



Fiscal Year 2014

Revised
VDOT Annual Budget
April 2014



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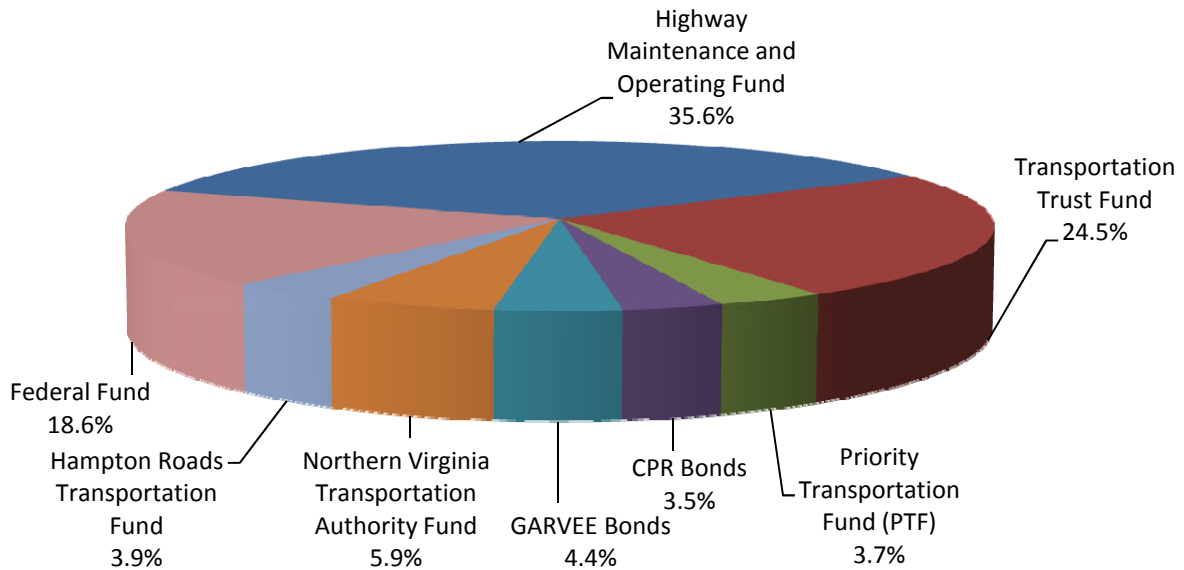
Overview

The Fiscal Year 2014 (FY 2014) 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 official state revenue forecast from April 2013 and estimated federal funding. VDOT's FY 2014 annual budget is being revised to redirect available amounts from other programs to the maintenance program to help offset this year's record snow removal costs. Updates related to the December 2013 revenue forecast will be included in the FY 2015 budget. This revision changes the total value of the annual budget by \$2.5 million based on the use of a prior-year balance. The revised VDOT Budget for FY 2014 totals \$4,656,293,838, an 11.2% increase from the FY 2013 Budget of \$4,185,850,685. The Budget includes the new regional funding.

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 2014 reflect the first year of implementation of major changes to revenue dedicated to transportation.

Sources of Transportation Funds

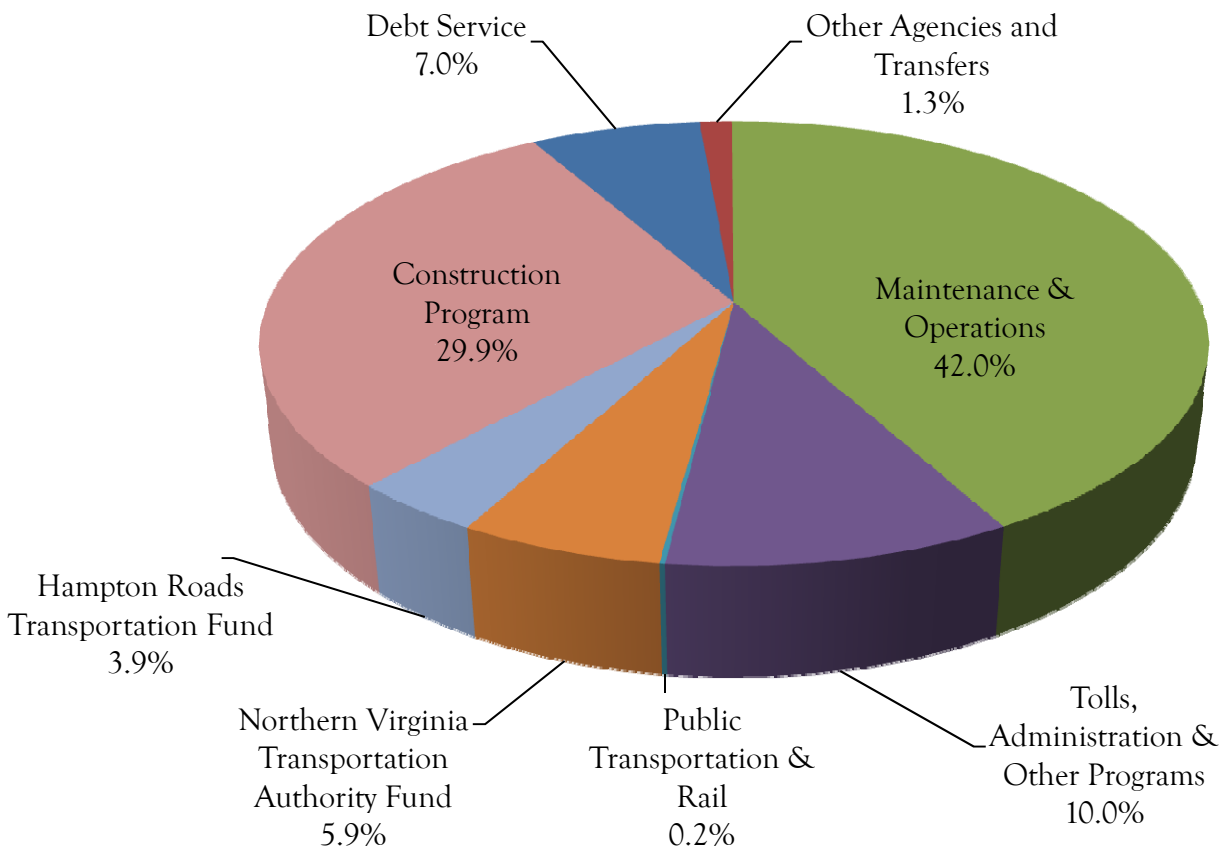


Highway Maintenance and Operating Fund	\$1,658,499,810
Transportation Trust Fund	1,140,918,863
Priority Transportation Fund (PTF)	173,913,361
CPR Bonds	161,202,137
GARVEE Bonds	202,695,000
Northern Virginia Transportation Authority Fund	272,490,000
Hampton Roads Transportation Fund	179,300,000
Federal Fund	867,274,667
Total	\$4,656,293,838

Overview

VDOT's revenues provide funding for debt service, maintenance, administration and construction. Due to snow removal costs far greater than could have been foreseen, the construction program and administrative and other programs were reviewed and funds were identified that could be transferred to the maintenance program. The following is a summary of the programs by spending category:

	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
Debt Service	\$323,749,145	\$323,749,145	\$ -
Other Agencies and Transfers	61,545,270	61,545,270	-
Maintenance & Operations	1,864,264,546	1,956,330,389	92,065,843 ¹
Tolls, Administration & Other Programs	487,917,923	463,352,080	(24,565,843) ²
Public Transportation & Rail	7,559,825	7,559,825	-
Northern Virginia Transportation Authority Fund	272,490,000	272,490,000	-
Hampton Roads Transportation Fund	179,300,000	179,300,000	-
Construction Program	1,456,967,129	1,391,967,129	(65,000,000) ³
Total	\$4,653,793,838	\$4,656,293,838	\$2,500,000



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 FY 2014 revenues.

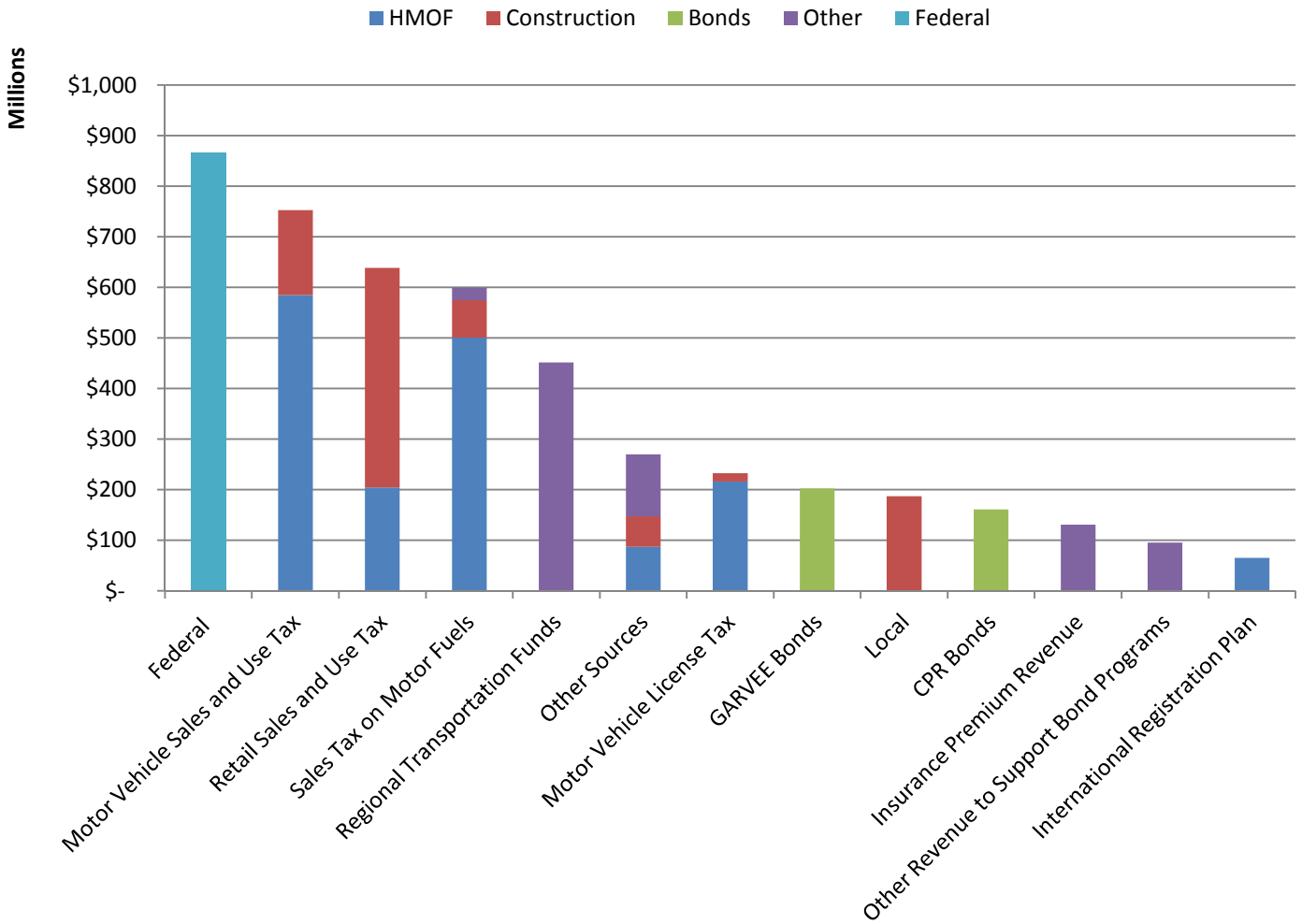
Source	HMOF	Construction*	Federal	Bonds	Other	TOTAL
Sales Tax on Motor Fuels	\$500,900,000	\$73,899,300	\$ -	\$ -	\$25,000,000	\$599,799,300
Motor Vehicle Sales and Use Tax	585,000,000	167,945,800	-	-	-	752,945,800
Motor Vehicle License Tax	215,900,000	16,920,500	-	-	-	232,820,500
Retail Sales and Use Tax	204,000,000	434,502,700	-	-	-	638,502,700
International Registration Plan	65,300,000	-	-	-	-	65,300,000
CPR Bonds	-	-	-	161,202,137	-	161,202,137
GARVEE Bonds	-	-	-	202,695,000	-	202,695,000
Other Revenue to Support Bond Programs	-	-	-	-	95,503,253	95,503,253
Insurance Premium Revenue	-	-	-	-	131,000,000	131,000,000
Local	-	187,321,499	-	-	-	187,321,499
Regional Transportation Funds	-	-	-	-	451,790,000	451,790,000
Other Sources	87,399,810	60,013,450	-	-	122,725,722	270,138,982
Federal	-	-	867,274,667	-	-	867,274,667
Transfer to HMOF	417,519,962	(417,519,962)	-	-	-	-
Transfer from HMOF for MWAA	(100,000,000)	100,000,000	-	-	-	-
TOTAL	\$1,976,019,772	\$623,083,287	\$867,274,667	\$363,897,137	\$826,018,975	\$4,656,293,838

* Includes Highway Share of TTF and other special funds.

** Other Sources includes VDOT Toll Facility Revenue, Cell Tower Lease Revenue, Dedication from VPA for Rte. 460 Improvement Project, 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. Federal revenue remains the largest single source.



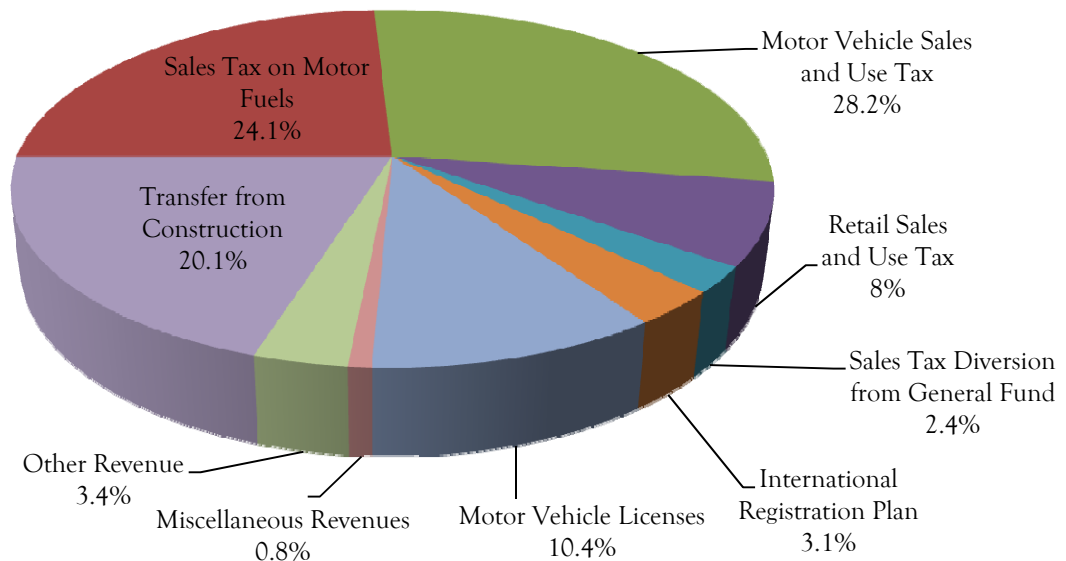
Highway Maintenance & Operating Fund

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	Allocation FY 2014	Revised FY 2014	Difference
Motor Fuels Tax	\$ -	\$ -	\$ -
Sales Tax on Motor Fuels	500,900,000	500,900,000	-
Motor Vehicle Sales and Use Tax	585,000,000	585,000,000	-
Retail Sales and Use Tax	155,000,000	155,000,000	-
Sales Tax Diversion from General Fund	49,000,000	49,000,000	-
International Registration Plan	65,300,000	65,300,000	-
Motor Vehicle Licenses	215,900,000	215,900,000	-
Miscellaneous Revenues	17,400,000	17,400,000	-
Other Revenue	67,499,810	69,999,810	2,500,000 ⁴
Subtotal	1,655,999,810	1,658,499,810	2,500,000
Transfer from Construction	413,941,656	417,519,962	3,578,306 ⁵
Transfer to Construction for MWAA	(100,000,000)	(100,000,000)	-
Total	\$1,969,941,466	\$1,976,019,772	\$6,078,306

A review of administrative and other operating programs was performed to identify funds that could be made available for transfer to the maintenance program to help offset the extreme snow costs. The increase in the transfer from Construction represents funding provided out of the Environmental Program, Planning and Research Program and the Construction Management service area of the Construction Program. Use of a prior year balance in the Administrative Program is also reflected in Other Revenue.

HMOF Revenue Sources, FY 2014

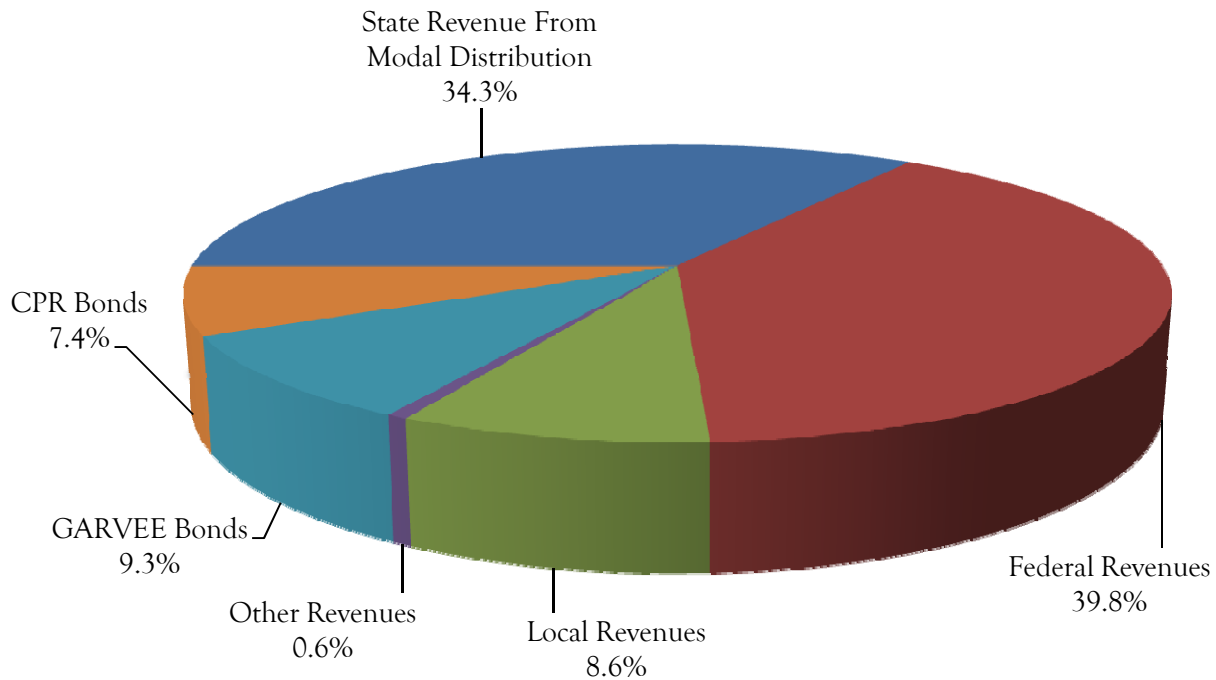


Transportation Trust Fund - Construction

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	Allocation FY 2014	Revised FY 2014	Difference
State Revenue From Modal Distribution	\$748,306,929	\$748,306,929	\$ -
Federal Revenues	867,274,667	867,274,667	-
Local Revenues	187,321,499	187,321,499	-
Other Revenues	12,567,830	12,567,830	-
GARVEE Bonds	202,695,000	202,695,000	-
CPR Bonds	161,202,137	161,202,137	-
Total	\$2,179,368,062	\$2,179,368,062	\$ -

**Construction Fund Revenue by Source,
FY 2014**

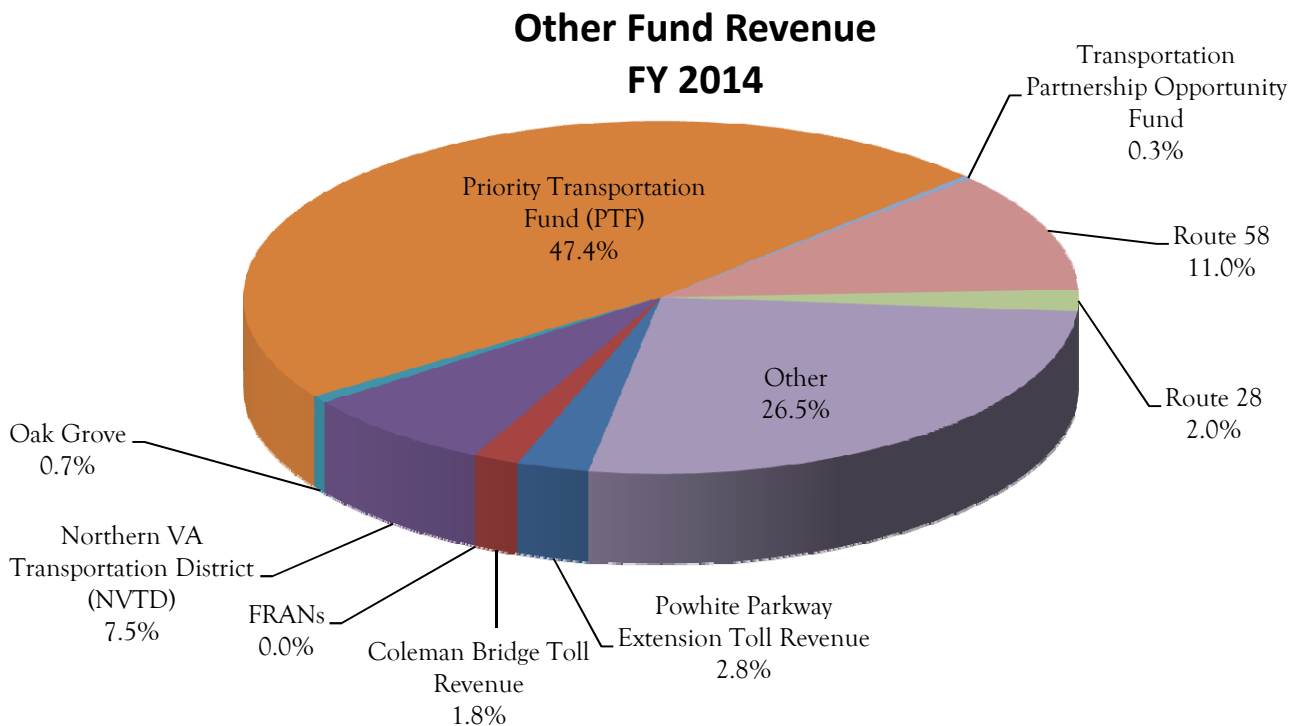


Other Fund Revenues

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. The transfer to the HMOF was increased due to the reduction of other programs to provide the maintenance program with the increased funding for snow related expenses.

Other Fund Revenues	Allocation FY 2014	Revised FY 2014	Difference
Regional Transportation Funds	\$451,790,000	\$451,790,000	\$ -
Powhite Parkway Extension Toll Revenue	10,205,100	10,205,100	-
Coleman Bridge Toll Revenue	6,562,815	6,562,815	-
FRANs	3,000	3,000	-
Northern VA Transportation District (NVTD)	27,476,173	27,476,173	-
Oak Grove	2,505,000	2,505,000	-
Priority Transportation Fund (PTF)	173,913,361	173,913,361	-
Transportation Partnership Opportunity Fund	1,244,453	1,244,453	-
Route 58	40,399,000	40,399,000	-
Route 28	7,209,719	7,209,719	-
Other	97,117,345	97,117,345	-
Total	\$818,425,966	\$818,425,966	\$ -

Total Construction Major Sources (page 8)	2,179,368,062	2,179,368,062	-
Transfer to HMOF	(413,941,656)	(417,519,962)	(3,578,306) ⁶
Transfer from HMOF for MWAA	100,000,000	100,000,000	-
Total Construction Fund	\$2,683,852,372	\$2,680,274,066	(\$3,578,306)



VDOT Program Descriptions & Allocations

Summary of Allocations by Program

The following table summarizes VDOT's budget by the major budgetary programs. It summarizes the changes from the June 2013 budget to this revision to accommodate snow-related expenses.

	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
Environmental Monitoring and Evaluation (514)	\$13,663,126	\$11,210,399	(\$2,452,727) ⁷
Ground Transportation Planning and Research (602)	65,940,956	59,142,377	(6,798,579) ⁸
Highway System Acquisition and Construction (603)	1,440,023,948	1,373,996,948	(66,027,000) ⁹
Highway System Maintenance (604)	1,467,347,738	1,559,413,581	92,065,843 ¹⁰
Commonwealth Toll Facilities (606)	121,455,814	121,455,814	-
Financial Assistance to Localities (607)	889,552,281	889,552,281	-
Non-Toll Supported Transportation Debt Service (612)	320,558,545	320,558,545	-
Administrative and Support Services (699)	246,146,335	231,858,798	(14,287,537) ¹¹
VDOT Capital Outlay (998)	20,000,000	20,000,000	-
Support to Other State Agencies	61,545,270	61,545,270	-
Support to DRPT Programs	7,559,825	7,559,825	-
Total	\$4,653,793,838	\$4,656,293,838	\$2,500,000

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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
Environmental Monitoring & Compliance for Highway Projects (514008)	\$11,411,778	\$8,970,178	(\$2,441,600)
Environmental Monitoring Program Management (514009)	2,251,348	2,240,221	(11,127)
TOTAL ENVIRONMENTAL MONITORING & EVALUATION	\$13,663,126	\$11,210,399	(\$2,452,727)
TTF	13,663,126	11,210,399	(2,452,727)

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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
Ground Transportation System Planning (602001)	\$50,186,529	\$50,087,950	(\$98,579)
Ground Transportation System Research (602002)	12,290,607	5,590,607	(6,700,000)
Ground Transportation Program Management (602004)	3,463,820	3,463,820	-
TOTAL PLANNING & RESEARCH	\$65,940,956	\$59,142,377	(\$6,798,579)
HMOF	14,995,270	8,295,270	(6,700,000)
CONSTRUCTION	32,048,586	31,950,007	(98,579)
FEDERAL	18,897,100	18,897,100	-

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 2014, 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 highway systems.

The Construction allocations include VDOT's share of the planned proceeds from the issuance of the CPR and the GARVEE bonds.

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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
Dedicated and Statewide Construction (603002)	\$960,122,893	\$960,122,893	\$ -
Interstate Construction (603003)	128,479,867	101,412,273	(27,067,594)
Primary Construction (603004)	212,421,341	182,336,395	(30,084,946)
Secondary Construction (603006)	50,112,403	50,112,403	-
Urban Construction (603007)	64,985,152	57,137,692	(7,847,460)
Construction Management (603015)	23,902,292	22,875,292	(1,027,000)
TOTAL CONSTRUCTION	\$1,440,023,948	\$1,373,996,948	(\$66,027,000)
CONSTRUCTION	510,714,921	509,687,921	(1,027,000)
FEDERAL	561,645,984	496,645,984	(65,000,000)
NVTD	1,337,224	1,337,224	-
OAK GROVE	278,750	278,750	-
FRANS	3,000	3,000	-
ROUTE 58	971,850	971,850	-
TPOF	1,175,082	1,175,082	-
PTF	-	-	-
GARVEE BONDS	202,695,000	202,695,000	-
CPR BONDS	161,202,137	161,202,137	-

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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
CMAQ	\$18,163,444	\$18,163,444	\$ -
CMAQ Match	4,795,609	4,795,609	-
CPR Bonds	161,202,137	161,202,137	-
CTB Formula	1,719,700	1,719,700	-
GARVEE Bonds	202,695,000	202,695,000	-
MWAA - Dulles Rail	100,000,000	100,000,000	-
NHPP	-	-	-
NHPP Soft Match	-	-	-
Participating Project Costs	15,000,000	15,000,000	-
Revenue Sharing	300,000,000	300,000,000	-
Safety	65,133,785	65,133,785	-
Safety Match	7,237,087	7,237,087	-
STP Regional	12,636,791	12,636,791	-
STP Regional Match	3,159,199	3,159,199	-
Transportation Alternatives (TAP)	9,359,909	9,359,909	-
Other	59,020,232	59,020,232	-
TOTAL DEDICATED & STATEWIDE CONSTRUCTION	\$960,122,893	\$960,122,893	\$ -
CONSTRUCTION	449,853,232	449,853,232	-
FEDERAL	142,606,618	142,606,618	-
NVTD	1,337,224	1,337,224	-
OAK GROVE	278,750	278,750	-
FRANS	3,000	3,000	-
ROUTE 58	971,850	971,850	-
TPOF	1,175,082	1,175,082	-
PTF	-	-	-
GARVEE BONDS	202,695,000	202,695,000	-
CPR BONDS	161,202,137	161,202,137	-

Included in the Other item are amounts for Rail Highway Crossings, Federal Lands Access Program (FLAP), CMAQ TERMS, 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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
CMAQ	\$346,000	\$346,000	\$ -
CMAQ Match	-	-	-
CTB Formula	27,386,153	27,386,153	-
NHPP	45,829,243	37,649,837	(8,179,406)
NHPP Soft Match	8,328,268	7,092,444	(1,235,824)
NHPP Exempt	24,863,542	10,741,651	(14,121,891)
NHPP Exempt Soft Match	4,773,892	1,243,419	(3,530,473)
STP Regional	7,430,595	7,430,595	-
STP Regional Match	1,857,649	1,857,649	-
STP Statewide	3,975	3,975	-
STP Statewide Soft Match	995	995	-
STP Under 5,000	1,200,000	1,200,000	-
STP Under 5,000 Soft Match	300,000	300,000	-
Other	6,159,555	6,159,555	-
TOTAL INTERSTATE CONSTRUCTION	\$128,479,867	\$101,412,273	(\$27,067,594)
CONSTRUCTION	2,738,282	2,738,282	-
FEDERAL	125,741,585	98,673,991	(27,067,594)

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 2014 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 2014.

PRIMARY CONSTRUCTION (603004)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
CMAQ	\$5,626,130	\$5,626,130	\$ -
CMAQ Match	1,406,534	1,406,534	-
CTB Formula	1,676,936	1,676,936	-
NHPP	35,375,497	26,523,938	(8,851,559)
NHPP Soft Match	8,843,873	6,630,984	(2,212,889)
NHPP APD	31,027,473	31,027,473	-
NHPP Bridge	17,205,801	16,234,330	(971,471)
NHPP Bridge Soft Match	4,301,450	4,058,582	(242,868)
NHPP Exempt	2,738,231	2,738,231	-
NHPP Exempt Soft Match	684,558	684,558	-
STP Bridge	19,787,149	19,787,149	-
STP Bridge Soft Match	4,946,787	4,946,787	-
STP Regional	27,185,398	27,185,398	-
STP Regional Match	6,796,348	6,796,348	-
STP Statewide	3,484,920	3,484,920	-
STP Statewide Soft Match	871,230	871,230	-
STP Under 200,000	-	-	-
STP Under 200,000 Soft Match	-	-	-
STP Under 5,000	30,988,517	16,743,590	(14,244,927)
STP Under 5,000 Soft Match	7,747,130	4,185,898	(3,561,232)
Other	1,727,379	1,727,379	-
TOTAL PRIMARY CONSTRUCTION	\$212,421,341	\$182,336,395	(\$30,084,946)
CONSTRUCTION	8,922,270	8,922,270	-
FEDERAL	203,499,071	173,414,125	(30,084,946)

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 2014 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 2014.

SECONDARY CONSTRUCTION (603006)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
CMAQ	\$5,540,196	\$5,540,196	\$ -
CMAQ Match	1,385,048	1,385,048	-
CTB Formula	1,235,999	1,235,999	-
CTB Formula - 5% to Unpaved	1,719,700	1,719,700	-
NHPP	-	-	-
NHPP Soft Match	-	-	-
STP Bridge	7,058,404	7,058,404	-
STP Bridge Soft Match	1,764,601	1,764,601	-
STP BROS	8,908,102	8,908,102	-
STP BROS Soft Match	2,227,026	2,227,026	-
STP Regional	5,655,654	5,655,654	-
STP Regional Match	1,413,913	1,413,913	-
STP Statewide	-	-	-
STP Statewide Soft Match	-	-	-
STP Under 200,000	-	-	-
STP Under 200,000 Soft Match	-	-	-
STP Under 5,000	2,330,285	2,330,285	-
STP Under 5,000 Soft Match	582,571	582,571	-
Tele Fees	8,707,735	8,707,735	-
Other	1,583,169	1,583,169	-
TOTAL SECONDARY CONSTRUCTION	\$50,112,403	\$50,112,403	\$ -
CONSTRUCTION	13,351,124	13,351,124	-
FEDERAL	36,761,279	36,761,279	-

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 2014 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 2014.

URBAN CONSTRUCTION (603007)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
CMAQ	\$4,657,727	\$4,657,727	\$ -
CMAQ State Match	996,184	996,184	-
CTB Formula	655,509	655,509	-
NHPP	-	-	-
NHPP Soft Match	-	-	-
NHPP Bridge	3,100,806	3,100,806	-
NHPP Bridge Soft Match	775,202	775,202	-
STP BROS	408,081	408,081	-
STP BROS Soft Match	102,020	102,020	-
STP Regional	23,396,011	23,396,011	-
STP Regional State Match	5,849,004	5,849,004	-
STP Statewide	6,485,327	6,485,327	-
STP Statewide Soft Match	1,621,331	1,621,331	-
STP Under 200,000	-	-	-
STP Under 200,000 Soft Match	-	-	-
STP Under 5,000	8,440,721	2,162,753	(6,277,968)
STP Under 5,000 Soft Match	2,110,180	540,688	(1,569,492)
Other	6,387,049	6,387,049	-
TOTAL URBAN CONSTRUCTION	\$64,985,152	\$57,137,692	(\$7,847,460)
CONSTRUCTION	11,947,721	11,947,721	-
FEDERAL	53,037,431	45,189,971	(7,847,460)

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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
TOTAL CONSTRUCTION MANAGEMENT	\$23,902,292	\$22,875,292	(\$1,027,000)
TTF	23,902,292	22,875,292	(1,027,000)

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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
Interstate Maintenance (604001)	\$300,253,503	\$327,687,169	\$27,433,666
Primary Maintenance (604002)	430,262,411	494,779,950	64,517,539
Secondary Maintenance (604003)	456,671,329	456,785,967	114,638
Transportation Operations Services (604004)	198,853,536	198,853,536	-
Highway Maintenance Program Management & Direction (604005)	81,306,959	81,306,959	-
TOTAL HIGHWAY SYSTEM MAINTENANCE	\$1,467,347,738	\$1,559,413,581	\$92,065,843
HMOF	1,245,198,580	1,272,264,423	27,065,843
FEDERAL	222,149,158	287,149,158	65,000,000

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/Powwhite Parkway, the Boulevard Bridge, Pocahontas Parkway, 495 Express Lanes and South Norfolk Jordan Bridge. Of these facilities, two are currently owned and operated by VDOT: Powwhite Parkway Extension Toll Road in Chesterfield County and George P. Coleman Bridge in Gloucester County. The remaining eight toll roads are operated by other entities.

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 Powwhite 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 Powwhite 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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
Debt Service (606002)	\$3,190,600	\$3,190,600	\$ -
Maintenance & Operations (606003)	13,577,315	13,577,315	-
Toll Facilities Revolving (606004)	104,687,899	104,687,899	-
TOTAL TOLL FACILITIES	\$121,455,814	\$121,455,814	\$ -
POWHITE	10,205,100	10,205,100	-
COLEMAN	6,562,815	6,562,815	-
TOLL FACILITIES REVOLVING	104,687,899	104,687,899	-

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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
Financial Assistance for City Road Maintenance (607001)	\$336,995,531	\$336,995,531	\$ -
Financial Assistance for County Road Maintenance (607002)	59,921,277	59,921,277	-
Financial Assistance for Planning, Access Roads, & Special Projects (607004)	40,845,473	40,845,473	-
Distribution of Northern Virginia Transportation Authority Fund Revenues (607006)	272,490,000	272,490,000	-
Construction Program Supported by Hampton Roads Transportation Fund (607007)	179,300,000	179,300,000	-
TOTAL FINANCIAL ASSISTANCE TO LOCALITIES	\$889,552,281	\$889,552,281	\$ -
HMOF	422,916,808	422,916,808	-
CONSTRUCTION	7,916,164	7,916,164	-
FEDERAL	6,929,309	6,929,309	-
NORTHERN VIRGINIA REGIONAL FUND	272,490,000	272,490,000	-
HAMPTON ROADS REGIONAL FUND	179,300,000	179,300,000	-

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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
Highway Transportation Improvement Debt Service (612001)	\$7,209,719	\$7,209,719	\$ -
Designated Highway Corridor Debt Service (612002)	86,792,349	86,792,349	-
Federal Highway Reimbursement Anticipation Notes Debt Service (612003)	31,715,775	31,715,775	-
Capital Projects Bonds/Reserve (612004)	130,328,541	130,328,541	-
Federal Transportation Grant Anticipation Revenue Notes Debt Service (612005)	52,643,116	52,643,116	-
Other	11,869,045	11,869,045	-
TOTAL NON-TOLL SUPPORTED DEBT SERVICE	\$320,558,545	\$320,558,545	\$ -
FRANS	31,715,775	31,715,775	-
NVTD	33,138,949	33,138,949	-
OAK GROVE	2,226,250	2,226,250	-
ROUTE 28	7,209,719	7,209,719	-
PTF	11,869,045	11,869,045	-
CPR BONDS	130,328,541	130,328,541	-
ROUTE 58	51,427,150	51,427,150	-
FEDERAL	52,643,116	52,643,116	-

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. The federal funding provided for training and development is reinstated for FY 2014.

ADMINISTRATIVE & SUPPORT SERVICES (699)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
General Management & Direction (699001)	\$125,991,389	\$117,803,852	(\$8,187,537)
Information Technology Services (699002)	92,890,390	86,790,390	(6,100,000)
Facilities and Grounds Management Services (699015)	14,799,466	14,799,466	-
Employee Training & Development (699024)	12,465,090	12,465,090	-
TOTAL ADMINISTRATIVE & SUPPORT SERVICES	\$246,146,335	\$231,858,798	(\$14,287,537)
HMOF	240,345,519	226,057,982	(14,287,537)
CONSTRUCTION	790,816	790,816	-
FEDERAL	5,010,000	5,010,000	-

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)	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
TOTAL VDOT CAPITAL OUTLAY	\$20,000,000	\$20,000,000	\$ -
CONSTRUCTION	20,000,000	20,000,000	-

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	ALLOCATION FY 2014	REVISED FY 2014	INCREASE (DECREASE)
Transportation Appropriation to Other Agencies			
Department of Education	\$243,919	\$243,919	\$ -
Marine Resources Commission	313,768	313,768	-
Secretary of Transportation	814,573	814,573	-
Department of State Police	7,795,519	7,795,519	-
Department of Minority Business Enterprise	1,522,662	1,522,662	-
Department of Historic Resources	100,000	100,000	-
Department of Rail & Public Transportation	5,959,600	5,959,600	-
Department of Emergency Management	933,251	933,251	-
Department of Motor Vehicles	11,532,000	11,532,000	-
Virginia Port Authority	2,550,023	2,550,023	-
Department of Treasury	185,187	185,187	-
Virginia Liaison Office	143,205	143,205	-
Virginia Commercial Space Flight Authority	11,800,000	11,800,000	-
Office of the State Inspector General	1,751,489	1,751,489	-
SUBTOTAL	45,645,196	45,645,196	-
Transfers to the General Fund			
Department of General Services	388,254	388,254	-
Department of Agriculture & Conservation Services	97,586	97,586	-
Chesapeake Bay Initiatives	7,416,469	7,416,469	-
Telecommunication Contract Savings	681,606	681,606	-
Indirect Costs	3,028,317	3,028,317	-
Department of Taxation	2,787,842	2,787,842	-
SUBTOTAL	14,400,074	14,400,074	-
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	\$61,545,270	\$61,545,270	\$ -
HMOF	46,485,289	46,485,289	-
CONSTRUCTION	14,968,155	14,968,155	-
TOLL FACILITIES REVOLVING	22,455	22,455	-
TPOF	69,371	69,371	-

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)	\$ -	\$ 11,210,399	\$ -	\$ -	\$ -	\$11,210,399
Ground Transportation Planning & Research (602)	8,295,270	31,950,007	18,897,100	-	-	59,142,377
Highway System Acquisition and Construction (603)	-	509,687,921	496,645,984	363,897,137	3,765,906	1,373,996,948
Highway System Maintenance (604)	1,272,264,423	-	287,149,158	-	-	1,559,413,581
Commonwealth Toll Facilities (606)	-	-	-	-	121,455,814	121,455,814
Financial Assistance to Localities (607)	422,916,808	7,916,164	6,929,309	-	451,790,000	889,552,281
Non-Toll Supported Transportation Debt Service (612)	-	-	52,643,116	-	267,915,429	320,558,545
Administrative and Support Services (699)	226,057,982	790,816	5,010,000	-	-	231,858,798
VDOT Capital Outlay (998)	-	20,000,000	-	-	-	20,000,000
Support to Other State Agencies	46,485,289	14,968,155	-	-	91,826	61,545,270
Support to DRPT Programs	-	\$7,559,825	-	-	-	7,559,825
TOTAL	\$1,976,019,772	\$604,083,287	\$867,274,667	\$363,897,137	\$845,018,975	\$4,656,293,838

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

Budget Comparison Schedule for FY 2014

Revenues

Revenue provided by the General Fund of the Commonwealth	\$40,000,000
Taxes	2,619,624,475
Rights and privileges	319,735,584
Sale of property and commodities	-
Interest, dividends, and rents	16,918,158
Fines, forfeitures, court fees	-
Penalties, and escheats	1,743,713
Receipts from localities and private sector	180,954,764
Federal grants and contracts	867,274,667
Toll revenues	27,141,547
Other	199,924,443
Total Revenues	<u>4,273,317,351</u>

Other Financing Sources

Other financing sources	19,079,350
Bond proceeds	363,897,137
Note proceeds	-
Transfers from other state agencies and General Fund	-
Transfers in	-
Total Other Financing Sources	<u>382,976,487</u>

Total Revenues and Other Sources \$4,656,293,838

Budget Comparison Schedule for FY 2014

Expenditures	
Administrative and support services	\$231,858,798
Ground transportation system planning and research	59,142,377
Highway system acquisition and construction	1,373,996,948
Highway system maintenance	1,559,413,581
Financial assistance to localities	889,552,281
Environmental monitoring and compliance	11,210,399
Toll facility operations and construction	121,455,814
Capital outlay	20,000,000
Debt Service	320,558,545
Total Expenditures	<u>4,587,188,743</u>

Other Financing Uses	
Other financing uses	-
Transfers to other state agencies and General Fund	69,105,095
Transfers out	-
Total Other Financing Uses	<u>69,105,095</u>

Total Expenditures and Other Uses **\$4,656,293,838**

**Revenues and Other Sources Over (Under)
Expenditures and Other Uses** **\$ -**

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 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	Reflects additional funding provided to the Maintenance Program to address snow removal costs.
2	Reflects funding provided from the Administration and Other Programs to the Maintenance Program.
3	Reflects funding provided from the Construction Program to the Maintenance Program.
4	Additional funds in Other Revenue represent the use of a prior-year balance from the Administrative Program relating to balances not needed in the current year for the Cardinal Financial System and associated development costs, totaling \$2.5 million.
5	The increase in the transfer from Construction represents funding provided out of the Environmental Program, Planning and Research Program and the Construction Management service area of the Construction Program.
6	The increase in the transfer to the Highway Maintenance and Operating Fund represents funding provided out of the Environmental Program, Planning and Research Program and the Construction Management service area of the Construction Program.
7	Reduction to Environmental Program represents one-time savings in personal services related to vacancies during the year and nonpersonal services, with the largest reduction to purchasing Wetlands Mitigation credits for the remainder of the year. Current year recoveries from Construction Projects have provided for the balance remaining.
8	Reductions in Ground Transportation System Planning and Research represent one-time savings in personal services related to vacancies during the year and one-time nonpersonal services reductions, the largest being a reduction in funding provided to Research Initiatives and Implementation funding for an uncommitted balance in the current year.
9	Reductions in Highway System Acquisition and Construction represent one-time savings in personal services related to vacancies in Construction Management and a transfer of \$65 million in federal funding that can be expended by the Maintenance Program in the current year.
10	Funding transferred to the Maintenance program from the Construction Program and Administrative and Other Programs.
11	Reductions in Administrative and Support Services represent one-time savings in personal services related to vacancies and deferred or eliminated nonpersonal services.