



Department of Rural and Municipal Aid

BR SUBCOMMITTEE ON TRANSPORTATION

FLEX FUNDING

Frankfort, Kentucky | February 26, 2024



WHAT IS FLEX FUNDING?

Flex Funding consists of monies shared by KYTC from the Rural Secondary (22.2%) apportionment of Revenue Sharing Funds in KRS 177.320, to assist counties with repairs and resurfacing of county roads.



HISTORICAL PERSPECTIVE

- In 2010, Rural Secondary Roads (a/k/a Farm to Market Roads) were in Grade A condition. Based on this fact, KYTC leadership decided to share Rural Secondary funds for use on county roads until the funds were needed on Rural Secondary Roads. Hence, FLEX Funding came into existence.

DESIGN OF THE FLEX PROGRAM

Flex Funds' allocation provided to each County, is determined by KYTC's Division of Maintenance. The Rural Secondary Roads in each county are reviewed and Level of Service "LOS" ranking of the roads are evaluated and translated into the % of monies shared with the counties.

A- 25%

B-20%

C-15%

D-10%

<https://transportation.ky.gov/Maintenance/Documents/Annual%20Reports/FY23%20-%20County%20Supplement%20-%20Report.pdf>

DESIGN OF THE FLEX PROGRAM

- Evaluations and changes are done every 2 years.
- Next evaluations will be done in FY25
- Changes in percentages will be applicable in FY26.
- Remember the main rule of thumb: The better the Rural Secondary Roads are, the more money that is shared to the county.
- ***Changes in Flex Funding amounts do not mean the County is losing the benefit of the monies assigned to their County. It only means that more dollars will be spent on the Rural Secondary Roads within the County.***

****Subject to change depending on outside variables.

FY 2025 ANTICIPATED CHANGES

Tentatively, forty-four (44) counties will experience 5% or 10% reductions in shared monies in FY25, resulting in an anticipated total amount of \$3,197,155 to be shared back to their District Office for maintenance of Rural Secondary Roads within the county.

Important note: An evaluation of the changes over the last eight (8) years resulted in a statewide net 0% increase/decrease....this means the program is working!

The End

QUESTIONS?

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