



# General Transportation Aids

(calculation basics for municipalities)

2017 WTA CONVENTION

Tim Olusegun  
GTA Program Manager  
WisDOT

October 9, 2017



# Key GTA Input Figures

- 6-Year Average Costs
  - Average of annual costs reported to DOR over the last 6 years
- 3-Year Average Costs
  - Average of annual costs reported to DOR over the last 3 years
- Certified Mileage
  - Total mileage under local jurisdiction
- Prior Year Aid Payment
  - Total GTA aid received by municipality the previous year



# Cost Data

## Annual Cost

- Eligible Expenditures
- Deductible Revenues

*Note: There are five categories of eligible expenditures and deductible revenues*

$$\text{Annual Cost} = (\text{Eligible Expenditures}) - (\text{Deductible Revenues})$$



# Cost Correction

- To correct current reporting year:
  - Submit to the amendment to DOR no later than August 15.
- To correct past reporting years:
  - For Contract with a CPA firm to conduct an audit of the municipality's basic financial statements for past years and also issue an audit opinion on the municipality's Financial Report Form as supplementary information to basic financial statements.
  - For questions regarding correction of prior years costs, contact WisDOT's Chief of Audit and Contract Administration at (608) 266-1824.



# Calculation Process

## Calculating General Transportation Aids

**Municipalities (1853)**

2018 Distribution = \$348,639,300 million

**Share of Costs**

(SOC)

Calculation =  
6 year average costs x  
annual calculated  
municipality SOC rate

**Rate per Mile**

(RPM)

Calculation =  
Eligible local road  
miles x statutory rate

2018 rate = \$2,389

Greater of the two calculations

### Additional Statutory Provisions

Maximum 115% of previous year's aids

SOC ONLY

Minimum 90% of previous year's aids

SOC & RPM

Cost Cap: 85% of 3-year average costs

SOC & RPM

Penalty for late filing of financial forms

SOC & RPM

**NOTE:** For a municipality on RPM to receive full payment, its 85% Cost Cap needs to be at least \$2,389 per mile (i.e. its 3-year average cost needs to be \$2,810.59 per mile)





# Calculation Steps

1. Share of Costs (SOC) amount and Rate per Mile (RPM) amount.
2. Preliminary amount: Greater of either the SOC or RPM amount.
3. Minimum and Maximum Adjustment: To ensure payment is within statutory boundaries (there is no maximum adjustment for RPM).
4. 85% Cost Cap (aid limitation based on reported costs): Limits payment to 85% of a municipality's 3-year average costs.
5. Filing penalty, if applicable.



# Aid Adjustments

- **Minimum and Maximum Adjustments**
  - Minimum Cushion: ensures payment to local government is not less than 90% of its previous year payment.
  - Maximum Cushion: ensures payment to a local government does not exceed 115% of its previous year payment. (Not applicable to a municipality on RPM formula)
- **85% Cost Cap**
  - limits a municipality's payment to 85% of its 3-year average costs.
- **Filing penalty, if applicable.**

*(Note: Final GTA amount is determined after statutory adjustments are applied to the preliminary amount)*



# Cost Cap

For a municipality on RPM to receive full payment (and avoid the Cost Cap, the 85% of its 3-Year Average Costs needs to be at least \$2,389 per mileage.

  $0.85 \times 3\text{-Year Average Costs} \geq \$2,389 \times \text{Mileage}$

**$3\text{-Year Average Costs} \geq \$2,810.59 \times \text{Mileage}$**





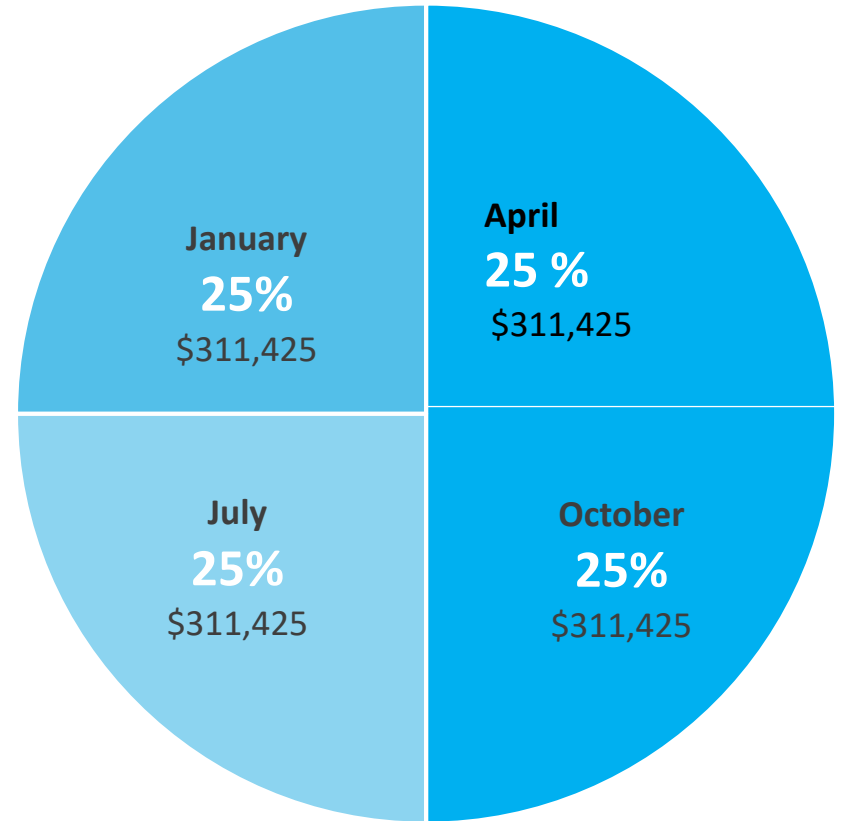
# Filing Penalty

- GTA amount payable to a local government shall be reduced by 1% for each working day that the Financial Report Form is late, to a maximum reduction of 10 % and subject to s. 86.303, Wis. Stats.
- Local governments must file their completed report forms electronically on DOR website before due date.
- Local governments that are more than 30 days late are paid 90% of prior year aids (provided the amount payable is greater than the 90% of prior year aid)



# Aid Disbursement

- Municipalities receive 25% of their GTA amount every quarter in January, April, July and October
  - For example, if the 2018 GTA amount of municipality is \$1,245,700.00





# Municipality Financial Report

## Instructions for Form C and Form CT:

Visit <https://www.revenue.wi.gov/Pages/Form/govmfr-Home.aspx>

or

Contact **David Hruby** in DOR at 608-266-8207 or [david.hruby@revenue.wi.gov](mailto:david.hruby@revenue.wi.gov)





# Contact Information

## ▶ Cost reporting questions

- David Hruby in DOR at (608) 266-8207, [david.hruby@wisconsin.gov](mailto:david.hruby@wisconsin.gov)

## ▶ Banking information changes

- Lynn Oldenburg in DOR at (608) 266-2569, [lynn.Oldenburg@wisconsin.gov](mailto:lynn.Oldenburg@wisconsin.gov)

## ▶ Name and address changes

- Lynn Oldenburg in DOR at (608) 266-2569, [lynn.Oldenburg@wisconsin.gov](mailto:lynn.Oldenburg@wisconsin.gov)

## ▶ Mileage questions (WISLR)

- 608-266-2865 or 608-266-9911, [wislinfo@dot.wi.gov](mailto:wislinfo@dot.wi.gov)





# 2017-2018 Upcoming Dates

- ▶ **Mid-December 2017** – Final Calculation Letters for 2018 GTA
- ▶ **January 2, 2018** – 25% GTA payment
- ▶ **April 2, 2018** – 25% GTA payment
- ▶ **May 15, 2018** – Deadline for cost filing to DOR
- ▶ **July 2, 2018** – 25% GTA payment
- ▶ **October 1, 2018** – 25% GTA payment
- ▶ **Mid-October 2018** – Preliminary Estimate Letters for 2019
- ▶ **Mid-December 2018** – Final Calculation Letters for 2019





<b>Municipalities</b>				
	<b>2017 Final</b>	<b>2018 Estimate</b>	<b>Difference</b>	<b>% Difference</b>
Calendar Year Distribution	321,260,500.00	348,639,300.00	27,378,800.00	8.5%
6 Yr Average	1,522,471,324.35	1,555,281,588.25	32,810,263.90	2.2%
Costs Submitted	1,597,010,036.00	1,669,961,826.00	72,951,790.00	4.6%
Total Miles	81,916.62	82,006.93	90.31	0.1%
SOC Rate	0.15603755147	0.16890653250	0.01	8.2%
# on SOC	559	571	12	2.1%
# on RPM	1,294	1,282	-12	-0.9%
RPM	\$2,202	\$2,389	\$187	8.5%







# Questions?



Tim Olusegun

GTA Program Manager

(608) 266-0254 or [tim.olusegun@dot.wi.gov](mailto:tim.olusegun@dot.wi.gov)

Please visit:

<http://wisconsindot.gov/Pages/doing-bus/local-gov/astnce-pgms/highway/gta.aspx>

