991.0	988.8	(2.2)
Total	\$5,304.9	\$5,255.4	(\$49.5)
Avg. CGR	4.8%	5.3%	

Notes: /1 Prop 400 expires December 2025 (FY 2026), but Prop 479 takes effect January 2026. Therefore, FY 2026 projections reflect collections from both propositions.

IIJA/BIL Apportionment Estimates

FFY 2022 - FFY 2026

*Total Estimated
Apportionments: \$5.3 billion*

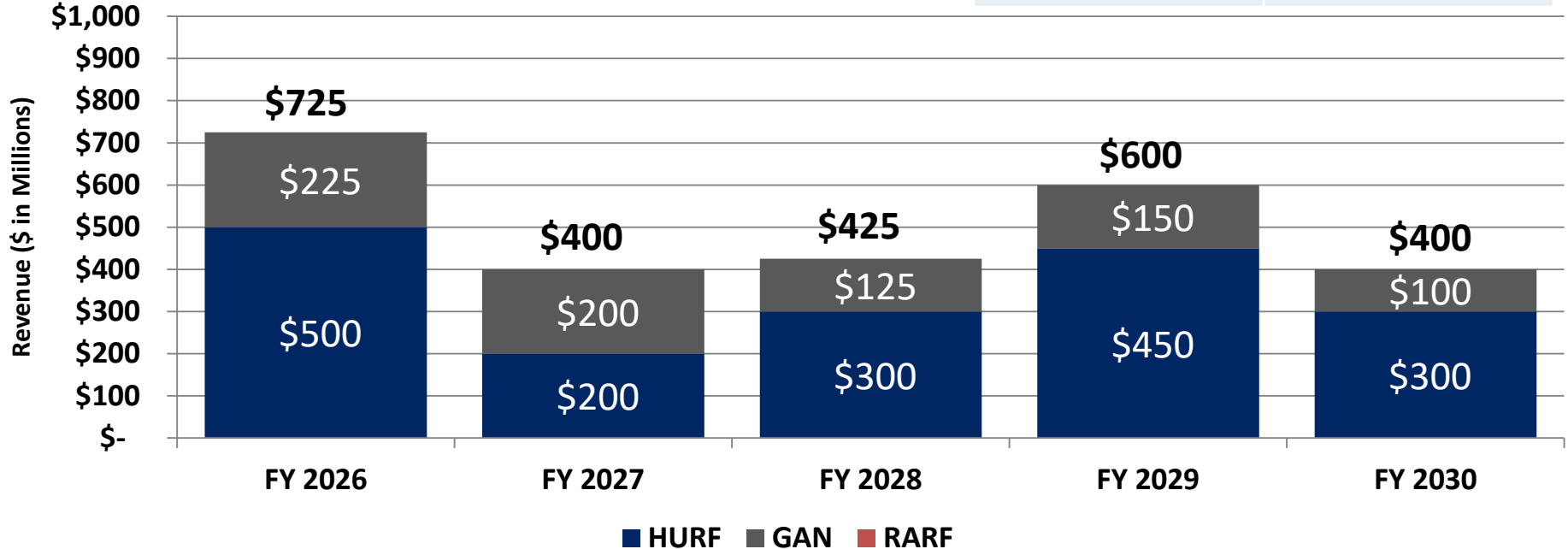


*Supplemental Programs consist of Bridge Program (\$45M) and National Electric Vehicle Infrastructure (NEVI) (\$11.3M to \$16.3M)

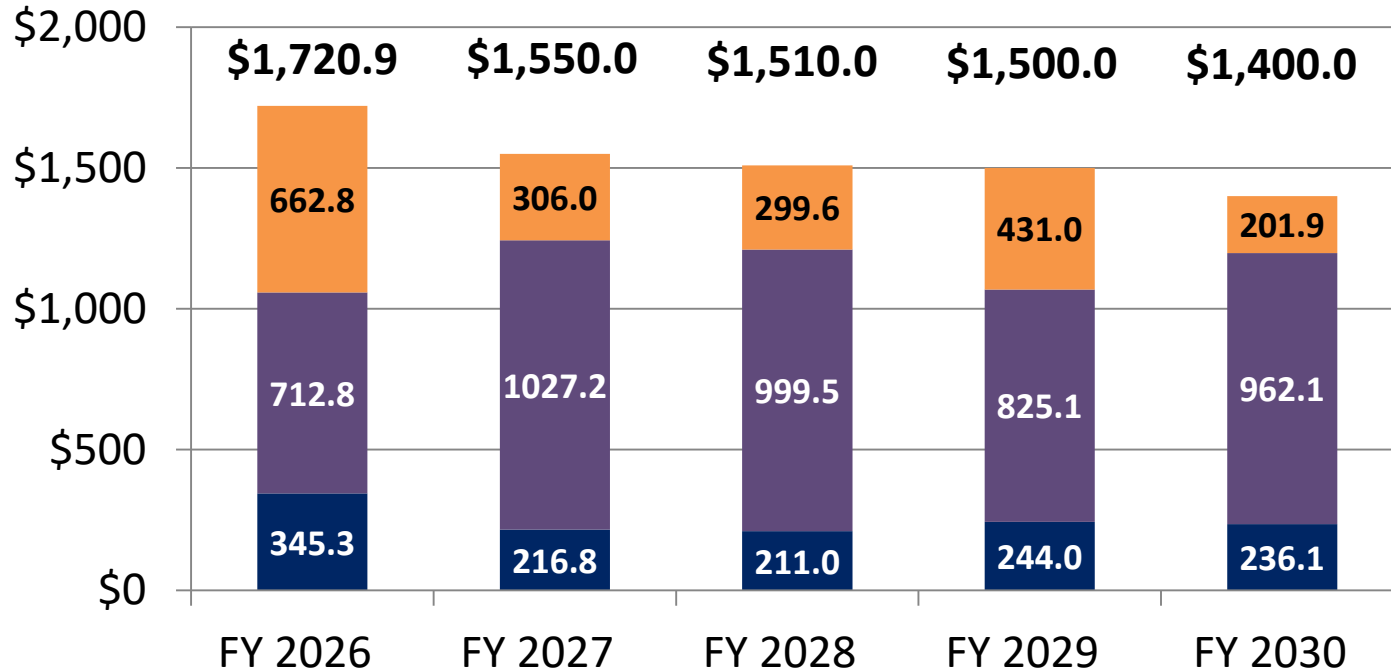
Total Planned Debt

FY2026 – FY2030

Bonding Totals	
HURF	\$ 1,750M
RARF	\$ TBD
GAN	\$ 800M
TOTAL	\$ 2,550M



Funding Available for Tentative Program (in millions)



■ State Highway Fund ■ Federal Formula Funding ■ Financing Mechanisms

Risks to the Forecasts

- Executive Orders
- Congressional Action
- Legislative Action
- Economic Conditions

Questions?

