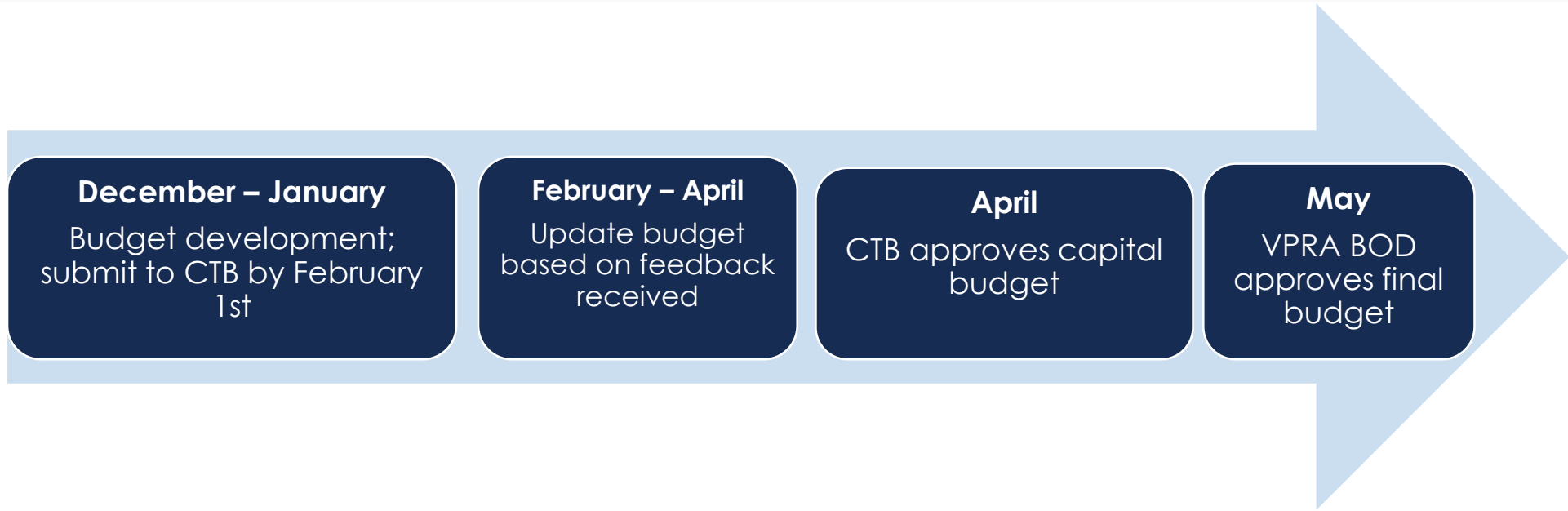


Recommended FY23 Budget

February 15, 2022



Authority Budget Process



BUDGET CLASSIFICATIONS		
OPERATIONS <ul style="list-style-type: none">• Passenger rail services• Administration	CAPITAL PROJECTS <ul style="list-style-type: none">• Rail project expenditures• Capital assets owned by VPRA	CAPITAL & OPERATING GRANTS <ul style="list-style-type: none">• 3rd party control of project / service• 3rd party ownership of assets

Capital Projects - Total Budgeted Cost

FY21 – FY30

Project Description	Total Prior Year Budget	Total Recommended Budget	Change (\$)
Total I-95 Corridor	\$3,758.1	\$3,906.4	\$148.3
Total Western Rail Corridor	-	209.9	209.9
Other Capital Projects	1.8	1.9	0.1
Total Capital Projects	\$3,759.9	\$4,118.2	\$358.3

- I-95 Corridor program adjusted to Comprehensive Rail Agreement (CRA) with CSX; timing of Long Bridge project completion shifted from FY27 to FY30
- Western Rail Corridor program added to budget in current year



Total Budget: I-95 Corridor Program

FY21 – FY30

Project Description	Total Prior Year Budget	Total Recommended Budget	Change (\$)
New Long Bridge for Passenger Rail	\$1,979.3	\$2,039.3	\$60.0
Alexandria 4th Track	163.8	210.4	46.6
Franconia to Lorton 3rd Mainline	161.7	208.5	46.8
Franconia-Springfield Bypass	342.2	241.4	(100.8)
Richmond Layover Facility	-	35.6	35.6
Richmond to DC Sidings - Phase 1	233.1	233.1	-
Richmond to DC Sidings - Phase 2	236.4	236.4	-
TRV Right of Way Acquisition	525.0	525.0	-
TRV Right of Way Transaction Costs	-	38.0	38.0
Newington Bridge	22.4	36.2	13.8
Route 1 Bridge	15.0	57.4	42.4
L'Enfant 4th Track	24.2	22.4	(1.8)
Amtrak New Equipment	55.0	-	(55.0)
Other I-95 Corridor Projects	-	1.9	1.9
Lorton to Route 1	-	20.8	20.8
Total I-95 Corridor	\$3,758.1	\$3,906.4	\$148.3

Adjusted to CRA between Commonwealth and CSX

Addition to budget

Added other stakeholder funding

Reclassified to capital grants

Extension of 3rd mainline project

Note: Project budget includes all expenditures for FY21 – FY30.

Total Budget: Western Rail Corridor Program

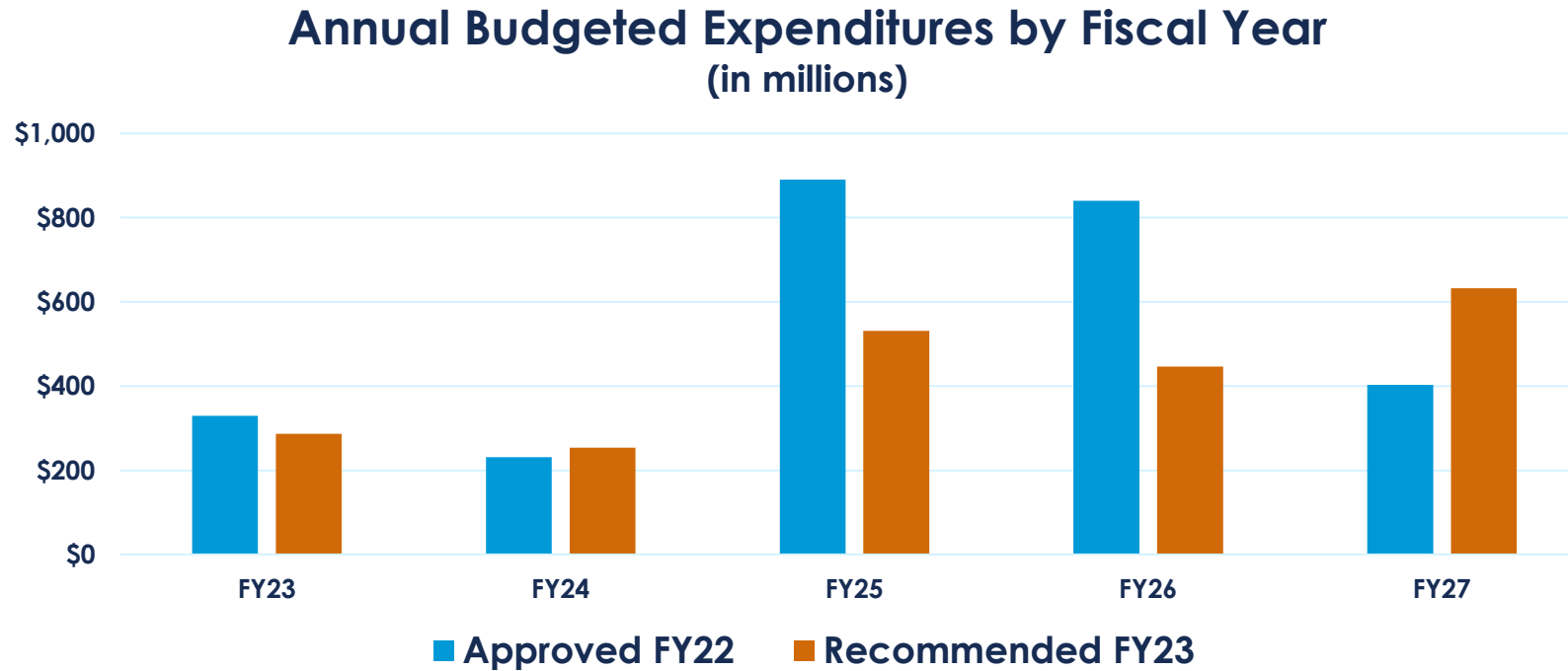
FY22 – FY30

Project Description	Total Prior Year Budget	Total Recommended Budget	Change (\$)
Salem Right of Way Acquisition	-	38.0	38.0
New River Valley Platform & Track	-	74.2	74.2
V-Line Tunnels	-	47.9	47.9
Capital Improvements - Bridges	-	14.3	14.3
Capital Improvements - Other	-	22.5	22.5
Salem Right of Way Transaction Costs	-	13.0	13.0
Total Western Rail Corridor	-	\$209.9	\$209.9

Note: Project budget includes all expenditures for FY22 – FY30.

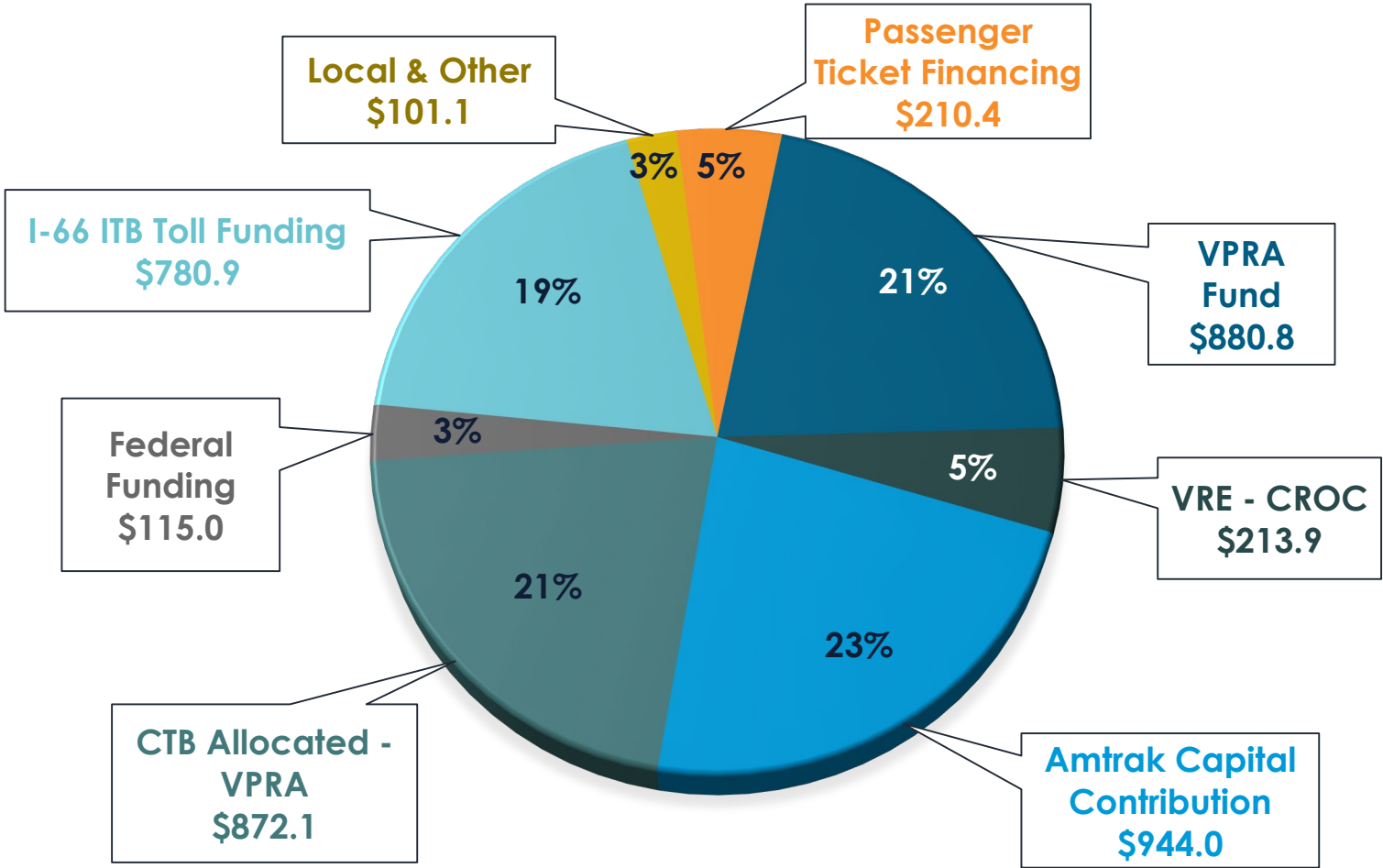
Annual Capital Projects Budgeted Expenditures

Prior Year vs. Current Year



- Changes in annual expenditures in FY25 through FY27 highlight the adjustment to the Long Bridge construction schedule

Total Capital Project Budget Funding (\$4,118.2M)



Capital and Operating Grants - Total Budgeted Cost

FY21 – FY30

Project Description	Grantee	Approved VPRA Grant Funding	Amended VPRA Grant Funding	Change (\$)
VRE Scope Changes & New CTB Grant	VRE	\$252.6	\$221.9	(\$30.7)
Ettrick Station: State-of-Good-Repair	Amtrak	1.5	11.5	10.0
Station Program & Planning	Amtrak	16.1	20.6	4.5
Positive Train Control	Amtrak	7.0	15.6	8.6
S-Line Planning & Development	Various	-	1.5	1.5
Western Rail Initiative Grant	Norfolk Southern	-	131.5	131.5
Roanoke Yard Improvements	Norfolk Southern	-	37.0	37.0
Repurposed Grant Funding	Norfolk Southern	53.6	-	(53.6)
DRPT Managed	Various	-	22.7	22.7
Completed Grants	Norfolk Southern	85.1	-	(85.1)
Reclassified Grants	Various	37.1	34.0	(3.1)
Unchanged Grants	Various	123.1	123.1	-
Total		\$576.1	\$619.4	\$43.3

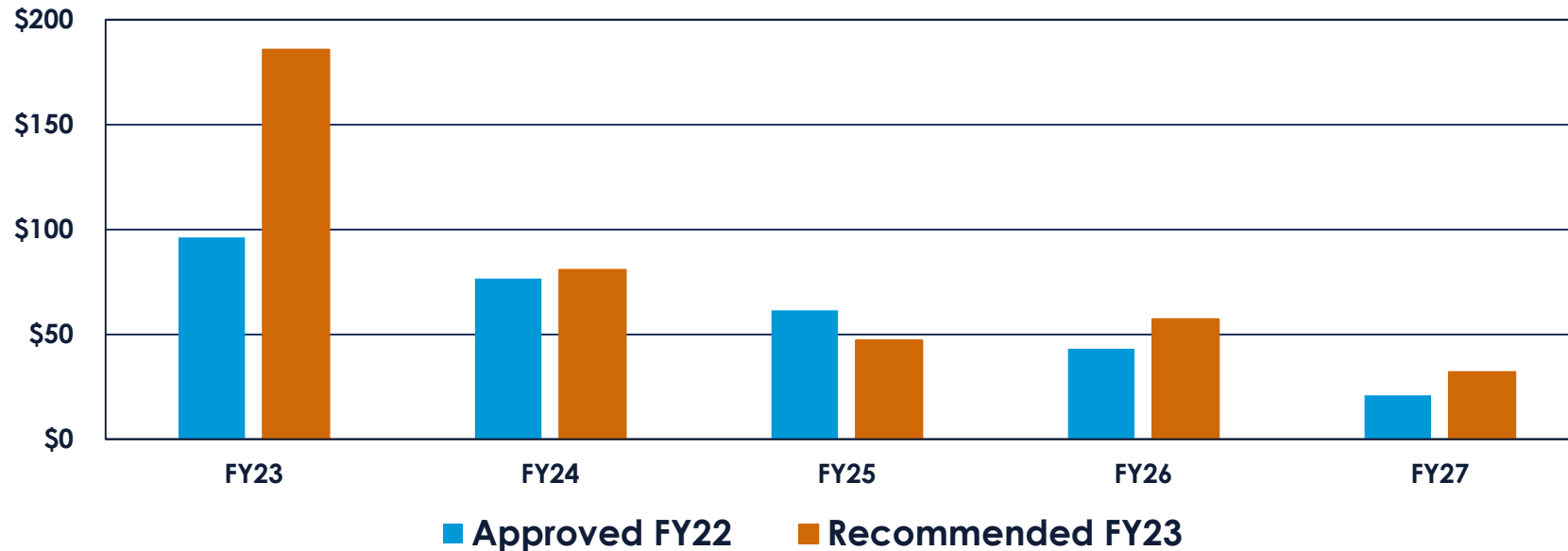
Station ADA and maintenance, and rail safety items

Western Rail Corridor grants added

Annual Capital Grants Budgeted Expenditures

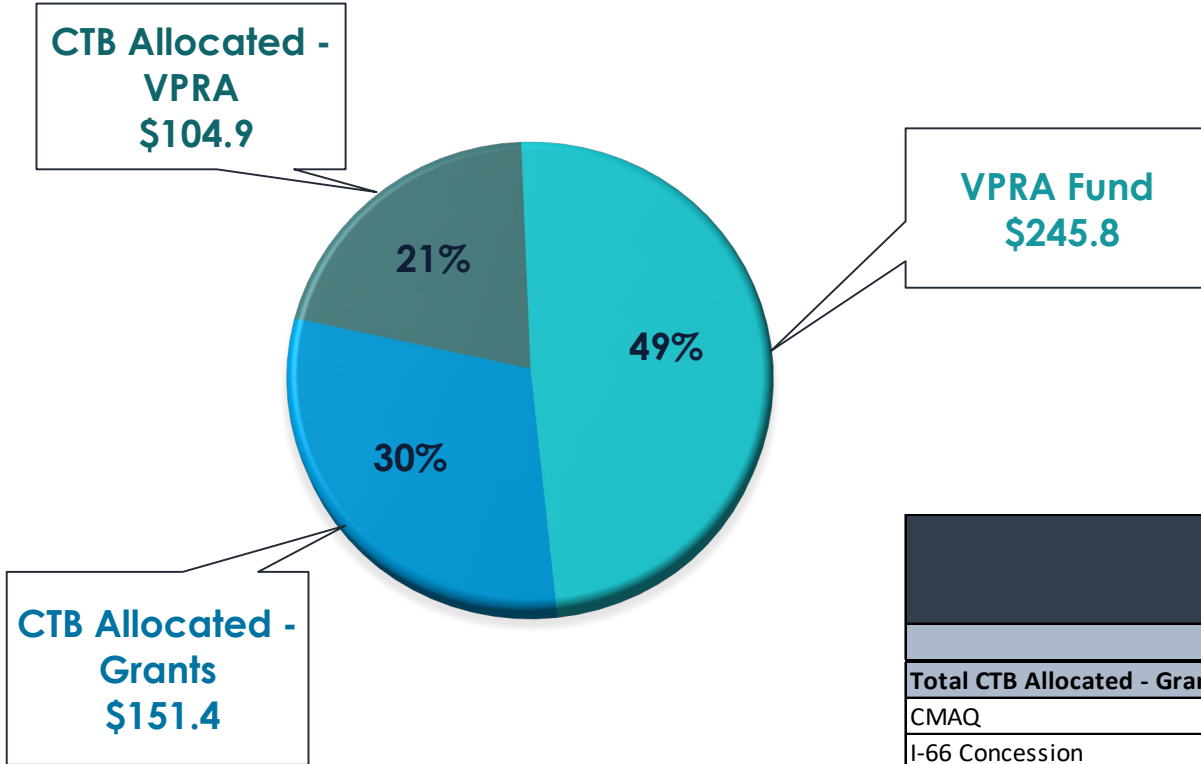
Prior Year vs. Current Year

Annual Budgeted Expenditures by Fiscal Year
(in millions)



- Increase in FY23 due to the addition of the Western Rail Corridor grants and the adjustment of VRE project expenditure plans

Total FY22 – FY28 VPRA Grant Funding (\$502.1M)



	Amended FY22	FY23	FY24	FY25	FY26	FY27	FY28	Total FY22 - FY28	% of Total Sources
Total Uses	\$74.5	\$185.8	\$80.8	\$47.3	\$57.4	\$32.0	\$24.3	\$502.1	
Total CTB Allocated - Grants									
CMAQ	3.2	2.9	1.0	-	0.3	0.4	-	7.8	
I-66 Concession	26.3	54.0	12.9	3.2	4.0	-	-	100.4	
SMART SCALE	4.4	11.6	9.6	5.9	4.5	7.2	-	43.2	
Subtotal	33.9	68.5	23.5	9.1	8.8	7.6	-	151.4	30%
Total CTB Allocated - VPRA									
2020 Appropriations Act	-	41.8	-	-	-	-	-	41.8	
SMART SCALE	18.2	4.5	-	-	-	0.8	-	23.5	
I-81 Corridor Improvement Program	-	-	16.2	11.2	-	12.2	-	39.6	
Subtotal	18.2	46.3	16.2	11.2	-	13.0	-	104.9	21%
VPRA Fund	22.4	71.0	41.1	27.0	48.6	11.4	24.3	245.8	49%
Total Sources	\$74.5	\$185.8	\$80.8	\$47.3	\$57.4	\$32.0	\$24.3	\$502.1	

FY23 Operations Budget

Key Drivers increasing operations budget:

- \$12.4M decrease in net train operations attributable to recovering train revenues and federal credits applied to train operations expense
- \$14.0M of new Maintenance of Way and Access Fees
- \$5.1M increase in administrative budget

Operations Category	FY23 Budget
Train Operating Revenues	
Train Revenue	33.1
Food Service Revenue	1.0
Other Revenue	0.6
NEC Through Revenue	28.0
Total Operating Revenues	\$62.7
Train Operations Expenses	
Route Costs and Additives	61.2
Fuel Costs	4.1
NEC Through Credit Expense	18.4
Host Railroad Costs	3.3
Host RR Performance Incentives	3.0
Total Train Operations Expense	\$90.0
Other Operating Expenses	
Capital Equipment Maintenance	6.7
Bedford Amtrak Thruway Intercity Bus Connector	0.4
Amtrak Marketing	0.9
I-95 Corridor Maintenance of Way (VRE Access Rate)	7.2
Western Rail Maintenance of Way	2.1
Western Rail Access Fee	3.7
Insurance	0.5
Depreciation	1.0
Administrative Budget	10.2
Total Operating Expenses	\$122.7
Additional Funding Required	\$60.0
<i>Federal Credits Applied to Train Operations Expense</i>	4.4
Additional Funding Required - Without Federal Credits	\$64.4

Administrative Budget (FY22 and FY23 Proposed)

Expense Category	FY22 Approved Budget	FY23 Budget	Change (\$)
Payroll & Benefits	\$3,423,000	\$7,390,000	\$3,967,000
Professional Services	531,000	1,010,000	479,000
Information Technology	904,000	1,181,000	277,000
Building & Office Related	157,000	181,000	24,000
Other Employee Costs	151,000	460,000	309,000
Total	\$5,166,000	\$10,222,000	\$5,056,000

Key Drivers Increasing Administrative Budget:

- FY23 hiring plan projects 39 average FTE during FY23, up from 21 average FTE in FY22; additionally, projected hiring salaries have increased from market pressures
- Administrative budget is 1.7% of total projected FY23 expenditure outlays of \$595.4M

VPRA Dedicated Revenues (FY22 – FY28)

Description	FY22	FY23	FY24	FY25	FY26	FY27	FY28	Total
VPRA Revenues	172.6	183.4	152.9	155.1	156.0	157.2	158.7	1,135.9
Passenger Ticket Financing	-	-	-	210.0	-	-	-	210.0
Total VPRA Fund	\$172.6	\$183.4	\$152.9	\$365.1	\$156.0	\$157.2	\$158.7	\$1,345.9

- 93% of Commonwealth Rail Fund
- Updated revenue estimates provided December 21, 2021
- Planned debt issuance in 2025 leveraging passenger ticket revenues



Questions?