

**ARIZONA**  
— DEPARTMENT OF —  
**TRANSPORTATION**  
**State Transportation Board**  
**February 5, 2026**

**FY 2027 - FY 2031 Tentative  
Highway Construction Program**

**Financial Plan**

**Presented by: Tim Newton, CFO**

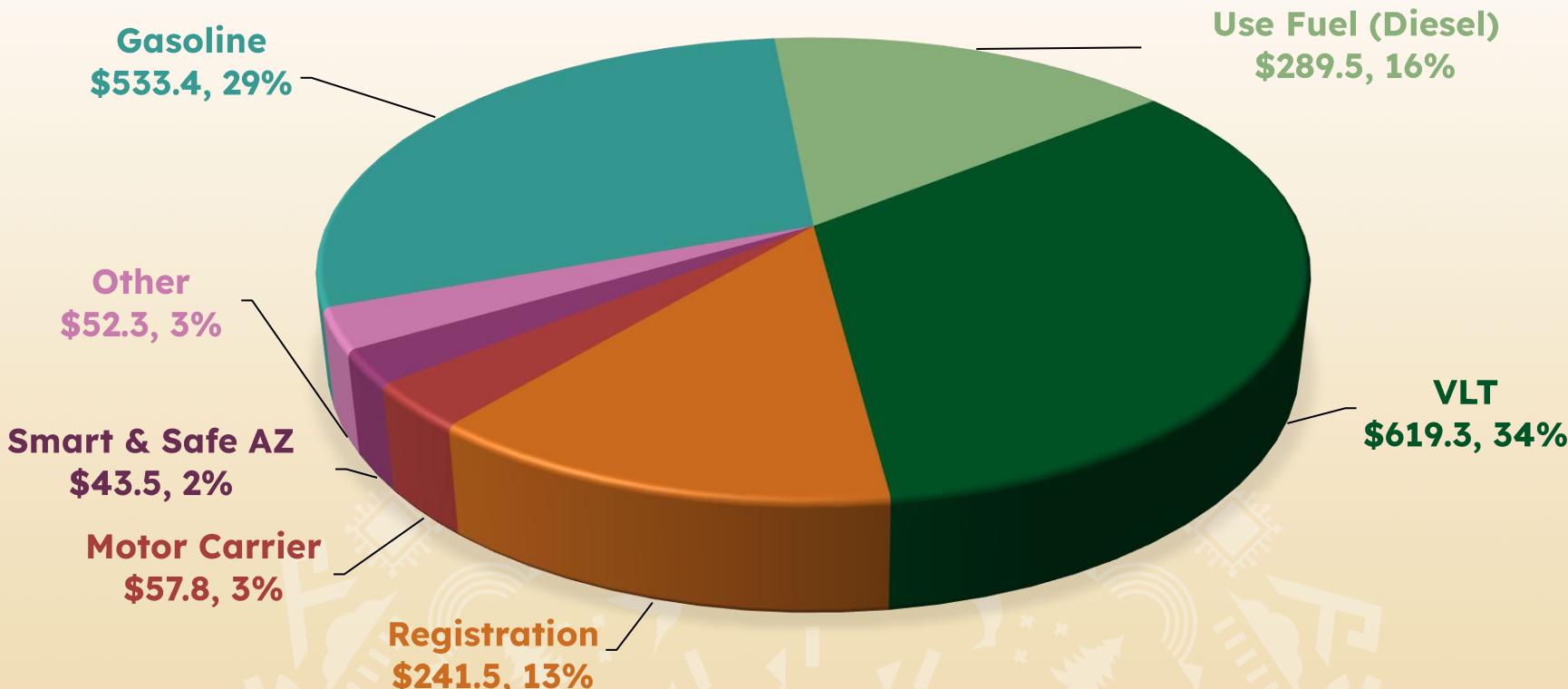
# Revenue & Financing Forecast

- Highway User Revenue Fund (HURF)
- Regional Area Road Fund (RARF)
- Federal Funds
- Financing/Bonding

# Breakdown of HURF Revenues

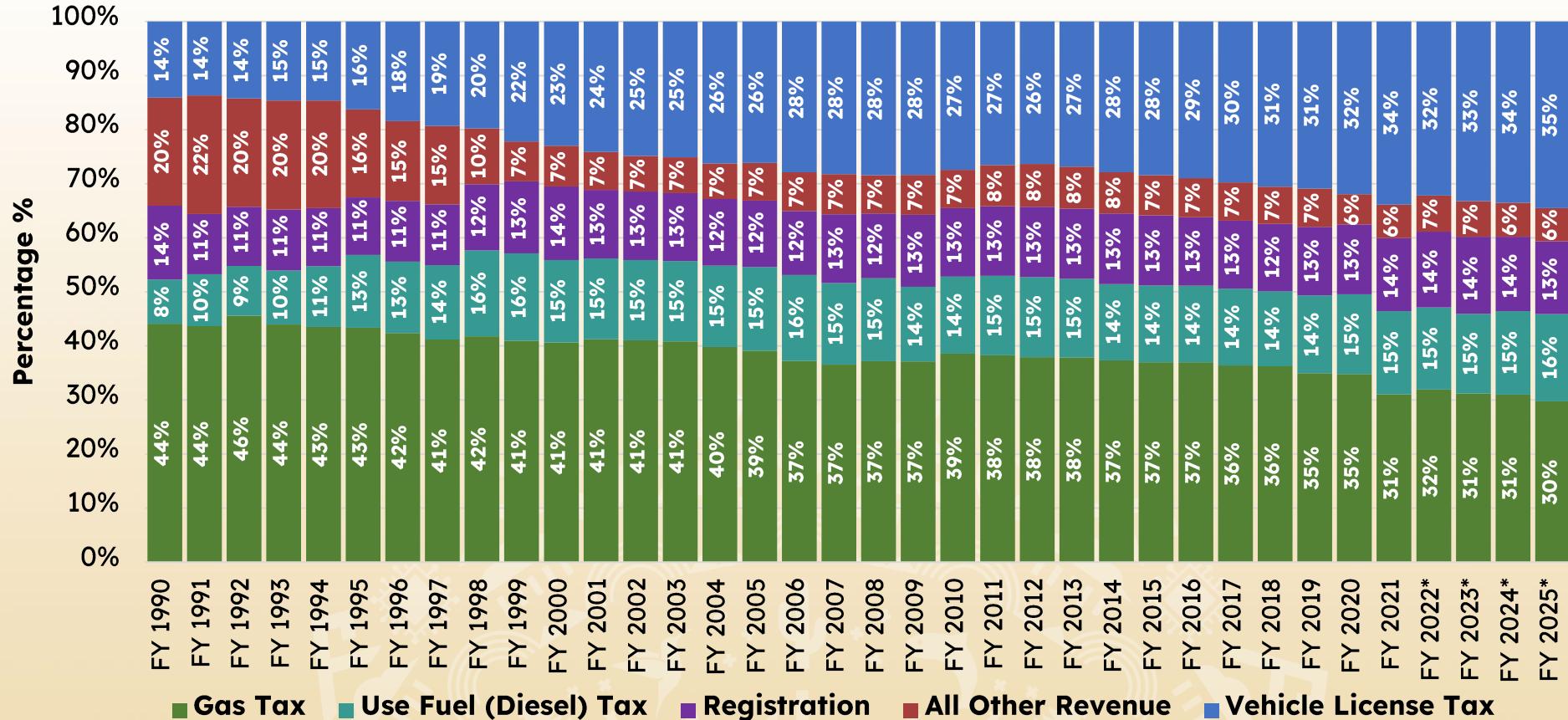
FY 2025 Actuals

**Total: \$1,837.4 Million**



# Revenue Categories as a Percentage of HURF

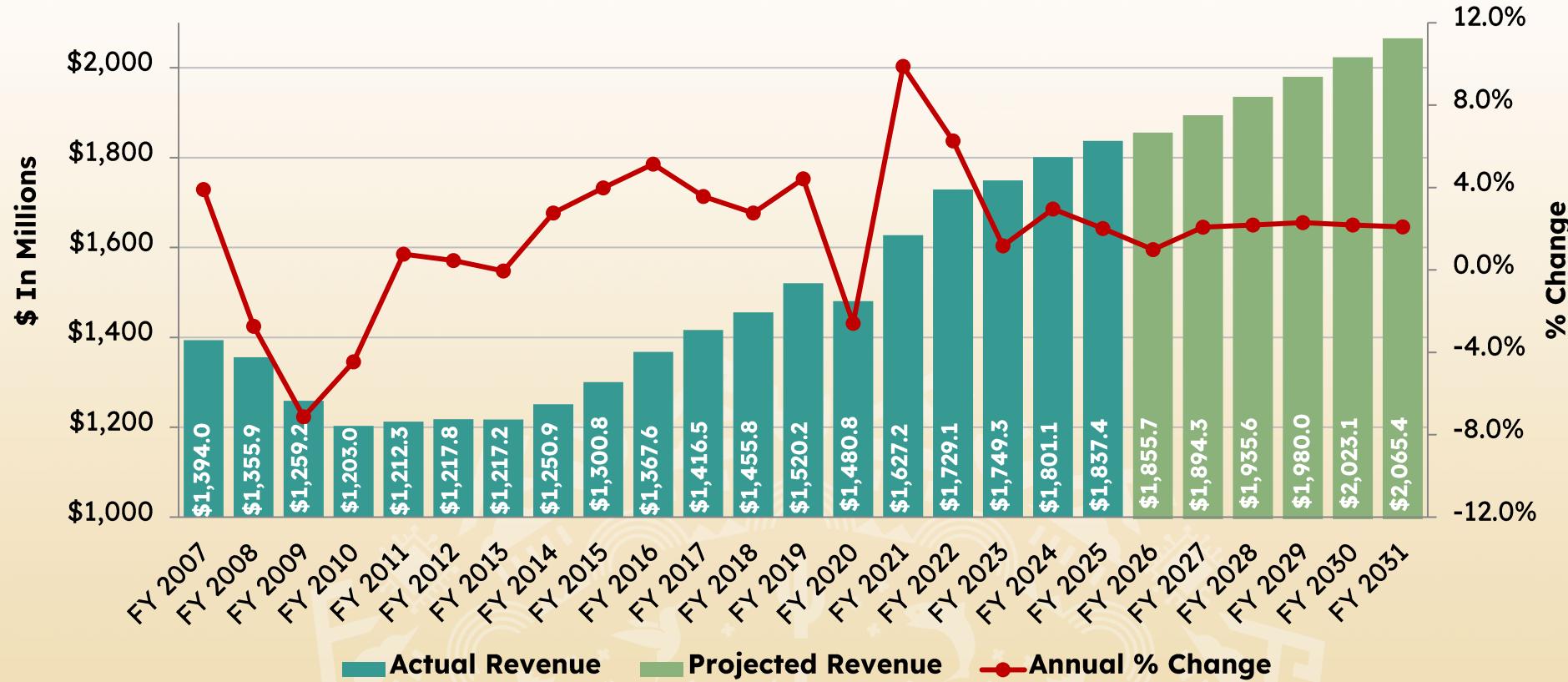
FY 1990 – FY 2025



\* 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)

## 2026 Revenue Forecast

### FY 2026-2031 Comparative Forecast (Dollars in Millions)

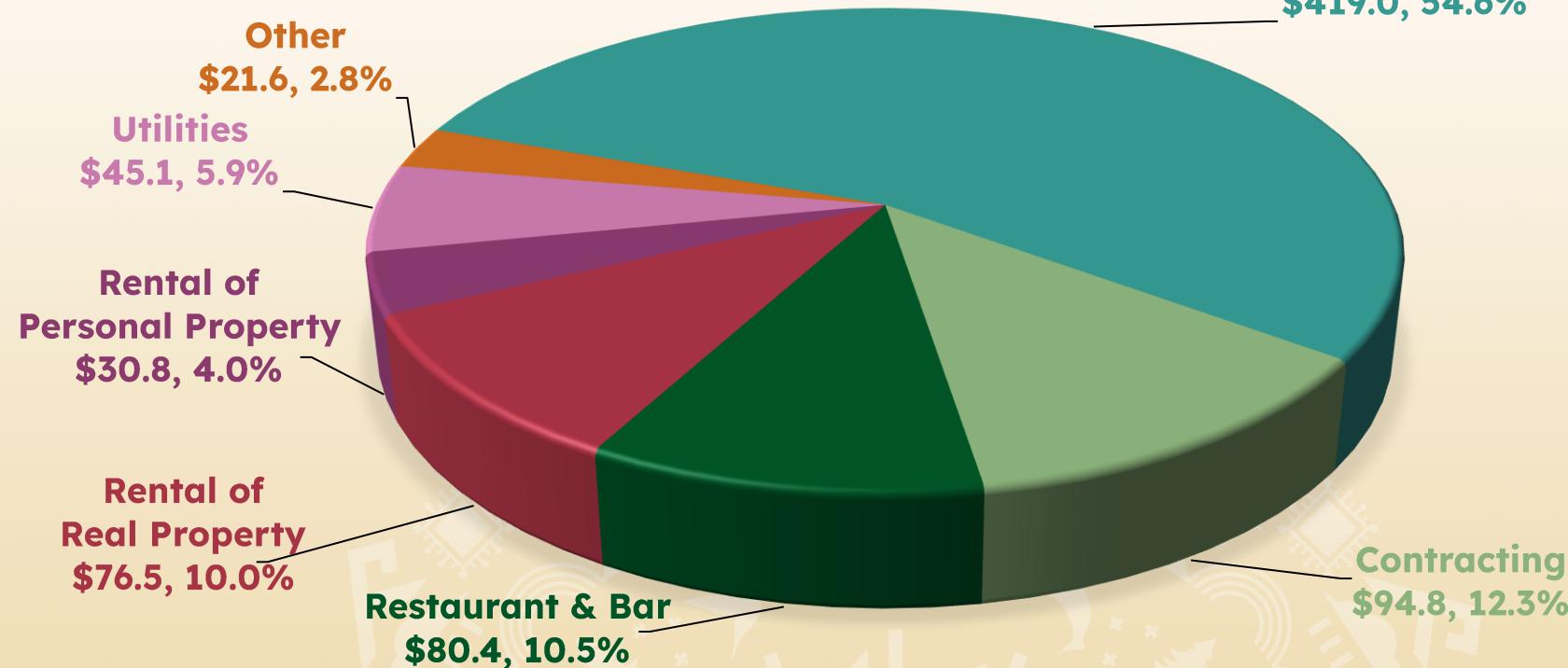
Fiscal Year	Sep. 24 Official Forecast	Sep. 25 Official Forecast	Difference
2026	\$1,925.1	\$1,855.7	(69.4)
2027	1,985.7	1,894.3	(91.4)
2028	2,044.0	1,935.6	(108.4)
2029	2,102.7	1,980.0	(122.7)
2030	2,159.2	2,023.1	(136.0)
2031	2,216.4	2,065.4	(151.0)
<b>Total</b>	<b>\$12,433.1</b>	<b>\$11,754.1</b>	<b>(\$678.9)</b>
<b>Avg. CGR</b>	<b>2.9%</b>	<b>2.2%</b>	

# Breakdown of RARF Revenues

FY 2025 Actuals

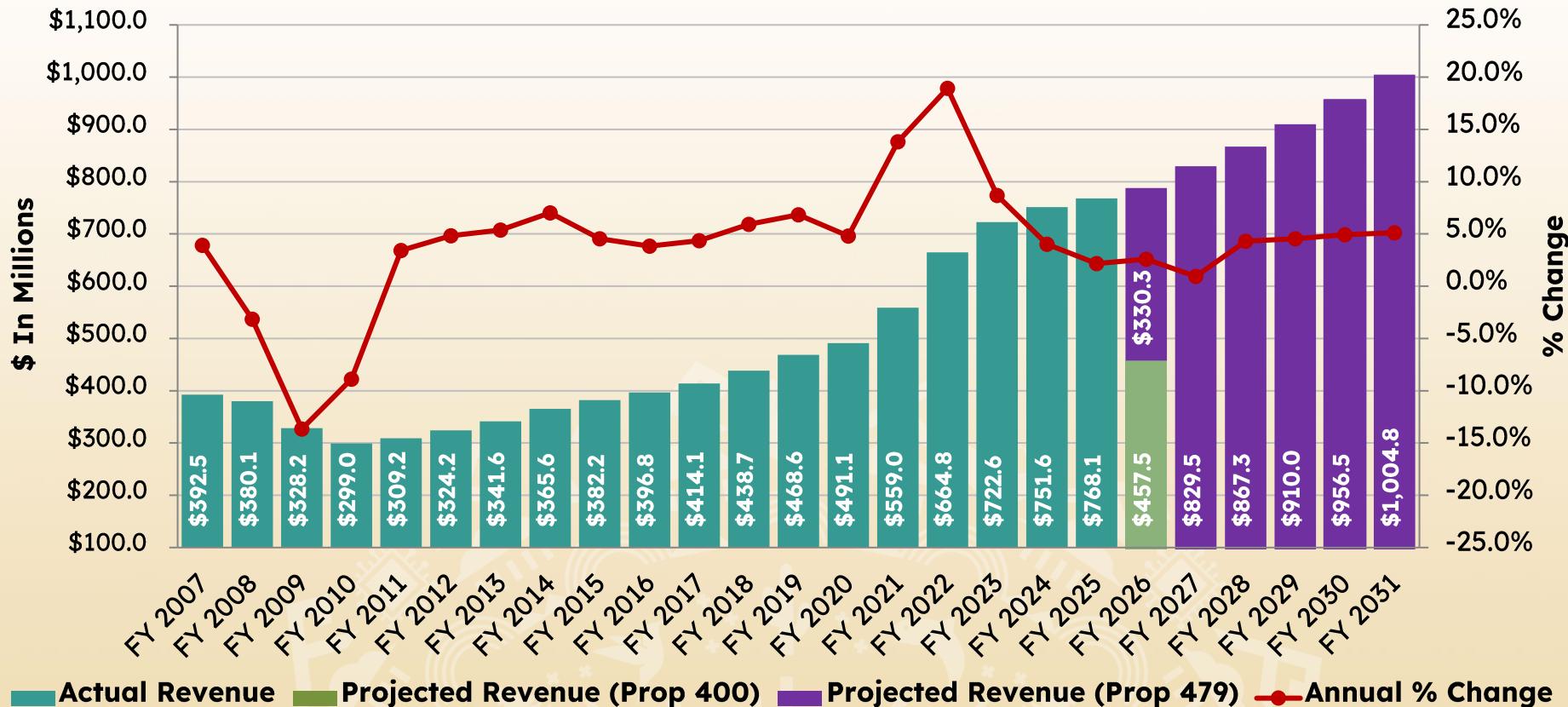
**Total: \$768.1 Million**

**Retail Sales**  
**\$419.0, 54.6%**



# Regional Area Road Fund (RARF)

## Revenues History and Forecast



# Regional Area Road Fund (RARF)

## 2026 Revenue Forecast

### FY 2026-2031 Comparative Forecast (Dollars in Millions)

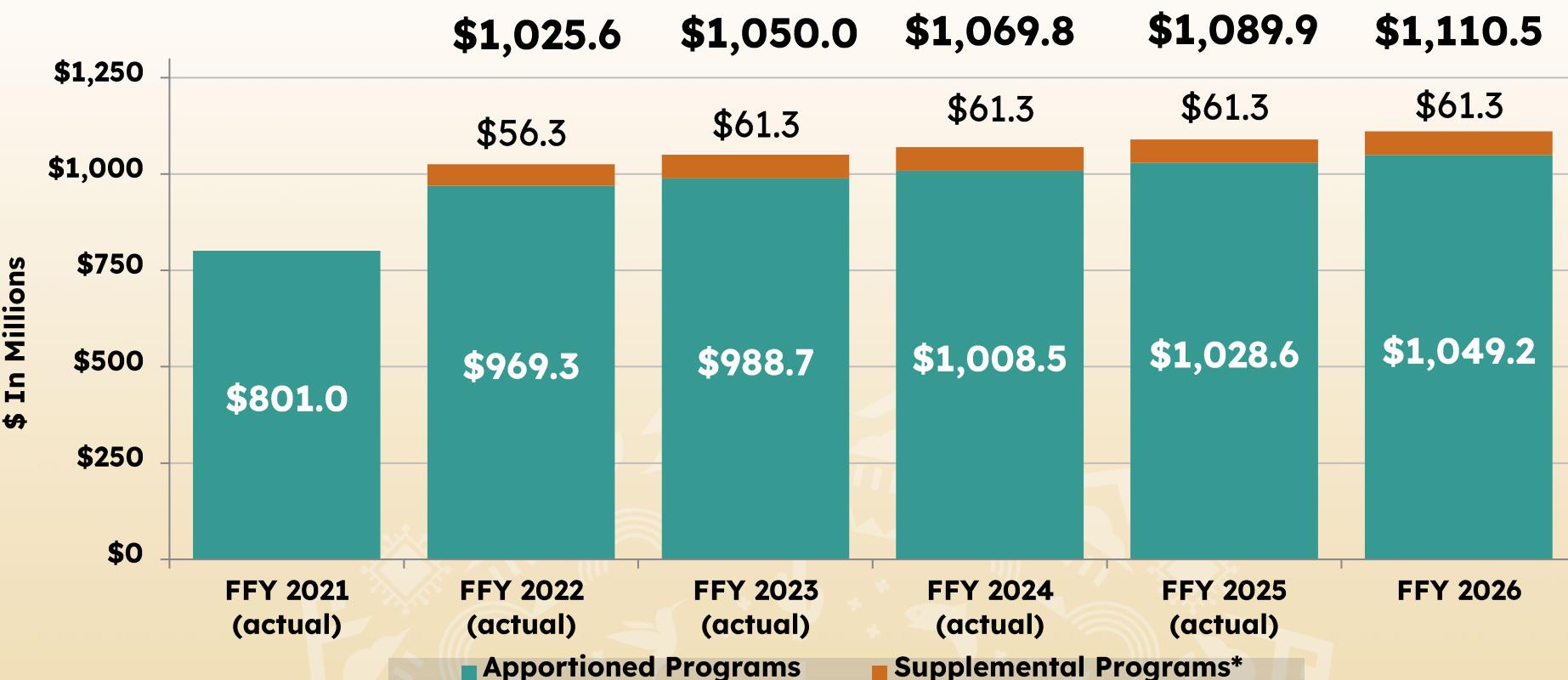
<b>Fiscal Year</b>	<b>Sep. 24 Official Forecast</b>	<b>Sep. 25 Official Forecast</b>	<b>Difference</b>
<b>2026<sup>1</sup></b>	812.2	787.8	(24.4)
<b>2027</b>	853.1	829.5	(23.7)
<b>2028</b>	894.7	867.3	(27.4)
<b>2029</b>	941.3	910.0	(31.3)
<b>2030</b>	988.8	956.5	(32.3)
<b>2031</b>	1,040.8	1,004.8	(35.9)
<b>Total</b>	<b>\$5,530.9</b>	<b>\$5,355.9</b>	<b>(\$175.0)</b>
<b>Avg. CGR</b>	<b>5.1%</b>	<b>5.0%</b>	

<sup>1</sup>/1 Prop 400 expired December 2025 (FY 2026), and Prop 479 took effect January 2026. Therefore, FY 2026 projections reflect collections from both propositions.

# IIJA/BIL Apportionment Estimates

FFY 2021 – FFY 2026

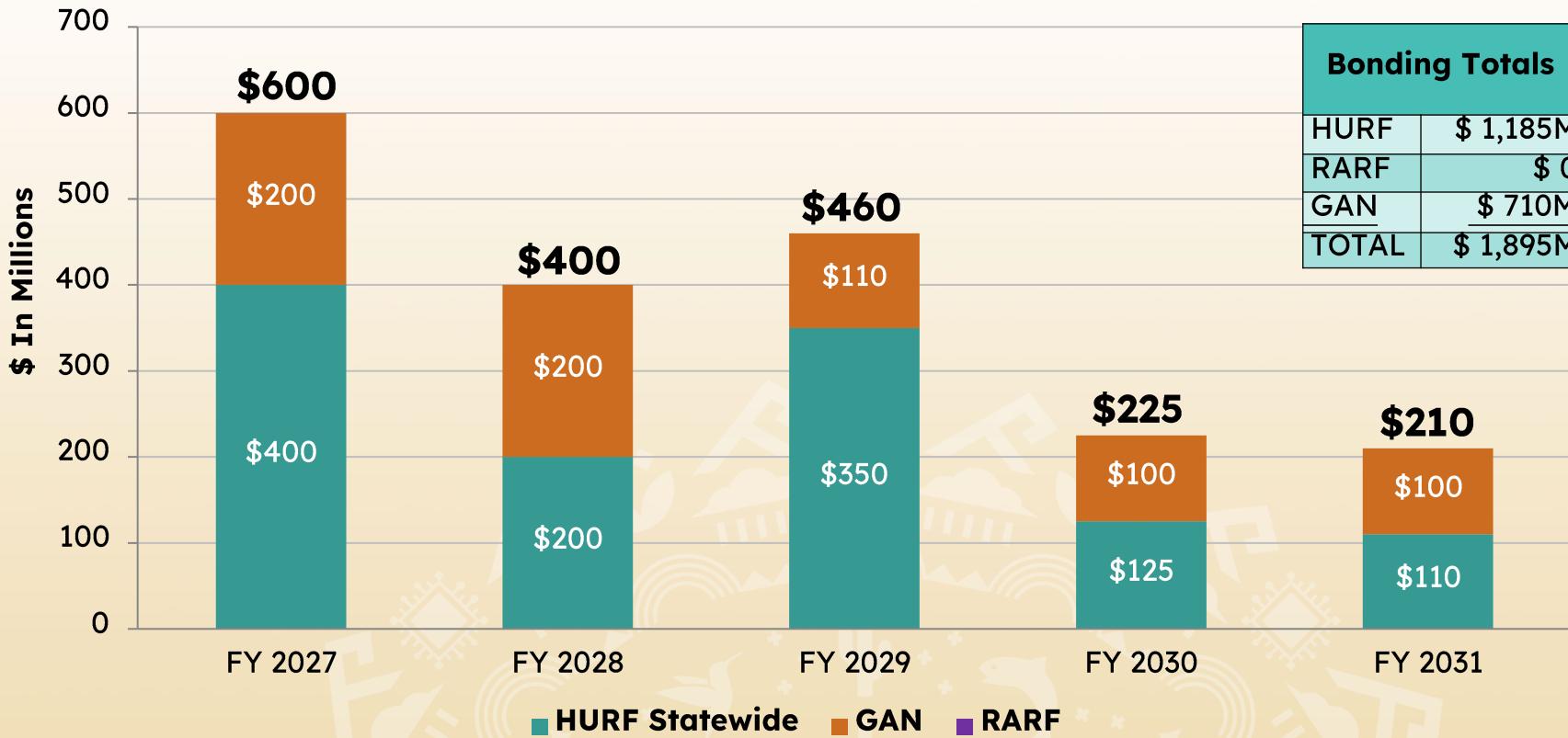
*Total Estimated IIJA funding limits: \$5.3 billion*



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

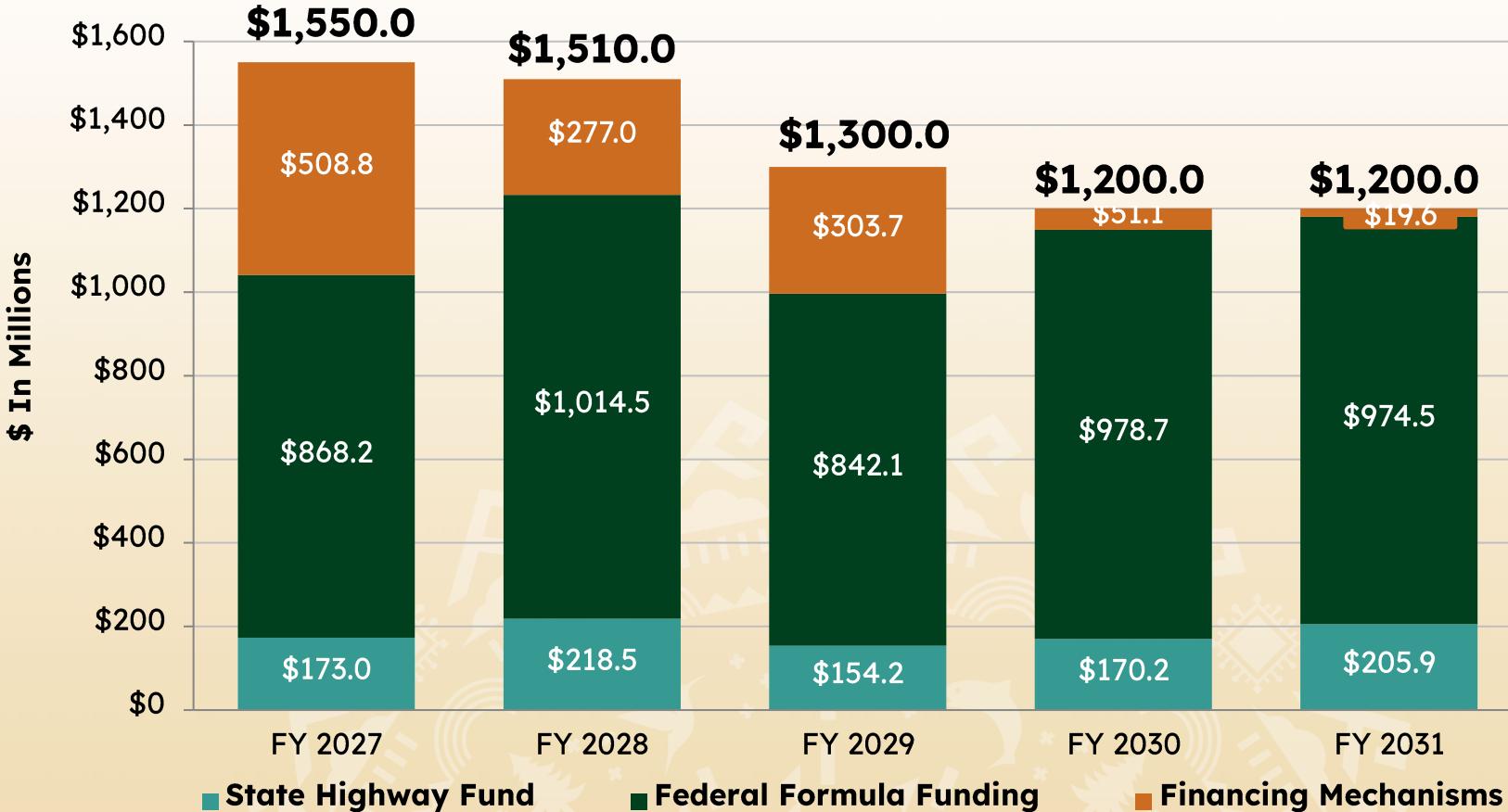
# Total Planned Debt

FY 2027 – FY 2031



# Funding Available for Tentative Program

FFY 2027 – FFY 2031





# Funding Pressures



# Inflation Since 1990

Beer



Up 181%



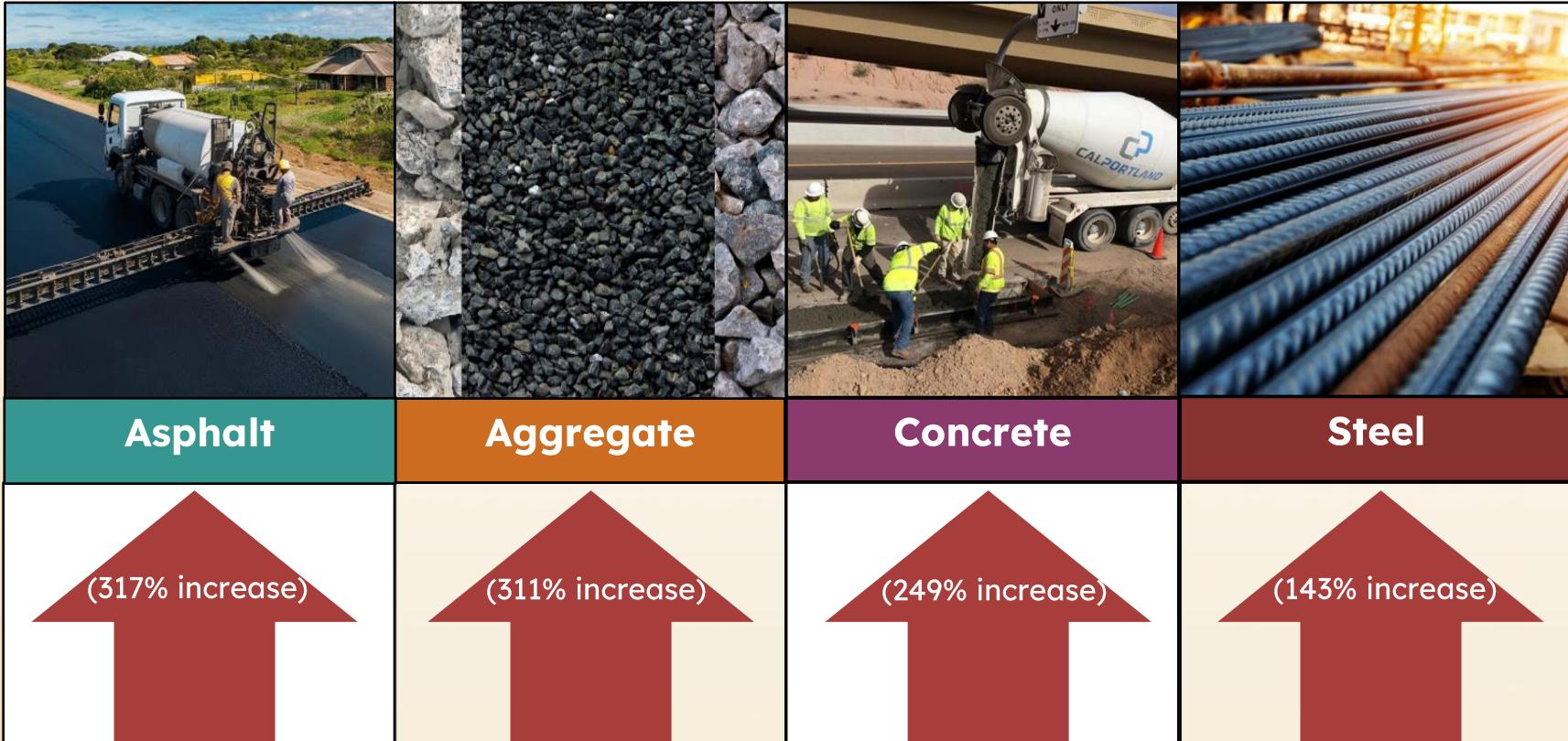
Beef



Up 296%

# Prices of Major Highway Construction Materials

## 1990 vs 2025



# Car Prices: Helping, but Not Saving Our Bacon

1990 vs 2025



1990 MSRP:  
\$12,029



2025 MSRP:  
\$32,095



Percentage Increase: 167%  
Price Increase: \$20,066



# Diminishing Purchasing Power

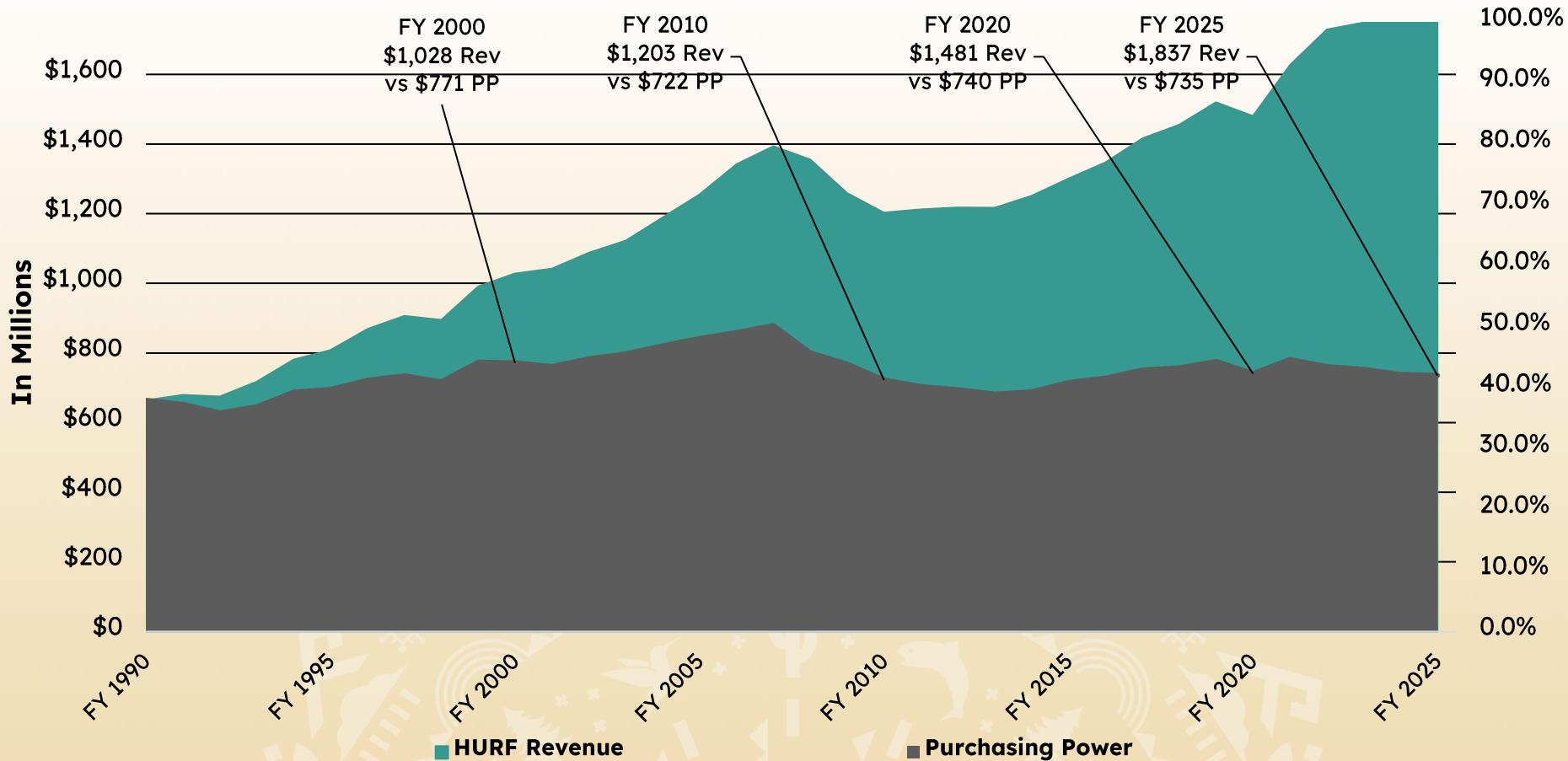
FY 1990 – FY 2025

**\$11.9 billion in HURF purchasing power lost to inflation from FY 1990 to FY 2025**



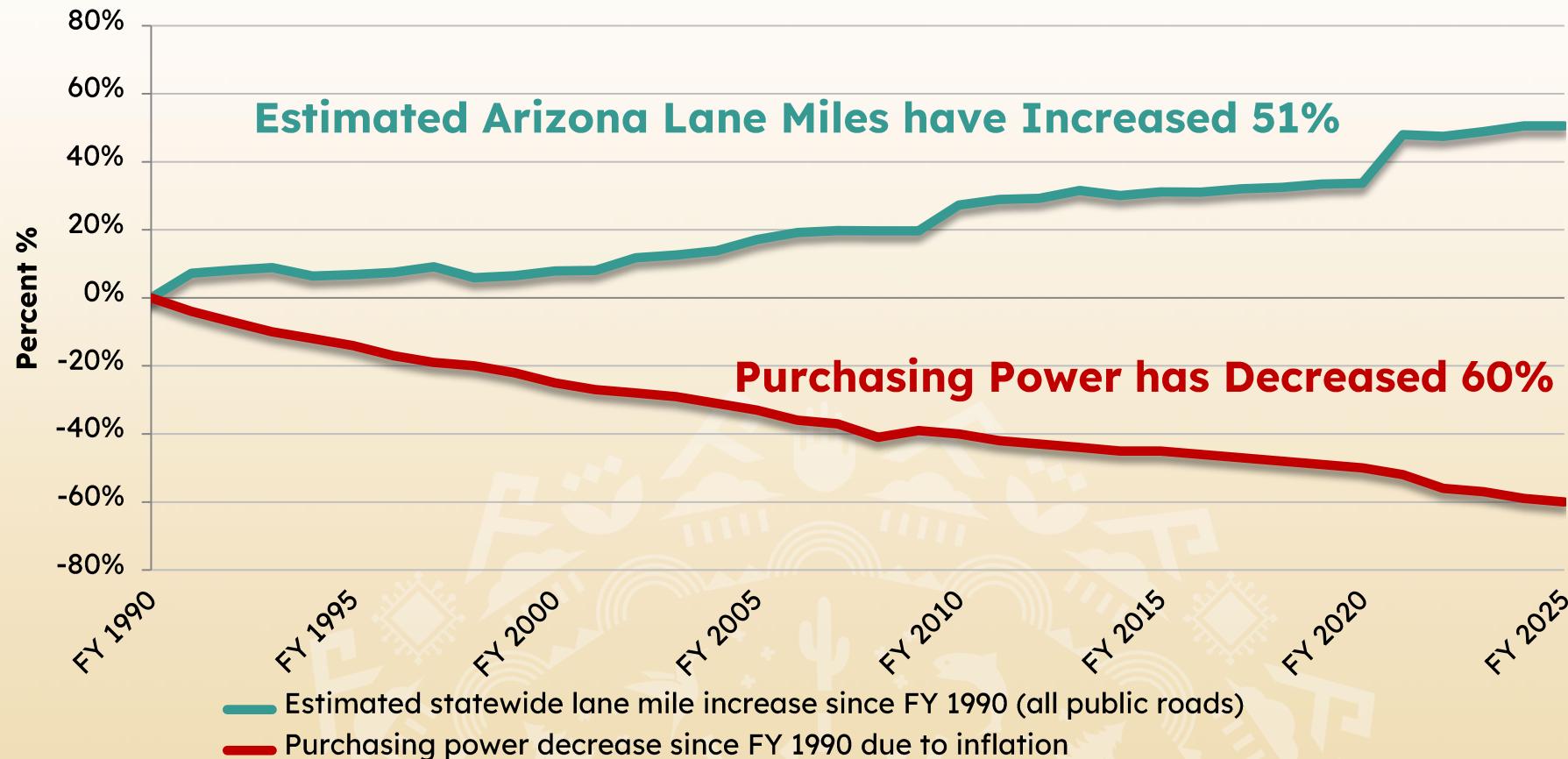
# HURF: Historic Revenue vs Purchasing Power

FY 1990 to FY 2025



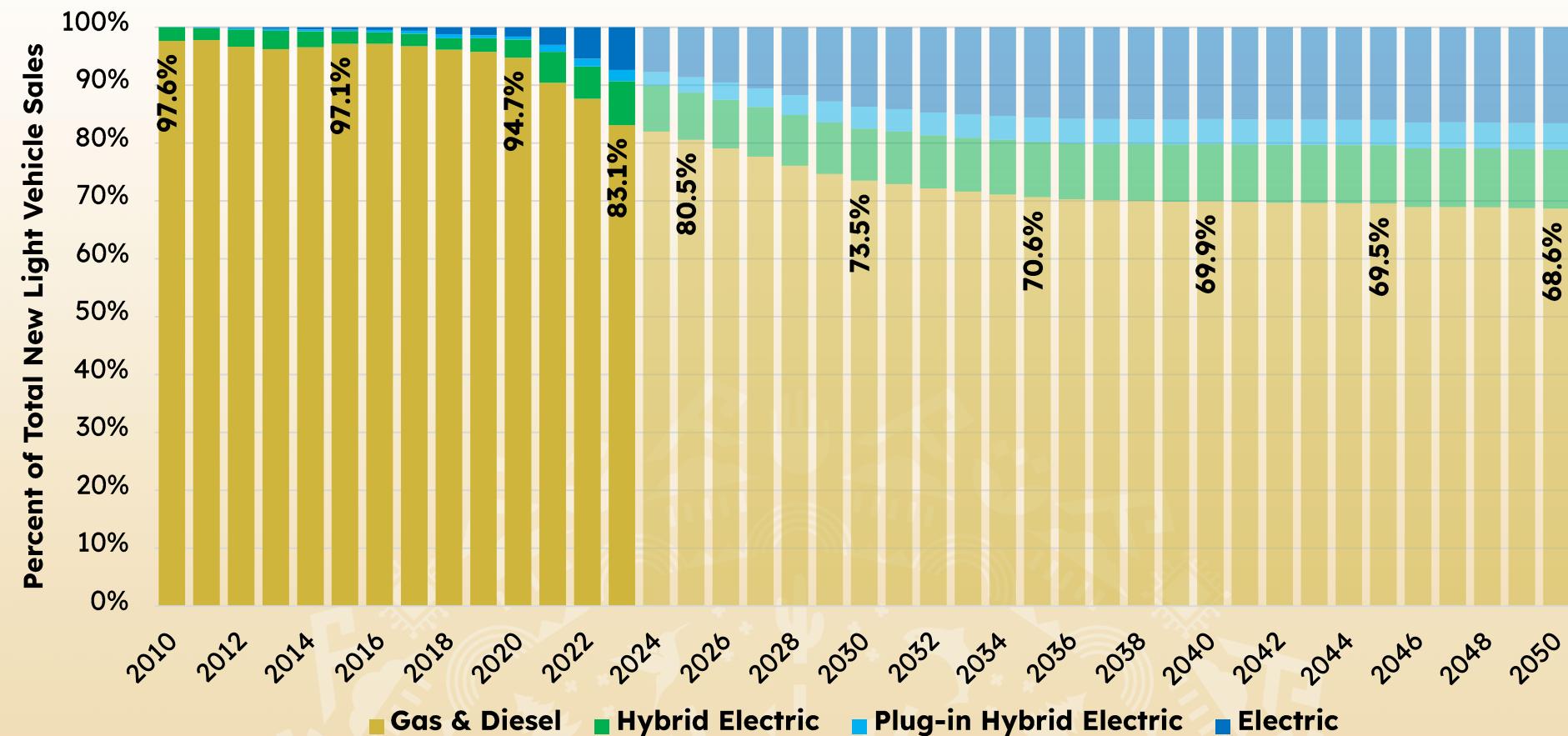
# AZ Lane Miles vs Purchasing Power

FY 1990 – FY 2025



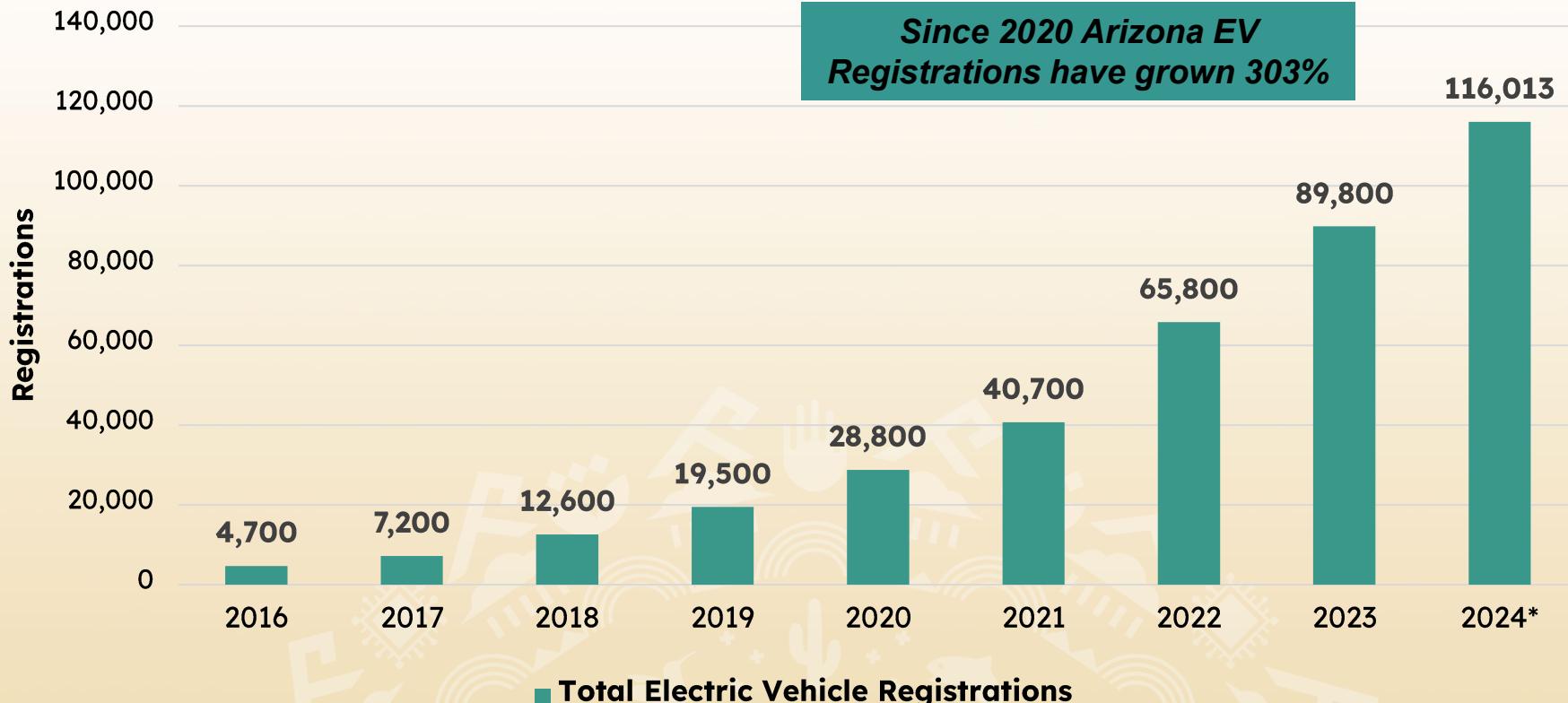
# US New Light Vehicle Sales by Fuel Type

2000 - 2023 Actual, 2024 - 2050 Projections



# Arizona Electric Vehicle Registrations

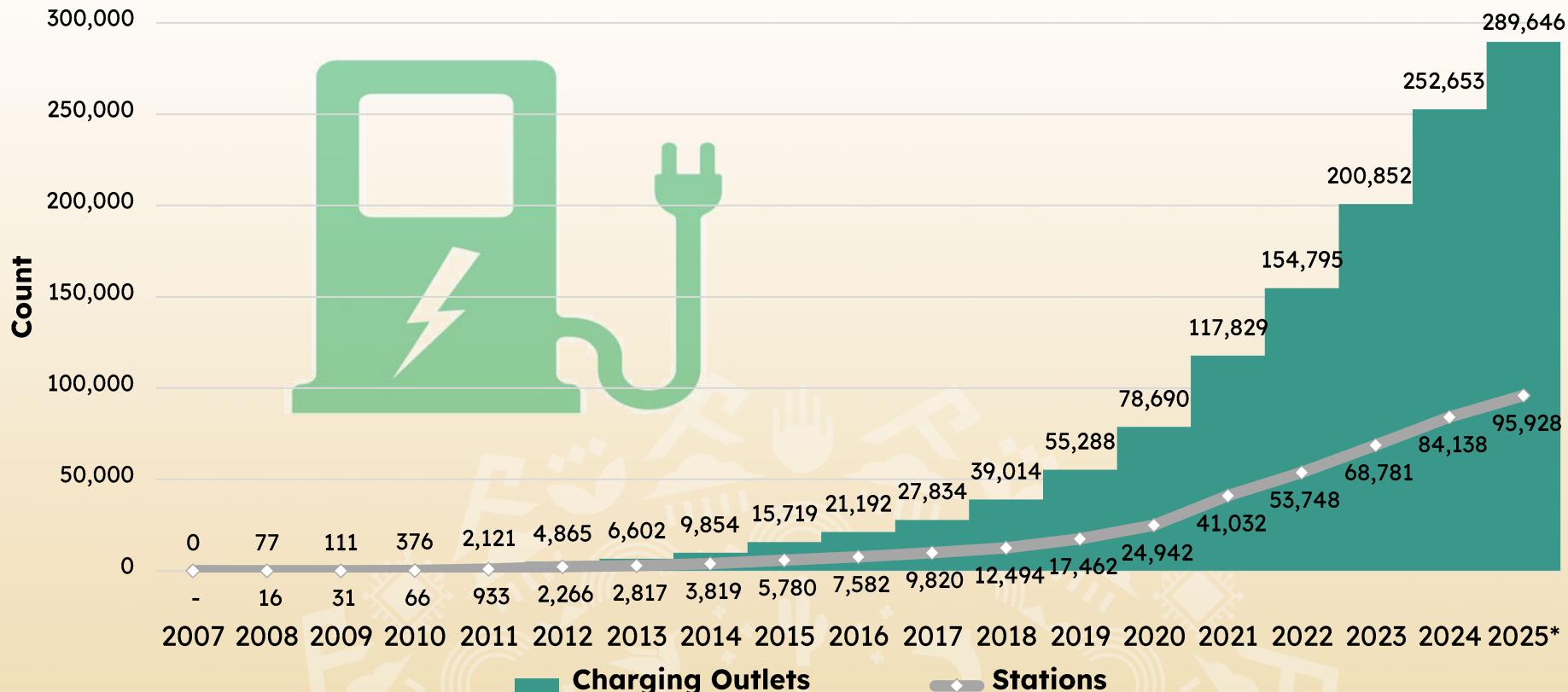
2016 - 2024



\*Estimated for 2024 using average proportions of ADOT MDV and DOE registrations reference series.

# Electric Vehicle Charging Stations/Outlets

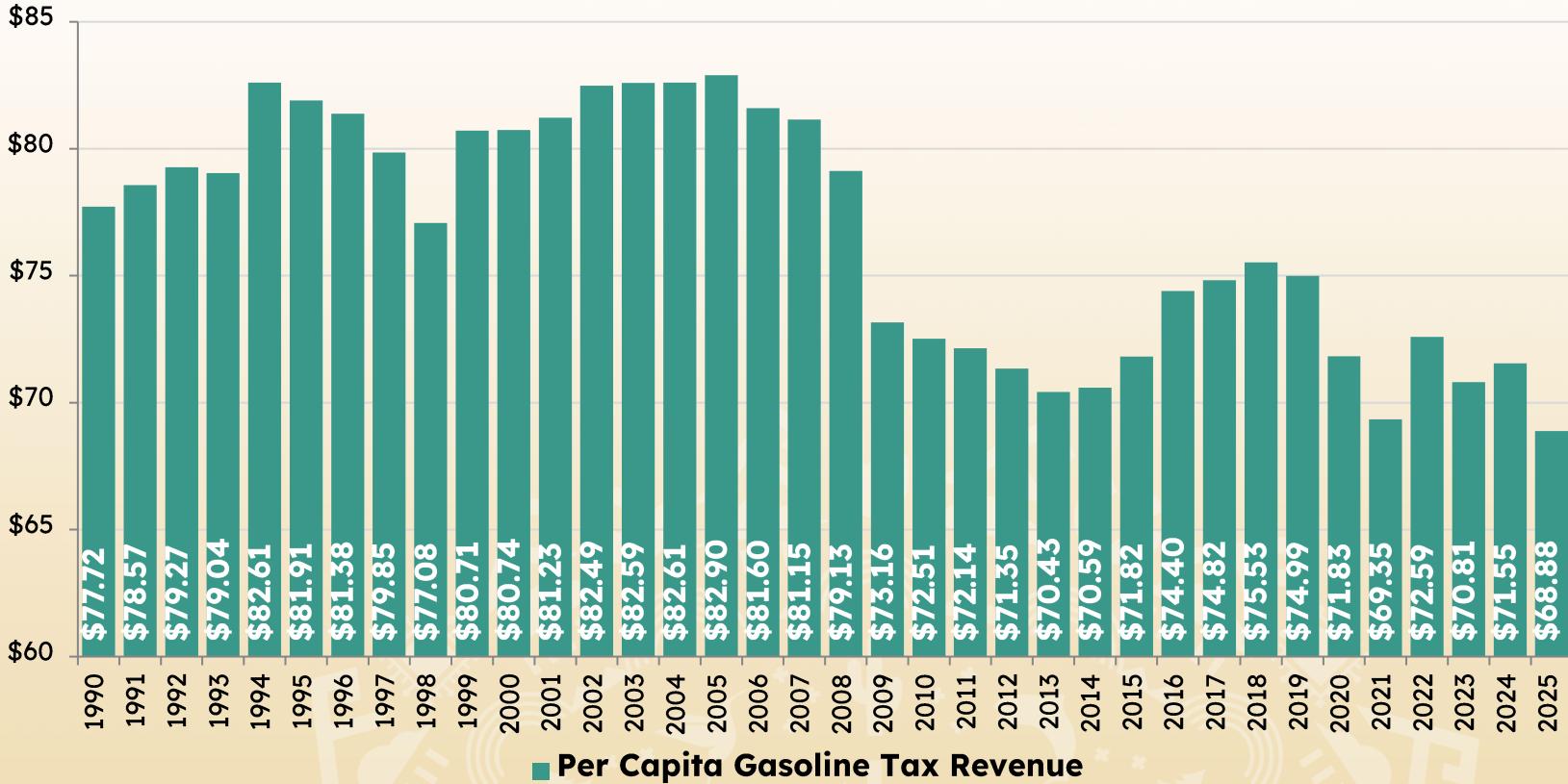
2007–2025 Actuals for United States



\*YTD through 10/14/2025.

# Gasoline Tax Revenue Per Capita

FY 1990 – FY 2025





# Questions

