

KDOT Budget Fact Sheet

LOSSES:

- Today's reduction brings KDOT's total loss for FY 2010 to **\$257 million**
- KDOT has lost **\$504 million dollars in three years**, and there may still be additional cuts.

TODAY'S CUT MEANS:

- KDOT's construction spending in real dollars is lower than it was in the 1970s.
- Since construction projects are paid for over multiple years, today's \$28 million reduction means **\$87 million worth of projects will be cut.**
- At the beginning of the year we planned to do 1,600 miles of preservation work. Today, that number has been reduced to 700 miles. Because of this reduction and due to the harsh winter, drivers will notice rougher roads and more potholes.

2010 Revenue Losses

Receipt Losses	-\$52 M
CTP Debt Transfer	-\$25 M
Loan Repayment	-\$31 M
KHP	-\$36 M
SCCHF Transfer	-\$5 M
Governor's 1 st Allotment	-\$30 M
Governor's 2 nd Allotment	-\$50 M
Today's Reduction	-\$28 M
TOTAL	-\$257 M

AGENCY ACTIONS DUE TO LOSSES

- Projects have been cut, which **eliminates jobs** for both contractors and suppliers.
- **136 positions** have been **eliminated**. And approximately **300 positions** are being left **unfilled**.
- **Salaries** have been **reduced** by about **\$6 million**. The **8% shrinkage rate** is the **highest** rate applied to KDOT **in decades**.
- KDOT's **operating budget** has been **reduced by \$25 million**
- **Equipment purchases** have been **cut in half**.

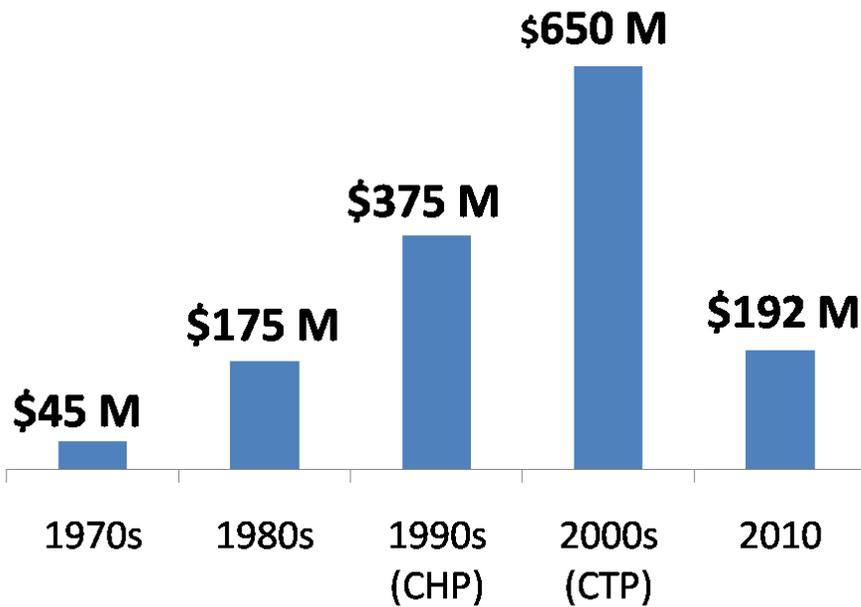
HISTORICAL CONTEXT

- In 1970, we spent about \$46 million on construction, which equates to about \$255 million in today's dollars.
- **In 1980, we spent approximately \$175 million on construction**, which equates to \$460 million in today's dollars. That was **at a time when less than half of our roads were in good condition**. Today, over 80 percent of our state highways are in good condition.
- **T-LINK**, a statewide task force created by the Governor to craft a new approach to transportation, **recommended** spending **\$375 million** just to **preserve** our system as it is today.
- During the Comprehensive Highway Program (CHP), which was from 1990-97, we spent an **average** of \$375 million annually on construction for state highways.
- During the Comprehensive Transportation Program (CTP), which was from 2000-09, we spent an **average** of \$650 million annually on construction for state highways.

KEEP IN MIND

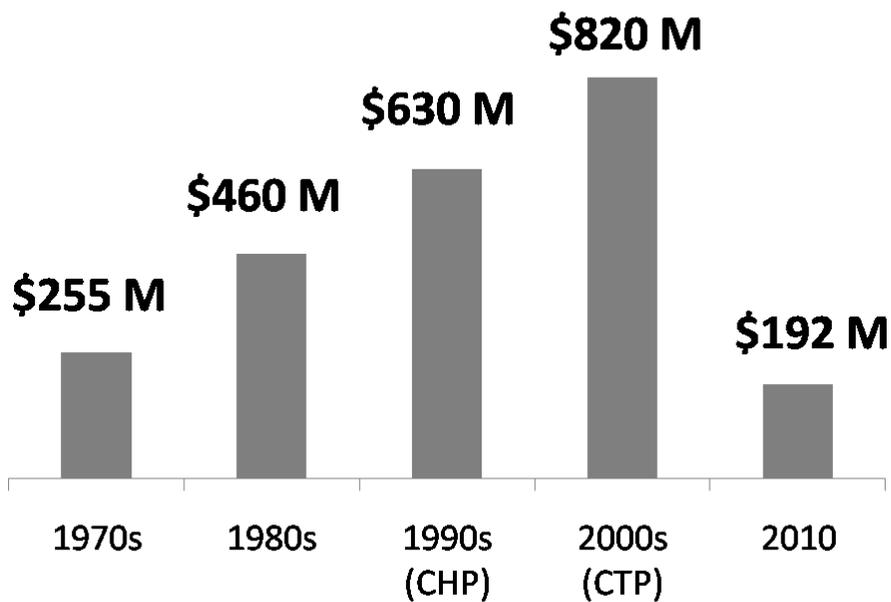
- KDOT has spent roughly **\$15 million on snow and ice removal this season**, \$4 million more than we spent all of last season.
- If the US Senate passes the Hiring Incentives to Restore Employment (HIRE) legislation, KDOT stands to **gain** approximately **\$43 million**. (House passed it 3-4-2010.)

Comparing Construction Spending



** The chart depicts the average annual spending for that time period*

Comparing Construction Spending in 2010 Dollars



** The chart depicts the average annual spending for that time period inflated to 2010 dollars.*