PUBLIC HEARINGS FOR PROPOSED FY 2020 FARE INCREASE

Mark Schofield – VRE Chief Financial Officer
Alex Buchanan – VRE Comptroller
AGENDA

1. Safety Briefing
2. Presentation on FY 2020 Preliminary Budget and Proposed Fare Increase
3. Public Comments
WHAT WE ARE KNOWN FOR

Safe Operations
High Customer Satisfaction
Quality Service
Reliable Service
Strong Partnership with Railroads
AVERAGE DAILY RIDERSHIP
OPERATIONS

VRE Operates 32 Trains Daily (Mon-Fri)

- 16 trains on Fredericksburg Line (owned by CSX)
- 16 trains on Manassas Line (owned by Norfolk Southern)
- Must pay track access fees to host railroads
- Agreements with Amtrak for access to Union Station and midday train storage
- Contracts with Keolis Rail Services Virginia for operations and maintenance
VRE BUDGET PROCESS

- **July:** “Key Issues” discussed

- **September:** Preliminary budget presented to Board

- **October/November:** Reviews by jurisdiction staff and VRE Capital Committee; public comments received

- **December:** Final balanced budget presented for approval
FY 2020 PRELIMINARY BUDGET SUMMARY

- Operating budget of $90.6 million including debt service (2.3% increase)
- Funding commitments of $64.7 million toward Capital Improvement Program (CIP)
- VRE Operations Board policy is to alternate between jurisdictional subsidy increases and fare increases, so FY 2020 budget proposal includes:
  - No change to total jurisdictional subsidy of $17.8 million
  - 3% average fare increase
FY 2020 RIDERSHIP AND REVENUE

- 32 daily trains – no change from current service
- Projecting 19,000 Average Daily Ridership – flat relative to FY 2018 actual ridership of 18,974
- Fare revenue only supports operating costs, not capital
- Budgeted farebox recovery of 53% (must be at least 50%)
PROPOSED FY 2020 FARE INCREASE

- Single-ride fare depends on number of zones traveled
- Most VRE commuters use multi-ride tickets, which are discounted relative to a single-ride fare:

<table>
<thead>
<tr>
<th>Multi-ride Discounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-Ride</td>
</tr>
<tr>
<td>8%</td>
</tr>
</tbody>
</table>

- Actual multi-ride fares are currently over-discounted
- Proposed increase will average 3% or slightly less by:
  - Increasing the base fare and zone increment by 1.5%
  - Applying correct fare discounts to match Tariff
### EXAMPLES OF PROPOSED 3% AVERAGE FARE INCREASE

<table>
<thead>
<tr>
<th>Origin</th>
<th>Destination</th>
<th>Ticket Type</th>
<th>Current Fare</th>
<th>Proposed Fare</th>
<th>Increase ($)</th>
<th>Increase (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Woodbridge</td>
<td>Crystal City</td>
<td>Single Ride</td>
<td>$8.40</td>
<td>$8.55</td>
<td>$0.15</td>
<td>1.8%</td>
</tr>
<tr>
<td>Burke Centre</td>
<td>Crystal City</td>
<td>10-Ride</td>
<td>$69.50</td>
<td>$71.80</td>
<td>$2.30</td>
<td>3.3%</td>
</tr>
<tr>
<td>Manassas Park</td>
<td>Union Station</td>
<td>5-Day</td>
<td>$77.60</td>
<td>$80.00</td>
<td>$2.40</td>
<td>3.1%</td>
</tr>
<tr>
<td>Leeland Road</td>
<td>Union Station</td>
<td>10-Ride</td>
<td>$102.30</td>
<td>$104.90</td>
<td>$2.60</td>
<td>2.5%</td>
</tr>
<tr>
<td>Broad Run</td>
<td>Alexandria</td>
<td>Monthly</td>
<td>$249.00</td>
<td>$256.40</td>
<td>$7.40</td>
<td>3.0%</td>
</tr>
<tr>
<td>Fredericksburg</td>
<td>L’Enfant</td>
<td>Monthly</td>
<td>$327.60</td>
<td>$336.80</td>
<td>$9.20</td>
<td>2.8%</td>
</tr>
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</table>