



Commonwealth Transportation Fund Fiscal Years 2014 - 2019 Preliminary Six-Year Financial Plan

February 20, 2013

John W. Lawson

Chief Financial Officer

Commonwealth Transportation Fund FY 2014 – 2019 Preliminary Six-Year Financial Plan Overview

- **The Six-Year Financial Plan (SYFP) identifies the estimated funding for allocation to Highways, Transit, Ports and Aviation.**
- **The Fiscal Years 2014 – 2019 Preliminary SYFP estimates an allocation of \$25.6 billion over the period.**
 - **4.7 percent decrease from the \$26.8 billion FY 2013 – 2018 SYFP**
 - **State revenues - up \$234.0 million, or 1.4%**
 - **Federal revenues - down \$726.6 million, or 11.4%**
 - **Bond proceeds - down \$508.7 million, or 27.8%**
 - **Other revenue sources - down \$244.8 million, or 10.0%**

Commonwealth Transportation Fund FY 2014 – 2019 Preliminary Six-Year Financial Plan Overview

- **The state revenues are based on the December 2012 state transportation revenue forecast from the Department of Taxation.**
- **The federal revenue forecast is based on Federal FY 2013 apportionments and Federal FY 2014 Estimated Apportionments from FHWA.**
 - **Federal revenues have been held essentially flat since the expiration of SAFETEA-LU**
 - **Not predicting any growth in federal revenues beyond the expiration of MAP-21 in 2014**

Commonwealth Transportation Fund FY 2014 – 2019 Preliminary Six-Year Financial Plan Overview

- **The FY 2014-2019 Six-Year Financial Plan continues the allocation of the bond funding provided by the Governor's Omnibus Transportation Funding Bill of 2011.**
 - **The final \$600 million of the planned \$1.8 billion of CPR bonds will be issued in May/June of 2013**
 - No additional sales planned until FY 2016
 - Forecast issuing \$450 million in CPR bonds over period - \$300 million less than planned last year
 - Results of a reduction in forecasted PTF revenues from the taxes on insurance premiums
 - This delay will impact both highway construction projects and transit and rail support

Commonwealth Transportation Fund FY 2014 – 2019 Preliminary Six-Year Financial Plan Overview

- **Grant Anticipation Revenue Vehicle (GARVEE)**
 - Plan to issue \$869 million of GARVEEs over the period
 - Bonds will be issued to support the Rt. 460 Improvements Project and the Coalfields Expressway
 - Issuance schedule is dependent on project readiness
 - Debt service on the GARVEEs is approximately 10 percent of federal revenues

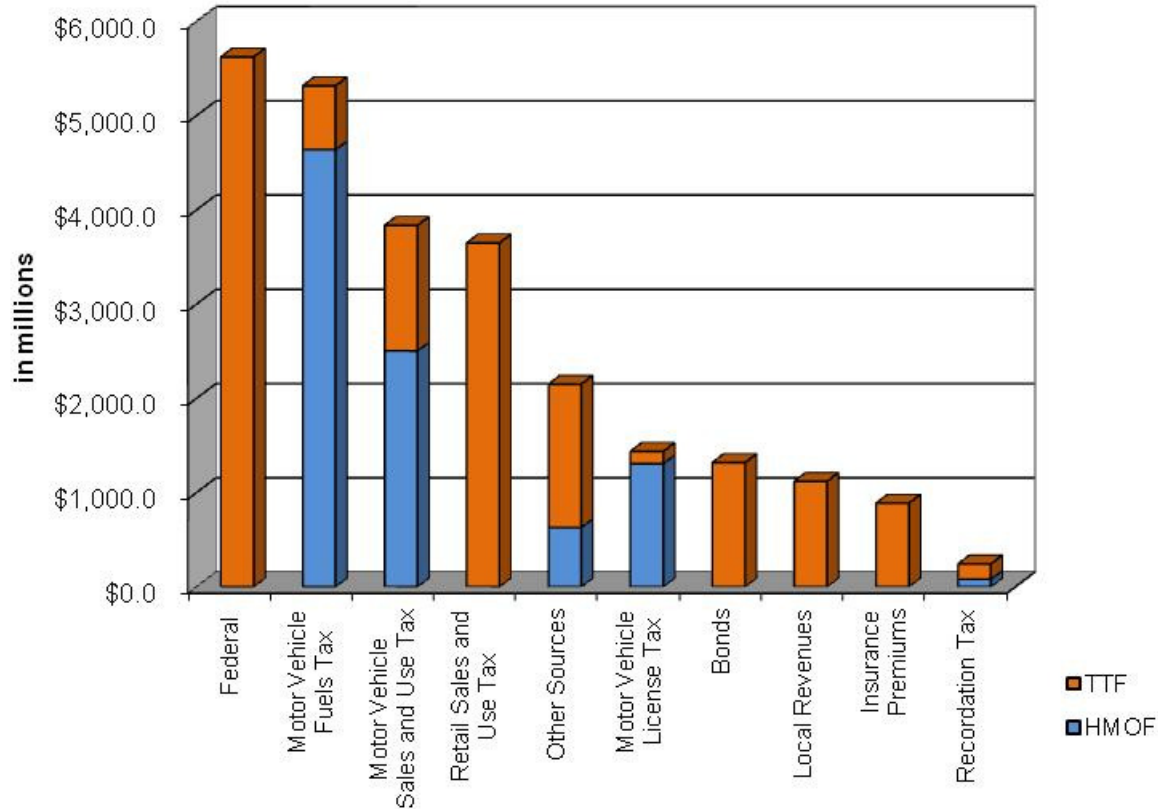


Commonwealth Transportation Fund FY 2014 – 2019 Preliminary Six-Year Financial Plan Estimated Revenues (in millions)

	2014	2015	2016	2017	2018	2019	Total	Total from FY13-18 SYFP	Difference
State Transportation Revenues									
HMO	\$ 1,448.3	\$1,474.0	\$ 1,499.0	\$ 1,529.0	\$1,545.0	\$1,561.3	\$ 9,056.6	\$ 9,002.6	\$ 54.0
TTF net interest	990.0	1,019.0	1,049.3	1,082.4	1,106.7	1,131.7	6,379.1	6,132.4	246.7
PTF (From TTF)	151.0	157.0	164.3	170.5	178.3	186.5	1,007.6	1,074.3	(66.7)
Local and Other Revenues	460.2	415.8	337.0	330.2	330.8	323.9	2,197.8	2,442.6	(244.8)
Total	<u>3,049.5</u>	<u>3,065.8</u>	<u>3,049.6</u>	<u>3,112.1</u>	<u>3,160.8</u>	<u>3,203.4</u>	<u>18,641.1</u>	<u>18,651.9</u>	<u>(10.8)</u>
Federal Revenues	904.5	943.8	943.8	943.8	943.8	943.8	5,623.4	6,349.9	(726.6)
Total Revenues	<u>3,953.9</u>	<u>4,009.6</u>	<u>3,993.3</u>	<u>4,055.9</u>	<u>4,104.6</u>	<u>4,147.2</u>	<u>24,264.5</u>	<u>25,001.8</u>	<u>(737.3)</u>
Other Financing Sources									
GARVEE Bonds	332.0	-	375.0	161.9	-	-	868.9	577.6	291.3
Capital Improvement Bonds	-	-	150.0	100.0	100.0	100.0	450.0	1,250.0	(800.0)
Total	<u>332.0</u>	<u>-</u>	<u>525.0</u>	<u>261.9</u>	<u>100.0</u>	<u>100.0</u>	<u>1,318.9</u>	<u>1,827.6</u>	<u>(508.7)</u>
Total Revenues and Other Financing Sources	<u>\$ 4,285.9</u>	<u>\$4,009.6</u>	<u>\$ 4,518.3</u>	<u>\$ 4,317.8</u>	<u>\$4,204.6</u>	<u>\$4,247.2</u>	<u>\$ 25,583.4</u>	<u>\$ 26,829.4</u>	<u>\$ (1,246.0)</u>

Commonwealth Transportation Fund FY 2014 – 2019 Preliminary Six-Year Financial Plan Estimated Revenues by Source

Federal revenues are the largest single revenue source, followed by Motor Vehicle Fuels Tax



Crossover Continues

- The needs of the HMOF continue to exceed the revenues dedicated to the fund.
- To support highway maintenance and the other programs supported by the HMOF, transfers or crossover from the construction fund to the HMOF continue.
- This preliminary SYFP expects the following crossover amounts.

FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$433.5m	\$419.3m	\$451.4m	\$474.8m	\$501.0m	\$523.7m



Commonwealth Transportation Fund Fiscal Years 2014 – 2019 Preliminary Six-Year Financial Plan Estimated Allocations (in millions)

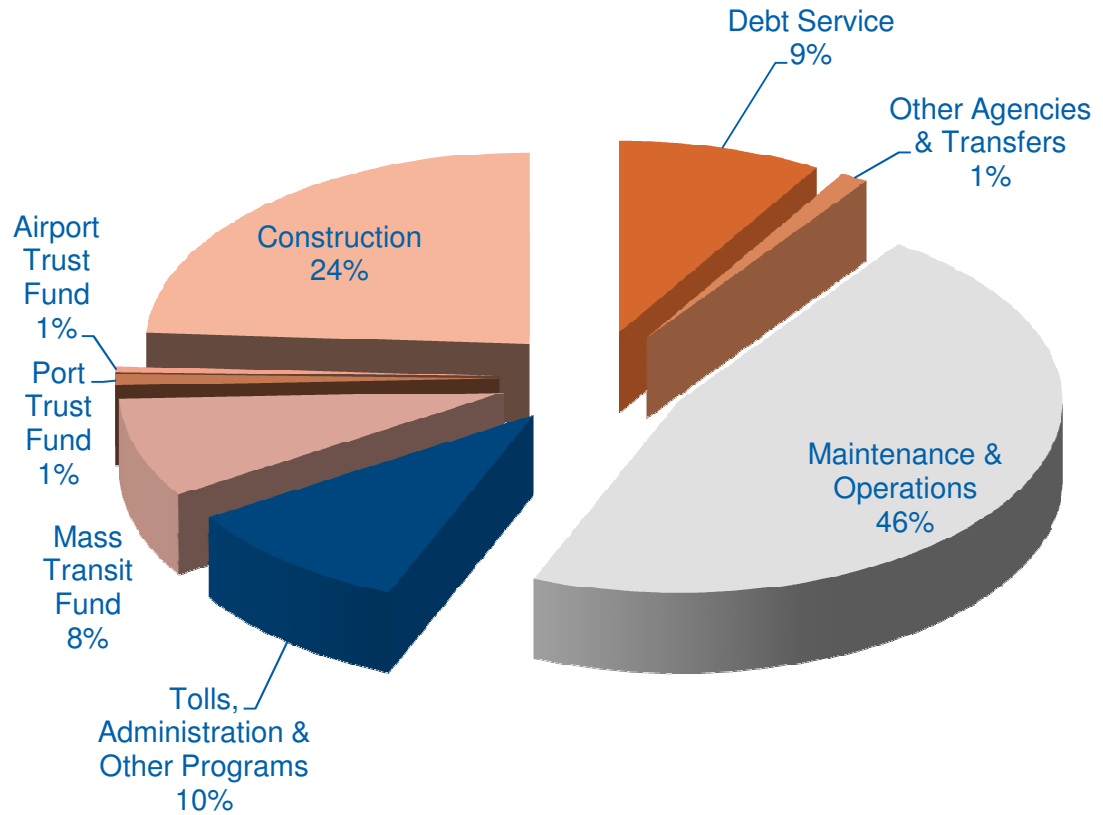
- The chart below illustrates the estimated allocations by major category.
- The allocations reflect the formula distribution of the TTF revenues to the modes.

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total	Total from FY13-18 SYFP	Difference
Debt Service	\$ 330.9	\$ 345.6	\$ 352.4	\$ 378.1	\$ 391.3	\$ 386.0	\$ 2,184.4	\$ 2,179.4	\$ 5.0
Other Agencies & Transfers	52.3	52.2	52.2	50.7	41.5	42.6	291.4	309.2	(17.7)
Maintenance & Operations	1,852.1	1,908.5	1,965.7	2,012.0	2,050.0	2,090.7	11,879.0	11,604.6	274.3
Tolls, Administration & Other Programs	388.7	414.2	419.7	426.4	434.6	442.0	2,525.6	2,546.6	(21.0)
Mass Transit Fund	305.7	321.8	426.8	368.6	372.8	375.9	2,171.6	2,443.7	(272.1)
Port Trust Fund	35.6	35.9	37.0	38.2	39.1	40.0	225.8	248.6	(22.8)
Airport Trust Fund	23.2	23.3	24.1	24.8	25.4	26.0	146.8	142.0	4.8
Construction	1,297.4	908.1	1,240.5	1,019.0	849.9	844.1	6,158.9	7,355.3	(1,196.4)
Total	\$ 4,285.9	\$ 4,009.6	\$ 4,518.3	\$ 4,317.8	\$ 4,204.6	\$ 4,247.2	\$ 25,583.4	\$ 26,829.4	\$ (1,246.0)

- As since 2010, there is no funding available for distribution through the construction allocation formula.

Commonwealth Transportation Fund Fiscal Years 2014 – 2019 Preliminary Six-Year Financial Plan Estimated Allocations

- **46% or \$11.9 billion is dedicated to highway maintenance**
- **24% or \$6.2 billion is for construction**
- **Debt service is \$2.2 billion or 9%**



In millions

2013 Transportation Funding Bill

- **The FY 2014 – 2019 Preliminary Six-Year Financial Plan is based on existing transportation revenue sources and estimates.**
- **It will be revised upon the passage of a transportation bill providing additional revenues.**
- **I will provide you with an update on the outcome and impacts of the transportation bill at the conclusion of the 2013 General Assembly Session.**