

*FY 2010 – 2015
Six-Year Improvement Program*

Reta R. Busher, VDOT CFO
Steve Pittard, DRPT CFO
March 18, 2009

Program Development

- **We face another difficult Six-Year Improvement Program update with the development of the FY 2010 – 2015 Program.**
- **After just reducing the Highway Program by \$2 billion for FY 2009 – 2014 we will be facing potential additional project reductions for several reasons:**
 - **Possible further State revenue reductions**
 - **Possible additional Federal revenue reductions**

Program Development

- **The sustainability of the Six-Year Improvement Program is in question.**
- **And declining revenues has reduced our ability to issue the total \$3 billion in bonds authorized in HB 3202 over a period of 11 years.**

Program Development

- **Declining Insurance Premium revenue will limit our issuance of the CPR bonds from \$3 billion to \$2.2 billion.**
- **The original issuance time frame was FY 2008 to FY 2018. We are now limited to issuing bonds in June 2010 through FY 2016.**

Program Development

- **\$180 million in bonds for the portion of the \$500 million General Fund for the 2007 Transportation Initiative.**
- **VDOT currently has in the FY 2009 – 2014 SYIP \$606.5 million in bond match and projects.**
- **DRPT has \$738 million in bonds for match and projects.**
- **\$140 million in bonds for the Revenue Sharing program.**
- **For a total of \$1.65 billion in FY 2009 – 2014.**

Program Development

- **The next component to consider with regard to sustainability of the Program is the federal strategy.**
- **The SYIP is VDOT's and DRPT's allocation plan for projects/project phases over a six year period.**
- **Every year the State must use all federal dollars or lose it and it is redistributed to other states.**

Program Development

- **Can we continue to draw down all available federal funding without additional resources other than debt?**
- **In the development of the FY 2010 – 2015 SYIP we are having the Districts review and identify available resources in previous allocations. Allocations from FY 2009 back that we can use to fund federally qualifying projects to obligate all of our federal funds for FFY 2009.**

Rail and Public Transit

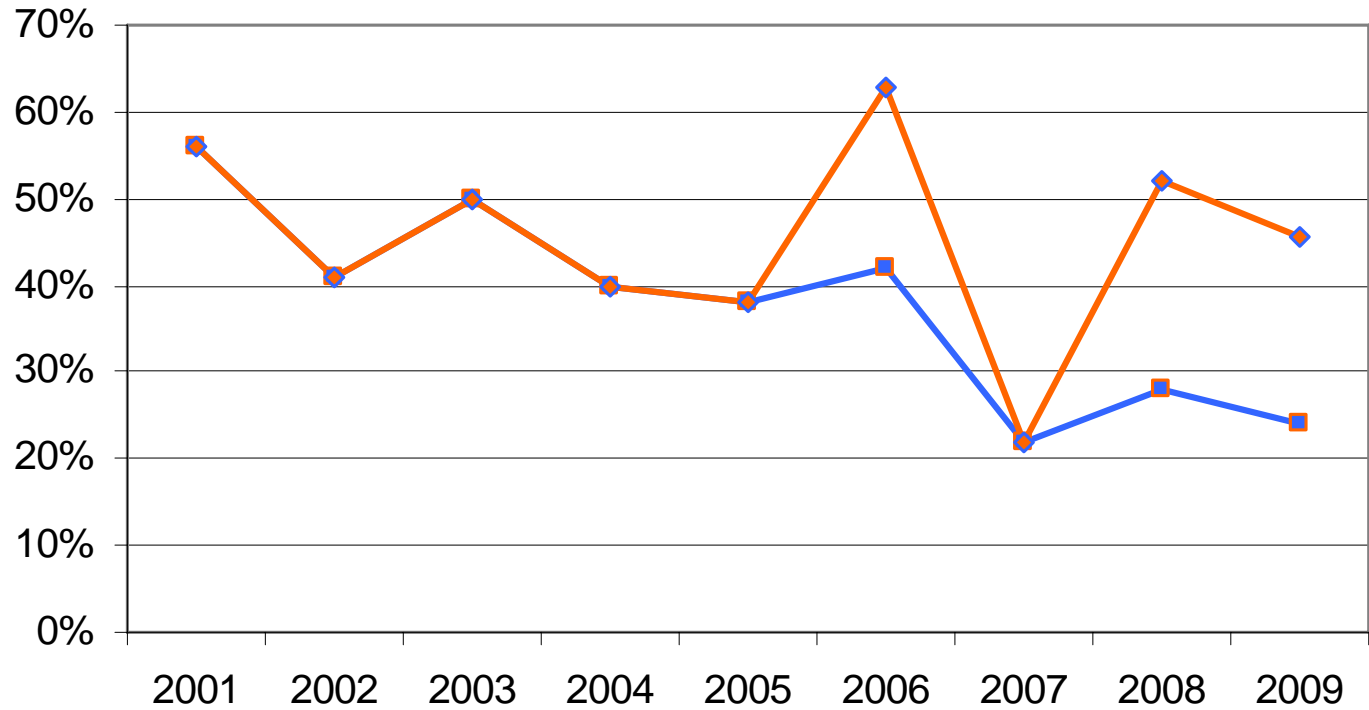
Current SYIP Items to Consider

- **Revenues down including interest earnings on Mass Transit Trust fund cash balances.**
- **Some transit providers are having difficulty providing local matching share; number of capital applications down for current year approx. 20% (especially rural providers).**
- **CTB approval in April of FY 2010 capital allocations for rural and small urban providers due to federal stimulus deadlines.**
- **Maturation of the Rail Enhancement fund to a six year program with further project refinement within corridors.**

Allocations of Transportation Capital Bonds

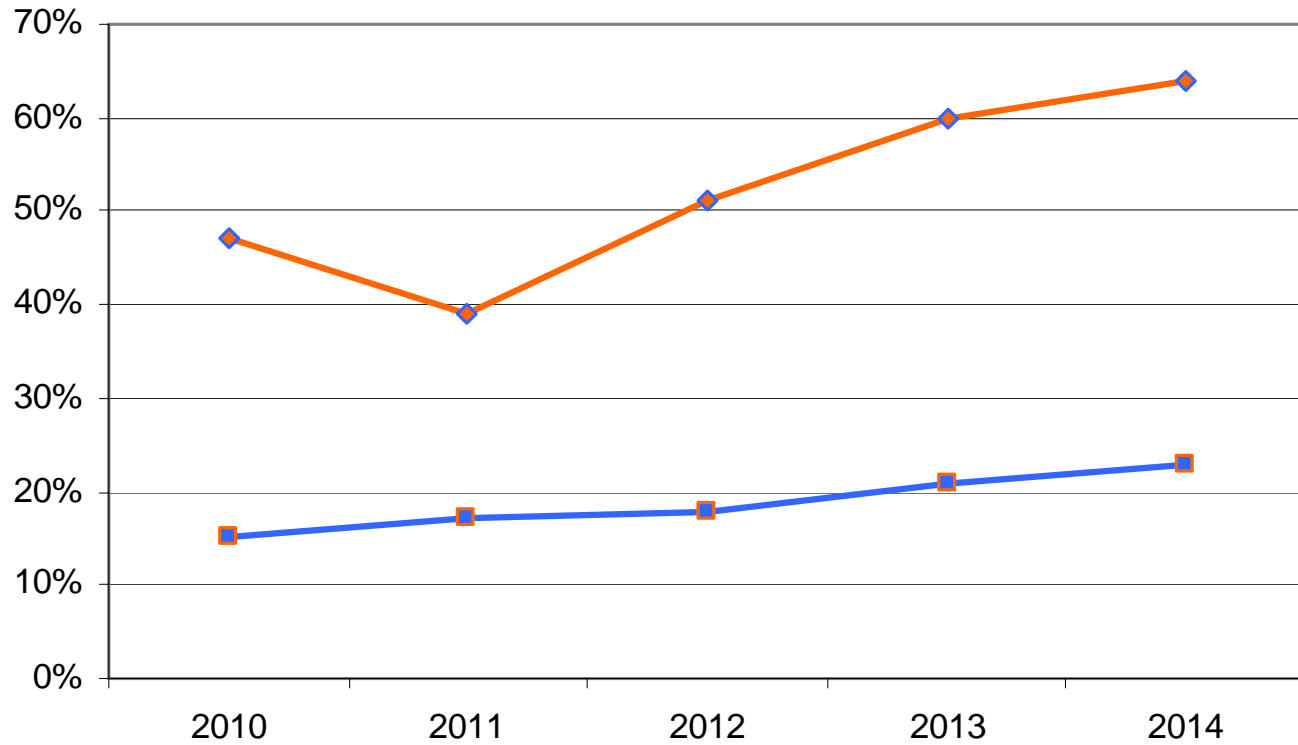
- **\$129 million of HB 3202 bonds for rail programmed in the rail resource allocation plan.**
- **Availability of cash to finance contracts funded with bond allocations made in FY 08 and FY 09.**
 - **\$125 million for Dulles Metrorail (loan from VDOT)**
 - **\$80 million of transit grants; providers beginning to seek reimbursement**
 - **\$60 million of 2007 general fund earmarks to rail and transit**
- **Long term Sustainability of capital programs**
Maintenance first priority

Historical Trend State Transit Capital Assistance Percentage



—■— Mass Transit Trust Only
—◆— Supplemental Funding

Projected State Transit Capital Assistance Percentage



—◆— Bond Funding Included
—■— Mass Transit Trust Only

Program Development

Schedule

- **March and April - Districts are reviewing project lists**
- **March and April – CTB amending FY 2009-2014 Program for Stimulus projects**
- **May – Draft FY 2010-2015 Program presented to CTB and hold Public Hearings**
- **May – FY 2010 Tentative Enhancement allocations distributed to CTB**
- **June – Final Enhancement allocations approved by CTB**
- **June – CTB to adopt FY 2010-2015 Six-Year Improvement Program**

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