



**FY 2014 Budget / Actual Performance  
through June 2014 (Preliminary Close)**

**Year-End Report**

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# Commonwealth Transportation Fund State Revenue Collections June 2014

- ❑ Official revenue performance through June will be available after the Secretary of Finance presentation to the Joint Money Committee meeting on August 15, 2014.
- ❑ Through June, the following performance is anticipated:
  - Motor Fuel Tax collections appear to have performed better than anticipated, improving over the expected decline of 27.8 percent
  - State Sales and Use Tax collections is expected to end the year slightly below the revised annual forecasted growth of 60.8 percent
  - Reductions in the revenue estimate from the December update were incorporated into the forecast for FY 2015

## Spending through June 2014 (Preliminary Close)

- ❑ Fiscal year-to-date expenditures through June 2014 totaled \$4.7 billion, a \$427 million increase over FY 2013.
- ❑ Approximately 36 percent of the spending is related to VDOT's maintenance program.
- ❑ Including financial assistance to localities, 50.1 percent of spending is related to maintenance.
- ❑ Construction spending for FY 2014, including ARRA projects, represents approximately 36 percent of total expenditures.
- ❑ The current value of existing contracts is \$3.3 billion, \$565.5 million more than last year.
- ❑ Current outstanding contract value for both Construction and Maintenance programs is \$1.9 billion.

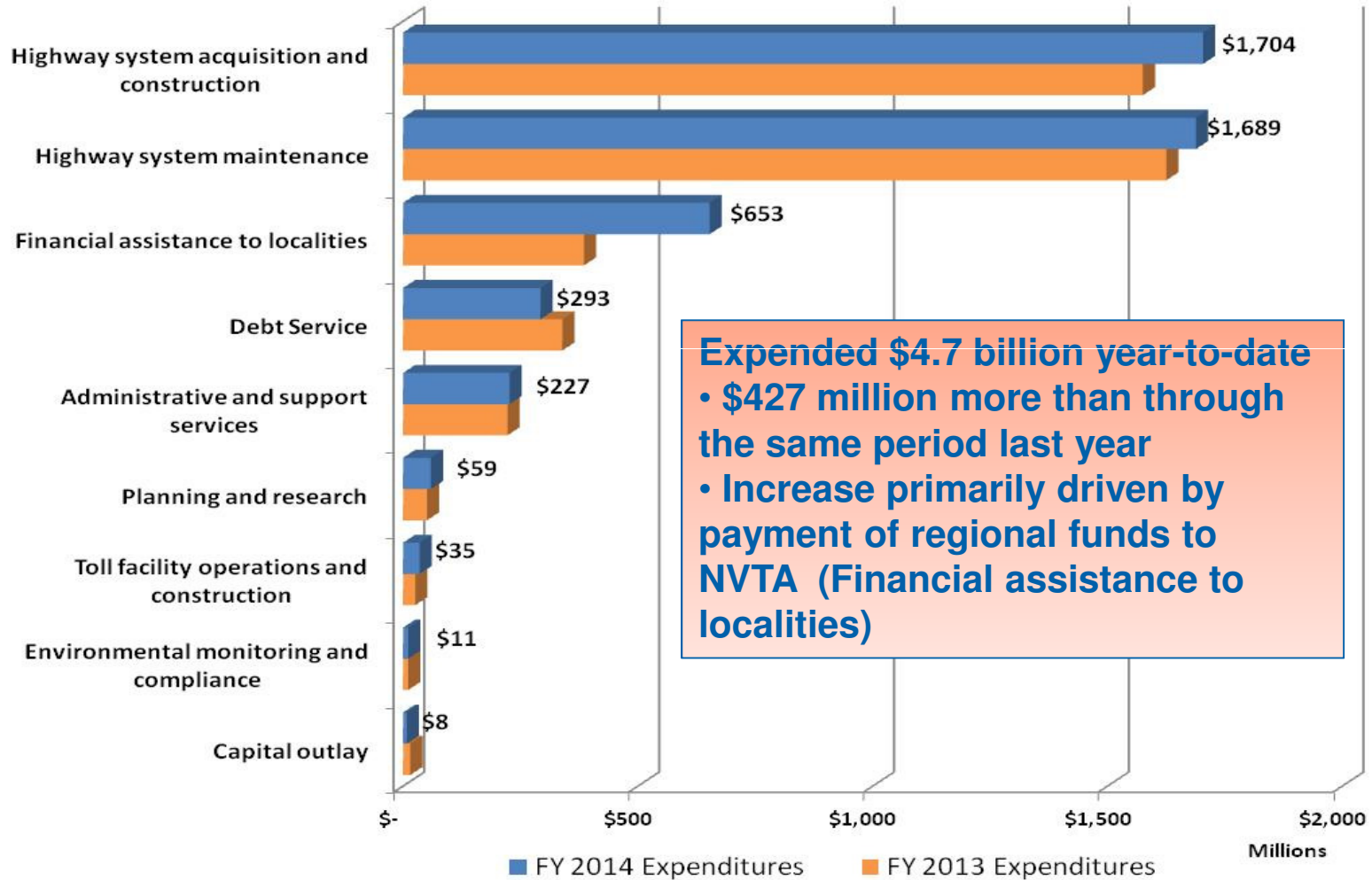
# VDOT Federal Revenue (Preliminary Close)

- ❑ Federal revenue collections through June were \$102.2 million less than FY 2013
- ❑ Revenue collections are as anticipated based on program activity

(Dollars in Thousands)

Program	FY 2014		FY 2013		Difference
	Revenue	% of Total Revenue	Revenue	% of Total Revenue	
Construction	\$ 817,756.1	62.4%	\$ 738,348.2	52.3%	\$ 79,407.9
Maintenance	357,875.5	27.3%	515,746.7	36.5%	(157,871.3)
ARRA	49,766.6	3.8%	87,502.4	6.2%	(37,735.9)
Planning & Research	15,088.9	1.2%	17,105.2	1.2%	(2,016.3)
Debt Service	58,980.2	4.5%	41,654.8	2.9%	17,325.4
Other Programs	10,839.3	0.8%	12,120.8	0.9%	(1,281.5)
<b>Total VDOT Programs</b>	<b>\$ 1,310,306.5</b>	<b>100.0%</b>	<b>\$ 1,412,478.2</b>	<b>100.0%</b>	<b>\$ (102,171.6)</b>

# Expenditures by Program through June (Preliminary Close)



# Anticipated Spending (Preliminary Close)

Program	Current Operating Budget	Original Forecasted Annual Spending	Forecasted Annual Spending	Forecasted Spending to Date	FY 2014 Expenditures to Date	Variance
Administrative and support services	\$ 239.3	\$ 246.1	\$ 231.9	\$ 231.9	\$ 226.9	\$ (4.9)
Planning and research	62.9	65.9	59.1	59.1	59.5	0.3
Highway system acquisition and construction						
Construction Funding	1,027.9	1,684.3	1,301.7	1,301.7	1,332.1	30.4
Bond-financed projects	363.9	210.1	372.0	372.0	371.9	(0.2)
Highway system maintenance	1,723.0	1,565.3	1,703.1	1,703.1	1,688.9	(14.2)
Financial assistance to localities	899.6	710.3	673.9	673.9	653.2	(20.7)
Environmental monitoring and compliance	13.7	13.7	11.2	11.2	10.9	(0.3)
Toll facility operations and construction	122.3	33.3	33.3	33.3	32.2	(1.0)
Capital outlay	20.0	20.0	8.6	8.6	7.9	(0.6)
Debt Service	311.9	311.9	295.9	295.9	295.9	-
<b>Total Expenditures</b>	<b>\$ 4,784.4</b>	<b>\$ 4,860.9</b>	<b>\$ 4,690.6</b>	<b>\$ 4,690.6</b>	<b>\$ 4,679.3</b>	<b>\$ (11.3)</b>

Dollars in millions

- **Current outstanding contract value for both Construction and Maintenance programs is \$1.9 billion**

# Construction Program (Preliminary Close)

- ❑ Spent \$1.7 billion on construction in FY 2014
- ❑ 8 percent increase over the prior year
- ❑ Actual spending was \$30.2 million more than forecast

	(Dollars in millions)			
	FY 2014	FY 2013	Difference	
	Expenditures to Date	Expenditures to Date	Amount	Percentage
ARRA	\$ 49.7	\$ 87.2	\$ (37.5)	-43.0%
Dedicated & Statewide Construction	779.2	628.8	150.5	23.9%
Interstate Construction	210.9	263.0	(52.1)	-19.8%
Primary Construction	311.6	258.9	52.7	20.3%
Secondary Construction	161.3	124.2	37.1	29.8%
Urban Construction	169.5	192.7	(23.2)	-12.1%
<b>Total Systems Construction</b>	<b>1,682.1</b>	<b>1,554.7</b>	<b>127.4</b>	<b>8.2%</b>
Program Management & Direction	21.9	20.9	1.0	4.8%
<b>Total</b>	<b>\$ 1,703.9</b>	<b>\$ 1,575.6</b>	<b>\$ 128.3</b>	<b>8.1%</b>
Anticipated Spending Year to Date	\$ 1,673.7			
Variance	\$ 30.2			

# Maintenance Program (Preliminary Close)

- ❑ Expended \$115.7 million in June, for a year-to-date total of \$1.69 billion
- ❑ \$63.3 million more than last year (a 4 percent increase)
- ❑ Included in the allocation was the carry forward of \$97.5 million from FY 2013 and \$92.1 million provided in the Revised FY 2014 Budget
- ❑ Snow related expenditures totaled \$326 million; budget was \$157 million

(Dollars in millions)

Service Area	FY 2014			FY 2013			Difference
	Expenditures			Expenditures			
	Allocations	to Date	% Expended	Allocations	to Date	% Expended	
Interstate Maintenance	\$ 411.8	\$ 392.9	95%	\$ 481.5	\$ 361.7	75%	\$ 31.2
Primary Maintenance	497.2	456.7	92%	530.5	510.2	96%	(53.5)
Secondary Maintenance	520.3	533.0	102%	434.2	465.5	107%	67.5
Transportation Operations Services	211.9	224.0	106%	180.8	188.0	104%	36.1
Program Management & Direction	81.8	82.1	100%	87.5	100.1	114%	(18.0)
<b>TOTAL</b>	<b>\$ 1,723.0</b>	<b>\$ 1,688.9</b>	<b>98.0%</b>	<b>\$ 1,714.4</b>	<b>\$ 1,625.5</b>	<b>94.8%</b>	<b>\$ 63.3</b>
Anticipated Spending Year to Date		\$ 1,703.1					
Variance		\$ (14.2)					



# Financial Assistance to Localities - Overview of Special Funds (Preliminary Close)

## □ Northern Virginia Transportation Authority Fund

Activity	Annual Forecast	Forecast YTD	Actual YTD
Revenue Collected	\$261.2	\$261.2	\$261.5
Expenditures (Transfers to NVTA)	236.1	236.1	235.2
<b>Balance</b>	<b>\$25.1</b>	<b>\$25.1</b>	<b>\$26.3</b>

Dollars in millions

## □ Hampton Roads Transportation Fund

Activity	Annual Forecast	Forecast YTD	Actual YTD
Revenue Collected	\$157.7	\$157.7	\$144.9
Expenditures (Project Activity)	1.1	1.1	1.1
<b>Balance</b>	<b>\$156.6</b>	<b>\$156.6</b>	<b>\$143.7</b>

Dollars in millions



# Major Fund Cash Balances June 30, 2014 (Preliminary Close)

<u>Fund</u>	(in millions)		
	<u>FY 2014</u>	<u>FY 2013 Year End Balance</u>	<u>Change</u>
<b><u>Operating Funds</u></b>			
Highway Maintenance and Operating	\$ 163.2	\$ 240.5	\$ (77.3)
Transportation Trust Fund - Construction	218.5	277.6	(59.0)
<b>Total</b>	<b>381.8</b>	<b>518.1</b>	<b>(136.3)</b>
<b><u>Dedicated Funds</u></b>			
ARRA	9.8	8.8	1.0
Concession Fund	12.5	16.3	(3.8)
Federal Reimb. Anticipation Notes	0.1	0.1	(0.0)
Priority Transportation Fund	104.2	92.0	12.2
Toll Facility Revolving Account	131.1	135.0	(3.9)
Transportation Partnership Opportunity Fund (TPOF)	37.4	43.0	(5.6)
Virginia Transportation Infrastructure Bank (VTIB)	295.9	318.7	(22.8)
<b>Total</b>	<b>591.0</b>	<b>613.9</b>	<b>(22.9)</b>
<b><u>Bond Funds Held by Trustee</u></b>			
CPR Bonds Fund	215.9	502.1	(286.2)
GARVEE Bonds Fund	298.6	216.3	82.3
<b>Total</b>	<b>514.5</b>	<b>718.3</b>	<b>(203.8)</b>
<b>Grand Total</b>	<b>\$ 1,487.3</b>	<b>\$ 1,850.4</b>	<b>\$(363.1)</b>

## Conclusion (Preliminary Close)

- ❑ Final year-end revenues are not available; preliminary data indicates that the state transportation revenues will be slightly less than the estimate.
- ❑ Fiscal year-to-date expenditures for most programs were in line with forecast.
- ❑ Based on preliminary June data, the unspent maintenance allocation balance is \$34 million, compared to the FY 2013 balance of \$97.5 million, a 65 percent reduction.

## U.S. DOT Cash Management of the Highway Trust Fund

- ❑ U.S. DOT has stated that they will take every possible measure to fully reimburse States for as long as possible
- ❑ With insolvency approaching, U.S. DOT will be forced to limit payments to manage the cash available in the Highway Trust Fund
- ❑ U.S. DOT will distribute incoming revenues in proportion to each State's Federal formula apportionment in federal fiscal year 2014.
  - Cash management procedures will begin on August 1, 2014 for programs funded out of the Highway Account
  - Notification of the first proportional share to be provided to the States on August 11
  - This amount will be the State's maximum reimbursement for eligible expenditures
  - Process repeated twice a month as additional tax receipts are deposited into the Trust Fund

## U.S. DOT Cash Management of the Highway Trust Fund

- ❑ Virginia's share of FFY 2014 Program Apportionments is 2.59%
- ❑ FHWA estimates semi-monthly revenue deposits to be between \$1 billion to \$1.2 billion
- ❑ For Virginia, the amount available for each cycle should be between \$26 million and \$31 million, or \$52 million - \$62 million each month
- ❑ For Comparison purposes:
  - August 2013 – Federal revenue totaled \$234 million
  - September 2013 – Federal revenue totaled \$170 million
- ❑ The large collections last year include conversion of prior year maintenance work
- ❑ The FY 2015 AC conversions have been accelerated into July