



FY 2009 - 2014
Six-Year Improvement Plan Update

Reta R. Busher, CFO
November 19, 2008

Revenue Outlook

- **The October estimate of state transportation revenues for FY 2009 – 2014 is \$1.6 billion less than what was anticipated in June 2008.**
- **The final official revenue forecast will be provided by the State Department of Taxation in December.**

Revenue Outlook

The federal revenue outlook is uncertain:

- **In addition to the impacts of the economic downturn, SAFETEA-LU will expire at the end of federal fiscal year 2009**
- **Current forecasts for the Federal Highway Trust Fund indicate it will be out of cash at that time**

Revenue Outlook

- **The structure and funding levels of the next federal transportation authorizing legislation is unknown.**
- **We are continuing to forecast federal revenue growth based on Virginia's estimated fuel consumption growth.**
- **To protect from over programming, federal funds are being held in reserve in the amount of \$424.4 million.**

Revised SYIP

All of VDOT's programs will be impacted by the revenue reductions:

- **The revised SYIP will reflect the impact of the revised revenues to the construction and maintenance programs.**
- **Reductions will be seen in the state formula distributions and in other dedicated and statewide construction amounts.**

Estimated Construction Impacts

- **The Interstate program is expected to be reduced by 5 to 10% in the current year and up to 25% in years FY 2010-2014.**
- **State Formula construction funds for Primary, Secondary and Urban will be reduced by 15 to 20% in the current year and up to 45% in years FY 2010-2014.**
- **The total construction program, including Dedicated and Statewide construction funds, will see reductions of 5 to 10% in the current year and up to 20% in years FY 2010-2014.**

Next Steps

December CTB Meeting:

- **Balancing FY 2009 and FY 2010 budgets to final revenue reductions.**
- **Reviewing Service Level reductions.**
- **Finalizing the Program reductions.**

Month of January: (Tentative)

- **Program Public Hearings (5)**
- **Adopt revised FY 2009-2014 Six-Year Improvement Program.**



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