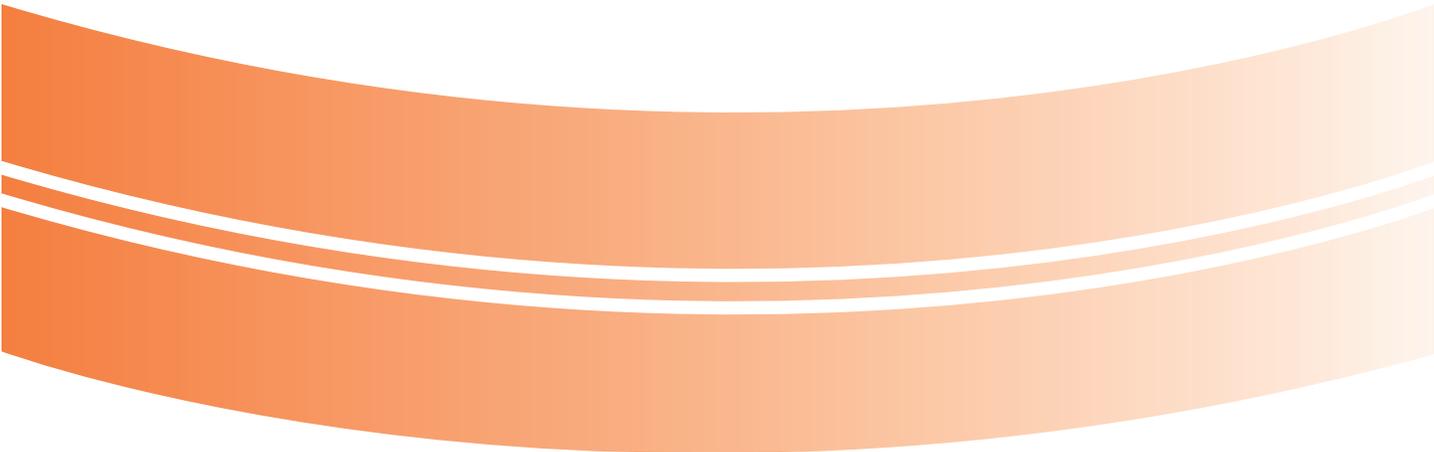


FINANCIAL REPORT

JUNE 30, 2016



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FINANCIAL REPORT

JUNE 30, 2016

Terry McAuliffe
Governor

Aubrey L. Layne, Jr.
Secretary of Transportation

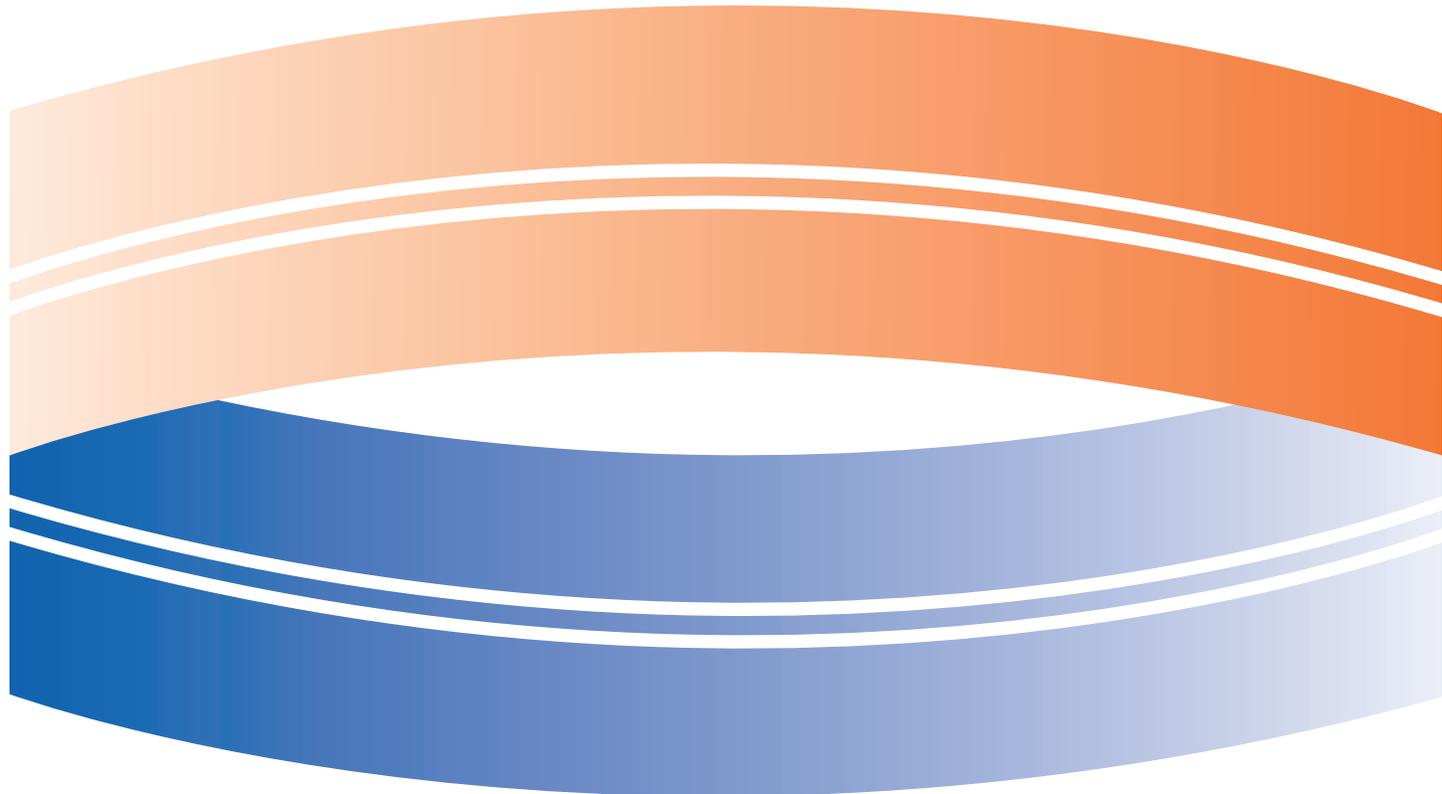
Charles A. Kilpatrick, P.E.
Commissioner of Highways

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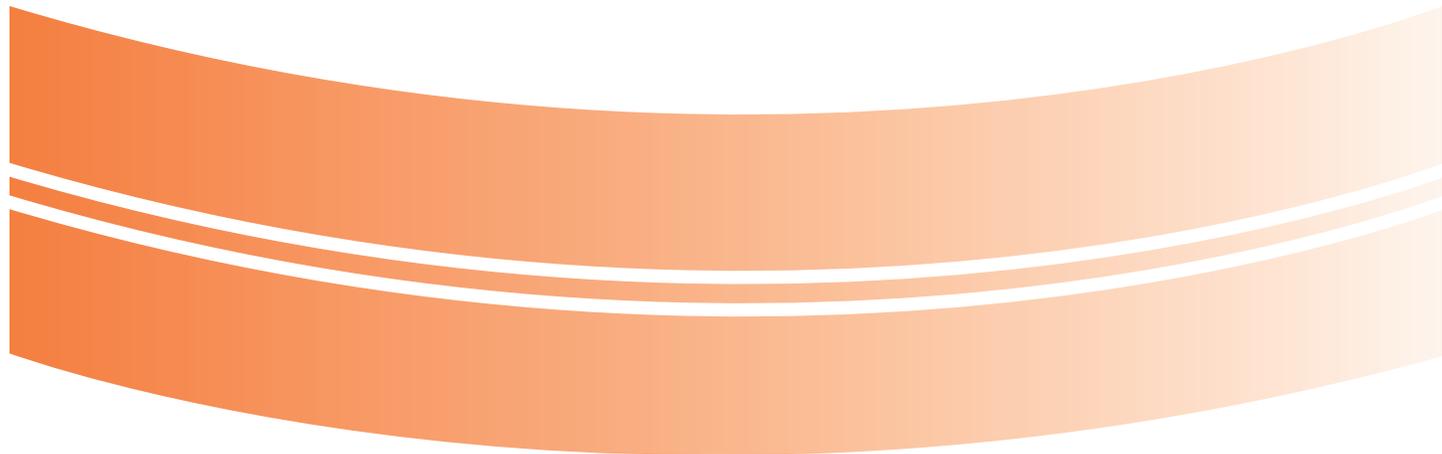


FINANCIAL REPORT

JUNE 30, 2016



INTRODUCTORY SECTION



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COMMONWEALTH of VIRGINIA

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

Charles A. Kilpatrick, P.E.
Commissioner

March 31, 2017

Letter of Transmittal

The Comprehensive Annual Financial Report (CAFR) of the Virginia Department of Transportation (VDOT) for the fiscal year ended June 30, 2016 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. 4-16, "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 that reads "Janice Long".

Janice Long
Controller, VDOT

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AGENCY OVERVIEW

Virginia Department of Transportation Organization

The 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 provides policy direction for the Department's work, much like a board of directors. The Secretary of Transportation serves as chairman and the Commonwealth Transportation Commissioner of Highways as vice-chairman. Members are appointed by the Governor and approved by the General Assembly.

Transportation System

Virginia is the third largest state-maintained highway systems in the United States with an annual operating budget of approximately \$5.2 billion (budget total represents the agency budget approved by the Commonwealth Transportation Board, including Special Revenue Fund and Debt Service). VDOT maintains over 58,000 miles of interstate, primary, and secondary roads and distributes state funds to help maintain over 11,000 miles of urban streets. VDOT not only maintains the roads, but also is responsible for more than 12,600 bridges, four underwater tunnels, two mountain tunnels, one toll road, one toll bridge, four 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 2016

VDOT completes contracts on time and within budget for fiscal year 2016.

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 fiscal year 2016, VDOT continued to demonstrate efficiency with taxpayer dollars. VDOT exceeded on-time and within budget target goals for fiscal year 2016. VDOT performance during fiscal year 2016 compared to target goals, is as follows:

Deadlines

FY 2016 Maintenance and Construction contracts completed on time and within budget:
84 percent on time (*target of 77 percent*) 98 percent on budget (*target of 85 percent*)

FY 2016 Scheduled Construction contracts completed on time:
83 percent (*target of 77 percent*)

FY 2016 Scheduled Maintenance contracts completed on time:
84 percent (*target of 77 percent*)

Budgets

FY 2016 Maintenance contracts completed within budget:
98 percent (*target 90 percent*)

FY 2016 Construction contracts completed within budget:
97 percent (*target 82 percent*)

Commonwealth Transportation Board Approves Proposal for I-66 Inside the Beltway in Northern Virginia

- The Commonwealth Transportation Board (CTB) approved new travel choices to ease congestion and improve reliability on I-66 inside the Beltway during rush hours. In December 2015, the CTB approved an agreement with the Northern Virginia Transportation Commission (NVTC). in which VDOT will deliver and manage the tolling operation while the NVTC will invest toll revenues in multi-modal improvements to directly benefit users of the corridor. The project will result in the conversion of the I-66 inside the Beltway lanes to an Express Lanes facility with dynamic tolling during peak periods only. The lanes would be free for high occupancy vehicles and buses. The expected benefits include reducing more than 26,000 person hours of delay a day by 2040, moving more than 40,000 additional people through the I-66 corridor a day by 2040, providing reliable travel speeds of at least 45 mph during rush hours in the peak direction, and increasing travel choices for single-occupant drivers and transit users.

Virginia Receives an Extra \$55 million in Fiscal Year 2016 in Bonus Federal Funds to Improve Roads and Bridges Statewide

- The Virginia Department of Transportation (VDOT) received an additional \$55.5 million in federal funds that was originally allocated to other states. Since they did not have projects ready to go to use the funding, the Federal Highway Administration (FHWA) reallocated the money to Virginia and other states that have projects in the pipeline ready for work to begin. Federal funds are allocated and used to build infrastructure, with more projects in the pipeline ready to receive additional federal money. The bonus money will fund work to re-pave 400 lane miles of roadways across the state and improve 17 interstate bridges.

Construction for Widening I-64 On the Peninsula In Hampton Roads Begins

- Construction started on the first of three segments to widen Interstate 64. Funding for this project is provided by a partnership between VDOT and the Hampton Roads Transportation Accountability Commission. The first segment is a \$122 million project that will add a lane and shoulder in each direction for 5.6 miles between Jefferson Avenue and Yorktown Road. “This important project is also a critical step forward in our efforts to build the transportation system businesses and families need to thrive in a new Virginia economy,” said Governor Terry McAuliffe.

VDOT Named 2016 Transportation Owner of the Year by Design –Build Institute of America

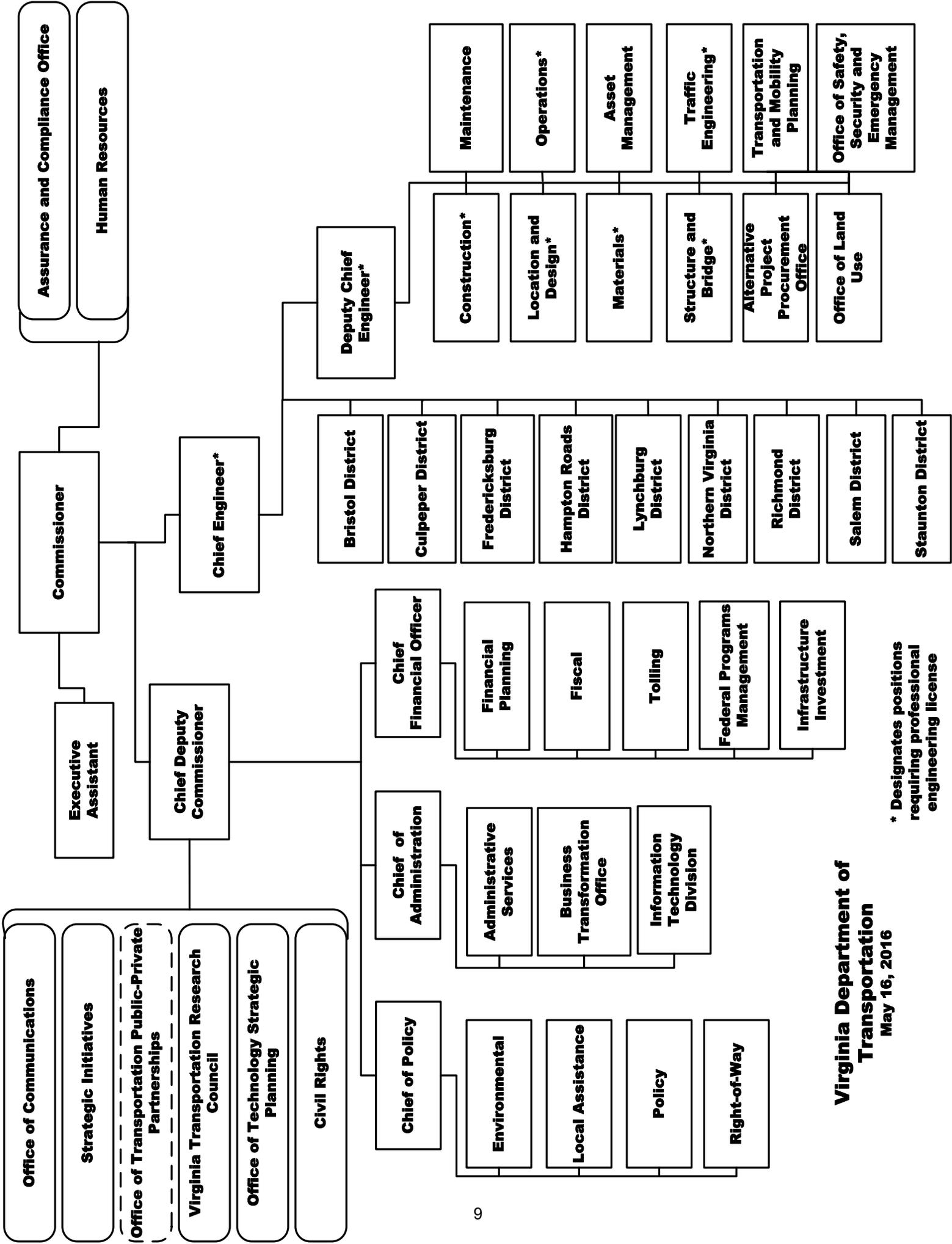
- The [Design Build Institute of America](#) (DBIA) recognized the Virginia Department of Transportation (VDOT) as Transportation Owner of the Year at the DBIA Design-Build in Transportation Conference in Charlotte, N.C. in April 2016. DBIA’s Transportation Owner of the Year Awards recognizes transportation industry organizations that have made significant contributions in advancing the awareness, understanding and use of the design-build project delivery method. “VDOT is a leader in design-build and strives to continue its commitment to the program,” Commissioner Charles Kilpatrick said. “The design-build process is a means to deliver transportation projects faster and more efficiently than traditional methods, while also contributing to economic growth and development in the commonwealth.” Award winners are selected by DBIA’s Transportation Committee, comprised of design-build professionals and industry experts from across the country.

Commonwealth Transportation Board Votes on First Transportation Projects under Smart Scale System

- The CTB voted on the first round of transportation projects scored by Virginia’s new data-driven prioritization process. The process (formally known as House Bill 2 or HB2) was named “SMART SCALE, *Funding the Right Transportation Projects in Virginia.*” SMART SCALE stands for System for the Management and Allocation of Resources for Transportation. The law requires projects to be scored based on how they ease congestion, improve economic development, provide accessibility to jobs, improve safety and environmental quality, and support transportation-efficient land use. SMART SCALE projects now included in the Six-Year Improvement Program are fully funded through all phases of project development and construction.

Commonwealth Transportation Board Awards Contract for I-95 Express lanes Southern Terminus Extension

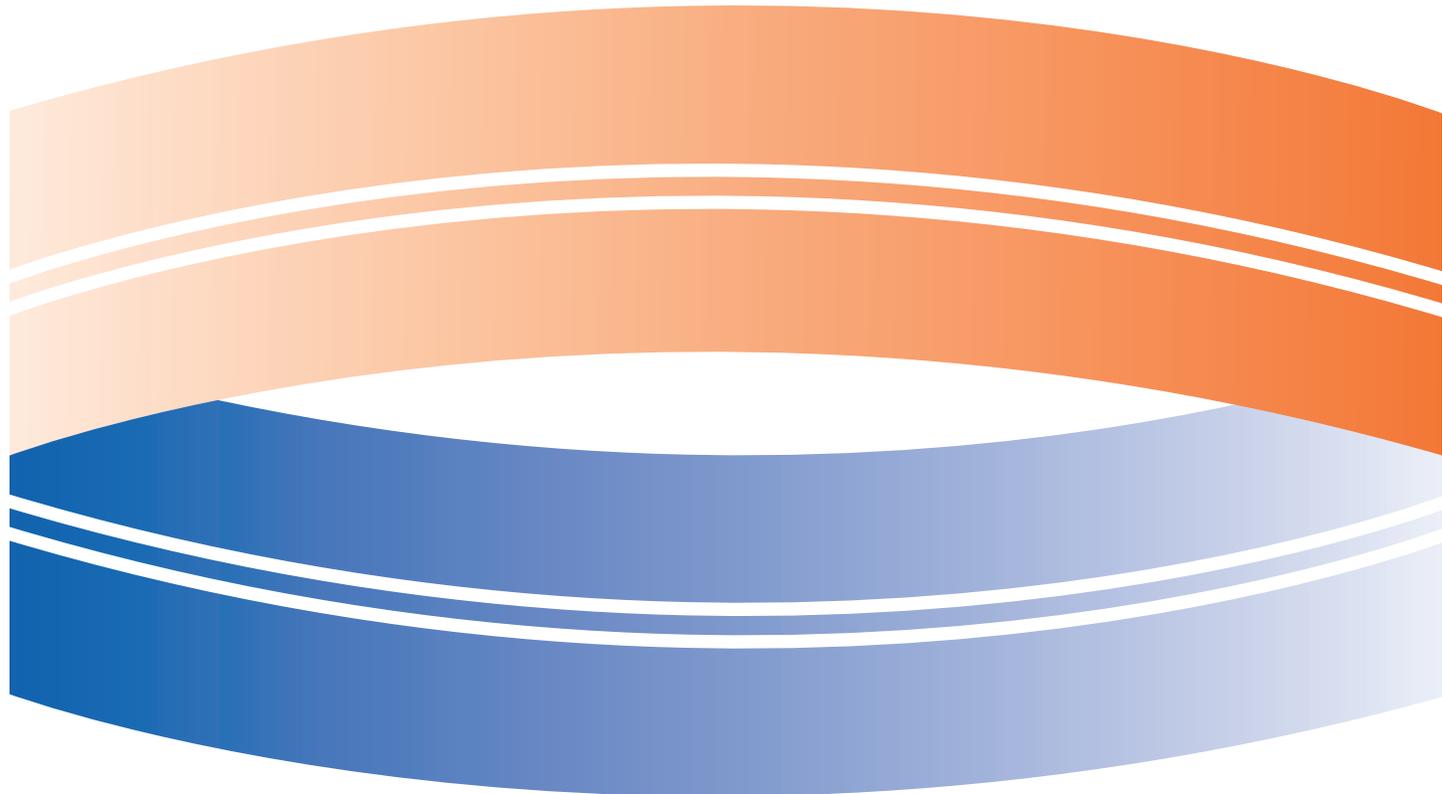
- The CTB awarded a contract worth approximately \$31.1 million to Branch Highways Inc. of Roanoke to design and construct a reversible extension of 95 Express Lanes at the southern terminus in Stafford County. The approximate [2.5 mile extension](#) will carry traffic beyond the flyover ramp where 95 Express Lanes currently end, just north of Exit 143 at Route 610 (Garrisonville Road).



* Designates positions requiring professional engineering license

Virginia Department of Transportation
May 16, 2016

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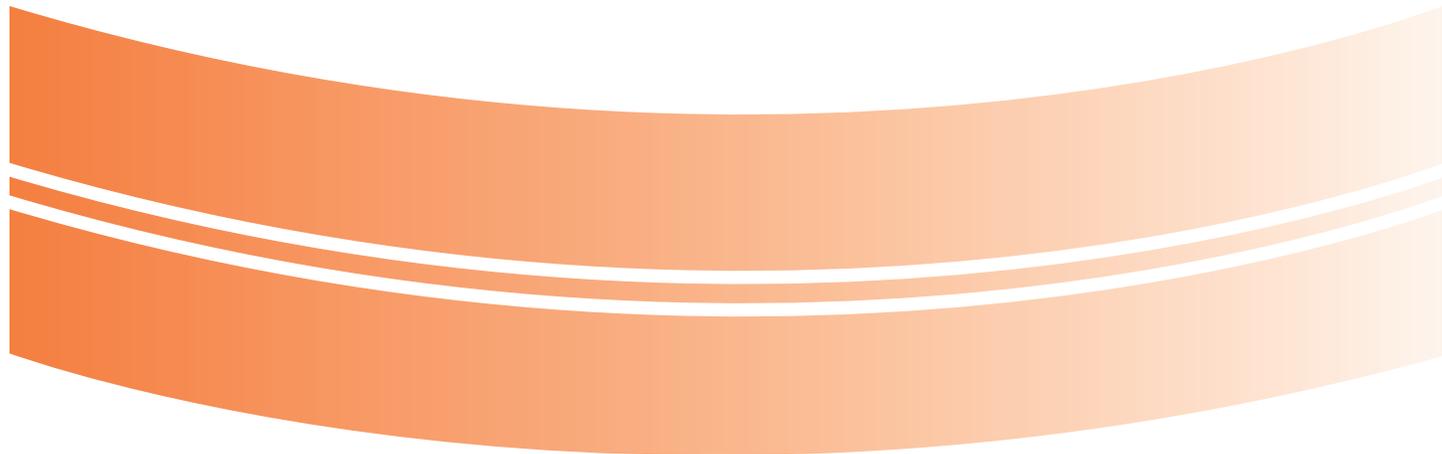


FINANCIAL REPORT

JUNE 30, 2016



FINANCIAL SECTION



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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, 2016. 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 and deferred outflows of the Virginia Department of Transportation exceeded its liabilities and deferred inflows at the end of the fiscal year 2016 by \$21,685.1 (*net position*). The Virginia Department of Transportation's total net assets increased by \$673.8 in fiscal year 2016. Net assets of governmental activities increased \$675.1. The Department has no net assets for business-type activities in fiscal 2016.

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 \$1,630.2, a decrease of \$356.0. Of the \$1,630.2 total fund balance, (\$71.5) represents unassigned fund balance and the remaining \$1,701.7 represents amounts reserved for Nonspendable and Committed purposes. Enterprise funds (Route 460 Funding Corporation of Virginia) was dissolved in fiscal year 2016 and as a result, the Department has no Enterprise fund net position balance in fiscal year 2016.

Long-term Debt (Bonds and Notes Payable)

The Department's total debt for governmental activities increased by \$77.2 in fiscal year 2016 over that of the fiscal year 2015. The increase is primarily due to issuance of bonds \$349.6 and a memorandum of understanding concerning Chesterfield County Notes Interest Payable of \$18.5. Another increase in long-term debt is the \$2.5 in accreted bond principal of the Route 28 Capital Appreciation Bond. The increase in long-term debt is reduced by the scheduled bond principal payments and defeased bonds (\$277.5), scheduled note principal payments (\$5.6) and Chesterfield County Notes Interest requirement \$10.3 in fiscal year 2016.

The Department's total debt for business type activities decreased from \$320.1 in fiscal year 2015 to \$0 in fiscal year 2016, a decrease of \$320.1 million or 100.0 percent. The decrease was the result of the Route 460 Funding Corporation of Virginia's extraordinary redemption of its Series 2012 Toll Road Senior Lien Revenue Bonds on September 17, 2015 in fiscal year 2016. On December 22, 2015, the Route 460 Funding Corporation of Virginia was dissolved by action of the Board of Directors and was effective as of December 31, 2015.

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 position* presents information on all of the Virginia Department of Transportation's assets and liabilities, with the differences between the two reported as *net position*. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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.

The Virginia Department of Transportation has no business-type activities in fiscal year 2016 to report. On December 22, 2015, the Route 460 Funding Corporation of Virginia was dissolved by action of the Board of Directors and was effective as of December 31, 2015.

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 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 nineteen non-major funds included, detailed in the form of *combining statements*.
- **Debt Service Funds:** There are ten 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 has no enterprise fund in fiscal year 2016 to report. *Enterprise funds* are used to report the functions presented as *business-type activities* in government-wide financial statements. On December 22, 2015, the Route 460 Funding Corporation of Virginia (the agency's proprietary fund) was dissolved by action of the Board of Directors and was effective as of December 31, 2015.

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 has fiduciary fund activity to report in fiscal year 2016.

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 position may serve as a useful indicator of a government's financial position. In the case of the Virginia Department of Transportation, assets and deferred outflows exceeded liabilities and deferred inflows by \$21,685.1 at the close of fiscal year 2016.

The largest portion of the Virginia Department of Transportation's net position, 109.2 percent, reflects its investment in capital assets (e.g., land, buildings, equipment, infrastructure, construction-in-progress, and intangible assets including land easements and software), less any related outstanding debt and deferred inflows used to acquire those 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 Position 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 Position:

The following table represents the condensed Statement of Net Position:

Virginia Department of Transportation Net Position as of June 30, 2016 and 2015

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 2,147.6	\$ 2,471.4	\$ -	\$ 327.3	\$ 2,147.6	\$ 2,798.7
Capital assets	25,740.5	24,749.4	-	-	25,740.5	24,749.4
Deferred outflow resources	4.0	2.4	-	-	4.0	2.4
Total Assets & deferred outflows	<u>27,892.1</u>	<u>27,223.2</u>	<u>-</u>	<u>327.3</u>	<u>27,892.1</u>	<u>27,550.5</u>
Current liabilities	795.8	865.4	-	0.1	795.8	865.5
Non-current liabilities	3,236.8	3,157.1	-	326.0	3,236.8	3,483.1
Deferred Inflows	2,174.3	2,190.6	-	-	2,174.3	2,190.6
Total Liabilities and Deferred Inflows	<u>6,206.9</u>	<u>6,213.1</u>	<u>-</u>	<u>326.1</u>	<u>6,206.9</u>	<u>6,539.2</u>
Net assets:						
Net Investment in capital assets	23,675.2	22,635.0	-	-	23,675.2	22,635.0
Restricted for						
Bond Financed Road	-	-	-	-	-	-
Construction.	398.1	638.3	-	-	398.1	638.3
Capital Acquisition	4.8	5.6	-	-	4.8	5.6
Debt service	21.8	44.6	-	-	21.8	44.6
Transportation Infrastructure Bank	330.2	323.7	-	-	330.2	323.7
Unrestricted	(2,745.0)	(2,637.2)	-	1.3	(2,745.0)	(2,635.9)
Total net position	<u>\$ 21,685.1</u>	<u>\$ 21,010.0</u>	<u>\$ -</u>	<u>\$ 1.3</u>	<u>\$ 21,685.1</u>	<u>\$ 21,011.3</u>

An additional portion of the Virginia Department of Transportation's net position, 3.5 percent, represents restricted net assets. These resources are subject to external restrictions or

constitutional provisions specifying how they may be used. The remaining balance of (\$2,745.0) represents unrestricted net assets.

The Virginia Department of Transportation's net position for governmental activities increased by \$675.1 or 3.2 percent in fiscal year 2016. The increase was largely the result of the increase in capital assets of \$991.1. The increase in capital assets is primarily due to net increase in highway infrastructure of \$973.8.

Statement of Changes in Net Position:

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

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 402.1	\$ 388.3	\$ -	\$ -	\$ 402.1	\$ 388.3
Capital grants and contributions	1,462.6	1,616.2	-	-	1,462.6	1,616.2
General revenues:						
Motor vehicle taxes	1,733.7	1,578.6	-	-	1,733.7	1,578.6
Sales and use tax	1,117.8	1,114.8	-	-	1,117.8	1,114.8
Other taxes	241.7	222.4	-	-	241.7	222.4
Investment earnings	9.4	9.3	0.6	0.8	10.0	10.1
Other revenues	29.9	46.7	-	-	29.9	46.7
Transfers to/from other state agencies	(151.8)	(170.6)	-	-	(151.8)	(170.6)
Other financing sources (uses)	(0.7)	(1.6)	-	-	(0.7)	(1.6)
Special Items	0.0	(134.6)	-	34.4	0.0	(100.2)
Total revenue	<u>4,844.7</u>	<u>4,669.5</u>	<u>0.6</u>	<u>35.2</u>	<u>4,845.3</u>	<u>4,704.7</u>
Expenditures						
Administrative and support services	241.0	229.9	0.4	0.5	241.4	230.4
Ground Transportation system planning and research	62.6	60.3	-	-	62.6	60.3
Highway system acquisition and construction	951.3	1,001.5	1.5	12.5	952.8	1,014.0
Highway system maintenance	1,565.3	1,427.4	-	-	1,565.3	1,427.4
Financial assistance to localities	1,272.0	1,379.4	-	-	1,272.0	1,379.4
Environmental monitoring and compliance	4.0	4.1	-	-	4.0	4.1
Toll facilities	31.0	29.5	-	-	31.0	29.5
Unallocated depreciation	15.7	15.4	-	-	15.7	15.4
Transfers to other state agencies	26.7	27.0	-	-	26.7	27.0
Total expenditures	<u>4,169.6</u>	<u>4,174.5</u>	<u>1.9</u>	<u>13.0</u>	<u>4,171.5</u>	<u>4,187.5</u>
Change in net assets	675.1	495.0	(1.3)	22.2	673.8	517.2
Net assets - July 1	21,010.0	20,515.0	1.3	(20.9)	21,011.3	20,494.1
Net assets - June 30	<u>\$ 21,685.1</u>	<u>\$ 21,010.0</u>	<u>\$ (0.0)</u>	<u>\$ 1.3</u>	<u>\$ 21,685.1</u>	<u>\$ 21,011.3</u>

Governmental activities: Governmental activities increased the Virginia Department of Transportation's net assets by \$675.1. Key elements of this increase are as follows:

- Program revenues decreased by \$139.8 or 7.0 percent over the last fiscal year. This decrease relates to decreases in receipts from the capital grants and contributions of \$153.6 or 9.5 percent. The decrease is offset by the increase in receipts from the charges for services of \$13.8 or 3.6 percent and
- Total general revenues increased by \$160.7 or 5.4 percent in fiscal year 2016 from fiscal year 2015, with increases primarily in motor vehicle fuel tax \$89.4, road use tax \$5.0, motor vehicle sales and use tax \$60.4, sales and use tax \$3.0, other taxes \$19.3, and gain on sales \$5. The increase is offset by the decreases in other revenues \$22.2.
- Others: For the fiscal year ended June 30, 2016, transfers to other state agencies and general fund decreased \$36.5 or 17.6 percent. In addition, transfers from other state agencies and general fund decreased by \$17.8 or 48.3 percent, special items decreased \$134.6 or 100.0 percent, and Other Financing Sources (uses) increased by \$0.9 in fiscal year 2016 from the fiscal year 2015.

The Virginia Department of Transportation's expenditures from governmental activities totaled \$4,169.7 for the fiscal year ended June 30, 2016, a decrease of \$4.9 from the previous year. Most of the decrease is attributable to increases in highway system acquisition and construction \$50.2, financial assistance to localities \$107.4, and transfer to other state agencies \$0.4. The decrease is offset by the increases in administrative and support services \$11.1, ground transportation system planning and research \$2.3, highway system maintenance \$137.8, toll facilities operations and construction \$1.6, and unallocated depreciation \$0.3.

Business-type activities: The Net position of The Route 460 Funding Corporation of Virginia for the fiscal year 2016 was \$0 compared to \$1.3 in fiscal year 2015, a decrease of \$1.3. This decrease relates to the closure of The Route 460 Funding Corporation of Virginia in fiscal year 2016. On December 22, 2015, the Route 460 Funding Corporation of Virginia was dissolved by action of the Board of Directors and was effective as of December 31, 2015.

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.

- The Virginia Department of Transportation ended the fiscal year 2016 with a fund balance of \$1,630.2, a decrease of \$356.0 from the prior year. The decrease in fund balance was primarily due to the increases in expenditures over revenues and other financing sources in fiscal year 2016. Expenditures increased by \$483.5 or 9.8 percent, bond defeasance payments increased by \$93.3 and transfer from other state agencies decreased by \$17.8 or 27.7 percent. The decreases in fund balance were reduced by the increases of \$103.7 or 2.1 percent in revenues, bond proceeds increased by \$94.7 or 31.3 percent and transfer to other state agencies and general fund (other financing uses) decreased by \$36.5 or 17.6 percent.

Six out of the ten reported VDOT revenue sources increased in fiscal year 2016. They include revenues provided by the general fund of the Commonwealth \$56.2, taxes \$164.5, rights and privileges \$13.9, sales of property and commodities \$5.6, fines, forfeitures, court fees, and escheats \$2.8, and toll revenues \$0.6. Decreases in revenues include interest, dividends, other rents \$3.0, federal grants and contracts \$126.4, receipts from cities, counties, and towns \$7.6, and other revenues \$2.8. Increases in expenditures included \$8.6 or 3.7% in administrative support services, \$3.0 or 51 percent ground transportation system planning and research, \$216.5 or 12.4 percent in construction expenditures, \$267.9 or 17.9 percent in highway system maintenance, \$5.6 or 18.8 percent in toll facility operations, \$14.0 or 111.6 percent in capital outlay, \$7.2 or 5.0 percent in interest – bonds and notes, and \$11.0 or 6.1 percent in retirement of bonds. Of the \$1,630.2 total fund balance in fiscal year 2016, (\$71.5) constitutes unassigned fund balance, and the remaining \$1,701.7 represents amounts reserved for Nonspendable and Committed purposes. Note 2 of the notes to the financial statements provide 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, Capital Projects Revenue Bonds Special Revenue Fund, Stimulus Fund (American Reinvestment and Recovery Act) and Toll Facilities Revolving Fund. Significant changes in major funds between fiscal years 2016 and 2015 are as follows:

- The fund balance of the Highway Maintenance and Operating Fund decreased by \$76.3 in fiscal year 2016 over the previous year. The decreases and increases among revenues, expenditures, other financing uses and other financing sources provided most of the changes in fund balance. In fiscal 2016, total revenues increased by \$155.8 or 8.4 percent and total expenditures increased by \$330.1 or 18.0 percent. The impacts of the increases in revenues on fund balance were offset by the increases in expenditures and the net increase in other financing uses \$41.3 or 36.0 percent. Changes in expenditures included \$303.5 or 26.3 percent decrease in maintenance expenditures, an increase of \$7.9 or 3.4 percent in administrative and support services, an increase of \$2.5 or 18.5 percent in ground transportation system planning and research and an increase of \$16.7 or 4.1 percent in financial assistance to localities. The net increase in other financing uses is primarily due to the decrease in budgeted transfers from Construction Fund (crossover transfer recipient), \$223.7 in fiscal year 2016 compared to \$264.6 in fiscal year 2015. Transfers out to other funds decreased \$21.1 or 15.0 percent and transfers to other state agencies and general fund of the Commonwealth increased \$19.7 or 140.7 percent in fiscal year 2016.
- The fund balance of the Federal Highway Fund ended the fiscal year 2016 with its normal end of the year balance of \$0. Revenues decreased by \$105.1 or 8.9 percent, expenditures decreased by \$58.0 or 5.0 percent, cash transferred-in from other state agencies and General Fund increased by \$3.3 or 21.6 percent, cash transferred-in from other funds decreased by \$22.8 and cash transferred out to other funds increased by \$66.6 in fiscal year 2016 from fiscal year 2015. 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 equate the total revenues and other financing sources in fiscal year 2016.

- The Construction Fund's fund balance increased by \$29.9 or 34.3 percent in fiscal year 2016 from fiscal year 2015. The increase in fund balance is related to the increases in total revenues of \$19.7 or 2.1 percent, decreases in expenditures of \$50.8 or 6.6 percent, decreases in transfers to other agencies and general funds of \$35.7 or 52.1 percent, decreases in transfers from other agencies and general funds of \$18.7 or 100.0 percent, decreases in transfers in from other funds of \$43.0 or 30.0 percent, and decreases in transfers out to other funds of \$52.1 or 11.5 percent. The decrease in expenditures is related to a significant decrease in highway system acquisition and construction of \$69.3 or 9.7 percent in fiscal year 2016. The decrease in highway system acquisition and construction in the Construction Fund is primarily due to the use more bond proceeds to pay for most of the highway system acquisition. The decrease in other financing uses is primarily due to the decrease in budgeted transfers to HMO Fund (crossover funds transferor), \$223.7 in fiscal year 2016 compared to \$264.6 in fiscal year 2015. Other decreases in other financing uses include the decreases in budgeted transfers to Priority Transportation Funds of \$3.3 in fiscal year 2016 compared to \$15.5 in fiscal year 2015. Decreases in other financing sources include the decreases in budgeted transfers from Federal Funds of \$0.7 to Construction fund in fiscal year 2016 compared to \$43.7 in fiscal year 2015.
- The Priority Transportation Fund balance increased by \$41.9 or 26.3 percent in fiscal year 2016 from fiscal year 2015. The increase in fund balance is primarily due to the increases in total revenues of \$4.3 or 2.4 percent, increases in the total inter-fund transfer-in of \$19.3, and decreases in the total inter-fund transfer-out of \$14.0 or 5.9 percent. The increase in revenues is primarily due to increases of \$4.2 or 2.3 percent in receipt from taxes. The increases in total revenues, increases in transfer-in from other state agencies and general funds, increases in the total inter-fund transfer-in, and decreases in the total inter-fund transfer-out are offset by increases in expenditures of \$47.3 and decreases in transfer in from other state agencies and general funds of \$2.3.
- The fund balance of the Federal Stimulus Fund - American Recovery & Reinvestment Act (ARRA) has less than \$0.1 of fund balance in FY 2016 (positive) and (negative) fund balance in 2015. The ARRA fund was expected to end its operations in fiscal 2016. The impact of any changes in the fiscal year 2016 fund balance is so immaterial that the inclusion of additional discussion on this fund will not add any value to the users of this report.
- The fund balance of the Capital Projects Revenue Bonds Special Revenue Fund decreased from \$320.7 in fiscal 2015 to \$191.4 in fiscal year 2016, a decrease of \$129.3. The decrease in fund balance is primarily attributed to the decrease in interest revenue of \$0.9, increase in highway system acquisition and construction costs of \$149.5 or 121.6 percent, and an increase in inter-fund transfer-out of \$52.7. The decrease in fund balance is offset by a decrease in the other financing uses of \$0.9 or 55.1 percent and a decrease in transfer to other state agencies and general fund of \$20.7 or 16.6 percent.

The fund balance of the Toll Facilities Revolving Fund increased by \$2.7 or 0.7 percent in fiscal year 2016. The increase in fund balance is primarily due to increases in revenues \$2.4 or 10.2 percent and increase in inter-fund transfer-in of \$0.5 or 53.8 percent. The increase in fund balance is offset by the increases in expenditures of \$2.7 or 12.1 percent. There were no other significant financial activities in any other categories of this fund during the fiscal year 2016.

- The Debt Service funds have a total fund balance of \$21.8 in fiscal year 2016, a decrease of \$22.9 or 51.3 percent over that of the fiscal year 2015. All of the fund balance amounts are reserved for the debt payment. This decrease in fund balance is primarily due to the increases in expenditures of \$18.7 or 5.8 percent and the decreases in net inter-fund transfers in of (\$65.8) or 26.0 percent. The increase in expenditures is mostly related to the increase in bonds issuance costs, principal and interest payments of \$18.7 or 5.7 percent. The decrease in fund balance is offset by the increases in revenues of \$61.1 or 84.9 percent. The increase in revenues is mostly related to the increase in revenues provided by the General Fund of the Commonwealth of \$61.6. Revenues provided by the General Fund of the Commonwealth of Virginia were \$0 in fiscal year 2015 compared to \$61.6 in fiscal year 2016.

Proprietary Funds: The Route 460 Funding Corporation of Virginia ended the fiscal year 2016 with a net position balance of \$0 compared to \$1.3 in fiscal year 2015 a decreases of \$1.3. This decrease relates to the closure of The Route 460 Funding Corporation of Virginia in fiscal year 2016. On December 22, 2015, the Route 460 Funding Corporation of Virginia was dissolved by action of the Board of Directors and was effective as of December 31, 2015. (Note 6)

**Special Revenue Fund Budgetary Highlights
Virginia Department of Transportation
Budget Comparison Summary
Special Revenue Fund
For the Fiscal Year Ended June 30, 2016**

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Taxes	\$ 3,019.3	\$ 3,049.3	\$ 3,092.0	\$ 42.7
Intergovernmental	895.3	963.7	1,087.2	123.5
Other	884.1	863.1	589.3	(273.8)
Total	4,798.7	4,876.1	4,768.5	(107.6)
Expenditures	4,892.9	5,189.4	5,011.2	178.2
Revenues over (under) expenditures	(94.2)	(313.3)	(242.7)	70.6
Other sources	237.2	303.1	(31.8)	(334.9)
Revenues and other sources over (under) expenditures	143.0	(10.2)	(274.5)	(264.3)
Fund balance - July 1 (as restated)	2,066.1	2,066.1	2,066.1	-
Fund balance - June 30	<u>\$ 2,209.1</u>	<u>\$ 2,055.9</u>	<u>\$ 1,791.6</u>	<u>\$ (264.3)</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, 2016 amounts to \$25,740.5 (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 4.0 percent. The Virginia Department of Transportation has no investment in capital assets for its business-type activities in fiscal year 2016 to report. On December 22, 2015, the Route 460 Funding Corporation of Virginia was dissolved by action of the Board of Directors and was effective as of December 31, 2015.

Additional information on the Virginia Department of Transportation's capital assets can be found in Note 11 of the financial statements.

Virginia Department of Transportation
Capital Assets
as of June 30, 2016 and 2015
(net of depreciation)

	Governmental Activities	
	2016	2015
Depreciable Capital Assets:		
Buildings and improvements	\$ 275.1	\$ 275.0
Equipment	163.3	161.9
Total Depreciable Capital Assets	<u>438.4</u>	<u>436.9</u>
Non Depreciable Capital Assets:		
Land and improvements	27.1	26.6
Other Non Depreciable assets	322.7	322.7
Construction in process	85.6	70.3
Total Non Depreciable Capital Assets	<u>435.4</u>	<u>419.6</u>
Infrastructure Assets:		
Highway right-of-way, non-depreciable	2,470.0	2,326.1
Highway system infrastructure	12,670.9	12,423.9
Restorative maintenance	3,737.8	3,363.2
Bridge and tunnel infrastructure	2,465.3	2,455.3
Infrastructure work in process	3,522.7	3,324.3
Total Infrastructure assets	<u>24,866.7</u>	<u>23,892.8</u>
Total Assets	<u>\$ 25,740.5</u>	<u>\$ 24,749.3</u>

Long-term debt – Bonds Payable: At the end of the current fiscal year, the Commonwealth Transportation Board (CTB) Governmental activities had total bonded debt outstanding of \$3,103.9 related to governmental activities. Of this amount, \$14.2 comprises debt backed by the full faith, credit, and taxing power of the Commonwealth. The majority, \$3,089.7 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, 2016 and 2015

	Governmental Activities		Business-type Activities		Total	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
General Obligation Bonds:						
Section 9(c) debt	\$ 14.2	\$ 16.7	\$ -	\$ -	\$ 14.2	\$ 16.7
Total General Obligation Bonds	<u>14.2</u>	<u>16.7</u>	<u>-</u>	<u>-</u>	<u>14.2</u>	<u>16.7</u>
Section 9(d) debt						
Transportation Revenue Bonds	3,089.7	2,982.4	-	-	3,089.7	2,982.4
Federal Highway Reimbursement						
Anticipation Notes	-	30.2	-	-	-	30.2
Total Section 9(d) debt	<u>3,089.7</u>	<u>3,012.6</u>	<u>-</u>	<u>-</u>	<u>3,089.7</u>	<u>3,012.6</u>
Route 460 Toll Road Revenue Bonds	-	-	-	320.1	-	320.1
	<u>-</u>	<u>-</u>	<u>-</u>	<u>320.1</u>	<u>-</u>	<u>320.1</u>
Total Bonds Payable	<u>\$ 3,103.9</u>	<u>\$ 3,029.3</u>	<u>\$ -</u>	<u>\$ 320.1</u>	<u>\$3,103.9</u>	<u>\$ 3,349.4</u>

The Commonwealth Transportation Board's bonds debt, from governmental activities, increased from \$3,029.3 in fiscal year 2015 to \$3,103.9 in fiscal year 2016, an increase of \$74.6 or 2.5 percent. The increase bond debt is primarily due to issuances of the CPRB, Series 2016 of \$275.0, Route 58, Series 2016C of \$51.9, NVTB, Series 2016B of \$13.9, Oak Grove, Series 2016A of \$10.1, and the \$2.5 in accreted bond principal of the Route 28 Capital Appreciation Bond. The increase in long-term is reduced by the principal debt payments of \$186.4 and the defeased bond principal of \$91.1 in fiscal year 2016. The Department's total debt for business type activities for Route 460 Funding Corporation of Virginia decreased from \$320.1 in fiscal year 2015 to \$0 in fiscal year 2016, a decrease of \$320.1 million or 100 percent. The decrease resulted from the early extraordinary mandatory redemption of the debt in September 2015 due to the cancellation of the comprehensive agreement for the RT 460 project. On December 22, 2015, the Route 460 Funding Corporation of Virginia was dissolved by action of the Board of Directors and was effective as of December 31, 2015.

Long-Term Debt-Notes Payable: At the end of the fiscal year 2016, the Commonwealth Transportation Board (CTB) had total outstanding notes debt balance of \$47.4 from the governmental activities. The entire amount of the debt, \$47.4, which is comprised of the Camp 30 notes and Chesterfield notes interest payable are not the Commonwealth of Virginia obligations and as a result are not backed by the full faith and credit of the Commonwealth of Virginia.

**Virginia Department of Transportation
Outstanding Notes
as of June 30, 2016 and 2015**

	<u>Governmental Activities</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Section 9(d) debt				
Chesterfield Notes Interest Payable	\$ 8.2	\$ -	\$ 8.2	\$ -
Camp 30 Notes Payable	39.2	44.7	39.2	44.7
Total Section 9(d) debt	<u>47.4</u>	<u>44.7</u>	<u>47.4</u>	<u>44.7</u>
Toll Road Revenue Bonds	-	-	-	-
	-	-	-	-
Total Notes Payable	<u>\$ 47.4</u>	<u>\$ 44.7</u>	<u>\$ 47.4</u>	<u>\$ 44.7</u>

The Commonwealth Transportation Board's notes debt, from governmental activities, increased by \$2.6 in fiscal year 2016. The increase was attributed to the increase of \$18.5 in Chesterfield notes interest payable in fiscal year 2016. The increase was offset by retirement of the principal amounts of \$5.6 in camp 30 notes payable and \$10.3 in Chesterfield notes interest payable in fiscal year 2016. The Department has no outstanding notes payable for business-type activities in fiscal year 2016 to disclose.

Additional information on the Virginia Department of Transportation's long-term liabilities can be found in Note 6 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:

- Transportation Department revenues are anticipated to be \$5.4 billion in FY 2017, a 0.8 percent increase from the FY 2016 Revised Budget. With funding for transportation addressed during the 2013 General Assembly Session by House Bill 2313 (Chapter 766), FY 2017 represents the fourth year of implementation of changing sources of revenue dedicated to transportation.
- The planned bond allocations for FY 2017 are less than those programmed in the previous fiscal year, as anticipated. The GARVEE bond allocations were \$375 million previously and \$225.2 million was provided for in FY 2017.

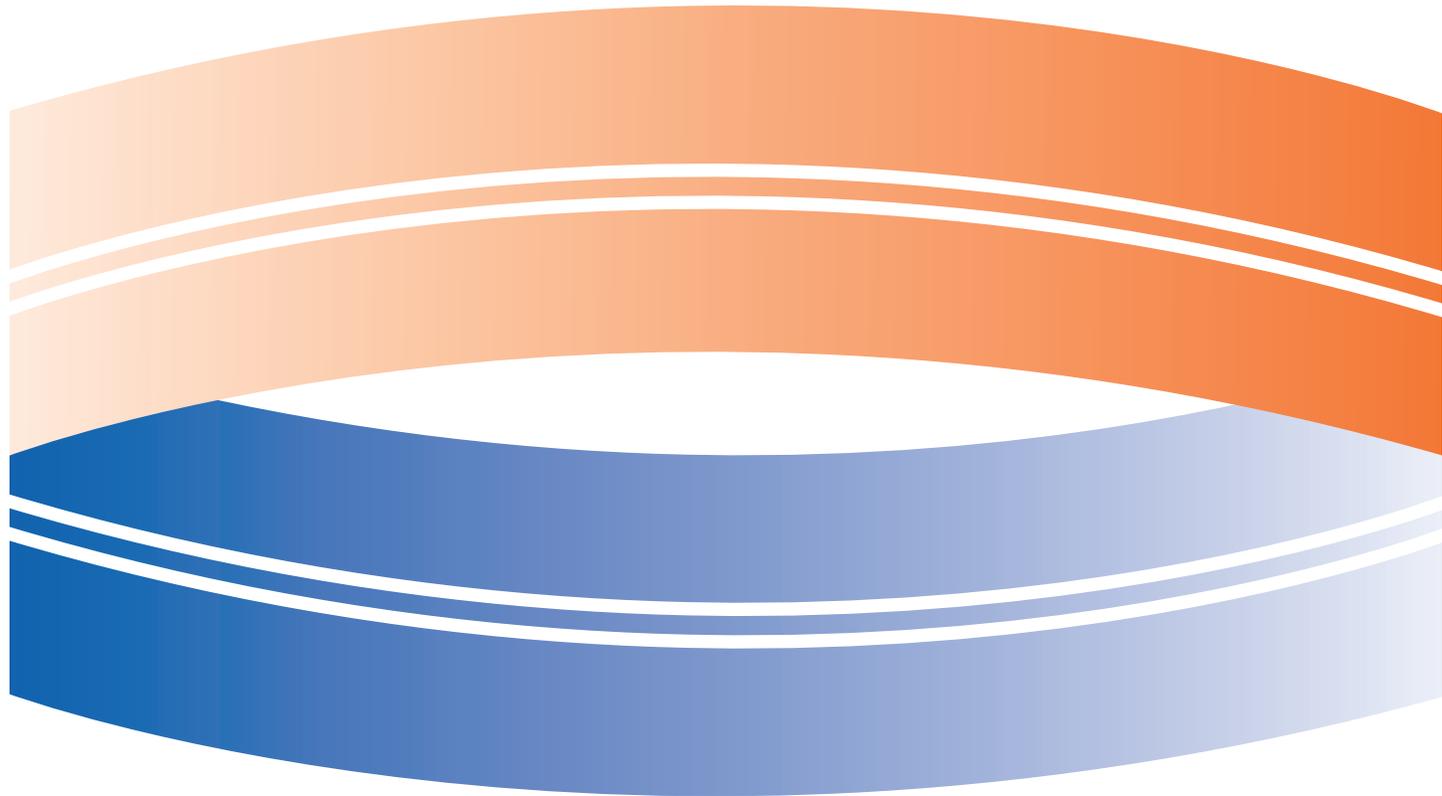
- FY 2017 represents the first state fiscal year that included federal revenue provided by the Fixing America's Surface Transportation (FAST) Act. FAST Act provides federal authorization through federal fiscal year 2020, providing some certainty for the future. The federal funding estimated to be available for VDOT efforts increased from \$895 million to \$1.03 billion in FY 2017, or 15 percent.
- Construction fund transfers to cover the Highway Maintenance and Operating Fund's funding deficit have been reduced with the revenues provided but, the transfer is anticipated to continue. The anticipated crossover for FY 2017 is \$14.4 million. This is the lowest amount planned in recent history because of additional revenues and reduced one-time commitments for the Highway Maintenance and Operating Fund. It is anticipated to grow over the six-year horizon to approximately \$170 million by FY 2022.
- State revenue dedicated to regional transportation efforts in Northern Virginia and Hampton Roads is estimated to total \$496.1 million during the year, a \$12.6 million increase from the previous year's assumptions (most of the increase is assumed for Northern Virginia sources).

The above Economic Factors have been considered in the preparation of the Virginia Department of Transportation's fiscal year 2017-2022 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.virginiadot.org.

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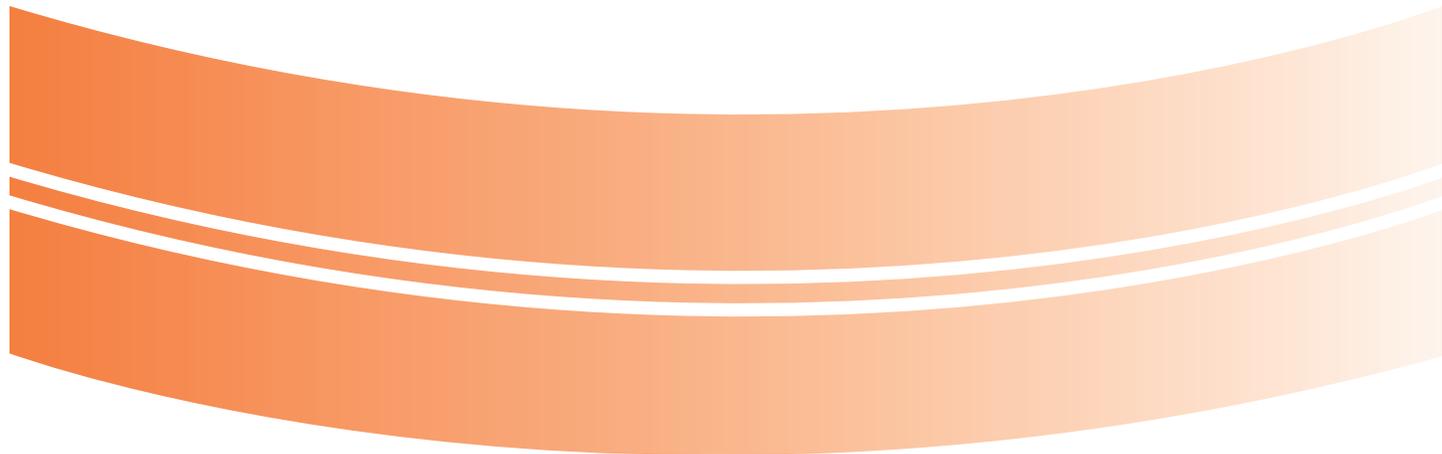


FINANCIAL REPORT

JUNE 30, 2016



BASIC FINANCIAL STATEMENTS



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**Government-wide
Financial Statements**

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**Virginia Department of Transportation
Statement of Net Position
June 30, 2016**

	Primary Government		
	Governmental Activities	Business - Type Activities	Total
Assets and Deferred Outflows of Resources :			
Cash and cash equivalents with the Treasurer of Virginia (Note 13)	\$ 1,273,193,320	\$ -	\$ 1,273,193,320
Cash and cash equivalents with trustees (Note 13)	363,263,622	-	363,263,622
Cash and cash equivalents for collateral held for securities lending (Note 13)	7,342,739	-	7,342,739
Advance fund	253,500	-	253,500
Receivables: (Net)			
Federal government	45,003,179	-	45,003,179
Cities, counties, and towns	13,808,719	-	13,808,719
State agencies	10,564,719	-	10,564,719
Loans & Other	235,019,803	-	235,019,803
Taxes	106,973,847	-	106,973,847
Due from state agencies	617,632	-	617,632
Bond interest receivable	9,189,944	-	9,189,944
Capitalized bond discounts	90,805	-	90,805
Inventory (Note 1- G)	82,268,269	-	82,268,269
Depreciable Capital Assets, Net (Note 11)	438,374,380	-	438,374,380
Infrastructure, net (Note 11)	18,874,005,352	-	18,874,005,352
Infrastructure non deprec. (Note 11)	2,792,766,781	-	2,792,766,781
Infrastructure, Work in Process (Note 11)	3,522,691,470	-	3,522,691,470
Non Depreciable Capital Assets (Note 11)	112,672,803	-	112,672,803
Total assets	<u>27,888,100,884</u>	<u>-</u>	<u>27,888,100,884</u>
Deferred Outflows of Resources (Note 1- I)	3,970,534	-	3,970,534
Total Assets and Deferred Outflows	<u>\$ 27,892,071,418</u>	<u>\$ -</u>	<u>\$ 27,892,071,418</u>
Liabilities and Deferred Inflows of Resources :			
Accounts payable	\$ 373,811,896	\$ -	\$ 373,811,896
Deposits payable	70,669,987	-	70,669,987
Payable for collateral held for securities lending	7,342,739	-	7,342,739
Premium on bonds payable	296,116,598	-	296,116,598
Premium on notes payable	5,562,360	-	5,562,360
Accrued liabilities	38,510,483	-	38,510,483
Retainage on contracts	3,788,402	-	3,788,402
Non Current Liabilities			
Bond interest payable	22,587,625	-	22,587,625
Note interest payable			
Expected to be paid within one year	1,069,804	-	1,069,804
Expected to be paid after one year	7,383,375	-	7,383,375
Pollution remediation obligations (Note 6)			
Expected to be paid within one year	328,859	-	328,859
Expected to be paid after one year	2,118,000	-	2,118,000
Compensated absences (Note 1- J and Note 6)			
Expected to be paid within one year	35,649,741	-	35,649,741
Expected to be paid after one year	24,613,128	-	24,613,128
Bonds Payable (Note 6)			
Portion due within one year	169,810,000	-	169,810,000
Portion due after one year	2,934,119,303	-	2,934,119,303
Notes Payable (Note 6)			
Portion due within one year	5,870,000	-	5,870,000
Portion due after one year	33,280,000	-	33,280,000
Total liabilities	<u>4,032,632,300</u>	<u>-</u>	<u>4,032,632,300</u>
Deferred inflows of Resources (Note 1- I)	2,174,347,689	-	2,174,347,689
Total Liabilities and Deferred Inflows	<u>6,206,979,989</u>	<u>-</u>	<u>6,206,979,989</u>
Net Position (Note 7)			
Net Investment in Capital Assets	23,675,227,944	-	23,675,227,944
Restricted for			
Bond Financed Road			
Construction	398,126,220	-	398,126,220
Capital Acquisition	4,787,162	-	4,787,162
Debt service	21,752,021	-	21,752,021
Transportation Infrastructure Bank	330,154,498	-	330,154,498
Unrestricted	(2,744,956,416)	-	(2,744,956,416)
Total Net Position	<u>\$ 21,685,091,429</u>	<u>\$ -</u>	<u>\$ 21,685,091,429</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, 2016**

FUNCTIONS, PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
Primary Government							
Governmental Activities	\$ 241,014,591	\$ -	\$ -	\$ 19,073	\$ (240,995,518)	\$ -	\$ (240,995,518)
Administrative and support services and research	62,596,860	-	-	-	(62,596,860)	-	(62,596,860)
Ground transportation system planning	951,359,484	36,924,611	-	1,456,093,804	541,658,931	-	541,658,931
Highway system acquisition and construction	1,565,263,241	320,724,448	-	6,281,077	(1,238,257,716)	-	(1,238,257,716)
Highway system maintenance	1,272,019,207	-	-	199,887	(1,271,819,320)	-	(1,271,819,320)
Financial assistance to localities	3,987,665	-	-	-	(3,987,665)	-	(3,987,665)
Environmental monitoring and compliance	31,063,410	44,449,185	-	12,510	13,398,285	-	13,398,285
Toll facilities operations and construction	15,702,906	-	-	-	(15,702,906)	-	(15,702,906)
Unallocated Depreciation (excludes direct depreciation)	26,691,644	-	-	-	(26,691,644)	-	(26,691,644)
Transfers to other state agencies (Note 10)	4,169,709,008	402,098,244	-	1,462,606,351	(2,305,004,413)	-	(2,305,004,413)
Total Governmental Activities	4,171,642,720	402,098,244	-	1,462,606,351	(2,305,004,413)	(1,933,712)	(2,306,938,125)
Business-Type Activities							
Route 460 Funding Corporation of Virginia	435,947	-	-	-	-	\$ (435,947)	(435,947)
Administrative	1,497,765	-	-	-	-	(1,497,765)	(1,497,765)
Non-Operating expenditures	1,933,712	-	-	-	-	(1,933,712)	(1,933,712)
Total Business-Type Activities	4,171,642,720	402,098,244	-	1,462,606,351	(2,305,004,413)	(1,933,712)	(2,306,938,125)

Total Primary Government \$ 4,171,642,720 \$ 402,098,244 \$ - \$ 1,462,606,351 \$ (2,305,004,413) \$ (1,933,712) \$ (2,306,938,125)

GENERAL REVENUES

Taxes							
Motor Vehicle Fuel Tax		\$			\$ 845,189,465		\$ 845,189,465
Road Use Tax					9,126,791		9,126,791
Sales and Use Tax					1,117,777,818		1,117,777,818
MV Sales and Use Tax					870,531,608		870,531,608
MV Rental Tax					7,391,698		7,391,698
Aviation Fuel Tax					1,419,318		1,419,318
Premiums on Insurance					150,345,849		150,345,849
Other Taxes					91,359,611		91,359,611
Investment Earnings					9,493,876	666,548.0	10,160,424
Other Revenues					22,966,099		22,966,099
Gain on sales					6,974,311		6,974,311
Transfers to other State Agencies and Gen Fund (Note 10)					(170,860,054)		(170,860,054)
Transfers from other State Agencies and Gen Fund (Note 10)					19,037,204	6,536	19,037,204
Other Financing Sources (Uses) and Transfers					(696,578)		(690,042)
Total General Revenues					2,980,057,016	673,084	2,980,730,100
Change in Net Position					675,052,603	(1,260,628)	673,791,975
Net Position, July 1					21,010,038,826	1,260,628	21,011,299,454
Net Position, June 30					21,685,091,429	-	21,685,091,429

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.

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. This fund was classified as a 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 Position.

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.

Capital Projects Revenue Bonds Fund accounts for the accumulation of resources for and payment of the general long-term debt principal and interest on bonds of the Capital Projects Revenue Bonds Funds.

GARVEE Fund accounts for the accumulation of resources for and payment of the general long-term debt principal and interest on GARVEE bonds

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.

Chesterfield Note Repayment Fund accounts for the payment of interest to Chesterfield county for interest on a note payable to Chesterfield county for route 288 construction.

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
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS
 SPECIAL REVENUE
 June 30, 2016

	HIGHWAY MAINTENANCE & OPERATING	FEDERAL	CONSTRUCTION
<u>Assets and Deferred Outflows of Resources</u>			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 208,916,184	\$ -	\$ 235,501,819
Cash and cash equivalents with trustees (Note 13)	-	-	-
Investments with the Treasurer of Virginia (Note 13)	-	-	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	-	-	-
Investments for collateral held for securities lending (Note 13)	-	-	-
Advance fund	225,000	-	10,000
Receivables: (net)			
Federal government	-	45,002,953	-
Cities, counties, and towns	164,438	-	13,644,281
State agencies	757,604	9,287,915	12,354
Loans & other	11,827,143	-	49,899,694
Taxes receivable	65,442,257	-	33,768,979
Due from other funds (Note 9)	-	21,481,399	57,567,837
Due from agencies	-	-	-
Inventory (Note 1 G)	67,679,527	-	11,600
Total assets	355,012,153	75,772,267	390,416,564
Deferred Outflows of Resources	4,399,761	19,218,010	34,065,468
Total Assets and Deferred Outflows	\$ 359,411,914	\$ 94,990,277	\$ 424,482,032
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>			
Accounts payable	\$ 115,919,330	\$ 53,613,944	128,411,074
Deposits payable	15,490,589	-	4,562,516
Payable to component unit	-	-	-
Payable for collateral held for securities lending	-	-	-
Due to other agencies	-	-	-
Due to other funds (Note 9)	33,253,000	22,158,323	87,290,748
Liability for compensated absences	139,442	-	34,836
Accrued liabilities	30,037,641	-	8,362,104
Retainage on contracts	1,882,389	-	1,836,454
Total liabilities	196,722,391	75,772,267	230,497,732
Deferred Inflows of Resources	15,582,561	19,218,010	36,828,898
Total Liabilities and Deferred Inflows	212,304,952	94,990,277	267,326,630
Fund Balances (Note 2)			
Nonspendable	79,506,670	-	49,911,294
Restricted	-	-	-
Committed	67,600,292	-	107,244,108
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	147,106,962	-	157,155,402
Total liabilities, deferred inflows and fund balances	\$ 359,411,914	\$ 94,990,277	\$ 424,482,032

Total liabilities, deferred inflows and fund balances

The accompanying notes are an integral part of this financial statement

VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS
 SPECIAL REVENUE
 June 30, 2016

	PRIORITY TRANSPORTATION FUND	TOLL FACILITIES REVOLVING	ARRA PROJECTS
<u>Assets and Deferred Outflows of Resources</u>			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 182,046,417	\$ 139,489,031	\$ 60,758
Cash and cash equivalents with trustees (Note 13)	-	21,884,175	-
Investments with the Treasurer of Virginia (Note 13)	-	-	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	1,185,446	630,135	-
Investments for collateral held for securities lending (Note 13)	-	-	-
Advance fund	-	-	-
Receivables: (net)			
Federal government	-	-	226
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	38,207,910	-
Taxes receivable	3,267,766	-	-
Due from other funds (Note 9)	15,454,645	221,898,348	-
Due from agencies	617,632	-	-
Inventory (Note 1 G)	-	14,577,142	-
Total assets	202,571,906	436,686,741	60,984
Deferred Outflows of Resources	-	88,716	-
Total Assets and Deferred Outflows	\$ 202,571,906	\$ 436,775,457	\$ 60,984
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>			
Accounts payable	\$ -	\$ 14,311,572	\$ -
Deposits payable	-	50,616,882	-
Payable to component unit	-	-	-
Payable for collateral held for securities lending	1,185,446	630,135	-
Due to other agencies	-	-	-
Due to other funds (Note 9)	-	-	50,000
Liability for compensated absences	-	-	-
Accrued liabilities	-	-	-
Retainage on contracts	-	-	-
Total liabilities	1,185,446	65,558,589	50,000
Deferred Inflows of Resources	-	609,720	226
Total Liabilities and Deferred Inflows	1,185,446	66,168,309	50,226
Fund Balances (Note 2)			
Nonspendable	-	52,785,052	-
Restricted	-	-	-
Committed	201,386,460	317,822,096	10,758
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	201,386,460	370,607,148	10,758
Total liabilities, deferred inflows and fund balances	\$ 202,571,906	\$ 436,775,457	\$ 60,984

The accompanying notes are an integral part of this financial statement

VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS
 SPECIAL REVENUE
 June 30, 2016

	CAPITAL PROJECTS REVENUE BONDS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS	Special Revenue Funds Totals	
			June 30, 2016	June 30, 2015
<u>Assets and Deferred Outflows of Resources</u>				
Cash and cash equivalents				
with the Treasurer of Virginia (Note 13)	\$ 649,257	\$ 506,264,171	\$ 1,272,927,637	\$ 1,331,812,568
Cash and cash equivalents with trustees (Note 13)	211,330,421	108,562,688	341,777,284	601,492,153
Investments with the Treasurer of Virginia (Note 13)	-	-	-	-
Investments with trustees (Note 13)	-	-	-	8,404,261
Cash and cash equivalents for collateral held for securities lending (Note 13)	4,130	5,523,028	7,342,739	48,314,360
Investments for collateral held for securities lending (Note 13)	-	-	-	1,748,684
Advance fund	-	18,500	253,500	253,500
Receivables: (net)				
Federal government	-	-	45,003,179	83,552,697
Cities, counties, and towns	-	-	13,808,719	14,738,612
State agencies	-	506,846	10,564,719	1,022,523
Loans & other	-	135,085,056	235,019,803	146,258,477
Taxes receivable	-	4,494,845	106,973,847	107,101,560
Due from other funds (Note 9)	-	-	316,402,229	291,360,347
Due from agencies	-	-	617,632	-
Inventory (Note 1 G)	-	-	82,268,269	72,307,705
Total assets	211,983,808	760,455,134	2,432,959,557	2,708,367,447
Deferred Outflows of Resources	-	639,369	58,411,324	199,837,007
Total Assets and Deferred Outflows	\$ 211,983,808	\$ 761,094,503	2,491,370,881	2,908,204,454
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>				
Accounts payable	\$ -	\$ 61,555,976	\$ 373,811,896	\$ 313,446,373
Deposits payable	-	-	70,669,987	62,178,580
Payable to component unit	-	-	-	120,113,271
Payable for collateral held for securities lending	4,130	5,523,028	7,342,739	50,063,044
Due to other agencies	-	-	-	-
Due to other funds (Note 9)	20,578,414	153,071,744	316,402,229	291,360,347
Liability for compensated absences	-	642	174,920	67,490
Accrued liabilities	-	110,738	38,510,483	33,485,061
Retainage on contracts	-	69,559	3,788,402	3,366,433
Total liabilities	20,582,544	220,331,687	810,700,656	874,080,599
Deferred Inflows of Resources	-	7,236	72,246,651	92,610,510
Total Liabilities and Deferred Inflows	20,582,544	220,338,923	882,947,307	966,691,109
Fund Balances (Note 2)				
Nonspendable	-	135,085,056	317,288,072	218,566,182
Restricted	-	-	-	-
Committed	191,401,264	477,148,857	1,362,613,835	1,786,600,679
Assigned	-	-	-	-
Unassigned	-	(71,478,333)	(71,478,333)	(63,653,516)
Total fund balances	191,401,264	540,755,580	1,608,423,574	1,941,513,345
Total liabilities, deferred inflows and fund balances	\$ 211,983,808	\$ 761,094,503	\$ 2,491,370,881	\$ 2,908,204,454

The accompanying notes are an integral part of this financial statement

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VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING BALANCE SHEET
 DEBT SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

ROUTE 58	ROUTE 28	FEDERAL REIMBURSEMENT										TOTALS	
		NORTHERN VA. TRANSP. DISTRICT	COLEMAN BRIDGE	ANTICIPATION NOTES	CAPITAL PROJECTS REVENUE BONDS	GARVEE	TRANSPORTATION SET ASIDE	POWHITE PARKWAY CHESTERFIELD CO.	CAMP 30				
\$ -	\$ -	\$ -	\$ 265,683	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 265,683
42	-	26	-	-	55	21,486,074	1	-	-	-	-	140	21,486,338
42	-	26	265,683	-	55	21,486,074	1	-	-	-	-	140	21,752,021
\$ -	\$ -	\$ 26	\$ 265,683	\$ -	\$ 55	\$ 21,486,074	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 140	\$ 21,752,021
\$ 42	\$ -	\$ 26	\$ 265,683	\$ -	\$ 55	\$ 21,486,074	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 140	\$ 21,752,021

ASSETS

Cash with the Treasurer of Virginia
 Cash equivalents not with the Treasurer of Virginia
Total assets

LIABILITIES AND FUND EQUITY

Liabilities:
 Fund balances
Total Liabilities and Fund Equity

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**VIRGINIA DEPARTMENT OF TRANSPORTATION
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2016**

	SPECIAL REVENUE	DEBT SERVICE	TOTAL GOVERNMENTAL FUNDS JUNE 30, 2016
<u>Assets and Deferred Outflows of Resources</u>			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 1,272,927,637	\$ 265,683	\$ 1,273,193,320
Cash and cash equivalents with trustees (Note 13)	341,777,284	21,486,338	363,263,622
Cash and cash equivalents for collateral held for securities lending (Note 13)	7,342,739	-	7,342,739
Advance fund	253,500	-	253,500
Receivables: (Net)			
Federal government	45,003,179	-	45,003,179
Localities and private sector	13,808,719	-	13,808,719
State agencies	10,564,719	-	10,564,719
Loans & Other	235,019,803	-	235,019,803
Taxes Receivable	106,973,847	-	106,973,847
Due from other agencies	617,632	-	617,632
Due from other funds (Note 9)	316,402,229	-	316,402,229
Inventory (Note 1G)	82,268,269	-	82,268,269
Total assets	<u>2,432,959,557</u>	<u>21,752,021</u>	<u>2,454,711,578</u>
Deferred Outflows of Resources	58,411,324	-	58,411,324
Total Assets and Deferred Outflows	<u>\$ 2,491,370,881</u>	<u>\$ 21,752,021</u>	<u>\$ 2,513,122,902</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>			
Accounts payable	\$ 373,811,896	-	\$ 373,811,896
Deposits payable	70,669,987	-	70,669,987
Payable for collateral held for securities lending	7,342,739	-	7,342,739
Due to other funds (Note 9)	316,402,229	-	316,402,229
Compensated absences payable	174,920	-	174,920
Accrued liabilities	38,510,483	-	38,510,483
Retainage on contracts	3,788,402	-	3,788,402
Total liabilities	<u>810,700,656</u>	<u>-</u>	<u>810,700,656</u>
Deferred Inflows of Resources	72,246,651	-	72,246,651
Total Liabilities and Deferred Inflows.	<u>882,947,307</u>	<u>-</u>	<u>882,947,307</u>
<u>Fund Balances (Note 2)</u>			
Nonspendable	317,288,072	-	317,288,072
Restricted	-	21,752,021	21,752,021
Committed	1,362,613,835	-	1,362,613,835
Assigned	-	-	-
Unassigned	(71,478,333)	-	(71,478,333)
Total Fund Equity	<u>1,608,423,574</u>	<u>21,752,021</u>	<u>1,630,175,595</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 2,491,370,881</u>	<u>\$ 21,752,021</u>	<u>\$ 2,513,122,902</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 Position
June 30, 2016**

Total fund balances - governmental funds \$ 1,630,175,595

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 of the primary government.

Land and Non depreciable capital assets	\$	435,414,195	
Equipment and Buildings		902,926,739	
Infrastructure assets		39,527,062,298	
Accumulated Depreciation		<u>(15,124,892,446)</u>	
Total capital assets			25,740,510,786

Accrued bond interest receivable and capitalized bond discounts 9,280,748

Revenues in the funds that are not available in the current period and, therefore are deferred in the funds. 53,828,139

Long term liabilities applicable to the primary government's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities. All liabilities both current and long term, are reported in the Statement of Net Assets.

Bond and notes payable		(3,143,079,303)	
Interest payable		(31,040,804)	
Premium payable		(301,678,958)	
Pollution remediation obligation		(2,446,859)	
Compensated absences		<u>(60,087,949)</u>	
Total liabilities			<u>(3,538,333,873)</u>

Other long term payables are not due and payable in the current period and, therefore are deferred in the funds. (54,440,789)

Deferred inflows associated with Service Concession Arrangement are long-term in nature and therefore not reported in the funds, (2,155,929,177)

Net position of governmental activities \$ 21,685,091,429

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**VIRGINIA DEPARTMENT OF TRANSPORTATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2016**

	HIGHWAY MAINTENANCE & OPERATING	FEDERAL	CONSTRUCTION
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ 950,000	\$ -	\$ -
Taxes	1,669,741,481	-	768,091,918
Rights and privileges	313,500,290	-	27,244,306
Sale of property and commodities	321,633	-	6,974,311
Interest, dividends and rents	46,000	-	4,654,959
Fines, forfeitures, court fees, penalties, and escheats	6,856,525	-	158,167
Federal grants and contracts	-	1,074,540,601	-
Receipts from localities and private sector	3,428,383	-	139,537,509
Toll revenue	-	-	-
Other revenue	20,629,200	-	531,534
Total revenue	2,015,473,512	1,074,540,601	947,192,704
Expenditures			
Current:			
Administrative and support services	235,318,841	7,002,366	321,993
Ground transportation system planning and research	16,247,275	15,713,654	30,937,580
Highway system acquisition and construction	-	781,755,286	647,895,430
Highway system maintenance	1,459,770,701	301,630,755	-
Financial assistance to localities	427,376,691	7,443,401	5,416,085
Environmental monitoring and compliance	-	81,669	11,108,332
Toll facilities operations and construction	-	-	-
Capital Outlay	-	898,123	24,849,292
Transfers to other state agencies (Note 10)	26,365,644	-	326,000
Total expenditures	2,165,079,152	1,114,525,254	720,854,712
Revenues over (under) expenditures	(149,605,640)	(39,984,653)	226,337,992
Other financing sources (uses)			
Other financing sources (uses)	-	-	-
Bond Proceeds	-	-	-
Insurance recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 10)	(33,699,825)	-	(32,624,158)
Transfers from other state agencies and General Fund (Note 10)	-	18,419,572	-
Transfers in (Note 10)	227,016,223	30,349,329	100,676,924
Transfers out (Note 10)	(119,975,000)	(8,784,248)	(264,444,087)
Total other financing sources (uses)	73,341,398	39,984,653	(196,391,321)
Net Change in Fund Balance	(76,264,242)	-	29,946,671
Beginning fund balance	223,371,204	-	127,208,731
Ending fund balance - June 30	\$ 147,106,962	\$ -	\$ 157,155,402

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
 GOVERNMENTAL FUNDS-SPECIAL REVENUE
 June 30, 2016**

	PRIORITY TRANSPORTATION FUND	TOLL FACILITIES REVOLVING	ARRA PROJECTS
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	184,715,153	-	-
Rights and privileges	-	21,209,652	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	1,267,589	400,384	-
Fines, forfeitures, court fees, penalties, and escheats	-	4,789,906	-
Federal grants and contracts	-	-	3,061,964
Receipts from localities and private sector	-	-	-
Toll revenue	-	-	-
Other revenue	-	2,000	-
Total revenue	185,982,742	26,401,942	3,061,964
Expenditures			
Current:			
Administrative and support services	-	-	170,993
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	74,507,735	-	2,859,850
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	25,165,428	-
Capital Outlay	-	-	-
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	74,507,735	25,165,428	3,030,843
Revenues over (under) expenditures	111,475,007	1,236,514	31,121
Other financing sources (uses)			
Other financing sources (uses)	-	-	-
Bond Proceeds	-	-	-
Insurance recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 10)	-	-	-
Transfers from other state agencies and General Fund (Note 10)	617,632	-	-
Transfers in (Note 10)	68,126,476	1,487,926	-
Transfers out (Note 10)	(138,272,544)	-	-
Total other financing sources (uses)	(69,528,436)	1,487,926	-
Net Change in Fund Balance	41,946,571	2,724,440	31,121
Beginning fund balance	159,439,889	367,882,708	(20,363)
Ending fund balance - June 30	\$ 201,386,460	\$ 370,607,148	\$ 10,758

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2016**

	CAPITAL PROJECTS REVENUE BONDS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS	Totals	
			Special Revenue Funds JUNE 30, 2016	JUNE 30, 2015
Revenues				
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ 26,757,798	\$ 27,707,798	\$ 33,095,564
Taxes	-	471,626,808	3,094,175,360	2,929,721,796
Rights and privileges	-	6,212,279	368,166,527	354,288,125
Sale of property and commodities	-	-	7,295,944	1,743,438
Interest, dividends and rents	1,179,324	9,783,748	17,332,004	20,331,577
Fines, forfeitures, court fees, penalties, and escheats	-	-	11,804,598	9,008,562
Federal grants and contracts	-	7,665,791	1,085,268,356	1,211,159,262
Receipts from localities and private sector	-	7,333,232	150,299,124	157,895,626
Toll revenue	-	17,839,906	17,839,906	17,209,154
Other revenue	-	3,108,476	24,271,210	27,080,080
Total revenue	1,179,324	550,328,038	4,804,160,827	4,761,533,184
Expenditures				
Current:				
Administrative and support services	-	-	242,814,193	234,211,777
Ground transportation system planning and research	-	-	62,898,509	59,869,011
Highway system acquisition and construction	272,479,283	185,034,571	1,964,532,155	1,748,047,584
Highway system maintenance	-	-	1,761,401,456	1,493,480,535
Financial assistance to localities	-	526,716,416	966,952,593	1,018,408,843
Environmental monitoring and compliance	-	-	11,190,001	10,258,391
Toll facilities operations and construction	-	10,039,122	35,204,550	29,629,789
Capital Outlay	-	854,208	26,601,623	12,573,776
Transfers to other state agencies (Note 10)	-	-	26,691,644	27,031,976
Total expenditures	272,479,283	722,644,317	5,098,286,724	4,633,511,682
Revenues over (under) expenditures	(271,299,959)	(172,316,279)	(294,125,897)	128,021,502
Other financing sources (uses)				
Other financing sources (uses)	(696,578)	-	(696,578)	(1,551,722)
Bond Proceeds	300,269,636	295,375	300,565,011	300,298,025
Insurance recoveries	-	-	-	-
Transfers to other state agencies and General Fund (Note 10)	(104,536,071)	-	(170,860,054)	(207,399,785)
Transfers from other state agencies and General Fund (Note 10)	-	-	19,037,204	36,796,441
Transfers in (Note 10)	-	22,896,935	450,553,813	660,555,348
Transfers out (Note 10)	(53,033,945)	(53,053,446)	(637,563,270)	(913,921,961)
Total other financing sources (uses)	142,003,042	(29,861,136)	(38,963,874)	(125,223,654)
Net Change in Fund Balance	(129,296,917)	(202,177,415)	(333,089,771)	2,797,848
Beginning fund balance	320,698,181	742,932,995	1,941,513,345	1,938,715,497
Ending fund balance - June 30	\$ 191,401,264	\$ 540,755,580	\$ 1,608,423,574	\$ 1,941,513,345

The accompanying notes are an integral part of this financial statement

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VIRGINIA DEPARTMENT OF TRANSPORTATION
 DETAILED COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND STATEMENT OF CHANGES IN FUND BALANCES
 DEBT SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

	ROUTE 58	ROUTE 28	NORTHERN VA TRANSP. DISTRICT	COLEMAN BRIDGE	FEDERAL REIMBURSEMENT ANTICIPATION NOTES	CAPITAL PROJECTS REVENUE BONDS	GARVEE	TRANSPORTATION SET ASIDE	POWHITE PARKWAY CHESTERFIELD CO.	CAMP 30	TOTALS
Revenues											
Revenue Provided by the General Fund	\$ 61,603,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,603,150
Interest	48	-	31	2,043	492	60	1,072	1	-	67	3,814
Federal Receipts	-	-	-	-	-	-	64,240,338	-	-	-	64,240,338
Receipts from Cities, Counties and Towns	-	7,212,801	-	-	-	-	-	-	-	-	7,212,801
Total revenues	61,603,198	7,212,801	31	2,043	492	60	64,241,410	1	0	67	133,060,103
Expenditures											
Debt service:											
Charges Related to New Bonds											
Bond Issuance Costs	182,532	-	52,199	-	-	-	-	60,644	-	-	295,375
Under Writer's Discount	172,835	-	46,463	-	-	-	-	29,626	-	-	248,924
Total Charges	355,367	0	98,662	0	0	0	0	90,270	0	0	544,259
Interest Payment- Bonds	11,790,569	1,392,819	9,763,209	666,850	720,783	84,453,405	29,160,338	475,375	-	-	138,422,348
Interest Payments - Notes	-	-	-	-	-	-	-	-	10,294,315	-	12,531,315
Retirement of bonds	35,930,000	5,820,000	22,335,000	2,520,000	30,260,000	52,880,000	35,080,000	1,585,000	-	-	186,410,000
Retirement of Notes	47,720,569	7,212,819	32,098,209	3,185,850	30,980,783	137,333,405	64,240,338	2,060,375	-	-	5,590,000
Total	48,075,936	7,212,819	32,196,871	3,185,850	30,980,783	137,333,405	64,240,338	2,150,645	-	-	342,953,663
Total expenditures	13,527,262	(18)	(32,196,840)	(3,183,807)	(30,980,291)	(137,333,345)	1,072	(2,150,644)	(10,294,315)	(7,826,933)	(210,437,859)
Revenue over (under) expenditures											
Other financing sources (uses)											
Bond proceeds - Face Value	51,855,000	-	13,870,000	-	-	-	-	10,100,000	-	-	75,825,000
Bond proceeds - Bond Premium	13,506,586	-	2,961,669	-	-	-	-	1,565,588	-	-	18,033,853
Escrow agent defeasance payment	(65,006,219)	-	(16,733,007)	-	-	-	-	(11,575,328)	-	-	(93,314,554)
Transfers in	9,000,000	-	32,098,180	3,184,002	7,930,745	137,333,372	176,579	2,060,373	10,294,315	7,827,000	209,904,566
Transfers out	(22,882,624)	-	(12,485)	-	-	-	-	-	-	-	(22,895,109)
Total other sources (uses)	(13,527,257)	-	32,196,842	3,184,002	7,918,250	137,333,372	176,579	2,150,643	10,294,315	7,827,000	187,553,756
Revenues and other sources over (under) expenditures and other uses	5	(18)	2	195	(23,062,031)	27	177,651	(1)	-	67	(22,884,103)
Fund balance - July 1	37	18	24	265,488	23,062,031	28	21,308,423	2	-	73	44,636,124
Fund balance - June 30	\$42	\$0	\$26	\$265,683	\$0	\$55	\$21,486,074	\$1	\$0	\$140	\$21,752,021

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**VIRGINIA DEPARTMENT OF TRANSPORTATION
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
June 30, 2016**

	SPECIAL REVENUE	DEBT SERVICE	TOTAL GOVERNMENTAL FUNDS June 30, 2016
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ 27,707,798	\$ 61,603,150	\$ 89,310,948
Taxes	3,094,175,360	-	3,094,175,360
Rights and privileges	368,166,527	-	368,166,527
Sales of property and commodities	7,295,944	-	7,295,944
Interest, dividends, and rents	17,332,004	3,814	17,335,818
Fines, forfeitures, court fees, penalties, and escheats	11,804,598	-	11,804,598
Federal grants and contracts	1,085,268,356	64,240,338	1,149,508,694
Receipts from localities and private sector	150,299,124	7,212,801	157,511,925
Toll revenue	17,839,906	-	17,839,906
Other revenue	24,271,210	-	24,271,210
Total revenues	4,804,160,827	133,060,103	4,937,220,930
Expenditures			
Current			
Administrative and support services	242,814,193	-	242,814,193
Ground transportation system planning and research	62,898,509	-	62,898,509
Highway system acquisition and construction	1,964,532,155	-	1,964,532,155
Highway system maintenance	1,761,401,456	-	1,761,401,456
Financial assistance to localities	966,952,593	-	966,952,593
Environmental monitoring and compliance	11,190,001	-	11,190,001
Toll facility operations and construction	35,204,550	-	35,204,550
Capital outlay	26,601,623	-	26,601,623
Bond issuance cost	-	544,299	544,299
Debt service:			
Interest (Notes & Bonds)	-	150,953,663	150,953,663
Retirement of bonds & Notes	-	192,000,000	192,000,000
Transfers to other state agencies (Note 10)	26,691,644	-	26,691,644
Total expenditures	5,098,286,724	343,497,962	5,441,784,686
Revenues over (under) expenditures	(294,125,897)	(210,437,859)	(504,563,756)
Other financing sources (uses)			
Other financing sources (uses)	(696,578)	-	(696,578)
Bond proceeds	300,565,011	93,858,853	394,423,864
Defeasance payment	-	(93,314,554)	(93,314,554)
Transfers to other state agencies and General fund (Note 10)	(170,860,054)	-	(170,860,054)
Transfers from other state agencies and General fund (Note 10)	19,037,204	-	19,037,204
Transfers in (Note 10)	450,553,813	209,904,566	660,458,379
Transfers out (Note 10)	(637,563,270)	(22,895,109)	(660,458,379)
Total other financing sources (uses)	(38,963,874)	187,553,756	148,589,882
Net Change in Fund Balance	(333,089,771)	(22,884,103)	(355,973,874)
Fund balance - July 1	1,941,513,345	44,636,124	1,986,149,469
Fund balance - June 30	\$ 1,608,423,574	\$ 21,752,021	\$ 1,630,175,595

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, 2016**

Net Change in fund balances - total governmental funds \$ (355,973,874)

Amounts reported for governmental activities are different because:

Accrued interest (7,745,109)

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		21,667,487
Urban assets not capitalized		(313,559,554)
Capital Outlay	\$ 26,601,623	
Depreciation expense	(31,436,529)	
Excess of capital outlay over depreciation expense		(4,834,906)
Increase in Infrastructure	2,150,922,422	
Depreciation expense	(863,083,088)	
Excess of increase in infrastructure over depreciation expense		1,287,839,334

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	(349,565,000)
Defeasance of bonds	91,095,000
Retirement of bonds	186,410,000
Retirement of notes	5,590,000
Increase in accretion of debt	(2,495,092)

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	(2,711,221)
Amortize bond and note premium	(18,962,954)
Amortize notes and bond discounts	(4,807)
Bond interest receivable	(469,952)
Deferred expenditures	143,023,404
Pollution remediation obligations	(163,859)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds

Deferred inflows associated with Service Concession Arrangements and other deferred accounts are long term in nature therefore not reported in the funds, (4,086,294)

Change in net position assets of governmental activities \$ 675,052,603

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Major Enterprise Fund

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**Virginia Department of Transportation
Route 460 Funding Corporation of Virginia
Statement of Net Position
June 30, 2016**

Year Ended
June 30,
2016

Assets and Deferred Outflows of Resources

Current Assets:

Cash

\$ -

Total Current Assets

-

Restricted Assets

Cash and cash equivalents

-

Investments

-

Total Assets

-

Deferred Outflows of Resources

-

Total Assets and Deferred Outflows

\$ -

Liabilities and Deferred Inflows of Resources

Current liabilities:

Total Current Liabilities

-

Non Current Liabilities

Total Noncurrent Liabilities (Note 6)

-

Total Liabilities

-

Deferred Inflows of Resources

-

Total Liabilities and Deferred Inflows

-

Net Position

Unrestricted

-

Total Net Position

\$ -

The accompanying notes are an integral part of this financial statement

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Virginia Department of Transportation
Route 460 Funding Corporation of Virginia
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2016

	Year Ended June 30 2016
Operating Revenues	\$ -
Operating Expenses	
Professional fees	204,429
Insurance	230,806
Bank and trustee fees	712
Total Operating Expenses	<u>435,947</u>
Operating Income (Loss)	<u>(435,947)</u>
Non Operating revenues (expenditures)	
Funds provided to Va. Dept of Transportation	(721,105)
Interest income	200,452
Interest expense	(617,757)
Loss on Investments	(152,367)
Gain on bond redemption	466,096
Total Non Operating revenues (expenditures)	<u>(824,681)</u>
Change in net position	(1,260,628)
Net Position, July 1, 2015	1,260,628
Net Position , June 30, 2016	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement

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Virginia Department of Transportation
Route 460 Funding Corporation of Virginia
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2016

	<u>Year Ended June 30, 2016</u>
Cash flows from operating activities	
Cash payments for administrative expenses	\$ (489,442)
Cash flows from capital and related financing activities	
Settlement payments from contract termination	45,674,919
Contract termination payment from VDOT	120,113,271
Payment to VDOT of residual cash balances	(721,105)
Cash paid for interest	(5,862,956)
Bond redemption payments	(320,261,173)
Net cash from capital and related financing activities	<u>(161,057,044)</u>
Cash flows from investing activities	
Proceeds from sale of investments	25,622,862
Interest received	352,141
Net cash from investing activities	<u>25,975,003</u>
Net change in cash	(135,571,483)
Cash and cash equivalents - beginning of the year	<u>135,571,483</u>
Cash and cash equivalents - end of year	<u>\$ -</u>
Cash and cash equivalents - as shown on statement net position	
Cash - current assets	-
Cash and cash equivalents	-
	<u>\$ -</u>
Reconciliation of operating loss to net cash from operating activities	
Operating loss	\$ (435,947)
Adjustment to reconcile to net cash from operating activities	
Change in accounts payable	(110,176)
Change in prepaid insurance	56,681
Net cash from operating activities	<u>\$ (489,442)</u>

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Fiduciary Fund

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**VIRGINIA DEPARTMENT OF TRANSPORTATION
STATEMENT OF FIDUCIARY NET POSITON - AGENCY FUND
June 30, 2016**

Agency Fund June 2016
--

Assets

Cash held with the Treasurer of Virginia	\$	99,367
Total assets	\$	99,367

Liabilities

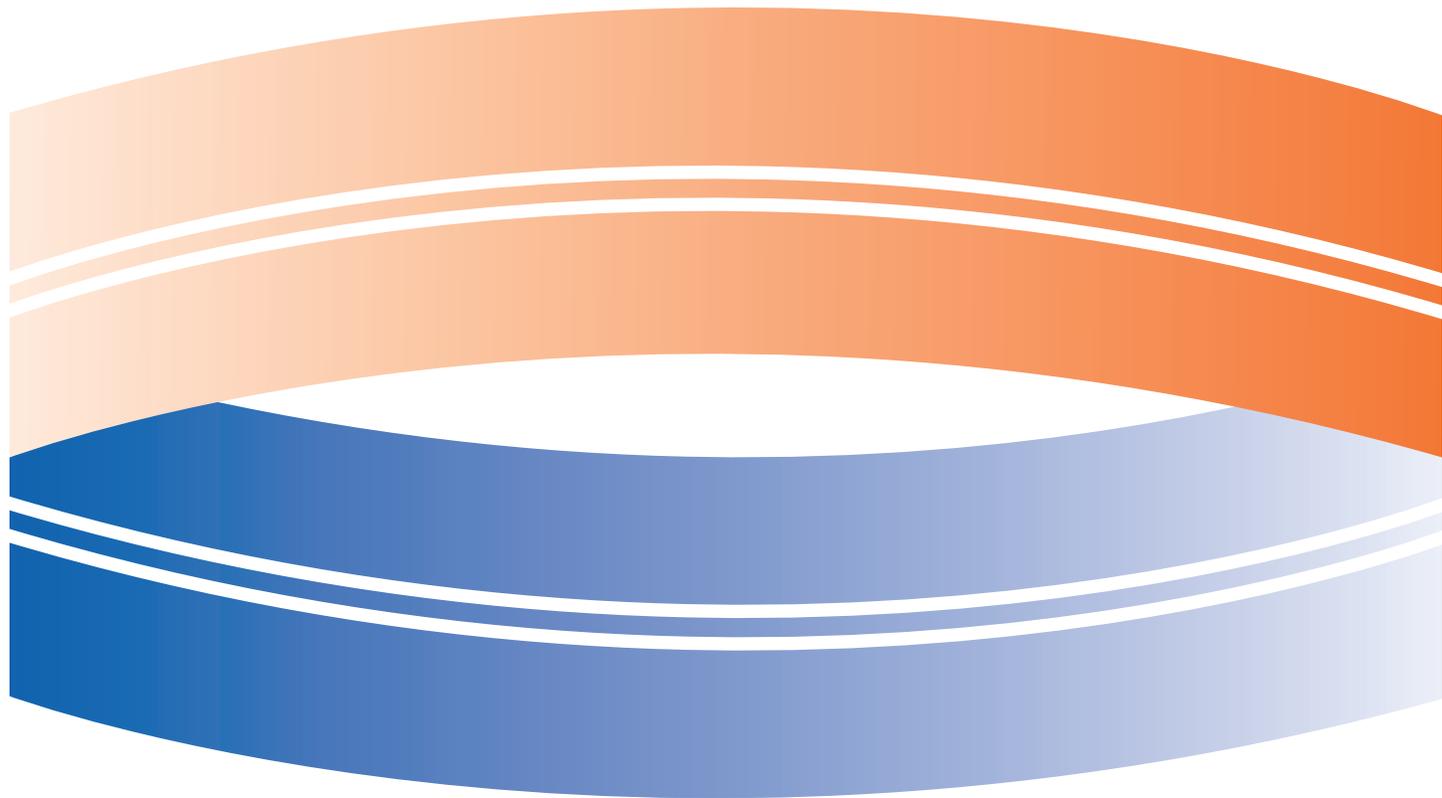
Deposits payable	\$	99,367
Total liabilities	\$	99,367

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**Virginia Department of Transportation
Statement of Changes in Assets and Liabilities - Agency Fund
For the Fiscal Year Ended June 30, 2016**

	<u>Balance</u> <u>July 1, 2015</u>		<u>Additions</u>		<u>Deletions</u>		<u>Balance</u> <u>June 30, 2016</u>
Assets							
Cash held with the Treasurer of Virginia	\$ 395,196	\$	244,967	\$	(540,796)	\$	99,367
Total Assets	<u>\$ 395,196</u>	<u>\$</u>	<u>244,967</u>	<u>\$</u>	<u>(540,796)</u>	<u>\$</u>	<u>99,367</u>
Liabilities							
Deposits Payable	\$ 395,136	\$	244,967	\$	(540,796)	\$	99,367
Total Liabilities	<u>\$ 395,136</u>	<u>\$</u>	<u>244,967</u>	<u>\$</u>	<u>(540,796)</u>	<u>\$</u>	<u>99,367</u>

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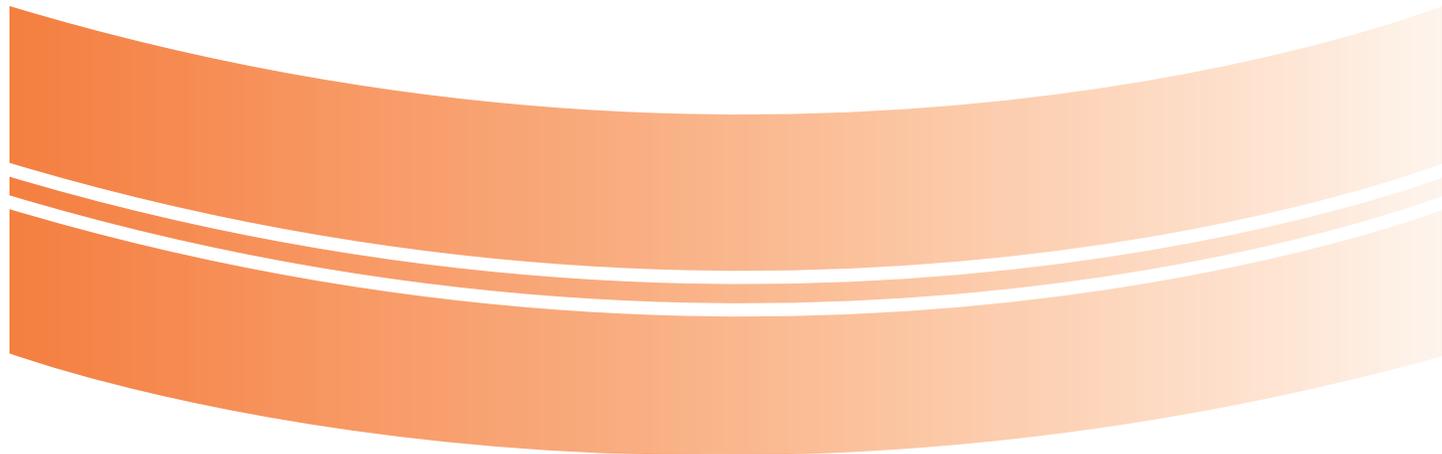


FINANCIAL REPORT

JUNE 30, 2016



NOTES TO THE FINANCIAL STATEMENTS



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VIRGINIA DEPARTMENT OF TRANSPORTATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

The accompanying financial statements have been prepared in conformance with Generally Accepted Accounting Principles (GAAP) 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 the Department's control and a component unit organization for which the Department is financially accountable (blended component unit).

Blended Component Unit – Though a legally separate entity, a component unit is in substance, part of the primary government's operations. The blended component unit serves or benefits the primary government almost exclusively. Financial information from this unit is combined with that of the primary government. The Department's only blended component unit is: Route 460 Funding Corporation of Virginia.

Route 460 Funding Corporation of Virginia was incorporated as a non-stock, nonprofit Virginia Corporation on August 27, 2012. The Funding Corporation is organized exclusively for charitable and social welfare purposes, and primarily, to assist in the development, design, construction, financing, maintenance, tolling, and operation of the

Route 460 Corridor Improvements Project. The Corporation operates on a fiscal year ended June 30.

The Board of Directors consists of seven members, two of whom are ex-officio, one appointed by the Virginia Port Authority and four appointed by the CTB for a four-year term.

The Route 460 Corridor Improvements Project was procured in accordance with provisions of the Public Private Transportation Act of 1995 as amended. On December 20, 2012 an agreement was reached with U.S. 460 Mobility Partners, LLC, (a partnership of Ferrovial Agroman, A.A. and American Infrastructure) and the Route 460 Funding Corporation of Virginia to finance, design and build the project.

The Route 460 Corridor Improvements Project entails the new construction of approximately 55 miles of four-lane divided limited access highway between Petersburg and Suffolk Virginia. The project will be a tolled facility and will extend from the existing U.S. Route 460 near its interchange with Interstate 295 (I-295) in Prince George County to the U.S. Route 58 bypass just south of the existing U.S. Route 460 in the City of Suffolk. The corridor alignment for this project runs south of the existing U.S. Route in its entirety.

The Comprehensive Agreement between the Route 460 Funding Corporation of Virginia, the Virginia Department of Transportation and U.S. 460 Mobility Partners, LLC was terminated on June 15, 2015 for convenience by the Virginia Department of Transportation.

On December 22, 2015, the Route 460 Funding Corporation of Virginia was dissolved by action of the Board of Directors and was effective as of December 31, 2015.

C. Government-wide 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 the Department. 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, the Department'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 2016, the Department has 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 full 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 the Department 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, The Department reports the following fund types:

Enterprise Fund – accounts for the activities of the blended component unit for the

Route 460 Funding Corporation of Virginia.

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.

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 Department's 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, toll transponders, materials and supplies and work-in-process.

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 Outflows and Inflows of Resources

Deferred outflows of resources are a consumption of assets that is applicable to a future reporting period. Deferred outflows have a natural debit balance and, therefore increase net position similar to assets. Deferred inflows of resources are an acquisition of assets by the government that is applicable to a future reporting period. Deferred inflows have a natural credit balance and, therefore decrease net position similar to liabilities.

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. NET POSITION/FUND BALANCE CLASSIFICATION

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was implemented to improve the reporting of fund balance. This Statement also clarifies certain terms used in the definition of existing governmental fund types so that classifications are more easily understood and can be applied consistently between information reported in the government-wide financial statements and the governmental fund financial statements. The governmental fund balance classifications introduced in

GASB Statement 54 are: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

The Department's governmental fund balance classifications and amounts at June 30, 2016 are presented in the balance sheets of major governmental funds of special revenue and debt service and the combining individual fund statements and schedules for non major funds.

Nonspendable fund balance includes inventories, prepaid items, long-term loans and notes receivable and the principal of a permanent fund. These funds are not available for expenditure in the current or following period. At June 30, 2016 the Department's nonspendable fund balances were attributed to \$82,268,269 of inventories and \$235,019,803 of other accounts receivables and long term loan receivables.

Restricted fund balances include amounts that have constraints placed on the use of resources by the *Constitution of Virginia* or a party external to the Commonwealth. At June 30, 2016, the Department's restricted fund balances were attributed to those reported in the debt service funds.

Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the General Assembly and Governor. The distinction between restricted and committed fund balances is the source and strength of the constraints placed on them. At June 30, 2016, the Department's committed fund balances represented the amounts that were committed to highway construction and maintenance by the Commonwealth of Virginia.

Assigned fund balances are those that the government intends to use for a specific purpose, but for which the use is not legislatively mandated. The distinction between these classifications results from whether there is a statutory restriction on certain amounts contained within the fund. At June 30, 2016, the Department reported no assigned fund balances.

Unassigned fund balances are the residual classification for the General Fund. A negative amount indicates that restricted and committed amounts exceed the available modified accrual basis fund balance. At June 30, 2016, the Department's unassigned fund balances represented the deficit fund balances reported by Coleman Bridge Fund, Powhite Parkway Extension Fund and the I-66 Inside the Beltway Construction Fund. Additional disclosure for these deficit fund balances are provided in note 5 – Deficit Fund Balances.

3. TOLL FACILITIES

The Department operated two major toll facilities. Its responsibilities, as established by the respective trust indentures, are to construct, improve, operate and maintain 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 interfund liabilities, 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 any related debt issues are accounted for in the Debt Service Funds.

4. COMMITMENTS

Operating Leases

THE DEPARTMENT 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, the Department expects these leases to be replaced by similar leases. Rental expense for the fiscal year ending June 30, 2016 was \$941,957. The Department had, as of June 30, 2016, the following future minimum rental payments due under the above leases:

Operating Leases Minimum Payments	
2017	\$ 551,247
2018	207,663
2019	100,502
2020	23,063
2021	4,668
Subsequent To 2022	<u>135,371</u>
	<u><u>\$ 1,022,514</u></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, 2016, were \$651,358. 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, 2016, the Department had the following contractual commitments for various construction projects, maintenance contracts, and consultant services:

Construction Projects	\$ 1,434,614,181
Maintenance Contracts	802,695,788
Consultant Services	964,544,946
	<u>\$ 3,201,854,915</u>

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

5. DEFICIT FUND BALANCES

Powhite Parkway Extension Fund:

The Powhite Parkway Extension Fund had a deficit fund balance of \$36,107,349 at June 30, 2016. This cumulative deficit is attributable to construction costs and revenue shortfalls caused by a lower traffic volume than projected in the past.

The Powhite Parkway Extension Fund has incurred interfund obligations to meet operating costs and construction costs. At June 30, 2016, the Powhite Parkway Extension had the following interfund obligations:

Due to Toll Facilities Revolving Fund	\$ 34,090,280
Due to Construction Fund	14,671,100
Total Interfund Obligations	<u>\$ 48,761,380</u>

Coleman Bridge Fund:

The Coleman Bridge Fund had a deficit fund balance of \$30,570,709 at June 30, 2016. The original financing plan included an interfund loan from the Toll Facilities Revolving Fund for construction.

The Coleman Bridge Fund incurred the following interfund obligations for construction costs and operating expenses at June 30, 2016:

Due to Toll Facilities Revolving Fund	\$ 39,200,364
Due to Construction Fund	110,000
Total Interfund Obligations	<u>\$ 39,310,364</u>

In addition to its interfund obligations, the Coleman Bridge Fund had bonds payable for \$14,205,000 at June 30, 2016. This obligation and the interfund liabilities listed above are to be paid from toll revenues.

I66 ITB CONSTRUCTION

The I66 ITB Construction Fund incurred the following interfund obligations for construction costs and operating expenses at June 30, 2016:

Due to Toll Facilities Revolving Fund	<u>\$ 65,000,000</u>
Total Interfund Obligations	<u>\$ 65,000,000</u>

6. 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, 2015	Increases	Decreases	June 30, 2016
Bonds Payable	\$ 3,029,374,211	\$ 352,060,092	\$(277,505,000)	\$3,103,929,303
Notes Payable	44,740,000	-	(5,590,000)	39,150,000
Pollution Obligations	2,283,000	205,613	(41,754)	2,446,859
Chesterfield Interest Payable	-	18,502,806	(10,294,315)	8,208,491
Compensated Absences	57,444,218	38,151,788	(35,333,137)	60,262,869
Totals	<u>\$ 3,133,841,429</u>	<u>\$ 408,920,299</u>	<u>(\$328,764,206)</u>	<u>\$3,213,997,522</u>

Commonwealth bonds are issued pursuant to Section 9 of Article X of the Constitution of Virginia. Section 9(c) bonds are issued to finance capital projects which, when completed, will generate revenue to repay the debt. Section 9(c) bonds are tax-supported general obligation bonds and are backed by the full faith and credit of the Commonwealth. No other long-term debt obligations of the Department are backed by the full faith and credit of the Commonwealth.

Section 9(d) bonds are revenue bonds that are not backed by the full faith and credit 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. For example, some Section 9(d) bonds may be supported by state appropriations in whole or in part. Other 9(d) revenue bonds are payable from general revenues of the component units, or from revenues of specific revenue-producing capital projects.

Transportation Facilities Debt - Bonds Payable

At June 30, 2016, Transportation Facilities Bonds included \$14,205,000 of 9(c) general obligation bonds and \$3,089,724,303 of 9(d) revenue bonds. Section 9(c) principal and interest requirements for the current year totaled \$3.2 million. Section 9(d) principal and interest requirements for the current year totaled \$321.6 million.

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 the construction of State Route 28, U.S. Route 58, the Northern Virginia Transportation District Program, and the Oak Grove Connector (Chesapeake). The Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes (FRAN), 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. The interest rates for these bonds range from 3.0 percent to 5.0 percent and the issuance date was September 28, 2005. Repayment of the Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes will be from appropriations of future cost reimbursements and payments received from the Federal Highway Administration for federal-aid projects. FRAN was paid-off in fiscal year 2016.

The Capital Projects Revenue Bonds were issued to pay for certain costs of certain transportation projects in the Commonwealth. The interest rates for these bonds range from 2.25 percent to 5.35 percent. The issuance dates range from May 26, 2010 to May 17, 2016. The GARVEES were issued to pay for costs incurred or to be incurred for construction or funding of eligible projects designated by the Transportation Board. The interest rates for these bonds range from 1.0 percent to 5.0 percent and the issuance dates range from March 15, 2012 to November 21, 2013.

U.S. Route 58 Corridor Development Program

On February 24, 2016, the Commonwealth Transportation Board of the Commonwealth of Virginia issued \$51,855,000 in Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2016C with interest rate of 5.0 percent to advance refund the outstanding Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2006C. The Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2006C matures on May 15, 2026 and is callable on May 15, 2016. Series 2016C will be maturing in annual installments on May 15 in the years 2016 to 2026 and interests are

payable on May 15 and November 15 at the rate of 5.000 percent. The Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2016C was issued at premium and, after paying the underwriter's fees, the net proceeds were \$65,188,750.64. The net proceeds from the sale of the refunding bonds were deposited to an irrevocable trust with an escrow agent to provide future debt service payments on the Refunded Bonds and to pay the costs related to issuance and refunding. The advance refunding met the requirement of an in-substance debt defeasance and the refunded bonds are removed from the governmental activities column of statement of net assets. As a result of advance refunding, the Department reduced its total debt service requirements by \$17,043,131.25, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$15,544,181.36.

Northern Virginia Transportation District Program

On February 24, 2016, the Commonwealth Transportation Board of the Commonwealth of Virginia issued \$13,870,000 in Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2016B with varying interest rate of 2.0 to 5.0 percent to advance refund the outstanding Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2006B. The Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2006B matures on May 15, 2026 and is callable on May 15, 2016. Series 2016B will be maturing in annual installments on May 15 in the years 2016 to 2026 and interests are payable on May 15 and November 15 at rates varying from 2.0 to 5.0 percent. The Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2016B was issued at premium and, after paying the underwriter's fees, the net proceeds were \$16,785,206.26. The net proceeds from the sale of the refunding bonds were deposited to an irrevocable trust with an escrow agent to provide future debt service payment on the Refunded Bonds and to pay the costs related to issuance and refunding. The advance refunding met the requirement of an in-substance debt defeasance and the refunded bonds are removed from the governmental activities column of statement of net assets. As a result of advance refunding, the Department reduced its total debt service requirements by \$3,956,487.50, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$3,647,584.24.

Oak Grove Connector, City of Chesapeake

On February 24, 2016, the Commonwealth Transportation Board of the Commonwealth of Virginia issued \$10,100,000 in Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2016A with interest rate of 5.0 percent to advance refund the outstanding Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2006A. The Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2006A matures on May 15, 2022 and is callable on May 15, 2016. Series 2016A will be maturing in annual installments on May 15 in the years 2016 to 2022 and interests are payable on May 15 and November 15 at the rate of 5.0 percent. The Commonwealth of Virginia Transportation Revenue Refunding Bonds Series 2016A was issued at premium and, after paying the underwriter's fees, the net proceeds were \$11,635,972.43. The net

proceeds from the sale of the refunding bonds were deposited to an irrevocable trust with an escrow agent to provide future debt service payment on the Refunded Bonds and to pay the costs related to issuance and refunding. The advance refunding met the requirement of an in-substance debt defeasance and the refunded bonds are removed from the governmental activities column of statement of net assets. As a result of advance refunding, the Department reduced its total debt service requirements by \$1,586,875.00, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$1,514,518.96.

Capital Projects Transportation Revenue Bonds

On May 17, 2016, the Commonwealth Transportation Board issued \$273,740,000 of Commonwealth of Virginia Capital Projects Transportation Revenue Bonds, Series 2016. Series 2016 will be maturing in annual installments on May 15 in the years 2017 to 2041 and interests are payable on May 15 and November 15 at rates varying from 3.0 to 5.0 percent. The net proceeds of the Series 2016 bonds will be used to pay for the costs of certain transportation projects in the Commonwealth and certain costs related to the issuance of the 2016 bonds.

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

Maturity		Principal		Interest		Total
2017	\$	169,810,000	\$	141,431,257	\$	311,241,257
2018		176,850,000		133,401,444		310,251,444
2019		180,055,000		125,436,826		305,491,826
2020		163,070,000		117,094,746		280,164,746
2021		164,580,000		109,563,471		274,143,471
2022-2026		817,490,000		436,063,589		1,253,553,589
2027-2031		667,545,000		254,840,213		922,385,213
2032-2036		618,380,000		109,790,939		728,170,939
2037-2041		166,235,000		12,708,400		178,943,400
Subtotal		3,124,015,000		1,440,330,884		4,564,345,884
Less Unaccrued Capital Appreciation Bonds		(20,085,697)		-		(20,085,697)
Total	\$	3,103,929,303	\$	1,440,330,884	\$	4,544,260,188

Detail of Bonds Payable

Series	Amount Issued	Outstanding June 30, 2015	Issued- (Retired) During Year	Outstanding June 30, 2016	Maturity
Section 9(c) Debt General					
Obligation Bonds					
Coleman Bridge					
Series 2006 Refunding	\$ 31,880,000	\$ 16,725,000	\$ (2,520,000)	\$ 14,205,000	06/01/16-21
Section 9(d) Debt-					
Transportation Revenue Bonds					
Route 28 Corridor					
Series 2002A CAB	36,823,667	50,354,211	2,495,092	52,849,303	04/01/16-27
Series 2012A	50,620,000	33,950,000	(5,820,000)	28,130,000	04/01/16-32
Capital Project Revenue Bonds					
Series 2010(A-1)	85,515,000	15,585,000	(15,585,000)	-	05/15/16-16
Series 2010(A-2)	407,150,000	407,150,000	-	407,150,000	05/15/16-35
Series 2011	600,000,000	552,185,000	(16,170,000)	536,015,000	05/15/16-36
Series 2012	600,000,000	558,130,000	(14,725,000)	543,405,000	05/15/16-36
Series 2014	274,980,000	272,125,000	(6,400,000)	265,725,000	05/15/16-39
Series 2016	273,740,000	-	-	273,740,000	05/15/16-41
U.S. Route 58 Corridor Development					
Series 2006(C)	63,460,000	63,460,000	(63,460,000)	-	05/15/16-16
Series 2007(B)	83,955,000	53,300,000	(12,365,000)	40,935,000	05/15/16-19
Series 2012(B)	37,700,000	18,000,000	(5,730,000)	12,270,000	05/15/16-18
Series 2014(B)	143,390,000	126,070,000	(17,835,000)	108,235,000	05/15/16-22
Series 2016(C)	51,855,000	-	-	51,855,000	05/15/16-26

Detail Bonds Payable Continues

Series	Amount Issued	Outstanding June 30, 2015	Issued- (Retired) During Year	Outstanding June 30, 2016	Maturity
Northern Virginia Transportation District Program					
Series 2006(B)	20,020,000	18,215,000	(18,215,000)	-	05/15/16-16
Series 2007(A)	39,115,000	20,255,000	(3,650,000)	16,605,000	05/15/16-20
Series 2009(A-2)	60,950,000	58,740,000	(2,265,000)	56,475,000	05/15/16-34
Series 2012(A)	86,430,000	60,845,000	(7,280,000)	53,565,000	05/15/16-27
Series 2014(A)	54,645,000	47,605,000	(7,260,000)	40,345,000	05/15/16-22
Series 2016(B)	13,870,000	-	-	13,870,000	05/15/16-22
Oak Grove Connector (Chesapeake)					
Series 2006(A)	23,160,000	12,885,000	(12,885,000)	-	05/15/16-16
Series 2016(A)	10,100,000	-	-	10,100,000	05/15/16-22
Section 9(d) Debt- Federal					
Highway/Transportation Reimbursement					
Anticipation Notes					
Series 2005	250,000,000	30,260,000	(30,260,000)	-	10/01/16-16
GARVEE Revenue Bonds					
Series 2012(A)	297,590,000	255,350,000	(15,470,000)	239,880,000	09/15/16-28
Series 2012(B)	120,625,000	106,240,000	(6,140,000)	100,100,000	09/15/16-27
Series 2013(A)	273,390,000	251,945,000	(13,470,000)	238,475,000	09/15/16-28
Total Bonds Payable		<u>\$ 3,029,374,211</u>	<u>\$ (275,009,908)</u>	<u>\$3,103,929,303</u>	

Detail of Bonds Payable - Interest Rates

<u>Series</u>	<u>Interest Rates</u>
Coleman Bridge	
Series 2006 Revenue Refunding Bonds	3.875%-5.000%
Route 28 Corridor	
Series 2002 Capital Appreciating Bond	4.630%-5.050%
Series 2012 Revenue Refunding Bonds	2.000%-5.000%
Capital Project Revenue Bonds	
Series 2010(A-1)	2.500%-5.000%
Series 2010(A-2)	3.850%-5.350%
Series 2011	2.250%-5.250%
Series 2012	3.000%-5.000%
Series 2014	2.000%-5.000%
Series 2016	3.000%-5.000%
U.S. Route 58 Corridor Development	
Series 2007(B)	5.00%
Series 2012(B)	2.000%-5.000%
Series 2014(B)	3.000%-5.000%
Series 2016(C)	5.000%
Northern Virginia Transportation District Program	
Series 2007(A)	4.00%-5.00%
Series 2009(A-2)	3.900%-5.950%
Series 2012(A)	2.500%-5.000%
Series 2014(A)	3.000%-5.000%
Series 2016(B)	2.000%-5.000%
Oak Grove Connector (Chesapeake)	
Series 2016(A)	5.000%
GARVEE Revenue Notes	
Series 2012(A)	2.000%-5.000%
Series 2012(B)	1.000%-5.000%
Series 2013(A)	4.000%-5.000%

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

Coleman Bridge General Obligation Refunding Bonds, Series 2006
Debt Service Requirement to Maturity

Maturity	Principal	Interest	Total
2017	\$ 2,620,000	\$ 568,200	\$ 3,188,200
2018	2,730,000	463,400	3,193,400
2019	2,840,000	354,200	3,194,200
2020	2,950,000	240,600	3,190,600
2021	3,065,000	122,600	3,187,600
Total	\$ 14,205,000	\$ 1,749,000	\$ 15,954,000

Route 28 Transportation Contract Revenue Refunding Current
Interest Bonds Series 2012 (CIB)

Maturity	Principal	Interest	Total
2017	\$ 6,055,000	\$ 1,160,019	\$ 7,215,019
2018	6,355,000	857,269	7,212,269
2019	-	539,519	539,519
2020	-	539,519	539,519
2021	-	539,519	539,519
2022-2026	-	2,697,594	2,697,594
2027-2031	12,345,000	2,125,744	14,470,744
2032-2036	3,375,000	105,469	3,480,469
Total	\$ 28,130,000	\$ 8,564,650	\$ 36,694,650

Route 28 Transportation Contract Revenue Capital Appreciation
New Money Bonds Series 2012

Maturity	Principal	Interest	Total
2017	\$ -	\$ -	\$ -
2018	-	-	-
2019	8,100,000	-	8,100,000
2020	8,100,000	-	8,100,000
2021	8,105,000	-	8,105,000
2022-2026	40,525,000	-	40,525,000
2027-2031	8,105,000	-	8,105,000
Total	72,935,000	-	72,935,000
Less			
Unaccreted			
Capital			
Appreciation			
Bonds	(20,085,697)	-	(20,085,697)
Total	\$ 52,849,303	\$ -	\$ 52,849,303

Transportation Capital Projects Revenue Bonds, Series 2010A-2

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 15,945,000	\$ 20,351,593	\$ 36,296,593
2018	16,355,000	19,737,710	36,092,710
2019	16,815,000	19,067,155	35,882,155
2020	17,300,000	18,360,925	35,660,925
2021	17,815,000	17,617,025	35,432,025
2022-2026	97,855,000	75,415,180	173,270,180
2027-2031	115,935,000	48,241,485	164,176,485
2032-2035	109,130,000	14,862,835	123,992,835
Total	\$ 407,150,000	\$ 233,653,908	\$ 640,803,908

Transportation Capital Projects Revenue Bonds, Series 2011

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 16,975,000	\$ 25,133,863	\$ 42,108,863
2018	17,825,000	24,285,113	42,110,113
2019	18,225,000	23,884,050	42,109,050
2020	19,135,000	22,972,800	42,107,800
2021	20,095,000	22,016,050	42,111,050
2022-2026	115,050,000	95,496,925	210,546,925
2027-2031	145,185,000	65,368,300	210,553,300
2032-2036	183,525,000	27,021,925	210,546,925
Total	\$ 536,015,000	\$ 306,179,025	\$ 842,194,025

Transportation Capital Projects Revenue Bonds, Series 2012

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 15,460,000	\$ 24,819,000	\$ 40,279,000
2018	16,230,000	24,046,000	40,276,000
2019	17,045,000	23,234,500	40,279,500
2020	17,895,000	22,382,250	40,277,250
2021	18,790,000	21,487,500	40,277,500
2022-2026	109,020,000	92,369,250	201,389,250
2027-2031	137,820,000	63,573,750	201,393,750
2032-2036	172,415,000	28,976,200	201,391,200
2037-2037	38,730,000	1,549,200	40,279,200
Total	\$ 543,405,000	\$ 302,437,650	\$ 845,842,650

Transportation Capital Projects Revenue Bonds, Series 2014

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 6,655,000	\$ 11,568,950	\$ 18,223,950
2018	6,990,000	11,236,200	18,226,200
2019	7,340,000	10,886,700	18,226,700
2020	7,705,000	10,519,700	18,224,700
2021	8,090,000	10,134,450	18,224,450
2022-2026	46,940,000	44,184,500	91,124,500
2027-2031	59,300,000	31,828,300	91,128,300
2032-2036	72,130,000	18,997,000	91,127,000
2037-2039	50,575,000	4,099,000	54,674,000
Total	\$ 265,725,000	\$ 153,454,800	\$ 419,179,800

Transportation Capital Projects Revenue Bonds, Series 2016

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 6,095,000	\$ 10,609,231	\$ 16,704,231
2018	6,435,000	10,363,750	16,798,750
2019	6,755,000	10,042,000	16,797,000
2020	7,095,000	9,704,250	16,799,250
2021	7,450,000	9,349,500	16,799,500
2022-2026	43,210,000	40,774,750	83,984,750
2027-2031	54,155,000	29,830,700	83,985,700
2032-2036	65,615,000	18,359,050	83,974,050
2037-2041	76,930,000	7,060,200	83,990,200
Total	\$ 273,740,000	\$ 146,093,431	\$ 419,833,431

Federal Transportation Grants Anticip Revenue Notes, Series 2012A

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 16,170,000	\$ 11,044,488	\$ 27,214,488
2018	16,875,000	10,337,813	27,212,813
2019	17,700,000	9,509,563	27,209,563
2020	18,555,000	8,659,588	27,214,588
2021	19,430,000	7,781,813	27,211,813
2022-2026	112,210,000	23,849,913	136,059,913
2027-2031	38,940,000	1,878,969	40,818,969
Total	\$ 239,880,000	\$ 73,062,144	\$ 312,942,144

Federal Transportation Grants Anticip Revenue Notes, Series 2012B

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 7,085,000	\$ 4,875,725	\$ 11,960,725
2018	6,880,000	4,543,950	11,423,950
2019	7,645,000	4,204,875	11,849,875
2020	7,100,000	3,837,875	10,937,875
2021	8,095,000	3,463,825	11,558,825
2022-2026	46,885,000	10,768,600	57,653,600
2027-2031	16,410,000	823,000	17,233,000
Total	\$ 100,100,000	\$ 32,517,850	\$ 132,617,850

Federal Transportation Grants Anticip Revenue Notes, Series 2013A

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 14,145,000	\$ 11,610,625	\$ 25,755,625
2018	14,865,000	10,894,500	25,759,500
2019	15,620,000	10,144,425	25,764,425
2020	16,405,000	9,357,100	25,762,100
2021	17,230,000	8,528,100	25,758,100
2022-2026	100,145,000	28,659,625	128,804,625
2027-2031	60,065,000	4,329,575	64,394,575
Total	\$ 238,475,000	\$ 83,523,950	\$ 321,998,950

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

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 12,985,000	\$ 2,046,750	\$ 15,031,750
2018	13,635,000	1,397,500	15,032,500
2019	14,315,000	715,750	15,030,750
Total	\$ 40,935,000	\$ 4,160,000	\$ 45,095,000

U.S. Route 58 Transportation Revenue Refunding Bonds, Series 2012B

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 6,015,000	\$ 365,700	\$ 6,380,700
2018	6,255,000	125,100	6,380,100
Total	\$ 12,270,000	\$ 490,800	\$ 12,760,800

U.S. Route 58 Transportation Revenue Refunding Bonds, Series 2014B

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 18,730,000	\$ 5,411,750	\$ 24,141,750
2018	19,665,000	4,475,250	24,140,250
2019	20,650,000	3,492,000	24,142,000
2020	21,680,000	2,459,500	24,139,500
2021	17,380,000	1,375,500	18,755,500
2022-2026	10,130,000	506,500	10,636,500
Total	\$ 108,235,000	\$ 17,720,500	\$ 125,955,500

U.S. Route 58 Transportation Revenue Refunding Bonds, Series 2016C

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ -	\$ 2,592,750	\$ 2,592,750
2018	-	2,592,750	2,592,750
2019	-	2,592,750	2,592,750
2020	-	2,592,750	2,592,750
2021	3,645,000	2,592,750	6,237,750
2022-2026	48,210,000	6,644,500	54,854,500
Total	\$ 51,855,000	\$ 19,608,250	\$ 71,463,250

**Northern Virginia Transportation Program
Transportation Revenue Refunding Bonds Series 2007A**

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 3,845,000	\$ 743,150	\$ 4,588,150
2018	4,050,000	550,900	4,600,900
2019	4,265,000	348,400	4,613,400
2020	4,445,000	177,800	4,622,800
Total	\$ 16,605,000	\$ 1,820,250	\$ 18,425,250

**Northern Virginia Transportation Program
Transportation Revenue Bonds (Taxable Bonds) Series 2009A-2**

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2017	\$ 2,325,000	\$ 3,126,178	\$ 5,451,178
2018	2,390,000	3,026,203	5,416,203
2019	2,460,000	2,918,653	5,378,653
2020	2,535,000	2,801,803	5,336,803
2021	2,620,000	2,675,053	5,295,053
2022-2026	14,510,000	11,189,203	25,699,203
2027-2031	17,445,000	6,785,190	24,230,190
2032-2036	12,190,000	1,468,460	13,658,460
Total	\$ 56,475,000	\$ 33,990,740	\$ 90,465,740

**Northern Virginia Transportation Program
Transportation Revenue Refunding Bonds Series 2012A
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2017	\$ 9,590,000	\$ 2,241,538	\$ 11,831,538
2018	8,030,000	1,762,038	9,792,038
2019	8,430,000	1,360,538	9,790,538
2020	1,620,000	939,038	2,559,038
2021	4,795,000	858,038	5,653,038
2022-2026	19,260,000	1,485,300	20,745,300
2027-2031	1,840,000	55,200	1,895,200
Total	\$ 53,565,000	\$ 8,701,688	\$ 62,266,688

**Northern Virginia Transportation Program
Transportation Revenue Refunding Bonds Series 2014A
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2017	\$ 7,630,000	\$ 2,017,250	\$ 9,647,250
2018	8,010,000	1,635,750	9,645,750
2019	8,405,000	1,235,250	9,640,250
2020	8,830,000	815,000	9,645,000
2021	6,175,000	373,500	6,548,500
2022-2026	1,295,000	64,750	1,359,750
Total	\$ 40,345,000	\$ 6,141,500	\$ 46,486,500

**Northern Virginia Transportation Program
Transportation Revenue Refunding Bonds Series 2016B
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2017	\$ -	\$ 639,500	\$ 639,500
2018	1,715,000	639,500	2,354,500
2019	1,805,000	553,750	2,358,750
2020	-	463,500	463,500
2021	-	463,500	463,500
2022-2026	10,350,000	1,862,250	12,212,250
Total	\$ 13,870,000	\$ 4,622,000	\$ 18,492,000

**Transportation Improvement Program Set-aside Fund
Oak Grove Connector (City of Chesapeake)
Transportation Program Revenue Refunding Bonds Series 2016A
Debt Service Requirements to Maturity**

Maturity	Principal	Interest	Total
2017	\$ 1,485,000	\$ 505,000	\$ 1,990,000
2018	1,560,000	430,750	1,990,750
2019	1,640,000	352,750	1,992,750
2020	1,720,000	270,750	1,990,750
2021	1,800,000	184,750	1,984,750
2022-2026	1,895,000	94,750	1,989,750
Total	\$ 10,100,000	\$ 1,838,750	\$ 11,938,750

ROUTE 460 FUNDING CORPORATION OF VIRGINIA

Route 460 Funding Corporation of Virginia bonds (Senior Lien Bonds, Series 2012) were issued pursuant to the Indenture between the Corporation, the Trustee, and the Virginia Transportation Infrastructure Bank (VTIB). Senior Lien Bonds, Series 2012 have been issued to pay a portion of the costs of the design, construction, and financing of the Project including, without limitation, to pay interest payable on the series 2012A bonds through January 1, 2018 and to pay certain costs of issuance of the Series 2012 Senior Lien Bonds or as otherwise permitted by the Indenture. These bonds are retired through the use of toll revenues.

The Series 2012 Senior Lien Bonds were limited obligations of the Corporation secured by and payable solely from the Trust Estate created under the Indenture. The Series 2012 Senior Lien Bonds do not constitute a debt of the Commonwealth of Virginia or any political subdivision thereof. Neither the Commonwealth nor any political subdivision thereof (including the Virginia Department of Transportation or Commonwealth Transportation Board) will be obligated to pay the Series 2012 Senior Lien Bonds or the interest thereon or others costs incident thereof and neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof is pledged to the payment of the principal of, the interest on, or the accreted value of, as applicable, the Series 2012 Senior Lien Bonds.

On December 20, 2012, the Route 460 Funding Corporation of Virginia issued \$231,600,000 of Toll Road Senior Revenues Bonds (Current Interest Bonds), Series 2012A with Bonds Premium of \$19,960,118. On December 20, 2012, the Route 460 Funding Corporation of Virginia issued \$61,761,230 of Toll Road Senior Revenues Bonds (Capital Appreciation Bonds), Series 2012B.

On September 17, 2015, the Route 460 Funding Corporation of Virginia closed on the Extraordinary Mandatory Redemption of its Series 2012 Toll Road Senior Lien Revenue Bonds. Funds from the Corporation, together with certain amounts contributed from other entities, were used to provide the cash that was deposited in an irrevocable redemption account to redeem the Series 2012A&B Bonds. As part of that transaction, the Corporation transferred \$164,788,190 to U.S. Bank National Association, the Trustee, from its operating account. Those funds, in conjunction with the September 17, 2015, balance of the Corporation's restricted cash, cash equivalents, and investments already held with the Trustee totaling \$155,472,983, were placed into an irrevocable redemption account held with the Trustee to provide for redemption costs. Using these funds, the Trustee paid the redemption cost of the Series 2012A Bonds and redeemed the Series 2012A bonds, at the Amortized Redemption Price of \$249,609,085 on September 17, 2015. The Trustee also paid the redemption cost of the Series 2012B Bonds and redeemed the Series 2012B Bonds, at the Accreted Value of \$70,652,088 on September 17, 2015.

On December 22, 2015, the Route 460 Funding Corporation of Virginia was dissolved by action of the Board of Directors and effective as of December 31, 2015.

The following schedules present the changes in bonds payable of the Corporation.

Detail of Bonds Payable

	<u>June 30, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2016</u>
Bonds Payable	\$ 293,361,230.00	\$ -	\$ (293,361,230.00)	\$ -
Premium on bonds payable	18,589,523	(114,342)	(18,475,181)	-
Accreted Interest	8,158,759	732,099	(8,890,858)	-
Total Bonds Payable	<u>\$ 320,109,512</u>	<u>\$ 617,757</u>	<u>\$ (320,727,269)</u>	<u>\$ -</u>

At June 30, 2016, Route 460 Funding Corporation of Virginia has no outstanding Current Interest bonds, Unamortized Premium on bonds, Capital Appreciation bonds, and Accreted Value in Capital Appreciation bonds to report.

Bond/Note Defeasance

In prior years, the Department defeased certain general obligation and revenue bonds and notes 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 and notes were not reported in the Department's financial statements. For the fiscal year ending June 30, 2016, the Department did not have any outstanding balances of defeased bonds/notes.

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

Notes Payable

At June 30, 2016, Transportation Facilities Notes included \$39,150,000 of 9(d) Camp 30 revenue notes. Principal and interest requirements for the current year totaled \$7,827,000.

Camp 30

The 9(d) Camp 30 revenue notes represent the Camp 30 Notes, Series 2014 which were issued to defease the Camp 30 Notes, Series 2006 and to finance the costs of issuance of the Series 2014 Bonds.

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

Camp 30 Notes, Series 2014						
Debt Service Requirements to Maturity						
Maturity		Principal		Interest		Total
2017	\$	5,870,000	\$	1,957,500	\$	7,827,500
2018		6,165,000		1,664,000		7,829,000
2019		6,470,000		1,355,750		7,825,750
2020		6,795,000		1,032,250		7,827,250
2021		7,135,000		692,500		7,827,500
2022-2026		6,715,000		335,750		7,050,750
Total	\$	39,150,000	\$	7,037,750	\$	46,187,750

Detail of Notes Payable - Interest Rates

Series	Interest Rates
Camp 30 Notes Payable, Series 2014	1.000%-5.000%

Chesterfield County Notes Interest Payable

On May 23, 2016, the Department (primary government) and Chesterfield County (County) signed a memorandum of understanding concerning payment of interest relating to the County's contribution to the Department for the construction of the Powhite Parkway Extension Project. The parties agreed that the interest to be paid by the Department on the County's contribution to the construction of the Powhite Parkway Extension is \$18.5 million. The interest requirement paid during fiscal year 2016 totaled \$10.3 million. The outstanding interest amount of \$8.2 million is payable in annual installments on September 1 in the years 2016 to 2022. This interest is applicable to a note payable that the Department repaid to the County in fiscal year 2014.

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, 2016, the reported balances for compensated absences were as follows:

Due Within One Year	\$ 35,649,741
Due Greater Than One Year	24,613,128
Total	<u>\$ 60,262,869</u>

Pollution Remediation Obligations

At June 30, 2016, the Department reported \$2,446,859 of pollution remediation obligations, of which \$328,859 is due within one year. This estimated future obligation is based on professional consultant estimates and/or historical project expenses of similar projects; however, there is the potential for change in estimates due to price increase or reductions, technology, or applicable laws and regulations. The estimated pollution remediation liability relates to the anticipated cost of waste investigation and removal, cleanup activities relating to leakage of underground storage tanks, soil and groundwater contamination investigation and cleanup and asbestos abatement.

7. STATEMENT OF NET POSITION RESTRICTED BALANCES

At June 30, 2016, the Department's restricted balances on the Government Wide Statement of Net Position were as follows:

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>
Restricted for:		
Construction -Bond Financed	\$ 398,126,220	\$ -
Capital Acquisition (Camp 30)	4,787,162	-
Infrastructure Bank	330,154,498	-
Bond interest and sinking fund	-	21,752,021
	<u>\$ 733,067,880</u>	<u>\$ 21,752,021</u>

8. 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. The Department 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.

9. 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, 2016, the Department had the following interfund assets and liabilities:

VIRGINIA DEPARTMENT OF TRANSPORTATION
STATEMENT OF INTERFUND RECEIVABLES
June 30, 2016

Fund	Due To	Due From
<u>Highway Maintenance and Operating Fund</u>		
To Priority Transportation	\$ 12,148,000	\$ -
To Toll Facilities Revolving	21,105,000	-
	33,253,000	-
<u>Construction Fund</u>		
To Toll Facilities Revolving	62,502,704	-
To Federal Fund	21,481,399	-
To Priority Transportation	3,306,645	-
From Powhite	-	14,671,100
From ARRA	-	50,000
From Capital Projects	-	20,578,414
From Federal Fund	-	22,158,323
From Coleman Bridge	-	110,000
	87,290,748	57,567,837
<u>Toll Facilities Revolving Fund</u>		
From Coleman	-	39,200,364
From Highway Maintenance and Operating	-	21,105,000
From I66 ITB Lanes	-	65,000,000
From Construction	-	62,502,704
From Powhite	-	34,090,280
	-	221,898,348
<u>Federal Fund</u>		
From Construction	-	21,481,399
To Construction	22,158,323	-
	22,158,323	21,481,399
<u>Coleman Bridge Fund</u>		
To Toll Facilities Revolving	39,200,364	-
To Construction	110,000	-
	39,310,364	-
<u>Powhite Fund</u>		
To Toll Facilities Revolving	34,090,280	-
To Construction	14,671,100	-
	48,761,380	-
<u>ARRA Projects Fund (ARRA)</u>		
To Construction	50,000	-
	50,000	-
<u>Priority Transportation</u>		

Fund	Due To	Due From
<u>I66 ITB Lanes</u>		
To Toll Facilities Revolving	65,000,000	-
	65,000,000	-
<u>Capital Projects</u>		
To Construction	20,578,414	-
	20,578,414	-
Special Revenue Fund		
Total Interfund Receivables	\$ 316,402,229	\$ 316,402,229

10. TRANSFERS

Transfer 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. The schedules below listed the expenditures and transfers for the fiscal year ending June 30, 2016.

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

<u>Agency</u>	<u>Total</u>
Governor's Office	\$ 143,375
Department of Emergency Management	1,170,304
Department of the Treasury	182,625
Department of Motor Vehicles	13,673,237
Department of State Police	8,166,805
Secretary of Transportation	828,904
State Inspector General	1,478,775
Department of Education	232,158
Dept. of Small Bus. & Supplier Diversity	815,461
Total Program Expenditures	\$ 26,691,644

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:

DMV-Chesapeake Bay Initiatives	\$ 7,416,469
Department of Rail and Public Transportation	111,877,976
Department of State Police	(116,988)
Department of Accounts	6,633,055
Department of General Services	388,254
Department of Conserv. & Recreation	139,983
Marine Resources Commission	313,768
Department of Emergency Management	(4,439,635)
Department of Motor Vehicles	(12,479,937)
Virginia Port Authority	4,682,628
Department of Historic Resources	111,010
Department of Environmental Quality	55,717
DMV Agric. & Consumer Services	97,586
Virginia Retirement System	16,201,272
Commercial Space Flight Authority	20,941,692
Total	<u><u>\$ 151,822,850</u></u>

Interfund Transfers

The Department recorded the following interfund transfers for the fiscal year 2016:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Special Revenue Funds		
<u>Highway Maintenance & Operating (HMO)</u>		
From Surplus	\$ 2,482,328	\$ -
From Recycle	118,234	-
From Powhite (State Police)	695,716	-
From Construction	223,704,547	-
From Transportation Partnership Opportunity	15,398	-
To Construction	-	100,000,000
To Priority Transportation	-	12,148,000
To Camp 30 Debt Service	-	7,827,000
Totals	<u>227,016,223</u>	<u>119,975,000</u>
<u>Federal Fund</u>		
To FRAN Debt Service	-	7,930,745
To Construction	-	676,924
To GARVEE Debt Service	-	176,579
From Construction	22,418,584	-
From Priority Transportation	7,930,745	-
Totals	<u>30,349,329</u>	<u>8,784,248</u>
<u>Transportation Partnership Opportunity</u>		
To Highway Maintenance and Operating	-	15,398
Totals	<u>-</u>	<u>15,398</u>
<u>Construction Fund</u>		
From Highway Maintenance and Operating	100,000,000	-
From Federal Fund	676,924	-
To Highway Maintenance and Operating	-	223,704,547
To Federal Fund	-	22,418,584
To Northern Va. Transp. District Debt Service	-	6,000,000
To Route 58 Debt Service	-	9,000,000
To Camp 30 Special Revenue	-	14,311
To Priority Transportation	-	3,306,645
Totals	<u>100,676,924</u>	<u>264,444,087</u>
<u>Toll Facilities Revolving</u>		
From Coleman Bridge	340,371	-
From Powhite	1,147,555	-
Totals	<u>1,487,926</u>	<u>-</u>

Fund	Transfers In	Transfers Out
<u>Recyclable Materials</u>		
To Highway Maintenance and Operating	-	118,234
Totals	-	118,234
<u>Surplus Property</u>		
To Highway Maintenance and Operating	-	2,482,328
Totals	-	2,482,328
<u>Route 58</u>		
From Route 58 Debt Service	22,882,624	-
Totals	22,882,624	-
<u>Transportation Set Aside</u>		
To Transp. Set Aside Debt Service	-	2,060,373
Totals	-	2,060,373
<u>Capital Projects</u>		
To Priority Transportation		52,659,346
To Capital Projects Debt Service	-	374,599
Totals	-	53,033,945
<u>Coleman Bridge</u>		
To Coleman Bridge Debt Service	-	3,184,002
To Toll Facility Revolving	-	340,371
Totals	-	3,524,373
<u>Camp 30</u>		
From Construction	14,311	-
Totals	14,311	-
<u>Priority Transportation (PTF)</u>		
From Highway Maintenance and Operating	12,148,000	-
From Construction	3,306,645	-
From Capital Projects	52,659,346	-
From Fran D/S	12,485	-
To Capital Projects Debt Service	-	130,341,799
To Federal	-	7,930,745
Totals	68,126,476	138,272,544

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
<u>ARRA Grants</u>		
To Northern Va. Transp. Dist. Debt Service	-	1,048,817
To Capital Projects Debt Service	-	6,616,974
Totals	-	7,665,791
<u>Northern Virginia Transportation District (NVTD)</u>		
To Northern Va. Transp. Dist. Debt Service	-	25,049,363
Totals	-	25,049,363
<u>Powhite Parkway Extension</u>		
To Debt Service		10,294,315
To Toll Facility Revolving	-	1,147,555
To HMO (State Police Patrol)	-	695,716
Totals	-	12,137,586
 Total Special Revenue Funds	 <u>\$ 450,553,813</u>	 <u>\$ 637,563,270</u>

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Debt Service Funds		
<u>Route 58</u>		
To Route 58 Special Revenue	\$ -	\$ 22,882,624
From Construction	9,000,000	-
Totals	<u>9,000,000</u>	<u>22,882,624</u>
<u>Transportation Set Aside</u>		
From Transp. Set Aside Special Revenue	2,060,373	-
Totals	<u>2,060,373</u>	<u>-</u>
<u>Coleman Bridge</u>		
From Coleman Bridge Special Revenue	3,184,002	-
Totals	<u>3,184,002</u>	<u>-</u>
<u>Camp 30</u>		
From HMO Special Revenue	7,827,000	-
Totals	<u>7,827,000</u>	<u>-</u>
<u>Powhite Parkway</u>		
From Special Revenue	10,294,315.00	-
	<u>10,294,315.00</u>	<u>-</u>
<u>FRAN</u>		
From Federal Fund	7,930,745	
To Fran Spec Rev	-	12,485
Totals	<u>7,930,745</u>	<u>12,485</u>
<u>Capital Projects Revenue Bonds</u>		
From Capital Projects Special Revenue	374,599	-
From ARRA Grants	6,616,974	-
From Priority Transp. Special Revenue	130,341,799	-
Totals	<u>137,333,372</u>	<u>-</u>
<u>Northern Virginia Transportation District</u>		
From NVTD Special Revenue	25,049,363	-
From Construction	6,000,000	-
From ARRA Grants	1,048,817	-
Totals	<u>32,098,180</u>	<u>-</u>
<u>GARVEE</u>		
From Federal Special Revenue	176,579	
Totals	<u>176,579</u>	<u>-</u>
Total Debt Service Funds	<u>\$ 209,904,566</u>	<u>\$ 22,895,109</u>
Total Special Revenue and Debt Service Funds	<u>\$ 660,458,379</u>	<u>\$ 660,458,379</u>

11. PROPERTY, PLANT AND EQUIPMENT

The following presents governmental capital activity for the year ended June 30, 2016:

VIRGINIA DEPARTMENT OF TRANSPORTATION

Primary Government capital asset activity for the year ended June 30, 2016 was as follows:

	Governmental Activities			June 30, 2016
	June 30, 2015	Increases	Decreases	
Non-depreciable capital assets				
Land and improvements	\$ 26,619,312	\$ 462,000	\$ -	\$ 27,081,312
Construction in progress	70,747,898	28,165,970	(13,322,377)	85,591,491
Total nondepreciable capital assets	97,367,210	28,627,970	(13,322,377)	112,672,803
Depreciable capital assets:				
Buildings	303,171,587	2,143,125	(154,028)	305,160,684
Improvements	176,166,624	13,787,413	-	189,954,037
Equipment	390,625,011	27,957,347	(10,770,340)	407,812,018
Total depreciable capital assets	869,963,222	43,887,885	(10,924,368)	902,926,739
Less accumulated depreciation for:				
Buildings	(113,581,137)	(8,185,165)	156,792	(121,609,510)
Improvements	(90,785,275)	(7,674,533)	-	(98,459,808)
Equipment	(228,749,418)	(22,450,922)	6,717,299	(244,483,041)
Total accumulated depreciation	(433,115,830)	(38,310,620)	6,874,091	(464,552,359)
Total depreciable capital assets, net	436,847,392	5,577,265	(4,050,277)	438,374,380
Infrastructure assets not being depreciated				
Other non depreciable assets	322,741,392	-	-	322,741,392
Highw ay system right-of-w ay	2,326,130,926	187,536,487	(43,642,024)	2,470,025,389
Total nondepreciable infrastructure	2,648,872,318	187,536,487	(43,642,024)	2,792,766,781
Other depreciable infrastructure assets:				
Highw ay system infrastructure	23,258,401,055	1,305,805,654	(297,625,979)	24,275,680,432
Restorative maintenance	4,203,706,681	396,583,455	-	4,591,190,434
Bridge and tunnel infrastructure	4,577,609,625	89,864,947	-	4,667,474,572
Total road system infrastructure	32,039,717,361	1,792,254,056	(297,625,979)	33,534,345,438
Less accumulated depreciation for:				
Highw ay system infrastructure	(11,674,938,154)	(803,580,288)	20,379,867	(12,458,138,575)
Bridge and tunnel infrastructure	(2,122,318,844)	(79,882,667)	-	(2,202,201,511)
Total accumulated depreciation	(13,797,256,998)	(883,462,955)	20,379,867	(14,660,340,086)
Total infrastructure, net	20,891,332,681	1,096,327,588	(320,888,136)	21,666,772,133
Infrastructure, w ork in process				
Road and bridge	2,978,853,496	1,524,304,509	(1,508,255,291)	2,994,902,714
Right-of-w ay	344,997,646	183,254,237	(463,127)	527,788,756
Total infrastructure w ork in process	3,323,851,142	1,707,558,746	(1,508,718,418)	3,522,691,470
Total governmental activities capital assets, net	\$24,749,398,425	\$ 2,838,091,569	\$ (1,846,979,208)	\$25,740,510,786

Depreciation expense was charged to programs as follows:

Governmental activities:

Highway system acquisition and construction	\$ 883,462,955
Administrative and support services	221,049
Highway system maintenance	22,229,873
Unallocated	<u>15,859,698</u>
Total governmental activities depreciation expense	<u>\$ 921,773,575</u>

12. 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, 2016	\$ 1,791,591,857
Accrued revenues	190,004,467
Accrued expenditures	(369,448,690)
Accrued transfers	<u>(3,724,060)</u>
Total Modified Accrual (GAAP) Basis Fund Balance at June 30, 2016	<u>\$ 1,608,423,574</u>

13. CASH, CASH EQUIVALENTS AND INVESTMENTS

VDOT 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, 2016, the Department reported \$1,224,137,812 for Cash with the Treasurer of Virginia, \$99,367 of which was for the Agency Fund and \$150 was for General Fund. The Department's investments with the Treasurer included investments in Local Government Investment Pool (LGIP) and Short Term Investment Funds (STIF), which were \$40,416,850 and \$8,472,491 respectively at June 30, 2016.

The Department maintains cash with the Treasurer in the state Treasurer's General Account.

During the fiscal year 2016, 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, 2016 was \$7,342,739. 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, 2016, the Department’s carrying amount of cash with trustees was \$22,008,179 and the bank balance was \$21,973,283.

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, 2016, the reported balance for Cash, Cash Equivalents and Investments with Trustees were as follows:

	Cash and Cash Equivalents	Investments
Toll Facilities Revolving Fund	\$ 21,884,175	\$ -
Capital Projects Revenue Bonds	211,330,477	-
GARVEE Notes	124,695,030	-
Route 58	554,330	-
Northern Virginia Transportation District	3,965	-
Transportation Set Aside	1	-
Camp 30	4,795,645	-
Total	\$ 363,263,623	\$ -

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, 2016, 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, 2016, the Department had no investment with trustees with a maturity of greater than five 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, 2016, 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, 2016, the Department had the following investments with trustees:

<u>Investment</u>	<u>Fair Value</u>	<u>Rating Agency</u>	<u>Credit Rating</u>	<u>Investment Maturities</u>	
				<u>Less Than 1 Year</u>	<u>1-5 Years</u>
Mutual and Money Market Funds	\$ 21,524,026	Standard & Poor's	AAA	\$ 21,524,026	\$ -
Mutual and Money Market Funds (Include SNAP)	<u>319,731,418</u>	Standard & Poor's	AAA	<u>319,731,418</u>	<u>-</u>
Total	<u>\$341,255,444</u>			<u>\$ 341,255,444</u>	<u>\$ -</u>

14. 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 the Department, has the overall responsibility for contributions to these plans.

15. SERVICE CONCESSION ARRANGEMENTS

GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, describes the criteria for when an arrangement is classified as a Service Concession Arrangement (SCA). The basic criteria are: the operator of the capital asset owned by the transferor has the right to provide services in exchange for significant consideration; the operator's revenue must come from a third party; the transferor must retain some level of control over the asset; and the transferor must receive significant residual interest at the conclusion of

the arrangement. The Department has three SCAs in operation as of June 30, 2016. Pocahontas 895, I-495 Express Lanes and the I-95 Express Lanes. One SCA project is under construction, Elizabeth River-Mid Town Tunnel. These projects are related to highway construction and operations and were established per the Public-Private Transportation Act of 1995, as amended (PPTA). PPTA project goals are to provide highway projects to the public in a timely and cost effective manner with private funding and support.

Pocahontas 895

On June 21, 2006, the Pocahontas Parkway Association (Association – previously reported as a blended component unit of the Department, part of primary government, signed an agreement with Transurban (895) LLC (Transurban). Under the terms of the agreement, all assets and rights of the Association under the Comprehensive Agreement with the Department were transferred to Transurban. In exchange for the existing toll road and other assets, Transurban transferred sufficient funds and securities to pay or defease all outstanding bonds of the Association and pay all other outstanding obligations owed to the Department. Additionally, Transurban agreed to construct an enhancement to the original toll road, an airport connector road segment, and this enhancement was completed and placed in service in 2011.

During the 99-year agreement term, the Department will have fee title or good and valid interest in the asset. The Department retains the right of inspection of the asset and has outlined maximum toll charges and increases in the terms of the agreement. Capital assets of \$337.0 million and deferred inflow balances of \$512.2 million are included in the government-wide financial statements as a result of this agreement. No contractual liabilities exist for this arrangement as of June 30. In fiscal year 2014 the Transurban Board approved the transfer of Pocahontas 895 to the lenders of the asset due to lower revenues than anticipated and DBI Services assumed control of Pocahontas 895.

495 Express Lanes

On December 19, 2007, the Department signed an 80-year public-private partnership agreement with Capital Beltway Express, LLC. The purpose of this agreement is to build new express lanes to provide users with a faster and more reliable travel option. The construction of the express lanes was completed in November 2012. During the 80-year agreement, the Department maintains regulatory control and jurisdiction of the express lanes. The Department will have fee title or good and valid interest in the express lanes. The lanes will remain open for the public as long as the applicable tolls are paid. Capital assets of \$924.1 million and deferred inflows of \$1.0 billion are included in the government-wide financial statements as a result of this agreement. Liabilities are contingent on specific events occurring per the agreement, and no events occurred during fiscal year 2016

95 Express Lanes

On July 31, 2012, the Department signed a 73-year public private partnership agreement with 95 Express

Lanes, LLC. This project created approximately 29 miles of Express Lanes on I-95 in Northern Virginia. The project also added capacity to the existing HOV Lanes. The construction of the express lanes was completed in December 2014. During the agreement, 95 Express Lanes, LLC will operate and maintain the road. The revenue source for the concessionaire will be toll collections which will be used for maintenance, operating and return on investment for constructing the project. At the end of the 73-year term, control of and the rights to operate the facilities will revert back to the Department. Capital assets of \$599.9 million and deferred inflows of \$629.2 million are included in the government-wide financial statements as a result of this agreement. Liabilities are contingent on specific events occurring per the agreement, and no events occurred during fiscal year 2016.

During fiscal year 2016, the Commonwealth Transportation Board awarded a contract to design and construct a reversible extension of the 95 Express Lanes at the southern terminus in Stafford County. The approximately 2.5 mile extension will carry traffic beyond the location where the 95 Express Lanes currently end. The construction will begin in fiscal year 2017 with final completion scheduled for summer 2018. In addition, plans were announced by the Department during fiscal year 2016, to extend the 95 Express Lanes north to I-395. This involves expanding and converting two high occupancy vehicle (HOV) lanes to three express lanes near the Pentagon. Construction on this eight-mile extension is expected to begin in spring 2017 with completion scheduled for summer 2019.

Elizabeth River Mid-Town Tunnel

On December 5, 2011, the Department signed a 58-year public private partnership agreement with Elizabeth River Crossings OPCO, LLC. The purposes of this agreement are to build and operate a new tunnel that will be adjacent to the existing Midtown Tunnel for crossing the Elizabeth River, provide improvements to the existing Midtown Tunnel and the Downtown Tunnel, and to provide various extensions and improvements of the MLK Freeway and I-264.

During the agreement, Elizabeth River Crossings OPCO, LLC will operate and maintain the road. The revenue source for the concessionaire will be toll collections which will be used for maintenance, operating and return on investment for constructing the project. At the end of the 58-year term, control of and the rights to operate the facilities will revert back to the Department. Since assets related to this project will not be operational until fiscal year 2017, no capital assets, liabilities, or deferred inflows of resources have been included in the financial statements.

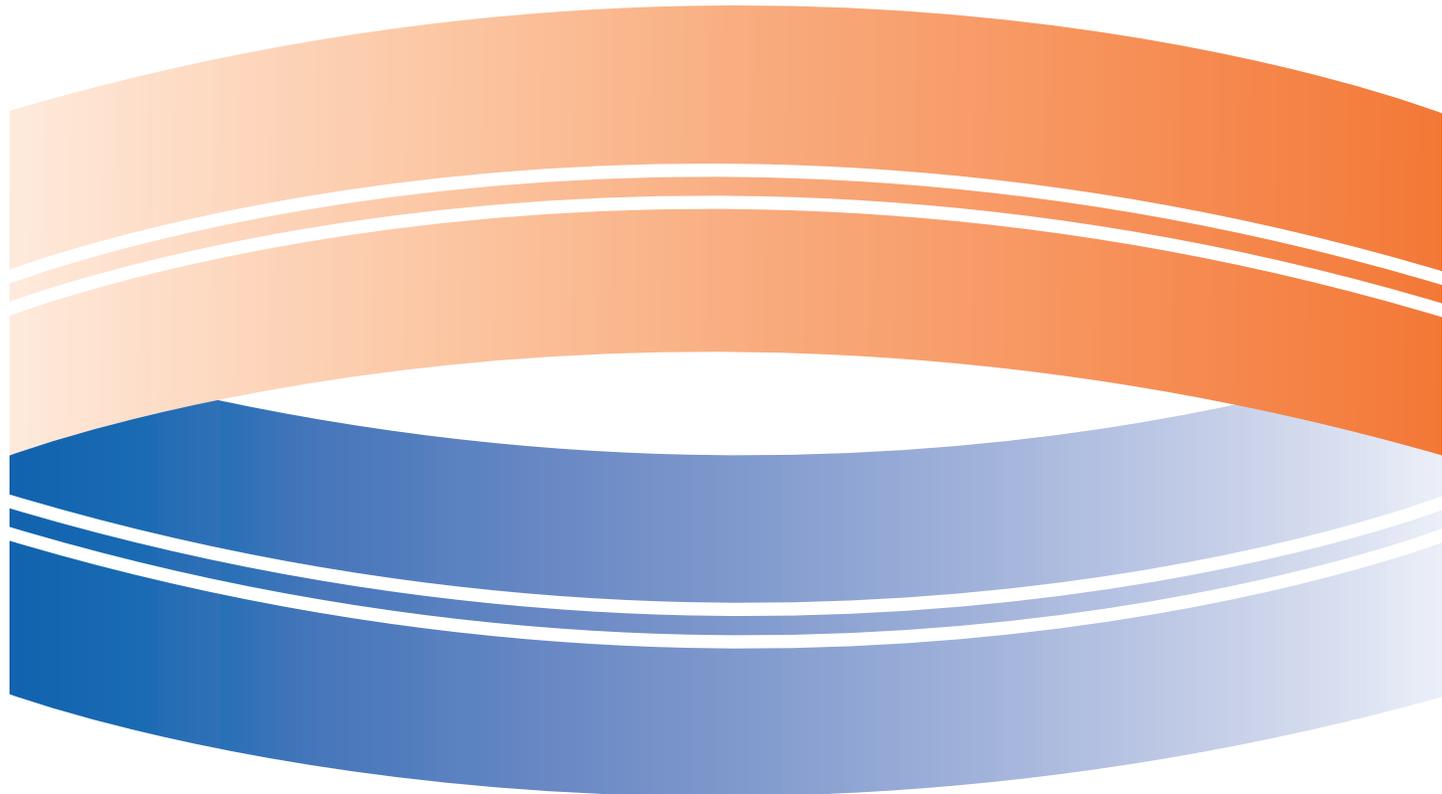
16. SUBSEQUENT EVENTS

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, 2016. 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.

Debt

On November 9, 2016, the Commonwealth Transportation Board issued the Commonwealth of Virginia Federal Transportation Grant Anticipation Revenue Notes, Series 2016. The par amount of the Series 2016 is \$316,930,000 with Notes Premium of \$64,902,224.20. Series 2016 will be maturing in semi-annual installments on March 15 and September 15 in the years 2017 to 2032 and the interest are payable on March 15 and September 15 in the years 2017 to 2032 at the interest rates varying from 2.000 to 5.000 percent. The proceeds of the Series 2016 notes will be used to pay for the costs of certain transportation projects in the Commonwealth and certain costs related to the issuance of the notes.

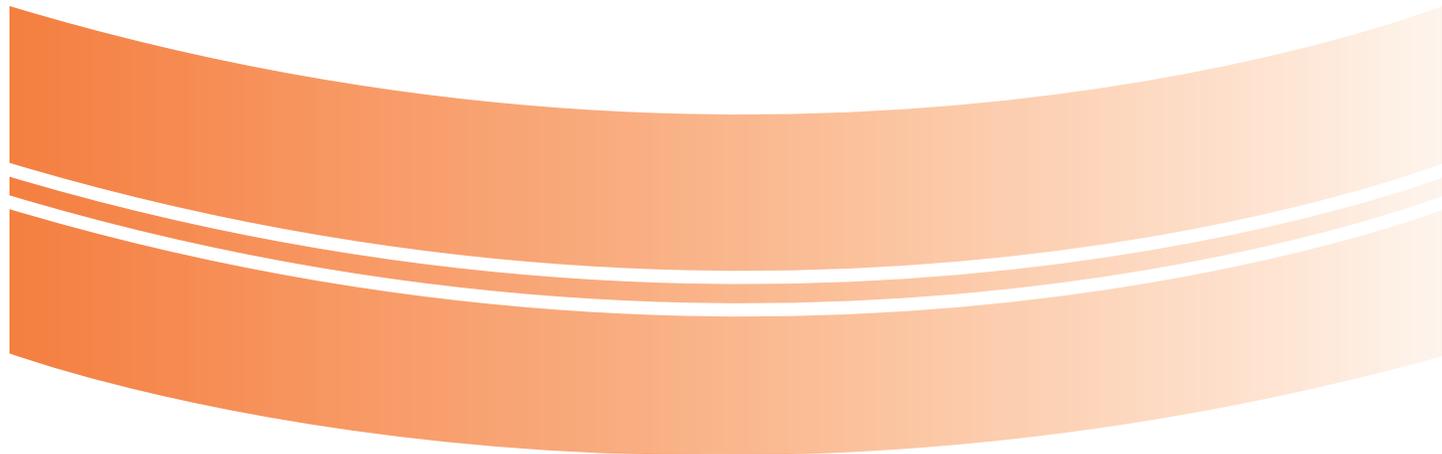


FINANCIAL REPORT

JUNE 30, 2016



REQUIRED SUPPLEMENTARY INFORMATION



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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, 2016

	TOTAL			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ 28,846,850	\$ 28,846,850	\$ 27,707,798	\$ (1,139,052)
Taxes	3,019,315,700	3,049,315,700	3,092,044,603	42,728,903
Rights and privileges	326,979,526	315,479,526	366,650,714	51,171,188
Sale of property and commodities	-	-	9,983,370	9,983,370
Interest, dividends, and rents	16,293,550	16,293,810	17,332,003	1,038,193
Fines, forfeitures, court fees				
Penalties, and escheats	3,550,000	-	11,448,055	11,448,055
Receipts from localities and private sector	464,044,705	464,044,705	114,535,706	(349,508,999)
Federal grants and contracts	895,349,411	963,677,676	1,087,185,684	123,508,008
Toll revenues	16,045,350	10,050,000	17,839,906	7,789,906
Other	28,370,563	28,370,563	23,783,660	(4,586,903)
Total revenues	<u>4,798,795,655</u>	<u>4,876,078,830</u>	<u>4,768,511,499</u>	<u>(107,567,331)</u>
Expenditures				
Current				
Administrative and support services	258,127,173	259,433,346	243,169,927	16,263,419
Ground transportation system planning and research	57,815,730	73,253,115	61,669,661	11,583,454
Highway system acquisition and construction	1,965,964,010	1,980,289,052	1,944,213,950	36,075,102
Highway acq. and const. - bond proceeds	-	-	-	-
Highway system maintenance	1,573,950,444	1,802,235,316	1,758,219,511	44,015,805
Financial assistance to localities	923,907,139	923,907,139	913,514,799	10,392,340
Environmental monitoring and compliance	13,170,831	14,873,801	10,983,117	3,890,684
Land management	-	-	-	-
Toll facility operations and construction	34,600,000	70,050,000	27,706,609	42,343,391
Capital outlay	39,090,683	39,090,683	25,029,018	14,061,665
Transfers to other state agencies	26,285,926	26,285,926	26,691,644	(405,718)
Total expenditures	<u>4,892,911,936</u>	<u>5,189,418,378</u>	<u>5,011,198,236</u>	<u>178,220,142</u>
Revenues over (under) expenditures	<u>(94,116,281)</u>	<u>(313,339,548)</u>	<u>(242,686,737)</u>	<u>70,652,811</u>
Other financing sources (uses)				
Other financing uses	-	-	(696,578)	(696,578)
Other financing sources	63,750,485	129,745,835	-	(129,745,835)
Reversion to the General Fund of the Commonwealth	-	-	-	-
Bond proceeds	375,000,000	375,000,000	300,565,011	(74,434,989)
Note proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(39,255,918)	(39,255,918)	(166,518,362)	(127,262,444)
Transfers from other state agencies and General Fund	-	-	21,868,871	21,868,871
Transfers in	568,544,276	568,544,276	503,619,132	(64,925,144)
Transfers out	(730,847,681)	(730,847,681)	(690,628,589)	40,219,092
Total other financing sources (uses)	<u>237,191,162</u>	<u>303,186,512</u>	<u>(31,790,515)</u>	<u>(334,977,027)</u>
Revenues and other sources over (under) expenditures and other uses	<u>143,074,881</u>	<u>(10,153,036)</u>	<u>(274,477,252)</u>	<u>(264,324,216)</u>
Fund balance - July 1	<u>2,066,069,109</u>	<u>2,066,069,109</u>	<u>2,066,069,109</u>	<u>-</u>
Fund balance - June 30	<u>\$ 2,209,143,990</u>	<u>\$ 2,055,916,073</u>	<u>\$ 1,791,591,857</u>	<u>\$ (264,324,216)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

	FEDERAL			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	895,349,411	963,677,676	1,075,420,391	111,742,715
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	895,349,411	963,677,676	1,075,420,391	111,742,715
Expenditures				
Current				
Administrative and support services	8,000,000	6,782,702	6,956,850	(174,148)
Ground transportation system planning and research	18,217,350	23,873,965	15,015,841	8,858,124
Highway system acquisition and construction	557,580,097	564,408,789	764,268,738	(199,859,949)
Highway system maintenance	240,643,000	304,212,642	300,750,612	3,462,030
Ground transportation system safety	-	-	-	-
Financial assistance to localities	6,668,626	6,668,626	7,396,585	(727,959)
Environmental monitoring and compliance	-	-	-	-
Land management	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	831,109,073	905,946,724	1,094,388,626	(188,441,902)
Revenues over (under) expenditures	64,240,338	57,730,952	(18,968,235)	(76,699,187)
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Note proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	18,968,235	18,968,235
Transfers in	-	-	29,412,144	29,412,144
Transfers out	-	-	(29,412,144)	(29,412,144)
Total other financing sources (uses)	-	-	18,968,235	18,968,235
Revenues and other sources over (under) expenditures and other uses	64,240,338	57,730,952	-	(57,730,952)
Fund balance - July 1	-	-	-	-
Fund balance - June 30	\$ 64,240,338	\$ 57,730,952	\$ -	\$ (57,730,952)

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

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	1,601,800,000	1,631,800,000	1,670,708,003	38,908,003
Rights and privileges	283,100,000	283,100,000	313,498,596	30,398,596
Sale of property and commodities	-	-	310,449	310,449
Interest, dividends, and rents	-	-	46,000	46,000
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	6,856,525	6,856,525
Receipts from localities and private sector	25,000	25,000	3,193,381	3,168,381
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	28,370,563	28,370,563	20,644,656	(7,725,907)
Total revenues	<u>1,914,245,563</u>	<u>1,944,245,563</u>	<u>2,016,207,610</u>	<u>71,962,047</u>
Expenditures				
Current				
Administrative and support services	249,289,519	251,812,990	234,688,844	17,124,146
Ground transportation system planning and research	4,047,290	13,828,060	16,486,249	(2,658,189)
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	1,333,307,444	1,498,022,674	1,457,468,899	40,553,775
Financial assistance to localities	427,380,781	427,380,781	427,376,691	4,090
Environmental monitoring and compliance	-	-	-	-
Land management	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	25,957,364	25,957,364	26,365,644	(408,280)
Total expenditures	<u>2,039,982,398</u>	<u>2,217,001,869</u>	<u>2,162,386,327</u>	<u>54,615,542</u>
Revenues over (under) expenditures	<u>(125,736,835)</u>	<u>(272,756,306)</u>	<u>(146,178,717)</u>	<u>126,577,589</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Note proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(17,590,141)	(17,590,141)	(33,699,825)	(16,109,684)
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	222,488,551	222,488,551	227,016,223	4,527,672
Transfers out	(100,000,000)	(100,000,000)	(141,127,000)	(41,127,000)
Total other financing sources (uses)	<u>104,898,410</u>	<u>104,898,410</u>	<u>52,189,398</u>	<u>(52,709,012)</u>
Revenues and other sources over (under) expenditures and other uses	<u>(20,838,425)</u>	<u>(167,857,896)</u>	<u>(93,989,319)</u>	<u>73,868,577</u>
Fund balance - July 1	<u>334,552,706</u>	<u>334,552,706</u>	<u>334,552,706</u>	<u>-</u>
Fund balance - June 30	<u>\$ 313,714,281</u>	<u>\$ 166,694,810</u>	<u>\$ 240,563,387</u>	<u>\$ 73,868,577</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

	CONSTRUCTION			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	748,515,700	748,515,700	769,438,609	20,922,909
Rights and privileges	27,170,081	27,170,081	27,244,306	74,225
Sale of property and commodities	-	-	9,672,921	9,672,921
Interest, dividends, and rents	5,084,201	5,084,201	4,654,958	(429,243)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	158,167	158,167
Receipts from localities and private sector	462,203,705	462,203,705	104,002,357	(358,201,348)
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	531,534	531,534
Total revenues	<u>1,242,973,687</u>	<u>1,242,973,687</u>	<u>915,702,852</u>	<u>(327,270,835)</u>
Expenditures				
Current				
Administrative and support services	837,654	837,654	1,524,233	(686,579)
Ground transportation system planning and research	35,551,090	35,551,090	30,167,571	5,383,519
Highway system acquisition and construction	1,003,103,864	1,008,500,214	660,594,255	347,905,959
Highway system maintenance	-	-	-	-
Financial assistance to localities	6,333,578	6,333,578	4,759,341	1,574,237
Environmental monitoring and compliance	13,170,831	14,873,801	10,983,117	3,890,684
Toll facility operations and construction	-	-	-	-
Capital outlay	39,090,683	39,090,683	23,752,519	15,338,164
Transfers to other state agencies	328,562	328,562	326,000	2,562
Total expenditures	<u>1,098,416,262</u>	<u>1,105,515,582</u>	<u>732,107,036</u>	<u>373,408,546</u>
Revenues over (under) expenditures	<u>144,557,425</u>	<u>137,458,105</u>	<u>183,595,816</u>	<u>46,137,711</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(21,665,777)	(21,665,777)	(28,282,466)	(6,616,689)
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	100,000,000	100,000,000	121,304,820	21,304,820
Transfers out	(237,488,551)	(237,488,551)	(275,729,510)	(38,240,959)
Total other financing sources (uses)	<u>(159,154,328)</u>	<u>(159,154,328)</u>	<u>(182,707,156)</u>	<u>(23,552,828)</u>
Revenues and other sources over (under) expenditures and other uses	<u>(14,596,903)</u>	<u>(21,696,223)</u>	<u>888,660</u>	<u>22,584,883</u>
Fund balance - July 1	<u>186,963,155</u>	<u>186,963,155</u>	<u>186,963,155</u>	<u>-</u>
Fund balance - June 30	<u>\$ 172,366,252</u>	<u>\$ 165,266,932</u>	<u>\$ 187,851,815</u>	<u>\$ 22,584,883</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

	PRIORITY TRANSPORTATION FUND			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	190,900,000	190,900,000	184,766,029	(6,133,971)
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	3,139,187	3,139,187	1,267,589	(1,871,598)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>194,039,187</u>	<u>194,039,187</u>	<u>186,033,618</u>	<u>(8,005,569)</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	20,872,141	22,872,141	74,507,735	(51,635,594)
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>20,872,141</u>	<u>22,872,141</u>	<u>74,507,735</u>	<u>(51,635,594)</u>
Revenues over (under) expenditures	<u>173,167,046</u>	<u>171,167,046</u>	<u>111,525,883</u>	<u>(59,641,163)</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	-	-	2,900,636	2,900,636
Transfers in	45,413,464	45,413,464	101,501,084	56,087,620
Transfers out	(200,642,261)	(200,642,261)	(138,272,544)	62,369,717
Total other financing sources (uses)	<u>(155,228,797)</u>	<u>(155,228,797)</u>	<u>(33,870,824)</u>	<u>121,357,973</u>
Revenues and other sources over (under) expenditures and other uses	<u>17,938,249</u>	<u>15,938,249</u>	<u>77,655,059</u>	<u>61,716,810</u>
Fund balance - July 1	<u>104,391,358</u>	<u>104,391,358</u>	<u>104,391,358</u>	<u>-</u>
Fund balance - June 30	<u>\$ 122,329,607</u>	<u>\$ 120,329,607</u>	<u>\$ 182,046,417</u>	<u>\$ 61,716,810</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
BUDGET COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2016

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	11,500,000	-	19,695,533	19,695,533
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	400,384	400,384
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	3,550,000	-	4,433,363	4,433,363
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	2,000	2,000
Total revenues	<u>15,050,000</u>	<u>-</u>	<u>24,531,280</u>	<u>24,531,280</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	24,550,000	-	20,816,040	(20,816,040)
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>24,550,000</u>	<u>-</u>	<u>20,816,040</u>	<u>(20,816,040)</u>
Revenues over (under) expenditures	<u>(9,500,000)</u>	<u>-</u>	<u>3,715,240</u>	<u>3,715,240</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	-	-	1,487,926	1,487,926
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,487,926</u>	<u>1,487,926</u>
Revenues and other sources over (under) expenditures and other uses	<u>(9,500,000)</u>	<u>-</u>	<u>5,203,166</u>	<u>5,203,166</u>
Fund balance - July 1	<u>367,078,465</u>	<u>367,078,465</u>	<u>367,078,465</u>	<u>-</u>
Fund balance - June 30	<u>\$ 357,578,465</u>	<u>\$ 367,078,465</u>	<u>\$ 372,281,631</u>	<u>\$ 5,203,166</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

	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	-	-	4,099,502	4,099,502
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>4,099,502</u>	<u>4,099,502</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	3,951,575	(3,951,575)
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>3,951,575</u>	<u>(3,951,575)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>147,927</u>	<u>147,927</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	137,169	137,169	-	(137,169)
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>137,169</u>	<u>137,169</u>	<u>-</u>	<u>(137,169)</u>
Revenues and other sources over (under) expenditures and other uses	<u>137,169</u>	<u>137,169</u>	<u>147,927</u>	<u>10,758</u>
Fund balance - July 1	<u>(137,169)</u>	<u>(137,169)</u>	<u>(137,169)</u>	<u>-</u>
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,758</u>	<u>\$ 10,758</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

CAPITAL PROJECTS REVENUE BONDS				
	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	-	-	1,179,324	1,179,324
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>1,179,324</u>	<u>1,179,324</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	251,900,869	(251,900,869)
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>251,900,869</u>	<u>(251,900,869)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(250,721,545)</u>	<u>(250,721,545)</u>
Other financing sources (uses)				
Other financing uses	-	-	(696,578)	(696,578)
Other financing sources	-	-	-	-
Bond proceeds	-	-	300,269,636	300,269,636
Transfers to other state agencies and General Fund	-	-	(104,536,071)	(104,536,071)
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(53,033,945)	(53,033,945)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>142,003,042</u>	<u>142,003,042</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>(108,718,503)</u>	<u>(108,718,503)</u>
Fund balance - July 1	<u>320,698,181</u>	<u>320,698,181</u>	<u>320,698,181</u>	<u>-</u>
Fund balance - June 30	<u>\$ 320,698,181</u>	<u>\$ 320,698,181</u>	<u>\$ 211,979,678</u>	<u>\$ (108,718,503)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
BUDGET COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2016

NONMAJOR FUNDS				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ 27,896,850	\$ 27,896,850	\$ 26,757,798	\$ (1,139,052)
Taxes	478,100,000	478,100,000	467,131,962	(10,968,038)
Rights and privileges	5,209,445	5,209,445	6,212,279	1,002,834
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	8,070,162	8,070,422	9,783,748	1,713,326
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	1,816,000	1,816,000	7,339,968	5,523,968
Federal grants and contracts	-	-	7,665,791	7,665,791
Toll revenues	16,045,350	10,050,000	17,839,906	7,789,906
Other	-	-	2,605,470	2,605,470
Total revenues	<u>537,137,807</u>	<u>531,142,717</u>	<u>545,336,922</u>	<u>14,194,205</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	384,407,908	384,507,908	188,990,778	195,517,130
Highway system maintenance	-	-	-	-
Financial assistance to localities	483,524,154	483,524,154	473,982,182	9,541,972
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	10,050,000	70,050,000	6,890,569	63,159,431
Capital outlay	-	-	1,276,499	(1,276,499)
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>877,982,062</u>	<u>938,082,062</u>	<u>671,140,028</u>	<u>266,942,034</u>
Revenues over (under) expenditures	<u>(340,844,255)</u>	<u>(406,939,345)</u>	<u>(125,803,106)</u>	<u>281,136,239</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	63,613,316	129,608,666	-	(129,608,666)
Bond proceeds	375,000,000	375,000,000	295,375	(374,704,625)
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	200,642,261	200,642,261	22,896,935	(177,745,326)
Transfers out	(192,716,869)	(192,716,869)	(53,053,446)	139,663,423
Total other financing sources (uses)	<u>446,538,708</u>	<u>512,534,058</u>	<u>(29,861,136)</u>	<u>(542,395,194)</u>
Revenues and other sources over (under) expenditures and other uses	<u>105,694,453</u>	<u>105,594,713</u>	<u>(155,664,242)</u>	<u>(261,258,955)</u>
Fund balance - July 1	<u>752,522,413</u>	<u>752,522,413</u>	<u>752,522,413</u>	<u>-</u>
Fund balance - June 30	<u>\$ 858,216,866</u>	<u>\$ 858,117,126</u>	<u>\$ 596,858,171</u>	<u>\$ (261,258,955)</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, 2016

TRANSPORTATION PARTNERSHIP OPPORTUNITY				
	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	2,943,414	2,943,414	1,170,391	(1,773,023)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>2,943,414</u>	<u>2,943,414</u>	<u>1,170,391</u>	<u>(1,773,023)</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	7,420,894	(7,420,894)
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>7,420,894</u>	<u>(7,420,894)</u>
Revenues over (under) expenditures	<u>2,943,414</u>	<u>2,943,414</u>	<u>(6,250,503)</u>	<u>(9,193,917)</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	-	-	(15,398)	(15,398)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(15,398)</u>	<u>(15,398)</u>
Revenues and other sources over (under) expenditures and other uses	<u>2,943,414</u>	<u>2,943,414</u>	<u>(6,265,901)</u>	<u>(9,209,315)</u>
Fund balance - July 1	<u>30,306,053</u>	<u>30,306,053</u>	<u>30,306,053</u>	<u>-</u>
Fund balance - June 30	<u>\$ 33,249,467</u>	<u>\$ 33,249,467</u>	<u>\$ 24,040,152</u>	<u>\$ (9,209,315)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

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	-	-	83,266	83,266
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	5,231,700	5,231,700
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>5,314,966</u>	<u>5,314,966</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	2,027,348	(2,027,348)
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>2,027,348</u>	<u>(2,027,348)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>3,287,618</u>	<u>3,287,618</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	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>3,287,618</u>	<u>3,287,618</u>
Fund balance - July 1	<u>10,777,760</u>	<u>10,777,760</u>	<u>10,777,760</u>	<u>-</u>
Fund balance - June 30	<u>\$ 10,777,760</u>	<u>\$ 10,777,760</u>	<u>\$ 14,065,378</u>	<u>\$ 3,287,618</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

TRANSPORTATION INFRASTRUCTURE BANK				
	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	3,608,850	3,608,850	6,565,489	2,956,639
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>3,608,850</u>	<u>3,608,850</u>	<u>6,565,489</u>	<u>2,956,639</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	100,000	113,558	(13,558)
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>100,000</u>	<u>113,558</u>	<u>(13,558)</u>
Revenues over (under) expenditures	<u>3,608,850</u>	<u>3,508,850</u>	<u>6,451,931</u>	<u>2,943,081</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	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	<u>3,608,850</u>	<u>3,508,850</u>	<u>6,451,931</u>	<u>2,943,081</u>
Fund balance - July 1	<u>323,731,807</u>	<u>323,731,807</u>	<u>323,731,807</u>	<u>-</u>
Fund balance - June 30	<u>\$ 327,340,657</u>	<u>\$ 327,240,657</u>	<u>\$ 330,183,738</u>	<u>\$ 2,943,081</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

	COMMONWEALTH SPACE FLIGHT			
	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	-	-	6,757	6,757
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>6,757</u>	<u>6,757</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	77	(77)
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>77</u>	<u>(77)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>6,680</u>	<u>6,680</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	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>6,680</u>	<u>6,680</u>
Fund balance - July 1	<u>1,558</u>	<u>1,558</u>	<u>1,558</u>	<u>-</u>
Fund balance - June 30	<u>\$ 1,558</u>	<u>\$ 1,558</u>	<u>\$ 8,238</u>	<u>\$ 6,680</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

	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	-	-	118,234	118,234
Total revenues	<u>-</u>	<u>-</u>	<u>118,234</u>	<u>118,234</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>118,234</u>	<u>118,234</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	-	-	(118,234)	(118,234)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(118,234)</u>	<u>(118,234)</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, 2016

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	-	-	2,482,328	2,482,328
Total revenues	<u>-</u>	<u>-</u>	<u>2,482,328</u>	<u>2,482,328</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>2,482,328</u>	<u>2,482,328</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	-	-	(2,482,328)	(2,482,328)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,482,328)</u>	<u>(2,482,328)</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, 2016

	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	-	-	19,006	19,006
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>19,006</u>	<u>19,006</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	-	-	1,276,499	(1,276,499)
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>1,276,499</u>	<u>(1,276,499)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(1,257,493)</u>	<u>(1,257,493)</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	-	-	14,311	14,311
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>14,311</u>	<u>14,311</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>(1,243,182)</u>	<u>(1,243,182)</u>
Fund balance - July 1	<u>6,038,687</u>	<u>6,038,687</u>	<u>6,038,687</u>	<u>-</u>
Fund balance - June 30	<u>\$ 6,038,687</u>	<u>\$ 6,038,687</u>	<u>\$ 4,795,505</u>	<u>\$ (1,243,182)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

NORTHERN VIRGINIA TRANSPORTATION DISTRICT				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ 20,000,000	\$ 20,000,000	\$ 19,256,213	\$ (743,787)
Taxes	-	-	-	-
Rights and privileges	5,209,445	5,209,445	6,212,279	1,002,834
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	1,039,962	1,039,962	908,056	(131,906)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	816,000	816,000	1,108,268	292,268
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>27,065,407</u>	<u>27,065,407</u>	<u>27,484,816</u>	<u>419,409</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	1,747,312	1,747,312	8,275,038	(6,527,726)
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>1,747,312</u>	<u>1,747,312</u>	<u>8,275,038</u>	<u>(6,527,726)</u>
Revenues over (under) expenditures	<u>25,318,095</u>	<u>25,318,095</u>	<u>19,209,778</u>	<u>(6,108,317)</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	52,199	52,199
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(25,049,363)	(25,049,363)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(24,997,164)</u>	<u>(24,997,164)</u>
Revenues and other sources over (under) expenditures and other uses	<u>25,318,095</u>	<u>25,318,095</u>	<u>(5,787,386)</u>	<u>(31,105,481)</u>
Fund balance - July 1	<u>103,271,155</u>	<u>103,271,155</u>	<u>103,271,155</u>	<u>-</u>
Fund balance - June 30	<u>\$ 128,589,250</u>	<u>\$ 128,589,250</u>	<u>\$ 97,483,769</u>	<u>\$ (31,105,481)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

ROUTE 58				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ 6,396,850	\$ 6,396,850	\$ 6,396,850	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	461,972	461,972	69,640	(392,332)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>6,858,822</u>	<u>6,858,822</u>	<u>6,466,490</u>	<u>(392,332)</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	738,272	738,272	215,725	522,547
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>738,272</u>	<u>738,272</u>	<u>215,725</u>	<u>522,547</u>
Revenues over (under) expenditures	<u>6,120,550</u>	<u>6,120,550</u>	<u>6,250,765</u>	<u>130,215</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	182,532	182,532
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	22,882,624	22,882,624
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>23,065,156</u>	<u>23,065,156</u>
Revenues and other sources over (under) expenditures and other uses	<u>6,120,550</u>	<u>6,120,550</u>	<u>29,315,921</u>	<u>23,195,371</u>
Fund balance - July 1	<u>5,765,347</u>	<u>5,765,347</u>	<u>5,765,347</u>	<u>-</u>
Fund balance - June 30	<u>\$ 11,885,897</u>	<u>\$ 11,885,897</u>	<u>\$ 35,081,268</u>	<u>\$ 23,195,371</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

TRANSPORTATION SET ASIDE				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ 1,500,000	\$ 1,500,000	\$ 1,104,735	\$ (395,265)
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	15,964	15,964	7,392	(8,572)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	1,000,000	1,000,000	1,000,000	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>2,515,964</u>	<u>2,515,964</u>	<u>2,112,127</u>	<u>(403,837)</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	286,714	286,714	60,712	226,002
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>286,714</u>	<u>286,714</u>	<u>60,712</u>	<u>226,002</u>
Revenues over (under) expenditures	<u>2,229,250</u>	<u>2,229,250</u>	<u>2,051,415</u>	<u>(177,835)</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	60,644	60,644
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(2,060,373)	(2,060,373)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,999,729)</u>	<u>(1,999,729)</u>
Revenues and other sources over (under) expenditures and other uses	<u>2,229,250</u>	<u>2,229,250</u>	<u>51,686</u>	<u>(2,177,564)</u>
Fund balance - July 1	<u>468,823</u>	<u>468,823</u>	<u>468,823</u>	<u>-</u>
Fund balance - June 30	<u>\$ 2,698,073</u>	<u>\$ 2,698,073</u>	<u>\$ 520,509</u>	<u>\$ (2,177,564)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

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	-	-	6,408	6,408
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>6,408</u>	<u>6,408</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	2,000	2,000	59	1,941
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>2,000</u>	<u>2,000</u>	<u>59</u>	<u>1,941</u>
Revenues over (under) expenditures	<u>(2,000)</u>	<u>(2,000)</u>	<u>6,349</u>	<u>8,349</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	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	<u>(2,000)</u>	<u>(2,000)</u>	<u>6,349</u>	<u>8,349</u>
Fund balance - July 1	<u>963,871</u>	<u>963,871</u>	<u>963,871</u>	<u>-</u>
Fund balance - June 30	<u>\$ 961,871</u>	<u>\$ 961,871</u>	<u>\$ 970,220</u>	<u>\$ 8,349</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

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	-	-	10,467	10,467
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	5,995,350	-	6,326,808	6,326,808
Other	-	-	4,487	4,487
Total revenues	<u>5,995,350</u>	<u>-</u>	<u>6,341,762</u>	<u>6,341,762</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	6,628,350	6,628,350	2,585,580	4,042,770
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>6,628,350</u>	<u>6,628,350</u>	<u>2,585,580</u>	<u>4,042,770</u>
Revenues over (under) expenditures	<u>(633,000)</u>	<u>(6,628,350)</u>	<u>3,756,182</u>	<u>10,384,532</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	31,083,319	37,078,669	-	(37,078,669)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(3,524,373)	(3,524,373)
Total other financing sources (uses)	<u>31,083,319</u>	<u>37,078,669</u>	<u>(3,524,373)</u>	<u>(40,603,042)</u>
Revenues and other sources over (under) expenditures and other uses	<u>30,450,319</u>	<u>30,450,319</u>	<u>231,809</u>	<u>(30,218,510)</u>
Fund balance - July 1	<u>(30,450,319)</u>	<u>(30,450,319)</u>	<u>(30,450,319)</u>	<u>-</u>
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (30,218,510)</u>	<u>\$ (30,218,510)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

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	-	260	704	444
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>260</u>	<u>704</u>	<u>444</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	5,260	5,260	6	5,254
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>5,260</u>	<u>5,260</u>	<u>6</u>	<u>5,254</u>
Revenues over (under) expenditures	<u>(5,260)</u>	<u>(5,000)</u>	<u>698</u>	<u>5,698</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	200,642,261	200,642,261	-	(200,642,261)
Transfers out	(192,716,869)	(192,716,869)	-	192,716,869
Total other financing sources (uses)	<u>7,925,392</u>	<u>7,925,392</u>	<u>-</u>	<u>(7,925,392)</u>
Revenues and other sources over (under) expenditures and other uses	<u>7,920,132</u>	<u>7,920,392</u>	<u>698</u>	<u>(7,919,694)</u>
Fund balance - July 1	<u>105,132</u>	<u>105,132</u>	<u>105,132</u>	<u>-</u>
Fund balance - June 30	<u>\$ 8,025,264</u>	<u>\$ 8,025,524</u>	<u>\$ 105,830</u>	<u>\$ (7,919,694)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

	GARVEE			
	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	-	-	736,285	736,285
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>736,285</u>	<u>736,285</u>
Expenditures				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	375,000,000	375,000,000	168,291,781	206,708,219
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>375,000,000</u>	<u>375,000,000</u>	<u>168,291,781</u>	<u>206,708,219</u>
Revenues over (under) expenditures	<u>(375,000,000)</u>	<u>(375,000,000)</u>	<u>(167,555,496)</u>	<u>207,444,504</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	375,000,000	375,000,000	-	(375,000,000)
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>375,000,000</u>	<u>375,000,000</u>	<u>-</u>	<u>(375,000,000)</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>(167,555,496)</u>	<u>(167,555,496)</u>
Fund balance - July 1	<u>270,764,452</u>	<u>270,764,452</u>	<u>270,764,452</u>	<u>-</u>
Fund balance - June 30	<u>\$ 270,764,452</u>	<u>\$ 270,764,452</u>	<u>\$ 103,208,956</u>	<u>\$ (167,555,496)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

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	-	-	-	-
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	10,050,000	10,050,000	11,513,098	1,463,098
Other	-	-	421	421
Total revenues	<u>10,050,000</u>	<u>10,050,000</u>	<u>11,513,519</u>	<u>1,463,519</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	10,050,000	10,050,000	2,750,389	7,299,611
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>10,050,000</u>	<u>10,050,000</u>	<u>2,750,389</u>	<u>7,299,611</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>8,763,130</u>	<u>8,763,130</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	32,529,997	32,529,997	-	(32,529,997)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(12,137,586)	(12,137,586)
Total other financing sources (uses)	<u>32,529,997</u>	<u>32,529,997</u>	<u>(12,137,586)</u>	<u>(44,667,583)</u>
Revenues and other sources over (under) expenditures and other uses	<u>32,529,997</u>	<u>32,529,997</u>	<u>(3,374,456)</u>	<u>(35,904,453)</u>
Fund balance - July 1	<u>(32,529,997)</u>	<u>(32,529,997)</u>	<u>(32,529,997)</u>	<u>-</u>
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (35,904,453)</u>	<u>\$ (35,904,453)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

166 ITB CONSTRUCTION				
	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	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</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	-	60,000,000	4,140,180	55,859,820
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>-</u>	<u>60,000,000</u>	<u>4,140,180</u>	<u>55,859,820</u>
Revenues over (under) expenditures	<u>-</u>	<u>(60,000,000)</u>	<u>(4,140,180)</u>	<u>55,859,820</u>
Other financing sources (uses)				
Other financing uses	-	-	-	-
Other financing sources	-	60,000,000	-	(60,000,000)
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>60,000,000</u>	<u>-</u>	<u>(60,000,000)</u>
Revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>(4,140,180)</u>	<u>(4,140,180)</u>
Fund balance - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,140,180)</u>	<u>\$ (4,140,180)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	306,300,000	306,300,000	313,940,714	7,640,714
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	132,416	132,416
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>306,300,000</u>	<u>306,300,000</u>	<u>314,073,130</u>	<u>7,773,130</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	314,881,245	314,881,245	317,582,728	(2,701,483)
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>314,881,245</u>	<u>314,881,245</u>	<u>317,582,728</u>	<u>(2,701,483)</u>
Revenues over (under) expenditures	<u>(8,581,245)</u>	<u>(8,581,245)</u>	<u>(3,509,598)</u>	<u>5,071,647</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	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	<u>(8,581,245)</u>	<u>(8,581,245)</u>	<u>(3,509,598)</u>	<u>5,071,647</u>
Fund balance - July 1	<u>41,063,905</u>	<u>41,063,905</u>	<u>41,063,905</u>	<u>-</u>
Fund balance - June 30	<u>\$ 32,482,660</u>	<u>\$ 32,482,660</u>	<u>\$ 37,554,307</u>	<u>\$ 5,071,647</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	171,800,000	171,800,000	153,191,248	(18,608,752)
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	67,471	67,471
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>171,800,000</u>	<u>171,800,000</u>	<u>153,258,719</u>	<u>(18,541,281)</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	168,642,909	168,642,909	156,399,454	12,243,455
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
Total expenditures	<u>168,642,909</u>	<u>168,642,909</u>	<u>156,399,454</u>	<u>12,243,455</u>
Revenues over (under) expenditures	<u>3,157,091</u>	<u>3,157,091</u>	<u>(3,140,735)</u>	<u>(6,297,826)</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	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	<u>3,157,091</u>	<u>3,157,091</u>	<u>(3,140,735)</u>	<u>(6,297,826)</u>
Fund balance - July 1	<u>22,244,179</u>	<u>22,244,179</u>	<u>22,244,179</u>	<u>-</u>
Fund balance - June 30	<u>\$ 25,401,270</u>	<u>\$ 25,401,270</u>	<u>\$ 19,103,444</u>	<u>\$ (6,297,826)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION
 BUDGET COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2016

	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	-	-	7,665,791	7,665,791
Toll revenues	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>7,665,791</u>	<u>7,665,791</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>7,665,791</u>	<u>7,665,791</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	-	-	(7,665,791)	(7,665,791)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(7,665,791)</u>	<u>(7,665,791)</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>

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FINANCIAL REPORT

JUNE 30, 2016

**COMBINING AND
INDIVIDUAL FUND
STATEMENTS AND
SCHEDULES**

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**Nonmajor Governmental Funds
Special Revenue**

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Nonmajor Governmental Funds

Special Revenue Funds:

Special Revenue Funds account 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.

I-66 Construction Fund this fund accounts for the resources and expenditures for the Interstate 66 inside the beltway express lanes project construction.

Virginia Transportation Infrastructure Bank Fund This fund accounts for a special non-reverting or revolving loan appropriated by the General Assembly and deposited to the Bank. The Commonwealth Transportation Board has the right to determine the projects for which loans or other financial assistance may be provided by the bank.

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.

Commonwealth Space Flight Fund accounts for maintenance and operations payments to the Virginia Commercial Space Flight Authority.

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

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 major fund in previous years.

Route 58 Fund accounts for the revenues and expenditures for the construction of Route 58. Revenues are derived from bond sales and legislative appropriations.

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 Loudon and Fairfax at the request of the Route 28 Highway Transportation Improvement District.

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.

GARVEE Fund accounts for the funding of projects supported by proceeds from GARVEE bonds.

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

ARRA Grants Fund accounts for Federal revenues received for participation in the Build America bond program.

Northern Virginia Transportation Authority accounts for dedicated revenues collected regionally in Northern Virginia per House Bill 2313 establishing this fund effective for fiscal year 2014.

Hampton Roads Transportation Accountability Commission accounts for management of the Hampton Roads Transportation Fund (HRTF) revenues for the Hampton Roads region funding that was established per House Bill 2313..

VIRGINIA DEPARTMENT OF TRANSPORTATION
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS
 NON MAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
 June 30, 2016

	TRANSPORTATION PARTNERSHIP OPPORTUNITY	CONCESSION FUNDS FOR PROJECTS	VA TRANSPORTATION INFRASTRUCTURE BANK
<u>Assets and Deferred Outflows of Resources</u>			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 24,040,152	\$ 14,065,378	\$ 195,099,182
Cash and cash equivalents with trustees (Note 13)	-	-	-
Investments with the Treasurer of Virginia (Note 13)	-	-	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	1,095,146	89,461	3,125,386
Investments for collateral held for securities lending (Note 13)	-	-	-
Advance fund	-	-	-
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	-	135,084,556
Taxes receivable	-	-	-
Due from other funds (Note 9)	-	-	-
Due from agencies	-	-	-
Inventory (Note 1 G)	-	-	-
Total assets	25,135,298	14,154,839	333,309,124
Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows	\$ 25,135,298	\$ 14,154,839	\$ 333,309,124
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>			
Accounts payable	\$ -	\$ -	\$ 29,240
Deposits payable	-	-	-
Payable to component unit	-	-	-
Payable for collateral held for securities lending	1,095,146	89,461	3,125,386
Due to other agencies	-	-	-
Due to other funds (Note 9)	-	-	-
Liability for compensated absences	-	-	-
Accrued liabilities	-	-	-
Retainage on contracts	-	-	-
Total liabilities	1,095,146	89,461	3,154,626
Deferred Inflows of Resources	-	-	-
Total Liabilities and Deferred Inflows	\$ 1,095,146	\$ 89,461	\$ 3,154,626
Fund Balances (Note 2)			
Nonspendable	-	-	135,084,556
Restricted	-	-	-
Committed	24,040,152	14,065,378	195,069,942
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	24,040,152	14,065,378	330,154,498
Total liabilities, deferred inflows and fund balances	\$ 25,135,298	\$ 14,154,839	\$ 333,309,124

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, 2016

	COMMONWEALTH SPACE FLIGHT	RECYCLABLE MATERIALS	SURPLUS PROPERTY
<u>Assets and Deferred Outflows of Resources</u>			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 8,238	\$ -	\$ -
Cash and cash equivalents with trustees (Note 13)	-	-	-
Investments with the Treasurer of Virginia (Note 13)	-	-	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	52	-	-
Investments for collateral held for securities lending (Note 13)	-	-	-
Advance fund	-	-	-
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	506,846
Loans & other	-	-	-
Taxes receivable	-	-	-
Due from other funds (Note 9)	-	-	-
Due from agencies	-	-	-
Inventory (Note 1 G)	-	-	-
Total assets	8,290	-	506,846
Deferred Outflows of Resources			
	-	-	-
Total Assets and Deferred Outflows	\$ 8,290	\$ -	\$ 506,846
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>			
Accounts payable	\$ -	\$ -	\$ -
Deposits payable	-	-	-
Payable to component unit	-	-	-
Payable for collateral held for securities lending	52	-	-
Due to other agencies	-	-	-
Due to other funds (Note 9)	-	-	-
Liability for compensated absences	-	-	-
Accrued liabilities	-	-	-
Retainage on contracts	-	-	-
Total liabilities	52	-	-
Deferred Inflows of Resources			
	-	-	-
Total Liabilities and Deferred Inflows	\$ 52	\$ -	\$ -
Fund Balances (Note 2)			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	8,238	-	506,846
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	8,238	-	506,846
Total liabilities, deferred inflows and fund balances	\$ 8,290	\$ -	\$ 506,846

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, 2016**

NORTHERN VIRGINIA TRANSPORTATION DISTRICT		
CAMP 30	DISTRICT	ROUTE 58

Assets and Deferred Outflows of Resources

Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$	-	\$ 97,479,830
Cash and cash equivalents with trustees (Note 13)	4,795,505	3,939	554,288
Investments with the Treasurer of Virginia (Note 13)	-	-	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	-	620,007	219,604
Investments for collateral held for securities lending (Note 13)	-	-	-
Advance fund	-	-	-
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	-	-
Taxes receivable	-	-	-
Due from other funds (Note 9)	-	-	-
Due from agencies	-	-	-
Inventory (Note 1 G)	-	-	-
Total assets	4,795,505	98,103,776	35,300,872

Deferred Outflows of Resources

	-	-	15,359
Total Assets and Deferred Outflows	\$ 4,795,505	\$ 98,103,776	\$ 35,316,231

Liabilities, Deferred Inflows of Resources and Fund Balances

Accounts payable	\$ 8,343	\$ 13,863	\$ -
Deposits payable	-	-	-
Payable to component unit	-	-	-
Payable for collateral held for securities lending	-	620,007	219,604
Due to other agencies	-	-	-
Due to other funds (Note 9)	-	-	-
Liability for compensated absences	-	76	12
Accrued liabilities	-	-	-
Retainage on contracts	-	19,303	50,256
Total liabilities	8,343	653,249	269,872

Deferred Inflows of Resources

	-	6,736	-
Total Liabilities and Deferred Inflows	\$ 8,343	\$ 659,985	\$ 269,872

Fund Balances (Note 2)

Nonspendable	-	-	-
Restricted	-	-	-
Committed	4,787,162	97,443,791	35,046,359
Assigned	-	-	-
Unassigned	-	-	-

Total fund balances

4,787,162	97,443,791	35,046,359
\$ 4,795,505	\$ 98,103,776	\$ 35,316,231

Total liabilities, deferred inflows and fund balances

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, 2016

	TRANSPORTATION SET ASIDE	ROUTE 28	COLEMAN BRIDGE
<u>Assets and Deferred Outflows of Resources</u>			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 520,509	\$ 970,220	\$ 9,084,354
Cash and cash equivalents with trustees (Note 13)	-	-	-
Investments with the Treasurer of Virginia (Note 13)	-	-	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	3,311	6,171	2,853
Investments for collateral held for securities lending (Note 13)	-	-	-
Advance fund	-	-	7,500
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	-	500
Taxes receivable	-	-	-
Due from other funds (Note 9)	-	-	-
Due from agencies	-	-	-
Inventory (Note 1 G)	-	-	-
Total assets	523,820	976,391	9,095,207
Deferred Outflows of Resources	-	-	55
Total Assets and Deferred Outflows	\$ 523,820	\$ 976,391	\$ 9,095,262
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>			
Accounts payable	\$ -	\$ -	\$ 316,810
Deposits payable	-	-	-
Payable to component unit	-	-	-
Payable for collateral held for securities lending	3,311	6,171	2,853
Due to other agencies	-	-	-
Due to other funds (Note 9)	-	-	39,310,364
Liability for compensated absences	-	-	155
Accrued liabilities	-	-	35,289
Retainage on contracts	-	-	-
Total liabilities	3,311	6,171	39,665,471
Deferred Inflows of Resources	-	-	500
Total Liabilities and Deferred Inflows	\$ 3,311	\$ 6,171	\$ 39,665,971
Fund Balances (Note 2)			
Nonspendable	-	-	500
Restricted	-	-	-
Committed	520,509	970,220	-
Assigned	-	-	-
Unassigned	-	-	(30,571,209)
Total fund balances	520,509	970,220	(30,570,709)
Total liabilities, deferred inflows and fund balances	\$ 523,820	\$ 976,391	\$ 9,095,262

Total liabilities, deferred inflows and fund balances

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, 2016

	FEDERAL REIMBURSEMENT ANTICIPATION NOTES	GARVEE	POWHITE PARKWAY EXTENSION
<u>Assets and Deferred Outflows of Resources</u>			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 105,830	\$ -	\$ 12,845,927
Cash and cash equivalents with trustees (Note 13)	-	103,208,956	-
Investments with the Treasurer of Virginia (Note 13)	-	-	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	673	-	-
Investments for collateral held for securities lending (Note 13)	-	-	-
Advance fund	-	-	11,000
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	-	-
Taxes receivable	-	-	-
Due from other funds (Note 9)	-	-	-
Due from agencies	-	-	-
Inventory (Note 1 G)	-	-	-
Total assets	<u>106,503</u>	<u>103,208,956</u>	<u>12,856,927</u>
Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows	<u>\$ 106,503</u>	<u>\$ 103,208,956</u>	<u>\$ 12,856,927</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>			
Accounts payable	\$ -	\$ -	\$ 127,144
Deposits payable	-	-	-
Payable to component unit	-	-	-
Payable for collateral held for securities lending	673	-	-
Due to other agencies	-	-	-
Due to other funds (Note 9)	-	-	48,761,380
Liability for compensated absences	-	-	303
Accrued liabilities	-	-	75,449
Retainage on contracts	-	-	-
Total liabilities	<u>673</u>	<u>-</u>	<u>48,964,276</u>
Deferred Inflows of Resources	-	-	-
Total Liabilities and Deferred Inflows	<u>\$ 673</u>	<u>\$ -</u>	<u>\$ 48,964,276</u>
Fund Balances (Note 2)			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	105,830	103,208,956	-
Assigned	-	-	-
Unassigned	-	-	(36,107,349)
Total fund balances	<u>105,830</u>	<u>103,208,956</u>	<u>(36,107,349)</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 106,503</u>	<u>\$ 103,208,956</u>	<u>\$ 12,856,927</u>

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, 2016

	I66 ITB CONSTRUCTION	NORTHERN VA TRANSPORTAION AUTHORITY	HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY
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Assets and Deferred Outflows of Resources

Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 60,859,820	\$ 37,554,307	\$ 19,103,444
Cash and cash equivalents with trustees (Note 13)	-	-	-
Investments with the Treasurer of Virginia (Note 13)	-	-	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	-	238,859	121,505
Investments for collateral held for securities lending (Note 13)	-	-	-
Advance fund	-	-	-
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	-	-
Taxes receivable	-	3,409,170	1,085,675
Due from other funds (Note 9)	-	-	-
Due from agencies	-	-	-
Inventory (Note 1 G)	-	-	-
Total assets	60,859,820	41,202,336	20,310,624

Deferred Outflows of Resources

	623,955	-	-
Total Assets and Deferred Outflows	\$ 61,483,775	\$ 41,202,336	\$ 20,310,624

Liabilities, Deferred Inflows of Resources and Fund Balances

Accounts payable	\$ 1,283,454	\$ 40,142,104	\$ 19,635,018
Deposits payable	-	-	-
Payable to component unit	-	-	-
Payable for collateral held for securities lending	-	238,859	121,505
Due to other agencies	-	-	-
Due to other funds (Note 9)	65,000,000	-	-
Liability for compensated absences	96	-	-
Accrued liabilities	-	-	-
Retainage on contracts	-	-	-
Total liabilities	66,283,550	40,380,963	19,756,523

Deferred Inflows of Resources

	-	-	-
Total Liabilities and Deferred Inflows	\$ 66,283,550	\$ 40,380,963	\$ 19,756,523

Fund Balances (Note 2)			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	821,373	554,101
Assigned	-	-	-
Unassigned	(4,799,775)	-	-
Total fund balances	(4,799,775)	821,373	554,101
	\$ 61,483,775	\$ 41,202,336	\$ 20,310,624

Total liabilities, deferred inflows and fund balances

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, 2016

ARRA GRANTS

Assets and Deferred Outflows of Resources

Cash and cash equivalents		
with the Treasurer of Virginia (Note 13)	\$	-
Cash and cash equivalents with trustees (Note 13)		
Investments with the Treasurer of Virginia (Note 13)		
Investments with trustees (Note 13)		
Cash and cash equivalents for collateral held for securities lending (Note 13)		
Investments for collateral held for securities lending (Note 13)		-
Advance fund		-
Receivables: (net)		
Federal government		-
Cities, counties, and towns		-
State agencies		-
Loans & other		-
Taxes receivable		-
Due from other funds (Note 9)		-
Due from agencies		-
Inventory (Note 1 G)		-
Total assets		-

Deferred Outflows of Resources

Total Assets and Deferred Outflows	\$	-
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Liabilities, Deferred Inflows of Resources and Fund Balances

Accounts payable	\$	-
Deposits payable		-
Payable to component unit		
Payable for collateral held for securities lending		-
Due to other agencies		
Due to other funds (Note 9)		-
Liability for compensated absences		-
Accrued liabilities		-
Retainage on contracts		-
Total liabilities		-

Deferred Inflows of Resources

Total Liabilities and Deferred Inflows	\$	-
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Fund Balances (Note 2)		
Nonspendable		-
Restricted		-
Committed		-
Assigned		-
Unassigned		-
Total fund balances		-

Total liabilities, deferred inflows and fund balances	\$	-
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Total liabilities, deferred inflows and fund balances

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
NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2016**

	TRANSPORTATION PARTNERSHIP OPPORTUNITY	CONCESSION FUNDS FOR PROJECTS	VIRGINIA TRANSPORTATION INFRASTRUCTURE BANK
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	1,170,391	83,266	6,565,489
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	5,231,700	-
Toll revenue	-	-	-
Other revenue	-	-	-
Total revenue	1,170,391	5,314,966	6,565,489
Expenditures			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	6,507,745	1,534,240	142,798
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	-	-
Capital Outlay	-	-	-
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	6,507,745	1,534,240	142,798
Revenues over (under) expenditures	(5,337,354)	3,780,726	6,422,691
Other financing sources (uses)			
Other financing sources (uses)	-	-	-
Bond Proceeds	-	-	-
Insurance recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 10)	-	-	-
Transfers from other state agencies and General Fund (Note 10)	-	-	-
Transfers in (Note 10)	-	-	-
Transfers out (Note 10)	(15,398)	-	-
Total other financing sources (uses)	(15,398)	-	-
Net Change in Fund Balance	(5,352,752)	3,780,726	6,422,691
Beginning fund balance	29,392,904	10,284,652	323,731,807
Ending fund balance - June 30	\$ 24,040,152	\$ 14,065,378	\$ 330,154,498

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
NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2016**

	COMMONWEALTH SPACE FLIGHT	RECYCLABLE MATERIALS	SURPLUS PROPERTY
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	6,757	-	-
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	-	-
Toll revenue	-	-	-
Other revenue	-	118,234	2,989,174
Total revenue	<u>6,757</u>	<u>118,234</u>	<u>2,989,174</u>
Expenditures			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	77	-	-
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	-	-
Capital Outlay	-	-	-
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	<u>77</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>6,680</u>	<u>118,234</u>	<u>2,989,174</u>
Other financing sources (uses)			
Other financing sources (uses)	-	-	-
Bond Proceeds	-	-	-
Insurance recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 10)	-	-	-
Transfers from other state agencies and General Fund (Note 10)	-	-	-
Transfers in (Note 10)	-	-	-
Transfers out (Note 10)	-	(118,234)	(2,482,328)
Total other financing sources (uses)	<u>-</u>	<u>(118,234)</u>	<u>(2,482,328)</u>
Net Change in Fund Balance	6,680	-	506,846
Beginning fund balance	1,558	-	-
Ending fund balance - June 30	<u>\$ 8,238</u>	<u>\$ -</u>	<u>\$ 506,846</u>

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2016**

	NORTHERN VIRGINIA TRANSPORTATION DISTRICT		
	CAMP 30		ROUTE 58
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ 19,256,213	\$ 6,396,850
Taxes	-	-	-
Rights and privileges	-	6,212,279	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	19,006	908,056	69,640
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	1,101,532	-
Toll revenue	-	-	-
Other revenue	-	-	-
Total revenue	19,006	27,478,080	6,466,490
Expenditures			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	-	8,288,936	213,755
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	-	-
Capital Outlay	854,208	-	-
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	854,208	8,288,936	213,755
Revenues over (under) expenditures	(835,202)	19,189,144	6,252,735
Other financing sources (uses)			
Other financing sources (uses)	-	-	-
Bond Proceeds	-	52,199	182,532
Insurance recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 10)	-	-	-
Transfers from other state agencies and General Fund (Note 10)	-	-	-
Transfers in (Note 10)	14,311	-	22,882,624
Transfers out (Note 10)	-	(25,049,363)	-
Total other financing sources (uses)	14,311	(24,997,164)	23,065,156
Net Change in Fund Balance	(820,891)	(5,808,020)	29,317,891
Beginning fund balance	5,608,053	103,251,811	5,728,468
Ending fund balance - June 30	\$ 4,787,162	\$ 97,443,791	\$ 35,046,359

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
NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2016**

	TRANSPORTATION SET ASIDE	ROUTE 28	COLEMAN BRIDGE
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ 1,104,735	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	7,392	6,408	10,467
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	1,000,000	-	-
Toll revenue	-	-	6,326,808
Other revenue	-	-	647
Total revenue	<u>2,112,127</u>	<u>6,408</u>	<u>6,337,922</u>
Expenditures			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	60,712	59	-
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	-	2,524,868
Capital Outlay	-	-	-
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	<u>60,712</u>	<u>59</u>	<u>2,524,868</u>
Revenues over (under) expenditures	<u>2,051,415</u>	<u>6,349</u>	<u>3,813,054</u>
Other financing sources (uses)			
Other financing sources (uses)	-	-	-
Bond Proceeds	60,644	-	-
Insurance recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 10)	-	-	-
Transfers from other state agencies and General Fund (Note 10)	-	-	-
Transfers in (Note 10)	-	-	-
Transfers out (Note 10)	(2,060,373)	-	(3,524,373)
Total other financing sources (uses)	<u>(1,999,729)</u>	<u>-</u>	<u>(3,524,373)</u>
Net Change in Fund Balance	51,686	6,349	288,681
Beginning fund balance	468,823	963,871	(30,859,390)
Ending fund balance - June 30	<u>\$ 520,509</u>	<u>\$ 970,220</u>	<u>\$ (30,570,709)</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
NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
June 30, 2016**

	FEDERAL REIMBURSEMENT ANTICIPATION NOTES	GARVEE	POWHITE PARKWAY EXTENSION
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	704	736,285	-
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	-	-
Toll revenue	-	-	11,513,098
Other revenue	-	-	421
Total revenue	<u>704</u>	<u>736,285</u>	<u>11,513,519</u>
Expenditures			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	6	168,286,243	-
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	-	2,714,479
Capital Outlay	-	-	-
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	<u>6</u>	<u>168,286,243</u>	<u>2,714,479</u>
Revenues over (under) expenditures	<u>698</u>	<u>(167,549,958)</u>	<u>8,799,040</u>
Other financing sources (uses)			
Other financing sources (uses)	-	-	-
Bond Proceeds	-	-	-
Insurance recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 10)	-	-	-
Transfers from other state agencies and General Fund (Note 10)	-	-	-
Transfers in (Note 10)	-	-	-
Transfers out (Note 10)	-	-	(12,137,586)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(12,137,586)</u>
Net Change in Fund Balance	698	(167,549,958)	(3,338,546)
Beginning fund balance	105,132	270,758,914	(32,768,803)
Ending fund balance - June 30	<u>\$ 105,830</u>	<u>\$ 103,208,956</u>	<u>\$ (36,107,349)</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
 NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
 June 30, 2016**

	166 ITB CONSTRUCTION	NORTHERN VIRGINIA TRANSPORTATION AUTHORITY	HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	-	317,349,884	154,276,924
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	-	132,416	67,471
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	-	-
Toll revenue	-	-	-
Other revenue	-	-	-
Total revenue	-	317,482,300	154,344,395
Expenditures			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	-	-	-
Highway system maintenance	-	-	-
Financial assistance to localities	-	350,681,943	176,034,473
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	4,799,775	-	-
Capital Outlay	-	-	-
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	4,799,775	350,681,943	176,034,473
Revenues over (under) expenditures	(4,799,775)	(33,199,643)	(21,690,078)
Other financing sources (uses)			
Other financing sources (uses)	-	-	-
Bond Proceeds	-	-	-
Insurance recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 10)	-	-	-
Transfers from other state agencies and General Fund (Note 10)	-	-	-
Transfers in (Note 10)	-	-	-
Transfers out (Note 10)	-	-	-
Total other financing sources (uses)	-	-	-
Net Change in Fund Balance	(4,799,775)	(33,199,643)	(21,690,078)
Beginning fund balance	-	34,021,016	22,244,179
Ending fund balance - June 30	\$ (4,799,775)	\$ 821,373	\$ 554,101

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
 NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE
 June 30, 2016**

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	-
Fines, forfeitures, court fees, penalties, and escheats	-
Federal grants and contracts	7,665,791
Receipts from localities and private sector	-
Toll revenue	-
Other revenue	-
Total revenue	<u>7,665,791</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	-
Capital Outlay	-
Transfers to other state agencies (Note 10)	-
Total expenditures	<u>-</u>
Revenues over (under) expenditures	<u>7,665,791</u>
Other financing sources (uses)	
Other financing sources (uses)	-
Bond Proceeds	-
Insurance recoveries	-
Transfers to other state agencies and General Fund (Note 10)	-
Transfers from other state agencies and General Fund (Note 10)	-
Transfers in (Note 10)	-
Transfers out (Note 10)	(7,665,791)
Total other financing sources (uses)	<u>(7,665,791)</u>
Net Change in Fund Balance	-
Beginning fund balance	-
Ending fund balance - June 30	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement

**Schedule of Federal
Assistance**

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VIRGINIA DEPARTMENT OF TRANSPORTATION
 SCHEDULE OF FEDERAL ASSISTANCE
 FISCAL YEAR 2016

Federal/State Grantor Agency	CFDA Number	Federal Program Name	FEDERAL CASH BALANCE July 1, 2015		FEDERAL CASH RECEIPTS BASIS		FEDERAL CASH DISBURSEMENTS BASIS		FEDERAL CASH BALANCE June 30, 2016	
United States Dept of Transportation	20.205	Highway Planning and Construction	\$ -	\$ -	\$ 1,075,420,391	\$ 1,075,420,391	\$ 1,075,420,391	\$ 1,075,420,391	\$ -	\$ -
		TOTAL FEDERAL REVENUE:	\$ -	\$ -	\$ 1,075,420,391	\$ 1,075,420,391	\$ 1,075,420,391	\$ 1,075,420,391	\$ -	\$ -
United States Dept of Transportation/DMV	20.607	Alcohol Open Container Requirements			13,979,937		13,979,937			
United States Dept of Transportation/DMV	97.036	Safety Incentive Grant for Use of Seatbelts			4,988,298		4,988,298			
							0			
		TOTAL TRANSFERS FROM OTHER STATE AGENCIES:	\$ -	\$ -	\$ 18,968,235	\$ 18,968,235	\$ 18,968,235	\$ 18,968,235	\$ -	\$ -
		GRAND TOTAL OF FEDERAL ASSISTANCE	\$ -	\$ -	\$ 1,094,388,626	\$ 1,094,388,626	\$ 1,094,388,626	\$ 1,094,388,626	\$ -	\$ -

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FINANCIAL REPORT

JUNE 30, 2016



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's Highway System

The 58,676 mile system is divided into the following categories:

Interstate

1,119 miles of four-to-10 lane highways connect states and major cities

Primary

8,063 miles of two-to-six lane roads connect cities and towns with each other and with interstates

Secondary

49,167 miles of local connector or county roads

Frontage

326 miles of frontage roads

A separate system includes 11,815 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 (1,364 miles) and Arlington County (366 miles) maintain their own roads with state financial assistance. There also an additional 39 miles of toll roads maintained by others.

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
- Three ferry services
- 41 rest areas along major highways and 10 welcome centers
- More than 100 commuter parking lots
- Virginia Capital Bike Trail and walking path

VDOT Organization

VDOT has about 7,500 employees.

VDOT is divided into nine geographic districts (Bristol, Culpeper, Fredericksburg, Hampton Roads, Lynchburg, Northern Virginia, Richmond, Salem and Staunton) 29 residencies, two district satellite offices responsible for one to four counties each and a central office in Richmond. VDOT also has several traffic operations centers that keep traffic flowing along major travel corridors.

The 17-member Commonwealth Transportation Board allocates highway funding to specific projects, locates routes and provides funding for airports, seaports and public transportation.

The Secretary of Transportation serves as a chairman and the Commissioner of Highways 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 non-voting member of the board.

A limited number of copies of this report are available. For additional copies, contact:

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