

You've seen the headlines,
now the facts
about "over a billion dollars" lying around in VDOT.

The audit actually only identified \$877 million in funds that could be expended faster. It was the Governor's press release that claimed \$1.45 billion.*

The audit repeatedly acknowledges that VDOT's cautious use of funds was heavily influenced by the economic downturn. The fact is that for 4 years motor fuel consumption fell in Virginia. It has only been since May 2010 that gas tax revenues began to stabilize.

Actually, for this year, the audit identified just \$614 million for a one-time advance of existing transportation spending through the following recommendations:

- \$200 million to advance construction projects by reducing the operating balance to 60 days; (pg 13)
- \$200 million by spending federal funds early in the year instead of waiting until the end; (pg 5)
- \$100 million by making localities start federal safety and regional projects faster; (pg 10)
- \$160 million by using funds set aside for inactive projects; (pg 8)
- \$103 million by spending anticipated federal funds that VDOT held back because the Congress has not approved a transportation bill; (pg 14)
- \$161 million to advance maintenance projects by reducing the year end unallocated balance to \$50 million. (pg 43)

These recommendations total more than \$614 million because they include money that was going to be spent by June 30, 2011 anyway. The audit simply recommends spending earlier in the year.

Similarly, the Governor's announcement that \$800 to \$900 million will be awarded by December 31st includes much of what was already set to go. In particular, the public will see over \$600 million in new construction that's been funded by federal ARRA stimulus funds. (pg 16)

Finally, the audit recommends hiring approximately 30 management-level staff to carry out the 50 reform measures it recommends. During the last 2 years, VDOT staff was cut drastically to deal with a \$4.6 billion shortfall in revenue without cutting the 6-year construction plan even deeper. VDOT staffing is now 50% less than it was in 1990.

Bottom Line: The audit assumes the economy has recovered and says spend!

* The Governor included future use of over \$400 million from tolls on interstate routes instead of state funds to meet federal matching requirements and \$524 million from a 6-year projection of anticipated federal revenue, which the audit cautions will have to be constantly monitored because increased federal funding may not materialize.