

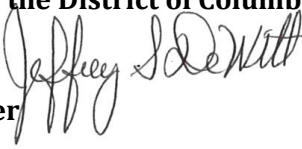
Government of the District of Columbia
Office of the Chief Financial Officer



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: June 20, 2020

SUBJECT: Fiscal Impact Statement – Washington Metropolitan Area Transit Authority Fiscal Year 2021 Capital Funding Agreement Emergency Act of 2020

REFERENCE: Draft Introduction as provided to the Office of Revenue Analysis on May 29, 2020

Conclusion

Funds are sufficient in the fiscal year 2020 budget and the proposed fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill. The underlying funding agreement commits the District to contributing approximately \$95.1 million in capital funding to the Washington Metropolitan Area Transit Authority's (WMATA) 2021 fiscal year budget which begins on July 1, 2020.

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 specify the District's required contributions and limit the District's obligations. The original 2010

¹ Jurisdictions include the State of Maryland; Arlington County, Virginia; Fairfax County, Virginia; the City of Alexandria, Virginia; the City of Fairfax, Virginia; the City of Falls Church, Virginia; and, as newly included under this agreement, the County of Loudon, Virginia.

The Honorable Phil Mendelson

FIS: "Washington Metropolitan Area Transit Authority Fiscal Year 2021 Capital Funding Agreement Emergency Act of 2020," Draft Bill as provided to the Office of Revenue Analysis on May 29, 2020

agreements were extended through June 30, 2018² and have expired. Two new agreements for fiscal year 2020 will expire on June 30, 2020.

The bill approves an amendment to the WMATA fiscal year 2020 one-year multi-jurisdictional capital funding agreement³ to fund WMATA for its fiscal year 2021, which runs from July 1, 2020 through June 30, 2021. The cost of the extension is \$95,116,884.⁴

A separate bill proposes an amendment to the fiscal year 2020 one-year local capital funding agreement.⁵

Financial Plan Impact

Funds are sufficient in the fiscal year 2020 budget and the proposed fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill. WMATA's 2021 fiscal year spans the final quarter of the District's fiscal year 2020 and the first three quarters of the District's fiscal year 2021. Since capital payments are made quarterly, the first payment will be made from fiscal year 2020 funds and the remainder will come from a \$323.5 million capital budget allotment included in the District's fiscal year 2021 proposed budget.

² Third Amendment to the Washington Metropolitan Area Transit Authority Capital Funding Agreement Emergency Act of 2018, effective July 20, 2018 (D.C. Act 22-422; 65 DCR 7699).

³ Washington Metropolitan Area Transit Authority Fiscal Year 2020 Capital Funding Agreement Emergency Act of 2019, effective October 29, 2019 (D.C. Act 23-146; 66 DCR 14344).

⁴ This new agreement brings the total value of capital funding agreements to \$828,565,884 from July 1, 2010 through June 30, 2021.

⁵ Washington Metropolitan Area Transit Authority Fiscal Year 2021 Local Capital Funding Agreement Emergency Act of 2020.