



# Michigan Transportation Fund Distribution

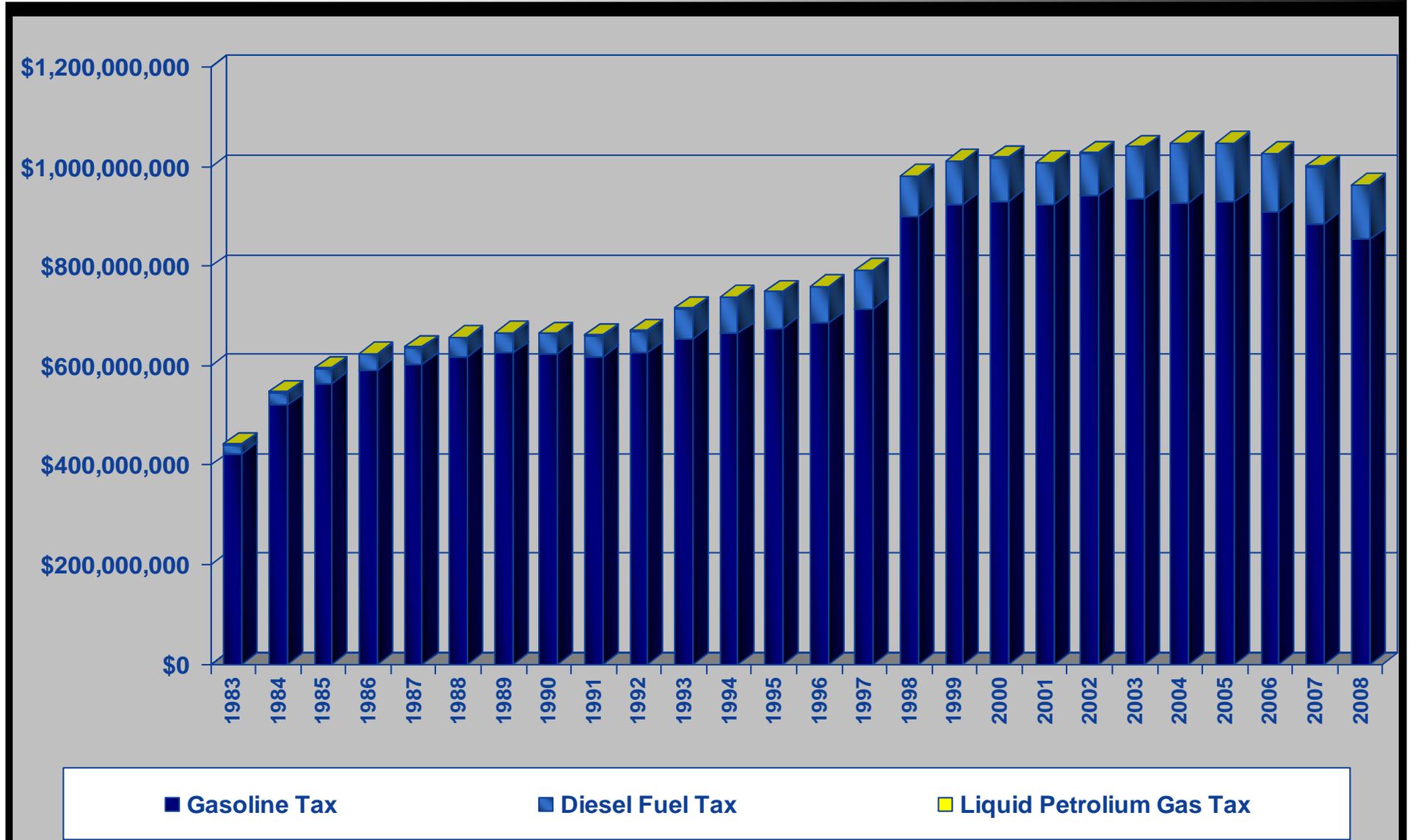


# Major State Revenue Trends

- ❖ FYTD 09 – Gas Tax Revenues down \$21.1 million a decrease of 3.0% over FYTD 08, as of 7/31
- ❖ Registration Fee Revenue down \$8.9 million a decrease of 1.4% over FYTD 08, as of 7/31
- ❖ Gas tax growth flat or declining since 1997
- ❖ Formerly depended on registration fees to increase about 5% per year

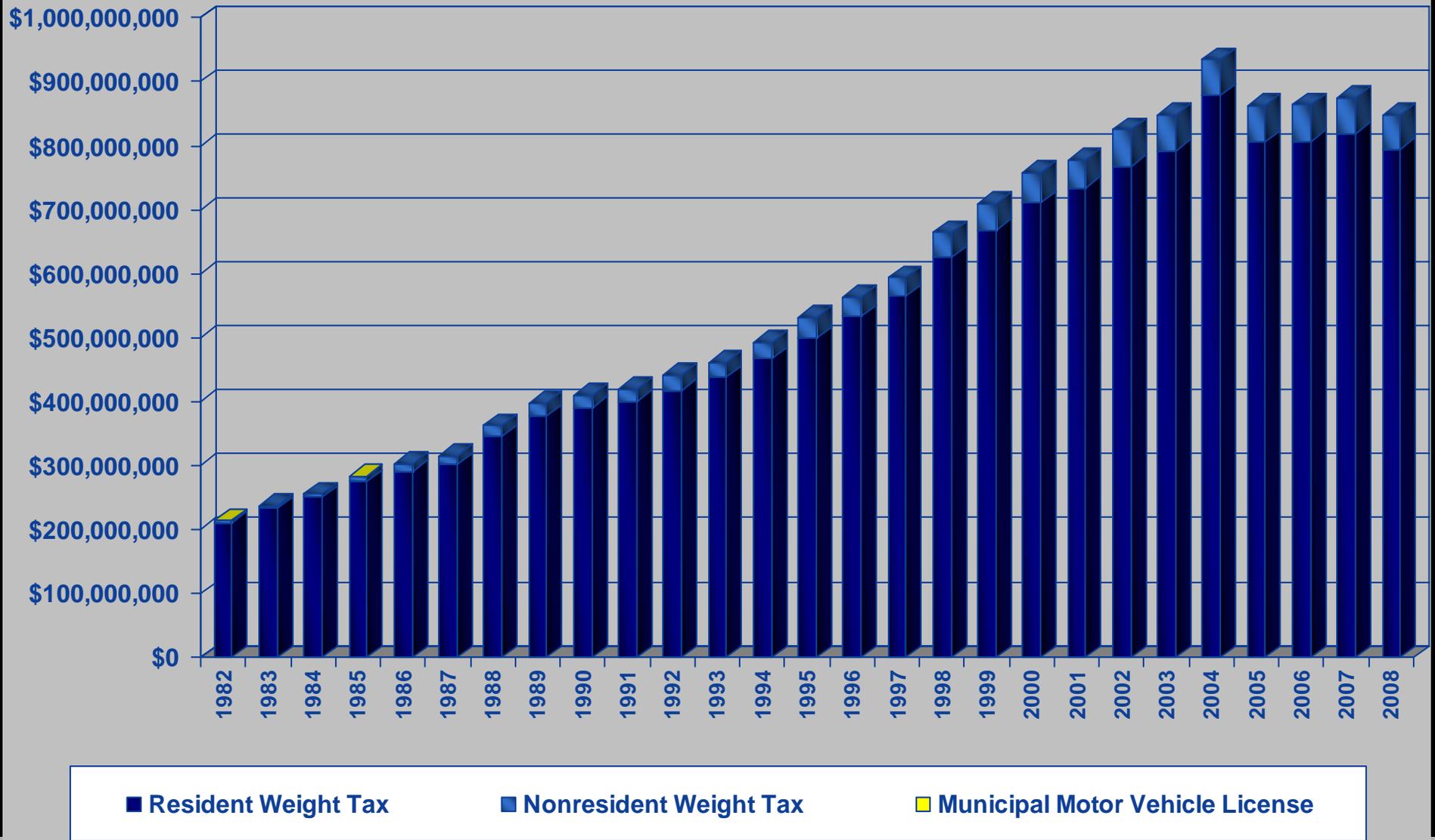
# Motor Fuel Revenue

## 25-Year History



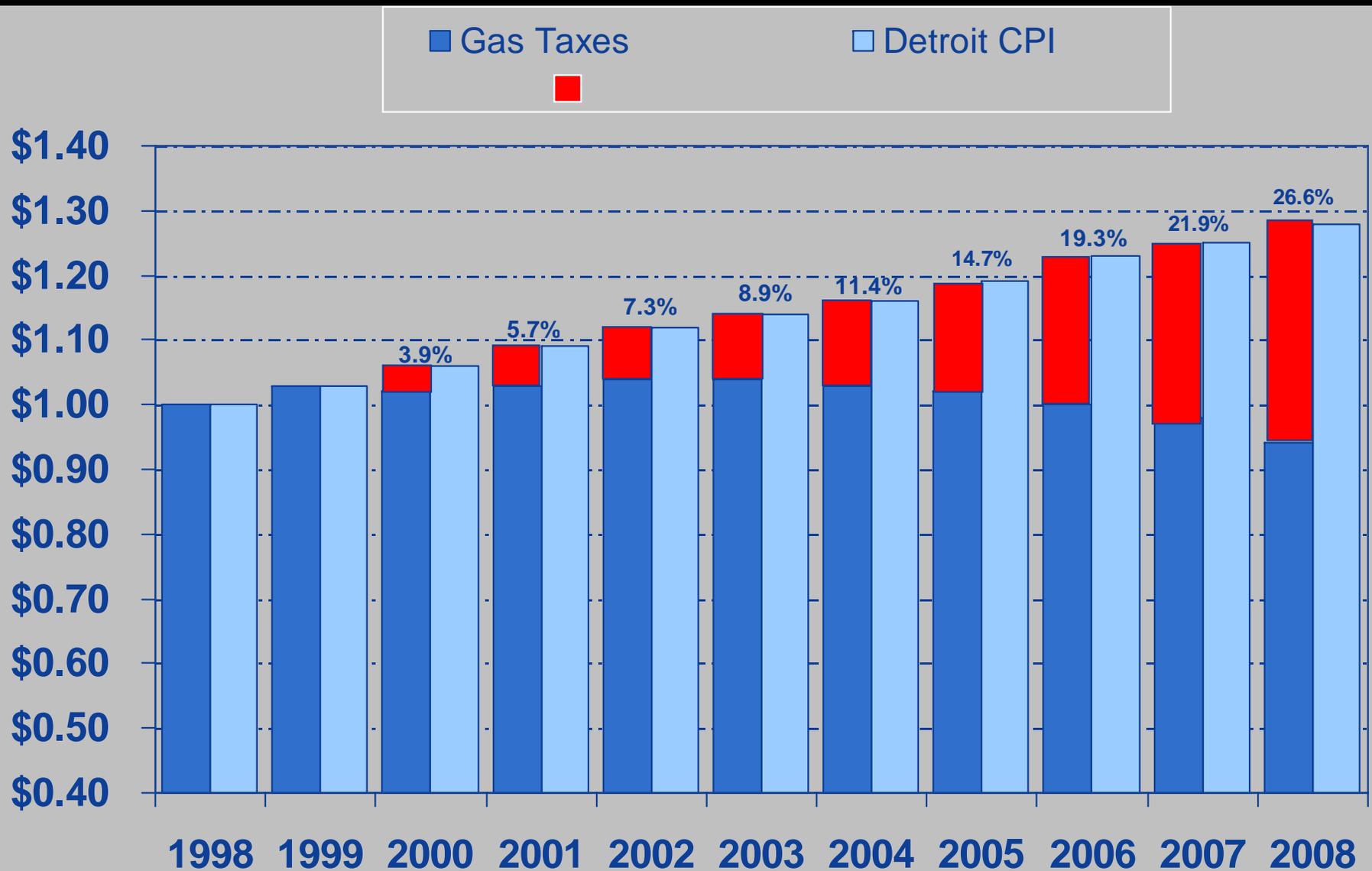
# Registration Revenue

## 25-Year History



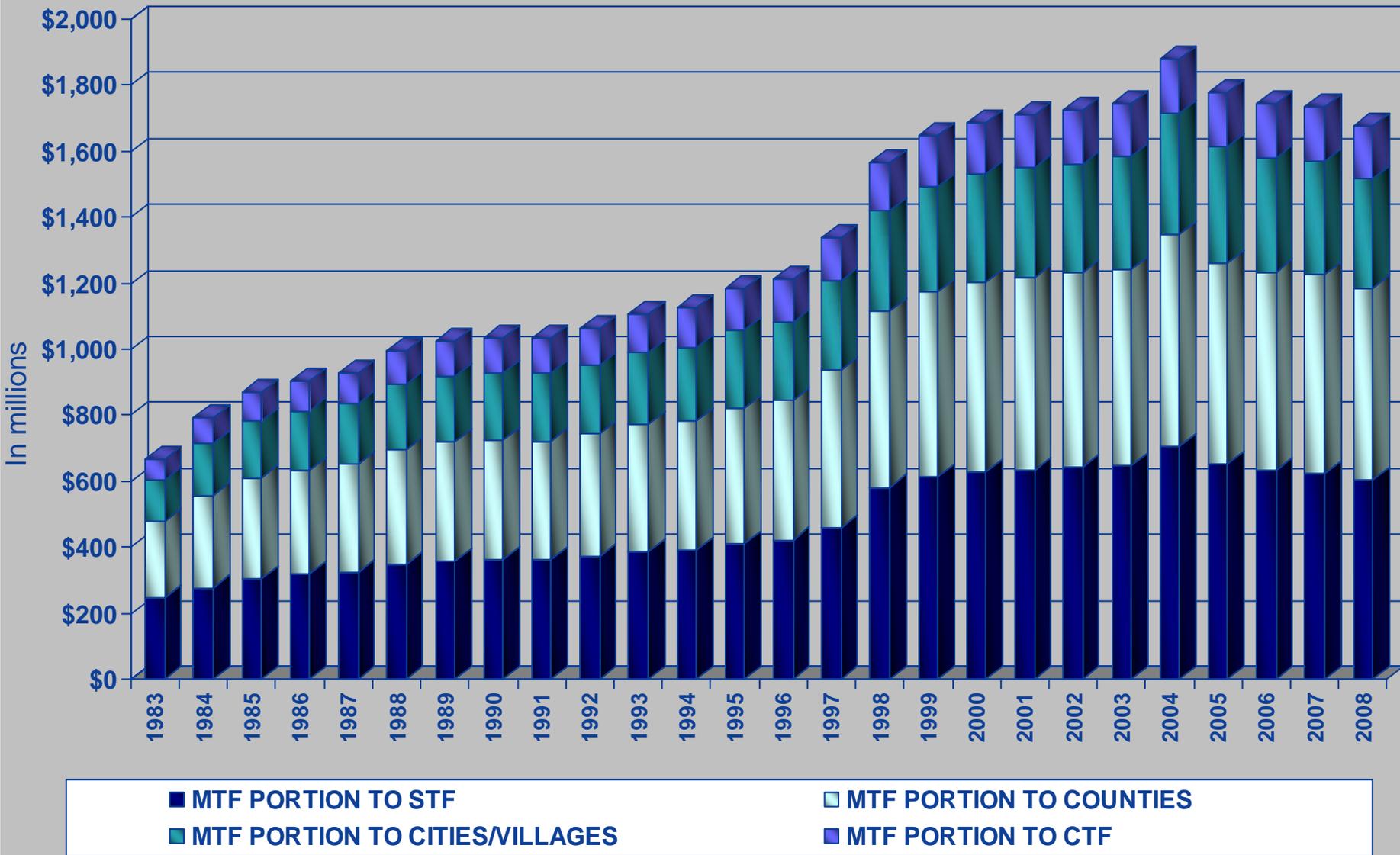
# Gas Taxes vs. Inflation

## MDOT's Purchasing Power Loss



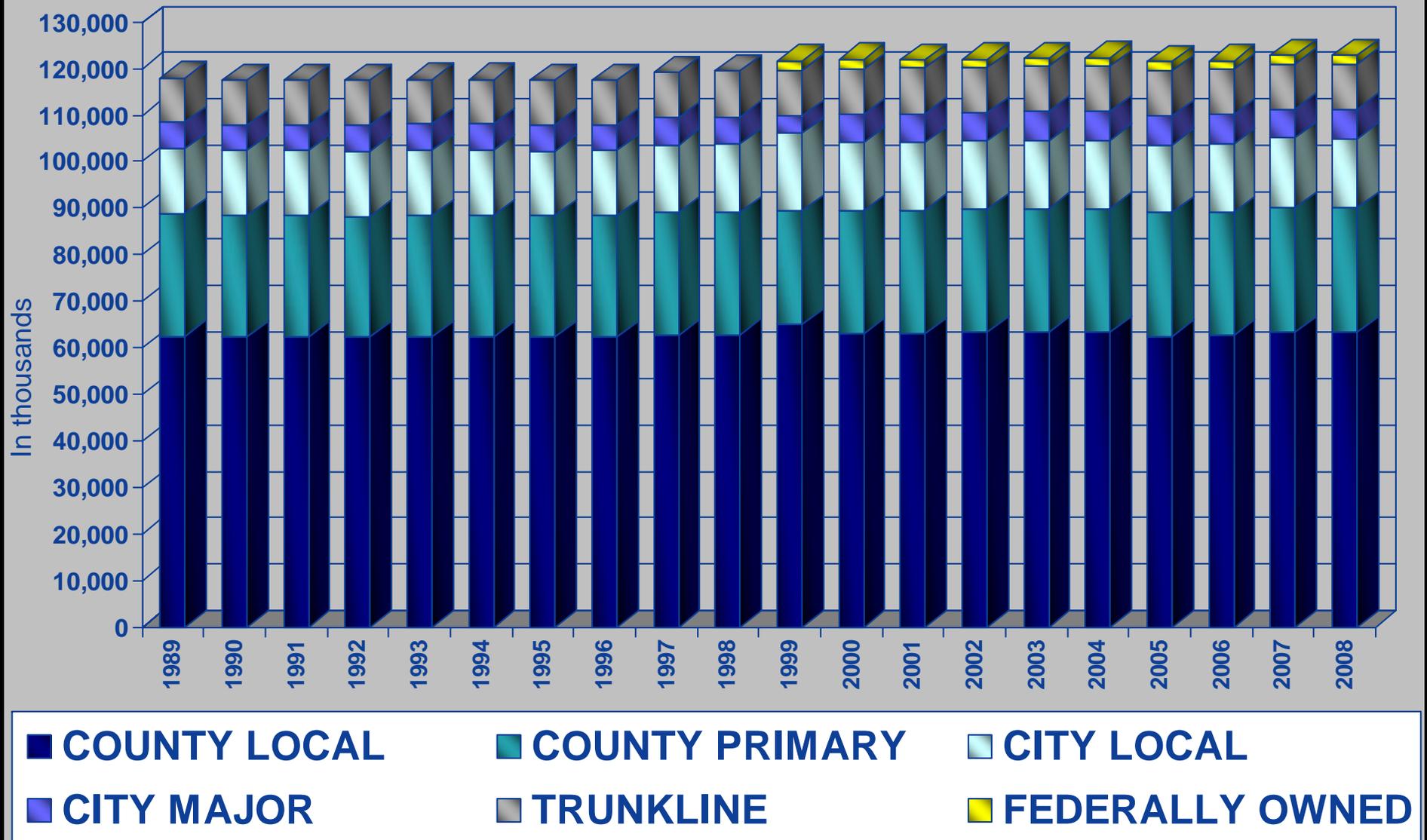
# MTF Revenue

## 25-Year History



# Michigan's Roadway Mileage by Legal System

20-Year History



# MTF Distribution

## Distribution Formula Factors

### ❖ Population

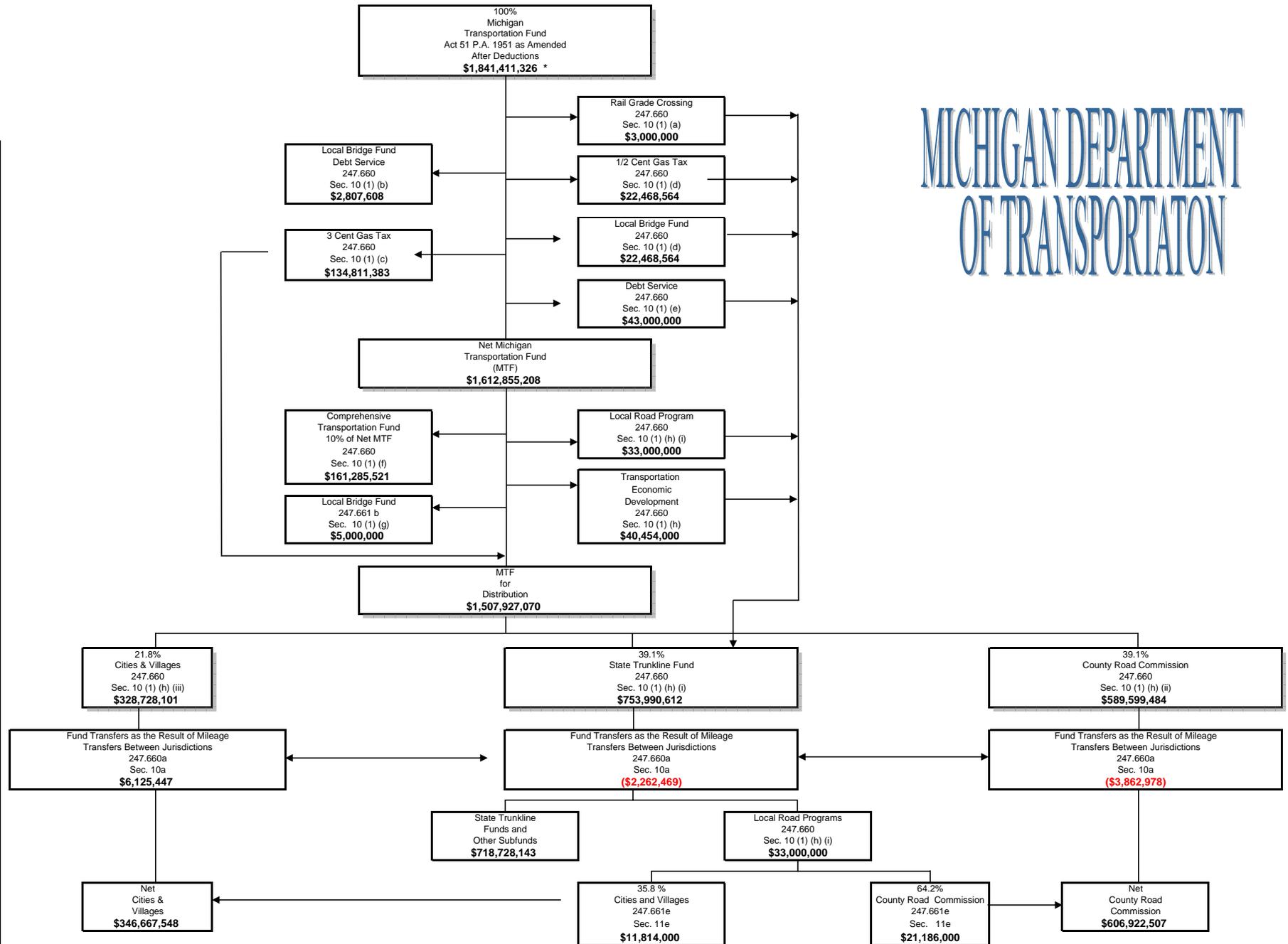
#### ❖ Based on the 2000 Census

- Open period to “pension” for a recount is four years after the certification, for MDOT Act 51 formula distribution

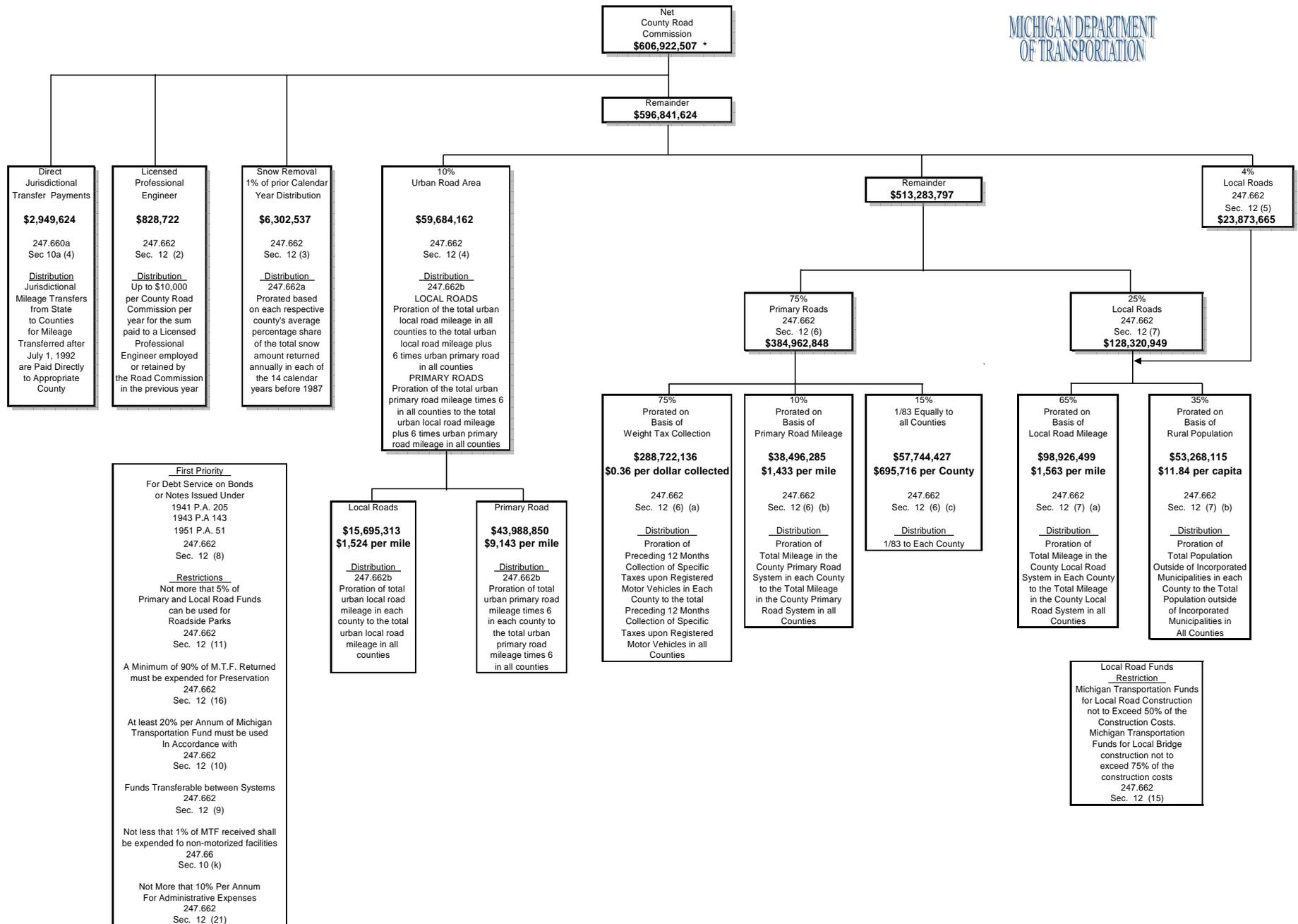
### ❖ Mileage

- Determined through the Mileage Certification Process

# MICHIGAN DEPARTMENT OF TRANSPORTATION



\* All dollar amounts based on actual cash basis distribution, including Local Road Program for the fiscal year of October 1, 2007 through September 30, 2008.



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Net  
Cities &  
Villages  
**\$346,667,548 \***

Remainder  
**\$343,301,130**

75%  
Major Streets  
247.663  
Sec 13 (3)  
**\$257,475,847**

25%  
Local Streets  
247.663  
Sec. 13 (4)  
**\$85,825,282**

60%  
Prorated on Basis  
of Population  
**\$154,485,508**  
**\$28.38 per capita**  
  
247.663  
Sec. 13 (3)  
  
Distribution  
Proportion of  
City or Village  
Population to the  
Total Population  
of all Cities and  
Villages

40%  
Prorated on Basis  
of Equivalent Major Mileage  
**\$102,990,339**  
**\$8,744 per EMM**  
  
247.663  
Sec. 13 (3)  
  
Distribution  
Proportion of  
City or Village  
Equivalent Major  
Mileage (EMM) to  
the total  
Equivalent Major  
Mileage in all  
Cities and Villages  
 $EMM = ((2 * STLM) + MSM) * F$   
**See Table 1 Below**

60%  
Prorated on Basis  
of Population  
**\$51,495,169**  
**\$9.46 per capita**  
  
247.663  
Sec. 13 (4)  
  
Distribution  
Proportion of  
City or Village  
Population to the  
Total Population  
of all Cities and  
Villages

40%  
Prorated on Basis  
of Local Street Mileage  
**\$34,330,113**  
**\$2,311 per mile**  
  
247.663  
Sec. 13 (4)  
  
Distribution  
Proportion of City  
or Village Local  
Street System  
Mileage to Total  
Local Street  
System Mileage

Direct  
Jurisdictional  
Transfer Payments  
247.660a  
Sec 10a (4)  
**\$889,434**  
  
Distribution  
Jurisdictional  
Mileage Transfers  
From State to  
Cities & Villages  
for Mileage  
Transferred after  
July 1, 1992  
are Paid Directly  
to Appropriate City

Snow Removal  
.7% of Prior Calendar  
Year Distribution  
247.663  
Sec. 13 (2)  
**\$2,476,984**  
  
Requirements  
Cities Must be  
Located in County  
that is Eligible  
For Snow Removal  
and Have Winter  
Maintenance Costs  
on Major and Local  
Streets Greater  
than Statewide  
Average  
  
Distribution  
1/2 of its Winter  
Maintenance  
Expenditures After  
Deduction of the  
Product of its  
Earnings Multiplied  
by 2 times the  
Average Municipal  
Winter Maintenance  
Factor

Restriction  
Not more than 10% per annum  
for Administrative Expenses.  
247.663  
Sec. 13 (8)  
  
Not less than 1% of MTF received  
shall be expended for  
non-motorized facilities  
247.66  
Sec. 10 (k)  
  
Permissive Transfers  
50% of funds Transferable  
from Major to Local.  
247.663  
Sec. 13 (6)  
Over 50 % per Sec. 13 (7)

Major Street Funds  
First Priority  
for Debt Service on  
Bonds Issued Under  
1941 P.A. 205 and  
1952 P.A. 175 as Amended  
247.663  
Sec. 13 (3) (a)  
  
For obligations incurred  
jointly with the Department  
of Transportation  
247.663  
Sec. 13 (3) (b)  
  
Restrictions  
Not More Than  
5% of Major Street Funds  
can be used for  
Roadside Parks  
& Motor Parkways  
247.663  
Sec 13 (3) (d)

Local Street Funds  
First Priority  
For Debt Service on  
Bonds Issued Under  
1952 P.A. 175  
as Amended  
247.663  
Sec. 13 (4)  
  
Restrictions  
Local Street Funds  
Used for Construction Must  
be Matched from  
Local Revenues or  
other Monies  
247.663  
Sec. 13 (5)

**TABLE 1**

STLM = State Trunkline Mileage in each City and Village having a Population of 25,000 or more  
MSM = Major Street Mileage in each City and Village  
F = Factor for Cities and Villages  
1.0 for Cities and Villages of 2,000 or less Population.  
1.1 for Cities and Villages from 2,001 to 10,000 Population.  
1.2 for Cities and Villages from 10,001 to 20,000 Population.  
1.3 for Cities and Villages from 20,001 to 30,000 Population.  
1.4 for Cities and Villages from 30,001 to 40,000 Population.  
1.5 for Cities and Villages from 40,001 to 50,000 Population.  
1.6 for Cities and Villages from 50,001 to 65,000 Population.  
1.7 for Cities and Villages from 65,001 to 80,000 Population.  
1.8 for Cities and Villages from 80,001 to 95,000 Population.  
1.9 for Cities and Villages from 95,001 to 160,000 Population.  
2.0 for Cities and Villages from 160,001 to 320,000 Population.  
and for Cities over 320,000 Population by a factor of 2.1 increased successively by 0.1 for each 160,000 Population increment over 320,000.

\* All dollar amounts based on actual cash basis distribution, including Local Road Program for the fiscal year of October 1, 2007 through September 30, 2008.

**Questions?**

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