



FY24 Recommended Budget

- Budget Prioritization & Financial Planning
- FY24 Operations Budget
- Summary & FY24 Recommended Budget

Code of Virginia

The law establishing the Virginia Passenger Rail Authority (VPRRA) also established that the CTB should prescribe the form of the VPRRA 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.



Budget Prioritization & Financial Planning

FY24 Financial Plan

Inception through FY30

 Sources

 Uses

FY2023
Financial
Plan

\$6.35 B

=

\$6.35 B

 \$129 M

 \$841 M

FY2024
Financial
Plan

\$6.48 B

≠

\$7.19 B

Funded VPRA
Projects
\$6.48 B

Potential VPRA
Projects
\$712 M

Sources

Primary Drivers Causing Decrease through FY30



\$129M	I-66 Paygo
\$56M	Amtrak Revenues (Intra-VA & NEC)
\$22M	CROC Bond Financing



\$115M	Federal Grants & Local Contributions
\$96M	Commonwealth Rail Fund Estimates
\$84M	Budget Bill Item 447.10 (B2) <i>VRE Manassas Line Services Improvements</i>
\$33M	Interest Earnings
\$8M	Other

Uses

Primary Drivers Causing Increase through FY30



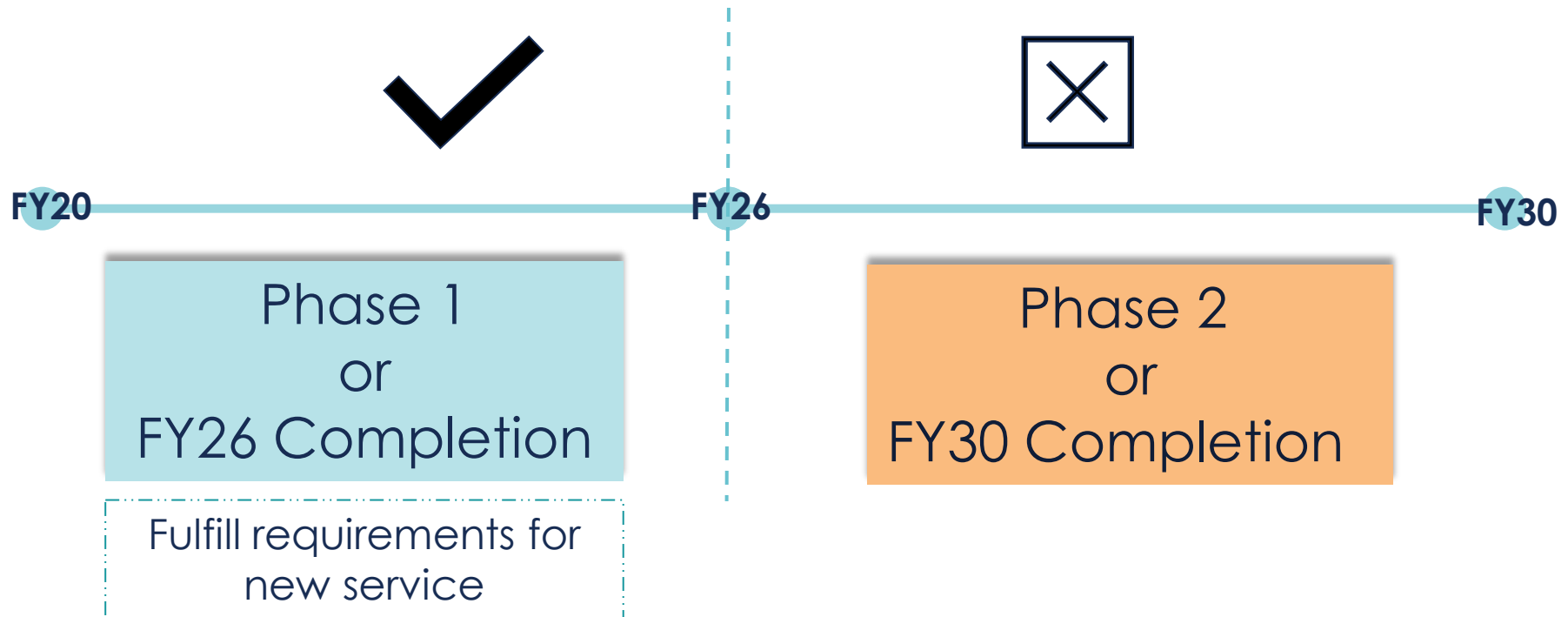
Budget Component	Total Increase	Net Base Budget Increase	New Budget Item	Increase Overview
I-95 Corridor	\$623M	\$570M	\$53M	- Updated costs estimates as design advances Or - 11% increase to base budgets adjusted to account for economic impact
Western Rail Corridor	\$64M	\$64M	-	- Budgets refined as project development continues
Other Capital Projects	\$59M	\$53M	\$6M	- Funding for S-line design & management reserve
Capital & Operating Grants	\$12M	\$9M	\$3M	- New VRE Pass through Grants - Continued obligations for VRE track lease
Operations	\$83M	\$83M	-	- Amtrak train operations expenses & administrative needs
Total	\$841M	\$779M	\$62M	

Uses

Funding Priorities Methodology



- ✓ Operations
- ✓ Capital & Operating Grants
- Capital Projects



Uses: I-95 Corridor



✓ Indicates new FY24 project phase

○ Budget informed by updated cost estimate

*Not included in CRA Phase 1, to be completed by FY26

◇ Project added through Board Resolution



I-95 Corridor	Estimate Level	FY24 Budget	FY23 Approved Budget	YOY Change	Total Project Budget	Unfunded Portion
Phase 1 Timeline						
Alexandria Fourth Track	③	210	210	-	210	-
Franconia to Lorton Third Track	2	230	209	21	230	-
Franconia-Springfield Bypass	③	435	241	194	435	-
Railroad Bridges over Newington Road	2	40	36	4	40	-
Richmond Layover Facility*	1	39	36	3	39	-
King and Commonwealth Bridge *◇ ✓	1	56	3	53	56	-
Potomac Creek Third Track South (Siding A)	②	143	108	35	143	-
Woodford to Milford Third Track (Siding B)	②	85	67	18	85	-
Hanover Third Track (Siding C)	②	84	59	25	84	-
Phase 2 Timeline						
Long Bridge Project	2	2,279	2,039	240	1,890	389
Neabsco Creek to Woodbridge Third Track (Siding D)	2	100	91	9	9	91
Aquia Creek Third Track (Siding E)	2	59	53	6	5	54
Crossroads Third Track (Siding F)	2	103	93	10	10	93
Railroad Bridges over Route 1	2	64	57	7	6	58
Lorton to Route 1 Third Track	2	23	21	2	2	21
L'Enfant Fourth Track & Station Improvements	1	23	22	1	23	-
Other						
Other: CIG Grant	7	3	2	1	3	-
CSX Purchase	7	525	525	-	525	-
Transaction Costs	7	32	38	(6)	32	-
Total I-95 Corridor		\$4,533	\$3,910	\$623	\$3,827	(\$706)

All Phases

Design & Partial Construction

Design

Uses: Western Rail Corridor



Western Rail Corridor	Estimate Level	FY24 Budget	FY23 Approved Budget	YOY Change	Total Project Budget	Unfunded Portion
New River Valley Platform & Track Improvements*	1	86	42	44	86	-
V-Line Tunnels	1	48	48	-	48	-
Capital Improvements - Bridges	1	31	31	-	31	-
Capital Improvements - Other	1	36	6	30	36	-
V-Line Positive Train Control*	1	32	32	-	32	-
V-Line ROW Transaction Costs	7	3	13	(10)	3	-
V-Line ROW Purchase	7	38	38	-	38	-
Total Western Rail Corridor		\$274	\$210	\$64	\$274	-

*Projects combined in FY23 budget

Uses: Other Capital Projects



Other Capital Projects		FY24 Budget	FY23 Approved Budget	YOY Change	Total Project Budget	Unfunded Portion
Ettrick Station Improvements - SOGR	1	12	12	-	12	-
Platform Improvements - SOGR/ADA	1	21	21	-	21	-
S-Line 30% Design	7	39	1	38	39	-
S-Line 60% Design Grant Match ✓	7	6	-	6	-	6
Management Reserve	7	30	15	15	30	-
Purchase of St. Julian's Yard: Amtrak Train Service Facility	7	2	2	-	2	-
Total Other Capital Projects		\$110	\$51	\$59	\$104	(\$6)

✓ Indicates new FY24 project

Uses: Capital & Operating Grants



Capital & Operating Grants	FY24 Budget	FY23 Approved Budget	YOY Change	Total VPRA Grant Funding	Unfunded Portion
VRE Passthrough Grants	186	171	15	187	-
Track Lease Payment-Amtrak	61	49	12	61	-
Track Lease Payment-Norfolk Southern	25	23	2	25	-
Newport News Station, Platform, & Service Facility	21	21	-	21	-
Arkendale to Powell's Creek 3rd Track	101	101	-	101	-
PIDS: Ashland & Richmond Main St. Stations	1	1	-	1	-
Positive Train Control	16	16	-	16	-
Amtrak Train Equipment - New Service	17	34	(17)	17	-
Roanoke Yard Improvements	37	37	-	37	-
Western Rail Initiative Grant *	132	132	-	132	-
DC2RVA FRA Grant Match	1	1	-	1	-
DRPT Planning Grants	2	2	-	2	-
Marshalling Yard Expansion	8	8	-	8	-
Central Rail Yard Expansion	6	6	-	6	-
Front Royal Expansion	6	6	-	6	-
Total Capital & Operating Grants	\$620	\$608	\$12	\$620	-

Uses: 10-Year Operations Plan



Operations	FY24 Plan	FY23 Plan	YOY Change	Budget through FY30	Unfunded Portion
Amtrak Operations	857	853	4	857	-
Amtrak Charge per Passenger mile on NEC	301	288	13	301	-
Amtrak Equipment Capital Use Charge	105	56	49	105	-
Amtrak Re-Fleet Effort	-	30	(30)	-	-
Liability Insurance	20	10	10	20	-
Administrative Costs	192	157	35	192	-
Other Operations	180	178	2	180	-
Total Operations	\$1,655	\$1,572	\$83	\$1,655	-



FY24 Operations Budget

FY24 Train Operations Budget



Operations	FY23 Budget	FY24 Budget	Change (\$)
Train Operating Revenues			
Train Revenue	\$33.1	\$42.3	\$9.2
Food Service Revenue	1.0	1.3	0.3
Other Revenue	0.6	1.0	0.4
NEC Through Revenue	28.0	32.1	4.1
Total Operating Revenues	62.7	76.7	14.0
Train Operations Expenses			
Route Costs and Additives	61.2	62.4	1.2
Fuel Costs	4.1	8.0	3.9
NEC Through Credit Expense	18.4	30.0	11.6
Host Railroad Costs	3.3	3.4	0.1
Host RR Performance Incentives	3.0	3.6	0.6
Total Train Operations Expense	90.0	107.4	17.4
Other Operating Expenses			
Capital Equipment Maintenance	6.7	8.7	2.0
Bedford Amtrak Intercity Bus Connector	0.4	0.4	-
Amtrak Marketing	0.9	0.9	-
I-95 Corridor Maintenance of Way (VRE Access Rate)	7.2	7.5	0.3
Western Rail Maintenance of Way	2.1	2.9	0.8
Western Rail Access Fee	3.7	3.8	0.1
Insurance*	1.1	1.4	0.3
Administrative Budget	10.2	16.6	6.4
Total Operating Expenses	\$122.3	\$149.6	\$27.3
Federal Credits Applied to Train Operation Expense	4.4	-	(4.4)
Total Operating Expenses (w/o Federal Credits)	\$126.7	\$149.6	\$22.9
Overall Cost Recovery	49%	51%	2%

* Includes FY23 budget reclassification made through Delegated Authority

FY24 Administrative Budget



Administrative Budget	FY23 Budget	FY24 Budget	Change (\$)	Explanation for Change
Payroll & Benefits *	\$7,390,000	\$9,218,000	\$1,828,000	70 Average Full-Time Employees, up from 39 in FY23
Professional Services	1,010,000	3,645,000	2,635,000	Service planning, OTP, asset management, strategic plan
Information Technology ◊	831,000	1,390,000	559,000	IT environment, employee hardware, IT system depreciation
Building & Office Related ◊	531,000	1,472,000	941,000	Richmond & NOVA office leases, one-time NOVA office costs
Other Employee Costs	460,000	880,000	420,000	Incremental personnel costs related to increased hiring
Total	\$10,222,000	\$16,605,000	\$6,383,000	

*\$4M of payroll & benefits cost are charged to capital projects

◊ Includes FY23 budget reclassification made through Delegated Authority

Administrative budget increase reflects the continued efforts to establish the organization in order to execute the passenger rail program.

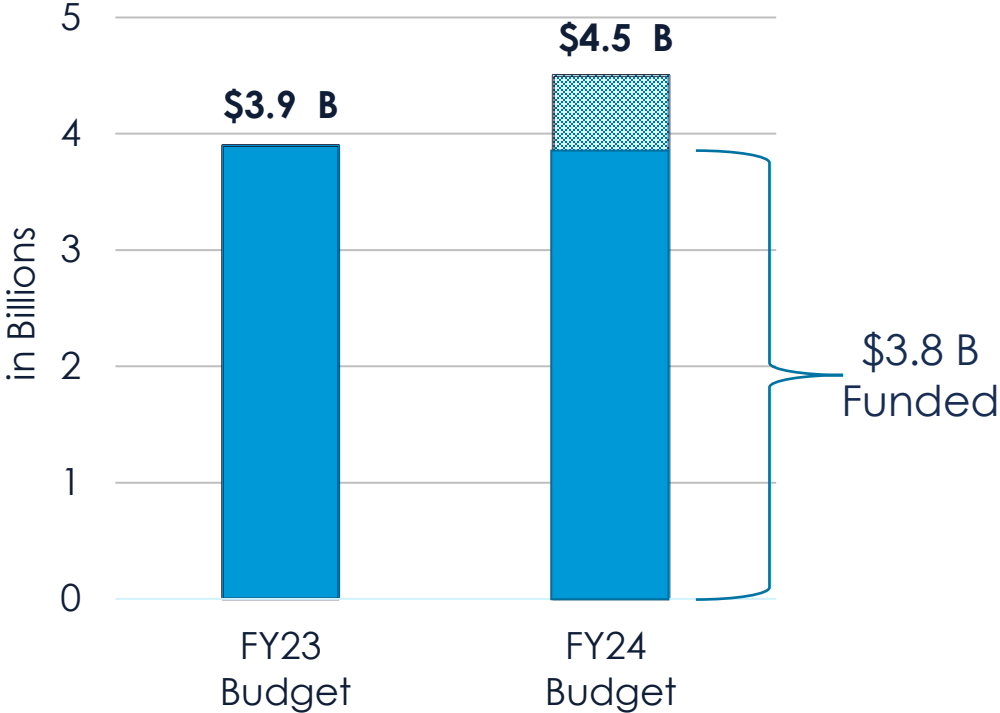


Summary & FY24 Recommended Budget

Key FY24 Budget Changes

I-95 Corridor

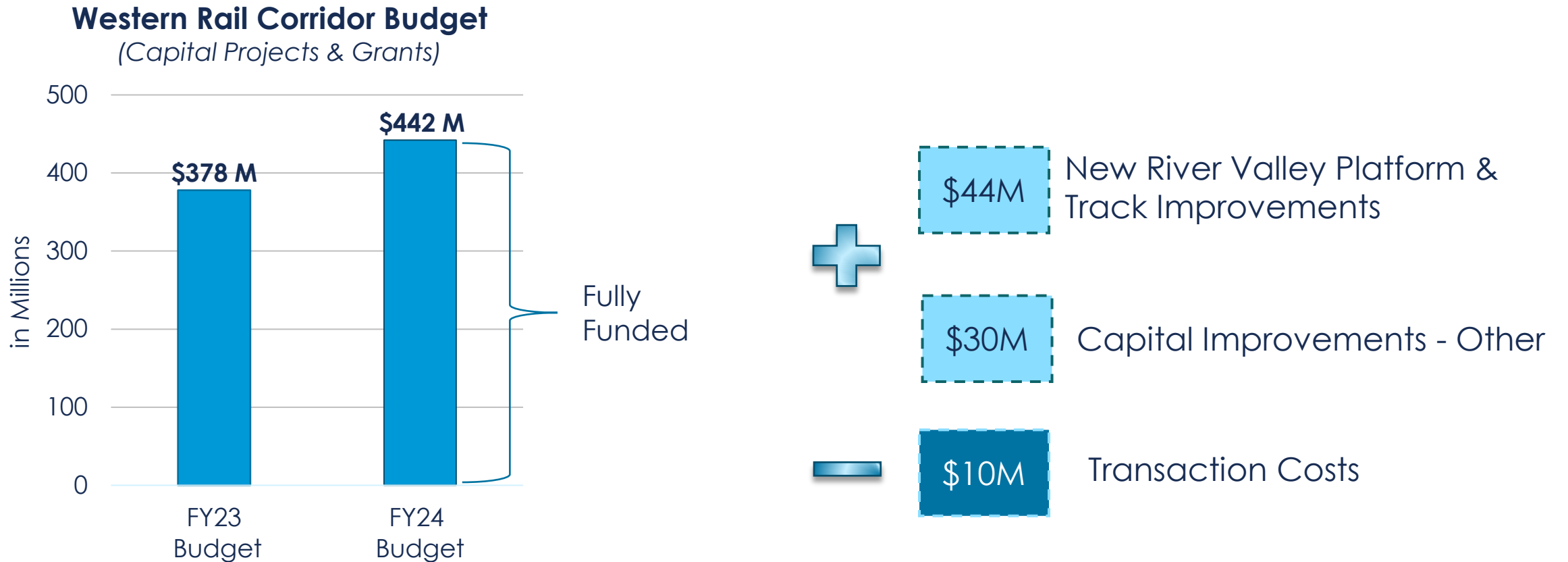
I-95 Corridor Budget
(Capital Projects)



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- \$272M Revised costs estimates
- \$298M 11% Increase on project costs
- \$53M King & Commonwealth Bridges Construction

Key FY24 Budget Changes Western Rail Corridor



Potential Funding Opportunities

- FTA Capital Investment Grant
- FRA Grants
 - Federal State Partnership
 - CRISI
- DOT Multimodal Project Discretionary Grant
 - INFRA/MEGA/Rural
 - RAISE
- I-66 Toll Revenue Rebound
- Amtrak Operation Revenues and Expense Management
 - Passenger Ticket Financing
- Other Entities

Recommended FY24 Budget by Component

Capital Projects	Total Project Budget
I-95 Corridor	\$3,827M
Western Rail Corridor	\$274M
Other Capital Projects	\$104M
Total Capital Projects	\$4,205M
Capital & Operating Grants	Total VPRA Grant Funding
Total Capital & Operating Grants	\$620M
Operations	FY24 Operations Budget
Total Operations	\$150M

Recommend Projects vs Potential Projects

Capital Projects & Capital Grants

RECOMMENDED PROJECTS

- Included in FY24 budget as a VPRA project
- Once Budget is approved, VPRA has delegated authority to deliver the project

POTENTIAL PROJECTS

- Disclosed in VPRA's Recommended Budget as Unfunded
- Requires Board approval prior to becoming a Funded VPRA project

Financial Planning Changes

December 2022 to current FY24 financial plan

December 2022

Current
FY2024
Financial
Plan



\$6.27 B

- + \$84M Budget Bill Item 447.10 (B2)
 - + \$96M VPRA Fund Revenue Estimates
 - + \$38M S-Line CRISI Grant Funding
- \$218M Total Increase**

\$6.48 B

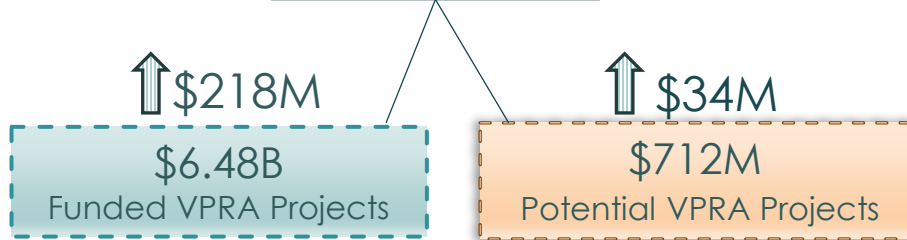


\$6.95 B



- + \$168M Franconia-Springfield Bypass
 - + \$54M Phase 1 Sidings
 - + \$38M S-Line 30% Design
 - \$7M L'Enfant Fourth Track
 - \$1M Other Minor Changes
- \$252M Total Increase**

\$7.20 B





THANK YOU

Questions?

