

Federal Obligation Plan

In any given federal fiscal year (October 1 – September 30), the Wisconsin Department of Transportation obligates all the federal fund authority it receives including any redistributed authority not used by other states.

Federal Fund Type Constraint

WisDOT has established a standard for its fiscal constraint planning that allows specific federal fund types to be over programmed as long as the program in total is constrained and there is transferability between federal fund categories. For example, SAFETEA-LU allows WisDOT to transfer funds among the core Federal-aid programs. Wisconsin typically has insufficient projects to fully spend the CMAQ, TE and Safety federal funds apportioned annually. Also, the Wisconsin Legislature has set program funding levels below the amount of federal CMAQ, TE funds apportioned annually in order to shift spending to other key programs. The unspent obligation authority within these programs allows IM, NHS, STP and Bridge categories to be fully programmed or even over programmed by utilizing previous year carryover balances.

Other funds that are used regularly to assist in over programming of IM, NHS and/or STP are the Minimum Guarantee/Equity Bonus funds. WisDOT receives \$75 - \$80 million annually and it is a department standard to apply these funds only as needed. As shown in the Federal Aid Apportionment table, the last three years of the STIP have less than \$1 million of MG/EB funds programmed. Flexibility in federal funding allows the department to schedule projects for the earliest possible let date versus waiting until the appropriate federal fund type is available. This also allows WisDOT to fund as many deliverable projects within the year as possible.

Federal law allows states to request and receive approval to construct Federal-aid projects prior to receiving apportionments or obligation authority for the Federal-aid funds through the use of Advance Construction (AC). WisDOT's fiscally conservative standards do not allow the department to use Advance Construction to exceed the level of funds received from FHWA. In other words, AC is used as a tool to manage the timing of obligation but not to increase the number of projects undertaken. When sufficient apportionments and obligation authority are available Advance Construction funding is generally only used when the department expects to receive Congressional earmarked federal funds. Advance Construction has allowed the department to similarly begin work on projects with High Priority Program (HPP) earmark funding prior to receiving all 5 federal fund installments. Advance Construction funding simplifies the federal fund conversion process when the funds are ultimately received.

When a project is funded with federal AC funds, WisDOT covers the federal cost share with general transportation state funds until the funds can be converted from federal AC to federal non-AC and reimbursement for costs can be submitted to the Federal Highway Administration (FHWA). The department strives to maintain MG/EB balances to offset the amount of AC or funds in federal suspense. This ensures WisDOT's commitments are fiscally constrained within a guaranteed federal reimbursement level.

If WisDOT receives more federal funds than the Office of Policy, Budget and Finance predicts or if the department receives redistributed federal funds, these often are prioritized to reducing the level of outstanding federal AC.

Federal Fund Type Assessment

The Wisconsin Estimated FFY2009-2012 Federal Aid Highway Apportionments and Program Levels table lists federal apportionment balances at the end of FFY08 as well as the amounts apportioned for FFY09. Over the past 6 years, WisDOT's total federal apportionments increased 38%, from \$509 million including MG in FFY03 to \$703 million including MG/EB in FFY09. Individually some years increased and others decreased, however, the average for this period is 6% per year. The apportionment table conservatively shows FFY10-FFY12 apportionments will increase a modest 2.5% each year.

To change the calendar year estimated program levels to federally mandated year of expenditure amounts, cost estimates have been inflated 2.5% per year beginning in CY10 similar to the Financial Summary table. As previously mentioned, individual project cost estimates in the STIP listing are pulled directly from FIIPS and have not been inflated.

The total federal cost of the projects listed in the STIP may exceed the federal funds projected available in this table due to the six month offset between budget and programmed periods. For example, the large I-94 Mitchell Interchange project scheduled December 14, 2010 is included in the CY10 program; however, the FFY11 budget will pay for the project. Also, Earmark and HPP fund balances carry forward to cover programmed costs, although the table does not assume additional apportionments will be received. Projects scheduled within Wisconsin's state fiscal years 2009-2012 do not exceed the federal apportionments received during this period.

Ultimately, WisDOT must constrain funding within the annual state fiscal year budget as well as within the federal fiscal year federal aid obligation authority. Since the department's budget is based on a finite amount of federal funds, decisions are made on a project-by-project basis to determine whether satisfactory federal fund apportionment and authority are available. When federal fund obligation authority is depleted, either state, bond and local fund revenue are substituted or projects are pushed forward until they can be afforded.

All of the projects in the 2009-2012 STIP are deemed affordable for implementation under the aforementioned reasonable financial considerations.

Wisconsin Estimated FFY2009-2012 Federal-Aid Highway Apportionments Program Levels

Federal Fund Type	Unobligated Balance from Previous Years	FFY2009 Actual Apportionments	CY2009 Estimated Program Levels	FFY2010 Estimated Apportionments	CY2010 Estimated Program Levels	FFY2011 Estimated Apportionments	CY2011 Estimated Program Levels	FFY2012 Estimated Apportionments	CY2012 Estimated Program Levels
Interstate Maintenance	\$6,591,358	\$118,032,743	\$135,309,629	\$120,983,562	\$180,328,713	\$124,005,200	\$145,270,352	\$127,109,461	\$175,253,345
National Highway System Surface Transportation Program	\$82,690,502	\$201,200,659	\$155,105,695	\$206,230,675	\$223,177,658	\$211,381,412	\$136,851,163	\$216,672,990	\$186,097,053
Bridge Replacement/Rehabilitation	\$1,538,265	\$26,814,045	\$54,220,086	\$27,484,396	\$43,933,669	\$28,170,836	\$44,662,801	\$28,876,045	\$15,787,649
Congestion Mitigation Air Quality	\$26,036,150	\$25,960,524	\$34,212,244	\$26,609,537	\$15,429,958	\$27,274,127	\$0	\$27,956,888	\$0
Minimum Guarantee/Equity Bonus	\$171,716,659	\$76,840,651	\$42,222,199	\$78,761,667	\$663,544	\$80,728,788	\$821,623	\$82,749,697	\$0
Safety	\$80,153,708	\$30,721,900	\$26,341,698	\$31,489,948	\$11,056,633	\$32,276,428	\$8,645,573	\$33,084,414	\$8,972,751
Safe Routes to School	\$3,514,047	\$3,072,413	\$3,491,951	\$3,149,223	\$20,721	\$3,227,877	\$0	\$3,308,682	\$0
High Priority Projects	\$130,901,964	\$55,150,000	\$18,696,580	\$0	\$17,667,426	\$0	\$21,859,198	\$0	\$22,302,486
Forest Hwy/Public Lands/Scenic Byways	\$611,726	\$0	\$1,899,934	\$0	\$164,000	\$0	\$961,880	\$0	\$0
National Recreational Trails	\$1,986,993	\$2,792,117	\$0	\$2,861,920	\$0	\$2,933,398	\$0	\$3,006,831	\$0
Other Allocated (1)	\$52,596,184	\$48,252,015	\$18,474,263	\$0	\$19,643,555	\$0	\$34,851,787	\$0	\$7,419,312
TOTALS	\$669,486,842	\$786,434,987	\$709,634,451	\$700,108,796	\$817,366,947	\$717,594,440	\$650,733,025	\$735,558,208	\$642,151,370

(1) Includes Section 112, Section 115, Section 117, PRNS, Highway Priority, Surface Transportation S129, NTPP, Emergency Relief, and Misc. Demo funds.

Note:

Budgets and project costs have been inflated by 2.5%, compounded annually beginning in 2010.

Wisconsin Transit apportionments

For FFY 2009, it is estimated that Wisconsin will receive the following transit apportionments:

<i>Section 5303</i>	<i>Metropolitan Planning Program</i>	<i>\$1,045,700*</i>
<i>Section 5304</i>	<i>State Planning and Research</i>	<i>\$312,000</i>
<i>Section 5307</i>	<i>Urban Area Formula Program</i>	<i>\$43,100,000</i>
<i>Section 5309</i>	<i>Capital Program</i>	<i>\$8,400,000</i>
<i>Section 5310</i>	<i>Elderly/Persons with Disabilities Program</i>	<i>\$2,300,000</i>
<i>Section 5311</i>	<i>Non-urban Area Formula Program</i>	<i>\$12,600,000</i>
<i>Section 5311 (b) 3</i>	<i>Rural Transportation Assistance Program</i>	<i>\$181,500</i>
<i>Section 5314</i>	<i>Supplemental Transportation Rural Assistance Program</i>	<i>\$2,000,000</i>
<i>Section 5316</i>	<i>Job Access and Reverse Commute</i>	<i>\$2,600,000</i>
<i>Section 5317</i>	<i>New Freedom</i>	<i>\$1,600,000</i>

* 5303 Metropolitan Planning Program funds will be transferred to FHWA

**SAFETEA-LU Transit Funding Levels
State of Wisconsin -2009-2012**

Anticipated Funding Levels

<u>Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Section 5304	\$312,000	\$325,000	\$330,000	\$335,000
Section 5307	\$43.1 Million	\$44.8 M	\$46.6M	\$48.8M
Section 5309	\$8.4 M	\$8.8M	\$9.3M	\$9.8M
Section 5310	\$2.3 M	\$2.4 M	\$2.5 M	\$2.6 M
Section 5311				
(Capital)	\$4.7 M	\$4.9 M	\$5.1 M	\$5.3 M
(Operating)	\$7.9 M	\$8.2 M	\$8.5 M	\$9.0 M
STRAP				
(Section 5314)	\$2.0 M	\$2.0 M	-	-
JARC				
(Section 5316)	\$2.6 M	\$2.7 M	\$2.9 M	\$3.1 M
New Freedom				
(Section 5317)	\$1.6 M	\$1.6 M	\$1.7 M	\$1.8M
CMAQ	\$5.5 M	\$5.7 M	\$5.9 M	\$6.1 M

2009 Section 5304 Projects

Transit Development Plans in Racine, Kenosha, Waukesha, Merrill, Janesville/Whitewater and Northwest Wisconsin	\$185,000
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Management Performance Audits of five Mid-Sized Transit Systems	\$127,000
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