FY 2022 Key Budget Issues

• Broader economic and policy issues will be paramount

• Accurately forecasting ridership and revenue will be challenging, and we will select an approved projection near the end of the process

• Amending the current year budget (FY 2021) will be an important part of the process
Issue 1: Revenue Shortfalls and CARES Act Support

Average Daily Ridership CY 2020
Issue 2: Alternating Fare and Subsidy Increases

- No subsidy increase for FY 2022, but decision will be required on allocation.
- Normally would be a year to propose fare increase but will more explicitly consider three options:
  1) Increase of 3% or less
  2) No change
  3) Reduction
Issue 3: Expense Reductions in FY2021 and FY 2022

• Deferring/eliminating consulting, professional services, non-critical initiatives, and replacement of existing items (IT, furniture, etc.)

Issue 4: Transforming Rail in Virginia Program

• Changes to project scopes, timelines and funding
• New track access agreements
• Commitment of C-ROC funds (cash and debt)
Issue 5: Insurance

- Secured required insurance for FY 2021 but with significant premium increase.
- Will work with DRM, federal stakeholders and other commuter railroads to find sustainable solution.

Issue 6: Capital Renewal Charges for Northeast Corridor (NEC)

- Change in methodology for required capital renewal charges paid through Amtrak access contract.
- Discussions ongoing with Amtrak and NEC Commission.