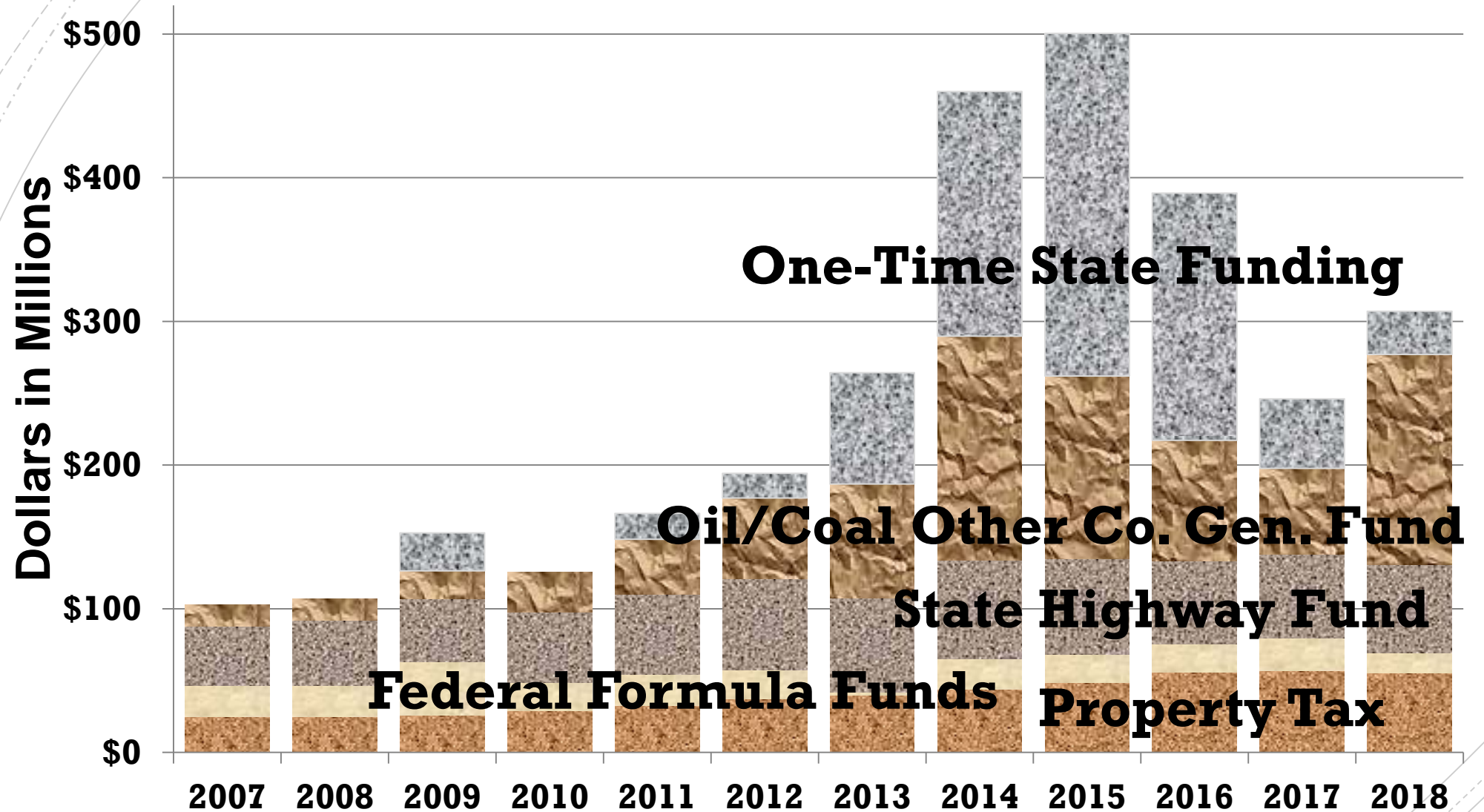


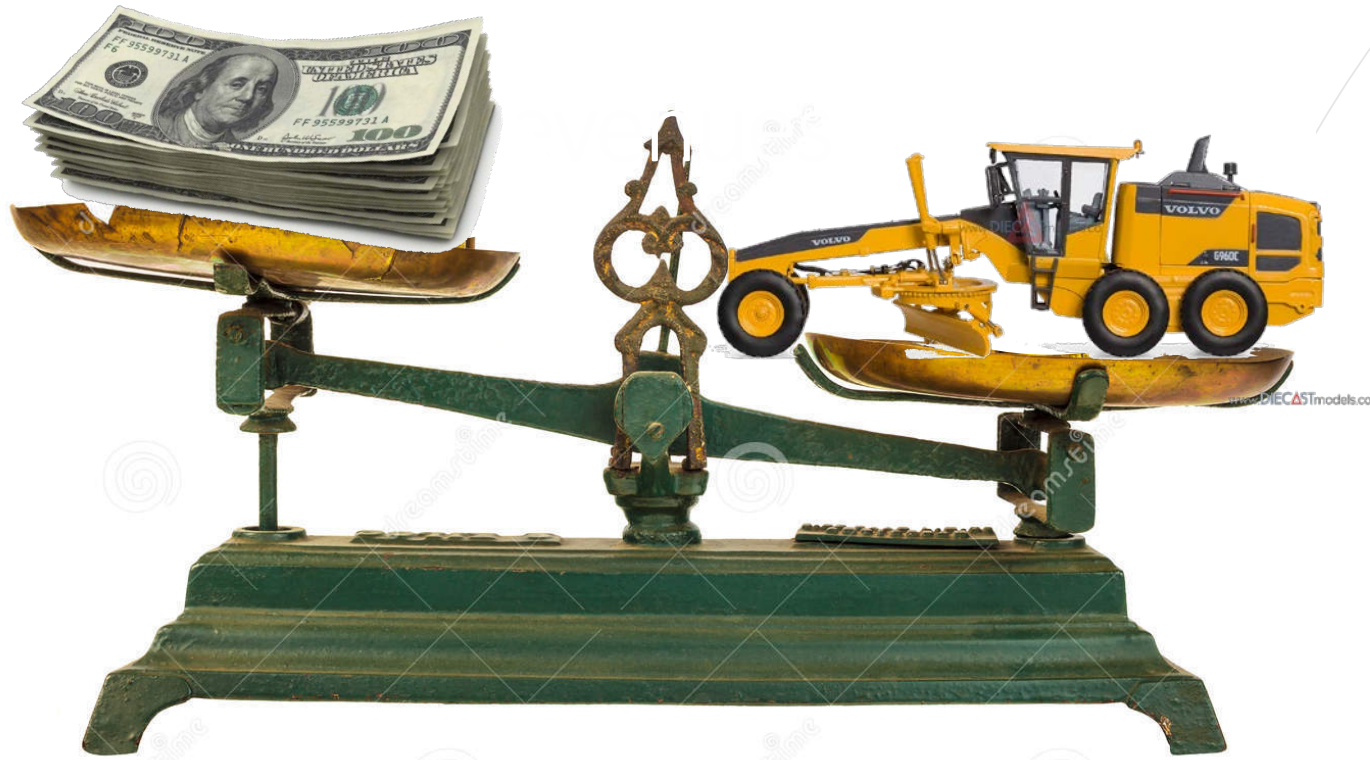


Local Road Funding

How does our local road infrastructure get funded?

Local Road Revenues





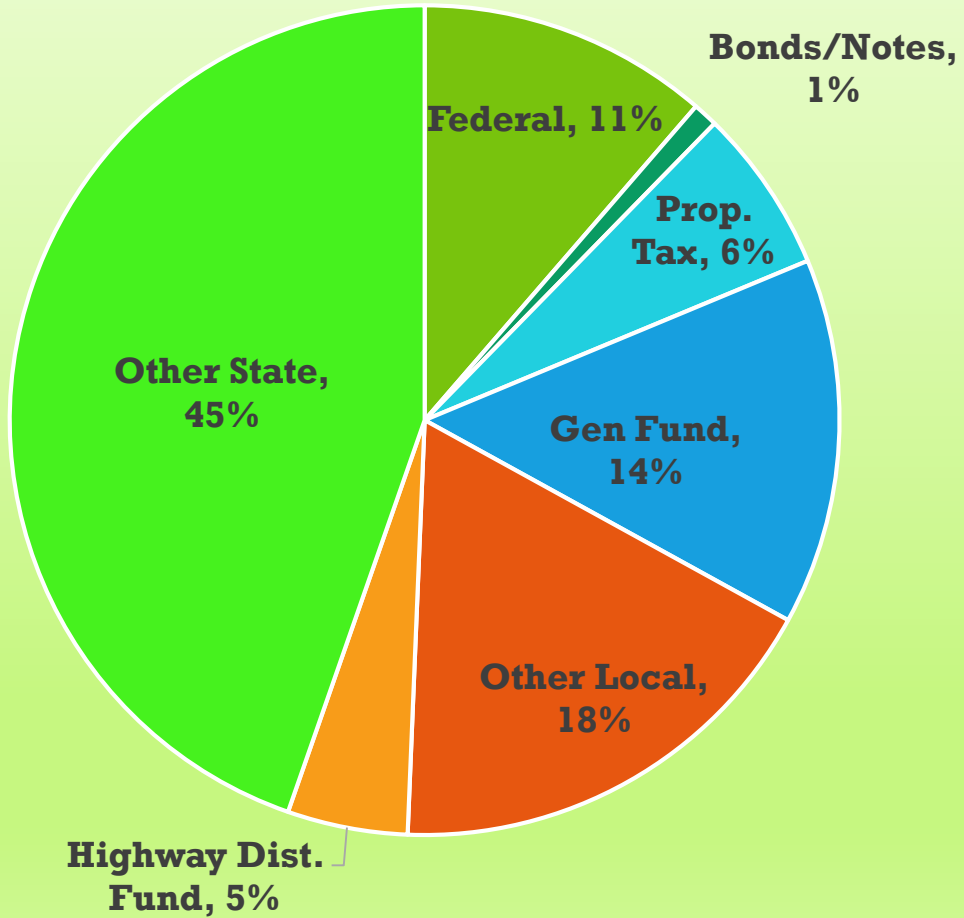
\$250 - \$500
Million/Year has
been invested in
local roads in
the past 10
years.

Revenue Variation

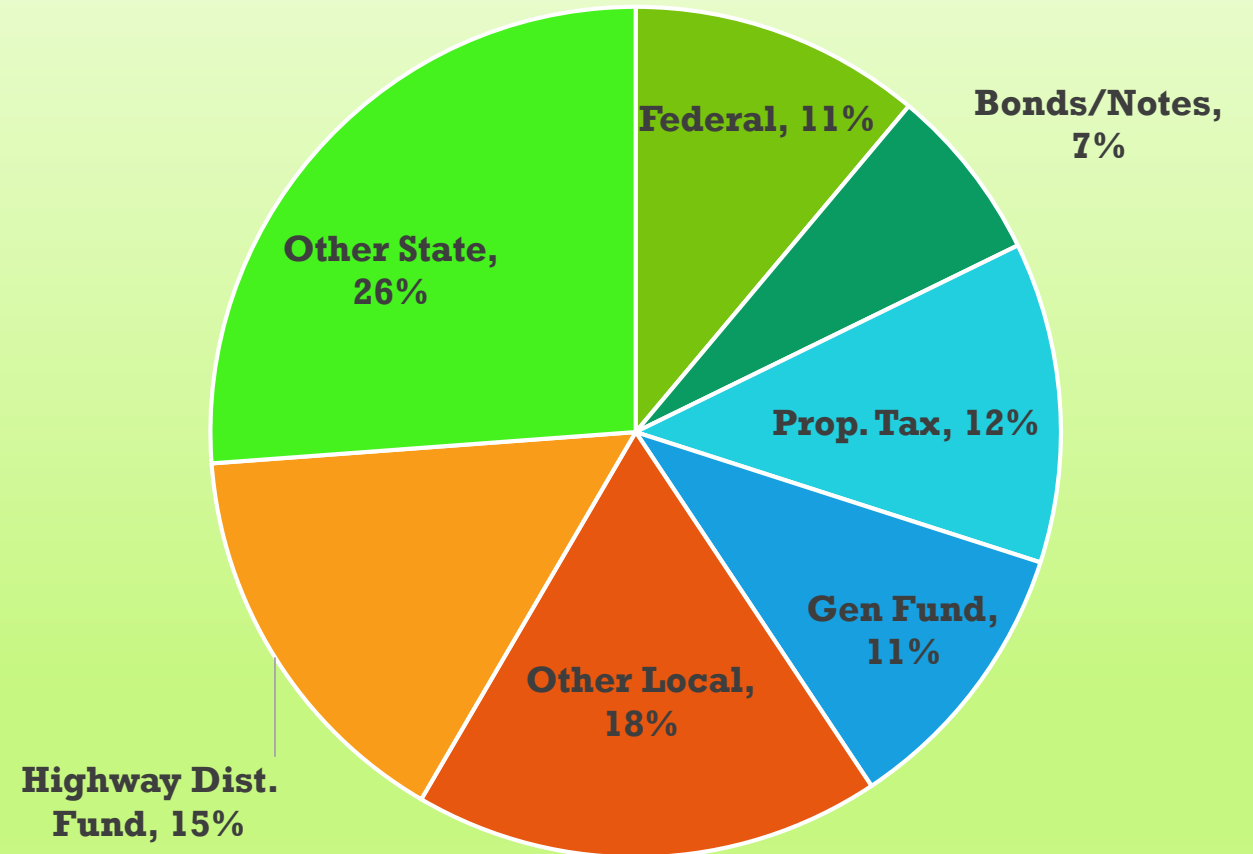
The \$250 - \$500 million varies widely among counties

- **Historically, local road funding comes from a variety of Federal, State and Local Sources.**
- **But the “mix” of funding sources varies significantly across the state.**

Oil Counties

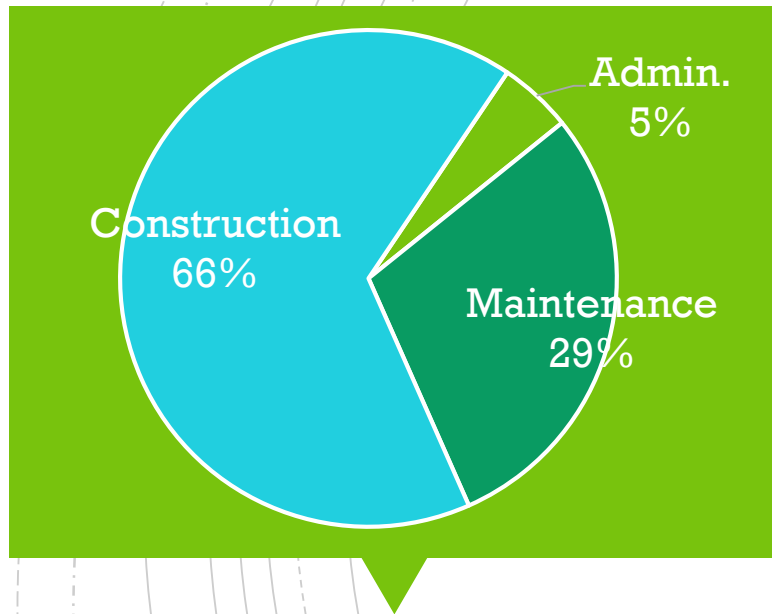


Non-Oil Counties



Multi-Year Average

Highway Expenditures



- **County government spends very little on administration and devotes 95% of their revenues to road construction and maintenance**

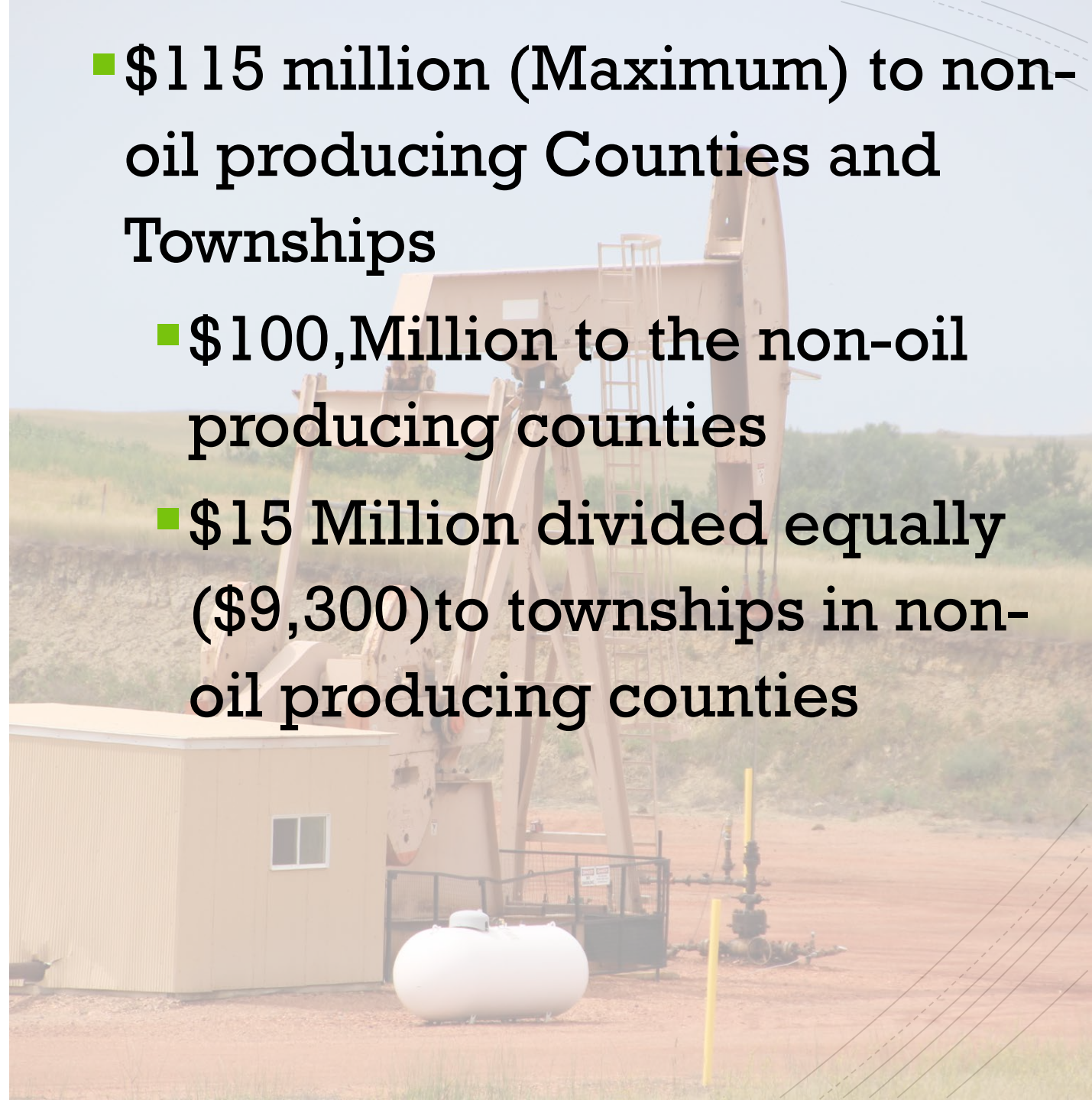


Looking down the (county) road a bit, what happens?



Operation
Prairie Dog
(OPD)

- **\$115 million (Maximum) to non-oil producing Counties and Townships**
 - **\$100, Million to the non-oil producing counties**
 - **\$15 Million divided equally (\$9,300) to townships in non-oil producing counties**



Eligible Projects

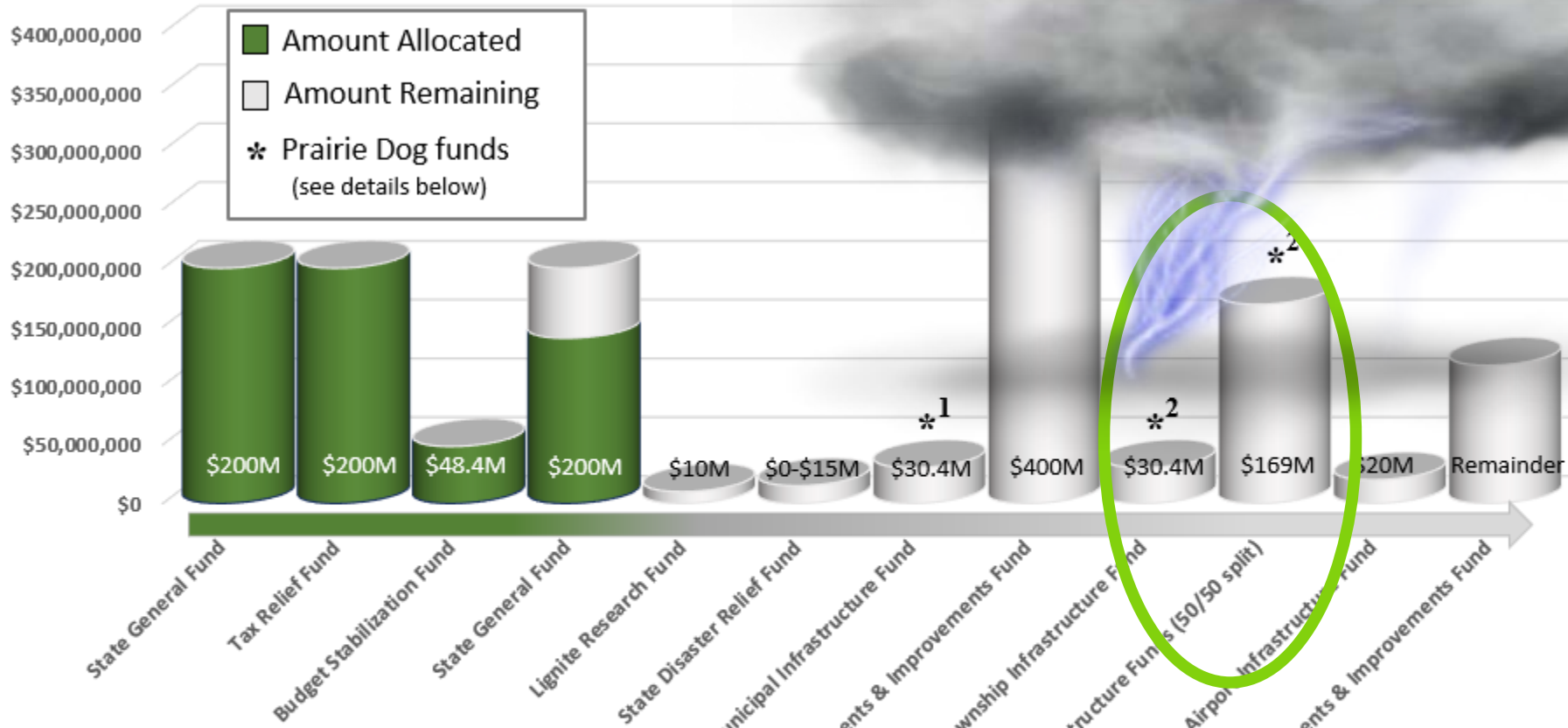
"Road and bridge infrastructure projects" means the projects associated with the construction of new unpaved and paved road and bridge infrastructure or associated with the maintenance, repair, or replacement of existing unpaved and paved road and bridge infrastructure.

OPD Allocation

Should OPD fund be allocated, it will go to counties in proportion to their 20-year “need” as identified in the UGPTI Study

Status of "General Fund Share" Buckets

2019 - 2021 Biennium



*¹ Initial distribution to cities w/ population >999 will be made after this bucket fills completely:

- \$2.5M each for cities with 5,000+ people
- \$500K each for cities with 2,000-4,999 people
- \$125K each for cities with 1,000-1,999 people

*² Remaining distributions to cities, counties, and townships will be made after these buckets fill completely.

Updated June 2020 (thru 11 Months)

Prairie Dog & GPT Project Planning

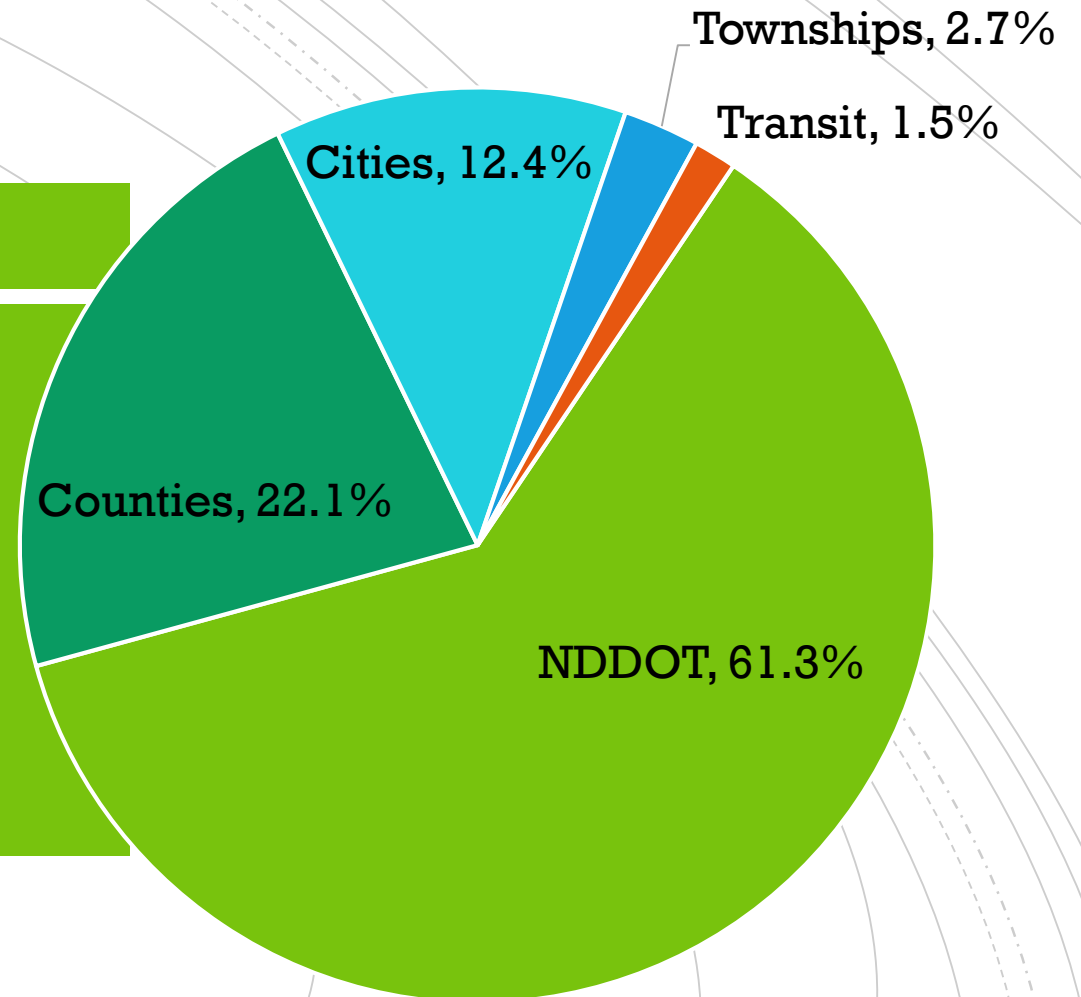
- In Non-Oil Counties
 - 172 Road & bridge construction projects
 - 127 Projects planned around the use of OPD
- In Oil-Producing Counties
 - 53 Projects Planned for the use of GPT
- Collectively almost \$500 Million in Construction Planned
 - Most fully or partially dependent on OPD or GPT Funding
- 225 of these projects will be “shovel-ready” for CY2021



So what about the
State Highway
Distribution Fund?

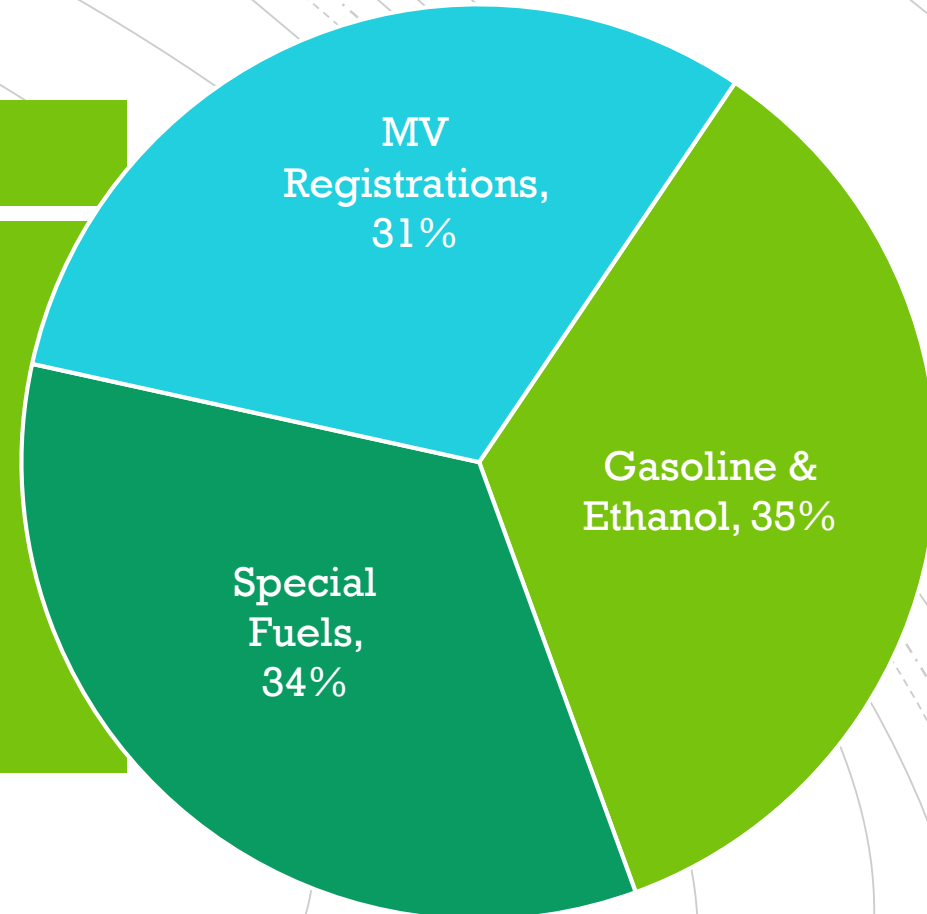
SHDF Distributions

The share of State Highway Distribution Funds are allocated first by statutory formula and locally by motor vehicles registered

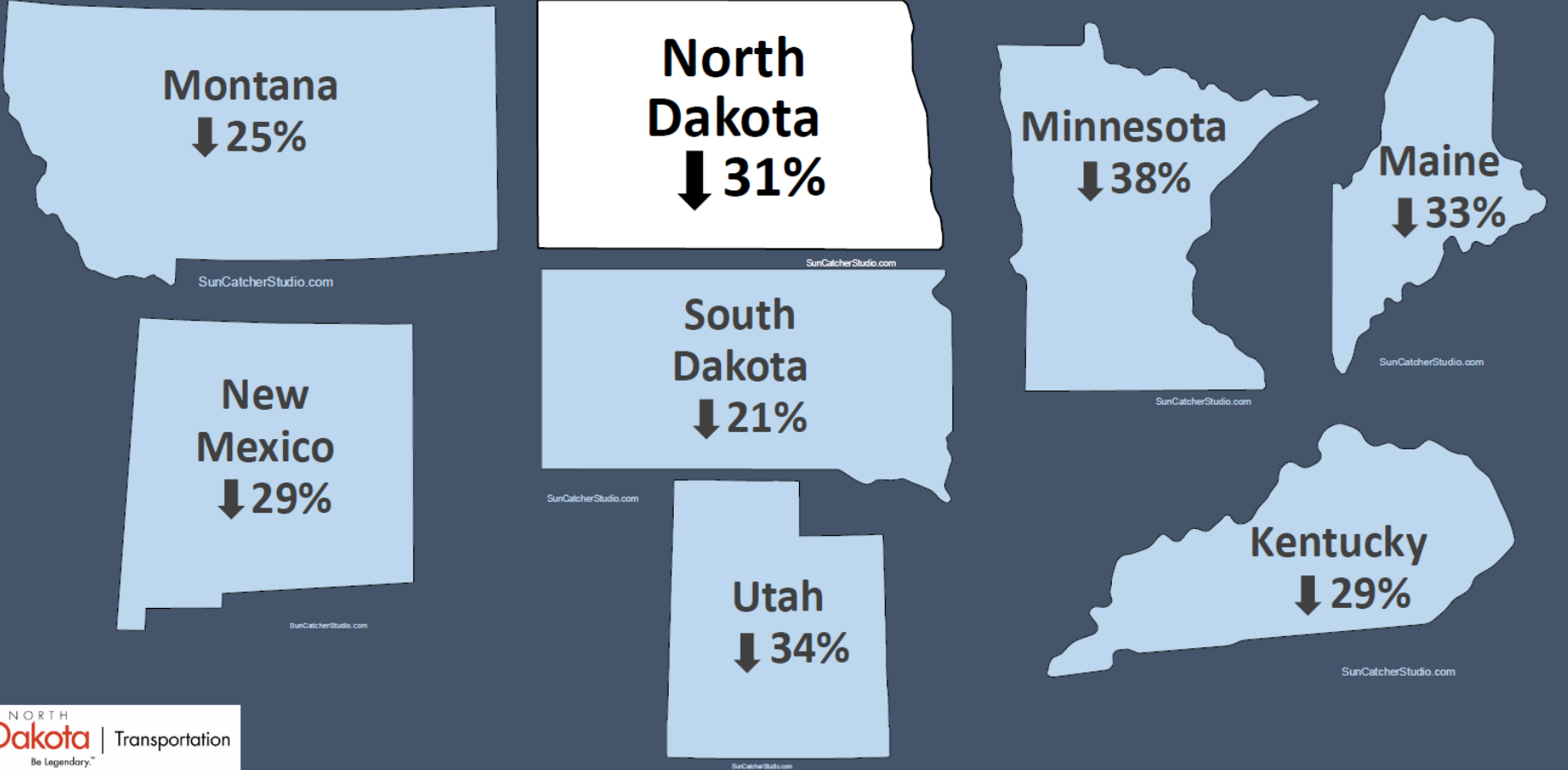


SHDF Revenues

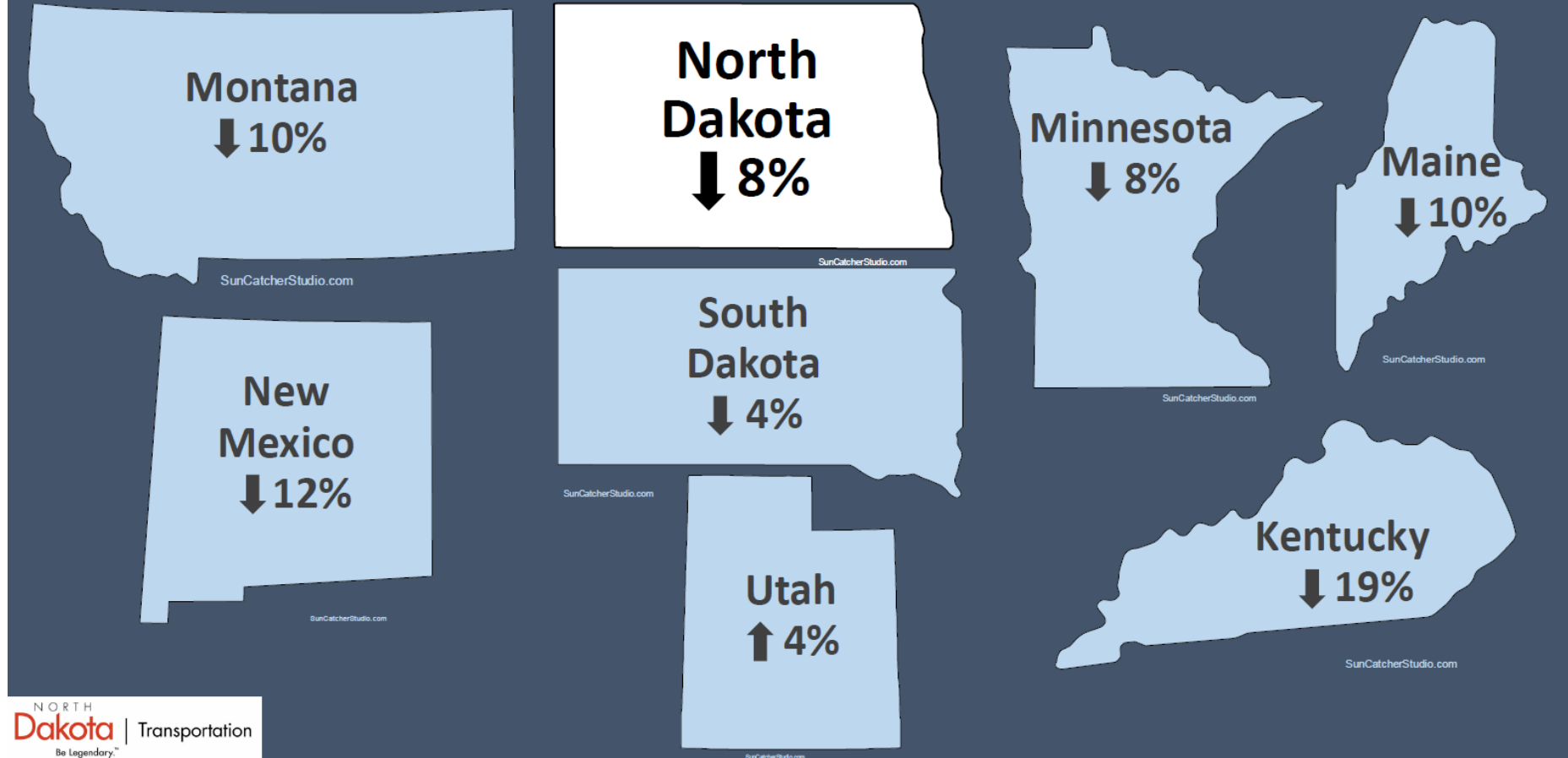
The revenues for the State Highway Distribution Fund essentially come from three sources



April 6, 2020 Passenger Traffic Compared to Normal



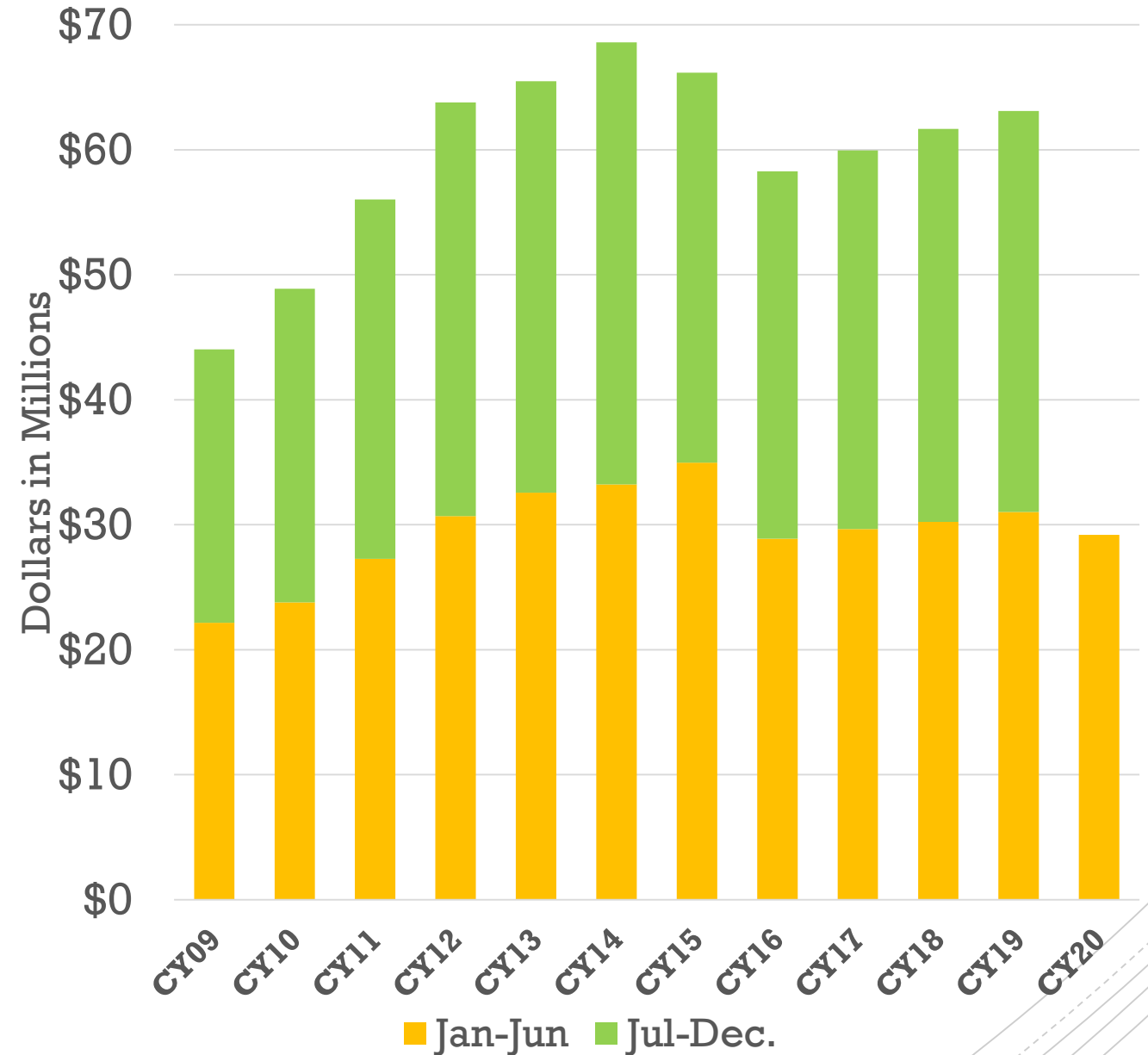
April 6, 2020 Truck Traffic Compared to Normal



Highway Distribution Fund

Revenues for the first half of CY2020 parallel those generated in the first half of CY2016 following that oil price downturn

State Highway Distribution Fund County Share Only



So let's talk Property Tax

The 2015 Legislature made the most dramatic changes to county road levy authority in history

A Critical Reminder

All Pre-2018 levies
expire Dec. 2026 and
EVERY county must vote
to levy in excess of 10
mills for roads

County Road Levies Allowed by Statute

Pre-2016 Mills

Road & Bridge	5 mills
Farm/Market*	Voter Set
County Road*	5 mills

Current Mills

Road & Bridge	10 mills
* Farm/Market	* 20 mills

* Requires Citizen Vote

Township Road Levies Allowed by Statute

Organized Townships

General Fund	18 mills
Excess Levy*	18 mills

Unorganized Townships

Unorganized Road	18 mills
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* Requires Citizen Vote every 5 years



Looking even further down the (county) road .

Some possibilities to talk about:

- Motor Vehicle Tax Increase
- Legacy Fund
- State Bonding Package
- Federal Stimulus