



Office of Transportation

The agencies in the Transportation secretariat are charged with providing Virginians with a safe, efficient, intermodal transportation system that provides for ease of mobility and fosters economic prosperity. These agencies plan, regulate, construct, maintain, and provide for the safe use of the state's highways and ports. They also provide administrative and regulatory services, such as issuing driver's licenses, registering motor vehicles, and titling motor vehicles. In addition, transportation agencies provide planning assistance and funding for public transportation and airports.

Secretarial Area Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
OPERATING BUDGET HISTORY:						
FY 2003	\$140,649,994	\$2,814,042,610	\$2,954,692,604	\$629,654,930	\$2,325,037,674	12,735.00
FY 2004	\$72,973,653	\$3,331,359,239	\$3,404,332,892	\$605,300,985	\$2,799,031,907	12,735.00
FY 2005	\$317,483,978	\$3,379,410,768	\$3,696,894,746	\$678,709,987	\$3,018,184,759	12,741.00
FY 2006	\$185,046,356	\$4,222,912,158	\$4,407,958,514	\$732,209,364	\$3,675,749,150	12,513.00
NEW OPERATING BUDGET SUMMARY:						
FY 2007 Base Budget	\$185,046,356	\$4,222,912,158	\$4,407,958,514	\$734,841,035	\$3,673,117,479	12,513.00
FY 2007 Addenda	\$332,797,711	\$80,908,109	\$413,705,820	\$60,693,628	\$353,012,192	-342.00
FY 2007 TOTAL	\$517,844,067	\$4,303,820,267	\$4,821,664,334	\$795,534,663	\$4,026,129,671	12,171.00
FY 2008 Base Budget	\$185,046,356	\$4,222,912,158	\$4,407,958,514	\$734,841,035	\$3,673,117,479	12,513.00
FY 2008 Addenda	\$1,697,711	\$176,993,173	\$178,690,884	\$61,683,171	\$117,007,713	-342.00
FY 2008 TOTAL	\$186,744,067	\$4,399,905,331	\$4,586,649,398	\$796,524,206	\$3,790,125,192	12,171.00
CAPITAL OUTLAY BUDGET SUMMARY:						
FY 2007 Capital	\$0	\$156,797,000	\$156,797,000	\$0	\$156,797,000	0.00
FY 2008 Capital	\$0	\$11,364,000	\$11,364,000	\$0	\$11,364,000	0.00

Secretary of Transportation

Mission Statement

The Secretary of Transportation has the responsibility of developing and implementing Virginia's transportation program, including policy and financial oversight for six agencies that employ over 12,000 people and have a combined annual budget in excess of \$4.1 billion.

Agency Goals:

- To effectively oversee the implementation of the Governor's priorities in a manner consistent with applicable state and federal requirements.
- Provide a safe, secure and integrated transportation system that reflects the diverse needs throughout the Commonwealth.
- Preserve and manage the existing transportation system through technology and efficient operations.
- Facilitate the efficient movement of people and goods, expand travel choices, and improve interconnectivity of all transportation modes.
- Improve environmental quality and the quality of life for Virginians.
- Improve Virginia's economic vitality and facilitate the coordination of transportation, land use, and economic development planning activities.
- Improve program delivery.

Customers Served:

- Legislators (state and federal)
- General Public
- Licensed Drivers
- Registered Vehicles
- Business Travelers
- Business and Industry Using Rail
- Tourists
- Rail Operators and Rail Roads
- Motor Vehicle Dealer Community
- Public Transportation Systems
- Commercial Businesses
- Government Agencies
- Aircraft Owners, Pilots and Sponsors
- Citizen Groups
- Maritime Community

Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
OPERATING BUDGET HISTORY:						
FY 2003	\$0	\$487,045	\$487,045	\$414,549	\$72,496	4.00
FY 2004	\$0	\$481,808	\$481,808	\$414,549	\$67,259	4.00
FY 2005	\$0	\$613,873	\$613,873	\$562,632	\$51,241	6.00
FY 2006	\$0	\$637,877	\$637,877	\$601,404	\$36,473	6.00
NEW OPERATING BUDGET SUMMARY:						
FY 2007 Base Budget	\$0	\$637,877	\$637,877	\$601,404	\$36,473	6.00
FY 2007 Addenda	\$0	\$47,623	\$47,623	\$47,623	\$0	0.00
FY 2007 TOTAL	\$0	\$685,500	\$685,500	\$649,027	\$36,473	6.00
FY 2008 Base Budget	\$0	\$637,877	\$637,877	\$601,404	\$36,473	6.00
FY 2008 Addenda	\$0	\$47,623	\$47,623	\$47,623	\$0	0.00
FY 2008 TOTAL	\$0	\$685,500	\$685,500	\$649,027	\$36,473	6.00

Agency Summary of Recommended Operating Budget Addenda

► **Transfer centrally funded amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$47,623 (NGF).

Agency Service Areas:

Administrative and Support Services

This service area provides the resources to provide general management and direction to transportation agencies. It also specifically defines broad policy goals, defines how state and federal funds are to be allocated, and details special reports the Secretary and reporting agencies are to provide to the General Assembly or other groups.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$637,877	\$637,877	6.00	6.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$47,623	\$47,623	0.00	0.00
Total for Service Area	\$685,500	\$685,500	6.00	6.00

Objective: To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of agencies that "Meet Expectations" in each of the five management functions in Virginia Excels.	83%	100%

Department of Aviation

Mission Statement

The Department of Aviation's mission is to:

- cultivate an advanced, market driven aviation system that is safe, secure and provides for economic development;
- promote aviation awareness and education; and
- provide executive flight services for the Commonwealth Leadership.

Agency Goals:

- People - To develop and retain the most effective and qualified staff of State Aviation professionals in the nation.
- Products - To identify the Commonwealth's aviation needs and deliver those products and services in a timely manner.
- Processes - To analyze and streamline our processes making our system more user-friendly and responsive to our customers.
- Perceptions - To increase positive awareness of the agency mission through education and communication.
- Financial - To actively communicate the agency's fiscal accomplishments and future needs.

Customers Served:

- Educational Institutions
- Commonwealth of Virginia Agencies
- Airport Sponsors
- Aircraft Owners
- General Public
- Aircraft Pilots

Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
OPERATING BUDGET HISTORY:						
FY 2003	\$45,794	\$19,059,666	\$19,105,460	\$2,143,149	\$16,962,311	31.00
FY 2004	\$44,067	\$19,697,906	\$19,741,973	\$2,016,553	\$17,725,420	31.00
FY 2005	\$44,067	\$26,436,699	\$26,480,766	\$2,098,262	\$24,382,504	31.00
FY 2006	\$44,067	\$26,515,495	\$26,559,562	\$2,248,690	\$24,310,872	32.00
NEW OPERATING BUDGET SUMMARY:						
FY 2007 Base Budget	\$44,067	\$26,515,495	\$26,559,562	\$2,263,485	\$24,296,077	32.00
FY 2007 Addenda	\$0	\$5,304,626	\$5,304,626	\$243,398	\$5,061,228	1.00
FY 2007 TOTAL	\$44,067	\$31,820,121	\$31,864,188	\$2,506,883	\$29,357,305	33.00
FY 2008 Base Budget	\$44,067	\$26,515,495	\$26,559,562	\$2,263,485	\$24,296,077	32.00
FY 2008 Addenda	\$0	\$1,304,626	\$1,304,626	\$243,398	\$1,061,228	1.00
FY 2008 TOTAL	\$44,067	\$27,820,121	\$27,864,188	\$2,506,883	\$25,357,305	33.00

Agency Summary of Recommended Operating Budget Addenda

► Transfer centrally funded amounts to agency budgets

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$174,626 (NGF).

► Reflect administrative nongeneral fund increases in agency budget

Adjusts the agency's budget to reflect administrative actions. This adjustment increases the Washington Airports Task Force appropriation to reflect previous budget language changes and establishes a federal appropriation for grant funding. For each year, \$630,000 (NGF).

► Transfer a position between service areas for general aviation security

Transfers a position added for 2006 to the appropriate service area. (Net zero adjustment)

► Implement aircraft replacement program

Provides additional funds to replace the aging turboprop aircraft with a modern business aircraft. The agency's current fleet is very mature, ranging from 18 to 26 years old. Unscheduled down time, more frequent inspections, and more required maintenance have caused the turboprop to be unavailable much of the time. Funding for the new aircraft will come from the trade-in of the existing aircraft and uncommitted discretionary aviation special funds. For 2007, \$4.5 million (NGF). For 2008, \$500,000 (NGF).

► **Establish aircraft maintenance manager/pilot position**

Provides one additional position to perform in-house general aircraft maintenance, improve oversight of externally performed maintenance, and reduce the current level of dependence on part-time wage pilots. Savings from contractual maintenance will be used to support the position. For 2007, one position.

Agency Service Areas:

Financial Assistance for Airport Maintenance

This service area provides financial assistance to public-use airports for maintenance services and equipment, so the public has safe, convenient and economical access to the national air transportation system. Examples of DOAV financial assistance for airport maintenance include: runway rehabilitation, painting runway markings, drainage system clearing, terminal building rehabilitation, navigational equipment repair and maintenance equipment.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$1,000,000	\$1,000,000	0.00	0.00
Total for Service Area	\$1,000,000	\$1,000,000	0.00	0.00

Objective: Provide financial assistance for airport maintenance

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Expenditure of airport maintenance allocations	New measure - baseline will be established using FY 2006 data	85% by FY 2007

Financial Assistance for Airport Development

This service area provides financial assistance to public-use airports for planning, development, construction, safety, security, environmental and operation, so that the public has safe, convenient and economical access to the national air transportation system. Examples of DOAV financial assistance programs include: capital; security; and navigational aids and weather reporting equipment.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$20,083,915	\$20,083,915	0.00	0.00
Total for Service Area	\$20,083,915	\$20,083,915	0.00	0.00

Objective: Provide financial assistance for airport development

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Grants to airport sponsors for capital improvements	72.5% (FY 2004)	75% by FY 2006

Financial Assistance for Aviation Promotion

This service area provides financial assistance to localities and corporate entities for the promotion of aviation. The service area is designed to contribute to the economic well-being of the Commonwealth as well as increase awareness and stimulate aeronautical activity throughout the Virginia. Examples of support functions include grant-in-aid programs for airport sponsors, support groups and non-profit organizations to address commercial air service development and general aviation services. Results of this service area include public relations, marketing and business plans as well as research and development opportunities for an advanced set of technologies designed to expand general aviation and personal air transportation.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$1,370,000	\$1,370,000	0.00	0.00
Reflect administrative nongeneral fund increases in agency budget	\$130,000	\$130,000	0.00	0.00
Total for Service Area	\$1,500,000	\$1,500,000	0.00	0.00

Objective: Provide financial assistance for aviation promotion activities

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percentage of grants executed	New measure - baseline will be established using FY 2006 data	FY 2007 target will be established using baseline data

Aviation Licensing and Regulation

The Aviation Licensing and Regulation Service Area provides for the licensing of aircraft and airports in the Commonwealth of Virginia.

• **AIRCRAFT LICENSING**

All aircraft which are owned by residents of the Commonwealth, or owned by nonresidents, if they are based in Virginia more than 60 days in a 12-month period, are required to be licensed. The licensing requirement includes aircraft which are based at both public-use and private-use airports, heliports and landing areas. In addition to the Private Aircraft License, the Department also issues Commercial Aircraft Licenses, Non-Commercial Dealer and Commercial Fleet Dealer Licenses and Contract Carrier Permits.

• **AIRPORT LICENSING**

Public-use airports, and private-use airports within five miles of a public-use airport, are required to be licensed. Owners of private-use airports not within five miles of a public-use airport are only required to register their airports with the Department. Public-use and private-use airport owners or sponsors are required to submit an annual based aircraft survey to the Department. Title 5.1-88.7 of the Code of Virginia provides that every licensed public-use airport must maintain adequate amounts of liability insurance.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$176,926	\$176,926	3.00	3.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$10,139	\$10,139	0.00	0.00
<i>Transfer a position between service areas for general aviation security</i>	(\$45,945)	(\$45,945)	-1.00	-1.00
Total for Service Area	\$141,120	\$141,120	2.00	2.00

Objective: License aircraft and airports in accordance with the Code of Virginia

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percentage of FAA-registered aircraft that are licensed per Code of Virginia requirements	55% (FY 2005)	70% by FY 2006

Aviation Communication and Education

This service area is designed to increase aviation awareness; promote and expand aviation development opportunities by informing Congress and the General Assembly; participate in industry trade shows, conferences and conventions; distribute media; and evaluate commercial air service development. Functions also include expanding the utilization of general aviation through new technology, increasing potential for operations at airports and enhancing the efficiency and safety at airports. The components within this service area are to enhance the Commonwealth's economic development efforts by promoting aviation; educating the public about the benefits of aviation; promoting commercial and general aviation to state, national and international business leaders; assisting with the development of commercial air service, both passenger and cargo; and informing young people about the wide variety of current and future aeronautical careers

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$595,588	\$595,588	4.00	4.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$23,580	\$23,580	0.00	0.00
Total for Service Area	\$619,168	\$619,168	4.00	4.00

Objective: Increase Aviation Awareness

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Participation in industry-related events to optimize gross impressions	900,000 event attendees in Calendar Year 2005	900,000

Objective: Develop and administer Aviation/Aerospace Education programs

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of students reached through the Teachers Grant Program	New measure - baseline will be established using FY 2006 data	FY 2007 target will be established using baseline data

General Aviation Personnel Development

The General Aviation Personnel Development Service Area administers the Commonwealth's Aviation Safety Program for the pilots and general public of Virginia.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$26,400	\$26,400	0.00	0.00
Total for Service Area	\$26,400	\$26,400	0.00	0.00

Objective: Increase safety awareness among Virginia pilots to create a safer aviation environment in the Commonwealth

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Sponsor aviation safety events	9 events (FY 2005)	9 events

Air Transportation Planning and Development

This service area provides assistance to cities, towns, counties and other governmental subdivisions for planning, development, construction, safety, security, environmental and operation for the Commonwealth's 67-public use airports, 331 private-use airports and other aviation facilities; enforces rules and regulations promulgated by the Virginia Aviation Board; and develop a state aviation system that provides the public safe, convenient and economical access to the national air transportation system. Examples of air transportation planning and development functions provided include technical assistance to airport sponsors (owners); state aviation system planning; enforcement of environmental and safety regulations; administration of financial assistance programs to localities; and aviation security oversight.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$837,936	\$837,936	10.00	10.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$39,418	\$39,418	0.00	0.00
<i>Reflect administrative nongeneral fund increases in agency budget</i>	\$500,000	\$500,000	0.00	0.00
<i>Transfer a position between service areas for general aviation security</i>	\$45,945	\$45,945	1.00	1.00
Total for Service Area	\$1,423,299	\$1,423,299	11.00	11.00

Objective: Provide technical support to the Commonwealth's airports

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Certify Airport Security Plans	New measure - baseline will be established using FY 2006 data	85% by FY 2007
Percentage of time that the Department-owned electronic navigational equipment are not available for service	1.1% (FY 2005)	1.0% FY 2006
Timeliness of airport inspection	New measure - baseline will be established using FY 2006 data	100% by FY 2007

State Aircraft Acquisition or Enhancement

The purpose of the State Aircraft Acquisition or Enhancement Service Area is to ensure that the Department is able to provide safe, economical, and efficient on-demand passenger air transportation for the Governor, Economic Development Partnership and state agencies to destinations throughout the Commonwealth and nation. With the Department's fleet consisting of less modern and aging aircraft, a plan has been developed to meet the Commonwealth's long-term needs.

The Department contracted in 2005 with Conklin & deDecker Associates, Inc., an industry leader in the field of aircraft fleet and requirements analysis, for an independent analysis of the Commonwealth's current and future aircraft requirements. The report analyzed the agency's various flight mission requirements, surveyed customers, analyzed the current fleet, made recommendations for the composition of the fleet, and proposed a replacement schedule. The Fleet Requirements Analysis Report includes multiple recommendations and covers the 20 year forecast need for the Commonwealth.

Issues addressed:

- Requirements analysis to determine the Commonwealth's aviation needs
- Which aircraft best fit those needs
- What actions to take to meet the long term needs
- Timeline for actions
- Method and source of payment (financed amount, period and fund source)

The consultant recommended:

- Composition of the Department fleet to meet the requirements analysis
- Replacement schedule of the existing fleet with the suggested replacement aircraft

As a result of the study, the Department has submitted a Decision Package Justification requesting that the 1980 King Air B200 be replaced in fiscal year 2007.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
<i>Implement aircraft replacement program</i>	\$4,500,000	\$500,000	0.00	0.00
Total for Service Area	\$4,500,000	\$500,000	0.00	0.00

Objective: Implement and fund an approved asset replacement program

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of days aircraft is available for flights	79% (FY 2005)	95%

State Aircraft Operations and Maintenance

The State Aircraft Operations and Maintenance Service Area provides safe, economical, efficient on-demand air transportation for the Governor, Legislature, Economic Development Partnership, and all state agencies to destinations throughout the Commonwealth and nation. Utilizing Commonwealth-owned aircraft, the service includes flight scheduling and planning for stakeholders to ensure their needs are met. Flight crews undergo recurrent flight training, and aircraft are maintained to FAA and manufacturer mandated levels to ensure safety.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$1,632,471	\$1,632,471	7.00	7.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$53,219	\$53,219	0.00	0.00
<i>Establish aircraft maintenance manager/pilot position</i>	\$0	\$0	1.00	1.00
Total for Service Area	\$1,685,690	\$1,685,690	8.00	8.00

Objective: Provide safe, efficient air transportation for the Governor, Legislature, Economic Development Partnership, and all state agencies

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Maintain a zero accident/injury rate	0 accidents/injuries (FY 2005)	0 accidents/injuries

Administrative and Support Services

This service area provides administrative and financial support to the agency's management and staff. Examples of support functions provided include general management and direction regarding agency programs, client services, and Virginia Aviation Board responsibilities; agency strategic planning; budget development and execution; accounting operations; personnel; procurement; information technology management; and facility management.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$836,326	\$836,326	8.00	8.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$48,270	\$48,270	0.00	0.00
Total for Service Area	\$884,596	\$884,596	8.00	8.00

Objective: To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Governor's management scorecard categories marked as meets expectations for the agency	100% (FY 2005)	100%

Department of Motor Vehicles

Mission Statement

DMV promotes Security, Safety, and Service through the administration of motor vehicle and tax related laws.

Agency Goals:

- Ensure that credentials are issued in an accurate, secure and efficient manner.
- Improve the safety of Virginia's highway system.
- Provide customers the information they need to access DMV services and comply with state laws and regulations.
- Effectively enforce motoring and transportation-related tax laws.
- Efficiently collect and distribute transportation-related revenues.
- Accurately collect and manage transportation data and disseminate information.
- Provide a convenient portal for citizens to access other state agency services.

Customers Served:

- Licensed drivers
- Registered vehicles
- General public (drivers, ID card recipients, vehicle owners)
- Private sector entities
- Government agencies (federal, state and local)
- Legislators (state and federal)

Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
OPERATING BUDGET HISTORY:						
FY 2003	\$0	\$195,820,019	\$195,820,019	\$108,046,545	\$87,773,474	1,984.00
FY 2004	\$0	\$196,738,853	\$196,738,853	\$81,681,205	\$115,057,648	1,984.00
FY 2005	\$0	\$247,605,104	\$247,605,104	\$100,494,207	\$147,110,897	1,994.00
FY 2006	\$0	\$246,041,818	\$246,041,818	\$103,094,207	\$142,947,611	1,943.00
NEW OPERATING BUDGET SUMMARY:						
FY 2007 Base Budget	\$0	\$246,041,818	\$246,041,818	\$94,117,434	\$151,924,384	1,943.00
FY 2007 Addenda	\$0	\$15,245,710	\$15,245,710	\$8,303,841	\$6,941,869	0.00
FY 2007 TOTAL	\$0	\$261,287,528	\$261,287,528	\$102,421,275	\$158,866,253	1,943.00
FY 2008 Base Budget	\$0	\$246,041,818	\$246,041,818	\$94,117,434	\$151,924,384	1,943.00
FY 2008 Addenda	\$0	\$19,632,019	\$19,632,019	\$8,303,841	\$11,328,178	0.00
FY 2008 TOTAL	\$0	\$265,673,837	\$265,673,837	\$102,421,275	\$163,252,562	1,943.00
CAPITAL OUTLAY BUDGET SUMMARY:						
FY 2007 Capital	\$0	\$4,720,000	\$4,720,000	\$0	\$4,720,000	0.00
FY 2008 Capital	\$0	\$4,614,000	\$4,614,000	\$0	\$4,614,000	0.00

Agency Summary of Recommended Operating Budget Addenda

- ▶ **Transfer centrally funded amounts to agency budgets**
Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$9.2 million (NGF).
- ▶ **Transfer appropriation between service areas**
Realigns funding across service areas to more accurately reflect expenditures. (Net zero adjustment)
- ▶ **Transfer appropriation within a service area**
Adjusts funding to reflect a change in fund detail within a service area. (Net zero adjustment)
- ▶ **Transfer appropriation between service areas**
Realigns funding across service areas to more accurately reflect expenditures. (Net zero adjustment)
- ▶ **Implement Real ID Act**
Provides funding to address Virginia's compliance with the federal Real ID Act of 2005, including enhancement of the current drivers record and social security number verification systems. Signed into law on May 11, 2005, Real ID is intended to make government-issued identification more secure, in order to counter the threat of terrorism. For 2007, \$1.5 million (NGF). For 2008, \$254,190 (NGF).
- ▶ **Redesign and integrate the Citizens Services System**
Adds funding to update the agency's antiquated mainframe systems and fragmented customer data applications. In addition to enabling Virginia to address the requirements of the federal Real ID Act of 2005, the new system will facilitate efficient revenue collection, internal security, homeland security, and customer relationship management. For 2007, \$1.7 million (NGF). For 2008, \$7.4 million (NGF).
- ▶ **Implement Traffic Records Electronic Data System**
Provides funds for the implementation of electronic submission of crash reports by law enforcement. The new system will streamline and simplify data collection, improve data accuracy and speed of processing, and eliminate data entry backlogs. For 2007, \$1.5 million (NGF). For 2008, \$1.2 million (NGF).
- ▶ **Implement phases II and III of document imaging**
Provides additional funds to enable the agency to effectively manage millions of documents by utilizing scanning technology. Electronic document imaging will move the agency towards a paperless environment and facilitate quick response times and reduced waiting time for customers. For 2007, \$566,867 (NGF). For 2008, \$736,901 (NGF).

► **Increase appropriation to acquire hauling permit software**

Provides funding to procure and implement a software application to enhance the hauling permit system. Replacing the current manual process of researching routes for oversized or overweight vehicles with automatic routing will significantly improve permit turnaround time, reduce error, and improve safety on highways for the motoring public. For 2007, \$293,317 (NGF). For 2008, \$291,020 (NGF).

► **Implement central issue of drivers licenses**

Increases funding to cover the costs associated with the central issuance of drivers licenses. Issuing licenses from a central location, rather than over-the-counter, will promote security, deter fraud, and help reduce identity theft. For 2007, \$540,433 (NGF). For 2008, \$556,646 (NGF).

Agency Summary of Recommended Capital Outlay Addenda

► **Fund maintenance reserve**

Provides funds to implement maintenance reserve projects required to allow the continued use of existing facilities. For the biennium, \$2.8 million (NGF).

► **Provide headquarters emergency power generator**

Increases funds to provide power to critical areas in the event of disruptions or outages. The generator will permit the agency to continue normal operations at headquarters during emergency situations. The ability to continue normal operations in emergency situations is especially important since this facility houses the Governor's Response Hotline call center and serves as a back-up site for the Virginia Information Technologies Agency and the Department of Accounts computer operations. For the biennium, \$1.8 million (NGF).

► **Renovate and expand Suffolk motor carrier service center**

Provides funds to correct a variety of mechanical, electrical, plumbing, and accessibility deficiencies at the Suffolk motor carrier service center. Renovation and expansion of the existing facility will accommodate correction of the deficient systems and provide much needed operational space to conduct truck safety programs. For the biennium, \$1.0 million (NGF).

► **Provide Sandston weigh station pavement renovations**

Provides additional funds to renovate the paved areas of the east and west bound sides of the Sandston weigh station. The existing paved surfaces are in poor condition due to a combination of volume of use, deterioration, and age. For the biennium, \$1.2 million (NGF).

► **Develop Prince William commercial vehicle inspection turnout**

Provides funding to develop a commercial vehicle regulatory inspection turnout on Route 234 in Prince William County. Proper inspections and weighing of commercial vehicles will be conducted on this alternate route that is often currently used to bypass the Dumfries weigh station. For the biennium, \$2.5 million (NGF).

Agency Service Areas:

Vehicle Regulation Services

This responsibility was established to perform motor vehicle licensing and registration functions to protect citizens by promoting the orderly movement of people and goods on Virginia's highways; provide a mechanism for recording vehicle ownership and associated property rights; and protect consumer rights through administration of the Virginia Salvage Law, including branding of salvage and non-repairable vehicles. Through law enforcement activities relating to disposition of property, DMV protects the rights of financial institutions, insurance companies and others involved in financing vehicle ownership. As an additional service, DMV provides information to insurance companies for rating vehicle safety, to localities for assessing taxes, and to other entities entitled by the Code of Virginia to receive and use DMV information. DMV is also responsible for collecting highway user taxes and fees. Finally, DMV ensures, under the federal Clean Air Act, the abatement and control of vehicular sources of air pollution through restriction of registration for vehicles not meeting emission requirements in applicable areas of Virginia.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$55,079,703	\$55,079,703	563.00	563.00
<i>Transfer centrally funded amounts to agency budgets</i>	<i>\$3,034,305</i>	<i>\$3,034,305</i>	<i>0.00</i>	<i>0.00</i>
Total for Service Area	\$58,114,008	\$58,114,008	563.00	563.00

Objective: Increase vehicle owners' use of alternative services (Internet, mail, phone, and DMV Select [license agents]) to renew vehicle registrations by 10%

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of vehicle registration renewals conducted using alternative services	64% (FY 2005)	74% (FY 2006)

Objective: Expand DMV's electronic capability to warehouse and provide proof of vehicle ownership for vehicle owners, dealers, and lienholders and reduce paper certificate of titles by 10%

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of certificate of titles printed for vehicle owners	1,060,413 (FY 2005)	954,372 (FY 2006)

Objective: Expand use of the Government Agency Title and Registration System (GATARS) to promote public-private partnerships

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of transactions performed	1,206 transactions (FY 2005)	1,507 (FY 2006)

Driver Regulation Services

This functional activity ensures the safety of the motoring public through specified training and educational requirements for obtaining and holding a driver's license. This function involves: issuance of credentials; establishment and maintenance of each operator's driving record and other information to support a comprehensive traffic records system; granting or withholding the driver's license; operation of programs which emphasize law enforcement and citizen protection; and, enforcing motoring and tax laws by collecting, maintaining, and disseminating driver and crash-related data. This is accomplished by encouraging the improvement of attitudes and driving habits of citizens through education and training programs and specific training for motorcycle operators (as provided for under the Motorcycle Rider Safety Act, Title 46.2, Chapter 10, Article 23). In order to support law enforcement efforts, DMV is also involved in activities to identify potential uninsured motorists prior to crash involvement, insurance information verification following a crash, and insurance monitoring by ensuring that persons found to have violated the State laws and requirements comply with the penalties.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$40,683,268	\$40,683,268	762.00	762.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$2,298,716	\$2,298,716	0.00	0.00
<i>Implement central issue of drivers licenses</i>	\$540,433	\$556,646	0.00	0.00
Total for Service Area	\$43,522,417	\$43,538,630	762.00	762.00

Objective: Increase the overall percentage of conviction data received from courts electronically via the Court Automated Information System (CAIS) by 5%

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
The number of convictions processed electronically	80% processed electronically (FY 2005)	90% (FY 2006)

Objective: Implement the Central Issuance of Driver License

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Reduce/eliminate employee illegal activities related to issuance of driver's licenses and identification cards	2 instances of known employee illegal activities (FY 2005)	0 (FY 2006)
Reduce customer fraud related to the issuance of driver's licenses and identification cards	1,593 known fraudulent licenses/IDCs issued (FY 2005)	277 (FY 2006)

Motor Carrier Regulation Services

DMV's motor carrier regulation services administers policy and laws relating to: registration of motor carrier commercial vehicle operations that transport of goods, people, or property intrastate and interstate; collection of taxes relating to fuel and rental taxes; administering state and federal laws, regulatory policies, and procedures related to issuance of oversize and overweight permits to vehicles traveling over Virginia's highways with loads that, when reduced to their smallest dimensions, exceed maximum legal lengths; providing audit services to promote a high level of voluntary compliance among registrants and taxpayers thus protecting the revenue of the Commonwealth; and maintenance and operations of facilities, equipment and safety programs that monitor trucks for compliance with state/federal statutes and regulations pertaining to size, weight, commercial vehicle safety, and credential compliance.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$21,307,780	\$21,307,780	295.00	295.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$1,195,332	\$1,195,332	0.00	0.00
Total for Service Area	\$22,503,112	\$22,503,112	295.00	295.00

Objective: Maximize the use of technology to enhance customer service, transportation safety, revenue collection, and reduce human resource requirements to screen and weigh trucks

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Increase the number of trucks screened and weighed electronically in comparison to manual transactions by 5%	2,997,188 trucks screened (FY 2005)	3,147,047 (FY 2006)
Increase the number of motor carrier insurance filing transactions conducted electronically by 5%	156,293 Extranet issuance (FY 2005)	164,108 (FY 2006)
Increase the number of transactions in web-enabled motor carrier system by 5%	5,635 WebCAT (FY 2005)	5,917 (FY 2006)

Financial Assistance for Transportation Safety

Financial grants under the federal transportation safety program are provided to local governments to assist in providing training and in coordinating transportation safety activities identified in the specific localities. These grants are used for alcohol use abatement, community-focus transportation safety, occupant protection (safety belts and child safety seats), police traffic enforcement, traffic records, and roadway safety enhancements.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$2,104,000	\$2,104,000	0.00	0.00
<i>Transfer appropriation between service areas</i>	\$3,000,000	\$3,000,000	0.00	0.00
Total for Service Area	\$5,104,000	\$5,104,000	0.00	0.00

Objective: To reduce alcohol-related fatalities

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Reduce alcohol-related accidents/fatalities by providing federal funding to implement statewide DUI checkpoint campaigns and media campaigns	343 fatalities (FY 2005)	336 (FY 2006)

Objective: Increase current statewide safety belt usage

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Increase safety belt usage in Virginia from 79.9% to 82%	80.4% safety belt usage (FY 2005)	82% (FY 2006)

Transportation Safety Administration Services

The Transportation Safety Service Area coordinates efforts to reduce the rate of motor vehicle crashes, deaths, the severity of personal injuries, and the associated economic costs. It also provides support to law enforcement agencies, which further facilitates the protection of the citizens of the Commonwealth.

Activities under this service area include: identifying existing crash patterns; determining causes; and coordinating statewide and local programs that will reduce the likelihood and/or severity of future occurrences.

The major service activities include:

- Administering federal transportation safety grants to state agencies, local governments, and non-profit organizations.
- Supporting highway safety programs including alcohol and impaired driving deterrence, community-focused transportation safety, occupant protection (safety belts), police traffic enforcement, traffic records, motorcycle safety, aggressive driving deterrence, and roadway safety enhancements.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$32,449,683	\$32,449,683	24.00	24.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$183,897	\$183,897	0.00	0.00
<i>Transfer appropriation between service areas</i>	(\$3,000,000)	(\$3,000,000)	0.00	0.00
Total for Service Area	\$29,633,580	\$29,633,580	24.00	24.00

Objective: Decrease alcohol-related injuries

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Decrease alcohol-related injuries by 1%	7,911 injuries (FY 2005)	7,832 (FY 2006)

Objective: Decrease alcohol-related crashes

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Decrease alcohol-related crashes by 1%	11,504 crashes (FY 2005)	11,389 (FY 2006)

Financial Assistance to Localities - Mobile Home Tax

This service area was established to collect transportation-related revenues in the form of the sales and use tax paid on the purchase of manufactured homes. Data is managed and information disseminated for certification to the locality where the manufactured home is delivered. DMV serves as a portal for other government agencies and services through the responsible collection of this tax, accounting for these revenues, and disbursing the funds to the appropriate localities.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$10,440,000	\$10,440,000	0.00	0.00
Total for Service Area	\$10,440,000	\$10,440,000	0.00	0.00

Objective: To assist localities in the collection of mobile home sales and use tax revenue

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Disburse revenue to localities in a timely manner	100% of payments within 30 calendar days (FY 2005)	100% (FY 2006)

Financial Assistance to Localities - Rental Vehicle Tax

This service area was established to collect transportation-related revenues in the form of the tax on daily rental vehicles for localities in lieu of the tangible personal property tax on motor vehicles. Data is managed and information disseminated for certification to the locality where the vehicle is delivered. DMV serves as a portal for other government agencies and services through the responsible collection of this tax, accounting for these revenues, and disbursing revenue to the appropriate localities.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$32,000,000	\$32,000,000	0.00	0.00
Total for Service Area	\$32,000,000	\$32,000,000	0.00	0.00

Objective: To assist localities in the collection of rental vehicle tax revenue

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Disburse revenue from rental vehicle tax to localities in a timely manner	100% of payments made within 30 calendar days (FY 2005)	100% (FY 2006)

Financial Assistance to Localities for the Disposal of Abandoned Vehicles

This activity provides financial incentive (currently \$50.00 per vehicle) to the state's political subdivisions to dispose of abandoned motor vehicles located within their boundaries. This service allows the state to assist local governments in their efforts to conserve, protect and develop land resources throughout the state.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$391,500	\$391,500	0.00	0.00
Total for Service Area	\$391,500	\$391,500	0.00	0.00

Objective: Provide financial incentives to encourage localities to turn in abandoned vehicles

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Total dollars distributed as compared to the appropriation level	99.7% (FY 2005)	100% (FY 2006)

General Management and Direction

Administrative and support services units provide the organizational infrastructure which allows the operational units to function. Most services are generic to agencies including management oversight, budgeting, accounting, human resource management, legislative services, procurement and general services, communications and public affairs, and internal audit. In addition, investigative services, internal and external to the agency, is included. These support units provide planning and support in the development and implementation of motor vehicle policies and operational programs.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$29,098,888	\$29,098,888	185.00	185.00
Transfer centrally funded amounts to agency budgets	\$1,471,178	\$1,471,178	0.00	0.00
Transfer appropriation between service areas	(\$2,000,000)	(\$2,000,000)	0.00	0.00
Total for Service Area	\$28,570,066	\$28,570,066	185.00	185.00

Objective: To serve Virginia's citizens as cost effectively as possible

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Cost-per-customer served (in dollars)	\$3.81 (FY 2004)	\$3.81

Objective: To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Governor's Management scorecard categories marked as meets expectations for the agency	100% (FY 2005)	100%

Information Technology Services

Provides project management, application development, and systems support services to DMV business users as well as our external business partners.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$19,626,366	\$19,626,366	99.00	99.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$919,486	\$919,486	0.00	0.00
<i>Implement Real ID Act</i>	\$1,491,132	\$254,190	0.00	0.00
<i>Redesign and integrate the Citizens Services System</i>	\$1,698,798	\$7,361,399	0.00	0.00
<i>Implement Traffic Records Electronic Data System</i>	\$1,460,300	\$1,237,000	0.00	0.00
<i>Implement phases II and III of document imaging</i>	\$566,867	\$736,901	0.00	0.00
<i>Increase appropriation to acquire hauling permit software</i>	\$293,317	\$291,020	0.00	0.00
Total for Service Area	\$26,056,266	\$30,426,362	99.00	99.00

Objective: Increase data security

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of desktops with antivirus updates within 3 days of posted virus warning	New measure - baseline to be established in FY 2006	100% of desktops receive the antivirus updates within 3 days (FY 2007)

Facilities and Grounds Management Services

The Facilities Services and Planning Administration (FSPA) manages the Facilities and Grounds Management service area. FSPA programs that indirectly support all DMV Core Functions include: maintenance and renovations to all 73 customer service centers (CSCs) and 13 motor carrier service centers (MCSCs); construction of new and replacement facilities (leased and agency owned); administration of non-professional and professional services contracts for the agency; management of the agency emergency operations plan, risk management plan, facility lease program, and fleet transportation program. FSPA directly supports the following core functions: Transportation Safety Services - through the fleet transportation services program; portal for other government agencies and Services – through cooperative contracts administration.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$2,860,630	\$2,860,630	15.00	15.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$91,949	\$91,949	0.00	0.00
<i>Transfer appropriation between service areas</i>	\$2,000,000	\$2,000,000	0.00	0.00
Total for Service Area	\$4,952,579	\$4,952,579	15.00	15.00

Objective: Provide conveniently located, safe, functional and comfortable facilities for our DMV employees and their customers

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Complete delivery of new, relocated or renovated facilities within established timeframes and budgets	100% of construction completed within 24 months (FY 2005)	100% of construction completed within 24 months

Department of Rail and Public Transportation

Mission Statement

The Department of Rail and Public Transportation exists to improve mobility and expand transportation choices in the Commonwealth.

Agency Goals:

- Assist in managing the growth in congestion on Virginia's highways.
- Improve access for the general public and businesses to alternative transportation (public transportation, carpools, vanpools, human service transportation, passenger rail, freight rail) and telecommuting.
- Provide access and improvements to Virginia's railways to encourage economic development and reduce truck traffic on Virginia's highways.
- Seek the highest possible return on investment to maximize limited funding.
- Increase communications to the general public, businesses and community decision makers on alternative transportation choices and telecommuting.
- Implement best practice management tools and techniques to improve customer service and accountability.

Customers Served:

- Virginia Commuter Assistance Agencies
- Virginia Public Transportation Systems
- Human Service Transportation Agencies
- Virginia Railroads
- Virginia Metropolitan Planning Organizations
- Transportation Management Associations
- Virginia General Public
- Washington Metropolitan Area Transit Commission
- Virginia Counties
- Virginia Cities
- Virginia State Agencies
- DRPT employees
- Business and Industry using Rail Service
- Passenger Rail Operators
- Virginia Port Authority

Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
OPERATING BUDGET HISTORY:						
FY 2003	\$0	\$125,033,425	\$125,033,425	\$2,623,897	\$122,409,528	31.00
FY 2004	\$0	\$145,891,618	\$145,891,618	\$2,456,287	\$143,435,331	36.00
FY 2005	\$0	\$163,448,975	\$163,448,975	\$3,805,020	\$159,643,955	44.00
FY 2006	\$0	\$260,898,306	\$260,898,306	\$3,916,915	\$256,981,391	43.00
NEW OPERATING BUDGET SUMMARY:						
FY 2007 Base Budget	\$0	\$260,898,306	\$260,898,306	\$3,703,895	\$257,194,411	43.00
FY 2007 Addenda	\$82,500,000	\$90,248,308	\$172,748,308	\$890,308	\$171,858,000	12.00
FY 2007 TOTAL	\$82,500,000	\$351,146,614	\$433,646,614	\$4,594,203	\$429,052,411	55.00
FY 2008 Base Budget	\$0	\$260,898,306	\$260,898,306	\$3,703,895	\$257,194,411	43.00
FY 2008 Addenda	\$29,100,000	\$184,119,433	\$213,219,433	\$911,433	\$212,308,000	12.00
FY 2008 TOTAL	\$29,100,000	\$445,017,739	\$474,117,739	\$4,615,328	\$469,502,411	55.00

Agency Summary of Recommended Operating Budget Addenda

► **Transfer centrally funded amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$234,933 (NGF).

► **Appropriate motor vehicle rental taxes for the Rail Enhancement Fund**

Adjusts the appropriation for the Rail Enhancement Fund. The motor vehicle rental tax is the dedicated source of revenue for this fund. For 2007, \$23.7 million (NGF). For 2008, \$24.2 million (NGF).

► **Provide additional funding for commuter assistance**

Increases funding to encourage commuters to join carpools and van pools and to ride other mass transit systems in order to reduce fuel consumption, air pollution, and maintenance on roadways. For each year, \$1.0 million (NGF).

► **Increase appropriation to reflect local revenues**

Provides additional funds for the Dulles Metrorail project for revenues from affected localities. Adding the local revenues to the agency budget allows the appropriation to be available to process expenditures from the local revenues as they are received. For 2007, \$65.2 million (NGF). For 2008, \$158.6 million (NGF).

► **Add field auditor position**

Increases the agency position level by one position to review over 250 grant awards annually. Substantial opportunity exists to improve the effectiveness of the agency's programs through the audit of the grantees financial data. For 2007, \$63,375 (NGF) and one position. For 2008, \$84,500 (NGF).

► **Provide revenue from one-third of insurance premiums**

Increases funding to reflect the portion of the one-third of the insurance premium tax in excess of the amount attributable to automobile insurance premiums being directed to the agency for transit capital projects. This funding will increase the estimated reimbursement to localities on transit capital projects from 25 percent to 54 percent. For 2007, \$27.5 million (GF). For 2008, \$29.1 million (GF).

► **Fund 2006 transportation initiatives**

Increases funding for transportation projects supported by the general fund in the 2006 Transportation Initiative. This funding will allow accelerated implementation of transit/rail projects with earmarked federal funding, as well as provide complete funding for a number of rail/transit projects receiving federal funds, including rail projects supporting the Ports of Virginia. These initiatives also direct an additional \$1 million to promote teleworking in the Commonwealth by providing incentives to employers who offer a teleworking option, thus reducing congestion on the highways of the Commonwealth. For 2007, \$55.0 million (GF).

► **Increase position level to adequately manage the Dulles Corridor Metrorail Project**

Provides ten additional positions required to adequately staff the final design and construction of the Dulles Metrorail project. For 2007, 10 positions.

► **Add information technology position**

Adds one full-time information technology manager. This position will consolidate three contractual positions. For 2007, one position.

Agency Service Areas:

Rail and Public Transportation Planning, Regulation, and Safety

This service area implements several programs related to rail and public transportation planning, regulation and safety in the Commonwealth.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$2,098,491	\$2,098,491	0.00	0.00
Total for Service Area	\$2,098,491	\$2,098,491	0.00	0.00

Objective: Advance new and improved rail and public transportation services in Virginia through timely and effective planning, public involvement, and the study and dissemination of information on needs and emerging technologies.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Timely and cost effective completion of studies and planning initiatives	New measure	Complete 90% on time - FY2007 and FY2008

Objective: Serve as an information clearinghouse for safety and security best practices.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Timely completion of safety studies and outreach initiatives.	New measure, no data available. Data will be collected in FY2006.	FY2007 & FY 2008 - 90%

Public Transportation Programs

This service area implements twelve federal and state programs related to supporting public transportation services in the Commonwealth. There are 47 public transportation service providers in Virginia. Services include: commuter rail (Virginia Railway Express), Metrorail, bus transit, and passenger ferry services. Virginia’s public transportation service providers range from some of the largest and fastest growing in the country that are essential to mobility and clean air in urban areas to very small systems that are the only mode of transportation available to some residents in rural areas. Services are operated in most cases by local governments and private nonprofit agencies.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$142,153,206	\$142,153,206	0.00	0.00
Provide revenue from one-third of insurance premiums	\$27,500,000	\$29,100,000	0.00	0.00
Fund 2006 transportation initiatives	\$46,000,000	\$0	0.00	0.00
Total for Service Area	\$215,653,206	\$171,253,206	0.00	0.00

Objective: Assist in managing the growth in traffic congestion in Virginia by increasing public transportation ridership in the urbanized areas of the Commonwealth.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Growth rate in passenger trips on public transportation systems in urbanized areas of the Commonwealth versus the projected growth rate in vehicle miles traveled for urbanized areas.	FY2004 - 166,867,000 passenger trips on transit	FY2007 - 171,873,000 FY2008 - 177,029,000

Objective: Increase mobility in Virginia’s rural areas for people who cannot drive or do not own automobiles to ensure access to basic human services such as employment, medical care, shopping and social activities.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Growth rate in passenger trips on public transportation systems in rural areas of the Commonwealth versus the growth rate in population for rural areas.	FY 2004 - 923,000 transit trips in rural areas	FY 2007 - 941,000 FY2008 - 960,000

Commuter Assistance Programs

This service area supports several programs related to mitigating congestion and air pollution by maintaining or increasing the number of people who choose to use alternative transportation modes for commute trips.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$4,344,000	\$4,344,000	0.00	0.00
Provide additional funding for commuter assistance	\$1,000,000	\$1,000,000	0.00	0.00
Total for Service Area	\$5,344,000	\$5,344,000	0.00	0.00

Objective: Decrease the rate of growth of single occupant vehicle travel in urban areas of Virginia during morning and evening commuting periods

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
The number of vehicle miles of travel saved each year by people utilizing the commuter assistance programs.	FY2004 - 22,077,000	FY2007 - 22,960,000 FY2008 - 23,878,000

Human Service Transportation Programs

This service area implements DRPT's initiatives to support human service transportation programs in the Commonwealth. Human service transportation programs are operated by local government social service agencies or private non-profit human service agencies for the benefit of their clients. These clients are elderly or disabled individuals and economically disadvantaged children who are enrolled to receive publicly funded social services. Human service transportation differs from public transportation in that it is designed to serve the very specific needs of human service agency clients and in most cases, service is restricted to the clients of those agencies who often have no other transportation service available to them. It is not open to the general public.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$3,583,644	\$3,583,644	0.00	0.00
Total for Service Area	\$3,583,644	\$3,583,644	0.00	0.00

Objective: Improve the quality, reliability and levels of transportation for elderly, disabled, and economically disadvantaged persons in Virginia.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Timely procurement and delivery of vehicles for human service transportation programs	New measure	90% of vehicles delivered within 24 months – FY2007 and FY2008

Rail Preservation Programs

This service area implements the Rail Preservation Program. This program provides funding for the preservation and continuation of existing rail service to increase productivity, safety and efficiency of rail transportation logistics in Virginia. This program has become a key component the Governor's initiatives to attract and maintain business in the Commonwealth.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$3,000,000	\$3,000,000	0.00	0.00
Total for Service Area	\$3,000,000	\$3,000,000	0.00	0.00

Objective: Retain and facilitate rail as a transportation choice on lower volume branch or short lines in rural areas.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Maintain and grow the number of truckload equivalents diverted from Virginia's highways.	FY 2005 – 912,000 truckload equivalents from Virginia's highways.	FY 2007 – 2% increase over baseline FY 2008 – 2% increase over FY2007

Rail Enhancement Programs

This service area provides for the planning and implementation of passenger and freight rail projects in the Commonwealth. This includes projects that are funded through the Rail Enhancement Fund, Virginia Transportation Act of 2000 (VTA 2000) and other state and federal funding programs that may become available.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$700,000	\$700,000	0.00	0.00
<i>Appropriate motor vehicle rental taxes for the Rail Enhancement Fund</i>	\$23,700,000	\$24,200,000	0.00	0.00
<i>Fund 2006 transportation initiatives</i>	\$9,000,000	\$0	0.00	0.00
Total for Service Area	\$33,400,000	\$24,900,000	0.00	0.00

Objective: Retain, Maintain, Improve and Develop railways in Virginia.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of truckload equivalents diverted from Virginia's highways.	New measure, data not available. Data will be collected in FY2006.	FY 2007 – 2% increase over baseline FY 2008 – 2% increase over FY2007
Reduction in minutes of delay to passenger rail caused by railway capacity constraints.	New measure, data not available. Data will be collected in FY2006.	FY 2007 – 5% reduction in total minutes of delay over baseline. FY 2008 – 5% reduction in total minutes of delay over FY2007.

Transportation System Development, Construction, and Program Management

This service area implements the Dulles Corridor Metrorail Project. The project is a new 23-mile Metrorail extension from the existing Orange Line at the East Falls Church station in Fairfax County, Virginia, to Route 772/Ryan Road in Loudoun County, Virginia. The project will be built in two phases. Phase 1 will serve Tysons Corner and Wiehle Avenue in eastern Reston (11 miles, 5 stations). Phase 2 will serve Reston, Herndon, Dulles International Airport and Loudoun County (12 miles, 6 stations). Construction on Phase 1 is estimated to begin by the end of 2006, with a scheduled opening in 2011. Phase 2 is scheduled to open in 2015. Trains will operate downtown along the Orange Line as far east as the Stadium-Armory Station in D.C.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$100,857,376	\$100,857,376	8.00	8.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$46,948	\$46,948	0.00	0.00
<i>Increase appropriation to reflect local revenues</i>	\$65,250,000	\$158,600,000	0.00	0.00
<i>Increase position level to adequately manage the Dulles Corridor Metrorail Project</i>	\$0	\$0	10.00	10.00
Total for Service Area	\$166,154,324	\$259,504,324	18.00	18.00

Objective: Advance the Dulles Corridor Metrorail Project through the federal project development process.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Execute a Full Funding Grant Agreement with FTA for Phase 1 of the Dulles Corridor Metrorail Project by October 2006.	The schedule for execution of a Full Funding Grant Agreement is October 2006.	Execute the Full Funding Grant Agreement by October 2006
Construct Phase 1 of the Dulles Corridor Metrorail Project on-time and on budget.	The schedule and budget for constructing Phase 1 will be established once all federal approvals have been received, a full funding grant agreement has been executed and notice-to-proceed has been provided to the contractor.	FY2007 – keep construction on-time and on budget FY2008 – keep construction on-time and on budget

Administrative and Support Services

This service area provides the human resources and the administrative support functions for DRPT to effectively manage and direct its other service areas.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$4,161,589	\$4,161,589	35.00	35.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$187,985	\$187,985	0.00	0.00
<i>Add field auditor position</i>	\$63,375	\$84,500	1.00	1.00
<i>Add information technology position</i>	\$0	\$0	1.00	1.00
Total for Service Area	\$4,412,949	\$4,434,074	37.00	37.00

Objective: Administer the financial resources of DRPT in an efficient and effective manner to maximize the services provided by the agency

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Satisfactory audit report from the Auditor of Public Accounts	No material weaknesses; one reportable condition in FY 2004 report	No material weaknesses; no reportable conditions. By FY 2007, the agency will have no findings in its APA Audit report.
Compliance with Department of Accounts standards and measures	No exceptions noted for DRPT in the March 31, 2005 Report	DRPT will have no exceptions reported in the DOA quarterly report.

Objective: Facilitate DRPT employees so that they perform their responsibilities at an appropriate level to successfully manage DRPT programs and projects

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of hours of training for DRPT employees	New Measure	40 hours of training per DRPT employee each year

Department of Transportation

Mission Statement

The Virginia Department of Transportation (VDOT) will plan, develop, deliver, and maintain -- on-time and on-budget -- the best possible transportation system for the traveling public.

Plan – design the network to meet future needs

Develop – provide the engineering and financing expertise to build the network’s assets

Deliver – construct, maintain, and operate the assets

Agency Goals:

- Plan a transportation network that is cost effective, safe, and designed to meet future needs.
- Develop the transportation network with engineering and financial expertise so that it is safe, on-time, and on-budget.
- Deliver and Operate a safe, cost effective, efficient, on-time, and on-budget transportation maintenance program that supports the preservation and integrity of the transportation infrastructure.
- Ensure Financial Accountability through the efficient and effective use of taxpayer dollars.
- Utilize Applied Research and Technology to improve the development, delivery, and maintenance of the transportation infrastructure.
- Promote Environmental Stewardship by Complying with Environmental Laws and Protection of Natural Assets.
- Attract, retain, develop, and utilize an internal and external workforce that is diverse and multi-disciplinary and provided with the necessary resources to meet VDOT business objectives.
- Promote Excellent Customer Service by providing proactive, efficient, and accurate information and responses to the traveling public.

Customers Served:

- Taxpayers – whether they travel by personal vehicle (e.g. auto; motorcycle; truck; recreational vehicle), business vehicle (e.g. company car; company truck), or public transportation (e.g. bus)

Customers Served:

- Motorists – residents making trips for leisure or business travel as well as trips closer to home such as commuting, shopping, and running errands
- Commercial businesses – businesses conducting retail and wholesale commerce
- Users of alternative modes of transportation such as bicyclists and pedestrians traveling to work, home, or for pleasure
- Motor Carriers – long and short haul freight
- Tourists – travelers through the state or to the state for the purpose of vacationing or sight seeing
- Emergency services – police, fire, medical and other emergency service providers
- Public transit agencies and authorities – e.g., bus service providers
- Economic development community – private developers, chambers of commerce
- Government entities – local, state, federal agencies, the Virginia General Assembly

Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
OPERATING BUDGET HISTORY:						
FY 2003	\$140,604,200	\$2,424,622,146	\$2,565,226,346	\$505,806,042	\$2,059,420,304	10,527.00
FY 2004	\$72,929,586	\$2,918,216,792	\$2,991,146,378	\$508,258,396	\$2,482,887,982	10,522.00
FY 2005	\$317,439,911	\$2,879,702,606	\$3,197,142,517	\$560,975,223	\$2,636,167,294	10,504.00
FY 2006	\$185,002,289	\$3,621,701,256	\$3,806,703,545	\$611,221,260	\$3,195,482,285	10,322.00
NEW OPERATING BUDGET SUMMARY:						
FY 2007 Base Budget	\$185,002,289	\$3,621,701,256	\$3,806,703,545	\$622,695,809	\$3,184,007,736	10,322.00
FY 2007 Addenda	\$250,297,711	(\$42,705,657)	\$207,592,054	\$49,723,076	\$157,868,978	-377.00
FY 2007 TOTAL	\$435,300,000	\$3,578,995,599	\$4,014,295,599	\$672,418,885	\$3,341,876,714	9,945.00
FY 2008 Base Budget	\$185,002,289	\$3,621,701,256	\$3,806,703,545	\$622,695,809	\$3,184,007,736	10,322.00
FY 2008 Addenda	(\$27,402,289)	(\$42,705,657)	(\$70,107,946)	\$49,723,076	(\$119,831,022)	-377.00
FY 2008 TOTAL	\$157,600,000	\$3,578,995,599	\$3,736,595,599	\$672,418,885	\$3,064,176,714	9,945.00
CAPITAL OUTLAY BUDGET SUMMARY:						
FY 2007 Capital	\$0	\$17,877,000	\$17,877,000	\$0	\$17,877,000	0.00
FY 2008 Capital	\$0	\$5,000,000	\$5,000,000	\$0	\$5,000,000	0.00

Agency Summary of Recommended Operating Budget Addenda

- ▶ **Transfer centrally funded amounts to agency budgets**
Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$50.0 million (NGF).
- ▶ **Remove insurance premium revenue**
Removes insurance premium revenue. This action was taken to allow a complete analysis of the appropriate level and uses of general fund support for transportation. For each year, a reduction of \$107.6 million (GF).
- ▶ **Remove general fund support for FRAN debt service**
Removes general fund support for the Federal Highway Reimbursement Anticipation Notes (FRAN) debt service. This action was taken to allow a complete analysis of the appropriate level and uses of general fund support for transportation. For each year, a reduction of \$37.4 million (GF).
- ▶ **Transfer funding to the Department of Minority Business Enterprise**
Transfers positions and funding from the agency's Civil Rights Division to the Department of Minority Business Enterprise, as part of the Governor's initiative to create efficiencies for businesses seeking certification. For 2007, a decrease of \$272,319 (NGF) and five positions. For 2008, a decrease of \$272,319 (NGF).

- ▶ **Remove non-VDOT 2005 transportation initiative funding from base budget**
Removes the portion of the 2005 Transportation Initiative attributable to other agencies from the agency's base budget. These balances have been apportioned to the other agencies in 2006 for one-time use. For each year, a reduction of \$92.4 million (NGF).
- ▶ **Provide revenue from one-third of insurance premiums**
Increases funding to reflect the portion of the one-third of the insurance premium tax attributable to automobile insurance premiums being directed to the agency for the Priority Transportation Fund. This funding will be used to cover debt service payments associated with Federal Highway Reimbursement Anticipation Notes. For 2007, \$111.3 million (GF). For 2008, \$117.6 million (GF).
- ▶ **Fund 2006 transportation initiatives**
Provides funds for transportation projects supported by the general fund in the 2006 Transportation Initiative. This funding will minimize the fiscal impact of federal earmarks and allow accelerated implementation of road projects with earmarked federal funding, as well as provide complete funding for several road projects receiving federal funds. For 2007, \$284.0 million (GF).
- ▶ **Reduce number of full-time equivalent positions for the agency**
Reduces the number of full-time equivalent positions which are no longer needed due to improved efficiencies and effectiveness of program delivery by the agency. For 2007, a reduction of 372 positions.

Agency Summary of Recommended Capital Outlay Addenda

- ▶ **Fund maintenance reserve**
Provides funds to implement maintenance reserve projects required to allow the continued use of existing facilities. For the biennium, \$10.3 million (NGF).
- ▶ **Construct Starkey and Green Bay Combo buildings**
Increases funding to continue the construction of Combo buildings at the Starkey area headquarters and Green Bay area headquarters. For the biennium, \$1.5 million (NGF).
- ▶ **Construct addition and renovate Lynchburg district auditorium**
Provides funds to continue the construction of an addition and renovation to the Lynchburg district auditorium. For the biennium, \$538,000 (NGF).
- ▶ **Continue umbrella project for Combo buildings**
Increases funding to continue the construction of Combo buildings at the Skiffes Creek area headquarters, Glamorgan area headquarters, the Rumford area headquarters, the Lake Ridge area headquarters, and the Temperanceville area headquarters. For the biennium, \$7.1 million (NGF).
- ▶ **Construct Franklin residency facilities**
Increases funding to continue the construction of the Franklin residency facilities. For the biennium, \$600,000 (NGF).
- ▶ **Construct Gloucester area headquarters office building**
Provides funds to continue the construction of the Gloucester area headquarters office building. For the biennium, \$39,000 (NGF).
- ▶ **Construct Gate City area headquarters facilities**
Increases funding to continue the construction and site work at the Gate City area headquarters facilities. For the biennium, \$912,000 (NGF).
- ▶ **Construct Bent Mountain area headquarters facilities**
Adds funding to continue the construction and site work at the Bent Mountain area headquarters facilities. For the biennium, \$194,000 (NGF).
- ▶ **Construct Rivanna area headquarters facilities**
Provides funds to continue the construction and site work at the Rivanna area headquarters facilities. For the biennium, \$335,000 (NGF).
- ▶ **Construct northern Virginia district office building and other facilities**
Provides additional funding to continue the construction of the northern Virginia district office building and relocation of maintenance facilities. For the biennium, \$200,000 (NGF).
- ▶ **Upgrade central office generator**
Provides funds to continue the upgrade of the central office generator. For the biennium, \$1.2 million (NGF).

Agency Service Areas:

Environmental Monitoring and Compliance for Highway Projects

This service area coordinates efforts to evaluate, monitor and maintain the quality of the state’s natural resources as part of a balanced consideration of environmental and transportation needs.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$11,734,317	\$11,734,317	62.00	62.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$300,301	\$300,301	0.00	0.00
Total for Service Area	\$12,034,618	\$12,034,618	62.00	62.00

Objective: To monitor, maintain and evaluate the quality of the state’s natural resources as part of a balanced consideration of environmental and transportation needs.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Initiation of the State Environmental Review Process (SERP) by begin date	Number of projects initiated after the scheduled begin dates for Code 18 Early Notification (SERP).	Initiate 80% of Early Notifications for SERP by the begin date.

Environmental Monitoring Program Management and Direction

Activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$4,751,706	\$4,751,706	58.00	58.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$280,928	\$280,928	0.00	0.00
Total for Service Area	\$5,032,634	\$5,032,634	58.00	58.00

Objective: To provide leadership and support to enable effective program execution

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
To provide management and direction within budget	This is a new measure. Baseline will be established using FY 2007 data.	Within budget

Ground Transportation System Planning

Lead efforts to plan a comprehensive system of ground transportation, including the planning of particular ground transportation projects through surveying, mapping and studies. These studies are the basis for decisions on proposed highway plans, programs and projects, as well as other travel modes and routes throughout Virginia.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$22,916,289	\$22,916,289	106.00	106.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$513,419	\$513,419	0.00	0.00
Total for Service Area	\$23,429,708	\$23,429,708	106.00	106.00

Objective: Achieve a 90% on-time response rate for Location and Design and Environmental (internal customers) traffic requests needed to support project development and project design.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percentage of traffic requests completed by requested date	The three year average for completing traffic requests is 80%	90% FY 2006

Ground Transportation System Research

Efforts devoted to the planning and delivery of a comprehensive ground transportation research, development, consulting and technology transfer program covering the areas of transportation system operations, maintenance, structural design and construction, materials and specifications, safety, environmental stewardship, knowledge management, finance and policy.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$3,156,035	\$3,156,035	6.00	6.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$29,061	\$29,061	0.00	0.00
Total for Service Area	\$3,185,096	\$3,185,096	6.00	6.00

Objective: Provide at least a 15% return over and above the investment in research.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Cost savings or cost avoidance to VDOT in construction, maintenance or program administration and to motorists due to reduced congestion or increased safety attributable to VTRC research	This is a new measure; therefore, a baseline will be set when data is collected in FY 2006.	\$11.0 million

Ground Transportation Program Management and Direction

Activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$2,724,651	\$2,724,651	26.00	26.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$125,934	\$125,934	0.00	0.00
Total for Service Area	\$2,850,585	\$2,850,585	26.00	26.00

Objective: To provide leadership and support to enable effective program execution.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
To provide management and direction within budget	This is a new measure, therefore a baseline will be established using FY 2007 data..	Within budget

Dedicated and Statewide Construction

To acquire land for, prepare detailed plans for, and construct roads of the dedicated and statewide highway system construction programs.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$661,537,899	\$661,537,899	253.00	253.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$1,225,425	\$1,225,425	0.00	0.00
<i>Remove insurance premium revenue</i>	(\$107,562,000)	(\$107,562,000)	0.00	0.00
<i>Remove non-VDOT 2005 transportation initiative funding from base budget</i>	(\$92,428,733)	(\$92,428,733)	0.00	0.00
<i>Fund 2006 transportation initiatives</i>	\$142,000,000	\$0	0.00	0.00
<i>Reduce number of full-time equivalent positions for the agency</i>	\$0	\$0	-10.00	-10.00
Total for Service Area	\$604,772,591	\$462,772,591	243.00	243.00

Objective: Complete construction projects on-time and on-budget.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On-time Construction Project Delivery	In FY05, 74% of construction projects were completed on-time. FY06 data is not available at this time.	65% on-time target for FY 2006. Targets for FY07 have not been determined at this time.
On-budget Maintenance Project Delivery	In FY05, construction projects completed on-budget were 81%. FY06 data is not available at this time.	80% on-budget target for FY 2006. Targets for FY07 have not been determined at this time.

Interstate Construction

To acquire land for, prepare detailed plans for, and construct roads of the interstate highway system construction programs.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$471,558,546	\$471,558,546	223.00	223.00
Transfer centrally funded amounts to agency budgets	\$1,080,118	\$1,080,118	0.00	0.00
Fund 2006 transportation initiatives	\$46,000,000	\$0	0.00	0.00
Reduce number of full-time equivalent positions for the agency	\$0	\$0	-9.00	-9.00
Total for Service Area	\$518,638,664	\$472,638,664	214.00	214.00

Objective: Complete interstate highway projects on-time and on-budget.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On-time Construction Project Delivery	In FY05, 74% of construction projects were completed on-time. FY06 data is not available at this time.	65% on-time target for FY 2006. Targets for FY07 have not been determined at this time.
On-time Maintenance Project Delivery	In FY05, construction projects completed on-budget were 81%. FY06 data is not available at this time.	80% on-budget target for FY 2006. Targets for FY07 have not been determined at this time.

Primary Construction

To acquire land for, prepare detailed plans for, and construct roads of the primary highway system construction programs.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$233,129,767	\$233,129,767	511.00	511.00
Transfer centrally funded amounts to agency budgets	\$2,475,068	\$2,475,068	0.00	0.00
Fund 2006 transportation initiatives	\$81,000,000	\$0	0.00	0.00
Reduce number of full-time equivalent positions for the agency	\$0	\$0	-20.00	-20.00
Total for Service Area	\$316,604,835	\$235,604,835	491.00	491.00

Objective: Complete primary highway projects on-time and on-budget.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On-time Construction Project Delivery	In FY05, 74% of construction projects were completed on-time. FY06 data is not available at this time.	65% on-time target for FY 2006. Targets for FY07 have not been determined at this time.
On-budget Maintenance Project Delivery	In FY05, construction projects completed on-budget were 81%. FY06 data is not available at this time.	80% on-budget target for FY 2006. Targets for FY07 have not been determined at this time.

Secondary Construction

To acquire land for, prepare detailed plans for, and construct roads of the secondary highway system construction programs.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$230,995,584	\$230,995,584	727.00	727.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$3,521,280	\$3,521,280	0.00	0.00
<i>Reduce number of full-time equivalent positions for the agency</i>	\$0	\$0	-29.00	-29.00
Total for Service Area	\$234,516,864	\$234,516,864	698.00	698.00

Objective: Complete secondary highway projects on-time and on-budget.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On-time Construction Project Delivery	In FY05, 74% of construction projects were completed on-time. FY06 data is not available at this time.	65% on-time target for FY 2006. Targets for FY07 have not been determined at this time.
On-budget Maintenance Project Delivery	In FY05, construction projects completed on-budget were 81%. FY06 data is not available at this time.	80% on-budget target for FY 2006. Targets for FY07 have not been determined at this time.

Urban Construction

To acquire land for, prepare detailed plans for, and construct roads of the urban highway system construction programs.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$184,412,781	\$184,412,781	348.00	348.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$1,685,565	\$1,685,565	0.00	0.00
<i>Fund 2006 transportation initiatives</i>	\$15,000,000	\$0	0.00	0.00
<i>Reduce number of full-time equivalent positions for the agency</i>	\$0	\$0	-14.00	-14.00
Total for Service Area	\$201,098,346	\$186,098,346	334.00	334.00

Objective: Complete urban highway projects on-time and on-budget.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On-time Construction Project Delivery	In FY05, 74% of construction projects were completed on-time. FY06 data is not available at this time.	65% on-time target for FY 2006. Targets for FY07 have not been determined at this time.
On-budget Maintenance Project Delivery	In FY05, construction projects completed on-budget were 81%. FY06 data is not available at this time.	80% on-budget target for FY 2006. Targets for FY07 have not been determined at this time.

Highway Construction Program Management

Activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$92,254,894	\$92,254,894	1,014.00	1,014.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$4,911,385	\$4,911,385	0.00	0.00
<i>Transfer funding to the Department of Minority Business Enterprise</i>	(\$272,319)	(\$272,319)	-5.00	-5.00
<i>Reduce number of full-time equivalent positions for the agency</i>	\$0	\$0	-414.00	-414.00
Total for Service Area	\$96,893,960	\$96,893,960	595.00	595.00

Objective: To provide leadership and support to enable effective program execution.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
To provide management and direction within budget	This is a new measure. Baseline will be established using FY 2007 data.	Within budget

Interstate Maintenance

Preserves the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$156,146,722	\$156,146,722	544.00	544.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$2,635,375	\$2,635,375	0.00	0.00
<i>Reduce number of full-time equivalent positions for the agency</i>	\$0	\$0	-172.00	-172.00
Total for Service Area	\$158,782,097	\$158,782,097	372.00	372.00

Objective: Preserve and enhance the safety, structural integrity, functionality, ride, and aesthetics of Virginia's roadways on a sustainable life cycle basis by utilizing sound investments, innovative techniques, and best practices.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On-time Maintenance Project Delivery	In FY05, 74% of maintenance projects were completed on-time. FY06 data is not available at this time.	65% on-time target for FY 2006. Targets for FY07 have not been determined at this time.
On-budget Maintenance Project Delivery	In FY05, maintenance projects completed on-budget were 81%. FY06 data is not available at this time.	90% on-budget target for FY 2006. Targets for FY07 have not been determined at this time.

Primary Maintenance

Preserves the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$257,946,718	\$257,946,718	1,164.00	1,164.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$5,638,929	\$5,638,929	0.00	0.00
<i>Reduce number of full-time equivalent positions for the agency</i>	\$0	\$0	-20.00	-20.00
Total for Service Area	\$263,585,647	\$263,585,647	1,144.00	1,144.00

Objective: Preserve and enhance the safety, structural integrity, functionality, ride, and aesthetics of Virginia's roadways on a sustainable life cycle basis by utilizing sound investments, innovative techniques, and best practices.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On-time Maintenance Project Delivery	In FY05, 74% of maintenance projects were completed on-time. FY06 data is not available at this time.	65% on-time target for FY 2006. Targets for FY07 have not been determined at this time.
On-budget Maintenance Project Delivery	In FY05, maintenance projects completed on-budget were 81%. FY06 data is not available at this time.	90% on-budget target for FY 2006. Targets for FY07 have not been determined at this time.

Secondary Maintenance

Preserves the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$434,300,460	\$434,300,460	2,339.00	2,339.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$11,331,147	\$11,331,147	0.00	0.00
Total for Service Area	\$445,631,607	\$445,631,607	2,339.00	2,339.00

Objective: Preserve and enhance the safety, structural integrity, functionality, ride, and aesthetics of Virginia's roadways on a sustainable life cycle basis by utilizing sound investments, innovative techniques, and best practices.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On-time Maintenance Project Delivery	In FY05, 74% of maintenance projects were completed on-time. FY06 data is not available at this time.	65% on-time target for FY 2006. Targets for FY07 have not been determined at this time.
On-budget Maintenance Project Delivery	In FY05, maintenance projects completed on-budget were 81%. FY06 data is not available at this time.	90% on-budget target for FY 2006. Targets for FY07 have not been determined at this time.

Transportation Operations Services

Improve mobility, safety, travel time reliability and security on the transportation system through the deployment of a variety of operational strategies including regional smart traffic centers, emergency services, traveler services, congestion management and traffic signalization optimization.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$135,759,368	\$135,759,368	358.00	358.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$1,734,309	\$1,734,309	0.00	0.00
Total for Service Area	\$137,493,677	\$137,493,677	358.00	358.00

Objective: Improve highway operational performance for non-recurring delay.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Clearance of incidents from roadways	This is a new measure, therefore a baseline will be set when data is collected in FY 2006.	90% percent of all incidents cleared within 90 minutes (Preliminary measure - statewide) target for FY 2006.

Highway Maintenance Program Management and Direction

Activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$96,045,542	\$96,045,542	1,197.00	1,197.00
Transfer centrally funded amounts to agency budgets	\$5,798,798	\$5,798,798	0.00	0.00
Reduce number of full-time equivalent positions for the agency	\$0	\$0	-57.00	-57.00
Total for Service Area	\$101,844,340	\$101,844,340	1,140.00	1,140.00

Objective: To provide leadership and support to enable effective program execution.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
To provide management and direction within budget	This is a new measure; therefore a baseline will be established using FY 2007 data..	Within budget

Toll Facility Acquisition and Construction

To provide efforts to acquire, construct, and renovate ground transportation toll facilities. Revenues collected from toll facilities contribute to Virginia's safe and effective transportation system. Currently, there are eight toll facilities in Virginia: George P. Coleman Toll Facility, Elizabeth River Tunnel, Dulles Toll Road, Dulles Greenway, Chesapeake Bay Bridge-Tunnel, Chesapeake Expressway, Downtown Expressway, and Powhite Parkway Extension Toll Road. However, of these, only three are owned and operated by VDOT: Powhite Parkway Extension Toll Road in Chesterfield County, Dulles Toll Road in Northern Virginia, and George P. Coleman Bridge in Gloucester County. The remaining five toll facilities are privately owned.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$9,828,000	\$9,828,000	0.00	0.00
Total for Service Area	\$9,828,000	\$9,828,000	0.00	0.00

Objective: Initiate, build and complete Toll Facility Construction projects according to the Commonwealth Transportation Board's six-year improvement plan.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On-time Construction Project Delivery	In FY05, 74% of construction projects were completed on-time. FY06 data is not available at this time.	65% on-time target for FY 2006. Targets for FY07 will be determined by Q3 FY06
On-budget Maintenance Project Delivery	In FY05, construction projects completed on-budget were 81%. FY06 data is not available at this time.	80% on-budget target for FY 2006. Targets for FY07 will be determined by Q3 FY06.

Toll Facility Debt Service

In order to construct needed highway facilities earlier than would be possible with traditional funding sources and without general tax increases, toll facilities have, when practical, been funded through the issuance of bonds. The bond indentures for the toll facilities require the Commonwealth Transportation Board (CTB) to set toll rates for all classes of vehicles which will provide sufficient net revenues to meet the facility's obligations. Toll Roads are typically constructed with debt financing and the subsequent toll collection revenues are used for debt service payments. The three state owned facilities that are currently collecting tolls to pay debt service are: Dulles in Northern Virginia, the Powhite Parkway Extension in Richmond, and the George P. Coleman Bridge located between Gloucester and York Counties.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$20,941,400	\$20,941,400	0.00	0.00
Total for Service Area	\$20,941,400	\$20,941,400	0.00	0.00

Objective: To execute bond transactions that achieve better favorable yields than prevailing rates then in effect for toll-supported debt programs issued by the service area.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
To verify that benchmarking yields realized, against market indices, are higher on average than what the Commonwealth will pay as a AAAA Bond-Rated state.	This is a new performance measure. Data will be collected going forward on new issues beginning July 1, 2005.	Average variance over the three-year period (7/1/05 - 6/30/08) will be within 20 basis points (a basis point is one one hundredth of a percent) for appropriation-backed debt (toll-supported).

Toll Facility Maintenance And Operation

The Virginia Department of Transportation currently operates four toll facilities located in the Commonwealth – the George P. Coleman Bridge, Dulles Toll Road, the Powhite Parkway Extension Toll Road and the Pocahontas Parkway Toll Road. All operating costs associated with that facility are to be paid out of the revenues generated by that facility. Customer service and toll collection are Toll Facilities main operations. When revenues are insufficient to pay operating costs, the Toll Facility Revolving Fund can be utilized.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$25,874,600	\$25,874,600	142.00	142.00
Transfer centrally funded amounts to agency budgets	\$687,788	\$687,788	0.00	0.00
Total for Service Area	\$26,562,388	\$26,562,388	142.00	142.00

Objective: To reduce number of non-payment of toll incidents in order to maximize the amount of money available to fund maintenance and operational expenses.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
To ensure collections from violations for refusing to pay the required toll.	No baseline data is available at this time. The Integrated Statewide Electronic Toll Customer Service and Violation Enforcement System is due to be installed in August or September 2006.	Once operational, actual data will be used to set an appropriate target.

Toll Facilities Revolving Fund

The Toll Facilities Revolving Account was established as a method to finance and/or refinance existing and potential toll facilities. Interest earnings on the Construction Fund and Highway Maintenance and Operating Fund are deposited in this account. Funds allocated from the Toll Facilities Revolving Account intended for planned or operating toll facilities are considered advance funding in which the Toll Facilities Revolving Account must be reimbursed. The Toll Facilities Revolving service area is responsible for the oversight and distribution of this fund.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$5,327,600	\$5,327,600	0.00	0.00
Total for Service Area	\$5,327,600	\$5,327,600	0.00	0.00

Objective: To reduce the reliance on the Toll Facility Revolving Fund for operating costs to Toll Facilities.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Reduce the amount of fund that is used for Toll Facility Operating Expenses	Of the current outstanding loan balance of \$155.5 million, approximately \$28.8 million (18%) was borrowed for operating expenses.	Less than 18% of the total loan balance for the Toll Facility Revolving Fund should be used for Toll Facility Operating expenses. It is preferable to reserve this fund for construction needs of the program.

Financial Assistance for City Road Maintenance

Provide monetary support to localities for capital improvements and/or maintenance of roads and/or transportation facilities.

Direct financial assistance is provided to 81 cities and towns to maintain, operate, and improve their arterial and collector roads and local streets. Financial assistance for city roads is funded from non-general fund revenues from the Highway Maintenance and Operating (HMO) fund. The level of assistance to the respective local governments for maintenance expenditures is based on the number of qualifying lane-miles in each locality and available funding. The distribution is limited to the total amount provided in the annual appropriation for the Service Area.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$245,617,900	\$245,617,900	0.00	0.00
Total for Service Area	\$245,617,900	\$245,617,900	0.00	0.00

Objective: To make quarterly payments to localities on-time.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Timely payment to localities.	95% of Quarterly payments should be made on time.	98% of the locality's allocation for City Road Maintenance is to be paid by the end of the quarter.

Financial Assistance for County Road Maintenance

Provide monetary support in lieu of maintenance to localities for road construction and upkeep where such localities have elected to maintain their own systems.

Financial assistance for maintenance of county roads is funded from non-general fund revenues from the Highway Maintenance and Operating (HMO) fund.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$39,310,500	\$39,310,500	0.00	0.00
Total for Service Area	\$39,310,500	\$39,310,500	0.00	0.00

Objective: To make quarterly payments to localities on-time.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Timely payment to localities.	95% of Quarterly payments should be made on-time.	At least 98% of the locality's allocation for City Road Maintenance is to be paid by the end of the quarter.

Financial Assistance for Planning, Access Roads, and Special Projects

The Financial Assistance for Planning, Access Roads, and Special Projects service area manages and distributes funding for recreational and industrial access projects. The Recreational Access Program provides funding for roads and bikeways to new or expanding non-federal, non-commercial public parks and historic sites. The annual appropriation for the Recreational Access Program is currently \$1.5 million. Access roads for qualifying airports and industrial sites, and access tracks for qualified rail users are provided through VDOT’s Industrial, Airport, and Rail Access Fund, which is currently funded through a \$5.5 million annual appropriation. Although funding for the Rail Industrial Access Program comes from this Fund, the program is administered by the Department of Rail and Public Transportation (DRPT). This service area is only responsible for making vendor payments that are related to the construction or improvement of railroad tracks necessary for access to industrial sites. These programs are of great significance due to their impact on Virginia’s economic development. This Service Area also provides for Metropolitan Planning Grants where federal funds are made available to support activities undertaken by Metropolitan Planning Organization (MPOs) to develop long-range transportation plans and transportation improvement programs.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$18,283,700	\$18,283,700	0.00	0.00
Total for Service Area	\$18,283,700	\$18,283,700	0.00	0.00

Objective: To provide federal funds due to localities under the Metro Planning Grant program in a timely manner to avoid any financial hardship to the locality.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Days required to provide federal reimbursements to Metropolitan Planning Organizations (MPOs)	In accordance with the Commonwealth of Virginia’s prompt pay act, it is the expectation that the agency pays these invoices within 30 days of receipt.	Payments will be made within the defined timeframe 95% of the time.

Financial Assistance for Local Transportation Project Management

The service area provides support to localities for assuming responsibility of the management and administration of certain transportation projects within the locality.

This service area encourages localities to take over highway construction contract and project management through a Local Partnership Fund created for fiscal year 2006, by the General Assembly.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$10,700,000	\$10,700,000	0.00	0.00
Total for Service Area	\$10,700,000	\$10,700,000	0.00	0.00

Objective: To maximize the number of localities participating in this program.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percentage of localities participating in the program.	The program becomes effective July 1, 2005. Therefore the baseline will be established following the first year of implementation	

Objective: To provide all funds made available through the Local Partnership Legislation to the localities that have qualifying projects.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Utilization of program funds.	The program becomes effective July 1, 2005. Therefore the baseline will be established following the first year of implementation.	By the end of the first year of implementation, the department will evaluate the level of commitment for the \$40 million, and establish an appropriate target at that time.

Highway Transportation Improvement District Debt Service

The General Assembly has periodically enacted legislation providing for the issuance of bonds to finance the cost of constructing or improving critical transportation facilities. The Revenue Bond Act, §33.1-267 et. al. of the Code of Virginia, along with other specific bond legislation, provides the Commonwealth Transportation Board (the “Board” or “CTB”) the statutory authority to issue transportation revenue bonds for specific transportation projects cited in the Code and to provide for the payment of debt service.

In 1987, the Virginia General Assembly gave localities the go-ahead to create special tax districts to finance transportation improvements. In 1988 the Boards of Supervisors for Fairfax and Loudoun Counties each approved a petition from Route 28 landowners to form the first transportation improvement district in the Commonwealth, the State Route 28 Highway Transportation Improvement District (the “District”). A special tax levy of twenty cents per one hundred dollars of assessed fair market value on all commercial and industrial zoned property inside the District is used to pay debt service for bonds issued to partially fund construction of Route 28 improvements. An initial phase of improvements was completed in 1991 that widen the route from a 14-mile two-lane road to six lanes and constructed three above grade interchanges.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$47,528,100	\$47,528,100	0.00	0.00
Total for Service Area	\$47,528,100	\$47,528,100	0.00	0.00

Objective: To execute bond transactions that on average achieve better favorable yields than prevailing rates then in effect for non-toll supported debt programs issued by the service area.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Benchmarking yields against market indices.	This is a new performance measure. Data will be collected going forward on new issues beginning July 1, 2005.	Average variance over the three-year period (7/1/05 – 6/30/08) will be within 20 basis points for appropriation-backed debt (non-toll supported).

Designated Highway Corridor Debt Service

The General Assembly has periodically enacted legislation providing for the issuance of bonds to finance the cost of constructing or improving critical transportation facilities. The Revenue Bond Act, §33.1-267 et. al. of the Code of Virginia, along with other specific bond legislation, provide the Commonwealth Transportation Board the statutory authority to issue transportation revenue bonds for specific transportation projects cited in the Code and to provide for the payment of debt service.

Since 1988, the Commonwealth Transportation Board has issued transportation revenue bonds for the Route 28 Transportation Improvement District, the U.S. Route 58 Corridor Development Program, the City of Chesapeake Oak Grove Connector Project, and the Northern Virginia Transportation District (NVT) Program. The NVT Program is comprised of the Fairfax County Parkway, Route 234 Manassas Bypass, Route 7 Improvements, and Metro Capital Improvements including the Franconia-Springfield Metrorail Station.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$63,037,907	\$63,037,907	0.00	0.00
Total for Service Area	\$63,037,907	\$63,037,907	0.00	0.00

Objective: To execute bond transactions that on average achieve better favorable yields than prevailing rates then in effect for non-toll supported debt programs issued by the service area.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Benchmarking yields against market indices	This is a new performance measure. Data will be collected going forward on new issues beginning July 1, 2005.	Average variance over the three-year period (7/1/05 – 6/30/08) will be within 20 basis points for appropriation-backed debt (non-toll supported).

Federal Highway Revenue Anticipation Notes Debt Service

The Commonwealth Transportation Board began issuing Federal Highway Reimbursement Anticipation Notes in 2000. The proceeds of the notes are used to finance various transportation projects throughout the Commonwealth pursuant to the Virginia Transportation Act of 2000 and to pay issuance costs and other financing expenses of the notes. The Act authorizes the Transportation Board to issue from time to time, by and with the consent of the Governor of Virginia, Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes (FRANs) to provide a portion of the financing for approximately \$1.9 billion in Commonwealth transportation projects. No more than \$1.2 billion in FRANs may be outstanding at any time, exclusive of FRANs issued to pay financing expenses. The General Assembly may from time to time designate additional projects to be financed by FRANs and/or increase the authorized outstanding aggregate principal amount of FRANs.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$144,867,011	\$144,867,011	0.00	0.00
Remove general fund support for FRAN debt service	(\$37,440,289)	(\$37,440,289)	0.00	0.00
Provide revenue from one-third of insurance premiums	\$111,300,000	\$117,600,000	0.00	0.00
Total for Service Area	\$218,726,722	\$225,026,722	0.00	0.00

Objective: To execute bond transactions that on average achieve better favorable yields than prevailing rates then in effect for non-toll supported debt programs issued by the service area.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Benchmarking yields against market indices	This is a new performance measure. Data will be collected going forward on new issues beginning July 1, 2005.	Average variance over the three-year period (7/1/05 – 6/30/08) will be within 20-30 basis points for appropriation-backed debt (non-toll supported).

General Management and Direction

Provides administrative management, direction and support for tasks including, but not limited to, accounting services, human resources, succession planning, security and emergency services health and safety services, procurement, facilities management, management studies, policy analysis, process improvements, performance management, internal auditing, innovative financing, financial planning services and oversight of compensation programs for all VDOT employees.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$88,148,527	\$88,148,527	1,016.00	1,016.00
Transfer centrally funded amounts to agency budgets	\$4,916,231	\$4,916,231	0.00	0.00
Reduce number of full-time equivalent positions for the agency	\$0	\$0	373.00	373.00
Total for Service Area	\$93,064,758	\$93,064,758	1,389.00	1,389.00

Objective: Ensure compliance with DOA guidelines and audits

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Prompt Pay Compliance	96%	95%
Audit Findings	Audit Reports	Receive satisfactory or better marks on financial audits (100%?)
Reconciliation of Internal Accounting System to the Statewide	92% compliance	90% compliance within DOA-scheduled due dates

Objective: Attract and retain a talented, diverse, multidisciplinary workforce.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Diversity Outreach Activities	This is a new program, a baseline will be set when data is collected in FY 2006.	5 Activities
Number of initiatives created based on feedback from employee survey	New Program – No baseline established	3 initiatives

Objective: Attract ready, willing, and able external DBE firms

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Annual FHWA DBE Goal	11.2%	11.53%

Information Technology Services

Provides administrative management, direction and infrastructure support for tasks including, but not limited to, automated data processing services for citizens and visitors to the Commonwealth, Virginia’s legislative bodies, other state and local government agencies as well as its own Department of Transportation employees.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$65,442,819	\$65,442,819	87.00	87.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$421,391	\$421,391	0.00	0.00
Total for Service Area	\$65,864,210	\$65,864,210	87.00	87.00

Objective: Provide information technology solutions on-time and on-budget in support of identified business needs.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On-time and on-budget delivery of major information technology projects	In FY05, 5 out of 6 major IT projects were completed on-time and within budget. This identifies 83% of VDOT’s major IT projects as delivered on-time and on-budget.	For the 2006-2008 biennium, the target percentage completion is set at 80%.

Facilities and Grounds Management Services

Performs Physical Plant maintenance work considered ordinary or routine nature, generally associated with labor, equipment and materials like those used during minor repairs to the interior and exterior of a building; minor repairs to utilities such as plumbing, heating, and electrical; and the maintenance of driveways, parking lots, and yards. The service area also funds small renovation/alteration projects that cost no more than \$10,000.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$11,247,400	\$11,247,400	88.00	88.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$426,234	\$426,234	0.00	0.00
Total for Service Area	\$11,673,634	\$11,673,634	88.00	88.00

Objective: Maintain safe, secure and functioning facilities, through equitable distribution of the agency’s Physical Plant budget

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Equity of Physical Plant Budget Distribution	The industry standard for the cost per square foot to maintain an office building for one year.	100% of the per square foot rate to maintain commercial property, by building type, as dictated by industry
Dollar value of Deferred Building Maintenance	The prior year's Deferred Maintenance Costs for VDOT Buildings	A 1% reduction per annum of the deferred maintenance cost attributable to VDOT's administrative, operational and storage buildings Does not appear appropriate for physical plant – small projects under \$10k.

Employee Training and Development

Provides Employee Training and Development for VDOT. This support ranges from traditional classroom training and development activities to tuition reimbursement. Other activities include Learning Management System (LMS) administration; self-directed learning; supervisory, management, and executive leadership programs; engineering development programs; and scholar and intern programs.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$11,176,802	\$11,176,802	53.00	53.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$256,709	\$256,709	0.00	0.00
Total for Service Area	\$11,433,511	\$11,433,511	53.00	53.00

Objective: Plan, direct and coordinate Agency employee training and development.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of Individual Development Profiles (IDPs) populated in the Virtual University	This is a new program, a baseline will be set when data is collected in FY 2006.	Three
Capture all employee training and development costs in one budget	Estimated at 90%	99% of all costs will be in single consolidated budget

Motor Vehicle Dealer Board

Mission Statement

The Motor Vehicle Dealer Board will administer sections of the Commonwealth's Motor Vehicle Dealer Laws and regulations as charged; promote the best interests of both the automotive consumer and dealer body; and process all motor vehicle related complaints promptly and professionally; while providing a high level of customer service.

Agency Goals:

- Provide a high level of customer service.
- Promote the interest of both the automotive consumer and the dealer body.
- Administer sections of the Commonwealth's Motor Vehicle Dealer Laws and regulations, as charged.

Customers Served:

- Commonwealth of Virginia Motor Vehicle Dealer Community
- Commonwealth of Virginia Motor Vehicle Consumer

Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
OPERATING BUDGET HISTORY:						
FY 2003	\$0	\$1,350,468	\$1,350,468	\$1,412,363	(\$61,895)	22.00
FY 2004	\$0	\$1,333,366	\$1,333,366	\$1,265,610	\$67,756	22.00
FY 2005	\$0	\$1,810,100	\$1,810,100	\$1,253,813	\$556,287	22.00
FY 2006	\$0	\$1,826,200	\$1,826,200	\$1,289,013	\$537,187	22.00
NEW OPERATING BUDGET SUMMARY:						
FY 2007 Base Budget	\$0	\$1,826,200	\$1,826,200	\$1,435,798	\$390,402	22.00
FY 2007 Addenda	\$0	\$111,389	\$111,389	\$111,389	\$0	0.00
FY 2007 TOTAL	\$0	\$1,937,589	\$1,937,589	\$1,547,187	\$390,402	22.00
FY 2008 Base Budget	\$0	\$1,826,200	\$1,826,200	\$1,435,798	\$390,402	22.00
FY 2008 Addenda	\$0	\$111,389	\$111,389	\$111,389	\$0	0.00
FY 2008 TOTAL	\$0	\$1,937,589	\$1,937,589	\$1,547,187	\$390,402	22.00

Agency Summary of Recommended Operating Budget Addenda

► **Transfer centrally funded amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$111,389 (NGF).

Agency Service Areas:

Consumer Assistance

Motor vehicle dealer board staff receives and respond to nearly 5000 complaints annually concerning the conduct of persons and businesses licensed by the Board. Staff also monitors dealer advertising to ensure compliance with Virginia Code to ensure truth in advertising. In extreme cases, the Board, in conjunction with staff, dispenses disciplinary action when appropriate.

The Motor Vehicle Dealer Board also administers the Transaction Recovery Fund for consumers that have proven, via a circuit court ruling, that they were defrauded by a Virginia dealer licensed by the Board. During FY05, Dealer Board staff dispensed nearly \$80,750.00 from the Transaction Recovery Fund to 12 consumers defrauded by Commonwealth of Virginia dealers.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$181,772	\$181,772	3.00	3.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$13,682	\$13,682	0.00	0.00
Total for Service Area	\$195,454	\$195,454	3.00	3.00

Objective: Decrease Consumer Correspondence Response Time

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of all email correspondence responded to within 3 business days.	96%	98%

Objective: Decrease Transaction Recovery Payout Cycle Time

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Transaction Recovery Fund claims processed internally within 5 days of receiving assignment of claimants rights.	New Measure. Baseline to be established in FY2006.	100%

Motor Vehicle Dealer and Salesman Regulation

The primary focus of the Board is to license and regulate the nearly 4000-combined franchise (new) automobile dealers and independent (used) automobile dealers within the Commonwealth of Virginia. These dealers have a combined total workforce of approximately 23,000 licensed salespersons. As part of the licensing process, the Board also issues dealer license plates and renewal decals as directed by DMV. In a typical year, the agency will process over 3,200 dealer-related license transactions, over 20,500 salesperson license transactions, and issue over 36,000 dealer tags.

Organizationally, the Board staff is divided into two functional areas: Field Operations and Headquarters Operations. The field operations consist of a supervisor and eleven field representatives who work out of their "home-offices" located throughout the Commonwealth. Educating dealers and salespersons is the primary focus of the field representatives. However, enforcement becomes necessary only after continued, blatant disregard for laws.

By the end of FY05, Motor Vehicle Dealer Board field representatives had performed a total of 2,814 Commonwealth dealership inspections. 342 of those inspections resulted in violation notices being posted to the dealership, and 27 of those violation notices resulted in informal or formal hearings being conducted.

Also, during the FY05 period, Motor Vehicle Dealer staff identified 197 advertising violations placed by dealerships in print, by web, or by airwaves. Once identified, Board staff makes direct contact by phone with the responsible dealership staff and explains the violation. The purpose of the telephone call is to educate the dealership concerning the advertising code section and give the dealership the opportunity to correct its mistake. Further advertising violations result in stiffer penalties. During this same period, Board staff issued 27 violation letters and collected \$500.00 in civil penalties.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$881,616	\$881,616	14.00	14.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$63,328	\$63,328	0.00	0.00
Total for Service Area	\$944,944	\$944,944	14.00	14.00

Objective: Decrease Salesperson Application Processing Time

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of salesperson applications processed within 4 working days.	Revised measure. New baseline to be established in FY2006.	99%

Objective: Reduce Original (New) Dealership Inspection Timeframe

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of original (opening) dealerships inspected within 30 days of internal IS12 submission.	64% (FY2005)	90%

Objective: Reduce Appeal Processing Timeframe

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of appeal hearing conferences conducted within 45 days of appeal requests.	New Measure. Baseline to be established in FY2006.	90%

Objective: Implement Dealership Inspection Schedule

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of all Commonwealth dealers randomly inspected per fiscal period beginning in FY06.	New measure. Baseline to be established in FY2006.	50%

Objective: Increase Field Inspection Liaison Contacts

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of field operation liaison visits with zoning officials and law enforcement agencies per fiscal period.	New Measure. Baseline to be established in FY2006.	110

Administrative Services

The Motor Vehicle Dealer Board has two core business functions commissioned under the Administrative Service area. These core business functions are outlined below. Each core business function has associated process that serves as the service area base structure that supports the global agency mission, and establishes the internal operating framework.

- Board Administration
 - Board Correspondence
 - Meeting Management
- Operations
 - Facilities
 - Legal
 - Staff
 - Interagency Processing
 - Information Technology

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$762,812	\$762,812	5.00	5.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$34,379	\$34,379	0.00	0.00
Total for Service Area	\$797,191	\$797,191	5.00	5.00

Objective: Automate MVDB Core Business Functions

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of existing internal (paper) dealer records scanned, imaged, and verified by end of FY08.	New Measure. Baseline to be established in FY2006.	100%

Objective: To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Governor's Management Scorecard categories marked as meets expectation for the agency	80% (FY2005)	100%

Virginia Port Authority

Mission Statement

• The Virginia Port Authority (VPA) shall foster and stimulate the commerce of the Ports of the Commonwealth, promote the shipment of goods and cargoes through the ports, secure necessary improvements of navigable tidal waters within the Commonwealth and, in general, perform any act or function which may be useful in developing, improving, or increasing the commerce, both foreign and domestic, of the Ports of the Commonwealth.

Agency Goals:

- To foster and stimulate commerce of the Commonwealth's ports.
- To promote the shipment of goods.
- To secure necessary navigable tidal waters.
- To develop, improve, or increase commerce of the Commonwealth's ports.

Customers Served:

- Shiplines
- Importers/Exporters
- Intermodal Customers
- General Public (VA population based on US 2000 consensus data)
- International Freight Forwarders/Custom House Brokers
- Other Members of Maritime Community
- Virginia Port Authority Departments
- Governmental Agencies and Organizations
- Terminal Operators
- Localities

Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
OPERATING BUDGET HISTORY:						
FY 2003	\$0	\$47,669,841	\$47,669,841	\$9,208,385	\$38,461,456	136.00
FY 2004	\$0	\$48,998,896	\$48,998,896	\$9,208,385	\$39,790,511	136.00
FY 2005	\$0	\$59,793,411	\$59,793,411	\$9,520,830	\$50,272,581	140.00
FY 2006	\$0	\$65,291,206	\$65,291,206	\$9,837,875	\$55,453,331	145.00
NEW OPERATING BUDGET SUMMARY:						
FY 2007 Base Budget	\$0	\$65,291,206	\$65,291,206	\$10,023,210	\$55,267,996	145.00
FY 2007 Addenda	\$0	\$12,656,110	\$12,656,110	\$1,373,993	\$11,282,117	22.00
FY 2007 TOTAL	\$0	\$77,947,316	\$77,947,316	\$11,397,203	\$66,550,113	167.00
FY 2008 Base Budget	\$0	\$65,291,206	\$65,291,206	\$10,023,210	\$55,267,996	145.00
FY 2008 Addenda	\$0	\$14,483,740	\$14,483,740	\$2,342,411	\$12,141,329	22.00
FY 2008 TOTAL	\$0	\$79,774,946	\$79,774,946	\$12,365,621	\$67,409,325	167.00
CAPITAL OUTLAY BUDGET SUMMARY:						
FY 2007 Capital	\$0	\$134,200,000	\$134,200,000	\$0	\$134,200,000	0.00
FY 2008 Capital	\$0	\$1,750,000	\$1,750,000	\$0	\$1,750,000	0.00

Agency Summary of Recommended Operating Budget Addenda

- ▶ **Transfer centrally funded amounts to agency budgets**
Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$619,993 (NGF).
- ▶ **Increase Commonwealth Port Fund debt service**
Increases funding to cover debt service costs for existing debt. For 2007, \$939,942 (NGF). For 2008, \$625,008 (NGF).
- ▶ **Increase funding for port security**
Increases funding to address federal and state security mandates and properly cover all security needs of the port. For 2007, \$684,303 (NGF). For 2008, \$800,000 (NGF).
- ▶ **Increase pension contribution for Virginia Port Authority defined benefit plan**
Adds funding to cover increased costs of the defined benefit plan and to reduce the agency's unfunded liability. For 2007, \$300,000 (NGF). For 2008, \$400,000 (NGF).

- ▶ **Increase contractual services, supplies, and continuous services**
Adjusts funding to cover expected cost increases for various services and supplies. For 2007, \$136,956 (NGF). For 2008, \$147,354 (NGF).
- ▶ **Provide additional payment-in-lieu-of-tax fee appropriation**
Adjusts fees to localities, based on the increased value of Port Authority property. For 2007, \$50,000 (NGF). For 2008, \$100,000 (NGF).
- ▶ **Increase employee benefit appropriation**
Adds funding to cover employee benefit plan cost increases in 2008. For 2008, \$182,918 (NGF).
- ▶ **Add six new security positions**
Provides funding for six new security positions. These positions are required for compliance with Department of Homeland Security mandates. For 2007, \$300,000 (NGF) and six positions. For 2008, \$350,000 (NGF).
- ▶ **Increase appropriation for operational maintenance**
Increases funding for maintenance on the new closed circuit television security camera system and new security buildings at Norfolk International Terminals and Portsmouth Marine Terminal. For each year, \$1.4 million (NGF).
- ▶ **Establish presence in India**
Provides funds to establish a marketing presence in India. The Virginia Port Authority will establish additional contacts in this fast growing market. For each year, \$50,000 (NGF).
- ▶ **Add one new administrative staff position**
Increases administrative staff by one position. By providing an administrative assistant to the security director, the agency will be able to address its increasing security demands. For 2007, \$50,000 (NGF) and one position. For 2008, \$52,500 (NGF).
- ▶ **Increase aid to local ports**
Adjusts funding to meet the needs of local ports through the Aid to Local Ports program. This program provides needed funds for projects critical to locality development. For each year, \$220,000 (NGF).
- ▶ **Host the 2007 American Association of Port Authorities Convention**
Adjusts funding to reflect the costs of hosting the American Association of Port Authorities convention in October 2007. An increase in the registration fee revenue will fund most of this increase. For 2007, \$700,000 (NGF). For 2008, \$800,000 (NGF).
- ▶ **Increase special fund debt service for Terminal Revenue Bond**
Adds funding to cover debt service expenses for the \$90 million Terminal Revenue Bond. For 2007, \$6.5 million (NGF). For 2008, \$6.5 million (NGF).
- ▶ **Increase special fund debt service for master equipment leases**
Increases funding to cover debt service expenses for the Virginia Port Authority master equipment leases. For 2007, \$559,215 (NGF). For 2008, \$1.4 million (NGF).
- ▶ **Provide security at APM Terminal in Portsmouth**
Increases funding and positions to provide security services at the APM terminal in Portsmouth. For 2007, \$150,000 (NGF) and 15 positions. For 2008, \$845,000 (NGF).

Agency Summary of Recommended Capital Outlay Addenda

- ▶ **Fund maintenance reserve**
Provides funds to implement maintenance reserve projects required to allow the continued use of existing facilities. For the biennium, \$3.5 million (NGF).
- ▶ **Expand Norfolk International Terminal - North and other port facilities**
Increases funding to expand Norfolk International Terminal - North and other port facilities through the \$90 million revenue bond issue. For the biennium, \$90.0 million (NGF).
- ▶ **Improve cargo handling facilities**
Increases funding for a project to continue improvements to cargo handling facilities. For the biennium, \$13.6 million (NGF).
- ▶ **Expand empty yard**
Increases funding for a project to continue the expansion of the empty container storage yard at the Virginia Port Authority. For the biennium, \$16.4 million (NGF).
- ▶ **Purchase straddle carriers**
Provides funds for a project to purchase additional straddle carriers for transporting containers at the south terminal.

For the biennium, \$12.5 million (NGF).

Agency Service Areas:

National and International Trade Services

•To promote the use of the state-owned general cargo terminals by increasing general cargo tonnage from existing customers and identifying and securing new potential business.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$5,764,430	\$5,764,430	34.00	34.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$192,198	\$192,198	0.00	0.00
<i>Increase pension contribution for Virginia Port Authority defined benefit plan</i>	\$96,024	\$173,656	0.00	0.00
<i>Increase contractual services, supplies, and continuous services</i>	\$65,288	\$71,053	0.00	0.00
<i>Increase employee benefit appropriation</i>	\$0	\$50,000	0.00	0.00
<i>Establish presence in India</i>	\$50,000	\$50,000	0.00	0.00
<i>Host the 2007 American Association of Port Authorities Convention</i>	\$650,000	\$750,000	0.00	0.00
Total for Service Area	\$6,817,940	\$7,051,337	34.00	34.00

Objective: Increase container throughput

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Increase container throughput	1,900,026	2006 = 2,071,028 2007 = 2,257,421 2008 = 2,460,589

Objective: Increase the volume of rail business

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Increase rail volume	Prior fiscal year rail container volume	2006 = increase by 24.8% (not yet available for 2007 or 2008)

Port Traffic Rate Management

• Port Traffic Rate Management supports the efforts of Marketing to monitor and influence the control of transportation rates, service charges, and practices for rail, truck, and water transportation to, from, and in Virginia ports in maintenance of the competitive position of Virginia Ports.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$189,703	\$189,703	2.00	2.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$6,200	\$6,200	0.00	0.00
<i>Increase pension contribution for Virginia Port Authority defined benefit plan</i>	\$3,285	\$3,245	0.00	0.00
<i>Increase employee benefit appropriation</i>	\$0	\$10,000	0.00	0.00
Total for Service Area	\$199,188	\$209,148	2.00	2.00

Objective: To provide timely and accurate data

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Cargo volumes	none	produce and distribute monthly results

Commerce Advertising

• The Department of Port Promotion is responsible for Commerce Advertising. This advertising activity is a vital area within which design, development and printing of promotional literature, brochures, audiovisual materials, and institutional advertising are executed.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$914,253	\$914,253	0.00	0.00
<i>Host the 2007 American Association of Port Authorities Convention</i>	\$50,000	\$50,000	0.00	0.00
Total for Service Area	\$964,253	\$964,253	0.00	0.00

Objective: Effectively utilize budgeted funds to inform and educate customers and interested parties on the various services the VPA has to offer.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Inform and educate	prior year results	increase in prior year results

Maintenance and Operations of Ports and Facilities

• Maintenance and Operations of Ports and Facilities, under the supervision of Port Facilities Planning, is responsible for maintenance and improvements to the infrastructure on the state-owned port facilities. Major work areas of this function are the construction activities to accommodate cargo handling requirements which ensure compliance with project plans and specifications. In order to adequately maintain the more than 1,500 acres of fully developed, state-of-the-art marine terminals, the VPA must also undertake an annual maintenance program sufficient to protect the Commonwealth's extensive marine terminal investment. Maintenance policies and standards are developed to process work required, to promote efficient operation and ensure an extended life of state owned facilities.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$2,640,343	\$2,640,343	0.00	0.00
<i>Increase appropriation for operational maintenance</i>	\$1,359,657	\$1,359,657	0.00	0.00
Total for Service Area	\$4,000,000	\$4,000,000	0.00	0.00

Objective: Renovate and expand facilities

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Increase in operating efficiency	Prior year's operating results	At least a 5% increase in efficiency

Port Facilities Planning

• Port Facilities Planning, under supervision of the Deputy Executive Director, is responsible for developing, expanding, improving, and maintaining state-owned port facilities. In addition, Port Facilities Planning is responsible for all environmental efforts, including environmental impact statements for development plans as required. They also perform pre-planning work necessary to assist in capital budget and grant requests. Major work areas of this function include the selection of engineering design consultants; the management of the design process; the project public bid process; and the oversight of construction activities to accommodate cargo handling requirements which ensure compliance with project plans and specifications.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$616,978	\$616,978	5.00	5.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$24,800	\$24,800	0.00	0.00
<i>Increase pension contribution for Virginia Port Authority defined benefit plan</i>	\$6,049	\$13,476	0.00	0.00
<i>Increase employee benefit appropriation</i>	\$0	\$24,964	0.00	0.00
Total for Service Area	\$647,827	\$680,218	5.00	5.00

Objective: Provide the terminal operators with the tools they need to operate

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Increase in operating efficiency	Prior year's operating results	At least a 5% increase in efficiency

Debt Service for Port Facilities

- The VPA utilizes the issuance of tax-exempt debt and lease-purchase financing to support its capital investment in port development projects and equipment acquisition. The VPA issues both terminal revenue (Special Fund) and Commonwealth Port Fund (CPF) revenue supported debt instruments, which require regularly scheduled debt service payments.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$43,943,607	\$43,943,607	0.00	0.00
<i>Increase Commonwealth Port Fund debt service</i>	\$939,942	\$625,008	0.00	0.00
<i>Increase special fund debt service for Terminal Revenue Bond</i>	\$6,536,044	\$6,532,095	0.00	0.00
<i>Increase special fund debt service for master equipment leases</i>	\$559,215	\$1,399,215	0.00	0.00
Total for Service Area	\$51,978,808	\$52,499,925	0.00	0.00

Objective: The payment of the scheduled principal and interest amounts

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Actual payments made for debt service	Debt service payment schedules	Payment of all principal and interest in the proper amount, when due

Aid to Localities

- The Virginia General Assembly, in September, 1986, established the Commonwealth Port Fund (CPF) in order to “support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth,” as presented by the Governor’s Commission on Virginia’s enactment of this legislation. In conjunction with establishing the CPF, the VPA also established the Aid to Local Ports (ALP) program. The ALP program is a grant program through which the Commonwealth Port Fund is used to support port capital and preservation needs for existing ocean, river, or tributary ports within the Commonwealth of Virginia. Local governments within the Commonwealth may apply for capital improvement support for their local port facilities. The grants will foster and stimulate the flow of commerce through the ports of Virginia.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$580,000	\$580,000	0.00	0.00
<i>Increase aid to local ports</i>	\$220,000	\$220,000	0.00	0.00
Total for Service Area	\$800,000	\$800,000	0.00	0.00

Objective: To support local port capital and preservation needs

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Grant awards to localities for all available and appropriated funds in accordance with the VPA Aid to Local Ports Policy	Funding outlined in the Appropriations Act	Total disbursement of all grant funds to awarding localities with no carryover into the next fiscal year

Payment in Lieu of Taxes

- In lieu of paying real property taxes, in accordance with §58.1-3043 of the Code of Virginia, the VPA pays a service charge to the localities where VPA property is located based on the assessed value of state-owned tax exempt real estate and the amount that the locality spent on fire, police and refuse collection/disposal.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$950,000	\$950,000	0.00	0.00
<i>Provide additional payment-in-lieu-of-tax fee appropriation</i>	\$50,000	\$100,000	0.00	0.00
Total for Service Area	\$1,000,000	\$1,050,000	0.00	0.00

Objective: Maintain reasonable payments in lieu of real property taxation

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
On time payment to the localities	Actual calculation based on expenditure figures provided by the locality	Full payment within the required due date

Administrative and Support Services

- The Administrative and Support Services area provides the funding, staffing, technology, managerial, and administrative services to help the other service areas achieve their goals and objectives. Included in this service area are the following departments: Executive Director, Deputy Executive Director, Finance, Human Resources, and Technology Resource Management.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$9,691,892	\$9,691,892	104.00	104.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$396,795	\$396,795	0.00	0.00
<i>Increase funding for port security</i>	\$684,303	\$800,000	0.00	0.00
<i>Increase pension contribution for Virginia Port Authority defined benefit plan</i>	\$194,642	\$209,623	0.00	0.00
<i>Increase contractual services, supplies, and continuous services</i>	\$71,668	\$76,301	0.00	0.00
<i>Increase employee benefit appropriation</i>	\$0	\$97,954	0.00	0.00
<i>Add six new security positions</i>	\$300,000	\$350,000	6.00	6.00
<i>Add one new administrative staff position</i>	\$50,000	\$52,500	1.00	1.00
<i>Provide security at APM Terminal in Portsmouth</i>	\$150,000	\$845,000	15.00	15.00
Total for Service Area	\$11,539,300	\$12,520,065	126.00	126.00

Objective: Financial Resources

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Operating and capital budgets and debt issuance	none	Establish budget and debt issuance plan by July 1, 2006 for the biennium

Objective: Human Resources

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Supply and demand needs for each department	Actual calculation is based on turnover and hiring needs	Meet 100% hiring needs
Identify knowledge, skills, and abilities needed as both jobs and the organization change	Current evaluation of training needs	Successful behavior and achievement of organizational objectives

Objective: Information Technology Resources

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Provide necessary hardware and software to allow VPA employees to operate effectively in a high-tech environment	none	No downtime in access to the network, files, and e-mail

Objective: Managerial Resources

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Planning and directing the overall mission and programs of the agency	Current position	Increase position in the marketplace