



# Quarterly Report of the Controller-Treasurer Period Ending 12/31/17



BART Board of Directors  
April 12, 2018

# Quarterly Report of the Controller-Treasurer

## Period Ended 12/31/17

- The District currently provides benefits to employees which include, but are not limited to:
  - **Retirement Pension Plan** managed by the California Public Employee Retirement System (CALPERS), and funded by contributions from the District and its employees. CALPERS is the largest pension plan in the United States with assets of approximately \$300 billion.
  - **Retiree Medical Benefits** coverage funded by a Trust established by the District in 2005. The Trust as of December 31, 2017.
    - a. Invested in a combination of stocks, bonds, REIT & cash,
    - b. Benchmark 6.75%,
    - c. Total net assets \$297.5 million and inception to date return is 7.1%,
    - d. Quarterly Report to the Unions
  - **Survivor Benefits** of active and retired employees funded by the employees (\$15/month),
  - **Life Insurance** for retired employees.
  - The District also accrues liabilities through Property & Casualty insurance and workers compensation claims and maintains the required reserves related to its self-funded insurance programs for worker's compensation and general liability based on an annual actuarial study.

# Quarterly Report of the Controller-Treasurer

## Period Ended 12/31/17

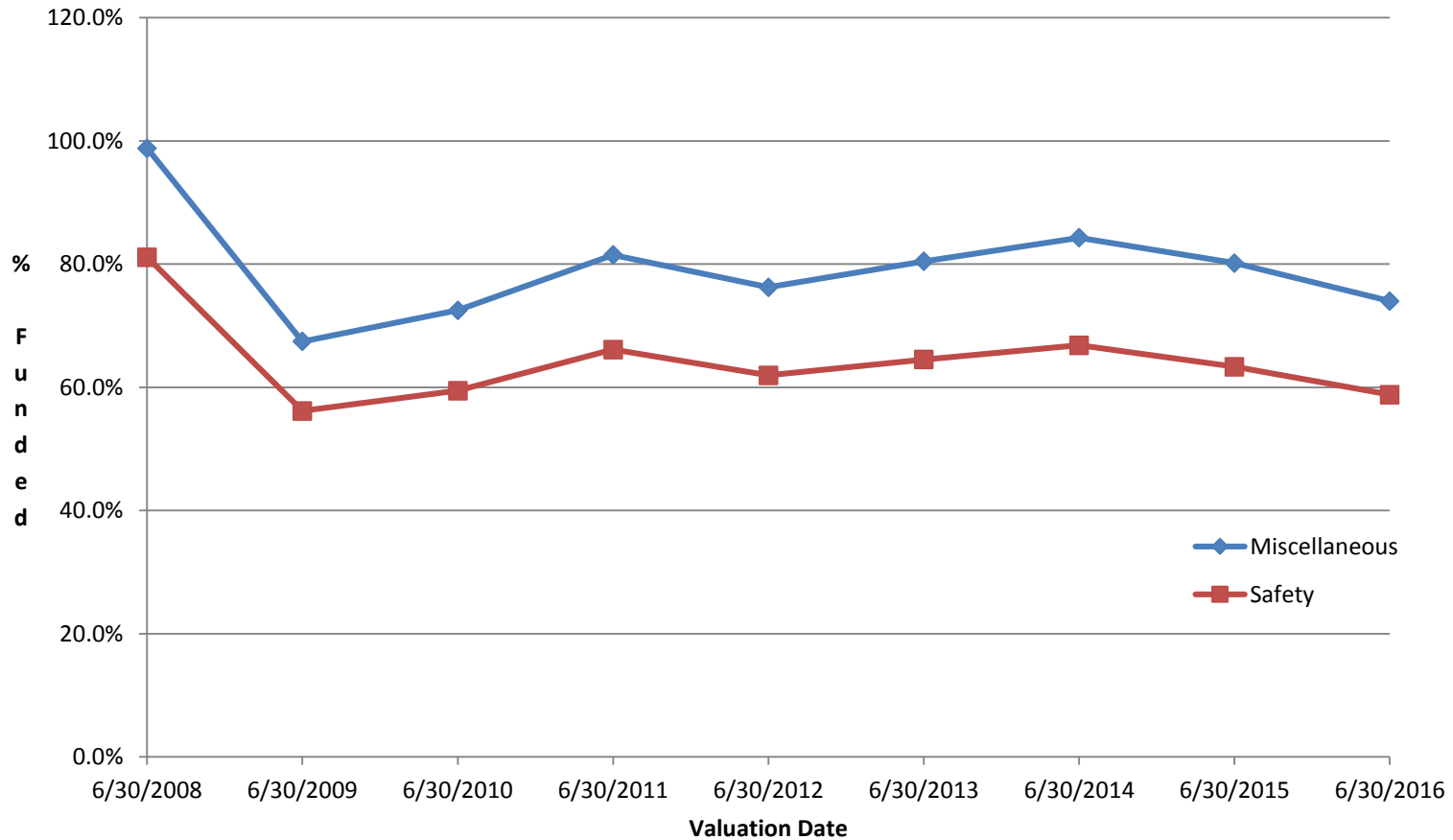
### Funding Summary of Pension, Retiree Health & Other Post-Employment Benefits

	<u>Valuation Date</u>	<u>Market Value of Assets</u>	<u>Total Liability</u>	<u>Unfunded Liability</u>	<u>% Funded</u>
<b>Retirement Pension with CALPERS</b>					
Miscellaneous Employees	6/30/2016	\$ 1,614,430,356	\$ 2,180,799,091	\$ 566,368,735	74.0%
Safety Employees	6/30/2016	\$ 180,391,930	\$ 306,909,516	\$ 126,517,586	58.8%
<b>Retiree Health Benefits</b>	6/30/2016	\$ 237,403,000	\$ 537,873,000	\$ 300,470,000	44.1%
<b>Other Post Employment Benefits</b>					
Life Insurance	6/30/2016	\$ -	\$ 30,501,000	\$ 30,501,000	0.0%
Survivors Benefits	6/30/2016	\$ \$6,814,000	\$ 39,322,000	\$ 32,508,000	17.3%

**Note A:** Based on discount rate of 3.58% (Bond Buyer 20 General Obligation Bond Index per GASB 75).

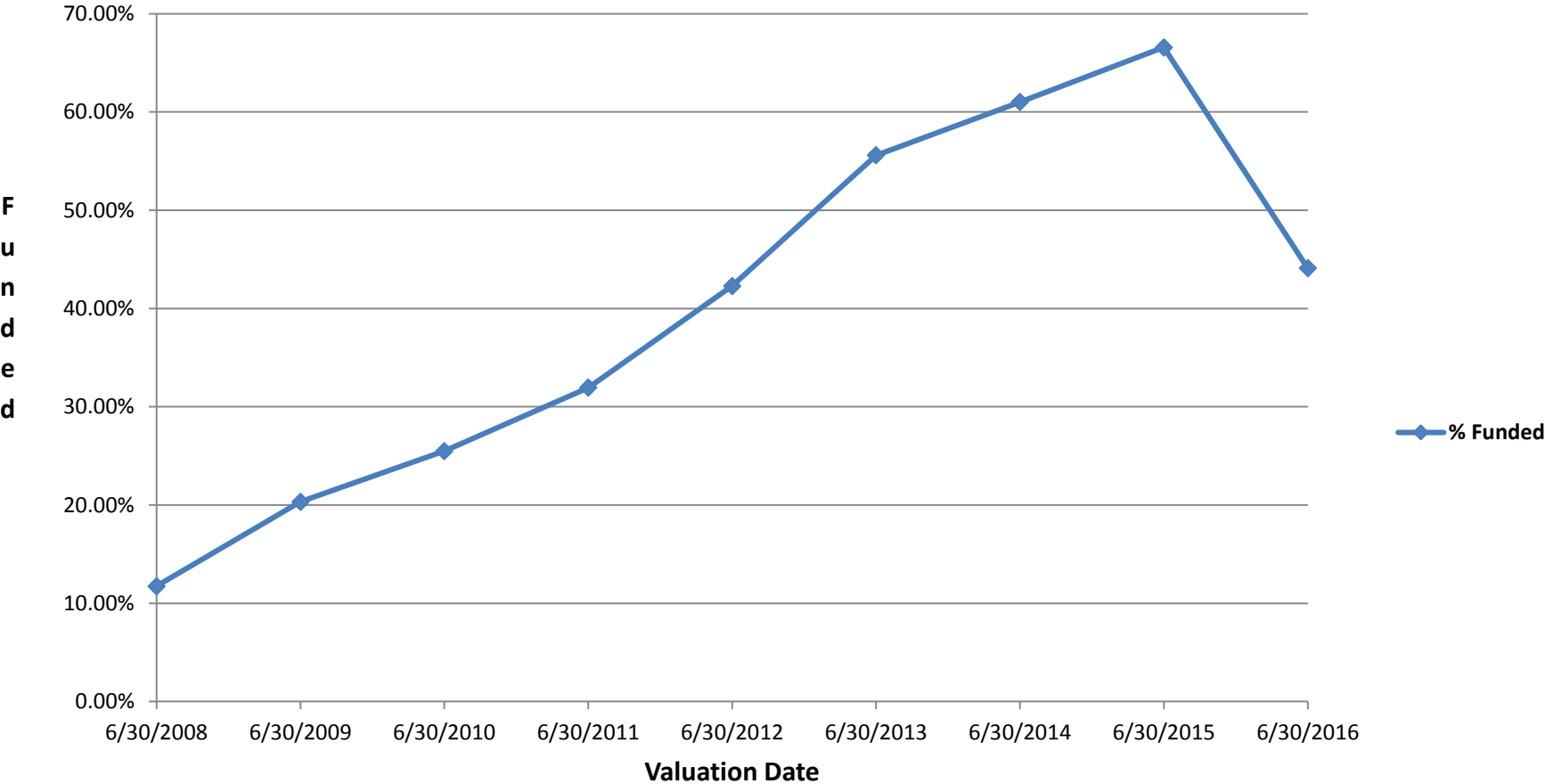
# Quarterly Report of the Controller-Treasurer Period Ended 12/31/17

## CALPERS Pension Plan Funding Progress



# Quarterly Report of the Controller-Treasurer Period Ended 12/31/17

## Retiree Health Benefits Plan



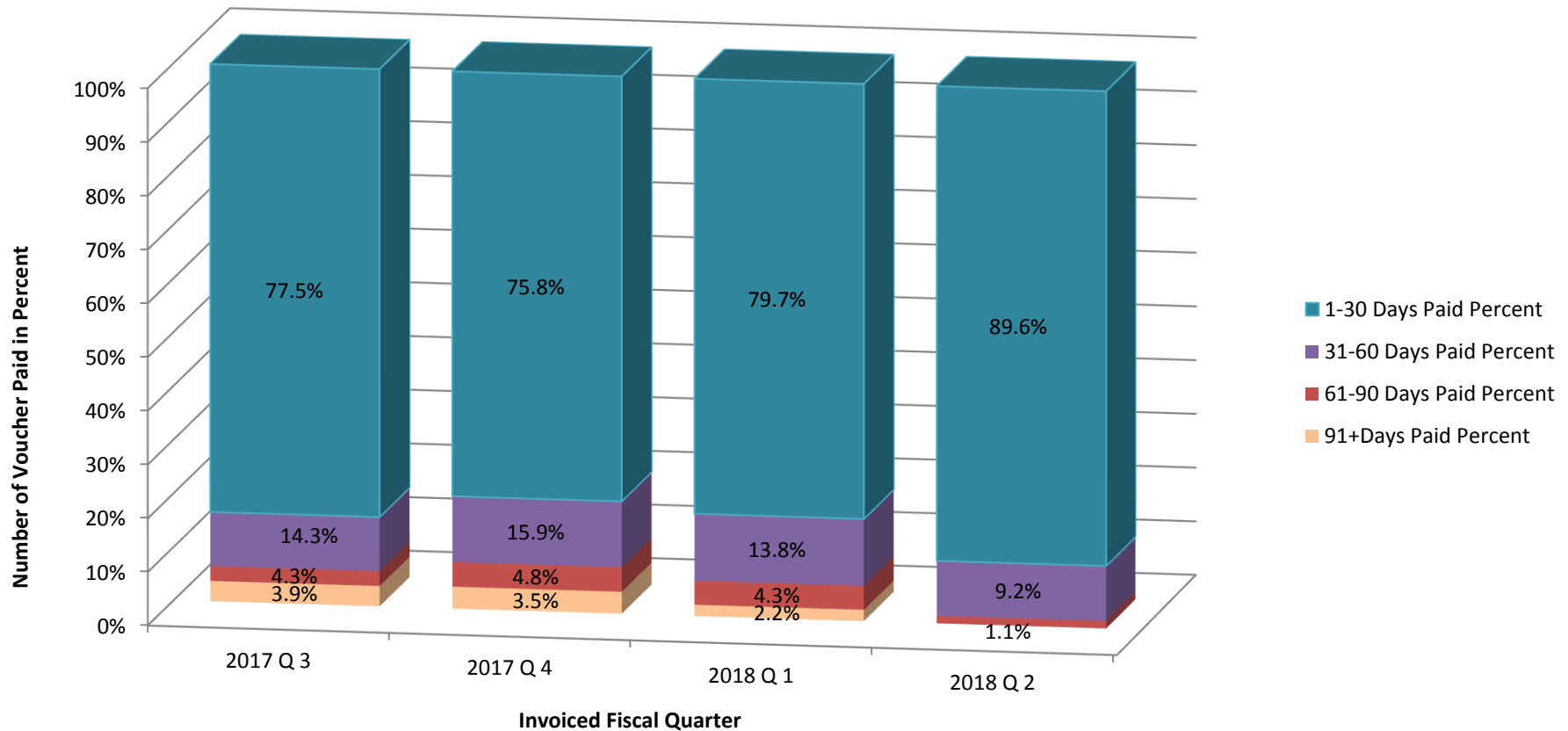
# Quarterly Report of the Controller-Treasurer

## Period Ended 12/31/17

### Accounts Payable

- Our goal is to pay 93% of our invoices within 30 days. We continue to keep our focus on getting our vendors paid as quickly as possible. During the most recent quarter, the District was able to process 89.6% of all paid invoices within 30 days. Of those that were not processed in 30 days, 9.2% were processed within 60 days, and 1.1% were processed within 90 days. The trend depicting the past year is shown here:

### Quarterly Number of Voucher Payment Trend



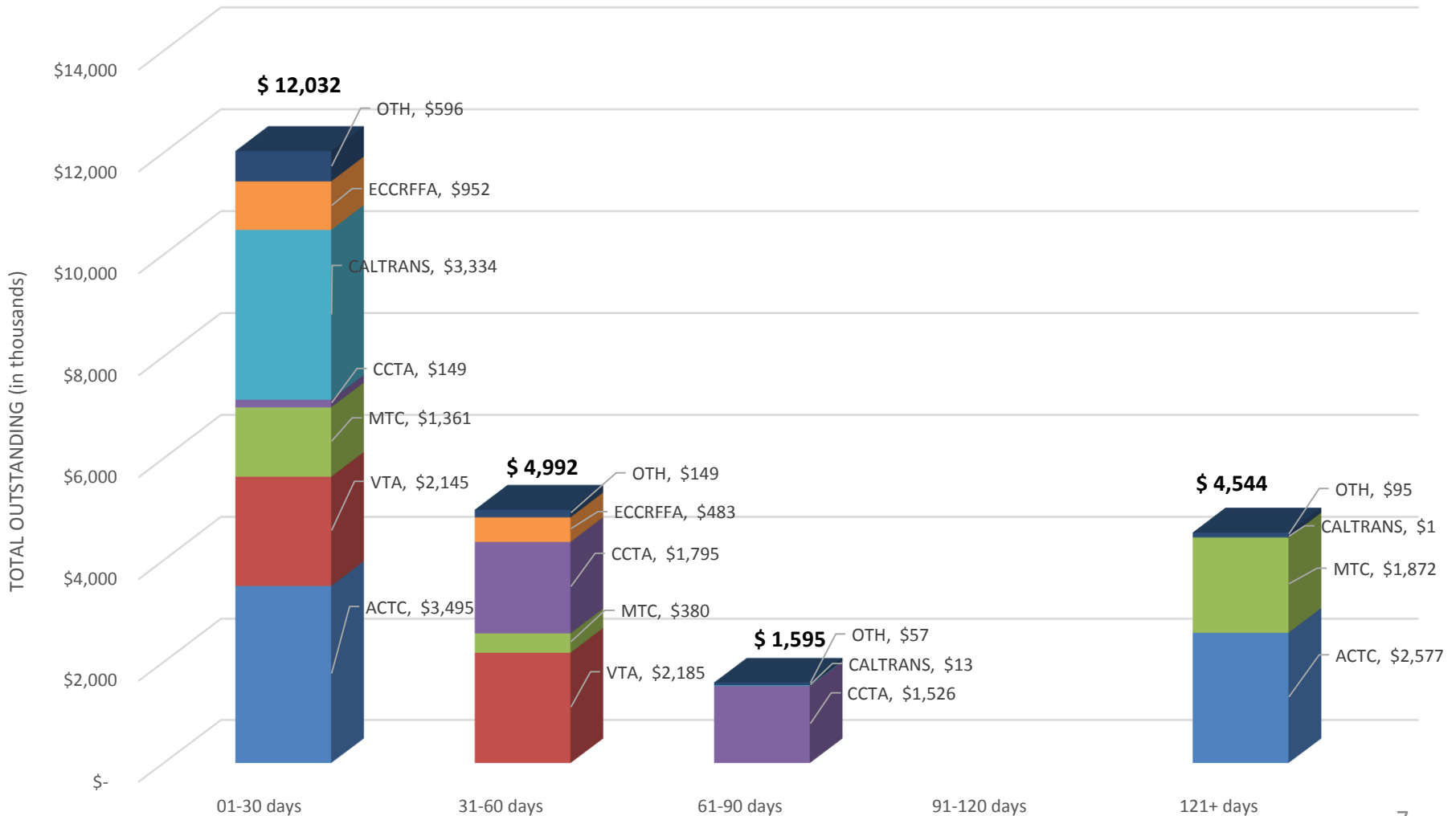
# Quarterly Report of the Controller-Treasurer

## Period Ended 12/31/17

### Accounts Receivable

- The time to receive reimbursement funding from our funding partners is shown in the chart below. The amount outstanding is \$23,163,000 as of December 31, 2017.

### Amount Billed A/R Grants as of 12/31/2017



# Quarterly Report of the Controller-Treasurer

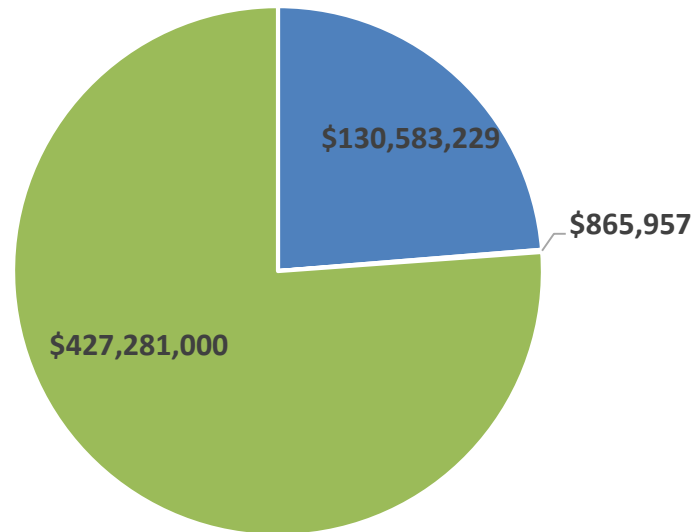
## Period Ended 12/31/17

### 3. DISTRICT FINANCES

The District continues to actively search for investments which meets the Investment Policy and generates a yield higher than zero. Shown below are the composition of the District's cash and investments as of the end of the quarter.

#### Cash and Investments

- Total Cash in Banks: \$130,583,229
- Total CD Investments: \$865,957
- Total Government Securities: \$427,281,000
- Return on T-Bill Investments: Weighted average is 1.24% - Due to a better market, rates are up slightly from 1.03% reported in previous quarter. The weighted average maturity (WAM) of our T-Bill Investment portfolio is 187 days.
- Pie chart showing the difference in cash, CD investments and government securities



#### Government Securities:

- FHLB
- UST
- IADB
- IFC
- FNMA



# Quarterly Report of the Controller-Treasurer

## Period Ended 12/31/17

### Debt

- The District currently has two types of debt outstanding:
  1. Sales Tax Revenue Debt
  2. General Obligation Debt

#### **Sales Tax Revenue Debt**

- Currently outstanding debt of \$528.81 million.
- Annual Debt Service \$41.9 million (effective after December 2017 Sales Tax Refunding).
- Debt Services comes “off the top” of sales tax revenues remitted to the district by the State Board of Equalization.
- This directly impacts the operating budget.

#### **General Obligation Bonds**

##### ❖ **Measure AA**

- Currently outstanding debt of \$566.2 million.
- Issued \$740 of \$980 authorized.
- Most recent assessment for fiscal year 2017/2018 is \$6.30/\$100,000

##### ❖ **Measure RR**

- Currently outstanding debt of \$271.6 million.
- Issued \$300 million out of \$3.5 billion authorized.
- Most recent assessment for fiscal year 2017/2018 is \$2.10/\$100,000