



Budget and Revenue Overview

2016 Grant Administrators Workshop

Houghton Lake, MI

March 24, 2016

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Objective

Address several, key questions:

- What funding source(s) support the grant programs?
- What factors impact the amount available to spend from these funding sources?
- What conclusions can we draw from an analysis of recent revenue trends?



Marine Safety Grants

Two sources of funding:

- State funding
Marine Safety Fund
- Federal funding

U.S. Coast Guard Recreational
Boating Safety Program

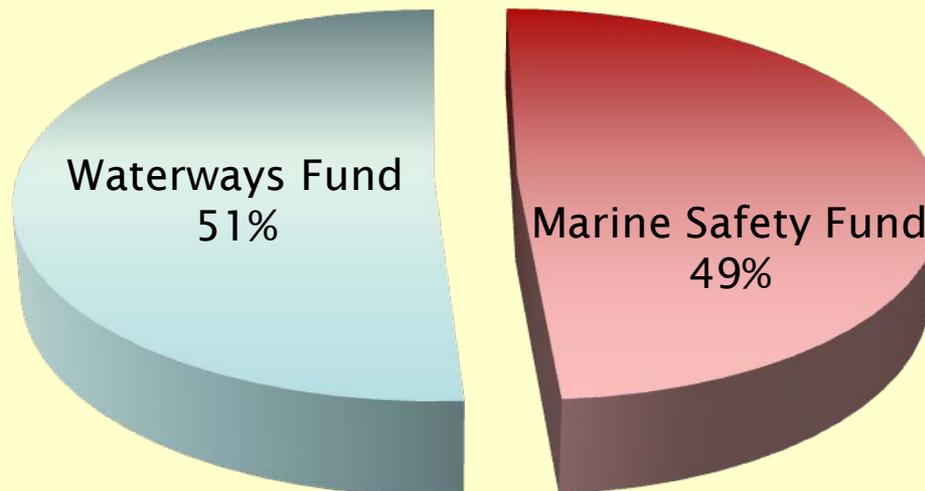


Marine Safety Fund

Primary source of revenue:

- Watercraft registration fees
(3-year renewal cycle)

FY 2015 Watercraft Registration Revenue = \$9.8 Million



Marine Safety Fund

Stagnant revenue

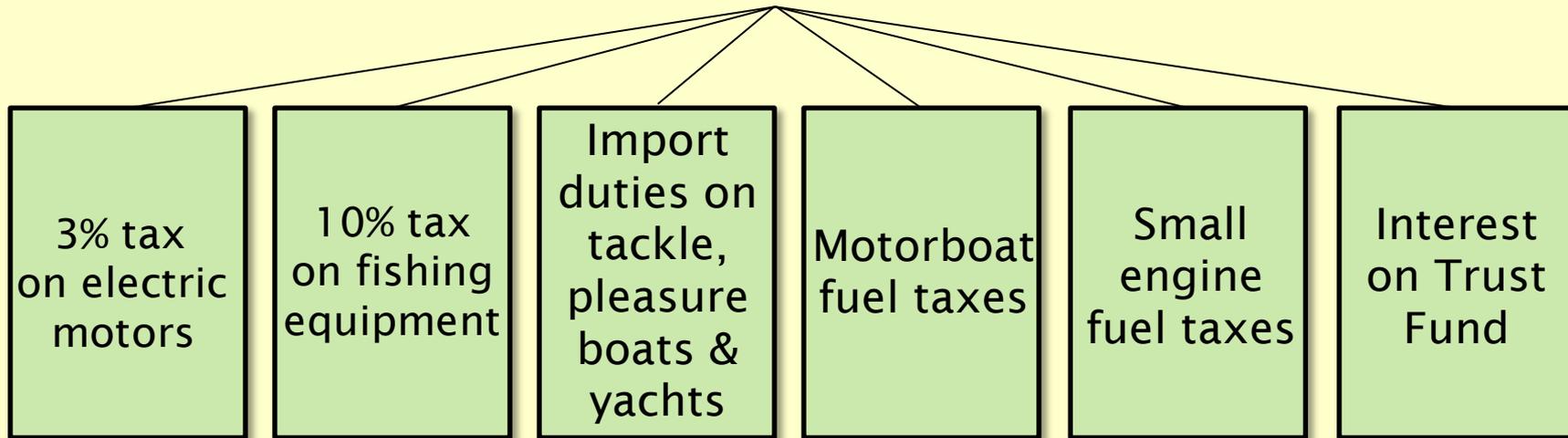
- No change in watercraft registration fees since the 1990s
- Lack of sustained growth in the number of registered boats



U.S. Coast Guard Recreational Boating Safety Program

Source of revenue:

- Sport Fish Restoration & Boating Trust Fund

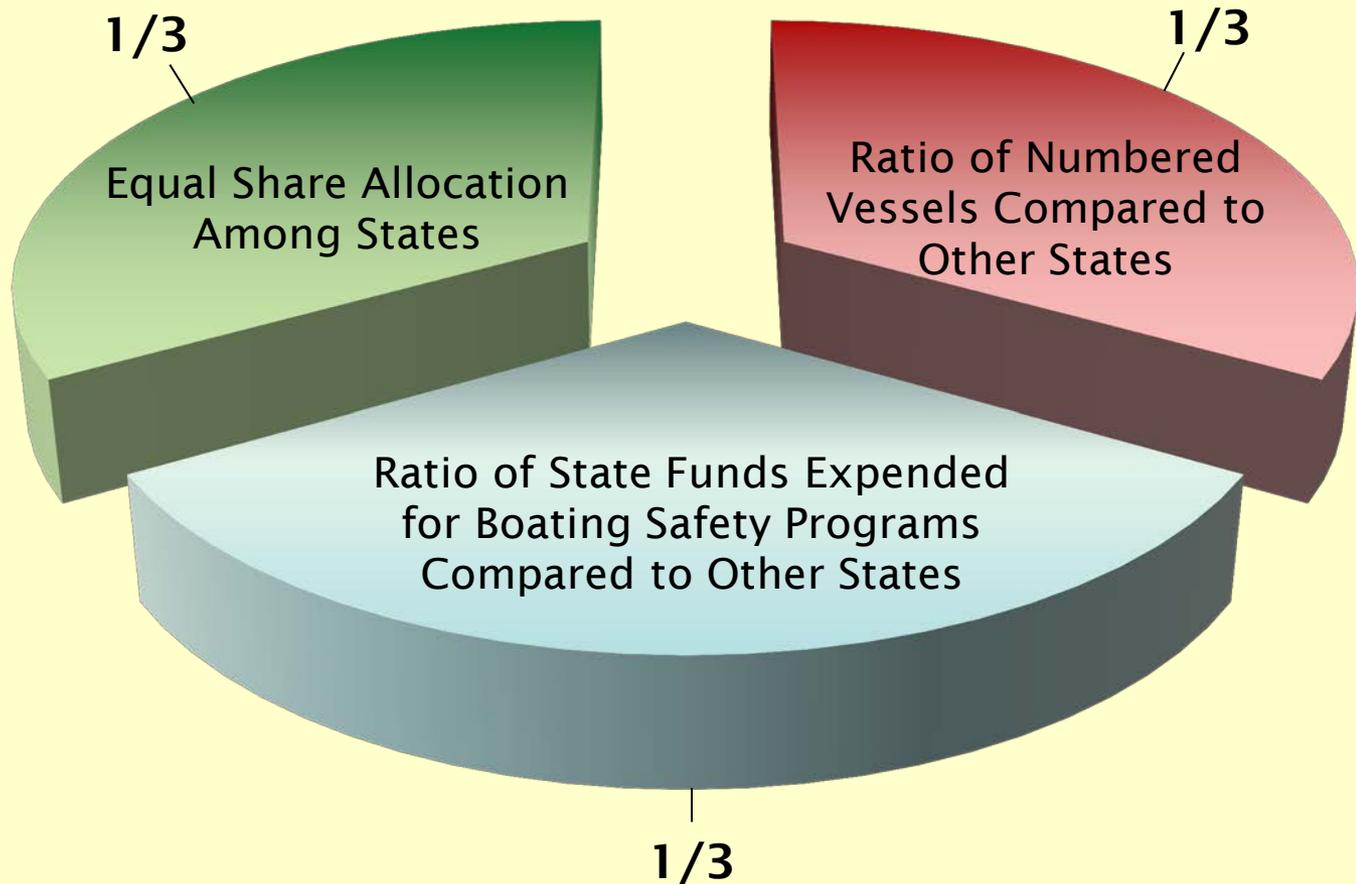


18.5% distribution for Recreational Boating Safety Program after deductions off the top



U.S. Coast Guard Recreational Boating Safety Program

Annual Apportionment:



U.S. Coast Guard Recreational Boating Safety Program

Good news for FY 2016!

- FY 2016 apportionment:  16%
- FY 2014 boating safety expenditures:  36%
- Tied to emergency dredging initiative



U.S. Coast Guard Recreational Boating Safety Program

Outlook for FY 2017

- Projecting a return to pre-FY 2016 apportionment levels
 - Increase in expenditures from emergency dredging projects one-time in nature
 - Limited growth in # of registered boats relative to other states

FACT:

Michigan still **#2** behind Florida in terms of # of registered boats and total apportionment



ORV Law Enforcement Grants

Source of funding:

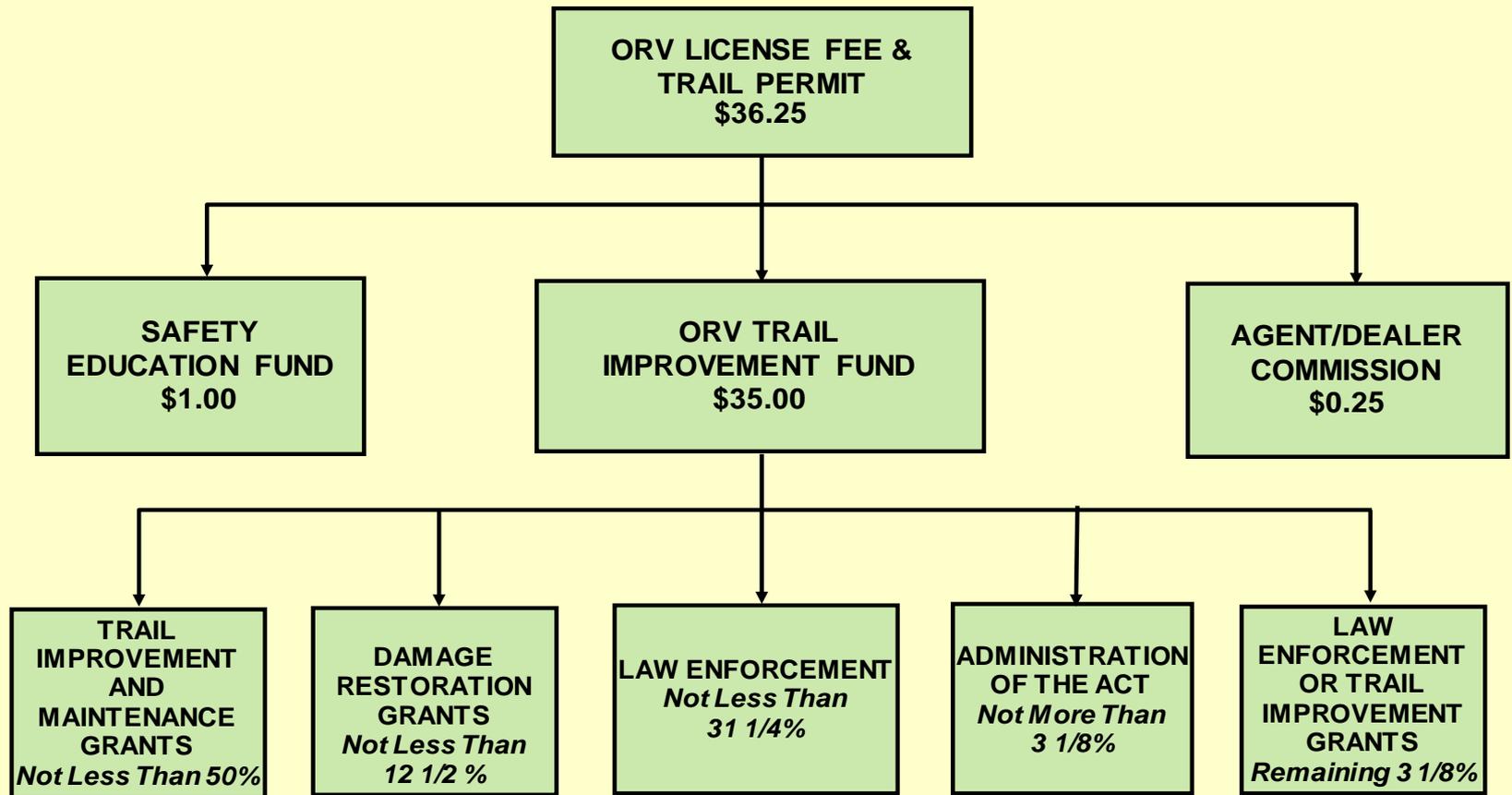
- ORV Trail Improvement Fund

ORV
license fees

ORV trail
permit fees



ORV Revenue Distribution



Note: 24% of the amount designated for law enforcement must be distributed as grants to county sheriffs' departments



ORV Trail Improvement Fund

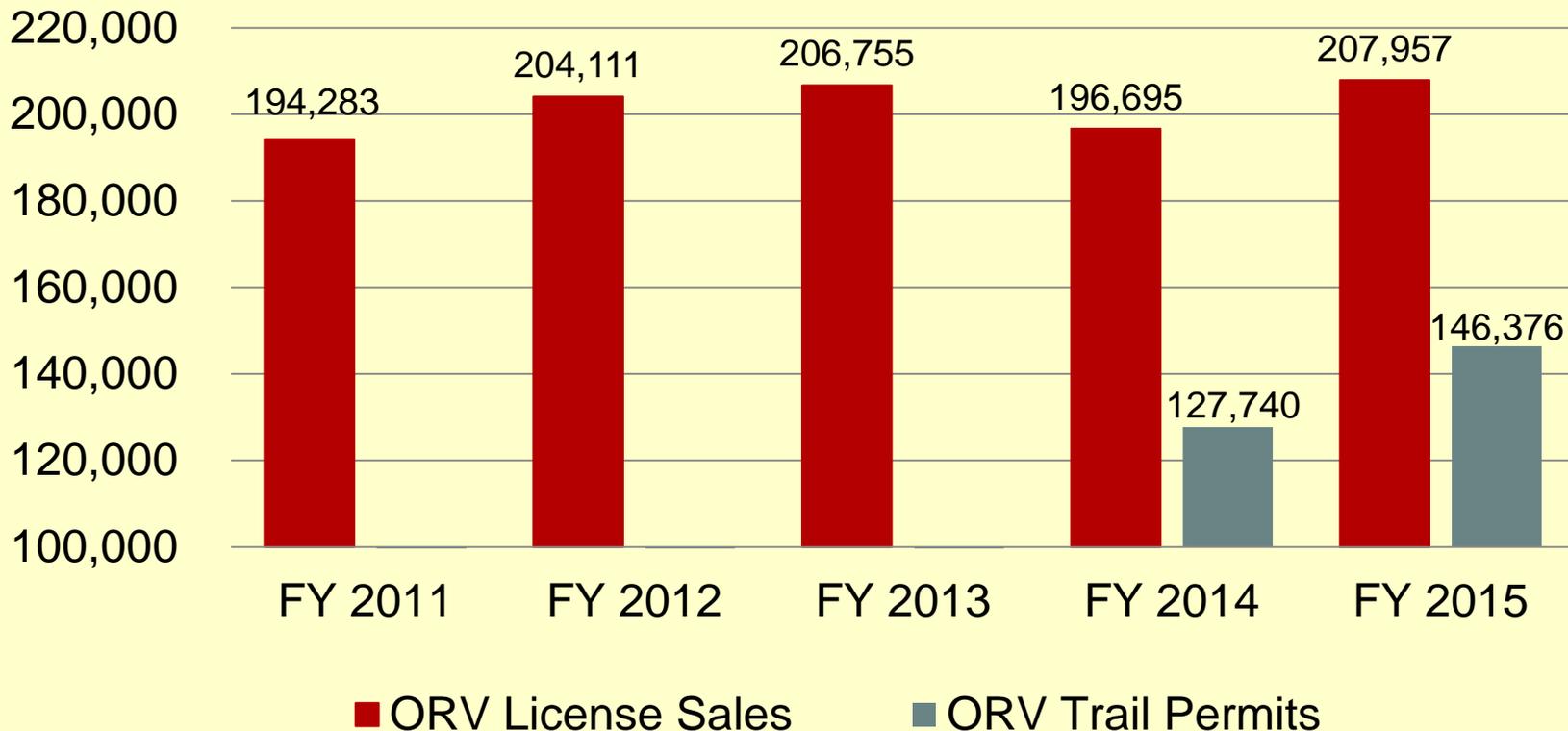
Recent revenue growth

- ORV license restructuring effective March 1, 2014
 - Increase in ORV license fees from \$16.25 to \$26.25
 - Addition of the \$10 ORV trail permit for riding on state-designated ORV trails



ORV Trail Improvement Fund

Strong ORV license and trail permit sales in FY 2015



Snowmobile Law Enforcement Grants

Source of funding:

- Snowmobile Registration Fee Fund
 - Revenue from snowmobile registration fees
 - 3-year renewal cycle (for standard registration)

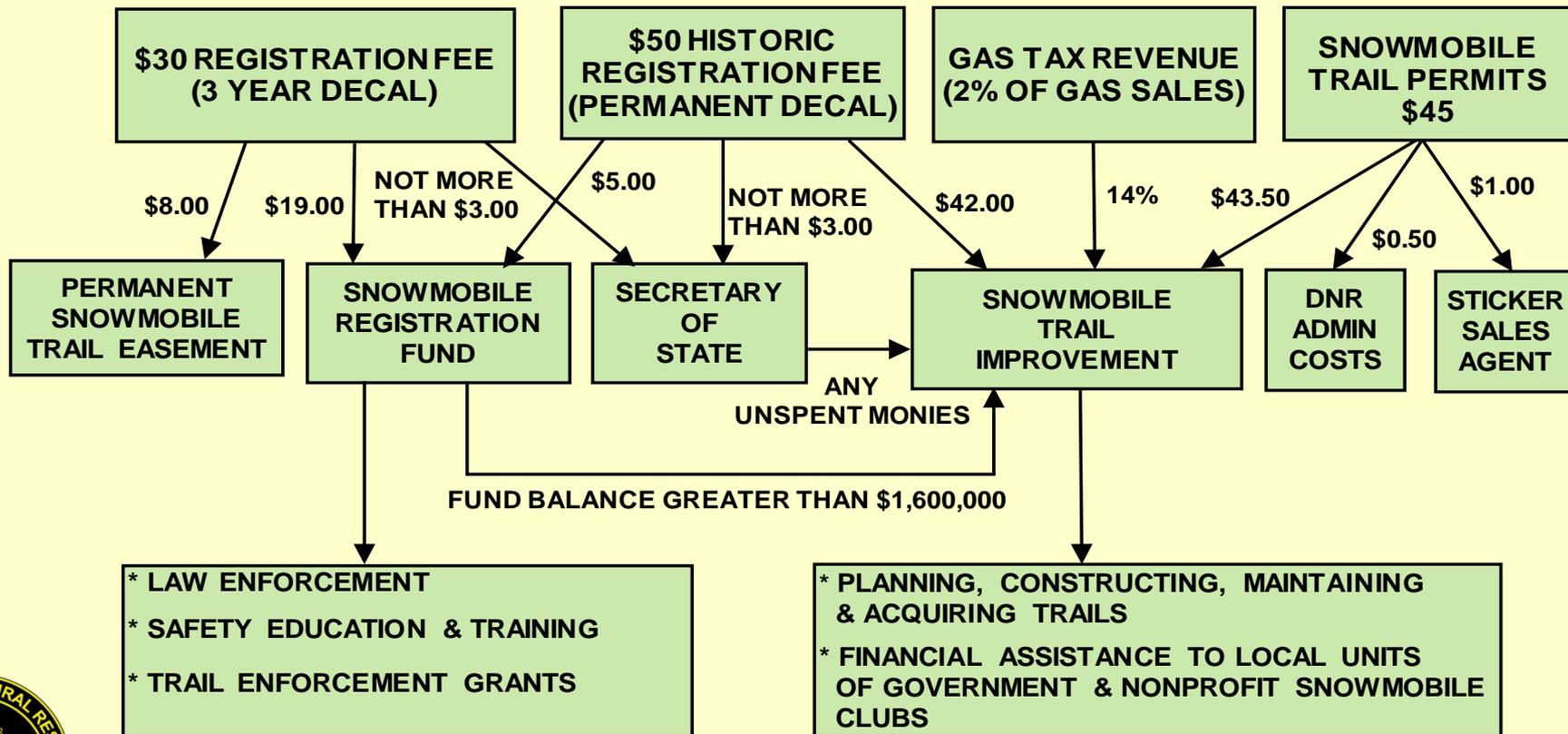
FACT:

Michigan ranked in the **top 3** nationally for # of registered snowmobiles



Snowmobile Revenue Distribution

SNOWMOBILE PROGRAM DISTRIBUTION OF REVENUE

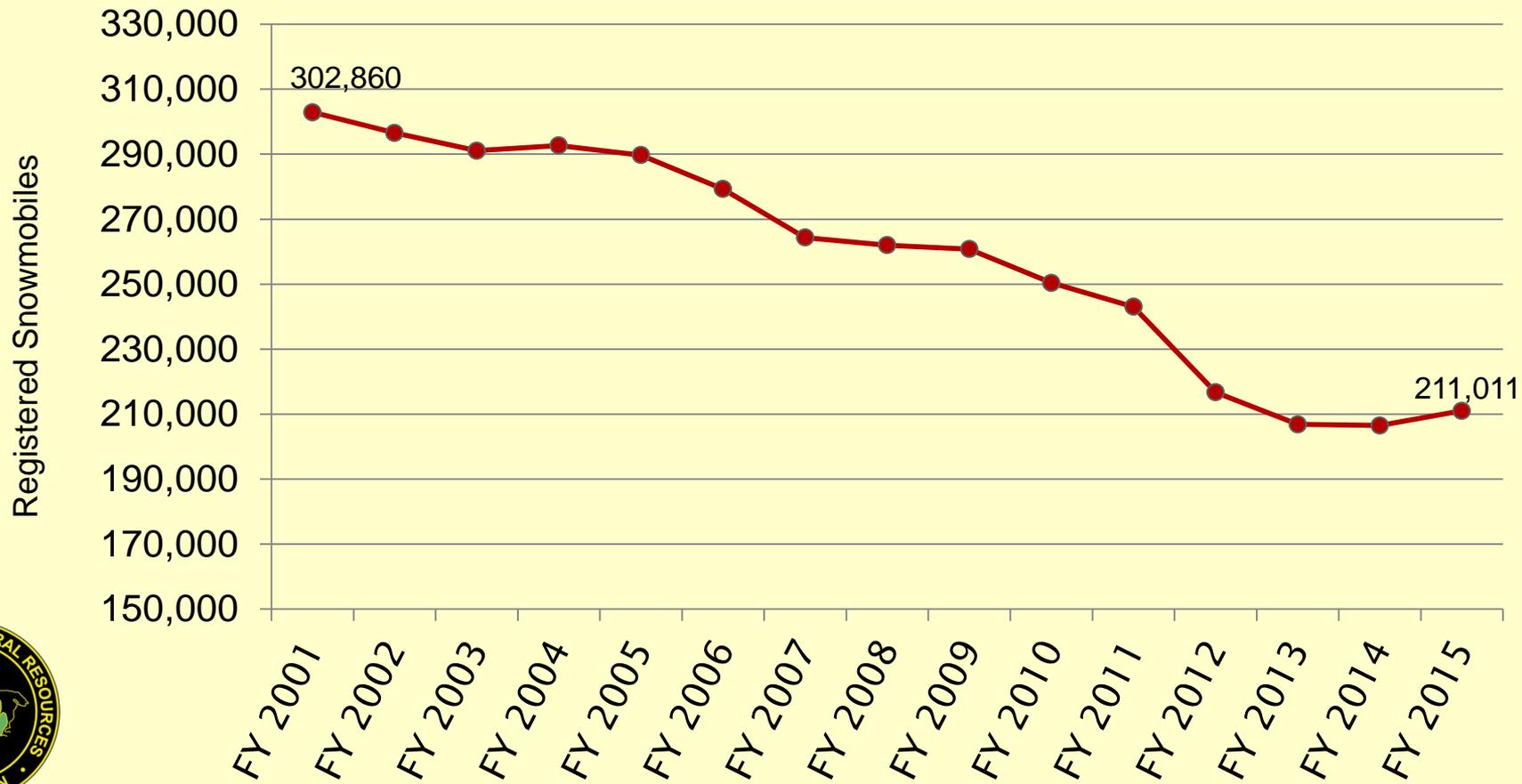


Note: Snowmobile trail permit fee structure became effective October 1, 2011 and will be indexed to inflation every five years beginning October 1, 2016.



Snowmobile Registrations

15-year snowmobile registration trend:



Snowmobile Registrations

Factors influencing snowmobile participation:

- WEATHER!
- Economic considerations
 - Gas prices
 - Cost of equipment (rent vs. own)
 - Shorter season compared to ORV use





Questions?
