



APPROVED BUDGET

**FISCAL YEAR
2027**

(July 1, 2026 – June 30, 2027)

January 8, 2026

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
SCHEDULE OF REVENUE**

	FY 2025 Actual	Approved Budget FY 2026	Approved Budget FY 2027	Increase (Decrease)
Local Share from State Aid (Note 1)	\$ 3,367,003	\$ 3,550,153	\$ 3,706,003	\$ 155,850
Local Direct Contributions (Note 1)				
Alexandria	43,542	62,454	40,887	(21,567)
Arlington	65,623	59,397	62,334	2,937
City of Fairfax	4,486	4,256	4,278	22
Fairfax County	155,168	141,166	155,458	14,292
Falls Church	2,128	1,947	2,284	337
Loudoun	13,300	15,027	19,006	3,979
Total Local Direct	<u>284,247</u>	<u>284,247</u>	<u>284,247</u>	<u>-</u>
Total Contributions	3,651,250	3,834,400	3,990,250	155,850
Interest and Other Revenue	88,555	35,000	40,000	5,000
Project Chargebacks (Note 2):				
Commuter Choice Program	730,373	666,400	639,300	(27,100)
VRE	80,000	80,000	80,000	-
Envision Route 7 BRT	158,711	168,000	60,300	(107,700)
Project Grant Billings (Note 3)	9,542	40,000	40,000	-
Appropriated Surplus (Note 4)	(331,623)	110,000	225,000	115,000
Total Revenue	<u>\$ 4,386,808</u>	<u>\$ 4,933,800</u>	<u>\$ 5,074,850</u>	<u>\$ 141,050</u>

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
SCHEDULE OF EXPENDITURES**

	<u>FY 2025 Actual</u>	<u>Approved Budget FY 2026</u>	<u>Approved Budget FY 2027</u>	<u>Budget Increase (Decrease)</u>
<u>Personnel Costs</u>				
Salaries and Wages (Note 5)	\$ 2,452,447	\$ 2,883,200	\$ 2,964,000	\$ 80,800
Fellow Program (Note 5)	11,928	50,000	50,000	-
Total Personnel Costs	<u>2,464,375</u>	<u>2,933,200</u>	<u>3,014,000</u>	<u>80,800</u>
<u>Benefits</u>				
Employer's Contributions				
FICA and Medicare (Note 6)	174,575	205,000	208,000	3,000
Group Health Insurance (Note 7)	181,399	255,000	273,000	18,000
Retirement (Note 8)	219,300	238,000	265,000	27,000
Workers & Unemployment Comp.	1,580	6,400	2,800	(3,600)
Life Insurance	3,543	6,700	6,600	(100)
Long Term Disability Insurance	15,536	18,800	19,500	700
Total Benefit Costs	<u>595,933</u>	<u>729,900</u>	<u>774,900</u>	<u>45,000</u>
<u>Administrative Costs</u>				
Commissioners Per Diem (Note 9)	11,300	15,000	14,500	(500)
Rents:	425,929	474,500	493,400	18,900
Office Rent (Note 10)	409,544	454,000	471,400	17,400
Transit Benefits / Parking	16,385	20,500	22,000	1,500
Insurance:	6,312	8,900	8,800	(100)
Public Official Bonds	2,400	2,600	2,500	(100)
Liability and Property (Note 11)	3,912	6,300	6,300	-
Travel, Training and Development	67,980	76,500	79,200	2,700
Prof. Devel./ Conference (Note 12)	50,790	54,500	58,200	3,700
Non-Local Travel	1,010	2,500	2,500	-
Local Travel, Meetings (Note 13)	16,180	19,500	18,500	(1,000)
Communication:	16,045	19,400	18,400	(1,000)
Postage (Note 14)	1,194	1,400	1,400	-
Telephone and Data (Note 15)	14,851	18,000	17,000	(1,000)
Publications & Supplies	31,652	35,700	37,300	1,600
Office Supplies (Note 16)	3,491	2,000	3,000	1,000
Duplication and Printing (Note 17)	4,051	8,700	9,300	600
Public Engagement (Note 18)	24,110	25,000	25,000	-
Operations:	52,219	55,900	59,300	3,400
Furn.and Equip. (Capital) (Note 19)	13,401	18,400	19,200	800
Repairs and Maintenance	642	1,000	1,000	-
Computer Operations (Note 20)	38,176	36,500	39,100	2,600
Other General and Administrative	16,220	11,900	11,900	-
Memberships	1,786	1,600	1,600	-
Fees and Miscellaneous	9,440	8,800	8,800	-
Personnel Recruiting (Note 21)	4,994	1,500	1,500	-
Total Administrative Costs	<u>627,657</u>	<u>697,800</u>	<u>722,800</u>	<u>25,000</u>
<u>Contracting Services and Other</u>				
Auditing (Note 22)	17,750	26,400	26,900	500
Contract Services & Support (Note 23)				
Commuter Choice	224,688	146,500	136,250	(10,250)
Research Support (Note 24)	302,845	250,000	250,000	-
Other Technical	123,561	120,000	120,000	-
Legal (Note 25)	30,000	30,000	30,000	-
Total Contract Services	<u>698,844</u>	<u>572,900</u>	<u>563,150</u>	<u>(9,750)</u>
Total Operating Program	<u>\$ 4,386,809</u>	<u>\$ 4,933,800</u>	<u>\$ 5,074,850</u>	<u>\$ 141,050</u>

**NORTHERN VIRGINIA TRANSPORTATION
COMMISSION Notes to Fiscal Year 2027 Approved**

1. Revenue: Jurisdictional Contributions

Revenue from Local Direct Contributions

Each NVTC jurisdiction is assigned a share of the local portion of NVTC's administrative budget based on its share of revenue received by NVTC on behalf of jurisdictions from all sources in the previous year. This procedure is required by state statute and results in changes in contributions from one year to another that vary for each jurisdiction depending on relative shares of revenue received. The allocation in this FY 2027 budget is based on the FY 2025 revenue and Subsidy Allocation Model (SAM) formula.

Revenue from State Assistance

NVTC receives state operating and capital assistance as partial reimbursement for its WMATA compact members' annual commitments to WMATA and those jurisdictions' local transit systems. NVTC allocates this revenue among the jurisdictions based on NVTC's SAM and holds the funds in trust for the jurisdictions' transit use. Before the funding is allocated, NVTC's SAM resolution states that amounts are to be applied to certain NVTC projects, and a portion of the general and administrative budget of NVTC. The amount used for NVTC's general and administrative expenses is determined each year by NVTC's approved budget.

2. Revenue: Project Chargebacks

Commuter Choice Program

The general and administrative budget is reimbursed by the Commuter Choice program for costs incurred in administering the program in both the I-66 and I-395/95 corridors.

Virginia Railway Express

NVTC receives revenue from VRE as reimbursement for staff support and other expenses.

Envision Route 7 BRT

Included in the general and administrative budget is a line for reimbursements from the Envision Route 7 BRT project budget for payroll related expenses that are expected to be incurred in managing the next phase of the project. The project budget includes Federal, state, and local funding sources, although only state and local sources will be available to reimburse the general and administrative budget.

3. Revenue: Project Grant Billings

The FY 2027 budget assumes funding from DRPT's Workforce Development Program that covers 80% of payroll and related costs of NVTC's Transit Fellows program.

**NORTHERN VIRGINIA TRANSPORTATION
COMMISSION Notes to Fiscal Year 2027 Approved**

4. Revenue: Appropriated Surplus

The FY 2027 budget recognizes projected excess accumulated surplus as a revenue source to offset budgeted expenditures. This balance, generated from favorable budget variances in prior fiscal years, is available in excess of the Commission's minimum operating reserve requirements.

5. Personnel Costs

Salaries and Wages

The FY 2027 budget includes a provision for merit and COLA increases for existing staff.

Fellows Program

The budget continues the NVTC Fellows Program, which began in FY 2015, by building NVTC's technical capacity and strengthening its ties with members of the research network. The budget assumes grant funds from DRPT's Workforce Development Program will be available to provide 80% of payroll and related costs of this program.

The Fellows Program provides a cost efficient and flexible way to employ new graduates and mid-career professional to complete specific short-term projects generally over a one- to six-month period. The program has served as a valuable recruitment tool and created opportunities to connect with university programs within Virginia and nationally.

6. FICA and Medicare

NVTC's share of FICA and Medicare taxes is a function of budgeted payroll and the current tax rates and estimated wage ceiling.

7. Group Health Insurance

A provision for health insurance coverage is included for all NVTC staff positions, regardless of whether the current employees in those positions participate in NVTC's plan. Unless all eligible employees participate in NVTC's health insurance program, actual expenditures will be less than budgeted. The budget is based on known actual rates with a provision for increasing premiums. Beginning with the May 2024 renewal, NVTC began offering two plans through Kaiser Permanente, allowing staff to choose the plan which best suits their needs with a cost savings to NVTC.

**NORTHERN VIRGINIA TRANSPORTATION
COMMISSION Notes to Fiscal Year 2027 Approved**

8. Retirement

The NVTC Target Benefit Pension Trust functions as a defined contribution plan and is fully funded each fiscal year. The budgeted employer contributions are calculated by actuarial formulas using budgeted staff and salary levels. The estimated annual liability is reduced by non-vested funds that were forfeited by former plan participants and are expected to be available during the fiscal year. Because the actuarial calculations consider factors in addition to payroll costs, such as years to retirement and investment return, changes in budgeted contributions do not necessarily correlate directly with budgeted payroll.

The increase in the budgeted contribution from FY 2026 to FY 2027 is the result of an increase in the number of plan participants, and a greater percentage of senior staff participating in the plan, offset in part by forfeited funds that are expected to be available.

9. Commissioners' Per Diem

The FY 2026 budget is based upon the FY 2024 actual expenditures for Commission and committee meeting attendance, with a contingency for increased attendance. Commissioners, other than senators and delegates, are paid by NVTC at the statutory rate of \$50.

10. Office Rent

NVTC's office lease was renewed effective March 15, 2019, and includes additional space beyond the previous lease to accommodate NVTC's increasing staff levels. The budgeted rent amount is based on the fixed costs of the lease, which increases at 2.5% per year, plus an estimate of pass-through expenses and real estate taxes.

The lease contains an abatement provision for 29% of the leased space for the first twelve months of the lease ending March 14, 2020. The lease also contains a provision for the abatement of the first month's rent for each of the first seven annual periods of the lease, which is amortized over twelve months for each of those periods. The final abatement took place in March 2025 and is amortized over the twelve months ending February 2026.

Off-site file storage is also included in this budget line.

11. Insurance: Liability and Property

The FY 2027 budget is based on the most recent premium year with an allowance for increasing costs and coverage.

**NORTHERN VIRGINIA TRANSPORTATION
COMMISSION Notes to Fiscal Year 2027 Approved**

12. Professional Development / Conferences

Included in this line for FY 2027 are the estimated registration fees for professional development, conferences, in-house training, accreditation, and related travel costs. The budget assumes NVTC staff will participate in training opportunities, speaking engagements and panel participation at various events throughout the year, thereby enhancing NVTC's visibility across the region. These funds will also allow staff to maintain required training to keep their professional accreditations and assist in the recruitment and retention of high quality staff. Whenever appropriate, NVTC will continue to minimize travel expenditures through locally sponsored events, online conferences, and events where the registration fee is discounted or waived.

13. Local Travel, NVTC and Other Meetings

This line includes the costs of NVTC Commission and committee meetings, hosting regional meetings and events, and the costs of NVTC staff traveling to meetings elsewhere in the region.

14. Postage

This item is based on an average of prior years' actual costs.

15. Telephone and Data

This line includes the fixed contracted cost for telephone and data services at NVTC's office, and mobile and data service for staff.

16. Office Supplies

The FY 2027 budget for this item is based on the average of prior years' actual costs.

17. Duplication and Printing

The FY 2027 budget is based on the estimated costs of a new copier lease and service contract, taking into account projected usage levels.

18. Public Engagement

The budget includes a provision for costs related to public engagement on WMATA matters as required of NVTC by the Virginia Code, the costs to produce NVTC's annual report, social media, and other public outreach costs, including communication efforts on NVTC projects and dedicated funding efforts.

**NORTHERN VIRGINIA TRANSPORTATION
COMMISSION Notes to Fiscal Year 2027 Approved**

19. Furniture and Equipment

This budget category provides for the anticipated replacement and acquisition of furniture and office equipment, including computer hardware.

20. Computer Operating Expense

Computer operations includes the cost of a third-party information technology managed services contract, subscription-based software licensing fees, video conferencing and virtual meeting services, web and email hosting fees, and software upgrades and supplies. The FY 2027 budget is based on costs presently under contract and anticipated future needs.

21. Personnel Recruiting

The FY 2027 budget includes a provision for personnel recruitment advertising.

22. Auditing

NVTC entered into a three-year contract for auditing services beginning with the audit of FY 2022, with two, two-year options. The FY 2027 budget is based on the costs included in this contract.

23. Contract Services and Support

Commuter Choice Programs

I-66 Commuter Choice Program

As part of a 40-year agreement with the Commonwealth of Virginia, NVTC has been assigned the authority to administer a program of projects to be funded using revenue generated by the tolling of I-66 Inside the Beltway. In FY 2017 NVTC launched the initial year of the I-66 Commuter Choice Program.

I-395 Commuter Choice Program

In 2017, NVTC and the Potomac and Rappahannock Transportation Commission (PRTC) entered into a 66-year agreement with the Commonwealth of Virginia to fund a program of projects to be funded by revenues generated by the tolling of I-95/I-395.

Other Technical

The FY 2027 budget includes a provision for technical support efforts, specialized analysis, related publications, contracted human resource support, and strategic planning efforts. NVTC's state liaison contract is also funded in this line item.

**NORTHERN VIRGINIA TRANSPORTATION
COMMISSION Notes to Fiscal Year 2027 Approved**

Whenever possible, NVTC intends to leverage other funding sources and utilize contracts of other agencies in an effort to reduce costs.

24. Research Support

This budget line, which was added in FY2023, includes a provision for NVTC funded policy research and the local match for grant funded projects. Due to the nature of the expenditures, available budget balances are carried forward between fiscal years.

Efforts previously and currently funded from this budget line in part or in full include the ZEB Strategic Plan, Value of Transit including outreach, Metro Operating Funding and Reform Working Group Support, Research Strategic Roadmap, SJ 28 Technical Support, and ZEB Technical Assistance. Staff will continue to seek Commission approval for future project procurements funded from this budget line.

25. Legal

In FY 2016, NVTC entered into a new agreement with VRE to receive counsel services on all legal matters.