



Controller-Treasurer's Quarterly Report Period Ending June 30, 2023 and September 30, 2023



BART Board of Directors
January 25, 2024

Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

- 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 \$462 billion.
 - ✓ The District established a Section 115 Trust for prefunding the District's pension obligation on February 5, 2020.
 - **Retiree Medical Benefits** coverage funded by a Trust established by the District in 2005.
 - a. Invested in a combination of stocks, bonds, REIT & cash,
 - b. Benchmark 6.5%,
 - c. Quarterly Report to the Unions
 - **Survivor Benefits** of active and retired employees funded by the employees (\$15/month).
 - ✓ The Trust was established on May 18, 2020.
 - **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.

Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

Funding Status of Pension Obligations

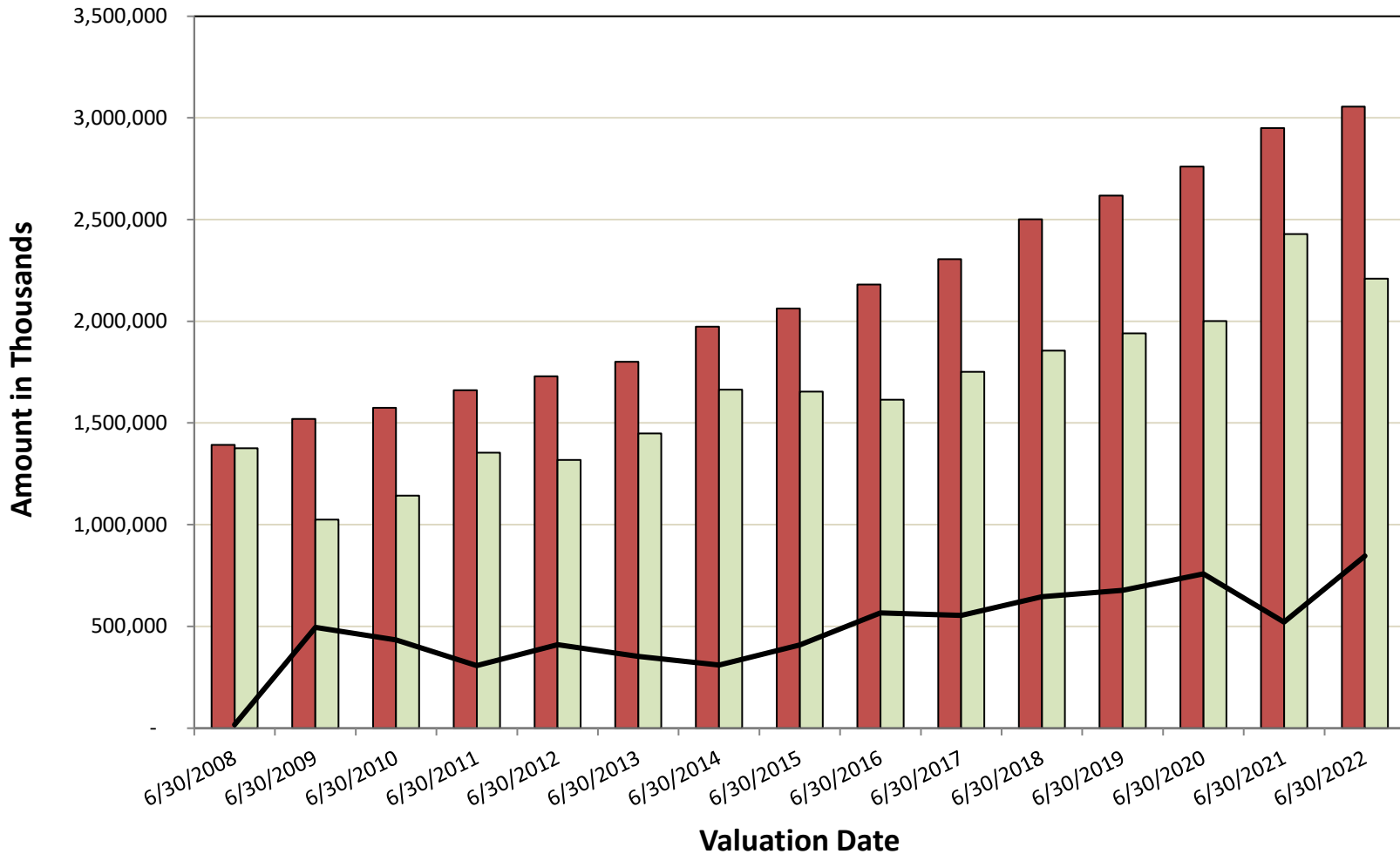
	<u>Report Date</u>	<u>Market Value of Assets</u>	<u>Total Accrued Liability</u>	<u>Unfunded Liability</u>	<u>% Funded 06/30/2022</u>	<u>% Funded 06/30/2021</u>
Funds Managed by CALPERS						
Miscellaneous Employees	6/30/2022	\$ 2,209,563,221	\$ 3,055,735,077	\$ 846,171,856	72.3%	82.3%
Safety Employees	6/30/2022	\$ 271,553,423	\$ 474,850,794	\$ 203,297,371	57.2%	65.5%
Section 115 Pension Trust	9/30/2023	\$ 37,842,631		\$ (37,842,631)		
Total - Pension Benefit Obligations		<u>\$ 2,518,959,275</u>	<u>\$ 3,530,585,871</u>	<u>\$ 1,011,626,596</u>		

Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

CALPERS Miscellaneous Pension Plan Funding Progress

■ Accrued Liability
 ■ Market Value of Assets
 — Unfunded Liability

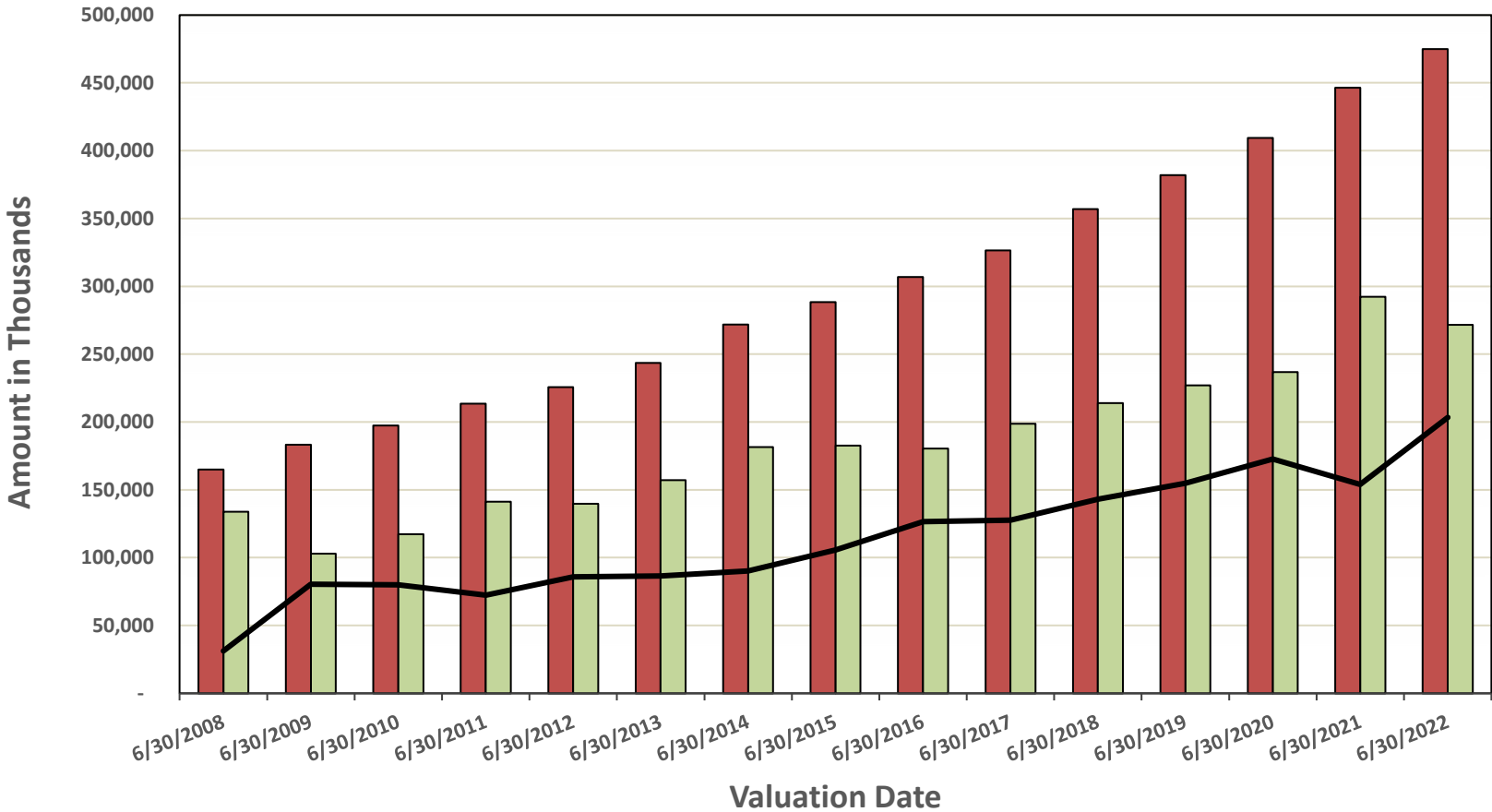


Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

CALPERS Safety Pension Plan Funding Progress

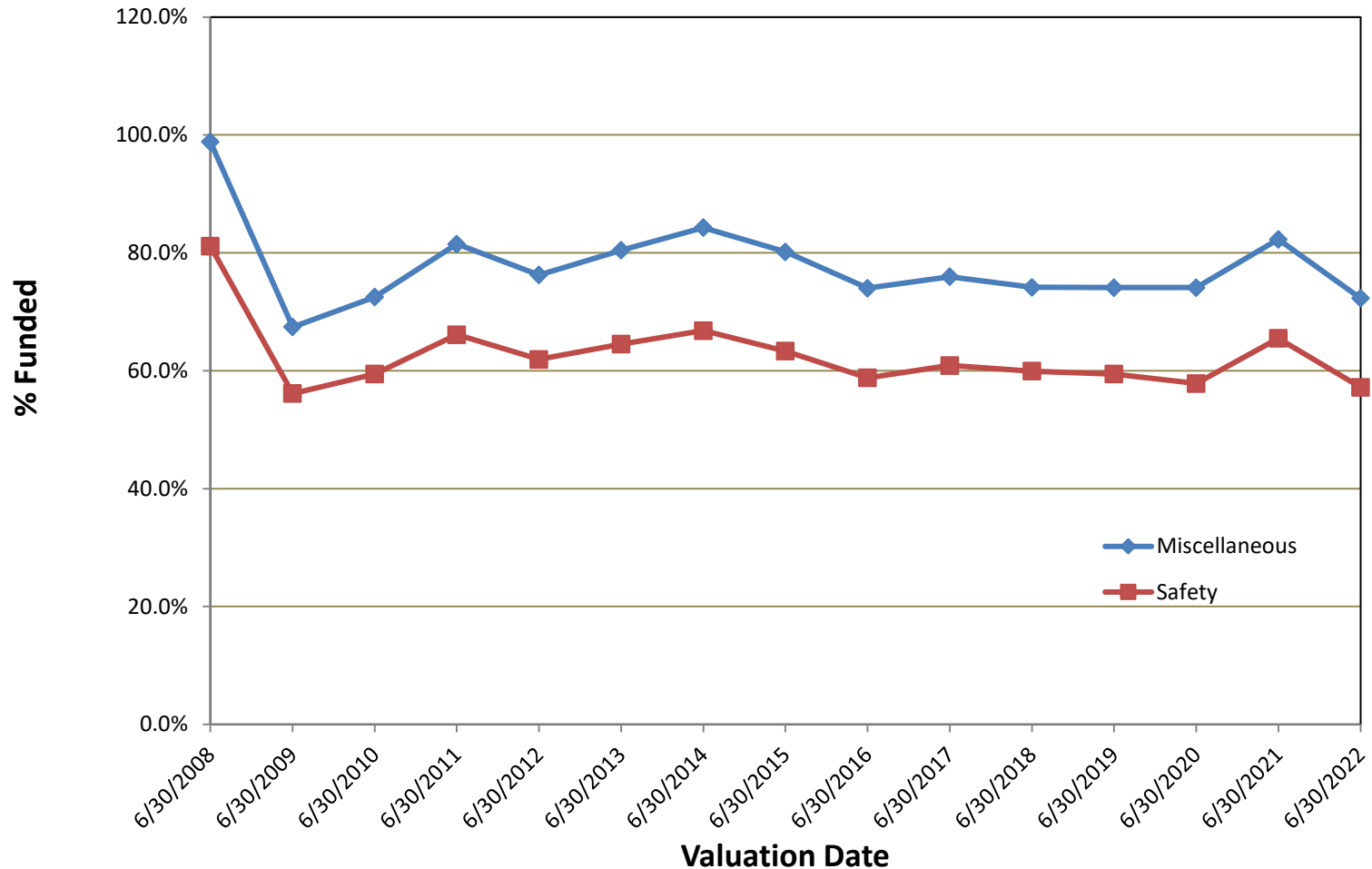
■ Accrued Liability
 ■ Market Value of Assets
 — Unfunded Liability



Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

CALPERS Pension Plan Funding Progress



Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

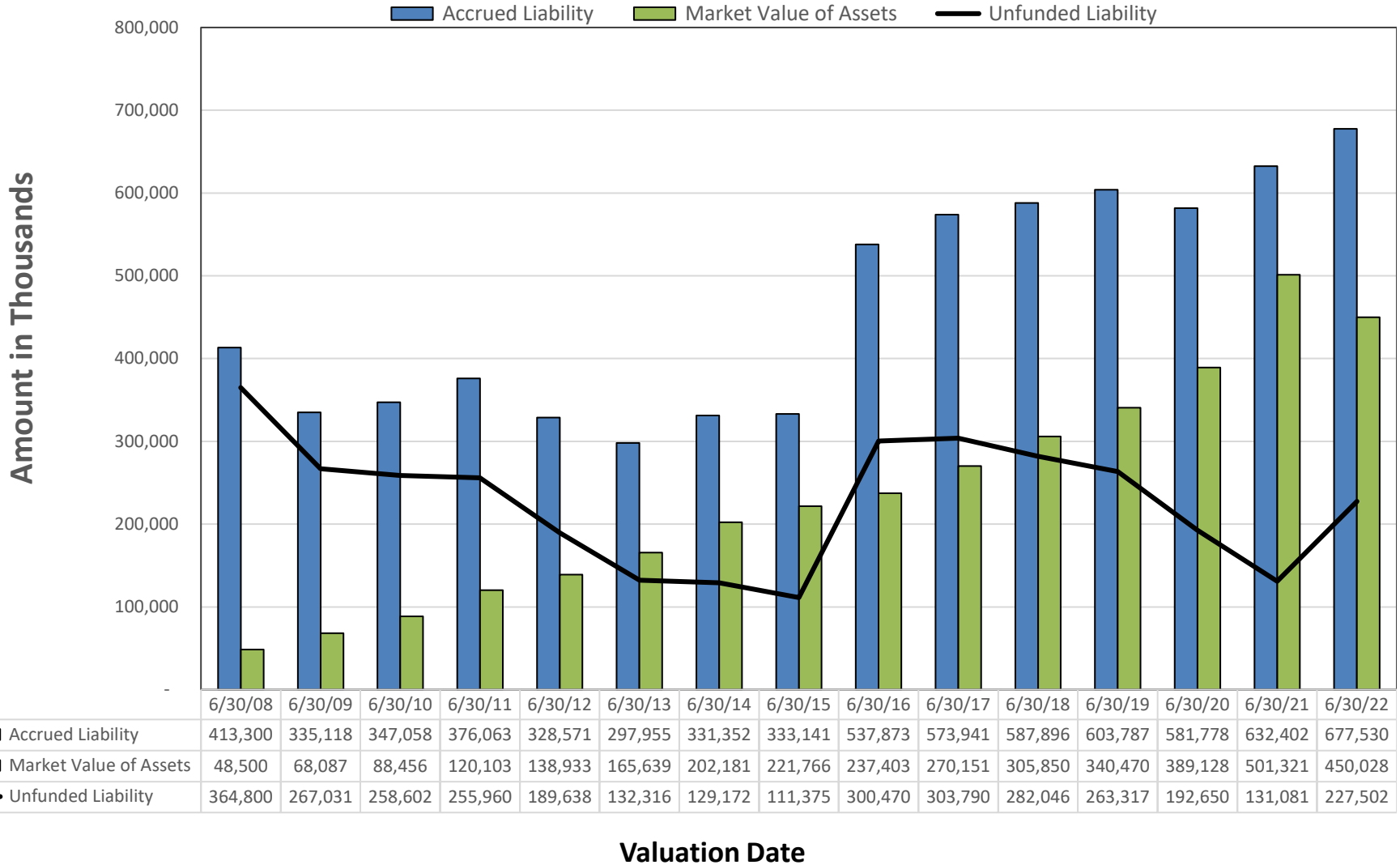
Funding Status of Other Post Employment Benefit Obligations

	<u>Report Date</u>	<u>Market Value of Assets</u>	<u>Total Liability</u>	<u>Unfunded Liability</u>	<u>% Funded</u>
Retiree Health Benefits	6/30/2022	\$ 450,028,000	\$ 677,530,000	\$ 227,502,000	66.4%
Other Post Employment Benefits					
Life Insurance	6/30/2022	\$ -	\$ 45,887,000	\$ 45,887,000	0.0%
Survivors Benefits	6/30/2022	\$ 9,489,000	\$ 21,030,000	\$ 11,541,000	45.1%

Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

Funding Progress Retiree Health Benefits Plan



Controller-Treasurer's Quarterly Report Period Ending June 30, 2023 and September 30, 2023

Summary of Trust Assets for Post Employment Benefits Held by the District

Quarterly Change

	Net Assets March 31, 2023	Contributions	Insurance Premium and Other Expenses	Gain (Loss)	Net Assets June 30, 2023	Inception to-date Return	Quarterly Return
Retiree Health Benefit Trust	\$ 481,697,680	\$ 8,363,538	\$ (8,049,900)	\$ 24,381,670	\$ 506,392,988	6.9%	5.0%
Section 115 Pension Trust	38,244,225		-	(163,171)	38,081,054	-1.6%	-0.4%
Survivors Benefit Trust	10,312,532	207,878	(115,576)	485,017	10,889,851	5.4%	4.9%
Total	\$ 530,254,437	\$ 8,571,416	\$ (8,165,476)	\$ 24,703,516	\$ 555,363,893		

	Net Assets June 30, 2023	Contributions	Insurance Premium and Other Expenses	Gain (Loss)	Net Assets September 30, 2023	Inception to-date Return	Quarterly Return
Retiree Health Benefit Trust	\$ 506,392,988	\$ 11,670,692	\$ (7,971,846)	\$ (13,913,561)	\$ 496,178,273	6.6%	-2.7%
Section 115 Pension Trust	38,081,054		-	(238,423)	37,842,631	-1.7%	-0.6%
Survivors Benefit Trust	10,889,851	208,778	(82,318)	(269,628)	10,746,683	4.0%	-2.5%
Total	\$ 555,363,893	\$ 11,879,470	\$ (8,054,164)	\$ (14,421,612)	\$ 544,767,587		

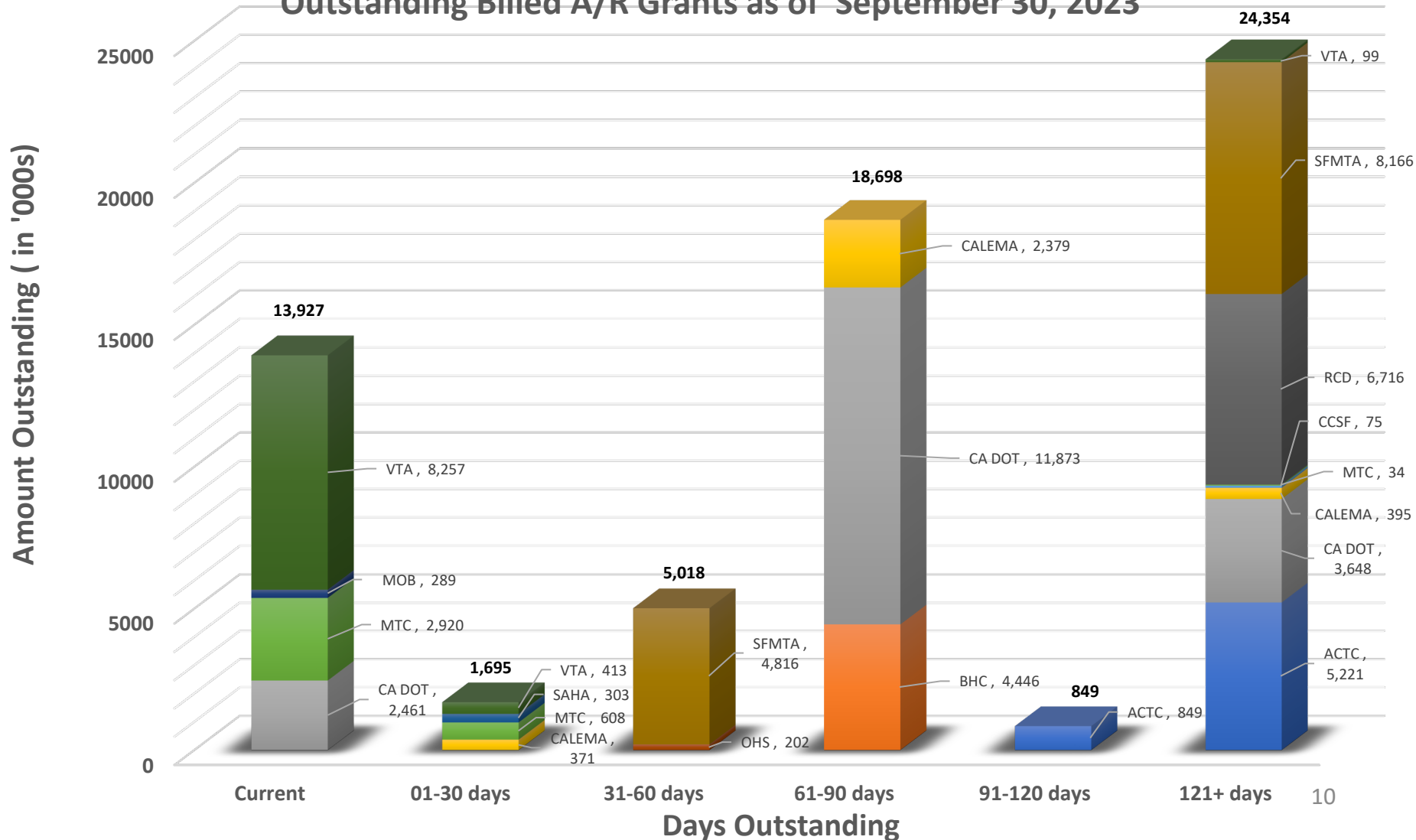
Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

Accounts Receivable

- The status of receivables from our funding partners is shown in the chart below. The amount outstanding is \$64,541,441 as of September 30, 2023.

Outstanding Billed A/R Grants as of September 30, 2023



Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

Cash and Investments

Shown below are the composition of the District's cash and investments for the General Fund and Working Capital Fund as of the end of the quarter.

	<u>6/30/2023</u>	<u>% Allocation</u>	<u>9/30/2023</u>	<u>% Allocation</u>
CD, Cash on hand and Cash In Bank	\$ 56,007,144	6%	\$ 49,251,318	5%
Mutual Fund - Bond Fund	38,081,054	4%	37,842,631	4%
U.S. Government Securities	877,715,000	89%	930,654,000	90%
Local Agency Investment Fund	15,741,462	2%	15,883,412	2%
Total Cash & Investments	<u>\$ 987,544,660</u>	<u>100%</u>	<u>\$ 1,033,631,361</u>	<u>100%</u>

Breakdown of U.S. Government Securities:

U. S. Treasury	\$ 420,000,000	\$ 456,445,000
Federal Home Loan Banks Discount Note (FHDN)	75,000,000	25,000,000
Federal Home Loan Banks (FHLB)	310,000,000	421,994,000
Federal Farm Credit Banks (FFCB)	72,715,000	27,215,000
Total U.S. Government Securities	<u>\$ 877,715,000</u>	<u>\$ 930,654,000</u>

* Weighted average return on Investments in U.S. Government Securities were 4.70% (06/30/2023) and 5.15% (09/30/2023).
The yield on Local Agency Investment Fund were 3.15% (06/30/2023) and 3.59% (09/30/2023).

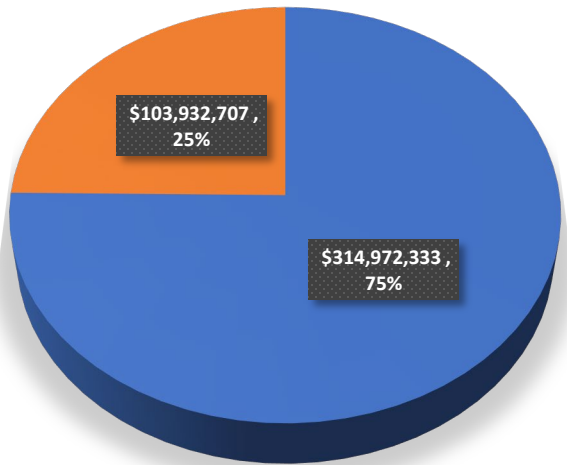
Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

Breakdown of Cash and Investments

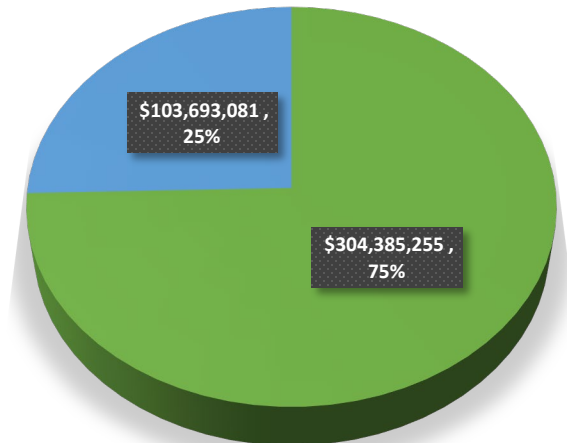
	June 30, 2023			September 30, 2023		
	General Fund	Capital Fund	Total	General Fund	Capital Fund	Total
Restricted	\$ 15,524,434	\$ 14,424,160	\$ 29,948,594	\$ 21,345,948	\$ 13,757,188	\$ 35,103,136
Unrestricted	\$ 553,115,186	\$ 404,480,880	\$ 957,596,066	\$ 604,207,077	\$ 394,321,148	\$ 998,528,225
	<u>\$ 568,639,620</u>	<u>\$ 418,905,040</u>	<u>\$ 987,544,660</u>	<u>\$ 625,553,025</u>	<u>\$ 408,078,336</u>	<u>\$ 1,033,631,361</u>

**Capital Funding Commitment
June 2023**



■ Allocated ■ Scheduled to be Allocated

**Capital Fund Commitment
September 2023**



■ Allocated ■ Scheduled to be Allocated

Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

Summary of Outstanding Bonds

	Authorized	Issued as of 09-30-2023	Outstanding Balance 03-31-2023	Issuance	Payments	Outstanding Balance 09-30-2023	Annual Debt Service Fiscal Year 2024	Property Tax Assessments Fiscal Year 2024**
Sales Tax Revenue Bonds *		\$ 984,260,000	\$ 626,070,000	\$ -	\$ (35,265,000)	\$ 590,805,000	\$ 60,131,289	
Measure AA General Obligation Bonds	\$ 980,000,000	\$ 980,000,000	\$ 628,865,000	\$ -	\$ (27,355,000)	\$ 601,510,000	\$ 54,656,844	\$4.80/\$100,000
Measure RR General Obligation Bonds	\$ 3,500,000,000	\$ 2,060,000,000	\$ 1,855,420,000	\$ -	\$ (11,355,000)	\$ 1,844,065,000	\$ 98,533,175	\$8.60/\$100,000
Total		<u>\$ 4,024,260,000</u>	<u>\$ 3,110,355,000</u>	<u>\$ -</u>	<u>\$ (73,975,000)</u>	<u>\$ 3,036,380,000</u>	<u>\$ 213,321,308</u>	

* Sales Tax Revenue Bonds with outstanding balances.

** Net of Cash Available for Debt Service collected from prior year's assessment.

Controller-Treasurer's Quarterly Report

Period Ending June 30, 2023 and September 30, 2023

Operating and Other Reserves

<u>Quarterly Changes</u>		April - June 2023		July - September 2023		<u>Sept. 30, 2023</u>
		<u>March 31, 2023</u>	<u>Additions</u>	<u>Usage</u>	<u>Additions</u>	
Operating Reserve	(1)	\$ 53,708,182	\$ -	\$ -	\$ -	\$ 53,708,182
Insurance Calamity Reserve	(2)	9,000,000	-	-	-	9,000,000
Operating Reserve - Economic Uncertainty						
General Reserve for Economic Uncertainty	(3)	25,345,543				25,345,543
From Federal Assistance - ARP	(3)	396,662,177	86,998,650	(65,808,434)	111,135,866	(99,113,914)
Operating Reserve - Fiscal Stability - Pension	(4)	38,244,225		(163,171)		(238,423)
Operating Reserve - Low Carbon Fuel Standards Credits	(5)	18,498,668				18,498,668
Working Capital Reserve Fund	(6)	85,470,226	693,472	-	883,565	-
Operating Reserve - eBART Operations	(7)	5,390,000				5,390,000
Total		<u>\$ 632,319,021</u>	<u>\$ 87,692,122</u>	<u>\$ (65,971,605)</u>	<u>\$ 112,019,431</u>	<u>\$ (99,352,337)</u>
			<u>\$ 666,706,631</u>			

- (1) Cumulative balance of operating reserves per "Financial Stability Policy" approved by the Board.
- (2) This reserve was set aside in the 1960s to cover catastrophic losses associated with District property damage, public liability and workers' compensation claims.
- (3) Operating reserve set aside due to uncertain economic conditions.
- (4) Amount set aside in FY18, FY19, FY20, FY21, and FY22 for pension contribution or for prefunding of the District's pension obligation. A Section 115 Pension Trust has been created for this reserve.
- (5) Portion of proceeds from sale of Low Carbon Fuel Standards credits sold set aside to support operations per "Low Carbon Fuel Standard Policy" approved by the Board in July 2017.
- (6) Working capital fund.
- (7) FY21 year end operating allocation for eBART non-labor operating cost.