



Fiscal Year 2011-2012

VDOT Annual Budget
June 2011



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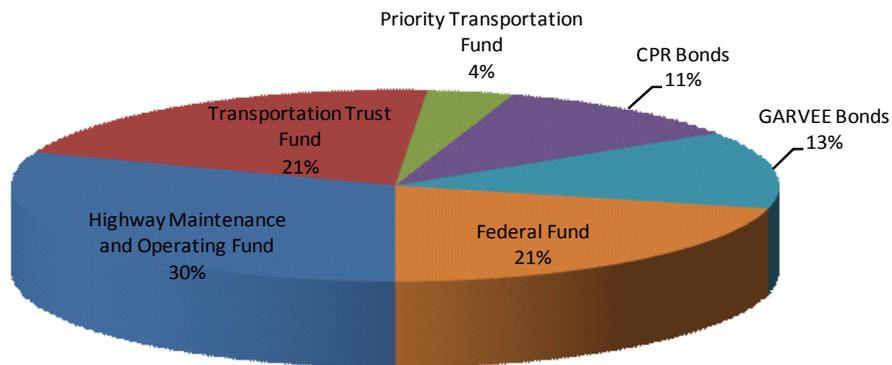
Overview

The Fiscal Year 2012 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 most recent official state revenue forecast from December 2010 and estimated federal funding. The VDOT Budget for FY 2012 totals \$4,763,560,697, a 43.0% increase from the FY 2011 Budget.

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).

The VDOT Budget includes the proceeds and related allocations of the VDOT's portion of the bonds planned to be issued in FY 2012 related to Governor McDonnell's Omnibus Transportation Funding Bill. The bond proceeds are the main driver for the increase over the FY 2011 budget. The planned bond proceeds are from the second of three planned \$600 million CPR issues and \$48.6 million received from the premium from the previous sales. It also includes the proceeds of \$623 million from direct GARVEEs, the first issue supporting the \$1.1 billion of direct GARVEEs anticipated over three years. The bond proceeds will support projects identified in the Six-Year Improvement Program.

Sources of Transportation Funds

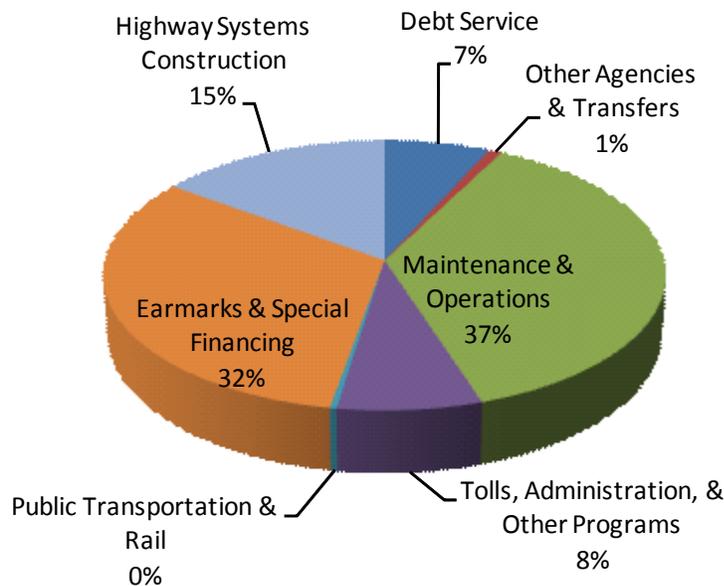


Highway Maintenance and Operating Fund	\$1,459,807,193
Transportation Trust Fund	985,777,773
Priority Transportation Fund	173,974,103
CPR Bonds	513,875,049
GARVEE Bonds	623,305,000
Federal Fund	1,006,821,579
Total	\$4,763,560,697

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 2011	FY 2012	INCREASE (DECREASE)
Debt Service	\$257,696,691	\$321,699,460	\$64,002,769
Other Agencies & Transfers	36,521,428	40,746,451	4,225,023
Maintenance & Operations	1,697,573,095	1,779,134,010	81,560,915
Tolls, Administration, & Other Programs	350,831,316	356,764,832	5,933,516
Public Transportation & Rail	17,845,250	16,420,165	(1,425,085)
Earmarks & Special Financing	306,761,568	1,536,938,088	1,230,176,520
Highway Systems Construction	656,815,455	711,857,691	55,042,236
Total	\$3,324,044,803	\$4,763,560,697	\$1,439,515,894



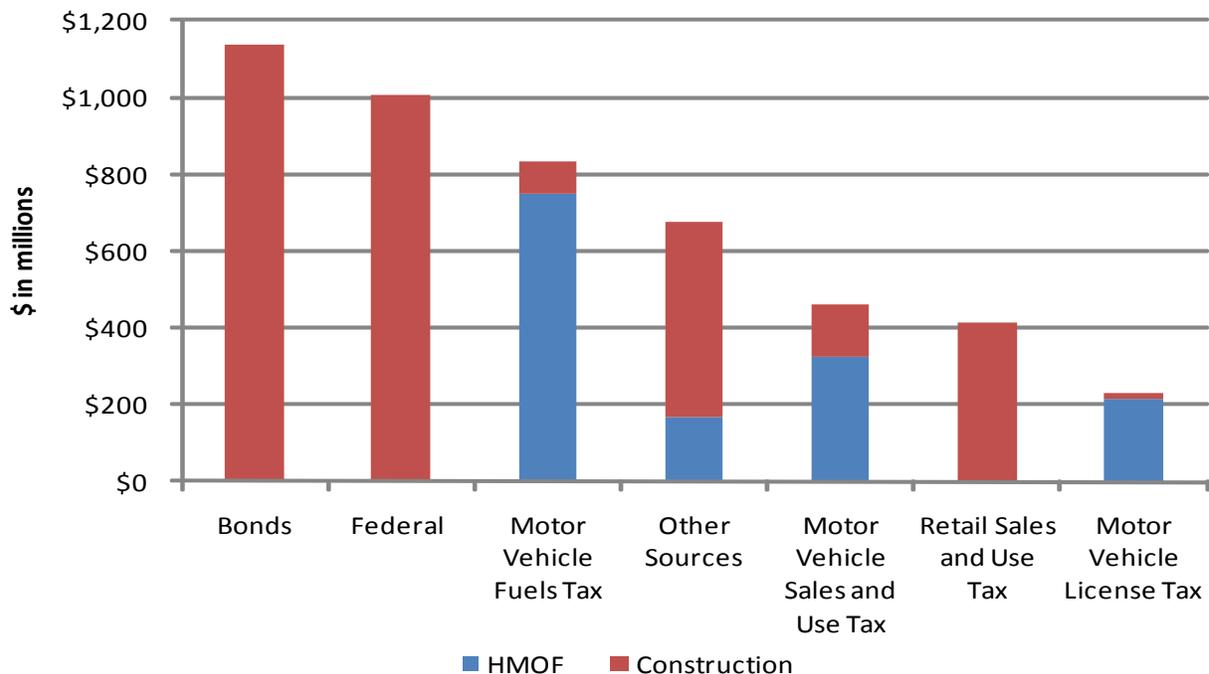
Revenues

VDOT's revenues are specifically designated for transportation. Four primary state taxes provide for transportation in Virginia: Motor Fuels Tax, Motor Vehicle Sales and Use Tax, Motor Vehicle License Fee, and State Sales and Use Tax. The following table summarizes VDOT's FY 2012 revenues.

Source	HMOF	Construction*	TOTAL
Motor Fuels Tax	\$749,900,000	\$84,445,100	\$834,345,100
Vehicle Sales and Use Tax	325,400,000	136,623,200	462,023,200
Vehicle License Tax	216,100,000	16,763,100	232,863,100
Retail Sales and Use Tax	0	413,647,200	413,647,200
Bonds	0	1,137,180,049	1,137,180,049
PTF	0	169,270,057	169,270,057
Other Sources	168,407,193	339,003,219	507,410,412
Federal	0	1,006,821,579	1,006,821,579
Transfer to HMOF	447,767,163	(447,767,163)	0
TOTAL	\$1,907,574,356	\$2,855,986,341	\$4,763,560,697

* Includes highway share of TTF, Federal, CPR Bonds, GARVEE Bonds & other special funds

** Other Sources includes Revised Revenue Estimates from 2011, Special Financing, Tolls, Local Revenues, etc.

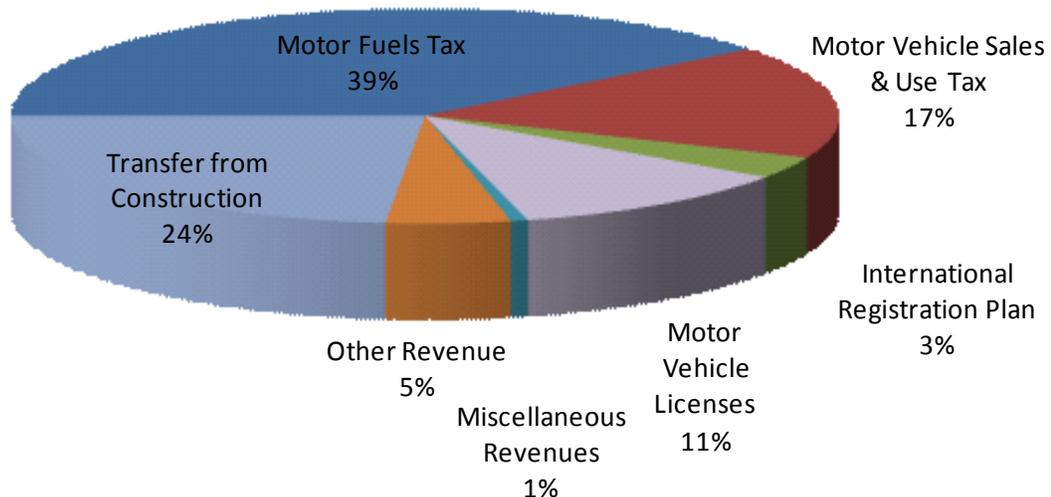


Highway Maintenance & Operating Fund

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 2011	FY 2012	Difference
Motor Fuels Tax	\$726,800,000	\$749,900,000	\$23,100,000
Motor Vehicle Sales & Use Tax	272,700,000	325,400,000	52,700,000
International Registration Plan	60,300,000	63,200,000	2,900,000
Motor Vehicle Licenses	221,300,000	216,100,000	(5,200,000)
Miscellaneous Revenues	12,700,000	12,900,000	200,000
Other Revenue	39,717,731	92,307,193	52,589,462
Transfer from Construction	510,998,018	447,767,163	(63,230,855)
Total	\$1,844,515,749	\$1,907,574,356	\$63,058,607

HMOF Revenue Sources FY 2012

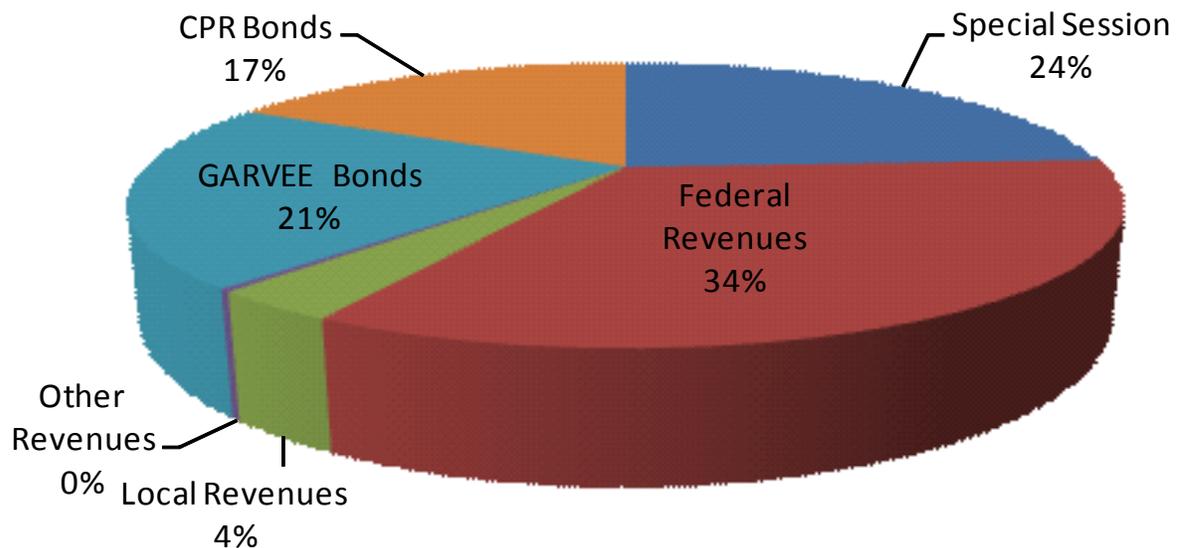


Transportation Trust Fund - Construction

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. Special Session funds include 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 Revenue Sources	FY 2011	FY 2012	Difference
Special Session	\$634,529,210	\$717,911,259	\$83,382,049
Federal Revenues	881,333,645	1,006,821,579	125,487,934
Local Revenues	59,007,419	102,382,495	43,375,076
Other Revenues	30,613,346	9,170,388	(21,442,958)
GARVEE Bonds	0	623,305,000	623,305,000
CPR Bonds	132,371,899	513,875,049	381,503,150
Total	\$1,737,855,519	\$2,973,465,770	\$1,235,610,251

Construction Revenue by Source FY 2012

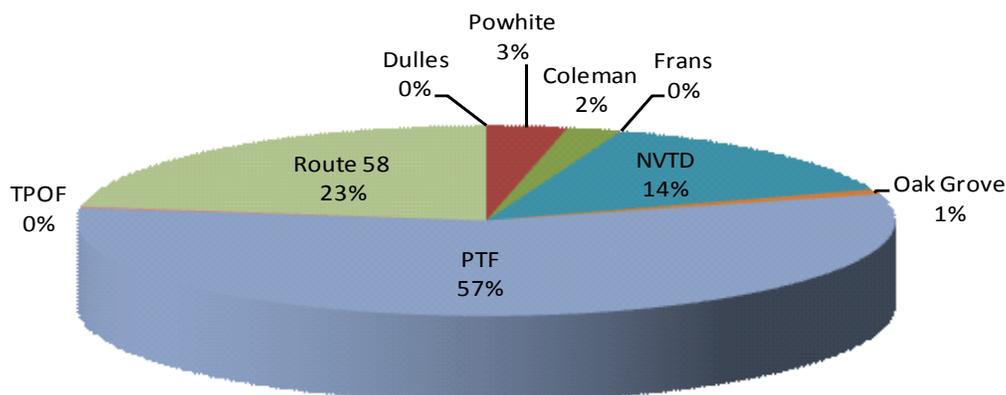


Other Fund Revenues

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 Revenue	FY 2011	FY 2012	Difference
Dulles	\$2,000,000	\$0	(\$2,000,000)
Powwhite	9,306,819	9,860,336	553,517
Coleman	6,327,814	6,689,048	361,234
FRANs	5,000	4,000	(1,000)
Northern Virginia Transportation District	39,312,597	43,982,622	4,670,025
Oak Grove	2,640,000	2,640,000	0
Priority Transportation Fund	152,585,000	173,974,103	21,389,103
Transportation Partnership Opportunity Fund	388,000	1,017,000	629,000
Route 58	32,577,488	69,678,000	37,100,512
Route 28	7,528,835	7,529,625	790
Other	0	14,663,000	14,663,000
Total	\$252,671,553	\$330,037,734	\$77,366,181
Total Construction Major Sources (page 8)	1,737,855,519	2,973,465,770	1,235,610,251
Transfer to HMOF	(510,998,018)	(447,767,163)	63,230,855
Total Construction Fund	\$1,479,529,054	\$2,855,736,341	\$1,376,207,287

Other Fund Revenue FY 2012



VDOT Program Descriptions & Allocations

Summary of Allocations by Program

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

	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
Environmental Monitoring and Evaluation (514)	\$12,488,085	\$11,803,292	(\$684,793)
Ground Transportation Planning and Research (602)	41,635,095	65,395,932	23,760,837
Highway System Acquisition and Construction (603)	983,944,626	2,254,451,973	1,270,507,347
Highway System Maintenance (604)	1,345,265,474	1,412,550,772	67,285,298
Commonwealth Toll Facilities (606)	51,055,893	49,738,455	(1,317,438)
Financial Assistance to Localities (607)	367,149,862	379,714,477	12,564,615
Non-Toll Supported Transportation Debt Service (612)	248,198,591	314,583,118	66,384,527
Administrative and Support Services (699)	217,440,499	215,656,062	(1,784,437)
VDOT Capital Outlay (998)	2,500,000	2,500,000	0
Support to Other State Agencies	42,420,163	46,494,253	4,074,090
Support to Ports	519,437	0	(519,437)
Support to DRPT Programs	11,427,078	10,672,363	(754,715)
TOTAL	\$3,324,044,803	\$4,763,560,697	\$1,439,515,894

Environmental Monitoring and Evaluation (514)

The Environmental Program consists of the following service areas:

Environmental Monitoring and Compliance for Highway Projects (51408) - 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 (51409) - 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 (5140000)	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
Environmental Monitoring & Compliance for Highway Projects (51408)	\$10,364,773	\$9,760,940	(\$603,833)
Environmental Monitoring Program Management (51409)	2,123,312	2,042,352	(80,960)
TOTAL ENVIRONMENTAL MONITORING & EVALUATION	\$12,488,085	\$11,803,292	(\$684,793)
HMOF	12,488,085	11,803,292	(684,793)

Ground Transportation Planning & Research (602)

Ground Transportation Planning and Research is comprised of:

Ground Transportation System Planning (60201) - 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. This includes Land Development activities related to the implementation of Chapter 527. The increased funding in fiscal year 2012 includes additional state funding in the amount of \$10 million for pre-scoping activities.

Ground Transportation System Research (60202) - 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. Additional funding recommended for fiscal year 2012 includes \$10 million of state funding for research incentives and implementation as identified in the Research Council Audit.

Ground Transportation Program Management and Direction (60204) - 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 (6020000)	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
Ground Transportation System Planning (60201)	\$37,203,983	\$50,492,044	\$13,288,061
Ground Transportation System Research (60202)	1,720,427	11,872,899	10,152,472
Ground Transportation Program Management & Direction (60204)	2,710,685	3,030,989	320,304
TOTAL PLANNING & RESEARCH	\$41,635,095	\$65,395,932	\$23,760,837
HMOF	4,067,899	14,337,864	10,269,965
CONSTRUCTION	19,257,035	29,586,696	10,329,661
FEDERAL	18,310,161	21,471,372	3,161,211

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. The outlook for FY 2012 remains the same without any construction formula allocations.

The Construction allocations include VDOT's share of the planned proceeds from the issuance of the CPR and the GARVEE bonds provided by the Governor's Omnibus Transportation Funding Bill.

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 (6030000)	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
Dedicated and Statewide Construction (60302)	\$291,919,327	\$1,523,806,849	\$1,231,887,522
Interstate Construction (60303)	306,041,330	314,011,405	7,970,075
Primary Construction (60304)	221,458,401	233,348,661	11,890,260
Secondary Construction (60306)	64,669,474	66,365,164	1,695,690
Urban Construction (60307)	64,646,250	98,132,461	33,486,211
Construction Management (60315)	35,209,844	18,787,433	(16,422,411)
TOTAL CONSTRUCTION	\$983,944,626	\$2,254,451,973	\$1,270,507,347
HMOF	35,209,844	18,787,433	(16,422,411)
CONSTRUCTION	111,912,374	286,245,317	174,332,943
FEDERAL	695,419,238	760,745,817	65,326,579
NVTD	4,824,079	25,486,104	20,662,025
OAK GROVE	413,250	410,250	(3,000)
FRANS	1,208,000	4,000	(1,204,000)
ROUTE 58	387,942	22,313,012	21,925,070
TPOF	2,193,000	1,016,991	(1,176,009)
GARVEE BONDS	0	623,305,000	623,305,000
CONCESSION	5,000	2,263,000	2,258,000
CPR BONDS	132,371,899	513,875,049	381,503,150

The following pages detail each construction service area.

Highway System Acquisition and Construction (603)

Dedicated and Statewide Construction (60302)

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 (6030200)	ALLOCATION	RECOMMENDED	INCREASE
	2010-11	2011-12	(DECREASE)
Revenue Sharing	\$30,000,000	\$100,000,000	\$70,000,000
Safety	45,540,581	30,337,967	(15,202,614)
Safety Match	5,060,064	3,989,106	(1,070,958)
Enhancement	17,406,933	24,857,398	7,450,465
Participating Project Costs	15,000,000	15,000,000	0
Statewide and Regional Projects	17,282,332	513,875,049	496,592,717
TPOF	387,942	51,016,991	50,629,049
STP Regional	3,401,350	8,939,336	5,537,986
STP Regional Match	850,337	2,234,834	1,384,497
CMAQ	15,315,386	21,001,995	5,686,609
CMAQ Match	3,695,291	6,694,416	2,999,125
GARVEE Projects	0	623,305,000	623,305,000
Equity Bonus	0	20,000,000	20,000,000
Equity Bonus Soft Match	0	5,000,000	5,000,000
Other	137,979,111	97,554,757	(40,424,354)
TOTAL DEDICATED & STATEWIDE CONSTRUCTION	\$291,919,327	\$1,523,806,849	\$1,231,887,522
CONSTRUCTION	65,490,077	204,366,767	138,876,690
FEDERAL	183,841,090	130,766,676	(53,074,414)
NVTD	4,824,079	25,486,104	20,662,025
OAK GROVE	413,250	410,250	(3,000)
FRANS	5,000	4,000	(1,000)
ROUTE 58	1,208,000	22,313,012	21,105,012
TPOF	387,942	1,016,991	629,049
GARVEE BONDS	0	623,305,000	623,305,000
CONCESSION	2,193,000	2,263,000	70,000
CPR BONDS	33,556,889	513,875,049	480,318,160

Included in the Other item are amounts for Rail Highway Crossings, High Risk Rural Roads, Safe Routes to Schools, Forest Highways, CMAQ TERMS, and state funding for non-federal qualifying construction.

Highway System Acquisition and Construction (603)

Interstate Construction (60303)

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.

INTERSTATE CONSTRUCTION (6030300)	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
Interstate Maintenance	\$49,259,630	\$119,639,796	\$70,380,166
National Highway System	156,767,416	134,743,259	(22,024,157)
State Match	44,665,146	13,293,311	(31,371,835)
Federal Soft Match	0	33,685,815	33,685,815
STP Regional	2,519,477	5,160,000	2,640,523
STP Regional Match	629,869	1,290,000	660,131
CMAQ	2,953,600	3,924,000	970,400
CMAQ Match	738,400	901,000	162,600
Other	48,507,792	1,374,224	(47,133,568)
TOTAL INTERSTATE CONSTRUCTION	\$306,041,330	\$314,011,405	\$7,970,075
CONSTRUCTION	9,999,971	16,858,535	6,858,564
FEDERAL	251,527,066	297,152,870	45,625,804
CPR BONDS	44,514,293	0	(44,514,293)

Highway System Acquisition and Construction (603)

Primary Construction (60304)

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. All of the funds provided in FY 2012 are from those distributed by the CTB or MPOs.

PRIMARY CONSTRUCTION (6030400)	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
CMAQ	\$992,000	\$3,328,369	\$2,336,369
CMAQ Match	248,000	336,092	88,092
STP Regional	25,272,293	31,080,754	5,808,461
STP Regional Match	6,318,074	7,770,189	1,452,115
Appalachian Development	44,203,054	40,619,960	(3,583,094)
Equity Bonus	52,345,139	7,123,107	(45,222,032)
Bridge	20,782,545	34,384,603	13,602,058
Bond Match	36,624,040	0	(36,624,040)
Federal Soft Match	0	26,744,073	26,744,073
Other	34,673,256	81,961,514	47,288,258
TOTAL PRIMARY CONSTRUCTION	\$221,458,401	\$233,348,661	\$11,890,260
CONSTRUCTION	10,969,395	23,599,221	12,629,826
FEDERAL	173,002,069	209,749,440	36,747,371
CPR BONDS	37,486,937	0	(37,486,937)

Highway System Acquisition and Construction (603)

Secondary Construction (60306)

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. As detailed below, no funds are distributed this year through the state allocation formula.

	ALLOCATION	RECOMMENDED	INCREASE
SECONDARY CONSTRUCTION (6030600)	2010-11	2011-12	(DECREASE)
CMAQ	\$2,320,080	\$4,811,156	\$2,491,076
CMAQ Match	580,020	1,202,790	622,770
STP Regional	3,264,978	7,689,358	4,424,380
STP Regional Match	816,245	1,922,340	1,106,095
STP Under 200,000	7,628,800	985,943	(6,642,857)
Bridge	3,230,268	13,213,487	9,983,219
Equity Bonus	3,980,356	800,000	(3,180,356)
Bond Match	7,692,641	0	(7,692,641)
BROS	13,043,854	14,245,262	1,201,408
Tele Fees	10,112,673	11,313,653	1,200,980
Federal Soft Match	0	7,807,016	7,807,016
Other	11,999,559	2,374,159	(9,625,400)
TOTAL SECONDARY CONSTRUCTION	\$64,669,474	\$66,365,164	\$1,695,690
CONSTRUCTION	11,657,949	14,829,575	3,171,626
FEDERAL	43,404,204	51,535,589	8,131,385
CPR BONDS	9,607,321	0	(9,607,321)

Highway System Acquisition and Construction (603)

Urban Construction (60307)

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. As detailed below, no funds are distributed this year through the state allocation formula.

URBAN CONSTRUCTION (6030700)	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
CMAQ	\$6,615,086	\$11,947,747	\$5,332,661
CMAQ Match	1,653,772	3,319,019	1,665,247
STP Regional	12,139,738	17,712,551	5,572,813
STP Regional Match	3,034,935	4,428,138	1,393,203
STP Under 200,000	5,365,462	2,043,600	(3,321,862)
Bridge	10,275,386	12,417,654	2,142,268
Equity Bonus	6,084,317	1,387,974	(4,696,343)
Bond Match	6,061,899	0	(6,061,899)
BROS	612,778	722,638	109,860
Federal Soft Match	0	8,376,187	8,376,187
Other	12,802,877	35,776,953	22,974,076
TOTAL URBAN CONSTRUCTION	\$64,646,250	\$98,132,461	\$33,486,211
CONSTRUCTION	13,794,982	26,591,219	12,796,237
FEDERAL	43,644,809	71,541,242	27,896,433
CPR BONDS	7,206,459	0	(7,206,459)

Highway Construction Program Management (60315)

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. The recommendation for reduced funding in FY 2012 represents reduced administrative expenses and an increase in direct expenditures to projects.

CONSTRUCTION MANAGEMENT (6031500)	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
TOTAL CONSTRUCTION MANAGEMENT	\$35,209,844	\$18,787,433	(\$16,422,411)
HMOF	35,209,844	18,787,433	(16,422,411)

Highway System Maintenance (604)

The maintenance program consists of:

Interstate Maintenance (60401) - 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 (60402) - 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 (60403) - 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 (60404) - 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 (60405) - 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.

	ALLOCATION	RECOMMENDED	INCREASE
HIGHWAY SYSTEM MAINTENANCE (6040000)	2010-11	2011-12	(DECREASE)
Interstate Maintenance (60401)	\$345,261,314	\$356,588,745	\$11,327,431
Primary Maintenance (60402)	456,737,329	470,176,380	\$13,439,051
Secondary Maintenance (60403)	345,283,569	373,198,620	\$27,915,051
Transportation Operations Services (60404)	120,617,998	138,826,867	\$18,208,869
Highway Maintenance Program Management & Direction (60405)	77,365,264	73,760,160	(\$3,605,104)
TOTAL HIGHWAY SYSTEM MAINTENANCE	\$1,345,265,474	\$1,412,550,772	\$67,285,298
HMOF	1,190,157,505	1,245,244,525	55,087,020
FEDERAL	155,107,969	167,306,247	12,198,278

Commonwealth Toll Facilities (606)

Revenues collected from toll facilities contribute to Virginia's safe and effective transportation system. Currently, there are eight 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 and Pocahontas Parkway. 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 six toll roads are operated by other entities.

Toll Facility Acquisition and Construction (60601) - To provide efforts to acquire, construct, and renovate ground transportation toll facilities. To construct needed highway facilities earlier than would be possible with traditional funding sources and without general tax increases, toll facilities have, when practical, been funded through the issuance of bonds.

Toll Facility Debt Service (60602) - 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 (60603) - 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 (60604) - 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.

TOLL FACILITIES (6060000)	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
Acquisition & Construction (60601)	\$0	\$0	\$0
Debt Service (60602)	9,498,100	7,116,342	(2,381,758)
Maintenance & Operations (60603)	8,136,533	9,433,042	1,296,509
Toll Facilities Revolving (60604)	33,421,260	33,189,071	(232,189)
TOTAL TOLL FACILITIES	\$51,055,893	\$49,738,455	(\$1,317,438)
DULLES	2,000,000	0	(2,000,000)
POWHITE	9,306,819	9,860,336	553,517
COLEMAN	6,327,814	6,689,048	361,234
TOLL FACILITIES REVOLVING	33,421,260	33,189,071	(232,189)

Financial Assistance to Localities (607)

Financial Assistance to Localities consists of:

Financial Assistance for City Road Maintenance (60701) - To provide monetary support to localities for capital improvements and/or maintenance of roads and/or transportation facilities. Direct financial assistance is provided to 81 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 (60702) - 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 (60704) - 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.

FINANCIAL ASSISTANCE TO LOCALITIES (6070000)	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
Financial Assistance for City Road Maintenance (60701)	\$306,038,172	\$318,241,699	\$12,203,527
Financial Assistance for County Road Maintenance (60702)	46,269,449	48,341,539	2,072,090
Financial Assistance for Planning, Access Roads, & Special Projects (60704)	14,842,241	13,131,239	(1,711,002)
TOTAL FINANCIAL ASSISTANCE TO LOCALITIES	\$367,149,862	\$379,714,477	\$12,564,615
HMOF	352,307,621	366,583,238	14,275,617
CONSTRUCTION	7,915,805	6,392,360	(1,523,445)
FEDERAL	6,926,436	6,738,879	(187,557)

Non-Toll Supported Transportation Debt Service (612)

Non-Toll Supported Transportation Debt Service consists of:

Highway Transportation Improvement District Debt Service (61201) - 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 (61202) - 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 (61203) - 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 (61204) - To provide for the debt service requirements of the bonds sold to finance transportation improvements under the Commonwealth Transportation Capital Projects Bond Act.

Grant Anticipation Revenue Bond Debt Service (61205) - To provide for the debt service requirements of the bonds sold as Grant Anticipation Revenue bonds (GARVEEs).

	ALLOCATION	RECOMMENDED	INCREASE
NON-TOLL SUPPORTED TRANSPORTATION DEBT SERVICE (61200)	2010-11	2010-12	(DECREASE)
Highway Transportation Improvement Debt Service (61201)	\$7,528,835	\$7,529,625	\$790
Designated Highway Corridor Debt Service (61202)	88,084,756	88,091,256	6,500
Federal Highway Reimbursement Anticipation Notes Debt Service (61203)	112,005,441	98,584,053	(13,421,388)
Capital Projects Bonds/Reserve (61204)	40,579,559	75,390,050	34,810,491
Grant Anticipation Revenue Bond Debt Service (61205)	0	44,988,134	44,988,134
TOTAL HIGHWAY CONSTRUCTION THROUGH BONDS PROCEEDS	\$248,198,591	\$314,583,118	\$66,384,527
FRANS	112,005,441	98,584,053	(13,421,388)
NVTD	34,488,518	34,496,518	8,000
OAK GROVE	2,226,750	2,229,750	3,000
ROUTE 28	7,528,835	7,529,625	790
PTF	3,668,513	6,853,224	3,184,711
CPR BONDS	36,911,046	68,536,826	31,625,780
ROUTE 58	51,369,488	51,364,988	(4,500)
FEDERAL	0	44,988,134	44,988,134

Administrative & Support Services (699)

Administrative and Support Services is comprised of:

General Management and Direction (69901) - 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. The recommendation of reduced funding in FY 2012 represents additional administrative efficiencies and the removal of one-time funding for severance benefits.

Information Technology Services (69902) - 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. The recommendation of additional funding provided in this service area represents the on-going support costs for the new financial management system, Cardinal, and development costs for updates to WebIMS, the inventory management system.

Facilities and Grounds Management Services (69915) - 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 (69924) - To provide Employee Training and Development services to VDOT. This includes traditional classroom training and related development activities and tuition reimbursement.

	ALLOCATION	RECOMMENDED	INCREASE
ADMINISTRATIVE & SUPPORT SERVICES (6990000)	2010-11	2011-12	(DECREASE)
General Management & Direction (69901)	\$125,566,212	\$108,386,783	(\$17,179,429)
Information Technology Services (69902)	69,414,567	84,446,946	15,032,379
Facilities and Grounds Management Services (69915)	13,554,435	13,852,756	298,321
Employee Training & Development (69924)	8,905,285	8,969,577	64,292
TOTAL ADMINISTRATIVE & SUPPORT SERVICES	\$217,440,499	\$215,656,062	(\$1,784,437)
HMOF	211,142,016	209,351,152	(1,790,864)
CONSTRUCTION	728,642	733,780	5,138
FEDERAL	5,569,841	5,571,130	1,289

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.

	ALLOCATION	RECOMMENDED	INCREASE
VDOT CAPITAL OUTLAY (9980000)	2010-11	2011-12	(DECREASE)
TOTAL VDOT CAPITAL OUTLAY	\$2,500,000	\$2,500,000	\$0
CONSTRUCTION	2,500,000	2,500,000	0

Support to Other State Agencies

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

	ALLOCATION 2010-11	RECOMMENDED 2011-12	INCREASE (DECREASE)
SUPPORT TO OTHER STATE AGENCIES			
Transportation Appropriation to Other Agencies			
Department of Education	\$240,942	\$240,942	\$0
Marine Resources Commission	313,768	313,768	0
Secretary of Transportation	624,426	799,426	175,000
Department of State Police	7,424,304	7,424,304	0
Department of Minority Business Enterprise	1,506,868	1,506,868	0
Department of Historic Resources	100,000	100,000	0
Department of Rail and Public Transportation	5,898,735	5,747,802	(150,933)
Department of Emergency Management	933,251	933,251	0
Department of Motor Vehicles (truck weighing)	11,532,000	11,532,000	0
Virginia Port Authority	0	2,550,023	2,550,023
Department of Treasury	183,163	183,163	0
Commercial Space Flight Authority	0	1,500,000	1,500,000
Virginia Liaison Office	140,533	140,533	0
SUBTOTAL	28,897,990	32,972,080	4,074,090
Transfers to the General Fund			
Department of General Services	362,854	362,854	0
Department of Agriculture & Conservation Services	97,586	97,586	0
Chesapeake Bay Initiatives	7,416,469	7,416,469	0
Telecommunication Contract Savings	681,606	681,606	0
Indirect Costs	537,565	537,565	0
Department of Taxation	2,926,093	2,926,093	0
SUBTOTAL	12,022,173	12,022,173	0
Transfers to Other Agencies			
Department of Motor Vehicles (fuel tax evasion)	1,500,000	1,500,000	0
SUBTOTAL	1,500,000	1,500,000	0
TOTAL SUPPORT TO OTHER STATE AGENCIES	\$42,420,163	\$46,494,253	\$4,074,090
HMOF	39,142,779	41,716,852	2,574,073
CONSTRUCTION	3,272,359	4,772,895	1,500,536
TOLL FACILITIES REVOLVING	4,967	4,497	(470)
TPOF	58	9	(49)

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)	\$11,803,292	\$0	\$0	\$0	\$0	\$11,803,292
Ground Transportation Planning & Research (602)	14,337,864	29,586,696	21,471,372	0	0	65,395,932
Highway System Acquisition and Construction (603)	18,787,433	286,245,317	760,745,817	1,137,180,049	51,493,357	2,254,451,973
Highway System Maintenance (604)	1,245,244,525	0	167,306,247	0	0	1,412,550,772
Commonwealth Toll Facilities (606)	0	0	0	0	49,738,455	49,738,455
Financial Assistance to Localities (607)	366,583,238	6,392,360	6,738,879	0	0	379,714,477
Non-Toll Supported Transportation Debt Service (612)	0	0	44,988,134	0	269,594,984	314,583,118
Administrative and Support Services (699)	209,351,152	0	5,571,130	0	733,780	215,656,062
VDOT Capital Outlay (998)	0	2,500,000	0	0	0	2,500,000
Support to Other State Agencies	41,716,852	2,610,623	0	0	2,166,778	46,494,253
Support to DRPT Programs	0	10,672,363	0	0	0	10,672,363
TOTAL	\$1,907,824,356	\$338,007,359	\$1,006,821,579	\$1,137,180,049	\$373,727,354	\$4,763,560,697

* - Other includes tolls, PTF, Route 58, Route 28, Oak Grove, and TPOF

Budget Comparison Schedule for FY 2012

Revenues

Revenue provided by the General Fund of the Commonwealth	\$68,000,000
Taxes	1,891,386,375
Rights and privileges	313,577,345
Sale of property and commodities	-
Interest, dividends, and rents	40,025,904
Fines, forfeitures, court fees	-
Penalties, and escheats	1,400,000
Receipts from localities and private sector	93,634,842
Federal grants and contracts	1,006,821,579
Toll revenues	27,549,384
Other	183,985,219
Total revenues	<u>3,626,380,648</u>
Other financing sources	
Other financing sources	-
Bond proceeds	1,137,180,049
Note proceeds	-
Transfers from other state agencies and General Fund	-
Transfers in	-
Total other financing sources	<u>1,137,180,049</u>
Total Revenues and other sources	<u>\$4,763,560,697</u>

Budget Comparison Schedule for FY 2012

Expenditures

Administrative and support services	\$215,656,062
Ground transportation system planning and res	65,395,932
Highway system acquisition and construction	2,254,451,973
Highway system maintenance	1,412,550,772
Financial assistance to localities	379,714,477
Environmental monitoring and compliance	11,803,292
Toll facility operations and construction	42,622,113
Capital outlay	2,500,000
Debt Service:	
Interest (Notes and Bonds)	136,282,575
Retirement of bonds and notes	178,563,661
PTF Debt Service Reserve	6,853,224
Total expenditures	<u>4,706,394,081</u>

Other financing uses

Other financing uses	-
Reversion to the General Fund of the Commonwealth	-
Transfers to other state agencies and General Fund	57,166,616
Transfers out	-
Total other financing uses	<u>57,166,616</u>

Total expenditures and other uses	<u>4,763,560,697</u>
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Revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>
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