





# Preliminary Commonwealth Transportation Fund (CTF) Financial Plan Assumptions

## FY 2021 Draft VDOT Budget

## FY 2021-2026 SYIP COVID-19 Update Plan

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# Commonwealth Transportation Fund (CTF) Preliminary Financial Plan Overview

The Financial Plan reflects the impacts of recent transportation legislation:

- Governor's Omnibus Bill (HB1414/SB 890)
- Central Virginia Transportation Authority (HB 1541)
- Hampton Roads Regional Transit Program (HB 1726/SB 1038)
- Interim state revenue update from August

The update reflects the creation of the Commonwealth Transportation Fund and the new streamlined distribution of revenue available for transportation

# Commonwealth Transportation Fund

## Preliminary Financial Plan - Estimated Revenues (in millions)

	2021	2022
State Transportation Revenues		
Commonwealth Transportation Fund	\$ 3,560.6	\$ 3,869.3
Prior year funding	303.7	191.4
Local & Regional Project Participation/Revenue	1,643.6	1,075.7
Other Revenue	602.9	608.9
<b>Total</b>	<b>5,807.1</b>	<b>5,553.8</b>
<b>Federal Revenues</b>	<b>1,153.3</b>	<b>1,154.5</b>
<b>Total Revenues</b>	<b>6,960.3</b>	<b>6,708.3</b>
Other Financing Sources		
GARVEE Bonds	98.0	-
Capital Improvement Bonds	50.0	-
Route 58	-	218.4
<b>Total</b>	<b>148.0</b>	<b>218.4</b>
<b>Total Operating Revenues and Other Financing Sources</b>	<b>\$ 7,108.3</b>	<b>\$ 6,926.7</b>
Pass Through Revenues		
Regional Transportation Funds	610.8	677.8
WMATA Capital Fund Revenue	116.8	116.8
<b>Grand Total</b>	<b>\$ 7,835.9</b>	<b>\$ 7,721.3</b>

*State revenue update from August reflects adjustments to three major sources for FY 2021 and 2022*

*Includes re-allocation of prior year revenue in FY 2021 totaling \$495 million from Revenue Sharing.*

# Commonwealth Transportation Fund

## Preliminary Financial Plan - Estimated Allocations (in millions)

*Allocations reflect flexibility granted in biennial budget*

	FY 2021	FY 2022
Debt Service	\$ 405.2	\$ 412.2
Other Agencies & Transfers	50.3	50.6
Maintenance & Operations	2,210.3	2,230.7
Administration & Other Programs	529.0	523.3
Toll Programs	80.7	93.6
Special Structures	-	5.0
Rail and Public Transportation	637.4	652.8
Port Trust Fund	43.3	45.3
Airport Trust Fund	24.7	25.9
Commonwealth Space Flight Fund	16.8	15.8
Department of Motor Vehicles	13.9	13.9
Construction <sup>(1)</sup>	3,018.8	2,777.5
<b>Total Operating Programs</b>	<b>\$ 7,030.5</b>	<b>\$ 6,846.8</b>
Pass Through Programs		
WMATA Capital Fund	161.2	157.8
Central Virginia Transportation Fund	136.9	206.1
Northern Virginia Transportation Authority Fund	299.3	290.1
Hampton Roads Regional Transit Fund	26.1	32.5
Hampton Roads Transportation Fund	181.9	188.0
<b>Subtotal</b>	<b>805.4</b>	<b>874.5</b>
<b>Total</b>	<b>\$ 7,835.9</b>	<b>\$ 7,721.3</b>

(1) Allocations do not reflect 2021-2026 SYIP assumptions for funding for highways that was programmed for rail and public transportation. Distribution to Public Transportation, Rail Assistance, Other Programs and Administration to be determined with final recommended budget and SYIP updates.

Estimated for WMATA Capital are based on the December 2019 Revenue Estimate

# Implementation of Omnibus Legislation with COVID-19 Impact

- With proposed flexibility granted under the state budget, allocations were sized to meet expectations from the previous financial plan (FY 2020 – 2025).
- Directed allocations in FYs 2021 – 2023 to phase in commitments anticipated from omnibus legislation

	FY 2021	FY 2022
Special Structures	\$ -	\$ 5.0
Virginia Highway Safety Improvement Program	3.0	7.5
PRIIA Match	-	50.0
Operating	-	5.0
WMATA	-	3.0
Ridership Incentive	-	3.6
Rail	-	7.7

# Preliminary VDOT FY 2021 Budget

	(in millions)		
	FY 2020	Preliminary FY 2021	Increase (Decrease)
<b>VDOT Programs</b>			
Environmental Monitoring and Evaluation (514)	\$ 23.5	\$ 40.9	\$ 17.4
Ground Transportation Planning and Research (602)	77.7	79.1	1.4
Highway Construction Programs (603)	2,686.8	3,041.5	354.8
Highway System Maintenance (604)	1,728.1	1,741.9	13.8
Commonwealth Toll Facilities (606)	85.5	83.7	(1.8)
Financial Assistance to Localities (607)			
VDOT Programs	473.8	484.3	10.6
Regional Programs	485.1	644.2	159.1
Non-Toll Supported Transportation Debt Service (612)	402.4	407.9	5.5
Administrative and Support Services (699)	297.6	300.4	2.8
VDOT Capital Outlay (998)	30.0	64.3	34.3
<b>Total VDOT Programs</b>	<b>\$ 6,290.4</b>	<b>\$ 6,888.3</b>	<b>\$ 597.9</b>
Support to Other State Agencies	75.0	50.3	(24.7)
Support to DRPT Programs & Virginia Passenger Rail Authority	65.0	112.6	47.6
<b>TOTAL</b>	<b>\$ 6,430.4</b>	<b>\$ 7,051.2</b>	<b>\$ 620.7</b>
<b>TOTAL OPERATING BUDGET (Net Regional Programs)</b>	<b>\$ 5,945.3</b>	<b>\$ 6,406.9</b>	<b>\$ 461.6</b>

# Assumptions for Highway Construction Programs

## Revenue Sharing Program updates

*Reallocation of previously provided Revenue Sharing funding*

Funds made available for CTF Distribution	
Previously allocated Revenue Sharing Funding	\$445.1
Balance Entry/Deallocated Revenue Sharing	49.9
<b>Total</b>	<b>\$495.0</b>

	2021	2022	2023	2024	2025	2026
Updated Revenue Sharing Allocation	\$99.6	\$110.1	\$127.3	\$108.1	\$100.0	\$100.0
	Scheduled allocation for previously allocated Revenue Sharing Projects (\$445.1 million)				Allocation for pending allocation	



# Next Steps

- **Draft FY 2021 Budgets for the Commonwealth Transportation Fund and VDOT will be provided for review for adopting in December**
- **Official revenue estimate update available in December 2020 for update for FY 2022 – 2027.**

# FY 2021-2026 SYIP COVID-19 UPDATE PLAN

 Kimberly Pryor, Infrastructure Investment Director

October 20, 2020

# Background

- **O.1 and 2 of Chapter 1289 of the 2020 Acts of Assembly**
  1. **The FY2020-2025 SYIP adopted June 19, 2019, and as amended shall remain in effect through June 30, 2021, or until a new SYIP is adopted that is based on the official Commonwealth Transportation Fund revenue forecast reflecting the impacts of COVID-19 Pandemic**
  2. **Assistance provided for fiscal year 2021 may be maintained up to the levels allocated in the FY2020-2025 SYIP until a new SYIP is adopted**

# Background

- ***Proposed P.1-3, Item 430, Budget Bill considered in Special Session***
  - ***CTB may use previously allocated funds not currently needed to support project delivery to mitigate impacts from revenue reductions resulting from the COVID-19 pandemic and replace those allocations in the year needed to support current project schedules***
- ***Proposed P.6, Item 430, Budget Bill considered in Special Session***
  - ***The Secretary shall report to the Governor and Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the funding actions planned to be taken under this authority, including a listing of the programs and projects impacted as well as any deviation from the proposed plan***

# FY2021-2026 SYIP COVID-19 Update Plan

- **Recommendation**

1. Build upon actions approved to date to amend and modify the FY2020-2025 SYIP
2. Execute a targeted approach focused on updating specific funding programs
3. Do NOT engage all processes and procedures of a typical SYIP update

# FY2021-2026 SYIP COVID-19 Update Plan

## 1. Build upon actions approved to date to amend and modify the FY2020-2025 SYIP based on funding levels in the FY2020-2025 SYIP

### ✓ RSTBG/CMAQ

- 5/6 MPO projects added/updated

### ✓ ITTF

- All projects and programs added/updated

### ✓ HSIP/Legacy programs

- Adjustments have been made to support the Department's federal obligation plan and reflect updated project schedules and estimates

### ✓ TAP

- Additions/updates will be complete with October CTB Action

### ✓ SGR: Local and VDOT Paving

- Additions/updates will be complete with October CTB Action

# FY2021-2026 SYIP COVID-19 Update Plan

## 2. Execute a targeted approach focused on updating specific funding programs based on funding levels in the FY2020-2025 SYIP

- **SGR Local and VDOT Bridges**

- Add new FY2021 selected Local and VDOT bridges, leaving FY2026 un-programmed
- CTB Action planned for December 2020

- **Revenue Sharing**

- Implement an allocation restructuring strategy utilizing previously allocated funds not currently needed to support project delivery to mitigate impacts from revenue reductions resulting from the COVID-19 pandemic and replace those allocations in FY2021-2024 as necessary to support current project schedules
- No funding commitments will be reduced and no projects will be delayed due to the proposed allocation restructuring strategy
- Add new FY21 selected projects using FY2025-2026 allocations
- CTB Action planned for December 2020
- Biennial solicitation cycle will continue with awards in the last two years of the SYIP

# FY2021-2026 SYIP COVID-19 Update Plan

## 3. Do NOT engage all processes and procedures of a typical SYIP update

- **Hold updates to the SGR funding distribution percentages until FY2022-2027 SYIP Update**
  - Unprogrammed FY2026 will be used to make adjustments to allocations due to updated factors, as necessary
- **Retain the existing structure of the FY2020-2025 SYIP and reflect adjustments to the new transportation funding formula in the FY2022-2027 SYIP Update**
  - Show certain new funding streams for illustrative purposes on balance entries (Regional District Grant Program, Special Structures Program, Virginia Highway Safety Improvement Program, etc.)
- **Defer adjustments to the I-81 program to reflect adjustments to the revised tax structure and bonding until the FY2022-2027 Update**
  - Existing project schedules will not be impacted by this delay
- **Hold a single virtual public hearing in November, in conjunction with the CTB meeting**



# Targeted SYIP Update

## Revenue Sharing – Allocation Restructuring Strategy

	Number of Projects	State Match in Previous to be Provided by FY24
Bristol	6	\$8.2
Culpeper	18	\$16.9
Fredericksburg	12	\$27.2
Hampton Roads	55	\$144.9
Lynchburg	14	\$10.3
Northern Virginia	65	\$142.5
Richmond	55	\$51.8
Salem	36	\$18.9
Staunton	29	\$24.3
Deallocations		\$49.9
<b>Grand Total</b>	<b>290</b>	<b>\$495.0</b>

- No project schedules will be delayed
- No funding commitments will be reduced
- Adjustments to preliminary analysis are likely to be necessary based on project activity since March 2020

# Next Steps

## CTB Actions

- **October 2020**
  - Approval of FY2021 recommended SGR Local and VDOT Paving projects
  - Approval of FY2021 recommended TAP projects
- **December 2020**
  - Approval of FY2021 recommended SGR Local and VDOT Bridge projects
  - Approval of FY2021 recommended Revenue Sharing projects using FY2025-2026 allocations
  - Adoption of the FY2021-2026 SYIP COVID-19 Update
  - Report changes to the preliminary plan to adjust Revenue Sharing allocations
- **Early 2021**
  - Begin development of a full FY2022-2027 SYIP Update