



**Fiscal Years 2015 - 2020 Outlook
Preliminary Six-Year Financial Plan
and Six-Year Improvement Plan Strategy**

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January 20, 2014

Preliminary CTF Revenue FY 2015 – FY 2020

❑ Updated revenue forecast

- State Revenue from the Department of Taxation December revenue forecast
FY 2014 – 2019 estimate reduced by \$796 million
- Federal and other sources forecasted by VDOT from source information
FY 2014 – 2019 estimate reduced by \$123 million

❑ The projected FY 2015 – 2020 Six-Year Financial Plan totals \$32.74 billion

❑ \$491.4 million less than the FY 2014 – 2019 Financial Plan

- \$55 million less state and federal revenues
- Based on planned utilization of the bond programs, the funding provided from anticipated bond sales are \$436 million less



Preliminary CTF Revenue Forecast FY 2015 – FY 2020

(Amounts in millions)

	2015	2016	2017	2018	2019	2020	Total	FY 14-19	Difference
State Transportation Revenues									
HMO	\$ 1,824.3	\$ 1,956.1	\$ 2,004.7	\$ 2,028.9	\$ 2,052.8	\$ 2,078.8	\$ 11,945.6	\$ 11,903.7	\$ 41.9
TTF net interest	1,108.9	1,149.7	1,185.1	1,218.8	1,251.7	1,285.7	7,199.9	7,316.8	(116.9)
PTF (From TTF)	168.7	177.3	183.1	189.9	200.8	207.8	1,127.6	1,108.1	19.5
Regional Transportation Funds	455.2	494.1	512.1	531.5	551.9	572.5	3,117.2	3,174.8	(57.6)
Local and Other Revenues	338.8	369.0	394.1	433.3	480.0	379.1	2,394.3	2,208.7	185.6
Total	<u>3,895.9</u>	<u>4,146.2</u>	<u>4,279.1</u>	<u>4,402.4</u>	<u>4,537.2</u>	<u>4,523.9</u>	<u>25,784.6</u>	<u>25,712.1</u>	<u>72.6</u>
Federal Revenues									
	<u>891.2</u>	<u>923.3</u>	<u>923.3</u>	<u>923.3</u>	<u>923.3</u>	<u>923.3</u>	<u>5,507.6</u>	<u>5,634.7</u>	<u>(127.2)</u>
Total Revenues	<u>4,787.1</u>	<u>5,069.5</u>	<u>5,202.3</u>	<u>5,325.6</u>	<u>5,460.4</u>	<u>5,447.2</u>	<u>31,292.2</u>	<u>31,346.8</u>	<u>(54.6)</u>
Other Financing Sources									
GARVEE Bonds	-	375.0	225.2	130.0	110.0	-	840.2	1,042.9	(202.7)
Capital Projects Revenue Bonds	122.9	122.9	122.9	122.9	61.6	50.0	603.2	837.3	(234.1)
Total	<u>122.9</u>	<u>497.9</u>	<u>348.1</u>	<u>252.9</u>	<u>171.6</u>	<u>50.0</u>	<u>1,443.5</u>	<u>1,880.3</u>	<u>(436.8)</u>
Total Revenues and Other Financing Sources	<u>\$ 4,910.0</u>	<u>\$ 5,567.4</u>	<u>\$ 5,550.4</u>	<u>\$ 5,578.5</u>	<u>\$ 5,632.1</u>	<u>\$ 5,497.2</u>	<u>\$ 32,735.6</u>	<u>\$ 33,227.1</u>	<u>\$ (491.4)</u>

Preliminary Allocations FY 2015 – FY 2020

❑ **Construction program experiences the greatest reduction**

- Crossover was \$452.8 million, ending by FY 2017 in prior plan; it returns for all years, totaling \$724.4 million
- Reduction eliminates distribution of funds through the construction formula during period
- All available funds distributed through CTB formula

	(in millions)							Total from FY14-19	
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Total	SYFP	Difference
Debt Service	\$ 338.7	\$ 369.1	\$ 424.2	\$ 481.4	\$ 540.2	\$ 404.1	\$ 2,557.7	\$ 2,371.2	\$ 186.5
Other Agencies & Transfers	60.5	60.6	43.3	43.7	44.8	45.8	298.7	304.1	(5.5)
Maintenance & Operations	1,922.8	1,984.2	2,028.1	2,062.7	2,099.7	2,139.5	12,237.0	11,934.4	302.5
Tolls, Administration & Other Programs	431.2	441.4	453.0	464.0	474.1	484.4	2,748.1	2,712.7	35.3
Rail and Public Transportation	495.3	511.7	525.4	547.5	489.8	478.3	3,048.0	3,141.5	(93.5)
Port Trust Fund	38.5	41.1	42.3	43.5	44.7	45.8	255.9	262.4	(6.5)
Airport Trust Fund	21.9	23.4	24.1	24.8	25.5	26.2	146.0	150.4	(4.4)
Northern Virginia Transportation Authority Fund	299.3	310.4	321.0	332.3	344.1	356.4	1,963.4	1,898.5	64.9
Hampton Roads Transportation Fund	155.9	183.7	191.1	199.1	207.7	216.2	1,153.8	1,276.3	(122.5)
Construction	1,145.9	1,641.9	1,497.8	1,379.5	1,361.4	1,300.6	8,327.2	9,175.4	(848.2)
Total	\$4,910.0	\$5,567.4	\$5,550.4	\$5,578.5	\$5,632.1	\$5,497.2	\$32,735.6	\$33,227.1	\$ (491.4)

Impact of HB 2313 (in millions)

Major State Revenue Source	Preliminary FY 2014-2019 SYFP February 2013	Final FY 2014-2019 SYFP June 2013	Current FY 2014-2019 Revenue Estimate
Retail Sales and Use Tax (with Sales Tax Diversion)	\$3,781	\$6,228	\$5,972
Tax on Motor Fuels	5,410	5,529	4,776
Motor Vehicle Sales and Use Tax	3,836	5,428	5,588
Motor Vehicle License Fees	1,438	1,493	1,550
Total	\$14,466	\$18,677	\$17,886
Total State Revenues	\$16,393	\$20,286	\$19,533
SYFP Total	\$25,583	\$33,227	\$32,320

Federal Outlook

- ❑ **Not predicting any growth in federal revenues beyond the expiration of MAP-21 in 2014**
- ❑ **Monitoring Congressional activity on Transportation Funding**
 - The Highway Trust Fund will have fewer receipts than expenditures in FFY 2015, continuing a trend of the last several years
 - Without a transfer from the general fund of potentially \$15 billion, the HTF would not be able to support any new obligation of federal funding in 2015
 - Annual transfers would need to continue, and grow to about \$19 billion by 2023, to maintain spending at current levels, as adjusted for inflation.

(Crawley, Kim P. Congressional Budget Office "Testimony on the Status of the Highway Trust Fund," Subcommittee on Highway and Transit, Committee on Transportation and Infrastructure, July 23, 2013)

Impact of Revenue Reduction on Six-Year Improvement Program for FY 2015-2020 and Development Strategy

FY 2015-2020 Six-Year Improvement Program

- ❑ Strategy is to delay project schedules versus eliminating projects in the existing SYIP
- ❑ Follow the existing priorities for SYIP development as directed by the CTB
- ❑ Utilize the FY 2020 funding to reduce the impact of the revenue reductions
- ❑ Available construction funding distributed through the CTB Formula
 - Averages \$350 million a year
 - Addition of FY 2020 minimizes reductions and supports completion of infrastructure improvements planned in current SYIP

Highway SYIP Priorities for FY 2015-2020

- Fund deficits on underway project phases
- Fund underway project phases as well as project phases that start in the current federal fiscal year
- Maximize use of federal funds to meet federal strategy
- Fund deficient bridges and paving projects
- Fund ADHS planned projects with an average of 4% of total federal maintenance and construction funds over the six years
- Fund deficient bridges with an average of 13% of total federal maintenance and construction funds over the six years
- Increase funding for preliminary engineering
- Support development of PPTAs
- Allocate funds consistent with how they will be obligated and expended
- Redirect inactive balances on projects

Funding the SYIP

□ The SYIP is funded with state and federal funds

□ CTB Formula (Approved by General Assembly in 2012)

- Up to \$500 million per year
- Sunsets in FY 2020
- 25 percent to bridge reconstruction and rehabilitation;
- 25 percent to advancing high priority projects statewide;
- 25 percent to reconstructing deteriorated interstate and primary system pavements determined to have a Combined Condition Index of less than 60;
- 15 percent to projects undertaken pursuant to the PPTA;
- 5 percent to paving unpaved roads carrying more than 200 vehicles per day; and
- 5 percent to smart roadway technology.

Six-Year Improvement Program History

	Approved FY 2011- 2016 Program	Approved FY 2012- 2017 Program	Approved FY 2013- 2018 Program	Approved FY 2014- 2019 Program
Highway Construction	\$5.7 b	\$8.3 b	\$9.0 b	\$11.5 b
Rail & Public Transportati on	\$2.1 b	\$2.3 b	\$2.4 b	\$2.9 b
Hampton Roads Fund				\$1.3 b
Total Final SYIP	\$7.8 b	\$10.6 b	\$11.4 b	\$15.7 b
NOVA Fund				\$1.9 b
Total With Regional Funds		\$10.6 b	\$11.4 b	\$17.6 b

Tentative Schedule for the FY 2015-2020 SYIP Update

□ January - March 2014

- Priorities submitted – urban, bridge, paving, surface transportation plan, regional
- Financial information for SYIP available to begin programming funds
- Coordinate with MPOs on RSTP and CMAQ programming
- Other special fund categories programmed by program managers

□ March – April 2014

- RSTP and other special fund programming complete
- April – May 2014
- Present draft SYIP to CTB
- Financial information for Final SYIP available
- Complete public hearings
- Adjust SYIP as necessary for final financial information and public hearing comments

□ June 2014

- CTB adopts the FY 2015-2020 SYIP