

Revised FY 2009 Budget

Reta R. Busher, CFO
February 13, 2009

Fiscal Environment

We are in a rapidly changing environment

- $1.1 billion in program reductions were made last June in the original FY 2009 – 2014 SYIP
- Since June, state revenue estimates have been updated three times
- There are growing concerns about the future outlook of federal revenues
- In total, excluding reduced use of bonds, available state and federal transportation revenues have been reduced by $2.6 billion since June

Commonwealth Transportation Fund Revenue Summary Revised FY 2009 - 2014

(amounts in millions)

	Fiscal Year									
	2009			2010			2011-2014			
	June 2008 Adopted	Revised	Difference	June 2008 Adopted	Revised	Difference	June 2008 Adopted	Revised	Difference	Total Change
State Transportation Revenues										
HMOF	$ 1,486.3	$ 1,298.1	$ (188.2)	$ 1,515.0	$ 1,327.0	$ (188.0)	$ 6,364.3	$ 5,545.4	$ (818.9)	$ (1,195.1)
TTF	988.8	888.9	(99.9)	1,027.1	925.0	(102.1)	4,446.0	4,011.5	(434.5)	(636.5)
PTF (From TTF)	159.5	152.3	(7.2)	164.8	149.9	(14.9)	734.5	676.7	(57.8)	(79.9)
Local and Other Revenues	460.4	356.7	(103.7)	375.7	457.9	82.2	1,417.6	1,360.1	(57.5)	(79.1)
Total	**3,095.0**	**2,696.0**	**(399.0)**	**3,082.6**	**2,859.8**	**(222.8)**	**12,962.4**	**11,593.7**	**(1,368.7)**	**(1,990.6)**
Federal Revenues	**1,149.9**	**1,151.4**	**1.4**	**1,016.7**	**1,015.8**	**(0.9)**	**4,156.1**	**4,000.6**	**(155.5)**	**(155.0)**
Federal Contingency/Reserve	-	-	-	-	*(83.4)*	*(83.4)*	-	*(336.4)*	*(336.4)*	*(419.7)*
Total Revenues (Net Reserve)	**4,245.0**	**3,847.4**	**(397.6)**	**4,099.3**	**3,792.2**	**(307.0)**	**17,118.6**	**15,257.9**	**(1,860.6)**	**(2,565.3)**
Other Financing Sources										
Capital Improvement Bonds	425.0	370.4	(54.6)	300.0	229.8	(70.2)	1,100.0	884.6	(215.4)	(340.3)
Total Revenues and Other Financing Sources (Net Reserve)	**$ 4,670.0**	**$ 4,217.8**	**$ (452.2)**	**$ 4,399.3**	**$ 4,022.0**	**$ (377.3)**	**$ 18,218.6**	**$ 16,142.5**	**$ (2,076.1)**	**$ (2,905.5)**

Commonwealth Transportation Fund Allocation Summary Revised FY 2009 – 2014

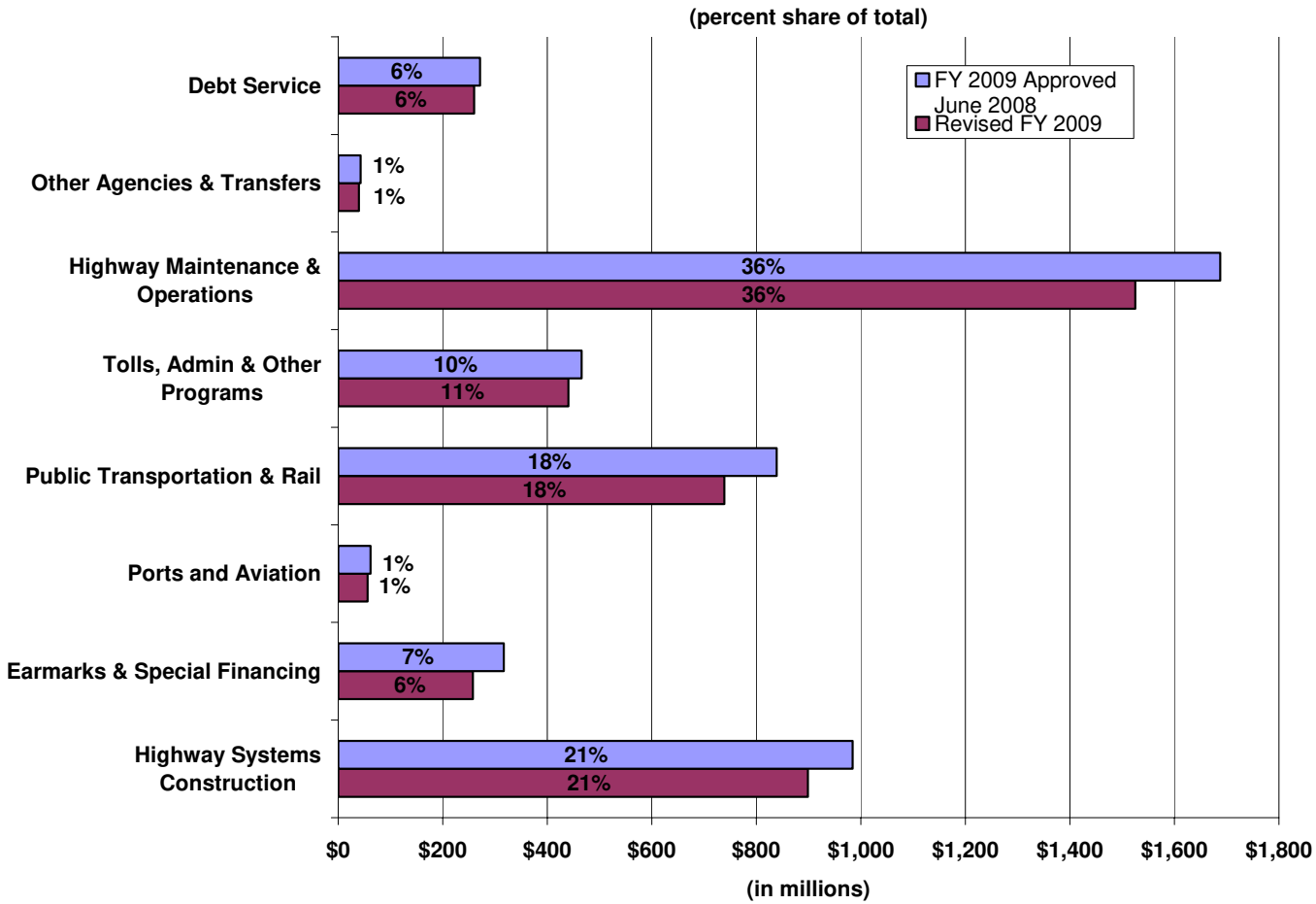
(amounts in millions)

	Fiscal Year									
	2009			2010			2011-2014			
	June 2008 Adopted	Revised	Difference	June 2008 Adopted	Revised	Difference	June 2008 Adopted	Revised	Difference	Total Change
Debt Service	$ 271.4	$ 260.2	$ (11.2)	$ 283.2	$ 266.4	$ (16.8)	$ 1,360.6	$ 1,183.6	$ (177.0)	$ (205.0)
Other Agencies & Transfers	43.0	39.7	(3.3)	43.1	39.8	(3.3)	178.0	165.0	(13.1)	(19.6)
Highway Maintenance & Operations	1,687.8	1,525.2	(162.6)	1,729.6	1,722.7	(6.9)	7,613.3	7,392.4	(220.9)	(390.4)
Tolls, Admin & Other Programs	465.9	440.7	(25.2)	480.8	460.2	(20.5)	2,043.3	1,948.3	(95.0)	(140.7)
Public Transportation & Rail	838.9	738.9	(100.1)	566.5	635.5	69.1	1,898.7	2,132.1	233.4	202.4
Ports and Aviation	61.8	56.3	(5.5)	63.4	57.3	(6.1)	270.4	243.2	(27.1)	(38.8)
Earmarks & Special Financing	317.1	257.8	(59.3)	359.0	320.9	(38.1)	1,703.8	1,312.8	(391.0)	(488.4)
Highway Systems Construction	984.1	898.9	(85.2)	873.7	602.4	(271.2)	3,150.3	2,101.4	(1,048.9)	(1,405.3)
Total	$ 4,670.0	$ 4,217.8	(452.2)	$ 4,399.3	$ 4,105.4	(293.9)	$ 18,218.6	$ 16,478.9	$ (1,739.7)	$ (2,485.8)

Revised FY 2009
Commonwealth Transportation Fund
Budget

Proposed FY 2009 CTF Allocations

Total CTF Budget is $4.22 billion, down $452 million from $4.67 billion



Revised FY 2009
VDOT Budget Highlights

Revised FY 2009 Budget

Revising FY 2009 mid-year was a challenge

- **$347 million in reductions were made, a nine percent overall reduction**

- **Reductions occurred in the following areas:**
  - Six Year Program
  - Organization/Staffing
  - Services/Programs

Revised FY 2009 Budget

- Construction program was reduced by $147 million
- An additional $200 million came from administrative and maintenance areas as provided by the Districts and Chiefs
- The maintenance program sustained a major reduction – from $1.35 billion to $1.19 billion

VDOT Revised FY 2009 Budget

Total Budget of $3.45 billion

(in millions)

	FY 2009 Approved June 2008	Revised FY 2009	Increase (Decrease)
VDOT Programs			
Environmental Monitoring and Evaluation (514)	$ 14.6	$ 10.3	$ (4.3)
Ground Transportation Planning & Research (602)	46.9	45.4	(1.5)
Highway System Acquisition and Construction (603)	1,326.7	1,180.0	(146.7)
Highway System Maintenance (604)	1,349.0	1,186.4	(162.6)
Financial Assistance to Localities (607)	353.0	353.0	0.0
Commonwealth Toll Facilities (606)	123.3	121.7	(1.6)
Non-Toll Supported Transportation Debt Service (612)	255.0	243.8	(11.2)
Administrative and Support Services (699)	246.6	231.3	(15.3)
VDOT Capital Outlay (998)	11.0	11.0	0.0
Total VDOT Programs	3,726.1	3,382.9	(343.2)
Support to Other State Agencies	43.0	45.2	2.2
Support to DRPT Programs	25.5	20.0	(5.5)
TOTAL	$ 3,794.6	$ 3,448.1	$ (346.5)

Revised FY 2009 Highway Construction Budget

(in millions)

	FY 2009 Approved June 2008	Revised FY 2009	Increase (Decrease)
Highway Construction			
Systems Construction			
Interstate	$ 355.6	$ 300.1	$ (55.5)
Primary	269.3	259.6	(9.7)
Secondary	172.7	165.0	(7.7)
Urban	186.5	174.2	(12.3)
Total	984.1	898.9	(85.2)
Dedicated and Statewide Construction (Revenue Sharing, Statewide & Regional Projects, Safety Projects, Enhancement Projects and Earmarks)	302.8	243.6	(59.2)
Construction Program Management	39.8	37.5	(2.3)
Total Highway Construction	$ 1,326.7	$ 1,180.0	$ (146.7)

Revised FY 2009 Highway Maintenance Budget

(in millions)

	FY 2009 Approved June 2008	Revised FY 2009	Increase (Decrease)
Maintenance and Operations			
VDOT Highway System Maintenance			
Interstate	$ 338.1	$ 264.9	$ (73.2)
Primary	375.5	339.5	(36.0)
Secondary	393.6	357.2	(36.4)
Transportation Operations Services	146.5	132.1	(14.4)
Maintenance Program Management	95.3	92.7	(2.6)
Total	1,349.0	1,186.4	(162.6)
Maintenance Payments to Cities and Towns	338.8	338.8	0.0
Total Maintenance and Operations	$ 1,687.8	$ 1,525.2	$ (162.6)

Revised FY 2009 Highway Maintenance Reductions

VDOT maintenance program FY 2009 allocation was reduced by $162.6 million (from $1,349.0 million to $1,186.4 million)

- **Reductions to asset investment ($81 million)**
  - $19.5 million from pavement
  - $5.3 million from bridges
  - $56.5 million from other assets including from the following projects:
    - $22.7 million for statewide interstate system signs and stripes projects
    - $12.2 million for statewide operational improvements
    - $10.0 million for ferry replacement

- **Reductions to routine maintenance and services ($81 million)**
  - $33.2 million from contingencies and reserve
  - $12.8 million from roadside maintenance (mowing, tree trimming)
  - $4.6 million from equipment purchase

Revised FY 2009 Highway Maintenance Budget Details

(in millions)

Program	FY 2009 Approved June 2008	Revised FY 2009	Increase (Decrease)
Asset Investment			
Pavement	$ 383.1	$ 363.6	$ (19.5)
Bridges	129.7	124.4	(5.3)
Other Assets	138.7	82.1	(56.6)
Total Asset Investment	651.5	570.1	(81.4)
Routine Maintenance and Services			
Total Routine Maintenance & Services	697.5	616.3	(81.2)
Grand Total	$ 1,349.0	$ 1,186.4	$ (162.6)



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