

## State Wants Lion's Share of Funding

04/09/2007

**Midway through the 2007 legislative session with no decision in regards to TIME-21, the message entitled 'Transportation Investment Moves the Economy in the 21st Century' proposed by the Iowa Good Roads Association (IGRA), is asking legislators to consider increasing the gas tax (among the options) in order to meet the \$200 million deficit in transportation needs for the State of Iowa.**

Keokuk County Supervisors, Michael Berg, Richard Denny and Ernie Greiner; County Engineer, Christy Van Buskirk along with IA State Association of Counties District 5 (includes Keokuk County) President, Mike Petersen are petitioning legislation to act on behalf of the citizens most effected by the postponed improvements and maintenance of Iowa roads - rural Iowans!

During the regular Monday meeting of the Supervisors, they adopted a resolution created by County Engineer, Van Buskirk to support and encourage legislators to consider the TIME-21 initiative to increase road funding for the county. Supervisors asked Van Buskirk to incorporate portions of Petersen's letter citing the revised formula District 5 would like the legislation to consider. The existing formula for the distribution of the Road Use Tax is 47.5% state; 32.5% counties; 20% cities, but the State has proposed a new formula which would provide them with the lion's share of the funding: 60% state; 20% counties; 20% cities.

Petersen also included how economic development and rural road improvements run hand-in-hand. He states, "The Governor has stated that he wants Iowa to lead the nation in renewable fuels. We are well on our way to achieving that goal. To date Iowa has 21 state of the art ethanol production facilities."

What does that mean to Iowa?

- \* 14,750 Iowa jobs are affected by ethanol with 2,550 directly related to ethanol production.
- \* Iowa ethanol plants will create 5,134 new jobs to the state's economy.
- \* Ethanol demands will boost Iowa state and local tax receipts by \$16 million per year.

That's the up side, the down side is:

\* 1.4 million trucks per year will be transporting raw materials, bi-products and ethanol to and from the production facilities.

He also points out the trucks transporting this material will be by-in-large utilizing the county secondary road system. The same argument can be made for the livestock industry.

Van Buskirk comes back around pointing out the direct correlation between Keokuk County and the consistent drop in buying power over the last several years.

Revenues:

Keokuk Co. Road Use Tax Fund (RUTF) income from FY 1995, \$1,647,350; FY07, \$2,168,272 an increase of 31.6%. The county's local effort match has remained relatively constant through this period.

Expenditures:

Base pay rate for an Equipment Operator in 1995 was \$11.43/hour, but in 2007 it increased 44.1% to \$16.47/hour. (This does not factor increases in health insurance and other benefits.)

Equipment: A single axle truck was \$27,461 in 1996; in 2005 was \$46,710; which constitutes a 70.1% increase. A track excavator was ticketed at \$83,063 in 1996, but has increased 40.1% to \$116,292 in 2006. An end loader has increased 60.5% and a wheeled excavator has jumped 52.5% in price.

Materials: 18" Steel pipes have increased 47.6% just in the last seven years. Concrete pavement has increased from \$64.21 per square yard in 2000 to \$99.41 per square yard in 2006 (54.8% increase).

Fuel: The Diesel bulk price in January 1995 was \$0.57/gallon and has jumped 377% to \$2.15/gallon in March 2007. The Ethanol blend increased 325% from \$0.61/gallon in January 1995 to \$1.98/gallon in March 2007.

Van Buskirk stressed, "Our county is at a crossroads. Without additional income, our fund reserve is dropping." She echoes the IGRA's concerns about the loss of over half-billion in buying power since 2003.

Editor's Note:  
Make Your Voice Heard!

Contact your Keokuk County legislative representatives and share your thoughts. Sen. Tom Reilly at [tom.rielly@legis.state.ia.us](mailto:tom.rielly@legis.state.ia.us) and Rep. Betty DeBoef at [betty.deboef@legis.state.ia.us](mailto:betty.deboef@legis.state.ia.us).

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