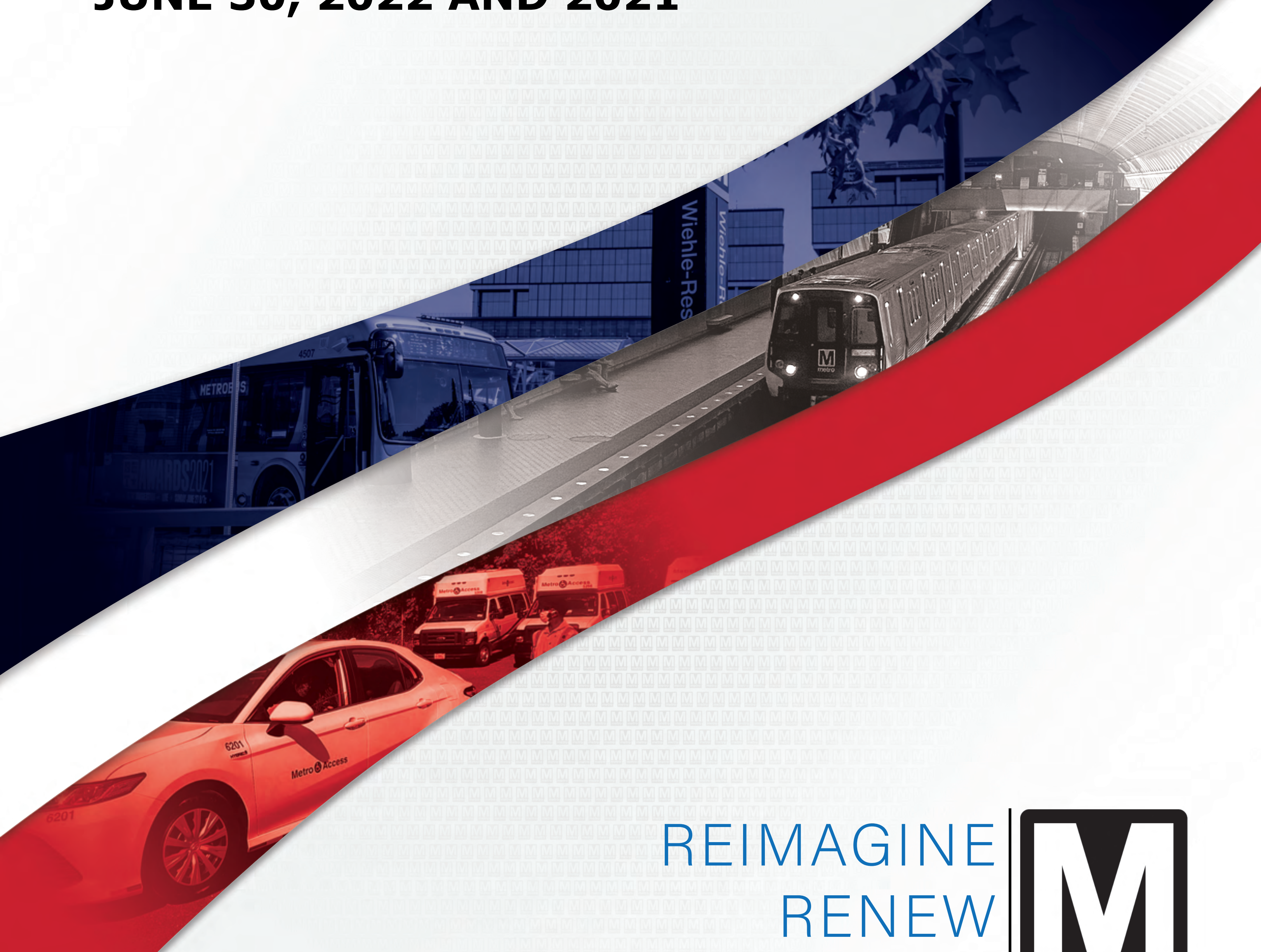
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
WASHINGTON, DC

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021



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WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
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ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

Dennis Anosike, Executive Vice President and Chief Financial Officer

La Toya Thomas, Vice President and Comptroller

Prepared by the Office of Accounting

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This Annual Comprehensive Financial Report was prepared by:

Office of the Chief Financial Officer

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Special thanks to all Office of Accounting and support personnel who contributed to the preparation of this document.

Annual Comprehensive Financial Report
For the Fiscal Years Ended June 30, 2022 and 2021

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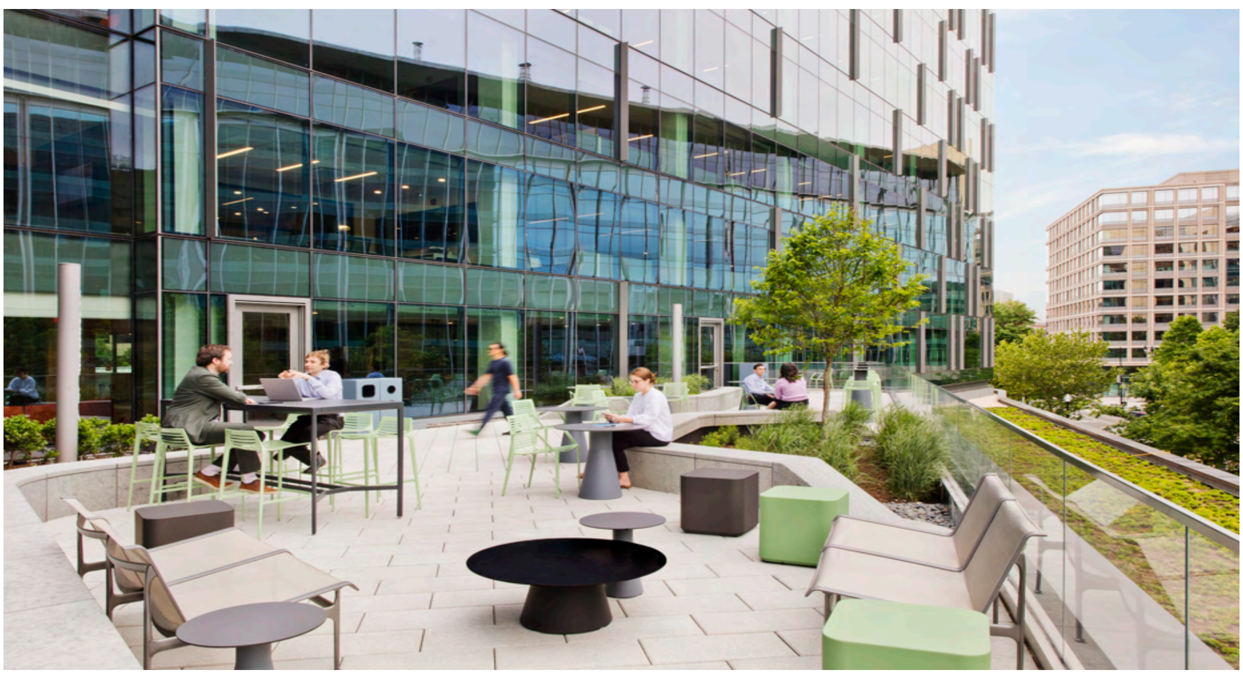

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Washington
Metropolitan Area
Transit Authority

600 Fifth Street, NW
Washington, D.C. 20001
202/962-1234

By Metrorail:
Judiciary Square-Red Line
Gallery Place-Chinatown
Red, Green and
Yellow Lines

A District of Columbia
Maryland and Virginia
Transit Partnership

October 28, 2022

Chairman and Members of the Board of Directors:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the Washington Metropolitan Area Transit Authority (Authority) for the fiscal year ended June 30, 2022. The Authority's financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and audited by a firm of independent certified public accountants retained by the Authority.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Authority's management. To the best of our knowledge and belief, the information contained in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Authority. All disclosures necessary for the reader to gain an understanding of the Authority's financial activity have been included.

The Authority's management is responsible for establishing and maintaining an internal control structure designed to ensure that its assets are adequately safeguarded against loss, theft, or misuse and to maintain accurate and reliable financial records for the preparation of financial statements and the representations made by management. The cost of internal controls should not outweigh their benefits; consequently, the Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than an absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the Authority's internal controls adequately safeguard its assets and provide reasonable assurance of the proper recording of financial transactions.

RSM US LLP, a firm of licensed certified public accountants, issued an unmodified "clean" audit opinion on the Authority's fiscal year 2022 financial statements on October 28, 2022. The independent auditor's report is located in the financial section of this report.

The Authority's management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Authority

The Authority was created in 1967 by an Interstate Compact (Compact) through legislation passed by the District of Columbia, State of Maryland, Commonwealth of Virginia, and United States Congress. The Authority's vision is to move the region forward by connecting communities and improving mobility for customers, with a mission to plan, build, finance and operate a transportation system in the Washington Metropolitan Area Transit Zone (Transit Zone). In fulfillment of its vision, the Authority provides the region with three coordinated types of transportation services: bus (Metrobus), rail (Metrorail), and paratransit (MetroAccess).

Construction of the Metrorail system began in December 1969. Later, by February 1973, four area bus companies were acquired forming the basis for the Metrobus system. The Authority began operating the first phase of the Metrorail in 1976. In May 1994, MetroAccess, the paratransit service for mobility impaired passengers unable to use fixed route transit service, began operation.

Today, the Metrorail system has 91 stations,117.7 miles of track, and six Metrorail lines (Blue, Green, Orange, Yellow, Red, and Silver). Completion of the second phase of the Metrorail Silver Line and the opening of the Potomac Yard station on the Blue and Yellow Lines in fiscal year 2023 will add an additional 12.3 miles of track and seven new stations.

Metrorail is the third busiest rail transit system and the sixth largest bus network in the country. The Authority serves a population of approximately six million within a 1,500- square–mile area. Its transit zone consists of the District of Columbia; the suburban Maryland counties of Montgomery, Prince George's, portions of Charles and Anne Arundel; Northern Virginia counties of Arlington, Fairfax, Loudoun, Prince William, and the cities of Alexandria, Falls Church, Fairfax, Manassas, and Manassas Park. The Authority has a fleet of 1,895 buses, 1,296 railcars, and 900 MetroAccess vehicles.

Organizational Structure

The Board of Directors (Board) governs and determines policy for the Authority. The Board is composed of eight voting Directors and eight alternate Directors from each signatory to the Compact and from the federal government. The Directors and Alternates for the Commonwealth of Virginia are appointed by the Northern Virginia Transportation Commission; for the District of Columbia, by the City Council; for the State of Maryland, by the Washington Suburban Transit Commission; and for the Federal Government, by the US Secretary of Transportation.

Subject to policy direction and delegations from the Board, the General Manager and Chief Executive Officer (GM/CEO) is responsible for the operations and functions of the Authority. The GM/CEO directs staff in implementing and carrying out the programs and initiatives of the Authority.

Budget Process

The Authority's annual budget serves as the foundation for its financial planning and control. The GM/CEO and staff prepare and submit the budget to the Board for approval. The annual budget includes both an operating budget and a capital budget.

The Authority begins planning each annual budget in August of the previous fiscal year with the development of budget priorities and assumptions for the plan year. The budget must be adopted and implemented by June 30, and the fiscal year begins on July 1. Budgeting for the fiscal year is divided into six major phases: development of key assumptions and budget formulation; budget review and justification; presentation of the proposed budget to the Board; Board of Directors discussion/public outreach and public hearings; budget adoption; and budget implementation.

For fiscal year 2022, the Board approved an annual budget of approximately $4.8 billion, which included $2.2 billion dedicated to operating the system and $2.6 billion for capital improvement and reimbursable programs. The budget reflects 12,335 authorized staff positions.

It is the responsibility of each department to manage its operations in such a manner to ensure that the use of the Authority's funds is consistent with the goals and programs authorized by the Board.

Economic Condition

Local Economy

The Authority’s ridership and overall financial outlook are directly influenced by the population, economic conditions, and employment growth in the District of Columbia and the surrounding jurisdictions in Maryland and Virginia. Although ridership trends are gradually improving, the COVID-19 pandemic continues to affect the community, having a fiscal impact on Metrorail, Metrobus, and MetroAccess. As such, federal relief has continued to play a critical role in funding the Authority’s operations to replace lost fare revenue resulting from the ridership decline.

On August 13, 2021, additional pandemic relief was provided through the American Rescue Plan Act of 2021 (ARPA). ARPA provides the Authority with an estimated $1.2 billion in additional funding. The federal relief has enabled the Authority to avoid significant expense reductions through service cuts, and employee layoffs.

Federal Presence and Ridership: The regional economy remains tightly linked to the federal government as it is the largest employer in the region. More than half of Metrorail stations serve federal facilities, and over a quarter of peak service Metrorail trips on an average weekday are taken by federal employees**.** Federal employment is expected to increase by 1.3% from 2022 to 2023 per the US Office of Management and Budget. While still recovering from the pandemic, businesses are resuming in-person work, large-scale events are returning, and tourism, the second-biggest industry in DC, has significantly improved.

The Washington, DC metropolitan area is making significant efforts to diversify and grow the economy. Industrial clusters beyond the federal government were identified in the Roadmap for the Washington Region’s Economic Future with the potential to generate economic growth over the next decade. Additionally, the Authority has continued to invest in long and near-term capital improvement projects.

Economic and Social Benefits to the Region: The Authority remains a powerful economic engine that drives the region’s economy. In collaboration with real estate developers, the Authority has one of the most robust transit-oriented development (TOD) programs in the nation. The program portfolio includes 55 projects completed or under construction at 30 stations, totaling more than 31 million square feet of mixed-use development with nine million new annual metro trips and 26,000 new housing units. TOD has been linked to economic growth, expanded mobility, and improvements to the environment. Areas surrounding TOD have recorded improvements in property values, and ridership fare revenue, reducing the need for taxpayer subsidies. TOD increases access to local businesses and reduces travel times, congestion, and emissions.

Financial Planning

Operations

The fiscal year 2023 Operating Budget is $2.3 billion in total. Despite the significant changes produced by COVID-19, the operating budget reflects the Authority’s commitment to safe, reliable, and affordable transportation for the region. The Budget specifically addresses making Metro fares simpler and more affordable with the adoption of a $2 late night flat fare on rail and reduced pricing for passes to make them more attractive to workers who may no longer be commuting five days per week. In addition, fares that were temporarily discounted in fiscal year 2022 became permanent in fiscal year 2023, including the $2 bus to rail transfer, the $2 weekend flat fare on rail, and the $12 7-day regional pass. The fiscal year 2023 budget includes $5 million of additional expense reductions through management efficiencies, including improving labor utilization and processes, and program modernization. Operating budget expense reduction and revenue generation initiatives have resulted in $294 million in savings since 2018.

Long-Term Capital Improvement Program

On July 1, 2021, the Authority and local jurisdictions entered into a Capital Funding Agreement to support capital improvements between fiscal years 2022-2027.

The Capital Improvement Program (CIP), which is renewed and adopted each year by the Board, matches available funding sources with the capital project investments needed primarily to maintain the Authority's assets in a state of good repair. The CIP is an expenditure-based plan with the following primary investment components:

- Railcars and Railcar Facilities: Replacement and purchase of new railcars, rehabilitation and maintenance of the railcar fleet and other railcar maintenance facilities.
- Rail Systems: Ongoing state of good repair efforts critical to maintaining and improving Metrorail's propulsion power and signals and communications systems.
- Track and Structures Rehabilitation: Track includes steel running rail that guides the train cars, the crossties and fasteners that hold the rail in place, the ballast bed that supports the cross ties, and the third rail that provides power to the train. Structures include the retaining walls that protect the track bed and underground tunnels, the concrete pads that keep the track bed properly elevated and the bridges that span roads and bodies of water.
- Stations & Passenger Facilities: Facilities at the Authority's 98 Metrorail stations, including elevators, escalators, fare collection equipment, fire safety systems, bus loops, bus stops, parking garages, surface lots, access roads, bike racks, and bike lockers.
- Bus, Bus Facilities and Paratransit: Replacement and purchase of new buses and paratransit vehicles, rehabilitation and maintenance of these fleets and of other maintenance and customer facilities.
- Operations and Business Support: Facilities for collecting and storing system data, network infrastructure and other IT assets, as well as the support of Metro Transit Police facilities and equipment, and the non-revenue vehicle fleet.

Over the next few years, the Authority will make capital investments in its fleet, traction power and infrastructure that will shape the region's sustainability efforts in addressing the impact of climate change.

The fiscal years 2023-2028 CIP includes funding from the Federal Transit Administration formula grant programs and federal funds approved under the Passenger Rail Investment and Improvement Act (PRIIA) of 2008. PRIIA has been reauthorized for $1.5 billion over a 10-year period for the Authority's capital and preventive maintenance projects, to be matched dollar-for-dollar by the District of Columbia, Maryland, and Virginia. The remaining funding required over the six-year CIP will come in the form of jurisdictional capital contributions, annual dedicated capital funding, and debt.

Major Initiatives and Accomplishments

Ensuring Safety and Service Reliability

The Authority continues to aggressively pursue a large capital program to enhance and upgrade the original construction of the system. Highlights of the CIP include investments to restore, modernize and sustain the system; platform improvements, tunnel rehabilitation and water mitigation; 8000-series railcar acquisitions; ventilation improvements; and bus and vehicle replacements.

In addition, Metro Transit Police Department (MTPD) launched new community policing and safety initiatives to increase police visibility on buses, trains, and stations. MTPD was also awarded a Department of Justice grant to support the implementation of the body-worn camera program for enhanced transparency and support of safety initiatives.

Improving Customer Experiences

The Authority is not only making improvements to deteriorated platforms but also continues to make customer experience improvements to bring a higher level of safety, convenience, and communication. The Authority has improved lighting by adding LED-illuminated stair handrails to increase brightness and reduce energy consumption. Platforms' static maps were upgraded to new stainless-steel 55 -inch digital displays, which have the capability to display service alerts and emergency information. Slip resistant tiles were placed throughout platforms and inside mezzanines.

In June 2022, the Authority, Prince George's County, Amazon, Urban Atlantic, and Eagle Bank broke ground on the Margaux Housing Development in New Carrollton. The Margaux project will include affordable housing, office space, and retail anchored by a multi-modal transportation hub. The Margaux is now an exciting part of Metro's proud legacy of TOD, supporting the region's economy and a safe, reliable public transit system.

Also, in June 2022, the Authority began assessing the operational readiness for the phase 2 Silver Line extension from the Metropolitan Washington Airport Authority (MWAA). The Authority expects to accept the transfer of the line from MWAA and launch passenger service in fiscal year 2023. The Silver Line is Metro's largest rail expansion project since the opening of the Ronald Reagan Washington National Airport to Stadium-Armory segment in 1977. Phase 1 opened in July 2014 with 11.6 miles and five new stations, extending service to Tysons Corner and Reston. Phase 2 will add 11.4 miles and six new stations (Reston Town Center, Herndon, Innovation Center, Washington Dulles International Airport, Loudoun Gateway, and Ashburn) and will provide service to Loudon County and Dulles International Airport, where more than 600 flights arrive and depart daily.

Sustainability, Energy and Resiliency

The Authority developed a five-year Energy Action Plan in fiscal year 2019, which includes initiatives to cut greenhouse gas emissions and generate energy and operational cost savings. The Authority plans to invest $65.0 million by fiscal year 2025 in energy-efficient technology, modernized operations, and innovation to reduce operating costs and support a more sustainable future.

As part of the Energy Action plan, the Authority is having solar paneled canopies installed over surface lots and above parking garages at four rail stations. The first solar canopy was installed at the Authority's Anacostia Station in fiscal year 2022. Solar canopy construction on the other three stations is expected to be complete in fiscal year 2023. Once installation is complete, the four sites will have 11 acres of solar panels, nearly 10 megawatts of electrical capacity and is expected to be one of the largest community solar projects in the Washington, DC metropolitan area.

Construction for the Authority's new headquarters located in Washington, DC was completed at the end of fiscal year 2022.This was the first major step in a broader office consolidation strategy to reduce the number of office buildings from ten to four. The new building has 227,000 square feet, 11 floors and 500 workspaces. The building meets LEED Gold standards with a perfect score of 100 on the Energy Star scale, reducing its greenhouse gas emissions by 86%. Energy saving features include touchless bathroom fixtures, efficient HVAC systems, LED lighting and controls, automatic daylight sensors for lights, and a 10,000 square foot green roof.

The Authority has signed the Federal Transit Administration's Sustainable Transit for a Healthy Planet Challenge, in which the Authority has pledged to develop strategies to reduce carbon emissions. The release of the Zero-Emission Bus Plan to create a 100% zero-emission bus fleet by 2045 contributes to meeting this challenge. The Authority expects to place 12 electric buses and associated charging equipment in service during fiscal year 2023.

Financial Reporting Updates

During fiscal year 2022, the Authority adopted GASB Statement No. 87 (GASB 87), *Leases*. The objective of this statement is to improve financial reporting for leases. GASB 87 requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases by establishing a single reporting model for leases based on the foundational principle that leases are financings of the right to use an underlying asset. The adoption of GASB 87 resulted in Metro recording lease assets, liabilities, and deferred inflows of lease revenues. For comparative purposes, the Authority restated its financial statements for fiscal year 2021. Additional details on the implementation of GASB 87 can be found in the basic financial statements.

Awards

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its ACFR for the fiscal year ended June 30, 2021. The Authority has received this prestigious award for 34 years.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized financial report. This report must satisfy both US GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that this current ACFR will meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine eligibility for another certificate.

Acknowledgments

Completion of this ACFR would not have been possible without the leadership of the Vice President and Comptroller, La Toya Thomas, and the knowledgeable and dedicated staff of the Office of Accounting. A special note of appreciation is extended to the many diligent employees across the Authority whose time and efforts helped produce this financial report. We would also like to thank the Board and the officers of the Authority for their continuing support in executing the financial operations of the Authority and in meeting the Authority's fiscal responsibilities to our customers and the region.

Respectfully submitted,

Randy Clarke
General Manager and
Chief Executive Officer

Dennis Anosike E017993 WMATA

Digitally signed by Dennis Anosike E017993 WMATA
Date: 2022.10.27 13:37:40 -04'00'

Dennis Anosike
Executive Vice President and
Chief Financial Officer

Board of Directors
As of June 30, 2022

The Washington Metropolitan Area Transit Authority (WMATA) is governed by a 16-member Board of Directors composed of eight Principal and eight Alternate members. The District of Columbia, State of Maryland, Commonwealth of Virginia and the federal government each appoint two Principal and two Alternate members. Below are the members serving on the Board as of June 30, 2022.

Principal Directors

Paul C. Smedberg was elected Chairman of the Board in June 2019. He was first appointed to the Board as an Alternate Director in 2016 and appointed Principal Director in January 2019 representing the Commonwealth of Virginia. He served on the Alexandria City Council from 2003 to 2018, the Virginia Railway Express Operations Board from 2006 to 2018, serving as Chairman in 2013 and 2017, and the Northern Virginia Transportation Commission (NVTC) from 2006 to 2018.

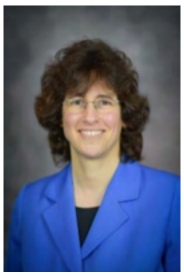
Matt Letourneau joined the Board as an Alternate Director representing the Commonwealth of Virginia in January 2019 and was appointed as a Principal Director in March 2019. He was elected to represent the Dulles District on the Loudoun County Board of Supervisors in 2011 and re-elected in 2015 and 2019. Mr. Letourneau serves as Chairman of the Loudoun Board's Finance, Government Operations and Economic Development Committee. He represents Loudoun on NVTC and served as Chairman in 2019, Vice-Chairman in 2018 and Secretary-Treasurer in 2017. Mr. Letourneau also served as Chairman of the Metropolitan Washington Council of Governments, after serving as Vice Chairman in 2016 and 2017 and Corporate President in 2014.

Lucinda Babers was confirmed by the District of Columbia City Council on May 4, 2021 as a Principal Director of the WMATA Board. She currently serves as the first Deputy Mayor for Operations and Infrastructure for District government. She previously served as the Director of the DC Department of Motor Vehicles (DC DMV). As the DC DMV Director, Ms. Babers led the agency in significant and innovative changes, including the closure and opening of three service centers, elimination of passenger vehicle safety inspections, creation of a more secure credential (along with central issuance), and implementation of REAL ID and limited purpose credentials. Under her direction, DC DMV added numerous online services and received several international customer service and communication awards from the American Association of Motor Vehicles Administrators (AAMVA), as well as several regional AAMVA awards.

Dr. Tracy Hadden Loh was appointed to the Board as a Principal Director in November 2021 representing the District of Columbia. Dr. Loh is a Fellow with the Anne T. and Robert M. Bass Center for Transformative Placemaking at the Brookings Institution. She is a graduate of DC public schools and holds a Ph.D. in city and regional planning from the University of North Carolina at Chapel Hill. Dr. Loh served two years representing Ward 1 on the Mount Rainier City Council in Prince George's County, MD. She is currently a member of the board of directors of Greater Washington.

Principal Directors (continued)

Kamilah Martin-Proctor was appointed to the Board in September 2021 as a Principal Director to represent the Federal Government. She also currently serves as 2021 Chair, Washington DC Commission on Persons with Disabilities. In addition, she also serves on the Board of the World Institute on Disability, is a British-American Project Fellow and was the Washington, DC 2020 United State of Women Ambassador. Martin-Proctor served as Vice-Chair on President Barack Obama's National Council on Disability and has worked with the Charles B. Rangel International Affairs Program at Howard University.



Sarah Kline was appointed to the Board in September 2021 to serve as a Principal Director for the Federal Government. Ms. Kline has spent her career developing and advancing policies to improve transportation outcomes in cities, towns, and rural areas, with a specialty in public transit and transit-oriented development. She led policy development for two national nonprofit organizations, Transportation for America and Reconnecting America. She also served as Director of Policy and Government Relations here at WMATA. Ms. Kline spent 8 years working at the US Senate Committee on Banking, Housing, and Urban Affairs as counsel for transit policy, during which time she negotiated the transit provisions of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users. She was a 2010 recipient of Mass Transit Magazine's Top 40 under 40 Award.

James F. Ports Jr. was appointed to the Board as a Principal in January 2022 representing the State of Maryland. He also was named Secretary of the Maryland Department of Transportation (MDOT) in January 2022, the culmination of a career in public service spanning more than 30 years, including transportation posts at the local, state and federal levels and service as an elected representative in the Maryland General Assembly. Secretary Ports previously served as Executive Director of the Maryland Transportation Authority (MDTA), responsible for constructing, managing, operating and improving the state's toll facilities, as well as financing new revenue producing transportation projects. Mr. Ports' tenure at the MDTA was highlighted by advancement of critical infrastructure and completion of projects on budget and often ahead of schedule. Prior to the MDTA, Mr. Ports served as MDOT Deputy Secretary of Operations, working closely with all six department agencies. It was his second stint as a Deputy Secretary, having served in that capacity from 2004 to 2007.

Don Drummer was appointed to the Board in July 2021 as a Principal Director from Maryland. He is a solar energy entrepreneur, a retired Senior Executive in federal government, and a retired U.S. Army Colonel. Mr. Drummer concluded his federal career in the Federal Aviation Administration (FAA) while serving as Director of the Aviation Logistics Organization in Washington, DC from December 2015 to May 2018. His responsibilities included nationwide planning, programming, and management of the FAA real property lease portfolio (6.4 million square feet) and personal property account (valued at $7.2 billion). Prior to this appointment, Mr. Drummer served in the Transportation Security Administration for almost six years culminating as Deputy Assistant Administrator in the Office of Security Capabilities, which was preceded by 30 years of active-duty service in the U.S. Army.

Alternate Directors

Canek Aguirre was appointed to the Board as an Alternate Director in March 2020 representing the Commonwealth of Virginia. He was appointed to the NVTC in January 2019 and is currently serving as its vice-chair in 2022. Mr. Aguirre was elected in November 2018 to serve a three-year term on the Alexandria City Council, the first Latino elected to that body. He is a past chair of the Economic Opportunities Commission, past president of the Tenants and Workers United Board of Directors, and past vice-chairman of the Health Systems Agency of Northern Virginia Board of Directors. In 2016, Mr. Aguirre was appointed to the Virginia Board of Social Work by Governor Terry McAuliffe.

Walter L. Alcorn was appointed to the Board in January 2020 as an Alternate Director representing Fairfax County, Virginia when he began his first term as the Hunter Mill District Supervisor on the Fairfax County Board of Supervisors. Mr. Alcorn's focus is on transit-oriented development, pedestrian/bicyclist mobility and safety, affordable housing and diversifying the local economy. Previously, Mr. Alcorn served on the County's Planning Commission for 16 years and served on the Park Authority Board. Professionally, he has worked on environmental issues in the tech industry and is a nationally recognized expert on electronics recycling systems.

Thomas H. Graham was appointed to the Board in May 2019 as an Alternate Director representing Prince George's County, Maryland. Mr. Graham has served as Vice President of People Strategy and Human Resources at Pepco Holdings Inc. Mr. Graham currently serves on the board of the Center of Energy Workforce Development (immediate Past Chair) and Maryland Chamber of Commerce (immediate Past Chair). Mr. Graham is also on the boards for Heroes, Inc., Excellence in Foundation for Prince George's County School System, Greater Prince George's Business Roundtable, Mid-Atlantic Plan Sponsors and Prince George's County Economic Development Corporation.

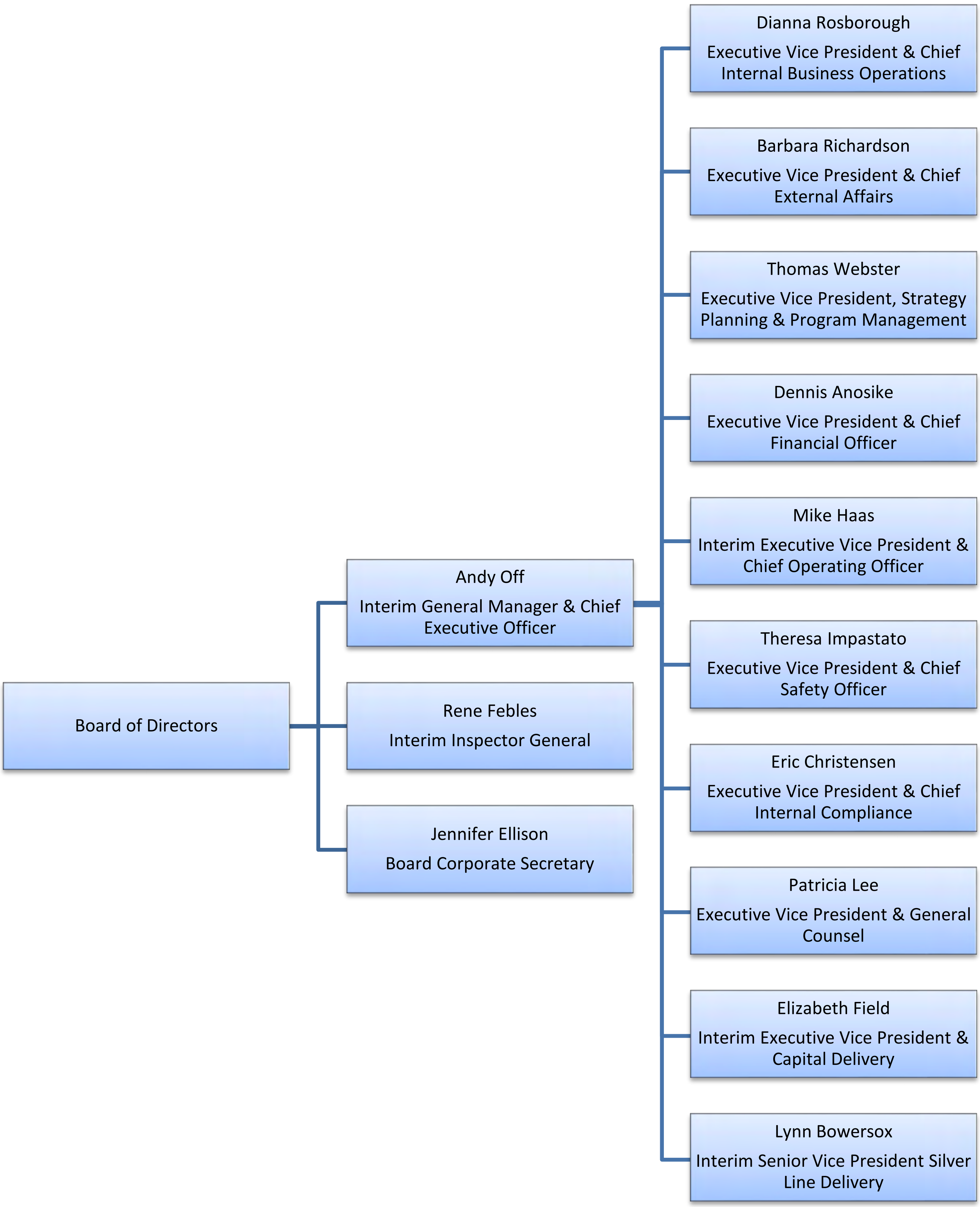
Christopher Zappi was appointed to the Board as an Alternate Director representing the State of Maryland in November 2021. Chris serves as Vice-Chair of the Washington Suburban Transit Commission representing Montgomery County. Mr. Zappi is a Senior Director for Global Strategy and Marketing at Wabtec Corporation. Prior to Wabtec, Mr. Zappi held a number of positions at Amtrak in strategy, business development, operations, and transportation policy. Previously, he worked in infrastructure investing at Goldman Sachs and strategy and operations at GE Energy and Accenture.

Alternate Directors (continued)

Bryna Helfer was appointed to the Board in September 2021 to serve as Alternate Director for the Federal Government. She has a long career in public service with a wide range of experiences in the transportation industry including former positions as Deputy Assistant Secretary for Public Engagement and as Senior Advisor on Accessible Transportation and Workforce Development at the United States Department of Transportation, Senior Advisor for the Federal Interagency Coordinating Council on Access and Mobility, and the Director of Easter Seals Project ACTION. Dr. Helfer currently serves as the Assistant County Manager in Arlington County, Virginia where she leads government wide communications and public engagement strategy.

The District of Columbia had two and the federal government had one Alternate Director vacancies as of June 30, 2022.

Organizational Chart
As of June 30, 2022



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Washington Metropolitan Area Transit Authority
District of Columbia

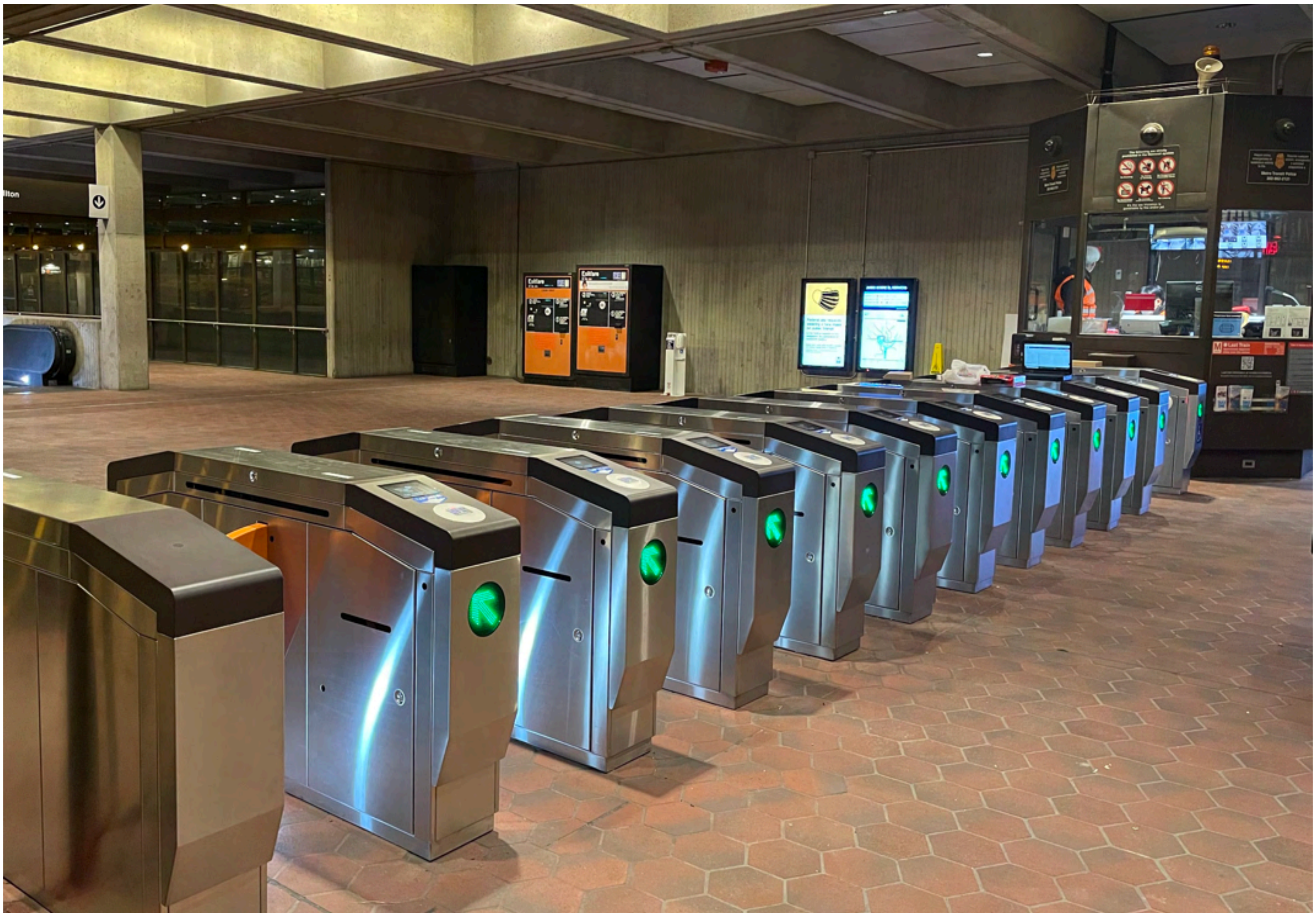
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

SECTION TWO - FINANCIAL



Independent Auditor's Report

Management's Discussion and Analysis (Unaudited)

Basic Financial Statements

Required Supplementary Information (Unaudited)

Other Supplementary Information

Independent Auditor's Report

Board of Directors
Washington Metropolitan Area Transit Authority

Report on the Audit of the Financial Statements

Opinions
We have audited the financial statements of the business-type activities and fiduciary activities of the Washington Metropolitan Area Transit Authority (the Authority), as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Authority as of June 30, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Washington Metropolitan Area Transit Authority Retirement Plan (Retirement Plan) or the Washington Metropolitan Area Transit Authority Local 2 Retirement Plan (Local 2 Plan), which represent 82%, 82%, and (207)%, respectively, of the assets, net position, and revenues of the fiduciary activities as of June 30, 2022 and 83%, 83%, and 64%, respectively, of the assets, net position and revenues of the fiduciary activities as of June 30, 2021. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Retirement Plan and the Local 2 Plan, are based solely on the reports of the other auditors.

Basis for Opinions
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter
As discussed in Notes 2 and 14 to the basic financial statements, the Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*. Accordingly, net position was restated as of July 1, 2020. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, 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 amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the schedules of changes in the net pension asset/liability and related ratios, the schedules of employer contributions – pension plans, the schedule of changes in net OPEB liability and related ratios, the schedule of employer required contributions – Teamsters Local 922 Employers Health Trust Plan, and the notes to the required supplementary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who

considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining fiduciary fund financial statements (other supplementary information) are presented for purposes of additional analysis and are 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 basic 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 auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

RSM US LLP

Washington, District of Columbia
October 28, 2022

Management's Discussion and Analysis
June 30, 2022 and 2021
(Unaudited)

As management of the Washington Metropolitan Area Transit Authority (Authority), we offer readers of the basic financial statements this overview and analysis of the financial activities of the Authority as of and for the years ended June 30, 2022 and 2021.

This discussion and analysis is designed to assist the reader in focusing on significant financial issues and activities and to identify any noteworthy changes in the Authority's financial position. We encourage readers to consider the information presented here in conjunction with the basic financial statements, which immediately follow this section.

Fiscal Year 2022 Financial Highlights

- The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources as of the close of the fiscal year by $8.6 billion (net position), of which, $11.4 billion, or 133.2%, represents the Authority's net investment in capital assets.
- The Authority incurred $1.6 billion in capital improvement costs, which included ongoing construction of new administrative office buildings; rehabilitation of tracks, platforms, stations, and Metrobus garages; and railcar and bus overhauls.
- The Authority placed its newly renovated 12-story, 227,000 square feet Headquarters building at L'Enfant Plaza, located at 300 7th Street SW, Washington, DC 20024, in service. The building houses the Authority's executive team and administrative staff and a wide variety of retail and tenants to generate rental income. Construction costs on the building totaled $158.3 million.
- The Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases,* (GASB 87), which revises the definition of a lease. As a result of the implementation, net position as of July 1, 2020 was restated resulting in a decrease of $38.5 million. Additionally, total assets, total liabilities, and total deferred inflows of resources as of June 30, 2021 increased by $589.6 million, $58.8 million, and $564.1 million, respectively, to record the cumulative impact of the implementation.
- In December 2020, Congress approved the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) in response to the COVID-19 pandemic (pandemic). The CRRSAA authorized a $713.9 million federal grant to the Authority due to the pandemic. The Authority expended the remaining $660.1 million of this grant award during fiscal year 2022.
- In March 2021, additional relief was provided through the American Rescue Plan Act of 2021 (ARPA). In August 2021, ARPA awarded a $1.2 billion federal grant to the Authority to prevent, prepare for, and respond to the impact of the pandemic. The Authority expended $29.7 million of this grant award during fiscal year 2022.

Fiscal Year 2021 Financial Highlights

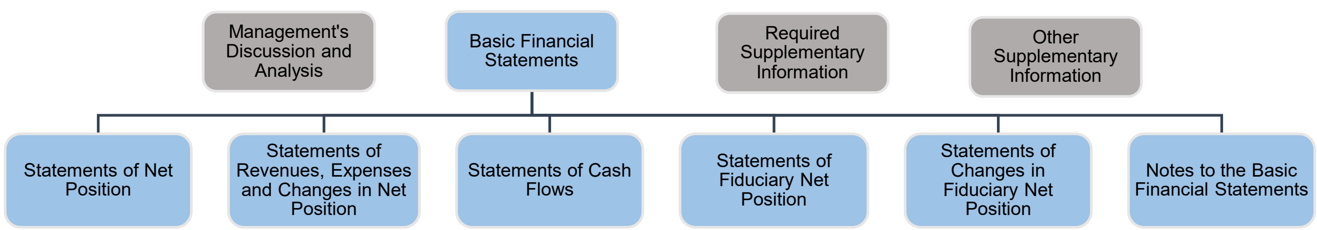
- The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources as of the close of the fiscal year by $8.5 billion (net position), of which, $11.2 billion, or 131.7%, represents the Authority's net investment in capital assets.
- The Authority incurred $1.4 billion in capital improvement costs, which primarily included construction on three new administrative buildings, passenger station rehabilitation, costs related to railcar and bus overhauls and renovations of the Northern and Bladensburg Metrobus garages.

Fiscal Year 2021 Financial Highlights (continued)

- In June 2021, the Authority issued its first ever certified climate green bonds, Dedicated Revenue Bonds Series 2021A, totaling $973.4 million, including a premium of $189.0 million. These Bonds are being used to finance capital costs to support climate change solutions.
- On March 27, 2020, the President signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) in response to the pandemic. CARES authorized an $876.8 million federal grant to the Authority to assist with lost revenue and additional costs incurred due to the pandemic. In fiscal year 2021, the Authority expended the remaining $648.9 million of this award.
- During fiscal year 2021, the Authority expended $53.9 million of the CRRSAA grant.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to the Authority's basic financial statements. The basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP), as applicable to governmental entities using the accrual basis of accounting. Under this basis, revenues are recognized in the period in which they are earned, and expenses are recognized in the period in which they are incurred regardless of the timing of the related cash flows. This report also contains Required Supplementary Information and Other Supplementary Information in addition to the Basic Financial Statements.



Basic Financial Statements

The Authority's basic financial statements include business-type and fiduciary activities.

Business-Type Activities are those activities of a government that are financed in whole or in part by fees charged to external parties for goods or services. The business-type activities are reported in the Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position and Statements of Cash Flows.

- The **Statements of Net Position** present financial information on the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Authority's financial condition; however, the reader should also consider other indicators, such as the rate of growth of federal grants, jurisdictional subsidies, passenger fares, ridership levels, and general economic conditions in the Washington, DC metropolitan area.
- The **Statements of Revenues, Expenses, and Changes in Net Position** report the operating revenues, federal and jurisdiction revenues, investment income, capital contributions earned, and all operating and nonoperating expenses incurred during the reporting period. These statements present how the Authority's net position changed from the prior fiscal year.

Overview of the Financial Statements (continued)

Basic Financial Statements (continued)

- The **Statements of Cash Flows** provide information on cash receipts and cash payments during the reporting period. These statements allow financial statement users to assess whether the Authority's current cash flows are sufficient to pay its obligations.

Fiduciary Activities account for resources held for the benefit of parties outside of the Authority. These activities are excluded from the business-type activities because the resources of these funds are restricted and cannot be used to finance the Authority's operations. The fiduciary activities of the Authority include certain pension and other postemployment benefit (OPEB) plans for which the Authority appoints a majority of the governing boards.

The fiduciary activities are reported in the Statements of Fiduciary Net Position and the Statements of Changes in Fiduciary Net Position.

- The **Statements of Fiduciary Net Position** present a point-in-time snapshot of the amounts the pension and OPEB plans have accumulated in net position to pay for future benefits and any liabilities that are owed as of the date of the statements.
- The **Statements of Changes in Fiduciary Net Position** present the additions and deductions for the fiscal years. Major sources of additions are contributions and net investment income. Major sources of deductions include benefit payments and administrative expenses. These statements present how the net position changed from the prior fiscal year.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The basic financial statements can be found on pages 22-99 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning the Authority's defined benefit and OPEB plans for its employees.

The required supplementary information can be found on pages 100-120 of this report.

Other Supplementary Information

Combining Statements of Fiduciary Net Position and Statements of Changes in Fiduciary Net Position are presented to provide additional detail on the individual pension and OPEB plans that make up the pension and other employee benefit trust funds that are presented in the basic financial statements. Other supplementary information is presented following the required supplementary information.

The other supplementary information can be found on pages 121-126 of this report.

Financial Analysis – Business-Type Activities

Condensed Statements of Net Position

The following provides an overview of the Authority's financial position as of June 30, 2022, 2021 and 2020:

Condensed Statements of Net Position
June 30, 2022, 2021 and 2020
(in thousands)

		(As Restated)		2022 vs 2021		2021 vs 2020	
	2022	**2021**	**2020**	**Amount**	**%**	**Amount**	**%**
Current assets	$ 1,218,895	$ 1,757,997	$ 1,072,171	$ (539,102)	(30.7)	$ 685,826	64.0
Right-to-use assets, net	62,681	61,723	-	958	1.6	61,723	100.0
Capital assets, net	13,887,488	13,344,202	13,004,791	543,286	4.1	339,411	2.6
Other noncurrent assets	528,959	541,693	42,744	(12,734)	(2.4)	498,949	1167.3
Total assets	15,698,023	15,705,615	14,119,706	(7,592)	(0.0)	1,585,909	11.2
Deferred outflows of resources	794,293	862,645	715,426	(68,352)	(7.9)	147,219	20.6
Current liabilities	1,017,600	922,981	896,096	94,619	10.3	26,885	3.0
Noncurrent liabilities	5,328,195	6,321,014	5,219,539	(992,819)	(15.7)	1,101,475	21.1
Total liabilities	6,345,795	7,243,995	6,115,635	(898,200)	(12.4)	1,128,360	18.5
Deferred inflows of resources	1,572,401	827,386	356,158	745,015	90.0	471,228	132.3
Net position:							
Net investment in capital assets	11,422,917	11,187,494	11,582,955	235,423	2.1	(395,461)	(3.4)
Restricted for capital	69,965	258,243	121,007	(188,278)	(72.9)	137,236	113.4
Unrestricted deficit	(2,918,762)	(2,948,858)	(3,340,623)	30,096	1.0	391,765	11.7
Total net position	$ 8,574,120	$ 8,496,879	$ 8,363,339	$ 77,241	0.9	$ 133,540	1.6

Current Year

The Authority's total net position, in the amount of $8.6 billion as of June 30, 2022, increased by $77.2 million, or 0.9%, from June 30, 2021. The significant changes are described below:

- Current assets decreased by $539.1 million, or 30.7%, primarily due to the following:
  - Restricted cash and cash equivalents decreased by $477.3 million, or 44.6%, due to the use of Series 2021A Bonds, Series 2020A Bonds and Dedicated Funding proceeds in the amount of $466.2 million for capital costs, as well as a reduction in parking garage surcharges of $8.3 million that Prince George's County donated to the Authority to use toward future parking and/or infrastructure costs.
  - Cash and cash equivalents decreased by $66.1 million, or 24.6%, primarily due to an increase in operational expenses related to overtime coverage resulting from the large number of vacancies and an increase in labor to prepare for Silverline Phase 2 passenger service.
  - The decreases were offset by an increase in accounts receivable, net of allowance, and other of $28.7 million, or 13.5%, mainly due to an increase in jurisdictional reimbursable billings for the ongoing construction of the new Potomac Yard Metrorail station in Alexandria, Virginia.

Financial Analysis – Business-Type Activities (continued)

Condensed Statements of Net Position (continued)

Current Year (continued)

- Other noncurrent assets decreased by $12.7 million, or 2.4%, mainly due to the following:
  - Restricted cash and cash equivalents held with fiscal agent decreased $13.2 million, or 100.0%, due to escrow payments for the Series 2020A Bonds interest, which are due July 2022 and are now reflected in current assets.
  - Lease receivables decreased by $15.8 million, or 3.1%, due to scheduled payments received from property leased to others during the year.
  - The decreases above were offset by an increase in the net pension asset of $16.3 million due to changes in mortality and retirement assumptions that more closely reflect recent experience.
- Deferred outflows of resources decreased by $68.4 million, or 7.9%, primarily due to the net differences between the projected and actual experience and changes in assumptions for the pension and OPEB plans.
- Current liabilities increased by $94.6 million, or 10.3%, primarily due to the following:
  - Accounts payable and accrued expenses increased by $61.5 million, or 15.5%, driven by an increase of $62.0 million in capital related accruals.
  - Accrued salaries and benefits increased by $22.3 million, or 70.2%, primarily due to one additional day accrued for weekly employees in the current year, a $6.6 million retroactive wage increase for Local 2 employees, and an $8.7 million credit in the prior year for health insurance.
  - Accrued interest payable, increased by $13.5 million, or 34.8%, primarily due to a scheduled interest payment on the Series 2021A Bonds due in July 2022.
  - The increases above were offset by a decrease in due to other governments of $28.0 million, or 17.7%, resulting from:
    - The use of $14.9 million that was owed to the federal government from its interest in the early retirement of assets that the authority was authorized to use for other eligible capital projects.
    - The federal government authorized the use of $9.6 million in proceeds on the sale of federally funded land, which was recognized as a gain on disposition of assets in the Statements of Revenues, Expenses, and Changes in Net Position.
    - Prince George's County, Maryland and the Authority ended an agreement to collect parking surcharge fees to be used on behalf of the county to pay costs related to parking structures. The county donated the remaining $8.3 million to the Authority to be used to support future parking station access infrastructure at Metrorail stations in Prince George's County.
- Noncurrent liabilities decreased by $992.8 million, or 15.7%, caused by a decrease in net pension liability of $864.6 million, of which, $770.3 million was related to an increase in Local 689 Plan investments.
- Deferred inflows of resources increased by $745.0 million, or 90.0%, primarily due to a $593.9 million net difference in projected and actual investment earnings in the Local 689 Plan.
- Restricted net position decreased by $188.3 million, or 72.9%, due to an increase in the use of Dedicated Funding to pay for cost to construct capital assets.

Financial Analysis – Business-Type Activities (continued)

Condensed Statement of Net Position (continued)

Prior Year

The Authority's total net position, in the amount of $8.5 billion as of June 30, 2021, increased by $133.5 million, or 1.6%, from June 30, 2020. The significant changes are described below:

- Current assets increased by $685.8 million, or 64.0%, primarily due to the following:
  - Restricted cash and cash equivalents increased $473.5 million, or 79.2%, due to unspent proceeds from the issuance of the Series 2021A Bonds.
  - Cash and cash equivalents increased by $178.2 million, primarily due to Series 2021A Bond proceeds.
- Other noncurrent assets increased by $498.9 million, or 1,167.3%, mainly due to the following:
  - Lease receivable increased by $512.4 million, due to the implementation of GASB 87, which requires a receivable to be recorded at the net present value of future lease receipts for all leases for more than 12 months, including option periods.
  - Net pension assets increased by $13.0 million, primarily due to a change in benefit terms for the Local 922 Plan.
  - The increases above were offset by a decrease of $26.4 million, in restricted cash and cash equivalents held with fiscal agent due to an interest payment of $28.9 million from escrow for the Series 2020A Bonds.
- Deferred outflows of resources increased by $147.2 million, or 20.6%, primarily due to the net differences between the projected and actual investment earnings for the pension and OPEB plans.
- Current liabilities increased by $26.9 million, or 3.0%, primarily due to the following:
  - Accounts payable and accrued expenses increased by $82.1 million, or 26.0%, primarily due to an increase of $82.1 million in capital related accruals.
  - Accrued interest payable, increased by $13.4 million, or 53.1%, primarily due to Series 2020A Bonds issued in June 2020 with scheduled payment due in July 2021.
  - Lease payables, increased by $8.9 million, due to the restatement related to GASB 87, which requires recording the present value of future lease payments for all leases exceeding 12 months, including options to extend.
  - Unearned revenue, increased by $2.1 million, or 1.9%, mainly due to the decline in ridership during the pandemic as value added to SmarTrip cards outpaced usage, offset by a decrease in deferred lease revenue due to the restatement related to the GASB 87 implementation.

Financial Analysis – Business-Type Activities (continued)

Condensed Statement of Net Position (continued)

Prior Year (continued)

- The increases were offset by the following:
    - Accrued salaries and benefits decreased by $50.2 million, or 61.2%, due to prior year accruals of $21.2 million for two months of health insurance payments resulting from vendor delays in providing the invoices that were paid in fiscal year 2021. In addition, due to travel restrictions imposed in response to the pandemic, many employees did not use their accumulated vacation leave. As such, on July 1, 2020, the Authority made a one-time payment to employees of $11.7 million for fiscal year 2020 earned, unused vacation to avoid leave forfeiture in excess of the carryover limits. In fiscal year 2021, the Authority also received a credit of $8.7 million for health insurance due to higher-than-expected prescription drug rebates and lower than expected claims costs.
    - Due to other governments decreased by $36.6 million, or 18.7%, resulting primarily from $22.5 million that was owed to the federal government from its interest in the early retirement of assets that the Authority was authorized to use to fund other eligible capital projects and a $15.5 million payment to Prince George's County, Maryland from the parking garage surcharge account to fund their debt service payment. The decreases were offset by $5.5 million owed to the federal government from the sale of multiple properties initially purchased with federal funds.

- Noncurrent liabilities, increased by $1.1 billion, or 21.1%, primarily due to:
    - Bonds payable increased by $922.1 million, or 53.3%, resulting from the issuance of the Series 2021A Bonds.
    - Net pension liability increased by $194.0 million, or 19.9%, mainly due to changes in assumptions and a reduction in net investment income.
    - Lease payables increased by $52.8 million, due to the restatement related to GASB 87, which required reporting the net present value of future lease payments as a liability.
    - The increases were offset by the change in net OPEB liability, which decreased by $102.4 million, or 4.4%, due to changes in assumptions and benefit terms.

- Deferred inflows of resources increased by $471.2 million, or 132.3%, primarily due to:
    - Deferred inflows lease revenue increased by $564.1 million, due to the adoption of GASB 87, which required a recognition of a deferred inflow of the net present value of future lease revenue. The deferred lease revenue will be amortized over the term of the underlying leases plus any option periods that are reasonably certain to be exercised.
    - The increase above was offset by the following:
        - Deferred inflows from pensions decreased by $29.5 million, or 22.7%, due to changes in assumptions, changes in the expected and actual experience, and differences in the projected and actual investment earnings.
        - Deferred inflows from OPEB decreased by $65.1 million, or 28.8%, driven by changes in discount rates, mortality tables and salary increases.

- Restricted net position increased by $137.2 million, or 113.4%, mostly due to an increase in unspent Dedicated Funding that is restricted to pay capital costs.

Financial Analysis – Business-Type Activities (continued)

Condensed Statements of Revenues, Expenses, and Changes in Net Position

The following table provides an overview of the revenues, expenses, and changes in net position for the years ended June 30, 2022, 2021 and 2020:

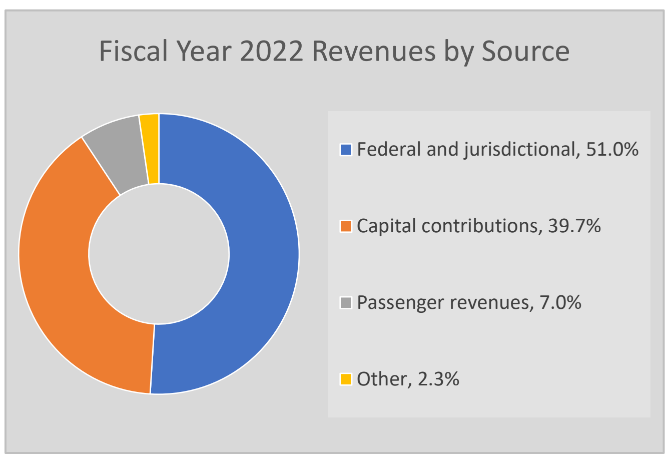
Condensed Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2022, 2021 and 2020
(in thousands)

	2022	(As Restated) 2021	2020	2022 vs 2021 Amount	2022 vs 2021 %	2021 vs 2020 Amount	2021 vs 2020 %
Operating and nonoperating revenues:							
Operating revenues	$ 264,714	$ 145,433	$ 582,574	$ 119,281	82.0	$ (437,141)	(75.0)
Federal and jurisdictional	1,677,086	1,788,707	1,502,025	(111,621)	(6.2)	286,682	19.1
All other nonoperating revenues	40,963	19,654	18,061	21,309	108.4	1,593	8.8
Total operating and nonoperating revenues	1,982,763	1,953,794	2,102,660	28,969	1.5	(148,866)	(7.1)
Operating expenses	3,137,561	3,082,552	3,206,877	55,009	1.8	(124,325)	(3.9)
Nonoperating expenses	75,896	62,643	44,148	13,253	21.2	18,495	41.9
Total expenses	3,213,457	3,145,195	3,251,025	68,262	2.2	(105,830)	(3.3)
Loss before capital contributions and extraordinary items	(1,230,694)	(1,191,401)	(1,148,365)	(39,293)	(3.3)	(43,036)	(3.7)
Capital contributions	1,307,935	1,346,819	1,410,114	(38,884)	(2.9)	(63,295)	(4.5)
Extraordinary items	-	16,600	(1,748)	(16,600)	(100.0)	18,348	1049.7
Change in net position	77,241	172,018	260,001	(94,777)	(55.1)	(87,983)	(33.8)
Net position, beginning of year	8,496,879	8,363,339	8,103,338	133,540	1.6	260,001	3.2
Restatement due to the adoption of GASB 87	-	(38,478)	-	38,478	100.0	(38,478)	(100.0)
Net position beginning of year, as restated	8,496,879	8,324,861	8,103,338	172,018	2.1	221,523	2.7
Net position, end of year	$ 8,574,120	$ 8,496,879	$ 8,363,339	$ 77,241	0.9	$ 133,540	1.6

Revenues

Current Year

Total fiscal year 2022 revenues, including capital contributions, in the amount of $3.3 billion, decreased by $26.5 million, or 0.8%, from fiscal year 2021. Federal and jurisdictional revenues, passenger revenues and capital contributions account for 51.0%, 7.0%, and 39.7% of total fiscal year 2022 revenues, respectively.



- Total operating revenues increased by $119.3 million, or 82.0%, from fiscal year 2021, primarily from an increase in passenger revenues in the amount of $121.5 million, or 112.3%, due to increased ridership in fiscal year 2022 related to continued relaxation of pandemic restrictions and return to work policies in place.

Financial Analysis Business-Type Activities (continued)

Condensed Statements of Revenues, Expenses, and Changes in Net Position (continued)

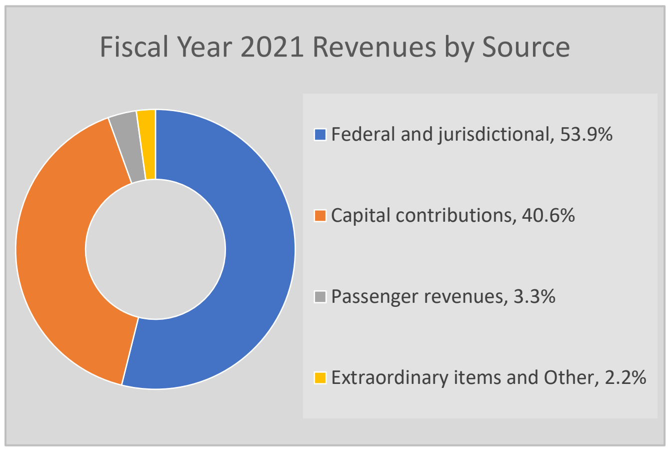
Revenues (continued)

Current Year (continued)

- Federal and jurisdictional revenues decreased by $111.6 million, or 6.2%, from fiscal year 2021, mainly due to:
  - Jurisdictional subsidies decreased by $112.6 million, or 10.7%, primarily due to a decrease of $136.4 million in subsidy requirements as a result of federal relief from the CARES, CRRSAA and ARPA grants, offset by a reduction in credits totaling $26.5 million that were allocated to the jurisdictions for their respective shares of the grants for regional bus operations.
- Capital contributions decreased by $38.9 million, or 2.9%, mainly due to a decrease in expenditures funded by federal grants.

Prior Year

Total fiscal year 2021 revenues, including capital contributions and extraordinary items, in the amount of $3.3 billion, decreased by $195.6 million, or 5.6%, from fiscal year 2020. Federal and jurisdictional revenues, passenger revenues and capital contributions account for 53.9%, 3.3%, and 40.6% of total fiscal year 2021 revenues, respectively.



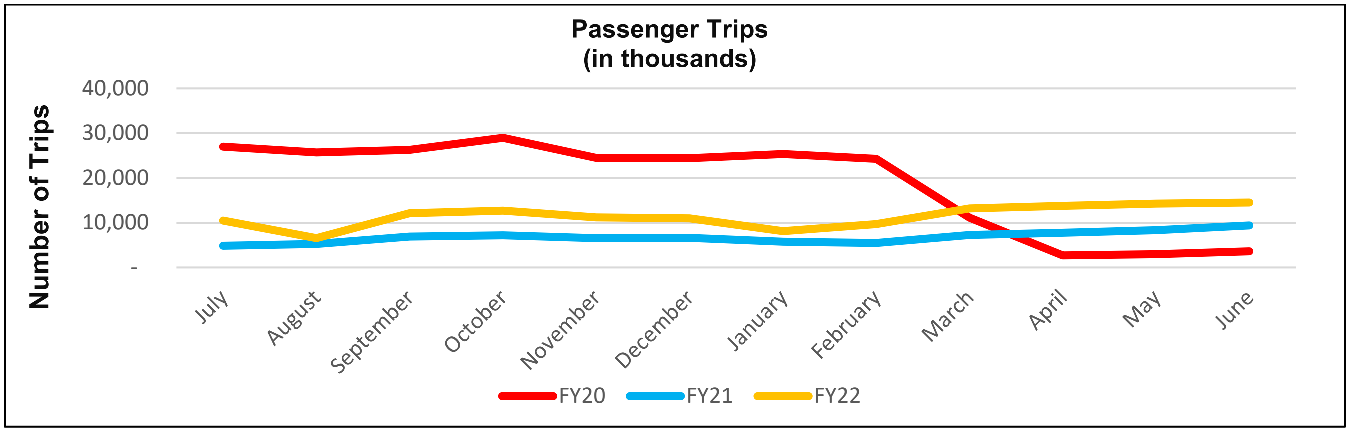
- Total operating revenues decreased by $437.1 million, or 75.0%, from fiscal year 2020, mostly due to a decrease in passenger revenues in the amount of $423.3 million, or 79.6%, due to decreased ridership in fiscal year 2021 during the pandemic. Additional information on passenger trips is provided on the following page.
- Federal and jurisdictional revenues increased by $286.7 million, or 19.1%, from fiscal year 2020, mainly due to:
  - Federal grants increased by $465.8 million, or 171.2%, primarily due to an additional $421.0 million received in CARES Act funds and $53.9 million of CRRSAA funds.
  - The increases were partly offset by a decrease of $179.1 million, or 14.6%, in jurisdictional subsidies due to $238.9 million that the Authority allocated to participating jurisdictions in the form of credits, which were applied to their operating subsidies in fiscal year 2021.
- Extraordinary items increased by $18.3 million due to insurance proceeds of $16.6 million received in fiscal year 2021 that related to the fire at the Authority's headquarters in the prior year, which resulted in an impairment loss of $1.7 million reported in fiscal year 2020.

Financial Analysis Business-Type Activities (continued)

Condensed Statements of Revenues, Expenses, and Changes in Net Position (continued)

Passenger Trips

Below is a trend of the number of passenger trips by month for the fiscal years ended June 30, 2022, 2021 and 2020 (in thousands):



Passenger trips increased in fiscal year 2022 from fiscal year 2021, by a cumulative total of 56.3 million trips, or 69.2%, driven by multi-media campaigns to encourage ridership and fare discounts to incentivize riders.

Passenger trips decreased in fiscal year 2021 from fiscal year 2020, by a cumulative total of 145.5 million trips, or 64.1%, primarily due to the pandemic that drastically reduced ridership.

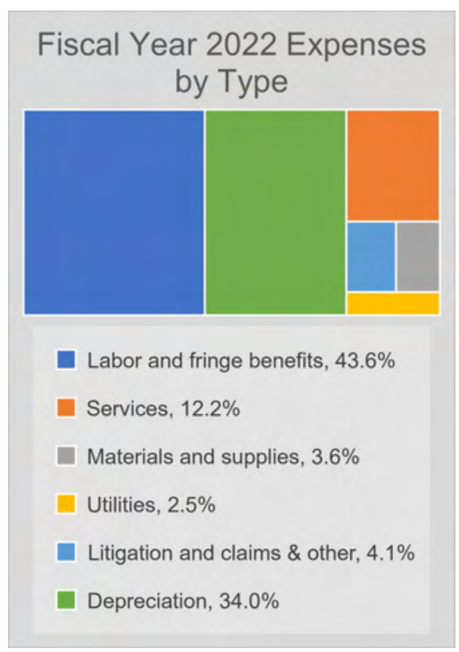
Expenses

Current Year

Total expenses for fiscal year 2022, in the amount of $3.2 billion, increased by $68.3 million, or 2.2%, from fiscal year 2021.

Labor and fringe benefits are consistently the Authority's largest expenses, comprising 43.6% of total expenses. Depreciation is the next largest expense, which is expected due to the Authority's large capital asset base.

A review of significant changes is described below:



- Operating expenses increased by $55.0 million, or 1.8%, primarily due to the following:
  - Labor and fringe benefits increased by $110.7 million, or 8.6%, primarily due to an increase in overtime relating to staffing shortages and an increase in new hires to prepare for Silverline Phase 2 passenger service. In addition, the OPEB expense increased by $211.1 million, or 119.4%, due to a change from a self-insured plan to a fully insured Medicare Advantage program in the prior year, offset by $217.9 million, in unfunded pension expense due to changes in assumptions and discount rates.

Financial Analysis – Business-Type Activities (continued)

Condensed Statements of Revenues, Expenses, and Changes in Net Position (continued)

Expenses (continued)

Current Year (continued)

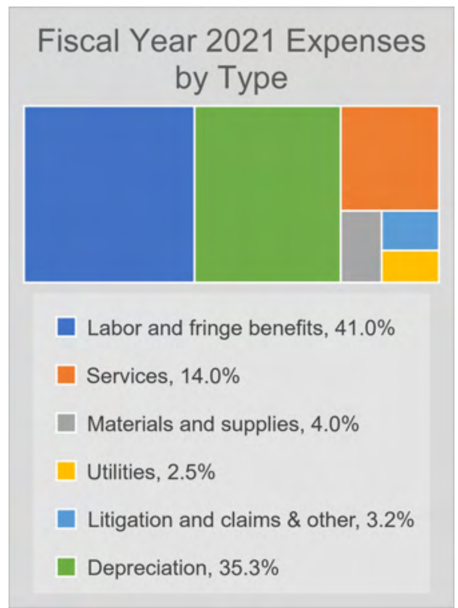
- The increases were offset by the following:
    - Services decreased by $49.6 million, or 11.2%, mainly due to a reduction in pandemic related cleaning and a decrease in contracts.
    - Materials and supplies decreased by $11.4 million, or 8.9%, mainly due to the decrease in costs related to the fire at the Authority's headquarters in fiscal year 2020.

- Nonoperating expenses increased by $13.3 million, or 21.2%, largely due to interest expense from the issuance of the 2021A Bond series issued in June 2021, offset by prior year net loss of $7.3 million mainly due to the impairment of the Protran System due to reliability.

Prior Year

Total expenses for fiscal year 2021, in the amount of $3.1 billion, decreased by $107.6 million, or 3.3%, from fiscal year 2020. The decrease was a result of the following:

- Labor and fringe benefits decreased by $194.7 million, or 13.1%, primarily due to OPEB expenses decreasing by $237.7 million mainly due to a plan change from a self-insured program to a fully insured Medicare Advantage program.
- Depreciation and amortization increased by $86.1 million, or 8.4%, primarily due to additional assets placed in service, which included revenue vehicles, non-revenue vehicles and transit facility improvements and amortization on right-to-use leased assets related to the GASB 87 implementation.
- Nonoperating expenses increased by $18.5 million, or 41.9%, largely due to interest expense from the issuance of the 2020A Bond series in June 2020.



Right-To-Use Leased Assets, Capital Assets and Debt Administration – Business-Type Activities

Right-To-Use Leased Assets

The following table shows the right-to-use leased assets of the Authority as of June 30, 2022 and 2021:

Schedule of Right-to-Use Leased Assets
June 30, 2022 and 2021[1]
(in thousands)

	2022	2021	2022 vs 2021 Amount	%
Land	$ 23,547	$ 22,099	$ 1,448	6.6
Building	60,222	49,794	10,428	20.9
Equipment and other	-	117	(117)	(100.0)
Total right-to-use assets	83,769	72,010	11,759	16.3
Less: accumulated amortization	21,088	10,287	10,801	105.0
Right-to-use assets, net	$ 62,681	$ 61,723	$ 958	1.6

[1] GASB 87 was implemented effective July 1, 2020; accordingly, comparative totals as of June 30, 2020 are not available.

Current Year

Right-to-use leased assets, net of accumulated amortization, increased by $1.0 million, or 1.6% from fiscal year 2021. Significant activity during fiscal year 2022 is as follows:

- Land increased by $1.5 million, or 6.6%, mainly due to the Authority entering into a 14-year lease agreement, with three exercisable options for the acquisition and use of land space. This permits the non-exclusive right to install, maintain, operate, service, modify and/or replace its approved antennae equipment at the leased space in Woodbridge, Virginia for the transmission and reception of wireless voice and data communication signals.
- Buildings increased by $10.4 million, or 20.9%, due to the Authority signing two lease agreements for office space in Maryland as well as a third lease agreement for employee parking space at Mazza Galleria in the District of Columbia.
- Equipment and other decreased by $0.1 million, or 100.0%, related to the digital color copier contract expiration that was not renewed.
- Accumulated amortization increased by $10.8 million, or 105.0%, due to current year amortization expense.

Additional information on the Authority's right-to-use assets can be found in Note 7, *Leases*, in the notes to the basic financial statements.

Right-To-Use Leased Assets, Capital Assets and Debt Administration – Business-Type Activities (continued)

Capital Assets

The following table shows the capital assets of the Authority as of June 30, 2022, 2021 and 2020:

Schedule of Capital Assets
June 30, 2022, 2021 and 2020
(in thousands)

				2022 vs 2021		2021 vs 2020	
	2022	**2021**	**2020**	**Amount**	**%**	**Amount**	**%**
Land	$ 566,503	$ 567,233	$ 562,176	$ (730)	(0.1)	$ 5,057	0.9
Construction in progress	1,415,558	962,207	798,282	453,351	47.1	163,925	20.5
Buildings and improvements	1,444,109	1,268,744	1,243,246	175,365	13.8	25,498	2.1
Transit facilities	16,113,958	15,567,889	14,686,336	546,069	3.5	881,553	6.0
Revenue vehicles	5,190,029	4,928,446	4,723,586	261,583	5.3	204,860	4.3
Equipment and other	4,493,950	4,435,960	4,326,716	57,990	1.3	109,244	2.5
Total capital assets	29,224,107	27,730,479	26,340,342	1,493,628	5.4	1,390,137	5.3
Less: accumulated depreciation	15,336,619	14,386,277	13,335,551	950,342	6.6	1,050,726	7.9
Capital assets, net	$ 13,887,488	$ 13,344,202	$ 13,004,791	$ 543,286	4.1	$ 339,411	2.6

Current Year

Capital assets, net increased by $543.3 million, or 4.1%, from fiscal year 2021. Significant capital asset activity during fiscal year 2022 is as follows:

- Transit facilities increased by $546.1 million, or 3.5%, mainly due to various replacements and rehabilitation projects for tracks, escalators, elevators and transit station platforms of $564.8 million, offset by $18.7 million of track that was retired and replaced.
- Construction in progress increased by $453.4 million, or 47.1%, due to costs of several projects that will be placed in service in future years, including ongoing office consolidation projects, station platform projects, Bladensburg bus garage rehabilitations, faregate modernization program, passenger facility upgrades and fiber optic cable installations.
- Revenue vehicles increased by $261.6 million, or 5.3%, which partially resulted from the purchase of 169 additional buses, 83 buses being rehabilitated, 52 additional MetroAccess vans, and ancillary costs to existing railcars.
- Building and improvements increased by $175.4 million, or 13.8%, mainly pertaining to the completion of the L'Enfant headquarters building.
- Accumulated depreciation increased by $950.3 billion, or 6.6%, due to current year depreciation expense totaling $1.1 billion, offset by a reduction of $129.8 million related to the retirement of assets.

Right-To-Use Leased Assets, Capital Assets and Debt Administration – Business-Type Activities (continued)

Capital Assets (continued)

Prior Year

Capital assets, net increased by $339.4 million, or 2.6%, from fiscal year 2020. Significant capital asset activity during fiscal year 2021 is as follows:

- Revenue vehicles increased by $204.9 million, or 4.3%, which resulted from the rehabilitation of 194 railcars and 100 buses and the purchase of 187 buses and 125 MetroAccess vehicles.
- Construction in progress increased by $163.9 million, or 20.5%, due to costs of several projects that will be placed in service in future years, including the office consolidation project and ongoing platform rehabilitation project.
- Equipment and other increased by $109.2 million, or 2.5%, mainly due to technology system upgrades to allow staff to work remotely during the pandemic, completion of a new timekeeping system, and Vendor Managed Inventory system upgrades.
- Accumulated depreciation increased by $1.1 billion, or 7.9%, because of additions to assets placed in service and fewer assets being disposed of as compared to fiscal year 2020.

Additional information on the Authority's capital assets can be found in Note 8, *Capital Assets*, to the basic financial statements.

Bonds and Other Debt

A schedule of the Authority's debt activity for the years ended June 30, 2022, 2021 and 2020 is as follows:

Schedule of Outstanding Debt
June 30, 2022, 2021 and 2020
(in thousands)

				2022 vs 2021		2021 vs 2020	
	2022	**2021**	**2020**	**Amount**	**%**	**Amount**	**%**
Outstanding bonds	$ 2,198,930	$ 2,226,245	$ 1,467,820	$ (27,315)	(1.2)	$ 758,425	51.7
Net unamortized bond premium	422,295	452,331	287,363	(30,036)	(6.6)	164,968	57.4
Total debt	$ 2,621,225	$ 2,678,576	$ 1,755,183	$ (57,351)	(2.1)	$ 923,393	52.6

Current Year

The Authority's total debt decreased by $57.4 million, or 2.1%, from fiscal year 2021. Significant activities are described below:

- The Authority amortized $30.0 million of premiums on the Series 2017, 2018, 2020 and 2021 Bonds during the current fiscal year.

Right-To-Use Leased Assets, Capital Assets and Debt Administration – Business Type Activities (continued)

Bonds and Other Debt (continued)

Current Year (continued)

- The Authority made total principal payments of $27.3 million on the Series 2017A1, 2017B and 2018 Bonds during the current fiscal year.

Prior Year

The Authority's total debt increased by $923.4 million, or 52.6%, from fiscal year 2020. Significant activities are described below:

- The Authority issued Series 2021A Dedicated Revenue Bonds totaling $973.4 million, including a premium of $189.0 million, on June 8, 2021. The proceeds will be used to fund capital costs that support the growth and maintenance of a high-quality public transportation system with low carbon emissions.
- The Authority made total principal payments of $26.0 million on the Series 2017A, 2017B and 2018 Bonds during fiscal year 2021.

Additional information on the Authority's bonds and other debt can be found in Note 10, *Short and Long-Term Liabilities,* to the basic financial statements.

Future Capital Plans – Business-Type Activities

Capital Improvement Program

The Board of Directors (Board) approved the fiscal years 2023-2028, $12.4 billion, Capital Improvement Program (CIP) on March 24, 2022. The six-year CIP focuses on system preservation and state of good repair requirements that were identified by a capital needs forecast and includes driving operating efficiency and improvements in service reliability and customer experience. Funding for the CIP assumes federal formula funding will continue at current levels and federal Passenger Rail and Investment Improvement Act funding through fiscal year 2031.

The fiscal year 2023 capital budget contains $2.4 billion in planned investments focused on enhanced system safety, state of good repair, reliability, security and customer experience. The Authority updates the jurisdictions and the Board quarterly about the progress of the capital program.

Office Consolidation

The Authority began its office consolidation project by purchasing a building to renovate for a new headquarters at L'Enfant Plaza in the District of Columbia in fiscal year 2018. Two additional buildings are being constructed on property that the Authority already owned in Maryland and Virginia. These sites will be used to consolidate office staff from the current headquarters and various leased spaces throughout the Washington DC metropolitan area into three locations. Construction on the new headquarters at L'Enfant Plaza was completed at the end of fiscal year 2022. The other two buildings, New Carrollton in Maryland and Eisenhower Avenue in Virginia, are expected to be completed in fiscal year 2023.

Future Capital Plans – Business-Type Activities (continued)

Office Consolidation (continued)

The Authority has plans to redevelop its former headquarters located at the Jackson Graham Building in Washington, DC as a mixed-use commercial development through a long-term ground lease with the sale of the building, which is anticipated to close in fiscal year 2023. The Authority plans to fully vacate the building and will consolidate its operations into the three newly built properties.

These projects support the efficient use of office space across the Authority through the reduction of leased space and is projected to save $130.0 million over 20 years.

Yellow/Blue Line Improvements

The addition of Amazon's second headquarters in northern Virginia is expected to add 25,000 new jobs to the region over the next 25 years. In anticipation of this growth, the City of Alexandria, Virginia, in conjunction with the Authority, is building a new Metrorail station at Potomac Yard, which is estimated to be opened in fiscal year 2023. Arlington County, Virginia and the Authority are proceeding with the design and construction of a second entrance at the Crystal City metro station, which is scheduled to start in fiscal year 2024. In addition, major tunnel and bridge work between the Pentagon and L'Enfant Plaza stations will begin in fiscal year 2023.

Orange Line Improvements

Construction and rehabilitation work between Minnesota Avenue and New Carrollton stations began in fiscal year 2022 and plans to be completed by fiscal year 2024. The project rehabilitates and repairs platforms with the goal to upgrade above ground stations for customer safety and comfort. New platforms and rehabilitated stations will increase the life span of these assets and reduce future maintenance requirements while improving the quality of rail service provided for customers accessing these stations.

Zero-Emission Bus Program

The zero-emission bus program will have potential to reduce local air pollution; provide a quieter, smoother ride; and support a more livable and equitable region. Strategies are underway to assess challenges associated with extending energy infrastructure to fueling locations. These strategies will enable the future large-scale rollout of a zero-emission technology, obtain a low or no emission program grant, continued incorporation of "electric bus ready" design in new bus garages and establish ongoing engagement with regional utilities. The zero-emission bus fleet is expected to be completed by calendar year 2045. The Authority committed to constructing the first all-electric facility at Northern Bus Garage in Washington DC with a capacity for 150 buses.

8000-Series Railcars

In fiscal year 2022, the Authority awarded a $2.2 billion contract to Hitachi Rail Washington LLC to manufacture up to 800 new 8000-series railcars. This acquisition will allow retirement of the 2000- and 3000-series railcars at the end of their 40-year service life. New railcars are expected to reduce maintenance needs and prevent future safety and reliability concerns while providing improved customer features. The 8000-series railcars are expected to start being manufactured in fiscal year 2024. In addition, Hitachi announced the construction of a new facility in Hagerstown, Maryland to build the 8000-series rail cars, bringing new jobs to the area.

Economic Factors

ARPA authorized $30.5 billion to help transit agencies prevent, prepare for and respond to the pandemic. This resulted in a total of $26.1 billion in funding for urbanized areas, of which $1.2 billion was made available to the Authority in August 2021. The award is for operating expenses to maintain the Authority's employees that operate and maintain buses, paratransit, trains, stations and other operational needs.

Even with the additional ARPA Act funding, the Authority continues to face overall funding shortfalls in the operating budget stemming from the continued impact on ridership caused by the pandemic. The relief will enable Metro to minimize proposed service cuts, employee lay-offs, limit subsidy growth from jurisdictional partners, incentivize ridership growth and support the regional economy.

According to the Bureau of Labor Statistics, the Washington, DC metropolitan area had an unemployment rate of 3.3% compared to the national rate of 3.4%, while the metropolitan area's job growth rate increased by 4.3% as of June 30, 2022. The region gained over 114,000 jobs during the 12 months ending June 30, 2022.

Requests for Information

This financial report is designed to provide interested readers with a general overview of the Authority's finances. Questions concerning this report or requests for additional financial information should be directed to the Vice President and Comptroller, Office of Accounting, Washington Metropolitan Area Transit Authority, PO Box 23768, Washington, DC 20026.

Business-Type Activities
Statements of Net Position
June 30, 2022 and 2021
(in thousands)

Exhibit 1
(continued)

	2022	(As Restated) 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 202,899	$ 269,017
Restricted cash and cash equivalents	593,737	1,071,056
Restricted cash and cash equivalents held with fiscal agent	13,236	26,447
Investments	2,447	2,523
Accounts receivable, net of allowance, and other	242,267	213,542
Lease receivables	23,482	22,400
Materials and supplies inventory, net of obsolescence	140,827	153,012
Total current assets	1,218,895	1,757,997
Noncurrent assets:		
Restricted cash and cash equivalents held with fiscal agent	-	13,230
Net pension asset	32,372	16,031
Lease receivables	496,587	512,432
Right-to-use leased assets, net of accumulated amortization	62,681	61,723
Capital assets, net of accumulated depreciation	13,887,488	13,344,202
Total noncurrent assets	14,479,128	13,947,618
Total assets	15,698,023	15,705,615
Deferred outflows of resources:		
Deferred loss on debt defeasance	2,745	3,019
Deferred outflows from pensions	510,612	522,607
Deferred outflows from OPEB	280,936	337,019
Total deferred outflows of resources	794,293	862,645
Total assets and deferred outflows of resources	$ 16,492,316	$ 16,568,260

Business-Type Activities
Statements of Net Position
June 30, 2022 and 2021
(in thousands)

Exhibit 1
(concluded)

	2022	(As Restated) 2021
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 459,247	$ 397,744
Accrued salaries and benefits	54,084	31,780
Accrued interest payable	52,239	38,747
Unearned revenue	126,248	115,732
Due to other governments	130,511	158,551
Compensated absences	77,447	73,636
Litigation and claims	61,242	54,261
Retainage on contracts	19,681	16,296
Bonds payable	28,695	27,315
Lease payables	8,206	8,919
Total current liabilities	1,017,600	922,981
Noncurrent liabilities:		
Compensated absences	50,420	43,368
Litigation and claims	142,154	136,969
Retainage on contracts	58,347	36,618
Bonds payable	2,592,530	2,651,261
Lease payables	55,579	52,828
Net pension liability	302,936	1,167,571
Net OPEB liability	2,126,229	2,232,399
Total noncurrent liabilities	5,328,195	6,321,014
Total liabilities	6,345,795	7,243,995
Deferred inflows of resources:		
Accumulated increase in fair value of hedging derivative instrument	11,879	1,704
Lease revenue	555,579	564,143
Deferred inflows from pensions	759,276	100,262
Deferred inflows from OPEB	245,667	161,277
Total deferred inflows of resources	1,572,401	827,386
Total liabilities and deferred inflows of resources	7,918,196	8,071,381
NET POSITION		
Net investment in capital assets	11,422,917	11,187,494
Restricted for:		
Capital	69,965	258,243
Unrestricted deficit	(2,918,762)	(2,948,858)
Total net position	$ 8,574,120	$ 8,496,879

The accompanying notes are an integral part of these basic financial statements.

Business-Type Activities — Exhibit 2
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended June 30, 2022 and 2021
(in thousands)

	2022	(As Restated) 2021
OPERATING REVENUES		
Passenger	$ 229,732	$ 108,188
Advertising	11,257	14,233
Rental	23,719	23,009
Other	6	3
Total operating revenues	264,714	145,433
OPERATING EXPENSES		
Labor and fringe benefits	1,401,633	1,290,965
Services	392,050	441,603
Materials and supplies	116,007	127,367
Utilities	80,548	79,683
Litigation and claims	43,592	26,121
Leases and rentals	1,929	3,148
Miscellaneous	10,646	7,056
Depreciation and amortization	1,091,156	1,106,609
Total operating expenses	3,137,561	3,082,552
Operating loss	(2,872,847)	(2,937,119)
NONOPERATING REVENUES (EXPENSES)		
Investment and interest income	9,881	10,504
Interest expense and fiscal charges	(75,896)	(55,361)
Net gain (loss) on disposition of assets	22,700	(7,282)
Other	8,382	9,150
Federal and jurisdictional:		
Federal grants	738,792	737,776
Jurisdictional subsidies	938,294	1,050,931
Total nonoperating revenues (expenses), net	1,642,153	1,745,718
Loss before capital contributions and extraordinary items	(1,230,694)	(1,191,401)
Capital contributions	1,307,935	1,346,819
Extraordinary items	-	16,600
Change in net position	77,241	172,018
Total net position, beginning of year	8,496,879	8,363,339
Restatement due to the adoption of GASB 87	-	(38,478)
Total net position, beginning of year, as restated	8,496,879	8,324,861
Total net position, end of year	$ 8,574,120	$ 8,496,879

The accompanying notes are an integral part of these basic financial statements.

Business-Type Activities **Exhibit 3**
Statements of Cash Flows **(continued)**
For the Years Ended June 30, 2022 and 2021
(in thousands)

	2022	(As Restated) 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Cash received from operations	$ 213,486	$ 126,663
Cash received from other sources	8,382	9,150
Cash paid to suppliers	(578,395)	(664,110)
Cash paid to employees	(1,544,130)	(1,490,566)
Cash paid for operating litigation and claims	(31,426)	(22,991)
Net cash used in operating activities	(1,932,083)	(2,041,854)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from federal grants and jurisdictional subsidies	1,568,373	1,798,376
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments to construct capital assets	(1,536,046)	(1,347,899)
Payment for leasing transactions	(9,964)	(9,718)
Receipts from leasing transactions	33,339	17,276
Receipts of interest from leasing transactions	6,417	6,480
Receipts from capital contributions	1,351,378	1,277,162
Payment of interest and fiscal charges	(92,166)	(65,653)
Principal payments on bonds	(27,315)	(26,000)
Proceeds from debt issuance	-	973,391
Jurisdictional receipts for debt service	43,475	44,841
Proceeds from sale of capital assets	24,595	9,376
Net cash (used in) provided by capital and related financing activities	(206,287)	879,256
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale and maturities of investments	72,560	88,909
Purchases of investments	(72,728)	(88,916)
Interest received from operational investments	287	205
Net cash provided by investing activities	119	198
Net change in cash and cash equivalents	(569,878)	635,976
Cash and cash equivalents, beginning of year	1,379,750	743,774
Cash and cash equivalents, end of year	$ 809,872	$ 1,379,750

Business-Type Activities — Exhibit 3 (concluded)
Statements of Cash Flows
For the Years Ended June 30, 2022 and 2021
(in thousands)

	2022	(As Restated) 2021
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	$ (2,872,847)	$ (2,937,119)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization expense	1,091,156	1,106,609
Lease revenue	(23,719)	(23,009)
Miscellaneous receipts	8,382	9,150
Accumulated increase in fair value of hedging derivative instrument	10,175	7,088
Effect of changes in operating assets and liabilities:		
(Increase) decrease in accounts receivables, net of allowance, and other	(37,150)	9,156
Decrease (increase) in materials and supplies inventory, net of obsolescence	12,185	(15,626)
Decrease (increase) in deferred outflows from pensions	11,995	(143,622)
Decrease (increase) in deferred outflows from OPEB	56,083	(9,256)
(Increase) in net pension asset	(16,341)	(12,957)
(Decrease) in accounts payable and accrued expenses	(450)	(3,763)
Increase (decrease) accrued salaries and benefits	22,304	(50,163)
Increase in compensated absences	10,863	19,433
Increase in unearned revenue	10,516	2,131
Increase in litigation and claims	12,166	3,130
(Decrease) increase in net pension liability	(864,635)	194,016
(Decrease) in net OPEB liability	(106,170)	(102,433)
Increase (decrease) in deferred inflows from pensions	659,014	(29,493)
Increase (decrease) in deferred inflows from OPEB	84,390	(65,126)
Total adjustments	940,764	895,265
Net cash used in operating activities	$ (1,932,083)	$ (2,041,854)
NONCASH OPERATING, INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Loss in fair value of investments	$ (283)	$ (160)
Donated assets included in capital asset additions	$ 2,180	$ 477
Gain (loss) on disposal of assets	$ 1,895	$ (11,018)
Capital asset additions included in accounts payable	$ 341,733	$ 279,780
Adjustment to previously recognized capital assets	$ -	$ 5,359
Use of federal interest included in capital contributions	$ 14,905	$ 22,533
Lease obligations incurred for new right-to-use lease assets	$ 2,751	$ 1,705

The accompanying notes are an integral part of these basic financial statements.

Fiduciary Activities — Exhibit 4
Statements of Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
June 30, 2022 and 2021
(in thousands)

	2022	2021
ASSETS		
Cash and cash equivalents	$ 8,771	$ 7,872
Receivables:		
Due from broker for investments sold	-	1,000
Accrued income	7	-
Total receivables	7	1,000
Investments:		
Equity index funds-domestic	149,668	189,835
Equity index funds-international	110,171	139,313
Bond index funds-domestic	98,601	118,385
Bond index funds-international	58,942	65,246
Real estate investment fund-domestic	68,212	65,495
Virginia pooled trust	107,928	118,989
Total investments	593,522	697,263
Total assets	602,300	706,135
LIABILITIES		
Accrued pension benefits	5,062	4,917
Accounts payable	285	396
Total liabilities	5,347	5,313
FIDUCIARY NET POSITION		
Restricted for:		
Pension benefits	489,025	581,833
Postemployment benefits other than pensions	107,928	118,989
Total fiduciary net position	$ 596,953	$ 700,822

The accompanying notes are an integral part of these basic financial statements.

Fiduciary Activities — Exhibit 5
Statements of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
For the Years Ended June 30, 2022 and 2021
(in thousands)

	2022	2021
ADDITIONS		
Contributions:		
Employer	$ 90,803	$ 80,510
Assets transferred from Local 2 Plan	884	-
Total contributions	91,687	80,510
Investment Income:		
Net (decrease) increase in investments	(81,747)	137,197
Interest, dividends and other	6,376	5,857
Total investment income	(75,371)	143,054
Less investment expenses:		
Custodial fees	1,035	867
Net investment income	(76,406)	142,187
Total additions	15,281	222,697
DEDUCTIONS		
Benefits paid to participants or beneficiaries	114,791	106,666
Administrative expenses	3,475	4,329
Assets transferred to Retirement Plan	884	-
Total deductions	119,150	110,995
Net (decrease) increase in fiduciary net position	(103,869)	111,702
Fiduciary net position - beginning	700,822	589,120
Fiduciary net position - ending	$ 596,953	$ 700,822

The accompanying notes are an integral part of these basic financial statements.

Notes to the Basic Financial Statements
June 30, 2022 and 2021

1. Background, Governance and Reporting Entity

(a) Organization

The Washington Metropolitan Area Transit Authority (Authority or WMATA) was created, effective February 20, 1967, by the Interstate Compact (Compact) by and between the State of Maryland (Maryland), the Commonwealth of Virginia (Virginia) and the District of Columbia, pursuant to Public Law 89 774, approved November 6, 1966. The Authority was created to plan, construct, finance and operate a public transit system serving the Washington Metropolitan Area Transit Zone (Transit Zone). The Transit Zone includes the following local jurisdictions: the District of Columbia; cities of Alexandria, Falls Church, Fairfax, Manassas, and Manassas Park and counties of Arlington, Fairfax, Loudoun, and Prince William in Virginia; and the counties of Montgomery, Anne Arundel, Charles, and Prince George's in Maryland.

(b) Governance

The Authority is governed by a Board of Directors (Board) consisting of eight voting Principal Directors and eight Alternate Directors with each signatory to the Compact and the federal government appointing two voting Directors and two Alternate Directors each. The Principal and Alternate Directors for Virginia are appointed by the Northern Virginia Transportation Commission; for the District of Columbia, by the City Council; for Maryland, by the Washington Suburban Transit Commission; and for the federal government, by the US Secretary of Transportation.

The Board governs and sets policy for the Authority. Subject to policy direction and delegations from the Board, the General Manager and Chief Executive Officer is responsible for all activities of the Authority. The staff carries out these activities through the approved organizational structure of the Authority.

(c) Financial Reporting Entity

As defined by accounting principles generally accepted in the United States of America (US GAAP), the financial reporting entity consists of a primary government, as well as its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

1) Appointment of a voting majority of the organization's board and either:
    a. the ability to impose will by the primary government or
    b. the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
2) The organization is fiscally dependent on the primary government and there is a potential for the organization to provide specific financial benefits to or impose financial burdens on the primary government.

Component units can also be other organizations for which its exclusion from the financial reporting entity would cause the financial statements to be misleading.

1. Background, Governance and Reporting Entity (continued)

(c) Financial Reporting Entity (continued)

If an organization is engaged in fiduciary activities, it has a fiduciary component unit if it meets the preceding criteria for a component unit and is one of the following arrangements:

1) A pension or other postemployment benefit (OPEB) plan that is administered through a qualified trust, or

2) A circumstance in which assets from an entity that are not part of the reporting entity are accumulated for pensions or OPEB that are not administered through a qualified trust.

Based on the application of these criteria, the Authority includes three fiduciary component units in its reporting entity: the WMATA Retirement (Retirement) Plan; WMATA Local 2 Retirement (Local 2) Plan; and WMATA Healthcare Plan. Each of these Plans are legally separate and administered through a qualified trust. In addition, the Authority appoints a voting majority of each of the boards, and the Authority can impose its will on the organizations. Accordingly, these plans are reported as fiduciary activities in Pension and Other Employee Benefit Trust Funds in the Authority's fiduciary fund financial statements.

The WMATA Transit Employees' Retirement (Local 689), WMATA Transit Police Retirement (Transit Police), WMATA Local 922 Retirement (Local 922), Deferred Compensation 457, and Defined Contribution 401(a) Plans are not included as fiduciary funds or component units of the Authority. These Plans are all legally separate and distinct entities from the Authority and are administered by their own boards. The Authority assumes no fiduciary responsibility and has no direct control over these Plans or of their assets. Accordingly, they are not reported as fiduciary activities in the Authority's basic financial statements.

Additional information on the pension and OPEB plans, including their relationship with the Authority and how to obtain their separately issued financial statements, as applicable, are further described in Note 11, *Pension Plans*, and Note 12, *Other Postemployment Benefits*, respectively, to the basic financial statements.

2. Summary of Significant Accounting Policies

The basic financial statements provide information about the Authority's business-type activities and fiduciary activities. The Authority's business-type activities are comprised of its operations of the rail, bus, and paratransit systems. The Authority's fiduciary activities include resources held in trusts for retirees and beneficiaries covered by the Retirement, Local 2 and WMATA Healthcare Plans.

The basic financial statements have been prepared in conformity with US GAAP, as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting standards. The Authority's significant accounting policies are described below.

(a) Basis of Accounting

The basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and other non-exchange transactions are recognized when all eligibility requirements imposed by the provider have been met. Benefit payments are recorded when due to be paid.

2. Summary of Significant Accounting Policies (continued)

(b) Cash and Cash Equivalents

The cash and cash equivalents for business-type activities consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less at the date of acquisition.

Cash and cash equivalents for fiduciary activities consist of open-ended mutual funds.

(c) Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents consist of unspent proceeds from dedicated capital funding (Dedicated Funding) and from the issuances of Series 2021A and 2020A Dedicated Revenue Bonds that are restricted for capital costs. Dedicated Funding, which was enacted by legislation, is an annual revenue stream that is jointly provided to the Authority by the State of Maryland, District of Columbia, and Commonwealth of Virginia to fund capital projects.

Additionally, other amounts in restricted cash and cash equivalents include unspent surcharge amounts collected at parking facilities per agreements with Fairfax County, Virginia and the Counties of Montgomery and Prince George's in Maryland. The cash received from parking surcharges, as governed by the terms of the Parking Surcharge Agreements, are required to be used for payment of the expenses related to the parking structures in each of the respective jurisdictions, including lease and financing payments.

(d) Restricted Cash and Cash Equivalents Held with Fiscal Agent

Restricted cash and cash equivalents with fiscal agent include proceeds held in escrow from the issuance of the Series 2020A Dedicated Revenue Bonds to pay for fiscal years 2022 and 2023 debt service interest. Amounts held for interest payments due within one fiscal year are reported as current assets; amounts held for interest payments due in subsequent years are reported as noncurrent.

(e) Investments

The business-type activities' investments are reported at fair value using quoted market prices or other observable inputs. GASB Statement No. 72, *Fair Value Measurement and Application* (GASB 72), defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fiduciary activities' investments are measured at fair value using net asset value (NAV) as a practical expedient.

(f) Accounts Receivable, Net of Allowance, and Other

Accounts receivable in the business-type activities include amounts due from governmental agencies, companies, and other customers. Management estimates the probability of collection and adjusts the allowance accordingly. The allowance for federal grant receivables is estimated by taking an average of the current and prior two fiscal years' actual disallowed and canceled amounts.

Other assets include prepaid items on certain payments for insurance, short-term leases, and other items where costs are applicable to future accounting periods.

2. Summary of Significant Accounting Policies (continued)

(g) Materials and Supplies Inventory, Net of Obsolescence

Materials and supplies inventory is reported using the average cost method, net of an allowance for obsolete inventory of $11.7 million and $10.1 million as of June 30, 2022 and 2021, respectively. Obsolete inventory is estimated by taking the highest of the current and prior two fiscal years' actual inventory write-offs.

(h) Leases

i) Lessee

The Authority is a lessee for various noncancellable leases of land, buildings, equipment, and other assets. For leases with a maximum possible term of 12 months or less at commencement (short-term), the Authority recognizes lease expense based on the provisions of the lease agreement in the Statements of Revenues, Expenses, and Changes in Net Position. For all other leases, the Authority recognizes a lease liability and an intangible right-to-use leased asset in the Statements of Net Position.

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made.

The leased asset is initially measured at the amount of the lease liability, and as applicable, less lease payments made on or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the leased asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. A full month of amortization is calculated in the month the leased asset is placed in service. If the Authority is reasonably certain of exercising a purchase option contained in a lease, the leased asset is amortized over the useful life of the underlying asset.

The following key estimates and judgments are used by the Authority to determine the following:

- Discount rate: The Authority generally uses an incremental borrowing rate as the discount rate to calculate the present value of the expected lease payments unless the rate that the lessor charges is known. Since the Authority's bonds are not actively traded, the Authority determines its incremental borrowing rate by using observable inputs from yield curves from similar entities with similar ratings.
- Lease term: The lease term includes the noncancelable period of the lease, plus periods covered by either an Authority or lessor unilateral option to 1) extend when it is reasonably certain to be exercised, or 2) terminate when it is reasonably certain not to be exercised. Periods in which the Authority and the lessor have an option to terminate or those that are covered by a bilateral option, where both parties must agree, are excluded from the lease term.
- Lease payments: Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the Authority is reasonably certain to exercise.

The Authority monitors changes in circumstances that may require a remeasurement of a lease arrangement. When certain changes occur that are expected to significantly affect the amount of the lease liability, the liability is remeasured, and a corresponding adjustment is made to the lease asset.

2. Summary of Significant Accounting Policies (continued)

(h) Leases (continued)

ii) Lessor

The Authority is a lessor for various noncancelable leases of fiber optics, offices, warehouse access and ground leases. For short-term leases, the Authority recognizes rental income based on the provisions of the lease agreement in the Statements of Revenues, Expenses, and Changes in Net Position. For all other leases, the Authority recognizes a lease receivable and a deferred inflow of resources in the Statements of Net Position.

At the commencement of a lease, the Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term, reduced by any provision for uncollectible amounts, if applicable. Any initial direct costs required to be paid by the Authority are expensed in the period incurred. Subsequently, payments received are allocated first to any accrued interest receivable and then to the lease receivable.

The deferred inflow of leased revenue is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term, if applicable. Subsequently, the deferred inflow of resources is recognized on a straight-line basis as revenue over the life of the lease term.

The following key estimates and judgments are used by the Authority to determine the following:

- Discount rate: The Authority uses either the explicit rate stated in the lease agreement or its incremental borrowing rate to discount the expected lease receipts to present value. Since the Authority's bonds are not actively traded, the Authority determines its incremental borrowing rate by using observable inputs from yield curves from similar entities with similar ratings and terms.
- Lease term: The lease term includes the noncancelable lease period of the lease, plus 1) periods for which the Authority has a unilateral option to extend and is reasonably certain to exercise such option, or 2) periods after an optional termination date if the Authority is reasonably certain not to exercise the termination option.
- Lease receipts*:* Measurement of the lease receivable includes fixed payments, and as applicable, variable fixed in substance payments, residual value guarantee payments that are fixed in substance, and any lease incentives payable to the lessee.

The Authority monitors changes in circumstances that may require a remeasurement of a lease arrangement. When certain changes occur that are expected to significantly affect the amount of the lease receivable, the receivable is remeasured, and a corresponding adjustment is made to the deferred inflows of resources for leasing transactions.

(i) Capital Assets

Capital assets are defined as assets with an initial, individual cost of more than $5,000 and an estimated useful life of more than one year. The Authority’s policy is to expense maintenance and repair costs as incurred.

2. Summary of Significant Accounting Policies (continued)

(i) Capital Assets (continued)

The Authority's capital assets are comprised of construction in progress, land, transit facilities (e.g., stations, track, tunnels), buildings and improvements, revenue vehicles, equipment, and other assets. Capital assets are reported at historical costs and include labor and other ancillary costs associated with placing the capital asset into service. Donated land is recorded at assessed value. All other donated capital asset classes are recorded at their acquisition value.

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. A full month's depreciation is calculated in the month an asset is placed in service. The useful lives for calculating depreciation on principle classes of assets are as follows:

Buildings and improvements	6-45 years
Transit facilities	5-75 years
Revenue vehicles	4-35 years
Equipment and other	2-20 years

(j) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist of amounts due to vendors and contractors.

(k) Accrued Salaries and Benefits

Accrued salaries and benefits consist of amounts due to employees for earned wages and benefits and postemployment benefits owed to retirees.

(l) Accrued Pension Benefits

Accrued pension benefits consist of pension benefits due to the Retirement Plan and Local 2 Plan participants.

(m) Due to Other Governments

The amounts in due to other governments include unspent parking garage surcharges the Authority collects on behalf of several local jurisdictions and funds the Authority receives in advance to perform reimbursable construction projects on behalf of other jurisdictions.

Additional amounts in due to other governments reflect federal interest from the sale or retirement of capital assets that is owed to the federal government. Federal interest is the percentage of funding provided by the federal government to acquire the asset, applied to the net proceeds, or remaining book value, of the retired asset. The net book value for federal interest is calculated using the federal agencies approved useful lives, which may differ from the useful lives used by the Authority. The Authority utilizes these funds to offset future capital asset acquisitions upon approval by the federal agencies to retain the funds.

2. Summary of Significant Accounting Policies (continued)

(n) Compensated Absences

The Authority's policy and collective bargaining agreements permit eligible employees to accumulate earned, but unused, sick, vacation and compensatory leave benefits. Vacation may be accumulated up to the maximum amounts shown in the table below:

Employee Group	Years of Service	Maximum Annual Leave Carryover Limit	Disposition in Excess of Maximum Carryover Limit
Executive and Senior Management	Not applicable	337.5 hours	Remaining balance is forfeited
Non-Represented:			
7.5 hour workdays	0–15 years 15+ years	225.0 hours 337.5 hours	Remaining balance is foreited
8 hour workdays	0–15 years 15+ years	240.0 hours 360.0 hours	Remaining balance is forfeited
Local 2:			
7.5 hour workdays	0–15 years 15+ years	225.0 hours 337.5 hours	100% converted to sick leave
8 hour workdays	0–15 years 15+ years	240.0 hours 360.0 hours	100% converted to sick leave
Fraternal Order of Police	Not applicable	400.0 hours	50% converted to sick leave
Special Police Officers	Not applicable	240.0 hours	Remaining balance is forfeited
Local 689	0–15 years 15+ years	240.0 hours 360.0 hours	Remaining balance is forfeited
Local 922	0–15 years 15+ years	240.0 hours 360.0 hours	Remaining balance is forfeited

The Authority records a liability for unused vacation balances that are estimated to be used or paid out each fiscal year. Generally, depending on the employees' respective group, remaining unused vacation amounts in excess of the Authority's maximum carryover limit must be used by December 31 or June 30, or they are either forfeited, converted to sick leave, or paid out to employees and are no longer included as a compensated absence liability to the Authority. However, on December 31, 2021, the carry over limit for vacation was lifted as a one-time exception to avoid forfeiture for Executive, Senior Management, and nonrepresented employees who had accumulated large vacation balances during the pandemic.

There is no liability for accumulated sick leave since the Authority's policy and collective bargaining agreements do not allow payment of unused sick leave to employees when they separate from service.

2. Summary of Significant Accounting Policies (continued)

(n) Compensated Absences (continued)

The Authority's policy and collective bargaining agreements permit certain eligible employees to accumulate compensatory time. Non-represented, exempt employees may accrue compensatory time up to 75 hours in a calendar year. The other employee groups may accrue and carry forward compensatory time up to 240 hours in a calendar year. Compensatory time balances in excess of the maximum annual carryover limits as of December 31 each year are either paid out as overtime or forfeited, as dictated by the applicable policy or collective bargaining agreement. The compensatory balances accrued at June 30, 2022 and 2021 were $2.8 million and $2.5 million, respectively, and are included as a component of compensated absences on the Statements of Net Position.

(o) Unearned Revenue

Unearned revenue primarily consists of unredeemed passenger fares.

(p) Litigation and Claims

Liabilities for litigation and claims are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated.

(q) Retainage on Contracts

Retainage on contracts includes the portion withheld from vendor payments until the completion of the contract.

(r) Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period, and as such will not be recognized as an outflow of resources (expense) until that time. These items are reported as a category below assets on the Statements of Net Position.

Deferred inflows of resources represent an acquisition of net assets that applies to a future period, and as such will not be recognized as an inflow of resources (revenue) until that time. These items are reported as a category below liabilities on the Statements of Net Position.

The Authority reports the following items as deferred outflows of resources or deferred inflows of resources: the accumulated change in the fair value component of the master commodity swap agreement for diesel fuel; the unamortized present value of future lease revenues; amortization of the deferred loss for the Series 2009A Bond defeasance; and deferred inflows and outflows from pensions and OPEB as a result of contributions made after the measurement date, differences between expected and actual actuarial experience, differences between projected and actual investment earnings, and other changes in actuarial assumptions.

(s) Hedging Derivative Instrument

The Authority entered into a contract to purchase a minimum amount of diesel fuel based upon a differential price on the New York Mercantile Exchange (NYMEX) index. At the same time, the Authority entered into a fuel swap agreement to take advantage of market conditions or hedge the price of fuel.

2. Summary of Significant Accounting Policies (continued)

(s) Hedging Derivative Instrument (continued)

In accordance with GASB Statement No. 53*, Accounting and Financial Reporting for Derivative Instruments* (GASB 53), the swap agreement is reported at fair value, and amounts owed by the Authority are included in deferred outflows of resources; and amounts due to the Authority are included in deferred inflows of resources on the Statements of Net Position.

(t) Operating and Nonoperating Revenues and Expenses

The Authority distinguishes operating revenues and expenses from nonoperating transactions. Operating revenues and expenses are those that generally result from providing services in connection with the Authority's principal ongoing operation. The principal operating revenues of the Authority are charges to customers for parking and passenger fares for transportation services. The Authority also recognizes operating revenues as amounts received for rental, advertisements, and other services. Operating revenues are recorded as revenue at the time services are performed. Operating expenses include the Authority's costs of providing services, administrative expenses, and depreciation and amortization on capital and right-to-use assets. Operating expenses are recognized when incurred. All revenues and expenses not meeting these definitions are reported as nonoperating.

Nonoperating revenues include federal operating grants and jurisdictional subsidies, investment income, interest income from leasing transactions, non-passenger parking, fines, inspections, gain on disposition of capital assets and other miscellaneous collections. Nonoperating expenses include interest expenses and the loss on the disposition of capital assets, which also includes the remaining interest in federally funded assets disposed of before the end of their useful lives. Investment income is generated from advanced contributions received for capital and operating needs.

The Authority operates at a loss, which is subsidized by participating jurisdictions. Jurisdictional operating subsidies are recognized as revenue when the jurisdictions appropriate the amount to the Authority and the period to which the appropriation pertains has begun.

(u) Capital Contributions

The Authority's capital program is supported primarily through funding from federal grantor agencies and the jurisdictions. Federal grant revenues are recognized upon incurrence of eligible grant expenditures and are reported net of estimated uncollectible amounts. Capital contributions from jurisdictions include subsidies and Dedicated Funding and are recognized in the year for which the appropriation was made. Capital contributions also include donated capital assets and other miscellaneous capital contributions.

(v) Extraordinary Items

The Authority reports significant transactions or other events that are not in control of management and are both unusual and infrequent as extraordinary items in accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*.

2. Summary of Significant Accounting Policies (continued)

(w) Net Position

The business-type activities net position represents the residual interest in assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and consists of the net investment in capital assets and restricted and unrestricted net position, as follows:

- **Net investment in capital assets** – This component of net position consists of right-to-use leased and capital assets, net of accumulated amortization and depreciation, respectively, reduced by the outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted net position** – This category represents the portion of net position with external restrictions imposed by creditors, grantors, contributors; laws or regulations of other governments; or constraints imposed by law through constitutional provisions or enabling legislation that can be fulfilled by actions of the Authority pursuant to those stipulations or that expire by the passage of time. Included in this category are unspent Dedicated Funding that is externally restricted for capital purposes. When an expense is incurred for purposes for which both restricted and unrestricted resources are available, the Authority considers restricted funds to have been spent first.
- **Unrestricted net position** – This category represents the portion of net position that is not classified as “restricted” or “net investment in capital assets”. Unrestricted net position may be designated for specific purposes by action of management or the Board. The deficit balance will require future funding.

The fiduciary activities net position represents the financial position of the assets and liabilities, which are classified as restricted for payments of pension and postemployment benefits to the members and beneficiaries of the Retirement, Local 2 and WMATA Healthcare Plans.

(x) Reclassifications

Certain reclassifications were made to the comparative fiscal year 2021 amounts to conform to the fiscal year 2022 presentation in the basic financial statements.

(y) Use of Estimates

The preparation of the basic financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, and disclosure of restricted assets and contingent liabilities as of the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Summary of Significant Accounting Policies (continued)

(z) GASB Pronouncements

The Authority adopted the following GASB Statements in fiscal year 2022:

- **GASB Statement No. 87, *Leases (GASB 87)*:** This Statement revises and expands the definition of a lease and requires the recognition of certain lease assets and liabilities and deferred inflows of resources based on the payment provisions of lease agreements. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. The Authority has both lessor and lessee arrangements. The adoption of this Statement resulted in the restatement of the Authority's basic financial statements as of July 1, 2020 to reflect the reporting of the right-to-use leased assets, lease receivables, lease payables, and deferred inflows of resources for lease revenue. Net position as of July 1, 2020, was decreased by $38.5 million to reflect the cumulative retrospective effect of the adoption. Additional information on the GASB 87 restatement can be found in Note 14, *Prior Period Adjustment*.

- **GASB Statement No. 92, *Omnibus 2020*:** The Authority implemented the following topics of this Statement:

  - Intra-entity transfers of assets – addresses transfers of capital or financial assets between a governmental employer or nonemployer contributing entity and a defined benefit pension or other postemployment benefit plan that are within the same reporting entity. The Authority did not have any intra-entity transfers of assets meeting this definition; therefore, the adoption of this topic did not impact the Authority.

  - Reporting assets accumulated for defined benefit postemployment benefits provided through plans that are not administered through trusts that meet specified criteria – require these assets be reported in a custodial fund if the government is holding these assets in a fiduciary capacity. The Authority did not have any defined benefit postemployment benefit plans meeting this criterion; therefore, the adoption of this topic did not impact the Authority.

  - Applicability of certain requirements of GASB 84, *Fiduciary Activities,* to postemployment benefit arrangements – requires governments reporting fiduciary activities for postemployment benefit arrangements that are not administered through trusts that meet the criteria as qualified trusts should recognize a liability to the employer when an event occurs that compels the government to disburse the assets. The Authority does not report any postemployment benefit arrangements that are not administered through qualified trusts as fiduciary activities; therefore, the adoption of this topic did not impact the Authority.

  - Exception to acquisition value in a government acquisition – when applying GASB 69, *Government Combinations and Disposals of Government Operations*, this topic requires the acquiring government to measure liabilities and assets related to the acquired entity's asset retirement obligations in accordance with the provisions of GASB 83, *Certain Asset Retirement Obligations*. The Authority currently does not have transactions that would meet the requirements of GASB 69; therefore, the adoption of this topic did not impact the Authority.

  - Reinsurance recoveries – apply to accounting for risk finance and insurance-related activities of public entity risk pools and, therefore, does not apply to the Authority.

2. Summary of Significant Accounting Policies (continued)

(z) GASB Pronouncements (continued)

- Nonrecurring fair value measurements – provide a reference to GASB 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*, paragraph 455, for examples of assets or liabilities that require nonrecurring fair value measurement disclosures as described in GASB 72, paragraph 81. The Authority does not have any assets or liabilities that require nonrecurring fair value measurements; therefore, the adoption of this topic did not impact the Authority.

- Terminology Used to Refer to Derivative Instruments – requires all derivatives to be referred to as "derivative instruments". The Authority revised the terminology used in its annual comprehensive financial report as a result of the adoption.

- **GASB Statement No. 98, *The Annual Comprehensive Financial Report*:** This Statement establishes the term annual comprehensive financial report and its acronym ACFR. The new term and acronym replace instances of annual comprehensive financial report and its acronym in generally accepted accounting principles for state and local governments. The Authority implemented this Statement and began using the new term and acronym in the current year report.

- **GASB Statement No. 99, *Omnibus 2022:*** The Authority implemented the following topics of this Statement:

  - Extension of the period during which the London Interbank Offered Rate (LIBOR) – considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt. The Authority does not have any interest rate swaps; therefore, the adoption of this topic did not have an impact on the Authority's financial statements.

  - Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP) – relates to the state government benefit distributions and, therefore, does not apply to the Authority.

  - Disclosures related to nonmonetary transactions – the Authority does not have any nonmonetary transactions impacted by this Statement; therefore, the adoption of this topic did not have an impact on the Authority's financial statements.

  - Pledges of future revenues when resources are not received by the pledging government – the Authority did not have any future revenues not received by the pledging government, therefore, the adoption of this topic did not impact the Authority's financial statements.

  - Clarification of provisions in Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, as amended* – this statement focuses on government-wide financial statements and, therefore, did not impact the Authority.

  - Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* – the Authority has applied the terminology changes in its financial statements.

  - Terminology used in GASB 53 to refer to resource flows statements – the Authority has applied the terminology changes in its financial statements.

2. Summary of Significant Accounting Policies (continued)

(z) GASB Pronouncements (continued)

GASB has issued the following pronouncements that may affect future financial presentation or fiscal practices of the Authority upon implementation:

GASB Statement No.	GASB Statement Title	Adoption Required in Fiscal Year
91	*Conduit Debt Obligation*	2023 *
94	*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*	2023
96	*Subscription-Based Information Technology Arrangements*	2023
99	*Omnibus 2022*	2023, 2024
100	*Accounting Changes and Error Corrections*	2024
101	*Compensated Absences*	2025

* Adoption was extended one year with the implementation of Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance.*

GASB statements with required adoption in fiscal year 2023:

- **GASB Statement No. 91, *Conduit Debt Obligation***: This Statement clarifies the existing definition of a conduit debt obligation, establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations, and improves required note disclosures. The Authority does not have any conduit debt obligations; therefore, the adoption of Statement No. 91 is not expected to have an impact on the Authority's financial statements.
- **GASB Statement No. 94**, ***Public Private and Public-Public Partnerships and Availability Payment Arrangements (GASB 94):*** This Statement addresses issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The adoption of Statement No. 94 is expected to have an impact on the Authority's financial statements. The Authority is in the process of determining the extent of such impact.

2. Summary of Significant Accounting Polices (continued)

(z) GASB Pronouncements (continued)

- **GASB Statement No. 96**, ***Subscription-Based Information Technology Arrangements (GASB 96):*** This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The adoption of Statement No. 96 is expected to have an impact on the Authority's financial statements. The Authority is in the process of determining the extent of such impact.

- **GASB Statement No. 99**, ***Omnibus 2022:*** The Authority will implement the following topics of this Statement in fiscal year 2023:

  - Clarification of provisions in GASB 87*,* as amended – related to the measurement of the lease liability and lease receivable, and the identification of lease incentives.

  - Clarification of provisions in GASB 94 – related to (a) the determination of the PPP term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP assets.

  - Clarification of provision in GASB 96*,* – related to the SBITA term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.

  The adoption of the above topics is expected to have an impact on the Authority's financial statements. The Authority is in the process of evaluating the extent of the impact.

  The remaining topics of this Statement are effective for reporting periods beginning after June 15, 2023.

The Authority is currently evaluating the applicability and impact of GASB Statements that have required adoption periods beyond fiscal year 2023.

3. Plans of Financing

The planning, development and operation of the transit facilities serving the Transit Zone are funded from the combined resources of the federal government; subsidy payments from participating jurisdictions in Maryland, Virginia, and the District of Columbia; and the Authority's operations, which are primarily funded by passenger fare revenues. In establishing its budget each year, the Authority makes an estimate of the revenues it expects to receive from operation of the system based on the current or projected fare schedule and ridership.

The shares of the jurisdictions' operating subsidy requirements per the approved fiscal years 2022 and 2021 budgets are as follows:

Jurisdiction	2022	2021
District of Columbia	35.9 %	35.9 %
Prince George's County, Maryland	22.0	21.7
Montgomery County, Maryland	16.1	16.5
Fairfax County, Virginia	13.8	13.8
All other jurisdictions	12.2	12.1
Total	100.0 %	100.0 %

The Authority's Capital Improvement Program is based on the results of an extensive needs assessment, the requirement to align resources to rehabilitate the existing systems, and to grow ridership. The Authority's capital budget is funded primarily by federal grants, Dedicated Funding and capital subsidies provided by participating jurisdictions, and the issuance of debt.

The Authority's federal grants are subject to review and audit by the grantor agencies. Construction and capital improvement costs funded with these resources are generally conditioned upon compliance with the terms and conditions of the grant agreements and federal regulations.

Capital contributions for the years ended June 30, 2022 and 2021 are as follows (in thousands):

Capital Contributions	2022	2021
Federal grants and interest utilized	$ 348,591	$ 403,581
Dedicated Funding	500,000	500,000
Jurisdictional capital subsidies	446,045	439,154
Donated assets	2,180	477
Other capital contributions	11,119	3,607
Total	$ 1,307,935	$ 1,346,819

4. Cash, Deposits and Investments

Business-Type Activities

As provided in the amended Compact, any monies of the business-type activities may, at the discretion of the Board and subject to any agreement or covenant between the Authority and the holders of its debt obligations limiting or restricting classes of investments, be invested in the following:

1) Direct obligations of, or obligations guaranteed by, the United States;
2) Bonds, debentures, notes, or other evidences of indebtedness issued by agencies of the United States;
3) Domestic and Eurodollar certificates of deposit;
4) Securities that qualify as lawful investments and may be accepted as security for fiduciary, trust and public funds under the control of the United States or any officer or officers thereof; or securities eligible as collateral for deposits of monies of the United States; or
5) Bonds, debentures, notes or other evidences of indebtedness issued by a domestic corporation provided that such obligations are nonconvertible and at the time of their purchase are rated in the highest rating categories by one or more nationally recognized bond rating agencies.

Fiduciary Activities

The investment policies for the Retirement and Local 2 Plans are determined by the Plans' respective trustees based on recommendations of an independent investment advisor. The investment policies have guidelines, rather than specific authorized investments, to follow. Asset allocation policies are approved annually and are referenced in Note 11, *Pension Plans*. The trustees for the Retirement and Local 2 Plans have also entered into custody agreements with Northern Trust, which serves as the custodian of the Plans' funds.

The Trustees of the WMATA Healthcare Plan entered into an agreement with the Virginia Pooled Trust to manage the trust assets according to a predefined investment pool. Additional information regarding this external investment pool is located in Note 5, *Fair Value Measurements*.

(a) Cash and Cash Equivalents

Business-Type Activities

The carrying amounts and bank balances as of June 30, 2022 and 2021 are as follows (in thousands):

Cash and Cash Equivalents	June 30, 2022 Carrying Amount	June 30, 2022 Bank Balance
Unrestricted:		
Deposits insured or collateralized	$ 106,743	$ 101,053
Money market account	91,984	91,979
Cash on hand	4,172	-
Restricted:		
Deposits insured or collateralized	605,310	605,508
Money market account	1,663	10,011
Total cash and cash equivalents	$ 809,872	$ 808,551

4. Cash, Deposits and Investments (continued)

(a) Cash and Cash Equivalents (continued)

Business-Type Activities (continued)

Cash and Cash Equivalents	June 30, 2021 Carrying Amount	June 30, 2021 Bank Balance
Unrestricted:		
Deposits insured or collateralized	$ 172,429	$ 184,421
Money market account	92,341	92,341
Cash on hand	4,247	-
Restricted:		
Deposits insured or collateralized	861,060	861,060
Money market account	49,681	49,675
Government agency discount note	199,992	199,992
Total cash and cash equivalents	$ 1,379,750	$ 1,387,489

The bank deposit account balances are Federal Deposit Insurance Corporation insured up to $250,000, and any excess amounts are fully collateralized by the pledge of eligible collateral. The depository banks pledge collateral to the Authority, which is held in a restricted account at a Federal Reserve Bank as a custodian, and at the Bank of New York Mellon as a custodian and collateral agent. In addition, one depository bank has pledged an irrevocable standby letter of credit as collateral, issued by a Federal Home Loan Bank, which is held by the Authority.

As of June 30, 2022 and 2021, the amounts reported in restricted deposits insured or collateralized consist of unspent proceeds from the issuances of the Series 2021A and 2020A Dedicated Revenue Bonds; amounts received from Dedicated Funding; and amounts received from parking garage surcharges.

As of June 30, 2022 and 2021, the amounts recorded in restricted money market accounts consist of unspent proceeds held in escrow with fiscal agent to pay scheduled debt service payments from the Series 2020A Bonds.

As of June 30, 2021, the amounts recorded in restricted government agency discount note consist of a portion of the unspent proceeds from the Series 2021A Bonds.

The Authority's cash equivalents are valued at amortized cost, as defined by GASB Statement No. 31, *Accounting and Financial Reporting for Investments*.

4. Cash, Deposits and Investments (continued)

(a) Cash and Cash Equivalents (continued)

Fiduciary Activities

Cash and cash equivalents in the amount of $8.8 million and $7.9 million as of June 30, 2022 and 2021, respectively, consist of amounts in the Northern Trust Short-Term Investment Fund, which are composed of high quality and highly liquid money market instruments with short maturities.

The fiduciary activities do not have a formal policy related to custodial credit risk. The fiduciary activities cash equivalents are open-ended mutual funds and are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

(b) Investments

i) Interest Rate Risk

The interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment.

Business-Type Activities

The business-type activities do not have a formal investment policy for interest rate risk. However, as a means of limiting its exposure to fair value losses caused by rising interest rates, the Authority's practice is to structure its investment portfolio maturities to meet cash flow requirements. This results in short-term maturities for investments for operations and capital projects.

As of June 30, 2022 and 2021, the business-type activities investments are as follows (in thousands):

		Investment Maturities as of June 30, 2022			
Investment Type	Fair Value June 30, 2022	Less than 6 Months	7 Months – 1 Year	1–3 Years	More than 3 Years
United States Treasuries	$ 2,447	$ 247	$ -	$ -	$ 2,200

		Investment Maturities as of June 30, 2021			
Investment Type	Fair Value June 30, 2021	Less than 6 Months	7 Months – 1 Year	1–3 Years	More than 3 Years
United States Treasuries	$ 2,523	$ 50	$ -	$ -	$ 2,473

4. Cash, Deposits and Investments (continued)

(b) Investments (continued)

i) Interest Rate Risk (continued)

Fiduciary Activities

The fiduciary activities do not have a formal policy for interest rate risk.

As of June 30, 2022 and 2021, the fixed income funds in the fiduciary activities have the following investments (in thousands):

		Investment Maturities as of June 30, 2022			
Investment Type	Fair Value June 30, 2022	Less than 6 Months	7 Months - 1 Year	1-3 Years	More than 3 Years
1-10 Year TIPS Index fund	$ 19,518	$ 19,518	$ -	$ -	$ -
FIAM tactical bond fund	58,941	58,941	-	-	-
Aggregate bond index fund	31,066	31,066	-	-	-
PIMCO all asset fund	48,018	48,018	-	-	-
Total	$ 157,543	$ 157,543	$ -	$ -	$ -

		Investment Maturities as of June 30, 2021			
Investment Type	Fair Value June 30, 2021	Less than 6 Months	7 Months - 1 Year	1-3 Years	More than 3 Years
1-10 Year TIPS Index fund	$ 20,919	$ 20,919	$ -	$ -	$ -
FIAM tactical bond fund	65,246	65,246	-	-	-
Aggregate bond index fund	36,171	36,171	-	-	-
PIMCO all asset fund	61,295	61,295	-	-	-
Total	$ 183,631	$ 183,631	$ -	$ -	$ -

ii) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Business-Type Activities

The investment policy for the Authority's business-type activities allows for investments that are direct obligations of, or obligations guaranteed by, the US Government as well as evidences of indebtedness issued by agencies of the US Government or indebtedness issued by a domestic corporation, provided that such obligations are rated at the time of purchase in the highest rating categories by a nationally recognized bond rating agency.

The business-type activities investments which have the implicit guarantee of the US Government, were, at the time of purchase, awarded the highest rating by one or more of the nationally recognized rating organizations: Standard and Poor's, Moody's Investor Service, or Fitch Ratings.

4. Cash, Deposits and Investments (continued)

(b) Investments (continued)

ii) Credit Risk (continued)

Business-Type Activities (continued)

The following table summarizes the rating of the Authority's business-type activities from Moody's Investor Services as of June 30, 2022 and 2021 (in thousands):

Investment Type	Fair Value June 30, 2022	Fair Value June 30, 2021	Rating
United States Treasuries	$ 2,447	$ 2,523	Aaa

Fiduciary Activities

The fiduciary activities have no formal credit risk policies. The Aggregate bond index fund and 1-10 Year TIPS index fund consist of US Government and US Agency debt securities that are explicitly or implicitly guaranteed by the US Government and, therefore, have no credit risk. The remaining fixed income mutual funds were not rated.

The following table includes the fiduciary activities fixed income mutual funds as of June 30, 2022 and 2021 (in thousands):

Investment Type	Fair Value June 30, 2022	Fair Value June 30, 2021
1-10 Year TIPS index fund	$ 19,518	$ 20,919
FIAM tactical bond fund	58,941	65,246
Aggregate bond index fund	31,066	36,171
PIMCO all asset fund	48,018	61,295
Total fixed income mutual funds	$ 157,543	$ 183,631

iii) Custodial Credit Risk

Custodial credit risk is the risk that in the event of failure of the counterparty to the transaction, the Authority will not be able to recover the value of the deposits or investments that are in the possession of an outside party.

Business-Type Activities

The Authority does not have a formal policy for custodial credit risk for business-type activities. The Authority's investments are held by third party custodians. All individual securities are held in the name of the Authority.

4. Cash, Deposits and Investments (continued)

(b) Investments (continued)

iii) Custodial Credit Risk (continued)

Fiduciary Activities

The fiduciary activities have no formal custodial credit risk policies for investments. The investments are open-ended mutual funds and are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

5. Fair Value Measurements

Business-Type Activities

The Authority's business-type activities categorizes its fair value measurements within the fair value hierarchy established by US GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are unobservable inputs. Investments measured at net asset value are not classified in the fair value hierarchy; however, separate disclosures for these investments are required.

The business-type activities have the following recurring fair value measurements as of June 30, 2022 and 2021 (in thousands):

	June 30, 2022			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
United States Treasuries	$ 2,447	$ 2,447	$ -	$ -
Fuel swap derivative	$ 11,879	$ -	$ 11,879	$ -

	June 30, 2021			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
United States Treasuries	$ 2,523	$ 2,523	$ -	$ -
Fuel swap derivative	$ 1,704	$ -	$ 1,704	$ -

United States Treasuries are valued using prices quoted in active markets. The fuel swap derivative is valued using an income approach, which is a mathematical approximation of the market, derived from proprietary models that are based on certain assumptions regarding past, present and future market conditions, as well as certain financial information.

5. Fair Value Measurements (continued)

Fiduciary Activities

The fiduciary activities investments are measured at NAV per share as a practical expedient and, therefore, have not been classified in the fair value hierarchy. Investments reported at NAV may be sold for amounts different than the NAV per share.

The fiduciary activities have the following investments reported at fair value as of June 30, 2022 and 2021 (in thousands):

	June 30, 2022	June 30, 2021
Equity index funds:		
World ex-US investable market index fund-lending	$ 35,657	$ 45,121
Collective MSCI ACWI ex-US index fund non-lending	74,515	94,192
S&P Small Cap 600	5,526	7,480
S&P 400 index fund-lending	4,383	5,876
S&P 500 index fund-lending	27,572	34,451
Loomis Sayles Multisector	30,484	34,890
Russell 1000 index fund non lending	59,263	77,158
Russell 2000 index fund non lending	22,439	29,980
Bond index funds:		
FIAM Tactical bond fund	58,941	65,246
1-10 year TIPS index fund	19,518	20,919
Aggregate bond index fund-lending	31,066	36,171
PIMCO all asset fund	48,018	61,295
Real estate investment funds:		
IR&M core bond real estate fund	33,891	37,735
US real estate investment fund	34,321	27,760
Virginia pooled trust	107,928	118,989
Total investments	$ 593,522	$ 697,263

The WMATA Healthcare Plan's investments are managed by the Virginia Pooled Trust and is governed by the Trust Agreement. The Authority can resign or withdraw from this Agreement by written notice of its Local Finance Board. The Board of Trustees may terminate the Authority's participation in the Trust Agreement for any reason by vote of three-fourths of the Board of Trustees.

The fair value of the position in the pool is the same as the value of the pool shares. The value of each share is determined by dividing the total net position of the portfolio by the number of units outstanding at the end of the month. The portfolio includes investments diversified across fixed income, equities and real assets and it is constructed to achieve an expected rate of return of approximately 7.5%.

The Virginia Pooled Trust is not subject to regulatory oversight and is not registered with the Securities and Exchange Commission as an investment company. Specific investment information for the Virginia Pooled Trust can be obtained by writing to VACo/VML Finance, 8 E. Canal Street, Suite 100, Richmond, Virginia 23219.

6. Accounts Receivable, Net of Allowance, and Other

Amounts in accounts receivable, net of allowance, and other for business-type activities are as follows at June 30, 2022 and 2021 (in thousands):

	June 30, 2022	June 30, 2021
Accounts receivable, net of allowance:		
Federal grants receivables	$ 150,773	$ 103,106
Jurisdictional receivables	16,631	67,642
Other government agency receivables	45,440	8,049
All other receivables	36,695	36,869
Allowance for doubtful accounts	(8,440)	(4,167)
Total accounts receivable, net of allowance	241,099	211,499
Prepaid items	1,168	2,043
Total accounts receivable, net of allowance, and other	$ 242,267	$ 213,542

Federal grants receivables represent amounts due from federal grantor agencies for unreimbursed, eligible program costs. Jurisdictional receivables consist of amounts due from jurisdictions for Dedicated Funding and operating and capital subsidies. Other government agency receivables are primarily amounts due from other governmental agencies for reimbursable projects.

7. Leases

(a) Lessee

Right-to-Use Leased Assets

The Authority is a lessee for various noncancellable leases for land, buildings, equipment and other assets.

Right-to-use leased assets activity for the years ended June 30, 2022 and 2021 is as follows (in thousands):

	June 30, 2021	Additions	Deductions	June 30, 2022
Right-to-use leased assets				
Land	$ 22,099	$ 1,574	$ (126)	$ 23,547
Buildings	49,794	10,428		60,222
Equipment and other	117	-	(117)	-
Total right-to-use leased assets	72,010	12,002	(243)	83,769
Less accumulated amortization for:				
Land	2,314	2,243	(126)	4,431
Buildings	7,897	8,760	-	16,657
Equipment and other	76	41	(117)	-
Total accumulated amortization	10,287	11,044	(243)	21,088
Total right-to-use leased assets, net	$ 61,723	$ 958	$ -	$ 62,681

7. Leases (continued)

(a) Lessee (continued)

Right-to-Use Leased Assets (continued)

	June 30, 2020	Additions	Deductions	June 30, 2021
Right-to-use leased assets				
Land	$ 21,016	$ 1,083	$ -	$ 22,099
Buildings	49,105	689		49,794
Equipment and other	117	-	-	117
Total right-to-use leased assets	70,238	1,772	-	72,010
Less accumulated amortization for:				
Land	-	2,314	-	2,314
Buildings	-	7,897	-	7,897
Equipment and other	-	76	-	76
Total accumulated amortization	-	10,287	-	10,287
Total right-to-use assets, net	$ 70,238	$ (8,515)	$ -	$ 61,723

Refer to Note 10, *Short and Long-Term Liabilities*, for information on the liabilities relating to the right-to-use leased assets.

(b) Lessor

The Authority is a lessor for various noncancellable leases of fiber optics, warehouse access and ground leases. The revenues from these leases are pledged to repay the Series 2018 and 2017 Gross Revenue Transit Bonds. Some of the leases have termination options that the lessee may unilaterally exercise by giving various periods of notice to the Authority. More information on pledged revenues and the bonds can be found in Note 10(e), *Pledged Revenues*.

Revenues recognized in the reporting period for variable payments not previously included in the measurement of the lease receivables were $1.3 million and $1.1 million as of June 30, 2022 and 2021, respectively. These payments represent participation rent, which is a percentage of the lessees' gross revenues.

Principal and interest received from leases totaled $23.7 million and $9.8. million, respectively, in fiscal year 2022 and $23.3 million and $10.5 million, respectively, in fiscal year 2021.

8. Capital Assets

Capital assets activity for the years ended June 30, 2022 and 2021 is as follows (in thousands):

	June 30, 2021	Additions	Reductions	June 30, 2022
Capital assets not being depreciated:				
Land	$ 567,233	$ -	$ (730)	$ 566,503
Construction in progress	962,207	1,623,020	(1,169,669)	1,415,558
Total capital assets not being depreciated	1,529,440	1,623,020	(1,170,399)	1,982,061
Capital assets being depreciated:				
Buildings and improvements	1,268,744	175,365	-	1,444,109
Transit facilities	15,567,889	564,770	(18,701)	16,113,958
Revenue vehicles	4,928,446	344,729	(83,146)	5,190,029
Equipment and other	4,435,960	87,078	(29,088)	4,493,950
Total capital assets being depreciated	26,201,039	1,171,942	(130,935)	27,242,046
Less accumulated depreciation for:				
Buildings and improvements	688,269	39,552	-	727,821
Transit facilities	7,630,878	585,789	(18,701)	8,197,966
Revenue vehicles	2,541,798	253,278	(82,070)	2,713,006
Equipment and other	3,525,332	201,494	(29,000)	3,697,826
Total accumulated depreciation	14,386,277	1,080,113	(129,771)	15,336,619
Total capital assets being depreciated, net	11,814,762	91,829	(1,164)	11,905,427
Total capital assets, net	$ 13,344,202	$ 1,714,849	$ (1,171,563)	$ 13,887,488

8. Capital Assets (continued)

	June 30, 2020	Additions	Reductions	June 30, 2021
Capital assets not being depreciated:				
Land	$ 562,176	$ 5,057	$ -	$ 567,233
Construction in progress	798,282	1,446,857	(1,282,932)	962,207
Total capital assets not being depreciated	1,360,458	1,451,914	(1,282,932)	1,529,440
Capital assets being depreciated:				
Buildings and improvements	1,243,246	25,498	-	1,268,744
Transit facilities	14,686,336	897,582	(16,029)	15,567,889
Revenue vehicles	4,723,586	232,209	(27,349)	4,928,446
Equipment and other	4,326,716	112,622	(3,378)	4,435,960
Total capital assets being depreciated	24,979,884	1,267,911	(46,756)	26,201,039
Less accumulated depreciation for:				
Buildings and improvements	644,750	43,519	-	688,269
Transit facilities	7,068,841	578,065	(16,028)	7,630,878
Revenue vehicles	2,313,259	254,729	(26,190)	2,541,798
Equipment and other	3,308,701	220,009	(3,378)	3,525,332
Total accumulated depreciation	13,335,551	1,096,322	(45,596)	14,386,277
Total capital assets being depreciated, net	11,644,333	171,589	(1,160)	11,814,762
Total capital assets, net	$ 13,004,791	$ 1,623,503	$ (1,284,092)	$ 13,344,202

During fiscal year 2022, the Authority placed into service a new office headquarters at L'Enfant totaling $158.3 million and purchased 169 new buses totaling $94.1 million and 133 new nonrevenue vehicles totaling $8.4 million. Additionally, two land parcels were sold resulting in proceeds of $9.2 million. Also, during the fiscal year, the Metropolitan Washington Airports Authority (MWAA) donated non-revenue vehicles and equipment, valued at $2.2 million.

Additions to construction in progress include capitalized labor of approximately $246.8 million in fiscal year 2022.

In fiscal year 2021, the Authority purchased land use rights, totaling $5.1 million; retired 10 buses, which resulted in a loss of $1.2 million due to the remaining net book value; and reported an impairment loss, totaling $10.4 million, due to construction stoppage of a project that did not meet expectations. This impairment loss is reported in net loss on disposition of assets on the Statements of Revenues, Expenses, and Changes in Net Position. Additionally, land and buildings were sold resulting in proceeds of $8.2 million, of which $5.5 million was owed to the federal government for their share of the proceeds and included in due to other governments. Also, during the fiscal year, the MWAA donated 10 non-revenue vehicles, valued at $0.4 million, and 13 tractors, valued at $0.1 million.

Additions to construction in progress include capitalized labor of approximately $208.6 million in fiscal year 2021.

9. Due to Other Governments

The current amounts due to other governments as of June 30, 2022 and June 30, 2021 are as follows (in thousands):

	June 30, 2022	June 30, 2021
Due to Jurisdictions:		
Parking garage surcharges	$ 5,682	$ 16,771
Reimbursable advances	21,701	24,034
Federal share of capital asset disposals	103,128	117,746
Total due to other governments	$ 130,511	$ 158,551

In fiscal year 2022, the Prince George's County parking surcharge agreement was terminated. The remaining funds were donated to the Authority to support future parking and/or station access infrastructure at Metrorail stations in Prince George's County and are reflected as capital contributions in the Statements of Revenues, Expenses, and Changes in Net Position.

10. Short and Long-Term Liabilities

Changes in short and long-term liabilities for the years ended June 30, 2022 and 2021 are as follows (in thousands):

	June 30, 2021	Additions	Reductions	June 30, 2022	Due Within One Year
Long-term liabilities:					
Bonds payable:					
Series 2017A1	$ 139,350	$ -	$ (9,615)	$ 129,735	$ 10,090
Series 2017A2	48,855	-	-	48,855	-
Series 2017B	473,995	-	(12,125)	461,870	12,745
Series 2018	234,620	-	(5,575)	229,045	5,860
Series 2020A	545,000	-	-	545,000	-
Series 2021A	784,425	-	-	784,425	-
Unamortized premium	452,331	-	(30,036)	422,295	-
Total bonds payable	2,678,576	-	(57,351)	2,621,225	28,695
Compensated absences	117,004	97,126	(86,263)	127,867	77,447
Litigation and claims	191,230	64,373	(52,207)	203,396	61,242
Retainage on contracts	52,914	52,346	(27,232)	78,028	19,681
Lease Payables	61,747	2,751	(713)	63,785	8,206
Total long-term liabilities	$ 3,101,471	$ 216,596	$ (223,766)	$ 3,094,301	$ 195,271

10. Short and Long-Term Liabilities (continued)

	June 30, 2020	Additions	Reductions	June 30, 2021	Due Within One Year
Long-term liabilities:					
Bonds payable:					
Series 2017A1	$ 148,515	$ -	$ (9,165)	$ 139,350	$ 9,615
Series 2017A2	48,855	-	-	48,855	-
Series 2017B	485,530	-	(11,535)	473,995	12,125
Series 2018	239,920	-	(5,300)	234,620	5,575
Series 2020A	545,000	-	-	545,000	-
Series 2021A	-	784,425	-	784,425	-
Unamortized premium	287,363	188,966	(23,998)	452,331	-
Total bonds payable	1,755,183	973,391	(49,998)	2,678,576	27,315
Compensated absences	97,571	87,903	(68,470)	117,004	73,636
Litigation and claims	188,100	44,194	(41,064)	191,230	54,261
Retainage on contracts	34,735	40,135	(21,956)	52,914	16,296
Lease payables	69,693	1,705	(9,651)	61,747	8,919
Total long-term liabilities	$ 2,145,282	$ 1,147,328	$ (191,139)	$ 3,101,471	$ 180,427

(a) Lines of Credit

On May 26, 2021, the Authority entered two new lines of credit and extended three existing lines of credit, which expired on May 25, 2022. On May 26, 2022, the Authority extended the five lines of credit, which expire on May 25, 2023. The total amount available under the combined five lines of credit is $350.0 million.

The availability fees and accrued interest are payable both monthly and quarterly, depending on the lender and the terms of each agreement. Accrued interest on drawn balances is computed based on the Secured Overnight Financing Rate plus a margin. The lines of credit are collateralized by security interests in all of the Authority's gross revenues. The lines of credit can be used as funding for both operating and capital costs.

At June 30, 2022 and 2021, there were no outstanding balances on any of the lines of credit.

10. Short and Long-Term Liabilities (continued)

(b) Bonds Payable

The Authority may issue bonds pursuant to the Compact and the Bond Resolution of the Authority. The following bonds are outstanding at June 30, 2022 and 2021 (in thousands):

	June 30, 2022		
	Principal	Unamortized Premium	Net
Series 2017A1, 5.0% dated July 12, 2017, due semi-annually through July 1, 2032	$ 129,735	$ 15,340	$ 145,075
Series 2017A2, 5.0% dated July 12, 2017, due semi-annually through July 1, 2034	48,855	7,327	56,182
Series 2017B, 5.0% dated August 17, 2017 due semi-annually through July 1, 2042	461,870	70,675	532,545
Series 2018, 5.0% dated December 18, 2018 due semi-annually through July 1, 2043	229,045	24,870	253,915
Series 2020A, 4.0% to 5.0% dated June 11, 2020 due semi-annually through July 15, 2045	545,000	127,884	672,884
Series 2021A, 3.0% to 5.0% dated June 08, 2021 due semi-annually through July 15, 2046	784,425	176,199	960,624
	$ 2,198,930	$ 422,295	$ 2,621,225

10. Short and Long-Term Liabilities (continued)

(b) Bonds Payable (continued)

	June 30, 2021		
	Principal	Unamortized Premium	Net
Series 2017A1, 5.0% dated July 12, 2017, due semi-annually through July 1, 2032	$ 139,350	$ 18,247	$ 157,597
Series 2017A2, 5.0% dated July 12, 2017, due semi-annually through July 1, 2034	48,855	7,859	56,714
Series 2017B, 5.0% dated August 17, 2017 due semi-annually through July 1, 2042	473,995	75,851	549,846
Series 2018, 5.0% dated December 18, 2018 due semi-annually through July 1, 2043	234,620	26,519	261,139
Series 2020A, 4.0% to 5.0% dated June 11, 2020 due semi-annually through July 15, 2045	545,000	135,880	680,880
Series 2021A, 3.0% to 5.0% dated June 08, 2021 due semi-annually through July 15, 2046	784,425	187,975	972,400
	$ 2,226,245	$ 452,331	$ 2,678,576

i) Series 2017 Bonds

On July 12, 2017, the Authority issued Gross Revenue Transit Refunding Bonds Series 2017A1 totaling $148.5 million, including a premium of $30.6 million and Series 2017A2 totaling $48.9 million, including a premium of $9.8 million (collectively referred to as the Series 2017A Refunding Bonds).

The Series 2017A Refunding Bonds were issued with a 5.0% coupon, payable semi-annually on January 1, and July 1 each year. Principal payments on the 2017A1 and 2017A2 Bonds are due annually from July 1, 2020 through July 1, 2032 and July 1, 2020 through July 1, 2034, respectively, and will be repaid with the gross revenues of the Authority. The uninsured ratings of the bonds were AA- from Standard and Poor’s and AA- from Fitch as of July 12, 2017.

Series 2017A1 Advance Refunding

The Series 2017A1 Bonds were issued to refund a portion of the Series 2009A Gross Revenue Transit Bonds. During fiscal year 2018, proceeds from the sale of the 2017A1 Bonds were placed into an irrevocable trust and were used to defease $165.5 million of the Series 2009A Bonds, resulting in $4.1 million in deferred loss on debt defeasance and the liability being removed from the Statements of Net Position. The difference in cash flows between the old debt and the new debt was $28.1 million, which resulted in an economic gain totaling $23.5 million.

10. Short and Long-Term Liabilities (continued)

(b) Bonds Payable (continued)

i) Series 2017 Bonds (continued)

Series 2017A2 Crossover Advance Refunding

The Series 2017A2 Bonds were issued as a crossover refunding of the Series 2009B Bonds, which were not legally defeased until July 1, 2019. Proceeds from the sale of the 2017A2 Bonds were placed in a crossover escrow fund in certain authorized investments. Such investments paid the price of the Series 2009B Bonds when called on July 1, 2019 (the crossover date) and the interest due on the principal amount of the 2017A2 Bonds on the crossover date.

Series 2017B Gross Revenue Transit Bonds

On August 17, 2017, the Authority issued Gross Revenue Transit Bonds Series 2017B totaling $496.5 million, including a premium of $94.4 million, primarily to finance capital costs.

The Series 2017B Bonds will be repaid with the gross revenues of the Authority and were issued with a 5.0% coupon, payable semi-annually on January 1 and July 1 each year. Principal payments are due annually from July 1, 2019 through July 1, 2042. The ratings of the uninsured bonds were AA- from Standard and Poor's and AA- from Fitch as of August 17, 2017.

ii) Series 2018 Bonds

On December 18, 2018, the Authority issued Gross Revenue Transit Bonds Series 2018 totaling $239.9 million, including a premium of $30.9 million, primarily to finance capital costs.

The Series 2018 Bonds will be repaid with the gross revenues of the Authority, and were issued with a 5.0% coupon, payable semi-annually on January 1 and July 1 each year. Principal payments are due annually from July 1, 2020 through July 1, 2043. The ratings of the uninsured bonds were AA- from Standard and Poor's and AA- from Fitch as of December 18, 2018.

iii) Series 2020A Bonds

On June 11, 2020, the Authority issued Dedicated Revenue Bonds Series 2020A, totaling $694.9 million, including a premium of $149.9 million, primarily to finance capital costs.

The Series 2020A Bonds will be repaid with the Authority's Dedicated Funding revenue. The Bonds were issued with coupon rates between 4.0% to 5.0% payable semi-annually on January 15 and July 15 each year. Principal payments are due annually from July 15, 2023 through July 15, 2045. The ratings of the bonds were AA from Standard and Poor's, AA from Fitch and AA+ from Kroll as of June 11, 2020.

As of June 30, 2022 and 2021, $13.2 million and $39.7 million, respectively, were held in escrow to pay interest on the Series 2020A Bonds through fiscal year 2023.

As of June 30, 2022 and 2021, the short-term portion totaled $13.2 million and $26.5 million, respectively. The long-term portion was $13.2 million as of June 30, 2021. These amounts are reported as restricted cash and cash equivalents held with fiscal agent on the Statements of Net Position.

10. Short and Long-Term Liabilities (continued)

(b) Bonds Payable (continued)

iv) Series 2021A Bonds

On June 8, 2021, the Authority issued Dedicated Revenue Bonds Series 2021A, totaling $973.4 million, including a premium of $189.0 million, primarily to finance capital costs with a focus on the environment and sustainability.

The Series 2021A Bonds will be repaid with the Authority's Dedicated Funding revenues. The Bonds were issued with coupon rates between 3.0% and 5.0% payable semi-annually on January 15 and July 15 each year. Principal payments are due annually from July 15, 2023 through July 15, 2046. The ratings of the uninsured bonds were AA from Standard and Poor's, AA from Fitch and AA+ from Kroll as of June 8, 2021.

(c) Bond Covenants

The Authority must comply with certain covenants associated with outstanding bonds, the more significant of which are as follows:

- The Authority must punctually pay principal and interest according to provisions in the bond document.
- An event of default occurs if payment is not punctually made and continues for a period of 30 days; however, a failure or refusal occurs if continued for a period of 60 days after written notice, unless the Trustees agree in writing to an extension of such time prior to its expiration. If the event of default is not remedied, either the Trustees or the owners of the bonds may declare the principal and interest to be due and payable immediately.
- Except for certain instances, the Authority cannot sell, mortgage, lease, or otherwise dispose of transit system assets without filing a certification by the General Manager and Chief Executive Officer and Vice President and Treasurer with the Trustees that such action will not impede or restrict the operation of the transit system.
- The Authority must maintain certain insurance or self-insurance covering the assets and operations of the transit system at all times.
- The Authority must file annual financial information with the Trustees by December 31 following the end of the fiscal year.
- The Authority must provide an annual statement to the Climate Bonds by December 31 following the end of the fiscal year that is in conformance with the Certification requirements of the Climate Bond Standard.

10. Short and Long-Term Liabilities (continued)

(d) Bonds Debt Service Requirements

Debt service requirements for the bonds payable as of June 30, 2022 are as follows (in thousands):

Fiscal Year	Principal	Interest
2023	$ 28,695	$ 103,467
2024	61,395	101,215
2025	64,520	98,067
2026	67,810	94,759
2027	71,270	91,282
2028-2032	414,805	397,713
2033-2037	491,430	283,553
2038-2042	554,570	164,678
2043-2047	444,435	42,093
	2,198,930	1,376,827
Unamortized premium	422,295	-
	$ 2,621,225	$ 1,376,827

(e) Pledged Revenues

i) Dedicated Revenue Bonds

The Authority has pledged certain Dedicated Funding revenues to repay the Series 2020A and 2021A Dedicated Revenue Bonds. The District of Columbia, Maryland and Virginia provide an annual Dedicated Revenue stream in the amount of $500.0 million to fund capital costs. Virginia's funding statute provides for the Dedicated Funding to be deposited into both unrestricted and restricted accounts. The Authority may only pledge the unrestricted Dedicated Funding for debt service as security for the Dedicated Revenue Bonds.

Unrestricted Dedicated Funding and debt service payments on the Dedicated Revenue Bonds for the years ended June 30, 2022 and 2021 are as follows (in thousands):

Dedicated Revenue Bonds	2022	2021
Unrestricted dedicated funding	$ 464,596	$ 460,228
Debt Service Interest	$ 64,231	$ 29,649
Percentage of debt service payment to Unrestricted Dedicated Funding revenue	13.8%	6.4%

The total principal and interest remaining on the Dedicated Revenue Bonds is $2.2 billion and $2.3 billion as of June 30, 2022 and 2021, respectively, payable through July 15, 2046.

10. Short and Long-Term Liabilities (continued)

(e) Pledged Revenues (continued)

ii) Gross Revenue Transit Bonds

The Authority has pledged certain gross revenues to repay the Series 2018 and 2017 Gross Revenue Transit Bonds, collectively referred to as Transit Bonds. Gross revenues are defined in the official statements of the Transit Bonds and include the Authority's operating revenues with the exclusion of parking revenues, nonoperating revenues, the restricted portion of Dedicated Funding, certain lease-related revenues, and certain federal subsidies. Additionally, the definition of gross revenues for the Series 2018 Bonds also explicitly excludes unrestricted Dedicated Funding in the pledge for repayment of these bonds.

Gross revenues recognized, as defined by the Transit Bonds' indentures, for the years ended June 30, 2022 and 2021 are as follows (in thousands):

Gross Revenues	2022	2021
Series 2017 Bonds:		
Passenger revenues	$ 219,551	$ 104,300
Other pledged revenues	53,245	56,898
Jurisdictional subsidies	938,294	1,050,931
Unrestricted Dedicated Funding	464,596	460,228
Total Series 2017 Bonds	$ 1,675,686	$ 1,672,357
Series 2018 Bonds:		
Passenger revenues	$ 219,551	$ 104,300
Other pledged revenues	53,245	56,898
Jurisdictional subsidies	938,294	1,050,931
Total Series 2018 Bonds	$ 1,211,090	$ 1,212,129

10. Short and Long-Term Liabilities (continued)

(e) Pledged Revenues (continued)

ii) Gross Revenue Transit Bonds (continued)

Principal and interest payments on the Gross Revenue Transit Bonds for the years ended June 30, 2022 and 2021 are as follows (in thousands):

	2022	2021
Debt service:		
Interest	$ 44,564	$ 44,841
Principal	27,315	26,000
Total debt service	$ 71,879	$ 70,841
Percentage of debt service payments to gross revenues for the Series 2017 Bonds	4.3%	4.2%
Percentage of debt service payments to gross revenues for the Series 2018 Bonds	5.9%	5.8%

The total principal and interest payments outstanding on the Transit Bonds is $1.3 billion and $1.4 billion as of June 30, 2022 and 2021, respectively.

(f) Lease Liabilities

The net present value of the Authority's minimum future lease payments for non-cancelable leases, as of June 30, 2022, is as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2023	$ 8,206	$ 709	$ 8,915
2024	8,153	642	8,795
2025	7,387	578	7,965
2026	5,884	519	6,403
2027	5,585	467	6,052
2028-2032	10,909	1,830	12,739
2033-2037	8,929	1,153	10,082
2038-2042	6,999	396	7,395
2043-2047	1,389	101	1,490
2048-2052	344	7	351
Total lease payments	$ 63,785	$ 6,402	$ 70,187

10. Short and Long-Term Liabilities (continued)

(g) Interest Expense

Interest expense incurred during the years ended June 30, 2022 and 2021 is as follows (in thousands):

	2022	2021
Bonds	$ 104,755	$ 74,490
Amortization of premium	(29,761)	(23,724)
Issuance costs	170	3,951
Leases	732	644
Total interest expense	$ 75,896	$ 55,361

11. Pension Plans

(a) Description of Pension Plans

The Authority participates in five single-employer defined benefit pension plans (collectively referred to as the Plans) covering substantially all its employees, as shown in the table below:

Name of Plan	Plan Year End	Covered Employees
Retirement Plan	June 30	Management and non-union employees
Local 689 Plan	June 30	Full or part-time Local 689 employees
Transit Police Plan	December 31	Transit police officers and officials
Local 922 Plan	December 31	Full or part-time Local 922 employees
Local 2 Plan	June 30	Full-time Local 2 employees

11. Pension Plans (continued)

(a) Description of Pension Plans (continued)

The Plans are administered through trusts dedicated to providing pension benefits to plan members and beneficiaries. Contributions to the trusts are irrevocable and legally protected from creditors.

Each Plan is governed by a separate Board of Trustees responsible for administering the Plans. Financial statements are issued separately for each Plan and may be obtained by contacting the Retirement Planning Manager in writing at Washington Metropolitan Area Transit Authority, HCTR-Retirement, PO Box 23298, Washington, DC 20026.

The Local 689, Transit Police, Local 922, and Local 2 Plans are governed by the terms of the respective collective bargaining agreements and plan documents, which are the basis by which benefit terms and contribution requirements are established and amended.

The Retirement and Local 2 Plans are reflected as fiduciary activities in the Authority's basic financial statements.

Below is a summary of each respective Plan's membership as of June 30, 2022 and 2021:

	June 30, 2022					
Plan Membership	**Retirement Plan**	**Local 689 Plan**	**Transit Police Plan**	**Local 922 Plan**	**Local 2 Plan**	**Total**
Active	133	8,685	374	445	26	9,663
Inactive, receiving benefits	1,231	5,530	285	289	343	7,678
Inactive, not receiving benefits	313	1,481	121	45	42	2,002
Total membership	1,677	15,696	780	779	411	19,343

	June 30, 2021					
Plan Membership	**Retirement Plan**	**Local 689 Plan**	**Transit Police Plan**	**Local 922 Plan**	**Local 2 Plan**	**Total**
Active	154	8,621	387	412	38	9,612
Inactive, receiving benefits	1,230	5,460	271	271	333	7,565
Inactive, not receiving benefits	320	1,428	116	54	46	1,964
Total membership	1,704	15,509	774	737	417	19,141

Below is a summary of the eligible employees, benefits, contributions and funding policy for each Plan:

i) Retirement Plan

The Retirement Plan is administered by its Board of Trustees, which is comprised of three members. Two members are appointed by management of the Authority, and one member is elected.

Eligible Employees

All full-time regular management and non-union employees hired prior to January 1, 1999, certain Transit Police Officials who are not covered by any other Authority pension plan, and Special Police Officers represented by Teamsters Local 639 hired prior to February 25, 2016, are eligible to participate in the Retirement Plan.

11. Pension Plans (continued)

(a) Description of Pension Plans (continued)

i) Retirement Plan (continued)

Benefits

The normal retirement eligibility is age 65 with five years of credited service. The annual normal retirement benefit comprises of 1.6% of final average compensation multiplied by the number of years of credited service (including any unused sick leave as credited service for purpose of normal retirement benefit), plus 0.9% of final average compensation in excess of the Social Security breakpoint multiplied by years of credited service (including any unused sick leave as credited service for purpose of normal retirement benefit amount) not in excess of 20 years.

Early retirement benefits are available upon reaching age 55 with 10 years of credited service or after the sum of years of service plus attained age is 83 or more. The maximum normal retirement benefit is not to exceed 80.0% of final average compensation. The retirement plan provides retired participants annual cost of living increases, permits both early and later retirement, and provides for benefits in the event of death, disability and terminated vested employment. After five years of service, participants are 100.0% vested.

Contributions and Funding Policy

The Authority is required to contribute, pursuant to the Compact, an amount equal to the actuarially determined contribution. Authority contributions totaled $25.9 million and $22.5 million for the years ended June 30, 2022 and 2021, respectively. Participants are not required to contribute to the Retirement Plan.

Plan actuaries determine the dollar amount of assets to be transferred between plans to account for participants who transfer between plans. The dollar amount of the assets is based on the present value of benefits transferred and the funded status of the respective plans. The assets contributed to the Retirement Plan from the Local 2 Plan were $0.9 million for fiscal year 2022.

ii) Local 689 Plan

The Local 689 Plan is governed by its Retirement Allowance Committee, which consists of six members. Three members are appointed by management of the Authority and three members are appointed by the Local 689 union.

Eligible Employees

Any regular full-time or part-time Authority employee, who is a member of Local 689 of the Amalgamated Transit Union, after a 90-day probationary period, is eligible to participate in the Local 689 Plan. The Local 689 Plan is governed by the terms of the employees' collective bargaining agreement. After 10 years of service, participants are 100.0% vested.

11. Pension Plans (continued)

(a) Description of Pension Plans (continued)

ii) Local 689 Plan (continued)

Benefits

The Local 689 Plan provides for normal retirement, early retirement, disability and preretirement spouse death benefits. Employees are eligible for the normal retirement allowance upon either attainment of age 70; attainment of age 65 and the completion of 10 years of continuous service; upon completion of 27 years of continuous service regardless of age; or after the sum of years of service plus attained age is 83 or more. The normal retirement monthly pension is 1.9% of the highest four-year average monthly total compensation times the number of years of continuous service up to 27 years, plus 2.0% of average compensation times continuous service in excess of 27 years of service. The minimum benefit is $600 monthly.

Contributions and Funding Policy

The Authority is required to contribute per the collective bargaining agreement an amount equal to the actuarially determined contribution. Employee and Authority contributions totaled $25.9 million and $163.8 million, respectively, for the year ended June 30, 2022. Employee and Authority contributions totaled $23.6 million and $156.3 million, respectively, for the year ended June 30, 2021.

iii) Transit Police Plan

The Transit Police Plan is administered by its Board of Trustees, which is comprised of four members. Two members are appointed by management of the Authority and two members are appointed by the Fraternal Order of Police.

Eligible Employees

Transit Police Officers and Transit Police Officials of the Authority are eligible to participate in the Transit Police Plan. The Plan provides retired participants annual cost of living increases, permits early retirement, and provides for benefits in the event of death, disability and terminated vested employment disability benefits. After 10 years of service, participants are 100.0% vested.

Benefits

The normal retirement age is upon completing 25 years of credited service, but no later than age 65. The normal retirement benefit is 2.6% of final average earnings multiplied by years of credited service. The resulting benefit, if paid following the participant's 66^{th} birthday, will be reduced by 0.5% of final average of the highest 36 months of earnings for each year of credited service. Effective October 1, 2019, the resulting benefit, if paid following the participant's 67^{th} birthday, is reduced by 0.3% of final average earnings of the highest 36 months of earnings for each year of credited service.

11. Pension Plans (continued)

(a) Description of Pension Plans (continued)

iii) Transit Police Plan (continued)

Contributions and Funding Policy

Employees were required to contribute 7.3% of compensation beginning October 1, 2003. Effective October 1, 2019, the required contribution increased to 8.5%. The Authority is required to contribute per the collective bargaining agreement an amount equal to the actuarially determined contribution. The Authority may limit the amount of contribution to 17.1% of gross earnings in any plan year and defer any balance. This deferral can be for no more than three consecutive plan years or for no more than four plan years out of any consecutive seven years.

Employee and Authority contributions totaled $3.0 million and $10.8 million, respectively, for the year ended June 30, 2022. Employee and Authority contributions totaled $3.0 million and $11.3 million, respectively, for the year ended June 30, 2021.

iv) Local 922 Plan

The Local 922 Plan is administered by its Board of Trustees, which is comprised of four members. Two members are appointed by management of the Authority, and two members are appointed by the Local 922 union.

Eligible Employees

All regular full-time and part-time employees, who are members of Local 922, after a 90-day probationary period, are eligible to participate in the Local 922 Plan. The Plan is governed by the terms of the employees' collective bargaining agreement. Employees are eligible for the normal pension benefits after attaining age 65 and 10 years of credited service; upon completion of 27 years of credited service regardless of age; or after the sum of years of service plus attained age is 83 or more. After 10 years of service, participants are 100.0% vested.

Benefits

Effective for employees retiring on or after November 1, 2007, the annual retirement benefits are equal to 1.9% of the average compensation for each year (or fraction thereof based on completed months) of service up to 27 years at retirement, plus 2.0% of average compensation for each year (or fraction thereof based on completed months) of service in excess of 27 years at retirement plus 1.0% for years of service prior to May 1, 1973. The minimum benefit is $175 monthly. The Local 922 Plan provides retired participants annual cost of living increases, permits early retirement, and provides for benefits in the event of death, disability and terminated employment.

11. Pension Plans (continued)

(a) Description of Pension Plans (continued)

iv) Local 922 Plan (continued)

Contributions and Funding Policy

The Authority is required to contribute per the collective bargaining agreement an amount equal to the actuarially determined contribution. Based upon the collective bargaining agreement, employees contribute 1.0% of wages for the period November 1, 2014 through October 31, 2015 and 3.0% of wages beginning November 1, 2015. Employee contributions shall continue until such time as the Plan actuary certifies that the market value funded ratio equals or exceeds 100% (as determined using the funding assumptions then in effect), at which time employee contributions cease. Employee contributions to the Plan ceased November 1, 2021. Employee and Authority contributions totaled $0.4 million and $3.9 million, respectively, for the year ended June 30, 2022. Employee and Authority contributions totaled $1.0 million and $4.6 million, respectively, for the year ended June 30, 2021.

v) Local 2 Plan

The Local 2 Plan is administered by its Board of Trustees, which consists of five members. Three members are appointed by management of the Authority, and two members are appointed by the Local 2 union.

Eligible Employees

All full-time employees covered by the Local 2 collective bargaining agreement hired prior to January 1, 1999, and who are not covered by any other Authority pension plan are eligible to participate in the Local 2 Plan. The Plan is governed by the Authority's Board of Directors with consideration of both the applicable union agreements and Authority personnel practices. The normal retirement eligibility is age 65 with five years of credited service. After five years of service, participants are 100.0% vested.

Benefits

The annual normal retirement benefit comprises of 1.6% of final average compensation multiplied by years of credited service (including any unused sick leave as credited service for purpose of normal retirement benefit), plus 0.9% of final average compensation in excess of the Social Security breakpoint multiplied by years of credited service (including any unused sick leave as credited service for purpose of normal retirement benefit amount) not in excess of 20 years. Early retirement benefits are available upon reaching age 55 with 10 years of credited service or after the sum of years of service plus attained age is 83 or more. The maximum normal retirement benefit is not to exceed 80.0% of final average compensation. The Local 2 Plan provides retired participants annual cost of living increases, permits both early and later retirement, and provides for benefits in the event of death, disability, and terminated vested employment.

11. Pension Plans (continued)

(a) Description of Pension Plans (continued)

v) Local 2 Plan (continued)

Contributions and Funding Policy

The Authority is required to contribute per the collective bargaining agreement an amount equal to the actuarially determined contribution. Authority contributions totaled $7.0 million and $5.6 million for the years ended June 30, 2022 and 2021, respectively. Participants are not required to contribute to the Local 2 Plan.

Plan actuaries determine the dollar amount of assets to be transferred between plans to account for participants who transfer between plans. The dollar amount of the assets is based on the present value of benefits transferred and the funded status of the respective plans. The assets contributed to the Retirement Plan from the Local 2 Plan were $0.9 million for fiscal year 2022.

(b) Measurement of Total Pension Liability

The Authority's total pension liability reported at June 30, 2022 and 2021 for each of the Plans were measured as of their fiscal year end dates, and were determined using the following actuarial assumptions as of each of the Plan's respective measurement dates:

	June 30, 2022				
	Retirement Plan	Local 689 Plan	Transit Police Plan	Local 922 Plan	Local 2 Plan
Measurement date	6/30/2021	6/30/2021	12/31/2021	12/31/2021	6/30/2021
Inflation	2.5%	2.5%	2.5%	1.5%	2.5%
Salary and wage increases	3.0% to 6.3%	3.0% to 3.5%	3.0% to 7.0%	1.5% to 4.5%	3.0% to 6.3%
Long-term rate of return, net of expense, including price of inflation	7.0%	7.5%	7.0%	7.0%	7.3%

	June 30, 2021				
	Retirement Plan	Local 689 Plan	Transit Police Plan	Local 922 Plan	Local 2 Plan
Measurement date	6/30/2020	6/30/2020	12/31/2020	12/31/2020	6/30/2020
Inflation	2.5%	2.5%	2.5%	1.5%	2.5%
Salary and wage increases	3.0% to 6.3%	2.0% to 2.5%	3.0% to 7.0%	1.5% to 4.5%	3.0% to 6.3%
Long-term rate of return, net of expense, including price of inflation	7.0%	7.5%	7.0%	7.0%	7.3%

11. Pension Plans (continued)

(b) Measurement of Total Pension Liability (continued)

i) Retirement Plan

The Pub-2010 General Healthy Non-Annuitant Mortality Table Projected generationally using Scale MP-2020 was used for mortality assumptions for the Retirement Plan fiscal year ended June 30, 2021. The RP-2000 Fully Generational Combined Mortality Table projected with Scale AA was used for the mortality assumptions for the Retirement Plan fiscal year ended June 30, 2020.

The actuarial assumptions used in the Retirement Plan's June 30, 2021 valuation were set as a result of an experience study conducted for the five years ending June 30, 2021. All other assumptions, including those used in the Retirement Plan's June 30, 2020 valuation were based on the results of an actuarial experience study conducted for the five years ending June 30, 2014.

The valuation assumption of the annual non-investment end of year expense was adjusted upwards from $330,000 to $336,000 to better reflect recent experience. The mortality and retirement assumptions were updated to more closely reflect recent experience based on the experience study performed concurrently with the Plan's valuation.

The long-term expected rate of return on Retirement Plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (2.5%).

Best estimates of arithmetic real rates of return for each major asset class included in the Retirement Plan's target asset allocation as of June 30, 2021 and 2020 are summarized in the following table:

	Target Allocation		Long-Term Expected Real Rate of Return	
Asset Class	**2021**	**2020**	**2021**	**2020**
Core bonds	16.0%	16.0%	2.7%	3.4%
Global asset allocation	10.0%	10.0%	5.6%	6.0%
Large cap	18.0%	18.0%	6.3%	6.7%
Multi-sector fixed income	18.0%	18.0%	4.3%	4.7%
TIPS	4.0%	4.0%	2.1%	2.7%
Core real estate	5.0%	5.0%	5.6%	6.0%
Small cap	7.0%	7.0%	6.6%	7.1%
Global equity, excluding US	22.0%	22.0%	7.4%	7.9%

The discount rate used to measure the Retirement Plan's total pension liability for June 30, 2021 and 2020 was 7.0%. The projection of cash flows used to determine the discount rate assumed that the Authority contributions would be made at rates equal to the actuarially determined contribution rates. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

11. Pension Plans (continued)

(b) Measurement of Total Pension Liability (continued)

ii) Local 689 Plan

The RP-2014 Blue Collar Mortality Table projected with 90% of Scale MP-2020 was used for the mortality assumptions for the Local 689 Plan for the fiscal year ended June 30, 2021. The RP-2014 Blue Collar Mortality Table projected with 90% Scale MP-2019 was used for the mortality assumptions for the Local 689 Plan for the fiscal year ended June 30, 2020.

The actuarial assumptions used in the Local 689 Plan's June 30, 2021 and 2020 valuations were based on the results of an experience study conducted for the five years ending December 31, 2019.

The long-term expected rate of return on Local 689 Plan investments was determined based on a weighted average of the expected real rates of return and the Local 689 Plan's target asset allocation and by adding expected inflation (2.5%).

Best estimates of arithmetic real rates of return for each major asset class included in the Local 689 Plan's target asset allocation as of June 30, 2021 and 2020 are summarized in the following table:

	Target Allocation		Long-Term Expected Real Rate of Return	
Asset Class	**2021**	**2020**	**2021**	**2020**
Large cap equities	40.0%	38.0%	5.9%	5.3%
Mid cap equities	5.0%	5.0%	6.1%	5.7%
Small cap equities	5.0%	5.0%	5.3%	5.4%
Non-U.S. developed equities	10.0%	10.0%	4.5%	4.2%
Fixed income	18.0%	15.0%	1.3%	1.0%
Global tactical assets allocation	5.0%	10.0%	3.1%	2.8%
Real estate	7.0%	7.0%	4.1%	4.2%
Fund of hedge funds	5.0%	5.0%	4.1%	3.8%
Private equity	5.0%	5.0%	10.2%	8.8%

The discount rate used to measure the Local 689 Plan's total pension liability for June 30, 2021 and 2020 was 7.5%. The projection of cash flows used to determine the discount rate assumed that employee and Authority contributions would continue to be made at the rates set forth in the most recent collective bargaining agreement. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

11. Pension Plans (continued)

(b) Measurement of Total Pension Liability (continued)

iii) Transit Police Plan

The Pub-2010 Mortality table based on Scale MP-2021 was used for the fiscal year ended December 31, 2021. The RP-2014 Blue Collar Mortality Table projected with Scale MP-2020 was used for the mortality assumptions for the Transit Police Plan for the fiscal year ended December 31, 2020.

The actuarial assumptions used in the Transit Police Plan's December 31, 2021 and 2020 valuations were based on the results of an actuarial experience study conducted for the five years ending January 1, 2015. The assumptions used were the same except for the mortality tables, projection mortality improvement scale and the expected cost of living adjustment (COLA) for non-disability pension benefits for 2023.

The long-term expected rate of return on Transit Police Plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, and by adding expected inflation (2.5%).

Best estimates of arithmetic real rates of return for each major asset class included in the Transit Police Plan's target asset allocation is the same as of December 31, 2021 and 2020 and are summarized in the following table:

	Target Allocation		Long-Term Expected Real Rate of Return	
Asset Class	**2021**	**2020**	**2021**	**2020**
Equity composite	50.0%	50.0%	5.3%	5.3%
International equity composite	10.0%	10.0%	6.3%	6.3%
Global bond composite	35.0%	35.0%	0.2%	0.2%
Real estate	5.0%	5.0%	5.9%	5.9%

The discount rate used to measure the Transit Police Plan's total pension liability was 7.0% for December 31, 2021 and 2020. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the Authority contributions will be made according to the funding method used in the annual valuation. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

11. Pension Plans (continued)

(b) Measurement of Total Pension Liability (continued)

iv) Local 922 Plan

The RP-2000 Healthy Combined Mortality table with Blue Collar Adjustment, projected fully generational with Scale AA, was used for the mortality assumptions for the Local 922 Plan years ended December 31, 2021 and 2020.

The actuarial assumptions used in the Local 922 Plan's December 31, 2021 and 2020 valuations were based on the results of an actuarial experience study conducted for the eight years ending December 31, 2014.

Compensation increases were updated to reflect the Memorandum of Understanding, dated October 6, 2020. In addition, a one-time 14.0% wage increase was applied to reflect a rebound in pay levels for the 2022 year and stabilize the contributions required.

The long-term expected rate of return on Local 922 Plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (1.5%).

Best estimates of arithmetic real rates of return for each major asset class included in the Local 922 Plan's target asset allocation as of December 31, 2021 and 2020 are summarized in the following table:

	Target Allocation		Long-Term Expected Real Rate of Return	
Asset Class	**2021**	**2020**	**2021**	**2020**
Large cap equities	24.0%	24.0%	6.7%	6.7%
Small/mid cap equities	5.0%	5.0%	7.2%	7.2%
International equities	20.0%	20.0%	7.0%	7.0%
Core bonds	26.0%	26.0%	3.4%	3.4%
Emerging market blended debt	5.0%	5.0%	5.2%	5.2%
TIPS	5.0%	5.0%	2.7%	2.7%
Alternative investment classes	5.0%	5.0%	6.0%	6.0%
Global asset allocations	10.0%	10.0%	5.7%	5.7%

The discount rate used to measure the Local 922 Plan's total pension liability for December 31, 2021 and 2020 was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Authority contributions will be made according to the valuation method. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

11. Pension Plans (continued)

(b) Measurement of Total Pension Liability (continued)

v) Local 2 Plan

The Pub-2010 General Healthy Non-Annuitant Mortality tables (Projected generationally using Scale MP-2020) were used for the mortality assumptions for the Local 2 Plan fiscal year ended June 30, 2021. The RP-2000 Fully Generational Combined Mortality Table projected with Scale AA was used for the mortality assumptions for the Local 2 Plan fiscal year ended June 30, 2020.

The actuarial assumptions used in the Local 2 Plan's June 30, 2021 valuation were set as a result of an experience study conducted for the five years ending June 30, 2021. All other assumptions, including those used in the Local 2 Plan's June 30, 2020 valuation were based on the results of an actuarial experience study conducted for the five years ending June 30, 2014.

The valuation assumption of the annual non-investment end of year expense was adjusted upwards from $125,000 to $150,000 to better reflect recent experience. The mortality and retirement assumptions were updated to more closely reflect recent experience based on the experience study performed concurrently with this valuation.

The long-term expected rate of return on Local 2 Plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, and by adding expected inflation (2.5%).

Best estimates of arithmetic real rates of return for each major asset class included in the Local 2 Plan's target asset allocation as of June 30, 2021 and 2020 are summarized as follows:

	Target Allocation		**Long-Term Expected Real Rate of Return**	
Asset Class	**2021**	**2020**	**2021**	**2020**
Core bonds	10.0%	10.0%	2.7%	3.4%
Global asset allocation	10.0%	10.0%	5.6%	6.0%
US equity large cap	20.0%	20.0%	6.3%	6.7%
Global multi-sector fixed income	18.0%	18.0%	4.3%	4.7%
TIPS	5.0%	5.0%	2.1%	2.7%
Core real estate	5.0%	5.0%	5.6%	6.0%
Small/mid cap equities	7.0%	7.0%	6.6%	7.1%
Global equity, excluding US	25.0%	25.0%	7.4%	7.9%

The discount rate used to measure the Local 2 Plan's total pension liability was 7.3% for June 30, 2021 and 2020. The projection of cash flows used to determine the discount rate assumed that Authority contributions would be made at rates equal to the actuarially determined contribution rates. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

11. Pension Plans (continued)

(c) Changes in Net Pension Asset

Changes in the Authority's net pension asset reported for the fiscal years ended June 30, 2022 and 2021, based on each Plan's respective measurement dates, are as follows (in thousands):

Local 922 Plan

	2022		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Balance, beginning of year	$ 255,455	$ 271,486	$ (16,031)
Changes for the year:			
Service cost	4,428	-	4,428
Interest	17,836	-	17,836
Changes of benefit terms	(642)		(642)
Differences between expected and actual experience	(5,399)	-	(5,399)
Changes in assumptions	5,843	-	5,843
Contributions – employer	-	4,147	(4,147)
Contributions – employee	-	824	(824)
Net investment income	-	27,237	(27,237)
Benefit payments, including refunds of employee contributions	(10,359)	(10,359)	-
Administrative expenses	-	(84)	84
Net change	11,707	21,765	(10,058)
Balance, end of year	$ 267,162	$ 293,251	$ (26,089)

	2021		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Balance, beginning of year	$ 240,688	$ 243,762	$ (3,074)
Changes for the year:			
Service cost	4,583	-	4,583
Interest	16,841	-	16,841
Differences between expected and actual experience	3,551	-	3,551
Changes in assumptions	(683)	-	(683)
Contributions – employer	-	4,630	(4,630)
Contributions – employee	-	952	(952)
Net investment income	-	31,878	(31,878)
Benefit payments, including refunds of employee contributions	(9,525)	(9,525)	-
Administrative expenses	-	(211)	211
Net change	14,767	27,724	(12,957)
Balance, end of year	$ 255,455	$ 271,486	$ (16,031)

11. Pension Plans (continued)

(c) Changes in Net Pension Asset (continued)

Local 2 Plan

	2022		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Asset**
Balance, beginning of year	$ 165,403	$ 141,547	$ 23,856
Changes for the year:			
Service cost	259	-	259
Interest	11,512	-	11,512
Differences between expected and actual experience	(1,619)	-	(1,619)
Contributions – employer	-	5,555	(5,555)
Net investment income	-	34,827	(34,827)
Benefit payments, including refunds of employee contributions	(13,744)	(13,744)	-
Administrative expenses	-	(91)	91
Net change	(3,592)	26,547	(30,139)
Balance, end of year	$ 161,811	$ 168,094	$ (6,283)

In fiscal year 2021, the Local 2 Plan reported a net pension liability. Refer to Note 11(d), *Changes in Net Pension Liability*, for further details.

11. Pension Plans (continued)

(c) Changes in Net Pension Asset (continued)

Total Net Pension Asset

	2022		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Asset**
Balance, beginning of year	$ 420,858	$ 413,033	$ 7,825
Changes for the year:			
Service cost	4,687	-	4,687
Interest	29,348	-	29,348
Changes of benefit terms	(642)	-	(642)
Differences between expected and actual experience	(7,018)	-	(7,018)
Changes in assumptions	5,843	-	5,843
Contributions – employer	-	9,702	(9,702)
Contributions – employee	-	824	(824)
Net investment income	-	62,064	(62,064)
Benefit payments, including refunds of employee contributions	(24,103)	(24,103)	-
Administrative expenses	-	(175)	175
Net change	8,115	48,312	(40,197)
Balance, end of year	$ 428,973	$ 461,345	$ (32,372)

	2021		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Asset**
Balance, beginning of year	$ 240,688	$ 243,762	$ (3,074)
Changes for the year:			
Service cost	4,583	-	4,583
Interest	16,841	-	16,841
Differences between expected and actual experience	3,551	-	3,551
Changes in assumptions	(683)	-	(683)
Contributions – employer	-	4,630	(4,630)
Contributions – employee	-	952	(952)
Net investment income	-	31,878	(31,878)
Benefit payments, including refunds of employee contributions	(9,525)	(9,525)	-
Administrative expenses	-	(211)	211
Net change	14,767	27,724	(12,957)
Balance, end of year	$ 255,455	$ 271,486	$ (16,031)

11. Pension Plans (continued)

(d) Changes in Net Pension Liability

Changes in the Authority's net pension liability reported for the fiscal years ended June 30, 2022 and 2021, based on each Plan's respective measurement dates, are as follows (in thousands):

Retirement Plan

	2022		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balance, beginning of year	$ 498,159	$ 355,531	142,628
Changes for the year:			
Service cost	948	-	948
Interest	33,379	-	33,379
Differences between expected and actual experience	2,472	-	2,472
Contributions – employer	-	22,538	(22,538)
Net investment income	-	80,349	(80,349)
Benefit payments, including refunds of employee contributions	(44,530)	(44,530)	-
Administrative expenses	-	(149)	149
Net change	(7,731)	58,208	(65,939)
Balance, end of year	$ 490,428	$ 413,739	$ 76,689

	2021		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balance, beginning of year	$ 507,181	$ 367,273	139,908
Changes for the year:			
Service cost	1,057	-	1,057
Interest	34,033	-	34,033
Contributions – employer	-	21,606	(21,606)
Net investment income	-	11,099	(11,099)
Benefit payments, including refunds of employee contributions	(44,112)	(44,112)	-
Administrative expenses	-	(335)	335
Net change	(9,022)	(11,742)	2,720
Balance, end of year	$ 498,159	$ 355,531	$ 142,628

11. Pension Plans (continued)

(d) Changes in Net Pension Liability (continued)

Local 689 Plan

	2022		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balance, beginning of year	$ 4,486,693	$ 3,502,860	$ 983,833
Changes for the year:			
Service cost	94,181	-	94,181
Interest	330,348	-	330,348
Differences between expected and actual experience	105,191	-	105,191
Changes in assumptions	(22,872)	-	(22,872)
Contributions – employer	-	156,348	(156,348)
Contributions – employee	-	23,843	(23,843)
Net investment income	-	1,097,912	(1,097,912)
Benefit payments, including refunds of employee contributions	(232,701)	(232,701)	-
Administrative expenses	-	(989)	989
Other	-	(1)	1
Net change	274,147	1,044,412	(770,265)
Balance, end of year	$ 4,760,840	$ 4,547,272	$ 213,568

	2021		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balance, beginning of year	$ 4,217,761	$ 3,442,669	$ 775,092
Changes for the year:			
Service cost	86,499	-	86,499
Interest	324,811	-	324,811
Differences between expected and actual experience	(14,027)	-	(14,027)
Changes in assumptions	94,168	-	94,168
Contributions – employer	-	133,489	(133,489)
Contributions – employee	-	23,643	(23,643)
Net investment income	-	126,706	(126,706)
Benefit payments, including refunds of employee contributions	(222,519)	(222,519)	-
Administrative expenses	-	(1,038)	1,038
Other	-	(90)	90
Net change	268,932	60,191	208,741
Balance, end of year	$ 4,486,693	$ 3,502,860	$ 983,833

11. Pension Plans (continued)

(d) Changes in Net Pension Liability (continued)

Transit Police Plan

	2022		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balance, beginning of year	$ 316,392	$ 299,138	$ 17,254
Changes for the year:			
Service cost	9,786	-	9,786
Interest	21,538	-	21,538
Differences between expected and actual experience	976	-	976
Changes in assumptions	19,348	-	19,348
Contributions – employer	-	10,697	(10,697)
Contributions – employee	-	2,932	(2,932)
Net investment income	-	42,697	(42,697)
Benefit payments, including refunds of employee contributions	(16,251)	(16,251)	-
Administrative expenses	-	(103)	103
Net change	35,397	39,972	(4,575)
Balance, end of year	$ 351,789	$ 339,110	$ 12,679

	2021		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balance, beginning of year	$ 304,845	$ 266,047	$ 38,798
Changes for the year:			
Service cost	9,519	-	9,519
Interest	20,774	-	20,774
Differences between expected and actual experience	3,180	-	3,180
Changes in assumptions	(6,874)	-	(6,874)
Contributions – employer	-	12,041	(12,041)
Contributions – employee	-	3,168	(3,168)
Net investment income	-	33,156	(33,156)
Benefit payments, including refunds of employee contributions	(15,052)	(15,052)	-
Administrative expenses	-	(222)	222
Net change	11,547	33,091	(21,544)
Balance, end of year	$ 316,392	$ 299,138	$ 17,254

11. Pension Plans (continued)

(d) Changes in Net Pension Liability (continued)

Local 2 Plan

In fiscal year 2022, the Local 2 Plan reported a net pension asset. Refer to Note 11(c), *Changes in Net Pension Asset*, for further details.

	2021		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balance, beginning of year	$ 167,295	$ 147,538	$ 19,757
Changes for the year:			
Service cost	271	-	271
Interest	11,648	-	11,648
Contributions – employer	-	5,423	(5,423)
Net investment income	-	2,575	(2,575)
Benefit payments, including refunds of employee contributions	(13,811)	(13,811)	-
Administrative expenses	-	(178)	178
Net change	(1,892)	(5,991)	4,099
Balance, end of year	$ 165,403	$ 141,547	$ 23,856

11. Pension Plans (continued)

(d) Changes in Net Pension Liability (continued)

Total Net Pension Liability

	2022		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balance, beginning of year	$ 5,301,244	$ 4,157,529	$ 1,143,715
Changes for the year:			
Service cost	104,915	-	104,915
Interest	385,265	-	385,265
Differences between expected and actual experience	108,639	-	108,639
Changes in assumptions	(3,524)	-	(3,524)
Contributions – employer	-	189,583	(189,583)
Contributions – employee	-	26,775	(26,775)
Net investment income	-	1,220,958	(1,220,958)
Benefit payments, including refunds of employee contributions	(293,482)	(293,482)	-
Administrative expenses	-	(1,241)	1,241
Other	-	(1)	1
Net change	301,813	1,142,592	(840,779)
Balance, end of year	$ 5,603,057	$ 5,300,121	$ 302,936

	2021		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balance, beginning of year	$ 5,197,082	$ 4,223,527	$ 973,555
Changes for the year:			
Service cost	97,346	-	97,346
Interest	391,266	-	391,266
Differences between expected and actual experience	(10,847)	-	(10,847)
Changes in assumptions	87,294	-	87,294
Contributions – employer	-	172,559	(172,559)
Contributions – employee	-	26,811	(26,811)
Net investment income	-	173,536	(173,536)
Benefit payments, including refunds of employee contributions	(295,494)	(295,494)	-
Administrative expenses	-	(1,773)	1,773
Other	-	(90)	90
Net change	269,565	75,549	194,016
Balance, end of year	$ 5,466,647	$ 4,299,076	$ 1,167,571

11. Pension Plans (continued)

(e) Pension Deferred Outflows and Inflows of Resources

At June 30, 2022 and 2021, the Authority reported deferred outflows and inflows of resources for the respective Plans as follows (in thousands):

	June 30, 2022	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Retirement Plan:		
Differences between projected and actual investment earnings	$ -	$ 33,455
Contributions made after the measurement date	25,871	-
Subtotal	25,871	33,455
Local 689 Plan:		
Differences between projected and actual investment earnings	-	593,899
Differences between expected and actual experience	128,509	23,843
Changes in assumptions	145,602	21,583
Contributions made after the measurement date	163,813	-
Subtotal	437,924	639,325
Transit Police Plan:		
Differences between projected and actual investment earnings	-	32,103
Differences between expected and actual experience	3,882	7,524
Changes in assumptions	22,180	4,909
Contributions made after the measurement date	5,475	-
Subtotal	31,537	44,536
Local 922 Plan:		
Differences between projected and actual investment earnings	-	20,606
Differences between expected and actual experience	1,776	6,775
Changes in assumptions	4,382	342
Contributions made after the measurement date	2,074	-
Subtotal	8,232	27,723
Local 2 Plan:		
Differences between projected and actual investment earnings	-	14,237
Contributions made after the measurement date	7,048	-
Subtotal	7,048	14,237
Total Plans:		
Differences between projected and actual investment earnings	-	694,300
Differences between expected and actual experience	134,167	38,142
Changes in assumptions	172,164	26,834
Contributions made after the measurement date	204,281	-
Total	$ 510,612	$ 759,276

11. Pension Plans (continued)

(e) Pension Deferred Outflows and Inflows of Resources (continued)

	June 30, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Retirement Plan:		
Differences between projected and actual investment earnings	$ 12,789	$ -
Contributions made after the measurement date	22,538	-
Subtotal	35,327	-
Local 689 Plan:		
Differences between projected and actual investment earnings	62,468	-
Differences between expected and actual experience	54,200	32,241
Changes in assumptions	178,467	3,825
Contributions made after the measurement date	156,348	-
Subtotal	451,483	36,066
Transit Police Plan:		
Differences between projected and actual investment earnings	-	22,335
Differences between expected and actual experience	3,922	10,120
Changes in assumptions	9,084	5,891
Contributions made after the measurement date	5,349	-
Subtotal	18,355	38,346
Local 922 Plan:		
Differences between projected and actual investment earnings	-	20,568
Differences between expected and actual experience	3,343	4,770
Changes in assumptions	-	512
Contributions made after the measurement date	2,315	-
Subtotal	5,658	25,850
Local 2 Plan:		
Differences between projected and actual investment earnings	6,229	-
Contributions made after the measurement date	5,555	-
Subtotal	11,784	-
Total Plans:		
Differences between projected and actual investment earnings	81,486	42,903
Differences between expected and actual experience	61,465	47,131
Changes in assumptions	187,551	10,228
Contributions made after the measurement date	192,105	-
Total	$ 522,607	$ 100,262

Deferred outflows of resources from contributions made after the measurement date for each of the Plans as of June 30, 2022 and 2021 will be recognized as a reduction in the net pension liability or an addition to the net pension asset, as applicable, in the fiscal years ending June 30, 2023 and 2022, respectively.

11. Pension Plans (continued)

(e) Pension Deferred Outflows and Inflows of Resources (continued)

Amounts reported as deferred outflows and inflows of resources related to pensions for the respective Plans (exclusive of the deferred outflows of resources from contributions made after the measurement date) will be recognized in pension expense based on each respective Plan's measurement dates as follows (in thousands):

	Deferred Outflows (Inflows)					
June 30,	Retirement Plan	Local 689 Plan	Transit Police Plan	Local 922 Plan	Local 2 Plan	Total
2023	$ (6,530)	$ (104,595)	$ (3,933)	$ (6,087)	$ (2,938)	$ (124,083)
2024	(7,123)	(88,803)	(8,589)	(9,229)	(2,892)	(116,636)
2025	(8,519)	(89,364)	(6,273)	(4,565)	(3,422)	(112,143)
2026	(11,283)	(116,894)	(2,539)	(1,684)	(4,985)	(137,385)
2027	-	28,107	2,860	-	-	30,967
Thereafter	-	6,335	-	-	-	6,335
Total	$ (33,455)	$ (365,214)	$ (18,474)	$ (21,565)	$ (14,237)	$ (452,945)

(f) Pension Expense

Pension expense recognized by the Authority for the fiscal years ended June 30, 2022 and 2021 is as follows (in thousands):

	Pension Expense	
Plan	2022	2021
Retirement Plan	$ 2,844	$ 16,254
Local 689 Plan	10,365	190,797
Transit Police Plan	(743)	667
Local 922 Plan	(6,851)	(3,344)
Local 2 Plan	(4,118)	3,908
Total	$ 1,497	$ 208,282

11. Pension Plans (continued)

(g) Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) for each Plan, calculated using each Plan's discount rate, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, as of each Plan's measurement date (in thousands):

Plan	Discount Rate	June 30, 2022 1% Decrease	Current Rate	1% Increase
Retirement Plan	7.0%	$ 119,528	$ 76,689	$ 39,753
Local 689 Plan	7.5%	825,135	213,568	(289,046)
Transit Police Plan	7.0%	55,520	12,679	(32,263)
Local 922 Plan	7.0%	9,803	(26,089)	(55,623)
Local 2 Plan	7.3%	7,656	(6,283)	(18,354)
Total net pension liability (asset)		$ 1,017,642	$ 270,564	$ (355,533)

Plan	Discount Rate	June 30, 2021 1% Decrease	Current Rate	1% Increase
Retirement Plan	7.0%	$ 186,860	$ 142,628	$ 104,554
Local 689 Plan	7.5%	1,569,098	983,833	504,216
Transit Police Plan	7.0%	61,122	17,254	(18,822)
Local 922 Plan	7.0%	18,576	(16,031)	(44,524)
Local 2 Plan	7.3%	38,409	23,856	11,283
Total net pension liability (asset)		$ 1,874,065	$ 1,151,540	$ 556,707

(h) Deferred Compensation Plan

The Authority offers a deferred compensation plan for all active employees under the terms of the Internal Revenue Code (IRC) Section 457(g). Under the 457 Plan, employees are permitted to defer up to 100.0% of salary, on a pretax basis, not to exceed limits prescribed in the IRC. Deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. The Authority does not match employees' contributions to the 457 Plan.

(i) Defined Contribution Retirement Plan

The Authority offers a defined contribution retirement plan, WMATA Defined Contribution Retirement Plan and Trust, for salaried employees under the terms of the IRC 401(a). The 401(a) Plan, adopted on December 10, 1998 for employees hired on or after January 1, 1999, provides for the Authority to contribute an amount equivalent to 4.0% of the employee's base salary into a trust. The employee is not required to contribute into the 401(a) Plan; however, if the employee contributes up to 3.0% of base salary to the 457 Plan, the Authority will contribute an additional amount of up to 3.0% to the 401(a) Plan to equal the employee's contribution to the 457 Plan.

11. Pension Plans (continued)

(i) Defined Contribution Retirement Plan (continued)

Employees are 100.0% vested after three years of service. A year of vesting is 1,000 hours of service in a calendar year. There is no interim vesting. Accrued 401(a) benefits will be paid to the employee (or rolled over) upon leaving Authority employment any time after full vesting.

The provisions of the 401(a) Plan can be amended by the Board. This right to amend the 401(a) Plan is subject to the condition that all the plan assets be used exclusively for the benefit of the participants, retired participants and their beneficiaries under the 401(a) Plan.

The Authority contributed $15.2 million and $15.0 million for the years ended June 30, 2022 and 2021, respectively.

12. Other Postemployment Benefits

(a) WMATA Healthcare Plan

i) Description of Plan

The Authority participates in a single-employer defined benefit OPEB plan (WMATA Healthcare Plan), which provides medical, dental, life insurance, accidental death, short-term disability, and long-term disability to management, non-represented, and certain union inactive employees and their dependents.

The Authority's Board has the authority to establish and amend benefit terms and contribution requirements for management and non-represented employees. The collective bargaining agreements govern the benefit terms and contribution requirements for Local 689, Transit Police, Special Police, and Local 2 employees, and are the basis by which benefit terms and contribution requirements are established and amended.

The Authority established the WMATA Other Postemployment Benefits Trust (OPEB Trust) to accumulate assets to fund benefits for WMATA Healthcare Plan participants and their beneficiaries. Contributions to the OPEB Trust are irrevocable and legally protected from creditors. The OPEB Trust is administered by a Board of Trustees, which is comprised of three members appointed by the Authority. Financial information for the OPEB Trust can be obtained by contacting the Office of Accounting in writing at Washington Metropolitan Area Transit Authority, PO Box 23768, Washington, DC 20026.

The WMATA Healthcare Plan is reflected as a fiduciary activity in the Authority's basic financial statements.

12. Other Postemployment Benefits (continued)

(a) WMATA Healthcare Plan (continued)

i) Description of Plan (continued)

Below is a summary of the WMATA Healthcare Plan's membership as of June 30, 2022 and 2021:

Plan Membership	June 30, 2022	June 30, 2021
Active	17,483	17,504
Inactive, receiving benefits	12,085	11,339
Total membership	29,568	28,843

Eligible Employees and Benefits

Authority employees, dependent children, and surviving spouses are eligible to continue in the Authority's group insurance coverage upon retirement. The Authority's contributions towards the premiums, participant deductibles, participant copayments, and participant out-of-pocket maximum costs depends on the group insurance plan offered under the collective bargaining agreement, and the type of group insurance plan selected by the employee. The surviving spouse and dependent children who are covered under any of the Authority sponsored health plans have the right to continue coverage upon the death of the Authority employee or retiree. The life insurance benefit for Local 2, Transit Police, Special Police, and non-represented employees is half of the base salary upon retirement, with a maximum benefit of $50,000. Beginning on the retiree's 66th birthday, the life insurance benefit is reduced by 10.0% each year. The life insurance benefit for Local 689 employees is a flat $10,000 after retirement.

Local 689 and Local 2 employees hired on or after January 1, 2010 and non-represented employees hired on or after January 1, 2017 are not eligible to receive retiree health benefits.

The amount of benefits paid by the Authority for the WMATA Healthcare Plan during the fiscal years ended June 30, 2022 and 2021 was $57.9 million and $53.9 million, respectively.

Contributions and Funding Policy

The Authority administers the WMATA Healthcare Plan on a pay-as-you-go basis and additional ad-hoc funding contributions based upon budgetary results at the end of each fiscal year. The Authority did not make ad-hoc funding contributions for the years ended June 30, 2022 and 2021. Employees are not required to contribute to the WMATA Healthcare Plan.

12. Other Postemployment Benefits (continued)

(a) WMATA Healthcare Plan (continued)

ii) Measurement of Total OPEB Liability

The Authority's total OPEB liability reported at June 30, 2022 and 2021 were determined using actuarial valuations as of June 30, 2021 and 2020, respectively, which is the WMATA Healthcare Plan's fiscal year end.

The total OPEB liability for the WMATA Healthcare Plan was determined using the following measurement dates and actuarial assumptions:

	June 30, 2022	June 30, 2021
Measurement date	6/30/2021	6/30/2020
Actuarial valuation date	6/30/2021	6/30/2020
Salary and wage increases, including inflation	3.5%	3.5%
Health care cost trend rate:		
Pre-65 years old	6.3%	6.5%
65 years and older	5.8%	6.0%
Medicare Advantage Part D (MAPD)	7.5%	6.9%
Discount rate	2.2%	2.2%
Expected rate of return	7.5%	7.8%
Mortality tables used	Pub-2010, "General" Classification, Mortality Table, projected using Scale MP-2020	Pub-2010, "General" Classification, Mortality Table, projected using Scale MP-2019
Date of experience study on which significant assumptions were based	4/4/2018	4/4/2018

The changes in the assumptions during the fiscal year ended June 30, 2022 reflect the changes in the discount rate, which decreased by 0.1%, and changes in the health care cost trend rates, which decreased from 6.5% to 6.3% for participants under 65 years of age, and from 6.0% to 5.8% for participants 65 years and older. The MAPD health care trend rate increased from 6.9% to 7.5%. The health care cost trend rate assumptions were based on the national average information available from the Standard and Poor's Healthcare Economic Index, National Health Expenditure data, plan renewal data and vendor prescription reports, with adjustments based on provisions of the benefits provided with the Authority. Multiple healthcare cost trend rate assumptions were used for different benefit components and participant groups (pre-65 and post-65 age groups).

The changes in benefit terms during the fiscal year ended June 30, 2021 reflect a change from a partially self-insured plan to a fully insured MAPD plan for the non-represented, Local 2, and Special Police employees. There were no plan changes during the fiscal year ended June 30, 2022.

12. Other Postemployment Benefits (continued)

(a) WMATA Healthcare Plan (continued)

ii) Measurement of Total OPEB Liability (continued)

The healthcare cost trend rates used to calculate the total OPEB liability as of June 30, 2022 and 2021 are as follows:

	June 30, 2022			June 30, 2021		
Fiscal Year	**Pre-65**	**Post-65**	**MAPD**	**Pre-65**	**Post-65**	**MAPD**
2021	6.5%	6.0%	8.0%	6.5%	6.0%	6.9%
2022	6.3%	5.8%	7.5%	6.3%	5.8%	6.7%
2023	6.0%	5.5%	7.3%	6.0%	5.5%	6.5%
2024	5.8%	5.5%	6.8%	5.8%	5.5%	6.3%
2025	5.5%	5.3%	6.3%	5.5%	5.3%	6.1%
2026	5.3%	5.0%	5.8%	5.3%	5.0%	5.7%
2027	5.0%	4.8%	5.5%	5.0%	4.8%	5.3%
2028	4.8%	4.8%	5.0%	4.8%	4.8%	4.9%
2029+	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%

Best estimates of the real rates of return for each major asset class included in the WMATA Healthcare Plan's target asset allocation as of June 30, 2022 and 2021 are summarized in the following table:

	Target Allocation		Long-Term Expected Real Rate of Return	
Asset Class	**2022**	**2021**	**2022**	**2021**
Large cap equities (Domestic)	26.0%	26.0%	7.2%	7.2%
Small cap equities (Domestic)	10.0%	10.0%	8.4%	8.4%
International equity (Developed)	13.0%	13.0%	7.9%	7.9%
Emerging markets	5.0%	5.0%	9.1%	9.1%
Private equity	5.0%	5.0%	10.4%	10.4%
Long/short equity	6.0%	6.0%	5.7%	5.7%
Core bonds	7.0%	7.0%	2.6%	2.6%
Core plus	14.0%	14.0%	2.9%	2.9%
Liquid absolute return	4.0%	4.0%	3.3%	3.3%
Core real estate	10.0%	10.0%	6.7%	6.7%

The WMATA Healthcare Plan assets are not sufficient to achieve a long-term rate of return to cover the WMATA Healthcare Plan liabilities; therefore, the municipal bond rate was used for all periods to project the actuarial present value of benefit payments. The municipal bond rate was obtained from the Bond Buyer General Obligation 20-Bond Municipal Bond Index and was 2.2% for the fiscal years ended June 30, 2022 and 2021.

12. Other Postemployment Benefits (continued)

(a) WMATA Healthcare Plan (continued)

iii) Changes in Net OPEB Liability

Changes in the Authority's net OPEB liability based on the measurement date for the fiscal years ended June 30, 2022 and 2021, respectively, are as follows (in thousands):

	2022		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance, beginning of year	$ 2,324,441	$ 92,042	$ 2,232,399
Changes for the year:			
Service cost	67,165	-	67,165
Interest	52,278	-	52,278
Changes of benefit terms	-	-	-
Differences between expected and actual experience	33,395	-	33,395
Administrative expenses	-	(64)	64
Changes in assumptions	(179,644)	-	(179,644)
Benefit payments	(52,417)	(52,417)	-
Contribution - employer	-	52,417	(52,417)
Net investment income	-	27,011	(27,011)
Net change	(79,223)	26,947	(106,170)
Balance, end of year	$ 2,245,218	$ 118,989	$ 2,126,229

	2021		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance, beginning of year	$ 2,347,968	$ 13,136	$ 2,334,832
Changes for the year:			
Service cost	58,735	-	58,735
Interest	83,560	-	83,560
Changes of benefit terms	(261,657)	-	(261,657)
Differences between expected and actual experience	(16,214)	-	(16,214)
Changes in assumptions	164,673	-	164,673
Benefit payments	(52,624)	(52,624)	-
Contribution - employer	-	130,897	(130,897)
Net investment income	-	633	(633)
Net change	(23,527)	78,906	(102,433)
Balance, end of year	$ 2,324,441	$ 92,042	$ 2,232,399

In fiscal year 2020, the Authority contributed $78.3 million to fund the net OPEB liability as of June 30, 2021.

12. Other Postemployment Benefit (continued)

(a) WMATA Healthcare Plan (continued)

iv) OPEB Expense

OPEB expense recognized by the Authority increased to $90.7 million in fiscal year ended June 30, 2022 from ($118.4) million in fiscal year ended June 30, 2021.

v) OPEB Deferred Outflows and Inflows of Resources

At June 30, 2022 and 2021, the Authority reported deferred outflows and inflows of resources as follows (in thousands):

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual investment earnings	$ -	$ 14,024
Differences between projected and actual experience	55,872	10,967
Contributions after measurement date	57,884	-
Changes in assumptions	167,180	220,676
Total	$ 280,936	$ 245,667

	June 30, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual investment earnings	$ 2,935	$ -
Differences between projected and actual experience	61,029	13,590
Contributions after measurement date	53,866	-
Changes in assumptions	219,189	147,687
Total	$ 337,019	$ 161,277

Deferred outflows of resources from contributions made after the measurement date for OPEB as of June 30, 2022 and 2021 will be recognized as a reduction in the net OPEB liability in the fiscal years ending June 30, 2023 and 2022, respectively.

12. Other Postemployment Benefits (continued)

(a) WMATA Healthcare Plan (continued)

v) OPEB Deferred Outflows and Inflows of Resources (continued)

Amounts reported as deferred outflows and inflows for resources related to OPEB (exclusive of the deferred outflows of resources from contributions made after the measurement date) will be recognized in OPEB expense based on the measurement dates as follows (in thousands):

June 30,	Deferred Outflows (Inflows)
2023	$ (15,712)
2024	20,794
2025	3,274
2026	(2,769)
2027	(18,421)
Thereafter	(9,781)
Total	$ (22,615)

vi) Sensitivity of Net OPEB Liability to Changes in the Health Care Cost Trend Rate and Discount Rate

Health Care Cost Trend Sensitivity

The following presents the Authority's net OPEB liability as of June 30, 2022 and 2021 calculated using health care cost trend rates as of June 30, 2021 and 2020, respectively, as well as what the amounts would be if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates (in thousands):

	Net OPEB Liability *		
	1% Decrease	Current Rate	1% Increase
June 30, 2022	$ 1,762,544	$ 2,126,229	$ 2,599,734
June 30, 2021	$ 1,847,872	$ 2,232,399	$ 2,745,031

* Multiple health care cost trend rates were used to calculate the net OPEB liability. See Note 12(a)(ii), *Measurement of Total OPEB Liability*, for the rates.

12. Other Postemployment Benefits (continued)

(a) WMATA Healthcare Plan (continued)

vi) Sensitivity of Net OPEB Liability to Changes in the Health Care Cost Trend Rate and Discount Rate (continued)

Discount Rate Sensitivity

The discount rate used was obtained from the yield or index rate for a 20-year tax exempt general obligation municipal bond with an average rating of AA/Aa or higher from the Bond Buyer General Obligation 20-Bond Municipal Bond Index.

The following presents the net OPEB liability as of June 30, 2022 and 2021, calculated using the WMATA Healthcare Plan's discount rates as of June 30, 2021 and 2020, as well as what the amounts would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate (in thousands):

	Discount	Net OPEB Liability		
	Rate	1% Decrease	Current Rate	1% Increase
June 30, 2022	2.2%	$ 2,543,206	$ 2,126,229	$ 1,798,438
June 30, 2021	2.2%	$ 2,682,908	$ 2,232,399	$ 1,886,914

(b) Local 922 Health Trust

The Authority contributes to the Teamsters Local 922 Employers Health Trust (Health Trust), which is a cost-sharing multiple-employer defined benefit health and welfare plan that provides life insurance, hospitalization, surgical, medical disability, dental, vision care, pharmaceutical care, and major medical benefits to eligible participants and their qualified dependents. All active employees, retirees age 52 or older with at least 15 years of service, and disabled retirees with at least 10 years of service are eligible to participate in the Health Trust, if employed by a Local 922 participating employer. The benefits under the Health Trust terminate when retired participants are eligible for Medicare.

The Health Trust is administered by a Joint Board of Trustees consisting of two Local 922 union representatives and two employer representatives and is governed by the terms of the Local 922 collective bargaining agreement. Plan provisions may be amended through negotiation between the Authority and the Local 922 union. Retiree health benefits were discontinued for the Authority's Local 922 union employees hired on or after January 1, 2012. At June 30, 2022 and 2021, the Authority had 46 and 40 participants, respectively, covered under the Health Trust.

The Health Trust provides benefits to both employees of government and nongovernment employers. Accordingly, the Health Trust is subject to the Employee Retirement Income and Security Act of 1974 and follows accounting standards promulgated by the Financial Accounting Standards Board. The Health Trust issues a publicly available financial report which may be obtained by contacting the Health Trust administrator in writing at 7130 Columbia Gateway Drive, Suite A, Columbia, MD 21046.

12. Other Postemployment Benefits (continued)

(b) Local 922 Health Trust (continued)

The Authority was required to contribute $950 per month for each participant through October 31, 2020 and then $1,015 per month through October 31, 2021. Effective November 1, 2021, the required contribution amount was increased to $1,080 per month. The Authority contributed $0.5 million in each of the fiscal years ended June 30, 2022 and 2021.

13. Commitments and Contingencies

(a) Litigation and Claims

i) Insured Claims

The Authority is exposed to liability for third party bodily injury and property damage; injury to its employees arising out of and in the course of their employment; physical damage to and loss of its property; and liability for financial loss as a result of decisions and judgments made by the Authority. The Authority carries various types of insurance coverage with varying limits through commercial insurers for these risks, subject to the following self-insured retentions (SIRs) and deductibles. The Authority self-insures for the following:

1) Third party bodily injury, and property damage liability claims up to $5.0 million per occurrence;
2) Pollution claims up to $3.0 million except $5.0 million for hostile fire;
3) Workers' compensation claims up to $2.5 million per occurrence;
4) Property claims (including property of others in WMATA's care, custody and control) and business interruption loss up to $10.0 million for derailment; $5.0 million for track and roadbed, stations and tunnels; and up to $1.0 million for all other loss or damage.
5) Directors and officers, employment practices liability, fiduciary liability, crime (including employee dishonesty), and privacy/network security liability claims up to $1.0 million per occurrence; and
6) Medical facilities liability claims up to $0.3 million per occurrence.

Loss occurrences are reported to the commercial insurers when it is determined that the loss is covered by insurance and when the loss results in severe bodily injury (e.g., death, dismemberment, brain damage, paralysis, etc.) or when the loss is valued at 50.0% or more of the SIR or deductible. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated.

Liabilities include an amount for claims that have been incurred but not reported and incremental claims adjustment expenses which are net of salvage and subrogation. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. Estimated loss values are adjusted as the claims develop. The reserve for estimated losses is evaluated annually by an independent actuary who determines the total litigation claims to be included in the Statements of Net Position. Claim settlements have not exceeded insurance coverage for each of the three most recent years.

13. Commitments and Contingencies (continued)

(a) Litigation and Claims (continued)

i) Insured Claims (continued)

The actuarially developed liability for the years ended June 30, 2022 and 2021, discounted at 2.8%, and 2.6%, respectively, is as follows (in thousands):

	2022	2021
Estimated net present value of the liability for litigation and claims, beginning of year	$ 191,230	$ 188,100
Incurred new claims	64,373	44,194
Changes in estimate for claims of prior periods	983	(820)
Payments on claims	(53,190)	(40,244)
Estimated net present value of the liability for litigation and claims, end of year	$ 203,396	$ 191,230
Due within one year	$ 61,242	$ 54,261

ii) Insured Claims $1.0 Million and Greater

Third Party Claims

As of June 30, 2022 and 2021, there were five and eight liability claims, respectively, with estimated losses greater than $1.0 million falling within the $5.0 million SIR. In addition, as of June 30, 2022, there were two liability claims over the $5.0 million SIR.

Workers' Compensation

As of June 30, 2022 and 2021, there were 12 and 11, respectively, workers' compensation claims in which the outstanding liability is greater than $1.0 million, with an aggregate total of $18.0 million and $15.9 million, respectively.

Property Claims

As of June 30, 2022 and 2021, there was one and three claims, respectively, pending with an estimated claim value greater than the $1.0 million deductible.

Directors and Officers/Employment Practices Liability

As of June 30, 2022 and 2021, the Authority had no claims with an estimated loss exceeding the $1.0 million SIR.

iii) Uninsured Claims $1.0 Million and Greater

As of June 30, 2022 and 2021, there were 11 and four uninsured claims, respectively, that if supported by an adverse ruling, could each exceed $1.0 million.

13 Commitments and Contingencies (continued)

(a) Litigation and Claims (continued)

iv) Pollution Claims

In fiscal year 2022, the District of Columbia (District), in consultation with the Department of Energy and Environment, identified the Authority and other parties as potentially responsible for past and future response costs and natural resource damages at the Anacostia River Sediments Site, under the federal Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601, et seq.; the District's Brownfield Revitalization Amendment Act of 2000, as amended; and other District statutory and common law. The District is performing the remediation activities and has requested the potentially responsible parties' participation in a settlement process to negotiate reimbursement for the District's alleged remediation costs.

As of June 30, 2022, the Authority recorded a liability, measured at its potential amount as identified by the District, using the expected cash flow technique, in the amount of $1.7 million as a current liability in litigations and claims on the Statements of Net Position.

Components of the liability include legal fees, the amounts identified by the District as the Authority's potential allocated share of investigative and implementation costs, and a premium to cover unanticipated remediation activities. The estimate of the potential liability does not include components that are not yet reasonably measurable, such as amounts owed, if any, for natural resource damages and recoveries that the Authority could potentially receive from its insurance carrier.

(b) Hedging Derivative Instrument

The Authority entered into a contract to purchase a minimum of diesel fuel, and at the same time entered into a fuel swap agreement to hedge the price of the diesel fuel contract. The diesel fuel contract and the related swap agreement allow the Authority to manage its diesel fuel expense, limit exposure to price volatility and improve budget stability.

Payment between the swap parties is the difference between the swap price per gallon and the unweighted arithmetic mean of the daily settlement prices for Ultra Low Sulfur Diesel – New York Harbor (NYMEX) closing price of the first nearby month.

The fair value of the swap is estimated by a mathematical approximation of the market, derived from proprietary models as of a given date, and based on certain assumptions regarding past, present, and future market conditions, as well as certain financial information.

The change in the fair values of the swap agreement is reported as either a deferred outflow of resources or a deferred inflow of resources, as applicable, on the Statements of Net Position.

13 Commitments and Contingencies (continued)

(b) Hedging Derivative Instrument (continued)

The following table shows the terms and a summary of the fair value of the diesel fuel swap agreement as of June 30, 2022 and 2021:

	Per Calculation Effective Date	Period Maturity Date	Monthly Notional Gallons	Annual Notional Gallons	Fair Value (in thousands)
June 30, 2022	July 1, 2022	June 30, 2023	563,783 - 765,193	7,902,561	$ 11,879
June 30, 2021	July 1, 2021	June 30, 2022	499,393 - 677,799	7,000,000	$ 1,704

The Authority is exposed to credit risk when swap fair values are positive. The Authority's policy for mitigating credit risk is to require the counterparty to have a long-term investment grade rating of BBB or higher by Standard and Poor's, Moody's, or Fitch. As of June 30, 2022 and 2021, the fair value of the swap were positive, and the long-term investment grade rating for the counterparty was AA from Fitch.

The Authority or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. In addition, if at the time of the termination the swap has negative fair value, the Authority would be liable to the counterparty for a payment equal to the fair value.

(c) Construction and Capital Commitments

Construction and capital improvement costs are funded by federal grants, jurisdictional matching funds, third party agreements, and debt. As of June 30, 2022 and 2021, the Authority had committed to expend $769.7 million and $782.5 million, respectively, on future construction, capital improvement and other miscellaneous projects.

14. Prior Period Adjustment

The Authority implemented the provisions of GASB 87 as of July 1, 2020. This Statement revises the definition of a lease and establishes standards for recognizing and measuring right-to-use lease assets, lease receivables, deferred inflows of resources for leasing transactions and lease liabilities.

In accordance with the provisions of GASB 87, net position was restated to reflect the cumulative adjustment to recognize the new leasing arrangements. The net impact in the Statements of Revenues, Expenses, and Changes in Net Position totaled $5.1 million during the fiscal year ending June 30, 2021. The amounts adjusted as a result of the implementation are as follows (in thousands):

June 30, 2021	Net Position, Beginning of Year	Total Assets	Total Liabilities	Total Deferred Inflows of Resources
Balance, as previously reported	$ 8,363,339	$ 15,116,045	$ 7,185,215	$ 263,243
Adjustment due to implementation of GASB 87	(38,478)	589,570	58,780	564,143
Balance, as restated	$ 8,324,861	$ 15,705,615	$ 7,243,995	$ 827,386

Schedules of Changes in Net Pension Asset/Liability and Related Ratios
Last Ten Fiscal Years[1]
(in thousands)

Exhibit 6
(continued)

	2022[2]	2021[3]	2020[4]	2019	2018	2017	2016	2015
Retirement Plan:								
Total pension liability:								
Service cost	$ 948	$ 1,057	$ 1,226	$ 1,425	$ 1,670	$ 1,797	$ 1,953	$ 1,815
Interest	33,379	34,033	34,734	35,032	35,249	35,549	36,104	37,268
Changes of benefit terms	-	-	(577)	-	362	736	(1,102)	477
Differences between expected and actual experience	2,472	-	(1,372)	2,594	1,814	(1,710)	(5,072)	(2,896)
Changes in assumptions	-	-	-	-	-	-	-	53,908
Benefit payments, including refunds of employee contributions	(44,530)	(44,112)	(43,610)	(42,603)	(41,306)	(39,760)	(39,542)	(42,032)
Net change in total pension liability	(7,731)	(9,022)	(9,599)	(3,552)	(2,211)	(3,388)	(7,659)	48,540
Total pension liability – beginning	498,159	507,181	516,780	520,332	522,543	525,931	533,590	485,050
Total pension liability – ending	$ 490,428	$ 498,159	$ 507,181	$ 516,780	$ 520,332	$ 522,543	$ 525,931	$ 533,590
Plan fiduciary net position:								
Contributions – employer	$ 22,538	$ 21,606	$ 21,269	$ 20,778	$ 20,349	$ 19,877	$ 20,398	$ 20,585
Transfer of funds from WMATA plan		-	(507)	-	-	-	-	-
Net investment income	80,349	11,099	18,274	22,307	42,042	1,896	14,698	56,703
Benefit payments, including refunds of member contributions	(44,530)	(44,112)	(43,610)	(42,603)	(41,306)	(39,760)	(39,542)	(42,032)
Administrative expenses	(149)	(335)	(326)	(102)	(123)	(135)	(16)	(19)
Transfer of funds (to) from Local 2 Plan	-	-	-	-	249	438	(1,078)	312
Net change in total pension liability	58,208	(11,742)	(4,900)	380	21,211	(17,684)	(5,540)	35,549
Plan fiduciary net position – beginning	355,531	367,273	372,173	371,793	350,582	368,266	373,806	338,257
Plan fiduciary net position – ending	$ 413,739	$ 355,531	$ 367,273	$ 372,173	$ 371,793	$ 350,582	$ 368,266	$ 373,806
Net pension liability	$ 76,689	$ 142,628	$ 139,908	$ 144,607	$ 148,539	$ 171,961	$ 157,665	$ 159,784

Schedules of Changes in Net Pension Asset/Liability and Related Ratios Last Ten Fiscal Years[1] (in thousands)

Exhibit 6 (continued)

	2022[2]	2021[3]	2020[4]	2019	2018	2017	2016	2015
Retirement Plan:								
Plan fiduciary net position as a percentage of the total pension liability	84.36%	71.37%	72.41%	72.02%	71.45%	67.09%	70.02%	70.05%
Covered payroll	$ 10,610	$ 12,920	$ 13,744	$ 15,366	$ 17,899	$ 21,492	$ 23,265	$ 23,674
Net pension liability as a percentage of covered payroll	722.82%	1103.93%	1017.96%	941.08%	829.87%	800.12%	677.69%	674.93%

1 Data reported for fiscal years 2015 through 2022 is based on the Retirement Plan's measurement dates of June 30, 2014 through 2021, respectively, from the most recent actuarial valuation accounting disclosures report. Changes in the net pension (asset)/liability for the fiscal years prior to 2015 or prior to the measurement date of June 30, 2014, were not available and, accordingly, not included in the schedule.

2 During fiscal year 2022, the valuation assumption of the annual non-investment end of year expense was adjusted from $330 thousand to $336 thousand to better reflect recent experience. In addition, the mortality and retirement assumptions were updated to more closely reflect recent experience based on the experience study performed concurrently with this valuation.

3 During fiscal year 2021, the valuation assumption of the annual non-investment end of year expense was adjusted upwards from $215 thousand to $330 thousand to better reflect recent experience.

4 During fiscal year 2020, the valuation assumption of the annual non-investment end of year expense was adjusted downwards from $135 thousand to $125 thousand to better reflect recent experience.

Schedules of Changes in Net Pension Asset/Liability and Related Ratios
Last Ten Fiscal Years[1]
(in thousands)

Exhibit 6
(continued)

	2022[2]	2021[3]	2020[4]	2019	2018	2017	2016	2015
Local 689 Plan:								
Total pension liability:								
Service cost	$ 94,181	$ 86,499	$ 78,507	$ 82,170	$ 80,611	$ 78,200	$ 71,473	$ 66,090
Interest	330,348	324,811	296,691	285,869	272,852	260,365	251,235	234,275
Differences between expected and actual experience	105,191	(14,027)	62,743	(18,013)	6,783	(2,484)	(29,971)	66,534
Changes in assumptions	(22,872)	94,168	135,761	-	-	-	(13,395)	-
Benefit payments, including refunds of	(232,701)							
employee contributions	-	(222,519)	(215,157)	(205,151)	(183,562)	(171,814)	(159,466)	(146,158)
Net change in total pension liability	274,147	268,932	358,545	144,875	176,684	164,267	119,876	220,741
Total pension liability – beginning	4,486,693	4,217,761	3,859,216	3,714,341	3,537,657	3,373,390	3,253,514	3,032,773
Total pension liability – ending	$ 4,760,840	$ 4,486,693	$ 4,217,761	$ 3,859,216	$ 3,714,341	$ 3,537,657	$ 3,373,390	$ 3,253,514
Plan fiduciary net position:								
Contributions – employer	$ 156,348	$ 133,489	$ 110,043	$ 116,653	$ 118,975	$ 127,516	$ 136,075	$ 123,234
Contributions – employee	23,843	23,643	23,572	21,727	22,777	22,183	6,894	-
Net investment income	1,097,912	126,706	239,294	299,482	373,693	4,441	130,680	405,761
Benefit payments, including refunds of member contributions	(232,701)	(222,519)	(215,157)	(205,151)	(183,562)	(171,814)	(159,466)	(146,158)
Administrative expenses	(989)	(1,038)	(999)	(976)	(869)	(873)	(865)	(947)
Other	(1)	(90)	(147)	(100)	(2)	(46)	-	(333)
Net change in total pension liability	1,044,412	60,191	156,606	231,635	331,012	(18,593)	113,318	381,557
Plan fiduciary net position – beginning	3,502,860	3,442,669	3,286,063	3,054,428	2,723,416	2,742,009	2,628,691	2,247,134
Plan fiduciary net position – ending	$ 4,547,272	$ 3,502,860	$ 3,442,669	$ 3,286,063	$ 3,054,428	$ 2,723,416	$ 2,742,009	$ 2,628,691
Net pension liability	$ 213,568	$ 983,833	$ 775,092	$ 573,153	$ 659,913	$ 814,241	$ 631,381	$ 624,823

Schedules of Changes in Net Pension Asset/Liability and Related Ratios
Last Ten Fiscal Years[1]
(in thousands)

Exhibit 6
(continued)

	2022[2]	2021[3]	2020[4]	2019	2018	2017	2016	2015
Local 689 Plan:								
Plan fiduciary net position as a percentage of the total pension liability	95.51%	78.07%	81.62%	85.15%	82.23%	76.98%	81.28%	80.80%
Covered payroll	$ 822,845	$ 794,216	$ 757,448	$ 759,138	$ 775,487	$ 762,642	$ 745,231	$ 710,331
Net pension liability as a percentage of covered payroll	25.95%	123.87%	102.33%	75.50%	85.10%	106.77%	84.72%	87.96%

1 Data reported for fiscal years 2015 through 2022 is based on the Local 689 Plan's measurement dates of June 30, 2014 through 2021, respectively, from the most recent actuarial valuation accounting disclosures report. Changes in the net pension (asset)/liability for the fiscal years prior to 2015, or prior to the measurement date of June 30, 2014, were not available and accordingly, not included in the schedule.

2 During fiscal year 2022, the mortality table was updated to the RP-2014 table projected with 90% of scale MP-2020.

3 During fiscal year 2021, the withdrawal rates were changed to reflect experiences from 2015 to 2019. Rates reflected higher turnover at most ages. The retirement rates were changed to reflect mostly earlier retirements for those eligible for unreduced benefits. The mortality tables were changed to the RP-2014 table projected with 90% of scale MP-2019.

4 During fiscal year 2020, the retirement rates were changed to reflect mostly earlier retirements for those eligible for unreduced benefits.

Schedules of Changes in Net Pension Asset/Liability and Related Ratios
Last Ten Fiscal Years[1]
(in thousands)

Exhibit 6
(continued)

	2022[2]	2021[3]	2020	2019	2018[4,5]	2017	2016	2015
Transit Police Plan:								
Total pension liability:								
Service cost	$ 9,786	$ 9,519	$ 8,549	$ 8,311	$ 7,949	$ 6,772	$ 6,094	$ 5,824
Interest	21,538	20,774	19,862	19,384	17,175	17,469	16,900	16,250
Changes of benefit terms	-	-	6,634	-	-	-	-	-
Differences between expected and actual experience	976	3,180	(7,075)	(5,665)	2,792	(2,221)	(2,726)	(1,415)
Changes in assumptions	19,348	(6,874)	-	-	17,870	3,802	-	-
Benefit payments, including refunds of employee contributions	(16,251)	(15,052)	(14,787)	(14,581)	(13,846)	(12,943)	(12,406)	(11,573)
Net change in total pension liability	35,397	11,547	13,183	7,449	31,940	12,879	7,862	9,086
Total pension liability – beginning	316,392	304,845	291,662	284,213	252,273	239,394	231,532	222,446
Total pension liability – ending	$ 351,789	$ 316,392	$ 304,845	$ 291,662	$ 284,213	$ 252,273	$ 239,394	$ 231,532
Plan fiduciary net position:								
Contributions - employer	$ 10,697	$ 12,041	$ 11,942	$ 12,647	$ 12,355	$ 9,778	$ 8,748	$ 8,737
Contributions - employee	2,932	3,168	2,659	2,480	2,446	2,408	2,407	2,463
Net investment income	42,697	33,156	42,883	(9,469)	36,453	16,784	(5,396)	13,201
Benefit payments, including refunds of member contributions	(16,251)	(15,052)	(14,787)	(14,581)	(13,846)	(12,943)	(12,406)	(11,573)
Administrative expenses	(103)	(222)	(249)	(249)	(261)	(250)	(252)	(210)
Net change in total pension liability	39,972	33,091	42,448	(9,172)	37,147	15,777	(6,899)	12,618
Plan fiduciary net position – beginning	299,138	266,047	223,599	232,771	195,624	179,847	186,746	174,128
Plan fiduciary net position – ending	$ 339,110	$ 299,138	$ 266,047	$ 223,599	$ 232,771	$ 195,624	$ 179,847	$ 186,746
Net pension liability	$ 12,679	$ 17,254	$ 38,798	$ 68,063	$ 51,442	$ 56,649	$ 59,547	$ 44,786

Schedules of Changes in Net Pension Asset/Liability and Related Ratios
Last Ten Fiscal Years[1]
(in thousands)

Exhibit 6
(continued)

	2022[2]	2021[3]	2020	2019	2018[4,5]	2017	2016	2015
Transit Police Plan:								
Plan fiduciary net position as a percentage of the total pension liability	96.40%	94.55%	87.27%	76.66%	81.90%	77.54%	75.13%	80.66%
Covered payroll	$ 38,433	$ 37,532	$ 35,414	$ 35,853	$ 34,485	$ 34,265	$ 34,122	$ 35,412
Net pension liability as a percentage of covered payroll	32.99%	45.97%	109.56%	189.84%	149.17%	165.33%	174.51%	126.47%

1 Data reported for fiscal years 2015 through 2022 is based on the Transit Police Plan's measurement dates of December 31, 2014 through 2021, respectively, from the most recent actuarial valuation accounting disclosures report. Changes in the net pension (asset)/liability for the fiscal years prior to 2015, or prior to the measurement date of December 31, 2014 were not available and, accordingly, not included in the schedule.

2 During fiscal year 2022, the mortality tables were changed from the RP-2014 Blue Collar tables to the PubS-2010 tables. The projected mortality improvement scale was changed from the MP-2020 table to the MP-2021 table.

3 During fiscal year 2021, the projected mortality improvement scale was changed from the MP-2015 table to the MP-2020 table.

4 During fiscal year 2018, the salary improvement assumption was revised to be based on years of service rather than employee age. Salary improvement is assumed to be 7.00% for employees with under 10 years of services, 4.50% after 10 years of service, and 3.00% after 20 years of service.

5 During fiscal year 2018, the administrative expense load assumption was updated from $180 thousand to the average of actual annual expenses for the two years preceding the valuation date.

Schedules of Changes in Net Pension Asset/Liability and Related Ratios
Last Ten Fiscal Years[1]
(in thousands)

Exhibit 6
(continued)

	2022	2021[2]	2020	2019[3]	2018	2017	2016	2015
Local 922 Plan:								
Total pension liability:								
Service cost	$ 4,428	$ 4,583	$ 4,839	$ 4,586	$ 4,670	$ 4,493	$ 4,463	$ 4,767
Interest	17,836	16,841	17,015	16,617	15,553	14,717	13,757	12,832
Changes of benefit terms	(642)	-	(11,256)	-	-	-	-	-
Differences between expected and actual experience	(5,399)	3,551	(3,404)	(6,819)	3,400	347	213	-
Changes in assumptions	5,843	(683)	-	-	-	-	2,318	-
Benefit payments, including refunds of employee contributions	(10,359)	(9,525)	(9,333)	(8,547)	(8,159)	(7,438)	(6,809)	(6,092)
Net change in total pension liability	11,707	14,767	(2,139)	5,837	15,464	12,119	13,942	11,507
Total pension liability – beginning	255,455	240,688	242,827	236,990	221,526	209,407	195,465	183,958
Total pension liability – ending	$ 267,162	$ 255,455	$ 240,688	$ 242,827	$ 236,990	$ 221,526	$ 209,407	$ 195,465
Plan fiduciary net position:								
Contributions – employer	$ 4,147	$ 4,630	$ 4,784	$ 6,140	$ 6,833	$ 5,803	$ 5,583	$ 5,634
Contributions – employee	824	952	1,021	946	938	963	369	41
Net investment income	27,237	31,878	38,033	(7,294)	30,712	11,553	(2,275)	7,801
Benefit payments, including refunds of member contributions	(10,359)	(9,525)	(9,333)	(8,547)	(8,159)	(7,438)	(6,809)	(6,092)
Administrative expenses	(84)	(211)	(185)	(200)	(176)	(258)	(219)	(172)
Net change in total pension liability	21,765	27,724	34,320	(8,955)	30,148	10,623	(3,351)	7,212
Plan fiduciary net position – beginning	271,486	243,762	209,442	218,397	188,249	177,626	180,977	173,765
Plan fiduciary net position – ending	$ 293,251	$ 271,486	$ 243,762	$ 209,442	$ 218,397	$ 188,249	$ 177,626	$ 180,977
Net pension liability (asset)	$ (26,089)	$ (16,031)	$ (3,074)	$ 33,385	$ 18,593	$ 33,277	$ 31,781	$ 14,488

Schedules of Changes in Net Pension Asset/Liability and Related Ratios
Last Ten Fiscal Years[1]
(in thousands)

Exhibit 6
(continued)

	2022	2021[2]	2020	2019[3]	2018	2017	2016	2015
Local 922 Plan:								
Plan fiduciary net position as a percentage of the total pension liability (asset)	109.77%	106.28%	101.28%	86.25%	92.15%	84.98%	84.82%	92.59%
Covered payroll	$ 32,650	$ 33,643	$ 32,016	$ 31,915	$ 32,578	$ 31,066	$ 30,251	$ 32,324
Net pension liability (asset) as a percentage of covered payroll	-79.91%	-47.65%	-9.60%	104.61%	57.07%	107.12%	105.06%	44.82%

1 Data reported for fiscal years 2015 through 2022 is based on the Local 922 Plan's measurement dates of December 31, 2014 through 2021, respectively, from the most recent actuarial valuation accounting disclosures report. Changes in the net pension (asset)/liability for the fiscal years prior to 2015, or prior to the measurement date of December 31, 2014 were not available and, accordingly, not included in the schedule.

2 During fiscal year 2022, the compensation increase assumption was updated to reflect the current Memorandum of Understanding, dated October 6, 2020. In addition, an additional one time 14% wage increase was applied in order to reflect a rebound in pay levels for the 2022 year and stabilize the contributions required.

3 During fiscal year 2021, the compensation increased assumption was updated to reflect the current Memorandum of Understanding, dated October 6, 2020. In addition, an additional one time 17% wage increase was applied in order to reflect a rebound in pay levels for the 2021 year and stabilize the contributions required.

4 During fiscal year 2019, the compensation increase assumption and the cost of living assumption were adjusted to reflect the recent Memorandum of Understanding, dated February 7, 2019 regarding the new collective bargaining agreement.

Schedules of Changes in Net Pension Asset/Liability and Related Ratios Last Ten Fiscal Years[1] (in thousands)

Exhibit 6 (continued)

	2022	2021[2]	2020[3]	2019[4]	2018	2017	2016	2015
Local 2 Plan:								
Total pension liability:								
Service cost	$ 259	$ 271	$ 281	$ 322	$ 464	$ 572	$ 676	$ 664
Interest	11,512	11,648	11,934	12,045	12,166	12,321	12,300	11,780
Changes of benefit terms	-	-	561	-	(348)	(699)	1,028	(446)
Differences between expected and actual experience	(1,619)	-	(860)	(658)	(577)	(1,952)	(2,115)	5,817
Changes in assumptions	-	-	3,439	575	-	-	-	10,168
Benefit payments, including refunds of employee contributions	(13,744)	(13,811)	(13,796)	(13,658)	(12,702)	(11,689)	(11,324)	(11,153)
Net change in total pension liability	(3,592)	(1,892)	1,559	(1,374)	(997)	(1,447)	565	16,830
Total pension liability – beginning	165,403	167,295	165,736	167,110	168,107	169,554	168,989	152,159
Total pension liability – ending	$ 161,811	$ 165,403	$ 167,295	$ 165,736	$ 167,110	$ 168,107	$ 169,554	$ 168,989
Plan fiduciary net position:								
Contributions – employer	$ 5,555	$ 5,423	$ 4,806	$ 4,700	$ 4,748	$ 4,824	$ 5,156	$ 4,758
Net investment income	34,827	2,575	8,134	10,864	17,581	2,006	6,684	22,493
Benefit payments, including refunds of member contributions	(13,744)	(13,811)	(13,796)	(13,658)	(12,702)	(11,689)	(11,324)	(11,153)
Administrative expenses	(91)	(178)	(164)	(96)	(67)	(99)	(74)	(7)
Transfer of funds (to) from Retirement Plan	-	-	507	-	(249)	(438)	1,078	(312)
Net change in total pension liability	26,547	(5,991)	(513)	1,810	9,311	(5,396)	1,520	15,779
Plan fiduciary net position – beginning	141,547	147,538	148,051	146,241	136,930	142,326	140,806	125,027
Plan fiduciary net position – ending	$ 168,094	$ 141,547	$ 147,538	$ 148,051	$ 146,241	$ 136,930	$ 142,326	$ 140,806
Net pension liability (assets)	$ (6,283)	$ 23,856	$ 19,757	$ 17,685	$ 20,869	$ 31,177	$ 27,228	$ 28,183

Schedules of Changes in Net Pension Asset/Liability and Related Ratios
Last Ten Fiscal Years[1]
(in thousands)

Exhibit 6
(concluded)

	2022[2]	2021[3]	2020[4]	2019[5]	2018	2017	2016	2015
Local 2 Plan:								
Plan fiduciary net position as a percentage of the total pension liability	103.88%	85.58%	88.19%	89.33%	87.51%	81.45%	83.94%	83.32%
Covered payroll	$ 3,031	$ 4,119	$ 4,159	$ 4,089	$ 4,930	$ 7,290	$ 9,052	$ 9,954
Net pension liability as a percentage of covered payroll	-207.29%	579.17%	475.04%	432.50%	423.31%	427.67%	300.80%	283.13%

See accompanying notes to the required supplementary information.

1 Data reported for fiscal years 2015 through 2022 is based on the Local 2 Plan's measurement dates of June 30, 2014 through 2021, respectively, from the most recent actuarial valuation accounting disclosures report. Changes in the net pension (asset)/liability for the fiscal years prior to 2015, or prior to the measurement date of June 30, 2014 were not available and, accordingly, not included in the schedule.

2 During fiscal year 2022, the valuation assumption of the annual non-investment end of year expense was adjusted from $125 thousand to $150 thousand to better reflect recent experience. The mortality and retirement assumptions were updated to more closely reflect recent experience based on the experience study performed concurrently with this valuation. The investment return assumption was reduced from 7.25% to 7.00% as of July 1, 2021.

3 During fiscal year 2021, the valuation assumption of the annual non-investment end of year expense was adjusted upwards from $105 thousand to $125 thousand to better reflect recent experience.

4 During fiscal year 2020, the valuation assumption of the annual non-investment end of year expense was adjusted upwards from $85 thousand to $105 thousand to better reflect recent experience. Also during fiscal year 2020, the annual investment return assumption was reduced from 7.50% to 7.25% to better reflect the Plan's risk tolerance, as well as taking into account recent experience and future trends.

5 During fiscal year 2019, the valuation assumption of the annual non-investment end of year expense was adjusted upwards from $65 thousand to $85 thousand to better reflect recent experience. Also during fiscal year 2019, the salary scale assumption was adjusted to reflect the Memorandum of Understanding, dated July 20, 2018, regarding the new collective bargaining agreement.

Schedules of Employer Contributions – Pension Plans[1]
Last Ten Fiscal Years
(in thousands)

Exhibit 7
(continued)

	2022[2]	2021	2020	2019	2018	2017	2016	2015	2014	2013
Retirement Plan:										
Actuarially determined contribution	$ 25,871	$ 22,538	$ 21,606	$ 21,269	$ 20,778	$ 20,349	$ 19,877	$ 20,398	$ 20,585	$ 19,998
Contributions in relation to the actuarially determined contribution	25,871	22,538	21,606	21,269	20,778	20,349	19,877	20,398	20,585	19,998
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	Not Available	$ 10,610	$ 12,920	$ 13,744	$ 15,366	$ 17,899	$ 21,492	$ 23,265	$ 23,674	$ 25,327
Contributions as a percentage of covered payroll	Not Available	212.42%	167.23%	154.75%	135.22%	113.69%	92.49%	87.68%	86.95%	78.96%
Local 689 Plan:										
Actuarially determined contribution	$ 163,813	$ 156,348	$ 133,489	$ 110,043	$ 116,653	$ 118,975	$ 127,516	$ 136,075	$ 123,234	$ 95,552
Contributions in relation to the actuarially determined contribution	163,813	156,348	133,489	110,043	116,653	118,975	127,516	136,075	123,234	99,581
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (4,029)
Covered payroll	Not Available	$ 822,845	$ 794,216	$ 757,448	$ 759,138	$ 775,487	$ 762,642	$ 745,231	$ 710,331	$ 634,996
Contributions as a percentage of covered payroll	Not Available	19.00%	16.81%	14.53%	15.37%	15.34%	16.72%	18.26%	17.35%	15.68%
Transit Police Plan:										
Actuarially determined contribution	$ 10,823	$ 11,345	$ 11,992	$ 12,319	$ 12,501	$ 11,067	$ 9,263	$ 8,742	$ 8,594	$ 7,944
Contributions in relation to the actuarially determined contribution	10,823	11,345	11,992	11,766	13,974	10,662	8,747	8,742	8,594	7,944
Contribution deficiency (excess)	$ -	$ -	$ -	$ 553	$ (1,473)	$ 405	$ 516	$ -	$ -	$ -
Covered payroll	$ 36,162	$ 38,433	$ 37,532	$ 35,413	$ 35,853	$ 34,485	$ 34,243	$ 35,412	$ 34,086	$ 32,976
Contributions as a percentage of covered payroll	29.93%	29.52%	31.95%	33.23%	38.98%	30.92%	25.54%	24.69%	25.21%	24.09%

Schedules of Employer Contributions – Pension Plans[1] Exhibit 7
Last Ten Fiscal Years (concluded)
(in thousands)

	2022[2]	2021	2020	2019	2018	2017	2016	2015	2014	2013
Local 922 Plan:										
Actuarially determined contribution	$ 3,720	$ 4,388	$ 4,707	$ 5,462	$ 6,487	$ 6,318	$ 5,694	$ 5,194	$ 6,920	$ 5,583
Contributions in relation to the actuarially determined contribution	3,905	4,553	4,106	5,794	7,832	5,430	5,558	5,194	6,920	5,583
Contribution deficiency (excess)	$ (185)	$ (165)	$ 601	$ (332)	$ (1,345)	$ 888	$ 136	$ -	$ -	$ -
Covered payroll	$ 34,772	$ 32,650	$ 33,643	$ 32,016	$ 31,915	$ 32,578	$ 31,066	$ 30,251	$ 32,324	$ 29,593
Contributions as a percentage of covered payroll	11.23%	13.94%	12.20%	18.10%	24.54%	16.67%	17.89%	17.17%	21.41%	18.87%
Local 2 Plan:										
Actuarially determined contribution	$ 7,048	$ 5,555	$ 5,423	$ 4,806	$ 4,700	$ 4,748	$ 4,824	$ 5,156	$ 4,758	$ 4,822
Contributions in relation to the actuarially determined contribution	7,048	5,555	5,423	4,806	4,700	4,748	4,824	5,156	4,758	4,822
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	Not Available	$ 3,031	$ 4,119	$ 4,159	$ 4,089	$ 4,930	$ 7,290	$ 9,052	$ 9,954	$ 10,583
Contributions as a percentage of covered payroll	Not Available	183.28%	131.67%	115.57%	114.94%	96.31%	66.17%	56.96%	47.80%	45.56%

See accompanying notes to the required supplementary information.

1 Contribution data reported represents the amounts the Authority contributed to each respective Plan during the Authority's fiscal years ended June 30, which was obtained from the Plans' most recent actuarial valuations.

2 Covered payroll in fiscal year 2022 was not available in the most recent actuarial valuations for the WMATA Retirement, Local 689, and Local 2 Plans.

Schedule of Changes in Net OPEB Liability and Related Ratios — Exhibit 8
Last Ten Fiscal Years[1]
(in thousands)

	2022	2021[2]	2020	2019	2018[3]	2017
WMATA Healthcare Plan:						
Total OPEB liability:						
Service cost	$ 67,165	$ 58,735	$ 56,444	$ 58,829	$ 74,229	$ 54,562
Interest	52,278	83,560	83,307	78,075	66,012	72,064
Changes of benefit terms	-	(261,657)	-	-	(58,194)	-
Differences between expected and actual experience	33,395	(16,214)	8,383	-	182,842	348,360
Changes in assumptions	(179,644)	164,673	131,888	(108,094)	(333,670)	-
Benefit payments	(52,417)	(52,624)	(55,952)	(53,461)	(48,988)	(51,337)
Net change in total OPEB liability	(79,223)	(23,527)	224,070	(24,651)	(117,769)	423,649
Total OPEB liability – beginning	2,324,441	2,347,968	2,123,898	2,148,549	2,266,318	1,842,669
Total OPEB liability – ending	$ 2,245,218	$ 2,324,441	$ 2,347,968	$ 2,123,898	$ 2,148,549	$ 2,266,318
Plan fiduciary net position:						
Contributions - employer	$ 52,417	$ 130,897	$ 65,952	$ 56,461	$ -	$ -
Net investment income	27,011	633	135	1	-	-
Benefit payments, including refunds of member contributions	(52,417)	(52,624)	(55,952)	(53,461)	-	-
Administrative expenses	(64)	-	-	-	-	-
Net change in total OPEB liability	26,947	78,906	10,135	3,001	-	-
Plan fiduciary net position – beginning	92,042	13,136	3,001	-	-	-
Plan fiduciary net position – ending	$ 118,989	$ 92,042	$ 13,136	$ 3,001	$ -	$ -
Net OPEB liability	$ 2,126,229	$ 2,232,399	$ 2,334,832	$ 2,120,897	$ 2,148,549	$ 2,266,318
Plan fiduciary net position as a percentage of the total OPEB liability	5.30%	3.96%	0.56%	0.14%	-	-
Covered payroll	$ 587,700	$ 559,000	$ 540,000	$ 583,000	$ 558,000	$ 627,000
Net OPEB liability as a percentage of covered payroll	361.79%	399.36%	432.38%	363.79%	385.04%	361.45%

See accompanying notes to the required supplementary information.

1 Amounts reported for the Authority's fiscal years ended June 30, 2017 through 2022 are based on the WMATA Healthcare Plan's fiscal years ended June 30, 2016 through 2021, respectively, which are the measurement dates used by the Authority. Changes in the net OPEB liability for the fiscal years prior to 2017, or prior to the measurement date of June 30, 2016, were not available and, accordingly, are not included in the schedule.

2 In fiscal year 2021, all post-65 retirees for Local 2, Non-Represented, and Local 639 Special Police were moved to a Medicare Advantage plan that includes Medicare Part D prescription drug coverage effective January 1,2020.

3 The Authority established a qualified trust to accumulate assets for OPEB benefits in fiscal year 2018.

Schedule of Employer Required Contributions – Teamsters Local 922 Employers Health Trust Plan Last Ten Fiscal Years[1]

Exhibit 9

Fiscal Year Ending	Required Contribution
June 30, 2022	$ 489,065
June 30, 2021	$ 450,485
June 30, 2020	$ 447,670
June 30, 2019	$ 385,200
June 30, 2018	$ 413,600
June 30, 2017	$ 300,800

See accompanying notes to the required supplementary information.

1 Employer contributions for fiscal years prior to 2017 were not available and, therefore, not included in the schedule.

Notes to the Required Supplementary Information

1. Pension Plans

Ten year historical trend information of the pension plans is presented as required supplementary information. This information is intended to help users assess each plan's funding status on a going concern basis, assess progress made in accumulating assets to pay benefits when due, and enhance the comparability of the information with other pension plans. This information is reported as of the measurement date.

Analysis of the dollar amounts of plan fiduciary net position, total pension liability, and net pension asset or liability in isolation can be misleading. Expressing plan net position as a percentage of the total pension liability provides one indication of each plan's funding status. Analysis of this percentage over time indicates whether the plan is becoming financially stronger or weaker. Generally, the greater this percentage is, the stronger the plan.

Trends in the plan net position and covered payroll are both affected by inflation. Expressing the net pension asset or liability as a percentage of covered payroll adjusts for the effects of inflation and aids in the analysis of the plans' progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller the percentage is, the stronger the plan.

Additional information pertaining to the retirement plans can be found in Note 11, *Pension Plans*, to the basic financial statements.

(a) Schedules of Changes in Net Pension Asset/Liability and Related Ratios

The Schedules of Changes in Net Pension Asset/Liability and related ratios illustrate whether each plan's net position is increasing or decreasing over time relative to the total pension liability and the net pension asset or liability as it relates to covered payroll.

These schedules are intended to show information for 10 years. The changes in the net pension asset/liability for years prior to the fiscal year ending June 30, 2015 were not available and accordingly, were not included in the schedule. Additional years will be displayed as they become available.

(b) Schedules of Employer Contributions – Pension Plans

The Schedules of Employer Contributions provide the actuarially determined contribution for each plan. The actuarially determined contribution rates are calculated as of the respective plans' fiscal year end, one year prior to the beginning of the fiscal year in which contributions are reported. For example, the Authority's actuarially determined contribution for the fiscal year ending June 30, 2022 is based on the July 1, 2021 funding valuation provided by the Authority's actuary.

On the following pages are the significant assumptions used to determine the actuarially determined contributions for each defined benefit single employer pension plan. These assumptions may differ from the assumptions used to determine the net pension liability.

1. Pension Plans (continued)

(b) Schedules of Employer Contributions – Pension Plans (continued)

Retirement Plan:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Amortization Method	Amortization Period	Assumed Rate of Return	Inflation Rate	Salary Increases
2022	7/1/2021	Entry age	Smoothed market	Level dollar	14 years open	7.00%	2.50%	3.00% to 6.30%
2021	7/1/2020	Entry age	Smoothed market	Level dollar	14 years open	7.00%	2.50%	3.00% to 6.30%
2020	7/1/2019	Entry age	Smoothed market	Level dollar	14 years open	7.00%	2.50%	3.00% to 6.30%
2019	7/1/2018	Entry age	Smoothed market	Level dollar	14 years open	7.00%	2.50%	3.00% to 6.30%
2018	7/1/2017	Entry age	Smoothed market	Level dollar	14 years open	7.00%	2.50%	3.00% to 6.30%
2017	7/1/2016	Entry age	Smoothed market	Level dollar	14 years open	7.00%	2.50%	3.00% to 6.30%
2016	7/1/2015	Entry age	Smoothed market	Level dollar	14 years open	7.00%	2.50%	3.00% to 6.30%
2015	7/1/2014	Entry age	Smoothed market	Level dollar	15 years open	8.00%	2.50%	3.50% to 8.00%
2014	7/1/2013	Entry age	Smoothed market	Level dollar	15 years open	8.00%	2.50%	3.50% to 8.00%
2013	7/1/2012	Entry age	Smoothed market	Level dollar	15 years open	8.00%	2.50%	3.50% to 8.00%

For fiscal year 2022, the mortality table used was the Pub-2010 General Healthy Non-Annuitant Mortality tables (Projected generationally using Scale MP-2020). For fiscal years 2013-2021, the mortality tables used were the RP-2000 Fully Generational Combined Mortality tables projected with Scale AA.

1. Pension Plans (continued)

(b) Schedules of Employer Contributions – Pension Plans (continued)

Local 689 Plan:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Amortization Method	Amortization Period	Assumed Rate of Return	Inflation Rate	Salary Increases
2022	1/1/2021	Aggregate Cost	Smoothed market	Level percentage of payroll	30 years	7.50%	2.50%	3.00% to 3.50%
2021	1/1/2020	Aggregate Cost	Smoothed market	Level percentage of payroll	30 years	7.50%	2.50%	2.00% to 2.50%
2020	1/1/2019	Aggregate Cost	Smoothed market	Level percentage of payroll	30 years	7.90%	2.50%	3.00% to 3.50%
2019	1/1/2018	Aggregate Cost	Smoothed market	Level percentage of payroll	30 years	7.90%	2.50%	3.00% to 3.50%
2018	1/1/2017	Aggregate Cost	Smoothed market	Level percentage of payroll	30 years	7.90%	2.50%	3.00% to 3.50%
2017	1/1/2016	Aggregate Cost	Smoothed market	Level percentage of payroll	30 years	7.90%	2.50%	3.00% to 3.50%
2016	1/1/2015	Aggregate Cost	Smoothed market	Level percentage of payroll	30 years	7.90%	2.50%	3.00% to 3.50%
2015	1/1/2014	Aggregate Cost	Smoothed market	Level percentage of payroll	30 years	7.90%	3.00%	3.50%
2014	1/1/2013	Aggregate Cost	Smoothed market	Not Available	Not Available	7.90%	3.00%	3.50%
2013	1/1/2012	Aggregate Cost	5-yr assumed yield	Not Available	Not Available	7.90%	3.00%	3.50%

The mortality table used for fiscal year 2022 was the RP-2014 Blue Collar projected 90% of Scale MP-2020. The mortality table used for fiscal year 2020 was the RP-2014 Blue Collar projected with Scale MP-2015. The mortality table used for fiscal years 2016 through 2019 was the RP-2000 Blue Collar Mortality Table with Scale AA. The mortality table used for fiscal years 2013 through 2015 was the 1983 Group Annuity Mortality Tables, males set back two years and females unadjusted.

1. Pension Plans (continued)

(b) Schedules of Employer Contributions – Pension Plans (continued)

Transit Police Plan:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Amortization Method	Amortization Period	Assumed Rate of Return	Inflation Rate	Salary Increases
2022	1/1/2022	Aggregate Cost	Smoothed market	Level percentage of payroll	5 years	7.00%	2.50%	3.00% to 7.00%
2021	1/1/2021	Aggregate Cost	Smoothed market	Level percentage of payroll	5 years	7.00%	2.50%	3.00% to 7.00%
2020	1/1/2020	Aggregate Cost	Smoothed market	Level percentage of payroll	5 years	7.00%	2.50%	3.00%
2019	1/1/2019	Aggregate Cost	Smoothed market	Level percentage of payroll	5 years	7.00%	2.50%	3.00% to 7.00%
2018	1/1/2018	Aggregate Cost	Smoothed market	Level percentage of payroll	5 years	7.00%	2.50%	3.00% to 7.00%
2017	1/1/2017	Aggregate Cost	Smoothed market	Level percentage of payroll	5 years	7.50%	2.50%	3.00% to 7.00%
2016	1/1/2016	Aggregate Cost	Smoothed market	Level percentage of payroll	5 years	7.50%	2.50%	3.00% to 7.00%
2015	1/1/2015	Aggregate Cost	Smoothed market	Level percentage of payroll	10 years	7.50%	2.50%	3.00% to 6.00%
2014	1/1/2014	Aggregate Cost	Smoothed market	Not Available	Not Available	8.00%	3.00%	4.75% to 9.00%
2013	1/1/2012	Aggregate Cost	Smoothed market	Not Available	Not Available	7.50%	2.50%	4.75% to 9.00%

The mortality table used for fiscal year 2022 was the Pub-2010 Mortality table based on Scale MP-2021. The mortality table used for fiscal year 2021 was the RP 2014 Blue Collar Mortality table with generational projection by scale MP-2020. The mortality table used for fiscal years 2016 through 2020 was the RP-2014 Blue Collar Mortality table with generational projection by Scale MP-2015. The mortality table used for the fiscal years 2013 through 2015 was the RP-2000 with Blue Collar adjustment set forward 10 years with generational projection by Scale AA.

1. Pension Plans (continued)

(b) Schedules of Employer Contributions – Pension Plans (continued)

Local 922 Plan:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Amortization Method	Amortization Period	Assumed Rate of Return	Inflation Rate	Salary Increases
2022	1/1/2021	Entry age normal cost	Smoothed Market value	Level dollar	20 years closed	7.00%	1.50%	1.50% to 4.50%
2021	1/1/2021	Entry age normal cost	Smoothed Market value	Level dollar	20 years closed	7.00%	1.50%	1.50% to 4.50%
2020	1/1/2020	Entry age normal cost	Smoothed Market value	Level dollar	20 years closed	7.00%	1.50%	4.50%
2019	1/1/2019	Entry age normal cost	Smoothed Market value	Level dollar	20 years closed	7.00%	3.00%	4.50%
2018	1/1/2018	Entry age normal cost	Smoothed Market value	Level dollar	20 years closed	7.00%	3.00%	4.00% to 4.50%
2017	1/1/2017	Entry age normal cost	Smoothed Market value	Level dollar	20 years closed	7.00%	3.00%	4.00% to 4.50%
2016	1/1/2016	Entry age normal cost	Smoothed Market value	Level dollar	20 years closed	7.00%	3.00%	4.00% to 4.50%
2015	1/1/2015	Entry age normal cost	Smoothed Market value	Level dollar	20 years closed	7.00%	3.00%	4.50%
2014	1/1/2014	Projected unit credit	Actuarial value of assets	Level dollar	30 years open	7.00%	3.00%	4.50%
2013	1/1/2012	Projected unit credit	Actuarial value of assets	Level dollar	30 years open	7.00%	3.00%	4.50%

The mortality table used for all fiscal years was the RP-2000 Healthy Combined Mortality table with Blue Collar Adjustment, projected fully generational with Scale AA, which was updated in fiscal year 2016 for active and healthy retirees to use a fully generational mortality improvement scale.

1. Pension Plans (continued)

(b) Schedules of Employer Contributions – Pension Plans (continued)

Local 2 Plan:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Amortization Method	Amortization Period	Assumed Rate of Return	Inflation Rate	Salary Increases
2022	7/1/2021	Entry age	Smoothed market	Level dollar	9 years open	7.30%	2.50%	3.00% to 6.30%
2021	7/1/2020	Entry age	Smoothed market	Level dollar	9 years open	7.30%	2.50%	3.00% to 6.30%
2020	7/1/2019	Entry age	Smoothed market	Level dollar	9 years open	7.30%	2.50%	3.00% to 6.30%
2019	7/1/2018	Entry age	Smoothed market	Level dollar	9 years open	7.50%	2.50%	3.00% to 6.30%
2018	7/1/2017	Entry age	Smoothed market	Level dollar	9 years open	7.50%	2.50%	3.00% to 6.30%
2017	7/1/2016	Entry age	Smoothed market	Level dollar	9 years open	7.50%	2.50%	3.00% to 6.30%
2016	7/1/2015	Entry age	Smoothed market	Level dollar	9 years open	7.50%	2.50%	3.00% to 6.30%
2015	7/1/2014	Entry age	Smoothed market	Level dollar	15 years open	8.00%	2.50%	3.50% to 8.00%
2014	7/1/2013	Entry age	Smoothed market	Level dollar	15 years open	8.00%	2.50%	3.50% to 8.00%
2013	7/1/2012	Entry age	Smoothed market	Level dollar	15 years open	8.00%	2.50%	3.50% to 8.00%

For fiscal year 2022, the mortality table used was the Pub-2010 General Healthy Non-Annuitant Mortality tables (projected generationally using Scale MP-2020). The mortality table used for fiscal years 2015 through 2021 was the RP-2000 Fully Generational Combined Mortality Table projected with Scale AA. The mortality table used for fiscal years 2013 through 2014 was the RP-2000 Combined Mortality Table, projected to 2012 with Scale AA.

2. Other Postemployment Benefits (OPEB)

Ten-year historical trend information is presented as required supplementary information for the Authority's OPEB plans. The Authority administers the WMATA Healthcare Plan on a pay-as-you-go basis with additional ad-hoc funding contributions based on budgetary results, and there is no actuarial required contribution. Accordingly, a Schedule of Employer Required Contributions is not presented in the required supplementary information for this plan. Additional information pertaining to the OPEB plans can be found in Note 12 to the basic financial statements.

Analysis of the dollar amounts of plan fiduciary net position, total OPEB liability, and net OPEB liability in isolation can be misleading. Expressing plan net position as a percentage of the total OPEB liability provides one indication of funding status. Analysis of this percentage over time indicates whether the OPEB plan is becoming financially stronger or weaker. Generally, the greater this percentage is, the stronger the plan.

Trends in the net OPEB liability and covered payroll are both affected by inflation. Expressing the net OPEB liability as a percentage of covered payroll approximately adjusts for the effects of inflation and aids in the analysis of the OPEB plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller the percentage is, the stronger the plan.

(a) Schedule of Changes in Net OPEB Liability and Related Ratios – WMATA Healthcare Plan

The data reported in the Schedule of Changes in Net OPEB Liability and Related Ratios for the WMATA Healthcare Plan for the Authority's fiscal years ending June 30, 2022 and 2021 are based upon the measurement dates of June 30, 2021 and 2020, respectively. The changes in the assumptions during the fiscal year ended June 30, 2022 reflect the changes in the discount rate, which was decreased by 0.1% and changes in the health care cost trend rates, which decreased from 6.5% to 6.3% for participants under 65 year of age, and from 6.0% to 5.8% for participants 65 years and older. The MAPD health care trend rate increased from 6.9% to 7.5%. The changes in the assumptions during the fiscal year ended June 30, 2021 reflect the changes in the discount rate, which was decreased from 3.5% to 2.2%.

The changes in benefit terms during fiscal year 2022 was a change from a partially self-insured plan to a fully insured Medicare Advantage Part D plan for non-represented, Local 2, and Special Police employees.

This schedule is intended to show information for 10 years. The changes in the net OPEB liability for years prior to the fiscal year ending June 30, 2017 were not available and accordingly, were not included in the schedule. Additional years will be displayed as they become available.

(b) Schedule of Employer Required Contributions – Teamsters Local 922 Employers Health Trust

The data reported in the Schedule of Employer Required Contributions consists of the total amount of contributions the Authority makes to the Teamsters Local 922 Employers Health Trust for retirees during the Authority's respective fiscal year-end. The Authority is required to make a fixed contribution per retiree in accordance with the collective bargaining agreement. The Authority was required to contribute $950 per month for each participant through October 31, 2020 and then $1,015 per month through October 31, 2021. Effective November 1, 2021, the required contribution amount was adjusted to $1,080 per month.

This schedule is intended to show information for 10 years. The employer required contributions for years prior to the fiscal years ending June 30, 2017 were not available and accordingly, were not included in the schedule. Additional years will be displayed as they become available.

Fiduciary Activities
Pension and Other Employee Benefit Trust Funds

The pension and other employee benefit trust funds account for the activities of the following plans, which accumulate resources for pension and other postemployment benefit payments to qualified beneficiaries:

- WMATA Retirement (Retirement) Plan – accounts for the resources accumulated for management and non-represented employees.

- WMATA Local 2 Retirement (Local 2) Plan – accounts for the resources accumulated for Local 2 employees.

- WMATA Healthcare Plan – accounts for other postemployment benefit resources accumulated for management, represented, and non-represented inactive employees and their dependents.

Fiduciary Activities
Combining Statements of Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
June 30, 2022
(in thousands)

Exhibit 10
(continued)

	Pension		OPEB	
			WMATA	
	Retirement Plan	Local 2 Plan	Healthcare Plan	Total
ASSETS				
Cash and cash equivalents	$ 6,231	$ 2,540	$ -	$ 8,771
Receivables:				
Accrued income	5	2	-	7
Investments:				
Equity index funds-domestic	112,186	37,482	-	149,668
Equity index funds-international	74,515	35,656	-	110,171
Bond index funds-domestic	66,550	32,051	-	98,601
Bond index funds-international	33,068	25,874	-	58,942
Real estate investment fund-domestic	58,762	9,450	-	68,212
Virginia pooled trust	-	-	107,928	107,928
Total investments	345,081	140,513	107,928	593,522
Total assets	351,317	143,055	107,928	602,300
LIABILITIES				
Accrued pension benefits	3,809	1,253	-	5,062
Accounts payable	177	108	-	285
Total liabilities	3,986	1,361	-	5,347
FIDUCIARY NET POSITION				
Restricted for:				
Pension benefits	347,331	141,694	-	489,025
Postemployment benefits other than pensions	-	-	107,928	107,928
Total fiduciary net position	$ 347,331	$ 141,694	$ 107,928	$ 596,953

Fiduciary Activities — Exhibit 10 (concluded)
Combining Statements of Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
June 30, 2021
(in thousands)

	Pension		OPEB	
	Retirement Plan	Local 2 Plan	WMATA Healthcare Plan	Total
ASSETS				
Cash and cash equivalents	$ 6,247	$ 1,625	$ -	$ 7,872
Receivables:				
Due from broker for investments sold	-	1,000	-	1,000
Investments:				
Equity index funds-domestic	142,028	47,807	-	189,835
Equity index funds-international	94,192	45,121	-	139,313
Bond index funds-domestic	80,874	37,511	-	118,385
Bond index funds-international	36,605	28,641	-	65,246
Real estate investment fund-domestic	57,825	7,670	-	65,495
Virginia pooled trust	-	-	118,989	118,989
Total investments	411,524	166,750	118,989	697,263
Total assets	417,771	169,375	118,989	706,135
LIABILITIES				
Accrued pension benefits	3,752	1,165	-	4,917
Accounts payable	280	116	-	396
Total liabilities	4,032	1,281	-	5,313
FIDUCIARY NET POSITION				
Restricted for:				
Pension benefits	413,739	168,094	-	581,833
Postemployment benefits other than pensions	-	-	118,989	118,989
Total fiduciary net position	$ 413,739	$ 168,094	$ 118,989	$ 700,822

See accompanying independent auditor’s report.

Fiduciary Activities — Exhibit 11 (continued)
Combining Statements of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
For the Year Ended June 30, 2022
(in thousands)

	Pension		OPEB	
	Retirement Plan	Local 2 Plan	WMATA Healthcare Plan	Total
ADDITIONS				
Contributions:				
Employer	$ 25,871	$ 7,048	$ 57,884	$ 90,803
Assets transferred from Local 2 Plan	884	-	-	884
Total contributions	26,755	7,048	57,884	91,687
Investment Income:				
Net decrease in investments	(51,114)	(19,653)	(10,980)	(81,747)
Interest, dividends and other	4,235	2,141	-	6,376
Total investment income	(46,879)	(17,512)	(10,980)	(75,371)
Less investment expenses:				
Custodial fees	773	262	-	1,035
Net investment income	(47,652)	(17,774)	(10,980)	(76,406)
Total additions	(20,897)	(10,726)	46,904	15,281
DEDUCTIONS				
Benefits paid to participants or beneficiaries	45,337	14,660	54,794	114,791
Administrative expenses	174	130	3,171	3,475
Assets transferred to Retirement Plan	-	884	-	884
Total deductions	45,511	15,674	57,965	119,150
Net increase in fiduciary net position	(66,408)	(26,400)	(11,061)	(103,869)
Fiduciary net position - beginning	413,739	168,094	118,989	700,822
Fiduciary net position - ending	$ 347,331	$ 141,694	$ 107,928	$ 596,953

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Fiduciary Activities — Exhibit 11 (concluded)
Combining Statements of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
For the Year Ended June 30, 2021
(in thousands)

	Pension		OPEB	
	Retirement Plan	Local 2 Plan	WMATA Healthcare Plan	Total
ADDITIONS				
Contributions:				
Employer	$ 22,538	$ 5,555	$ 52,417	$ 80,510
Investment Income:				
Net increase in investments	76,928	33,258	27,011	137,197
Interest, dividends and other	4,048	1,809	-	5,857
Total investment income	80,976	35,067	27,011	143,054
Less investment expenses:				
Custodial fees	627	240	-	867
Net investment income	80,349	34,827	27,011	142,187
Total additions	102,887	40,382	79,428	222,697
DEDUCTIONS				
Benefits paid to participants or beneficiaries	44,530	13,744	48,392	106,666
Administrative expenses	149	91	4,089	4,329
Total deductions	44,679	13,835	52,481	110,995
Net increase in fiduciary net position	58,208	26,547	26,947	111,702
Fiduciary net position - beginning	355,531	141,547	92,042	589,120
Fiduciary net position - ending	$ 413,739	$ 168,094	$ 118,989	$ 700,822

See accompanying independent auditor’s report.

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SECTION THREE - STATISTICAL (UNAUDITED)

Financial Trends

Trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Revenue Capacity

Information to help the reader assess the Authority's most significant local revenue source, passenger revenue.

Debt Capacity

Information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.

Demographic and Economic Information

Demographic and economic indicators help the reader understand the environment within which the Authority's financial activities take place.

Operating Information

Demographic and economic indicators help the reader understand the environment within which the Authority's financial activities take place.

Net Position by Component
Last Ten Fiscal Years
(in thousands)

Exhibit 12

	2022	2021[1]	2020[2]	2019[2]	2018[2,3]	2017[4]	2016	2015[5]	2014	2013
Net investment in capital assets	$ 11,422,917	$ 11,187,494	$ 11,582,955	$ 11,315,608	$ 11,327,174	$ 11,610,645	$ 11,573,665	$ 11,135,124	$ 8,211,764	$ 8,088,386
Restricted	69,965	258,243	121,007	62,745	70,385	-	-	-	-	-
Unrestricted deficit	(2,918,762)	(2,948,858)	(3,340,623)	(3,275,015)	(2,912,191)	(2,888,725)	(1,048,596)	(915,616)	(280,058)	(52,550)
Total net position	$ 8,574,120	$ 8,496,879	$ 8,363,339	$ 8,103,338	$ 8,485,368	$ 8,721,920	$ 10,525,069	$ 10,219,508	$ 7,931,706	$ 8,035,836

1 Fiscal year 2021 net investment in capital assets and unrestricted net position were restated due to the adoption of GASB 87.

2 Fiscal years 2019 – 2018 amounts held in escrows to cover debt service payments were reclassified from unrestricted net position to restricted net position to conform with fiscal year 2020 presentation.

3 Fiscal year 2018 unrestricted net position was adjusted as a result of the cumulative effect of a change in accounting principle.

4 Fiscal year 2017 unrestricted net position was restated due to the adoption of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.*

5 Fiscal year 2015 unrestricted net position was restated due to the adoption of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date.*

Source: The Authority's fiscal years 2013 – 2022 Annual Comprehensive Financial Reports.

Changes in Net Position
Last Ten Fiscal Years
(in thousands)

Exhibit 13

	2022	2021[1,2]	2020[3]	2019	2018[4]	2017[5]	2016	2015	2014	2013
Operating revenues	$ 264,714	$ 145,433	$ 582,574	$ 789,678	$ 800,523	$ 788,813	$ 859,165	$ 898,644	$ 854,580	$ 856,829
Nonoperating revenues	40,963	19,654	18,061	20,195	14,400	19,202	18,532	32,446	35,870	50,054
Total revenues	305,677	165,087	600,635	809,873	814,923	808,015	877,697	931,090	890,450	906,883
Federal and jurisdictional subsidies	1,677,086	1,788,707	1,502,025	1,121,805	1,120,346	1,074,539	927,960	839,477	758,385	726,190
Total revenues before capital contributions	1,982,763	1,953,794	2,102,660	1,931,678	1,935,269	1,882,554	1,805,657	1,770,567	1,648,835	1,633,073
Operating expenses	3,137,561	3,082,552	3,206,877	3,088,055	2,772,642	3,162,623	2,629,972	2,547,881	2,337,911	2,290,062
Nonoperating expenses	75,896	62,643	44,148	201,153	53,339	21,586	23,886	27,160	34,566	48,050
Total expenses	3,213,457	3,145,195	3,251,025	3,289,208	2,825,981	3,184,209	2,653,858	2,575,041	2,372,477	2,338,112
Loss before capital contributions and extraordinary items	(1,230,694)	(1,191,401)	(1,148,365)	(1,357,530)	(890,712)	(1,301,655)	(848,201)	(804,474)	(723,642)	(705,039)
Capital contributions	1,307,935	1,346,819	1,410,114	975,500	983,574	722,213	1,153,762	4,138,387	619,512	665,050
Extraordinary items	-	16,600	(1,748)	-	-	-	-	-	-	-
Increase (decrease) in net position	$ 77,241	$ 172,018	$ 260,001	$ (382,030)	$ 92,862	$ (579,442)	$ 305,561	$3,333,913	$(104,130)	$ (39,989)

1 Fiscal year 2021 operating and nonoperating revenues, and expenses were restated due to the adoption of GASB Statement No. 87, *Leases.*
2 Fiscal year 2021 extraordinary items represent proceeds from fire insurance recoveries received in FY21.
3 Fiscal year 2020 extraordinary items represent an impairment loss on a building due to a fire.
4 Fiscal year 2018 unrestricted net position was adjusted as a result of the cumulative effect of a change in accounting principle.
5 Fiscal year 2017 operating expenses increased due to the adoption of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.*

Source: The Authority's fiscal years 2013 – 2022 Annual Comprehensive Financial Reports.

Revenue Base
Last Ten Fiscal Years
(in thousands)

Exhibit 14

	2022	2021[1]	2020	2019	2018	2017	2016	2015	2014	2013
Operating revenues:										
Passenger revenue	$ 229,732	$ 108,188	$ 531,513	$ 730,061	$ 753,699	$ 741,044	$ 809,407	$ 854,392	$ 811,628	$ 817,615
Advertising revenue	11,257	14,233	25,947	29,042	22,590	21,926	22,792	22,422	19,846	16,732
Rental revenue	23,719	23,009	24,823	30,265	23,994	25,601	26,722	21,601	22,826	22,246
Other revenue	6	3	291	310	240	242	244	229	280	236
Total operating revenues	264,714	145,433	582,574	789,678	800,523	788,813	859,165	898,644	854,580	856,829
Nonoperating revenues:										
Investment income (loss)	43	45	2,519	4,790	1,827	(98)	224	769	585	818
Interest income from leasing transactions	9,838	10,459	-	-	2,049	5,206	10,621	11,407	19,053	32,936
Gain on disposition of assets	22,700	-	-	-	-	-	-	-	-	-
Other	8,382	9,150	15,542	15,405	10,524	14,094	7,687	20,270	16,232	16,300
Total nonoperating revenues	40,963	19,654	18,061	20,195	14,400	19,202	18,532	32,446	35,870	50,054
Total revenues	$ 305,677	$ 165,087	$ 600,635	$ 809,873	$ 814,923	$ 808,015	$ 877,697	$ 931,090	$ 890,450	$ 906,883

1 Fiscal year 2021 rental revenue and interest income from leasing transactions were restated due to the adoption of GASB Statement No. 87, *Leases.*

Source: The Authority's fiscal years 2013 – 2022 Annual Comprehensive Financial Reports.

Passenger Fare Structure
Last Ten Fiscal Years

Exhibit 15
(continued)

	Metrobus			Metrorail							
	Peak/Off Peak			Peak			Off Peak				
Fiscal Year	DC Base	MD Base	VA Base	Boarding Charge	Each Additional Composite Mile		Boarding Charge		Each Additional Composite Mile		
2022	$2.00	$2.00	$2.00	$2.25	$ 0.33	(3-6 miles)	$2.00	(0-3 miles)	$0.24	(3-6 miles)	
					$ 0.29	(6+ miles)			$0.22	(6+ miles)	
					$ 6.00	(Max. fare)			$3.85	(Max. fare)	
2021	$2.00	$2.00	$2.00	$2.25	$ 0.33	(3-6 miles)	$2.00	(0-3 miles)	$0.24	(3-6 miles)	
					$ 0.29	(6+ miles)			$0.22	(6+ miles)	
					$ 6.00	(Max. fare)			$3.85	(Max. fare)	
2020	$2.00	$2.00	$2.00	$2.25	$ 0.33	(3-6 miles)	$2.00	(0-3 miles)	$0.24	(3-6 miles)	
					$ 0.29	(6+ miles)			$0.22	(6+ miles)	
					$ 6.00	(Max. fare)			$3.85	(Max. fare)	
2019	$2.00	$2.00	$2.00	$2.25	$ 0.33	(3-6 miles)	$2.00	(0-3 miles)	$0.24	(3-6 miles)	
					$ 0.29	(6+ miles)			$0.22	(6+ miles)	
					$ 6.00	(Max. fare)			$3.85	(Max. fare)	
2018	$2.00	$2.00	$2.00	$2.25	$0.33	(3-6 miles)	$2.00	(0-3 miles)	$0.24	(3-6 miles)	
					$0.29	(6+ miles)			$0.22	(6+ miles)	
					$6.00	(Max. fare)			$3.85	(Max. fare)	
2017	$2.00	$2.00	$2.00	$2.25	$0.33	(3-6 miles)	$2.00	(0-3 miles)	$0.24	(3-6 miles)	
					$0.29	(6+ miles)			$0.22	(6+ miles)	
					$6.00	(Max. fare)			$3.85	(Max. fare)	
2016	$1.75	$1.75	$1.75	$2.15	$0.33	(3-6 miles)	$1.75	(0-3 miles)	$0.24	(3-6 miles)	
					$0.29	(6+ miles)			$0.22	(6+ miles)	
					$5.90	(Max. fare)			$3.60	(Max. fare)	
2015	$1.75	$1.75	$1.75	$2.15	$0.33	(3-6 miles)	$1.75	(0-3 miles)	$0.24	(3-6 miles)	
					$0.29	(6+ miles)			$0.22	(6+ miles)	
					$5.90	(Max. fare)			$3.60	(Max. fare)	
2014	$1.60	$1.60	$1.60	$2.10	$0.32	(3-6 miles)	$1.70	(0-3 miles)	$0.24	(3-6 miles)	
					$0.28	(6+ miles)			$0.21	(6+ miles)	
					$5.75	(Max. fare)			$3.50	(Max. fare)	

Passenger Fare Structure
Last Ten Fiscal Years

Exhibit 15
(concluded)

	Metrobus			Metrorail							
	Peak/Off Peak			Peak			Off Peak				
Fiscal Year	DC Base	MD Base	VA Base	Boarding Charge	Each Additional Composite Mile		Boarding Charge		Each Additional Composite Mile	
2013	$1.60	$1.60	$1.60	$2.10	$0.32	(3-6 miles)	$1.70	(0-3 miles)	$0.24	(3-6 miles)
					$0.28	(6+ miles)			$0.21	(6+ miles)
					$5.75	(Max. fare)			$3.50	(Max. fare)

Source: Washington Metropolitan Area Transit Authority Tariffs on Metro Fares and Rates as of June 30 for each fiscal year. For more details on the Authority's fare structure, refer to www.wmata.com.

Ratios of Outstanding Debt By Type[1]
Last Ten Fiscal Years
(in thousands, except per capita amounts)

Exhibit 16

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Transit bonds	$ 987,717	$ 1,025,296	$ 1,061,744	$ 1,147,154	$ 1,067,819	$ 483,641	$ 498,878	$ 274,087	$ 287,755	$ 309,104
Dedicated revenue bonds	1,633,508	1,653,280	693,439	-	-	-	-	-	-	-
Tax advantage leases	-	-	-	-	-	152,081	258,649	273,054	296,973	427,955
Total debt	$ 2,621,225	$ 2,678,576	$ 1,755,183	$ 1,147,154	$ 1,067,819	$ 635,722	$ 757,527	$ 547,141	$ 584,728	$ 737,059
Total personal income	$485,550,913	$485,550,913	$467,176,430	$453,978,195	$432,558,000	$409,203,181	$396,039,729	$376,576,397	$362,272,713	$366,884,692
Outstanding debt ratio	0.5%	0.6%	0.4%	0.3%	0.2%	0.2%	0.2%	0.1%	0.2%	0.2%
Service area population	6,356	6,386	6,297	6,256	6,218	6,155	6,099	6,036	5,967	5,881
Outstanding debt per capita	$ 412	$ 419	$ 279	$ 183	$ 172	$ 103	$ 124	$ 91	$ 98	$ 125
Total annual unlinked passenger trips	156,898	89,940	273,546	354,656	351,299	352,546	379,142	405,267	406,063	407,927
Total debt ratio as a percentage of annual unlinked passenger trips	1670.7%	2978.2%	641.6%	323.5%	304.0%	180.3%	199.8%	135.0%	144.0%	180.7%

1 Details regarding the Authority's outstanding debt can be found in Note 10 to the basic financial statements.

Sources:

- Total debt: The Authority's fiscal years 2013 – 2022 Annual Comprehensive Financial Reports.
- Total personal income: US Bureau of Economic Analysis. Total personal income information for the fiscal years 2013 – 2020 are based on 2012 – 2019 data, and fiscal years 2021 – 2022 are based on 2020 latest available data updated August 8, 2022.
- Service area population: US Census Bureau, Population Division. Estimates for fiscal years 2013 – 2022 reflect population estimates as of April 1, 2010 to July 1, 2021 available as of September 2022.
- Total annual unlinked passenger trips: Exhibit 21, *Operating Indicators*, in the statistical section.

Pledged Revenue Coverage[2]
Last Ten Fiscal Years
(in thousands)

Exhibit 17 (continued)

	2022	2021[1]	2020	2019	2018[6]	2017	2016	2015	2014	2013
Gross Revenue Transit Bonds, excluding Series 2018:[3]										
Operating revenues	$ 254,534	$ 141,544	$ 550,524	$ 745,318	$ 758,081	$ 747,409	$ 814,126	$ 852,131	$ 807,966	$ 811,189
Other	18,262	19,654	18,061	20,195	12,351	13,996	7,911	21,039	16,817	17,118
Jurisdictional operating subsidies	938,294	1,050,931	1,230,024	1,070,271	1,058,495	891,548	895,973	826,096	743,875	711,103
Unrestricted dedicated funding	464,596	460,228	468,383	-	-	-	-	-	-	-
Total pledged revenues	$ 1,675,686	$ 1,672,357	$ 2,266,992	$ 1,835,784	$ 1,828,927	$ 1,652,953	$ 1,718,010	$ 1,699,266	$ 1,568,658	$ 1,539,410
Principal	$ 27,315	$ 26,000	$ 75,550	$ 179,125	$ 58,690	$ 8,285	$ 7,900	$ 13,240	$ 20,335	$ 27,360
Interest	44,564	44,841	46,141	45,454	43,655	23,485	14,854	12,748	14,764	15,113
Total debt service	$ 71,879	$ 70,841	$ 121,691	$ 224,579	$ 102,345	$ 31,770	$ 22,754	$ 25,988	$ 35,099	$ 42,473
Coverage ratio	4.3%	4.2%	5.4%	12.2%	5.6%	1.9%	1.3%	1.5%	2.2%	2.8%
Series 2018 Bonds:[4]										
Operating revenues	$ 254,534	$ 141,544	$ 550,524	$ 745,318	$ -	$ -	$ -	$ -	$ -	$ -
Other	18,262	19,654	18,061	20,195	-	-	-	-	-	-
Jurisdictional operating subsidies	938,294	1,050,931	1,230,024	1,070,271	-	-	-	-	-	-
Total pledged revenues	$ 1,211,090	$ 1,212,129	$ 1,798,609	$ 1,835,784	$ -	$ -	$ -	$ -	$ -	$ -
Principal	$ 27,315	$ 26,000	$ 75,550	$ 179,125	$ -	$ -	$ -	$ -	$ -	$ -
Interest	44,564	44,841	46,141	45,454	-	-	-	-	-	-
Total debt service	$ 71,879	$ 70,841	$ 121,691	$ 224,579	$ -	$ -	$ -	$ -	$ -	$ -
Coverage ratio	5.9%	5.8%	6.8%	12.2%	-	-	-	-	-	-

Pledged Revenue Coverage[2]
Last Ten Fiscal Years
(in thousands)

Exhibit 17
(concluded)

	2022	2021[1]	2020	2019	2018	2017	2016	2015	2014	2013
Dedicated Revenue Bonds:[4]										
Unrestricted dedicated funding	$ 464,596	$ 460,228	$ 468,383	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Debt service interest	$ 64,231	$ 29,649	$ 2,223	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Coverage ratio	13.8%	6.4%	0.5%	-	-	-	-	-	-	-

1 Fiscal year 2021 revenue and expense was restated due to the adoption of GASB Statement No. 87, *Leases.*

2 Details regarding the Authority's pledged revenue can be found in Note 10 to the basic financial statements.

3 Includes Series 2003, 2009A, 2009B, 2016A, 2017A, and 2017B Gross Revenue Transit Bonds.

4 Includes Series 2018 Gross Revenue Transit Bonds. Pledged revenues for the Series 2018 Bonds explicitly excludes all dedicated funding.

5 Includes Series 2020A and Series 2021A Dedicated Revenue Bonds.

6 Fiscal year 2018 jurisdictional operating subsidies were adjusted as a result of the cumulative effect of a change in accounting principles.

Source: The Authority's fiscal years 2013 – 2022 Annual Comprehensive Financial Reports.

Demographic and Economic Statistics — Exhibit 18
Last Ten Fiscal Years
(in thousands, except per capita amounts)

Fiscal Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2022	6,356	$ 485,550,913	$ 76,393	3.7%
2021	6,386	$ 485,550,913	$ 76,034	5.1%
2020	6,297	$ 467,176,430	$ 74,190	8.4%
2019	6,256	$ 453,978,195	$ 72,567	3.4%
2018	6,218	$ 432,558,000	$ 69,565	3.7%
2017	6,155	$ 409,203,181	$ 66,483	3.9%
2016	6,099	$ 396,039,729	$ 64,935	4.1%
2015	6,036	$ 376,576,397	$ 62,388	4.7%
2014	5,967	$ 362,272,713	$ 60,713	5.3%
2013	5,881	$ 366,884,692	$ 62,385	6.0%

Sources:

- Population: US Census Bureau, Population Division. Estimates for fiscal years 2013 – 2022 reflect midyear population estimates as of April 1, 2010 to July 1, 2021 available as of September 2022.
- Total personal income: US Bureau of Economic Analysis. Total personal income information for the fiscal years 2013 – 2020 are based on 2012 – 2019 data, and fiscal years 2021 – 2022 are based on 2020 latest available data updated August 8, 2022.
- Unemployment rate: US Bureau of Labor Statistics. Unemployment rates are as of July 31 of the indicated fiscal years.

Major Private Employers
Current Fiscal Year and Nine Years Ago

Exhibit 19

	2022			2013		
Employer	**Rank**	**Area Employees**	**Percentage of Total Employment**	**Rank**	**Area Employees**	**Percentage of Total Employment**
Inova Health System	1	20,000	0.6%	1	15,178	0.5%
Giant Food LLC	2	19,172	0.6%	7	11,206	0.4%
Booz Allen Hamilton	3	17,744	0.5%	5	13,900	0.4%
MedStar Health	4	17,236	0.5%	2	14,316	0.5%
Deloitte LLP	5	16,041	0.5%	10	7,723	0.2%
Leidos Holdings	6	15,822	0.5%	-	-	-
Safeway	7	11,568	0.4%	-	-	-
General Dynamcis	8	11,500	0.3%	9	8,100	0.3%
Amazon.com Inc	9	11,400	0.3%	-	-	-
Capital One Financial Corp	10	10,520	0.3%	-	-	-
Lockheed Martin Corp	-	-	-	3	14,000	0.5%
Marriott International Inc	-	-	-	4	13,935	0.5%
Northrop Grumman Corp	-	-	-	6	13,302	0.4%
Verizon Communications Inc	-	-	-	8	11,000	0.4%
Total		151,003	4.5%		122,660	4.1%

Sources:

- Washington Business Journal, Largest Employers in Greater DC 2022
- Washingtonpost.com – 2013 Top DC Companies

Authorized Employee Positions
Last Ten Fiscal Years

Exhibit 20

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Non-Represented[1]	2,585	2,663	2,485	2,377	2,205	2,339	2,286	2,233	2,124	2,012
Local 2	1,075	1,103	1,121	1,110	1,102	1,229	1,210	1,137	1,028	980
Local 639	123	126	119	121	121	138	138	136	165	164
Local 689	7,834	8,035	7,772	7,892	8,038	8,562	8,591	8,603	8,593	8,408
Local 922	348	357	362	372	378	379	374	382	383	378
Transit Police	370	380	366	388	388	385	396	414	396	390
Total authority positions	12,335	12,664	12,225	12,260	12,232	13,032	12,995	12,905	12,689	12,332

[1] Non-represented positions are salaried positions in the management and administrative work force that have been excluded from union participation.

Source: The Authority's Office of Management and Budget Services.

Operating Indicators **Exhibit 21**
Last Ten Fiscal Years **(continued)**

Fiscal Year	Vehicles Operated In Maximum Service[1]	Annual Vehicle Revenue Miles[2]	Annual Vehicle Revenue Hours[3]	Annual Unlinked Passenger Trips[4]	Annual Passenger Miles Traveled[5]
2022:					
Metrobus	1,147	36,331,203	3,595,310	79,512,639	251,603,377
Metrorail	998	53,126,512	2,302,036	76,077,714	404,715,396
MetroAccess	662	19,251,997	1,670,819	1,307,178	13,699,189
Total	2,807	108,709,712	7,568,165	156,897,531	670,017,962
2021:					
Metrobus	1,010	29,213,222	2,914,017	52,325,667	162,783,718
Metrorail	998	72,843,843	3,142,911	36,550,201	199,671,853
MetroAccess	720	14,179,483	1,391,435	1,064,502	8,775,801
Total	2,728	116,236,548	7,448,363	89,940,370	371,231,372
2020:					
Metrobus	1,278	31,622,828	3,182,178	97,210,648	275,963,172
Metrorail	998	78,847,615	3,421,264	174,540,714	985,922,295
MetroAccess	1,028	17,366,054	1,787,230	1,794,584	20,342,876
Total	3,304	127,836,497	8,390,672	273,545,946	1,282,228,343
2019:					
Metrobus	1,379	37,413,280	3,784,849	123,333,115	367,558,782
Metrorail	920	85,106,645	3,667,616	228,974,810	1,313,511,151
MetroAccess	1,092	21,969,382	2,214,347	2,348,324	24,377,770
Total	3,391	144,489,307	9,666,812	354,656,249	1,705,447,703
2018:					
Metrobus	1,278	37,061,070	3,767,231	119,681,096	366,498,831
Metrorail	888	81,751,483	3,537,625	229,233,254	1,314,002,629
MetroAccess	973	22,414,842	2,220,627	2,384,612	25,618,933
Total	3,139	141,227,395	9,525,483	351,298,962	1,706,120,393
2017:					
Metrobus	1,290	40,026,923	3,949,021	123,124,352	369,020,804
Metrorail	954	78,379,605	3,208,614	227,053,037	1,326,262,650
MetroAccess	885	21,330,012	2,037,988	2,368,549	22,768,393
Total	3,129	139,736,540	9,195,623	352,545,938	1,718,051,847

Operating Indicators
Last Ten Fiscal Years

Exhibit 21
(concluded)

Fiscal Year	Vehicles Operated In Maximum Service[1]	Annual Vehicle Revenue Miles[2]	Annual Vehicle Revenue Hours[3]	Annual Unlinked Passenger Trips[4]	Annual Passenger Miles Traveled[5]
2016:					
Metrobus	1,301	39,363,678	3,878,258	127,687,553	399,016,612
Metrorail	954	77,967,424	3,169,676	249,173,213	1,475,685,198
MetroAccess	919	20,734,461	1,988,992	2,281,047	18,903,138
Total	3,174	138,065,563	9,036,926	379,141,813	1,893,604,948
2015:					
Metrobus	1,300	38,258,564	3,867,179	132,870,013	421,925,287
Metrorail	954	85,523,746	3,424,083	270,162,145	1,590,762,766
MetroAccess	902	20,644,376	1,952,356	2,235,295	18,062,120
Total	3,156	144,426,686	9,243,618	405,267,453	2,030,750,173
2014:					
Metrobus	1,294	39,158,562	3,788,792	134,407,528	425,698,966
Metrorail	878	74,078,897	3,020,971	269,529,019	1,519,705,315
MetroAccess	840	19,399,839	1,844,436	2,126,461	17,059,877
Total	3,012	132,637,298	8,654,199	406,063,008	1,962,464,158
2013:					
Metrobus	1,293	39,176,488	3,750,556	132,064,874	413,821,534
Metrorail	878	75,884,602	3,094,597	273,828,461	1,552,619,378
MetroAccess	846	18,912,706	1,784,166	2,033,299	16,375,823
Total	3,017	133,973,796	8,629,319	407,926,634	1,982,816,735

1 Vehicles Operated in Maximum Service is the number of vehicles operated to meet the maximum service requirement during the month of service reports. VOMS excludes atypical days or one-time special events.

2 Vehicle Revenue Miles is the number of miles that vehicles are scheduled to or actually travel while in revenue service.

3 Vehicles Revenue Hours is the number of hours that vehicles are scheduled to or actually travel while in revenue service.

4 Unlinked Passenger Trips is the number of boardings on public transportation vehicles during the fiscal year.

5 Passenger Miles Traveled is the cumulative sum of the distances ridden by each passenger.

Source: National Transit Database. Fiscal year 2022 data is based on preliminary information available. Data for fiscal years 2021 and prior are final reported results.

M metro System Map
wmata.com
Information: 202-637-7000 I TTY: 202-962-2033
Metro Transit Police: 202-962-2121 I Text: MYMTPD (696873)
Legend
RD Red Line • Glenmont / Shady Grove
OR Orange Line • New Carrollton / Vienna
BL Blue Line • Franconia-Springfield / Downtown Largo
GR Green Line • Branch Ave / Greenbelt
YL Yellow Line • Huntington / Greenbelt
SV Silver Line • Ashburn / Downtown Largo
Station Features
P Parking
H Hospital
Airport
Connecting Rail Systems
Transfer Station
Station in Service
Future Station
Glenmont
Wheaton
Forest Glen
Silver Spring
Takoma
Fort Totten
Brookland-CUA
Rhode Island Ave
Brentwood
NoMa-Gallaudet U
Union Station
Judiciary Sq
Gallery Place
Chinatown
Metro Center
Farragut North
Dupont Circle
Woodley Park
Zoo/Adams Morgan
Cleveland Park
Van Ness-UDC
Tenleytown-AU
Friendship Heights
Bethesda
Medical Center
Grosvenor-Strathmore
North Bethesda
Twinbrook
Rockville
Shady Grove
Greenbelt
College Park-U of Md
Hyattsville Crossing
West Hyattsville
Georgia Ave-Petworth
Columbia Heights
U St
African-Amer Civil War Mem'l/Cardozo
Shaw-Howard U
Mt Vernon Sq
7th St-Convention Center
Archives
Navy Mem'l-Penn Quarter
L'Enfant Plaza
Waterfront
Navy Yard-Ballpark
Anacostia
Congress Heights
Southern Ave
Naylor Rd
Suitland
Branch Ave
Ashburn
Loudoun Gateway
Washington Dulles International Airport
Innovation Center
Herndon
Reston Town Center
Wiehle-Reston East
Spring Hill
Greensboro
Tysons
McLean
Vienna
Fairfax-GMU
Dunn Loring
Merrifield
West Falls Church
East Falls Church
Ballston-MU
Virginia Sq-GMU
Clarendon
Court House
Rosslyn
Foggy Bottom-GWU
Kennedy Center
Farragut West
McPherson Sq
Federal Triangle
Smithsonian
National Mall
Federal Center SW
Capitol South
Eastern Market
Potomac Ave
Stadium-Armory
New Carrollton
Landover
Cheverly
Deanwood
Minnesota Ave
Benning Rd
Capitol Heights
Addison Rd
Seat Pleasant
Morgan Blvd
Downtown Largo
Arlington Cemetery
Pentagon
Pentagon City
Crystal City
Ronald Reagan Washington National Airport
Potomac Yard (Future Station)
Braddock Rd
King St-Old Town
Eisenhower Ave
Huntington
Van Dorn St
Franconia-Springfield
Capital Beltway
Potomac River
Anacostia River
Metro is accessible.
N
Map is not to scale
No Smoking
No Eating or Drinking
No Animals (except service animals)
No Audio (without earphones)
No Littering or Spitting
No Dangerous or Flammable Items

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