



## EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:		DocuSigned by: <i>Michael Jones</i> 47000790F2D7463...		GENERAL MANAGER ACTION REQ'D:	
DATE: 5/26/2023		5/31/2023		BOARD INITIATED ITEM: Yes	
Originator/Prepared by: Katherine Alagar Dept: Operating Budgets DocuSigned by: <i>Katherine Alagar</i> 697EB8AE6F87469... Signature/Date: 5/30/2023		General Counsel DocuSigned by: <i>Jana Belan</i> F8FD7B3A73E74E8... 5/30/2023 [ ]		Controller/Treasurer DocuSigned by: <i>Chris Gan</i> EE11C8CEEEA04FD... 5/30/2023 [ ]	
				District Secretary [ ]	
				BARC DocuSigned by: <i>Pamela Herhold</i> 3BB24D65B8724F5... 5/30/2023 [ ]	

### Two Year Annual Budget Resolution for Fiscal Year 2024 and Fiscal Year 2025

#### PURPOSE:

Authorize adoption of the Fiscal Year 2024 and Fiscal Year 2025 Two-Year Annual Budget Resolution (Budget Resolution).

#### DISCUSSION:

Approval by the Board of Directors is required for the Fiscal Year 2024 and Fiscal Year 2025 (FY24 & FY25) operating and FY24 & FY25 capital budgets. The total proposed FY24 combined operating and capital budget is \$2.6 billion (B), while the FY25 operating and capital budget is \$2.5B. The FY24 operating budget of \$1.1B is balanced, while the FY25 operating budget of \$1.1B has a deficit of \$93M. The capital budget totals \$1.5B in FY24 and \$1.4B in FY25.

The proposed FY24 & FY25 budgets are summarized in Attachments 1 and 2, which summarize BART's operating and capital sources and uses.

The budget includes an adjustment to the budgeted FY24 vacancy rate, which now includes both an operating vacancy rate and a capital vacancy rate. The operating vacancy rate is assumed to be 6% while the capital vacancy rate is assumed to be 18%. The current actual rates are around 6.5% and 24.6%, respectively. Being able to apply two separate rates is intended to bring the capital reimbursements budget closer to actuals.

The proposed budget was presented to the Board of Directors on April 20, 2023, May 11, 2023, and at a public hearing on May 25, 2023.

#### FY24 & FY25 Operating Budget



The FY24 & FY25 operating budget continues to be highly constrained by reduced operating revenues stemming from the continued effects of remote work on BART ridership.

The proposed operating budget authorizes FY24 and FY25 expenditures of \$1.08B and \$1.12B, respectively, while funding 3,544.5 operating FTEs in FY24 and FY25.

Included in the Labor Budget:

- 3.0% wage increase for AFSCME, ATU, SEIU, and non-represented employees as well as a 2% increase for BPOA/BPMA employees
- Addition of 4 new positions for the Office of Inspector General
- Conversion of 34 positions from Capital to Operating and removal of 24 capital position

Included in the Non-Labor Budget:

- \$5.5M of planned savings from the District eliminating payments to other operators
- Increase of \$2.5M in Power from the FY24 Preliminary Budget
- Increase of \$2.8M in diesel fuel and gas

Included in Debt Service and Allocations:

- Elimination of the pension allocation contributions of \$10M
- Elimination of the Sustainability allocations
- Removal of \$10M allocation in FY24 for employee-facing facilities
- Transfer of \$4.5M from non-labor to capital allocations to account for capital work in operations

Operating revenues in the FY24 revenue budget are \$9 million (M) higher than the adopted FY23 budget. The revenue budget projects \$264M of operating revenue in FY24 and \$293M in FY25, which includes (pending Board approval) the adjusted inflation-based fare increase of 5.5% in both FY24 and FY25. This includes \$225M of rail passenger revenue in FY24 and \$254M in FY25. Financial assistance is budgeted at \$469M in FY24 and \$481M in FY25. This includes \$320M of sales tax, \$61M of property tax, \$35M of VTA Financial Assistance, and \$24M of State Transit Assistance in FY24. Federal Emergency Funding of \$351M in FY24 balances the budget and the remaining funds of \$250M will be applied in FY25 leaving a deficit of \$93M. BART's single largest revenue source is no longer fare revenue; one-time federal emergency assistance (projected to be fully exhausted in FY25) and sales tax are BART's two largest revenue sources in FY24 and FY25.

### **FY24 & FY25 Capital Budget**

The Capital Budget proposes FY24 expenditures of \$1.5B and funds 997.0 FTEs.

At nearly \$1.5B, the FY24 capital budget is roughly the same magnitude as the FY23 capital budget. Nearly one third of that is allocated to the continued first phase of Rail Car Procurement, focused mostly on replacement of our legacy fleet. Train Control Modernization Program and Traction Power investments, including the 34.5kv cable project, Core Capacity Traction Power Substations, and Next Generation Fare Gates, are also significant projects in FY24. Roughly one third of the FY24 capital budget is funded with Measure RR, with another third funded with federal funds and the remainder with state, regional, and local funding.

The Capital Budget proposes FY25 expenditures of \$1.4B and funds 997.0 FTEs.

At nearly \$1.4B in FY25, Rail Car Procurement is again the largest forecast capital expenditure at over one third of the total; note that in FY25 the second phase of the procurement with Core Capacity Program expansion rail cars begins. As in FY24, implementation of the Train Control Modernization Program, 34.5kv cable installation, Core Capacity Traction Power Substations, and Next Generation Fare Gates will continue in FY25. Measure RR and federal funds remain the largest sources of funding in FY25 at a little less than one third each. The remaining third will come from other sources.

### **FY24 & FY25 Budget Resolution**

Staff recommends approval of the attached Resolution to adopt the Fiscal Year 2024 and Fiscal Year 2025 Two-Year Annual 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, 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 FY24 and FY25, the budget suspends the Low Carbon Fuel Standard Policy, adopted July 27, 2017 which allocates revenues to be directed toward sustainability-related projects.

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 2024 and Fiscal Year 2025 Two-Year Annual Budget is balanced in the 1<sup>st</sup> year with a deficit of \$93M in year two. It 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 FY24.

**RECOMMENDATION:**

Adoption of the following motion.

**MOTION:**

The Board adopts the attached Resolution in the matter of approving the Annual Budget for the San Francisco Bay Area Rapid Transit District and authorizes expenditures for the fiscal years July 1, 2023 to June 30, 2024 and July 1, 2024 to July 30, 2025.

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

**In the matter of approving  
The Annual Budget for the  
San Francisco Bay Area Rapid  
Transit District and authorizing  
Expenditures for the Fiscal Year  
July 1, 2023, to June 30, 2024,  
and Fiscal Year July 1, 2024,  
to June 30, 2025**

Resolution No. \_\_\_\_\_

**WHEREAS**, the Board of Directors of the San Francisco Bay Area Rapid Transit District published notices on April 28, May 3, May 5, and May 8, 2023, in newspapers of general circulation in the County of San Francisco, the County of Contra Costa, the County of Alameda, and the County of San Mateo of its intention to adopt a Two Year Annual Budget for the Fiscal Years July 1, 2023, to June 30, 2024 and July 1, 2024 to June 30, 2025; and

**WHEREAS**, the Board of Directors of the San Francisco Bay Area Rapid Transit District desires to adopt a Two Year Annual Budget for the Fiscal Years July 1, 2023, to June 30, 2024 and July 1, 2024 to June 30, 2025; 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**, 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 2024 and Fiscal Year 2025 was presented to the Board of Directors on May 11, 2023, in a presentation entitled "Rail Service Plan, Fiscal Year 2024 and Fiscal Year 2025 Operating and Capital Sources and Uses"; and

**NOW, THEREFORE, BE IT RESOLVED** that the attached Annual 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 Annual 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 Annual 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.

**BE IT FURTHER RESOLVED** that, subject to the resolved clauses, said Annual Budget includes participation in the Regional Institutional and Employer Pass Pilot program branded as Clipper Bay Pass; and

**BE IT FURTHER RESOLVED** that, subject to the resolved clauses, said Annual Budget includes a suspension of previously-adopted Board policy and resolution for BART Low Carbon Fuel Standard Policy adopted July 27, 2017 until further notice; 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:

- (1) 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;
- (2) 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;
- (3) Prior authorization by the Board of Directors is required when:
  - a. The agreement, and amendments thereto, total in the aggregate \$100,000 or more in the fiscal year; or
  - b. Amendments total in the aggregate \$100,000 or more in any subsequent fiscal year;
- (4) 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
- (5) 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 FY2024 and FY2025; 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 FY2024 and FY2025; 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 FY2024 and FY2025; 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 11, 2023, presentation entitled "Rail Service Plan, Fiscal Year 2024 and Fiscal Year 2025 Operating and Capital Sources and Uses", 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 FY2024 and FY2025 for purposes of building ridership on the system, consistent with ridership development guidelines; and



**BE IT FURTHER RESOLVED** that effective July 1, 2023:

- (1) The total number of permanent full and permanent part-time positions (“full time equivalent”) as of July 1, 2023, budgeted for the District shall be 4,583.95 in FY2024 and 4,583.95 in FY2025 (a part-time position is counted as 0.625 positions). Additional permanent positions are authorized, as required, not to exceed 100 positions;
- (2) 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;
- (3) 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 75<sup>th</sup> 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
- (4) 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 applications online to the public as they are submitted, except those that if made public would compromise the security of the system.

###

**Attachment 1**  
**FY24 and FY25 District Operating Budget**  
**Sources and Uses Detail**

	<b>FY24 Preliminary Budget</b>	<b>FY24 Adopted Budget</b>	<b>Delta from Preliminary Budget</b>	<b>FY25 Preliminary Budget</b>	<b>FY25 Adopted Budget</b>	<b>Delta from Preliminary Budget</b>
Rail Passenger Revenue	\$ 224,731,024	224,950,190	219,166	254,110,010	254,360,596	250,586
ADA Passenger Revenue	482,695	482,695	-	497,176	497,176	-
Parking Revenue	14,380,288	14,840,694	460,406	14,250,605	14,910,930	660,325
Other Operating Revenue	23,891,056	23,891,056	-	22,772,148	22,772,148	-
<b>Subtotal - Operating Revenue</b>	<b>263,485,063</b>	<b>264,164,635</b>	<b>679,572</b>	<b>291,629,939</b>	<b>292,540,850</b>	<b>910,911</b>
Sales Tax Proceeds	311,543,017	319,842,152	8,299,135	318,716,755	327,198,783	8,482,028
Property Tax Proceeds	61,200,000	61,200,000	-	64,260,000	64,260,000	-
MTA Financial Assistance	34,949,001	34,732,657	(216,344)	35,039,899	34,794,917	(244,982)
MTC Financial Assistance Clipper Start	451,595	451,669	74	1,229,057	1,229,157	100
Local & Other Assistance	10,595,515	12,695,516	2,100,001	10,813,206	13,599,154	2,785,948
State Transit Assistance	23,518,508	23,518,508	-	23,207,071	23,207,071	-
Low Carbon Transit Operations Program	10,258,949	10,258,949	-	10,258,949	10,258,949	-
Low Carbon Fuel Standard Program	6,500,000	6,500,000	-	6,400,000	6,400,000	-
<b>Subtotal - Financial Assistance</b>	<b>459,016,585</b>	<b>469,199,451</b>	<b>10,182,866</b>	<b>469,924,937</b>	<b>480,948,031</b>	<b>11,023,094</b>
<b>TOTAL - OPERATING SOURCES</b>	<b>722,501,648</b>	<b>733,364,086</b>	<b>10,862,438</b>	<b>761,554,876</b>	<b>773,488,881</b>	<b>11,934,005</b>
Labor & Benefits	677,477,234	700,497,999	23,020,765	710,756,059	726,761,731	16,005,672
ADA Paratransit	19,809,557	18,795,000	(1,014,557)	20,403,843	20,403,843	-
Purchased Transportation	7,928,921	7,928,921	-	8,516,618	8,516,618	-
Power	56,498,783	59,000,000	2,501,217	58,202,906	60,704,123	2,501,217
Other Non-Labor	149,806,256	147,293,281	(2,512,975)	150,629,566	148,081,512	(2,548,054)
<b>Subtotal - Operating Expense</b>	<b>911,520,751</b>	<b>933,515,201</b>	<b>21,994,450</b>	<b>948,508,992</b>	<b>964,467,827</b>	<b>15,958,835</b>
Bond Debt Service	60,131,289	60,131,289	-	60,163,276	60,163,276	-
Allocation - Capital Rehabilitation	44,181,377	38,897,646	(5,283,731)	34,181,377	38,647,646	4,466,269
Allocation - Priority Capital Programs	50,000,000	50,000,000	-	51,000,000	51,000,000	-
Allocation - Other	1,604,149	1,604,149	-	1,604,149	1,604,149	-
Allocation - Sustainability from LCFS	-	-	-	-	-	-
Allocation - Pension	-	-	-	-	-	-
<b>Subtotal - Debt Service &amp; Allocations</b>	<b>155,916,815</b>	<b>150,633,084</b>	<b>(5,283,731)</b>	<b>146,948,802</b>	<b>151,415,071</b>	<b>4,466,269</b>
<b>TOTAL - USES</b>	<b>1,067,437,566</b>	<b>1,084,148,285</b>	<b>16,710,719</b>	<b>1,095,457,794</b>	<b>1,115,882,898</b>	<b>20,425,104</b>
<b>Net Result Before Federal Emergency Assistance</b>	<b>\$ (344,935,918)</b>	<b>\$ (350,784,199)</b>	<b>\$ (5,848,281)</b>	<b>\$ (333,902,918)</b>	<b>\$ (342,394,017)</b>	<b>\$ (8,491,099)</b>
<b>Federal Emergency Assistance</b>	<b>344,935,918</b>	<b>350,784,199</b>	<b>5,848,281</b>	<b>255,936,173</b>	<b>249,600,586</b>	<b>8,491,099</b>
<b>NET RESULT</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (77,966,745)</b>	<b>\$ (92,793,431)</b>	<b>\$ -</b>
Average Weekday Trips	167,500	167,500	-	181,600	181,600	-
Total Ridership	51,262,600	51,262,600	-	55,416,500	55,416,500	-
Rail Farebox Recovery Ratio	25%	24%		27%	26%	
Operating Ratio	29%	28%		31%	30%	

## Attachment 2

### FY24 and FY25 Capital & Reimbursable Budget Headcount and Planned Expenditures Program Summary by Category

Program Category	FY24 and FY25 Headcount*	FY24 Planned Expenditures	FY25 Planned Expenditures
<b>System Reinvestment</b>			
Mainline	150.2	\$ 222,914,903	\$ 179,593,251
Rolling Stock	247.9	\$ 367,884,908	\$ 97,319,193
Stations	38.0	\$ 56,393,329	\$ 62,269,836
Controls & Communications	19.6	\$ 29,152,095	\$ 9,017,968
Facilities	22.9	\$ 33,989,621	\$ 10,005,492
Work Equipment	0.0	\$ 67,237	
<b>Total System Reinvestment</b>	<b>478.8</b>	<b>\$ 710,402,093</b>	<b>\$ 358,205,740</b>
<b>Service &amp; Capacity Enhancement</b>			
Mainline	116.9	\$ 173,434,218	\$ 178,990,405
Rolling Stock	58.2	\$ 86,334,846	\$ 405,419,685
Stations	57.8	\$ 85,808,586	\$ 93,015,489
Controls & Communications	180.5	\$ 267,880,535	\$ 198,801,929
Facilities	42.6	\$ 63,186,106	\$ 87,807,244
Work Equipment	1.9	\$ 2,744,997	\$ 8,577,196
<b>Total Service and Capacity Enhancement</b>	<b>457.9</b>	<b>\$ 679,389,288</b>	<b>\$ 972,611,949</b>
<b>Safety &amp; Security</b>	7.5	\$ 11,167,389	\$ 7,931,588
<b>Earthquake Safety</b>	15.9	\$ 23,605,125	\$ 224,850
<b>System Expansion</b>	36.9	\$ 54,754,498	\$ 51,109,218
<b>TOTAL CAPITAL</b>	<b>997.0</b>	<b>\$ 1,479,318,394</b>	<b>\$ 1,390,083,345</b>
<b><u>FY24 and FY25</u></b>			
<b><u>Reimbursable Headcount</u></b>	<b><u>Headcount</u></b>		
<b>Capitol Corridor**</b>	23.0		
<b>Reimbursable***</b>	19.5		
<b>TOTAL REIMBURSABLE</b>	<b>42.5</b>		
<b>Cost Allocation Plan</b>	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, Caltrans, and others for BART staff expenses incurred in performing services for the organizations.

**EXHIBIT A**  
**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**ANNUAL BUDGET - FY24 and FY25**

<u>FUND SOURCES</u>	<u>FY24</u>		<u>FY25</u>	
FUND SOURCES FOR NET OPERATING EXPENSE BUDGET, DEBT SERVICE AND CAPITAL ALLOCATIONS				
Operating Revenue	\$	264,164,635	\$	292,540,850
Sales Tax		319,842,152		327,198,783
Property Tax		61,200,000		64,260,000
VTA Financial Assistance		34,732,657		34,794,917
MTC Financial Assistance Clipper Start		451,669		1,229,157
Local & Other Assistance		12,695,516		13,599,154
State Transit Assistance		23,518,508		23,207,071
Low Carbon Transit Operations Program		10,258,949		10,258,949
Low Carbon Fuel Standard Program		6,500,000		6,400,000
<b>Subtotal Operating Sources</b>		<b>733,364,086</b>		<b>773,488,881</b>
Federal Emergency Assistance		350,784,199		249,600,586
<b>Subtotal – Emergency Assistance</b>		<b>350,784,199</b>		<b>249,600,586</b>
<b>Total Operating Sources</b>		<b>1,084,148,285</b>		<b>1,023,089,467</b>
FUND SOURCE FOR CAPITAL BUDGET				
Capital Funds - Cash Flow	\$	1,479,318,394	\$	1,390,083,345
<b>TOTAL ESTIMATED FUND SOURCES</b>	<b>\$</b>	<b>2,563,466,679</b>	<b>\$</b>	<b>2,413,172,812</b>
<u>FUND USES</u>				
FUND USES FOR NET OPERATING EXPENSE BUDGET, DEBT SERVICE AND CAPITAL ALLOCATIONS				
Net Labor Expense <sup>(1)</sup>	\$	700,497,999	\$	726,761,731
Non-Labor Expense		233,017,202		237,706,096
<b>Total Net Operating Expense</b>	<b>\$</b>	<b>933,515,201</b>	<b>\$</b>	<b>964,467,827</b>
Revenue Bond Debt Service		60,131,289		60,163,276
Allocation to Capital - Rehabilitation		38,897,646		38,647,646
Allocation to Capital - Priority Capital Programs		50,000,000		51,000,000
Allocation to Capital - Other		1,604,149		1,604,149
<b>Total Operating Uses</b>	<b>\$</b>	<b>1,084,148,285</b>	<b>\$</b>	<b>1,115,882,898</b>
FUND USES FOR CAPITAL BUDGET				
Capital Funds - Cash Flow	\$	1,479,318,394	\$	1,390,083,345
<b>TOTAL ESTIMATED FUND USES</b>	<b>\$</b>	<b>2,563,466,679</b>	<b>\$</b>	<b>2,505,966,243</b>
<b>NET FINANCIAL RESULT (DEFICIT)</b>		<b>-</b>		<b>(92,793,431)</b>

<sup>(1)</sup> Total Authorized Permanent Positions as of 07/01/23 = 4,583.95, as of 07/01/24 = 4,583.95

**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
RECEPTIONIST	\$36.3908	\$37.9678	\$39.4293	\$40.9288	\$42.4674	\$43.0579
PARALEGAL	\$43.3179	\$45.1982	\$46.9393	\$48.7279	\$50.5627	\$51.2601
P/T SURVEY TAKER (SINGLE RATE)	\$41.6922					
ENGINEER INTERN	\$22.5000					

NOTE: The clerical rates are effective 07/01/2023.

**PROFESSIONAL/MANAGEMENT PAY BANDS**

PAY BAND	MINIMUM	MIDPOINT	MAXIMUM
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 were effective 07/01/2022.

**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/CIC	\$4,800
Assistant General Manager - Design & Construction	\$4,800
Assistant General Manager - Performance & Budget	\$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	\$195,000.00	7/1/2023
CONTROLLER-TREASURER*	\$289,623.31	7/1/2022
GENERAL COUNSEL	\$320,220.26	7/1/2023
GENERAL MANAGER	\$410,077.38	7/1/2023
INDEPENDENT POLICE AUDITOR	\$218,106.05	7/1/2023
INSPECTOR GENERAL	\$220,000.00	7/1/2023

\* Board Appointed Officer positions currently vacant, listed latest interim salary  
Note: No rate increases approved for Board Appointed Officers in FY24.