

Combined
Blue Items/Handouts/
Presentations
for
December 4, 2025
NVTC Meeting

AGENDA ITEM #4 NVTC's FY 2025 Audited Financial and Compliance Reports

*Changes to original memo are
shown italicized and bolded in red.*

TO: Chair Snyder and NVTC Commissioners
FROM: Kate Mattice, Scott Kalkwarf and Colethia Quarles
DATE: December 4, 2025
SUBJECT: NVTC's FY 2025 Audited Financial and Compliance Reports, and ***Separately Issued Single Audit and Compliance Reports***

At the December meeting, NVTC's auditor, PBMares, will present the results of the FY 2025 audit and the Commission will be asked to accept and authorize distribution of the FY 2025 Audited Financial Statements and Compliance Reports ***and the separately issued Single Audit and Compliance Reports.***

A. Report from NVTC's Auditors

Representatives from PBMares will meet with the Executive Committee (serving as the Audit Committee) prior to the Commission meeting and will then make a presentation to the full Commission to describe the results of their annual audit.

NVTC's audit firm, PBMares, LLP, issued an unqualified (clean) opinion that NVTC's financial statements, in all material respects, fairly present the financial position of the governmental activities, the business-type activities, each major fund, and the remaining fund information, and changes in financial position of NVTC. PBMares also issued a clean report on the internal control of NVTC's financial reporting, compliance and other matters.

Because NVTC received more than \$750,000 in federal assistance during FY 2025, PBMares is also performing a Single Audit and will issue a report on the compliance with the requirements of each federal program, and internal control over compliance related to those federal funds. The Single Audit and related report cannot be finalized at this time because the 2025 Compliance Supplement, which is required to be followed in performing a Single Audit, has not yet been released as final by the Office of Management and Budget. Once released, PBMares will finalize the audit and issue a separate Single Audit report, which will be brought to the Commission for acceptance and authorization to distribute. ***The Compliance Supplement was recently released, and PBMares was able to finalize the audit and issue the separate Single Audit and Compliance reports dated December 3, 2025.***

B. ACTION: Accept and Authorize Distribution of NVTC's FY 2025 Audited Financial and Compliance Reports, *and Separately Issued Single Audit and Compliance Reports*

Following the report from the auditors, the Commission will be asked to accept the [FY 2025 Audited Financial and Compliance Reports](#), ***and separately issued Single Audit and***

Compliance Reports and to authorize staff to release the information to the member jurisdictions, regulatory agencies and the public.

Northern Virginia Transportation Commission

Single Audit and Compliance Reports

Year Ended June 30, 2025



ASSURANCE, TAX & ADVISORY SERVICES

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

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NORTHERN VIRGINIA TRANSPORTATION COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

| <u>Federal Grantor / Program Title</u> | <u>Assistance Listing Number</u> | <u>Passed Through to Subrecipients</u> | <u>Total Federal Expenditures</u> |
|---|--|--|---------------------------------------|
| Department of Transportation: | | | |
| Direct Payments: | | | |
| Federal Transit Cluster: | | | |
| Federal Transit Formula Grants: | | | |
| VA-04-0022 | ✔ 20.500 | \$ 91,067 | \$ 91,067 |
| VA-04-0033 | ✔ 20.500 | 671,121 | 671,121 |
| VA-04-0048 | ✔ 20.500 | 116,849 | 116,849 |
| Total Federal Transit Formula Grants | | <u>879,037</u> | <u>879,037</u> |
| Total Federal Transit Cluster | | <u>879,037</u> | <u>879,037</u> |
| Community Project Funding Congressionally Directed Spending: | | | |
| VA-2025-012 | ✔ 20.534 | - | <u>82,114</u> |
| Total Department of Transportation | | <u>879,037</u> | <u>961,151</u> |
| Total Expenditures of Federal Awards | | <u>\$ 879,037</u> | <u>\$ 961,151</u> |

The accompanying note is an integral part of this financial statement.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Northern Virginia Transportation Commission (NVTC) under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of NVTC, it is not intended to and does not present the financial position or changes in net position of NVTC.

Federal Financial Assistance – The Single Audit Act Amendments of 1996 (Public Law 104-156) and Uniform Guidance define federal financial assistance as grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations or other assistance.

Direct Payments – Assistance received directly from the Federal government is classified as direct payments on the Schedule.

Pass-through Payments – Assistance received in a pass-through relationship from entities other than the Federal government is classified as pass-through payments on the Schedule.

Major Programs – The Single Audit Act Amendments of 1996 and the Uniform Guidance establish the criteria to be used in defining major programs. Major programs for NVTC were determined using a risk-based approach in accordance with the Uniform Guidance.

Federal Assistance Listing – The Federal Assistance Listing is a government-wide compendium of individual federal programs. Each program included in the catalog is assigned a five-digit program identification number (Federal Assistance Listing Number), which is reflected in the accompanying Schedule.

Cluster of Programs – Closely related programs that share common compliance requirements are grouped into clusters of programs. A cluster of programs is considered as one federal program for determining major programs. The following cluster is administered by NVTC: Federal Transit Cluster.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 2. Summary of Significant Accounting Policies (Continued)

For fiscal year 2025, NVTC recognized amounts in the Schedule associated with prior year expenditures. Expenditures should be recognized in the fiscal year spent for reporting purposes. In the current fiscal year, \$735,581 of prior year expenditures associated with the Federal Transit Cluster were included in the Schedule. Prior year expenditures associated with the cluster were reflected in the current year due to timing in which NVTC received draw down requests and supporting documentation from the NVTC member jurisdictions in which NVTC manages the federal grants.

Note 3. Indirect Cost Rate

NVTC has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.



**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable Commission Board Members
Northern Virginia Transportation Commission

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the *Specifications for Audits of Authorities, Boards and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining aggregate fund information of the Northern Virginia Transportation Commission (Commission), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated November 20, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PBMares, LLP

Harrisonburg, Virginia
November 20, 2025



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR THE MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Commission Board Members
Northern Virginia Transportation Commission

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the Northern Virginia Transportation Commission's (Commission) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Commission's major federal program for the year ended June 30, 2025. The Commission's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Commission's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirements of the major federal program as a whole.

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining aggregate fund information of the Commission, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements. We issued our report thereon dated November 20, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

PBMares, LLP

Harrisonburg, Virginia
December 3, 2025

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

| | | |
|---|------------------------------|---|
| Material weaknesses identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Significant deficiencies identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> None Reported |
| Noncompliance material to financial statements noted? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Federal Awards

Internal control over major programs:

| | | |
|--------------------------------------|------------------------------|---|
| Material weaknesses identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Significant deficiencies identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> None Reported |

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

Yes No

Identification of major programs:

| Federal Assistance Listing Number | Name of Federal Program or Cluster |
|-----------------------------------|------------------------------------|
|-----------------------------------|------------------------------------|

| | |
|------------------------------------|---|
| Federal Transit Cluster: 20.507 | Federal Transit – Formula Grants (Urbanized Area Formula Program) |
|------------------------------------|---|

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

II. FINANCIAL STATEMENT FINDINGS

None

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2025

There was no single audit.

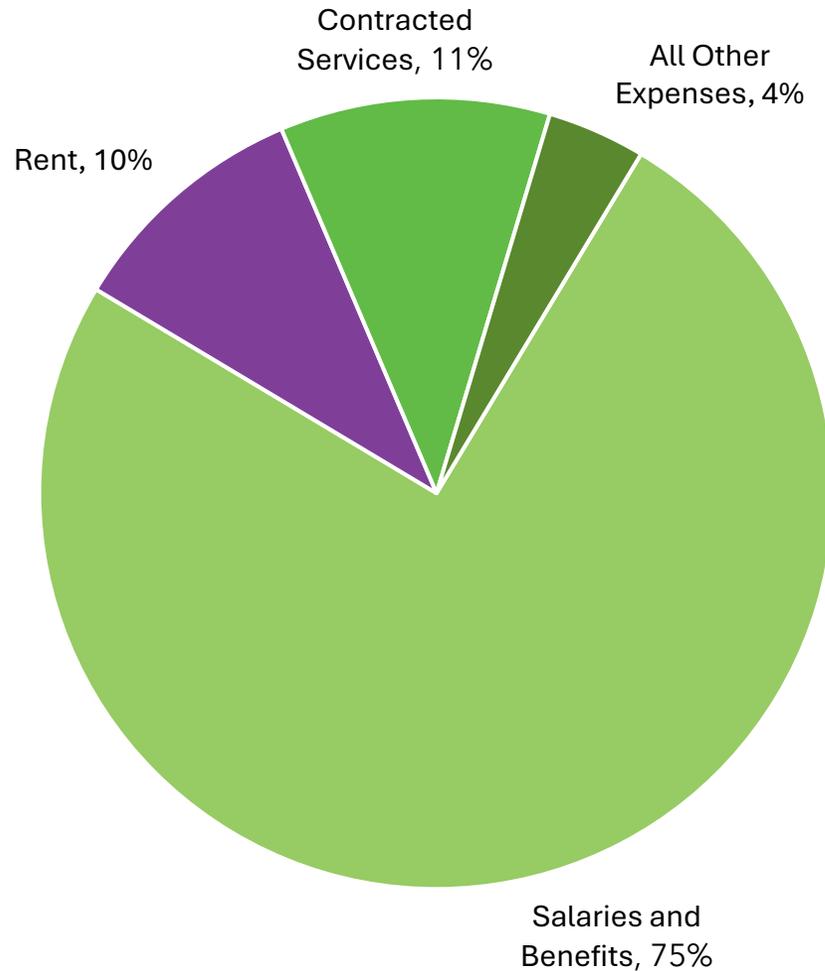
FY 2027 General and Administrative Budget Approach

Proposed FY 27 budget focuses on retaining highly skilled, highly technical staff, communication of Commission priorities and addressing key cost drivers.

- ✓ Continue strong support of Commission priorities
- ✓ Fulfill state and federal reports and requirements
- ✓ Reduce financial management exposure
- ✓ Align COLA/merit expectations with peers, jurisdictions
- ✓ Retain and train highly skilled staff
- ✓ Continue robust regional technical and coordination efforts
- ✓ Continue staff coordination of WMATA efforts including support to WMATA Board members
- ✓ Be able to immediately conduct policy research and leverage opportunities for additional federal and/or state funding
- ✓ Sustain human resources, legal and legislative support

NVTC's FY 2027 Proposed Budget – Expenditures

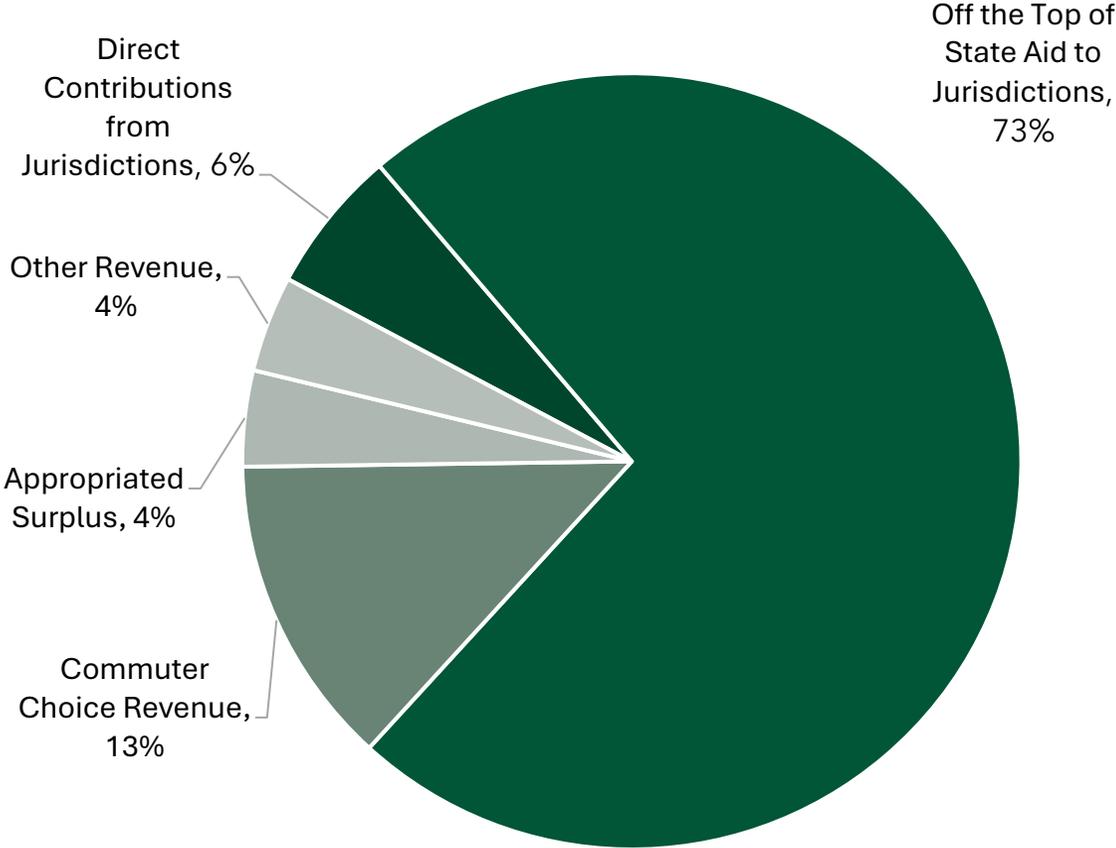
NVTC Budget Cost Drivers



- **Financial management** of gas tax, toll revenues, state aid and federal grant funding
- **Program management** of Commuter Choice, WMATA Oversight, Route 7 BRT
- **Technical, policy and data analysis** that improve local transit planning decisions, support transit funding needs
- **Facilitation of regional efforts** such as zero-emission bus and fare technologies
- **Outreach and Community Engagement** on Commuter Choice, Route 7 BRT, transit funding needs
- **Internal Operations** to support communications and IT functions

NVTC's FY 2027 Proposed Budget - Revenues

NVTC Budget Revenue Sources



- **NVTC's revenues come primarily from state aid (DRPT funding)**
 - Only 6% comes directly from jurisdictional budgets (fixed in total)
- In FY 2026, **NVTC expects to manage \$314M in state aid** on behalf of our jurisdictions
 - NVTC "overhead" is approximately 1.2% of state aid managed by NVTC
- **Commuter Choice funding** is approved by CTB each year
- **Appropriated Surplus varies** from year to year, depending on prior year budget surpluses

Proposed FY 2027 G&A Budget - Expenditures

| Budget Category | Approved FY 2026 Budget | Proposed FY 2027 Budget | Increase (Decrease) | Percent Change |
|--|----------------------------|----------------------------|------------------------|-------------------|
| Salaries and Wages | \$2,933,200 | \$3,014,000 | \$80,800 | 2.8% |
| Benefits and Other Payroll Costs | 729,900 | 774,900 | 45,000 | 6.2% |
| Administrative Costs | 697,800 | 722,800 | 25,000 | 3.6% |
| <i>Commissioners Per Diem</i> | 15,000 | 14,500 | | -3.3% |
| <i>Rent</i> | 474,500 | 493,400 | | 4.0% |
| <i>Insurance</i> | 8,900 | 8,800 | | -1.1% |
| <i>Travel, Training and Meetings</i> | 76,500 | 79,200 | | 3.5% |
| <i>Telephone, Data and Postage</i> | 19,400 | 18,400 | | -5.6% |
| <i>Publications and Supplies, Outreach</i> | 35,700 | 37,300 | | 4.5% |
| <i>Computer Operations and Equipment</i> | 55,900 | 59,300 | | 6.1% |
| <i>Other General and Administrative</i> | 11,900 | 11,900 | | 0.0% |
| Contract Services | 572,900 | 563,150 | (9,750) | -1.7% |
| <i>Commuter Choice</i> | 146,500 | 136,250 | (10,250) | -7.0% |
| <i>Research Support, Other</i> | 426,400 | 426,900 | 500 | 0.1% |
| Total G&A Budget | \$4,933,800 | \$5,074,850 | \$141,050 | 2.9% |

Proposed FY 2027 G&A Budget Revenues

| Budget Category | Approved FY 2026 Budget | Proposed FY 2027 Budget | Increase (Decrease) | Percent Change |
|--------------------------------|----------------------------|----------------------------|------------------------|-------------------|
| Local Share from State Aid | \$3,550,153 | \$3,706,003 | \$155,850 | |
| Local Direct Contributions | 284,247 | 284,247 | 0 | |
| Total Local Contributions | 3,834,400 | 3,990,250 | 155,850 | 4.1% |
| Interest and Other Revenue | 35,000 | 40,000 | 5,000 | 14.3% |
| Project Chargebacks | 914,400 | 779,600 | -134,800 | -14.7% |
| <i>Envision Route 7 BRT</i> | <i>168,000</i> | <i>60,300</i> | <i>-107,700</i> | <i>-64.1%</i> |
| <i>Commuter Choice / Other</i> | <i>746,400</i> | <i>719,300</i> | <i>-27,100</i> | <i>-3.6%</i> |
| Project Grant Billings | 40,000 | 40,000 | 0 | 0.0% |
| Appropriated Surplus | 110,000 | 225,000 | 115,000 | 104.5% |
| Total G&A Budget | \$4,933,800 | \$5,074,850 | \$141,050 | 2.9% |

NVTC 2026-2027 Work Plan Highlights

NVTC Oversight of WMATA

- Annual Report on the Performance and Condition
- WMATA Board of Directors and WMATA Committee support
- Lead jurisdictional and regional collaboration efforts and communications

Commuter Choice

- I-66 Scoring and Programing
- I-395/95 Call for Projects
- I-66 Corridor Needs Assessment Study

Envision Route 7 BRT

- Manage Phase 4-2 Mobility Study
- Facilitate and manage FTA and DRPT Grants
- Coordinate with jurisdictional partners on outreach efforts

Work Toward Long-Term Transit Funding

- Implementation of SJ28 Joint Subcommittee Recommendations
- Support DMVMoves Action Groups
- Coordinate with legislative partners

Transit Data and Analysis

- Collect and manage regional transit and related data
- Provide timely research, visuals and presentations
- Manage NVTC FTA's National Transit Database Technical Assistance

Transit Technology

- Regional Zero-Emission Bus Coordination
- Support Fare Collection and Policy Coordination
- Implement recommendations of the Zero-Emission Bus Strategic Plan

Bus Priority

- Engage on TSP and other bus priority efforts
- Collect, maintain and publish regional data on existing and planned bus priority infrastructure

Communications & Engagement

- Program specific outreach and marketing
- Maximize NVTC's online presence
- Serve as the key point of contact on NVTC issues
- Develop and leverage partnerships with key stakeholders and community members

Legislative and Policy Efforts

- Plan, coordinate, implement legislative and policy strategies that support NVTC's mission
- Draft NVTC Legislative Agenda
- Coordinate with key lawmakers and policy and trade organizations

Financial Analysis & Administration

- Administer annual WMATA subsidy and local transit funding
- Annual allocation of regional gas tax
- Annual updates to SAM formula
- Financial projections and analysis

- DRPT grant applications and grant agreements
- Commuter Choice reimbursements
- Federal grant management and reporting
- Title VI certification to FTA
- Manage NVTC procurement activities

NVTC Support of VRE

- Technical and Communications Support
- Operations board support

Regional Coordination & Collaboration

- Ensure transit research compliments other regional analyses and work through the Management Advisory Committee and coordination with MWCOG, PRTC, NVTA, DRPT, VDOT, VRE and WMATA

Commission and Committee Management

- Monthly meeting materials and logistics
- Committee scheduling, materials, and logistics
- Annual agenda and meeting schedule

Internal Operations

- General and Administrative Budget and Work Plan
- Telework and IT support
- Ongoing website content development and updates
- HR Support
- Procedures and policy management

Questions





Advancing transit in
Northern Virginia
since 1964



December 2025

Executive Director Newsletter

 @NoVaTransit
NoVaTransit.org | NoVaRides.org





A Message From Kate Mattice

Each December we turn our attention to legislative matters, preparing for next year's General Assembly and Congressional sessions. We craft an annual Legislative and Policy Agenda distilling Northern Virginia's priorities on public transit and transportation, enabling us to effectively talk to our legislators about the progress we hope to see in Richmond and on Capitol Hill.

This year's Legislative and Policy Agenda reflects a remarkable effort to reimagine how Northern Virginia and our partners in the District of Columbia and Maryland pay for public transit, ensuring that Metro, Virginia Railway Express (VRE) and the local bus systems have a sustainable funding stream enshrined in law.

NVTC's 2026 Legislative and Policy Agenda reflects the hard work of the General Assembly's SJ 28 Growing Needs of Northern Virginia Transportation Joint Subcommittee and DMVMoves, the task force created by Metro and the Metropolitan Washington Council of Governments. I'm grateful to NVTC staff for the extensive technical support and invaluable contributions they provided for both efforts.

We also host our marquee annual event—the Legislative Forum, in partnership with the Potomac and Rappahannock Transportation Commission and VRE, this month. This year's event, held Monday, December 15, will cover the path to sustainable transit funding and give leaders of the region's transit agencies an opportunity to talk about the issues confronting them.

We invite our elected officials, including newly elected state and local leaders, to come learn more about our priorities and why they matter. We also look forward to working closely with Gov.-elect Abigail Spanberger and General Assembly members to secure a solid financial future for public transit in the Commonwealth.


Executive Director



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- 11 Welcome Hwajung Kim
- 11 Happy 25 years, Scott Kalkwarf



December 9-10
Commonwealth
Transportation Board

December 15
NVTC/PRTC/VRE
Legislative Forum

December 19
VRE Operations Board

January 6
Commonwealth
Transportation Board

January 8 (special date)
Commission Meeting

January 16
VRE Operations Board

January 29
Joint WMATA & Legislative
and Policy Committees

February 5
Legislative Reception
(Richmond)

February 17
Commonwealth
Transportation Board

NoVaTransit.org
NoVaRides.org
@NoVaTransit



Two major efforts to establish future transit funding approved

The General Assembly's SJ 28 Northern Virginia Growing Needs of Public Transit Joint Subcommittee held its last meeting on November 5, approving a [resolution](#) that identified 11 recommendations to support long-term, sustainable transit funding in Northern Virginia. These recommendations support the DMVMoves capital [funding levels](#) for Metro in Virginia, as well as endorse funding levels for Virginia's Metro operating subsidy needs, Virginia Railway Express, our local bus systems and OmniRide.

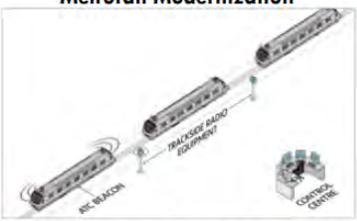
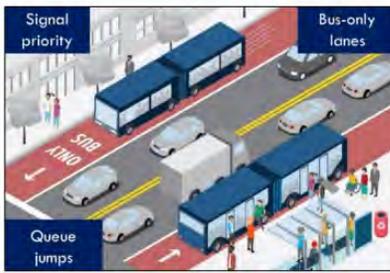
The Metro Board and the Metropolitan Washington Council of Governments (MWCOC) Board [met jointly](#) the following week to endorse the final DMVMoves regional investment and action plan, including a proposal for \$460 million in new annual capital funding for Metro beginning in FY 2028.

NVTC participated throughout the process as part of the Government Partners Advisory Group, helping shape recommendations to improve Metro's long-term financial stability and strengthen coordination among regional transit operators. With the plan formally advanced by both boards, NVTC endorsed both the DMVMoves and SJ 28 efforts at its November Commission meeting.

NVTC and its partners are preparing to advocate for the legislation needed to implement these recommendations during the upcoming General Assembly session, in alignment with the funding solutions identified by the joint subcommittee.

DMVMoves Plan: Transit Investments

DMVMoves Plan summary

| | | |
|---|---|---|
| <p>Additional Funding for Metro</p> <p>Reinvesting in/Modernizing Metro</p> <p>Metrorail Modernization</p>  <p>Maintaining and Reinvesting in Metro</p>  <p>\$460M before FY29* + 3% per year</p> | <p>Metro + Jurisdictional Partnerships</p> <p>Regional Bus Priority Network</p>  <ul style="list-style-type: none"> • Joint project development • Discretionary and local funding for priority infrastructure • Metro operates fast, frequent service all day/all week <p>\$ To be determined</p> | <p>Separate State and Local Needs</p> <p>Improved Local Bus Service</p> <p>Indication of need to implement new, customer-focused regional service guidelines.</p> <p>\$65-80M + 3% per year</p> <p>Commuter Rail to Regional Rail</p> <p>Maintaining existing service and systems:</p> <p>\$60M + 3% per year</p> <p>Leveraging recent investments to provide regional rail service:</p> <p>\$ To be determined</p>  |
|---|---|---|

+ Implementation of Action Plan for Transit Integration

*In advance of reaching debt capacity limit

Ground broken for Alexandria passenger rail projects

Executive Director Kate Mattice attended a [groundbreaking ceremony](#) at Alexandria Union Station on November 15 for several rail projects that will significantly improve passenger rail service in Northern Virginia.

The Alexandria Fourth Track project—a collaboration between the Virginia Passenger Rail Authority, Virginia Railway Express, Amtrak, CSX and the City of Alexandria—will separate passenger and freight rail traffic along a six-mile stretch of track, creating more efficient and reliable service for commuters and travelers. Also planned are projects to enhance

Alexandria Union Station itself, which is one of Virginia's busiest transit hubs, replace the King & Commonwealth rail bridges and improve the surrounding streetscape to better connect the station to the nearby neighborhoods.

Transportation Secretary Shep Miller and Reps. James Walkinshaw and Don Beyer were among the elected officials who addressed attendees and highlighted how these investments will benefit the entire region by strengthening rail connectivity and supporting economic growth.





ENVISION ROUTE 7



Envision Route 7 completes outreach effort

In-person community outreach for the [Envision Route 7](#) bus rapid transit system Phase 4-2 concluded in early November, following an open house, five bus stop chats and five pop-ins throughout the corridor. In addition, NVTC staff visited key employment and cultural centers, such as St. Anthony of Padua Church and Seven Corners Center to further share information about the project.

Community outreach provides qualitative data on how public transit impacts the daily lives of residents and businesses along the corridor. It captures perceptions and desires for improvements that complement traffic volume and ridership data. Additional outreach includes a [newsletter](#), community conversations and an online [explorer](#) to educate the public about the project.

NVTC and project partners look forward to returning to the community in the spring to share results and to get feedback from the community.





Commuter Choice funded McLean Station entrance opens

Metro and Fairfax County formally opened a new north entrance at the McLean Station in November. Funded through the I-66 Commuter Choice program, the new entrance will provide enhanced access to Capital One's corporate headquarters and other retail, entertainment and residential destinations in Tysons. We appreciate the partnership with Metro, Fairfax County and Capital One in supporting high-quality transit investments in our region.



Images courtesy of Metro





Metro Board hears final budget preview

Metro staff offered a final [budget preview](#) regarding the FY 2027 operating budget and FY 2027-2032 capital program at the November 20 Metro Board [meeting](#). Metro expects continued ridership and revenue growth, which could be reinvested into improving service and reducing reliance on preventive maintenance transfers. Increased ridership will also benefit the capital program, which is focused on state of good repair and rail modernization efforts. The GM/

CEO Proposed FY 2027 Operating Budget and FY 2027-2032 Capital Improvement Program will be presented to the Board in December, followed by public hearings before adoption in March.

The Board also reviewed FY 2026 Q1 financials and approved solicitation for joint development at the Braddock Road Station.

Opportunities for Operating Savings & Reinvestments

Revenue and Efficiencies

Revenue Growth

Continued ridership growth drives passenger and parking revenue

Bus Scheduling Efficiencies

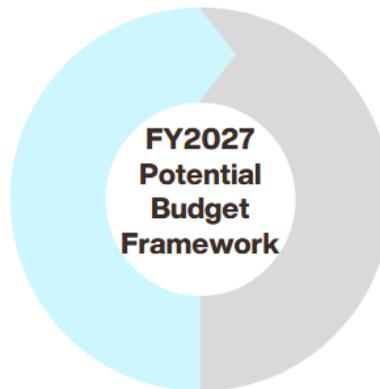
Continued savings from optimizing bus schedules, reducing deadhead and increasing share of productive time

Automatic Train Operations

More efficient schedules and faster travel times from return to automatic train operations and design speeds

Workforce Optimization

Align staffing with modernization efforts; reduce positions through vacancy reductions



Reinvestments

Service Improvements

Improve Metrobus frequency, span, and coverage, address crowding and enhance all-day Metrorail service

Organization Modernization Initiatives

Continue transformation of Metro's service delivery, organizational development and digital modernization

Preventive Maintenance

Continue to reduce reliance on capital funding for operating maintenance expenses



Metro continues strong performance in first quarter

The Metro Board received a [briefing](#) on the FY 2026 first quarter Service Excellence Report during its November 6 meeting. Board members heard that 65% of key performance indicators, ranging from crime rate and crowding to on-time performance and escalator availability, either met their target or trended in the right direction. Customers took nearly 68 million trips across rail, bus and paratransit in Q1 of FY 2026, a 5% increase over Q1 in FY 2025, marking 54 consecutive months of growth.

Service reliability also improved with bus on-time performance hitting its highest level in four years and rail on-time performance outpacing the last two years, thanks to time savings from Automatic Train Operation (ATO) on all lines. Crime remains at an eight-year low and customer perception of safety from crime continues to meet targets for both bus and rail.

17 Measures Meeting or Moving Toward Target In Q1

| Metric | Result | Right trend? Q1 vs. Q4 | Featured | Metric | Result | Right trend? Q1 vs. Q4 | Featured |
|--|--------|------------------------|----------|--|--------|------------------------|----------|
| Goal 1: Service excellence | | | | Objective 1B: Reliability | | | |
| Customer satisfaction | | | | On-time performance | | | |
| Metro rail | 84% | + | | Metro rail | 88.9% | ✓ | + |
| Metro bus | 76% | + | | Metro bus | 76.5% | ✓ | + |
| Metro Access | 78% | + | | Metro Access | 90.2% | ✓ | + |
| Objective 1A: Safety and security | | | | Percent of scheduled service delivered | | | |
| Part 1 crime rate | | | | Metro rail | 97.1% | ✓ | |
| Transit worker assault rate | | | | Metro bus | 97.2% | ✓ | |
| Customer dissatisfaction: safety from crime | | | | Metro Access | 98.4% | | |
| Metro rail | 9% | | | Percent of Metro rail planned service delivered | | | |
| Metro bus | 14% | | | Metro rail | 91.3% | | |
| Customer injury rate | | | | Elevator Availability | | | |
| | 32.5 | ✓ | | Metro bus | 97.2% | | |
| Employee injury rate | | | | Escalator Availability | | | |
| | 5.3 | ✓ | | Metro Access | 94.6% | | |
| Crowding | | | | Objective 1C: Convenience | | | |
| Metro rail | 1.1% | ✓ | | Accuracy of real-time arrival information | | | |
| Metro bus | 2.2% | ✓ | | Metro rail | 97.3% | | |
| | | | | Metro bus | 89.0% | | |
| | | | | Availability of real-time bus arrival information | | | |
| | | | | Metro Access | 93.4% | ✓ | |
| | | | | Customer satisfaction: cleanliness | | | |
| | | | | Metro rail | 74% | | |
| | | | | Metro bus | 67% | | |
| | | | | Last-mile connectivity / bicycle access | | | |
| | | | | | 1.4% | | |
| | | | | | (2022) | | |



Commission commends Rep. Walkinshaw, welcomes Supv. Jimenez

Commissioners lauded Rep. James Walkinshaw during their monthly meeting November 6. Walkinshaw served nearly five years on the Commission before being elected to Congress to fill the seat of the late Rep. Gerry Connolly. He also served on the VRE Operations Board.

Chair David F. Snyder also swore in Mason District Supervisor Andres Jimenez of Fairfax County as an Alternate Commissioner.

Rep. James Walkinshaw and NVTC's Executive Committee (top); Chair David F. Snyder swears in Alternate Commissioner Andres Jimenez (bottom left); November's Commission meeting (bottom right)



New Beltway toll lanes open with transit option

NVTC staff attended the ribbon-cutting for the I-495 Express Lanes Northern Extension, also known as 495 NEXT, November 21. Gov. Glenn Youngkin, Secretary of Transportation Shep Miller and representatives from the Virginia Department of Transportation and Transurban celebrated the completion of the 495 Express Lanes. The project extended the Express Lanes by 2.5 miles from the Dulles Corridor interchange to the George Washington Memorial Parkway near the American Legion Bridge.

The project includes dedicated funding to support transit improvements in the corridor, including Fairfax Connector bus service running between Tysons and Bethesda.

Ribbon-cutting (top); Fairfax County Chair Jeff McKay (bottom)



Welcome Hwajung Kim

We're excited to announce that Hwajung Kim has joined NVTC as a Senior Accountant. Hwajung will be helping to track NVTC's financial activity, prepare financial reports and perform a variety of other accounting functions.

Hwajung comes to NVTC from the National Oceanic and Atmospheric Administration (NOAA) where she was responsible for the accounting of several of the agency's funds. Hwajung is a Certified Public Accountant and holds a master's degree in public management.



Happy 25 years, Scott Kalkwarf



Congratulations go out to Scott Kalkwarf for 25 years at NVTC! Scott serves as the director of finance and administration, providing a steady hand to our financial management and ensuring that NVTC passes annual audits with flying colors.



2300 Wilson Blvd., Ste. 230
Arlington, VA 22201

NoVaTransit.org
NoVaRides.org



@NoVaTransit

NVTC, PRTC AND VRE PRESENT:

ANNUAL LEGISLATIVE FORUM

Join NVTC, PRTC and VRE at our annual event bringing together experts to share key policy issues impacting transit in Northern Virginia.

LAST CALL

— RSVP Today —

8:30 - 11:30 a.m.
Monday, December 15, 2025
George Mason University
3351 Fairfax Drive
Arlington, VA 22201



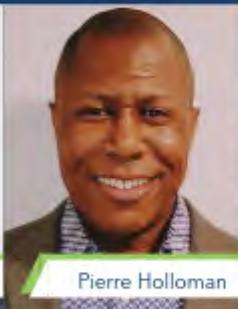
With Special Guest Speaker:
Katie Cristol

Transit Leaders on What's Next for Northern Virginia

Moderated by:



Randy Clarke



Pierre Holloman



Dallas Richards



Bob Schneider



Rachel Weiner

Virginia's Path to Sustainable Transit Funding

Moderated by:



Sen. Adam Ebbin



Del. Mark Sickles



Del. Adele McClure



Chair Jeff McKay



Paul Smedberg



Nick Donohue

SAVE
— THE —
DATE

Thursday, February 5, 2026
4:45 p.m. - 7:00 p.m.

Commonwealth Strategy Group
118 North 8th Street
Richmond, Virginia 23219



Washington Dulles
International Airport

NVTC & CSG PRESENT:

LEGISLATIVE RECEPTION

Join the Northern Virginia Transportation Commission
& Commonwealth Strategy Group for
refreshments & conversation
about the value of transit.

RSVP TODAY:



NVTC EXECUTIVE COMMITTEE

Chair, David Snyder
 Vice-Chair, Sarah Bagley
 Secretary-Treasurer, Matt Letourneau
 Legislative & Policy Committee Chair, Canek Aguirre
 Program Advisory Committee Chair, Dalia Palchik
 General Assembly Member, Adam Ebbin
 Immediate Past Chair and WMATA Committee Chair,
 Matt de Ferranti
 Non-Voting Members:
 WMATA Principal Member, Paul Smedberg
 (Commonwealth Appointee)
 WMATA Principal Member, Walter Alcorn
 (NVTC Appointee)

NVTC WMATA COMMITTEE

Chair, WMATA Alternate Member, Matt de Ferranti
 WMATA Principal Member, Walter Alcorn
 WMATA Principal Member, Paul Smedberg
 WMATA Alternate Member, Canek Aguirre
 Commission Members:
 (drawn from member jurisdictions in a representative manner)
 City of Falls Church, David Snyder
 Loudoun County, Matt Letourneau

NVTC LEGISLATIVE AND POLICY COMMITTEE

Chair, Canek Aguirre
 Commission Members:
 (drawn from member jurisdictions in a representative manner)
 Arlington County, Maureen Coffey
 City of Falls Church, David Snyder
 Fairfax County, James Bierman
 City of Fairfax, Catherine Read
 Loudoun County, Matt Letourneau
 Non-Voting Member:
 General Assembly Member, Adam Ebbin

NVTC PROGRAM ADVISORY COMMITTEE

Chair, Dalia Palchik
 Commission Members:
 (drawn from member jurisdictions in a representative manner)
 City of Alexandria, Sarah Bagley
 Arlington County, Maureen Coffey
 City of Falls Church, David Snyder
 Loudoun County, Juli Briskman

NVTC'S WMATA BOARD OF DIRECTORS

| | |
|--|---|
| Principals: | Alternates: |
| Paul Smedberg (Commonwealth Appointee) Term expires 01-05-2026 | Matt de Ferranti Term expires 01-04-2028 |
| Walter Alcorn (NVTC Appointee) Term expires 01-05-2029 | Canek Aguirre Term expires 01-05-2027 |

NVTC'S VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD (provided by localities)

| | |
|--|---|
| Principals: | Alternates: |
| <u>Fairfax County:</u> Daniel G. Storck (vacant) | <u>Fairfax County:</u> James Bierman |
| <u>City of Alexandria:</u> Sarah Bagley | <u>City of Alexandria:</u> Canek Aguirre |
| <u>Arlington County:</u> Takis Karantonis | <u>Arlington County:</u> Maureen Coffey |

NVTC'S VIRGINIA TRANSIT ASSOCIATION BOARD OF DIRECTORS

| | |
|------------------------------|-------------------------------|
| Principals: | Alternates: |
| David Snyder Kate Mattice | Canek Aguirre Sarah Bagley |