

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Board of Directors

DATE: October 4, 2024

FROM: General Manager

SUBJECT: FY24 Fourth Quarter and Fiscal Year End Financial Report (QFR)

This memo summarizes financial performance for BART's Fiscal Year 2024 (FY24) fourth quarter (April – June 2024) and for the entire fiscal year. Results include BART's budget-to-actuals, use of emergency assistance, updates on retiree benefit obligations, accounts receivable, cash and investments, long-term debt obligations, and operating reserves.

Executive Summary

The District's net operating result was balanced through the fourth quarter of FY24 due to the continued use of emergency assistance funds allocated through the American Rescue Plan Act (ARPA). These funds enabled the District to cover a \$313.5 million (M) operating deficit (the difference between operating sources and uses incurred) over the twelve-month period of July 1, 2023 to June 30, 2024.

At this time, BART's critical financial metric is the amount of emergency assistance utilized to offset operating losses. Using less emergency assistance extends the period of time BART will be able to sustain its current operating level. The staff estimate of emergency assistance needed to support operations in FY24 as of the end of Q3 (report dated May 3, 2024) was \$317.1M. At the end of Q4, that number decreased to \$313.5M.

Ridership

Ridership for FY24 totaled 49.6M exits, 3.2% below budget but 8.2% higher than FY23. Weekday ridership averaged 162,374 exits, 3.0% below budget, and 8.6% higher than a year ago. Fourth quarter FY24 ridership was 7.2% higher than the previous quarter. Average weekday ridership was 163,300 in April, 168,400 in May, and 164,700 in June, consistent with expected seasonal trends, but lower than budgeted.

Operating Sources

Total Sources ended FY24 \$94.4M (12.9%) favorable to budget.

Operating Revenue was \$4.2M (1.6) below budget through Q4 FY24. **Net Passenger Revenue** was \$6.4M (2.9%) below budget expectations as ridership did not keep up with budgeted growth in the last five months of the fiscal year. **Parking Revenue** was \$2.2M (14.7%) favorable. **Other Operating Revenue** was \$0.1M (0.5%) above budget, with lower-than-expected advertising and lease revenues offset by higher-than-expected parking citations, BART's Commercial Communications Revenue Program, and various one-time unbudgeted revenues.

Investment Revenue was \$31.7M favorable to budget through FY24 due to the recent high interest environment and more funds available to invest from emergency relief grants that had not yet been used to balance the operating budget. BART's investments were laddered to ensure that adequate cash was available to meet daily cash requirements, and that any excess cash was invested strategically. Note that investment revenue is budgeted conservatively as market conditions can be difficult to forecast.

Sales Tax revenue was \$0.3M (0.1%) favorable, **Property Tax** was \$3.9M (6.3%) favorable, and **VTA Financial Assistance** was \$12.6M (36.3%) favorable (more funds received from VTA than budgeted) due to higher-than-forecast operating expenses attributable to VTA that were updated after FY24 budget adoption. **State Transit Assistance** (STA) was \$33.8M (143.8%) above budget due to the State's extension of the hold harmless agreement, previously forecast to expire at the end of calendar year 2023, and timing of MTC's STA payments to BART, which shifted \$16.0M from FY23 to FY24.

Other Assistance through Q4 was \$16.3M (54.4%) favorable with unbudgeted financial assistance from the City and County of San Francisco Office of Economic and Workforce Development, the San Francisco Municipal Transportation Agency, and various federal and local grants.

Operating Uses

Total Operating Expense ended FY24 \$82.2M (8.8%) higher than budget.

Total gross **Wages, Fringe Benefits & Other Labor** was \$3.8M (0.4%) below budget. However, Net Operating Labor and Fringe finished Q4 \$50.0M (7.7%) over budget. This was driven by \$53.7M (28.0%) of unfavorable Capital Labor Reimbursements due to vacant capital positions and a number of Maintenance employees initially budgeted as capital but working on operating maintenance efforts.

Total gross **Overtime** was \$80.3M through Q4, over budget by \$3.5M (4.6%) but \$10.2M lower than FY23 actuals. However, when Capital Reimbursements Overtime is accounted for, net operating overtime variance is \$8.5M (16.0%) unfavorable to budget.

On a net basis, the District exceeded its operating labor budget through Q4 by \$58.4M (8.3%); this variance was almost entirely due to lower than budgeted capital labor reimbursements, as described in detail in the FY24 Q2 memo and which staff corrected in the FY25 budget. Additional unfavorable variance was generated in Q4 of FY24 from a \$11.9M deposit into BART's workers' compensation reserve to cover liabilities identified in a recent actuarial report, which was not known at the time of the Q3 year-end projection.

Non-Labor expense was over budget through the fourth quarter by \$23.8M (10.2%). Electric Power was \$2.5M favorable (4.3%) YTD. The September 2023 service change was projected to reduce Electric Power costs by approximately \$8.0M, unfortunately, increased transmission and distribution fees starting at the end of Q2 eroded much of the anticipated savings. **Other Non-Labor** was \$25.1M (17.0%) unfavorable to budget, with most of the variance in Miscellaneous Expense, followed by Material Usage and Purchased Transportation. Miscellaneous Expenses were \$23.6M unfavorable, with the largest driver \$22.9M coming from expense recognized to increase the reserves for Public Liability & Property Settlements based on the latest actuarial valuation report and other potential liabilities. Material Usage was \$1.1M unfavorable, with an additional \$9.8M in write-offs of obsolete legacy cars and associated inventory, which was partially

offset by lower than anticipated Inventory Material Usage and Diesel Fuel. The over budget variance of \$1.5M for Purchased Transportation reflects increased paratransit contract expense.

Debt Service was on budget and **Allocations** were \$25.0M (27.7%) favorable, due to the reduction of Priority Capital Program spending in Q4, the reversal of a \$5.4M allocation booked in FY21 for replacement of equipment on the BART-to-Antioch extension into the operating budget which was ultimately not spent, and \$4.6M of Reverse Capital Allocations. After February 2024, the District temporarily stopped Priority Capital allocations because the remaining FY24 funds were scheduled to be deposited into a rail car contingency reserve which was not necessary as Phase 1 of the rail car project is complete and \$392M under budget.

Emergency Assistance of \$313.5M in ARPA funding was used to cover the difference between operating sources and uses in FY24. This amount is \$37.3M (10.6%) less than budget and was driven by \$27.6M of favorable total revenues and \$66.9M of favorable financial assistance, offsetting \$57.2M in unfavorable total uses. Through June, of the \$1.6 billion (B) of Federal Emergency Assistance allocated to the District since 2020, \$1.3B has been expended and a forecasted \$274.0M remains for future use. Over the next two years, the District will begin accessing an additional \$352.0M in SB 125 State and Regional Assistance.

Controller-Treasurer Update

Post-Employment Benefits

In August 2024, the District received the most recent valuation report for BART's pension plan, managed by CalPERS, dated June 30, 2023. As of that date, the funded ratio for the District's Safety plan, which covers sworn officers, improved slightly to 57.7%, from 57.2% funded, while the funded ratio for the Miscellaneous plan, which covers all other employees, also increased slightly to 72.6%, from 72.3% funded. Total market value of assets on both plans increased by \$109.4M from FY22 due to positive return on investments, while liability on both plans also increased by \$141.2M, resulting in a net increase of \$31.8M in net unfunded liability. As of June 30, 2024, the District's assets in the Section 115 Pension Trust, which was set-up to offset future pension liabilities, increase to \$39.9M, a gain of \$1.8M in FY24.

The assets of BART's two Other Post Employment Obligations (OPEB), the Retiree Health Benefit Trust (RHBT) and the Survivors' Benefit Trust (SBT), which are both funded, benefited from positive outlook in the stock and bond market due to continued resilience of the economy, inflation continued to trend down, and expectation of lower interest rate. Investment returns in 4Q FY24 were \$12.3M (2.1%) for the RHBT and \$265K (2.2%) for the SBT. For FY24, the returns were \$82.4M (15.9%) for the RHBT and \$1.7M (15.6%) for SBT.

There is currently no update to the actuarial valuation on BART's OPEB obligations, including on the Retiree Life Insurance program, which is funded on a pay as you go basis.

Accounts Receivable, Cash, and Investments

As of June 30, 2024, \$89.6M in receivables was outstanding, with approximately \$58.2M or 65% were outstanding less than 60 days. Receivables exceeding 120 days outstanding increased by \$8.2M from the end of Q3, from \$12.5M to \$20.7M at end of Q4. However, after June 30, 2024, the District has collected

95% or \$19.6M of past due receivables. To date, about \$77.9M or 87% of the total outstanding accounts receivable balance have been collected.

BART's cash and investments continue to perform better than in recent years, due to higher interest rates. As of June 30, 2024, BART has \$1,021.6M in cash and investments between its capital and operating accounts. BART's weighted average return on investments in US government securities in the current quarter was similar to the 5.25% realized in the prior quarter.

Outstanding Bonds and Debt Service

There were no changes to the principal outstanding balance of BART's Sales Tax Revenue Bonds and General Obligation Bonds from the prior quarter since those payments are made in July and August of each year. The property tax rates to be assessed in the BART District in fiscal year 2025 was updated to \$4.70/\$100,000 for Measure AA General Obligation Bonds and \$10.10/\$100,000 for Measure RR General Obligation Bonds.

Reserves

BART's reserves declined by \$50.05M to \$510.2M in Q4 primarily driven by \$51.3M draw down from the Federal Assistance ARPA Reserve to offset operating cost. Besides the ARPA Reserve and the Working Capital Reserve, which has a balance of \$274M and \$89.9M, respectively, as of June 30, 2024, BART's other remaining operating reserve funds (Operating Reserve, Insurance Calamity Reserve, General Reserve for Economic Uncertainty, and Low Carbon Fuel Standards Credits) totaled \$106.5M as of June 30, 2024.

If you have any questions about this report, please contact Christopher Gan, Interim Controller-Treasurer, at cgan@bart.gov or Christopher Simi, Budget Director, at csimi@bart.gov.

DocuSigned by:

47000790F2D7463...
Robert M. Powers

cc: Board Appointed Officers
Deputy General Manager
Executive Staff



EXECUTIVE DECISION DOCUMENT

| | | | | | |
|---|--|--|--------------------------------------|---|--|
| GENERAL MANAGER APPROVAL: | | DocuSigned by: <i>Michael Jones</i> 47000790F2D7463... | GENERAL MANAGER ACTION REQ'D: | | |
| DATE: 9/18/2024 | | 10/2/2024 | 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>Shirley Gan</i> EE11C8CEEEA04FD... | | DocuSigned by: <i>Pamela Herhold</i> 3BB24D65B8724F5... | |
| Signature/Date: 10/1/2024 | 10/1/2024 [] | 10/1/2024 [] | [] | 10/2/2024 [] | |

FY24 Year End Budget Revision

PURPOSE:

To amend the Fiscal Year 2024 (FY24) Budget for year-end adjustments.

DISCUSSION:

Since 2020, BART has relied on emergency assistance to balance its budget. The District finished FY24 with a balanced budget due to emergency assistance. Absent such assistance, the District would have finished the year with a \$313.5 million (M) deficit. Total Sources excluding emergency assistance was \$827.8M and Total Uses excluding allocations to the Operating Reserve for Economic Uncertainty was \$1.1 billion. The financial results are summarized in Attachment 1, with additional detail provided in the Background section and Attachments 2 through 4. For more detail, please refer to the FY24 Fourth Quarter and Year End Financial Report (QFR) memo.

In FY24, BART's reliance on emergency assistance was lower than assumed in the Adopted Budget. Below is a summary of BART's finances in relation to the FY24 budget.

Total Operating Sources, excluding emergency assistance: \$94.4M (12.9%) favorable to budget.

Operating and Non-Operating Revenue was \$27.6M better than budget with the majority coming from investment income which was then offset by below budget results in ridership.

- Passenger Revenue was \$6.4M (2.9%) below budget as ridership did not keep up with budgeted growth.
- Parking Revenue was \$2.2M (14.7%) favorable due to higher than budgeted parking



occupancy.

- Investment income performed \$31.7M favorable to budget due to optimization of investment income in a high interest rate environment.

Sales tax came in right on budget. Other Assistance which includes Property Tax, State Transit Assistance (STA), VTA Financial Assistance, and other local financial assistance was \$66.6M better than budget with \$33.8M coming from STA with the extension of the STA hold harmless provision and FY23 revenues posting in FY24.

Total Operating Expenses: \$82.2M (8.8%) unfavorable to budget.

Operating Labor was \$58.4M (8.3%) over budget.

- Capital Reimbursements (excluding overtime) was unfavorable to budget by \$53.7M due to a combination of employees initially budgeted as funded by capital sources charging to the operating budget, a high number of vacant positions, and a budget neutral error that overstated anticipated reimbursements and recoveries. These issues were corrected in the FY25 and FY26 Adopted Budget.
- Gross wages, fringe and other labor ended the year \$3.8M under budget. Any vacancy savings was offset by an \$11.9M unbudgeted increase in deposits to the workers' compensation reserves to cover liabilities identified in a recent actuarial report.
- Net Overtime was \$8.5M over budget with Capital Overtime Reimbursements coming in lower than anticipated.

Non labor expenses were \$23.8M (10.2%) over budget.

- Miscellaneous Expenses were \$23.6M (97.9%) over budget from expense recognized to increase the reserves for Public Liability & Property Settlements based on the latest actuarial valuation report.
- Material Usage was \$1.1M (2.4%) over budget, with \$9.8M in unfavorable expenses due to the write-off of obsolete legacy cars and associated inventory, this was offset by savings in material usage and lower than anticipated fuel.
- ADA Paratransit services was \$1.5M (7.9%) over budget from increased paratransit contract expenses.
- Electric Power was \$2.5M (4.3%) under budget. The September 2023 service plan was expected to bring in savings of \$8M, however, increased transmission and distribution fees in the winter eroded most of the anticipated savings.

Debt Service and Allocations: \$25.0M (16.6%) favorable to budget.

Bond debt service for FY24 was equal to the budget.

The Adopted FY24 budget included \$90.5M in planned allocations. Actual Capital and Other allocations were \$25M less than budget due to the following:

- Priority Capital was reduced, BART stopped making allocations in February of 2024 because the remaining FY24 funds were scheduled to be deposited into a rail car contingency reserve that will not be necessary due to the completion of Phase 1 of the rail car project.
- The reversal of \$4.6M in capital allocation of non-capitalizable labor and non-labor expenses.
- The reversal of a \$5.4M FY21 allocation for replacement of equipment on the BART-to-Antioch extension into the operating budget.

FISCAL IMPACT: Board approval of the proposed adjustments identified in Exhibit A to amend the FY24 budget to match actuals.

ALTERNATIVES: If the Board does not approve the adjustments, the District's FY24 budget will not match actuals.

RECOMMENDATION: Approval of the motion below.

MOTION: The Board of Directors adopts the attached Resolution amending Resolution No. 5564 regarding Fiscal Year 2024 Annual Budget."



▶ FY24 Year End Financial Report

BART Board of Directors

October 10, 2024



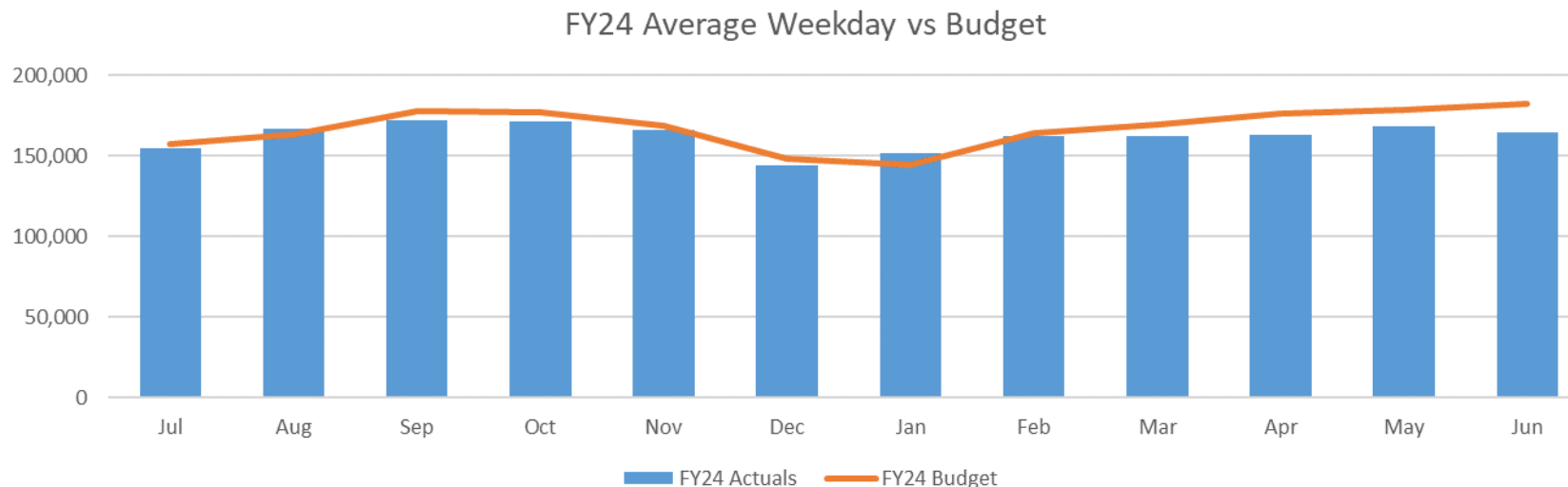
Executive Summary

- BART required \$313.5M in emergency assistance to balance FY24; budget assumed \$350.8M (\$37.3M less was needed)
- Variance was driven by:
 - Total Sources were \$94.4M above budget, mostly from investment income and State Transit Assistance
 - Total Uses were \$57.2M above budget, mostly from reduced capital reimbursements and increases in deposits into liability reserves offset by savings in operating to capital allocations
- Ridership was 8% higher than in FY23 but 3% below budget expectations
- Despite less use of emergency assistance, significant financial challenges continue

FY24 Ridership Review

| FY24 Ridership Comparison | | |
|---------------------------|--------------|--------------|
| | vs FY23 | vs Budget |
| Weekday | +8.6% | -3.0% |
| Saturday | +7.0% | -5.5% |
| Sunday | +8.8% | -1.8% |
| Total | +8.2% | -3.2% |

- FY24 totaled 49.6M trips:
 - 8.2% higher than FY23
 - 3.2% below budget
- Ridership was near budget through February but was below budget in Q4
- Clipper START has seen significant growth since increasing the discount to 50%



FY24 Operating Sources

| (\$ Millions) | Q4 Budget | Q4 Actuals | Q4 Variance | FY24 Budget | FY24 Actuals | FY24 Variance | FY24 % Variance | May FY24 Year End Projection |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|-----------------|------------------------------|
| <u>Operating Revenue</u> | | | | | | | | |
| Net Passenger Revenue | 62.6 | 58.3 | (4.4) | 225.4 | 219.0 | (6.4) | -2.9% | 219.1 |
| Parking Revenue | 3.7 | 4.7 | 0.9 | 14.8 | 17.0 | 2.2 | 14.7% | 16.4 |
| Other Operating Revenue | 5.4 | 6.1 | 0.6 | 21.4 | 21.5 | 0.1 | 0.5% | 22.4 |
| Total Net Operating Revenue | 71.8 | 69.0 | (2.8) | 261.7 | 257.5 | (4.2) | -1.6% | 257.9 |
| Investment Income | 0.6 | 8.7 | 8.1 | 2.5 | 34.2 | 31.7 | 1268.7% | 35.1 |
| Total Revenue | 72.4 | 77.7 | 5.3 | 264.2 | 291.7 | 27.6 | 10.4% | 293.0 |
| <u>Financial Assistance</u> | | | | | | | | |
| Sales Tax | 73.1 | 75.4 | 2.3 | 319.8 | 320.1 | 0.3 | 0.1% | 317.6 |
| Property Tax | 26.9 | 28.2 | 1.3 | 61.2 | 65.1 | 3.9 | 6.3% | 61.2 |
| State Transit Assistance | 11.8 | 55.6 | 43.8 | 23.5 | 57.3 | 33.8 | 143.8% | 57.4 |
| VTA Financial Assistance | 8.7 | 21.4 | 12.7 | 34.7 | 47.3 | 12.6 | 36.3% | 34.0 |
| Other Assistance | 7.9 | 12.7 | 4.7 | 29.9 | 46.2 | 16.3 | 54.4% | 39.3 |
| Total Financial Assistance | 128.4 | 193.2 | 64.8 | 469.2 | 536.1 | 66.9 | 14.2% | 509.4 |
| Total Operating Sources | 200.9 | 270.9 | 70.1 | 733.4 | 827.8 | 94.4 | 12.9% | 802.4 |

- Overall improvement of \$25.4M between Q3 year-end projection with more than half coming from VTA Financial Assistance and small improvements against expectations in Sales Tax, Property Tax, Other Assistance
- Operating revenue close to budget by year-end
- Financial assistance variance driven by extension of STA hold harmless provision and FY23 STA revenues posting in FY24
- Investment income performed well due to optimization of investment income in high-interest rate environment

FY24 Operating Uses

| (\$ Millions) | Q4 Budget | Q4 Actuals | Q4 Variance | FY24 Budget | FY24 Actuals | FY24 Variance | FY24 % Variance | May FY24 Year End Projection |
|--|--------------|--------------|---------------|----------------|----------------|---------------|-----------------|------------------------------|
| <u>Operating Expense</u> | | | | | | | | |
| Gross Wages, Fringe & Other Labor | 207.4 | 218.5 | (11.1) | 839.8 | 836.0 | 3.8 | 0.4% | 821.1 |
| Capital Reimbursements - Labor & Fringe | (47.8) | (39.6) | (8.2) | (192.2) | (138.5) | (53.7) | -28.0% | (129.7) |
| <i>Subtotal - Net Operating Labor & Fringe</i> | <i>159.6</i> | <i>178.9</i> | <i>(19.3)</i> | <i>647.6</i> | <i>697.6</i> | <i>(50.0)</i> | <i>-7.7%</i> | <i>691.4</i> |
| Gross Overtime | 18.0 | 21.0 | (3.0) | 76.8 | 80.3 | (3.5) | -4.6% | 78.7 |
| Capital Reimbursements - Overtime | (6.1) | (6.8) | 0.8 | (23.9) | (19.0) | (4.9) | -20.6% | (16.3) |
| <i>Subtotal - Net Operating Overtime</i> | <i>12.0</i> | <i>14.2</i> | <i>(2.2)</i> | <i>52.9</i> | <i>61.4</i> | <i>(8.5)</i> | <i>-16.0%</i> | <i>62.4</i> |
| Total Operating Labor | 171.6 | 193.1 | (21.5) | 700.5 | 758.9 | (58.4) | -8.3% | 753.8 |
| Electric Power | 15.4 | 12.1 | 3.4 | 59.0 | 56.5 | 2.5 | 4.3% | 59.0 |
| Purchased Transportation | 6.7 | 8.1 | (1.4) | 26.7 | 27.9 | (1.2) | -4.5% | 28.4 |
| Other Non Labor | 41.2 | 72.4 | (31.2) | 147.3 | 172.4 | (25.1) | -17.0% | 148.4 |
| Total Non Labor | 63.2 | 92.5 | (29.3) | 233.0 | 256.8 | (23.8) | -10.2% | 235.7 |
| Total Operating Expense | 234.8 | 285.6 | (50.7) | 933.5 | 1,015.7 | (82.2) | -8.8% | 989.5 |
| <u>Debt Service and Allocations</u> | | | | | | | | |
| Debt Service | 15.0 | 15.0 | 0.0 | 60.1 | 60.1 | 0.0 | 0.0% | 60.1 |
| Capital and Other Allocations | 36.2 | 21.7 | 14.5 | 90.5 | 65.5 | 25.0 | 27.7% | 69.9 |
| Total Debt Service and Allocations | 51.2 | 36.7 | 14.5 | 150.6 | 125.6 | 25.0 | 16.6% | 130.0 |
| Total Operating Uses | 286.0 | 322.3 | (36.2) | 1,084.1 | 1,141.3 | (57.2) | -5.3% | 1,119.6 |

- Major difference between Q3 year-end projection and FY24 actuals was \$34.8M increase in deposits to workers' compensation, general & auto liability reserves upon receipt of revised actuarial report/forecasts
- Reduced capital reimbursements drove major labor variance; addressed in FY25 & FY26 budget
- Deferral of Priority Capital and other allocations reduced Total Uses

FY24 Net Operating Result

| (\$ Millions) | Q4 Budget | Q4 Actuals | Q4 Variance | FY24 Budget | FY24 Actuals | FY24 Variance | FY24 % Variance | May FY24 Year End Projection |
|---|--------------|--------------|---------------|----------------|----------------|---------------|-----------------|------------------------------|
| Operating Revenue | 72.4 | 77.7 | 5.3 | 264.2 | 291.7 | 27.6 | 10.4% | 293.0 |
| Financial Assistance | 128.4 | 193.2 | 64.8 | 469.2 | 536.1 | 66.9 | 14.2% | 509.4 |
| Total Operating Sources | 200.9 | 270.9 | 70.1 | 733.4 | 827.8 | 94.4 | 12.9% | 802.4 |
| Operating Labor | 171.6 | 193.1 | (21.5) | 700.5 | 758.9 | (58.4) | -8.3% | 753.8 |
| Non Labor | 63.2 | 92.5 | (29.3) | 233.0 | 256.8 | (23.8) | -10.2% | 235.7 |
| Total Operating Expense | 234.8 | 285.6 | (50.7) | 933.5 | 1,015.7 | (82.2) | -8.8% | 989.5 |
| Debt Service and Allocations | 51.2 | 36.7 | 14.5 | 150.6 | 125.6 | 25.0 | 16.6% | 130.0 |
| Total Operating Uses | 286.0 | 322.3 | (36.2) | 1,084.1 | 1,141.3 | (57.2) | -5.3% | 1,119.6 |
| Net Result Before Emergency Assistance | (85.2) | (51.4) | 33.8 | (350.8) | (313.5) | 37.3 | 10.6% | (317.1) |
| Emergency Assistance Applied | 85.2 | 51.4 | (33.8) | 350.8 | 313.5 | (37.3) | -10.6% | 317.1 |

- Operating Sources exceeded the budget by \$94.4M
- Operating Uses were over budget by \$57.2M
- By year end, BART used \$37.3M less Emergency Assistance than budgeted
- As of Q3, Emergency Assistance was projected at \$317.1M; actuals came in \$3.6M lower

Emergency Assistance to BART as of June 30, 2024

Emergency Assistance to BART (Updated September 13, 2024)

| Award amounts (\$M) | FY20 | FY21 | FY22 | FY23 | FY24 | Total Awarded |
|--------------------------------------|------------|------------|------------|----------|-----------|---------------|
| CARES | 251 | 126 | 0 | 0 | 0 | 377 |
| CRRSAA | 0 | 378 | 0 | 0 | 0 | 378 |
| ARPA + Add'l Assistance | 0 | 0 | 853 | 0 | 0 | 853 |
| SB125 State and Regional Assistance* | 0 | 0 | 0 | 0 | 58 | 58 |
| <i>Subtotal - all awards</i> | <i>251</i> | <i>504</i> | <i>853</i> | <i>0</i> | <i>58</i> | <i>1,666</i> |

Funds allocated to BART

| Draw downs (\$M) - funds received as of 6/30/24 | FY20 Actual | FY21 Actual | FY22 Actual | FY23 Actual | FY24 Actual | Total Drawn Down |
|---|-------------|-------------|-------------|-------------|-------------|------------------|
| CARES | 186 | 191 | 0 | 0 | 0 | 377 |
| CRRSAA | 0 | 211 | 167 | 0 | 0 | 378 |
| ARPA + Add'l Assistance | 0 | 0 | 276 | 408 | 169 | 853 |
| SB125 State and Regional Assistance | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Subtotal - all drawdowns</i> | <i>186</i> | <i>402</i> | <i>443</i> | <i>408</i> | <i>169</i> | <i>1,608</i> |

Funds received by BART per formula

BART has drawn down all allocated *federal* emergency assistance

Remaining emergency funds to be drawn down after 6/30/24 (\$M) **58**

| Expenditures (\$M) - applied to offset incurred expenses as of 8/26/24 | FY20 Actual | FY21 Actual | FY22 Actual | FY23 Actual | FY24 Actual | Total Applied |
|--|-------------|-------------|-------------|-------------|-------------|---------------|
| CARES | 120 | 257 | 0 | 0 | 0 | 377 |
| CRRSAA | 0 | 41 | 287 | 50 | 0 | 378 |
| ARPA + Add'l Assistance | 0 | 0 | 0 | 266 | 314 | 579 |
| SB125 State and Regional Assistance | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Subtotal - all expenditures</i> | <i>120</i> | <i>298</i> | <i>287</i> | <i>316</i> | <i>314</i> | <i>1,334</i> |

Funds used by BART to offset incurred costs

Funds in BART reserves as of 6/30/24 (\$M) **274**

Remaining funds to be used to offset expenses after 6/30/24 (\$M) **332**

*SB125 has been partially allocated; BART expects approximately \$352M in total over several years

Capital Budget and Expenditure by Program

| Category (\$M) | FY24 Planned | FY24 Q1 Actual | FY24 Q2 Actual | FY24 Q3 Actual | FY24 Q4 Actual | FY24 Actual ³ | YTD % |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|--------------------------|------------|
| System Reinvestment | 710 | 88 | 127 | 160 | 135 | 509 | 72% |
| Service & Capacity Enhancement | 679 | 61 | 118 | 110 | 113 | 403 | 59% |
| Safety & Security | 11 | 3 | 4 | 4 | 4 | 15 | 131% |
| Resiliency ¹ | 24 | 5 | 3 | 3 | 3 | 13 | 57% |
| System Development ² | 55 | 11 | 11 | 13 | 6 | 41 | 76% |
| Total Expenditure | \$1,479 | \$169 | \$263 | \$290 | \$260 | \$982 | 66% |

Notes

- 1. Earthquake Safety renamed Resiliency to better reflect the scope of projects
- 2. System Expansion has been renamed System Development
- 3. Preliminary Actuals, adjustments expected



Controller-Treasurer Report

- Background Summary
- Pension
- Other Post-Employment Benefits (OPEB)
- Accounts Receivable
- Cash and Investments
- Bonds
- Reserves

Post-Employment Benefits Summary

- The District currently provides benefits to employees which include, but are not limited to:
 - **Retirement Pension Plan** managed by the California Public Employee Retirement System (CalPERS) and funded by contributions from the District and its employees. CalPERS is the largest pension plan in the United States with assets of approximately \$503 billion.
 - ✓ The District established a Section 115 Trust for prefunding the District's pension obligation on February 5, 2020.
 - **Retiree Medical Benefits** coverage funded by a Trust established by the District in 2005.
 - a. Invested in a combination of stocks, bonds, REIT & cash,
 - b. Benchmark 6.5%,
 - c. Quarterly Report to the Unions
 - **Survivor Benefits** of active and retired employees funded by the employees (\$15/month).
 - ✓ The Trust was established on May 18, 2020.
 - **Life Insurance** for retired employees.
 - The District also accrues liabilities through Property & Casualty insurance and workers compensation claims and maintains the required reserves related to its self-funded insurance programs for worker's compensation and general liability based on an annual actuarial study.

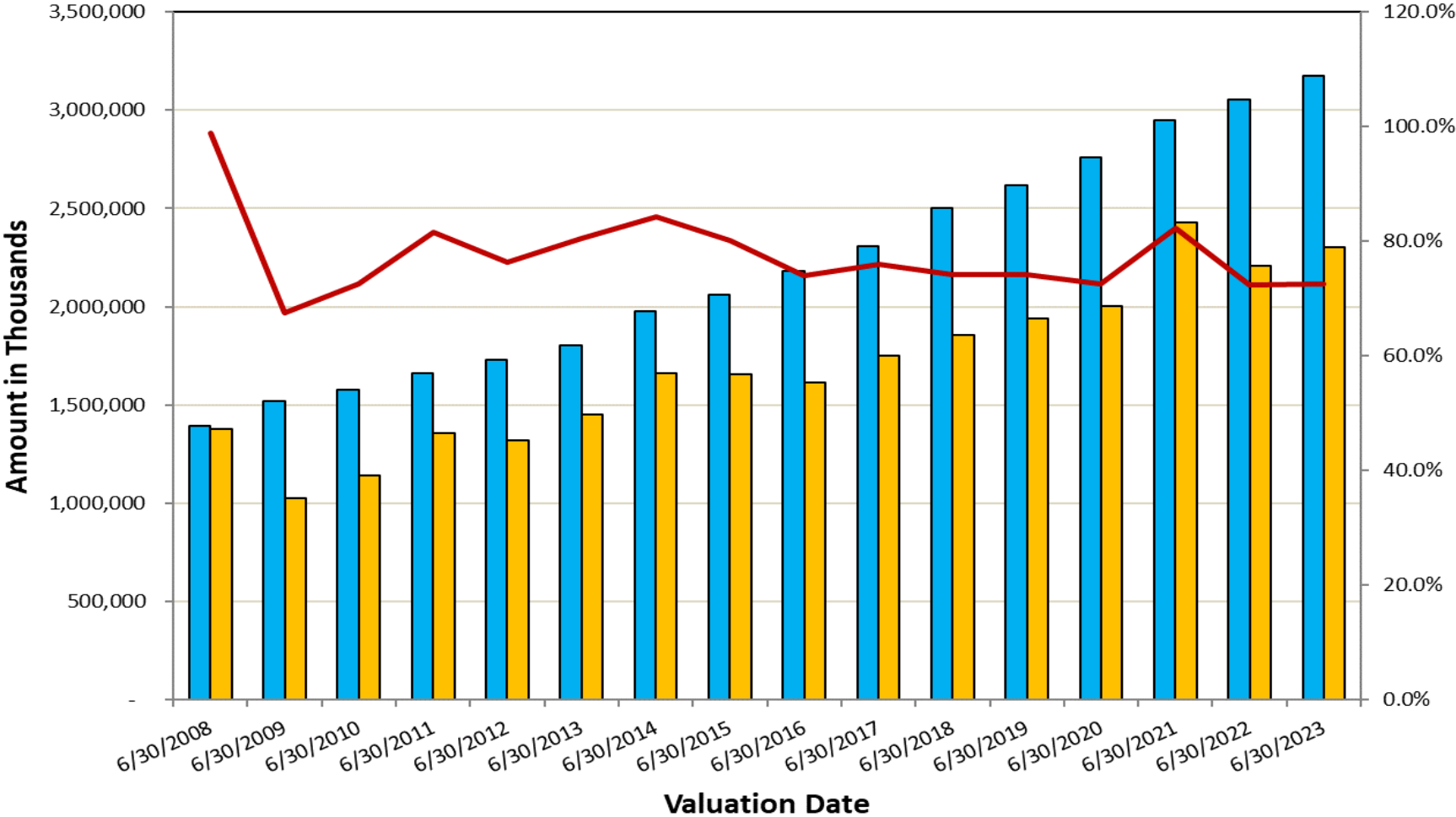
Funding Status of Pension Obligations

| | <u>Report Date</u> | <u>Market Value of Assets</u> | <u>Total Liability</u> | <u>Unfunded Liability</u> | <u>% Funded 06/30/2023</u> |
|--|--------------------|-----------------------------------|-------------------------|---------------------------|--------------------------------|
| Funds Managed by CALPERS | | | | | |
| Miscellaneous Employees | 6/30/2023 | \$ 2,302,318,321 | \$ 3,172,426,609 | \$ 870,108,288 | 72.6% |
| Safety Employees | 6/30/2023 | \$ 288,221,813 | \$ 499,342,063 | \$ 211,120,250 | 57.7% |
| Section 115 Pension Trust | 6/30/2024 | <u>\$ 39,880,717</u> | <u>-</u> | <u>\$ (39,880,717)</u> | |
| Total - Pension Benefit Obligations | | <u>\$ 2,630,420,851</u> | <u>\$ 3,671,768,672</u> | <u>\$ 1,041,347,821</u> | |
| | | | | | |
| Funds Managed by CALPERS | | | | | |
| Miscellaneous Employees | 6/30/2022 | \$ 2,209,563,221 | \$ 3,055,735,077 | \$ 846,171,856 | 72.3% |
| Safety Employees | 6/30/2022 | \$ 271,553,423 | \$ 474,850,794 | \$ 203,297,371 | 57.2% |
| Section 115 Pension Trust | 6/30/2023 | <u>\$ 38,081,054</u> | <u>-</u> | <u>\$ (38,081,054)</u> | |
| Total - Pension Benefit Obligations | | <u>\$ 2,519,197,698</u> | <u>\$ 3,530,585,871</u> | <u>\$ 1,011,388,173</u> | |
| | | | | | |
| Increase (Decrease) | | | | | |
| Miscellaneous Employees | | \$ 92,755,100 | \$ 116,691,532 | \$ 23,936,432 | |
| Safety Employees | | \$ 16,668,390 | \$ 24,491,269 | \$ 7,822,879 | |
| Section 115 Pension Trust | | <u>\$ 1,799,663</u> | <u>-</u> | <u>\$ (1,799,663)</u> | |
| Net Changes - Pension Benefit Obligations | | <u>\$ 111,223,153</u> | <u>\$ 141,182,801</u> | <u>\$ 29,959,648</u> | |

CalPERS Miscellaneous Pension Plan Funding Progress

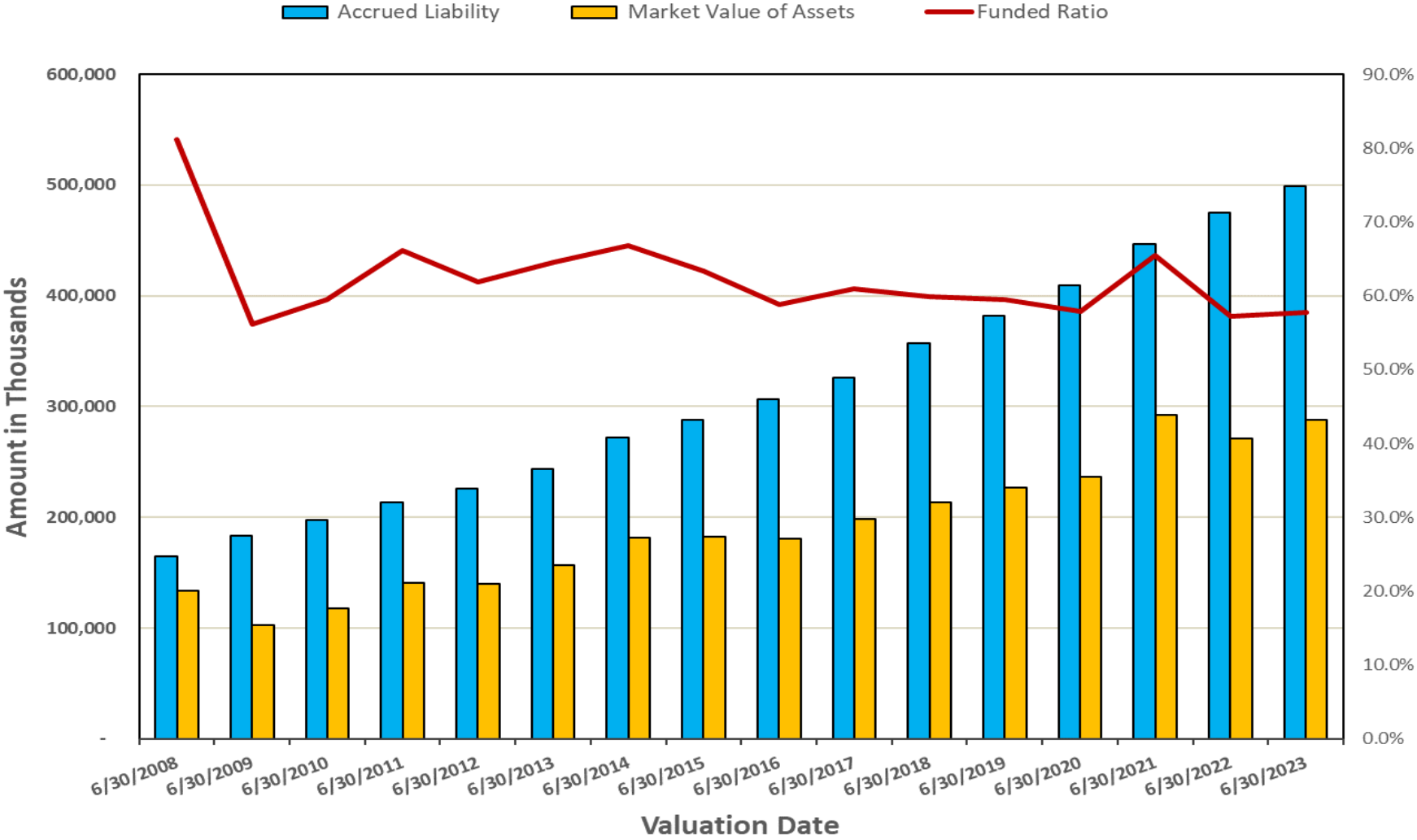
CALPERS Miscellaneous Pension Plan Funding Progress

Accrued Liability Market Value of Assets Funded Ratio



CalPERS Safety Pension Plan Funding Progress

CALPERS Safety Pension Plan Funding Progress



Funding Status of Other Post Employment Benefit Obligations

Most Recent Valuation

| | <u>Report Date</u> | <u>Market Value of Assets</u> | <u>Total Liability</u> | <u>Unfunded Liability</u> | <u>% Funded</u> |
|--------------------------------|--------------------|-------------------------------|------------------------|---------------------------|-----------------|
| Retiree Health Benefits | 6/30/2023 | \$ 506,393,000 | \$ 718,155,000 | \$ 211,762,000 | 70.5% |
| Other Post Employment Benefits | | | | | |
| Life Insurance | 6/30/2023 | - | \$ 47,823,000 | \$ 47,823,000 | 0.0% |
| Survivors Benefits | 6/30/2023 | \$ 10,890,000 | \$ 20,986,000 | \$ 10,096,000 | 51.9% |

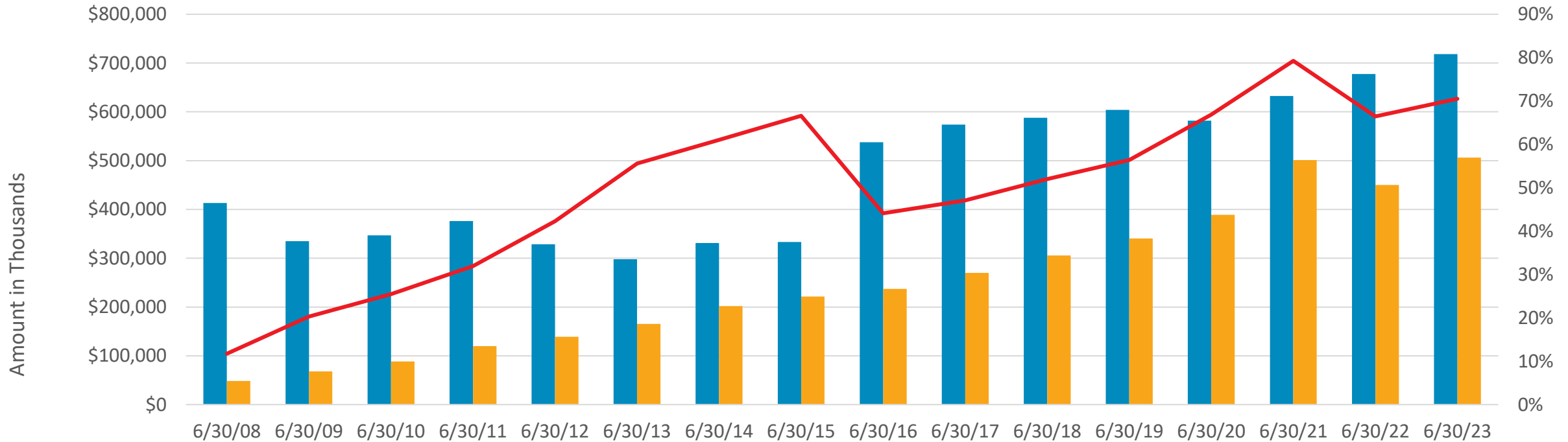
Prior Year's Valuation

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



Funding Progress Retiree Health Benefits Plan

Funding Progress Retiree Health Benefits Plan



| | 6/30/08 | 6/30/09 | 6/30/10 | 6/30/11 | 6/30/12 | 6/30/13 | 6/30/14 | 6/30/15 | 6/30/16 | 6/30/17 | 6/30/18 | 6/30/19 | 6/30/20 | 6/30/21 | 6/30/22 | 6/30/23 |
|------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Accrued Liability | 413,300 | 335,118 | 347,058 | 376,063 | 328,571 | 297,955 | 331,352 | 333,141 | 537,873 | 573,941 | 587,896 | 603,787 | 581,778 | 632,402 | 677,530 | 718,155 |
| Market Value of Assets | 48,500 | 68,087 | 88,456 | 120,103 | 138,933 | 165,639 | 202,181 | 221,766 | 237,403 | 270,151 | 305,850 | 340,470 | 389,128 | 501,321 | 450,028 | 506,393 |
| Funded Ratio | 11.73% | 20.32% | 25.49% | 31.94% | 42.28% | 55.59% | 61.02% | 66.57% | 44.14% | 47.07% | 52.02% | 56.39% | 66.89% | 79.27% | 66.42% | 70.51% |

■ Accrued Liability
 ■ Market Value of Assets
 — Funded Ratio

Valuation Date



Trust Assets for Post Employment Benefits Held by the District

Quarterly Change

| | <u>Net Assets</u> <u>March 31, 2024</u> | <u>Contributions</u> | <u>Expenses</u> | <u>Gain (Loss)</u> | <u>Net Assets</u> <u>June 30, 2024</u> | <u>Quarterly</u> <u>Return</u> | <u>Inception</u> <u>to-date</u> <u>Return</u> |
|------------------------------|--|----------------------|-----------------------|----------------------|---|-----------------------------------|---|
| Retiree Health Benefit Trust | \$ 590,893,866 | \$ 11,670,692 | \$ (8,534,977) | \$ 12,284,264 | \$ 606,313,845 | 2.1% | 7.3% |
| Section 115 Pension Trust | 39,612,328 | | - | 268,389 | 39,880,717 | 0.7% | -0.2% |
| Survivors Benefit Trust | <u>12,604,188</u> | <u>209,707</u> | <u>(101,228)</u> | <u>264,841</u> | <u>12,977,508</u> | 2.2% | 8.1% |
| Total | <u>\$ 643,110,382</u> | <u>\$ 11,880,399</u> | <u>\$ (8,636,205)</u> | <u>\$ 12,817,494</u> | <u>\$ 659,172,070</u> | | |

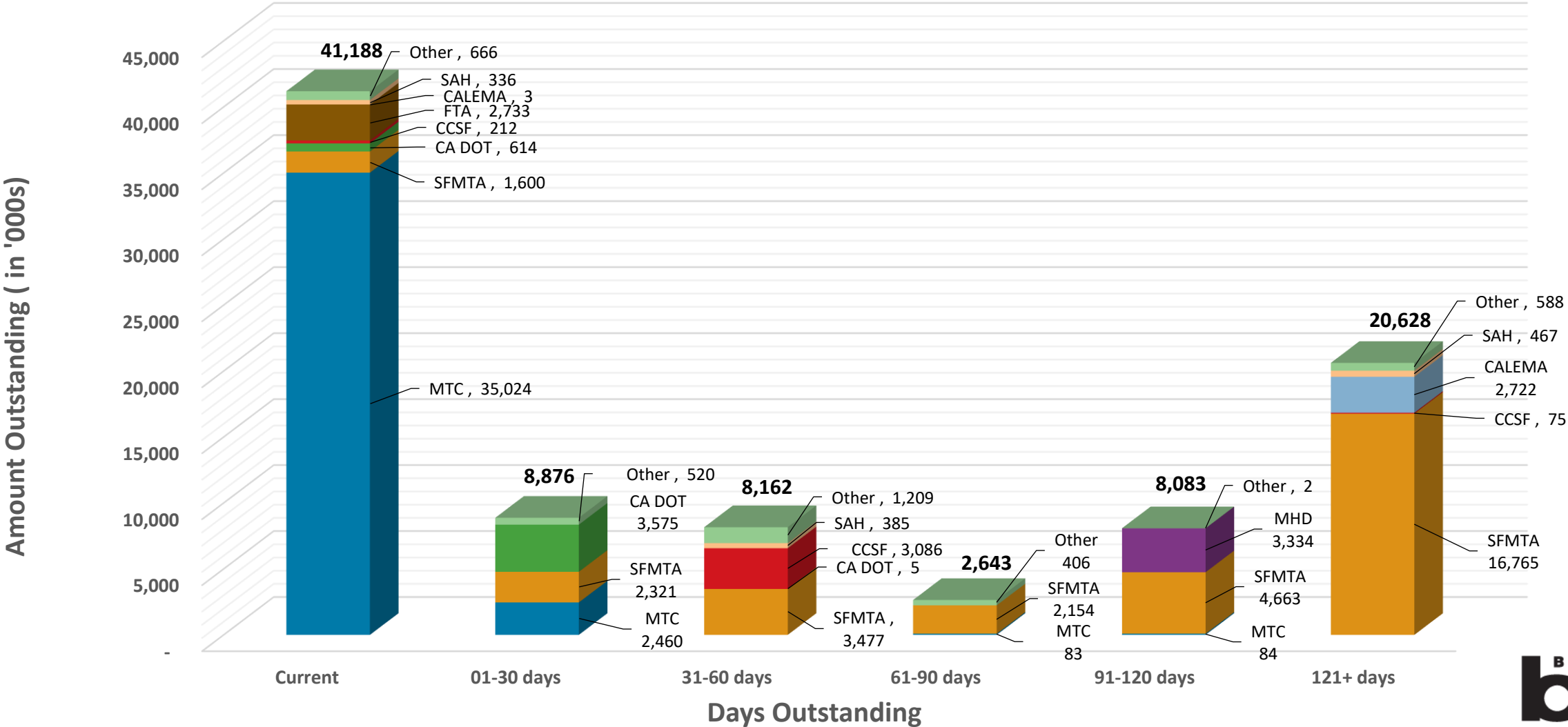
Fiscal Year to Date Change

| | <u>Net Assets</u> <u>June 30, 2023</u> | <u>Contributions</u> | <u>Expenses</u> | <u>Gain (Loss)</u> | <u>Net Assets</u> <u>June 30, 2024</u> | <u>Fiscal Annual</u> <u>Return</u> |
|------------------------------|---|----------------------|------------------------|----------------------|---|---------------------------------------|
| Retiree Health Benefit Trust | \$ 506,392,988 | \$ 50,573,000 | \$ (33,108,233) | \$ 82,456,090 | \$ 606,313,845 | 15.9% |
| Section 115 Pension Trust | 38,081,054 | | | 1,799,663 | 39,880,717 | 4.7% |
| Survivors Benefit Trust | <u>10,889,851</u> | <u>844,345</u> | <u>(429,990)</u> | <u>1,673,302</u> | <u>12,977,508</u> | 15.6% |
| Total | <u>\$ 555,363,893</u> | <u>\$ 51,417,345</u> | <u>\$ (33,538,223)</u> | <u>\$ 85,929,055</u> | <u>\$ 659,172,070</u> | |



Outstanding Billed A/R Grants

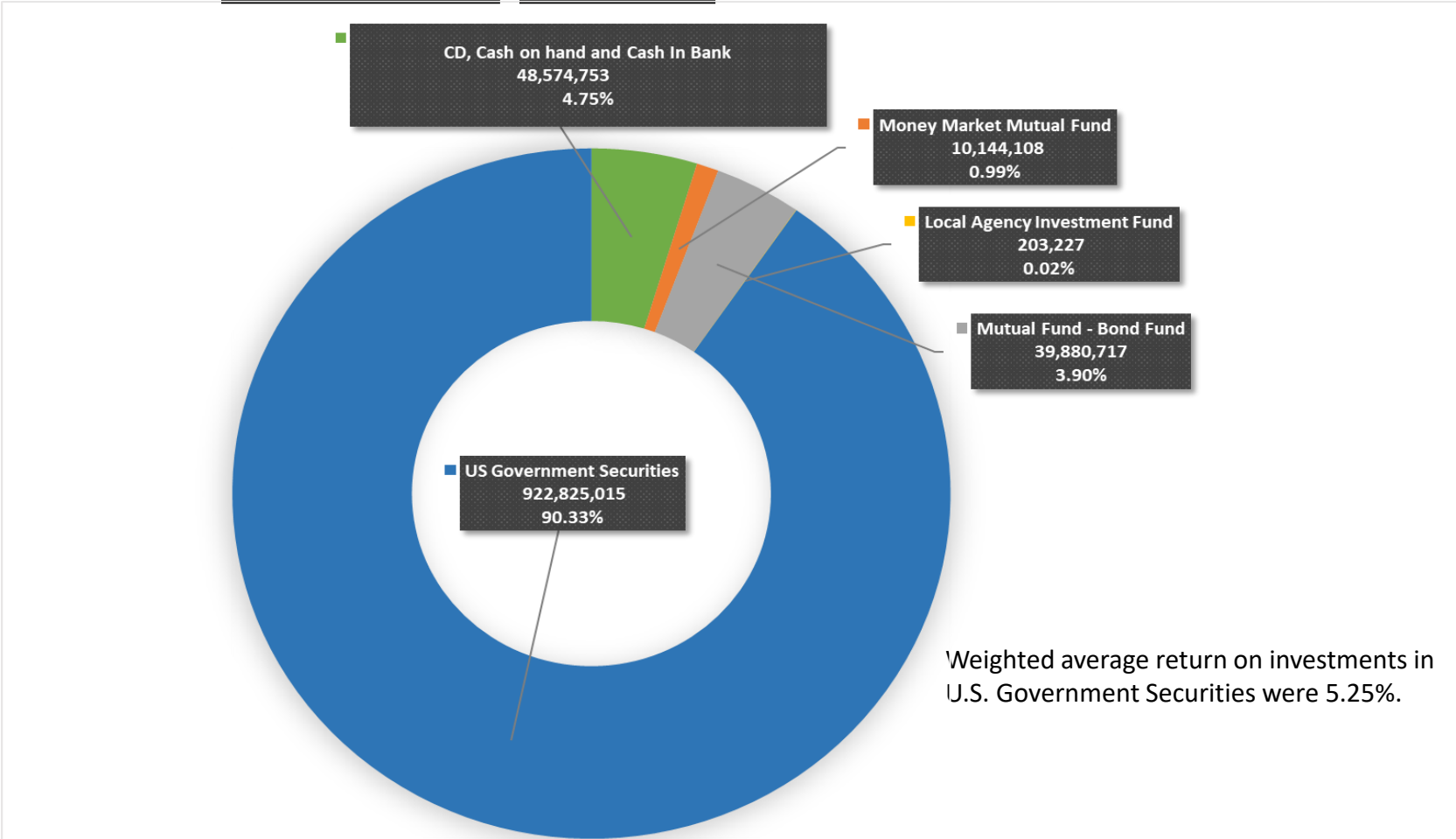
➤ The status of receivables from our funding partners is shown in the chart below. The amount outstanding is \$89.6M as of June 30, 2024.



Cash and Investments

| | Amount | % Allocation |
|-------------------------------------|-------------------------|----------------|
| CD, Cash on hand and Cash In Bank | \$ 48,574,753 | 4.75% |
| Money Market Mutual Fund | 10,144,108 | 0.99% |
| Mutual Fund - Bond Fund | 39,880,717 | 3.90% |
| Local Agency Investment Fund | 203,227 | 0.02% |
| US Government Securities | 922,825,015 | 90.33% |
| Total Cash & Investments | \$ 1,021,627,820 | 100.00% |

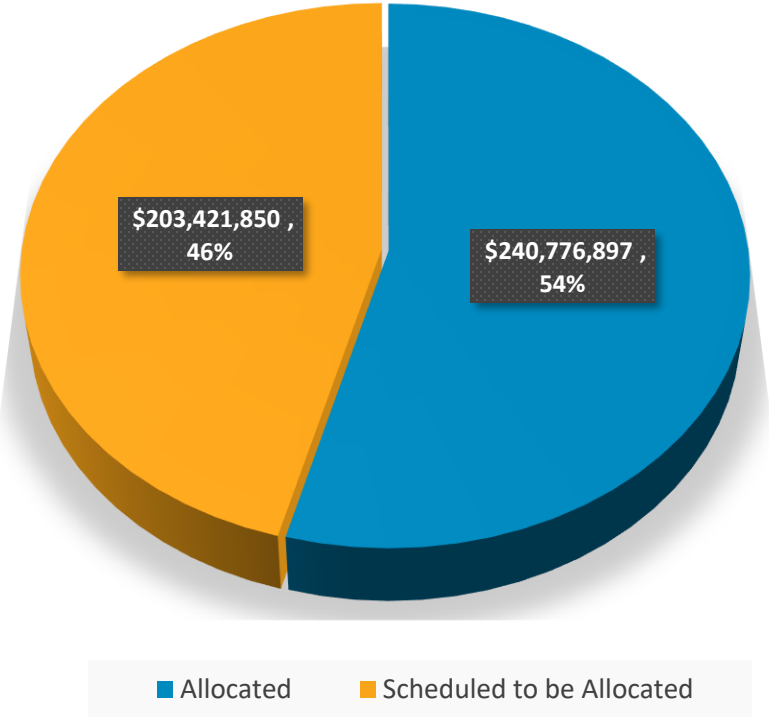
| <u>Breakdown of Government Securities</u> | | <u>Amount</u> |
|---|-----------|--------------------|
| US Treasury | \$ | 355,247,978 |
| Federal Home Loan Bank | | 513,258,182 |
| Federal Agricultural Mortgage Corp. | | 54,318,855 |
| | \$ | 922,825,015 |



Breakdown of Cash and Investments

| | June 30, 2024 | | |
|--------------|-----------------------|-----------------------|-------------------------|
| | General Fund | Capital Fund | Total |
| Restricted | \$ 19,202,812 | \$ 17,267,307 | \$ 36,470,119 |
| Unrestricted | \$ 558,226,261 | \$ 426,931,440 | \$ 985,157,701 |
| | \$ 577,429,073 | \$ 444,198,747 | \$ 1,021,627,820 |

Capital Funding Commitment - June 30, 2024



Summary of Outstanding Bonds

Summary of Outstanding Bonds

| | <u>Authorized</u> | <u>Issued as of 06-30-2024</u> | <u>Outstanding Balance 03-31-2024</u> | <u>Issuance</u> | <u>Payments</u> | <u>Outstanding Balance 06-30-2024</u> | <u>Annual Debt Service Fiscal Year 2025</u> | <u>Property Tax Assessments Fiscal Year 2025**</u> |
|--|-------------------|------------------------------------|---|-----------------|-----------------|---|---|--|
| Sales Tax Revenue Bonds * | | \$ 984,260,000 | \$ 590,805,000 | \$ - | | \$ 590,805,000 | \$ 60,131,289 | |
| Measure AA General Obligation Bonds | \$ 980,000,000 | \$ 980,000,000 | \$ 601,510,000 | \$ - | | \$ 601,510,000 | \$ 54,656,844 | \$4.70/\$100,000 |
| Measure RR General Obligation Bonds | \$ 3,500,000,000 | \$ 2,060,000,000 | \$ 1,844,065,000 | \$ - | | \$ 1,844,065,000 | \$ 98,533,175 | \$10.10/\$100,000 |
| Total | | \$ 4,024,260,000 | \$ 3,036,380,000 | \$ - | \$ - | \$ 3,036,380,000 | \$ 213,321,308 | |

* Sales Tax Revenue Bonds with outstanding balances.

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

Operating and Other Reserves

| | | Quarterly Changes | | April to June 2024 | | | Increase (Decrease) | |
|---|-----|-----------------------|---------------------|------------------------|-----------------------|-----------------------|-------------------------|---------------|
| | | | | March 31, 2024 | Additions | Usage | June 30, 2024 | June 30, 2023 |
| Operating Reserve | (1) | \$ 53,708,182 | \$ - | \$ - | \$ 53,708,182 | \$ 53,708,182 | \$ - | |
| Insurance Calamity Reserve | (2) | 9,000,000 | | | 9,000,000 | 9,000,000 | - | |
| Operating Reserve - Economic Uncertainty | | | | | | | - | |
| General Reserve for Economic Uncertainty | (3) | 25,345,543 | | | 25,345,543 | 25,345,543 | - | |
| From Federal Assistance - ARP | (3) | 325,184,687 | - | (51,360,774) | 273,823,913 | 417,852,391 | (144,028,478) | |
| Operating Reserve - Fiscal Stability - Pension | (4) | 39,612,328 | 268,389 | | 39,880,717 | 38,081,054 | 1,799,663 | |
| Operating Reserve - Low Carbon Fuel Standards Credits | (5) | 18,498,668 | | | 18,498,668 | 18,498,668 | - | |
| Working Capital Reserve Fund | | 88,941,487 | 919,394 | | 89,860,881 | 86,163,698 | 3,697,183 | |
| Operating Reserve - eBART Operations | (6) | - | | - | - | 5,390,000 | (5,390,000) | |
| Total | | \$ 560,290,894 | \$ 1,187,783 | \$ (51,360,774) | \$ 510,117,904 | \$ 654,039,536 | \$ (143,921,632) | |

(1) Cumulative balance of operating reserves per "Financial Stability Policy" approved by the Board.

(2) This reserve was set aside in the 1960s to cover catastrophic losses associated with District property damage, public liability and workers' compensation claims.

(3) Operating reserve set aside due to uncertain economic conditions.

(4) Amount set aside in FY18, FY19, FY20, FY21, and FY22 for pension contribution or for prefunding of the District's pension obligation. A Section 115 Pension Trust has been created for this reserve.

(5) Portion of proceeds from sale of Low Carbon Fuel Standards credits sold set aside to support operations per "Low Carbon Fuel Standard Policy" approved by the Board in July 2017.

(6) FY21 year end operating allocation for eBART non-labor operating cost.

Looking Ahead

December Board Meeting:

- FY24 audited financials
- FY25 first quarter financial report
 - Including updated financial outlook

Resolution: Amend the adopted FY24 budget to align actual revenues and expenditures

Attachment 1 - FY24 Operating Results

(\$ million)

| | | Budget | Actual | Var. | % |
|----------------|---|------------------|-------------------|----------------|--------------|
| Sources | Operating & Non-Operating Revenue | \$ 264.2 | \$ 291.7 | \$ 27.6 | 10.4% |
| | Sales Tax | 319.8 | 320.1 | 0.3 | 0.1% |
| | Other Assistance | 149.4 | 215.9 | 66.6 | 44.6% |
| | Total Sources | 733.4 | 827.8 | 94.4 | 12.9% |
| Uses | Operating Labor | 700.5 | 758.9 | (58.4) | -8.3% |
| | Operating Non-Labor | 233.0 | 256.8 | (23.8) | -10.2% |
| | Total Expense | 933.5 | 1,015.7 | (82.2) | -8.8% |
| | Debt Service | 60.1 | 60.1 | 0.0 | 0.0% |
| | Capital & Other Allocations | 90.5 | 65.5 | 25.0 | 27.7% |
| | Total Debt Service & Allocations | 150.6 | 125.6 | 25.0 | 16.6% |
| | Total Uses | 1,084.1 | 1,141.3 | (57.2) | -5.3% |
| | Net Result Before Financial Assistance | \$(350.8) | \$ (313.5) | \$ 37.3 | 10.6% |
| | Emergency Assistance Applied | 350.8 | 313.5 | (37.3) | -10.6% |
| | NET RESULT | \$ - | \$ - | \$ - | |

Attachment 2 - FY24 Quarterly Financial Report - Fourth Quarter

| (\$ Millions) | Q4 Budget | Q4 Actuals | Q4 Variance | YTD Budget | YTD Actuals | YTD Variance | YTD % Variance | Q3 Year- End Forecast |
|--|----------------|----------------|----------------|----------------|----------------|-----------------|-------------------|-----------------------------|
| Operating Revenue | | | | | | | | |
| Net Passenger Revenue | 62.6 | 58.3 | (4.4) | 225.4 | 219.0 | (6.4) | ● -2.9% | 219.1 |
| Parking Revenue | 3.7 | 4.7 | 0.9 | 14.8 | 17.0 | 2.2 | ● 14.7% | 16.4 |
| Other Operating Revenue | 5.4 | 6.1 | 0.6 | 21.4 | 21.5 | 0.1 | ● 0.5% | 22.4 |
| Total Net Operating Revenue | 71.8 | 69.0 | (2.8) | 261.7 | 257.5 | (4.2) | ● -1.6% | 257.9 |
| Non Operating Revenue | | | | | | | | |
| Investment Income | 0.6 | 8.7 | 8.1 | 2.5 | 34.2 | 31.7 | ● 1268.7% | 35.1 |
| Total Revenue | 72.4 | 77.7 | 5.3 | 264.2 | 291.7 | 27.6 | ● 10.4% | 293.0 |
| Financial Assistance | | | | | | | | |
| Sales Tax | 73.1 | 75.4 | 2.3 | 319.8 | 320.1 | 0.3 | ● 0.1% | 317.6 |
| Property Tax | 26.9 | 28.2 | 1.3 | 61.2 | 65.1 | 3.9 | ● 6.3% | 61.2 |
| State Transit Assistance | 11.8 | 55.6 | 43.8 | 23.5 | 57.3 | 33.8 | ● 143.8% | 57.4 |
| VTA Financial Assistance | 8.7 | 21.4 | 12.7 | 34.7 | 47.3 | 12.6 | ● 36.3% | 34.0 |
| Other Assistance, Net of Federal Emergency Assistance | 7.9 | 12.7 | 4.7 | 29.9 | 46.2 | 16.3 | ● 54.4% | 39.3 |
| Total Financial Assistance | 128.4 | 193.2 | 64.8 | 469.2 | 536.1 | 66.9 | ● 14.2% | 509.4 |
| Total Operating Sources | 200.9 | 270.9 | 70.1 | 733.4 | 827.8 | 94.4 | ● 12.9% | 802.4 |
| Operating Expense | | | | | | | | |
| Gross Wages, Fringe & Other Labor | 207.4 | 218.5 | (11.1) | 839.8 | 836.0 | 3.8 | ● 0.4% | 821.1 |
| Capital Reimbursements - Labor & Fringe | (47.8) | (39.6) | (8.2) | (192.2) | (138.5) | (53.7) | ● -28.0% | (129.7) |
| Subtotal - Net Operating Labor & Fringe | 159.6 | 178.9 | (19.3) | 647.6 | 697.6 | (50.0) | ● -7.7% | 691.4 |
| Gross Overtime | 18.0 | 21.0 | (3.0) | 76.8 | 80.3 | (3.5) | ● -4.6% | 78.7 |
| Capital Reimbursements - Overtime | (6.1) | (6.8) | 0.8 | (23.9) | (19.0) | (4.9) | ● -20.6% | (16.3) |
| Subtotal - Net Operating Overtime | 12.0 | 14.2 | (2.2) | 52.9 | 61.4 | (8.5) | ● -16.0% | 62.4 |
| Total Operating Labor | 171.6 | 193.1 | (21.5) | 700.5 | 758.9 | (58.4) | ● -8.3% | 753.8 |
| Electric Power | 15.4 | 12.1 | 3.4 | 59.0 | 56.5 | 2.5 | ● 4.3% | 59.0 |
| Purchased Transportation | 6.7 | 8.1 | (1.4) | 26.7 | 27.9 | (1.2) | ● -4.5% | 28.4 |
| Other Non Labor* | 41.2 | 72.4 | (31.2) | 147.3 | 172.4 | (25.1) | ● -17.0% | 148.4 |
| Total Non Labor | 63.2 | 92.5 | (29.3) | 233.0 | 256.8 | (23.8) | ● -10.2% | 235.7 |
| Total Operating Expense | 234.8 | 285.6 | (50.7) | 933.5 | 1,015.7 | (82.2) | ● -8.8% | 989.5 |
| Debt Service and Allocations | | | | | | | | |
| Debt Service | 15.0 | 15.0 | 0.0 | 60.1 | 60.1 | 0.0 | ● 0.0% | 60.1 |
| Capital and Other Allocations, Net of Emergency Assistance | 36.2 | 21.7 | 14.5 | 90.5 | 65.5 | 25.0 | ● 27.7% | 69.9 |
| Total Debt Service and Allocations | 51.2 | 36.7 | 14.5 | 150.6 | 125.6 | 25.0 | ● 16.6% | 130.0 |
| Total Operating Uses | 286.0 | 322.3 | (36.2) | 1,084.1 | 1,141.3 | (57.2) | ● -5.3% | 1,119.6 |
| Net Operating Result Before Emergency | (85.2) | (51.4) | 33.8 | (350.8) | (313.5) | 37.3 | ● 10.6% | (317.1) |
| Emergency Assistance Applied | 85.2 | 51.4 | (33.8) | 350.8 | 313.5 | (37.3) | ● -10.6% | 317.1 |
| Net Operating Result before GASB | 0.0 | 0.0 | 0.0 | 0.0 | (0.0) | (0.0) | ● 0.0% | 0.0 |
| Operating Result (Deficit) | (163.0) | (216.6) | (53.6) | (671.9) | (758.2) | (86.3) | ● -12.9% | (731.6) |
| System Operating Ratio | 30.6% | 24.2% | -6.4% | 28.0% | 25.4% | -2.7% | | 26.1% |
| Rail Cost / Passenger Mile (\$) | 1.08 | 1.42 | (0.34) | 1.17 | 1.31 | (0.14) | | |

Attachment 3 - Emergency Assistance

FY24 Q4

Emergency Assistance to BART (Updated September 13, 2024)

| Award amounts (\$M) | FY20 | FY21 | FY22 | FY23 | FY24 | Total Awarded |
|--------------------------------------|------------|------------|------------|----------|-----------|---------------|
| CARES | 251 | 126 | 0 | 0 | 0 | 377 |
| CRRSAA | 0 | 378 | 0 | 0 | 0 | 378 |
| ARPA + Add'l Assistance | 0 | 0 | 853 | 0 | 0 | 853 |
| SB125 State and Regional Assistance* | 0 | 0 | 0 | 0 | 58 | 58 |
| <i>Subtotal - all awards</i> | <i>251</i> | <i>504</i> | <i>853</i> | <i>0</i> | <i>58</i> | <i>1,666</i> |

| Draw downs (\$M) - funds received as of 6/30/24 | FY20 Actual | FY21 Actual | FY22 Actual | FY23 Actual | FY24 Actual | Total Drawn Down |
|---|-------------|-------------|-------------|-------------|-------------|------------------|
| CARES | 186 | 191 | 0 | 0 | 0 | 377 |
| CRRSAA | 0 | 211 | 167 | 0 | 0 | 378 |
| ARPA + Add'l Assistance | 0 | 0 | 276 | 408 | 169 | 853 |
| SB125 State and Regional Assistance | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Subtotal - all drawdowns</i> | <i>186</i> | <i>402</i> | <i>443</i> | <i>408</i> | <i>169</i> | <i>1,608</i> |

Remaining emergency funds to be drawn down after 6/30/24 (\$M)

58

| Expenditures (\$M) - applied to offset incurred expenses as of 9/13/24 | FY20 Actual | FY21 Actual | FY22 Actual | FY23 Actual | FY24 Actual | Total Applied |
|--|-------------|-------------|-------------|-------------|-------------|---------------|
| CARES | 120 | 257 | 0 | 0 | 0 | 377 |
| CRRSAA | 0 | 41 | 287 | 50 | 0 | 378 |
| ARPA + Add'l Assistance | 0 | 0 | 0 | 266 | 314 | 579 |
| SB125 State and Regional Assistance | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Subtotal - all expenditures</i> | <i>120</i> | <i>298</i> | <i>287</i> | <i>316</i> | <i>314</i> | <i>1,334</i> |

Funds in BART reserves as of 6/30/24 (\$M)

274

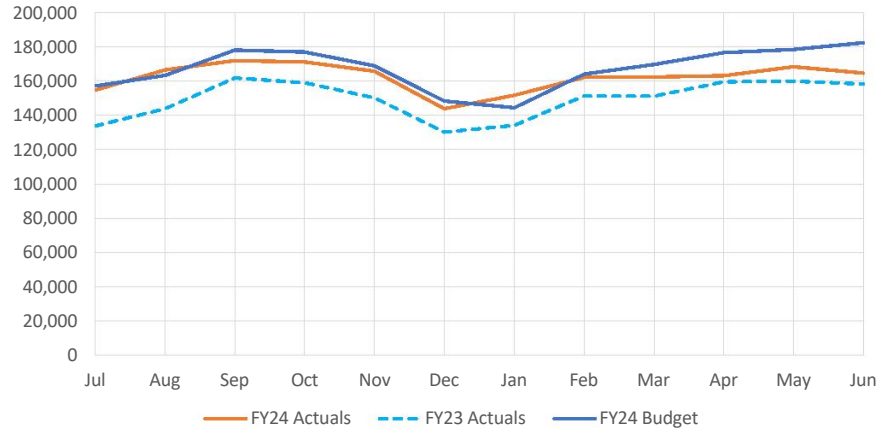
Remaining funds to be used to offset expenses after 6/30/24 (\$M)

332

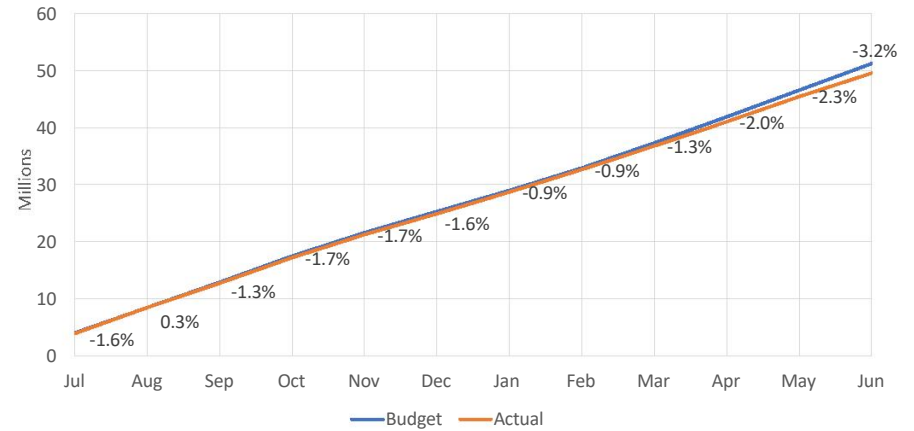
*SB125 has been partially allocated; BART expects approximately \$352M in total over several years

Attachment 4 - FY24 (Jul-Jun) Ridership Stats

Average Weekday Ridership



FY24 Cumulative Budget to Actual Variance



Clipper Product Avg Net Fare



| Exits | Actual | Budget | Actual |
|----------|------------|------------|------------|
| | FY23 YTD | FY24 YTD | FY24 YTD |
| Weekday | 149,574 | 167,443 | 162,374 |
| Saturday | 84,844 | 96,119 | 90,795 |
| Sunday | 62,573 | 69,342 | 68,080 |
| Total | 45,864,475 | 51,262,600 | 49,609,918 |

| FY24 YTD Actual vs. | |
|---------------------|-----------------|
| FY23 YTD Actual | FY24 YTD Budget |
| 108.6% | 97.0% |
| 107.0% | 94.5% |
| 108.8% | 98.2% |
| 108.2% | 96.8% |

Exhibit A

BEFORE THE BOARD OF DIRECTORS OF THE SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

In the matter of amending Resolution No. 5564 regarding Fiscal Year 2024 Annual Budget

Resolution No. _____

RESOLVED, that Resolution No. 5564 is amended by changing the following line items in Exhibit A thereof:

| <u>Fund Source Line Item:</u> | <u>Current Amount</u> | <u>Increase/ (Decrease) In This Resolution</u> | <u>Amended Amount</u> |
|--|---------------------------|--|---------------------------|
| Operating and Non Operating Revenue | \$ 264,164,635 | \$ 27,558,739 | \$ 291,723,374 |
| Sales Tax | \$ 319,842,152 | \$ 290,432 | \$ 320,132,584 |
| Property Tax | \$ 61,200,000 | \$ 3,882,449 | \$ 65,082,449 |
| STA Financial Assistance | \$ 23,518,508 | \$ 33,826,075 | \$ 57,344,583 |
| VTA Financial Assistance | \$ 34,732,657 | \$ 12,603,734 | \$ 47,336,391 |
| Other Financial Assistance | \$ 29,906,134 | \$ 16,257,962 | \$ 46,164,096 |
| Subtotal Operating Sources | \$ 733,364,086 | \$ 94,419,391 | \$ 827,783,477 |
| ARPA | \$ 350,784,199 | \$ (181,295,537) | \$ 169,488,662 |
| Subtotal-Emergency Assistance | \$ 350,784,199 | \$ (181,295,537) | \$ 169,488,662 |
| Total Operating Sources | \$ 1,084,148,285 | \$ (86,876,147) | \$ 997,272,138 |
| | | | |
| <u>Fund Use Line Item:</u> | | | |
| Labor Expense | \$ 700,497,999 | \$ 58,415,860 | \$ 758,913,860 |
| Non-Labor Expense | \$ 233,017,202 | \$ 23,771,566 | \$ 256,788,767 |
| Subtotal Operating & Non-Operating Expenses | \$ 933,515,201 | \$ 82,187,426 | \$ 1,015,702,627 |
| Revenue Bond Debt Service | \$ 60,131,289 | \$ (0) | \$ 60,131,289 |
| Allocations to Capital | \$ 90,501,795 | \$ (25,035,094) | \$ 65,466,701 |
| ORA - ARPA | \$ - | \$ (144,028,478) | \$ (144,028,478) |
| Subtotal Debt Service and Allocations | \$ 150,633,084 | \$ (169,063,573) | \$ (18,430,489) |
| Total Operating Uses | \$ 1,084,148,285 | \$ (86,876,147) | \$ 997,272,138 |
| | | | |
| Net Result | \$ - | \$ - | \$ - |