January 7, 2021

TO: Chair Franklin and PRTC Commissioners

FROM: Robert A. Schneider, PhD
Executive Director

SUBJECT: January 14, 2021 Commission Meeting Agenda Packet

On January 14, 2021 the PRTC Executive Committee will meet electronically beginning at 6:00 p.m. A Zoom meeting invitation for the Executive Committee meeting will be provided to all Commissioners. The public can join the meeting via muted conference call. Electronic meetings in which a quorum is not physically assembled in one location are permissible when the Governor has declared a state of emergency and it is unsafe to assemble a quorum in a single location. The Executive Committee consists of all officers of the Commission: Margaret Franklin, Chair; Pam Sebesky, Vice Chair; Cindy Shelton, Secretary; Deborah Frazier, Treasurer; Andrea Bailey, At-Large; and Jeanette Rishell, At-Large.

The January 14, 2021 full Commission meeting will be held electronically beginning at 7:00 p.m. A separate Zoom meeting invitation for the full Commission meeting will be provided so the link can be added directly to your calendars. The Commission's Zoom meeting will be livestreamed over PRTC's YouTube channel, providing the public an opportunity to watch the meeting in real time. In lieu of holding public comment time during the meeting, the public will be able to submit any comments they have in writing. We will advertise the changes to the meeting in accordance with our Bylaws.

The January 14th meeting agenda and supporting documents should be reviewed prior to the meeting. The materials are posted at omniride.com/about/events/january-2021. Print copies will not be mailed this month to help reduce the number of staff working from the Transit Center. Commissioners who would like a printed copy can download a complete agenda packet using this link.

If you have any questions regarding the agenda or any other item in the online board meeting packet, please contact me at (703) 580-6117 or via email at bschneider@omniride.com.

AGENDA

Potomac and Rappahannock Transportation Commission

Thursday, January 14, 2021 - 7:00 PM

Officers
Hon. Margaret Franklin, Chair
Prince William County
Hon. Pamela Sebesky, Vice-Chair
City of Manassas
Hon. Cindy Shelton, Secretary
Stafford County
Hon. Deborah Frazier, Treasurer
Spotsylvania County
Hon. Andrea Bailey, At-Large
Prince William County
Hon. Jeanette Rishell, At-Large
City of Manassas Park

Electronic Meeting Live Streaming on YouTube.com/PRTCTransit
Due to COVID-19 Pandemic and Pursuant to Commission Res. No. 20-05-01, May 7, 2020

1. CALL TO ORDER

2. INVOCATION AND PLEDGE OF ALLEGIANCE

3. ATTENDANCE ROLL CALL

4. APPROVAL OF AGENDA

4.1. APPROVAL OF AGENDA -JANUARY 14, 2021
Resolution to Approve the January 14, 2021 Agenda

5. APPROVAL OF MINUTES

5.1. APPROVAL OF PRTC COMMISSION MEETING MINUTES - DECEMBER 3, 2020
Resolution to Approve the PRTC Commission Meeting Minutes for December 3, 2020

6. VIRGINIA RAILWAY EXPRESS CHIEF EXECUTIVE OFFICER'S TIME

6.1. *Chief Executive Officer's Report - December 2020*

6.2. ADOPT AND REFER THE AMENDED FY2021 AND RECOMMENDED FY2022 VIRGINIA RAILWAY EXPRESS OPERATING AND CAPITAL BUDGETS TO THE JURISDICTIONS
Resolution to Adopt and Refer the Amended FY2021 and Recommended FY2022 VRE Operating and Capital Budgets to the Jurisdictions

6.3. AUTHORIZE CLOSED MEETING OF THE POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION
Resolution to Authorize Closed Meeting

6.4. CERTIFY CLOSED MEETING OF THE POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION
Resolution to Certify Closed Meeting

6.5. VRE Information Items:
December 2020 Update
VRE Spending Authority Report
VRE's Transit Asset Management Plan Update for 2020
Agenda, Minutes, and Resolutions from the December 18, 2020 VRE Operations Meeting

7. PUBLIC COMMENT TIME

Public comments will not be received during the meeting; however, those wanting to comment should send their name and written comments, limited to one (1) page, to CRodrigo@OmniRide.com by January 13, 2021 at 5:00 p.m.

8. CONSENT AGENDA

8.1. APPROVE CONSENT AGENDA - JANUARY 14, 2021
Resolution to Approve Consent Agenda - January 14, 2021

8.2. ACCEPTANCE OF THE POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION MONTHLY JURISDICTIONAL FINANCIAL REPORT FOR THE PERIODS ENDED SEPTEMBER 30, 2020 AND OCTOBER 31, 2020
Resolution to Accept the Monthly Jurisdictional Financial Report

8.3. AUTHORIZATION TO BUDGET AND APPROPRIATE SPOTSYLVANIA COUNTY'S MOTOR FUELS TAX FUNDS FOR VARIOUS FY2021 AND PRIOR TRANSPORTATION PROJECTS
Resolution to Budget and Appropriate Spotsylvania County's Motor Fuels Tax Funds for Various FY2021 and Prior Transportation Projects

9. EXECUTIVE DIRECTOR'S TIME

9.1. Follow-Up from Previous Meeting(s)

9.2. Executive Director's Report (verbal)
- COVID-19 / CARES Act
- Keolis Operational Update: Barbara Murdock, General Manager

9.3. Industry Article - *Free Transit Doesn't Reduce Driving - But Does Increase Local Business Support*
By Perrin Palistrant, PRTC's Director of Operations and Operations Planning
Free Transit Doesn't Reduce Driving - But Does Increase Local Business Support

10. PRESENTATIONS AND INFORMATION

10.1. *PRTC FY20 Financial Audit Presentation*

11. ACTION ITEMS

11.1. AUTHORIZATION TO ACCEPT THE POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION FY20 AUDITED FINANCIAL STATEMENTS, REQUIRED COMMUNICATION TO THE COMMISSIONERS, AND PBMARES, LLP MANAGEMENT LETTER
Resolution to Accept the PRTC FY2020 Audited Financial Statements and Accompanying Documents

11.2. AUTHORIZATION TO APPLY FOR AND ACCEPT FUNDING FOR FY2022 - FY2023 I-395 COMMUTER CHOICE PROJECTS
Resolution to Apply for and Accept Funding for FY2022 - FY2023 I-395 Commuter Choice Projects

12. CHAIR'S TIME

12.1. ELECTION OF THE 2021 POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION OFFICERS
Resolution to Elect the PRTC Officers for 2021

12.2. CONCURRENCE WITH MEMBER JURISDICTION APPOINTMENTS TO THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD
Resolution to Concur with Member Jurisdiction Appointments to the VRE Operating Board

13. OTHER BUSINESS/COMMISSIONERS' TIME

2021 Commission Meeting Calendar

14. ADJOURNMENT

INFORMATION ITEMS

November 2020 System Performance and Ridership Report
Revised Purchasing Authority Report
November 2020 Safety Dashboard
Commissioners' Motor Fuels Tax Report

ITEM 1

Call to Order

ITEM 2

Invocation and Pledge of Allegiance

ITEM 3

Attendance Roll Call

ITEM 4.1
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: APPROVAL OF AGENDA – JANUARY 14, 2021
ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission ("PRTC" or the "Commission") meets on a monthly basis and an agenda is presented to the Commission for review and approval.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby approve the agenda of January 14, 2021, as presented/amended.

Votes:
Ayes:
Abstain:
Nays:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

AGENDA

Potomac and Rappahannock Transportation Commission

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Hon. Pamela Sebesky, Vice-Chair
City of Manassas
Hon. Cindy Shelton, Secretary
Stafford County
Hon. Deborah Frazier, Treasurer
Spotsylvania County
Hon. Andrea Bailey, At-Large
Prince William County
Hon. Jeanette Rishell, At-Large
City of Manassas Park

Electronic Meeting Live Streaming on YouTube.com/PRTCTransit
Due to COVID-19 Pandemic and Pursuant to Commission Res. No. 20-05-01, May 7, 2020

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Revised Purchasing Authority Report
November 2020 Safety Dashboard
Commissioners' Motor Fuels Tax Report

ITEM 5.1
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: APPROVAL OF PRTC COMMISSION MEETING MINUTES FOR DECEMBER 3, 2020

ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission ("PRTC" or the "Commission") has had the opportunity to review the draft meeting minutes for December 3, 2020.

NOW, THEREFORE BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby approve the minutes of December 3, 2020 as presented/amended.

Votes:
Ayes:
Nays:
Abstain:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

MINUTES

BOARD OF COMMISSIONERS MEETING

December 3, 2020
Virtual ZOOM Meeting
Livestreamed at YouTube.com/PRTCtransit

Members Present	Jurisdiction
*Victor Angry	Prince William County
*Andrea Bailey, At-Large	Prince William County
*Kenny Boddye (arrived 7:10 p.m.)	Prince William County
*Margaret Franklin, Chair	Prince William County
*Jeanine Lawson	Prince William County
*Yesli Vega	Prince William County
*Tinesha Allen	Stafford County
*Cindy Shelton, Secretary	Stafford County
*Pamela Sebesky, Vice Chair	City of Manassas
*Jeanette Rishell, At-Large	City of Manassas Park
*Matthew Kelly	City of Fredericksburg
*Deborah Frazier, Treasurer	Spotsylvania County
*Gary Skinner	Spotsylvania County
*Lee Carter	Virginia House of Delegates
*Elizabeth Guzman (arrived 7:09 p.m.; departed 9:00 p.m.)	Virginia House of Delegates
*George Barker	Virginia Senate

Members Absent	
Jennifer Mitchell	Department of Rail and Public Transportation

Alternates Present	
*Bennie Smith	Prince William County
Ralph Smith (departed 9:15 p.m.)	City of Manassas
*Todd Horsley	Department of Rail and Public Transportation

Alternates Absent	
Ann Wheeler	Prince William County
Pete Candland	Prince William County
Maggie Hansford	Prince William County
Meg Bohmke	Stafford County
Gary Snellings	Stafford County
Preston Banks	City of Manassas Park
Hector Cendejas	City of Manassas Park
Donald Shuemaker	City of Manassas Park
Jason Graham	City of Fredericksburg
Tim McLaughlin	Spotsylvania County
David Ross	Spotsylvania County
Jennifer DeBruhl	Department of Rail and Public Transportation
Steve Pittard	Department of Rail and Public Transportation

*Voting Member
Arrivals/departures following the commencement of the PRTC Commission Board Meeting are notated with the approximate arrival/departure time.

DRAFT

Staff and Public on ZOOM

Dr. Robert A. Schneider, PhD – PRTC
Doris Lookabill – PRTC
Carl Roeser - PRTC
Becky Merriner – PRTC
Christine Rodrigo – PRTC
Perrin Palistrant – PRTC
Joyce Embrey – PRTC
Mike Ake – Keolis
Barbara Murdock – Keolis
Rich Dalton – VRE
Joe Swartz – VRE
Mark Schofield – VRE
Steve MacIsaac - VRE
Dwight Buracker – PBMares
Sharon Pandak – Greehan, Taves & Pandak
Paolo Belita – Prince William County

Chair Franklin called the meeting to order at 7:01 p.m. noting due to the COVID-19 pandemic and pursuant to PRTC Commission Resolution No. 20-05-01, this meeting of the PRTC Board of Commissioners is being conducted virtually via Zoom. Public access for this meeting is being provided via livestreaming on PRTC's YouTube channel. The public was given notice on PRTC's website, Facebook, at the Transit Center, and in InsideNova and the Free Lance-Star. The Chair then read an announcement detailing procedures for the electronic meeting. Invocation, Pledge of Allegiance and Roll Call followed.

Chair Franklin said she would like to have a motion to defer Item 11.1, Acceptance of the PRTC FY20 Audited Financial Statements, Required Communication to the Commissioners, and PBMares LLP Management Letter, to the January 2021 meeting when the Board can have a presentation on the information. Commissioner Rishell moved with a second by Commissioner Vega. Chair Franklin noted that the financials will still be submitted on time to the state. On a roll call vote, the motion was unanimously approved.

Approval of Agenda – 4 [RES 20-12-01]

Commissioner Skinner moved to approve the agenda as amended with a second by Commissioner Bailey. There was no discussion on the motion. (SKINNER/BAILEY; UNANIMOUS)

Commissioner Guzman arrived at 7:09 p.m.

Approval of Minutes of November 5, 2020– 5 [RES 20-12-02]

Commissioner Skinner moved with a second by Commissioner Sebesky. There was no discussion on the motion. (SKINNER/SEBESKY; UNANIMOUS)

Commissioner Boddye arrived at 7:10 p.m.

Virginia Railway Express Acting Chief Executive Officer's Time – 6

Chair Franklin said she'd like for Mr. Dalton to give his presentation, answer any questions, then have a motion to accept Items 6.2 through 6.6.

Mr. Dalton advised:

- VRE continues to operate at a reduced level and is monitoring ridership daily so trains can be lengthened or added as needed to maintain social distancing. The public can view train capacity on VRE's Train Utilization webpage
- November average daily ridership was in the mid-1300s
- November on time performance was about 93 percent system wide
- Staff continues to work remotely, and all business functions are fully operational

Mr. Dalton then provided an overview of the five VRE Action Items on the agenda.

- Item 6.2 is acceptance and authorization to distribute the VRE FY2020 Comprehensive Annual Financial Report. The audited financial statements are complete and the auditors issued an unmodified opinion.

- Item 6.3 is authorization to execute an agreement for design, construction, operations and maintenance of a parking garage at the VRE Manassas Park Station. Partway through design of the structure, city staff asked to change the location, and this agreement covers the city's commitment to fund the necessary design work to accommodate the new site. Construction will be funded with $23.5 million from the I-66 Outside-the-Beltway concessionaire. This agreement also spells out that if additional construction funds are needed, VRE and the City will work together to identify additional funding sources. The garage will be designed for about 675 spaces, and 544 of those spaces will be dedicated for VRE riders; the remainder will be dedicated for city use.

- Item 6.4 authorizes the execution of a Passenger Rail Operations and Access Agreement with the Virginia Passenger Rail Authority. This will allow VRE to operate on right-of-way that soon will be owned by the Commonwealth. The objective of transforming rail in Virginia is to separate freight and passenger rail. Planned improvements and additional services are included in the agreement.

- Item 6.5 authorizes the execution of a Passenger Rail Improvements and Funding Agreement with the Virginia Passenger Rail Authority. Mr. Dalton asked Mr. Schofield to summarize the agreement. Mr. Schofield explained that the agreement will happen over 30 years, divided into chunks of 10 years and then 20 years, and provided some details about how funds will be used.

- Item 6.6 approves VRE's 2021 Legislative Agenda.

Commissioner Bailey requested that Mr. Dalton set aside time to speak with her about VRE's planned service at Potomac Shores.

Commissioner Kelly asked about a provision in the Operations and Access Agreement with the Virginia Passenger Rail Authority that would force VRE to give up slots if additional service wasn't up and running in a specific amount of time. The state is a critical partner in making sure VRE has slots and the equipment to operate in those slots, Commissioner Kelly said, questioning why the state would then want a provision to take over the slots. Mr. Dalton said the slots provision wasn't introduced by VRE and is a mechanism for the state to fill the slots for a specific timeframe if VRE can't add service within a specific amount of time. He described it as a backstop in the event VRE doesn't want to operate planned additional service.

Commissioner Kelly said he's also concerned about committing locally generated money, which was supposed to be used to help VRE expand, to this project. He asked if there's an opportunity to have further discussions during the life of the agreement with the state. Mr. Dalton said the agreement is in perpetuity until the NVTC and PRTC stop VRE service but there's an opportunity to revisit the agreement in five year increments.

Commissioner Kelly said he hopes the DRPT representative to PRTC's Board will take this discussion back to the state and send back an explanation of the state's position.

Commissioner Skinner asked if the agreement will enable bi-directional VRE service. Mr. Dalton said the true key to bi-directional service is the new Long Bridge which won't be built until near the end of the 10 year period.

Commissioner Horsley said he would relay Commissioner Kelly's concerns to DRPT's rail division.

Commissioner Barker said the state wants to maximize the utilization and benefits of the rail tracks.

Approval of VRE Action Items – [RES 20-12-03]

Commissioner Boddye moved with a second by Commissioner Bailey. There was no discussion on the motion. (BODDYE/BAILEY; UNANIMOUS)

- **Accept and Authorize Distribution of the VRE FY2020 Comprehensive Annual Financial Report – [RES 20-12-04]**
- **Authorize the VRE CEO to Execute an Agreement for Design, Construction, Operations and Maintenance of a Parking Garage at the VRE Manassas Park Station – [RES 20-12-05]**
- **Authorize the VRE CEO to Execute a Passenger Rail Operations and Access Agreement with the Virginia Passenger Rail Authority – [RES 20-12-06]**
- **Authorize the VRE CEO to Execute a Passenger Rail Improvements and Funding Agreement with the Virginia Passenger Rail Authority – [RES 20-12-07]**
- **Approve the 2021 VRE Legislative Agenda – [RES 20-12-08]**

Public Comment Time – 7
Five comments were received, read into the record, and are attached to this document.

Consent Agenda – 8 [RES 20-12-09]
Commissioner Boddye moved with a second by Commissioner Sebesky. Dr. Schneider gave a brief overview of each item. Commissioner Guzman asked how adding Juneteenth to the PRTC Leave Policy will affect bus service. Dr. Schneider said bus service will be operated but most employees will have the day off. Employees who work on that day will have a floating holiday that can be used at a later time. (BODDYE/SEBESKY, UNANIMOUS)

- **Acceptance of the PRTC Monthly Jurisdictional Financial Report for the Period Ended August 31, 2020 - [RES 20-12-10]**
- **Adopt the Proposed PRTC 2021 Board of Commissioners Meeting Schedule - [RES 20-12-11]**
- **Approve the Amended PRTC Leave Policy - [RES 20-12-12]**
- **Approve the PRTC Telework Policy - [RES 20-12-13]**
- **Authorize the Executive Director to Issue a Request for Proposals for the Design and Production of Bus Schedules and Bus Stop Information Displays - [RES 20-12-14]**
- **Endorse the PRTC Congestion Mitigation and Air Quality Funding Request for FY2027 - [RES 20-12-15]**

PRTC Executive Director's Time – 9
Dr. Schneider updated the Board on the following items:

Bus Fleet

- The purchase of six vehicles, funded through I-66 grant services, was approved in early 2020. The vehicles will be on the assembly line in late December and delivered in early spring. They will replace older vehicles that are still in service. While OmniRide is mindful that bus services have decreased due to the pandemic, there are growth opportunities in the future and hope in a COVID vaccine.

- OmniRide is identifying fleet vehicles to be relocated to the Western Facility for the start of services from there in April 2021.

- Ridership is continuing to climb. In October, ridership was about 25 percent of normal on commuter services and 65 percent on local services. Another dip in ridership may take place due to the recent increase in cases of COVID nationwide. For example, the Pentagon, which is OmniRide's top destination, had 60 percent of staff reporting in person but that's being reduced to 40 percent due to rising COVID cases.

- On November 30, OmniRide suspended several state-funded routes which had run out of funding. OmniRide had been offsetting the state funding with fares but due to a lack of fare revenues, the majority of state money was used in the first six months. A Service Change was supposed to take place

in early November but because it was delayed, OmniRide had to cover the cost of running those services which amounted to an extra $150,000. That will be reimbursed by CARES Act money, but that's an example of how OmniRide is working to contain costs so we can have more services for a longer time period.

Keolis Update

In response to concerns raised during Public Comment Time, Keolis General Manager Barbara Murdock advised:

- Safety is Keolis' first concern for employees, riders and the community. There are no DOT violations with the new schedules, and we recognize that change is hard.
- On November 30, the bid run pick started and only seven of 144 operators did not pick a run. Per the union agreement those runs were selected by their union representative. The runs do not violate state or federal regulations.
- We will educate and teach the team innovative processes for run-cutting.
- A Run Bid Committee has been created to get input prior to the runs being selected for the next Service Change in April 2021.
- The first month of service went well with on-time buses, low absenteeism, and buses are being cleaned and sanitized twice a day.

Chair Franklin asked Ms. Murdock to explain the type of outreach to employees that's taking place. Ms. Murdock said all runs were posted in the break room so each individual could review them. Some drivers expressed concerns and the team sat with each one to go over the run. Ms. Murdock said she believes this is the first time the drivers have had such involvement in the run pick. A bid committee has been established to get input for future run picks. Keolis had difficulty getting information about the past run cuts, she added.

Commissioner Boddye said many drivers raised concerns about driving different runs on different days and asked how that inconsistency is being addressed. Keolis Regional Vice President Mike Ake said run changes are always a problem because all drivers would like to work from 8 am to 5 pm Monday through Friday, but transit doesn't work that way. There were 13 renditions of this run cut with changes based on input from drivers, the local union and the international union.

Because of the service reduction, the number of runs without split shifts has gone from 45 to 39, and the number of runs with split shifts have gone from 108 to 106, Mr. Ake said. The current run cut has one run with fewer than 30 hours while the new run cut has no runs with fewer than 30 hours. The current run cut has seven runs with between 30-35 hours of work, and the new run cut has six runs with between 30-35 hours of work. The current run cut has 103 runs between 40-45 hours; the new run cut has 57 with 40-45 hours. All the statistics show a slight improvement from the current run cut to the new run cut, Mr. Ake said, but when service is reduced – even by a little bit – it has a ripple effect on everybody's runs.

Commissioner Boddye said opening the Western Facility will have an impact on the drivers' runs and he hopes these issues are resolved well before then.

Commissioner Angry said we're in a delicate situation with a new contractor and that he knows change is hard. He recommended referring to the comments read during Public Comment Time as concerns rather than complaints, and said it's going to take time to get to the point where things are running smoothly. He asked everyone to hang in there and start this transition with a clean slate. He also asked if there could be a driver shortage once things return to normal. Mr. Ake said there's no current driver shortage, but more drivers would be needed when service returns to pre-COVID levels. PRTC is very competitive in entry-level wages for drivers, he added.

Chair Franklin reiterated Commissioner Angry's comment that this is a period of transition and she wants an open and transparent working relationship with Keolis where bus operators are actively involved. Anyone with concerns can submit public comments and reach out to the Board, and members will do their best.

Legislative Update

Dr. Schneider said a potential federal government shutdown on December 11 could cause a further drop in ridership.

On December 1, a bipartisan Senate bill was introduced that would provide $450 billion earmarked for transportation. There are many needs at large transit systems around the country, and if the bill passes that doesn't mean any money will trickle down to OmniRide, which is considered to be mid-sized. We're working with APTA and our elected officials to make our voice heard. Continuity of service and preserving employment is our focus.

Commissioner Guzman asked if OmniRide is reducing bus service hours. Dr. Schneider said 85 percent of commuter trips have been operating since late June, and on November 30 several low-ridership commuter routes were eliminated. This schedule is expected to remain in effect until April unless there are circumstances that force changes. Local bus services would remain intact, and hopefully the additional stimulus package will come through, Dr. Schneider said.

Presentations and Information Items – 10

OmniRide's HR Director, Becky Merriner, gave an update on the PRTC Classification and Compensation Study and said the final report has been delayed due to COVID-19.

Commissioner Lawson said she wants to be on record that implementing the Study results will be a high hurdle to clear unless financial circumstances change for the better.

PRTC Action Items – 11

Ratification of a Grant Application Submitted Through the Transit-Oriented Development Planning Program for Federal Funding from the Federal Transit Administration 11.2 - [RES 20-12-16]

Dr. Schneider said Transit-Oriented Development is about multi-use developments that include transit at its core. Prince William County wanted to apply, and PRTC is the grant recipient. Because of the grant deadlines, we were unable to get the Board's approval prior to submitting the application. The Board is being asked to ratify it after the fact. Dr. Schneider thanked Paolo Belita from Prince William County and Betsy Massie and Perrin Palistrant from PRTC for their work on the grant. Commissioner Angry moved with a second by Commissioner Bailey. There was no discussion on the motion. (ANGRY/BAILEY; UNANIMOUS)

Approve the 2021 Legislative Agenda – 11.3 - [RES 20-12-17]

Dr. Schneider gave a brief overview of the four items on the draft Legislative Agenda:

- Federal and state COVID-19 stimulus and economic relief
- Preserve state revenues to address the Virginia Transit Capital shortfall
- Meetings held through electronic communication means
- Support state restoration of NVTA revenues

Dr. Schneider thanked Commissioner Rishell for her work on the Legislative Agenda.

Commissioner Lawson said the language in VRE's approved Legislative Agenda regarding electronic meetings is different than PRTC's and she asked if Commissioners want to adopt the VRE language for PRTC's Legislative Agenda.

Ms. Pandak said the state's FOIA Council has recommended language that adds more flexibility and would allow members to attend a maximum of 25 percent of meetings electronically each year instead of two meetings per

year. It also would expand the reasons to attend meetings electronically to include caring for a family member. She noted that Virginia continues to be in a state of emergency due to the pandemic, and this language would apply once the state of emergency ends.

Commissioner Barker said he will abstain from the vote because the Legislative Agenda will come before his committee in the General Assembly, but he believes either option – the language from the VRE Legislative Agenda or the FOIA Council – would be acceptable.

Chair Franklin said she believes the greater the flexibility, the better and asked if the Board wanted to adopt the VRE language.

Commissioner Boddye said for consistency's sake he supports the VRE language because it was brought up at the NVRC meeting as well.

Commissioner Rishell asked if the VRE language was consistent with the FOIA Council language. Ms. Pandak said she was unsure. Commissioner Rishell said she'd prefer to be consistent with the FOIA language over the VRE language.

Commissioner Lawson said they don't match but are complementary.

Commissioner Kelly said he has an issue with deferring to other organizations and the state. Instead PRTC should decide what it believes and ask for it. The more flexibility, the better, he said.

Commissioner Skinner said he agrees with Commissioner Kelly.

Commissioner Guzman departed at approximately 9:00 p.m.

Ms. Pandak suggested that the Commissioners talk with members of the General Assembly about their experiences during the pandemic with effectiveness and public transparency because those are key factors that will weigh into any discussion of changing the exemptions to in-person meetings.

Commissioner Lawson moved with the additional language that was included in the VRE Legislative Agenda. The motion was seconded by Commissioner Kelly.

Dr. Schneider said PRTC's language was left open-ended to accommodate the multiple jurisdictions that are part of the Board.

Commissioner Lawson said she likes the FOIA Council language more than the VRE language.

Commissioner Rishell asked if the VRE language would completely eliminate the maximum number of meetings that could be attended electronically. Commissioner Lawson said it supports removing the state limit on electronic participation in meetings.

Commissioner Lawson asked if the Board would support striking her previous amendment to the Legislative Agenda in favor of adding the FOIA Council language which would enable members to participate electronically in up to 25 percent of meetings. Commissioner Rishell agreed with that amendment. Commissioner Kelly, who had seconded the initial motion, agreed.

Chair Franklin asked which language was adopted by NVTC. Dr. Schneider said he doubts they have the FOIA Council language because it was just released the previous day. He said PRTC will coordinate with NVTC. Chair Franklin asked if the FOIA language was more flexible than the VRE language because she believes PRTC should go with whichever is more flexible; therefore on principle she supports the VRE language.

(LAWSON/KELLY; FRANKLIN VOTES NAY; CARTER AND BARKER ABSTAIN)

Commissioner Ralph Smith departed at approximately 9:15 p.m.

Chair's Time - 12

Election of the Nominating Committee for 2021 PRTC Officers and VRE Operations Board Members and Alternate Members – [Res 20-12-18]

Chair Franklin said the Board must elect a Nominating Committee which will propose the 2021 slate of officers for PRTC as well as members and alternates to the VRE Operations Board. The slate of officers and appointments needs to be given to Dr. Schneider by Monday, January 4, 2021, to be included in the January meeting packets as required by Bylaws.

The following nominations have been received: Victor Angry, Prince William County; Cindy Shelton, Stafford County; Pam Sebesky, City of Manassas; Jeanette Rishell, City of Manassas Park; Matt Kelly, City of Fredericksburg; and Deborah Frazier, Spotsylvania County. Commissioner Sebesky moved with a second by Commissioner Angry. There was no discussion on the motion. (SEBESKY/ANGRY; UNANIMOUS)

Chair Franklin thanked Commissioners Lawson and Rishell for their work on PRTC's and VRE's legislative package.

Regarding the bus operators, Chair Franklin said the Board hears their concerns and is working with Keolis to resolve the issues. She also thanked Keolis for the job it's done so far and asked for everyone's patience.

Commissioners' Time - 13

Many Commissioners wished everyone happy holidays.

Adjournment – 14

There being no further business to come before the Commission, Chair Franklin entertained a motion to adjourn. Commissioner Kelly moved, with a second by Commissioner Bailey. There was no discussion. (KELLY/BAILEY, UNANIMOUS)

The meeting was adjourned at 9:19 p.m.

DRAFT

Christine Rodrigo

From: Marcus Anduze [mailto:anduze@comcast.net]
Sent: Tuesday, November 24, 2020 4:32 PM
To: Christine Rodrigo <crodrigo@omniride.com>
Subject: Fwd: Schedule Disapproval

Sent from my iPhone

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Have a great weekend.

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www.KeolisNorthAmerica.com

Christine Rodrigo

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Sent: Tuesday, December 1, 2020 7:47 PM
To: Margaret Franklin; Christine Rodrigo
Subject: Runs

Categories: Yellow Category

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Sincerely,
Lisa

Sent from Yahoo Mail on Android

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From: Teresa Taylor <mte8252@gmail.com>
Sent: Wednesday, December 2, 2020 9:53 AM
To: Christine Rodrigo
Subject: Keolis

Categories: Yellow Category

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Thank you,
Ms Taylor

Christine Rodrigo

From: giovany zelaya <irisealvarez@yahoo.com>
Sent: Wednesday, December 2, 2020 11:19 PM
To: Christine Rodrigo
Subject: New Routes

Categories: Yellow Category

Hello,

This is Iris Alvarez, I have been a bus operator for 15 years. I am just emailing you to express my concerns about the new routes. As you know many of us have children to take care of. The new routes are causing us a lot of stress at different times, days, and routes. Not only that some routes are not letting us have proper resting time. Which can hinder our performance at work. I hope you take into thought all of this. I appreciate your time!

Thank you,
Iris Alvarez

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From: Raychel DeCarlo <jenniferismerio@yahoo.com>
Sent: Thursday, December 3, 2020 4:49 PM
To: Christine Rodrigo
Subject: Please read out loud

I'm sorry for any typos. I wrote as fast as I can type. Thank you for this exception!
Here is my page. I wrote it in word to make sure:

My husband is a bus driver for PRTC. Yes, Keolis just took over the contract in Woodbridge that went into affect in November 1, 2020. Do not let them fool you, they are not new to transportation, to the USA, or even new to Virginia. They operate in 16 countries including 6 states in the USA. They operated have a transportation location here in Virginia for 10 years. Yet they are trying to give our drivers schedules that will put drivers at risk. They are at risk of accidents and loss of their jobs due to their inability to get proper rest, meals, exercise, and distractions from stress.

When my husband applied to Keolis, he included that he has a disability. He put the ONLY accommodation he needs is for me to have full access to all relevant information to help him and to be 100% involved in the bidding process. I spoke to Trish, the transition manager for Keolis before November 1 and was assured that they would comply.

This week, I was denied three times from accessing the "quiet room" where all the schedules were posted on the walls. There is no private information in that room, just schedules. Visitors are allowed in that room. Except me this week. They refused to give me a reason why.

It is worth noting that I am a commercial driver. I do understand the "typical" bidding process and terminology. I do not work for Keolis. I used to work for First Transit in another state. In my embankment for information to help me husband, here are some things that I have learned:

-I have a a packet of changes made to 27 schedules was given to me at 12:15 the day of my husbands deadline to make his final decision only 2 hours before his deadline!
-Carolyn (who my meeting was with) said each driver is informed of these changes the moment they come in to bid. It was never told to the location's union representatives that changes were being made, and nothing was posted, or sent to the drivers until I shared the packet given to me in an unofficial group chat with Ms Gwen. She is a good person who genuinely cares about these drivers!
-Trish the transition manager said there is a National level paid union representative. The next day, Carolyn said there has never been Anyone from "national" That's a Sonny reference.
-Sonny is a paid "union" representative who is supposed to help the union and company solve issues. Instead, he is playing an active role of replacing the yard's elected union officials, and he is only representing the company's interests and stances. Even in my situation, he refused to help me advocate for my husband or he'll us get access to all information to make the best decision on picking a schedule.
-drivers who refuse are immediately given a "similar" route to their route now, by Sonny who signs off on it.
-on day 1 of 4 that drivers were to turn in their "bids" to pick their schedules by seniority, 100% of the 40 drivers scheduled refused to turn in their bids. In the group chat (I saw), and in person these drivers were concerned about the safety of these schedules.the top 40 drivers have been with this yard over 11 years! They all were so concerned that they ALL gave up their seniority to prove a point and to get the attention of this company to do better!
-Sonny is very proud that he "convinced 22" of the drivers to put in a bid. There is a video of that day showing Sonny yelling at drivers to turn in their bid at risk of loosing their jobs and comparing this yard to Metro who's drivers recently went on strike. He was YELLING at them! Does this sound like a union official who cares about the drivers? He is paid by these drivers.

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ITEM 6
January 14, 2021
PRTC Regular Meeting

Virginia Railway Express (VRE) Chief Executive Officer's Time

6.1 Chief Executive Officer's Report – December 2020
6.2 Adopt and Refer the Amended FY2021 and Recommended FY2022 Virginia Railway Express Operating and Capital Budgets to the Jurisdictions
6.3 Authorize Closed Meeting
6.4 Certify Closed Meeting
6.5 VRE Information Items:

- **December 2020 Update**
- **Agenda, Minutes, and Resolutions of the December 18, 2020 VRE Operations Board Meeting**
- **Spending Authority Report**
- **VRE's Transit Asset Management Plan Update for 2020**

CEO REPORT

DECEMBER 2020

OUR MISSION

The Virginia Railway Express, a joint project of the Northern Virginia Transportation Commission and the Potomac Rappahannock Transportation Commission, will provide safe, cost-effective, accessible, reliable, convenient, and customer responsive commuter-oriented rail passenger service. VRE contributes to the economic vitality of its member jurisdictions as an integral part of a balanced, intermodal regional transportation system.

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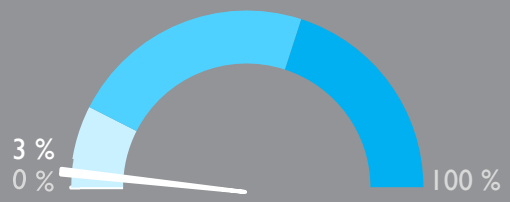
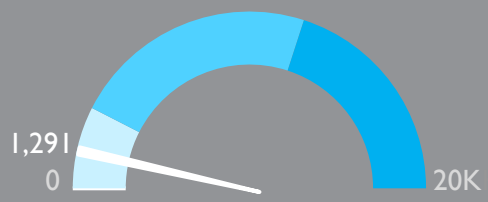
PARKING UTILIZATION 9
FACILITIES UPDATE 10
UPCOMING PROCUREMENTS 11
CAPITAL PROJECTS UPDATES 12
NOTES 19

SUCCESS AT A GLANCE



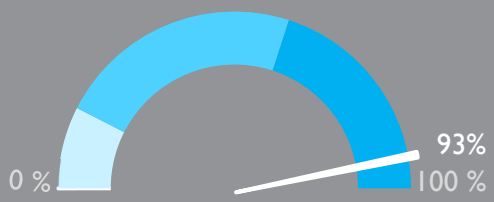
PARKING UTILIZATION

The total number of parking spaces used in the VRE system during the month, divided by the total number of parking spaces available.



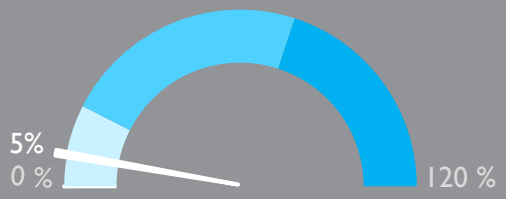
AVERAGE DAILY RIDERSHIP

The average number of boardings each operating day inclusive of Amtrak Step-Up boardings and reduced, "S" schedule, service.
Same month, previous year: 17,581



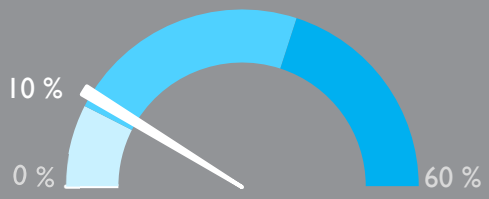
ON-TIME PERFORMANCE

Percent of trains arriving at their destination within five minutes of the schedule.
Same month, previous year: 85%



SYSTEM CAPACITY

The percent of peak hour train seats occupied. The calculation excludes reverse flow and non-peak hour trains.



OPERATING RATIO

Through October 2020

Year-to-date operating revenues divided by year-to-date operating expenses, which represents the share of operating costs paid by the riders.
Board-approved goal: 52%

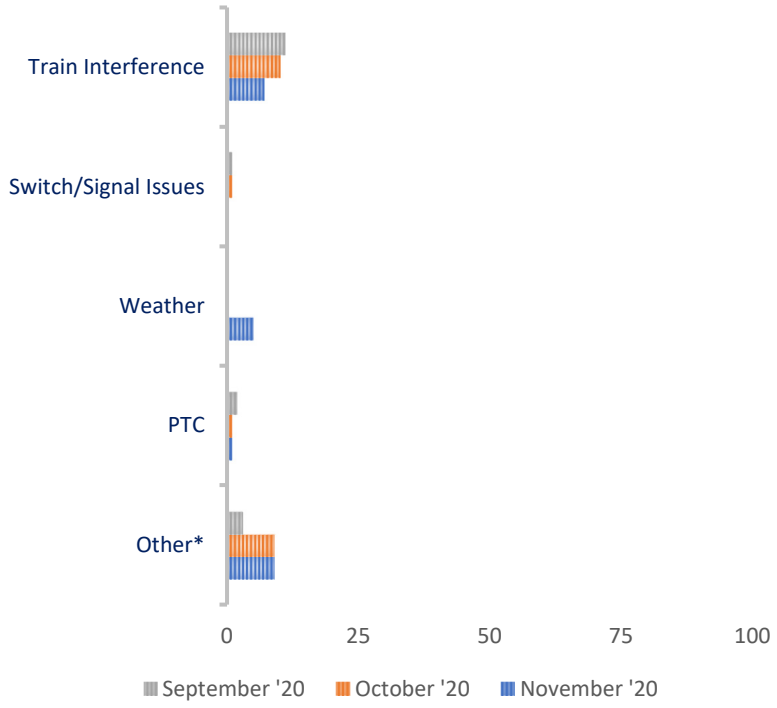
November 2020

ON-TIME PERFORMANCE

OUR RECORD

	November 2020	October 2020	November 2019
Manassas Line	94%	95%	74%
Fredericksburg Line	92%	94%	83%
Systemwide	93%	94%	79%

PRIMARY REASON FOR DELAY



*Includes trains that were delayed due to operational testing and passenger handling.

VRE operated 324 trains in November. Our on-time rate for November was 93 percent.

Twenty-two trains arrived more than 5 minutes late to their final destinations. Of those late trains, eight were on the Manassas Line (36 percent), and 14 were on the Fredericksburg Line (64 percent).

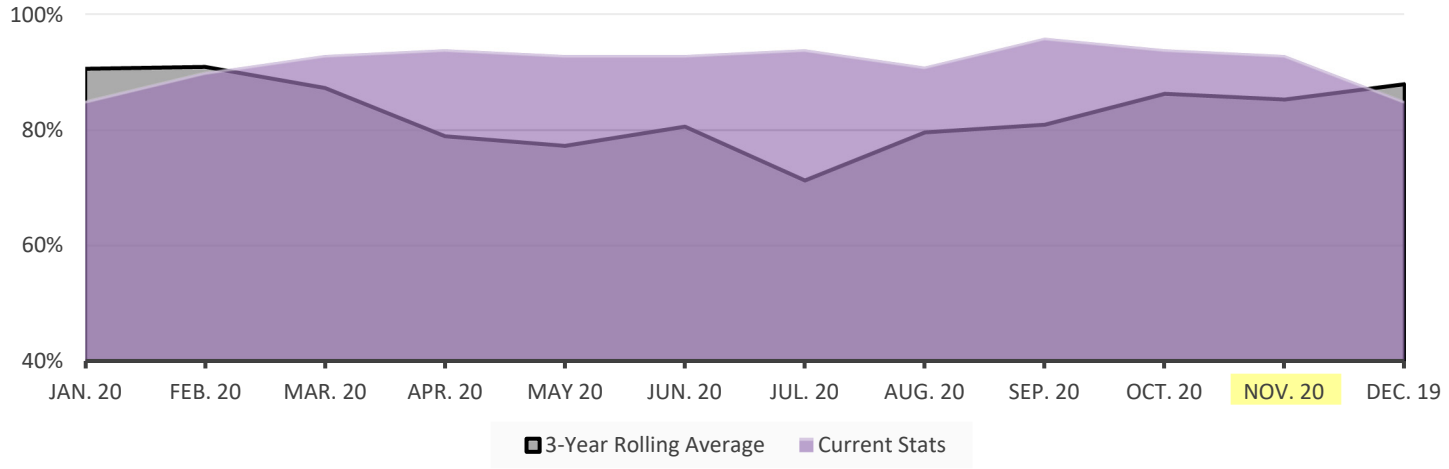
On-time performance for the month was 93%. Over half of the reported delays can be attributed to three days that had delays affecting multiple trains.

LATE TRAINS

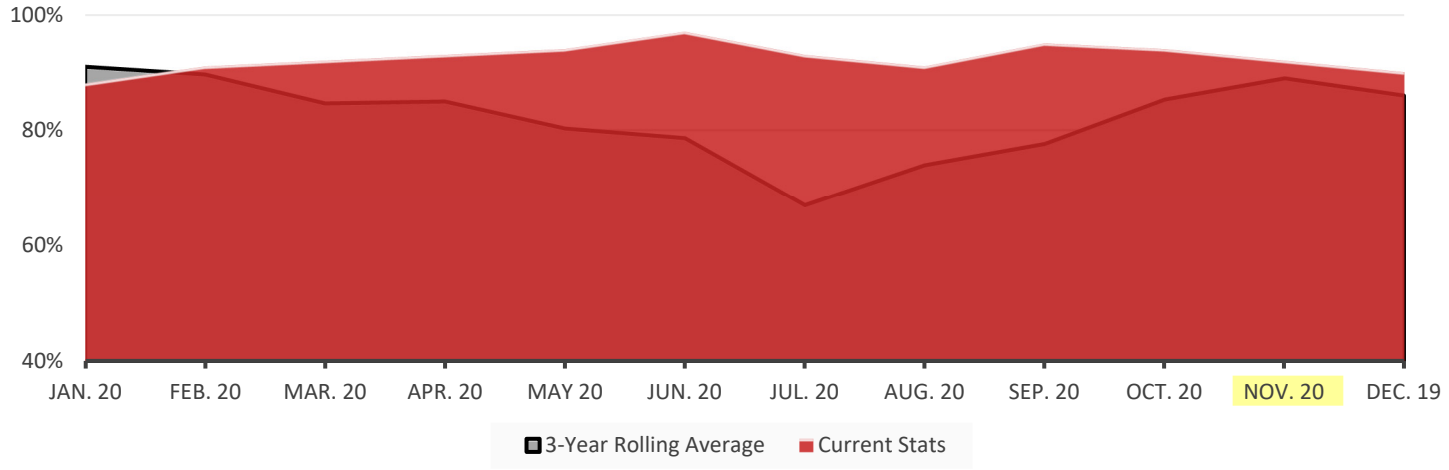
	System Wide			Fredericksburg Line			Manassas Line		
	Sept	Oct	Nov	Sept	Oct	Nov	Sept	Oct	Nov
Total late trains	17	21	22	11	12	14	6	9	8
Average minutes late	13	12	33	13	13	35	14	11	30
Number over 30 minutes	0	0	5	0	0	3	0	0	2
Heat restrictions	0	0	0	0	0	0	0	0	0

ON-TIME PERFORMANCE

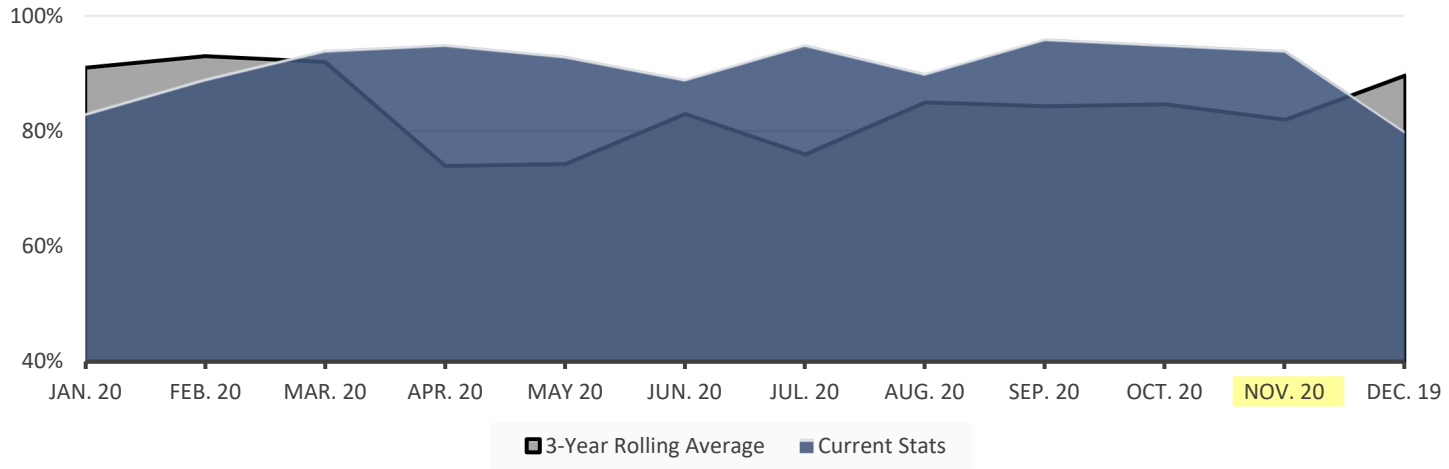
VRE SYSTEM



FREDERICKSBURG LINE

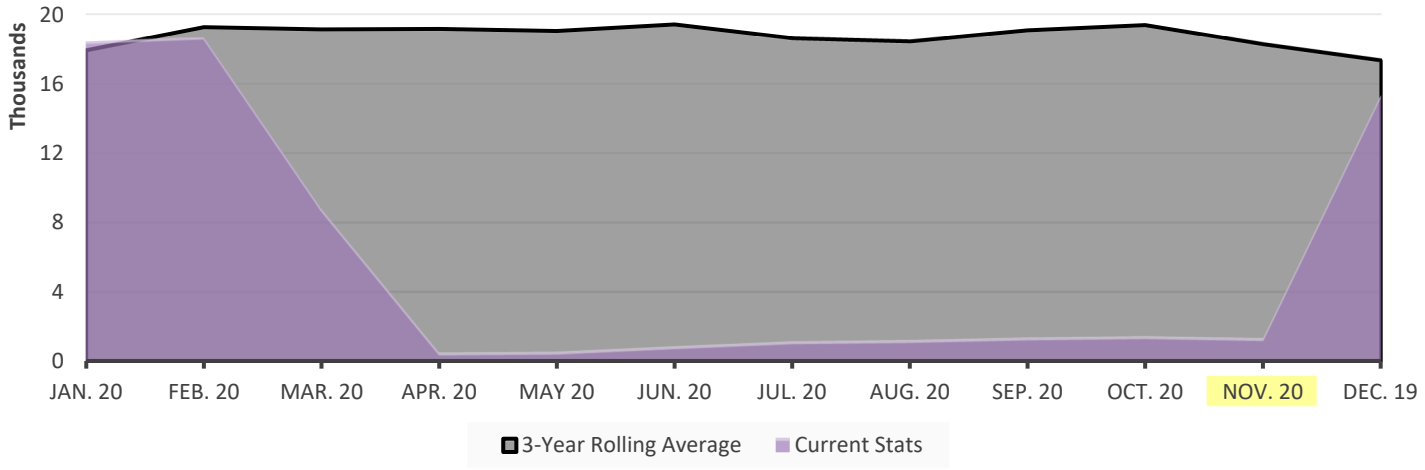


MANASSAS LINE

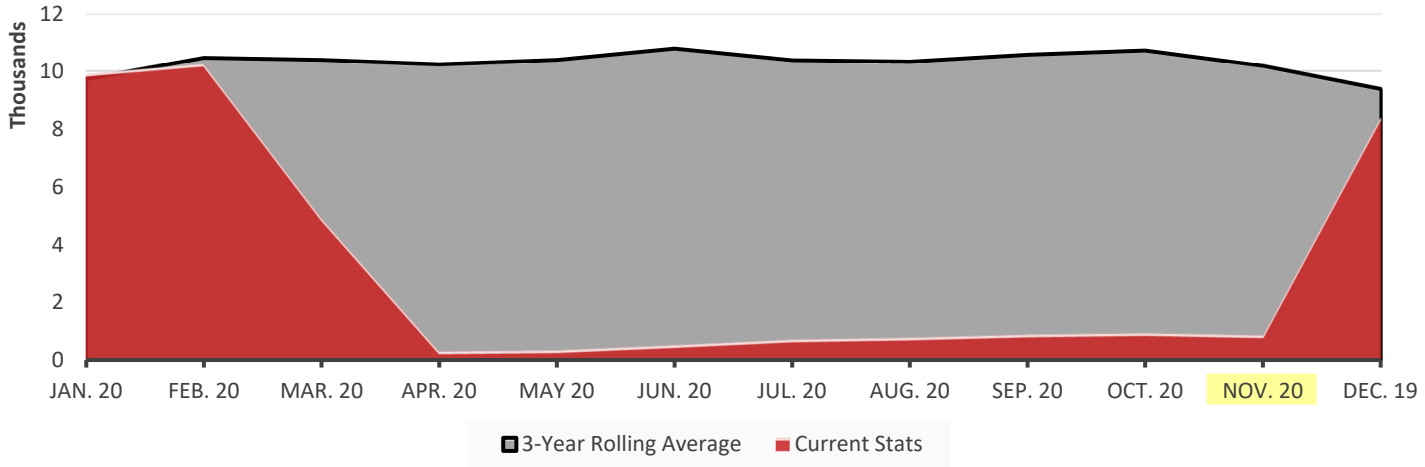


AVERAGE DAILY RIDERSHIP

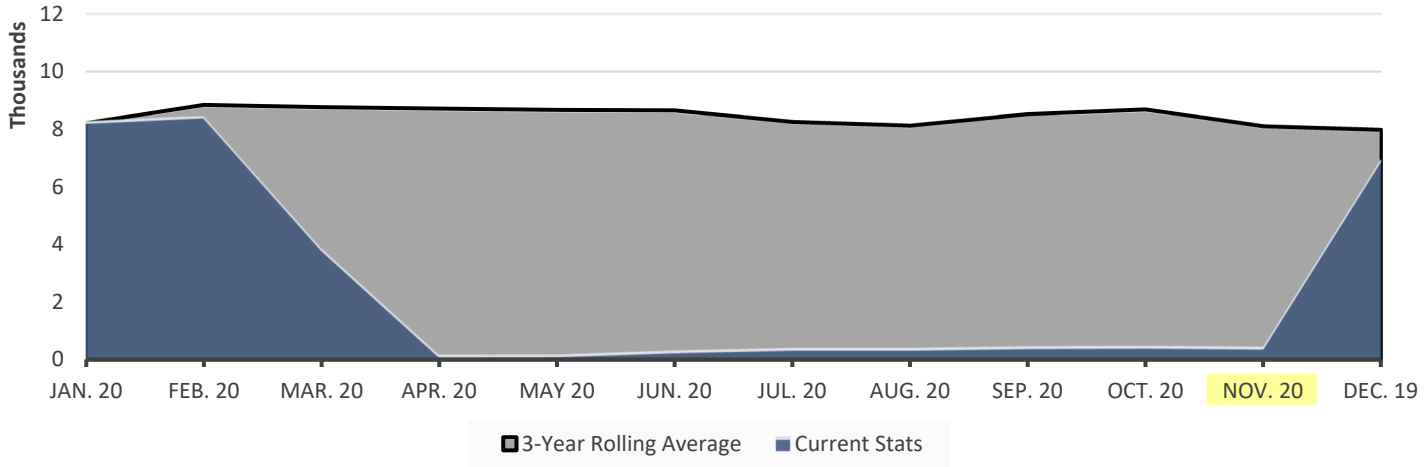
VRE SYSTEM



FREDERICKSBURG LINE



MANASSAS LINE



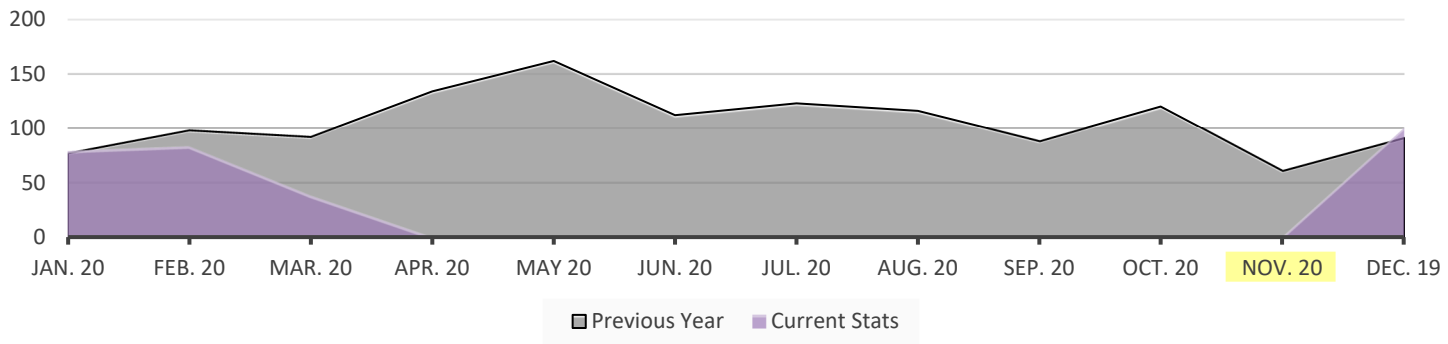
RIDERSHIP UPDATES

Average daily ridership (ADR) in November was 1,291. ADR pulled back slightly from October numbers, which could be attributed to the traditional slowdown for the holiday season. We continue to operate an "S" Schedule Plus (which includes trains 300 and 307), as necessitated by the COVID-19 pandemic.

	November 2020	October 2020	November 2019
Monthly Ridership	23,242	29,383	334,031
Average Daily Ridership	1,291	1,399	17,581
Full Service Days	0	0	18
"S" Service Days	18	21	1

SUMMONSES ISSUED

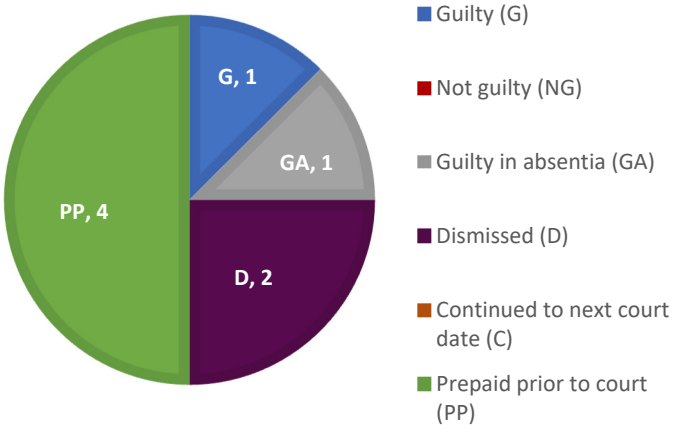
VRE SYSTEM



SUMMONSES WAIVED OUTSIDE OF COURT

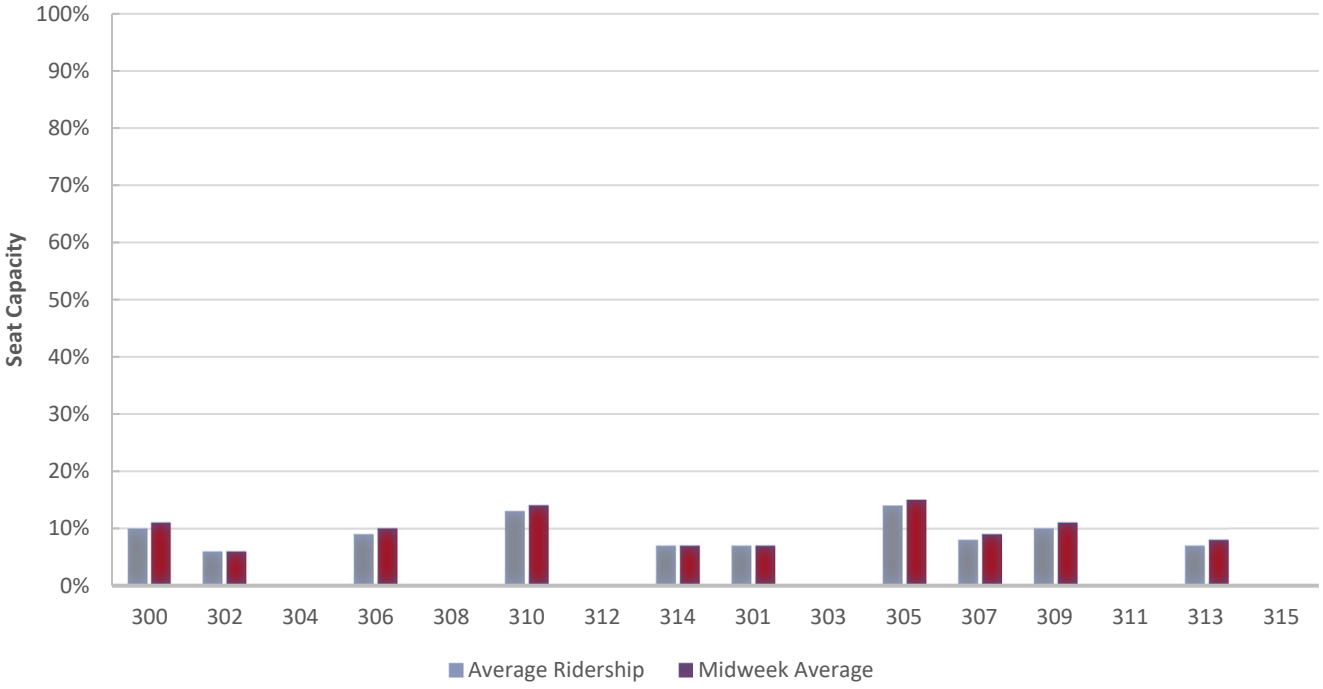
Reason for Dismissal	Occurrences
Passenger showed proof of a monthly ticket	0
One-time courtesy	0
Per the request of the conductor	0
Defective ticket	0
Per ops manager	0
Unique circumstances	0
Insufficient information	0
Lost and found ticket	0
Other	0
Total Waived	0

MONTHLY SUMMONSES COURT ACTION

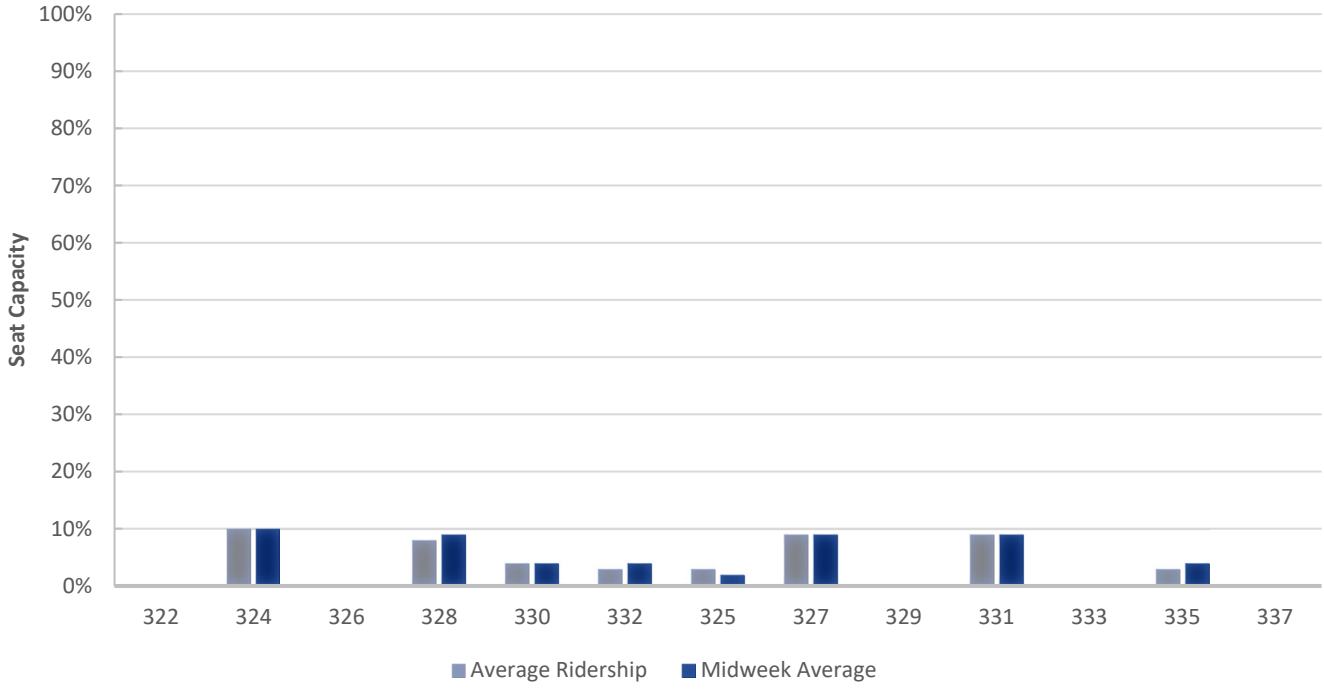


TRAIN UTILIZATION

FREDERICKSBURG LINE

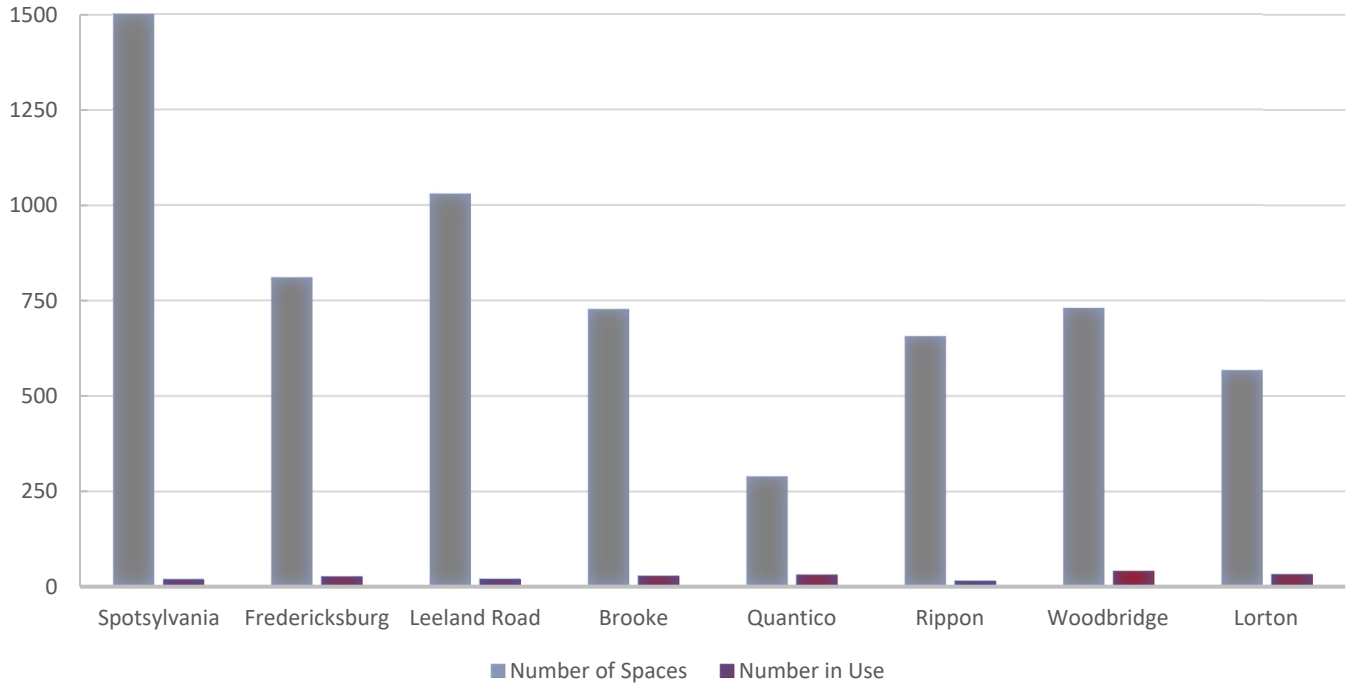


MANASSAS LINE

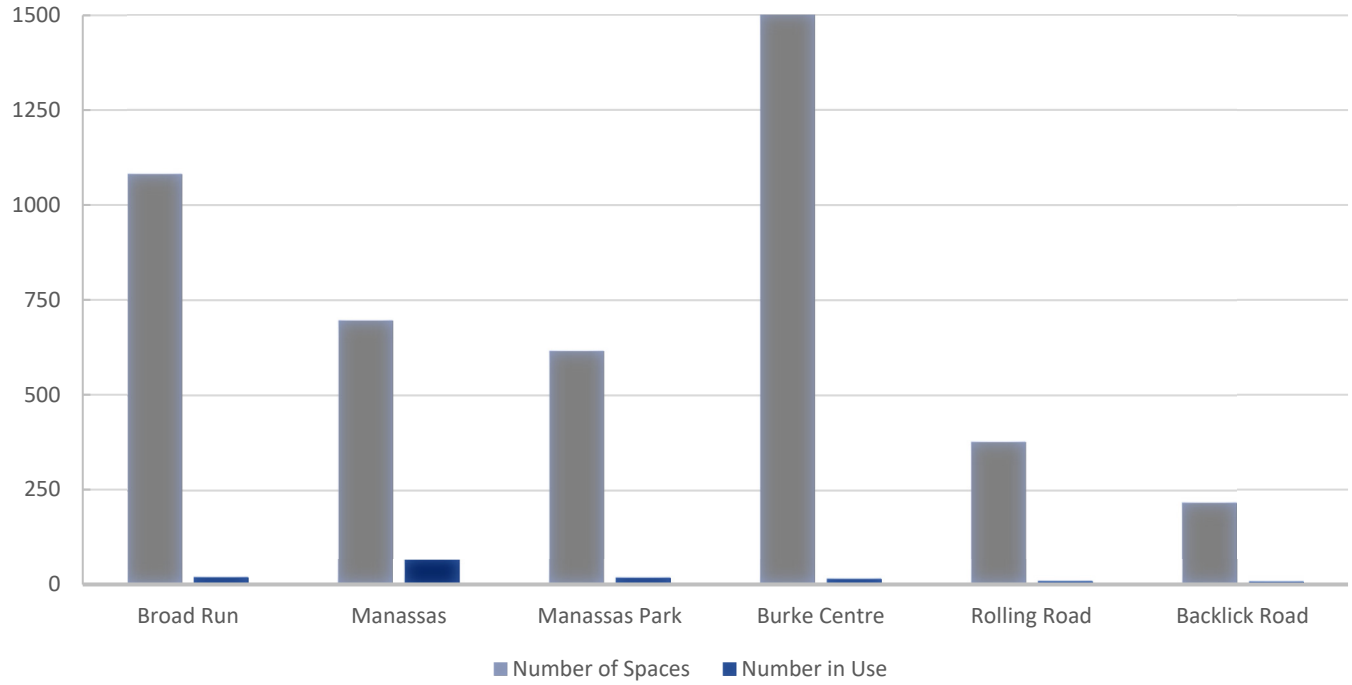


PARKING UTILIZATION

FREDERICKSBURG LINE



MANASSAS LINE



FACILITIES UPDATE

The following is a status update of VRE facilities projects.

Quantico pedestrian crossing following CSX Potomac Avenue grade-crossing replacement

Completed projects:

1. Caulking and painting of stairs at Rippon Station
2. Adjustments to pedestrian crossing at Quantico Station following CSX removal for Potomac Avenue grade crossing replacement

Projects scheduled to be completed this quarter:

1. Submission of IFB package for canopy roof replacement at Backlick Road Station
2. Submission of IFB package for replacement of tactile warning strips at various stations

Projects scheduled to be initiated this quarter:

1. Issuance of GEC Task Orders for design of minor structural repairs at Franconia-Springfield, Woodbridge, Rippon, Brooke and Manassas Stations
2. Repair of minor cracks in west platform at Woodbridge Station
3. Replacement of west platform and canopy lighting at Woodbridge Station
4. Repair of platform sealer delamination at Spotsylvania Station
5. Replacement of lighting at Manassas Station parking garage
6. Issuance of general signage services Request for Quotes

Ongoing projects:

1. Design of waiting area at L'Enfant Station
2. Replacement of signage at Franconia-Springfield, Woodbridge and Leeland Road stations
3. Replacement of waste and recycling receptacles at various stations
4. Construction of renovations to Alexandria headquarters

UPCOMING PROCUREMENTS

- Program management services
- Canopy roof replacement at the Backlick Road Station
- Modernization of VRE Woodbridge Station east elevator
- Passenger car wheelchair lift assemblies
- Purchase of LED light fixtures
- Construction of L'Enfant south storage track wayside power
- Variable Messaging System replacement
- Tactile strip replacements
- Pavement repairs and striping at the Rippon and Leeland Road stations and Fredericksburg Lot G
- Franconia-Springfield Station painting services
- Final design services for VRE Broad Run expansion
- Renewal of locomotive head end power engine systems
- Overhaul of emergency generators
- Headquarters renovations
- Website management services
- Construction management services for Fredericksburg Station platform rehabilitation

CAPITAL PROJECTS UPDATES

The following is a status update of VRE capital projects.

Completed projects or major project milestones:

1. Long Bridge Project (*study by others*) – Virginia and the District of Columbia have concluded the environmental planning process. DRPT is evaluating responses to its RFP for architectural/ engineering consulting services.
2. The Franconia-Springfield Station Improvements draft 90% complete plans and specifications were submitted to CSXT for review and comment.

Projects or project phases scheduled to be completed this quarter:

3. Franconia-Springfield Station Improvements final 90% complete plans
4. Rippon Station Improvements draft 30% complete plans
5. Brooke Station Improvements draft 30% complete plans
6. Leeland Road Station Improvements draft 30% complete plans
7. Broad Run Expansion (BRX) Section 106 Consultation
8. Construction of Benchmark Road Slope Stabilization Complete (Hamilton to Crossroads overall project/funding closeout and stakeholder concurrence anticipated this quarter)

Projects or project phases scheduled to be initiated this quarter:

9. Execution of Contract for Construction of Quantico Station Improvements and Pre-NTP activities - NTP forthcoming
10. Execution of Contract for Construction of Lifecycle Overhaul & Upgrade Facility (LOU) and Pre-NTP activities - NTP forthcoming
11. Board Authorization, Execution of Contract for Construction of Rolling Road Station Improvements and Pre-NTP activities – NTP forthcoming
12. Execution of Contract and NTP for CM for Construction of Quantico Station Improvements

Ongoing projects:

13. Broad Run Expansion (BRX)
14. Manassas Park Parking Improvements
15. Rolling Road Station Improvements
16. Crossroads Maintenance and Storage Facility (MSF) – land acquisition completed
17. Lifecycle Overhaul & Upgrade Facility (LOU)
18. Leeland Road Station Improvements
19. Brooke Station Improvements
20. Quantico Station Improvements
21. Rippon Station Improvements
22. Franconia-Springfield Station Improvements
23. Alexandria Station Improvements
24. Alexandria Station Track 1 Access (Slaters Lane)
25. Crystal City Station Improvements
26. L'Enfant Train Storage Track - South
27. L'Enfant Station Improvements
28. New York Avenue Midday Storage Facility
29. Potomac Shores VRE Station – *design by others*
30. Washington Union Station Improvements Environmental Impact Statement – *study by others*
31. DC2RVA Environmental Impact Statement – *study by others*
32. Long Bridge Project – *study by others*

Projects Progress Report Follows

PASSENGER FACILITIES

PROJECT	DESCRIPTION	PHASE CD	PE	EC	RW	FD	CN
Alexandria Station Improvements	Eliminate at-grade track crossing, add elevators, modify platforms.	◆	◆	◆	N/A	●	
Franconia-Springfield Station Improvements	Extend both platforms and widen East Platform for future third track. À	◆	◆	◆	N/A	●	
Rippon Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass. À	◆	●	●	N/A		
Potomac Shores Station Improvements	New VRE station and parking in Prince William County provided by private developer.	◆	●	◆	N/A		
Quantico Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass.	◆	◆	◆	N/A	●	
Brooke Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass. À	◆	●	●	N/A		
Leeland Road Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass. À	◆	●	●	N/A		
Manassas Park Parking Improvements	Parking garage to increase parking capacity to 1,100 spaces.	◆	◆	●	N/A		
Rolling Road Station Improvements	Extend existing platform and rehabilitate existing station	◆	◆	◆	N/A	●	●
Crystal City Station Improvements	Replace existing side platform with new, longer island platform.	◆	●	●	N/A		
L'Enfant Station Improvements	Replace existing platform with wider, longer island platform. Add fourth track (VA-LE)	◆			N/A		

PHASE: CD - Conceptual Design PE - Preliminary Engineering EC - Environment Clearance RW - Right of Way Acquisition FD - Final Design CN - Construction

STATUS: u Completed l Underway n On Hold À part of the "Penta-Platform" program

[1] Total project cost estimate in adopted FY2020 CIP Budget; percentage complete based on VRE Operations Board authorization

[2] Does not include minor (< $50,000) operating expenditures

* $2,181,630 authorization divided across five "Penta-Platform" program stations

ESTIMATED COSTS ($)								STATUS
Total1	Funded	Unfunded	Authorized	Expended[2]	Percent Complete[1]	Project Completion Date		
31,875,014	31,875,014	-	2382759	2193257	90%	2nd QTR 2023		90% Design complete. CSX and City of Alexandria review progressing.
13,000,000	13,000,000	-	*	862,593	35%	4th QTR 2023		FD underway with anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
16,634,793	16,634,793	-	*	412,777	20%	4th QTR 2030		PE design/EC anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
No costs for VRE. Private developer providing station.					20%	TBD		Potomac Shores VRE Station design underway to include parking structure. 60% Re-Design Submittal received and under review by CSX and VRE.
18,372,949	18,372,949	0	830,833	683,892	60%	TBD		Final Funding Agreements forthcoming. Execution of Construction and CM contracts forthcoming, and pre-NTP acitivties anticipated 3rd Quarter 2020. NTP to follow.
23,391,019	23,391,019	-	*	398,377	20%	4th QTR 2030		DRPT LONP received; REF grant pending. PE design/EC anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
15,527,090	15,527,090	-	*	390,577	20%	4th QTR 2026		DRPT LONP received; REF grant pending. PE design/EC anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
25,983,000	25,983,000	0	2,238,144	670,225	30%	4th QTR 2022		Design due to site relocation to start in December 2020.
5,000,000	2,000,000	3,000,000	640,503	418,887	70%	4th QTR 2021		Contractor has been selected. Construction to begin 1st QTR 2021.
49,940,000	19,098,463	30,841,537	1,584,619	397,848	30%	2nd QTR 2024		PE & EC initiated in Oct 2019 and anticipated completion 3rd QTR 2020.
70,650,000	62,465,721	8,184,279	130,501	65,150	50%	2nd QTR 2023		DRPT LONP received. Real estate research in progress under LONP.

TRACK AND INFRASTRUCTURE

PROJECT	DESCRIPTION	PHASE CD	PE	EC	RW	FD	CN
Hamilton-to-Crossroads Third Track	2¼-miles of new third track with CSXT design and construction of signal and track tie-ins.	◆	◆	◆	N/A	◆	◆

MAINTENANCE AND STORAGE FACILITIES

L'Enfant Train Storage Track - South	Conversion of CSXT Temporary Track to VRE Storage Track (1,350 feet) and Associated Signal Work	◆	◆	◆	N/A	●	●
Lifecycle Overhaul & Upgrade Facility	New LOU facility to be added to the Crossroads MSF.	◆	◆	◆	N/A	◆	■
Crossroads Maintenance and Storage Facility - Land Acquisition	Acquisition of 19.5 acres of land, construction of two storage tracks and related site improvements.	◆	N/A	N/A	●	N/A	N/A
New York Avenue Midday Storage Replacement Facility	Midday storage facility replacement for Ivy City storage facility.	◆	●	●	●		

ROLLING STOCK

Passenger Railcar Procurement	Acquisition of 29 new railcars.	◆	N/A	N/A	N/A	◆	◆
Positive Train Control	Implement Positive Train Control for all VRE locomotives and control cars.	◆	N/A	N/A	N/A	◆	●

PLANNING, COMMUNICATIONS AND IT

Broad Run Expansion (was Gainesville-Haymarket Extension)	NEPA and PE for expanding commuter rail service capacity in Western Prince William County	◆	●	●	-	-	-
Mobile Ticketing	Implementation of a new mobile ticketing system.	◆	N/A	N/A	N/A	◆	●

PHASE: CD - Conceptual Design PE - Preliminary Engineering EC - Environment Cleaarance
RW - Right of Way Acquisition FD - Final Design CN - Construction

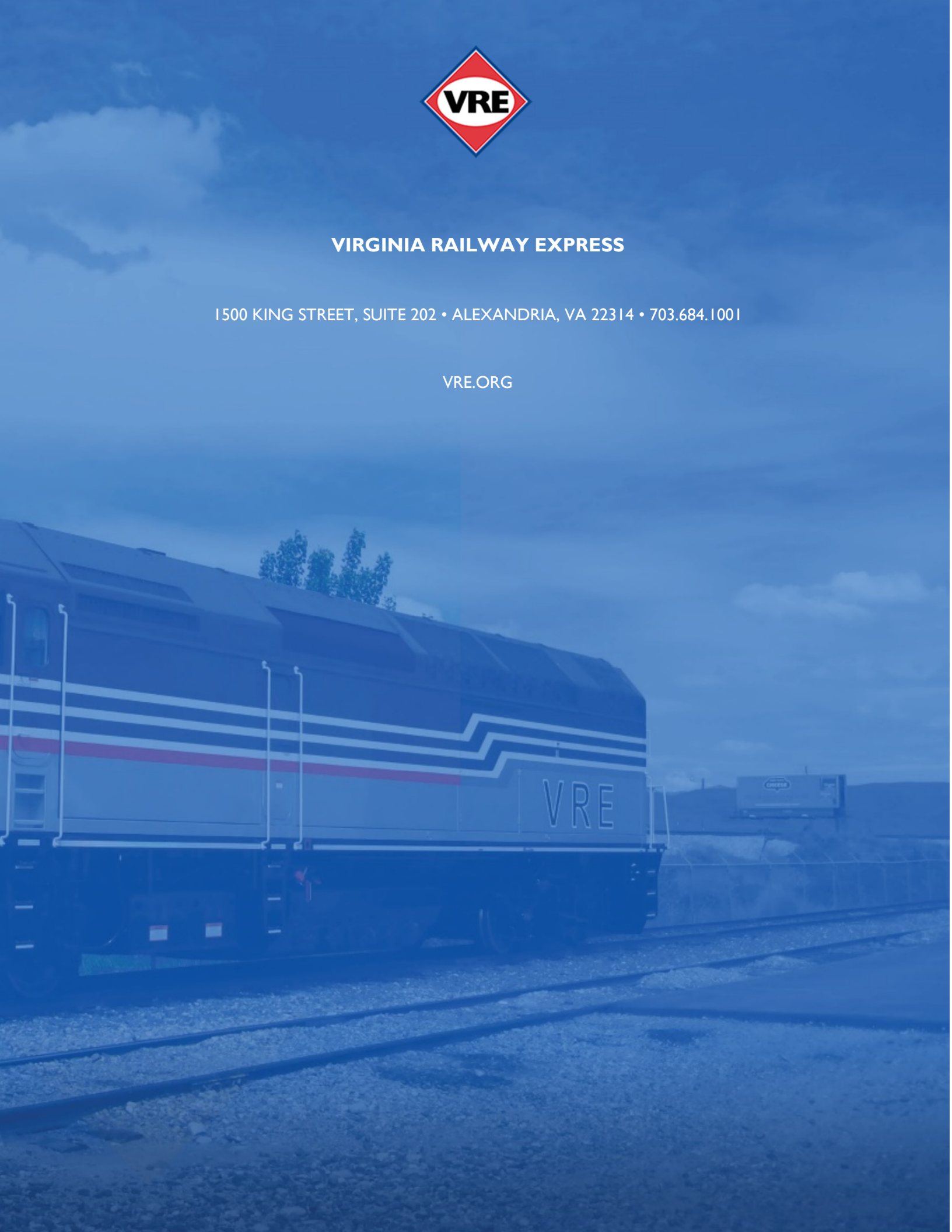
STATUS: ◆ Completed ● Underway ■ On Hold

[1] Total project cost estimate in adopted FY2020 CIP Budget; percentage complete based on VRE Operations Board authorization

[2] Does not include minor (< $50,000) operating expenditures

ESTIMATED COSTS ($)							STATUS
Total[1]	Funded	Unfunded	Authorized	Expended[2]	Percent Complete[1]	Project Completion Date	
32,500,000	32,500,000	-	33,285,519	30,578,003	100%	3rd QTR 2018	Overall Project and Stakeholder Concurrence Close-out forthcoming. Benchmark Slope
3,965,000	3,965,000	-	2,937,323	1,699,610	60%	4th QTR 2019	CSXT Construction Agreement received. CM underway.
38,183,632	38,183,632	-	3,176,039	2,143,583	70%	TBD	FD completion pending Final Electrical Design Coordination with REC. IFB anticipated 2nd
2,950,000	2,950,000	-	2,950,000	163,565	100%	1st QTR 2020	Land acquistion has been completed.
89,666,508	89,666,508	-	3,588,305	2,257,455	90%	4th QTR 2021	Preliminary design has been completed and continuing to collaborate with Amtrak on agreements.
75,264,693	75,264,693	-	69,457,809	47,915,644	99%	4th QTR 2020	All cars received. Completion date reflects end of warranty period.
14,191,833	14,191,833	-	10,294,079	7,984,451	95%	4th QTR 2018	Implementation Completed. Final stabilization and familiarization phase in process.
110,700,000	82,526,398	28,173,602	5,855,650	4,539,446	80%	4th QTR 2024	PE design and EC underway. Property acquisition due diligency underway.
3,510,307	3,510,307	-	3,510,627	2,282,853	70%	3rd QTR 2019	American Eagle working on redesign with uplift to new platform projected for late summer 2020.

NOTES



VIRGINIA RAILWAY EXPRESS

1500 KING STREET, SUITE 202 • ALEXANDRIA, VA 22314 • 703.684.1001

VRE.ORG

ITEM
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: **ADOPT AND REFER THE AMENDED FY2021 AND RECOMMENDED FY2022 VIRGINIA RAILWAY EXPRESS OPERATING AND CAPITAL BUDGETS TO THE JURISDICTIONS**

ACTION:

WHEREAS, the Virginia Railway Express (VRE) Master Agreement requires the Potomac and Rappahannock Transportation Commission (PRTC) and the Northern Virginia Transportation Commission (NVTC) (the "Commissions") be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year; and

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the recommended FY2022 Operating and Capital Budget within the guidelines developed in cooperation with the staff representatives of the local jurisdictions; and

WHEREAS, the amended FY2021 and recommended FY2022 budgets reflect the impact of the COVID-19 pandemic, which began in March 2020 and has substantially reduced VRE's ridership; and

WHEREAS, the VRE Operations Board found that a Master Agreement survey for the purposes of collecting rider data for subsidy allocation would have been challenging to safely administer in the current environment and unlikely to produce reliable results and so the planned October 2020 survey was cancelled; and

WHEREAS, the VRE Operations Board finds that the availability of additional operating assistance from the Department of Rail and Public Transportation and emergency federal funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows for VRE to supplement lost passenger revenues and achieve a balanced budget without requiring fare increases, service reductions, or increases in jurisdictional subsidy; and

WHEREAS, VRE staff recommends a budget based on a service level of 32 daily revenue trains and average daily ridership of 6,000 trips; and

WHEREAS, the FY2022 budget recommends no changes to current passenger fares, including the Amtrak Step-Up fare; and

WHEREAS, the FY2022 budget recommends no change in the total jurisdictional subsidy contribution compared to the FY2021 level, for a total amount of $18,300,780; and

WHEREAS, the VRE Operations Board recommends the following action.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission hereby adopts the FY2022 VRE Operating and Capital Budget in the following amounts and forwards this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement:

Operating Budget	$ 89,663,802
Capital Budget	96,198,922
Total Operating and Capital	$185,862,724

BE IT FURTHER RESOLVED that PRTC adopts the amended FY2021 VRE Operating and Capital Budget in the following amounts:

Operating Budget	$ 90,368,825
Capital Budget	71,283,079
Total Operating and Capital	$161,651,904

BE IT FURTHER RESOLVED that having cancelled the October 2020 Master Agreement Survey, PRTC does hereby determine that the jurisdictional subsidy in the FY2022 Operating and Capital Budget be allocated among the nine jurisdictions in the same proportions used in the FY2021 budget.

BE IT FURTHER RESOLVED that given the availability of state funding and federal CARES Act funding to supplement lost passenger revenues, PRTC does hereby determine that it is in the best interests of the Commissions and the riders of VRE that the amended FY2021 and recommended FY2020 operating budgets do not achieve a 50 percent recovery of operating expenses from passenger fares.

BE IT FURTHER RESOLVED that given the current difficulty of accurately projecting future ridership, tax revenues, and other key inputs, PRTC does hereby determine that the usual six (6)-year financial forecast shall be excluded from the FY2022 operating and capital budget and staff will resume presenting such financial forecasts in future budgets when there is less uncertainty over the pandemic recovery and potential changes to commuting behavior.

BE IT FURTHER RESOLVED that PRTC does hereby authorize the executive directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY2021 and FY2022.

BE IT FURTHER RESOLVED that PRTC does hereby authorize the executive director of PRTC to submit to the Commonwealth the approved budget as part of the FY2022 state aid grant application.

Votes:
Ayes:
Abstain:
Nays:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-D
Action Item

To: **Chair Skinner and the VRE Operations Board**

From: **Rich Dalton**

Date: **December 18, 2020**

Re: **Referral of the Amended FY 2021 and Recommended FY 2022 VRE Operating and Capital Budgets to the Commissions and Localities**

Recommendation:

The VRE Operations Board is asked to adopt the amended FY 2021 VRE Operating and Capital Budget and the recommended FY 2022 VRE Operating and Capital Budget and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their review and adoption; and to recommend the Commissions authorize the Executive Directors of NVTC and PRTC to take the necessary actions to apply for federal and state grant funding.

Summary:

Following the presentation of the preliminary FY 2022 budget in September and the budget updates in October and November, staff is presenting the recommended FY 2022 Operating and Capital Budget for adoption and referral. Despite the challenges presented by the ongoing COVID-19 pandemic, the recommended budget is balanced, with no funding gap, and with all projected uses of funding in FY 2022 supported by reasonably expected sources of funding. The FY 2022 budget includes no change in total jurisdictional contribution and no changes to passenger fares as compared to FY 2021.

Background:

In accordance with the VRE Master Agreement, which outlines the process for annual budget approval, the key issues to be addressed in the FY 2022 budget were presented to

the VRE Operations Board for discussion in July 2020, and the preliminary FY 2022 budget was prepared for review and referral at the September 2020 Operations Board meeting. Additional discussions and reviews were undertaken with the Operations Board, the members of the Finance Committee, and staff members of the jurisdictions through the VRE Coordinating Committee (VCC).

Discussion:

The recommended FY 2022 Operating and Capital Budget totals $185.9 million. The budget includes no changes to passenger fares and projects an average daily ridership of 6,000 trips, which results in projected annual fare revenue of $18.2 million. The budget includes no change to total subsidy contribution over FY 2021 levels, resulting in a total subsidy of $18,300,780 across VRE's nine jurisdictional partners. See below for additional details on the impact of the COVID-19 pandemic on both ridership and the jurisdictional subsidy.

The recommended FY 2022 operating budget of $89.7 million (which includes $6.2 million in debt-related expenses) represents a decrease of $1.7 million or 1.9% over the approved FY 2021 operating budget. The detailed operating budget assumptions are provided in the FY 2022 Recommended Budget document, but the key assumptions include:

- Sufficient budget to return to a normal service plan of 32 daily revenue trains at any point during FY 2022 when passenger demand requires it.
- No increase to passenger fares, including no change to the current Amtrak Step-Up fare.
- State operating assistance of $10.0 million. Total state assistance in FY 2021 will be $12.0 million as a result of funding reallocations by the Department of Rail and Public Transportation (DRPT) to support agencies and their day-to-day operations during the pandemic. It is difficult to project how much funding will be available next year, so the assumption is that future funding will be somewhat lower.
- Continued track access fee reimbursement by the Commonwealth – through either DRPT or the new Virginia Passenger Rail Authority (VPRA) – at a total rate of 84%, with VRE responsible for the balance (16%). In the past, track access reimbursement has been a combination of federal STP funds and state funds, but VRE has been advised that in FY 2022, all the reimbursement funding will be from state funds, with no federal participation.
- Diesel fuel expenses of $2.98 million based on expected utilization of 1.70 million gallons at a per gallon cost of $1.75. Utilization will be lower if VRE is not yet operating a full service plan of 32 daily trains by the start of FY 2022. Expected per gallon costs remain below historical levels due to the economic impact of the pandemic and are based on projections from VRE's diesel fuel consultant.
- Departmental discretionary expenses, particularly for consulting and other third-party services, have been deferred or eliminated where possible in order to reduce overall expenditures and extend the availability of federal CARES Act funding (see below for additional details).

Ridership and Fare Revenue

The epidemiological and economic outlook of the COVID-19 pandemic remains unclear as of early December 2020. A significant return of riders to VRE depends on employees returning to work in their offices, which in turn depends on many factors, in particular public health guidance that it is safe to do so. Although COVID-19 cases are currently increasing, recent progress on multiple vaccines appears positive. If widespread vaccine distribution can be achieved quickly, it is possible that ridership may begin to increase from its current levels by the fourth quarter of FY 2021.

The FY 2021 amended operating budget (which is described in further detail below) assumes that average daily ridership for the second half of the fiscal year remains below 2,000, with the potential for moderate growth during the fourth quarter from the current midweek level of 1,400 to 1,500 daily riders. This ridership outlook results in total projected fare revenue for FY 2021 of $9.7 million, or a reduction of approximately 80% from the original approved budget.

From that baseline, the FY 2022 recommended budget assumes a steady increase in ridership over the course of the fiscal year as the economy recovers. However, ridership and fare revenue are still projected to be below normal by the end of the year. (Average daily ridership in February 2020, the last full month prior to the pandemic, was approximately 18,700.) Averaged over the course of the entire year, daily ridership is expected to be 6,000 trips, which corresponds to total projected fare revenue for the year of $18.2 million, which is less than half of a normal year.

FY 2022 Jurisdictional Subsidy Allocation

In September 2020, the Operations Board directed staff to forego the VRE Master Agreement survey that is normally conducted in October each year. The Operations Board found the survey would be (a) challenging to safely administer in the current environment and (b) unlikely to produce reliable results on which to base an updated jurisdictional subsidy allocation for FY 2022.

In place of an updated subsidy allocation calculation, the Operations Board directed staff to allocate jurisdictional subsidy in FY 2022 using the same allocation percentages from the approved FY 2021 budget. Since the FY 2022 budget has no change to the total subsidy of $18.30 million, each jurisdiction has the identical subsidy amount in FY 2022 that it had in FY 2021.

CARES Act Funding to Replace Lost Fare Revenue

In late March 2020, the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed, and the act included $25 billion in emergency relief to transit agencies. VRE was allocated approximately $86 million in relief funding through the CARES Act that is available to help offset additional costs and lost revenues. Along with the additional state assistance provided through DRPT, the CARES Act funding is allowing VRE to provide continuity of operations, maintain service levels, and retain staff. Consequently, the

amended FY 2021 and recommended FY 2022 budgets reflect this critical backstop provided by the CARES Act.
Based on actual ridership to date beginning in the fourth quarter of FY 2020, and as reflected in the amended FY 2021 and recommended FY 2022 budgets, VRE's projected use of the CARES Act funding to supplement lost fare revenue is as follows:

Fiscal Year	**Projected Use of CARES Act Funds**
FY 2020 (Q4 only)	$2.7 million
FY 2021	$32.0 million
FY 2022	$24.9 million
Beyond FY 2022	$25.6 million
Required 1% Set-Aside for Safety/Security	$0.9 million
TOTAL	**$86.1 million**

Given currently projected ridership levels and the desire to maintain a continuity of operations and high-quality service, the Operations Board has directed staff to recommend a balanced budget that does not achieve a 50 percent farebox recovery ratio (i.e. 50 percent of operating expenses covered by passenger fares). The budget achieves balance through the available emergency funding from DRPT and the CARES Act, rather than through higher fares, reduced service, or increased jurisdictional subsidy contributions.

Six-Year Financial Forecast

The annual budget normally includes a financial forecast for the five years following the year of adoption (six years in total). This forecast includes projections for ridership, planned fare increases and total fare revenue, grant and subsidy funding, operating expenses, and capital expenditures. The forecast is intended to demonstrate the projected sustainability of VRE's budget beyond the initial year and to highlight areas of potential risk so they can be addressed in advance.

Given the depth of uncertainty facing not just VRE but the entire regional and national economy, this year's budget does not include a six-year forecast. Such a forecast would reflect highly uncertain estimates on many key variables, particularly ridership, and would not serve as a reliable basis for Operations Board decision-making. As the recovery from the pandemic proceeds and the outlook for commuting and VRE ridership is clarified, staff will return to the Operations Board with additional information.

Capital Budget and Six-Year Capital Improvement Program (CIP)

The FY 2022–2027 Capital Improvement Program (CIP) is an integrated set of projects and programs that will improve passenger safety and operational efficiency, maintain the VRE

system in a state of good repair, and expand capacity. The six-year CIP includes both fully- and partially-funded projects.

Over the last two years, VRE has gradually shifted its orientation from project planning and development as well as grant seeking – where new projects were frequently being added to the CIP – into a period of project implementation that will last for the next decade. At the same time, the Commonwealth's Transforming Rail in Virginia Program will ultimately separate freight and passenger rail operations in the Fredericksburg Line corridor, and this has resulted in several of VRE's planned station projects being reduced or eliminated. Taken together, these changes result in a smaller and more focused CIP, with fewer projects and greater emphasis on construction.

The total project count in the CIP is now smaller, as some projects like the Slaters Lane Crossover and the Automated Parking Counters have been completed, while other projects like the Lorton, Woodbridge, and Rippon station expansions have been removed because the work will not occur until 2030 or later, beyond the six-year window of this plan.

Given current cost estimates, full funding of the projects in the FY 2022–2027 CIP (including all costs to complete) will require approximately $818.6 million. Of this total, $704.9 million (86%) is already committed from a range of federal, state, regional, and local sources (this includes life-to-date funding through FY 2021). The table below represents VRE's funded and unfunded project costs for projects in the six-year CIP.

FY 2022 to 2027 Capital Improvement Program

PROJECT TYPE	PROJECT COST	FUNDED	UNFUNDED
Asset Management	$77.6	$77.6	
Expansion	$606.6	$492.9	($113.7)
Replacement and Rehabilitation	$134.1	$134.1	
Other	$0.3	$0.3	
Total	**$818.6**	**$704.9**	**($113.7)**

(amounts in millions)

Further details on the CIP by project and by funding source are provided in the attachments.

Commuter Rail Operating and Capital (C-ROC) Fund and VRE Support for the Transforming Rail in Virginia Program

The joint agreement between NVTC and PRTC for the administration of VRE's dedicated C-ROC funding sets out the process for the programming of C-ROC funds as part of the annual budget process. VRE staff engaged with the Operations Board members during the FY 2020 budget process to develop criteria and strategic guidance, and at the conclusion of that

year's process, the Operations Board agreed to commit $15 million of C-ROC funding to the Crystal City Station Improvements project (FY 2020 funding) and $30 million to the L'Enfant Station Improvements project (FY 2019 and FY 2021 funding).

On December 3, 2020, the Commissions approved an agreement with the Commonwealth for VRE to make a substantial funding contribution to the Transforming Rail in Virginia program utilizing C-ROC funds. The agreement lays out a basic structure whereby VRE will issue debt backed by the C-ROC (with an expected term of 30 years) and contribute the proceeds of the debt issuance to the Commonwealth for the purchase of rail right-of-way from CSXT. In addition, for a period of 10 years, VRE will contribute any remaining C-ROC funds not being used for debt service on a pay-as-you-go (PAYGO) basis to the Commonwealth for use on critical rail projects in VRE's service territory, including the Long Bridge, the Alexandria Fourth Track, and the Springfield Bypass.

The budget currently shows the $15 million allocation of C-ROC funding in FY 2022 as 'unprogrammed' since the exact timing of the debt issuance is unknown, as is the allocation of the funding between debt service and PAYGO. These details should be known a year from now and can be reflected in the amended FY 2022 budget that will be included as part of the FY 2023 budget process.

FY 2021 Amended Budget

As part of the annual process of adopting the budget for the upcoming fiscal year, VRE also revised the current year budget to reflect updated projections for revenues and expenses and changes to capital funding sources. In most years, this is a relatively technical process of adjusting specific line items that were unknown at the time of adoption, and it does not usually result in significant changes to the overall budget.

Given the COVID-19 pandemic and its effect on ridership, however, the amended FY 2021 operating budget is substantially different from the original approved version, particularly with respect to revenues. The major revisions to the budget are identified below:

Operating Budget

Revenues

- Average daily ridership reduced to 1,800 and total fare revenue reduced to $9.7 million as a result of the pandemic (a net reduction of $34.4 million).
- Interest income reduced to $250,000 as a result of lower interest rates (a net reduction of $1.0 million).
- State operating support increased to $12.0 million as a result of reprogramming actions by DRPT to assist agencies with pandemic response (a net increase of $2.3 million).
- Projected federal CARES Act reimbursement of $32.0 million to replace lost fare revenues (not included in the original budget).

- A net-zero change in the composition of VRE's 84% track access reimbursement funding, from 50% STP and 34% state funding to 80% STP and 4% state funding, based on direction from DRPT.

Expenses

- Net increase in liability and property insurance costs of $2.6 million as a result of ongoing changes and uncertainty in the global insurance market.
- Addition of $500,000 for COVID-specific costs such as cleaning, equipment, etc.
- Net decrease of $900,000 in diesel fuel expenses due to lower utilization from reduced service.
- Net decrease of $1.6 million in retail sales commissions and bank discounts due to reduced ticket sales.

As a result of the additional DRPT operating assistance and federal CARES Act funding, the FY 2021 budget remains balanced and no additional jurisdictional contribution is required.

Capital Budget

There are no revisions to non-federal sources and uses of funding in the FY 2021 capital budget. The updates to the federal formula funding (Sections 5307 and 5337) are as follows:

- The original approved budget projected total formula funding of $32,007,289, while funding actually received was $30,492,192, a reduction of approximately $1.5 million. The difference is reflected as a reduction in the 'Unprogrammed Federal Funds' category.
- Changes to future expenditures and required funding for the Equipment Asset Management (EAM) and Facilities Asset Management (FAM) programs, as well as the Fredericksburg Station Rehabilitation project, which are reflected in the recommended FY 2022-2027 CIP, also involve the programming of FY 2021 federal funds that were previously unprogrammed. The total increase in programmed funding (inclusive of required state and local match) is approximately $3.35 million.

Virginia Railway Express
Operations Board

Resolution
9D-12-2020

Referral of the Amended FY 2021 and Recommended FY 2022 VRE Operating and Capital Budgets to the Commissions and Localities

WHEREAS, the VRE Master Agreement requires the Commissions be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year; and,

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the recommended FY 2022 Operating and Capital Budget within the guidelines developed in cooperation with the staff representatives of the local jurisdictions; and,

WHEREAS, the Amended FY 2021 and Recommended FY 2022 budgets reflect the impact of the COVID-19 pandemic which began in March 2020 and has substantially reduced VRE's ridership; and,

WHEREAS, the VRE Operations Board found that a Master Agreement survey for the purposes of collecting rider data for subsidy allocation would have been challenging to safely administer in the current environment and unlikely to produce reliable results, and so the planned October 2020 survey was cancelled; and,

WHEREAS, the VRE Operations Board finds that the availability of additional operating assistance from the Department of Rail and Public Transportation and emergency federal funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows for VRE to supplement lost passenger revenues and achieve a balanced budget without requiring fare increases, service reductions, or increases in jurisdictional subsidy; and,

WHEREAS, VRE staff recommends a budget based on a service level of 32 daily revenue trains and average daily ridership of 6,000 trips; and,

WHEREAS, the FY 2022 budget recommends no changes to current passenger fares, including the Amtrak Step-Up fare; and,

WHEREAS, the FY 2022 budget recommends no change in the total jurisdictional subsidy contribution compared to the FY 2021 level, for a total amount of $18,300,780;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the FY 2022 VRE Operating and Capital Budget in the following amounts and forward this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement; and,

Operating Budget	$ 89,663,802
Capital Budget	$ 96,198,922
Total Operating and Capital	$185,862,724

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the amended FY 2021 Operating and Capital Budget in the following amounts; and,

Operating Budget	$ 90,368,825
Capital Budget	$ 71,283,079
Total Operating and Capital	$161,651,904

BE IT FURTHER RESOLVED THAT, having cancelled the October 2020 Master Agreement Survey, the VRE Operations Board does hereby recommend the jurisdictional subsidy in the FY 2022 Operating and Capital Budget be allocated among the nine jurisdictions in the same proportions used in the FY 2021 budget; and,

BE IT FURTHER RESOLVED THAT, given the availability of state funding and federal CARES Act funding to supplement lost passenger revenues, the VRE Operations Board does hereby recommend that it is in the best interests of the Commissions and the riders of VRE the Amended FY 2021 and Recommended FY 2020 Operating Budgets do not achieve a fifty percent recovery of operating expenses from passenger fares; and,

BE IT FURTHER RESOLVED THAT, given the current difficulty of accurately projecting future ridership, tax revenues, and other key inputs, the VRE Operations Board acknowledges the FY 2022 Operating and Capital Budget does not include a formal six-year financial forecast, and staff will resume presenting such financial forecasts in future budgets when there is less uncertainty over the pandemic recovery and potential changes to commuting behavior; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2021 and FY 2022; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Director of NVTC to submit to the Commonwealth the approved budget as part of the FY 2022 state aid grant applications.

Approved this 18th day of December 2020

_____
Gary Skinner
Chair

_____
Jeanine Lawson
Secretary

Attachment 1

FY 2022 Subsidy by Jurisdiction

Jurisdiction	FY 2021 Subsidy	FY 2021 Percent	FY 2022 Subsidy	FY 2022 Percent	Change FY21 to FY22 Net +/-	Change FY21 to FY22 % Change
Fairfax County	$ 6,379,017	34.9%	$ 6,379,017	34.9%	$ -	0.0%
Prince William County	5,930,777	32.4%	5,930,777	32.4%	-	0.0%
Stafford County	2,477,175	13.5%	2,477,175	13.5%	-	0.0%
Spotsylvania County	1,503,754	8.2%	1,503,754	8.2%	-	0.0%
Manassas	807,234	4.4%	807,234	4.4%	-	0.0%
Manassas Park	468,364	2.6%	468,364	2.6%	-	0.0%
Fredericksburg	367,089	2.0%	367,089	2.0%	-	0.0%
Arlington	218,219	1.2%	218,219	1.2%	-	0.0%
Alexandria	149,151	0.8%	149,151	0.8%	-	0.0%
	$ 18,300,780	100%	$ 18,300,780	100%	$ -	0.0%

Attachment 2

Capital Improvement Program By Program Area *(amounts in millions of $)*

Program Name	Project ID	Project Name	Life-To-Date	FY 2021 Amended	FY 2022 Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Asset Management/State of Good Repair	**AM-2**	Automatic Passenger Counters	2.9								2.9
	AM-4	Enhancement Grant - Security	0.8	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.6
	AM-5	Equipment Asset Management Program	29.5	6.1	2.1	2.0	1.7	1.9	3.3		46.6
	AM-6	Facilities Asset Management Program	15.2	0.2							15.4
	AM-6A	Fredericksburg Station Rehabilitation	1.9	3.2							5.0
	AM-8	Security Cameras	1.6	0.3			0.5		0.3		2.7
	AM-9	Realtime Multimodal Traveler Information (New Project)	3.5								3.5
Asset Management/State of Good Repair Total			**55.3**	**9.9**	**2.2**	**2.1**	**2.3**	**2.0**	**3.7**	**0.1**	**77.6**
Information Technology	**IT-2**	ERP Implementation	2.8								2.8
	IT-3	TRIP /VMS Upgrade	1.0								1.0
Information Technology Total			**3.8**								**3.8**
Passenger Station Facilities	**ST-1**	Alexandria Station Improvements	18.4		6.3	6.3					31.0
	ST-4	Backlick Road Station Improvements		2.0		4.0					6.0
	ST-5	Brooke Station Improvements	0.3	0.2	0.3	8.0					8.8
	ST-8	Crystal City Station Improvements	16.6	4.7	13.0	0.0	7.9	7.9			50.1
	ST-9	Franconia-Springfield Station Improvements	13.0								13.0
	ST-10	Leeland Road Station Improvements	0.3	0.2	3.1	2.7					6.3
	ST-11	L'Enfant Station Improvements	16.0	15.0	2.4	15.7	11.1	24.4			84.6
	ST-14	Quantico Station Improvements	18.2		5.2	0.6					24.0
	ST-17	Rolling Road Station Improvements	5.0								5.0
	ST-18	Washington Union Station Improvements	15.0	5.0	5.0	10.0	10.0	10.0			55.0
	ST-21	Manassas Station Improvements	9.1								9.1
Passenger Station Facilities Total			**111.8**	**27.2**	**35.3**	**47.3**	**29.0**	**42.3**			**292.8**
Rolling Stock Equipment	**RS-3**	Fleet Expansion Coaches - Manassas Line - Short Term	28.1			9.9					38.0
	RS-5	Fleet Expansion Coaches (Fredericksburg Line)		10.7	15.9	7.8	7.5				41.8
Rolling Stock Equipment Total			**28.1**	**10.7**	**15.9**	**17.7**	**7.5**				**79.9**
Station Parking	**PK-3**	Leeland Road Parking Improvements	0.4		5.2						5.5
	PK-4	Manassas Park Parking Improvements	26.0	0.7		3.8					30.4
Station Parking Total			**26.3**	**0.7**	**5.2**	**3.8**					**36.0**
Train Maintenance and Storage Facilities	**MS-3**	Crossroads MSF - Storage Expansion, Short-term			5.1	3.3					8.4
	MS-5	L'Enfant Train Storage Track - South	4.0								4.0
	MS-6	Life-Cycle Overhaul and Upgrade Facility	48.2	4.0							52.2
	MS-7	New York Avenue Midday Storage Facility	65.6	17.8	12.7	3.3					99.4
	OT-2	Broad Run Expansion (BRX)	88.8	4.3	2.0	69.3					164.4
Train Maintenance and Storage Facilities Total			**206.6**	**26.1**	**19.7**	**75.9**					**328.3**
Misc. (Multiple Categories)	**OT-4**	Forklifts purchase	0.3								0.3
Misc. (Multiple Categories) Total			**0.3**								**0.3**
Grand Total			**432.2**	**74.5**	**78.2**	**146.8**	**38.9**	**44.3**	**3.7**	**0.1**	**818.6**

Capital Improvement Program by Funding Source (*amounts in millions of $)*

Funding Source Type	Funding Source	Life-To-Date	FY 2021 Amended	FY 2022 Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Federal Formula Grants	Federal Formula Grants	130.5	25.1	25.1	22.5	16.9	7.8	3.0	0.1	230.9
	Federal State Match	46.4	10.8	8.8	7.4	4.7	3.6	0.3	0.0	81.9
	VRE Local Match	7.0	1.5	1.4	1.2	1.8	0.6	0.4	0.0	14.1
Federal Formula Grants Total		**183.9**	**37.4**	**35.3**	**31.1**	**23.4**	**12.0**	**3.7**	**0.1**	**327.0**
Non-Federal Formula Funded	Federal - CMAQ/STP/RSTP	24.5	6.8	2.6	6.4					40.2
	I-66 OTB Concession Payment	128.5								128.5
	IPROC	13.6								13.6
	NVTA	17.4	4.0			7.9	7.9			37.2
	State - REF	3.5								3.5
	State - Smart Scale	14.2	10.7	40.3	27.5					92.6
	State CROC	30.0	15.0							45.0
	VRE Local Match	0.5								0.5
	VDOT - LAP	8.7								8.7
	VRE - State REF Local Match	1.3								1.3
	VRE (Capital Reserve)/Other	6.1			0.0					6.1
	Other		**0.7**							**0.7**
Non-Federal Formula Funded Total		**248.2**	**37.1**	**42.9**	**33.9**	**7.9**	**7.9**			**377.9**
Grand Total		**432.2**	**74.5**	**78.2**	**65.0**	**31.3**	**19.9**	**3.7**	**0.1**	**704.9**

FISCAL YEAR

2022

VIRGINIA RAILWAY EXPRESS

Recommended Budget for Fiscal Year 2022

Amended Budget for Fiscal Year 2021

Capital Improvement Program

VRE™

VIRGINIA RAILWAY EXPRESS
A Better Way. A Better Life.

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Recommended FY 2022 Budget

Introduction

The Virginia Railway Express (VRE) is a commuter rail service jointly owned and operated by the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC). NVTC and PRTC are political subdivisions of the Commonwealth of Virginia. VRE was created in 1989 under the terms of a Master Agreement executed by the two Commissions and the local jurisdictions that participate in or contribute to the operation of the commuter rail service.

The VRE Operating and Capital Budget is developed annually in accordance with the VRE Master Agreement and includes estimated operating and capital revenues and expenses for the next fiscal year. In addition, the six-year Capital Improvement Program (CIP) provides projections of capital funding and outlays for future years. The preliminary FY 2022 VRE Operating and Capital Budget was initially prepared for review at the September 2020 VRE Operations Board meeting. The proposed budget was reviewed and discussed at subsequent meetings of the VRE Operations Board, the VRE Coordinating Committee (VCC), and the Finance Committee of the Operations Board before its presentation to the Operations Board in December 2020 and the Commissions in January 2021.

The VRE budget uses accrual accounting for major revenue and expense items; for example, transactions such as access fees are recorded for the month due, rather than for the month paid, and related grant revenue is recorded when earned rather than when received. However, the budget is developed on a cash basis for other items, such as payment of principal on outstanding debt, in order to fully capture annual resource needs. The VRE financial statements use the full accrual basis of accounting.

The FY 2022 VRE Budget has been developed to meet existing operational requirements and in accordance with the VRE Mission Statement of providing safe, cost effective, and reliable commuter-oriented rail passenger service. The VRE Budget and CIP is also developed in accordance with the Financial and Debt Management Principles adopted by the Commissions in November 2013, detailed later in this document.

The Recommended FY 2022 Operating and Capital Budget totals $185.9 million. The budget projects average daily ridership of 6,000 passengers which results in a total of $18.2 million of fare revenue. These projections are significantly lower than previous years due to the effects of the ongoing COVID-19 pandemic. The total jurisdictional subsidy of $18,300,780 is unchanged from the prior fiscal year. The FY 2022 budget also includes no increase to fares and no change in the cost to the rider of the Amtrak Step-Up ticket. Staff have worked to limit or eliminate operating cost increases wherever possible, and departmental expenses have been reviewed and evaluated to ensure appropriateness while ensuring VRE achieves its safety and operational goals. Contractual increases, such as railway and station access fees, train operations and maintenance of equipment are projected to be moderate for FY 2022, and diesel fuel costs are projected to remain consistent with recent price trends. Increases to liability and property insurance costs are the primary reasons for cost increases in the FY 2022 operating budget.

The projects included in the FY 2022 to FY 2027 CIP are prioritized with an emphasis on regulatory requirements, the maintenance of equipment and facilities to support current service levels, and provisions for passenger safety. Concurrently, VRE will focus the organization on maximizing ridership, maintaining critical infrastructure, and providing a safe and effective transportation option for the region.

In FY 2016, VRE completed a long-term Financial Plan that assessed the revenues and costs associated with various service scenarios over a 25-year period. The conclusion of this analysis was that existing sources of revenue will be inadequate to meet the system's baseline operating and capital needs over time (including operation of the existing level of service), with further funding needed for service expansion to support projected growth in the region.

The findings of the Financial Plan, which were endorsed by the Commonwealth Transportation Board, were critical in building support for the Commuter Rail Operating and Capital (C-ROC) Fund, which was created by the General Assembly in 2018. VRE's financial plan update that was completed in FY 2019 indicated that operational support from C-ROC is not needed in the near-to-medium term timeframe, helped in part by DRPT's commitment on reimbursement of track access fees at a rate of 84%. This commitment is critical to VRE's overall sustainability.

Given the funding changes described above, the overall outlook in the FY 2022 to FY 2027 CIP is generally positive. VRE has moved from a period of project planning and development (where new projects were frequently being added to the CIP) into a period of project implementation that will last for a number of years. At the same time, the Commonwealth's Transforming Rail in Virginia Program will ultimately separate freight and passenger rail operations in the Fredericksburg Line corridor, which has resulted in a number of VRE's planned station projects being reduced or eliminated. Taken together, these changes result in a smaller and more focused CIP, with fewer projects and greater focus on construction.

On December 3, 2020, the Commissions approved an agreement with the Commonwealth for VRE to make a substantial funding contribution to the Transforming Rail in Virginia program utilizing C-ROC funds. The agreement lays out a basic structure whereby VRE will issue debt backed by the C-ROC (with an expected term of 30 years) and contribute the proceeds of the debt issuance to the Commonwealth for the purchase of rail right-of-way from CSXT. In addition, for a period of 10 years, VRE will contribute any remaining C-ROC funds not being used for debt service on a pay-as-you-go (PAYGO) basis to the Commonwealth for use on critical rail projects in VRE's service territory, including the Long Bridge, the Alexandria Fourth Track, and the Springfield Bypass.

The budget currently shows the $15 million allocation of C-ROC funding in FY 2022 as 'unprogrammed' since the exact timing of the debt issuance is unknown, as is the allocation of the funding between debt service and PAYGO. These details should be known a year from now and can be reflected in the amended FY 2022 budget that will be included as part of the FY 2023 budget process.

Mission Statement

The Virginia Railway Express, a joint project of the Northern Virginia Transportation Commission and the Potomac Rappahannock Transportation Commission will provide safe, cost effective, accessible, reliable, convenient, and comfortable commuter-oriented rail passenger service. VRE will contribute to the economic development of its member jurisdictions as an integral part of a balanced, intermodal regional transportation system.

Goals for Fiscal Year 2022

- Due to the ongoing impacts of the COVID-19 pandemic on ridership, VRE is unlikely to achieve its usual goal of a 50 percent operating ratio (i.e., cost recovery from passenger fares) in FY 2022. VRE's goal for FY 2022 is to continue to provide a safe and reliable transportation option that is available to riders as they return to work after the pandemic.

- Achieve at least 90 percent on-time performance for train operations.

- Achieve at least 6,000 average daily ridership for the year, with ridership increasing over the course of the year as the national and regional economies recover from the pandemic.

- Strive to attain the following financial ratios over the course of the Six-Year Plan:
  - Debt service as a percent of annual budget not greater than 20%.
  - Working capital reserves that are on average not less than two months of operating expenditures, with a goal of increasing to and/or maintaining three months over a ten-year period.
  - Percent of pay-as-you-go financing equal to a minimum of 20% of the total funded portion of the capital program over the term of the capital program.
  - Risk management reserves equal to amounts imposed by the Commonwealth, currently set at $10 million.

Financial and Debt Management Principles
(Adopted November 7, 2013)

The purpose of this document is to formalize financial and debt management principles for the Virginia Railway Express (VRE), the commuter rail service jointly owned and operated by the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC), together referred to as the Commissions. In accordance with the Master Agreement that established VRE, any bonds or notes issued to support the commuter rail operation will be issued in the name of NVTC, with the concurrence of both Commissions and all member jurisdictions. This Statement of Financial and Debt Management Principles confirms the commitment of VRE's Operations Board, the Commissions, and the management and staff of VRE to adhere to sound financial and debt management practices in the conduct of VRE's business.

1. Any debt or financing arrangement issued in support of VRE projects must be in full compliance with all applicable provisions of the Commonwealth of Virginia statutes, federal laws and the VRE Master Agreement.

2. Any long term debt issued in support of VRE projects will be included in VRE's Capital Improvement Program and Six Year Financial Forecast and debt will only be issued for approved capital projects. Prior to issuance, VRE will forecast the long-term impact of such debt on the use of federal formula funds, the impact on VRE's six year plan, the annual contributions required from its member jurisdictions over the term of the debt, and to test compliance with the financial ratios described below.

3. VRE strives to attain the following financial ratios over its Six Year Plan:
   a. A fare box recovery ratio not lower than 50% of operating expenses.
   b. Debt service as a percent of annual budget not greater than 20%.
   c. Percent of pay-as-you-go financing equal to a minimum of 20% of the total funded portion of the capital program over the term of the capital program.
   d. Working capital reserves that are on average not less than 2 months of operating expenditures, with a goal of increasing to 3 months over a 10 year period.
   e. Risk management reserves equal to amounts imposed by the Commonwealth. Currently the risk management reserve requirement is $10 million.

4. VRE will match one time revenue with one time expenditures to avoid creating structural imbalance in its annual budgets.

5. Projects included in VRE's Capital Improvement Program will be prioritized with emphasis on regulatory requirements, the maintenance of equipment and facilities to support current service levels, and provisions for passenger safety.

6. The capital reserve will be maintained through the contribution of surplus funds generated from operations and from other sources in order to provide the necessary match funds to take advantage of grant funding opportunities and to complete advantageous capital projects.

7. VRE will maintain an asset management plan for all major capital assets which will identify operating, maintenance, and renewal costs over the life of the asset. If a reliable source of funding is not expected to be available to meet peak needs when they occur, a sinking fund will be established for this purpose. The annual budget and Capital Improvement Program will include the life-cycle cost impact of each project in the CIP.

8. VRE will maintain access to external liquidity sources, such as a line of credit, because of the heavy reliance on funding from other parties. This short term borrowing will only be used with the approval of the Operations Board and when the source of repayment has been identified.

9. Debt that supports VRE projects will be amortized for a period not to exceed the useful life of the assets being financed.

10. For any publicly sold debt to support VRE projects:
    a. Debt service funds will be established at the time of issuance and contributions will be made on a monthly basis so that amounts are available to ensure timely payment of principal and interest when due.
    b. A debt service reserve fund will be established (as needed by the revenue bond structure or for credit purposes) to provide a cushion of funding for the debt obligations. Such funds will be sized to equal maximum annual debt service, subject to limitations imposed by the IRS for funding of such reserves.
    c. The bond structure will be sufficient to secure a rating in the A category or better.

11. The debt service structure that supports VRE projects will be developed and maintained to achieve strong credit ratings while addressing the overall revenue constraints and capacity of VRE. Total principal and interest payments for any borrowing will be structured to create level debt service in aggregate for VRE. Alternatively, VRE may use a more rapid repayment structure, such as equal annual principal payments. The use of back loaded principal repayment, bullet and balloon maturities will be avoided, except to achieve overall level aggregate debt service or to match anticipated one-time revenues.

12. As needed, VRE will establish and maintain a separate set of post issuance policies and procedures for managing any required disclosure, tax or other legal requirements.

13. The use of variable rate debt is discouraged, except under unusual circumstances. However, should it be found to be in VRE's best interest to use this mechanism, the Operations Board and Commissions will first establish appropriate policies and procedures.

Commuter Rail Operating and Capital (C-ROC) Fund

In 2018, the Virginia legislature approved the creation of the Commuter Rail Operating and Capital (C-ROC) Fund. C-ROC funding is critical to addressing VRE's current and future investment needs and to delivering on planned capacity expansion projects. C-ROC funding is dedicated to "retaining, maintaining, improving, and developing commuter rail-related infrastructure improvements and operations" that are "essential to the Commonwealth's continued economic growth, vitality, and competitiveness." C-ROC funding may be used to support the cost of VRE's operations as well as to make necessary capital investments and improvements, either on a pay-as-you-go basis or through the issuance of debt. C-ROC funding may be used as matching funds for state and federal grants.

In addition to creating C-ROC, the Virginia legislature also authorized changes to the regional gasoline taxes collected by the two Commissions. From the total gasoline tax revenues that are generated in the Commissions' jurisdictions, $15 million is dedicated annually to the C-ROC Fund. This $15 million of dedicated funding is then disbursed from the C-ROC Fund to VRE for its use on operating and capital projects. C-ROC funding does not replace or supplant any existing revenues, and current jurisdictional contributions must be maintained.

In October 2018, the Commissions authorized the execution of a joint agreement for the distribution and allocation of the C-ROC funds. The agreement establishes that NVTC will serve on behalf of both Commissions as the recipient of all funds from the C-ROC Fund and that project prioritization and programming of the C-ROC funds must occur as part of the broader annual VRE budget process. More information on the programming of prior year and future year C-ROC funds is provided in the 'Capital Improvement Program FY 2022 – FY 2027' section of this document.

FY 2022 Budget Assumptions & Summary

The FY 2022 Budget totals $185.9 million. FY 2022 operating budget expenses of $89.7 million are lower than the prior year amount by $1.7 million, a decrease of 1.9%, with projected revenue decreases netting out against decreased operating expenses and the Coronavirus Aid, Relief, and Economic Security Act (CARES). Major assumptions are as follows:

- Total jurisdictional subsidy of $18,300,780, no increase from the FY 2021 subsidy.
- No increase in passenger fares, including the Amtrak Step-Up fare. Fare revenue budgeted at $18.2 million based on a projected average daily ridership of 6,000 and 32 daily revenue trains.
- State operating assistance is projected at $10.0 million, a decrease of $2.0 million from the actual amount received in FY 2021, but a slight increase over the amount originally projected in the approved FY 2021 budget.
- Fuel cost projected at $3.0 million, based on an average cost per gallon of $1.75 and projected usage of 1.70 million gallons.
- Track access fees across all three host railroads of $18.6 million, based on estimated or actual contractual amounts. Grant funding from all sources for track access fees at 84%, or $15.6 million, unchanged from the reimbursement percentage received in FY 2021.
- No staff additions proposed in FY 2022.
- Required contractual increases for train operations and maintenance of equipment budgeted at a net increase of $0.3 million reflecting projected cost revisions, increased services and a CPI increase of 1.2%.
- Operating contingency at 1.0% of the operating budget, a reduction from the 2% budgeted for FY 2021, and a decrease of $830,000.
- Insurance premium costs increased by 71.2%, or $3.0 million, due to ongoing changes in the global insurance marketplace.
- Net Departmental operating expenses decreased by 10.4%, or a reduction of $3.2 million compared to FY 2021.
- Federal 5307 (Urbanized Area) and 5337 (State of Good Repair) funding of $30.5 million, $1.5 million less than in the approved FY 2021 budget.
- Capital matching funds from the State for the majority of the required non-federal share for selected projects. Most projects budgeted at 16% match, with 34% funding requested from the state for the Midday Storage and Washington Union Station improvement projects.
- Contribution to the Capital Reserve of $3 million, with no allocation from the Reserve balance for FY 2022 capital projects.

Subsidy by Jurisdiction

The FY 2022 budget includes no change in the total jurisdictional subsidy amount. Each year, VRE and PRTC conduct a survey of VRE riders that includes the rider's jurisdiction of residence. This survey data serves as the basis for calculating the subsidy allocation by jurisdiction, in accordance with the VRE Master Agreement. However, due to the COVID-19 pandemic, the VRE Operations Board found that a survey would be challenging to administer safely and unlikely to produce reliable results. Therefore, the Operations Board directed staff that no survey was to be performed in October 2020 and that jurisdictional subsidy would remain at FY 2021 levels for all jurisdictions. The FY 2022 jurisdictional subsidy is as follows:

	FY 2021		FY 2022		Change FY21 to FY22	
Jurisdiction	**Subsidy**	**Percent**	**Subsidy**	**Percent**	**Net +/-**	**% Change**
Fairfax County	$ 6,379,017	34.9%	$ 6,379,017	34.9%	$ -	0.0%
Prince William County	5,930,777	32.4%	5,930,777	32.4%	-	0.0%
Stafford County	2,477,175	13.5%	2,477,175	13.5%	-	0.0%
Spotsylvania County	1,503,754	8.2%	1,503,754	8.2%	-	0.0%
Manassas	807,234	4.4%	807,234	4.4%	-	0.0%
Manassas Park	468,364	2.6%	468,364	2.6%	-	0.0%
Fredericksburg	367,089	2.0%	367,089	2.0%	-	0.0%
Arlington	218,219	1.2%	218,219	1.2%	-	0.0%
Alexandria	149,151	0.8%	149,151	0.8%	-	0.0%
	$ 18,300,780	100%	$ 18,300,780	100%	$ -	0.0%

FY 2022 Summary Recommended Budget

Category	Approved FY 2021		Recommended FY 2022	
	FY 2021 Operating	FY 2021 Capital	FY 2022 Operating	FY 2022 Capital
Revenues:				
Fare Revenue	44,090,000		18,236,000	
Miscellaneous Revenue	300,000		300,000	
Jurisdictional Subsidy	13,817,632	4,483,148	13,888,119	4,412,661
Other Sources (Use of Prev. Surplus)	-	-	-	-
NVTA Grant Funding	-	-	-	-
State CROC Dedicated Funding	-	15,000,000	-	15,000,000
Federal/State Subsidy - Operating (includes CARES)	31,879,656		56,889,683	
Federal/State Subsidy - Capital		53,024,602		76,786,261
Operating/Capital Reserves	-	-	-	-
Interest Income	1,300,000		350,000	
Total Revenue	**91,387,287**	**72,507,750**	**89,663,802**	**96,198,922**
Operating/Non-Operating Expenses:				
Non-Departmental Operating	5,800,514		7,971,699	
Executive Management	1,263,000		1,544,700	
Chief of Staff	683,600		691,000	
Marketing	409,300		375,500	
Finance and Human Resources	4,507,800		3,051,500	
Purchasing and Contract Administration	745,850		764,850	
Project Development	956,900		732,805	
Project Implementation	1,117,500		1,027,500	
Rail Operations	2,386,500		2,332,000	
Information Technology	2,078,500		2,171,350	
Facilities Maintenance	4,527,300		4,013,800	
Mechanical Operations	10,565,700		9,639,700	
System Safety & Security	1,488,200		1,179,200	
PRTC	102,000		102,000	
NVTC	90,000		90,000	
Train Operations	16,591,500		16,787,500	
Maintenance of Equipment	7,832,285		7,898,500	
Amtrak	5,181,000		4,450,000	
Amtrak Access Fees	6,879,000		6,830,000	
Norfolk Southern Access Fees	3,442,000		3,244,000	
CSX Access Fees	8,468,000		8,544,000	
Total Operating/Non-Operating Expenses	**85,116,449**	**-**	**83,441,604**	**-**
CIP Expenditures		72,507,750		96,198,922
Debt Service	6,270,838		6,222,198	
Total CIP and Other Expenditures	**6,270,838**	**72,507,750**	**6,222,198**	**96,198,922**
Grand Total Expenses	**91,387,287**	**72,507,750**	**89,663,802**	**96,198,922**

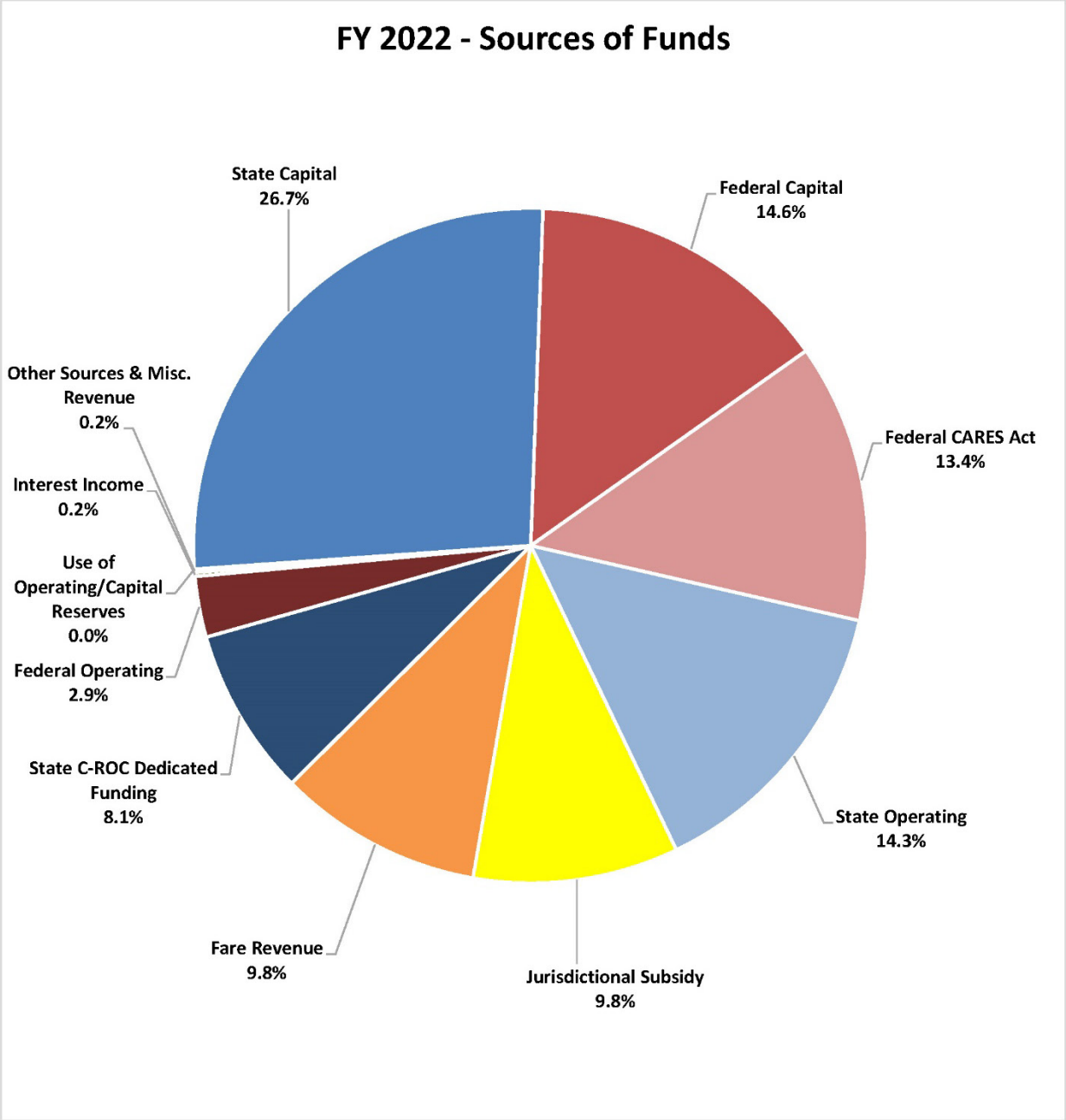
FY 2022 Sources and Uses

Access and Lease Fees	
Amtrak	6,830,000
NS	3,244,000
CSX	8,544,000
Total	**18,618,000**

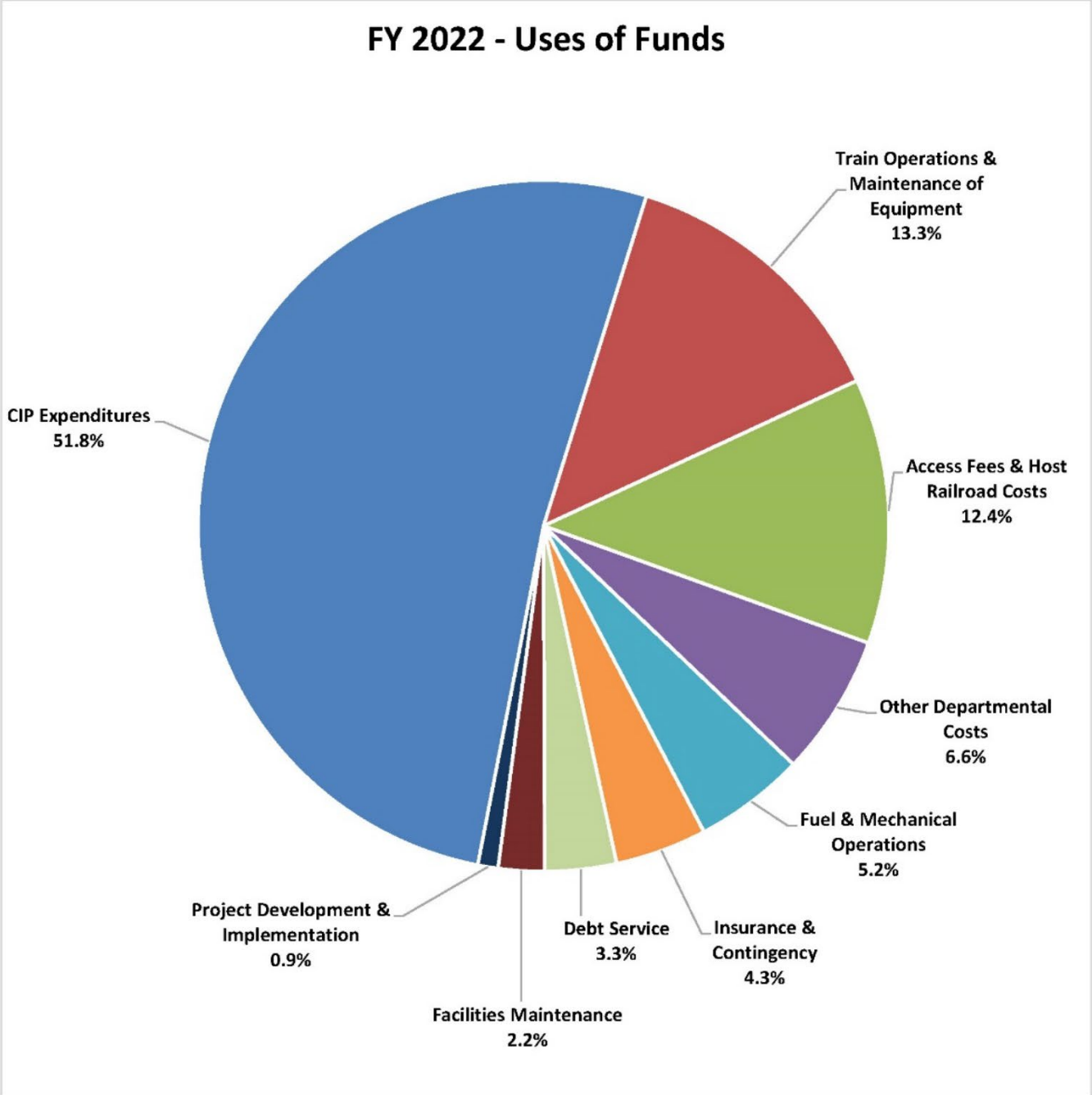
LEVEL OF SERVICE FOR FY 2022 32 Trains 6,000 Average Daily Riders

	USES OF FUNDS	SOURCES OF FUNDS													
								STATE			FEDERAL				
		FARE INCOME	INTEREST	MISC	LOCAL SUBSIDY	OTHER SOURCES	NVTA FUNDING	STATE CROC FUNDING	STATE OPERATING	STATE CAPITAL	STATE STP	5307/5337	FEDERAL CARES ACT	OTHER	TOTAL
Operating Expenses	**83,441,604**	**18,236,000**	**350,000**	**300,000**	**13,544,122**	**-**	**-**	**-**	**10,000,000**	**15,639,120**	**0**	**520,000**	**24,852,362**	**-**	**83,441,604**
Non-Operating Expenses:															
Operating Reserve	-				-										-
Debt Service MUFG - Gallery IV - 11 Cabcars	1,931,357				77,254					309,017		1,545,086			1,931,357
Debt Service VRA - 60 Railcars (Local)	99,072				99,072										99,072
Debt Service VRA - 60 Railcars (Fed/State/Local)	4,191,769				167,671					670,683		3,353,415			4,191,769
Non-Operating Summary	**6,222,198**	**-**	**-**	**-**	**343,997**	**-**	**-**	**-**	**-**	**979,700**	**-**	**4,898,501**	**-**	**-**	**6,222,198**
Total Expenses (Subtotal)	**89,663,802**	**18,236,000**	**350,000**	**300,000**	**13,888,119**	**-**	**-**	**-**	**10,000,000**	**16,618,820**	**0**	**5,418,501**	**24,852,362**	**-**	**89,663,802**
Capital Projects:															
Crystal City Station Improvements	13,018,750				520,750					2,083,000		10,415,000			13,018,750
New York Avenue Midday Storage Facility	12,664,073				506,563					4,305,785		7,851,725			12,664,073
Washington Union Station Improvements	5,000,000				200,000					1,700,000		3,100,000			5,000,000
L'Enfant Station Improvements	2,438,708				97,548					390,193		1,950,966			2,438,708
Equipment Asset Management Program	2,090,000				83,600					334,400		1,672,000			2,090,000
Security Enhancements	105,000				4,200					16,800		84,000			105,000
Unprogramed CROC Funds	15,000,000				-			15,000,000		-		-			15,000,000
Capital Reserve Contribution	3,000,000				3,000,000										3,000,000
Capital Project Summary	**53,316,531**	**-**	**-**	**-**	**4,412,661**	**-**	**-**	**15,000,000**	**-**	**8,830,178**	**-**	**25,073,692**	**-**	**-**	**53,316,531**
CMAQ/REF/IPROC															
Broad Run Expansion (CMAQ)	2,000,000				-					400,000		-		1,600,000	2,000,000
Brooke Station Improvements (CMAQ)	313,394				-					62,679		-		250,715	313,394
Leeland Road Station Improvements (CMAQ)	313,394				-					62,679		-		250,715	313,394
Fleet Expansion Coaches (Smartscale)	15,855,000				-					15,855,000		-		-	15,855,000
Alexandria Station Improvements (Smart Scale)	6,284,000				-					6,284,000		-		-	6,284,000
Leeland Road Parking Improvements (Smart Scale)	5,159,178				-					5,159,178		-		-	5,159,178
Quantico Station Improvements (Smart Scale)	5,150,700				-					5,150,700		-		-	5,150,700
Crossroads MSF Expansion (Smart Scale)	5,057,000				-					5,057,000		-		-	5,057,000
Leeland Road Station Improvements (Smart Scale)	2,749,725				-					2,749,725		-		-	2,749,725
Summary	**42,882,391**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**40,780,961**	**-**	**-**	**-**	**2,101,430**	**42,882,391**
TOTAL	**185,862,724**	**18,236,000**	**350,000**	**300,000**	**18,300,780**	**-**	**-**	**15,000,000**	**10,000,000**	**66,229,959**	**0**	**30,492,192**	**24,852,362**	**2,101,430**	**185,862,724**

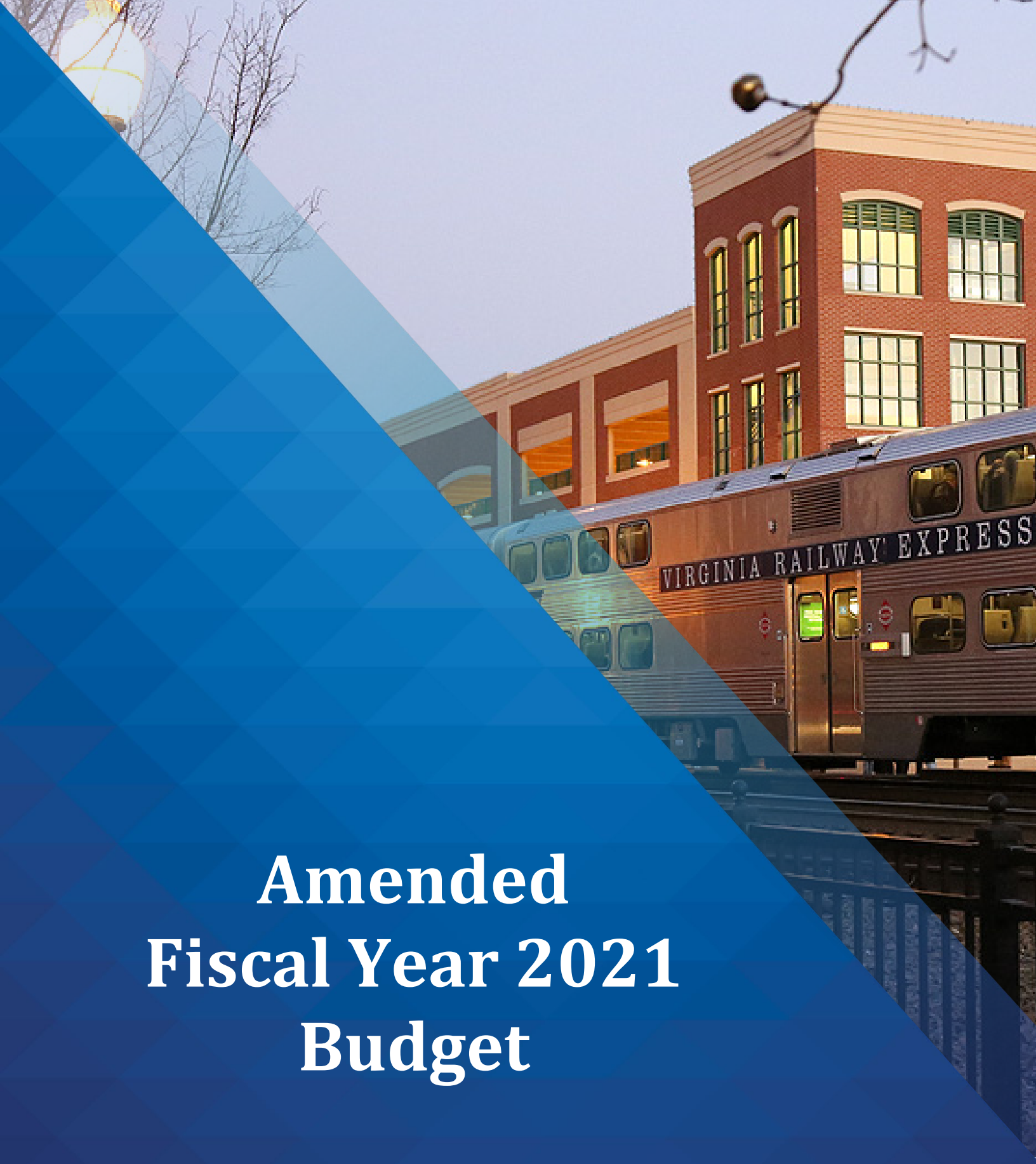
	Soft Capital Projects	Funding	Program	Federal Amt.	State Amt.
	Debt Service 11 Cabcars	5337	1,931,357	1,545,086	309,017
	Access lease funding (0%/84%)	Full 84% State	18,618,000	-	15,639,120
Local only	Debt Service VRA - 60 Railcars		99,072	-	-
Fed/State/Local	Debt Service VRA - 60 Railcars	5337	2,445,198	1,956,159	391,232
Fed/State/Local	Debt Service VRA - 60 Railcars	5307	1,746,570	1,397,256	279,451
	Grant & Project Management	5307	650,000	520,000	-
		Subtotal	25,490,198	5,418,501	16,618,820
	Capital Projects/Earmarks		96,198,922	27,175,122	49,611,139
	Capital Program	Total	121,689,120	32,593,623	66,229,959



Revenue Source	FY 2021 Amount	% of Total
State Capital	$ 49,611,139	26.7%
Federal Capital	$ 27,175,122	14.6%
Federal CARES Act	$ 24,852,362	13.4%
State Operating	$ 26,618,820	14.3%
Jurisdictional Subsidy	$ 18,300,780	9.8%
Fare Revenue	$ 18,236,000	9.8%
State C-ROC Dedicated Funding	$ 15,000,000	8.1%
Federal Operating	$ 5,418,501	2.9%
Interest Income	$ 350,000	0.2%
Other Sources & Misc. Revenue	$ 300,000	0.2%
Use of Operating/Capital Reserves	$ -	0.0%
Total Sources of Funds	**$ 185,862,724**	**100.0%**



Type of Use	FY 2021 Amount	% of Total
CIP Expenditures	$ 96,198,922	51.8%
Train Operations & Maintenance of Equipment	$ 24,686,000	13.3%
Access Fees & Host Railroad Costs	$ 23,068,000	12.4%
Other Departmental Costs	$ 12,302,100	6.6%
Fuel & Mechanical Operations	$ 9,639,700	5.2%
Insurance & Contingency	$ 7,971,699	4.3%
Debt Service	$ 6,222,198	3.3%
Facilities Maintenance	$ 4,013,800	2.2%
Project Development & Implementation	$ 1,760,305	0.9%
Total Uses of Funds	**$ 185,862,724**	**100.0%**



Amended Fiscal Year 2021 Budget

FY 2021 Budget Amendments

The FY 2021 budget has been revised to reflect current projections for revenue and expenses, as follows:

- Revenue
  - Decrease in passenger fare revenue in the amount of $34.4 million, to reflect the effect of the ongoing COVID-19 pandemic on VRE ridership.
  - Addition of a new funding source, the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, totaling $32.0 million to supplement lost passenger revenue and support pandemic-related costs.
  - Increase in state operating assistance in the amount of $2.3 million to reflect a higher funding amount than originally projected.
  - A net decrease to federal and state grant revenue by a total of $1.8 million related to an overall reduction of Federal formula funds awarded to VRE.
  - A decrease in interest income of $1.0 million, reflecting lower than projected interest rates.
  - Allocation of $669,200 in capital reserve for various projects (see below).

- Expenses
  - FY 2021 operating contingency was reduced by $595,052 for various additions and revisions of current year operating and capital costs and revenue, many of which are directly related to the COVID-19 pandemic. The notable expense changes are:
  - An increase in liability and property insurance costs of $2.6 million;
  - An increase in COVID-19 related costs for cleaning and other goods/services of $500,000;
  - A reduction of $1.6 million in ticket sales commission and bank fees related to credit/debit card sales due to the COVID-19 pandemic effect on ridership and ticket sales;
  - A reduction in diesel fuel costs of $910,000 as a result of reduced service.
  - The remaining operating contingency of $1.0 million was eliminated as part of the calculation of CARES Act funding (see Revenue changes above).

- Capital Program
  - Capital project obligations were decreased by $1.9 million to reflect reduced available capital funding:
  - A net decrease to federal and state grant obligations of $1.8 million related to a reduction of Federal formula funds awarded to VRE.
  - Allocation of $4.0 million of unallocated Federal and state grant funding for the Lifecycle Overhaul and Upgrade (LOU) Facility.
  - Allocation of $3.0 million of unallocated Federal and state grant funding for the Fredericksburg Station Rehabilitation project.

- Allocation of an additional $2.2 million of unallocated Federal and state grant funding to the Equipment Asset Management Program.
- A reduction of $2.0 million allocated to the Facilities Asset Management Program.
- A net decrease to unallocated Federal and State grants of $8.9 million as a result of the above changes.
- Capital Reserve funds of $669,200 allocated for the Scheidt & Bachmann Fare Validators ($469,200) and the VRE Mobile Ticketing System ($200,000).

- Use of FY 2020 Surplus
  - No one-time items in FY 2022 are in need of funding from the prior year surplus.
  - Operating reserve (working capital) currently at slightly more than three months of operating expense – no additional contribution required.
  - $5.1 million contribution to Capital Reserve.

FY 2021 Amended Sources and Uses

LEVEL OF SERVICE FOR FY 2021 32 Trains 1,800 Average Daily Riders

Access and Lease Fees	
Amtrak	6,879,000
NS	3,442,000
CSX	8,468,000
Total	18,789,000

	USES OF FUNDS	SOURCES OF FUNDS													
								|----STATE----|			|----FEDERAL----|			
		FARE INCOME	INTEREST	MISC	LOCAL SUBSIDY	OTHER SOURCES	NVTA FUNDING	STATE CROC FUNDING	STATE OPERATING	STATE CAPITAL	STATE STP	5307/5337	New FY21 CARES ACT	OTHER	TOTAL
Operating Expenses	**84,118,987**	**9,700,000**	**250,000**	**300,000**	**13,520,444**	**-**	**-**	**-**	**12,030,000**	**751,560**	**15,031,200**	**520,000**	**32,015,783**	**-**	**84,118,987**
Non-Operating Expenses:															
Operating Reserve	29,000				29,000										29,000
Debt Service BTMU - Gallery IV - 11 Cabcars	1,931,357				77,254					309,017		1,545,086			1,931,357
Debt Service VRA - 60 Railcars (Local)	99,072				99,072										99,072
Debt Service VRA - 60 Railcars (Fed/State/Local)	4,190,409				167,616					670,465		3,352,327			4,190,409
Non-Operating Summary	**6,249,838**	**-**	**-**	**-**	**372,943**	**-**	**-**	**-**	**-**	**979,483**	**-**	**4,897,413**	**-**	**-**	**6,249,838**
Total Expenses (Subtotal)	**90,368,825**	**9,700,000**	**250,000**	**300,000**	**13,893,386**	**-**	**-**	**-**	**12,030,000**	**1,731,043**	**15,031,200**	**5,417,413**	**32,015,783**	**-**	**90,368,825**
Capital Projects:															
Facilities Asset Management Program	208,687				8,347					33,390		166,950			208,687
New York Avenue Midday Storage Facility	12,072,745				482,910					4,104,733		7,485,102			12,072,745
Equipment Asset Management Program	6,120,242				244,810					979,239		4,896,194			6,120,242
Life-Cycle Overhaul and Upgrade Facility	4,000,000				160,000					640,000		3,200,000			4,000,000
Security Enhancements	105,000				4,200					16,800		84,000			105,000
Security Cameras	300,000				12,000					48,000		240,000			300,000
Crystal City Station Improvements	669,713				26,789					107,154		535,770			669,713
Washington Union Station Improvements	5,000,000				200,000					1,700,000		3,100,000			5,000,000
Fredericksburg Station Rehabilitation	3,158,000				126,320					505,280		2,526,400			3,158,000
Unprogramed Federal Formula Funds	3,550,454				142,018					568,073		2,840,363			3,550,454
L'Enfant Station Improvements (CROC)	15,000,000				-			15,000,000		-		-			15,000,000
Fare Validators	469,200				-	469,200				-		-			469,200
VRE Mobile	200,000				-	200,000				-		-			200,000
Capital Reserve Contribution	3,000,000				3,000,000										3,000,000
Capital Project Summary	**53,854,041**	**-**	**-**	**-**	**4,407,394**	**669,200**	**-**	**15,000,000**	**-**	**8,702,669**	**-**	**25,074,779**	**-**	**-**	**53,854,041**
CMAQ/REF/IPROC															
Broad Run Expansion (CMAQ)	4,262,000				-					852,400		-		3,409,600	4,262,000
Backlick Road Station Improvements (CMAQ)	2,000,000				-					400,000		-		1,600,000	2,000,000
Brooke Station Improvements (CMAQ)	245,019				-					49,004		-		196,015	245,019
Leeland Road Station Improvements (CMAQ)	245,019				-					49,004		-		196,015	245,019
Fleet Expansion Coaches (Smartscale)	10,677,000				-					10,677,000		-		-	10,677,000
Summary	**17,429,038**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**12,027,408**	**-**	**-**		**5,401,630**	**17,429,038**
TOTAL	**161,651,904**	**9,700,000**	**250,000**	**300,000**	**18,300,780**	**669,200**	**-**	**15,000,000**	**12,030,000**	**22,461,119**	**15,031,200**	**30,492,192**	**32,015,783**	**5,401,630**	**161,651,904**

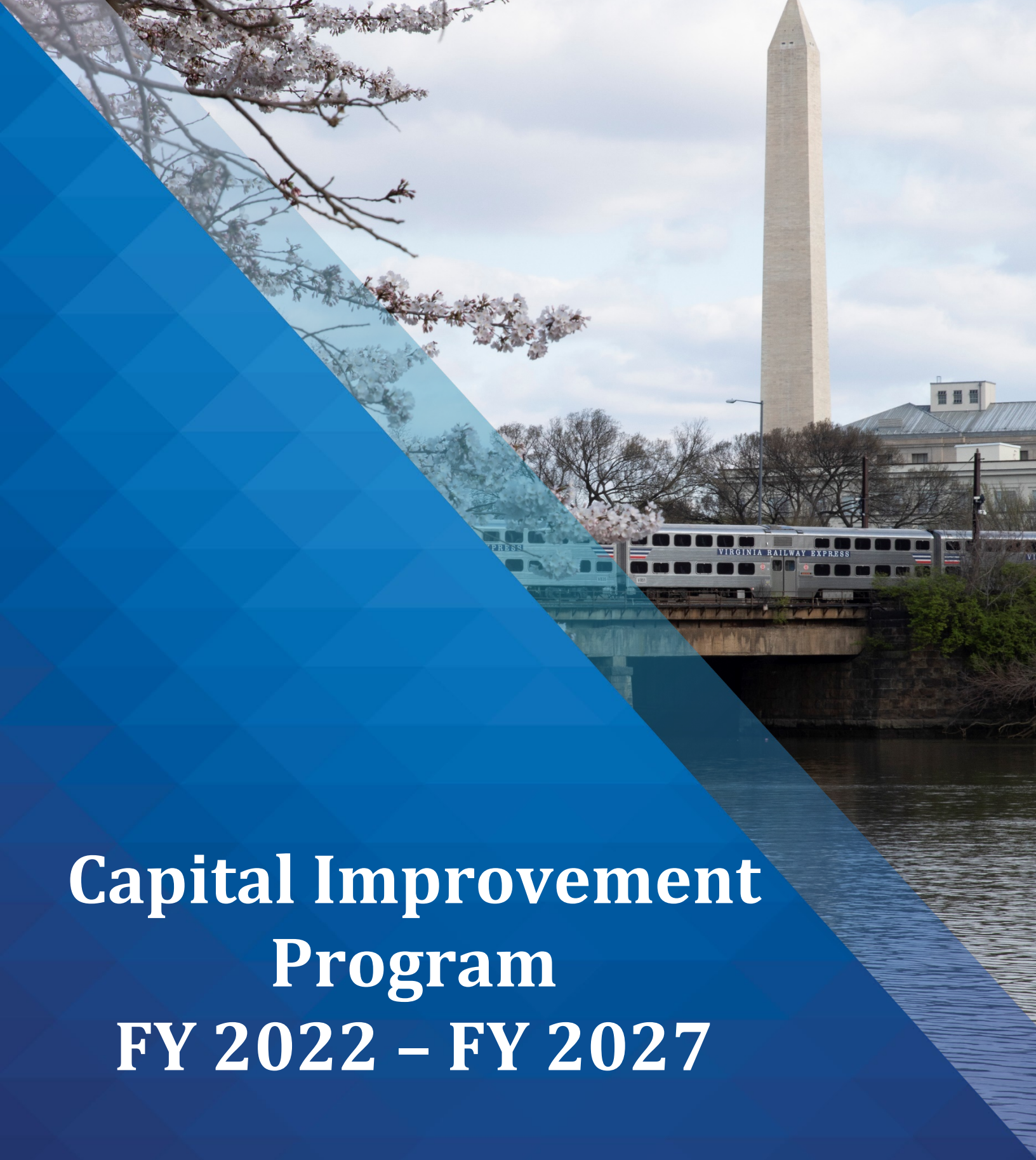
	Soft Capital Projects	Funding	Program	Federal Amt	State Amt
	Debt Service 11 Cabcars	5337	1,931,357	1,545,086	309,017
	Access lease funding (80%/4%)	SSTP/State	18,789,000	15,031,200	751,560
Local only	Debt Service VRA - 60 Railcars		99,072	-	-
Fed/State/Local	Debt Service VRA - 60 Railcars	5337	2,444,405	1,955,524	391,105
Fed/State/Local	Debt Service VRA - 60 Railcars	5307	1,746,004	1,396,803	279,361
	Grant & Project Management	5307	650,000	520,000	-
	Subtotal		25,659,838	20,448,613	1,731,043
	Capital Projects/Earmarks		71,283,079	30,476,409	20,730,076
	Federal Cap Program		96,942,917	50,925,022	22,461,119

Six-Year Financial Forecast FY 2022 – FY 2027

Six-Year Financial Forecast

The annual budget normally includes a financial forecast for the five years following the year of adoption (six years in total). This forecast includes projections for ridership, planned fare increases and total fare revenue, grant and subsidy funding, operating expenses, and capital expenditures. The forecast is intended to demonstrate the projected sustainability of VRE's budget beyond the initial year and to highlight areas of potential risk so they can be addressed in advance.

Given the depth of uncertainty facing not just VRE but the entire regional and national economy, the FY 2022 budget does not include a six-year forecast. Such a forecast would reflect highly uncertain estimates on many key variables, particularly ridership, and would not serve as a reliable basis for decision-making. As the recovery from the pandemic proceeds and the outlook for commuting and VRE ridership is clarified, staff will return to the Operations Board and the Commissions with additional information.



Capital Improvement Program
FY 2022 – FY 2027

Introduction

The FY 2022 – 2027 VRE Capital Improvement Program (CIP) is an integrated set of projects and programs that will improve passenger safety and operational efficiency, maintain the system in a state of good repair, and expand capacity. The six-year CIP includes both fully- and partially-funded projects. Future projects that are unfunded are not shown in the six-year program but are discussed separately.

- **Funded** projects are those that are funded through federal formula grants received annually by VRE; through state funding in accordance with the Commonwealth's Six-Year Improvement Program (SYIP); through already allocated funds from other entities, such as NVTA, FAMPO or a VRE jurisdiction; or through other committed sources.

- **Partially funded** projects are those that are pending a discretionary allocation by a funding authority or for which a funding source has not yet been identified. Because discretionary funding relies on the actions of other entities, funds may not be available when needed.

In addition to grants and other funding agreements with outside partners, VRE has the following internal funding mechanisms to support the capital program:

- The **Commuter Rail Operating and Capital (C-ROC) Fund** was created by the General Assembly in 2018. C-ROC funding is dedicated to "retaining, maintaining, improving, and developing commuter rail-related infrastructure improvements and operations" in the Commonwealth. VRE receives a dedicated allocation of $15 million annually from C-ROC that may be used to support the cost of VRE's commuter rail operations as well as to make necessary capital investments and improvements, either on a pay-as-you-go basis or through the issuance of debt. C-ROC funding may be used as matching funds for state and federal grants.

- The **Capital Reserve** was created in order to complete projects, take advantage of grant opportunities that require substantial local match, or to fund initial costs to support major grant proposals or evaluate alternatives. Funding is provided from prior year surpluses, the sale of assets, and, beginning in FY 2015, from a $3 million annual jurisdictional contribution included in the budget.

- The **Capital Planning Fund (CPF)** was established to provide immediate, small-scale funding for studies required to advance system investments or support future federal or state applications or to meet other immediate capital program needs. The CPF was established in FY 2015 from unallocated Capital Reserve funds in the amount of $1.58 million. A replenishment of $2 million was included in the FY 2017 Amended Budget.

Description of the CIP

The VRE Capital Improvement Program is designed to maintain VRE passenger equipment and facilities in a state of good repair and to accommodate growth within adopted service and safety standards. Items listed in the CIP fall into one of the following categories:

- The acquisition of land for a public purpose.
- The construction or purchase of an asset of significant size, including rolling stock and other equipment, facilities, railroad infrastructure and automated systems.
- Rehabilitation or major repair to all or part of a major facility, piece of equipment, or other asset, beyond the level considered as routine annual maintenance.
- Any specific planning, engineering, design work or grant and project management costs related to an individual project falling within the first three categories.
- Any long-term grant funded projects for which inclusion in the CIP is considered appropriate.

Priorities: Projects included in the CIP are prioritized with an emphasis on passenger safety, regulatory requirements, and maintaining current equipment and facilities in a state of good repair. In addition, expansion projects are selected in accordance with VRE's System Plan 2040.

Board/Commission Approval: Once the CIP has been developed, it is forwarded as part of the budget to the Operations Board. With their approval, the budget goes to the Commissions for final authorization. The VRE budget process begins in the summer, with approval by the Operations Board in December and Commissions in January. Grant applications for the next fiscal year are prepared based on the approved CIP. The Operations Board and Commissions formally approve the current year of the CIP and amendments to the prior year.

Project Information: Detailed project information is provided, including a summary of funding sources for each project. FY 2021 funding reflects the amended budget for that year. In order to provide a complete picture of each project, funding and cost information is provided from the inception of the project through to its conclusion.

Prior Year Projects: Projects fully funded in prior years are reported in the CIP until all work on the project is completed.

The Capital Improvement Program (CIP) is a comprehensive inventory of VRE's capital needs and the capital funding sources that have been identified for the six years of this plan (FY 2022 to FY 2027). The primary purpose of the CIP is to provide a realistic picture of the funding outlook and the challenges VRE may face in securing adequate funding to pay for needed capital improvements. The majority of the projects in VRE's six-year program are fully funded; however, certain key projects are only partially funded and additional funding must be identified. VRE's internal funding sources (C-ROC funds and the Capital Reserve)

may be programmed to fill some of these gaps, but VRE will also continue to pursue additional funding at the federal, state, and local level in order to fully fund the capital program.

In FY 2016, VRE developed a financial analysis that compared the capital and operating needs associated with various service profiles (including implementation of System Plan 2040) to available funding sources and quantified the need for additional funding. This analysis was critical to making the case to the General Assembly for the creation of the C ROC Fund. In FY 2019, VRE completed an update of the financial analysis that accounted for changes in operating expense and revenue trends, available capital funding, and project scopes and schedules. This analysis confirmed that C-ROC support for operations is not expected to be needed in the near- to medium-term, which will allow C-ROC to continue to support transformative capacity-enhancing capital projects during the next ten years.

The capital improvement projects are designed to maintain and enhance VRE's service by renovating and strengthening the core system; improving the system's security and reliability; and modernizing and expanding the system to accommodate increasing ridership demand. This CIP is a snapshot of the current outlook and is updated periodically as projects are further developed and the funding environment evolves.

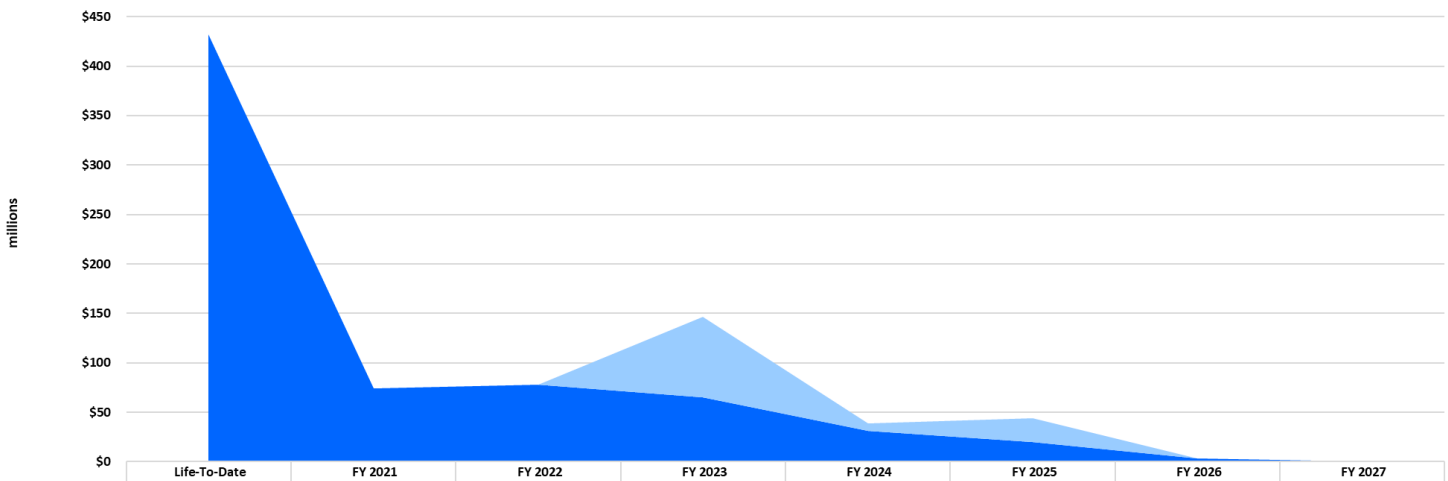
Capital Financial Outlook

The overall outlook for the FY 2022 to FY 2027 CIP is generally positive, despite the current COVID-19 pandemic. Political and legislative actions over the past few years – including the creation of the dedicated C-ROC Fund at $15 million per year, the commitment by the Commonwealth to continue current levels of reimbursement for track access fees, and the creation of the Virginia Passenger Rail Authority as part of the Transforming Rail in Virginia program – have created an environment that is supportive of VRE's long-term growth and stability. Some funding challenges remain, however, particularly beyond the immediate six-year period. On the capital side, certain key near-term projects are still partially unfunded, and while C ROC and Capital Reserve funds may be available to fill some gaps, an ongoing VRE priority for FY 2022 will be to continue to work with local, state and other partners on securing additional funding for the commuter rail system. The statutory limitations on the use of VRE's primary source of federal formula funding (the Section 5337 State of Good Repair program) further complicates the capital funding picture.

Beyond the six-year horizon, relatively modest projected growth in ridership combined with increasing contractual and other costs results in a structural deficit that cannot be solved simply by larger fare increases or greater jurisdictional contributions. Sustainable funding of existing service must be in place before future service expansions can be implemented.

Given current cost estimates, full funding of the projects in the FY 2021-FY 2026 CIP (including all costs to complete) will require approximately **$818.6 million**. Of this total, **$704.9 million** (86.1%) is already committed from a range of federal, state, regional, and local sources (this includes life-to-date funding through FY 2020). The graph below represents VRE's funded and unfunded project costs of $818.6 million for projects included in the FY 2022 – 2027 Six Year Plan.

Capital Financial Outlook FY 2022 - FY 2027



	Life-To-Date	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Unfunded	0.0	0.0	0.0	81.8	7.5	24.4	0.0	0.0
Funded	432.2	74.5	78.2	65.0	31.3	19.9	3.7	0.1

Capital Sources and Uses

Capital projects frequently rely on funds obligated in prior years, unlike operating expenses. Most grants are awarded on a reimbursement basis, and grant allocations can be obtained for specific projects and programs over multiple years during which they can "accumulate" and be committed to a contract when the balance is sufficient for that phase of the project to proceed. The construction phase of a capital project will not be initiated unless and until the entire underlying funding commitment is in place.

In order to operate within funding constraints, VRE's CIP centers on the fundamental need to prioritize the most vital initiatives and investments necessary to achieve key safety, reliability, capacity, and sustainability goals. The FY 2022 capital budget is driven primarily by the need to meet established programmatic commitments and maintain the necessary financial capacity to address emerging and longstanding needs required to maintain the safety and reliability of essential capital assets.

Capital funds come from a wide variety of federal, state, regional, and local sources. Except for FTA Section 5307 and 5337 formula allocations and the associated state transit capital match and local matching funds, most of VRE's capital funding sources are one-time competitive or discretionary grants. Given the magnitude of VRE's capital needs over the next six years and beyond, an aggressive approach to securing discretionary grants has been pursued in recent years and will continue to be necessary. Advocacy for project grant funding must be continuous at the local, regional, state, and federal levels from the moment a project is initiated. This process is intensive and requires the coordinated efforts of VRE

staff, other local and regional bodies, and elected officials. The charts and graphs at the end of this section show the magnitude of the various funding sources on which VRE relies.

Decision-Making Factors

VRE considers a number of factors when determining which capital projects are allocated the limited funding that is available, including:

- Does the expenditure maintain the system in a state of good repair?
- Does this expenditure help VRE manage risk? Does this expenditure address VRE's biggest identified sources of risk?
- Does this expenditure close an identified need (i.e., a gap between target and actual service levels)?
- Does this expenditure minimize life-cycle cost?
- Does this expenditure yield ongoing operational cost savings either through efficiency or reduced risk?
- Project continuity: Is this project already underway and does it need ongoing funding to continue implementation from a prior year?
- Project interdependence: Are other projects dependent on this project? Is this project dependent on others?

Commuter Rail Operating and Capital (C-ROC) Fund

In October 2018, the Commissions authorized the execution of a joint agreement for the distribution and allocation of the C-ROC funds. In addition to designating NVTC to serve as the recipient of all funds from the C-ROC Fund (following the existing practice of having PRTC receive and manage VRE's federal funds and NVTC receive and manage VRE's state and regional funds), the agreement lays out an annual process for incorporating the programming of C-ROC funds into the larger VRE budget. As noted above, C-ROC funds are flexible and can be used (a) to support both operations and capital investment, (b) as a match to other state or federal funding sources, and (c) on a pay-as-you-go (PAYGO) basis or as the backing for a debt issuance.

As part of the FY 2020 budget, the Operations Board adopted the follow criteria for programming of C-ROC funds:

1. C-ROC funds should be prioritized to projects that are not eligible for typical VRE discretionary capital funding sources, such as DRPT Smart Scale or NVTA regional funding.
2. C-ROC funds should be prioritized to projects where a commitment of local funding could leverage significant state or federal matching funds.
3. C-ROC funds should support projects that are necessary in order to allow for future capacity expansion.
4. VRE should continue to use the Capital Reserve to fund smaller needs (such as minor cost or scope changes in an existing project) and should use C-ROC funds on 'transformative' projects.
5. VRE should consider C-ROC funds as a supplementary funding source for the replacement of major existing assets such as railcars.

Based on these criteria, the Operations Board committed three years of C-ROC funding to two critical projects:

- FY 2019: $15 million for L'Enfant Station Improvements
- FY 2020: $15 million for Crystal City Station Improvements
- FY 2021: $15 million for L'Enfant Station Improvements

Following the announcement of the Transforming Rail in Virginia Program and the Commonwealth's agreement to purchase railroad right-of-way from CSXT, VRE entered into discussions with DRPT regarding a financial contribution to the overall Program. On December 3, 2020, the Commissions approved an agreement with the Commonwealth for VRE to make a substantial funding contribution to the Transforming Rail in Virginia program utilizing C-ROC funds. The agreement lays out a basic structure whereby VRE will issue debt backed by the C-ROC (with an expected term of 30 years) and contribute the proceeds of the debt issuance to the Commonwealth for the purchase of rail right-of-way from CSXT. In addition, for a period of 10 years, VRE will contribute any remaining C-ROC funds not being used for debt service on a pay-as-you-go (PAYGO) basis to the Commonwealth for use on critical rail projects in VRE's service territory, including the Long Bridge, the Alexandria Fourth Track, and the Springfield Bypass.

The budget currently shows the $15 million allocation of C-ROC funding in FY 2022 as 'unprogrammed' since the exact timing of the debt issuance is unknown, as is the allocation of the funding between debt service and PAYGO. These details should be known a year from now and will be reflected in the amended FY 2022 budget that will be included as part of the FY 2023 budget process.

Unfunded Projects and Unprogrammed Funding Sources

Approximately 13.9%, or $113.7 million, of VRE's $818.6 million CIP is currently unfunded. This figure includes the Broad Run Expansion Project and Fleet Expansion railcars as well as the other major projects. These unfunded needs will be addressed in future budget cycles through a combination of applications for discretionary funding as well as the likely programming of internal VRE funds (e.g., Capital Reserve). In addition to these unfunded projects, the six-year CIP period also includes federal grant funds – primarily Section 5337 State of Good Repair (SGR) funds and the associated state and local match – that are not currently programmed to a specific project. The total unprogrammed amount (inclusive of the required match) is approximately $97 million over the entire CIP period. (VRE's total projected federal grant allocation plus match over the period, including FY 2020 Amended, is approximately $267 million.)

In the past, when VRE's allocation of federal funds was smaller and its investment needs for SGR projects were larger, VRE was able to fully program its federal funds each year. Now, while VRE is still able to program the majority of its funds for projects such as debt service, Washington Union Terminal, midday storage, and asset management activities, a portion of the funds remains unprogrammed. Unfortunately, these SGR funds are not available to support VRE's capacity expansion projects, and VRE's primary existing assets – railcars, locomotives, stations, parking lots, and yards – do not require significant rehabilitation or replacement at this time. VRE is working with stakeholders, including the Federal Transit Administration, on alternative strategies to utilize this SGR funding in a timely manner. In addition, VRE believes it is prudent at this time to keep some of these funds unprogrammed in the event that economic changes or other uncertainties lead to significant cost increases for existing SGR projects.

CIP Project Sheets

The CIP includes 30 separate projects. For ease of understanding, these individual projects have been grouped into **categories** with identifying project IDs:

Asset Management/State of Good Repair (AM) – refers to projects that ensure that assets perform at their highest level throughout their service life, and to the formal effort to consistently address, evaluate, analyze and prioritize the condition of VRE's rolling stock and facilities.

Information Technology (IT) – Includes project that supports the installation of an Enterprise Resource Planning system to support VRE operations and the Upgrade of VRE's Transit Display system and train information portal.

Passenger Station Facilities (ST) – includes projects that lengthen or widen existing station platforms, construct new platforms at current stations or add new stations to the system.

Rolling Stock Equipment (RS) – refers to the purchase of replacement or expansion locomotives and coaches; coaches may be either cab cars or trailers.

Station Parking (PK) – includes projects that modify or expand parking at specific VRE station locations. Parking may be provided in surface lots or as structured parking. Parking at a station can exclusively serve VRE riders but may also serve other users such as bus transit riders at multi-modal stations.

Track and Signal Infrastructure (TS) – refers to the installation of rail, ties, rail fastenings, hardware and roadbed over which trains operate; the electrical or mechanical signal devices used to control train movements; and other railroad infrastructure such as interlockings, crossovers, switches, or turnouts.

Train Maintenance and Storage Facilities (MS) - includes midday or overnight storage tracks and related switches, signals, or power sources; buildings, structures or equipment used to inspect, repair or maintain rolling stock; warehouse facilities; crew buildings; and other facilities or equipment such as employee parking or exterior fencing or lighting.

Other (OT) – projects that are unique because they span multiple categories; will be primarily funded by other stakeholders; or represent reserve contributions.

In addition, projects are classified by project **type**, as follows:

Asset Management – improvements or repairs to prolong the useful life of an existing asset; meet mandated requirements or otherwise modernize the asset or system; or to enhance safety and security.

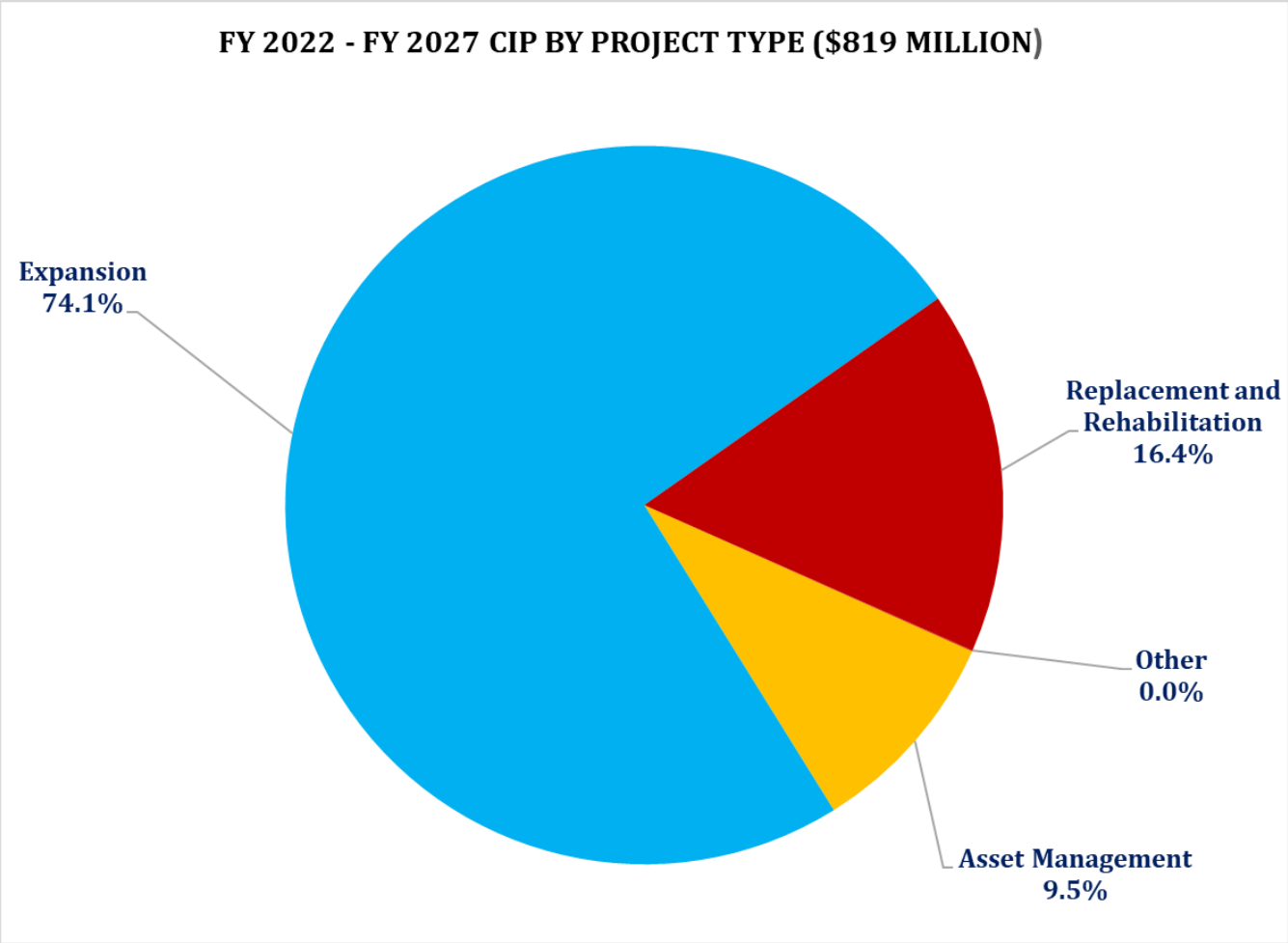
Replacement and Rehabilitation - replacement or major rehabilitation of an existing asset.

Expansion – improvements implemented primarily for the purpose of increasing capacity.

Other – Office building improvements and other miscellaneous non-transit projects.

Several projects are in process that will benefit VRE but are being undertaken by others: the construction of the Potomac Shores VRE station; DRPT's Fredericksburg Line Third Track project(s) and the Fourth Track between RO (Rosslyn) and AF (Alexandria); and potential parking additions. Although these projects are important to the operation of the VRE system, they are not included in the CIP. More information on these projects is provided after the project pages, along with a brief discussion of other future projects that may or may not be undertaken by VRE.

The tables below list the individual projects within each project category, including the identifying Project ID, and shows the funding needs by year for the total program and summarize the funding sources for the FY 2022 to FY 2027 CIP indicating the amount unfunded by year. No unfunded amounts are reflected through FY 2022 since project work cannot be authorized unless funding is available. Any delays this may have caused to the desired project schedule is noted on the individual project sheet.



(amounts in millions of $)

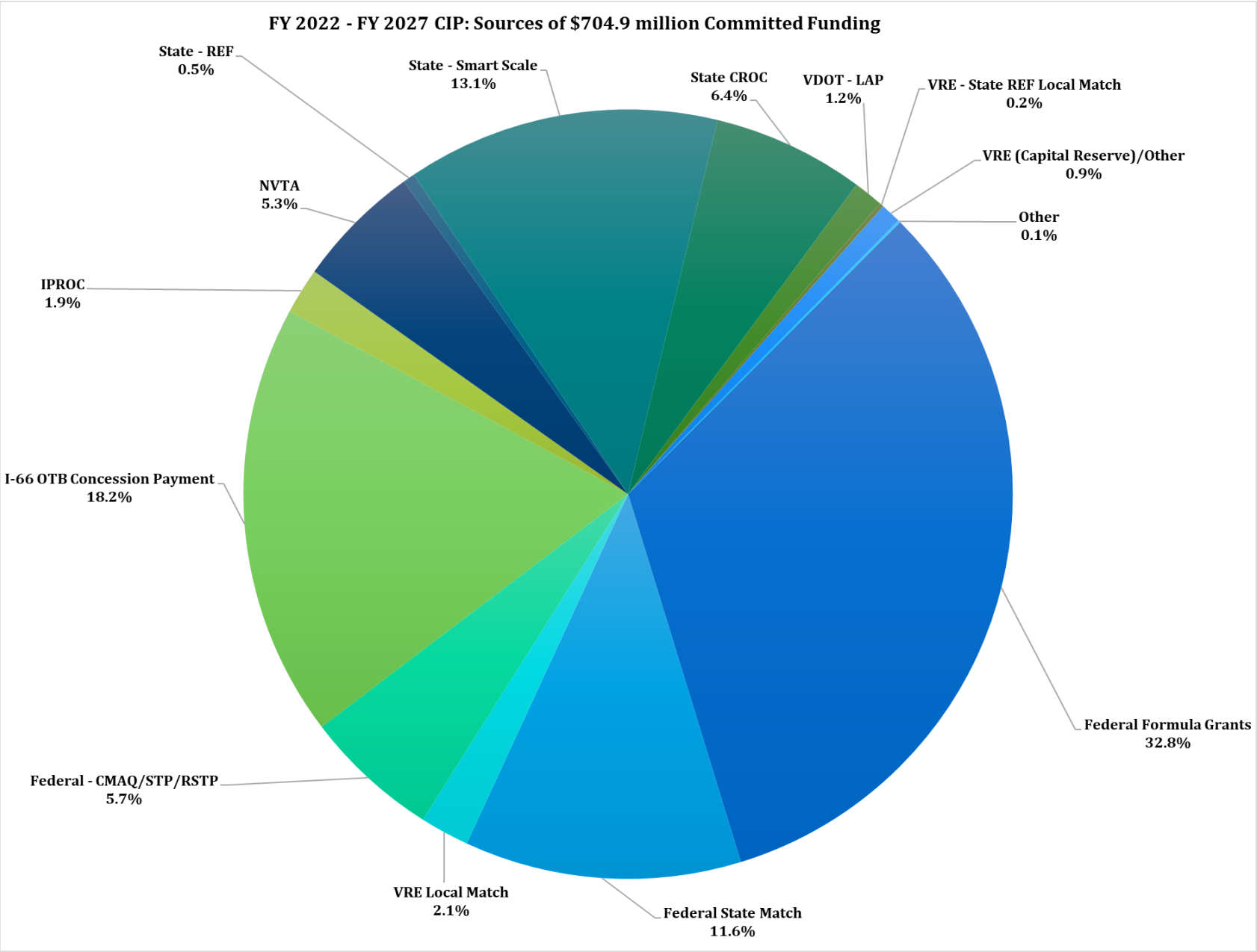
PROJECT TYPE	PROJECT COST	FUNDED	UNFUNDED
Asset Management	77.6	77.6	
Expansion	606.6	492.9	113.7
Replacement and Rehabilitation	134.1	134.1	
Other	0.3	0.3	
Total	**818.6**	**704.9**	**113.7**

Capital Improvement Program By Program Area *(amounts in millions of $)*

Program Name	Project ID	Project Name	Life-To-Date	FY 2021 Amended	FY 2022 Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Asset Management/State of Good Repair	**AM-2**	Automatic Passenger Counters	2.9								2.9
	AM-4	Enhancement Grant - Security	0.8	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.6
	AM-5	Equipment Asset Management Program	29.5	6.1	2.1	2.0	1.7	1.9	3.3		46.6
	AM-6	Facilities Asset Management Program	15.2	0.2							15.4
	AM-6A	Fredericksburg Station Rehabilitation	1.9	3.2							5.0
	AM-8	Security Cameras	1.6	0.3			0.5		0.3		2.7
	AM-9	Realtime Multimodal Traveler Information (New Project)	3.5								3.5
Asset Management/State of Good Repair Total			**55.3**	**9.9**	**2.2**	**2.1**	**2.3**	**2.0**	**3.7**	**0.1**	**77.6**
Information Technology	**IT-2**	ERP Implementation	2.8								2.8
	IT-3	TRIP /VMS Upgrade	1.0								1.0
Information Technology Total			**3.8**								**3.8**
Passenger Station Facilities	**ST-1**	Alexandria Station Improvements	18.4		6.3	6.3					31.0
	ST-4	Backlick Road Station Improvements		2.0		4.0					6.0
	ST-5	Brooke Station Improvements	0.3	0.2	0.3	8.0					8.8
	ST-8	Crystal City Station Improvements	16.6	4.7	13.0	0.0	7.9	7.9			50.1
	ST-9	Franconia-Springfield Station Improvements	13.0								13.0
	ST-10	Leeland Road Station Improvements	0.3	0.2	3.1	2.7					6.3
	ST-11	L'Enfant Station Improvements	16.0	15.0	2.4	15.7	11.1	24.4			84.6
	ST-14	Quantico Station Improvements	18.2		5.2	0.6					24.0
	ST-17	Rolling Road Station Improvements	5.0								5.0
	ST-18	Washington Union Station Improvements	15.0	5.0	5.0	10.0	10.0	10.0			55.0
	ST-21	Manassas Station Improvements	9.1								9.1
Passenger Station Facilities Total			**111.8**	**27.2**	**35.3**	**47.3**	**29.0**	**42.3**			**292.8**
Rolling Stock Equipment	**RS-3**	Fleet Expansion Coaches - Manassas Line - Short Term	28.1			9.9					38.0
	RS-5	Fleet Expansion Coaches (Fredericksburg Line)		10.7	15.9	7.8	7.5				41.8
Rolling Stock Equipment Total			**28.1**	**10.7**	**15.9**	**17.7**	**7.5**				**79.9**
Station Parking	**PK-3**	Leeland Road Parking Improvements	0.4		5.2						5.5
	PK-4	Manassas Park Parking Improvements	26.0	0.7		3.8					30.4
Station Parking Total			**26.3**	**0.7**	**5.2**	**3.8**					**36.0**
Train Maintenance and Storage Facilities	**MS-3**	Crossroads MSF - Storage Expansion, Short-term			5.1	3.3					8.4
	MS-5	L'Enfant Train Storage Track - South	4.0								4.0
	MS-6	Life-Cycle Overhaul and Upgrade Facility	48.2	4.0							52.2
	MS-7	New York Avenue Midday Storage Facility	65.6	17.8	12.7	3.3					99.4
	OT-2	Broad Run Expansion (BRX)	88.8	4.3	2.0	69.3					164.4
Train Maintenance and Storage Facilities Total			**206.6**	**26.1**	**19.7**	**75.9**					**328.3**
Misc. (Multiple Categories)	**OT-4**	Forklifts purchase	0.3								0.3
Misc. (Multiple Categories) Total			**0.3**								**0.3**
Grand Total			**432.2**	**74.5**	**78.2**	**146.8**	**38.9**	**44.3**	**3.7**	**0.1**	**818.6**

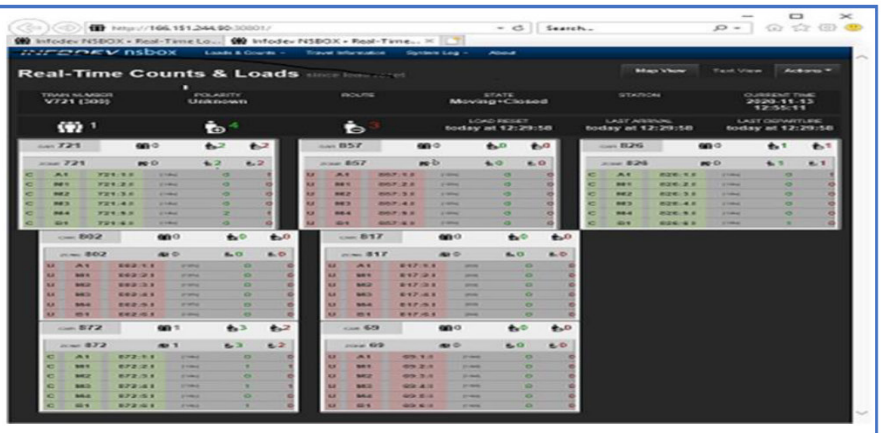
Capital Improvement Program by Funding Source *(amounts in millions of $)*

Funding Source Type	Funding Source	Life-To-Date	FY 2021 Amended	FY 2022 Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Federal Formula Grants	Federal Formula Grants	130.5	25.1	25.1	22.5	16.9	7.8	3.0	0.1	230.9
	Federal State Match	46.4	10.8	8.8	7.4	4.7	3.6	0.3	0.0	81.9
	VRE Local Match	7.0	1.5	1.4	1.2	1.8	0.6	0.4	0.0	14.1
Federal Formula Grants Total		**183.9**	**37.4**	**35.3**	**31.1**	**23.4**	**12.0**	**3.7**	**0.1**	**327.0**
Non-Federal Formula Funded	Federal - CMAQ/STP/RSTP	24.5	6.8	2.6	6.4					40.2
	I-66 OTB Concession Payment	128.5								128.5
	IPROC	13.6								13.6
	NVTA	17.4	4.0			7.9	7.9			37.2
	State - REF	3.5								3.5
	State - Smart Scale	14.2	10.7	40.3	27.5					92.6
	State CROC	30.0	15.0							45.0
	VRE Local Match	0.5								0.5
	VDOT - LAP	8.7								8.7
	VRE - State REF Local Match	1.3								1.3
	VRE (Capital Reserve)/Other	6.1			0.0					6.1
	Other		**0.7**							**0.7**
Non-Federal Formula Funded Total		**248.2**	**37.1**	**42.9**	**33.9**	**7.9**	**7.9**			**377.9**
Grand Total		**432.2**	**74.5**	**78.2**	**65.0**	**31.3**	**19.9**	**3.7**	**0.1**	**704.9**


FY 2022 - FY 2027 CIP: Sources of $704.9 million Committed Funding
State - REF
0.5%
State - Smart Scale
13.1%
State CROC
6.4%
VDOT - LAP
1.2%
VRE - State REF Local Match
0.2%
VRE (Capital Reserve)/Other
0.9%
Other
0.1%
NVTA
5.3%
IPROC
1.9%
I-66 OTB Concession Payment
18.2%
Federal Formula Grants
32.8%
Federal - CMAQ/STP/RSTP
5.7%
VRE Local Match
2.1%
Federal State Match
11.6%

Asset Management/ State of Good Repair

Project Name:
Automatic Passenger Counters
Project ID:
AM-2
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
N/A



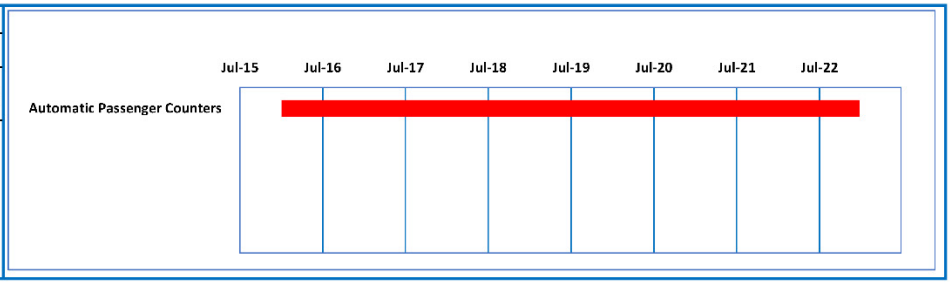
Project Description

Currently, passenger counts are performed manually by train conductors each morning and evening to comply with the National Transit Database (NTD) and internal VRE reporting needs. This project will allow for automatic passenger counters as the riders board and detrain at each station. Installation of the passenger counters will also allow gathering of additional passenger information for use in planning and operational analyses. Any new rail cars purchased by VRE will have the APC equipment installed during the construction process.

Project Funding

This project is funded with federal 5307 (Urbanized Area formula program) grants requiring a 20% local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Automatic Passenger Counters	1/1/2016	12/31/2022



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	2,320,000									2,320,000
Federal State Match	464,000									464,000
VRE Local Match	116,000									116,000
Unfunded (To Be Determined)										
Total Funding	**2,900,000**									**2,900,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**1,324,256**	**325,000**	**1,250,744**							**2,900,000**

Project Name:
Enhancement Grant - Security
Project ID:
AM-4
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
N/A

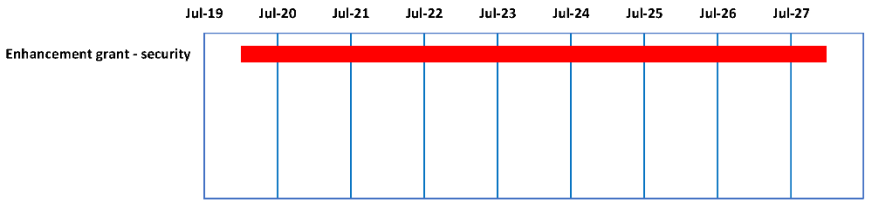
Project Description

Grantees receiving federal 5307 funds must certify that at least 1% of funding received each fiscal year is being used for transit security projects. Eligible projects include improvements to station lighting and security, systems safety consulting, and security drills with first responders.

Project Funding

Projects are funded through 1% set-aside of federal 5307 annual allocations for transit security projects. Annual allocation is $105,000.

Schedule Information		
Phase	Ongoing	
Enhancement grant - security		



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	644,178	84,000	84,000	84,000	84,000	84,000	84,000	84,000		1,232,178
Federal State Match	124,362	16,800	16,800	16,800	16,800	16,800	16,800	16,800		241,962
VRE Local Match	81,305	4,200	4,200	4,200	4,200	4,200	4,200	4,200		110,705
Unfunded (To Be Determined)										
Total Funding	**849,844**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**		**1,584,844**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**849,844**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**		**1,584,844**

Project Name:
Equipment Asset Management Program
Project ID:
AM-5
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
N/A

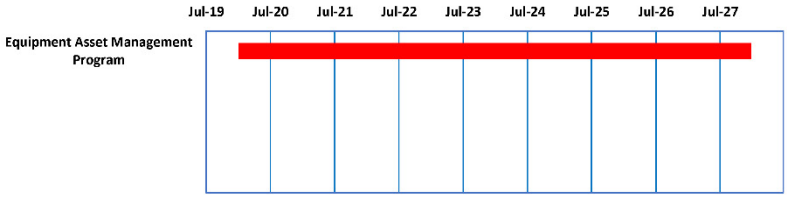
Project Description

This ongoing program provides funding for major lifecycle overhaul and upgrade costs for VRE rolling stock to ensure all equipment is maintained in a state of good repair in accordance with VRE's Maintenance Management Plan and Transit Asset Management program.

Project Funding

This program is funded with federal 5337 (Rail State of Good Repair) formula grants requiring a 20% local match.

Schedule Information		
Phase	**Ongoing**	
Equipment Asset Management Program		



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	23,563,406	4,896,194	1,672,000	1,584,294	1,357,492	1,520,000	2,663,200			37,256,586
Federal State Match	4,712,681	979,239	334,400	316,859	271,498	152,000	266,320			7,032,997
VRE Local Match	1,178,170	244,810	83,600	79,215	67,875	228,000	399,480			2,281,149
Unfunded (To Be Determined)										
Total Funding	**29,454,258**	**6,120,242**	**2,090,000**	**1,980,368**	**1,696,865**	**1,900,000**	**3,329,000**			**46,570,733**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**6,895,258**	**8,047,675**	**10,210,000**	**9,925,000**	**3,789,800**	**3,233,000**	**2,270,000**	**2,200,000**		**46,570,733**

Project Name:
Facilities Asset Management Program
Project ID:
AM-6
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
System-wide

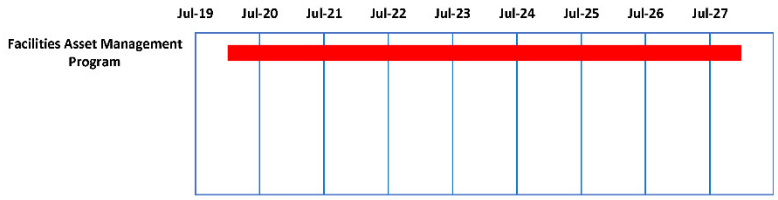
Project Description

As VRE facilities age, there is an increasing need for repairs and improvements to maintain these assets in a State of Good Repair (SGR). An independent evaluation of all station, maintenance, storage, office facilities and systems was conducted at the beginning of FY 2018 in accordance with VRE's Transit Asset Management program, in order to establish maintenance, rehabilitation and replacement cycles and priorities. This ongoing program supports those required rehabilitation and replacement efforts at VRE facilities.

Project Funding

This ongoing program is funded with federal 5337 (Rail State of Good Repair) formula grants requiring a 20% local match.

Schedule Information		
Phase	**Ongoing**	
Facilities Asset Management Program		



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	11,730,881	166,950								11,897,830
Federal State Match	2,321,176	33,390								2,354,566
VRE Local Match	611,544	8,347								619,892
VRE Capital Reserve	500,000									500,000
Unfunded (To Be Determined)										
Total Funding	**15,163,601**	**208,687**								**15,372,288**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**3,647,288**	**2,850,000**	**3,675,000**	**1,200,000**	**1,350,000**	**1,050,000**	**800,000**	**800,000**		**15,372,288**

Project Name:
Fredericksburg Station Rehabilitation
Project ID:
AM-6A
Program Name:
Passenger Station Facilities
Project Type:
Rehabilitation
Location:
Fredericksburg

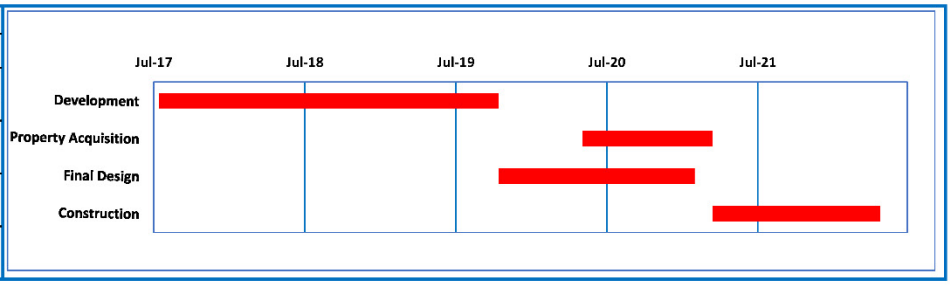
Project Description

The project supports rehabilitation of the existing Fredericksburg station. Work includes repair of approximately 125 feet of the southernmost portion of each platform, dental concrete repairs, lighting, and signage. The project will improve the boarding capacity for VRE and Amtrak trains. In conjunction with the platform repairs, stairs will be added at the southeast corner of the station for safe passenger movements to nearby parking. This new passenger path will not require crossing Princess Anne Street at-grade.

Project Funding

This project is funded with federal 5337 (Rail State of Good Repair) formula grants requiring a 20% local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	7/14/2017	10/14/2019
Property Acquisition	5/5/2020	3/16/2021
Final Design	10/15/2019	2/1/2021
Construction	3/16/2021	4/26/2022



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	1,480,000	2,526,400								4,006,400
Federal State Match	296,000	505,280								801,280
VRE Local Match	74,000	126,320								200,320
Unfunded (To Be Determined)										
Total Funding	**1,850,000**	**3,158,000**								**5,008,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**213,821**	**1,636,179**	**3,158,000**							**5,008,000**

Project Name:
Security Cameras
Project ID:
AM-8
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
System-wide

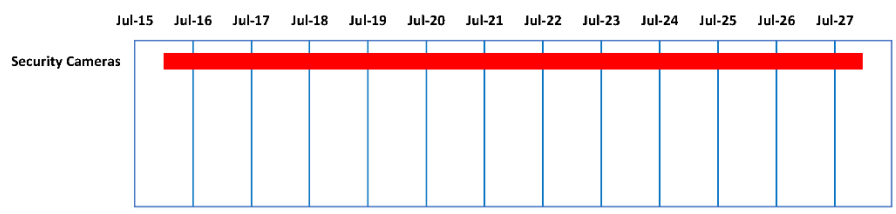
Project Description

The system of security cameras and infrastructure at VRE stations and yards is being modernized and expanded. This project covers cameras at VRE's existing facilities; the cost of the initial installation of cameras associated with construction projects is included in the budgets for these projects. Funding is currently provided for cameras and associated hardware at 22 locations.

Project Funding

This project is funded with federal 5307 (Urbanized Area formula program) grants requiring a 20% local match as well as the required 1% safety/security set aside in the federal CARES Act funds allocated to VRE in March 2020.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Security Cameras	1/1/2016	12/31/2027



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	862,960	240,000			400,000		234,951			1,737,911
Federal State Match	172,592	48,000			80,000		46,990			347,582
VRE Local Match	43,148	12,000			20,000		11,748			86,896
VRE Capital Reserve	500,000									500,000
Unfunded (To Be Determined)										
Total Funding	**1,578,700**	**300,000**			**500,000**		**293,689**			**2,672,389**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**997,171**	**775,219**	**600,000**				**150,000**	**150,000**		**2,672,389**

Project Name:
Real-Time Multimodal Traveler Information
Project ID:
AM-9
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
System-wide

RM3P
Travel Decisions Powered by Data

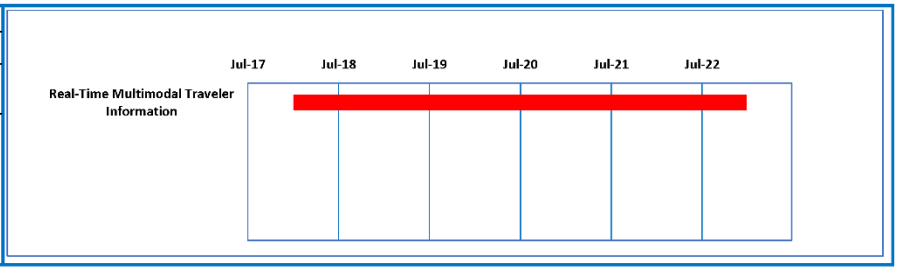
Project Description

VRE has a system-wide program to implement automatic passenger counters in all rail cars and automatic parking counters at all VRE parking facilities. While train location information is currently provided on the internet and on screens at the stations, there are plans to provide real-time train arrival information in the future. Software upgrades will be required to provide these real-time data feeds that can then be integrated with VRE Mobile and other third-party apps and websites, as well as on display screens at VRE stations and other locations along the I-66 corridor. Separate funding has been committed for implementing automatic passenger counters and automatic parking counters at existing VRE facilities.

Project Funding

This project is funded through the I-66 Outside the Beltway (OTB) Concessionaire Payment as part of the broader Manassas Line Capacity Expansion program.

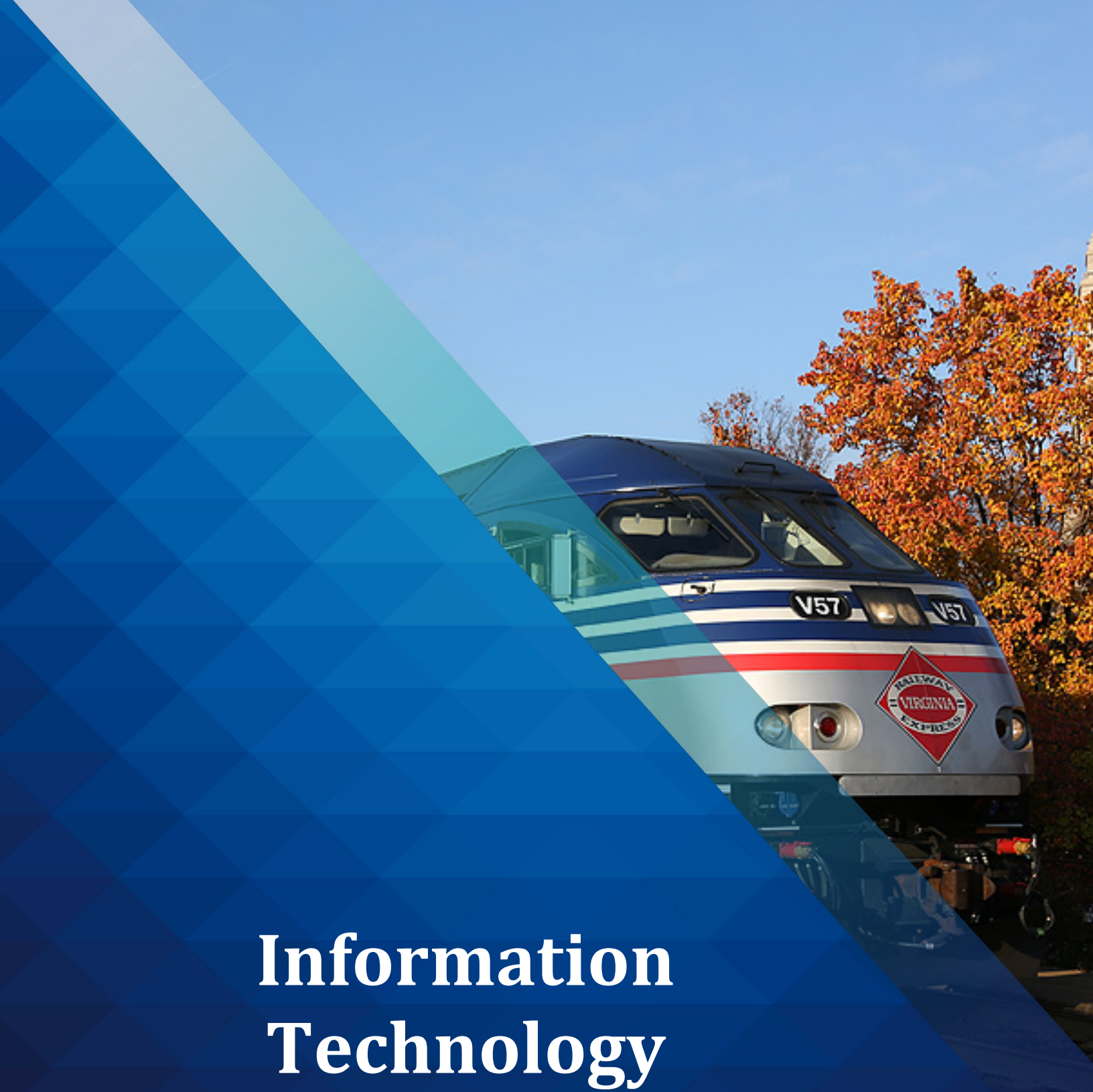
Schedule Information		
Phase	**Start Date**	**Finish Date**
Real-Time Multimodal Traveler Information	1/1/2018	12/31/2022



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
I-66 OTB Concession Payment	3,481,000									3,481,000
Unfunded (To Be Determined)										
Total Funding	**3,481,000**									**3,481,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan			**3,481,000**							**3,481,000**



Information Technology

Project Name:
ERP Implementation
Project ID:
IT-2
Program Name:
Information Technology
Project Type:
New Installation
Location:
N/A

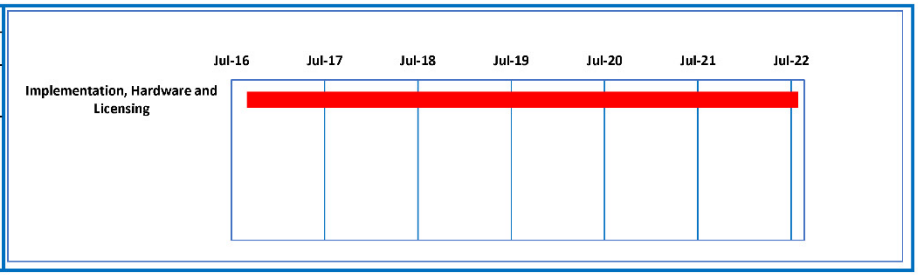
Project Description

This project supports the installation of an Enterprise Resource Planning system (ERP) to support VRE operations. The project will target implementation of a new system to provide automation of process workflows related to Human Resources, Accounting, Finance, Budgeting, Grant Management, Inventory Management, Project Management and Procurements. The project aims to replace a number of current manual processes with data automation and improved reporting. This project will enhance the effectiveness of VRE operations by creating greater process efficiencies throughout the organization.

Project Funding

Project is fully funded with VRE Local funds (Capital Reserve).

Schedule Information		
Phase	**Start Date**	**Finish Date**
Implementation, Hardware and Licensing	9/1/2016	8/2/2022



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
VRE Capital Planning Fund (98)	140,000									140,000
VRE Capital Reserve	2,610,000									2,610,000
Unfunded (To Be Determined)										
Total Funding	**2,750,000**									**2,750,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**377,433**	**1,082,400**	**1,290,167**							**2,750,000**

Project Name:
TRIP/VMS Upgrade
Project ID:
IT-3
Program Name:
Information Technology
Project Type:
New Installation
Location:
N/A

Project Description

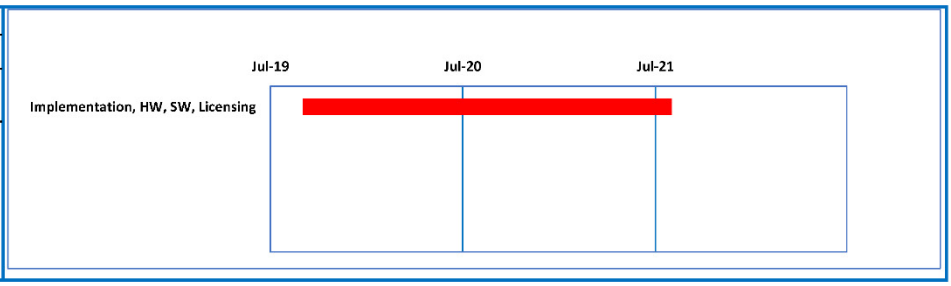
This project supports the upgrade of VRE's Transit Display system and train information portal. The project will replace the current infrastructure and system which was installed more than ten years ago. This project will enhance the effectiveness of VRE operations through communication of multi-modal transit data and an updated GTFS feeds to VDOT for their use on VDOT Variable Message Signs.

Project Funding

This project is funded with VRE internal funds (Capital Reserve).

Schedule Information

Phase	Start Date	Finish Date
Implementation, HW, SW, Licensing	9/1/2019	8/2/2021



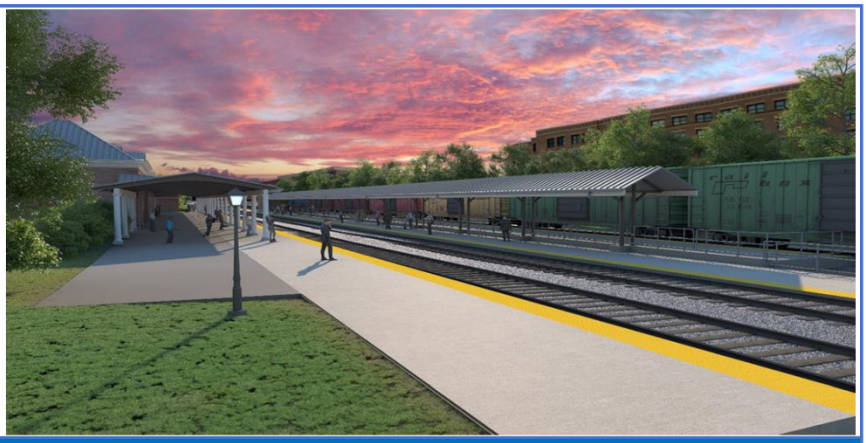
Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
VRE Capital Reserve	1,000,000									1,000,000
Unfunded (To Be Determined)										
Total Funding	**1,000,000**									**1,000,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**45,222**	**954,778**								**1,000,000**

Passenger Station Facilities

Project Name:
Alexandria Station Improvements
Project ID:
ST-1
Program Name:
Passenger Station Facilities
Project Type:
Replacement and Rehabilitation
Location:
City of Alexandria



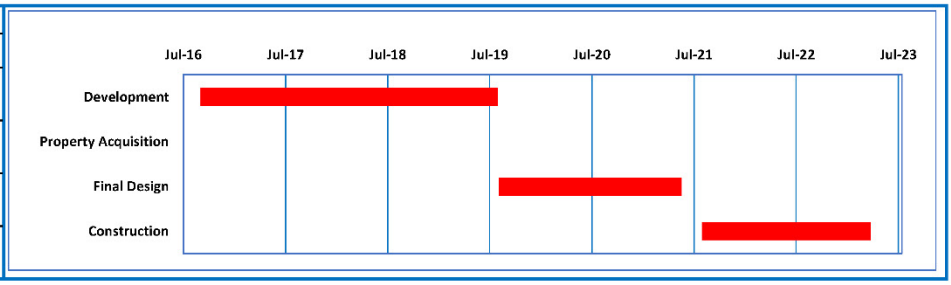
Project Description

The project will provide an ADA-compliant, grade-separated pedestrian tunnel and elevator access between the two platforms at the VRE/Amtrak station in Alexandria and modify and extend the east platform at the station to accommodate eight-car trains and enable the platform to service two trains simultaneously, from a track on each side of the platform. The west platform adjacent to the station building will also be modified to raise its height relative to the top of rail as part of the project.

Project Funding

The project is funded primarily through the Commonwealth of Virginia SmartScale program (as part of VRE's broader Fredericksburg Line Expansion program) as well as Federal funds (provided through VDOT) to eliminate railroad grade crossings and improve railroad safety.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	9/1/2016	8/2/2019
Property Acquisition	5/9/2019	5/9/2019
Final Design	8/5/2019	5/21/2021
Construction	8/2/2021	3/31/2023



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	320,000									320,000
Federal State Match	64,000									64,000
VRE Local Match	16,000									16,000
Federal Funds - Other	8,721,865									8,721,865
State - Smart Scale	9,234,149		6,284,000	6,335,000						21,853,149
Unfunded (To Be Determined)										
Total Funding	**18,356,014**		**6,284,000**	**6,335,000**						**30,975,014**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**3,276,467**	**2,000,000**	**20,100,000**	**5,598,547**						**30,975,014**

Project Name:
Backlick Road Station Improvement
Project ID:
ST-4
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Fairfax County

VRE Backlick Road Station Improvements

Project Description

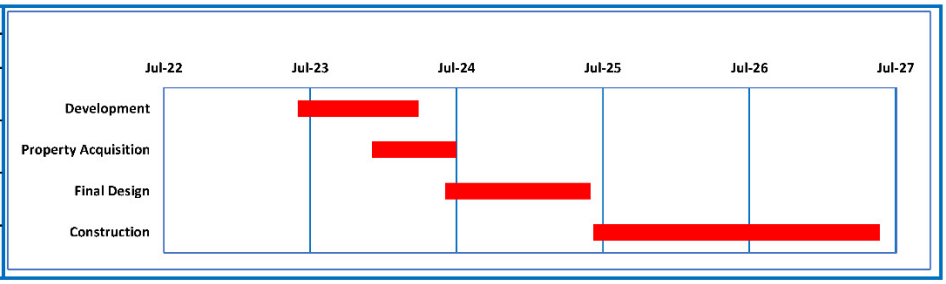
The existing platform at the VRE Backlick Road Station on the Manassas Line only accommodates five-car train sets for boarding and detraining. Some passengers must move to different cars for detraining longer trains. The platform extension project will construct an approximately a 300-foot platform extension to accommodate eight-car trains.

Project Funding

This project is currently supported with Federal CMAQ/RSTP funds. Additional CMAQ funds will be sought for the unfunded portion of the project.

Schedule Information

Phase	Start Date	Finish Date
Development	6/1/2023	3/29/2024
Property Acquisition	12/4/2023	7/1/2024
Final Design	6/3/2024	6/2/2025
Construction	6/9/2025	5/26/2027



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP		1,600,000		400,000						2,000,000
State - CMAQ/STP/RSTP Match		400,000		100,000						500,000
Unfunded (To Be Determined)				3,500,000						3,500,000
Total Funding		**2,000,000**		**4,000,000**						**6,000,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan				**260,000**	**200,000**	**350,000**	**1,250,000**	**3,940,000**		**6,000,000**

Project Name:
Brooke Station Improvement
Project ID:
ST-5
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Stafford County

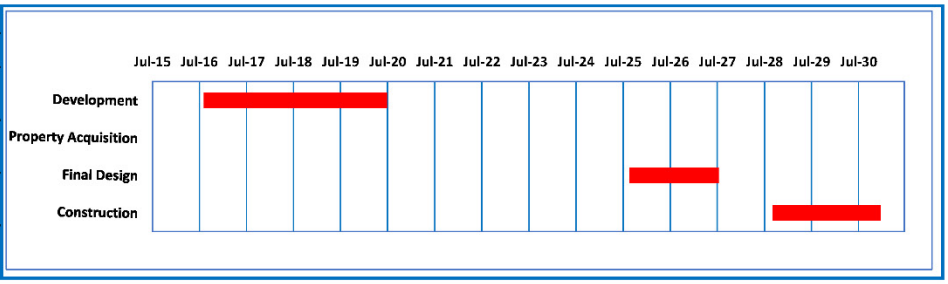
Project Description

This project previously included the design and construction of an extension to the existing platform, a new second platform, and a new pedestrian overpass at Brooke Station. With the introduction of the Transforming Rail in Virginia program, however, the project is being rescoped to include only an expansion of the existing side platform. These capacity enhancements will improve operational efficiency and accommodate eight-car trains.

Project Funding

The project is funded primarily through the Commonwealth of Virginia SmartScale program (as part of VRE's broader Fredericksburg Line Expansion program) as well as Federal CMAQ funds. Rail Enhancement Fund (REF) funding that supported the original larger project has been reallocated.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	8/4/2016	6/30/2020
Property Acquisition		
Final Design	8/27/2025	7/20/2027
Construction	9/13/2028	12/31/2030



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP	210,000	196,016	250,714	459,890						1,116,620
State - CMAQ/STP/RSTP Match	52,500	49,003	62,680	114,973						279,156
State - REF										
State - Smart Scale				7,393,331						7,393,331
Unfunded (To Be Determined)										
Total Funding	**262,500**	**245,019**	**313,394**	**7,968,194**						**8,789,107**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**299,655**	**195,445**					**414,700**	**1,347,776**	**6,531,531**	**8,789,107**

Project Name:
Crystal City Station Improvements
Project ID:
ST-8
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Arlington County

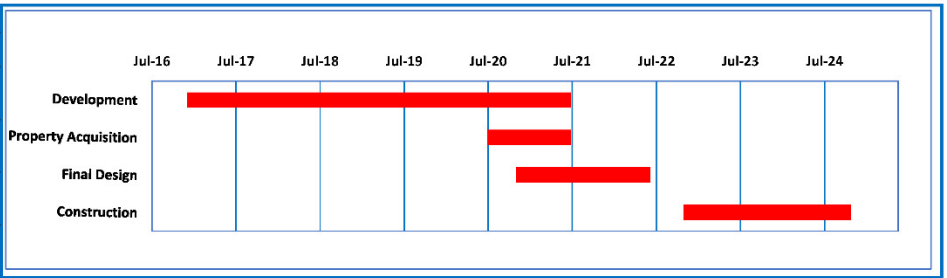
Project Description

This project includes the planning, design, permitting, and construction for an expanded and relocated station and platform for the VRE Crystal City Station and related track modifications. The project will construct an island platform to enable simultaneous boarding of two trains and accommodate full-length trains and the planned fourth track in and around the station. This project is related to and must be coordinated with the fourth track project between AF and RO interlockings, part of the DC2RVA project, the planned CC2DCA pedestrian bridge connection to Ronald Reagan National Airport, and Long Bridge Capacity Improvements.

Project Funding

The project is funded with multiple funding sources including Federal formula grants, NVTA funds, Rail Enhancement funds (REF), Commuter Rail Operating and Capital (C-ROC) funds, and VRE Capital Reserve funds.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	12/1/2016	6/30/2021
Property Acquisition	7/1/2020	6/30/2021
Final Design	11/2/2020	6/10/2022
Construction	11/1/2022	10/31/2024



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds		535,770	10,415,000							10,950,770
Federal State Match		107,154	2,083,000							2,190,154
VRE Local Match		26,789	520,750							547,539
NVTA	400,000	4,000,000			7,900,000	7,900,000				20,200,000
VRE - State REF Local Match	707,000									707,000
VRE Capital Reserve	303,000									303,000
VRE Capital Reserve	174,619			41,537						216,156
State CROC	15,000,000									15,000,000
Unfunded (To Be Determined)										
Total Funding	**16,584,619**	**4,669,713**	**13,018,750**	**41,537**	**7,900,000**	**7,900,000**				**50,114,619**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**393,642**	**3,190,977**	**2,000,000**	**14,844,000**	**14,843,000**	**14,843,000**				**50,114,619**

Project Name:
Franconia-Springfield Station Improvements
Project ID:
ST-9
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Fairfax County

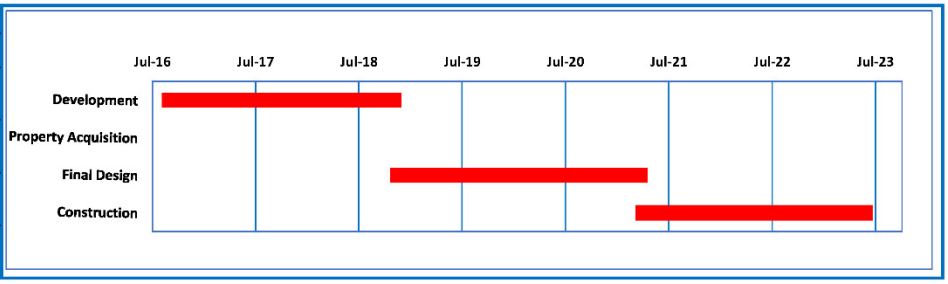
Project Description

This project supports the design and construction of an extension to the existing west platform (adjacent to WMATA) and a widening/extension of the existing east platform at the VRE Franconia-Springfield Station. These capacity expansions will improve operational efficiency and accommodate eight-car trains. The project is within the limits of the broader DRPT Atlantic Gateway third track project.

Project Funding

This project is funded entirely with NVTA funds.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	8/4/2016	11/30/2018
Property Acquisition		
Final Design	10/22/2018	4/21/2021
Construction	3/10/2021	6/27/2023



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
NVTA	13,000,000									13,000,000
Unfunded (To Be Determined)										
Total Funding	**13,000,000**									**13,000,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**612,756**	**2,377,244**	**5,720,000**	**4,290,000**						**13,000,000**

Project Name:
Leeland Road Station Improvements
Project ID:
ST-10
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Stafford County

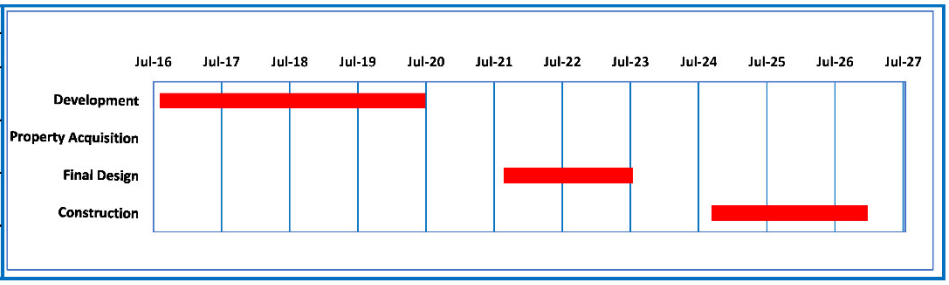
Project Description

This project previously included the design and construction of an extension to the existing platform, a new second platform, and a new pedestrian overpass at Leeland Road Station. With the introduction of the Transforming Rail in Virginia program, however, the project is being rescoped to include only an expansion of the existing side platform. These capacity enhancements will improve operational efficiency and accommodate eight-car trains.

Project Funding

The project is funded primarily through the Commonwealth of Virginia SmartScale program (as part of VRE's broader Fredericksburg Line Expansion program) as well as Federal CMAQ funds.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	8/4/2016	6/30/2020
Property Acquisition		
Final Design	8/26/2021	7/19/2023
Construction	9/13/2024	12/31/2026



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP	210,000	196,016	250,714	459,890						1,116,620
State - CMAQ/STP/RSTP Match	52,500	49,003	62,680	114,973						279,156
State - Smart Scale			2,749,725	2,109,789						4,859,514
Unfunded (To Be Determined)										
Total Funding	**262,500**	**245,019**	**3,063,119**	**2,684,652**						**6,255,290**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**365,141**	**92,659**	**289,875**	**289,875**		**1,304,435**	**2,608,871**	**1,304,435**		**6,255,290**

Project Name:
L'Enfant Station and Fourth Track
Project ID:
ST-11
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
District of Columbia

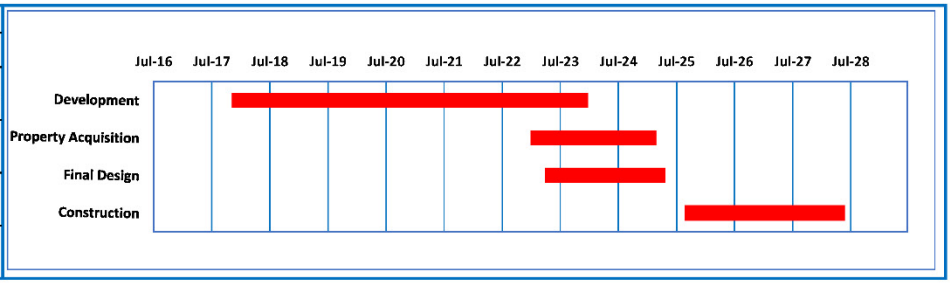
Project Description

This project includes the planning, design, permitting, and construction for an expanded VRE L'Enfant Station and an additional mainline track between the Virginia (VA) and L'Enfant (LE) Interlockings in Washington, DC. The expanded station will support simultaneous boarding of two full-length trains. The project will aim to improve station access and customer convenience while improving service reliability. The project must be coordinated with the L'Enfant Train Storage Track-South and Long Bridge Capacity Improvements projects.

Project Funding

This project will be supported by Federal formula funds, C-ROC funds and REF funds, as well as other sources yet to be determined.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	11/6/2017	12/29/2023
Property Acquisition	1/2/2023	3/3/2025
Final Design	4/3/2023	4/28/2025
Construction	9/1/2025	6/2/2028



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds			1,950,966	12,542,472	8,898,338					23,391,777
Federal State Match			390,193	2,508,494	889,834					3,788,522
VRE Local Match			97,548	627,124	1,334,751					2,059,423
State CROC	15,000,000	15,000,000								30,000,000
VRE - State REF Local Match	954,000									954,000
VRE Capital Reserve	46,000									46,000
Unfunded (To Be Determined)						24,350,279				24,350,279
Total Funding	**16,000,000**	**15,000,000**	**2,438,708**	**15,678,090**	**11,122,923**	**24,350,279**				**84,590,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**82,500**	**147,971**	**1,500,000**	**2,000,000**	**2,500,000**	**2,206,529**	**25,384,333**	**25,384,333**	**25,384,333**	**84,590,000**

Project Name:
Quantico Station Improvements
Project ID:
ST-14
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Prince William County

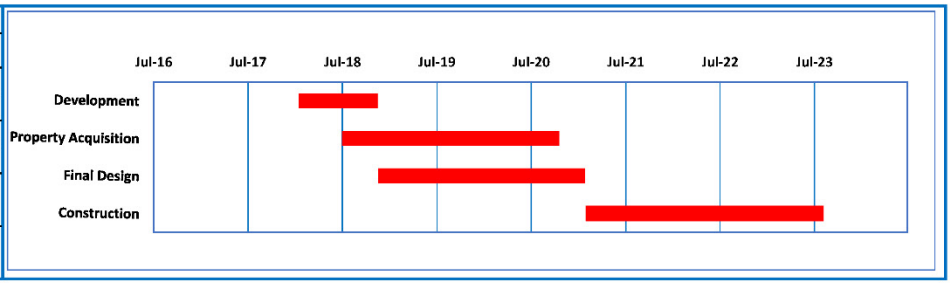
Project Description

This project provides for improvements at the Quantico Station, including design and construction of an island platform and pedestrian bridges; extension of the existing platform; and site/civil, track bed and drainage improvements (including Retaining Wall) in conjunction with Track and Signal Work provided by CSXT under scope of separate but concurrent contract/project with DRPT. Improvements are being coordinated with the Arkendale to Powell's Creek third track project being implemented by the DRPT and CSXT, of which Quantico Station Improvements is a sub-project.

Project Funding

This project is funded through a combination of Intercity Passenger Rail Operating and Capital (IPROC) and SMART SCALE grants through the Commonwealth of Virginia.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	1/15/2018	11/16/2018
Property Acquisition	7/2/2018	10/20/2020
Final Design	11/19/2018	1/29/2021
Construction	2/1/2021	8/11/2023

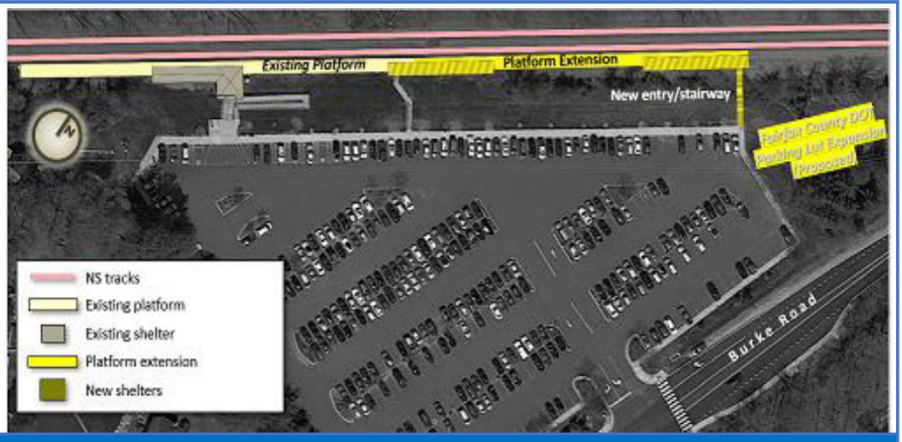


Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - IPROC	13,622,204									13,622,204
State - Smart Scale	4,600,045		5,150,700	600,112						10,350,857
Unfunded (To Be Determined)										
Total Funding	**18,222,249**		**5,150,700**	**600,112**						**23,973,061**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**389,434**	**6,500,000**	**10,050,000**	**7,033,627**						**23,973,061**

Project Name:
Rolling Road Station Improvements
Project ID:
ST-17
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Fairfax County



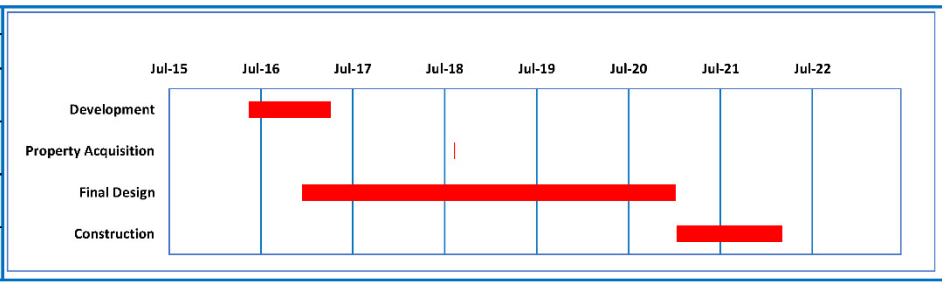
Project Description

The Rolling Road Station currently has a platform which accommodates a five-car train set for boarding and detraining. This project provides for a 290-foot platform extension to accommodate an eight-car train set.

Project Funding

This project is funded with Federal CMAQ grants.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	5/13/2016	4/4/2017
Property Acquisition	8/10/2018	8/13/2018
Final Design	12/12/2016	1/8/2021
Construction	1/11/2021	3/7/2022

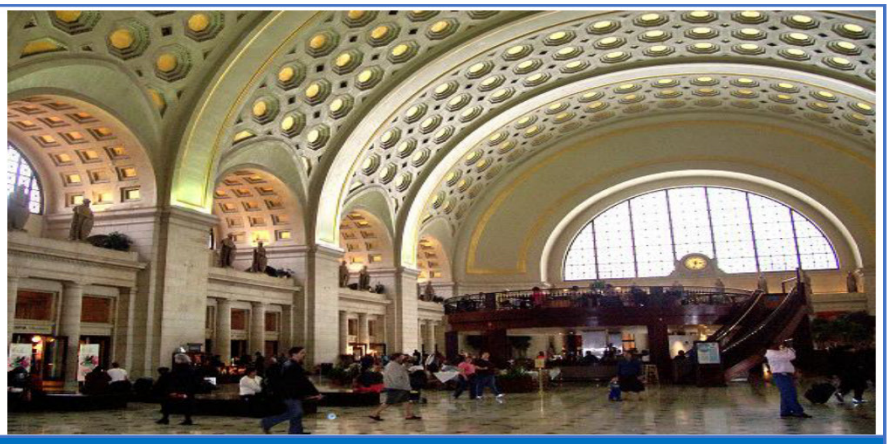


Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP	4,000,000									4,000,000
State - CMAQ/STP/RSTP Match	1,000,000									1,000,000
Unfunded (To Be Determined)										
Total Funding	**5,000,000**									**5,000,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**425,177**	**3,574,823**	**1,000,000**							**5,000,000**

Project Name:
Washington Union Station Improvements
Project ID:
ST-18
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
District of Columbia



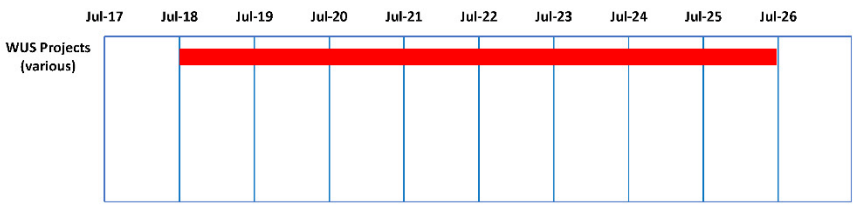
Project Description

This project will fund track, signal, platform and passenger facility upgrades and realignments at Amtrak's Washington Union Terminal, in accordance with the Northeast Corridor Capital Investment Plan. Costs for the project will be allocated to the users of the terminal in accordance with the Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy, which is still under discussion for capital improvements. VRE's allocated share of the project(s) has not been determined. Some priority projects may be carried out under an interim agreement with Amtrak.

Project Funding

This project is funded with federal formula grants (5307 and/or 5337) requiring a 20% local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
WUS Projects (various)	7/1/2018	7/1/2026



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	9,300,000	3,100,000	3,100,000	6,200,000	6,200,000	6,200,000				34,100,000
Federal State Match	5,100,000	1,700,000	1,700,000	3,400,000	3,400,000	3,400,000				18,700,000
VRE Local Match	600,000	200,000	200,000	400,000	400,000	400,000				2,200,000
Unfunded (To Be Determined)										
Total Funding	**15,000,000**	**5,000,000**	**5,000,000**	**10,000,000**	**10,000,000**	**10,000,000**				**55,000,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**15,000,000**	**5,000,000**	**5,000,000**	**10,000,000**	**10,000,000**	**10,000,000**				**55,000,000**

Project Name:
Manassas Station Improvements
Project ID:
ST-21
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
City of Manassas

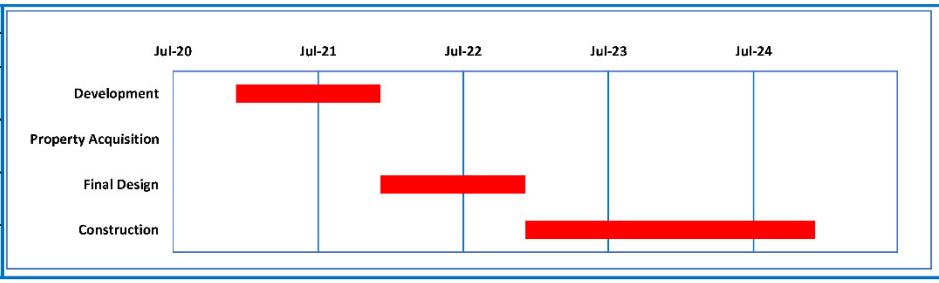
Project Description

This project includes the development, design, permitting and construction of an expansion to the south side (railroad east) platform at the VRE Manassas Station to serve full length trains and enhance pedestrian access.

Project Funding

This project is funded through the I-66 Outside the Beltway (OTB) Concessionaire Payment as part of the broader Manassas Line Capacity Expansion program.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	12/7/2020	12/6/2021
Property Acquisition	12/7/2021	12/7/2021
Final Design	12/7/2021	12/6/2022
Construction	12/7/2022	12/6/2024



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
I-66 OTB Concession Payment	9,125,000									9,125,000
Unfunded (To Be Determined)										
Total Funding	**9,125,000**									**9,125,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		**121,000**	**350,000**	**4,477,000**	**4,177,000**					**9,125,000**

Rolling Stock Equipment

Project Name:
Fleet Expansion Coaches - Manassas Line
Project ID:
RS-3
Program Name:
Rolling Stock
Project Type:
Expansion
Location:
N/A

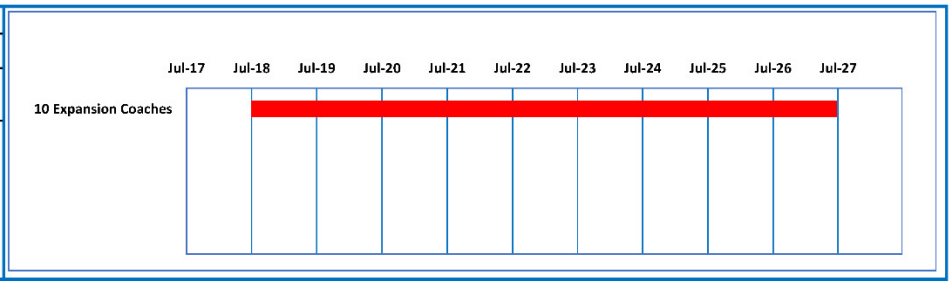
Project Description

This project supports the purchase of ten (10) expansion coaches and a spare to facilitate near-term Manassas Line capacity expansion. Train lengths will be extended up to ten (10) cars in length, sized based on estimated demand. This project is contingent on the expansion of storage capacity at the Broad Run Maintenance and Storage Facility (MSF) and expansion of the Broad Run Station facilities.

Project Funding

This project is funded through the I-66 Outside the Beltway (OTB) Concessionaire Payment as part of the broader Manassas Line Capacity Expansion program.

Schedule Information		
Phase	**Start Date**	**Finish Date**
10 Expansion Coaches	7/1/2018	7/1/2027



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
I-66 OTB Concession Payment	28,120,000									28,120,000
Unfunded (To Be Determined)				9,910,744						9,910,744
Total Funding	**28,120,000**			**9,910,744**						**38,030,744**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		**3,803,074**	**2,662,152**	**12,169,838**	**15,212,298**	**3,232,613**	**190,154**	**760,615**		**38,030,744**

Project Name:
Fleet Expansion Coaches - Fredericksburg Line
Project ID:
RS-5
Program Name:
Rolling Stock
Project Type:
Expansion
Location:
N/A

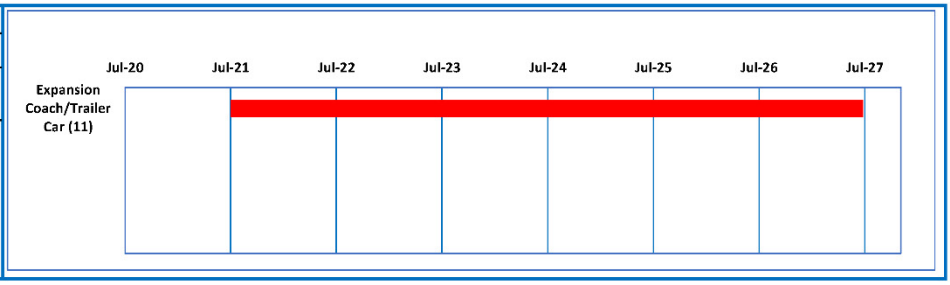
Project Description

This project supports the purchase of eleven (11) expansion coaches and a spare to enable extending all Fredericksburg Line trains to eight (8) cars in length. This project is contingent on the Crossroads Storage Expansion (Short-term) project at the Crossroads Maintenance and Storage Facility (MSF).

Project Funding

This project is funded through the SMART SCALE program as part of the broader Fredericksburg Line Capacity Expansion program.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Expansion Coach/Trailer Car (11)	7/1/2021	7/1/2027



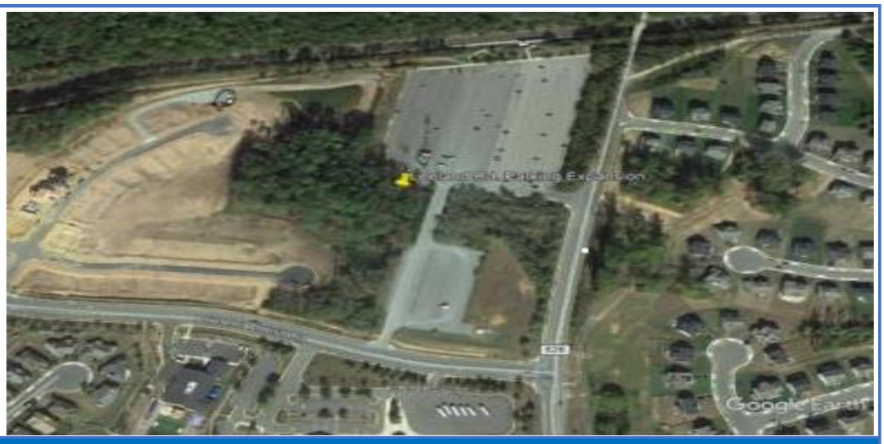
Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - Smart Scale		10,677,000	15,855,000	7,762,442						34,294,442
Unfunded (To Be Determined)					7,539,376					7,539,376
Total Funding		**10,677,000**	**15,855,000**	**7,762,442**	**7,539,376**					**41,833,818**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		**4,183,382**	**2,928,367**	**13,386,822**	**16,733,527**	**3,555,875**	**209,169**	**836,676**		**41,833,818**

Station Parking

Project Name:
Leeland Road Parking Improvements
Project ID:
PK-3
Program Name:
Station Parking
Project Type:
Expansion
Location:
Stafford County



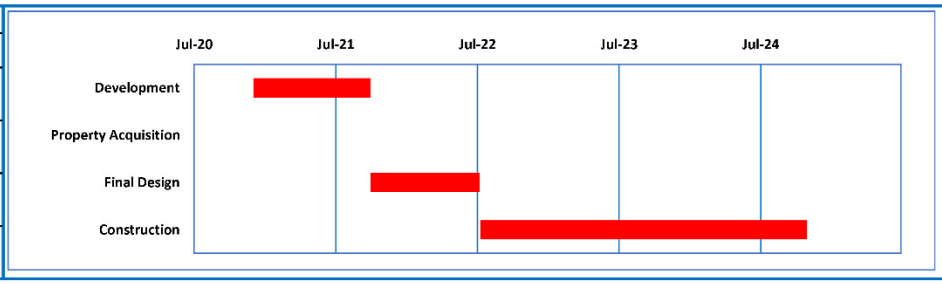
Project Description

This project will expand the surface parking lot at the Leeland Road station by approximately 225 spaces to accommodate future demand.

Project Funding

This project is funded through the SMART SCALE program as part of the broader Fredericksburg Line Capacity Expansion program.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	12/1/2020	9/30/2021
Property Acquisition	12/1/2020	12/1/2020
Final Design	10/1/2021	7/8/2022
Construction	7/11/2022	11/1/2024



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - Smart Scale	360,000		5,159,178							5,519,178
Unfunded (To Be Determined)										
Total Funding	**360,000**		**5,159,178**							**5,519,178**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		**100,000**	**450,000**	**2,609,589**	**2,359,589**					**5,519,178**

Project Name:
Manassas Park Parking Expansion
Project ID:
PK-4
Program Name:
Station Parking
Project Type:
Expansion
Location:
City of Manassas Park

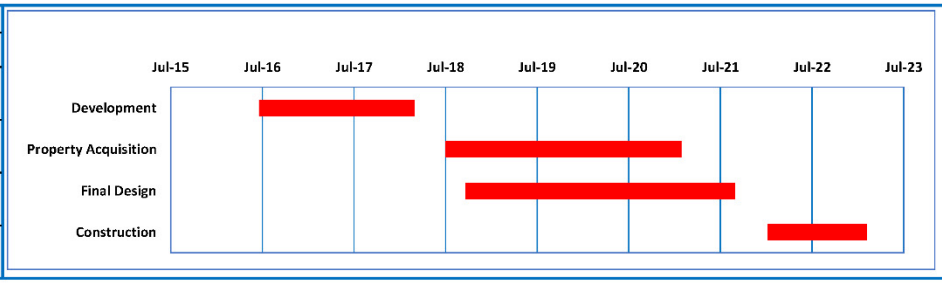
Project Description

This project will add a parking facility (approximately 560 spaces) at the Manassas Park station to increase station parking capacity for VRE riders to 1,100 spaces. The facility has the potential to be shared with other private or public uses in the vicinity.

Project Funding

Project funding sources include NVTA and I-66 Concession grants as well as City of Manassas Park funds.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	6/17/2016	2/28/2018
Property Acquisition	7/2/2018	1/29/2021
Final Design	9/21/2018	8/31/2021
Construction	1/10/2022	2/10/2023



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
NVTA	2,500,000									2,500,000
I-66 OTB Concession Payment	23,483,000									23,483,000
City of Manassas Park		678,764								678,764
Unfunded (To Be Determined)				3,771,739						3,771,739
Total Funding	**25,983,000**	**678,764**		**3,771,739**						**30,433,503**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**813,415**	**10,917,059**	**16,703,029**	**2,000,000**						**30,433,503**

Train Maintenance & Storage Facilities

Project Name:
Crossroads MSF - Storage Expansion - Short-term
Project ID:
MS-3
Program Name:
Train Maintenance and Storage Facilities
Project Type:
Expansion
Location:
Spotsylvania

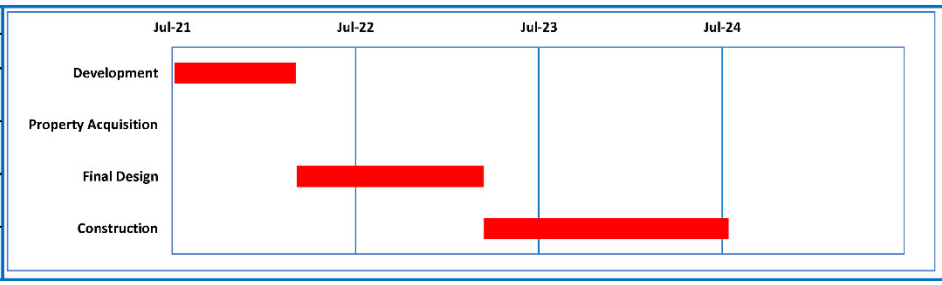
Project Description

This project will construct storage tracks for overnight train storage at the Crossroads Maintenance and Storage Facility (MSF) needed to store the 11 expansion coaches being purchased for the Fredericksburg Line Capacity Expansion.

Project Funding

This project is funded through the SMART SCALE program as part of the broader Fredericksburg Line Capacity Expansion program.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	7/6/2021	3/4/2022
Property Acquisition	7/6/2021	7/6/2021
Final Design	3/7/2022	3/15/2023
Construction	3/16/2023	7/15/2024



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - Smart Scale			5,057,000	3,308,765						8,365,765
Unfunded (To Be Determined)										
Total Funding			**5,057,000**	**3,308,765**						**8,365,765**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan			**683,094**	**4,045,383**	**3,637,289**					**8,365,765**

Project Name:
L'Enfant Train Storage Track - South
Project ID:
MS-5
Program Name:
Train Maintenance and Storage Facilities
Project Type:
Expansion
Location:
District of Columbia

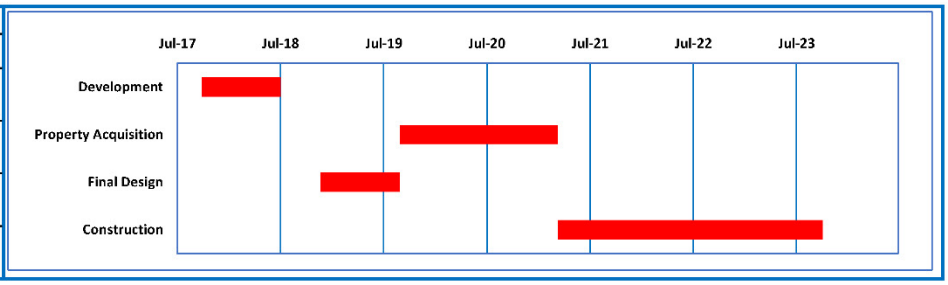
Project Description

This project includes the construction of wayside power units to provide standby power for two consists for midday storage on the existing stub-end siding.

Project Funding

This project is funded with federal 5307 formula grants requiring a 20% local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	9/26/2017	7/2/2018
Property Acquisition	8/29/2019	3/10/2021
Final Design	11/20/2018	8/28/2019
Construction	3/11/2021	10/6/2023



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	3,172,000									3,172,000
Federal State Match	634,400									634,400
VRE Local Match	158,600									158,600
Unfunded (To Be Determined)										
Total Funding	**3,965,000**									**3,965,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**1,711,245**	**3,140**		**2,250,615**						**3,965,000**

Project Name:
Lifecycle Overhaul & Upgrade (LOU) Facility
Project ID:
MS-6
Program Name:
Train Maintenance and Storage Facilities
Project Type:
Expansion
Location:
Spotsylvania County

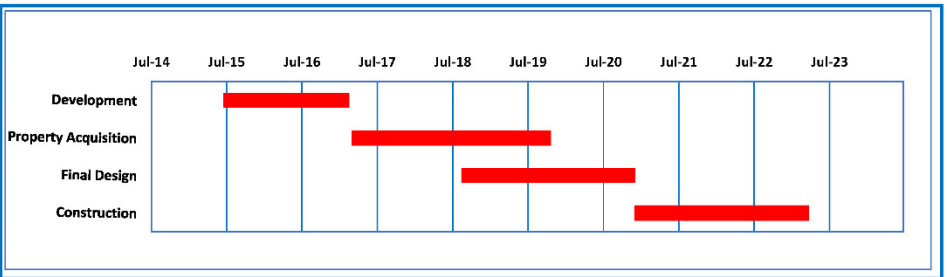
Project Description

This project funds the design and construction of a rolling stock equipment maintenance facility in order to carry out those components of a life-cycle maintenance program that can be most efficiently accomplished at the VRE yards. New shop facilities will include overhead cranes, a wheel and axle drop table and wheel truing machine. The project will build two tracks on recently acquired adjacent property to accommodate the new facility.

Project Funding

Project is funded with federal formula grants and associated state and local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	6/15/2015	2/17/2017
Property Acquisition	3/1/2017	10/24/2019
Final Design	8/16/2018	12/7/2020
Construction	12/1/2020	3/29/2023

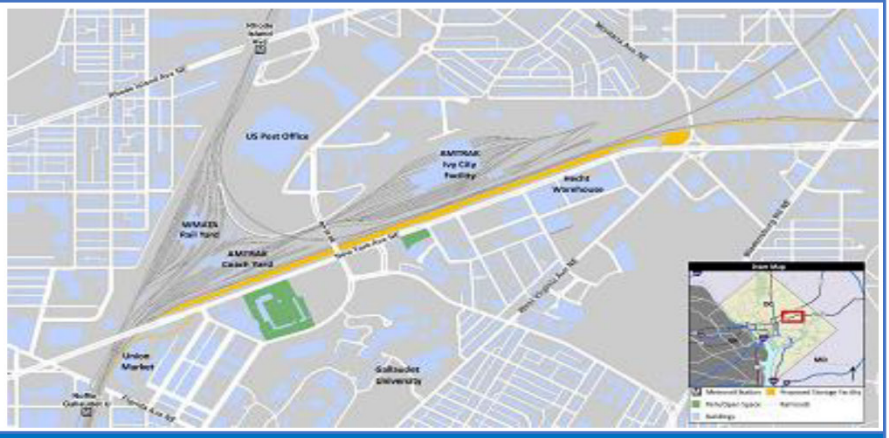


Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	36,461,190	2,480,000								38,941,190
Federal State Match	10,179,685	1,360,000								11,539,685
VRE Local Match	1,542,757	160,000								1,702,757
Unfunded (To Be Determined)										
Total Funding	**48,183,632**	**4,000,000**								**52,183,632**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**2,234,208**	**7,728,932**	**26,291,560**	**15,928,932**						**52,183,632**

Project Name:
New York Avenue Midday Storage Facility
Project ID:
MS-7
Program Name:
Train Maintenance and Storage Facilities
Project Type:
Replacement and Rehabilitation
Location:
District of Columbia



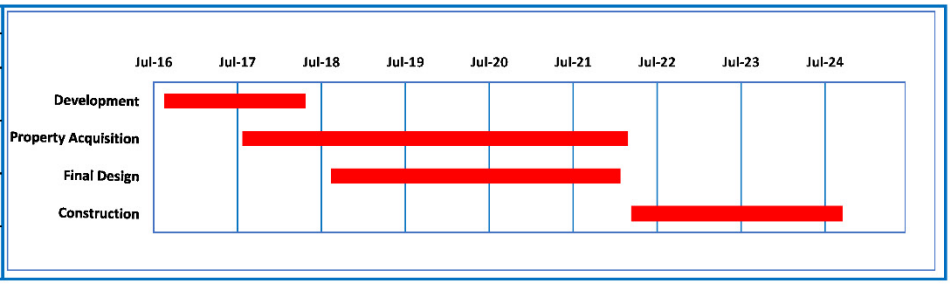
Project Description

This project includes the design, permitting, property acquisition and construction for a midday storage facility parallel to New York Avenue in the District of Columbia to replace VRE's current storage at Amtrak's Ivy City Coach Yard. The new facility will replace the current coach yard and also add storage space for future expansion.

Project Funding

This project is funded with Federal formula grants and associated state and local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	8/16/2016	4/23/2018
Property Acquisition	7/24/2017	3/1/2022
Final Design	8/14/2018	1/26/2022
Construction	3/15/2022	9/23/2024

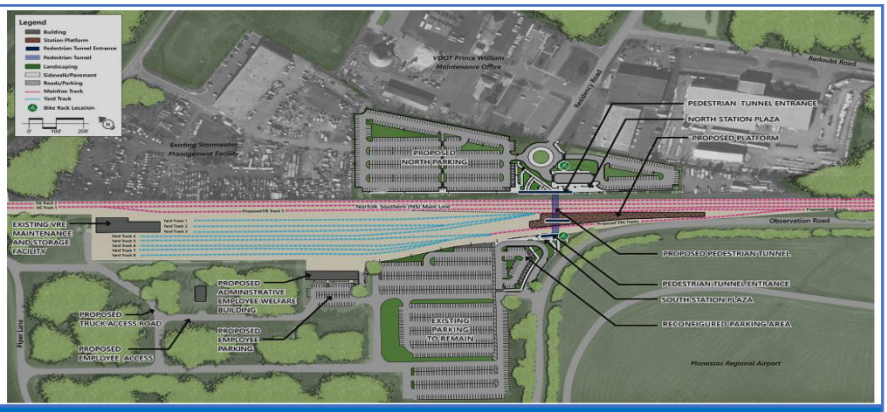


Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	40,669,975	11,045,465	7,851,725	2,040,070						61,607,235
Federal State Match	22,302,890	6,057,190	4,305,785	1,118,748						33,784,613
VRE Local Match	2,623,869	712,611	506,563	131,617						3,974,660
Unfunded (To Be Determined)										
Total Funding	**65,596,734**	**17,815,266**	**12,664,073**	**3,290,435**						**99,366,508**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**2,589,997**	**28,776,511**	**13,760,000**	**54,240,000**						**99,366,508**

Project Name:
Broad Run Expansion (BRX)
Project ID:
OT-2
Program Name:
Train Maintenance and Storage Facilities
Project Type:
Expansion
Location:
Prince William County



Project Description

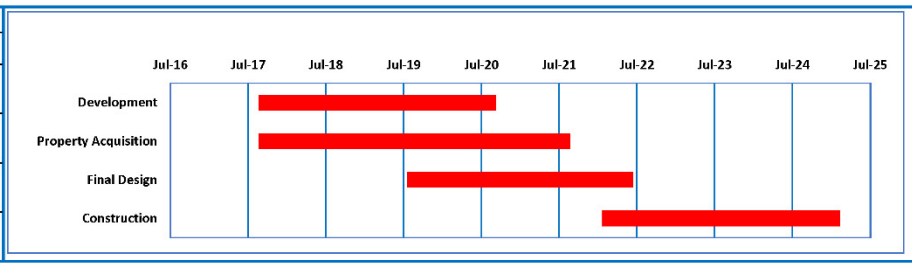
This project includes expansion of the Broad Run Maintenance and Storage Facility (MSF) and Station to support expanded Manassas Line service. Improvements include: expansion of the MSF site and construction of storage tracks for additional trains and equipment, construction of 300 additional station parking to accommodate short-term (2030) demand, and platform modifications to provide access to expanded parking, and construction of about 1.8 miles of third track within the NSR right-of-way. The estimated cost also includes real estate acquisition to expand the station and MSF footprint and accommodate the third track. Other projects associated with the proposed service expansion include Fleet Expansion Coaches - Manassas Line.

Project Funding

This project is currently funded through a combination of Federal CMAQ/RSTP Funds, state Rail Enhancement funds, and the I-66 OTB Concessionaire payment. Additional funding to complete the project is yet to be determined.

Schedule Information

Phase	Start Date	Finish Date
Development	8/21/2017	9/11/2020
Property Acquisition	8/21/2017	8/27/2021
Final Design	7/19/2019	6/20/2022
Construction	1/24/2022	2/17/2025



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP	14,876,427	3,409,600	1,600,000	3,790,400						23,676,427
State - CMAQ/RSTP Match	4,072,825	852,400	400,000	947,600						6,272,825
NVTA	1,500,000									1,500,000
State - REF	2,785,714									2,785,714
VRE - Capital Reserve	1,294,362									1,294,362
I-66 OTB Concession Payment	64,287,000									64,287,000
Unfunded (To Be Determined)				64,602,737						64,602,737
Total Funding	**88,816,328**	**4,262,000**	**2,000,000**	**69,340,737**						**164,419,065**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**5,684,908**	**27,539,229**	**39,845,482**	**30,500,000**	**30,500,000**	**30,349,446**				**164,419,065**

Miscellaneous

Project Name:
Forklifts purchase
Project ID:
OT-4
Program Name:
Train Maintenance and Storage Facilities
Project Type:
New Installation
Location:
Prince William County

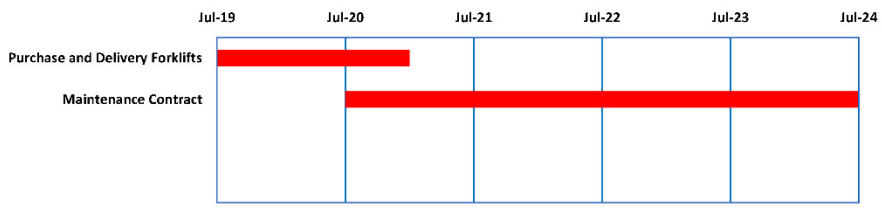
Project Description

The project provides funding for the purchase and delivery of 5 forklifts to VRE's Maintenance and Storage Facilities. The scope of work for this purchase includes delivery of one (1) large capacity forklift at each yard (Fredericksburg/Manassas, VA) to lift locomotive traction motor/wheel/axle combinations; one (1) medium capacity forklift at each yard to lift and move materials, tooling, and shop equipment; and one (1) at the Crossroads Warehouse to accommodate material movement needs.

Project Funding

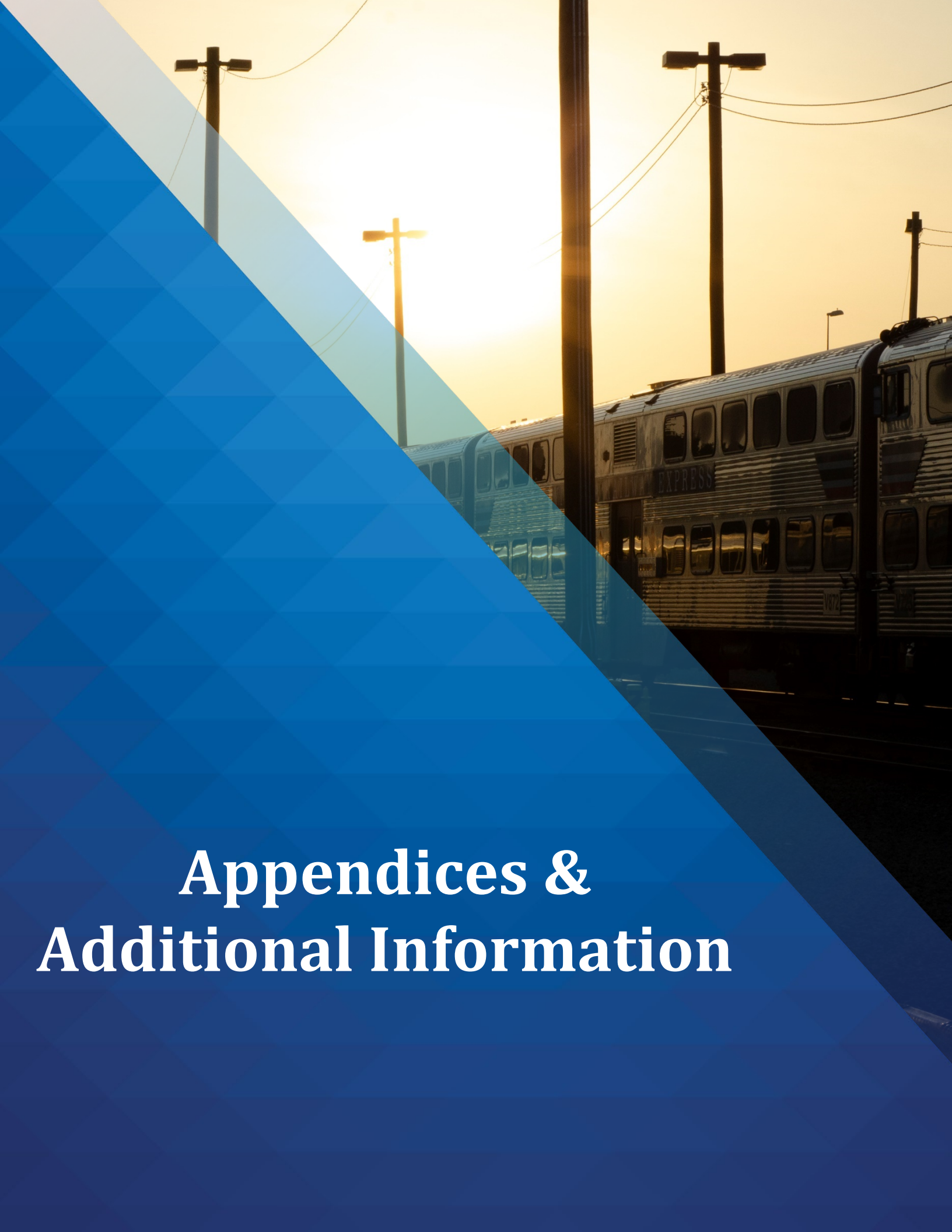
This project is funded with VRE Capital Reserve funds.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Purchase and Delivery Forklifts	7/1/2019	12/31/2020
Maintenance Contract	7/1/2020	7/1/2024



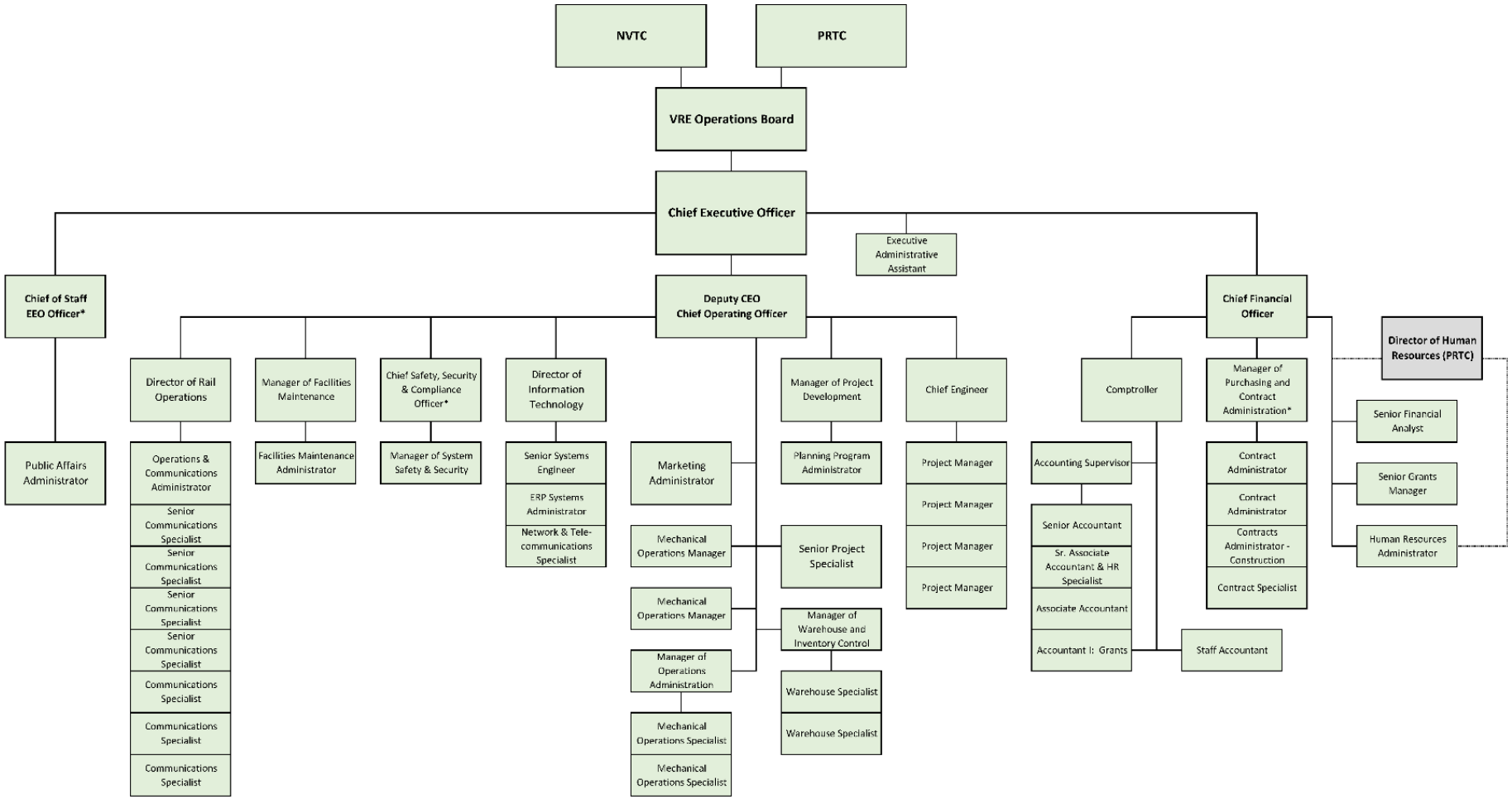
Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
VRE Capital Reserve	290,146									290,146
Unfunded (To Be Determined)										
Total Funding	**290,146**									**290,146**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		**269,346**	**5,200**	**5,200**	**5,200**	**5,200**				**290,146**



Appendices & Additional Information

VRE Staff Organizational Chart



** Note: Chief Safety, Security and Compliance Officer reports to the CEO in matters related to safety and security*

Manager of Purchasing and Contract Administration reports to the CEO in matters related to their duties as DBE liason

Chief of Staff reports to the CEO in matters related to EEO

Local Subsidy Calculation from Oct. 2019 Survey

NOTE: Due to the COVID-19 pandemic and the challenges associated with conducting a safe and reliable survey, the October 2020 passenger survey was not perfomed.
The VRE Operations Board directed that the FY 2022 Jurisdictional Subsidy be allocated in the same amounts as they were for the FY 2021 VRE Budget.
The information below from the October 2019 survey was the basis for the FY 2021 jurisdictional subsidy allocation, and hence is repeated for FY 2022.

Virginia Railway Express Allocation Data S&U 2019-12-10
October 2, 2019 Survey - Proposed FY 2021 Budget

Final

Jurisdictions	[Col 1]	[Col 2]	[Col 3]	[Col 4]	[Col 5]	[Col 6]	[Col 6a]
	Population June 2019 Update	Population %	Contributors' Potential Share of Net Costs %	Contributors' Potential Share of Net Costs $	Contributors' Maximum Share of Net Costs		
Contributors:	========	========	========	========	========	========	========
Alexandria	166,261	6.8250%	0.6825%	$401,403		$149,151	
Arlington	249,298	10.2336%	1.0234%	$601,879		$218,219	
Contributors' Total	415,559	17.0586%					

	[Col 7]	[Col 8]	[Col 9]	[Col 10]	[Col 11]	[Col 12]
Participants:	Population June 2019 Update	Population %	Participants' Normalized % Population	October Survey Participants' AM Ridership	100 Weight-Participants' Ridership %	Participants' Aggregate % of Costs
	========	========	========	========	========	========
Fairfax County	1,162,504	47.72%	57.54%	2,449	28.10%	28.1032%
Fredericksburg	29,403	1.21%	1.46%	287	3.29%	3.2939%
Manassas	43,099	1.77%	2.13%	399	4.58%	4.5806%
Manassas Park	17,086	0.70%	0.85%	229	2.63%	2.6274%
Prince William County	478,134	19.63%	23.66%	2,752	31.58%	31.5768%
Stafford County	154,093	6.33%	7.63%	1,520	17.44%	17.4421%
Spotsylvania	136,192	5.59%	6.74%	1,079	12.38%	12.3760%
Participants' Total	2,020,511	82.94%	100.00%	8,716	100.00%	100.00%
Population Total	2,436,070	100.00%				

Costs	[Col 12] *(repeated)*	[Col 13]	[Col 14]	[Col 15]	[Col 16]	[Col 17]	[Col 18]
	Participants' Aggregate %	Gross Costs $	State Aid Interest & Misc Income $	"System" Fare Revenue $	Net Costs $	Contributors' Payments Lesser of Col 6 or 4	Participants' Net Costs $
	========	========	========	========	========	========	========
Alexandria						$149,151	
Arlington						$218,219	
Fairfax County	28.10%	$46,059,769.17	$28,525,956.20	$1,005,201.90			$16,425,368.30
Fredericksburg	3.29%	$5,398,496.10	$3,343,422.39	$117,816.02			$1,925,156.99
Manassas	4.58%	$7,507,444.00	$4,649,546.07	$163,841.40			$2,677,228.63
Manassas Park	2.63%	$4,306,119.64	$2,666,886.58	$93,976.15			$1,535,604.76
Prince William County	31.58%	$51,752,841.44	$32,051,816.91	$1,129,446.70			$18,455,574.06
Stafford County	17.44%	$28,586,701.29	$17,704,452.36	$623,872.13			$10,194,299.83
Spotsylvania	12.38%	$20,283,665.35	$12,562,176.49	$442,667.85			$7,233,355.26
Total	100.00%	$163,895,037.00	$101,504,257.00	$3,576,822.14	$58,813,957.86	$367,370.00	$58,446,587.86

Subsidy Calculation	[Col 19]	[Col 20]	[Col 18] *(repeated)*	[Col 21]	[Col 22]	[Col 23]	[Col 24]
	Oct Survey Particpants' Fare Revenue %	Participants' Fare Revenue $	Participants' Net Costs $	Proposed FY 2021 Budget Based on 10/2/19 Survey	Actual FY2020 Subsidy	Net Change $	Net Change %
	========	========	========	========	========	========	========
Alexandria				149,151	$144,807	$4,344	3.00%
Arlington				218,219	$211,863	$6,356	3.00%
Fairfax County	24.7977%	10,046,351	16,425,368	6,379,017	$6,253,022	$125,995	2.01%
Fredericksburg	3.8458%	1,558,068	1,925,157	367,089	$321,028	$46,062	14.35%
Manassas	4.6158%	1,869,995	2,677,229	807,234	$694,743	$112,491	16.19%
Manassas Park	2.6343%	1,067,241	1,535,605	468,364	$405,485	$62,878	15.51%
Prince William County	30.9154%	12,524,797	18,455,574	5,930,777	$6,098,311	($167,533)	-2.75%
Stafford County	19.0484%	7,717,125	10,194,300	2,477,175	$2,352,820	$124,355	5.29%
Spotsylvania	14.1426%	5,729,602	7,233,355	1,503,754	$1,285,670	$218,084	16.96%
Total	100.0000%	40,513,178	58,446,588	18,300,780	$17,767,748	$533,032	3.00%

Fares	[Col 25]	
Participants Residents'	40,513,177.86	
"System-wide"	3,576,822.14	
2021	44,090,000.00	$163,895,037

VRE Fiscal Year 2022 Recommended Departmental Budget

	FY 2020 Amended	FY 2021 Budget	FY 2022 Recommended
Revenue:			
VRE - Non-Departmental			
Fare Revenue	43,810,000	44,090,000	18,236,000
Miscellaneous Revenue	225,000	300,000	300,000
Appropriation from Operating Reserve	-	-	-
Appropriation from Capital Reserve	3,175,882	-	-
Jurisdictional Revenue	17,767,748	18,300,780	18,300,780
Other Revenue (Incld. Use of Prev. FY Surplus)	-	-	-
State CROC Dedicated Funding - Operations	-	-	-
State Operating Grant	10,702,373	9,700,000	10,000,000
Federal CARES Act	-	-	24,852,362
Federal Grants - Operations and Debt	14,683,148	14,811,913	5,418,501
State Grants - Operations and Debt	7,279,830	7,367,743	16,618,820
State CROC Dedicated Funding - Capital Program	15,000,000	15,000,000	15,000,000
Regional Grants - Capital Program	4,000,000	-	-
Federal Grants - Capital Program	28,372,953	31,991,506	27,175,122
State Grants - Capital Program	12,604,724	21,033,096	49,611,139
Interest Income	500,000	1,300,000	350,000
Total Revenue	158,121,657	163,895,037	185,862,724
Expenditures:			
Non-Departmental Operating			
Liability Insurance	3,910,000	4,187,000	7,167,000
Operating Reserve/Contingency	1,156,517	1,613,514	754,699
Capital Reserve	-	-	-
Other	-	-	-
VRE-Financing-Administration Fees	-	-	-
Total VRE - Non-Departmental	5,066,517	5,800,514	7,921,699
Executive Management			
Salaries/Fringes	1,070,000	1,000,000	1,238,500
Travel/Training/Employee Expenses	45,000	17,000	2,500
Board Member Expenses	3,500	2,500	1,500
Office Administration Expenses	80,000	57,500	75,000
Legal/Audit	280,000	175,000	225,000
Consulting/Professional/Other	14,200	11,000	2,200
Total Executive Management	1,492,700	1,263,000	1,544,700
Chief of Staff			
Salaries/Fringes	360,000	373,000	375,000
Travel/Training/Employee Expenses	22,000	12,500	8,500
Marketing/PR/Special Events/Consulting	293,100	298,100	307,500
Total Chief of Staff/Public Affairs	675,100	683,600	691,000
Marketing			
Salaries/Fringes	115,500	117,200	110,000
Travel/Training/Employee Expenses	94,550	73,900	45,500
Production/Media/Promotion/Other	213,000	218,000	220,000
Special Events/Other	2,500	200	-
Total Marketing	425,550	409,300	375,500
Project Development			
Salaries/Fringes	650,500	674,500	389,000
Travel/Training/Employee Expenses	17,200	24,900	22,105
Professional Services/Consulting/Other	328,820	257,500	321,700
Total Office of Development	996,520	956,900	732,805
Rail Operations			
Salaries/Fringes	1,029,000	1,027,000	995,000
Travel/Training/Employee Expenses	17,000	17,000	6,000
Printing/Admin/Other	32,000	30,000	30,000
Leases/Events	24,500	23,500	22,000
Professional Services	420,500	354,000	354,000
Ticket Stock/R&M Fare Collection	945,000	935,000	925,000
Total Customer Communications	2,468,000	2,386,500	2,332,000
Finance and Human Resources			
Salaries/Fringes	1,398,000	1,592,000	1,530,000
Travel/Training/Employee Expenses	36,000	30,000	28,000
Audit/Maint Service Agreements/Consulting	442,500	423,300	377,000
Retail Sales/TLC Commissions	1,815,000	1,815,000	814,000
Bank Discounts/Other	702,500	647,500	302,500
Total Budget and Finance	4,394,000	4,507,800	3,051,500
Information Technology			
Salaries/Fringes	490,000	666,000	671,000
Travel/Training/Employee Expenses	21,000	13,000	9,850
Computer Equipment/Software	622,000	747,000	778,000
Consulting/Communications	1,039,500	652,500	712,500
Total Communication and Info Tech	2,172,500	2,078,500	2,171,350

VRE Fiscal Year 2022 Recommended Departmental Budget

	FY 2020 Amended	FY 2021 Budget	FY 2022 Recommended
Project Implementation			
Salaries/Fringes	979,000	1,013,000	986,000
Travel/Training/Employee Expenses	51,500	33,000	14,000
Other Professional Services/Other Expenses	247,500	71,500	27,500
Total Construction and Construction	1,278,000	1,117,500	1,027,500
Facilities Maintenance			
Salaries/Fringes	335,000	357,000	342,000
Travel/Training/Employee Expenses	16,700	11,300	11,300
Office/Other Professional Service	349,400	344,400	309,400
Station Electricity/Utilities/Taxes	828,600	824,600	836,100
Repairs and Maintenance	2,955,000	2,990,000	2,515,000
Total Facilities Maintenance	4,484,700	4,527,300	4,013,800
Purchasing and Contract Administration			
Salaries/Fringes	595,400	710,000	717,000
Travel/Training/Employee Expenses	24,850	35,850	47,850
Total Procurement and Contract Admin	620,250	745,850	764,850
Mechanical Operations			
Salaries/Fringes	932,000	1,012,000	1,025,000
Travel/Training/Employee Expenses	26,000	11,000	7,000
Consulting/Admin/Warehouse Management	192,700	192,700	182,700
Equipment/Warehouse Leases	-	-	-
Utilities	1,135,000	1,085,000	1,085,000
Diesel Fuel	4,412,500	3,910,000	2,975,000
Repairs and Maintenance	4,781,000	4,355,000	4,365,000
Total Equipment Operations	11,479,200	10,565,700	9,639,700
System Safety & Security			
Salaries/Fringes	354,000	304,000	117,000
Travel/Training/Employee Expenses	68,000	69,000	33,000
Office/Other Professional Services	267,500	510,200	309,200
Yard/Station Security	605,000	605,000	720,000
Total Safety and Security	1,294,500	1,488,200	1,179,200
PRTC			
Professional Services	104,000	102,000	102,000
Total PRTC	104,000	102,000	102,000
NVTC			
Professional Services	90,000	90,000	90,000
Total NVTC	90,000	90,000	90,000
Train Operations			
Contract Operations and Maintenance	16,287,000	16,591,500	16,787,500
Total Train Operations	16,287,000	16,591,500	16,787,500
Amtrak			
Contract Operations and Maintenance	4,881,000	5,181,000	4,450,000
Total Amtrak	4,881,000	5,181,000	4,450,000
Maintenance of Equipment			
Maintenance of Equipment	7,428,612	7,832,285	7,898,500
Total Maintenance of Equipment	7,428,612	7,832,285	7,898,500
Amtrak Access Fees			
Access Fees	6,630,000	6,879,000	6,830,000
Total Amtrak Access Fees	6,630,000	6,879,000	6,830,000
Norfolk Southern			
Access Fees	2,700,000	2,745,000	2,556,000
Contract Operations and Maintenance	690,000	697,000	688,000
Total Norfolk Southern	3,390,000	3,442,000	3,244,000
CSXT			
Access Fees	7,720,000	7,657,000	7,904,000
Contract Operations and Maintenance	790,000	811,000	640,000
Total CSXT	8,510,000	8,468,000	8,544,000
CIP Expenditures			
CIP Expenditures	67,681,751	72,507,750	96,198,922
Total CIP Expenditures	67,681,751	72,507,750	96,198,922
CIP VRE - Non-Departmental			
Allowance for Doubtful Accounts	50,000	50,000	50,000
Debt Service	6,221,757	6,220,838	6,222,198
Total CIP VRE - Non-Departmental	6,271,757	6,270,838	6,272,198
Total Expenditures	158,121,657	163,895,037	185,862,724

Future Projects and Projects Administered by Other Entities

In previous years, VRE included several major projects in the Capital Improvement Program (CIP) that were largely or entirely unfunded. These 'future projects' had been identified as important to VRE's long-term service planning but generally were still in the conceptual stages of project design; did not have identified funding commitments or plans to apply for such funding; and in some cases were unlikely to be administered by VRE.

Beginning in FY 2020, VRE chose to remove these future projects from the formal six-year CIP and instead describe them separately. The decision to present these future projects separately does not mean the projects are not important; instead, it reflects that the projects are relatively undeveloped and are unlikely to be completed (or even substantially underway) during the six-year CIP period. As the projects move forward and as more reliable cost estimates are developed, they may be candidates to move into the formal six-year CIP in future budget years if VRE is identified as the lead entity responsible for project implementation.

The future projects that are important to VRE but not identified in the six-year CIP include:

- Long Bridge Capacity Improvements: The Long Bridge Project consists of improvements to the bridge corridor and related railroad infrastructure located between the RO Interlocking near Long Bridge Park in Arlington and the L'Enfant Interlocking near 10th Street SW in Washington, DC. The Long Bridge Corridor is owned and operated by CSX Transportation, but VRE and Amtrak passenger trains currently use the bridge in addition to CSXT freight. The purpose of the project is to provide additional long-term railroad capacity to improve the reliability of railroad service through the Long Bridge Corridor. Currently, there is insufficient capacity, resiliency, and redundancy to accommodate the projected demand in future rail services.

- In September 2020, DRPT and the District Department of Transportation announced the completion of the combined Final Environmental Impact Statement (EIS) and Record of Decision for Long Bridge. The preferred alternative for the Long Bridge Project has an estimated construction cost of $1.9 billion. DRPT will take the lead on the design and construction of the project as part of the broader Transforming Rail in Virginia program, to which VRE is making a significant financial contribution using C-ROC funds.

- Third Track Projects: Previous VRE CIPs included various third track and bridge projects that would expand capacity along the CSX right-of-way south of Franconia-Springfield. These projects were identified by the waterways crossed by each section of third track (Aquia Creek, Potomac Creek, Powells Creek, Rappahannock River, Neabsco Creek, and Occoquan River). Going forward, this work will be

coordinated by DRPT as part of the Atlantic Gateway Project (for Franconia to Occoquan), the Washington DC to Richmond Segment (DC2RVA) of the FRA Southeast High-Speed Rail Corridor project, and the Transforming Rail in Virginia program.

- Fourth Track between RO (Rosslyn) and AF (Alexandria): As with the third track projects, this work will be coordinated by DRPT as part of other efforts in the corridor.

- Fredericksburg Station Expansion and Parking Structure: VRE had previously contemplated station expansion and a parking structure at Fredericksburg to accommodate future increased demand. However, this work will now be coordinated with the DRPT DC2RVA project.

- Long-term expansion investments: Following the completion of the Long Bridge expansion, the RO-to-AF fourth track project, and certain other capacity enhancement projects, VRE will need to consider additional investments to support additional service capacity, including increased peak-hour service frequency and the potential for reverse-commute, midday, and other expanded services. These investments would likely include expansion coaches and locomotives; expansion of the Crossroads and Broad Run storage yards; and track and signal improvements on the Manassas Line.

In addition to the future projects described above, the projects listed below are important to the VRE commuter rail service but are not listed in the CIP because they are funded and administered by other stakeholders.

- Potomac Shores Station: The Potomac Shores VRE station will be constructed by the Potomac Shores developer as part of an agreement with Prince William County. Station costs will be used as an in-kind match to a state REF grant for the construction of second platforms at the Brooke and Leeland Road stations.

- Rolling Road Parking Garage: Fairfax County is reviewing the potential construction of a 300-space parking garage at the Rolling Road VRE station.

VRE

A TRANSPORTATION PARTNERSHIP

NVTC
NORTHERN VIRGINIA TRANSPORTATION COMMISSION

POTOMAC & RAPPAHANNOCK TRANSPORTATION COMMISSION

FY 2022 BUDGET HIGHLIGHTS

- Budget is balanced – all expenses supported by reasonably expected revenues
- No changes to passenger fares or total jurisdictional subsidy from FY 2021
- Total operating expenses of $89.7 million:
  - Down 1.9% from FY 2021 due to fuel prices, sales commissions, discretionary expenses
  - Fully budgeted for return to 32 daily trains
  - CSX/VPRA track access still evolving
- CARES Act critical to continuity of service

PANDEMIC IMPACT ON FY 2022 BUDGET

1. Rider survey not conducted in October 2020 – Board direction to use FY 2021 subsidy allocation percentages

2. Budget does not achieve 50 percent recovery from passenger fares – using CARES Act to maintain continuity of operations and service quality

3. Does not include six-year forecast of expenses and revenues – will wait until more clarity on commuter behavior post-pandemic

VIRGINIA RAILWAY EXPRESS

JURISDICTIONAL SUBSIDY

Jurisdiction	FY 2021 Subsidy	FY 2021 Percent	FY 2022 Subsidy	FY 2022 Percent	Change FY21 to FY22 Net +/-	Change FY21 to FY22 % Change
Fairfax County	$ 6,379,017	34.9%	$ 6,379,017	34.9%	$ -	0.0%
Prince William County	5,930,777	32.4%	5,930,777	32.4%	-	0.0%
Stafford County	2,477,175	13.5%	2,477,175	13.5%	-	0.0%
Spotsylvania County	1,503,754	8.2%	1,503,754	8.2%	-	0.0%
Manassas	807,234	4.4%	807,234	4.4%	-	0.0%
Manassas Park	468,364	2.6%	468,364	2.6%	-	0.0%
Fredericksburg	367,089	2.0%	367,089	2.0%	-	0.0%
Arlington	218,219	1.2%	218,219	1.2%	-	0.0%
Alexandria	149,151	0.8%	149,151	0.8%	-	0.0%
	$ 18,300,780	100%	$ 18,300,780	100%	$ -	0.0%

VIRGINIA RAILWAY EXPRESS

RIDERSHIP/REVENUE OUTLOOK

- Expect to maintain current ridership levels through FY 2021-Q3
- Ridership to grow as vaccines distributed, employees return
- Projected fare revenue:
  - FY 2021: $10 million
  - FY 2022: $18 million
- Many uncertainties over timing, rider behavior, average fare

CARES ACT FUNDS

Fiscal Year	Projected Use of CARES Act Funds
FY 2020 (Q4 only)	$2.7 million
FY 2021	$32.0 million
FY 2022	$24.9 million
Beyond FY 2022	$25.6 million
Required 1% Set-Aside for Safety/Security	$0.9 million
TOTAL	**$86.1 million**

FY 2022 – 2027 CAPITAL IMPROVEMENT PROGRAM (CIP)

PROJECT TYPE	PROJECT COST	FUNDED	UNFUNDED
Asset Management	$77.6	$77.6	
Expansion	$606.6	$492.9	($113.7)
Replacement and Rehabilitation	$134.1	$134.1	
Other	$0.3	$0.3	
Total	**$818.6**	**$704.9**	**($113.7)**

figures in millions

VIRGINIA RAILWAY EXPRESS

ITEM 6.3
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: **AUTHORIZE CLOSED MEETING OF THE POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION**

ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission desires to convene into Closed Meeting for discussion of a personnel matter concerning the performance of an appointee of the Commission.

WHEREAS, pursuant to VA Code § 2.2-3711.A.1 such discussions may occur in Closed Meeting.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize discussion of the aforestated matters in Closed Meeting.

Adjourned into Closed Meeting at _____.

Votes:
Ayes:
Nays:
Abstain:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

ITEM 6.4
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: CERTIFY CLOSED MEETING OF THE POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission has this day adjourned into Closed Meeting in accordance with a formal vote of the Commission, and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, VA Code § 2.2-3712 requires certification that such Closed Meeting was concluded in conformity with the law.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby certify that to the best of each members' knowledge, (i) only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act were discussed in the Closed Meeting to which this certification applies, and (ii) only such public business matters as were identified in the Motion by which the said Closed Meeting was convened were heard, discussed or considered by the Commission. No member dissents from the aforesaid certification.

Concluded Closed Meeting at _____.

Votes:
Ayes:
Nays:
Abstain:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

VIRGINIA RAILWAY EXPRESS

TO: Potomac and Rappahannock Transportation Commission Chair Franklin and Commissioners

FROM: Rich Dalton, Chief Executive Officer

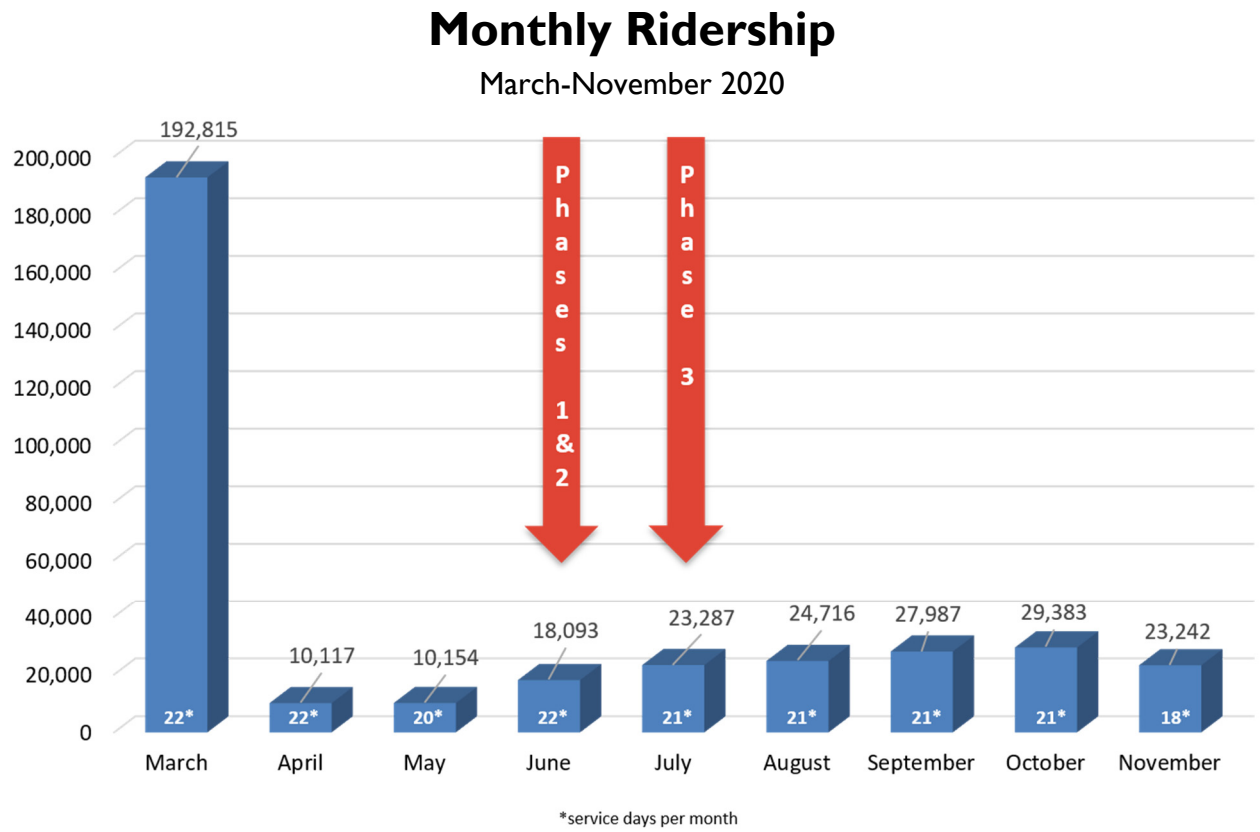
DATE: December 22, 2020

SUBJECT: VRE Monthly Update

Ridership declined slightly over the past month and will likely continue to do so through the end of the holiday season. Here's what ridership looks like over the past four weeks compared to the same weeks in 2019.

Week Ending	2020 Ridership	2020 Average Daily Ridership	2019 Ridership	Numeric Difference	Percentage Difference
November 27	*3,429	1,143	**51,147	-47,718	-93.3%
December 4	6,121	1,224	95,726	-89,605	-93.6%
December 11	6,257	1,251	92,501	-86,244	-93.2%
December 18	5,296	1,059	88,375	-83,079	-94.0%

**Three days of service **Four days of service*



We continue to operate an S+ schedule and monitor ridership to allow for social distancing. Between Christmas and New Year's, we will operate two fewer trains daily during the shortened, three-day service week. Given current ridership levels, we have no immediate plans to add trains. We regularly update and improve our train utilization web page, which is a great tool for riders looking to maximize their social distance.

VRE's holistic safety program was recognized virtually by the Virginia Transit Association in mid-December with its Exceptional Safety Award. The awards jury noted that VRE looks for opportunities for proactive, continuous improvement. It pointed to positive train control implementation, first-responder training, and safety messaging as examples of how VRE uses all the tools at its disposal to ensure everyone's safety.

An upgraded version of VRE Mobile is currently being beta-tested and will be publicly available in the coming weeks, providing passengers with a contactless way to purchase and validate tickets. Future app upgrades will include trip-planning tools, and real-time info on parking availability and Amtrak arrivals.

Our Continuity of Operations team meets virtually each day and is in constant contact. VRE's supply chain, staffing, business processes, and other functional areas remain in good shape.

There are several VRE items that will come before the commission for action in January, including our amended fiscal year 2021 and recommended fiscal year 2022 operating and capital budgets. Should you have any questions regarding the budgets or any other agenda item, please feel free to contact me.

Happy holidays. I look forward to meeting with you in the new year.

VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

VRE Operations Board Meeting

December 18, 2020

Operations Board Meeting - 9:00 am
Legal Services Committee Meeting – following adjournment of Operations Board Meeting.

Virtual Meeting Via WebEx

1. Call to Order
2. Roll Call
3. Finding Need to Conduct December 18, 2020 VRE Operations Board Meeting Electronically
4. Approval of Agenda
5. Approval of Minutes from the November 20, 2020 VRE Operations Board Meeting
6. Chairman's Comments
7. Chief Executive Officer's Report
8. Virginia Railway Express Riders' and Public Comment
9. Action Items:
   A. Approval of the 2021 VRE Operations Board Officers
   B. Authorization to Execute a Contract for Electronic Fuel Injector Assemblies
   C. Authorization to Issue an MEC VII Task Order for National Transit Database and Asset Management Reporting, Phase VII

Northern Virginia Transportation Commission
2300 Wilson Blvd., Suite 230
Arlington, VA 22201
703-524-3322

Virginia Railway Express
1500 King Street, Suite 202
Alexandria, VA 22314
703-684-1001
VRE.org

Potomac and Rappahannock Transportation Commission
14700 Potomac Mills Road
Woodbridge, VA 22192
703-580-6121

D. Referral of the Amended FY 2021 and the Recommended FY 2022 VRE Operating and Capital Budgets to the Commissions and Localities

10. Information Items:

A. VRE's Transit Asset Management Plan Update for 2020

B. Spending Authority Report

11. Closed Session

12. Operations Board Member's Time

The Next VRE Operations Board Meeting
January 15, 2021 - 9:00 am via WebEx

MINUTES

VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD MEETING

December 18, 2020

Via WebEx

Members Present	Jurisdiction
*Walter Alcorn (NVTC)	Fairfax County
*Andrea Bailey (PRTC)	Prince William County
*Preston Banks (PRTC)	City of Manassas Park
*Elizabeth Bennet-Parker (NVTC)	City of Alexandria
*Meg Bohmke (PRTC)	Stafford County
*Katie Cristol (NVTC)	Arlington County
*Margaret Franklin (PRTC)	Prince William County
*Jeanine Lawson (PRTC)**	Prince William County
*Cindy Shelton (PRTC)	Stafford County
*Gary Skinner (PRTC)	Spotsylvania County
*Ralph Smith (PRTC)	City of Manassas
*Dan Storck (NVTC)	Fairfax County
*James Walkinshaw (NVTC)	Fairfax County

Members Absent	
Matt Kelly (PRTC)	City of Fredericksburg
Jennifer Mitchell (DRPT)	Commonwealth of Virginia

Alternates Present	
*Todd Horsley (DRPT)	Commonwealth of Virginia

Alternates Absent	
Canek Aguirre (NVTC)	City of Alexandria
Victor Angry (PRTC)	Prince William County
Pete Candland (PRTC)	Prince William County
Hector Cendejas (PRTC)	City of Manassas Park
Deborah Frazier (PRTC)	Spotsylvania County
Libby Garvey (NVTC)	Arlington County
Jason Graham (PRTC)	City of Fredericksburg
Michael McLaughlin (DRPT)	Commonwealth of Virginia
Jeff McKay (NVTC)	Fairfax County
Pam Sebesky (PRTC)	City of Manassas

*Voting Member

**Delineates arrival/departure following the commencement of the Operations Board Meeting. Notation of exact arrival/departure time is included in the body of the minutes.

Staff and General Public

Rich Dalton – VRE
John Duque – VRE
Karen Finucan-Clarkson - VRE
Allan Fye – NVTC
Chris Henry – VRE
Christine Hoeffner - VRE
Robert Hostelka – VRE
Lezlie Lamb – VRE
Steve MacIsaac – VRE Legal Counsel
Kristin Nutter – VRE
Dr. Bob Schneider – PRTC
Mark Schofield – VRE
Joe Swartz – VRE

Chairman Skinner called the meeting to order at 9:00 a.m. The Roll Call followed.

Resolution Finding Need to Conduct December 18, 2020 Meeting Electronically – 3

Mr. Dalton briefed the Operations Board on the Resolution Finding Need to Conduct December 18, 2020 Meeting Electronically.

Ms. Shelton moved, with a second by Mr. Smith to approve Resolution #03-12-2020, Finding Need to Conduct December 18, 2020 Meeting Electronically.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Horsley, Shelton, Skinner, Smith, Storck, and Walkinshaw.

Approval of the Agenda – 4

Ms. Bailey moved, with a second by Ms. Bennett-Parker to approve the agenda as presented. There was no discussion on the motion.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Horsley, Shelton, Skinner, Smith, Storck, and Walkinshaw.

[Ms. Lawson logged in at 9:08 a.m.]

Approval of the Minutes of the November 20, 2020 VRE Operations Board Meeting – 5

Ms. Bailey moved, with a second by Mr. Smith to approve the Minutes from November 20, 2020. There were no corrections to the Minutes as moved.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Lawson, Shelton, Skinner, Smith, Storck, and Walkinshaw. Mr. Horsley abstained.

Chairman's Comments – 6

Chairman Skinner noted it being the final meeting of 2020 and expressed hopes that 2021 would be a better year. He wished everyone happy holidays.

Chief Executive Officer's Report – 7

Mr. Dalton briefed the Operations Board on the following items of interest:

- Safety/ COVID-19 update
- Ridership
- Performance

- Project Spotlight: Enterprise Resource Planning
- "Welcome Back" initiative
- Staff Appreciation

Public Comment Time – 8

The Chairman noted public comments were accepted through the Public Comments form available on the VRE website November Agenda page. The Public Comment period began on Friday, November 13th and closed at 8:00 a.m. the morning of the meeting. The Chairman asked the Clerk to read into the record any comments that had been received. There were no Public Comments.

Action Items - 9

Approval of the 2021 VRE Operations Board Officers– 9A

Ms. Bohmke moved, with a second by Ms. Cristol, to approve the 2021 VRE Operations Board Officers as nominated by the Nomination Committee.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Horsley, Lawson, Shelton, Skinner, Smith, Storck, and Walkinshaw.

Authorization to Execute a Contract for Electronic Fuel Injector Assemblies – 9B

Ms. Bailey moved, with a second by Ms. Bennett-Parker, to authorize the CEO to execute a contract for electronic fuel injector assemblies.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Horsley, Lawson, Shelton, Skinner, Smith, Storck, and Walkinshaw.

Authorization to Issue a MEC VII Task Order for National Transit Database and Asset Management Reporting, Phase VII– 9C

Ms. Lawson moved, with a second by Ms. Bailey, to authorize the CEO issue a Task Order for National Transit Database and asset management reporting, phase VII.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Horsley, Kelly, Lawson, Shelton, Skinner, Smith, Storck, and Walkinshaw.

Referral of the Amended FY 2021 and the Recommended FY 2022 VRE Operating and Capital Budgets to the Commissions and Localities– 9D

Ms. Bailey moved, with a second by Ms. Bohmke, to refer the amended FY 2021 and the recommended FY 2022 VRE Operating and Capital Budgets to the Commissions and localities.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Horsley, Lawson, Shelton, Skinner, Smith, Storck, and Walkinshaw.

Information Items – 10

VRE Transit Asset Management Plan Update for 2020 – 10A

Staff briefed the VRE Operations Board on VRE's Transit Asset Management Plan as required by the Federal Transit Administration.

Spending Authority Report – 10B

The following purchases greater than $50,000, but less than $200,000 were made in November:

- On November 2, 2020, VRE issued a Sole Source Blanket Purchase Order in an amount not to exceed $50,000 to TransTech to acquire toilet cleaning supplies on an as-needed basis, including chlorinating slugs and sanitizer, to maintain the toilet systems on board VRE's passenger railcars.

- On November 5, 2020, VRE issued a Purchase Order in the amount of $65,913 to Columbia Vehicle Group, Inc. for the purchase of five utility carts to be utilized at the Broad Run and Crossroads Maintenance and Storage Facilities.

- On November 6, 2020, VRE issued a Task Order to STV Incorporated in the amount of $84,493 under the Mechanical Engineering Consulting Services (MEC) VII contract to conduct research and provide support for the future procurement of an enhanced back-office system for positive train control.

- On November 7, 2020, VRE amended an existing Independent Contractor Agreement with Steven Grant to provide support on an as-needed basis for the VRE Mobile app, specifically the transition to a new service provider. This amendment increased the total commitment to an amount not to exceed $81,900.

- On November 7, 2020, VRE issued a Sole Source Blanket Purchase Order in an amount not to exceed $96,000 to Knorr-Bremse Powertech Corp. to perform repairs on an as-needed basis to the low voltage power supply units utilized to provide electrical power for the LED message signs, wheelchair lifts, outlets, etc. on board VRE's passenger railcars.

- On November 13, 2020, VRE issued a Purchase Order to Computers America, Inc. in the amount of $66,075 for the purchase of new Uninterruptible Power Supply (UPS) devices and Power Distribution Units (PDU) for installation in the station communication cabinets.

Closed Session – 11

Ms. Bennett-Parker moved, with a second by Ms. Bailey, pursuant to the Virginia Freedom of Information Act (Section 2.2-3711.A (1) and (3) of the Code of Virginia,) to convene a closed meeting for the purpose of discussing one personnel matter relating to a contractor employed by the Commissions, and one matter pertaining to the acquisition of real property for public purposes related to the Broad Run Expansion project.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Horsley, Lawson, Shelton, Skinner, Smith, Storck, and Walkinshaw.

Ms. Bennett-Parker moved, with a second by Ms. Bailey, to certify that to the best of each member's knowledge and with no individual member dissenting, at the just concluded Closed Session, only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act were discussed; and, only such public business matters as were identified in the motion by which the Closed Session was convened were heard, discussed or considered.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Horsley, Lawson, Shelton, Skinner, Smith, Storck, and Walkinshaw.

Board Members' Time -12

Ms. Bailey moved, with a second by Bennett-Parker to adjourn the meeting.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Horsley, Lawson, Shelton, Skinner, Smith, Storck, and Walkinshaw.

Approved this 15th day of January 2021

_____

Elizabeth Bennett-Parker
Chair

_____

James Walkinshaw

Secretary

CERTIFICATION

This certification hereby acknowledges the minutes for the December 18, 2020 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Lezlie M. Lamb

VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Virginia Railway Express Operations Board

Resolution 3-12-2020

Resolution Finding Need to Conduct December 18, 2020 Meeting Electronically

WHEREAS, on March 12, 2020, the Governor of Virginia declared a state of emergency in Virginia in response to the spread of novel coronavirus, or COVID-19, a communicable disease of public health threat as so declared by the State Health Commissioner on February 7, 2020 ("COVID-19"); and,

WHEREAS, in subsequent Executive Orders, particularly Executive Order Nos. 53 and 55, as amended, the Governor of Virginia, among other measures designed to ensure safe physical distancing between individuals, prohibited public and private in person gatherings of 10 or more individuals and ordered all individuals in Virginia to remain at their place of residence, with limited exceptions, to mitigate the impacts of COVID-19 and prevent its spread; and,

WHEREAS, the Virginia Railway Express Operations Board finds that it has a responsibility to demonstrate to the public, through the Board's conduct, the importance of maintaining proper physical distance from others and to avoid gathering in public where the risks of infection are highest, and to take measures that promote physical distancing in order to protect the public health and mitigate the impacts and spread of COVID-19, including, among others, conducting meetings electronically whenever possible; and,

WHEREAS, on April 22, 2020, the Virginia General Assembly adopted, and the Governor signed, budget bill amendments to HB 29 that expressly authorize "any public body, including any state, local, [or] regional body" to "meet by electronic communication means without a quorum of the public body . . . physically assembled at one location when the Governor has declared a state of emergency . . ., provided that (i) the nature of the declared emergency makes it impracticable or unsafe for the public body . . . to assemble in a single location; (ii) the purpose of the meeting is to discuss or transact the business statutorily required or necessary to continue operations of the public body . . . and the discharge of its lawful purposes, duties, and responsibilities" among other provisions; and,

WHEREAS, jurisdictions of the Virginia Railway Express Operations Board have adopted continuity of government ordinances pursuant to Va. Code Ann. § 15.2-1413 which ordinances, among other provisions, authorize regional bodies of which the locality is a member to meet electronically to transact business to assure the continuity of government;

NOW, THEREFORE, BE IT RESOLVED, the Virginia Railway Express Operations Board hereby finds that meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on December 18, 2020, to discuss and transact the business of the Operations Board listed on the December 18, 2020 Operations Board Meeting Agenda; and,

BE IT FURTHER RESOLVED, the Virginia Railway Express Operations Board hereby finds that meeting by electronic means is authorized because the items on the December 18, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and responsibilities; and,

BE IT FURTHER RESOLVED, the Virginia Railway Express Operations Board hereby finds that the items on the December 18, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by several member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19.

Approved this 18th day of December 2020

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Gary Skinner
Chairman

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Jeanine Lawson
Secretary

Virginia Railway Express
Operations Board

Resolution
9A-12-2020

Approval of the 2021 VRE Operation Board Officers

WHEREAS, the VRE Bylaws provide for the annual election of Officers to serve as Chairman, Vice Chairman, Secretary and Treasurer; and,

WHEREAS, the office of Chairman shall be rotated each year between the two Commissions; and,

WHEREAS, the current Chair appointed a Nominating Committee and that committee has made its recommendation of 2021 VRE Officers to the Operations Board;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby affirm the election of Elizabeth Bennett-Parker as Chairman, Jeanine Lawson as Vice Chairman, James Walkinshaw as Secretary, and Preston Banks as Treasurer, to serve as the 2021 VRE Operation Board Officers to be installed at the January 2021 Operations Board Meeting.

Approved this 18th day of December 2020

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Gary Skinner
Chairman

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Jeanine Lawson
Secretary

Virginia Railway Express
Operations Board

Resolution
9B-12-2020

Authorization to Execute a Contract for
Electronic Fuel Injector Assemblies

WHEREAS, the manufacturer of VRE's locomotives recommends the replacement of the Electronic Fuel Injector Assemblies after every three years of service; and,

WHEREAS, VRE's locomotives are nine years old and a third cycle of removal and replacement of the electronic fuel injector assemblies is needed; and,

WHEREAS, an Invitation for Bids for Electronic Fuel Injector Assemblies was issued on November 2, 2020 and two responses were received on December 7, 2020; and,

WHEREAS, one bid was determined to be incomplete and thus deemed non-responsive to the requirements of the Invitation for Bids; and,

WHEREAS it was determined Progress Rail Locomotive Inc. was the only responsive-responsible bidder;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with Progress Rail Locomotive Inc. of LaGrange, Illinois for Electronic Fuel Injector Assemblies in the amount of $594,935, plus a 10 percent contingency of $59,494, for a total amount not to exceed $654,429.

Approved this 18th day of December 2020

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Gary Skinner
Chairman

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Jeanine Lawson
Secretary

Virginia Railway Express
Operations Board

Resolution
9C-12-2020

Authorization to Issue an MEC VII Task Order for National Transit Database and Asset Management Reporting Phase VII

WHEREAS, VRE has a contract with STV Incorporated for Mechanical Engineering Consulting Services; and,

WHEREAS, VRE has completed several initiatives resulting in strategies for managing VRE rolling stock and facilities assets and maintaining these assets in a continuous state of good repair; and,

WHEREAS, VRE is required by the Federal Transit Administration to develop methodologies and processes to perform ongoing assessments of VRE rolling stock and facilities, manage and perform State of Good Repair projects and report transit asset management information; and,

WHEREAS, STV Incorporated has developed the framework and standardized processes to perform ongoing asset assessments as well as tools to prioritize funding for State of Good Repair projects consistent with the Transit Economic Requirements Model; and,

WHEREAS, through this Task Order, STV Incorporated will conduct Facility Condition Assessments and continue to develop processes for reporting asset management information to the Federal Transit Administration via the National Transit Database;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a Task Order under the Mechanical Engineering Consulting Services Contract (MEC VII) to STV Incorporated for National Transit Database (NTD) and Asset Reporting Phase VII in the amount of $427,799, plus a 10 percent contingency of $42,780, for a total not to exceed $470,579.

Approved this 18th day of December 2020

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Gary Skinner
Chairman

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Jeanine Lawson
Secretary

Virginia Railway Express
Operations Board

Resolution
9D-12-2020

Referral of the Amended FY 2021 and Recommended FY 2022 VRE Operating and Capital Budgets to the Commissions and Localities

WHEREAS, the VRE Master Agreement requires the Commissions be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year; and,

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the recommended FY 2022 Operating and Capital Budget within the guidelines developed in cooperation with the staff representatives of the local jurisdictions; and,

WHEREAS, the Amended FY 2021 and Recommended FY 2022 budgets reflect the impact of the COVID-19 pandemic which began in March 2020 and has substantially reduced VRE's ridership; and,

WHEREAS, the VRE Operations Board found that a Master Agreement survey for the purposes of collecting rider data for subsidy allocation would have been challenging to safely administer in the current environment and unlikely to produce reliable results, and so the planned October 2020 survey was cancelled; and,

WHEREAS, the VRE Operations Board finds that the availability of additional operating assistance from the Department of Rail and Public Transportation and emergency federal funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows for VRE to supplement lost passenger revenues and achieve a balanced budget without requiring fare increases, service reductions, or increases in jurisdictional subsidy; and,

WHEREAS, VRE staff recommends a budget based on a service level of 32 daily revenue trains and average daily ridership of 6,000 trips; and,

WHEREAS, the FY 2022 budget recommends no changes to current passenger fares, including the Amtrak Step-Up fare; and,

WHEREAS, the FY 2022 budget recommends no change in the total jurisdictional subsidy contribution compared to the FY 2021 level, for a total amount of $18,300,780;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the FY 2022 VRE Operating and Capital Budget in the following amounts and forward this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement; and,

Operating Budget	$ 89,663,802
Capital Budget	$ 96,198,922
Total Operating and Capital	$185,862,724

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the amended FY 2021 Operating and Capital Budget in the following amounts; and,

Operating Budget	$ 90,368,825
Capital Budget	$ 71,283,079
Total Operating and Capital	$161,651,904

BE IT FURTHER RESOLVED THAT, having cancelled the October 2020 Master Agreement Survey, the VRE Operations Board does hereby recommend the jurisdictional subsidy in the FY 2022 Operating and Capital Budget be allocated among the nine jurisdictions in the same proportions used in the FY 2021 budget; and,

BE IT FURTHER RESOLVED THAT, given the availability of state funding and federal CARES Act funding to supplement lost passenger revenues, the VRE Operations Board does hereby recommend that it is in the best interests of the Commissions and the riders of VRE the Amended FY 2021 and Recommended FY 2020 Operating Budgets do not achieve a fifty percent recovery of operating expenses from passenger fares; and,

BE IT FURTHER RESOLVED THAT, given the current difficulty of accurately projecting future ridership, tax revenues, and other key inputs, the VRE Operations Board acknowledges the FY 2022 Operating and Capital Budget does not include a formal six-year financial forecast, and staff will resume presenting such financial forecasts in future budgets when there is less uncertainty over the pandemic recovery and potential changes to commuting behavior; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2021 and FY 2022; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Director of NVTC to submit to the Commonwealth the approved budget as part of the FY 2022 state aid grant applications.

Approved this 18th day of December 2020

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Gary Skinner
Chair

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Jeanine Lawson
Secretary

Attachment 1

FY 2022 Subsidy by Jurisdiction

Jurisdiction	FY 2021 Subsidy	FY 2021 Percent	FY 2022 Subsidy	FY 2022 Percent	Change FY21 to FY22 Net +/-	Change FY21 to FY22 % Change
Fairfax County	$ 6,379,017	34.9%	$ 6,379,017	34.9%	$ -	0.0%
Prince William County	5,930,777	32.4%	5,930,777	32.4%	-	0.0%
Stafford County	2,477,175	13.5%	2,477,175	13.5%	-	0.0%
Spotsylvania County	1,503,754	8.2%	1,503,754	8.2%	-	0.0%
Manassas	807,234	4.4%	807,234	4.4%	-	0.0%
Manassas Park	468,364	2.6%	468,364	2.6%	-	0.0%
Fredericksburg	367,089	2.0%	367,089	2.0%	-	0.0%
Arlington	218,219	1.2%	218,219	1.2%	-	0.0%
Alexandria	149,151	0.8%	149,151	0.8%	-	0.0%
	$ 18,300,780	100%	$ 18,300,780	100%	$ -	0.0%

Attachment 2

Capital Improvement Program By Program Area *(amounts in millions of $)*

Program Name	Project ID	Project Name	Life-To-Date	FY 2021 Amended	FY 2022 Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Asset Management/State of Good Repair	**AM-2**	Automatic Passenger Counters	2.9								2.9
	AM-4	Enhancement Grant - Security	0.8	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.6
	AM-5	Equipment Asset Management Program	29.5	6.1	2.1	2.0	1.7	1.9	3.3		46.6
	AM-6	Facilities Asset Management Program	15.2	0.2							15.4
	AM-6A	Fredericksburg Station Rehabilitation	1.9	3.2							5.0
	AM-8	Security Cameras	1.6	0.3			0.5		0.3		2.7
	AM-9	Realtime Multimodal Traveler Information (New Project)	3.5								3.5
Asset Management/State of Good Repair Total			**55.3**	**9.9**	**2.2**	**2.1**	**2.3**	**2.0**	**3.7**	**0.1**	**77.6**
Information Technology	**IT-2**	ERP Implementation	2.8								2.8
	IT-3	TRIP /VMS Upgrade	1.0								1.0
Information Technology Total			**3.8**								**3.8**
Passenger Station Facilities	**ST-1**	Alexandria Station Improvements	18.4		6.3	6.3					31.0
	ST-4	Backlick Road Station Improvements		2.0		4.0					6.0
	ST-5	Brooke Station Improvements	0.3	0.2	0.3	8.0					8.8
	ST-8	Crystal City Station Improvements	16.6	4.7	13.0	0.0	7.9	7.9			50.1
	ST-9	Franconia-Springfield Station Improvements	13.0								13.0
	ST-10	Leeland Road Station Improvements	0.3	0.2	3.1	2.7					6.3
	ST-11	L'Enfant Station Improvements	16.0	15.0	2.4	15.7	11.1	24.4			84.6
	ST-14	Quantico Station Improvements	18.2		5.2	0.6					24.0
	ST-17	Rolling Road Station Improvements	5.0								5.0
	ST-18	Washington Union Station Improvements	15.0	5.0	5.0	10.0	10.0	10.0			55.0
	ST-21	Manassas Station Improvements	9.1								9.1
Passenger Station Facilities Total			**111.8**	**27.2**	**35.3**	**47.3**	**29.0**	**42.3**			**292.8**
Rolling Stock Equipment	**RS-3**	Fleet Expansion Coaches - Manassas Line - Short Term	28.1			9.9					38.0
	RS-5	Fleet Expansion Coaches (Fredericksburg Line)		10.7	15.9	7.8	7.5				41.8
Rolling Stock Equipment Total			**28.1**	**10.7**	**15.9**	**17.7**	**7.5**				**79.9**
Station Parking	**PK-3**	Leeland Road Parking Improvements	0.4		5.2						5.5
	PK-4	Manassas Park Parking Improvements	26.0	0.7		3.8					30.4
Station Parking Total			**26.3**	**0.7**	**5.2**	**3.8**					**36.0**
Train Maintenance and Storage Facilities	**MS-3**	Crossroads MSF - Storage Expansion, Short-term			5.1	3.3					8.4
	MS-5	L'Enfant Train Storage Track - South	4.0								4.0
	MS-6	Life-Cycle Overhaul and Upgrade Facility	48.2	4.0							52.2
	MS-7	New York Avenue Midday Storage Facility	65.6	17.8	12.7	3.3					99.4
	OT-2	Broad Run Expansion (BRX)	88.8	4.3	2.0	69.3					164.4
Train Maintenance and Storage Facilities Total			**206.6**	**26.1**	**19.7**	**75.9**					**328.3**
Misc. (Multiple Categories)	**OT-4**	Forklifts purchase	0.3								0.3
Misc. (Multiple Categories) Total			**0.3**								**0.3**
Grand Total			**432.2**	**74.5**	**78.2**	**146.8**	**38.9**	**44.3**	**3.7**	**0.1**	**818.6**

Capital Improvement Program by Funding Source (*amounts in millions of $)*

Funding Source Type	Funding Source	Life-To-Date	FY 2021 Amended	FY 2022 Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Federal Formula Grants	Federal Formula Grants	130.5	25.1	25.1	22.5	16.9	7.8	3.0	0.1	230.9
	Federal State Match	46.4	10.8	8.8	7.4	4.7	3.6	0.3	0.0	81.9
	VRE Local Match	7.0	1.5	1.4	1.2	1.8	0.6	0.4	0.0	14.1
Federal Formula Grants Total		**183.9**	**37.4**	**35.3**	**31.1**	**23.4**	**12.0**	**3.7**	**0.1**	**327.0**
Non-Federal Formula Funded	Federal - CMAQ/STP/RSTP	24.5	6.8	2.6	6.4					40.2
	I-66 OTB Concession Payment	128.5								128.5
	IPROC	13.6								13.6
	NVTA	17.4	4.0			7.9	7.9			37.2
	State - REF	3.5								3.5
	State - Smart Scale	14.2	10.7	40.3	27.5					92.6
	State CROC	30.0	15.0							45.0
	VRE Local Match	0.5								0.5
	VDOT - LAP	8.7								8.7
	VRE - State REF Local Match	1.3								1.3
	VRE (Capital Reserve)/Other	6.1			0.0					6.1
	Other		**0.7**							**0.7**
Non-Federal Formula Funded Total		**248.2**	**37.1**	**42.9**	**33.9**	**7.9**	**7.9**			**377.9**
Grand Total		**432.2**	**74.5**	**78.2**	**65.0**	**31.3**	**19.9**	**3.7**	**0.1**	**704.9**

VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 10-B
Information Item

To: **Chairman Skinner and the VRE Operations Board**

From: **Rich Dalton**

Date: **December 18, 2020**

Re: **Spending Authority Report**

On September 18, 2020, the VRE Operations Board approved increasing the Chief Executive Officer's delegated spending authority from $100,000 to $200,000. It was resolved as part of that increased delegation that any purchase or contract award in the range of $50,000 to $200,000 would be communicated to the Board as an information item.

- On November 2, 2020, VRE issued a Sole Source Blanket Purchase Order in an amount not to exceed $50,000 to TransTech to acquire toilet cleaning supplies on an as-needed basis, including chlorinating slugs and sanitizer, to maintain the toilet systems on board VRE's passenger railcars.
- On November 5, 2020, VRE issued a Purchase Order in the amount of $65,913 to Columbia Vehicle Group, Inc. for the purchase of five utility carts to be utilized at the Broad Run and Crossroads Maintenance and Storage Facilities.
- On November 6, 2020, VRE issued a Task Order to STV Incorporated in the amount of $84,493 under the Mechanical Engineering Consulting Services (MEC) VII contract to conduct research and provide support for the future procurement of an enhanced back-office system for positive train control.
- On November 7, 2020, VRE amended an existing Independent Contractor Agreement with Steven Grant to provide support on an as-needed basis for the VRE Mobile app, specifically the transition to a new service provider. This amendment increased the total commitment to an amount not to exceed $81,900.

- On November 7, 2020, VRE issued a Sole Source Blanket Purchase Order in an amount not to exceed $96,000 to Knorr-Bremse Powertech Corp. to perform repairs on an as-needed basis to the low voltage power supply units utilized to provide electrical power for the LED message signs, wheelchair lifts, outlets, etc. on board VRE's passenger railcars.
- On November 13, 2020, VRE issued a Purchase Order to Computers America, Inc. in the amount of $66,075 for the purchase of new Uninterruptible Power Supply (UPS) devices and Power Distribution Units (PDU) for installation in the station communication cabinets.

VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 10-A
Information Item

To: **Chairman Skinner and the VRE Operations Board**

From: **Rich Dalton**

Date: **December 18, 2020**

Re: **VRE's Transit Asset Management Plan Update for 2020**

VRE's Transit Asset Management (TAM) Plan, completed in September 2018, allows VRE to better monitor and manage its assets, particularly rolling stock and facilities. Additional benefits of the plan, which is required by the Federal Transit Administration (FTA), include improved safety, increased reliability and performance, and more efficient operations.

The intent of VRE's TAM Plan and associated Lifecycle Maintenance (LCM) plan, is to minimize the total cost of ownership of an asset while maximizing its performance. TAM integrates activities across VRE departments to optimize resource allocation and to support decision-making.

The attached TAM update provides background on VRE's LCM plans and details the additional steps taken to improve the management of assets since VRE's September 2019 report.

TRANSIT ASSET MANAGEMENT

DECEMBER 2020 UPDATE

2019-2020 ACHIEVEMENTS

LCM Plans

> Developed VRE's first Rolling Stock Lifecycle Management Plan in October 2019, based on a comprehensive review of VRE's previous Rolling Stock Long Range Lifecycle Maintenance Action Plan, updated and adapted to follow FTA guidance on Lifecycle Management Plan development and content

> Developed VRE's first Facilities Lifecycle Management Plan in January 2020 following FTA guidance

Parking Facility Inventory

> Conducted system-wide field inventory of passenger parking spaces at all surface parking locations (VRE and 3rd party-owned)

> Resolved data discrepancy issues and created "single source" repository of information

Data Support Systems

> Completed updates to improve Internet Tool functionality

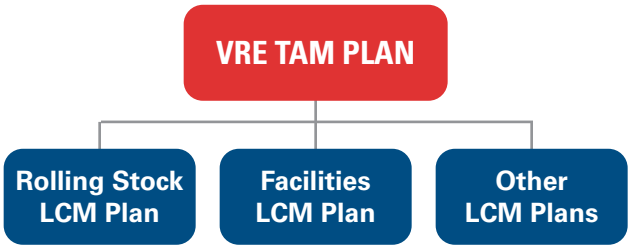
> Customized, demonstrated, and launched new field data collection applications using ArcGIS Online

Reporting

> Updated DRPT's asset inventory database and submitted annual TransAM After-Action Report (January 2020)

> Prepared FY 2020 NTD Asset Inventory Module forms, including the annual Narrative Report and performance targets for FY 2021 (October 2020)

LIFECYCLE MANAGEMENT (LCM) PLANS



Following VRE's completion in 2018 of its first FTA compliant Transit Asset Management (TAM) Plan, VRE sought to implement asset management best practices by engaging its consultant partner to develop Lifecycle Management (LCM) Plans for its Rolling Stock and Facilities asset classes. These plans represent a coordinated approach to implementing VRE's TAM Plan goal at the asset class level. VRE based LCM plan content on FTA guidance and used the same basic outline for each document. In the future, VRE may wish to develop additional LCM plans addressing its equipment and limited infrastructure assets. Each of VRE's LCM plans is planned to be updated every four years in the year following TAM Plan update.

Rolling Stock LCM Plan (October 2019)

The Rolling Stock LCM Plan builds upon VRE's already formalized asset management program by documenting existing business procedures, system and component useful life assumptions, vehicle history, and other aspects of the maintenance program. This LCM plan is being used to assist VRE in maintaining its fleet in a State of Good Repair (SGR) and in a cost-effective manner throughout their useful life. The plan covers all lifecycle phases: (1) Procurement, (2) Operation, (3) Maintenance, (4) Overhaul, and (5) Retirement and Disposal. This LCM plan was completed in October 2019.

Facilities LCM Plan (January 2020)

The Facilities LCM Plan documents VRE's existing business procedures while using component- and subcomponent-level condition ratings, useful life assumptions, and monthly facility safety inspection findings to inform program processes. This LCM plan is being used to assist VRE in maintaining facility assets in an SGR and in a cost-effective manner. The plan covers all lifecycle phases, with terminology adapted for this asset class: (1) Procurement, (2) Operation, (3) Maintenance, (4) Rehabilitation, and (5) Retirement/Disposal/Decommissioning. This LCM plan was completed in January 2020.

PASSENGER PARKING FACILITY INVENTORY

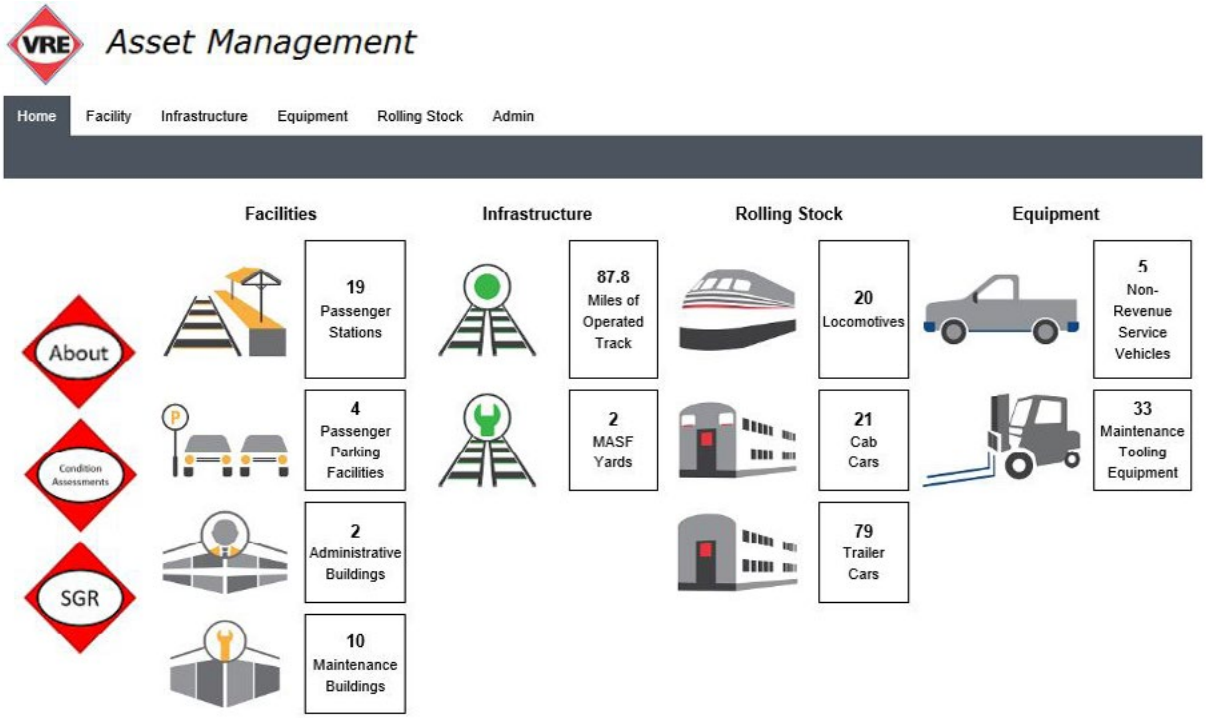
VRE documents and reports parking facility inventory data to many sources, including NTD's Asset Inventory Module (AIM), DRPT's TransAM system, its TAM and LCM Plans, internal-use audit spreadsheets, etc. In order to develop a single data source and to validate the current parking facility inventory, VRE's consultant partner conducted a physical field inventory of all VRE-utilized passenger parking facilities (surface parking only), including parking space counts, light poles, bike racks, benches, and shelters, et. al. A new data collection tool was piloted, ArcGIS Online Collector, to improve data collection efficiency and add enhanced collection abilities (discussed further in Data Support Systems). VRE's consultant partner prepared an "After-Action Report", including the final parking facility inventory spreadsheet, digitized parking location maps, and ArcGIS output files, which was finalized in November 2020.

DATA SUPPORT SYSTEMS

VRE utilizes two primary data support systems in the implementation of its asset management program: the VRE Asset Management Internet Tool (launched in 2017) and new ArcGIS Online software applications; ArcGIS Collector and ArcGIS Survey123 (piloted in 2020).

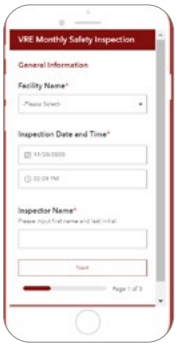
VRE Asset Management Internet Tool

As part of its asset management program, VRE's consultant partner previously developed an internet-based tool that houses VRE's asset inventory data and facilitates the completion of facility condition assessments, monthly safety inspections, and communication cabinet assessments. The internet tool was planned as part of a multi-phase effort, and initial functionality of the internet tool was deployed in 2017. This year's efforts toward ongoing maintenance and enhancement of the tool focused heavily on preparing for the next round of facility condition assessments, removing bugs and adding functionality to streamline data collection and tabulation of overall condition ratings as required by FTA.



ArcGIS Applications

VRE's consultant partner piloted the use of ESRI's ArcGIS data collection tools. ArcGIS Collector was used for VRE's passenger parking facility inventory, and ArcGIS Survey123 was tested for viability in future Monthly Safety Inspections. Each tool allows for customization based on VRE's specific needs, and includes live field testing, demonstrations with VRE personnel, and troubleshooting. ArcGIS data collection tools have several highly desirable features, among them:



> Ease of use on mobile devices

> Can function without internet access

> Have ability to attach photos in the field

> Have built-in analytics

> Are updated regularly by ESRI

> Are cost efficient

Given these and other factors, VRE has determined to use ArcGIS Survey123 as the preferred implementation approach for conducting station monthly safety inspections moving forward. Either or both tools may also be considered for future data collection efforts.

TransAM ANNUAL UPDATE (JANUARY 2020)

VRE is required to report assets to the Virginia Department of Rail and Public Transportation (DRPT) via its TransAM reporting system. VRE's goal is to provide consistency between data it inputs into NTD reporting modules and the TransAM database, as well as to maintain the ability to apply for state funding toward capital assets. For the second consecutive year, VRE's consultant partner completed the following tasks:

> Reviewed previous inventory system export files

> Evaluated existing data and recommended database updates

> Worked with VRE's CFO and Comptroller to identify data needs

> Synchronized data entries with NTD, where applicable

> Coordinated database updates for approval by VRE

> Performed data entry updates by the January 31, 2020 deadline

> Provided VRE with an "After-Action Report" summarizing all activities, decision points, and making recommendation for future update efforts

NTD ASSET INVENTORY MODULE UPDATE (OCTOBER 2020)

VRE utilized its consultant partner support to prepare annual submission materials for NTD's Asset Inventory Module. This included five forms related to VRE's asset inventory, one form related to performance targets for each asset class, and an annual Narrative Report. While much of the data remain unchanged from the previous year, the A-15 Facilities form was updated to reflect new parking space counts derived from physical inventory. Submittal materials were prepared in October 2020 for input and upload by October 31, 2020.

COMING SOON

Asset inventory updates through DRPT's TransAM database *(January 2021)*

FTA Triennial Review support *(February 2021)*

Condition assessments to determine FTA TERM ratings at the subcomponent level for all VRE facilities, including stations, passenger parking, administrative, and maintenance facilities *(Summer/Fall 2021)*. Previous assessments completed in *2017/2018*

Internet tool upgrades, including those targeted at managing ongoing facility maintenance, implementation of ArcGIS Survey123 for monthly safety inspections, and identification of data integration opportunities between ArcGIS and the Internet Tool *(ongoing)*

YEARLY MILESTONES

2017

> Share initial targets with planning partners (July)

> Report optional FY17 Asset Inventory Module (AIM) data and FY18 performance targets to NTD (October)

> Perform first round of facility condition assessments per FTA guidance (Summer/Fall)

2018

> Complete first required compliant TAM Plan and share with planning partners (October)

> Submit first required FY18 AIM data and FY19 performance targets to NTD (October)

2019

> Submit asset inventory data to DRPT via TransAM (January)

> Submit FY19 AIM data, FY20 performance targets, and first required narrative report to NTD (October)

> Complete Rolling Stock Lifecycle Management (LCM) Plan in alignment with TAM Plan

2020

> Submit asset inventory data to DRPT via TransAM (January)

> Submit FY20 AIM data, FY21 performance targets, and narrative report to NTD (October)

> Complete Facilities LCM Plan in alignment with TAM Plan

2021

> Submit asset inventory data to DRPT via TransAM (January)

> Submit FY21 AIM data, FY22 performance targets, and narrative report to NTD (October)

> Perform second round of facility condition assessments per FTA guidance (Summer/Fall)

2022

> Submit asset inventory data to DRPT via TransAM (January)

> Submit FY22 AIM data, FY23 performance targets, and narrative report to NTD (October)

> Complete first updated TAM Plan and share with planning partners

> Complete quadrennial updates thereafter

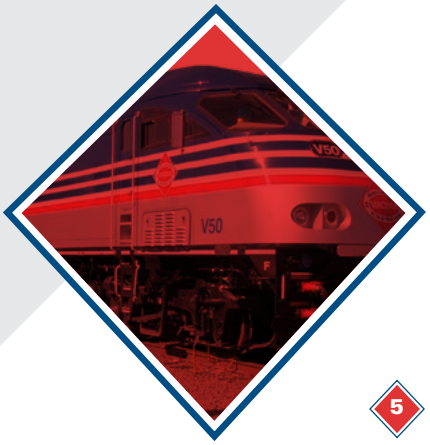
2023

> Submit asset inventory data to DRPT via TransAM (January)

> Submit FY23 AIM data, FY24 performance targets, and narrative report to NTD (October)

> Complete first updated LCM Plans

> Complete quadrennial updates thereafter



Public Comment Time

Public comments will not be received during the meeting; however, those wanting to comment should send their name and written comments, limited to one (1) page, to CRodrigo@OmniRide.com by January 13, at 5:00 p.m.

PRTC Consent Agenda Action Items

8.1 Approve Consent Agenda

8.2 Acceptance of the Potomac and Rappahannock Transportation Commission Monthly Jurisdictional Financial Report for the Periods Ended September 30, 2020 and October 31, 2020

8.3 Authorization to Budget and Appropriate Spotsylvania County's Motor Fuels Tax Funds for Various FY2021 and Prior Transportation Projects

ITEM 8.1
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: APPROVE CONSENT AGENDA – JANUARY 14, 2021

ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission ("PRTC" or the "Commission") was presented with a consent agenda; and

WHEREAS, an opportunity was afforded for items to be added or deleted from the consent agenda.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby approve the consent agenda of January 14, 2021 as presented/amended.

Votes:
Ayes:
Abstain:
Nays:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

ITEM 8.2
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: **ACCEPTANCE OF THE POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION MONTHLY JURISDICTIONAL FINANCIAL REPORT FOR THE PERIODS ENDED SEPTEMBER 30, 2020 AND OCTOBER 31, 2020**

ACTION:

WHEREAS, a financial report for each jurisdiction is prepared each month for presentation to the Potomac and Rappahannock Transportation Commission ("PRTC" or the "Commission"); and

WHEREAS, this report supplies information on the current month and year-to-date motor fuel tax collections; earned interest, other revenues, state administration cost, expenditures, transfers and encumbrances; and

WHEREAS, this information covers the PRTC as a whole, as well as each separate jurisdiction.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby accept the Jurisdictional Financial Report for the periods ended September 30, 2020 and October 31, 2020.

Votes:
Ayes:
Nays:
Abstentions:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

Fuel Tax Revenues
Budget to Actual
Three Months Ended September 2020

	FY21 YTD Budget	FY21 YTD Actual	Variance %	Variance $
Prince William County	3,187,425	3,153,726	-1%	(33,699)
Stafford	1,022,375	1,086,962	6%	64,587
Manassas	233,200	213,225	-9%	(19,975)
Manassas Park	176,125	194,068	10%	17,943
Fredericksburg	374,950	234,629	-37%	(140,321)
Spotsylvania	1,142,675	1,371,922	20%	229,247
Total	6,136,750	6,254,532	2%	117,782

Year to date budget reflects updated FY2021 motor fuels tax revenue projections done in April 2020 as part of the FY2021 revised budget process.

POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

PRTC COMMISSION MEETING
DATE JANUARY 14, 2021

MONTHLY FINANCIAL REPORT FOR ALL JURISDICTIONS
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2020

FY21 Beginning Fund Balance			$ 20,190,325.72	(1)

	Current Month	Year To Date
Gross Tax Revenue	$ 2,760,188.33	$ 8,622,133.32
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (789,200.86)	$ (2,367,602.58)
Less: State Admin Cost	$ -	$ -
Net Tax Revenue	$ 1,970,987.47	$ 6,254,530.74
Interest from Investment	$ 2,906.45	$ 10,180.54
Total Tax & Investment Revenue	$ 1,973,893.92	$ 6,264,711.28
Expenditures/Transfers	$ (480,000.00)	$ (5,058,689.37)
Reimbursement from State Grant/Transfer from Other Governments	$ -	$ -
PRTC Operating Fund Balance	$ -	$ 1,416,000.00
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES c		$ 22,812,347.63
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)		$ 18,292,469.26
FY21 Projected State Grant (remainder)		$ 137,114.00
LESS: Unexpended Adopted Resolutions		$ (23,705,162.32) (*)
Other Financing Sources/(Uses)		
Claims and Judgments	-	-
Jurisdictional Reimbursement	$0.00	$0.00
Total Projected Unencumbered Balance		$ 17,536,768.57 (2)

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE
08-06-07	$ 173,000.00	(1)	$ -	$ 173,000.00
09-11-07	$ 93,139.69	(1)	$ -	$ 93,139.69
10-11-05	$ 234,500.00	(1)	$ -	$ 234,500.00
13-06-08	$ 200,000.00	(1)	$ -	$ 200,000.00
15-05-07	$ 371,164.00	(1)	$ -	$ 371,164.00
17-07-06	$ 116,000.00	(1)	$ -	$ 116,000.00
17-07-07	$ 206,000.00	(1)	$ -	$ 206,000.00
19-06-10	$ 432,642.00	(1)	$ -	$ 432,642.00
19-11-08	$ 15,000.00	(1)	$ -	$ 15,000.00
19-11-09	$ 10,000.00	(1)	$ -	$ 10,000.00
20-01-06	$ 80,090.00	(1)	$ -	$ 80,090.00
20-06-05	$ 5,623,616.00	(1a)	$ 2,811,808.00	$ 2,811,808.00
20-06-15	$ 19,792,700.00	(1a)	$ 1,416,000.00	$ 18,376,700.00
20-07-05	$ 1,416,000.00		$ 830,881.37	$ 585,118.63
Total	$ 28,763,851.69		$ 5,058,689.37	$ 23,705,162.32 (*)

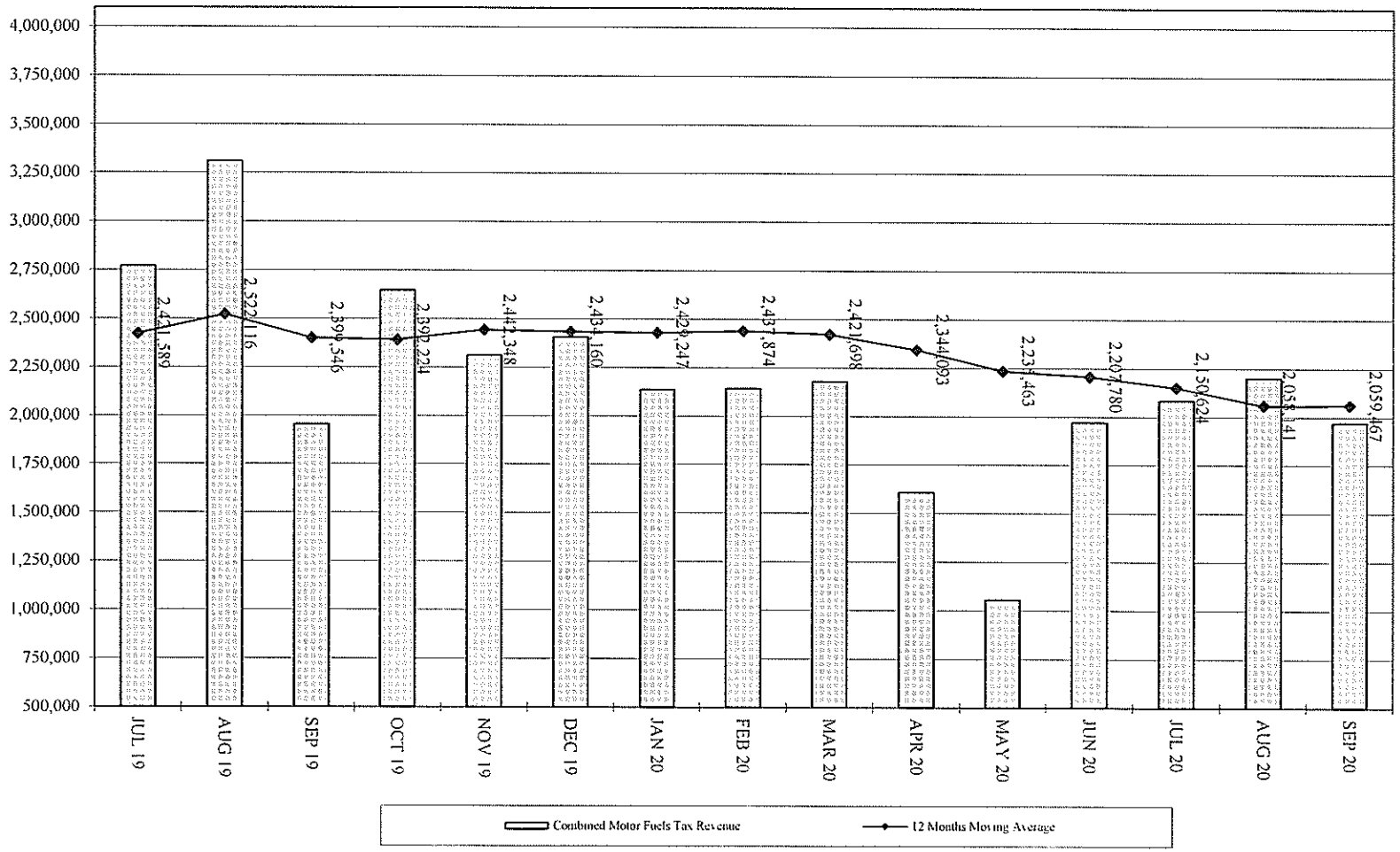
(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

PRTC COMMISSION MEETING
DATE JANUARY 14, 2021

MONTHLY FINANCIAL REPORT FOR PRINCE WILLIAM COUNTY
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2020

FY21 Beginning Fund Balance		$ 9,167,282.27 (1)

	Current Month	Year To Date
Gross Tax Revenue	$ 1,382,910.28	$ 4,347,187.30
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (395,405.62)	$ (1,193,461.18)
Less: State Admin Cost	$ -	$ -
Net Tax Revenue	$ 987,504.66	$ 3,153,726.12
Interest from Investment	$ 1,596.07	$ 5,444.22
Total Tax & Investment Revenue	$ 989,100.73	$ 3,159,170.34
Expenditures/Transfers	$ -	$ (1,328,900.00)
PRTC Operating Fund Balance	$ -	$ 1,328,900.00
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES		$ 12,326,452.61
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)		9,595,973.88
LESS: Unexpended Adopted Resolutions		$ (17,726,400.00) (*)
Other Financing Sources/(Uses)		
Claims and Judgments	0.00	-
Jurisdictional Reimbursement	$0.00	$0.00
Total Projected Unencumbered Balance		$ 4,196,026.49 (2)

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
08-06-07	$ 173,000.00	(1)	$ -	$ 173,000.00	
20-06-15	$ 18,882,300.00	(1a)	$ 1,328,900.00	$ 17,553,400.00	
Total	$ 19,055,300.00		$ 1,328,900.00	$ 17,726,400.00	(*)

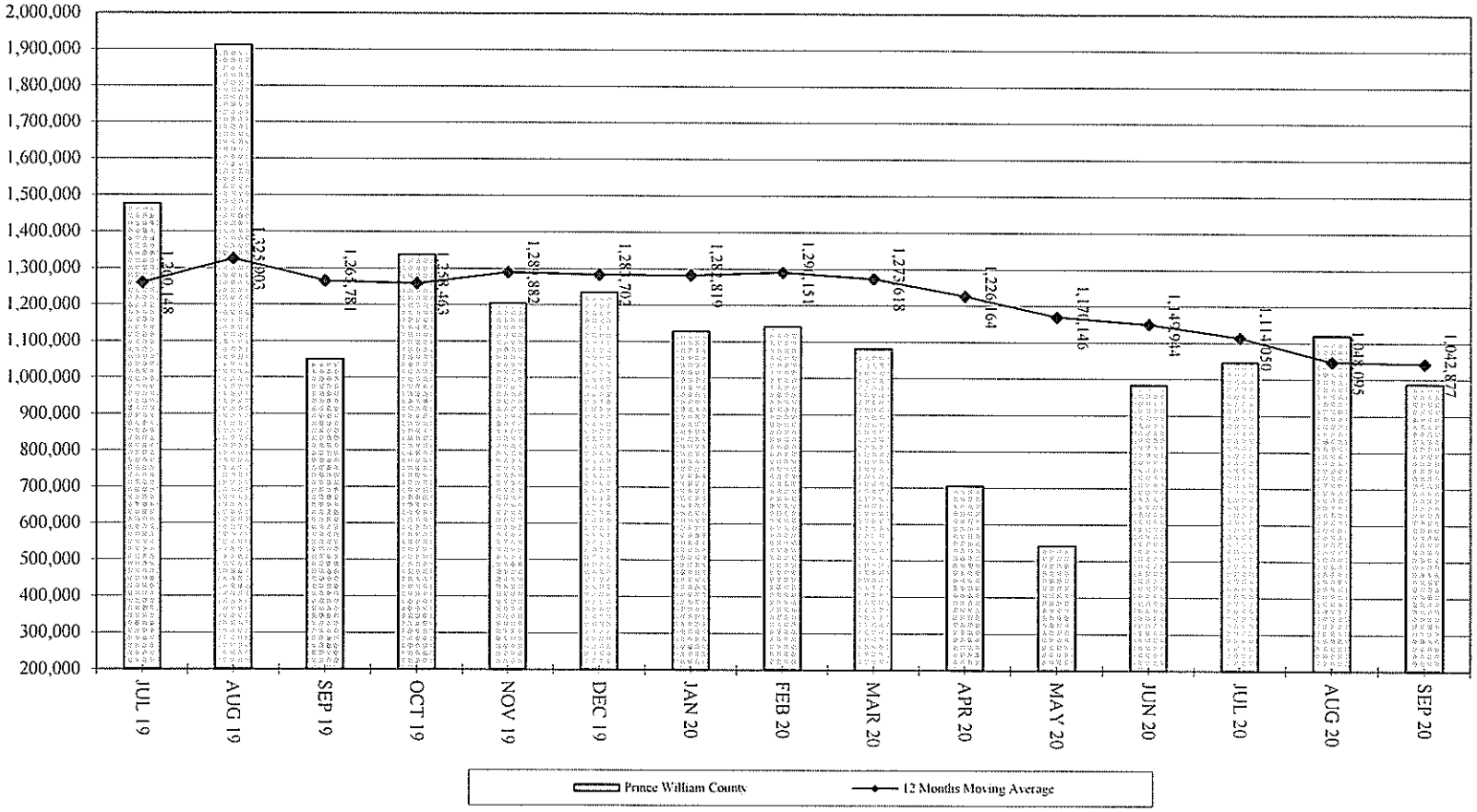
(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



MONTHLY FINANCIAL REPORT FOR STAFFORD COUNTY
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2020

FY21 Beginning Fund Balance	$ 3,146,967.55	(1)

	Current Month	Year To Date
Gross Tax Revenue	$ 493,500.94	$ 1,498,919.81
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (141,103.18)	$ (411,958.07)
Less: State Admin Cost	$ -	$ -
Net Tax Revenue	$ 352,397.76	$ 1,086,961.74
Interest from Investment	$ 326.73	$ 1,050.33
Total Tax & Investment Revenue	$ 352,724.49	$ 1,088,012.07
Expenditures/Transfers	$ -	$ (1,251,087.50)
PRTC Operating Fund Balance	$ -	$ 12,500.00
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES		$ 2,996,392.12
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)		3,002,538.26
LESS: Unexpended Adopted Resolutions		$ (1,356,587.50) (*)
Other Financing Sources/(Uses)		
Claims and Judgments	$0.00	$0.00
Jurisdictional Reimbursement	$0.00	$0.00
Total Projected Unencumbered Balance		$ 4,642,342.88 (2)

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
20-06-05	$ 2,477,175.00	(1a)	$ 1,238,587.50	$ 1,238,587.50	
20-06-15	$ 130,500.00	(1a)	$ 12,500.00	$ 118,000.00	
Total	$ 2,607,675.00		$ 1,251,087.50	$ 1,356,587.50	(*)

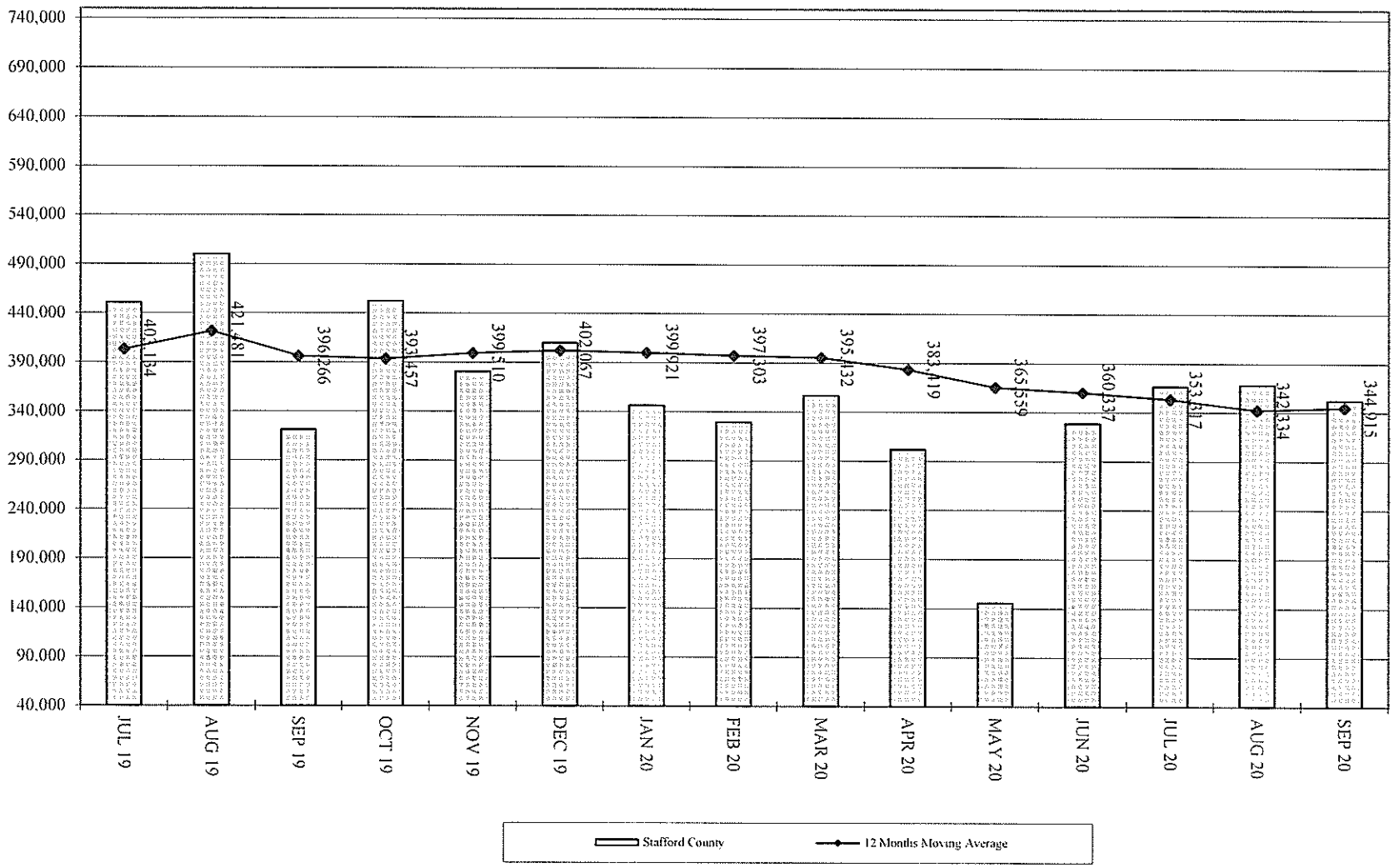
(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



MONTHLY FINANCIAL REPORT FOR CITY OF MANASSAS
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2020

FY21 Beginning Fund Balance				$ 734,791.79	(1)
	Current Month		Year To Date		
Gross Tax Revenue	$ 96,224.97		$ 294,023.86		
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (27,512.92)		$ (80,799.25)		
Less: State Admin Cost	$ -		$ -		
Net Tax Revenue	$ 68,712.05		$ 213,224.61		
Interest from Investment	$ 56.38		$ 173.81		
Total Tax & Investment Revenue	$ 68,768.43		$ 213,398.42		
Expenditures/Transfers	$ -		$ (441,417.00)		
Reimbursement From State Grant and Transfer from City of Manassas	$ -		$ -		
PRTC Operating Fund Balance	$ -		$ 37,800.00		
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES			$ 544,573.21		
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)			719,575.39		
FY21 Projected State Grant (remainder)			137,114.00		
LESS: Unexpended Adopted Resolutions			$ (748,617.00)	(*)	
Other Financing Sources/(Uses)					
Claims and Judgments	$0.00		$0.00		
Jurisdictional Reimbursement	$0.00		$0.00		
Total Projected Unencumbered Balance			$ 652,645.60	(2)	

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
20-06-05	$ 807,234.00	(1a)	$ 403,617.00	$ 403,617.00	
20-06-15	$ 382,800.00	(1a)	$ 37,800.00	$ 345,000.00	
Total	$ 1,190,034.00		$ 441,417.00	$ 748,617.00	(*)

(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

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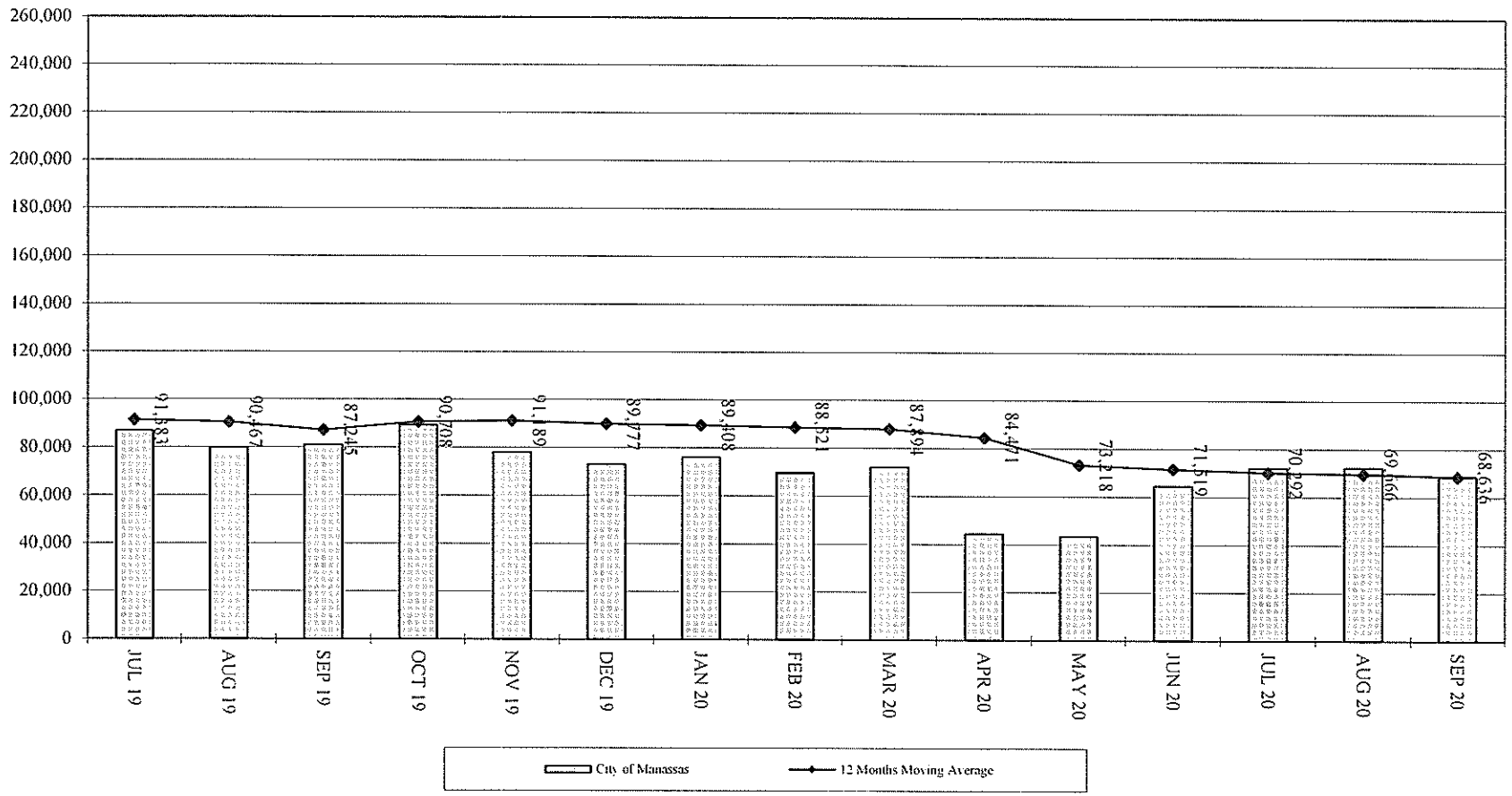
PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

PRTC COMMISSION MEETING
DATE JANUARY 14, 2021

MONTHLY FINANCIAL REPORT FOR CITY OF MANASSAS PARK
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2020

FY21 Beginning Fund Balance				$ 2,870,640.10	(1)
	Current Month		Year To Date		
Gross Tax Revenue	$ 82,425.87		$ 267,499.52		
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (23,567.44)		$ (73,431.93)		
Less: State Admin Cost	$ -		$ -		
Net Tax Revenue	$ 58,858.43		$ 194,067.59		
Interest from Investment	$ 469.24		$ 1,730.64		
Total Tax & Investment Revenue	$ 59,327.67		$ 195,798.23		
Expenditures/Transfers	$ -		$ (252,482.00)		
PRTC Operating Fund Balance	$ -		$ 18,300.00		
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES			$ 2,832,256.33		
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)			510,432.41		
LESS: Unexpended Adopted Resolutions			$ (1,664,985.69)	(*)	
Other Financing Sources/(Uses)					
Claims and Judgments	$0.00		$0.00		
Jurisdictional Reimbursement	$0.00		$0.00		
Total Projected Unencumbered Balance			$ 1,677,703.05	(2)	

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
09-11-07	$ 93,139.69	(1)	$ -	$ 93,139.69	
10-11-05	$ 234,500.00	(1)	$ -	$ 234,500.00	
13-06-08	$ 200,000.00	(1)	$ -	$ 200,000.00	
15-05-07	$ 371,164.00	(1)	$ -	$ 371,164.00	
17-07-06	$ 116,000.00	(1)	$ -	$ 116,000.00	
17-07-07	$ 206,000.00	(1)	$ -	$ 206,000.00	
19-11-08	$ 15,000.00	(1)	$ -	$ 15,000.00	
19-11-09	$ 10,000.00	(1)	$ -	$ 10,000.00	
20-06-05	$ 468,364.00	(1a)	$ 234,182.00	$ 234,182.00	
20-06-15	$ 203,300.00	(1a)	$ 18,300.00	$ 185,000.00	
Total	$ 1,917,467.69		$ 252,482.00	$ 1,664,985.69	(*)

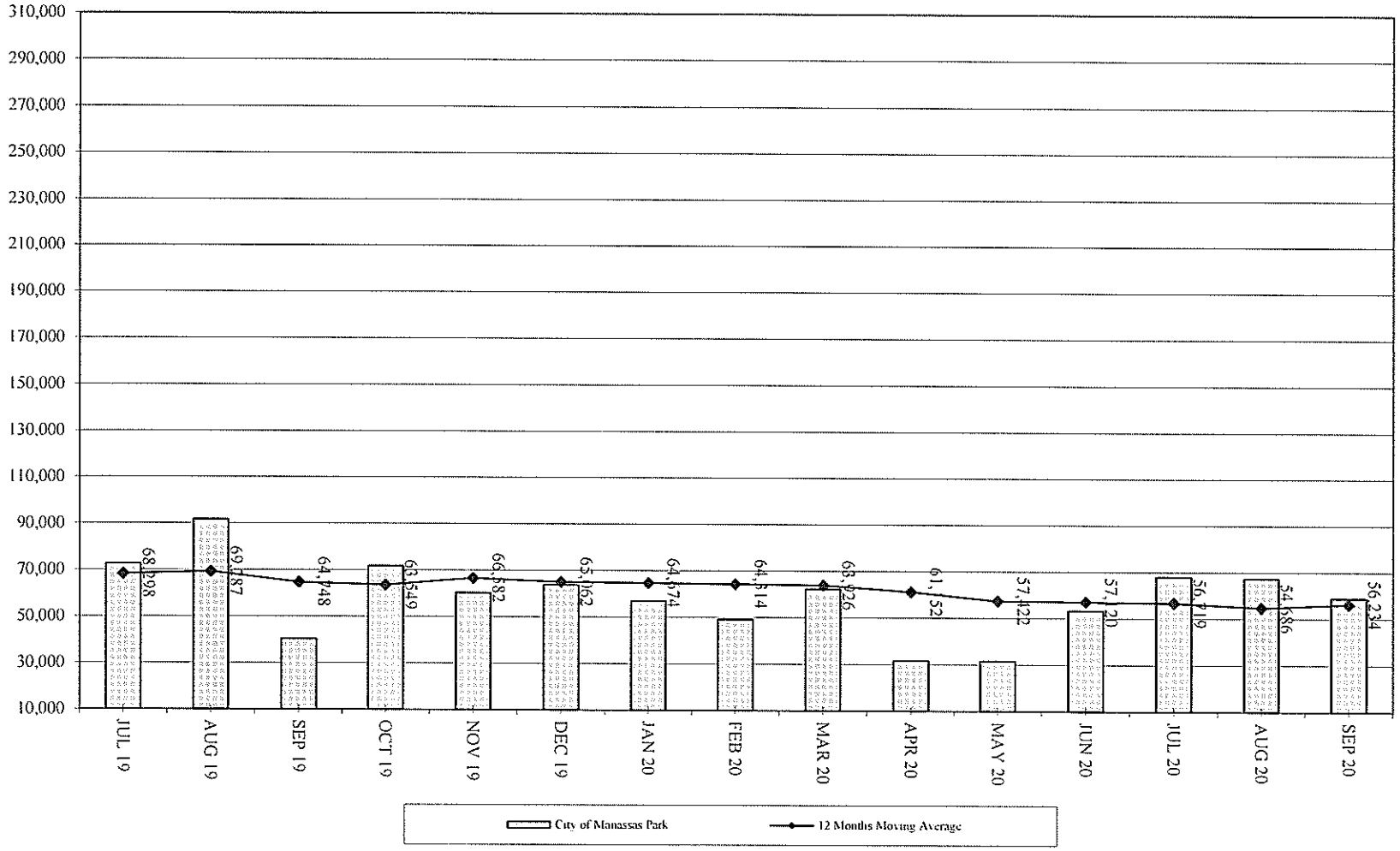
(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

PRTC COMMISSION MEETING
DATE JANUARY 14, 2021

MONTHLY FINANCIAL REPORT FOR CITY OF FREDERICKSBURG
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2020

FY21 Beginning Fund Balance				$ 2,559,822.04	(1)
	Current Month		Year To Date		
Gross Tax Revenue	$ 103,345.39		$ 323,326.97		
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (29,548.81)		$ (88,698.37)		
Less: State Admin Cost	$ -		$ -		
Net Tax Revenue	$ 73,796.58		$ 234,628.60		
Interest from Investment	$ 296.86		$ 1,378.28		
Total Tax & Investment Revenue	$ 74,093.44		$ 236,006.88		
Expenditures/Transfers	$ (480,000.00)		$ (1,019,125.87)		
PRTC Operating Fund Balance	$ -		$ 4,700.00		
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES			$ 1,781,403.05		
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)			1,265,171.40		
LESS: Unexpended Adopted Resolutions			$ (1,244,505.13)	(*)	
Other Financing Sources/(Uses)					
Claims and Judgments	$0.00		$0.00		
Jurisdictional Reimbursement	$0.00		$0.00		
Total Projected Unencumbered Balance			$ 1,802,069.32	(2)	

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
19-06-10	$ 432,642.00	(1)	$ -	$ 432,642.00	
20-06-05	$ 367,089.00	(1a)	$ 183,544.50	$ 183,544.50	
20-06-15	$ 47,900.00	(1a)	$ 4,700.00	$ 43,200.00	
20-07-05	$ 1,416,000.00		$ 830,881.37	$ 585,118.63	
Total	$ 2,263,631.00		$ 1,019,125.87	$ 1,244,505.13	(*)

(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

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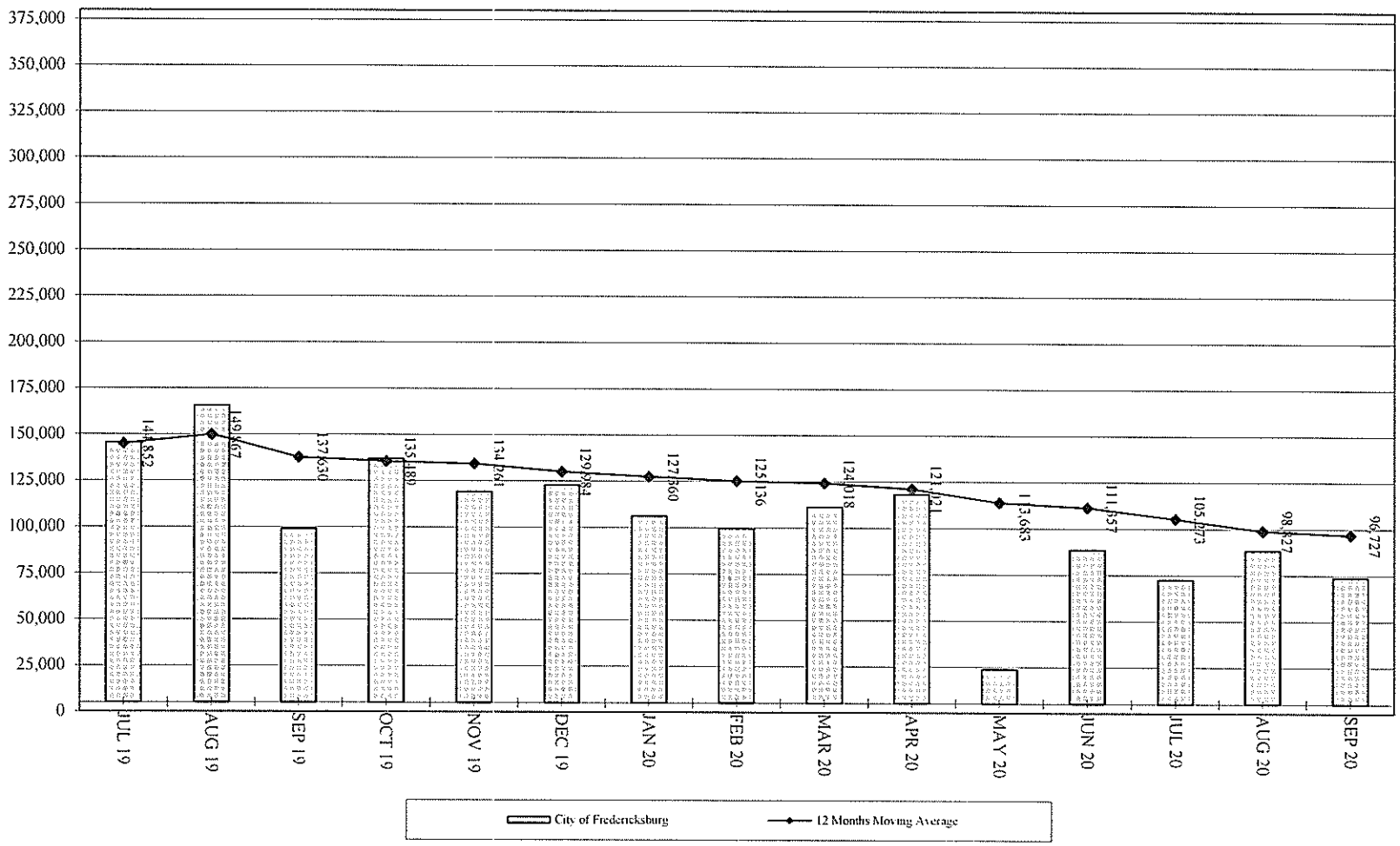
PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

PRTC COMMISSION MEETING
DATE JANUARY 14, 2021

MONTHLY FINANCIAL REPORT FOR SPOTSYLVANIA COUNTY
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2020

FY21 Beginning Fund Balance		$ 1,710,821.97 (1)

	Current Month	Year To Date
Gross Tax Revenue	$ 601,780.88	$ 1,891,175.86
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (172,062.89)	$ (519,253.78)
Less: State Admin Cost	$ -	$ -
Net Tax Revenue	$ 429,717.99	$ 1,371,922.08
Interest from Investment	$ 161.17	$ 403.26
Total Tax & Investment Revenue	$ 429,879.16	$ 1,372,325.34
Expenditures/Transfers	$ -	$ (765,677.00)
PRTC Operating Fund Balance	$ -	$ 13,800.00
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES		$ 2,331,270.31
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)		3,198,777.92
LESS: Unexpended Adopted Resolutions		$ (964,067.00) (*)
Other Financing Sources/(Uses)		
Claims and Judgments	$0.00	$0.00
Jurisdictional Reimbursement	$0.00	$0.00
Total Projected Unencumbered Balance		$ 4,565,981.23 (2)

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
20-01-06	$ 80,090.00	(1)	$ -	$ 80,090.00	
20-06-05	$ 1,503,754.00	(1a)	$ 751,877.00	$ 751,877.00	
20-06-15	$ 145,900.00	(1a)	$ 13,800.00	$ 132,100.00	
Total	$ 1,729,744.00		$ 765,677.00	$ 964,067.00	(*)

(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

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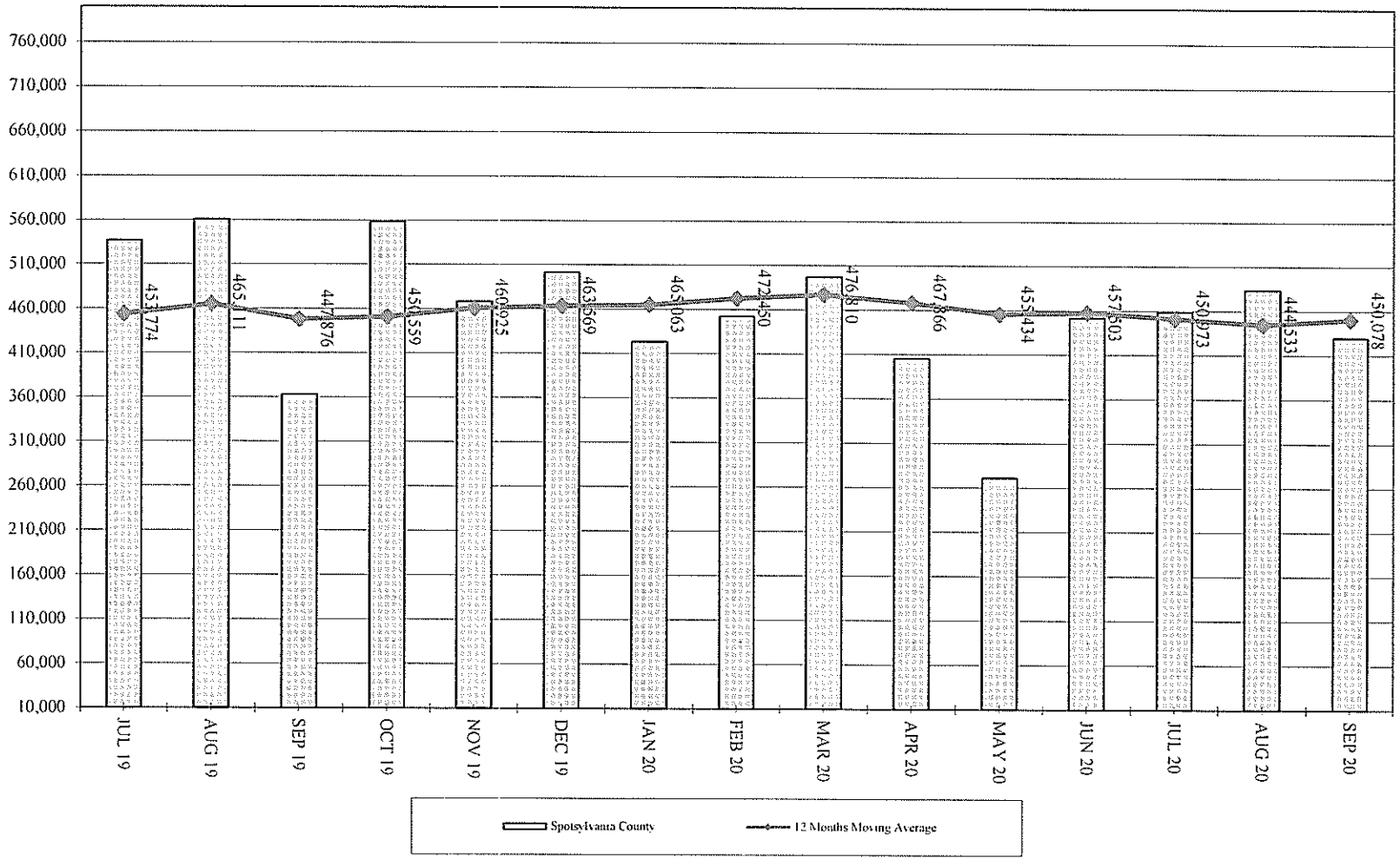
PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



Fuel Tax Revenues
Budget to Actual
Four Months Ended October 2020

	FY21 YTD Budget	FY21 YTD Actual	Variance %	Variance $
Prince William County	4,249,900	4,122,795	-3%	(127,105)
Stafford	1,363,167	1,426,326	5%	63,159
Manassas	310,933	273,513	-12%	(37,420)
Manassas Park	234,833	246,991	5%	12,158
Fredericksburg	499,933	321,753	-36%	(178,180)
Spotsylvania	1,523,567	1,885,091	24%	361,524
Total	8,182,333	8,276,469	1%	94,136

Year to date budget reflects updated FY2021 motor fuels tax revenue projections done in April 2020 as part of the FY2021 revised budget process.

POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

PRTC COMMISSION MEETING
DATE JANUARY 14, 2021

MONTHLY FINANCIAL REPORT FOR ALL JURISDICTIONS
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2020

FY21 Beginning Fund Balance		$ 20,190,325.72	(1)

	Current Month	Year To Date
Gross Tax Revenue	$ 2,811,139.73	$ 11,433,273.05
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (789,200.86)	$ (3,156,803.44)
Less: State Admin Cost	$ -	$ -
Net Tax Revenue	$ 2,021,938.87	$ 8,276,469.61
Interest from Investment	$ 2,963.65	$ 13,144.19
Total Tax & Investment Revenue	$ 2,024,902.52	$ 8,289,613.80
Expenditures/Transfers	$ -	$ (5,058,689.37)
Reimbursement from State Grant/Transfer from Other Governments	$ -	$ -
PRTC Operating Fund Balance	$ -	$ 1,416,000.00
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES c		$ 24,837,250.15
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)		$ 16,270,530.39
FY21 Projected State Grant (remainder)		$ 137,114.00
LESS: Unexpended Adopted Resolutions		$ (23,705,162.32) (*)
Other Financing Sources/(Uses)		
Claims and Judgments	-	-
Jurisdictional Reimbursement	$0.00	$0.00
Total Projected Unencumbered Balance		$ 17,539,732.22 (2)

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE
08-06-07	$ 173,000.00	(1)	$ -	$ 173,000.00
09-11-07	$ 93,139.69	(1)	$ -	$ 93,139.69
10-11-05	$ 234,500.00	(1)	$ -	$ 234,500.00
13-06-08	$ 200,000.00	(1)	$ -	$ 200,000.00
15-05-07	$ 371,164.00	(1)	$ -	$ 371,164.00
17-07-06	$ 116,000.00	(1)	$ -	$ 116,000.00
17-07-07	$ 206,000.00	(1)	$ -	$ 206,000.00
19-06-10	$ 432,642.00	(1)	$ -	$ 432,642.00
19-11-08	$ 15,000.00	(1)	$ -	$ 15,000.00
19-11-09	$ 10,000.00	(1)	$ -	$ 10,000.00
20-01-06	$ 80,090.00	(1)	$ -	$ 80,090.00
20-06-05	$ 5,623,616.00	(1a)	$ 2,811,808.00	$ 2,811,808.00
20-06-15	$ 19,792,700.00	(1a)	$ 1,416,000.00	$ 18,376,700.00
20-07-05	$ 1,416,000.00		$ 830,881.37	$ 585,118.63
Total	$ 28,763,851.69		$ 5,058,689.37	$ 23,705,162.32 (*)

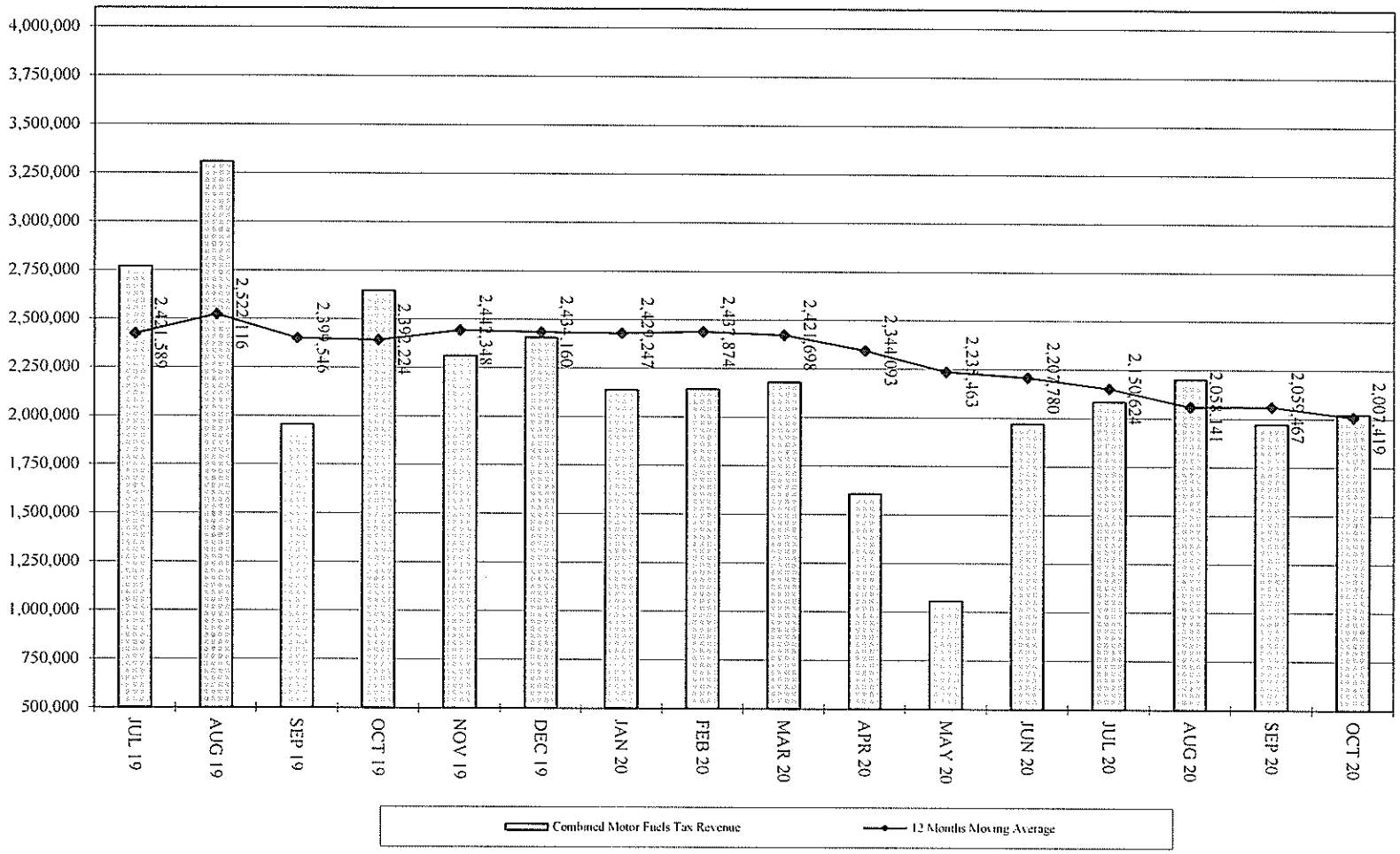
(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

PRTC COMMISSION MEETING
DATE JANUARY 14, 2021

MONTHLY FINANCIAL REPORT FOR PRINCE WILLIAM COUNTY
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2020

FY21 Beginning Fund Balance				$ 9,167,282.27	(1)

	Current Month	Year To Date
Gross Tax Revenue	$ 1,347,315.13	$ 5,694,502.43
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (378,245.96)	$ (1,571,707.14)
Less: State Admin Cost	$ -	$ -
Net Tax Revenue	$ 969,069.17	$ 4,122,795.29
Interest from Investment	$ 1,624.60	$ 7,068.82
Total Tax & Investment Revenue	$ 970,693.77	$ 4,129,864.11
Expenditures/Transfers	$ -	$ (1,328,900.00)
PRTC Operating Fund Balance	$ -	$ 1,328,900.00
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES		$ 13,297,146.38
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)		8,626,904.71
LESS: Unexpended Adopted Resolutions		$ (17,726,400.00) (*)
Other Financing Sources/(Uses)		
Claims and Judgments	0.00	-
Jurisdictional Reimbursement	$0.00	$0.00
Total Projected Unencumbered Balance		$ 4,197,651.09 (2)

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
08-06-07	$ 173,000.00	(1)	$ -	$ 173,000.00	
20-06-15	$ 18,882,300.00	(1a)	$ 1,328,900.00	$ 17,553,400.00	
Total	$ 19,055,300.00		$ 1,328,900.00	$ 17,726,400.00	(*)

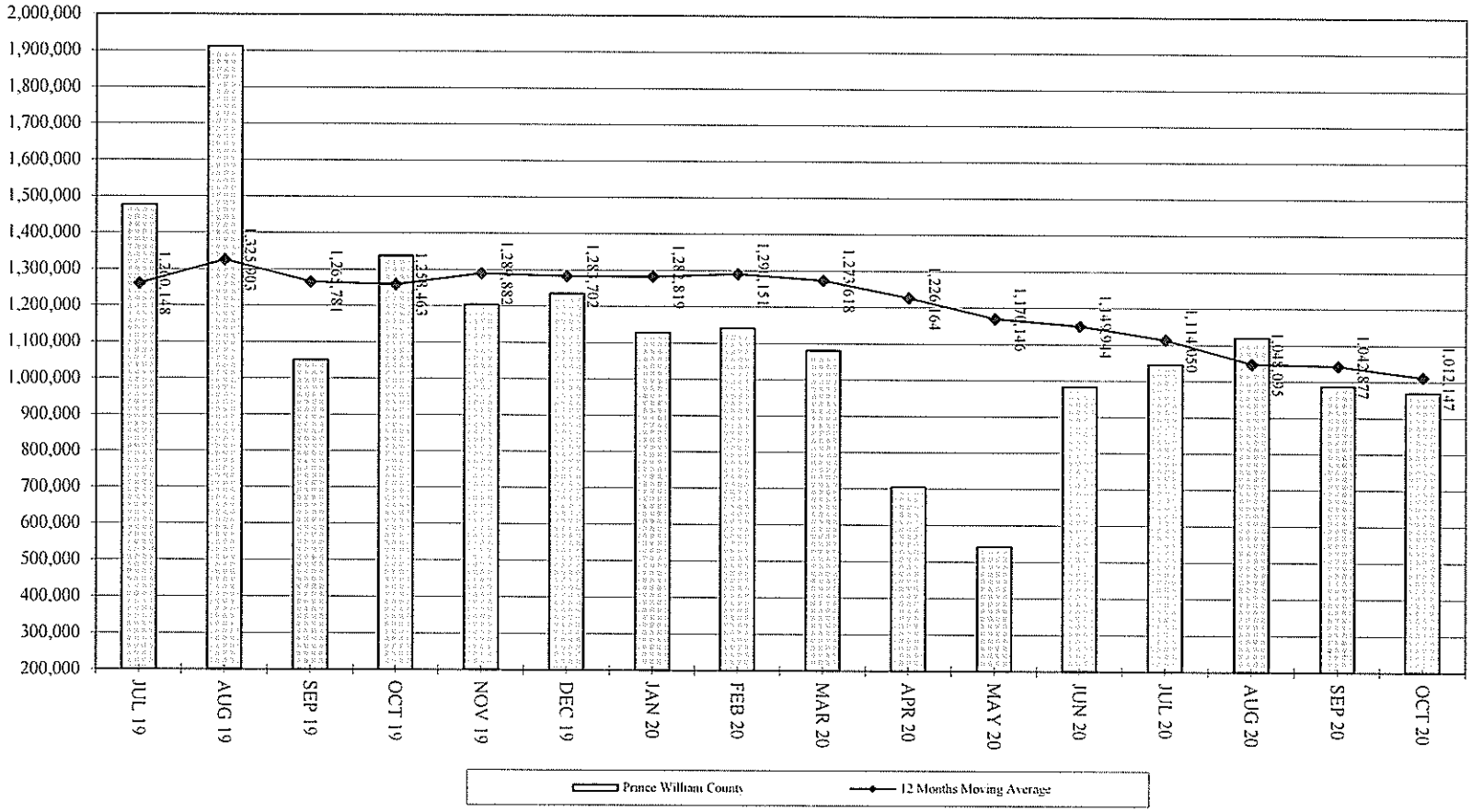
(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



MONTHLY FINANCIAL REPORT FOR STAFFORD COUNTY
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2020

FY21 Beginning Fund Balance		$ 3,146,967.55	(1)

	Current Month	Year To Date
Gross Tax Revenue	$ 471,824.25	$ 1,970,744.06
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (132,460.19)	$ (544,418.26)
Less: State Admin Cost	$ -	$ -
Net Tax Revenue	$ 339,364.06	$ 1,426,325.80
Interest from Investment	$ 361.81	$ 1,412.14
Total Tax & Investment Revenue	$ 339,725.87	$ 1,427,737.94
Expenditures/Transfers	$ -	$ (1,251,087.50)
PRTC Operating Fund Balance	$ -	$ 12,500.00
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES		$ 3,336,117.99
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)		2,663,174.20
LESS: Unexpended Adopted Resolutions		$ (1,356,587.50) (*)
Other Financing Sources/(Uses)		
Claims and Judgments	$0.00	$0.00
Jurisdictional Reimbursement	$0.00	$0.00
Total Projected Unencumbered Balance		$ 4,642,704.69 (2)

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
20-06-05	$ 2,477,175.00	(1a)	$ 1,238,587.50	$ 1,238,587.50	
20-06-15	$ 130,500.00	(1a)	$ 12,500.00	$ 118,000.00	
Total	$ 2,607,675.00		$ 1,251,087.50	$ 1,356,587.50	(*)

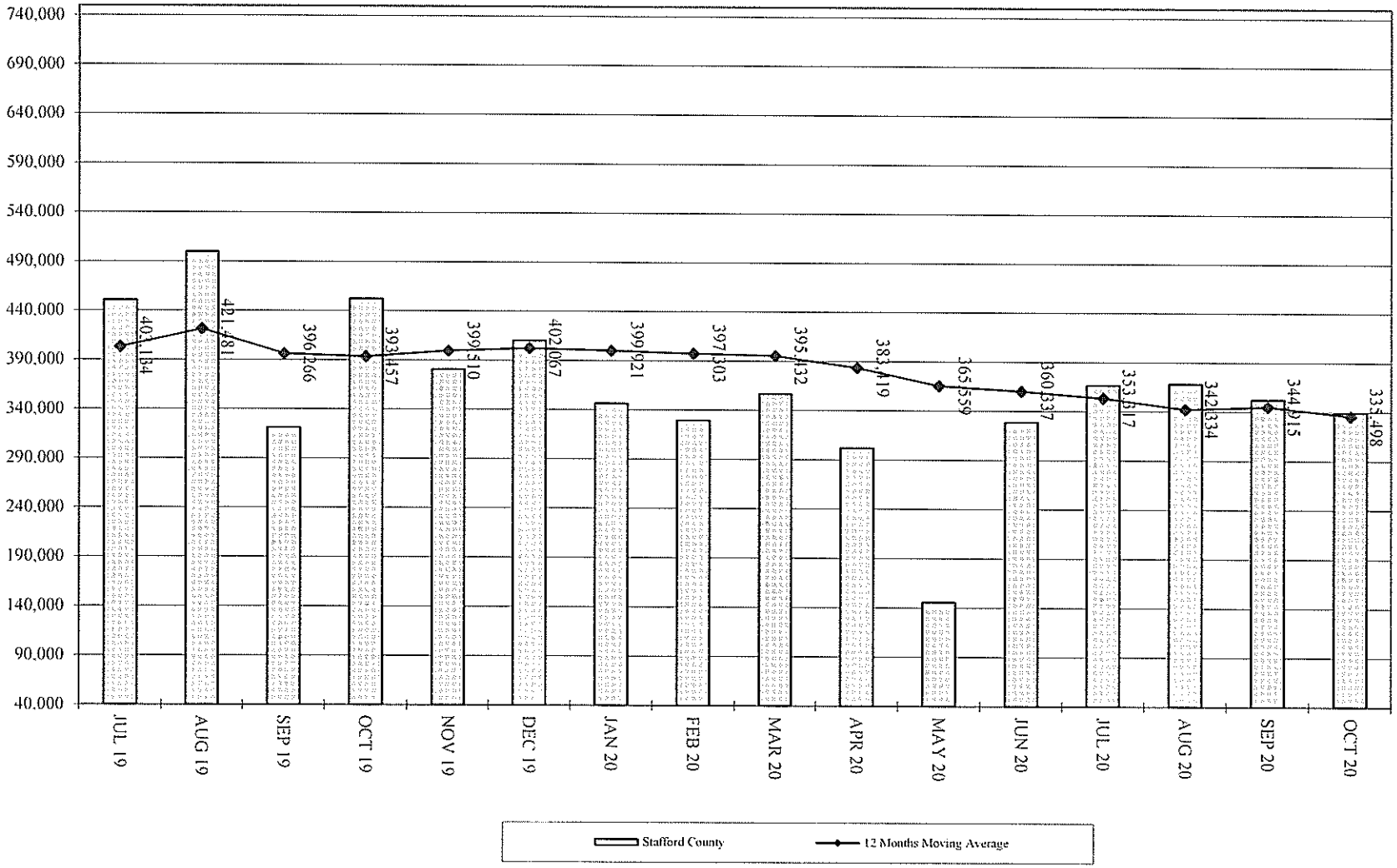
(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



MONTHLY FINANCIAL REPORT FOR CITY OF MANASSAS
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2020

FY21 Beginning Fund Balance				$ 734,791.79	(1)
	Current Month		Year To Date		
Gross Tax Revenue	$ 83,820.44		$ 377,844.30		
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (23,531.80)		$ (104,331.05)		
Less: State Admin Cost	$ -		$ -		
Net Tax Revenue	$ 60,288.64		$ 273,513.25		
Interest from Investment	$ 64.16		$ 237.97		
Total Tax & Investment Revenue	$ 60,352.80		$ 273,751.22		
Expenditures/Transfers	$ -		$ (441,417.00)		
Reimbursement From State Grant and Transfer from City of Manassas	$ -		$ -		
PRTC Operating Fund Balance	$ -		$ 37,800.00		
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES				$ 604,926.01	
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)				659,286.75	
FY21 Projected State Grant (remainder)				137,114.00	
LESS: Unexpended Adopted Resolutions				$ (748,617.00)	(*)
Other Financing Sources/(Uses)					
Claims and Judgments		$0.00		$0.00	
Jurisdictional Reimbursement		$0.00		$0.00	
Total Projected Unencumbered Balance				$ 652,709.76	(2)

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
20-06-05	$ 807,234.00	(1a)	$ 403,617.00	$ 403,617.00	
20-06-15	$ 382,800.00	(1a)	$ 37,800.00	$ 345,000.00	
Total	$ 1,190,034.00		$ 441,417.00	$ 748,617.00	(*)

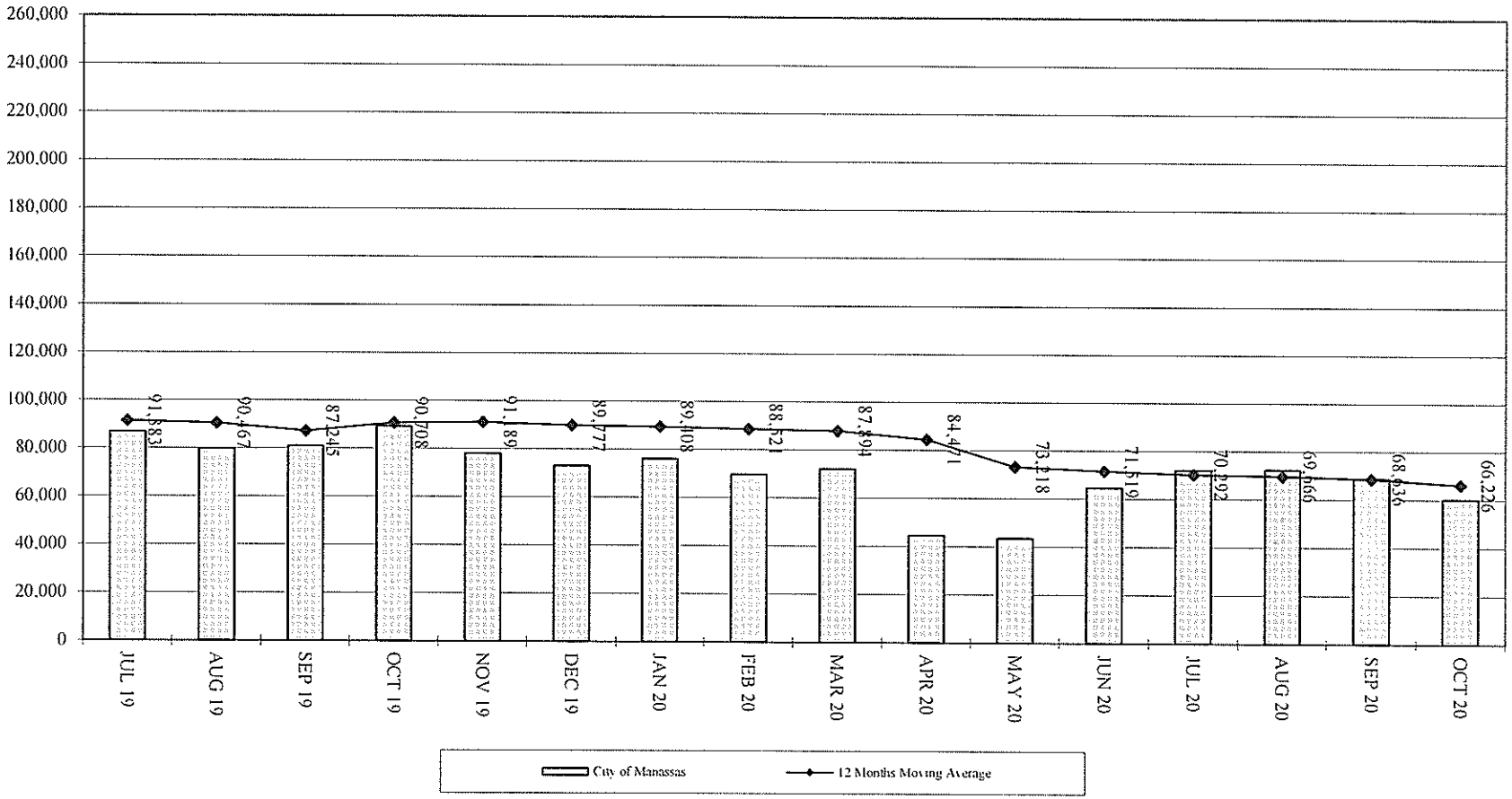
(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

PRTC COMMISSION MEETING
DATE JANUARY 14, 2021

MONTHLY FINANCIAL REPORT FOR CITY OF MANASSAS PARK
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2020

FY21 Beginning Fund Balance		$ 2,870,640.10 (1)

	Current Month	Year To Date
Gross Tax Revenue	$ 73,580.61	$ 341,080.13
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (20,657.06)	$ (94,088.99)
Less: State Admin Cost	$ -	$ -
Net Tax Revenue	$ 52,923.55	$ 246,991.14
Interest from Investment	$ 430.21	$ 2,160.85
Total Tax & Investment Revenue	$ 53,353.76	$ 249,151.99
Expenditures/Transfers	$ -	$ (252,482.00)
PRTC Operating Fund Balance	$ -	$ 18,300.00
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES		$ 2,885,610.09
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)		457,508.86
LESS: Unexpended Adopted Resolutions		$ (1,664,985.69) (*)
Other Financing Sources/(Uses)		
Claims and Judgments	$0.00	$0.00
Jurisdictional Reimbursement	$0.00	$0.00
Total Projected Unencumbered Balance		$ 1,678,133.26 (2)

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
09-11-07	$ 93,139.69	(1)	$ -	$ 93,139.69	
10-11-05	$ 234,500.00	(1)	$ -	$ 234,500.00	
13-06-08	$ 200,000.00	(1)	$ -	$ 200,000.00	
15-05-07	$ 371,164.00	(1)	$ -	$ 371,164.00	
17-07-06	$ 116,000.00	(1)	$ -	$ 116,000.00	
17-07-07	$ 206,000.00	(1)	$ -	$ 206,000.00	
19-11-08	$ 15,000.00	(1)	$ -	$ 15,000.00	
19-11-09	$ 10,000.00	(1)	$ -	$ 10,000.00	
20-06-05	$ 468,364.00	(1a)	$ 234,182.00	$ 234,182.00	
20-06-15	$ 203,300.00	(1a)	$ 18,300.00	$ 185,000.00	
Total	$ 1,917,467.69		$ 252,482.00	$ 1,664,985.69	(*)

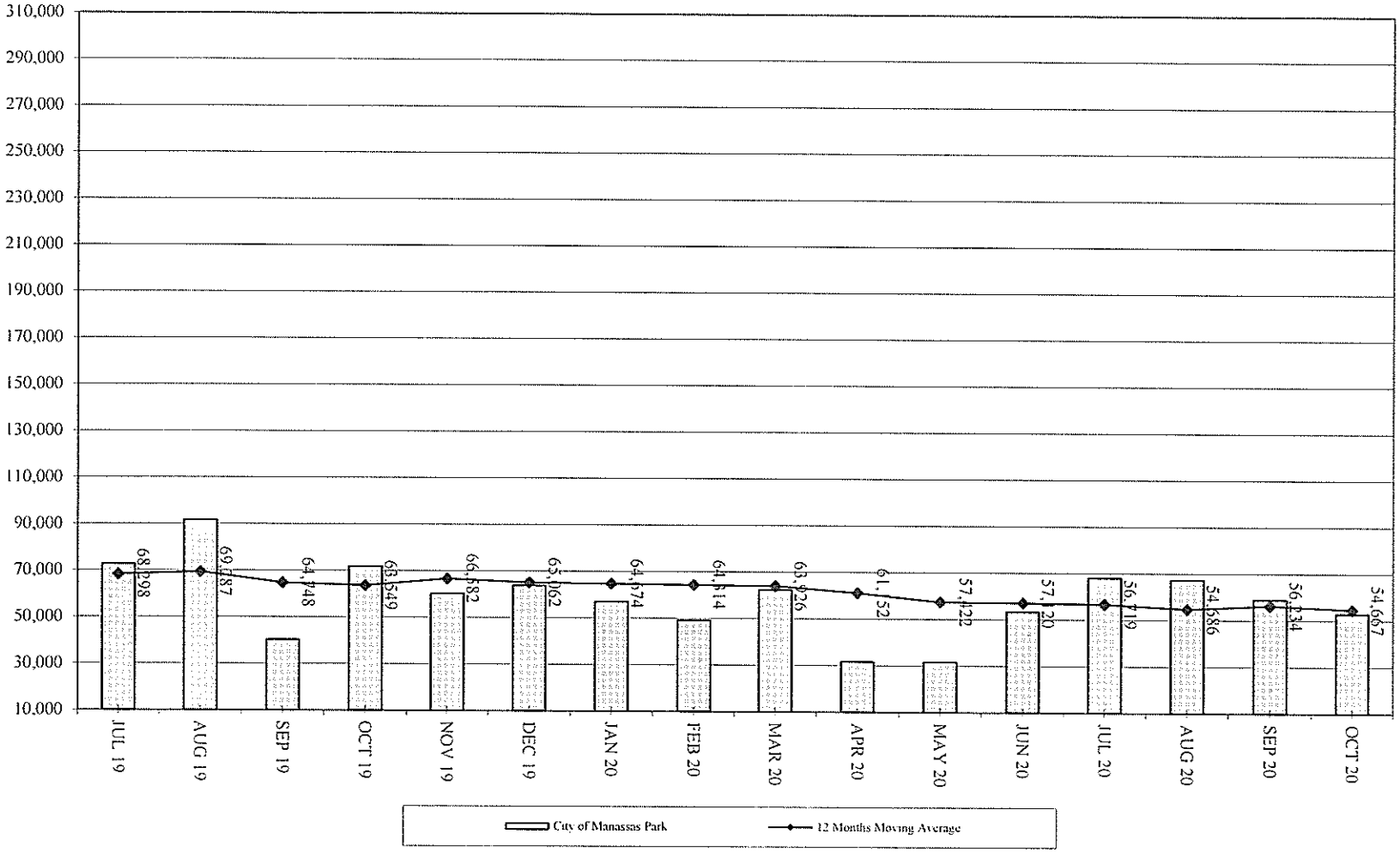
(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS

FY20 and FY21



POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

PRTC COMMISSION MEETING
DATE JANUARY 14, 2021

MONTHLY FINANCIAL REPORT FOR CITY OF FREDERICKSBURG
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2020

FY21 Beginning Fund Balance			$ 2,559,822.04	(1)

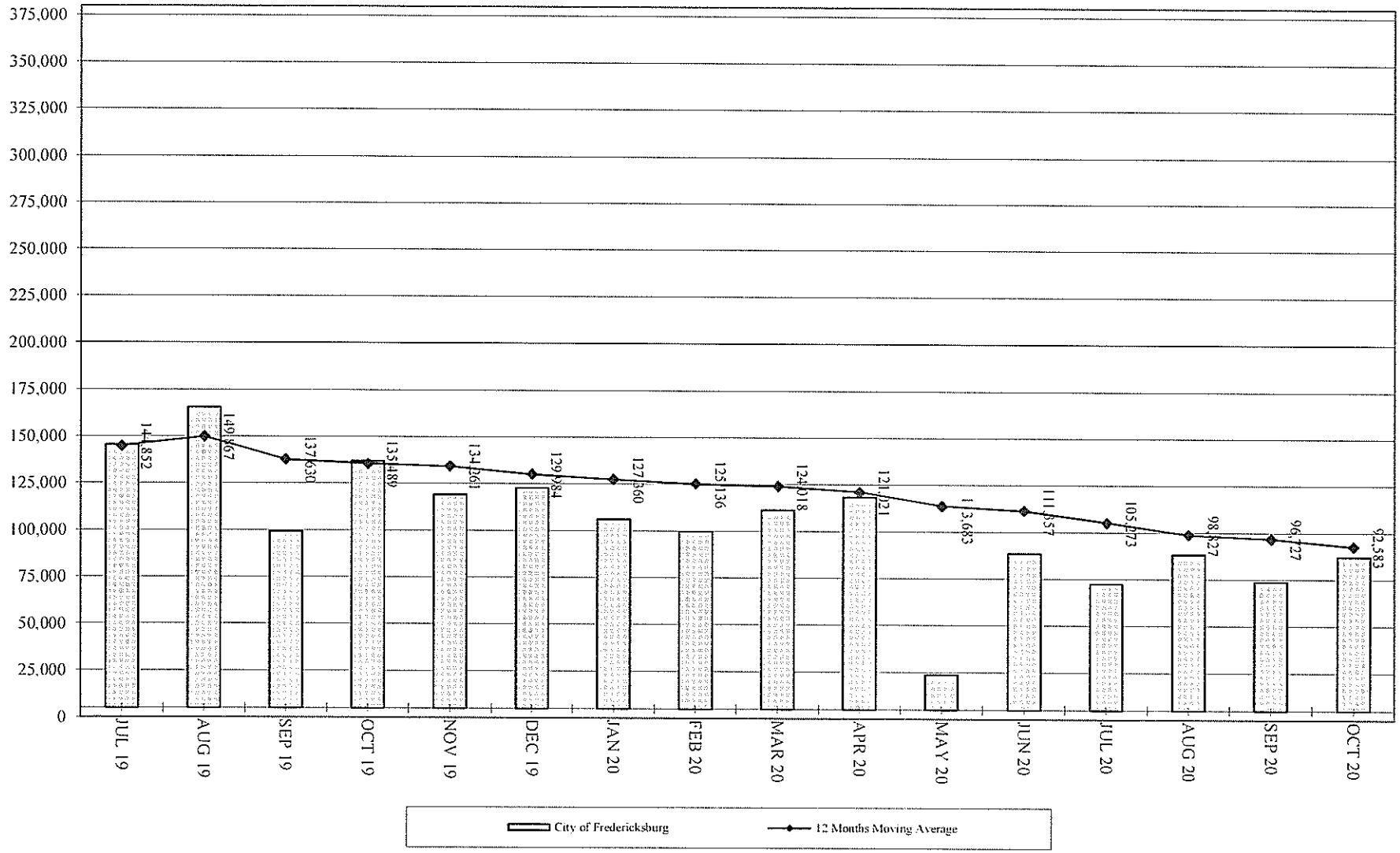
	Current Month	Year To Date
Gross Tax Revenue	$ 121,130.40	$ 444,457.37
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (34,006.21)	$ (122,704.58)
Less: State Admin Cost	$ -	$ -
Net Tax Revenue	$ 87,124.19	$ 321,752.79
Interest from Investment	$ 257.43	$ 1,635.71
Total Tax & Investment Revenue	$ 87,381.62	$ 323,388.50
Expenditures/Transfers	$ -	$ (1,019,125.87)
PRTC Operating Fund Balance	$ -	$ 4,700.00
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES		$ 1,868,784.67
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)		1,178,047.21
LESS: Unexpended Adopted Resolutions		$ (1,244,505.13) (*)
Other Financing Sources/(Uses)		
Claims and Judgments	$0.00	$0.00
Jurisdictional Reimbursement	$0.00	$0.00
Total Projected Unencumbered Balance		$ 1,802,326.75 (2)

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
19-06-10	$ 432,642.00	(1)	$ -	$ 432,642.00	
20-06-05	$ 367,089.00	(1a)	$ 183,544.50	$ 183,544.50	
20-06-15	$ 47,900.00	(1a)	$ 4,700.00	$ 43,200.00	
20-07-05	$ 1,416,000.00		$ 830,881.37	$ 585,118.63	
Total	$ 2,263,631.00		$ 1,019,125.87	$ 1,244,505.13	(*)

(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.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MAY 20
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AUG 20
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134,261
129,984
127,360
125,136
124,018
121,021
113,683
111,357
105,873
98,527
96,727
92,583
City of Fredericksburg
12 Months Moving Average

POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

PRTC COMMISSION MEETING
DATE JANUARY 14, 2021

MONTHLY FINANCIAL REPORT FOR SPOTSYLVANIA COUNTY
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2020

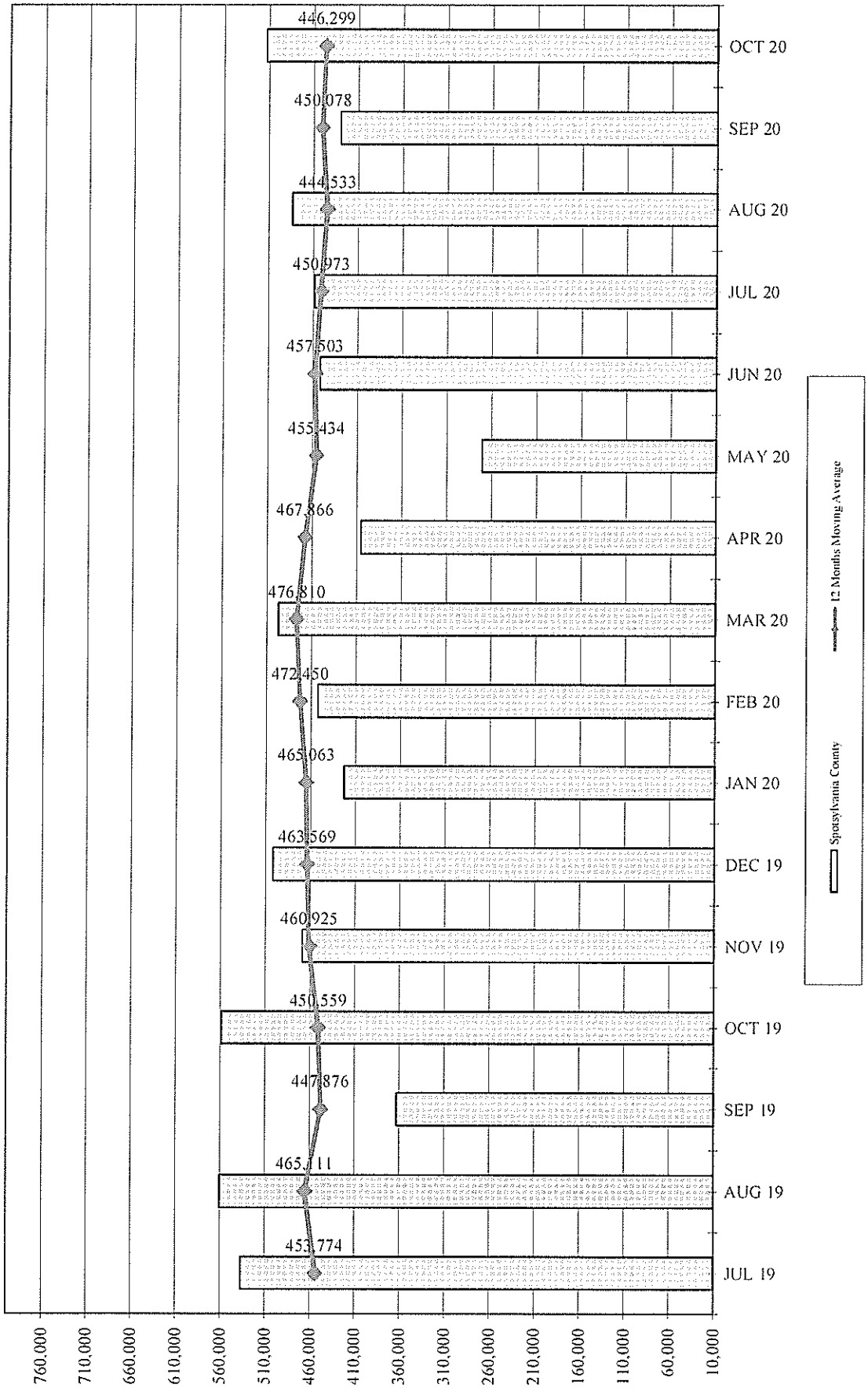
FY21 Beginning Fund Balance				$ 1,710,821.97	(1)
	Current Month		Year To Date		
Gross Tax Revenue	$ 713,468.90		$ 2,604,644.76		
Less: Commuter Rail Operating and Capital Fund (CROC)	$ (200,299.64)		$ (719,553.42)		
Less: State Admin Cost	$ -		$ -		
Net Tax Revenue	$ 513,169.26		$ 1,885,091.34		
Interest from Investment	$ 225.44		$ 628.70		
Total Tax & Investment Revenue	$ 513,394.70		$ 1,885,720.04		
Expenditures/Transfers	$ -		$ (765,677.00)		
PRTC Operating Fund Balance	$ -		$ 13,800.00		
FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) PLUS YEAR TO DATE REVENUE LESS EXPENDITURES			$ 2,844,665.01		
FY21 Projected Motor Fuel Revenue (for remainder of fiscal year)			2,685,608.66		
LESS: Unexpended Adopted Resolutions			$ (964,067.00)	(*)	
Other Financing Sources/(Uses)					
Claims and Judgments	$0.00		$0.00		
Jurisdictional Reimbursement	$0.00		$0.00		
Total Projected Unencumbered Balance			$ 4,566,206.67	(2)	

ADOPTED RESOLUTIONS	AMOUNT		EXPENDITURES	BALANCE	
20-01-06	$ 80,090.00	(1)	$ -	$ 80,090.00	
20-06-05	$ 1,503,754.00	(1a)	$ 751,877.00	$ 751,877.00	
20-06-15	$ 145,900.00	(1a)	$ 13,800.00	$ 132,100.00	
Total	$ 1,729,744.00		$ 765,677.00	$ 964,067.00	(*)

(1) Remaining balance @ 6/30/20 (1a) June 2020 resolution for FY21 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY21 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions. plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.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260,000
210,000
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60,000
10,000
Spotsylvania County
12 Months Moving Average

ITEM 8.3
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: AUTHORIZATION TO BUDGET AND APPROPRIATE SPOTSYLVANIA COUNTY'S MOTOR FUELS TAX FUNDS FOR VARIOUS FY2021 AND PRIOR TRANSPORTATION PROJECTS

ACTION:

WHEREAS, Spotsylvania County Board of Supervisors, by resolution number 2020-131 dated December 8, 2020, requests approval to budget and appropriate $1,750,000 of Spotsylvania County's motor fuels tax funds for various FY2021 and prior transportation projects as follows:

Transportation-related position	$ 300,000
Transportation operating costs	19,000
FRED bus service	76,694
Debt service on previous transportation bond issues	1,354,306
Total	$1,750,000

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission hereby authorizes the budgeting and appropriation of $1,750,000 of Spotsylvania County's motor fuels tax funds for various FY2021 and prior transportation projects.

Votes:
Ayes:
Nays:
Abstain:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

County of Spotsylvania

Founded 1721

Board of Supervisors
DEBORAH H. FRAZIER
BARRY K. JETT
KEVIN W. MARSHALL
TIMOTHY J. MCLAUGHLIN
DAVID ROSS
GARY F. SKINNER
CHRIS YAKABOUSKI

Service, Integrity, Pride

County Administrator
ED PETROVITCH
Deputy County Administrator
MARK L. COLE
P.O BOX 99, SPOTSYLVANIA, VA 22553
Voice: (540) 507-7010
Fax: (540) 507-7019

At a meeting of the Spotsylvania County Board of Supervisors held on December 8, 2020, on a motion by Supervisor Jett and passed unanimously, the Board adopted the following resolution:

RESOLUTION NO. 2020–131

A RESOLUTION AUTHORIZING USE OF $1,750,000 OF FUEL TAX FUNDS FOR VARIOUS FY 2021 & PRIOR TRANSPORTATION PURPOSES

WHEREAS, Spotsylvania County ("County") is a member of the Potomac and Rappahannock Transportation District ("District"), a transportation district created pursuant to the Transportation District Act of 1964 (Code of Virginia, §33.2-1900, et seq.) which participates in the operation of a rail commuter mass transportation system (Code of Virginia, §58.1-2295); and

WHEREAS, the Potomac and Rappahannock Transportation Commission ("PRTC") is the governing body of the District; and

WHEREAS, the Commonwealth of Virginia levies a 2.1 percent sales tax on the price charged by a distributor for fuels sold to a retail dealer for retail sale in the District (§58.1-2295); and

WHEREAS, all taxes paid to the State Tax Commissioner, after subtraction of the direct costs of administration by the Tax Department, are deposited in a special fund held by the District (Code of Virginia §58.1-2299.20); and

WHEREAS, at the request of the member jurisdiction, revenue available from the fuels tax in excess of the required payments to VRE and PRTC may be expended for any transportation purpose (Code of Virginia, §58,1-2299.20); and

WHEREAS, the County planned as part of its FY 2021 budget to fund various transportation-related activities including transportation-related staff positions and operating costs, FRED transit operations, and debt service from previously issued transportation bonds; and

WHEREAS, the County desires to use a portion of the revenue from its fuel tax account for these purposes;

NOW, THEREFORE, BE IT RESOLVED that the Spotsylvania County Board of Supervisors does hereby request PRTC to budget and appropriate the following amounts for reimbursement to Spotsylvania for a portion of its actual FY 2021 (and prior) transportation expenditures:

Transportation-related positions	$300,000.00
Transportation operating costs	$19,000.00
FRED bus service	$76,694.00
Debt service on previous transportation bond issues[1]	$1,354,306.00
Total	$1,750,000.00

BE IT FURTHER RESOLVED that the County Administrator is hereby authorized and directed to submit to PRTC requests for reimbursement of expenses incurred by the County in connection with the expenditures identified above.

(SEAL) A COPY TESTE:

Aimee R. Mann
Deputy Clerk to the Board of Supervisors

[1] Includes the 2012, 2014, 2015, 2016, 2018, 2019 and 2020 General Obligation bond issues.

ITEM 9
January 14, 2021
PRTC Regular Meeting

<u>PRTC Executive Director's Time</u>

9.1 Follow-Up from Prior Meeting(s)

9.2 Executive Director's Report (verbal)

- **COVID-19 / CARES Act**
- **Keolis Operational Update: Barbara Murdock, General Manager**

9.3 Industry Article: *Free Transit Doesn't Reduce Driving – But Does Increase Local Business Support*
By: Perrin Palistrant, PRTC's Director of Operations and Operations Planning

Study: Free Transit Doesn't Reduce Driving---But Does Increase Local Business Support

Kea Wilson, Streetsblog

By Perrin Palistrant, Director of Operations and Operations Planning

A new study finds that commuters with access to free public transportation don't necessarily drive any less, but they do take more leisure and shopping trips, which could help local economies provide more social services as a result.
Typically, the cost of fare collection outweighs the fare revenue collected, and few studies have looked at how all-access to transit affect travel destinations, trip frequency, commute periods, and other variables. When it comes to building sustainable transit, these are important considerations to do so logistically and financially.

The study, which took place in Santiago, Chile, recruited a study group of workers from various income levels and industries and gave half an unlimited, two-week transit pass that they could use throughout the city. As both groups noted everywhere they traveled during the entire, period, those with the free pass took transit 28 percent more often than the group that had to pay. Also, most of these trips were taken during the off peak hours and ended up at leisure destinations such as restaurants, shopping centers, parks and other places where they spent money or connected with their communities. Respondents noted these trips would not have taken place if their fares hadn't been free.

These findings show examples of induced demand, which may have taken place in a vehicle rather than transit. Researchers further concluded that user-based free transit experiments could precipitate surges in ridership along certain routes, potentially leading to an increase in frequency and service density, decreasing wait times and walking times for all other road users.

Most users of free transit aren't necessarily new riders, it's usually current riders using transit more. If the frequency of service does not change, free transit will typically be more beneficial to those that use it anyway, but having access to transit that is reliable and easy to access can inspire more trips overall.

Building transit ridership through free fares has benefits beyond getting people out of their cars, especially when it comes to racial and social-economic equity. Network-wide free transit would promote more equity than just doing it on a free route, which is what many transit systems currently do. Evidence suggests that free transit would still eliminate some car trips.

So What? How Can Free Transit Affect OmniRide?

In March 2020, OmniRide eliminated fare collection on all local and Metro Express routes in the OmniRide System as the impacts of the pandemic became more widely apparent. The benefit was to not only reduce cash handling after probing the fareboxes each evening after the buses return to the bus yard, but to speed up the boarding process and reduce the interaction between bus operators and customers. Essential workers make up a large segment of ridership on both services, while commuter services largely are made up of workers that are able to work remotely. However, OmniRide implemented Smartrip only payment for commuter buses to also speed up the boarding time and reduce cash handling.

Initially, ridership plummeted as only front-line essential workers were taking the majority of trips throughout OmniRide's service area. However, in June, after the state phased in allowing residents to safely resume more activities, ridership followed suit. By the summer of 2020, local and Metro Express ridership was only 40-45 percent lower than pre-pandemic levels, largely due to the ability to resume travel to local destinations, while still attracting those essential workers that never stopped riding. With schools and colleges still doing most of their activities online, this segment of the ridership has not rebounded the same way as those that need transit services to go to jobs, medical appointments, or shopping.

What OmniRide staff noted, as well as other agencies in the region, is ridership activity shifted away from traditional peak times. While there is still a noticeable bump in ridership during both the AM and PM peaks, mid-day ridership was also rebounding faster. Ridership is showing spikes earlier than the traditional PM peak time, closer to 1-2PM rather than after 3PM. In addition, weekend ridership is seeing a notable rebound, with more than 70 percent of pre-pandemic ridership noted in October and November 2020. This leads staff to believe that people are using the bus more often, and for other uses than just going to their place of employment. Taking away the fare payment barrier not only allows our riders to reallocate spending to other uses, but it also reduces boarding time, fare disputes, breakdowns of the fareboxes, and promotes freedom to traveling through the service area to get to and from their destinations.

As staff continues to monitor ridership trends, shifting of resources may be necessary for more capacity during the early afternoon vs. later in the evenings for example, when ridership begins to wane. While spans of service would not be impacted, shifting of the vehicle resources to reduce overcrowding during the busier part of the day will be necessary to ensure proper social distancing, providing more convenience during the time periods needed, and lead to more reliability and attractiveness for those that need transit.

It is important for OmniRide to focus on building up the usage of those that need and already use the service, and phase in focus on attracting new riders, as resources become available to either increase frequencies of service or offer new destinations.

As confidence levels increase in using transit and commuters report to their offices in person, the commuter services will again flourish, or continue to reconfigure to meet the 'new normal' commuting habits. With a high percentage of commuters having their fares already subsidized by the existing Federal transit benefit, those fares will be very important for these services to remain viable and continue to reduce traffic and move masses of people between OmniRide's service area and the employment centers in Northern Virginia and Washington, DC.

Presentations and Information Items

10.1 PRTC FY20 Financial Audit Presentation

PBMares

Potomac and Rappahannock Transportation Commission

Presentation to the Audit Committee

January 14, 2021

PBMares

Overall Audit Results

- Unmodified opinion on the basic financial statements of PRTC (pages 1 – 3)
- Unmodified opinion under *Government Auditing Standards* as of and for the year ended June 30, 2020 for internal control and compliance (pages 70-71)
- Audits completed as planned; no significant changes to our approach were required
- NO material weaknesses, significant deficiencies, or compliance findings
- Opinion related to Single Audit excluded from report due to OMB had not issued audit specifications related to CARES Act funding.

PBMares

Financial Statement Highlights

- Decline in operating revenues of approximately $4.8 million (page 65)
- Operating expenses increased approximately $3.1 million (page 65)
  - Attributed to increase in Direct Transportation expenses related to increase in jurisdictional projects and payment to VRE (page 68 provides a summary)
- Operating loss was approximately $25.2 million (page 65)
- Nonoperating Revenues increased approximately $5.0 million (page 65)
- Capital Grants and Assistance decreased approximately $11.8 million (page 65)
- Transfers increased $3.6 million (page 65)
- Net position increased $15.5 million (page 65)

PBMares

Financial Statement Highlights

- Total assets and deferred outflows of resources increased approximately $9.5 million (page 64)
  - Increase primarily due to increase in CIP, related to the Western Facility project. PRTC was granted occupancy permits in September 2020.
  - Restricted cash for member jurisdictions was approximately $15.7 million (summary of how funds were spent can be found on page 68)
- Pension Liability was reported for FY 2020. Total pension liability was $154,000, which represents PRTC's share of the liability. (pages 35- 46; 64 and 58-59)
- Net Position increased by $15.5 million and consists of the following components:
  - Net Investment in capital assets - $87.2 million
  - Restricted - $20.2 million
  - Unrestricted - $22.2 million

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Key Audit and Accounting Issues

- Judgments & Estimates
  - Capital Assets– Depreciation and amortization
  - Pension liability (asset)
  - Inventory valuation (related to VRE)
  - Allowance for doubtful accounts (related to VRE)
- New Accounting Policies Adopted
  - None
- No Audit Adjustments

PBMares

Auditor's Required Communication

Area	Comments
• Auditor's Responsibilities with Regard to the Financial Statement Audit	• Our responsibility under auditing standards generally accepted in the United States of America; *Government Auditing Standards,* issued by the Comptroller General of the United States; *Specifications for Audits of Authorities, Boards and Commissions*, the provisions of the Single Audit Act; Uniform Guidance; and OMB's *Compliance Supplement* have been described to you in our planning letter
• Overview of the Planned Scope and Timing of the Audit	• Issued a separate letter regarding the planned scope and timing of the audit

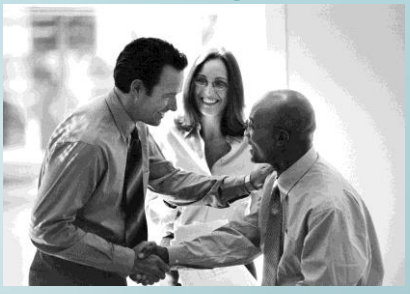
Auditor's Required Communication

Area	Comments
Disagreements with Management	None encountered
Consultation with Other Accountants	We are not aware of any
Significant Issues Discussed with Management	None
Significant Difficulties Encountered in Performing the Audit	None encountered. Good cooperation and complete access to all required information

Other Communications

Area	Comments
Independence	We are not aware of any relationship that we believe, based on current authoritative guidance, would impair our independence
Management letter	A separate management letter has been issued summarizing upcoming GASB Statements

Thank you!



We appreciate your time and attention.

We are happy to answer any questions you have at this time.

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PRTC Action Items

11.1 Authorization to Accept the Potomac and Rappahannock Transportation Commission FY20 Audited Financial Statements, Required Communication to the Commissioners, and PBMares, LLP Management Letter

11.2 Authorization to Apply for and Accept Funding for FY2022 – FY2023 I-395 Commuter Choice Projects

ITEM 11.1
January 14, 2021
PRTC Regular Meeting
Res. No. 20-01-___

MOTION:

SECOND:

RE: **AUTHORIZATION TO ACCEPT THE POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION FY20 AUDITED FINANCIAL STATEMENTS, REQUIRED COMMUNICATION TO THE COMMISSIONERS, AND PBMARES, LLP MANAGEMENT LETTER**

ACTION:

WHEREAS, the accounting firm of PBMares, LLP has completed the Potomac and Rappahannock Transportation Commission's (PRTC or Commission) FY20 audit; and

WHEREAS, PBMares, LLP determined that the financial statements present fairly, in all material respects, the Potomac and Rappahannock Transportation Commission's financial position as of June 30, 2020; and

WHEREAS, PBMares, LLP presented the required communication to the Commissioners about the audit, which is required under auditing standards generally accepted in the United States; and

WHEREAS, PBMares, LLP presented a management letter, noting new Governmental Accounting Standards Board (GASB) pronouncements which might impact the Commission.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby accept the FY20 audited financial statements, required communication to the Commissioners, and management letter as presented by PBMares, LLP.

Votes:
Ayes:
Abstain:
Nays:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

FINANCIAL AND COMPLIANCE REPORTS

YEAR ENDED JUNE 30, 2020

PBMares SM

ASSURANCE, TAX & ADVISORY SERVICES

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Commission Board Members
Potomac and Rappahannock Transportation Commission

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and each major fund of the Potomac and Rappahannock Transportation Commission (Commission), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards and specifications require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Commission, as of June 30, 2020, and the respective changes in financial position and cash flows, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the Management's Discussion and Analysis and the required supplementary information on pages 4-10 and 58-63, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying schedules listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2020 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness on the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

PBMares, LLP

Harrisonburg, Virginia
November 19, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Potomac and Rappahannock Transportation Commission ("PRTC") offers the users of PRTC's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the accompanying financial statements which follow this section.

FINANCIAL HIGHLIGHTS

The basic financial statements report information about the PRTC reporting entity as a whole. The PRTC reporting entity is composed of two funds: Bus Service and Member Jurisdictions Fund and the Commuter Rail Service Fund.

As of June 30, 2020, PRTC's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $358,947,689. Of this total, $129,609,234 is for bus service and member jurisdictions and $229,338,455 is for commuter rail service.

The net position of PRTC increased by $21,294,524 for fiscal year 2020. This is the net effect of a $15,597,434 increase from bus service and member jurisdictions and a $5,697,090 increase from commuter rail service.

As of June 30, 2020, PRTC's unrestricted net position is $81,856,251. Of this total, $22,179,932 is for bus service and member jurisdictions and $59,676,319 is for commuter rail service.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to PRTC's basic financial statements. PRTC's basic financial statements are comprised of: Statement of Net Position; Statement of Revenues, Expenses and Changes in Net Position; Statement of Cash Flows; and notes to the financial statements. This report also contains required supplementary information and supplementary information in addition to the basic financial statements.

The S*tatement of Net Position* presents information on all of PRTC's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of PRTC is improving or declining.

The S*tatement of Revenues, Expenses and Changes in Net Position* presents information on revenues, expenses, and changes in PRTC's net position. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods. The increase or decrease in net position may serve as an indicator of the effect of PRTC's current year operation on its financial position.

The S*tatement of Cash Flows* summarizes all of PRTC's cash flows into four categories: cash flows from operating activities; cash flows from capital and related financing activities; cash flows from noncapital financing activities; and cash flows from investing activities. The Statement of Cash Flows, along with related notes and information in other financial statements, can be used to assess the following:

- PRTC's ability to generate future cash flows,
- PRTC's ability to pay its debt as it matures,
- Explanations of differences between PRTC's operating cash flows and operating loss, and
- The effect on PRTC's financial position of cash and non-cash transactions from investing, capital and financing activities.

The *notes to the financial statements* provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements can be found immediately following the financial statements.

The Bus Service and Member Jurisdictions Fund accounts for operation and maintenance costs for PRTC bus service as well as the 2.1% motor fuel tax activity for the PRTC member jurisdictions.

PRTC operates commuter bus service from the Prince William County and Manassas areas to various points in the metropolitan Washington, D.C. area, and local bus service within Prince William County and the Cities of Manassas and Manassas Park.

PRTC member jurisdictions receive motor fuel tax revenue from a 2.1% sales tax levied by the Commonwealth of Virginia through its Department of Motor Vehicles. The Department of Motor Vehicles collects the tax and remits funds to PRTC monthly, after deducting its administrative costs. These funds are separately maintained by PRTC for the benefit of each member jurisdiction and are used to pay administrative costs of PRTC and transportation projects serving a particular jurisdiction.

The Commuter Rail Service Fund accounts for PRTC's portion of operation and maintenance costs of the Virginia Railway Express (VRE) commuter rail service. Assets owned by PRTC and the Northern Virginia Transportation Commission (NVTC) for the VRE operations have been funded by a variety of sources including federal assistance with PRTC as grantee, Commonwealth of Virginia assistance with NVTC as grantee, local contributions, and various loans and other financing arrangements for which one or both Commissions have served as issuer, borrower, or in other related capacities. For financial statement reporting purposes, assets, liabilities, and operations are assigned and allocated to NVTC and PRTC based on asset ownership, named entity on debt instruments, and sources of funding.

In order to present a full and accurate picture of VRE operations, all financial transactions related to the commuter rail program reported separately in the financial statements of PRTC and NVTC are combined in a separate set of financial statements. These audited financial statements can be obtained from the Director of Finance and Administration of PRTC at 14700 Potomac Mills Road, Woodbridge, Virginia 22192.

FINANCIAL ANALYSIS OF THE PRTC REPORTING ENTITY AS A WHOLE

Statement of Net Position

The following table presents a summary of the Statement of Net Position for the PRTC reporting entity as of June 30, 2020 and 2019:

Summary of Net Position
As of June 30

	Bus Service and Member Jurisdictions		Commuter Rail Service		Total	
	2020	2019	2020	2019	2020	2019
Assets and deferred outflows of resources:						
Current assets	$ 50,365,807	$ 57,071,389	$ 69,247,526	$ 62,213,825	$ 119,613,333	$ 119,285,214
Capital assets, net	88,155,088	70,358,325	167,509,924	170,998,515	255,665,012	241,356,840
Net pension asset	-	231,536	-	320,509	-	552,045
Deferred outflows of resources	564,255	294,875	787,618	416,635	1,351,873	711,510
Total assets and deferred outflows of resources	139,085,150	127,956,125	237,545,068	233,949,484	376,630,218	361,905,609
Liabilities and deferred inflows of resources:						
Current liabilities	7,716,764	12,075,981	3,533,691	5,069,271	11,250,455	17,145,252
Noncurrent liabilities	1,634,814	1,716,893	4,498,367	5,024,779	6,133,181	6,741,672
Deferred inflows of resources	124,338	151,451	174,555	214,069	298,893	365,520
Total liabilities and deferred inflows of resources	9,475,916	13,944,325	8,206,613	10,308,119	17,682,529	24,252,444
Net Position:						
Net investment in capital Assets	87,238,976	69,154,496	163,238,967	165,982,307	250,477,943	235,136,803
Restricted	20,190,326	21,944,378	6,423,169	5,824,191	26,613,495	27,768,569
Unrestricted	22,179,932	22,912,926	59,676,319	51,834,867	81,856,251	74,747,793
Total net position	$ 129,609,234	$ 114,011,800	$ 229,338,455	$ 223,641,365	$ 358,947,689	$ 337,653,165

As noted earlier, net position may serve as a useful indicator of a government's financial position. As shown above, total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $358.9 million, an increase of $21.3 million over the previous fiscal year. The largest portion of net position, $250.5 million or 69.8%, represents the investment in capital assets (e.g., buses, rail rolling stock, building, building improvements and accumulated depreciation and amortization), less the related indebtedness outstanding used to acquire those capital assets. These assets are used to provide bus and rail service and consequently, are not available for future spending.

A portion of the net position, $26.6 million or 7.4%, represents resources restricted for member jurisdictions, commuter rail liability insurance plan, and commuter rail grants or contributions.

Current assets consist primarily of cash, cash equivalents, and investments; grant revenue due from the Federal Government and the Commonwealth of Virginia; and motor fuel tax revenue receivable collected on PRTC's behalf by the Commonwealth. Current assets showed a very slight increase from the prior year. `

Capital assets, net of accumulated depreciation and amortization, increased approximately $14.3 million or 5.9%, primarily as the result of bus additions, bus overhaul, and the construction in progress of the western bus maintenance facility.

Statement of Revenues, Expenses and Changes in Net Position

The following table shows the revenues and expenses and the change in net position of the PRTC reporting entity for the fiscal years ended June 30, 2020 and 2019:

Summary of Revenues, Expenses and Changes in Net Position
Years Ended June 30

	Bus Service and Member Jurisdictions		Commuter Rail Service		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Operating revenues	$ 35,049,412	$ 39,871,572	$ 18,705,331	$ 22,848,842	$ 53,754,743	$ 62,720,414
Nonoperating revenues	32,332,669	27,723,674	21,407,294	23,088,111	53,739,963	50,811,785
Capital grants & assistance, net	30,599,833	42,377,659	(2,459,979)	(1,083,803)	28,139,854	41,293,856
Transfers, net	(21,965,253)	(18,312,322)	21,965,253	18,312,322	-	-
Total revenues	76,016,661	91,660,583	59,617,899	63,165,472	135,634,560	154,826,055
Expenses:						
Operating expenses	50,934,788	47,878,521	43,859,582	45,356,075	94,794,370	93,234,596
Depreciation and amortization	9,342,977	7,903,798	9,845,159	9,271,402	19,188,136	17,175,200
Nonoperating expenses	141,462	85,536	216,068	249,819	357,530	335,355
Total expenses	60,419,227	55,867,855	53,920,809	54,877,296	114,340,036	110,745,151
Change in net position	15,597,434	35,792,728	5,697,090	8,288,176	21,294,524	44,080,904
Net position, beginning	114,011,800	78,219,072	223,641,365	215,353,189	337,653,165	293,572,261
Net position, ending	$ 129,609,234	$ 114,011,800	$ 229,338,455	$ 223,641,365	$ 358,947,689	$ 337,653,165

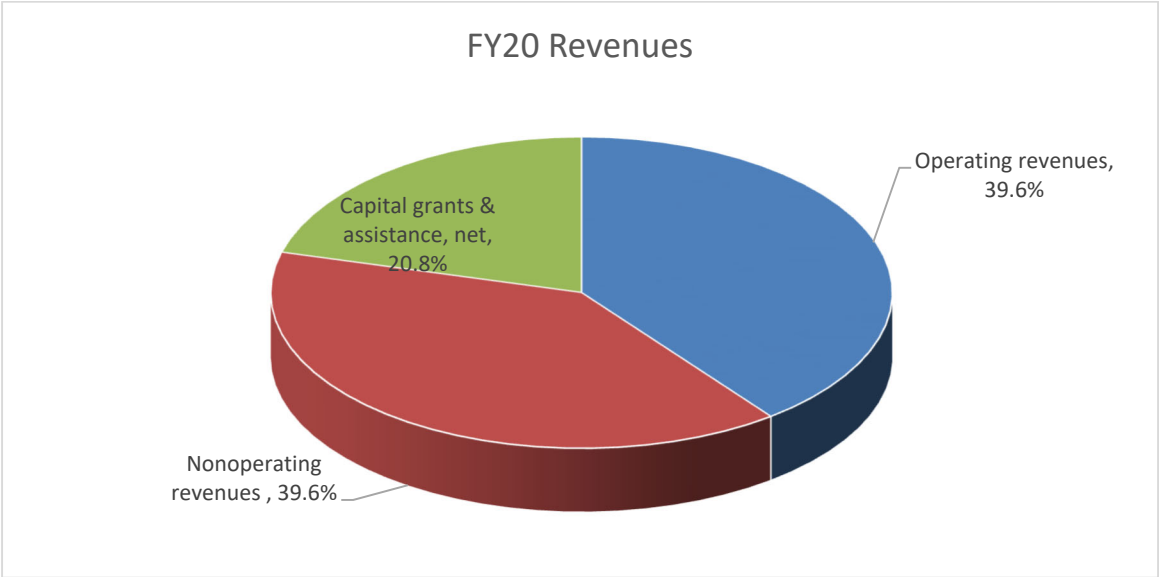
For the fiscal year ended June 30, 2020, revenues totaled $135.6 million, compared to $154.8 million in the preceding year, a decrease of $19.2 million or 12.4%. Expenses increased by $3.6 million or 3.2%. A discussion of the key components of these changes follows.

Operating revenues decreased $8.9 million or 14.3% from the prior year, primarily the result of decrease in motor fuel tax revenue of $2.0 million and $6.9 million decrease in passenger revenue. The decrease is primarily due to the COVID-19 Novel Coronavirus (COVID) pandemic during the fourth quarter of fiscal year 2020.

Nonoperating revenues increased by $2.9 million or 5.8% from the prior year, primarily the result of state and federal grant funding.

Net capital grants and assistance decreased by $13.2 million or 31.9%, which is attributable to less state and federal capital funding for fiscal year 2020 compared to fiscal year 2019.

The following chart shows PRTC reporting entity revenues by source for the fiscal year ended June 30, 2020.

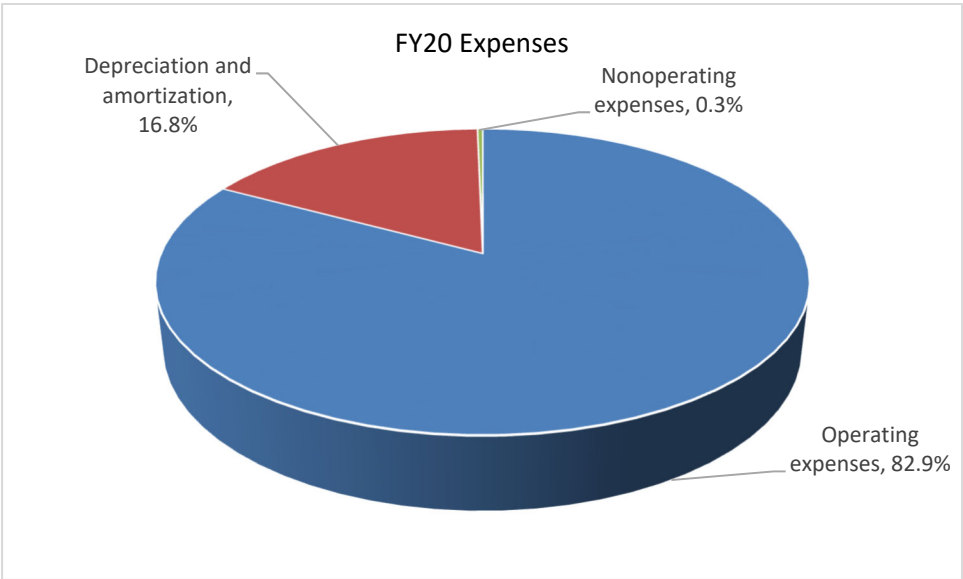


Operating expenses increased by $1.6 million or 1.7%.

For the Bus Service and Member Jurisdictions Fund, operating expenses increased by $3.1 million. Direct transportation expenses, which represent the use of jurisdictional motor fuel tax funds for the VRE subsidy as well as other jurisdictional transportation projects independent of PRTC, increased by $1.4 million, while combined expenses for fuel, supplies, contractual and other services increased by $1.7 million.

For the Commuter Rail Service Fund, operating expenses decreased by $1.5 million or 3.3%. PRTC's share of the reporting entity decreased from 54.0% to 53.5%, with a corresponding increase for NVTC.

The following chart shows PRTC reporting entity expenses for the fiscal year ended June 30, 2020.



CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The details of capital assets as of June 30, 2020 and 2019 are as follows:

	Bus Service and Member Jurisdictions		Commuter Rail Service		Total	
	2020	2019	2020	2019	2020	2019
Buses and related equipment	$ 91,578,089	$ 96,374,678	$ -	$ -	$ 91,578,089	$ 96,374,678
Rail rolling stock	-	-	142,639,959	142,639,959	142,639,959	142,639,959
Land	6,639,270	6,639,270	-	-	6,639,270	6,639,270
Buildings	8,052,341	8,052,341	-	-	8,052,341	8,052,341
Building improvements	4,301,854	4,347,976	-	-	4,301,854	4,347,976
Construction in progress	43,622,239	18,422,652	12,001,865	15,370,835	55,624,104	33,793,487
Site improvements	1,430,513	1,430,513	-	-	1,430,513	1,430,513
Bus shelters	1,465,910	1,512,303	-	-	1,465,910	1,512,303
Vehicles	287,598	143,131	72,781	72,781	360,379	215,912
Furniture and equipment	2,312,713	2,412,678	-	-	2,312,713	2,412,678
Software and easement	3,939,978	3,914,290	-	-	3,939,978	3,914,290
Facilities	-	-	56,404,726	54,925,894	56,404,726	54,925,894
Track and signal improvements	-	-	49,764,479	41,717,264	49,764,479	41,717,264
Furniture, equipment and software	-	-	9,258,059	9,090,291	9,258,059	9,090,291
Equity in property of others	-	-	2,893,643	2,893,643	2,893,643	2,893,643
	163,630,505	143,249,832	273,035,512	266,710,667	436,666,017	409,960,499
Less accumulated depreciation and amortization	75,475,417	72,891,507	105,525,588	95,712,152	181,001,005	168,603,659
Total capital assets, net	$ 88,155,088	$ 70,358,325	$ 167,509,924	$ 170,998,515	$ 255,665,012	$ 241,356,840

PRTC's investment in capital assets as of June 30, 2020, amounted to $255.7 million (net of accumulated depreciation and amortization), which represents an increase of $14.3 million or 5.9%.

For bus service and member jurisdictions, three OmniRide buses were delivered at a cost of $1.4 million. Twelve buses were disposed of during fiscal year 2020. Two paratransit vans were purchased and one OmniRide bus was overhauled. Construction in progress increased by $25.2 million, primarily due to the construction of the western bus maintenance facility, which will be completed during fiscal year 2021.

For commuter rail service, the major completed projects during the fiscal year were the Positive Train Control project ($6.75 million); Slaters Lane Track Crossover Improvements ($1.3 million); purchase of the Crossroads Maintenance Storage Facility Land ($1.25 million); lighting upgrades at various stations ($0.2 million); and the SharePoint Development and Implementation project ($0.2 million).

Debt Administration

At June 30, 2020, PRTC had an outstanding principal balance of $820,000 for its Series 2012 Revenue Bond with the Virginia Resources Authority.

PRTC's portion of debt for the commuter rail service is $4.3 million. PRTC and NVTC are co-lessees of the capital lease for rolling stock, which is secured by the related equipment.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of PRTC's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director of Finance and Administration, Potomac and Rappahannock Transportation Commission, 14700 Potomac Mills Road, Woodbridge, Virginia 22192, or by email to jembrey@omniride.com.

BASIC FINANCIAL STATEMENTS

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

STATEMENT OF NET POSITION
June 30, 2020

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Bus Service and Member Jurisdictions	Commuter Rail Service	Total
Current Assets			
Cash and investments in bank	$ 19,224,284	$ 51,031,196	$ 70,255,480
Receivables:			
Due from other governments	25,287,046	-	25,287,046
Trade receivables, net of allowance for doubtful accounts	-	317,745	317,745
Miscellaneous	145,570	299,431	445,001
Internal balances	(10,323,119)	10,323,119	-
Inventory	-	1,471,873	1,471,873
Prepaid expenses and other assets	303,253	74,353	377,606
Restricted assets:			
Cash and investments in pooled funds - member jurisdictions	15,728,773	-	15,728,773
Cash, cash equivalents and investments	-	5,729,809	5,729,809
Total current assets	50,365,807	69,247,526	119,613,333
Noncurrent Assets			
Capital assets:			
Transportation equipment:			
Buses and related equipment	91,578,089	-	91,578,089
Rail rolling stock	-	142,639,959	142,639,959
Less: accumulated depreciation	(59,358,629)	(52,568,545)	(111,927,174)
Transportation equipment, net	32,219,460	90,071,414	122,290,874
Land, buildings and equipment:			
Land	6,639,270	-	6,639,270
Buildings	8,052,341	-	8,052,341
Building improvements	4,301,854	-	4,301,854
Construction in progress	43,622,239	12,001,865	55,624,104
Site improvements	1,430,513	-	1,430,513
Bus shelters	1,465,910	-	1,465,910
Vehicles	287,598	72,781	360,379
Furniture and equipment	2,312,713	-	2,312,713
Software and easement	3,939,978	-	3,939,978
Facilities	-	56,404,726	56,404,726
Track and signal improvements	-	49,764,479	49,764,479
Furniture, equipment and software	-	9,258,059	9,258,059
Equity in property of others	-	2,893,643	2,893,643
Less: accumulated depreciation and amortization	(16,116,788)	(52,957,043)	(69,073,831)
Land, buildings and equipment, net	55,935,628	77,438,510	133,374,138
Total capital assets, net	88,155,088	167,509,924	255,665,012
Total noncurrent assets	88,155,088	167,509,924	255,665,012
Total assets	138,520,895	236,757,450	375,278,345
Deferred Outflows of Resources			
Pension plan	494,802	680,256	1,175,058
Other postemployment benefits	69,453	107,362	176,815
Total deferred outflows of resources	564,255	787,618	1,351,873
Total assets and deferred outflows of resources	$ 139,085,150	$ 237,545,068	$ 376,630,218

See Notes to Financial Statements.

LIABILITIES AND NET POSITION	Bus Service and Member Jurisdictions	Commuter Rail Service	Total
Current Liabilities			
Accounts payable and other liabilities	$ 5,417,113	$ 1,161,348	$ 6,578,461
Accrued expenses	-	522,895	522,895
Accrued payroll and benefits	645,751	-	645,751
Accrued interest	9,881	32,673	42,554
Due to other governments	176,256	-	176,256
Unearned revenue	1,139,719	972,935	2,112,654
Capital leases	-	778,473	778,473
Compensated absences	68,044	57,514	125,558
Retainage payable	-	7,853	7,853
Bond payable	260,000	-	260,000
Total current liabilities	7,716,764	3,533,691	11,250,455
Noncurrent Liabilities			
Compensated absences	528,564	336,463	865,027
Net pension liability	154,448	212,336	366,784
Net other postemployment benefits liability	295,689	457,084	752,773
Capital leases	-	3,492,484	3,492,484
Bond payable, net	656,113	-	656,113
Total noncurrent liabilities	1,634,814	4,498,367	6,133,181
Total liabilities	9,351,578	8,032,058	17,383,636
Deferred Inflows of Resources			
Pension plan	103,207	141,890	245,097
Other postemployment benefits	21,131	32,665	53,796
Total deferred inflows of resources	124,338	174,555	298,893
Net Position			
Net investment in capital assets	87,238,976	163,238,967	250,477,943
Restricted	20,190,326	5,160,100	25,350,426
Restricted grants and contributions	-	1,263,069	1,263,069
Unrestricted	22,179,932	59,676,319	81,856,251
Total net position	129,609,234	229,338,455	358,947,689
Total liabilities and net position	$ 139,085,150	$ 237,545,068	$ 376,630,218

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended June 30, 2020

	Bus Service and Member Jurisdictions	Commuter Rail Service	Total
Operating Revenues			
Motor fuel tax	$ 26,493,360	$ -	$ 26,493,360
Farebox and passenger	8,425,772	18,562,076	26,987,848
Advertising	130,280	-	130,280
Equipment rental and other	-	143,255	143,255
Total operating revenues	35,049,412	18,705,331	53,754,743
Operating Expenses			
Direct transportation	14,101,306	-	14,101,306
Salaries and related benefits	5,268,671	-	5,268,671
Contractual services	25,971,756	-	25,971,756
Other services	2,710,673	-	2,710,673
Materials, supplies and minor equipment	464,171	-	464,171
Fuel	2,418,211	-	2,418,211
Contract operations and maintenance	-	15,018,090	15,018,090
Other operations and maintenance	-	8,264,097	8,264,097
Property leases and access fees	-	9,321,122	9,321,122
Insurance	-	2,337,975	2,337,975
Marketing and sales	-	1,171,269	1,171,269
General and administrative	-	7,747,029	7,747,029
Total operating expenses	50,934,788	43,859,582	94,794,370
Operating loss before depreciation and amortization	(15,885,376)	(25,154,251)	(41,039,627)
Depreciation and amortization	(9,342,977)	(9,845,159)	(19,188,136)
Operating loss	(25,228,353)	(34,999,410)	(60,227,763)
Nonoperating Revenues (Expenses)			
Jurisdictional contributions	-	11,158,056	11,158,056
Commonwealth of Virginia grants	8,452,520	-	8,452,520
Federal grants	22,808,534	-	22,808,534
Commuter Rail Operating and Capital (C-ROC) Fund	-	9,428,342	9,428,342
Investment income	484,875	820,896	1,305,771
Pass-through grants - member jurisdictions	(141,462)	-	(141,462)
Interest, amortization and other nonoperating expenses, net	240	(216,068)	(215,828)
Other revenue	554,789	-	554,789
Total nonoperating revenues, net	32,159,496	21,191,226	53,350,722
Capital Grants and Assistance			
Commonwealth of Virginia grants	18,137,072	(381,451)	17,755,621
Federal grants	4,182,008	-	4,182,008
Regional transportation funding - NVTA	8,280,753	879,058	9,159,811
Contribution to NVTC	-	(2,957,586)	(2,957,586)
Total capital grants and assistance, net	30,599,833	(2,459,979)	28,139,854
Income (loss) before transfers and gain on disposal of assets	37,530,976	(16,268,163)	21,262,813
Transfers, net	(21,965,253)	21,965,253	-
Gain on Disposal of Assets	31,711	-	31,711
Change in net position	15,597,434	5,697,090	21,294,524
Net Position, beginning	114,011,800	223,641,365	337,653,165
Net Position, ending	$ 129,609,234	$ 229,338,455	$ 358,947,689

See Notes to Financial Statements.

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

STATEMENT OF CASH FLOWS
Year Ended June 30, 2020

	Bus Service and Member Jurisdictions	Commuter Rail Service	Total
Cash Flows from Operating Activities			
Receipts from motor fuel tax	$ 27,368,384	$ -	$ 27,368,384
Receipts from customers	9,914,440	20,158,386	30,072,826
Receipts from advertising	130,280	-	130,280
Payments to suppliers	(30,816,368)	(38,123,198)	(68,939,566)
Payments to member jurisdictions	(16,961,197)	-	(16,961,197)
Payments to employees	(4,269,763)	(8,297,670)	(12,567,433)
Net cash used in operating activities	(14,634,224)	(26,262,482)	(40,896,706)
Cash Flows from Capital and Related Financing Activities			
Interest payments on revenue bond	(45,428)	-	(45,428)
Principal payments on revenue bond	(245,000)	-	(245,000)
Principal payments on capital leases	-	(745,250)	(745,250)
Interest payments on capital leases	-	(221,759)	(221,759)
Proceeds from sale of assets	42,784	-	42,784
Contribution to NVTC	-	(2,957,586)	(2,957,586)
Capital grants and assistance	53,154,570	-	53,154,570
Purchase of buses and related equipment	(2,183,121)	-	(2,183,121)
Acquisition of capital assets	(27,185,808)	(7,456,340)	(34,642,148)
Net cash provided by (used in) capital and related financing activities	23,537,997	(11,380,935)	12,157,062
Cash Flows from Noncapital Financing Activities			
Governmental subsidies	16,269,801	18,227,111	34,496,912
Interfund transfers	(23,578,620)	23,578,620	-
Payments for jurisdiction grant - related expenditures	(141,462)	-	(141,462)
Net cash provided by (used in) noncapital financing activities	(7,450,281)	41,805,731	34,355,450
Cash Flows From Investing Activities			
Investment income	484,875	840,500	1,325,375
Other revenues	554,789	-	554,789
Net cash provided by investing activities	1,039,664	840,500	1,880,164
Increase (decrease) in cash and cash equivalents	2,493,156	5,002,814	7,495,970
Cash and Cash Equivalents			
Beginning	32,459,901	46,028,382	78,488,283
Ending	$ 34,953,057	$ 51,031,196	$ 85,984,253

See Notes to Financial Statements.

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

STATEMENT OF CASH FLOWS (Continued)
Year Ended June 30, 2020

	Bus Service and Member Jurisdictions	Commuter Rail Service	Total
Reconciliation of Operating Loss to Net Cash Used in Operating Activities			
Operating loss	$ (25,228,353)	$ (34,999,410)	$ (60,227,763)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation and amortization	9,342,977	9,845,159	19,188,136
Pension expense	102,401	142,704	245,105
Other postemployment benefits expense	(6,762)	(13,822)	(20,584)
Write-off of construction in progress to expense	-	338,752	338,752
Changes in assets and liabilities:			
(Increase) decrease in:			
Due from other governments	2,279,034	-	2,279,034
Miscellaneous receivables	84,771	124,428	209,199
Prepaid expenses and other assets	120,963	18,727	139,690
Deferred outflows of resources - pension contributions	12,274	18,281	30,555
Deferred outflows of resources - other postemployment benefits contributions	119	415	534
Trade receivables	-	1,359,706	1,359,706
Inventory	-	50,901	50,901
Increase (decrease) in:			
Accounts payable and other liabilities	627,480	(3,117,245)	(2,489,765)
Accrued payroll and benefits	890,876	-	890,876
Due to other governments	(2,859,891)	-	(2,859,891)
Unearned revenue	(113)	(31,078)	(31,191)
Net cash used in operating activities	$ (14,634,224)	$ (26,262,482)	$ (40,896,706)
Schedule of Noncash Capital Activities			
Capital assets acquired through:			
Accounts payable	$ 1,101,586	$ 443,215	$ 1,544,801
Accrued expenses	-	142,286	142,286

See Notes to Financial Statements.

Note 1. Organization

The Potomac and Rappahannock Transportation Commission ("PRTC" or the "Commission") was created on June 19, 1986, as a public body corporate and politic under the provisions of Chapter 32, Article 2, Title 15.1, of the *Code of Virginia*, 1950, as amended, for the purpose of facilitating the planning and development of an improved transportation system. The transportation system is composed of transit facilities, public highways, and other modes of transportation required in order to promote orderly transportation into, within, and from the various contiguous counties and cities composing the Commission, and to secure the comfort, convenience, and safety of its citizens through joint action by those contiguous counties and cities. The Commission includes the counties of Prince William, Spotsylvania, and Stafford, as well as the cities of Fredericksburg, Manassas, and Manassas Park (collectively referred to as "member jurisdictions"). The Commission was created to manage and control the function, affairs, and property of PRTC.

The Commission has 17 members, including three from the General Assembly and one ex-officio representative from the Virginia Department of Rail and Public Transportation. The governing body of each member jurisdiction appoints, from among its members, its representatives to act as Commissioners. The composition of the Commission is as follows:

	Members	Represented Jurisdictions
Prince William County	6	1
Stafford County	2	1
Spotsylvania County	2	1
City of Manassas	1	1
City of Manassas Park	1	1
City of Fredericksburg	1	1
Commonwealth House of Delegates	2	1
Commonwealth Senate	1	1
Virginia Department of Rail and Public Transportation	1	-
	17	8

Each Commission member, including the Virginia Department of Rail and Public Transportation representative, is entitled to one vote in all matters requiring action by the Commission. A majority vote of the Commission members present and voting, and a majority of the jurisdictions represented are required to act. For purposes of determining the number of jurisdictions present, the Virginia Department of Rail and Public Transportation is not counted as a separate jurisdiction.

Member jurisdictions do not have an explicit equity interest in PRTC. Each jurisdiction controls PRTC's use of the motor fuel tax proceeds from that jurisdiction.

Revenues of PRTC consist principally of a 2.1% motor fuel tax, farebox and passenger revenues, and federal and state grants. The fuel tax revenues represent a sales tax on retail sales of motor vehicle fuel levied by the Commonwealth of Virginia through its Department of Motor Vehicles. The Department of Motor Vehicles collects the tax and remits funds to PRTC monthly, after deducting its administrative costs. These funds are separately maintained by PRTC for the benefit of each member jurisdiction and are used to pay administrative costs of PRTC and transportation projects serving a particular jurisdiction.

Note 2. Summary of Significant Accounting Policies

The following summarizes PRTC's significant accounting policies:

Reporting entity: PRTC has considered its relationship with the member jurisdictions in establishing the appropriate reporting entity in terms of financial accountability and fiscal dependency. None of the member jurisdictions appoint a voting majority of the Commission. Although action by PRTC, including adoption of a budget and issuance of debt, requires approval of a majority of the member jurisdictions, each jurisdiction controls PRTC's use of its 2.1% motor fuel tax proceeds. PRTC is not fiscally dependent on one particular jurisdiction. Thus, PRTC does not consider itself a component unit of any government.

The Northern Virginia Transportation Commission ("NVTC") and PRTC reporting entities each include a portion of the financial activity of the joint venture Virginia Railway Express ("VRE") commuter rail service. Pursuant to a Master Agreement signed in 1989, NVTC and PRTC jointly (as the "Commissions") own and operate VRE. Assets for VRE operations have been purchased in the name of the Commissions and funded primarily by grants, loans or other financing arrangements for which one or both Commissions have served as grantee, issuer, borrower, or in other related capacities. VRE provides commuter rail service on two railroad lines originating in Fredericksburg and Manassas, Virginia and terminating at Union Station, Washington, D.C. The service uses existing tracks of the CSX Transportation Corporation ("CSX"), and the Norfolk Southern Railway Company, under respective operating access agreements. Trains are operated and maintained pursuant to an agreement between the Commissions and Keolis Rail Services Virginia, LLC, and Amtrak provides the Commissions with access to storage at Union Station and other services.

Basis of presentation: The accounting policies of PRTC conform to accounting principles generally accepted in the United States of America as applicable to enterprise funds of governmental units. While separate funds are maintained internally to account for each member jurisdiction's 2.1% motor fuel tax revenues, one combined enterprise fund (Bus Service and Member Jurisdictions Fund) is used for financial statement presentation. The activities of PRTC are similar to those of proprietary funds of local jurisdictions.

PRTC reports the following major enterprise funds:

Bus Service and Member Jurisdictions Fund: The Bus Service and Member Jurisdictions Fund accounts for operation and maintenance costs for PRTC bus service, financed by the 2.1% motor fuel tax, charges for services and operating and capital funding received from the Federal government and Commonwealth of Virginia. This fund also includes the 2.1% motor fuel tax activity for the PRTC member jurisdictions.

Commuter Rail Service Fund: The Commuter Rail Service Fund accounts for PRTC's portion of operation and maintenance costs for commuter rail service, financed by passenger charges and operating and capital funding received from jurisdictional contributions, the Federal government, Commonwealth of Virginia and regional grants.

Basis of accounting: Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to timing of the measurements made, regardless of the measurement focus applied. PRTC uses the accrual basis of accounting, where revenues are recognized when they are earned and expenses are recognized when they are incurred. Eliminations have been made to minimize the double counting of internal activities.

Note 2. Summary of Significant Accounting Policies (Continued)

Cash and investments in pooled funds, member jurisdictions: Cash and investments in pooled funds represent PRTC's share of the pooled cash and investments held by the State Treasurer's Local Government Investment Pool ("LGIP") for the benefit of the member jurisdictions. The LGIP holds and invests certain funds of PRTC on its behalf.

The Commission classifies as cash and cash equivalents amounts on deposit with banks and cash invested temporarily in various instruments with maturities of three months or less at time of purchase.

Restricted assets: Restricted assets represent funds designated for specific purposes.

Restricted cash and investments in pooled funds – member jurisdictions of $15,728,773 at June 30, 2020 for the Bus Service and Member Jurisdictions Fund are comprised of funds related to the 2.1% motor fuel tax revenue received on behalf of the Member Jurisdictions to be used for transit related projects.

Restricted cash, cash equivalents and investments of $5,729,809 at June 30, 2020 for the Commuter Rail Service Fund are comprised of funds related to the balance in the Liability Insurance Plan, a small liability claims account, and funds related to a property transfer with restricted future uses.

Allowance for uncollectible accounts: The allowance for uncollectible accounts is calculated by using historical collection data and specific account analysis. The allowance was approximately $93,000 at June 30, 2020.

Inventory: An inventory of spare parts for rail rolling stock has been purchased and is maintained and managed at the Commissions' warehouse located at the Crossroads yard. Inventory is stated at cost, which approximates market, and is valued using the first-in, first-out method.

Prepaid expenses: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the financial statements using the consumption method.

Deferred outflows/inflows of resources: In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditure) until then. PRTC currently has items related to the pension plan and other postemployment benefits (OPEB) – Group Life Insurance Program (GLI) that qualify for reporting in this category. See Notes 12 and 13 for details regarding these items.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. PRTC currently has items related to the pension plan and GLI - OPEB that qualify for reporting in this category. See Notes 12 and 13 for details regarding these items.

Note 2. Summary of Significant Accounting Policies (Continued)

Capital assets: Capital assets are stated at historical cost. Capital assets are defined by PRTC for the Bus Service and Member Jurisdictions Fund as tangible assets with an initial, individual cost of more than $5,000 or intangible assets costing more than $25,000 with an estimated useful life in excess of one year. Donated capital assets are recorded at estimated fair market value at the date of donation. The Commuter Rail Service Fund capitalizes assets that have an initial cost of $5,000 or more per unit and a useable life of two or more years, with the exception of software purchases, which are only capitalized if the initial cost is $15,000 or more.

Depreciation and amortization of all exhaustible equipment and buildings is charged as an expense against operations using the straight-line method over the following estimated useful lives:

Buses and related equipment	2 - 12 years
Rail rolling stock	8 - 25 years
Buildings and improvements	5 - 30 years
Site improvements	5 - 20 years
Bus shelters	5 years
Vehicles	5 years
Facilities	30 - 40 years
Track and signal improvements	5 - 30 years
Furniture, equipment, and software	2 - 15 years
Equity in property of others	3 - 35 years

When, in the opinion of management, certain assets are impaired, any estimated decline in value is accounted for as a non-operating expense. There were no impaired assets as of June 30, 2020.

Compensated absences: Employees are granted annual and sick leave based on years of service. Employees with less than ten years of service may carry over a total of 225 hours of annual leave from year to year, while those with more than ten years may carry over 300 hours of annual leave. Excess annual leave may convert to sick leave or may be paid out with the approval of the Executive Director or Commuter Rail Service Chief Executive Officer. In the event of termination, an employee is reimbursed in full for accumulated annual leave.

Employees may accumulate sick leave without limitation. Employees who separate in good standing after five or more years of service will be paid for 25 percent of their sick leave credit in excess of 450 hours. Certain employees may accumulate compensatory leave for overtime worked and is payable upon termination of employment.

Compensated absences are accrued when incurred. The liability for compensated absences is included in the accompanying financial statements as both a current and noncurrent liability.

Long-term obligations: Bond premiums are deferred and amortized over the life of the bond using the straight-line method.

Note 2. Summary of Significant Accounting Policies (Continued)

Pensions: The Virginia Retirement System (VRS) Political Subdivision Retirement Plan (PRTC's retirement plan) is a multiple-employer, agent plan. For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Virginia Retirement System (VRS) PRTC's Retirement Plan and the additions to/deductions from the VRS PRTC's Retirement Plan net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Group life insurance program (GLI): The VRS GLI is a multiple employer, cost-sharing OPEB plan. It provides coverage to state employees, teachers, and employees of participating political subdivisions. The GLI was established pursuant to Section 51.1-500 et seq. of the *Code of Virginia*, as amended, and which provides the authority under which benefit terms are established or may be amended. The GLI is a defined benefit plan that provides a basic GLI benefit for employees of participating employers. For purposes of measuring the net GLI OPEB liability, deferred outflows of resources and deferred inflows of resources related to the GLI OPEB, and GLI OPEB expense, information about the fiduciary net position of the VRS GLI OPEB and the additions to/deductions from the VRS GLI OPEB's net fiduciary position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net position: Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The net position caption "net investment in capital assets" consists of capital assets, net of accumulated depreciation and amortization, reduced by outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by PRTC or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

PRTC first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Revenue recognition: Intergovernmental revenues, consisting primarily of Federal and Commonwealth of Virginia grants, designated for payment of specific expenses, are recognized at the time the expenses are incurred. Capital grants and assistance are recognized as additions are made to capital assets and operating resources are included in the Statement of Revenues, Expenses and Changes in Net Position when expended.

Operating revenues and expenses: Operating revenues are generated from activities related to providing public transportation services to users. Operating revenues include 2.1% motor fuel tax revenues, farebox and passenger revenues, and advertising revenues. Nonoperating revenues include jurisdictional contributions, federal and state grants and investment income.

Operating expenses are incurred for activities related to providing public transportation services to users. Operating expenses include direct transportation expenses and general and administrative expenses. Nonoperating expenses include interest expense.

Statement of cash flows: For purposes of reporting cash flows, cash and cash equivalents include cash on hand, demand deposits, pooled funds, money market funds, overnight repurchase agreements, and U.S. Government agency obligations having an original maturity of three months or less.

Note 2. Summary of Significant Accounting Policies (Continued)

Estimates and assumptions: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Inter-fund transfers: Transactions among the Commission's funds would be treated as revenues and expenditures or expenses if they involved organizations external to the Commission. They are accounted for as revenues and expenditures or expenses in the fund involved.

Transactions, which constitute reimbursements to a fund for expenditures initially made from it, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds' operating statements.

Subsequent events: The Commission has evaluated subsequent events through November 19, 2020, which was the date the financial statements were available to be issued.

Note 3. Cash and Investments

Deposits: Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act"), Section 2.2-4400 et seq. of the *Code of Virginia*. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments: State statutes authorize local governments and other public bodies to invest in obligations of the United States or its agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, bankers' acceptances, repurchase agreements and the LGIP.

The Commission has investments in the LGIP and Federated Government Obligations Fund (FG), which are professionally managed money market funds that invest in qualifying obligations and securities as permitted by state statutes. Pursuant to Section 2.2-4605 *Code of Virginia,* the Treasury Board of the Commonwealth sponsors the LGIP and has delegated certain functions to the State Treasurer. The LGIP reports to the Treasury Board at their regularly scheduled monthly meetings. PRTC's investments in the LGIP are stated at amortized cost and classified as cash and cash equivalents. The LGIP and FG have been assigned an "AAAm" rating by Standard & Poor's. The maturity of the LGIP and FG is less than one year.

Note 3. Cash and Investments (Continued)

The Commonwealth of Virginia Department of the Treasury manages PRTC's Insurance Trust. State statutes govern the portion of assets invested in the Commonwealth's pooled accounts, while the remainder is invested by an external portfolio manager. At June 30, 2020, PRTC had $5,131,770 invested in the Insurance Trust.

Interest Rate Risk

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment if the investment is held for a long period of time. Interest rate risk does not apply to the LGIP since it is an external investment pool classified in accordance with Governmental Accounting Standards Board (GASB) Statement No. 79.

As of June 30, 2020, the carrying values and maturity of investments were as follows:

	Bus Service and Member Jurisdictions	Commuter Rail Service	Total	Fair Value	Maturities Less Than One Year
Sweep Account	$ 19,226,000	$ -	$ 19,226,000	$ 19,226,000	$ 19,226,000
LGIP	-	47,386,524	47,386,524	47,386,524	47,386,524
	19,226,000	47,386,524	66,612,524	66,612,524	66,612,524
Restricted:					
Insurance trust fund - pooled funds	-	5,131,770	5,131,770	5,131,770	5,131,770
LGIP	15,728,773	598,039	16,326,812	16,326,812	16,326,812
	15,728,773	5,729,809	21,458,582	21,458,582	21,458,582
	$ 34,954,773	$ 53,116,333	$ 88,071,106	$ 88,071,106	$ 88,071,106

The Commission categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Commission has the following recurring fair value measurement as of June 30, 2020:

- Sweep Account of $19,226,000 is valued using quoted market prices (Level 2 inputs).

PRTC has adopted a formal investment policy. The policy specifies eligible and ineligible investments; diversification requirements; maximum length of time for various types of investments; and the process for purchasing securities.

Note 3. Cash and Investments (Continued)

PRTC's investment policy establishes the maximum percentages of the portfolio permitted on each of the following instruments:

Authorized Investments

Authorized investments for public funds are set forth in Chapter 18, Sections 2.1-327 to 2.1-329.1 of the *Code of Virginia.* The following are included on the list of authorized investments:

1. Obligations issued or guaranteed by the U.S. Government, an agency thereof, or U.S. Government sponsored corporation.
2. Certificates of deposit and time deposits in any of Virginia's qualified public depositories federally insured to the maximum extent possible and collateralized under the Virginia Security for Public Deposits Act.
3. Repurchase agreements collateralized by U.S. Treasury/agency securities.
4. Bankers' acceptances from "prime quality" major U.S. banks and domestic offices of international banks.
5. "Prime quality" commercial paper issued by domestic corporations.
6. Short-term corporate notes and/or bank notes of domestic corporations/banks.
7. The LGIP as established by the Virginia Department of the Treasury.

Diversification

Diversification of investments by security type and by issuer will be consistent with the following guidelines:

1. The portfolio will be diversified with not more than 5% of the value of the investment pool's assets invested in the securities of any single issuer. This limitation will not apply to securities of the U.S. Government or agency thereof, government sponsored corporation securities, or fully insured and/or collateralized certificates of deposit.

2. The Bus Service and Member Jurisdiction Fund investment policy establishes the maximum percentages of the portfolio permitted in each of the following instruments:

LGIP	100% maximum
U.S. Treasury and Agency Securities	100% maximum
Certificates of Deposit	25% maximum
Repurchase Agreements	50% maximum
Bankers' Acceptances	40% maximum
Commercial Paper	35% maximum
Corporate Notes and Bank Notes	25% maximum

The Commuter Rail Service Fund's investment policy provides limitations on the percentage of the portfolio that can be invested in each type of security, as indicated in the following chart.

Note 3. Cash and Investments (Continued)

The limitations provided in the investment policy for maximum maturity and the percentages of the portfolio permitted for each category of investments are as follows:

Investment	Length of Maturity	Percent Allowed
Bonds, notes, and other evidence of indebtedness of the United States	60 months or less	100%
Bonds, notes, and other evidence of indebtedness of the Commonwealth of Virginia	60 months or less	100%
Bonds, notes, and other evidence of indebtedness of any county, city, town, district, authority, or other public body of the Commonwealth of Virginia	36 months or less	100%
Bonds and notes of FNMA and FHLB	36 months or less	75%
Savings accounts or CD's of any bank or savings and loan association within the Commonwealth of Virginia	12 months or less	20%
Money market mutual funds	13 months or less	60%
Repurchase agreements	24 months or less	20%
Bankers' acceptances	24 months or less	10%
Prime Quality Commercial Paper (no more than 5% from one issuer)	270 days or less	35%
High Quality Corporate Notes	24 months or less	50%
Certificates representing ownership in treasury bond principal	24 months or less	50%
LGIP	N/A	100%
Negotiable CD's and negotiable bank deposit notes	24 months or less	25%

Funds are held in the LGIP for the benefit of the various member jurisdictions as follows:

	Bus Service and Member Jurisdictions
Stafford County	$ 2,370,883
Prince William County	6,936,557
City of Manassas	582,410
City of Manassas Park	2,754,159
City of Fredericksburg	2,329,238
Spotsylvania County	755,526
	$ 15,728,773

Note 4. Due To/From Other Governments

Amounts due from other governments are as follows:

	Bus Service and Member Jurisdictions
Virginia Department of Motor Vehicles - motor fuel tax receipts	$ 4,634,069
Virginia Department of Rail and Public Transportation	2,173,301
Federal Transit Administration	17,331,872
Northern Virginia Transportation Commission	623,763
Northern Virginia Transportation Authority	457,894
Washington Metropolitan Area Transit Authority	52,711
Virginia Department of Transportation	12,224
City of Manassas	1,006
Prince William County	206
	$ 25,287,046

Amounts due to other governments are as follows:

	Bus Service and Member Jurisdictions
Spotsylvania County	$ 172,516
Virginia Department of Rail and Public Transportation	3,740
	$ 176,256

Note 5. Capital Assets

Changes in capital assets for the year ended June 30, 2020 are as follows:

	Balance July 1, 2019	Increases	Decreases	Transfers	Balance June 30, 2020
Capital assets not being depreciated or amortized:					
Land	$ 6,639,270	$ -	$ -	$ -	$ 6,639,270
Construction in progress	33,793,487	31,887,417	(338,752)	(9,718,048)	55,624,104
Total capital assets not being depreciated or amortized	40,432,757	31,887,417	(338,752)	(9,718,048)	62,263,374
Capital assets being depreciated and amortized:					
Buses and related equipment	96,374,678	1,722,718	(6,519,307)	-	91,578,089
Rail rolling stock	142,639,959	-	-	-	142,639,959
Buildings	8,052,341	-	-	-	8,052,341
Building improvements	4,347,976	8,834	(54,956)	-	4,301,854
Site improvements	1,430,513	-	-	-	1,430,513
Bus shelters	1,512,303	21,432	(67,825)	-	1,465,910
Vehicles	215,912	144,467	-	-	360,379
Furniture and equipment	2,412,678	23,553	(123,518)	-	2,312,713
Software and easement	3,914,290	25,688	-	-	3,939,978
Facilities	54,925,894	-	-	1,478,832	56,404,726
Track and signal improvements	41,717,264	-	-	8,047,215	49,764,479
Furniture, equipment and software	9,090,291	7,493	(31,726)	192,001	9,258,059
Equity in property of others	2,893,643	-	-	-	2,893,643
Total capital assets being depreciated and amortized	369,527,742	1,954,185	(6,797,332)	9,718,048	374,402,643
Less accumulated depreciation and amortization for:					
Buses and related equipment	58,415,025	7,462,911	(6,519,307)	-	59,358,629
Rail rolling stock	46,768,104	5,800,441	-	-	52,568,545
Buildings	5,769,994	268,512	-	-	6,038,506
Building improvements	2,492,763	297,743	(48,415)	-	2,742,091
Site improvements	707,849	69,577	-	-	777,426
Bus shelters	1,371,771	86,960	(67,825)	-	1,390,906
Vehicles	140,700	43,881	-	-	184,581
Furniture and equipment	1,524,459	434,248	(123,518)	-	1,835,189
Software and easement	2,505,624	692,273	-	-	3,197,897
Facilities	22,385,004	1,664,873	-	-	24,049,877
Track and signal improvements	16,097,133	2,093,269	-	-	18,190,402
Furniture, equipment and software	8,440,980	191,151	(31,725)	-	8,600,406
Equity in property of others	1,984,253	82,297	-	-	2,066,550
Total accumulated depreciation and amortization	168,603,659	19,188,136	(6,790,790)	-	181,001,005
Total capital assets being depreciated and amortized, net	200,924,083	(17,233,951)	(6,542)	9,718,048	193,401,638
Total capital assets, net	$ 241,356,840	$ 14,653,466	$ (345,294)	$ -	$ 255,665,012

Note 6. Long-Term Liabilities

Revenue Bond

$2,335,000, Series 2012 Revenue Bond, due in annual installments of $260,000 to $285,000 through October 2022, plus interest at 4.82% to 4.83%	$ 820,000

Mandatory debt service requirements consist of the following:

Year Ending June 30,	Principal	Interest	Total Required
2021	$ 260,000	$ 33,263	$ 293,263
2022	275,000	20,378	295,378
2023	285,000	6,878	291,878
	$ 820,000	$ 60,519	$ 880,519

Capitalized Lease - Gallery IV (11 cars)

	Total	PRTC Reporting Entity
$25,100,000 capitalized lease obligation (PRTC reporting entity, $12,550,000); $965,679 due semi-annually (PRTC reporting entity, $482,840), interest at 4.59%, maturing in 2025, collateralized with Gallery IV railcars with a carrying value of $12,946,565 (PRTC reporting entity, $6,473,283)	$ 8,541,916	$ 4,270,957

Future minimum lease payments as of June 30, 2020 are as follows:

Year Ending June 30,	Total	PRTC Reporting Entity
2021	$ 1,931,357	$ 965,679
2022	1,931,357	965,679
2023	1,931,357	965,679
2024	1,931,357	965,678
2025	1,931,357	965,678
Total minimum lease payments	9,656,785	4,828,393
Less amount representing interest	1,114,869	557,436
Present value of lease payments	$ 8,541,916	$ 4,270,957

Note 6. Long-Term Liabilities (Continued)

Capitalized Leases – Copiers

	Total	PRTC Reporting Entity
$63,450 capitalized lease obligations; $1,329 due monthly, interest at 9.39%, maturing in 2020; collateralized with two multifunction copiers with a carrying value of $0 (PRTC reporting entity, $0) Leases retired in fiscal year 2020, and the copiers purchased at under $5,000 per unit (PRTC reporting entity, $5,000).	$ -	$ -

The following is a summary of long-term liability activity for the year ended June 30, 2020:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Revenue bond	$ 1,065,000	$ -	$ 245,000	$ 820,000	$ 260,000
Unamortized premium	138,829	-	42,716	96,113	-
Capital leases	5,016,207	-	745,250	4,270,957	778,473
	$ 6,220,036	$ -	$ 1,032,966	$ 5,187,070	$ 1,038,473

Note 7. Net Position

Restricted net position represents net assets subject to restrictions beyond PRTC's control. Following is a summary of the components of restricted net position as of June 30, 2020:

	Bus Service and Member Jurisdictions	Commuter Rail Service	Total
Cash and investments	$ 15,728,773	$ 28,330	$ 15,757,103
Due from other governments, net	4,461,553	-	4,461,553
Grants and contributions	-	1,263,069	1,263,069
Cash and investments - insurance trust fund	-	5,131,770	5,131,770
	$ 20,190,326	$ 6,423,169	$ 26,613,495

Note 7. Net Position (Continued)

Unrestricted net position consists of the following as of June 30, 2020:

	Bus Service and Member Jurisdictions	Commuter Rail Service	Total
Designation of unrestricted net assets:			
Carry forward to support future years' budgets	$ 4,155,002	$ -	$ 4,155,002
Local match for federal/state grants	229,085	-	229,085
Total designations	4,384,087	-	4,384,087
Undesignated unrestricted net position	17,795,845	59,676,319	77,472,164
Total unrestricted net position	$ 22,179,932	$ 59,676,319	$ 81,856,251

Note 8. Joint Venture – Virginia Railway Express

The NVTC reporting entity and the PRTC reporting entity contain their respective shares of the financial activity of the VRE joint venture. In order to present a full and accurate picture of VRE operations, all financial transactions related to the commuter rail program are combined in a separate set of financial statements. These audited financial statements can be obtained from the Director of Finance and Administration of PRTC at 14700 Potomac Mills Road, Woodbridge, Virginia 22192.

Assets owned by the Commissions for the VRE operations have been funded by a variety of sources including federal assistance with PRTC as grantee, Commonwealth of Virginia assistance with NVTC-VRE as grantee, local contributions, and various loans and other financing arrangements for which one or both Commissions have served as issuer, borrower, or in other related capacities.

The federal grant agreements control the use and disposal of property acquired with federal grant funds. If property is removed from service prior to the end of its useful life, the grant recipient may be required to return to the grantor agency the federal assistance expended on that property. In addition, permission of the grantor agency is required if property is disposed of prior to the end of its useful life or at any time for an amount in excess of $5,000.

The Master Agreement for the use of Commonwealth of Virginia Transportation Funds controls the use and disposal of property acquired with state grant funds. If any project equipment are not used for the purpose for which they were purchased for the duration of their useful lives, the Commonwealth has the option of requiring the grantee to relinquish title to the project equipment or remit an amount equal to the proportional share of the fair market value based upon the ratio of participation by the state. For facilities, the Commonwealth requires an amount equal to the proportional share of fair market value based upon the ratio of participation by the state be remitted.

Note 8. Joint Venture – Virginia Railway Express (Continued)

Pursuant to a Master Agreement signed in 1989, the Commissions own and operate VRE. VRE provides commuter rail service on two railroad lines originating in Fredericksburg and Manassas, Virginia and terminating at Union Station, Washington, D.C. The service uses existing track of the CSX Transportation Corporation ("CSX"), and the Norfolk Southern Railway Company, under respective operating access agreements. Trains are operated and maintained pursuant to an agreement between the Commissions and Keolis Rail Services Virginia, LLC, and Amtrak provides the Commissions with access to storage at Union Station and other services.

VRE is managed by the Commissions. Certain functions have been delegated to the VRE Operations Board, which consists of representatives of all contributing and participating jurisdictions and one representative of the Commonwealth of Virginia's Department of Rail and Public Transportation. The system is not currently configured for fare revenues alone to produce positive operating income. In addition to fares, the project is financed with proceeds from the Commuter Rail Revenue Bonds, a federal loan (refinanced in fiscal year 2018 to a bond), a lease financing, Federal and Commonwealth of Virginia grants, Northern Virginia Transportation Authority (NVTA) regional grants and jurisdictional contributions apportioned through a formula based on ridership, supplemented by voluntary donations from contributing jurisdictions. Grants and contributions fund both operations and capital projects. Participating jurisdictions include the counties of Fairfax, Prince William, Spotsylvania, and Stafford; and the cities of Manassas, Manassas Park, and Fredericksburg, Virginia. Contributing jurisdictions include Arlington County and the City of Alexandria, Virginia.

In July 2007, the Commissions adopted amendments to the VRE Master Agreement that expanded the Operations Board to include all member jurisdictions and provided for board representation proportionate to system ridership, and weighted voting proportionate to jurisdictional subsidy. In addition, the amendments apportioned jurisdictional subsidies on system ridership only, rather than the former 90% system ridership and 10% population formula. The amendment to the subsidy formula was phased in over four years, beginning in fiscal year 2008. The amendments also allowed for greater autonomy for the Operations Board, with progressively more decisions made by the Board without referral to PRTC and NVTC.

Note 8. Joint Venture – Virginia Railway Express (Continued)

Financial information from VRE's fiscal year 2020 audited financial statements is shown below.

VIRGINIA RAILWAY EXPRESS
STATEMENT OF NET POSITION
June 30, 2020

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current Assets	
Cash and cash equivalents	$ 97,142,781
Accounts receivable:	
Federal due from PRTC	9,006,275
Federal CARES Act	2,688,095
Commonwealth of Virginia grants	5,415,225
Commuter Rail Operating and Capital (C-ROC) Fund	3,750,000
Trade receivables, net of allowance for doubtful accounts	594,027
Other receivables	602,064
Inventory	2,751,678
Prepaid expenses and other	139,004
Restricted cash, cash equivalents and investments	14,862,978
Total current assets	136,952,127
Noncurrent Assets	
Capital assets (net of $211,051,174 accumulated depreciation and amortization)	335,019,850
Total noncurrent assets	335,019,850
Total assets	471,971,977
Deferred Outflows of Resources	
Loss on refunding	393,423
Pension plan	680,256
Other postemployment benefits	107,362
Total deferred outflows of resources	1,181,041
Total assets and deferred outflows of resources	$ 473,153,018

Note 8. Joint Venture – Virginia Railway Express (Continued)

VIRGINIA RAILWAY EXPRESS
STATEMENT OF NET POSITION (Continued)
June 30, 2020

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
Current Liabilities	
Accounts payable and accrued liabilities	$ 5,307,212
Unearned revenue	1,818,911
Current portion of:	
Capital lease obligations	1,556,946
Bonds payable	2,350,000
Total current liabilities	11,033,069
Noncurrent Liabilities	
Pension liability	212,336
Other postemployment benefits	457,084
Capital lease obligations	6,984,969
Bonds payable	44,846,530
Compensated absences	629,021
Total noncurrent liabilities	53,129,940
Total liabilities	64,163,009
Deferred Inflows of Resources	
Pension plan	141,890
Other postemployment benefits	32,665
Total deferred inflows of resources	174,555
Net Position	
Net investment in capital assets	279,674,828
Restricted for liability insurance plan	10,320,199
Restricted for debt service	2,016,642
Restricted grants or contributions	2,526,137
Unrestricted assets	114,277,648
Total net position	408,815,454
Total liabilities, deferred inflows of resources and net position	$ 473,153,018

Note 8. Joint Venture – Virginia Railway Express (Continued)

VIRGINIA RAILWAY EXPRESS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
Year Ended June 30, 2020

Operating Revenues	$ 34,969,771
Operating Expenses	78,525,443
Operating loss before depreciation and amortization	(43,555,672)
Depreciation and Amortization	(19,690,320)
Operating loss	(63,245,992)
Nonoperating Revenues (Expenses)	
Subsidies:	
Commonwealth of Virginia grants	18,712,734
Federal grants – with PRTC as grantee	15,271,669
Federal CARES Act	2,688,095
Jurisdictional contributions	17,767,748
Commuter Rail Operating and Capital (C-ROC) Fund	15,000,000
Interest income:	
Operating funds	1,009,626
Insurance trust	218,621
Commuter Rail Operating and Capital (C-ROC) Fund	294,176
Other restricted funds	48,899
Interest, amortization and other nonoperating expenses, net	(2,089,883)
Total nonoperating revenues, net	68,921,685
Capital Grants and Assistance	
Commonwealth of Virginia grants	2,110,561
Federal grants – with PRTC as grantee	3,696,057
Regional transportation funding (NVTA)	1,758,116
Total capital grants and assistance	7,564,734
Extraordinary or Special Items	1,372,379
Change in net position	14,612,806
Net Position, beginning of year	394,202,648
Net Position, ending	$ 408,815,454

Note 9. Direct Transportation Expenses

In addition to PRTC administrative costs, the member jurisdictions authorize disbursements from their respective 2.1% motor fuel tax revenues for transportation projects operating or originating within their jurisdiction. During the year ended June 30, 2020, amounts expended for joint and jurisdictional transportation projects consisted of:

	Bus Service and Member Jurisdictions
VRE support	$ 5,059,745
Other jurisdictional projects	9,041,561
	$ 14,101,306

VRE payments are made in accordance with operating and capital budgets prepared by VRE and adopted by its Operations Board.

Note 10. Risk Management and Liability Insurance Plan

PRTC and the VRE commuter rail operation is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to address these risks, including workers' compensation and employee health and accidental insurance. The Virginia Department of Treasury, Division of Risk Management has established the terms of VRE's Commuter Rail Operations Liability Plan (the Insurance Plan). The Insurance Plan consists of a combination of self-insurance reserves and purchased insurance in amounts actuarially determined to meet the indemnification requirements of the Operating Access Agreements and the Purchase of Services Agreement and for liability and property coverage. The Commissions indemnify each of the railroads in an amount up to the passenger rail liability cap (currently at $295,000,000) for any claims against persons or property associated with commuter rail operations. Settled claims have not exceeded commercial coverage during any of the past three fiscal years. The liability for incurred but not reported claims was approximately $139,000 at June 30, 2020, of which $69,500 was included in the PRTC reporting entity. PRTC is indemnified from risk related to its bus/bus facility issues by virtue of its contract with First Transit, the third-party bus services provider.

Note 10. Risk Management and Liability Insurance Plan (Continued)

The Division of Risk Management manages the Insurance Trust Fund pursuant to provisions of the Insurance Plan. Since November 2006, all plan assets have been invested in the Department of the Treasury common pool. Activity in the Insurance Trust Fund for the year ended June 30, 2020 was as follows:

	Total	PRTC Reporting Entity
Beginning balance, July 1, 2019	$ 10,471,870	$ 5,235,935
Contribution to reserves	3,900,136	1,950,068
Insurance premiums paid	(4,256,144)	(2,128,072)
Claims mitigation and losses incurred	(55,493)	(27,747)
Investment income	218,621	109,311
Actuarial and administrative charges	(15,450)	(7,725)
Ending balance, June 30, 2020	$ 10,263,540	$ 5,131,770

An actuarial study is performed annually to determine the adequacy of the Insurance Trust Fund for the risk retained and to determine the required contribution to reserves.

Note 11. Deferred Compensation Benefits

PRTC offers a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all employees and permits them to defer a portion of their current salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of plan participants and/or beneficiaries. PRTC has the duty of due care that would be required of any prudent investor.

PRTC contributions to the deferred compensation plan for the year ended June 30, 2020 were $15,820.

PRTC also offers a Governmental Money Purchase Plan (401a) to the Executive Director for deferred compensation purposes. PRTC contributions to the 401a for the year ended June 30, 2020 were $6,461.

Note 12. Pension Plan

Name of Plan: Virginia Retirement System (VRS)

Identification of Plan: Agent Multiple-Employer Pension Plan

Administering Entity: Virginia Retirement System (System)

A. Plan Description

All full-time, salaried permanent employees of PRTC are automatically covered by VRS Retirement Plan upon employment. This plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virgini*a, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
About Plan 1 Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, service credit and average final compensation at retirement using a formula.	**About Plan 2** Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, service credit and average final compensation at retirement using a formula.	**About the Hybrid Retirement Plan** The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. •The defined benefit is based on a member's age, service credit and average final compensation at retirement using a formula. •The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions. •In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.

Note 12. Pension Plan (Continued)

A. Plan Description (Continued)

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013 and they have not taken a refund. *Hybrid Opt-In Election* Non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014. The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014. If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan. Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.	**Eligible Members** Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013. *Hybrid Opt-In Election* Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014. The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014. If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan. Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.	**Eligible Members** Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes: • Political subdivision employees.* • Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1 through April 30, 2014; the plan's effective date for opt-in members was July 1, 2014. **Non-Eligible Members* Some employees are not eligible to participate in the Hybrid Retirement Plan. They include: • Political subdivision employees who are covered by enhanced benefits for hazardous duty employees Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.

Note 12. Pension Plan (Continued)

A. Plan Description (Continued)

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.	**Retirement Contributions** Same as Plan 1.	**Retirement Contributions** A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.
Service Credit Service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.	**Service Credit** Same as Plan 1.	**Service Credit** *Defined Benefit Component* Under the defined benefit component of the plan, service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit. *Defined Contribution Component* Under the defined contribution component, service credit is used to determine vesting for the employer contribution portion of the plan.

Note 12. Pension Plan (Continued)

A. Plan Description (Continued)

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Vesting Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of service credit. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund. Members are always 100% vested in the contributions they make.	**Vesting** Same as Plan 1.	**Vesting** *Defined Benefit Component* Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of service credit. Plan 1 or Plan 2 members with at least five years (60 months) of service credit who opted into the Hybrid Retirement Plan remain vested in the defined benefit component. *Defined Contribution Component* Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan. Members are always 100% vested in the contributions they make. Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service. • After two years, a member is 50% vested and may withdraw 50% of employer contributions. • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. Distribution is not required, except as governed by law.

Note 12. Pension Plan (Continued)

A. Plan Description (Continued)

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Calculating the Benefit The Basic Benefit is determined using the average final compensation, service credit, and plan multiplier. An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit. In cases where the member has elected an optional form of retirement payment, an option factor specific to the option chosen is then applied.	**Calculating the Benefit** See definition under Plan 1.	**Calculating the Benefit** *Defined Benefit Component* See definition under Plan 1 *Defined Contribution Component* The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.
Average Final Compensation A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.	**Average Final Compensation** A member's average final compensation is the average of the 60 consecutive months of highest compensation as a covered employee.	**Average Final Compensation** Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.
Service Retirement Multiplier The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%.	**Service Retirement Multiplier** Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for service credit earned, purchased or granted on or after January 1, 2013.	**Service Retirement Multiplier** *Defined Benefit Component* The retirement multiplier for the defined benefit component is 1.0%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.
Normal Retirement Age Age 65.	**Normal Retirement Age** Normal Social Security retirement age.	**Normal Retirement Age** *Defined Benefit Component* Same as Plan 2. *Defined Contribution Component* Members are eligible to receive distributions upon leaving employment, subject to restrictions.

Note 12. Pension Plan (Continued)

A. Plan Description (Continued)

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Earliest Unreduced Retirement Eligibility Age 65 with at least five years (60 months) of service credit or at age 50 with at least 30 years of service credit.	**Earliest Unreduced Retirement Eligibility** Normal Social Security retirement age and have at least five years (60 months) of service credit or when their age plus service credit equals 90.	**Earliest Unreduced Retirement Eligibility** *Defined Benefit Component* Normal Social Security retirement age and have at least five years (60 months) of service credit or when their age plus service credit equals 90. *Defined Contribution Component* Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Earliest Reduced Retirement Eligibility Age 55 with at least five years (60 months) of service credit or age 50 with at least 10 years of service credit.	**Earliest Reduced Retirement Eligibility** Age 60 with at least five years (60 months) of service credit.	**Earliest Reduced Retirement Eligibility** *Defined Benefit Component* Age 60 with at least five years (60 months) of service credit. *Defined Contribution Component* Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%. *Eligibility:* For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of service credit, the COLA will go into effect on July 1 after one full calendar year from the retirement date. For members who retire with a reduced benefit and who have less than 20 years of service credit, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.	**Cost-of-Living Adjustment (COLA) in Retirement** The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 2%), for a maximum COLA of 3%. *Eligibility:* Same as Plan 1.	**Cost-of-Living Adjustment (COLA) in Retirement** **Defined Benefit Component** Same as Plan 2. **Defined Contribution Component** Not applicable. *Eligibility:* Same as Plan 1 and Plan 2.

Note 12. Pension Plan (Continued)

A. Plan Description (Continued)

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Cost-of-Living Adjustment (COLA) in Retirement (Continued)	**Cost-of-Living Adjustment (COLA) in Retirement (Continued)**	**Cost-of-Living Adjustment (COLA) in Retirement (Continued)**
Exceptions to COLA Effective Dates: The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances: • The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. • The member retires on disability. • The member retires directly from short-term or long-term disability. • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program. • The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.	*Exceptions to COLA Effective Dates:* Same as Plan 1.	*Exceptions to COLA Effective Dates:* Same as Plan 1 and Plan 2.
Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted.	**Disability Coverage** Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.	**Disability Coverage** Eligible political subdivision (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members. Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.

Note 12. Pension Plan (Continued)

A. Plan Description (Continued)

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Purchase of Prior Service Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as service credit in their plan. Prior service credit counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. Members also may be eligible to purchase periods of leave without pay.	**Purchase of Prior Service** Same as Plan 1.	**Purchase of Prior Service** *Defined Benefit Component:* Same as Plan 1, with the following exceptions: • Hybrid Retirement Plan members are ineligible for ported service. *Defined Contribution Component:* Not applicable.

B. Employees Covered by Benefit Terms

As of the June 30, 2018 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Number
Inactive members or their beneficiaries currently receiving benefits	28
Inactive members:	
Vested	21
Non-vested	24
Active elsewhere in VRS	9
Total inactive members	54
Active members	95
Total covered employees	177

C. Contributions

The contribution requirement for active employees is governed by Section 51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

PRTC's contractually required contribution rate for the year ended June 30, 2020 was 4.93% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2018.

Note 12. Pension Plan (Continued)

C. Contributions (Continued)

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by an employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from PRTC were $323,989 and $354,543 for the years ended June 30, 2020 and 2019, respectively.

D. Net Pension (Asset) Liability

PRTC's net pension (asset) liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension (asset) liability was determined by an actuarial valuation performed as of June 30, 2018, rolled forward to the measurement date of June 30, 2019.

E. Actuarial Assumptions

The total pension liability for the Commission's retirement plan was based on an actuarial valuation as of June 30, 2018, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019.

Inflation	2.5 percent
Salary increases, including inflation	3.5 percent – 5.35 percent
Investment rate of return	6.75 percent, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 6.75% to simplify preparation of pension liabilities.

Mortality Rates:	15% of deaths are assumed to be service related.
– Pre-retirement:	RP-2014 Employee Rates at age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.
– Post-retirement:	RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.
– Post-disablement:	RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

Note 12. Pension Plan (Continued)

E. Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through nine years of service
Disability Rates	Lowered rates
Salary Scale	No change
Discount Rate	Decrease rate from 7.0% to 6.75%

F. Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return*
Public Equity	34.00%	5.61%	1.91%
Fixed Income	15.00%	0.88%	0.13%
Credit Strategies	14.00%	5.13%	0.72%
Real Assets	14.00%	5.27%	0.74%
Private Equity	14.00%	8.77%	1.23%
MAPS - Multi-Asset Public Strategies	6.00%	3.52%	0.21%
PIP - Private Investment Partnership	3.00%	6.29%	0.19%
Total	100.00%		5.13%
		Inflation	2.50%
		* Expected arithmetic nominal return	7.63%

Note 12. Pension Plan (Continued)

F. Long-Term Expected Rate of Return (Continued)

* The above allocation provides a one-year return of 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. The VRS Board elected a long-term rate of 6.75%, which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation.

G. Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2019, the alternate rate was the employer contribution rate used in fiscal year 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2018, actuarial valuations, whichever was greater. From July 1, 2019 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

H. Changes in the Net Pension (Asset) Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Pension	Net Pension (Asset) Liability
Balance at June 30, 2018	$ 17,978,233	$ 18,530,278	$ (552,045)
Changes for the year:			
Service cost	747,243	-	747,243
Interest	1,233,409	-	1,233,409
Changes of assumptions	631,239	-	631,239
Difference between expected and actual experience	312,560	-	312,560
Contributions – employer	-	354,543	(354,543)
Contributions – employee	-	414,063	(414,063)
Net investment income	-	1,249,744	(1,249,744)
Benefit payments, including refunds of employee contributions	(716,216)	(716,216)	-
Administrative expense	-	(11,937)	11,937
Other changes	-	(791)	791
Net changes	2,208,235	1,289,406	918,829
Balance at June 30, 2019	$ 20,186,468	$ 19,819,684	$ 366,784

Note 12. Pension Plan (Continued)

I. Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate

The following presents the net pension (asset) liability of the Commission, using the discount rate of 6.75%, as well as what the Commission's net pension (asset) liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Plan's net pension (asset) liability	$ 3,069,540	$ 366,784	$ (1,775,482)

J. Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the Commission recognized pension expense of $599,651. The Commission also reported deferred outflows and inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 365,613	$ -
Changes of assumptions	485,456	(75,494)
Net difference between projected and actual earnings on pension plan investments	-	(169,603)
Employer contributions subsequent to the measurement date	323,989	-
Total	$ 1,175,058	$ (245,097)

The $323,989 reported as deferred outflows of resources related to pensions resulting from PRTC's contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2021.

Other amounts reported as deferred outflows and (inflows) of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year Ending June 30,	Amount
2021	$ 233,950
2022	64,045
2023	226,299
2024	81,678
	$ 605,972

K. Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2019 Comprehensive Annual Financial Report (CAFR). A copy of the 2019 VRS CAFR may be downloaded from the VRS website at varetire.org/Pdf/Publications/2019-annual-report.pdf, or by writing to the VRS Chief Financial Officer at P.O. Box 2500, Richmond, Virginia 23218-2500.

Note 13. Other Postemployment Benefits Plan – Group Life Insurance Program

A. Plan Description

All full-time, salaried permanent employees of PRTC are automatically covered by the VRS Group Life Insurance Program (GLI) upon employment. This plan is administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

In addition to the Basic GLI benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI program. For members who elect the optional GLI coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from the members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI Program OPEB.

The specific information for GLI Program OPEB, including eligibility, coverage and benefits is set out in the table below:

GROUP LIFE INSURANCE PROGRAM PLAN PROVISIONS
Eligible Employees The GLI was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program. Basic GLI coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their accumulated retirement member contributions and accrued interest.

Benefit Amounts
The benefits payable under the GLI have several components.
• Natural Death Benefit – The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled.
• Accidental Death Benefit – The accidental death benefit is double the natural death benefit.
• Other Benefit Provisions – In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include:
  o Accidental dismemberment benefit
  o Safety belt benefit
  o Repatriation benefit
  o Felonious assault benefit
  o Accelerated death benefit option

Reduction in Benefit Amounts The benefit amounts provided to members covered under the GLI are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value.
Minimum Benefit Amount and Cost-of-Living Adjustment (COLA) For covered members with at least 30 years of service credit, there is a minimum benefit payable under GLI. The minimum benefit was set at $8,000 by statute in 2015. This will be increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was $8,463 as of June 30, 2020.

Note 13. Other Postemployment Benefits Plan – Group Life Insurance Program (Continued)

B. Contributions

The contribution requirements for the GLI are governed by Sections 51.1-506 and 51.1-508 of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI was 1.31% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.79% (1.31% X 60%) and the employer component was 0.52% (1.31% X 40%). Employers may elect to pay all or part of the employee contribution, however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2020 was .52% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2018. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI from PRTC were $46,663 and $47,196 for the years ended June 30, 2020 and June 30, 2019, respectively.

C. GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Group Life Insurance Program OPEB

At June 30, 2020, PRTC reported a liability of $752,773 for its proportionate share of the net GLI OPEB liability. The net GLI OPEB liability was measured as of June 30, 2019 and the total GLI OPEB liability used to calculate the net GLI OPEB liability was determined by an actuarial valuation performed as of June 30, 2018, and rolled forward to the measurement date of June 30, 2019. The covered employer's proportion of the net GLI OPEB liability was based on the covered employer's actuarially determined employer contributions to the GLI for the year ended June 30, 2019 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2019, the participating employer's proportion was $47,158 or 0.04626% as compared to $46,174 or 0.04670% at June 30, 2018.

For the year ended June 30, 2020, PRTC recognized GLI OPEB expense of $25,766. Since there was a change in the proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2020, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between expected and actual experience	$ 50,064	$ (9,764)
Changes of assumptions	47,526	(22,699)
Net difference between projected and actual earnings on GLI OPEB program investments	-	(15,463)
Changes in proportion	32,562	(5,870)
Employer contribution subsequent to the measurement date	46,663	-
Total	$ 176,815	$ (53,796)

Note 13. Other Postemployment Benefits Plan – Group Life Insurance Program (Continued)

C. GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Group Life Insurance Program OPEB (Continued)

The $46,663 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the net GLI OPEB liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Year Ending June 30,	Amount
2021	$ 11,034
2022	11,034
2023	17,583
2024	18,370
2025	14,388
Thereafter	3,947
	$ 76,356

D. Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2018, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019.

Inflation	2.5%
Salary increases, including inflation:	
Locality – general employees	3.5%-5.35%
Investment rate of return	6.75%, net of investment expenses, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 6.75% to simplify preparation of the OPEB liabilities.

Mortality Rates – Non-Largest 10 Locality Employers – General Employees

Pre-Retirement: RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with Scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement: RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with Scale BB to 2020; males set forward three years; females 1.0% increase compounded from ages 70 to 90.

Post-Disablement: RP-2014 Disability Life Mortality Table projected with Scale BB to 2020; males set forward two years, 110% of rates; females 125% of rates.

Note 13. Other Postemployment Benefits Plan – Group Life Insurance Program (Continued)

D. Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Discount Rate	Decrease rate from 7.00% to 6.75%

E. Net GLI OPEB Liability

The net OPEB liability (NOL) for the GLI represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2019, NOL amounts for the GLI is as follows (expressed in thousands):

	GLI OPEB Program
Total GLI OPEB liability	$ 3,390,238
Plan fiduciary net position	1,762,972
GLI Net OPEB liability	$ 1,627,266

Plan fiduciary net position as a percentage of the total GLI OPEB liability	52.00%

The total GLI OPEB liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net GLI OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

Note 13. Other Postemployment Benefits Plan – Group Life Insurance Program (Continued)

F. Long-Term Expected Rate of Return

The long-term expected rate of return on the System's investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of System's investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return*
Public Equity	34.00%	5.61%	1.91%
Fixed Income	15.00%	0.88%	0.13%
Credit Strategies	14.00%	5.13%	0.72%
Real Assets	14.00%	5.27%	0.74%
Private Equity	14.00%	8.77%	1.23%
MAPS - Multi-Asset Public Strategies	6.00%	3.52%	0.21%
PIP - Private Investment Partnership	3.00%	6.29%	0.19%
Total	100.00%		5.13%
		Inflation	2.50%
		* Expected arithmetic nominal return	7.63%

* The above allocation provides a one-year return of 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. The VRS Board elected a long-term rate of 6.75%, which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation.

Note 13. Other Postemployment Benefits Plan – Group Life Insurance Program (Continued)

G. Discount Rate

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2019, the rate contributed by PRTC for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2019 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

H. Sensitivity of PRTC's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents PRTC's proportionate share of the net GLI OPEB liability using the discount rate of 6.75%, as well as what PRTC's proportionate share of the net GLI OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
PRTC's proportionate share of the GLI net OPEB liability	$ 988,936	$ 752,773	$ 561,252

I. GLI Fiduciary Net Position

Detailed information about the GLI's Fiduciary Net Position is available in the separately issued VRS 2019 Comprehensive Annual Financial Report (CAFR). A copy of the 2019 VRS CAFR may be downloaded from the VRS website at varetire.org/Pdf/Publications/2019-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia, 23218-2500.

Note 14. Contingencies and Contractual Commitments

Federal and State-Assisted Programs

The Commission has received proceeds from several federal and state grant programs. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. Based upon past experience, no provision has been made in the accompanying financial statements for the refund of grant monies.

A combination of federal and state grants and local funds are relied upon to finance a majority of PRTC contractual services and capital projects.

At June 30, 2020, there were disputes between VRE and certain vendors. The amounts of any settlements, should they occur, are not determinable at this time. However, such amounts are not expected to be material in relation to the recorded amounts.

The Commissions have outstanding commitments for construction of facilities and equipment. A combination of Federal (with PRTC as grantee) and Commonwealth of Virginia grants (with NVTC – VRE as grantee) and local funds will be used to finance these capital projects. The following is a summary of the more significant contractual commitments, net of expenses incurred as of June 30, 2020:

Stations and parking lots	$ 3,712,524
Rail rolling stock	5,121,050
Maintenance and layover yards	2,179,043
Track and signal improvements	130,746
Other administrative	288,390
Total	$ 11,431,753

Note 15. Operating Leases and Agreements

Operating Access Agreements with the CSX Transportation and Norfolk Southern railroads provide the Commissions the right to use tracks owned by the railroads in the provision of commuter rail passenger service. These agreements require the Commissions to pay the railroads a monthly base fee and to reimburse the railroads for any incremental cost incurred by the railroads as a result of providing track access for commuter rail service. For the year ended June 30, 2020, annual track usage fees totaled approximately $10,527,000, of which $5,631,000 is recognized by the PRTC reporting entity, and facility and other identified costs totaled approximately $584,000, of which $312,000 is recognized by the PRTC reporting entity. The increase in track usage fees primarily reflects normal annual increases to the base fees.

The agreement between Amtrak and the Commissions for access to and storage of equipment at Union Station and midday services and electrical power became effective on July 1, 2015 and ended June 30, 2020. A new agreement became effective on July 1, 2020. For the year ended June 30, 2020, costs for track access and equipment storage totaled approximately $6,714,000, of which $3,591,000 was recognized by the PRTC reporting entity. Costs for mid-day maintenance, utility, and other services totaled approximately $4,345,000, of which $2,324,000 was recognized by the PRTC reporting entity. Cost adjustments will be made in fiscal year 2021 to reflect changes to various published cost indices and the number of trains that have access to and are stored and serviced at the terminal. After October 1, 2015, charges for terminal access are determined in accordance with the cost-sharing arrangement for the Northeast Corridor passenger rail infrastructure mandated by the Passenger Rail Investment and Improvement Act of 2008 (PRIIA).

The Commissions signed a contract with Keolis Rail Services Virginia, LLC for train operations and maintenance for a five year period beginning July 1, 2015. Separate contracts for maintenance of equipment and facilities became effective for the period beginning July 1, 2016. The cost of train operations and maintenance for the year ended June 30, 2020, based on an annual budget prepared in advance, was approximately $23,654,000, of which $12,653,000 is recognized by the PRTC reporting entity. Costs for fiscal year 2020 reflect contractual increases and added services, including a focus on asset maintenance programs. Costs for fiscal year 2021 will be adjusted for service additions or deletions and annual changes to the Consumer Price Index.

Note 16. Interfund Transfers

	Bus Service and Member Jurisdictions	Commuter Rail Service	Total Transferred Out
Transfer from fund:			
Bus Service and Member Jurisdictions	$ -	$ 22,038,864	$ 22,038,864
Commuter Rail Service	(73,611)	-	(73,611)
Total transferred in	$ (73,611)	$ 22,038,864	$ 21,965,253

The transfer from the Commuter Rail Service Fund to the Bus Service and Member Jurisdictions Fund is for general administrative services related to grant activity performed by staff of the Bus Service and Member Jurisdictions Fund.

The transfer from the Bus Service and Member Jurisdictions Fund to the Commuter Rail Service Fund is for federal grant activity in which PRTC serves as grantee on behalf of VRE.

Note 17. Pending GASB Statements

At June 30, 2020, GASB had issued statements not yet implemented by PRTC. The statements which might impact PRTC are as follows:

GASB Statement No. 87, *Leases*, will increase the usefulness of PRTC's financial statements by requiring reporting of certain lease assets and liabilities and deferred inflows of resources for leases that previously were classified as operating leases. Statement No. 87 will be effective for fiscal years beginning after June 15, 2021.

GASB Statement No. 90, *Majority Equity Interests,* is intended to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. Statement No. 90 will be effective for fiscal years beginning after December 15, 2019.

GASB Statement No. 91, *Conduit Debt Obligations*, will provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. Statement No. 91 will be effective for fiscal years beginning after December 15, 2021.

GASB Statement No. 92, *Omnibus 2020,* will improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics, including intra-entity transfers, the effective date of No. 87, *Leases*, the applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits, the applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements, measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature, terminology used to refer to derivative instruments. Statement No. 92 will be effective for fiscal years beginning after June 15, 2021.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, will address accounting and financial reporting implications that result from the replacement of an interbank offered rate-most notably, the London Interbank Offered Rate (LIBOR), which is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. Portions of Statement No. 93 will be effective for fiscal years beginning after June 15, 2020, June 15, 2021, and December 31, 2021.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements,* will improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. Statement No. 94 will be effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, will provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). Statement No. 96 will be effective for fiscal years beginning after June 15, 2022.

Note 17. Pending GASB Statements (Continued)

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32,* will (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Statement No. 97 will be effective for fiscal years beginning after June 15, 2021.

PRTC has not yet determined the effect of these statements on its financial statements.

Note 18. Subsequent Events

In July 2020, the Commission authorized the Executive Director to execute a contract with Keolis Transit America fox fixed route bus and paratransit operations and maintenance services effective November 1, 2020 for an initial five-year term with up to five years in options thereafter that are PRTC's sole discretion to exercise.

In September 2020, the Commission authorized the Executive Director to execute a contract with James River Solutions to purchase ultra-low sulfur diesel fuel for one year, with up to four one-year options.

PRTC was granted Occupancy Permits for the three buildings at the Western Facility: Administration and Operations, Maintenance, and Fuel and Wash Buildings, on September 22, 2020. The Western Facility is located on the western side of Prince William County at 7850 Doane Drive. Some Administration staff were moved to the Admin building on October 20, 2020. It is anticipated that bus service from this facility will begin in early Spring of 2021.

In July 2020, the VRE Operations Board authorized the Acting Chief Executive Officer to execute a contract with Svanaco, Inc. (DBA Americaneagle.com) of Des Plaines, Illinois for Mobile Ticketing Services in the amount of $988,630, plus a 10 percent contingency of $98,863, for a total amount not to exceed $1,087,493, for a base year and five option years, with the Chief Executive Officer exercising the option years at his discretion. This will replace VRE's existing mobile ticketing solution.

In July 2020, the VRE Operations Board authorized the Acting Chief Executive Officer to formally withdraw from existing Standard Project Agreements (SPAs) with the Northern Virginia Transportation Authority (NVTA) for the Lorton and Rippon station expansion projects. This is a result of the Commonwealth's Transforming Rail in Virginia program of planned capital investments and associated operating plan. Under the new operating plan, expansions of those two stations are not projected to be needed until 2030 or later. The SPA for Lorton Station had a value of $7.9 million, and the SPA for Rippon Station had a value of $10.0 million.

Note 18. Subsequent Events (Continued)

In September 2020, following a nationwide search and affirming the recommendation of the VRE Operations Board, the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC) named the Acting Chief Executive Officer, Rich Dalton, to be the new Chief Executive Officer of VRE. Mr. Dalton was appointed VRE's acting CEO in November 2019. Prior to his appointment as Acting Chief Executive Officer, Mr. Dalton had been with VRE for 11 years as Deputy Chief Executive Officer and Chief Operating Officer.

In September 2020, the VRE Operations Board authorized an increase in the Chief Executive Officer's procurement authorization authority to $1,000,000 and an increase in the Chief Executive Officer's contract award authority to $200,000.

In September 2020, the VRE Operations Board authorized the Chief Executive Officer to execute a contract with Clark Construction Group, LLC of Bethesda, Maryland for Construction of the Lifecycle Overhaul and Upgrade (LOU) Facility in the amount of $37,673,006, plus a 10% contingency of $3,767,301, for a total amount not to exceed $41,440,307.

In September 2020, the VRE Operations Board authorized the Chief Executive Officer to execute a contract with Archer Western Construction, LLC of Herndon, Virginia, for construction of Quantico Station Improvements in the amount of $16,709,330, plus a 10% contingency of $1,670,933, for a total amount not to exceed $18,380,263. The VRE Operations Board also authorized the Chief Executive Officer (CEO) to execute a contract with Dewberry Engineers Inc. of Fairfax, Virginia, for Construction Management Services for the Quantico Station Improvements in the amount of $1,868,776, plus a 10% contingency of $186,878, for a total amount not to exceed $2,055,654.

In September 2020, the VRE Operations Board authorized the Chief Executive Officer to execute contracts with HDR Engineering, Inc. (HDR) of Vienna, Virginia, for Project Design Services and STV Incorporated (STV) of Fairfax, Virginia, for Construction Management Services for a base year and four option years in an amount not to exceed $6 million in aggregate per year for a total not to exceed amount of $30 million in aggregate for the five-year term of the contract.

In October 2020, VRE Operations Board authorized the Chief Executive Officer to execute a contract with Sumter Contracting Corp. of Fairfax, Virginia, for Construction of Rolling Road Station Improvements in the amount of $2,234,474, plus a 10 percent contingency of $223,447, for a total amount not to exceed $2,457,921.

Note 19. Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Commission operates. While it is unknown how long these conditions will last, many Commission activities were and continue to be affected.

REQUIRED SUPPLEMENTARY INFORMATION

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

SCHEDULE OF CONTRIBUTIONS – VIRGINIA RETIREMENT SYSTEM

	Fiscal Year June 30,						
	2014	2015	2016	2017	2018	2019	2020
Contractually required contribution (CRC)	$ 528,296	$ 460,763	$ 478,465	$ 419,283	$ 413,760	$ 354,543	$ 323,989
Contributions in relation to the CRC	528,296	460,763	478,465	419,283	413,760	354,543	323,989
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 6,582,460	$ 7,265,941	$ 7,785,947	$ 8,627,885	$ 8,875,155	$ 9,076,294	$ 8,973,619
Contributions as a percentage of covered payroll	8.03%	6.34%	6.15%	4.86%	4.66%	3.91%	3.61%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Commission will present information for those years for which information is available.

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

SCHEDULE OF CHANGES IN THE NET PENSION (ASSET) LIABILITY AND RELATED RATIOS – VIRGINIA RETIREMENT SYSTEM

	Fiscal Year June 30,					
	2014	2015	2016	2017	2018	2019
Total Pension Liability						
Service cost	$ 722,134	$ 743,258	$ 778,686	$ 756,831	$ 796,518	$ 747,243
Interest	763,704	850,266	942,652	1,051,830	1,132,348	1,233,409
Changes of assumptions	-	-	-	(243,263)	108,387	631,239
Differences between expected and actual experience	-	92,275	284,843	38,724	-	312,560
Benefit payments, including refunds of employee contributions	(222,525)	(275,932)	(456,078)	(436,912)	(470,829)	(716,216)
Net change in total pension liability	1,263,313	1,409,867	1,550,103	1,167,210	1,566,424	2,208,235
Total pension liability - beginning	11,021,316	12,284,629	13,694,496	15,244,599	16,411,809	17,978,233
Total pension liability - ending (a)	$ 12,284,629	$ 13,694,496	$ 15,244,599	$ 16,411,809	$ 17,978,233	$ 20,186,468
Plan Fiduciary Net Position						
Contributions - employer	$ 528,296	$ 460,763	$ 478,465	$ 419,283	$ 413,760	$ 354,543
Contributions - employee	414,844	494,240	375,574	407,825	411,106	414,063
Net investment income	1,697,173	603,590	259,738	1,829,732	1,265,980	1,249,744
Benefit payments, including refunds of employee contributions	(222,525)	(275,932)	(456,078)	(436,912)	(470,829)	(716,216)
Administrative expense	(8,482)	(7,442)	(8,396)	(9,970)	(10,415)	(11,937)
Other	89	(131)	(107)	(1,654)	(1,150)	(791)
Net change in plan fiduciary net position	2,409,395	1,275,088	649,196	2,208,304	1,608,452	1,289,406
Plan fiduciary net position - beginning	10,379,843	12,789,238	14,064,326	14,713,522	16,921,826	18,530,278
Plan fiduciary net position - ending (b)	12,789,238	14,064,326	14,713,522	16,921,826	18,530,278	19,819,684
PRTC's net pension (asset) liability - ending (a) - (b)	$ (504,609)	$ (369,830)	$ 531,077	$ (510,017)	$ (552,045)	$ 366,784
Plan fiduciary net position as a percentage of the total pension liability	104.11%	102.70%	96.52%	103.11%	103.07%	98.18%
Covered payroll	$ 6,582,460	$ 7,265,941	$ 7,785,947	$ 8,627,885	$ 8,875,155	$ 9,076,294
PRTC's net pension (asset) liability as a percentage of covered payroll	-7.67%	-5.09%	6.82%	-5.91%	-6.22%	4.04%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, PRTC will present information for those years for which information is available.

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

SCHEDULE OF NET OPEB LIABILITY – GROUP LIFE INSURANCE PROGRAM

	Fiscal Year June 30,		
	2017	2018	2019
Total Group Life Insurance OPEB Liability			
The Commission's Portion of the Net GLI OPEB Liability	0.04678%	0.04670%	0.04626%
The Commission's Proportionate Share of the Net GLI OPEB Liability	$ 703,000	$ 709,000	$ 752,773
The Commission's Covered Payroll	$ 8,627,885	$ 8,875,155	$ 9,076,294
The Commission's Proportionate Share of the Net GLI OPEB Liability as a Percentage of its Covered Payroll	8.15%	7.99%	8.29%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	48.86%	51.22%	52.00%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Commission will present information for those years for which information is available.

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

SCHEDULE OF PRTC CONTRIBUTIONS – OPEB – GROUP LIFE INSURANCE PROGRAM

	Fiscal Year June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Contractually required contribution (CRC)	$ 25,277	$ 25,929	$ 34,313	$ 34,887	$ 38,509	$ 41,266	$ 44,865	$ 46,151	$ 47,196	$ 46,663
Contributions in relation to the CRC	25,277	25,929	34,313	34,887	38,509	41,266	44,865	46,151	47,196	46,663
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 5,744,800	$ 5,892,844	$ 6,474,129	$ 6,582,460	$ 7,265,941	$ 7,785,947	$ 8,627,885	$ 8,875,155	$ 9,076,294	$ 8,973,619
Contributions as a percentage of covered payroll	0.44%	0.44%	0.53%	0.53%	0.53%	0.53%	0.52%	0.52%	0.52%	0.52%

See Notes to Required Supplementary Information – OPEB

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – VIRGINIA RETIREMENT SYSTEM
Year Ended June 30, 2020

Note 1. Changes of Benefit Terms

There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Note 2. Changes of Assumptions

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Non-Hazardous Duty

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through nine years of service
Disability Rates	Lowered rates
Salary Scale	No change
Discount Rate	Decrease rate from 7.00% to 6.75%

Note 1. Group Life Insurance Program

A. Changes of Benefit Terms

There have been no actuarially material changes to the Virginia Retirement System benefit provisions since the prior actuarial valuation.

B. Changes of Assumptions

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Non-Largest 10 Locality Employers – General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Discount Rate	Decreased rate from 7.00% to 6.75%

SUPPLEMENTARY INFORMATION

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

COMPARATIVE STATEMENTS OF NET POSITION – BUS SERVICE AND MEMBER JURISDICTIONS
June 30, 2020 and 2019

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2020	2019
Current Assets		
Cash and investments in bank	**$ 19,224,284**	$ 12,992,209
Receivables:		
Due from other governments	**25,287,046**	35,251,024
Due from Commuter Rail Service Fund	**1,372,852**	2,015,520
Miscellaneous	**145,570**	230,065
Prepaid expenses and other assets	**303,253**	424,217
Restricted assets:		
Cash and investments in pooled funds - member jurisdictions	**15,728,773**	19,467,692
Total current assets	**62,061,778**	70,380,727
Noncurrent Assets		
Net pension asset	**-**	231,536
Capital assets:		
Transportation equipment:		
Buses and related equipment	**91,578,089**	96,374,678
Less: accumulated depreciation	**(59,358,629)**	(58,415,025)
Transportation equipment, net	**32,219,460**	37,959,653
Land, buildings and equipment:		
Land	**6,639,270**	6,639,270
Buildings	**8,052,341**	8,052,341
Building improvements	**4,301,854**	4,347,976
Construction in progress	**43,622,239**	18,422,652
Site improvements	**1,430,513**	1,430,513
Bus shelters	**1,465,910**	1,512,303
Vehicles	**287,598**	143,131
Furniture and equipment	**2,312,713**	2,412,678
Software and easement	**3,939,978**	3,914,290
Less: accumulated depreciation and amortization	**(16,116,788)**	(14,476,482)
Land, buildings and equipment, net	**55,935,628**	32,398,672
Total capital assets, net	**88,155,088**	70,358,325
Total noncurrent assets	**88,155,088**	70,589,861
Total assets	**150,216,866**	140,970,588
Deferred Outflows of Resources		
Pension plan	**494,802**	246,329
Other postemployment benefits	**69,453**	48,546
Total deferred outflows of resources	**564,255**	294,875
Total assets and deferred outflows of resources	**$ 150,781,121**	$ 141,265,463

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	2020	2019
Current Liabilities		
Accounts payable and other liabilities	**$ 5,417,113**	$ 7,012,283
Accrued payroll and benefits	**645,751**	508,762
Accrued interest	**9,881**	12,833
Due to other governments	**176,256**	3,036,147
Due to Commuter Rail Service Fund	**11,695,971**	13,309,338
Unearned revenue	**1,139,719**	1,256,483
Compensated absences	**68,044**	4,473
Bond payable - current portion	**260,000**	245,000
Total current liabilities	**19,412,735**	25,385,319
Noncurrent Liabilities		
Compensated absences	**528,564**	480,916
Net pension liability	**154,448**	-
Net other postemployment benefits liability	**295,689**	277,148
Bond payable, net	**656,113**	958,829
Total noncurrent liabilities	**1,634,814**	1,716,893
Total liabilities	**21,047,549**	27,102,212
Deferred Inflows of Resources		
Pension plan	**103,207**	126,043
Other postemployment benefits	**21,131**	25,408
Total deferred inflows of resources	**124,338**	151,451
Net Position		
Net investment in capital assets	**87,238,976**	69,154,496
Restricted	**20,190,326**	21,944,378
Unrestricted	**22,179,932**	22,912,926
Total net position	**129,609,234**	114,011,800
Total liabilities, deferred inflows of resources and net position	**$ 150,781,121**	$ 141,265,463

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – BUS SERVICE AND MEMBER JURISDICTIONS
Years Ended June 30, 2020 and 2019

	2020	2019
Operating Revenues		
Motor fuel tax	**$ 26,493,360**	$ 28,517,370
Farebox	**8,425,772**	11,235,523
Advertising	**130,280**	118,679
Total operating revenues	**35,049,412**	39,871,572
Operating Expenses		
Direct transportation	**14,101,306**	12,701,074
Salaries and related benefits	**5,268,671**	5,056,121
Contractual services	**25,971,756**	24,057,908
Other services	**2,710,673**	2,095,728
Materials, supplies and minor equipment	**464,171**	1,323,159
Fuel	**2,418,211**	2,644,531
Total operating expenses	**50,934,788**	47,878,521
Operating loss before depreciation and amortization	**(15,885,376)**	(8,006,949)
Depreciation and amortization	**(9,342,977)**	(7,903,798)
Operating loss	**(25,228,353)**	(15,910,747)
Nonoperating Revenues (Expenses)		
Commonwealth of Virginia grants	**8,452,520**	6,773,121
Federal grants	**22,808,534**	19,958,817
Investment income	**484,875**	662,032
Pass-through grants - member jurisdictions	**(141,462)**	(74,299)
Interest income (expense)	**240**	(11,237)
Other revenue	**554,789**	315,629
Total nonoperating revenues, net	**32,159,496**	27,624,063
Capital Grants and Assistance		
Commonwealth of Virginia grants	**18,137,072**	20,389,243
Federal grants	**4,182,008**	13,769,171
Regional transportation funding - NVTA	**8,280,753**	8,219,245
Total capital grants and assistance	**30,599,833**	42,377,659
Income before transfers and gain on disposal of assets	**37,530,976**	54,090,975
Transfers In	**73,611**	77,085
Transfers Out	**(22,038,864)**	(18,389,407)
Transfers, net	**(21,965,253)**	(18,312,322)
Gain on Disposal of Assets	**31,711**	14,075
Change in net position	**15,597,434**	35,792,728
Net Position, beginning	**114,011,800**	78,219,072
Net Position, ending	**$ 129,609,234**	$ 114,011,800

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

COMPARATIVE STATEMENTS OF NET POSITION – COMMUTER RAIL SERVICE
June 30, 2020 and 2019

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2020	2019
Current Assets		
Cash and investments in bank	**$ 51,031,196**	$ 40,204,191
Receivables:		
Due from Bus Service and Member Jurisdictions Fund	**11,695,971**	13,309,338
Trade receivables, net of allowance for doubtful accounts	**317,745**	1,693,866
Miscellaneous	**299,431**	1,566,091
Inventory	**1,471,873**	1,537,676
Prepaid expenses and other assets	**74,353**	93,992
Restricted cash, cash equivalents and investments	**5,729,809**	5,824,191
Total current assets	**70,620,378**	64,229,345
Noncurrent Assets		
Net pension asset	**-**	320,509
Capital assets:		
Transportation equipment:		
Rail rolling stock	**142,639,959**	142,639,959
Less: accumulated depreciation	**(52,568,545)**	(46,768,104)
Transportation equipment, net	**90,071,414**	95,871,855
Buildings and equipment:		
Construction in progress	**12,001,865**	15,370,835
Vehicles	**72,781**	72,781
Facilities	**56,404,726**	54,925,894
Track and signal improvements	**49,764,479**	41,717,264
Furniture, equipment and software	**9,258,059**	9,090,291
Equity in property of others	**2,893,643**	2,893,643
Less: accumulated depreciation and amortization	**(52,957,043)**	(48,944,048)
Buildings and equipment, net	**77,438,510**	75,126,660
Total capital assets, net	**167,509,924**	170,998,515
Total noncurrent assets	**167,509,924**	171,319,024
Total assets	**238,130,302**	235,548,369
Deferred Outflows of Resources		
Pension plan	**680,256**	340,985
Other postemployment benefits	**107,362**	75,650
Total deferred outflows of resources	**787,618**	416,635
Total assets and deferred outflows of resources	**$ 238,917,920**	$ 235,965,004

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	2020	2019
Current Liabilities		
Accounts payable and other liabilities	**$ 1,161,348**	$ 1,590,031
Accrued expenses	**522,895**	1,666,781
Due to Bus Service and Member Jurisdictions Fund	**1,372,852**	2,015,520
Unearned revenue	**972,935**	1,013,839
Capital lease	**778,473**	745,249
Interest payable - capital lease	**32,673**	38,364
Retainage payable	**7,853**	-
Compensated absences	**57,514**	15,007
Total current liabilities	**4,906,543**	7,084,791
Noncurrent Liabilities		
Net pension liability	**212,336**	-
Net other postemployment benefits liability	**457,084**	431,852
Compensated absences	**336,463**	321,969
Capital lease	**3,492,484**	4,270,958
Total noncurrent liabilities	**4,498,367**	5,024,779
Total liabilities	**9,404,910**	12,109,570
Deferred Inflows of Resources		
Pension plan	**141,890**	174,477
Other postemployment benefits	**32,665**	39,592
Total deferred inflows of resources	**174,555**	214,069
Net Position		
Net investment in capital assets	**163,238,967**	165,982,307
Restricted for liability insurance plan	**5,160,100**	5,263,810
Restricted grants and contributions	**1,263,069**	560,381
Unrestricted	**59,676,319**	51,834,867
Total net position	**229,338,455**	223,641,365
Total liabilities, deferred inflows of resources and net position	**$ 238,917,920**	$ 235,965,004

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – COMMUTER RAIL SERVICE
Years Ended June 30, 2020 and 2019

	2020	2019
Operating Revenues		
Passenger revenues	**$ 18,562,076**	$ 22,679,123
Equipment rental and other	**143,255**	169,719
Total operating revenues	**18,705,331**	22,848,842
Operating Expenses		
Contract operations and maintenance	**15,018,090**	14,553,688
Other operations and maintenance	**8,264,097**	8,954,338
Property leases and access fees	**9,321,122**	9,019,074
Insurance	**2,337,975**	2,131,055
Marketing and sales	**1,171,269**	1,390,532
General and administrative	**7,747,029**	9,307,388
Total operating expenses	**43,859,582**	45,356,075
Operating loss before depreciation and amortization	**(25,154,251)**	(22,507,233)
Depreciation and amortization	**(9,845,159)**	(9,271,402)
Operating loss	**(34,999,410)**	(31,778,635)
Nonoperating Revenues (Expenses)		
Jurisdictional contributions	**11,158,056**	12,025,284
Regional transportation funding	**-**	97,253
Commuter Rail Operating and Capital (C-ROC) Fund	**9,428,342**	10,030,038
Investment income	**820,896**	935,536
Interest, amortization and other nonoperating expenses, net	**(216,068)**	(249,819)
Total nonoperating revenues, net	**21,191,226**	22,838,292
Capital Grants and Assistance		
Commonwealth of Virginia grants	**(381,451)**	381,451
Regional transportation funding	**879,058**	1,152,103
Contributions to NVTC	**(2,957,586)**	(2,617,357)
Total capital grants and assistance, net	**(2,459,979)**	(1,083,803)
Loss before transfers and loss on disposal of assets	**(16,268,163)**	(10,024,146)
Transfers Out	**(73,611)**	(77,085)
Transfers In	**22,038,864**	18,389,407
Transfers, net	**21,965,253**	18,312,322
Change in net position	**5,697,090**	8,288,176
Net Position, beginning	**223,641,365**	215,353,189
Net Position, ending	**$ 229,338,455**	$ 223,641,365

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

SCHEDULE OF MEMBER JURISDICTIONS' FUNDS
Year Ended June 30, 2020

	City of Fredericksburg	City of Manassas	City of Manassas Park	County of Prince William	County of Stafford	County of Spotsylvania	Total
Funds Available - July 1, 2019	$ 1,530,476	$ 847,559	$ 2,854,976	$ 9,116,760	$ 5,653,805	$ 1,940,802	$ 21,944,378
Funds Received:							
Motor fuel tax	1,336,288	858,233	685,442	13,799,323	4,324,039	5,490,035	26,493,360
Transfer from PRTC (carryforward)	28,100	50,600	27,100	2,984,000	63,300	71,900	3,225,000
Other	-	137,185	-	-	-	-	137,185
Interest	26,286	7,257	43,307	135,499	81,459	45,901	339,709
Total funds received	1,390,674	1,053,275	755,849	16,918,822	4,468,798	5,607,836	30,195,254
Funds Disbursed:							
Direct transportation expenses:							
VRE operating and capital	321,028	694,742	405,485	-	2,352,820	1,285,670	5,059,745
Other jurisdictional projects	-	-	85,000	-	4,518,615	4,437,946	9,041,561
Transfers to PRTC:							
Administrative	36,800	21,600	19,500	304,000	95,200	104,300	581,400
OmniRide, OmniLink, Capital Improvement, Marketing, VanPool	3,500	449,700	230,200	16,564,300	9,000	9,900	17,266,600
Total funds disbursed	361,328	1,166,042	740,185	16,868,300	6,975,635	5,837,816	31,949,306
Funds Available - June 30, 2020	$ 2,559,822	$ 734,792	$ 2,870,640	$ 9,167,282	$ 3,146,968	$ 1,710,822	$ 20,190,326

Note 1 - The schedule of member jurisdictions' funds is prepared on an accrual basis and reflects the funds held by the Potomac and Rappahannock Transportation Commission (PRTC) for the benefit of the various member jurisdictions and the activity for the year ended June 30, 2020. Total funds available reconcile to amounts reported on the statement of net position as follows:

Cash and investments in pooled funds - member jurisdictions	$ 15,728,773
Due from other governments - Motor fuel tax revenue receipts (see Note 4)	4,634,069
Due to other governments - member jurisdictions (see Note 4)	(172,516)
	$ 20,190,326

Note 2 - Expenses for other jurisdictional projects consist of:

Road improvements/maintenance	$ -	$ -	$ 85,000	$ -	$ 2,190,417	$ -	$ 2,275,417
Airport; human services transportation	-	-	-	-	437,106	-	437,106
FRED transit costs	-	-	-	-	1,891,092	383,072	2,274,164
Transportation salaries/benefits; debt service	-	-	-	-	-	4,054,874	4,054,874
	$ -	$ -	$ 85,000	$ -	$ 4,518,615	$ 4,437,946	$ 9,041,561

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

SCHEDULE OF EXPENDITURES OF STATE AWARDS
Year Ended June 30, 2020

State Granting Agency	State Grant Number	Expenditures
Direct Payments:		
Virginia Department of Rail and Public Transportation:		
Operating Assistance	72020-27; 72120-27	$ 5,949,744
Commuter Assistance	71020-11; 71420-14;72519-15	143,214
Transportation Intern	71220-05	20,672
I-95 Transit and TDM Bus Services	72020-61; 72020-62; 72020-63	638,097
I-395 Transit and TDM Bus Services	72518-15	44,897
I-66 TMP Bus Services	72518-12	11,746
Vanpool Program	71118-05;72518-10	595,551
WMATA Platform Improvement Project	71319-10	77,332
Capital - FY 15	73115-03	4,061
Capital - FY 16	73116-05	944,298
Capital - FY 18	73018-77	230,268
Capital - FY 19	72519-14	1,464
Capital - FY 19	72519-18	10,986,709
Capital - FY 19	73019-50	9,574
Capital - FY 19	73019-56	16,368
Capital - FY 19	73019-57	180
Capital - FY 19	73019-83	288,647
Capital - FY 19	50014-01	5,461,011
Capital - FY 20	72520-25	21,432
Capital - FY 20	73020-50	101,528
Capital - FY 20	73020-51	9,999
Capital - FY 20	73020-52	58,222
Capital - FY 20	73020-53	141,462
Capital - FY 20	73020-54	3,311
		25,759,787
Northern Virginia Transportation Commission:		
Dale City to Ballston Bus Service		27,281
Gainesville to Pentagon/DC Bus Service		171,081
Haymarket to Rosslyn Bus Service		57,688
Linton Hall Metro Express Bus Service		57,971
Prince William Metro Express Bus Service		120,952
Route 1 OmniRide Local Bus Service		149,450
Stafford to Pentagon/DC Bus Service		215,602
		800,025
Virginia Department of Transportation:		
Congestion Mitigation & Air Quality (Employer Outreach)		15,242
Total State Awards Expended		$ 26,575,054

Notes:

(1) State funds of $525,890 from 72518-11 and $516,682 from 72520-24 classified as farebox revenue on Comparative Statements of Revenues, Expenses, and Changes in Net Assets for Bus Service and Member Jurisdictions.

COMPLIANCE SECTION

INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Honorable Commission Board Members
Potomac and Rappahannock Transportation Commission

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions,* issued by the Auditor of Public Accounts of the Commonwealth of Virginia; the financial statements of the business-type activities and each major fund of the Potomac and Rappahannock Transportation Commission (Commission), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated November 19, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PBMares, LLP

Harrisonburg, Virginia
November 19, 2020

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

REPORT TO THE HONORABLE COMMISSION BOARD MEMBERS

DECEMBER 3, 2020

PBMares SM

ASSURANCE, TAX & ADVISORY SERVICES

December 3, 2020

To the Honorable Commission Board Members
Potomac and Rappahannock Transportation Commission
Woodbridge, Virginia

We are pleased to present this report related to our audit of the financial statements and compliance of the Potomac and Rappahannock Transportation Commission (Commission) for the year ended June 30, 2020. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Commission's financial and compliance reporting process.

This report is intended solely for the information and use of Commission Board Members and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to the Commission.

PBMares, LLP

PBMares, LLP

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

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POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

REQUIRED COMMUNICATIONS
Year Ended June 30, 2020

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication with Those Charged with Governance)* require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the basic financial statement audit and compliance reporting process, as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial and compliance reporting process.

Area	Comments
Our Responsibilities With Regard to the Financial Statement and Compliance Audit	Our responsibility under auditing standards generally accepted in the United States of America; *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of the Single Audit Act; Subpart F of Title 2 U.S. CFR Part 200, Uniform Guidance; and *Specifications for Audits of Authorities, Boards and Commissions* provided by the Auditor of Public Accounts of the Commonwealth of Virginia has been described to you in our arrangement letter dated September 16, 2020. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.
Overview of the Planned Scope and Timing of the Financial Statement and Compliance Audit	We have issued a separate communication dated September 16, 2020 regarding the planned scope and timing of our audit and have discussed with you our identification of and planned audit response to significant risks of material misstatement.
Accounting Policies and Practices	**Preferability of Accounting Policies and Practices** Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice. **Adoption of, or Change in, Accounting Policies** Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Commission. The Commission adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance,* in the current year. At June 30, 2020, GASB issued several statements not yet implemented by PRTC. The statements which might impact PRTC are included in the separately issued Management Letter.

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

REQUIRED COMMUNICATIONS (Continued)
Year Ended June 30, 2020

Area	Comments
Accounting Policies and Practices (Continued)	**Significant or Unusual Transactions** We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. **Management's Judgments and Accounting Estimates** Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached Summary of Significant Accounting Estimates.
Audit Adjustments	There were no audit adjustments made to the original trial balance presented to us to begin our audit.
Uncorrected Misstatement	We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.
Disagreements with Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations with Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed with Management	No significant issues arising from the audit were discussed or were the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	We did not encounter any significant difficulties in dealing with management during the audit.
Significant Written Communications Between Management and Our Firm	Copies of material communications between our firm and management of the Commission, including the representation letter provided to us by management, are attached as Exhibit A.

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

SUMMARY OF SIGNIFICANT ACCOUNTING ESTIMATES
Year Ended June 30, 2020

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following describes the significant accounting estimates reflected in the Commission's June 30, 2020 financial statements:

Estimate	Accounting Policy	Management's Estimation Process	Basis for Our Conclusions on Reasonableness of Estimate
Capital Assets	Estimated lives of amortizable and depreciable assets	Management assigns lives to assets purchased or constructed internally based on the expected useful life of those assets or the product associated with those assets.	Management's approach to depreciation and amortization is consistent with practices of similar organizations. While these estimates are based on historical information, management should continue to monitor the lives assigned to the Commission's assets to ensure the recovery period of these costs are accurate.
Pension Liability and Other Postemployment Benefits (OPEB)	Pension and OPEB (assets) liabilities and costs for financial accounting and disclosure purposes	Management recognizes pension and OPEB (assets) liabilities based on market trends and industry standards.	Management's approach to recognizing pension and OPEB (assets) liabilities appears reasonable with accepted practice. While these estimates are based on assumptions provided by market trends and industry standards, management should monitor these estimates and compare to actual costs over time.

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

SUMMARY OF SIGNIFICANT ACCOUNTING ESTIMATES (Continued)
Year Ended June 30, 2020

Estimate	Accounting Policy	Management's Estimation Process	Basis for Our Conclusions on Reasonableness of Estimate
Inventory Valuation	Valuation assigned to inventory	Management values inventory using the first-in, first-out method. Inventory is stated at cost, which approximates market value.	While some of the items valued in inventory are based on reasonable and accurate prices, management should monitor these items to ensure values assigned to inventory items are adjusted accordingly to reflect market value.
Receivables	Allowance for doubtful accounts	Management records an allowance for uncollectible accounts based on an analysis of historical write-offs and collections to arrive at an overall assessment of whether past due accounts will be collected.	Management's approach to estimating uncollectable accounts is reasonable and consistent with prior periods. While these estimates are based on sound financial information, management should monitor these estimates and compare the actual collections of these revenues to ensure the accuracy of these estimates.

Exhibit A – Significant Written Communications between Management and Our Firm

Arrangement Letter

September 16, 2020

Potomac and Rappahannock Transportation Commission
14700 Potomac Mills Road
Woodbridge, Virginia 22192-2730

Attention: Robert Schneider, Executive Director

The Objective and Scope of the Audit of the Financial Statements

You have requested we audit Potomac and Rappahannock Transportation Commission's (Commission) two business-type activities and each major fund as of and for the year ended June 30, 2020, which collectively comprise the basic financial statements. Also, the required supplementary information (RSI) and supplementary information presented in relation to the financial statements taken as a whole will be subjected to the auditing procedures applied in our audit of the basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

We will also perform the audit of the Commission as of June 30, 2020 so as to satisfy the audit requirements imposed by the Single Audit Act and Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The Responsibilities of the Auditor

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); *Government Auditing Standards* issued by the Comptroller General of the United States (GAS); the provisions of the Single Audit Act; Subpart F of Title 2 U.S. CFR Part 200, Uniform Guidance; the U.S. Office of Management and Budget's (OMB) Compliance Supplement; and the *Specifications for Audits of Authorities, Boards, and Commissions*, provided by the Auditor of Public Accounts for the Commonwealth of Virginia. Those standards, regulations, supplement, and specifications require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements. The determination of abuse is subjective; therefore, GAS does not expect us to provide reasonable assurance of detecting abuse.

In making our risk assessments, we consider internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate to the Commission (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

The funds you have told us are maintained by the Commission and that are to be included as part of our audit are listed here:

I. Bus Service and Member Jurisdictions

II. Commuter Rail Service

No component units are to be included in the Commission's basic financial statements.

The federal financial assistance programs and awards you have told us the Commission participates in and are to be included as part of the single audit are listed on Attachment A.

We are responsible for the compliance audit of the major programs under the Uniform Guidance, including the determination of major programs, the consideration of internal control over compliance, and reporting responsibilities.

Our reports on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of updating our understanding of internal control and performing tests of internal control consistent with requirements of the standards, regulations, supplement, and specifications identified above. Our reports on compliance matters will address material errors, fraud, abuse, violations of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed by contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with requirements of the standards, regulations, supplement, and specifications identified above.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;

2. To evaluate subsequent events through the date the financial statements are issued or available to be issued and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees they will not conclude on subsequent events earlier than the date of the management representation letter referred to below;

3. For the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;

4. For establishing and maintaining effective internal control over financial reporting, and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;

5. For report distribution; and

6. To provide us with:

    a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;

    b. Additional information we may request from management for the purpose of the audit; and

    c. Unrestricted access to persons within the Commission from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and, when appropriate, those charged with governance written confirmation concerning representations made to us in connection with the audit, including, among other items, that:

1. Management has fulfilled its responsibilities as set out in the terms of this letter; and

2. It believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for identifying and ensuring the Commission complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud or abuse, and for informing us about all known or suspected fraud or abuse affecting the Commission involving management, employees who have significant roles in internal control, and others where the fraud or abuse could have a material effect on the financial statements or compliance. Management is also responsible for informing us of its knowledge of any allegations of fraud or abuse or suspected fraud or abuse affecting the Commission received in communications from employees, former employees, analysts, regulators, or others.

Management is responsible for the preparation of the RSI and supplementary information presented in relation to the financial statements as a whole in accordance with accounting principles generally accepted in the United States of America. Management agrees to include the auditor's report on the RSI and supplementary information in any document that contains the RSI and supplementary information and indicates that the auditor has reported on such RSI and supplementary information. Management also agrees to present the RSI and supplementary information with the audited financial statements or, if the RSI and supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the RSI and supplementary information no later than the date of issuance of the RSI and supplementary information and the auditor's report thereon.

Because the audit will be performed in accordance with the Single Audit Act and the Uniform Guidance, management is responsible for (a) identifying all federal awards received; (b) preparing the Schedule of Expenditures of Federal Awards (including notes and noncash assistance received) in accordance with Uniform Guidance requirements; (c) internal control over compliance; (d) compliance with federal statutes, regulations and the terms and conditions of federal awards; (e) making us aware of significant vendor relationships where the vendor is responsible for program compliance; (f) following up and taking corrective action on audit findings, including the preparation of a summary schedule of prior audit findings and a corrective action plan; and (g) submitting the reporting package and data collection form.

The Executive Committee is responsible for informing us of its views about the risks of fraud or abuse within the Commission, and its knowledge of any fraud or abuse or suspected fraud or abuse affecting the Commission.

Our association with an official statement is a matter for which separate arrangements will be necessary. The Commission agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed. In the event our auditor/client relationship has been terminated when the Commission seeks such consent, we will be under no obligation to grant such consent or approval.

The Commission agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, the Commission agrees to contact us before it includes our reports, or otherwise makes reference to us, in any public or private securities offering.

Records and Assistance

If circumstances arise relating to the condition of the Commission's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

During the course of our engagement, we may accumulate records containing data that should be reflected in the Commission's books and records. The Commission will determine all such data, if necessary, will be so reflected. Accordingly, the Commission will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by Commission personnel, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with Joyce Embrey, Director of Finance and Administration. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

In connection with our audit, you have requested us to perform certain non-audit services necessary for the preparation of the financial statements, including drafting the financial statements. The GAS independence standards require the auditor maintain independence so that opinions, findings, conclusions, judgments and recommendations will be impartial and viewed as impartial by reasonable and informed third parties. Before we agree to provide a non-audit service to the Commission, we determine whether providing such a service would create a significant threat to our independence for GAS audit purposes, either by itself or in aggregate with other non-audit services provided. A critical component of our determination is considerations of management's ability to effectively oversee the non-audit services to be performed. The Commission has agreed Joyce Embrey, Director of Finance and Administration, possesses suitable skill, knowledge and experience and she understands the services to be performed sufficiently to oversee them. Accordingly, the management of the Commission agrees to the following:

1. The Commission has designated Joyce Embrey, Director of Finance and Administration, as a senior member of management who possesses suitable skill, knowledge and experience to oversee the services;

2. Joyce Embrey, Director of Finance and Administration, will assume all management responsibilities for subject matter and scope of the non-audit services;

3. The Commission will evaluate the adequacy and results of the services performed; and

4. The Commission accepts responsibility for the results and ultimate use of the services.

GAS further requires we establish an understanding with the Commission's management and those charged with governance of the objectives of the non-audit services, the services to be performed, the Commission's acceptance of its responsibilities, the auditor's responsibilities and any limitations of the non-audit services. We believe this letter documents that understanding.

Other Relevant Information

PBMares, LLP may mention the Commission's name and provide a general description of the engagement in PBMares, LLP's client lists and marketing materials.

From time to time and depending upon the circumstances, we may use third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with all third-party service providers and we are satisfied that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others.

In accordance with GAS, a copy of our most recent peer review report can be located on our website at www.pbmares.com.

Fees, Costs, and Access to Workpapers

Our fees for the audit and accounting services described above are not expected to exceed $73,500. Our fee estimate and completion of our work are based upon the following criteria:

1. Anticipated cooperation from Commission personnel.

2. Timely responses to our inquiries.

3. Timely completion and delivery of client assistance requests.

4. Timely communication of all significant accounting and financial reporting matters.

5. The assumption unexpected circumstances will not be encountered during the engagement.

If any of the aforementioned criteria are not met, then fees may increase. Fees may also increase based on the extent of accounting services and other assistance required to render a complete set of financial statements. Interim billings will be submitted as work progresses and as expenses are incurred. Billings are due upon submission. Amounts not paid within thirty days from the invoice date(s) will be subject to a late payment charge of 1.5% per month (18% per year).

In the event you or PBMares, LLP terminates this engagement early, you agree that you will pay PBMares, LLP for all services rendered (including deliverables and products delivered), expenses, and commitments made by PBMares, LLP through the effective date of termination at our standard professional rates.

Our professional standards require we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, the Commission agrees it will compensate PBMares, LLP for any additional costs incurred as a result of the Commission's employment of a partner or professional employee of PBMares, LLP.

The audit documentation for this engagement is the property of PBMares, LLP and constitutes confidential information.

Review of audit documentation by a successor auditor or as part of due diligence will be agreed to, accounted for and billed separately.

In the event we are requested or authorized by the Commission or are required by government regulation, subpoena or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the Commission, the Commission will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

The documentation for this engagement is the property of PBMares, LLP. However, you acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the audit documentation upon their request and that we shall maintain the audit documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to requested documentation will be provided under the supervision of PBMares, LLP audit personnel and at a location designated by our firm.

Other Terms

While there is an attorney-client privilege, there is no accountant-client privilege. Accordingly, any information that you provide to us is subject to discovery. Unless prohibited by law, we will notify you if we receive any subpoena, or other third-party request for our information and/or records concerning you. If you direct us to disclose the requested information, we will comply with the subpoena and, in the case of a third-party request, we will need you to sign a form authorizing the disclosure. If you do not direct us to disclose the requested information, we will engage counsel to protect your interest in non-disclosure. In either event, we will bill you for all of our costs associated with complying with your directions. Our bill will include, in addition to our then standard fees and charges and, by way of illustration only, our attorney's fees, court costs, outside advisor's costs, penalties, and fines imposed because of our non-disclosure.

We reserve the right to withdraw from this engagement without completing our services for any reason, including, but not limited to, your failure to comply with the terms of this arrangement letter, or as we determine professional standards require.

If any portion of this engagement letter is deemed invalid or unenforceable, such a finding shall not invalidate the remainder of the terms set forth in this engagement letter.

Dispute Resolution

If any dispute other than fees arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties. You and we consent to personal jurisdiction, both for mediation and/or litigation, of the Federal District Court, Eastern District of Virginia, sitting in Richmond, Virginia, or the Richmond Circuit Court. Participation in such mediation shall be a condition to either of us initiating litigation. In order to allow time for the mediation, any applicable statute of limitations shall be tolled for a period not to exceed 120 days from the date either of us first requests in writing to mediate the dispute. The mediation shall be confidential in all respects, as allowed or required by law, except our final settlement positions at mediation shall be admissible in litigation solely to determine the prevailing party's identity for purposes of the award of attorneys' fees.

The parties hereto both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. The arbitration shall take place in Richmond, Virginia. Any award rendered by the Arbitrator pursuant to this Agreement may be filed and entered and shall be enforceable in the Superior Court of the County in which the arbitration proceeds. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees charged by the accountant, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury, and instead we are accepting the use of arbitration for resolution.

Information Security – Miscellaneous Terms

PBMares, LLP is committed to the safe and confidential treatment of the Commission's proprietary information. PBMares, LLP is required to maintain the confidential treatment of client information in accordance with relevant industry professional standards which govern the provision of services described herein. The Commission agrees that it will not provide PBMares, LLP with any unencrypted electronic confidential or proprietary information, and the parties agree to utilize commercially reasonable measures to maintain the confidentiality of Commission information, including the use of collaborate sites to ensure the safe transfer of data between the parties.

Reporting

We will issue a written report upon completion of our audit of the Commission's financial statements. Our report will be addressed to the Honorable Commission Board Members. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph, or withdraw from the engagement.

In addition to our report on the Commission's financial statements, we will also issue the following types of reports:

1. A report on the fairness of the presentation of the Commission's schedule of expenditures of federal awards for the year ending June 30, 2020;

2. Reports on internal control related to the financial statements and major programs. These reports will describe the scope of testing of internal control and the results of our tests of internal control;

3. Reports on compliance with laws, regulations, and the provisions of contracts or grant agreements. We will report on any noncompliance that could have a material effect on the financial statements and any noncompliance that could have a material effect, as defined by Subpart F of Title 2 U.S. CFR Part 200, Uniform Guidance, on each major program; and

4. An accompanying schedule of findings and questioned costs.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this agreement or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (i) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (ii) an electronic copy of a traditional signature affixed to a document, (iii) a signature incorporated into a document utilizing touchscreen capabilities, or (iv) a digital signature. This agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

This letter constitutes the complete and exclusive statement of agreement between PBMares, LLP and the Commission, superseding all proposals, oral or written, and all other communications with respect to the terms of the engagement between the parties.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

Sincerely,

PBMares, LLP

Dwight Buracker

Dwight A. Buracker, Partner

Confirmed on behalf of the Potomac and Rappahannock Transportation Commission:

Signature _____ Date 9/22/20

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

ATTACHMENT A
Year Ending June 30, 2020

Federal Grantor/State Pass-Through Grantor/ Program Title	Federal CFDA Number
DEPARTMENT OF TRANSPORTATION:	
Direct payments:	
Federal Transit Cluster:	
Capital Investment Grants	20.500
Formula Grants	20.507
Coronavirus Aid, Relief, and Economic Security (CARES) Act (Section 5307)	20.507
State of Good Repair Grants Program	20.525
Bus and Bus Facilities Formula and Discretionary Programs (Bus Program)	20.526
Pass-through payments:	
Virginia Department of Transportation:	
Highway Planning and Construction Cluster:	
Highway Planning and Construction (Federal Highway)	20.205
Virginia Department of Rail and Public Transportation:	
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505

Representation Letter

OMNIRIDE
GET THERE SMARTER

November 19, 2020

PBMares, LLP
558 South Main Street
Harrisonburg, Virginia 22801

This representation letter is provided in connection with your audit of the basic financial statements of Potomac and Rappahannock Transportation Commission (Commission) as of and for the year ended June 30, 2020 for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of November 19, 2020, the following representations made to you during your audit:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated September 16, 2020, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.

2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements free from material misstatement, whether due to fraud or error.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take.

5. Related party transactions, including those with the Virginia Railway Express, a joint venture in which the Commission has a material financial interest, and Prince William County, as defined in Section 2100 of the Governmental Accounting Standards Board's Codification of Governmental Accounting and Financial Reporting Standards, and interfund transactions, including interfund accounts and advances receivable and payable, sale and purchase transactions, interfund transfers, long-term loans, leasing arrangements, and guarantees, have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

6. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

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7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP, if any.

8. The following have been properly recorded and/or disclosed in the financial statements:

   a. Guarantees whether written or oral, under which the Commission is contingently liable.

   b. The fair value of investments.

   c. Amounts of contractual obligations for construction and purchase of real property or equipment not included in the liabilities or encumbrances recorded on the books.

   d. Debt issue provisions.

   e. Leases and material amounts of rental obligations under long-term leases.

   f. The effect on the financial statements of GASB Statement No. 87, *Leases,* GASB Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61,* GASB Statement No. 91, *Conduit Debt Obligations,* GASB Statement No. 92, *Omnibus 2020,* GASB Statement No. 93, *Replacement of Interbank Offered Rates*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements,* GASB Statement No. 96, *Subscription-Based information Technology Arrangements*, and GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32,* which have been issued, but which we have not yet adopted.

   g. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.

   h. Assets and liabilities measured at fair value.

   i. Significant estimates and material concentrations known to management which are required to be disclosed.

9. We have no plans or intentions that may materially affect the carrying value or classification of assets. In that regard:

   a. The Commission has no significant amounts of idle property and equipment.

   b. The Commission has no plans or intentions to discontinue the operations of any activities or programs or to discontinue any significant operations.

   c. Provision has been made to reduce applicable assets that have permanently declined in value to their realizable values.

   d. We have reviewed long-lived assets and certain identifiable intangibles to be held and used for impairment whenever events or changes in circumstances have indicated that the carrying amount of the assets might not be recoverable and have appropriately recorded the adjustment.

10. We are responsible for making the accounting estimates included in the financial statements. Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take. In that regard, adequate provisions have been made:

    a. To reduce receivables to their estimated net collectable amounts.

    b. To reduce obsolete, damaged, or excess inventories to their estimated net realizable values.

    c. For pension obligations, post-retirement benefits other than pensions, and deferred compensation agreements attributable to employee services rendered through June 30, 2020.

11. There are no:

    a. Material transactions that have not been properly recorded in the accounting records underlying the financial statements.

    b. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency. In that regard, we specifically represent we have not been designated as, or alleged to be, a "potentially responsible party" by the Environmental Protection Agency in connection with any environmental contamination.

    c. Violations (and possible violations) of laws, regulations, and provisions of contracts and grant agreements whose effects should be considered for disclosure in the auditor's report on noncompliance.

    d. Agreements to repurchase assets previously sold.

    e. Security agreements in effect under the Uniform Commercial Code.

    f. Liens or encumbrances on assets or revenues or any assets or revenues which were pledged as collateral for any liability or which were subordinated in any way.

    g. Liabilities which are subordinated in any way to any other actual or possible liabilities.

    h. Debt issue repurchases options or agreements, or sinking fund debt repurchases ordinance requirements.

    i. Risk financing activities.

    j. Derivative financial instruments.

    k. Arbitrage rebate liabilities.

    l. Impaired capital assets.

    m. Risk retentions, including uninsured losses or loss retentions (deductibles) attributable to events occurring through June 30, 2020 and/or for expected retroactive insurance premium adjustments applicable to periods through June 30, 2020.

    n. Material losses to be sustained in the fulfillment of, or from the inability to fulfill, any service commitments.

o. Material losses to be sustained as a result of purchase commitments.

p. Environmental clean up obligations.

q. Authorized but unissued bonds and/or notes.

r. Line of credit or similar arrangements.

12. We have no direct or indirect, legal or moral obligation for any debt of any organization, public or private, or to special assessment bond holders that is not disclosed in the financial statements.

13. The Commission has satisfactory title to all owned assets.

14. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

15. Net position components (net investment in capital assets, restricted; and unrestricted), are properly classified and, when applicable, approved.

16. Expenses have been appropriately classified in the Statement of Revenues, Expenses and Changes in Net Position.

17. Revenues are appropriately classified in the Statement of Revenues, Expenses and Changes in Net Position.

18. Capital assets, including intangibles, are properly capitalized, reported, and depreciated or amortized.

19. We have no knowledge of any uncorrected misstatements in the financial statements.

20. We agree with the findings of the specialist in evaluating the assertions found in Footnote 12, Pension Plan, Footnote 13, Other Postemployment Benefits Plan – Group Life Insurance Program, and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to the specialist with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialist.

Information Provided

21. We have provided you with:

a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters.

b. Additional information that you have requested from us for the purpose of the audit.

c. Unrestricted access to persons within the Commission from whom you determined it necessary to obtain audit evidence.

d. Minutes of the meetings of the governing body and committees of the board, or summaries of actions of recent meetings for which minutes have not yet been prepared.

22. All transactions have been recorded in the accounting records and are reflected in the financial statements.

23. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.

24. We have no knowledge of allegations of fraud or suspected fraud, affecting the Commission's financial statements involving:

    a. Management.

    b. Employees who have significant roles in the internal control.

    c. Others where the fraud could have a material effect on the financial statements.

25. We have no knowledge of any allegations of fraud or suspected fraud affecting the Commission's financial statements received in communications from employees, former employees, analysts, regulators, or others.

26. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.

27. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

28. We are aware of no significant deficiencies, including material weaknesses in the design or operation of internal controls that could adversely affect the Commission's ability to record, process, summarize, and report financial data.

29. We have disclosed to you the identity of the Commission's related parties and all the related-party relationships and transactions of which we are aware.

30. We have informed you of all communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

31. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Supplementary Information

32. With respect to supplementary information presented in relation to the financial statements as a whole:

    a. We acknowledge our responsibility for the presentation of such information.

    b. We believe such information, including its form and content, is fairly presented in accordance with U.S. GAAP.

    c. The methods of measurement or presentation have not changed from those used in the prior period.

Required Supplementary Information

33. With respect to the Management's Discussion and Analysis and Required Supplementary Information presented as required by the Governmental Accounting Standards Board to supplement the basic financial statements:

    a. We acknowledge our responsibility for the presentation of such required supplementary information.

    b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by U.S. GAAP.

    c. The methods of measurement or presentation have not changed from those used in the prior period.

    d. All underlying significant assumptions or interpretations are presented in the financial statements.

Compliance Considerations

In connection with your audit, conducted in accordance with *Government Auditing Standards,* we confirm management:

34. Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.

35. Is responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the Commission.

36. Has not identified any instances that have occurred or are likely to have occurred of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

37. Has not identified any instances that have occurred or are likely to have occurred of noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of financial statement amounts.

38. Has not identified any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements.

39. Is responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

40. Acknowledges its responsibility for the design, implementation, and maintenance of internal controls to prevent and detect fraud.

41. Has a process to track the status of audit findings and recommendations.

42. Acknowledges its responsibilities as it relates to non-audit services (such as drafting the financial statements) performed by the auditor, including a statement that it assumes all management responsibilities; that it oversees the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and experience; that it evaluates the adequacy and results of the services performed; and that it accepts responsibility for the results of the services.

POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

Robert A. Schneider, PhD Executive Director	11/19/2020 Date Signed
Joyce Embrey Director of Finance and Administration	11/19/2020 Date Signed

November 19, 2020

To the Honorable Commission Board Members
Potomac and Rappahannock Transportation Commission
Woodbridge, Virginia

In connection with our audit of the financial statements of the Potomac and Rappahannock Transportation Commission ("PRTC" or the "Commission") for the year ended June 30, 2020, we are recommending the following comment as a constructive suggestion for your consideration.

New GASB Pronouncements

As of June 30, 2020, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the Commission. The statements which might impact the Commission are as follows:

Statement No. 87, *Leases*

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this Statement.

The requirements of Statement No. 87 are effective for reporting periods beginning after June 15, 2021.

Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*

The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

Statement No. 91, *Conduit Debt Obligations*

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

The requirements of Statement No. 91 are effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 92, *Omnibus 2020*

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics, including intra-entity transfers, the effective date of No. 87, *Leases*, the applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits, the applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements, measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature, terminology used to refer to derivative instruments.

Statement No. 92 will be effective for fiscal years beginning after June 15, 2021.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*

The objective of this statement is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate-most notably, the London Interbank Offered Rate (LIBOR), which is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

Portions of Statement No. 93 will be effective for fiscal years beginning after June 15, 2020, June 15, 2021, and December 31, 2021.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based information Technology Arrangements*

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*

The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement will be effective for fiscal years beginning after June 15, 2021.

This report is intended solely for the information and use of management, the Commission, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

If you have any questions concerning any of these items or if we can be of further assistance, please contact us. We thank you for the opportunity to conduct your audit for the year ended June 30, 2020 and express our appreciation to everyone for their cooperation during this engagement.

PBMares, LLP

PBMares, LLP

ITEM 11.2
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: **AUTHORIZATION TO APPLY FOR AND ACCEPT FUNDING FOR FY2022 – FY2023 I-395 COMMUTER CHOICE PROJECTS**

ACTION:

WHEREAS, the Northern Virginia Transportation Commission (NVTC) has issued a call for projects for the FY2022 - FY2023 I-395 Commuter Choice program; and

WHEREAS, management has identified and prioritized seven (7) suitable projects; and

WHEREAS, management will advise the Commission on the selection of any proposed projects; and

WHEREAS, Commission authorization is required of all applications; and

WHEREAS, Commission endorsement of project prioritization is required of all applications; and

WHEREAS, execution of a funding agreement, in a form approved by legal counsel, is necessary to receive any project funding.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the Executive Director to apply for and accept funding from the FY2022 - FY2023 I-395 Commuter Choice programs.

BE IT FURTHER RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby endorse management's prioritization of proposed projects.

Votes:
Ayes:
Nays:
Abstain:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

January 7, 2021

TO: Chair Franklin and PRTC Commissioners

FROM: Joseph Stainsb
Chief Development Officer

THROUGH: Robert A. Schneider, PhD
Executive Director

SUBJECT: Authorization to Apply for and Accept Funding for FY2022 – FY2023 I-395 Commuter Choice Projects

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Recommendation:

Authorize the Executive Director to apply for and accept funding for FY2022-2023 I-395 Commuter Choice projects and endorse management's prioritization of projects.

Background:

In November 2020 the Northern Virginia Transportation Commission (NVTC) issued a call for projects to be funded under next year's I-395 Commuter Choice program. NVTC has developed an evaluation and selection process for proposed projects. This process includes the formation of an evaluation working group, which PRTC staff has been a participant in. Funding for selected projects would be available July 1, 2021.

OmniRide's proposed projects are intended to provide additional commuter options in the I-395 corridor. It should be noted that current I-395 Commuter Choice policy is that applications for transit operating assistance are for two (2) years at a time. After the first five years of 100 percent funding, the funding percentage decreases. Projects are eligible for up to eight (8) years of transit operations funding.

Applicants have been asked to prioritize their proposed projects so that agency or jurisdictional priorities can be considered in the evaluation process.

The following are the proposed projects listed in order of management's priority:

1. Continued funding for two (2) additional morning and evening trips on the Dale City-Pentagon-Rosslyn-Ballston route. The continued operation of two (2) additional morning

and evening commuter express trips between Dale City and Pentagon, Rosslyn, and Ballston will allow for continued enhanced services along the I-395 express lanes. This service connects major commuter lots in Prince William County with employment centers in and around the Pentagon, as well as along the Rosslyn/Ballston corridor. This service would cost approximately $300,000 over two years. If approved this project is eligible for 100 percent funding.

2. Continued funding of commuter express service from Staffordboro Commuter Lot to the Pentagon. The continued operation of peak service between Stafford County and the Pentagon will allow the service to grow its ridership base by providing enhanced mobility in the I-395 express lanes, providing commuting alternatives to the Pentagon with connections to the Metrorail system, as well as other OmniRide commuter services. This service also takes pressure from Prince William County commuter lots and allows for additional utilization of those lots by having expanded commuter operations along the I-95 corridor. This service would cost approximately $700,000 over two years. If approved this project is eligible for 100 percent funding.

3. Continued funding of commuter express service from Staffordboro Commuter Lot to downtown Washington, DC. The continued operations of peak service between Stafford County and downtown Washington, DC will allow the service to grow its ridership base by providing enhanced mobility in the I-395 express lanes, providing direct service into downtown Washington, DC and also provide connectivity with the Metrorail system, as well as other regional transit services. This service would cost approximately $975,000 over two years. If approved this project is eligible for 100 percent funding.

4. Additional Corridor Incentive. This project would provide an additional $400 per month to vanpools that utilize the corridor and are enrolled in the Vanpool Alliance program. Vanpools have seen a significant decline in the region due to pandemic related telecommuting. This additional incentive is designed to stimulate vanpooling in northern Virginia. The estimated cost is $210,000 over two years.

5. Vanpool Parking Benefit. This project would provide an additional payment of $200 per month for new vanpools that serve the I-395 corridor and are enrolled in the Vanpool Alliance program. This project was suggested by the members of the OmniRide/Vanpool Alliance Vanpool Council and is based on the successful new vanpool incentive administered by Vanpool Alliance with funding from the Vanpool!VA program. The total funding request is $200,000 over two years. This project would dovetail with an already existing identical program for I-66 that has already been approved. The two projects would

operate concurrently to effectively cover Virginia based commuting routes into the District of Columbia.

6. Continued funding of additional peak service on Prince William Metro Express. The continued operation of additional peak service between Woodbridge, Potomac Mills, the Horner Road Commuter Lot, and Franconia-Springfield Metro Station provides enhanced mobility for commuters and local residents alike. These services provide connectivity to not only the Metrorail system, but to regional bus systems that allow for easier access to employment in Fairfax County, Alexandria, and Arlington. This service would cost approximately $475,000 over two years. If approved this project is eligible for 100 percent funding.

7. Continued funding of additional peak service for OmniRide local service along the Route 1 corridor. The continued operation of additional peak services is between the southern end of Route 1 near Quantico and the Woodbridge VRE station. This increased frequency provides needed access to many residential and employment locations in the corridor, connecting residents to NOVA Woodbridge, medical appointments, other OmniRide local and commuter routes, and to the VRE. This service would cost approximately $560,000 over two years. If approved this project is eligible for 100 percent funding.

Management will provide updates to the Commission as the project selection process progresses. If one or more of the projects is selected for funding it will be necessary to execute funding agreements for Commuter Choice projects. The related resolution will authorize the Executive Director to execute a funding agreement without returning to the Commission for further authorization under a subsequent resolution.

Fiscal Impact:
The Commuter Choice Program will provide 100 percent of the funding for selected projects.

<u>PRTC Chair's Time</u>

12.1 Election of the Potomac and Rappahannock Transportation Commission Officers for 2021

12.2 Concur with Member Jurisdiction Appointments to the Virginia Railway Express Operations Board

ITEM 12.1
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: ELECTION OF THE POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION OFFICERS FOR 2021

WHEREAS, the Potomac and Rappahannock Transportation Commission ("PRTC" or "Commission") Bylaws require the election of PRTC Officers at its annual meeting in January by Commission resolution; and

WHEREAS, the Bylaws state the Officers shall consist of a Chair, a Vice Chair, a Secretary, a Treasurer, the Immediate Past Chair, and such officers At-Large; and

WHEREAS, the Immediate Past Chair office shall be vacant in 2021 therefore an additional At-Large officer is being recommended; and

WHEREAS, the Commission elected a Nominating Committee tasked with preparing recommendations for PRTC Officers for election at its annual meeting held in January; and

WHEREAS, the Nominating Committee is recommending the following Commissioners be elected as PRTC Officers; and

Chair	Margaret Franklin, Prince William County
Vice Chair	Jeanette Rishell, City of Manassas Park
Secretary	Pamela Sebesky, City of Manassas
Treasurer	Deborah Frazier, Spotsylvania County
At-Large	Andrea Bailey, Prince William County
At-Large	Cindy Shelton, Stafford County

WHEREAS, Commissioners are afforded the opportunity to submit further nominations at the meeting.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby elect the recommended PRTC Officers for 2021 as presented/amended.

Votes:
Ayes:
Abstain:
Nays:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

ITEM 12.2
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: CONCUR WITH MEMBER JURISDICTION APPOINTMENTS TO THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, the Potomac and Rappahannock Transportation Commission ("PRTC" or "Commission") Bylaws require PRTC to concur with member jurisdictions' appointments to the Virginia Railway Express (VRE) Operations Board at PRTC's annual meeting by Commission resolution; and

WHEREAS, membership by jurisdiction on the VRE Operations Board, in accordance with the provisions of the VRE Master Agreement, will consist of three (3) elected officials representing Prince William County, two (2) representing Stafford County, one (1) representing Spotsylvania County, one (1) each representing the cities of Fredericksburg, Manassas, and Manassas Park and a comparable number of Alternates, who must also be elected officials; and

WHEREAS, the recommended PRTC Board representatives to the VRE Operations Board include:

Members	Alternates
Prince William County	
Appointment Pending	Appointment Pending
Appointment Pending	Appointment Pending
Appointment Pending	Appointment Pending
Stafford County	
Meg Bohmke	Appointment Pending
Cindy Shelton	Appointment Pending
City of Fredericksburg	
Matt Kelly	Jason Graham
City of Manassas	
Ralph Smith	Pamela Sebesky
City of Manassas Park	
Appointment Pending	Appointment Pending
Spotsylvania County	
Gary Skinner	Deborah Frazier

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby concur with its member jurisdiction appointments to the VRE Operations Board as presented/amended.

<u>Votes</u>:
Ayes:
Abstain:
Nays:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

ITEM 13

Other Business/Commissioners' Time

ITEM 14

Adjournment

COMMISSION MEETING SCHEDULE 2021

PRTC Commission Meetings are held on the first Thursday of the month at 7:00pm in the second floor conference room of the OmniRide Transit Center, unless otherwise noted.

14700 Potomac Mills Road, Woodbridge, VA 22192

POTOMAC & RAPPAHANNOCK TRANSPORTATION COMMISSION

JANUARY 14

FEBRUARY 11

MARCH 4

APRIL 1

MAY 6

JUNE 3

JULY 8

AUGUST
BOARD RECESS - NO MEETING

SEPTEMBER 2

OCTOBER 7

NOVEMBER 4

DECEMBER 2

Executive Committee and Operations Committee meet on an "as needed" basis at 6:00pm prior to the regularly scheduled PRTC Board Meeting-advance notice is provided.

All VRE Operations Board meetings are scheduled for the third Friday of each month at 9:00am at the OmniRide Transit Center (except for the August recess).

JANUARY

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MARCH

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APRIL

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MAY

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JUNE

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JULY

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AUGUST

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15	[illegible]	[illegible]	[illegible]	19	20	21
22	[illegible]	24	25	26	27	28
29	30	31				

RECESS – NO MEETING

SEPTEMBER

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OCTOBER

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NOVEMBER

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DECEMBER

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<u>Information Items</u>

- **November 2020 System Performance Report**
- **Revised Spending Authority Report**
- **November 2020 Safety Dashboard**
- **Commissioners' Motor Fuels Tax Report**

January 7, 2021

TO: Chair Franklin and PRTC Commissioners

FROM: Perrin Palistrant
Director of Operations and Operations Planning

THROUGH: Robert A. Schneider, PhD
Executive Director

SUBJECT: November 2020 System Performance and Ridership Report

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OMNIRIDE Express and Metro Express Service

- November average daily ridership decreased four (4) percent from October, but was down 77 percent compared to November 2019
- Month-to-month ridership decline followed typical seasonal trend, but was also impacted by service disruptions caused by DC road closures at the beginning of the month
- Ridership trends overall are still following similar patterns to what other regional systems (i.e. Fairfax County and WMATA) are reporting

OMNIRIDE Local Bus Service

- November average daily ridership decreased nine (9) percent from October, but down 45 percent compared to November2019
- Main focus is to monitor for overcrowding and dispatch strategic vehicles when necessary
- Saturday ridership continues to be a bright spot with lower year-over-year decreases than weekday, decreasing 19 percent compared to November 2019

Vanpool Alliance Program

- Enrollment in November decreased by 14 vans compared to October
- Ridership in November decreased 6.3 percent compared to October, and down 71 percent compared to November 2019

OmniMatch Program

Staff participated in: (all meetings were virtual)

Chamber Meetings
11/03/2020 – PWC Chamber of Commerce Education and Workforce Committee Meeting - ***OmniRide Employer Outreach Program is the annual meeting sponsor***
11/03/2020 - PWC Chamber of Commerce Hispanic Council Meeting
11/05/2020 - PWC Chamber of Commerce – Technology and Security Council
11/10/2020 - PWC Chamber of Commerce Policy Committee Meeting – ***OmniRide Employer Outreach Program is the annual meeting sponsor***

Commuter Connections
11/04/2020 - Commuter Connections Bike to Work Day Steering Committee Meeting
11/17/2020 - Commuter Connections Sub Committee Meeting

Regional Coordination
11/10/2020 – Association for Commuter Transportation (ACT) Transportation Demand Management (TDM) Forum
11/12/2020 – I-66 Transit Management Program Regional Partners Working Group Meeting
11/13/2020 – Transform 66/Local Agencies Coordination Meeting
11/17/2020 – PWC Chamber of Commerce - Economic Development Committee
11/18/2020 – 2020 Capital Region Transportation Forum
11/18/2020 – ACT - Vanpool Council Quarterly Meeting
11/19/2020 – ACT Chesapeake Chapter Meeting/Webinar

Other
11/04/2020 – Route 123/95 Commuter Lot Emergency Service Plan (ESP) customer outreach

Customer Service Statistics

- The call center received 4,404 calls in November 2020 and 4,358 in October 2020
- Responded to 12 general information emails in November 2020 and 9 in October 2020
- OMNIRIDE local trip denials in November 2020 were .29 percent and .27 percent in October 2020

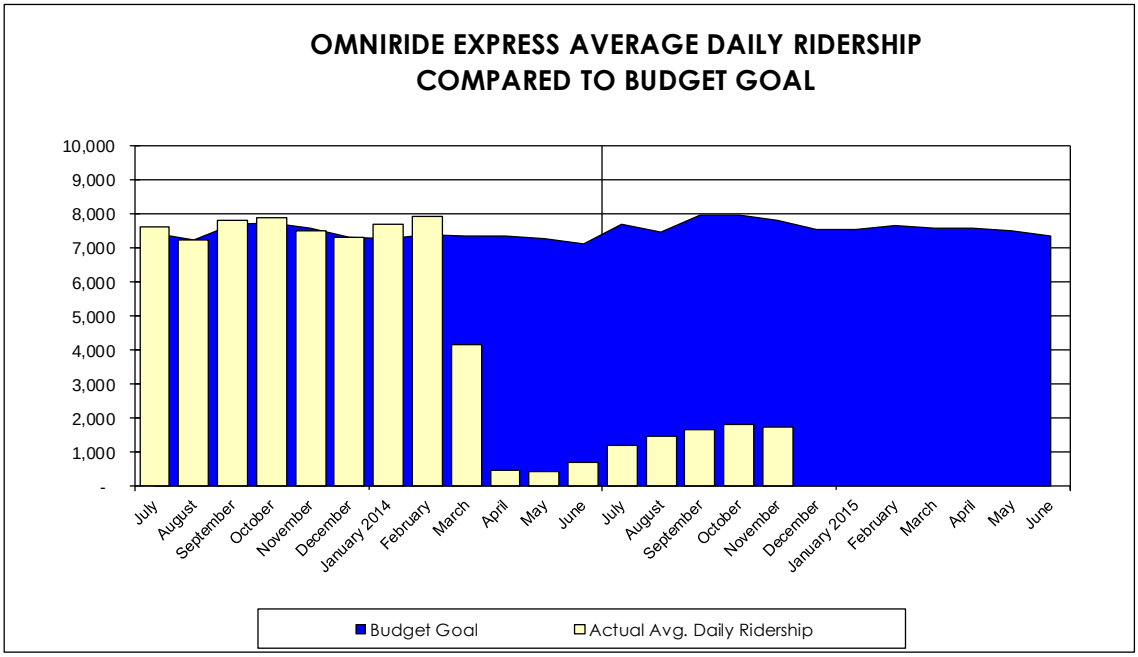
Passenger Complaints

Complaint rate for OmniRide in November:
- OMNIRIDE Express and Metro Express complaint rate for November 2020 increased 66 percent compared to October 2020
- OMNIRIDE Local service complaint rate for November 2020 increased 28 percent compared to October 2020

Note: OmniRide Express service was not provided on November 11, 26, and 27 due to Veterans Day and Thanksgiving holidays.

OMNIRIDE EXPRESS SERVICE

Month	Monthly Ridership FY20	Monthly Ridership FY21	Average Daily Ridership FY20	Average Daily Ridership FY21	% Change	FY21 Budget Goal	Change from Goal
July	163,138	26,566	7,627	1,194	-84.3%	7,693	(6,499)
August	140,151	30,228	7,256	1,464	-79.8%	7,485	(6,021)
September	148,295	34,795	7,808	1,670	-78.6%	7,972	(6,302)
October	176,101	38,900	7,886	1,824	-76.9%	7,989	(6,165)
November	136,522	28,579	7,501	1,761	-76.5%	7,835	(6,074)
December							
January							
February							
March							
April							
May							
June							
Year to Date	**764,207**	**159,068**	**7,616**	**1,583**	**-79.2%**	**7,795**	**(6,212)**

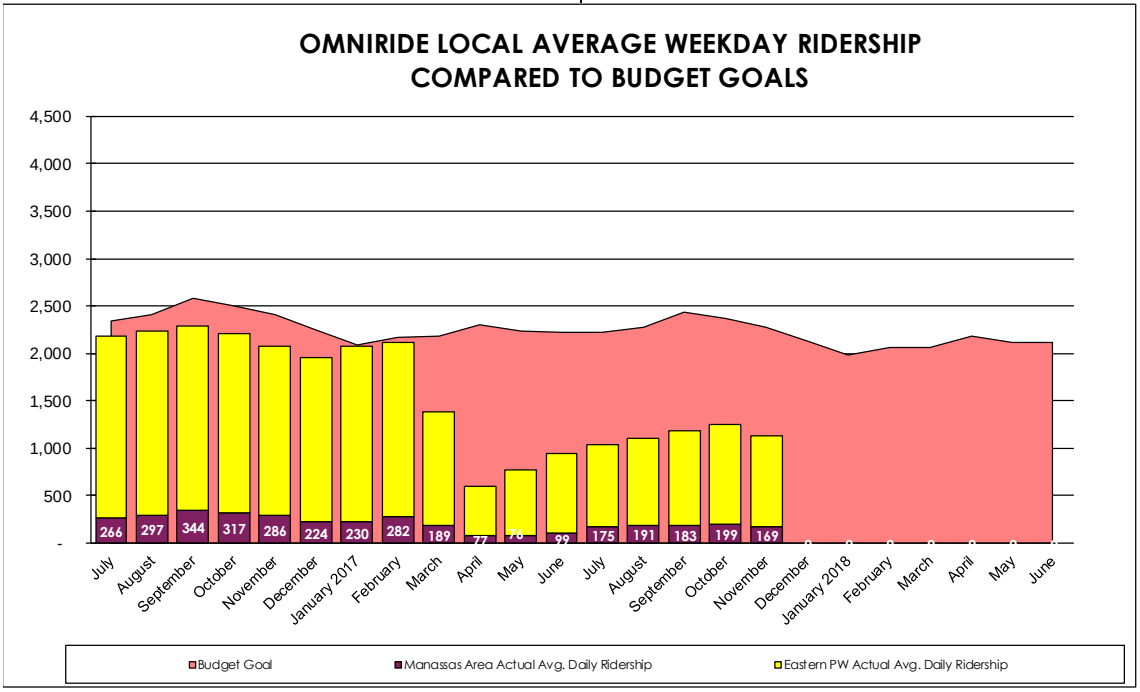


At year's end figures are revised, if needed, to account for any lingering data latency.

7/19-Avg. Daily Ridership excludes 7/3, 4, 5 (Independence Day Holiday)
8/19-Avg. Daily Ridership excludes 8/1, 2, 5 (Work Stoppage), 30 (Friday before Labor Day)
9/19-Avg. Daily Ridership excludes 9/20 (car free day), 9/23 (ESP due to demonstrations in DC)
10/19-Avg. Daily Ridership excludes (14) (Columbus Day)
11/19-Avg. Daily Ridership excludes (11) (Veterans Day), 27-29 (Thanksgiving)
12/19-Avg. Daily Ridership excludes (16) (PWC schools closed due to snow/ice),23-31 (Winter break)
1/20-Avg. Daily Ridership excludes 2-3(Winter break),7 (OPM early release), 20 (MLK Day)
2/20-Avg. Daily Ridership excludes 17 (President's Day)
7/20-Avg. Daily Ridership exclides 7/3 (Independence Day Holiday-Observed), 7/4 (Independence Day-No Service)
8/20-Avg. Daily Ridership exclides 8/28 (ESP operated due to march in Washington DC)
9/20-Avg. Daily Ridership excludes 9/10-9/11 (Work Stoppage)
10/20-Avg. Daily Ridership excludes 10/12 (Columbus Day)
11/20-Avg. Daily Riderhsip excluides 3-6 (Election Day Demonstrations in DC), 11 (Veterans Day), 27-28 (Thanksgiving Holiday)

OMNIRIDE LOCAL SERVICE

WEEKDAY							
	Monthly Ridership		Average Daily Ridership			FY21	Change from
Month	FY20	FY21	FY20	FY21	% Change	Budget Goal	Goal
July	47,848	23,814	2,182	1,042	-52.2%	2,216	(1,174)
August	45,499	23,156	2,238	1,100	-50.8%	2,279	(1,179)
September	44,528	25,531	2,285	1,181	-48.3%	2,441	(1,260)
October	50,270	27,140	2,205	1,250	-43.3%	2,365	(1,115)
November	39,798	22,121	2,074	1,134	-45.3%	2,280	(1,146)
December							
January							
February							
March							
April							
May							
June							
Year to Date	**227,943**	**121,762**	**2,197**	**1,141**	**-48.0%**	**2,316**	**(1,175)**



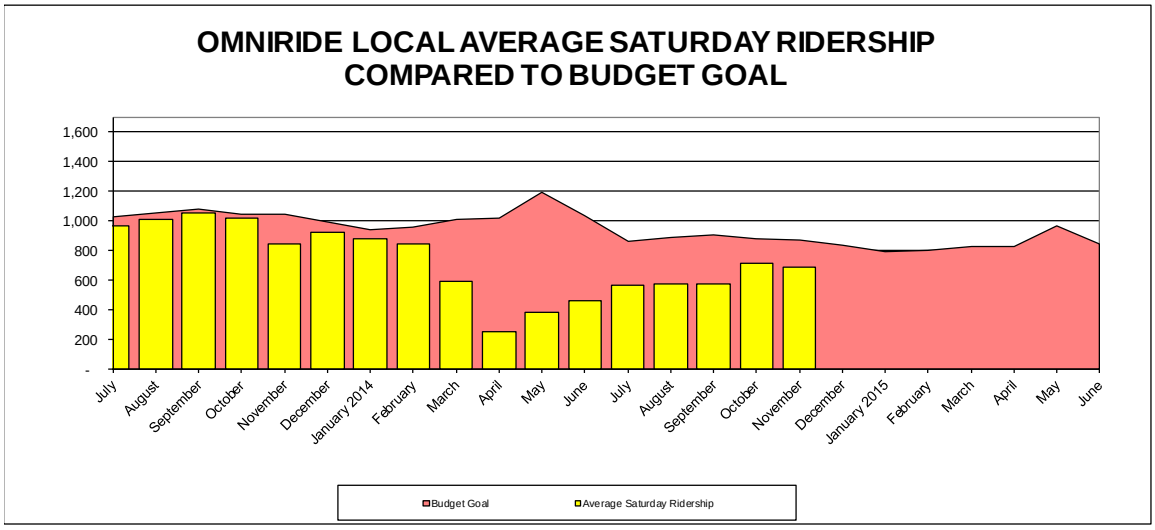
At year's end figures are revised, if needed, to account for any lingering data latency.

7/19- Avg. Daily Ridership excludes 7/4 (Independence Day), 7/5 Day after Independence Day
8/19- Avg. Daily Ridership excludes 8/1, 2, 5 (work stoppage)
9/19- Avg. Daily Ridership excludes 9/20 (car free day)
10/19- Avg. Daily Ridership excludes (14) Columbus Day
11/19- Avg. Daily Ridership excludes (11) Veterans Day, 27-29 Thanksgiving

12/19- Avg. Daily Ridership excludes (16) PWC schools closed due to snow/ice; 23-31 (Winter break)
1/20- Avg. Daily Ridership excludes 2-3 (winter break), 20 (MLK Day)
2/20 Avg. Daily Ridership excludes 17 (President's Day)
7/20-Avg. Daily Ridership excludes 7/3 (Independence Day Holiday Observed), 7/4 (Independence Day-No Sevice)
9/20--Avg. Daily Ridership excludes 9/10-9/11 (Work Stoppage)
10/20-Avg. Daily Ridership excludes 10/12 (Columbus Day)
11/20-Avg. Daily Ridership Excludes 11 (Veterans Day), 27-28 (Thanksgiving Holiday)

OMNIRIDE LOCAL SERVICE

SATURDAY							
	Monthly Ridership		Average *Saturday* Ridership			*Average Saturday* FY21	Change from
Month	FY20	FY21	FY20	FY21	% Change	Budget Goal	Goal
July	3,864	1,706	966	569	-41.1%	1,025	(456)
August	5,032	2,856	1,006	571	-43.2%	1,055	(484)
September	4,219	2,308	1,055	577	-45.3%	1,078	(501)
October	4,063	3,570	1,016	714	-29.7%	1,045	(331)
November	4,224	2,751	845	688	-18.6%	1,041	(353)
December							
January							
February							
March							
April							
May							
June							
Year to Date	**21,402**	**13,191**	**978**	**624**	**-36.2%**	**1,049**	**(425)**



At year's end figures are revised, if needed, to account for any lingering data latency.

7/18- Excludes significant rain/storms and traffic (21)

11/18- Excludes Thanksgiving weekend (24)

12/18- Excludes Cold/Snow (15)

1/19- Excludes snow/weather (11)

1/20- Excludes snow/weather (18)

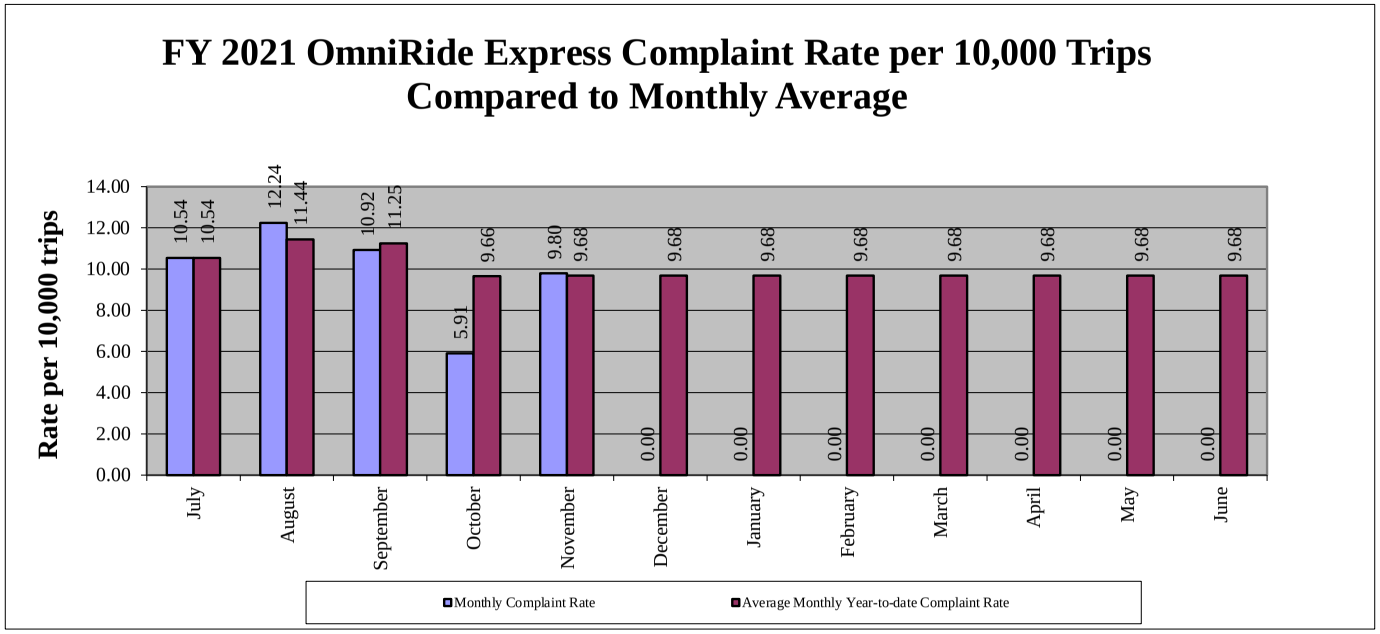
OMNIMATCH / VANPOOL ALLIANCE

	OmniMatch				*Vanpool Alliance*			
	FY20	**FY21**	**FY20**	**FY21**	**FY20**	**FY21**	**FY20**	**FY21**
	New Applications Received	**New Applications Received**	**Other Applications Received**	**Other Applications Received**	**Vanpools Enrolled**	**Vanpools Enrolled**	**Monthly Passenger Trips**	**Monthly Passenger Trips**
July	52	3	10	2	674	648	139,650	34,246
August	41	4	6	0	674	640	132,224	32,492
September	56	5	13	0	674	566	131,999	38,177
October	52	6	2	0	674	565	143,962	37,607
November	41	3	3	0	674	539	121,098	35,233
December								
January								
February								
March								
April								
May								
June								
Average	**48**	**4**	**7**	**0**	**674**	**592**	**133,787**	**35,551**

1) "New PRTC Applications Received" include all new customers inquiring about rideshare options in Prince William, Manassas, and Manassas Park.
2) "Other Applications Received" include reapplicants, deletions and commuters contacted as a follow-up interested in remaining in the program.
3) "Vanpools Enrolled" includes all vanpools approved as of last day of the month.

FY 2020 Year-to-date OmniRide Express Complaints			
	Ridership	Complaints	Per 10k Trips
July	163,138	156	9.56
August	140,151	90	6.42
September	148,295	108	7.28
October	176,101	131	7.44
November	136,522	124	9.08
December			
January			
February			
March			
April			
May			
June			
Year-to-date totals	**764,207**	**609**	**7.97**

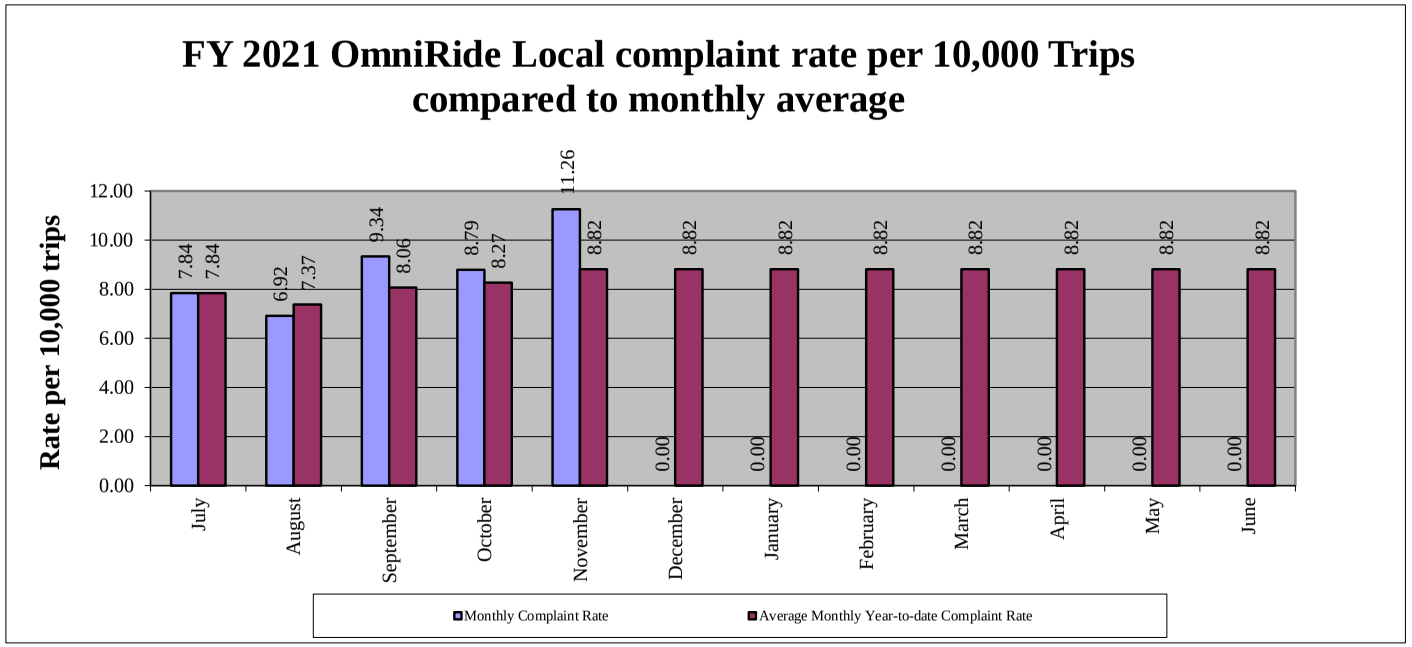
FY 2021 Year-to-date OmniRide Express Complaints			
	Ridership	Complaints	Per 10k Trips
July	26,566	28	10.54
August	30,228	39	12.90
September	34,795	38	10.92
October	38,900	23	5.91
November	28,579	28	9.80
December			
January			
February			
March			
April			
May			
June			
Year-to-date totals	**159,068**	**156**	**9.81**



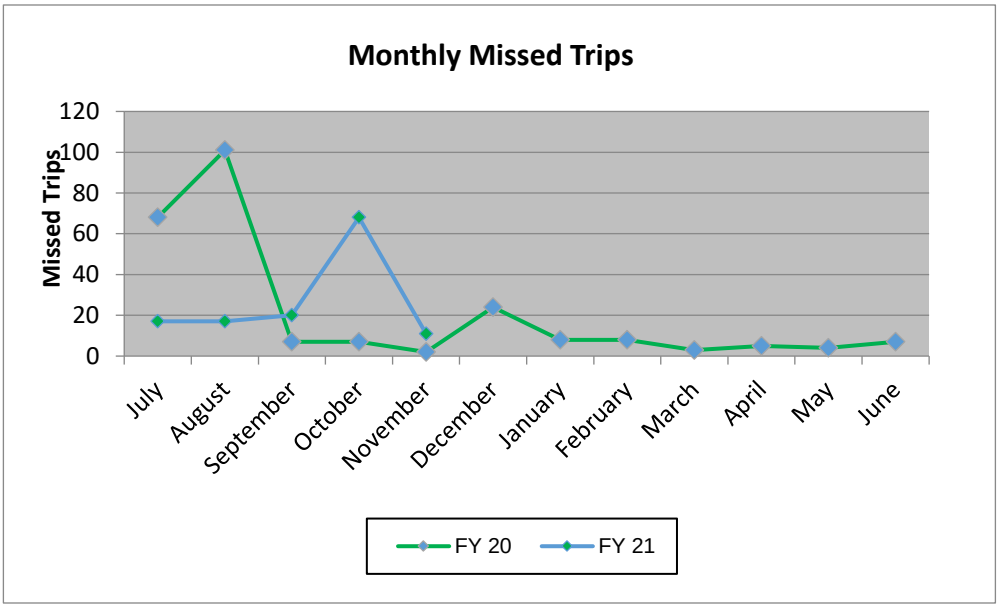
Complaint rates for OmniRide Express service for the current month and for the year-to-date in contrast to fiscal year 2019 overall rate, which is the benchmark for evaluating contractor performance for fiscal year 2020 in the bus services contract.

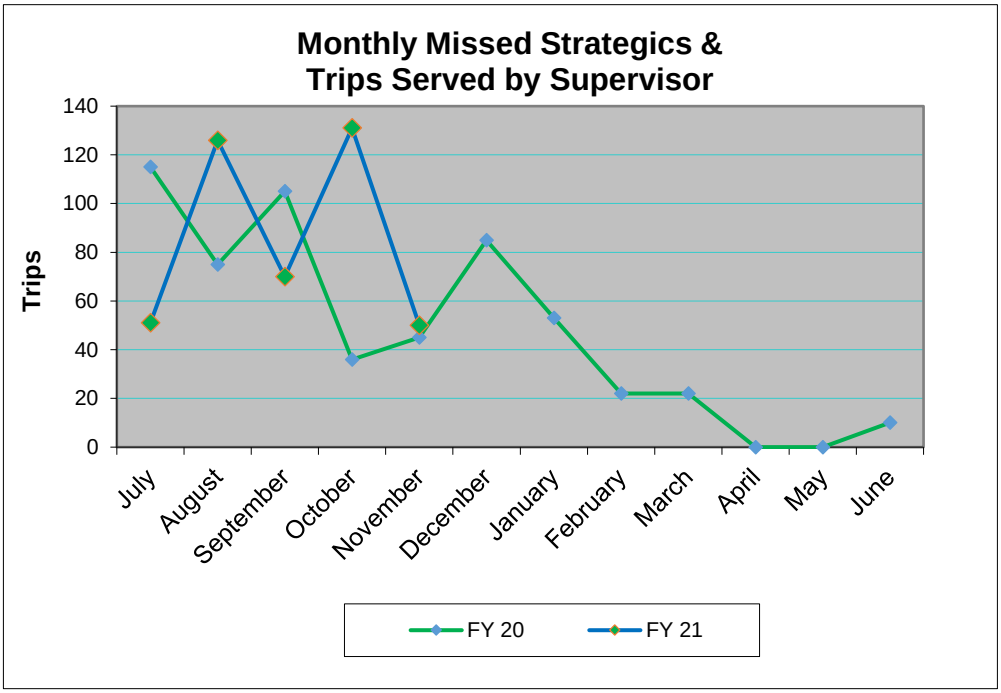
FY 2020 Year-to-date OmniRide Local Complaints			
	Ridership	Complaints	Per 10k Trips
July	51,712	13	2.51
August	50,531	24	4.75
September	48,747	17	3.49
October	54,333	18	3.31
November	44,022	16	3.63
December			
January			
February			
March			
April			
May			
June			
Year-to-date totals	**249,345**	**88**	**3.53**

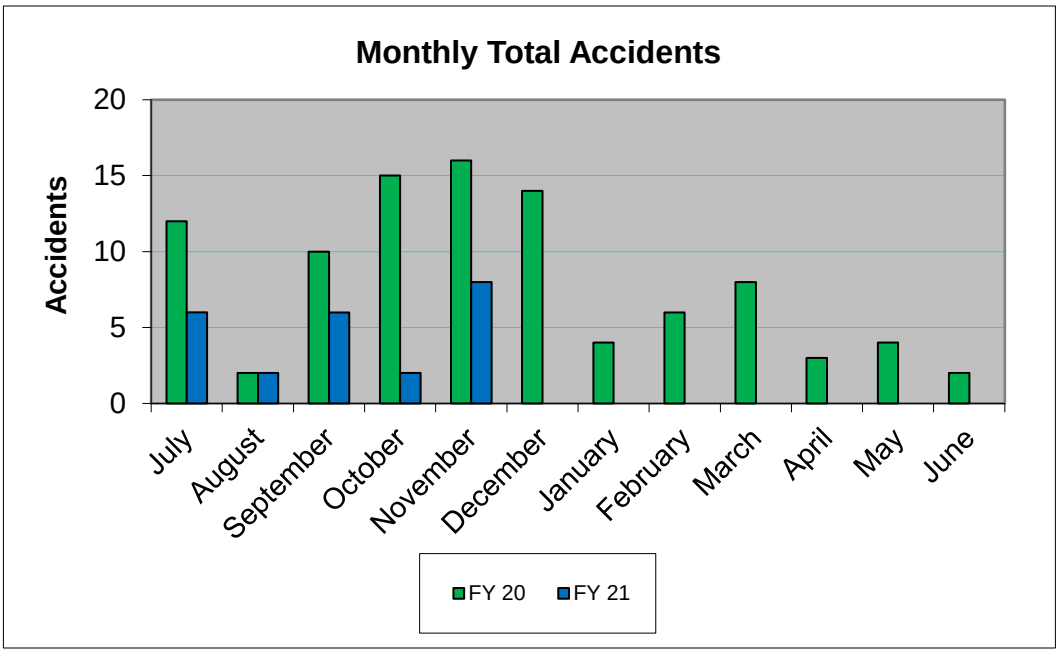
FY 2021 Year-to-date OmniRideLocal Complaints			
	Ridership	Complaints	Per 10k Trips
July	25,520	20	7.84
August	26,012	18	6.92
September	27,839	26	9.34
October	30,710	27	8.79
November	24,872	28	11.26
December			
January			
February			
March			
April			
May			
June			
Year-to-date totals	**134,953**	**119**	**8.82**

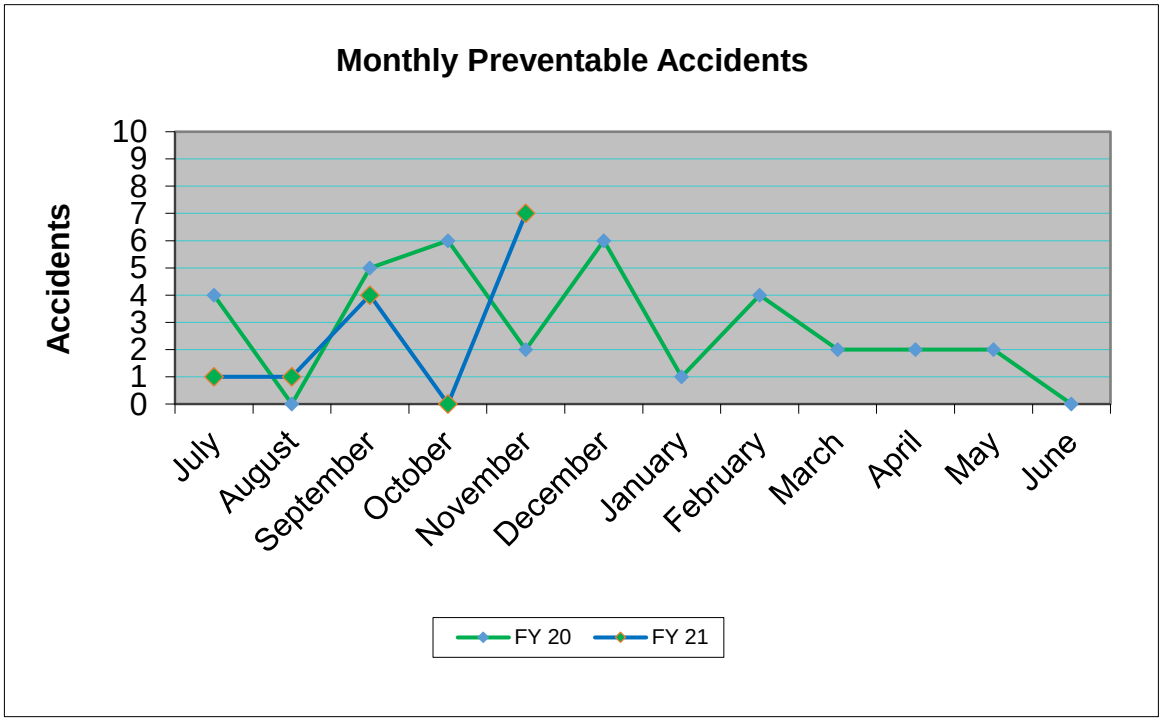


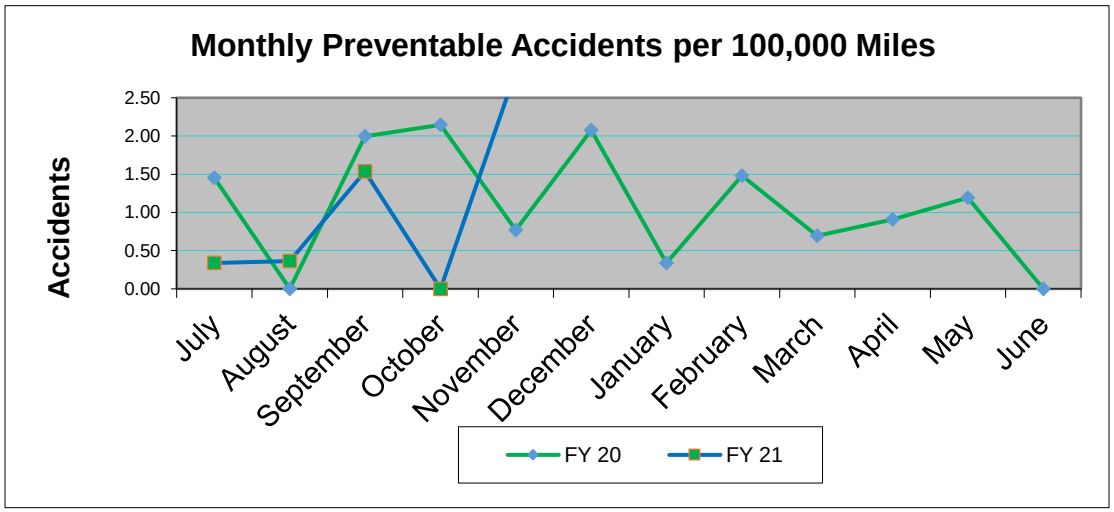
Complaint rates for OmniRide Local service for the current month and for the year-to-date in contrast to fiscal year 2019 overall rate, which is the benchmark for evaluating contractor performance for fiscal year 2020 in the new bus services contract.

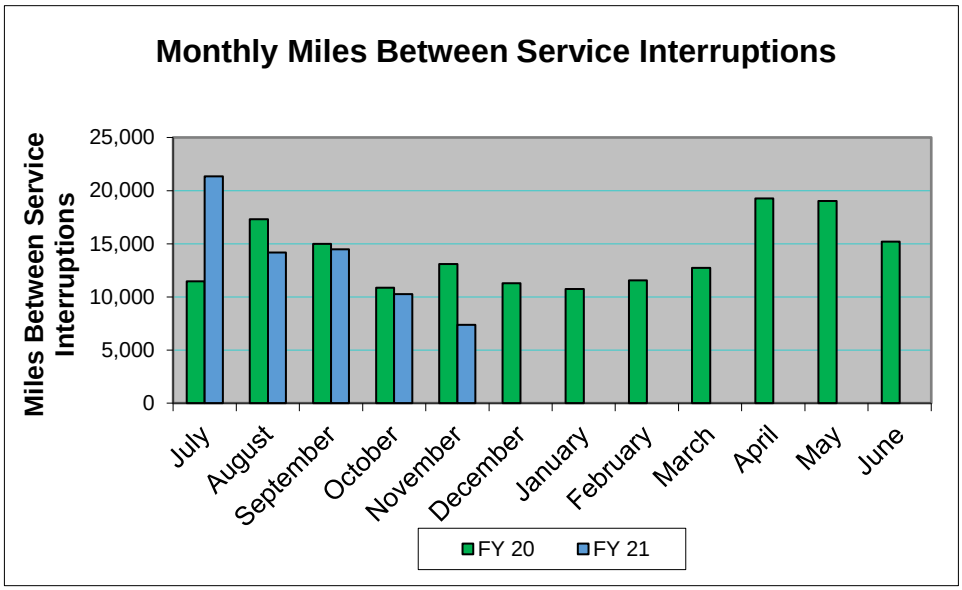

Monthly Missed Trips
Missed Trips
120
100
80
60
40
20
0
July
August
September
October
November
December
January
February
March
April
May
June
FY 20
FY 21


Monthly Missed Strategics &
Trips Served by Supervisor
Trips
140
120
100
80
60
40
20
0
July
August
September
October
November
December
January
February
March
April
May
June
FY 20
FY 21


Monthly Total Accidents
Accidents
20
15
10
5
0
July
August
September
October
November
December
January
February
March
April
May
June
FY 20
FY 21


Monthly Preventable Accidents
Accidents
10
9
8
7
6
5
4
3
2
1
0
July
August
September
October
November
December
January
February
March
April
May
June
FY 20
FY 21


Monthly Preventable Accidents per 100,000 Miles
Accidents
2.50
2.00
1.50
1.00
0.50
0.00
July
August
September
October
November
December
January
February
March
April
May
June
FY 20
FY 21


Monthly Miles Between Service Interruptions
Miles Between Service Interruptions
25,000
20,000
15,000
10,000
5,000
0
July
August
September
October
November
December
January
February
March
April
May
June
FY 20
FY 21

January 7, 2021

TO: Chair Franklin and PRTC Commissioners

FROM: Robert A. Schneider, PhD
Executive Director

SUBJECT: Revised Purchasing Authority Report

On June 4, 2015, the Commission approved increasing the Executive Director's delegated purchasing authority from $50,000 to $100,000. It was resolved that any purchase of greater than $50,000 would be communicated to the Board as an information item.

- On November 20, 2020 OmniRide issued a purchase order to AECOM Technical Services of Chicago, Illinois in the amount of $81,337 for a Federal Transit Administration required facility condition assessment.

OMNIRIDE
GET THERE SMARTER

OMNIRIDE.COM • 703.730.6664

BOB SCHNEIDER, EXECUTIVE DIRECTOR
bschneider@omniride.com

BYREN LLOYD, SAFETY & SECURITY MANAGER
blloyd@omniride.com

FY21

NOVEMBER 2020
SAFETY DASHBOARD

OMNIRIDE | NOVEMBER 2020

MONTHLY SAFETY DASHBOARD

ACCIDENT/INCIDENT RATE FREQUENCY

*Per 100K miles

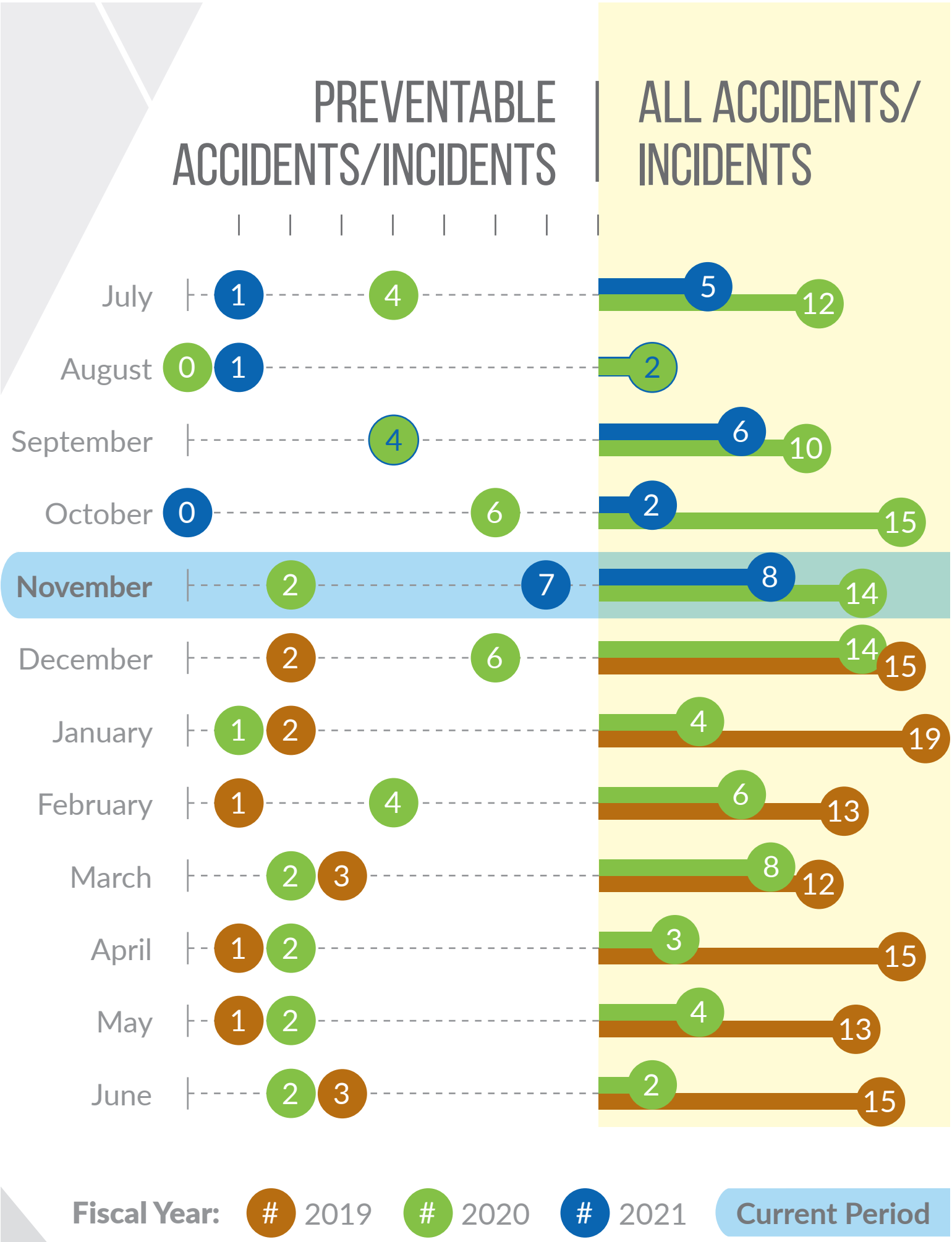
ACCIDENTS/INCIDENTS BY DAY & SERVICE TYPE

Accidents:
- Personal Injury
- Property Damage

Incidents:
- Suspicious Package
- Disruptive Behavior
- Public Safety Occurrence

Local: 25%
Express: 75%

MONDAY:	1
TUESDAY:	1
WEDNESDAY:	4
THURSDAY:	0
FRIDAY:	2
SATURDAY:	0


PREVENTABLE ACCIDENTS/INCIDENTS
ALL ACCIDENTS/ INCIDENTS
July 1 4 5 12
August 0 1 2
September 4 6 10
October 0 6 2 15
November 2 7 8 14
December 2 6 14 15
January 1 2 4 19
February 1 4 6 13
March 2 3 8 12
April 1 2 3 15
May 1 2 4 13
June 2 3 2 15
Fiscal Year: # 2019 # 2020 # 2021 Current Period

OMNIRIDE // KEY FOCUS AREAS

ACCIDENTS IN REVENUE SERVICE VS. NON-REVENUE SERVICE

ACCIDENTS IN WASHINGTON D.C. VS. VIRGINIA

0

8

TOTAL ACCIDENTS & INCIDENTS WITH VEHICLES

REPORTED INJURIES

0

Transported

0

Non-Transported

90-DAY ACCIDENT/INCIDENT SPOTLIGHT

16
Total*

*Total accidents/incidents between months of September, October, November

**Difference in percentage versus the rolling quarter of August, September, October

POTOMAC & RAPPAHANNOCK TRANSPORTATION COMMISSION

FUEL TAX REPORT - FY21

PRINCE WILLIAM COUNTY

FY20 Ending Fund Balance (as of 6/30/20) from Unreimbursed Encumbrance* or Surplus/Deficit Collections (carryforward)			**9,167,282.27**			
Income						
FY21 Motor Fuels Tax Revenue (Beginning 7/1/20)	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
July 2020	1,046,011.54	1,062,475.00	(16,463.46)	1,046,011.54	1,062,475.00	(16,463.46)
August	1,120,209.92	1,062,475.00	57,734.92	2,166,221.46	2,124,950.00	41,271.46
September	987,504.66	1,062,475.00	(74,970.34)	3,153,726.12	3,187,425.00	(33,698.88)
October	969,069.17	1,062,475.00	(93,405.83)	4,122,795.29	4,249,900.00	(127,104.71)
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2021	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	4,122,795.29	4,249,900.00	(127,104.71)			
FY21 Year to Date Interest from Investment (actual interest earned from collections)	**7,068.82**					
FY21 PRTC Operating Carryforward (refund)	**1,328,900.00**					
Expenses						
Less:						
Resolution 20-06-15 FY21 PRTC Subsidies	(1,328,900.00)					
Total Expenses	**(1,328,900.00)**					
FY21 Fund Balance (as of 10/31/20)			**13,297,146.38**			
Outstanding Adopted Resolutions (Encumbrances)						
Resolution 08-06-07 VRE Local Capital Match for Gainesville- Haymarket	173,000.00					
Resolution 20-06-15 FY21 PRTC Subsidies	17,553,400.00					
Total Encumbrances	**17,726,400.00**					
FY21 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/20			**(4,429,253.62)**			

(*) Resolutions which have been encumbered will not be expended until funds become available

POTOMAC & RAPPAHANNOCK TRANSPORTATION COMMISSION

FUEL TAX REPORT - FY21

STAFFORD COUNTY

FY20 Ending Fund Balance (as of 6/30/20) from Unreimbursed Encumbrance* or Surplus/Deficit Collections (carryforward)	**3,146,967.55**

Income

FY21 Motor Fuels Tax Revenue (Beginning 7/1/20)	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
July 2020	366,447.37	340,791.67	25,655.70	366,447.37	340,791.67	25,655.70
August	368,116.61	340,791.67	27,324.94	734,563.98	681,583.34	52,980.64
September	352,397.76	340,791.67	11,606.09	1,086,961.74	1,022,375.01	64,586.73
October	339,364.06	340,791.67	(1,427.61)	1,426,325.80	1,363,166.68	63,159.12
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2021	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	1,426,325.80	1,363,166.68	63,159.12			

FY21 Year to Date Interest from Investment (actual interest earned from collections)	**1,412.14**
FY21 PRTC Operating Carryforward (refund)	**12,500.00**

Expenses

Less:		
Resolution 20-06-05	FY21 VRE Subsidies	(1,238,587.50)
Resolution 20-06-15	FY21 PRTC Subsidies	(12,500.00)
Total Expenses		**(1,251,087.50)**

FY21 Fund Balance (as of 10/31/20)		**3,336,117.99**
Outstanding Adopted Resolutions (Encumbrances)		
Resolution 20-06-05	FY21 VRE Subsidies	1,238,587.50
Resolution 20-06-15	FY21 PRTC Subsidies	118,000.00
Total Encumbrances		1,356,587.50
FY21 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/20		**1,979,530.49**

(*) Resolutions which have been encumbered will not be expended until funds become available

POTOMAC & RAPPAHANNOCK TRANSPORTATION COMMISSION

FUEL TAX REPORT - FY21

CITY OF MANASSAS

FY20 Ending Fund Balance (as of 6/30/20) from Unreimbursed Encumbrance* or Surplus/Deficit Collections (carryforward)	**734,791.79**

Income

FY21 Motor Fuels Tax Revenue (Beginning 7/1/20)	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
July 2020	72,112.10	77,733.33	(5,621.23)	72,112.10	77,733.33	(5,621.23)
August	72,400.46	77,733.33	(5,332.87)	144,512.56	155,466.66	(10,954.10)
September	68,712.05	77,733.33	(9,021.28)	213,224.61	233,199.99	(19,975.38)
October	60,288.64	77,733.33	(17,444.69)	273,513.25	310,933.32	(37,420.07)
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2021	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	273,513.25	310,933.32	(37,420.07)			

FY21 Year to Date Interest from Investment (actual interest earned from collections)	**237.97**	
FY21 PRTC Operating Carryforward (refund)	**37,800.00**	
Reimbursement from DRPT Grant and Transfer from Manassas	**-**	

Expenses

Less:			
Resolution 20-06-05	FY21 VRE Subsidies	(403,617.00)	
Resolution 20-06-15	FY21 PRTC Subsidies	(37,800.00)	
Total Expenses		**(441,417.00)**	
FY21 Fund Balance (as of 10/31/20)			**604,926.01**
Outstanding Adopted Resolutions (Encumbrances)			
Resolution 20-06-05	FY21 VRE Subsidies	403,617.00	
Resolution 20-06-15	FY21 PRTC Subsidies	345,000.00	
Total Encumbrances		**748,617.00**	
FY21 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/20			**(143,690.99)**

(*) Resolutions which have been encumbered will not be expended until funds become available

POTOMAC & RAPPAHANNOCK TRANSPORTATION COMMISSION

FUEL TAX REPORT - FY21

CITY OF MANASSAS PARK

FY20 Ending Fund Balance (as of 6/30/20) from Unreimbursed Encumbrance* or Surplus/Deficit Collections (carryforward)	**2,870,640.10**

Income

FY21 Motor Fuels Tax Revenue (Beginning 7/1/20)	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
July 2020	67,900.02	58,708.33	9,191.69	67,900.02	58,708.33	9,191.69
August	67,309.14	58,708.33	8,600.81	135,209.16	117,416.66	17,792.50
September	58,858.43	58,708.33	150.10	194,067.59	176,124.99	17,942.60
October	52,923.55	58,708.33	(5,784.78)	246,991.14	234,833.32	12,157.82
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2021	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	246,991.14	234,833.32	12,157.82			

FY21 Year to Date Interest from Investment (actual interest earned from collections)	**2,160.85**
FY21 PRTC Operating Carryforward (refund)	**18,300.00**

Expenses

Less:		
Resolution 20-06-05	FY21 VRE Subsidies	(234,182.00)
Resolution 20-06-15	FY21 PRTC Subsidies	(18,300.00)
Total Expenses		**(252,482.00)**

FY21 Fund Balance (as of 10/31/20)		**2,885,610.09**
Outstanding Adopted Resolutions (Encumbrances)		
Resolution 09-11-07	Road improvements	93,139.69
Resolution 10-11-05	Road improvements	234,500.00
Resolution 13-06-08	Safe routes to school project	200,000.00
Resolution 15-05-07	Road improvements	371,164.00
Resolution 17-07-06	Road improvements	116,000.00
Resolution 17-07-07	Road improvements	206,000.00
Resolution 19-11-08	Sign installations	15,000.00
Resolution 19-11-09	Mathis Avenue signal battery backup	10,000.00
Resolution 20-06-05	FY21 VRE Subsidies	234,182.00
Resolution 20-06-15	FY21 PRTC Subsidies	185,000.00
Total Encumbrances		**1,664,985.69**
FY21 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/20		**1,220,624.40**

(*) Resolutions which have been encumbered will not be expended until funds become available

POTOMAC & RAPPAHANNOCK TRANSPORTATION COMMISSION

FUEL TAX REPORT - FY21

CITY OF FREDERICKSBURG

FY2020 Ending Fund Balance (as of 6/30/20) from Unreimbursed Encumbrance* or Surplus/Deficit Collections (carryforward)	**2,559,822.04**

Income

FY21 Motor Fuels Tax Revenue (Beginning 7/1/20)	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
July 2020	72,540.11	124,983.33	(52,443.22)	72,540.11	124,983.33	(52,443.22)
August	88,291.91	124,983.33	(36,691.42)	160,832.02	249,966.66	(89,134.64)
September	73,796.58	124,983.33	(51,186.75)	234,628.60	374,949.99	(140,321.39)
October	87,124.19	124,983.33	(37,859.14)	321,752.79	499,933.32	(178,180.53)
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2021	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	321,752.79	499,933.32	(178,180.53)			

FY21 Year to Date Interest from Investment (actual interest earned from collections)	**1,635.71**
FY21 PRTC Operating Carryforward (refund)	**4,700.00**

Expenses

Less:		
Resolution 20-06-05	FY21 VRE Subsidies	(183,544.50)
Resolution 20-06-15	FY21 PRTC Subsidies	(4,700.00)
Resolution 20-07-05	Various Projects	(830,881.37)
Total Expenses		**(1,019,125.87)**

FY21 Fund Balance (as of 10/31/20)		**1,868,784.67**
Outstanding Adopted Resolutions (Encumbrances)		
Resolution 19-06-10	Various Projects	432,642.00
Resolution 20-06-05	FY21 VRE Subsidies	183,544.50
Resolution 20-06-15	FY21 PRTC Subsidies	43,200.00
Resolution 20-07-05	Various Projects	585,118.63
Total Encumbrances		**1,244,505.13**
FY21 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/20		**624,279.54**

(*) Resolutions which have been encumbered will not be expended until funds become available

POTOMAC & RAPPAHANNOCK TRANSPORTATION COMMISSION

FUEL TAX REPORT - FY21

SPOTSYLVANIA COUNTY

FY20 Ending Fund Balance (as of 6/30/20) from Unreimbursed Encumbrance* or Surplus/Deficit Collections (carryforward)	**1,710,821.97**

Income

FY21 Motor Fuels Tax Revenue (Beginning 7/1/20)	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
July 2020	458,685.47	380,891.67	77,793.80	458,685.47	380,891.67	77,793.80
August	483,518.62	380,891.67	102,626.95	942,204.09	761,783.34	180,420.75
September	429,717.99	380,891.67	48,826.32	1,371,922.08	1,142,675.01	229,247.07
October	513,169.26	380,891.67	132,277.59	1,885,091.34	1,523,566.68	361,524.66
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2021	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	1,885,091.34	1,523,566.68	361,524.66			

FY21 Year to Date Interest from Investment (actual interest earned from collections)	**628.70**
FY21 PRTC Operating Carryforward (refund)	**13,800.00**

Expenses

Less:		
Resolution 20-06-05	FY21 VRE Subsidies	(751,877.00)
Resolution 20-06-15	FY21 PRTC Subsidies	(13,800.00)
Total Expenses		**(765,677.00)**

FY21 Fund Balance (as of 10/31/20)	**2,844,665.01**

Outstanding Adopted Resolutions (Encumbrances)		
Resolution 20-01-06	Various Projects	80,090.00
Resolution 20-06-05	FY21 VRE Subsidies	751,877.00
Resolution 20-06-15	FY21 PRTC Subsidies	132,100.00
Total Encumbrances		**964,067.00**

FY21 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/20	**1,880,598.01**

(*) Resolutions which have been encumbered will not be expended until funds become available