

Transportation Funding Report Committee Meeting July 20, 2016

Good Afternoon Chairman Dan Ruby and the Transportation Committee Members

I am Jean Schoenhard Auditor from Kidder County.

Looking at the Transportation Funding Report worksheet, as an Auditor who has not been in the Auditor's Office very long. I said to myself "WOW" what information do I need to put on this form and where do I get it. These were just a few questions I had with the report. The instructions for the report are 5 pages long. I have no idea what the form is used for, all I know is that I have to provide information in this report and then submit it online to the Office of the State Tax Commissioner.

Upon reading the Century Code 54-27-26 it says each county, city and township shall provide this report, at the end of the paragraph it also states: A township may provide a copy of their annual township financial report, so my question is if a township can submit their annual financial report then why can't the County. As Auditor's we are required to do a Statement of Revenue and Expenditures at the end of our fiscal year. This report includes all of our Road and Highway Funds information. Why couldn't we submit our financial report the same as a Township does to the State Tax Department or selected pages from our report. On the report (line 2) the Property Tax and Assessments question is comprised of not just Property Tax but also Homestead Credit, Disabled Veterans Credit and Mobile Homes (which are broke down in our financial reports). Many of the line items on the report have more than one dollar amount combined. Revenues and Expenditures alike.

You see smaller counties like ours we only have 2 fulltime employees in the office to do all the work that is required by the county and all the forms the State wants us to fill out. So by sending our financial statement or portions of it to the State Tax Department instead of the Transportation Funding Report, it would reduce the duplicating of information we have to provide.

House Bill 1176 and Senate Bill 2103 was greatly appreciated and very helpful to Kidder County. In Kidder County we were able to complete a 11 mile overlay paving project on one of our CMC roads, and we will also be able to complete a grade raise on another one of our CMC roads that a lake is slowly consuming. Also with this money we will be able to work on some of our smaller projects that would have been put on the back burner and in need of repair because of lack of funds.

It was great to see some of the monies going to non-oil producing counties like ours, where we are also in need of upgrading and repairing our CMC routes and secondary roads.

Thank you for your time.



NORTH DAKOTA OFFICE OF STATE TAX COMMISSIONER TRANSPORTATION FUNDING REPORT INSTRUCTIONS

RYAN RAUSCHENBERGER,
TAX COMMISSIONER

DECEMBER 2015

NORTH DAKOTA TRANSPORTATION FUNDING REPORT

North Dakota Century Code § 54-27-26 requires an annual report of transportation funding and expenditures by each county, township, and city. This report is required to be submitted ninety days after the close of the calendar year. The report must contain by fund the beginning balance, revenues by major source, expenditures by major category, the ending balance, and any other information requested by the Tax Commissioner.

In 2011, N.D.C.C. § 54-27-26 was amended to allow for Townships to submit their full Treasurer's Report, prepared for submission at the County level, to the Tax Commissioner in lieu of a completed Transportation Funding Report. A copy of this report may be mailed to the address at the bottom of these instructions, but must include all pages of the Treasurer's Report including the Summary Document.

Use actual revenues received and expenditures paid for the calendar year.

INSTRUCTIONS

(Not all fields may apply to your entity, complete with the information that is applicable and round all reported amounts to the nearest dollar.)

Calendar Year: Enter the 12 month reporting period (i.e., YYYY).

County, Township, City:

Townships: Enter the County and Township name. (Leave City field blank.)

Cities: Enter the County and City name. (Leave Township field blank.)

Counties: Enter the County. (Leave City and Township fields blank.)

Preparer Name: Enter the name, address and telephone information of the person preparing the report.

Complete Section 1 (Revenue) and Section 2 (Expenditures) before completing Section 3. Totals from these sections should be used to complete Section 3.

Section 1: Transportation Revenues

Receipts from Local Government

- 1. General fund appropriations:** Enter all appropriations from general funds that are used for transportation purposes.
- 2. Property tax and assessments:** Enter revenues generated from property tax mill levy and special assessments specifically levied for transportation purposes.
- 3. Sales tax:** Enter the amount of local sales tax revenues appropriated for transportation purposes.
- 4. Other:** Enter any other revenues from taxes or fees appropriated for transportation purposes.
- 5. Misc. local receipts:** Enter any miscellaneous local revenues appropriated for transportation purposes such as traffic and parking fines and penalties.
- 6. Bonds – Original issues:** Enter the net proceeds received from the sale of bonds issued for transportation purposes.

7. **Bonds – Refunding issues:** Enter the net proceeds received from the sale of bonds issued to retire existing transportation bonds.
8. **Notes/Loans:** Enter the amount received during the reporting period from notes/loans for transportation purposes.
9. **(Specify):** Enter any revenues not included in one of the above categories and identify the source, such as interest from savings, CD's, or other investments.

Private Contributions

10. **Contributions:** Enter all revenues received from the private sector as cash or services for transportation purposes, such as gravel sales or snow removal costs to private individuals.
11. **(Specify):** Enter any revenues not included in the above category and identify the source.

Receipts from State Government

12. **Highway taxes:** Enter the revenues transferred from the State for highway-user taxes and fees including motor fuel taxes, motor vehicle registration fees, motor carrier taxes, and any other taxes and fees used for transportation purposes. Townships commonly refer to this as road mileage revenue.
13. **State general funds:** Enter the allocation and transfer of State general funds for transportation purposes. This revenue is commonly referred to as State Aid.
14. **Other State funds:** Enter all other State funds transferred for transportation purposes such as bond sales, sales taxes, excise taxes, severance taxes, and mineral lease taxes.
15. **Misc. State receipts:** Enter the amount of any other State funds received for transportation purposes.
16. **(Specify):** Enter any amounts not included in one of the above categories and identify the source.

Receipts from Federal Government

17. **Federal Highway Administration:** Enter the amount of all FHWA funds received through the state and used for transportation purposes.
18. **Other Federal Agencies:** Enter all amounts received from other Federal agencies either directly or indirectly through the State.
 - a. **Forest Service:** Enter the amount received from the United State Forest Service that was used for transportation purposes.
 - b. **FEMA:** Enter the amount received from the Federal Emergency Management Agency that was used for transportation purposes.
 - c. **HUD:** Enter the amount received from the United States Department of Housing and Urban Development that was used for transportation purposes.
19. **(Specify):** Enter any amounts not included in one of the above categories and identify the source, such as Federal Stimulus Funds.

Section 2: Transportation Expenditures

Road and Street Transportation Expenditures

20. **Capital outlay – right of way:** Enter expenditures for right-of-way administration, purchase of land, improvements and easements, and costs of moving and relocating buildings, businesses, and persons.

21. **Capital outlay – engineering:** Enter expenditures for field engineering and inspections, surveys, material testing and borings, preparation of plans, specifications and estimates, and traffic and related studies.
22. **Capital outlay – construction:** Enter all expenditures for construction of transportation infrastructure.
 - a. **New facilities:** Enter expenditures for new highways, roads, streets, and bridges. This should not include any expenditures on existing highways, roads, streets, and bridges.
 - b. **Capacity improvements:** Enter expenditures for improvements that add capacity such as relocation or reconstruction with added capacity, major widening, or bridge replacement or rehabilitation with added capacity.
 - c. **System preservation:** Enter expenditures for improvements that preserve an existing system without significantly adding capacity such as reconstruction, rehabilitation, replacement, resurfacing, and minor widening.
 - d. **System enhancement and operation:** Enter expenditures for improvements that are not directly related to the physical structure or condition of the transportation infrastructure. These are improvements such as safety, traffic management, traffic engineering, railroad grade crossings, and vehicle weight enforcement facilities.
23. **Maintenance:** Enter expenditures that are classified as maintenance for transportation infrastructure. The purpose of maintenance is to offset the effects of deterioration from age, weather, use, damage, failure and design and construction faults. Enter expenditures such as graveling, grading, asphalt patching and other maintenance performed by your entity or paid to a third-party. Include equipment operator salaries as maintenance cost.
24. **Traffic control operations:** Enter all expenditures for operation of traffic control and surveillance systems that are designed to monitor and control traffic by managing vehicle flow. These systems include traffic signal control, roadway and bridge control and surveillance, electronic message boards, sign replacement and repair, etc.
25. **Snow and ice removal:** Enter expenditures for removal of snow, sanding and chemical deicing applications, and the erection and removal of snow fences, performed by your entity or paid to a third-party. Include equipment operator salaries as snow removal cost.
26. **Other road and street services:** Enter expenditures for air quality monitoring, highway beautification, mowing, and litter removal.
27. **General administration and engineering:** Enter general expenditures that are not readily classified as capital outlay, maintenance, or operations such as highway planning, traffic studies, and research activities. Administration would include such things as road/township supervisor salaries and road-related liability insurance.
28. **Highway law enforcement and safety:** Enter expenditures for highway and police costs that are associated with traffic supervision and the enforcement of highway, traffic, and safety laws.
29. **Debt service – bond interest:** Enter expenditures for bond interest costs and related financing costs such as agent fees, fiduciary charges, printing costs, and legal opinions.
30. **Debt service – bond redemption:** Enter expenditures for bond redemption payments at net value (the value after adjustments for discounts and premiums).
31. **Debt service – note/loan interest:** Enter expenditures for note/loan interest costs and related financing costs such as agent fees, fiduciary charges, printing costs, and legal opinions.
32. **Debt service – note/loan redemption:** Enter expenditures for note/loan principal payments.

- 33. **Transfer payments to State:** Enter the transfer of funds to the State for transportation purposes such as reimbursements, repayments, or contributions.
- 34. **(Specify):** Enter any amounts not included in one of the above categories and identify the source.

Section 3: Summary of Transportation Revenues and Expenditures for Local Government

- A. **Beginning Balance:** Enter the combined beginning balance of your “road” funds on January 1, 2014. If you only have a general fund, and the primary use is for transportation purposes, enter that balance.
- B. **Receipts:** Enter the Total in the appropriate column for the revenue received during the reporting period from Section 2.
 - 1. **Less amount used for collection purposes:** Enter the amount of revenues that were deducted for the payment of collection expenses such as administrative costs or third party collection services. If collection expenses were paid from another source, such as local general funds, no amount should be reported in this item.
 - 2. **Less amount used for non-highway purposes:** Enter the amount of revenues that were used for non-highway and non-transit purposes. This includes amounts that were used for local general purposes, other modes of transportation, or specific non-highway purposes, (i.e., aviation, marine, schools, etc).
 - 3. **Less amount used for mass transit:** Enter the amount of revenues that were used for mass transit.
 - 4. **Total receipts used for highway purposes:** This should equal Receipts less the amounts in 1), 2), and 3) in each column.
- C. **Expenditures:** Enter the **Total** expenditures paid during the reporting period from Section 3.
- D. **Ending Balance:** Calculate the ending balance as follows: [Line A - Beginning Balance] + [Line 4] - Total receipts used for highway purposes] - [Line C - Expenditures]. This should equal the ending “road” fund or portion of the general fun that relates to Transportation.

Section 4: Local Highway Debt Status

- 35. **Bonds:**
 - Opening Debt:** Enter the amount of bonds outstanding at the beginning of the year.
 - Amount Issued:** Enter the increased amount of bonds issued during the year.
 - Redemptions:** Enter the amount of bond principal reduced during the year.
 - Closing Debt:** Enter the amount of bonds outstanding at the end of the year.
(Opening Debt + Amount Issued - Redemptions = Closing Debt)
- 36. **Notes/Loans:**
 - Opening Debt:** Enter the amount of note/loan principal outstanding at the beginning of the year.
 - Amount Issued:** Enter the increased amount of note/loan principal during the year.
 - Redemptions:** Enter the amount of note/loan principal reduced during the year.
 - Closing Debt:** Enter the amount of notes/loans outstanding at the end of the year.
(Opening Debt + Amount Issued - Redemptions = Closing Debt)
- 37. **(Specify):** Enter any amounts not included in one of the above categories and identify the source.

TRANSPORTATION FUNDING REPORT INSTRUCTIONS

Section 5: Comments

Enter any additional information or explanations to provide clarification of any of the information provided in the report.

ELECTRONIC FILING

The electronic Online Report appears in the same basic format as the Transportation Funding Report in the Excel spreadsheet format or the paper form, either of which should be used as a worksheet to compile the information to be reported.

The Transportation Funding Online Report is available on the North Dakota State Tax Commissioner's website at www.nd.gov/tax/motorfuel/transportationfunding. Click on the link "Access Online Report" to Login, enter **Highway** as the Username and **Fund** as the Password. Either upper or lower case letters are accepted.

CONTACT INFORMATION

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Website: www.nd.gov/tax

North Dakota Transportation Funding Report

Calendar Year (YYYY)	
County (required)	
Township	
City	

Preparer Name	
Address	
City, State, Zip Code	
Phone Number	
Email Address	

Section 1: Transportation Revenues

Receipts from Local Government		Receipts from State Government	
1. General fund appropriations		12. Highway taxes	
2. Property tax and assessments		13. State general funds	
3. Sales tax		14. Other State funds	
4. Other		15. Misc. State receipts	
5. Misc. local receipts		16. (Specify)	
6. Bonds - Original issues			
7. Bonds - Refunding issues			
8. Notes/Loans			
9. (Specify)			
	Total \$		Total \$
	-		-

Private Contributions		Receipts from Federal Government	
10. Contributions		17. Federal Highway Administration	
11. (Specify)		18. Other Federal Agencies:	
		a). Forest Service	
		b). FEMA	
		c). HUD	
		19. (Specify)	
	Total \$		Total \$
	-		-

Section 2: Transportation Expenditures

Road and Street Transportation Need Expenditures

20. Capital outlay - right of way	
21. Capital outlay - engineering	
22. Capital outlay - construction:	
a). New facilities	
b). Capacity improvements	
c). System preservation	
d). System enhancement and operation	
23. Maintenance	
24. Traffic control operations	
25. Snow and ice removal	
26. Other road and street services	
27. General administration and engineering	
28. Highway law enforcement and safety	
29. Debt service - bond interest	
30. Debt service - bond redemption	
31. Debt service - note/loan interest	
32. Debt service - note/loan redemption	
33. Transfer payments to State	
34. (Specify)	
	Total \$
	-

Section 3: Summary of Transportation Revenues and Expenditures for Local Governments

Item	Local Government & Private Contributions	State Government	Federal Government	Total
A. Beginning balance				
B. Receipts:	\$ -	\$ -	\$ -	\$ -
1). Less amount used for collection expenses				
2). Less amount used for non-highway purposes				
3). Less amount used for mass transit				
4). Total receipts used for highway purposes	\$ -	\$ -	\$ -	\$ -
C. Expenditures				\$ -
D. Ending balance (Line A + Line 4 - Line C)				\$ -

Section 4: Local Highway Debt Status

Item	Opening Debt	Amount Issued	Redemptions	Closing Debt
35. Bonds				\$ -
36. Notes/Loans				\$ -
37. (Specify)				\$ -
	Total \$	-	-	-

Section 5: Comments

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