



Fiscal Years 2015 - 2020 Outlook
Preliminary Six-Year Financial Plan
(January 2014)

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State and Federal Revenue Updates FY 2014 – FY 2019

- ❑ **The financial outlook has been updated as part of the annual development of the Governor’s Budget Bill and Transportation’s Six-Year Financial Plan**
 - Updated state revenue forecasts from Taxation
 - Developed new federal revenue forecasts
- ❑ **State transportation revenue forecast for major sources is down by \$795.6 million from \$20.286 billion to \$19.533 billion**
- ❑ **Federal revenue forecast is down by \$123.1 million, from \$5.635 billion to \$5.512 billion**

Updates based on 2014 Actual Apportionments and 2014 Obligation Authority through January 15, 2014

State and Federal Revenue Updates FY 2014 – FY 2019

- ❑ **Other revenue updates have a total net increase of \$11.2 million**
- ❑ **Total reduction of \$907.5 million**
 - \$67.6 million - transit and rail
 - \$692.8 million - highway construction
 - \$178.3 million in the regional revenues established by HB 2313
 - Addition of \$31.2 million in total for other adjustments – Local Revenue for Revenue Sharing, Updates to PPI for growth in VDOT Maintenance and Financial Assistance to Localities, Additional Funding for Support to Other State Agencies, Reductions in TTF Support for Ports and Airports

Commonwealth Transportation Fund Revenue Update

Major adjustments

State Revenue

- \$751 million reduction in anticipated revenues for Sales Tax on Motor Fuels, Road Tax and Aviation Fuel Tax
- \$249 million reduction in Retail Sales and Use Tax and Accelerated Sales Tax Transfer
- \$161 million in additional revenue from the Motor Vehicle Sales and Use Tax and Rental Tax
- \$57 million in additional revenue from License Fees
- The remaining \$13 million reduction is the net result of changes in other major revenues

Federal Revenue

- NHPP – Reduction of \$70.5 million
- RSTP – Reduction of \$9.4 million
- CMAQ – Reduction of \$6.8 million

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

Preliminary CTF Revenue FY 2015 – FY 2020

- ❑ **Based on new revenue forecast**
 - State Revenue from the Department of Taxation through FY 2020
 - Federal and other sources derived by VDOT from source information
- ❑ **The projected FY 2015 – 2020 Six-Year Financial Plan totals \$32.74 billion**
- ❑ **\$491.4 million reduction from FY 2014 – 2019 Financial Plan**
- ❑ **Reduction of \$55 million from state and federal revenue sources**
- ❑ **Funding provided from anticipated bond sales are \$436 million less than the previous plan**
 - Based on planned management of the bond programs
 - CPR change of \$234.1 million
 - GARVEE change of \$202.7 million



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

(in millions)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Total	Total from FY14-19 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)

- **Debt Service increase expected to support planned bond programs**
- **Maintenance & Operations growth based on updates to Highway and Street Construction Producer Price Index (PPI)**
- **DRPT reduction impacts Mass Transit and Rail Enhancement programs; reduction of \$72.9 million of planned CPR allocations**
- **Construction program reduction**
 - Crossover was \$452.8 million, ending by FY 2017; it returns for all years, totaling \$724.4 million
 - Eliminates distribution of funds through the construction formula during period
 - All available funds distributed through CTB formula

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)

Federal Updates

□ FHWA notices since Spring 2013

- Supplementary Apportionment Tables for FY 2013
- Actual Apportionment for FY 2014
(previously, estimates for major programs had been provided)
- Partial year of Obligation Authority (used to estimate entire federal fiscal year amount)

□ Both Apportionment and Obligation Authority were slightly lower for Virginia programs than projected

□ CMAQ and RSTP Preliminary Allocations for FY 2015-2020 SYIP programming have been provided based on these updates