



## **FY 2011 Budget / Actual Performance through January 2011**

John W. Lawson  
Chief Financial Officer  
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# CTF Revenue Collections

- ❑ State revenue collections are improving.
- ❑ Year-to-date CTF revenues are up 4.7 percent including transfers directed by the Appropriation Act.
- ❑ Motor Fuels Tax collections are up 2.1 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 12.9 percent.
  - Exceeding the estimated 6.9 percent growth for the year.
  - Vehicle sales are slowly improving thanks to the combination of new vehicle offerings, better access to credit, a steadier labor market, and the release of pent-up demand.
- ❑ Year-to-date sales tax collections have increased by 2.0 percent when include the transfers directed by the Appropriation Act.
- ❑ Revenue collections for the remainder of the year need to be strong to meet the current revenue forecast.

# Highway Maintenance & Operating Fund and Transportation Trust Fund Revenues

(Dollars in Thousands)

Revenue	FY 2011 Estimate	Year to Date			% Annual Growth Required by Estimate
		FY 2011	FY 2010	% Change	
Motor Fuel Taxes	\$ 855,500	\$ 434,761	\$ 425,739	2.1	3.1
Priority Transportation Fund (PTF)	150,300	140,327	139,102	0.9	0.8
Motor Vehicle Sales and Use Tax	506,500	302,231	267,725	12.9	6.9
State Sales and Use Tax	480,800	275,132	296,801	(7.3)	(2.0)
Motor Vehicle License Fees	234,800	132,729	125,405	5.8	2.0
International Registration Plan	61,300	27,535	26,038	5.7	2.6
Recordation Tax	32,200	20,926	21,434	(2.4)	(8.5)
Interest Earnings	38,600	9,234	6,294	46.7	68.1
Misc. Taxes, Fees and Revenues	12,700	7,368	7,077	4.1	(0.4)
<b>Total State Taxes and Fees</b>	<b>\$ 2,372,700</b>	<b>\$ 1,350,243</b>	<b>\$ 1,315,615</b>	<b>2.6</b>	<b>3.0</b>

# Federal Revenue

- ❑ VDOT’s federal revenue collections through January are \$124.4 million greater than through the same period of the prior year.
- ❑ The majority of the increase is related to construction and ARRA activity.

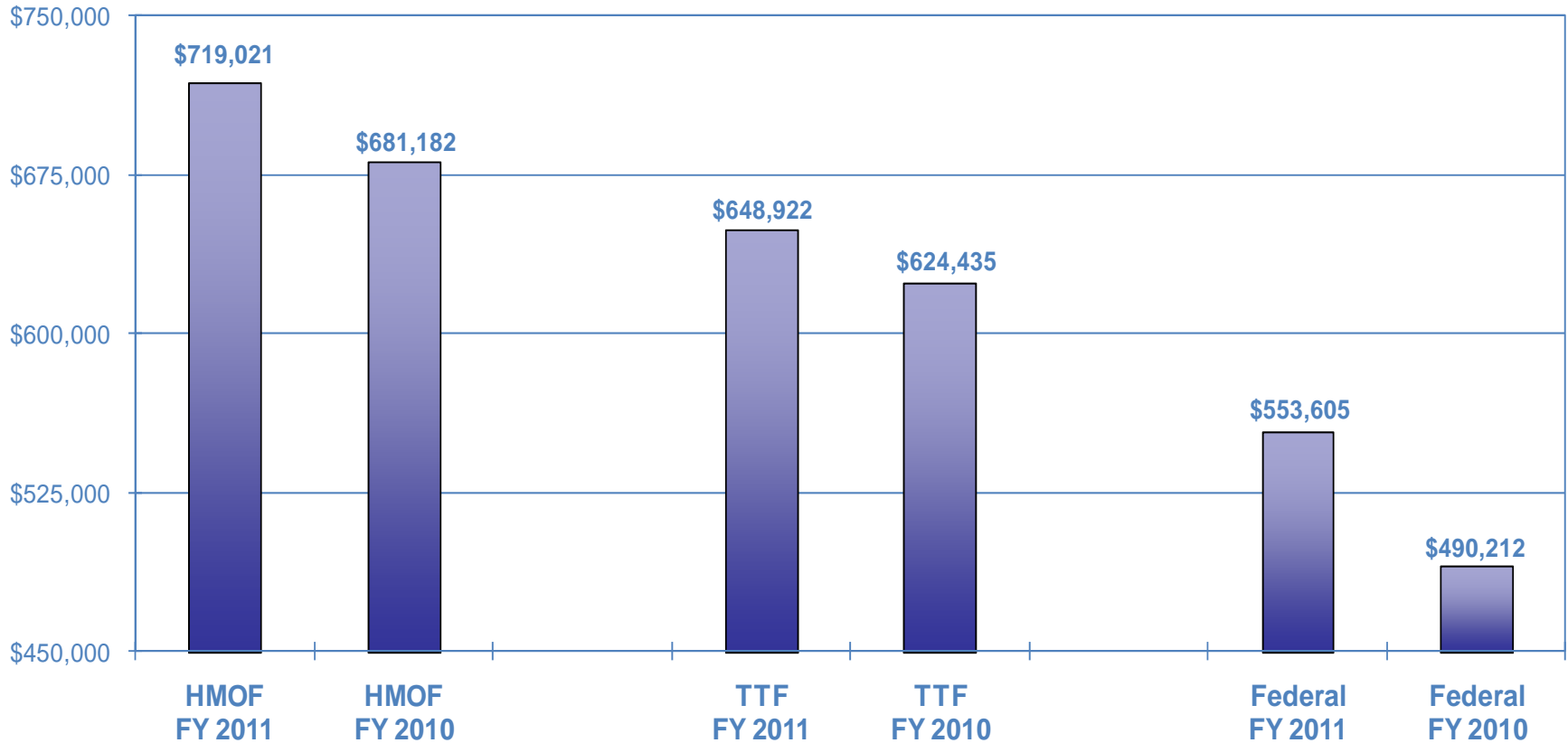
(Dollars in Thousands)

Program	FY 2011		FY 2010		Difference
	Revenue	% of Total Revenue	Revenue	% of Total Revenue	
Construction	\$ 384,153.8	58.6%	\$ 336,702.3	63.3%	\$ 47,451.5
Maintenance	139,430.7	21.3%	132,547.3	24.9%	6,883.4
ARRA	115,541.5	17.6%	50,459.3	9.5%	65,082.2
Planning & Research	6,905.3	1.1%	6,984.2	1.3%	(78.9)
Debt Service	3,922.4	0.6%	-	0.0%	3,922.4
Other Programs	6,039.5	0.9%	4,859.8	0.9%	1,179.7
<b>Total VDOT Programs</b>	<b>\$ 655,993.3</b>	<b>100%</b>	<b>\$ 531,553.0</b>	<b>100%</b>	<b>\$ 124,440.3</b>

# Revenue Collections From Major Sources FY 2011 and FY 2010 through January 31

(Dollars in Thousands)

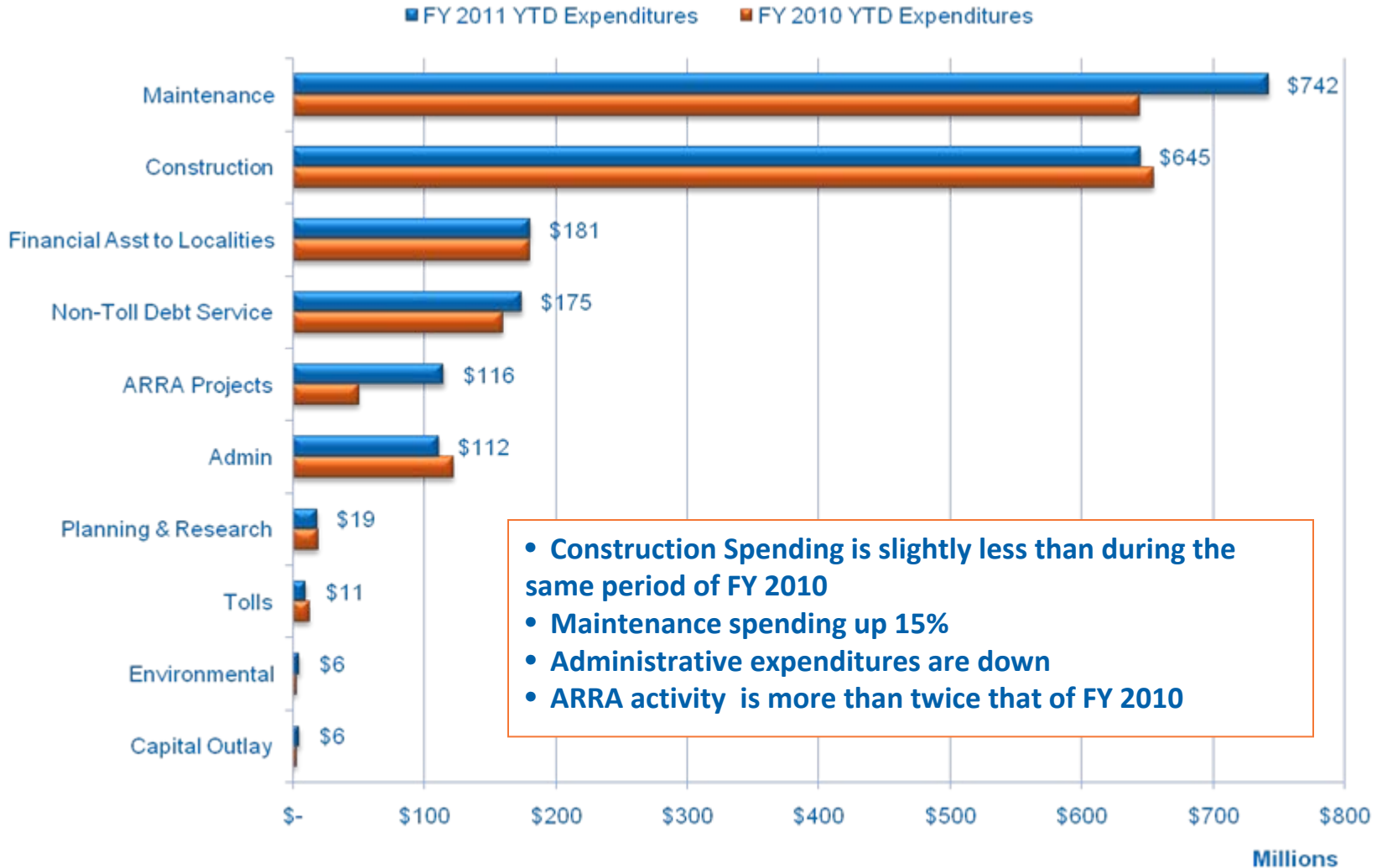
Revenue collections for all major sources are up from FY 2010.



## Spending through January 2011

- ❑ FY 2011 expenditures continue to exceed last year.
- ❑ Expended \$2.01 billion through January 31, 2011  
\$161.2 million greater than in FY 2010
- ❑ Represents 48 percent of the \$4.22 billion operating budget expended through 58 percent of the fiscal year.
- ❑ 37 percent of total spent on maintenance.
- ❑ 32 percent of total spent on construction.

# Expenditures through January by Program



- Construction Spending is slightly less than during the same period of FY 2010
- Maintenance spending up 15%
- Administrative expenditures are down
- ARRA activity is more than twice that of FY 2010

# Spending through January by Program

(Dollars in millions)

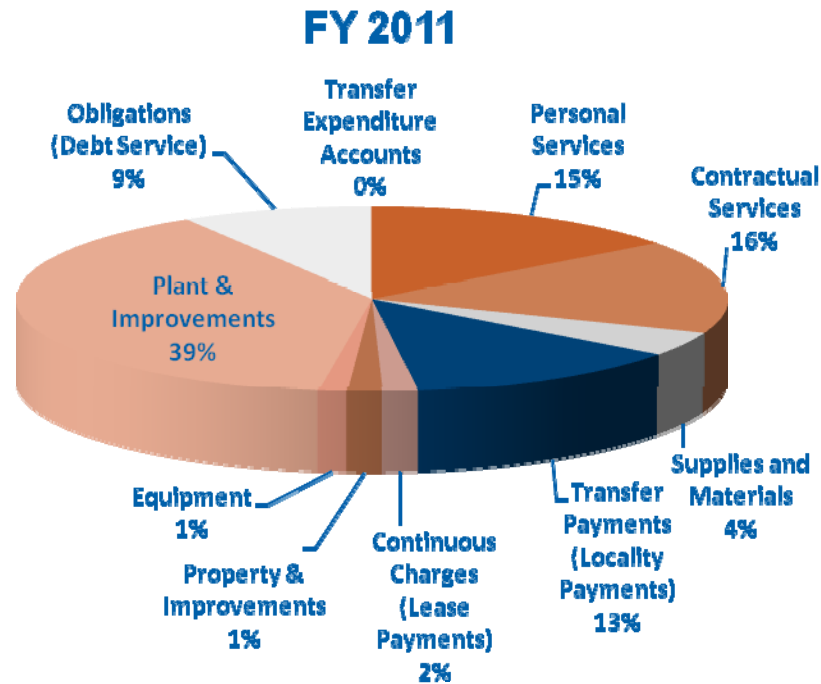
Program	FY 2011			FY 2010		
	Budget	YTD	%	Budget	YTD	%
		Expended	Expended		Expended	Expended
Environmental	\$ 12.5	\$ 5.9	47.0%	\$ 8.8	\$ 3.5	39.6%
Planning & Research	47.1	19.4	41.2%	47.3	19.2	40.5%
Construction	1,022.9	645.0	63.1%	1,018.0	655.0	64.3%
ARRA	294.4	115.5	39.2%	305.3	50.5	16.5%
Maintenance	1,900.6	742.4	39.1%	1,661.7	644.1	38.8%
Tolls	49.1	10.8	22.0%	51.4	13.3	25.9%
Financial Assistance to Localities	366.5	181.1	49.4%	353.3	180.6	51.1%
Debt Service	281.5	174.7	62.0%	247.4	159.6	64.5%
Administrative and Support Services	240.4	111.8	46.5%	255.4	122.3	47.9%
Capital Outlay	4.1	5.7	140.2%	2.2	3.4	153.1%
<b>Total VDOT Programs</b>	<b>4,219.1</b>	<b>2,012.4</b>	<b>47.7%</b>	<b>3,950.8</b>	<b>1,851.2</b>	<b>46.9%</b>
Support to Other State Agencies	42.4	15.5	36.4%	45.0	15.3	34.0%
Support to DRPT and Ports Programs*	11.9	13.0	109.0%	18.5	8.6	46.2%
<b>TOTAL</b>	<b>\$ 4,273.4</b>	<b>\$ 2,040.9</b>	<b>47.8%</b>	<b>\$ 4,014.3</b>	<b>\$ 1,875.1</b>	<b>46.7%</b>

\*Spending reflects prior year allocations

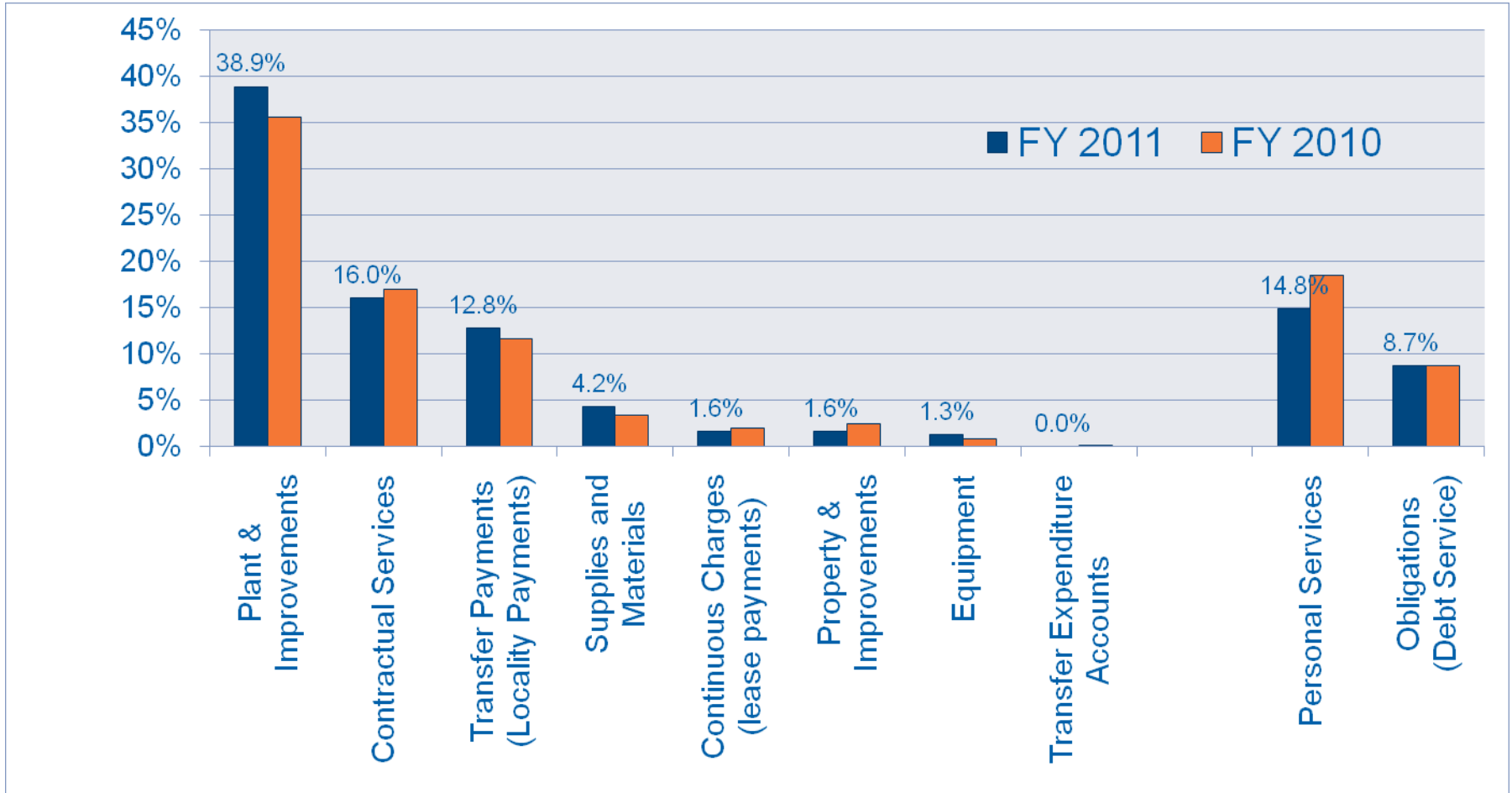


# Spending by Category

- ❑ 76 percent of VDOT's expenditure payments are to vendors and local governments.
- ❑ Personal Services only represents 15 percent of year-to-date expenditures.



# Spending by Category FY 2011 compared to FY 2010



# Maintenance Program

- ❑ Maintenance program spending through January has increased 15 percent over FY 2010
- ❑ Expended \$742.4 million compared to \$644.1 million in FY 2010
  - FY 2011 - \$603.0 million state; \$139.4 million federal
  - FY 2010 - \$511.6 million state; \$132.5 million federal

(Dollars in millions)

Service Area	FY 2011			FY 2010			Difference
	Allocations	Expenditures to Date	% Expended	Allocations	Expenditures to Date	% Expended	
Interstate Maintenance	\$ 586.1	\$ 157.0	26.8%	\$ 444.7	\$ 139.9	31.5%	\$ 17.1
Primary Maintenance	676.0	262.9	38.9%	600.8	188.5	31.4%	74.4
Secondary Maintenance	421.9	204.9	48.6%	402.3	194.6	48.4%	10.3
Transportation Operations Services	139.3	61.0	43.8%	130.6	48.6	37.2%	12.3
Program Management and Direction	77.4	56.6	73.1%	83.2	72.5	87.1%	(15.9)
<b>TOTAL</b>	<b>\$ 1,900.6</b>	<b>\$ 742.4</b>	<b>39.1%</b>	<b>\$ 1,661.7</b>	<b>\$ 644.1</b>	<b>38.8%</b>	<b>\$ 98.3</b>

# Maintenance Program

## □ Spending activity

- **Paving**
  - Have expended \$201.2 million on contract paving (27 percent of total)
- **Anti-Icing/Snow Removal**
  - \$109.3 million spent through January
  - Exceeds FY 2010 spending by \$21.4 million during same period
  - Has exceeded the related budget for the current year of \$96.9 million
- **Labor**
  - \$15.6 million less than the previous year, an 8 percent reduction
  - Labor accounts for 24 percent of total maintenance expenditures

# Construction Program Spending

**Total Construction spending was \$645 million, including \$18 million in Construction Management.**

- Interstate Construction spending represents 40 percent of total construction expenditures.
- Dedicated and Statewide Construction accounts for 21 percent.

(Dollars in millions)

	<u>FY 2011</u>	<u>FY 2010</u>	<u>Difference</u>	
	<b>Expenditures to Date</b>	<b>Expenditures to Date</b>	<b>Amount</b>	<b>Percentage</b>
Dedicated & Statewide Construction	\$ 133.8	\$ 91.1	\$ 42.7	46.8%
Interstate Construction	257.2	231.0	26.2	11.3%
Primary Construction	86.7	108.8	(22.1)	-20.3%
Secondary Construction	59.0	89.8	(30.8)	-34.3%
Urban Construction	90.1	115.3	(25.1)	-21.8%
<b>Total Systems Construction</b>	<b>626.9</b>	<b>636.0</b>	<b>(9.1)</b>	<b>-1.4%</b>
Program Management and Direction	18.1	19.0	(0.9)	-4.5%
<b>TOTAL</b>	<b>\$ 645.0</b>	<b>\$ 655.0</b>	<b>\$ (10.0)</b>	<b>-1.5%</b>

# Construction Program Spending by System and Phase

(Dollars in millions)

**Preliminary engineering spending is consistent with the prior year while Right of Way and Construction expenditures are lower.**

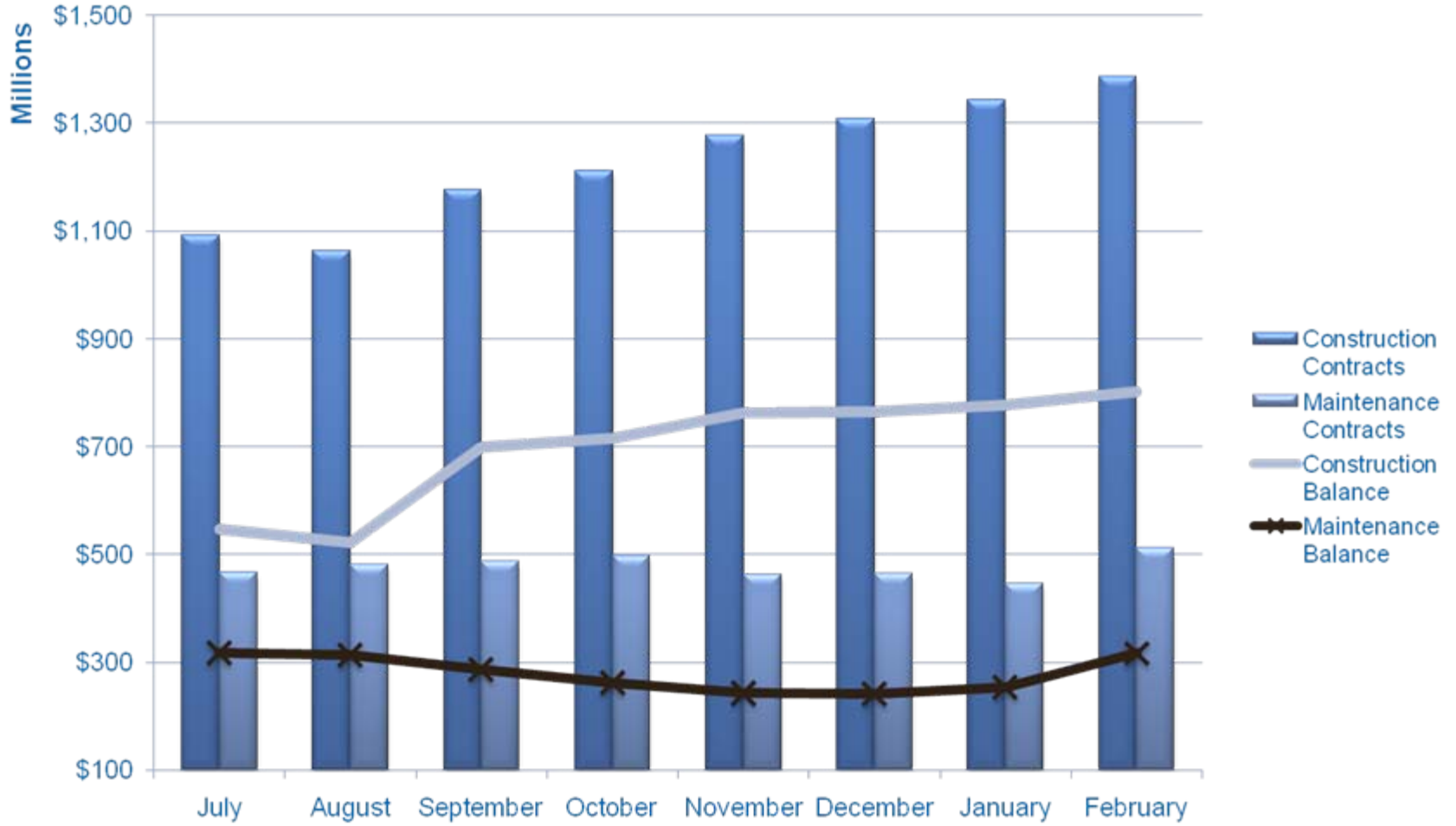
Program	Phase				Total
	Preliminary				
	Engineering	Right of Way	Construction	Other	
Dedicated & Statewide Construction	\$ 13.3	\$ 14.0	\$ 83.7	\$ 22.7	\$ 133.8
Interstate Construction	43.5	3.7	210.0	0.1	257.2
Primary Construction	25.3	6.0	55.2	0.2	86.7
Secondary Construction	10.5	7.2	41.0	0.3	59.0
Urban Construction	9.4	20.4	59.3	1.0	90.1
<b>Total</b>	<b>\$ 102.0</b>	<b>\$ 51.4</b>	<b>\$ 449.2</b>	<b>\$ 24.2</b>	<b>\$ 626.9</b>

Program	Phase				Total
	Preliminary				
	Engineering	Right of Way	Construction	Other	
Dedicated & Statewide Construction	\$ 11.4	\$ 3.5	\$ 73.6	\$ 2.6	\$ 91.1
Interstate Construction	41.4	5.4	184.1	0.1	231.0
Primary Construction	21.7	23.1	64.8	(0.7)	108.8
Secondary Construction	13.4	11.3	63.6	1.5	89.8
Urban Construction	14.1	21.6	76.4	3.1	115.3
<b>Total</b>	<b>\$ 101.9</b>	<b>\$ 65.0</b>	<b>\$ 462.5</b>	<b>\$ 6.6</b>	<b>\$ 636.0</b>

## Other Programmatic Areas

- ❑ **Spending on ARRA projects was \$115.5 million, more than double spending in FY 2010 during the same period.**
- ❑ **Administrative spending was also down from the prior year.**
  - \$111.8 million compared to \$122.3 million in FY 2010
  - Labor expenditures were \$16.2 million less this year, down 25 percent
- ❑ **Other programs are performing consistent with previous experience.**

# Contract Work Underway



Data does not include Design Build or PPTA projects



# Cash Balances January 31, 2011

(Dollars in millions)

	<u>FY2011</u>	<u>FY2010</u> Year End Balance	<u>Difference</u>
Highway Maintenance and Operating	\$ 396.3	\$ 440.7	\$ (44.4)
Tran Partnership Opportunity Fund	19.1	39.5	(20.4)
Concession Fund	56.8	56.6	0.2
<b>Transportation Trust Funds</b>			
Construction	\$ 422.6	\$ 478.2	\$ (55.6)
Priority Transportation	188.4	73.9	114.5
Federal Reimb. Anticipation Notes	0.1	0.1	0.0
Toll Facility Revolving	<u>135.2</u>	<u>131.2</u>	<u>4.0</u>
Total Transportation Trust Fund	746.3	683.4	62.9
ARRA	5.3	5.2	0.1
CPR Bonds Fund (Cash and Securities Held by Outside Trustee)	<u>57.2</u>	<u>162.7</u>	<u>(105.5)</u>
<b>Grand Total</b>	<b><u>\$ 1,281.0</u></b>	<b><u>\$ 1,388.1</u></b>	<b><u>\$ (107.1)</u></b>

## Cash Outlook

- ❑ **Current projections including the updated December 2010 revenue forecast, the HMOF balance at year-end will be around \$500 million.**
  
- ❑ **The Construction fund is forecasted to end the year down approximately \$120 million.**
  - FY 2010 year-end balance reflects \$130 million of anticipated unreimbursed CPR bond expenditures.
  - Projections do not include the use of unspent construction funds as recommended by the audit.

## Summary

- ❑ Significant efforts have been made to advertise contracts for additional work.
- ❑ Spending activity on the new contract work is not expected to begin until Spring.
- ❑ Year-end balances are largely dependant upon how aggressively the industry executes the contract work.
- ❑ Addressing winter weather has been more costly than planned.
- ❑ Will continue to closely monitor actual revenue collections and expenditures.