



**FY 2017 Budget / Actual Performance  
FY 2018 Year-to-Date  
August Revenue Update – CTF and  
Regional Revenue Expectations**

**John W. Lawson  
Chief Financial Officer  
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## Summary

**FY 2017 Revenue performed slightly above forecast**

**Revenue over forecast dedicated to Priority Transportation Fund**

**Early FY 2018 results**

**Indicate that prior year revenue trends may continue**

**Programmatic expenditures are as anticipated**

**August revenue update suggests slight improvement in future expectations**

**Will be incorporated in the FY 2019 – 2024 Update**

## **FY 2017 Revenue Overview**

**Overall, the CTF experienced an annual revenue increase of 2.9 percent over FY 2016, one percent above the estimated annual growth rate**

**Performance over forecast was due to:**

**Motor Vehicle Sales and Use Tax – 4.3 percent vs. 2.1 percent**

**Motor Fuels Tax – 1.3 percent vs. 0.9 percent**

**The transportation share of the State Retail Sales and Use Tax revenues were up by 2.0 percent, short 0.3 percent of the 2.3 percent forecast**

**Federal revenue collections, remain steady, supporting program activities as expected**

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

| Revenue                            | FY 2017<br>Estimate | Year End Results    |                     |            | % Annual<br>Growth<br>Required<br>by Estimate |
|------------------------------------|---------------------|---------------------|---------------------|------------|---|
|                                    |                     | FY 2017             | FY 2016             | % Change   |   |
| Motor Fuel Taxes                   | \$ 868,900          | \$ 872,247          | \$ 860,798          | 1.3        | 0.9   |
| Priority Transportation Fund (PTF) | 163,142             | 163,142             | 150,346             | 8.5        | 8.5   |
| Motor Vehicle Sales and Use Tax    | 976,500             | 997,150             | 956,480             | 4.3        | 2.1   |
| State Sales and Use Tax            | 1,023,100           | 1,020,359           | 1,000,563           | 2.0        | 2.3   |
| Motor Vehicle License Fees         | 253,000             | 260,173             | 253,399             | 2.7        | (0.2)   |
| International Registration Plan    | 68,100              | 66,202              | 67,716              | (2.2)      | 0.6   |
| Recordation Tax                    | 47,200              | 48,109              | 44,199              | 8.8        | 6.8   |
| Interest Earnings                  | 3,300               | 6,376               | 3,699               | 72.4       | (10.8)  |
| Misc. Taxes, Fees and Revenues     | 17,300              | 18,401              | 18,431              | (0.2)      | (6.1)   |
| <b>Total State Taxes and Fees</b>  | <b>\$ 3,420,542</b> | <b>\$ 3,452,159</b> | <b>\$ 3,355,631</b> | <b>2.9</b> | <b>1.9</b>                                    |

Source: Commonwealth of Virginia/Department of Accounts, HMOF and TTF Revenues, Summary Statement of Selected Revenue Estimates & Collections, Fiscal Years 2016 and 2017. 2017 Estimate updated December 2016

# VDOT Federal Revenue

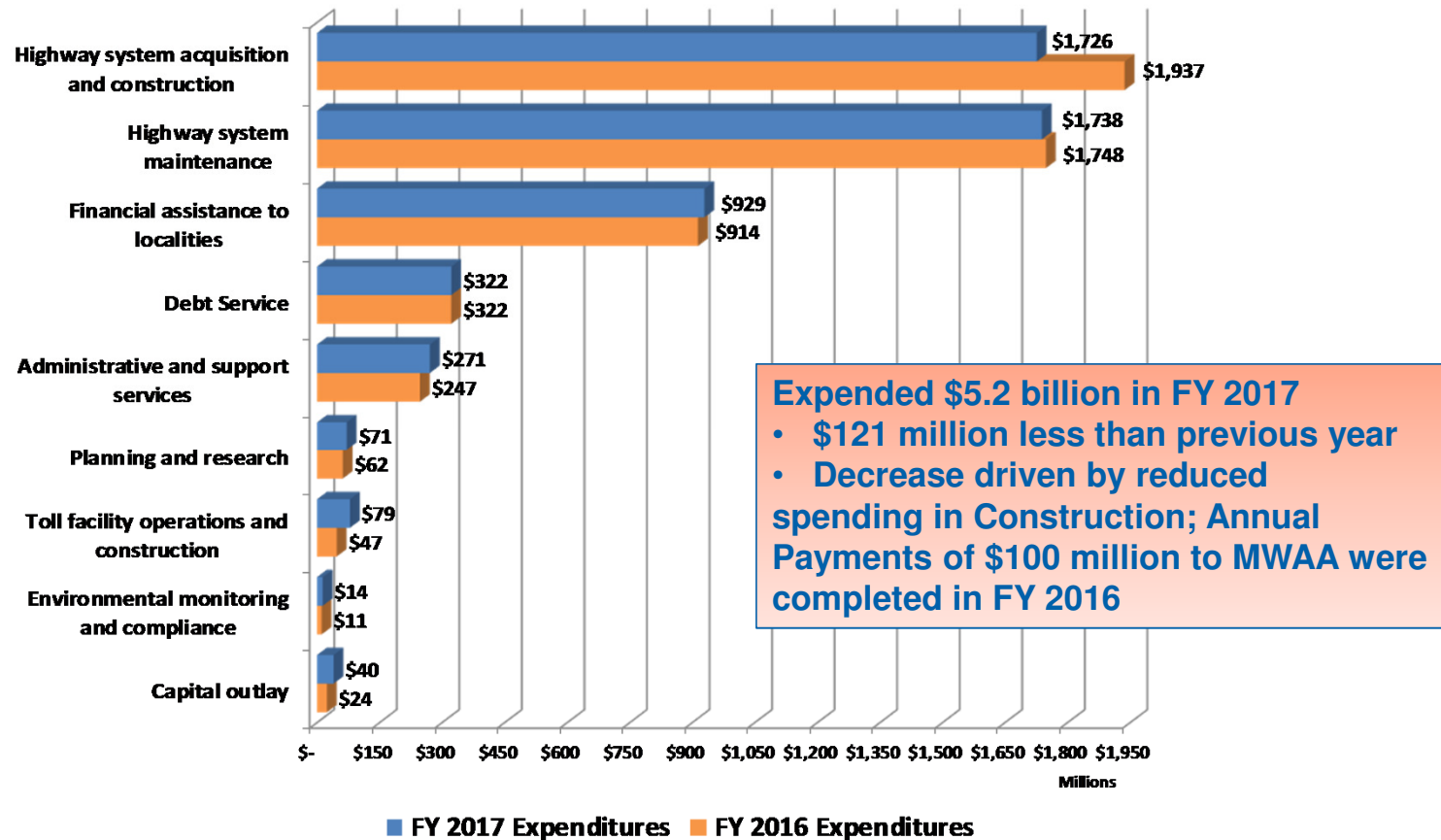
Federal revenue collections totaled \$1.17 billion for the year;  
\$3.7 million less than FY 2016

Revenue collections are as anticipated based on program activity  
Reflects collections associated with Bonus Obligation Authority in the Maintenance Program

(Dollars in Thousands)

| Program                    | FY 2017               |                    | FY 2016               |                    | Difference          |
|----------------------------|-----------------------|--------------------|-----------------------|--------------------|---------------------|
|                            | Revenue               | % of Total Revenue | Revenue               | % of Total Revenue |                     |
| Construction               | \$ 709,869.4          | 60.8%              | \$ 764,268.7          | 65.3%              | \$ (54,399.4)       |
| Maintenance                | 342,288.3             | 29.3%              | 300,750.6             | 25.7%              | 41,537.7            |
| ARRA                       | -                     | 0.0%               | 4,068.5               | 0.3%               | (4,068.5)           |
| Planning & Research        | 18,816.4              | 1.6%               | 15,015.8              | 1.3%               | 3,800.5             |
| Debt Service               | 83,274.9              | 7.1%               | 71,906.1              | 6.1%               | 11,368.7            |
| Other Programs             | 12,424.4              | 1.1%               | 14,353.4              | 1.2%               | (1,929.1)           |
| <b>Total VDOT Programs</b> | <b>\$ 1,166,673.3</b> | <b>100.0%</b>      | <b>\$ 1,170,363.2</b> | <b>100.0%</b>      | <b>\$ (3,689.9)</b> |

# Fiscal Year-end Expenditures by Program



# FY 2017 Construction Program Summary

Total expenditures were \$1.73 billion

\$211 million less than prior year

- Previous year reflects the last of three annual \$100 million payments to MWAA (per HB 2313)
- Larger projects with expenditure activity in FY 2016; FY 2017 was a transition year from Discretionary distribution to SMART Scale

Actual spending \$14 million greater than forecast

|                                   | (Dollars in millions)              |                                    | Difference        |               |
|-----------------------------------|------------------------------------|------------------------------------|-------------------|---------------|
|                                   | FY 2017<br>Expenditures<br>to Date | FY 2016<br>Expenditures<br>to Date | Amount            | Percentage    |
| State of Good Repair              | \$ 30.1                            | \$ -                               |                   |               |
| High Priority Projects            | 1.8                                | -                                  |                   |               |
| Construction District Grant       | 10.6                               | -                                  |                   |               |
| Specialized State and Federal     | 1,471.0                            | -                                  |                   |               |
| Legacy Construction Formula       | 186.2                              | -                                  |                   |               |
| <b>Total Systems Construction</b> | <b>1,699.7</b>                     | <b>1,910.7</b>                     | <b>(211.0)</b>    | <b>-11.0%</b> |
| Program Management & Direction    | 26.3                               | 26.0                               | 0.3               | 1.1%          |
| <b>Total</b>                      | <b>\$ 1,726.0</b>                  | <b>\$ 1,936.7</b>                  | <b>\$ (210.7)</b> | <b>-10.9%</b> |
| Anticipated Spending Year to Date | \$ 1,711.9                         |                                    |                   |               |
| Variance                          | \$ 14.1                            |                                    |                   |               |

*FY 2016 spending was recorded by highway system and other service areas. Expenditure activity is comparable in total only.*

# FY 2017 Maintenance Program Summary

Expended \$1.74 billion

Year-to-date spending was \$10.0 million less than in FY 2016

Included \$147 million for snow removal costs

(Dollars in millions)

| Service Area                       | FY 2017                           |                   |              | FY 2016           |                   |              | Difference       |
|------------------------------------|-----------------------------------|-------------------|--------------|-------------------|-------------------|--------------|------------------|
|                                    | Allocations                       | Expenditures      | %            | Allocations       | Expenditures      | %            |                  |
|                                    |                                   | to Date           | Expended     |                   | to Date           | Expended     |                  |
| Interstate Maintenance             | \$ 421.0                          | \$ 329.0          | 78%          | \$ 383.0          | \$ 329.3          | 86%          | \$ (0.4)         |
| Primary Maintenance                | 621.1                             | 486.7             | 78%          | 578.1             | 483.3             | 84%          | 3.4              |
| Secondary Maintenance              | 579.6                             | 633.6             | 109%         | 601.0             | 656.0             | 109%         | (22.4)           |
| Transportation Operations Services | 144.7                             | 212.6             | 147%         | 163.8             | 208.2             | 127%         | 4.4              |
| Program Management & Direction     | 81.8                              | 76.4              | 93%          | 76.4              | 71.4              | 94%          | 5.0              |
| <b>TOTAL</b>                       | <b>\$ 1,848.3</b>                 | <b>\$ 1,738.3</b> | <b>94.0%</b> | <b>\$ 1,802.2</b> | <b>\$ 1,748.2</b> | <b>97.0%</b> | <b>\$ (10.0)</b> |
|                                    | Anticipated Spending Year to Date | \$ 1,736.3        |              |                   |                   |              |                  |
|                                    | Variance                          | \$ 1.9            |              |                   |                   |              |                  |



# Financial Assistance to Localities - Overview of Special Funds

## Northern Virginia Transportation Authority Fund

| Activity                         | Forecast YTD  | Actual YTD    | Difference   |
|----------------------------------|---------------|---------------|--------------|
| Revenue Collected                | \$325.0       | \$332.4       | \$7.4        |
| Expenditures (Transfers to NVTA) | 324.9         | 329.3         | 4.4          |
| <b>Balance</b>                   | <b>\$37.6</b> | <b>\$40.6</b> | <b>\$3.0</b> |

Dollars in millions

## Hampton Roads Transportation Fund

| Activity                          | Forecast YTD  | Actual YTD    | Difference     |
|-----------------------------------|---------------|---------------|----------------|
| Revenue Collected                 | \$155.1       | \$156.5       | \$1.4          |
| Expenditures (Transfers to HRTAC) | 134.0         | 155.2         | 21.2           |
| <b>Balance</b>                    | <b>\$21.6</b> | <b>\$20.3</b> | <b>(\$1.3)</b> |

Dollars in millions

# Major Fund Cash Balances

| Fund   | (in millions)                  |                                |                        |
|--|--------------------------------|--------------------------------|------------------------|
|  | FY 2017<br>Year End<br>Balance | FY 2016<br>Year End<br>Balance | Change                 |
| <b><u>Operating Funds</u></b>                      |                                |                                |                        |
| Highway Maintenance and Operating                  | \$ 219.9                       | \$ 208.9                       | \$ 11.0                |
| Transportation Trust Fund - Construction           | 324.3                          | 235.5                          | 88.8                   |
| Total  | <u>544.2</u>                   | <u>444.4</u>                   | <u>99.8</u>            |
| <b><u>Dedicated Funds</u></b>                      |                                |                                |                        |
| ARRA   | -                              | 0.1                            | (0.1)                  |
| Concession Fund                                    | 13.1                           | 14.1                           | (1.0)                  |
| Federal Reimb. Anticipation Notes                  | -                              | 0.1                            | (0.1)                  |
| Priority Transportation Fund                       | 205.1                          | 182.0                          | 23.0                   |
| Toll Facility Revolving Account                    | 63.1                           | 59.8                           | 3.3                    |
| Transportation Partnership Opportunity Fund (TPOF) | 45.6                           | 24.0                           | 21.6                   |
| Virginia Transportation Infrastructure Bank (VTIB) | 186.5                          | 195.1                          | (8.6)                  |
| Total  | <u>513.4</u>                   | <u>475.2</u>                   | <u>38.2</u>            |
| <b><u>Bond Funds Held by Trustee</u></b>           |                                |                                |                        |
| CPR Bonds Fund                                     | 3.9                            | 212.0                          | (208.0)                |
| GARVEE Bonds Fund                                  | 343.0                          | 103.2                          | 239.8                  |
| Total  | <u>346.9</u>                   | <u>315.2</u>                   | <u>31.7</u>            |
| <b>Grand Total</b>                                 | <b><u>\$ 1,404.6</u></b>       | <b><u>\$ 1,234.8</u></b>       | <b><u>\$ 169.8</u></b> |

# FY 2018 PERFORMANCE TO DATE



## **FY 2018 Revenue Summary (July Activity)**

- **Motor Fuel activity in July is tied to reconciliations of the accelerated payments in June; no trends can be determined based on actual activity**
- **Motor Vehicle Sales & Use Tax collections are up 2.1% over the previous year, or \$1.7 million**
- **State Retail Sales & Use Taxes were slightly below the previous year**
- **License Fees trail the previous year's activity by \$1.3 million or 6.1%**

## **FY 2018 Expenditure Summary**

- **Construction Program spending was approximately \$6 million lower than anticipated**
- **Maintenance and Operations Program spending was \$30 million lower than anticipated in July**
- **Administrative Programs are in line with expectations**
- **I-66 Inside the Beltway and I-64 Express Lanes (Segment I) are scheduled to be in revenue operations in December; VDOT is estimating the spending rate to get to an annual expectations in the Program**

# AUGUST REVENUE UPDATE



## **August Revenue Updates**

**Update on the Commonwealth's revenue collections and future expectations released on August 21, 2017**

**Focused on General Fund revenue sources**

**Included updates to major transportation sources**

**Full annual update of the transportation revenue forecast will be provided in December as part of the Governor's Budget Bill for the 2018 General Assembly Session**

**Update indicates continued improvement in motor vehicle sales and use tax over official forecast**