

PRO FORMA

The Pro Forma budget provides ODOT's revenue and outlay assumptions through state fiscal year 2015. While the Pro Forma is a greatly simplified view of ODOT's financial projections, there are hundreds of implicit assumptions and analyses that make up each line item, from staffing assumptions to pavement degradation rates. This adopted Pro Forma represents the most conservative financial assumptions for the department, and many dynamic factors could improve the forecast for the better. These factors include world energy markets and their impact on fuel prices, and thus motor fuel tax revenue, and construction inflation. Also, the Pro Forma assumes that ODOT's pavement and bridges will degrade at a constant rate over the forecast period, when in fact ODOT is constantly improving materials specifications and construction techniques, which will probably increase the life of pavement and bridges over time and thus reduce their cost to maintain. There are notes on key line items in the Pro Forma budget, which explain the underlying assumptions to the most dynamic financial factors.

OHIO DEPARTMENT OF TRANSPORTATION

UPDATED: SEPTEMBER 6, 2006

2005 – 2015 CONSERVATIVE HIGHWAY FUNDING AND PROGRAM FORECAST (IN MILLIONS)

		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1	Revenue Source:											
*	2 State Motor Fuel Tax to ODOT (0% MF growth 2007-2015)	\$1,000	\$1,122	\$1,108	\$1,103	\$1,100	\$1,097	\$1,094	\$1,091	\$1,089	\$1,086	\$1,084
	3 Truck Registration Fees, Truck Fuel Use Tax - 1% growth 2007 - 2015	\$123	\$110	\$119	\$121	\$122	\$124	\$125	\$126	\$127	\$129	\$130
	4 Interest Income	\$9	\$10	\$18	\$18	\$18	\$19	\$19	\$19	\$19	\$19	\$19
	5 Other Misc Income (Vanity Fee Income to ODPS 2006)	\$30	\$18	\$24	\$24	\$24	\$24	\$25	\$25	\$25	\$25	\$26
	6 Total State Revenue	\$1,163	\$1,260	\$1,268	\$1,266	\$1,265	\$1,263	\$1,262	\$1,261	\$1,261	\$1,259	\$1,259
	7 Turnpike Supplemental Funding		(\$23)									
	8 State Bond Debt Service (assumes 4.5% interest)	(\$152)	(\$170)	(\$189)	(\$198)	(\$199)	(\$193)	(\$182)	(\$169)	(\$176)	(\$167)	(\$158)
	9 State portion of GARVEE Debt Service (assumes 4.5% interest)	\$0	\$0	\$0	(\$9)	(\$19)	(\$26)	(\$31)	(\$33)	(\$35)	(\$37)	(\$39)
	10 Total State revenue used to pay debt service	(\$152)	(\$170)	(\$189)	(\$207)	(\$217)	(\$219)	(\$212)	(\$202)	(\$210)	(\$204)	(\$197)
	11 Total State Revenue Available to ODOT	\$987	\$1,091	\$1,079	\$1,059	\$1,047	\$1,044	\$1,050	\$1,058	\$1,050	\$1,055	\$1,062
*	12 SAFETEA-LU Federal Core Formula - @ 89% Ob Limit thru 2009, 1% growth after 2009	\$953	\$995	\$1,113	\$1,170	\$1,182	\$1,194	\$1,206	\$1,218	\$1,230	\$1,243	\$1,255
	13 SAFETEA-LU Appalachian Development Program - 1% growth after 2009	\$17	\$17	\$18	\$18	\$18	\$18	\$19	\$19	\$19	\$19	\$19
	14 SAFETEA-LU High Priority - ('05 - '06 Actual, 2007-2009 @ 91% Ob Limit)	\$79	\$80	\$84	\$84	\$84	\$85	\$86	\$87	\$88	\$89	\$90
	15 SAFETEA-LU Earmarks ('05 - '06 Actual, 2007-2009 @ 91% Ob Limit)	\$8	\$17	\$21	\$21	\$17						
	16 Formula ob limit used to cover Delta of actual ob limit to 91% for HP and EM	\$6	\$4	\$0	\$0	\$0						
	17 Annual Appropriations Earmarks (100% Ob Limit)	\$38	\$22									
	18 Federal Emergency Funding	\$100	\$38	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
	19 Total Federal	\$1,200	\$1,174	\$1,247	\$1,304	\$1,312	\$1,308	\$1,321	\$1,334	\$1,347	\$1,361	\$1,374
	20 Federal portion of GARVEE Debt Service (assumes 4.5% interest)	(\$78)	(\$76)	(\$97)	(\$111)	(\$136)	(\$150)	(\$148)	(\$143)	(\$150)	(\$159)	(\$168)
	21 Total Federal Revenue Available for ODOT Programs	\$1,122	\$1,098	\$1,150	\$1,193	\$1,176	\$1,158	\$1,173	\$1,191	\$1,197	\$1,202	\$1,206
	22 Total State and Federal Revenue	\$2,110	\$2,189	\$2,229	\$2,252	\$2,224	\$2,202	\$2,222	\$2,249	\$2,247	\$2,257	\$2,268
	23 Payroll - 2007 thru 2015 - 5% growth	\$405	\$424	\$445	\$466	\$489	\$512	\$537	\$562	\$589	\$618	\$647
	24 Routine Roadway Maintenance Contracts - 2% growth	\$59	\$60	\$61	\$63	\$64	\$65	\$66	\$68	\$69	\$71	\$72
	25 Operating, Salt, Equipment - 2007 thru 2015 - 2% growth	\$151	\$154	\$147	\$146	\$149	\$153	\$159	\$162	\$165	\$168	\$172
	26 Planning & Research 2.66% of Previous Yr Total Federal Core	\$30	\$27	\$27	\$30	\$31	\$31	\$32	\$32	\$32	\$33	\$33
	27 Ohio Building Authority & Hilltop Debt Service	\$17	\$17	\$15	\$14	\$8	\$7	\$5	\$3	\$0	\$0	\$0
	28 Lands & Building Maintenance	\$24	\$25	\$25	\$26	\$26	\$27	\$28	\$28	\$29	\$29	\$30
	29 Lands & Building - Major New	\$7	\$7	\$11	\$11	\$11	\$11	\$8	\$8	\$8	\$8	\$8
	30 Total Operating	\$692	\$715	\$730	\$755	\$777	\$806	\$834	\$863	\$893	\$926	\$962
	31 General Allocation	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20
	32 General System Two-Lane Pavements	\$93	\$93	\$108	\$113	\$179	\$186	\$147	\$149	\$150	\$152	\$154
	33 Percent of System at acceptable level				98%		97%		97%			97%
	34 Major Two-Lane repair		\$5	\$15	\$15	\$15	\$15					
	35 Priority System Freeway Routine Maintenance	\$179	\$179	\$217	\$228	\$192	\$199	\$143	\$145	\$146	\$148	\$149
	36 Percent of System at acceptable level				96%		97.0%		97%			97%
	37 Priority System Freeway Pavement Rehab and Replacement	\$150	\$192	\$150	\$150	\$150	\$150	\$172	\$173	\$175	\$176	\$178
	38 Urban Pavements (State Routes in Cities)	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35
	39 Percent of System at acceptable level				96%		95.0%		90%			90%
	40 Total Pavement Programs	\$477	\$524	\$545	\$561	\$591	\$605	\$517	\$522	\$527	\$531	\$536
*	41 Projected Shortfall for Pavement Program							(\$139)	(\$152)	(\$167)	(\$182)	(\$198)
	42 District Bridge Repair, Replacement and Maintenance	\$141	\$141	\$170	\$179	\$187	\$197	\$145	\$147	\$148	\$150	\$151
	43 Percent of Bridges at acceptable level of General Appraisal				98%		98%		97%			97%
	44 Major, High-Cost Bridge Replacement and Maintenance	\$80	\$117	\$60	\$60	\$61	\$61	\$62	\$62	\$63	\$64	\$64
	45 Total Bridge Programs	\$221	\$258	\$230	\$239	\$248	\$258	\$207	\$209	\$211	\$214	\$215
*	46 Projected Shortfall for Bridge Program							(\$48)	(\$52)	(\$58)	(\$34)	(\$40)
	47 Safety - 2% growth 2009 - 2015	\$64	\$64	\$64	\$64	\$65	\$67	\$68	\$69	\$71	\$72	\$74
	48 Safety Enforcement & Education With \$2M Turnpike Patrol	\$2	\$2	\$6	\$6	\$6	\$6	\$2	\$2	\$2	\$2	\$2
	49 High Priority & Earmarks for Safety J&P (\$26m at 91% Ob Limit 2005-2009)	\$4	\$5	\$5	\$5	\$5						
	50 Total Safety Programs	\$70	\$71	\$75	\$75	\$76	\$73	\$70	\$71	\$73	\$74	\$76
	51 Rail Overpass Program (2001 thru 2010)	\$12	\$12	\$12	\$12	\$12	\$12	\$0	\$0	\$0	\$0	\$0
	52 Rail Lights and Gates (Level Funding)	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
	53 Slides, Slips, and Mine Subsidence - 2% growth 2011 - 2015	\$12	\$14	\$16	\$16	\$16	\$16	\$16	\$17	\$17	\$17	\$18
	54 Rest Areas - 2% growth 2011 - 2015	\$8	\$8	\$10	\$10	\$10	\$10	\$8	\$9	\$9	\$9	\$9
	55 Noise Wall Retro-Fit of Existing Sites	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$6
	56 ODNR / Metro Park Paving Program	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$8	\$8	\$8
	57 Miscellaneous Statewide Programs	\$5	\$12	\$12	\$12	\$12	\$12	\$13	\$13	\$13	\$14	\$14
	58 Amish Buggy Lanes	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
	59 Emergency Program	\$121	\$86	\$11	\$11	\$11	\$11	\$11	\$11	\$11	\$11	\$11
	60 Appalachian Development Program	\$17	\$17	\$18	\$18	\$18	\$18	\$19	\$19	\$19	\$19	\$19
	61 Annual Appropriations Earmarks	\$38	\$22									
	62 Other Federal SAFETEA-LU Earmarks (\$351m @ 91% Ob Limit 2005-2009)	\$64	\$64	\$65	\$64	\$64	\$58	\$58	\$61	\$65	\$67	\$65
	63 Total Statewide ODOT Programs	\$305	\$264	\$172	\$171	\$172	\$167	\$154	\$158	\$163	\$166	\$165
	64 Local Programs Grown at same rate as Federal Core Formula											
	65 Metropolitan Planning Organizations - Urban (15% of Federal Core Formula)	\$157	\$148	\$167	\$176	\$178	\$180	\$182	\$184	\$186	\$187	\$189
	66 County Bridge and Surface Programs (5% of Federal Core Beg/2006)	\$51	\$50	\$56	\$58	\$59	\$60	\$60	\$61	\$62	\$62	\$63
	67 Local Major Bridge Program	\$25	\$25	\$25	\$25	\$25	\$0	\$0	\$0	\$0	\$0	\$0
	68 Enhancements, Bike Trails, etc (capped at \$11m)	\$14	\$11	\$11	\$11	\$11	\$11	\$11	\$11	\$11	\$11	\$11
	69 Small Cities Program (\$8 M cap through 2009, .7% of Federal Core thereafter)	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$9	\$9	\$9	\$9
	70 City Bridge Program (\$8 M cap through 2009, .7% of Federal Core thereafter)	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$9	\$9	\$9	\$9
	71 Safe Route to Schools	\$1	\$3	\$4	\$5	\$6						
**	72 Total Local System Preservation Programs	\$264	\$253	\$279	\$292	\$295	\$268	\$270	\$273	\$275	\$278	\$281
	73 Core Jobs and Progress Major New Program	\$509	\$740	\$923	\$879	\$791	\$473	\$472	\$474	\$477	\$478	\$475
	74 SAFETEA-LU Federal Shortfall	(\$68)	(\$67)	(\$42)	(\$43)	(\$45)	(\$21)	(\$20)	(\$19)	(\$17)	(\$17)	(\$22)
	75 Reduction due to State Revenue shortfall			(\$12)	(\$24)	(\$37)	(\$50)	(\$64)	(\$80)	(\$97)	(\$113)	(\$121)
	76 Reduction due to increased debt service			(\$11)	(\$21)	(\$51)	(\$72)	(\$78)	(\$78)	(\$74)	(\$70)	(\$66)
	77 Reduction to cover increased preservation less operating savings			(\$59)	(\$82)	(\$103)	(\$126)					
	78 Subtotal Core Major New Program	\$441	\$673	\$798	\$710	\$554	\$204	\$311	\$297	\$289	\$279	\$266
	79 Earmarks for Major New Program (\$75 @ 91% Ob Limit)	\$13	\$13	\$13	\$14	\$14	\$27	\$28	\$26	\$23	\$22	\$25
	80 Cleveland Innerbelt HP & Earmarks (\$107 @ 91% Ob Limit)	\$12	\$19	\$23	\$23	\$19						
	81 Total Major New Program	\$465	\$705	\$834	\$747	\$588	\$231	\$339	\$323	\$312	\$301	\$291
	82 Total ODOT Highway Construction Programs	\$1,802	\$2,074	\$2,135	\$2,084	\$1,969	\$1,601	\$1,556	\$1,556	\$1,561	\$1,564	\$1,564
	83 Estimated State Bonds Required	\$114	\$183	\$311	\$111	\$112	\$94	\$63	\$60	\$80	\$93	\$120
	84 State Debt Service % of Total State Revenue	13.1%	13.5%	14.9%	15.6%	15.7%	15.3%	14.4%	13.4%	13.9%	13.3%	12.5%
	85 Estimated Federal Bonds Required	\$0	\$143	\$274	\$436	\$370	\$71	\$65	\$69	\$86	\$100	\$97
	86 Federal Debt Service % of Total Federal Revenue	6.5%	6.5%	7.8%	9.2%	11.8%	13.5%	13.5%	13.2%	13.7%	14.4%	15.1%
	87 Total State & Federal Debt Service	(\$230)	(\$246)	(\$286)	(\$318)	(\$353)	(\$369)	(\$361)	(\$346)	(\$361)	(\$363)	(\$365)
	88 Additional Bonds needed to balance program	\$0	(\$0)	(\$0)	\$0	\$0	\$0	(\$0)	\$0	\$0	(\$0)	\$0
	89 State Revenue Available for State Projects	\$365	\$446	\$420	\$380	\$350	\$321	\$301	\$284	\$249	\$224	\$198
	90 Federal Revenue Available for State Projects (omits local)	\$789	\$775	\$800	\$826	\$801	\$808	\$817	\$830	\$830	\$829	\$828
	91 % State of Total State Projects	32%	37%	34%	32%	30%	28%	27%	26%	23%	21%	19%
	92 State and Federal Revenue Available for Major New	\$81	\$105	\$198	\$160	\$65	\$26	\$171	\$154	\$105	\$68	\$34
	93 Operating and Prior Year Carry Forward from Other Programs	\$80	\$66	\$52	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40
	94 Remaining State Revenue in excess of Budget from 2004/2005	\$100	\$40									
	95 Reserve for Emergency Projects until additional ER is available		\$70									
	96 Major New Carry Forward From Previous Year Budget (less Bonds)	\$90	\$98									
	97 Cleveland Innerbelt Carryforward	\$0	\$12	\$31	\$54	\$78	\$97					

* Line 2: Assumes no growth in State MFT through the forecast period as opposed to the one percent rate of growth experienced during the past decade.

Line 12: Assumes a one percent growth in federal revenue 2010 - 2015 as opposed to the five percent rate of growth experienced from 1998 - 2009 in TEA-21 and SAFETEA-LU.

Lines 41 and 46: The deficit is based on planning level cost estimates, with current rate of degradation forecast to 2015.

** The total affect to local programs from SAFETEA-LU federal shortfall was approximately \$146 million.