



WMATA Annual Reporting Requirements

Commonwealth Transportation Board

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September 16, 2025



Background

Legislative and Policy Context

- Code of Virginia allocates 46.5% of the Commonwealth Mass Transit Fund (CMTF) to the Northern Virginia Transportation Commission (NVTC) to help localities meet their annual WMATA subsidy payments.
 - \$237 million in FY26
- Chapter 854 and 856 of the 2018 Virginia Acts of Assembly:
 - Established a separate WMATA Capital Fund to provide Virginia's agreed upon share of regional dedicated capital funding to WMATA (\$154.5 million annually)
 - Requires CTB to withhold a portion of the CMTF allocation to NVTC for WMATA if funding requirements are not met
- To effect the law, CTB adopted "Policy and Guidelines for Implementation of Governance and Funding Reforms for WMATA"
 - Enacted in 2018 and last amended in September 2023
 - Required to be reviewed every two years

Certification Process

WMATA provides required documentation/notification of compliance by CTB policy deadlines for the following Code requirements:

- (1) Board Governance
- (2) Capital Improvement Plan
- (3) Strategic Plan
- (4) 3% cap on annual growth in total Virginia Operating Assistance
- (5) Submission of Budget and Annual CTB Update



DRPT reviews for compliance



Office of Attorney General provides concurrence



CTB certifies compliance

Compliance Assessment

(1) WMATA Board Governance

Section 33.2-1526.1(L)

Legislative Requirement

- Alternate directors shall not participate or take action at an official WMATA Board meeting or Committee meeting unless they are serving in absence of a primary director
- WMATA Board must adopt bylaws that would prohibit such participation by alternate directors

CTB Policy Requirement

- WMATA shall provide notification asserting compliance by July 1 but immediately notify CTB if there is a violation

Consequences of Non-compliance (Code of Virginia)

- Board shall withhold 20% of state WMATA allocation if found to be non-compliant

DRPT Recommendation

- **WMATA has met the requirements of the statute and Board policy**
- **No enforcement action is recommended**

(2) WMATA Capital Improvement Plan

Section 33.2-1526.1(M)

Legislative Requirement

- WMATA must annually adopt a capital improvement program that covers the current and next five fiscal years
- WMATA must hold an in-person public hearing in Northern Virginia
 - WMATA held a hybrid public hearing on the CIP on February 3, 2025, in Alexandria that was hosted by Commonwealth appointee and WMATA Board Chair Paul Smedberg

CTB Policy Requirement

- WMATA shall provide notification asserting compliance by July 1

Consequences of Non-compliance (Code of Virginia)

- Board shall withhold 20% of state WMATA allocation if found to be non-compliant

DRPT Recommendation

- **WMATA has met the requirements of the statute and Board policy**
- **No enforcement action is recommended**

(3) WMATA Strategic Plan

Section 33.2-1526.1(M)

Legislative Requirement

- WMATA must adopt or update within the preceding 36 months a strategic plan and hold an in-person public hearing on the strategic plan in Northern Virginia
 - WMATA held the required public hearing and the WMATA Board adopted a compliant strategic plan, “Your Metro, the Way Forward” on February 23, 2023

CTB Policy Requirement

- WMATA shall provide notification asserting compliance by July 1

Consequences of Non-compliance (Code of Virginia)

- Board shall withhold 20% of state WMATA allocation if found to be non-compliant

DRPT Recommendation

- **WMATA has met the requirements of the statute and Board policy**
- **No enforcement action is recommended**

(4) 3% Cap on Growth in Operating Assistance

Section 33.2-1526.1(K)

Legislative Requirement

- Total Virginia operating subsidy in current approved WMATA budget increased by no more than 3% over the prior year approved budget
- Operating costs related to the following are excluded from this calculation:
 - Any service, equipment, or facility that is required by any applicable law, rule or regulation
 - Any capital project approved by the WMATA Board
 - Any payment/obligation resulting from a legal dispute or proceeding
 - Any service increases approved by the WMATA Board

CTB Policy Requirement

- WMATA shall provide notification asserting compliance by July 1 along with a detailed description of costs, exemptions, and annual growth rate

Consequences of Non-compliance (Code of Virginia)

- Board shall withhold 35% of state WMATA allocation if found to be non-compliant

DRPT Recommendation

- **Cap has been suspended for WMATA's FY25 & FY26 budget cycles by the Commonwealth's 2024-2026 Biennium Budget**
 - **Virginia's operating subsidy increased 7% between FY25 and FY26**

(5) Submission of Budget and Annual CTB Update

Section 33.2-1526.1(N)

Legislative Requirement

- By April 1, WMATA must submit a detailed proposed operating budget and capital expenditures, including information on expenditures, indebtedness, pensions and other liabilities, and other information as prescribed by the Board
- Virginia's Principal Members of the WMATA Board and the WMATA General Manager must annually address the CTB
 - Commonwealth appointee Paul Smedberg, NVTC appointee Matt Letourneau, and WMATA General Manager Randy Clarke addressed the CTB on October 22, 2024

CTB Policy Requirement

- Budget submission shall include audited financial statements

Consequences of Non-compliance (Code of Virginia)

- Board shall withhold 20% of state WMATA allocation if found to be non-compliant

DRPT Recommendation

- **WMATA has met the requirements of the statute and Board policy**
- **No enforcement action is recommended**

Next Steps

September Workshop

- FY25 compliance determination overview
- Consideration of revision to CTB policy

October Action Meeting

- Certify FY25 compliance
- Update/reaffirm CTB guidelines

October Workshop

- GM and VA Board Members address CTB



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