



SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
FY25 & FY26 Adopted Budget

August 2024

Bevan Dufty, President, Board Of Directors
Robert Powers, General Manager



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**San Francisco Bay Area Rapid Transit District
California**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morrill

Executive Director

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1. Message From Leadership

Dear Bay Area Rapid Transit (BART) Riders, Members of the Community, Labor Partners, and Staff:

Following significant advocacy, budgeting solutions, and a renewed focus on the customer experience, we present BART's Fiscal Years 2025 & 2026 (FY25 & FY26) Adopted Budget.

BART continues to face serious financial challenges brought on by the COVID-19 Pandemic, a slow downtown recovery, and the wide acceptance of remote work. To meet the changing transportation needs of the Bay Area, BART's top priority is to grow and retain ridership through direct and visible actions to improve the customer experience.

Ridership levels have stabilized, but the prolonged loss of over half of BART's pre-COVID-19 ridership has created an ongoing structural deficit. BART continues to rely heavily on federal, regional, and state emergency assistance to support service. It is clear BART needs to invert its funding model to rely less on passenger revenues and more on public investment – a model similar to most other North American transit operators. Without new revenue sources, BART cannot sustain current service levels through the end of FY26, when all emergency assistance is expected to be expended.

Despite these headwinds, District staff, the Board of Directors, and our stakeholders are committed to pursue long-term sustainable funding solutions so that BART can continue to provide the high-quality service the Bay Area needs.

Service and Ridership Experience that Meet the Needs of All Riders

BART's mission is to provide safe, reliable, clean, and quality service for riders. As such, the FY25 & FY26 Adopted Budget funds a reimagined service plan that meets changing ridership patterns. In September 2023, a new service schedule was implemented with great success, providing more robust nighttime and weekend service, emphasizing ridership growth opportunities and relying less on outdated commute patterns. Train lengths were also shortened as demand does not require full 10-car trains; this change has generated operational savings without sacrificing service levels or reliability. BART coordinates closely with other transit operators to schedule connections where possible; across the region, 90% of transit transfers using Clipper involve a leg on BART.

BART is focused on enhancing rider safety, increasing transparency, and engaging the community to proactively address transit safety concerns. The BART Police Department has deployed more uniformed officers throughout the system to complement existing Transit Ambassador and Crisis Intervention Specialists. The Managers Riding Trains initiative has further increased employee presence in the system. By the end of 2025, new fare gates to deter fare evasion and modernize our stations will be installed across the system.

Renewed efforts to keep trains and stations cleaner than ever are paying off. BART's Safe and Clean Action Plan has doubled the rate of deep cleaning of cars and we added nearly 66% more dedicated crews working to keep stations clean. Running only new Fleet of the Future rail cars and staffing restrooms at high-volume stations with attendants has also enhanced the feeling of cleanliness and safety.

Looking Ahead

Throughout the Pandemic, BART has been a regional and national leader, advocating for the needs of transit agencies and riders. We will remain at the forefront of transit funding efforts while advancing improvements in transit coordination across the Bay Area to make it easier to ride all transit in the region. However, BART cannot sustain our current service levels without outside assistance. This will start with the FY26 budget, which is not balanced. Looking past the two-year budget horizon, we project annual shortfalls averaging \$375M per year starting in FY27.

We remain confident that BART, the transit backbone of the Bay Area, will secure a long-term revenue source that will support the level of sustainable, green transit service the Bay Area needs. In the meantime, BART is working to gain new riders, reduce expenses, and build public confidence wherever possible.

We sincerely thank our riders, dedicated employees, labor partners, the Board of Directors, and our local, state, and national elected leaders for their continued support. Together, we've made a commitment to a cleaner, safer ride that guarantees BART remains the best way to travel the Bay Area.



Bevan Dufty
BART Board President, 2024



Robert M. Powers
BART General Manager

2. Executive Summary

Introduction

BART's FY25 & FY26 Adopted Budget supports high quality rail service and the implementation of improvements to service levels, frontline staffing, support services, and the customer experience.

Improving the Rider Experience and Optimized Service Schedule

Over the past year, BART has focused on ensuring adequate staffing levels needed to deliver reliable, clean, and safe service are in place by hiring more station agents, train operators, station cleaners, car cleaners, and rail controllers, while filling more vacant police officer positions. Staff play an essential role in delivering welcoming service, and these investments are necessary for providing a quality customer experience to transit dependent riders and those who chose to take BART instead of driving.

BART's strategy of end-to-end customer service improvements continues with a focus on passenger information and increased staff presence in the system to complement better service. Stations are being revamped with new faregates, station entrance signage, tap-and-go parking payment, updated wayfinding, LED lighting, and new and redesigned train arrival display boards. Packaged together, these improvements create a more comfortable, simple, and streamlined passenger journey. Further, BART has bolstered the presence of staff in the system, including sworn police officers, community service officers, ambassadors, crisis intervention specialists, and uniformed managers riding trains during peak hours. The result is that overall customer satisfaction as measured by the Passenger Experience Survey increased to 81% in the fourth quarter of FY24, demonstrating that the investments BART has been making are delivering results for riders.¹

BART has optimized its train lengths and schedule to better match current passenger flows. After implementing a new base schedule in September 2023, BART continues to make small adjustments to its service to improve key connections and reduce crowding. These include improved transfers to Caltrain at Millbrae Station, restoration of the transfer at Bay Fair Station for Richmond-bound Blue Line commuters, and adjustments to train spacing and patterns on the Orange, Green, and Yellow lines. As ridership evolves, BART will continue to make changes to reduce trip and transfer times while minimizing crowding.

BART is also improving fare products and regional connectivity. Along with the Metropolitan Transportation Commission (MTC), BART co-leads the region's Clipper BayPass pilot program, which offers employers, universities, and housing developments the option to buy convenient all-agency transit passes for their constituents. Thousands of riders are already enjoying Clipper BayPass benefits, with more coming in FY25. BART will also continue the successful Clipper START pilot program in FY25; since BART increased the Clipper START discount for eligible low-income riders to 50% off in January 2024, START trips have more than doubled. Together, these initiatives are making it easier and more affordable for Bay Area residents to ride BART.

Re-alignment of Frontline Operating Staff

After a thorough review of the Transportation Department's staffing levels to determine the optimal numbers needed for service, additional station agent, train operator, and foreworker positions have been added to the department's authorized position levels. These additional positions will ensure BART can deliver reliable service while reducing reliance on overtime. In fact, BART is already seeing service quality improvements; as more frontline staff have been hired, trained, and begun working in the system. The number of missed train dispatches has stabilized at about 1% of all scheduled trains, meaning only one of every hundred trains scheduled by BART does not run.

¹ [BART FY24 Q4 Quarterly Performance Review](#)

A workload review also led to the reassignment of existing, mostly filled Maintenance Department positions. Over the past several years, staff initially hired to work on capital project delivery have been reassigned to primarily operating-funded work. These staff were reassigned in order to maintain the system and support service levels, which are activities that are funded by operating funding. The funding source change for these positions in the FY25 & FY26 Adopted Budget reflects this workload shift as well as the anticipated nature of their work over the coming years. BART will continue to prioritize using BART staff to deliver capital work by optimizing capital project timing and schedules. Along with technical corrections to projected capital labor reimbursements, this action will reduce budget-to-actuals variance beginning in FY25, leading more accurate operating budget.

Capital Budget Prioritizes Reliability and Reinvestment

BART has been hard at work rebuilding the system and investing in capital improvements with the goal of increasing reliability and improving the customer experience. Phase One of BART's Fleet of the Future Rail Car Procurement project, which replaces BART's legacy rail car fleet and expands the fleet to serve the first phase of the BART-to-Silicon Valley Extension (BSVII), is nearing completion. Today, BART is running only the new Fleet of the Future rail cars, providing a more reliable and comfortable ride for passengers. Phase Two of the project is now underway, expanding the fleet to enable more frequent, longer trains and to accommodate the second phase of BSVII.

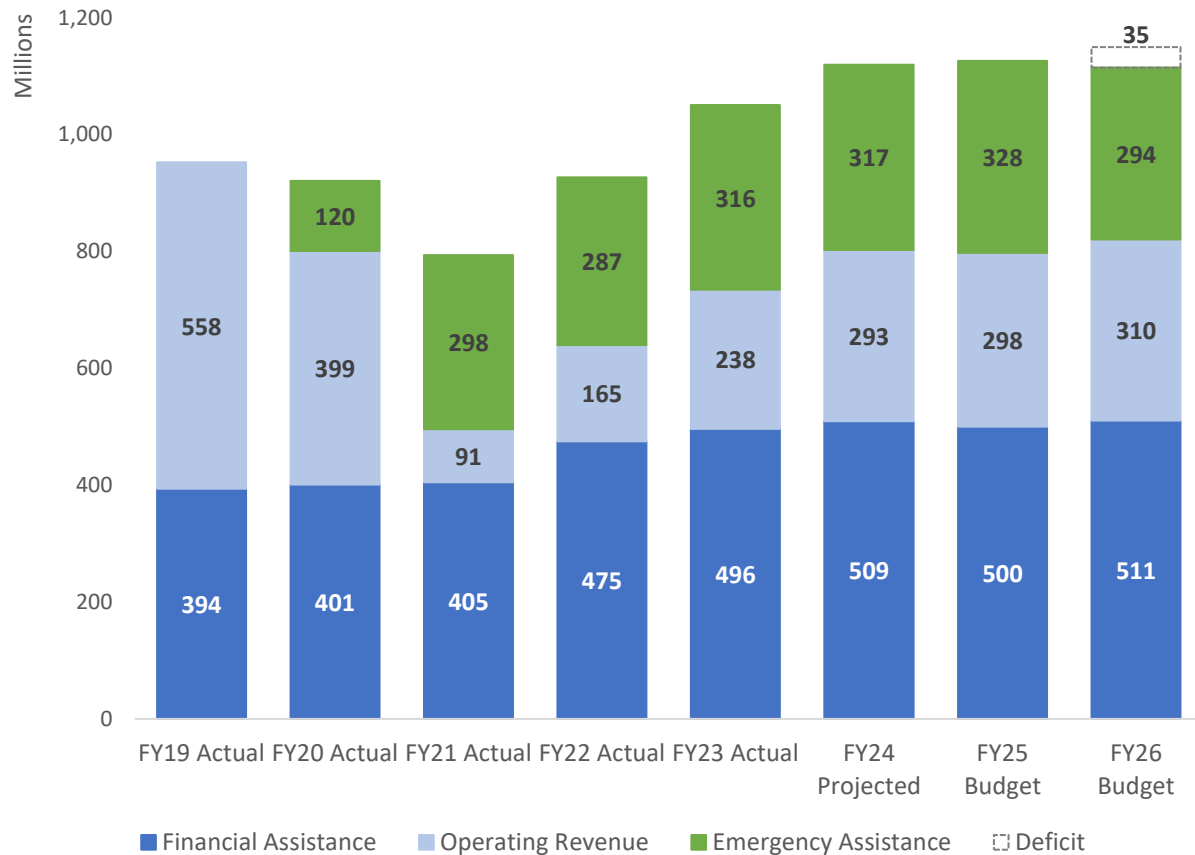
Investments in traction power infrastructure and the replacement of aging track minimizes service disruptions and increases on-time performance. Other key capital projects are well underway, including the replacement of BART's 50-year-old fixed block train control system with a modern, communications-based train control system, which will improve service reliability and enable more frequent trains. The Next Generation Fare Gates Project, which will replace fare gates throughout the system with new gates that are more reliable, easier to maintain and more resistant to fare evasion, successfully completed a pilot deployment at the West Oakland Station and is commencing broader implementation. Notably, BART has now completed its Earthquake Safety Program, funded by Measure A general obligation bonds, with the final improvements to the Transbay Tube now delivered.

Fiscal Prudence and Uncertain Financial Future

BART's projected deficits, which begin in FY26, have increased due to a combination of cost pressures and softening revenue projections. Since 2020, BART has relied on emergency assistance to cover the gap between revenues and expenditures. Though revenues have stabilized, a persistent shift to hybrid-remote work and fewer commute trips means revenue growth has slowed since 2020. During this budget cycle, ridership is expected to grow modestly, with a baseline of around 150,000 – 185,000 average weekday trips in FY25 and FY26. Sales tax revenues, BART's largest regular revenue source, are anticipated to remain mostly stable.

The prolonged loss of over half of BART's pre-COVID-19 ridership brought a corresponding loss of passenger revenue, which had been the single largest funding for BART operations. While ridership levels have stabilized, the decline in ridership has created an ongoing structural deficit. BART's long-term business model needs to be overhauled.

Figure 1: Operating Budget Sources by Type



In the near term, BART will use the last of its federal emergency assistance in FY25, and all SB125 state and regional emergency assistance before the end of FY26. As no additional emergency assistance is anticipated at this time, BART will make operating budget cuts to adopt a balanced FY26 & FY27 budget in June of 2025.

At budget adoption in June 2024, the FY26 deficit stands at \$35.4M, with a \$385M deficit projected for FY27. The FY26 deficit represents 3% of the operating budget. However, without any emergency assistance available, the FY27 operating deficit represents 35% of projected operating expense. Though deficits are projected to decline modestly in subsequent years, they are structural, meaning they will occur every year; one-time sources or cuts will not solve the difference between revenue and expense, and can only be used to temporarily support current service and staffing levels.

In 2023, BART conducted an internal financial review designed to identify and implement revenue enhancing measures, cost reductions, and other ways to operate more efficiently. As some of these measures are being implemented, a financial re-organization continues with the merger of two executive offices under BART’s first Chief Financial Officer, expected to be hired by the end of 2024.

BART continues to advocate at the federal, state, and regional levels for a permanent funding source to assist with closing the structural operating deficit.

3. About BART

BART's mission is to provide safe, reliable, clean, quality transit service for riders. Since service began in 1972, BART has played a critical role in providing mass transit to the Bay Area. Connecting the San Francisco Peninsula with communities in the East Bay and South Bay, BART is the largest heavy-rail public transit system in the Western United States.

BART tracks cover more than 130 miles and service extends to Millbrae, Richmond, Antioch, Pleasanton, and North San José. BART also provides service to two major airports, San Francisco International Airport and San Francisco Bay Oakland International Airport, which connects both residents and visitors from all over the globe to the surrounding area. In 2024, BART delivered over 49 million passenger trips - helping riders travel to their jobs, schools, entertainment, and opportunities.

BART is committed to supporting a sustainable and prosperous Bay Area by connecting communities with seamless mobility. A key element of this vision is being responsive to changes in mobility needs. BART does this by adjusting service plans based on current ridership data and predictions about future ridership trends. More recently, BART introduced a service plan that relies less on work commutes and offers increased service on nights and weekends, where ridership is growing at a faster rate.

BART Trains and Service

BART is primarily a traction power rail system. This type of system uses electricity to power trains through third rail electrification. BART's electric supply portfolio is comprised of wholesale wind, solar, and hydroelectric sources, as well as five onsite solar projects located across the system. BART's traction power in calendar year 2023 was 88% greenhouse gas free, with over 50% defined as eligible renewable energy under California state law.

Figure 2: BART Station Map



The BART system consists of five lines of service that run through urban and suburban landscapes, supporting 50 stations across five counties: San Francisco, San Mateo, Alameda, Contra Costa, and Santa Clara.

As a protected right-of-way commuter rail system, BART trains have exclusive use of its tracks and are not affected by traffic conditions that often impact travel times on roads and highways. The right-of-way system bypasses congestion and helps people spend less time traveling. When taking BART, passengers can expect more predictable transit speeds and travel times.

Since early 2024, BART has been running only new Fleet of the Future cars, having retired its legacy train fleet. The new cars are quieter, cooler, and have several new attributes, including meaningful accessibility features, that help passengers enjoy a more comfortable ride.

BART and the Bay Area Transportation Network

BART is one of many options people can choose to meet their mobility needs. The Bay Area transportation system also offers a complex network consisting of highways, local streets, sidewalks, bikeways, bus routes, ferry service, and rail lines. BART trains run on routes that are often parallel to congested highways and offer the public an alternative and often faster and lower cost solution to driving.

BART is as an important link between local and regional transportation systems, helping people travel swiftly and easily. BART works closely with transit operators in the region to ensure seamless

connectivity across transportation services. A trip can be completed through a combination of travel methods, both rail and non-rail. To ensure riders' needs are met, BART also focuses on the connectivity of transportation options and the infrastructure needed to accommodate multimodal transportation. For instance, many BART stations have valet and self-park options for bikes. BART has also made it easier for passengers who want to bring their bike with them on BART; some stations now have bike stair channels, and BART trains have leaning bars and straps for bicycles. BART also updated its policy to allow bikes on escalators with the growing popularity of e-bikes, which are heavier to carry up and down stairs.

Governance

BART is designated as a special purpose district, established in 1957 pursuant to California Public Utilities Code Section 28500 et seq., known as the San Francisco Bay Area Rapid Transit District Act or BART Act.² BART's Board of Directors is the legislative body responsible for establishing BART policy. Senior staff work closely with the Board of Directors to help ensure delivery of safe and reliable service.

There are nine members of the Board of Directors, each representing a district within BART's geographical service area. The geographical boundaries of the districts are depicted in the map shown in Figure 2. Each Director is elected by voters within their election district and serves a four-year term. Elections are on a two-year cycle, alternating between odd numbered districts elections (Districts 1, District 3, District 5, District 7, and District 9) and even numbered district elections (District 2, District 4, District 6, and District 8).

Regular meetings of the Board of Directors are held in person. Members of the public may attend these meetings in person or via teleconference with the exception of closed sessions. More information about BART's Board of Directors, board meetings, and public comment opportunities can be found at www.bart.gov.

²https://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=PUC&division=10.&title=&part=2.&chapter=&article=

Figure 3: BART Districts

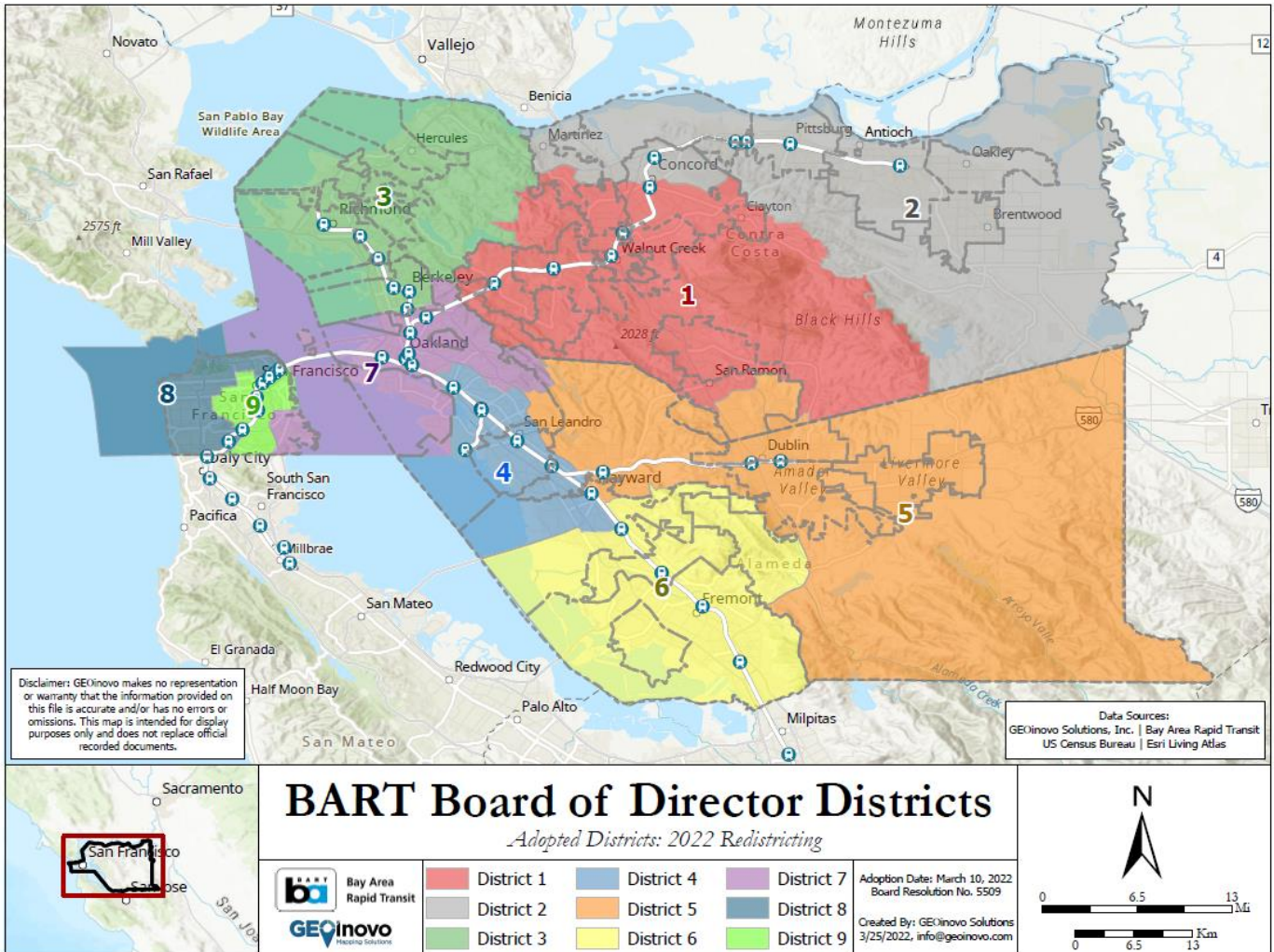


Table 1: BART Districts

| Director | District | Term Expiration (December) |
|-----------------------------|----------|----------------------------|
| Debora Allen | 1 | 2024 |
| Mark Foley (Vice President) | 2 | 2026 |
| Rebecca Saltzman | 3 | 2024 |
| Robert Raburn | 4 | 2026 |
| Melissa Hernandez | 5 | 2024 |
| Liz Ames | 6 | 2026 |
| Lateefah Simon | 7 | 2024 |
| Janice Li | 8 | 2026 |
| Bevan Duffy (President) | 9 | 2024 |

4. Overview of the Budget Development and Process

Each year, BART makes decisions on how to allocate funds based on the resources that are available and the priorities of the organization and those it serves. BART's financial decisions are guided by several key factors. Input is solicited from staff, the Board of Directors, members of the public, and other stakeholders. Decisions are also informed by Board Rules and Policies, BART's Strategic Plan Framework and Two-Year Action Plans (Attachments H-N), while being constrained by a set of financial policies.

Each year, BART adopts a two-year budget, which includes the current fiscal year (which was already budgeted in a previous year) and a budget for the next fiscal year. BART is not required to, but strives to, balance its budget. A two-year budget is a helpful tool for supporting long-term strategic decision making.

BART's budget consists of an operating and a capital budget. The operating budget funds the annual operations and maintenance of the BART system. The capital budget funds the construction, expansion, renovation, replacement, and improvement of physical assets (new train cars, equipment, station access improvements, etc.). Each budget is divided into revenues (sources) and expenses (uses). Generally, operating revenue is intended to be ongoing and is funded annually. Capital funding, on the other hand, is split between formulaic sources, which are generally allocated each year, and competitive grant sources that are awarded periodically based on assessment criteria. Capital funding is typically spent over multiple fiscal years, depending on the duration of the capital project.

Key Participants

BART's key financial decision makers have historically been the Assistant General Manager for Performance & Budget and the Controller-Treasurer, under direction of the General Manager and Board of Directors, respectively. Beginning in FY24 and continuing through FY25, BART is consolidating these financial functions under a Chief Financial Officer, who will report directly to the General Manager³. This reorganization has improved coordination and collaboration between the two teams and is expected to generate operational efficiencies and clearer financial reporting.

Fund Structure

BART's operating budget functions as a single general fund. There are no internal service or enterprise funds; revenue is not assigned to specific cost centers or organizational units.

BART maintains several other dedicated and grant funds for the purpose of funding capital projects, which are budgeted as separate projects with balanced revenues and expenditures.

Basis of Budgeting

The basis of budgeting used by BART is accrual basis and runs on July 1 through June 30 fiscal year. In accrual basis budgeting, financial transactions are recorded at the time they occur even if the related cash is received or disbursed during another period. This budgeting practice is in accordance with Generally Accepted Accounting Principles (GAAP).

Financial Policies and Reporting

BART has developed and regularly updates key financial policies, which create a financial framework and sets of rules that BART conforms to. They include a Financial Stability Policy and Investment Policy. Each year, BART completes an Annual Comprehensive Financial Report, which is audited by an independent

³ See [FY25 Org Chart](#)

auditor using Generally Accepted Government Auditing Standards. Over the course of the fiscal year, staff publish monthly financial reports and present quarterly results to the BART Board of Directors⁴.

BART issues two forms of debt to finance capital investments. Some debt is secured by BART's dedicated share of sales tax revenue in the three BART District counties. This debt is serviced by the operating budget. BART's sales tax is rated AA by Fitch and AA+ by S&P Global Ratings. If approved by voters in the BART District, BART also issues general obligation bond debt. The debt service for this borrowing is covered by supplemental property tax assessments. BART's general obligation bonds are rated AAA by Fitch. BART's debt is governed by its Debt Policy, which sets its overall debt limit⁴.

Budget Development Process

The key processes of budget formulation and approval are governed by the BART Act.² To adhere to these rules, BART begins budget development in September and budget adoption happens each June. The annual budget cycle is further divided into three major phases: the pro forma phase, the preliminary phase, and the adoption phase. Each phase is outlined in the following sections.

Phase 1: Pro Forma Phase

This first phase of the budget cycle lasts from September through December. Leaders articulate their goals and priorities for a given budget cycle. The pro forma budget serves as a baseline budget for the fiscal year and frames and informs conversations with leaders as well as budget instructions to Departments. The pro forma budget incorporates any known, anticipated, or planned increases, decreases, and adjustments. The pro forma budget functions as the baseline for internal and external budget development and discussion.

Phase 2: Preliminary Budget Phase

The second phase of the budget development cycle lasts from January through March. In this second phase, Performance & Budget staff meet with departments to provide guidance and discuss budget needs. Early in this phase, Departments prepare and submit budget requests for review or approval. There are generally two types of budget requests: requests for adjustments and requests for new needs. Adjustment requests are cost neutral, while new need requests can increase a Department's overall budget.

Performance & Budget analyzes all department requests to ensure they meet budget guidance and are technically accurate. Requests are then compiled and submitted to the General Manager's Office. The General Manager reviews them and determines which requests to approve. Afterward, the Performance & Budget Office prepares the preliminary budget. The preliminary budget incorporates all approved adjustments, new initiatives, and organizational changes.

BART is required by Board Rules to prepare a preliminary budget memo by March 31 of each calendar year.

Phase 3: Adopted Budget Phase

The third phase of the budget lasts from April through budget adoption in June. At this stage of budget development, BART's leadership focuses on finalizing all budget entries. The budget is then presented to the Board of Directors through a series of presentations at board meetings, which are open to the public. These presentations typically summarize the different components of the preliminary budget, such as operating revenues, capital budgets, and costs, while providing a forum for the Board of Directors to ask questions to BART leadership. Public participation is also encouraged during this time and allows the community to voice concerns and request funding to improve services.

⁴ These reports are publicly accessible at www.bart.gov/financials.

Before final submission of the budget to the Board of Directors, staff ensure that final numbers and data are accurate. The Board of Directors is ultimately responsible for approving the final budget, which must be approved each year on or before June 30th. Within 90 days of the budget adoption, BART publishes the approved budget and posts it on www.bart.gov. Once the budget has been adopted, any further budget adjustments require approval from the Board of Directors.

After budget adoption, departments may adjust their non-labor budgets by moving funds between accounts for example, by shifting funds between licenses and professional fees, as long as the total is not increased. At this time, departments, and budget staff also calendarize their non-labor budgets by allocating them on a monthly basis, which allows them to account for seasonal increases. This process helps BART align revenue with expenses and better compare actual spending to budgeted amounts.

Figure 4: BART Budget Process

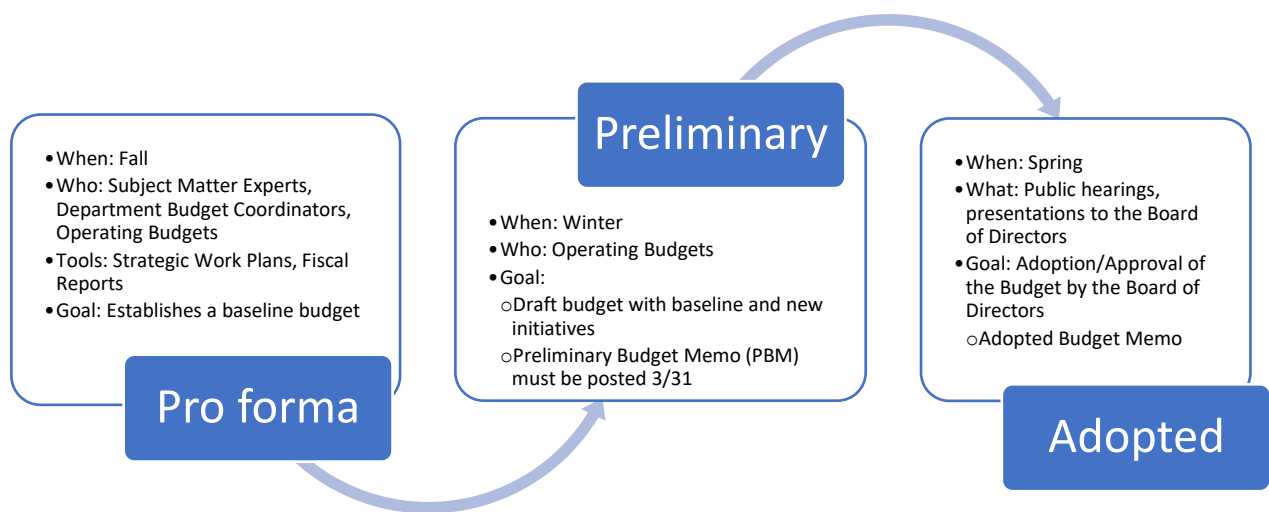
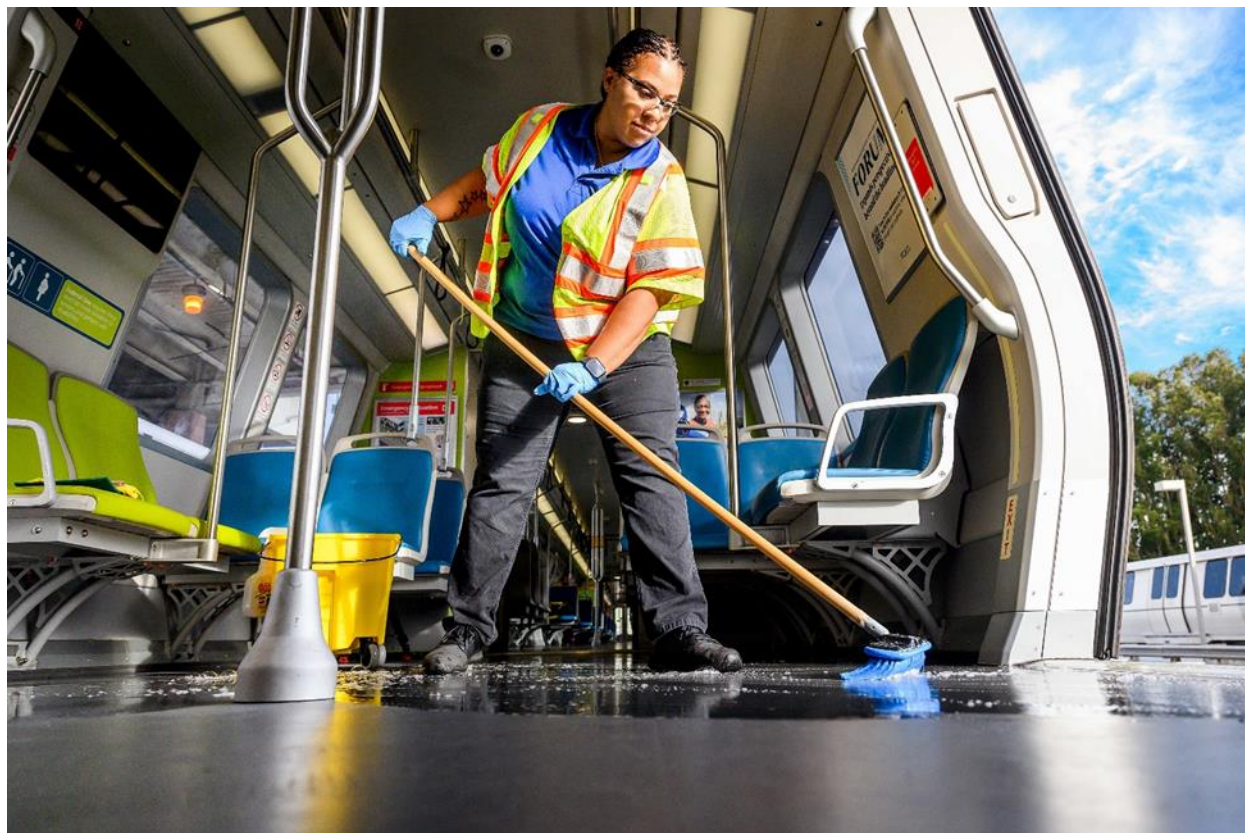


Photo 1: Cleaning BART Trains



Description: BART employee scrubbing floor of BART train.

5. Five Year Outlook

Table 2 shows BART's operating financial outlook for the years FY26 through FY29, corresponding with the ridership projections discussed in the next section and used in the budget. Projected operating deficits (excluding emergency assistance) for the years FY25 through FY29 total \$1.6B and average \$354M per year. In this scenario, emergency assistance will offset projected deficits through FY25 and contribute \$294.0M toward closing the FY26 deficit, leaving a \$35.4M gap. The remaining projected deficits for FY27 through FY29 total \$1.1B.

Prior to the COVID-19 Pandemic, rail passenger revenue contributed the majority of funding for BART operations. In FY19, the last fiscal year before the Pandemic, fare revenue and parking fees (a subset of operating revenues) provided \$520.0M in revenue, or 66% of operating expense. These two sources are budgeted at \$252.2M in FY25 and \$274.6M in FY26, covering just a quarter of operating expense. Nearly \$2B of one-time emergency assistance has enabled BART to sustain operations since 2020, but the last of this funding will be exhausted in FY26.

The primary deficit driver is depressed fare revenue. While BART will continue to contain expenses in the face of sustained consumer inflation and generate additional revenues, BART will not be able to balance annual deficits of this magnitude without assistance. To sustain service at the projected level, a combination of new revenues, further expenditure reductions, and continued operational efficiencies efforts are needed.

Table 2: Five Year Forecast

| | FY25 Adopted (\$ Millions) | FY26 Adopted (\$ Millions) | FY27 Forecast (\$ Millions) | FY28 Forecast (\$ Millions) | FY29 Forecast (\$ Millions) |
|-------------------------------|----------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Operating Revenues | 297.5 | 309.9 | 323.2 | 342.0 | 360.9 |
| Financial Assistance | 500.3 | 510.7 | 512.8 | 529.0 | 545.9 |
| Total Regular Revenues | 797.8 | 820.6 | 836.0 | 870.9 | 906.9 |
| Operating Expense | 1,033.9 | 1,043.1 | 1,084.8 | 1,111.9 | 1,146.6 |
| Debt Service & Allocations | 92.2 | 107.0 | 135.8 | 135.8 | 115.3 |
| Total Uses | 1,126.1 | 1,150.1 | 1,220.6 | 1,247.8 | 1,261.8 |
| Operating Result | (328.2) | (329.5) | (384.6) | (376.8) | (355.0) |
| Total Emergency Assistance | 328.2 | 294.0 | - | - | - |
| Total Net Result | - | (35.4) | (384.6) | (376.8) | (355.0) |

6. Ridership Outlook

BART ridership has experienced significant growth since the early days of the Pandemic. However, that growth began to slow down in mid-2023. Over the first three months of 2023, ridership grew 35% over the same period a year earlier. For the last three months of 2023, that growth was 9%. The FY25 & FY26 Adopted Budget assumes that modest growth continues but at a diminishing rate. BART closely tracks ridership because passenger revenue is a critical revenue source. Real time ridership data is also used to project future ridership levels and inform service plans to ensure that passengers' needs are met.

End of Direct COVID-19 Effects and the New Normal

At the beginning of calendar year 2022, the Bay Area began to recover from the effects of the Omicron variant surge. Average weekday ridership grew from 85,500 in January 2022 to 140,500 in June 2022, a 64% increase. After June, ridership continued to grow but at a lower rate; average weekday ridership grew to 161,900 in September 2022, a 15% increase over June. The time period prior to June 2022 is considered to have "direct COVID-19 effects," i.e., ridership was affected by public health interventions. This applies to both the decrease in ridership in late 2021 as well as the growth experienced in early 2022 as public health interventions were lifted.

For the purposes of this forecast, the time period after June 2022 is considered to be free of direct COVID-19 effects, and the observed growth was due to secondary COVID-19 effects e.g., remote work policies, mode shift, and personal perception of health and safety. This marks the beginning of stable ridership that represents endogenous growth in a post-COVID-19 world.

Weekday Day Type Differences

In previous forecasting efforts, all weekdays (i.e., Monday through Friday) were included in the "weekday" day type. Since the beginning of 2022, coinciding with workers returning to the office, Tuesdays, Wednesdays, and Thursdays ("Midweek") were observed to have significantly higher ridership than Mondays and Fridays ("Shoulder"). In 2023, average midweek ridership was 20% higher than the shoulder days, and that difference continues to rise. These observations, along with results from the Bay Area Council surveys, show a clear preference for commuting on the midweek weekdays over the shoulder weekdays. Splitting the weekday day type into midweek and shoulder day types allows for differentiation of ridership and growth assumptions. It also improves the accuracy of ridership calendarization, as the number of Midweek and Shoulder days vary depending on a month's start date.

Year-over-Year Growth Factors

According to the January 2024 Bay Area Council Return to Office Survey, 85% of surveyed employers are already operating at their "new normal" for their long-term remote work policy. While return-to-office rates had been an important driver of ridership earlier on in the Pandemic, the survey results have stayed steady around 85% since September 2023. Furthermore, ridership observations show that peak period peak direction ridership growth has converged with off-peak ridership growth, suggesting that return-to-office is no longer an outsized contributor to commute ridership.

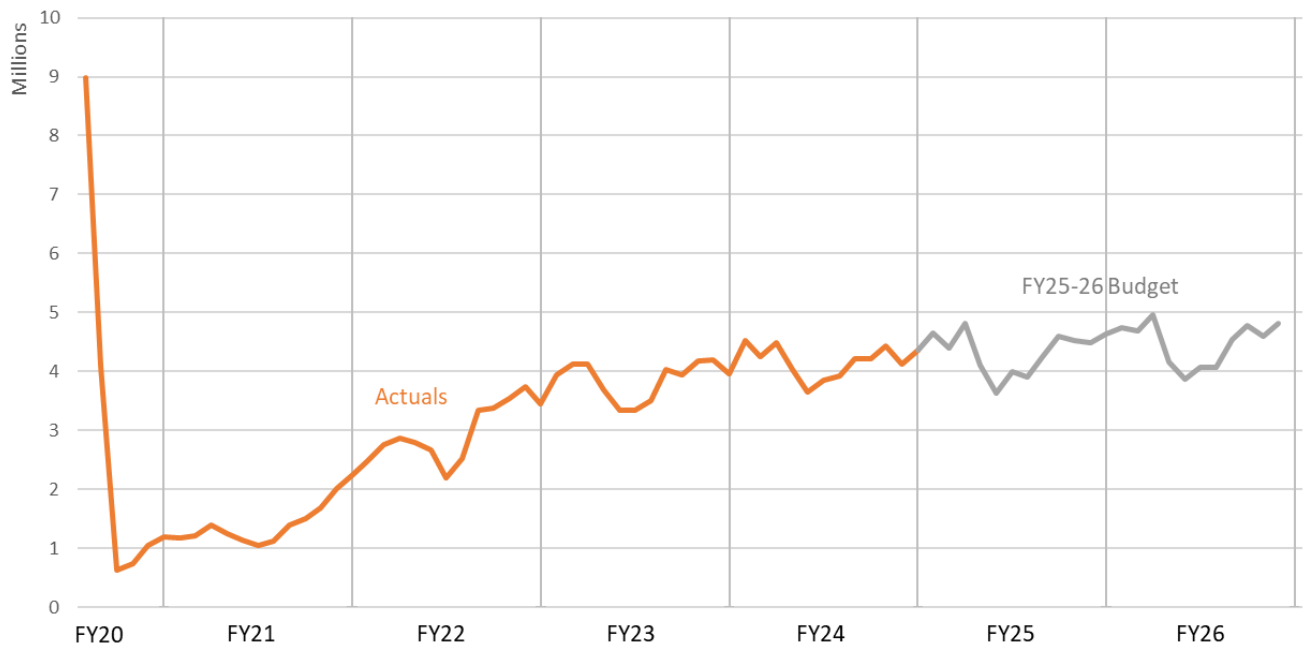
Looking ahead, the main drivers of ridership growth are assumed to be mode shift and modest increases in both work and non-work trips. A generalized growth rate was applied to the forecasted year-over-year growth. Forecasts assume that the rate of growth continues to decrease throughout the budget period, continuing the observed trend.

Growth rates were developed separately for the Midweek, Shoulder, Saturday, and Sunday day types. For FY25, the growth rates across all day types range from 2% to 7%. For FY26, they range from 2% to 6%.

Result

Bifurcating the weekday day types and applying the year-over-year growth assumptions results in overall ridership of 51.7M in FY25 and 53.9 in FY26. Average weekday ridership on a monthly basis is forecast to range between 150,000 and 181,000 in FY25, and between 156,000 and 186,000 in FY26. The monthly forecast is presented below along with historical context throughout the Pandemic.

Figure 5: System Ridership Actuals and FY25 & FY26 Adopted Budget



Rail Service Plan

In response to the flattening of traditional peak commute ridership and relatively strong off-peak ridership, BART implemented a new service schedule in September 2023, with all lines operating on a base schedule of 20-minute headways (three trains per hour). Every day of the week, BART now runs 5-line service until 9 PM, and 3-line service (Orange Line Richmond – Berryessa/North San Jose, Yellow line Antioch – Millbrae, Blue line Daly City – Dublin/Pleasanton) from 9 PM to system close. The more heavily used Yellow Line trains run at 10-minute headways on weekdays before 9 PM. This service plan is responsive to new commute patterns and leans into ridership growth opportunities. It dramatically increases train service during evenings and weekends while maintaining adequate daytime service on weekdays. The following table summarizes the service.

Table 3: Service Plan

| Day of Week | Hours of Service | Service |
|-----------------|--|--|
| Monday-Friday | 5:00 AM – 9:00 PM | 10-minute headways (6 trains per hour) on Yellow 20-minute headways (3 trains per hour) on other 4 lines |
| | 9:00 PM – 12:00 AM | 20-minute headways (3 trains per hour) on 3 lines (Orange, Yellow, Blue Lines) |
| Saturday-Sunday | Saturday: 6:00 AM – 9:00 PM Sunday: 8:00 AM – 9:00 PM | 20-minute headways (3 trains per hour) on 5 lines |
| | 9:00 PM – 12:00 AM | 20-minute headways (3 trains per hour) on 3 lines (Orange, Yellow, Blue Lines) |

In addition to modifying the number of trains per hour, BART has adjusted train sizing to improve safety and efficiency while reducing traction power costs. To maximize police and staff presence and cleanliness, BART trains now have enough cars to cover peak-hour demand, with no more than needed to minimize empty spaces; this is a shift from BART’s Pandemic-era strategy of only running 10-car trains to maximize social distancing. BART now operates 8-car trains on the Yellow line as well as selected Red and Blue line trains, and 6-car trains on all other lines on weekdays and weekends. This has also resulted in a nearly 20% reduction in BART’s traction power costs, helping to reduce deficits. Train crowding is regularly monitored, and trains can lengthen should demand warrant it. Running shorter trains has also helped improve cleanliness and the riders’ perception of safety on board trains. Lastly, the revised schedule includes new improvements to timed transfers at Millbrae, Bay Fair, and the BART-to-Antioch transfer platform.

Photo 2: Ridership



Description: Riders exiting an underground BART platform with two BART trains in the background.

7. Adopted FY25 & FY26 Sources and Uses

Table 4: FY25 & FY26 Adopted Budget Sources and Uses

| | FY24 Budget (\$ Millions) | FY25 Budget (\$ Millions) | FY24 to FY25 Change | | FY26 Budget (\$ Millions) | FY25 to FY26 Change | |
|--|---------------------------------|---------------------------------|---------------------|---------------|---------------------------------|------------------------|-------------|
| | | | (\$ Millions) | (%) | | (\$ Millions) | (%) |
| Rail Passenger Revenue | 225.0 | 235.1 | 10.2 | 4.5 | 258.0 | 22.8 | 9.7 |
| ADA Passenger Revenue | 0.5 | 0.6 | 0.1 | 22.2 | 0.6 | - | 5.1 |
| Parking Revenue | 14.8 | 16.5 | 1.6 | 10.9 | 16.0 | (0.5) | (2.8) |
| Other Operating Revenue | 23.9 | 45.3 | 21.4 | 89.7 | 35.3 | (10.0) | (22.0) |
| <i>Subtotal - Operating Revenue</i> | <i>264.2</i> | <i>297.5</i> | <i>33.4</i> | <i>12.6</i> | <i>309.9</i> | <i>12.4</i> | <i>4.2</i> |
| Sales Tax Revenue | 319.8 | 320.3 | 0.5 | 0.1 | 327.9 | 7.6 | 2.4 |
| Property Tax Revenue | 61.2 | 64.3 | 3.1 | 5.0 | 65.9 | 1.6 | 2.5 |
| VTA Financial Assistance | 34.7 | 35.2 | 0.4 | 1.3 | 34.6 | (0.6) | (1.7) |
| State Transit Assistance | 23.5 | 48.8 | 25.3 | 107.4 | 49.3 | 0.6 | 1.1 |
| Low Carbon Funding Programs | 16.8 | 17.0 | 0.2 | 1.5 | 17.8 | 0.8 | 4.7 |
| Local & Other Assistance | 13.1 | 14.8 | 1.6 | 12.4 | 15.2 | 0.4 | 2.7 |
| <i>Subtotal - Financial Assistance</i> | <i>469.2</i> | <i>500.3</i> | <i>31.1</i> | <i>6.6</i> | <i>510.7</i> | <i>10.4</i> | <i>2.1</i> |
| Total – Operating Sources | 733.4 | 797.8 | 64.5 | 8.8 | 820.6 | 22.8 | 2.9 |
| Labor & Benefits | 700.5 | 780.6 | 80.1 | 11.4 | 796.7 | 16.1 | 2.1 |
| ADA Paratransit | 18.8 | 22.5 | 3.7 | 19.7 | 23.0 | 0.5 | 2.2 |
| Purchased Transportation | 7.9 | 8.4 | 0.4 | 5.4 | 8.4 | - | - |
| Traction Power | 59.0 | 61.6 | 2.6 | 4.4 | 65.0 | 3.4 | 5.5 |
| Other Non-Labor | 147.3 | 160.7 | 13.5 | 9.1 | 150.0 | (10.8) | (6.7) |
| <i>Subtotal - Operating Expense</i> | <i>933.5</i> | <i>1,033.9</i> | <i>100.3</i> | <i>10.7</i> | <i>1,043.1</i> | <i>9.2</i> | <i>0.9</i> |
| Bond Debt Service | 60.1 | 60.2 | - | 0.1 | 60.2 | - | - |
| Capital Reinvestment Allocation | 38.6 | 29.1 | (9.8) | (25.3) | 43.9 | 14.8 | 51.0 |
| Priority Capital Programs Allocation | 50.0 | - | (50.0) | (100.0) | - | - | - |
| Other Allocations | 1.9 | 3.0 | 1.4 | 85.0 | 3.0 | - | - |
| <i>Subtotal - Debt Service & Allocations</i> | <i>150.6</i> | <i>92.2</i> | <i>(58.4)</i> | <i>(38.8)</i> | <i>107.0</i> | <i>14.8</i> | <i>16.1</i> |
| Total – Operating Uses | 1,084.1 | 1,126.1 | 41.9 | 3.9 | 1,150.1 | 24.0 | 2.1 |
| Net Result Before Emergency Assistance | (350.8) | (328.2) | 22.5 | 6.4 | (329.5) | (1.2) | 0.4 |
| Emergency Assistance | 350.8 | 328.2 | (22.5) | (6.4) | 294.0 | (34.2) | (10.4) |
| Net Result | - | - | - | - | (35.4) | (35.4) | - |

8. Operating Sources

Table 5 summarizes the operating sources for the FY25 & FY26 Adopted Budget. The operating sources for the FY24 Adopted Budget are included as a point of reference. Each line item is described in further detail in the subsequent sections.

Table 5: Operating Sources

| | FY24 Budget (\$ Millions) | FY25 Budget (\$ Millions) | FY24 to FY25 Change | | FY26 Budget (\$ Millions) | FY25 to FY26 Change | |
|--|---------------------------------|---------------------------------|------------------------|--------------|---------------------------------|------------------------|---------------|
| | | | (\$ Millions) | (%) | | (\$ Millions) | (%) |
| Rail Passenger Revenue | 225.0 | 235.1 | 10.2 | 4.5 | 258.0 | 22.8 | 9.7 |
| ADA Passenger Revenue | 0.5 | 0.6 | 0.1 | 22.2 | 0.6 | - | 5.1 |
| Parking Revenue | 14.8 | 16.5 | 1.6 | 10.9 | 16.0 | (0.5) | (2.8) |
| Other Operating Revenue | 23.9 | 45.3 | 21.4 | 89.7 | 35.3 | (10.0) | (22.0) |
| <i>Subtotal - Operating Revenue</i> | <i>264.2</i> | <i>297.5</i> | <i>33.4</i> | <i>12.6</i> | <i>309.9</i> | <i>12.4</i> | <i>4.2</i> |
| Sales Tax Proceeds | 319.8 | 320.3 | 0.5 | 0.1 | 327.9 | 7.6 | 2.4 |
| Property Tax Proceeds | 61.2 | 64.3 | 3.1 | 5.0 | 65.9 | 1.6 | 2.5 |
| VTA Financial Assistance | 34.7 | 35.2 | 0.4 | 1.3 | 34.6 | (0.6) | (1.7) |
| State Transit Assistance | 23.5 | 48.8 | 25.3 | 107.4 | 49.3 | 0.6 | 1.1 |
| Low Carbon Funding Programs | 16.8 | 17.0 | 0.2 | 1.5 | 17.8 | 0.8 | 4.7 |
| Local & Other Assistance | 13.1 | 14.8 | 1.6 | 12.4 | 15.2 | 0.4 | 2.7 |
| <i>Subtotal - Financial Assistance</i> | <i>469.2</i> | <i>500.3</i> | <i>31.1</i> | <i>6.6</i> | <i>510.7</i> | <i>10.4</i> | <i>2.1</i> |
| <i>Subtotal - Emergency Assistance</i> | <i>350.8</i> | <i>328.2</i> | <i>(22.5)</i> | <i>(6.4)</i> | <i>294.0</i> | <i>(34.2)</i> | <i>(10.4)</i> |
| Total - Operating Sources | 1,084.1 | 1,126.1 | 41.9 | 3.9 | 1,114.7 | (11.4) | (1.0) |

Operating Sources Summary

Operating Sources includes Operating Revenue, Financial Assistance, and Emergency Assistance. Within each source of funding, revenue is further broken down into several line items. In FY25, Operating Sources is projected to total \$1.1B, of which \$328M will be emergency assistance.

This summary highlights the overall financial outlook by Operating Sources and any pronounced fluctuations in revenue, and the focus is the revenue projections for FY25 and FY26 only. A more general picture of revenue in the context of BART's financial future can be found in the Executive Summary.

Operating Revenue Remains Steady

Operating Revenue includes the following sources: rail passenger revenue, ADA passenger revenue, parking revenue and other other operating revenue. The largest source of Operating Revenue comes from rail passenger fares, which are projected to increase year over year in the FY25 & FY26 Adopted Budget. While ridership revenue appears stable, it is important to recognize the profound and enduring effect the Pandemic has had on BART ridership and fare revenue overall. Both revenue and ridership have seen large losses (see Ridership and Five Year Outlook sections). And while the "new normal" has taken shape and ridership has stabilized, it is clear that BART will need to look beyond fare revenue to sustain itself long term.

Modest Increases in Financial Assistance Revenue

Financial Assistance includes BART District tax revenue, financial support from the State of California, and revenue received from several transportation measures passed by voters. The largest single source of Financial Assistance comes from Sales Tax Revenue, which is projected to remain flat between FY24 and FY25. However, in FY26, projected Sales Tax Revenue will increase to account for an expected drop in interest rates and a subsequent pick-up in consumer spending.

Also of note is an increase in budgeted State Transit Assistance funding, which is projected to almost double between FY24 and FY25 and then remain relatively flat between FY25 and FY26. Under this program, which supports transit operations, funds are distributed to agencies by a formula based on prior-year agency revenue. BART's revenues were slated to decrease significantly due to lower ridership, which was reflected in the FY24 budget. However, the extension of a hold harmless provision passed by the state in summer 2023 allows BART to continue receiving funding based on pre-Pandemic ridership levels.

Exhausting Remaining Emergency Assistance

The final Operating Source is Emergency Assistance, which is comprised of one-time emergency funding from federal, state, and regional sources. BART uses this funding to cover operating costs in excess of what its ongoing revenues could support on their own. Since March 2020, emergency assistance has filled the financial gap created by Pandemic-related ridership losses. This assistance has been critical for BART's ongoing operations and has helped to maintain service levels. However, since it is one-time in nature and no additional assistance is expected at this time, this source is projected to be fully spent down in late FY26.

8.1. Operating Revenue

The FY25 rail and ADA passenger revenue budget of \$235.7M is \$10.3M, or 5%, higher than the FY24 budget. The FY26 rail and ADA passenger revenue budget of \$258.6M is \$22.8M, or 10%, higher than the FY25 budget.

Total passenger revenue, which includes separate line items for rail passenger and Americans with Disability Act (ADA) paratransit passengers, was BART's single largest revenue source before COVID-19 and consists of fares paid for passengers using BART.

Fare revenue for FY25 and FY26 is based upon and is consistent with, the ridership forecast discussed in Section 6, Ridership Outlook.

Per BART Board Resolution 5405, BART's Series 3, 2022-2026, Productivity-Adjusted Inflation-Based Fare Increase Program called for an 11.4% fare increase in January 2024, based upon actual inflation in 2021 and 2022. In June 2023, to limit the impact of this fare increase on riders, the BART Board approved a modified implementation of the policy. The modified policy calls for two smaller fare increases of 5.5% each in calendar years 2024 and 2025, instead the originally planned single increase of 11.4%.

The passenger revenue budget assumes the second of the 5.5% fare increases occurs on January 1, 2025. Additionally, the budget assumes that the fare increase schedule reverts to conform to policy in FY26, with a fare increase occurring on January 1, 2026. This fare increase is calculated to be 5%, using actual inflation measured to date and assuming 2.2% inflation over the remainder of the assessment period. This would be the final increase of the series, after which staff will recommend a new fare increase series.

Over the two-year budget period, these fare increases are estimated to generate \$25.9M more revenue than without the fare increases.

The fare revenue forecast includes the following fare policy assumptions:

- Clipper START: the budget assumes the continuation of Clipper START, which provides a 50% discount to qualifying low-income riders. The MTC has provided funding to cover 25% the Clipper START discount through FY25. Discussions are under way at MTC for future funding options.
- Clipper BayPass: the Clipper BayPass program is piloting a regional all-agency pass that provides users with unlimited access to all bus, rail, and ferry services on Clipper, except for Muni cable cars. Phase 1 of the pilot began in 2022 at four educational institutions and twelve affordable housing properties. Phase 2, which began in 2024, will add up to 10 additional institutional customers with a focus on employers. The program is cost-neutral to BART as operators are reimbursed for trips taken.
- MTC's No-Cost and Reduced-Cost Interagency Transfer Pilot Program: this pilot, an important element of the region's Transit Transformation Action Plan and Fare Integration Policy Vision Statement, aims to improve the rider experience and reduce barriers to interagency trips. Riders will receive a discount of up to the highest local single ride fare on Clipper, currently \$2.50, when transferring between agencies. The operator will be responsible for the first \$0.50 of the discount, and MTC will provide reimbursement for the remainder, using regional funds. The BART share of the discount is projected to reduce fare revenue by \$2.0M in each fiscal year. This pilot is assumed in the budget, though Board action will be required before it goes into effect.

Parking Revenue

The FY25 parking revenue budget of \$16.5M is \$1.6M, or 11%, higher than the FY24 budget. The FY26 parking revenue budget of \$16.0M is \$0.5M, or 3%, lower than the FY25 budget.

BART generates parking revenue at 36 stations and at the Hercules Park & Ride facility. In June 2023, the BART Board passed a new parking policy which changed the range in which BART can charge for its three primary parking products:

1. For Daily Fee, \$3.00 - \$6.30/day.
2. For Single/Multi-day Reserved, \$4.00 - \$11.00/day.
3. For Monthly Reserved, \$84.00 - \$220.00/month (West Oakland has no cap on parking prices).

Parking rates may increase if occupancy is higher than 90% and may be lowered if below 70%.

At most stations, Daily Fee parking costs \$3.00/day, Single/Multi-Day Reserved costs \$6.00/day, and Monthly Reserved costs \$105.00/month. Stations with parking in Oakland, Berkeley, and San Francisco are subject to an additional parking tax imposed and collected by those cities. Parking revenue generated at the Milpitas and Berryessa stations is collected by VTA and is not budgeted by BART.

Parking revenue in FY25 and FY26 reflects expected ridership levels and associated parking demand, shifting demand in parking products, special parking agreement leases, and projected parking supply reductions due to transit oriented development.

Other Operating Revenue

The FY25 other operating revenue budget of \$45.3M is \$21.4M, or 90%, higher than the FY24 budget. The FY26 other operating revenue budget of \$35.3M is \$10.M, or 22%, lower than the FY25 budget.

BART generates operating revenue from a variety of non-passenger sources. Table 6 summarizes other operating revenue, with more detail following the table.

Table 6: Other Operating Revenue

| | FY24 Budget (\$ Millions) | FY25 Budget (\$ Millions) | FY26 Budget (\$ Millions) |
|--|------------------------------|------------------------------|------------------------------|
| Commercial Communications Revenue Program | 9.0 | 11.2 | 15.9 |
| Advertising | 3.2 | 2.4 | 2.4 |
| Transit Oriented Development and Lease Revenue | 6.2 | 5.2 | 4.4 |
| Investment Income | 2.5 | 23.5 | 9.4 |
| Other Revenue | 3.1 | 3.1 | 3.2 |
| Total Other Operating Revenue | 23.9 | 45.3 | 35.3 |

Commercial Communications Revenue Program (CCRP) generates revenue through commercial fiber and wireless telecommunications. It includes BART’s Digital Railway Project with Mobilitie Services, LLC, which seeks to increase fiber optic and wireless revenue over time.

Advertising revenue comes from BART’s franchise agreement with OUTFRONT Media, which manages sales and posting of advertising on BART’s behalf.

Transit Oriented Development and Lease Revenue consists of a variety of development projects on BART land. Revenue from Transit Oriented Development (TOD) is budgeted at \$3.1M in FY25 and \$3.5M in FY26 and includes ground leases at Millbrae, Castro Valley, South Hayward, West Dublin, West Pleasanton, Lake Merritt (projected), Pleasant Hill, and West Oakland Stations. BART collects transit benefit fees at West Dublin/Pleasanton and South Hayward, which are budgeted at \$0.2M in FY25 and \$0.2M in FY26. BART also receives building and ground lease revenue from leasing vacant parcels and office space in the Joseph P. Bort MetroCenter (MET) building.

Investment Income is passive income that BART generates through low-risk investment vehicles. Due to favorable interest rates, investment income is budgeted at a higher amount than previous years: \$23.5M for FY25 and \$9.4M for FY26. FY26 is significantly lower than FY25 because BART expects to draw from investments and see lower interest rates over the course of FY26.

Other Revenue includes concessions, special fees and permits, parking citations, the Capitol Corridor Joint Powers Authority’s (CCJPA) overhead recovery, and other miscellaneous sources.

8.2. Tax and Financial Assistance

Sales Tax Revenue

The FY25 sales tax revenue budget of \$319.8M is \$0.5M, or 0%, higher than the FY24 budget. The FY26 sales tax revenue budget of \$327.9M is \$7.6M, or 2%, higher than the FY25 budget.

BART receives a dedicated 75% share of a one-half cent sales tax levied in the three BART District counties (San Francisco, Alameda, and Contra Costa). Per AB 1107 (1977) and AB 842 (1979), the remaining 25% may be allocated by MTC to BART, SFMTA, and/or AC Transit. Since 1987, MTC chose to split the remaining 25%, currently about \$108M annually, equally between AC Transit and SFMTA. Sales tax is expected to remain BART’s largest ongoing revenue source for operations in the near term.

Sales tax revenues are assumed to stay nearly the same in FY25 as in the FY24 budget and increase between FY25 and FY26 as inflation eases and post-Pandemic economic recovery stabilizes.

Property Tax Revenue

The FY25 property tax revenue budget of \$64.3M is \$3.1M, or 5%, higher than the FY24 budget. The FY26 property tax revenue budget of \$65.9M is \$1.6M, or 2%, higher than the FY25 budget.

Property tax revenue is derived from a statutory portion of the 1% general levy in each of the three BART counties. BART has a separate tax levy for general obligation bond debt service associated with the 2004 seismic retrofit (Measure AA) program and for the 2016 system renewal program (Measure RR).

County assessors are responsible for assessing the value of all taxable, non-exempt property on January 1st of each year. That value is used to set the property tax bill that is due in December of that year and April of the following year. The BART tax rates were fixed in place by Proposition 13 and remain a relatively small, fixed percentage of the 1% general levy.

The budget anticipates the fixed property assessment growth rates put into place by Proposition 13 will act as a waning buffer against potential declines in property tax revenue due to expected reassessments of commercial property.

VTA Financial Assistance

The FY25 VTA financial assistance revenue budget of \$35.2M is \$0.4M, or 1%, higher than the FY24 budget. The FY26 VTA financial assistance revenue budget of \$34.6M is \$0.6M, or 2%, less than the FY25 budget.

VTA is responsible for the operating and maintenance (O&M) costs of the BART Silicon Valley extension. VTA's responsibility is calculated as the difference between the net fare revenues associated with trips to or from the Milpitas and Berryessa stations and the calculated O&M costs to provide extension service. Actual results for each fiscal year will be used to calculate the final payment from VTA.

State Transit Assistance

The FY25 State Transit Assistance revenue budget of \$48.8M is \$25.3M, or 107%, higher than the FY24 budget. The FY26 State Transit Assistance revenue budget of \$49.3M is \$0.6M, or 1%, higher than the FY25 budget.

BART receives funding through appropriations of State Transit Assistance (STA), which is derived from actual receipts of the sales tax on diesel fuel. Statewide collections fluctuate based on diesel prices and consumption. In addition, appropriations to transit operators can vary based on calculations of qualifying revenues for the local operator and the region. In 2023, the California State Legislature extended a hold harmless provision for the STA funding formula through January 1, 2027^{5,6}. The hold harmless provision intends to mitigate the impacts of Pandemic-related drops in revenue on transit operators' STA receipts.

Included in the STA budget is \$6.9M in FY25 and \$7.0M in FY26 from the STA State of Good Repair program.

Low Carbon Funding Programs

The FY25 low carbon funding programs revenue budget of \$17.0M is \$0.2M, or 1%, higher than the FY24 budget. The FY26 low carbon funding programs revenue budget of \$17.8M is \$0.8M, or 5%, higher than the FY25 budget.

BART receives funding from the Low Carbon Transit Operations Program (LCTOP), one of several programs of the Transit, Affordable Housing, and Sustainable Communities Program (Senate Bill 862)

⁵ [State of California Public Utilities Code Section 99268.9](#)

⁶ [SB-125 Transportation budget trailer bill](#).

established in 2014 by the California legislature. The LCTOP provides transit agencies with operating and capital assistance for programs to reduce greenhouse gas emissions and improve mobility. The program also prioritizes serving disadvantaged communities. LCTOP revenues are derived from the State’s greenhouse gas emissions reduction Cap-and-Trade auction proceeds. BART will receive \$11.0M of LCTOP funding in FY25 and is projected to receive \$11.8M in FY26. This projected increase is informed by California Air Resources Board auction price projections from late 2023. LCTOP revenues will be programmed for BART to Antioch operations.

The Low Carbon Fuel Standard (LCFS) Program is a market-based state program administered by the California Air Resources Board (CARB). The purpose of the program is to promote the production and deployment of low-carbon fuels to support the state’s transportation sector. Under the LCFS program regulations, electric railroad operators, including BART, are permitted to generate and sell credits to producers of conventional transportation fuels for the purpose of meeting their LCFS compliance obligations. Each year, BART generates LCFS revenues through the sale of its LCFS credits to regulated entities under the LCFS program at prevailing market prices. BART has budgeted \$6.0M of LCFS revenues for FY25 and \$6.0M for FY26, although actual revenues will remain dependent on market pricing of LCFS credits, quantity of LCFS credits generated, and the consistency of LCFS program regulations over time.

Local & Other Financial Assistance

The FY25 local & other financial assistance revenue budget of \$14.8M is \$1.6M, or 12%, higher than the FY24 budget. The FY26 local & other financial assistance revenue budget of \$15.2M is \$0.4M, or 3%, higher than the FY25 budget. Table 7 summarizes other financial assistance sources.

Table 7: Other Financial Assistance

| Source | FY25 (\$ Millions) | FY26 (\$ Millions) | Notes |
|-------------------------------|-----------------------|-----------------------|--|
| Alameda County Measure BB | 7.6 | 7.8 | For paratransit and transit operations in Alameda County |
| San Mateo County Measure A | 2.3 | 2.3 | For SFO Extension operations |
| MTC Regional Measure 3 | 2.1 | 2.1 | For BART’s Independent Office of the Inspector General |
| MTC Clipper START Pilot | 1.3 | 1.5 | Subsidy to offset Clipper START pilot discount |
| Caltrain Millbrae Station Use | 1.1 | 1.1 | For station use, operations, and maintenance agreement |
| Contra Costa County Measure J | 0.2 | 0.2 | For paratransit operations in Contra Costa County |
| Other Sources | 0.2 | 0.2 | Various smaller sources |

8.3. Emergency Assistance

The FY25 emergency assistance revenue budget of \$328.2 is \$22.5M, or 6%, lower than the FY24 budget. The FY26 emergency assistance revenue budget of \$294.0M is \$34.2M, or 10%, lower than the FY25 budget.

Since the start of the COVID-19 Pandemic, US transit agencies have received emergency funding through three acts of Congress.

1. The Coronavirus Aid, Relief, and Economic Security (CARES) Act, signed into law in March 2020, provided \$25.0B to transit operators nationwide.
2. The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), signed in December 2020, provided an additional \$14.0B in transit funding.
3. The American Rescue Plan Act (ARPA), signed March 2021, included \$30.5B in federal funding to support the nation's public transportation systems.

In total, BART has been allocated \$1.6B from these emergency funding bills: \$377.1M from the CARES Act in 2020, \$378.1M from CRRSAA in 2021, an initial allocation of \$582.3M from the American Rescue Plan in the second half of 2021, and an additional tranche of \$270.8M awarded to BART in March 2022.

In November 2023, the MTC approved an emergency transit operations plan which combines state (via SB125) and regional funding to help support transit operations. BART has been allocated \$352.0M of this funding, and with the first distribution budgeted for FY25.

Emergency assistance is used as the last revenue in to balance BART's operating deficit; it covers expenses in excess of the current operating revenue and financial assistance sources. The \$270.2M budgeted in FY25 covers all of that gap, while in FY26, emergency funds do not cover the entire gap as they will all have been expended before the end of the fiscal year. The expenditure of the last of BART's emergency assistance is generating the FY26 deficit.

Photo 3: Orinda BART Station



Description: BART train departing Orinda BART station.

9. Operating Uses

BART's Operating Uses are separated into two categories: 1) Operating Expenses and 2) Debt Service & Allocations. Operating Expenses include costs associated with the day-to-day operations and maintenance of BART ("running the railroad"). Debt Service & Allocations consists of debt payments and transfers out of the operating budget to fund capital and other projects. Within each category, expenses are further broken down into several line items. Table 8 summarizes FY25 and FY26 operating uses.

Table 8: Operating Uses

| | FY24 Budget | FY25 Budget | FY24 to FY25 Change | | FY26 Budget | FY25 to FY26 Change | |
|---|----------------|----------------|---------------------|---------------|----------------|---------------------|-------------|
| | (\$ Millions) | (\$ Millions) | (\$ Millions) | (%) | (\$ Millions) | (\$ Millions) | (%) |
| Labor & Benefits | 700.5 | 780.6 | 80.1 | 11.4 | 796.7 | 16.1 | 2.1 |
| ADA Paratransit | 18.8 | 22.5 | 3.7 | 19.7 | 23.0 | 0.5 | 2.2 |
| Purchased Transportation | 7.9 | 8.4 | 0.4 | 5.4 | 8.4 | - | - |
| Traction Power | 59.0 | 61.6 | 2.6 | 4.4 | 65.0 | 3.4 | 5.5 |
| Other Non-Labor | 147.3 | 160.7 | 13.5 | 9.1 | 150.0 | (10.8) | (6.7) |
| Total Operating Expense | 933.5 | 1,033.9 | 100.3 | 10.7 | 1,043.1 | 9.2 | 0.9 |
| Bond Debt Service | 60.1 | 60.2 | - | 0.1 | 60.2 | - | - |
| Capital Reinvestment Allocation | 38.6 | 29.1 | (9.8) | (25.3) | 43.9 | 14.8 | 51.0 |
| Priority Capital Programs Allocation | 50.0 | - | (50.0) | (100.0) | - | - | - |
| Other Allocations | 1.9 | 3.0 | 1.4 | 85.0 | 3.0 | - | - |
| Total Debt Service & Allocations | 150.6 | 92.2 | (58.4) | (38.8) | 107.0 | 14.8 | 16.1 |
| Total Uses | 1,084.1 | 1,126.1 | 41.9 | 3.9 | 1,150.1 | 24.0 | 2.1 |

Uses Summary

BART's total Operating Uses are \$1.13B in FY25 and \$1.15B in FY26. This is an increase of \$41.9M in FY25 and an additional \$24.0M in FY26. Operating Expense is driving the increase in FY25; this increase is partially offset by decreases in Debt Service & Allocations. In FY26, the larger share of the increase is in Debt Service & Allocations, with the smaller share coming from Operating Expense.

Increases in Operating Expense

The majority of the Operating Expense increase comes from the Labor & Benefits budget, which funds employee salaries, employee benefits, and retirement benefits. There are two reasons why the Labor & Benefits budget increased so significantly in the FY25 & FY26 Adopted Budget. First, a technical adjustment increased the number of operating budget positions by 226.7 full time equivalent positions (FTEs). Second, wages for employees increased per the terms of BART's collectively-bargained adopted labor contracts.

The 226.7 FTE increase is primarily the result of a one-time adjustment that shifted existing personnel from the capital budget to the operating budget in order to better characterize the work employees were doing and ultimately create a more accurate accounting of costs. In addition to this adjustment, 61 positions were added to the operating budget to ensure adequate staffing to reliably maintain current service levels, primarily in the Transportation Department.

The other large driver of the Labor & Benefits budget increase is employee wage increases. Most of BART's staff are represented by a labor union. Collective bargaining agreements between BART and its labor partners dictate wages and any increases that occur year over year. The budget reflects the wage increases that were agreed upon in previously bargained contracts.

Apart from the increases to the Labor & Benefits budget, non-labor expenses also rose by \$20.2M in FY25. The increase is primarily due to expenses across three categories: ADA Paratransit, Traction Power, and inventory write offs, which fall under the Other Miscellaneous category.

Under the federal Americans with Disabilities Act, BART must provide paratransit services. To fulfill this obligation, in partnership with AC Transit and SFMTA, BART contracts with third party providers. The total cost for paratransit services is expected to go up due to increased demand for service and higher labor costs. The terms of a new contract are being negotiated, and the projected costs of service are reflected in the FY25 budget.

The increases in the Traction Power budget in FY25 and FY26 are driven by the cost of transmitting electricity over the power grid. These costs are passed on to BART by local electric utilities, whose rates are governed by the California Public Utilities Commission; BART has no control over these prices. BART has worked in recent years to secure price stability for renewable electricity through solar power and wind power purchase agreements.

Lastly, inventory write-offs for legacy railcars are expected to increase as BART transitions its fleet to newer cars.

Debt Service & Allocations Changes

The Debt Service & Allocations category includes repayments of sales tax-backed debt as well as transfers out of the Operating Budget, which fund a portion of BART's Capital Budget.

Debt service payments are made on a set schedule and are budgeted accordingly. Based on project delivery scheduled and later than anticipated cash flow of projects, BART has deferred allocations to Priority Capital Programs to reduce expenses by \$50M in both FY25 and FY26.

9.1. Labor: Wages & Benefits

BARTs workforce consists of operating and capital positions. The number of full-time equivalent positions authorized in the FY24 Adopted Budget and FY25 Adopted Budget is shown in Table 9. This table provides a breakdown of the headcount changes that increased the number of authorized operating positions by 226.7 full time equivalents. There are no anticipated position changes between FY25 and FY26.

Table 9: FTE Summary

| | FY24 to FY25 FTE Summary ⁷ | | |
|--|---------------------------------------|--------------------------|----------------|
| | Operating | Capital/ Reimbursable | Total FTEs |
| FY24 Adopted Budget | 3,544.5 | 1,039.5 | 4,584.0 |
| Re-alignment of Frontline Operating Staff | | | |
| Additions/Adjustments | 61.4 | 1.9 | 63.3 |
| Funding Conversion of Maintenance Staff | 186.3 | (186.3) | - |
| Vacancy Elimination | (25.0) | (2.0) | (27.0) |
| FY24 Midyear Additions | 3.0 | 5.0 | 8.0 |
| Other Adjustments | - | (1.25) | - |
| Total Adjustments | 225.7 | (182.6) | 43.1 |
| FY25 Adopted Budget | 3,770.1 | 856.9 | 4,627.0 |

In FY25 there was a significant shift of filled positions from the Capital Budget to the Operating Budget. As a result of the shift, operating headcount and labor costs have risen substantially. Because this sharp increase is uncommon, a detailed explanation of the changes has been included. BART's leadership continues to monitor employee charging patterns closely to ensure a more accurate budgeting of labor costs.

BART's authorized operating budget positions increased by 226.7 FTEs. To partially mitigate the financial impact to the Operating Budget, BART eliminated 27 vacant FTEs from other areas across the Executive Office for Operations.

The rise in headcount can be attributed to two factors. First, the Transportation Department added 61.4 positions in order to maintain service quality. Second, 186.3 FTEs of existing BART staff in the Maintenance Department were shifted from the Capital Budget to the Operating Budget. Over the past few years, operational needs have required more of Maintenance's staff to charge to the Operating Budget rather than to capital projects. This adjustment aligns employees' actual charging patterns with the appropriate budgeted funding source.

A breakdown of position changes in operating FTEs is as follows:

- Increased capacity in the Transportation Department allowed for more agents, train operators, and foreworkers (63.3 FTEs)

⁷ FY26 Adopted Budget anticipates no changes to funded FTE levels

- Technical adjustments to align Maintenance staff with actual work performed and charging patterns (186.3 FTEs)
- Removal of vacant positions across Operations to offset increases (27.0 FTEs)
- Other changes in Operating Budgets full time equivalent positions
 - Increased support in Real Estate, Funding Strategy, and Office of the General Manager (total 3.0 FTEs)
 - Increased support for the Office of Infrastructure Delivery and CCJPA (5.0 FTE)
 - Additional conversions from operating to capital sources to reflect actual charging of employees in areas outside of the Department of Maintenance (converted 0.75 FTEs)
 - Part-time Operating positions moved to full-time positions (6.8 FTEs)

Labor Expenditures

The table below shows a breakdown of labor costs for all BART employees.

BART's Gross Labor costs consist of the total cost of labor for all BART employees. However, a significant share of employees' labor costs is offset by various sources such as capital funding or work that is reimbursed by other parties. The sum of these reimbursed costs can be seen in the "Subtotal – Reimbursements" line below. Net Labor costs, which are the difference between Gross Labor and Reimbursements, reflect the labor costs included in BART's Operating Budget.

The Gross Labor Budget in FY25 is \$951.9M and \$970.4M in FY26. After reimbursements of \$171.3M in FY25 and \$173.7M in FY26 are taken out, the Operating Budget Labor Budget totals \$780.6M in FY25 and \$796.7M in FY26. Note that BART's wage agreement extensions approved in August 2025, which will increase labor costs in FY26 and FY27, were not included in the FY25 & FY26 Adopted Budget.

Table 10: Labor Expenditures

| | FY24 Budget (\$ Millions) | FY25 Budget (\$ Millions) | FY24 to FY25 Change | | FY26 Budget (\$ Millions) | FY25 to FY26 Change | |
|----------------------------------|---------------------------------|---------------------------------|------------------------|---------------|---------------------------------|------------------------|------------|
| | | | (\$ Millions) | (%) | | (\$ Millions) | (%) |
| Wages | 513.6 | 528.4 | 14.8 | 2.9 | 543.8 | 15.4 | 2.9 |
| Overtime | 76.8 | 77.0 | 0.2 | 0.3 | 78.6 | 1.5 | 2.0 |
| CalPERS Pension | 148.7 | 160.5 | 11.8 | 7.9 | 160.1 | (0.4) | (0.3) |
| Active Employee Medical | 84.8 | 89.2 | 4.4 | 5.2 | 90.1 | 0.9 | 1.0 |
| Retiree Medical | 44.9 | 45.6 | 0.7 | 1.6 | 46.2 | 0.7 | 1.4 |
| Workers' Compensation | 20.7 | 21.5 | 0.8 | 3.9 | 21.5 | - | - |
| Other Labor and Benefits | 27.1 | 29.8 | 2.7 | 9.8 | 30.2 | 0.4 | 1.5 |
| <i>Subtotal – Gross Labor</i> | <i>916.5</i> | <i>951.9</i> | <i>35.4</i> | <i>3.9</i> | <i>970.4</i> | <i>18.5</i> | <i>1.9</i> |
| Capital Reimbursement Wages | (128.7) | (96.1) | 32.5 | (25.3) | (98.3) | (2.2) | 2.2 |
| Capital Fringe | (63.5) | (55.1) | 8.4 | (13.2) | (55.0) | 0.1 | (0.2) |
| Capital Overtime | (23.9) | (20.0) | 3.9 | (16.2) | (20.4) | (0.4) | 2.0 |
| <i>Subtotal – Reimbursements</i> | <i>(216.0)</i> | <i>(171.3)</i> | <i>44.8</i> | <i>(20.7)</i> | <i>(173.7)</i> | <i>(2.4)</i> | <i>1.4</i> |
| Net Labor | 700.5 | 780.6 | 80.1 | 11.4 | 796.7 | 16.1 | 2.1 |

Wages

FY25's gross wages budget is \$528.4M. This is a \$14.8M increase from FY24. FY26's gross wages budget is \$543.8M. This is a \$15.4M increase from FY25. Both fiscal years saw a 3% increase in gross wages from the year prior.

Wages include regular salaries, premium pay, and accrued time off. The total budget for wages also takes into account of vacant positions. The vacancy rate is expressed as a percentage of the overall wages budget, and in FY25 and FY26, it is assumed that 5% of operating positions and 18% of capital positions will be vacant at any given time. These assumptions are unchanged from FY24 and reflect actual vacancy rates at BART.

A majority of BART staff are represented by labor unions, so collective bargaining agreements between BART and the unions determine staff wages and increases that may occur year over year. As a matter of practice, BART leadership generally offers bargained wage increases to the minority of employees who are not represented by unions.

There are several different unions that represent BART employees, with each union holding a separate labor agreement with BART. Wage increases for staff may vary between unions based on the terms of negotiation. For instance, in FY25, staff represented by AFSCME, ATU, and SEIU will receive a 4% wage increase. However, in FY25 staff represented by BPMA and BPOA will receive a 3% increase in wages. BPMA and BPOA employees will also receive a wage increase of 3.5% in FY26 while at the time of budget adoption, there was no agreed upon wage increase for AFSCME, ATU, and SEIU employees. Two of the three groups (AFSCME and SEIU) agreed to increases in August 2024; the associated costs are not reflected in the FY25 & FY26 Adopted Budget.

Overtime

The FY25 gross overtime budget of \$77.0M is \$0.2M, which is 0%, higher than the FY24 budget, and the FY26 gross overtime budget of \$78.6M is \$1.5M, which is 2%, higher than the FY25 budget.

Overtime pay refers to wages paid to BART employees in compliance with California State Laws that dictate overtime rules and the terms of BART's collective bargaining agreements. Overtime is paid at a higher rate, which in turn costs BART more per hour for an employee's time. Despite the higher costs, overtime can be a tool to increase capacity in the short term without having to increase total headcount.

BART's August 2024 wage increase agreements with AFSCME and SEIU will have an impact on FY26 overtime spending; these costs are not reflected in the FY25 & FY26 Adopted Budget.

CalPERS Pension and Other Retirement Benefits

The FY25 CalPERS pension budget of \$160.5M is \$11.8M, which is 8%, higher than the FY24 budget. The FY26 CalPERS pension budget of \$160.1M is \$0.4M, which is 0%, lower than the FY25 budget.

The increase in pension costs in FY25 is primarily due to an increase in BART's Unfunded Actuarial Liability (UAL) payment, which is described in more detail below. In FY26, this cost is scheduled to decrease, driving the overall reduction in pension costs in that year.

The California Public Employee Retirement System (CalPERS) administers and determines funding rates for BART pension plans.

BART employees are covered by two separate pension plans: Public Safety, which covers sworn members of the BART Police Department (BPD), and Miscellaneous, which covers all other District employees. Pension valuation data as of June 30, 2022 (published July 2023) was used to generate pension costs in the FY25 & FY26 Adopted Budget. As of that date, BART's funded ratio decreased from 72.3% for the Miscellaneous plan and 57.2% for the Safety plan⁸. The funded ratio measures plan assets relative to plan liabilities. Employees are further divided into two categories that affect their pension contributions and benefits. The California Public Employees' Pension Reform Act (PEPRA) covers all employees who began working at a CalPERS agency after January 1, 2013. With a few exceptions, employees who began their service before that date are referred to as Classic employees.

Pension costs are categorized into three major categories. The first two categories, the employer and employee contributions, are part of the "normal cost" of retirement. These costs vary with headcount, salaries, the number of and type of employees in each plan, and CalPERS' actuarial assumptions, which includes investment returns. The third category is the "unfunded actuarial liability," which is a supplemental payment made each year to CalPERS to make up the amortized difference between prior year actuarial assumptions, including assumed and actual investment returns. Costs for each are described in the following three sections.

CalPERS Pension: Employer Contribution

CalPERS implemented several actions in prior years to improve stability of the pension fund and guard against market downturns. The most important action was to reduce future expected investment returns, known as the discount rate, to match closely to the projected market returns. A lower discount rate results in higher contributions from CalPERS member agencies; this has a major impact on BART's pension costs. In FY25, the assumed discount rate will be 6.8%. For FY25, BART is required to contribute 9.8% and 26.4% of payroll for the normal cost for the Miscellaneous and Safety plans respectively, lower from 9.8% and 27.7% in FY24.

CalPERS Pension: Employee Contribution

Employees subject to PEPRA pay 100% of the required employee contribution (half the normal cost),

⁸ As of August 2024, the funded ratios as of June 30, 2023 were 72.1% for the Miscellaneous Plan and 57.7% for the Safety Plan.

which is 7.8% for Miscellaneous employees and 14.3% for Safety employees in FY25. Miscellaneous PEPRAs (excluding BPOA/BPMA) employees will also pay an additional 0.2%, which goes towards the employer contribution. BPOA non-sworn PEPRAs employees will pay an additional 4.0% to the employer cost share.

Classic Miscellaneous employees pay the full contribution of the employee contribution amount of 7.0%, except for BPOA and BPMA employees. They pay 0% of the employee contribution, BART pays that portion also called the Employer Paid Member Contribution (EPMC) for BPOA/BPMA classic non-sworn. All Classic Miscellaneous employees pay towards the employee cost share, 4% for BPOA, 8% for BPMA, and 1% for non-rep and all other bargaining unions. For Classic sworn BPOA and BPMA employees, they pay 0% towards the employee contribution. BART pays the full 9% of the EPMC. Classic Safety employees then pay 10% towards the employer cost share.

Table 11: CalPERS Contributions

| CalPERS Employer and Employee Rates | | | | | |
|-------------------------------------|---------|-----------------|--------|------------------------|--------|
| | | FY24 Budget (%) | | FY25 & FY26 Budget (%) | |
| | | Misc | Safety | Misc | Safety |
| Employer Rate | Classic | 9.8 | 27.7 | 9.8 | 26.4 |
| | PEPRA | 9.8 | 27.7 | 9.8 | 26.4 |
| Employee Rate | Classic | 7.0 | 9.0 | 7.0 | 9.0 |
| | PEPRA | 7.0 | 14.3 | 7.8 | 14.3 |

CalPERS Pension: Unfunded Actuarial Liability (UAL)

UAL payments, which fund the difference between prior year actuarial assumptions, including the assumed and actual returns, are determined by CalPERS each year. The costs are amortized over several years to smooth out payments. BART is required to contribute \$88.9M in FY25 as a flat fixed payment towards the UAL for both plans, almost a \$7.2M increase from FY24. The FY26 payment is projected to be \$86.9M.

Table 12: District Contributions

| District Estimated Contributions | | | | | | | |
|------------------------------------|---------------------------|---------------------------|---------------------|------------|---------------------------|---------------------|--------------|
| | FY24 Budget (\$ Millions) | FY25 Budget (\$ Millions) | FY24 to FY25 Change | | FY26 Budget (\$ Millions) | FY25 to FY26 Change | |
| | | | (\$ Millions) | (%) | | (\$ Millions) | (%) |
| Employer Share | | | | | | | |
| Classic | 22.7 | 22.9 | 0.1 | 0.6 | 23.2 | 0.3 | 1.2 |
| PEPRA | 32.5 | 36.7 | 4.2 | 13.0 | 38.0 | 1.2 | 3.4 |
| EPMC | 1.9 | 2.1 | 0.2 | 9.5 | 2.2 | 0.1 | 4.2 |
| Employee Cost Share | (3.3) | (3.7) | (0.5) | 13.7 | (3.9) | (0.2) | 4.2 |
| UAL | 81.7 | 88.9 | 7.2 | 8.9 | 86.9 | (2.1) | (2.3) |
| Total District Contribution | 135.5 | 146.9 | 11.3 | 8.4 | 146.2 | (0.6) | (0.4) |

Other Retirement Benefits

In addition to the CalPERS pension, BART contributes to a defined contribution retirement plan (401(a)), the Money Purchase Pension Plan (MPPP). BART’s contribution consists of 6.65% of base wages and contributions are capped at an annual amount of \$1,868.65 per employee. The total BART MPPP

contribution is projected to be \$7.9M in FY25 and \$7.9M in FY26. BART is required to offer the MPPP as a replacement for Social Security, which BART has opted out of participating in.

An additional 1.627% of wages is contributed to the pension plan for all employees except sworn police. Per BART's collective bargaining agreements (CBAs) with its labor unions, certain deductions are made from this portion of the contribution. For all employees, 0.0888% is retained by BART, except for non-sworn employees in BPOA and BPMA. For employees represented by AFSCME, ATU, and SEIU enrolled in medical insurance, \$37 per month is deducted and included as a contribution towards medical insurance. BART's total estimated net cost for the additional 1.627% MPPP after these deductions is \$5.7M in FY25 and \$5.9M in FY26.

Active Employee Medical

The FY25 active employee medical budget of \$89.2M is \$4.4M, which is 5%, higher than the FY24 budget. The FY26 active employee medical budget of \$90.1M is \$0.9M, which is 1%, higher than the FY25 budget.

BART offers and pays for most of its current employees' medical insurance costs; these costs are reflected in the active employee medical line item.

In FY25, BART budgeted medical opt-out in a separate account in the budget for the first time. It was previously included in the active employee medical line. Medical opt-out is an option for employees covered by a spouse or partner's medical insurance to waive their BART medical insurance coverage and receive a \$350 monthly payment instead. Medical opt-out payments are budgeted to be \$1.6M in both FY25 and FY26.

To offset a portion of BART's medical insurance costs, the current CBA provisions remain in place to gradually increase employee contributions:

- All employees are subject to a 3% annual contribution increase each January. In FY25, the scheduled monthly "base" employee contribution for AFSCME, ATU, SEIU, and Non-Rep is \$131.51, BPOA and BPMA is \$185.62 per employee.
- For Calendar Year 2024, AFSCME, ATU, and SEIU members "redirect" \$37 per month of BART's additional 1.627% MPPP contribution to apply an additional contribution towards their medical insurance.
- For Calendar Year 2024, Non-represented employees pay an additional \$37 per month directly in their medical contribution.
- BPOA and BPMA have incorporated an additional contribution towards their medical insurance in their base level contributions.

Retiree Medical

The FY25 retiree medical budget of \$45.6M is \$0.7M, which is 2%, higher than the FY24 budget. The FY26 active employee medical budget of \$46.2M is \$0.7M, which is 1%, higher than the FY25 budget.

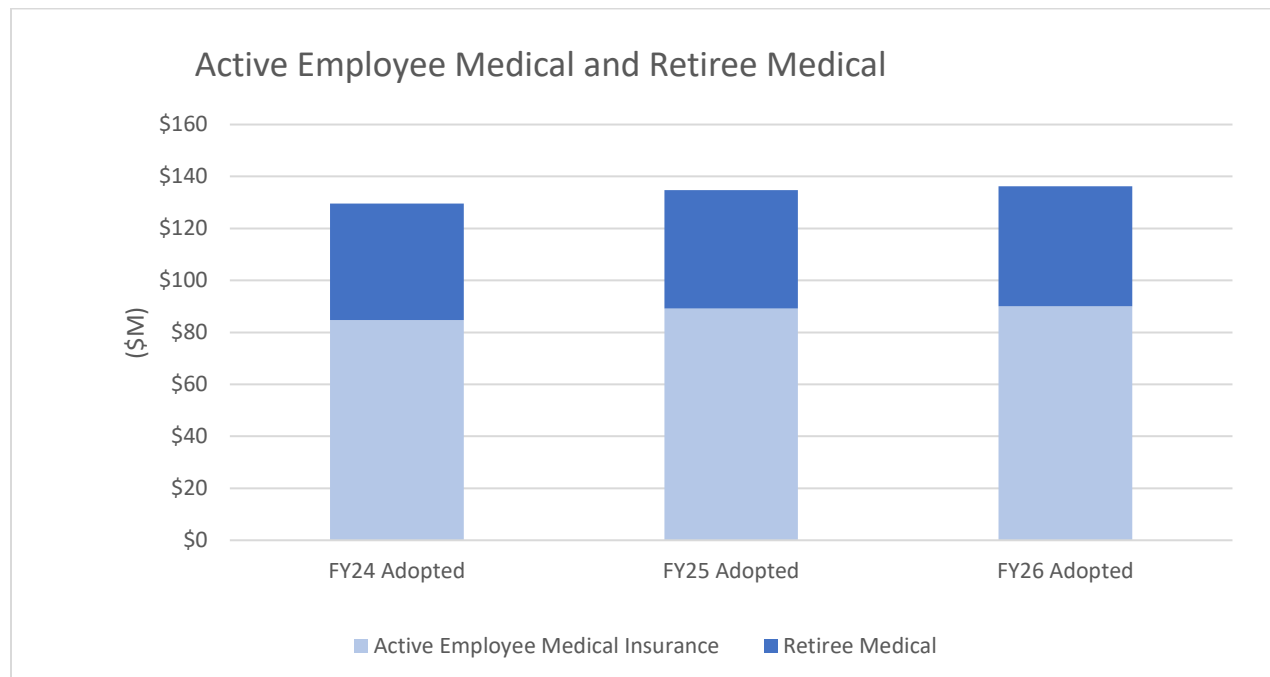
BART pays the medical insurance costs of its retired employees who have vested for the benefit. The budgeted amount includes costs for retired employees as well as what needs to be set aside in the current year to cover future costs of current employees when they retire and vest for the benefit. This cost is expressed as an Actuarial Determined Contribution (ADC) that includes insurance premiums for current retirees and contributions to BART's Retiree Health Benefits Trust (RHBT) to fund payments for the long-term medical liability of current and former employees.

The FY25 ADC is \$51.6M, a portion of which is an implied subsidy payment of \$6.0M, and the FY26 ADC is \$52.9M, with a \$6.7M implied subsidy payment. The full ADC less the implied subsidy is budgeted in each year. Implied subsidy is the benefit retirees derive from paying the same premiums as active employees. Since younger people are generally healthier than older people, retirees on average have higher health expenses than employees. This results in an (implied) active premium payment that subsidizes the cost for older retirees.

As of the most recent valuation projections for FY25, the funded ratio of BART’s long term medical liabilities is projected to increase from 66.4% to 70.5%. BART’s funding plan follows a 30 year “closed” amortization schedule and is scheduled to pay off the unfunded liability by June 30, 2034. This funding structure was amended in August 2024; those changes are not reflected in the FY25 & FY26 Adopted Budget.

The funded ratio is driven by three factors: 1) actuarial assumptions including employee counts and future medical costs; 2) investment returns of the RHBT; and 3) the amount BART funds each year in its operating budget, which is governed by CBA. Changes to any of these affect the funded ratio.

Figure 6: Active Employee Medical and Retiree Medical



Workers’ Compensation

The FY25 workers’ compensation budget of \$21.5M is \$0.8M, which is 4%, higher than the FY24 budget, and the FY26 workers’ compensation budget of \$21.5M is the same as the FY25 budget.

Workers’ compensation provides benefits for employees who are injured or become ill as a direct result of their job. Employers can choose to either purchase workers’ compensation insurance or self-insure. BART is self-insured for workers’ compensation and maintains a reserve for outstanding losses based on annual actuarial reports. Annual budgeted funding is based on both actuarial loss projections and BART’s reserve balance. Changes are driven primarily by the number of claims and the value of benefits paid to employees who receive workers’ compensation. If needed, the liability reserve account is supplemented at the end of each fiscal year.

Other Labor and Benefits

The FY25 Other Labor and Benefits budget of \$29.8M is \$2.7M, which is 10% higher than the FY24

budget and the FY26 Other Labor and Benefits budget of \$30.2M is \$0.4M, which is 1% higher than the FY25 budget.

The Other Labor and Benefits line item includes labor expenses and the costs associated with additional benefits offered to employees beyond health insurance. Those additional benefits include dental insurance, vision care, life insurance, short- and long-term disability, state unemployment, and Medicare coverage. Expenses covered in this line item also include costs associated with labor such as temporary help, uniform allowances, and meal allowance.

Capital & Reimbursable Wages, Fringe, and Overtime

The FY25 reimbursements budget of \$171.3M is \$44.8M, which is 21%, lower than the FY24 budget, and the FY26 reimbursements budget of \$173.7M is \$2.4M, which is 1%, higher than the FY25 budget.

Reimbursable labor costs are expenses that are paid out of the operating budget, then reimbursed by capital funding sources. The type of costs that are reimbursable include wages, fringe, and overtime costs. Costs that are reimbursable are shown as a reduction (negative cost) to gross wages, as they are subtracted from gross labor costs to generate net operating labor costs.

Labor costs are reimbursable when an employee provides support for capital or reimbursable projects, which are generally related to construction, expansion, renovation, or replacement of physical assets. Capital and reimbursable sources include voter approved bonds such as Measure RR; grants from Federal, State, and local government such as FTA State of Good Repair funding; services BART provides to other entities such as Capitol Corridor leadership & administration, and Operating Budget allocations.

In FY24, capital labor budget to actual variance was significant. The Operating Budget projected \$57.9M more in reimbursements from capital sources than were projected to actually be received by year end. This variance can be primarily attributed to two main factors. First, there were 186.3 full time equivalent positions in the Maintenance Department doing operating and not capital work, though their positions remained on the capital budget. Because the positions remained on the capital budget, their associated wages and fringe were projected as reimbursable when in fact they were not. The second factor that contributed to the variance was that FY24 vacancy assumption was not correctly applied in BART's budget system, generating reimbursable wage assumptions that were too high.

Both factors that led to the large variance have been corrected, and the FY25 & FY26 Adopted Budget reflects these corrections. Staff will closely monitor capital and other reimbursements over the course of the fiscal year and make adjustments as necessary if employees' charging patterns for capital and operating work vary significantly from the budgeted levels.

9.2. Non-Labor

The non-labor budget consists of all costs associated with operating BART but that are not related to employee time or labor. Categories that fall under non-labor expenses are outline in Table 13 and described in detail within this section.

BART's non-labor budget in FY25 is \$253.2M, an increase of \$20.2M over the FY24 Adopted Budget. In FY26 the non-labor budget decreases by \$6.9M. The budget increase in FY25 is primarily a result of one-time Clipper2 transition costs as well as ongoing inventory and fleet writeoffs, traction power transmission and distribution costs, and higher costs to provide paratransit services. Changes in FY26 are smaller, with a significant decrease anticipated as the one-time Clipper2 transition costs are removed, while traction power transmission and distribution costs continue to increase.

Table 13: Non-Labor Expenditures

| | FY24 | FY25 | FY24 to FY25 | | FY26 | FY25 to FY26 | |
|-------------------------------|-------------------------|-------------------------|-------------------------|------------|-------------------------|-------------------------|--------------|
| | Budget (\$ Millions) | Budget (\$ Millions) | Change (\$ Millions) | (%) | Budget (\$ Millions) | Change (\$ Millions) | (%) |
| Clipper, Vending & Bank Fees | 10.1 | 15.1 | 5.0 | 49.6 | 7.3 | (7.7) | (51.4) |
| Insurance | 9.9 | 10.9 | 1.0 | 10.2 | 9.9 | (1.0) | (9.2) |
| Materials & Supplies | 47.5 | 50.8 | 3.4 | 7.1 | 50.5 | (0.4) | (0.7) |
| Professional & Technical Fees | 50.4 | 50.7 | 0.3 | 0.7 | 50.5 | (0.2) | (0.4) |
| Repairs & Maintenance | 11.2 | 12.3 | 1.1 | 10.0 | 12.3 | - | - |
| Rent | 3.9 | 4.0 | - | 1.2 | 5.0 | 1.0 | 25.2 |
| Traction Power | 59.0 | 61.6 | 2.6 | 4.4 | 65.0 | 3.4 | 5.5 |
| ADA Paratransit | 18.8 | 22.5 | 3.7 | 19.7 | 23.0 | 0.5 | 2.2 |
| Purchased Transportation | 7.9 | 8.6 | 0.7 | 8.4 | 8.6 | - | - |
| Utilities | 9.1 | 9.1 | - | (0.2) | 9.1 | - | - |
| Other Miscellaneous | 5.3 | 7.6 | 2.3 | 44.4 | 5.2 | (2.4) | (31.9) |
| Total Non-Labor | 233.0 | 253.2 | 20.2 | 8.7 | 246.3 | (6.9) | (2.7) |

Clipper, Vending & Bank Fees

This non-labor category includes funding for credit card fees, interchange fees, Clipper program fees, and bank service charges.

The FY25 budget contains a one-time \$3.7M cost increase to support BART's transition to the next generation Clipper 2 (C2) payment technology in 2025. The one-time cost will allow BART to run parallel systems during the changeover period, which helps ensure that riders experience a smooth transition to the new fare technology. The total increase is partially offset by a Clipper fee rebate from MTC and a reduction in processing fees resulting from lower projected ridership numbers.

Insurance

This non-labor category covers the cost of insurance premiums for various products BART has purchased. These include property, general liability, cyber, terrorism, fiduciary, and others. It also covers reserve contributions and self-insured losses for public liability, damage to property, and risk-related services. Note that employee health insurance and worker's compensation are not included in this item.

Materials & Supplies

This non-labor category primarily includes costs or inventory withdrawals and purchases required for maintenance of rail cars and stations. The materials include aluminum wheel assemblies, circuit boards, seat cushions, fare equipment, and other materials used to keep train cars in use and stations accessible.

In the FY25 & FY26 Adopted Budget, the Materials & Supplies budget increased in order to account for inventory write offs of obsolete legacy cars and associated inventory. The increased costs were partially offset by the completion of the one-time parts replacement initiative for the BART-to-Antioch diesel fleet which had driven up inventory material usage in previous fiscal years.

Professional & Technical Fees

This non-labor category includes audit, legal, software, and professional services, as well as specialized consulting. This category also covers benefit insurance administration fees, printing fees, computer hardware, and environmental fees. Scheduled multi-year contractual escalations inform the amount budgeted for this line item.

Repairs & Maintenance

This line items funds cleaning support such as graffiti removal, painting, and elevator pit cleaning. Costs also include maintenance, equipment overhaul, and repair-related contracts.

Rent

This non-labor category includes funds for administrative building leases and related costs.

Traction Power

This non-labor category includes energy costs needed to run BART trains and provide power to stations, yards, and shops.

In FY25 and FY26, BART's annual electric power costs are projected to total \$61.6M and \$65.0M, respectively, to align with the District's current rail service plan. Relative to the FY24 Adopted Budget of \$59.0M, BART's FY25 electric power budget reflects a year-over-year increase of 4%, driven primarily upward by increased energy supply costs and distribution and delivery rates seen in FY24.

Between 1972 and 1997, BART procured most of its electricity supply from Pacific Gas & Electric Company (PG&E). Since then, BART has procured its electricity directly on the wholesale market, while PG&E has continued to provide delivery services for that electricity to BART. In 2017, BART took action to manage electricity price risks by entering into two power purchase agreements with clean energy installations. These agreements allow BART to lock in renewable power while offering long-term price stability at rates below current market prices. BART also holds smaller shorter-term power purchase agreements with hydroelectric generators, further increasing its renewable energy procurement and stabilizing its power prices.

Despite these efforts, in recent years PG&E has steadily increased transmission and distribution rates, resulting in significant cost escalation. As these rates are governed by a regulated rate-setting process, BART has no ability to change them.

Beginning in September 2023, BART began to run shorter trains; instead of all trains being the maximum length of ten cars (a response to social distancing guidelines during COVID-19), BART has reduced the lengths of many trains to six or eight cars, which reduces overall power consumption. Without this change, BART's traction power costs would be higher.

ADA Paratransit

The Americans with Disabilities Act requires public transit agencies like BART to provide complementary services to people with disabilities who cannot use BART because of a disability.

Paratransit services in the inner East Bay are provided by the East Bay Paratransit Consortium on behalf of BART and AC Transit. BART also pays the San Francisco Municipal Transportation Agency for a share of paratransit services in San Francisco and provides support for Contra Costa County paratransit services.

In FY25, a new paratransit agreement will be in place for East Bay services, but the terms of the agreement were not set at the time of budget adoption. The FY25 & FY26 Adopted Budget includes a \$3.7M increase based upon cost increases experienced in FY24.

Purchased Transportation

This non-labor category includes contract expenses for the Oakland Airport Connector project which provides BART service from the BART Coliseum Station to the San Francisco Bay Oakland International Airport.

Utilities

Utilities included in this line item are for station power electrical energy and non-traction energy. It also includes trash collection, natural gas, water, sewer, telephones, and other utilities.

Other Miscellaneous

This non-labor category includes election costs, dues and memberships, promotion expense, county filing fees, supplies, other non-building lease expenses.

The changes in this category are primarily due to costs associated with Board of Directors elections, which are held every other year. FY25 is an election year, so costs increase in FY25, then drop in FY26 when there are no scheduled elections.

9.3. Debt Service and Allocations

Table 14: Debt Service and Allocations

| | FY24 Budget | FY25 Budget | FY24 to FY25 Change | | FY26 Budget | FY25 to FY26 Change | |
|---|---------------|---------------|---------------------|---------------|---------------|---------------------|-------------|
| | (\$ Millions) | (\$ Millions) | (\$ Millions) | (%) | (\$ Millions) | (\$ Millions) | (%) |
| Debt Service | 60.1 | 60.2 | - | 0.1 | 60.2 | - | - |
| Allocations | - | - | - | - | - | - | - |
| Capital Reinvestment Allocation | 38.6 | 29.1 | (9.6) | (24.8) | 43.9 | 14.8 | 51.0 |
| Priority Capital Programs Allocation | 50.0 | - | (50.0) | (100.0) | - | - | - |
| Other Allocations | 1.9 | 3.0 | 1.1 | 60.0 | 3.0 | - | - |
| Sustainability Allocation | - | - | - | - | - | - | - |
| Pension Trust Allocation | - | - | - | - | - | - | - |
| Total Debt Service and Allocations | 150.6 | 92.2 | (58.4) | (38.8) | 107.0 | 14.8 | 16.1 |

Debt Service

The FY25 debt service budget of \$60.2M is \$0.0M, or 0%, higher than the FY24 budget. The FY26 other debt service budget of \$60.2M is unchanged from the FY25 budget.

BART issues bonds, backed by BART's dedicated sales tax revenues, to fund capital costs for system improvement and renovation. These are repaid through BART's operating budget (general obligation bonds debt service is passed on to property owners in the three counties of the BART District). The debt service budget in FY25 and FY26 services outstanding Series 2015A, 2016A, 2017A, 2019A, and 2019B revenue bonds with an outstanding principal balance of \$554.1M as of July 1, 2024.

Allocations

The FY25 allocations budget of \$92.2M is \$58.4M, or 39%, lower than the FY24 budget. The FY26 other allocations budget of \$107.0M is \$14.8M, or 16%, higher than the FY25 budget.

Each fiscal year, BART allocates operating funds to capital projects and other programs. These allocations support projects that are critical to the District's basic operations, state of good repair, fiscal stability, and priority initiatives. Some funds go toward uses not eligible for external funds or a portion of this allocation serves as BART's local match to leverage outside funding or used for expenses not eligible under external funds. Due to the decrease in fare revenue that resulted from the Pandemic, BART

reduced planned capital allocations in FY24 and will continue to conserve available funding for operations. Allocations help to reduce future costs by reducing future liabilities in the present, whether for capital needs or retirement obligations.

The FY25 & FY26 Adopted Budget continues deferrals to planned allocations. Historically, BART has adjusted its operating allocation funding amounts based on revenues; the District has allocated more in higher revenue years while reducing, to help balance the budget, during lower revenue years. Given their dollar size and relative flexibility compared to labor and non-labor costs, allocations constitute the single largest lever the District has to reduce expenditures.

Capital Reinvestment Allocation serves as the local match for federal grants and to fund ongoing capital projects for which grants are not typically available, such as station and facilities renovation, inventory buildup, non-revenue vehicle replacement, tools, other capitalized maintenance, and funds to support technology needs. This category also includes a \$4.4M allocation for OCIO to fund IT upgrades and projects as well as a continued \$4.5M increase in RS&S equipment allocation through FY25 offset by a corresponding reduction in RS&S non-labor budget.

Priority Capital Program Allocation provides BART funds for high-priority capital programs: new rail cars, the Hayward Maintenance Complex, and the Train Control Modernization Program critical to the District's long-term ability to provide reliable service. In FY25 and FY26, planned allocations of \$34M and \$40M, respectively, have been deferred to align with updated cash flow needs for the projects; note that the funding is not being cut; it is being deferred to future years to better align with when funding will be needed.

Other Allocations include \$1.1M is budgeted for the BART-to-OAK Capital Asset Replacement Program (CARP) to provide a reserve for future renovation and replacement needs of that asset. Accounting entries of \$0.6M are included to offset amounts booked as Other Revenue or Financial Assistance for the Pleasant Hill/Contra Costa Centre and MacArthur Stations.

A new allocation has been added to the FY25 Adopted Budget for \$1.4M in financing for a loan program from PG&E called on bill financing. An interest-free loan from PG&E is being used to install LED lighting in BART facilities and stations. The energy savings from the new lights will result in lower electricity costs for the District; these savings will be used to repay the loan, which will be fully repaid in FY33.

Sustainability Allocation was created by Board policy, which directed 50% of Low Carbon Fuel Standard (LCFS) credit sale revenues to Sustainability capital projects. Since FY24, 100% of LCFS sales have been directed to the operating budget to support expenses, notably for traction power purchases. The FY25 & FY26 Adopted Budget continues to suspend the Sustainability allocation indefinitely.

Pension Trust Allocation sets aside funds to pay down pension liability and is intended to reduce BART's future year pension liabilities and offset potential spikes in unfunded liabilities. The FY25 & FY26 Adopted Budget continues to suspend the Pension Trust allocation indefinitely. This suspension only affects contributions to the trust and not funds already set aside in the pension trust, and all pension costs are paid.

Photo 4: Rail Infrastructure



Description: Five employees in high visibility vests and helmets working on BART rail.

10. FY25 & FY26 Capital Budget

10.1. *Adopted Capital Budget*

The FY25 & FY26 Adopted Capital Budget anticipates a maximum investment of \$1.2B in FY25 and \$1.2B in FY26 in BART’s capital assets. The Adopted Capital Budget provides an estimate of the cost of work project managers intend to accomplish in the coming two fiscal years. All cost estimates in the annual capital budget are fully funded by awards received in prior fiscal years and programmed funds.

Point in Time

The capital budget is a plan, which changes in real time as the year progresses based on District priorities, BART’s needs, funding, and risks and opportunities with respect to operations. While presented as a fixed figure, the annual capital budget is a best estimate of capital investment based on individual project schedules and cost estimates. Individual project schedules may shift due to resource constraints (such as track access), contracting outcomes, or unforeseen site issues. Departments review project progress throughout the year to refine individual budgets and schedules, as needed. Projects further along in scope completion provide firmer budget estimates which are less likely to change as compared to projects in their early stages.

Definition of Capital Assets

A capital asset is a facility, unit of rolling stock, land, unit of equipment (valued over \$5,000), element of infrastructure, or intellectual property (including software), with a useful life of more than one year that is capitalized in accordance with Generally Accepted Accounting Principles (GAAP). Capital assets may also include an addition, improvement, modification, replacement, rearrangement, reinstallation, renovation, or alteration to capital assets that materially increases the value of the asset (excluding ordinary repairs and maintenance).

Adopted Capital Sources and Uses

The FY25 & FY26 Adopted Capital Budget directs \$2.4B across five Capital Investment Plan (CIP) Purposes: System Reinvestment, Service and Capacity Enhancement, Resiliency (formerly Earthquake Safety), System Development (formerly System Expansion), and Safety and Security. The following charts also summarize planned work by CIP Category, which generally reflects an asset type or program area.

As can be seen in the charts below, 98% of BART’s planned capital investment in FY25 and FY26 will be in System Reinvestment – investments to keep BART’s existing system reliable and safe – and Service & Capacity Enhancement – investments to enhance the rider experience, support more frequent service and add system redundancy to improve reliability. In FY25, BART will be transitioning from Phase 1 of the Fleet of the Future Rail Car Procurement to Phase 2, which will deliver 306 expansion rail cars for the Core Capacity Program. BART will also continue its significant investment in traction power infrastructure – replacing cables, renewing existing substations, and adding new substations to provide more redundant power to the BART system to improve reliability. Riders will also experience big changes in BART stations in FY25 as BART continues to implement the Next Generation Fare Gates Project.

The District is continually refining and evolving how capital project information is reported and shared with the Board and the public with the goal of increasing transparency. Since FY23 Q1, the District has been developing a quarterly project report – the Capital Project and Program Status Report (CPPSR) – which meets this goal. The CPPSR provides program and project status updates, as well as project-level cost estimate, budget, and timeline detail. The CIP, BART’s long term forecast of needed capital investments and funding sources to support such investment, is currently under development with a final planned to be released in September 2024. The Draft FY25 Capital Investment Plan is posted to

BART.gov for public review⁹. The CIP includes more information about BART’s capital investment planning approach, capital program, and funding strategy.

BART’s capital budget is funded with federal, state, and regional grants, along with BART funds and Measure RR system renewal General Obligation bond proceeds. Projected FY25 and FY26 funding sources are summarized in the charts following. Across FY25 and FY26, regional, local, and BART sources, including BART Measure RR general obligation bonds, comprise more than 60% of the funding for the Adopted Capital Budget. State and federal sources, including the State’s Transit and Intercity Rail Capital Program as well as the Federal Transit Administration’s Capital Investment, total nearly 40% of Adopted Capital Budget funding. See Attachment Q for the FY25 & FY26 Adopted Capital Budget by project.

⁹ <https://www.bart.gov/sites/default/files/2024-05/Draft%20FY25%20CIP%20%5BPresentation%2005-23-2024%5D%20w-memo.pdf>

Table 15: FY25 Adopted Capital Sources and Uses

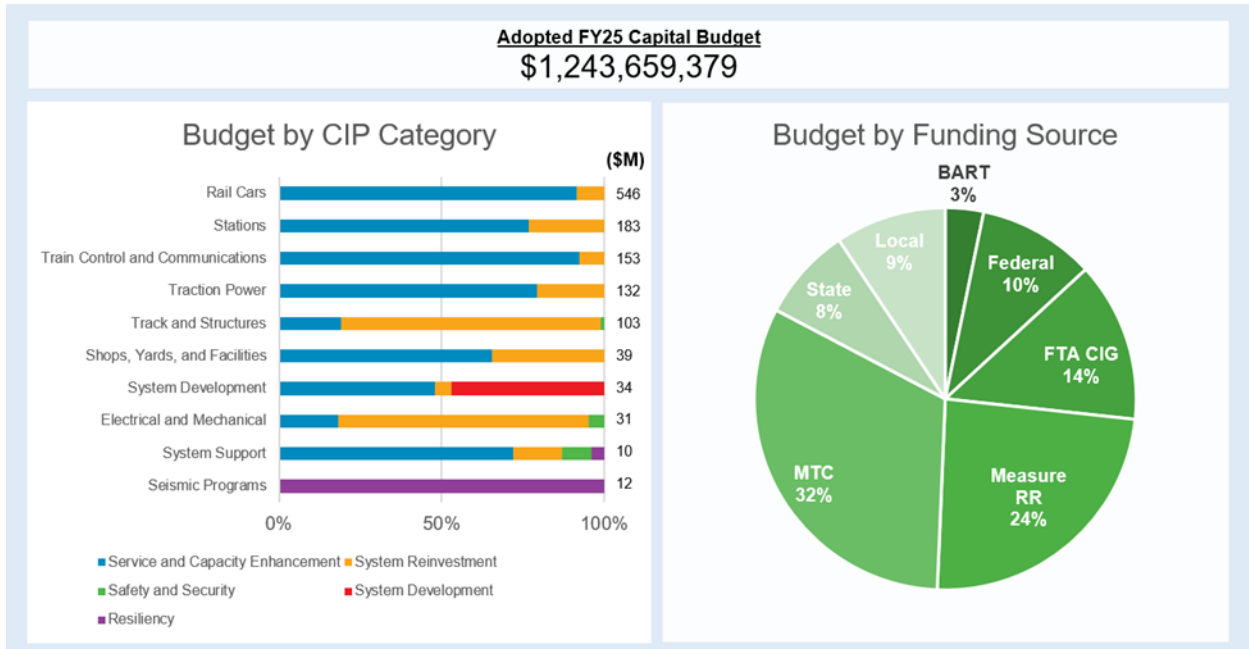


Table 16: FY26 Adopted Capital Sources and Uses

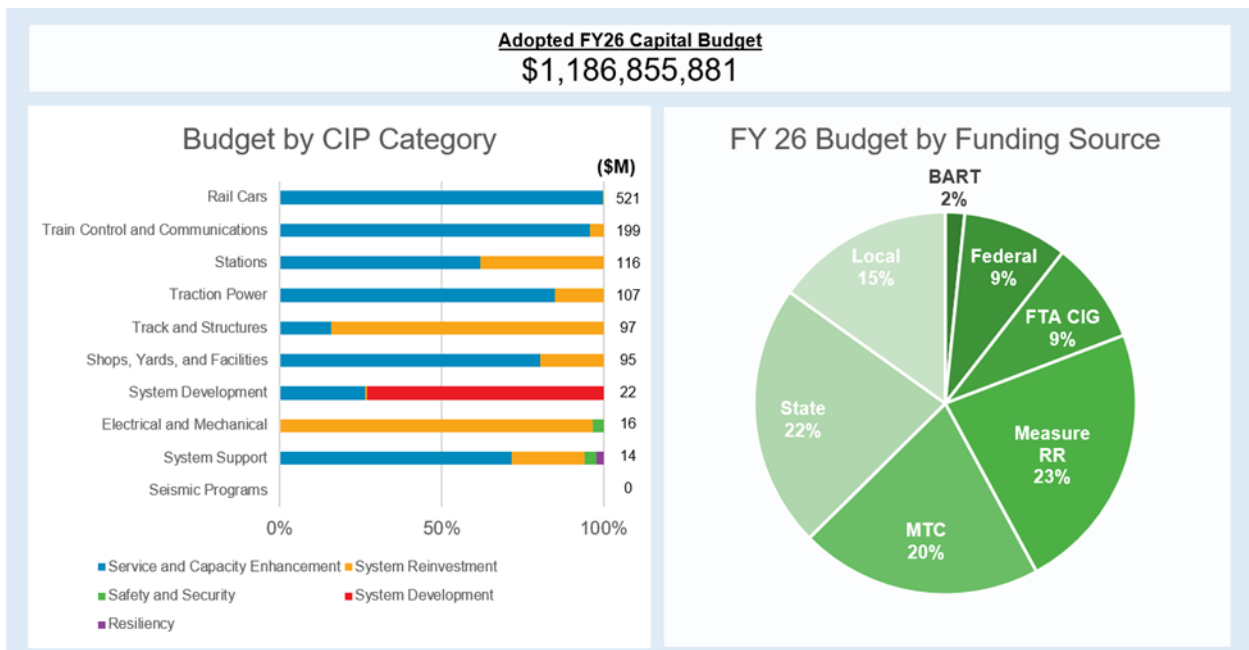


Photo 5: Geometry Car



Description: Geometry Car preparing for rail inspections and maintenance.

Photo 6: BART Engineers



Description: Three engineers standing on BART platform in front of BART train.

11. Attachments

Attachment A: Executive Decision Document (EDD): Two-Year Budget Resolution for Fiscal Year 2025 and Fiscal Year 2026



EXECUTIVE DECISION DOCUMENT

| | | | | | |
|---|--|--|---------------------------|---|--|
| GENERAL MANAGER APPROVAL: | | DocuSigned by: <i>Michael Jones</i> 47000790F2D7463... | | GENERAL MANAGER ACTION REQ'D: | |
| DATE: 6/3/2024 | | 6/7/2024 | | BOARD INITIATED ITEM: Yes | |
| Originator/Prepared by: Katherine Alagar Dept: Operating Budgets | General Counsel | Controller/Treasurer | District Secretary | BARC | |
| DocuSigned by: <i>Katherine Alagar</i> 697EB8AE6F87469... | DocuSigned by: <i>Amelia Sandoval</i> 2528C067C44147D... | DocuSigned by: <i>Smith Morgan</i> 998BB5CEE5E149F... | | DocuSigned by: <i>Pamela Herhold</i> 3BB24D65B8724F5... | |
| Signature/Date: 6/5/2024 | 6/5/2024 [] | 6/5/2024 [] | [] | 6/5/2024 [] | |

Two-Year Budget Resolution for Fiscal Year 2025 and Fiscal 2026

PURPOSE:

Authorize adoption of the Fiscal Year 2025 and Fiscal Year 2026 Two-Year Budget Resolution (Budget Resolution).

DISCUSSION:

Approval by the Board of Directors is required for the Fiscal Year 2025 and Fiscal Year 2026 (FY25 & FY26) operating and capital budgets. The proposed combined operating and capital budget is \$2.4 billion (B) in FY25 and \$2.3B in FY26.

The proposed FY25 & FY26 budgets are summarized in Attachments 1 and 2, which include funding sources and uses of funds for the operating and capital budgets.

The proposed budget was presented to the Board of Directors at meetings in April and May 2024, concluding with a public hearing on May 23, 2024. Additional information can be found at bart.gov/financials.

FY25 & FY26 Operating Budget

The FY25 & FY26 operating budget continues to be highly constrained by reduced operating revenues associated with lower ridership and lower sales tax receipts.

Operating revenues in the FY25 budget are \$33.4M higher than the adopted FY24 budget. The revenue budget projects \$297.5M of operating revenue in FY25 and \$309.9M in FY26. This includes \$235.1M of

rail passenger revenue in FY25 and \$258M in FY26, incorporating the previously approved, less-than-CPI 5.5% fare increase effective January 2025 as adopted by the Board on June 8, 2023.

Financial assistance is budgeted at \$500.3M in FY25 and \$510.7M in FY26. This includes \$320.3M of sales tax, \$64.3M of property tax, \$35.2M of VTA Financial Assistance, and \$48.8M of State Transit Assistance in FY25. Sales tax receipts are expected to slow from the prior year in light of rising consumer debt and diminishing personal savings, constraining household budgets.

The proposed operating budget authorizes FY25 and FY26 expenditures of \$1.1B and \$1.2B, respectively, while funding 3,770.1 operating and 44.5 reimbursable full-time equivalent positions (FTEs) and FTEs in FY25 and FY26.

The Labor Budget includes:

- A previously negotiated 4.0% wage increase in FY25 for AFSCME, ATU, SEIU, and non-represented employees as well as a 3.0% increase in FY25 and 3.5% in FY26 for BPOA/BPMA employees.
- Right sizing of Transportation frontline staff, with the addition of 61 FTE for Transportation, partially offset by eliminating 25 vacant positions in other Operations departments.
- The conversion of 186.3 FTEs in Maintenance from Capital to Operating to reflect actual charging patterns.
- The budget includes an operating position vacancy rate assumption of 6% and a capital position vacancy rate assumption of 18%. The current rates are 7.5% and 20%, respectively. Separate budgeting of these rates is intended to bring expected capital reimbursements budget closer to actuals.

The Non-Labor Budget includes:

- Power cost increases of \$2.6M in FY25 and \$3.4M in FY26, due to increased energy supply costs and distribution/delivery rates.
- An increase of \$3.7M in Paratransit in FY25 expected with new vendor contracts.
- One-time increases of \$5.0M for Clipper fees associated with the Clipper 2 transition and \$2.3M for November 2024 election costs.

Debt Service and Allocations include:

- Suspension of the pension allocation contributions of \$10M.
- Suspension of Sustainability allocations.
- Deferral of Priority Capital allocations based on projected cashflow needs of the associated capital projects.

The shift of \$9.6M of Baseline Capital Reinvestment allocations from FY25 to FY26 to balance FY25 and align with the expected timing of SB 125 payments.

Emergency Funding of \$328.2M (\$270M remaining Federal Emergency Assistance and \$58M in State/Regional Emergency Assistance) in FY25 balances the budget. The remaining State/Regional Emergency Assistance of \$294M will be exhausted in FY26 leaving a \$35.4M deficit.

FY25 & FY26 Capital Budget The FY25 & FY26 Capital Budget anticipates a maximum investment of \$1.2B in both FY25 and FY26 in BART's capital assets and funds 812.4 FTEs.

The Two-Year Capital Budget provides an estimate of work planned to be completed in the coming two fiscal years. The majority (98%) of planned investments are in System Reinvestment and Service and Capacity Enhancement. The top 5 projects with the highest capital budgets represent 65% of the total FY25 Capital Budget. The largest investments are in the Core Capacity Program, including investment in Communications-based Train Control (CBTC) and Rail Cars, as well as significant investment in Next Generation Fare Gates. The remainder of the FY25 Capital Budget invests in Traction Power, Track & Structures, and Stations projects. The FY26 Capital Budget will be the last year with significant rail car expenditures and the largest investments will continue to be in the Core Capacity Program.

The new BART Police Headquarters will be well underway in FY26. More than 60% of the Capital Budget is funded with regional, local and BART sources including Capital Allocations, BART Measure RR, county contributions and MTC Rail Car Exchange Account. The rest is funded from Federal and State grants, which includes State SB1 program funding, FTA Capital Investment Grant, and Federal Formula Funds.

FY25 & FY26 Budget Resolution Staff recommends approval of the attached Resolution to adopt the Fiscal Year 2025 and Fiscal Year 2026 Two-Year Budget. As in previous years, the Budget Resolution includes authorizations that allow the General Manager or the General Manager's designee to apply to different bodies for grant funds (including, but not limited to, Transportation Development Act, State Transit Assistance, Bridge Toll, Federal Emergency Management Agency, SB 125, and Federal Transit Administration). It also includes authorizations that allow the General Manager or the General Manager's designee to execute agreements that may require payments to regional partner governments and agencies. The Budget Resolution incorporates provisions referring to the SFO Extension and Silicon Valley extension service plans.

For FY25 and FY26, the budget suspends the Low Carbon Fuel Standard Policy, adopted July 27, 2017 which allocates revenues directed toward sustainability-related projects, and the Pension Funding Policy adopted March 28, 2019 which sets aside funds to pay down pension liability in future years. The budget also defers priority capital allocations for FY25 and FY26.

The Budget Resolution language includes the General Manager's permanent position authorization of 100 positions in each fiscal year. This provides the flexibility necessary to meet operational needs as they arise over the course of the fiscal year.

Exhibit A (attached) to the Budget Resolution summarizes operating and capital budget totals. Exhibit B reflects current hourly pay rates or base pay ranges, as applicable, and management incentive pay, if any, for non-represented employees.

FISCAL IMPACT: The proposed Fiscal Year 2025 and Fiscal Year 2026 Two-Year Budget is balanced in FY25 (year one) with a deficit of \$35.4M in FY26 (year two). The fiscal outlook will be updated and the budget may be revised as conditions and actuals change over the course of the fiscal year.

ALTERNATIVES: Do not adopt the budget or adopt a budget that differs from what has been presented to the Board of Directors. Rules of the Board of Directors require that the budget be adopted prior to June 30; adoption of the Budget Resolution by June 30 is required to authorize expenditures in FY25.

RECOMMENDATION: Adoption of the following motion.

MOTION: The Board adopts the attached Resolution in the matter of approving the Two-Year Budget for the San Francisco Bay Area Rapid Transit District and authorizes expenditures for the fiscal years July 1, 2024 to June 30, 2025 and July 1, 2025 to June 30, 2026

EXHIBIT A
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
TWO-YEAR BUDGET - FY25 and FY26

| <u>FUND SOURCES</u> | <u>FY25</u> | <u>FY26</u> |
|--|-------------------------|-------------------------|
| FUND SOURCES FOR NET OPERATING EXPENSE BUDGET, DEBT SERVICE AND CAPITAL ALLOCATIONS | | |
| Operating Revenue | \$ 297,517,507 | \$ 309,942,489 |
| Sales Tax | 320,309,800 | 327,905,080 |
| Property Tax | 64,260,000 | 65,866,500 |
| VTA Financial Assistance | 35,167,085 | 34,572,565 |
| MTC Financial Assistance Clipper Start | 1,336,264 | 1,466,092 |
| Local & Other Assistance | 13,434,733 | 13,708,528 |
| State Transit Assistance | 48,781,274 | 49,337,465 |
| Low Carbon Transit Operations Program | 11,008,728 | 11,813,305 |
| Low Carbon Fuel Standard Program | 6,000,000 | 6,000,000 |
| Subtotal Operating Sources | 797,815,392 | 820,612,023 |
| Emergency Assistance | 328,236,784 | 294,048,000 |
| Subtotal – Emergency Assistance | 328,236,784 | 294,048,000 |
| Total Operating Sources | 1,126,052,176 | 1,114,660,023 |
| FUND SOURCE FOR CAPITAL BUDGET | | |
| Capital Funds - Cash Flow | \$ 1,243,659,379 | \$ 1,186,855,881 |
| TOTAL ESTIMATED FUND SOURCES | \$ 2,369,711,555 | \$ 2,301,515,904 |
| <u>FUND USES</u> | | |
| FUND USES FOR NET OPERATING EXPENSE BUDGET, DEBT SERVICE AND CAPITAL ALLOCATIONS | | |
| Net Labor Expense ⁽¹⁾ | \$ 780,647,902 | \$ 796,736,146 |
| Non-Labor Expense | 253,214,680 | 246,342,847 |
| Total Net Operating Expense | \$ 1,033,862,582 | \$ 1,043,078,993 |
| Revenue Bond Debt Service | 60,163,276 | 60,178,575 |
| Allocation to Capital - Rehabilitation | 29,059,075 | 43,869,948 |
| Allocation to Capital - Priority Capital Programs | 0 | 0 |
| Allocation to Capital - Other | 2,967,243 | 2,967,243 |
| Allocation - Sustainability from LCFS | 0 | 0 |
| Allocation - Pension | 0 | 0 |
| Total Operating Uses | \$ 1,126,052,176 | \$ 1,150,094,759 |
| FUND USES FOR CAPITAL BUDGET | | |
| Capital Funds - Cash Flow | \$ 1,243,659,379 | \$ 1,186,855,881 |
| TOTAL ESTIMATED FUND USES | \$ 2,369,711,555 | \$ 2,336,950,641 |
| NET FINANCIAL RESULT (DEFICIT) | \$ (0) | \$ (35,434,736) |
| ⁽¹⁾ Total Authorized Permanent Positions as of 07/01/24 = 4,627.00, as of 07/01/25 = 4,627.00 | | |

**EXHIBIT B
CHARACTER, BASE SALARIES, PAY BANDS, HOURLY WAGE RATES,
AND MANAGEMENT INCENTIVE PAY OF MANAGEMENT AND
NON-REPRESENTED CLASSIFICATIONS**

**CHARACTER OF POSITION/PAYROLL
CLASSIFICATION TITLE**

HOURLY WAGE RANGE

| CLERICAL & HOURLY | STEP 1 | STEP 2 | STEP 3 | STEP 4 | STEP 5 | STEP 6 |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| P/T RECEPTIONIST | \$37.8464 | \$39.4864 | \$41.0065 | \$42.5660 | \$44.1661 | \$44.7802 |
| PARALEGAL | \$45.0505 | \$47.0060 | \$48.8168 | \$50.6769 | \$52.5852 | \$53.3105 |
| P/T SURVEY TAKER (SINGLE RATE) | \$43.3599 | | | | | |

NOTE: The clerical rates are effective 07/01/2024.

PROFESSIONAL/MANAGEMENT PAY BANDS

| PAY BAND | MINIMUM | MIDPOINT | MAXIMUM |
|----------|-----------|-----------|-----------|
| 16 | \$233,322 | \$293,403 | \$353,484 |
| 15 | \$212,111 | \$266,730 | \$321,349 |
| 14 | \$192,828 | \$242,482 | \$292,135 |
| 13 | \$175,298 | \$220,438 | \$265,577 |
| 12 | \$159,361 | \$200,397 | \$241,433 |
| 11 | \$148,935 | \$187,287 | \$225,638 |
| 10 | \$139,192 | \$175,034 | \$210,876 |
| 9 | \$130,085 | \$163,583 | \$197,080 |
| 8 | \$121,574 | \$152,880 | \$184,186 |
| 7 | \$113,621 | \$142,879 | \$172,136 |
| 6 | \$106,187 | \$133,531 | \$160,874 |
| 5 | \$99,240 | \$124,795 | \$150,349 |
| 4 | \$92,747 | \$116,630 | \$140,513 |
| 3 | \$86,679 | \$109,000 | \$131,320 |
| 2 | \$81,008 | \$101,868 | \$122,728 |
| 1 | \$75,708 | \$95,204 | \$114,699 |

NOTE: The professional/management pay bands 1-15 were effective 07/01/2022 and pay band 16 was added 2/22/24

| MANAGEMENT INCENTIVE PAY (ANNUAL) | Amount |
|---|---------|
| Assistant General Manager - Operations | \$4,800 |
| Assistant General Manager - External Affairs | \$4,800 |
| Assistant General Manager - Administration | \$4,800 |
| Assistant General Manager - Technology/CIO | \$4,800 |
| Assistant General Manager - Office of Infrastructure Delivery | \$4,800 |
| Assistant General Manager - Performance & Budget | \$4,800 |
| Chief Financial Officer | \$4,800 |
| Deputy General Manager | \$4,800 |
| Managing Director - Capitol Corridor | \$4,800 |
| Police Chief | \$4,800 |
| Deputy Police Chief | 10% |

Due to the unique nature of these jobs as executive management employees reporting directly to the General Manager, these classifications are eligible to receive Management Incentive Pay of \$4,800 annually (26 equal pay period installments of \$184.61).

Due to the unique nature of the job as first level management over Police Lieutenants, the Deputy Police Chief classification is eligible to receive Deputy Police Chief Management Incentive Pay in the amount of 10% of the regular base pay rate.

| BOARD APPOINTED OFFICERS' ANNUAL SALARIES | | |
|---|---------------|-----------|
| | Base Salaries | Effective |
| DISTRICT SECRETARY | \$200,850.00 | 7/1/2023 |
| GENERAL COUNSEL | \$340,000.00 | 3/14/2024 |
| GENERAL MANAGER | \$422,379.70 | 7/1/2023 |
| INDEPENDENT POLICE AUDITOR | \$224,649.23 | 7/1/2023 |
| INSPECTOR GENERAL | \$226,600.00 | 7/1/2023 |

Note: No rate increases approved for Board Appointed Officers in FY25.

BEFORE THE BOARD OF DIRECTORS OF THE

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

In the matter of approving The Two-Year Budget for the San Francisco Bay Area Rapid Transit District and authorizing Expenditures for the Fiscal Year July 1, 2024, to June 30, 2025, and Fiscal Year July 1, 2025, to June 30, 2026 Resolution No. 5586

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District published notices on April 30, May 3, May 8, May 10, May 16, and May 17, 2024 in newspapers of general circulation in the County of San Francisco, the County of Contra Costa, and the County of Alameda of its intention to adopt a Two Year Budget for the Fiscal Years July 1, 2024, to June 30, 2025 and July 1, 2025 to June 30, 2026; and

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District desires to adopt a Two-Year Budget for the Fiscal Years July 1, 2024, to June 30, 2025, and July 1, 2025 to June 30, 2026; and

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District is required by Public Utilities Code Section 28767 to determine and create, by resolution, such number and character of positions as are necessary to properly carry out the functions of the District; and

WHEREAS, the Transportation Development Act (TDA), Public Utilities Code §99200, et seq., provides for the disbursement of funds from the Local Transportation Fund of the Counties of Alameda and Contra Costa for use by eligible claimants for the purpose of operating assistance; and

WHEREAS, the State Transit Assistance (STA) fund makes funds available pursuant to Public Utilities Code Section 99313.6 for allocation to eligible applicants to support approved transit projects; and

WHEREAS, as attested to by opinions of the Office of the General Counsel, the San Francisco Bay Area Rapid Transit District is an eligible applicant for Net Toll Revenues and MTC Rail Extension Reserve bridge toll revenues pursuant to Section 30892 of the Streets and Highways Code; and is an eligible claimant for TDA and STA funds pursuant to Public Utilities Code Section 99260; and

WHEREAS, San Francisco Bay Area Rapid Transit District supports the Senate Bill 125 Regional Accountability Measures memorialized in MTC Resolution No. 4619 (November 2023) and commits to advancing the achievement of these initiatives to the best of its abilities; and

WHEREAS, the agreement between the San Francisco Bay Area Rapid Transit District and San Mateo County Transit District, dated April 27, 2007, states that the San Francisco Bay Area Rapid Transit District will provide service on the San Francisco Airport (SFO) extension in a manner consistent with BART's system-wide operating policies; and

WHEREAS, the agreement between the San Francisco Bay Area Rapid Transit District and Santa Clara Valley Transportation Authority, dated May 22, 2020, states that the San Francisco Bay Area Rapid Transit District will provide service on the Silicon Valley Extension in a manner consistent with BART's system-wide operating policies; and

WHEREAS, the Federal Emergency Management Agency (FEMA) or its designee makes reimbursement funds available pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5121 et seq.); and

WHEREAS, the Regional Institutional and Employer Pass Pilot program began the first phase of implementation in August 2022 with the product branded as Clipper BayPass; and

WHEREAS, the system-wide operating plan for Fiscal Year 2025 and Fiscal Year 2026 was presented to the Board of Directors on May 9, 2024, in a presentation entitled “Fiscal Year 2025 and Fiscal Year 2026 Budget Sources, Uses and Rail Service Plan”; and

NOW, THEREFORE, BE IT RESOLVED that the attached Two-Year Budget (marked Exhibit A and incorporated herein as though set forth at length) is hereby adopted; and

BE IT FURTHER RESOLVED that, subject to the resolved clauses, said Two-Year Budget includes appropriations of monies expected to be available in the General Fund, Capital Funds including Construction Funds and existing and anticipated Federal, State and local grants, for expenditures in the amounts and for the purposes set forth in said budget; and

BE IT FURTHER RESOLVED that, subject to the resolved clauses, said Two-Year Budget includes a fare increase consistent with the action taken and adopted by the Board on June 8, 2023, and the Attachments and Exhibits reflect any such increase; and

BE IT FURTHER RESOLVED that, subject to the resolved clauses, said Two-Year Budget includes a deferral of priority capital allocations for the duration of Fiscal Years 2025 and 2026, and the Attachments and Exhibits reflect such deferrals; and

BE IT FURTHER RESOLVED that, subject to the resolved clauses, said Two-Year Budget includes participation in the Regional Institutional and Employer Pass Pilot program branded as Clipper BayPass, subject to program amendments and revisions endorsed by the Fare Integration Task Force; and

BE IT FURTHER RESOLVED that, subject to the resolved clauses, said Two-Year Budget includes a suspension of previously adopted Board policy and resolution for the duration of Fiscal Year 2025 and until further notice, including:

BART Low Carbon Fuel Standard Policy adopted July 27, 2017;

Pension Funding Policy adopted March 28, 2019; and

BE IT FURTHER RESOLVED that the General Manager is authorized to enter into services agreements (including professional, technical, maintenance and repair agreements) and lease or license agreements for District use of real property, facilities, equipment, and software provided that:

The General Manager shall first determine that the work or services concerned, in the amounts authorized in a service agreement, cannot satisfactorily be performed by the officers or employees of the District;

Agreements that are let by public bidding, service, lease, and license agreements, and amendments thereto, between \$25,000 and \$100,000, shall be reported bi-monthly to the Board of Directors;

Prior authorization by the Board of Directors is required when:

The agreement, and amendments thereto, total in the aggregate \$100,000 or more in the fiscal year; or

Amendments total in the aggregate \$100,000 or more in any subsequent fiscal year;

The General Counsel is authorized to enter into services agreements in amounts up to \$100,000 with special counsel not previously designated by the Board without prior notice to the Board where the General Counsel determines that such immediate action is necessary to protect the legal interests of the District. Any such agreement shall be reported by the General Counsel to the Board within the calendar month thereafter; and

The General Manager's authority to take immediate remedial measures, as defined in Section 20224 of the California Public Contract Code, and as authorized in Resolution No. 4834 shall remain unchanged; and

BE IT FURTHER RESOLVED that the General Manager is authorized to exchange District goods and services for goods and services from others of approximately equal or greater value; and

BE IT FURTHER RESOLVED that all disbursements resulting from the exercise of authority granted to the General Manager pursuant to this resolution shall be reported to the Board of Directors in the District's quarterly financial report; and

BE IT FURTHER RESOLVED THAT that the General Manager is authorized to waive minor irregularities in bid documents prior to recommending contract awards to the Board; and

BE IT FURTHER RESOLVED that the General Manager or the General Manager's designee is authorized to execute and file a Bridge Toll Application, a TDA Application and an STA Application along with necessary supporting documents, with the Metropolitan Transportation Commission for allocation of bridge toll revenues, TDA and STA funds in Fiscal Year 2025 and Fiscal Year 2026; and

BE IT FURTHER RESOLVED that the General Manager or the General Manager's designee is authorized to execute and file a reimbursement claim with FEMA or its designee for expenses incurred in Fiscal Year 2025 and Fiscal Year 2026; and

BE IT FURTHER RESOLVED that the General Manager or the General Manager's designee is authorized to execute and file an application to the FTA for allocation of American Rescue Plan Act (ARP) funding in Fiscal Year 2025 and Fiscal Year 2026; and

BE IT FURTHER RESOLVED that the San Francisco Bay Area Rapid Transit District's system-wide operating policies shall be generally as set forth in the May 9, 2024, presentation entitled "Fiscal Year 2025 and Fiscal Year 2026 Budget Sources, Uses and Rail Service Plan", subject to such adjustments that staff determines necessary to operate the service in the public's interest; and

BE IT FURTHER RESOLVED that the General Manager or the General Manager's designee is authorized to execute agreements with regional transit operators to provide or receive transfer payments, such transfer payments being paid or received by the District to facilitate the coordination of transit service; and

BE IT FURTHER RESOLVED that the General Manager is authorized to make expenditures and incur liabilities against said funds within the limits set forth in said budget and the provisions of this Resolution, and to act on behalf of the District in connection with contracts arising thereunder, by following the procedures provided by law, and by Board of Directors' Resolutions and Board Rules, except that no contractual obligation shall be assumed by the District in excess of its ability to pay, and provided further that all expenditures shall be in conformance with statutory and other restrictions placed on the use of said funds; and

BE IT FURTHER RESOLVED that the General Manager is authorized to exceed Board Appointed Department/Executive Office budgets by more than ten percent ten days after written notice of this intended action has been mailed to the Board of Directors, provided that the Total Net Operating Expense line item set forth in "Exhibit A" is not exceeded and such action is consistent with Board Rule 5-1.4 and provided further that the General Manager will prepare and send to the Board, a summary of Department budgets within approximately 30 days after the adoption of this budget; and

BE IT FURTHER RESOLVED that the General Manager is authorized to exceed the foregoing ten percent limitation for emergency expenditures which are made in accordance with Resolution No. 4834 and Public Contract Code Section 20224; and

BE IT FURTHER RESOLVED that the General Manager is authorized to act on behalf of the District, and to make expenditures and incur liabilities against all funds of the District as provided for in contracts which have been authorized by the Board of Directors of the District and that the Board's authorizations of such contracts also include the necessary appropriations for such contracts and change orders authorized by Rules approved by the Board, subject, however, to compliance with such specific appropriation resolutions as may be adopted by the Board from time to time; and

BE IT FURTHER RESOLVED that the General Manager or the General Manager's designee is authorized to issue free or discounted promotional rides in Fiscal Year 2025 and Fiscal Year 2026 for purposes of building ridership on the system, consistent with ridership development guidelines; and

BE IT FURTHER RESOLVED that effective July 1, 2024:

The total number of permanent full and permanent part-time positions ("full time equivalent") as of July 1, 2024, budgeted for the District shall be 4,627.00 in Fiscal Year 2025 and 4,627.00 in Fiscal Year 2026 (a part-time position is counted as 0.625 positions). Additional permanent positions are authorized, as required, not to exceed 100 positions;

The character and salary ranges of such positions, including officers appointed by the Board pursuant to Public Utilities Code Section 28811 shall be as set forth in the agreements entered into with Service Employees' International Union, Local 1021, Amalgamated Transit Union, Local 1555, American Federation of State and County Municipal Employees, Local 3993, the BART Police Officers Association and the BART Police Managers Association as to the employees represented thereby, and with other Bargaining Units for employees that may later be represented thereby, and for all other employees as set forth in the attached "Exhibit B", incorporated herein as though set forth at length. The employment benefits for non-represented employees shall be administered by the General Manager in accordance with Board Rule 4-1.2;

The General Manager is authorized to make future adjustments to the Professional/Management Salary Ranges ("Exhibit B") for non-represented employees in accordance with applicable provisions of the Compensation Manual, which reflects the District policy and practice to evaluate such ranges on an annual basis and to establish the mid-points of the pay ranges for positions so that they approximate the 75th percentile of the average of salaries paid for similar jobs in the labor market and to promptly advise the Board of any and all such range adjustments. The General Manager is directed to initiate the annual review by October of each year; and

The District Secretary shall ensure that an amendment to Exhibit B be prepared to reflect any adjustment to the hourly wage rates or professional/management pay bands as provided above or any adjustment to the Board appointed officers' salaries as a result of merit adjustments or scheduled increases provided in such officers' employment agreements that take effect during the fiscal year. The District Secretary shall attach any such amendment to Exhibit B as an addendum to this resolution; and

BE IT FURTHER RESOLVED that the General Manager or the General Manager's designee shall post all grant application summaries online to the public as they are submitted, except those that if made public would compromise the security of the system.

Attachment 1
FY25 and FY26 District Operating Budget
Sources and Uses Detail

| | FY25 Preliminary Budget | FY25 Proposed Budget | Delta from Preliminary Budget | FY26 Preliminary Budget | FY26 Proposed Budget | Delta from Preliminary Budget |
|--|-------------------------------|----------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------------------------|
| Rail Passenger Revenue | \$ 240,432,789 | \$ 235,136,259 | \$ (5,296,531) | \$ 261,950,532 | \$ 257,979,299 | \$ (3,971,233) |
| ADA Passenger Revenue | 590,000 | 590,000 | - | 620,000 | 620,000 | - |
| Parking Revenue | 16,463,286 | 16,463,286 | - | 16,008,707 | 16,008,707 | - |
| Other Operating Revenue | 47,158,537 | 45,327,963 | (1,830,574) | 46,148,070 | 35,334,483 | (10,813,587) |
| Subtotal - Operating Revenue | \$ 304,644,612 | \$ 297,517,507 | \$ (7,127,105) | \$ 324,727,309 | \$ 309,942,489 | \$ (14,784,820) |
| Sales Tax Proceeds | 323,484,631 | 320,309,800 | (3,174,831) | 332,336,221 | 327,905,080 | (4,431,141) |
| Property Tax Proceeds | 64,260,000 | 64,260,000 | - | 65,866,500 | 65,866,500 | - |
| VTA Financial Assistance | 35,274,857 | 35,167,085 | (107,772) | 35,179,557 | 34,572,565 | (606,992) |
| MTC Financial Assistance Clipper Start | 1,275,547 | 1,336,264 | 60,718 | 118,289 | 1,466,092 | 1,347,803 |
| Local & Other Assistance | 13,434,733 | 13,434,733 | - | 13,708,528 | 13,708,528 | - |
| State Transit Assistance | 48,781,274 | 48,781,274 | - | 49,337,465 | 49,337,465 | - |
| Low Carbon Transit Operations Program | 11,008,728 | 11,008,728 | - | 11,813,305 | 11,813,305 | - |
| Low Carbon Fuel Standard Program | 6,000,000 | 6,000,000 | - | 6,000,000 | 6,000,000 | - |
| Subtotal - Financial Assistance | \$ 503,519,770 | \$ 500,297,884 | \$ (3,221,886) | \$ 514,359,865 | \$ 510,669,534 | \$ (3,690,330) |
| TOTAL - OPERATING SOURCES | \$ 808,164,382 | \$ 797,815,392 | \$ (10,348,991) | \$ 839,087,173 | \$ 820,612,023 | \$ (18,475,150) |
| Labor & Benefits | 780,479,698 | 780,647,902 | 168,204 | 796,583,329 | 796,736,146 | 152,817 |
| ADA Paratransit | 22,495,000 | 22,495,000 | - | 23,000,000 | 23,000,000 | - |
| Purchased Transportation | 8,276,618 | 8,357,991 | 81,373 | 8,276,618 | 8,357,991 | 81,373 |
| Power | 61,613,235 | 61,613,235 | - | 64,996,543 | 64,996,543 | - |
| Other Non-Labor | 159,560,365 | 160,748,454 | 1,188,089 | 158,134,635 | 149,988,313 | (8,146,322) |
| Subtotal - Operating Expense | \$ 1,032,424,916 | \$ 1,033,862,582 | \$ 1,437,666 | \$ 1,050,991,125 | \$ 1,043,078,993 | \$ (7,912,132) |
| Bond Debt Service | 60,163,276 | 60,163,276 | - | 60,178,575 | 60,178,575 | - |
| Allocation - Capital Rehabilitation | 38,647,646 | 29,059,075 | (9,588,571) | 34,181,377 | 43,869,948 | 9,688,571 |
| Allocation - Priority Capital Programs | - | - | - | - | - | - |
| Allocation - Other | 2,967,243 | 2,967,243 | - | 2,967,243 | 2,967,243 | - |
| Allocation - Sustainability from LCFS | - | - | - | - | - | - |
| Allocation - Pension | - | - | - | - | - | - |
| Allocations | 41,614,888 | 32,026,317 | (9,588,571) | 37,148,620 | 46,837,191 | 9,688,571 |
| Subtotal - Debt Service & Allocations | \$ 101,778,165 | \$ 92,189,594 | \$ (9,588,571) | \$ 97,327,195 | \$ 107,015,766 | \$ 9,688,571 |
| TOTAL - USES | \$ 1,134,203,081 | \$ 1,126,052,176 | \$ (8,150,905) | \$ 1,148,318,320 | \$ 1,150,094,759 | \$ 1,776,439 |
| Net Result Before Emergency Assistance | \$ (326,038,698) | \$ (328,236,784) | \$ (2,198,086) | \$ (309,231,146) | \$ (329,482,736) | \$ (20,251,590) |
| Emergency Assistance | \$ 326,038,698 | \$ 328,236,784 | \$ 2,198,086 | \$ 283,076,857 | \$ 294,048,000 | \$ 10,971,143 |
| NET RESULT | \$ - | \$ - | \$ - | \$ (26,154,289) | \$ (35,434,736) | \$ (9,280,447) |
| Average Weekday Trips | 176,600 | 170,200 | (6,400) | 188,100 | 177,400 | (10,700) |
| Total Ridership | 53,296,800 | 51,726,900 | (1,569,900) | 56,543,700 | 53,905,800 | (2,637,900) |
| Rail Farebox Recovery Ratio | 23% | 23% | | 25% | 25% | |
| Operating Ratio | 30% | 29% | | 31% | 30% | |

Attachment 2

FY25 and FY26 Capital & Reimbursable Budget Headcount and Planned Expenditures Program Summary by Category

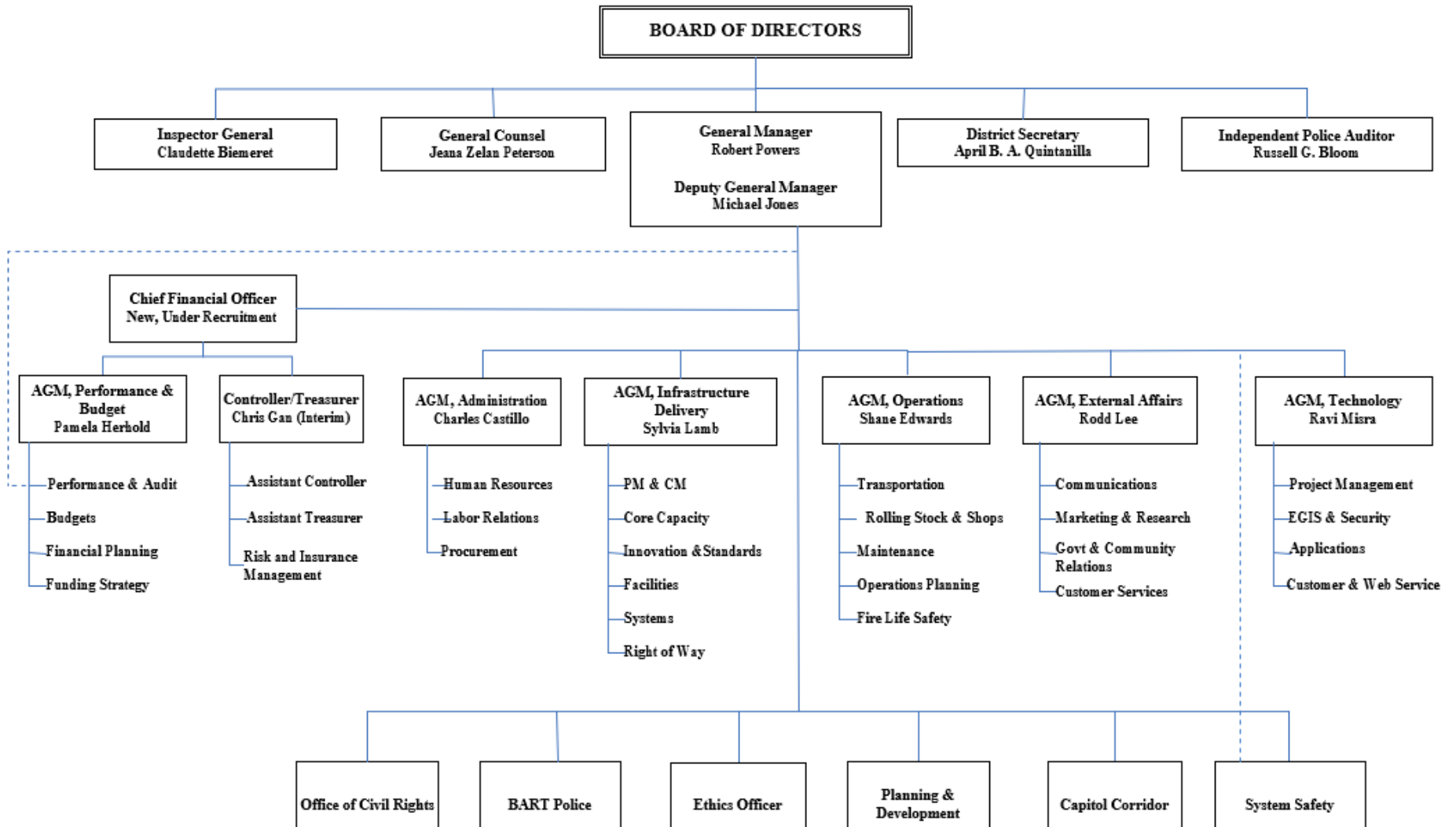
| Program Category | FY25 and FY26 Headcount* | FY25 Planned Expenditures | FY26 Planned Expenditures |
|---|-----------------------------|------------------------------|------------------------------|
| System Reinvestment | | | |
| Mainline | 80.4 | \$ 123,035,762 | \$ 110,980,132 |
| Rolling Stock | 30.1 | \$ 46,131,390 | \$ 918,566 |
| Stations | 38.8 | \$ 59,460,090 | \$ 61,639,737 |
| Controls & Communications | 7.4 | \$ 11,398,502 | \$ 4,739,522 |
| Facilities | 6.8 | \$ 10,486,572 | \$ 10,155,836 |
| Work Equipment | 0.0 | \$ 1,271 | \$ - |
| Total System Reinvestment | 163.6 | \$ 250,513,587 | \$ 188,433,792 |
| Service & Capacity Enhancement | | | |
| Mainline | 82.6 | \$ 126,449,806 | \$ 113,398,230 |
| Rolling Stock | 326.6 | \$ 499,983,753 | \$ 520,531,257 |
| Stations | 85.4 | \$ 130,811,619 | \$ 71,737,961 |
| Controls & Communications | 107.4 | \$ 164,383,726 | \$ 197,521,023 |
| Facilities | 20.5 | \$ 31,405,163 | \$ 75,738,820 |
| Work Equipment | 5.3 | \$ 8,037,921 | \$ 1,955,407 |
| Total Service and Capacity Enhancement | 627.8 | \$ 961,071,987 | \$ 980,882,698 |
| Safety & Security | 2.3 | \$ 3,500,117 | \$ 1,049,538 |
| Earthquake Safety | 8.1 | \$ 12,409,955 | \$ 337,568 |
| System Expansion | 10.6 | \$ 16,163,733 | \$ 16,152,286 |
| TOTAL CAPITAL | 812.4 | \$ 1,243,659,379 | \$ 1,186,855,881 |
| <u>FY25 and FY26</u> | | | |
| <u>Reimbursable Headcount</u> | <u>Headcount</u> | | |
| Capitol Corridor** | 25.0 | | |
| Reimbursable*** | 19.5 | | |
| TOTAL REIMBURSABLE | 44.5 | | |
| Cost Allocation Plan | 48.0 | | |

* Total authorized permanent positions.

** All expenses for the Capitol Corridor service to be reimbursed as allocated to the Capital corridor Joint Powers Board in the Annual State Budget Act.

*** Positions fully reimbursed by Muni, VTA, and others for BART staff expenses incurred in performing services for the organizations.

**SAN FRANCISCO BAY AREA RAPID TRANSIT
ORGANIZATION CHART
FY25 Adopted Budget**



Attachment C: Department Descriptions

Office of the General Manager: The Office of the General Manager (OGM) is comprised of the General Manager, who is appointed by the BART Board of Directors, and includes the Deputy General Manager, Office of the CFO, Office of Civil Rights, and System Safety. The OGM provides general oversight of BART and the leadership to develop and deliver BART's programs and projects, ensuring coordination and consultation with our many internal and external stakeholders.

- **Goals of the OGM Includes:**
 - Monitor safety performance, improve safety incident tracking, and identify regulatory compliance against assets and locations.
 - Invest in our current and future workforce development, wellness, and safety.
 - Increase diversity in hiring and contracting to meet District diversity goals.
 - Progress to a more sustainable energy portfolio.
 - Build and strengthen community confidence in BART.
- **Office of Civil Rights:** The Office of Civil Rights aims to create a workplace free of discrimination, harassment, and retaliation, and ensures that those who do business with BART are treated equitably and is responsible for Environmental Justice, Title VI of the Civil Rights Act of 1964, Diversity, Equity, Inclusion and Social Justice strategy, policy, and program implementation at BART according to local and federal laws. The office is comprised of the following divisions: Contract and Labor Compliance Programs, Economic Opportunity Policies and Programs, and Workforce and Policy Compliance, and Agreement Compliance Programs.
- **System Safety:** BART prioritizes the safety of its employees and riders. BART's Chief Safety Officer ensures that safety remains BART's top priority in all functions including planning, design, construction, testing, maintenance, and operations of the rail system. System Safety strives to make the system as safe as possible by implementing a Safety Management System and tracking safety hazards to resolution. System Safety oversees, audits, and monitors safety in the areas of: Rail Operations, Occupational Health & Safety, Engineering & Safety Certification, and Environmental Compliance. System Safety maintains, revises, and implements the BART Public Transportation Agency Safety Plan (PTASP), and handles safety and compliance issues with regulatory agencies including the California Public Utilities Commission (CPUC), Cal/OSHA, Federal Transit Administration (FTA), local public health departments, Centers for Disease Control (CDC), National Transportation Safety Board (NTSB), Certified Unified Program Agencies (CUPA)/Environment Protection Agency (EPA), and many others.
- **Office of Technology:** The Assistant General Manager of Technology sets information technology policy and direction for BART. The office reports directly to the Office of the General Manager and works closely with the Executive Offices to support BART's technology vision and mission. The office is comprised of the following divisions: EGIS & Security, Applications, Customer Services & Web Services, and Project Management.
- **Office of the General Counsel¹⁰:** The Office of the General Counsel (OGC) provides comprehensive legal services to BART. Responsibilities of the OGC include:
 - Board of Directors: Review all matters submitted to the Board and respond to all questions referred to the Office of the General Counsel.
 - Litigation: Defend BART's interests in matters handled inhouse and provide clear direction and control of litigation referred.
 - Labor Relations: Provide accurate and timely legal advice on labor matters including contract negotiations, arbitrations, terminations, and discipline.

¹⁰Board Appointed Position

- Human Resources: Provide accurate and timely legal advice on all Human Resources matters including compliance of District policies and procedures (concerning wages, working conditions, and benefits) with legal requirements and Board action.
- Contracts & Agreements: Review, revise as necessary, and approve contracts and agreements of all types in support of BART.
- **Office of the CFO:** When created in FY25, the Office of the CFO will be responsible for BART's finances, develops and manages BART's short and long-range financial plans; including the District Strategic Financial Plan and both the operating and capital budgets. The Office of the CFO collects, dispenses, accounts for, and creates financial reports for all monies that flow in or out of BART's coffers. The Office of the CFO includes the following departments: Treasurer, Controller, Insurance, Budget, Financial Planning, Funding Strategy, and Performance & Audit. The Office of the CFO's responsibilities and goals are currently under development.
- **Office of the District Secretary¹⁰:** The Office of the District Secretary provides comprehensive administrative support to the Board of Directors. Responsibilities of the Office of the District Secretary include:
 - Administer and record activity of the Board of Directors, Capitol Corridor Joint Powers Authority (CCJPA), BART Police Citizen Review Board (BPCRB), and Transit Security Advisory Committee (TSAC) for compliance with applicable statute and agency requirements.
 - Provide and enhance effective and responsive communications on behalf of the Board of Directors with customers, constituents, officials, agencies, and staff.
 - Perform prescribed contract administration supporting District procurement and construction activities and initiatives.
 - Serve as the authorized agent for legal service, request for records, and Custodian of Records.
 - Administer BART's Conflict of Interest Code and the CCJPA's Conflict of Interest Code in coordination with the Fair Political Practices Commission.
- **Office of the Independent Police Auditor¹⁰:** The Independent Police Auditor (IPA) provides all members of the public with effective and independent oversight of the BART Police Department by conducting independent investigations and reviews of police department activities, making policy recommendations to improve the performance of the Police Department, and maintaining continual communication with members of the public in the BART service area. The IPA reports to the BART Board of Directors, not the Police Department or the General Manager. Responsibilities of the IPA include:
 - Accept and investigate certain complaints of misconduct against BART police officers.
 - Review all use-of-force incidents.
 - Respond to the scene of officer-involved shooting incidents to monitor the ensuing BART Police Department investigation and/or initiate an independent investigation.
 - Review Internal Affairs investigations conducted by the BART Police Department, including those cases where the complainant has sought to appeal the findings issued by Internal Affairs.
 - Maintain an alternative dispute resolution process for resolving some complaints and maintain a regular program of community outreach.
 - Develop recommendations to improve BART Police Department policies and prepare monthly and annual reports for the public, the BART Police Citizen Review Board, and the BART Board of Directors.
- **Office of the Inspector General¹¹:** The Office of the Inspector General provides independent oversight of District programs and operations to ensure that the District makes effective use of

¹¹ Appointed by California Governor

its revenues and operates efficiently, effectively, and in compliance with applicable federal and state laws. It accomplishes this by conducting audits and investigations to:

- Identify fraud, waste, and abuse, and opportunities for efficiencies in the administration of programs and operations.
 - Identify opportunities to improve the data used to determine project resource allocations.
 - Identify best practices and recommend policies to enable the District to adopt these practices.
 - Recommend policies promoting efficiency in the administration of programs and operations.
 - Ensure BART administration, the Board of Directors, the California State Legislature, and the public are fully informed of the IG's findings and recommendations.
 - Conduct, supervise, and coordinate audits and investigations relating to BART's programs and operations and, at least annually, provide a report to the Board of Directors and the California Legislature that summarizes significant problems identified in audits and investigations and whether BART has implemented the resulting recommendations.
 - Review and recommend best practices that BART should follow to maintain positive and productive relations with its employees and the collective bargaining units representing those employees.
- **Office of Administration:** The Office of Administration provides comprehensive human resources, procurement, and labor relations services to BART. The Human Resources Department is responsible for managing compensation and analytics, benefits, human resources information systems, absence and leave management, talent acquisition, workforce development, and Substance abuse programs for BART's employees. The Procurement Department oversees contract management, inventory management, logistics, purchasing, and strategic maintenance across the BART system. The Labor Relations Department is responsible for fostering effective and cooperative labor-management relationships between BART and its labor unions and charged with negotiating, administering, and resolving grievances and employment issues related to agreements for BART's five represented bargaining units.
 - **Office of External Affairs:** External Affairs ensures BART speaks strategically with one voice to the public by communicating BART's messages and initiatives clearly and concisely to our riders, elected officials, neighborhoods, the media, and taxpayers. Additionally, External Affairs identifies local, state, and federal grant opportunities to fund BART projects and programs. External Affairs includes the following departments: Communications, Customer Services, Government & Community Relations, and Marketing & Research.
 - **Police Department:** The BART Police Department is a 24/7 full-service law enforcement agency that provides police services for the San Francisco Bay Area Rapid Transit District. The BART Police Department is comprised of both sworn and non-sworn personnel. The Department's sworn personnel are comprised of the following classifications: Chief of Police, Deputy Chiefs, Lieutenants, Sergeants, and Police Officers. The Department Bureaus are, Operations, Support Services, Personnel & Training, and Progressive Policing & Community Engagement. The Department's non-sworn personnel are comprised of the following classifications: Community Service Officers, Transit Ambassadors, Fare Inspection Officers, Police Dispatchers, Civilian Supervisors, Revenue Protection Guards, Police Administrative Specialists, Police Administrative Analyst, Director of Security Programs, Manager of Security Programs, CALEA Accreditation Manager, Executive Assistant, Crime Analyst, Crisis Intervention Specialist, and CAD/RMS Administrator. The Department is a signatory to the Bay Area's mutual-aid pacts with allied law enforcement agencies in order to obtain assistance during major emergencies, critical incidents, and tactical callouts. The Department has a variety of specialized assignments that include: Central County SWAT Team, Critical Asset Patrol Team, Criminal Investigations, FBI Joint

Terrorism Task Force, Narcotics Task Force, Background Investigations, Training Officer, Evidence Technician, Motorcycle Officer, Bicycle Officer, and Electric Personal Vehicle Operator.

- In August of 2020, the BART Police Department created the Progressive Policing & Community Engagement Bureau. The Bureau's mission is to engage the BART Police Department in leading transparent, equitable, and innovative policing practices to improve public safety across the diverse communities in which BART serves. The Bureau is committed to rebuilding trust and nurturing relationships between communities and law enforcement through a culture of accountability, responsibility, and collaboration. The Progressive Policing & Community Engagement Bureau includes the Transit Ambassadors, Crisis Intervention Specialists, and Community-Oriented Policing Unit
- **Operations:** Operations ensures BART fulfills its mission to provide safe, clean, reliable, and customer-friendly regional public transit service by providing maintenance frontline employees for BART's 50 stations, 131.4 miles of track, control systems and infrastructure, passenger trains and work equipment. Operations also manages and delivers major capital infrastructure and vehicle programs. Operations includes the following departments: Transportation, Rolling Stock & Shops, Maintenance, Fire Life Safety, Operations Planning, and BART Silicon Valley Extension.
- **Office of Infrastructure Delivery:** The Office of Infrastructure Delivery (OID) delivers capital projects and provides engineering in support of the operational state of good repair to fulfill BART's commitment of a safe, reliable, and innovative system for our riders and create opportunities for local economic growth. OID includes the following departments: Business Administration, Civil/Structural/Track Engineering, Communications & Controls, Communications-Based Train Control (CBTC), Innovation & Resiliency, Integration Engineering, Power/Mechanical Engineering, Project Management/Construction Management (PM/CM), Quality & Standards, Systems & Data Informatics, and Systems Engineering.
- **Office of Planning & Development:** Planning & Development (P&D) focuses on customer access needs, regional transit coordination, long-range planning, energy procurement and transit-oriented development. P&D includes the following departments: Customer Access, Property Development & Real Estate, Station Area Planning, Strategic Planning, Sustainability, and Link 21.
- **Capitol Corridor:** The Capitol Corridor Joint Powers Authority (CCJPA) provides administrative management of the Capitol Corridor intercity passenger rail service. The Capitol Corridor is a safe, reliable, affordable, and convenient way to travel between the Sierra Foothills, Sacramento, the San Francisco Bay Area, and Silicon Valley/San José and it is also the third most popular route in the national intercity passenger rail network. The CCJPA Board of Directors provides policy direction to the CCJPA staff in delivering high-quality passenger rail service along its 170-mile corridor. Amtrak operates the service for the CCJPA and Union Pacific Railroad owns and maintains the tracks. Funding is virtually 100% from passenger fares and state transportation funds. BART provides the full-time management staff, including marketing and communications, transportation, engineering, mechanical, planning and programming, and budget and service performance.

Attachment D: Four-Year Consolidated Financial Schedule

| | FY23 | FY24 | FY25 | FY26 |
|---|--------------------------|---------------------------------|-------------------------|-------------------------|
| | Actuals (\$ Millions) | Prelim Actuals (\$ Millions) | Budget (\$ Millions) | Budget (\$ Millions) |
| <i>Sources</i> | | | | |
| Rail Passenger Revenue | 187.8 | 218.4 | 235.1 | 258.0 |
| ADA Passenger Revenue | 0.5 | 0.5 | 0.6 | 0.6 |
| Parking Revenue | 14.2 | 17.0 | 16.5 | 16.0 |
| Other Operating Revenue | 35.8 | 56.9 | 45.3 | 35.3 |
| Sales Tax Revenue | 327.1 | 320.1 | 320.3 | 327.9 |
| Property Tax | 61.9 | 65.1 | 64.3 | 65.9 |
| SFO Extension Financial Assistance | 2.4 | - | - | - |
| VTA Financial Assistance | 42.9 | 36.8 | 35.2 | 34.6 |
| State Transit Assistance (STA) | 22.7 | 57.3 | 48.8 | 49.3 |
| Low Carbon Transit Operations Program | 10.3 | 10.3 | 11.0 | 11.8 |
| Low Carbon Fuel Standard Program | 6.2 | 6.7 | 6.0 | 6.0 |
| Local & Other Assistance | 22.8 | 29.5 | 14.8 | 15.2 |
| Federal Emergency Assistance | 315.9 | 328.1 | 328.2 | 294.0 |
| Total Sources¹² | 1,050.4 | 1,146.8 | 1,126.1 | 1,114.7 |
| <i>Uses</i> | | | | |
| Labor | 675.2 | 758.8 | 780.6 | 796.7 |
| ADA Paratransit | 16.1 | 20.3 | 22.5 | 23.0 |
| Purchased Transportation | 7.7 | 7.7 | 8.4 | 8.4 |
| Power | 61.2 | 56.5 | 61.6 | 65.0 |
| Other Non-Labor | 142.7 | 176.1 | 160.7 | 150.0 |
| Total Expenses | 903.0 | 1,019.4 | 1,033.9 | 1,043.1 |
| Debt Service | 59.9 | 60.1 | 60.2 | 60.2 |
| Capital & Other Allocations | 87.6 | 67.3 | 32.0 | 46.8 |
| Total Debt Service & Allocations | 147.5 | 127.4 | 92.2 | 107.0 |
| Total Uses¹² | 1,050.4 | 1,146.8 | 1,126.1 | 1,150.1 |
| Net Result | - | - | - | -35.4 |

¹² Excludes the impact of GASB 68, 87, 94 and 96.

Attachment E: Fund Balance

The following table summarizes the fund balances at the beginning of the fiscal year, the sources, and uses of funds during fiscal year 2024 and the ending balances at the end of June 30, 2024.

| Fiscal Year 2024 | General Fund | Capital and Debt Service Fund | Total |
|---|----------------------------|-------------------------------|------------------------|
| Beginning Balance 6-30-2023 | 8,770,351,374 | (527,003,003) | 8,243,348,371 |
| <i>Sources of Funds</i> | | | |
| Passenger Fares | 218,893,094 | | 218,893,094 |
| Other Operating Income | 39,102,579 | | 39,102,579 |
| Sales Tax Revenue | 320,132,584 | | 320,132,584 |
| Property Taxes | 65,082,449 | 153,635,435 ¹³ | 218,717,884 |
| Investment Income | 38,752,648 | 35,466,712 | 74,219,360 |
| Financial Assistance | 310,129,175 | 671,005,955 ¹⁴ | 981,135,130 |
| Gain from Exchange of Property | | 29,436,211 | 29,436,211 |
| Total Sources of Funds | 992,092,529 | 889,544,313 | 1,881,636,842 |
| <i>Uses of Funds</i> | | | |
| Operating Expenses Excluding Depreciation | (1,044,471,847) | | (1,044,471,847) |
| Depreciation | (304,295,970) | | (304,295,970) |
| Planning & Studies Expense | | (23,353,629) | (23,353,629) |
| Interest and Debt Service Expense | (2,304,965) | (95,731,321) | (98,036,286) |
| Capital Allocation and Transfers | (70,344,436) ¹⁵ | 70,344,436 | |
| Transfer of Expenses Paid by Capital Fund - GASB 87 | 7,617,468 ¹⁶ | (7,617,468) | |
| Transfer of Expenses Paid by Capital Fund - GASB 96 | 1,948,378 ¹⁵ | (1,948,378) | |
| Debt Service Allocations | (60,131,289) | 60,131,289 | |
| Transfer of Materials Inventory from Capital Projects | 6,962,170 | (6,962,170) | |
| Transfer of Completed and Capitalized Fixed Assets | 876,826,698 | (876,826,698) | |
| Total Use of Funds | (588,193,793) | (881,963,939) | (1,470,157,732) |
| End Balance as of 6/30/2024 | 9,174,250,110 | (519,422,629) | 8,654,827,481 |

¹³ The District receives property tax allocations for debt service payments of outstanding General Obligation Bonds.

¹⁴ These are grant funds the District received for capital projects.

¹⁵ Capital Allocations and Transfers include allocations from the General Fund to the Capital Fund to support ongoing capital needs and repayment of advances from General Fund. This also include reverse capital allocations to the General Fund to cover funding of project expenses considered non-capitalizable, which are recognized as operating expenses.

¹⁶ Transfer of lease related project expenses to General Fund required to be accounted for under GASB 87.

¹⁵ Transfer of lease related project expenses to General Fund required to be accounted for under GASB 96.

Attachment F: Glossary

| Term | Definition |
|--|---|
| Accrual Basis of Accounting | A method of accounting which recognizes expenses when incurred and revenues when earned. |
| Actuarially Determined Contribution | The amount needed to fund pension benefits over time as determined by actuarial reports. |
| Alameda-Contra Costa Transit District (AC Transit) | The Alameda-Contra Costa Transit District is the third-largest public bus system in California, serving 13 cities and adjacent unincorporated areas in Alameda and Contra Costa counties. ¹⁷ |
| Arbitration | The hearing and determining of a dispute or the settling of differences between parties by a person or persons chosen or agreed to by them. |
| Audit | An official examination and verification of accounts and records. |
| BART Strategic Plan Framework | Adopted by the BART Board of Directors in 2015, the BART Strategic Plan Framework documents BART’s organizational objectives including our mission, vision, goals and strategies. |
| BART System | An electrically powered rapid transit commuter rail system serving the residents of the San Francisco Bay Area. |
| Balanced Budget | A budget where revenue and expenses are equal. |
| BPDHQ | BART Police Department Headquarters |
| CalPERS | The California Public Employees' Retirement System is an agency in the state of California which manages the pension and health benefits for BART employees. |
| Caltrain | Caltrain is a commuter railroad operating between San Francisco and San José, with limited service to Gilroy. Caltrain is owned and operated by the Peninsula Corridor Joint Powers Board, which is made up of representatives from the City and County of San Francisco, the San Mateo County Transit District and the Santa Clara Valley Transportation Authority. ¹⁸ |
| Caltrans | Caltrans manages more than 50,000 miles of California's highway and freeway lanes, provides inter-city rail services, permits more than 400 public-use airports and special-use hospital heliports, and works with local agencies. Caltrans carries out its mission of providing a safe, sustainable, integrated and efficient transportation system to enhance California's economy and livability, with six primary programs: Aeronautics, Highway Transportation, Mass Transportation, Transportation Planning, Administration and the Equipment Service Center. ¹⁹ |
| Capital Asset | An asset with a useful life of more than one year that is capitalized in accordance with GAAP with a value greater than \$5,000. |

¹⁷ “Facts and Figures.” AC Transit, actransit.org/about-us/facts-and-figures/.

¹⁸ Caltrain Fast Facts, caltrain.com/Assets/PublicAffairs/FactSheets/TA+Fact+Sheet+FY2017.pdf.

¹⁹ California, State of. “About Caltrans.” About Caltrans | Caltrans, dot.ca.gov/about-caltrans.

| Term | Definition |
|---|--|
| Capitol Corridor | An intercity passenger train system that provides service in Placer, Sacramento, Yolo, Solano, Contra Costa, Alameda, San Francisco and Santa Clara counties managed through the Capitol Corridor Joint Powers Authority (CCJPA) which BART is a member of and provides day-to-day management support. ²⁰ |
| Clipper | Clipper® is the Bay Area’s all-in-one transit-fare payment card. MTC operates Clipper in partnership with the region’s 20-plus different transit agencies. ²¹ |
| CARES Act | The Coronavirus Aid, Relief, and Economic Security Act the president signed on March 27, 2020, which provides \$2 trillion across a host of domestic funding and relief programs to support efforts to respond to and prepare for recovery from the COVID-19 Pandemic. |
| Close (Year-End/Monthly) | Following the finance departments posting of all transactions in a given period, the period is considered closed. Subsequent reporting and analysis can then be completed on the time period. |
| Commercial Communications Revenue Program | License agreements which work to expand BART’s commercial fiber and wireless telecommunications revenue footprint. |
| Communication-Based Train Control (CBTC) | A railway signaling system that makes use of the telecommunications between the train and track equipment for traffic management and infrastructure control. ²² |
| COVID-19 Operating Measures | Measures implemented by BART in response to the Pandemic: Enhanced cleaning of vehicles, stations, and facilities; Longer trains to reduce crowding; Deployment of PPE; Reduced customer touchpoints in station areas; Clear customer communication on new safety protocols. |
| Customer Satisfaction Survey | An independent research firm surveys BART customers every two years to gauge customer satisfaction, and BART uses the results to focus resources on areas that need the most improvement. |
| Depreciation | A reduction in the value of an asset with the passage of time. |
| District | The three counties which make up BART's special-purpose district; Alameda, Contra Costa and San Francisco. |
| Enterprise Fund | The fund structure utilized by BART to report financial activities. |
| Fare Evasion | The act of circumventing barriers, fare gates or tailgating to avoid payment on a transit system. |
| Fare Policy | The collective policies which make up BART's fare structure. |
| Financial Stability Policy | BART's financial policy which aims to manage finances for both the short and long term. Goals include maintaining adequate reserves, the highest possible credit rating, establishing a fare structure to maintain revenues and align with operating costs while ensuring the delivery of safe, quality, and efficient service to meet demand. |

²⁰ “CCJPA Service, Capitol Corridor Services.” Capitol Corridor, capitolcorridor.org/ccjpa-service/.

²¹ “Your All-In-One Transit Card: Operate + Coordinate: Our Work.” Metropolitan Transportation Commission, mtc.ca.gov/our-work/operate-coordinate/traveler-services/your-all-one-transit-card.

²² Communications-Based Train Control (CBTC) |, railsystem.net/communications-based-train-control-cbtc/.

| Term | Definition |
|--|---|
| Fiscal Year | BART's fiscal year begins on July 1st of each year and concludes on June 30th of the following calendar year. |
| Fixed Guideway System | A public transportation facility using and occupying a separate right-of-way or rail for the exclusive use of public transportation and other high occupancy vehicles. ²³ |
| Fleet of the Future (FOTF) | BART's new rail cars developed by Bombardier which began to enter service in 2018. |
| Full-Time Equivalent (FTE) | Employee hours reflected in the form of individual, full-time employees. |
| Fund | A sum of money and/or resources designated for a specific objective. |
| Fund Balance | The accounting of the organization's funds at the beginning of the fiscal year, the adopted sources, and uses of funds during the fiscal year, and the adopted ending balances as of the end of the fiscal year. |
| General Obligation Bonds | A municipal bond backed by the issuing state or local government. |
| Golden Gate Transit | Based in San Francisco, the Golden Gate Bridge, Highway and Transportation District operates the Golden Gate Bridge, and two public transit systems: Golden Gate Transit buses and Golden Gate Ferry. ²⁴ |
| Hayward Maintenance Complex | A new maintenance and repair facility being constructed to support BART operations of both the legacy rail cars and the Fleet of the Future. |
| Headways | The time interval or distance between two vehicles, as automobiles, ships, or railroad or subway cars, traveling in the same direction over the same route. ²⁵ |
| Interlocking | Referring to the signaling field, a Railway Interlocking is a set of signal apparatus placed on the track in order to prevent conflicting movements among trains, through an arrangement of track devices such as junctions, derails and crossings. ²⁶ |
| Low Carbon Fuel Standard Program | A California policy which allows low and zero carbon fuel producers and transportation providers to generate credits and requires high carbon-intensity fuel providers (primarily oil refineries) to purchase credits while they work to reduce their carbon content. |
| Means-Based Fare | The MTC program which allows adults whose annual earnings are up to 200% of the federal poverty level to qualify for a fare discount. |
| Measure RR | Measure RR, a San Francisco Bay Area Rapid Transit District bond measure which authorizes BART to issue and sell bonds of up to \$3.5B in general obligation (GO) bonds. |
| Metropolitan Transportation Commission | MTC is the transportation planning, financing and coordinating agency for the nine-county San Francisco Bay Area. ²⁷ |
| New Transbay Rail Crossing Program | A suite of projects across the 21-county Northern California megaregion that will transform the megaregion's rail network. One of the main projects is to double BART's capacity for Transbay service between Oakland and the East bay. It will also |

²³ Transportation Equity Act for the 21st Century, fhwa.dot.gov/tea21/h2400iii.htm.

²⁴ "About Us." Golden Gate Transportation District, goldengate.org/organization/.

²⁵ "Headway." Dictionary.com, Dictionary.com, dictionary.com/browse/headway.

²⁶ "Railway Interlocking: How Does It Work?" Railwaysignalling.eu, 24 Feb. 2014, railwaysignalling.eu/railway-interlocking-principles.

²⁷ "MTC Homepage." Metropolitan Transportation Commission, mtc.ca.gov/.

| Term | Definition |
|----------------------------------|---|
| | create a direct regional rail link that will connect the East Bay, Central Valley and Sacramento with the San Francisco Peninsula. |
| Next Generation Fare Gates | Newly designed fare gates to improve reliability and maintainability, while reducing fare evasion and enhancing security. |
| Northern California Megaregion | The 21-county region in Northern California which includes Alameda, Contra Costa, El Dorado, Marin, Merced, Monterey, Napa, Placer, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Sutter, Yolo and Yuba counties as defined by the San Francisco Bay Area Planning and Urban Research Association (SPUR). |
| Operating Reserve | A fund balance set aside for use when unexpected losses or expenses occur. |
| Pacific Gas & Electric | A utility that operates in California to provide electricity and gas. |
| Passenger Environment Survey | Routine surveys conducted aboard BART trains to obtain feedback from passengers regarding their experience on a specific day. |
| Pension Reform | Known in California as the Public Employees' Pension Reform Act (PEPRA) which places compensation limits on members in addition to other stipulations, effectively creating a two-tier retirement system made up of Classic (legacy employees) and PEPRA employees, hired on or after the specified date in the legislation. ²⁸ |
| Preliminary Budget | A budget submitted for review to the BART Board of Directors prior to final adoption. |
| Pro forma Budget | The baseline budget which presents estimated revenues and expenditures prior to other significant changes being finalized. |
| Proposition 13 | An amendment to the Constitution of California that provides guidelines for assessment and taxation of real property. |
| Purchased Transportation | Transportation service purchased by a public entity from another transit agency. |
| Quality of Life | A reference to initiatives and efforts that focus on improving safety, security and cleanliness throughout the BART System. |
| Quarterly Financial Report (QFR) | A report produced each quarter throughout the fiscal year to analyze the performance of the fiscal year's budget to actual spending in that quarter and fiscal year-to-date. Variance analysis is conducted on substantial variances and highlighted in the report. |
| Regional Measure 3 (RM3) | A ballot measure to finance a comprehensive suite of highway and transit improvements through an increase to tolls on the region's seven state-owned toll bridges. ²⁹ |
| Ridership | In public transportation, ridership refers to the number of people using a transit service. |
| Rolling Stock | Locomotives, carriages, wagons, or other wheeled vehicles used on a railroad. |
| Sales Tax Revenue Bonds | A municipal bond backed by the revenue from sales tax. |

²⁸ "Public Employees' Pension Reform Act." CalPERS, calpers.ca.gov/page/about/laws-legislation-regulations/public-employees-pension-reform-act.

²⁹ "Regional Measure 3: Fund + Invest: Our Work." Metropolitan Transportation Commission, mtc.ca.gov/our-work/fund-invest/toll-funded-investments/regional-measure-3.

| Term | Definition |
|---|---|
| San Francisco Municipal Transportation Agency (SFMTA) | The SFMTA is a department of the City and County of San Francisco responsible for the management of all ground transportation in the city. The SFMTA has oversight over the Municipal Railway (Muni) public transit, as well as bicycling, paratransit, parking, traffic, walking, and taxis. ³⁰ |
| San Mateo County Transit District (SamTrans) | The San Mateo County Transit District is the administrative body for the principal public transit and transportation programs in San Mateo County: SamTrans bus service, including Redi-Wheels & RediCoast paratransit service, Caltrain commuter rail and the San Mateo County Transportation Authority. ³¹ |
| Santa Clara Valley Transportation Authority | A special district responsible for public transit services, congestion management, specific highway improvement projects, and countywide transportation planning for Santa Clara County, CA. ³² |
| Short Range Transit Plan/Capital Improvement Program | The Short-Range Transit Plan/Capital Improvement Program (SRTP/CIP) provides an overview of BART's long-term operating and capital financial outlook, and as such is a guiding document for staff and policymakers. It helps inform BART's yearly budget process and assesses system performance. |
| Silicon Valley Berryessa Extension, Phase I | A planned 10-mile extension of the BART System into Santa Clara County continuing from the Warm Springs Station in Southern Fremont and continuing into the Berryessa district of San José. |
| Single Tracking | Moving rolling stock or trains going in both directions along a single line of track. |
| State of Good Repair | Senate Bill (SB) 1, The Road Repair and Accountability Act of 2017 authorizing funding for public transit agencies. |
| State Transit Assistance | Funding received from passage of Senate Bill (SB) 1, The Road Repair and Accountability Act of 2017. Also known as the State of Good Repair program. |
| Station Access Policy | The BART Station Access Policy is designed to support the broader livability goals of the Bay Area, reinforce sustainable communities, and enable riders to get to and from stations safely, comfortably, affordably, and cost-effectively. |
| Station Hardening | The act of reinforcing, repairing, and/or upgrading equipment at stations in an effort to reduce fare evasion. |
| Traction Power Network | An electricity grid for the supply of electrified rail networks. |
| Train Control Modernization | Removing aging train control equipment from the BART System and upgrading to a new CBTC system. |
| Transbay Corridor Core Capacity Project (STCCCP) | TCCCP will allow BART to operate up to 30 ten-car trains per hour (300 cars) in each direction on the existing Transbay Tube, maximizing throughput in the most heavily used part of the system. The project includes four elements: 306 additional rail cars to provide the additional trains needed, a new Communications-Based Train Control system that will allow closer headways, a new rail car storage yard at the Hayward Maintenance Complex (Phase 2), and additional traction power substations to provide the additional power needed for the more frequent service. |

³⁰ Belov, Charles. "About the SFMTA." SFMTA, San Francisco Municipal Transportation Agency, 7 June 2019, sfmta.com/about-sfmta.

³¹ "About SamTrans." Caltrain Website, samtrans.com/about.html.

³² "Member Profile." Santa Clara Valley Transportation Authority (VTA) | California Association of Councils of Government (CALCOG), calcog.org/index.php?src=directory&view=members&srctype=detail&back=members&refno=66.

| Term | Definition |
|---------------------------------|--|
| Transbay Tube/Transbay Corridor | A 3.6-mile underwater rail tunnel which carries BART's four Transbay lines under San Francisco Bay between the cities of San Francisco, CA and Oakland, CA. |
| Transit Oriented Development | The creation of compact, walkable, pedestrian-oriented, mixed-use communities centered around high-quality train systems. ³³ |
| Transportation Network Company | A company that matches passengers with vehicles typically using mobile applications and/or websites. Often referred to as rideshare. |
| Unfunded Accrued Liability | The excess, if any, of the Actuarial Accrued Liability over the Actuarial Value of Assets. In other words, the present value of benefits earned to date that are not covered by current plan assets. ³⁴ |
| Way and Structures | The fixed facilities of a railroad including the track and structures needed for its operation. ³⁵ |

³³ Transit Oriented Development, tod.org/.

³⁴ "Pension Terminology." Texas Pension Review Board, prb.state.tx.us/files/education/terminologyfinal.pdf.

³⁵ "Way And Structures." Merriam-Webster, Merriam-Webster, merriam-webster.com/dictionary/way%20and%20structures.

Attachment G: Acronyms

| Acronym/Term | Definition |
|-------------------|---|
| ADA | Americans with Disabilities Act |
| ADC | Actuarially Determined Contributions |
| AFSCME | American Federation of State, County and Municipal Employees |
| ARP / ARPA | American Rescue Plan Act |
| ATU | Amalgamated Transit Union |
| BART | Bay Area Rapid Transit District |
| BPCRB | BART Police Citizen Review Board |
| BPD | BART Police Department |
| BPD HQ | BART Police Department Headquarters |
| BPMA | BART Police Managers' Association |
| BPOA | BART Police Officers' Association |
| BSPF | BART Strategic Plan Framework |
| CALEA | Commission on Accreditation for Law Enforcement Agencies |
| CARB | California Air Resources Board |
| CARES | Coronavirus Aid, Relief, and Economic Security Act |
| CARP | Capital Asset Replacement Program (Oakland Airport Connector) |
| CBTC | Communication-Based Train Control |
| CCJPA | Capital Corridor Joint Powers Authority |
| CCP | Core Capacity Program |
| CCRP | Commercial Communications Revenue Program |
| CDC | Centers for Disease Control |
| CIG | Capital Investment Grant |
| COVID-19 | Coronavirus Disease 2019 |
| CPI | Consumer Price Index |
| CPUC | California Public Utilities Commission |
| CRRSAA | Coronavirus Response and Relief Supplemental Appropriations Act |
| CY | Calendar Year |
| D&C | Design and Construction |
| DOT | Department of Transportation |
| EBPC | East Bay Paratransit Consortium |
| EGIS | Enterprise Geographic Information System |
| ESP | Earthquake Safety Program |
| FLS | Fire Life Safety |
| FTA | Federal Transit Administration |
| FOTF | Fleet of the Future |
| FTE | Full-Time Equivalent |
| FY | Fiscal Year |
| GAAP | Generally Accepted Accounting Principles |
| GFOA | Government Finance Officers Association |
| GO | General Obligation bonds |
| HMC | Hayward Maintenance Complex |
| IG | Inspector General |

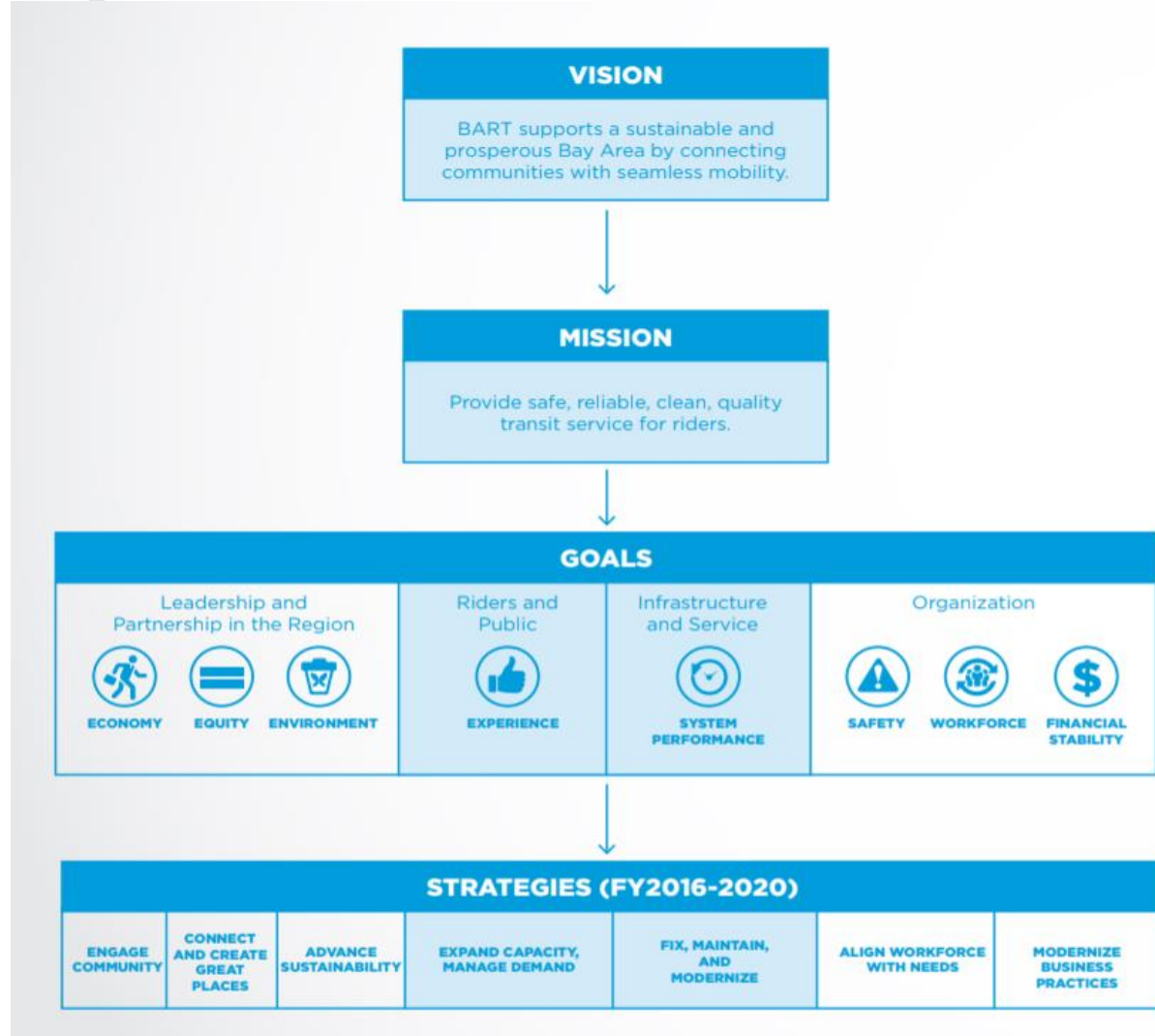
| Acronym/Term | Definition |
|-------------------|--|
| IPA | Independent Police Auditor |
| LCFS | Low Carbon Fuel Standard |
| LCTOP | Low Carbon Transit Operations Program |
| MBF | Means-based Fare |
| Measure RR | BART Safety, Reliability, and Traffic Relief Program |
| MET | Joseph P. Bort MetroCenter Building |
| MPPP | Money Purchase Pension Plan |
| MTC | Metropolitan Transportation Commission |
| O&M | Operating and Maintenance |
| OAK | San Francisco Bay Oakland International Airport |
| OCIO | Office of the Chief Information Officer |
| OCT | Office of the Controller-Treasurer |
| OGC | Office of the General Counsel |
| OGM | Office of the General Manager |
| OID | Office of Infrastructure Delivery |
| P&D | Planning and Development |
| PEPRA | California Public Employees' Pension Reform Act |
| PG&E | Pacific Gas & Electric |
| QFR | Quarterly Financial Report |
| RS&S | Rolling Stock and Shops |
| SB | Senate Bill |
| SEIU | Service Employees International Union |
| SFCTA | San Francisco County Transportation Authority |
| SFMTA | San Francisco Municipal Transportation Agency |
| SFO | San Francisco International Airport |
| SMS | Safety Management System |
| SPUR | San Francisco Bay Area Planning and Urban Research Association |
| SRTP/CIP | Short Range Transit Plan/Capital Improvement Program |
| STA | State Transit Assistance |
| SVBX | Silicon Valley Berryessa Extension |
| TCCCP | Transbay Corridor Core Capacity Project |
| TCMP | Train Control Modernization Project |
| TOD | Transit Oriented Development |
| TPH | Trains Per Hour |
| TSAC | Transit Security Advisory Committee |
| VTA | Santa Clara Valley Transportation Authority |

Attachment H: BART Goal Areas, Objectives & Performance Evaluation

Each year the annual operating budget is aligned with BART'S Strategic Plan Framework, the most recent iteration of which was adopted by the Board of Directors in 2015. This section outlines the agency's vision, mission, goals, and short-term strategies to achieve these goals. An overview of the framework, our goal areas and key performance measures is provided below.

Strategic Plan Framework

Figure 6: Strategic Plan Framework



Goal Areas

The eight strategic plan goal areas are as follows:

Leadership & Partnership in the Region

1. Economy: Contribute to the region’s global competitiveness and create economic opportunities.
2. Equity: Provide equitable delivery of transit service, policies, and programs.
3. Environment: Advance regional sustainability and public health outcomes.

Riders & Public

4. Experience: Engage the public and provide a quality customer experience.

Infrastructure & Service

5. System Performance: Optimize and maintain system performance to provide reliable, safe, cost-effective, and customer-focused service.

Organization

6. Safety: Evolve to a premier safety culture for our workers, riders, and the public.
7. Workforce: Invest in our current and future employees’ development, wellness, and diversity.
8. Financial Stability: Ensure BART’s revenues and investments support a sustainable and resilient system.

Priorities, Strategies & Work Plan Activities

The 2020 COVID-19 Pandemic and subsequent acceleration of remote works trends have changed travel patterns and the world of public transit, which has required BART to be nimble and adjust priorities. BART continues to operate in a context of uncertainty in relation to a sustainable funding picture. For FY24 and FY25, executives from across BART collaborated to identify key BART initiatives over the two-year period and focused in on three priority areas to guide the work during that time. The priority areas include Financial Stability, Rider Experience, and On Track for the Future. Each priority is supported by a series of activities and sub-activities with associated milestones, as outlined in the Two-Year Action Plans included in Attachment G. The Two-Year Action Plan activities support the three priority areas in addition to continuing progress on the FY16- FY20 Strategic Plan strategies (such as “Engage Community” and “Connect and Create Great Places”). Each Two-Year Action Plan focuses on a limited number of key activities that define BART’s strategic work in that field in the near term. The Action Plans are interdisciplinary and interdepartmental.

Financial Stability

Respond to the financial challenges from changes in travel patterns (as the result of the COVID-19 Pandemic and remote work) by developing a nimble operating plan, advancing, and implementing efficiencies, managing expenses, and increasing revenue where feasible. In addition to controlling costs, BART will continue to pursue regional, state, and federal funding to fill the operating gap and to secure funding for capital commitments. Further, BART will explore alternative financing strategies for the capital program. This priority is supported by the following activities:

1. *Funding Strategy and Legislative Advocacy*. This is a critical task for the District, comprised of two priority tasks, in addition to securing funding to fulfill existing capital commitments:

2. Establish Sustainable Operating Financial Plan including: frequent updates to BART’s long-term operating financial plan, planning for multiple outcomes, consideration of the long-term impacts of potential expense and revenue decisions, and ongoing implementation of a multi-year budgeting framework; identification of cost savings and development of alternative revenue streams (complimentary or as alternatives to a regional transportation measure, identified below); and as part of public education, publish and promote the BART Role in the Region report and build on findings to articulate BART’s financial situation, benefits to the region, and future.
3. *Pursue Regional, State, and Federal Funding:* BART will continue to advocate for legislative action and funding that aligns with BART's goals and objectives as well as for funding to enable ongoing service to our riders. Despite collaborative efforts in FY24 among BART, state legislators, other operators, MTC, and advocacy groups, legislation in support of a regional transportation measure was passed in 2024. MTC has established a Transportation Revenue Measure Select Committee to develop regional consensus in fall 2024 to inform potential new state legislation. BART will continue to partner with MTC and regional agencies to align critical transit needs with voter preferences, through collaboration, polling and potentially legislation to shape a package to be brought to the voters in 2026. Concurrently, BART is developing alternate plans if an MTC-led nine-county effort is not viable. These efforts are ongoing.
4. *Alternative Financing Strategies for Capital Program:* BART will seek to finance elements of the capital program by continuing to investigate public loan programs (i.e. Transportation Infrastructure Finance and Innovation Act (TIFIA)) and private financing alternatives.
5. *Revenue Generation:* Continue to look for opportunities to advance projects such as the Digital Railway, Marketing, and Real Estate initiatives that could generate revenue to supplement primary revenue sources.
6. *Business Process Improvements and Efficiencies:* A variety of efforts to improve business processes, identify efficiencies and cost savings, and modernize business practices are underway across the District in support of long-term financial stability. As a key example, the passage of AB 2325 in July 2024 grants the General Manager authority to appoint a Chief Financial Officer (CFO). The CFO will lead a new executive office that combines all BART financial departments. Concurrently, BART is documenting its major financial processes to identify inefficiencies and will award finance on-call contracts in October 2024 to assist with identifying best and leading practices for addressing the inefficiencies. BART will continue to support departments in achieving efficiencies, such as lean process improvements that will generate savings over time.

Rider Experience:

Critical to BART's vision, mission, and recovery from the impacts of the COVID-19 Pandemic is continuous improvement of the rider experience to grow ridership and build confidence in transit. BART will continue to undertake critical activities to get people back on transit by providing a welcoming customer experience with a renewed focus on better serving transit-dependent riders, encouraging discretionary trips, and improving communication to our riders and the public. This priority is supported by the following activities:

1. *Address Rider Concerns:* This set of activities focuses on identifying key customer concerns through social media, outreach from the Not One More Girl Initiative tackling harassment on transit, customer service channels and the customer satisfaction survey. Key activities will address recurring customer concerns to improve the rider experience and support ridership recovery. Actions include addressing homelessness, cleanliness, signage in stations, and customer facing technology improvements, along with the following high priority initiatives and projects:
 - 1.1. Next Generation Fare Gates: A critical customer touch point are the fare gates that welcome riders to BART. Replacing and modernizing fare gates throughout the BART system is a top

priority for the District. By the end of 2024, installation of gates will have been completed or at least started at 12 stations, and all 50 stations will be completed by the end of 2025.

- 1.2. **Progressive Policing:** Continue to implement progressive and equitable policing practices to address customers' concerns about safety and security, strengthen relationships with the diverse communities BART serves, and create a culture of accountability and responsibility in the department. The Progressive Policing Bureau will continually evaluate effectiveness of the current deployment to determine if resources are deployed effectively and will make modifications where necessary. BPD will also focus on allocating additional resources into the unit.
- 1.3. **Deployment Strategies and Systemwide Presence:** Continue to evaluate redeployment to emphasize visibility and presence in the system and improve transparency by closely tracking and adjusting key performance metrics.
2. **Improve Service and Reliability.** To better match changing travel patterns, BART launched a reimagined service plan in September 2023, and we continue to optimize the schedule to ensure ridership is well served. FY25 schedule changes include modest changes to improve key connections and to provide less crowding by better spacing of trains. In addition, BART will continue to advance operational and maintenance efficiencies through technology innovations and other reliability initiatives.
3. **Regional Coordination:** BART continues to play an important role in regional coordination and transit ridership recovery, including as a critical player in the convening of transit operators, the Regional Network Management Council and Committee structure, and in implementation of the Transit Transformation Action Plan, including fare integration and affordability, engagement with MTC on Plan Bay Area and Transit 2050, regional mapping and wayfinding, and interagency service coordination.
4. **Engagement & Outreach:** BART will improve rider information, build community relationship through art and cultural engagement, activate stations through a series of public events, and communicate key topics and new initiatives to passengers, taxpayers, community, and business stakeholders to reinforce the BART brand and our role of serving the region for 50 years. Key topics include new improvements to the customer experience, establishing a cross-functional working group to improve the accuracy and quality of customer information, youth engagement, and reimagining safety and preventing harassment, among others. Further, BART will conduct the biannual customer satisfaction survey in FY25 Q2 in order to understand rider priorities and perspectives.
5. **Improve Access:** BART will advance a range of efforts to improve access, including through the Mobility as a Service program, BART app redesign based on rider feedback to improve the customer journey and to better showcase the various features available on the app, improve wayfinding, modernizing paratransit services, and improving multimodal access to BART stations.

On Track for the Future:

BART will stay on-track for the future by implementing critical capital projects that will increase capacity and improve reliability, and by continuing to take a leadership role on issues critical to the region and community, including, sustainability and equity. This priority is supported by the following activities:

1. **Workforce Engagement, Development and Retention:** Successfully implementing priority initiatives depends on ensuring we have the right staff to deliver. Improve recruitment and hiring processes and develop recruiting/staffing plans for critical positions. Continue coordinated workforce development programs, including training, apprenticeships, and succession planning. In FY25 BART will also seek approval of successor collective bargaining agreements (CBAs) for ATU, SEIU, and AFSCME.

2. *Capital Program and Project Delivery:* Continue to invest in critical capital programs to ensure safety and reliability, increase capacity, and improve the customer experience. Key efforts include delivery of the Transbay Corridor Core Capacity Program, ongoing infrastructure renewal, and final delivery of the Fleet of the Future rail car project now that the legacy fleet has been fully decommissioned. BART will also advance projects to support staff facilities, such as advancing the relocation of the BART Police Department Headquarters (BPDHQ).
3. *Sustainability and Resiliency:* Essential to BART's sustainability goals, the District will continue to advance critical efforts related to minimizing the District's environmental footprint by being more energy efficient, reducing long-term costs, and seeking grants for electric vehicle charging. The District will advance an update of the Sustainability Action Plan in FY 25.
4. *System Safety:* Key initiatives include implementation of the Safety Management System, construction safety oversight, and ongoing coordination and emergency response training.
5. *Advance Diversity, Equity, & Inclusion:* Advancing and ensuring equity for our riders, our region and our workforce is a critical priority at the District. This activity focuses on further developing BART's equity program and leveraging expertise both internally and among external partners. BART staff will continue to support the activities of the Employee Resource Group and the formation of new affinity groups.
6. *Advance TOD Program:* BART's robust TOD Program will attract new riders, address the housing and climate crises, and lower the cost of living in the Bay Area. Key initiatives include advancing TOD projects at multiple stations, including Lake Merritt, El Cerrito Plaza, North Berkeley, and Ashby.

Strategic Plan Goal Areas & Performance Indicators

BART tracks multiple indicators to gauge progress towards the strategic plan goal areas. Below we present a snapshot of BART's performance in four of these goal areas over the last 10 years.

Spotlight Trend on System Performance: On-Time Performance

BART measures train and customer on-time performance during peak hours and average weekdays. To be "on-time," a train/customer must arrive at the destination station less than five minutes late compared to published schedules. Factors that contributed to the increased on-time performance during FY24 included:

1. **Staffing Level:** During the Pandemic, staffing for essential functions such as train operators, station agents, rail controllers, and foreworkers decreased. Lower levels of service required fewer staff. When BART decided to resume full train service in August 2022, it was with the understanding that staffing was lower than desired. BART focused on hiring staff and achieved full staffing in October of 2023. Cancelled trains due to staffing shortages have since decreased from nearly 4,000 in FY23 to just under 200 in FY24.
2. **Car Availability & Efficiency:** BART has transitioned its fleet from its original legacy cars to the new Fleet of the Future cars. As legacy cars were decommissioned and replaced with newer, more efficient train cars, both the availability and performance increased significantly. Only 52 total trains were cancelled due to car shortages in FY24 compared to just over 1,200 in FY23.

Because of these and other factors, customer on-time performance increased in FY24 to 90.3%.

Table 19: System Performance

| Indicator | | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 |
|---|------------------------------------|------|------|------|------|------|------|------|------|------|------|
| Provide Reliable Service | | | | | | | | | | | |
| SP1 | Daily customer on-time performance | 91.8 | 91.5 | 89.2 | 92.4 | 92.7 | 93.1 | 94.9 | 89.5 | 84.7 | 90.3 |
| Provide Reliable Station Equipment | | | | | | | | | | | |
| SP2 | Station elevators in service | 98.6 | 98.5 | 98.6 | 98.3 | 98.7 | 98.8 | 98.6 | 99.0 | 98.8 | 99.2 |
| SP3 | Street escalators in service | 91.3 | 89.5 | 87.6 | 88.7 | 92.0 | 94.7 | 93.3 | 96.8 | 95.4 | 95.6 |
| SP4 | Platform escalators in service | 95.8 | 95.3 | 96.0 | 95.7 | 97.0 | 96.6 | 96.3 | 98.2 | 97.3 | 97.7 |

Spotlight Trend on Rider and Customer Experience: Customer Satisfaction

Prior to calendar year 2012 (CY12) overall customer satisfaction was stable and relatively high. More than 80% of customers were very or somewhat satisfied with BART service. However, satisfaction declined after that, to 74% in CY14, and further declined to 69% and 56% in CY16 and CY18 respectively. Between the CY12 and CY18 surveys, average weekday ridership grew 9%, reaching historic highs, increasing crowding on trains, and straining the aging system, which likely contributed to the decline in satisfaction.

CY20 represented a dramatic change from prior years within the context of the COVID-19 Pandemic and corresponding changes in ridership, both in terms of the overall number of riders, as well as changes in rider characteristics. As such, it is not advisable to directly track satisfaction-related questions and attributes against other years. Relatively high satisfaction ratings in CY20 were likely tied to a combination of multiple factors including provision of a service needed by essential workers, increased space on trains, and increased cleaning tied to health and safety.

The CY22 survey was conducted at a time in which ridership seemed to have adjusted to a “new normal,” at about 40% of pre-Pandemic levels. Compared to the last pre-Pandemic survey in 2018, most attributes received higher ratings. However, ratings for on-time performance declined compared to 2018 ratings, reflecting the actual decline measured by BART’s internal metrics. Similar to prior surveys, the “target issues” identified in 2022 involved cleanliness, personal security and addressing homelessness on the BART system.

BART continues to prioritize improving the customer experience, with a focus on addressing the underlying satisfaction concerns expressed in the survey. Major efforts include new rail cars and numerous projects to rebuild BART to improve reliability and improve service. Other efforts to improve customer satisfaction include increased train and station cleaning, new BART Police Department deployment strategies to increase visibility in the system, new fare gates to reduce fare evasion, enhancing customer communications and wayfinding, modernizing parking payment options, reopening previously closed underground restrooms, improving station lighting, adding platform elevator fare gates to improve access, rolling out new art and culture touchpoints at stations, and better coordination with partner transit services. Further, BART has been investing in several Quality-of-Life initiatives over the last several years, including measures to combat the impacts of homelessness, initiatives to prevent and interrupt harassment, and increasing community outreach through Homeless Outreach Teams, and unarmed Crisis Intervention Specialists and Ambassadors.

BART will conduct its 2024 Customer Satisfaction survey in October, with results available in early 2025.

Table 20: Rider and Customer Experience

| Indicator | CY15 | CY16 | CY17 | CY18 | CY19 | CY20 ² | CY21 | CY22 | CY23 | CY24 ³ |
|--|---|------|------|------|------|-------------------|------|------|------|-------------------|
| Increase customer satisfaction⁴ | | | | | | | | | | |
| EX1 | % of customers who are satisfied | | 69 | | 56 | | 72 | | 67 | tbd |
| Provide clean stations and trains⁵ | | | | | | | | | | |
| EX2 | Avg. customer rating for station cleanliness | | 3.93 | | 3.57 | | 4.28 | | 3.85 | tbd |
| EX3 | Avg. customer rating for train interior cleanliness | | 4.25 | | 3.65 | | 4.20 | | 3.97 | tbd |

Spotlight Trend on Safety: Crimes Against Persons

Over the past year the BART Police Department has continued to refine its deployment strategy in order to improve system visibility and continued to implement progressive and equitable policing practices. Increased levels of criminal activity in the communities surrounding BART stations have resulted in an increase of criminal activity within the BART system. The BART Police Department is using a patrol deployment strategy to increase the presence of sworn and unarmed civilian uniformed personnel within the system. This deployment ensures BART Police personnel are riding trains more and walking station areas, increasing their visibility, and keeping riders safe by doubling down on presence. Additionally, the department is using community policing strategies, including the resources of the Progressive Policing Bureau, to respond to the increase in criminal activity.

Since BPD started deploying more patrol officers and safety staff to ride trains, we have seen an impact, and our riders are telling us they notice the difference. In FY24 Quarter 4, the percentage of riders who reported seeing BART PD on their trip reached a positive high of nearly 20%. The last couple of quarters have been the first in BART’s history where the percentage of riders who reported seeing BART PD exceed the department’s official goal of 12%. In addition, BPD has exceeded their response time goal of 5 minutes in each quarter of FY24 and achieved an average of 4:39 minutes to high-priority emergency calls in the fourth quarter of FY24. BPD continues to be highly visible in the system and with the help of our robust network of surveillance cameras, has had notable success in identifying and prosecuting those persons who are responsible for crimes in the system.

As in prior years, a driving factor in crimes against persons is the robbery of cell phones and other electronic devices, which is defined by the FBI’s Uniform Crime Reporting (UCR) Program as a violent crime. Unfortunately, electronic device robbery is a growing trend in modern society, and public transit is a target rich environment for thieves. In the BART system, this is evidenced by the concentration of electronic thefts which have occurred in our high-density, commuter rich stations. As is true on most transit systems, a significant number of riders can be seen using smart phones while commuting on BART. Since the perception of safety is high priority for BART, we continue to educate our riders on how they can reduce the risk of having their electronic devices stolen.

While Pandemic ridership dramatically dropped to historic lows, the number of thefts did not decrease as sharply, therefore the ratio of violent crimes per million passengers increased. Despite our various increased safety efforts, crimes against persons have gone up to 11.4 per million riders, as an average for the year, with the major driving force being electronic theft. BART will continue to prioritize improving safety through continued system visibility, strengthened relationships with communities, and remaining open to new approaches to safety while ensuring every rider feels welcome. Embracing that

concept and the value of reform shows our dedication to make BPD the most progressive police department in the country.

Table 21: Safety

| Indicator | | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 |
|-------------------------------|--|------|------|------|------|------|------|------|-------|-------|-------|
| Reduce Crimes | | | | | | | | | | | |
| SA1 | Crimes against persons on the BART system per million riders | 1.7 | 1.8 | 2.7 | 3.5 | 4.4 | 5.1 | 17.9 | 7.6 | 8.8 | 11.4 |
| Ensure Patron Safety | | | | | | | | | | | |
| SA2 | Safety incidents per million patrons | 5.07 | 5.35 | 2.31 | 1.85 | 2.06 | 1.8 | 1.88 | 1.68 | 2.1 | 1.50 |
| Ensure Employee Safety | | | | | | | | | | | |
| SA3 | Employee injuries | 10 | 12.2 | 10.8 | 10.8 | 10.8 | 11.5 | 7.94 | 12.34 | 12.97 | 12.79 |

Spotlight Trend on Financial Stability: % Operating Costs Covered by Fares

Before the COVID-19 Pandemic, 2/3rds of BART’s operating costs were covered by fares and other passenger revenues. Though this figure was in the top tier of US transit agencies, it was slowly declining as costs increased more quickly than passenger growth as BART faced constraints around ridership capacity during peak commute periods. This trend was accelerated by the massive ridership decrease caused by the COVID-19 Pandemic, with the figure falling as low as 8% during FY21.

Looking ahead, because ridership is not projected to return to pre-Pandemic levels in the near-term, passenger revenue will not cover such a high share of the District’s operating costs. At the end of FY24, ridership stood at 43% of pre-Pandemic levels, with modest growth projected. Most costs of operating and maintaining the BART system are fixed, as the District must maintain its right of way, stations, and rolling stock; these costs only change marginally with service levels. For example, station agents must be present at stations if they are open, regardless of how many trains operate or passengers utilize the station. The result of lower passenger revenue and mostly fixed operating costs can be seen in the dramatic increase in the Operating Cost per Passenger Mile, which increased from \$0.43 in FY19 to \$1.26 in FY24.

This dynamic highlights BART’s need to secure additional operating revenues. Given the limited ridership growth projections, new funding sources and prudent expenditure reductions are needed to bridge the difference between the cost of operating the system and the combination of passenger fares and BART’s other traditional sources of revenue. If BART’s forecasted deficit were filled with financial assistance, BART would be closer to the pre-Pandemic national average of 68% of operating cost from financial assistance.

The District continues to grapple with the fundamental shift to its revenue structure that began with the COVID-19 Pandemic by continuing to adapt to the changed environment.

Table 22: Financial Stability

| Indicator | | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 |
|--------------------------------------|---|------|------|------|------|------|------|------|------|------|------|
| Increase efficiency | | | | | | | | | | | |
| FS1-A | Operating cost per passenger mile (\$) | 0.33 | 0.34 | 0.37 | 0.42 | 0.43 | 0.61 | 3.01 | 1.33 | 1.28 | 1.26 |
| FS1-B | Change from previous year (%) | -2 | 4 | 7 | 14 | 3 | 42 | 394 | -56 | -4 | -2 |
| Stabilize operating revenues | | | | | | | | | | | |
| FS2 | Operating costs covered by fares (%) | 76 | 74 | 70 | 67 | 64 | 44 | 8 | 19 | 21 | 22 |
| Fund post-employment benefits | | | | | | | | | | | |
| FS3 | Unfunded pension liability (\$ Millions) | 497 | 439 | 401 | 515 | 693 | 682 | 789 | 833 | 931 | 675 |
| FS4 | Unfunded retiree medical liability (\$Millions) | 132 | 129 | 111 | 300 | 304 | 282 | 263 | 193 | 131 | 228 |

Attachment I: Two Year Action Plans (YAP)

The BART Strategic Plan Framework (BSPF) documents BART's organizational objectives, including our vision, mission, goals, and strategies. See Section 13, **Error! Reference source not found.**, for additional details.

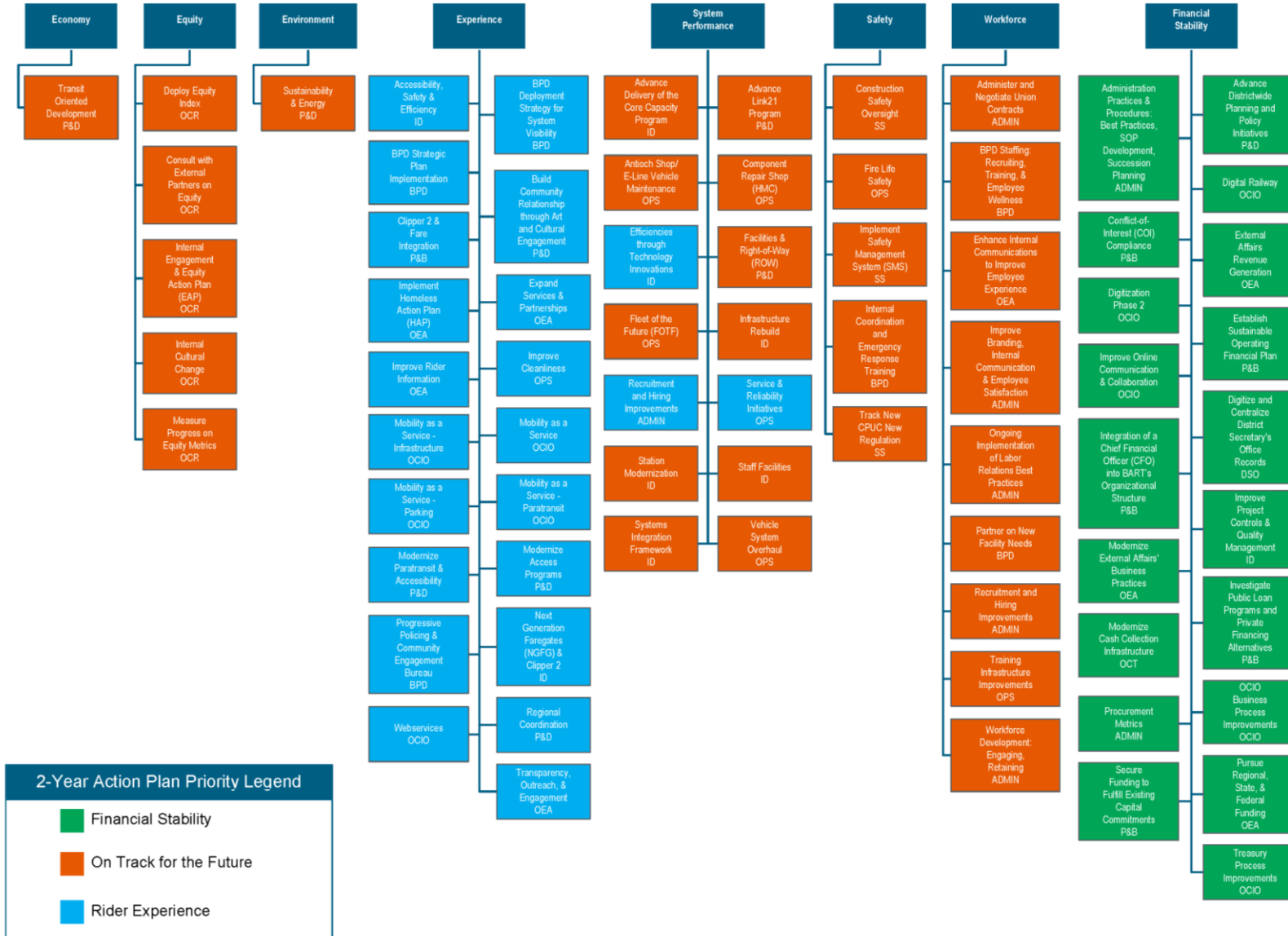
As BART continues to operate in a vastly different and uncertain environment post-Pandemic and due to changing travel patterns, the agency must be nimble and respond to shifting priorities. As such, executives from across BART collaborated to identify key BART initiatives over the FY24-FY25 period and focused in on three priority areas to guide the work during that time. The three priority areas are:

1. Financial Stability
2. Rider Experience
3. On Track for the Future

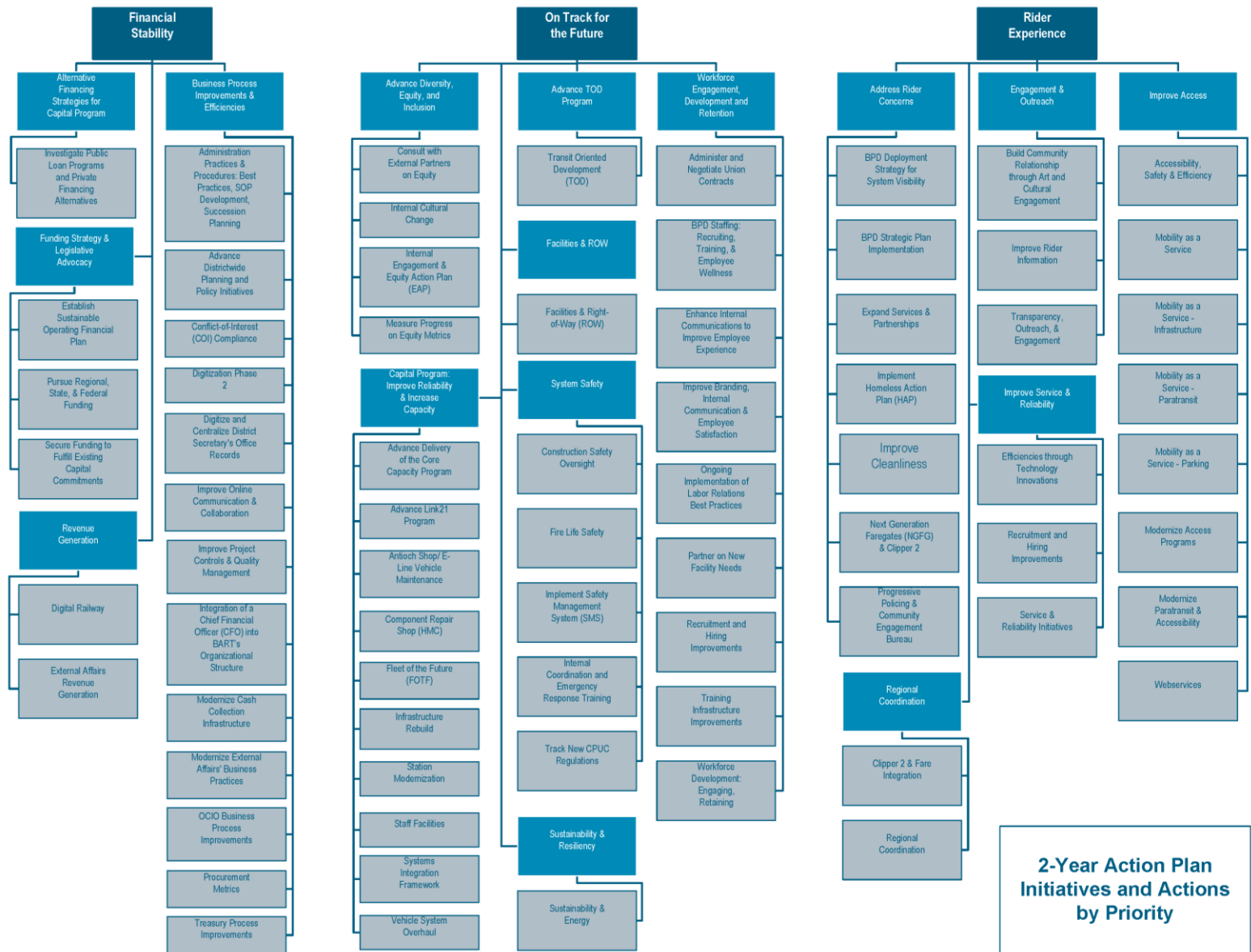
The Two-Year Action Plans connect departmental activities with the three priorities as well as to the BSPF goals and strategies and outlines key sub-activities with specific milestones. These actions are cross functional in nature; therefore, activities are grouped and reported on by priority area. Each activity is owned by at least one department. The responsible department provides guidance across departments to ensure the activity/BSPF Strategy is successfully advanced. The Two-Year Action Plans provide transparency on department activities, communicates progress made toward advancing the BSPF, and positions BART to begin to assess risks to accomplishing our organizational objectives.

The following graphics summarize actions included in the Two-Year Action Plans, first by BSPF strategies and then by priorities and activities. Additional detail is included in the Two-Year Action Plans as outlined in Attachments H-L.

2-Year Action Plan Alignment with BART Strategic Plan Goals



Attachment K: 2YAP, by Priority





2-Year Action Plan for Priority: Financial Stability

OVERVIEW

BART will continue to evolve a sustainable fiscal strategy in response to the financial crisis brought on by changing travel patterns in the wake of the COVID 19 pandemic. In addition to controlling costs, BART will continue to pursue regional, state and federal funding to fill the operating gap and to secure funding for capital commitments. In addition, BART will explore alternative financing strategies for the capital program, advance a range of business process and efficiency improvements, and increase revenue where feasible.

Funding Strategy & Legislative Advocacy *BSP Goal: Financial Stability*

Establish Sustainable Operating Financial Plan

| | | |
|--|---------|---------|
| ● Ongoing: Support discussions on transit funding needs to mitigate fiscal cliff | EO: P&D | Annual |
| ● Ongoing: Continue quarterly financial strategy discussion with the Board | EO: P&B | Annual |
| ● Present updated financial outlook to Board | EO: P&B | FY23 Q3 |
| ● Prepare scope for "Role in the Region" study | EO: P&D | FY23 Q3 |
| ● Deliver first 2 factsheets for "Role in the Region" | EO: P&D | FY24 Q1 |
| ● Lead BOD Budget Workshop | EO: P&B | FY24 Q2 |
| ● Complete "Role in the Region" study | EO: P&D | FY24 Q3 |

Supported by: Performance & Budget

Pursue Regional, State, & Federal Funding

| | | |
|--|---------|---------|
| ● Ongoing: Participate in regional discussions regarding new revenue measure | EO: OEA | Annual |
| ● Ongoing: Implement strategy to secure funding for fiscal cliff and other system improvements | EO: OEA | Annual |
| ● Ongoing: Funding and legislative advocacy | EO: OEA | Annual |
| ● Complete advocacy for FY24 state budget | EO: OEA | FY24 Q1 |
| ● Approval of 2024 state and federal legislative advocacy program | EO: OEA | FY24 Q2 |
| ● Begin efforts to support and pass enabling legislation for regional measure (continues to FY25 Q2) | EO: OEA | FY24 Q2 |
| ● Enabling legislation for regional measure enacted (August 2024) | EO: OEA | FY25 Q1 |
| ● Approval of 2025 state and federal legislative advocacy program | EO: OEA | FY25 Q2 |
| ● January 2025 decision point for BART-only ballot measure in 2026 | EO: OEA | FY25 Q3 |

Secure Funding to Fulfill Existing Capital Commitments*

| | | |
|---|---------|--------|
| ● Ongoing: Submit grant applications and allocation requests for Core Capacity Program and other major capital projects | EO: P&B | Annual |
| ● Ongoing: Create and implement funding strategies and assess financial risks | EO: P&B | Annual |
| ● Ongoing: Present to boards of funding partners (1 partner/yr.) | EO: P&B | Annual |
| ● Ongoing: Facility and project tours (1/ or 2/yr.) | EO: P&B | Annual |

**Indicates milestones may be partially funded or are dependent on funding*

● Milestone is Complete ● Milestone is Delayed ● Future Milestone



2-Year Action Plan for Priority: Financial Stability

| Funding Strategy & Legislative Advocacy | | <i>BSP Goal: Financial Stability</i> | |
|---|--|--------------------------------------|---------|
| Secure Funding to Fulfill Existing Capital Commitments* | | | |
| ● | Implement 2023 federal/state funding advocacy plan | EO: P&B | FY23 Q3 |
| ● | Hayward Maintenance Complex tour for key funding partners | EO: P&B | FY23 Q3 |
| ● | Review technology options to better track and report on grant opportunities, applications and awards | EO: P&B | FY24 Q1 |
| ● | Determine next steps for grant tracking and reporting technology solution | EO: P&B | FY24 Q2 |
| ● | Implement 2024 federal/state funding advocacy plan | EO: P&B | FY24 Q3 |
| ● | Contribute to Contra Costa Transportation Authority (CCTA) Countywide Transportation Plan update | EO: P&B | FY24 Q4 |
| ● | Engage in CCTA sales tax expenditure plan development | EO: P&B | FY25 Q3 |
| ● | Implement 2025 federal/state funding advocacy plan | EO: P&B | FY25 Q3 |
| Alternative Financing Strategies for Capital Program | | <i>BSP Goal: Financial Stability</i> | |
| Investigate Public Loan Programs and Private Financing Alternatives* | | | |
| ● | Survey other operators for experience and leading practices | EO: P&B | FY24 Q1 |
| ● | Explore Public-private partnership (P3) and other private financing options | EO: P&B | FY24 Q2 |
| ● | Evaluate feasibility/benefits of Transportation Infrastructure Finance and Innovation Act loan for capital program | EO: P&B | FY24 Q2 |
| ● | Develop scenarios and determine next steps | EO: P&B | FY24 Q3 |
| ● | Implement selected alternative (if any) | EO: P&B | FY25 Q1 |
| Revenue Generation | | <i>BSP Goal: Financial Stability</i> | |
| Digital Railway | | | |
| ● | Complete wayside pole design package | EO: OCIO | FY23 Q3 |
| ● | Complete DAS for SFMTA Phase 1 Central Subway | EO: OCIO | FY23 Q3 |
| ● | Complete M-Line fiber installation | EO: OCIO | FY23 Q3 |
| ● | Complete W-Line fiber installation | EO: OCIO | FY23 Q4 |
| ● | Complete Wayside Pole Installations Phase 1 | EO: OCIO | FY23 Q4 |
| ● | Complete DAS for SFMTA Phase 2 & 3 Civic-Church Fairy Portal-Civic | EO: OCIO | FY23 Q4 |
| ● | Complete station wi-fi design package | EO: OCIO | FY23 Q4 |
| ● | Complete DAS for SFMTA Phase 4 Church – West Portal/Sunset | EO: OCIO | FY24 Q1 |
| External Affairs Revenue Generation | | | |
| ● | Issue new Railgoods merchandise | EO: OEA | FY23 Q3 |

*Indicates milestones may be partially funded or are dependent on funding

● Milestone is Complete ● Milestone is Delayed ● Future Milestone



2-Year Action Plan for Priority: Financial Stability

| Revenue Generation | | <i>BSP Goal: Financial Stability</i> | |
|---|--|--------------------------------------|---------|
| External Affairs Revenue Generation | | | |
| ● | Issue BART anime merchandise | EO: OEA | FY24 Q2 |
| ● | Resume buildout of digital advertising space | EO: OEA | FY25 Q4 |
| Business Process Improvements & Efficiencies | | <i>BSP Goal: Financial Stability</i> | |
| Administration Practices & Procedures: Best Practices, SOP Development, Succession Planning* | | | |
| ● | Develop Office of Administration Strategic Plan | EO: ADMIN | FY23 Q3 |
| ● | Initiate implementation of Office of Administration Strategic Plan | EO: ADMIN | FY24 Q1 |
| ● | Implement department specific strategic plans | EO: ADMIN | FY24 Q2 |
| ● | Assess success/department specific impacts | EO: ADMIN | FY25 Q2 |
| Advance Districtwide Planning and Policy Initiatives | | | |
| ● | Complete 2-year Action Plan update (FY24/25) | EO: P&D | FY24 Q1 |
| ● | Complete historic resources study | EO: P&D | FY24 Q2 |
| ● | Seek Board adoption of System Development Policy | EO: P&D | FY24 Q2 |
| ● | If directed, initiate BART strategic plan update | EO: P&D | FY24 Q3 |
| ● | Initiate 2-year Action Plan update (FY26/27) | EO: P&D | FY25 Q2 |
| Conflict-of-Interest (COI) Compliance* | | | |
| ● | Assess current COI practices against state, federal and internal rules, and regulations; Inspector General recommendations | EO: P&B | FY23 Q3 |
| ● | Identify actions and initiatives for compliance with state, federal and internal rules, and regulations | EO: P&B | FY23 Q4 |
| ● | Prioritize and implement near-term COI actions and initiatives, including associated change management | EO: P&B | FY24 Q1 |
| ● | Define and commence implementation of remaining COI actions and initiatives, including associated change management | EO: P&B | FY25 Q1 |
| Digitization Phase 2 | | | |
| ● | Integrate data migration & workflow app | EO: OCIO | FY23 Q3 |
| ● | BHQ paper conversion/carry overs from Phase 1 | EO: OCIO | FY24 Q2 |
| ● | EDMS workflow implementation | EO: OCIO | FY24 Q4 |
| ● | Digitize Tier 1 Warehouses | EO: OCIO | FY25 Q2 |
| ● | Digitize Tier 2 Warehouses | EO: OCIO | FY25 Q4 |

**Indicates milestones may be partially funded or are dependent on funding*

● Milestone is Complete ● Milestone is Delayed ● Future Milestone



2-Year Action Plan for Priority: Financial Stability

| Business Process Improvements & Efficiencies | | BSP Goal: Financial Stability | | |
|---|--|-------------------------------|------|----|
| Digitize and Centralize District Secretary's Office Records | | | | |
| ● | Perform research and outreach to compile and post BOD and advisory committee agenda packets from 2016 to the present in a centralized location on the Legistar webpage | EO: DSO | FY24 | Q4 |
| ● | Research and plan development of a digital records management system | EO: DSO | FY24 | Q4 |
| Improve Online Communication & Collaboration | | | | |
| ● | O365 - All BART employee/contractor registration | EO: OCIO | FY23 | Q3 |
| ● | Complete Department Intranet Tier-2 sites conversion to online sites | EO: OCIO | FY24 | Q3 |
| ● | District department drive(s) conversion to SharePoint online (targeted) | EO: OCIO | FY25 | Q3 |
| Improve Project Controls & Quality Management | | | | |
| ● | Distribute Quarterly Capital Project Status Report | EO: OID | FY23 | Q3 |
| ● | Implement consultant management | EO: OID | FY23 | Q3 |
| ● | Begin quality training | EO: OID | FY23 | Q4 |
| ● | Roll out Design Quality Manual | EO: OID | FY23 | Q4 |
| ● | Begin BART PM certification procedure development | EO: OID | FY24 | Q1 |
| ● | Reorganize construction management practices | EO: OID | FY24 | Q1 |
| ● | Begin ISO 9001 certification process | EO: OID | FY24 | Q3 |
| ● | Submit revision to division 1 specs | EO: OID | FY25 | Q1 |
| Integration of a Chief Financial Officer (CFO) into BART's Organizational Structure* | | | | |
| ● | Develop RFI, if applicable, for distribution to qualified consultants | EO: P&B | FY23 | Q4 |
| ● | Initiate Financial Structure Committee meetings | EO: P&B | FY23 | Q4 |
| ● | Review options for restructuring | EO: P&B | FY24 | Q1 |
| ● | Make restructuring recommendation to full board | EO: P&B | FY24 | Q2 |
| ● | Acquire legislative approval for changes to the BART Act, if applicable | EO: P&B | FY24 | Q2 |
| ● | Begin implementation of new financial structure in time for FY25 budget cycle | EO: P&B | FY24 | Q4 |
| ● | Assess effectiveness of new financial structure | EO: P&B | FY25 | Q4 |
| Modernize Cash Collection Infrastructure | | | | |
| ● | Replace one of two existing cash counting machines, which are approaching obsolescence, with new model | EO: OCT | FY24 | Q3 |
| ● | Replace second and final obsolete cash counting machine with new model | EO: OCT | FY25 | Q2 |

**Indicates milestones may be partially funded or are dependent on funding*

● Milestone is Complete
 ● Milestone is Delayed
 ● Future Milestone



2-Year Action Plan for Priority: Financial Stability

| Business Process Improvements & Efficiencies | | BSP Goal: Financial Stability | |
|--|--|-------------------------------|---------|
| Modernize External Affairs' Business Practices* | | | |
| ● | Expand media center resources to support the District's internal and external event audio-visual needs | EO: OEA | FY24 Q2 |
| OCIO Business Process Improvements | | | |
| ● | Deployment of accounts payable work center for District | EO: OCIO | FY23 Q3 |
| ● | MDD Phase 2 operational | EO: OCIO | FY23 Q3 |
| ● | SSWP Phase 1 (Targeted) | EO: OCIO | FY23 Q4 |
| ● | Implement Indeavor - Schedule Bidding for SEIU | EO: OCIO | FY23 Q4 |
| ● | Implement eSupplier | EO: OCIO | FY23 Q4 |
| ● | Complete KPIs for inventory | EO: OCIO | FY23 Q4 |
| ● | Implement automated permit tracking | EO: OCIO | FY24 Q1 |
| ● | Initiate HASTUS Enterprise Bidding and Re-Certification Bid Update | EO: OCIO | FY24 Q1 |
| ● | Complete data domain hardware/software upgrade | EO: OCIO | FY24 Q1 |
| ● | AI Virtual Assistant roll out for Office of Administration | EO: OCIO | FY24 Q2 |
| ● | Implement Applicant Tracking System (ATS) | EO: OCIO | FY24 Q2 |
| ● | Virtual assistant integration to channels | EO: OCIO | FY24 Q2 |
| ● | Implement Canon self-service submission of invoices and direct vouchers | EO: OCIO | FY24 Q2 |
| ● | Implement MDD Phase 2.1 | EO: OCIO | FY24 Q3 |
| ● | Complete PeopleSoft HCM and Financials applications upgrade | EO: OCIO | FY24 Q3 |
| ● | Implement integrated portfolio center | EO: OCIO | FY24 Q4 |
| ● | Complete HASTUS upgrade | EO: OCIO | FY24 Q4 |
| ● | Integrate BFS app and DMS | EO: OCIO | FY25 Q1 |
| ● | Contract Plan Phase 2 | EO: OCIO | FY25 Q2 |
| Procurement Metrics* | | | |
| ● | Deliver logistic inventory/RS&S metrics | EO: ADMIN | FY23 Q3 |
| ● | Procurement metrics reports (phase 1: RS&S purchasing) | EO: ADMIN | FY24 Q1 |
| ● | Procurement metrics reports (phase 2: logistics) | EO: ADMIN | FY24 Q3 |
| ● | Procurement metrics reports (phase 3: TBD) | EO: ADMIN | FY25 Q4 |

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2-Year Action Plan for Priority: Financial Stability

| Business Process Improvements & Efficiencies | | BSP Goal: Financial Stability | | |
|--|---|-------------------------------|------|----|
| Treasury Process Improvements* | | | | |
| ● | Start procurement of new payment as a service platform | EO: OCIO | FY24 | Q1 |
| ● | Award procurement of new payment as a service platform | EO: OCIO | FY24 | Q3 |
| ● | Transition/integration of payment as a service platform | EO: OCIO | FY24 | Q4 |
| ● | Launch payment as a service platform | EO: OCIO | FY25 | Q1 |

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● Milestone is Complete ● Milestone is Delayed ● Future Milestone



2-Year Action Plan for Priority: Rider Experience

OVERVIEW

Critical to BART's vision, mission, and recovery from the impacts of the COVID-19 pandemic is regaining ridership. BART will continue to undertake critical activities to get people back on transit, focused on providing a welcoming customer experience with a renewed focus on better serving transit-dependent riders, encouraging discretionary trips, and improving communication to our riders and the public.

Address Rider Concerns

BSP Goal: Experience

BPD Deployment Strategy for System Visibility

| | | | |
|---|---------|--------|----|
| ● Ongoing: Evaluate and optimize deployment to address agency needs - Semiannual | EO: BPD | Annual | |
| ● Implement new deployment strategy to increase BPD station and train presence | EO: BPD | FY23 | Q3 |
| ● Quarterly performance review (QPR) based on presence & overall crime statistics | EO: BPD | FY24 | Q2 |
| ● Review patrols standard operating procedures and make improvements | EO: BPD | FY24 | Q3 |
| ● Fill sworn officer vacancies | EO: BPD | FY24 | Q4 |
| ● Optimize and maintain department performance standards | EO: BPD | FY25 | Q3 |

BPD Strategic Plan Implementation

| | | | |
|---|---------|------|----|
| ● Complete external on-site assessment and team building workshop to support Commission on Accreditation for Law Enforcement Agencies accreditation | EO: BPD | FY24 | Q1 |
| ● Develop a plan for succession & career planning to support future leaders & entire department | EO: BPD | FY24 | Q2 |
| ● Complete at least two initiatives from goal: Expand our community engagement efforts | EO: BPD | FY24 | Q3 |
| ● Complete at least two initiatives from goal: Organizational Development | EO: BPD | FY25 | Q1 |
| ● Continue ongoing review of strategic plan | EO: BPD | FY25 | Q3 |
| ● Complete at least two initiatives from goal: Facility considerations and modernize technology | EO: BPD | FY25 | Q4 |

Expand Services & Partnerships*

| | | | |
|--|---------|------|----|
| ● Launch attendant expansion in downtown San Francisco (DTSF) stations | EO: OEA | FY23 | Q3 |
| ● Evaluate effectiveness of DTSF attendant program | EO: OEA | FY23 | Q4 |
| ● Advocate for San Mateo County Homeless Outreach Team (HOT) funding | EO: OEA | FY23 | Q4 |
| ● Launch plan to expand La Familia partnership for clinical services in Alameda County | EO: OEA | FY23 | Q4 |
| ● Explore continuation of DTSF attendant program | EO: OEA | FY24 | Q1 |
| ● Identify San Mateo County HOT potential partners | EO: OEA | FY24 | Q2 |
| ● Implement La Familia clinical services | EO: OEA | FY24 | Q4 |

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2-Year Action Plan for Priority: Rider Experience

| Address Rider Concerns | | <i>BSP Goal: Experience</i> | | |
|---|--|-----------------------------|--------|----|
| Expand Services & Partnerships* | | | | |
| ● | Begin evaluation of La Familia clinical services | EO: OEA | FY25 | Q2 |
| ● | Implement San Mateo County HOT programming (pending funding) | EO: OEA | FY25 | Q3 |
| ● | Explore additional funding to continue La Familia programming | EO: OEA | FY25 | Q4 |
| Implement Homeless Action Plan (HAP)* | | | | |
| ● | Begin exploration of deliverables in HAP | EO: OEA | FY23 | Q3 |
| ● | Continue advocacy efforts for county, state & federal funding & grants | EO: OEA | FY24 | Q2 |
| ● | Expand quality of life (QOL) offerings by an additional 2 contracts | EO: OEA | FY24 | Q4 |
| ● | Obtain all goals outlined in Homeless Action Plan (HAP) | EO: OEA | FY25 | Q4 |
| Improve Cleanliness | | | | |
| ● | Increase Scrub Crew staffing from 2 to 6 | EO: OPS | FY23 | Q3 |
| Next Generation Faregates (NGFG) & Clipper 2 | | | | |
| ● | Bid opening and vendor selection process for NGFG | EO: OID | FY23 | Q3 |
| ● | Award contract for NGFG | EO: OID | FY24 | Q1 |
| ● | Implement W. Oakland pilot for NGFG | EO: OID | FY24 | Q2 |
| ● | Complete pilot stations for Clipper 2 | EO: OID | FY24 | Q2 |
| ● | Complete stations district-wide for Clipper 2 | EO: OID | FY25 | Q2 |
| ● | Completion of NGFG | EO: OID | FY25 | Q2 |
| Progressive Policing & Community Engagement Bureau | | | | |
| ● | Ongoing: Further expand partnerships with the community & county agencies for addressing community-wide challenges | EO: BPD | Annual | |
| ● | Staff & refine Transit Ambassador and Crisis Intervention Specialist program | EO: BPD | FY23 | Q4 |
| ● | Transit Ambassadors & Crisis Intervention Specialists: Track demographics to ensure equitable outcomes with an app | EO: BPD | FY24 | Q1 |
| ● | Increase Special Engagement Team units' visibility & effectiveness | EO: BPD | FY24 | Q2 |
| ● | Update resource cards/pamphlets with current partners | EO: BPD | FY24 | Q4 |
| ● | Further expand social media platforms and content | EO: BPD | FY25 | Q2 |
| ● | Develop and implement an enhanced action plan for the quality-of-life concerns | EO: BPD | FY25 | Q4 |

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2-Year Action Plan for Priority: Rider Experience

| Improve Service & Reliability | | <i>BSP Goal: System Performance</i> | | |
|--|---|-------------------------------------|--------|----|
| Efficiencies through Technology Innovations | | | | |
| ● | GeoCar implementation in maintenance | EO: OID | FY23 | Q3 |
| ● | Implement track temperature sensors | EO: OID | FY24 | Q1 |
| ● | Install revenue vehicle wheel impact detector | EO: OID | FY24 | Q2 |
| ● | Implement MECC and CAS | EO: OID | FY24 | Q2 |
| ● | Pilot drone inspection | EO: OID | FY24 | Q3 |
| ● | Full maintenance & diagnostic capability via Orbiflo | EO: OID | FY25 | Q1 |
| ● | Real-time video surveillance to increase safety | EO: OID | FY25 | Q1 |
| ● | Mileage & running hour tracking technology | EO: OID | FY25 | Q1 |
| ● | Pilot onboard passenger wi-fi system | EO: OID | FY25 | Q2 |
| Service & Reliability Initiatives | | | | |
| ● | Implement re-imagined rail service plan and continue partner operator coordination to align schedules | EO: OPS | FY24 | Q1 |
| ● | Right-of-way system tree removal - trees that if fallen would impact service | EO: OPS | FY24 | Q2 |
| ● | Implement HASTUS upgrade for CBTC | EO: OPS | FY24 | Q2 |
| ● | Implement electronic bidding for Transportation staff | EO: OPS | FY24 | Q3 |
| Regional Coordination | | <i>BSP Goal: Experience</i> | | |
| Clipper 2 & Fare Integration | | | | |
| ● | Finalize Clipper 2 business rules | EO: P&B | FY23 | Q3 |
| ● | Enroll 3 - 4 employers in Clipper BayPass Phase 2 | EO: P&B | FY24 | Q2 |
| ● | Complete BART network deployment & retrofits | EO: OID | FY24 | Q4 |
| ● | Adopt free/reduced cost transfer policy | EO: P&B | FY24 | Q4 |
| ● | Start customer transition: Launch open payment | EO: P&B | FY25 | Q1 |
| ● | Complete customer transition: Implement transfer discounts | EO: P&B | FY25 | Q3 |
| Regional Coordination | | | | |
| ● | Ongoing: Support/implement RNM & Transit Transformation Action Plan | EO: P&D | Annual | |
| ● | Update Board on MTC Regional Network Management (RNM) business case | EO: P&D | FY23 | Q3 |
| ● | Update Board on MTC RNM, Transit 2050+ (Connected Network Plan), or rail partnership activities | EO: P&D | FY24 | Q2 |
| ● | Coordinate BART response to MTC Plan Bay Area 2050+ call for projects | EO: P&D | FY24 | Q3 |

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2-Year Action Plan for Priority: Rider Experience

| Regional Coordination | | <i>BSP Goal: Experience</i> | |
|---|---------|-----------------------------|----|
| Regional Coordination | | | |
| ● Submit BART comments on MTC Plan Bay Area 2050+ draft plan/DEIR | EO: P&D | FY25 | Q3 |
| Engagement & Outreach | | <i>BSP Goal: Experience</i> | |
| Build Community Relationship through Art and Cultural Engagement* | | | |
| ● Ongoing: Initiate new and/or continue existing community/temporary programs, minimum of two annually | EO: P&D | Annual | |
| ● Ongoing: As capital project funding is available, advance art capital project design and implementation | EO: P&D | Annual | |
| ● Advance on-call for art maintenance and conservation backlog | EO: P&D | FY24 | Q1 |
| Improve Rider Information | | | |
| ● Update crisis hotline posters to include new text message option | EO: OEA | FY23 | Q4 |
| ● Update BPD Fleet of the Future decals to include new text number | EO: OEA | FY24 | Q1 |
| ● Pilot line diagram maps and wayfinding decals | EO: OEA | FY24 | Q2 |
| ● Expand communication's tools for major service disruption | EO: OEA | FY25 | Q1 |
| ● Expand use of line color at various touchpoints | EO: OEA | FY25 | Q2 |
| Transparency, Outreach, & Engagement | | | |
| ● Customer satisfaction survey report | EO: OEA | FY23 | Q3 |
| ● Launch domestic violence safety campaign and partnership | EO: OEA | FY23 | Q3 |
| ● Reinvigorate BPD Facebook content | EO: OEA | FY23 | Q3 |
| ● Not One More Girl phase two engagement | EO: OEA | FY24 | Q1 |
| ● Execute September ridership campaign | EO: OEA | FY24 | Q1 |
| ● Implement strategy for ridership development: Youth engagement, Anime Project, Gen Z Social Media | EO: OEA | FY24 | Q2 |
| ● Not One More Girl gender safety survey design engagement | EO: OEA | FY24 | Q3 |
| ● Engage elected officials in "State of the System" event | EO: OEA | FY24 | Q3 |
| ● Coordinate rider engagement with General Manager (one per year) | EO: OEA | FY24 | Q4 |
| ● Develop & implement customer service after-call survey | EO: OEA | FY24 | Q4 |
| ● Return to office joint transit town halls (one per year) | EO: OEA | FY24 | Q4 |
| ● Execute September ridership campaign | EO: OEA | FY25 | Q1 |
| ● Field customer satisfaction survey | EO: OEA | FY25 | Q1 |
| ● Engage elected officials in "State of the System" event | EO: OEA | FY25 | Q3 |

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2-Year Action Plan for Priority: Rider Experience

| Engagement & Outreach | | <i>BSP Goal: Experience</i> | |
|--|----------|-----------------------------|----|
| Transparency, Outreach, & Engagement | | | |
| ● Customer satisfaction survey report | EO: OEA | FY25 | Q3 |
| ● Return to office joint transit town halls (one per year) | EO: OEA | FY25 | Q4 |
| ● Coordinate rider engagement with General Manager (one per year) | EO: OEA | FY25 | Q4 |
| Improve Access | | <i>BSP Goal: Experience</i> | |
| Accessibility, Safety & Efficiency | | | |
| ● Complete construction of wayfinding program phase four | EO: OID | FY24 | Q1 |
| Mobility as a Service* | | | |
| ● Test Phase Contra Costa Mobility on Demand Solution | EO: OCIO | FY23 | Q3 |
| ● Launch Contra Costa Mobility on Demand Pilot | EO: OCIO | FY23 | Q4 |
| ● Complete Contra Costa Mobility on Demand - Pilot | EO: OCIO | FY24 | Q2 |
| Mobility as a Service - Infrastructure* | | | |
| ● Plan BART official app enhancements | EO: OCIO | FY24 | Q1 |
| ● Complete major platform enhancements on the Mobility as a Service Platform | EO: OCIO | FY25 | Q2 |
| Mobility as a Service - Paratransit* | | | |
| ● Issue RFP for paratransit software procurement | EO: OCIO | FY23 | Q4 |
| ● Award of paratransit software contract | EO: OCIO | FY24 | Q2 |
| ● Implementation of paratransit software | EO: OCIO | FY24 | Q3 |
| ● Deployment of paratransit software | EO: OCIO | FY25 | Q3 |
| ● Complete rollout of paratransit software | EO: OCIO | FY25 | Q4 |
| Mobility as a Service - Parking* | | | |
| ● Planning & implementation of parking modernization technology | EO: OCIO | FY23 | Q3 |
| ● Complete implementation of parking modernization technology | EO: OCIO | FY24 | Q4 |
| Modernize Access Programs* | | | |
| ● Issue call for projects for Safe Routes to BART (SR2B) cycle 2 & brief Board | EO: P&D | FY23 | Q3 |
| ● Bring new parking policy to Board for consideration | EO: P&D | FY23 | Q4 |
| ● Initiate bus shelter "Kit of Parts" plan | EO: P&D | FY24 | Q1 |
| ● Complete RFEI for new parking payment machines | EO: P&D | FY24 | Q1 |
| ● Execute SR2B cycle 2 agreements | EO: P&D | FY24 | Q1 |

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2-Year Action Plan for Priority: Rider Experience

| Improve Access | | <i>BSP Goal: Experience</i> | | |
|--|---|-----------------------------|------|----|
| Modernize Access Programs* | | | | |
| ● | Initiate plan for wayfinding phase 5 | EO: P&D | FY24 | Q1 |
| ● | Initiate phase 1 of Bike Preferred Path of Travel (Bike Path) Plan | EO: P&D | FY24 | Q2 |
| ● | If funded, initiate procurement for wayfinding phase 5 | EO: P&D | FY24 | Q3 |
| ● | Issue call for projects for SR2B cycle 3 and brief the Board | EO: P&D | FY24 | Q3 |
| ● | Initiate construction for MacArthur safety lighting | EO: P&D | FY24 | Q4 |
| ● | Complete bus shelter "Kit of Parts" plan | EO: P&D | FY24 | Q4 |
| ● | Complete North Berkeley access construction | EO: P&D | FY24 | Q4 |
| ● | If funded, release RFP for wayfinding phase 5 | EO: P&D | FY25 | Q1 |
| ● | Execute SR2B cycle 3 agreements | EO: P&D | FY25 | Q1 |
| ● | If funded, pilot new parking payment machines | EO: P&D | FY25 | Q2 |
| ● | Complete construction for Ashby access improvements | EO: P&D | FY25 | Q2 |
| ● | Complete phase 1 of "Bike Path" plan | EO: P&D | FY25 | Q3 |
| ● | Complete construction of MacArthur safety lighting | EO: P&D | FY25 | Q4 |
| ● | Complete construction of all SR2B cycle 1 projects | EO: P&D | FY25 | Q4 |
| Modernize Paratransit & Accessibility | | | | |
| ● | Paratransit software procurement: RFP released | EO: P&D | FY23 | Q4 |
| ● | Broker Service Contract: RFP released | EO: P&D | FY24 | Q1 |
| ● | Paratransit Coordinators Office RFP released | EO: P&D | FY24 | Q1 |
| ● | Participate in MTC's regional paratransit pilot projects | EO: P&D | FY24 | Q1 |
| ● | Award paratransit software agreement | EO: P&D | FY24 | Q2 |
| ● | Award paratransit broker/service contract | EO: P&D | FY24 | Q3 |
| ● | Award paratransit coordinator's office contract | EO: P&D | FY24 | Q3 |
| ● | Implement new paratransit software | EO: P&D | FY24 | Q3 |
| ● | Start new paratransit broker/service & coordinator office contracts | EO: P&D | FY24 | Q4 |
| ● | Coordinate paratransit agreements with MTC's regional recommendations | EO: P&D | FY25 | Q1 |
| Webservices* | | | | |
| ● | Plan and execute website content management improvements | EO: OCIO | FY23 | Q3 |
| ● | Deploy improved social media listening and engagement platform | EO: OCIO | FY23 | Q4 |

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 ● Milestone is Delayed
 ● Future Milestone



2-Year Action Plan for Priority: On Track for the Future

OVERVIEW

BART will stay on-track for the future by continuing to develop a strong and stable workforce, implementing critical capital projects that will increase capacity and improve reliability, and advancing core programs such as transit-oriented development, equity, safety, and sustainability.

| Workforce Engagement, Development and Retention | | <i>BSP Goal: Workforce</i> | |
|---|--|----------------------------|---------|
| Administer and Negotiate Union Contracts* | | | |
| ● | Ongoing: Union contract administration | EO: ADMIN | Annual |
| ● | Prepare for bargaining successor agreement (ATU, AFSCME, SEIU) | EO: ADMIN | FY25 Q1 |
| ● | Bargain successor agreement | EO: ADMIN | FY25 Q4 |
| BPD Staffing: Recruiting, Training, & Employee Wellness | | | |
| ● | Develop a recruiting/staffing plan with support from Admin | EO: BPD | FY24 Q1 |
| ● | Continue to enhance recruiting efforts by utilizing the recruitment team | EO: BPD | FY24 Q2 |
| ● | Continue to review & streamline the hiring process | EO: BPD | FY24 Q4 |
| ● | Continue to educate & promote mental health resources currently available to all employees | EO: BPD | FY25 Q2 |
| ● | Update comprehensive training plan | EO: BPD | FY25 Q4 |
| Enhance Internal Communications to Improve Employee Experience | | | |
| ● | Ongoing: Plan & execute opportunities for employee engagement (2/yr.) | EO: OEA | Annual |
| ● | Finalize and present internal comms strategy document to executives | EO: OEA | FY23 Q3 |
| ● | Internal Communications to partner with Admin to identify protocols, branding, etc. | EO: OEA | FY23 Q4 |
| ● | Hold employee town hall on adopted budget and fiscal cliff | EO: OEA | FY24 Q1 |
| ● | Support OCR with internal communications for racial equity plan | EO: OEA | FY24 Q2 |
| ● | Field employee satisfaction survey & produce report | EO: OEA | FY24 Q3 |
| ● | Plan & execute employee survey action plan communications components | EO: OEA | FY24 Q4 |
| ● | Establish employee interest groups | EO: OEA | FY25 Q1 |
| ● | Plan & execute opportunities for employee engagement (2/yr.) | EO: OEA | FY25 Q4 |
| Improve Branding, Internal Communication & Employee Satisfaction | | | |
| ● | Partner with manager of Internal Communication to identify protocols, branding, etc. | EO: ADMIN | FY24 Q1 |
| ● | Identify trends & data of Employee Satisfaction Survey for improvement efforts | EO: ADMIN | FY24 Q2 |
| ● | Revamp the new hire orientation experience | EO: ADMIN | FY24 Q3 |

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2-Year Action Plan for Priority: On Track for the Future

| Workforce Engagement, Development and Retention | | <i>BSP Goal: Workforce</i> | |
|---|--|----------------------------|---------|
| Ongoing Implementation of Labor Relations Best Practices | | | |
| ● | Implement labor relations workflow systems | EO: ADMIN | FY23 Q4 |
| ● | Engage with internal communications to socialize client facing program | EO: ADMIN | FY24 Q1 |
| ● | Assess proper metrics for districtwide reporting | EO: ADMIN | FY24 Q1 |
| ● | Establish baseline for service levels and response times | EO: ADMIN | FY25 Q1 |
| Partner on New Facility Needs* | | | |
| ● | Increase office space at MET building for progressive policing | EO: BPD | FY23 Q3 |
| ● | BPD Admin HQ: BART Board recommendation <i>Supported by: Planning & Development</i> | EO: BPD | FY24 Q1 |
| ● | Continue planning for ECDN police substation replacement facility <i>Supported by: Planning & Development/Real Estate</i> | EO: BPD | FY24 Q4 |
| ● | Initiate ECDN police substation replacement | EO: BPD | FY25 Q1 |
| ● | Leverage technology to reduce costs | EO: BPD | FY25 Q4 |
| Recruitment and Hiring Improvements* | | | |
| ● | Review bids for Application Tracking System (ATS) | EO: ADMIN | FY23 Q3 |
| ● | Implement ATS | EO: ADMIN | FY24 Q1 |
| ● | Assess time-to-fill/metrics | EO: ADMIN | FY25 Q1 |
| Training Infrastructure Improvements* | | | |
| ● | Complete plan for training needs | EO: OPS | FY24 Q1 |
| ● | Training simulator upgrade: Software extensions & PC | EO: OPS | FY24 Q4 |
| ● | Training for Antioch shop and Diesel Multiple Unit overhaul | EO: OPS | FY25 Q4 |
| ● | FOTF overhaul training | EO: OPS | FY25 Q4 |
| ● | Training center upgrade | EO: OPS | FY25 Q4 |
| ● | Relocate RS&S Hayward Training Center in conjunction with FOTF Maintenance Facility Building | EO: OPS | FY25 Q4 |
| ● | C75 TC rebuild | EO: OPS | FY25 Q4 |
| Workforce Development: Engaging, Retaining* | | | |
| ● | Staff workforce development team/identify key community partnerships | EO: ADMIN | FY23 Q3 |
| ● | Build curriculum/identify funding (if needed) | EO: ADMIN | FY24 Q1 |
| ● | Manager training | EO: ADMIN | FY24 Q2 |
| ● | Launch curriculum/identify learning outcomes | EO: ADMIN | FY24 Q3 |

**Indicates milestones may be partially funded or are dependent on funding*

● Milestone is Complete ● Milestone is Delayed ● Future Milestone



2-Year Action Plan for Priority: Rider Experience

Improve Access

BSP Goal: Experience

Webservices*

- Complete website content management improvements EO: OCIO FY24 Q1

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2-Year Action Plan for Priority: On Track for the Future

| Workforce Engagement, Development and Retention | | <i>BSP Goal: Workforce</i> |
|--|---|-------------------------------------|
| Workforce Development: Engaging, Retaining* | | |
| ● | Assess learning metrics | EO: ADMIN FY24 Q4 |
| ● | Analysis of learning metric | EO: ADMIN FY25 Q1 |
| ● | Assess/metrics (engagement/retaining) | EO: ADMIN FY25 Q3 |
| Capital Program: Improve Reliability & Increase Capacity | | <i>BSP Goal: System Performance</i> |
| Advance Delivery of the Core Capacity Program* | | |
| ● | Ongoing: Fleet of the Future Overhaul Shop: Determine delivery method; seek funding | EO: OID Annual |
| ● | CBTC Phase 0 Hayward Test Track | EO: OID FY24 Q2 |
| ● | HMC2 civil/grading complete | EO: OID FY24 Q2 |
| Advance Link21 Program* | | |
| ● | Initiate co-creation series (round 4) | EO: P&D FY23 Q3 |
| ● | Initiate equity advisory council meetings | EO: P&D FY23 Q3 |
| ● | Identify future funding/community outreach series/ long-list concept evaluation | EO: P&D FY23 Q4 |
| ● | Complete preliminary business case | EO: P&D FY24 Q3 |
| ● | Secure additional grant funding to advance phase 2 | EO: P&D FY24 Q3 |
| ● | Seek board approval of stage gate 2, and if funded initiate phase 2 (project selection) | EO: P&D FY24 Q4 |
| Antioch Shop/ E-Line Vehicle Maintenance | | |
| ● | Complete overhauls: Passenger info system & compressor | EO: OPS FY23 Q4 |
| ● | Begin overhauls: Power pack/diesel engine, motor wiper, truck, car body, & propulsion | EO: OPS FY24 Q1 |
| ● | Complete overhauls: Power pack/diesel engine, motor wipers | EO: OPS FY24 Q2 |
| ● | Begin brake overhauls | EO: OPS FY24 Q2 |
| ● | Complete brake overhauls | EO: OPS FY24 Q4 |
| ● | Complete overhauls: Propulsion, truck, & car body | EO: OPS FY25 Q1 |
| Component Repair Shop (HMC) | | |
| ● | Ongoing: (FY24/25) Bench Test Equipment (BTE) | EO: OPS Annual |
| ● | Door control BTE qualification | EO: OPS FY23 Q3 |
| ● | HVAC BTE qualification | EO: OPS FY23 Q4 |

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2-Year Action Plan for Priority: On Track for the Future

Capital Program: Improve Reliability & Increase Capacity *BSP Goal: System Performance*

| Fleet of the Future (FOTF) | | | |
|---|---------|------|----|
| ● Complete delivery of 775 cars | EO: OPS | FY25 | Q1 |
| ● Begin onboarding 16 FOTF E-cars per month | EO: OPS | FY25 | Q2 |
| ● Complete legacy fleet decommission | EO: OPS | FY25 | Q3 |
| Infrastructure Rebuild | | | |
| ● Transbay Tube completion | EO: OID | FY23 | Q4 |
| ● Complete installation of KTE Substation | EO: OID | FY24 | Q1 |
| ● Complete installation of Civic Center Substation | EO: OID | FY24 | Q2 |
| ● Complete C15 interlocking replacement | EO: OID | FY24 | Q3 |
| ● Complete installation of Montgomery Substation | EO: OID | FY24 | Q3 |
| ● Complete Wheel Truing at Richmond Yard | EO: OID | FY24 | Q4 |
| ● Complete A85 interlocking replacement | EO: OID | FY24 | Q4 |
| ● Complete A-line 34.5kV cable replacement | EO: OID | FY25 | Q4 |
| Staff Facilities* | | | |
| ● Complete temporary Operations Control Center (OCC) | EO: OID | FY23 | Q3 |
| ● Award contract for OCC modernization | EO: OID | FY23 | Q4 |
| ● Begin scoping of new BPD headquarters and tenant improvements | EO: OID | FY24 | Q3 |
| ● Complete OCC modernization | EO: OID | FY25 | Q4 |
| Station Modernization* | | | |
| ● 19th St bike parking | EO: OID | FY23 | Q3 |
| ● Progress Market St canopies & escalators | EO: OID | FY23 | Q3 |
| ● Re-open restrooms at Embarcadero and Downtown Berkeley | EO: OID | FY23 | Q4 |
| ● Substantially complete canopies at Powell St. Station | EO: OID | FY24 | Q2 |
| ● Substantially complete canopies at Montgomery Station | EO: OID | FY25 | Q2 |
| ● Substantially complete canopies at Embarcadero Station | EO: OID | FY25 | Q4 |
| ● Substantially complete canopies at Civic Center Station | EO: OID | FY25 | Q4 |
| Systems Integration Framework | | | |
| ● Initiate technology roadmap | EO: OID | FY23 | Q3 |
| ● Draft technology roadmap | EO: OID | FY24 | Q3 |

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2-Year Action Plan for Priority: On Track for the Future

Capital Program: Improve Reliability & Increase Capacity *BSP Goal: System Performance*

| Vehicle System Overhaul | | | |
|-------------------------|--|---------|---------|
| ● | Begin HVAC overhaul | EO: OPS | FY24 Q3 |
| ● | Begin overhauls: Truck, electro-hydraulic unit, air supply unit, suspension control unit, & high-speed circuit breaker | EO: OPS | FY25 Q2 |
| ● | Begin vehicle automatic train control board RAM replacement | EO: OPS | FY25 Q3 |

Advance Diversity, Equity, and Inclusion *BSP Goal: Equity*

| Consult with External Partners on Equity | | | |
|---|---|---------|---------|
| ● | Establish outreach to external partners | EO: OCR | FY23 Q2 |
| Internal Cultural Change | | | |
| ● | Begin OCR "Cadence" workshops | EO: OCR | FY23 Q1 |
| Internal Engagement & Equity Action Plan (EAP)* | | | |
| ● | Ongoing: Implement race equity survey | EO: OCR | Annual |
| ● | Equity seminar in each department | EO: OCR | FY23 Q2 |
| ● | Finalize first round of executive office EAPs | EO: OCR | FY24 Q1 |
| ● | Review and assess EAPs | EO: OCR | FY24 Q4 |
| ● | Finalize second round of executive office EAPs | EO: OCR | FY25 Q1 |
| ● | Review and assess EAPs | EO: OCR | FY25 Q4 |
| Measure Progress on Equity Metrics | | | |
| ● | Ongoing: Assess internal equity metrics consistent with Title VII | EO: OCR | Annual |
| ● | Implement OCR's FY24 Key Performance Indices (KPIs) | EO: OCR | FY24 Q2 |
| ● | Implement OCR's FY25 KPIs | EO: OCR | FY25 Q1 |

Advance TOD Program *BSP Goal: Economy*

| Transit Oriented Development (TOD) | | | |
|------------------------------------|--|---------|---------|
| ● | Initiate anti-displacement TOD strategy | EO: P&D | FY23 Q3 |
| ● | Complete anti-displacement TOD strategy | EO: P&D | FY24 Q3 |
| ● | Issue one solicitation (Rockridge/Ashby/Other) | EO: P&D | FY24 Q3 |
| ● | Advance two TOD projects to construction | EO: P&D | FY24 Q4 |
| ● | Close-out Federal Transit Administration TOD planning grants (A-line and R-line) | EO: P&D | FY25 Q2 |
| ● | Seek Board authorization of lease option for 2 projects | EO: P&D | FY25 Q4 |

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2-Year Action Plan for Priority: On Track for the Future

| Facilities & ROW | <i>BSP Goal: System Performance</i> | | |
|---|-------------------------------------|------|----|
| Facilities & Right-of-Way (ROW)* | | | |
| ● Board recommendation for BART Police Department Administrative Headquarters <i>Supported by: BPD</i> | EO: P&D | FY24 | Q1 |
| ● Complete permit system modernization under current contract | EO: P&D | FY24 | Q2 |
| ● Purchase ROW for Hayward Maintenance Complex phase 2 | EO: P&D | FY24 | Q4 |
| ● Finalize Warm Springs extension ROW activities | EO: P&D | FY25 | Q2 |
| ● Finalize Colma extension ROW activities | EO: P&D | FY25 | Q3 |
| ● Prepare MET building relocation strategy with BPD and M&E | EO: P&D | FY25 | Q4 |
| Sustainability & Resiliency | <i>BSP Goal: Environment</i> | | |
| Sustainability & Energy* | | | |
| ● Complete garage LED lighting | EO: OID | FY23 | Q3 |
| ● Complete non-revenue electrification strategic plan | EO: P&D | FY23 | Q4 |
| ● Complete station LED lighting study | EO: P&D | FY24 | Q1 |
| ● Define scope for next Action Plan | EO: P&D | FY24 | Q1 |
| ● Document alternative pathways to achieve BART's clean energy commitments | EO: P&D | FY24 | Q3 |
| ● Initiate recycling & compost at all staff locations | EO: P&D | FY24 | Q3 |
| ● Select electric vehicle (EV) customer charging partner | EO: P&D | FY24 | Q3 |
| ● Support non-revenue electrification pilot funding plan | EO: P&D | FY24 | Q4 |
| ● Launch Green Team | EO: P&D | FY24 | Q4 |
| ● Support eBART electrification planning | EO: P&D | FY25 | Q2 |
| ● Initiate station recycling & compost pilot | EO: P&D | FY25 | Q3 |
| System Safety | <i>BSP Goal: Safety</i> | | |
| Construction Safety Oversight | | | |
| ● Recruit construction safety engineer | EO: SS | FY23 | Q4 |
| ● Develop construction safety oversight plan | EO: SS | FY24 | Q1 |
| ● Launch construction safety oversight program | EO: SS | FY24 | Q3 |
| ● Evaluate construction safety oversight program and adjust as needed | EO: SS | FY25 | Q3 |
| Fire Life Safety* | | | |
| ● Design and plan for new command posts at C10 and C20, based on M10 experience | EO: OPS | FY24 | Q1 |

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2-Year Action Plan for Priority: On Track for the Future

| System Safety | | <i>BSP Goal: Safety</i> | |
|--|--|-------------------------|---------|
| Fire Life Safety* | | | |
| ● | Partnership meeting to explore funding and scope of planned training facility | EO: OPS | FY24 Q3 |
| ● | Complete command post construction | EO: OPS | FY25 Q2 |
| Implement Safety Management System (SMS) | | | |
| ● | Visit all shops, yards, TMZs, and non-revenue facilities to discuss SMS, employee safety reporting platform (ELERTS), & provide training/resources as needed | EO: SS | FY23 Q4 |
| ● | Full District roll-out of ELERTS app/system (frontline employees to management) | EO: SS | FY24 Q1 |
| ● | Triannual refresher training: Create a Pathlore class on ELERTS | EO: SS | FY24 Q4 |
| ● | Complete development of conflict management and de-escalation training for all employees | EO: SS | FY25 Q1 |
| ● | Engage with required stakeholders to revise and approve the BART Public Transit Agency Safety Plan per the Final Rule – 49 CFR 673 | EO: SS | FY25 Q3 |
| ● | Complete delivery of conflict management and de-escalation training for all employees | EO: SS | FY25 Q4 |
| Internal Coordination and Emergency Response Training | | | |
| ● | Ongoing: Internal coordination and emergency response training <i>Supported by: System Safety and Operations</i> | EO: BPD | Annual |
| ● | Update Emergency Operations Plan | EO: BPD | FY24 Q1 |
| ● | District emergency response drills – internal/external | EO: BPD | FY24 Q3 |
| ● | District emergency response drills – internal/external | EO: BPD | FY25 Q3 |
| Track New CPUC Regulations | | | |
| ● | Track General Order 143 rulemaking process (related to sleep apnea/fitness for safety sensitive employees); upon announcement notify all stakeholders and engage with CPUC on impact to BART and compliance due date | EO: SS | FY24 Q3 |

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Attachment O: [FY25 and FY26 Adopted Budget](#) ⁴

Attachment P: [FY25 and FY26 Position Summary](#) ⁴

Attachment Q: [FY25 and FY26 Adopted Capital Budget, by Project](#) ⁴