



**FY 2011 Budget / Actual Performance
through March 2011**

FY 2012 – 2017 Outlook

John W. Lawson
Chief Financial Officer
April 20, 2011

Commonwealth Transportation Fund State Revenue Collections

- ❑ Year-to-date CTF revenues are 0.9 percent ahead of the official growth rate of 3.0 percent.
- ❑ Motor Fuels Tax collections are up 2.5 percent compared to last year, however, currently below the expected annual growth of 3.1 percent.
- ❑ Motor Vehicle Sales and Use tax collections are up 15.3 percent.
 - Exceeding the estimated 6.9 percent growth for the year.
 - March 2011 represents the 17th consecutive month of growth
- ❑ Motor Vehicle License Fees are also tracking better than forecasted at 5.4%.
- ❑ While revenues are tracking above forecast, rising fuel prices may adversely the impact the final revenue position.



Commonwealth Transportation Fund Highway Maintenance & Operating Fund and Transportation Trust Fund Revenues

Revenue	FY 2011 Estimate	Year to Date			% Annual Growth Required by Estimate
		FY 2011	FY 2010	% Change	
Motor Fuel Taxes	\$ 855,500	\$ 571,741	\$ 557,660	2.5	3.1
Priority Transportation Fund (PTF)	150,300	144,327	143,102	0.9	0.8
Motor Vehicle Sales and Use Tax	506,500	391,961	340,096	15.3	6.9
State Sales and Use Tax	480,800	348,023	364,615	(4.6)	(2.0)
Motor Vehicle License Fees	234,800	175,599	166,646	5.4	2.0
International Registration Plan	61,300	45,903	44,013	4.3	2.6
Recordation Tax	32,200	25,785	25,923	(0.5)	(8.5)
Interest Earnings	38,600	9,255	6,402	44.6	68.1
Misc. Taxes, Fees and Revenues	12,700	9,718	9,258	5.0	(0.4)
Total State Taxes and Fees	\$ 2,372,700	\$ 1,722,312	\$ 1,657,715	3.9	3.0

Source: Commonwealth of Virginia/Department of Accounts, HMOF and TTF Revenues, Summary Statement of Selected Revenue Estimates & Collections, Fiscal Years 2011 and 2010

VDOT Federal Revenue

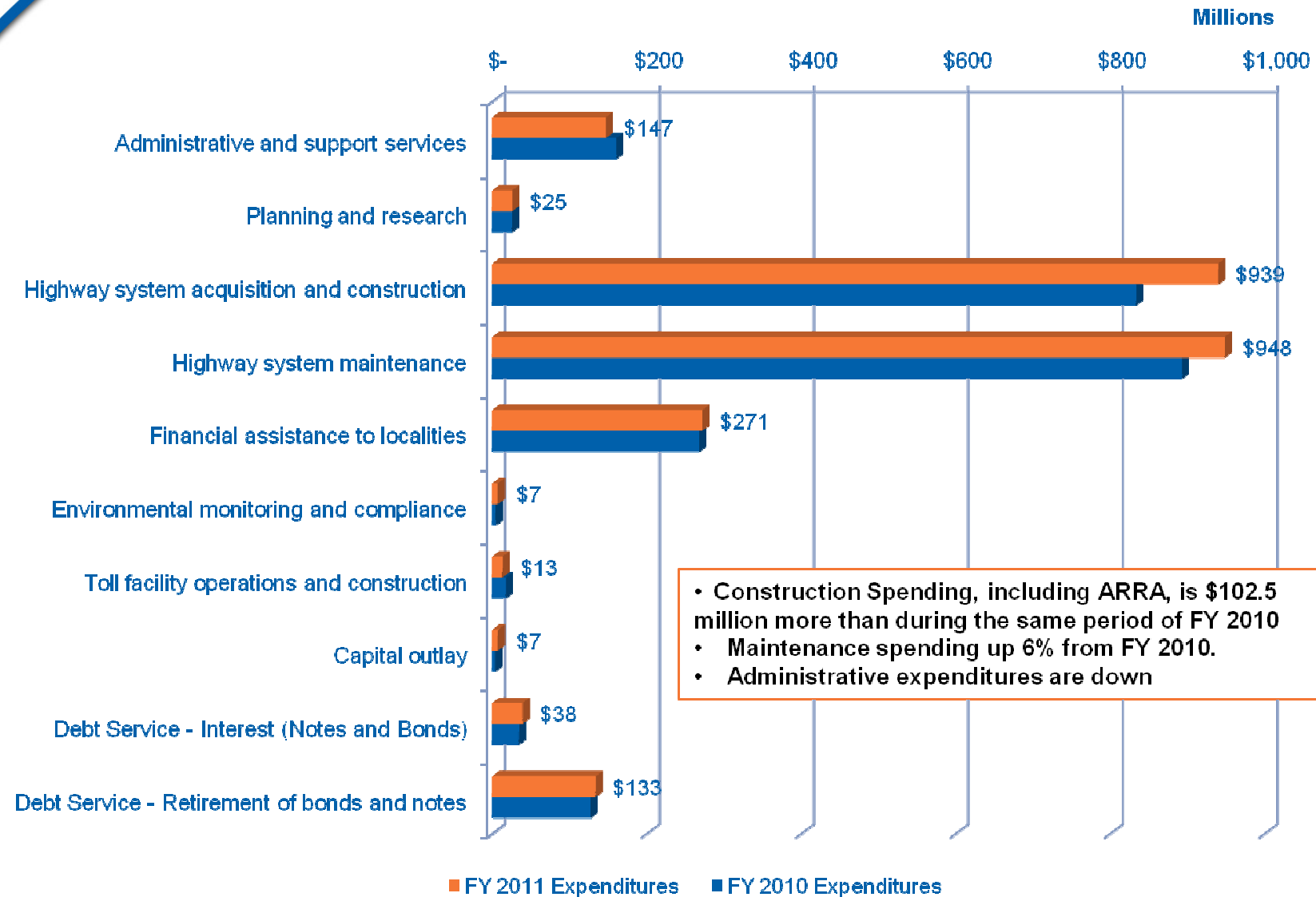
- VDOT’s federal revenue collections through February are \$145.2 million greater than through the same period of the prior year.
- The majority of the increase is related to construction and ARRA activity.

Program	FY 2011		FY 2010		Difference
	Revenue	% of Total Revenue	Revenue	% of Total Revenue	
Construction	\$ 480,078.0	59.7%	\$ 448,278.8	68.0%	\$ 31,799.3
Maintenance	155,523.3	19.3%	141,555.6	21.5%	13,967.7
ARRA	147,136.0	18.3%	52,956.9	8.0%	94,179.1
Planning & Research	10,180.4	1.3%	9,487.6	1.4%	692.8
Debt Service	3,922.4	0.5%	-	0.0%	3,922.4
Other Programs	7,904.5	1.0%	7,268.6	1.1%	635.9
Total VDOT Programs	\$ 804,744.6	100.0%	\$ 659,547.4	100.0%	\$ 145,197.2

Spending through March 2011

- ❑ FY 2011 expenditures continue to exceed last year.
- ❑ Expended \$2.53 billion through March 31, 2011
\$165.3 million greater than in FY 2010.
- ❑ Represents 60 percent of the \$4.23 billion operating budget expended through 75 percent of the fiscal year.
- ❑ 38 percent of total program expenditures relate to maintenance.
- ❑ 37 percent of total program expenditures on construction, including ARRA projects.

Expenditures by Program through March



Maintenance Program

- ❑ Maintenance program spending through March is 6.2 percent over FY 2010
- ❑ Expended \$947.7 million compared to \$892.6 million in FY 2010

(Dollars in millions)

Service Area	FY 2011			FY 2010			Difference
	Allocations	Expenditures to Date	% Expended	Allocations	Expenditures to Date	% Expended	
Interstate Maintenance	\$ 574.4	\$ 193.1	33.6%	\$ 444.7	\$ 176.7	39.7%	\$ 16.4
Primary Maintenance	686.0	325.5	47.5%	600.8	270.2	45.0%	55.4
Secondary Maintenance	422.2	276.1	65.4%	402.3	305.6	76.0%	(29.5)
Transportation Operations Services	141.7	89.9	63.5%	130.6	66.9	51.2%	23.0
Program Management and Direction	77.4	63.1	81.5%	83.2	73.2	87.9%	(10.1)
TOTAL	\$ 1,901.6	\$ 947.7	49.8%	\$ 1,661.7	\$ 892.6	53.7%	\$ 55.1

Maintenance Program

□ Spending activity

- The majority of the increase is related to paving and roadside activities.
 - Expended \$209.1 million on contract paving (22 percent of total)
 - \$45.8 million more than in FY 2010 through the same period

- Anti-Icing/Snow Removal
 - \$181.7 million spent through March
 - Current year budget of \$97.1 million
 - While over budget, current year spending is \$43 million less than last year

Construction Program Spending

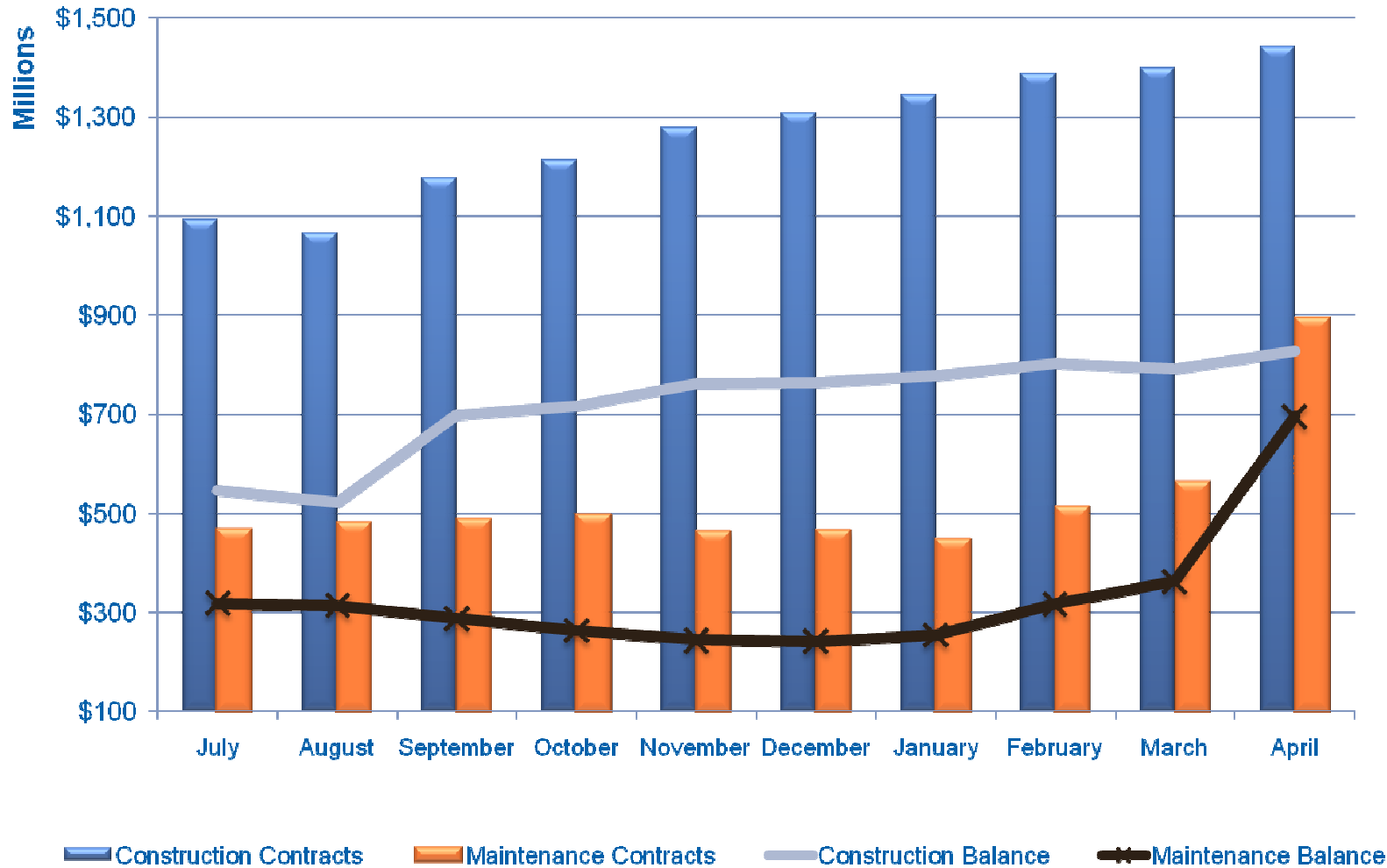
Total Construction spending was \$935.5 million, including \$25.5 million in Construction Management.

- Interstate Construction spending represents 32 percent of total construction expenditures.
- Spending on ARRA projects was \$147.1 million, nearly triple the spending in FY 2010 during the same period.

(Dollars in millions)

Service Area	FY 2011	FY 2010	Difference	
	Expenditures to Date	Expenditures to Date	Amount	Percentage
ARRA Projects	\$ 147.1	\$ 53.0	\$ 94.2	177.8%
Dedicated & Statewide Construction	167.3	133.8	33.5	25.0%
Interstate Construction	294.9	260.1	34.8	13.4%
Primary Construction	111.7	133.1	(21.4)	-16.1%
Secondary Construction	77.9	93.1	(15.2)	-16.3%
Urban Construction	111.0	135.0	(23.9)	-17.7%
Total Systems Construction	910.1	808.1	102.0	12.6%
Program Management and Direction	25.5	24.9	0.5	2.2%
TOTAL	\$ 935.5	\$ 833.0	\$ 102.5	12.3%

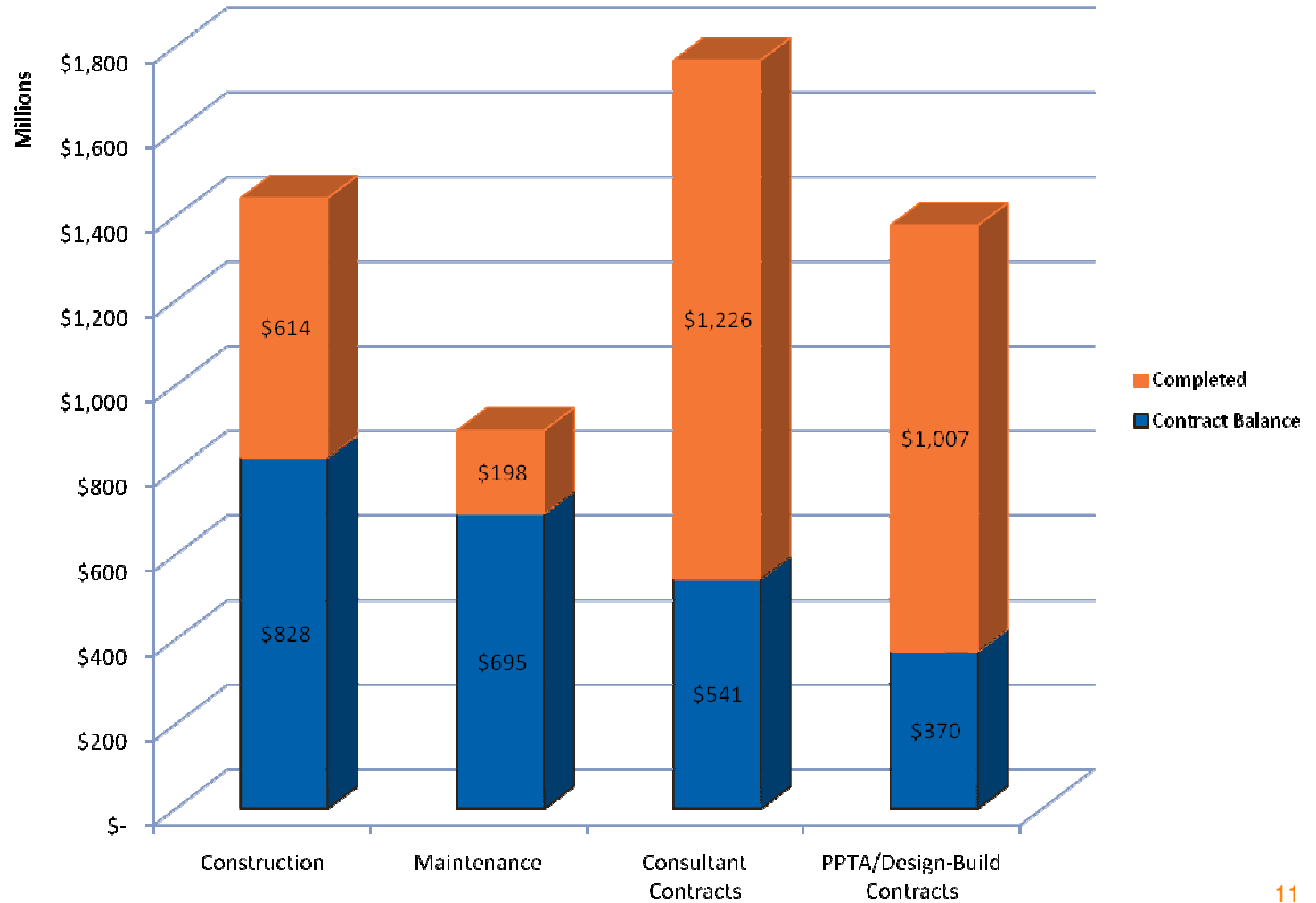
Contract Work Underway Construction and Maintenance



Data does not include Design Build or PPTA projects

Contract Work Status

Current Contract Work
as of April 1, 2011





Major Fund Cash Balances March 31, 2011

(Dollars in millions)

Fund	FY2011	FY2010 Year End Balance	Difference
Highway Maintenance and Operating	\$ 402.1	\$ 440.7	\$ (38.6)
Tran Partnership Opportunity Fund	19.2	39.5	(20.3)
Concession Fund	52.3	56.6	(4.3)
Transportation Trust Funds			
Construction	\$417.3	\$478.2	\$(60.9)
Priority Transportation	178.6	73.9	104.7
Federal Reimb. Anticipation Notes	0.1	0.1	0.0
Toll Facility Revolving	138.5	131.2	7.3
Total Transportation Trust Fund	734.5	683.4	51.1
ARRA	7.3	5.2	2.1
CPR Bonds Fund (Cash and Securities Held by Outside Trustee)	32.5	162.7	(130.2)
Grand Total	\$1,247.9	\$1,388.1	\$(140.2)

Summary

- ❑ Revenues continue to track slightly above forecast.
- ❑ Addressing winter weather has been more costly than planned, but considerably better than FY 2010.
- ❑ There is a large increase in outstanding maintenance contracts and activity on the new contract work should begin soon.
- ❑ Year-end balances are largely dependant upon how aggressively the industry executes the contract work.
- ❑ Will continue to closely monitor actual revenue collections and expenditures.

Preliminary FY 2012 – 2017 Six-Year Financial Plan

Estimated Revenues FY 2012 - 2017

- ❑ Total revenues of \$26.7 billion, \$3.65 billion, or 16 percent greater than the FY 2011 – 2016 plan
- ❑ Reflect the accelerated issuances of the CPR bonds and the GARVEE bond sales authorized by the Governor's Omnibus Transportation Plan.
- ❑ State revenues from the December 2010 forecast are up by \$651 million over the prior plan.
- ❑ In lieu of a new federal authorization, federal revenues continue to be estimated based on Virginia's estimated growth in fuel consumption.



Commonwealth Transportation Fund Fiscal Years 2012 – 2017 Six-Year Financial Plan Estimated Revenues (in millions)

	2012	2013	2014	2015	2016	2017	Total
State Transportation Revenues							
HMO	\$ 1,379.0	\$ 1,427.6	\$ 1,454.1	\$ 1,505.5	\$ 1,522.4	\$ 1,543.5	\$ 8,832.1
TTF net interest	888.0	927.0	958.4	1,010.2	1,045.3	1,068.6	5,897.5
PTF (From TTF)	156.0	162.1	169.0	174.5	183.7	183.7	1,029.0
Local and Other Revenues	407.9	256.6	262.0	355.2	331.6	324.7	1,938.0
Total	<u>2,830.9</u>	<u>2,773.3</u>	<u>2,843.5</u>	<u>3,045.4</u>	<u>3,083.0</u>	<u>3,120.5</u>	<u>17,696.6</u>
Federal Revenues	<u>1,091.8</u>	<u>990.1</u>	<u>1,008.4</u>	<u>1,027.1</u>	<u>1,046.1</u>	<u>1,065.4</u>	<u>6,228.9</u>
Total Revenues	<u>3,922.7</u>	<u>3,763.4</u>	<u>3,851.9</u>	<u>4,072.5</u>	<u>4,129.1</u>	<u>4,185.9</u>	<u>23,925.5</u>
Other Financing Sources							
GARVEE Bonds	623.3	241.5	241.5	-	-	-	1,106.3
Capital Improvement Bonds	600.0	600.0	300.0	50.0	50.0	50.0	1,650.0
Total	<u>1,223.3</u>	<u>841.5</u>	<u>541.5</u>	<u>50.0</u>	<u>50.0</u>	<u>50.0</u>	<u>2,756.3</u>
Total Revenues and Other Financing Sources	<u>\$ 5,146.0</u>	<u>\$ 4,604.9</u>	<u>\$ 4,393.4</u>	<u>\$ 4,122.5</u>	<u>\$ 4,179.1</u>	<u>\$ 4,235.9</u>	<u>\$ 26,681.8</u>

Forecasted Allocations FY 2012 - 2017

- Allocations reflect the planned use of the CPR and GARVEE bonds.
- Maintenance program growth is forecasted at four percent.
- Maintenance payments to localities is also forecasted at four percent.
- Includes \$10 million annually for implementation of research efforts as recommended in the audit.
- Includes \$10 million annually to support planning and pre-scoping activities.
- Revenue sharing is currently forecasted at \$50 million per year.



Commonwealth Transportation Fund Fiscal Years 2012 – 2017 Six-Year Financial Plan Forecasted Allocations (in millions)

Allocations represent:

- The modal distributions of the TTF revenues
- The planned allocations by major category

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	Total
Debt Service	\$ 317.8	\$ 347.7	\$ 389.8	\$ 424.9	\$ 409.7	\$ 400.8	\$ 2,290.7
Other Agencies & Transfers	39.1	39.6	39.7	40.2	40.3	38.7	237.5
Highway Maintenance (includes Payments to Localities)	1,753.5	1,820.3	1,890.8	1,964.2	2,040.4	2,119.6	11,588.8
Operations, Tolls & Admin	359.3	374.3	382.4	391.8	401.5	412.2	2,321.5
Public Transportation & Rail	385.4	374.8	409.6	391.1	398.4	403.9	2,363.2
Ports & Aviation	58.9	58.6	60.6	64.0	66.2	67.8	376.1
Earmarks & Special Financing	1,894.7	1,367.2	1,022.3	642.5	625.7	594.8	6,147.1
Highway Systems Construction	337.3	222.4	198.2	203.9	197.0	198.2	1,356.8
Total	\$ 5,146.0	\$ 4,604.9	\$ 4,393.4	\$ 4,122.5	\$ 4,179.1	\$ 4,235.9	\$26,681.8