

FY 2009 – 2014 Working Draft Six-Year Financial Plan & Six-Year Improvement Program

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April 16, 2008

Six-Year Financial Plan

- Official estimated revenues and allocation assumptions for the FY 2009 – FY 2014 totals $26.7 billion.
  - Which is $1.1 billion less than just one year ago.
- Determines the funding available for allocation in the Six-Year Improvement Program for rail, transit, ports, aviation, and highways.
- FY 2009 allocations serve as the budget for both DRPT and VDOT.

Six-Year Financial Plan

- Code of Virginia requires the Commonwealth Transportation Board to:
  - Maintain existing transportation assets to ensure safety of the traveling public shall be the first allocation priority.
  - Allocate funds according to formula for construction on the interstate, primary, secondary and urban state highway systems.
  - Review and comment on budget items not specifically enumerated to the CTB by statute.
  - Set aside defined portions of the TTF for the Commonwealth Port Fund, the Commonwealth Airport Fund and the Commonwealth Mass Transit Fund.

Estimated Revenues

- $26.7 billion total available for allocation.
- Reflects state revenue forecast reductions of $1.1 billion for FY 2008 – 2014 from last year's estimate:
  - Loss of Abusive Driver Fee Revenue
  - Reduced Sales Tax, Motor Vehicle Sales Tax and Gas Tax Revenues
- Federal revenue growth of 1.61% is based upon the growth rate of taxable gallons.
- Continuing concern regarding the long-term viability of Federal Funding.

Commonwealth Transportation Fund Estimated Revenues (in millions)

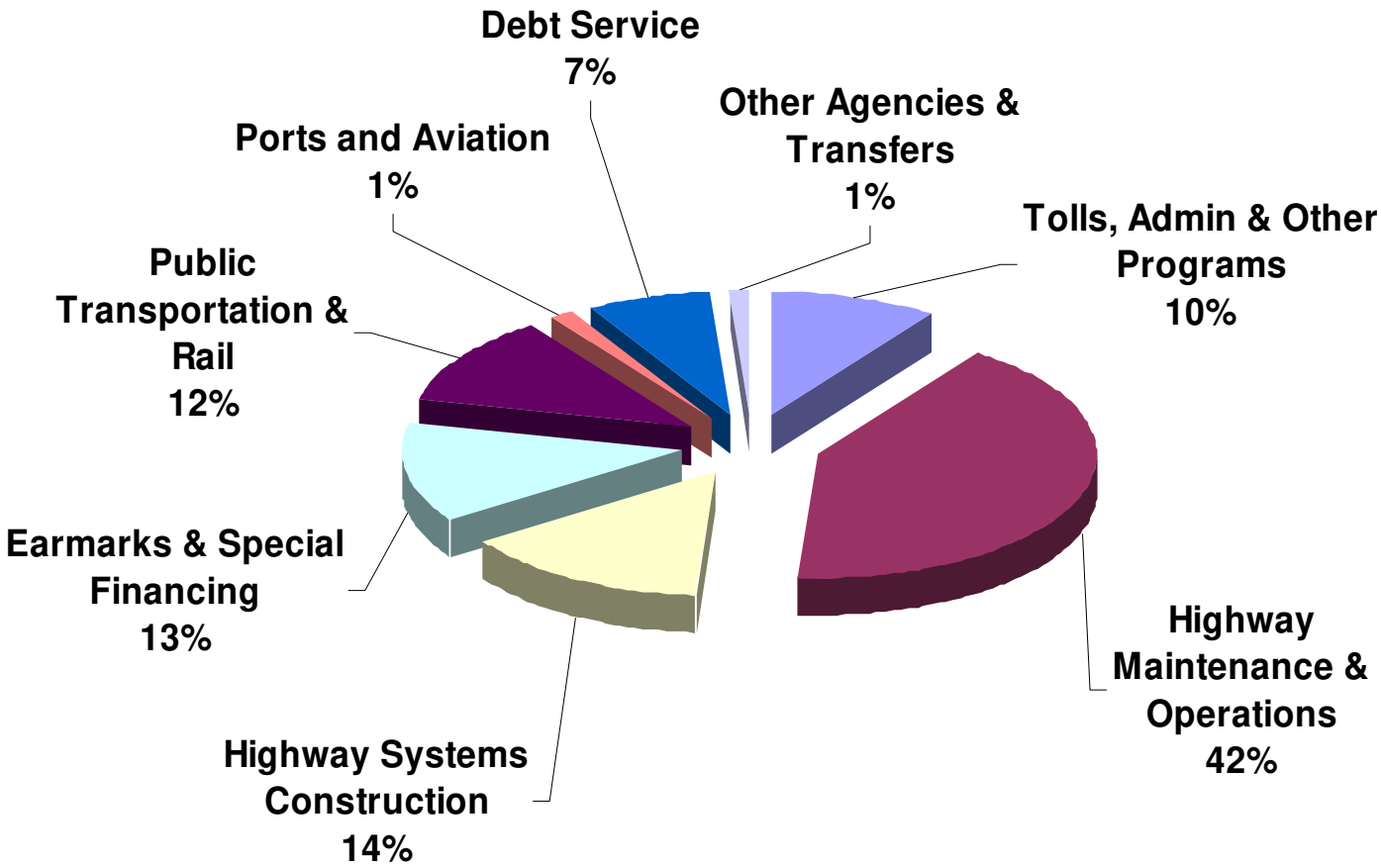
	2007	2008	2009	2010	2011	2012	2013	2014
State Transportation Revenues								
HMO	$ 1,383.7	$ 1,512.9	$ 1,465.6	$ 1,534.6	$ 1,560.3	$ 1,595.0	$ 1,637.4	$ 1,646.0
TTF	936.0	897.6	869.1	930.6	964.2	1,000.3	1,040.4	1,063.7
PTF (From TTF)	131.3	109.8	139.5	144.8	154.0	159.9	166.7	173.9
Local and Other Revenues	460.8	575.2	601.7	469.5	366.7	324.8	339.6	397.9
Total	**2,911.8**	**3,095.6**	**3,075.9**	**3,079.5**	**3,045.3**	**3,080.0**	**3,184.1**	**3,281.6**
% growth from prior year		6.3%	-0.6%	0.1%	-1.1%	1.1%	3.4%	3.1%
Federal Revenues	**1,354.9**	**1,101.7**	**1,105.6**	**1,015.8**	**1,019.7**	**1,038.7**	**1,058.2**	**1,037.6**
% growth from prior year		-18.7%	0.4%	-8.1%	0.4%	1.9%	1.9%	-1.9%
Total Revenues	**4,266.7**	**4,197.3**	**4,181.5**	**4,095.3**	**4,064.9**	**4,118.7**	**4,242.3**	**4,319.2**
% growth from prior year		-1.6%	-0.4%	-2.1%	-0.7%	1.3%	3.0%	1.8%
Other Financing Sources								
Capital Improvement Bonds		100.0	300.0	300.0	200.0	300.0	300.0	300.0
General Funds	-	500.0	-	-	-	-	-	-
Total	-	600.0	300.0	300.0	200.0	300.0	300.0	300.0
Total Revenues and Other Financing Sources	**$ 4,266.7**	**$ 4,797.3**	**$ 4,481.5**	**$ 4,395.3**	**$ 4,264.9**	**$ 4,418.7**	**$ 4,542.3**	**$ 4,619.2**

Proposed Allocations (in millions)

	Fiscal Year							
	2007	2008	2009	2010	2011	2012	2013	2014
Debt Service	$ 263.5	$ 263.4	$ 272.1	$ 292.8	$ 289.0	$ 308.0	$ 337.3	$ 407.5
Other Agencies & Transfers	45.3	45.4	47.3	47.6	48.3	49.0	49.8	50.4
Highway Maintenance & Operations	1,498.3	1,583.3	1,671.2	1,733.8	1,801.0	1,870.9	1,943.5	2,020.7
Tolls, Admin & Other Programs	485.7	470.6	454.6	469.6	403.7	418.0	427.1	436.7
Public Transportation & Rail	442.2	694.2	672.3	546.4	495.5	482.8	484.9	454.6
Ports and Aviation	59.2	109.8	57.5	61.6	63.9	66.3	68.9	70.4
Earmarks & Special Financing	340.7	583.0	564.3	577.6	521.0	592.2	611.1	619.2
Highway Systems Construction	1,131.8	1,047.7	742.1	665.9	642.6	631.6	619.7	559.7
Total	**$ 4,266.7**	**$ 4,797.3**	**$ 4,481.5**	**$ 4,395.3**	**$ 4,264.9**	**$ 4,418.7**	**$ 4,542.3**	**$ 4,619.2**

Proposed FY 2009-2014 Six-Year Allocations

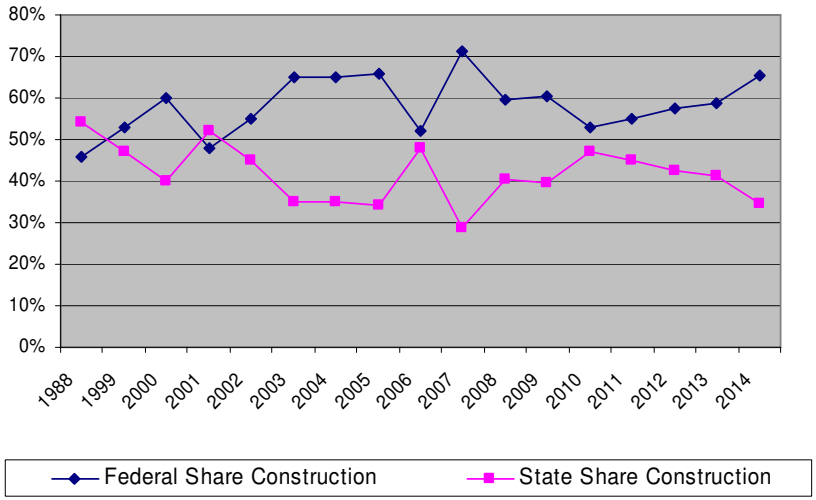
$26,721,900



Same Spending Priorities

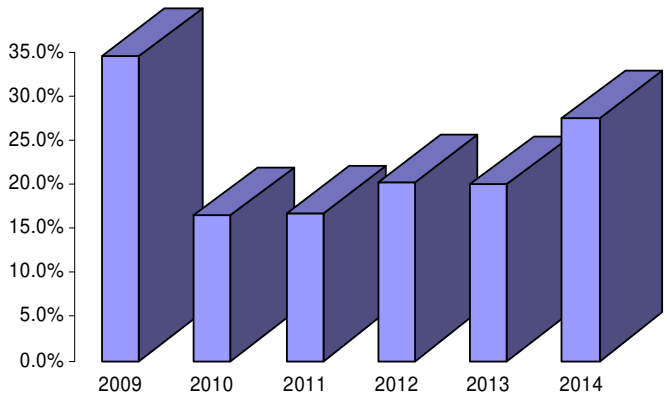
- Debt service includes new debt authorization which accounts for 7% of total funding.
- Maintenance represents 42% of the total CTB budget
  - Includes both VDOT maintenance and city and county highway maintenance payments
  - 4% growth rate in FY 2009 is $63 million
  - By 2014 at a rate of 4%, highway maintenance will increase by $415 million or a cumulative $1.4 billion over the six years.
- Only growth in programs outside of maintenance and construction are for legislatively approved pay increases and related benefits.

Federal Share of Construction



- The federal share for the secondary and urban state formula allocations averages 23%
- Averaged 15% in the FY 2008-13 program

- Federal share of systems construction averages 58% in draft FY 2009-14 program
- Averaged 52% in the FY 2008-13 program



Six-Year Improvement Program

- The FY 2009-2014 Six Year Improvement Program for highways allocates available funding to specific projects in the amount of $7.74 billion.

- $5.31 billion is for projects on the interstate, primary, secondary and urban systems and $2.4 billion is:
  - $1 billion maintenance and operations
  - $870 million for RSTP, CMAQ and Safety (HSIP)
  - $128 million Enhancement
  - $150 million Statewide Access Mgt and Operational Improvements

- Because the primary, secondary and urban construction projects are the last items to be funded, they are the most affected by revenue swings and increased costs.

Six-Year Improvement Program

Highway System	FY 09-14 Working Draft
Interstate System	$2.05 billion
Primary System	$1.57 billion
Secondary System	$0.97 billion
Urban System	$0.72 billion
Other Special Funds	$2.43 billion
Total Program Funding	$7.74 billion

Six-Year Improvement Program

- 49 Existing Interstate Projects to be Completed FY09-14:
  - Bristol 7
  - Culpeper 2
  - Fredericksburg 1
  - Hampton Roads 7
  - Lynchburg 0
  - Richmond 9
  - Northern Virginia 10
  - Salem 2
  - Staunton 11

Six-Year Improvement Program

- 25 Existing Primary Project Phases Cut from the Draft:
  - Bristol 2
  - Culpeper 3
  - Fredericksburg 4
  - Hampton Roads 3
  - Lynchburg 2
  - Northern Virginia 2
  - Richmond 1
  - Salem 4
  - Staunton 4

Six-Year Improvement Program

- 114 Primary Projects to be Advertised for Construction in FY 2009-2014:
  - Bristol 21
  - Culpeper 7
  - Fredericksburg 9
  - Hampton Roads 3
  - Lynchburg 13
  - Richmond 16
  - Northern Virginia 16
  - Salem 19
  - Staunton 10

Six-Year Improvement Program

- Existing Secondary Projects Delayed (224) or Cut (174):

	Delayed	Cut
– Bristol	57	43
– Culpeper	15	21
– Fredericksburg	15	2
– Hampton Roads	13	9
– Lynchburg	29	33
– Northern Virginia	7	12
– Richmond	42	38
– Salem	28	13
– Staunton	18	3

Six-Year Improvement Program

- 72 Existing Urban Projects Delayed to date:

	Delayed
– Bristol	16
– Culpeper	4
– Hampton Roads	23
– Lynchburg	3
– Richmond	11
– Northern Virginia	5
– Salem	8
– Staunton	2

Six-Year Improvement Program

- Six Public Hearings starting tonight with Lynchburg and Salem Districts
- Finalize the Program
- Present to CTB for Adoption June 19, 2008



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