



County of Fairfax, Virginia

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# Funding for the Washington Metropolitan Area Transit Authority

Fairfax County Federation of Citizens Associations  
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Fairfax County Government





# Funding for the Washington Metropolitan Area Transit Authority

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- Hot-Button Issues
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## Overview: Funding for WMATA

- Members of the WMATA Compact (Washington DC, Maryland, & Virginia) provide capital and operating fund support to WMATA on an annual basis
  - Alexandria, Arlington, City of Fairfax, Fairfax County, Falls Church, and Loudoun
- Each jurisdiction determines how to fund WMATA
  - A combination of local, state, and federal (Section 5307) funds are used
- Other sources of revenue include fares, advertising, joint development, Passenger Rail Investment and Improvement (PRIIA) funds, and other federal grants
- In 2018, the Commonwealth of Virginia passed legislation that capped the growth of WMATA operating expenses at 3% annually and provided an additional \$154.5M for state of good repair capital each year



## Funding for Capital Projects

- Metro's current Capital Improvement Program is an \$11.1 billion, six-year program (FY 2025 – FY 2030)
- Addresses state of good repair needs; modernizes trains and equipment to provide safe, efficient, and reliable service; enhances safety and reliability through maintenance, rehabilitation, and replacement programs.
- Investments include the replacement of bus and paratransit vehicles; deployment of mobile fare payment systems and fare gate replacements; and expanding the acquisition of new 8000-Series railcars.
- Other investments include developing the zero-emission bus program; rehabilitating existing railcars and buses; constructing new bus garages; replacing fare boxes; investing in equipment to prepare for an advanced signaling system; and making improvements to and rehabilitating rail stations, tunnels, bridges, track signals, and bus system infrastructure.



# Funding for Capital Projects

## WMATA Capital Improvement Program Budget

		FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	6-Year
(Dollars in Millions)		Budget	Plan	Plan	Plan	Plan	Pla	Total
FEDERAL	Federal Formula Programs	\$470.0	\$481.2	\$490.8	\$500.6	\$510.6	\$520.8	\$2,974.0
	Federal RSI/PRIIA	143.5	143.5	143.5	143.5	143.5	143.5	861.0
	Other Federal Grants	6.6	24.3	45.4	47.0	2.2	2.3	127.9
	<b>Total - Federal Grants</b>	<b>\$620.1</b>	<b>\$649.0</b>	<b>\$679.7</b>	<b>\$691.1</b>	<b>\$656.4</b>	<b>\$666.6</b>	<b>\$3,962.8</b>
STATE AND LOCAL FUNDING CONTRIBUTIONS	FORMULA MATCH & SYSTEM PERFORMANCE	\$109.4	\$112.6	\$116.0	\$119.5	\$123.1	\$126.8	\$707.4
	RSI/PRIIA	49.5	49.5	49.5	49.5	49.5	49.5	297.0
	Dedicated Funding	178.5	178.5	178.5	178.5	178.5	178.5	1,071.0
	<b>Subtotal - District of Columbia</b>	<b>\$337.4</b>	<b>\$340.6</b>	<b>\$344.0</b>	<b>\$347.5</b>	<b>\$351.1</b>	<b>\$354.8</b>	<b>\$2,075.4</b>
	Montgomery County	50.5	52.0	53.6	55.2	56.8	58.5	326.5
	Prince George's County	52.1	53.6	55.2	56.9	58.6	60.3	336.7
	Maryland RSI/PRIIA	49.5	49.5	49.5	49.5	49.5	49.5	297.0
	Maryland Dedicated Funding	167.0	167.0	167.0	167.0	167.0	167.0	1,002.0
	<b>Subtotal - Maryland</b>	<b>\$319.0</b>	<b>\$322.1</b>	<b>\$325.3</b>	<b>\$328.5</b>	<b>\$331.9</b>	<b>\$335.4</b>	<b>\$1,962.2</b>
	City of Alexandria	13.8	14.2	14.6	15.0	15.5	15.9	89.0
	Arlington County	24.8	25.5	26.3	27.1	27.9	28.7	160.3
	City of Fairfax	0.8	0.8	0.8	0.8	0.9	0.9	5.0
	<b>Fairfax County</b>	<b>44.1</b>	<b>45.5</b>	<b>46.8</b>	<b>48.2</b>	<b>49.7</b>	<b>51.2</b>	<b>285.6</b>
	City of Falls Church	0.9	0.9	0.9	0.9	1.0	1.0	5.5
	Loudoun County	5.9	6.0	6.2	6.4	6.6	6.8	37.8
	Virginia RSI/PRIIA	49.5	49.5	49.5	49.5	49.5	49.5	297.0
	Virginia Dedicated Funding - Unrestricted	122.9	122.9	122.9	122.9	122.9	122.9	737.3
	Virginia Dedicated Funding - Restricted	31.6	31.6	31.6	31.6	31.6	31.6	189.7
	Congestion Mitigation and Air Quality (CMAQ)	0.7	0.7	0.7	0.7	0.7	0.7	4.1
	<b>Subtotal - Virginia</b>	<b>\$294.8</b>	<b>\$297.6</b>	<b>\$300.3</b>	<b>\$303.2</b>	<b>\$306.2</b>	<b>\$309.2</b>	
Jurisdiction Planning Projects	3.0	3.0	3.0	3.0	3.0	3.0	18.0	
Other Reimbursable Projects	29.3	18.2	37.7	2.6	-	-	87.7	
<b>Subtotal - Jurisdictional Reimbursable</b>	<b>\$32.3</b>	<b>\$21.2</b>	<b>\$40.7</b>	<b>\$5.6</b>	<b>\$3.0</b>	<b>\$3.0</b>	<b>\$105.7</b>	
<b>Total - State and Local</b>	<b>\$983.5</b>	<b>\$981.5</b>	<b>\$1,010.3</b>	<b>\$984.8</b>	<b>\$992.2</b>	<b>\$1,002.4</b>	<b>\$5,954.7</b>	
<b>Debt</b>	<b>\$963.0</b>	<b>\$1,047.8</b>	<b>\$863.9</b>	<b>\$503.8</b>	<b>-</b>	<b>-</b>	<b>\$3,378.5</b>	
<b>Grand Total Funding<sup>1,2</sup></b>	<b>\$2,566.6</b>	<b>\$2,678.2</b>	<b>\$2,553.9</b>	<b>\$2,179.8</b>	<b>\$1,648.5</b>	<b>\$1,668.9</b>	<b>\$13,296.0</b>	



## Funding for Capital Projects

### County General Obligation Bonds

- General Obligation bonds require voter approval
- The “Full Faith and Credit” of Fairfax County is irrevocably pledged
- Ratings History
  - Aaa from Moody’s Investor Services since 1975
  - AAA from Standard & Poor’s (S & P) since 1978
  - AAA from Fitch since 1997
- Elite rating category that consists of the following as of January 2024
  - 12 out of 50 States
  - 53 out of 3,069 Counties
  - 37 out of 35,000+ Cities and Towns



# Funding for Capital Projects

## County Referenda Overview

- **Current Referenda Plan**
  - County – even numbered calendar years
  - Schools – odd numbered calendar years
  - November 2024: Transportation \$180 million & Public Safety \$126M
- **Sunset Rule**
  - All referenda expire in eight years from date of voter approval
  - Two-year extension permitted upon petition to Circuit Court
- **Citizen approval rates average in the low 70% range**
  - School Bond November 2023 - 67% app



## Funding for Capital Projects

### County Transportation Bond Question

- Shall Fairfax County, Virginia, contract a debt, borrow money, and issue bonds, in addition to the transportation improvements and facilities bonds previously authorized, in the maximum aggregate principal amount of **\$180,000,000** for the purpose of financing Fairfax County's share, under the Washington Metropolitan Area Transit Authority Compact, of the cost of constructing, reconstructing, improving, and acquiring transportation improvements and facilities, including capital costs of land, transit facilities, rolling stock, and equipment in the Washington metropolitan area?





## Funding for Capital Projects

### **Proposed January 2025 General Obligation Bond Sale**

- Authorization provided from prior year bond referenda approvals
- Amounts are then included as part of the County's annual General Obligation Bond Sale
- Planning a \$400 million bond sale mid-January 2025
  - Schools \$230 million
  - County \$170 million



# Funding for Operating

## FY 2024 & FY 2025 WMATA Budget Overview

(\$ in millions)	FY2024 Budget	FY2025 Recommended	Variance	
			\$	%
Passenger Revenue	\$403.5	\$387.1	(\$16.4)	-4.1%
Non-Passenger Revenue	103.2	100.5	(2.7)	-2.6%
<b>Total Revenue</b>	<b>\$506.7</b>	<b>\$487.6</b>	<b>(\$19.1)</b>	<b>-3.8%</b>
Personnel	1,568.4	1,612.0	(43.6)	-2.8%
Non-Personnel	751.6	723.2	28.4	3.8%
<b>Total Expenses</b>	<b>\$2,320.0</b>	<b>\$2,335.2</b>	<b>(\$15.2)</b>	<b>-0.7%</b>
<b>Operating Deficit</b>	<b>(\$1,813.3)</b>	<b>(\$1,847.6)</b>	<b>(\$34.3)</b>	<b>-1.9%</b>
Subsidy	\$1,227.7	\$1,752.6	\$524.9	42.8%
Above Base Subsidy	24.6		(24.6)	-100%
<b>Total Subsidy</b>	<b>\$1,252.3</b>	<b>\$1,752.6</b>	<b>\$500.3</b>	<b>40.0%</b>
Federal Relief	561.0	95.0	(466.0)	-83.1%
<b>Funding Gap</b>	<b>\$0.0</b>	<b>\$0.0</b>		



# Funding for Operating

## FY 2024 & FY 2025 WMATA Subsidy Table

- Fairfax County Allocation - \$223.1M
- Virginia Allocation Subtotal - \$1,752.6M

<i>(\$ in Millions)</i>	FY2024 Subsidy	FY2025 Base Subsidy	Additional Regional Investment	FY2025 Total Subsidy*
<b>District of Columbia</b>	<b>\$448.2</b>	<b>\$461.6</b>	<b>\$200.0</b>	<b>\$661.6</b>
Montgomery County	196.7	213.2	62.6	275.8
Prince George's County	277.0	274.8	80.7	355.6
<b>Maryland Subtotal</b>	<b>\$473.8</b>	<b>\$488.0</b>	<b>\$143.3</b>	<b>\$631.3</b>
City of Alexandria	54.6	53.8	18.9	72.7
Arlington County	85.0	92.6	32.5	125.1
City of Fairfax	3.3	2.9	1.0	3.9
Fairfax County	167.9	165.1	58.0	223.1
City of Falls Church	3.8	4.1	1.4	5.5
Loudoun County	15.8	21.7	7.6	29.4
<b>Virginia Subtotal</b>	<b>\$330.3</b>	<b>\$340.2</b>	<b>\$119.4</b>	<b>\$459.6</b>
<b>Total Contribution</b>	<b>\$1,252.3</b>	<b>\$1,289.8</b>	<b>\$462.8</b>	<b>\$1,752.6</b>



# Funding for Operating

## **Fund 30000 Metro Operations and Construction**

- **FY 2025 Operating Expenses**
  - Metrorail
  - Metrobus
  - MetroAccess (Paratransit)
- **FY 2025 Revenue Sources**
  - General Funds
  - State Aid
  - Gas Tax
  - Interest



## Hot-Button Issues

**DMV Moves** - A joint initiative by the Metropolitan Washington Council of Governments (COG) and the Washington Metropolitan Area Transit Authority (WMATA) to develop a unified vision and sustainable funding model for public transit in our region.

- **Task Force**

- Paul Smedberg (Task Force Co-Chair)
- Virginia Members: Chairman McKay, Board Member Matt De Ferranti, Chair Phyllis Randall, Deputy Secretary Michael Sargent, Delegate Mark Sickles, Senator Scott Surovell

- **Government Partners Advisory Group**

- County Executive Bryan Hill (Chair)
- Chief Administrative Officers of all COG member governments, local and state transit agencies, NVTAA, NVTC, MWAA, and DRPT

- **Community Partners Advisory Group**



## Hot-Button Issues

**SJ 28** – A joint subcommittee to study long-term, sustainable, dedicated operating and capital funding as well as cost-containment controls and strategies (WMATA-only) for the Washington Metropolitan Area Transit Authority, the Virginia Railway Express, and the public transit systems that serve the NVTC and Potomac and Rappahannock Transportation Commission (PRTC) transportation districts.

- Members of Senate Finance and Appropriations (3 – Senators Ebbin, Boysko, and Surovell)
- Members of House Appropriations (2 – Delegates Sickles and Austin) and House Transportation (2 – Delegates Delaney and McClure)
- Member of the WMATA Board of Directors (Smedberg)
- Member of NVTC (Supervisor Alcorn)
- NVTC Executive Director or designee
- Secretary of Transportation or designee


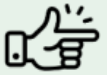



Technical Working Group supports this effort.



# Hot-Button Issues

## Revised Metrorail and Metrobus Formulas

- **Metrorail:** Last revised 1995 – Added maximum rail fare subsidy
- **Metrobus:** Last revised 1998 – Board adopted current formula

Formula Goals	
	Consider service from a <b>regional perspective</b>
	Increase <b>legibility</b>
	Increase <b>transparency</b>
	Align service <b>benefits and costs</b>
	Improve service and <b>fiscal predictability</b>



County of Fairfax, Virginia

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Questions?