

FINANCING

This chapter of the STIP identifies available and anticipated revenue and makes a comparison with the anticipated costs to demonstrate that there will be enough new revenue available each year to fund the projects to be implemented each year. The total capital investment in the transportation system for the four year period, FY 2011-2014, including the highway and transit programs in this report and the referenced metropolitan area TIPs, will be over \$6.4 billion. The projects listed in the STIP and TIPs are financed with a combination of federal, state and local funds; are required by federal law to be consistent with state and metropolitan area long-range plans and are financially constrained by fiscal year.

The STIP and the MPO TIPs contain all Title 23 and Title 49 federally funded state trunkline and local projects and all regionally significant state and local projects regardless of funding source. Non-federally funded local projects that are not regionally significant can be included in the MPO TIPs at the discretion of the MPO and are not included in the financial constraint demonstration.

After the federal approval of each new STIP and referenced TIPs, the STIP and TIPs are continuously maintained via the amendment and administrative modification processes. While fiscal constraint is managed informally throughout the year, a formal fiscal constraint demonstration is updated three times a year or when significant changes occur, annual revenue is compared to the total estimated cost of new projects. Individual TIPs will provide constraint information as changes occur. In maintaining fiscal constraint, if total proposed commitments exceed total estimated resources, then an amendment is required to reduce commitments or identify additional sources of revenue that may have become available, such as bonds or other new revenue sources, in order to bring the program into financial constraint. An example of a new revenue source is the American Recovery and Reinvestment Act of 2009.

All financial estimates in this document are based on assumptions developed in cooperation with the MPOs. The assumptions included analysis of historical trends and that current funding mechanisms would remain in place throughout the life of the plan. As conditions change, estimates and the assumptions upon which they are based will be revisited to maintain the integrity of the financial analysis.

7.1 Financial Resources

Information on financial resources are presented in two parts: one for the Highway Program and one for the Transit Program. The sources and estimates described here form the basis for the revenue used in the financial constraint comparison described later in this chapter.

7.11 Highway Program

For the major highway funding sources this chapter will describe the source, provide the revenue estimation methodology, and the distribution between state and local programs.

The major funding sources for the highway program in Michigan are:

1. Michigan Transportation Fund (MTF)
2. Federal-aid Highway Program
3. Bonds
4. Private, local and other

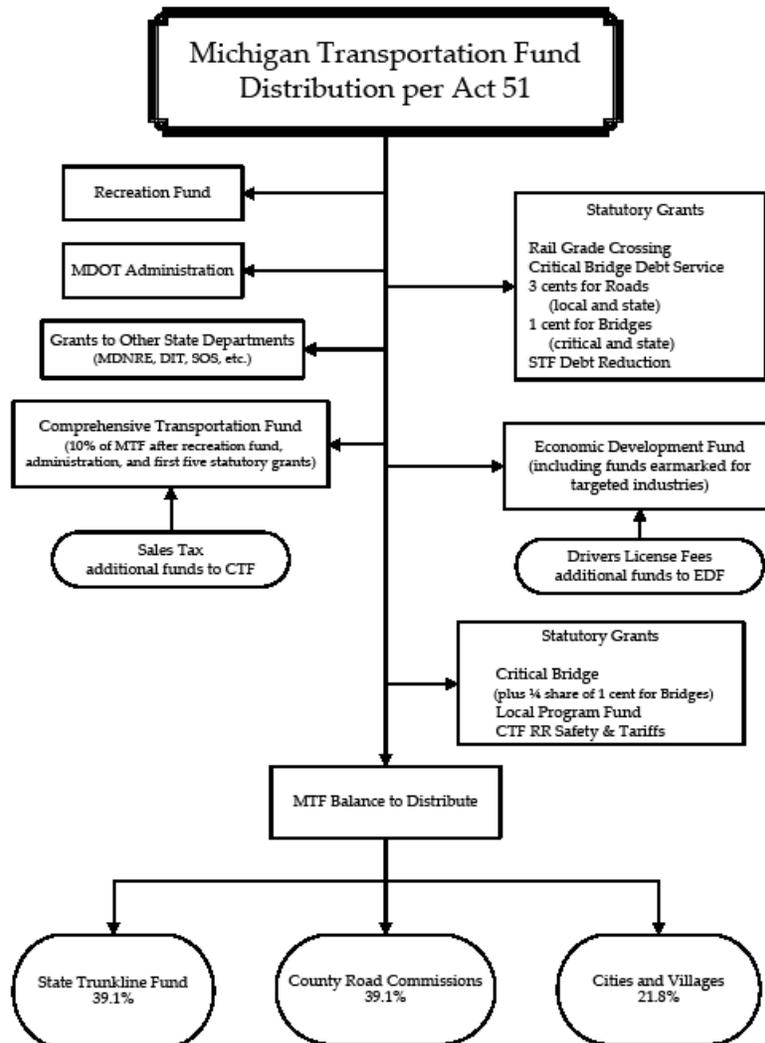
7.111 Michigan Transportation Fund (MTF)

Established by Public Act (PA) 51 of 1951, the MTF is the primary means of distributing state transportation revenue. The two main sources of MTF funding are state motor fuel taxes and state motor vehicle registration taxes. The state fuel and motor vehicle registration taxes are “state restricted” funds dedicated to funding transportation in Michigan. The Michigan transportation system receives no general fund/general purpose funds from the state.

Motor fuel and motor vehicle registration taxes are user fees imposed to pay for highways, bridges, and public transportation throughout the state. These taxes are used to maintain the existing transportation infrastructure, construction of new roads and bridges and public transportation programs. These taxes reflect the amount of use of Michigan’s transportation systems.

After miscellaneous transfers and deductions the remaining funds are distributed to MDOT (39.1%), Counties (39.1%), and cities and villages (21.8%). (See Figure 1). These are the amounts used for the remainder of this chapter.

Figure 1



Source: MDOT, Bureau of Transportation Planning

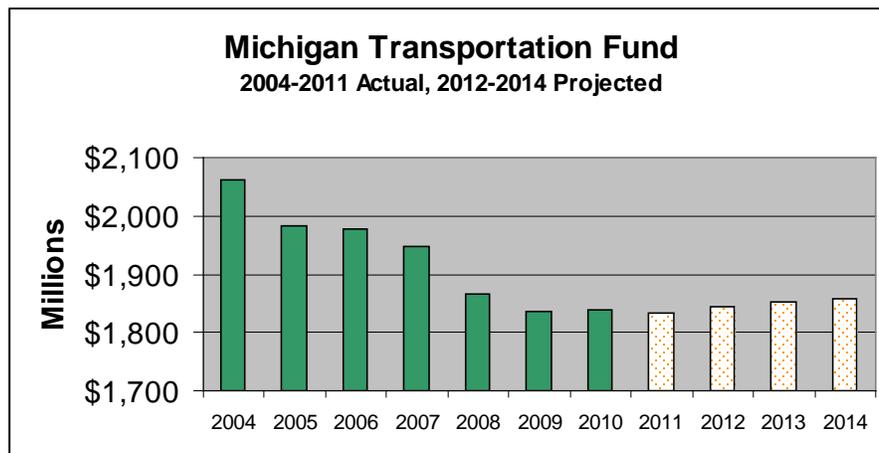
To a large extent the MTF revenues are dependent upon fuel receipts and vehicle registration revenues. With the changes in driving behavior and the declining state economy Michigan Transportation revenues have declined to funding levels that existed in the 1990's. In addition, costs for raw materials such as asphalt continue to rise. The governor appointed a Transportation Funding Task Force (TF2) in December 2007 to recommend revenue enhancements and efficiencies for the transportation system. While there is recognition from the legislature and the

transportation community that a revenue increase is needed, at the time of STIP development additional revenues have not been identified.

Figure 2 shows the historic trend as well as the effect of the revenue assumptions on future MTF growth. The decline in revenue will lead to a reduced program size in FY 2011-2014.

For current revenue estimation 2011 is the base year. Although there has been a decline over the past six years, current numbers show the decline has begun to bottom out. Accordingly, the MTF revenue estimate for FY 2012 to 2014 assumes a 0.4% increase per year.

Figure 2



Source: MDOT, Bureau of Transportation Planning, November 2011

As shown in Figure 2 the total MTF forecast for FY 2012-2014 will range from \$1.843 billion to \$1.856 billion. After the deductions required by Act 51, such as Transportation Economic Development and the Comprehensive Transportation Fund, the remaining funds are distributed to the state and local agencies by formula. The result of this distribution are shown in Figure 3. It is important to note that a large portion of these funds are used for agency operations and maintenance costs as discussed later in this chapter and therefore are not available for capital projects on the federal-aid eligible system.

Figure 3

MTF Forecast and Distribution between State and Local Jurisdictions per Year after Deductions (in millions of \$)				
Year	2011	2012	2013	2014
MTF Total	1,833.1	1,843.2	1,852.2	1,856.9
Deductions	131.2	132.4	134.5	136.9
Available for Distribution	1,701.9	1,710.8	1,717.6	1,720.0
Comprehensive Transportation Fund (CTF)	154.3	155.2	155.9	156.1
State	628.5	631.6	634.9	634.9
Local (Counties & Cities)	911.9	916.7	920.5	921.8
Transportation Economic Development Fund (TEDF)	40.3	40.3	40.3	40.3

Source: Michigan Transportation Fund Long Range Revenue Model, Alt 377, May 23, 2011

7.112 Federal-aid Highway Program

Federal aid for highways has been an ongoing program in the United States since the Federal-Aid Road Act of 1916. Subsequent legislation led to the creation of the Interstate System, which has contributed to the economic vitality of the nation. Current federal legislation focuses on safety, improving traffic flow, and maintaining the system that is already in place.

Federal funding for improvements to the surface transportation system is largely derived from excise taxes levied on the sale of motor fuel, large trucks and trailers, truck tires, and the use of heavy vehicles. Revenue from these federal excise taxes is collected in the Highway Trust Fund (HTF). The largest sources of HTF revenue come from the federal gasoline tax and the federal diesel tax.

Funds collected in the HTF are distributed to federal programs and to the states by formulas established in the authorizing legislation. These funds are apportioned to specific funding categories established by Congress to facilitate national goals and priorities. The funding categories include Interstate Maintenance, National Highway System, Bridge, Surface Transportation Program, Highway Safety Improvement, Congestion Mitigation and Air Quality, as well as several other smaller sources. Additional funds are distributed to states by Congressional earmark and through discretionary programs administered by FHWA.

For STIP revenue estimation, MDOT analyzes and estimates FHWA formula funds by total federal-aid apportionment. During SAFETEA-LU the growth rate for formula apportionments to Michigan was 3.2%. Our base year will be the last year of known value (2011). Due to the national economic downturn, the lack of a federal transportation authorization beyond fiscal year 2009, and structural problems with the Highway Trust Fund, MDOT and the MPOs have agreed to be very conservative when estimating revenues for the 2011-2014 STIP.

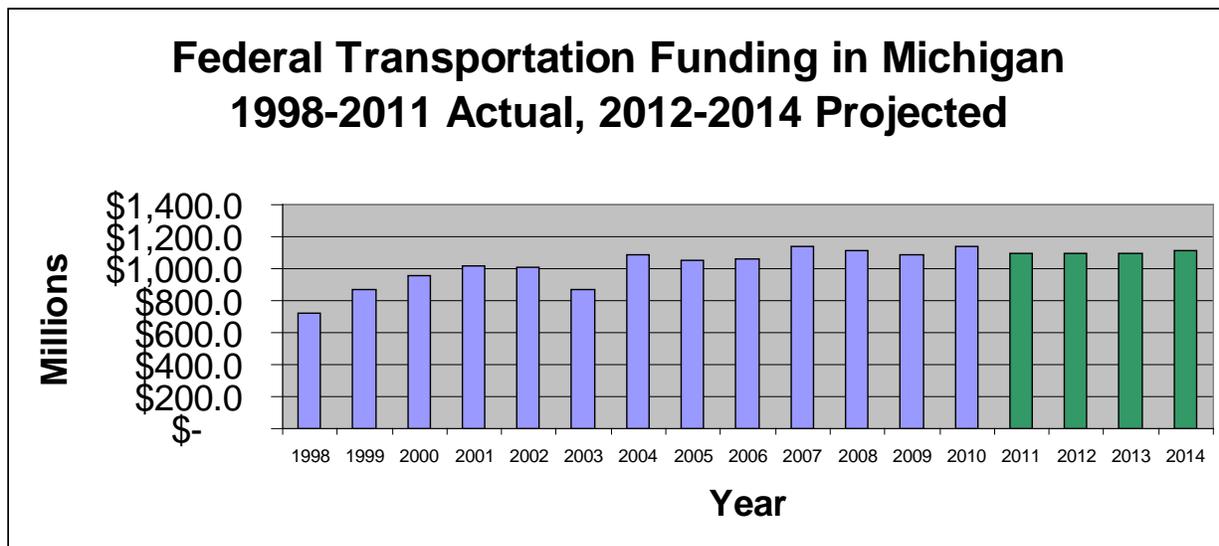
In March, 2010 Congress passed the Hiring Incentives to Restore Employment Act. This

legislation only extends the surface transportation programs through December 31, 2010.

Without a full reauthorization package on the horizon, uncertainty remains over what the next five to six years hold for transportation funding. With the realization that it took nearly two years for SAFETEA-LU to get passed after the expiration of the previous reauthorization, MDOT and the MPOs agreed to hold federal revenues flat for 2012 and 2013. For the last two years (2013 and 2014), a new federal authorization is assumed and forecast growth at 2.0%. Additionally MDOT estimates that the state will be allocated congressional earmarks and discretionary programs in amounts equal to a ten year average of funds received by these means.

Figure 4 shows the past trends (excluding American Recovery and Reinvestment Act funds) and the estimated future federal-aid. Under the assumptions made, the total apportioned, earmarks, discretionary funds will range from \$1.1 to \$1.2 billion.

Figure 4



Source: MDOT, Bureau of Transportation Planning, November 2011

Under Michigan law, 25 percent of the state's Federal-aid Highway Program is allocated to local programs and the remaining 75 percent to MDOT programs. Congestion Mitigation and Air Quality (CMAQ), federal bridge, transportation enhancement, discretionary, and congressionally designated funds (earmarks) are excluded from the calculation of the 25 percent local share. The results of this distribution are shown in Figure 5.

Figure 5

Summary of Federal-Aid Highway Revenue Forecast by Year with State and Local Distribution (in millions of \$)				
Year	2011	2012	2013	2014
Apportionment	1,092.6	1,092.6	1,092.6	1,114.5
Earmarks and Allocations	8.7	10.0	10.0	10.0
Total Federal-aid	1,100.3	1,102.6	1,102.6	1,124.5
State Share	825.8	827.1	827.1	843.5
Local Share	275.5	275.5	275.5	281.0

Source: MDOT, Bureau of Transportation Planning, November 2011

7.113 Bonds

Bonding for highway and bridge projects has been a financing tool used by the Michigan Department of Transportation for the majority of its existence, starting in 1919. Bonding has been used to close financing gaps and to accelerate project delivery. Earlier project completion, improved system conditions, and economic benefits from transportation infrastructure have been viewed as positive offsets to increased debt service costs.

As part of the FY 2011 MDOT budget agreement \$40 million dollars of bonds will be sold to finance transportation projects.

7.1131 Toll Credits

In 2012, Michigan is planning to use \$50 million dollars in Toll Credits on highway projects. Toll Credits may be used as credit toward the non-Federal matching share, allowing the Federal share of a project to be increased up to 100% of the project cost. MDOT tracks toll credits as they are earned and used.

MDOT received CPA “Agreed Upon Procedures” reports from the Detroit International Bridge Company – Ambassador Bridge (DIBC) which allowed MDOT to request and receive FHWA approval of \$50 million of Toll Credits. These reports documented the amount of capital expenditures made by DIBC on the United States side of the bridge during years which Michigan met the Maintenance of Effort requirement to be eligible to earn Toll Credits.

7.114 Private, Local, and Other Sources

As funds from public sources become more scarce, states, including Michigan, are looking to partner with the private companies to help fund infrastructure programs. Although there are no current projects in the current STIP that rely on private funding, it is a mechanism that is becoming more prevalent and as projects are identified they will be added into the STIP.

Local units of government have funds at their disposal based on their various local policies and millages. Transportation funding provided by local units of governments varies from one municipality to another. Also local MTF revenues can be used for more than just matching federal aid projects, therefore as long as local matching funds do not exceed MTF distributions we assume that the funds needed to match federal aid will be made available.

MDOT receives additional “miscellaneous” revenues from sources such as license and permits fees and tolls from the Blue Water Bridge in Port Huron. MDOT currently estimates this amount at \$44.4 million dollars.

7.115 Highway Operations and Routine Maintenance

A key strategy in delivering products and services to meet our customers’ most important needs is to focus the organization on protecting and optimizing the efficiency of the existing system. This strategy has resulted in the commitment during the four year period of sufficient resources to operate and maintain the existing system and use the remaining funds for capital improvements.

Requirements in federal law and regulation (23 CFR 450.216 {m}) reinforce this policy: “Financial constraint of the STIP shall be demonstrated and maintained by year and shall include sufficient financial information to demonstrate which projects are to be implemented using current and/or reasonably available revenues, while federally-supported facilities are being adequately operated and maintained...For purposes of transportation operations and maintenance, the STIP shall include financial information containing system-level estimates of costs and revenue sources that are reasonably expected to be available to adequately operate and maintain Federal-aid highways.” (also see 23 CFR 450.324{i}).

Examples of routine maintenance include snow and ice removal, pothole patching, unplugging drain facilities, replacing damaged signs and pavement markings, replacing damaged guardrails, repairing storm damage, repair or operation of traffic signs and signal systems, emergency environmental cleanup, emergency repairs, emergency management of road closures that result from uncontrollable events, cleaning streets and associated drainage, mowing roadsides, control of roadside brush and vegetation, cleaning roadside, repairing lighting and grading.

Agencies must first operate and maintain (O&M) the existing transportation system so these estimated costs are deducted from the revenue estimates. Federal funds cannot be used for O&M expenses. After O&M deductions, the remaining funds are available for capital improvements. Figure 6 shows the proposed MDOT expenditures for O&M by year and the state MTF available for capital improvements after such deductions.

Figure 6

MDOT Highway Operations and Routine Maintenance Funding					
	2011	2012	2013	2014	Total
STF Distribution	\$628.5	\$631.6	\$634.9	\$634.9	\$2,529.9
Operations¹	\$277.9	\$299.6	\$328.1	\$331.0	\$1,236.6
Maintenance²	\$274.7	\$267.0	\$267.0	\$268.3	\$1,077.0
Funds Remaining for Capital Uses	\$75.9	\$65.0	\$39.8	\$35.6	\$216.3
1) Includes administration, buildings/facilities, grants to other departments and debt service. Operations reductions were achieved through going to an indirect rate on projects starting in FY 2011. 2) FY 2012 Based on MDOT Budget Agreement. 2013 based on estimated investment needs, increased 0.5% per FY for 2014.					

Source: Forecasted STF Revenue Available for Capital Outlay, MDOT FOD, November 11, 2011

7.116 Highway Revenue Summary

Figure 7 summarizes the combined state and local highway program revenue estimate for the FY 2011 to 2014 STIP. The amounts are taken directly from the various estimates documented earlier and are used directly in the first line of the statewide fiscal constraint table (Figure 12) presented at the end of this chapter. The MTF amounts reflect the reductions for Operating and Maintenance to show the amounts available for capital investment.

Revenue for locally funded projects that are not regionally significant as defined in 23 CFR 450 is not included in this table and is not part of the fiscal constraint demonstration. Locally funded projects that are not regionally significant are listed in a separate section of individual TIPs for information.

Figure 7

Summary of Statewide STIP Revenue Estimate For State and Local Highway Programs By Fiscal Year (in millions of \$)

Fiscal Year	Federal Revenue	Non-Federal Revenue				Total Revenue
		MTF * (Available for Capital)	Bonds	Private, Local, & Other	Non-Federal Total	
2011	1,101.3	185.0	0	44.4	229.4	1,330.7
2012	1,102.6	187.4	40.0	44.4	271.8	1,374.4
2013	1,102.6	159.8	0	44.4	204.2	1,306.8
2014	1,124.5	155.6	0	44.4	200.0	1,324.5
Total	4,431.0	687.8	40.0	177.6	905.4	5,336.4

*Includes MDOT revenue available for the capital program as well matching funds provided by local governments in the E-file. FY 2011 = \$109.1 M, FY 2012 = \$122.4 MI, FY 2013 and FY 2014 = \$120M for local federal aid matching funds based on an average of historic match amounts.

Source: See Figures 1-6 (Figure 7 summarizes Figures 1-6)

7.12 Transit Program

For the major transit funding sources this chapter will describe the source, provide the revenue estimation methodology, and the distribution between state and local programs.

The major funding sources for the transit program in Michigan are:

1. Comprehensive Transportation Fund (CTF)
2. Federal transit funding

7.121 Comprehensive Transportation Fund

The CTF receives funds from several sources, the Michigan Transportation Fund (MTF) providing the greatest amount. Article IX, Section 9 of the Michigan Constitution requires that motor fuel taxes and vehicle license and registration fees, less collection expense, be used for transportation purposes. The Constitution also provides that not more than 10 percent of motor fuel taxes and vehicle registration fees may be used for public transportation programs. Act 51 provides that 10 percent of MTF revenues, after deductions for administration, debt service, and other statutory earmarks, be allocated to the CTF. The allocation to the CTF after the deductions is slightly over eight percent.

The other major revenue source for the CTF is motor vehicle related sales tax revenue. The Constitution provides that not more than 25 percent of the state general sales tax on motor vehicle related products shall be used for comprehensive transportation purposes.

The CTF as shown in Figure 8 is projected to remaining largely flat. This is based on the recent history of stabilization after declining for several years.

Figure 8

Summary of the Comprehensive Transportation Fund (CTF)					
2011-2014 (millions)					
	2011	2012	2013	2014	Total
Comprehensive Transportation Fund (CTF)	\$157.1	\$158.4	\$160.2	\$162.7	\$638.4

Source: Michigan Transportation Fund Long Range Revenue Model, Alt 371, June 1, 2009

7.122 Federal Transit Funding

Federal transit and intercity bus funding is provided under SAFETEA-LU, building on the foundation established by two previous surface transportation authorization laws, the Intermodal Surface Transportation Efficiency Act (ISTEA) and the Transportation Equity Act for the 21st Century (TEA-21). It provides guaranteed annual increases for all transit programs through the use of discretionary spending offsets and language similar to that included in TEA-21. The federal transit program is funded from both the general fund of the US Treasury and a trust fund account called the Mass Transit Account of the Highway Trust Fund. The Mass Transit Account is supported by a dedicated source of revenue – currently 2.86 percent of the 18.4 cents per gallon excise tax on gasoline. SAFETEA-LU continues the use of 18 percent federal general funds and 82 percent federal trust funds from the Mass Transit Account. The transit program

structure remains largely the same, making some changes to existing programs and adding new ones.

Federal transit funds have been increasing over the life of SAFETEA-LU. However, since no bill is in place revenues are being held flat at 2009 levels for the first two years and then increasing by the historic growth rate of 4% for 2013 and 2014 (Figure 9).

Figure 9

Summary of 2011-2014 Federal Transit Revenues For Allocated Programs (millions)					
	2011	2012	2013	2014	Total
Section 5307	\$82.8	\$82.8	\$86.1	\$89.5	\$341.2
Section 5309	\$39.7	\$39.7	\$41.3	\$42.9	\$163.6
Section 5310	\$4.5	\$4.5	\$4.6	\$4.8	\$18.4
Section 5311	\$17.2	\$17.2	\$17.9	\$18.6	\$70.9
Section 5316	\$5.3	\$5.3	\$5.5	\$5.7	\$21.8
Section 5317	\$3.4	\$3.4	\$3.5	\$3.7	\$14.0
Total	\$152.9	\$152.9	\$158.9	\$165.2	\$629.9

Source: MDOT Multi-Modal Transportation, July 2010

7.123 Public Transportation Operations And Maintenance

MDOT and the related Public Transportation Agencies are dedicated to funding the continued operations and maintenance of the existing public transportation system. Many issues continue to make this a challenge across the state with some areas more successful than others. The issues include the need to continue to increase local transit revenues to cover the costs of operations and maintenance and how operations need to adjust to the expanding need of the population being served.

7.124 Transit Revenue Summary

- MDOT projects both CTF and federal revenues totaling nearly \$1.3 billion for the STIP timeframe.
- The federal portion of the forecast assumes that new federal legislation is not in place at the time of the federal revenue estimate development and we will operate under continuing resolutions or temporary legislation.

- Assumes that state revenue will continue to come from the sources that exist today and that there are no increases in the amounts or methodology of fees imposed.
- The state portion of the forecast assumes that Public Act 51 of 1951 will remain in place. The Comprehensive Transportation Fund provides funding for transit operations and maintenance, other transit projects

7.2 Year of Expenditure

The process for estimating year of expenditure project construction costs for the STIP were developed by MDOT in consultation with and concurrence from the MPOs through the MPO organization, the Michigan Transportation Planning Association. MDOT uses the national 1987 - current Producer Price Index for Highway and Street Construction, as well as its own records of construction costs to develop cost growth factors for the MDOT regions. Some local entities discussed using sources such as the Engineering News Record to develop their own growth factors. Although rates may vary by year, history has shown that they have been close to the actual increase in the construction price index. The current year of expenditure factor being used is five (5) percent.

7.3 Advance Construction

Definition of Advance Construction (AC): Advance construction is an innovative highway financing technique which allows a state or local agency to initiate a project using non-federal funds while preserving eligibility for future federal-aid. Eligibility means that FHWA has determined that the project listed in the STIP technically qualifies for federal-aid; however, no present or future federal funds are committed to the project. After an advance construction project is authorized, it may be converted to regular federal-aid funding provided federal funds are available. The decision to convert has the following impacts:

- The amount of federal-aid used for conversion is not available to initiate new federal-aid projects.
- Funds converted are available for use by the state without the federal rules that controlled their use the first time. They can be used to start new federal AC projects or used as state dollars for other purposes

The decision to use AC impacts how projects are listed in the STIP; how available federal-aid is split between regular projects and AC conversions; and how the program is maintained at a consistent level. While AC provides funding flexibility, the state assumes some risk should the Federal-aid Highway Program fail to be authorized in future years.

Use in Michigan: Local agencies using AC list such projects in the STIP at the time of the initial authorization using non-federal funds and again at the time of conversion showing the federal portion. An AC project can be fully converted in one action or partially converted over time as federal-aid becomes available. MDOT lists all AC projects in the STIP as AC at the time

of initial authorization using non-federal funds. The AC conversion process for MDOT projects varies by project type. A few AC projects are listed again at the point(s) of conversion; however, the majority are converted through a lump sum approach that aggregates the AC conversions expected during the year without a second project-by-project listing. The aggregated AC conversion amount is deducted from the state's share of the federal-aid, splitting the revenue available to start regular federal-aid projects. The details of how MDOT uses AC and the impact on the STIP are provided in Appendix J.

7.4 Financial Constraint

Financial constraint is a comparison of total new resources, or estimated revenue, with total new commitments, or estimated costs. The financial analysis is a planning tool that provides a benchmark or frame of reference for delivering the transportation program; it is not an accounting tool. The major objectives of financial constraint are to:

- Maintain the program within estimated available revenues
- Be consistent with all applicable laws and regulations
- Be simple and easy to understand
- Be consistent with MDOT business practices

It is also desirable to maintain flexibility for the MPOs by establishing requirements for demonstrating financial constraint but enabling the MPOs to elaborate as desired. While all agencies must report constraint using the same template (in order to facilitate the roll up of the data for the statewide constraint demonstration), the MPOs may modify the content and/or presentation of this information for local purposes.

This financial plan was developed using the federal, state and local revenue information described in this chapter. The estimated costs are accumulated from the e-STIP project listing and project grouping listings for all components of the STIP including the metropolitan TIP's which are incorporated into this document by reference.

Basic elements of the demonstration of financial constraint are as follows:

- Financial constraint in this document is demonstrated using four tables: two tables for the rural, or non-MPO, program (Figures 10 and 11 for highway and transit, respectively) and two tables for the total statewide program (Figures 12 and 13) which combines rural/non-MPO financial data with all the MPO TIPs financial data. Individual MPO financial constraint tables are included in each MPO's TIP and each must demonstrate constraint.
- Estimated revenue and proposed commitments are reported by Michigan's fiscal year and covers the period beginning October 1, 2010 and ending September 30, 2014. Fiscal Year 2011 begins on October 1, 2010.
- On the financial constraint tables, *Estimated Federal Revenue* shows the estimated

federal-aid resources. *Estimated Non-Federal Revenue* includes all state and local matching funds other than federal-aid. *Total Estimated Revenue* is the total of federal and non-federal revenue. *Total Proposed Commitments* is the total estimated cost of the proposed state and local projects listed in the STIP and associated TIPs for that revenue source for the fiscal year.

- Total proposed commitments cannot exceed total estimated federal, state and local revenue each fiscal year for each MPO's TIP, for the rural/non-MPO program contained in this document as well as the collective statewide STIP.
- Converted advance construct funds are subtracted from the estimated federal funds available and included as a resource to the State Trunkline Fund.
- The highway and transit portions are constrained separately.

Figures 12 and 13 demonstrate financial constraint for the entire highway and transit programs which includes both rural (non-MPO) and MPO programs in their entirety. All MPO tables from the TIPs and the rural/non-MPO table from this document are combined for an overall view of the entire program. Total new resources are equal to or more than total new commitments for each of the four fiscal years.

Overall, the financial information in this plan demonstrates that there are sufficient dollars available each fiscal year to deliver the proposed programs and projects contained in this report and the individual MPO TIPs. The financing of the plan is fundamentally sound and is based on the best information currently available.

Figure 10

**FY 2011 HIGHWAY
RURAL (NON-MPO) FISCAL CONSTRAINT**

	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
MDOT Advance Construction & 'M' Program		\$107.4	\$107.4	\$107.4
MDOT Federal-aid Program	\$178.2	\$33.9	\$212.1	\$212.1
Sub-Total MDOT	\$178.2	\$141.3	\$319.5	\$319.5
Local STP	\$35.1	\$16.8	\$51.9	\$51.9
Local Bridge	\$6.5	\$5.7	\$12.2	\$12.2
Local CMAQ	\$1.3	\$2	\$1.5	\$1.5
Local Safety	\$5.6	\$1.2	\$6.8	\$6.8
Local Equity Bonus (TEDF)	\$2	\$1	\$3	\$3
Local Other FHWA	\$15.0	\$6	\$15.6	\$15.6
Local Advance Construction Starts		\$8.6	\$8.6	\$8.6
Local Non-Federal		\$9.2	\$9.2	\$9.2
Sub-Total Local	\$63.7	\$42.4	\$106.1	\$106.1
HIGHWAY TOTAL	\$241.9	\$183.7	\$425.6	\$425.6

Notes:

Estimated federal revenue is apportionment (not obligation authority) for all phases for each trunkline & local project.

Estimated non-federal revenue includes state & local match & other funds for all phases for each trunkline & local project.

Figure 10 (cont.)

**FY 2012 HIGHWAY
RURAL (NON-MPO) FISCAL CONSTRAINT**

	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
MDOT Advance Construction & 'M' Program		\$47.29	\$47.29	\$47.29
MDOT Federal-aid Program	\$215.76	\$17.42	233.18	233.18
Sub-Total MDOT	\$215.76	\$64.71	\$280.47	\$280.47
Local STP	\$47.69	\$22.60	\$70.29	\$70.29
Local Bridge	\$15.63	\$6.48	\$22.11	\$22.11
Local CMAQ	\$.48	\$.13	\$.61	\$.61
Local Safety				
Local Equity Bonus (TEDF)	\$.03	\$.01	\$.04	\$.04
Local Other FHWA	\$9.02	\$1.90	\$10.92	\$10.92
Local Advance Construction Starts				
Local Non-Federal		\$5.56	\$5.56	\$5.56
Sub-Total Local	\$72.85	\$36.68	\$109.53	109.53
HIGHWAY TOTAL	\$288.61	\$101.39	\$390.00	\$390.00

Notes:

Estimated federal revenue is apportionment (not obligation authority) for all phases for each trunkline & local project.

Estimated non-federal revenue includes state & local match & other funds for all phases for each trunkline & local project.

Figure 10 (cont.)

**FY 2013 HIGHWAY
RURAL (NON-MPO) FISCAL CONSTRAINT**

	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
MDOT Advance Construction & 'M' Program		\$41.42	\$41.42	\$41.42
MDOT Federal-aid Program	\$5.15	\$1.07	\$6.22	\$6.22
Sub-Total MDOT	\$5.15	\$42.49	\$47.64	\$47.64
Local STP	\$0.09		\$0.09	\$0.09
Local Bridge				
Local CMAQ				
Local Safety				
Local Equity Bonus (TEDF)				
Local Other FHWA	\$1.09		\$1.09	\$1.09
Local Advance Construction Starts		\$4.47	\$4.47	\$4.47
Local Non-Federal				
Sub-Total Local	\$1.18	\$4.47	\$5.65	\$5.65
HIGHWAY TOTAL	\$6.33	\$46.96	\$53.29	\$53.29

Notes:

Estimated federal revenue is apportionment (not obligation authority) for all phases for each trunkline & local project.

Estimated non-federal revenue includes state & local match & other funds for all phases for each trunkline & local project.

Figure 10 (cont.)

**FY 2014 HIGHWAY
RURAL (NON-MPO) FISCAL CONSTRAINT**

	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
MDOT Advance Construction & 'M' Program		\$40.36	\$40.36	\$40.36
MDOT Federal-aid Program	\$5.55	\$1.19	\$6.74	\$6.74
Sub-Total MDOT	\$5.55	\$41.55	\$47.10	\$47.10
Local STP				
Local Bridge				
Local CMAQ				
Local Safety				
Local Equity Bonus (TEDF)				
Local Other FHWA				
Local Advance Construction Starts				
Local Non-Federal				
Sub-Total Local				
HIGHWAY TOTAL	\$5.55	\$41.55	\$47.10	\$47.10

Notes:

Estimated federal revenue is apportionment (not obligation authority) for all phases for each trunkline & local project.

Estimated non-federal revenue includes state & local match & other funds for all phases for each trunkline & local project.

Figure 11
**FY 2011 TRANSIT
RURAL (NON-MPO) FISCAL CONSTRAINT**

	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
Section 3038 Over the Road Bus Program				
Section 3045 National Fuel Cell Technology Development				
Section 5303 Metropolitan Transp. Planning				
Section 5304 Statewide Transp. Planning				
Section 5305 Metropolitan & Statewide Planning				
Section 5307 UZA Formula				Not applicable
Section 5308 Clean Fuels Program				
Section 5309 Capital Bus and Capital New Starts	\$7.46	\$4.71	\$12.17	\$12.17
Section 5310 Elderly & Disabled	\$1.0	\$1.27	\$2.27	\$2.27
Section 5311 Non-UZA	\$17.05	\$69.52	\$86.57	\$86.57
Section 5313 Transit Cooperative Research				
Section 5314 National Research & Technology				
Section 5316 Job Access/Reverse Commute	\$1.02	\$1.02	\$2.04	\$2.04
Section 5317 New Freedom Initiative	\$0.69	\$0.69	\$1.38	\$1.38
Section 5320 Alternative Transp. in Parks & Public Lands				
Section 5339 Alternative Analysis				
Section 5505 University Transportation Centers Program				
TRANSIT TOTAL	\$27.22	\$77.21	\$104.43	\$104.43

Figure 11 (cont.)
**FY 2012 TRANSIT
RURAL (NON-MPO) FISCAL CONSTRAINT**

	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
Section 3038 Over the Road Bus Program				
Section 3045 National Fuel Cell Technology Development				
Section 5303 Metropolitan Transp. Planning				
Section 5304 Statewide Transp. Planning	\$.64	\$.16	\$.80	\$.80
Section 5305 Metropolitan & Statewide Planning				
Section 5307 UZA Formula				Not applicable
Section 5308 Clean Fuels Program				
Section 5309 Capital Bus and Capital New Starts	\$6.53	\$9.79	\$16.32	\$16.32
Section 5310 Elderly & Disabled	\$1.50	\$.38	\$1.88	\$1.88
Section 5311 Non-UZA	\$18.44	\$71.59	\$90.03	\$90.03
Section 5313 Transit Cooperative Research				
Section 5314 National Research & Technology				
Section 5316 Job Access/Reverse Commute	\$1.05	\$.85	\$1.90	\$1.90
Section 5317 New Freedom Initiative	\$.30	\$.22	\$0.52	\$.52
Section 5320 Alternative Transp. in Parks & Public Lands				
Section 5339 Alternative Analysis				
Section 5505 University Transportation Centers Program				
TRANSIT TOTAL	\$28.46	\$82.99	\$111.45	\$111.45

Figure 11 (cont.)
**FY 2013 TRANSIT
RURAL (NON-MPO) FISCAL CONSTRAINT**

	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
Section 3038 Over the Road Bus Program				
Section 3045 National Fuel Cell Technology Development				
Section 5303 Metropolitan Transp. Planning				
Section 5304 Statewide Transp. Planning				
Section 5305 Metropolitan & Statewide Planning				
Section 5307 UZA Formula				Not applicable
Section 5308 Clean Fuels Program				
Section 5309 Capital Bus and Capital New Starts				
Section 5310 Elderly & Disabled				
Section 5311 Non-UZA				
Section 5313 Transit Cooperative Research				
Section 5314 National Research & Technology				
Section 5316 Job Access/Reverse Commute				
Section 5317 New Freedom Initiative				
Section 5320 Alternative Transp. in Parks & Public Lands				
Section 5339 Alternative Analysis				
Section 5505 University Transportation Centers Program				
TRANSIT TOTAL				

Figure 11 (cont.)
**FY 2014 TRANSIT
 RURAL (NON-MPO) FISCAL CONSTRAINT**

	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
Section 3038 Over the Road Bus Program				
Section 3045 National Fuel Cell Technology Development				
Section 5303 Metropolitan Transp. Planning				
Section 5304 Statewide Transp. Planning				
Section 5305 Metropolitan & Statewide Planning				
Section 5307 UZA Formula				Not applicable
Section 5308 Clean Fuels Program				
Section 5309 Capital Bus and Capital New Starts				
Section 5310 Elderly & Disabled				
Section 5311 Non-UZA				
Section 5313 Transit Cooperative Research				
Section 5314 National Research & Technology				
Section 5316 Job Access/Reverse Commute				
Section 5317 New Freedom Initiative				
Section 5320 Alternative Transp. in Parks & Public Lands				
Section 5339 Alternative Analysis				
Section 5505 University Transportation Centers Program				
TRANSIT TOTAL				

Figure 12

**FY 2011 HIGHWAY
 STATEWIDE FISCAL CONSTRAINT**

HIGHWAY	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
Revenue Available	\$1,228.98	\$429.05	\$1,658.03	\$1,608.25
Reductions for AC Conversions				
GANS Debt Service	(\$45.80)		(\$45.80)	
Prior Year Advance Construction Conversions	(\$273.60)	\$273.60		
Same Year Advance Construction Conversions	(\$259.89)	\$259.89		
Net Revenue Available	\$649.69	\$962.54	\$1,612.23	\$1,608.25
Advance Construction and 100% State Program		\$524.03	524.03	\$524.03
Highway Federal Aid Program Total	\$649.69	438.51	1,088.20	\$1,084.22

Advance Construction amount includes same year and multi-year conversions for projects over three million dollars.

Figure 12 (cont.)

**FY 2012 HIGHWAY
 STATEWIDE FISCAL CONSTRAINT**

HIGHWAY	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
Revenue Available	\$1,105.28	\$308.80	\$1,414.08	\$1,342.62
Reductions for AC Conversions				
GANS Debt Service	(\$45.8)		(\$45.8)	
Prior Year Advance Construction Conversions	(\$273.6)	\$273.6		
Same Year Advance Construction Conversions	(\$145.6)	\$145.6		
Net Revenue Available	\$640.28	\$728.00	\$1,368.28	\$1,342.62
Advance Construction and 100% State Program		\$222.47	\$222.47	\$222.47
Highway Federal Aid Program Total	\$640.28	\$505.53	\$1,145.81	\$1,120.15

Advance Construction amount includes same year and multi-year conversions for projects over three million dollars.

Figure 12 (cont.)

**FY 2013 HIGHWAY
STATEWIDE FISCAL CONSTRAINT**

HIGHWAY	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
Revenue Available	\$1,092.6	\$204.2	\$1,296.8	\$900.75
Reductions for AC Conversions				
GANS Debt Service	(\$45.8)		(\$45.8)	
Prior Year Advance Construction Conversions	(\$273.6)	\$273.6		
Same Year Advance Construction Conversions	(\$145.6)	\$145.6		
Net Revenue Available	\$627.6	\$623.4	\$1,251.0	\$900.75
Advance Construction and 100% State Program		\$322.35	\$322.35	\$322.35
Highway Federal Aid Program Total	\$627.60	\$301.05	\$928.65	\$578.40

Advance Construction amount includes same year and multi-year conversions for projects over three million dollars.

Figure 12 (cont.)

**FY 2014 HIGHWAY
STATEWIDE FISCAL CONSTRAINT**

HIGHWAY	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
Revenue Available	\$1,114.5	\$200.0	\$1,314.5	\$330.55
Reductions for AC Conversions				
GANS Debt Service	(\$45.8)		(\$45.8)	
Prior Year Advance Construction Conversions	(\$273.6)	\$273.6		
Same Year Advance Construction Conversions	(\$145.6)	\$145.6		
Net Revenue Available	\$649.5	\$619.2	\$1,268.7	\$1,268.7
Advance Construction and 100% State Program		\$90.27	\$90.27	\$90.27
Highway Federal Aid Program Total	\$649.5	\$528.93	\$1,178.43	\$240.28

Advance Construction amount includes same year and multi-year conversions for projects over three million dollars.

Figure 13
**FY 2011 TRANSIT
STATEWIDE FISCAL CONSTRAINT**

TRANSIT	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
CTF – Comprehensive Transit Fund		\$.15	\$.15	\$.15
Section 3038 Over the Road Bus Program				
Section 3045 National Fuel Cell Technology Development				
Section 5303 Metropolitan Transp. Planning				
Section 5304 Statewide Transp. Planning	\$.15	\$.03	\$.18	\$.18
Section 5305 Metropolitan & Statewide Planning				
Section 5307 UZA Formula	\$107.85	\$90.18	\$198.03	\$198.03
Section 5308 Clean Fuels Program	\$1.50	\$.20	\$1.70	\$1.70
Section 5309 Capital Bus and Capital New Starts	\$51.18	\$15.07	\$66.25	\$66.25
Section 5310 Elderly & Disabled	\$8.25	\$2.89	\$11.14	\$11.14
Section 5311 Non-UZA	\$20.21	\$82.38	\$102.59	\$102.59
Section 5313 Transit Cooperative Research				
Section 5314 National Research & Technology				
Section 5316 Job Access/Reverse Commute	\$6.62	\$4.36	\$10.98	\$10.98
Section 5317 New Freedom Initiative	\$4.40	\$2.28	\$6.68	\$6.68
Section 5320 Alternative Transp. in Parks & Public Lands				
Section 5339 Alternative Analysis	\$2.50	\$.63	\$3.13	\$3.13
Section 5505 University Transportation Centers Program				
ARRA – Transit Other	\$5.03		\$5.03	\$5.03
Transit Total	\$207.69	\$198.17	\$405.86	\$405.86

Notes:

Estimated federal revenue also includes carryover amounts provided by FTA as of September 2010.

Figure 13 (cont.)
FY 2012 TRANSIT
STATEWIDE FISCAL CONSTRAINT

TRANSIT	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
CTF – Comprehensive Transit Fund		\$.67	\$.67	\$.67
Section 3038 Over the Road Bus Program				
Section 3045 National Fuel Cell Technology Development				
Section 5303 Metropolitan Transp. Planning				
Section 5304 Statewide Transp. Planning	\$.64	\$.16	\$.80	\$.80
Section 5305 Metropolitan & Statewide Planning				
Section 5307 UZA Formula	\$83.42	\$95.75	\$179.17	\$179.17
Section 5308 Clean Fuels Program	\$.89	\$.10	\$.99	\$.99
Section 5309 Capital Bus and Capital New Starts	\$19.14	\$12.95	\$32.09	\$32.09
Section 5310 Elderly & Disabled	\$8.52	\$2.13	\$10.65	\$10.65
Section 5311 Non-UZA	\$20.81	\$83.64	\$104.45	\$104.45
Section 5313 Transit Cooperative Research				
Section 5314 National Research & Technology				
Section 5316 Job Access/Reverse Commute	\$5.25	\$3.30	\$8.55	\$8.55
Section 5317 New Freedom Initiative	\$2.84	\$1.19	\$4.03	\$4.03
Section 5320 Alternative Transp. in Parks & Public Lands				
Section 5339 Alternative Analysis	\$.60	\$.15	\$.75	\$.75
Section 5505 University Transportation Centers Program				
ARRA – Transit Other				
Transit Total	\$142.11	\$200.04	\$342.15	\$342.15

Figure 13 (cont.)
FY 2013 TRANSIT
STATEWIDE FISCAL CONSTRAINT

TRANSIT	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
CTF – Comprehensive Transit Fund		\$.21	\$.21	\$.21
Section 3038 Over the Road Bus Program				
Section 3045 National Fuel Cell Technology Development				
Section 5303 Metropolitan Transp. Planning				
Section 5304 Statewide Transp. Planning				
Section 5305 Metropolitan & Statewide Planning				
Section 5307 UZA Formula	\$71.67	\$94.95	\$166.62	\$166.62
Section 5308 Clean Fuels Program				
Section 5309 Capital Bus and Capital New Starts	\$7.35	\$1.74	\$9.09	\$9.09
Section 5310 Elderly & Disabled	\$.68	\$0.17	\$.85	\$0.85
Section 5311 Non-UZA	\$2.42	\$12.61	\$15.03	\$15.03
Section 5313 Transit Cooperative Research				
Section 5314 National Research & Technology				
Section 5316 Job Access/Reverse Commute	\$2.44	\$1.15	\$3.59	\$3.59
Section 5317 New Freedom Initiative	\$1.57	\$.60	\$2.17	\$2.17
Section 5320 Alternative Transp. in Parks & Public Lands				
Section 5339 Alternative Analysis				
Section 5505 University Transportation Centers Program				
ARRA – Transit Other				
Transit Total	\$86.13	\$111.43	\$197.56	\$197.56

Figure 13 (cont.)
FY 2014 TRANSIT
STATEWIDE FISCAL CONSTRAINT

TRANSIT	Estimated Federal Revenue	Estimated Non-Federal Revenue	Total Estimated Revenue	Total Proposed Commitments
CTF – Comprehensive Transit Fund		\$.21	\$.21	\$.21
Section 3038 Over the Road Bus Program				
Section 3045 National Fuel Cell Technology Development				
Section 5303 Metropolitan Transp. Planning				
Section 5304 Statewide Transp. Planning				
Section 5305 Metropolitan & Statewide Planning				
Section 5307 UZA Formula	\$69.57	\$96.97	\$166.54	\$166.54
Section 5308 Clean Fuels Program				
Section 5309 Capital Bus and Capital New Starts	\$5.46	\$1.36	\$6.82	\$6.82
Section 5310 Elderly & Disabled	\$.68	\$0.17	\$.85	\$0.85
Section 5311 Non-UZA	\$2.45	\$12.84	\$15.29	\$15.29
Section 5313 Transit Cooperative Research				
Section 5314 National Research & Technology				
Section 5316 Job Access/Reverse Commute	\$2.28	\$0.91	\$3.19	\$3.19
Section 5317 New Freedom Initiative	\$1.80	\$0.66	\$2.46	\$2.46
Section 5320 Alternative Transp. in Parks & Public Lands				
Section 5339 Alternative Analysis				
Section 5505 University Transportation Centers Program				
ARRA – Transit Other				
Transit Total	\$82.24	\$113.12	195.36	\$195.36