MOTOR VEHICLE HIGHWAY DISTRIBUTION FORMULA

Motor Vehicle Highway distributions are made monthly to the Indiana Department of Transportation, counties, cities and towns in the following manner.

REVENUE SOURCES:

- 75% of 14 cents of the Gasoline Tax after the first $25 million less fuel tax refunds
- 75% of Special Fuel Tax after the first $25 million less fuel tax refunds
- 45.5% of Motor Carrier Surtax
- Motor Carrier Fund fiscal year end balance exceeding $500,000
- Vehicle registration and title fees (excluding 1969 increase)
- Drivers license fees and defensive driver school fees
- 40% of the amount deposited to the motor vehicle odometer fund
- Abandoned vehicle fund fiscal year end balance exceeding $20,000
- $3.6 million of the state’s share of court cost
- Federal grants for traffic safety and state police programs
- State general fund reimbursement of state police expense
- Motor carrier fund reimbursement of state police expense
- Toll road reimbursement of state police expense
- Gaming Commission reimbursement of state police expenses

EXPENSES:

- 61.373% of the State Police expenses
- Department of Revenue fuel tax collection expenses
- Bureau of Motor Vehicles expenses (does not include license branch expenses, but does include license plate production expense)
- Traffic safety programs
- School safety programs
- 61.3% of the Forensic and Health Science Laboratory expenses
- Motor Vehicle Highway Fund audit cost

AMOUNT AVAILABLE FOR DISTRIBUTIONS:

Equals monthly revenues less monthly expenses.
ADJUSTMENTS TO THE AMOUNT AVAILABLE FOR DISTRIBUTIONS:

Indiana statute and state budget adjustments are made to the amount available for distribution before distributions are made to the Indiana Department of Transportation (INDOT), counties, cities and towns.

Adjustment that reduces the amount distributed to the **INDOT, counties, cities and towns**:

- Covered Bridge Distribution IC 8-14-1-10

Adjustment that reduces the amount distributed to **counties**:

- County Engineer Distribution IC 8-17-5-8 & 11.1

Adjustments that reduce the amount distributed to **counties, cities and towns**:

- Local Assistance Expenses IC 8-14-1-3(6), IC 8-23-2-5(6)
- LTAP Budget IC 8-14-1-3(6), IC 8-23-2-5(7)
- Access Road construction IC 8-23-5-7

DISTRIBUTION OF THE AMOUNT AVAILABLE AFTER ADJUSTMENTS:

Motor Vehicle Highway distributions are made monthly as follows:

- **53%** of the amount available for distribution less adjustments is distributed to the **INDOT**

- **15%** of the amount available for distribution less adjustments, plus **31.915%** of one cent of the gasoline tax is distributed to **Cities and Towns**

  The amount distributed to Cities and Towns is allocated on the basis of population
  (Fire Special Service district population used for City of Indianapolis distribution)

- **32%** of the amount available for distribution less adjustments, plus **68.085%** of one cent of the gasoline tax is distributed to **Counties**

  The amount distributed to Counties is allocated as follows:

  - **5% equally, 65% road mileage** basis and **30% total vehicle registrations** basis

PERMISSIBLE USES:

Motor Vehicle Highway distributions can be used by counties, cities and towns for the expenses of highway and street departments, construction, maintenance and reconstruction cost of streets and roads, and equipment purchases. Cities and towns can use a portion of the distribution for public safety expenditures.
LOCAL ROAD AND STREET DISTRIBUTION FORMULA

Local Road and Street distributions are made monthly to the Indiana Department of Transportation, counties, cities and towns from the following revenue sources and in the following manner:

REVENUE SOURCES:
♦ 25% of 14 cents of the Gasoline Tax after the first $25 million
♦ 25% of Special Fuel Tax after the first $25 million
♦ 1969 increase in vehicle registration and title fees.

DISTRIBUTION PERCENTAGES:
♦ 55% to the Indiana Department of Transportation
♦ 45% to Counties, Cities and Towns

DISTRIBUTION METHOD:
The Counties, Cities and Towns distribution calculation is a two step process.

Step one determines the county total allocation for each county on the basis of passenger car registrations.

Step two allocates each county total allocation between the county and the cities and towns within the county as follows:

A county with a population of more than 50,000 the distribution is calculated as follows:
♦ 60% of the county total allocation calculated in Step one is allocated on the basis of population. (Fire Special Service district population used for City of Indianapolis distribution)
♦ 40% of the county total allocation calculated in Step one is allocated on the basis of road and street mileage.

A county with a population of 50,000 or less the distribution is calculated as follows:
♦ 20% of the county total allocation calculated in Step one is allocated on the basis of population.
♦ 80% of the county total allocation calculated in Step one is allocated on the basis of road and street mileage.

PERMISSIBLE USES:
Local Road and Street distributions can be used by counties, cities and towns for construction, maintenance and reconstruction cost of streets and roads, engineering, land acquisitions, and equipment.
The Motor Vehicle Highway Accelerated #1 and #2 distribution formulas distribute:
- The first $25 million of 15 cents of the gasoline tax and
- The first $25 million of special fuel tax
- Collected after July 1 of each year.

Currently, it takes two months to collect the total $50 million of fuel taxes. The Motor Vehicle Highway Accelerated #1 and #2 distributions are made in the months of August and September.

After the first $50 million of fuel taxes have been collected and distributed with the Motor Vehicle Highway Accelerated #1 and #2 distribution formulas, then
- 75% of 15 cents of the gasoline tax and 75% of the special fuel tax is distributed monthly through the motor vehicle highway distribution formula and
- 25% of 15 cents of the gasoline tax and 25% of the special fuel tax is distributed monthly through the local road and street distribution formula.

REVENUE SOURCES:
- The first $25 million of 15 cents of the gasoline tax and
- The first $25 million of special fuel tax
- Collected after July 1 of each year

DISTRIBUTION PERCENTAGES:
◆ 40% to the Indiana Department of Transportation ($20 million)
◆ 60% to Counties, Cities and Towns ($30 million)

DISTRIBUTION METHOD:

MOTOR VEHICLE HIGHWAY ACCELERATED #1 (MVH#1)

$15 million is distributed to Counties, Cities and Towns using the Local Road and Street distribution formula.
   (Fire Special Service district population used for City of Indianapolis distribution)

MOTOR VEHICLE HIGHWAY ACCELERATED #2 (MVH#2)

$15 million is distributed to Counties, Cities and Towns using the Motor Vehicle Highway distribution formula.
   (Fire Special Service district population used for City of Indianapolis distribution)

PERMISSIBLE USES:

MVH #1 and MVH #2 permissible uses are the same as Motor Vehicle Highway distributions.
County Highway Engineer Salary Assistance

Each April there is a distribution up to $20,000 to each county that employs a county highway engineer and the county auditor certifies the following to the Auditor of State:

- The engineer is a fulltime county employee and provides a copy of the engineer’s most recent paycheck stub
- The engineer’s certificate of registration serial number
- And that the engineer is responsible for engineering functions of the county highway department

If an engineer is employed for less than a full year, then the $20,000 assistance is prorated based on the number of full weeks the engineer is employed.

This is true for an engineer employed during the course of the year and also for an engineer whose employment is terminated during the year. If an engineer is employed during the year, then the county auditor certifies the same to the auditor of state and a prorated distribution is sent to the county. Also, if an engineer’s employment is terminated during the year, then the county auditor must return a prorated amount of the $20,000 assistance.

Covered Bridge Maintenance Assistance

Each August there is a distribution of $1,850 per covered bridge to each county that certifies to the auditor of state the number of bridges located on the county’s right of way.
Highway Funding Distribution Factors Local Officials Should Monitor

Population

Population is used in the following highway funding formulas;

Motor Vehicle Highway and Accelerated Motor Vehicle Highway #2 for cities and towns only.

Local Road & Street and Accelerated Motor Vehicle Highway #1 for counties, cities and towns.

Per IC 1-1-3.5-3(f) population counts are updated each April following the calendar year the population count is delivered to the state by the Bureau of Census and is received by the governor. The delivered and received date is the date of the Bureau of Census certification of the population count.

Population counts are updated for;

Decennial census count
   Next decennial census count is 2010 and will be effective April 2012.

Corrections to decennial census counts

Special census counts
   Local entity must request and can be either a full count or partial count.

Special tabulations
   Local entity must request and is a restatement of the decennial count with current geographical boundaries.

Miles of Roads and Streets

Miles of roads and streets is used in the following highway funding formulas;

Motor Vehicle Highway and Accelerated Motor Vehicle Highway #2 for counties only.

Local Road & Street and Accelerated Motor Vehicle Highway #1 for counties, cities and towns.

Annually the Indiana Department of Transportation certifies to the Auditor of State the previous calendar year county, city and town road and street mileage. Upon receiving the certification the Auditor of State immediately updates the mileage used for highway funding distributions.
## Motor Vehicle Highway (MVH) Distributions:

### Revenue Sources:

<table>
<thead>
<tr>
<th>Source</th>
<th>State Fiscal Year 2007</th>
<th>State Fiscal Year 2006</th>
<th>State Fiscal Year 2005</th>
<th>State Fiscal Year 2004</th>
<th>State Fiscal Year 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Tax (Less Refunds)</td>
<td>$313,763,648.96</td>
<td>$315,027,592.19</td>
<td>$317,192,273.03</td>
<td>$319,807,260.79</td>
<td>$313,153,897.64</td>
</tr>
<tr>
<td>Special Fuel Tax (Less Refunds)</td>
<td>125,170,607.18</td>
<td>115,816,878.23</td>
<td>112,767,964.26</td>
<td>105,662,692.69</td>
<td>102,302,689.78</td>
</tr>
<tr>
<td>Motor Carrier Surtax, Highway User Fee &amp; Trip Permit Fee</td>
<td>31,794,297.75</td>
<td>49,273,894.50</td>
<td>43,248,880.15</td>
<td>41,973,281.31</td>
<td>40,188,712.73</td>
</tr>
<tr>
<td>Motor Carrier Fund Surplus</td>
<td>1,499,243.21</td>
<td>503,779.69</td>
<td>939,989.04</td>
<td>0.00</td>
<td>64,464.13</td>
</tr>
<tr>
<td>Vehicle Registration, Title &amp; Other BMV Fees</td>
<td>226,544,924.96</td>
<td>218,265,669.12</td>
<td>226,785,684.73</td>
<td>223,606,040.50</td>
<td>209,330,214.13</td>
</tr>
<tr>
<td>MVH Fund's Share of Abandoned Vehicle Fund</td>
<td>826,625.13</td>
<td>554,703.35</td>
<td>357,683.56</td>
<td>245,253.66</td>
<td>457,363.26</td>
</tr>
<tr>
<td>MVH Fund's Share of Omnibus Fund</td>
<td>284,659.40</td>
<td>387,587.40</td>
<td>329,899.40</td>
<td>387,706.80</td>
<td>106,547.00</td>
</tr>
<tr>
<td>MVH Fund's Share of State Court Cost</td>
<td>3,614,659.00</td>
<td>3,613,754.26</td>
<td>3,613,594.52</td>
<td>3,613,594.52</td>
<td>3,613,594.52</td>
</tr>
<tr>
<td>State Police Federal &amp; Misc Receipts</td>
<td>260,291.27</td>
<td>340,099.05</td>
<td>374,879.59</td>
<td>243,941.86</td>
<td>1,214,219.80</td>
</tr>
<tr>
<td>Traffic Safety - Federal &amp; Misc Receipts</td>
<td>13,329,067.85</td>
<td>14,558,526.67</td>
<td>18,761,537.27</td>
<td>18,109,576.78</td>
<td>13,458,330.27</td>
</tr>
<tr>
<td>Miscellaneous Receipts</td>
<td>71,983.14</td>
<td>123,794.45</td>
<td>119,292.88</td>
<td>63,295.66</td>
<td>12,237.79</td>
</tr>
</tbody>
</table>

**Total Expenses Not Including State Police Reimbursements:** $720,164,011.85

**Total Revenue Sources Not Including State Police Reimbursements:** $718,466,187.91

**Total Revenue Sources:** $724,466,768.42

**Total Reimbursements:** $713,712,644.57

**Total Net Revenue Sources:** $683,902,271.05

### State Police Expenses:

<table>
<thead>
<tr>
<th>Source</th>
<th>State Fiscal Year 2007</th>
<th>State Fiscal Year 2006</th>
<th>State Fiscal Year 2005</th>
<th>State Fiscal Year 2004</th>
<th>State Fiscal Year 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative</td>
<td>$121,858,054.52</td>
<td>$112,635,738.28</td>
<td>$118,466,337.95</td>
<td>$117,646,337.95</td>
<td>$104,508,405.20</td>
</tr>
<tr>
<td>Pension</td>
<td>11,786,923.80</td>
<td>7,579,958.03</td>
<td>7,591,298.86</td>
<td>7,084,183.64</td>
<td>7,981,264.70</td>
</tr>
<tr>
<td>Supplemental Pension</td>
<td>3,042,666.15</td>
<td>3,005,199.65</td>
<td>2,866,946.08</td>
<td>3,084,447.79</td>
<td>2,979,713.88</td>
</tr>
<tr>
<td>Benefits</td>
<td>2,919,635.82</td>
<td>2,998,036.94</td>
<td>2,972,346.97</td>
<td>2,920,448.79</td>
<td>2,814,721.56</td>
</tr>
</tbody>
</table>

**Total State Police Expenses Before Reimbursements:** $139,607,280.29

**Total Net State Police Expenses:** $128,217,305.04

### Other MVH Fund Expenses:

<table>
<thead>
<tr>
<th>Source</th>
<th>State Fiscal Year 2007</th>
<th>State Fiscal Year 2006</th>
<th>State Fiscal Year 2005</th>
<th>State Fiscal Year 2004</th>
<th>State Fiscal Year 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureau of Motor Vehicles</td>
<td>41,905,325.79</td>
<td>38,760,213.67</td>
<td>42,755,498.84</td>
<td>44,775,184.47</td>
<td>48,339,610.69</td>
</tr>
<tr>
<td>Dept. of Revenue - Motor Fuel Tax Division</td>
<td>10,767,076.22</td>
<td>12,043,845.82</td>
<td>9,762,440.29</td>
<td>8,356,179.53</td>
<td>6,799,047.36</td>
</tr>
<tr>
<td>Traffic Safety</td>
<td>17,983,998.42</td>
<td>16,401,976.89</td>
<td>16,276,354.04</td>
<td>16,785,933.27</td>
<td>15,233,133.93</td>
</tr>
<tr>
<td>Traffic Safety Education</td>
<td>261,309.00</td>
<td>279,313.46</td>
<td>260,832.97</td>
<td>239,170.09</td>
<td>260,990.12</td>
</tr>
<tr>
<td>Highway Safety Plan</td>
<td>190,673.66</td>
<td>128,253.53</td>
<td>154,419.33</td>
<td>169,626.32</td>
<td>129,336.42</td>
</tr>
<tr>
<td>Forensic &amp; Health Sciences Laboratory</td>
<td>4,059,725.98</td>
<td>2,510,279.08</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Audit Expense</td>
<td>671,265.00</td>
<td>602,128.00</td>
<td>298,862.00</td>
<td>522,250.00</td>
<td>522,250.00</td>
</tr>
</tbody>
</table>

**Total Other MVH Fund Expenses:** $76,039,374.07

**Total MVH Fund Expenses:** $151,959,717.96

**Total MVH Fund Expenses:** $138,341,217.51

**Total MVH Fund Expenses:** $123,255,349.81

**Total mvh Fund Expenses:** $124,948,089.06

**Total MVH Fund Expenses:** $126,479,391.38

**Amount Available for Distribution (Total MVH Fund Revenue Sources Less Total MVH Fund Expenses):** $568,204,293.89

**Amount Available for Distribution (Total MVH Fund Revenue Sources Less Total MVH Fund Expenses):** $580,124,970.40

**Amount Available for Distribution (Total MVH Fund Revenue Sources Less Total MVH Fund Expenses):** $601,236,328.61

**Amount Available for Distribution (Total MVH Fund Revenue Sources Less Total MVH Fund Expenses):** $588,764,555.51

**Amount Available for Distribution (Total MVH Fund Revenue Sources Less Total MVH Fund Expenses):** $557,422,879.67

### Adjustments to Amount Available for Distribution:

- County Engineer Distribution Per IC 8-17-5-6 & 11.1: $(789,999.95)
- LTAP Budget Per IC 8-14-1-3(6), IC 8-17-7-4, IC 8-23-2-5(7): $(834,612.00)
- Local Assistance Expenses Per IC 8-14-1-3(6), IC 8-23-2-5(6): $(1,000,000.00)
- Covered Bridge Distribution Per IC 8-14-1-10: $(95,000.00)
- Access Road Construction Per IC 8-23-5: $(4,943,481.00)
- Counties Share of 3 Cent Gas Tax Increase IC 6-6-1-1-801.5(c): $(21,596,536.01)
- Cities & Towns Share of 3 Cent Gas Tax Increase IC 6-6-1-1-801.5(c): $(10,123,425.81)
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FY05 Undistributed InDOT, County, City and Town Funds Distributed in FY06</td>
<td>0.00</td>
<td>4,500,000.00</td>
<td>(4,500,000.00)</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Total Adjustments to Amount Available for Distribution</td>
<td>21,848,341.87</td>
<td>29,832,192.72</td>
<td>22,770,102.14</td>
<td>31,372,164.33</td>
<td>7,464,099.12</td>
</tr>
</tbody>
</table>
## Motor Vehicle Highway (MVH), Local Road & Street (LRS), Motor Vehicle Highway Accelerated #1 (MVH #1) and Motor Vehicle Highway Accelerated #2 (MVH #2) Dollars Distributed

**State Fiscal Years 2003 through 2007**

### Total Amount Distributed (Amount Available for Distribution Plus Adjustments Total)

<table>
<thead>
<tr>
<th></th>
<th>State Fiscal Year 2003</th>
<th>State Fiscal Year 2004</th>
<th>State Fiscal Year 2005</th>
<th>State Fiscal Year 2006</th>
<th>State Fiscal Year 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dollars Distributed</td>
<td>564,886,978.79</td>
<td>565,886,978.79</td>
<td>576,886,978.79</td>
<td>586,886,978.79</td>
<td>596,886,978.79</td>
</tr>
</tbody>
</table>

### Breakdown of Total Amount Distributed:

- **Indiana Department of Transportation**
  - State Fiscal Year 2003: $295,380,463.66
  - State Fiscal Year 2004: $183,239,993.85
  - State Fiscal Year 2005: $163,239,993.85
  - State Fiscal Year 2006: $143,239,993.85
  - State Fiscal Year 2007: $123,239,993.85

- **Counties**
  - State Fiscal Year 2003: $6,828,189.99
  - State Fiscal Year 2004: $8,628,189.99
  - State Fiscal Year 2005: $10,428,189.99
  - State Fiscal Year 2006: $12,228,189.99
  - State Fiscal Year 2007: $14,028,189.99

- **Cities and Towns**
  - State Fiscal Year 2003: $6,828,189.99
  - State Fiscal Year 2004: $8,628,189.99
  - State Fiscal Year 2005: $10,428,189.99
  - State Fiscal Year 2006: $12,228,189.99
  - State Fiscal Year 2007: $14,028,189.99

### Local Road and Street (LRS) Distributions:

#### Revenue Sources:

- **Gas Tax**
  - State Fiscal Year 2003: $295,380,463.66
  - State Fiscal Year 2004: $183,239,993.85
  - State Fiscal Year 2005: $163,239,993.85
  - State Fiscal Year 2006: $143,239,993.85
  - State Fiscal Year 2007: $123,239,993.85

- **Special Fuel Tax**
  - State Fiscal Year 2003: $6,828,189.99
  - State Fiscal Year 2004: $8,628,189.99
  - State Fiscal Year 2005: $10,428,189.99
  - State Fiscal Year 2006: $12,228,189.99
  - State Fiscal Year 2007: $14,028,189.99

- **Vehicle Registration and Title Fees (1969 Increase)**
  - State Fiscal Year 2003: $6,828,189.99
  - State Fiscal Year 2004: $8,628,189.99
  - State Fiscal Year 2005: $10,428,189.99
  - State Fiscal Year 2006: $12,228,189.99
  - State Fiscal Year 2007: $14,028,189.99

### Motor Vehicle Highway Accelerated #1 (MVH #1) Distributions:

#### Revenue Sources:

- **Gas Tax**
  - State Fiscal Year 2003: $12,500,000.00
  - State Fiscal Year 2004: $12,500,000.00
  - State Fiscal Year 2005: $12,500,000.00
  - State Fiscal Year 2006: $12,500,000.00
  - State Fiscal Year 2007: $12,500,000.00

- **Special Fuel Tax**
  - State Fiscal Year 2003: $12,500,000.00
  - State Fiscal Year 2004: $12,500,000.00
  - State Fiscal Year 2005: $12,500,000.00
  - State Fiscal Year 2006: $12,500,000.00
  - State Fiscal Year 2007: $12,500,000.00

### Motor Vehicle Highway Accelerated #2 (MVH #2) Distributions:

#### Revenue Sources:

- **Gas Tax**
  - State Fiscal Year 2003: $12,500,000.00
  - State Fiscal Year 2004: $12,500,000.00
  - State Fiscal Year 2005: $12,500,000.00
  - State Fiscal Year 2006: $12,500,000.00
  - State Fiscal Year 2007: $12,500,000.00

- **Special Fuel Tax**
  - State Fiscal Year 2003: $12,500,000.00
  - State Fiscal Year 2004: $12,500,000.00
  - State Fiscal Year 2005: $12,500,000.00
  - State Fiscal Year 2006: $12,500,000.00
  - State Fiscal Year 2007: $12,500,000.00

## Total Amount Distributed (Amount Available for Distribution Plus Adjustments Total)

- **July 2003 Through June 2004**
  - Total: $564,886,978.79

- **July 2004 Through June 2005**
  - Total: $586,886,978.79

- **July 2005 Through June 2006**
  - Total: $609,886,978.79

- **July 2006 Through June 2007**
  - Total: $632,886,978.79

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