

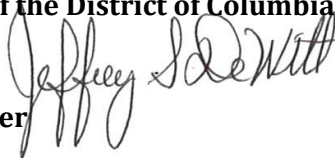
Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: September 25, 2019

SUBJECT: Fiscal Impact Statement - Washington Metropolitan Area Transit Authority Fiscal Year 2020 Local Capital Funding Agreement Emergency Act of 2019

REFERENCE: Draft Bill as shared with the Office of Revenue Analysis on September 6, 2019

Conclusion

Funds are sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill. The underlying funding agreement commits the District to contributing \$92.7 million in capital funding to the Washington Metropolitan Area Transit Authority's (WMATA) 2020 fiscal year budget which began on July 1, 2019.

Background

The District supports WMATA's capital project needs, along with the other member jurisdictions,¹ through two Capital Funding Agreements. The first is a multi-jurisdictional agreement among the District, WMATA, and the other member jurisdictions. The second is a local agreement between the District and WMATA that incorporates anti-deficiency restrictions on the District's financial commitments under the multi-jurisdictional agreement. The two agreements work in tandem to

¹ Jurisdictions include the State of Maryland; Arlington County, Virginia; Fairfax County, Virginia; the City of Alexandria, Virginia; the City of Fairfax, Virginia; and the City of Falls Church, Virginia.

The Honorable Phil Mendelson

FIS: "Washington Metropolitan Area Transit Authority Fiscal Year 2020 Local Capital Funding Agreement Emergency Act of 2019," Draft Bill as shared with the Office of Revenue Analysis on September 6, 2019

specify the District's required contributions and limit the District's obligations. The original 2010 agreements were extended through June 30, 2018² and have expired.

The bill approves a new one-year local capital funding agreement that builds on the original 2010 agreement, as extended, between the District and WMATA to fund WMATA for its fiscal year 2020, which runs from July 1, 2019 through June 30, 2020. The cost of the extension is \$92,700,000.³

A separate bill proposes a new one-year agreement that builds on the original multi-jurisdictional capital funding agreement.⁴

Financial Plan Impact

Funds are sufficient in the fiscal year 2019 budget and the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill. WMATA's 2020 fiscal year spans the final quarter of the District's fiscal year 2019 and the first three quarters of the District's fiscal year 2020. Since capital payments are made quarterly, the first payment was made from fiscal year 2019 funds and the remainder will come from a \$269 million capital budget allotment included in the District's fiscal year 2020 approved budget.

The District included \$178.5 million of new dedicated funding for WMATA within the \$269 million capital budget allotment.⁵ This new funding is not addressed in this one-year agreement.

² Third Amendment to the Washington Metropolitan Area Transit Authority Local Capital Funding Agreement Emergency Act of 2018, effective July 20, 2018 (D.C. Act 22-421; 65 DCR 7697).

³ This new agreement brings the total, not-to-exceed value of capital funding agreements to \$733,449,000 from July 1, 2010 through June 30, 2020.

⁴ Washington Metropolitan Area Transit Authority Fiscal Year 2020 Capital Funding Agreement Emergency Act of 2019.

⁵ Dedicated WMATA Funding and Tax Changes Affecting Real Property and Sales Amendment Act of 2018, effective October 30, 2018 (D.C. Law 22-168; 65 DCR 13694).