

Annual Budget



June 2006
FY 2006 - 2007
Commonwealth Transportation Fund
REVISED



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
1401 EAST BROAD STREET
RICHMOND, 23219-2000

Gregory A. Whirley
ACTING COMMISSIONER

June 29, 2006

Mr. Pierce Homer, Chairman
Mr. Gregory A. Whirley, Vice-Chairman
Mr. Matthew O. Tucker
Mr. Jim D. Bowie
Ms. Mary Lee Carter
Ms. Julia A. Connally
Mr. John J. "Butch" Davies, III
Dr. James A. Davis
Ms. Helen E. Dragas

Mr. James L. Keen
Mr. J. Douglas Koelemay
Mr. Dana M. Martin
Mr. Gerald P. McCarthy
Mr. Robert E. Sevila
Mr. Hunter R. Watson
Mr. Kenneth Spencer White
Mr. Alan S. Witt

Dear Members of the Board:

I am submitting to you the revised Fiscal Year 2007 Commonwealth Transportation Fund (CTF) Annual Budget for review and consideration. The budget has been revised to reflect the revenues from the tax on automobile insurance premiums provided in the budget bill approved by the General Assembly on June 22, 2006 for the 2006 – 2008 biennium (HB 5002). The budget outlines the Commonwealth Transportation Fund (CTF) revenues and planned allocations and is the basis for the Six-Year Improvement Program.

The fiscal year 2007 budget, including \$111 million in revenue from the tax on automobile insurance premiums, totals \$4.27 billion as compared to the fiscal year 2006 budget of \$4.14 billion. The budget includes over \$500 million in federal earmarks and other one-time or special local funds. Without the one-time federal earmarks and other special funding, the fiscal year 2007 budget would be significantly less than the fiscal year 2006 budget. The revenue sources and their planned use are summarized in the budget.

The state revenue estimates are from the November 2005 official revenue estimate for the Highway Maintenance and Operating Fund, Transportation Trust Fund, and the Priority Transportation Fund. The federal revenue estimates are based on the new federal legislation, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) enacted in August 2006. For this budget, SAFETEA-LU funding includes three years of revenue changes (FY 2005, FY 2006 and FY 2007) included in this new law.

The budget provides a summary of the proposed allocations of the CTF and the amounts being provided to the Department of Transportation, the Department of Rail and Public Transportation, the Virginia Port Authority and the Department of Aviation. The changes in this revised budget are footnoted and only impact the Department of Transportation. Details of the proposed expenditures are presented in the respective agency budgets.

Please let me know of any questions you may have.

Sincerely,

Barbara W. Reese

Barbara W. Reese
Chief Financial Officer

COMMONWEALTH TRANSPORTATION FUND

TABLE OF CONTENTS

	Page
Summary of Revenues & Distributions	1
Total Estimate of Revenues	2
Total Recommended Distribution of Revenues	3
Summary of Revenues	6
Summary of Distributions	7
Summary of Distributions by Agency	8
Footnotes	9

For Further Information Contact:

**Virginia Department of Transportation
Financial Planning Division
1221 E. Broad Street, 4th Floor
Richmond, VA 23219**

Or Call (804) 786-6065

Or Visit the Internet Site:

<http://www.virginiadot.org/infoservice/reports-budget.asp>

Summary of Revenues & Distributions

Grand Total Estimate of Revenues

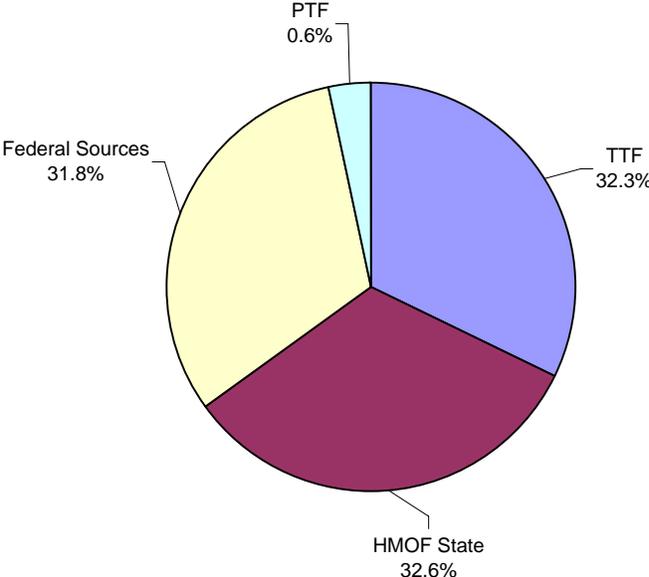
Grand Total Recommended Distribution of Revenues

Commonwealth Transportation Funds

Highway Maintenance & Operating Fund

Transportation Trust Fund

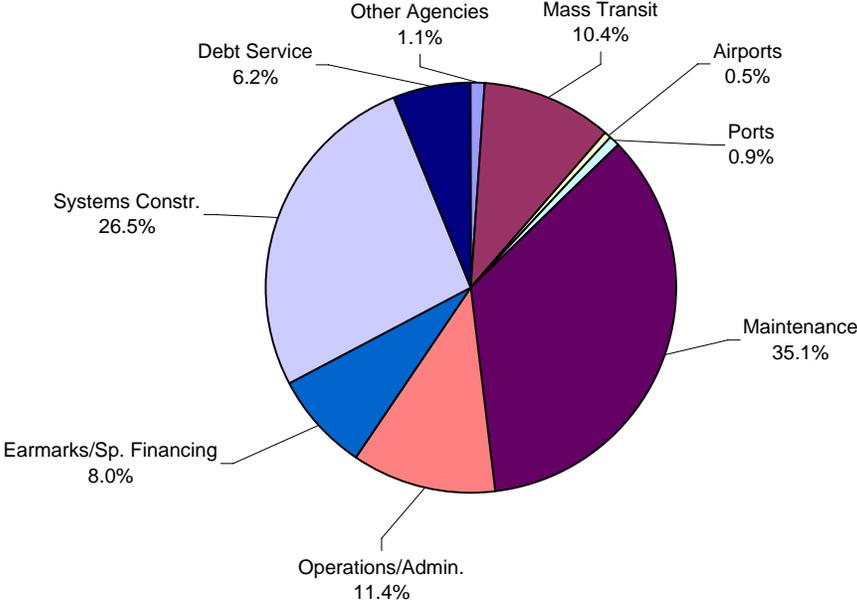
**COMMONWEALTH TRANSPORTATION FUND
 GRAND TOTAL ESTIMATE OF REVENUES
 HIGHWAY MAINTENANCE AND OPERATING FUND AND TRANSPORTATION TRUST FUND
 FISCAL YEAR 2006 - 07**



HIGHWAY MAINTENANCE & OPERATING FUND/TRANSPORTATION TRUST FUND

Highway Maintenance & Operating Fund (HMOF)	\$1,391,111,172
Transportation Trust Fund (TTF- Special Session & Other)	1,377,923,327
Priority Transportation Fund	142,793,658
Federal Funds	<u>1,354,852,182</u>
GRAND TOTAL ESTIMATED REVENUES	<u>\$4,266,680,339</u>

**COMMONWEALTH TRANSPORTATION FUND
 GRAND TOTAL RECOMMENDED DISTRIBUTION OF REVENUES
 HIGHWAY MAINTENANCE AND OPERATING FUND AND TRANSPORTATION TRUST FUND
 FISCAL YEAR 2006 - 07**



HIGHWAY MAINTENANCE & OPERATING FUND/TRANSPORTATION TRUST FUND

Debt Service	\$263,457,732
Other Agencies & Transfers	45,327,737
Maintenance	1,498,282,655
Operations, Tolls & Administration	485,709,982
Mass Transit Fund	442,221,512
Airport Trust Fund	21,656,358
Port Trust Fund	37,513,972
Earmarks & Special Financing	340,715,482
Systems Construction	<u>1,131,794,909</u>
GRAND TOTAL RECOMMENDED DISTRIBUTIONS	<u>\$4,266,680,339</u>

Summary:

Commonwealth Transportation Funds

Estimate of Revenues & Recommended Distributions

**COMMONWEALTH TRANSPORTATION FUND
ESTIMATE OF REVENUES
FISCAL YEAR 2006 - 07**

	ALLOCATED 2005-06	RECOMMENDED 2006-07	INCREASE (DECREASE)	
STATE REVENUE SOURCES				
Highway Maintenance & Operating Fund (HMOF)				
State Revenue	\$1,419,952,000	\$1,360,580,596	(\$59,371,404)	1/
Other	(5,200,000)	30,530,576	35,730,576	
Total HMOF	<u>1,414,752,000</u>	<u>1,391,111,172</u>	<u>(23,640,828)</u>	
Transportation Trust Fund (TTF)				
Special Session Revenue	907,640,832	888,300,000	(19,340,832)	1/
Interest Earnings	7,360,000	19,039,531	11,679,531	
Other Funding Sources	67,400,000	163,027,613	95,627,613	
Toll Facilities	81,219,200	88,917,314	7,698,114	
Local Revenue Sources	71,004,614	135,218,009	64,213,395	2/
Other Trust Fund Revenue	93,495,162	83,420,860	(10,074,302)	
Total TTF	<u>1,228,119,808</u>	<u>1,377,923,327</u>	<u>149,803,519</u>	
Priority Transportation Fund (PTF)				
State Revenue	204,896,000	142,793,658	(62,102,342)	3/
General Funds	37,440,289	0	(37,440,289)	
Total PTF	<u>242,336,289</u>	<u>142,793,658</u>	<u>(99,542,631)</u>	
General Funds - 2005 Transportation Initiative	<u>240,000,000</u>	<u>0</u>	<u>(240,000,000)</u>	
TOTAL STATE REVENUES	<u>3,125,208,097</u>	<u>2,911,828,157</u>	<u>(213,379,940)</u>	
Federal Funding Sources				
Federal Highway Administration (FHWA)	967,582,345	1,228,893,934	261,311,589	4/
Federal Transit Administration (FTA)	43,687,035	125,958,248	82,271,213	4/
Total Federal Funding	<u>1,011,269,380</u>	<u>1,354,852,182</u>	<u>343,582,802</u>	
TOTAL COMMONWEALTH TRANSPORTATION FUNDS	<u>\$4,136,477,477</u>	<u>\$4,266,680,339</u>	<u>\$130,202,862</u>	

**COMMONWEALTH TRANSPORTATION FUND
ESTIMATE OF DISTRIBUTIONS
FISCAL YEAR 2006 - 07**

	ALLOCATED 2005-06	RECOMMENDED 2006-07	INCREASE (DECREASE)	
DISTRIBUTION OF REVENUE SOURCES				
Debt Service				
Toll Facilities Debt	\$22,041,400	\$21,384,100	(\$657,300)	
No. Va. Transportation District	28,614,153	28,562,399	(51,754)	
Oak Grove Connector	2,328,620	2,242,144	(86,476)	
Route 28	7,528,100	7,529,845	1,745	
Route 58	51,594,134	51,464,192	(129,942)	
FRAN	144,867,011	152,275,052	7,408,041	
Total Debt Service	256,973,418	263,457,732	6,484,314	
Other Agencies & Transfers				
Trust Fund Management	2,593,600	3,936,837	1,343,237	
Support to Other State Agencies (excl. DRPT)	39,326,700	37,930,900	(1,395,800)	
Indirect Costs	3,855,400	3,353,300	(502,100)	
Department of Treasury Management Fees	30,400	106,700	76,300	
Total State Agencies	45,806,100	45,327,737	(478,363)	
Maintenance				
Highway System Maintenance	1,080,003,936	1,185,715,470	105,711,534	5/
Financial Assist. to Localities for Ground Trans. - Cities	255,073,752	271,684,185	16,610,433	
Financial Assist. to Localities for Ground Trans. - Counties	39,310,500	40,883,000	1,572,500	
Total Maintenance	1,374,388,188	1,498,282,655	123,894,467	
Operations, Tolls & Administration				
Land Management	841,426	0	(841,426)	6/
Ground Transportation System Planning & Research	35,560,831	50,517,805	14,956,974	
Environmental Monitoring & Compliance	16,486,023	13,855,392	(2,630,631)	
Ground Transportation System Safety	12,176,284	0	(12,176,284)	6/
Administrative & Support Services	264,111,542	249,876,358	(14,235,184)	7/
Program Management & Direction	0	49,031,475	49,031,475	7/
Toll Facilities Operations	63,882,400	113,428,952	49,546,552	
Capital Outlay	20,000,000	9,000,000	(11,000,000)	
Total Operations & Administration	413,058,506	485,709,982	72,651,476	
Mass Transit Fund				
Share of Special Session Funds (14.7%)	132,946,000	129,798,785	(3,147,215)	
Surface Transportation Program (7%)	14,554,400	13,641,748	(912,652)	
Minimum Guarantee (13%)	8,390,000	13,798,895	5,408,895	
Federal Transit Authority (FTA)	42,937,035	125,258,247	82,321,212	8/
Rail Continuation Assistance	750,000	700,000	(50,000)	
CMAQ (w/o. State Match)	1,344,000	14,588,055	13,244,055	
STP Regional (w/o State Match)	9,764,800	8,217,540	(1,547,260)	
Rail Fund	23,200,000	21,700,000	(1,500,000)	
Mass Transit Capital Fund (General Fund)	40,000,000	0	(40,000,000)	
Interest Earnings	1,536,000	2,312,527	776,527	
Fairfax Co. Local Funds	0	65,250,000	65,250,000	2/
SAFETEA-LU Earmarks	0	19,383,324	19,383,324	
Unobligated Balance (Rail)	0	1,302,051	1,302,051	
Other	600,001	665,504	65,503	
Subtotal Mass Transit Fund-Direct Support	276,022,236	416,616,676	140,594,440	
Mass Transit Fund-Support from Construction	43,783,400	20,449,428	(23,333,972)	
Mass Transit Fund-Support from HMOF	5,641,000	5,155,408	(485,592)	
Subtotal Mass Transit Support from Highways	49,424,400	25,604,836	(23,819,564)	
Total Mass Transit Fund	325,446,636	442,221,512	116,774,876	

**COMMONWEALTH TRANSPORTATION FUND
ESTIMATE OF DISTRIBUTIONS
FISCAL YEAR 2006 - 07**

	ALLOCATED 2005-06	RECOMMENDED 2006-07	INCREASE (DECREASE)	
DISTRIBUTION OF REVENUE SOURCES (cont'd)				
Airport Trust Fund				
Share of Special Session Funds (2.4%)	\$21,705,500	\$21,177,916	(\$527,584)	
Interest Earnings	480,000	478,442	(1,558)	
Total Airport Trust Fund	<u>22,185,500</u>	<u>21,656,358</u>	<u>(529,142)</u>	
Port Trust Fund				
Share of Special Session Funds (4.2%)	37,984,600	37,071,252	(913,348)	
Interest Earnings	609,000	442,720	(166,280)	
Total Port Trust Fund	<u>38,593,600</u>	<u>37,513,972</u>	<u>(1,079,628)</u>	
Earmarks & Special Financing				
Hwy. Sys. Acq. & Constr.- Dedicated & Statewide Constr.	294,673,280	324,704,303	30,031,023	
Hwy. Sys. Acq. & Constr.- Trans. Partnership Opportunity Fund	50,000,000	0	(50,000,000)	
Financial Assist. to Localities for Ground Trans. - Other	15,077,500	16,011,179	933,679	
Financial Assist (Local Incentive Program)	40,000,000	0	(40,000,000)	
No. Va. Transportation District-Deposit	7,675,834	0	(7,675,834)	9/
Oak Grove Connector-Deposit	171,380	0	(171,380)	9/
Route 58-Deposit	6,650,241	0	(6,650,241)	9/
Route 168 Improvement Fund	1,000	0	(1,000)	9/
Priority Transportation Fund-Deposit	120,969,278	0	(120,969,278)	9/
Total Earmarks & Special Financing	<u>535,218,513</u>	<u>340,715,482</u>	<u>(194,503,031)</u>	
Systems Construction				
Interstate System	349,570,102	403,192,172	53,622,070	
Primary System	378,704,033	326,826,543	(51,877,490)	
Secondary System	206,097,091	185,447,506	(20,649,585)	
Urban System	190,435,790	216,328,688	25,892,898	
Total Systems Construction	<u>1,124,807,016</u>	<u>1,131,794,909</u>	<u>6,987,893</u>	
DISTRIBUTION OF COMMONWEALTH TRANSPORTATION FUNDS				
	<u>\$4,136,477,477</u>	<u>\$4,266,680,339</u>	<u>\$130,202,862</u>	
Agency Funding Summary:				
VDOT	\$3,799,676,141	\$3,790,571,932	(\$9,104,209)	
Less Support to DRPT	(49,424,400)	(25,604,836)	23,819,564	
VDOT (Net)	3,750,251,741	3,764,967,096	14,715,355	
DRPT	325,446,636	442,221,512	116,774,876	
Ports	38,593,600	37,513,972	(1,079,628)	
Aviation	22,185,500	21,656,358	(529,142)	
Other Mode Indirect Costs/Basis Points	0	321,400	321,400	
Grand Total	<u>\$4,136,477,477</u>	<u>\$4,266,680,339</u>	<u>\$130,202,862</u>	

**Footnotes - Commonwealth Transportation Fund
FY 2006 - 2007**

1. Reflects revised revenue estimate for FY 2006 and FY 2007 from the November 2005 Official Forecast.
2. \$65.25 million from Fairfax County for Dulles -Department of Rail and Public Transportation.
3. FY07 revenue estimate includes the revenues from the tax on automobile insurance premiums, as approved in the budget bill by the 2006 Special Session of the General Assembly.
4. Includes federal revenue adjustments due to the passage of the Safe, Accountable, Flexible and Efficient Transportation Equity Act.
5. Maintenance program funding increased based on planned growth and cost increases.
6. Program merged with Highway System Maintenance as part of the new service areas structure.
7. Reflects the Strategic Plan separation of the service areas for Administrative Services and Program Management and Direction.
8. Revised estimate based on anticipated project activity.
9. Related amounts incorporated into Dedicated and Statewide Constructions as part of new service area structure.