

Chapter VII Financial Plan

The Grand Valley Metropolitan Council (GVMC) Transportation Improvement Program (TIP) provides a summary of how transportation revenues in the program will be invested over a three year period by the state and local agencies that have legal responsibility to build, operate, and maintain the state's highway, road, street, and public transit systems. Federally-funded expenditures are required by federal law to be consistent with the FY2025 Long Range Plan adopted in August 2000 and to be constrained to include only projects that we anticipate having enough revenue to complete.

A portion of this money is used to maintain and operate the transportation systems. The remainder is for capital projects. For more information on what agencies do to ensure that the system as a whole is being adequately operated and maintained please see pages 3 through 10, 13 through 16, 23 through 35 and see appendices G, H, I & J.

Federal regulations require the TIP to be financially constrained by fiscal year. The STIP must demonstrate that there is enough money available each year to fund projects listed in the TIP for the year. The purpose of the tables listed below is to demonstrate financial constraint. The tables compare estimated revenues and expenditures by funding source and indicates how much revenue total it is estimated will be available each year from federal state and local sources. Revenue and expenditures in these tables are MPO totals for combined state and local programs. Federal revenues used here are based on 2003 funding levels with a factor of 2 percent used for FY2004 and for FY2005 and FY2006 a compounded annual increase of two percent, which is consistent with the projected increases in the national authorization level of the federal highway program during the period of this program.