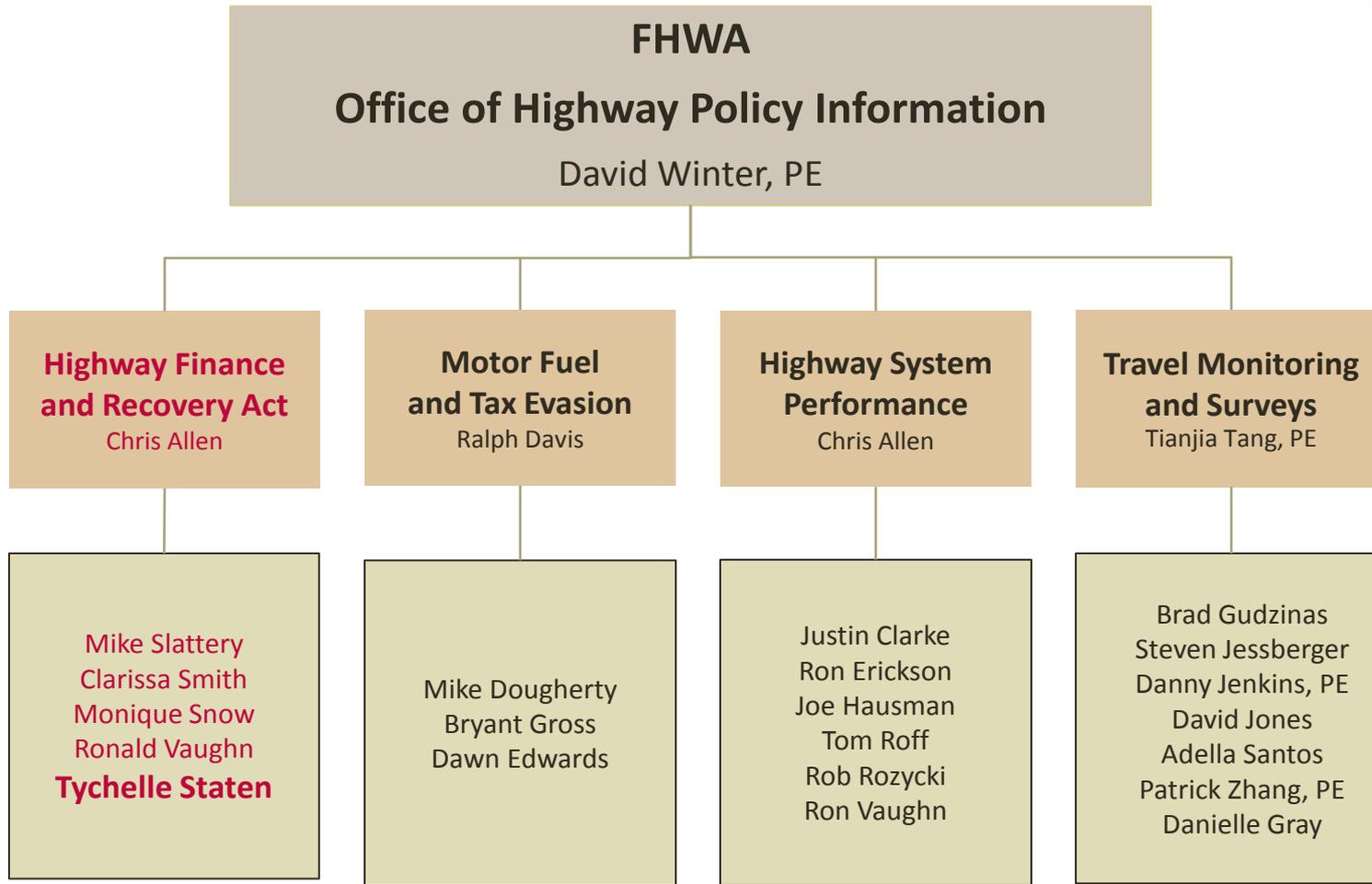


# Local Finance

A Guide to Reporting Local Finance Data  
FHWA Form 536

Highway Information Seminar  
November 20, 2013  
By: Tychelle Staten

# Office Organization Chart



# Purpose of FHWA-Form 536

- Your data permits the FHWA to develop a series of national tables illustrating the financing of highway activities at the local level
  - LGF Series
  - LGB Series
- Ultimately, FHWA summarizes highway funding by all levels of government
- Local funding is a major portion of the total
  - Roughly 35%

# Reporting Deadlines

- The Guide - Chapter 1
- October 1<sup>st</sup> each year –**Annually (new change)**
  - Other form deadlines are different
- Estimating
  - Financials not received by all local governments
  - Refer to Appendix D
  - FHWA recommends estimating data if financials are not received by the deadline

# QUALITY DATA



# FHWA-Form 536

- Reporting four basic areas of local highway finance:
  - Section 1: Disposition of highway-user revenues
  - Section 2: Revenue identified by source and type of funds
  - Section 3: Expenditures identified by purpose or activity
  - Section 4: Local highway debt status

# Section 1:Disposition of Revenues

- Tracks spending of all highway-user revenues that are available to local governments
  - Local
    - Motor fuel taxes
    - Motor vehicle taxes
  - State
  - Federal
- Adjustments
  - Collection expenses
  - Non-highway purposes
  - Mass transit

# Section II. Receipts for Road Purposes

- Funds from all sources applied to local highway purposes
- Fund sources include:
  - Local highway user fees
  - Local General Fund appropriations
  - Proceeds of bonds and notes
  - Private contributions
  - State government
  - Federal government
- Details on page 2 of Form

# Section III. Expenditures for Road Purposes

- Expenditures of funds for local highway purposes
- Local highway expenditures include:
  - Local highway capital outlays
  - Maintenance, traffic control, snow removal
  - Administration, enforcement, safety
  - Debt service on local obligations
  - Payments to State governments
  - Payments to toll facilities
- Details on page 2 of Form

# Section IV. Local Highway Debt Status

- Records local government highway debt:
  - Debt status
  - Change in status
  - Amounts are recorded at par value - the face value
- See Chapter 9 for general description and instructions reporting highway debt information

# Screenshot of Form

536 - Microsoft Excel

Form Approved OMB No. 205-0032

STATE

YEAR ENDING (mm/yy)

LOCAL HIGHWAY FINANCE REPORT

Prepared By

**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. (Specify)	
1. Sales Taxes		c. (Specify)	
2. (Specify)		d. (Specify)	
3. (Specify)		e. (Specify)	
4. (Specify)		f. (Specify)	
5. (Specify)		g. (Specify)	
6. Total (1 through 5)		h. (Specify)	
c. Total (a + b)		i. Total (a through h)	

*(Carry forward to page 1)*

ITEM	AMOUNT	ITEM	AMOUNT	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>		
1. Highway user taxes (from item LC.5)		1. FHVA (from item)		
2. State general funds		2. Other Federal agencies:		
3. Other State funds:		a. Forest Service		
a. State bond proceeds		b. FEMA		
b. (Specify)		c. HUD		
c. (Specify)		d. (Specify)		
d. (Specify)		e. (Specify)		
e. (Specify)		f. (Specify)		
f. (Specify)		g. Total (a through e)		
g. Total (a through e)		3. Total (1 + 2g)		
4. Total (1 + 2 + 3f)				

*(Carry forward to page 1)*

**III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL**

	ON NATION HIGHWAY SYSTEM	OFF NATIONAL HIGHWAY SYSTEM	TOTAL	TOTAL
	(a)	(b)	(c)	(e)
<b>A.1. Capital outlay:</b>				
a. Right-of-Way Costs				
b. Engineering Costs				
c. Construction:				
(1) New Facilities				
(2) Capacity Improvements				
(3) System Preservation				
(4) System Enhancement And Operation				
(5) Total Construction (1)(2)(3)(4)				
d. Total Capital Outlay (Lines 1a + 1b + 1c-4)				

*(Carry forward to page 1)*

Notes and Comments:

**IV. LOCAL HIGHWAY DEBT STATUS**  
*(Show all entries at par)*

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>				

Notes and Comments:

# Common Issues

- Bonds
  - Bond issuing amount in Section II should equal Bond issuing amount in Section IV
  - Opening Debt should equal closing Debt from Prior Year
- Submission of Data
  - Late
  - Incomplete

# Local Data Users

- Financial Institutions
  - Private and Public
- Universities
- State DOTs
- Federal Agencies
- Citizens
- Internal FHWA Offices
- General Mass and Media



# Important Considerations

- Fiscal year versus calendar year
  - Your choice, consider:
    - Coordination with other reporting requirements
    - Best data
    - Most timely
- General Fund funding versus dedicated funding
  - Different ways to develop and report
- Cash versus accrual accounting
  - FHWA requests all reports on a cash basis
- Sampling and estimation
  - FHWA recommends that States use sampling and estimation to prepare this form.

# Issues/Challenges



# Useful Resources

- *Guide to Reporting Highway Statistics*

<http://www.fhwa.dot.gov/policyinformation/hss/guide/>

The FHWA-536 is in Chapter 11 of the Guide

- *Highway Taxes and Fees*

<http://www.fhwa.dot.gov/ohim/hwytaxes/2008/index.htm>

# More Resources

- Electronic Version of forms:

<http://www.fhwa.dot.gov/policyinformation/hss/guide/formlist.cfm>

- Appendix D in the Guide
  - Local finance simplified methodology

# Questions and Comments

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THANK YOU!