

**MUNICIPAL AID (0076)**  
**2011-2013 BIENNIUM**

**I) AGENCY SUMMARY & REVENUE SOURCES**

**Mission**

Act 750 of 1973 created the Municipal Aid Fund in order to assist cities with the increasing costs of providing services.

**Total Biennial Budget**

The total budget for the 2011-2013 biennium is \$147,506,526 each year.

**Funding**

The appropriations are funded with general revenues, and with special revenues derived from highway revenues (motor vehicle licenses and registration, motor fuel taxes, and special motor fuel taxes.)

**II) SIGNIFICANT CHANGES**

All appropriations recommended at base level including \$27.4 million in General Revenue.

**III) ADDITIONAL POSITIONS**

No positions are authorized for these appropriations.

**IV) SPECIAL LANGUAGE**

Distribution of Funds. Funding from Property Tax Relief Trust Fund to counties shall not be distributed unless there are sufficient funds in Property Tax Relief Trust Fund.

Loan. Allows the provision of a loan to the County Aid and Municipal Aid funds from the Budget Stabilization Trust Fund on July 1 of each fiscal year of the biennial period to assist cities and counties with cash flow needs early in the state fiscal year. It also provides that the loan will be repaid in equal installments from general revenue distributions each month during the fiscal year for which the loan was made. The amount of each loan shall be \$3.5 million to the Municipal Aid Fund and \$1.9 million to the County Aid Fund, or so much as may be available in the Budget Stabilization Trust Fund.

Carry Forward. Allows carry forward authority of General Revenues at the close of each fiscal year.