

TFIC Annual Meeting

Transportation Funding
Update

Sept. 19, 2007



Transportation Funding Update



- What Is Today's Funding Outlook?
- What Is Happening To Our Transportation Assets?
- Where Do We Go From Here?

What Is Today's Funding Outlook?

- Status Quo State Budget
- Continuing Cost Increases
- Stagnant Revenue Growth
- Continuing User Fee Diversions

Public Act 095-0348

Capital Budget: Status Quo

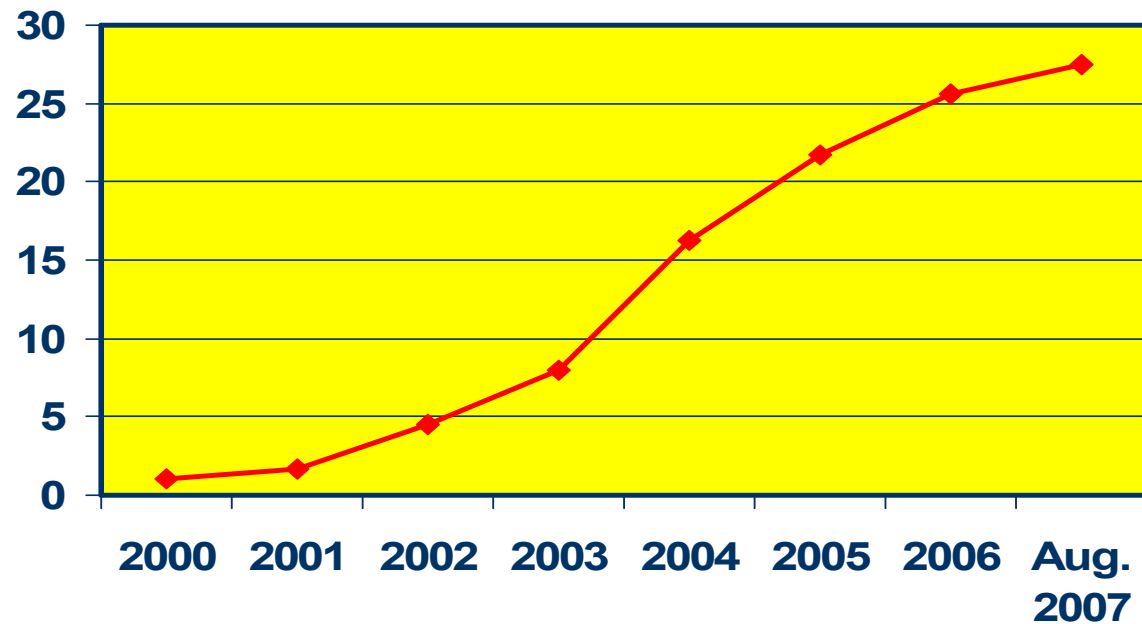
<u>Program</u>	<u>FY03</u>	<u>FY08</u>
Highways	\$2.3 Billion	\$1.875 Billion
Transit Bonds	\$356 Million	0
Airport Bonds	\$20 Million	0
Rail Bonds	\$20 Million	0
CREATE (Fed. Funds)	0	\$25 Million

Public Act 095-0348

Operating Grants: Status Quo

<u>Program</u>	<u>FY03</u>	<u>FY08</u>
RTA: PTF	\$186 Million	\$193 Million
RTA: Paratransit	0	\$54.3 Million
RTA: Fare Reim.	\$40 Million	\$37.3 Million
Downst. Transit (6 New Systems)	\$63.4 Million	\$90.6 Million
Amtrak (Service Exp.)	\$10.6 Million	\$28 Million

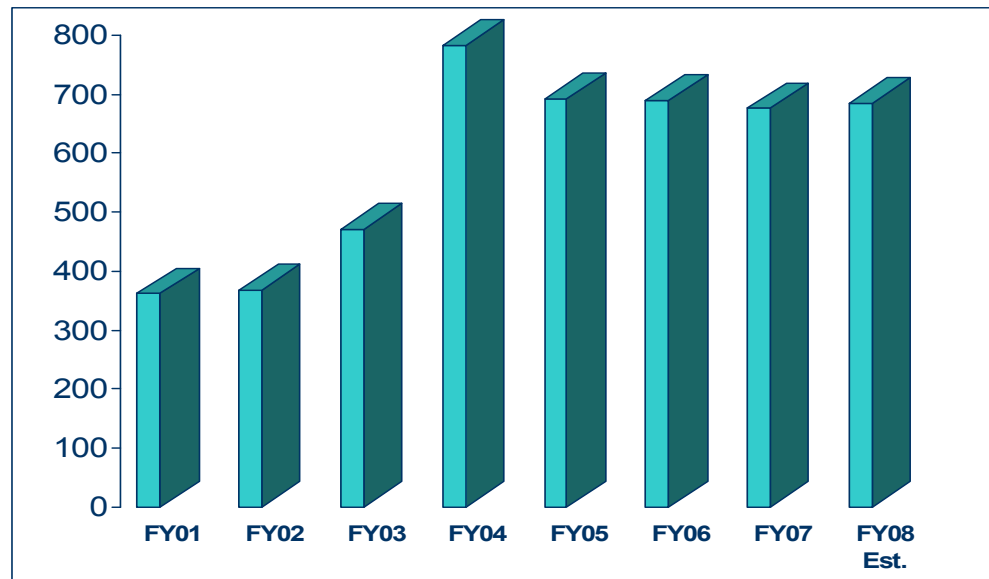
Inflation in Construction Industry: More Than 27% Since Dec. 2000



Gas Tax Revenues: No Growth

- Historic Annual Growth Rate: 1.5%
- Growth Rate FY2006: 0.7%
- Growth Rate FY2007: 0.3%

Diversions: 90% Above FY01 (\$362 Million Vs. \$685 Million)



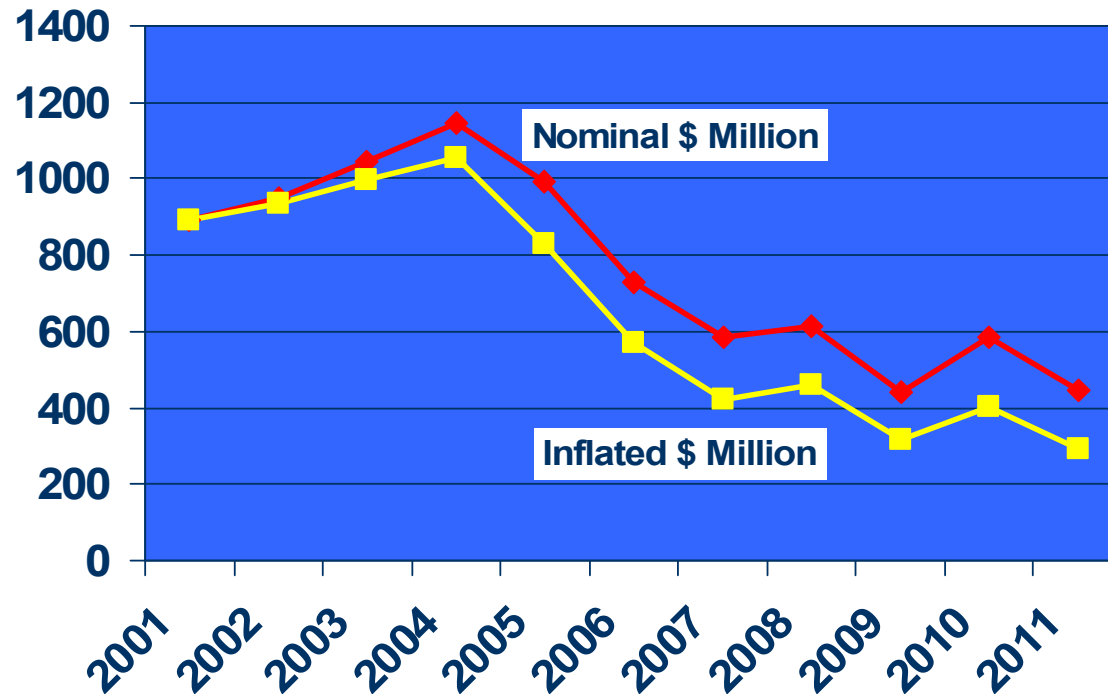
Diversion Facts

- In FY07, about **25%** of state user fees were diverted.
- In FY07, state user fee revenues to IDOT were **\$79** million less than in FY01.

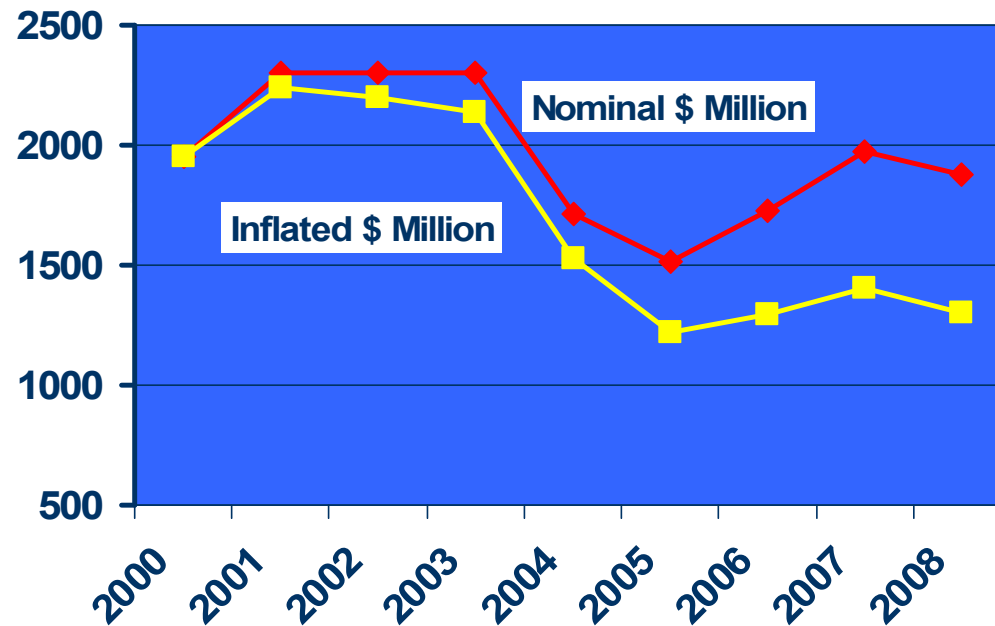
What Is Happening To Our Transportation Assets?

- Funding For Capital Programs Is Down
- Ridership Is Up
- Transportation Assets Are Deteriorating

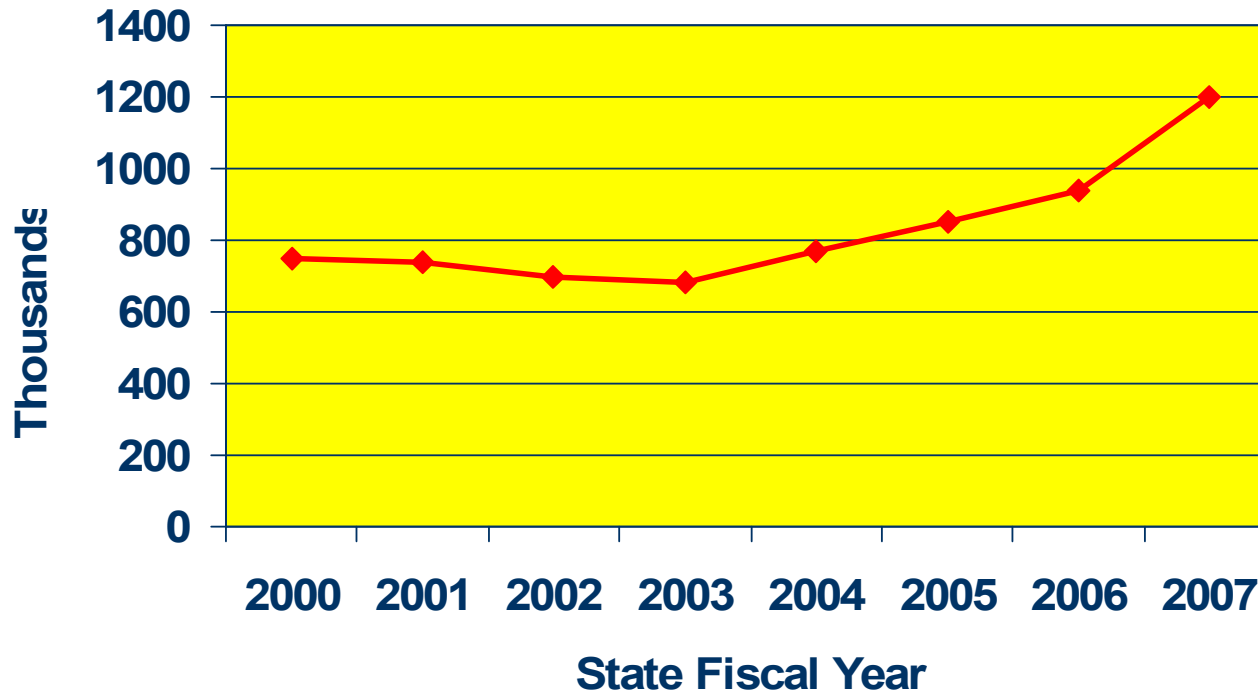
2001 Vs. 2007 RTA Capital Program: Cut 53% in Inflation-Adjusted \$



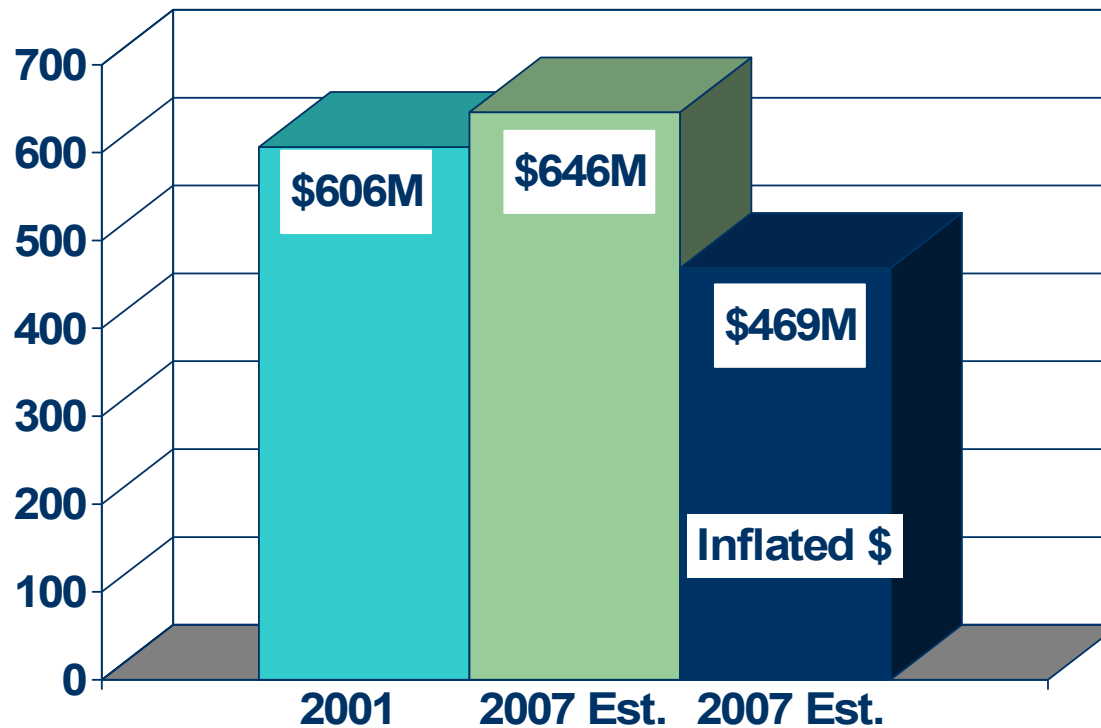
2001 Vs. 2008 Ann. Highway Program: Cut 40% In Inflation-Adjusted \$



01 Vs. 07 State-Subsidized Trains: Ridership Up 60%

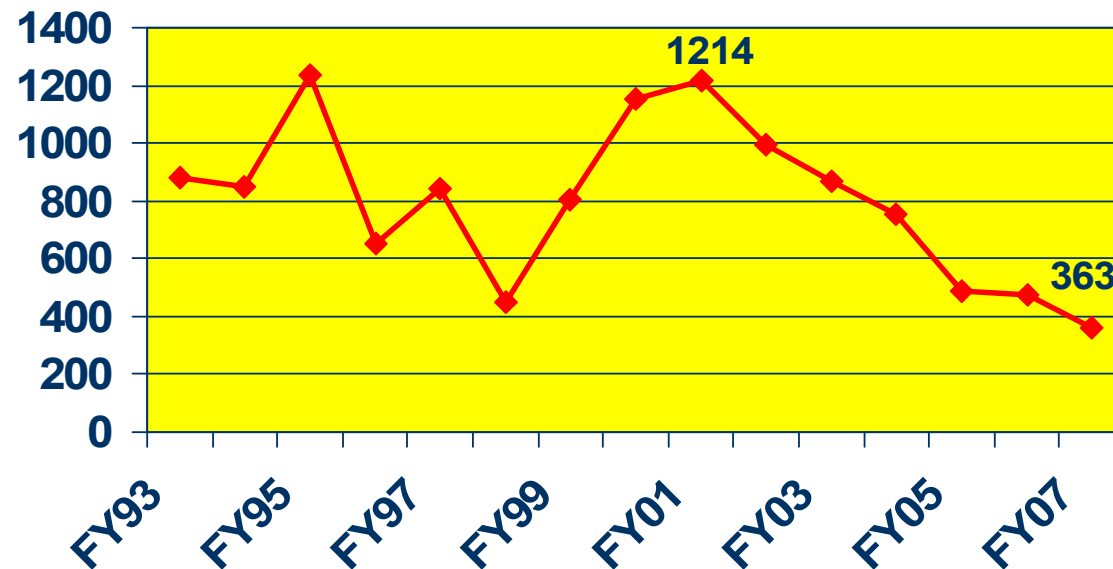


2001 Vs. 2007 MFT to Locals: Down \$137 Million, Inflation-Adjusted \$

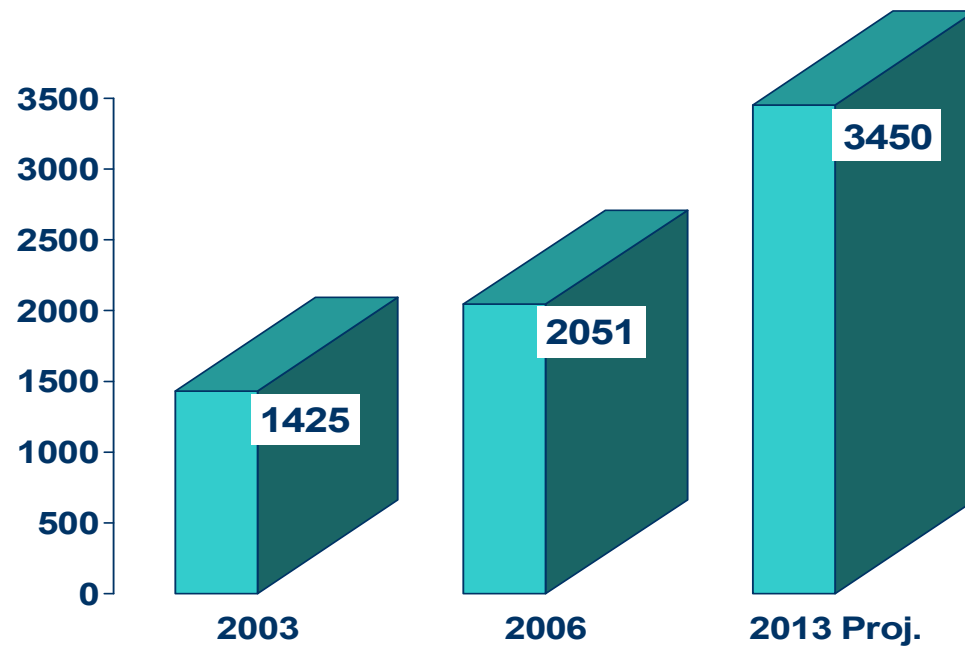


FY01 vs. FY07 State Miles Improved: 70% Decrease

State Miles Improved

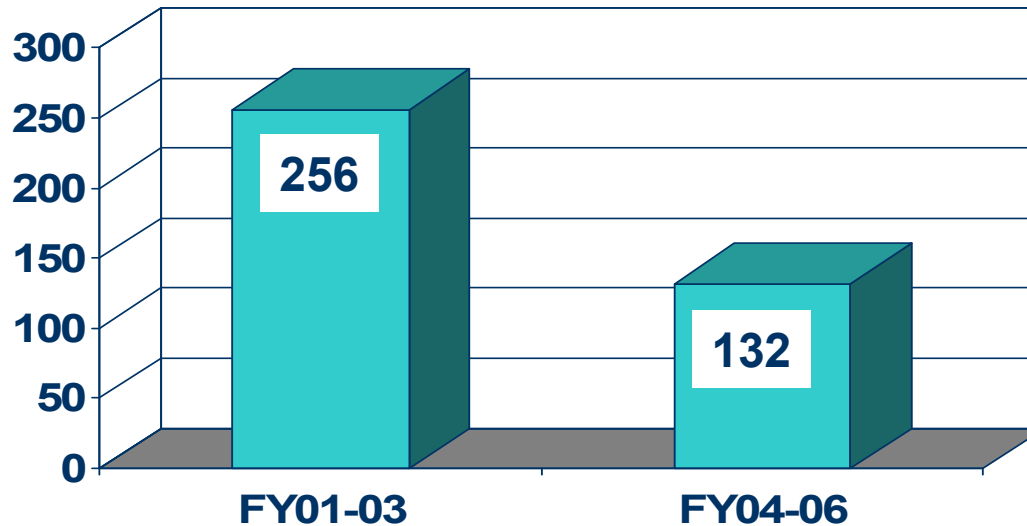


142% Increase in Miles of Bad State Roads FY03-13



State Bridge Improvements: Down 48%

Average Annual Bridges Improved



IDOT Structurally Deficient Bridges: Up 20%

- In 2003, IDOT Had 552 SD Bridges
- In 2006, IDOT Had 661 SD Bridges

Interstate Miles Reconstructed: Dropped By More Than 50%

	FY2000-04	FY05-Current
\$ for Interstate Reconstruction	More Than \$1 Billion	\$106 Million
Miles of Interstate Reconstruction	About 100 Miles	40 Miles

Congestion/New Roads

- In 200-, Congestion in Chicago Area:
 - Cost Nearly \$---Billion
 - Wasted More Than --- Million Gallons of Gasoline
- Programmed for FY08-13:
 - 106 Miles, \$1.39 Billion
- Programmed Projects Deferred:
 - 54 Miles, \$467 Million

Where Do We Go From Here?

- Must Continue To Work With All Parties To Restore Transportation Assets
- Consider Compromise Funding Levels
- Consider New Strategies

Capital Needs Exceed Funds

	<u>Current Annual Program</u>	<u>Estimated Annual Needs</u>
State Highways	\$1.875 Billion	\$4.4 Billion
Local Roads	\$646 Million	\$1.7 Billion
RTA	\$583 Million	\$2.1 Billion
Downstate Transit	\$27 Million, Est.	\$88 Million

Capital Needs Exceed Funds (cont.)

	<u>Current Annual Program</u>	<u>Estimated Annual Needs</u>
CREATE	\$25 Million	\$100 Million
Intercity Passenger Rail	0	\$260 Million
Airports, exc. Chicago	\$70 Million, Est.	>\$100 Million
<u>TOTAL</u>	\$3.226 Billion	\$8.748 Billion

Compromise Proposal

- Cannot Fill All Needs
- Seek To Secure As Much Capital Funding As Possible...
- While Minimizing Needed Revenue Increases
- Compromise Accomplishes These Goals

Compromise Proposal

- Could Be Funded Largely Through Gaming Expansion
- Would Minimize Amount Needed From Increased User Fees
- Would Maximize Use Of Bonds, That Could Be Afforded With Fiscal Prudence

Consider New Strategies

- All Needs Are Not Met -- But Critical Needs Will Be Met If We Require...
 - Equitable Funding Formula Among Downstate Highway Districts
 - Comparable Highway Conditions Among All Districts
 - Amounts Certain Programmed for Bridge & Road Repair & Interstate Reconstruction

2007 Transportation Funding Update

- Today's Funding: Inadequate
- Condition of Transportation Assets: Deteriorating
- Our Future Course: Continue To Work With All Parties, In Spirit of Compromise, To Meet Our Most Critical Needs