



Fiscal Year 2015

Revised
VDOT Annual Budget
November 2014

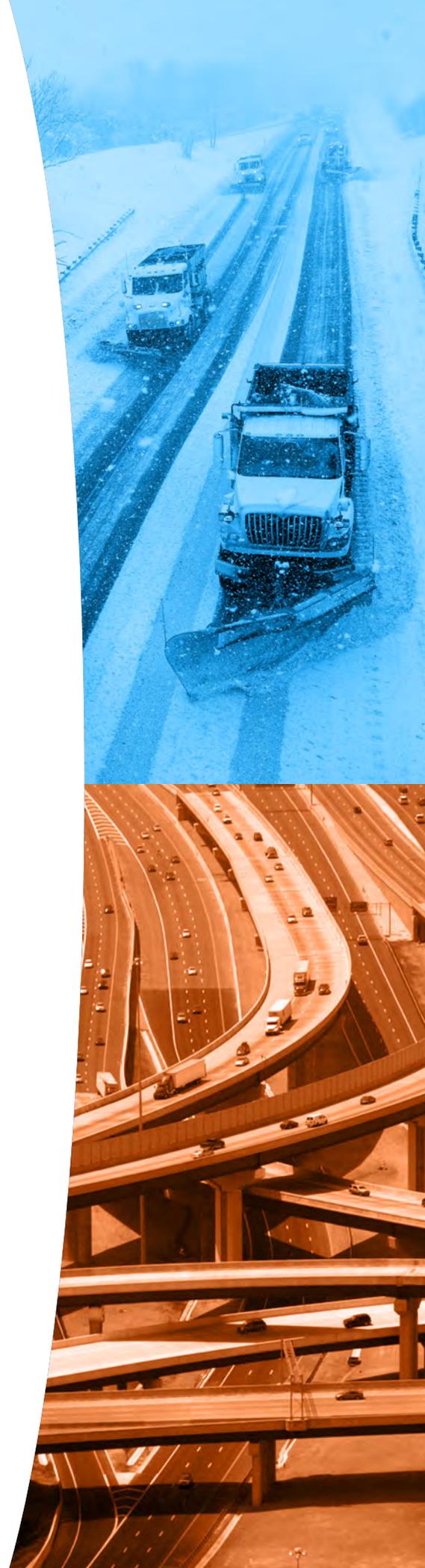


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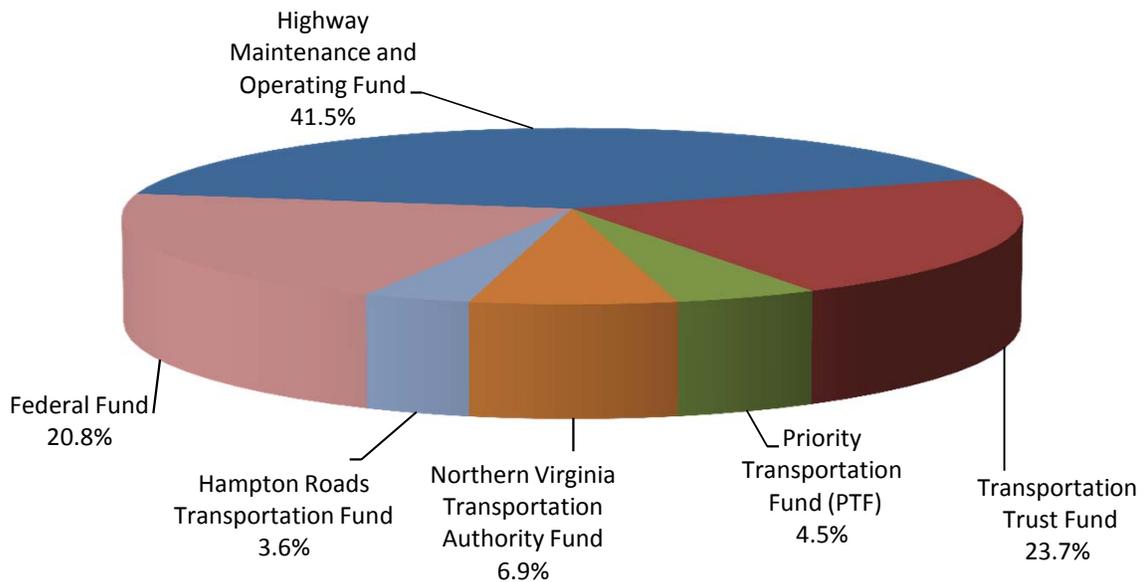
Overview

The Revised Fiscal Year 2015 (FY 2015) budget for the Virginia Department of Transportation (VDOT) identifies the estimated revenues and the distribution of the revenues to the related transportation programs. It is based on the interim state revenue forecast from August 2014, estimated federal funding and recent Biennial Budget Actions by the General Assembly and the Governor. The Revised VDOT Budget for FY 2015 totals \$4,355,179,301, a 0.15% increase from the original FY 2015 Budget of \$4,348,496,996.

VDOT's revenues are provided by dedicated state and federal revenue sources. The major state revenues are estimated by the Department of Taxation and are included in the state's official revenue estimate. VDOT continues to estimate federal revenues based upon information received from Federal Highway Administration (FHWA).

Funding for transportation was addressed during the 2013 General Assembly Session by House Bill 2313 (Chapter 766). The revenues generated by HB 2313 will breathe new life into Virginia's transportation program. Estimated revenues for FY 2015 reflect the second year of implementation of major changes to revenue dedicated to transportation.

Sources of Transportation Funds

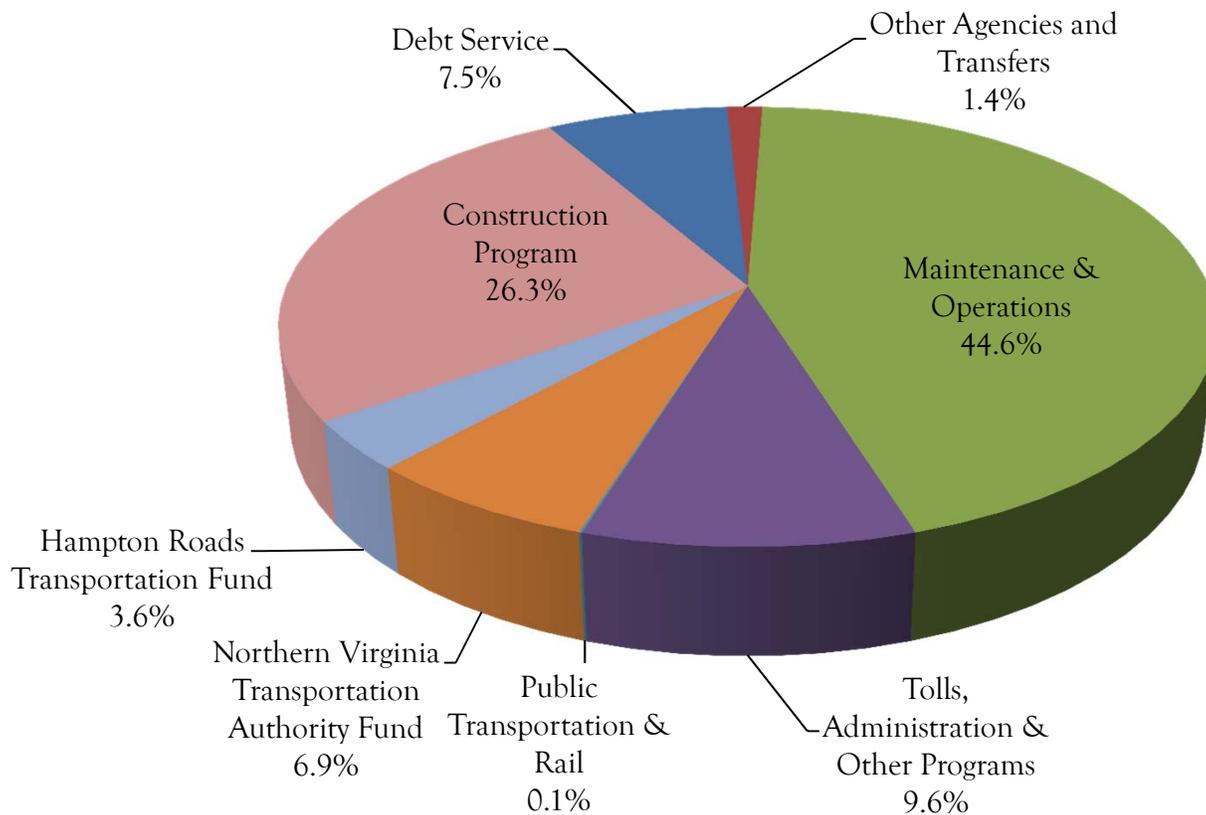


Highway Maintenance and Operating Fund	\$1,805,864,483
Transportation Trust Fund	979,884,274
Priority Transportation Fund (PTF)	207,921,822
CPR Bonds	-
GARVEE Bonds	-
Northern Virginia Transportation Authority Fund	299,276,334
Hampton Roads Transportation Fund	155,928,133
Federal Fund	906,304,255
Total	\$4,355,179,301

Overview

VDOT's revenues provide funding for debt service, maintenance, administration and construction. This budget reflects the planned use of the revenues available to the agency. The following is a summary of the programs by spending category:

	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
Debt Service	\$325,673,181	\$336,173,181	\$10,500,000
Other Agencies and Transfers	62,862,562	65,962,562	3,100,000
Maintenance & Operations	1,937,660,305	2,005,515,590	67,855,285
Tolls, Administration & Other Programs	418,221,371	414,876,584	(3,344,787)
Public Transportation & Rail	3,197,301	4,170,066	972,765
Northern Virginia Transportation Authority Func	299,276,334	299,276,334	-
Hampton Roads Transportation Fund	155,928,133	155,928,133	-
Construction Program	1,145,677,809	1,073,276,851	(72,400,958)
Total	\$4,348,496,996	\$4,355,179,301	\$6,682,305



Revenues

VDOT's revenues are specifically designated for transportation. Four primary state taxes provide for transportation in Virginia: Sales Tax on Motor Fuels, Motor Vehicle Sales and Use Tax, Motor Vehicle License Fee, and State Sales and Use Tax. The following table summarizes VDOT's Revised FY 2015 revenues.

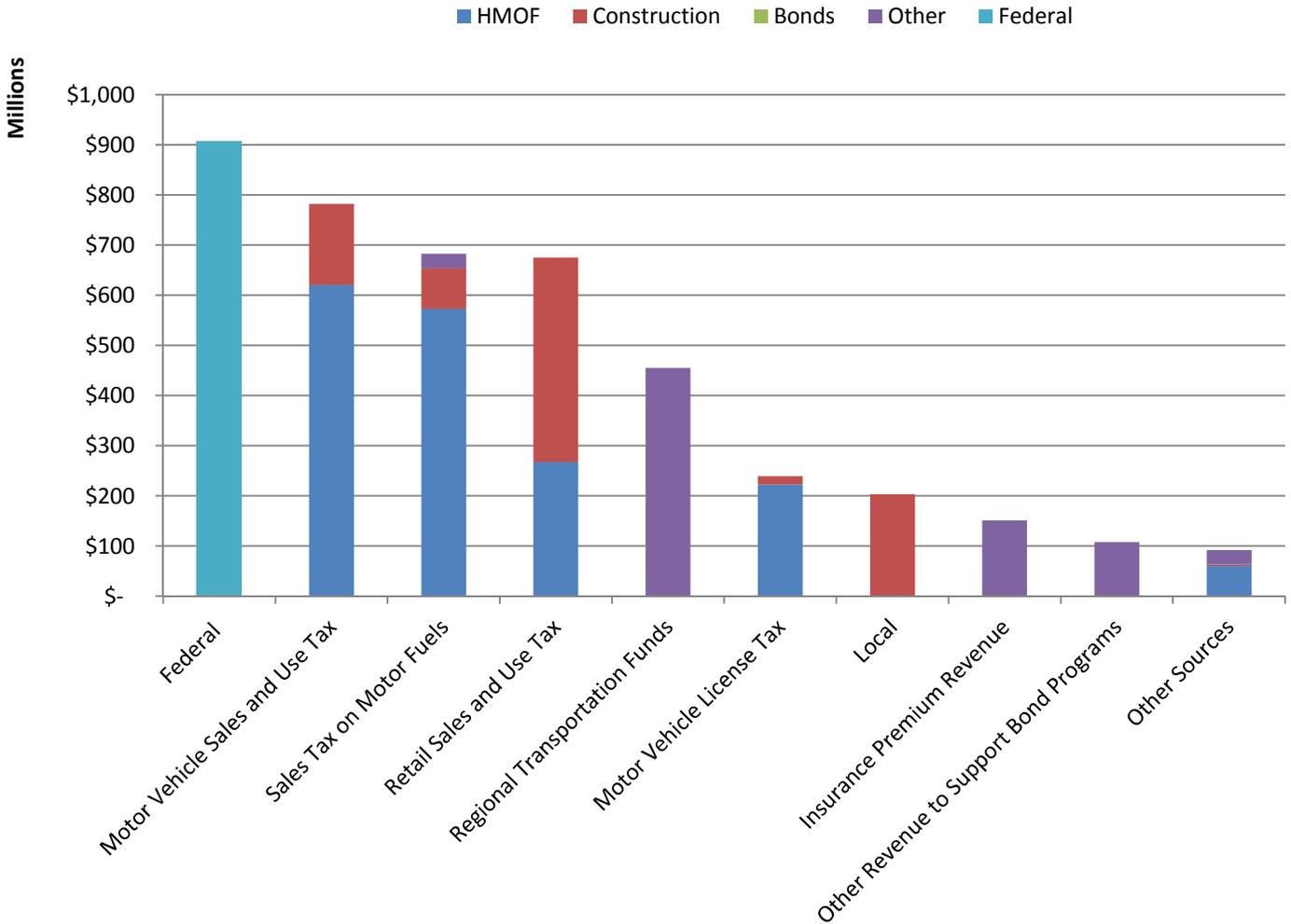
Source	HMOF	Construction*	Federal	Bonds	Other	TOTAL
Sales Tax on Motor Fuels	\$573,000,000	\$80,998,008	\$ -	\$ -	\$28,600,000	\$682,598,008
Motor Vehicle Sales and Use Tax	620,700,000	161,694,348	-	-	-	782,394,348
Motor Vehicle License Tax	222,300,000	16,516,354	-	-	-	238,816,354
Retail Sales and Use Tax	267,500,000	407,403,390	-	-	-	674,903,390
International Registration Plan	62,300,000	-	-	-	-	62,300,000
CPR Bonds	-	-	-	-	-	-
GARVEE Bonds	-	-	-	-	-	-
Other Revenue to Support Bond Programs	-	-	-	-	107,527,258	107,527,258
Insurance Premium Revenue	-	-	-	-	150,600,000	150,600,000
Local	-	202,777,696	-	-	-	202,777,696
Regional Transportation Funds	-	-	-	-	455,204,467	455,204,467
Other Sources	60,064,483	3,115,101	-	-	28,573,941	91,753,525
Federal	-	-	906,304,255	-	-	906,304,255
Transfer to HMOF	264,579,408	(264,579,408)	-	-	-	-
Transfer from HMOF for MWAA	(100,000,000)	100,000,000	-	-	-	-
TOTAL	\$1,970,443,891	\$707,925,489	\$906,304,255	\$ -	\$ 770,505,666	\$4,355,179,301

* Includes Highway Share of TTF and other special funds.

** Other Sources includes VDOT Toll Facility Revenue, Cell Tower Lease Revenue, E-Z Pass Operations, Unallocated Balances, Interest and Other Miscellaneous Items.

Revenues Dedicated to VDOT

This chart illustrates the revenues of the agency and their relative contribution. The Motor Vehicle Sales and Use Tax the largest single source.

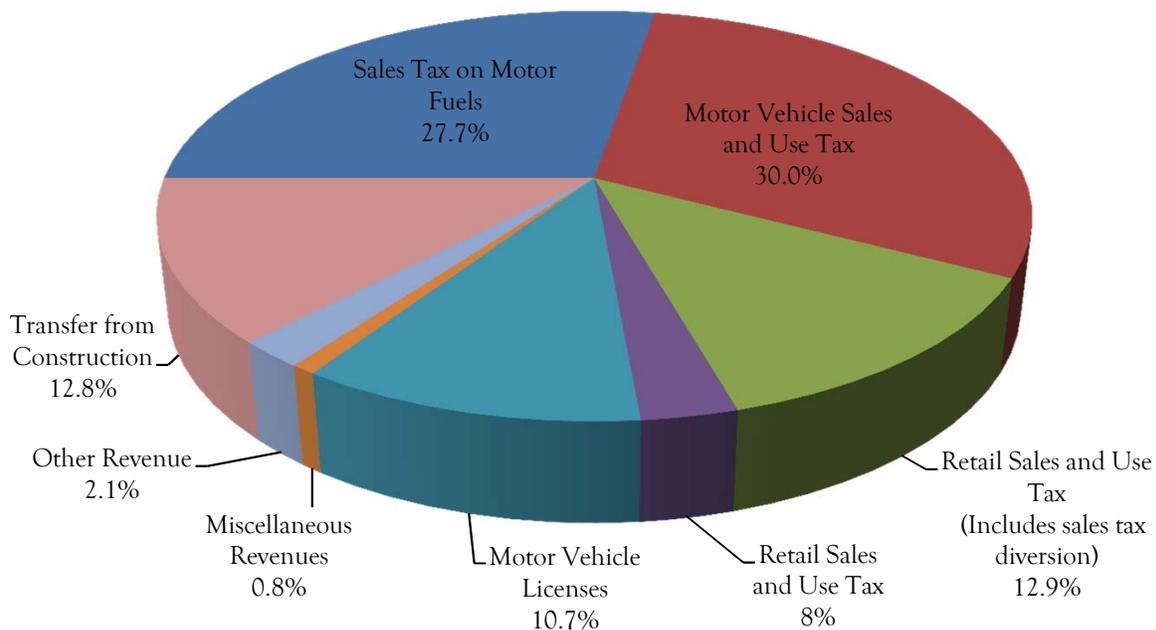


Highway Maintenance & Operating Fund

The Highway Maintenance and Operating Fund (HMOF) is one of VDOT's major funds. It is funded by dedicated state revenues as listed below. The HMOF is intended to provide for the agency's maintenance, operations and administrative needs. Since Fiscal Year 2002, the HMOF has required transfers from the Construction Fund to cover the budgetary needs of the fund.

HMOF Revenue Sources	FY 2015	REVISED FY 2015	Difference
Sales Tax on Motor Fuels	\$573,000,000	\$573,000,000	\$ -
Motor Vehicle Sales and Use Tax	653,500,000	620,700,000	(32,800,000)
Retail Sales and Use Tax (Includes sales tax diversion)	270,500,000	267,500,000	(3,000,000)
International Registration Plan	63,500,000	62,300,000	(1,200,000)
Motor Vehicle Licenses	232,800,000	222,300,000	(10,500,000)
Miscellaneous Revenues	16,100,000	16,100,000	-
Other Revenue	33,158,469	43,964,483	10,806,014
Subtotal	1,842,558,469	1,805,864,483	(36,693,986)
Transfer from Construction	300,631,350	264,579,408	(36,051,942)
Transfer to Construction for MWAA	(100,000,000)	(100,000,000)	-
Total	\$2,043,189,819	\$1,970,443,891	(\$72,745,928)

HMOF Revenue Sources, Revised FY 2015

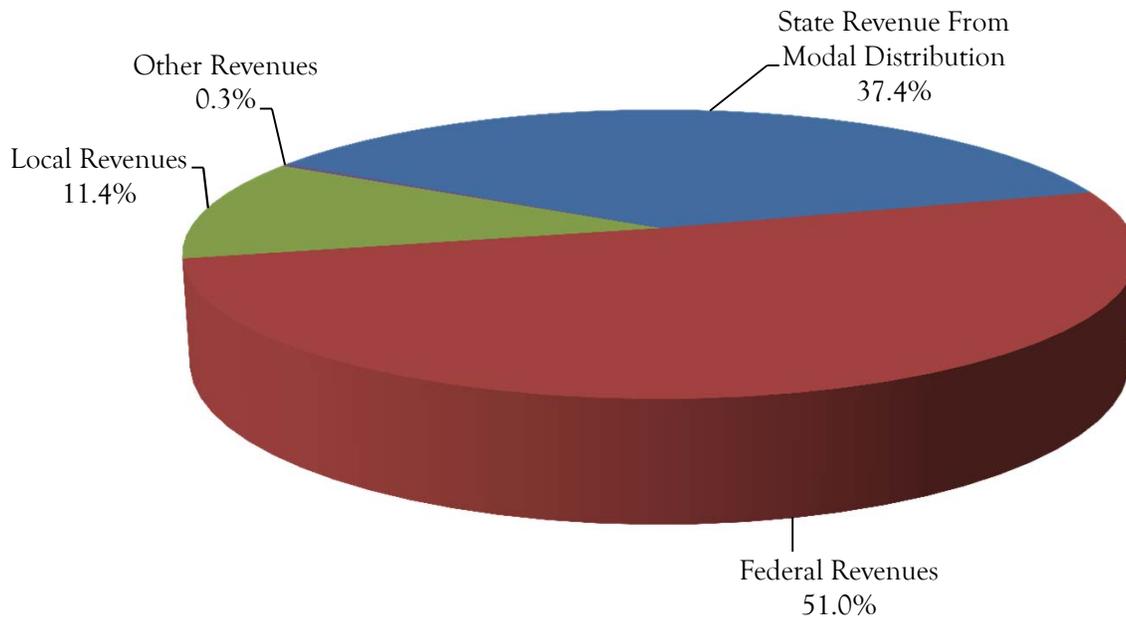


Transportation Trust Fund - Construction

The Transportation Trust Fund was created by the 1986 Special Session. VDOT manages the 78.7% of the TTF funds dedicated by the Code of Virginia for highway construction. State Revenue from Modal Distribution includes motor vehicle fuels tax, motor vehicle sales tax, and state retail sales and use tax. The following table identifies the construction fund revenues by major source.

Construction Fund Revenue Sources	FY 2015	REVISED FY 2015	Difference
State Revenue From Modal Distribution	\$718,576,314	\$664,591,541	(\$53,984,773) ¹
Federal Revenues	818,088,467	906,304,255	88,215,788 ²
Local Revenues	202,777,696	202,777,696	-
Other Revenues	6,490,384	5,135,660	(1,354,724) ³
GARVEE Bonds	-	-	-
CPR Bonds	-	-	-
Total	\$1,745,932,861	\$1,778,809,152	\$32,876,291

**Construction Fund Revenue by Source,
Revised FY 2015**



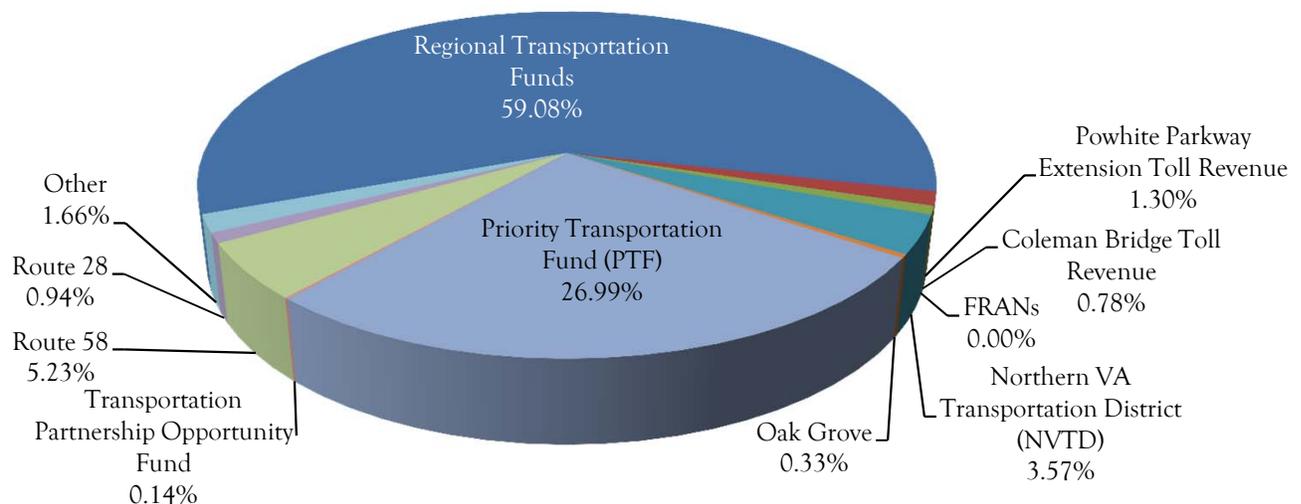
Other Fund Revenues

In addition to the two major state funds, VDOT manages a number of special funds. Each special fund receives dedicated revenues to be used to support the mission of the program.

Other Fund Revenues	FY 2015	REVISED FY 2015	Difference
Regional Transportation Funds	\$455,204,467	\$455,204,467	\$ -
Powhite Parkway Extension Toll Revenue	10,000,000	10,000,000	-
Coleman Bridge Toll Revenue	6,000,000	6,000,000	-
FRANs	800	800	-
Northern VA Transportation District (NVTD)	27,482,742	27,482,742	-
Oak Grove	2,511,484	2,511,484	-
Priority Transportation Fund (PTF)	197,421,822	207,921,822	10,500,000
Transportation Partnership Opportunity Fund	1,109,850	1,109,850	-
Route 58	40,294,391	40,294,391	-
Route 28	7,216,819	7,216,819	-
Other	12,763,291	12,763,291	-
Total	\$760,005,666	\$770,505,666	\$10,500,000

Total Construction Major Sources (page 10)	1,745,932,861	1,778,809,152	32,876,291
Transfer to HMOF	(300,631,350)	(264,579,408)	36,051,942
Transfer from HMOF for MWAA	100,000,000	100,000,000	-
Total Construction Fund	\$2,305,307,177	\$2,384,735,410	\$79,428,233

Other Fund Revenue, Revised FY 2015



VDOT Program Descriptions & Allocations

Summary of Allocations by Program

The following table summarizes VDOT's budget by the major budgetary programs.

	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
Environmental Monitoring and Evaluation (514)	\$13,304,161	\$13,251,385	(\$52,776)
Ground Transportation Planning and Research (602)	68,077,956	67,936,320	(141,636)
Highway System Acquisition and Construction (603)	1,145,677,809	1,073,276,851	(72,400,958)
Highway System Maintenance (604)	1,512,705,581	1,580,560,866	67,855,285
Commonwealth Toll Facilities (606)	33,871,726	33,871,726	-
Financial Assistance to Localities (607)	880,159,191	880,159,191	-
Non-Toll Supported Transportation Debt Service (612)	325,673,181	336,173,181	10,500,000
Administrative and Support Services (699)	264,958,211	261,807,836	(3,150,375)
VDOT Capital Outlay (998)	38,009,317	38,009,317	-
Support to Other State Agencies	62,862,562	65,962,562	3,100,000
Support to DRPT Programs	3,197,301	3,797,301	600,000
Support to Ports	-	372,765	372,765
Total	\$4,348,496,996	\$4,355,179,301	\$6,682,305

Environmental Monitoring and Evaluation (514)

The Environmental Program consists of the following service areas:

Environmental Monitoring and Compliance for Highway Projects (514008) - To provide efforts to evaluate, monitor and maintain the quality of the state's natural resources as part of a balanced consideration of environmental and transportation needs. VDOT's wetland mitigation program is funded in this service area.

Environmental Monitoring Program Management and Direction (514009) - To provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

ENVIRONMENTAL MONITORING & EVALUATION (514)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
Environmental Monitoring & Compliance for Highway Projects (514008)	\$10,849,663	\$10,813,010	(\$36,653) ⁺
Environmental Monitoring Program Management (514009)	2,454,498	2,438,375	(16,123) ⁺
TOTAL ENVIRONMENTAL MONITORING & EVALUATION	\$13,304,161	\$13,251,385	(\$52,776)
TTF	13,304,161	13,251,385	(52,776)

Ground Transportation Planning & Research (602)

Ground Transportation Planning and Research is comprised of:

Ground Transportation System Planning (602001) - To provide efforts to lead and plan a comprehensive system of ground transportation, including the planning of particular ground transportation projects through surveying, mapping and studies. These studies are the basis for decisions on proposed highway plans, programs and projects, as well as other travel modes and routes throughout Virginia.

Ground Transportation System Research (602002) - To provide efforts devoted to the planning and delivery of a comprehensive ground transportation research, development, consulting and technology transfer program covering the areas of transportation system operations, maintenance, structural design and construction, materials and specifications, safety, environmental stewardship, finance and policy.

Ground Transportation Program Management and Direction (602004) - To provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

PLANNING & RESEARCH (602)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
Ground Transportation System Planning (602001)	\$51,888,136	\$51,771,702	(\$116,434) ⁴
Ground Transportation System Research (602002)	12,542,390	12,533,845	(8,545) ⁴
Ground Transportation Program Management (602004)	3,647,430	3,630,773	(16,657) ⁴
TOTAL PLANNING & RESEARCH	\$68,077,956	\$67,936,320	(\$141,636)
HMOF	15,396,894	15,371,692	(25,202)
CONSTRUCTION	35,023,780	34,907,346	(116,434)
FEDERAL	17,657,282	17,657,282	-

Highway System Acquisition and Construction (603)

VDOT manages the Commonwealth's highway construction program as outlined in the agency's Six-Year Improvement Program that is approved annually by the Commonwealth Transportation Board. The construction program is divided into several service areas. FY 2010 was the first time since the state construction allocation formula was instituted by the 1986 Special Session that no funds were available for distribution to the construction districts and localities. For FY 2015, the additional funding made available by HB 2313 provides for funding to be made available for distribution via the Commonwealth Transportation Board Formula outlined in the Code of Virginia, § 33.1-23.1. Allocation of funds among

The budget also contains a significant application of Toll Credits that are used as "soft match" to meet the nonfederal share matching requirements. The federal share on most projects in the future can effectively be increased up to 100 percent. However, the use of soft match does not increase the federal funding available to Virginia.

CONSTRUCTION (603)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
Dedicated and Statewide Construction (603002)	\$649,912,009	\$640,511,436	(\$9,400,573)
Interstate Construction (603003)	151,061,840	122,180,355	(28,881,485)
Primary Construction (603004)	199,086,954	177,800,309	(21,286,645)
Secondary Construction (603006)	71,653,692	65,028,986	(6,624,706)
Urban Construction (603007)	47,475,917	42,195,439	(5,280,478)
Construction Management (603015)	26,487,397	25,560,326	(927,071)
TOTAL CONSTRUCTION	\$1,145,677,809	\$1,073,276,851	(\$72,400,958)
CONSTRUCTION	589,857,051	566,665,941	(23,191,110)
FEDERAL	525,794,095	476,584,247	(49,209,848)
NVTD	1,107,693	1,107,693	-
PTF	27,025,897	27,025,897	-
OAK GROVE	286,984	286,984	-
FRANS	800	800	-
ROUTE 58	566,891	566,891	-
TPOF	1,038,398	1,038,398	-
GARVEE BONDS	-	-	-
CPR BONDS	-	-	-

The following pages detail each construction service area.

Highway System Acquisition and Construction (603)

DEDICATED AND STATEWIDE CONSTRUCTION (603002)

The purpose of the Dedicated and Statewide Construction service area is to design and prepare plans, acquire needed land and construct roads and bridges or support transit or operational activities across the state that are not dedicated to a specific highway system. This includes statewide programs such as the Revenue Sharing and the Safety programs. Funding for the federal Congestion Mitigation and Air Quality Improvement (CMAQ) and Regional Surface Transportation programs which have yet to be distributed by the respective Metropolitan Planning Organizations are included in this service area and will be transferred when identified. It also includes non-toll-related bond-funded construction.

DEDICATED & STATEWIDE CONSTRUCTION (603002)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
CMAQ	\$13,769,702	\$12,278,644	(\$1,491,058)
CMAQ Match	3,442,425	3,069,660	(372,765)
CPR Bonds	-	-	-
CTB Formula	3,000,000	-	(3,000,000)
GARVEE Bonds	-	-	-
MWAA - Dulles Rail	100,000,000	100,000,000	-
NHPP	67,170	67,170	-
NHPP Soft Match	16,793	16,793	-
Participating Project Costs	15,000,000	15,000,000	-
Revenue Sharing	351,988,280	351,988,280	-
Safety	46,587,222	46,587,222	-
Safety Match	5,176,358	5,176,358	-
STP Regional	13,204,517	13,204,517	-
STP Regional Match	3,301,127	3,301,127	-
Transportation Alternatives (TAP)	8,223,911	8,223,911	-
Other	86,134,504	81,597,754	(4,536,750)
TOTAL DEDICATED & STATEWIDE CONSTRUCTION	\$649,912,009	\$640,511,436	(\$9,400,573)
CONSTRUCTION	497,123,110	489,213,595	(7,909,515)
FEDERAL	122,762,236	121,271,178	(1,491,058)
NVTD	1,107,693	1,107,693	-
PTF	27,025,897	27,025,897	-
OAK GROVE	286,984	286,984	-
FRANS	800	800	-
ROUTE 58	566,891	566,891	-
TPOF	1,038,398	1,038,398	-
GARVEE BONDS	-	-	-
CPR BONDS	-	-	-

Included in the Other item are amounts for Rail Highway Crossings, Federal Lands Access Program (FLAP), CMAQ TERMS, Priority Transportation Fund, and state funding for non-federal qualifying construction.

Highway System Acquisition and Construction (603)

INTERSTATE CONSTRUCTION (603003)

The purpose of the interstate construction service area is to design and prepare plans, acquire needed land and construct roads and bridges on the interstate highway system. The interstate program is federally funded, with state funding providing the needed match. Federal National Highway System funds are soft matched by using federal toll credits. Toll credits are earned when the state, a toll authority, or a private entity funds a capital transportation investment with toll revenues. The interstate program is also eligible to receive funding through the CTB Formula.

INTERSTATE CONSTRUCTION (603003)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
CMAQ	\$284,000	\$284,000	\$ -
CMAQ Match	71,000	71,000	-
CTB Formula	74,026,904	21,144,248	(52,882,656)
NHPP	46,925,653	58,625,254	11,699,601
NHPP Soft Match	9,763,596	12,938,496	3,174,900
NHPP Exempt	10,934,449	10,547,716	(386,733)
NHPP Exempt Soft Match	2,733,612	2,636,929	(96,683)
STP Regional	1,240,000	1,240,000	-
STP Regional Match	310,000	310,000	-
STP Statewide	-	-	-
STP Statewide Soft Match	-	-	-
STP Under 5,000	1,730,202	1,730,202	-
STP Under 5,000 Soft Match	432,549	432,549	-
Other	2,609,875	12,219,961	9,610,086
TOTAL INTERSTATE CONSTRUCTION	\$151,061,840	\$122,180,355	(\$28,881,485)
CONSTRUCTION	16,518,727	11,992,052	(4,526,675)
FEDERAL	134,543,113	110,188,303	(24,354,810)

Highway System Acquisition and Construction (603)

PRIMARY CONSTRUCTION (603004)

The primary construction system is made up of roads that connect cities and towns with each other and with interstates. Primary roads serve the state in the same manner as the Interstate system serves the nation.

Historically, the primary construction program received 40% of the funds available for state formula distribution. The FY 2015 funds are distributed by the CTB, MPOs, and by the new CTB Formula with recommended allocations to projects on the Primary System. There are no funds available for the state construction formula distribution in FY 2015.

PRIMARY CONSTRUCTION (603004)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
CMAQ	\$4,197,721	\$4,197,721	\$ -
CMAQ Match	1,049,429	1,049,429	-
CTB Formula	40,588,179	17,289,265	(23,298,914)
NHPP	16,359,210	36,769,971	20,410,761
NHPP Soft Match	4,089,804	9,192,494	5,102,690
NHPP APD	21,486,390	-	(21,486,390)
NHPP Bridge	18,333,255	16,944,970	(1,388,285)
NHPP Bridge Soft Match	4,583,314	4,236,243	(347,071)
NHPP Exempt	-	386,733	386,733
NHPP Exempt Soft Match	-	96,683	96,683
STP Bridge	17,940,190	17,722,432	(217,758)
STP Bridge Soft Match	4,485,048	4,430,608	(54,440)
STP Regional	25,782,560	25,390,037	(392,523)
STP Regional Match	6,445,642	6,347,511	(98,131)
STP Statewide	754,825	754,825	-
STP Statewide Soft Match	188,707	188,707	-
STP Under 200,000	4,232,527	4,232,527	-
STP Under 200,000 Soft Match	1,058,132	1,058,132	-
STP Under 5,000	20,406,001	20,406,001	-
STP Under 5,000 Soft Match	5,101,500	5,101,500	-
Other	2,004,520	2,004,520	-
TOTAL PRIMARY CONSTRUCTION	\$199,086,954	\$177,800,309	(\$21,286,645)
CONSTRUCTION	12,554,714	14,079,490	1,524,776
FEDERAL	186,532,240	163,720,819	(22,811,421)

Highway System Acquisition and Construction (603)

SECONDARY CONSTRUCTION (603006)

The purpose of the secondary construction service area is to design and prepare plans, acquire needed land and construct roads and bridges on the secondary highway system.

Historically, the secondary construction program received 30% of the funds available for state formula distribution and allocated to the counties. The FY 2015 funds are distributed by the CTB, MPOs, and by the new CTB Formula with recommended allocations to projects on the Secondary System. There are no funds available for the state construction formula distribution in FY 2015.

SECONDARY CONSTRUCTION (603006)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
CMAQ	\$7,625,560	\$7,625,560	\$ -
CMAQ Match	1,906,390	1,906,390	-
CTB Formula	3,888,249	667,042	(3,221,207)
CTB Formula - 5% to Unpaved	6,204,148	1,912,527	(4,291,621)
NHPP	-	-	-
NHPP Soft Match	-	-	-
STP Bridge	10,778,260	11,096,234	317,974
STP Bridge Soft Match	2,694,565	2,774,059	79,494
STP BROS	10,917,574	10,917,574	-
STP BROS Soft Match	2,729,394	2,729,394	-
STP Regional	10,282,783	10,675,306	392,523
STP Regional Match	2,570,695	2,668,826	98,131
STP Statewide	-	-	-
STP Statewide Soft Match	-	-	-
STP Under 200,000	-	-	-
STP Under 200,000 Soft Match	-	-	-
STP Under 5,000	1,728,070	1,728,070	-
STP Under 5,000 Soft Match	432,019	432,019	-
Tele Fees	8,783,556	8,783,556	-
Other	1,112,429	1,112,429	-
CONSTRUCTION	\$71,653,692	\$65,028,986	(\$6,624,706)
CONSTRUCTION	23,483,463	16,068,766	(7,414,697)
FEDERAL	48,170,229	48,960,220	789,991

Highway System Acquisition and Construction (603)

URBAN CONSTRUCTION (603007)

The purpose of the urban construction service area is to design and prepare plans, acquire needed land and construct roads and bridges on the urban highway system.

Historically, the urban construction program received 30% of the funds available for state formula distribution and allocated to the cities and towns. The FY 2015 funds are distributed by the CTB, MPOs, and by the new CTB Formula with recommended allocations to projects on the Urban System. There are no funds available for the state construction formula distribution in FY 2015.

URBAN CONSTRUCTION (603007)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
CMAQ	\$10,262,402	\$10,262,402	\$ -
CMAQ State Match	2,565,602	2,565,602	-
CTB Formula	4,825,449	1,487,521	(3,337,928)
NHPP	-	845,960	845,960
NHPP Soft Match	-	211,490	211,490
NHPP Bridge	640,000	640,000	-
NHPP Bridge Soft Match	160,000	160,000	-
STP BROS	321,040	321,040	-
STP BROS Soft Match	80,260	80,260	-
STP Regional	19,845,399	17,445,399	(2,400,000)
STP Regional State Match	4,961,351	4,361,351	(600,000)
STP Statewide	444,241	444,241	-
STP Statewide Soft Match	111,060	111,060	-
STP Under 200,000	-	-	-
STP Under 200,000 Soft Match	-	-	-
STP Under 5,000	-	-	-
STP Under 5,000 Soft Match	-	-	-
Other	3,259,113	3,259,113	-
TOTAL URBAN CONSTRUCTION	\$47,475,917	\$42,195,439	(\$5,280,478)
CONSTRUCTION	13,689,640	9,751,712	(3,937,928)
FEDERAL	33,786,277	32,443,727	(1,342,550)

Highway System Acquisition and Construction (603)

The purpose of the construction management program is to provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

CONSTRUCTION MANAGEMENT (603015)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
TOTAL CONSTRUCTION MANAGEMENT	\$26,487,397	\$25,560,326	(\$927,071)
TTF	26,487,397	25,560,326	(927,071)

Highway System Maintenance (604)

The maintenance program consists of:

Interstate Maintenance (604001) - To preserve the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Primary Maintenance (604002) - To preserve the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Secondary Maintenance (604003) - To preserve the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Transportation Operations Services (604004) - To improve mobility, safety, travel time reliability and security on the transportation system through the deployment of a variety of operational strategies including regional smart traffic centers, emergency services, traveler services, congestion management and traffic signalization optimization.

Highway Maintenance Program Management and Direction (604005) - To provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

HIGHWAY SYSTEM MAINTENANCE (604)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)	
Interstate Maintenance (604001)	\$294,334,929	\$310,834,929	\$16,500,000	
Primary Maintenance (604002)	394,959,326	404,959,326	10,000,000	
Secondary Maintenance (604003)	559,027,742	602,861,755	43,834,013	
Transportation Operations Services (604004)	189,372,246	189,372,246	-	
Highway Maintenance Program Management & Direction (604005)	75,011,338	72,532,610	(2,478,728) ⁴	
TOTAL HIGHWAY SYSTEM MAINTENANCE	\$1,512,705,581	\$1,580,560,866	\$ 67,855,285	
	HMOF	1,317,259,824	1,247,689,473	(69,570,351) ⁶
	FEDERAL	195,445,757	332,871,393	137,425,636 ⁷

Commonwealth Toll Facilities (606)

Revenues collected from toll facilities contribute to Virginia's safe and effective transportation system. Currently, there are ten toll facilities in Virginia: George P. Coleman Toll Facility, Dulles Toll Road, Dulles Greenway, Chesapeake Bay Bridge-Tunnel, Chesapeake Expressway, Downtown Expressway/Powhite Parkway, the Boulevard Bridge, Pocahontas Parkway, 495 Express Lanes, South Norfolk Jordan Bridge, and the Downtown Tunnel, Midtown Tunnel, and Martin Luther King Extension Project. Of these facilities, two are currently owned and operated by VDOT: Powhite Parkway Extension Toll Road in Chesterfield County and George P. Coleman Bridge in Gloucester County. The remaining eight toll roads are operated by other

Toll Facility Debt Service (606002) - To provide for the debt service requirements of the debt-financed toll facilities. The bond indentures for the toll facilities require the Commonwealth Transportation Board (CTB) to set toll rates for all classes of vehicles which will provide sufficient net revenues to meet the facility's obligations. Toll roads are typically constructed with debt financing and the subsequent toll collection revenues are used for debt service payments. The remaining state-owned facility collecting tolls to pay debt service on outstanding bonds is the George P. Coleman Bridge located between Gloucester and York counties. The bonds issued to finance the Powhite Parkway Extension have been retired, but the toll revenues are needed to repay the outstanding debts of the facility owed to VDOT and Chesterfield County.

Toll Facility Maintenance and Operation (606003) - To provide for the operational costs of the two toll facilities operated by VDOT: the George P. Coleman Bridge and the Powhite Parkway Extension Toll Road. All operating costs associated with that facility are to be paid out of the revenues generated by that facility. Customer service and toll collection are toll facilities' main operations.

Toll Facilities Revolving Fund (606004) - To provide a method to finance and/or refinance existing and potential toll facilities. Interest earnings on the Construction Fund and Highway Maintenance and Operating Fund are deposited in this account. Funds allocated from the Toll Facilities Revolving Account intended for planned or operating toll facilities are considered advance funding in which the Toll Facilities Revolving Account must be reimbursed.

COMMONWEALTH TOLL FACILITIES (606)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
Debt Service (606002)	\$3,191,100	\$3,191,100	\$ -
Maintenance & Operations (606003)	12,808,900	12,808,900	-
Toll Facilities Revolving (606004)	17,871,726	17,871,726	-
TOTAL TOLL FACILITIES	\$33,871,726	\$33,871,726	\$ -
POWHITE	10,000,000	10,000,000	-
COLEMAN	6,000,000	6,000,000	-
TOLL FACILITIES REVOLVING	17,871,726	17,871,726	-

Financial Assistance to Localities (607)

Financial Assistance to Localities consists of:

Financial Assistance for City Road Maintenance (607001) - To provide monetary support to localities for capital improvements and/or maintenance of roads and/or transportation facilities. Direct financial assistance is provided to 84 cities and towns to maintain, operate, and improve their arterial and collector roads and local streets. The level of assistance to the respective local governments for maintenance expenditures is based on the number of qualifying lane-miles in each locality and available funding.

Financial Assistance for County Road Maintenance (607002) - Provide monetary support in lieu of maintenance services to localities for road maintenance and upkeep where such localities have elected to maintain their own highway systems. Currently, Henrico and Arlington maintain their own roads.

Financial Assistance for Planning, Access Roads, and Special Projects (607004) - To manage and distribute funding for recreational and industrial access programs and the Metropolitan Planning federal grant program. The Recreational Access Program provides funding for roads and bikeways to new or expanding non-federal, non-commercial public parks and historic sites. Access roads for qualifying airports and industrial sites, and access tracks for qualified rail users are provided through VDOT's Industrial, Airport, and Rail Access Fund. The Metropolitan Planning Grants are federal funds available to support activities undertaken by Metropolitan Planning Organizations (MPOs) to develop long-range transportation plans and transportation improvement programs.

Distribution of Northern Virginia Transportation Authority Fund Revenues (607006) - To transfer state regional tax revenues to the Northern Virginia Transportation Authority to fund local and regional transportation projects.

Construction Program Supported by the Hampton Roads Transportation Fund (607007) - Efforts to use regional tax revenue to fund local and regional transportation projects in Hampton Roads, as approved by the Hampton Roads Transportation Planning Organization.

FINANCIAL ASSISTANCE TO LOCALITIES (607)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
Financial Assistance for City Road Maintenance (607001)	\$348,683,534	\$348,683,534	\$ -
Financial Assistance for County Road Maintenance (607002)	62,006,002	62,006,002	-
Financial Assistance for Planning, Access Roads, & Special Projects (607004)	14,265,188	14,265,188	-
Distribution of Northern Virginia Transportation Authority Fund Revenues	299,276,334	299,276,334	-
Construction Program Supported by Hampton Roads Transportation Fund (607007)	155,928,133	155,928,133	-
TOTAL FINANCIAL ASSISTANCE TO LOCALITIES	\$880,159,191	\$880,159,191	\$ -
HMOF	410,689,536	410,689,536	-
CONSTRUCTION	7,807,243	7,807,243	-
FEDERAL	6,457,945	6,457,945	-
NORTHERN VIRGINIA REGIONAL FUND	299,276,334	299,276,334	-
HAMPTON ROADS REGIONAL FUND	155,928,133	155,928,133	-

Non-Toll Supported Transportation Debt Service (612)

Non-Toll Supported Transportation Debt Service consists of:

Highway Transportation Improvement District Debt Service (612001) - To provide for the debt service requirements of the bonds sold to finance transportation improvements in special tax districts. There is currently only one such district, the State Route 28 Highway Transportation Improvement District in Fairfax and Loudoun counties.

Designated Highway Corridor Debt Service (612002) - To provide for the debt service requirements of the bonds sold to finance transportation improvements in special designated highway corridors. The Commonwealth Transportation Board has issued transportation revenue bonds for the U.S. Route 58 Corridor Development Program, the City of Chesapeake Oak Grove Connector Project, and the Northern Virginia Transportation District (NVTD) Program.

Federal Highway Revenue Anticipation Notes Debt Service (612003) - To provide for the debt service requirements of the Federal Highway Reimbursement Anticipation Notes (FRANs) sold to finance transportation improvements in the Commonwealth.

Commonwealth Transportation Capital Projects Bond Act Debt Service (612004) - To provide for the debt service requirements of the bonds sold to finance transportation improvements under the Commonwealth Transportation Capital Projects Bond Act.

Federal Transportation Grant Anticipation Revenue Notes Debt Service (612005) - To provide for the debt service requirements of the bonds sold as Federal Transportation Grant Anticipation Revenue bonds (GARVEEs).

Non-Toll Supported Transportation Debt Service (612)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
Highway Transportation Improvement Debt Service (612001)	\$7,216,819	\$7,216,819	\$ -
Designated Highway Corridor Debt Service (612002)	83,327,049	83,327,049	-
Federal Highway Reimbursement Anticipation Notes Debt Service (612003)	31,717,220	31,717,220	-
Capital Projects Bonds/Reserve (612004)	138,678,705	138,678,705	-
Federal Transportation Grant Anticipation Revenue Notes Debt Service (612005)	64,733,388	64,733,388	-
Other	-	10,500,000	10,500,000
TOTAL NON-TOLL SUPPORTED DEBT SERVICE	\$325,673,181	\$336,173,181	\$10,500,000
FRANS	31,717,220	31,717,220	-
NVTD	32,375,049	32,375,049	-
OAK GROVE	2,224,500	2,224,500	-
ROUTE 28	7,216,819	7,216,819	-
PTF	-	10,500,000	10,500,000
CPR BONDS	138,678,705	138,678,705	-
ROUTE 58	48,727,500	48,727,500	-
FEDERAL	64,733,388	64,733,388	-

Administrative & Support Services (699)

Administrative and Support Services is comprised of:

General Management and Direction (699001) - To provide for the general administrative management, direction and support activities of VDOT. This includes, but is not limited to, accounting services, human resources, succession planning, health and safety services, procurement, facilities management, management studies, policy analysis, process improvements, performance management, internal auditing, innovative financing, financial planning services and oversight of compensation programs for all VDOT employees.

Information Technology Services (699002) - To provide for administrative management, direction and infrastructure support for tasks including, but not limited to, automated data processing services for citizens and visitors to the Commonwealth, Virginia's legislative bodies, other state and local government agencies as well as its own Department of Transportation employees.

Facilities and Grounds Management Services (699015) - To provide physical plant maintenance needs to VDOT facilities. This maintenance work is considered ordinary or routine nature and includes the cost of labor, equipment and materials to make minor repairs to utilities such as plumbing, heating, and electrical; and the maintenance of driveways, parking lots, and yards. The service area also funds small renovation/alteration projects that cost no more than \$10,000.

Employee Training and Development (699024) - To provide Employee Training and Development services to VDOT. This includes traditional classroom training and related development activities and tuition reimbursement.

ADMINISTRATIVE & SUPPORT SERVICES (699)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
General Management & Direction (699001)	\$138,452,390	\$136,552,026	(\$1,900,364) ⁺
Information Technology Services (699002)	95,063,329	93,947,413	(1,115,916) ⁺
Facilities and Grounds Management Services (699015)	15,495,222	15,477,227	(17,995) ⁺
Employee Training & Development (699024)	15,947,270	15,831,170	(116,100) ⁺
TOTAL ADMINISTRATIVE & SUPPORT SERVICES	\$264,958,211	\$261,807,836	(\$3,150,375)
HMOF	256,145,378	252,995,003	(3,150,375)
CONSTRUCTION	812,833	812,833	-
FEDERAL	8,000,000	8,000,000	-

VDOT Capital Outlay (998)

Capital Outlay funding is provided to support the agency's building and renovation needs as well as Maintenance Reserve needs. This funding may be used for acquisition of real property (including buildings or plant) or machinery or equipment, new construction, and improvements related to state-owned real property, buildings, plant, machinery or equipment (including plans therefore), as defined in the *Code of Virginia*. All capital outlay projects must be approved by the Governor and General Assembly via the Six-Year Capital Improvement Plan and the Biennial Budget. VDOT receives direction from the Department of Planning and Budget and the Department of General Services on the development and execution of the Capital Outlay Program.

VDOT CAPITAL OUTLAY (998)	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
TOTAL VDOT CAPITAL OUTLAY	\$38,009,317	\$38,009,317	\$ -
CONSTRUCTION	38,009,317	38,009,317	-

Support to Other State Agencies

VDOT provides funding to other agencies to cover support activities and services related to the transportation programs.

SUPPORT TO OTHER STATE AGENCIES	FY 2015	REVISED FY 2015	INCREASE (DECREASE)
Transportation Appropriation to Other Agencies			
Department of Education	\$243,919	\$243,919	\$ -
Marine Resources Commission	313,768	313,768	-
Secretary of Transportation	831,149	831,149	-
Department of State Police	8,185,295	8,185,295	-
Department of Minority Business Enterprise	1,453,283	1,453,283	-
Department of Historic Resources	100,000	100,000	-
Department of Rail & Public Transportation	-	-	-
Department of Emergency Management	1,170,639	1,170,639	-
Department of Motor Vehicles	14,815,624	14,815,624	-
Virginia Port Authority	2,550,023	2,550,023	-
Department of Treasury	185,187	185,187	-
Virginia Liaison Office	147,501	147,501	-
Virginia Commercial Space Flight Authority	15,800,000	15,800,000	-
Virginia Port Authority – Ch. 2, item 454, D.	-	3,100,000	3,100,000
Office of the State Inspector General	1,777,321	1,777,321	-
SUBTOTAL	47,573,709	50,673,709	3,100,000
Transfers to the General Fund			
Department of General Services	362,854	362,854	-
Department of Agriculture & Conservation Services	97,586	97,586	-
Chesapeake Bay Initiatives	7,416,469	7,416,469	-
Telecommunication Contract Savings	-	-	-
Indirect Costs	3,028,317	3,028,317	-
Department of Taxation	2,883,627	2,883,627	-
SUBTOTAL	13,788,853	13,788,853	-
Transfers to Other Agencies			
Department of Motor Vehicles (fuel tax evasion)	1,500,000	1,500,000	-
SUBTOTAL	1,500,000	1,500,000	-
TOTAL SUPPORT TO OTHER STATE AGENCIES	\$62,862,562	\$65,962,562	\$3,100,000
HMOF	43,698,187	43,698,187	-
CONSTRUCTION	19,069,794	22,169,794	3,100,000
TOLL FACILITIES REVOLVING	23,129	23,129	-
TPOF	71,452	71,452	-

The following table summarizes VDOT's budget by major program and major fund.

Program	HMOF	Construction	Federal	Bonds	Other*	Total
Environmental Monitoring and Evaluation (514)	\$ -	\$13,251,385	\$ -	\$ -	\$ -	\$13,251,385
Ground Transportation Planning & Research (602)	15,371,692	34,907,346	17,657,282	-	-	67,936,320
Highway System Acquisition and Construction (603)	-	566,665,941	476,584,247	-	30,026,663	1,073,276,851
Highway System Maintenance (604)	1,247,689,473	-	332,871,393	-	-	1,580,560,866
Commonwealth Toll Facilities (606)	-	-	-	-	33,871,726	33,871,726
Financial Assistance to Localities (607)	410,689,536	7,807,243	6,457,945	-	455,204,467	880,159,191
Non-Toll Supported Transportation Debt Service (612)	-	-	64,733,388	-	271,439,793	336,173,181
Administrative and Support Services (699)	252,995,003	812,833	8,000,000	-	-	261,807,836
VDOT Capital Outlay (998)	-	38,009,317	-	-	-	38,009,317
Support to Other State Agencies	43,698,187	22,169,794	-	-	94,581	65,962,562
Support to DRPT Programs	-	3,797,301	-	-	-	3,797,301
Support to Ports	-	372,765	-	-	-	372,765
TOTAL	\$1,970,443,891	\$687,793,925	\$906,304,255	\$0	\$790,637,230	\$4,355,179,301

* - Other includes tolls, PTF, Route 58, Route 28, Oak Grove, TPOF, and Regional Transportation Funds.

Budget Comparison Schedule for Revised FY 2015

Revenues

Revenue provided by the General Fund of the Commonwealth	\$ 40,000,000
Taxes	2,826,079,172
Rights and privileges	317,118,020
Sale of property and commodities	-
Interest, dividends, and rents	15,704,173
Fines, forfeitures, court fees	-
Penalties, and escheats	1,778,587
Receipts from localities and private sector	196,335,140
Federal grants and contracts	906,304,255
Toll revenues	26,984,704
Other	60,305,379
Total Revenues	<u>4,390,609,430</u>
Other Financing Sources	
Other financing sources	(35,430,129)
Bond proceeds	-
Note proceeds	-
Transfers from other state agencies and General Fund	-
Transfers in	-
Total Other Financing Sources	<u>(35,430,129)</u>
Total Revenues and Other Sources	<u><u>\$4,355,179,301</u></u>

Budget Comparison Schedule for Revised FY 2015

Expenditures	
Administrative and support services	\$ 261,807,836
Ground transportation system planning and research	67,936,320
Highway system acquisition and construction	1,073,276,851
Highway system maintenance	1,580,560,866
Financial assistance to localities	880,159,191
Environmental monitoring and compliance	13,251,385
Toll facility operations and construction	33,871,726
Capital outlay	38,009,317
Debt Service	336,173,181
Total Expenditures	<u>4,285,046,673</u>
Other Financing Uses	
Other financing uses	-
Transfers to other state agencies and General Fund	70,132,628
Transfers out	-
Total Other Financing Uses	<u>70,132,628</u>
Total Expenditures and Other Uses	<u><u>\$ 4,355,179,301</u></u>
Revenues and Other Sources Over (Under) Exenditures and Other Uses	<u><u>\$ -</u></u>

Index: Acronyms and Terminology

Term	Description
BROS	Bridge Off-System
CMAQ	Congestion Mitigation and Air Quality
CPR	Capital Projects Revenue Bonds
CTB Formula	The <i>Code of Virginia</i> calls for the Allocation of funds among highway systems (§ 33.1-23.1). The section was updated during the 2012 General Assembly session with the addition of the CTB Formula. Through FY 2020, up to \$500 million of funds available may be distributed in the following manner: 25% Bridge, 25% High Priority Projects, 25% Interstate and Primary and Primary Extension Pavements, 15% Public-Private Transportation Act Projects, 5% Unpaved roads, and 5% to Smart Roadway Technology.
DRPT	Department of Rail and Public Transportation
FHWA	Federal Highway Administration
FRANs	Federal Reimbursement Anticipation Notes
GARVEE	Federal Grant Anticipation Revenue Bonds
HMOF	Highway Maintenance and Operating Fund
MWAA	Metropolitan Washington Airports Authority
NHPP	National Highway Performance Program
NHPP APD	National Highway Performance Program dedicated to the Appalachian Development Program
NHPP Bridge	National Highway Performance Program dedicated to Bridges
NVTD	Northern Virginia Transportation District
Oak Grove	City of Chesapeake Oak Grove Connector Project Bonds
PTF	Priority Transportation Fund
Soft Match	The budget contains a significant application of Toll Credits that are used as "soft match" to meet the nonfederal share matching requirements. Section 120(j) of Title 23 permits states to substitute certain previous toll-financed investments for state matching funds on current Federal-aid projects. It permits the non-Federal share of a project's cost to be met through a "soft match" of toll credits. The federal share on most projects in the future can effectively be increased up to 100 percent. However, the use of soft match does not increase the federal funding available to Virginia.
STP	Surface Transportation Program
STP Bridge	Surface Transportation Program dedicated to Bridges
STP Regional	Federal allocation that is to be used in urbanized areas with population greater than 200,000 - This portion is to be divided among those areas based on their relative share of population
STP Statewide	Surface Transportation Program suballocation that may be used in any area of the State
STP Under 200,000	Federal allocation that is to be used in areas with population greater than 5,000 but no more than 200,000
STP Under 5,000	Federal allocation that is to be used in areas with population of 5,000 or less
TAP	Transportation Alternatives Program
Tele Fees	Allocation of revenue from Public Rights-of-Way Use Fee to a provider of telecommunications service
Toll Facilities Revolving	Toll Facilities Revolving Account
TPOF	Transportation Partnership Opportunity Fund
TTF	Transportation Trust Fund

Endnotes

Endnote Number	Description
1	<p>The interim revenue estimate provided in August 2014 updated anticipated collections for several major sources of revenue to the Highway Maintenance and Operating Fund. These include: Motor Vehicle Sales and Use Tax, Motor Vehicle License Fees, Retail Sales and Use Tax, International Registration Plan and Recordation Tax.</p> <p>Adjustments to Other Revenue for the HMOF and TTF include the use of prior year balances used to mitigate reductions to core programs.</p> <p>The interim revenue estimate provided in August 2014 updated anticipated collections for several major sources of revenue to the Transportation Trust Fund. These include: Motor Vehicle Sales and Use Tax, Motor Vehicle License Fees, Retail Sales and Use Tax and Recordation Tax.</p> <p>An increase is also reflected in the revenue estimate for Insurance Premium Tax that is dedicated to the Priority Transportation Fund.</p>
2	<p>Additional Federal Funding is reflected in the revised budget with the inclusion of Bonus Obligation Authority provided in the amount of \$65.4 million. The adjustment also includes \$1.4 million undesignated federal allocation from prior years that was not needed for GARVEE debt service. Other changes to federal revenue reflect updates to the Six-Year Improvement Program between what is programmed for VDOT and for DRPT. Federal funding programmed to projects for DRPT is not included in the VDOT Budget.</p>
3	<p>Adjustments to Other Revenue for the Construction Fund include the use of prior year balances used to mitigate reductions to core programs. The dedicated allocation from Virginia Port Authority for the Route 460 Improvement Project is removed in the revised budget for FY 2015.</p>
4	<p>Adjustments include administrative reductions to mitigate reductions to core programs.</p>
5	<p>Reflects adjustment required based on reduced revenue estimate and administrative reductions in Construction Management.</p>
6	<p>Adjusted allocation reflects additional federal allocation provided to the Maintenance and Operations Program to mitigate the State funding reductions required for the Construction Program. It also reflects the addition of Bonus Obligation Authority for Construction Projects.</p>
7	<p>Additional allocation for Support to Other State Agencies reflects actions required by Chapter 2, 2014 Appropriation Act. This action is enumerated in Item 454, D.</p>