



Revenue Sharing Program Study Committee

Program Purpose

The Revenue Sharing Program is intended to provide funding for immediately needed improvements or to supplement funding for existing projects. Larger new projects may also be considered, provided the locality identifies any additional funding needed to implement the project.

Program Evolution

Prior to 2006

- Program Allocations Maximum = \$15M
- Only Counties
- Maximum Request per locality = \$500,000

2006

- Program Allocations Maximum = \$50M/Budget = \$50M
- Cities and Independent Towns included
- Maximum Request per locality = \$1M

2012

- Program Allocations Maximum = \$200M /Budget = \$50M
- Maximum Request per locality = \$10M
- Advanced partial 2013 budget to support \$103M in allocations

2013

- First Deallocation Year
- Prior to this there was no recourse if project not moving forward³

Program Performance

Project Completion Rates, Since 1998

Initial RS Allocation Year	Total Projects	Completed Projects	% Completed Projects	# Active Projects	# In Construction (Adv/Award/CN Started)	# In Project Development (Pre-Construction)
1998-2008	1099	1061	96.5%	38	22	16
2009-2012	421	348	83%	73	45	28
2013-2017	866	267	31%	599	166	433
Total	2386	1676	70%	710	233	477

Program Performance

Project Completion Rate By Project Cost (Estimate) since 1998 – All Allocations

Statewide RS Projects	Total Projects	Complete Projects	% Complete Projects
\$0-\$1 mil Estimate	1797	1432	79%
\$1-\$5 mil Estimate	402	189	47%
>\$5 mil Estimate	187	55	29%
All Projects (Total)	2386	1676	70%

Allocation Issues/Factors that Impact Committee's Review

- **Overprescribed Program-Requests Exceeding Allocations**
- **Current Locality Funding Limits Not Reasonable With Statewide Funding**
- **New Funding Options Now Available that Were Not Available When Funding Limits Changed**
- **Current Prescribed Priority and Funds Available May Disadvantage Smaller Immediately Needed Projects**

Transfer Issues/Factors that Impact Committee's Review

- **Different Rules for Transfers**
- **When Should Transfers Require CTB Approval**
- **Should Remaining Funds Be Available to Locality or Redistributed (Over Threshold?)**

Moving Forward

- **Ensure Equitable Allocation Distribution of Limited Funding**
- **Maintain Ability to Address Immediately Needed Improvements**
- **Continue Efforts To Expedite Project Completion**
- **Address Transfer Concerns**
- **Clarify Expectations for Localities**

SUMMARY OF OPTIONS FOR CONSIDERATION

Programmatic Allocation Changes CTB Could Implement

- Option 1- Limit total annual allocations to \$5M per locality (\$10M limit per 2 year cycle)
- Option 2- Limit maximum allocation per project to \$10M
- Option 3- Limit maximum allocation per project to \$5M
- Option 4- Require any local funds committed on application as part of prior Revenue Sharing allocation to be spent before additional allocations are provided
- Option 5 – Combination of above options or Sliding Scale

Revenue Sharing Transfer Considerations

- All transfers must go before the CTB for Approval
- Any transfer of surplus funding goes to the Statewide Balance entry for re-distribution
- Use same guidelines for all transfers as allowed in de-allocation policy for transfers
- All transfers from projects that are cancelled must go before the CTB for Approval (Modified Option)
- Any transfer of surplus funding with a remaining balance over \$250,000 must go before the CTB for Approval (Modified Option)
- (New)

Transfer Policy

3-Year Transfer History

Administratively Approved-Transfers Between Existing Revenue Sharing Projects

FY	# Transactions	State \$ Value Transferred	# Projects Involved
2014	162	\$21,772,572	114
2015	158	\$32,794,384	104
2016	193	\$30,309,762	147
Average	171	\$28,292,240	122

CTB Approved: No Prior Revenue Sharing Funds

FY	# Transactions	State \$ Value Transferred	# Projects Involved
2014	9	\$8,897,591	8
2015	15	\$2,458,220	9
2016	13	\$4,432,090	6
Average	13	\$5,262,634	8

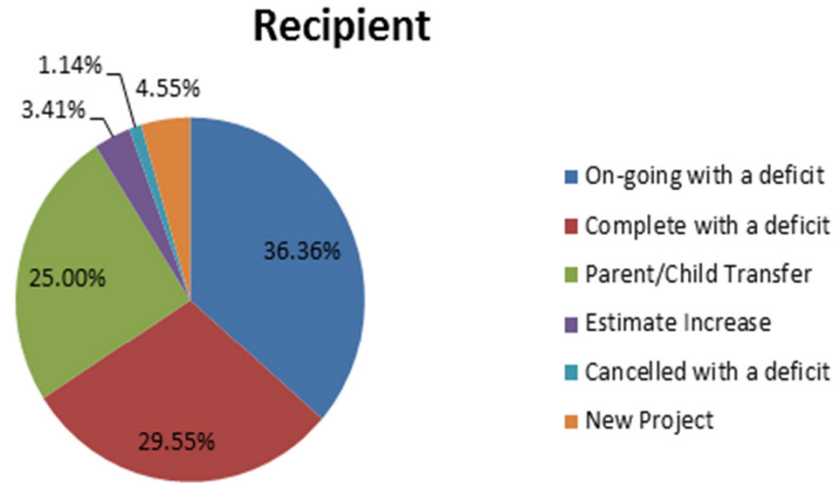
Transfer History Breakdown

RS Transfers

2014 - 2016 Sample

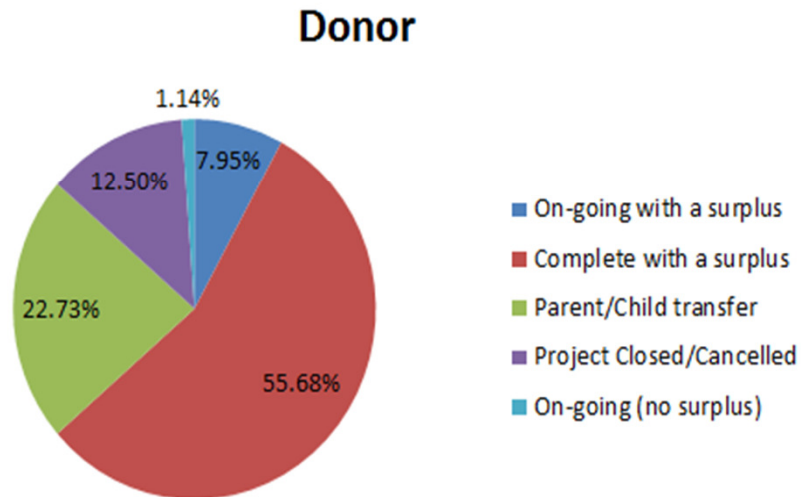
Recipient

On-going with a deficit	36.36%
Complete with a deficit	29.55%
Parent/Child Transfer	25.00%
Estimate Increase	3.41%
Cancelled with a deficit	1.14%
New Project	4.55%



Donor

On-going with a surplus	7.95%
Complete with a surplus	55.68%
Parent/Child transfer	22.73%
Project Closed/Cancelled	12.50%
On-going (no surplus)	1.14%



Further Discussion

Common Ground

- **Set lower maximum annual limit per locality**
- **Set a maximum lifetime allocation per project**
- **Transfers over a certain dollar amount warrant CTB Approval**

Areas Requiring Further Review?

Revenue Sharing Program Subcommittee Next Steps

March-May - Committee Discussions

May 2017 – Workshop presentation to CTB on recommended changes to Revenue Sharing Policy and Guidelines

May 2017 – Updated Policy Presented to CTB at Action Meeting

June 2017 – Draft Revenue Sharing Guidelines Presented to Full CTB

By July 2017 – CTB Approve Revenue Sharing Guidelines



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