

Virginia Passenger Rail
Authority
Recommended Budget
FY2022

February 17, 2021

Code of Virginia

- The law establishing the Virginia Passenger Rail Authority (VPRA) also established that the CTB should prescribe the form of the VPRA operating plan and budget.

- 33.2-298. *Annual budget.*

The Authority shall prepare and submit a detailed annual operating plan and budget to the Transportation Board by February 1 of each fiscal year. The Authority shall also prepare and submit for approval any proposed capital expenditures and projects for the following fiscal year to the Transportation Board by February 1. The Transportation Board shall have until May 30 to approve or deny any capital expenditures, and, in the event the Transportation Board has not approved or denied the Authority's proposed capital expenditures by such deadline, such expenditures shall be deemed approved. The operating plan and budget shall be in a form prescribed by the Transportation Board and shall include information on expenditures, indebtedness, and other information as prescribed by the Transportation Board.

Basic Assumptions – Operating Budget

- One year budget (FY2022); includes an estimate for FY2021 for comparison
- Based on anticipated expenditures as accrual basis required
- Zero-based estimate for FY2022
- Two main elements of Operating Budget:
 - Amtrak Operations Costs
 - VPRA Administration

Basic Assumptions – Capital Budget

- Includes project life to date expenditures through June 30, 2020, an estimate for FY2021, budget for FY2022, and a five-year forecast (FY2023-FY2027)
- Based on cash flows - approximate accrual based expenditures
- Includes existing projects (~30 projects) and planned future efforts (Transforming Rail Initiative)
- Two sections:
 - **Capital Projects** section: VPRA-managed projects
 - **Capital Grants** section: Projects managed by external grantees
- Includes one-page narrative description with status update on each project

VPRA FY2022 Budget

Budget Component (\$ in millions)	FY21	FY22	Variance Amount	Variance Percentage
Operations	\$21.7	\$51.2	\$29.5	136%
Capital Projects	289.8	321.1	31.3	11%
Capital Grants	31.5	78.4	46.9	149%
Total	\$343.0	\$450.7	\$107.7	31%

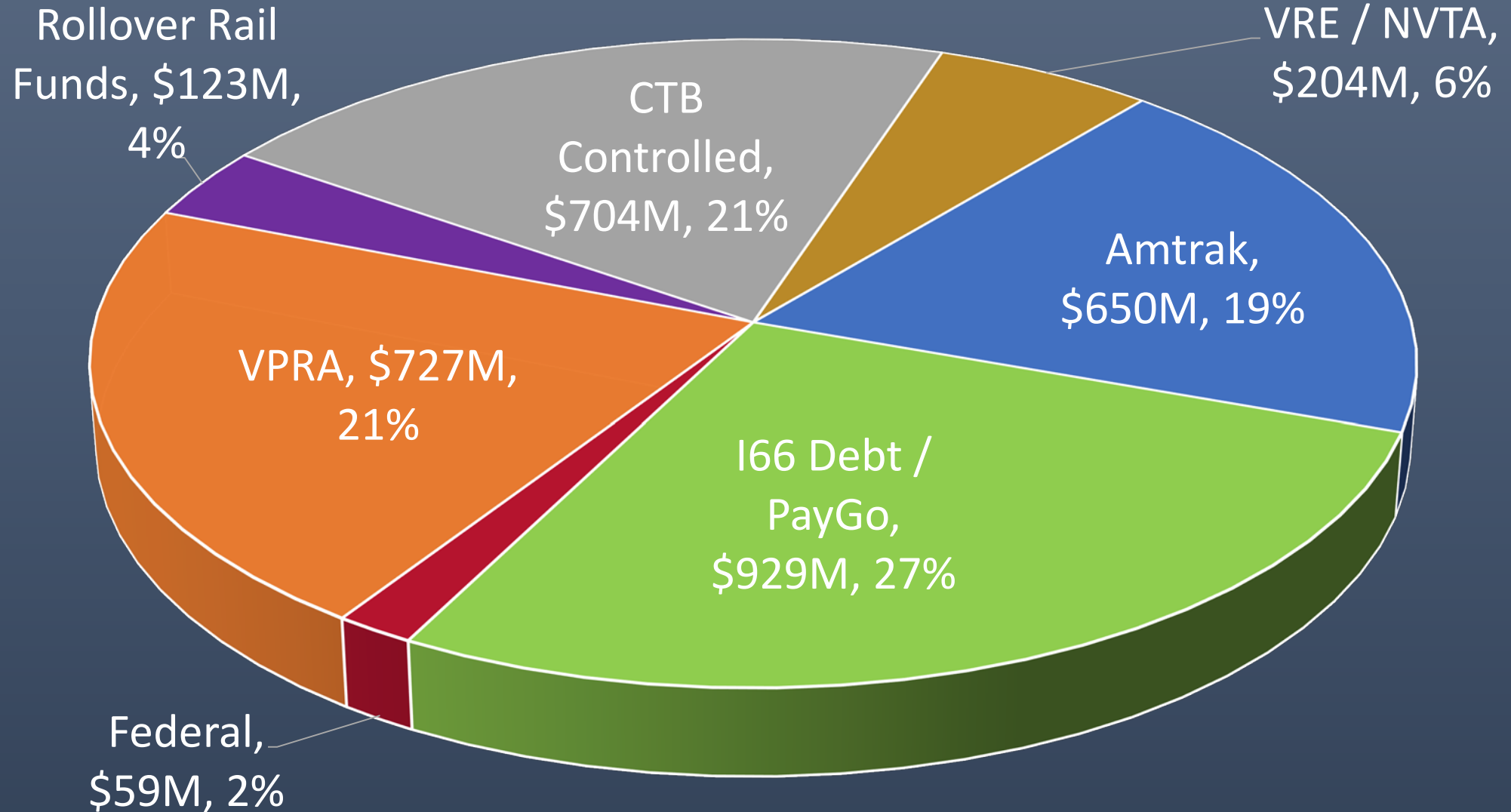
- Significant increase in FY22 for Operations reflects a conservative estimate of ridership and does not include potential Covid relief bill funding
- Capital projects and grants increase between FY21 and FY22 reflects the advancement of projects

VPRA Capital Forecast

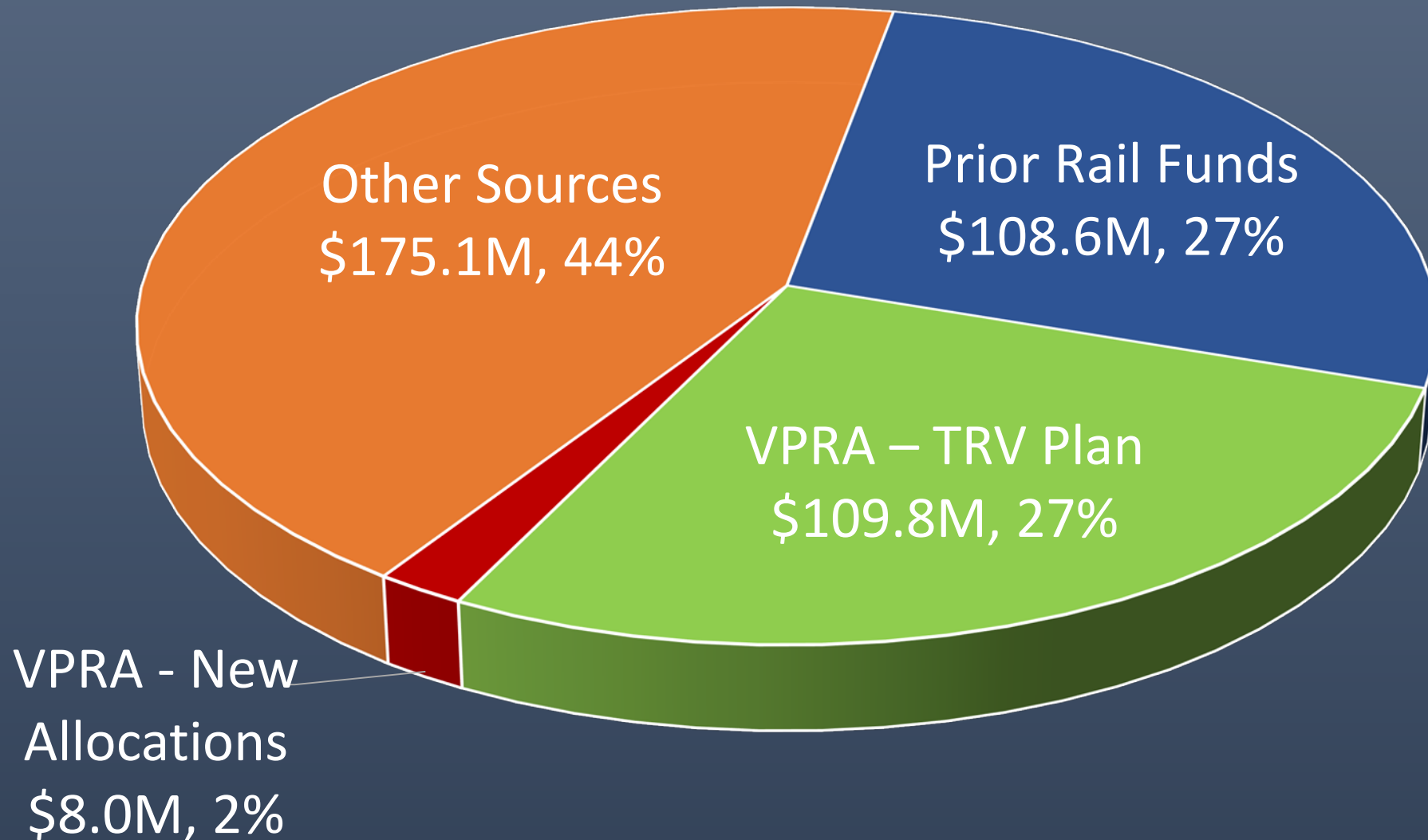
Capital Budget Category (\$ in millions)	FY21	FY22	FY23	FY 24	FY25	FY26	FY27	Total
Capital Projects	\$289.8	\$321.1	\$329.3	\$321.5	\$890.6	\$840.2	\$403.1	\$3,395.6
Capital Grants	31.5	78.4	94.3	74.6	60.0	43.2	19.5	401.5
Total	\$321.3	\$399.5	\$423.6	\$396.1	\$950.6	\$883.4	\$422.6	\$3,797.1

- Capital Projects forecast reflects the construction of the new Long Bridge beginning in FY25
- Capital Grants allocations decline in the outer years as currently planned projects are completed

VPRA Capital Projects - \$3.4B FY21 – FY27



VPRA Capital Grants - \$401.5M FY21 – FY27



VPRA Revenue Forecast

Capital Budget Category (\$ in millions)	FY 21	FY22	FY23	FY 24	FY25	FY26	FY27	Total
VPRA Revenues	\$91.6	\$104.5	\$122.2	\$137.6	\$141.6	\$145.6	\$146.3	\$889.4
Passenger Ticket Financing	-	-	-	-	210.0	-	-	210.0
Total	91.6	104.5	122.2	137.6	351.6	145.6	146.3	1,099.4
Less: Capital Projects Needs	48.8	30.1	74.0	84.3	300.6	94.3	95.1	727.2
Total Available – Operations / Grants	\$42.8	\$74.4	\$48.2	\$53.3	\$51.0	\$51.3	\$51.2	\$372.2

- Covers VPRA share of capital grants funding of \$118M for FY21-FY27
- Remaining funding is available to fund operational costs

Next Steps

- Mid February - Provide detailed presentation to CTB on budget
- February / May - Update budget based on feedback received from CTB and any other significant changes
- May CTB meeting – seek CTB approval of capital budget