

TRUST FUND SPENDING

Allowable Expenses/Ideas

TRUST FUND RULES

In accordance with Trans Rule 1.05(2), "A county may retain and hold in trust all or part of the allocated aid which it receives ... **for the purchase or maintenance of transportation equipment.**"

Counties with trust arrangements are required to follow specific guidelines governing management and use of trust funds:

1. A county board of supervisors must authorize establishment of this fund by board resolution which must be submitted to WisDOT for approval.
2. Expenditures of aid from a county's trust fund shall be made according to a plan approved by the department. The county's plan should indicate what the trust fund will be used to purchase. A plan may be amended at any time with the department's approval.
3. **Aid may be held in trust only for "capital-like" expenditures for items having an expected useful life of at least two years. These purchases must be related to providing transportation service for seniors or individuals with disabilities.**
4. All assets must be expended, and a county may not establish a permanent minimum balance.
5. **Balance may not exceed \$80,000.**
6. Counties shall maintain records showing the dates and amounts of deposits to the trust fund; the dates, amounts and purposes of expenditures from the fund; and interest earned by the fund.

Counties with established 85.21 trust funds must review and update spend plans annually. This is required as part of the "Annual Financial Report" submitted for this grant program. In their 2022 budget for 85.21 program(s), counties will estimate the amount of 2022 aid that will be added to their trust fund account.

GENERAL INFORMATION ON AIDS HELD IN TRUST

ALLOWABLE USES

Trans Rule 1 allows a county to use trust fund balances to purchase or maintain **capital** equipment used in its specialized transit program. All such expenditures must conform to the county's Department-**approved** trust fund plan which lists specific planned expenditures.

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MANAGEMENT OF AIDS HELD IN TRUST

Counties may elect but are not required to hold state aid in trust. If a county wishes to hold aid in trust, it must be authorized to do so by resolution of its Board of Supervisors. No other organization but a county may hold 85.21 aids in trust.

A county may hold in trust either part or all of its allocation from a given year. However, the trust fund balance is subject to certain constraints:

1. It must be consistent with the county's latest trust fund plan.
2. A county's trust fund plan must expend all funds held in trust. The Department suggests planning to spend funds within three years of deposit.
3. The Trust Fund balance may **not exceed \$80,000**. The Wisconsin Department of Transportation may require return of any balance exceeding this allowance.

Although a county need not physically segregate aids held in trust from other cash assets, it must account for the aids separately from other funds. It may also invest the aids either separately or pooled with other funds, but the interest earned by the aids must be added to the aids held in trust.

When state aid is pooled with other funds for investment purposes, the interest earned by the aid must be added at least annually to the trust fund. The annual interest earned by state aid in a pooled investment is to be computed from the average annual rate of return from all the invested funds and the average monthly balance of aid held in trust during the year.

Neither state law nor administrative rule specifies how long funds may be held in trust; however, the Department suggests counties develop a plan to spend funds held in trust over a three-year span.

Counties must keep records of all aids held in trust, to include the dates and amounts of additions to a trust fund (including interest); dates, amounts and purpose of expenditures from the fund; and the fund balance. These records serve as the basis for trust fund information submitted to the Department in annual financial reports.

Trust arrangements may be terminated by a county or by the Department. Upon termination, the county must refund the balance of unspent funds to the Department. A county may also be required to refund expenditures for items that are not included in a plan approved by the Department.

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TRUST FUND ALLOWABLE EXPENSES/IDEAS

Vehicle-this would be WisDOT's first preference for spending Trust Funds

- Work with your local county Nursing Homes to see if they need a vehicle
- Work with local non-profits to see if they need a vehicle to help provide transportation for the Elderly or Individuals with Disabilities

Vehicle Repairs-these need to be major repairs (not regular maintenance) such as but not limited to:

- Tires
- Brake Replacement
- Transmission Work
- Major Engine Repairs
- Equipment Purchases or Repairs (seatbelts, restraints, ramp or lift, seats, doors, windows, etc.)
- Major repairs on a vehicle owned by an Elderly person or Individual with disabilities

Rickshaw Bikes

- Start a new program
- Work with local nursing homes, assisted living places, or sheltered workshops that may want bikes
- Bike Racks

Marketing/Advertising

- Billboards
- Movie theater preshow marketing videos (work with your local high school for B roll film then have a media source produce the ad)
- Flyers
- Wraps or magnet identifiers for your vehicles

Work with State or Local Parks to offer:

- Handicap accessible lifts for kayakers
- Handicap all terrain wheelchairs

Purchase Transit Software

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Purchasing or Constructing a Building to store vehicles

- The value or purchase of the land it sits on is not an eligible expense
- If the building is used by other entities or programs, the cost would need to be pro-rated (e.g. your vehicle uses one space in the building and other county agency vehicles are parked in the other 3 spaces. Trust could only pay for the one space)

Purchase Office Furniture (these would need to be prorated by the amount of time used in working on 85.21 projects. For example, 50% of your time is working in nutrition and 50% is working on transportation, 50% of the cost would be allowable)

- Desks
- Chairs
- Computers
- Monitors
- Printers/Scanners

Use in relation to other Funds

- 85.21 Trust funds can be used for the 5311 Program (as long as the program is for elderly and disabled)
- They can use 85.21 trust fund as match for 5310 vehicles

Please feel free to contact us with your ideas!