



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

W. Sheppard Miller, III
Chairperson

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Agenda item # 8

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

June 21, 2022

MOTION

Made By: Mr. Rucker **Seconded By:** Ms. Hynes

Action: Motion carried, unanimously

**Title: Action on Fiscal Year 2023 Annual Budgets
Commonwealth Transportation Fund, Department of Rail and Public Transportation and
the Virginia Department of Transportation**

WHEREAS, the Commonwealth Transportation Board is required by §§ 33.2-214 (B) and 33.2-221 (C) of the *Code of Virginia (Code)* to administer and allocate funds in the Transportation Trust Fund, based on the most recent official Commonwealth Transportation Fund revenue forecast; and

WHEREAS, § 33.2-1524.1 of the *Code* requires a portion of the funds in the Transportation Trust Fund to be set aside and distributed to construction programs pursuant to § 33.2-358, the Commonwealth Mass Transit Fund, Commonwealth Rail Fund, the Commonwealth Port Fund, the Commonwealth Aviation Fund, the Commonwealth Space Flight Fund, the Priority Transportation Fund and a special fund within the Commonwealth Transportation Fund to be used to meet the necessary expenses of the Department of Motor Vehicles; and

WHEREAS, § 33.2-358 (A) of the *Code* requires the Board to allocate each year from all funds made available for highway purposes such amount as it deems reasonable and necessary for the maintenance of roads within the interstate system of highways, the primary system of state highways, the secondary system of state highways and for city and town street maintenance payments made pursuant to § 33.2-319 and payments made to counties which have withdrawn or elect to withdraw from the secondary system of state highways pursuant to § 33.2-366; and

WHEREAS, §33.2-358 (B) of the *Code* requires the Board to allocate available funds for construction and other non-maintenance activities by formula; and

WHEREAS, other sections of the *Code of Virginia* and the current Appropriation Act require certain allocations; and

WHEREAS, pursuant to § 33.2-214 (B), the Commonwealth Transportation Board has established the updated project allocations for the fiscal years 2023 through 2028 in the Six-Year Improvement Program; and

WHEREAS, the Commonwealth Transportation Board has been presented with recommend changes to the funds distributed to and by the Commonwealth Mass Transit Fund in Fiscal Year 2023 for consideration; and

WHEREAS, § 2.2-2100 of the *Code* allows the Board to review and comment on budget items not specifically enumerated to the Board by statute.

NOW, THEREFORE, BE IT RESOLVED by the Commonwealth Transportation Board that the recommended allocations and expenditures required by the various statutes as contained in the budgets for the Commonwealth Transportation Fund, Department of Rail and Public Transportation, and the Department of Transportation for Fiscal Year 2023 are approved, limited to the recommended amounts allocated to and from the Commonwealth Mass Transit Fund.

BE IT FURTHER RESOLVED by the Commonwealth Transportation Board that the recommended changes to the funds distributed to and by the Commonwealth Mass Transit Fund in Fiscal Year 2023 shall be considered for inclusion and revision of the Fiscal Year 2023 budgets for the Commonwealth Transportation Fund, Department of Rail and Public Transportation, and the Department of Transportation in July 2022.

####

CTB Decision Brief

Fiscal Year 2023 Annual Budgets

Commonwealth Transportation Fund, Department of Rail and Public Transportation and the Department of Transportation

Issue: Each year, the Commonwealth Transportation Board (CTB or Board) is required by §§ 33.2-214 (B) and 33.2-221 (C) of the *Code of Virginia* to administer, distribute and allocate funds in the Transportation Trust Fund based on the most recent official Commonwealth Transportation Fund revenue forecast; by § 33.2-1524.1, to provide the statutory funding to the Commonwealth Mass Transit Fund, Commonwealth Rail Fund, Commonwealth Port Fund, the Commonwealth Aviation Fund, the Commonwealth Space Flight Fund the Priority Transportation Fund and a special fund in the Commonwealth Transportation Fund to meet the expenses of the Department of Motor Vehicles; and by § 33.2-358 (A) to allocate from all funds made available for highway purposes such amount as it deems reasonable and necessary for the maintenance of roads within the interstate, primary and secondary system of highways and for city and town street maintenance payments and payments to counties that have elected to withdraw from the secondary state highway system. Board approval and finalization of the FY 2023 budgets necessary to effectuate the lawful distribution of available Commonwealth Transportation Fund revenues is sought.

Facts: The CTB must adopt a budget that distributes the available revenues of the Commonwealth Transportation Fund to the statutorily defined funds and purposes. The budget shall be based on the most recent official revenue forecasts and debt policy. There are three separate budgets in addition to the Six-Year Improvement Program:

- 1) Commonwealth Transportation Board's Commonwealth Transportation Fund Budget which includes all transportation revenues, including those allocated to the construction program, Commonwealth Transit Fund, Commonwealth Rail Fund, Commonwealth Aviation Fund, Space Flight Fund, Commonwealth Port Fund, the Priority Transportation Fund and the special fund for the Department of Motor Vehicles. It is a summary level budget.
- 2) The Department of Rail and Public Transportation (DRPT) Annual Budget which provides details on estimated expenditures and the related revenues that support the estimated expenditures that are directly provided to the agency for its programs and activities.
- 3) The Department of Transportation (VDOT) Annual Budget which provides details on revenue and allocations that are directly provided to the agency for its programs and activities.

CTB Decision Brief
Fiscal Year 2023 Annual Budgets
June 21, 2022
Page Two

Recommendations: VDOT and DRPT recommend the approval of the Fiscal Year 2023 Annual Budgets for the Commonwealth Transportation Fund, the Department of Transportation, and the Department of Rail and Public Transportation.

Action Required by CTB: The CTB will be presented with a resolution for a formal vote to approve the Fiscal Year 2023 Annual Budgets.

Options: Approve, Deny or Defer. If the CTB chooses not to approve a budget resolution, it will be in violation of state law.

Public Comments/Reactions: The public expects the CTB to utilize the funds dedicated to transportation to address transportation needs.

Fiscal Year 2023

Commonwealth Transportation Fund Budget
June 2022



Virginia Department of Transportation

Budget and Funds Management Division

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Richmond, VA 23219

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During its 2020 session, the Virginia General Assembly enacted the Governor's Omnibus Transportation Bill, Chapter 1230 (House Bill 1414), which revised the composition of and increased available revenues for transportation funding in the Commonwealth. Under Chapter 1230, the Commonwealth Transportation Fund (CTF) serves as the fund to which all transportation revenues are deposited and then distributed to programs and funds. These transportation revenues include: (i) motor vehicles fuels taxes and road taxes for diesel fuel; (ii) vehicle registration fees; (iii) highway use fee; (iv) 0.5% statewide sales and use tax; (v) 0.3% statewide sale and use tax for transportation; (vi) 4.15% percent motor vehicles sales and use tax; (vii) motor vehicle rental tax (10 percent of gross proceeds from rentals for most passenger vehicles); (viii) \$0.03 of the \$0.25 per \$100 of assessed value of the statewide recordation tax; (ix) tax on liquid alternative fuel, set at the rate for gasoline; (x) International Registration Plan fees; and (xi) one-third of the revenue from insurance premium taxes.

Chapter 1230 also amends the allocation of funds. Before funds are distributed between the Transportation Trust Fund and the Highway Maintenance and Operating Fund ("HMO Fund"), (i) \$40 million annually will be deposited into the Route 58 Corridor Development Fund; (ii) \$40 million annually will be deposited into the Northern Virginia Transportation District Fund; and (iii) \$80 million annually (as adjusted annually based on changes in consumer price index for urban consumers) will be deposited into the Special Structure Fund. Enactment Clause 11 of Chapter 1230 provides the Commonwealth Transportation Board the ability to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure funds for modal programs and the highway maintenance and operating fund are at least equal to the amounts provided for in the six-year financial plan for the Commonwealth Transportation Fund as in effect on January 1, 2020.

Toll revenue and concession payments to the Commonwealth under the Public-Private Transportation Act of 1995 also would be deposited to the Commonwealth Transportation Fund and allocated to the Transportation Trust Fund (for defined purposes and not available for further distribution). Interest, dividends, and appreciation accrued to the Transportation Trust Fund or the HMO Fund also would be allocated to the Commonwealth Transportation Fund and distributed two-thirds to the Virginia Transportation Infrastructure Bank and one-third to the Transportation Partnership Opportunity Fund.

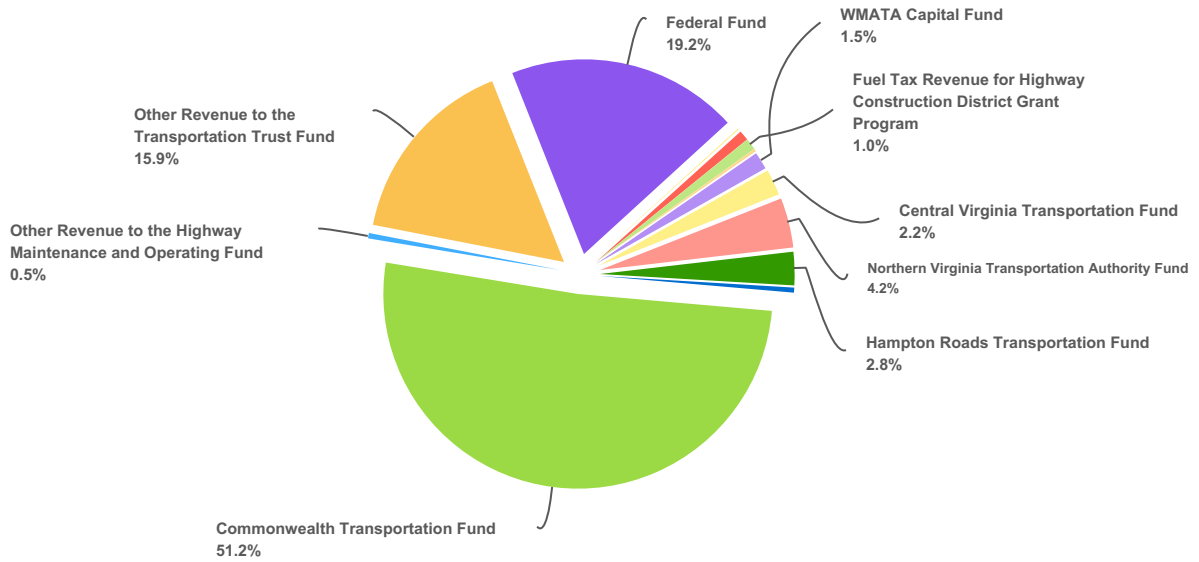
The remaining funds in the Commonwealth Transportation Fund are allocated 51% to the HMO Fund and 49% to the Transportation Trust Fund. Chapter 1230 directs the following distribution of funds from the Transportation Trust Fund: (i) 53% for construction programs; (ii) 23% to the Commonwealth Mass Transit Fund; (iii) 7.5% to the Commonwealth Rail Fund; (iv) 2.5% to the Commonwealth Port Fund; (v) 1.5% to the Commonwealth Aviation Fund; (vi) 1% to the Commonwealth Space Flight Fund; (vii) 10.5% to the Priority Transportation Fund; and (viii) 1% to the Department of Motor Vehicles. Enactment Clause 11 of Chapter 1230 also allows the Commonwealth Transportation Board to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure appropriate coverage ratios for any outstanding debt backed by the Transportation Trust Fund.

The Fiscal Year 2023 budget for the CTF identifies the estimated revenues and the distribution of the revenues to the related transportation agencies and programs. It is based on the state revenue forecast from February 2022, which reflects the elimination of i) the Retail Sales and Use Tax on food purchased for human consumption and essential personal hygiene items assumed to change July 1, 2022 and ii) the accelerated sales tax payments for FY 2023, and reflects implementation of federal funding provided under the Infrastructure Investment and Jobs Act (IIJA). The FY 2023 CTF Budget totals \$9,119,698,484, a decrease of 6.5% from the Second Revised FY 2022 CTF Budget totaling \$9,748,926,154.



The CTF receives revenues from dedicated state and federal sources. The major state revenues are based on Virginia's official revenue forecast developed by the Department of Taxation. The federal revenues from the Federal Highway Administration and the Federal Transit Administration are estimated by the Virginia Department of Transportation (VDOT) and the Virginia Department of Rail and Public Transportation (DRPT). Revenues provided are also from funds collected for regional transportation improvements in Northern Virginia, Hampton Roads, and Central Virginia. These funds are dedicated to the efforts of the Northern Virginia Transportation Authority, Central Virginia Transportation Authority, and the Hampton Roads Transportation Accountability Commission.

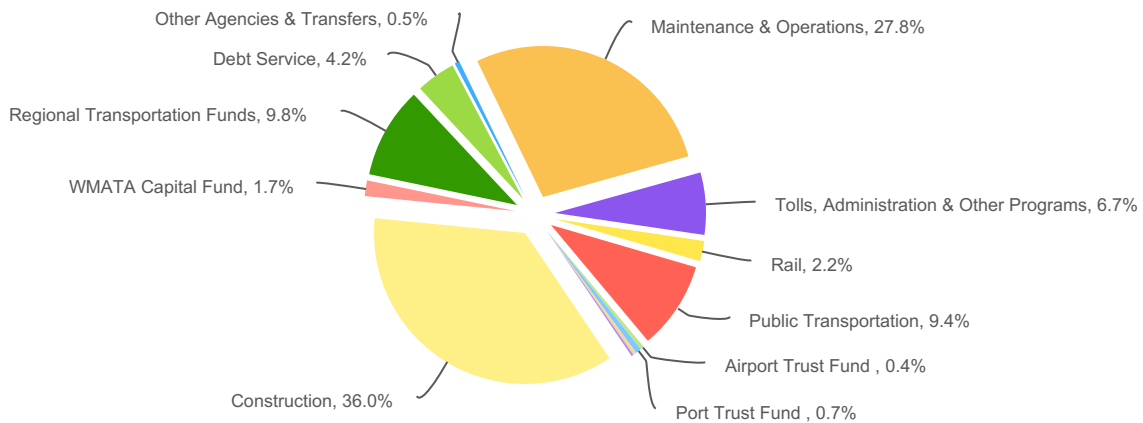
Commonwealth Transportation Fund Total Revenues for FY 2023



Commonwealth Transportation Fund	\$4,674,400,000
Other Revenue to the Highway Maintenance and Operating Fund	42,098,489
Other Revenue to the Transportation Trust Fund	1,454,310,854
Federal Fund	1,755,048,618
Interstate 81 Corridor Improvement Fund & Financing	78,800,000
Fuel Tax Revenue for Highway Construction District Grant Program	89,497,754
General Fund	—
Bonds	19,222,769
Total Operating Revenues	8,113,378,484
Pass Through Revenues	
WMATA Capital Fund	133,920,000
Central Virginia Transportation Fund	198,900,000
Northern Virginia Transportation Authority Fund	379,300,000
Hampton Roads Transportation Fund	254,300,000
Hampton Roads Regional Transit Fund	39,900,000
Subtotal	1,006,320,000
TOTAL	\$9,119,698,484

The revenues are dedicated to specific funds within the CTF. After certain distributions required by the Code of Virginia, the remaining funds in the CTF are allocated 51% to the Highway Maintenance and Operating Fund (HMOF) and 49% to the Transportation Trust Fund. Chapter 1230 directs the following distribution of funds from the Transportation Trust Fund: (i) 53% for construction programs; (ii) 23% to the Commonwealth Mass Transit Fund; (iii) 7.5% to the Commonwealth Rail Fund; (iv) 2.5% to the Commonwealth Port Fund; (v) 1.5% to the Commonwealth Aviation Fund; (vi) 1% to the Commonwealth Space Flight Fund; (vii) 10.5% to the Priority Transportation Fund; and (viii) 1% to the Department of Motor Vehicles.

The revenues for the HMOF support highway maintenance, operations and administration. The Priority Transportation Fund (PTF) revenues are dedicated to debt service on the Commonwealth of Virginia Transportation Capital Projects Revenue Bonds. The Commonwealth Transportation Board can also use the Fund to facilitate the financing of priority transportation projects throughout the Commonwealth. Federal revenues are used for their defined purposes to support construction, maintenance or transit.



Debt Service	\$386,831,538
Other Agencies & Transfers	49,162,918
Maintenance & Operations	2,538,496,316
Tolls, Administration & Other Programs	608,029,047
Public Transportation	858,119,786
Rail	198,431,973
Airport Trust Fund	35,056,705
Port Trust Fund	59,755,196
Department of Motor Vehicles	30,419,830
Space Flight Fund	23,407,150
Construction	3,285,668,025
Total Operating Programs	8,073,378,484
Pass Through Programs	
WMATA Capital Fund	153,920,000
Regional Transportation Funds	892,400,000
TOTAL RECOMMENDED DISTRIBUTIONS	\$9,119,698,484



STATE REVENUE SOURCES	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Commonwealth Transportation Fund	\$ 4,752,300,000	\$ 4,674,400,000	\$ (77,900,000) ¹
Revenue Sharing	—	191,405,031	191,405,031
Highway Maintenance & Operating Fund (HMOF)	55,535,702	42,098,489	(13,437,213)
General Fund	170,796,000	—	(170,796,000)
Transportation Trust Fund (TTF) and Other State Revenue			
Interest Earnings	28,515,000	18,490,000	(10,025,000)
Toll Facilities	34,354,020	37,840,000	3,485,980
Local Revenue Sources	162,294,383	383,592,011	221,297,628
Project Participation - Regional Entities	782,764,066	701,196,581	(81,567,485)
GARVEE Bonds/ Interest Earnings	76,300,000	19,222,769	(57,077,231) ²
Route 58 Bonds/ Interest Earnings	219,304,103	1,054,829	(218,249,274) ²
I-66 Outside the Beltway Concession Fee Payment/Interest	22,094,013	21,279,551	(814,462)
Interstate 81 Corridor Improvement Fund	279,186,080	78,800,000	(200,386,080) ²
Statewide Interstate Improvement Fund	(39,444,828)	—	39,444,828
Special Fund Account for the Highway Construction District Grant Program	100,300,000	89,497,754	(10,802,246) ³
Other Trust Fund Revenue	121,077,476	92,164,670	(28,912,806)
Total TTF and Other Revenue	1,786,744,313	1,443,138,165	(343,606,148)
Priority Transportation Fund (PTF)			
State Revenue	356,671,762	7,288,181	(349,383,581) ⁴
Total PTF	356,671,762	7,288,181	(349,383,581)
Pass Through Revenues			
Revenue Dedicated to WMATA Capital Fund	131,120,000	133,920,000	2,800,000
State Revenue for Regional Entities	793,500,000	872,400,000	78,900,000
Total Pass Through Revenues	924,620,000	1,006,320,000	81,700,000
TOTAL STATE REVENUES	8,046,667,777	7,364,649,866	(682,017,911)
Federal Funding Sources			
Federal Highway Administration (FHWA)	1,653,029,918	1,705,820,159	52,790,241
Federal Transit Administration (FTA)	49,228,459	49,228,459	—
Total Federal Funding	1,702,258,377	1,755,048,618	52,790,241
TOTAL COMMONWEALTH TRANSPORTATION FUNDS	\$ 9,748,926,154	\$ 9,119,698,484	\$ (629,227,670)



DISTRIBUTION OF REVENUE SOURCES	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Debt Service			
Northern Virginia Transportation District	\$ 11,427,687	\$ 11,870,438	\$ 442,751
Route 28	8,644,519	8,644,519	—
Route 58	29,725,222	30,815,139	1,089,917
Interstate 81	6,006,732	5,220,979	(785,753)
GARVEE Bonds	129,951,050	136,978,263	7,027,213
CPR Bonds	194,994,559	193,302,200	(1,692,359)
Total Debt Service	382,877,846	386,831,538	3,953,692
Other Agencies & Transfers			
Trust Fund Management	3,200,876	3,092,567	(108,309)
Support to Other State Agencies (excludes DRPT)	52,304,162	43,349,176	(8,954,986)
Indirect Costs	5,128,092	2,721,175	(2,406,917)
Total State Agencies	60,633,130	49,162,918	(11,470,212)
Maintenance & Operations			
Highway System Maintenance	1,756,641,898	2,005,798,051	249,156,153
Financial Assist. to Localities for Ground Transportation - Cities	405,955,990	454,109,455	48,153,465
Financial Assist. to Localities for Ground Transportation - Counties	71,935,383	78,588,810	6,653,427
Total Maintenance & Operations	2,234,533,271	2,538,496,316	303,963,045
Tolls, Administration & Other Programs			
Ground Transportation System Planning and Research	95,618,648	106,660,594	11,041,946
Environmental Monitoring & Compliance	43,957,252	17,968,133	(25,989,119)
Administrative and Support Services	302,707,781	318,906,000	16,198,219
Program Management and Direction	46,161,840	49,904,320	3,742,480
Toll Facilities Operations	34,354,020	37,840,000	3,485,980
Toll Facility Revolving Account	36,750,000	36,750,000	—
Capital Outlay	60,000,000	40,000,000	(20,000,000)
Total Tolls, Administration & Other Programs	619,549,541	608,029,047	(11,520,494)

DISTRIBUTION OF REVENUE SOURCES	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Transit and Rail Funds			
Share of TTF Distribution for Transit	\$ 494,794,204	\$ 504,504,614	\$ 9,710,410
Transit - Share of administrative costs	(685,308)	(662,119)	23,189
Other Revenue dedicated to Transit	15,759,375	16,153,359	393,984
Share of TTF Distribution for Rail	161,345,936	164,512,374	3,166,438
Rail - Share of administrative costs	(176,369)	(170,401)	5,968
Federal Transit Authority (FTA)	49,228,459	49,228,459	—
CMAQ (without State Match)	22,243,685	28,101,637	5,857,952
STP Regional (without State Match)	14,913,598	12,945,933	(1,967,665)
Rail Fund (with prior year adjustments)	—	—	—
Interest Earnings	2,640,000	1,890,000	(750,000)
HB1414 Off the Top to Commonwealth Mass Transit Fund	120,000,000	120,000,000	—
Metro Matters	—	—	—
HB1414 Off the Top to Commonwealth Rail Fund	24,400,000	32,700,000	8,300,000
Mass Transit Fund-Support from Construction	9,289,320	10,436,903	1,147,583
Rail Fund - Support from Construction	87,500,000	87,500,000	—
Priority Transportation	85,105,427	7,300,000	(77,805,427) ⁵
Other	61,950,000	22,111,000	(39,839,000)
Subtotal Transit and Rail Funds	1,148,308,327	1,056,551,759	(91,756,568)
Pass Through Revenue for WMATA Capital			
Dedicated Revenue for WMATA Capital Fund	131,120,000	133,920,000	2,800,000
Transfer from NVTD Fund for WMATA Capital Fund	20,000,000	20,000,000	—
Subtotal WMATA Capital Fund	151,120,000	153,920,000	2,800,000
Airports - Share of TTF Distribution	32,269,187	32,902,475	633,288
Airports - Share of administrative costs	(47,372)	(45,770)	1,602
Airports - Interest Earnings	175,000	700,000	525,000
Directed CTF Allocation	1,500,000	1,500,000	—
Total Airport Trust Fund	33,896,815	35,056,705	1,159,890
Ports - Share of TTF Distribution	53,781,979	54,837,458	1,055,479
Ports - Share of administrative costs	(85,143)	(82,262)	2,881
Ports - Interest Earnings	300,000	1,000,000	700,000
Directed CTF allocation	4,000,000	4,000,000	—
Total Port Trust Fund	57,996,836	59,755,196	1,758,360
Department of Motor Vehicles - Share of TTF Distribution	21,512,791	21,934,983	422,192
DMV - Share of administrative costs	(15,684)	(15,153)	531
Directed CTF allocation	8,500,000	8,500,000	—
Total DMV	29,997,107	30,419,830	422,723
Virginia Commercial Space Flight Authority - Share of TTF Distribution	21,512,791	21,934,983	422,192
Space Flight Authority - Share of administrative costs	(28,808)	(27,833)	975
Directed CTF allocation	31,500,000	1,500,000	(30,000,000)
Total Space Flight Authority	52,983,983	23,407,150	(29,576,833)



DISTRIBUTION OF REVENUE SOURCES	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Pass Through Revenue Allocations			
Central Virginia Transportation Authority Fund	\$ 181,100,000	\$ 198,900,000	\$17,800,000
Northern Virginia Transportation Authority Fund	383,735,532	417,743,624	34,008,092
Hampton Roads Transportation Fund	230,200,000	254,300,000	24,100,000
Hampton Roads Regional Transit Fund	39,400,000	39,900,000	500,000
Total Regional Transportation Programs	834,435,532	910,843,624	76,408,092
Construction			
Financial Assistance to Localities for Ground Transportation	17,476,106	18,303,310	827,204
State of Good Repair Program	375,287,827	331,213,278	(44,074,549)
High Priority Projects Program	304,882,522	246,678,340	(58,204,182)
Construction District Grant Programs	405,182,522	336,176,095	(69,006,427)
Specialized State and Federal Programs	2,979,764,789	1,845,367,547	(1,134,397,242)
Virginia Highway Safety Improvement Program	—	134,783,478	134,783,478
Interstate Operations and Enhancement Program	—	274,702,353	274,702,353
Total Construction	4,082,593,766	3,187,224,401	(895,369,365)
Special Structures	60,000,000	80,000,000	20,000,000
DISTRIBUTION OF COMMONWEALTH TRANSPORTATION FUNDS			
	\$ 9,748,926,154	\$ 9,119,698,484	\$ (629,227,670)
Agency Funding Summary:			
VDOT	\$ 8,476,517,833	\$ 7,885,824,747	\$ (590,693,086)
Less Support to DRPT	(201,894,747)	(125,236,903)	76,657,844
VDOT (Net)	8,274,623,086	7,760,587,844	(514,035,242)
DRPT	1,299,428,327	1,210,471,759	(88,956,568)
Ports	57,996,836	59,755,196	1,758,360
Aviation	33,896,815	35,056,705	1,159,890
DMV	29,997,107	30,419,830	422,723
Space Flight Authority	52,983,983	23,407,150	(29,576,833)
Grand Total	\$ 9,748,926,154	\$ 9,119,698,484	\$ (629,227,670)

CTF State Revenue Details

STATE REVENUE SOURCES	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
State Tax on Motor Fuels	\$1,282,400,000	\$1,360,700,000	\$78,300,000
Road Tax	68,200,000	69,200,000	1,000,000
Retail Sales & Use Tax	1,290,200,000	1,228,600,000	(61,600,000)
Motor Vehicle Sales and Use Tax	1,174,000,000	1,155,100,000	(18,900,000)
International Registration Plan	124,300,000	124,200,000	(100,000)
Motor Vehicle Licenses	234,800,000	236,600,000	1,800,000
Miscellaneous Revenues	17,200,000	17,200,000	—
Motor Vehicle Rental Tax	40,700,000	32,200,000	(8,500,000)
Aviation Fuels Tax	2,000,000	2,000,000	—
Highway Use Fee	52,400,000	59,700,000	7,300,000
Insurance Premium	180,700,000	196,000,000	15,300,000
Recordation Tax	81,000,000	81,000,000	—
Total	\$4,547,900,000	\$4,562,500,000	\$14,600,000

Endnotes

Endnote Number	Description
1	Reflects impact of December 2021 revenue estimate from Department of Taxation.
2	Reflects change in bond issuance assumptions from previous fiscal year across several programs, including the recommend removal of additional GARVEE bond issuances based on additional federal and state revenue available to the program.
3	Reflects reconciliation of actual revenues collected in each district compared to allocations provided to each district through FY 2021.
4	Difference from FY 2022 Revision represents one-time allocation of FY 2021 Surplus Revenue to the fund in FY 2022.
5	The Priority Transportation Fund allocation (PTF) for the Rail Initiative has been updated to reflect a change in the funding for the effort. CMAQ funding has been made available to the Initiative. CTB transfer action in December 2021 provided PTF funding to the Route 1 Multimodal Improvements.
6	Second Revised FY 2022 amounts are included in Specialized State and Federal Programs.



Fiscal Year 2023

VDOT Annual Budget
June 2022



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Overview

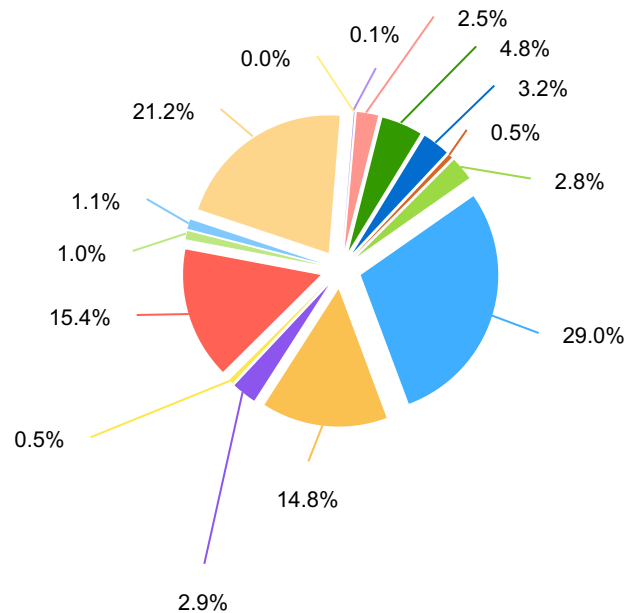
The Fiscal Year 2023 budget for the Virginia Department of Transportation (VDOT) identifies the estimated revenues and the distribution of the revenues to the related transportation programs. It is based on the state revenue forecast from February 2022 and reflects implementation of federal funding provided under the Infrastructure Investment and Jobs Act (IIJA). The VDOT Budget for 2023 totals \$7,885,824,747 a 7.0% decrease over the Second Revised FY 2022 VDOT Budget of \$8,476,517,833.

Chapter 1230 created the CTF which serves as the fund to which all statewide transportation revenues are deposited and then distributed to programs and funds. These transportation revenues include: (i) motor vehicles fuels taxes and road taxes for diesel fuel; (ii) vehicle registration fees; (iii) highway use fee; (iv) 0.5% statewide sales and use tax; (v) 0.3% statewide sale and use tax for transportation; (vi) 4.15% percent motor vehicles sales and use tax; (vii) motor vehicle rental tax (10 percent of gross proceeds from rentals for most passenger vehicles); (viii) \$0.03 of the \$0.25 per \$100 of assessed value of the statewide recordation tax; (ix) tax on liquid alternative fuel, set at the rate for gasoline; (x) International Registration Plan fees; and (xi) one-third of the revenue from insurance premium taxes.

VDOT's revenues are provided by dedicated state and federal revenue sources. The major state revenues are estimated by the Department of Taxation and are included in the state's official revenue estimate. VDOT continues to estimate federal revenues based upon information received from Federal Highway Administration (FHWA). The budget also includes the regional revenues provided to the Northern Virginia Transportation Authority, the Hampton Roads Transportation Accountability Commission, and the Central Virginia Transportation Authority.

Source of Transportation Funds

- CTF Funding Programs prior to Distribution
- CTF Transfer to HMOF
- TTF Transfer to Construction Fund
- TTF Transfer to Priority Transportation Fund (PTF)
- Other HMOF Revenues
- Other Construction Fund Revenues
- Interstate 81 Corridor Improvement Fund & Financing
- Fuel Tax Revenue for Highway Construction District Grant Program
- Federal Fund
- Priority Transportation Fund (PTF)
- Route 58 Bonds
- Central Virginia Transportation Authority Fund
- Northern Virginia Transportation Authority Fund
- Hampton Roads Transportation Fund
- Hampton Roads Regional Transit Fund



Overview

Detailed Sources of Transportation Funds

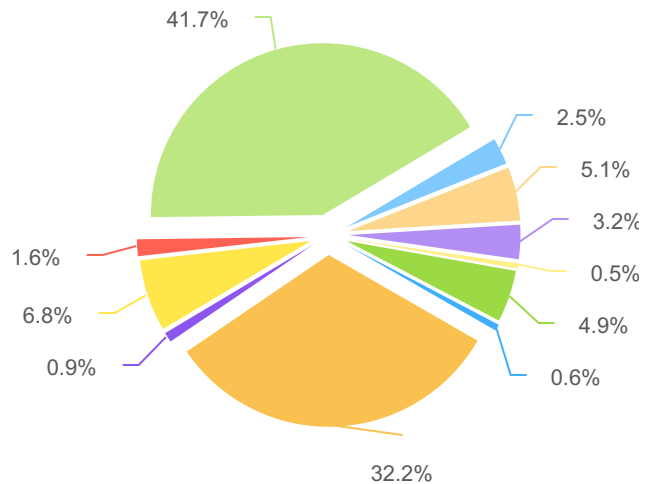
CTF Funding Programs prior to Distribution	\$ 220,000,000
CTF Transfer to HMOF	2,283,028,867
TTF Transfer to Construction Fund	1,162,554,113
TTF Transfer to Priority Transportation Fund (PTF)	230,317,324
Other HMOF Revenues	42,098,489
Other Construction Fund Revenues	1,214,789,832
Interstate 81 Corridor Improvement Fund & Financing	78,800,000
Fuel Tax Revenue for Highway Construction District Grant Program	89,497,754
Federal Fund	1,664,772,589
Priority Transportation Fund (PTF)	7,288,181
Route 58 Bonds	1,054,829
Subtotal	7,013,424,747
Pass Through Revenues	
Central Virginia Transportation Authority Fund	198,900,000
Northern Virginia Transportation Authority Fund	379,300,000
Hampton Roads Transportation Fund	254,300,000
Hampton Roads Regional Transit Fund	39,900,000
TOTAL	\$ 7,885,824,747

Overview

VDOT's revenues provide funding for debt service, maintenance, administration and construction. This budget reflects the planned use of the revenues available to the agency and also includes the pass through funds to the regions. The following is a summary of the programs by spending category:

Allocations	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Debt Service	\$ 382,877,846	\$ 386,831,538	\$ 3,953,692
Other Agencies and Transfers	60,633,130	49,162,918	(11,470,212)
Maintenance & Operations	2,234,533,271	2,538,496,316	303,963,045
Toll Facility Operations	71,104,020	74,590,000	3,485,980
Administration & Other Programs	548,445,521	533,439,047	(15,006,474)
Public Transportation & Rail	201,894,747	125,236,903	(76,657,844)
Construction Program	4,163,529,298	3,285,668,025	(877,861,273)
Subtotal	\$7,663,017,833	\$6,993,424,747	\$(669,593,086)
Pass Through Revenues			
Central Virginia Transportation Authority Fund	181,100,000	198,900,000	17,800,000
Northern Virginia Transportation Authority Fund	362,800,000	399,300,000	36,500,000
Hampton Roads Transportation Fund	230,200,000	254,300,000	24,100,000
Hampton Roads Regional Transit Fund	39,400,000	39,900,000	500,000
TOTAL	\$8,476,517,833	\$7,885,824,747	\$(590,693,086)

- Debt Service
- Other Agencies and Transfers
- Maintenance & Operations
- Toll Facility Operations
- Administration & Other Programs
- Public Transportation & Rail
- Construction Program
- Central Virginia Transportation Authority Fund
- Northern Virginia Transportation Authority Fund
- Hampton Roads Transportation Fund
- Hampton Roads Regional Transit Fund



Highway Maintenance & Operating Fund

The Highway Maintenance and Operating Fund (HMOF) is one of VDOT's major funds. The HMOF is intended to provide for the agency's maintenance, operations and administrative needs. Since Fiscal Year 2002, the HMOF has required transfers from the Construction Fund to cover the budgetary needs of the fund. With the updated revenue assumptions for FY 2022, this transfer reversed direction and the HMOF provided \$57.5 million to the Construction Fund, representing revenue in excess of budgetary allocations needed. The transfer from the Construction Fund to the HMOF returns in the FY 2023 recommendations.

HMOF Revenue Sources	2nd REVISED FY 2022	FY 2023	Difference
CTF Transfer to HMOF	\$ 2,239,086,459	\$ 2,283,028,867	\$ 43,942,408
Miscellaneous Revenues	17,200,000	17,200,000	—
Other Revenue	38,335,702	24,898,489	(13,437,213)
Subtotal	\$ 2,294,622,161	\$ 2,325,127,356	\$ 30,505,195
Transfer from Construction	(57,513,492)	63,328,718	120,842,210
Total	\$ 2,237,108,669	\$ 2,388,456,074	\$ 151,347,405

Commonwealth Transportation Fund & Transportation Trust Fund

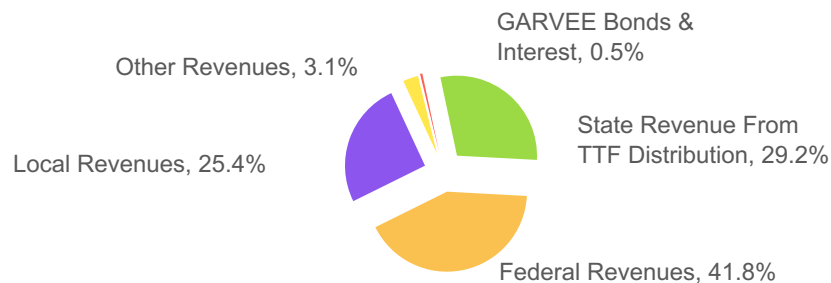
Chapter 1230 amends the allocation of funds. Before funds are distributed between the Transportation Trust Fund and the Highway Maintenance and Operating Fund (HMOF), (i) \$40 million annually will be deposited into the Route 58 Corridor Development Fund; (ii) \$40 million annually will be deposited into the Northern Virginia Transportation District Fund; and (iii) \$80 million annually (as adjusted annually based on changes in consumer price index for urban consumers) will be deposited into the Special Structure Fund. Enactment Clause 11 of Chapter 1230 provides the Commonwealth Transportation Board the ability to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure funds for modal programs and the highway maintenance and operating fund are at least equal to the amounts provided for in the six-year financial plan for the Commonwealth Transportation Fund as in effect on January 1, 2020. With the revision, planned Omnibus Transportation Bill investments are restored to pre-COVID expectations. The following table provides details on revised distributions for Fiscal Year 2023.

Construction Fund Revenue Sources	2nd REVISED FY 2022	FY 2023	Difference
Distributed to Route 58 Corridor Fund	\$ 40,000,000	\$ 40,000,000	\$ —
Distributed to Northern Virginia Transportation District Fund	40,000,000	40,000,000	—
Distributed to Oak Grove Fund	1,000,000	—	(1,000,000)
Distributed to TTF for Support	1,034,395	1,077,840	43,445
Distributed for Omnibus Programs	120,000,000	140,000,000	20,000,000
Total	\$ 202,034,395	\$ 221,077,840	\$ 19,043,445

The following table identifies the construction fund revenues by major source.

Construction Fund Revenue Sources	2nd REVISED FY 2022	FY 2023	Difference
State Revenue From TTF Distribution	\$ 1,140,177,948	\$ 1,162,554,113	\$ 22,376,165
General Fund	108,396,000	—	(108,396,000)
Federal Revenues	1,615,872,635	1,664,772,589	48,899,954
Local Revenues	872,853,270	1,011,713,971	138,860,701
Other Revenues	147,130,693	123,221,585	(23,909,108)
GARVEE Bonds & Interest	76,300,000	19,222,769	(57,077,231)
Total	\$ 3,960,730,546	\$ 3,981,485,027	\$ 20,754,481

Construction Fund Revenue by Source, FY 2023



Other Fund Revenues

VDOT manages a number of special funds. Each special fund receives dedicated revenues to be used to support the mission of the program.

Other Fund Revenues	2nd REVISED FY 2022	FY 2023	Difference
Regional Transportation Funds	\$ 793,500,000	\$ 872,400,000	\$ 78,900,000
Interstate 81 Corridor Improvement Fund	279,186,080	78,800,000	(200,386,080) ⁷
Fuel Tax Revenue for the Special Fund Account for the Highway Construction District Grant Program	100,300,000	89,497,754	(10,802,246)
Powhite Parkway Extension Toll Revenue	11,000,000	11,000,000	—
Coleman Bridge Toll Revenue	6,000,000	6,000,000	—
I-66 Inside the Beltway Toll Revenue	15,216,600	18,000,000	2,783,400
I-64 Express Lanes Toll Revenue	2,137,420	2,840,000	702,580
Northern VA Transportation District (NVTD)	7,020,640	11,723,045	4,702,405
Oak Grove	1,128,077	—	(1,128,077)
Priority Transportation Fund (PTF)	570,492,932	230,317,324	(340,175,608) ⁸
Transportation Partnership Opportunity Fund	10,066,667	7,200,000	(2,866,667)
Route 58	219,304,103	1,054,829	(218,249,274) ⁹
Route 28	8,644,519	8,644,519	—
Other	18,197,231	49,739,142	31,541,911
Total	\$ 2,042,194,269	\$ 1,387,216,613	\$ (654,977,656)
Total Construction Major Sources (page 7)	3,960,730,546	3,981,485,027	20,754,481
Transfer to HMOF	57,513,492	(63,328,718)	(120,842,210)
Total Construction Fund	\$ 6,060,438,307	\$ 5,305,372,922	\$ (755,065,385)

VDOT Program Descriptions and Allocations

Summary of Allocations by Program

The following table summarizes VDOT's budget by the major budgetary programs.

	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Environmental Monitoring and Evaluation (514)	\$ 43,957,252	\$ 17,968,133	\$ (25,989,119)
Ground Transportation Planning and Research (602)	95,618,648	106,660,594	11,041,946
Highway Construction Programs (603)	4,111,279,500	3,218,825,411	(892,454,089)
Highway System Maintenance (604)	1,756,641,898	2,005,798,051	249,156,153
Commonwealth Toll Facilities (606)	71,104,020	74,590,000	3,485,980
Financial Assistance to Localities (607)	1,329,803,011	1,461,845,199	132,042,188
Non-Toll Supported Transportation Debt Service (612)	382,877,846	386,831,538	3,953,692
Special Structures (614)	60,000,000	80,000,000	20,000,000
Administrative and Support Services (699)	302,707,781	318,906,000	16,198,219
VDOT Capital Outlay (998)	60,000,000	40,000,000	(20,000,000)
Support to Other State Agencies	60,633,130	49,162,918	(11,470,212)
Support to DRPT Programs	201,894,747	125,236,903	(76,657,844)
Total	\$ 8,476,517,833	\$ 7,885,824,747	\$ (590,693,086)

Environmental Monitoring and Evaluation (514)

The Environmental Program consists of the following service areas:

Environmental Monitoring and Compliance for Highway Projects (514008) - To provide efforts to evaluate, monitor and maintain the quality of the state's natural resources as part of a balanced consideration of environmental and transportation needs. VDOT's wetland mitigation program is funded in this service area.

Environmental Monitoring Program Management and Direction (514009) - To provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

Municipal Separate Storm Sewer System Compliance Activities (514010) - To provide efforts to address storm water discharges, including the related operational and maintenance activities, to meet Total Maximum Daily Load reduction targets. VDOT's current Municipal Separate Storm Sewer System (MS4) permit requires VDOT to reduce its pollutant load allocation to the Chesapeake Bay.

ENVIRONMENTAL MONITORING & EVALUATION (514)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Environmental Monitoring & Compliance for Highway Projects (514008)	\$ 10,873,613	\$ 10,114,045	\$ (759,568)
Environmental Monitoring Program Management (514009)	3,595,685	4,033,730	438,045
Municipal Separate Storm Sewer System Compliance Activities (514010)	29,487,954	3,820,358	(25,667,596)
TOTAL ENVIRONMENTAL MONITORING & EVALUATION	\$ 43,957,252	\$ 17,968,133	\$ (25,989,119)
TTF	43,957,252	17,968,133	(25,989,119)

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Ground Transportation Planning & Research (602)

Ground Transportation Planning and Research is comprised of:

Ground Transportation System Planning (602001) - To provide efforts to lead and plan a comprehensive system of ground transportation, including the planning of particular ground transportation projects through surveying, mapping and studies. These studies are the basis for decisions on proposed highway plans, programs and projects, as well as other travel modes and routes throughout Virginia.

Ground Transportation System Research (602002) - To provide efforts devoted to the planning and delivery of a comprehensive ground transportation research, development, consulting and technology transfer program covering the areas of transportation system operations, maintenance, structural design and construction, materials and specifications, safety, environmental stewardship, finance and policy.

Ground Transportation Program Management and Direction (602004) - To provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

PLANNING & RESEARCH (602)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Ground Transportation System Planning (602001)	\$ 77,804,760	\$ 88,165,186	\$ 10,360,426
Ground Transportation System Research (602002)	13,471,811	14,143,069	671,258
Ground Transportation Program Management (602004)	4,342,077	4,352,339	10,262
TOTAL PLANNING & RESEARCH	\$ 95,618,648	\$ 106,660,594	\$ 11,041,946
HMOF	16,990,331	17,843,494	853,163
CONSTRUCTION	53,832,904	63,008,546	9,175,642
FEDERAL	24,795,413	25,808,554	1,013,141

Highway Construction Programs (603)

For Fiscal Year 2023, the funding made available for distribution is distributed via the formula outlined in the Code of Virginia, § 33.2-358. With the enactment of Chapter 1230, funds are distributed to the following programs: State of Good Repair Program, High Priority Projects Program, Construction District Grant Program, Interstate Operations and Enhancement Program, and Virginia Highway Safety Improvement Program. Enactment Clause 11 of Chapter 1230 provides the Commonwealth Transportation Board the ability to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure funds for modal programs and the highway maintenance and operating fund are at least equal to the amounts provided for in the six-year financial plan for the Commonwealth Transportation Fund as in effect on January 1, 2020. The following table provides details on distributions for Fiscal Year 2023.

The budget also contains a significant application of Toll Credits that are used as "soft match" to meet the nonfederal share matching requirements. The federal share on most projects in the future can effectively be increased up to 100 percent. However, the use of soft match does not increase the federal funding available to Virginia.

CONSTRUCTION (603)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)	
State of Good Repair Program (603020)	\$ 375,287,827	\$ 331,213,278	\$ (44,074,549)	
High Priority Projects Program(603021)	304,882,522	246,678,340	(58,204,182)	
Construction District Grant Programs (603022)	405,182,522	336,176,095	(69,006,427)	
Specialized State and Federal Programs (603023)	2,979,764,789	1,845,367,547	(1,134,397,242)	11
Virginia Highway Safety Improvement Program (603017)	—	134,783,478	134,783,478	12
Interstate Operations and Enhancement Program (603018)	—	274,702,353	274,702,353	12
Construction Management (603015)	46,161,840	49,904,320	3,742,480	
TOTAL CONSTRUCTION	\$4,111,279,500	\$3,218,825,411	\$ (892,454,089)	
CONSTRUCTION	1,928,645,032	1,986,028,677	57,383,645	
FEDERAL	1,089,315,709	963,438,834	(125,876,875)	
I-81 CORRIDOR IMPROVEMENT FUND	273,179,348	73,579,021	(199,600,327)	
STATEWIDE INTERSTATE IMPROVEMENT FUND - PRIOR YEAR ADJUSTMENT	(39,444,828)	—	39,444,828	
SPECIAL FUND ACCOUNT FOR CONSTRUCTION DGP	100,300,000	89,497,754	(10,802,246)	
PTF	307,608,622	41,900,000	(265,708,622)	
TPOF	20,046,154	7,189,115	(12,857,039)	
NVTD	1,177,236	—	(1,177,236)	
VTIB	15,333,333	7,700,000	(7,633,333)	
GARVEE BONDS	76,300,000	19,222,769	(57,077,231)	
CONCESSION FEE FUND	844,013	29,551	(814,462)	
GENERAL FUND	88,396,000	—	(88,396,000)	
ROUTE 58	249,578,881	30,239,690	(219,339,191)	

Highway Construction Programs (603)

STATE OF GOOD REPAIR PROGRAM (603020)

The purpose of the State of Good Repair Program service area is to allocate funds to state of good repair purposes for reconstruction and replacement of structurally deficient state and locally owned bridges and reconstruction and rehabilitation of pavement on the Interstate System and primary state highway system determined to be deteriorated by the Board, including municipality-maintained primary extensions. (Code of Virginia §33.2-369)

STATE OF GOOD REPAIR PROGRAM (603020)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
TOTAL STATE OF GOOD REPAIR	\$ 375,287,827	\$ 331,213,278	\$ (44,074,549)
CONSTRUCTION	232,683,259	175,569,865	(57,113,394)
FEDERAL	142,604,568	155,643,413	13,038,845

HIGH PRIORITY PROJECTS PROGRAM (603021)

The purpose of the High Priority Projects Program service area is to allocate funds to the established program for projects and strategies that address a transportation need identified for a corridor of statewide significance or a regional network in the Statewide Transportation Plan pursuant to Code of Virginia §33.2-353. From funds allocated to this program, the Board shall allocate funds to the Innovation and Technology Transportation Fund, provided that the allocation shall not exceed \$25 million annually. (Code of Virginia §33.2-370)

HIGH PRIORITY PROJECTS PROGRAM (603021)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
TOTAL HIGH PRIORITY PROJECTS	\$ 304,882,522	\$ 246,678,340	\$ (58,204,182)
CONSTRUCTION	154,951,832	132,321,039	(22,630,793)
FEDERAL	93,673,914	104,745,916	11,072,002
GARVEE	56,256,776	9,611,385	(46,645,391)

CONSTRUCTION DISTRICT GRANT PROGRAMS (603022)

The purpose of the Construction District Grant Programs service area is to allocate funds to the established grant program in each highway construction district to fund projects and strategies that address a need in the Statewide Transportation Plan developed pursuant to Code of Virginia §33.2-353. In accordance with §33.2-359, the Commonwealth Transportation Board shall allocate funds to improve nonsurface treated secondary highways that carry 50 or more vehicles per day. This allocation shall not exceed \$25 million annually (Code of Virginia, §33.2-371).

CONSTRUCTION DISTRICT GRANT PROGRAMS (603022)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
TOTAL CONSTRUCTION DISTRICT GRANT	\$ 405,182,522	\$ 336,176,095	\$ (69,006,427)
CONSTRUCTION	120,808,231	122,202,492	1,394,261
SPECIAL FUND ACCOUNT FOR CONSTRUCTION			
DGP	100,300,000	89,497,754	(10,802,246)
FEDERAL	164,031,067	114,864,465	(49,166,602)
GARVEE	20,043,224	9,611,384	(10,431,840)

Highway Construction Programs (603)

SPECIALIZED STATE AND FEDERAL PROGRAMS (603023)

The purpose of the Specialized State and Federal Programs service area is to allocate funds to State and Federal Construction Programs that are not components of the other funding distributions. The Federal programs that are exempt from the distribution process are outlined in § 33.2-214.1 of the Code of Virginia (Statewide prioritization process for project selection). These include Congestion Mitigation and Air Quality (CMAQ) funding and Regional Surface Transportation Program funding. The service area will also allocate bond programs and the state and local components of Revenue Sharing. Anticipated funding from regional entities for projects is also allocated in this service area.

SPECIALIZED STATE AND FEDERAL PROGRAMS (603023)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
CMAQ & State Match	\$ 46,282,311	\$ 39,642,070	\$ (6,640,241)
Open Container	24,987,205	23,063,568	(1,923,637)
Participating Project Costs	60,000,000	60,000,000	—
Project Participation from HRTAC	—	163,636,731	163,636,731
HRTAC Participation for Hampton Roads Bridge-Tunnel Expansion Project	584,212,963	527,726,042	(56,486,921)
Project Participation from NVTAC	138,551,103	113,470,539	(25,080,564)
Route 58 Bonds	218,391,183	—	(218,391,183)
Revenue Sharing	280,210,334	394,577,470	114,367,136
Safety & Soft Match	149,616,262		(149,616,262)
STP Set-aside	36,779,452	36,538,864	(240,588)
STP Regional & State Match	102,972,300	115,623,627	12,651,327
Tele Fees	9,483,037	9,090,924	(392,113)
I-66 Outside the Beltway Concession Fee/Interest Earnings	844,013	29,551	(814,462)
Interstate 81 Corridor Improvements	273,179,348		(273,179,348)
Statewide Interstate Improvements	188,852,162	—	(188,852,162)
STP Set-aside State Match	2,785,506	—	(2,785,506)
Highway Improvement Program - CRSSA	37,995,585	—	(37,995,585)
Improvements to I-64 HRELN	93,100,000	—	(93,100,000)
PTF for Safety	10,000,000	—	(10,000,000)
PTF for Construction Projects	297,608,622	41,900,000	(255,708,622)
Carbon Reduction Program and State Match	38,372,011	32,494,353	(5,877,658)
PROTECT	45,279,913	36,948,409	(8,331,504)
Bridge	91,249,422	105,255,712	14,006,290
Bridge - Off System	16,102,839	18,574,537	2,471,698
Electric Vehicles	21,275,226	15,745,244	(5,529,982)
HSIP to Vulnerable Users	12,663,454	—	(12,663,454)
Regional Trails	25,796,000	—	(25,796,000)
ATI	20,000,000	—	(20,000,000)
HIP - Community Project Grants	—	28,755,000	28,755,000
I-64 Gap between exit 205 and exit 234	20,000,000	—	(20,000,000)
Other	133,174,538	82,294,906	(50,879,632)
TOTAL SPECIALIZED STATE AND FEDERAL PROGRAMS (60323)	\$ 2,979,764,789	\$ 1,845,367,547	\$ (1,134,397,242)

Highway Construction Programs (603)

SPECIALIZED STATE AND FEDERAL PROGRAMS (603023)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
CONSTRUCTION	1,374,039,870	1,299,915,838	(74,124,032)
FEDERAL	689,006,160	458,393,353	(230,612,807)
I-81 CORRIDOR IMPROVEMENT FUND	273,179,348	—	(273,179,348)
STATEWIDE INTERSTATE IMPROVEMENT FUND - PRIOR YEAR ADJUSTMENT	(39,444,828)	—	39,444,828
NVTD	1,177,236	—	(1,177,236)
GENERAL FUND	88,396,000	—	(88,396,000)
PTF	307,608,622	41,900,000	(265,708,622)
CONCESSION FEE FUND	844,013	29,551	(814,462)
OTHER BOND PROGRAMS/FUNDS	249,578,881	30,239,690	(219,339,191)
VTIB	15,333,333	7,700,000	(7,633,333)
TPOF	20,046,154	7,189,115	(12,857,039)
TOTAL SPECIALIZED STATE AND FEDERAL PROGRAMS (60323)	\$ 2,979,764,789	\$ 1,845,367,547	\$ (1,134,397,242)

Highway Construction Programs (603)

VIRGINIA HIGHWAY SAFETY IMPROVEMENT (603017)

The purpose of the Virginia Highway Safety Improvement Program is to reduce motorized and non-motorized fatalities and severe injuries on highways in the Commonwealth, whether such highways are state or locally maintained. (Code of Virginia § 33.2-373) This is a new service area beginning in FY 2023.

VIRGINIA HIGHWAY SAFETY IMPROVEMENT (603017)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
TOTAL VHSIP	\$ —	\$134,783,478	\$ 134,783,478
TTF	—	44,834,583	44,834,583
FEDERAL	—	89,948,895	89,948,895

INTERSTATE OPERATIONS & ENHANCEMENT (603018)

The purpose of the Interstate Operations and Enhancement Program is to improve the safety, reliability, and travel flow along interstate highway corridors in the Commonwealth. (Code of Virginia § 33.2-372) This is a new service area beginning in FY 2023.

INTERSTATE OPERATIONS & ENHANCEMENT (603018)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
TOTAL IOEP	\$ —	\$274,702,353	\$ 274,702,353
TTF	—	161,280,540	161,280,540
FEDERAL	—	39,842,792	39,842,792
I-81	—	73,579,021	73,579,021

CONSTRUCTION MANAGEMENT (603015)

The purpose of the construction management program is to provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

CONSTRUCTION MANAGEMENT (603015)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
TOTAL CONSTRUCTION MANAGEMENT	\$46,161,840	\$49,904,320	\$ 3,742,480
TTF	46,161,840	49,904,320	3,742,480

Highway System Maintenance (604)

The maintenance program consists of:

Interstate Maintenance (604001) - To preserve the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Primary Maintenance (604002) - To preserve the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Secondary Maintenance (604003) - To preserve the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Transportation Operations Services (604004) - To improve mobility, safety, travel time reliability and security on the transportation system through the deployment of a variety of operational strategies including regional smart traffic centers, emergency services, traveler services, congestion management and traffic signalization optimization.

Highway Maintenance Program Management and Direction (604005) - To provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

HIGHWAY SYSTEM MAINTENANCE (604)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Interstate Maintenance (604001)	\$ 336,098,854	\$ 364,747,519	\$ 28,648,665
Primary Maintenance (604002)	504,798,771	510,918,437	6,119,666
Secondary Maintenance (604003)	560,697,117	603,302,668	42,605,551
Transportation Operations Services (604004)	272,035,360	436,247,746	164,212,386
Highway Maintenance Program Management & Direction (604005)	83,008,796	90,581,681	7,572,885
TOTAL HIGHWAY SYSTEM MAINTENANCE	\$1,756,641,898	\$2,005,798,051	\$ 249,156,153
HMOF	1,394,259,930	1,477,424,092	83,164,162
FEDERAL	362,381,968	528,373,959	165,991,991

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Commonwealth Toll Facilities (606)

Revenues collected from toll facilities contribute to Virginia's safe and effective transportation system. Of these facilities, four are currently owned and operated by VDOT: Powhite Parkway Extension Toll Road in Chesterfield County, George P. Coleman Bridge in Gloucester County, I-66 Inside the Beltway and I-64 Express Lanes.

Toll Facility Acquisition and Construction (606001) -To provide for efforts to acquire and construct ground transportation toll facilities.

Toll Facility Debt Service (606002) -To provide for the debt service requirements of the debt-financed toll facilities. The bond indentures for the toll facilities require the Commonwealth Transportation Board (CTB) to set toll rates for all classes of vehicles which will provide sufficient net revenues to meet the facility's obligations. Toll roads are typically constructed with debt financing and the subsequent toll collection revenues are used for debt service payments. The remaining state-owned facility collecting tolls to pay debt service on outstanding bonds is the George P. Coleman Bridge located between Gloucester and York counties. The bonds issued to finance the Powhite Parkway Extension have been retired, but the toll revenues are needed to repay the outstanding debts of the facility owed to VDOT and Chesterfield County.

Toll Facility Maintenance and Operation (606003) - To provide for the operational costs of the four toll facilities operated by VDOT: the George P. Coleman Bridge and the Powhite Parkway Extension Toll Road, I-66 Inside the Beltway facility and I-64 Express Lanes. All operating costs associated with that facility are to be paid out of the revenues generated by that facility. Customer service and toll collection are toll facilities' main operations.

Toll Facilities Revolving Fund (606004) - To provide a method to finance and/or refinance existing and potential toll facilities. Funds allocated from the Toll Facilities Revolving Account intended for planned or operating toll facilities are considered advance funding and are expected to be repaid to the Toll Facilities Revolving Account.

COMMONWEALTH TOLL FACILITIES (606)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Acquisition & Construction (606001)	\$ —	\$ —	\$ —
Debt Service (606002)	—	—	—
Maintenance & Operations (606003)	34,354,020	37,840,000	3,485,980
Toll Facilities Revolving (606004)	36,750,000	36,750,000	—
TOTAL TOLL FACILITIES	\$ 71,104,020	\$ 74,590,000	\$ 3,485,980
POWHITE	11,000,000	11,000,000	—
COLEMAN	6,000,000	6,000,000	—
I-66 INSIDE THE BELTWAY	15,216,600	18,000,000	2,783,400
I-64 EXPRESS LANES	2,137,420	2,840,000	702,580
TOLL FACILITIES REVOLVING	36,750,000	36,750,000	—

Financial Assistance to Localities (607)

Financial Assistance to Localities consists of:

Financial Assistance for City Road Maintenance (607001) - To provide monetary support to localities for capital improvements and/or maintenance of roads and/or transportation facilities. Direct financial assistance is provided to 84 cities and towns to maintain, operate, and improve their arterial and collector roads and local streets. The level of assistance to the respective local governments for maintenance expenditures is based on the number of qualifying lane-miles in each locality and available funding.

Financial Assistance for County Road Maintenance (607002) - Provide monetary support in lieu of maintenance services to localities for road maintenance and upkeep where such localities have elected to maintain their own highway systems. Currently, Henrico and Arlington maintain their own roads.

Financial Assistance for Planning, Access Roads, and Special Projects (607004) - To manage and distribute funding for recreational and industrial access programs and the Metropolitan Planning federal grant program. The Recreational Access Program provides funding for roads and bikeways to new or expanding non-federal, non-commercial public parks and historic sites. Access roads for qualifying airports and industrial sites, and access tracks for qualified rail users are provided through VDOT's Industrial, Airport, and Rail Access Fund. The Metropolitan Planning Grants are federal funds available to support activities undertaken by Metropolitan Planning Organizations (MPOs) to develop long-range transportation plans and transportation improvement programs.

Distribution of Northern Virginia Transportation Authority Fund Revenues (607006) - To transfer state regional tax revenues to the Northern Virginia Transportation Authority to fund local and regional transportation projects.

Distribution of Hampton Roads Transportation Fund Revenues (607007) - To transfer state regional tax revenues to the Hampton Roads Transportation Accountability Commission to fund local and regional transportation projects.

Distribution of Central Virginia Transportation Authority Fund Revenues (607010) - To transfer state regional tax revenues to the Central Virginia Transportation Authority to fund local and regional transportation projects.

FINANCIAL ASSISTANCE TO LOCALITIES (607)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)	
Financial Assistance for City Road Maintenance (607001)	\$ 405,955,990	\$ 454,109,455	\$ 48,153,465	13
Financial Assistance for County Road Maintenance (607002)	71,935,383	78,588,810	6,653,427	13
Financial Assistance for Planning, Access Roads, & Special Projects (607004)	17,476,106	18,303,310	827,204	
Distribution of Northern Virginia Transportation Authority Fund Revenues (607006)	383,735,532	417,743,624	34,008,092	
Distribution of Hampton Roads Transportation Fund Revenues (607007)	269,600,000	294,200,000	24,600,000	
Distribution of Central Virginia Transportation Authority Fund Revenues (607010)	181,100,000	198,900,000	17,800,000	

TOTAL FINANCIAL ASSISTANCE TO LOCALITIES **\$1,329,803,011 \$1,461,845,199 \$ 132,042,188**

HMOF	477,891,373	532,698,265	54,806,892
CONSTRUCTION	28,983,143	26,573,955	(2,409,188)
FEDERAL	9,428,495	10,172,979	744,484
CENTRAL VIRGINIA TRANSPORTATION FUND	181,100,000	198,900,000	17,800,000
NORTHERN VIRGINIA TRANSPORTATION FUND	362,800,000	399,300,000	36,500,000
HAMPTON ROADS TRANSPORTATION FUND	230,200,000	254,300,000	24,100,000
HAMPTON ROADS REGIONAL TRANSIT FUND	39,400,000	39,900,000	500,000

Non-Toll Supported Transportation Debt Service (612)

Non-Toll Supported Transportation Debt Service consists of:

Highway Transportation Improvement District Debt Service (612001) - To provide for the debt service requirements of the bonds sold to finance transportation improvements in special tax districts. There is currently only one such district, the State Route 28 Highway Transportation Improvement District in Fairfax and Loudoun counties.

Designated Highway Corridor Debt Service (612002) - To provide for the debt service requirements of the bonds sold to finance transportation improvements in special designated highway corridors. The Commonwealth Transportation Board has issued transportation revenue bonds for the U.S. Route 58 Corridor Development Program, the City of Chesapeake Oak Grove Connector Project, and the Northern Virginia Transportation District (NVTD) Program.

Commonwealth Transportation Capital Projects Bond Act Debt Service (612004) - To provide for the debt service requirements of the bonds sold to finance transportation improvements under the Commonwealth Transportation Capital Projects Bond Act.

Federal Transportation Grant Anticipation Revenue Notes Debt Service (612005) - To provide for the debt service requirements of the bonds sold as Federal Transportation Grant Anticipation Revenue bonds (GARVEEs).

I-81 Debt Service (612006) - To provide for the estimated debt service requirements of the bonds sold to finance transportation improvements on the Interstate 81 Corridor.

Non-Toll Supported Transportation Debt Service (612)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Highway Transportation Improvement Debt Service (612001)	\$ 8,644,519	\$ 8,644,519	\$ —
Designated Highway Corridor Debt Service (612002)	43,280,986	42,685,577	(595,409)
Commonwealth Transportation Capital Projects Bond Act Debt Service (612004)	194,994,559	193,302,200	(1,692,359)
Federal Transportation Grant Anticipation Revenue Notes Debt Service (612005)	129,951,050	136,978,263	7,027,213
I-81 Debt Service (612006)	6,006,732	5,220,979	(785,753)
TOTAL NON-TOLL SUPPORTED DEBT SERVICE	\$ 382,877,846	\$ 386,831,538	\$ 4,739,445

NVTD	11,427,687	11,870,438	442,751
OAK GROVE	2,128,077	—	(2,128,077)
ROUTE 28	8,644,519	8,644,519	—
CPR BONDS	194,994,559	193,302,200	(1,692,359)
ROUTE 58	29,725,222	30,815,139	1,089,917
I-81	6,006,732	5,220,979	(785,753)
FEDERAL	129,951,050	136,978,263	7,027,213

Special Structures (614)

Statewide Special Structures (614000) - Special Structures are very large, indispensable and unique bridges and tunnels identified by the Commissioner of Highways and approved by the Commonwealth Transportation Board. The General Assembly declares it to be in the public interest that the maintenance, rehabilitation, and replacement of special structures in the Commonwealth occur timely as to provide and protect a safe and efficient highway system. The Board is establishing a program for the maintenance, rehabilitation, and replacement of special structures in the Commonwealth. With the assistance of the Department of Transportation, the Board developed and will maintain a plan for the maintenance, rehabilitation, and replacement of special structures in the Commonwealth.

VDOT SPECIAL STRUCTURES	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
TOTAL VDOT SPECIAL STRUCTURES	\$ 60,000,000	\$ 80,000,000	\$ 20,000,000
SPECIAL STRUCTURES	60,000,000	80,000,000	20,000,000

Administrative and Support Services (699)

Administrative and Support Services is comprised of:

General Management and Direction (699001) - To provide for the general administrative management, direction and support activities of VDOT. This includes, but is not limited to, accounting services, human resources, succession planning, health and safety services, procurement, facilities management, management studies, policy analysis, process improvements, performance management, internal auditing, innovative financing, financial planning services and oversight of compensation programs for all VDOT employees.

Information Technology Services (699002) - To provide for administrative management, direction and infrastructure support for tasks including, but not limited to, automated data processing services for citizens and visitors to the Commonwealth, Virginia's legislative bodies, other state and local government agencies as well as its own Department of Transportation employees.

Facilities and Grounds Management Services (699015) - To provide physical plant maintenance needs to VDOT facilities. This maintenance work is considered ordinary or routine nature and includes the cost of labor, equipment and materials to make minor repairs to utilities such as plumbing, heating, and electrical; and the maintenance of driveways, parking lots, and yards. The service area also funds small renovation/alteration projects that cost no more than \$10,000.

Employee Training and Development (699024) - To provide Employee Training and Development services to VDOT. This includes traditional classroom training and related development activities and tuition reimbursement.

ADMINISTRATIVE & SUPPORT SERVICES (699)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
General Management & Direction (699001)	\$ 163,937,254	\$ 171,876,939	\$ 7,939,685 ¹⁰
Information Technology Services (699002)	105,791,557	113,394,691	7,603,134 ¹⁰
Facilities and Grounds Management Services (699015)	20,540,895	21,885,343	1,344,448 ¹⁰
Employee Training & Development (699024)	12,438,075	11,749,027	(689,048) ¹⁰
TOTAL ADMINISTRATIVE & SUPPORT SERVICES	\$ 302,707,781	\$ 318,906,000	\$ 16,198,219
HMOF	301,673,386	310,446,837	8,773,451
CONSTRUCTION	1,034,395	3,795,856	2,761,461

VDOT Capital Outlay (998)

Capital Outlay funding is provided to support the agency's building and renovation needs as well as Maintenance Reserve needs. This funding may be used for acquisition of real property (including buildings or plant) or machinery or equipment, new construction, and improvements related to state-owned real property, buildings, plant, machinery or equipment (including plans therefore), as defined in the Code of Virginia. All capital outlay projects must be approved by the Governor and General Assembly via the Six-Year Capital Improvement Plan and the Biennial Budget. VDOT receives direction from the Department of Planning and Budget and the Department of General Services on the development and execution of the Capital Outlay Program.

VDOT CAPITAL OUTLAY (998)	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
TOTAL VDOT CAPITAL OUTLAY	\$ 60,000,000	\$ 40,000,000	\$ (20,000,000)
CONSTRUCTION	60,000,000	40,000,000	(20,000,000)

Program Allocations by Fund

VDOT provides funding to other agencies to cover support activities and services related to the transportation programs.

SUPPORT TO OTHER STATE AGENCIES	2nd REVISED FY 2022	FY 2023	INCREASE (DECREASE)
Transportation Appropriation to Other Agencies			
Department of Education	\$ 279,612	\$ 283,854	\$ 4,242
Marine Resources Commission	313,768	313,768	—
Secretary of Transportation	953,895	1,023,114	69,219
Department of State Police	9,083,587	9,179,045	95,458
Department of Minority Business Enterprise	1,640,575	1,682,629	42,054
Department of Historic Resources	115,642	210,000	94,358
Department of Emergency Management	1,295,713	1,359,475	63,762
Department of Motor Vehicles	14,387,417	14,958,864	571,447
Department of Treasury	185,187	185,187	—
Virginia Liaison Office	164,267	173,248	8,981
Department of Wildlife Resources	10,000,000	—	(10,000,000)
Office of the State Inspector General	2,083,846	2,179,339	95,493
SUBTOTAL	40,503,509	31,548,523	(8,954,986)
Transfers to the General Fund			
Department of General Services	388,254	388,254	—
Department of Agriculture & Conservation Services	97,586	97,586	—
Chesapeake Bay Initiatives	10,000,000	10,000,000	—
Indirect Costs	5,128,092	2,721,175	(2,406,917)
Department of Taxation	3,015,689	2,907,380	(108,309)
SUBTOTAL	18,629,621	16,114,395	(2,515,226)
Transfers to Other Agencies			
Department of Motor Vehicles (fuel tax evasion)	1,500,000	1,500,000	—
SUBTOTAL	1,500,000	1,500,000	—
TOTAL SUPPORT TO OTHER STATE AGENCIES			
	\$ 60,633,130	\$ 49,162,918	\$ (11,470,212)
HMOF	46,293,649	45,380,079	(913,570)
CONSTRUCTION	2,874,094	2,375,969	(498,125)
TPOF	20,513	10,885	(9,628)
DMV	15,684	15,153	(531)
RAIL	176,369	170,401	(5,968)
PTF	406,190	392,447	(13,743)
PORTS	85,143	82,262	(2,881)
AIRPORTS	47,372	45,770	(1,602)
DRPT	685,308	662,119	(23,189)
SPACE	28,808	27,833	(975)

Program Allocations by Fund

The following table summarizes VDOT's budget by major program and major fund.

Program	HMOF	Construction	Federal	Bonds	Other*	Total
Environmental Monitoring and Evaluation (514)	\$ —	\$ 17,968,133	\$ —	\$ —	\$ —	\$ 17,968,133
Ground Transportation Planning & Research (602)	17,843,494	63,008,546	25,808,554	—	—	106,660,594
Highway Construction Programs (603)	—	2,047,483,677	934,683,834	19,222,769	217,435,131	3,218,825,411
Highway System Maintenance (604)	1,477,424,092	—	528,373,959	—	—	2,005,798,051
Commonwealth Toll Facilities (606)	—	—	—	—	74,590,000	74,590,000
Financial Assistance to Localities (607)	532,698,265	8,130,331	10,172,979	—	910,843,624	1,461,845,199
Non-Toll Supported Transportation Debt Service (612)	—	—	136,978,263	—	249,853,275	386,831,538
Special Structures (614)	—	80,000,000	—	—	—	80,000,000
Administrative and Support Services (699)	315,110,144	2,718,016	—	—	1,077,840	318,906,000
VDOT Capital Outlay (998)	—	40,000,000	—	—	—	40,000,000
Support to Other State Agencies	45,380,079	2,375,969	—	—	1,406,870	49,162,918
Support to DRPT Programs	—	97,936,903	—	—	27,300,000	125,236,903
TOTAL	\$2,388,456,074	\$ 2,359,621,575	\$ 1,636,017,589	\$ 19,222,769	\$1,482,506,740	\$7,885,824,747

* - Other includes I-81 Corridor Improvement Fund, Statewide Interstate Improvement Fund, Tolls, PTF, Route 58, Route 28, Oak Grove, TPOF, Concession Fund Interest and Regional Transportation Funds.

Budget Comparison Schedule for FY 2023

Revenues	
Revenue provided by the General Fund of the Commonwealth	\$ —
Taxes	992,697,754
Rights and privileges	19,564,312
Sale of property and commodities	—
Interest, dividends, and rents	34,024,024
Fines, forfeitures, court fees	—
Penalties and escheats	6,000,000
Receipts from localities and private sector	1,072,108,566
Federal grants and contracts	1,664,772,589
Toll revenues	67,840,000
Other	82,930,144
Total Revenues	<u>3,939,937,389</u>
 Other Financing Sources	
Other financing sources	40,181,378
Bond proceeds	9,805,676
Note proceeds	—
Transfers from other state agencies and General Fund	—
Transfers in	3,895,900,304
Total Other Financing Sources	<u>3,945,887,358</u>
Total Revenues and Other Sources	<u>\$7,885,824,747</u>

Budget Comparison Schedule for FY 2023

Revenues	
Administrative and support services	\$ 318,906,000
Ground transportation system planning and research	106,660,594
Highway system acquisition and construction	3,211,435,729
Highway system maintenance	2,005,798,051
Financial assistance to localities	1,461,845,199
Environmental monitoring and compliance	17,968,133
Toll facility operations and construction	81,979,682
Special Structures	80,000,000
Capital outlay	40,000,000
Debt Service	386,831,538
Total Expenditures	7,711,424,926
Other Financing Uses	
Other financing uses	—
Transfers to other state agencies and General Fund	174,399,821
Transfers out	—
Total Other Financing Uses	174,399,821
Total Expenditures and Other Uses	\$7,885,824,747
 Revenues and Other Sources Over (Under) Expenditures and	 \$ —

Appendix I - Powhite Parkway Extension (0436) FY 2023

FY 2023 ESTIMATED REVENUE

Toll Revenues	\$ 11,000,000
TOTAL ESTIMATED REVENUES	\$ 11,000,000
Toll Facility Revolving Account Loan Repayment	3,010,563
TOTAL ESTIMATED REVENUE AVAILABLE	\$ 7,989,437

FY 2023 EXPENDITURE BUDGET

Revenue Fund	
Operations	5,366,924
Maintenance Replacement Fund	1,500,000
Estimated Interest Payment to Chesterfield County	1,122,513
TOTAL ESTIMATED EXPENDITURES	\$ 7,989,437

Details of Operating Expenditures	ALLOCATION FY 2022	RECOMMENDED FY 2023	INCREASE (DECREASE)
Personal Services	\$ 1,550,721	\$ 1,480,231	\$ (70,490)
Contractual Services	1,374,600	1,386,550	11,950
Supplies and Materials	59,000	60,050	1,050
Transfer Payments	2,235,446	2,290,093	54,647
Continuous Charges	116,500	121,500	5,000
Property and Improvements	—	—	—
Equipment	380,000	28,500	(351,500)
Obligations	—	—	—
TOTAL - Operating Expenditures	\$ 5,716,267	\$ 5,366,924	\$ (349,343)

Appendix I - Coleman Bridge (0782) FY 2023

FY 2023 ESTIMATED REVENUE

Toll Revenues	\$ 6,000,000
TOTAL ESTIMATED REVENUE AVAILABLE	\$ 6,000,000

Toll Facility Revolving Account Loan Repayment	2,323,141
TOTAL ESTIMATED REVENUE AVAILABLE	\$ 3,676,859

FY 2023 EXPENDITURE BUDGET

Revenue Fund	
Operations	3,067,360
Maintenance Replacement Fund	609,499
TOTAL ESTIMATED EXPENDITURES	\$ 3,676,859

Details of Operating Expenditures	ALLOCATION FY 2022	RECOMMENDED FY 2023	INCREASE (DECREASE)
Personal Services	522,269	525,750	3,481
Contractual Services	1,065,660	1,557,860	492,200
Supplies and Materials	76,750	88,250	11,500
Transfer Payments	400,000	400,000	—
Continuous Charges	48,700	45,900	(2,800)
Property and Improvements	—	—	—
Equipment	299,500	449,600	150,100
Obligations	—	—	—
TOTAL - Operating Expenditures	\$ 2,412,879	\$ 3,067,360	\$ 654,481

Appendix I - I-66 Inside the Beltway (0446) FY 2023

FY 2023 ESTIMATED REVENUE

Toll Revenues	\$ 16,546,491
<i>Cash Balance from Prior Year</i>	<u>1,453,509</u>
TOTAL ESTIMATED REVENUES	\$ 18,000,000

FY 2023 EXPENDITURE BUDGET

Revenue Fund	
Operations	16,500,000
Maintenance Replacement Fund	1,500,000
	<hr/>
TOTAL ESTIMATED EXPENDITURES	<u><u>\$ 18,000,000</u></u>

Details of Operating Expenditures	ALLOCATION FY 2022	RECOMMENDED FY 2023	INCREASE (DECREASE)
Personal Services	506,369	521,491	15,122
Contractual Services	7,560,531	9,606,900	2,046,369
Supplies and Materials	7,800	7,800	—
Transfer Payments	5,641,600	6,363,509	721,909
Continuous Charges	300	300	—
Property and Improvements	—	—	—
Equipment	—	—	—
Obligations	—	—	—
	<hr/>		
TOTAL - Operating Expenditures	<u><u>\$ 13,716,600</u></u>	<u><u>\$ 16,500,000</u></u>	<u><u>\$ 2,783,400</u></u>

Appendix I - I-64 Express Lanes (0447) FY 2023

FY 2023 ESTIMATED REVENUE

Toll Revenues	\$ 2,840,000
TOTAL ESTIMATED REVENUES	\$ 2,840,000
<i>Cash Balance from Prior Year</i>	<u>—</u>
TOTAL ESTIMATED REVENUE AVAILABLE	\$ 2,840,000

FY 2023 EXPENDITURE BUDGET

Revenue Fund	
Operations	2,840,000
TOTAL ESTIMATED EXPENDITURES	\$ 2,840,000

Details of Operating Expenditures	ALLOCATION FY 2022	RECOMMENDED FY 2023	INCREASE (DECREASE)
Personal Services	255,870	188,230	(67,640)
Contractual Services	1,581,375	2,451,020	869,645
Supplies and Materials	175	750	575
Transfer Payments	300,000	200,000	(100,000)
Continuous Charges	—	—	—
Property and Improvements	—	—	—
Equipment	—	—	—
Obligations	—	—	—
TOTAL - Operating Expenditures	\$2,137,420	\$2,840,000	\$702,580

Index: Acronyms and Terminology

Term	Description
BROS	Bridge Off-System
CMAQ	Congestion Mitigation and Air Quality
CPR	Capital Projects Revenue Bonds
CTF	Commonwealth Transportation Fund
DRPT	Department of Rail and Public Transportation
FHWA	Federal Highway Administration
GARVEE	Federal Grant Anticipation Revenue Bonds
HMOF	Highway Maintenance and Operating Fund
MWAA	Metropolitan Washington Airports Authority
NHPP	National Highway Performance Program
NVTD	Northern Virginia Transportation District
Oak Grove	City of Chesapeake Oak Grove Connector Project Bonds
PTF	Priority Transportation Fund
Soft Match	The budget contains a significant application of Toll Credits that are used as "soft match" to meet the non-federal share matching requirements. Section 120(j) of Title 23 permits states to substitute certain previous toll-financed investments for state matching funds on current Federal-aid projects. It permits the non-Federal share of a project's cost to be met through a "soft match" of toll credits. The federal share on most projects in the future can effectively be increased up to 100 percent. However, the use of soft match does not increase the federal funding available to Virginia.
STP	Surface Transportation Program
STP Regional	Federal allocation that is to be used in urbanized areas with population greater than 200,000 – This portion is to be divided among those areas based on their relative share of population
STP Statewide	Surface Transportation Program sub-allocation that may be used in any area of the State
STP Under 200,000	Federal allocation that is to be used in areas with population greater than 5,000 but no more than 200,000
STP Under 5,000	Federal allocation that is to be used in areas with population of 5,000 or less
TAP	Transportation Alternatives Program
Tele Fees	Allocation of revenue from Public Rights-of-Way Use Fee to a provider of telecommunications service
Toll Facilities Revolving	Toll Facilities Revolving Account
TPOF	Transportation Partnership Opportunity Fund
TTF	Transportation Trust Fund

Endnotes

Endnote Number	Description
1	FY 2022 amount included one-time allocation of funds to Department of Wildlife Resources for efforts to address the loss of wildlife habitat impacted by transportation projects in Hampton Roads.
2	FY 2022 amount included allocation of FY 2021 Priority Transportation Fund Excess Revenue.
3	FY 2022 reflected one-time allocations, including funds associated with FY 2021 Priority Transportation Fund Excess Revenue; bond proceeds for Route 58 and I-81; and Transportation Initiatives pursuant to Chapter 552 of the 2021 Acts of the Assembly. FY 2023 amount also reflects change in bond issuance assumptions, including the recommended removal of additional GARVEE bond issuances based on additional federal and state revenue available to the program.
4	FY 2022 amount reflected one-time allocation of General Fund revenue to construction.
5	Reflects anticipated receipts related to HRBT.
6	Reflects recommended removal of additional GARVEE bond issuances based on additional federal and state revenue available to the program.
7	FY 2022 amount reflected estimated bond proceeds associated with I-81 Corridor Program.
8	FY 2022 reflected one-time allocation associated with FY 2021 Priority Transportation Fund Excess Revenue.
9	FY 2022 reflected estimated bond proceeds associated with Route 58 Corridor Program.
10	FY 2023 amount adjusted to reflect anticipated program needs based on unexpended previous balances.
11	FY 2022 amount reflected one-time allocations, including FY 2021 Priority Transportation Fund Excess Revenue; bond proceeds for Route 58 and I-81; and Transportation Initiatives pursuant to Chapter 552 of the 2021 Acts of the Assembly. Also, FY 2023 amount reflects transition of Virginia Highway Safety Improvement Program and Interstate Operations and Enhancement Program to new service areas.
12	Reflects transition to new service area for FY 2023.
13	VDOT Maintenance and Operations Program and Financial Assistance to Localities (Cities and Counties) contain reserve funding established for the impact of fuel and asphalt costs on contractual and operational activities.