

Purdue University
99th Annual Road School

“Funding, Funding, Funding”

Presented by

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WHAT ARE THE BIGGEST ROAD FUNDING ISSUES?

- Lack of Money
- The maintenance funds are limiting new construction dollars.
- TIF will be limited now or in the future.
- Cum. Bridge appears to be insufficient due to borrowing of the money or levy.
Lack of Interest Income.
- Funding Formula Changes

SO HOW DO YOU MEET THE FUNDING ISSUES?

- Financial Planning
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- Okay...the point – proper allocation of all sources of revenue (Road funding may even be ahead of Public Safety).

SUSTAINABILITY ANALYSIS

- What is a Sustainability/Recovery Analysis?

It is the prediction of your financial future.

The baseline is the past, and then incorporate a detailed prediction of revenue and expense for an overall three-year plan.

POSSIBLE SOURCES OF FUNDING

1. *Motor Vehicle Highway*
2. *Local Roads and Streets*
3. *County Vehicle Excise Tax*
4. *County Wheel Tax*
5. *Income Tax - CAGIT, COIT, EDIT*
6. *Tax Increment Financing (TIF)*
7. *Cumulative Funds*
8. *General Property Taxes*
9. *User Fees*

SUSTAINABILITY ANALYSIS (CON.)

What do you do with the results?



CAPITAL IMPROVEMENT PLAN

- General description of the Road and the improvement(s) to be made
- The cost, estimated or guessed at , just git 'er done!
- A picture goes a long way!
- One table pulling it altogether (Road Funding Plan

*(Wisconsin College of Engineering University model
Not to Compete with Purdue, Besides I when to IU)*

ZERO BASED BUDGET PROJECT

- Gathering data on levels of current conditions
- Determine the cost of current services
- Determine the equipment and/or manpower needed to increase the level of service of X number of miles over X number of years (Funding Plan)

CUMULATIVE FUNDS

- Cumulative Capital Development
- Cumulative Bridge Fund

All or a portion of these funds may be excluded from the unit's maximum levy. These funds can be used for road maintenance or new road construction.

LEGISLATIVE CHANGES

- IC 8-18-8-5 was amended, effective July 1, 2012, to allow Counties to use property taxes and any revenue deposited into the County General Fund for maintenance costs of County highways.

CIRCUIT BREAKER IMPACT

Estimated Revenue Loss by Unit – could be more than State's estimate

- Creates a need for long-term planning (Sustainability Analysis) and short-term planning (one-year cash flow)
- Creates a need for stay on top of revenue

THANK YOU!

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