



Wisconsin General Transportation Aids Program

An informational brochure
presented by the Local Roads
and Streets Council

[www.dot.wisconsin.gov/
localgov/lrsc/index.htm](http://www.dot.wisconsin.gov/localgov/lrsc/index.htm)



WHAT IS THE PURPOSE of the General Transportation Aids (GTA) program?

The purpose of General Transportation Aids is to provide for the annual distribution of legislatively determined state revenues. These funds, combined with local funds will supply a stable financing base for a portion of local highway transportation costs, including the maintenance, operation and construction of safe local roads, streets and highways.

WHY IS THE GTA program important?

General Transportation Aids are important because the program recognizes the local roads system as an integral component of Wisconsin's overall state transportation network. Each jurisdiction maintains a local road, street or highway system as part of a statewide highway transportation system. There are 115,000 miles of roads within the state of Wisconsin. Of the total, approximately 90 percent of these miles are under local jurisdiction.

“General Transportation Aids is the second largest WisDOT program, with an annual appropriation in FY 2010 of \$415.7 million.”

Local units of government often have limited ability to raise the revenue necessary to fully support the construction, maintenance, and operational activities required to provide for the safe and efficient movement of people and goods. This is particularly true during times of fiscal stress brought about by shrinking state aids, levy limits, and economic fluctuations. Since the highway user pays state motor fuel taxes and vehicle registration fees into the state transportation fund,



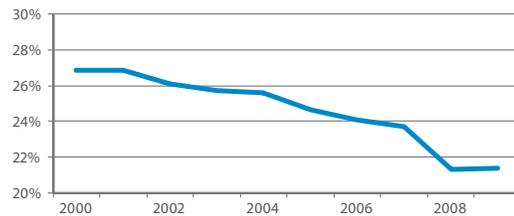
it is reasonable that a portion of those monies be used to help cover the improvement and operational costs associated with roads under local jurisdiction.

WHAT IS THE SOURCE OF GTA program funds?

GTA program funds come from State Transportation Fund revenues, which are primarily collected from state motor fuel taxes and vehicle registration fees.

The legislature establishes an annual amount of GTA funding for counties and an annual amount of GTA funding for municipalities. Over time, GTA funding has declined with respect to State Transportation Fund revenues.

GTA as a Percentage of State Transportation Revenues



HOW ARE GTA PAYMENTS determined?

After the state legislature determines the GTA biennial funding levels and the per mile payment rate, individual community payments are calculated. The sum of all payments must equal the statutory allocation. Municipalities receive funding based either upon a share of eligible transportation related expenditures or on a per mile payment, whichever is greater. Counties receive GTA based on a share of eligible highway related expenditures and are not eligible for a per mile payment.

Share of Costs Payment

Municipalities with relatively higher average costs and all counties receive GTA via the share of costs method. The payment is determined by the total amount of funding in the program, the average cost of eligible activities reported by the unit of government to the state Department of Revenue for the previous six-year period, and the statewide average cost of eligible activities reported by other communities sharing in the county



or municipal appropriation. The calculation of six-year average costs is based solely on local expenditures. Funding obtained through federal and state sources is not eligible to be included in the GTA calculation.

Rate Per Mile Payment

Municipalities with relatively lower average costs receive rate per mile payments. The amount a municipality receives is based upon its certified centerline miles of roadway and the per mile rate established by the legislature. The payment may be reduced based on the average cost of eligible activities reported by the municipality for the previous three-year period. By law, no municipality may receive a GTA payment that exceeds 85 percent of their three-year average costs. Cost filing penalties, if applicable, may result in additional reductions.

“89 percent of cities and villages receive GTA in CY2010 based on the share of costs payment method while 95 percent of towns obtain GTA through the rate per mile method.”

Minimum and Maximum Cushion Adjustments

Statutory cushions prevent large, unpredictable year-to-year fluctuations in GTA payments. No community receiving share of costs payments may receive payments in excess of 115 percent of the prior year’s payment. Furthermore, minimum cushions assure that counties will receive at least 98 percent of the prior year’s payment, and municipalities, at least 95 percent of the prior year’s payment. Cost filing penalties, if applicable, may result in additional reductions.

The Dynamic Nature of GTA Payments

Statewide GTA funding may increase for a given year, but an individual community may still see a smaller payment, particularly if its mileage changes or its average costs are decreasing or growing more slowly than other local governments. Penalties and statutory caps and cushions will also have an impact on individual payment levels.

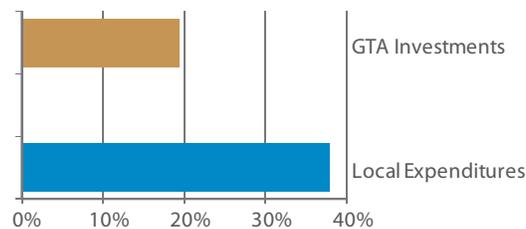
HAVE INCREASES IN GTA been matched by increased local investment in the maintenance, preservation and construction of transportation infrastructure?

Yes. A way to illustrate this is to compare the growth in GTA with the growth in local expenditures for maintenance and construction of local transportation infrastructure. The growth can be portrayed in both percentage increases and actual dollar growth.

Percentage Growth

The GTA appropriation grew from \$348.5 million in FY 2001 to \$415.7 million in FY 2010, for an increase of 19.3 percent. Local transportation investments have increased during the past decade from \$1.5 billion to \$2.0 billion, representing a growth rate of 37.7 percent. Total local transportation expenditures increased at a higher rate than the GTA appropriation during the past ten years.

2000–2009 Relative Percentage Growth



Dollar Growth

The ten-year trend shows that investments in General Transportation Aids have increased by \$67.1 million, while expenditures reported over the last ten years in local maintenance and construction improvements have increased by \$557.5 million—OR—for every dollar increase

in GTA over the last ten years, local units of government have committed 8.3 additional dollars in transportation investments.

These figures indicate that GTA is not just an important source of funding, but is also a catalyst for added transportation investments.

ARE LOCAL GOVERNMENTS HELD accountable?

Yes. State statutes require that GTA funds be spent on transportation related activities, including the maintenance and construction of roadways or bridges, snow plowing, traffic signals and markings, safety improvements, street lighting, or traffic enforcement. All local governments, by law, must annually submit a timely financial report detailing all expenditures and revenues. All eligible expenditures are defined by state statute and audited by the Wisconsin Department of Revenue. Counties and municipalities with a population over 25,000 must also conduct an annual audit of their financial report and forward the audit findings to the state each year. By law, if a local government files a late report, payments will be reduced by 1 percent for every work day that the report is late, to a maximum reduction of 10 percent. Additional penalties will be imposed after 30 calendar days.

FOR ADDITIONAL PROGRAM INFORMATION, please contact:

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For calculation and payment information about specific communities, as well as cost reporting deadlines, visit the GTA homepage:

<http://www.dot.wisconsin.gov/>

[localgov/highways/gta.htm](http://www.dot.wisconsin.gov/localgov/highways/gta.htm)

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