



Virginia Department of Rail and Public Transportation

Quarterly Financial Report

March 31, 2021

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Executive Summary

This report provides the Commonwealth Transportation Board (CTB) and other interested parties an update regarding the Agency budget and the related variances between anticipated expenditures and actual expenditures; cash balances; resources versus commitments; and funds available for allocation. The General Assembly and Governor approved the creation of the Virginia Passenger Rail Authority (VPRA) beginning on July 1, 2020. The VPRA is a separate legal entity that is charged with the oversight of passenger rail activities in the Commonwealth. As a result, the majority of rail financial activity is transitioning from DRPT to the VPRA this fiscal year, resulting in significant changes to this quarterly report.

Budget vs. Actual

A key schedule included in this report is a Budget versus Actual Expenditure analysis. This schedule reports the actual results of the agency's activities during the current fiscal year as compared to the budget adopted by the CTB using a cash basis of accounting. In the current quarter, the schedule compares the budget for the first nine months of the fiscal year (July 1 – March 31) to the actual expenditures for the first three quarters of FY 2021 using the cash basis of accounting.

Department of Rail and Public Transportation					
Budget vs. Actual					
Fiscal Year 2021					
(\$ in Millions)					
	FY 2021 Budget	9 Months Budget	Actual 3/31/2021	Variance	Percentage
Transit Programs	\$ 645.8	\$ 484.0	\$ 452.9	\$ 31.1	6.4%
Rail Programs	20.0	15.1	5.3	9.8	64.9%
Agency Operating Budget	17.2	12.9	10.5	2.4	18.6%
Agency Total before VPRA	<u>\$ 683.0</u>	<u>\$ 512.0</u>	<u>\$ 468.7</u>	<u>\$ 43.3</u>	8.5%
VPRA Payments	393.2	371.0	302.7	68.3	18.4%
Agency Total after VPRA	<u><u>\$ 1,076.2</u></u>	<u><u>\$ 883.0</u></u>	<u><u>\$ 771.4</u></u>	<u><u>\$ 111.6</u></u>	12.6%

The total variance of actual expenditures compared to the anticipated expenditures for the first three quarters of FY 2021 is 12.6% or \$111.6 million. Excluding transactions between the VPRA and DRPT the actual expenditures compared to the anticipated expenditures for the first three quarters of FY 2021 is 8.5% or \$43.3 million.

For Transit Programs the current year expenditures are below the estimate by 6.4% or \$31.1 million. There are timing differences between the expenditure of operating funds and the reimbursement of operating expenses in rural agencies that use Federal CARES Act funding. Federal funding is done on a reimbursement basis while State operating payments are scheduled. In addition, capital projects were delayed including facility construction and bus purchases, mainly due to the impact of the Covid-19 pandemic.

In Rail Programs, the current year expenditures are below the estimate by 64.9% or \$9.8 million. These variances were due to delays across the board in rail projects due to the impact of the Covid-19 pandemic on the freight rail industry. DRPT has set a threshold for detailed explanation of variances that are greater than \$10.1 million (1% of the Total Budget) AND 15% variance between the actual results and budget.

It is important to note that DRPT's reliance on our transportation partners for accurate information will impact the accuracy of our budgeted expenditures. The vast majority of the DRPT budgeted expenditures are initiated by a reimbursement request from one of our project partners who controls the actual project development. As such, DRPT must gather information from these partners about the timing of almost 2,000 projects in order to estimate cash basis expenditures each year. Based on this operating format for DRPT, a variance of up to 15% would not be unreasonable. Ultimately, the goal for DRPT will be to work with our project partners to attain a variance of 10% or less by each year end.

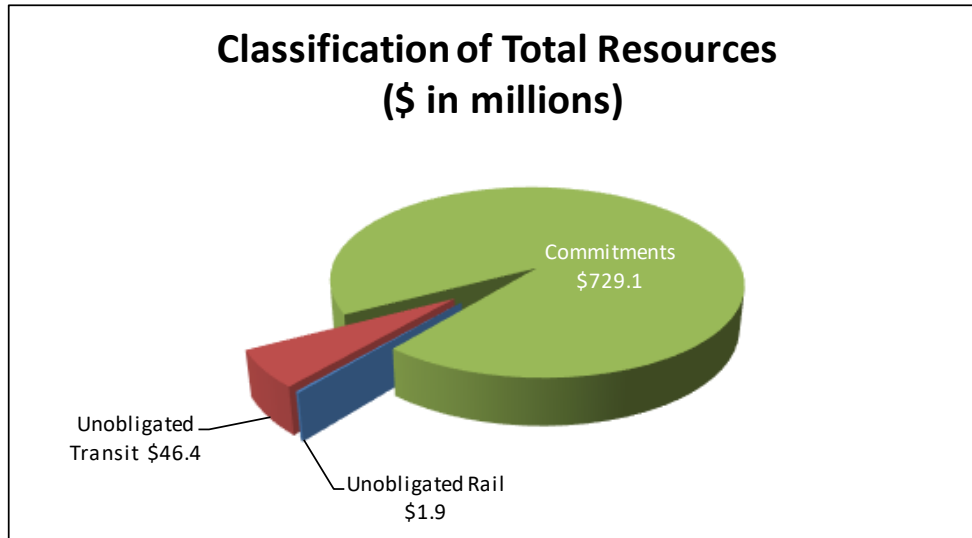
Unobligated Funds

The detailed analysis section of this report includes a Schedule of Resources and Commitments that identifies available resources that may be allocated to new projects. This schedule is supported by a reconciliation of current and prior year resources and the related Six Year Improvement Program allocations of those resources to various projects by the CTB. It utilizes the modified accrual basis of accounting and is similar to a balance sheet. The schedule also provides an indication of the utilization and collection efforts of DRPT's resources (assets).

The key output of the Schedule of Resources and Commitments (see page 10) is the detail of unobligated funds that are currently available to fund rail and transit projects. The chart on the following page illustrates the amount of available funds after our commitments are met. Essentially, the chart shows what percentage of the DRPT resources are already supporting ongoing rail and transit initiatives. It is important to note that unique allocation parameters govern the allowable use of the unobligated balances.

For the quarter ended March 31, 2021, the total unobligated balance for all funds is \$48.3 million, which includes \$46.4 million for the transit programs and \$1.9 million for the rail programs. The total unobligated balance is 6.2% of total resources as compared to 8.9% at

March 31, 2020. Unobligated balances have been reduced by the amount needed for project allocations proposed in the FY 2022 Six Year Improvement Plan.



Chapter 1230 of the 2020 Virginia Acts of Assembly established the Virginia Passenger Rail Authority (VPRA) in FY 2021. In the bill, the IPROC and REF funds no longer exist starting in FY 2021 and the passenger rail programs and related unobligated balances are part of the VPRA. Commitments including \$302.7 million of cash were transferred to the VPRA in February 2021. The \$1.9 million of Unobligated Rail are freight and rail planning funds that will remain with DRPT. Unobligated balances have been reduced by proposed allocations to commitments in the FY 2022 Six Year Improvement Plan (SYIP).

The transit programs unobligated balance of \$46.4 million consists of \$33.3 million of Federal funds that have restrictions on their potential use, such as \$6.8 million of CARES Act funding. In addition, the transit programs balance includes \$4.1 million of Commonwealth Mass Transit funds, \$0.1 million of transit bonds, \$7.9 million in the transit operating and capital reserves, \$0.8 million of WMATA dedicated funds, and \$0.2 million of other transit capital funds. Unobligated balances have been reduced by the proposed allocations to commitments in the FY 2022 SYIP.

The large balance of the Federal funds is mainly due to demands for transit capital funding being less than anticipated in the FY 2018 and FY 2019 Six Year Improvement Programs. Some of this drop in demand resulted from transit projects receiving funding through the Smart Scale program. In addition, Federal funds increased due to the Federal Transit Administration allocating CARES Act funding to address needs related to the Coronavirus in the fourth quarter of FY 2020. A portion of the Federal CARES funds are being used in place of Commonwealth Mass Transit funds and FTA 5311 funds to cover operating expenses for rural service in FY 2021.

The detailed report included herein provides a more in-depth look at DRPT's assets (cash and receivables), liabilities (project and grant commitments), and annual operational results as compared to the approved budget.

Detailed Quarterly Analysis

The following pages present a detailed reporting of the Department's first three quarters (July 1, 2020 – March 31, 2021) financial picture. For a definition of individual line items in the subsequent schedules, please consult the glossary beginning on page 18.

Schedule of Budget vs. Actual

This schedule reports the actual results of the agency's activities during the current fiscal year as compared to the budget adopted by the CTB. In the current quarter, the schedule compares the budget for the first nine months of the fiscal year (July 1 – March 31) with the actual expenditures for the first three quarters of FY 2021 using a cash basis of accounting. For transit programs, the FY 2021 expenditures are off by 6.4% from the estimate, as compared to a 1.9% variance at the same time last year. In the rail programs, the current year expenditures are off by 64.9% compared to the prior year's variance of 58.4% as of March 31.

Schedule of Budget vs. Actual						
As of March 31, 2021						
(\$ in Millions)						
	Adopted FY 2021	9 Months Budget	Actual 3/31/2021	Variance	Percentage Variance	Notes
Public Transportation Programs						
Operating Assistance	\$ 132.0	\$ 96.0	\$ 89.7	\$ 6.3	6.6%	
Capital Assistance	101.4	82.6	51.4	31.2	37.8%	A
Special Programs	8.7	6.6	3.1	3.5	53.0%	
WMATA Assistance	223.6	171.4	176.1	(4.7)	-2.7%	
Dedicated Funding	154.5	105.9	114.4	(8.5)	-8.0%	
Total	620.2	462.5	434.7	27.8	6.0%	
Commuter Assistance Programs	12.0	9.4	8.9	0.5	5.3%	
Human Service Transportation Pgm	10.0	9.4	6.8	2.6	27.7%	
Planning, Regulation, & Safety Pgm	3.6	2.7	2.5	0.2	7.4%	
Total Transit Programs	645.8	484.0	452.9	31.1	6.4%	
Rail Assistance Programs						
Rail Preservation Programs	8.3	5.8	3.1	2.7	46.6%	
Rail Industrial Access	1.6	1.4	-	1.4	100.0%	
Freight Rail and Rail Planning Programs	10.1	7.9	2.2	5.7	72.2%	
Total Rail Programs	20.0	15.1	5.3	9.8	64.9%	
Agency Operating Budget	17.2	12.9	10.5	2.4	18.6%	
Agency Total before VPRA	\$ 683.0	\$ 512.0	\$ 468.7	\$ 43.3	8.5%	
VPRA Recurring Payments	88.6	66.4	-	66.4	100.0%	B
VPRA One-Time Payment	304.6	304.6	302.7	1.9	0.6%	B
Agency Total	\$ 1,076.2	\$ 883.0	\$ 771.4	\$ 111.6	12.6%	

Note: Any variances of \$10.1 million (1% of the total budget) AND 15% are explained.

Variance notes:

(A) Transit Capital Assistance expenditures were \$31.2 million, or 37.8% less than the estimate in the budget. The following project specific details help to explain the total variance for Capital Assistance expenditures:

- NVTC was expected to invoice \$7.0 million more for the construction of the Silver Line Metro garages and related facilities. The Herndon and Innovation garages are substantially complete. Final punch list items and retainage payments are expected to be made by the second quarter of fiscal year 2022.
- NVTC was expected to invoice \$5.1 million for Alexandria for the purchase of electric buses and charging infrastructure. All the buses and the charging stations have been delivered. Invoicing will begin in the fourth quarter.
- Hampton Roads Transit was expected to invoice \$2.2 million for hardware and software to replace enterprise systems. The project is waiting for FTA approval and is expected to begin in the second quarter of fiscal year 2022.
- Blacksburg was expected to invoice \$1.3 million more for the construction of the bus administrative building. A construction contract has been awarded and ground breaking will begin in the fourth quarter.
- NVTC was expected to invoice \$1.3 million more for Fairfax County for bus rehabilitation. The project was delayed due to the transition of service providers. The project restarted in the first quarter and is expected to be completed by the fourth quarter of fiscal year 2022.
- NVTC was expected to invoice \$1.0 million more for the rehabilitation of buses for Arlington. The project is complete and the funds were deobligated in the third quarter.
- Jaunt was expected to invoice \$1.0 million for the purchase of light duty buses. The funding for this project has been changed to use CARES Act funds. These grants have been put on hold pending a review of the service area needs.
- The Greater Richmond Transit Company was expected to invoice \$0.9 million more for various ADP hardware and software including Pulse station fiber lines. The Pulse project is ongoing and expected to be completed in the second quarter of fiscal year 2022. The other projects are awaiting FTA approval and will begin in the second quarter of fiscal year 2022.
- NVTC was expected to invoice \$0.8 million for the Crystal City Metrorail station East entrance project. The project is underway and the NEPA has been completed. DRPT has requested the flex of Federal funds to the FTA. When the agreements are in place, invoicing will begin.
- The Greater Richmond Transit Company was expected to invoice \$0.7 million for the purchase of articulated buses. The buses will be ordered in the fourth quarter with planned delivery by the end of fiscal year 2023. Pulse stations are being modified to accommodate these buses before their delivery.
- NVTC was expected to invoice \$0.6 million for the US 15 Richmond Highway Bus Rapid Transit project. The project is substantially complete. NVTC is drawing down Federal funds before requesting reimbursement of State funds on this project.
- NVTC was expected to invoice \$0.6 million for Arlington for transit amenities. The project was delayed due to the Covid-19 pandemic. Invoicing is expected to begin in the fourth quarter.

- NVTC was expected to invoice \$0.6 million for Fairfax County for bus shelters. Work is ongoing and invoicing is expected to begin in the fourth quarter.
- NVTC was expected to invoice \$0.5 million more for the Bus Rapid Transit project in the West end of Alexandria. The project is ongoing with NVTA using Smart Scale funds so these funds have been deobligated.
- Hampton Roads Transit was expected to invoice \$0.5 million more for the purchase of electric buses. The buses have been purchased, received and invoiced. Approval is being sought to use the remainder of these funds to purchase spare bus parts.
- Petersburg was expected to invoice \$0.5 million for replacement buses. Because City matching funds were expiring, the vehicles were purchased and delivered ahead of schedule. The projects were completed and these funds were deobligated.
- Loudoun County was expected to invoice \$0.5 million more for the rehabilitation of buses. A vendor change delayed the project. The significant share of work is expected to be completed in the fourth quarter and payments are expected to be made in the first and second quarters of fiscal year 2022.
- The remaining variance is due to many smaller projects that differ from the estimated cash flows for a variety of reasons.

(B) DRPT's FY 2021 budget includes \$393.2 million of expenditures to the Virginia Passenger Rail Authority. This amount includes \$304.6 million which is the budgeted estimate of the cash balance as of June 30, 2020 in the REF and IPROC Funds. After year-end adjustments and adjustments for encumbered administrative obligations to be paid by DRPT, the cash balance transfer made to the VPRA in February 2021 was \$302.7 million. The budget also includes \$88.6 million of recurring payments that will be made to the VPRA for 93% of the annual revenues received from the Commonwealth Rail Fund as they are received by DRPT. A lump sum catch up payment is expected to be made in the fourth quarter and monthly payments will be made following that with transfers through the Department of Accounts.

As stated earlier, it is important to note that DRPT's reliance on our transportation partners for accurate information will impact the accuracy of our budgeted expenditures. The vast majority of the DRPT budgeted expenditures are initiated by a reimbursement request from one of our project partners who controls the actual project development. As such, DRPT must gather information from these partners about the timing of almost 2,000 projects in order to estimate cash basis expenditures each year. Based on this operating format for DRPT, a variance of up to 15% would not be unreasonable. Ultimately, the goal for DRPT will be to work with our project partners to attain a variance of 10% or less by each year end.

Resources and Commitments

The Schedule of Resources and Commitments outlines the Department’s financial assets and obligations, broken down by Rail and Transit. The current year totals are compared to the prior year balances and any substantial variances are explained. This schedule is supported by a reconciliation of current and prior year resources and the related allocations of those resources to various projects by the CTB. It utilizes the modified accrual basis of accounting and is similar to a balance sheet. The schedule also provides an indication of the utilization and collection efforts of DRPT’s resources (assets).

DRPT resources include cash and receivables for anticipated expenditures, as well as all anticipated collections of revenues that will be used to fund the DRPT projects that are allocated in the current and prior year’s SYIPs. These anticipated collections are included because the commitments include the remaining balance of all active DRPT projects with SYIP allocation in FY 2021 and prior. Commitments are also increased for the amount of current unobligated funds needed for project allocations proposed in the Fiscal Year 2022 Six Year Improvement Plan. More information about each of the line items in the schedule can be found in the glossary.

The key output of the Schedule of Resources and Commitments is the detail of unobligated funds that are currently available to fund rail and transit projects. The remaining funds (“Funds Available”) are discussed in more detail on page 12.

Schedule of Resources and Commitments				
As of March 31, 2021				
(\$ in Millions)				
	3/31/2021			3/31/2020
	Rail	Transit	Total	Total
Resources				
Cash	\$ 89.8	\$ 182.2	\$ 272.0	\$ 481.2
Estimated Revenues - FY 2021	24.5	115.4	139.9	136.6
Accounts Receivable	0.5	6.1	6.6	4.9
Bonds Receivable	-	22.1	22.1	2.4
Anticipated Bond Proceeds	24.5	81.4	105.9	133.0
Anticipated Reimbursement - VDOT	-	84.3	84.3	270.6
Anticipated Reimbursement - VPRA	39.3	-	39.3	-
Anticipated Reimbursement - DEQ	-	3.8	3.8	8.9
Anticipated Reimbursement - Federal	5.4	98.1	103.5	144.5
Total Resources (A)	184.0	593.4	777.4	1,182.1
Commitments				
Transit & TDM Commitments	-	499.1	499.1	584.8
Rail Commitments	91.9	-	91.9	492.5
VPRA Commitments	90.0	-	90.0	-
Allocated in FY 2022 SYIP	0.2	47.9	48.1	-
Total Commitments (B)	182.1	547.0	729.1	1,077.3
Funds Available	\$ 1.9	\$ 46.4	\$ 48.3	\$ 104.8

Variance Notes

(A) Total Resources at March 31, 2021 decreased by \$404.7 million from the \$1,182.1 million reported last year. Cash balances decreased \$209.2 million. As of July 1, 2020, passenger rail programs and related unobligated balances are part of the VPRA. A one-time cash payment of \$302.7 million was transferred to the VPRA in February 2021. The \$302.7 million is the final cash balance of the REF and IPROC funds at June 30, 2020 less year-end adjustments and encumbered administrative obligations to be paid by DRPT and is a reduction of \$1.9 million from the amount budgeted prior to adjustments of \$304.6 million on the Schedule of Budget vs Actual (page 7). This reduction in cash was partially offset by the increase of cash due to the lead time required to develop multi-year rail programs and the delay in transit capital projects caused by the Covid-19 pandemic. Estimated revenues increased \$3.3 million primarily because of the timing of collections. Accounts Receivable increased \$1.7 million. Bonds Receivable increased \$19.7 million due to significant reimbursements paid in the quarter that will be reimbursed by VDOT. Anticipated Bond Proceeds decreased by \$27.1 million mainly due to the end of the ten-year period of the initial bond authorization and the completion of many multi-million dollar projects over the past year. Anticipated Reimbursements from VDOT decreased \$186.3 million from March 31, 2020 primarily due to the Atlantic Gateway, Fourth Track, and I-95 Corridor improvement projects using PTF funding being transferred to the VPRA. Anticipated Reimbursement from the VPRA of \$39.3 million are freight rail and rail planning projects as of June 30, 2020 that will continue to be administered by DRPT and are reimbursed by VPRA as expenses are incurred. Anticipated Reimbursements from DEQ decreased \$5.1 million. These are expected funds from the Volkswagen settlement to be used for purchasing electric buses. Anticipated Reimbursement from Federal sources decreased \$41.0 million because of the transfer of Atlantic Gateway, PRTC/VRE track lease, and other I-95 Corridor improvement projects to the VPRA, which are partially offset by an increase in CARES Act funding.

(B) Total Commitments decreased by \$348.2 million. Rail commitments decreased \$400.6 million because of the transfer of all passenger rail projects to the VPRA. These are partially offset by the increase of \$90.0 million of commitments to the VPRA. The VPRA commitments include the 93% share of annual estimated revenues in the Commonwealth Rail Fund established in Chapter 1230 of the 2020 Virginia Acts of Assembly. Transit commitments decreased \$85.7 million primarily due to the completion of many major capital projects and the effects of the Coronavirus on future capital outlays. The Six Year Improvement Program was delayed last year because of the unknown effects the Covid 19 pandemic would have on revenues so no funding was allocated to the 2021 SYIP at this time last year. The FY 2022 Six Year Improvement Program allocates \$48.1 million of unobligated funds to commitments in FY 2022.

Funds Available

The following schedule outlines the Department's available balances after meeting all current commitments. These balances are available to fund new projects within the parameters mandated by the Code of Virginia for each separate source. Please see the glossary for a more detailed explanation of each of the schedule line items.

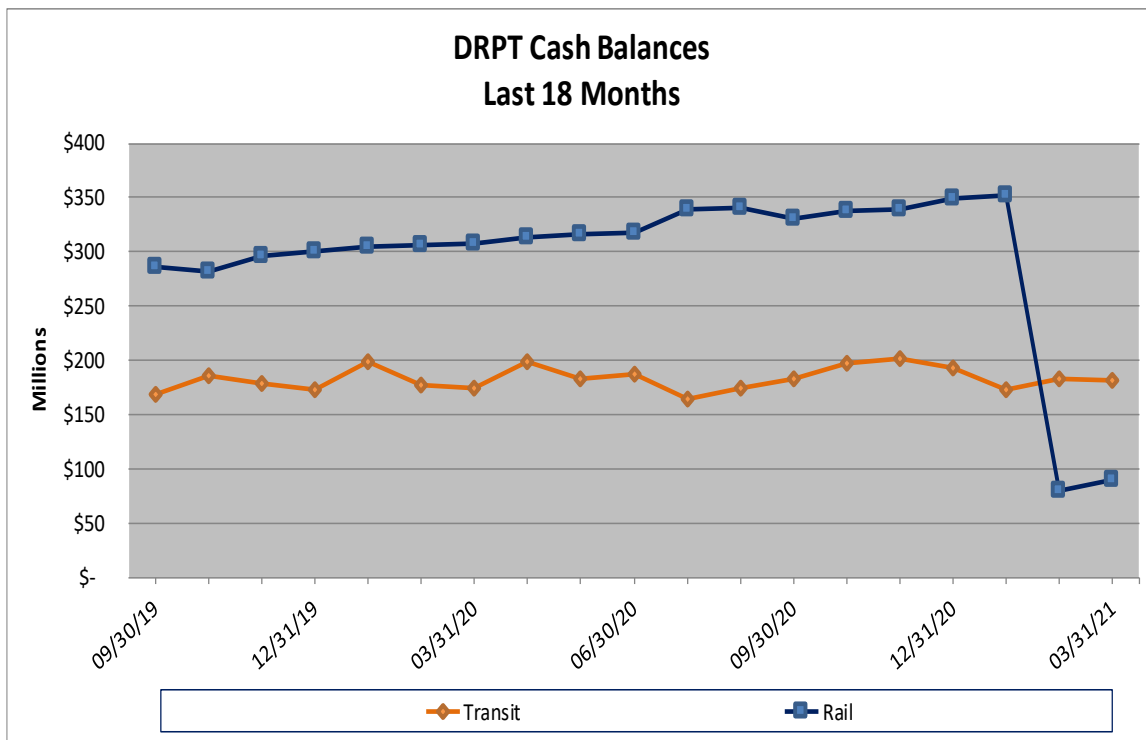
Schedule of Available Balances					
As of March 31, 2021					
(\$ in Millions)					
	3/31/2021			3/31/2020	Variance
	Rail	Transit	Total	Total	
Unobligated Freight & Rail Planning Funds	\$ 1.9	\$ -	\$ 1.9	\$ 27.7	\$ (25.8)
Unobligated Rail Preservation Funds	-	-	-	1.3	(1.3)
Unobligated Mass Transit Funds	-	4.1	4.1	20.9	(16.8)
Transit Operating/Capital Reserve	-	7.9	7.9	7.9	-
Unobligated Transit Bonds	-	0.1	0.1	10.8	(10.7)
Unobligated WMATA Dedicated Funds	-	0.8	0.8	6.6	(5.8)
Unobligated Transit Federal Funds	-	33.3	33.3	29.4	3.9
Unobligated Transit Other	-	0.2	0.2	0.2	-
Total Funds Available	<u>\$ 1.9</u>	<u>\$ 46.4</u>	<u>\$ 48.3</u>	<u>\$ 104.8</u>	<u>\$ (56.5)</u>

The total funds available decreased by \$56.5 million from last year to this year. Chapter 1230 of the 2020 Acts of Assembly established the Virginia Passenger Rail Authority (VPRA) in FY 2021. In the bill, the IPROC and REF funds no longer exist starting in FY 2021 and the passenger rail programs and related unobligated balances are part of the VPRA. As such, the Unobligated Freight and Rail Planning Funds decreased \$25.8 million. The Rail Preservation Funds decreased \$1.3 million since all unobligated funds will be applied to projects in the FY 2022 Six Year Improvement Program.

The Unobligated Mass Transit Funds decreased \$16.8 million. A large portion of unobligated Mass Transit funds will be allocated to commitments in the FY 2022 SYIP. The Unobligated Transit Bonds decreased \$10.7 million. Again, almost all Unobligated Transit Bonds will be allocated to commitments in the FY 2022 SYIP. The Unobligated WMATA Dedicated Funds decreased \$5.8 million. These funds consist of interest and any excess revenues collected that are being used to make scheduled WMATA payments when revenues collected are less than required payments. The Unobligated Transit Federal funds increased \$3.9 million. The Federal Funds have restrictions on their potential use and include \$6.8 million of

stimulus funded by the CARES Act through the FTA that has not yet been committed. Other Unobligated Transit funds remained unchanged.

Cash Balances and Working Cash Needs



DRPT’s cash balances for both rail and transit are depicted in a trend analysis over the last eighteen months in the preceding chart. The rail cash balances prior to February 2021 were relatively high compared to transit due to the lead time required to develop the associated rail program which includes the Transforming Rail Initiative. In July 2020, \$302.7 million of the rail cash balance effectively became part of the capital structure of the Virginia Passenger Rail Authority. The \$302.7 million is the final cash balance of the REF and IPROC funds at June 30, 2020 less year-end adjustments and encumbered administrative obligations to be paid by DRPT which was budgeted at \$304.6 million on the Schedule of Budget vs Actual (page 7). The cash was reported in the chart above until February 2021 and was then transferred to the VPRA, which accounts for the large drop in the rail cash balance at that time. The gradual increase in rail cash from September 2020 to January 2021 is due to revenue collections in excess of expenses and interest collected.

In September 2019 the Department had significant outstanding bonds receivable balances that were received in October 2019. Likewise, significant bond receivable balances in December 2019 were received in January 2020. Again, significant bond receivable balances in March 2020 were received in April 2020. In July 2020, DRPT made significant payments to WMATA for PRIIA, dedicated funding, and capital and operating assistance. From July 2020 to November 2020 the gradual increase in cash balances is due to revenue collections in excess of expenses. Federal CARES funding is being used in lieu of State funds to pay for the operations of many rural transit agencies. In December 2020, DRPT made a quarterly payment to WMATA for

PRIIA. Significant scheduled operating payments were made for \$39.8 million in January 2021 reducing the transit cash balance.

The following table calculates the working cash needs for rail and transit using the current annual CTB adopted budget. DRPT has determined that two months of working cash is sufficient for transit, while six months of working cash is needed for freight rail and rail planning, as these projects are usually larger and span a longer time period. Capital demands in FY 2018 and FY 2019 were less than anticipated. Demands in the FY 2020 SYIP increased but spending declined in the fourth quarter of FY 2020 and into FY 2021 due to the unfavorable economic effects of the Coronavirus. Much of the rail cash balance was transferred to the new Virginia Passenger Rail Authority in February 2021. Adjusted for the cash transfer, the six month average cash balance for DRPT freight rail and rail planning initiatives is \$56.3 million.

Working Cash Needs		
As of March 31, 2021		
(\$ in Millions)		
	<u>Transit</u>	<u>Rail</u>
Annual Budget (Including Administration)	\$ 662.5	\$ 20.5
Divided by 12 Months	÷12	÷12
Times Number of Months Reserve	<u>X 2</u>	<u>X 6</u>
Working Cash Needs	<u>110.4 (A)</u>	<u>10.3 (B)</u>
Six Month Average Cash Balance	188.2	56.3
(Rail is adjusted for the one time VPRA payment)		
Excess / (Shortfall)	<u>\$ 77.8</u>	<u>\$ 46.0</u>
(A) - 60 days cash reserve		
(B) - 180 days cash reserve		

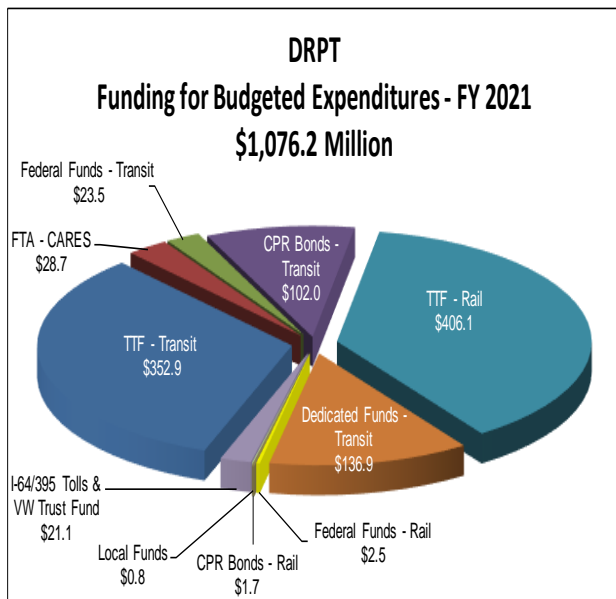
Receivables

DRPT has accounts receivable from VDOT for numerous small projects that are paid on a reimbursement basis using highway funds. In addition, DRPT invoices some municipalities in Northern Virginia on a recurring basis for the collection of regional tax revenues which support the WMATA dedicated funding program. The bonds receivable are collected from VDOT as they function as the trustee for the bond issuance proceeds. Bonds receivable are generally collected within thirty days of invoicing VDOT. The aging of accounts receivable is not a concern as of March 31, 2021 as the balance is due from the Federal government, VDOT, and municipalities that remain current on their payments.

Schedule of Receivables					
As of March 31, 2021					
(\$ in Millions)					
	<u>0-30 days</u>	<u>31-90 days</u>	<u>> 90 days</u>	<u>> 365 days</u>	<u>Total</u>
Accounts Receivable	\$ 6.6	\$ -	\$ -	\$ -	\$ 6.6
Bonds Receivable	\$ 22.1	\$ -	\$ -	\$ -	\$ 22.1

The remainder of this report provides some background on the annual CTB budget and highlights our largest partners by funding disbursed.

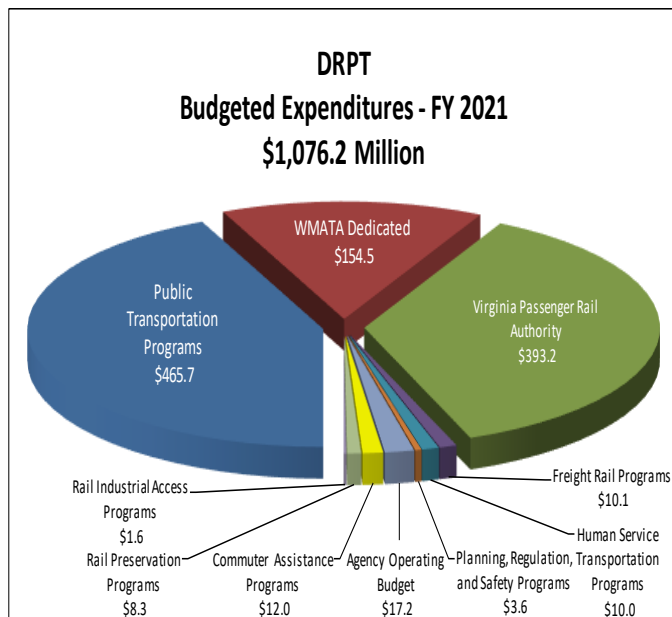
Funding for Budgeted Expenditures FY 2021



The major sources of funds for the \$1,076.2 million DRPT budget are depicted in this chart. This does not represent the estimated revenues for FY 2021; instead, it shows the sources of funding for the budgeted expenditures for the year. For example, \$50.0 million of Commonwealth of Virginia Transportation Capital Projects Revenue Bonds is allocated to transit in the FY 2021 SYIP, but the budget and the funding sources statement includes \$102.0 million of projected expenditures for FY 2021. This is the result of the two to three year lag on some transit capital projects between the SYIP allocation and the timing of the actual expenditures.

Budgeted Expenditures FY 2021

In FY 2021, DRPT anticipates spending \$1,076.2 million of federal, state, and local funds compared to \$730.5 million in FY 2020. The increase of \$345.7 million is mainly due to the establishment of the VPRA and the anticipated cash and revenue transfers to the new Agency from DRPT. The chart depicts the FY 2021 DRPT budget across the agency's service areas and the newly created Virginia Passenger Rail Authority (VPRA).



Payments to Grantees

The following is a list of grantees that have received payments totaling \$1.0 million or more during FY 2021. This list provides an indication of the wide variety of project partners that DRPT works with to accomplish its transportation goals (Amounts in millions):

WMATA - NVTC (WMATA Assistance)	\$126.6
WMATA - Dedicated	114.4
WMATA - PRIIA (WMATA Assistance)	49.5
WMATA - Commuter Assistance	0.9
Hampton Roads Transit	22.7
County of Fairfax	15.8
NVTC	15.5
Virginia Railway Express	13.2
County of Loudoun (OTS)	12.0
County of Arlington	9.7
Greater Richmond Transit Company	9.7
Potomac Rappahannock Transportation Commission	6.8
City of Alexandria	6.5
Town of Blacksburg	5.2
JAUNT, Inc	4.3
Greater Roanoke Transit Company	3.9
CSX	3.4
City of Newport News	3.3
National Railroad Passenger Corp. (Amtrak)	3.1
Bay Transit	2.6
Danville Transit	2.6
Williamsburg Area Transport (WATA)	2.6
Va Regional Transportation Association	2.4
Greater Lynchburg Transit Company	2.3
Appalachian Agency for Senior Citizens	2.0
City of Harrisonburg	1.6
Buckingham Branch RR	1.6
Charlottesville Transit	1.5
District III Governmental Cooperative	1.5
Washington Metrorail Safety Commission	1.4
UHSTS (RADAR) - Roanoke County	1.3
District of Columbia DOT	1.1
Norfolk Southern Railway	1.0
City of Petersburg	1.0

Glossary of Schedule Line Items

1. **Accounts Receivable:** Expenditures incurred on projects funded by VDOT and the Federal Government that have not been reimbursed. In addition, DRPT invoices some municipalities in Northern Virginia on a recurring basis for the collection of regional tax revenues. Past collection's history indicates that all receivables are collected so no allowance for doubtful accounts is needed. The balance also includes receivables for payments made by DRPT on behalf of the VPRA.
2. **Anticipated Bond Proceeds:** The balance remaining on bond funded projects that will be requested for reimbursement from VDOT when expenditures are incurred.
3. **Anticipated Reimbursement from FEDS:** The balance remaining on projects funded by the Federal government that will be requested for reimbursement when expenditures are incurred. These include CARES Act funding awarded from the FTA to DRPT.
4. **Anticipated Reimbursement from VDOT:** The balance remaining on projects funded by VDOT that will be requested for reimbursement from VDOT when expenditures are incurred. These include reimbursement for Smart Scale projects.
5. **Anticipated Reimbursement from VPRA:** The balance remaining on projects that were funded primarily by IPROC and REF funds that were not transferred to the Virginia Passenger Rail Authority. The cash balance related to these projects will be transferred to the VPRA when an agreement is signed between the VPRA and DRPT. DRPT will then request reimbursement from VPRA as expenses are incurred.
6. **Anticipated Reimbursement from DEQ:** The balance remaining on transit capital projects including electric buses that are funded by DEQ as a result of the Volkswagen settlement that will be requested for reimbursement from DEQ when expenditures are incurred.
7. **Bonds Receivable:** Expenditures incurred on bond funded projects that have not been reimbursed by VDOT. These receivables are generally paid within 30 days.
8. **Due to VDOT:** Funds received in advance from VDOT including Rail Industrial Access projects that were completed under budget or did not move forward as anticipated.
9. **Estimated revenues – FY 2021:** Remaining revenues anticipated to be collected in the current fiscal year based on economic forecasts.
10. **Rail Commitments:** Freight rail or rail planning obligations that have been approved by the Commonwealth Transportation Board or the Agency Director.

11. VPRA Commitments: This includes a one time payment of \$302.7 million made to the Virginia Passenger Rail Authority in February 2021. The \$302.7 million is the final cash balance of the REF and IPROC funds at June 30, 2020 less year-end adjustments and encumbered administrative obligations to be paid by DRPT and is a reduction of \$1.9 million from the amount budgeted prior to the adjustments. The commitments also include 93% of the annual revenues collected in the Commonwealth Rail Fund.
12. Transit and Transportation Demand Management (TDM) Commitments: Obligations that have been approved by the Commonwealth Transportation Board or the Agency Director.
13. Unobligated Federal Funds: Available federal funds that have not been allocated to a project or funds that remain on a project that has been completed.
14. Unobligated Mass Transit Funds: Available balances in the Mass Transit Fund. These balances can be comprised of funds that have not been allocated to a project or funds that remain on a project that has been completed.
15. Operating and Capital Reserve: Balance set aside (capped at \$10 million) of up to five percent of the Commonwealth Mass Transit Fund revenues in a given biennium to ensure stability in providing operating and capital funding to transit entities from year to year. It is planned that the reserve will increase to the maximum of \$10 million in the fiscal year 2022 Six Year Improvement Plan.
16. Unobligated Freight and Rail Planning Funds: Available balances of the Commonwealth Rail Fund (CRF). These balances can be comprised of funds that have not been allocated to a project or funds that remain on a project that has been completed.
17. Unobligated Rail Preservation Funds: Available balances in the Rail Preservation fund including bonds.
18. Unobligated Transit Bonds: Available bond allocations that have not been allocated to a capital project or bond allocations that remain on a project that has been completed.
19. Unobligated Transit Other: Available balances related to other transit funding such as transportation demand management projects. It also includes the remaining balance of the up five percent as permitted by the Appropriations Act that DRPT takes off the top to fund administration costs of the agency. Any unused balances are given back to the grantees the following year.

20. VPRA Recurring Payments: These are payments that will be made to the VPRA for 93% of the annual revenues received from the Commonwealth Rail Fund, as they are received by DRPT.
21. VPRA One-Time Payment: This \$304.6 million is the budgeted estimate of the cash balance as of June 30, 2020 in the REF and IPROC Funds. After year-end adjustments and adjustments for encumbered administrative obligations to be paid by DRPT, the cash balance of \$302.7 million was transferred to the VPRA in February 2021.