



# FY24 Second Quarter Financial Report

BART Board of Directors

March 14, 2024



# Executive Summary

- New report format
  - Quarterly budget & actuals report with year-end projection
  - Controller-Treasurer report of BART's post-employment obligations, cash & investments, receivables, long-term liabilities, and reserves
  - Goal is to produce a more concise, transparent report
- FY24 Accomplishments
  - Combined reports consolidates reporting of budget & financial information
    - Outcome of new reporting structure
  - Faster monthly closing schedule

# Consolidated Report Format

## **Budget to Actuals**

- Q1 and Q2 budget to actuals report (sources, uses, net result)
- Emergency assistance allocations, drawdowns, usage
- Discussion of major variances

## **Controller-Treasurer Report**

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

# Operating Sources

## Quarterly Financial Report - Second Quarter FY24

(\$ Millions)	Q1 Actuals	Q2 Budget	Q2 Actuals	Q2 Variance	YTD Budget	YTD Actuals	YTD Variance	YTD % Variance	Year-End Forecast	Annual Budget	% Annual Budget	Projected Year-End Variance
<b><u>Operating Revenue</u></b>												
Net Passenger Revenue	55.5	53.4	53.2	(0.2)	108.9	108.6	(0.2)	-0.2%	225.9	225.4	48.2%	0.5
Parking Revenue	4.0	3.8	4.1	0.3	7.6	8.1	0.5	6.1%	16.4	14.8	54.4%	1.6
Other Operating Revenue, Net of GASB 87 & 94	4.8	5.3	4.3	(1.0)	10.6	9.2	(1.4)	-13.3%	21.4	21.4	42.8%	(0.0)
<b>Total Net Operating Revenue</b>	<b>64.3</b>	<b>62.5</b>	<b>61.6</b>	<b>(0.9)</b>	<b>127.0</b>	<b>125.9</b>	<b>(1.2)</b>	<b>-0.9%</b>	<b>263.7</b>	<b>261.7</b>	<b>48.1%</b>	<b>2.0</b>
<b>Non Operating Revenue - Investment Income, Net of GASB 87</b>	<b>8.5</b>	<b>0.6</b>	<b>8.4</b>	<b>7.7</b>	<b>1.2</b>	<b>16.8</b>	<b>15.6</b>	<b>1246.4%</b>	<b>19.5</b>	<b>2.5</b>	<b>731.9%</b>	<b>17.0</b>
<b>Total Revenue</b>	<b>72.7</b>	<b>63.1</b>	<b>70.0</b>	<b>6.9</b>	<b>128.3</b>	<b>142.7</b>	<b>14.4</b>	<b>11.2%</b>	<b>283.2</b>	<b>264.2</b>	<b>54.0%</b>	<b>19.1</b>
<b><u>Financial Assistance</u></b>												
Sales Tax	82.8	84.2	80.4	(3.8)	162.4	163.2	0.8	0.5%	318.1	319.8	51.0%	(1.7)
Property Tax	3.7	28.8	30.1	1.3	30.8	33.8	3.0	9.7%	61.2	61.2	55.3%	-
State Transit Assistance	0.0	5.9	-	(5.9)	5.9	0.0	(5.9)	-99.8%	54.3	23.5	0.1%	30.8
VTA Financial Assistance	8.2	8.7	8.8	0.1	17.4	17.0	(0.4)	-2.2%	34.6	34.7	48.9%	(0.1)
Other Assistance, Net of Federal Emergency Assistance	6.6	7.4	15.6	8.2	14.3	22.2	7.9	55.0%	32.2	29.9	74.2%	2.3
<b>Total Financial Assistance</b>	<b>101.4</b>	<b>134.9</b>	<b>134.9</b>	<b>(0.0)</b>	<b>230.8</b>	<b>236.2</b>	<b>5.4</b>	<b>2.4%</b>	<b>500.5</b>	<b>469.2</b>	<b>50.4%</b>	<b>31.3</b>
<b>Total Sources</b>	<b>174.1</b>	<b>198.0</b>	<b>204.8</b>	<b>6.8</b>	<b>359.1</b>	<b>378.9</b>	<b>19.8</b>	<b>5.5%</b>	<b>783.7</b>	<b>733.4</b>	<b>51.7%</b>	<b>50.4</b>

- Revenues above budget driven primarily by investment income
- State Transit Assistance below budget at Q2 end due to timing of payments; projected to be above budget by FY end



# Operating Uses

## Quarterly Financial Report - Second Quarter FY24

(\$ Millions)

	Q1 Actuals	Q2 Budget	Q2 Actuals	Q2 Variance	YTD Budget	YTD Actuals	YTD Variance	YTD % Variance	Year-End Forecast	Annual Budget	% Annual Budget	Projected Year-End Variance
<b><u>Operating Expense</u></b>												
Gross Wages, Fringe Benefits & Other Labor	203.9	209.4	202.8	6.5	420.1	406.7	13.4	3.2%	811.1	839.8	48.4%	28.6
Capital Labor Reimbursements - Wages, Fringe Benefits & Other Labor	(31.6)	(48.3)	(32.0)	(16.3)	(96.6)	(63.6)	(33.0)	-34.2%	(124.1)	(192.2)	33.1%	(68.1)
Subtotal - Net Operating Wages, Fringe Benefits & Other Labor	172.4	161.1	170.8	(9.7)	323.5	343.1	(19.6)	-6.1%	687.0	647.6	53.0%	(39.4)
Gross Overtime	20.2	19.9	20.0	(0.1)	39.8	40.1	(0.3)	-0.8%	78.9	76.8	52.3%	(2.2)
Capital Reimbursements - Overtime	(3.7)	(5.9)	(3.5)	(2.4)	(11.6)	(7.2)	(4.4)	-37.9%	(16.0)	(23.9)	30.2%	(7.9)
Subtotal - Net Operating Overtime	16.5	14.0	16.5	(2.5)	28.2	32.9	(4.7)	-16.8%	62.9	52.9	62.2%	(10.1)
<b>Total Operating Labor</b>	<b>188.8</b>	<b>175.0</b>	<b>187.2</b>	<b>(12.2)</b>	<b>351.7</b>	<b>376.1</b>	<b>(24.3)</b>	<b>-6.9%</b>	<b>750.0</b>	<b>700.5</b>	<b>53.7%</b>	<b>(49.5)</b>
Electric Power	15.7	14.7	15.0	(0.3)	29.0	30.7	(1.7)	-5.8%	59.0	59.0	52.0%	0.0
Purchased Transportation	6.5	6.7	6.6	0.1	13.4	13.1	0.3	2.1%	28.4	26.7	49.0%	(1.7)
Other Non Labor, Net of GASB 87 & 96	26.4	38.3	33.7	4.7	69.8	60.1	9.7	13.8%	144.9	147.3	40.8%	2.4
<b>Total Non Labor</b>	<b>48.6</b>	<b>59.7</b>	<b>55.3</b>	<b>4.4</b>	<b>112.1</b>	<b>103.9</b>	<b>8.2</b>	<b>7.4%</b>	<b>232.2</b>	<b>233.0</b>	<b>44.6%</b>	<b>0.8</b>
<b>Total Operating Expense</b>	<b>237.4</b>	<b>234.7</b>	<b>242.5</b>	<b>(7.8)</b>	<b>463.9</b>	<b>479.9</b>	<b>(16.1)</b>	<b>-3.5%</b>	<b>982.2</b>	<b>933.5</b>	<b>51.4%</b>	<b>(48.7)</b>
<b><u>Debt Service and Allocations</u></b>												
Debt Service	15.0	15.0	15.0	0.0	30.1	30.1	0.0	0.0%	60.1	60.1	50.0%	-
Capital and Other Allocations, Net of Emergency Assistance	20.8	16.8	10.8	6.0	37.5	31.6	6.0	15.9%	69.2	90.5	34.9%	21.3
<b>Total Debt Service and Allocations</b>	<b>35.8</b>	<b>31.9</b>	<b>25.8</b>	<b>6.0</b>	<b>67.6</b>	<b>61.6</b>	<b>6.0</b>	<b>8.8%</b>	<b>129.3</b>	<b>150.6</b>	<b>40.9%</b>	<b>21.3</b>
<b>Total Uses</b>	<b>273.2</b>	<b>266.6</b>	<b>268.3</b>	<b>(1.7)</b>	<b>531.4</b>	<b>541.6</b>	<b>(10.1)</b>	<b>-1.9%</b>	<b>1,111.5</b>	<b>1,084.1</b>	<b>50.0%</b>	<b>(27.4)</b>

- Lagging capital reimbursements driving negative expense variance, which is partially offset by reduced need for Priority Capital allocations (railcar contingency)
- Traction power expenditures in Q3 and Q4 are a concern despite savings from shorter trains

# Emergency Assistance & Net Result

## Quarterly Financial Report - Second Quarter FY24

(\$ Millions)

	Q1 Actuals	Q2 Budget	Q2 Actuals	Q2 Variance	YTD Budget	YTD Actuals	YTD Variance	YTD % Variance	Year-End Forecast	Annual Budget	% Annual Budget	Projected Year-End Variance
<b>Operating Revenue</b>												
Total Net Operating Revenue	64.3	62.5	61.6	(0.9)	127.0	125.9	(1.2)	-0.9%	263.7	261.7	48.1%	2.0
Non Operating Revenue	8.5	0.6	8.4	7.7	1.2	16.8	15.6	1246.4%	19.5	2.5	731.9%	17.0
Total Revenue	72.7	63.1	70.0	6.9	128.3	142.7	14.4	11.2%	283.2	264.2	54.0%	19.1
Total Financial Assistance	101.4	134.9	134.9	(0.0)	230.8	236.2	5.4	2.4%	500.5	469.2	50.4%	31.3
Total Sources	174.1	198.0	204.8	6.8	359.1	378.9	19.8	5.5%	783.7	733.4	51.7%	50.4
<b>Operating Expense</b>												
Total Operating Labor	188.8	175.0	187.2	(12.2)	351.7	376.1	(24.3)	-6.9%	750.0	700.5	53.7%	(49.5)
Total Non Labor	48.6	59.7	55.3	4.4	112.1	103.9	8.2	7.4%	232.2	233.0	44.6%	0.8
Total Operating Expense	237.4	234.7	242.5	(7.8)	463.9	479.9	(16.1)	-3.5%	982.2	933.5	51.4%	(48.7)
<b>Debt Service and Allocations</b>												
Total Debt Service and Allocations	35.8	31.9	25.8	6.0	67.6	61.6	6.0	8.8%	129.3	150.6	40.9%	21.3
Total Uses	273.2	266.6	268.3	(1.7)	531.4	541.6	(10.1)	-1.9%	1,111.5	1,084.1	50.0%	(27.4)
Net Result Before Emergency Assistance	(99.1)	(68.6)	(63.5)	5.1	(172.3)	(162.6)	9.7	5.6%	(327.8)	(350.8)	34.6%	23.0
Emergency Assistance Applied	99.1	68.6	63.5	(5.1)	172.3	162.6	(9.7)	-5.6%	327.8	350.8		(23.0)
Net Result before GASB	(0.0)	0.0	(0.0)	(0.0)	-	(0.0)	(0.0)	0.0%	0.0	0.0	0.0%	(0.0)
Operating Result (Deficit)	(173.2)	(172.3)	(180.9)	(8.6)	(336.8)	(354.1)	(17.3)	-5.1%	(718.5)	(671.9)	52.7%	46.7
System Operating Ratio	27.3%	26.6%	25.4%	-0.9%	27.4%	26.2%	-1.2%		26.8%	28.0%		-1.2%
Rail Cost / Passenger Mile (\$)	1.19	1.22	1.28	(0.04)	1.18	1.23	(0.05)			1.29		

- Sources projected \$50.4M better than budget
- Uses projected \$27.4M above budget
- Net result projected to require \$46.7M less emergency assistance to balance FY24

# Emergency Assistance to BART as of December 31, 2023

Emergency Assistance to BART (Updated February 2, 2024)

Award amounts (\$M)	FY20	FY21	FY22	FY23	FY24	Total Awarded
CARES	<u>251</u>	<u>126</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>377</u>
CRRSAA	<u>0</u>	<u>378</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>378</u>
ARPA + Add'l Assistance	<u>0</u>	<u>0</u>	<u>582</u>	<u>0</u>	<u>0</u>	<u>853</u>
SB125 State and Regional Assistance*	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>58</u>	<u>58</u>
<i>Subtotal - all awards</i>	<u>251</u>	<u>504</u>	<u>582</u>	<u>0</u>	<u>58</u>	<u>1,666</u>

Funds allocated to BART

Draw downs (\$M) - funds received as of 12/31/23	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Actual	Total Drawn Down
CARES	<u>186</u>	<u>191</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>377</u>
CRRSAA	<u>0</u>	<u>211</u>	<u>167</u>	<u>0</u>	<u>0</u>	<u>378</u>
ARPA + Add'l Assistance	<u>0</u>	<u>0</u>	<u>276</u>	<u>408</u>	<u>169</u>	<u>853</u>
SB125 State and Regional Assistance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Subtotal - all drawdowns</i>	<u>186</u>	<u>402</u>	<u>443</u>	<u>408</u>	<u>169</u>	<u>1,608</u>

Funds received by BART per formula

BART has drawn down all allocated federal emergency assistance

*Remaining emergency funds to be drawn down after 12/31/23 (\$M)*

**58**

Expenditures (\$M) - applied to offset incurred expenses as of 12/31/23	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Actual	Total Applied
CARES	<u>120</u>	<u>257</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>377</u>
CRRSAA	<u>0</u>	<u>41</u>	<u>287</u>	<u>50</u>	<u>0</u>	<u>378</u>
ARPA + Add'l Assistance	<u>0</u>	<u>0</u>	<u>0</u>	<u>266</u>	<u>163</u>	<u>428</u>
SB125 State and Regional Assistance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Subtotal - all expenditures</i>	<u>120</u>	<u>298</u>	<u>287</u>	<u>316</u>	<u>163</u>	<u>1,184</u>

Funds used by BART to offset incurred costs

*Funds in BART reserves as of 12/31/23 (\$M)*

**425**

*Remaining funds to be used to offset expenses after 12/31/23 (\$M)*

**484**

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

# Major Budget Variance: Capital Reimbursements

- Capital Reimbursements are projected to end the year \$76M (35%) below budget, generating a significant negative operating budget variance
- Nearly half of the variance is driven by over-estimates of capital labor spending in FY24; this variance does not impact the operating budget
- The remaining variance is primarily driven by re-assignment of staff over the past two years from capital projects to maintenance work; this variance generates a negative operating budget variance

Variance Driver	(\$M)	Description
Capital OT overbudgeted	26	Operating budget neutral
Capital vacancy rate correction.	9	Operating budget neutral
Maintenance positions	32	Positions that need to be converted to operating
Misc other	9	Other: vacancies, project prioritization, etc
Total	76	



# Next Steps

- If unaddressed, total impact to BART's deficit from capital reimbursement variance & potential traction power increases would significantly shorten fiscal runway
- Staff are taking steps to mitigate the impact and preserve BART's ability to provide service through the end of FY26
  - BART will balance its budget through the end of FY26 without impacting service
- Preliminary Budget Memo to be released on 3/31 will include an update, potentially including the following actions:
  - Updated traction power increase estimates
  - Decreased overtime budget due to higher staffing levels
  - Additional capital work where possible to increase reimbursements
  - Additional deferrals or reductions in planned Priority Capital allocations

# Controller-Treasurer Report

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

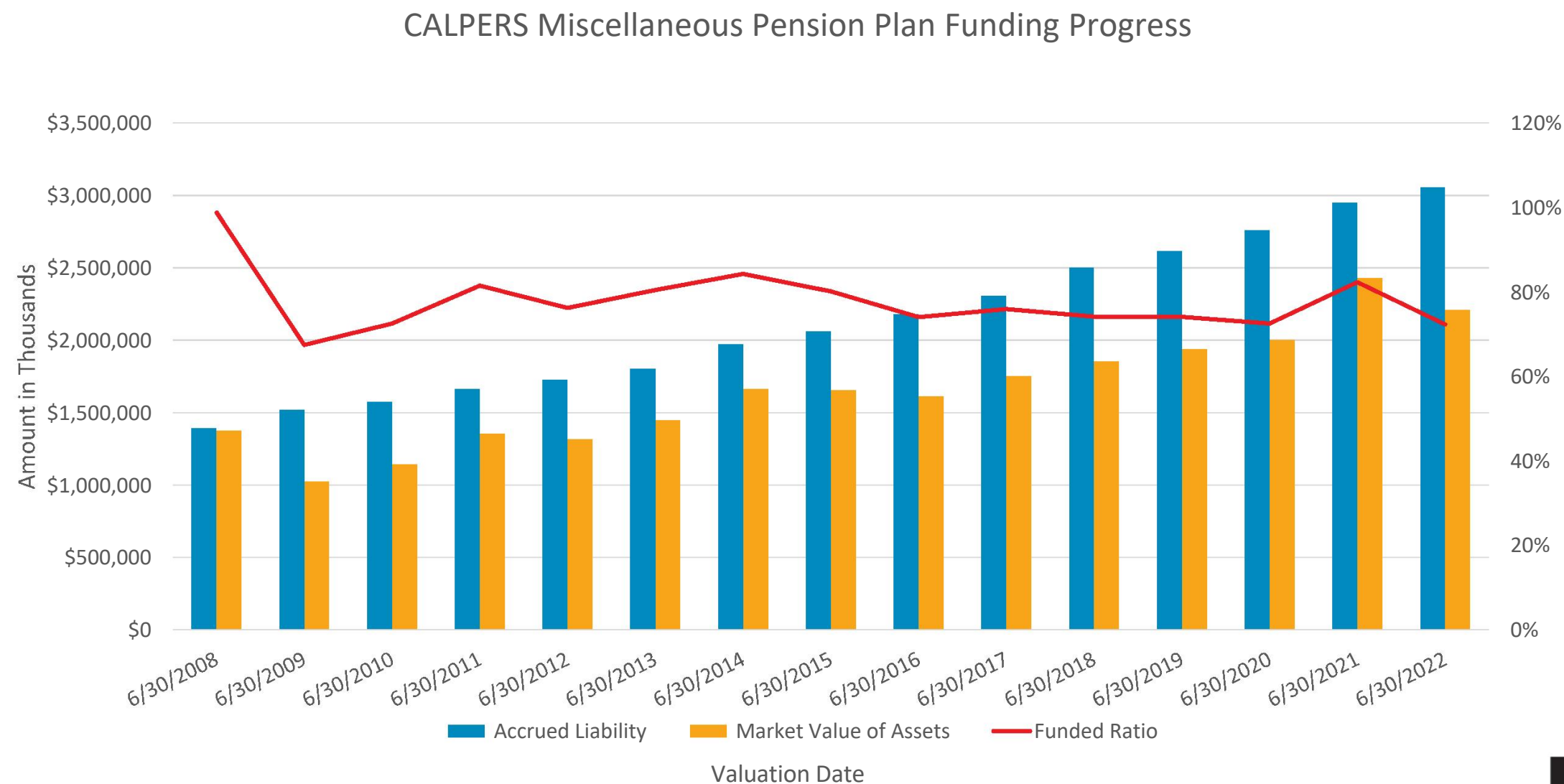
# Post-Employment Benefits Summary

- 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 \$462 billion.
    - ✓ The District established a Section 115 Trust for prefunding the District's pension obligation on February 5, 2020.
  - **Retiree Medical Benefits** coverage funded by a Trust established by the District in 2005.
    - a. Invested in a combination of stocks, bonds, REIT & cash,
    - b. Benchmark 6.5%,
    - c. Quarterly Report to the Unions
  - **Survivor Benefits** of active and retired employees funded by the employees (\$15/month).
    - ✓ The Trust was established on May 18, 2020.
  - **Life Insurance** for retired employees.
  - The District also accrues liabilities through Property & Casualty insurance and workers compensation claims and maintains the required reserves related to its self-funded insurance programs for worker's compensation and general liability based on an annual actuarial study.

# Funding Status of Pension Obligations

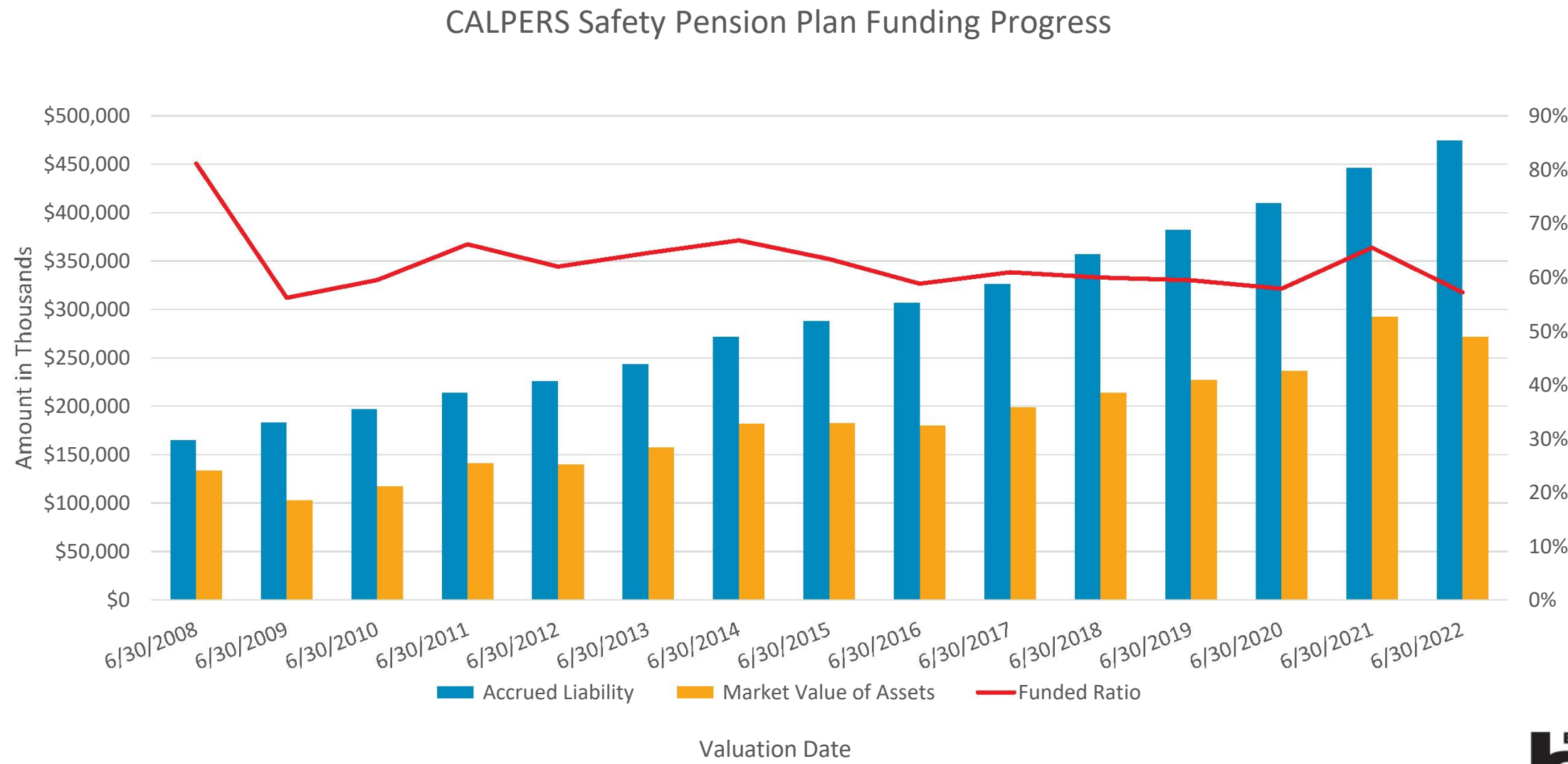
	<u>Report Date</u>	<u>Market Value of Assets</u>	<u>Total Liability</u>	<u>Unfunded Liability</u>	<u>% Funded 06/30/2022</u>	<u>% Funded 06/30/2021</u>
<b>Funds Managed by CALPERS</b>						
Miscellaneous Employees	6/30/2022	\$ 2,209,563,221	\$ 3,055,735,077	\$ 846,171,856	72.3%	82.3%
Safety Employees	6/30/2022	\$ 271,553,423	\$ 474,850,794	\$ 203,297,371	57.2%	65.5%
Section 115 Pension Trust	12/31/2023	\$ <u>39,548,250</u>		\$ <u>(39,548,250)</u>		
<b>Total - Pension Benefit Obligations</b>		<u>\$ 2,520,664,894</u>	<u>\$ 3,530,585,871</u>	<u>\$ 1,009,920,977</u>		

# CalPERS Miscellaneous 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>
<b>Retiree Health Benefits</b>	6/30/2023	\$ 506,393,000	\$ 718,155,000	\$ 211,762,000	70.5%
<b>Other Post Employment Benefits</b>					
Life Insurance	6/30/2022	\$ -	\$ 45,887,000	\$ 45,887,000	0.0%
Survivors Benefits *	6/30/2023	\$ 10,890,000	\$ 20,986,000	\$ 10,096,000	51.9%

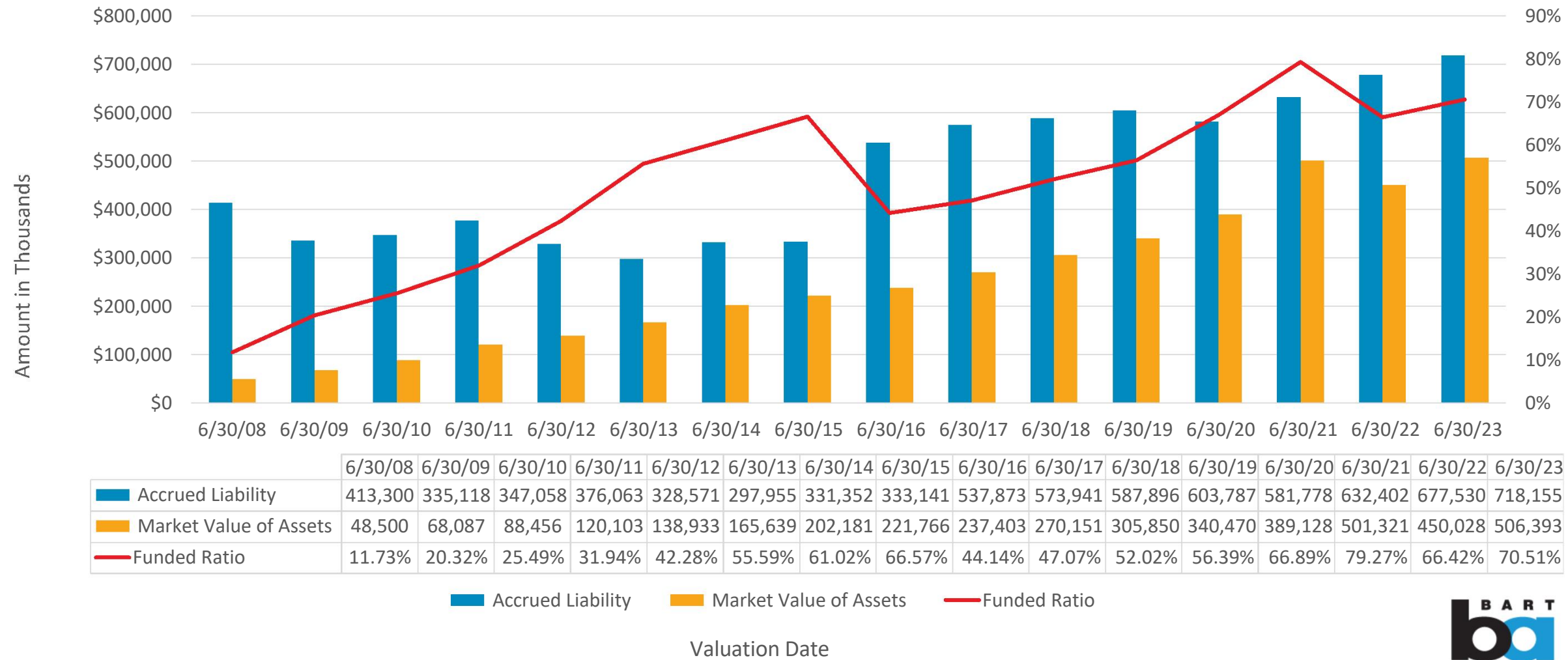
## Prior Year's Valuation

	<u>Report Date</u>	<u>Market Value of Assets</u>	<u>Total Liability</u>	<u>Unfunded Liability</u>	<u>% Funded</u>
<b>Retiree Health Benefits</b>	6/30/2022	\$ 450,028,000	\$ 677,530,000	\$ 227,502,000	66.4%
<b>Other Post Employment Benefits</b>					
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%

\*Preliminary per draft report.

# Funding Progress Retiree Health Benefits Plan

Funding Progress Retiree Health Benefits Plan



# Trust Assets for Post Employment Benefits Held by the District

**Quarterly Change**

	Net Assets September 30, 2023	Contributions	Expenses	Gain (Loss)	Net Assets December 31, 2023	Inception to-date Return	Quarterly Return
Retiree Health Benefit Trust	\$ 496,178,273	\$ 13,615,808	\$ (8,003,588)	\$ 48,648,134	\$ 550,438,627	7.1%	9.7%
Section 115 Pension Trust	37,842,631		-	1,705,619	39,548,250	-0.4%	4.5%
Survivors Benefit Trust	10,746,683	211,838	(107,040)	985,648	11,837,129	6.7%	9.5%
Total	<u>\$ 544,767,587</u>	<u>\$ 13,827,646</u>	<u>\$ (8,110,628)</u>	<u>\$ 51,339,401</u>	<u>\$ 601,824,006</u>		

	Net Assets June 30, 2023
Retiree Health Benefit Trust	\$ 506,392,988
Section 115 Pension Trust	38,081,054
Survivors Benefit Trust	10,889,851
Total	<u>\$ 555,363,893</u>

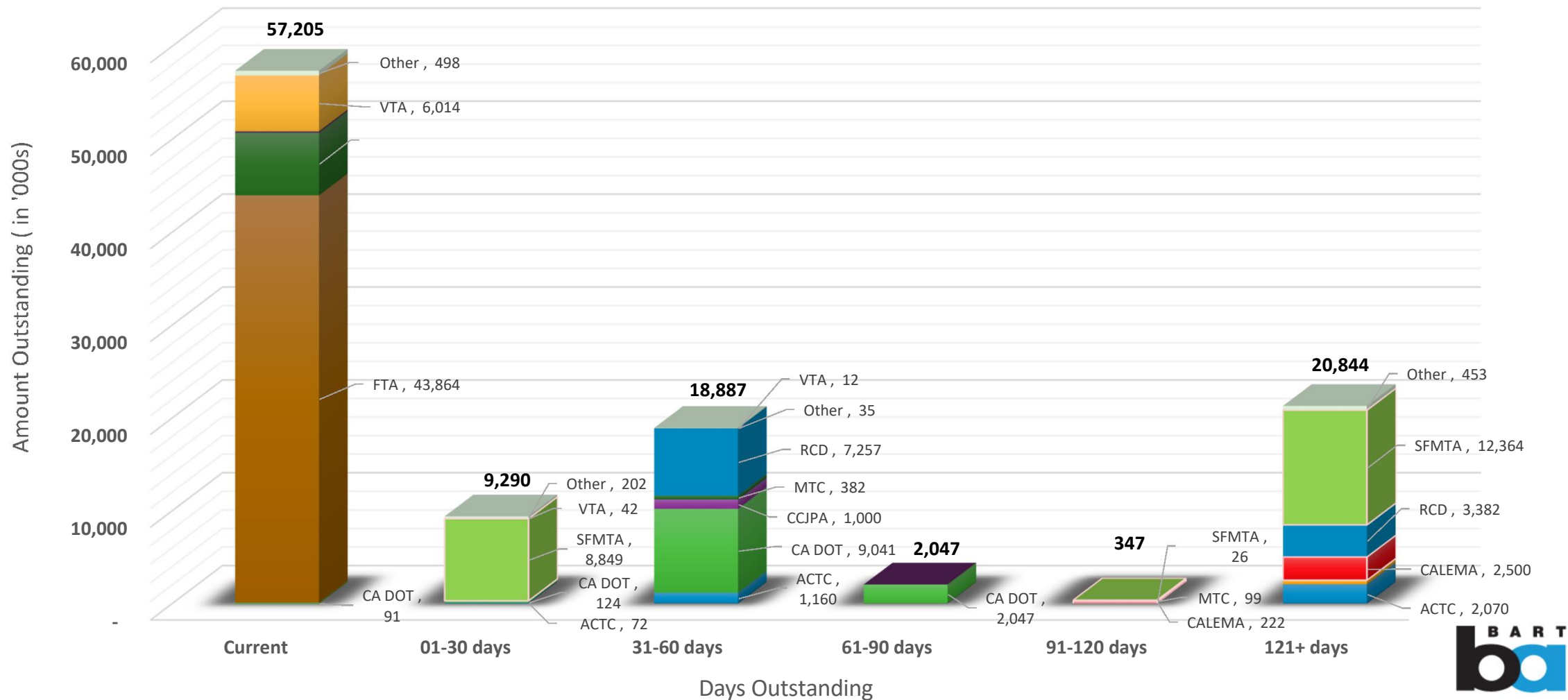
**Fiscal Year 2024 Year to Date Increase**

Retiree Health Benefit Trust	\$ 44,045,639
Section 115 Pension Trust	1,467,196
Survivors Benefit Trust	947,278
Total	<u>\$ 46,460,113</u>



# Outstanding Billed A/R Grants

➤ The status of receivables from our funding partners is shown in the chart below. The amount outstanding is \$108.6M as of December 31, 2023.

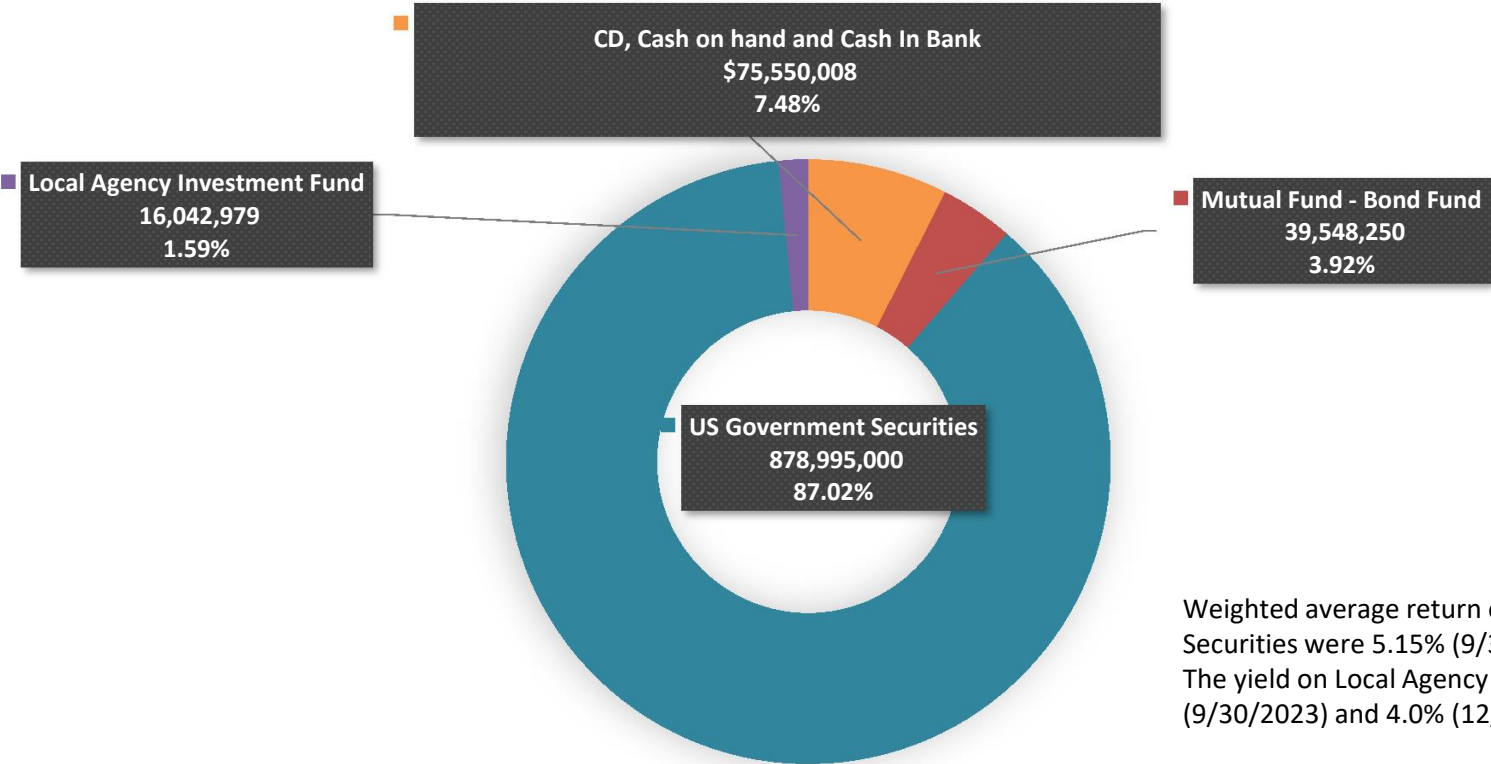




# Cash and Investments

	Amount	% Allocated
CD, Cash on hand and Cash In Bank	\$ 75,550,008	7%
Mutual Fund - Bond Fund	39,548,250	4%
US Government Securities	878,995,000	87%
Local Agency Investment Fund	16,042,979	2%
Total Cash & Investments	\$ 1,010,136,238	100%

Breakdown of US Government Securities	Amount
US Treasury	\$ 221,445,000
Federal Home Loan Bank	527,550,000
Fannie Mae Home Loan	105,000,000
Inter American Development Bank	25,000,000
Total	\$ 878,995,000



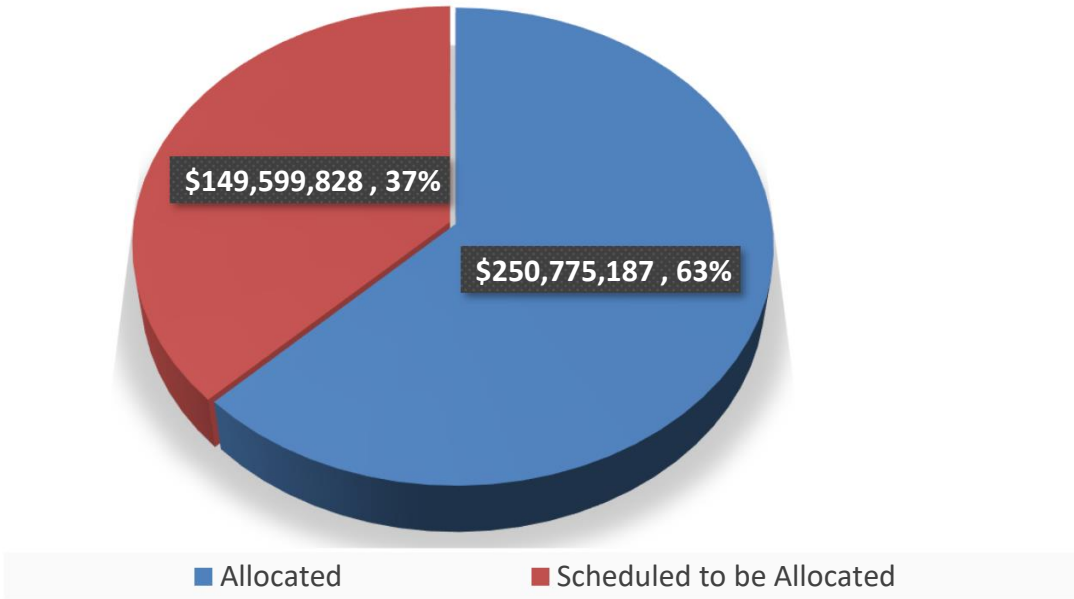
Weighted average return on investments in U.S. Government Securities were 5.15% (9/30/2023) and 5.27% (12/31/2023). The yield on Local Agency Investment Fund were 3.59% (9/30/2023) and 4.0% (12/31/2023).



# Breakdown of Cash and Investments

	December 31, 2023		
	General Fund	Capital Fund	Total
Restricted	\$ 38,942,930	\$ 6,473,489	\$ 45,416,419
Unrestricted	\$ 570,818,293	\$ 393,901,526	\$ 964,719,819
	<u>\$ 609,761,223</u>	<u>\$ 400,375,015</u>	<u>\$ 1,010,136,238</u>

Capital Funding Commitment - December 31, 2023



# Summary of Outstanding Bonds

	Authorized	Issued as of 12-31-2023	Outstanding Balance 09-30-2023	Issuance	Payments	Outstanding Balance 12-31-2023	Annual Debt Service Fiscal Year 2024	Property Tax Assessments Fiscal Year 2024**
<b>Sales Tax Revenue Bonds *</b>		\$ 984,260,000	\$ 590,805,000	\$ -		\$ 590,805,000	\$ 60,131,289	
<b>Measure AA General Obligation Bonds</b>	\$ 980,000,000	\$ 980,000,000	\$ 601,510,000	\$ -		\$ 601,510,000	\$ 54,656,844	\$4.80/\$100,000
<b>Measure RR General Obligation Bonds</b>	\$ 3,500,000,000	\$ 2,060,000,000	\$ 1,844,065,000	\$ -		\$ 1,844,065,000	\$ 98,533,175	\$8.60/\$100,000
<b>Total</b>		<u><u>\$ 4,024,260,000</u></u>	<u><u>\$ 3,036,380,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,036,380,000</u></u>	<u><u>\$ 213,321,308</u></u>	

\* 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

		<u>October - December 2023</u>			
		<u>September 30, 2023</u>	<u>Additions</u>	<u>Usage</u>	<u>December 31, 2023</u>
Operating Reserve	(1)	\$ 53,708,182	\$ -	\$ -	\$ 53,708,182
Insurance Calamity Reserve	(2)	9,000,000			9,000,000
Operating Reserve - Economic Uncertainty					
General Reserve for Economic Uncertainty	(3)	25,345,543			25,345,543
From Federal Assistance - ARP	(3)	429,874,345	58,352,796	(63,507,273)	424,719,868
Operating Reserve - Fiscal Stability - Pension	(4)	37,842,631	1,705,620		39,548,250
Operating Reserve - Low Carbon Fuel Standards Credits	(5)	18,498,668			18,498,668
Working Capital Reserve Fund	(6)	87,047,263	983,056		88,030,319
Operating Reserve - eBART Operations	(7)	5,390,000		(5,390,000)	-
Total		<u>\$ 666,706,631</u>	<u>\$ 61,041,472</u>	<u>\$ (68,897,273)</u>	<u>\$ 658,850,830</u>

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

# Discussion