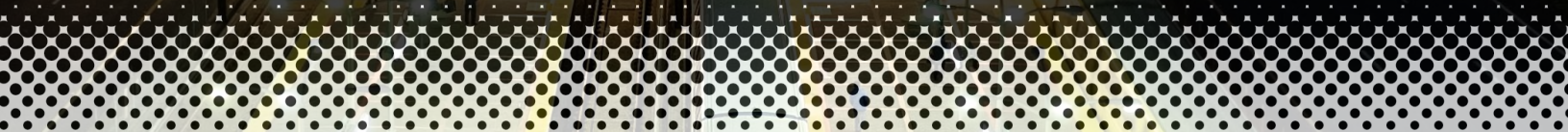


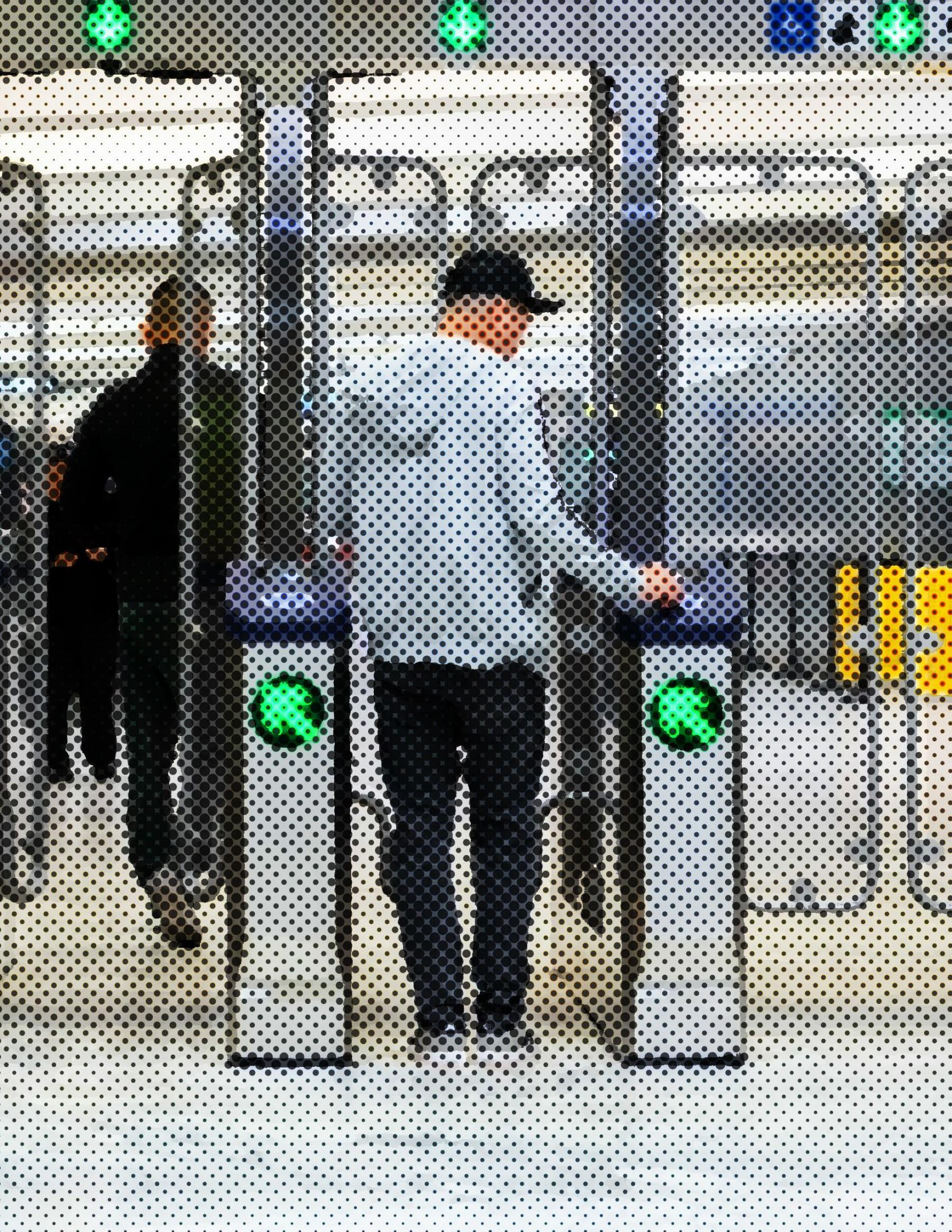
BART FY24 Popular Annual Financial Report

FISCAL YEAR ENDED JUNE 30, 2024



Let's go.





This report provides a detailed overview of the financial situation, ridership, and operational priorities of the Bay Area Rapid Transit District (BART) in fiscal year 2024 (FY24) and going forward. It is intended to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

1. INTRODUCTION

BART's vision is to support a sustainable and prosperous Bay Area by connecting communities with seamless mobility.

BART's mission is to provide safe, reliable, clean, quality transit service for riders.

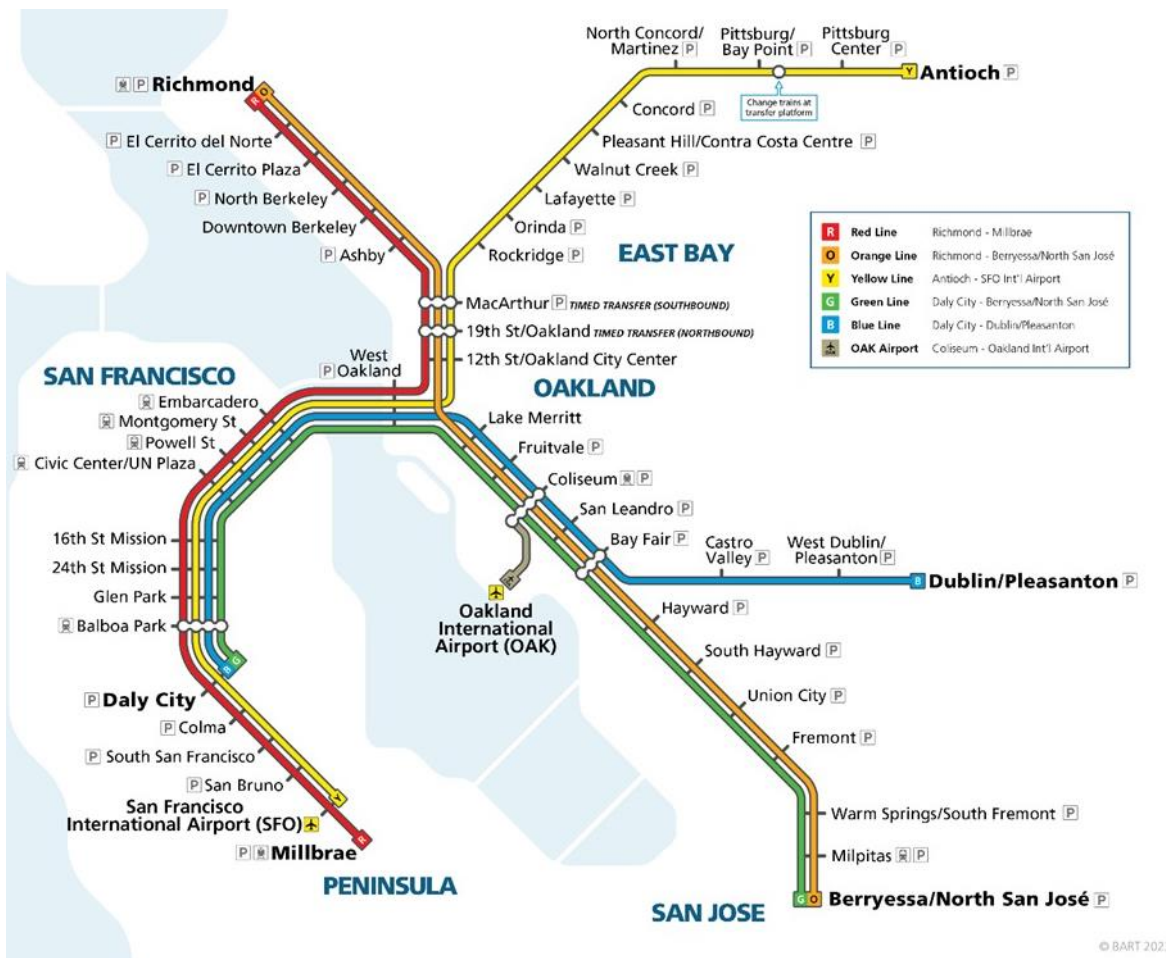
BART has played a critical role in keeping the Bay Area moving for more than 50 years, providing a safe, clean, and reliable alternative to driving. Despite a substantial reduction in ridership due to the COVID-19 pandemic and resulting shifts in work and travel patterns, BART continues to focus on improving the rider experience while promoting sustainability and working to secure a permanent operating funding source.

2. BART SYSTEM OVERVIEW

The BART system comprises five lines of service over 131.4 miles of track and includes 50 stations in five Bay Area counties. With BART's exclusive right-of-way system, passengers experience predictable travel times, free from traffic congestion. In FY24, even with the impacts of remote work in the Bay Area, BART delivered nearly 50 million passenger trips.

BART's 775-car electric train fleet, known as the Fleet of the Future, is powered by renewable energy sources, with 88% of its electricity coming from greenhouse gas-free sources. BART also maintains an 8-car Diesel Multiple Unit (DMU) fleet serving the non-electrified portion of the system in East Contra Costa County. BART's service plan has been optimized to match new ridership patterns, with increased service on nights and weekends to capture non-work-related ridership growth.

Details on the BART system, its history, role in the region, and other information can be found at www.bart.gov/about/history/facts and www.bart.gov/roleintheregion.

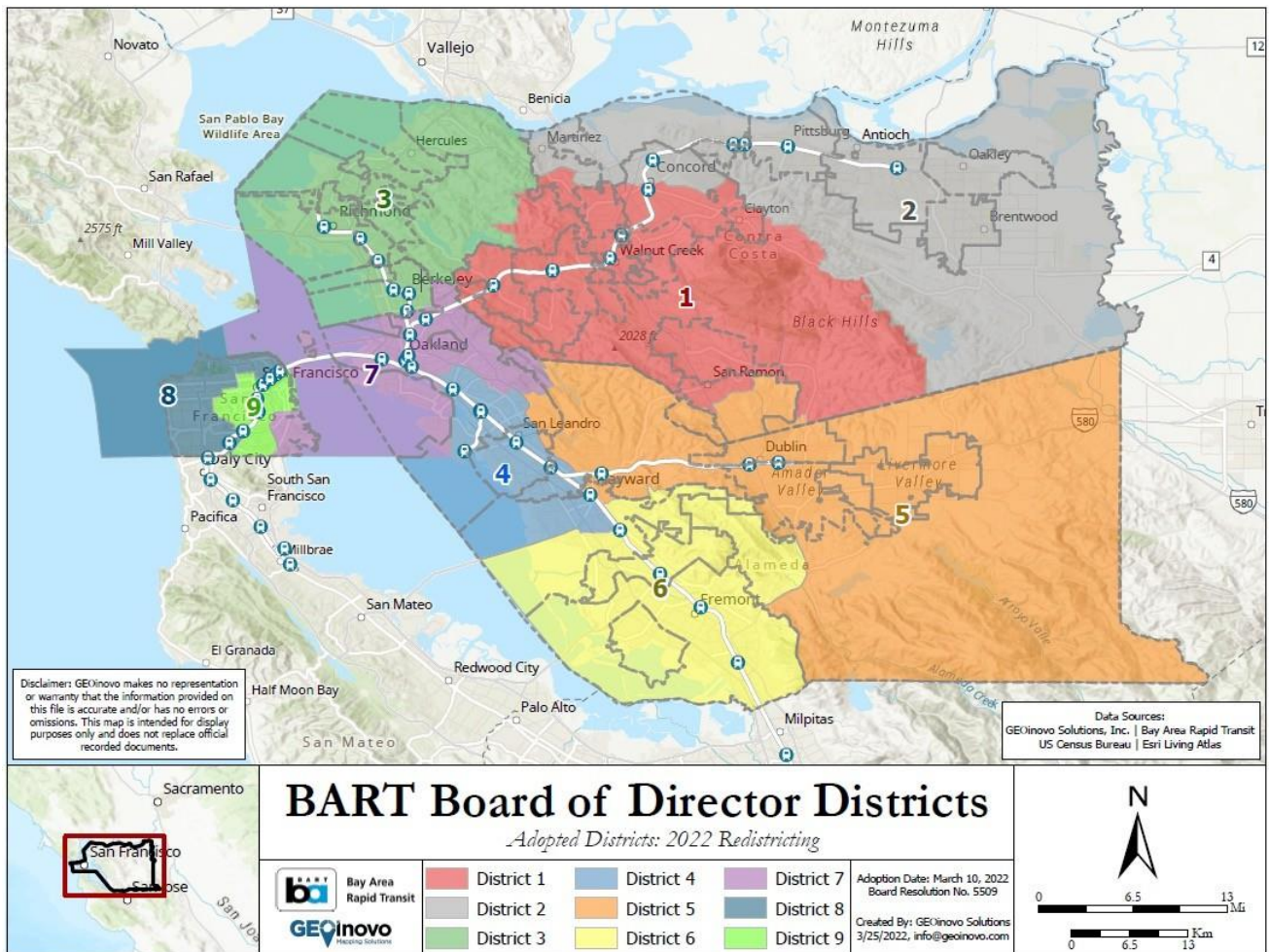


3. GOVERNANCE

BART is designated as a special purpose district, formally known as the San Francisco Bay Area Rapid Transit District. The BART District includes three counties (Alameda, Contra Costa, and San Francisco). BART also provides service in two counties outside the District (Santa Clara and San Mateo). 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 the BART District. 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 (Districts 1, District 3, District 5, District 7, and District 9) and even numbered districts (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/bod.

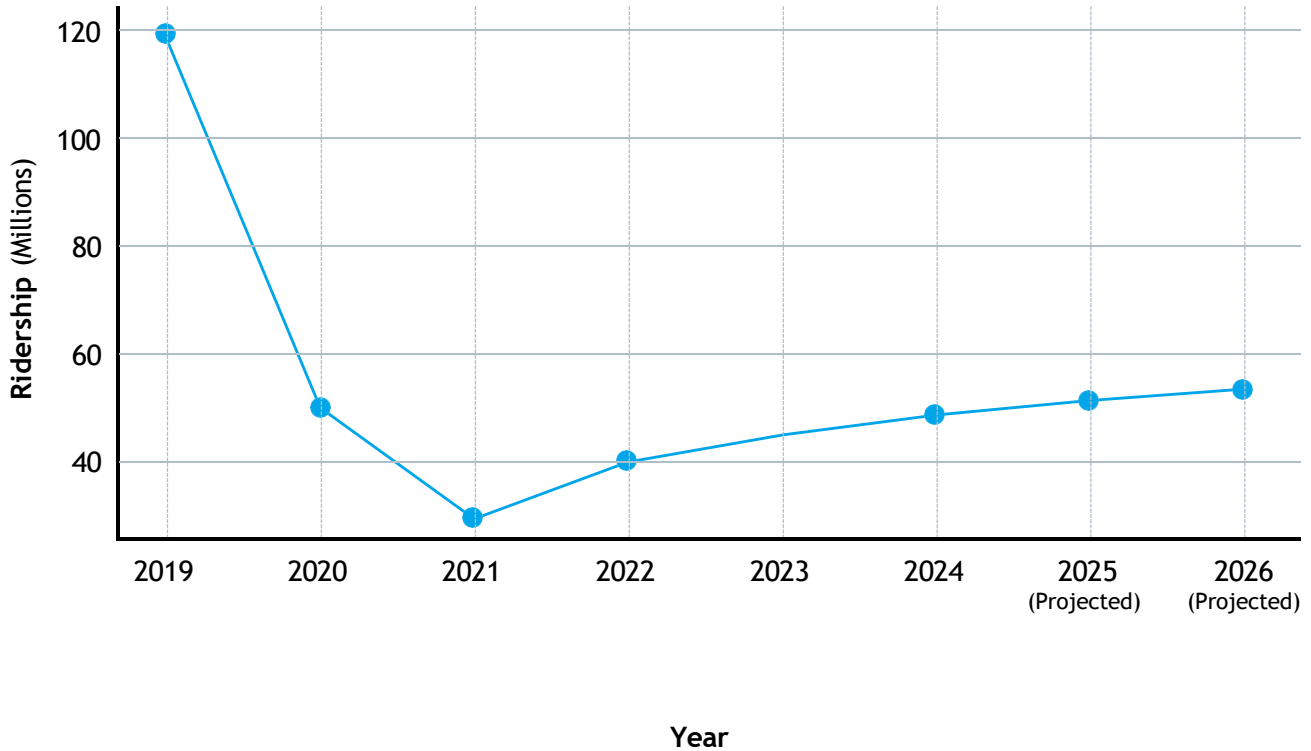


Director	District	Term Expiration (December)
Matthew Rinn	1	2028
Mark Foley (Vice President)	2	2026
Barnali Ghosh	3	2028
Robert Raburn	4	2026
Melissa Hernandez	5	2028
Liz Ames	6	2026
Victor Flores	7	2028
Janice Li	8	2026
Edward Wright	9	2028

4. RIDERSHIP AND SERVICE TRENDS

Ridership on BART has been recovering since the lows of the COVID-19 pandemic. In FY24, ridership totaled 49.6 million trips, an increase of 8.2% from FY23. Ridership growth is expected to continue to increase, albeit slowly, with FY25 forecasted ridership at 51.7 million, increasing slightly to 53.9 million in FY26. Ridership remains well below pre-pandemic levels as the Bay Area has embraced remote work at higher rates than other areas of the country.

BART Ridership Recovery (Pre-Pandemic to FY26 Projections)



BART’s current service plan, introduced in September 2023, provides consistent service on all lines throughout the week, with 20-minute headways (three trains per hour) from system opening until 9 PM. On weekdays, the more heavily used Yellow Line operates with 10-minute headways to accommodate higher passenger volumes. The service plan responds to changes in commute patterns while increasing train frequency during off-peak hours.

Day of Week	Hours of Service	Service
Monday through 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)

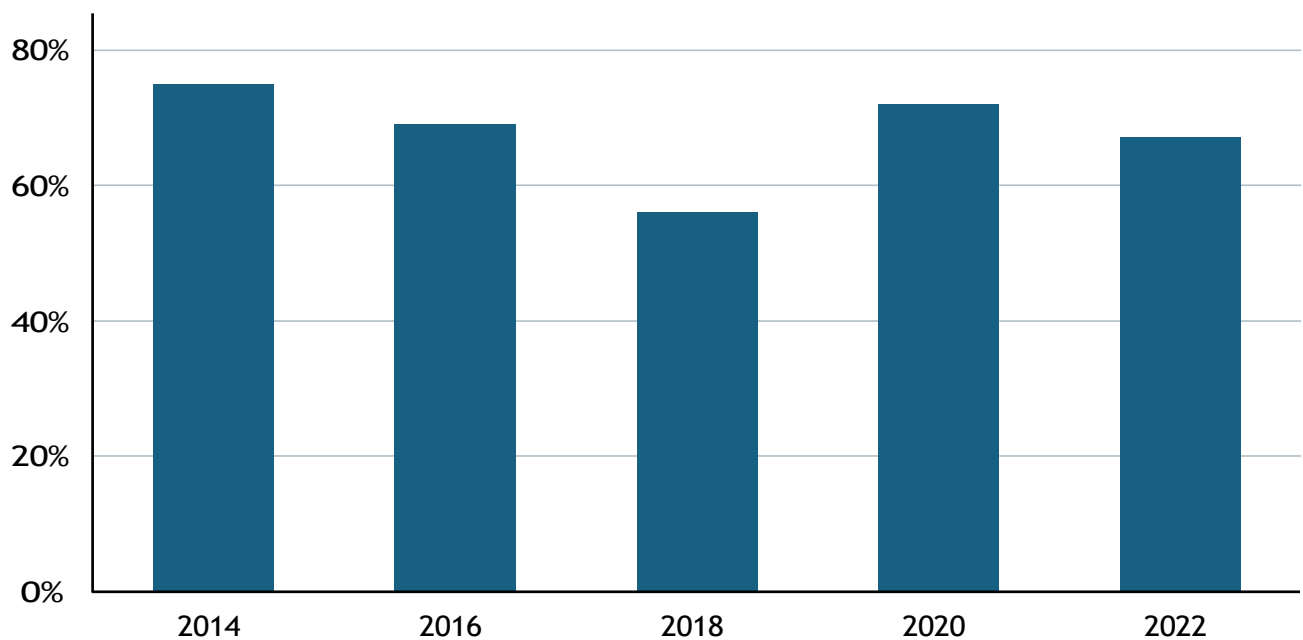
5. SAFETY AND RIDER EXPERIENCE IMPROVEMENTS

BART has focused on improving the rider experience, with investments in safety, security, stations, and innovative fare products.

Safety is a top priority for BART, both for passengers and staff. In 2024, 20% of riders reported seeing BART Police on their most recent trip, a significant improvement from previous years. BART continues to actively recruit police officers and optimize deployment patterns to maximize uniformed presence in the system. Fare evasion is being addressed with the installation of Next Generation Faregates across the system. All 50 BART stations are expected to have new faregates by the end of 2025.

BART's progressive policing efforts, including the deployment of unarmed ambassadors, crisis intervention specialists, and managers, aim to increase rider safety and confidence. Passenger satisfaction surveys indicate that these efforts are making a noticeable difference in the overall experience.

Customer Satisfaction Over Time (Pre- and Post-Pandemic)



Total percentage indicating Very Satisfied or Somewhat Satisfied

The rider experience is also improving. BART's new trains offer quieter, more comfortable rides; station cleanliness has improved, with signage and wayfinding improvements to make navigating BART even easier coming soon.

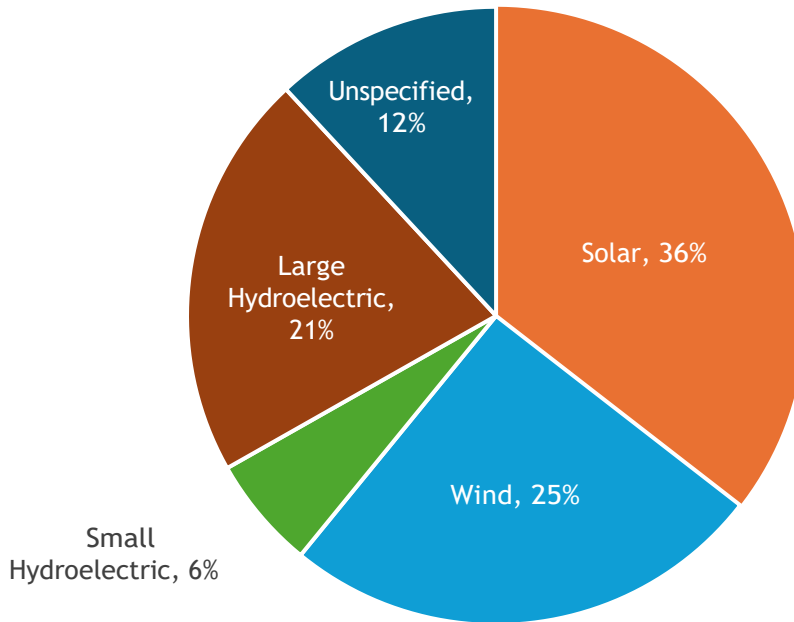
At the regional level, BART has boosted collaboration with other transit operators by better aligning schedules and service to synch up the timing of schedule changes and reduce transfer wait times. The upcoming launch of the Next Generation of Clipper smart ticketing will make travel across multiple transit agencies more affordable and is expected to improve overall rider experience while boosting operational efficiency. Innovative new fare products such as Clipper BayPass and Clipper START, and increased transfer discounts, paired with existing youth, disabled, and senior discounts, promote increased ridership while keeping transit affordable.

6. SUSTAINABILITY INITIATIVES

BART is committed to providing safe, affordable, equitable, and environmentally-friendly transit by reducing its environmental impact with the use of clean energy sources and promoting sustainable transit options. In 2023, BART achieved a power supply that was 88% GHG-free while growing its total share of eligible renewable electricity to 66.8%. BART's renewable power mix was comprised primarily of photovoltaic solar (35.5%) and wind (25.4%), supplemented by small hydroelectric resources (5.9%). Its remaining power was sourced from large hydroelectric generation (21.3%) and unspecified power purchased directly from the electric grid (11.9%).

Almost 60% of BART's power was provided by its long-term Power Purchase Agreements with two renewable facilities in California: Slate Solar and Sky River Wind.

BART Energy Mix (2023)



The system's Fleet of the Future trains are fully electric, and BART is upgrading lighting in stations and parking facilities to more energy efficient and brighter LED fixtures.

In 2024, BART riders collectively helped avoid over 600,000 pounds of CO2 emissions per weekday by choosing transit over driving. The system continues to innovate in sustainability with energy-efficient train designs, solar energy projects, and policies that encourage dense, mixed-use developments around stations.

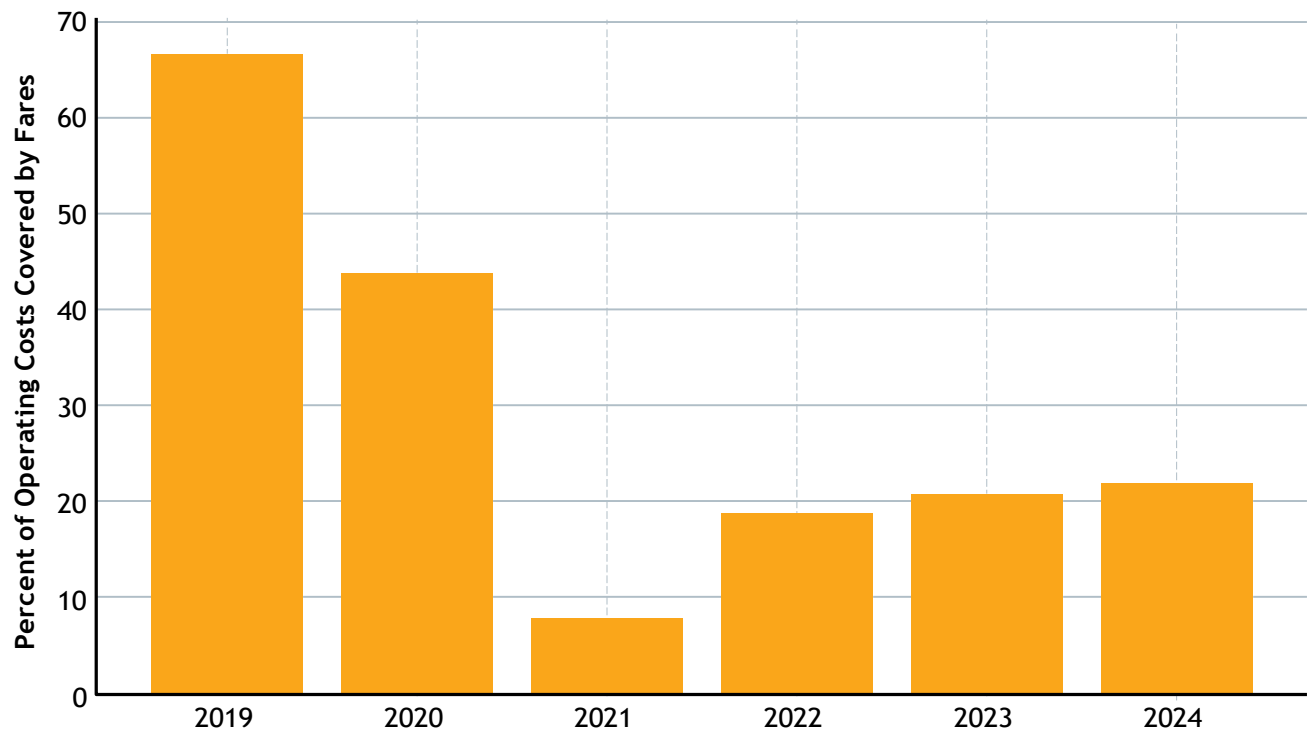
For detailed information on BART's sustainability work and energy mix, visit www.bart.gov/sustainability.

7. FY24 FINANCIAL PERFORMANCE

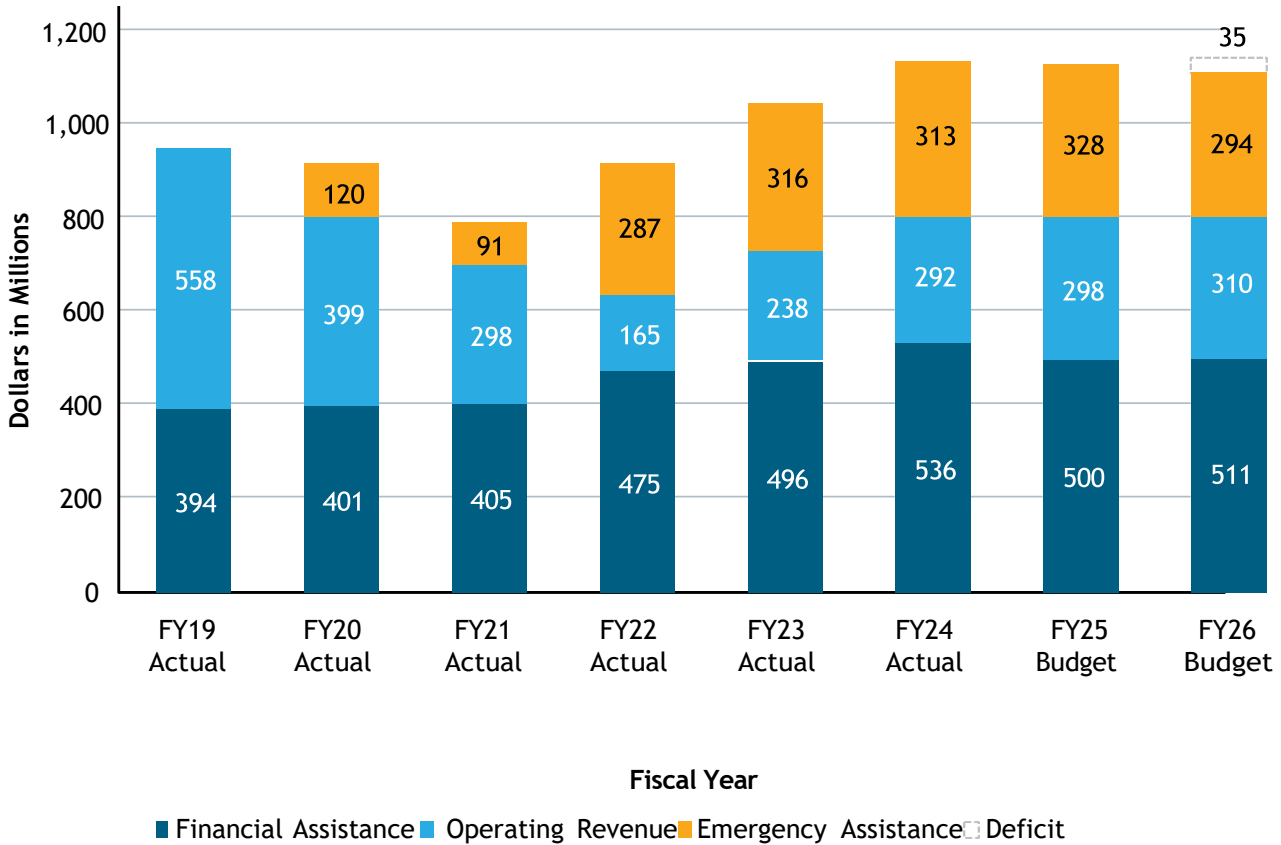
BART's revenues were historically comprised of primarily operating revenue as well as some financial assistance. Operating revenue consists of rail passenger fares, parking fees, and other smaller sources, while financial assistance consists of a share of sales and property tax revenue in BART District counties, as well as numerous smaller grants and other smaller revenue sources. Before the COVID-19 pandemic, most of BART's funding came from passenger fares and parking fees.

The pandemic significantly impacted BART's financial structure. Fare revenue once covered nearly 70% of BART's operating expenses; in FY24, with depressed ridership, only 22% of operating costs were covered by fares. This has created an ongoing structural financial deficit, severely impacting BART's long-term ability to deliver high quality transit service the Bay Area relies on. Since 2020, deficits have been closed with nearly \$2 billion in federal, state, and regional emergency assistance funding. The charts below illustrate these changes and their impact on BART's funding mix.

Fare Revenue vs. Operating Costs (Pre-Pandemic to FY24)



Operating Budget Sources (by type)



In FY24, BART’s total operating revenue was below budget expectations primarily due to passenger fare shortfalls, reflecting slower-than-expected downtown and ridership recovery post-pandemic. However, revenues from parking were favorable, coming in 14.7% over budget expectations. Non-operating revenue surpassed projections due to higher interest rates on investment income, adding a favorable variance of \$31.7 million to the budget.

Operating labor, BART’s biggest expense, exceeded budget, driven largely by wage and benefit cost increases to help with inflation and to recruit qualified employees as well as charges at the end of the fiscal year. Overtime and recoveries from other funding sources (primarily from BART staff working on capital-funded projects) also generated negative variances compared to the budget. Unexpected liability reserve deposits required by a revised actuarial valuation also contributed to higher than budgeted spending.

Although reliance on emergency funding decreased slightly against budget, BART required about \$313 million in emergency funds to bridge the difference in its FY24 revenues and spending.

8. FY25 & FY26 ADOPTED OPERATING BUDGET OVERVIEW

The FY25 & FY26 Adopted Operating Budget assumes generally steady revenue and expense as BART plans to continue to provide steady service levels. This section provides an overview of notable operating budget changes in FY25 and FY26.

FY25 & FY26 Adopted Operating Budget	FY24 Actuals (\$ Millions)	FY25 Budget (\$ Millions)	FY24 to FY25 Change		FY26 Budget (\$ Millions)	FY25 to FY26 Change	
			(\$ Millions)	(%)		(\$ Millions)	(%)
Rail Passenger Revenue	218.4	235.1	16.7	7.6	258.0	22.8	9.7
ADA Passenger Revenue	0.6	0.6	-	-	0.6	-	5.1
Parking Revenue	17.0	16.5	(0.5)	(2.9)	16.0	(0.5)	(2.8)
Other Operating Revenue	55.7	45.3	(10.4)	(18.7)	35.3	(10.0)	(22.0)
Subtotal - Operating Revenue	291.7	297.5	5.8	2.0	309.9	12.4	4.2
Sales Tax Revenue	320.1	320.3	0.3	0.1	327.9	7.6	2.4
Property Tax Revenue	65.1	64.3	(0.8)	(1.2)	65.9	1.6	2.5
VTA Financial Assistance	47.3	35.2	(12.1)	(25.6)	34.6	(0.6)	(1.7)
State Transit Assistance	57.3	48.8	(8.5)	(14.8)	49.3	0.6	1.1
Low Carbon Funding Programs	17.0	17.0	-	-	17.8	0.8	4.7
Local & Other Assistance	29.3	14.8	(14.5)	(49.5)	15.2	0.4	2.7
Subtotal—Financial Assistance	536.1	500.3	(35.8)	(6.7)	510.7	10.4	2.1
Total—Operating Sources	827.8	797.8	(30)	(3.6)	820.6	22.8	2.9
Labor & Benefits	758.9	780.6	21.7	2.9	796.7	16.1	2.1
ADA Paratransit	20.3	22.5	2.2	10.8	23.0	0.5	2.2
Purchased Transportation	7.6	8.6	1.0	13.1	8.6	-	-
Traction Power	56.5	61.6	5.1	9.0	65.0	3.4	5.5
Other Non-Labor	172.4	160.7	11.7	(6.8)	150.0	(10.8)	(6.7)
Subtotal - Operating Expense	1,015.7	1,033.9	18.2	1.8	1,043.1	9.2	0.9
Bond Debt Service	60.1	60.2	0.1	0.2	60.2	-	-
Capital Reinvestment Allocation	25.7	29.1	3.4	13.2	43.9	14.8	51.0
Priority Capital Programs Allocation	33.3	-	(33.3)	(100.0)	-	-	-
Other Allocations	6.5	3.0	(3.5)	(58.3)	3.0	-	-
Subtotal—Debt Service & Allocations	125.6	92.2	(33.4)	(26.6)	107.0	14.8	16.1
Total—Operating Uses	1,141.3	1,126.1	(15.2)	(1.3)	1,150.1	24.0	2.1
Net Result Before Emergency Assistance	(313.5)	(328.2)	(14.7)	(4.7)	(329.5)	(1.2)	0.4
Emergency Assistance	313.5	328.2	14.7	4.7	294.0	(34.2)	(10.4)
Net Result	-	-	-	-	(35.4)	(35.4)	-

Operating Revenue Remains Steady

The largest source of operating revenue comes from rail passenger fares, which are projected to increase in the FY25 & FY26 Adopted Budget. While ridership revenue appears stable, it is important to recognize the profound and enduring effect of the pandemic on ridership and fare revenue. While the “new normal” has taken shape and ridership has stabilized, it is clear that BART, like other transit systems, will need to look beyond fare revenue to sustain operations over the long term.

Modest Increases in Financial Assistance Revenue

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.

Increases in Labor, Paratransit, and Traction Power, Priority Capital Deferral

Operating expense increases are driven by labor and benefit costs, which fund employee salaries, benefits, and retirement. There are two reasons why labor & benefit costs increased 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 increased in accordance with the terms of BART's collectively-bargained contracts with labor unions representing BART employees.

Non-labor expenses also rose in FY25, notably in paratransit and traction power. Under the federal Americans with Disabilities Act, BART provides paratransit services. To fulfill this obligation in Alameda and Contra Costa Counties, BART contracts with third party providers. The total cost for these services is expected to increase due to increased demand and higher labor costs. The increase in traction power costs is 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.

Based on project delivery schedules, BART deferred planned transfers of operating funding to its Priority Capital Program in both FY25 and FY26; these transfers are still planned and included in cost projections but are now scheduled after FY26.

Balanced Budget in FY25, Deficit in FY26

BART has been fortunate to receive nearly \$2.0 billion in federal, state, and regional emergency assistance since the start of the pandemic, but this funding is projected to be fully used by spring 2026 (late FY26). Emergency assistance is used as the last revenue 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.

To address the structural deficit, BART is working with the region's transit operators, the Metropolitan Transportation Commission (MTC), and other stakeholders to pursue funding to address the growing transit financial challenges, most likely with a regional tax measure on the November 2026 ballot. The exact structure of any potential voter measure is currently evolving. While a permanent funding source is being pursued, BART is working proactively to contain costs and generate new revenues. These strategies will not close the structural deficit but will help stabilize BART's financial position while enhancing the rider experience.

For detailed, up to date information on BART's finances and efforts to secure a permanent funding source, visit www.bart.gov/financials.



9. STRATEGIC PRIORITIES

The BART Strategic Plan Framework (BSPF) documents BART's organizational objectives, including its vision, mission, goals, and strategies. Given the vastly different and uncertain operating environment post-Pandemic and due to changing travel patterns, BART 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 on three priority areas to guide the work during that time. The three priority areas are: Financial Stability, Rider Experience, and On Track for the Future

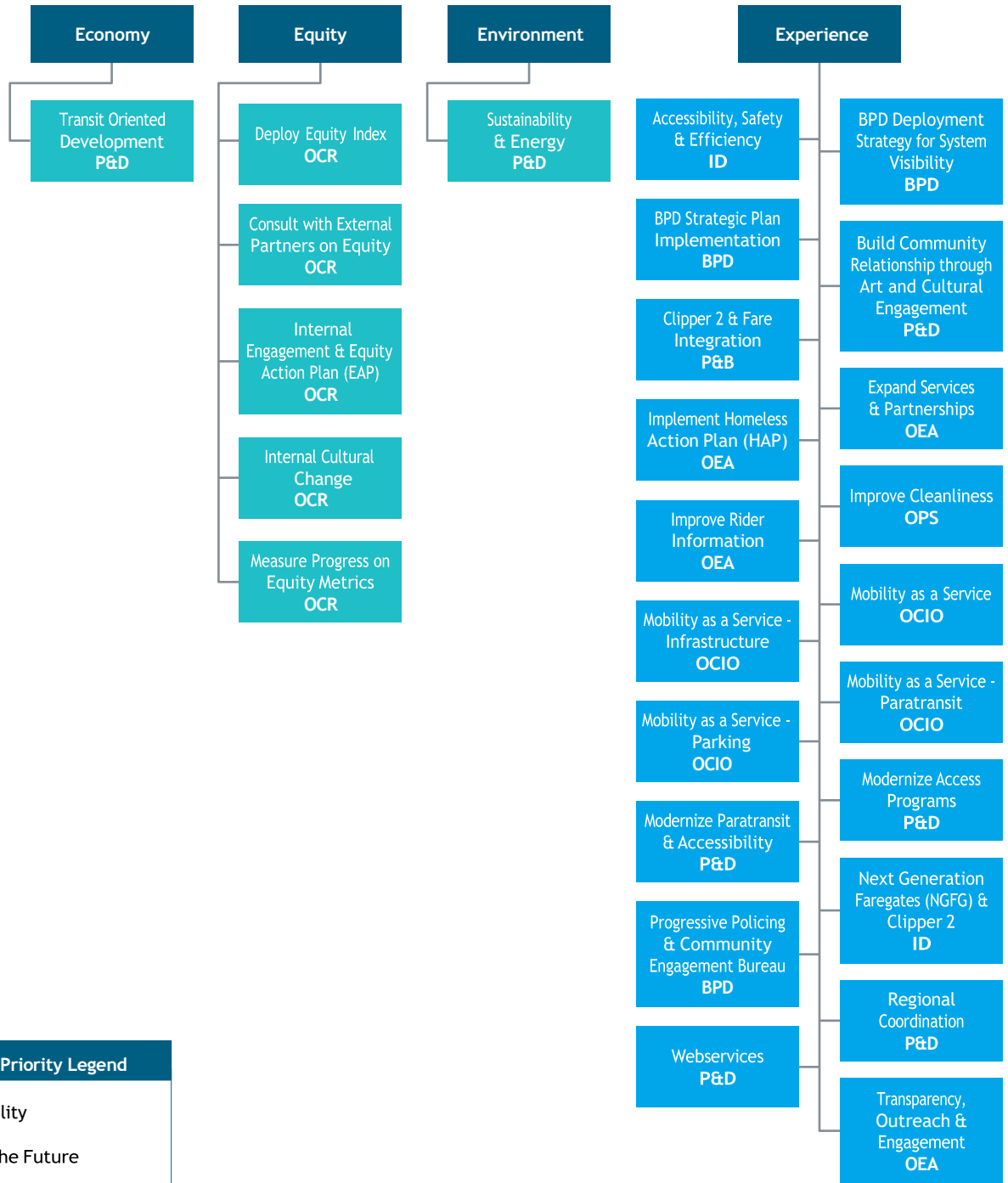
BART's Two-Year Action Plans connect departmental activities with the three priorities as well as to the BSPF goals and strategies while outlining key sub-activities with specific milestones. These actions are cross functional in nature; therefore, activities are grouped and reported on by priority area. Each activity is owned by at least one department, which provides guidance 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 organizational objectives.

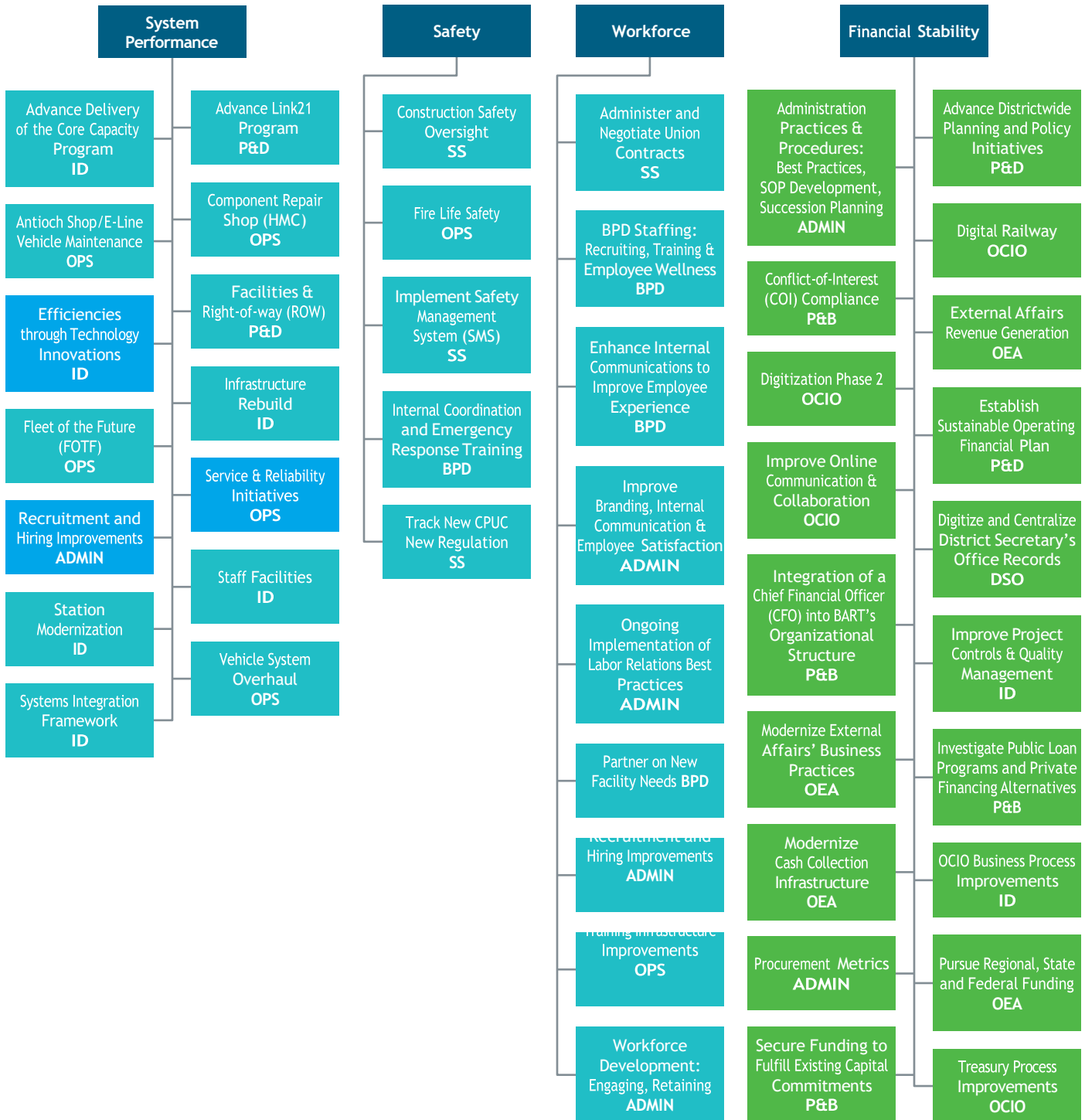
Financial Stability: Respond to the financial challenges from changes in travel patterns (as the result of the COVID-19 Pandemic and remote work) by developing a nimble operating plan, advancing, and implementing efficiencies, managing expenses, and increasing revenue where feasible. In addition to controlling 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.

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, improving communication to our riders and the public, and proactively developing relationships with youth and young adults who are the next generation of riders.

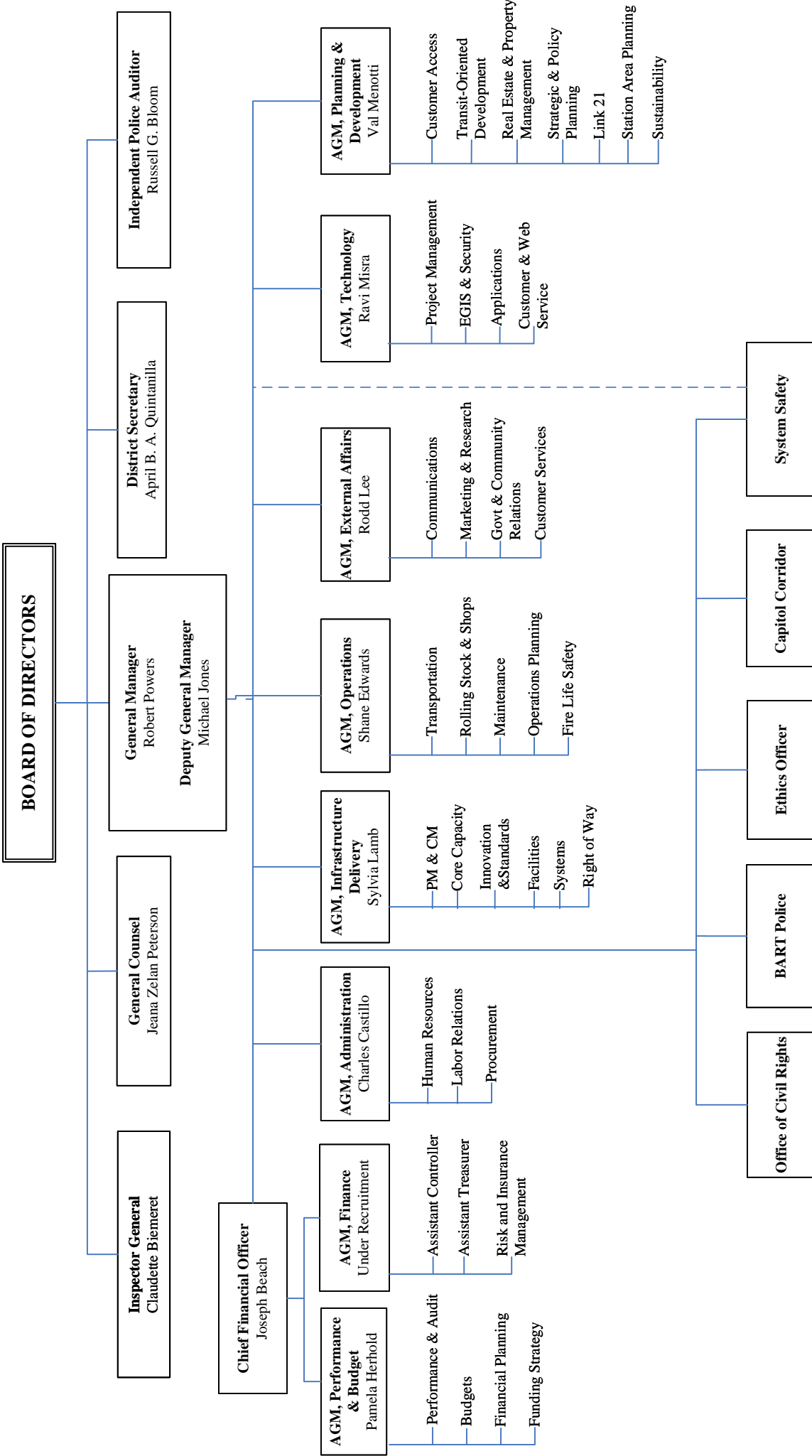
On Track for the Future: BART will stay on-track for the future by implementing critical capital projects that will increase capacity and improve reliability, and by continuing to take a leadership role on issues critical to the region and community, including, sustainability and equity.

2-Year Action Plan Alignment with BART Strategic Plan Goals





**SAN FRANCISCO BAY AREA RAPID TRANSIT
ORGANIZATION CHART
As of January 01, 2025**



INTERESTED IN LEARNING MORE?

BART maintains multiple regularly-updated resources online to keep riders, employees, members of the public, and other stakeholders informed.

Financial resources, including BART's Annual Comprehensive Financial Report (ACFR), Adopted Budget Manual (ABM), Capital Investment Plan (CIP), quarterly financial reports, bond statements, and other presentations are available on BART's financials page: www.bart.gov/financials.

Information on the BART system, facts & figures, and its history are available at www.bart.gov/about.

BART's Sustainability progress and information is available at www.bart.gov/sustainability.

Information about the Board of Directors is available at www.bart.gov/bod.

Information on fares, discount programs, and Clipper is available at www.bart.gov/tickets.

Trip planning assistance is available through the BART app, www.bart.gov or the BART Transit Information Center, which is open 8:00 am to 6:00 pm PST, Monday–Friday excluding most holidays.

BART Transit Information Center

Monday through Friday

8:00am to 6:00pm PST

(excluding most holidays)

(510) 465-2278

barttic@bart.gov

BART maintains a Customer Service Center at the Lake Merritt Station, where members of the public can purchase and add value to fare media including Senior and Youth Clipper cards and Clipper RTC discount cards and buy selected BART merchandise.

BART Customer Service Center

Monday through Friday

8:30am to 4:45pm PST

(excluding all observed holidays)

Lake Merritt Station

(concourse level)

800 Madison Street

Oakland, CA 94607

(510) 464-7133

The Customer Services Center has a sales window in both the free and paid areas.

Interested in buying BART merchandise but are not available to stop by the sales window at Lake Merritt Station? Visit www.railgoods.com for a variety of BART and Capitol Corridor clothing and gifts including t-shirts, hats, socks, kid's items, and more.

BART media, news, upcoming events, contests, and other fun stuff are resources are available at www.bart.gov/news. Follow BART on social media! [Insert links/icons for Twitter, Insta, TikTok, etc. here]



