



**FINANCIAL
REPORT
JUNE 30, 2010**

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Robert F. McDonnell
Governor

Sean T. Connaughton
Secretary of Transportation

Gregory A. Whirley Sr.
Commissioner Department
of Transportation

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**INTRODUCTORY
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COMMONWEALTH of VIRGINIA

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

Gregory A. Whirley
Commissioner

April 29, 2011

Letter of Transmittal

The Comprehensive Annual Financial Report (CAFR) of the Virginia Department of Transportation (VDOT) for the fiscal year ended June 30, 2010 is hereby submitted. The report reflects the operation of the Highway Maintenance and Operating Fund, the Transportation Trust Fund, various toll facilities operated by the Department and other funds. This CAFR conforms with generally accepted accounting principles as established by the Governmental Accounting Standards Board (GASB) and complies with provisions of the Comptroller's Directive No. 1-10, "Financial Statement Preparation." The statements presented in this report are un-audited. Audited VDOT financial information is included in the Commonwealth Comprehensive Annual Financial Report (CAFR), which is audited by the Auditor of Public Accounts.

The VDOT CAFR has been prepared by VDOT, whose management is responsible for both the integrity and objectivity of the financial statements, as well as other information presented herein. The combined financial statements are considered by management to present fairly, VDOT's financial position and results of operations and changes in fund balances. The data presented is accurate in all material respects and all disclosures necessary to enable the reader to obtain a thorough understanding of our financial activities have been included.

The CAFR is presented in five sections; the Introductory Section includes this transmittal letter, an agency overview and VDOT's organizational chart. The Financial Section includes the Management Discussion and Analysis (MD&A) of VDOT's overall changes in financial position. The Basic Financial Statements Section includes the government-wide and fund financial statements along with accompanying notes. The Required Supplementary Information section contains budgetary comparison schedules. The Combining and Individual Fund Statements and Schedules Section contains combining fund financial statements for nonmajor special revenue funds and the Schedule of Federal Assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Janice Long".

Janice Long
Controller, VDOT

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AGENCY OVERVIEW

Virginia Department of Transportation Organization

Virginia Department of Transportation (VDOT) is responsible for building, maintaining and operating the Commonwealth of Virginia's roads, bridges and tunnels. The agency has one central office and nine district offices. The 17-member Commonwealth Transportation Board guides the Department's work, much like a board of directors. The Secretary of Transportation serves as chairman and the Commonwealth Transportation Commissioner as vice-chairman. Members are appointed by the Governor and approved by the General Assembly.

Transportation System

Virginia has the third largest state-maintained highway system in the United States with an annual operating budget of approximately \$4.0 billion. VDOT maintains over 57,000 miles of interstate, primary, and secondary roads and distributes state funds to help maintain over 10,000 miles of urban streets. VDOT not only maintains the roads, but also is responsible for more than 12,600 bridges, 4 underwater tunnels, 2 mountain tunnels, 1 toll road, 1 toll bridge, 4 ferry services, numerous rest areas, and over 100 commuter parking lots.

Mission

Our mission is to plan, deliver, operate and maintain a transportation system that is safe, enables easy movement of people and goods, enhances the economy and improves our quality of life.

Shared Values in Public Service

- Be responsive to customer needs, consider what VDOT does in terms of how it benefits our customers, and treat customers with respect, courtesy, and fairness.
- Commit to safety and continuous improvement in everything we do, learning from mistakes and successes alike.
- Trust, respect, support, and encourage each other.
- Respect and protect the public investment.
- Make decisions based on facts and sound judgment and accept accountability for our actions.
- Strengthen our expertise in using information, tools, and technology to achieve high performance and stay on the cutting edge.
- Think ahead, acting and planning creatively for today and tomorrow.

VDOT Accomplishments and Highlights for Fiscal Year 2010

- ***VDOT completes contracts on time and on budget for fiscal year 2010.***

Each year, VDOT administration sets goals for the agency. The primary goals are to complete construction and maintenance projects on time and on budget and improve financial management and business operations. For FY 2010 VDOT exceeded these goals in three out of four categories.

Deadlines

FY 2010 Maintenance contracts completed on time:

91 percent (*target of 77 percent*)

FY 2010 Construction contracts completed on time:

64 percent (*target of 75 percent*)

Budgets

FY 2010 Maintenance contracts completed within budget:

94 percent (*target 90 percent*)

FY 2010 Construction contracts completed within budget:

86 percent (*target 82 percent*)

- ***VDOT continues to improve Virginia highways thru the Stimulus Funding from the American Recovery and Reinvestment Act (Stimulus Act).***

The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law by President Obama on February 17, 2009. Virginia received a total of \$694.5 million in highway funding from ARRA to invest in improving our transportation system. VDOT's priorities are to address deficient pavements, structurally deficient bridges and much needed highway capacity to improve the economic competitiveness of the commonwealth and offer safe reliable transportation options for all Virginians. \$693.7 million of these funds have been obligated at June 30, 2010.

Other facts for the ARRA funding allocated to VDOT as of June 30, 2010 are as follows:

- ARRA funds expended totaled \$64.8 million.
- Sixty four projects have started work, valued at \$354.7 million.
- Twenty five projects have been completed valued at \$34.7 million.
- Job hours of 470,379 were utilized as a result of the recovery act.
-

- ***VDOT Blueprint for the Future Plan Launches Reorganization Activities.***

The Virginia Department of Transportation (VDOT) completed major portions of its reorganization to reach a mandated staffing reduction to 7,500 full time employees by July 1, 2010, and to streamline the way it does business around the commonwealth. VDOT's restructuring program called the Blueprint for the Future changes business practices and alters the way citizens, developers, localities, businesses and transportation industry contacts will do business with the agency. During this period of reorganization,

VDOT responded to several historic winter storm events and maintained a high level of service and snow removal efforts to keep Virginia roadways safe for drivers.

- ***The Cardinal Project.***

The Cardinal Project is a partnership involving the Department of Accounts (DOA), Virginia Information Technologies Agency (VITA), and the Virginia Department of Transportation (VDOT), to implement a new financial management system. This new web based financial system will replace the Commonwealth of Virginia's current financial management system. Cardinal is a PeopleSoft product that will initially be implemented at VDOT and then DOA. The Cardinal system will address important business requirements for the Commonwealth of Virginia. The new system will provide modern technology that is supported by the vendor community and provide powerful financial and operational reporting. Part one of the Cardinal Project focuses on replacing VDOT's existing financial management system and is scheduled to go live in October of 2011. Part two of the Cardinal Project focuses on implementing Cardinal at DOA in July of 2012.

- ***Major VDOT Public Private Transportation Act Projects continue to move forward .***

Route 460 Corridor Improvements - Seeking new innovative financing methods, VDOT plans to solicit new proposals for the U.S. Route 460 Corridor Improvements, a Public-Private Transportation Act (PPTA) project to build a new Route 460 between Petersburg and Suffolk. The procurement process that was started in 2006 was terminated with the issuing of a new solicitation for proposals. The solicitation of new proposals will help VDOT seek private partners with new ideas and innovative financing methods to move the project forward. The U.S. Route 460 project remains a high priority for the Commonwealth due to its importance as an emergency and hurricane evacuation route, safety of the traveling public and the movement of freight in and out of the Hampton Roads ports.

Downtown/Midtown Tunnel and MLK Expansion -VDOT has advanced to the second phase of the interim agreement for the Hampton Roads Downtown Tunnel/Mid Town Tunnel and Martin Luther King Extension. During the second phase, VDOT and its private sector partner, Elizabeth River Crossings LLC, will continue to develop strategies and pursue public and private sector funding opportunities for the project. The project will call for the design and construction of a parallel Midtown Tunnel, extension of the MLK Freeway between Interstate 264 and London Boulevard along with improvements to the existing Midtown and Downtown tunnels.

I-495 Capital Beltway High Occupancy Toll (HOT) Lanes – VDOT and Fluor – Transurban are working in partnership to deliver significant improvements to the Capital Beltway. These improvements will include new HOT and HOV lanes. Other improvements include replacement of more than \$250 million of aging infrastructure, including more than 50 bridges and overpasses. This project continued to make significant progress during the fiscal year.

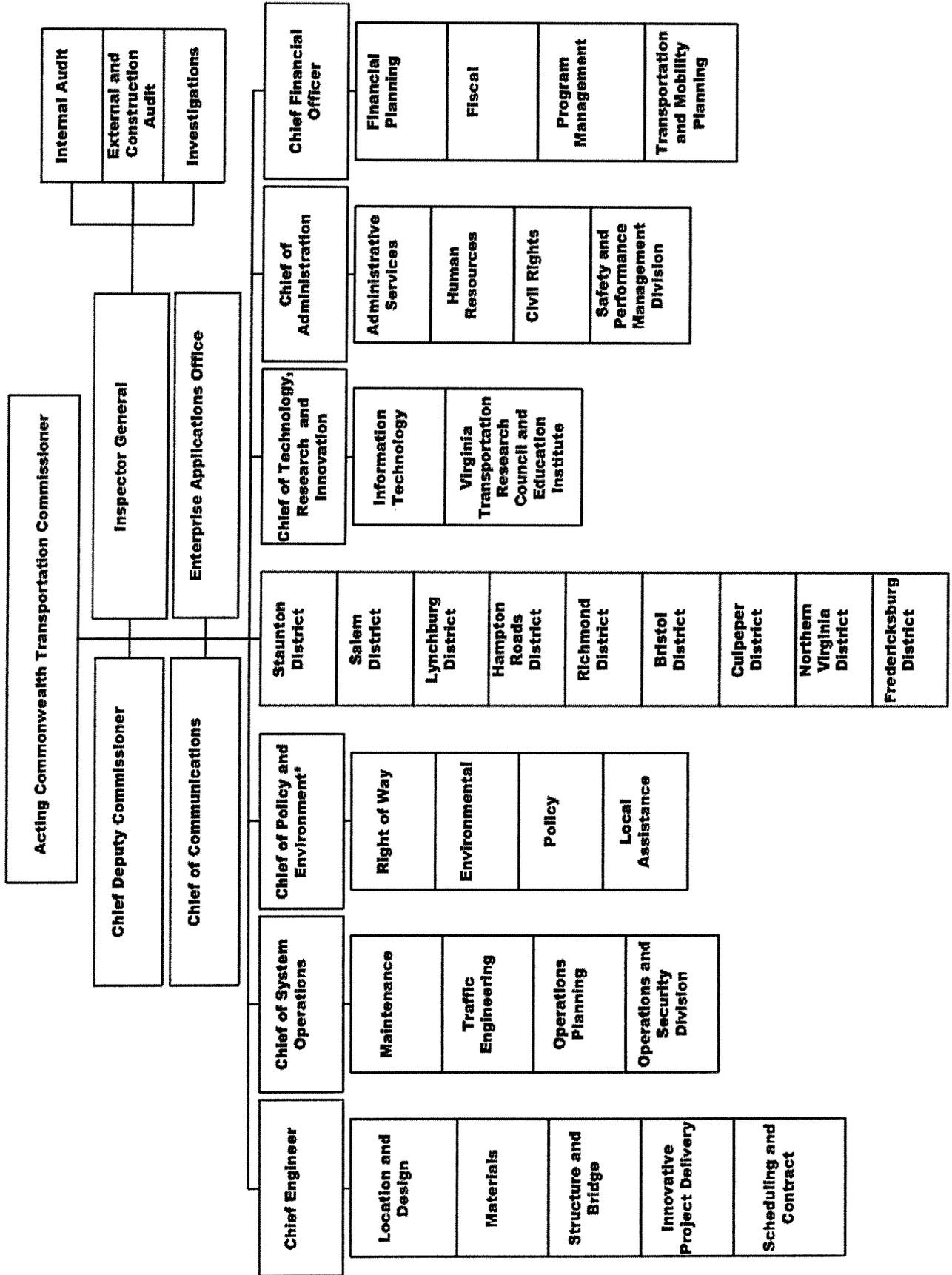
- ***VDOT issues first Capital Projects Revenue Bonds.***

Capital Projects Revenue (CPR) bonds were authorized by the 2007 session of the General Assembly. This authorization allows the Commonwealth Transportation Board to issue up to \$3.18 billion of CPR bonds. These CPR bonds had their first issuance during May of 2010 when \$492.7 million of these bonds were sold. Further details on this bond issuance along with other long term debt information can be found in note 5 of the Notes to the Financial Statements section of this report.

- ***VDOT Reopens Rest Areas.***

The Commonwealth Transportation Board reopened in the spring of 2010, nineteen rest areas that had been previously closed during 2009. These rest areas were closed in an effort to save funds due to predicted VDOT revenue shortfalls over the next six years. VDOT provided \$3 million from its emergency maintenance reserve fund to operate the facilities through the end of fiscal year 2010. Long term funding for the rest areas will be identified in future maintenance budgets.

Virginia Department of Transportation - 6/1/10



*This position meets the statutory requirements set out in Section 33.1-8 of the Code of Virginia

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**Management's Discussion
and Analysis**

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Management's Discussion and Analysis

As management of the Virginia Department of Transportation, we offer readers of these financial statements this narrative overview and analysis of the financial activities of the Virginia Department of Transportation for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with the information presented in our financial statements and the notes to the financial statements. **All amounts in this section, unless otherwise indicated, are expressed in millions of dollars.**

FINANCIAL HIGHLIGHTS

Government-wide Statements

The assets of the Virginia Department of Transportation exceeded its liabilities at the end of the fiscal year 2010 by \$17,411.0 (*net assets*). The Virginia Department of Transportation's total net assets increased by \$1,283.6 in fiscal year 2010. All of the increase in net assets in fiscal year 2010 came from the governmental activities. The Virginia Department of Transportation did not have any business-type activities in fiscal year 2010.

Fund Statements

At the end of the fiscal year, the special revenue and debt service funds of the Virginia Department of Transportation reported a combined ending fund balance of \$1,919.2, an increase of \$473.3. Of this total fund balance, \$1,726.1 represents unreserved fund balance and the remaining \$193.1 represents amounts reserved for specific purposes. The Virginia Department of Transportation did not have any enterprise funds in fiscal year 2010.

Long-term Debt (Bonds and Notes Payable)

The Department's total debt for governmental activities increased by \$376.5 in fiscal year 2010 over that of the fiscal year 2009. The increase in total debt is primarily due to the issuance of the Capital Projects Revenue Bonds for \$492.7 and the Northern Virginia Transportation District bond issuance for \$72.2 in fiscal year 2010. There were also increases of \$2.6 in the accreted bond principal of the Route 28 Capital Appreciation Bond. The increase in long-term debt is reduced by the bonds \$187.4 and notes \$3.5 principal payments in fiscal year 2010. The Department has no debt for business type activities in fiscal year 2010 to disclose.

OVERVIEW OF THE FINANCIAL STATEMENTS

This management discussion and analysis is intended to serve as an introduction to the Virginia Department of Transportation's basic financial statements. The Virginia Department of Transportation's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Virginia Department of Transportation's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Virginia Department of Transportation's assets and liabilities, with the differences between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Virginia Department of Transportation is improving or deteriorating.

The *statement of activities* presents information showing how the Department's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Virginia Department of Transportation that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through fees (*business-type activities*). The governmental activities of Virginia Department of Transportation include new highway construction and the maintenance of existing highways. Motor vehicle fuels taxes, motor vehicle sales & use taxes, motor vehicle license fees, state sales & use taxes, and federal transportation revenues finance most of the Department's activities. There were no business-type activities of the Virginia Department of Transportation in fiscal year 2010.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Virginia Department of Transportation, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Virginia Department of Transportation can be divided into three categories: governmental funds, fiduciary funds and when there is activity to report, proprietary funds.

Governmental funds: *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements are prepared on a modified accrual basis and focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. This may help readers better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund

statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Virginia Department of Transportation reports the following governmental fund types:

- **Special Revenue Funds:** There are seven individual special revenue funds reported as major funds in the governmental statements. They account for the ordinary operations of the Virginia Department of Transportation and are supported by revenues from specific revenue sources. There are also fourteen non-major funds included, detailed in the form of *combining statements*.
- **Debt Service Funds:** There are eight debt service funds reported as major funds to account for the accumulation of resources used to pay the principal and interest on long-term obligations recorded in the government-wide statements.

Proprietary Fund: The Virginia Department of Transportation did not have any proprietary fund activity to report in fiscal year 2010.

Fiduciary Funds: Fiduciary funds are used to account for resources held by the Virginia Department of Transportation in a trustee capacity or as a fiscal agent on behalf of others, in a custodial nature and do not involve measurement of results of operations. Fiduciary funds are *not* reflected in the government-wide and fund financial statements because the resources of these funds are *not* available to support the Virginia Department of Transportation's own programs. The Virginia Department of Transportation did not have any fiduciary fund activity to report in fiscal year 2010.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

This section includes budgetary comparison schedules for special revenue funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve as a useful indicator of a government's financial position. In the case of the Virginia Department of Transportation, assets exceeded liabilities by \$17,411.0 at the close of fiscal year 2010.

By far the largest portion of the Virginia Department of Transportation's net assets, 89.6 percent reflects its investment in capital assets. The Virginia Department of Transportation's capital assets are mainly composed of the highway infrastructure and represent the Department's mission. Although the Virginia Department of Transportation's investment in capital assets are shown in the Net Assets table net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Statement of Net Assets:

The following table represents the condensed Statement of Net Assets:

**Virginia Department of Transportation
Net Assets
as of June 30, 2010 and 2009**

	<u>Governmental activities</u>		<u>Total</u>	
	2010	2009	2010	2009
Current and other assets	\$ 2,662.6	\$ 2,134.5	\$ 2,662.6	\$ 2,134.5
Capital assets	17,510.0	16,336.1	17,510.0	16,336.1
Total assets	<u>20,172.6</u>	<u>18,470.6</u>	<u>20,172.6</u>	<u>18,470.6</u>
Current liabilities	773.7	725.6	773.7	725.6
Non-current liabilities	1,987.9	1,617.6	1,987.9	1,617.6
Total liabilities	<u>2,761.6</u>	<u>2,343.2</u>	<u>2,761.6</u>	<u>2,343.2</u>
Net assets:				
Invested in capital assets				
net of related debt	15,606.3	14,808.6	15,606.3	14,808.6
Restricted	457.8	276.5	457.8	276.5
Unrestricted	1,346.8	1,042.3	1,346.8	1,042.3
Total net assets	<u>\$ 17,411.0</u>	<u>\$ 16,127.4</u>	<u>\$ 17,411.0</u>	<u>\$ 16,127.4</u>

An additional portion of the Virginia Department of Transportation’s net assets, 2.6 percent represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of \$1,346.8 may be used to meet the Department’s ongoing obligations.

The Virginia Department of Transportation’s net assets for governmental activities increased by \$1,283.6 or 8.0 percent in fiscal year 2010. The increase was largely the result of the increases in capital assets of \$1,173.9. The increase in capital assets is primarily due to the roll over of completed infrastructure based on fiscal year 2008 expenditures. Also causing these increases are capitalized restorative maintenance \$282.0 and the donation of assets related to the Woodrow Wilson Bridge \$408.5.

Statement of Changes in Net Assets:

The following table represents the condensed Statement of Changes in Net Assets:

Virginia Department of Transportation Changes in Net Assets For Fiscal Years Ended June 30, 2010 and 2009

	Governmental activities		Total	
	2010	2009	2010	2009
Revenues:				
Program revenues:				
Charges for services	\$ 351.3	\$ 380.1	\$ 351.3	\$ 380.1
Capital grants and contributions	1,582.9	1,052.2	1,582.9	1,052.2
General revenues:				
Motor vehicle taxes	1,243.5	1,213.5	1,243.5	1,213.5
Sales and use tax	389.3	388.9	389.3	388.9
Other taxes	141.4	144.7	141.4	144.7
Investment earnings	25.4	33.0	25.4	33.0
Other revenues	29.7	26.9	29.7	26.9
Transfers to/from other state agencies and	(164.0)	(72.3)	(164.0)	(72.3)
Other financing sources (uses)	(0.9)	(1.2)	(0.9)	(1.2)
Insurance Recoveries	1.5	2.3	1.5	2.3
Total revenue	<u>3,600.1</u>	<u>3,168.1</u>	<u>3,600.1</u>	<u>3,168.1</u>
Expenses				
Administrative and support services	214.3	227.7	214.3	227.7
Ground Transportation system planning and research	31.7	33.9	31.7	33.9
Highway system acquisition and construction	582.5	562.9	582.5	562.9
Highway system maintenance	870.7	811.8	870.7	811.8
Financial assistance to localities	558.6	490.8	558.6	490.8
Environmental monitoring and Compliance	2.0	2.0	2.0	2.0
Toll facilities	22.3	48.3	22.3	48.3
Unallocated depreciation	6.2	7.4	6.2	7.4
Transfers to other state agencies	28.2	32.2	28.2	32.2
Total expenses	<u>2,316.5</u>	<u>2,217.0</u>	<u>2,316.5</u>	<u>2,217.0</u>
Change in net assets	1,283.6	951.1	1,283.6	951.1
Net assets - July 1	<u>16,127.4</u>	<u>15,176.3</u>	<u>16,127.4</u>	<u>15,176.3</u>
Net assets - June 30	<u>\$ 17,411.0</u>	<u>\$ 16,127.4</u>	<u>\$ 17,411.0</u>	<u>\$ 16,127.4</u>

Governmental activities: Governmental activities increased the Virginia Department of Transportation's net assets by \$1,283.6. Key elements of this increase are as follows:

- Program revenues increased by \$502.0, or 35.1 percent over the last fiscal year. This increase relates to increases in receipts from capital grants and contributions of \$530.8 or 50.5 percent in fiscal year 2010 over the fiscal year 2009. The increase in capital grants and contributions relates mostly to recording of donated revenue to recognize the capitalization of \$408.5 for the Virginia maintained share of the Woodrow Wilson Bridge. The increase in Program revenues is reduced by decreases in receipts from charges for services of \$28.8 or 7.6 percent in fiscal year 2010.
- Total general revenues increased by \$21.4 or 1.2 percent in fiscal year 2010 from fiscal year 2009, with increases primarily in motor vehicle sales and use tax \$28.4, road use tax \$1.9 and gain on sales \$3.7. The increase is offset by the decreases in other taxes \$3.4 and investment earnings \$7.6.
- Others: For the fiscal year ended June 30, 2010, other revenues decreased \$0.8 and insurance recoveries decreased by \$0.9. In addition, transfers to other state agencies and general fund increased by \$114.3 and transfers from other state agencies and general fund increased \$22.6 in fiscal year 2010 from the fiscal year 2009.

The Virginia Department of Transportation's expenditures from governmental activities totaled \$2,316.5 for the fiscal year ended June 30, 2010, an increase of \$99.5 from the previous year. Most of the increase is attributable to increases in highway system acquisition and construction \$19.6, highway system maintenance \$58.9 and financial assistance to localities \$67.8. The increase in expenditures is offset by the decreases in administrative and support services \$13.5, toll facilities operations and construction \$26.0, ground transportation system planning and research \$2.2 and transfer to other state agencies \$4.0.

Business-type activities: Virginia Department of Transportation had no business-type activities in fiscal year 2010.

Financial Analysis of the Department's Funds

As noted earlier, the Virginia Department of Transportation uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: The focus of the Virginia Department of Transportation's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Virginia Department of Transportation's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

- The Virginia Department of Transportation ended the fiscal year 2010 with a fund balance of \$1,919.2, an increase of \$473.3 from the prior year. The increase in fund balance was primarily due to the increases in revenues, increases in other financing sources and decreases in expenditures. Revenues increased by \$131.9 or 4.0 percent while expenditures decreased by \$154.3 or 5.0 percent. Also, bond proceeds and transfer from other state agencies and

general fund (other financing sources) increased by \$596.4 while transfer to other state agencies and general fund (other financing uses) increased by \$114.3 or 113.0 percent.

- Four out of the ten reported VDOT's revenue sources increased in fiscal year 2010. They include taxes \$23.9, sales of property and commodities \$3.5, federal grants and contracts \$159.7 and receipts from cities, counties and towns \$24.4. Decreases in expenditures included \$24.1 or 2.0 percent in construction expenditures and \$68.8 or 6.0 percent in maintenance expenditures. Approximately 90 percent of the ending fund balance, \$1,726.1, constitutes *unreserved fund balance*, which after statutory spending requirements are met, is available for spending at the Department's discretion. However, the Virginia Department of Transportation has commitments related to operating leases, right of way acquisitions and other contractual commitments related to current construction projects and planned maintenance activities. Note 3 of the notes to the financial statements provides a complete explanation of these amounts.

The Virginia Department of Transportation's main operating funds consist of the Highway Maintenance and Operating Fund (HMOF), and the Transportation Trust Fund (Construction). These funds are reported as major funds in the governmental fund statements along with the Federal Highway Fund, Priority Transportation Fund, Northern Virginia Transportation District Special Revenue Fund, Stimulus Fund (American Reinvestment and Recovery Act) and Toll Facilities Revolving Fund. Significant changes in major funds between fiscal years 2010 and 2009 are as follows:

- The fund balance of the Highway Maintenance and Operating Fund increased by \$218.2 in fiscal year 2010 over the previous year. The decreases in expenditures and the increases in other financing sources provided most of the changes in fund balance. While total expenditures decreased by \$73.4 or 4.5 percent and total revenues increased by \$11.9 or 0.9 percent, other financing uses increased by \$35.4 and other financing sources increased by \$142.3. Changes in expenditures included \$2.7 or 8.1 percent decrease in payments for highway system acquisition and construction, which relates to construction management, and \$57.7 or 5.8 percent decrease in maintenance expenditures. The increase in other financing sources is primarily due to the increase in budgeted transfers from Construction Fund (crossover transfer recipient), \$507.6 in fiscal year 2010 compared to \$364.8 in fiscal year 2009. On the other hand, the increases in other financing uses resulted primarily from the increase of \$33.1 in transfer to Priority Transportation Fund and the increase of \$2.3 or 20.1 percent in transfer to other agencies in fiscal year 2010 compared to fiscal year 2009.
- The fund balance of the Federal Highway Fund ended the fiscal year 2010 with its normal end of the year balance of \$0. Revenues increased by \$78.1 or 10.2 percent and cash transferred-in from other state agencies and General Fund increased by \$0.7 or 8.7 percent in fiscal year 2010 from fiscal year 2009. As revenues and cash transfers come into the Federal Highway Fund during the year, they are immediately used to pay for their designated expenditure projects. As a result, the total expenditures and other financing uses of the Federal Highway Fund equal to total revenues and other financing sources in fiscal year 2010.
- The Construction Fund's fund balance increased by \$14.0 or 3.2 percent in fiscal year 2010 from fiscal year 2009. The increase in fund balance is related to the decreases in total expenditures of \$387.9 or 75.0 percent and an increase in total revenues of \$41.5 or 6.2

percent in fiscal year 2010. The increase in fund balance is reduced by the net increase in other financing uses of \$173.3 or 43.3 percent. The decrease in expenditures is related to a significant decrease in highway system acquisition and construction of \$377.0 or 78.2 percent in fiscal year 2010. The decrease in highway system acquisition and construction in the Construction Fund is primarily due to the use of other funds to pay for most of the highway system acquisition and construction expenditures in fiscal year 2010. In fiscal year 2010, bond proceeds from the sale of the Capital Projects Revenue Bonds were used to provide a significant funding for highway system acquisition and construction expenditures. Also in fiscal year 2010, the Capital Projects Revenue Bonds repaid Construction Fund most of the outstanding highway system acquisition and construction expenditures that were incurred in prior years that required the use of the bond proceeds. The increase in net other financing uses is attributable to the increases in budgeted transfers to Highway Maintenance and Operating Fund (crossover transfer payment), \$507.6 in fiscal year 2010 compared to \$364.8 in fiscal year 2009.

- The Priority Transportation Fund balance increased by \$22.7 or 21.5 percent in fiscal year 2010 from fiscal year 2009. The increase in fund balance is primarily due to the decreases in expenditures of \$1.9 or 70.7 percent and the increases in transfer-in of \$33.0 from HMO and \$18.2 from Construction Fund in fiscal year 2010. The fund balance was reduced by the decreases in revenues of \$4.7 or 3.0 percent, increases in transfer-out of \$1.3 or 0.9 percent to FRAN debt service fund and \$14.3 or 102.3 percent to the Department of Rail and Public Transportation (DRPT) in fiscal year 2010.
- The fund balance of the Federal Stimulus Fund - American Recovery & Reinvestment Act (ARRA) was a negative balance of \$0.2 in fiscal year 2010 compared to \$0 in fiscal year 2009, a decrease of \$0.2. The decrease in fund balance resulted from the expenditures (highway system acquisition and construction and Administrative and Support Services payments) exceeding revenues (Federal grants and contracts) by \$0.2 in fiscal year 2010.
- The fund balance of the Northern Virginia Transportation District Special Revenue Fund increased by \$46.0 in fiscal year 2010 from fiscal year 2009. The increase in fund balance is attributed to the increases in proceeds from new bond sales of \$72.6, transfer-in from HMOF of \$2.0 or 39.7 percent and transfer-in from Department of Accounts of \$0.8 or 4.7 percent. The fund balance was reduced by the decreases in revenues of \$1.3 or 10.3 percent and the increases in transferred-out to debt service funds of \$8.0 or 31.3 percent in fiscal year 2010.
- The fund balance of the Toll Facilities Revolving Fund increased by \$40.6 or 13.8 percent in fiscal year 2010. The increase in fund balance is primarily due to the decreases in expenditures of \$2.8 or 15.3 percent, decreases in transfer-out of \$23.7 or 100.0 percent and increases in transfer-in of \$23.6 from DRPT. The fund balance was reduced by the decreases in revenues of \$2.9 or 8.2 percent in fiscal year 2010.

The Debt Service funds have a total fund balance of \$105.3 in fiscal year 2010, all of which are reserved for the debt payment. This is an increase of \$2.9 over the fund balance of the fiscal year 2009. This increase in fund balance is primarily due to the decreases in expenditures of \$23.8. This decrease in expenditure is mostly related to the transition of the Dulles Toll Road, which is accounted for in the Hirst-Brault Fund, to Metropolitan Washington Airports Authority (MWAA) in November 2008 and includes the expenditures of paying off of the defeased bonds

of the Dulles Toll Road in fiscal year 2009. Hirst-Brault Fund debt service expenditures were \$34.5 in fiscal year 2009 compared to \$0 in fiscal year 2010. The increase in fund balance was offset by the decreases in revenues of \$0.7 or 7.9 percent and the decreases of \$21.6 or 7.8 percent in transfers-in from special revenue funds for the debt service payments in fiscal year 2010. The decrease in transfers-in during fiscal year 2010 is also related to the Dulles Toll Road (Hirst-Brault Fund) transition to Metropolitan Washington Airports Authority as money was no longer required to be transferred-in from other funds in fiscal year 2010 to pay off Dulles debt.

Proprietary funds: The Virginia Department of Transportation did not have any proprietary fund activity to report in fiscal year 2010.

Special Revenue Fund Budgetary Highlights

**Virginia Department of Transportation
Budget Comparison Summary
Special Revenue Fund
For the Fiscal Year Ended June 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes	\$ 1,705.5	\$ 1,705.5	\$ 1,772.1	\$ 66.6
Intergovernmental	845.1	845.1	882.2	37.1
Other	533.6	533.6	530.6	(3.0)
Total	<u>3,084.2</u>	<u>3,084.2</u>	<u>3,184.9</u>	<u>100.7</u>
Expenditures	<u>3,888.8</u>	<u>4,025.2</u>	<u>2,865.9</u>	<u>1,159.3</u>
Revenues over (under) expenditures	(804.6)	(941.0)	319.0	1,260.0
Other sources	<u>905.4</u>	<u>856.2</u>	<u>148.9</u>	<u>(707.3)</u>
Revenues and other sources over (under) expenditures	100.8	(84.8)	467.9	552.7
Fund balance - July 1	<u>1,309.9</u>	<u>1,309.9</u>	<u>1,309.9</u>	<u>-</u>
Fund balance - June 30	<u>\$ 1,410.7</u>	<u>\$ 1,225.1</u>	<u>\$ 1,777.8</u>	<u>\$ 552.7</u>

The Virginia Department of Transportation's programs are authorized through the Commonwealth's biennial budget and annual appropriation process. The appropriation is based on the revenues that are expected to be available to the Virginia Department of Transportation during the given fiscal year. In addition, the Virginia Department of Transportation prepares an internal annual budget that is approved by the Commonwealth Transportation Board.

Capital Assets and Debt Administration

Capital assets: The Virginia Department of Transportation's investment in capital assets for its governmental activities as of June 30, 2010 amounts to \$17,510.0 (net of accumulated depreciation.) This investment in capital assets includes land, buildings, improvements, equipment, and highway infrastructure. The total increase in the Virginia Department of Transportation's investment in capital assets for the current fiscal year was 7.2 percent.

Virginia Department of Transportation				
Capital Assets				
as of June 30, 2010 and 2009				
(net of depreciation)				
	Governmental activities		Total	
	2010	2009	2010	2009
Depreciable Capital Assets:				
Buildings and improvements	\$ 181.5	\$ 153.1	\$ 181.5	\$ 153.1
Equipment	127.3	149.3	127.3	149.3
Total Depreciable Capital Assets	<u>308.8</u>	<u>302.4</u>	<u>308.8</u>	<u>302.4</u>
Non Depreciable Capital Assets:				
Land and improvements	21.7	21.6	21.7	21.6
Construction in process	<u>128.2</u>	<u>104.8</u>	<u>128.2</u>	<u>104.8</u>
Total Non Depreciable Capital Assets	<u>149.9</u>	<u>126.4</u>	<u>149.9</u>	<u>126.4</u>
Infrastructure Assets:				
Highway right-of-way, non-depreciable	1,870.6	1,687.7	1,870.6	1,687.7
Highway system infrastructure	9,182.5	7,979.7	9,182.5	7,979.7
Restorative maintenance	1,640.0	1,629.7	1,640.0	1,629.7
Bridge and tunnel infrastructure	2,034.8	2,064.8	2,034.8	2,064.8
Infrastructure work in process	<u>2,323.4</u>	<u>2,545.4</u>	<u>2,323.4</u>	<u>2,545.4</u>
Total Infrastructure assets	<u>17,051.3</u>	<u>15,907.3</u>	<u>17,051.3</u>	<u>15,907.3</u>
Total Assets	<u>\$ 17,510.0</u>	<u>\$ 16,336.1</u>	<u>\$ 17,510.0</u>	<u>\$ 16,336.1</u>

Additional information on the Virginia Department of Transportation's capital assets can be found in Note 10 of the financial statements.

Long-term debt – Bonds Payable: At the end of the current fiscal year, the Commonwealth Transportation Board (CTB) had total bonded debt outstanding of \$1,809.2 related to governmental activities. Of this amount, \$33.7 comprises debt backed by the full faith, credit, and taxing power of the Commonwealth. The majority, \$1,775.5 of the Commonwealth Transportation Board's bonds payable, is comprised of revenue bonds and is not backed by the full faith and credit of the Commonwealth.

**Virginia Department of Transportation
Outstanding Bonds
as of June 30, 2010 and 2009**

	<u>Governmental activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
General Obligation Bonds:				
Section 9(b) debt	\$ 6.0	\$ 11.7	\$ 6.0	\$ 11.7
Section 9(c) debt	27.7	29.6	27.7	29.6
Total General Obligation Bonds	<u>33.7</u>	<u>41.3</u>	<u>33.7</u>	<u>41.3</u>
Section 9(d) debt				
Transportation Revenue Bonds	1,380.0	865.7	1,380.0	865.7
Federal Highway Reimbursement				
Anticipation Notes	395.5	522.2	395.5	522.2
Total Section 9(d) debt	<u>1,775.5</u>	<u>1,387.9</u>	<u>1,775.5</u>	<u>1,387.9</u>
Toll Road Revenue Bonds	-	-	-	-
Total Bonds Payable	<u>\$ 1,809.2</u>	<u>\$ 1,429.2</u>	<u>\$ 1,809.2</u>	<u>\$ 1,429.2</u>

The Commonwealth Transportation Board's bonds debt, from governmental activities, increased from \$1,429.2 in fiscal year 2009 to \$1,809.20 in fiscal year 2010, an increase of \$380.0 or 26.6 percent. The increases in bonds debt were primarily due to the increases of \$564.9 from the new bond issuances of the Capital Projects Revenue Bonds and the Northern Virginia Transportation District Bond. There were also increases of \$2.6 from the Route 28 capital appreciation bond. The increase in the outstanding bond debts were offset by \$187.4 from the retirements of bonds principal payments in fiscal year 2010.

Long-term debt-Notes Payable: At the end of the current fiscal year, the Commonwealth Transportation Board (CTB) had total outstanding notes debt balance of \$94.5 from the governmental activities. The entire amount of the debt, \$94.5 which is comprised of the Camp 30 and Chesterfield County notes is not the Commonwealth of Virginia obligations and as a result is not backed by the full faith and credit of the Commonwealth of Virginia.

**Virginia Department of Transportation
Outstanding Notes
as of June 30, 2010 and 2009**

	<u>Governmental activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Section 9(d) debt				
Chesterfield County Notes	\$ 8.0	\$ 8.0	\$ 8.0	\$ 8.0
Camp 30 Notes Payable	86.5	90.0	86.5	90.0
Total Section 9(d) debt	<u>94.5</u>	<u>98.0</u>	<u>94.5</u>	<u>98.0</u>
Toll Road Revenue Notes	-	-	-	-
Total Notes Payable	<u>\$ 94.5</u>	<u>\$ 98.0</u>	<u>\$ 94.5</u>	<u>\$ 98.0</u>

The Commonwealth Transportation Board's notes debt, from governmental activities, decreased by \$3.5 in fiscal year 2010. The decrease was attributed to the retirement of the principal amount of the existing debt. The Commonwealth Transportation Board did not issue any new notes debt in fiscal year 2010.

Additional information on the Virginia Department of Transportation's long-term liabilities can be found in Note 5 of the financial statements.

Economic Factors and Next Year's Budget

The current economic conditions are impacting the budgets and activities of the Virginia Department of Transportation (VDOT) both directly and indirectly. The following are key issues or events that are impacting future fiscal years governmental activities:

- State revenues estimates for most major sources for fiscal year 2011 have increased slightly from the previous year estimates.
- Contract bids are consistently being received below VDOT's estimates. This is resulting in greater values and enhancing the value of the reduced revenues.
- Construction fund transfers to cover the Highway Maintenance and Operating Fund's funding deficit will continue and will grow significantly in the future years as the growth of the Fund's needs outpaces revenue growth. The transfer is estimated at \$511 million in 2011 and to exceed \$600 million by 2016.
- The construction program continues to contract as available funding declines.
- The uncertainty of the economy could adversely impact revenues going forward.

The above Economic Factors have been considered in the preparation of the Virginia Department of Transportation's fiscal year 2011-2016 forecasts. The Department continues to focus efforts on opportunities to enhance its financial practices.

Requests for Information

This financial report is designed to provide a general overview of the Virginia Department of Transportation's finances for all those with an interest in the Department's finances. Questions concerning any of the information provided or requests for additional information should be directed to: Virginia Department of Transportation, Controller's Office, 1401 East Broad Street, Richmond, Virginia 23219. This report is also available for download from the World Wide Web. Our Internet address is www.viriniadot.org.



**BASIC FINANCIAL
STATEMENTS**

**FINANCIAL
REPORT
JUNE 30, 2010**

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**Government-wide
Financial Statements**

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Virginia Department of Transportation
Statement of Net Assets
June 30, 2010

Primary Government
Governmental
Activities

Assets :

Cash and cash equivalents with the Treasurer of Virginia (Note 12)	\$	1,488,827,765
Cash and cash equivalents with trustees (Note 12)		247,441,649
Investments with trustees (Note 12)		104,524,493
Cash and cash equivalents for collateral held for securities lending (Note 12)		277,521,826
Investments for collateral held for securities lending (Note 12)		149,572,685
Advance fund		153,500
Prepaid items		-
Receivables: (Net)		
Federal government		132,454,248
Cities, counties, and towns		29,811,005
State agencies		2,390,150
Loans & Other		52,433,862
Taxes		113,734,075
Due from other agencies		3,406,504
Deferred charges		91,060
Capitalized bond discounts and issue costs		6,122,525
Capitalized notes discounts and issue costs		503,018
Inventory (Note 1- G)		53,601,055
Depreciable Capital Assets, Net (Note 10)		308,769,384
Infrastructure, net (Note 10)		12,857,319,937
Infrastructure non deprec. (Note 10)		1,870,573,606
Infrastructure, Work in Process (Note 10)		2,323,447,364
Non Depreciable Capital Assets (Note 10)		149,856,243
Total Assets		<u>20,172,555,954</u>

Liabilities :

Accounts payable		183,654,773
Deposits payable		34,386,646
Payable for collateral held for securities lending		427,094,511
Due to other agencies		6,000,000
Deferred revenue		18,056,147
Premium on bonds payable		69,007,541
Premium on notes payable		3,256,636
Accrued liabilities		27,247,530
Retainage on contracts		4,945,343
Non Current Liabilities		
Bond interest payable		29,838,149
Note interest payable		517,211
Compensated absences (Note 1- J and Note 5)		
Expected to be paid within one year		31,252,978
Expected to be paid after one year		22,695,416
Capital leases payable (Note 5)		
Expected to be paid within one year		-
Expected to be paid after one year		-
Bonds Payable (Note 5)		
Portion due within one year		208,795,000
Portion due after one year		1,600,377,841
Notes Payable (Note 5)		
Portion due within one year		3,690,000
Portion due after one year		90,775,000
Total liabilities		<u>2,761,590,722</u>

Net Assets

Invested in Capital Assets net of related debt		15,606,328,693
Restricted for (Note 6)		
Bond Financed Road Construction.		318,308,528
Capital Acquisition		34,166,136
Debt service		105,324,658
Unrestricted		1,346,837,217
Total Net Assets		<u>\$ 17,410,965,232</u>

The accompanying notes are an integral part of this financial statement

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**VIRGINIA DEPARTMENT OF TRANSPORTATION
STATEMENT OF ACTIVITIES
JUNE 30, 2010**

	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Functions Programs				
Primary Government				
Governmental Activities				
Administrative and support services	\$ 214,247,382	\$ -	\$ 156,704	\$ (214,090,678)
Ground transportation system planning and research	31,731,925	-	-	(31,731,925)
Highway system acquisition and construction	562,534,710	39,916,725	1,577,629,475	1,035,011,490
Highway system maintenance	870,578,843	282,683,562	4,482,388	(583,512,893)
Financial assistance to localities	558,544,375	-	-	(558,544,375)
Environmental monitoring and compliance	2,033,063	-	-	(2,033,063)
Toll facilities operations and construction	22,289,871	28,659,414	637,415	7,007,158
Unallocated Depreciation (excludes direct depreciation)	6,204,016	-	-	(6,204,016)
Transfers to other state agencies (Note 9)	28,213,588	-	-	(28,213,588)
Total Governmental Activities	2,316,477,573	351,259,701	1,582,905,982	(382,311,890)
Total Primary Government	\$ 2,316,477,573	\$ 351,259,701	\$ 1,582,905,982	\$ (382,311,890)

GENERAL REVENUES		
Taxes		\$
Motor Vehicle Fuel Tax	815,350,171	
Road Use Tax	9,689,221	
Sales and Use Tax	389,347,531	
MV Sales and Use Tax	411,167,013	
MV Rental Tax	5,937,466	
Aviation Fuel Tax	1,339,047	
Other Taxes	141,355,916	
Investment Earnings	25,434,520	
Other Revenues	24,904,143	
Gain on sales	4,812,880	
Transfers to other State Agencies and Gen Fund (Note 9)	(215,697,139)	
Transfers from other State Agencies and Gen Fund (Note 9)	51,704,200	
Insurance recoveries	1,461,359	
Other Financing Sources (Uses)	(906,172)	
Total General Revenues, Special Items and Transfers	1,655,900,156	
Change in Net Assets	1,283,588,266	
Net Assets July 1	16,127,376,966	
Net Assets June 30	17,410,965,232	

The accompanying notes are an integral part of this financial statement

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Fund Financial Statements
Major Governmental Funds
Special Revenue and Debt Service

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Governmental Funds

Special Revenue Funds:

Special Revenue Funds accounts for specific revenue sources that are restricted to finance particular functions and activities of the Department.

The Highway Maintenance and Operating Fund accounts for Revenues and Expenditures for the general administration of the Department, maintenance of highways, assistance to localities, and support to other state agencies. Revenues are derived primarily from taxes, and rights and privileges.

The Highway Federal Fund accounts for the revenues and expenditures relating to federal projects and grants.

The Highway Construction Fund accounts for the revenues and expenditures for the acquisition and construction of the state highway systems.

The Priority Transportation Fund provides funding for specified transportation projects throughout the Commonwealth. This fund also provides debt service funding in support of various debt financed projects.

The Toll Facilities Revolving Fund accounts for the interests earned on the Highway Maintenance and Operating Fund and the Highway Construction Fund. Funds are used to provide advance funding for eligible construction projects and support debt service of the toll facilities and other bond funds.

ARRA Projects Fund accounts for the revenue and expenditures related to federal stimulus projects and grants under the American Recovery and Reinvestment Act of 2009. This fund was classified as nonmajor fund in the prior year.

The Northern Virginia Transportation District Fund accounts for revenues and expenditures for the construction of an adequate, modern, safe and efficient transportation network in Northern Virginia. The revenues are derived from bond sales and a portion of the state recordation taxes. This fund was classified as nonmajor fund in previous years.

Debt Service Funds:

The Debt Service Funds account for transactions related to resources retained and used for the payment of interest and principal on long-term obligations recorded in the Governmental Activities column on the Government-wide Statement of Net Assets.

Route 58 accounts for the accumulation of resources for and payment of the general long-term debt principal and interest on bonds of the U.S. Route 58 project.

Route 28 accounts for the accumulation of resources for and payment of the general long-term debt principal and interest on bonds of the State Route 28 project.

Camp 30 accounts for the accumulation of resources for and payment of the general long-term debt principal and interest on the notes payable as a result of the Financing Lease Agreement the Department entered into with Fairfax County Economic Development Authority (FCEDA), known as Camp 30.

Northern Virginia Transportation District accounts for the accumulation of resources for and payment of the general long-term debt principal and interest on bonds of the Northern Virginia Transportation District.

Federal Reimbursement Anticipation Notes (FRAN) accounts for the accumulation of resources for and payment of the general long-term debt principal and interest on bonds of the Federal Reimbursement Anticipation Notes.

Coleman Bridge accounts for the accumulation of resources for and payment of the general long-term debt principal and interest on bonds of the Coleman Bridge.

Powhite Parkway Extension accounts for the accumulation of resources for and payment of the general long-term debt principal and interest on bonds of the Powhite Parkway Extension.

Transportation Set Aside accounts for the accumulation of resources for and payment of the general long-term debt principal and interest on bonds of the City of Chesapeake Oak Grove Connector Transportation Set-aside project.

Nonmajor Governmental Funds include those Special Revenue Funds listed in the Combining and Individual Fund Statements and Schedules section of this report.

**VIRGINIA DEPARTMENT OF TRANSPORTATION
BALANCE SHEET GOVERNMENTAL FUNDS
SPECIAL REVENUE
June 30, 2010**

	HIGHWAY MAINTENANCE & OPERATING	FEDERAL	CONSTRUCTION
<u>ASSETS</u>			
Cash and cash equivalents with the Treasurer of Virginia (Note 12)	\$ 440,686,482	\$ 141,118	\$ 478,034,407
Cash and cash equivalents with trustees (Note 12)	-	-	550,183
Investments with trustees (Note 12)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 12)	-	-	-
Investments for collateral held for securities lending (Note 12)	-	-	-
Advance fund	125,000	-	10,000
Receivables: (net)			
Federal government	-	115,407,289	-
Cities, counties, and towns	313,537	-	29,497,468
State agencies	1,874,327	-	515,823
Loans & other	10,604,129	-	9,506,077
Taxes receivable	65,921,578	-	47,812,497
Due from other funds (Note 8)	4,592,331	-	22,334,060
Due from agencies	-	-	-
Prepaid expense	-	-	-
Deferred charges	-	-	-
Inventory (Note 1 G)	45,981,780	-	1,651,963
Total assets	\$ 570,099,164	\$ 115,548,407	\$ 589,912,478
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities :			
Accounts payable	\$ 34,003,773	\$ 103,403,116	\$ 22,819,301
Deposits payable	9,359,763	-	660,364
Payable for collateral held for securities lending	-	-	-
Due to other agencies	-	-	-
Due to other funds (Note 8)	33,060,000	12,145,291	74,401,590
Deferred revenue	14,516,220	-	37,061,401
Liability for compensated absences	327,338	-	54,388
Accrued liabilities	23,143,048	-	4,000,862
Retainage on contracts	2,684,659	-	2,191,125
Total liabilities	117,094,801	115,548,407	141,189,031
Fund Balances Reserved for			
Inventories	45,981,780	-	1,651,963
Capital Acquisition	-	-	-
Fund Balances Unreserved			
Reported In			
Special Revenue	407,022,583		447,071,484
Total fund balances	453,004,363	-	448,723,447
Total liabilities and fund balances	\$ 570,099,164	\$ 115,548,407	\$ 589,912,478

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
BALANCE SHEET GOVERNMENTAL FUNDS
SPECIAL REVENUE
June 30, 2010**

PRIORITY TRANSPORTATION FUND	TOLL FACILITIES REVOLVING	ARRA PROJECTS
------------------------------------	---------------------------------	------------------

ASSETS

Cash and cash equivalents			
with the Treasurer of Virginia (Note 12)	\$ 73,874,766	\$ 193,231,251	\$ 5,240,480
Cash and cash equivalents with trustees (Note 12)	-	2,187,919	-
Investments with trustees (Note 12)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 12)	15,871,063	207,015,477	-
Investments for collateral held for securities lending (Note 12)	8,553,841	111,572,704	-
Advance fund	-	-	-
Receivables: (net)			
Federal government	-	-	17,046,959
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	32,321,258	-
Taxes receivable	-	-	-
Due from other funds (Note 8)	51,297,542	130,982,527	-
Due from agencies	3,406,504	-	-
Prepaid expense	-	-	-
Deferred charges	-	-	-
Inventory (Note 1 G)	-	5,967,312	-
Total assets	\$ 153,003,716	\$ 683,278,448	\$ 22,287,439

LIABILITIES AND FUND BALANCES

Liabilities :			
Accounts payable	\$ -	\$ 4,514,516	\$ 16,504,771
Deposits payable	-	24,366,518	-
Payable for collateral held for securities lending	24,424,904	318,588,181	-
Due to other agencies	-	-	6,000,000
Due to other funds (Note 8)	-	-	-
Deferred revenue	-	383,296	-
Liability for compensated absences	-	-	1,227
Accrued liabilities	-	-	-
Retainage on contracts	-	-	-
Total liabilities	24,424,904	347,852,511	22,505,998
Fund Balances Reserved for			
Inventories	-	5,967,312	-
Capital Acquisition	-	-	-
Fund Balances Unreserved			
Reported In			
Special Revenue	128,578,812	329,458,625	(218,559)
Total fund balances	128,578,812	335,425,937	(218,559)
Total liabilities and fund balances	\$ 153,003,716	\$ 683,278,448	\$ 22,287,439

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
BALANCE SHEET GOVERNMENTAL FUNDS
SPECIAL REVENUE
June 30, 2010**

	NO. VIRGINIA TRANSPORTATION DISTRICT	TOTAL NONMAJOR SPECIAL REVENUE FUNDS	Totals	
			Special Revenue Funds June 30, 2010	June 30, 2009
ASSETS				
Cash and cash equivalents				
with the Treasurer of Virginia (Note 12)	\$ 150,353,594	\$ 146,474,159	\$1,488,036,257	\$ 1,140,681,768
Cash and cash equivalents with trustees (Note 12)	45,201,743	199,493,147	247,432,992	73,295,319
Investments with trustees (Note 12)	-	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 12)	28,624,140	26,011,146	277,521,826	188,799,311
Investments for collateral held for securities lending (Note 12)	15,427,217	14,018,923	149,572,685	226,517,657
Advance fund	-	18,500	153,500	349,679
Receivables: (net)				
Federal government	-	-	132,454,248	93,096,639
Cities, counties, and towns	-	-	29,811,005	17,739,207
State agencies	-	-	2,390,150	2,217,078
Loans & other	-	2,398	52,433,862	48,934,962
Taxes receivable	-	-	113,734,075	111,687,290
Due from other funds (Note 8)	-	-	209,206,460	140,255,832
Due from agencies	-	-	3,406,504	73,600,000
Prepaid expense	-	-	-	546
Deferred charges	-	91,060	91,060	2,547,720
Inventory (Note 1 G)	-	-	53,601,055	46,684,833
Total assets	\$ 239,606,694	\$ 386,109,333	\$2,759,845,679	\$ 2,166,407,841
LIABILITIES AND FUND BALANCES				
Liabilities :				
Accounts payable	\$ 1,512	\$ 2,407,784	\$ 183,654,773	\$ 135,700,768
Deposits payable	-	-	34,386,645	32,096,705
Payable for collateral held for securities lending	44,051,357	40,030,069	427,094,511	415,316,968
Due to other agencies	-	-	6,000,000	-
Due to other funds (Note 8)	-	89,599,579	209,206,460	140,255,832
Deferred revenue	-	1,102,634	53,063,551	63,628,193
Liability for compensated absences	129	1,259	384,341	104,290
Accrued liabilities	-	103,620	27,247,530	32,277,154
Retainage on contracts	19,303	50,256	4,945,343	3,560,499
Total liabilities	44,072,301	133,295,201	945,983,154	822,940,409
Fund Balances Reserved for				
Inventories	-	-	53,601,055	46,684,833
Capital Acquisition	-	34,166,136	34,166,136	58,546,903
Fund Balances Unreserved				
Reported In				
Special Revenue	195,534,393	218,647,996	1,726,095,334	1,238,235,696
Total fund balances	195,534,393	252,814,132	1,813,862,525	1,343,467,432
Total liabilities and fund balances	\$ 239,606,694	\$ 386,109,333	\$2,759,845,679	\$ 2,166,407,841

The accompanying notes are an integral part of this financial statement

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VIRGINIA DEPARTMENT OF TRANSPORTATION
 BALANCE SHEET
 DEBT SERVICE FUNDS
 June 30, 2010

	ROUTE 58	ROUTE 28	CAMP 30	NORTHERN VA. TRANSP. DISTRICT	FEDERAL REIMBURSEMENT ANTICIPATION NOTES	COLEMAN BRIDGE	POWHITE PARKWAY EXTENSION	TRANSPORTATION SET ASIDE	TOTALS
Cash and cash equivalents with the Treasurer of Virginia	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 265,633	\$ 525,875	\$ -	\$ 791,508
Cash and cash equivalents with trustees	-	-	314	-	8,343	-	-	-	8,657
Investments with trustees	-	-	-	-	104,524,493	-	-	-	104,524,493
Total assets	\$ -	\$ -	\$ 314	\$ -	\$ 104,532,836	\$ 265,633	\$ 525,875	\$ -	\$ 105,324,658
LIABILITIES AND FUND EQUITY									
Liabilities:									
Fund equity:									
Fund balances	-	-	314	-	104,532,836	265,633	525,875	-	105,324,658
Total Liabilities and Fund Equity	\$ -	\$ -	\$ 314	\$ -	\$ 104,532,836	\$ 265,633	\$ 525,875	\$ -	\$ 105,324,658

The accompanying notes are an integral part of this financial statement

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**VIRGINIA DEPARTMENT OF TRANSPORTATION
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2010**

	SPECIAL REVENUE	DEBT SERVICE	TOTAL GOVERNMENTAL FUNDS JUNE 30, 2010
ASSETS			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 12)	\$ 1,488,036,257	\$ 791,508	\$ 1,488,827,765
Cash and cash equivalents with trustees (Note 12)	247,432,992	8,657	247,441,649
Investments with Trustees (Note 12)	-	104,524,493	104,524,493
Cash and cash equivalents for collateral held for securities lending (Note 12)	277,521,826	-	277,521,826
Investments for collateral held for securities lending (Note 12)	149,572,685	-	149,572,685
Advance fund	153,500	-	153,500
Receivables: (Net)			
Federal government	132,454,248	-	132,454,248
Localities and private sector	29,811,005	-	29,811,005
State agencies	2,390,150	-	2,390,150
Loans & Other	52,433,862	-	52,433,862
Taxes Receivable	113,734,075	-	113,734,075
Due from other funds (Note 8)	209,206,460	-	209,206,460
Due from agencies	3,406,504	-	3,406,504
Prepaid Expense	-	-	-
Deferred charges	91,060	-	91,060
Inventory (Note 1G)	53,601,055	-	53,601,055
Total Assets	<u>\$ 2,759,845,679</u>	<u>\$ 105,324,658</u>	<u>\$ 2,865,170,337</u>
LIABILITIES AND FUND EQUITY			
Accounts payable	\$ 183,654,773	\$ -	\$ 183,654,773
Deposits payable	34,386,645	-	34,386,645
Payable for collateral held for securities lending	427,094,511	-	427,094,511
Due to other agencies	6,000,000	-	6,000,000
Due to other funds (Note 8)	209,206,460	-	209,206,460
Deferred revenue	53,063,551	-	53,063,551
Compensated absences payable	384,341	-	384,341
Accrued liabilities	27,247,530	-	27,247,530
Retainage on contracts	4,945,343	-	4,945,343
Total liabilities	<u>945,983,154</u>	<u>-</u>	<u>945,983,154</u>
Fund Balance Reserved for			
Inventories	53,601,055	-	53,601,055
Capital Acquisition	34,166,136	-	34,166,136
Debt Service	-	105,324,658	105,324,658
Fund Balance Unreserved for Special Revenue	<u>1,726,095,334</u>	<u>-</u>	<u>1,726,095,334</u>
Total Fund Equity	<u>1,813,862,525</u>	<u>105,324,658</u>	<u>1,919,187,183</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 2,759,845,679</u>	<u>\$ 105,324,658</u>	<u>\$ 2,865,170,337</u>

The accompanying notes are an integral part of this financial statement

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**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2010**

Total fund balances - governmental funds \$1,919,187,183

Amounts reported for governmental activities in the statement of net assets are different because:

When capital assets (land, buildings, equipment, improvements, construction in progress, and infrastructure) that are to be used in governmental activities are purchased or constructed, the costs of these assets are reported as expenditures in governmental funds. However the Statement of Net Assets includes those capital assets.

Land and Non depreciable capital assets	\$149,856,243	
Equipment and Buildings	601,036,329	
Infrastructure assets	27,355,180,939	
Accumulated Depreciation	<u>(10,596,106,977)</u>	
Total capital assets		17,509,966,534

Other long term assets are not available to pay for current period expenditures and therefore are not reported in the funds. 35,007,403

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of :

Bond and notes payable	(1,903,637,841)	
Interest payable	(30,355,360)	
Bond and notes discount and issue cost	6,625,543	
Premium payable	(72,264,177)	
Compensated absences	<u>(53,564,053)</u>	
Total liabilities		<u>(2,053,195,888)</u>

Net assets of governmental activities \$17,410,965,232

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**VIRGINIA DEPARTMENT OF TRANSPORTATION
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2010**

	HIGHWAY MAINTENANCE & OPERATING	FEDERAL	CONSTRUCTION
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ 950,000	\$ -	\$ 400,000
Taxes	1,017,447,164	-	605,977,267
Rights and privileges	274,211,222	-	27,748,803
Sale of property and commodities	133,340	-	4,812,879
Interest, dividends and rents	29,800	-	5,957,310
Fines, forfeitures, court fees, penalties, and escheats	8,309,201	-	33,845
Federal grants and contracts	-	842,274,102	-
Receipts from localities and private sector	3,333,617	-	64,389,434
Toll revenue	-	-	-
Other revenue	5,780,337	-	7,298,933
Total revenue	<u>1,310,194,681</u>	<u>842,274,102</u>	<u>716,618,471</u>
Expenditures			
Current:			
Administrative and support services	200,040,494	3,264,231	682,904
Ground transportation system planning and research	4,569,301	14,764,534	12,398,090
Highway system acquisition and construction	30,881,342	631,609,930	104,944,275
Highway system maintenance	942,625,886	193,295,356	-
Financial assistance to localities	338,789,999	6,935,445	7,665,292
Environmental monitoring and compliance	7,735,265	-	-
Toll facilities operations and construction	-	-	-
Capital Outlay	-	-	3,724,336
Transfers to other state agencies (Note 9)	28,073,055	-	140,533
Total expenditures	<u>1,552,715,342</u>	<u>849,869,496</u>	<u>129,555,430</u>
Revenues over (under) expenditures	<u>(242,520,661)</u>	<u>(7,595,394)</u>	<u>587,063,041</u>
Other financing sources (uses)			
Other financing sources (uses)	-	-	-
Bond Proceeds	-	-	-
Insurance Recoveries	1,446,867	-	-
Transfers to other state agencies and General Fund (Note 9)	(13,884,128)	-	(27,875,890)
Transfers from other state agencies and General Fund (Note 9)	828,815	7,595,394	-
Transfers in (Note 9)	513,221,045	151,831,981	-
Transfers out (Note 9)	(40,878,438)	(151,831,981)	(545,186,183)
Total other financing sources (uses)	<u>460,734,161</u>	<u>7,595,394</u>	<u>(573,062,073)</u>
Net Change in Fund Balance	218,213,500	-	14,000,968
Beginning fund balance - July 1	234,790,863	-	434,722,479
Ending fund balance - June 30	<u>\$ 453,004,363</u>	<u>\$ -</u>	<u>\$ 448,723,447</u>

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2010**

	PRIORITY TRANSPORTATION FUND	TOLL FACILITIES REVOLVING	ARRA PROJECTS
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	149,101,581	-	-
Rights and privileges	-	11,000,805	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	3,143,444	19,607,777	-
Fines, forfeitures, court fees, penalties, and escheats	-	1,300,376	-
Federal grants and contracts	-	-	81,017,207
Receipts from localities and private sector	-	-	-
Toll revenue	-	-	-
Other revenue	-	101	-
Total revenue	<u>152,245,025</u>	<u>31,909,059</u>	<u>81,017,207</u>
Expenditures			
Current:			
Administrative and support services	-	-	64,064
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	807,663	-	81,171,702
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	15,533,103	-
Capital Outlay	-	-	-
Transfers to other state agencies (Note 9)	-	-	-
Total expenditures	<u>807,663</u>	<u>15,533,103</u>	<u>81,235,766</u>
Revenues over (under) expenditures	<u>151,437,362</u>	<u>16,375,956</u>	<u>(218,559)</u>
Other financing sources (uses)			
Other financing sources (uses)	-	(647,714)	-
Bond Proceeds	-	-	-
Insurance Recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 9)	(28,193,765)	(39,571)	-
Transfers from other state agencies and General Fund (Note 9)	-	23,600,000	-
Transfers in (Note 9)	51,297,542	1,288,129	-
Transfers out (Note 9)	(151,831,981)	-	-
Total other financing sources (uses)	<u>(128,728,204)</u>	<u>24,200,844</u>	<u>-</u>
Net Change in Fund Balance	22,709,158	40,576,800	(218,559)
Beginning fund balance - July 1	105,869,654	294,849,137	-
Ending fund balance - June 30	<u>\$ 128,578,812</u>	<u>\$ 335,425,937</u>	<u>\$ (218,559)</u>

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2010**

	NORTHERN VIRGINIA TRANSPORTATION DISTRICT	TOTAL NONMAJOR SPECIAL REVENUE FUNDS	Totals	
			Special Revenue Funds JUNE 30, 2010	JUNE 30, 2009
Revenues				
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ 35,260,822	\$ 36,610,822	\$ 68,209,000
Taxes	-	-	1,772,526,012	1,748,640,753
Rights and privileges	6,176,766	-	319,137,596	325,153,624
Sale of property and commodities	-	-	4,946,219	1,414,500
Interest, dividends and rents	4,186,582	4,118,934	37,043,847	47,811,179
Fines, forfeitures, court fees, penalties, and escheats	-	-	9,643,422	9,964,687
Federal grants and contracts	-	613,869	923,905,178	764,228,510
Receipts from localities and private sector	820,856	25,324,965	93,868,872	69,421,510
Toll revenue	-	16,358,233	16,358,233	39,246,219
Other revenue	-	5,602,944	18,682,315	26,073,635
Total revenue	11,184,204	87,279,767	3,232,722,516	3,100,163,617
Expenditures				
Current:				
Administrative and support services	-	-	204,051,693	213,714,015
Ground transportation system planning and research	-	-	31,731,925	33,910,729
Highway system acquisition and construction	29,840,341	223,486,001	1,102,741,254	1,126,839,140
Highway system maintenance	-	-	1,135,921,242	1,204,682,072
Financial assistance to localities	-	-	353,390,736	352,729,440
Environmental monitoring and compliance	-	-	7,735,265	8,719,569
Toll facilities operations and construction	-	7,412,123	22,945,226	46,136,352
Capital Outlay	-	25,611,493	29,335,829	27,616,586
Transfers to other state agencies (Note 9)	-	-	28,213,588	32,231,773
Total expenditures	29,840,341	256,509,617	2,916,066,758	3,046,579,676
Revenues over (under) expenditures	(18,656,137)	(169,229,850)	316,655,758	53,583,941
Other financing sources (uses)				
Other financing sources (uses)	(151,169)	(107,289)	(906,172)	(1,163,585)
Bond Proceeds	72,568,095	501,300,866	573,868,961	-
Insurance Recoveries	-	14,492	1,461,359	2,321,978
Transfers to other state agencies and General Fund (Note 9)	-	(145,703,785)	(215,697,139)	(101,398,203)
Transfers from other state agencies and General Fund (Note 9)	18,547,297	1,132,694	51,704,200	29,082,742
Transfers in (Note 9)	7,000,000	23,578,211	748,216,908	562,688,163
Transfers out (Note 9)	(33,335,321)	(81,844,878)	(1,004,908,782)	(841,029,074)
Total other financing sources (uses)	64,628,902	298,370,311	153,739,335	(349,497,979)
Net Change in Fund Balance	45,972,765	129,140,461	470,395,093	(295,914,038)
Beginning fund balance - July 1	149,561,628	123,673,671	1,343,467,432	1,639,381,470
Ending fund balance - June 30	\$ 195,534,393	\$ 252,814,132	\$ 1,813,862,525	\$ 1,343,467,432

The accompanying notes are an integral part of this financial statement

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VIRGINIA DEPARTMENT OF TRANSPORTATION
STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	ROUTE 58	ROUTE 28	CAMP 30	NORTHERN VA. TRANSP. DISTRICT	FEDERAL REIMBURSEMENT ANTICIPATION NOTES	COLEMAN BRIDGE	POWHITE PARKWAY EXTENSION	TRANSPORTATION SET ASIDE	TOTALS
Revenues									
Interest	\$ -	\$ -	\$ -	1	\$ 220,738	\$ 995	\$ 2,275	\$ -	\$ 224,009
Receipts from Cities, Counties, and Towns	7,528,149	7,528,149	-	-	-	-	-	-	7,528,149
Total revenues	7,528,149	7,528,149	-	1	220,738	995	2,275	-	7,752,158
Expenditures									
Debt service:									
Interest - bonds and notes	23,526,375	2,523,150	4,313,438	14,921,112	22,419,003	1,288,600	566,250	1,037,325	70,615,253
Retirement of bonds	27,855,000	5,005,000	-	19,030,000	126,750,000	1,900,000	5,715,000	1,190,000	187,445,000
Retirement of notes	-	-	3,515,000	-	-	-	-	-	3,515,000
Administrative fees	-	-	-	-	-	-	-	-	-
Total expenditures	51,381,375	7,528,150	7,828,438	33,951,112	149,169,003	3,188,600	6,301,250	2,227,325	261,575,253
Revenue over (under) expenditures	(51,381,375)	(1)	(7,828,438)	(33,951,111)	(148,948,265)	(3,187,605)	(6,298,975)	(2,227,325)	(253,823,095)
Other financing sources (uses)									
Bond proceeds	-	-	-	-	-	-	-	-	-
Escrow agent defeasance payment	-	-	-	-	-	-	-	-	-
Transfers in	51,377,860	-	7,818,438	33,949,190	151,831,981	3,187,521	6,299,746	2,227,138	256,691,874
Transfers out	-	-	-	-	-	-	-	-	-
Total other sources (uses)	51,377,860	-	7,818,438	33,949,190	151,831,981	3,187,521	6,299,746	2,227,138	256,691,874
Revenues and other sources over (under) expenditures and other uses	(3,515)	(1)	(10,000)	(1,921)	2,883,716	(84)	771	(187)	2,868,779
Fund balance - July 1	3,515	1	10,314	1,921	101,649,120	265,717	525,104	187	102,455,879
Fund balance - June 30	\$ -	\$ -	\$ 314	\$ -	\$ 104,532,836	\$ 265,633	\$ 525,875	\$ -	\$ 105,324,658

The accompanying notes are an integral part of this financial statement

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**VIRGINIA DEPARTMENT OF TRANSPORTATION
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
June 30, 2010**

	SPECIAL REVENUE	DEBT SERVICE	TOTALS GOVERNMENTAL FUNDS June 30, 2010
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ 36,610,822	\$ -	\$ 36,610,822
Taxes	1,772,526,012	-	1,772,526,012
Rights and privileges	319,137,596	-	319,137,596
Sales of property and commodities	4,946,219	-	4,946,219
Interest, dividends, and rents	37,043,847	224,009	37,267,856
Fines, forfeitures, court fees, penalties, and escheats	9,643,422	-	9,643,422
Federal grants and contracts	923,905,178	-	923,905,178
Receipts from localities and private sector	93,868,872	7,528,149	101,397,021
Toll revenue	16,358,233	-	16,358,233
Other revenue	18,682,315	-	18,682,315
Total revenues	<u>3,232,722,516</u>	<u>7,752,158</u>	<u>3,240,474,674</u>
Expenditures			
Administrative and support services	204,051,693	-	204,051,693
Ground transportation system planning and research	31,731,925	-	31,731,925
Highway system acquisition and construction	1,102,741,254	-	1,102,741,254
Highway system maintenance	1,135,921,242	-	1,135,921,242
Financial assistance to localities	353,390,736	-	353,390,736
Environmental monitoring and compliance	7,735,265	-	7,735,265
Toll facility operations and construction	22,945,226	-	22,945,226
Capital outlay	29,335,829	-	29,335,829
Debt service:			
Interest (Notes & Bonds)	-	70,615,253	70,615,253
Retirement of bonds & Notes	-	190,960,000	190,960,000
Transfers to other state agencies (Note 9)	28,213,588	-	28,213,588
Total expenditures	<u>2,916,066,758</u>	<u>261,575,253</u>	<u>3,177,642,011</u>
Revenues over (under) expenditures	<u>316,655,758</u>	<u>(253,823,095)</u>	<u>62,832,663</u>
Other financing sources (uses)			
Other financing sources (uses)	(906,172)	-	(906,172)
Bond proceeds	573,868,961	-	573,868,961
Insurance Recoveries	1,461,359	-	1,461,359
Transfers to other state agencies and General fund (Note 9)	(215,697,139)	-	(215,697,139)
Transfers from other state agencies and General fund (Note 9)	51,704,200	-	51,704,200
Transfers in (Note 9)	748,216,908	256,691,874	1,004,908,782
Transfers out (Note 9)	(1,004,908,782)	-	(1,004,908,782)
Total other financing sources (uses)	<u>153,739,335</u>	<u>256,691,874</u>	<u>410,431,209</u>
Revenues and other sources over (under) expenditures and other uses	470,395,093	2,868,779	473,263,872
Fund balance - July 1	1,343,467,432	102,455,879	1,445,923,311
Fund balance - June 30	<u>\$ 1,813,862,525</u>	<u>\$ 105,324,658</u>	<u>\$ 1,919,187,183</u>

The accompanying notes are an integral part of this financial statement

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**Reconciliation of the Change in Fund Balances of Governmental Funds
to the Statement of Activities
June 30, 2010**

Net Change in fund balances - total governmental funds \$ 473,263,872

Amounts reported for governmental activities are different because:

Accrued interest (3,422,036)

Capital Outlays are reported as expenditures in the governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their useful lives as depreciation expense. In the current period these amounts are :

Increase in capital assets over capital outlay 21,304,846

Urban assets not capitalized (214,957,973)

Capital Outlay	\$	29,335,829	
Depreciation expense		(20,845,954)	
Excess of capital outlay over depreciation expense			8,489,875

Increase in Infrastructure		1,887,767,995	
Depreciation expense		(528,769,315)	
Excess of increase in infrastructure over depreciation expense			1,358,998,680

Some capital additions were financed through capital leases. In governmental funds a capital lease obligation is considered a source of financing, but in the Statement of Net Assets, the lease obligation is reported as a liability .

Decrease in capital leases 379,247

Bond proceeds provide current financial resources to governmental funds by issuing debt, which increases long term bonded debt in the Statement of Activities. Repayment of bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term bonded debt in the Statement of Net Assets.

Bond proceeds			(564,860,000)
Retirement of bonds			187,445,000
Retirement of notes			3,515,000
Increase in accretion of debt			(2,603,112)

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of :

Decrease in compensated absences			9,471,035
Amortize bond and note premium			6,525,868
Amortize notes and bond discounts			119,655
Amortize cost of issuance notes and bonds			698,954

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds (780,645)

Change in net assets of governmental activities \$ 1,283,588,266

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**NOTES TO THE
FINANCIAL
STATEMENTS**

**FINANCIAL
REPORT
JUNE 30, 2010**

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VIRGINIA DEPARTMENT OF TRANSPORTATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies adopted by the Virginia Department of Transportation (VDOT or the Department).

A. Basis of Presentation

The accompanying financial statements have been prepared in conformance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

B. Reporting Entity

The Department provides a surface transportation system for the safe and efficient movement of people and goods throughout the Commonwealth of Virginia (the Commonwealth).

A separate report is prepared for the Commonwealth, which includes all agencies, boards, commissions, and authorities over which the Commonwealth exercises or has the ability to exercise oversight authority. The Department is an agency of the Commonwealth of Virginia and is included in the general purpose financial statements of the Commonwealth, specifically the Comprehensive Annual Financial Report issued by the State's Comptroller.

For financial reporting purposes, the Department's reporting entity consists of all funds under VDOT control.

C. Government-wide and Fund Financial Statements

The government-wide financial statements including the Statement of Net Assets and the Statement of Activities report information on all non-fiduciary activities of VDOT. The effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which direct expenses of a specific function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use, or directly benefit from goods or services provided by a given function, segment, or component unit. Program revenues also

include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items properly excluded from program revenues are reported instead as general revenues.

Net assets are restricted when constraints are placed on them that are imposed by external parties, constitutional provisions or enabling legislation. Designations solely imposed by the Commonwealth's management are not presented as restricted net assets. When both restricted and unrestricted resources are available for use, VDOT's policy is to use the restricted resources first.

Separate financial statements are provided for governmental funds and fiduciary funds. However, fiduciary funds are not included in the government-wide statements. Major governmental funds are reported as separate columns in the fund financial statements. For fiscal year 2010, the Department did not have any fiduciary fund activity.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Department considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Significant revenues subject to accrual include federal grants and sales taxes. Revenues that VDOT earns by incurring obligations are recognized in the same period as when the obligations are recognized. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to debt service, compensated absences, and claims and judgments are recorded only when the payment is due.

The Department reports the following major governmental funds:

Special Revenue Funds – account for transactions related to resources received and used for restricted or specific purposes. These include highway maintenance and construction and other transportation purposes.

Debt Service Funds - account for the accumulation of resources used to pay the principal and interest on long-term obligations.

Additionally, VDOT reports the following fund type:

Fiduciary Funds (Agency Fund) - accounts for the assets held by the Department in a trustee capacity or as a fiscal agent on behalf of others, which is custodial in nature and does not involve measurement of results of operations.

The financial statements of the fiduciary fund are reported using the economic resources measurement focus and the accrual basis of accounting. As with the government-wide statements, revenues are recorded when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. For fiscal year 2010, the Department did not have any fiduciary fund activity to report.

E. Budgetary Process

Budgetary amounts shown in the Required Supplementary Information section represent the total of the original budgeted amounts and all supplemental appropriations. The VDOT budget is prepared principally on a cash basis and represents appropriations as authorized by the General Assembly. Unexpended appropriations at the end of the fiscal year generally lapse. However, they may be re-appropriated for expenditure in the following fiscal year. The Governor, as required by the *Code of Virginia*, submits a budget composed of all proposed expenditures for the state, and of estimated revenues and borrowing for a biennium, to the General Assembly.

The budget is prepared on a biennial basis; however, the budgets of the General and Special Revenue Funds contain separate appropriations for each year within the biennial budget, as approved by the General Assembly and signed into law by the Governor. For management control purposes, the budget is controlled at the program level. The Governor may transfer an appropriation within a state agency or from one state agency to another, provided that total fund appropriations, as contained within the budget, are not exceeded. Increases in General Fund appropriations must be approved by the General Assembly.

Appropriations for programs funded from Special Revenue Funds may allow expenditures in excess of the original appropriations to the extent that revenues of the funds exceed original budget estimates and such additional expenditures are approved by the Governor through supplemental appropriations.

F. Investments

Investments in money market funds are reported at amortized cost. All other investments are reported at fair market value.

G. Inventory

The Department records inventory in the Special Revenue Funds. Inventories are valued at weighted average cost and are recorded as expenditure at the time individual items are used

(consumption method). Inventory in the Special Revenue Funds consist mainly of road materials, sign stock, fuels, materials and supplies and work-in-process. Reported inventories are equally offset by a fund balance reserve, which indicates they do not constitute available spendable resources although they are a component of net assets.

H. Property, Plant, and Equipment

Capital assets are valued at historical cost or estimated historical cost. Donated fixed assets are carried at estimated market value at the date of contribution. The agency elected to use the historical approach in determining infrastructure value.

Capital assets are depreciated on a straight-line basis over the estimated useful life:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and improvements	10-50 years
Equipment	From 2 to 25 years
Infrastructure, excluding bridges and tunnels	30 years
Bridges and tunnels	75 years

I. Deferred Revenue

Deferred revenue represents monies received or revenues accrued but not yet earned or available as of June 30 of the reported fiscal year. This amount was reported in the Special Revenue Funds and was composed of receipts from cities, counties and towns for advanced funding of construction project participation and federal and other receivables that were expected to be collected after August 31 of the reported fiscal year.

J. Compensated Absences

Compensated absences are recorded as current and long-term debt in the Government – wide statements. This represents the amounts of vacation, sick, compensatory leave and disability credits earned by the employees of the Department, but not yet taken at June 30 of the reported fiscal year. The amount reflects all earned vacation, sick and compensatory leave payable under the Commonwealth of Virginia's leave payout policy upon employment termination. Also included in the liability is the Department's share of the FICA taxes on leave balances for which employees will be compensated.

2. TOLL FACILITIES

The Department operated three major toll facilities. Its responsibilities, as established by the respective trust indentures, are to construct, improve, operate and maintain the Omer L. Hirst - Adelard L. Brault Expressway (formerly Dulles Toll Road) in Fairfax County, the Powhite Parkway Extension Toll Road located in Chesterfield County, and the George P. Coleman Bridge across the York River connecting Gloucester and York Counties. The tolls and other revenues arising from the operation of these facilities are used to operate and

maintain them, and satisfy bond interest and principal payment requirements. The activities for construction, maintenance and operation, maintenance repair and improvement of these toll facilities are accounted for in the Special Revenue Funds. The principal and interest payments for the related debt issues are accounted for in the Debt Service Funds.

On November 1, 2008, the transition of control of the Dulles Toll Road from the Virginia Department of Transportation (VDOT) to Metropolitan Washington Airports Authority (MWAA) became effective. During the transition period, VDOT operated the Dulles Toll Road on behalf of MWAA. The transition period ended on September 30, 2009 and MWAA began operating the facility on October 1, 2009.

3. COMMITMENTS

Operating Leases

VDOT is committed under various operating leases for land, floor space and equipment. In general, the leases are for three to four years with renewal options for another three to four year term. In most cases, VDOT expects these leases to be replaced by similar leases. Rental expense for the fiscal year ending June 30, 2010 was \$2,789,357. VDOT had, as of June 30, 2010, the following future minimum rental payments due under the above leases:

	2011	\$ 1,321,188
	2012	526,331
	2013	217,882
	2014	47,983
	2015	14,528
SUBSEQUENT TO 2015		151,390
		<u>\$ 2,279,302</u>

Right of Way Obligations

The Department exercises its right of eminent domain to acquire property necessary to construct and improve highway systems. At the time of condemnation, the Department prepares a right of way certificate for payment to the applicable owner based on its assessment of fair market value. Owners involved in condemnation procedures may contest the Department's assessment of fair market value. Contested assessments result in a right of way certificate being released into the custody of the applicable court.

The Department has estimated that the right of way obligations, as of June 30, 2010, were \$351,457. This amount was not recorded in the accompanying financial statements because the Department is unable to determine the extent to which the total amounts ultimately awarded to the landowners may exceed the amount of right of way certificates payable. Additionally, title does not pass to the Department until acceptance of the certificate by the landowner. And likewise the Department may revoke their certificates prior to this passage.

Contractual Commitments

At June 30, 2010, the Department of Transportation had the following contractual commitments for various construction projects, maintenance contracts, and consultant services:

Construction Projects	\$ 1,315,504,830
Maintenance Contracts	36,330,754
Consultant Services	623,371,403
	<u>\$ 1,975,206,987</u>

Services on these contractual commitments have not been rendered; therefore, a liability has not been recognized in the financial statements.

4. DEFICIT FUND BALANCES AND RETAINED EARNINGS

Powhite Parkway Extension Fund:

The Powhite Parkway Extension Fund had a deficit fund balance of \$47,366,195 at June 30, 2010. This cumulative deficit is attributable to construction costs and revenue shortfalls caused by a lower traffic volume than projected in the past.

The Department has incurred interfund obligations to meet both bond debt service payments and construction costs. At June 30, 2010, the Powhite Parkway Extension had the following interfund obligations:

Due to Toll Facilities Revolving Fund	\$ 35,107,479
Due to Construction Fund	14,671,100
Total Interfund Obligations	<u>\$ 49,778,579</u>

In addition to its interfund obligations, the Powhite Parkway Extension had bonds payable for \$11,725,000 and a note payable to Chesterfield County for \$8,000,000 at June 30, 2010. These obligations and the interfund liabilities listed above are to be paid from toll revenues.

Coleman Bridge Fund:

The Coleman Bridge Fund had a deficit fund balance of \$32,235,503 at June 30, 2010. The original financing plan included an interfund loan from the Toll Facilities Revolving Fund for construction.

The Department incurred the following interfund obligations for construction costs and operating expenses at June 30, 2010:

Due to Toll Facilities Revolving Fund	\$ 39,711,000
Due to Construction Fund	110,000
Total Interfund Obligations	<u>\$ 39,821,000</u>

In addition to its interfund obligations, the Coleman Bridge Fund had bonds payable for \$27,660,000 at June 30, 2010. This obligation and the interfund liabilities listed above are to be paid from toll revenues.

ARRA Projects Fund:

The ARRA Projects Fund had a deficit fund balance of \$218,559 at June 30, 2010. This fund accounts for revenues and expenditures related to federal stimulus projects and grants. Funding for these projects is on a reimbursement basis from the federal government as part of the American Recovery and Reinvestment Act of 2009.

5. LONG-TERM LIABILITIES

The following schedules present the long-term liabilities of the Department as reported in the Government-wide Statement of Net Assets.

Governmental Activities:	June 30, 2009	Increases	Decreases	June 30, 2010
Bonds Payable	\$ 1,429,154,729	\$ 567,463,112	\$ (187,445,000)	\$ 1,809,172,841
Capital Leases	379,247	-	(379,247)	-
Notes Payable	97,980,000	-	(3,515,000)	94,465,000
Compensated Absences	63,401,609	32,824,322	(42,277,537)	53,948,394
Totals	<u>\$ 1,590,915,585</u>	<u>\$ 600,287,434</u>	<u>\$ (233,616,784)</u>	<u>\$ 1,957,586,235</u>

Commonwealth bonds are issued pursuant to Section 9 of Article X of the Constitution of Virginia. Section 9(b) bonds have been issued to redeem previous debt obligations to finance capital projects. These bonds are retired through the use of state appropriations. Section 9(c) bonds are issued to finance capital projects which when completed will generate revenue to repay the debt. Section 9(b) and 9(c) bonds are tax-supported general obligation bonds and are backed by the full faith, credit and taxing power of the Commonwealth.

Section 9(d) bonds are revenue bonds and are not backed by the full faith, credit and taxing power of the Commonwealth. These bonds are not general obligation bonds and are not deemed to constitute a legal liability of the Commonwealth. The 9(d) Transportation Bonds

(Primary Government) are payable solely from revenues or earnings, and other available sources of funds appropriated by the General Assembly.

Transportation Facilities Debt - Bonds Payable

At June 30, 2010, Transportation Facilities Bonds included \$6,010,000 of 9(b) general obligation bonds, \$27,660,000 of 9(c) general obligation bonds and \$1,775,502,841 of 9(d) revenue bonds. Principal and interest requirements for the current year totaled \$253,746,815.

The Section 9(b) transportation facilities bonds represent Powhite Parkway Extension Refunding Bonds, Series 2003A which were issued to partially refund Series 1993(A) 9(b) Transportation Facilities Bonds. The Section 9(c) transportation facilities bonds represent Coleman Bridge General Obligation Refunding Bonds, Series 2006A which were issued to partially refund Series 1996(A) 9(c) Transportation Facilities Bonds. The Section 9(d) Transportation Facilities Bonds were issued to fund construction of State Route 28, U.S. Route 58, the Northern Virginia Transportation District Program, Capital Projects Revenue Bonds and the Oak Grove Connector (City of Chesapeake).

The Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes, also a Section 9(d) debt, was issued to finance various capital transportation projects throughout the Commonwealth pursuant to the Virginia Transportation Act of 2000. Repayment of the Highway Reimbursement Anticipation Notes will be from appropriations of future cost reimbursements and payments received from the Federal Highway Administration for federal-aid projects.

On November 4, 2009, the Commonwealth Transportation Board issued \$72,195,000 of Commonwealth of Virginia Transportation Revenue Bonds for Northern Virginia Transportation District Program consisting of \$11,245,000 of Series 2009(A-1) tax exempt and \$60,950,000 of Series 2009(A-2) taxable Build America Bonds. Series 2009(A-1) will be maturing in annual installments on May 15 in the years 2010 to 2014 and interests are payable on May 15 and November 15 at a rate of 3.000 percent. Series 2009(A-2) will be maturing in annual installments on May 15 in the years 2015 to 2034 and interests are payable on May 15 and November 15 at rates varying from 3.900 to 5.950 percent. The proceeds of the Series 2009(A-1) and Series 2009(A-2) will be used to finance a portion of the Northern Virginia Transportation District Program and to pay for the bond issuance costs.

On May 26, 2010, the Commonwealth Transportation Board issued \$492,665,000 of Commonwealth of Virginia Transportation Capital Projects Revenue Bonds consisting of \$85,515,000 of Series 2010(A-1) tax exempt and \$407,150,000 of Series 2010(A-2) taxable Build America Bonds. Series 2010(A-1) will be maturing in annual installments on May 15 in the years 2011 to 2016 and interests are payable on May 15 and November 15 at rates varying from 2.500 to 5.000 percent. Series 2010(A-2) will be maturing in annual installments on May 15 in the years 2017 to 2035 and interests are payable on May 15 and November 15 at rates varying from 3.850 to 5.350 percent. The proceeds of the Series 2010(A-1) and Series 2010(A-2) will be used to pay for the costs of certain transportation projects and costs related to the issuance of the bonds.

Pursuant to the American Recovery and Reinvestment Act, the Commonwealth will receive a 35 percent interest subsidy to reimburse interest payments of \$143,108,333 for Build America Bond (BABs) issued. The BABs are applicable to Commonwealth of Virginia Transportation Series 2010 (A-2) Capital Projects Revenue Bonds and Series 2009 (A-2) Northern Virginia Transportation District Revenue Bonds.

The following schedule details the annual funding requirements necessary to repay the Department's combined bonds issues:

Maturity	Principal	Interest	Total
2011	\$ 208,795,000	\$ 82,238,776	\$ 291,033,776
2012	158,420,000	74,203,520	232,623,520
2013	163,775,000	66,328,885	230,103,885
2014	107,940,000	59,859,272	167,799,272
2015	113,185,000	54,496,341	167,681,341
2016-2020	474,915,000	197,551,920	672,466,920
2021-2025	289,545,000	113,695,315	403,240,315
2026-2030	185,925,000	62,974,539	248,899,539
2031-2035	166,180,000	24,450,450	190,630,450
Subtotal	1,868,680,000	735,799,019	2,604,479,019
Less Unaccrued Capital Appreciation Bonds	<u>(59,507,159)</u>	-	<u>(59,507,159)</u>
Total	<u>\$ 1,809,172,841</u>	<u>\$ 735,799,019</u>	<u>\$ 2,544,971,860</u>

Detail of Bonds Payable

Series	Amount Issued	Outstanding June 30, 2009	Issued- (Retired) During Year	Outstanding June 30, 2010	Maturity
Section 9(b) Debt General					
Obligation Bonds					
Powwhite Parkway Extension Series 2003(A) Refunding	\$ 40,370,000	\$ 11,725,000	\$ (5,715,000)	\$ 6,010,000	06/01/10-11
Section 9(c) Debt General					
Obligation Bonds					
Coleman Bridge Series 2006 Refunding	31,880,000	29,560,000	(1,900,000)	27,660,000	06/01/10-21
Section 9(d) Debt-					
Transportation Revenue Bonds					
Route 28 Corridor Series 2002 Refunding	83,820,000	54,030,000	(5,005,000)	49,025,000	04/01/10-18
Series 2002A Capital Appreciating	36,823,667	51,349,729	2,603,112	53,952,841	04/01/10-32
Capital Projects Revenue Bonds					
Series 2010(A-1)	85,515,000	-	85,515,000	85,515,000	05/15/10-16
Series 2010(A-2)	407,150,000	-	407,150,000	407,150,000	05/15/10-35

Detail Bonds Payable Continues

Series	Amount Issued	Outstanding June 30, 2009	Issued- (Retired) During Year	Outstanding June 30, 2010	Maturity
U.S. Route 58 Corridor Development					
Series 2001(B)	102,165,000	13,215,000	(3,055,000)	10,160,000	05/15/10-13
Series 2002(B)	70,670,000	51,310,000	(4,655,000)	46,655,000	05/15/10-18
Series 2003(A)	66,255,000	26,795,000	(8,490,000)	18,305,000	05/15/10-12
Series 2004(B)	232,260,000	229,775,000	(11,655,000)	218,120,000	05/15/10-22
Series 2006(C)	63,460,000	63,460,000	-	63,460,000	05/15/10-26
Series 2007(B)	83,955,000	83,955,000	-	83,955,000	05/15/10-19
Northern Virginia Transportation District Program					
Series 2001(A)	58,650,000	20,920,000	(1,755,000)	19,165,000	05/15/10-24
Series 2002(A)	153,035,000	103,680,000	(7,155,000)	96,525,000	05/15/10-27
Series 2004(A)	89,400,000	87,350,000	(4,295,000)	83,055,000	05/15/10-22
Series 2006(B)	20,020,000	20,020,000	-	20,020,000	05/15/10-26
Series 2007(A)	39,115,000	38,875,000	(2,785,000)	36,090,000	05/15/10-20
Series 2009(A-1)	11,245,000	-	8,205,000	8,205,000	05/15/10-14
Series 2009(A-2)	60,950,000	-	60,950,000	60,950,000	05/15/10-34
Oak Grove Connector (Chesapeake)					
Series 2006(A)	23,160,000	20,925,000	(1,190,000)	19,735,000	05/15/10-22
Section 9(d) Debt- Federal Highway Reimbursement Anticipation Notes					
Series 2000	375,000,000	99,305,000	(48,340,000)	50,965,000	10/01/10-11
Series 2002	523,320,000	237,805,000	(55,380,000)	182,425,000	10/01/10-13
Series 2005	250,000,000	185,100,000	(23,030,000)	162,070,000	10/01/10-16
Total Bonds Payable		<u>\$ 1,429,154,729</u>	<u>\$ 380,018,112</u>	<u>\$ 1,809,172,841</u>	

Detail of Bonds Payable - Interest Rates

<u>Series</u>	<u>Interest Rates</u>
Powhite Parkway Extension Series 2003(A) Refunding	2.5%-5.0%
Coleman Bridge Series 2006 Refunding	3.875%-5.0%
Route 28 Corridor Series 2002 Refunding Series 2002A Capital Appreciating	2.0%-5.0% 4.63%-5.32%
Capital Projects Revenue Bonds Series 2010(A-1) Series 2010(A-2)	2.500%-5.000% 3.850%-5.350%
U.S. Route 58 Corridor Development Series 2001(B) Series 2002(B) Series 2003(A) Series 2004(B) Series 2006(C) Series 2007(B)	4.5%-5.375% 3.0%-5.25% 3.0%-5.5% 4.75%-5.25% 5.0% 5.0%
Northern Virginia Transportation District Program Series 2001(A) Series 2002(A) Series 2004(A) Series 2006(B) Series 2007(A) Series 2009(A-1) Series 2009(A-2)	4.5%-5.375% 3.0%-5.25% 4.0%-5.0% 4.250%-5.0% 4.000%-5.000% 3.000% 3.900%-5.950%
Oak Grove Connector (Chesapeake) Series 2006(A)	4.250%-5.0%
Federal Highway Reimbursement Anticipation Notes Series 2000 Series 2002 Series 2005	4.45%-5.75% 2.0%-5.0% 3.0%-5.0%

The following schedules detail the annual funding requirements necessary to repay the Department's individual bonds issues:

Powwhite Parkway Extension Transportation Facilities Refunding

Bonds Series 2003A

Debt Service Requirement to Maturity

Maturity	Principal	Interest	Total
2011	\$ 6,010,000	\$ 300,500	\$ 6,310,500
Total	\$ 6,010,000	\$ 300,500	\$ 6,310,500

Coleman Bridge General Obligation Refunding Bonds, Series 2006

Debt Service Requirement to Maturity

Maturity	Principal	Interest	Total
2011	\$ 1,975,000	\$ 1,212,600	\$ 3,187,600
2012	2,080,000	1,113,850	3,193,850
2013	2,185,000	1,009,850	3,194,850
2014	2,290,000	900,600	3,190,600
2015	2,405,000	786,100	3,191,100
2016-2020	13,660,000	2,292,250	15,952,250
2021-2021	3,065,000	122,600	3,187,600
Total	\$ 27,660,000	\$ 7,437,850	\$ 35,097,850

Route 28 Transportation Contract Revenue Refunding Current

Interest Bonds Series 2002 (CIB)

Debt Service Requirement to Maturity

Maturity	Principal	Interest	Total
2011	\$ 5,210,000	\$ 2,318,835	\$ 7,528,835
2012	5,425,000	2,104,625	7,529,625
2013	5,645,000	1,885,300	7,530,300
2014	5,925,000	1,603,050	7,528,050
2015	6,225,000	1,306,800	7,531,800
2016-2018	20,595,000	1,990,150	22,585,150
Total	\$ 49,025,000	\$ 11,208,760	\$ 60,233,760

**Route 28 Transportation Contract Revenue Capital Appreciation
New Money Bonds Series 2002**

Debt Service Requirement to Maturity

Maturity	Principal	Interest	Total
2011	\$ -	\$ -	\$ -
2012	-	-	-
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016-2020	16,200,000	-	16,200,000
2021-2025	40,525,000	-	40,525,000
2026-2030	40,525,000	-	40,525,000
2031-2032	16,210,000	-	16,210,000
Total	113,460,000	-	113,460,000
Less			
Unaccreted			
Capital			
Appreciation			
Bonds	(59,507,159)	-	(59,507,159)
Total	\$ 53,952,841	\$ -	\$ 53,952,841

Transportation Capital Projects Revenue Bonds, Series 2010A-1

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ 13,360,000	\$ 3,821,308	\$ 17,181,308
2012	13,320,000	3,607,750	16,927,750
2013	13,855,000	2,941,750	16,796,750
2014	14,410,000	2,249,000	16,659,000
2015	14,985,000	1,528,500	16,513,500
2016	15,585,000	779,250	16,364,250
Total	\$ 85,515,000	\$ 14,927,558	\$ 100,442,558

Transportation Capital Projects Revenue Bonds, Series 2010A-2

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ -	\$ 19,729,738	\$ 19,729,738
2012	-	20,351,593	20,351,593
2013	-	20,351,592	20,351,592
2014	-	20,351,593	20,351,593
2015	-	20,351,592	20,351,592
2016-2020	66,415,000	97,868,975	164,283,975
2021-2025	94,810,000	79,875,218	174,685,218
2026-2030	111,915,000	54,228,937	166,143,937
2031-2035	134,010,000	22,032,370	156,042,370
Total	\$ 407,150,000	\$ 355,141,608	\$ 762,291,608

U.S. Route 58 Transportation Revenue Refunding Bonds, Series 2001B

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ 3,210,000	\$ 550,113	\$ 3,760,113
2012	3,385,000	373,562	3,758,562
2013	3,565,000	191,619	3,756,619
Total	<u>\$ 10,160,000</u>	<u>\$ 1,115,294</u>	<u>\$ 11,275,294</u>

U.S. Route 58 Transportation Revenue Refunding Bonds, Series 2002B

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ 4,885,000	\$ 2,349,937	\$ 7,234,937
2012	5,130,000	2,105,688	7,235,688
2013	5,390,000	1,849,188	7,239,188
2014	5,660,000	1,579,687	7,239,687
2015	5,935,000	1,296,688	7,231,688
2016-2018	19,655,000	2,049,062	21,704,062
Total	<u>\$ 46,655,000</u>	<u>\$ 11,230,250</u>	<u>\$ 57,885,250</u>

U.S. Route 58 Transportation Revenue Refunding Bonds, Series 2003A

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ 8,910,000	\$ 1,006,775	\$ 9,916,775
2012	9,395,000	516,725	9,911,725
Total	<u>\$ 18,305,000</u>	<u>\$ 1,523,500</u>	<u>\$ 19,828,500</u>

U.S. Route 58 Transportation Revenue Bonds, Series 2004B

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ 12,260,000	\$ 10,826,913	\$ 23,086,913
2012	12,905,000	10,183,262	23,088,262
2013	13,585,000	9,505,750	23,090,750
2014	18,015,000	8,826,500	26,841,500
2015	18,925,000	7,925,750	26,850,750
2016-2020	109,780,000	24,455,000	134,235,000
2021-2022	32,650,000	2,156,025	34,806,025
Total	<u>\$ 218,120,000</u>	<u>\$ 73,879,200</u>	<u>\$ 291,999,200</u>

U.S. Route 58 Transportation Revenue Bonds, Series 2006C

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ -	\$ 3,173,000	\$ 3,173,000
2012	-	3,173,000	3,173,000
2013	-	3,173,000	3,173,000
2014	-	3,173,000	3,173,000
2015	-	3,173,000	3,173,000
2016-2020	-	15,865,000	15,865,000
2021-2025	56,780,000	11,017,250	67,797,250
2026	6,680,000	334,000	7,014,000
Total	\$ 63,460,000	\$ 43,081,250	\$ 106,541,250

U.S. Route 58 Transportation Revenue Bonds, Series 2007B

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ -	\$ 4,197,750	\$ 4,197,750
2012	-	4,197,750	4,197,750
2013	7,660,000	4,197,750	11,857,750
2014	11,215,000	3,814,750	15,029,750
2015	11,780,000	3,254,000	15,034,000
2016-2019	53,300,000	6,825,000	60,125,000
Total	\$ 83,955,000	\$ 26,487,000	\$ 110,442,000

**Northern Virginia Transportation Program
Transportation Revenue Bonds Series 2001A**

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ 1,840,000	\$ 982,412	\$ 2,822,412
2012	1,945,000	881,213	2,826,213
2013	2,045,000	776,668	2,821,668
2014	-	666,750	666,750
2015	-	666,750	666,750
2016-2020	-	3,333,750	3,333,750
2021-2025	13,335,000	1,707,250	15,042,250
Total	\$ 19,165,000	\$ 9,014,793	\$ 28,179,793

**Northern Virginia Transportation Program
Transportation Revenue Bonds Series 2002A
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2011	\$ 7,510,000	\$ 4,849,443	\$ 12,359,443
2012	7,885,000	4,473,943	12,358,943
2013	8,280,000	4,079,694	12,359,694
2014	8,695,000	3,665,694	12,360,694
2015	7,370,000	3,230,944	10,600,944
2016-2020	37,730,000	9,700,856	47,430,856
2021-2025	12,965,000	3,408,800	16,373,800
2026-2027	6,090,000	460,500	6,550,500
Total	\$ 96,525,000	\$ 33,869,874	\$ 130,394,874

**Northern Virginia Transportation Program
Transportation Revenue Bonds Series 2004A
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2011	\$ 4,510,000	\$ 3,784,750	\$ 8,294,750
2012	4,730,000	3,559,250	8,289,250
2013	4,970,000	3,322,750	8,292,750
2014	7,375,000	3,074,250	10,449,250
2015	7,740,000	2,705,500	10,445,500
2016-2020	44,660,000	7,595,100	52,255,100
2021-2025	9,070,000	451,200	9,521,200
Total	\$ 83,055,000	\$ 24,492,800	\$ 107,547,800

**Northern Virginia Transportation Program
Transportation Revenue Bonds Series 2006B
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2011	\$ -	\$ 973,362	\$ 973,362
2012	-	973,363	973,363
2013	-	973,363	973,363
2014	-	973,363	973,363
2015	1,805,000	973,363	2,778,363
2016-2020	6,095,000	3,850,150	9,945,150
2021-2025	8,190,000	2,699,000	10,889,000
2026-2027	3,930,000	196,500	4,126,500
Total	\$ 20,020,000	\$ 11,612,463	\$ 31,632,463

**Northern Virginia Transportation Program
Transportation Revenue Bonds Series 2007A
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2011	\$ 2,900,000	\$ 1,626,600	\$ 4,526,600
2012	3,025,000	1,510,600	4,535,600
2013	3,155,000	1,389,600	4,544,600
2014	3,290,000	1,263,400	4,553,400
2015	3,465,000	1,098,900	4,563,900
2016-2020	20,255,000	2,745,900	23,000,900
Total	\$ 36,090,000	\$ 9,635,000	\$ 45,725,000

**Northern Virginia Transportation Program
Transportation Revenue Bonds Series 2009A-1
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2011	\$ 1,960,000	\$ 246,150	\$ 2,206,150
2012	2,020,000	187,350	2,207,350
2013	2,080,000	126,750	2,206,750
2014	2,145,000	64,350	2,209,350
Total	\$ 8,205,000	\$ 624,600	\$ 8,829,600

**Northern Virginia Transportation Program
Transportation Revenue Bonds (Taxable Bonds) Series 2009A-2
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2011	\$ -	\$ 3,305,799	\$ 3,305,799
2012	-	3,305,799	3,305,799
2013	-	3,305,799	3,305,799
2014	-	3,305,798	3,305,798
2015	2,210,000	3,305,799	5,515,799
2016-2020	11,975,000	15,092,444	27,067,444
2021-2025	14,020,000	11,945,222	25,965,222
2026-2030	16,785,000	7,754,602	24,539,602
2031-2035	15,960,000	2,418,080	18,378,080
Total	\$ 60,950,000	\$ 53,739,342	\$ 114,689,342

**Transportation Improvement Program Set-aside Fund
Oak Grove Connector (City of Chesapeake)
Transportation Program Revenue Bonds Series 2006A
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2011	\$ 1,240,000	\$ 986,750	\$ 2,226,750
2012	1,305,000	924,750	2,229,750
2013	1,365,000	859,500	2,224,500
2014	1,435,000	791,250	2,226,250
2015	1,505,000	719,500	2,224,500
2016-2020	8,750,000	2,388,250	11,138,250
2021-2022	4,135,000	312,750	4,447,750
Total	\$ 19,735,000	\$ 6,982,750	\$ 26,717,750

**Federal Highway Reimbursement Anticipation Notes
Series 2000**

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ 50,965,000	\$ 1,381,768	\$ 52,346,768
Total	\$ 50,965,000	\$ 1,381,768	\$ 52,346,768

**Federal Highway Reimbursement Anticipation Notes
Series 2002**

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ 57,985,000	\$ 7,500,200	\$ 65,485,200
2012	60,730,000	4,656,107	65,386,107
2013	63,710,000	1,557,356	65,267,356
Total	\$ 182,425,000	\$ 13,713,663	\$ 196,138,663

**Federal Highway Reimbursement Anticipation Notes
Series 2005**

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2011	\$ 24,065,000	\$ 7,114,073	\$ 31,179,073
2012	25,140,000	6,003,340	31,143,340
2013	26,285,000	4,831,608	31,116,608
2014	27,485,000	3,556,238	31,041,238
2015	28,835,000	2,173,156	31,008,156
2016-2016	30,260,000	720,783	30,980,783
Total	\$ 162,070,000	\$ 24,399,198	\$ 186,469,198

Bond Defeasance

In prior years, the Department defeased certain general obligation and revenue bonds by placing the surplus trust funds and refunding bond proceeds in irrevocable trusts to provide for all future debt service payments on refunded bonds. Accordingly, the trust accounts' assets and liabilities for the defeased bonds were not reported in the Department's financial statements. Outstanding balances of defeased bonds as of June 30, 2010 were as follows:

<u>Issue</u>	<u>Outstanding at June 30, 2010</u>
Northern Virginia Transportation District Program Transportation Revenue Bonds, Series 2001A	\$ 25,440,000
Northern Virginia Transportation District Program Transportation Revenue Bonds, Series 2002A	7,810,000
U.S. Route 58 Corridor Development Program Revenue Bonds, Series 2001B	67,540,000
Hirst Brault Expressway (Dulles Toll Road) General Obligation Bonds, Series 2002	<u>19,190,000</u>
Total:	<u>\$119,980,000</u>

Arbitrage Rebate

The Internal Revenue Code of 1986 requires that governmental entities issuing debt subsequent to August 1986, calculate arbitrage rebate earnings to the federal government. Rebate payments, if required, are due at least once every five years until the bond proceeds have been fully used for their intended purpose. Governmental entities must comply with the regulations in order for their bonds to maintain a tax-exempt status.

The regulations require the excess of the aggregate amounts earned on investments purchased with bond proceeds over a rate equal to the bond yield be rebated to the federal government. Income earned on amounts reserved for the arbitrage rebate is also subject to rebate.

During the year, the Virginia Department of Transportation did not incur or make any payments associated with the rebate liability to the federal government on Transportation Facilities Bonds.

Capital Leases

As of June 30, 2010, all capital leases under which the Department is the lessee of buildings and equipment were either expired or transferred to the Department of General Service.

Notes Payable

At June 30, 2010, Transportation Facilities Notes included \$86,465,000 of 9(d) Camp 30 revenue notes and \$8,000,000 of 9(d) Chesterfield County revenue notes. Principal and interest requirements for the current year totaled \$7,828,438.

Camp 30

The 9(d) Camp 30 revenue notes represent the Camp 30 Notes, Series 2006 which were issued to finance the construction and building of the Department's leased projects on West Ox Road, Fairfax, Virginia, known as Camp 30. Funds for the repayment of Camp 30 note are transferred from the Highway Maintenance & Operating Fund.

Powhite Parkway Extension

The bond legislation permits the Treasury Board, with the consent of the Governor, to provide for repayment of \$22,000,000 to Chesterfield County for costs of the Powhite Parkway Extension Toll Road from surplus net revenues of the project prior to retirement of all the bonds issued.

Subsequent to completion of the Powhite Parkway Extension, Chesterfield County determined an urgent need for construction of a ramp and loop at the interchange of Route 76 and Route 288, which was a part of the Toll Road. The General Assembly passed legislation amending the legal description of the Toll Road removing the Route 288 section. In consideration of these actions Chesterfield County agreed to treat the two mile portion of Route 288 between Powhite Parkway Extension (Route 76) and Route 360 as having been built with \$14 million of its \$22 million contribution and released its claim to be reimbursed for the \$14 million including any associated interest which might be permitted by law. Based on the foregoing discussion, Chesterfield's claim from the Treasury Board is now \$8,000,000 (\$22,000,000 less \$14,000,000).

The following schedule details the annual funding requirements necessary to repay the Department's combined note issues:

Debt Service Requirements to Maturity				
Maturity	Principal	Interest	Total	
2011	\$ 3,690,000	\$ 4,137,688	\$ 7,827,688	
2012	3,875,000	3,953,188	7,828,188	
2013	4,070,000	3,759,438	7,829,438	
2014	4,270,000	3,555,938	7,825,938	
2015	4,485,000	3,342,438	7,827,438	
2016-2020	25,975,000	13,169,488	39,144,488	
2021-2025	32,610,000	6,532,888	39,142,888	
2026-2026	7,490,000	337,050	7,827,050	
Unknown	8,000,000	-	8,000,000	
Total	\$ 94,465,000	\$ 38,788,113	\$ 133,253,113	

Detail of Notes Payable

Series	Amount Issued	Outstanding June 30, 2009	Issued- (Retired) During Year	Outstanding June 30, 2010	Maturity
Section 9(b) Debt					
Chesterfield County Notes, Series 1986 - Powhite	\$ 22,000,000	\$ 8,000,000	\$ -	\$ 8,000,000	Unknown
Section 9(d) Debt-					
Camp 30 Notes Payable, Series 2006	96,515,000	89,980,000	(3,515,000)	86,465,000	05/15/11-26
Total Notes Payable		\$ 97,980,000	\$ (3,515,000)	\$ 94,465,000	

Detail of Notes Payable - Interest Rates

Series

Interest Rates

Chesterfield County Notes,
Series 1986 - Powhite

0.0%-0.0%

Camp 30 Notes Payable
Series 2006

4.250%-5.000%

The following schedule details the annual funding requirements necessary to repay the Department's individual notes issues:

Powhite Parkway Extension			
Chesterfield County Notes Series 1986			
Debt Service Requirement to Maturity			
Maturity	Principal	Interest	Total
2011	\$ -	\$ -	\$ -
2012	-	-	-
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016-2020	-	-	-
2021-2025	-	-	-
2026-2026	-	-	-
Unknown	8,000,000	-	8,000,000
Total	\$ 8,000,000	\$ -	\$ 8,000,000

Camp 30 Notes, Series 2006			
Debt Service Requirements to Maturity			
Maturity	Principal	Interest	Total
2011	\$ 3,690,000	\$ 4,137,688	\$ 7,827,688
2012	3,875,000	3,953,188	7,828,188
2013	4,070,000	3,759,438	7,829,438
2014	4,270,000	3,555,938	7,825,938
20115	4,485,000	3,342,438	7,827,438
2015-2019	25,975,000	13,169,488	39,144,488
2020-2024	32,610,000	6,532,888	39,142,888
2025-2026	7,490,000	337,050	7,827,050
Total	\$ 86,465,000	\$ 38,788,113	\$ 125,253,113

Compensated Absences

Compensated absences represent the amounts of vacation, sick, compensatory leave and disability credits earned by the employees of the Department, but not yet taken at June 30 of the reported fiscal year. The amount reflects all earned vacation, sick and compensatory leave payable under the Commonwealth of Virginia's leave payout policy upon employment termination. Also included in the liability is the Department's share of the FICA taxes on leave balances for which employees will be compensated. Compensated absences are recorded as current and long-term debt in the Government-wide statements.

At June 30, 2010, the reported balances for compensated absences were as follows:

Due Within One Year	\$	31,252,978
Due Greater Than One Year		22,695,416
	\$	<u>53,948,394</u>

6. FUND EQUITY RESERVES

At June 30, 2010, the Department's fund balances restricted for debt financed road construction were as follows:

	Balance at June 30,2010	
	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>
Restricted for:		
Construction	\$ 318,308,528	\$ -
Capital Acquisition (Camp 30)	34,166,136	-
Bond interest and sinking fund	-	105,324,658
	<u>\$ 352,474,664</u>	<u>\$ 105,324,658</u>

7. CONTINGENCIES

Grants and Contracts

Federal programs in which the Department participates are audited in accordance with the provisions of the U.S. Office of Management and Budget Circular A-133, Audits of State and Local Governments (Circular). Pursuant to the provisions of Circular A-133, all major programs and certain other programs are tested for compliance with applicable grant requirements. The provisions of this Circular do not limit the authority of federal agencies or other federal audit officials to make, or contract for, audits and evaluations of federal financial assistance programs. As a result, final expenditure reports of grants and contracts submitted to granting agencies in current and prior years are subject to audit and adjustment by such agencies. The effect of such adjustments, if any, is not determinable at this time.

Litigation

The Department is involved in continuing litigation related to construction of roadways, repairs to roadways and transportation facilities damaged by outside parties, and accident claims involving state operated and privately owned motor vehicles. The Department is named as a party in legal proceedings and investigations that occur in the normal course of its operations, some involving substantial amounts. It is not possible at the present time to estimate ultimate outcome or liability, if any, of the Department in respect to the various proceedings. However, it is believed that any ultimate liability resulting from these suits or

investigations will not have any material, adverse effect on the financial condition of the Department.

Risk Management

The Department is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; non-performance of duty; injuries to employees; and natural disasters. The Department participates in insurance plans maintained by the Commonwealth of Virginia. The state employee health care and worker's compensation plans are administered by the Department of Human Resource Management and the risk management insurance plans are administered by the Department of Treasury, Division of Risk Management. Risk management insurance includes property, general liability, medical malpractice, faithful performance of duty bond, automobile, and air and watercraft plans. VDOT pays premiums to each of these departments for its insurance coverage. Information relating to the Commonwealth's insurance plans is available at the state-wide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

8. INTERFUND ASSETS/LIABILITIES

Due from / to Other Funds: Due from Other Funds are amounts to be received from one fund by another fund for goods sold or services rendered. Due to Other Funds are amounts owed by one fund to another fund for goods purchased or service obtained.

At June 30, 2010, the Department had the following interfund assets and liabilities:

FUND	DUE TO	DUE FROM
<u>Construction</u>		
From Coleman Bridge	\$ -	\$ 110,000
From Federal	-	7,552,960
From Powhite	-	14,671,100
To Toll Facilities Revolving	56,164,048	-
To PTF	18,237,542	-
	74,401,590	22,334,060
<u>Toll Facilities Revolving</u>		
From Coleman	-	39,711,000
From Construction	-	56,164,048
From Powhite	-	35,107,479
	-	130,982,527
<u>Highway Maintenance & Operating (HMO)</u>		
From Federal	-	4,592,331
To PTF	33,060,000	-
	33,060,000	4,592,331
<u>Priority Transportation (PTF)</u>		
From HMO	-	33,060,000
From Construction	-	18,237,542
	-	51,297,542
<u>Federal</u>		
To HMO	4,592,331	-
To Construction	7,552,960	-
	12,145,291	-
<u>Coleman Bridge</u>		
To Toll Facilities Revolving	39,711,000	-
To Construction	110,000	-
	39,821,000	-
<u>Powhite</u>		
To Toll Facilities Revolving	35,107,479	-
To Construction	14,671,100	-
	49,778,579	-
Special Revenue Fund		
Total Interfund Receivables	\$ 209,206,460	\$ 209,206,460

9. TRANSFERS TO (FROM) OTHER STATE AGENCIES

In accordance with the Acts of Assembly, certain state agencies collect revenue or provide services for the benefit of the Department. The Department is required by law to transfer funds to other agencies for those services. The cost of these services is recorded as either a direct expenditure to the Department's programs or as a program expenditure of the agency providing the service. When an agency treats the cost as its program expenditure, the Department shows the cost of such service as a "transfer to other state agencies" in the Other Financing Sources (Uses) category. These expenditures and transfers for the fiscal year ending June 30, 2010 were as follows.

The cost of services provided by other agencies and recorded as an expenditure of the Department's programs:

Department of Motor Vehicles	\$ 11,669,042
Department of State Police	8,217,023
Department of Rail and Public Transportation	4,916,817
Department of Minority Business Enterprise	1,465,115
Department of Emergency Management	880,488
Secretary of Transportation	593,976
Department of Education	230,594
Governor's Office	140,533
Department of Historic Resources	100,000
Total Program Expenditures	<u><u>\$ 28,213,588</u></u>

General fund budget transfers, cost of services provided by other agencies recorded as a transfer by the Department, and transfers from other agencies:

General Fund:

Indirect Costs	\$	2,988,258
General Fund Transfer		-
DMV-Chesapeake Bay Initiatives		7,416,469
Department of Rail and Public Transportation		163,600,433
Department of Conservation & Recreation		4,872,503
Science Museum of Virginia		401,528
Virginia Port Authority		329,227
Marine Resources Commission		313,768
Department of the Treasury		178,409
Department of Agriculture & Consumer Services		97,586
Department of Historic Resources		46,461
Department of Minority Business Enterprise		21,464
Department of Aviation		9,600
Department of Education		5,096
Other		1,201
Virginia Tech		(80,915)
Department of Emergency Management		(92,932)
Department of Community Housing		(125,500)
Department of Criminal Justice		(828,815)
Department of Motor Vehicles		(5,610,689)
Department of Accounts		(9,550,213)
Total	\$	<u>163,992,939</u>

INTERFUND TRANSFERS

The department recorded the following interfund transfers for the fiscal year 2010:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
SPECIAL REVENUE FUNDS		
<u>Highway Maintenance & Operating (HMO)</u>		
From Surplus Property	\$ 4,077,876	\$ -
From Recyclable Materials	165,287	-
From Hirst-Brault (State Police)	783,528	-
From Powwhite (State Police)	590,056	-
From Construction	507,604,298	-
To PTF	-	33,060,000
To Camp 30 Debt Service	-	7,818,438
TOTALS	<u>513,221,045</u>	<u>40,878,438</u>
<u>Federal</u>		
From PTF	151,831,981	-
To FRAN Debt Service	-	151,831,981
TOTALS	<u>151,831,981</u>	<u>151,831,981</u>
<u>Transportation Partnership Opportunity</u>		
From Capital Projects	11,233,868	-
TOTALS	<u>11,233,868</u>	<u>-</u>
<u>Construction</u>		
To PTF	-	18,237,542
To HMO	-	507,604,298
To NVTD	-	7,000,000
To Route 58	-	12,000,000
To Camp 30 Special Revenue	-	344,343
TOTALS	<u>-</u>	<u>545,186,183</u>
<u>Toll Facilities Revolving</u>		
From Coleman Bridge	343,193	-
From Powwhite	944,936	-
TOTALS	<u>1,288,129</u>	<u>-</u>
<u>Recyclable Materials</u>		
To HMO	-	165,287
TOTALS	<u>-</u>	<u>165,287</u>
<u>Surplus Property</u>		
To HMO	-	4,077,876
TOTALS	<u>-</u>	<u>4,077,876</u>

Fund	Transfers In	Transfers Out
<u>Route 58</u>		
From Construction	12,000,000	-
To Debt Service	-	51,377,860
TOTALS	<u>12,000,000</u>	<u>51,377,860</u>
<u>Transportation Set Aside</u>		
To Debt Service	-	2,227,138
TOTALS	<u>-</u>	<u>2,227,138</u>
<u>Capital Projects Revenue Bonds</u>		
To Transportation Partnership Opportunity	-	11,233,868
TOTALS	<u>-</u>	<u>11,233,868</u>
<u>Coleman Bridge</u>		
To Debt Service	-	3,187,521
To Toll Facilities Revolving	-	343,193
TOTALS	<u>-</u>	<u>3,530,714</u>
<u>Camp 30</u>		
From Construction	344,343	-
TOTALS	<u>344,343</u>	<u>-</u>
<u>Priority Transportation (PTF)</u>		
From Construction	18,237,542	-
From HMO	33,060,000	-
To Federal	-	151,831,981
TOTALS	<u>51,297,542</u>	<u>151,831,981</u>
<u>ARRA Grants</u>		
To NVTD Debt Service	-	613,869
TOTALS	<u>-</u>	<u>613,869</u>
<u>Hirst-Brault</u>		
To HMO (State Police Patrol)	-	783,528
TOTALS	<u>-</u>	<u>783,528</u>
<u>Northern Virginia Transportation District (NVTD)</u>		
From Construction	7,000,000	-
To Debt Service	-	33,335,321
TOTALS	<u>7,000,000</u>	<u>33,335,321</u>
<u>Powhite Parkway Extension</u>		
To Debt Service	-	6,299,746
To Toll Facilities Revolving	-	944,936
To HMO (State Police Patrol)	-	590,056
TOTALS	<u>-</u>	<u>7,834,738</u>
Total Special Revenue Funds	<u>\$ 748,216,908</u>	<u>\$ 1,004,908,782</u>

Fund	Transfers In	Transfers Out
DEBT SERVICE FUNDS		
<u>Route 58</u>		
From Special Revenue	\$ 51,377,860	\$ -
<u>Transportation Set Aside</u>		
From Special Revenue	2,227,138	-
<u>Coleman Bridge</u>		
From Special Revenue	3,187,521	-
<u>Camp 30</u>		
From HMO Special Revenue	7,818,438	-
<u>Federal Reimbursement Anticipation Notes (FRAN)</u>		
From Federal	151,831,981	-
<u>Northern Virginia Transportation District (NVTD)</u>		
From Special Revenue	33,335,321	-
From ARRA Grants	613,869	-
	33,949,190	-
<u>Powhite Parkway Extension</u>		
From Special Revenue	6,299,746	-
<i>Total Debt Service Funds</i>	\$ 256,691,874	\$ -
<i>Total Special Revenue and Debt Service Funds</i>	\$ 1,004,908,782	\$ 1,004,908,782

10. PROPERTY, PLANT AND EQUIPMENT

The following presents governmental capital activity for the year ended June 30, 2010:

	Governmental Activities			
	June 30, 2009	Increases	Decreases	June 30, 2010
Non-depreciable capital assets				
Land and improvements	\$ 21,582,618	\$ 145,546	\$ -	\$ 21,728,164
Construction in progress	104,820,046	46,280,348	(22,972,315)	128,128,079
Total nondepreciable capital assets	<u>126,402,664</u>	<u>46,425,894</u>	<u>(22,972,315)</u>	<u>149,856,243</u>
Depreciable capital assets				
Buildings	191,093,255	21,252,840	(3,408,304)	208,937,791
Improvements	69,469,156	41,456,861	-	110,926,017
Equipment	313,286,822	11,430,622	(43,544,923)	281,172,521
Total depreciable capital assets	<u>573,849,233</u>	<u>74,140,323</u>	<u>(46,953,227)</u>	<u>601,036,329</u>
Less accumulated depreciation for				
Buildings	(71,199,747)	(8,216,354)	2,012,338	(77,403,763)
Improvements	(36,255,131)	(24,763,026)	-	(61,018,157)
Equipment	(163,966,113)	(18,818,059)	28,939,147	(153,845,025)
Total accumulated depreciation	<u>(271,420,991)</u>	<u>(51,797,439)</u>	<u>30,951,485</u>	<u>(292,266,945)</u>
Total depreciable capital assets, net	<u>302,428,242</u>	<u>22,342,884</u>	<u>(16,001,742)</u>	<u>308,769,384</u>
Infrastructure assets not being depreciated				
Highway system right-of-way	1,687,685,564	235,445,826	(52,557,784)	1,870,573,606
Total nondepreciable infrastructure	<u>1,687,685,564</u>	<u>235,445,826</u>	<u>(52,557,784)</u>	<u>1,870,573,606</u>
Other depreciable infrastructure assets				
Highway system infrastructure	16,098,722,740	1,577,128,107	(194,094,461)	17,481,756,386
Restorative maintenance	1,629,704,138	281,858,074	-	1,911,562,212
Bridge and tunnel infrastructure	3,720,910,592	46,930,780	-	3,767,841,372
Total road system infrastructure	<u>21,449,337,470</u>	<u>1,905,916,961</u>	<u>(194,094,461)</u>	<u>23,161,159,970</u>
Less accumulated depreciation for				
Highway system infrastructure	(8,118,981,850)	(490,716,892)	38,879,880	(8,570,818,862)
Bridge and tunnel infrastructure	(1,656,088,868)	(76,932,303)	-	(1,733,021,171)
Total accumulated depreciation	<u>(9,775,070,718)</u>	<u>(567,649,195)</u>	<u>38,879,880</u>	<u>(10,303,840,033)</u>
Total infrastructure, net	<u>13,361,952,316</u>	<u>1,573,713,592</u>	<u>(207,772,365)</u>	<u>14,727,893,543</u>
Infrastructure, work in process				
Road and bridge	2,149,246,252	981,580,252	(1,103,933,324)	2,026,893,180
Right-of-way	396,101,632	130,627,863	(230,175,311)	296,554,184
Total Infrastructure, work in process	<u>2,545,347,884</u>	<u>1,112,208,115</u>	<u>(1,334,108,635)</u>	<u>2,323,447,364</u>
	<u>\$ 16,336,131,106</u>	<u>\$ 2,754,690,485</u>	<u>\$ (1,580,855,057)</u>	<u>\$ 17,509,966,534</u>
Depreciation expense was charged to programs as follows:				
Governmental activities				
Highway system acquisition and construction		\$ 567,649,195		
Administrative and support services		3,502,388		
Highway system maintenance		15,315,671		
Unallocated		32,979,380		
Total governmentnal activities depreciation expense		<u>\$ 619,446,634</u>		

11. SPECIAL REVENUE FUNDS RECONCILIATION OF BUDGETARY FUND BALANCE TO ACCRUAL BASIS FUND BALANCE

The accompanying Budget Comparison Schedule - Special Revenue Funds present comparisons of the legally adopted budget prepared on the cash basis with actual data prepared on the cash basis. To enhance this comparison, actual data on the cash basis is reconciled with actual data on the modified accrual basis as follows:

Total Budgetary (Cash) Basis Fund Balance at June 30, 2009	\$ 1,777,781,213
Accrued Revenues on GAAP Basis	250,893,874
Accrued Expenditures on GAAP Basis	(218,219,066)
Accrued Transfers on GAAP Basis	3,406,504
Total Modified Accrual (GAAP) Basis Fund Balance at June 30, 2010	<u>\$ 1,813,862,525</u>

12. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, Cash Equivalents and Investments with the Treasurer of Virginia

All state funds of the Department are held by the Treasurer of Virginia who is responsible for the collection, disbursement, custody, and investment of the state funds, pursuant to Section 2.2-1800 (formerly 2.1-177), *et seq.*, Code of Virginia (1950). Each fund's equity in pooled state funds is reported as "Cash and Cash Equivalents with the Treasurer of Virginia" or "Investments with the Treasurer of Virginia." In addition, cash whose use is limited by the bond agreements is held by the Treasurer of Virginia in a trustee capacity.

The bank balance of cash held by the Treasurer is covered by federal depository insurance or collateralized in accordance with the Virginia Securities for Public Deposits Act. At June 30, 2010, the Department reported \$1,455,875,553 for Cash with the Treasurer of Virginia. The Department's investments with the Treasurer included investments in Local Government Investment Pool (LGIP) and Short Term Investment Funds (STIF), which were \$24,565,028 and \$8,387,184 respectively at June 30, 2010.

The Department maintains cash with the Treasurer in the state Treasurer's General Account. During the fiscal year 2010, the state Treasurer's General Account participated in securities lending transactions. The Treasurer used this cash to purchase investments that were loaned out under the securities lending program. The securities on loan are reported as Cash and Investments with the Treasurer of Virginia. The Treasurer receives both cash and non-cash collateral of securities lent. The Department's share of cash collateral as re-invested at June 30, 2010 was \$427,094,511. Both collateral held and payable for collateral held for securities lending are reported in the Balance Sheet.

The information on LGIP, STIF and the investments of the General Account securities lending program is available in the Commonwealth's Comprehensive Annual Financial Report.

Cash, Cash Equivalents and Investments with Trustees

Cash and investments held by trustees other than the Treasurer of Virginia whose use is limited by bond or other agreements are reported as "Cash and Cash Equivalents with Trustees" or "Investments with Trustees".

The deposits held by the Department with banks and savings institutions are covered by federal depository insurance or collateralized in accordance with the Virginia Security for Public Deposits Act. At June 30, 2010, the Department's carrying amount of cash with trustees was \$2,738,102 and the bank balance was \$2,894,974.

Cash equivalents represent short-term investments with original maturities of less than three months, whereas, investments represent securities with maturities in excess of three months and for which management intends to hold the securities to maturity.

At June 30, 2010, the reported balance for Cash, Cash Equivalents and Investments with Trustees were as follows:

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Construction Fund	\$ 550,183	\$ -
Toll Facilities Revolving Fund	2,187,919	-
Capital Projects Revenue Bonds	162,727,480	
Route 58	798,913	-
Northern Virginia Transportation District	45,201,743	-
Federal Reimbursement Anticipation Notes	8,343	104,524,493
Camp 30	35,967,068	-
Total	<u>\$ 247,441,649</u>	<u>\$ 104,524,493</u>

The Department follows the General Account investment guidelines adopted by the Treasury Board of Virginia. Details of the investment policy of the State Treasurer are available in the Commonwealth's Comprehensive Annual Financial Report.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Department may not be able to recover the value of its investment or collateral securities that are in possession of an outside party. As of June 30, 2010, the Department had no investments with trustees that were exposed to custodial risk.

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Department has elected the Segmented Time Distribution method of disclosure. As of June 30, 2010, the Department had no investment with trustees with a maturity of greater than one year.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Concentration of credit risk is related to the risk of loss that may be attributed to the magnitude of the Department's investments in a single issuer. As of June 30, 2010, the Department had no more than five percent of the value of the fund invested in the securities of any single issuer.

At June 30, 2010, the Department had the following investments with trustees:

Investment	Fair Value	Rating Agency	Credit Rating	Investment Maturities
				Less Than 1 Year
U.S. Treasury and Agency Securities	\$ 104,524,493		N/A	\$ 104,524,493
Mutual and Money Market Funds (Include SNAP)	244,703,547	Standard & Poor's	AAA	244,703,547
Total	<u>\$ 349,228,040</u>			<u>\$ 349,228,040</u>

13. PENSION PLAN AND OTHER POST EMPLOYMENT BENEFITS

Employees of the Virginia Department of Transportation are employees of the Commonwealth. The employees participate in a defined benefit pension plan administered by the Virginia Retirement System (VRS). The VRS also administers life insurance and health related plans for retired employees. Information related to these plans is available at the state-wide level only in the Commonwealth of Virginia's Comprehensive Annual Financial Report. The Commonwealth, not VDOT, has the overall responsibility for contributions to these plans.

14. SUBSEQUENT EVENTS

After June 30, but before financial statements are issued, information may become available indicating that an asset was impaired or a material liability was incurred. Adjustments to financial statements to reflect this information are required for amounts relating to conditions existing as of June 30, 2010. An example of an adjustment is a loss on trade receivable, which is confirmed by the bankruptcy of a customer. Disclosure is necessary for events that do not relate to conditions at the balance sheet date, but make the financial statements misleading. This disclosure should indicate the nature of the loss or loss contingency and give an estimate of the amount, or range, of loss or possible loss, or state that such an estimate can not be made. An example of a subsequent event requiring disclosure would be the issuance of long-term debt after the balance sheet date but before the statements were issued.

As of June 30, 2010 or before financial statements were issued, VDOT did not have any subsequent events to report or disclose.

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**REQUIRED
SUPPLEMENTARY
INFORMATION**

**FINANCIAL
REPORT
JUNE 30, 2010**

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**Major Governmental Funds
Budget Comparison Schedules
Special Revenue Funds**

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VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	TOTAL			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ 27,747,637	\$ 27,747,637	\$ 36,610,822	\$ 8,863,185
Taxes	1,705,516,975	1,705,516,975	1,772,139,580	66,622,605
Rights and privileges	327,330,458	327,330,458	318,729,123	(8,601,335)
Sale of property and commodities	-	-	4,946,220	4,946,220
Interest, dividends, and rents	34,418,404	34,418,404	37,043,847	2,625,443
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	9,528,557	9,528,557	9,654,873	126,316
Receipts from localities and private sector	86,120,625	86,120,625	89,209,836	3,089,211
Federal grants and contracts	845,047,608	845,047,608	882,184,692	37,137,084
Toll revenues	32,156,252	32,156,252	16,358,233	(15,798,019)
Other	16,336,440	16,336,440	18,076,511	1,740,071
Total revenues	<u>3,084,202,956</u>	<u>3,084,202,956</u>	<u>3,184,953,737</u>	<u>100,750,781</u>
Expenditures				
Current				
Administrative and support services	246,024,353	236,764,928	202,863,833	33,901,095
Ground transportation system planning and research	45,472,644	43,056,623	31,569,928	11,486,695
Highway system acquisition and construction	1,854,974,059	1,928,708,636	1,057,382,177	871,326,459
Highway system maintenance	1,291,862,835	1,333,328,343	1,132,310,074	201,018,269
Financial assistance to localities	345,142,847	357,702,078	353,597,716	4,104,362
Environmental monitoring and compliance	11,947,299	8,380,383	7,637,018	743,365
Toll facility operations and construction	52,476,467	52,393,629	23,201,564	29,192,065
Capital outlay	11,138,000	35,163,649	29,166,855	5,996,794
Transfers to other state agencies	29,758,994	29,758,994	28,213,588	1,545,406
Total expenditures	<u>3,888,797,498</u>	<u>4,025,257,263</u>	<u>2,865,942,753</u>	<u>1,159,314,510</u>
Revenues over (under) expenditures	<u>(804,594,542)</u>	<u>(941,054,307)</u>	<u>319,010,984</u>	<u>1,260,065,291</u>
Other financing sources (uses)				
Other financing uses	-	-	(906,172)	(906,172)
Other financing sources	834,955,518	785,740,646	-	(785,740,646)
Bond proceeds	235,222,310	235,222,310	573,868,961	338,646,651
Transfers to other state agencies and General Fund	(33,038,272)	(33,038,272)	(219,103,643)	(186,065,371)
Transfers from other state agencies and General Fund	20,610,157	20,610,157	51,704,200	31,094,043
Transfers in	681,304,764	681,304,764	697,086,720	15,781,956
Transfers out	(833,607,884)	(833,607,884)	(953,778,594)	(120,170,710)
Total other financing sources (uses)	<u>905,446,593</u>	<u>856,231,721</u>	<u>148,871,472</u>	<u>(707,360,249)</u>
Revenues and other sources over (under) expenditures and other uses	<u>100,852,051</u>	<u>(84,822,586)</u>	<u>467,882,456</u>	<u>552,705,042</u>
Fund balance - July 1	<u>1,309,898,757</u>	<u>1,309,898,757</u>	<u>1,309,898,757</u>	<u>-</u>
Fund balance - June 30	<u>\$ 1,410,750,808</u>	<u>\$ 1,225,076,171</u>	<u>\$ 1,777,781,213</u>	<u>\$ 552,705,042</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	FEDERAL			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	-	-
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	844,433,739	844,433,739	817,534,572	(26,899,167)
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>844,433,739</u>	<u>844,433,739</u>	<u>817,534,572</u>	<u>(26,899,167)</u>
Expenditures				
Current				
Administrative and support services	5,551,690	5,551,690	3,192,318	2,359,372
Ground transportation system planning and research	18,394,110	18,394,110	15,147,385	3,246,725
Highway system acquisition and construction	626,863,198	635,104,860	616,594,894	18,509,966
Highway system maintenance	185,981,203	186,022,202	183,118,806	2,903,396
Ground transportation system safety	-	-	-	-
Financial assistance to localities	6,443,538	7,143,538	6,935,445	208,093
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	23,274	-	23,274
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>843,233,739</u>	<u>852,239,674</u>	<u>824,988,848</u>	<u>27,250,826</u>
Revenues over (under) expenditures	<u>1,200,000</u>	<u>(7,805,935)</u>	<u>(7,454,276)</u>	<u>351,659</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	7,805,935	-	(7,805,935)
Reversion to the General Fund of the Commonwealth	-	-	-	-
Bond proceeds	-	-	-	-
Note proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	7,595,394	7,595,394
Transfers in	152,303,120	152,303,120	151,831,981	(471,139)
Transfers out	(152,303,120)	(152,303,120)	(151,831,981)	471,139
Total other financing sources (uses)	<u>-</u>	<u>7,805,935</u>	<u>7,595,394</u>	<u>(210,541)</u>
Revenues and other sources over (under) expenditures and other uses	<u>1,200,000</u>	<u>-</u>	<u>141,118</u>	<u>141,118</u>
Fund balance - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - June 30	<u>\$ 1,200,000</u>	<u>\$ -</u>	<u>\$ 141,118</u>	<u>\$ 141,118</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

HIGHWAY MAINTENANCE & OPERATING				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ 950,000	\$ 950,000	\$ 950,000	\$ -
Taxes	975,670,000	975,670,000	1,016,685,854	41,015,854
Rights and privileges	281,451,000	281,451,000	274,211,222	(7,239,778)
Sale of property and commodities	-	-	133,340	133,340
Interest, dividends, and rents	-	-	29,800	29,800
Fines, forfeitures, court fees				
Penalties, and escheats	8,128,557	8,128,557	8,309,201	180,644
Receipts from localities and private sector	-	-	3,450,998	3,450,998
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	16,336,440	16,336,440	7,516,630	(8,819,810)
Total revenues	<u>1,282,535,997</u>	<u>1,282,535,997</u>	<u>1,311,287,045</u>	<u>28,751,048</u>
Expenditures				
Current				
Administrative and support services	237,274,009	228,014,584	198,930,668	29,083,916
Ground transportation system planning and research	5,479,410	5,479,410	4,579,897	899,513
Highway system acquisition and construction	35,742,295	35,422,295	31,204,596	4,217,699
Highway system maintenance	1,105,881,632	1,147,306,141	949,191,268	198,114,873
Financial assistance to localities	330,772,212	338,793,867	338,789,998	3,869
Environmental monitoring and compliance	11,947,299	8,380,383	7,637,018	743,365
Toll facility operations and construction	-	-	-	-
Capital outlay	-	5,857	-	5,857
Transfers to other state agencies	29,618,461	29,618,461	28,073,055	1,545,406
Total expenditures	<u>1,756,715,318</u>	<u>1,793,020,998</u>	<u>1,558,406,500</u>	<u>234,614,498</u>
Revenues over (under) expenditures	<u>(474,179,321)</u>	<u>(510,485,001)</u>	<u>(247,119,455)</u>	<u>263,365,546</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(11,513,617)	(11,513,617)	(13,884,128)	(2,370,511)
Transfers from other state agencies and General Fund	-	-	828,815	828,815
Transfers in	507,604,298	507,604,298	513,388,399	5,784,101
Transfers out	-	-	(7,818,438)	(7,818,438)
Total other financing sources (uses)	<u>496,090,681</u>	<u>496,090,681</u>	<u>492,514,648</u>	<u>(3,576,033)</u>
Revenues and other sources over (under) expenditures and other uses	<u>21,911,360</u>	<u>(14,394,320)</u>	<u>245,395,193</u>	<u>259,789,513</u>
Fund balance - July 1	<u>232,245,158</u>	<u>232,245,158</u>	<u>232,245,158</u>	<u>-</u>
Fund balance - June 30	<u>\$ 254,156,518</u>	<u>\$ 217,850,838</u>	<u>\$ 477,640,351</u>	<u>\$ 259,789,513</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	CONSTRUCTION			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ 400,000	\$ 400,000
Taxes	580,746,975	580,746,975	606,352,145	25,605,170
Rights and privileges	29,413,058	29,413,058	27,748,804	(1,664,254)
Sale of property and commodities	-	-	4,812,880	4,812,880
Interest, dividends, and rents	4,235,768	4,235,768	5,957,310	1,721,542
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	33,845	33,845
Receipts from localities and private sector	67,215,755	67,215,755	58,671,489	(8,544,266)
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	2,849,931	2,849,931
Total revenues	681,611,556	681,611,556	706,826,404	25,214,848
Expenditures				
Current				
Administrative and support services	798,654	798,654	676,783	121,871
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	21,599,124	19,183,103	11,842,646	7,340,457
Highway system maintenance	130,282,199	239,574,199	90,525,714	149,048,485
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	7,927,097	11,764,673	7,872,273	3,892,400
Toll facility operations and construction	-	-	-	-
Capital outlay	11,138,000	34,296,686	3,644,676	30,652,010
Transfers to other state agencies	140,533	140,533	140,533	-
Total expenditures	171,885,607	305,757,848	114,702,625	191,055,223
Revenues over (under) expenditures	509,725,949	375,853,708	592,123,779	216,270,071
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(21,483,626)	(21,483,626)	(27,875,890)	(6,392,264)
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(526,604,298)	(526,604,298)	(526,948,641)	(344,343)
Total other financing sources (uses)	(548,087,924)	(548,087,924)	(554,824,531)	(6,736,607)
Revenues and other sources over (under) expenditures and other uses	(38,361,975)	(172,234,216)	37,299,248	209,533,464
Fund balance - July 1	401,564,358	401,564,358	401,564,358	-
Fund balance - June 30	\$ 363,202,383	\$ 229,330,142	\$ 438,863,606	\$ 209,533,464

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	PRIORITY TRANSPORTATION FUND			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	149,100,000	149,100,000	149,101,581	1,581
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	3,638,000	3,638,000	3,143,444	(494,556)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>152,738,000</u>	<u>152,738,000</u>	<u>152,245,025</u>	<u>(492,975)</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	28,000,000	3,539,731	807,663	2,732,068
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>28,000,000</u>	<u>3,539,731</u>	<u>807,663</u>	<u>2,732,068</u>
Revenues over (under) expenditures	<u>124,738,000</u>	<u>149,198,269</u>	<u>151,437,362</u>	<u>2,239,093</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	(31,600,269)	(31,600,269)
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(152,303,120)	(152,303,120)	(151,831,981)	471,139
Total other financing sources (uses)	<u>(152,303,120)</u>	<u>(152,303,120)</u>	<u>(183,432,250)</u>	<u>(31,129,130)</u>
Revenues and other sources over (under) expenditures and other uses	<u>(27,565,120)</u>	<u>(3,104,851)</u>	<u>(31,994,888)</u>	<u>(28,890,037)</u>
Fund balance - July 1	<u>105,869,654</u>	<u>105,869,654</u>	<u>105,869,654</u>	<u>-</u>
Fund balance - June 30	<u>\$ 78,304,534</u>	<u>\$ 102,764,803</u>	<u>\$ 73,874,766</u>	<u>\$ (28,890,037)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

TOLL FACILITIES REVOLVING				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	11,000,000	11,000,000	10,592,331	(407,669)
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	17,224,894	17,224,894	19,607,777	2,382,883
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	1,400,000	1,400,000	1,311,827	(88,173)
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	101	101
Total revenues	<u>29,624,894</u>	<u>29,624,894</u>	<u>31,512,036</u>	<u>1,887,142</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	29,585,323	29,585,323	15,214,366	14,370,957
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>29,585,323</u>	<u>29,585,323</u>	<u>15,214,366</u>	<u>14,370,957</u>
Revenues over (under) expenditures	<u>39,571</u>	<u>39,571</u>	<u>16,297,670</u>	<u>16,258,099</u>
Other financing sources (uses)				
Other financing uses	-	-	(647,714)	(647,714)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(39,571)	(39,571)	(39,571)	-
Transfers from other state agencies and General Fund	-	-	23,600,000	23,600,000
Transfers in	-	-	1,288,129	1,288,129
Transfers out	(2,397,346)	(2,397,346)	-	2,397,346
Total other financing sources (uses)	<u>(2,436,917)</u>	<u>(2,436,917)</u>	<u>24,200,844</u>	<u>26,637,761</u>
Revenues and other sources over (under) expenditures and other uses	<u>(2,397,346)</u>	<u>(2,397,346)</u>	<u>40,498,514</u>	<u>42,895,860</u>
Fund balance - July 1	<u>295,580,814</u>	<u>295,580,814</u>	<u>295,580,814</u>	<u>-</u>
Fund balance - June 30	<u>\$ 293,183,468</u>	<u>\$ 293,183,468</u>	<u>\$ 336,079,328</u>	<u>\$ 42,895,860</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	ARRA PROJECTS			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	-	-
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	64,036,251	64,036,251
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>64,036,251</u>	<u>64,036,251</u>
Expenditures				
Current				
Administrative and support services	2,400,000	2,400,000	64,064	2,335,936
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	695,219,336	677,419,336	64,731,707	612,687,629
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>697,619,336</u>	<u>679,819,336</u>	<u>64,795,771</u>	<u>615,023,565</u>
Revenues over (under) expenditures	<u>(697,619,336)</u>	<u>(679,819,336)</u>	<u>(759,520)</u>	<u>679,059,816</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	697,619,336	679,819,336	-	(679,819,336)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>697,619,336</u>	<u>679,819,336</u>	<u>-</u>	<u>(679,819,336)</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>(759,520)</u>	<u>(759,520)</u>
Fund balance - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (759,520)</u>	<u>\$ (759,520)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

NORTHERN VIRGINIA TRANSPORTATION DISTRICT				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	5,466,400	5,466,400	6,176,766	710,366
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	4,214,000	4,214,000	4,186,582	(27,418)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	820,856	820,856
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>9,680,400</u>	<u>9,680,400</u>	<u>11,184,204</u>	<u>1,503,804</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	79,406,928	78,956,928	29,878,679	49,078,249
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>79,406,928</u>	<u>78,956,928</u>	<u>29,878,679</u>	<u>49,078,249</u>
Revenues over (under) expenditures	<u>(69,726,528)</u>	<u>(69,276,528)</u>	<u>(18,694,475)</u>	<u>50,582,053</u>
Other financing sources (uses)				
Other financing uses	-	-	(151,169)	(151,169)
Other financing sources	-	-	-	-
Bond proceeds	72,848,591	72,848,591	72,568,095	(280,496)
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	19,610,157	19,610,157	18,547,297	(1,062,860)
Transfers in	7,000,000	7,000,000	7,000,000	-
Transfers out	-	-	(33,335,321)	(33,335,321)
Total other financing sources (uses)	<u>99,458,748</u>	<u>99,458,748</u>	<u>64,628,902</u>	<u>(34,829,846)</u>
Revenues and other sources over (under) expenditures and other uses	<u>29,732,220</u>	<u>30,182,220</u>	<u>45,934,427</u>	<u>15,752,207</u>
Fund balance - July 1	<u>149,620,910</u>	<u>149,620,910</u>	<u>149,620,910</u>	<u>-</u>
Fund balance - June 30	<u>\$ 179,353,130</u>	<u>\$ 179,803,130</u>	<u>\$ 195,555,337</u>	<u>\$ 15,752,207</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	NONMAJOR FUNDS			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ 26,797,637	\$ 26,797,637	\$ 35,260,822	\$ 8,463,185
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	5,105,742	5,105,742	4,118,934	(986,808)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	18,904,870	18,904,870	26,266,493	7,361,623
Federal grants and contracts	613,869	613,869	613,869	-
Toll revenues	32,156,252	32,156,252	16,358,233	(15,798,019)
Other	-	-	7,709,849	7,709,849
Total revenues	<u>83,578,370</u>	<u>83,578,370</u>	<u>90,328,200</u>	<u>6,749,830</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	259,460,103	258,691,287	223,638,924	35,052,363
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	22,891,144	22,808,306	7,987,198	14,821,108
Capital outlay	-	837,832	25,522,179	(24,684,347)
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>282,351,247</u>	<u>282,337,425</u>	<u>257,148,301</u>	<u>25,189,124</u>
Revenues over (under) expenditures	<u>(198,772,877)</u>	<u>(198,759,055)</u>	<u>(166,820,101)</u>	<u>31,938,954</u>
Other financing sources (uses)				
Other financing uses	-	-	(107,289)	(107,289)
Other financing sources	137,336,182	98,115,375	-	(98,115,375)
Bond proceeds	162,373,719	162,373,719	501,300,866	338,927,147
Transfers to other state agencies and General Fund	(1,458)	(1,458)	(145,703,785)	(145,702,327)
Transfers from other state agencies and General Fund	1,000,000	1,000,000	1,132,694	132,694
Transfers in	14,397,346	14,397,346	23,578,211	9,180,865
Transfers out	-	-	(82,012,232)	(82,012,232)
Total other financing sources (uses)	<u>315,105,789</u>	<u>275,884,982</u>	<u>298,188,465</u>	<u>22,303,483</u>
Revenues and other sources over (under) expenditures and other uses	<u>116,332,912</u>	<u>77,125,927</u>	<u>131,368,364</u>	<u>54,242,437</u>
Fund balance - July 1	<u>125,017,863</u>	<u>125,017,863</u>	<u>125,017,863</u>	<u>-</u>
Fund balance - June 30	<u>\$ 241,350,775</u>	<u>\$ 202,143,790</u>	<u>\$ 256,386,227</u>	<u>\$ 54,242,437</u>

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**Nonmajor Governmental Funds
Budget Comparison Schedules
Special Revenue Funds**

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VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	TRANSPORTATION PARTNERSHIP OPPORTUNITY			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ 8,463,185	\$ 8,463,185
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	1,078,000	1,078,000	1,131,841	53,841
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>1,078,000</u>	<u>1,078,000</u>	<u>9,595,026</u>	<u>8,517,026</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	1,076,542	35,247,727	25,670,190	9,577,537
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>1,076,542</u>	<u>35,247,727</u>	<u>25,670,190</u>	<u>9,577,537</u>
Revenues over (under) expenditures	<u>1,458</u>	<u>(34,169,727)</u>	<u>(16,075,164)</u>	<u>18,094,563</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(1,458)	(1,458)	(1,458)	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	11,233,868	11,233,868
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>(1,458)</u>	<u>(1,458)</u>	<u>11,232,410</u>	<u>11,233,868</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>(34,171,185)</u>	<u>(4,842,754)</u>	<u>29,328,431</u>
Fund balance - July 1	<u>44,357,340</u>	<u>44,357,340</u>	<u>44,357,340</u>	<u>-</u>
Fund balance - June 30	<u>\$ 44,357,340</u>	<u>\$ 10,186,155</u>	<u>\$ 39,514,586</u>	<u>\$ 29,328,431</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
BUDGET COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	CONCESSION FUNDS FOR PROJECTS			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	1,816,000	1,816,000	1,551,457	(264,543)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>1,816,000</u>	<u>1,816,000</u>	<u>1,551,457</u>	<u>(264,543)</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	5,265,672	5,265,672	44,595	5,221,077
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>5,265,672</u>	<u>5,265,672</u>	<u>44,595</u>	<u>5,221,077</u>
Revenues over (under) expenditures	<u>(3,449,672)</u>	<u>(3,449,672)</u>	<u>1,506,862</u>	<u>4,956,534</u>
Other financing sources (uses)				
Other financing uses	-	-	(60,688)	(60,688)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(60,688)</u>	<u>(60,688)</u>
Revenues and other sources over (under) expenditures and other uses	<u>(3,449,672)</u>	<u>(3,449,672)</u>	<u>1,446,174</u>	<u>4,895,846</u>
Fund balance - July 1	<u>55,177,863</u>	<u>55,177,863</u>	<u>55,177,863</u>	<u>-</u>
Fund balance - June 30	<u>\$ 51,728,191</u>	<u>\$ 51,728,191</u>	<u>\$ 56,624,037</u>	<u>\$ 4,895,846</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

RECYCLABLE MATERIALS				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	-	-
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	165,287	165,287
Total revenues	<u>-</u>	<u>-</u>	<u>165,287</u>	<u>165,287</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>165,287</u>	<u>165,287</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(165,287)	(165,287)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(165,287)</u>	<u>(165,287)</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	SURPLUS PROPERTY			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	-	-
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	4,077,876	4,077,876
Total revenues	<u>-</u>	<u>-</u>	<u>4,077,876</u>	<u>4,077,876</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>4,077,876</u>	<u>4,077,876</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(4,077,876)	(4,077,876)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(4,077,876)</u>	<u>(4,077,876)</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	CAMP 30			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	156,704	156,704
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>156,704</u>	<u>156,704</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	24,792,500	(24,792,500)
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>24,792,500</u>	<u>(24,792,500)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(24,635,796)</u>	<u>(24,635,796)</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	344,343	344,343
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>344,343</u>	<u>344,343</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>(24,291,453)</u>	<u>(24,291,453)</u>
Fund balance - July 1	<u>60,258,207</u>	<u>60,258,207</u>	<u>60,258,207</u>	<u>-</u>
Fund balance - June 30	<u>\$ 60,258,207</u>	<u>\$ 60,258,207</u>	<u>\$ 35,966,754</u>	<u>\$ (24,291,453)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

CAPITAL PROJECTS REVENUE BONDS 2007				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	182,491	182,491
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>182,491</u>	<u>182,491</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	232,373,719	192,373,719	181,697,194	10,676,525
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>232,373,719</u>	<u>192,373,719</u>	<u>181,697,194</u>	<u>10,676,525</u>
Revenues over (under) expenditures	<u>(232,373,719)</u>	<u>(192,373,719)</u>	<u>(181,514,703)</u>	<u>10,859,016</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	70,000,000	30,000,000	-	(30,000,000)
Bond proceeds	162,373,719	162,373,719	501,300,866	338,927,147
Transfers to other state agencies and General Fund	-	-	(145,702,327)	(145,702,327)
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(11,233,868)	(11,233,868)
Total other financing sources (uses)	<u>232,373,719</u>	<u>192,373,719</u>	<u>344,364,671</u>	<u>151,990,952</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>162,849,968</u>	<u>162,849,968</u>
Fund balance - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 162,849,968</u>	<u>\$ 162,849,968</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	ROUTE 58			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ 26,797,637	\$ 26,797,637	\$ 26,797,637	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	1,987,000	1,987,000	909,634	(1,077,366)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>28,784,637</u>	<u>28,784,637</u>	<u>27,707,271</u>	<u>(1,077,366)</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	3,005,625	8,005,624	1,158,852	6,846,772
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>3,005,625</u>	<u>8,005,624</u>	<u>1,158,852</u>	<u>6,846,772</u>
Revenues over (under) expenditures	<u>25,779,012</u>	<u>20,779,013</u>	<u>26,548,419</u>	<u>5,769,406</u>
Other financing sources (uses)				
Other financing uses	-	-	(39,890)	(39,890)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	12,000,000	12,000,000	12,000,000	-
Transfers out	-	-	(51,377,860)	(51,377,860)
Total other financing sources (uses)	<u>12,000,000</u>	<u>12,000,000</u>	<u>(39,417,750)</u>	<u>(51,417,750)</u>
Revenues and other sources over (under) expenditures and other uses	<u>37,779,012</u>	<u>32,779,013</u>	<u>(12,869,331)</u>	<u>(45,648,344)</u>
Fund balance - July 1	<u>40,855,036</u>	<u>40,855,036</u>	<u>40,855,036</u>	<u>-</u>
Fund balance - June 30	<u>\$ 78,634,048</u>	<u>\$ 73,634,049</u>	<u>\$ 27,985,705</u>	<u>\$ (45,648,344)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

TRANSPORTATION SET ASIDE				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	63,712	63,712
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	1,500,000	1,500,000	1,000,000	(500,000)
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,063,712</u>	<u>(436,288)</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	329,675	329,675	1,519	328,156
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>329,675</u>	<u>329,675</u>	<u>1,519</u>	<u>328,156</u>
Revenues over (under) expenditures	<u>1,170,325</u>	<u>1,170,325</u>	<u>1,062,193</u>	<u>(108,132)</u>
Other financing sources (uses)				
Other financing uses	-	-	(2,250)	(2,250)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	1,000,000	1,000,000	1,132,694	132,694
Transfers in	-	-	-	-
Transfers out	-	-	(2,227,138)	(2,227,138)
Total other financing sources (uses)	<u>1,000,000</u>	<u>1,000,000</u>	<u>(1,096,694)</u>	<u>(2,096,694)</u>
Revenues and other sources over (under) expenditures and other uses	<u>2,170,325</u>	<u>2,170,325</u>	<u>(34,501)</u>	<u>(2,204,826)</u>
Fund balance - July 1	<u>1,366,410</u>	<u>1,366,410</u>	<u>1,366,410</u>	<u>-</u>
Fund balance - June 30	<u>\$ 3,536,735</u>	<u>\$ 3,536,735</u>	<u>\$ 1,331,909</u>	<u>\$ (2,204,826)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

ROUTE 28				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	86,305	86,305
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	17,404,870	17,404,870	25,266,493	7,861,623
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>17,404,870</u>	<u>17,404,870</u>	<u>25,352,798</u>	<u>7,947,928</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	17,404,870	17,404,870	15,020,151	2,384,719
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>17,404,870</u>	<u>17,404,870</u>	<u>15,020,151</u>	<u>2,384,719</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>10,332,647</u>	<u>10,332,647</u>
Other financing sources (uses)				
Other financing uses	-	-	(2,971)	(2,971)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,971)</u>	<u>(2,971)</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>10,329,676</u>	<u>10,329,676</u>
Fund balance - July 1	<u>943,682</u>	<u>943,682</u>	<u>943,682</u>	<u>-</u>
Fund balance - June 30	<u>\$ 943,682</u>	<u>\$ 943,682</u>	<u>\$ 11,273,358</u>	<u>\$ 10,329,676</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

COLEMAN BRIDGE				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	188,969	188,969	19,412	(169,557)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	6,091,224	6,091,224	6,444,592	353,368
Other	-	-	-	-
Total revenues	<u>6,280,193</u>	<u>6,280,193</u>	<u>6,464,004</u>	<u>183,811</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	3,091,593	3,091,593	1,864,298	1,227,295
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>3,091,593</u>	<u>3,091,593</u>	<u>1,864,298</u>	<u>1,227,295</u>
Revenues over (under) expenditures	<u>3,188,600</u>	<u>3,188,600</u>	<u>4,599,706</u>	<u>1,411,106</u>
Other financing sources (uses)				
Other financing uses	-	-	(559)	(559)
Other financing sources	30,020,097	30,020,097	-	(30,020,097)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(3,530,714)	(3,530,714)
Total other financing sources (uses)	<u>30,020,097</u>	<u>30,020,097</u>	<u>(3,531,273)</u>	<u>(33,551,370)</u>
Revenues and other sources over (under) expenditures and other uses	<u>33,208,697</u>	<u>33,208,697</u>	<u>1,068,433</u>	<u>(32,140,264)</u>
Fund balance - July 1	<u>(33,208,697)</u>	<u>(33,208,697)</u>	<u>(33,208,697)</u>	<u>-</u>
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (32,140,264)</u>	<u>\$ (32,140,264)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

FEDERAL REIMBURSEMENT ANTICIPATION NOTES				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	16,514	16,514
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>16,514</u>	<u>16,514</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	4,000	64,000	46,423	17,577
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>4,000</u>	<u>64,000</u>	<u>46,423</u>	<u>17,577</u>
Revenues over (under) expenditures	<u>(4,000)</u>	<u>(64,000)</u>	<u>(29,909)</u>	<u>34,091</u>
Other financing sources (uses)				
Other financing uses	-	-	(931)	(931)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(931)</u>	<u>(931)</u>
Revenues and other sources over (under) expenditures and other uses	<u>(4,000)</u>	<u>(64,000)</u>	<u>(30,840)</u>	<u>33,160</u>
Fund balance - July 1	<u>127,298</u>	<u>127,298</u>	<u>127,298</u>	<u>-</u>
Fund balance - June 30	<u>\$ 123,298</u>	<u>\$ 63,298</u>	<u>\$ 96,458</u>	<u>\$ 33,160</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
BUDGET COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

OMER L. HIRST - ADELARD L. BRAULT EXPRESSWAY				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	-	-
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	16,800,000	16,800,000	-	(16,800,000)
Other	-	-	3,466,588	3,466,588
Total revenues	<u>16,800,000</u>	<u>16,800,000</u>	<u>3,466,588</u>	<u>(13,333,412)</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	16,800,000	16,717,162	3,511,623	13,205,539
Capital outlay	-	58,639	58,639	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>16,800,000</u>	<u>16,775,801</u>	<u>3,570,262</u>	<u>13,205,539</u>
Revenues over (under) expenditures	<u>-</u>	<u>24,199</u>	<u>(103,674)</u>	<u>(127,873)</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(950,882)	(950,882)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(950,882)</u>	<u>(950,882)</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>24,199</u>	<u>(1,054,556)</u>	<u>(1,078,755)</u>
Fund balance - July 1	<u>1,155,405</u>	<u>1,155,405</u>	<u>1,155,405</u>	<u>-</u>
Fund balance - June 30	<u>\$ 1,155,405</u>	<u>\$ 1,179,604</u>	<u>\$ 100,849</u>	<u>\$ (1,078,755)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

POWHITE PARKWAY EXTENSION				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	35,773	35,773	864	(34,909)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	9,265,028	9,265,028	9,913,641	648,613
Other	-	-	98	98
Total revenues	9,300,801	9,300,801	9,914,603	613,802
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	2,999,551	2,999,551	2,611,277	388,274
Capital outlay	-	779,193	671,040	108,153
Transfers to other state agencies	-	-	-	-
Total expenditures	2,999,551	3,778,744	3,282,317	496,427
Revenues over (under) expenditures	6,301,250	5,522,057	6,632,286	1,110,229
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	37,316,085	38,095,278	-	(38,095,278)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	2,397,346	2,397,346	-	(2,397,346)
Transfers out	-	-	(7,834,738)	(7,834,738)
Total other financing sources (uses)	39,713,431	40,492,624	(7,834,738)	(48,327,362)
Revenues and other sources over (under) expenditures and other uses	46,014,681	46,014,681	(1,202,452)	(47,217,133)
Fund balance - July 1	(46,014,681)	(46,014,681)	(46,014,681)	-
Fund balance - June 30	\$ -	\$ -	\$ (47,217,133)	\$ (47,217,133)

VIRGINIA DEPARTMENT OF TRANSPORTATION
BUDGET COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	ARRA GRANTS			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	-	-
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	613,869	613,869	613,869	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>613,869</u>	<u>613,869</u>	<u>613,869</u>	<u>-</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>613,869</u>	<u>613,869</u>	<u>613,869</u>	<u>-</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(613,869)	(613,869)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(613,869)</u>	<u>(613,869)</u>
Revenues and other sources over (under) expenditures and other uses	<u>613,869</u>	<u>613,869</u>	<u>-</u>	<u>(613,869)</u>
Fund balance - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - June 30	<u>\$ 613,869</u>	<u>\$ 613,869</u>	<u>\$ -</u>	<u>\$ (613,869)</u>



**COMBINING AND
INDIVIDUAL FUND
STATEMENTS AND
SCHEDULES**

**FINANCIAL
REPORT
JUNE 30, 2010**

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**Nonmajor Governmental Funds
Special Revenue**

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Nonmajor Governmental Funds

Special Revenue Funds:

Special Revenue Funds accounts for specific revenue sources that are restricted to finance particular functions and activities of the Department.

The Transportation Partnership Opportunity Fund is provided by transfers from the Toll Facilities Revolving Fund and the Highway Construction Fund. Disbursements from this fund are mainly in the form of grants and loans to external entities.

The Concession Fund accounts for the outstanding debt owed by the Pocahontas Parkway. As part of the sale, these funds were received to transfer the rights to the purchaser, Transurban LLC. Also accounted for in this fund are amounts provided by private developers for construction work on the I-495 Capital Beltway High Occupancy Toll Lanes.

Recyclable Materials Fund accounts for the proceeds from the sale of materials purchased from the highway maintenance and construction funds.

Surplus Property Fund accounts for the proceeds from the sale of property purchased from the Highway Maintenance and Operating Fund.

The Camp 30 Fund accounts for the expenditures for the construction of the leased projects in Fairfax, Virginia, known as Camp 30.

Capital Projects Revenue Bonds Fund accounts for the bond proceeds, investment revenue, and expenditures related to the transportation projects pursuant to Section 33.1-23.4:01 of the Code of VA under the Commonwealth Transportation Capital Project Bond Act of 2007.

Route 58 Fund accounts for the revenues and expenditures for the construction of Route 58. Revenues are derived from bond sales and legislative appropriations. This fund was classified as major fund in previous years.

The Transportation Set Aside Fund accounts for the receipt of interest, recordation taxes, and bond proceeds and the disbursements for construction costs and debt payment relating to the City of Chesapeake Oak Grove Connector Transportation Set-aside project.

The Route 28 Project Fund accounts for revenues and expenditures for improvement to Route 28 in Fairfax and Loudoun Counties. The revenues are derived from bond sales and a special improvements tax levied by the boards of supervisors of Loudoun and Fairfax at the request of HTID.

The Coleman Bridge Fund accounts for the operations and construction of the Coleman Bridge.

Federal Reimbursement Anticipation Notes Fund (FRAN) accounts for the funding of the various capital transportation projects throughout the Commonwealth pursuant to the Virginia Transportation Act of 2000. This fund was classified as major fund in previous years.

The Hirst-Brault Expressway Fund accounts for the operations and construction of the Hirst-Brault Expressway.

The Powhite Parkway Extension Fund accounts for the operations and construction of the Powhite Parkway Extension.

ARRA Grants Fund accounts for revenues and expenditures related to federal stimulus grants under the American Recovery and Reinvestment Act of 2009.

VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS
 NON MAJOR GOVERNMENTAL FUNDS -SPECIAL REVENUE
 June 30, 2010

	TRANSPORTATION PARTNERSHIP OPPORTUNITY	CONCESSION FUNDS FOR PROJECTS	RECYCLABLE MATERIALS
ASSETS			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 12)	\$ 39,514,586	\$ 56,624,037	\$ -
Cash and cash equivalents with trustees (Note 12)	-	-	-
Investments with trustees (Note 12)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 12)	7,522,740	10,780,017	-
Investments for collateral held for securities lending (Note 12)	4,054,443	5,809,980	-
Advance fund	-	-	-
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	-	-
Taxes receivable	-	-	-
Due from other funds (Note 8)	-	-	-
Due from agencies	-	-	-
Prepaid expense	-	-	-
Deferred charges	-	-	-
Inventory (Note 1 G)	-	-	-
Total assets	\$ 51,091,769	\$ 73,214,034	\$ -
LIABILITIES AND FUND BALANCES			
Liabilities :			
Accounts payable	\$ 355,798	\$ -	\$ -
Deposits payable	-	-	-
Payable for collateral held for securities lending	11,577,183	16,589,997	-
Due to other agencies	-	-	-
Due to other funds (Note 8)	-	-	-
Deferred revenue	-	-	-
Liability for compensated absences	24	-	-
Accrued liabilities	-	-	-
Retainage on contracts	-	-	-
Total liabilities	11,933,005	16,589,997	-
Fund Balances Reserved for Inventories	-	-	-
Capital Acquisition	-	-	-
Fund Balances Unreserved Reported In			
Special Revenue	39,158,764	56,624,037	-
Total fund balances	39,158,764	56,624,037	-
Total liabilities and fund balances	\$ 51,091,769	\$ 73,214,034	\$ -

The accompanying notes are an integral part of this financial statement

VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS
 NON MAJOR GOVERNMENTAL FUNDS -SPECIAL REVENUE
 June 30, 2010

	SURPLUS PROPERTY	CAMP 30	CAPITAL PROJECTS REV. BONDS
ASSETS			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 12)	\$ -	\$ -	\$ 122,488
Cash and cash equivalents with trustees (Note 12)	-	35,966,754	162,727,480
Investments with trustees (Note 12)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 12)	-	-	23,319
Investments for collateral held for securities lending (Note 12)	-	-	12,568
Advance fund	-	-	-
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	-	-
Taxes receivable	-	-	-
Due from other funds (Note 8)	-	-	-
Due from agencies	-	-	-
Prepaid expense	-	-	-
Deferred charges	-	-	-
Inventory (Note 1 G)	-	-	-
Total assets	\$ -	\$ 35,966,754	\$ 162,885,855
LIABILITIES AND FUND BALANCES			
Liabilities :			
Accounts payable	\$ -	\$ 1,800,618	\$ -
Deposits payable	-	-	-
Payable for collateral held for securities lending	-	-	35,887
Due to other agencies	-	-	-
Due to other funds (Note 8)	-	-	-
Deferred revenue	-	-	-
Liability for compensated absences	-	-	-
Accrued liabilities	-	-	-
Retainage on contracts	-	-	-
Total liabilities	-	1,800,618	35,887
Fund Balances Reserved for Inventories	-	-	-
Capital Acquisition	-	34,166,136	-
Fund Balances Unreserved Reported In			
Special Revenue	-	-	162,849,968
Total fund balances	-	34,166,136	162,849,968
Total liabilities and fund balances	\$ -	\$ 35,966,754	\$ 162,885,855

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
COMBINING BALANCE SHEET GOVERNMENTAL FUNDS
NON MAJOR GOVERNMENTAL FUNDS -SPECIAL REVENUE
June 30, 2010**

	ROUTE 58	TRANSPORTATION SET ASIDE	ROUTE 28
ASSETS			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 12)	\$ 27,186,792	\$ 1,331,909	\$ 11,273,358
Cash and cash equivalents with trustees (Note 12)	798,913	-	-
Investments with trustees (Note 12)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 12)	5,175,789	253,567	2,146,209
Investments for collateral held for securities lending (Note 12)	2,789,535	136,662	1,156,717
Advance fund	-	-	-
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	-	-
Taxes receivable	-	-	-
Due from other funds (Note 8)	-	-	-
Due from agencies	-	-	-
Prepaid expense	-	-	-
Deferred charges	-	-	-
Inventory (Note 1 G)	-	-	-
Total assets	\$ 35,951,029	\$ 1,722,138	\$ 14,576,284
LIABILITIES AND FUND BALANCES			
Liabilities :			
Accounts payable	\$ 10,967	\$ -	\$ -
Deposits payable	-	-	-
Payable for collateral held for securities lending	7,965,324	390,229	3,302,926
Due to other agencies	-	-	-
Due to other funds (Note 8)	-	-	-
Deferred revenue	-	-	1,100,236
Liability for compensated absences	106	-	-
Accrued liabilities	-	-	-
Retainage on contracts	50,256	-	-
Total liabilities	8,026,653	390,229	4,403,162
Fund Balances Reserved for Inventories	-	-	-
Capital Acquisition	-	-	-
Fund Balances Unreserved Reported In			
Special Revenue	27,924,376	1,331,909	10,173,122
Total fund balances	27,924,376	1,331,909	10,173,122
Total liabilities and fund balances	\$ 35,951,029	\$ 1,722,138	\$ 14,576,284

The accompanying notes are an integral part of this financial statement

VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS
 NON MAJOR GOVERNMENTAL FUNDS -SPECIAL REVENUE
 June 30, 2010

	COLEMAN BRIDGE	FEDERAL REIMBURSEMENT ANTICIPATION NOTES	OMER L. HIRST ADELARD BRAULT EXPRESSWAY
ASSETS			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 12)	\$ 7,673,236	\$ 96,458	\$ 100,849
Cash and cash equivalents with trustees (Note 12)	-	-	-
Investments with trustees (Note 12)	-	-	-
Cash and cash equivalents for			
collateral held for securities lending (Note 12)	91,141	18,364	-
Investments for			
collateral held for securities lending (Note 12)	49,121	9,897	-
Advance fund	7,500	-	-
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	-	2,398
Taxes receivable	-	-	-
Due from other funds (Note 8)	-	-	-
Due from agencies	-	-	-
Prepaid expense	-	-	-
Deferred charges	-	-	91,060
Inventory (Note 1 G)	-	-	-
Total assets	\$ 7,820,998	\$ 124,719	\$ 194,307
LIABILITIES AND FUND BALANCES			
Liabilities :			
Accounts payable	\$ 66,969	\$ -	\$ 91,070
Deposits payable	-	-	-
Payable for collateral held for securities lending	140,262	28,261	-
Due to other agencies	-	-	-
Due to other funds (Note 8)	39,821,000	-	-
Deferred revenue	-	-	2,398
Liability for compensated			
absences	369	-	-
Accrued liabilities	27,901	-	9,779
Retainage on contracts	-	-	-
Total liabilities	40,056,501	28,261	103,247
Fund Balances Reserved for			
Inventories	-	-	-
Capital Acquisition	-	-	-
Fund Balances Unreserved			
Reported In			
Special Revenue	(32,235,503)	96,458	91,060
Total fund balances	(32,235,503)	96,458	91,060
Total liabilities and fund balances	\$ 7,820,998	\$ 124,719	\$ 194,307

The accompanying notes are an integral part of this financial statement

VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS
 NON MAJOR GOVERNMENTAL FUNDS -SPECIAL REVENUE
 June 30, 2010

POWHITE PARKWAY EXTENSION	ARRA GRANTS
---------------------------------	----------------

ASSETS

Cash and cash equivalents with the Treasurer of Virginia (Note 12)	\$ 2,550,446	\$ -
Cash and cash equivalents with trustees (Note 12)	-	-
Investments with trustees (Note 12)	-	-
Cash and cash equivalents for collateral held for securities lending (Note 12)	-	-
Investments for collateral held for securities lending (Note 12)	-	-
Advance fund	11,000	-
Receivables: (net)		
Federal government	-	-
Cities, counties, and towns	-	-
State agencies	-	-
Loans & other	-	-
Taxes receivable	-	-
Due from other funds (Note 8)	-	-
Due from agencies	-	-
Prepaid expense	-	-
Deferred charges	-	-
Inventory (Note 1 G)	-	-
Total assets	\$ 2,561,446	\$ -

LIABILITIES AND FUND BALANCES

Liabilities :		
Accounts payable	\$ 82,362	\$ -
Deposits payable	-	-
Payable for collateral held for securities lending	-	-
Due to other agencies	-	-
Due to other funds (Note 8)	49,778,579	-
Deferred revenue	-	-
Liability for compensated absences	760	-
Accrued liabilities	65,940	-
Retainage on contracts	-	-
Total liabilities	49,927,641	-
Fund Balances Reserved for		
Inventories	-	-
Capital Acquisition	-	-
Fund Balances Unreserved		
Reported In		
Special Revenue	(47,366,195)	-
Total fund balances	(47,366,195)	-
Total liabilities and fund balances	\$ 2,561,446	\$ -

The accompanying notes are an integral part of this financial statement

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**VIRGINIA DEPARTMENT OF TRANSPORTATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NON MAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2010**

	TRANSPORTATION PARTNERSHIP OPPORTUNITY	CONCESSION FUNDS FOR PROJECTS	RECYCLABLE MATERIALS
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ 8,463,185	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	1,131,841	1,551,457	-
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	-	-
Toll revenue	-	-	-
Other revenue	-	-	165,287
Total revenue	<u>9,595,026</u>	<u>1,551,457</u>	<u>165,287</u>
Expenditures			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	25,724,746	44,595	-
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	-	-
Capital Outlay	-	-	-
Transfers to other state agencies (Note 9)	-	-	-
Total expenditures	<u>25,724,746</u>	<u>44,595</u>	<u>-</u>
Revenues over (under) expenditures	<u>(16,129,720)</u>	<u>1,506,862</u>	<u>165,287</u>
Other financing sources (uses)			
Other financing sources (uses)	-	(60,688)	-
Bond Proceeds	-	-	-
Insurance Recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 9)	(1,458)	-	-
Transfers from other state agencies and General Fund (Note 9)	-	-	-
Transfers in (Note 9)	11,233,868	-	-
Transfers out (Note 9)	-	-	(165,287)
Total other financing sources (uses)	<u>11,232,410</u>	<u>(60,688)</u>	<u>(165,287)</u>
Net Change in Fund Balance	(4,897,310)	1,446,174	-
Beginning fund balance - July 1	44,056,074	55,177,863	-
Ending fund balance - June 30	<u>\$ 39,158,764</u>	<u>\$ 56,624,037</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE
 NON MAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
 June 30, 2010**

	SURPLUS PROPERTY	CAMP 30	CAPITAL PROJECTS REVENUE BONDS
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	-	156,704	182,491
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	-	-
Toll revenue	-	-	-
Other revenue	4,077,876	-	-
Total revenue	<u>4,077,876</u>	<u>156,704</u>	<u>182,491</u>
Expenditures			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	-	-	181,697,194
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	-	-
Capital Outlay	-	24,881,814	-
Transfers to other state agencies (Note 9)	-	-	-
Total expenditures	<u>-</u>	<u>24,881,814</u>	<u>181,697,194</u>
Revenues over (under) expenditures	<u>4,077,876</u>	<u>(24,725,110)</u>	<u>(181,514,703)</u>
Other financing sources (uses)			
Other financing sources (uses)	-	-	-
Bond Proceeds	-	-	501,300,866
Insurance Recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 9)	-	-	(145,702,327)
Transfers from other state agencies and General Fund (Note 9)	-	-	-
Transfers in (Note 9)	-	344,343	-
Transfers out (Note 9)	(4,077,876)	-	(11,233,868)
Total other financing sources (uses)	<u>(4,077,876)</u>	<u>344,343</u>	<u>344,366,671</u>
Net Change in Fund Balance	-	(24,380,767)	162,849,968
Beginning fund balance - July 1	-	58,546,903	-
Ending fund balance - June 30	<u>\$ -</u>	<u>\$ 34,166,136</u>	<u>\$ 162,849,968</u>

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE
 NON MAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
 June 30, 2010**

	ROUTE 58	TRANSPORTATION SET ASIDE	ROUTE 28
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ 26,797,637	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	909,634	63,712	86,305
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	1,000,000	24,324,965
Toll revenue	-	-	-
Other revenue	-	-	-
Total revenue	<u>27,707,271</u>	<u>1,063,712</u>	<u>24,411,270</u>
Expenditures			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	951,373	1,519	15,020,151
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	-	-
Capital Outlay	-	-	-
Transfers to other state agencies (Note 9)	-	-	-
Total expenditures	<u>951,373</u>	<u>1,519</u>	<u>15,020,151</u>
Revenues over (under) expenditures	<u>26,755,898</u>	<u>1,062,193</u>	<u>9,391,119</u>
Other financing sources (uses)			
Other financing sources (uses)	(39,890)	(2,250)	(2,971)
Bond Proceeds	-	-	-
Insurance Recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 9)	-	-	-
Transfers from other state agencies and General Fund (Note 9)	-	1,132,694	-
Transfers in (Note 9)	12,000,000	-	-
Transfers out (Note 9)	(51,377,860)	(2,227,138)	-
Total other financing sources (uses)	<u>(39,417,750)</u>	<u>(1,096,694)</u>	<u>(2,971)</u>
Net Change in Fund Balance	(12,661,852)	(34,501)	9,388,148
Beginning fund balance - July 1	40,586,228	1,366,410	784,974
Ending fund balance - June 30	<u>\$ 27,924,376</u>	<u>\$ 1,331,909</u>	<u>\$ 10,173,122</u>

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE
 NON MAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
 June 30, 2010**

	COLEMAN BRIDGE	FEDERAL REIMBURSEMENT ANTICIPATION NOTES	OMER L HIRST ADELARD BRAULT EXPRESSWAY
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	19,412	16,514	-
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	-	-
Toll revenue	6,444,592	-	-
Other revenue	-	-	1,359,683
Total revenue	<u>6,464,004</u>	<u>16,514</u>	<u>1,359,683</u>
Expenditures			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	-	46,423	-
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	1,851,876	-	2,988,668
Capital Outlay	-	-	58,639
Transfers to other state agencies (Note 9)	-	-	-
Total expenditures	<u>1,851,876</u>	<u>46,423</u>	<u>3,047,307</u>
Revenues over (under) expenditures	<u>4,612,128</u>	<u>(29,909)</u>	<u>(1,687,624)</u>
Other financing sources (uses)			
Other financing sources (uses)	(559)	(931)	-
Bond Proceeds	-	-	-
Insurance Recoveries	-	-	14,492
Transfers to other state agencies and General Fund (Note 9)	-	-	-
Transfers from other state agencies and General Fund (Note 9)	-	-	-
Transfers in (Note 9)	-	-	-
Transfers out (Note 9)	(3,530,714)	-	(783,528)
Total other financing sources (uses)	<u>(3,531,273)</u>	<u>(931)</u>	<u>(769,036)</u>
Net Change in Fund Balance	1,080,855	(30,840)	(2,456,660)
Beginning fund balance - July 1	(33,316,358)	127,298	2,547,720
Ending fund balance - June 30	<u>\$ (32,235,503)</u>	<u>\$ 96,458</u>	<u>\$ 91,060</u>

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NON MAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2010**

POWHITE PARKWAY EXTENSION	ARRA GRANTS
---------------------------------	----------------

Revenues		
Revenues provided by the General Fund of the Commonwealth	\$	-
Taxes	-	-
Rights and privileges	-	-
Sale of property and commodities	-	-
Interest, dividends and rents	864	-
Fines, forfeitures, court fees, penalties, and escheats	-	-
Federal grants and contracts	-	613,869
Receipts from localities and private sector	-	-
Toll revenue	9,913,641	-
Other revenue	98	-
Total revenue	<u>9,914,603</u>	<u>613,869</u>
Expenditures		
Current:		
Administrative and support services	-	-
Ground transportation system planning and research	-	-
Highway system acquisition and construction	-	-
Highway system maintenance	-	-
Financial assistance to localities	-	-
Environmental monitoring and compliance	-	-
Toll facilities operations and construction	2,571,579	-
Capital Outlay	671,040	-
Transfers to other state agencies (Note 9)	-	-
Total expenditures	<u>3,242,619</u>	<u>-</u>
Revenues over (under) expenditures	<u>6,671,984</u>	<u>613,869</u>
Other financing sources (uses)		
Other financing sources (uses)	-	-
Bond Proceeds	-	-
Insurance Recoveries	-	-
Transfers to other state agencies and General Fund (Note 9)	-	-
Transfers from other state agencies and General Fund (Note 9)	-	-
Transfers in (Note 9)	-	-
Transfers out (Note 9)	(7,834,738)	(613,869)
Total other financing sources (uses)	<u>(7,834,738)</u>	<u>(613,869)</u>
Net Change in Fund Balance	(1,162,754)	-
Beginning fund balance - July 1	(46,203,441)	-
Ending fund balance - June 30	<u>\$ (47,366,195)</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement

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**Schedule of Federal
Assistance**

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VIRGINIA DEPARTMENT OF TRANSPORTATION
 SCHEDULE OF FEDERAL ASSISTANCE
 FISCAL YEAR 2010

Federal/State Grantor Agency	CFDA Number	Federal Program Name	FEDERAL CASH BALANCE	FEDERAL CASH BASIS RECEIPTS	FEDERAL CASH BASIS DISBURSEMENTS	FEDERAL CASH BALANCE
			July 1, 2009			June 30, 2010
United States Dept of Transportation	20.205	Highway Planning and Construction	-	817,534,572 \$	817,393,454 \$	141,118
		TOTAL FEDERAL REVENUE:	-	817,534,572 \$	817,393,454 \$	141,118
United States Dept of Transportation/DMV	20.600	State and Community Highway Safety	-	31,604	31,604	-
United States Dept of Transportation/DMV	20.219	Recreational Trails Program	-	-	0	-
United States Dept of Transportation/DMV	20.607	Alcohol Open Container requirements	-	7,256,657	7,256,657	-
United States Dept of Transportation/DMV	20.000	Other Assistance	-	307,133	307,133	-
Department of Homeland Security	97.074	Law Enforcement Terrorism Prevention Program	-	-	0	-
Department of Homeland Security	97.075	Public Assistance Grant	-	-	0	-
TOTAL TRANSFERS FROM OTHER STATE AGENCIES:			-	7,595,394 \$	7,595,394 \$	-

GRAND TOTAL OF FEDERAL ASSISTANCE
 \$ - \$ 825,129,966 \$ 824,988,848 \$ 141,118

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FINANCIAL REPORT JUNE 30, 2010

The Virginia Department of Transportation (VDOT)

is responsible for building, maintaining and operating the state's roads, bridges, tunnels and ferries. Through the Commonwealth Transportation Board, it also provides funding for airports, sea ports, rail and public transportation.

Virginia has the third largest state-maintained highway system in the country, behind North Carolina and Texas.

Virginia's Highway System

The 57,867-mile system is divided into the following categories:

Interstate

1,118 miles of four-to-10 lane highways connect states and major cities

Primary

8,111 miles of two-to-six lane roads connect cities and towns with each other and with interstates

Secondary

48,305 miles of local connector or county roads

Frontage

333 miles of frontage roads

A separate system includes 10,561 miles of urban streets, maintained by cities and towns with the help of state funds. Virginia's cities are independent of its counties. Henrico County (1,279 miles) and Arlington County (359 miles) maintain their own roads with state financial assistance.

Other Transportation Services

The transportation system comprises more than roads. VDOT also is responsible for:

- More than 12,603 bridges
- Four underwater crossings in the Hampton Roads area
- Two mountain tunnels on Interstate 77 in Southwest Virginia
- Traffic Operations Centers
- Two toll roads or bridges
- Four ferry services
- Rest areas along major highways
- Commuter parking lots

VDOT Organization

VDOT has about 7,500 employees, making it one of the largest state agencies in Virginia.

VDOT is divided into nine geographic districts (Bristol, Culpeper, Fredericksburg, Hampton Roads, Lynchburg, Northern Virginia, Richmond, Salem and Staunton), 29 residencies, 181 local area headquarters and maintenance facilities and a central office in Richmond. For operations, the state has been divided into five regions centered on traffic operations centers that keep traffic flowing along major travel corridors.

The 17-member Commonwealth Transportation Board guides the department's work, much like a board of directors. The Secretary of Transportation serves as a chairman and the Commonwealth Transportation Commissioner as vice-chairman. Members are appointed by the Governor and approved by the General Assembly. The director of the Department of Rail and Public Transportation serves as a member of the board.

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Virginia Department of Transportation . Fiscal Division . 1401 East Broad Street . Richmond, VA 23219 . 804-786-6373