

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE: March 22, 2011
TO: Michael Mayo, Sr., Chairman, Transportation, Public Works & Transit Committee
FROM: Jack H. Takerian, Director of Transportation and Public Works
SUBJECT: 2012 State Executive Budget Review

POLICY ISSUE:

This report is in response to a request made at the Transportation, Public Works and Transit Committee on March 2011 meeting cycle.

BACKGROUND:

Highway Maintenance Division

General Transportation Aids. (GTA) - The state executive budget includes a 15% decrease in GTA for 2012. The amount of eligible costs from 2010 reported by Milwaukee County for inclusion in the GTA formula is unknown until after the CAFR is submitted by DAS later this spring. The 2012 GTA funding reduction for Highway maintenance is 349,615 or 15%. The information below shows the amount of the total GTA reduction for 2012.

<u>Year</u>	<u>Total GTA Amount of dollars Milwaukee County receives</u>	<u>GTA Reduction Percentage</u>	<u>Reduced Amount</u>
2012	3,637,158	15%	-641,852

The countywide GTA amounts include the Highway Maintenance GTA portion as well as the portion allocated to the Sheriff and to Parks.

State Maintenance Funding -The Executive budget includes a 2% increase in state maintenance funding each year of the 2-year budget. Based on Milwaukee County's 2011 Routine Maintenance Agreement (RMA) budget, the following schedule includes the potential increase in state maintenance funding for Highway Maintenance.

<u>Year</u>	<u>RMA</u>	<u>Increase</u>	<u>Amount Increase</u>
2011	12,255,100	0%	0
2012 (Estimated)	12,500,202	2%	245,102
2013 (Estimated)	12,750,206	2%	250,004

The above calculation assumes a 2% increase that is distributed equally to all counties. Based on the level of service model used by WISDOT, the actual increase to an individual county could approximately +/- 2%.

Total Funding and Proposed Corrective Action

The estimated GTA funding reduction for Highway maintenance is 349,615, which is partially offset by the State Maintenance budget increase 245,102 leaving a budget gap of 104,513.

The budget gap will be addressed with expenditure reduction on county trunk highways maintenance, or a supplemental revenue source would have to be identified. Mowing on County Trunk Highways will be reduced from twice per month to once per month. The balance will be addressed by holding vacant positions open for a longer period of time.

Transportation Services Division

Local Road and Local Bridge Program – This section is not impacted by the State bi-annual operating budget. An application for funding was submitted on July 2010 for the 2011-14 cycle, projects were selected by Southeastern Regional Planning Commission during the early part of 2011. The next application for funding will be submitted in July 2012 for the 2015-17 cycle.

RECOMMENDATION:

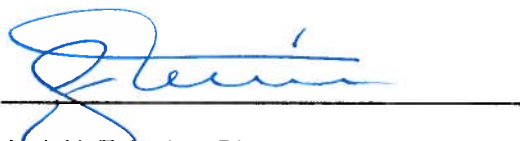
Informational Report

FISCAL NOTE:

None

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Approved by:



Jack H. Takerian, Director
Department of Transportation and Public Works