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**FINANCIAL  
REPORT  
JUNE 30, 2011**

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**Robert F. McDonnell**

Governor

**Sean T. Connaughton**

Secretary of Transportation

**Gregory A. Whirley Sr.**

Commissioner Department  
of Transportation

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# FINANCIAL REPORT

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**INTRODUCTORY  
SECTION**

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# COMMONWEALTH of VIRGINIA

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

Gregory A. Whirley  
Commissioner

April 30, 2012

## Letter of Transmittal

The Comprehensive Annual Financial Report (CAFR) of the Virginia Department of Transportation (VDOT) for the fiscal year ended June 30, 2011 is hereby submitted. The report reflects the operation of the Highway Maintenance and Operating Fund, the Transportation Trust Fund, various toll facilities operated by the Department and other funds. This CAFR conforms with generally accepted accounting principles as established by the Governmental Accounting Standards Board (GASB) and complies with provisions of the Comptroller's Directive No. 1-11, "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 contain combining fund financial statements for nonmajor special revenue funds and the Schedule of Federal Assistance.

Sincerely,

A handwritten signature in cursive script that reads "Janice Long".

Janice Long  
Controller

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## **AGENCY OVERVIEW**

### **Virginia Department of Transportation Organization**

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

### **Transportation System**

Virginia has the third largest state-maintained highway system in the United States with an annual operating budget of approximately \$3.3 billion. VDOT maintains over 57,000 miles of interstate, primary, and secondary roads and distributes state funds to help maintain over 10,000 miles of urban streets. VDOT not only maintains the roads, but also is responsible for more than 12,600 bridges, 4 underwater tunnels, 2 mountain tunnels, 1 toll road, 1 toll bridge, 4 ferry services, numerous rest areas, and over 100 commuter parking lots.

### **Mission**

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

### **Shared Values in Public Service**

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

## **VDOT Accomplishments and Highlights for Fiscal Year 2011**

- ***VDOT completes contracts within budget for fiscal year 2011.***

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 2011, VDOT continued to demonstrate efficiency with taxpayer dollars, all budget targets were met. VDOT did not meet on-time targets for fiscal year 2011 as VDOT purposefully extended many contracts past their original completion date to complete more paving. VDOT performance during fiscal year 2011 compared to target goals, is as follows:

### *Deadlines*

FY 2011 Maintenance contracts completed on time:

66 percent (*target of 77 percent*)

FY 2011 Construction contracts completed on time:

71 percent (*target of 75 percent*)

### *Budgets*

FY 2011 Maintenance contracts completed within budget:

90 percent (*target 90 percent*)

FY 2011 Construction contracts completed within budget:

87 percent (*target 82 percent*)

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

The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law by President Obama on February 17, 2009. Virginia received a total of \$694.5 million in highway funding from ARRA to invest in improving our transportation system. VDOT 's priorities are to address deficient pavements, structurally deficient bridges and much needed highway capacity to improve the economic competitiveness of the Commonwealth and offer safe reliable transportation options for all Virginians. All of VDOT's ARRA funding of \$694.5 million was obligated as of June 30, 2011. ARRA expenditures incurred by VDOT during fiscal year 2011 amounted to \$200.5 million

- ***Cardinal Project to be implemented during fiscal year 2012.***

The Cardinal Project is a partnership involving the Department of Accounts (DOA), Virginia Information Technologies Agency (VITA), and the Virginia Department of Transportation (VDOT) to implement a new financial management system. Cardinal is a PeopleSoft (v9.1) product that will initially be implemented at VDOT and then at DOA. Implementing Cardinal, which is commercial off-the-shelf (COTS) software will enable VDOT to stay more current with standard industry and government requirements. It will

also make future upgrades less cumbersome. Part one of the Cardinal Project focuses on replacing VDOT's FMS II. FMS II has served the Department since 1998, but is no longer supported by the vendor community and its customization makes upgrades challenging. VDOT did go live with the new system in December of 2011. Part two of the Cardinal Project focuses on implementing Cardinal at DOA. DOA is scheduled to go live during fiscal year 2013. The DOA implementation will serve as a pilot for a future statewide roll-out of Cardinal.

- ***VDOT officially opens the Office of Transportation Public-Private Partnerships (OTP3).***

During fiscal year 2011, the Office of Transportation Public-Private Partnerships opened with the objective to advance statewide public-private transportation initiatives. The office will be responsible for developing and implementing a statewide program for transportation project delivery via the Virginia Public-Private Transportation Act (PPTA) of 1995. The OTP3 will work in coordination with the Secretary of Transportation, all six Virginia transportation agencies and focus on the development of public-private projects across all modes of transportation. The OTP3 office is located at 600 East Main Street in Richmond.

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

**Route 460 Corridor Improvements** - The Virginia Department of Transportation (VDOT) is developing a new project designated as the U.S. Route 460 Corridor Improvements Project. The project is being procured in accordance with provisions of the Public-Private Transportation Act of 1995 as amended (PPTA). The project entails the new construction of approximately 55 miles of four-lane divided limited access highway between Petersburg and Suffolk Virginia. The project 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 460 for its entirety and has been approved by the Commonwealth Transportation Board. The Final Environmental Impact Study and Record of Decision have been approved by the Federal Highway Administration. A request for detailed proposals has been issued by VDOT to develop and operate a new Route 460 between Petersburg and Suffolk.

**Downtown/Midtown Tunnel and MLK Expansion** - The Downtown Tunnel/Midtown Tunnel/Martin Luther King Freeway (MLK) Extension, formerly known as the Midtown Tunnel Corridor Project (Project), is located in the cities of Norfolk and Portsmouth. The project is comprised of a new two-lane tunnel under the Elizabeth River parallel to the existing Midtown Tunnel; maintenance and safety improvements to the existing Midtown Tunnel; minor modifications to the interchange at Brambleton Avenue/Hampton Boulevard in Norfolk; maintenance and safety improvements to the existing Downtown Tunnel; and extending the MLK from London Boulevard to Interstate 264 (I-264), with an interchange at High Street. VDOT and Elizabeth River Crossings LLC (ERC) have agreed on the major business points for the project. Agreement of the major business points of the transaction will enable VDOT and ERC to finalize the detailed terms of the comprehensive agreement and financing for the \$1.9 billion project.

**I-495 Capital Beltway High Occupancy Toll (HOT) Lanes** – VDOT and Fluor – Transurban are working in partnership to deliver significant improvements to the Capital Beltway. These improvements will include new HOT and HOV lanes. Other improvements include replacement of more than \$250 million of aging infrastructure, including more than 50 bridges and overpasses. The five-year, \$1.3 billion initiative to improve traffic flow along the Capital Beltway is set to be completed in late 2012, and will span a 14-mile stretch of the Beltway.

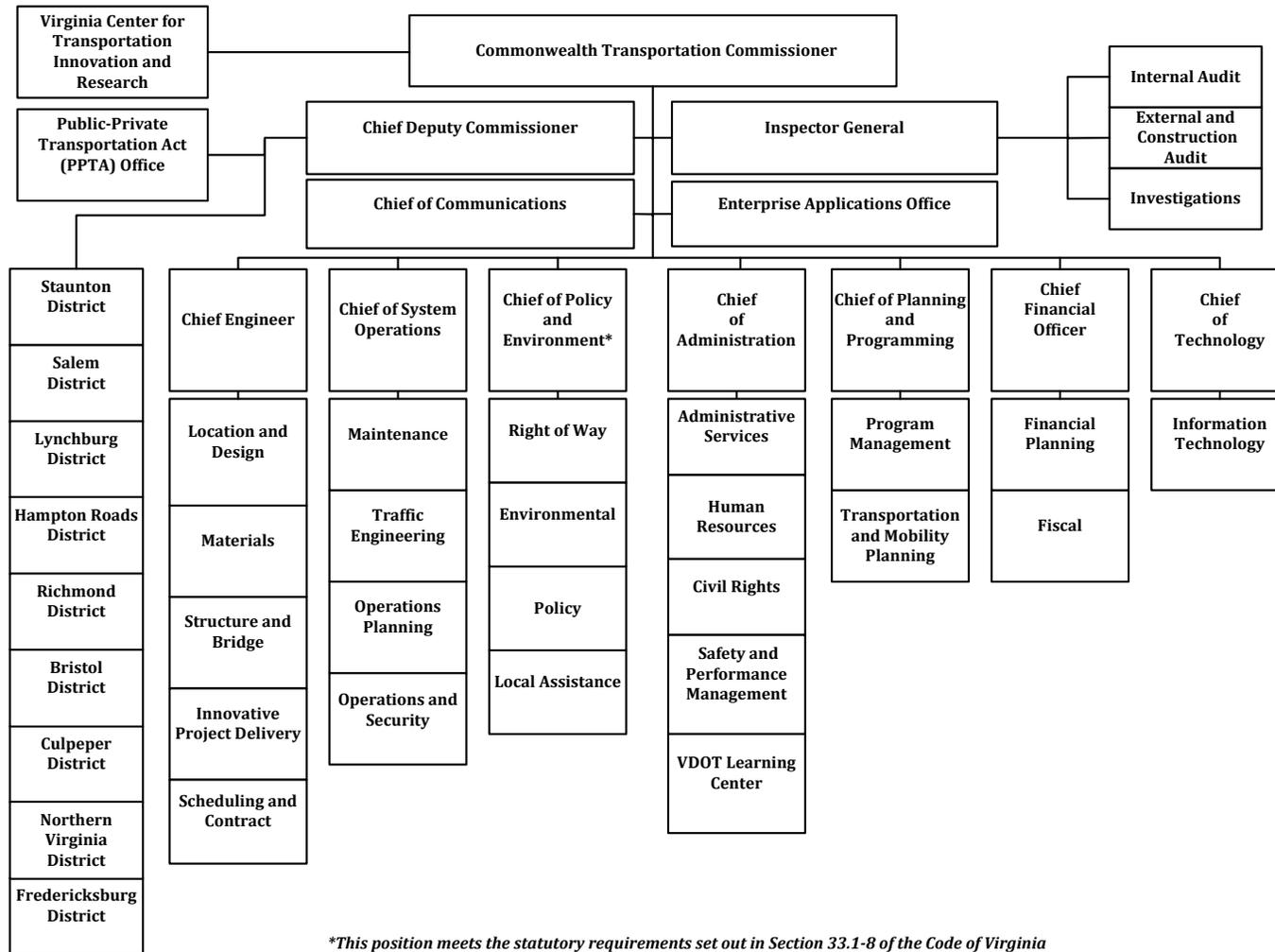
- ***VDOT Establishes 24-Hour Customer Service Center.***

During fiscal year 2011, VDOT established a Customer Service Center to take citizen calls and answer transportation questions 24 hours a day, seven days a week. Citizens can dial 1-800-FOR-ROAD from anywhere in the state to report road hazards, ask transportation questions, or get information related to Virginia's roads. The VDOT Customer Service Center is located in Salem with a satellite office in Northern Virginia.

- ***VDOT Wins America's Transportation Awards.***

The Virginia Department of Transportation won top honors in America's Transportation Awards, southeastern regional competition. Two VDOT projects were recognized; the Battlefield Boulevard Chesapeake Project in the Hampton Roads District, which won in the Innovative Management, medium project category and the Jeremy's Run Bridge Project in the Staunton District, which won the On Time, small project category. The American Association of State Highway and Transportation Officials, AAA, and the U.S. Chamber of Commerce sponsor the competition to honor America's very best in transportation.

## Virginia Department of Transportation - 6/30/11



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

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**FINANCIAL  
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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, 2011. We encourage readers to consider the information presented here in conjunction with the information presented in our financial statements and the notes to the financial statements. **All amounts in this section, unless otherwise indicated, are expressed in millions of dollars.**

### FINANCIAL HIGHLIGHTS

#### Government-wide Statements

The assets of the Virginia Department of Transportation exceeded its liabilities at the end of the fiscal year 2011 by \$18,291.9 (*net assets*). The Virginia Department of Transportation's total net assets increased by \$880.9 in fiscal year 2011. All of the increase in net assets in fiscal year 2011 came from the governmental activities. The Virginia Department of Transportation did not have any business-type activities in fiscal year 2011.

#### 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 \$2,251.9, an increase of \$332.7. Of this total fund balance, (\$80.3) represents unassigned fund balance and the remaining \$2,332.2 represents amounts reserved for Nonspendable, Restricted and Committed purposes. Note that in fiscal year 2011, the Virginia Department of Transportation changed the classifications of its fund balance amounts in compliance with the requirements of the GASB Statement No. 54 as indicated in note 2 of the notes to the financial statements. The Virginia Department of Transportation did not have any enterprise funds in fiscal year 2011.

#### Long-term Debt (Bonds and Notes Payable)

The Department's total debt for governmental activities increased by \$390.2 in fiscal year 2011 over that of the fiscal year 2010. The increase in total debt is primarily due to the issuance of the Capital Projects Revenue Bonds for \$600.0 in fiscal year 2011. There were also increases of \$2.7 in the accreted bond principal of the Route 28 Capital Appreciation Bond. The increase in long-term debt is reduced by the bonds (\$208.8) and notes (\$3.7) principal payments in fiscal year 2011. The Department has no debt for business type activities in fiscal year 2011 to disclose.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

## Government-wide Financial Statements

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

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

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

Both of the government-wide financial statements distinguish functions of the Virginia Department of Transportation that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through fees (*business-type activities*). The governmental activities of Virginia Department of Transportation include new highway construction and the maintenance of existing highways. Motor vehicle fuels taxes, motor vehicle sales & use taxes, motor vehicle license fees, state sales & use taxes, and federal transportation revenues finance most of the Department's activities. There were no business-type activities of the Virginia Department of Transportation in fiscal year 2011.

## Fund Financial Statements

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

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

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

financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

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

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

**Proprietary Fund:** The Virginia Department of Transportation did not have any proprietary fund activity to report in fiscal year 2011.

**Fiduciary Funds:** Fiduciary funds are used to account for resources held by the Virginia Department of Transportation in a trustee capacity or as a fiscal agent on behalf of others, in a custodial nature and do not involve measurement of results of operations. Fiduciary funds are *not* reflected in the government-wide and fund financial statements because the resources of these funds are *not* available to support the Virginia Department of Transportation's own programs. The Virginia Department of Transportation did not have any fiduciary fund activity to report in fiscal year 2011.

## Notes to the Financial Statements

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

## Required Supplementary Information

This section includes budgetary comparison schedules for special revenue funds.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve as a useful indicator of a government's financial position. In the case of the Virginia Department of Transportation, assets exceeded liabilities by \$18,291.9 at the close of fiscal year 2011.

By far the largest portion of the Virginia Department of Transportation's net assets, 88.6 percent reflects its investment in capital assets. The Virginia Department of Transportation's capital assets are mainly composed of the highway infrastructure and represent the Department's mission. Although the Virginia Department of Transportation's investment in capital assets are shown in the Net Assets table net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Statement of Net Assets:**

The following table represents the condensed Statement of Net Assets:

**Virginia Department of Transportation  
Net Assets  
as of June 30, 2011 and 2010**

	<u>Governmental activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current and other assets	\$ 2,879.2	\$ 2,662.6	\$ 2,879.2	\$ 2,662.6
Capital assets	18,506.4	17,510.0	18,506.4	17,510.0
Total assets	<u>21,385.6</u>	<u>20,172.6</u>	<u>21,385.6</u>	<u>20,172.6</u>
Current liabilities	709.4	773.7	709.4	773.7
Non-current liabilities	2,384.3	1,987.9	2,384.3	1,987.9
Total liabilities	<u>3,093.7</u>	<u>2,761.6</u>	<u>3,093.7</u>	<u>2,761.6</u>
Net assets:				
Invested in capital assets				
net of related debt	16,212.5	15,606.3	16,212.5	15,606.3
Restricted	2,159.7	457.8	2,159.7	457.8
Unrestricted	(80.3)	1,346.8	(80.3)	1,346.8
Total net assets	<u>\$ 18,291.9</u>	<u>\$ 17,411.0</u>	<u>\$ 18,291.9</u>	<u>\$ 17,411.0</u>

An additional portion of the Virginia Department of Transportation's net assets, 11.8 percent represents resources that are subject to both internal and external restrictions on how they may be used. The remaining balance of unrestricted net assets of (\$80.3) were attributed to the deficit fund balances reported by Coleman Bridge Fund, Powhite Parkway Extension Fund and ARRA Project Fund.

The Virginia Department of Transportation's net assets for governmental activities increased by \$880.9 or 5.1 percent in fiscal year 2011. The increase was largely the result of the increases in capital assets of \$996.4. The increase in capital assets is primarily due to net increases in highway infrastructures of \$616.9 and increases in capitalized restorative maintenance of \$355.6 in fiscal year 2011.

**Statement of Changes in Net Assets:**

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

**Virginia Department of Transportation  
Changes in Net Assets  
For Fiscal Years Ended June 30, 2011 and 2010**

	<u>Governmental activities</u>		<u>Total</u>	
	2011	2010	2011	2010
Revenues:				
Program revenues:				
Charges for services	\$ 360.6	\$ 351.3	\$ 360.6	\$ 351.3
Capital grants and contributions	1,313.6	1,582.9	1,313.6	1,582.9
General revenues:				
Motor vehicle taxes	1,307.8	1,243.5	1,307.8	1,243.5
Sales and use tax	379.8	389.3	379.8	389.3
Other taxes	142.5	141.4	142.5	141.4
Investment earnings	19.9	25.4	19.9	25.4
Other revenues	4.7	29.7	4.7	29.7
Transfers to/from other state agencies	(130.6)	(164.0)	(130.6)	(164.0)
Other financing sources (uses)	(1.5)	(0.9)	(1.5)	(0.9)
Insurance Recoveries	1.9	1.5	1.9	1.5
Total revenue	<u>3,398.7</u>	<u>3,600.1</u>	<u>3,398.7</u>	<u>3,600.1</u>
Expenses				
Administrative and support services	183.3	214.3	183.3	214.3
Ground Transportation system planning and research	33.9	31.7	33.9	31.7
Highway system acquisition and construction	625.9	582.5	625.9	582.5
Highway system maintenance	1,029.9	870.7	1,029.9	870.7
Financial assistance to localities	583.4	558.6	583.4	558.6
Environmental monitoring and compliance	0.0	2.0	0.0	2.0
Toll facilities	21.7	22.3	21.7	22.3
Unallocated depreciation	11.0	6.2	11.0	6.2
Transfers to other state agencies	28.7	28.2	28.7	28.2
Total expenses	<u>2,517.8</u>	<u>2,316.5</u>	<u>2,517.8</u>	<u>2,316.5</u>
Change in net assets	880.9	1,283.6	880.9	1,283.6
Net assets - July 1	<u>17,411.0</u>	<u>16,127.4</u>	<u>17,411.0</u>	<u>16,127.4</u>
Net assets - June 30	<u>\$ 18,291.9</u>	<u>\$ 17,411.0</u>	<u>\$ 18,291.9</u>	<u>\$ 17,411.0</u>

**Governmental activities:** Governmental activities increased the Virginia Department of Transportation's net assets by \$880.9. Key elements of this increase are as follows:

- Program revenues decreased by \$259.9, or 13.4 percent over the last fiscal year. This decrease relates to decreases in receipts from capital grants and contributions of \$269.3 or 17.0 percent in fiscal year 2011 over the fiscal year 2010. The decrease in capital grants and contributions relates mostly to the decrease in the recording of donated revenue to recognize the capitalization of the Department's share of the Woodrow Wilson Bridge. The decrease in Program revenues is reduced by increases in receipts from charges for services of \$9.3 or 2.6 percent in fiscal year 2011.
- Total general revenues increased by \$25.4 or 1.4 percent in fiscal year 2011 from fiscal year 2010, with increases primarily in motor vehicle fuel tax \$11.8, motor vehicle sales and use tax \$52.0 and other taxes and premium on insurance \$1.2. The increase is offset by the decreases in sales and use tax \$9.6, investment earnings \$5.6, gain on sales \$2.0 and other revenues \$23.0.
- Others: For the fiscal year ended June 30, 2011, insurance recoveries increased by \$0.5. In addition, transfers to other state agencies and general fund decreased by \$9.3 and transfers from other state agencies and general fund increased by \$24.0 in fiscal year 2011 from the fiscal year 2010.

The Virginia Department of Transportation's expenditures from governmental activities totaled \$2,517.8 for the fiscal year ended June 30, 2011, an increase of \$201.3 from the previous year. Most of the increase is attributable to increases in ground transportation system planning and research \$2.2, highway system acquisition and construction \$43.4, highway system maintenance \$159.2 and financial assistance to localities \$24.8. The increase in expenditures is offset by the decreases in administrative and support services \$31.0, environmental monitoring and compliance \$2.0 and toll facilities operations and construction \$0.6.

**Business-type activities:** Virginia Department of Transportation had no business-type activities in fiscal year 2011.

### **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 2011 with a fund balance of \$2,251.9, an increase of \$332.7 from the prior year. The increase in fund balance was primarily due to the increases in revenues and other financing sources as well as decreases in transfers to other state agencies and general fund (other financing uses). Revenues increased by \$194.4 or 6.0 percent while bond proceeds and transfers from other state agencies and general fund (other financing sources) increased by \$97.8. Transfers to other state agencies

decreased by \$9.3 or 4.3 percent. The increases in revenues and other financing sources and the decreases in transfers to other state agencies were offset by the increases of \$442.0 or 13.9 percent in expenditures.

- Five out of the ten reported VDOT's revenue sources increased in fiscal year 2011. They include taxes \$58.0, rights and privileges \$8.3, fines, forfeitures, court fees, penalties, and escheats \$0.5, federal grants and contracts \$178.9 and toll revenues \$0.3. Increases in expenditures included \$129.0 or 11.7 percent in construction expenditures and \$286.5 or 25.2 percent in maintenance expenditures. Of the \$2,251.9 fund balance in fiscal year 2011, (\$80.3) constitutes unassigned fund balance, and the remaining \$2,332.20 represents amounts reserved for Nonspendable, Restricted and Committed purposes. Note 2 of the notes to the financial statements provides an 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 2011 and 2010 are as follows:

- The fund balance of the Highway Maintenance and Operating Fund increased by \$39.1 in fiscal year 2011 over the previous year. The increases in revenues and the decreases in other financing uses provided most of the changes in fund balance. While total revenues increased by \$60.2 or 4.6 percent, other financing uses decreased by \$28.7. The impacts of the increase in revenues and decrease in other financing uses on fund balance were offset by the increase in total expenditures \$252.1 or 16.2 percent and decrease in other financing sources of \$15.9. Changes in expenditures included \$1.5 or 4.8 percent increase in payments for highway system acquisition and construction, which relates to construction management, and \$241.8 or 25.7 percent increase in maintenance expenditures. The decrease in other financing sources is primarily due to the decrease in budgeted transfers from Construction Fund (crossover transfer recipient), \$496.0 in fiscal year 2011 compared to \$507.6 in fiscal year 2010. On the other hand, the decreases in other financing uses resulted primarily from a transfer out of \$5.8 in fiscal 2011 compared to \$33.1 in fiscal year 2010 to Priority Transportation Fund, a decrease of \$27.3. The decreases in other financing uses were also attributed to a transfer out of \$12.9 in fiscal year 2011 compared to \$13.9 in fiscal year 2010 to other agencies, a decrease of \$1.0.
- The fund balance of the Federal Highway Fund ended the fiscal year 2011 with its normal end of the year balance of \$0. Revenues increased by \$51.0 or 6.1 percent and cash transferred-in from other state agencies and General Fund increased by \$2.2 or 29.0 percent in fiscal year 2011 from fiscal year 2010. As revenues and cash transfers come into the Federal Highway Fund during the year, they are immediately used to pay for their designated expenditure projects. As a result, the total expenditures and other financing uses of the Federal Highway Fund equal to total revenues and other financing sources in fiscal year 2011.
- The Construction Fund's fund balance increased by \$144.8 or 32.3 percent in fiscal year 2011 from fiscal year 2010. The increase in fund balance is related to the decreases in total

expenditures of \$101.1 or 78.0 percent, increases in total revenues of \$10.0 or 1.4 percent, increases in total transfers from other state agencies and general fund of \$23.7 and decreases in total inter-fund transfer-out of \$19.8 in fiscal year 2011. The increase in fund balance is reduced by the increase in other financing uses of \$23.7 or 85.2 percent. The decrease in expenditures is related to a significant decrease in highway system acquisition and construction of \$100.2 or 95.4 percent in fiscal year 2011. The decrease in highway system acquisition and construction in the Construction Fund is primarily due to the use of other funds to pay for most of the highway system acquisition and construction expenditures in fiscal year 2011. In fiscal year 2011, we continued to use bond proceeds from the sale of the Capital Projects Revenue Bonds to provide significant funding for highway system acquisition and construction expenditures. The decrease in other financing uses is attributable to the decreases in budgeted transfers to Highway Maintenance and Operating Fund (crossover transfer payment), \$496.0 in fiscal year 2011 compared to \$507.6 in fiscal year 2010.

- The Priority Transportation Fund balance decreased by \$27.8 or 21.6 percent in fiscal year 2011 from fiscal year 2010. The decrease in fund balance is primarily due to the decreases in transfers-in of \$28.1 from HMO and \$12.4 from Construction Fund and increases in transfers-out of \$39.8 or 26.2 percent in fiscal year 2011. The decrease in fund balance was offset by the increases in revenues of \$0.3 or 0.2 percent, decreases in expenditures of \$0.6 or 68.8 percent and decreases in transfers to the Virginian Department of Rail and Public Transportation of \$29.1 or 103.3 percent in fiscal year 2011.
- The fund balance of the Federal Stimulus Fund - American Recovery & Reinvestment Act (ARRA) was a negative balance of \$1.6 in fiscal year 2011 compared to a negative balance of \$0.2 in fiscal year 2010, a decrease of \$1.4. The decrease in fund balance resulted from the expenditures (highway system acquisition and construction and Administrative and Support Services payments) and transfers to the Virginia Department of Conservation and Recreation exceeding revenues (Federal grants and contracts) by \$1.4 in fiscal year 2011.
- The fund balance of the Capital Projects Revenue Bonds Special Revenue Fund increased by \$286.7 in fiscal year 2011 from fiscal year 2010. The increase in fund balance is attributed to the increase in proceeds from new bond sales of \$146.4, decrease in other transfers to other state agencies and general fund \$4.0 or 2.7 percent and increase in transfer-in from PTF of \$50.0 for the stabilization fund. The fund balance was reduced by increases in expenditures of \$65.8 or 36.2 percent and increases in transfers to transportation partnership opportunity fund of \$10.6 or 94.6 percent in fiscal year 2011.
- The fund balance of the Toll Facilities Revolving Fund increased by \$16.3 or 4.9 percent in fiscal year 2011. The increase in fund balance is primarily due to revenues exceeding expenditures by \$16.3. The fund balance was reduced by the decreases in revenues of \$1.5 or 4.6 percent and decreases in transfers from other state agencies (DRPT) of \$23.6 or 100.0 percent in fiscal year 2011.

The Debt Service funds have a total fund balance of \$67.8 in fiscal year 2011, all of which are reserved for the debt payment. This is a decrease of \$37.5 or 35.6 percent over the fund balance of the fiscal year 2010. This decrease in fund balance is primarily due to the increases in expenditures of \$37.3 or 14.3 percent and decreases in transfers-in of \$3.0 or 1.2 percent. The increase in expenditure is mostly related to the payment of bonds and notes principal and

interest. Debt service payments were \$261.6 in fiscal year 2010 compared to \$298.9 in fiscal year 2011.

**Proprietary funds:** The Virginia Department of Transportation did not have any proprietary fund activity to report in fiscal year 2011.

**Special Revenue Fund Budgetary Highlights**

**Virginia Department of Transportation  
Budget Comparison Summary  
Special Revenue Fund  
For the Fiscal Year Ended June 30, 2011**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes	\$ 1,918.4	\$ 1,918.4	\$ 1,827.5	\$ (90.9)
Intergovernmental	882.5	882.5	1,104.6	222.1
Other	485.0	485.0	501.0	16.0
Total	<u>3,285.9</u>	<u>3,285.9</u>	<u>3,433.1</u>	<u>147.2</u>
Expenditures	<u>3,041.8</u>	<u>4,025.4</u>	<u>3,312.5</u>	<u>712.9</u>
Revenues over (under) expenditures	244.1	(739.5)	120.6	860.1
Other sources	<u>66.9</u>	<u>1,006.4</u>	<u>265.8</u>	<u>(740.6)</u>
Revenues and other sources over (under) expenditures	311.0	266.9	386.4	119.5
Fund balance - July 1	<u>1,777.8</u>	<u>1,777.8</u>	<u>1,777.8</u>	<u>-</u>
Fund balance - June 30	<u>\$ 2,088.8</u>	<u>\$ 2,044.7</u>	<u>\$ 2,164.2</u>	<u>\$ 119.5</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, 2011 amounts to \$18,506.4 (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 5.7 percent.

**Virginia Department of Transportation  
Capital Assets  
as of June 30, 2011 and 2010  
(net of depreciation)**

	Governmental activities		Total	
	2011	2010	2011	2010
Depreciable Capital Assets:				
Buildings and improvements	\$ 197.5	\$ 181.5	\$ 197.5	\$ 181.5
Equipment	124.9	127.3	124.9	127.3
Total Depreciable Capital Assets	<u>322.4</u>	<u>308.8</u>	<u>322.4</u>	<u>308.8</u>
Non Depreciable Capital Assets:				
Land and improvements	26.7	21.7	26.7	21.7
Construction in process	142.8	128.2	142.8	128.2
Total Non Depreciable Capital Assets	<u>169.5</u>	<u>149.9</u>	<u>169.5</u>	<u>149.9</u>
Infrastructure Assets:				
Highway right-of-way, non-depreciable	1,995.2	1,870.6	1,995.2	1,870.6
Highway system infrastructure	9,564.4	9,182.5	9,564.4	9,182.5
Restorative maintenance	1,995.6	1,640.0	1,995.6	1,640.0
Bridge and tunnel infrastructure	2,025.5	2,034.8	2,025.5	2,034.8
Infrastructure work in process	2,433.8	2,323.4	2,433.8	2,323.4
Total Infrastructure assets	<u>18,014.5</u>	<u>17,051.3</u>	<u>18,014.5</u>	<u>17,051.3</u>
Total Assets	<u>\$ 18,506.4</u>	<u>\$ 17,510.0</u>	<u>\$ 18,506.4</u>	<u>\$ 17,510.0</u>

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

**Long-term debt – Bonds Payable:** At the end of the current fiscal year, the Commonwealth Transportation Board (CTB) had total bonded debt outstanding of \$2,203.1 related to governmental activities. Of this amount, \$25.7 comprises debt backed by the full faith, credit, and taxing power of the Commonwealth. The majority, \$2,177.4 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, 2011 and 2010**

	<b>Governmental activities</b>		<b>Total</b>	
	2011	2010	2011	2010
General Obligation Bonds:				
Section 9(b) debt	\$ -	\$ 6.0	\$ -	\$ 6.0
Section 9(c) debt	25.7	27.7	25.7	27.7
Total General Obligation Bonds	<u>25.7</u>	<u>33.7</u>	<u>25.7</u>	<u>33.7</u>
Section 9(d) debt				
Transportation Revenue Bonds	1,915.0	1,380.0	1,915.0	1,380.0
Federal Highway Reimbursement				
Anticipation Notes	262.4	395.5	262.4	395.5
Total Section 9(d) debt	<u>2,177.4</u>	<u>1,775.5</u>	<u>2,177.4</u>	<u>1,775.5</u>
Toll Road Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Bonds Payable	<u>\$ 2,203.1</u>	<u>\$ 1,809.2</u>	<u>\$ 2,203.1</u>	<u>\$ 1,809.2</u>

The Commonwealth Transportation Board's bonds debt, from governmental activities, increased from \$1,809.2 in fiscal year 2010 to \$2,203.1 in fiscal year 2011, an increase of \$393.9 or 21.8 percent. The increases in bonds debt were primarily due to the increases of \$600.0 from the new bond issuance of the Capital Projects Revenue Bonds. There were also increases of \$2.7 from the Route 28 capital appreciation bond. The increase in the outstanding bond debts were offset by \$208.8 from the retirements of bonds principal payments in fiscal year 2011.

**Long-term debt-Notes Payable:** At the end of the current fiscal year, the Commonwealth Transportation Board (CTB) had total outstanding notes debt balance of \$90.8 from the governmental activities. The entire amount of the debt, \$90.8 which is comprised of the Camp 30 and Chesterfield County notes, is not a Commonwealth of Virginia obligation and as a result is not backed by the full faith and credit of the Commonwealth of Virginia.

**Virginia Department of Transportation  
Outstanding Notes  
as of June 30, 2011 and 2010**

	<b>Governmental activities</b>		<b>Total</b>	
	2011	2010	2011	2010
Section 9(d) debt				
Chesterfield County Notes	\$ 8.0	\$ 8.0	\$ 8.0	\$ 8.0
Camp 30 Notes Payable	82.8	86.5	82.8	86.5
Total Section 9(d) debt	<u>90.8</u>	<u>94.5</u>	<u>90.8</u>	<u>94.5</u>
Toll Road Revenue Notes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Notes Payable	<u>\$ 90.8</u>	<u>\$ 94.5</u>	<u>\$ 90.8</u>	<u>\$ 94.5</u>

The Commonwealth Transportation Board's notes debt, from governmental activities, decreased by \$3.7 in fiscal year 2011. The decrease was attributed to the retirement of the principal amount of the existing debt. The Commonwealth Transportation Board did not issue any new notes debt in fiscal year 2011.

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:

- State revenues estimates for most major sources for fiscal year 2012 have increased from the previous year estimates. Commonwealth Transportation Fund Revenues are anticipated to be \$5.3 billion, up 41% from the FY 2011 Budget.
  - This included bond funding provided by the Governor's Transportation Funding Plan.
  - FY 2012 state revenue growth over FY 2011 is 3.4%, the strongest growth is expected in Motor Vehicle Sales and Use Tax revenue of 5.1%.
- Construction fund transfers to cover the Highway Maintenance and Operating Fund's funding deficit will continue in the future years as the growth of the Fund's needs outpaces revenue growth. The transfer is estimated at \$448 million in 2012 and to exceed \$600 million by 2017.
- The construction program continues to contract as available funding declines from dedicated revenue sources.

The above Economic Factors have been considered in the preparation of the Virginia Department of Transportation's fiscal year 2012-2017 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](http://www.virginiadot.org).



**BASIC FINANCIAL  
STATEMENTS**

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**FINANCIAL  
REPORT  
JUNE 30, 2011**

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**Government-wide  
Financial Statements**

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**Virginia Department of Transportation  
Statement of Net Assets  
June 30, 2011**

<b>Primary Government Governmental Activities</b>
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**Assets :**

Cash and cash equivalents with the Treasurer of Virginia (Note 13)	\$	1,606,585,949
Cash and cash equivalents with trustees (Note 13)		451,134,039
Investments with trustees (Note 13)		117,554,980
Cash and cash equivalents for collateral held for securities lending (Note 13)		246,550,685
Investments for collateral held for securities lending (Note 13)		75,602,422
Advance fund		154,652
Receivables: (Net)		
Federal government		130,669,989
Cities, counties, and towns		3,793,663
State agencies		1,308,856
Loans & Other		62,072,743
Taxes		114,902,041
Due from other agencies		917,015
Bond interest receivable		1,102,378
Capitalized bond discounts and issue costs		8,384,589
Capitalized notes discounts and issue costs		471,353
Inventory (Note 1- G)		57,972,812
Depreciable Capital Assets, Net (Note 11)		322,440,754
Infrastructure, net (Note 11)		13,585,537,058
Infrastructure non deprec. (Note 11)		1,995,153,995
Infrastructure, Work in Process (Note 11)		2,433,764,381
Non Depreciable Capital Assets (Note 11 )		169,481,946
Total Assets		<u>21,385,556,300</u>

**Liabilities :**

Accounts payable	190,023,282
Deposits payable	38,056,986
Payable for collateral held for securities lending	322,153,107
Due to other agencies	3,000,000
Deferred revenue	10,373,100
Premium on bonds payable	109,179,937
Premium on notes payable	3,051,622
Accrued liabilities	27,895,288
Retainage on contracts	5,692,923
Non Current Liabilities	
Bond interest payable	34,170,535
Note interest payable	494,148
Pollution remediation obligations (Note 6)	
Expected to be paid within one year	642,100
Expected to be paid after one year	2,100,000
Compensated absences (Note 1- J and Note 6)	
Expected to be paid within one year	29,416,325
Expected to be paid after one year	23,557,131
Bonds Payable (Note 6)	
Portion due within one year	162,205,000
Portion due after one year	2,040,908,335
Notes Payable (Note 6)	
Portion due within one year	3,875,000
Portion due after one year	86,900,000
Total liabilities	<u>3,093,694,819</u>

**Net Assets**

Invested in Capital Assets net of related debt	16,212,489,799
Restricted for :	
Expendable	
Bond Financed Road	
Construction	609,401,730
Capital Acquisition	29,136,567
Transportation Activities	1,453,335,569
Debt service	67,824,681
Unrestricted	(80,326,865)
Total Net Assets	<u>\$ 18,291,861,481</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, 2011**

Functions Programs	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES
Primary Government					
Governmental Activities					
Administrative and support services	\$ 183,311,246	\$ -	\$ -	\$ 81,955	\$ (183,229,291)
Ground transportation system planning and research	33,953,345	-	-	-	(33,953,345)
Highway system acquisition and construction	625,851,322	37,625,885	-	1,310,441,050	722,215,613
Highway system maintenance	1,029,892,053	292,160,386	-	3,088,653	(734,643,014)
Financial assistance to localities	583,398,741	-	-	-	(583,398,741)
Toll facilities operations and construction	21,650,031	30,846,438	-	20,747	9,217,154
Unallocated Depreciation (excludes direct depreciation)	10,971,420	-	-	-	(10,971,420)
Transfers to other state agencies (Note 10)	28,731,437	-	-	-	(28,731,437)
<b>Total Governmental Activities</b>	<b>2,517,759,595</b>	<b>360,632,709</b>	<b>-</b>	<b>1,313,632,405</b>	<b>(843,494,481)</b>
<b>Total Primary Government</b>	<b>\$ 2,517,759,595</b>	<b>\$ 360,632,709</b>	<b>\$ -</b>	<b>\$ 1,313,632,405</b>	<b>\$ (843,494,481)</b>

**GENERAL REVENUES**

Taxes	
Motor Vehicle Fuel Tax	\$ 827,153,230
Road Use Tax	9,858,683
Sales and Use Tax	379,773,575
MV Sales and Use Tax	463,151,227
MV Rental Tax	6,164,919
Aviation Fuel Tax	1,443,884
Premiums on Insurance	130,327,443
Other Taxes	12,208,954
Investment Earnings	19,863,692
Other Revenues	1,864,576
Gain on sales	2,791,906
Transfers to other State Agencies and Gen Fund (Note 10)	(206,380,812)
Transfers from other State Agencies and Gen Fund (Note 10)	75,742,746
Insurance recoveries	1,934,462
Other Financing Sources (Uses)	(1,507,755)
<b>Total General Revenues, Special Items and Transfers</b>	<b>1,724,390,730</b>
Change in Net Assets	880,896,249
Net Assets July 1	17,410,965,232
Net Assets June 30	\$ 18,291,861,481

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

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## Debt Service Funds:

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

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

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

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

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

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

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

**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.

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

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

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

VIRGINIA DEPARTMENT OF TRANSPORTATION  
BALANCE SHEET GOVERNMENTAL FUNDS  
SPECIAL REVENUE  
June 30, 2011

HIGHWAY MAINTENANCE & OPERATING	FEDERAL	CONSTRUCTION
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**ASSETS**

Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 462,058,157	\$ -	\$ 601,037,150
Cash and cash equivalents with trustees (Note 13)	-	-	409,762
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	126,152	-	10,000
Receivables: (net)			
Federal government	-	112,185,406	-
Cities, counties, and towns	55,672	-	3,737,991
State agencies	1,304,724	-	4,132
Loans & other	11,515,618	-	8,181,607
Taxes receivable	65,186,215	-	49,715,826
Due from other funds (Note 9)	-	-	25,569,792
Due from agencies	-	-	-
Deferred charges	-	-	-
Inventory (Note 1 G)	51,212,426	-	1,359,808
<b>Total assets</b>	<b>\$ 591,458,964</b>	<b>\$ 112,185,406</b>	<b>\$ 690,026,068</b>

**LIABILITIES AND FUND BALANCES**

Liabilities :			
Accounts payable	\$ 43,618,953	\$ 111,396,714	\$ 11,189,258
Deposits payable	9,928,101	-	489,031
Payable for collateral held for securities lending	-	-	-
Due to other agencies	-	-	-
Due to other funds (Note 9)	5,826,000	788,692	61,073,507
Deferred revenue	11,737,681	-	18,372,911
Liability for compensated absences	114,128	-	16,879
Accrued liabilities	23,948,202	-	3,855,530
Retainage on contracts	4,169,338	-	1,430,821
<b>Total liabilities</b>	<b>99,342,403</b>	<b>112,185,406</b>	<b>96,427,937</b>

Fund Balances (Note 2)			
Nonspendable	62,728,044	-	9,541,415
Restricted	-	-	-
Committed	429,388,517	-	584,056,716
Assigned	-	-	-
Unassigned	-	-	-
<b>Total fund balances</b>	<b>492,116,561</b>	<b>-</b>	<b>593,598,131</b>
<b>Total liabilities and fund balances</b>	<b>\$ 591,458,964</b>	<b>\$ 112,185,406</b>	<b>\$ 690,026,068</b>

The accompanying notes are an integral part of this financial statement

VIRGINIA DEPARTMENT OF TRANSPORTATION  
BALANCE SHEET GOVERNMENTAL FUNDS  
SPECIAL REVENUE  
June 30, 2011

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

**ASSETS**

Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 89,154,485	\$ 201,118,158	\$ 11,619,418
Cash and cash equivalents with trustees (Note 13)	-	4,515,928	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	15,240,238	195,155,533	-
Investments for collateral held for securities lending (Note 13)	4,673,274	59,842,589	-
Advance fund	-	-	-
Receivables: (net)			
Federal government	-	-	18,484,583
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	42,375,518	-
Taxes receivable	-	-	-
Due from other funds (Note 9)	10,735,459	130,682,527	-
Due from agencies	917,015	-	-
Deferred charges	-	-	-
Inventory (Note 1 G)	-	5,400,578	-
<b>Total assets</b>	<b>\$ 120,720,471</b>	<b>\$ 639,090,831</b>	<b>\$ 30,104,001</b>

**LIABILITIES AND FUND BALANCES**

Liabilities :			
Accounts payable	\$ -	\$ 4,629,772	\$ 18,692,023
Deposits payable	-	27,639,854	-
Payable for collateral held for securities lending	19,913,512	254,998,122	-
Due to other agencies	-	-	3,000,000
Due to other funds (Note 9)	-	-	10,000,000
Deferred revenue	-	119,957	-
Liability for compensated absences	-	-	1,226
Accrued liabilities	-	-	-
Retainage on contracts	-	-	23,204
<b>Total liabilities</b>	<b>19,913,512</b>	<b>287,387,705</b>	<b>31,716,453</b>

Fund Balances (Note 2)			
Nonspendable	-	47,776,096	-
Restricted	-	-	-
Committed	100,806,959	303,927,030	-
Assigned	-	-	-
Unassigned	-	-	(1,612,452)
<b>Total fund balances</b>	<b>100,806,959</b>	<b>351,703,126</b>	<b>(1,612,452)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 120,720,471</b>	<b>\$ 639,090,831</b>	<b>\$ 30,104,001</b>

The accompanying notes are an integral part of this financial statement

VIRGINIA DEPARTMENT OF TRANSPORTATION  
BALANCE SHEET GOVERNMENTAL FUNDS  
SPECIAL REVENUE  
June 30, 2011

CAPITAL PROJECTS REVENUE BONDS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS	Totals	
		Special Revenue Funds June 30, 2011	June 30, 2010

**ASSETS**

Cash and cash equivalents				
with the Treasurer of Virginia (Note 13)	\$ 291,912	\$ 241,040,514	\$ 1,606,319,794	\$ 1,488,036,257
Cash and cash equivalents with trustees (Note 13)	399,275,632	46,929,516	451,130,838	247,432,992
Investments with trustees (Note 13)	49,999,654	-	49,999,654	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	45,743	36,109,171	246,550,685	277,521,826
Investments for collateral held for securities lending (Note 13)	14,027	11,072,532	75,602,422	149,572,685
Advance fund	-	18,500	154,652	153,500
Receivables: (net)				
Federal government	-	-	130,669,989	132,454,248
Cities, counties, and towns	-	-	3,793,663	29,811,005
State agencies	-	-	1,308,856	2,390,150
Loans & other	-	-	62,072,743	52,433,862
Taxes receivable	-	-	114,902,041	113,734,075
Due from other funds (Note 9)	-	-	166,987,778	209,206,460
Due from agencies	-	-	917,015	3,406,504
Deferred charges	-	-	-	91,060
Inventory (Note 1 G)	-	-	57,972,812	53,601,055
<b>Total assets</b>	<b>\$ 449,626,968</b>	<b>\$ 335,170,233</b>	<b>\$ 2,968,382,942</b>	<b>\$ 2,759,845,679</b>

**LIABILITIES AND FUND BALANCES**

Liabilities :				
Accounts payable	\$ -	\$ 496,561	\$ 190,023,281	\$ 183,654,773
Deposits payable	-	-	38,056,986	34,386,645
Payable for collateral held for securities lending	59,770	47,181,703	322,153,107	427,094,511
Due to other agencies	-	-	3,000,000	6,000,000
Due to other funds (Note 9)	-	89,299,579	166,987,778	209,206,460
Deferred revenue	-	172,886	30,403,435	53,063,551
Liability for compensated absences	-	475	132,708	384,341
Accrued liabilities	-	91,556	27,895,288	27,247,530
Retainage on contracts	-	69,560	5,692,923	4,945,343
<b>Total liabilities</b>	<b>59,770</b>	<b>137,312,320</b>	<b>784,345,506</b>	<b>945,983,154</b>

Fund Balances (Note 2)

Nonspendable	-	-	120,045,555	106,034,917
Restricted	-	-	-	-
Committed	449,567,198	276,572,326	2,144,318,746	1,787,647,865
Assigned	-	-	-	-
Unassigned	-	(78,714,413)	(80,326,865)	(79,820,257)
<b>Total fund balances</b>	<b>449,567,198</b>	<b>197,857,913</b>	<b>2,184,037,436</b>	<b>1,813,862,525</b>
<b>Total liabilities and fund balances</b>	<b>\$ 449,626,968</b>	<b>\$ 335,170,233</b>	<b>\$ 2,968,382,942</b>	<b>\$ 2,759,845,679</b>

The accompanying notes are an integral part of this financial statement

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VIRGINIA DEPARTMENT OF TRANSPORTATION  
BALANCE SHEET  
DEBT SERVICE FUNDS  
June 30, 2011

	ROUTE 58	ROUTE 28	CAMP 30	NORTHERN VA. TRANSP. DISTRICT	FEDERAL REIMBURSEMENT ANTICIPATION NOTES	COLEMAN BRIDGE	POWHITE PARKWAY EXTENSION	CAPITAL PROJECTS REVENUE BONDS	TRANSPORTATION SET ASIDE	TOTALS
<b>ASSETS</b>										
Cash and cash equivalents with the Treasurer of Virginia	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,154	\$ -	\$ -	\$ -	\$ 266,154
Cash and cash equivalents with trustees	2	-	15	93	3,051	-	-	40	-	3,201
Investments with trustees	-	-	-	-	67,555,326	-	-	-	-	67,555,326
<b>Total assets</b>	<b>\$ 2</b>	<b>\$ -</b>	<b>\$ 15</b>	<b>\$ 93</b>	<b>\$ 67,558,377</b>	<b>\$ 266,154</b>	<b>\$ -</b>	<b>\$ 40</b>	<b>\$ -</b>	<b>\$ 67,824,681</b>
<b>LIABILITIES AND FUND EQUITY</b>										
Liabilities:										
Fund Balances (Note 2)										
Restricted	2	-	15	93	67,558,377	266,154	-	40	-	67,824,681
<b>Total Liabilities and Fund Equity</b>	<b>\$ 2</b>	<b>\$ -</b>	<b>\$ 15</b>	<b>\$ 93</b>	<b>\$ 67,558,377</b>	<b>\$ 266,154</b>	<b>\$ -</b>	<b>\$ 40</b>	<b>\$ -</b>	<b>\$ 67,824,681</b>

The accompanying notes are an integral part of this financial statement

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**VIRGINIA DEPARTMENT OF TRANSPORTATION  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2011**

	<b>SPECIAL REVENUE</b>	<b>DEBT SERVICE</b>	<b>TOTAL GOVERNMENTAL FUNDS JUNE 30, 2011</b>
<b>ASSETS</b>			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 1,606,319,794	\$ 266,154	\$ 1,606,585,948
Cash and cash equivalents with trustees (Note 13)	451,130,838	3,201	451,134,039
Investments with Trustees (Note 13)	49,999,654	67,555,326	117,554,980
Cash and cash equivalents for			
collateral held for securities lending (Note 13)	246,550,685	-	246,550,685
Investments for			
collateral held for securities lending (Note 13)	75,602,422	-	75,602,422
Advance fund	154,652	-	154,652
Receivables: (Net)			
Federal government	130,669,989	-	130,669,989
Localities and private sector	3,793,663	-	3,793,663
State agencies	1,308,856	-	1,308,856
Loans & Other	62,072,743	-	62,072,743
Taxes Receivable	114,902,041	-	114,902,041
Due from other funds (Note 9)	166,987,778	-	166,987,778
Due from agencies	917,015	-	917,015
Inventory (Note 1G)	57,972,812	-	57,972,812
Total Assets	<u>\$ 2,968,382,942</u>	<u>\$ 67,824,681</u>	<u>\$ 3,036,207,623</u>
<b>LIABILITIES AND FUND EQUITY</b>			
Accounts payable	\$ 190,023,281	\$ -	\$ 190,023,281
Deposits payable	38,056,986	-	38,056,986
Payable for collateral held for securities lending	322,153,107	-	322,153,107
Due to other agencies	3,000,000	-	3,000,000
Due to other funds (Note 9)	166,987,778	-	166,987,778
Due to other agencies	-	-	-
Deferred revenue	30,403,435	-	30,403,435
Compensated absences payable	132,708	-	132,708
Accrued liabilities	27,895,288	-	27,895,288
Retainage on contracts	5,692,923	-	5,692,923
Total liabilities	<u>784,345,506</u>	<u>-</u>	<u>784,345,506</u>
Fund Balances (Note 2)			
Nonspendable	120,045,555	-	120,045,555
Restricted	-	67,824,681	67,824,681
Committed	2,144,318,746	-	2,144,318,746
Assigned	-	-	-
Unassigned	(80,326,865)	-	(80,326,865)
Total Fund Equity	<u>2,184,037,436</u>	<u>67,824,681</u>	<u>2,251,862,117</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 2,968,382,942</u>	<u>\$ 67,824,681</u>	<u>\$ 3,036,207,623</u>

The accompanying notes are an integral part of this financial statement

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**Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets  
June 30, 2011**

Total fund balances - governmental funds \$2,251,862,117

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

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

Land and Non depreciable capital assets	\$169,481,946	
Equipment and Buildings	636,660,428	
Infrastructure assets	28,902,861,410	
Accumulated Depreciation	<u>(11,202,625,650)</u>	
Total capital assets		18,506,378,134

Other long term assets are not available to pay for current period expenditures and therefore are deferred in the funds. 29,988,655

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	(2,293,888,335)	
Interest payable	(34,664,683)	
Premium payable	(112,231,559)	
Pollution remediation obligation	(2,742,100)	
Compensated absences	<u>(52,840,748)</u>	
Total liabilities		<u>(2,496,367,425)</u>

Net assets of governmental activities \$18,291,861,481

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**VIRGINIA DEPARTMENT OF TRANSPORTATION  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE  
 GOVERNMENTAL FUNDS-SPECIAL REVENUE  
 June 30, 2011**

	<b>HIGHWAY MAINTENANCE &amp; OPERATING</b>	<b>FEDERAL</b>	<b>CONSTRUCTION</b>
<b>Revenues</b>			
Revenues provided by the General Fund of the Commonwealth	\$ 950,000	\$ -	\$ -
Taxes	1,062,946,235	-	617,204,277
Rights and privileges	283,502,537	-	26,201,899
Sale of property and commodities	183,435	-	2,791,906
Interest, dividends and rents	27,090	-	6,104,069
Fines, forfeitures, court fees, penalties, and escheats	8,447,323	-	34,073
Federal grants and contracts	-	893,262,336	-
Receipts from localities and private sector	2,107,651	-	74,039,479
Toll revenue	-	-	-
Other revenue	12,224,657	-	283,228
Total revenue	<u>1,370,388,928</u>	<u>893,262,336</u>	<u>726,658,931</u>
<b>Expenditures</b>			
Current:			
Administrative and support services	192,003,356	4,701,259	515,849
Ground transportation system planning and research	4,245,346	14,554,591	15,153,408
Highway system acquisition and construction	32,355,298	639,441,926	4,779,199
Highway system maintenance	1,184,425,455	238,034,868	-
Financial assistance to localities	352,463,151	6,287,970	3,875,302
Environmental monitoring and compliance	10,737,851	-	-
Toll facilities operations and construction	-	-	-
Capital Outlay	-	36,643	4,000,827
Transfers to other state agencies (Note 10)	28,590,904	-	140,533
Total expenditures	<u>1,804,821,361</u>	<u>903,057,257</u>	<u>28,465,118</u>
Revenues over (under) expenditures	<u>(434,432,433)</u>	<u>(9,794,921)</u>	<u>698,193,813</u>
<b>Other financing sources (uses)</b>			
Other financing sources (uses)	-	-	-
Bond Proceeds	-	-	-
Insurance recoveries	1,934,462	-	-
Transfers to other state agencies and General Fund (Note 10)	(12,862,673)	-	(51,612,318)
Transfers from other state agencies and General Fund (Note 10)	-	9,794,921	23,698,917
Transfers in (Note 10)	498,126,216	111,877,340	-
Transfers out (Note 10)	(13,653,374)	(111,877,340)	(525,405,728)
Total other financing sources (uses)	<u>473,544,631</u>	<u>9,794,921</u>	<u>(553,319,129)</u>
Net Change in Fund Balance	39,112,198	-	144,874,684
Beginning fund balance - July 1	453,004,363	-	448,723,447
Ending fund balance - June 30	<u>\$ 492,116,561</u>	<u>\$ -</u>	<u>\$ 593,598,131</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  
GOVERNMENTAL FUNDS-SPECIAL REVENUE  
June 30, 2011**

	<b>PRIORITY TRANSPORTATION FUND</b>	<b>TOLL FACILITIES REVOLVING</b>	<b>ARRA PROJECTS</b>
<b>Revenues</b>			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	-
Taxes	150,327,442	-	-
Rights and privileges	-	12,410,897	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	2,240,992	16,348,648	-
Fines, forfeitures, court fees, penalties, and escheats	-	1,680,878	-
Federal grants and contracts	-	-	201,509,713
Receipts from localities and private sector	-	-	-
Toll revenue	-	-	-
Other revenue	-	-	-
Total revenue	<u>152,568,434</u>	<u>30,440,423</u>	<u>201,509,713</u>
<b>Expenditures</b>			
Current:			
Administrative and support services	-	-	224,023
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	251,911	-	202,523,737
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	14,493,051	-
Capital Outlay	-	-	-
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	<u>251,911</u>	<u>14,493,051</u>	<u>202,747,760</u>
Revenues over (under) expenditures	<u>152,316,523</u>	<u>15,947,372</u>	<u>(1,238,047)</u>
<b>Other financing sources (uses)</b>			
Other financing sources (uses)	(157,848)	(1,029,828)	-
Bond Proceeds	-	-	-
Insurance recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 10)	-	(4,827)	(155,846)
Transfers from other state agencies and General Fund (Note 10)	917,015	-	-
Transfers in (Note 10)	10,735,459	1,364,472	-
Transfers out (Note 10)	(191,583,002)	-	-
Total other financing sources (uses)	<u>(180,088,376)</u>	<u>329,817</u>	<u>(155,846)</u>
Net Change in Fund Balance	(27,771,853)	16,277,189	(1,393,893)
Beginning fund balance - July 1	128,578,812	335,425,937	(218,559)
Ending fund balance - June 30	<u>\$ 100,806,959</u>	<u>\$ 351,703,126</u>	<u>\$ (1,612,452)</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  
GOVERNMENTAL FUNDS-SPECIAL REVENUE  
June 30, 2011**

	CAPITAL PROJECTS REVENUE BONDS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS	Totals	
			Special Revenue Funds JUNE 30, 2011	JUNE 30, 2010
<b>Revenues</b>				
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ 12,000,000	\$ 12,950,000	\$ 36,610,822
Taxes	-	-	1,830,477,954	1,772,526,012
Rights and privileges	-	5,285,844	327,401,177	319,137,596
Sale of property and commodities	-	-	2,975,341	4,946,219
Interest, dividends and rents	465,536	4,170,660	29,356,995	37,043,847
Fines, forfeitures, court fees, penalties, and escheats	-	-	10,162,274	9,643,422
Federal grants and contracts	-	8,062,439	1,102,834,488	923,905,178
Receipts from localities and private sector	-	4,191,989	80,339,119	93,868,872
Toll revenue	-	16,634,706	16,634,706	16,358,233
Other revenue	-	1,494,988	14,002,873	18,682,315
Total revenue	465,536	51,840,626	3,427,134,927	3,232,722,516
<b>Expenditures</b>				
Current:				
Administrative and support services	-	-	197,444,487	204,051,693
Ground transportation system planning and research	-	-	33,953,345	31,731,925
Highway system acquisition and construction	247,509,577	104,920,967	1,231,782,615	1,102,741,254
Highway system maintenance	-	-	1,422,460,323	1,135,921,242
Financial assistance to localities	-	-	362,626,423	353,390,736
Environmental monitoring and compliance	-	-	10,737,851	7,735,265
Toll facilities operations and construction	-	4,888,379	19,381,430	22,945,226
Capital Outlay	-	9,609,760	13,647,230	29,335,829
Transfers to other state agencies (Note 10)	-	-	28,731,437	28,213,588
Total expenditures	247,509,577	119,419,106	3,320,765,141	2,916,066,758
Revenues over (under) expenditures	(247,044,041)	(67,578,480)	106,369,786	316,655,758
<b>Other financing sources (uses)</b>				
Other financing sources (uses)	(8,517)	(311,562)	(1,507,755)	(906,172)
Bond Proceeds	647,675,556	-	647,675,556	573,868,961
Insurance recoveries	-	-	1,934,462	1,461,359
Transfers to other state agencies and General Fund (Note 10)	(141,745,091)	(57)	(206,380,812)	(215,697,139)
Transfers from other state agencies and General Fund (Note 10)	-	41,331,893	75,742,746	51,704,200
Transfers in (Note 10)	50,000,000	46,371,202	718,474,689	748,216,908
Transfers out (Note 10)	(22,160,677)	(107,453,640)	(972,133,761)	(1,004,908,782)
Total other financing sources (uses)	533,761,271	(20,062,164)	263,805,125	153,739,335
Net Change in Fund Balance	286,717,230	(87,640,644)	370,174,911	470,395,093
Beginning fund balance - July 1	162,849,968	285,498,557	1,813,862,525	1,343,467,432
Ending fund balance - June 30	\$ 449,567,198	\$ 197,857,913	\$ 2,184,037,436	\$ 1,813,862,525

The accompanying notes are an integral part of this financial statement

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VIRGINIA DEPARTMENT OF TRANSPORTATION  
STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	ROUTE 58	ROUTE 28	CAMP 30	NORTHERN VA. TRANSP. DISTRICT	FEDERAL REIMBURSEMENT ANTICIPATION NOTES	COLEMAN BRIDGE	POWHITE PARKWAY EXTENSION	CAPITAL PROJECTS REVENUE BONDS	TRANSPORTATION SET ASIDE	TOTALS
<b>Revenues</b>										
Interest	\$ 2	\$ -	\$ 15	\$ 93	\$ 171,473	\$ 598	\$ 1,343	\$ 57	\$ -	173,581
Receipts from Cities, Counties, and Town	-	7,528,835	-	-	-	-	-	-	-	7,528,835
Total revenues	2	7,528,835	15	93	171,473	598	1,343	57	-	7,702,416
<b>Expenditures</b>										
Debt service:										
Interest - bonds and notes	22,104,488	2,318,835	4,137,688	15,768,518	15,996,040	1,212,600	300,500	23,551,046	986,750	86,376,465
Retirement of bonds	29,265,000	5,210,000	-	18,720,000	133,015,000	1,975,000	6,010,000	13,360,000	1,240,000	208,795,000
Retirement of notes	-	-	3,690,000	-	-	-	-	-	-	3,690,000
Administrative fees	-	-	-	-	-	-	-	-	-	-
Total expenditures	51,369,488	7,528,835	7,827,688	34,488,518	149,011,040	3,187,600	6,310,500	36,911,046	2,226,750	298,861,465
Revenue over (under) expenditures	(51,369,486)	-	(7,827,673)	(34,488,425)	(148,839,567)	(3,187,002)	(6,309,157)	(36,910,989)	(2,226,750)	(291,159,049)
<b>Other financing sources (uses)</b>										
Bond proceeds	-	-	-	-	-	-	-	-	-	-
Escrow agent defeasance payment	-	-	-	-	-	-	-	-	-	-
Transfers in	51,369,488	-	7,827,374	34,488,518	111,877,340	3,187,523	5,783,282	36,911,029	2,226,750	253,671,304
Transfers out	-	-	-	-	(12,232)	-	-	-	-	(12,232)
Total other sources (uses)	51,369,488	-	7,827,374	34,488,518	111,865,108	3,187,523	5,783,282	36,911,029	2,226,750	253,659,072
Revenues and other sources over (under) expenditures and other uses	2	-	(299)	93	(36,974,459)	521	(525,875)	40	-	(37,499,977)
Fund balance - July 1	-	-	314	-	104,532,836	265,633	525,875	-	-	105,324,658
Fund balance - June 30	\$ 2	\$ -	\$ 15	\$ 93	\$ 67,558,377	\$ 266,154	\$ -	\$ 40	\$ -	\$ 67,824,681

The accompanying notes are an integral part of this financial statement

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**VIRGINIA DEPARTMENT OF TRANSPORTATION  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
June 30, 2011**

	<b>SPECIAL REVENUE</b>	<b>DEBT SERVICE</b>	<b>TOTALS GOVERNMENTAL FUNDS June 30, 2011</b>
Revenues			
Revenues provided by the General Fund of the Commonwealth	\$ 12,950,000	\$ -	\$ 12,950,000
Taxes	1,830,477,954	-	1,830,477,954
Rights and privileges	327,401,177	-	327,401,177
Sales of property and commodities	2,975,341	-	2,975,341
Interest, dividends, and rents	29,356,995	173,581	29,530,576
Fines, forfeitures, court fees, penalties, and escheats	10,162,274	-	10,162,274
Federal grants and contracts	1,102,834,488	-	1,102,834,488
Receipts from localities and private sector	80,339,119	7,528,835	87,867,954
Toll revenue	16,634,706	-	16,634,706
Other revenue	14,002,873	-	14,002,873
Total revenues	<u>3,427,134,927</u>	<u>7,702,416</u>	<u>3,434,837,343</u>
Expenditures			
Administrative and support services	197,444,487	-	197,444,487
Ground transportation system planning and research	33,953,345	-	33,953,345
Highway system acquisition and construction	1,231,782,615	-	1,231,782,615
Highway system maintenance	1,422,460,323	-	1,422,460,323
Financial assistance to localities	362,626,423	-	362,626,423
Environmental monitoring and compliance	10,737,851	-	10,737,851
Toll facility operations and construction	19,381,430	-	19,381,430
Capital outlay	13,647,230	-	13,647,230
Debt service:			
Interest (Notes & Bonds)	-	86,376,465	86,376,465
Retirement of bonds & Notes	-	212,485,000	212,485,000
Transfers to other state agencies (Note 10)	28,731,437	-	28,731,437
Total expenditures	<u>3,320,765,141</u>	<u>298,861,465</u>	<u>3,619,626,606</u>
Revenues over (under) expenditures	<u>106,369,786</u>	<u>(291,159,049)</u>	<u>(184,789,263)</u>
Other financing sources (uses)			
Other financing sources (uses)	(1,507,755)	-	(1,507,755)
Bond proceeds	647,675,556	-	647,675,556
Insurance Recoveries	1,934,462	-	1,934,462
Transfers to other state agencies and General fund (Note 10)	(206,380,812)	-	(206,380,812)
Transfers from other state agencies and General fund (Note 10)	75,742,746	-	75,742,746
Transfers in (Note 10)	718,474,689	253,671,304	972,145,993
Transfers out (Note 10)	(972,133,761)	(12,232)	(972,145,993)
Total other financing sources (uses)	<u>263,805,125</u>	<u>253,659,072</u>	<u>517,464,197</u>
Revenues and other sources over (under) expenditures and other uses	<u>370,174,911</u>	<u>(37,499,977)</u>	<u>332,674,934</u>
Fund balance - July 1	1,813,862,525	105,324,658	1,919,187,183
Fund balance - June 30	<u>\$ 2,184,037,436</u>	<u>\$ 67,824,681</u>	<u>\$ 2,251,862,117</u>

The accompanying notes are an integral part of this financial statement

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**Reconciliation of the Change in Fund Balances of Governmental Funds  
to the Statement of Activities  
June 30, 2011**

Net Change in fund balances - total governmental funds \$ 332,674,934

Amounts reported for governmental activities are different because:

Accrued interest (4,309,323)

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			26,518,365
Urban assets not capitalized			(229,415,926)
Capital Outlay	\$ 28,731,437		
Depreciation expense	(21,952,729)		
Excess of capital outlay over depreciation expense			6,778,708
Increase in Infrastructure	1,776,758,924		
Depreciation expense	(584,228,471)		
Excess of increase in infrastructure over depreciation expense			1,192,530,453

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			(600,000,000)
Retirement of bonds			208,795,000
Retirement of notes			3,690,000
Increase in accretion of debt			(2,735,494)

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			723,305
Amortize bond and note premium			(39,967,381)
Amortize notes and bond discounts			(4,809)
Amortize cost of issuance notes and bonds			2,235,209
Bond interest receivable			1,102,378
Pollution remediation obligations			(2,742,100)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (14,977,070)

Change in net assets of governmental activities \$ 880,896,249

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**NOTES TO THE  
FINANCIAL  
STATEMENTS**

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**FINANCIAL  
REPORT  
JUNE 30, 2011**

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# VIRGINIA DEPARTMENT OF TRANSPORTATION

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### A. Basis of Presentation

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

#### B. Reporting Entity

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

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

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

#### C. Government-wide and Fund Financial Statements

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

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

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

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

Separate financial statements are provided for governmental funds and fiduciary funds. However, fiduciary funds are not included in the government-wide statements. Major governmental funds are reported as separate columns in the fund financial statements. For fiscal year 2011, the Department did not have any fiduciary fund activity.

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

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

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

The Department reports the following major governmental funds:

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

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

Additionally, VDOT reports the following fund type:

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

The financial statements of the fiduciary fund are reported using the economic resources measurement focus and the accrual basis of accounting. As with the government-wide statements, revenues are recorded when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. For fiscal year 2011, the Department did not have any fiduciary fund activity to report.

#### **E. Budgetary Process**

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

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

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

#### **F. Investments**

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

#### **G. Inventory**

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

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

**H. Property, Plant, and Equipment**

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

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

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

**I. Deferred Revenue**

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

**J. Compensated Absences**

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

**2. FUND BALANCE CLASSIFICATION**

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, became effective for the Commonwealth beginning with fiscal year 2011. The purpose of GASB Statement 54 is 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 new 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, 2011 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, 2011, the Department's nonspendable fund balances were attributed to \$57,972,812 of inventories and \$62,072,743 of 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, 2011, 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, 2011, the Department's committed fund balances represented the amounts that were committed to highway construction and maintenance by the Commonwealth of Virginia. The Committed Fund balances included \$50 million of Revenue Stabilization Fund authorized by the Commonwealth Transportation Board (CTB) by resolution on March 16, 2011 to provide additional funding support for repayment of Capital Project Revenue (CPR) Bonds sold in May, 2011. CPR Bond Fund accounts for bond proceeds, investment revenue and expenditures related to the transportation projects pursuant to Section 33.1-23.4.01 of the *Code of Virginia*. The fund accounts for the accumulation of resources for and the payment of general long-term debt principal and interest of such projects. The Stabilization Fund authorized by the CTB was to provide additional funding support for the repayment of the CPR bond principal and interest.

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, 2011, 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, 2011, the Department's unassigned fund balances represented the deficit fund balances reported by Coleman Bridge Fund, Powhite Parkway

Extension Fund and ARRA Project Fund. Additional disclosure for these deficit fund balances are provided in note 5 – Deficit Fund Balances and Retained Earnings.

### **3. TOLL FACILITIES**

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

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

### **4. COMMITMENTS**

#### **Operating Leases**

VDOT is committed under various operating leases for land, floor space and equipment. In general, the leases are for three to four years with renewal options for another three to four year term. In most cases, VDOT expects these leases to be replaced by similar leases. Rental expense for the fiscal year ending June 30, 2011 was \$2,789,357. VDOT had, as of June 30, 2011, the following future minimum rental payments due under the above leases:

2012	\$ 1,236,376
2013	814,778
2014	357,461
2015	150,313
2016	80,986
Subsequent To 2016	162,364
	<u>\$ 2,802,278</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, 2011, were \$337,968. 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, 2011, the Department of Transportation had the following contractual commitments for various construction projects, maintenance contracts, and consultant services:

Construction Projects	\$ 1,640,530,653
Maintenance Contracts	285,311,985
Consultant Services	531,807,590
	<u>\$ 2,457,650,228</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 AND RETAINED EARNINGS**

### **Powhite Parkway Extension Fund:**

The Powhite Parkway Extension Fund had a deficit fund balance of \$47,264,442 at June 30, 2011. This cumulative deficit is attributable to construction costs and revenue shortfalls caused by a lower traffic volume than projected in the past.

The Department has incurred interfund obligations to meet both bond debt service payments and construction costs. At June 30, 2011, the Powhite Parkway Extension had the following interfund obligations:

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

In addition to its interfund obligations, the Powhite Parkway Extension had a note payable to Chesterfield County for \$8,000,000 at June 30, 2011. These obligations and the interfund liabilities listed above are to be paid from toll revenues.

**Coleman Bridge Fund:**

The Coleman Bridge Fund had a deficit fund balance of \$31,449,971 at June 30, 2011. The original financing plan included an interfund loan from the Toll Facilities Revolving Fund for construction.

The Department incurred the following interfund obligations for construction costs and operating expenses at June 30, 2011:

Due to Toll Facilities Revolving Fund	\$ 39,411,000
Due to Construction Fund	<u>110,000</u>
Total Interfund Obligations	<u><u>\$ 39,521,000</u></u>

In addition to its interfund obligations, the Coleman Bridge Fund had bonds payable for \$25,685,000 at June 30, 2011. This obligation and the interfund liabilities listed above are to be paid from toll revenues.

**ARRA Projects Fund:**

The ARRA Projects Fund had a deficit fund balance of \$1,612,452 at June 30, 2011. This fund accounts for revenues and expenditures related to federal stimulus projects and grants. Funding for these projects is on a reimbursement basis from the federal government as part of the American Recovery and Reinvestment Act of 2009.

**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.

<u>Governmental Activities</u>	<u>June 30, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2011</u>
Bonds Payable	\$ 1,809,172,841	\$602,735,494	(\$208,795,000)	\$ 2,203,113,335
Capital Leases	-	-	-	-
Notes Payable	94,465,000	-	(3,690,000)	90,775,000
Pollution Obligations	-	2,742,100	-	2,742,100
Compensated Absences	53,948,394	32,318,583	(33,293,521)	52,973,456
Totals	<u><u>\$1,957,586,235</u></u>	<u><u>\$637,796,177</u></u>	<u><u>(\$245,778,521)</u></u>	<u><u>\$2,349,603,891</u></u>

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

Section 9(d) bonds are revenue bonds and are not backed by the full faith, credit and taxing power of the Commonwealth. These bonds are not general obligation bonds and are not deemed to constitute a legal liability of the Commonwealth. The 9(d) Transportation Bonds (Primary Government) are payable solely from revenues or earnings, and other available sources of funds appropriated by the General Assembly.

### **Transportation Facilities Debt - Bonds Payable**

At June 30, 2011, Transportation Facilities Bonds included \$25,685,000 of 9(c) general obligation bonds and \$2,177,428,335 of 9(d) revenue bonds. Principal and interest requirements for the current year totaled \$291,033,777.

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

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

On May 25, 2011, the Commonwealth Transportation Board issued \$600,000,000 of Commonwealth of Virginia Transportation Capital Projects Revenue Bonds, Series 2011. Series 2011 will be maturing in annual installments on May 15 in the years 2012 to 2036 and interests are payable on May 15 and November 15 at rates varying from 2.250 to 5.250 percent. The proceeds of the Series 2011 bonds will be used to pay for the costs of certain transportation projects and costs related to the issuance of the bonds. Series 2011 is a tax-exempt bond.

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

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 162,205,000	\$ 101,676,004	\$ 263,881,004
2013	177,740,000	94,472,748	272,212,748
2014	122,605,000	87,304,885	209,909,885
2015	128,585,000	81,208,704	209,793,704
2016	134,800,000	74,788,253	209,588,253
2017-2021	519,875,000	294,886,814	814,761,814
2022-2026	378,915,000	197,214,351	576,129,351
2027-2031	322,210,000	120,550,975	442,760,975
2032-2036	312,950,000	43,353,220	356,303,220
<b>Subtotal</b>	<b>2,259,885,000</b>	<b>1,095,455,955</b>	<b>3,355,340,955</b>
Less Unaccreted Capital Appreciation Bonds	<b>(56,771,665)</b>	-	<b>(56,771,665)</b>
<b>Total</b>	<b>\$ 2,203,113,335</b>	<b>\$ 1,095,455,955</b>	<b>\$ 3,298,569,290</b>

**Detail of Bonds Payable**

Series	Amount Issued	Outstanding June 30, 2010	Issued- (Retired) During Year	Outstanding June 30, 2011	Maturity
<b>Section 9(b) Debt General Obligation Bonds</b>					
Powhite Parkway Extension Series 2003(A) Refunding	\$ 40,370,000	\$ 6,010,000	\$ (6,010,000)	\$ -	
<b>Section 9(c) Debt General Obligation Bonds</b>					
Coleman Bridge Series 2006 Refunding	31,880,000	27,660,000	(1,975,000)	25,685,000	06/01/12-21
<b>Section 9(d) Debt- Transportation Revenue Bonds</b>					
Route 28 Corridor Series 2002 Refunding	83,820,000	49,025,000	(5,210,000)	43,815,000	04/01/12-18
Series 2002A Capital Appreciating	36,823,667	53,952,841	2,735,494	56,688,335	04/01/12-32
Capital Project Revenue Bonds Series 2010(A-1)	85,515,000	85,515,000	(13,360,000)	72,155,000	05/15/12-16
Series 2010(A-2)	407,150,000	407,150,000	-	407,150,000	05/15/12-35
Series 2011	600,000,000	-	600,000,000	600,000,000	05/15/12-36

**Detail Bonds Payable Continues**

<b>Series</b>	<b>Amount Issued</b>	<b>Outstanding June 30, 2010</b>	<b>Issued- (Retired) During Year</b>	<b>Outstanding June 30, 2011</b>	<b>Maturity</b>
U.S. Route 58 Corridor Development					
Series 2001(B)	102,165,000	10,160,000	(3,210,000)	6,950,000	05/15/12-13
Series 2002(B)	70,670,000	46,655,000	(4,885,000)	41,770,000	05/15/12-18
Series 2003(A)	66,255,000	18,305,000	(8,910,000)	9,395,000	05/15/12-12
Series 2004(B)	232,260,000	218,120,000	(12,260,000)	205,860,000	05/15/12-22
Series 2006(C)	63,460,000	63,460,000	-	63,460,000	05/15/12-26
Series 2007(B)	83,955,000	83,955,000	-	83,955,000	05/15/12-19
Northern Virginia Transportation District Program					
Series 2001(A)	58,650,000	19,165,000	(1,840,000)	17,325,000	05/15/12-24
Series 2002(A)	153,035,000	96,525,000	(7,510,000)	89,015,000	05/15/12-27
Series 2004(A)	89,400,000	83,055,000	(4,510,000)	78,545,000	05/15/12-22
Series 2006(B)	20,020,000	20,020,000	-	20,020,000	05/15/12-26
Series 2007(A)	39,115,000	36,090,000	(2,900,000)	33,190,000	05/15/12-20
Series 2009(A-1)	11,245,000	8,205,000	(1,960,000)	6,245,000	05/15/12-14
Series 2009(A-2)	60,950,000	60,950,000	-	60,950,000	05/15/12-34
Oak Grove Connector (Chesapeake)					
Series 2006(A)	23,160,000	19,735,000	(1,240,000)	18,495,000	05/15/12-22
<b>Section 9(d) Debt- Federal Highway Reimbursement Anticipation Notes</b>					
Series 2000	375,000,000	50,965,000	(50,965,000)	0	
Series 2002	523,320,000	182,425,000	(57,985,000)	124,440,000	10/01/12-13
Series 2005	250,000,000	162,070,000	(24,065,000)	138,005,000	10/01/12-16
Total Bonds Payable		<u>\$ 1,809,172,841</u>	<u>\$ 393,940,494</u>	<u>\$ 2,203,113,335</u>	

## Detail of Bonds Payable - Interest Rates

<u>Series</u>	<u>Interest Rates</u>
Coleman Bridge Series 2006 Refunding	3.875%-5.000%
Route 28 Corridor Series 2002 Refunding	2.0%-5.0%
Series 2002A Capital Appreciating	4.63%-5.32%
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%
U.S. Route 58 Corridor Development Series 2001(B)	4.5%-5.375%
Series 2002(B)	3.0%-5.25%
Series 2003(A)	3.0%-5.5%
Series 2004(B)	4.75%-5.25%
Series 2006(C)	5.0%
Series 2007(B)	5.0%
Northern Virginia Transportation District Program Series 2001(A)	4.5%-5.375%
Series 2002(A)	3.0%-5.25%
Series 2004(A)	4.0%-5.0%
Series 2006(B)	4.250%-5.0%
Series 2007(A)	4.000%-5.000%
Series 2009(A-1)	3.000%
Series 2009(A-2)	3.900%-5.950%
Oak Grove Connector (Chesapeake) Series 2006(A)	4.250%-5.0%
Federal Highway Reimbursement Anticipation Notes Series 2000	4.45%-5.75%
Series 2002	2.00%-5.00%
Series 2005	3.000%-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
2012	\$ 2,080,000	\$ 1,113,850	\$ 3,193,850
2013	2,185,000	1,009,850	3,194,850
2014	2,290,000	900,600	3,190,600
2015	2,405,000	786,100	3,191,100
2016	2,520,000	665,850	3,185,850
2017-2021	14,205,000	1,749,000	15,954,000
Total	<u>\$ 25,685,000</u>	<u>\$ 6,225,250</u>	<u>\$ 31,910,250</u>

**Route 28 Transportation Contract Revenue Refunding Current**  
**Interest Bonds Series 2002 (CIB)**  
**Debt Service Requirement to Maturity**

Maturity	Principal	Interest	Total
2012	\$ 5,425,000	\$ 2,104,625	\$ 7,529,625
2013	5,645,000	1,885,300	7,530,300
2014	5,925,000	1,603,050	7,528,050
2015	6,225,000	1,306,800	7,531,800
2016	6,535,000	995,550	7,530,550
2017-2018	14,060,000	994,600	15,054,600
Total	<u>\$ 43,815,000</u>	<u>\$ 8,889,925</u>	<u>\$ 52,704,925</u>

**Route 28 Transportation Contract Revenue Capital Appreciation**  
**New Money Bonds Series 2002**  
**Debt Service Requirement to Maturity**

Maturity	Principal	Interest	Total
2012	\$ -	\$ -	\$ -
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016	-	-	-
2017-2021	24,305,000	-	24,305,000
2022-2026	40,525,000	-	40,525,000
2027-2031	40,525,000	-	40,525,000
2032	8,105,000	-	8,105,000
Total	<u>113,460,000</u>	<u>-</u>	<u>113,460,000</u>
Less			
Unaccreted			
Capital			
Appreciation			
Bonds	(56,771,665)	-	(56,771,665)
Total	<u>\$ 56,688,335</u>	<u>\$ -</u>	<u>\$ 56,688,335</u>

**Transportation Capital Revenue Bonds, Series 2010A-1**

**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 13,320,000	\$ 3,607,750	\$ 16,927,750
2013	13,855,000	2,941,750	16,796,750
2014	14,410,000	2,249,000	16,659,000
2015	14,985,000	1,528,500	16,513,500
2016	15,585,000	779,250	16,364,250
<b>Total</b>	<b>\$ 72,155,000</b>	<b>\$ 11,106,250</b>	<b>\$ 83,261,250</b>

**Transportation Capital Revenue Bonds, Series 2010A-2**

**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ -	\$ 20,351,593	\$ 20,351,593
2013	-	20,351,593	20,351,593
2014	-	20,351,593	20,351,593
2015	-	20,351,593	20,351,593
2016	-	20,351,593	20,351,593
2017-2021	84,230,000	95,134,408	179,364,408
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
<b>Total</b>	<b>\$ 407,150,000</b>	<b>\$ 335,411,870</b>	<b>\$ 742,561,870</b>

**Transportation Capital Revenue Bonds, Series 2011**

**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 3,785,000	\$ 27,472,484	\$ 31,257,484
2013	13,965,000	28,143,863	42,108,863
2014	14,665,000	27,445,613	42,110,613
2015	15,400,000	26,712,363	42,112,363
2016	16,170,000	25,942,363	42,112,363
2017-2021	92,255,000	118,291,875	210,546,875
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
<b>Total</b>	<b>\$ 600,000,000</b>	<b>\$ 441,895,709</b>	<b>\$ 1,041,895,709</b>

**U.S. Route 58 Transportation Revenue Refunding Bonds, Series 2001B**  
**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 3,385,000	\$ 373,563	\$ 3,758,563
2013	3,565,000	191,619	3,756,619
<b>Total</b>	<b>\$ 6,950,000</b>	<b>\$ 565,181</b>	<b>\$ 7,515,181</b>

**U.S. Route 58 Transportation Revenue Refunding Bonds, Series 2002B**  
**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 5,130,000	\$ 2,105,688	\$ 7,235,688
2013	5,390,000	1,849,188	7,239,188
2014	5,660,000	1,579,688	7,239,688
2015	5,935,000	1,296,688	7,231,688
2016	6,235,000	999,938	7,234,938
2017-2018	13,420,000	1,049,125	14,469,125
<b>Total</b>	<b>\$ 41,770,000</b>	<b>\$ 8,880,313</b>	<b>\$ 50,650,313</b>

**U.S. Route 58 Transportation Revenue Refunding Bonds, Series 2003A**  
**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 9,395,000	\$ 516,725	\$ 9,911,725
<b>Total</b>	<b>\$ 9,395,000</b>	<b>\$ 516,725</b>	<b>\$ 9,911,725</b>

**U.S. Route 58 Transportation Revenue Bonds, Series 2004B**  
**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 12,905,000	\$ 10,183,263	\$ 23,088,263
2013	13,585,000	9,505,750	23,090,750
2014	18,015,000	8,826,500	26,841,500
2015	18,925,000	7,925,750	26,850,750
2016	19,865,000	6,979,500	26,844,500
2017-2021	109,825,000	19,026,375	128,851,375
2022-2022	12,740,000	605,150	13,345,150
<b>Total</b>	<b>\$ 205,860,000</b>	<b>\$ 63,052,288</b>	<b>\$ 268,912,288</b>

**U.S. Route 58 Transportation Revenue Bonds, Series 2006C**  
**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ -	\$ 3,173,000	\$ 3,173,000
2013	-	3,173,000	3,173,000
2014	-	3,173,000	3,173,000
2015	-	3,173,000	3,173,000
2016	-	3,173,000	3,173,000
2017-2021	5,350,000	15,865,000	21,215,000
2022-2026	58,110,000	8,178,250	66,288,250
<b>Total</b>	<b>\$ 63,460,000</b>	<b>\$ 39,908,250</b>	<b>\$ 103,368,250</b>

**U.S. Route 58 Transportation Revenue Bonds, Series 2007B**  
**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ -	\$ 4,197,750	\$ 4,197,750
2013	7,660,000	4,197,750	11,857,750
2014	11,215,000	3,814,750	15,029,750
2015	11,780,000	3,254,000	15,034,000
2016	12,365,000	2,665,000	15,030,000
2017-2019	40,935,000	4,160,000	45,095,000
<b>Total</b>	<b>\$ 83,955,000</b>	<b>\$ 22,289,250</b>	<b>\$ 106,244,250</b>

**Northern Virginia Transportation Program**  
**Transportation Revenue Bonds Series 2001A**  
**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 1,945,000	\$ 881,213	\$ 2,826,213
2013	2,045,000	776,669	2,821,669
2014	-	666,750	666,750
2015	-	666,750	666,750
2016	-	666,750	666,750
2017-2021	3,095,000	3,333,750	6,428,750
2022-2025	10,240,000	1,040,500	11,280,500
<b>Total</b>	<b>\$ 17,325,000</b>	<b>\$ 8,032,381</b>	<b>\$ 25,357,381</b>

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

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 7,885,000	\$ 4,473,944	\$ 12,358,944
2013	8,280,000	4,079,694	12,359,694
2014	8,695,000	3,665,694	12,360,694
2015	7,370,000	3,230,944	10,600,944
2016	7,755,000	2,844,019	10,599,019
2017-2021	32,345,000	7,762,294	40,107,294
2022-2026	13,565,000	2,807,844	16,372,844
2027	3,120,000	156,000	3,276,000
<b>Total</b>	<b>\$ 89,015,000</b>	<b>\$ 29,020,431</b>	<b>\$ 118,035,431</b>

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

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 4,730,000	\$ 3,559,250	\$ 8,289,250
2013	4,970,000	3,322,750	8,292,750
2014	7,375,000	3,074,250	10,449,250
2015	7,740,000	2,705,500	10,445,500
2016	8,130,000	2,318,500	10,448,500
2017-2021	43,520,000	5,642,000	49,162,000
2022	2,080,000	85,800	2,165,800
<b>Total</b>	<b>\$ 78,545,000</b>	<b>\$ 20,708,050</b>	<b>\$ 99,253,050</b>

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

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ -	\$ 973,363	\$ 973,363
2013	-	973,363	973,363
2014	-	973,363	973,363
2015	1,805,000	973,363	2,778,363
2016	1,880,000	896,650	2,776,650
2017-2021	4,215,000	3,559,500	7,774,500
2022-2026	12,120,000	2,289,500	14,409,500
<b>Total</b>	<b>\$ 20,020,000</b>	<b>\$ 10,639,100</b>	<b>\$ 30,659,100</b>

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

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 3,025,000	\$ 1,510,600	\$ 4,535,600
2013	3,155,000	1,389,600	4,544,600
2014	3,290,000	1,263,400	4,553,400
2015	3,465,000	1,098,900	4,563,900
2016	3,650,000	925,650	4,575,650
2017-2020	16,605,000	1,820,250	18,425,250
<b>Total</b>	<b>\$ 33,190,000</b>	<b>\$ 8,008,400</b>	<b>\$ 41,198,400</b>

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

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 2,020,000	\$ 187,350	\$ 2,207,350
2013	2,080,000	126,750	2,206,750
2014	2,145,000	64,350	2,209,350
<b>Total</b>	<b>\$ 6,245,000</b>	<b>\$ 378,450</b>	<b>\$ 6,623,450</b>

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

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ -	\$ 3,305,799	\$ 3,305,799
2013	-	3,305,799	3,305,799
2014	-	3,305,799	3,305,799
2015	2,210,000	3,305,799	5,515,799
2016	2,265,000	3,219,609	5,484,609
2017-2021	12,330,000	14,547,888	26,877,888
2022-2026	14,510,000	11,189,203	25,699,203
2027-2031	17,445,000	6,785,190	24,230,190
2032-2035	12,190,000	1,468,460	13,658,460
<b>Total</b>	<b>\$ 60,950,000</b>	<b>\$ 50,433,544</b>	<b>\$ 111,383,544</b>

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

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 1,305,000	\$ 924,750	\$ 2,229,750
2013	1,365,000	859,500	2,224,500
2014	1,435,000	791,250	2,226,250
2015	1,505,000	719,500	2,224,500
2016	1,585,000	644,250	2,229,250
2017-2021	9,180,000	1,950,750	11,130,750
2022	2,120,000	106,000	2,226,000
<b>Total</b>	<b>\$ 18,495,000</b>	<b>\$ 5,996,000</b>	<b>\$ 24,491,000</b>

**Federal Highway Reimbursement Anticipation Notes  
Series 2002**

**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 60,730,000	\$ 4,656,108	\$ 65,386,108
2013	63,710,000	1,557,356	65,267,356
<b>Total</b>	<b>\$ 124,440,000</b>	<b>\$ 6,213,463</b>	<b>\$ 130,653,463</b>

**Federal Highway Reimbursement Anticipation Notes  
Series 2005**

**Debt Service Requirements to Maturity**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 25,140,000	\$ 6,003,340	\$ 31,143,340
2013	26,285,000	4,831,608	31,116,608
2014	27,485,000	3,556,238	31,041,238
2015	28,835,000	2,173,156	31,008,156
2016	30,260,000	720,783	30,980,783
<b>Total</b>	<b>\$ 138,005,000</b>	<b>\$ 17,285,125</b>	<b>\$ 155,290,125</b>

## Bond Defeasance

In prior years, the Department defeased certain general obligation and revenue bonds by placing the surplus trust funds and refunding bond proceeds in irrevocable trusts to provide for all future debt service payments on refunded bonds. Accordingly, the trust accounts' assets and liabilities for the defeased bonds were not reported in the Department's financial statements. Outstanding balances of defeased bonds as of June 30, 2011 were as follows:

<u>Issue</u>	<u>Outstanding at June 30, 2011</u>
Northern Virginia Transportation District Program Transportation Revenue Bonds, Series 2002A	\$ 7,810,000
Hirst Brault Expressway (Dulles Toll Road) General Obligation Bonds, Series 2002	<u>16,370,000</u>
<b>Total:</b>	<b><u>\$24, 180, 000</u></b>

## Arbitrage Rebate

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

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

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

## Notes Payable

At June 30, 2011, Transportation Facilities Notes included \$82,775,000 of 9(d) Camp 30 revenue notes and \$8,000,000 of 9(d) Chesterfield County revenue notes. Principal and interest requirements for the current year totaled \$7,827,688.

### Camp 30

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

Powhite Parkway Extension

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

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

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

<b>Debt Service Requirements to Maturity</b>				
<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2012	\$ 3,875,000	\$ 3,953,188	\$ 7,828,188	
2013	4,070,000	3,759,438	7,829,438	
2014	4,270,000	3,555,938	7,825,938	
2015	4,485,000	3,342,438	7,827,438	
2016	4,710,000	3,118,188	7,828,188	
2017-2021	27,220,000	11,925,288	39,145,288	
2022-2026	34,145,000	4,995,950	39,140,950	
Unknown	8,000,000	-	8,000,000	
<b>Total</b>	<b>\$ 90,775,000</b>	<b>\$ 34,650,425</b>	<b>\$ 125,425,425</b>	

**Detail of Notes Payable**

<b>Series</b>	<b>Amount Issued</b>	<b>Outstanding June 30, 2010</b>	<b>Issued- (Retired) During Year</b>	<b>Outstanding June 30, 2011</b>	<b>Maturity</b>
<b>Section 9(b) Debt</b>					
Chesterfield County Notes, Series 1986 - Powhite	\$ 22,000,000	\$ 8,000,000	\$ -	\$ 8,000,000	Unknown
<b>Section 9(d) Debt-</b>					
Camp 30 Notes Payable, Series 2006	96,515,000	86,465,000	(3,690,000)	82,775,000	05/15/12-26
<b>Total Notes Payable</b>		<b>\$ 94,465,000</b>	<b>\$ (3,690,000)</b>	<b>\$ 90,775,000</b>	

**Detail of Notes Payable - Interest Rates**

<b><u>Series</u></b>	<b><u>Interest Rates</u></b>
Chesterfield County Notes, Series 1986 - Powhite	0.0%-0.0%
Camp 30 Notes Payable Series 2006	4.250%-5.000%

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

<b>Powhite Parkway Extension</b>			
<b>Chesterfield County Notes Series 1986</b>			
<b>Debt Service Requirement to Maturity</b>			
<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ -	\$ -	\$ -
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016	-	-	-
2017-2021	-	-	-
2022-2026	-	-	-
Unknown	8,000,000	-	8,000,000
<b>Total</b>	<b>\$ 8,000,000</b>	<b>\$ -</b>	<b>\$ 8,000,000</b>

<b>Camp 30 Notes, Series 2006</b>			
<b>Debt Service Requirements to Maturity</b>			
<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 3,875,000	\$ 3,953,188	\$ 7,828,188
2013	4,070,000	3,759,438	7,829,438
2014	4,270,000	3,555,938	7,825,938
2015	4,485,000	3,342,438	7,827,438
2016	4,710,000	3,118,188	7,828,188
2017-2021	27,220,000	11,925,288	39,145,288
2022-2026	34,145,000	4,995,950	39,140,950
<b>Total</b>	<b>\$ 82,775,000</b>	<b>\$ 34,650,425</b>	<b>\$ 117,425,425</b>

### 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, 2011, the reported balances for compensated absences were as follows:

Due Within One Year	\$ 29,416,325
Due Greater Than One Year	23,557,131
	<u>\$ 52,973,456</u>

## **Pollution Remediation Obligations**

At June 30, 2011 the Department reported \$2,742,100 of pollution remediation obligations of which \$642,100 was 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. Some groundwater contamination pollution remediation outlays could not reasonably be estimated by the Department as of June 30, 2011.

## **7. FUND EQUITY RESERVES**

At June 30, 2011, the Department's fund balances restricted for debt financed road construction were as follows:

	Balance at June 30, 2011	
	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>
Restricted for:		
Construction	\$ 530,687,317	\$ -
Capital Acquisition (Camp 30)	29,136,567	-
Bond interest and sinking fund	-	67,824,681
	<u>\$ 559,823,884</u>	<u>\$ 67,824,681</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. VDOT pays premiums to each of these departments for its insurance coverage. Information relating to the Commonwealth's insurance plans is available at the state-wide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

## **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, 2011, the Department had the following interfund assets and liabilities:

Fund	Due To	Due From
<u>Construction Fund</u>		
To Toll Facilities Revolving	\$ 56,164,048	\$ -
From Powhite	-	14,671,100
From ARRA	-	10,000,000
From Federal Fund	-	788,692
From Coleman Bridge	-	110,000
To PTF	4,909,459	-
	61,073,507	25,569,792
<u>Toll Facilities Revolving Fund</u>		
From Coleman	-	39,411,000
From Construction	-	56,164,048
From Powhite	-	35,107,479
	-	130,682,527
<u>Federal Fund</u>		
To Construction	788,692	-
	788,692	-
<u>Highway Maintenance &amp; Operating (HMO)</u>		
To PTF	5,826,000	-
	5,826,000	-
<u>Priority Transportation (PTF)</u>		
From HMO	-	5,826,000
From Construction	-	4,909,459
	-	10,735,459
<u>Coleman Bridge Fund</u>		
To Toll Facilities Revolving	39,411,000	-
To Construction	110,000	-
	39,521,000	-
<u>Powhite Fund</u>		
To Toll Facilities Revolving	35,107,479	-
To Construction	14,671,100	-
	49,778,579	-
<u>ARRA Projects Fund (ARRA)</u>		
To Construction	10,000,000	-
	10,000,000	-
Special Revenue Fund		
Total Interfund Receivables	\$ 166,987,778	\$ 166,987,778

**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, 2011.

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

<u>Agency</u>	<u>Total</u>
Department of Motor Vehicles	\$ 12,184,257
Department of State Police	8,049,817
Department of Rail and Public Transportation	4,888,511
Department of Minority Business Enterprise	1,506,868
Department of Emergency Management	983,013
Secretary of Transportation	640,332
Department of Education	238,106
Governor's Office	140,533
Department of Historic Resources	100,000
<b>Total Program Expenditures</b>	<u><u>\$ 28,731,437</u></u>

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

General Fund:	
Indirect Costs	\$ 522,462
General Fund Transfer	(32,700,000)
Department of Rail and Public Transportation	188,834,573
DMV-Chesapeake Bay Initiatives	7,416,469
Virginia Port Authority	4,464,573
Department of Aviation	675,553
Department of State Police	450,000
Science Museum of Virginia	447,631
Marine Resources Commission	313,768
Department of Conservation & Recreation	222,747
Department of the Treasury	181,069
Governor's Office	140,533
Department of Agriculture & Consumer Services	97,586
Department of Minority Business Enterprise	15,522
Department of Historic Resources	15,453
Department of Accounts	(31,278,510)
Department of Emergency Management	(7,594,036)
Department of Motor Vehicles	(1,570,948)
Virginia Tech	(16,379)
Total	<u>\$ 130,638,066</u>

**Interfund Transfers**

The department recorded the following interfund transfers for the fiscal year 2011:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
<b><u>Special Revenue Funds</u></b>		
<b><u>Highway Maintenance &amp; Operating (HMO)</u></b>		
From Surplus	\$ 1,239,008	\$ -
From Recycle	255,533	-
From Powhite (State Police)	633,657	-
From Construction	495,998,018	-
To PTF	-	5,826,000
To Camp 30 Debt Service	-	7,827,374
Totals	<u>498,126,216</u>	<u>13,653,374</u>
<b><u>Federal Fund</u></b>		
To FRAN Debt Service	-	111,877,340
From PTF	111,877,340	-
Totals	<u>111,877,340</u>	<u>111,877,340</u>
<b><u>Transportation Partnership Opportunity</u></b>		
From Capital Projects	21,860,719	-
Totals	<u>21,860,719</u>	<u>-</u>
<b><u>Federal Reimbursement Anticipation Notes (FRAN)</u></b>		
From Debt Service	12,232	-
Totals	<u>12,232</u>	<u>-</u>
<b><u>Construction Fund</u></b>		
To PTF	-	4,909,459
To HMO	-	495,998,018
To Route 58	-	20,000,000
To Camp 30 Special Revenue	-	4,498,251
Totals	<u>-</u>	<u>525,405,728</u>
<b><u>Toll Facilities Revolving (TFR)</u></b>		
From Coleman Bridge	352,538	-
From Powhite	1,011,934	-
Totals	<u>1,364,472</u>	<u>-</u>
<b><u>Recyclable Materials</u></b>		
To HMO	-	255,533
Totals	<u>-</u>	<u>255,533</u>
<b><u>Surplus Property</u></b>		
To HMO	-	1,239,008
Totals	<u>-</u>	<u>1,239,008</u>

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
<b><u>Route 58</u></b>		
To Debt Service	-	51,369,488
From Construction	20,000,000	-
Totals	<u>20,000,000</u>	<u>51,369,488</u>
<b><u>Transportation Set Aside</u></b>		
To Debt Service	-	2,226,750
Totals	-	<u>2,226,750</u>
<b><u>Capital Projects</u></b>		
To Transportation Partnership Opportunity	-	21,860,719
To Capital Projects Debt Service	-	299,958
From Priority Transportation Fund	50,000,000	-
Totals	<u>50,000,000</u>	<u>22,160,677</u>
<b><u>Coleman Bridge</u></b>		
To Debt Service	-	3,187,523
To TFR	-	352,538
Totals	-	<u>3,540,061</u>
<b><u>Camp 30</u></b>		
From Construction	4,498,251	-
Totals	<u>4,498,251</u>	<u>-</u>
<b><u>Priority Transportation (PTF)</u></b>		
From Construction	4,909,459	-
From HMO	5,826,000	-
To Federal	-	111,877,340
To Capital Projects Fund	-	50,000,000
To Capital Projects Fund Debt Service	-	29,705,662
Totals	<u>10,735,459</u>	<u>191,583,002</u>
<b><u>ARRA Grants</u></b>		
To NVTD Debt Service	-	1,157,030
To Capital Projects Fund Debt Service	-	6,905,409
Totals	-	<u>8,062,439</u>
<b><u>Northern Virginia Transportation District (NVTD)</u></b>		
To Debt Service	-	33,331,488
Totals	-	<u>33,331,488</u>
<b><u>Powhite Parkway Extension</u></b>		
To Debt Service	-	5,783,282
To TFR	-	1,011,934
To HMO (State Police Patrol)	-	633,657
Totals	-	<u>7,428,873</u>
<b>Total Special Revenue Funds</b>	<b><u>\$ 718,474,689</u></b>	<b><u>\$ 972,133,761</u></b>

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
<b><u>Debt Service Funds</u></b>		
<b><u>Route 58</u></b>		
From Special Revenue	\$ 51,369,488	\$ -
Totals	<u>51,369,488</u>	<u>-</u>
<b><u>Transportation Set Aside</u></b>		
From Special Revenue	<u>2,226,750</u>	-
Totals	<u>2,226,750</u>	<u>-</u>
<b><u>Coleman Bridge</u></b>		
From Special Revenue	<u>3,187,523</u>	-
Totals	<u>3,187,523</u>	<u>-</u>
<b><u>Camp 30</u></b>		
From HMO Special Revenue	<u>7,827,374</u>	-
Totals	<u>7,827,374</u>	<u>-</u>
<b><u>FRAN</u></b>		
From Federal Fund	111,877,340	-
To Special Revenue	-	12,232
Totals	<u>111,877,340</u>	<u>12,232</u>
<b><u>Capital Projects Revenue Bonds</u></b>		
From Special Revenue	299,958	-
From ARRA Grants	6,905,409	-
From PTF	29,705,662	-
Totals	<u>36,911,029</u>	<u>-</u>
<b><u>Northern Virginia Transportation District</u></b>		
From Special Revenue	33,331,488	-
From ARRA Grants	<u>1,157,030</u>	-
Totals	<u>34,488,518</u>	<u>-</u>
<b><u>Powhite Parkway Extension</u></b>		
From Special Revenue	<u>5,783,282</u>	-
Totals	<u>5,783,282</u>	<u>-</u>
<b>Total Debt Service Funds</b>	<b><u>\$ 253,671,304</u></b>	<b><u>\$ 12,232</u></b>
<b>Total Special Revenue and Debt Service Funds</b>	<b><u>\$ 972,145,993</u></b>	<b><u>\$ 972,145,993</u></b>

## 11. PROPERTY, PLANT AND EQUIPMENT

The following presents governmental capital activity for the year ended June 30, 2011:

	Governmental Activities			
	June 30, 2010	Increases	Decreases	June 30, 2011
Non-depreciable capital assets				
Land and improvements	\$ 21,728,164	\$ 5,000,000	\$ -	\$ 26,728,164
Construction in progress	128,128,079	35,914,395	(21,288,692)	142,753,782
Total nondepreciable capital assets	<u>149,856,243</u>	<u>40,914,395</u>	<u>(21,288,692)</u>	<u>169,481,946</u>
Depreciable capital assets:				
Buildings	208,937,791	24,467,105	(762,495)	232,642,401
Improvements	110,926,017	3,366,319	-	114,292,336
Equipment	281,172,521	15,927,598	(7,374,428)	289,725,691
Total depreciable capital assets	<u>601,036,329</u>	<u>43,761,022</u>	<u>(8,136,923)</u>	<u>636,660,428</u>
Less accumulated depreciation for:				
Buildings	(77,403,763)	(6,532,984)	291,019	(83,645,728)
Improvements	(61,018,157)	(4,729,455)	-	(65,747,612)
Equipment	(153,845,025)	(15,279,838)	4,298,529	(164,826,334)
Total accumulated depreciation	<u>(292,266,945)</u>	<u>(26,542,277)</u>	<u>4,589,548</u>	<u>(314,219,674)</u>
Total depreciable capital assets, net	<u>308,769,384</u>	<u>17,218,745</u>	<u>(3,547,375)</u>	<u>322,440,754</u>
Infrastructure assets not being depreciated				
Highway system right-of-way	1,870,573,606	168,241,820	(43,661,431)	1,995,153,995
Total nondepreciable infrastructure	<u>1,870,573,606</u>	<u>168,241,820</u>	<u>(43,661,431)</u>	<u>1,995,153,995</u>
Other depreciable infrastructure assets:				
Highway system infrastructure	17,481,756,386	1,008,671,735	(197,270,742)	18,293,157,379
Restorative maintenance	1,911,562,212	432,851,536	-	2,344,413,748
Bridge and tunnel infrastructure	3,767,841,372	68,193,063	-	3,836,034,435
Total road system infrastructure	<u>23,161,159,970</u>	<u>1,509,716,334</u>	<u>(197,270,742)</u>	<u>24,473,605,562</u>
Less accumulated depreciation for:				
Highway system infrastructure	(8,570,818,862)	(525,428,937)	18,685,459	(9,077,562,340)
Bridge and tunnel infrastructure	(1,733,021,171)	(77,484,993)	-	(1,810,506,164)
Total accumulated depreciation	<u>(10,303,840,033)</u>	<u>(602,913,930)</u>	<u>18,685,459</u>	<u>(10,888,068,504)</u>
Total infrastructure, net	<u>14,727,893,543</u>	<u>1,075,044,224</u>	<u>(222,246,714)</u>	<u>15,580,691,053</u>
Infrastructure, work in process				
Road and bridge	2,026,893,180	1,159,091,283	(976,014,281)	2,209,970,182
Right-of-way	296,554,184	93,166,336	(165,926,321)	223,794,199
Total Infrastructure, work in process	<u>2,323,447,364</u>	<u>1,252,257,619</u>	<u>(1,141,940,602)</u>	<u>2,433,764,381</u>
Total governmental activities capital assets, net	<u>\$ 17,509,966,534</u>	<u>\$ 2,385,434,983</u>	<u>\$ (1,389,023,383)</u>	<u>\$ 18,506,378,134</u>
Depreciation expense was charged to programs as follows:				
Governmental activities:				
Highway system acquisition and construction		\$ 602,913,930		
Administrative and support services		1,175,540		
Highway system maintenance		14,104,298		
Unallocated		11,262,439		
Total governmental activities depreciation expense		<u>\$ 629,456,207</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, 2011	\$2,164,172,761
Accrued revenues	246,827,060
Accrued expenditures	(226,467,291)
Accrued transfers	(495,094)
Total Modified Accrual (GAAP) Basis Fund Balance at June 30, 2011	<u>\$2,184,037,436</u>

**13. CASH, CASH EQUIVALENTS AND INVESTMENTS**

**Cash, Cash Equivalents and Investments with the Treasurer of Virginia**

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

The bank balance of cash held by the Treasurer is covered by federal depository insurance or collateralized in accordance with the Virginia Securities for Public Deposits Act. At June 30, 2011, the Department reported \$1,568,750,293 for Cash with the Treasurer of Virginia. The Department's investments with the Treasurer included investments in Local Government Investment Pool (LGIP) and Short Term Investment Funds (STIF), which were \$28,120,354 and \$9,715,301 respectively at June 30, 2011.

The Department maintains cash with the Treasurer in the state Treasurer's General Account. During the fiscal year 2011, 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, 2011 was \$322,153,107. 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, 2011, the Department's carrying amount of cash with trustees was \$4,925,690 and the bank balance was \$4,945,338.

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, 2011, the reported balance for Cash, Cash Equivalents and Investments with Trustees were as follows:

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Construction Fund	\$ 409,762	\$ -
Toll Facilities Revolving Fund	4,515,928	-
Capital Projects Revenue Bonds	399,275,672	49,999,654
Route 58	798,793	-
Northern Virginia Transportation District	16,645,578	-
Federal Reimbursement Anticipation Notes	3,051	67,555,326
Camp 30	29,485,255	-
Total	<u>\$ 451,134,039</u>	<u>\$ 117,554,980</u>

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

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Department may not be able to recover the value of its investment or collateral securities that are in possession of an outside party. As of June 30, 2011, 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, 2011, 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, 2011, 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, 2011, the Department had the following investments with trustees:

Investment	Fair Value	Rating Agency	Credit Rating	Investment Maturities	
				Less Than 1 Year	1-5 Years
U.S. Treasury and Agency Securities	\$ 117,554,980		N/A	\$ 67,555,326	\$ 49,999,654
Mutual and Money Market Funds (Include SNAP)	169,004	Moody's	Aa2	169,004	-
Mutual and Money Market Funds (Include SNAP)	446,039,345	Standard & Poor's	AAA	446,039,345	-
Total	<u>\$ 563,763,329</u>			<u>\$ 513,763,675</u>	<u>\$ 49,999,654</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 VDOT, has the overall responsibility for contributions to these plans.

#### 15. 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, 2011. 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.

The Cardinal Project is a partnership involving the Department of Accounts (DOA), Virginia Information Technologies Agency (VITA), and the Virginia Department of Transportation (VDOT) to implement a new financial management system. Cardinal is a PeopleSoft (v9.1) product that will initially be implemented by VDOT and then by DOA.

The implementation of Cardinal, a commercial off-the-shelf (COTS) software product, will enable VDOT to stay more current with standard industry and government requirements. It will also make future upgrades less cumbersome. Part one of the Cardinal Project focuses on replacing VDOT's FMS II. FMS II has served the Department since 1998, but is no longer supported by the vendor community and its customization makes upgrades challenging. VDOT did go live with the new system in December of 2011. Part two of the Cardinal Project focuses on implementing the new system at DOA. DOA is scheduled to go live during fiscal year 2013. The DOA implementation will serve as a pilot for a future statewide roll-out of Cardinal.

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**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

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**FINANCIAL  
REPORT  
JUNE 30, 2011**

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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, 2011

	TOTAL			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ 21,950,000	\$ 21,950,000	\$ 12,950,000	\$ (9,000,000)
Taxes	1,918,444,381	1,918,444,381	1,827,501,838	(90,942,543)
Rights and privileges	334,516,724	334,516,724	327,515,216	(7,001,508)
Sale of property and commodities	359,695	359,695	2,975,342	2,615,647
Interest, dividends, and rents	37,294,405	37,294,405	29,356,995	(7,937,410)
Fines, forfeitures, court fees				
Penalties, and escheats	9,490,080	9,490,080	10,186,202	696,122
Receipts from localities and private sector	49,732,399	49,732,399	87,349,358	37,616,959
Federal grants and contracts	882,490,675	882,490,675	1,104,618,746	222,128,071
Toll revenues	17,634,633	17,634,633	16,634,706	(999,927)
Other	14,027,991	14,027,991	14,047,799	19,808
<b>Total revenues</b>	<u>3,285,940,983</u>	<u>3,285,940,983</u>	<u>3,433,136,202</u>	<u>147,195,219</u>
<b>Expenditures</b>				
Current				
Administrative and support services	217,440,499	240,399,218	194,457,187	45,942,031
Ground transportation system planning and research	41,635,095	49,752,843	33,062,798	16,690,045
Highway system acquisition and construction	983,944,626	1,373,748,449	1,242,018,447	131,730,002
Highway system maintenance	1,345,265,474	1,893,770,694	1,407,192,786	486,577,908
Financial assistance to localities	367,149,862	366,636,462	361,876,952	4,759,510
Environmental monitoring and compliance	12,488,085	12,544,751	10,771,735	1,773,016
Toll facility operations and construction	41,557,793	39,557,793	19,195,501	20,362,292
Capital outlay	2,500,000	19,116,131	15,210,072	3,906,059
Transfers to other state agencies	29,901,059	29,901,059	28,731,437	1,169,622
<b>Total expenditures</b>	<u>3,041,882,493</u>	<u>4,025,427,400</u>	<u>3,312,516,915</u>	<u>712,910,485</u>
<b>Revenues over (under) expenditures</b>	<u>244,058,490</u>	<u>(739,486,417)</u>	<u>120,619,287</u>	<u>860,105,704</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(1,507,755)	(1,507,755)
Other financing sources	107,428,893	1,046,878,245	-	(1,046,878,245)
Bond proceeds	132,371,899	132,371,899	647,675,556	515,303,657
Transfers to other state agencies and General Fund	(23,943,880)	(23,943,880)	(206,380,812)	(182,436,932)
Transfers from other state agencies and General Fund	-	-	79,644,344	79,644,344
Transfers in	716,825,551	716,825,551	759,036,772	42,211,221
Transfers out	(865,742,038)	(865,742,038)	(1,012,695,844)	(146,953,806)
<b>Total other financing sources (uses)</b>	<u>66,940,425</u>	<u>1,006,389,777</u>	<u>265,772,261</u>	<u>(740,617,516)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>310,998,915</u>	<u>266,903,360</u>	<u>386,391,548</u>	<u>119,488,188</u>
<b>Fund balance - July 1</b>	<u>1,777,781,213</u>	<u>1,777,781,213</u>	<u>1,777,781,213</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 2,088,780,128</u>	<u>\$ 2,044,684,573</u>	<u>\$ 2,164,172,761</u>	<u>\$ 119,488,188</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

	FEDERAL			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
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	881,333,645	881,333,645	896,484,218	15,150,573
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>881,333,645</u>	<u>881,333,645</u>	<u>896,484,218</u>	<u>15,150,573</u>
<b>Expenditures</b>				
Current				
Administrative and support services	5,569,841	5,569,841	4,524,915	1,044,926
Ground transportation system planning and research	18,310,161	20,424,857	14,429,402	5,995,455
Highway system acquisition and construction	695,419,238	733,866,425	645,903,306	87,963,119
Highway system maintenance	155,107,969	412,427,959	235,274,664	177,153,295
Ground transportation system safety	-	-	-	-
Financial assistance to localities	6,926,436	6,926,436	6,287,970	638,466
Environmental monitoring and compliance	-	-	-	-
Land management	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>881,333,645</u>	<u>1,179,215,518</u>	<u>906,420,257</u>	<u>272,795,261</u>
<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>(297,881,873)</u>	<u>(9,936,039)</u>	<u>287,945,834</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	-	-
Other financing sources	-	297,740,755	-	(297,740,755)
Bond proceeds	-	-	-	-
Note proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	9,794,921	9,794,921
Transfers in	148,916,487	148,916,487	111,877,340	(37,039,147)
Transfers out	(148,916,487)	(148,916,487)	(111,877,340)	37,039,147
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>297,740,755</u>	<u>9,794,921</u>	<u>(287,945,834)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>-</u>	<u>(141,118)</u>	<u>(141,118)</u>	<u>-</u>
<b>Fund balance - July 1</b>	<u>141,118</u>	<u>141,118</u>	<u>141,118</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 141,118</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

HIGHWAY MAINTENANCE & OPERATING				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ 950,000	\$ 950,000	\$ 950,000	\$ -
Taxes	1,011,169,381	1,011,169,381	1,063,681,598	52,512,217
Rights and privileges	285,745,532	285,745,532	283,502,537	(2,242,995)
Sale of property and commodities	359,695	359,695	183,436	(176,259)
Interest, dividends, and rents	37,410	37,410	27,090	(10,320)
Fines, forfeitures, court fees				
Penalties, and escheats	8,090,080	8,090,080	8,447,323	357,243
Receipts from localities and private sector	837,653	837,653	2,197,748	1,360,095
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	14,027,991	14,027,991	12,460,931	(1,567,060)
<b>Total revenues</b>	<u>1,321,217,742</u>	<u>1,321,217,742</u>	<u>1,371,450,663</u>	<u>50,232,921</u>
<b>Expenditures</b>				
Current				
Administrative and support services	211,142,016	234,100,735	189,188,530	44,912,205
Ground transportation system planning and research	4,067,899	7,835,764	4,198,708	3,637,056
Highway system acquisition and construction	35,209,844	35,610,908	32,331,407	3,279,501
Highway system maintenance	1,190,157,505	1,481,342,735	1,171,918,122	309,424,613
Financial assistance to localities	352,307,621	351,744,221	352,463,151	(718,930)
Environmental monitoring and compliance	12,488,085	12,544,751	10,771,735	1,773,016
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	29,760,526	29,760,526	28,590,904	1,169,622
<b>Total expenditures</b>	<u>1,835,133,496</u>	<u>2,152,939,640</u>	<u>1,789,462,557</u>	<u>363,477,083</u>
<b>Revenues over (under) expenditures</b>	<u>(513,915,754)</u>	<u>(831,721,898)</u>	<u>(418,011,894)</u>	<u>413,710,004</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(9,382,253)	(9,382,253)	(12,862,673)	(3,480,420)
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	510,998,018	510,998,018	498,126,216	(12,871,802)
Transfers out	-	-	(40,887,374)	(40,887,374)
<b>Total other financing sources (uses)</b>	<u>501,615,765</u>	<u>501,615,765</u>	<u>444,376,169</u>	<u>(57,239,596)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>(12,299,989)</u>	<u>(330,106,133)</u>	<u>26,364,275</u>	<u>356,470,408</u>
<b>Fund balance - July 1</b>	<u>477,640,351</u>	<u>477,640,351</u>	<u>477,640,351</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 465,340,362</u>	<u>\$ 147,534,218</u>	<u>\$ 504,004,626</u>	<u>\$ 356,470,408</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

	<b>CONSTRUCTION</b>			
	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	759,075,000	759,075,000	613,492,798	(145,582,202)
Rights and privileges	32,261,713	32,261,713	26,201,899	(6,059,814)
Sale of property and commodities	-	-	2,791,906	2,791,906
Interest, dividends, and rents	4,235,768	4,235,768	6,104,069	1,868,301
Fines, forfeitures, court fees	-	-	34,073	34,073
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	48,894,746	48,894,746	81,886,971	32,992,225
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	91,880	91,880
<b>Total revenues</b>	<u>844,467,227</u>	<u>844,467,227</u>	<u>730,603,596</u>	<u>(113,863,631)</u>
<b>Expenditures</b>				
Current				
Administrative and support services	728,642	728,642	519,718	208,924
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	19,257,035	21,492,222	14,434,688	7,057,534
Highway system maintenance	111,912,374	114,406,761	10,429,190	103,977,571
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	7,915,805	7,965,805	3,125,831	4,839,974
Toll facility operations and construction	-	-	-	-
Capital outlay	2,500,000	19,007,978	4,148,367	14,859,611
Transfers to other state agencies	140,533	140,533	140,533	-
<b>Total expenditures</b>	<u>142,454,389</u>	<u>163,741,941</u>	<u>32,798,327</u>	<u>130,943,614</u>
<b>Revenues over (under) expenditures</b>	<u>702,012,838</u>	<u>680,725,286</u>	<u>697,805,269</u>	<u>17,079,983</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(14,556,602)	(14,556,602)	(51,612,318)	(37,055,716)
Transfers from other state agencies and General Fund	-	-	25,111,026	25,111,026
Transfers in	-	-	-	-
Transfers out	(530,998,018)	(530,998,018)	(538,733,811)	(7,735,793)
<b>Total other financing sources (uses)</b>	<u>(545,554,620)</u>	<u>(545,554,620)</u>	<u>(565,235,103)</u>	<u>(19,680,483)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>156,458,218</u>	<u>135,170,666</u>	<u>132,570,166</u>	<u>(2,600,500)</u>
<b>Fund balance - July 1</b>	<u>438,863,606</u>	<u>438,863,606</u>	<u>438,863,606</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 595,321,824</u>	<u>\$ 574,034,272</u>	<u>\$ 571,433,772</u>	<u>\$ (2,600,500)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

PRIORITY TRANSPORTATION FUND				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	148,200,000	148,200,000	150,327,442	2,127,442
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	4,385,000	4,385,000	2,240,992	(2,144,008)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>152,585,000</u>	<u>152,585,000</u>	<u>152,568,434</u>	<u>(16,566)</u>
<b>Expenditures</b>				
<b>Current</b>				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	251,911	(251,911)
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>251,911</u>	<u>(251,911)</u>
<b>Revenues over (under) expenditures</b>	<u>152,585,000</u>	<u>152,585,000</u>	<u>152,316,523</u>	<u>(268,477)</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(157,848)	(157,848)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	3,406,504	3,406,504
Transfers in	-	-	51,297,542	51,297,542
Transfers out	(148,916,487)	(148,916,487)	(191,583,002)	(42,666,515)
<b>Total other financing sources (uses)</b>	<u>(148,916,487)</u>	<u>(148,916,487)</u>	<u>(137,036,804)</u>	<u>11,879,683</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>3,668,513</u>	<u>3,668,513</u>	<u>15,279,719</u>	<u>11,611,206</u>
<b>Fund balance - July 1</b>	<u>73,874,766</u>	<u>73,874,766</u>	<u>73,874,766</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 77,543,279</u>	<u>\$ 77,543,279</u>	<u>\$ 89,154,485</u>	<u>\$ 11,611,206</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

TOLL FACILITIES REVOLVING				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	11,000,000	11,000,000	12,524,936	1,524,936
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	21,026,227	21,026,227	16,348,648	(4,677,579)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	1,400,000	1,400,000	1,704,806	304,806
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>33,426,227</u>	<u>33,426,227</u>	<u>30,578,390</u>	<u>(2,847,837)</u>
<b>Expenditures</b>				
<b>Current</b>				
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	33,421,260	33,421,260	14,283,224	19,138,036
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>33,421,260</u>	<u>33,421,260</u>	<u>14,283,224</u>	<u>19,138,036</u>
<b>Revenues over (under) expenditures</b>	<u>4,967</u>	<u>4,967</u>	<u>16,295,166</u>	<u>16,290,199</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(1,029,828)	(1,029,828)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(4,967)	(4,967)	(4,827)	140
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	1,364,472	1,364,472
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>(4,967)</u>	<u>(4,967)</u>	<u>329,817</u>	<u>334,784</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>16,624,983</u>	<u>16,624,983</u>
<b>Fund balance - July 1</b>	<u>336,079,328</u>	<u>336,079,328</u>	<u>336,079,328</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 336,079,328</u>	<u>\$ 336,079,328</u>	<u>\$ 352,704,311</u>	<u>\$ 16,624,983</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

ARRA PROJECTS				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
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	-	-	200,072,089	200,072,089
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>200,072,089</u>	<u>200,072,089</u>
<b>Expenditures</b>				
Current				
Administrative and support services	-	-	224,024	(224,024)
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	348,456,185	200,313,281	148,142,904
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>348,456,185</u>	<u>200,537,305</u>	<u>147,918,880</u>
<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>(348,456,185)</u>	<u>(465,216)</u>	<u>347,990,969</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	-	-
Other financing sources	759,520	612,583,085	-	(612,583,085)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	(155,846)	(155,846)
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>759,520</u>	<u>612,583,085</u>	<u>(155,846)</u>	<u>(612,738,931)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>759,520</u>	<u>264,126,900</u>	<u>(621,062)</u>	<u>(264,747,962)</u>
<b>Fund balance - July 1</b>	<u>(759,520)</u>	<u>(759,520)</u>	<u>(759,520)</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ -</u>	<u>\$ 263,367,380</u>	<u>\$ (1,380,582)</u>	<u>\$ (264,747,962)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

<b>CAPITAL PROJECTS REVENUE BONDS</b>				
	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	465,536	465,536
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>465,536</u>	<u>465,536</u>
<b>Expenditures</b>				
<b>Current</b>				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	132,371,899	132,371,899	247,509,577	(115,137,678)
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>132,371,899</u>	<u>132,371,899</u>	<u>247,509,577</u>	<u>(115,137,678)</u>
<b>Revenues over (under) expenditures</b>	<u>(132,371,899)</u>	<u>(132,371,899)</u>	<u>(247,044,041)</u>	<u>(114,672,142)</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(8,517)	(8,517)
Other financing sources	-	-	-	-
Bond proceeds	132,371,899	132,371,899	647,675,556	515,303,657
Transfers to other state agencies and General Fund	-	-	(141,745,091)	(141,745,091)
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	36,911,046	36,911,046	50,000,000	13,088,954
Transfers out	-	-	(22,160,677)	(22,160,677)
<b>Total other financing sources (uses)</b>	<u>169,282,945</u>	<u>169,282,945</u>	<u>533,761,271</u>	<u>364,478,326</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>36,911,046</u>	<u>36,911,046</u>	<u>286,717,230</u>	<u>249,806,184</u>
<b>Fund balance - July 1</b>	<u>162,849,968</u>	<u>162,849,968</u>	<u>162,849,968</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 199,761,014</u>	<u>\$ 199,761,014</u>	<u>\$ 449,567,198</u>	<u>\$ 249,806,184</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

	NONMAJOR FUNDS			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ 21,000,000	\$ 21,000,000	\$ 12,000,000	\$ (9,000,000)
Taxes	-	-	-	-
Rights and privileges	5,509,479	5,509,479	5,285,844	(223,635)
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	7,610,000	7,610,000	4,170,660	(3,439,340)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	3,264,639	3,264,639
Federal grants and contracts	1,157,030	1,157,030	8,062,439	6,905,409
Toll revenues	17,634,633	17,634,633	16,634,706	(999,927)
Other	-	-	1,494,988	1,494,988
<b>Total revenues</b>	<u>52,911,142</u>	<u>52,911,142</u>	<u>50,913,276</u>	<u>(1,997,866)</u>
<b>Expenditures</b>				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	9,031,271	9,036,271	105,279,775	(96,243,504)
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	8,136,533	6,136,533	4,912,277	1,224,256
Capital outlay	-	108,153	11,061,705	(10,953,552)
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>17,167,804</u>	<u>15,280,957</u>	<u>121,253,757</u>	<u>(105,972,800)</u>
<b>Revenues over (under) expenditures</b>	<u>35,743,338</u>	<u>37,630,185</u>	<u>(70,340,481)</u>	<u>(107,970,666)</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(311,562)	(311,562)
Other financing sources	106,669,373	136,554,405	-	(136,554,405)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(58)	(58)	(57)	1
Transfers from other state agencies and General Fund	-	-	41,331,893	41,331,893
Transfers in	20,000,000	20,000,000	46,371,202	26,371,202
Transfers out	(36,911,046)	(36,911,046)	(107,453,640)	(70,542,594)
<b>Total other financing sources (uses)</b>	<u>89,758,269</u>	<u>119,643,301</u>	<u>(20,062,164)</u>	<u>(139,705,465)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>125,501,607</u>	<u>157,273,486</u>	<u>(90,402,645)</u>	<u>(247,676,131)</u>
<b>Fund balance - July 1</b>	<u>289,091,596</u>	<u>289,091,596</u>	<u>289,091,596</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 414,593,203</u>	<u>\$ 446,365,082</u>	<u>\$ 198,688,951</u>	<u>\$ (247,676,131)</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, 2011

	TRANSPORTATION PARTNERSHIP OPPORTUNITY			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	388,000	388,000	400,906	12,906
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>388,000</u>	<u>388,000</u>	<u>400,906</u>	<u>12,906</u>
<b>Expenditures</b>				
<b>Current</b>				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	387,942	387,942	42,551,250	(42,163,308)
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>387,942</u>	<u>387,942</u>	<u>42,551,250</u>	<u>(42,163,308)</u>
<b>Revenues over (under) expenditures</b>	<u>58</u>	<u>58</u>	<u>(42,150,344)</u>	<u>(42,150,402)</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(36,018)	(36,018)
Other financing sources	-	29,773,879	-	(29,773,879)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	(58)	(58)	(57)	1
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	21,860,719	21,860,719
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>(58)</u>	<u>29,773,821</u>	<u>21,824,644</u>	<u>(7,949,177)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>-</u>	<u>29,773,879</u>	<u>(20,325,700)</u>	<u>(50,099,579)</u>
<b>Fund balance - July 1</b>	<u>39,514,586</u>	<u>39,514,586</u>	<u>39,514,586</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 39,514,586</u>	<u>\$ 69,288,465</u>	<u>\$ 19,188,886</u>	<u>\$ (50,099,579)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

CONCESSION FUNDS FOR PROJECTS				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	2,193,000	2,193,000	861,372	(1,331,628)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>2,193,000</u>	<u>2,193,000</u>	<u>861,372</u>	<u>(1,331,628)</u>
<b>Expenditures</b>				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	2,193,000	2,193,000	21,717,159	(19,524,159)
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>2,193,000</u>	<u>2,193,000</u>	<u>21,717,159</u>	<u>(19,524,159)</u>
<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>(20,855,787)</u>	<u>(20,855,787)</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(67,495)	(67,495)
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	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(67,495)</u>	<u>(67,495)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>(20,923,282)</u>	<u>(20,923,282)</u>
<b>Fund balance - July 1</b>	<u>56,624,037</u>	<u>56,624,037</u>	<u>56,624,037</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 56,624,037</u>	<u>\$ 56,624,037</u>	<u>\$ 35,700,755</u>	<u>\$ (20,923,282)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

VIRGINIA TRANSPORTATION INFRASTRUCTURE BANK				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	11,774	11,774
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>11,774</u>	<u>11,774</u>
<b>Expenditures</b>				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	188	(188)
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>188</u>	<u>(188)</u>
<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>11,586</u>	<u>11,586</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	-	-
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	32,700,000	32,700,000
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>32,700,000</u>	<u>32,700,000</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>32,711,586</u>	<u>32,711,586</u>
<b>Fund balance - July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,711,586</u>	<u>\$ 32,711,586</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

RECYCLABLE MATERIALS				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
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	-	-	255,533	255,533
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>255,533</u>	<u>255,533</u>
<b>Expenditures</b>				
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	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>255,533</u>	<u>255,533</u>
<b>Other financing sources (uses)</b>				
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	-	-	(255,533)	(255,533)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(255,533)</u>	<u>(255,533)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance - July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

	SURPLUS PROPERTY			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
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	-	-	1,239,008	1,239,008
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>1,239,008</u>	<u>1,239,008</u>
<b>Expenditures</b>				
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	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>1,239,008</u>	<u>1,239,008</u>
<b>Other financing sources (uses)</b>				
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	-	-	(1,239,008)	(1,239,008)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(1,239,008)</u>	<u>(1,239,008)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance - July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

	CAMP 30			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	81,940	81,940
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>81,940</u>	<u>81,940</u>
<b>Expenditures</b>				
<b>Current</b>				
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	-	-	11,061,705	(11,061,705)
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>11,061,705</u>	<u>(11,061,705)</u>
<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>(10,979,765)</u>	<u>(10,979,765)</u>
<b>Other financing sources (uses)</b>				
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	-	-	4,498,251	4,498,251
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>4,498,251</u>	<u>4,498,251</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>(6,481,514)</u>	<u>(6,481,514)</u>
<b>Fund balance - July 1</b>	<u>35,966,754</u>	<u>35,966,754</u>	<u>35,966,754</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 35,966,754</u>	<u>\$ 35,966,754</u>	<u>\$ 29,485,240</u>	<u>\$ (6,481,514)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

NORTHERN VIRGINIA TRANSPORTATION DISTRICT				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ 8,000,000	\$ 8,000,000	\$ -	\$ (8,000,000)
Taxes	-	-	-	-
Rights and privileges	5,509,479	5,509,479	5,285,844	(223,635)
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	3,821,000	3,821,000	2,372,066	(1,448,934)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	811,144	811,144
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>17,330,479</u>	<u>17,330,479</u>	<u>8,469,054</u>	<u>(8,861,425)</u>
<b>Expenditures</b>				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	4,824,079	4,824,079	28,691,207	(23,867,128)
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>4,824,079</u>	<u>4,824,079</u>	<u>28,691,207</u>	<u>(23,867,128)</u>
<b>Revenues over (under) expenditures</b>	<u>12,506,400</u>	<u>12,506,400</u>	<u>(20,222,153)</u>	<u>(32,728,553)</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(170,417)	(170,417)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	7,543,718	7,543,718
Transfers in	-	-	-	-
Transfers out	-	-	(33,331,488)	(33,331,488)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(25,958,187)</u>	<u>(25,958,187)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>12,506,400</u>	<u>12,506,400</u>	<u>(46,180,340)</u>	<u>(58,686,740)</u>
<b>Fund balance - July 1</b>	<u>195,555,337</u>	<u>195,555,337</u>	<u>195,555,337</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 208,061,737</u>	<u>\$ 208,061,737</u>	<u>\$ 149,374,997</u>	<u>\$ (58,686,740)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

	ROUTE 58			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	1,208,000	1,208,000	303,862	(904,138)
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>13,208,000</u>	<u>13,208,000</u>	<u>12,303,862</u>	<u>(904,138)</u>
<b>Expenditures</b>				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	1,208,000	1,208,000	615,785	592,215
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>1,208,000</u>	<u>1,208,000</u>	<u>615,785</u>	<u>592,215</u>
<b>Revenues over (under) expenditures</b>	<u>12,000,000</u>	<u>12,000,000</u>	<u>11,688,077</u>	<u>(311,923)</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(28,007)	(28,007)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	20,000,000	20,000,000	20,000,000	-
Transfers out	-	-	(51,369,488)	(51,369,488)
<b>Total other financing sources (uses)</b>	<u>20,000,000</u>	<u>20,000,000</u>	<u>(31,397,495)</u>	<u>(51,397,495)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>32,000,000</u>	<u>32,000,000</u>	<u>(19,709,418)</u>	<u>(51,709,418)</u>
<b>Fund balance - July 1</b>	<u>27,985,705</u>	<u>27,985,705</u>	<u>27,985,705</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 59,985,705</u>	<u>\$ 59,985,705</u>	<u>\$ 8,276,287</u>	<u>\$ (51,709,418)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

TRANSPORTATION SET ASIDE				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ 1,000,000	\$ 1,000,000	\$ -	\$ (1,000,000)
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	27,162	27,162
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	1,000,000	1,000,000
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,027,162</u>	<u>27,162</u>
<b>Expenditures</b>				
<b>Current</b>				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	413,250	413,250	1,130	412,120
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>413,250</u>	<u>413,250</u>	<u>1,130</u>	<u>412,120</u>
<b>Revenues over (under) expenditures</b>	<u>586,750</u>	<u>586,750</u>	<u>1,026,032</u>	<u>439,282</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(2,137)	(2,137)
Other financing sources	-	-	-	-
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	1,088,175	1,088,175
Transfers in	-	-	-	-
Transfers out	-	-	(2,226,750)	(2,226,750)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(1,140,712)</u>	<u>(1,140,712)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>586,750</u>	<u>586,750</u>	<u>(114,680)</u>	<u>(701,430)</u>
<b>Fund balance - July 1</b>	<u>1,331,909</u>	<u>1,331,909</u>	<u>1,331,909</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 1,918,659</u>	<u>\$ 1,918,659</u>	<u>\$ 1,217,229</u>	<u>\$ (701,430)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

ROUTE 28				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	79,209	79,209
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	1,453,495	1,453,495
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>1,532,704</b>	<b>1,532,704</b>
<b>Expenditures</b>				
<b>Current</b>				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	5,000	11,695,043	(11,690,043)
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>5,000</b>	<b>11,695,043</b>	<b>(11,690,043)</b>
<b>Revenues over (under) expenditures</b>	<b>-</b>	<b>(5,000)</b>	<b>(10,162,339)</b>	<b>(10,157,339)</b>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(6,678)	(6,678)
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	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(6,678)</b>	<b>(6,678)</b>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<b>-</b>	<b>(5,000)</b>	<b>(10,169,017)</b>	<b>(10,164,017)</b>
<b>Fund balance - July 1</b>	<b>11,273,358</b>	<b>11,273,358</b>	<b>11,273,358</b>	<b>-</b>
<b>Fund balance - June 30</b>	<b>\$ 11,273,358</b>	<b>\$ 11,268,358</b>	<b>\$ 1,104,341</b>	<b>\$ (10,164,017)</b>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

COLEMAN BRIDGE				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	15,304	15,304
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	6,327,814	6,327,814	6,481,465	153,651
Other	-	-	-	-
<b>Total revenues</b>	<u>6,327,814</u>	<u>6,327,814</u>	<u>6,496,769</u>	<u>168,955</u>
<b>Expenditures</b>				
<b>Current</b>				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	3,140,214	3,140,214	2,164,048	976,166
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>3,140,214</u>	<u>3,140,214</u>	<u>2,164,048</u>	<u>976,166</u>
<b>Revenues over (under) expenditures</b>	<u>3,187,600</u>	<u>3,187,600</u>	<u>4,332,721</u>	<u>1,145,121</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(421)	(421)
Other financing sources	28,943,152	28,943,152	-	(28,943,152)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(3,540,061)	(3,540,061)
<b>Total other financing sources (uses)</b>	<u>28,943,152</u>	<u>28,943,152</u>	<u>(3,540,482)</u>	<u>(32,483,634)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>32,130,752</u>	<u>32,130,752</u>	<u>792,239</u>	<u>(31,338,513)</u>
<b>Fund balance - July 1</b>	<u>(32,140,264)</u>	<u>(32,140,264)</u>	<u>(32,140,264)</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ (9,512)</u>	<u>\$ (9,512)</u>	<u>\$ (31,348,025)</u>	<u>\$ (31,338,513)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

FEDERAL REIMBURSEMENT ANTICIPATION NOTES				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	13,563	13,563
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>13,563</u>	<u>13,563</u>
<b>Expenditures</b>				
<b>Current</b>				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	5,000	5,000	8,013	(3,013)
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>5,000</u>	<u>5,000</u>	<u>8,013</u>	<u>(3,013)</u>
<b>Revenues over (under) expenditures</b>	<u>(5,000)</u>	<u>(5,000)</u>	<u>5,550</u>	<u>10,550</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	(389)	(389)
Other financing sources	36,819,588	36,822,588	-	(36,822,588)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	12,232	12,232
Transfers out	(36,911,046)	(36,911,046)	-	36,911,046
<b>Total other financing sources (uses)</b>	<u>(91,458)</u>	<u>(88,458)</u>	<u>11,843</u>	<u>100,301</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>(96,458)</u>	<u>(93,458)</u>	<u>17,393</u>	<u>110,851</u>
<b>Fund balance - July 1</b>	<u>96,458</u>	<u>96,458</u>	<u>96,458</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 113,851</u>	<u>\$ 110,851</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

OMER L. HIRST - ADELARD L. BRAULT EXPRESSWAY				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
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	2,000,000	2,000,000	-	(2,000,000)
Other	-	-	-	-
<b>Total revenues</b>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>	<u>(2,000,000)</u>
<b>Expenditures</b>				
Current				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	2,000,000	-	100,849	(100,849)
Capital outlay	-	-	-	-
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>2,000,000</u>	<u>-</u>	<u>100,849</u>	<u>(100,849)</u>
<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>2,000,000</u>	<u>(100,849)</u>	<u>(2,100,849)</u>
<b>Other financing sources (uses)</b>				
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	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>-</u>	<u>2,000,000</u>	<u>(100,849)</u>	<u>(2,100,849)</u>
<b>Fund balance - July 1</b>	<u>100,849</u>	<u>100,849</u>	<u>100,849</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 100,849</u>	<u>\$ 2,100,849</u>	<u>\$ -</u>	<u>\$ (2,100,849)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

<b>POWHITE PARKWAY EXTENSION</b>				
	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b>Revenues</b>				
Revenue provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Rights and privileges	-	-	-	-
Sale of property and commodities	-	-	-	-
Interest, dividends, and rents	-	-	3,502	3,502
Fines, forfeitures, court fees	-	-	-	-
Penalties, and escheats	-	-	-	-
Receipts from localities and private sector	-	-	-	-
Federal grants and contracts	-	-	-	-
Toll revenues	9,306,819	9,306,819	10,153,241	846,422
Other	-	-	447	447
<b>Total revenues</b>	<u>9,306,819</u>	<u>9,306,819</u>	<u>10,157,190</u>	<u>850,371</u>
<b>Expenditures</b>				
<b>Current</b>				
Administrative and support services	-	-	-	-
Ground transportation system planning and research	-	-	-	-
Highway system acquisition and construction	-	-	-	-
Highway system maintenance	-	-	-	-
Financial assistance to localities	-	-	-	-
Environmental monitoring and compliance	-	-	-	-
Toll facility operations and construction	2,996,319	2,996,319	2,647,380	348,939
Capital outlay	-	108,153	-	108,153
Transfers to other state agencies	-	-	-	-
<b>Total expenditures</b>	<u>2,996,319</u>	<u>3,104,472</u>	<u>2,647,380</u>	<u>457,092</u>
<b>Revenues over (under) expenditures</b>	<u>6,310,500</u>	<u>6,202,347</u>	<u>7,509,810</u>	<u>1,307,463</u>
<b>Other financing sources (uses)</b>				
Other financing uses	-	-	-	-
Other financing sources	40,906,633	41,014,786	-	(41,014,786)
Bond proceeds	-	-	-	-
Transfers to other state agencies and General Fund	-	-	-	-
Transfers from other state agencies and General Fund	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(7,428,873)	(7,428,873)
<b>Total other financing sources (uses)</b>	<u>40,906,633</u>	<u>41,014,786</u>	<u>(7,428,873)</u>	<u>(48,443,659)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>47,217,133</u>	<u>47,217,133</u>	<u>80,937</u>	<u>(47,136,196)</u>
<b>Fund balance - July 1</b>	<u>(47,217,133)</u>	<u>(47,217,133)</u>	<u>(47,217,133)</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (47,136,196)</u>	<u>\$ (47,136,196)</u>

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 BUDGET COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

	ARRA GRANTS			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues</b>				
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	1,157,030	1,157,030	8,062,439	6,905,409
Toll revenues	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<u>1,157,030</u>	<u>1,157,030</u>	<u>8,062,439</u>	<u>6,905,409</u>
<b>Expenditures</b>				
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	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenues over (under) expenditures</b>	<u>1,157,030</u>	<u>1,157,030</u>	<u>8,062,439</u>	<u>6,905,409</u>
<b>Other financing sources (uses)</b>				
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	-	-	(8,062,439)	(8,062,439)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(8,062,439)</u>	<u>(8,062,439)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>1,157,030</u>	<u>1,157,030</u>	<u>-</u>	<u>(1,157,030)</u>
<b>Fund balance - July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance - June 30</b>	<u>\$ 1,157,030</u>	<u>\$ 1,157,030</u>	<u>\$ -</u>	<u>\$ (1,157,030)</u>

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**COMBINING AND  
INDIVIDUAL FUND  
STATEMENTS AND  
SCHEDULES**

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**FINANCIAL  
REPORT  
JUNE 30, 2011**

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**Nonmajor Governmental Funds  
Special Revenue**

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## Nonmajor Governmental Funds

### Special Revenue Funds:

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

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

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

**Virginia Transportation Infrastructure Bank** 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** accounts for the proceeds from the sale of materials purchased from the highway maintenance and construction funds.

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

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

**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** 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 HTID.

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

**Federal Reimbursement Anticipation Notes (FRAN)** accounts for the funding of the various capital transportation projects throughout the Commonwealth pursuant to the Virginia Transportation Act of 2000.

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

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

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

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS  
 NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE  
 June 30, 2011

TRANSPORTATION PARTNERSHIP OPPORTUNITY	CONCESSION FUNDS FOR PROJECTS	VA.TRANSPORTATION INFRASTRUCTURE BANK
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**ASSETS**

Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 19,188,886	\$ 35,700,755	\$ 32,711,586
Cash and cash equivalents with trustees (Note 13)	-	-	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for			
collateral held for securities lending (Note 13)	3,006,910	5,594,330	5,125,926
Investments for			
collateral held for securities lending (Note 13)	922,040	1,715,448	1,571,816
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	-	-	-
Deferred charges	-	-	-
Inventory (Note 1 G)	-	-	-
<b>Total assets</b>	<b>\$ 23,117,836</b>	<b>\$ 43,010,533</b>	<b>\$ 39,409,328</b>

**LIABILITIES AND FUND BALANCES**

Liabilities :			
Accounts payable	\$ -	\$ -	\$ -
Deposits payable	-	-	-
Payable for collateral held for securities lending	3,928,950	7,309,778	6,697,742
Due to other agencies	-	-	-
Due to other funds (Note 9)	-	-	-
Deferred revenue	-	-	-
Liability for compensated			
absences	-	-	-
Accrued liabilities	-	-	-
Retainage on contracts	-	-	-
<b>Total liabilities</b>	<b>3,928,950</b>	<b>7,309,778</b>	<b>6,697,742</b>

Fund Balances (Note 2)

Nonspendable	-	-	-
Restricted	-	-	-
Committed	19,188,886	35,700,755	32,711,586
Assigned	-	-	-
Unassigned	-	-	-
<b>Total fund balances</b>	<b>19,188,886</b>	<b>35,700,755</b>	<b>32,711,586</b>
<b>Total liabilities and fund balances</b>	<b>\$ 23,117,836</b>	<b>\$ 43,010,533</b>	<b>\$ 39,409,328</b>

The accompanying notes are an integral part of this financial statement

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS  
 NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE  
 June 30, 2011

RECYCLABLE MATERIALS	SURPLUS PROPERTY	CAMP 30
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**ASSETS**

Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$	-	\$ -
Cash and cash equivalents with trustees (Note 13)		-	29,485,240
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		-	-
Deferred charges		-	-
Inventory (Note 1 G)		-	-
<b>Total assets</b>	<b>\$</b>	<b>-</b>	<b>\$ 29,485,240</b>

**LIABILITIES AND FUND BALANCES**

Liabilities :			
Accounts payable	\$	-	\$ 348,673
Deposits payable		-	-
Payable for collateral held for securities lending		-	-
Due to other agencies		-	-
Due to other funds (Note 9)		-	-
Deferred revenue		-	-
Liability for compensated			
absences		-	-
Accrued liabilities		-	-
Retainage on contracts		-	-
<b>Total liabilities</b>		<b>-</b>	<b>348,673</b>

Fund Balances (Note 2)			
Nonspendable		-	-
Restricted		-	-
Committed		-	29,136,567
Assigned		-	-
Unassigned		-	-
<b>Total fund balances</b>		<b>-</b>	<b>29,136,567</b>
<b>Total liabilities and fund balances</b>	<b>\$</b>	<b>-</b>	<b>\$ 29,485,240</b>

The accompanying notes are an integral part of this financial statement

**VIRGINIA DEPARTMENT OF TRANSPORTATION  
COMBINING BALANCE SHEET GOVERNMENTAL FUNDS  
NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE  
June 30, 2011**

	NO. VIRGINIA		
	TRANSPORTATION DISTRICT	ROUTE 58	TRANSPORTATION SET ASIDE
<b>ASSETS</b>			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 132,729,512	\$ 7,477,496	\$ 1,217,229
Cash and cash equivalents with trustees (Note 13)	16,645,485	798,791	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for collateral held for securities lending (Note 13)	20,798,797	1,171,728	190,740
Investments for collateral held for securities lending (Note 13)	6,377,753	359,299	58,489
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	-	-	-
Deferred charges	-	-	-
Inventory (Note 1 G)	-	-	-
<b>Total assets</b>	<b>\$ 176,551,547</b>	<b>\$ 9,807,314</b>	<b>\$ 1,466,458</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities :			
Accounts payable	\$ -	\$ 9,638	\$ -
Deposits payable	-	-	-
Payable for collateral held for securities lending	27,176,550	1,531,027	249,229
Due to other agencies	-	-	-
Due to other funds (Note 9)	-	-	-
Deferred revenue	-	-	-
Liability for compensated absences	59	30	-
Accrued liabilities	-	-	-
Retainage on contracts	19,304	50,256	-
<b>Total liabilities</b>	<b>27,195,913</b>	<b>1,590,951</b>	<b>249,229</b>
Fund Balances (Note 2)			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	149,355,634	8,216,363	1,217,229
Assigned	-	-	-
Unassigned	-	-	-
<b>Total fund balances</b>	<b>149,355,634</b>	<b>8,216,363</b>	<b>1,217,229</b>
<b>Total liabilities and fund balances</b>	<b>\$ 176,551,547</b>	<b>\$ 9,807,314</b>	<b>\$ 1,466,458</b>

The accompanying notes are an integral part of this financial statement

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS  
 NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE  
 June 30, 2011

	ROUTE 28	COLEMAN BRIDGE	FEDERAL REIMBURSEMENT ANTICIPATION NOTES
<b>ASSETS</b>			
Cash and cash equivalents			
with the Treasurer of Virginia (Note 13)	\$ 1,104,341	\$ 8,165,475	\$ 113,851
Cash and cash equivalents with trustees (Note 13)	-	-	-
Investments with trustees (Note 13)	-	-	-
Cash and cash equivalents for			
collateral held for securities lending (Note 13)	173,051	29,848	17,841
Investments for			
collateral held for securities lending (Note 13)	53,064	9,152	5,471
Advance fund	-	7,500	-
Receivables: (net)			
Federal government	-	-	-
Cities, counties, and towns	-	-	-
State agencies	-	-	-
Loans & other	-	-	-
Taxes receivable	-	-	-
Due from other funds (Note 9)	-	-	-
Due from agencies	-	-	-
Deferred charges	-	-	-
Inventory (Note 1 G)	-	-	-
<b>Total assets</b>	<b>\$ 1,330,456</b>	<b>\$ 8,211,975</b>	<b>\$ 137,163</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities :			
Accounts payable	\$ -	\$ 75,486	\$ -
Deposits payable	-	-	-
Payable for collateral held for securities lending	226,115	39,000	23,312
Due to other agencies	-	-	-
Due to other funds (Note 9)	-	39,521,000	-
Deferred revenue	172,886	-	-
Liability for compensated			
absences	-	121	-
Accrued liabilities	-	26,339	-
Retainage on contracts	-	-	-
<b>Total liabilities</b>	<b>399,001</b>	<b>39,661,946</b>	<b>23,312</b>
Fund Balances (Note 2)			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	931,455	-	113,851
Assigned	-	-	-
Unassigned	-	(31,449,971)	-
<b>Total fund balances</b>	<b>931,455</b>	<b>(31,449,971)</b>	<b>113,851</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,330,456</b>	<b>\$ 8,211,975</b>	<b>\$ 137,163</b>

The accompanying notes are an integral part of this financial statement

VIRGINIA DEPARTMENT OF TRANSPORTATION  
 COMBINING BALANCE SHEET GOVERNMENTAL FUNDS  
 NONMAJOR GOVERNMENTAL FUNDS-SPECIAL REVENUE  
 June 30, 2011

OMER L. HIRST ADELARD BRAULT EXPRESSWAY	POWHITE PARKWAY EXTENSION	ARRA GRANTS
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**ASSETS**

Cash and cash equivalents				
with the Treasurer of Virginia (Note 13)	\$	-	\$ 2,631,383	\$ -
Cash and cash equivalents with trustees (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		-	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		-	-	-
Deferred charges		-	-	-
Inventory (Note 1 G)		-	-	-
<b>Total assets</b>	<b>\$</b>	<b>-</b>	<b>\$ 2,642,383</b>	<b>\$ -</b>

**LIABILITIES AND FUND BALANCES**

Liabilities :				
Accounts payable	\$	-	\$ 62,764	\$ -
Deposits payable		-	-	-
Payable for collateral held for securities lending		-	-	-
Due to other agencies		-	-	-
Due to other funds (Note 9)		-	49,778,579	-
Deferred revenue		-	-	-
Liability for compensated absences		-	265	-
Accrued liabilities		-	65,217	-
Retainage on contracts		-	-	-
<b>Total liabilities</b>		<b>-</b>	<b>49,906,825</b>	<b>-</b>
Fund Balances (Note 2)				
Nonspendable		-	-	-
Restricted		-	-	-
Committed		-	-	-
Assigned		-	-	-
Unassigned		-	(47,264,442)	-
<b>Total fund balances</b>		<b>-</b>	<b>(47,264,442)</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$</b>	<b>-</b>	<b>\$ 2,642,383</b>	<b>\$ -</b>

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, 2011**

	TRANSPORTATION PARTNERSHIP OPPORTUNITY	CONCESSION FUNDS FOR PROJECTS	VIRGINIA TRANSPORTATION INFRASTRUCTURE BANK
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<b>Revenues</b>			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	400,906	861,372	11,774
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	-	-
Toll revenue	-	-	-
Other revenue	-	-	-
Total revenue	<u>400,906</u>	<u>861,372</u>	<u>11,774</u>
<b>Expenditures</b>			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	42,195,428	21,717,159	188
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>42,195,428</u>	<u>21,717,159</u>	<u>188</u>
Revenues over (under) expenditures	<u>(41,794,522)</u>	<u>(20,855,787)</u>	<u>11,586</u>
<b>Other financing sources (uses)</b>			
Other financing sources (uses)	(36,018)	(67,495)	-
Bond Proceeds	-	-	-
Insurance recoveries	-	-	-
Transfers to other state agencies and General Fund (Note 10)	(57)	-	-
Transfers from other state agencies and General Fund (Note 10)	-	-	32,700,000
Transfers in (Note 10)	21,860,719	-	-
Transfers out (Note 10)	-	-	-
Total other financing sources (uses)	<u>21,824,644</u>	<u>(67,495)</u>	<u>32,700,000</u>
Net Change in Fund Balance	(19,969,878)	(20,923,282)	32,711,586
Beginning fund balance - July 1	39,158,764	56,624,037	-
Ending fund balance - June 30	<u>\$ 19,188,886</u>	<u>\$ 35,700,755</u>	<u>\$ 32,711,586</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, 2011**

	RECYCLABLE MATERIALS	SURPLUS PROPERTY	CAMP 30
<b>Revenues</b>			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	-	-	81,940
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	-	-	-
Toll revenue	-	-	-
Other revenue	255,533	1,239,008	-
Total revenue	<u>255,533</u>	<u>1,239,008</u>	<u>81,940</u>
<b>Expenditures</b>			
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	-	-	9,609,760
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>9,609,760</u>
Revenues over (under) expenditures	<u>255,533</u>	<u>1,239,008</u>	<u>(9,527,820)</u>
<b>Other financing sources (uses)</b>			
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)	-	-	4,498,251
Transfers out (Note 10)	(255,533)	(1,239,008)	-
Total other financing sources (uses)	<u>(255,533)</u>	<u>(1,239,008)</u>	<u>4,498,251</u>
Net Change in Fund Balance	-	-	(5,029,569)
Beginning fund balance - July 1	-	-	34,166,136
Ending fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,136,567</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, 2011**

	<b>NORTHERN          VIRGINIA          TRANSPORTATION          DISTRICT</b>			<b>ROUTE 58</b>	<b>TRANSPORTATION          SET ASIDE</b>		
<b>Revenues</b>							
Revenues provided by the General Fund of the Commonwealth	\$	-	\$	12,000,000	\$	-	
Taxes		-		-		-	
Rights and privileges		5,285,844		-		-	
Sale of property and commodities		-		-		-	
Interest, dividends and rents		2,372,066		303,862		27,162	
Fines, forfeitures, court fees, penalties, and escheats		-		-		-	
Federal grants and contracts		-		-		-	
Receipts from localities and private sector		811,144		-		1,000,000	
Toll revenue		-		-		-	
Other revenue		-		-		-	
Total revenue		8,469,054		12,303,862		1,027,162	
<b>Expenditures</b>							
Current:							
Administrative and support services		-		-		-	
Ground transportation system planning and research		-		-		-	
Highway system acquisition and construction		28,689,626		614,380		1,130	
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		28,689,626		614,380		1,130	
Revenues over (under) expenditures		(20,220,572)		11,689,482		1,026,032	
<b>Other financing sources (uses)</b>							
Other financing sources (uses)		(170,417)		(28,007)		(2,137)	
Bond Proceeds		-		-		-	
Insurance recoveries		-		-		-	
Transfers to other state agencies and General Fund (Note 10)		-		-		-	
Transfers from other state agencies and General Fund (Note 10)		7,543,718		-		1,088,175	
Transfers in (Note 10)		-		20,000,000		-	
Transfers out (Note 10)		(33,331,488)		(51,369,488)		(2,226,750)	
Total other financing sources (uses)		(25,958,187)		(31,397,495)		(1,140,712)	
Net Change in Fund Balance		(46,178,759)		(19,708,013)		(114,680)	
Beginning fund balance - July 1		195,534,393		27,924,376		1,331,909	
Ending fund balance - June 30	\$	149,355,634	\$	8,216,363	\$	1,217,229	

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, 2011

	ROUTE 28	COLEMAN BRIDGE	FEDERAL REIMBURSEMENT ANTICIPATION NOTES
<b>Revenues</b>			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	79,209	15,304	13,563
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	-
Receipts from localities and private sector	2,380,845	-	-
Toll revenue	-	6,481,465	-
Other revenue	-	-	-
Total revenue	<u>2,460,054</u>	<u>6,496,769</u>	<u>13,563</u>
<b>Expenditures</b>			
Current:			
Administrative and support services	-	-	-
Ground transportation system planning and research	-	-	-
Highway system acquisition and construction	11,695,043	-	8,013
Highway system maintenance	-	-	-
Financial assistance to localities	-	-	-
Environmental monitoring and compliance	-	-	-
Toll facilities operations and construction	-	2,170,755	-
Capital Outlay	-	-	-
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	<u>11,695,043</u>	<u>2,170,755</u>	<u>8,013</u>
Revenues over (under) expenditures	<u>(9,234,989)</u>	<u>4,326,014</u>	<u>5,550</u>
<b>Other financing sources (uses)</b>			
Other financing sources (uses)	(6,678)	(421)	(389)
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)	-	-	12,232
Transfers out (Note 10)	-	(3,540,061)	-
Total other financing sources (uses)	<u>(6,678)</u>	<u>(3,540,482)</u>	<u>11,843</u>
Net Change in Fund Balance	(9,241,667)	785,532	17,393
Beginning fund balance - July 1	10,173,122	(32,235,503)	96,458
Ending fund balance - June 30	<u>\$ 931,455</u>	<u>\$ (31,449,971)</u>	<u>\$ 113,851</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, 2011**

	OMER L HIRST ADELARD BRAULT EXPRESSWAY	POWHITE PARKWAY EXTENSION	ARRA GRANTS
<b>Revenues</b>			
Revenues provided by the General Fund of the Commonwealth	\$ -	\$ -	\$ -
Taxes	-	-	-
Rights and privileges	-	-	-
Sale of property and commodities	-	-	-
Interest, dividends and rents	-	3,502	-
Fines, forfeitures, court fees, penalties, and escheats	-	-	-
Federal grants and contracts	-	-	8,062,439
Receipts from localities and private sector	-	-	-
Toll revenue	-	10,153,241	-
Other revenue	-	447	-
Total revenue	<u>-</u>	<u>10,157,190</u>	<u>8,062,439</u>
<b>Expenditures</b>			
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	91,060	2,626,564	-
Capital Outlay	-	-	-
Transfers to other state agencies (Note 10)	-	-	-
Total expenditures	<u>91,060</u>	<u>2,626,564</u>	<u>-</u>
Revenues over (under) expenditures	<u>(91,060)</u>	<u>7,530,626</u>	<u>8,062,439</u>
<b>Other financing sources (uses)</b>			
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)	-	(7,428,873)	(8,062,439)
Total other financing sources (uses)	<u>-</u>	<u>(7,428,873)</u>	<u>(8,062,439)</u>
Net Change in Fund Balance	(91,060)	101,753	-
Beginning fund balance - July 1	91,060	(47,366,195)	-
Ending fund balance - June 30	<u>\$ -</u>	<u>\$ (47,264,442)</u>	<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 2011

Federal/State Grantor Agency	CFDA Number	Federal Program Name	FEDERAL CASH BALANCE July 1, 2010	FEDERAL CASH BASIS RECEIPTS	FEDERAL CASH BASIS DISBURSEMENTS	FEDERAL CASH BALANCE June 30, 2011
United States Dept of Transportation	20.205	Highway Planning and Construction	\$ 141,118	\$ 896,484,218	\$ 896,625,336	\$ -
		TOTAL FEDERAL REVENUE:	\$ 141,118	\$ 896,484,218	\$ 896,625,336	\$ -
United States Dept of Transportation/DMV	20.600	State and Community Highway Safety	-	5,027	5,027	-
United States Dept of Transportation/DMV	20.607	Alcohol Open Container requirements	-	2,480,936	2,480,936	-
United States Dept of Transportation/VDEM	11.555	Public Safety Interoperable Communications Grant Program	-	167,000	167,000	-
United States Dept of Transportation/VDEM	12.607	Community Economic Adjustment Assistance for Establishment	-	185,015	185,015	-
United States Dept of Transportation/VPI&SU	20.000	Other Assistance	-	30,680	30,680	-
United States Dept of Transportation/VPI&SU	20.200	Highway Research and Development Program	-	3,523	3,523	-
United States Dept of Emergency Mgmt/VDEM	97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	-	6,785,029	6,785,029	-
United States Dept of Emergency Mgmt/VDEM	97.111	Regional Catastrophic Preparedness Grant Program	-	94,572	94,572	-
United States Dept of Transportation/DHCD	12.607	Community Economic Adjustment Assistance for Establishment	-	43,139	43,139	-
		TOTAL TRANSFERS FROM OTHER STATE AGENCIES:	\$ -	\$ 9,794,921	\$ 9,794,921	\$ -
<b>GRAND TOTAL OF FEDERAL ASSISTANCE</b>			<b>\$ 141,118</b>	<b>\$ 906,279,139</b>	<b>\$ 906,420,257</b>	<b>\$ -</b>

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# FINANCIAL REPORT

## JUNE 30, 2011



### **The Virginia Department of Transportation (VDOT)**

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

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

### **Virginia's Highway System**

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

#### **Interstate**

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

#### **Primary**

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

#### **Secondary**

48,305 miles of local connector or county roads

#### **Frontage**

333 miles of frontage roads

A separate system includes 10,561 miles of urban streets, maintained by cities and towns with the help of state funds. Virginia's cities are independent of its counties. Henrico County (1,279 miles) and Arlington County (359 miles) maintain their own roads with state financial assistance. There are 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
- Four ferry services
- Rest areas along major highways
- Commuter parking lots

### **VDOT Organization**

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

VDOT is divided into nine geographic districts (Bristol, Culpeper, Fredericksburg, Hampton Roads, Lynchburg, Northern Virginia, Richmond, Salem and Staunton), 29 residencies, two district satellite offices responsible for one to four counties each, and 183 local area headquarters and maintenance facilities 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 guides the department's work, much like a board of directors. The Secretary of Transportation serves as a chairman and the Commonwealth Transportation Commissioner as vice-chairman. Members are appointed by the Governor and approved by the General Assembly. The director of the Department of Rail and Public Transportation serves as a 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