



# Annual Comprehensive Financial Report

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

*For Fiscal Year Ended June 30, 2025*

*California*

Mark Foley, President, Board of Directors  
Robert Powers, General Manager



San Francisco Bay Area  
Rapid Transit District  
Oakland, California

Annual Comprehensive  
Financial Report

For the Fiscal Year Ended June 30, 2025

*Prepared by the  
Office of Financial Control and Accounting  
Joseph Beach – Chief Financial Officer*

# San Francisco Bay Area Rapid Transit District

## Annual Comprehensive Financial Report

For Fiscal Year Ended June 30, 2025

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San Francisco Bay Area Rapid Transit District



## INTRODUCTORY SECTION



## SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

2150 Webster Street, P.O. Box 12688  
Oakland, CA 94604-2688  
(510) 464-6000

2025

### Letter of Transmittal

Mark Foley  
PRESIDENT

Melissa Hernandez  
VICE PRESIDENT

Robert Powers  
GENERAL MANAGER

DIRECTORS      Dear Honorable Board of Directors and Citizens of our Service Area:

Matthew Rinn  
1ST DISTRICT      Subject: Annual Comprehensive Financial Report

Mark Foley  
2ND DISTRICT

Barnali Ghosh  
3RD DISTRICT

Robert Raburn, Ph.D.  
4TH DISTRICT

I am pleased to submit to you the Annual Comprehensive Financial Report of the San Francisco Bay Area Rapid Transit District (BART or the District) for the fiscal year ended June 30, 2025. The District's financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) as promulgated by the Governmental Accounting Standards Board. Public Utility Code 28769 requires the Board of Directors to have an annual audit of all books and accounts of the District by an independent public accountant.

Melissa Hernandez  
5TH DISTRICT

Elizabeth Ames  
6TH DISTRICT

Victor Flores  
7TH DISTRICT

BART is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Uniform Guidance. Information related to the Single Audit, including the Schedule of Federal and State awards, findings, and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations are set forth in a separate Single Audit report.

Janice Li  
8TH DISTRICT

Edward Wright  
9TH DISTRICT

Crowe LLP, a firm of licensed Certified Public Accountants, has audited BART's financial statements. The main goal of the independent audit is to provide reasonable assurance that the financial statements of BART as of and for the fiscal year ended June 30, 2025, are free from material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified (clean) opinion on BART's financial statements as of and for the fiscal year ended June 30, 2025. The independent auditor's report is located at the beginning of the financial section of this report.

The responsibility for the accuracy of the data and for the completeness and fairness of the presentation, including all disclosures, rests with BART's management. Management assumes full responsibility for the completeness and reliability of information contained in this report based on existing comprehensive structure of internal accounting controls. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free from material misstatements. All material disclosures necessary to enable the reader to gain an understanding of BART's financial activities have been included. I believe that the reported data is accurate in all material respects and that its presentation fairly depicts BART's financial position and changes in its financial position.

BART's Management's Discussion and Analysis (MD&A), shown on pages 16 to 27, provides a narrative introduction, overview, and analysis of the financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### **Governance**

BART is designated as a special purpose district, established in 1957 pursuant to California Public Utilities Code Section 28500 et seq., known as the San Francisco Bay Area Rapid Transit District Act or BART Act.<sup>1</sup> BART's Board of Directors is the legislative body responsible for establishing BART policy. Senior staff work closely with the Board of Directors to help ensure delivery of safe and reliable service.

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

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

### **Demographics**

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

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

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

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

### **Budget Process and Summary**

BART's budget consists of an operating and a capital budget. The operating budget funds the annual operations and maintenance of the BART system. The capital budget funds the construction, expansion, renovation, replacement, and improvement of physical assets (new train cars, equipment, station access improvements, etc.). Each budget is divided into revenues (sources) and expenses (uses). Generally,

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<sup>1</sup>[https://leginfo.legislature.ca.gov/faces/codes\\_displayexpandedbranch.xhtml?tocCode=PUC&division=10.&title=&part=2.&chapter=&article=](https://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=PUC&division=10.&title=&part=2.&chapter=&article=)

operating revenue is intended to be ongoing and is funded annually. Capital funding, on the other hand, is split between formulaic sources, which are generally allocated each year, and competitive grant sources that are awarded periodically based on assessment criteria. Capital funding is typically spent over multiple fiscal years, depending on the duration of the capital project.

### **Fund Structure**

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

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

### **Basis of Budgeting**

BART utilizes the modified accrual basis of accounting for budgeting operating revenues and operating expenses. BART recognizes financial transactions when expenses are incurred and when revenues are earned, regardless of the timing when payments are made or received with exception of sales tax revenue, which is reported on a cash basis. Depreciation expense, non-cash related gain or losses, and adjustments related to the implementation of GASB 68 (pension), GASB 74-75 (Other Post Employment Obligations), GASB 87 (Leases), GASB 96 (SBITA - Subscription-Based Information Technology Arrangement), and GASB 94 (Public-Private and Public-Public Partnerships and Availability Payment Arrangements), which are included in BART's annual audited financial statements, are not included in the operating budget. BART's budget covers a fiscal year which runs on July 1st through June 30th.

### **Financial Policies and Reporting**

BART has developed and regularly updates key financial policies, which create a financial framework and sets of rules that BART conforms to. They include a Financial Stability Policy and Investment Policy. Each year, BART completes an Annual Comprehensive Financial Report, which is audited by an independent auditor using Generally Accepted Government Auditing Standards. Over the course of the fiscal year, staff publish monthly financial reports and present quarterly results to the BART Board of Directors.

BART issues two forms of debt to finance capital investments. Some debt is secured by BART's dedicated share of sales tax revenue in the three BART District counties. This debt is serviced by the operating budget. As approved by voters in the BART District, BART also issues general obligation bond debt. The debt service for this borrowing is covered by supplemental property tax assessments. BART's debt is governed by its Debt Policy, which sets its overall debt limit.

In fiscal year 2025, the District also availed of a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan. The TIFIA loan program is managed by the US Department of Transportation, specifically the Office of Innovative Program Delivery and the Build America Bureau. The program provides credit assistance for qualified projects of regional and national significance. Through direct loans, loan guarantees and lines of credit, TIFIA offers flexible financing options with favorable terms. The program aims to leverage limited federal resources to stimulate private and non-federal investment in transportation infrastructure, thereby accelerating the development and improvement of critical transit systems, highways, railways and intermodal facilities across the United States. A borrower must pledge an identified revenue source; for the BART TIFIA loan, the District pledged sales tax revenues.

### **Budget Development Process**

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

**Phase 1: Pro Forma Phase**

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

**Phase 2: Preliminary Budget Phase**

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

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

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

**Phase 3: Adopted Budget Phase**

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

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

**Five Year Outlook**

Table 1 shows BART's operating financial outlook for FY26 through FY30. Projected operating deficits (excluding emergency assistance) for FY26 through FY30 total \$1,843,000,000 and average \$368,600,000 per year. In this scenario, emergency assistance will offset projected deficits only in FY26. The remaining projected deficits for FY27 to FY30 total \$1,528,000,000. Prior to the COVID-19 pandemic, rail passenger revenue contributed to the majority of funding for BART operations. In FY19, the last fiscal year before the pandemic, fare revenue and parking fees provided \$520,000,000 in revenue, or 68% of operating expense. These two sources are budgeted at \$274,600,000 in FY26, covering just a quarter of operating expense. Nearly \$2,000,000,000 of one-time emergency assistance has enabled BART to sustain operations since FY20, but the last of this funding will be exhausted in FY26.

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

Table 1: Five Year Forecast (dollar amounts in millions):

	FY26	FY27	FY28	FY29	FY30
Operating Revenues	\$ 325	\$ 332	\$ 349	\$ 360	\$ 376
Financial Assistance	512	527	542	559	575
<b>Total Sources</b>	<b>837</b>	<b>859</b>	<b>890</b>	<b>919</b>	<b>951</b>
Operating Expenses	1,007	1,100	1,136	1,173	1,199
Debt Service and Allocations	145	135	135	126	142
<b>Total Uses</b>	<b>1,152</b>	<b>1,235</b>	<b>1,271</b>	<b>1,300</b>	<b>1,341</b>
Total Emergency Assistance	(315)	-	-	-	-
<b>Total Net Result</b>	<b>\$ -</b>	<b>\$ (376)</b>	<b>\$ (381)</b>	<b>\$ (381)</b>	<b>\$ (390)</b>

### Ridership Outlook

BART ridership has experienced significant growth since the early days of the pandemic. However, that growth began to slow down in the middle of fiscal year 2023. Fiscal year 2023 saw 33% year-over-year growth, fiscal year 2024 saw 8%, and fiscal year 2025 ended 6% higher than fiscal year 2024. The fiscal year 2026 Adopted Budget assumes that modest growth continues but at a diminishing rate. BART closely tracks ridership because passenger revenue is a critical source of revenue. Real time ridership data is also used to project future ridership levels and inform service plans to ensure that passengers' needs are met.

#### Methodology

The fiscal year 2026 ridership forecast builds on the previous year's actuals. Throughout fiscal year 2025, observed ridership on midweek days continued to be 20-25% higher than Shoulder days, likely due to the preference of hybrid-remote workers. This forecast continues to use the bifurcated weekday type, allowing for differentiation of growth assumptions and improving accuracy of ridership calendarization.

According to the February 2025 Bay Area Council Return to Office Survey, 84% of surveyed employers are operating at their "new normal" for their long-term remote work policy. This share has stayed somewhat flat over the past year. While return-to-office rates had been an important driver of ridership earlier on in the pandemic, return-to-office trends are no longer an outsized contributor to commute ridership.

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

#### Result

Applying the above methodology results in an overall ridership forecast of 54,200,000 in fiscal year 2026. Average weekday ridership on a monthly basis is forecast to range between 164,000 and 189,000.

#### Rail Service Plan

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

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

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

### Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to BART for its Annual Comprehensive Financial Report ("ACFR") for the year ended June 30, 2024. This was the third year that BART has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report, and it must satisfy both generally accepted accounting principles and legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

I want to express my appreciation to the entire staff of Financial Control and Accounting, who have worked diligently and whose professionalism and dedication are responsible for the preparation of these financial statements. Special thanks also to Performance and Budget for their contributions to the preparation of this report. I would also like to acknowledge the Board of Directors and our General Manager for their continuous support in maintaining the highest standard of professionalism in the management of BART's finances. Finally, I want to thank our independent auditors, Crowe LLP, for their invaluable professional support throughout this audit engagement.

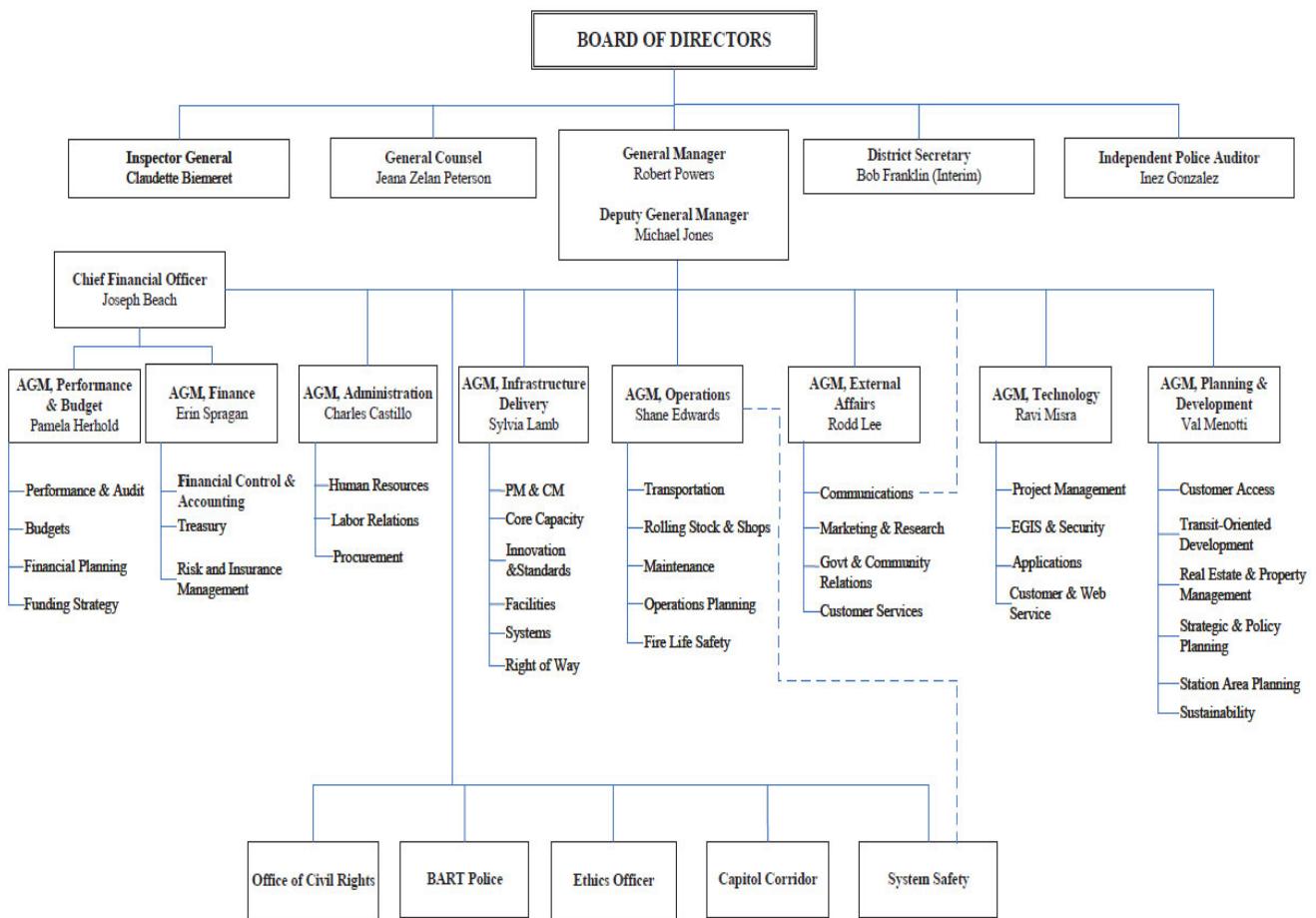
Respectfully submitted,



Joseph Beach  
Chief Financial Officer

# San Francisco Bay Area Rapid Transit District

## Organization Chart



# San Francisco Bay Area Rapid Transit District

Board of Directors and District Information as of October 31, 2025



District #1

[Matt Rinn](#), Director

Stations Included: Concord (shared with District 2), Lafayette, Orinda, Pleasant Hill/Contra Costa Centre, Walnut Creek

Counties Included: Contra Costa



District #2

[Mark Foley](#), President

Stations Included: Antioch, Concord (shared with District 1), North Concord/Martinez, Pittsburg/Bay Point, Pittsburg Center

Counties Included: Contra Costa



District #3

[Barnali Ghosh](#), Director

Stations Included: Ashby (shared with District 7) , Downtown Berkeley, El Cerrito del Norte, El Cerrito Plaza,

North Berkeley, Richmond

Counties Included: Alameda/Contra Costa



District #4

[Robert Raburn](#), Director

Stations Included: Bay Fair, Coliseum, Fruitvale, Hayward (shared with District 5), Oakland International Airport,

San Leandro, and South Hayward (shared with District 6)

Counties Included: Alameda



District #5

[Melissa Hernandez](#) , Vice President

Stations Included: Castro Valley, Dublin/Pleasanton, Hayward (shared with District 4), West Dublin/Pleasanton

Counties Included: Alameda/Contra Costa

# San Francisco Bay Area Rapid Transit District

Board of Directors and District Information as of October 31, 2025



District #6

[Liz Ames](#), Director

Stations Included: Fremont, South Hayward (shared with District 4), Union City, Warm Springs/South Fremont  
Counties Included: Alameda



District #7

[Victor Flores](#), Director

Stations Included: 12<sup>th</sup> St/Oakland City Center 19<sup>th</sup> St/Oakland, Ashby (shared with District 3), Lake Merritt, MacArthur, Rockridge, West Oakland  
Counties Included: Alameda/Contra Costa/San Francisco



District #8

[Janice Li](#), Director

Stations Included: Balboa Park, Embarcadero (shared with District 9), Glen Park (shared with District 9), Montgomery (shared with District 9), Powell Street (shared with District 9)  
Counties Included: San Francisco



District #9

[Edward Wright](#), Director

Stations Included: 16th Street Mission, 24th Street Mission, Embarcadero (shared with District 8), Civic Center/UN Plaza, Glen Park (shared with District 8), Montgomery (shared with District 8), Powell Street (shared with District 8)  
Counties Included: San Francisco

# San Francisco Bay Area Rapid Transit District

## LIST OF BOARD APPOINTED OFFICIALS

**Robert M. Powers**  
*General Manager*

**Robert Franklin**  
*Interim District Secretary*

**Claudette Biemeret**  
*Inspector General*

**Jeana Zelan**  
*General Counsel*

**Inez Gonzales**  
*Independent Police Auditor*

## EXECUTIVE STAFF

**Michael Jones**  
*Deputy General Manager*

**Charlie Castillo**  
*Assistant General Manager,  
Administration*

**Alicia Trost**  
*Chief Communication Officer*

**Kevin Franklin**  
*Police Chief*

**Jeffery Lau**  
*Chief Safety Officer*

**Rudy Garza**  
*Director of Office of Civil  
Rights*

**Shane Edwards**  
*Assistant General Manager,  
Operations*

**Val Menotti**  
*Assistant General Manager,  
Planning & Development*

**Joseph Beach**  
*Chief Financial Officer*

**Erin Spragan**  
*Assistant General Manager,  
Finance*

**Pamela Herhold**  
*Assistant General Manager,  
Performance & Budget*

**Ravindra Misra**  
*Assistant General Manager,  
Technology*

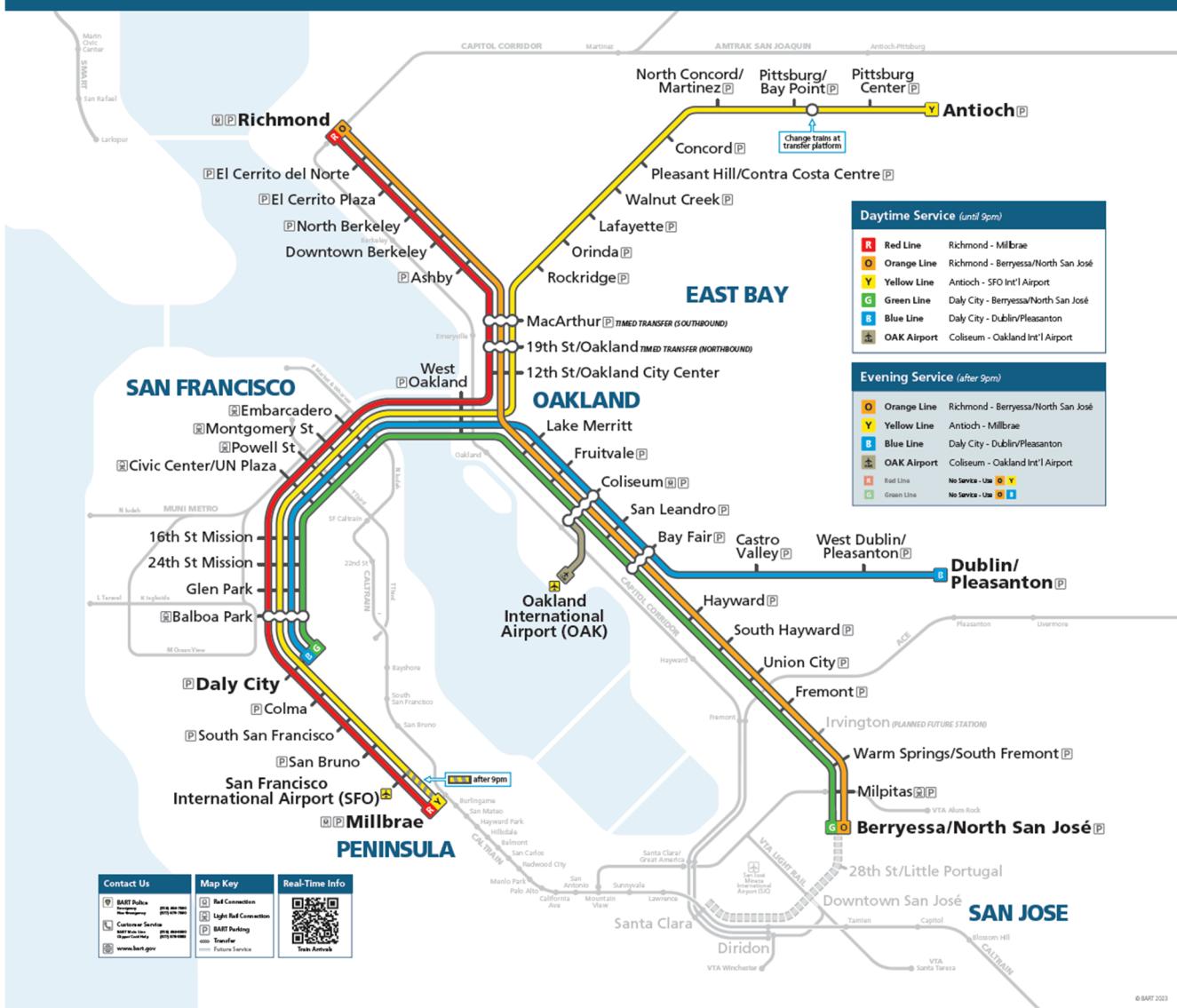
**Robert Padgette**  
*Managing Director Capitol Corridor*

**Roddrick Lee**  
*Assistant General Manager,  
External Affairs*

**Sylvia Lamb**  
*Assistant General Manager,  
Office of Infrastructure and Delivery*

San Francisco Bay Area Rapid Transit District

# BART System Map





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

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

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morrell*

Executive Director/CEO

# San Francisco Bay Area Rapid Transit District



## FINANCIAL SECTION

## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors  
San Francisco Bay Area Rapid Transit District  
Oakland, California

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the business-type activities and fiduciary activities of the San Francisco Bay Area Rapid Transit District ("the District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the District, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, during the year ended June 30, 2025, the District adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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(Continued)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in net pension liability and related ratios, the schedule of employer pension contributions, the schedule of changes in net OPEB liability and related ratios, and the schedule of employer OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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(Continued)

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining statement of fiduciary net position and the combining statement of changes in fiduciary net position are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statement of fiduciary net position and the combining statement of changes in fiduciary net position are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Crowe LLP

San Francisco, California  
November 24, 2025

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
Management's Discussion and Analysis (Unaudited)  
Year ended June 30, 2025

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## **Introduction**

The following discussion and analysis of the financial performance and activity of the San Francisco Bay Area Rapid Transit District (the "District" or "BART") provide an introduction and understanding of the basic financial statements of the District for the years ended June 30, 2025 and 2024. This discussion was prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

The District is an independent agency created in 1957 by the legislature of the State of California for the purpose of providing an adequate, modern, interurban mass rapid transit system in the various portions of the metropolitan area surrounding the San Francisco Bay. The District started its revenue operations in September 1972. It presently operates a 131-mile, 50-station system serving the five counties of Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara. On June 13, 2020 the District celebrated the opening of the Berryessa Extension in Santa Clara County, which added two (2) stations and 10 miles of track to the system. The Operating and Maintenance agreement provides guidance on the financial, maintenance and operating responsibilities of each party, where Valley Transportation Authority (VTA) owns the extensions including the transit centers and the District operates the service and maintains the system. The governance of the District is vested in a Board of Directors composed of nine members, each representing an election district within the District.

## **The Financial Statements**

The basic financial statements provide information about the District's Enterprise Fund and Fiduciary Funds. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB).

Enterprise fund – The enterprise fund summarizes the District's business activities related to operating, capital, and financing transactions. The enterprise fund consolidates the financial information associated with the District's General Fund, Capital Funds and Debt Service Funds.

- General Fund: The General Fund accounts for the District's operating activities. Revenues and expense in the General Fund are distinguished between operating and nonoperating. Operating revenues includes receipts from passenger fares, parking revenues, telecommunication revenues, advertising, and other income associated with transit operations. Operating expenses consists of labor and non-labor expenses associated with providing transit services. Sales tax revenues, property tax revenues, interest income earned by the General Fund, and funding from local, state, and federal agencies that are used for paying operating expenses are recognized in the General Fund as non-operating income.
- Capital Funds: These funds account for financial resources to be used for the acquisition or construction of capital assets. Major sources of revenues for these funds comes primarily from grants, allocations from the General Fund, and proceeds from sale of General Obligation (Measure AA and Measure RR) and Sales tax revenue bonds and the related interest income earned. Upon completion of a capital project, all of the associated cost are capitalized and transferred to the District's General fund.
- Debt Service Funds: These funds account for transactions related to long-term debt obligations associated with the District's Sales Tax Revenue and General Obligation bonding programs, and debt obligations related to the TIFIA loan program. Transactions recorded on these funds includes the recognition of the debt obligations upon issuance of the bonds, recognition of the discount or premiums related to the bond issuance and the subsequent amortization, receipt of funds to cover debt service from sales tax revenues allocated by the General Fund and from property tax

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
Management's Discussion and Analysis (Unaudited)  
Year ended June 30, 2025

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assessments, payments of debt obligations, both principal and interest expense, and recognition of investment income earned from funds held prior to making the debt service payments.

**Fiduciary Funds** – BART's Fiduciary funds shows the financial position and summarizes the activities of the District's Retiree Health Benefit Trust and Survivors' Benefit Trust (the Trust). Balances reflected in the fiduciary fund financial statements are not reflected in the Enterprise Fund since the trust assets are restricted to be used for the benefit of the beneficiaries of those funds.

### **Overview of the Enterprise Fund Financial Statements**

The *Statement of Net Position* reports assets, deferred outflows of resources, liabilities, deferred inflows of resources and the difference as *net position*. The entire equity section is combined to report total *net position* and is displayed in three components - *net investment in capital assets*; *restricted net position*; and *unrestricted net position*.

The *Statement of Revenues, Expenses and Change in Net Position* consist of operating and nonoperating revenues and expenses based upon definitions provided by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, as amended by GASB Statement No. 36, *Recipient Reporting for Certain Shared Nonexchange Revenues*, and GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended by GASB Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus*. Accordingly, significant recurring sources of the District's revenues, such as capital grants and contributions, are reported separately, after non-operating revenues and expenses.

The *Statement of Cash Flows* is presented using the direct method and includes a reconciliation of operating loss to net cash used in operating activities.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**Management's Discussion and Analysis (Unaudited)**  
**Year ended June 30, 2025**

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**Condensed Statements of Revenues, Expenses and Change in Net Position**

A summary of the District's Statements of Revenues, Expenses and Change in Net Position for the years 2025 and 2024 is as follows (dollar amounts in thousands):

	<u>2025</u>	<u>2024</u>	Change	
			Increase (Decrease) <u>Amount</u>	<u>Percent</u>
Fare revenues	\$ 243,924	\$ 218,988	\$ 24,936	11.39 %
Other revenues	38,138	39,636	(1,498)	(3.78) %
Operating revenues	282,062	258,624	23,438	9.06 %
Operating expenses, net	1,395,481	1,346,951	48,530	3.60 %
Operating loss	(1,113,419)	(1,088,327)	(25,092)	2.31 %
Nonoperating revenues, net				
Transactions and use tax - sales tax	317,276	320,133	(2,857)	(0.89) %
Property tax	239,695	218,718	20,977	9.59 %
Operating financial assistance	192,539	320,534	(127,995)	(39.93) %
Investment income	59,538	74,565	(15,027)	(20.15) %
Interest expense	(99,280)	(98,036)	(1,244)	1.27 %
Planning and studies	(6,115)	(23,354)	17,239	(73.82) %
Gain from exchange of property	-	29,436	(29,436)	100.00 %
Nonoperating revenues, net	703,653	841,996	(138,343)	(16.43) %
Capital grants and contributions	882,190	655,790	226,400	34.52 %
Change in net position	472,424	409,459	62,965	15.38 %
Net position- beginning of year, as previously reported	8,652,807	8,243,348	409,459	4.97 %
Cumulative effect of a change in accounting principle	(15,486)	-	(15,486)	(100.00) %
Net position, beginning of the year, as restated	8,637,321	8,243,348	393,973	4.78 %
Net position, end of year	<u>\$ 9,109,745</u>	<u>\$ 8,652,807</u>	<u>\$ 456,938</u>	<u>5.28 %</u>

**Operating Revenues**

Operating revenues increased by \$23,438,000 in fiscal year 2025 driven primarily by increase in ridership, particularly in the second half of the fiscal year. Fare revenues increased by \$24,936,000. Average weekday ridership in fiscal year 2025 was 172,000 exits compared to 162,000 exits in fiscal year 2024. Total ridership in fiscal year 2025 was 52,700,000 trips, an increase of approximately 6.3% compared to the 49,600,000 trips in fiscal year 2024. However, the District's ridership and fare revenues remained well below pre-pandemic levels (51% and 45%, respectively, of 2019's level). Other operating revenues declined by \$1,498,000 mostly from: a) \$1,685,000 decrease in telecommunication revenues; b) \$2,177,000 decrease in other non-transportation revenues related sources primarily due to lower amount recorded in fiscal year 2025 for non-recurring fees received from easements and in gain recognized from proceeds from disposal of retired assets; and offset by: c) \$1,067,000 increase in parking revenues at a growth rate of 6%, which is in line with the increase in ridership; and d) \$1,328,000 increase in advertising revenues.

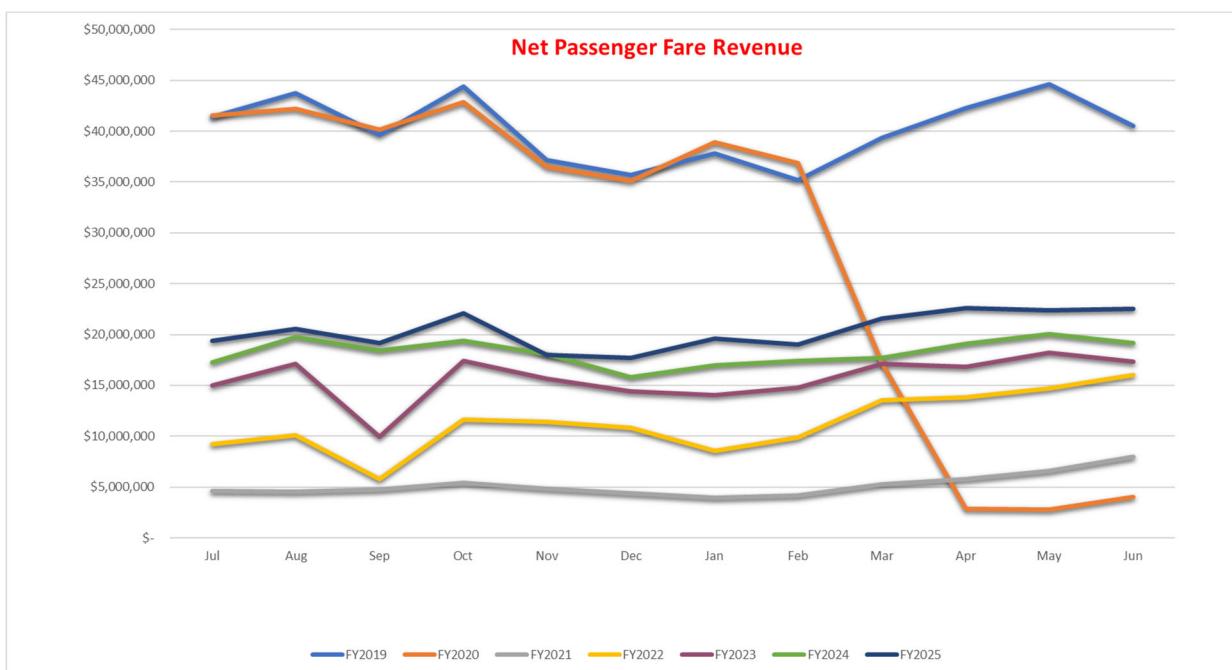
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**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**Management's Discussion and Analysis (Unaudited)**  
**Year ended June 30, 2025**

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The chart below shows the monthly net passenger fare revenue from fiscal year 2019 to 2025.



### Operating Expenses, Net

In fiscal year 2025, net operating expenses increased by \$48,530,000 compared to the previous year.

Net labor expense increased by \$15,775,000 in fiscal year 2025 mostly due to: a) increase in employee salaries in the amount of \$18,997,000, 4.7% higher than previous year, primarily from contractual increases in wages; b) increase in overtime by \$9,089,000 due to operational needs; c) increase of \$8,197,000 in health insurance cost; d) \$6,992,000 increase in earned leave pay due to contractual increases in wages and from revaluation of unused earned sick leave due to implementation of GASB 101; e) increase in labor expense due to \$8,898,000 decrease in labor reimbursement from capital projects; offset by f) \$25,122,000 decrease in pension expense, mostly from amount recognized under GASB 68 on the District's pension funds managed by CalPERS; and h) \$10,696,000 decrease in workers compensation.

Total non-labor expense increased by \$32,755,000 in fiscal year 2025 mostly from the following factors: a) \$32,343,000 increase in depreciation and amortization expense as new assets are placed in service, including the new rail cars; b) \$2,131,000 increase in purchased transportation related to paratransit services; c) \$12,870,000 increase in professional and technical services; offset by: d) \$6,514,000 decrease in uninsured public liability insurance claims; e) net decrease of \$1,383,000 in system repairs and maintenance due to \$10,231,000 decrease in obsolete parts written off in the current year compared to fiscal year 2024, offset by \$8,848,000 increase in materials cost and maintenance related expenses due to operational need; f) \$3,889,000 decrease in bank and interchange fees mostly from MTC covering the operators share of Clipper fees during the second half of fiscal year 2025; and g) \$2,763,000 decrease in cost for traction power due to lower energy supply costs from higher hydroelectric generation across the state.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
Management's Discussion and Analysis (Unaudited)  
Year ended June 30, 2025

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### **Nonoperating Revenues, Net**

Net nonoperating revenues decreased by \$138,343,000 in fiscal year 2025. Total nonoperating revenues decreased by \$154,338,000 driven by the following: a) property tax revenue increased by \$20,977,000 in the current fiscal year. Property tax collections used for general operations increased by \$1,506,000 due to continued rise in property value for tax assessments purposes despite challenges faced by the housing market due to higher interest rates, while property tax collections earmarked for debt service of outstanding Measure AA and Measure RR General Obligation Bonds also increased by \$19,471,000 based on debt service requirements; offset by b) decrease in sales tax revenue which declined slightly by .9% or \$2,857,000 as consumer sentiment drifted lower due to high prices and weakening job prospects; c) investment income decreased by \$15,027,000 driven by slightly lower yields on investments due to expectation that the Federal Reserve Board will lower interest rate due to slowing economy; funds available for investments were also lower in fiscal year 2025 due to utilization of proceeds from Measure RR funds; d) recognition of \$29,436,000 gain from exchange of property in fiscal year 2024 but none in the current fiscal year; and e) financial assistance for general operations decreased by \$127,995,000 mostly from: 1) \$169,489,000 decrease in emergency relief grants received from the Federal Transit Administration, as remaining funds available were fully drawn in fiscal year 2024; 2) \$16,107,000 decrease in State Transit Assistance (STA); 3) \$4,616,000 decrease from lower utilization of grant from State Transportation Assistance for State of Good Repair (SGR); 4) decrease of \$1,194,000 in operating financial assistance from Valley Transportation Authority (VTA) to support the phase 1 extension to Berryessa; offset by 5) \$58,211,000 increase from SB125 emergency assistance received in fiscal year 2025 from the State of California through the Metropolitan Transportation Commission (MTC); and 6) \$5,948,000 increase to recognize the value of a Plaza Improvement in Balboa Station in San Francisco donated by the City and County of San Francisco.

Total nonoperating expenses decreased by \$15,995,000 from: a) \$17,239,000 decrease in planning related expenses mostly associated with the Link21 project; offset by b) \$1,244,000 increase in interest expense due to: 1) \$3,392,000 increase in interest expense associated with TIFIA loan obtained in January 2025; offset by 2) \$2,148,000 decrease in interest expense mostly due to lower outstanding Sales Tax and General Obligation bonds.

### **Capital Grants and Contributions**

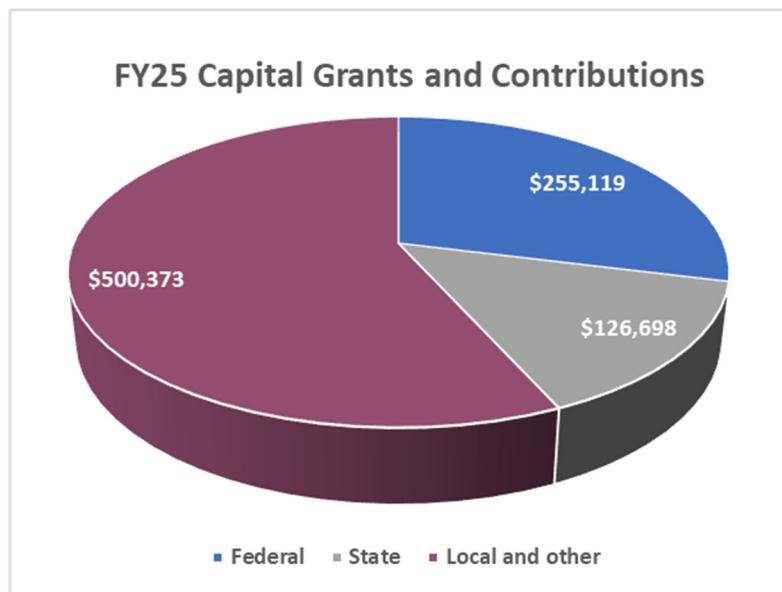
Revenues from capital grants and contributions are related to grants and other financial assistance received by the District from federal, state, and local agencies to fund capital projects. The District receives mostly reimbursement-type grants of which the District has to first incur eligible costs under the provider's program before qualifying for the grant resources. Revenues from capital grants and contributions are recognized at the time when the eligible project costs are incurred.

In fiscal year 2025 the District received capital grants and contributions of \$882,190,000 from the following sources (dollar amounts in thousands):

Federal	\$ 255,119
State	126,698
Local and other	<u>500,373</u>
	<u><u>\$ 882,190</u></u>

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(Continued)



Major funding from federal sources came from the Federal Transit Administration Section 5309-9 and 5307 grants. A significant portion of these funds were allocated and spent to support the Rail Car Procurement Project, both Phase 1 and Phase 2, Communication Base Train Control (CBTC), Clipper 2 Upgrade, Core Capacity Substation Project, and Next Generation Fare Gates. Other projects funded by federal dollars include Traction Power Portable Substation and Wayside Equipment.

Major sources of revenues from the State include the State's SB1 Public Transportation Account, State Department of Transportation State Transportation Improvement Program (STIP), California Greenhouse Gas Reduction Fund, and from Department of Housing and Community Development under the Affordable Housing and Sustainable Communities (AHSC) Program, which were used to fund, among others, the Rail Car Procurement Project, both Phase 1 and Phase 2, CBTC, and Next Generation Fare Gates.

Major sources of local revenues came from the Metropolitan Transportation Commission (MTC) Regional Measure 3, which were used to fund the Phase 2 of the Rail Car Procurement Project, and from the MTC Rail Car Fund and MTC Exchange Fund and Tax and Regulatory Agreement between BART and MTC, which were used to fund the Rail Car Procurement Project, Phase 1. Other local funding sources were provided by VTA, Alameda County Transportation Commission (ACTC) Measure BB, City and County of San Francisco Proposition A GO Bonds, San Francisco Municipal Transportation Agency (SFMTA), San Francisco County Transportation Authority (SFCTA) Measure K and Measure L, and Contra Costa Transportation Authority (CCTA) Measure J, which were used to fund, among others, San Francisco Canopy and Escalator Replacements, Next Generation Faregates, CBTC, Renewal and Upgrade of Operations Control Center (OCC), M Line Elevator Renovation, and TP Switch Gap Break.

The major additions in fiscal year 2025 to capital projects are detailed on page 24.

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**Management's Discussion and Analysis (Unaudited)**  
**Year ended June 30, 2025**

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**Condensed Statements of Net Position**

A comparison of the District's *Statements of Net Position* as of June 30, 2025 and 2024 is as follows (dollar amounts in thousands):

	<u>2025</u>	<u>2024</u>	Change	
			<u>Increase (Decrease)</u>	<u>Percent</u>
Current assets	\$ 1,529,742	\$ 1,472,341	\$ 57,401	3.90 %
Capital assets, net	12,216,282	11,517,595	698,687	6.07 %
Noncurrent assets - other	411,851	592,718	(180,867)	(30.51) %
<b>Total assets</b>	<b>14,157,875</b>	<b>13,582,654</b>	<b>575,221</b>	<b>4.23 %</b>
Deferred outflows of resources	345,432	392,459	(47,027)	(11.98) %
Current liabilities	586,584	504,433	82,151	16.29 %
Noncurrent liabilities	4,536,003	4,557,744	(21,741)	(0.48) %
<b>Total liabilities</b>	<b>5,122,587</b>	<b>5,062,177</b>	<b>60,410</b>	<b>1.19 %</b>
Deferred inflows of resources	270,975	260,129	10,846	4.17 %
<b>Net position</b>				
Net investment in capital assets	8,919,669	8,342,567	577,102	6.92 %
Restricted	75,501	199,070	(123,569)	(62.07) %
Unrestricted (deficit)	114,575	111,170	3,405	3.06 %
<b>Total net position</b>	<b>\$ 9,109,745</b>	<b>\$ 8,652,807</b>	<b>\$ 456,938</b>	<b>5.28 %</b>

**Current Assets**

In fiscal year 2025, current assets increased by \$57,401,000 primarily from: a) \$29,616,000 increase in government receivables due to timing in receiving payments for outstanding invoices and invoicing driven by project schedules; b) \$10,174,000 increase in other receivables mostly from \$7,799,000 increase in property tax receivables and \$1,712,000 increase in warranty receivables; and c) \$10,993,000 increase in materials and supplies inventory mostly from spare parts received for the new rail cars; and d) \$6,948,000 increase in cash, cash equivalents and investments.

**Noncurrent Assets - Other**

Noncurrent assets – other decreased in fiscal year 2025 by \$180,867,000 mainly due to a decrease in non-current restricted cash and investments. The decrease in non-current restricted cash and investments was attributable to: a) the decrease of \$196,863,000 in restricted cash and investments as project funds are expended from the remaining proceeds of the 2022 Measure RR General Obligation Bonds and 2019 Sales Tax Revenue Bonds; b) \$2,180,000 decrease in the Oakland Airport Connector's Capital Asset Replacement Program (CARP) Fund; and offset by c) \$19,317,000 increase in funds set aside for debt service payment of the District's outstanding Measure AA General Obligation Bonds, Measure RR General Obligation Bonds and Sales Tax Revenue Bonds.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
Management's Discussion and Analysis (Unaudited)  
Year ended June 30, 2025

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## Current Liabilities

Current liabilities increased in fiscal year 2025 by \$82,151,000, mostly from:

- a) \$49,281,000 net increase in Accounts Payable and Other Liabilities due to:
  - \$44,481,000 increase in payable to vendors and contractors due to timing in receipt and settlement of invoices;
  - \$3,947,000 increase in current liabilities related to salaries and benefits due to timing in payments and remittances of withholding taxes and other benefits, and accrual of Medicare taxes on leave balances associated with the implementation of Governmental Accounting Standards Board (GASB) 101 in the current fiscal year;
  - \$2,840,000 increase in current liabilities related to earned leave balances mostly from changes in accounting for earned sick leave;
  - Offset by \$1,987,000 decrease in interest payable primarily due to lower principal balances of outstanding bond obligations.
- b) \$4,260,000 net increase in current portion of long-term debt from \$95,325,000 reclassified from non-current liability, net of \$91,065,000 principal payments made in fiscal year 2025;
- c) \$10,460,000 increase in short term portion of the reserves for general liability and workers compensation self-insured programs;
- d) \$20,831,000 increase in unearned revenue principally from:
  - \$1,772,000 increase in deferred passenger fare and parking revenues;
  - \$4,036,000 increase in subsidies received in advance from Valley Transportation Authority (VTA) for capital contributions to the BART core system in accordance with the operating and maintenance agreement with VTA; and
  - \$13,830,000 net increase in current deferred revenues mostly from \$17,630,000 remaining unused portion of advance received from VTA to fund its portion of the cost of Rail Vehicles Procurement Phase 2 project offset by \$5,596,000 cash advances received in prior years from the State of California Department of Transportation (CalTrans) reclassified to non-current liabilities in fiscal year 2025 based on anticipated usage of the funds;
- e) offset by \$2,604,000 decrease in current lease liability.

## Noncurrent Liabilities

Noncurrent liabilities decreased in fiscal year 2025 by \$21,741,000 principally from the following factors:

- a) \$68,268,000 decrease in the balance of pension liability per GASB 68 actuarial valuation report primarily due to positive investment returns;
- b) \$1,348,000 decrease in the long term portion of unearned fiber optics revenue;
- c) \$3,867,000 decrease in lease obligations recognized under GASB 87;
- d) \$2,387,000 decrease in non-current portion of SBITA liability;
- e) \$1,363,000 decrease in long-term portion of liability related to the loan from PG&E from principal payments made;

Above decreases in noncurrent liabilities are offset by the following:

- f) \$32,803,000 increase in long-term debt from:
  - \$153,391,000 increase due to acquisition of \$150,00,000 new Transportation Infrastructure Finance and Innovation Act (TIFIA) loan from the U.S. Department of Transportation in January 2025 and from accrual of the associated \$3,391,000 interest expense incurred through June 30, 2025, which were capitalized and added to the principal balance of the loan in accordance with the TIFIA agreement;
  - Offset by \$95,325,000 decrease in outstanding sales tax revenue bonds and general obligation bonds for current portion reclassified to current liabilities in fiscal year 2025; and
  - decrease of \$25,263,000 in premium on bonds payable associated with the annual amortization of premiums on all outstanding bonds.
- g) \$6,272,000 increase in non-current unearned revenues mostly from cash advances received from CalTrans in prior years reclassified as long-term liability based on projected utilization of the funds;

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**Management's Discussion and Analysis (Unaudited)**  
**Year ended June 30, 2025**

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h) \$15,332,000 increase in Accounts Payable and Other Liabilities mostly from increase in the value of unused earned sick leave due to implementation of GASB 101, and from timing when leave credits were earned and taken;

i) net increase of \$760,000 in Other Post Employment Benefit obligation per GASB 74-75 actuarial valuation reports due to:

- \$17,971,000 increase in unfunded liability for the retiree health medical program principally from changes in assumptions related to medical trend, medical plan selection and election rate;
- Offset by \$9,886,000 decrease in unfunded liability for the survivors benefit program mostly due to changes in assumptions related to discount rates, spouse coverage for current retirees and medical trends;
- \$7,325,000 decrease in unfunded liability for the retiree life insurance program due to changes in salary increase assumptions and discount rate.

**Capital Assets**

Details of capital assets, net of accumulated depreciation, as of June 30, 2025 and 2024 are as follows (dollar amounts in thousands):

	<u>2025</u>	<u>2024</u>
Land and easements	\$ 724,646	\$ 718,958
Construction in progress	1,856,402	1,798,971
Stations, track, structures and improvements	5,594,216	5,642,635
Buildings	553,496	541,034
Systemwide operation and control	236,637	184,609
Revenue transit vehicles	2,094,647	1,418,073
Service and miscellaneous equipment	136,891	145,825
Capitalized construction and start-up costs	267,943	279,390
Repairable property items	666,400	690,326
Lease assets	50,652	57,331
Right-to-use SBITA assets	8,627	11,120
Information systems	25,725	29,323
Total capital assets, net	<u>\$ 12,216,282</u>	<u>\$ 11,517,595</u>

During fiscal year 2025, capital additions to construction in progress amounted to \$1,045,935,000 related to acquisitions and/or major improvements for the following assets (dollar amounts in thousands):

	<u>2025</u>
Guideway	\$ 114,541
Passenger stations	94,612
Maintenance and administration building	52,178
Revenue transit vehicles	560,060
Communication and information system	149,420
Automatic fare collections and other equipment	75,124
	<u>\$ 1,045,935</u>

Additional information related to the District's capital assets can be found in Note 4 – Capital Assets and Note 9 – Long-Term Debt.

The District has entered into contracts for the construction of various facilities and equipment totaling approximately \$1,699,000,000 at June 30, 2025.

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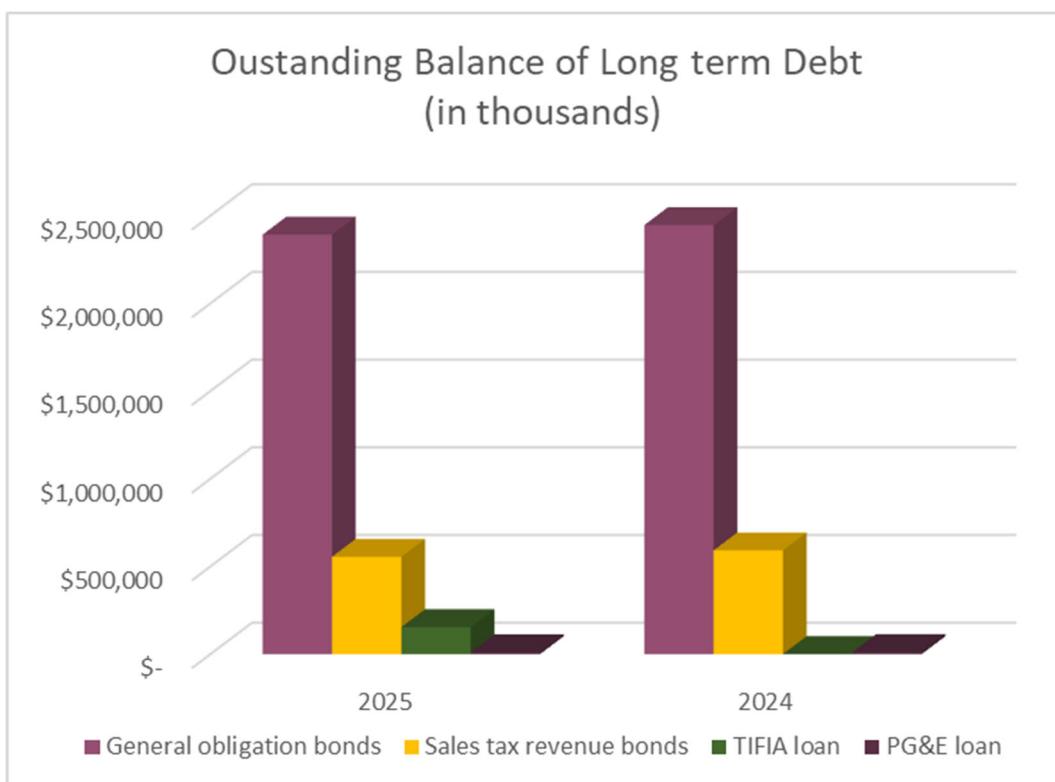
**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**Management's Discussion and Analysis (Unaudited)**  
**Year ended June 30, 2025**

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**Long-Term Debt- Bonds and Loans**

The outstanding balance of General Obligation Bonds, Sales tax revenue bonds (including current portion but excluding unamortized balance of bond premium/discounts), and TIFIA and PG&E loans as of June 30, 2025 and 2024 are as follows (dollar amounts in thousands):

	<u>2025</u>	<u>2024</u>
General obligation bonds	\$ 2,391,260	\$ 2,445,575
Bonds payable from and collateralized by a pledge of sales tax revenue	554,055	590,805
TIFIA loan	153,391	-
PG&E loan	<u>9,792</u>	<u>11,155</u>
	<u><u>\$ 3,108,498</u></u>	<u><u>\$ 3,047,535</u></u>




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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**Management's Discussion and Analysis (Unaudited)**  
**Year ended June 30, 2025**

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Ratings for various debt instruments are presented below:

Rating Agency	General Obligation Bonds	Sales Tax Revenue Bonds	TIFIA Loan
Standard and Poor's Global Ratings (S&P)	AA-	AA+	
Fitch Ratings	AAA	AA	AA-
Kroll Bond Rating Agency, LLC (KBRA)		AA+	AA
Moody's	Aa1		

In June 2025, Moody's revised the District's General Obligation bond rating from Aaa to Aa1. Other rating agencies affirmed the District's ratings with the outlooks noted above. Principal payments made on outstanding bonds during the year were \$36,750,000 for Sales Tax Revenue Bonds and \$54,315,000 for the General Obligation Bonds. Additional information on the District's long-term debt obligations can be found in Note 9 – Long -Term Debt.

#### **Economic Factors and Next Year's Budgets**

On June 12, 2025, the District's Board of Directors adopted BART's one-year fiscal year 2026 operating budget. The budget is balanced in fiscal year 2026 but projects a deficit of \$376,000,000 for fiscal year 2027. The total operating budget for fiscal year 2026 is \$1,152,000,000, and the capital budget is \$1,126,000,000. A total of \$315,000,000 in State assistance is budgeted in fiscal year 2026 to balance the budget.

The Adopted fiscal year 2026 Budget addresses the highly uncertain and challenging fiscal outlook faced by BART. The reduction in ridership since the beginning of the COVID-19 pandemic has resulted in significant operating deficits for BART. With ridership still hovering around 46% of pre-pandemic levels and not projected to increase significantly in the next few years, staff continue to project annual operating deficits of approximately \$357,000,000 to \$376,000,000 over the next five years. While state emergency assistance will balance those deficits in fiscal year 2026 and possibly some of fiscal year 2027, BART's current revenue model needs to shift away from a dependence on fares paid by riders toward more external funding sources typical of most North American transit operators. As the District advocates new funding, staff continue to work to minimize cost growth to preserve current service levels as long as possible. In the near term, the District faces significant budget deficits that must be mitigated.

The fiscal year 2026 operating budget is \$25,700,000 (2.3%) higher than the fiscal year 2025 Adopted Budget.

- The service schedule continues to provide robust nighttime and weekend service, emphasizing ridership growth opportunities and relying less on outdated commuting models.
- There was an overall net reduction of 27.3 full-time equivalent (FTE) positions to the fiscal year 2026 operating budget due to a combination of position reductions to cover the cost of new positions and an implemented hiring freeze for non-service critical positions.
- Wages for employees increased per the terms of BART's collectively bargained, approved labor contracts.
- BART's non-labor budget of \$243,400,000 is 3.9% (\$9,900,000) lower than the fiscal year 2025 Adopted Non-Labor budget. This budget decrease is primarily a result of cost savings efforts. BART departments were asked to reduce their non-labor budgets by 5%.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
Management's Discussion and Analysis (Unaudited)  
Year ended June 30, 2025

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On the revenue side, the adopted fiscal year 2026 budget assumes that over the course of the year, BART averages 46% of pre-COVID ridership expectations. The costs associated with running frequent service despite lower ridership are offset by state emergency funding.

Fiscal year 2026 operating revenues continue to be constrained due to the COVID-related ridership decline and associated persistence of hybrid/remote work, though revenue is projected to improve over fiscal year 2025 levels. For fiscal year 2026, rail passenger revenue is budgeted to be 6.5% (\$15,805,000) higher than fiscal year 2025 actuals. fiscal year 2026 sales tax revenue is estimated to be \$314,000,000, which is a decrease of 1.0% compared to the fiscal year 2025 actuals of \$317,276,000. Fiscal year 2026 property tax revenue is estimated to be \$68,000,000, which is an increase of 2.2% compared to fiscal year 2025 actuals of \$66,588,000. Both the sales and property tax fiscal year 2026 budget changes are in line with the observed changes in their respective actual revenues versus budget in fiscal year 2025.

The fiscal year 2026 Adopted Budget continues deferrals to planned allocations. Based on project delivery scheduled and later than anticipated cash flow of projects, BART has deferred allocations to Priority Capital Programs to reduce expenses in fiscal year 2026. Capital reinvestment allocations were reduced by \$9,600,000 in fiscal year 2025, and the funds were added back in the fiscal year 2026 budget. A new operating reserve account was created to temporarily hold Retiree Health Benefit Trust (RHBT) contributions and help save cash for future deficits, expected deferral of RHBT for fiscal year 2026 is \$38,185,000. If the deficit is resolved, the funds will go to the RHBT as planned. A total of \$85,000,000, including the RHBT contributions deferral, is included in budget allocations in fiscal year 2026.

### **Contacting the District's Financial Management**

The District's financial report is designed to provide the District's Board of Directors, management, investors, creditors, legislative and oversight agencies, citizens and customers with an overview of the District's finances and to demonstrate its accountability for funds received. For additional information about this report, please contact Joseph Beach, Chief Financial Officer, at 2150 Webster Street, P.O. Box 12688, Oakland, California 94612

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**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**PROPRIETARY FUND FINANCIAL STATEMENTS**  
**STATEMENT OF NET POSITION**  
**June 30, 2025**  
(Dollar amounts in thousands)

---

**ASSETS**

Current assets	
Unrestricted assets	
Cash and cash equivalents	\$ 380,241
Investments	562,276
Government receivables	319,871
Lease receivables	354
Receivables and other assets	56,924
Materials and supplies	90,835
Total unrestricted current assets	<u>1,410,501</u>
Restricted assets	
Cash and cash equivalents	26,589
Investments	84,877
Receivables and other assets	7,775
Total restricted current assets	<u>119,241</u>
Total current assets	<u>1,529,742</u>
Noncurrent assets	
Capital assets	
Nondepreciable/amortizable	2,581,048
Depreciable/amortizable, net of accumulated depreciation/amortization	9,635,234
Unrestricted assets	
Investments	135
Lease receivables	62,548
PPP receivable	39,925
Restricted assets	
Cash and cash equivalents	289,644
Investments	5,433
Receivables and other assets	14,166
Total noncurrent assets	<u>12,628,133</u>
Total assets	<u>14,157,875</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Losses on refundings of debt	7,945
Pension related	244,801
Other postemployment benefits related	92,686
Total deferred outflows of resources	<u>345,432</u>

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**PROPRIETARY FUND FINANCIAL STATEMENTS**  
**STATEMENT OF NET POSITION**  
**June 30, 2025**  
(Dollar amounts in thousands)

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**LIABILITIES**

Current liabilities

Accounts payable and other liabilities	\$ 369,770
Unearned revenue	58,905
Lease liability	4,600
SBITA liability	3,521
PG&E loan, current portion	1,363
Current portion of long-term debt	95,325
Current portion of retiree life insurance benefits liability	691
Self-insurance liabilities	<u>52,409</u>
Total current liabilities	586,584

Noncurrent liabilities

Accounts payable and other liabilities	72,888
Unearned revenue	23,255
Lease liability, net of current portion	49,113
SBITA liability, net of current portion	2,270
Bonds payable, net of current portion	3,009,090
TIFIA loan	153,391
PG&E loan, net of current portion	8,428
Self-insurance liabilities, net of current portion	53,483
Net other postemployment benefits liability	173,948
Retiree life insurance benefits liability, net of current portion	38,053
Net pension liability	<u>952,084</u>
Total noncurrent liabilities	<u>4,536,003</u>

Total liabilities 5,122,587

**DEFERRED INFLOWS OF RESOURCES**

Pension related	14
Other postemployment benefits related	129,527
Lease related	103,545
PPP related	<u>37,889</u>
Total deferred inflows of resources	<u>270,975</u>

**NET POSITION**

Net investment in capital assets	8,919,669
Restricted for debt service and other liabilities	75,501
Unrestricted	<u>114,575</u>
Total net position	<u>\$ 9,109,745</u>

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See accompanying notes to financial statements.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
 PROPRIETARY FUND FINANCIAL STATEMENTS  
 STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION  
 Year ended June 30, 2025  
 (Dollar amounts in thousands)

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Operating revenues	
Fares	\$ 243,924
Other	38,138
Total operating revenues	<u>282,062</u>
Operating expenses	
Transportation	296,859
Maintenance	481,546
Police services	121,655
Construction and engineering	16,602
General and administrative	271,132
Depreciation and amortization	350,356
Total operating expenses	<u>1,538,150</u>
Less - capitalized costs	<u>(142,669)</u>
Net operating expenses	<u>1,395,481</u>
<b>Operating loss</b>	<b>(1,113,419)</b>
Nonoperating revenues (expenses)	
Transactions and use tax - sales tax	317,276
Property tax	239,695
Operating financial assistance	192,539
Investment income	59,538
Interest expense	(99,280)
Planning and studies	(6,115)
Total nonoperating revenues, net	<u>703,653</u>
<b>Change in net position before capital contributions</b>	<b>(409,766)</b>
Capital grants and contributions	<u>882,190</u>
<b>Change in net position</b>	<b>472,424</b>
Net position, beginning of year, as previously reported	8,652,807
Cumulative effect of change in accounting principle	<u>(15,486)</u>
Net position, beginning of the year, as restated	<u>8,637,321</u>
<b>Net position, end of year</b>	<b><u>\$ 9,109,745</u></b>

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See accompanying notes to financial statements.

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**PROPRIETARY FUND FINANCIAL STATEMENTS**  
**STATEMENT OF CASH FLOWS**  
Year ended June 30, 2025  
(Dollar amounts in thousands)

---

**Cash flows from operating activities**

Receipts from customers	\$ 242,542
Payments to suppliers	(253,104)
Payments to employees	(796,030)
Other operating cash receipts	36,535
Receipts of principal and interest related to leases	2,453
Proceeds from disposition of property	58
Net cash used in operating activities	<u>(767,546)</u>

**Cash flows from noncapital financing activities**

Transactions and use tax (sales tax) received	257,113
Property tax received	63,654
Operating financial assistance received	220,550
Net cash provided by noncapital financing activities	<u>541,317</u>

**Cash flows from capital and related financing activities**

Transactions and use tax (sales tax) received	60,163
Property tax received	168,242
Capital grants received	849,309
Expenditures for facilities, property and equipment	(1,000,106)
Payments related to planning and studies	(6,115)
Principal payment for PG&E loan	(1,363)
Principal and interest payments related to leases	(9,064)
Principal and interest payments related to SBITA	(4,865)
Principal paid on long-term debt	(91,065)
Interest paid on long-term debt	(120,144)
Deposit refunded	(706)
Proceeds from TIFIA loan	150,000
Net cash used in capital and related financing activities	<u>(5,714)</u>

**Cash flows from investing activities**

Proceeds from sale and maturity of investments	724,016
Purchase of investments	(270,491)
Interest received	57,846
Net cash provided by investing activities	<u>511,371</u>
Net change in cash and cash equivalents	279,428
Cash and cash equivalents, beginning of year	417,046
<b>Cash and cash equivalents, end of year</b>	<b><u>\$ 696,474</u></b>

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**PROPRIETARY FUND FINANCIAL STATEMENTS**  
**STATEMENT OF CASH FLOWS**  
Year ended June 30, 2025  
(Dollar amounts in thousands)

---

**Reconciliation of operating loss to net cash used in  
operating activities**

Operating loss	\$ (1,113,419)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	350,356
Provision for inventory obsolescence	357
Provision for doubtful accounts	2,335
Amortization of deferred charges	16
Amortization of leasehold improvement	146
Amortization of PPP	(679)
Lessor interest income on GASB 87	2,747
Net effect of changes in:	
Receivables and other assets	(7,377)
Materials and supplies	(10,995)
Accounts payable and other liabilities	34,234
Self-insurance liabilities	(1,596)
Unearned revenue	184
Prior year adjustment - GASB 101	(15,486)
Net pension liability	(68,269)
Deferred outflows of resources related to pensions	106,217
Deferred inflows of resources related to pensions	(14,459)
Net other postemployment benefits liability	408
Deferred outflows of resources related to other postemployment benefits	(26,043)
Deferred inflows of resources related to other postemployment benefits	<u>(6,223)</u>
Net cash used in operating activities	<u>\$ (767,546)</u>
Noncash transactions	
Capital assets acquired with a liability at year-end	\$ 217,187
Change in fair value of investments	(341)
Amortization of long-term debt premium and discount	(25,263)
Amortization of loss on refunding of debt	911
Capital grants included in government receivables	302,939
Change in lease assets	849
Change in SBITA assets	2,405

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See accompanying notes to financial statements.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
 FIDUCIARY FUND FINANCIAL STATEMENTS  
 STATEMENT OF FIDUCIARY NET POSITION  
 June 30, 2025  
 (Dollar amounts in thousands)

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**ASSETS**

Cash and cash equivalents	\$ 53,843
Receivables and other assets	
Receivable from BART	591
Interest and dividend receivables	758
Pending trades receivables	34,040
Prepaid expenses	11
Total receivables and other assets	<u>35,400</u>
Investments	
Domestic common stocks	67,067
Foreign stocks	8,339
U.S. Treasury obligations	27,642
Mortgage Backed Securities	31,225
Mutual funds - equity	365,177
Mutual funds - fixed income securities	130,391
Corporate obligations	44,370
Foreign obligations	2,036
Total investments	<u>676,247</u>
Total assets	<u>765,490</u>

**LIABILITIES**

Accounts payable	159
Pending trades payable	<u>60,549</u>
Total liabilities	<u>60,708</u>
<b>Net position restricted for other postemployment benefits</b>	<b><u>\$ 704,782</u></b>

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See accompanying notes to financial statements.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
 FIDUCIARY FUND FINANCIAL STATEMENTS  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 Year ended June 30, 2025  
 (Dollar amounts in thousands)

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**Additions**

Employer contributions	\$ 45,889
Employee and retiree contributions	822
Net investment income	
Interest and dividend income	19,374
Net realized and unrealized gains on investments	56,709
Investment expense	(272)
Net investment income	<u>75,811</u>
Total additions	122,522

**Deductions**

Benefit payments	36,699
Legal fees	5
Audit fees	40
Insurance expense	14
Administrative fees	269
Total deductions	<u>37,027</u>

Change in net position	85,495
Net position restricted for other postemployment benefits, beginning of year	<u>619,287</u>
<b>Net position restricted for other postemployment benefits, end of year</b>	<b><u>\$ 704,782</u></b>

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See accompanying notes to financial statements.

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025**

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**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Reporting Entity:** The San Francisco Bay Area Rapid Transit District (the "District" or "BART") is a public agency created by the legislature of the State of California in 1957 and regulated by the San Francisco Bay Area Rapid Transit District Act, as amended, and subject to transit district law as codified in the California Public Utilities Code. The disbursement of funds received by the District is controlled by statutes and by provisions of various grant contracts entered into with federal, state and local agencies.

**Basis of Accounting and Presentation:** The basic financial statements provide information about the District's Enterprise Fund and the Retiree Health Benefit Trust and Survivor Benefit Trust (the Trusts). Separate statements for each fund category – proprietary and fiduciary – are presented. The basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Revenues from property taxes are recognized in the fiscal year for which the taxes are levied; revenue from sales taxes are recognized in the fiscal year when the underlying exchange takes place; revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied; and revenue from investments is recognized when earned.

The Enterprise Fund, a proprietary fund, distinguishes operating revenues and expenses from nonoperating items. The District's operating revenues are generated directly from its transit operations and consist principally of passenger fares. Operating expenses for the transit operations include all costs related to providing transit services. These costs include labor, fringe benefits, materials, supplies, services, utilities, leases and rentals, and depreciation and amortization on capital assets. All other revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The Trusts, fiduciary funds, are used to account for assets held by the District as a trustee to pay retiree health care premiums and survivor benefits. The assets of the Trusts cannot be used to support the District's programs. Separate financial statements are maintained for the Retiree Health Benefit Trust and Survivor Benefit Trust, the former receives contributions from the District, whereas the latter is solely funded by employee, retiree and survivor contributions.

**Cash Equivalents:** For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Investments:** The District records investment transactions on the trade date. Investments in nonparticipating interest-earning investment contracts (e.g. nonnegotiable certificates of deposits and guaranteed investment contracts) are reported at cost, and all other investments are at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District measures its investments at fair value and categorizes its fair value measurements within the fair value hierarchy established by GAAP. As a matter of policy, the District usually holds investments until their maturity.

**Restricted Assets:** Certain assets are classified as restricted assets on the statement of net position because their use is subject to externally imposed stipulations, either by certain bond covenants, laws or regulations or provisions of debt agreements. Restricted assets are further categorized as current and non current based on the planned use, i.e., current restricted assets are expected to be consumed or realized within a year. Noncurrent restricted assets on the other hand include cash and claims to cash that are restricted as to withdrawal or use for other than current operations, that are designated for disbursement in the acquisition or construction of noncurrent assets, or that are segregated for the liquidation of long-term debts. Cash and cash equivalent and investments specifically capital funds and debt service funds are included in the noncurrent restricted assets.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**Capital Grants and Contributions:** The District receives grants from the Federal Transit Administration (FTA) and other agencies of the U.S. Department of Transportation, the State of California, and local transportation funds for the acquisition of transit-related equipment, improvements and preventative maintenance. Capital grants receivables represent amounts expected from governmental agencies to reimburse the District for costs incurred for capital projects (Note 11) and are reported as government receivables on the statement of net position.

**Materials and Supplies:** Materials and supplies consist primarily of replacement parts for the system and rail vehicles, which are stated at cost using the average-cost method. Materials and supplies are expensed as consumed.

**Bond Discounts, Premiums and Losses on Refunding:** The bond discounts, premiums and losses on refunding are amortized over the term of the bonds as a component of interest expense. The unamortized portion of these items, except the losses on refunding, which are reported as deferred outflows of resources, are presented as an adjustment of the face amount of bonds payable.

**Capital Assets:** Capital assets are stated at cost (except for lease assets and right-to-use SBITA assets, the measurement of which is discussed in "Leases" and "SBITAs" below and in Note 5 and Note 6 or at acquisition value of donated assets and depreciated using the straight-line method over the estimated useful lives of the assets ranging from 2 to 80 years. The District's policy is to capitalize acquisitions of capital assets with a cost of \$5,000 or more and a useful life of more than one year, and all costs related to capital projects, regardless of amounts. Upon disposition, costs and accumulated depreciation/amortization are removed from the accounts and resulting gains or losses are included in operations.

The District capitalizes as intangible capital assets, internally generated intangibles such as computer software, lease assets, and right-to-use SBITA assets. Easements and rights-of-way are capitalized and recorded as part of land and are not amortized as they have indefinite useful lives while computer software is amortized over a period of 20 years. Lease assets and SBITA assets are amortized over the shorter of their estimated useful lives or the contract term.

Major improvements and betterments to existing facilities and equipment are capitalized. Costs for maintenance and repairs that do not extend the useful life or the service utility of the applicable assets are charged to expense as incurred.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, lease assets, right-to-use SBITA assets, are depreciated/amortized using the straight-line method over the following estimated useful lives or the lease term lease assets:

<b>Capital assets category</b>	<b>Lives in years</b>
<b>Tangible asset</b>	
Stations, tracks, structures and improvements	2-80
Buildings	8-80
System-wide operation and control	3-30
Revenue transit vehicles	5-40
Service and miscellaneous equipment	3-30
Capitalized construction and start-up costs	3-80
Repairable property items	5-50

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

<b>Intangible assets</b>	
Lease assets	2-52
Land	
Buildings	
Equipment	
Vehicles	
Right-to-use SBITA assets	1.5-10
Information systems	2-20

Leases:

*Lessee Leases*

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more.

Key estimates and assumptions related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District's incremental borrowing rate of 3% was used as the discount rate for lessee leases entered into prior to June 30, 2022 and 4.2% for leases entered into after June 30, 2022. A discount rate of 3.27% was used for leases commencing after July 1, 2024.
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with capital assets and lease liabilities are reported with current liabilities and long-term debt on the statement of net position. Please refer to Note 5 for further information.

*Lessor Leases*

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District's incremental borrowing rate of 3% was used as the discount rate for lessee leases entered into prior to June 30, 2022 and 4.2% for leases entered into after June 30, 2022. A discount rate of 3.27% was used for leases commencing after July 1, 2024.
- The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable. Please refer to Note 5 for further information.

Subscription Based Information Technology Arrangements (SBITAs): A SBITA is a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (with underlying IT assets), as specified in the contract, for a period of time, in an exchange or exchange-like transaction.

The District is required to recognize a right-to-use (ROU) subscription assets and a corresponding subscription liability on its financial statements for SBITAs that meet the criteria.

The District has various noncancelable SBITA contracts with terms ranging from 15-111 months, for which an intangible right-to-use SBITA asset and SBITA liability has been recognized. The District recognizes SBITA liabilities with an initial, individual value of \$5,000 or more.

The District's incremental borrowing rate of 4.2% was used as the discount rate for SBITAs commencing after July 1, 2022, and 3.27% was used as the discount rate for SBITAs commencing after June 30, 2024.

Public-Private and Public-Public Partnerships and Availability Payment Arrangements: A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying non-financial asset for a period of time in an exchange or exchange-like transaction. APAs are considered a financing transaction. The District has no contracts that meet APA criteria.

Beginning July 1, 2022, if ownership on improvements constructed by the operator (e.g., parking garage, housing, retail space, etc.) under a TOD ground lease arrangement transfers to BART at the end of the lease, the District is required to recognize the estimated net book value of the capital asset as a PPP receivable. In addition, the District recognizes a receivable for any installment payments at the present value of PPP payments expected to be received during the PPP term.

The District recognizes a corresponding deferred inflow of resources when the assets are placed in service. PPP revenue recognized as deferred inflow of resources is amortized over the PPP or ground lease term.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**Unearned Revenue:** Unearned revenue consists of (1) prepayments of revenues related to license fees paid by telecommunication companies for the use of the District's right of way for wireless accessibility to their customers; (2) estimated passenger tickets sold but unused; and (3) advances received from grant agreements. The detailed balances of unearned revenue as of June 30, 2025, is presented below (dollar amounts in thousands):

	<u>Current</u>	<u>Non Current</u>	<u>Total</u>
Telecom & Cell site license fees	\$ 3,703	\$ 13,567	\$ 17,270
Passenger/Parking tickets	16,574	-	16,574
Grant advances	21,803	9,556	31,359
VTA advances	13,732	-	13,732
Other advances	3,092	132	3,224
 Total	 \$ 58,905	 \$ 23,255	 \$ 82,160

**Compensated Absences:** Compensated absences are reported and accrued as a liability in the period incurred. Compensated absences have a total balance of \$100,909,000 as of June 30, 2025, and are shown in the statement of net position under accounts payable and other liabilities (see Note 8) as follows (dollar amounts in thousands):

Compensated absence, July 1, 2024	\$ 82,564
Cumulative effect of adoption of GASB 101	15,486
Compensated absence, July 1, 2024 as restated	98,050
Leave benefits earned	72,905
Leave benefits used	(70,046)
Compensated absences June 30, 2025	100,909
Less: Noncurrent portion	69,828
 Current portion of Compensated absences	 \$ 31,081

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

In fiscal year 2025, the District adopted GASB 101, the latest accounting standard related to compensated absences. The cumulative effect of adopting GASB 101 as of July 1, 2024 is \$15,486,000.

The District accrues liability for the following compensated absences:

- Earned and unused vacation leave
- Earned and unused sick leave
- Earned and unused holiday
- Earned and unused compensatory time

District's full-time employees who have a continuous service record of one year or longer are entitled to an annual vacation from one to six weeks depending on years of service and union affiliation. Vacation accrual rate per Union affiliations is shown below:

<b>Vacation Accrual</b>						
<b>Years of Service</b>	<b>AFSCME</b>	<b>ATU</b>	<b>SEIU</b>	<b>BPMA</b>	<b>BPOA</b>	<b>Non-Represented</b>
1 year of service	3 weeks	3 weeks	3 weeks	3 weeks	3 weeks	3 weeks
After 5 years	4 weeks			4 weeks		4 weeks
After 8 years		4 weeks	4 weeks		4 weeks	
After 14 years	5 weeks			5 weeks		
After 15 years		5 weeks	5 weeks		5 weeks	5 weeks
After 19 years	6 weeks			6 weeks		
After 20 years		6 weeks	6 weeks		4 weeks	6 weeks
After 25 years				3 weeks		

District's full time employees earn 12 days of sick leave per calendar year. The portion of accumulated sick leave hours that management estimates as more likely than not to be used for time off or otherwise paid or settled during employees' future service is included in the compensated absences liability. Estimated unused sick leave at time of termination not eligible to be settled in cash but count as additional time worked for calculation of pension benefit are not accrued as compensated absences.

Holiday accrual per Union affiliation is shown below:

<b>Union</b>	<b>Holiday Accrual</b>		
	<b>Fixed Holidays</b>	<b>Floating Holiday</b>	<b>Total Holidays Earned</b>
AFSCME	9	4	13
ATU	12	1	13
SEIU			
Maintenance	10	3	13
Clerical & Professional	11	2	13
BPMA	10	3	13
BPOA			
Non Sworn except for Dispatchers*	9	4	13
Sworn Personnels & Dispatchers**	0	0	0
Non represented	9	5	14

\*Employees who have completed twenty (20) years of service shall not receive floating holidays

\*\* Sworn Personnels & Dispatchers shall receive compensation in the amount of 6.6% of their base rate of pay in lieu of holiday compensation

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025**

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**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

Please refer to Implementation of Accounting Standards on page 43 for more information.

The portion of the compensated absences liability expected to be paid within the next year is reflected in current accounts payable and other liabilities while the amount expected to be paid after one year is included in other non-current liabilities – see Note 8.

**Pollution Remediation:** The recognition of pollution remediation obligations (including contamination) addresses the current or potential detrimental effects of existing pollution by estimating costs associated with participating in pollution remediation activities, such as site assessments and cleanups. There are no known material remediation obligations that the District is currently or potentially involved in.

**Net Position:** Net investment in capital assets include capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Restricted net position consists of assets where constraints on their use are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. Restricted net position includes amounts restricted for debt service and other liabilities. Unrestricted net position consists of net position that does not meet the definition of restricted or net investment in capital assets. This net position component includes net position that has been designated by management for specific purposes, which in the case of the District include allocations to fund capital projects, and other liabilities, which indicate that management does not consider them to be available for general operations. Generally, the District's policy is to spend restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**Transactions and Use Tax (Sales Tax) Revenues:** The State of California legislation authorizes the District to impose a 0.5% transaction and use tax within District boundaries, which is collected and administered by the State Board of Equalization. Of the amounts available for distribution, 75% is paid directly to the District for the purpose of paying operating expenses, except for the portion that is paid directly to trustees to cover principal and interest payments of maturing sales tax revenue bonds. The remaining 25% is allocated by the Metropolitan Transportation Commission (MTC) to the District, the City and County of San Francisco, and the Alameda-Contra Costa Transit District for transit services. The District records the total transactions and use taxes earned (including amounts paid to the trustees) as nonoperating revenue.

**Property Taxes, Collection and Maximum Rates:** The State of California Constitution Article XIII.A provides that the general purpose maximum property tax rate on any given property may not exceed 1% of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100% of market value as defined by Article XIII.A and may be adjusted by no more than 2% per year, unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1% tax levy among the counties, cities, school districts and other districts, such as the District.

The District receives an allocation of property tax revenues for transit operations. Additionally, beginning in fiscal year 2006, the District received property tax allocations for the debt service payments on Measure AA General Obligation Bonds. Beginning in fiscal year 2018, the District also received property tax allocation for the debt service of Measure RR General Obligation Bonds. As required by the law of the State of California, the District utilizes the services of each of the three BART Counties of Alameda, Contra Costa and San Francisco for the assessment and collection of taxes for District purposes. District taxes are collected at the same time and on the same tax rolls as county, school district and other special district

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

taxes. Property taxes are recorded as revenue in the fiscal year of levy. Assessed values are determined annually by the Assessor's Offices of City and County of San Francisco, County of Alameda and County of Contra Costa on January 1, and become a lien on the real properties at January 1. The levy date for secured and unsecured properties is July 1 of each year. Secured taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. Unsecured property tax is due on July 1 and becomes delinquent after August 31.

Operating Financial Assistance: Financial assistance grants for operations from federal, state and local agencies are reported as nonoperating revenue in the period in which all eligibility requirements have been satisfied (Note 11).

Collective Bargaining: Approximately 86% of the District's employees are subject to collective bargaining. The current bargaining units consist of the following:

- American Federation of State, County and Municipal Employees (AFSCME), Local 3993
- Amalgamated Transit Union (ATU), Local 1555
- Service Employees International Union (SEIU), Local 1021
- BART Police Officers Association (BPOA)
- BART Police Managers Association (BPMA)

Capitalized Costs: The District initially charges employee salaries, wages and benefits to operating expenses by functional expense category. Labor costs included in those amounts that are associated with capital projects are subsequently adjusted to be included in the cost of the related capital asset. This adjustment is reflected in the statement of revenues, expenses and change in net position as a reduction of operating expenses.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's Pension Plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by California Public Employees' Retirement System (CalPERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms.

Other Post-Employment Benefits (OPEB): The District currently has the following OPEB Plans: Retiree Health Benefit Plan, Survivor Benefit Plan and Life Insurance. For purposes of measuring the net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, information about the fiduciary net position of the District's OPEB Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. Benefit payments and contribution due from employer or retirees and survivors (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

Implementation of Accounting Standards: The District adopted the following accounting standards during the year:

GASB Statement No. 101, *Compensated Absences*, effective for fiscal years beginning after December 15, 2023. The objective of the statement is to better meet the financial statement users by updating the recognition and measurement guidance for compensated absences.

Under GASB 101, a liability is recognized for compensated absences when the following conditions are met:

- (a) the leave is attributable to services already rendered,
- (b) the leaves accumulate, and
- (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

This pronouncement was implemented in the fiscal year ending June 30, 2025. The cumulative effect of adopting this statement is reflected as an adjustment to beginning net position. The impact of the adoption of the new standard as of July 1, 2024, is summarized below (dollar amounts in thousands):

Net position, July 1, 2024	\$ 8,652,807
Cumulative effect of adoption of GASB 101	<u>(15,486)</u>
Net position, July 1, 2024 as restated	<u><u>\$ 8,637,321</u></u>

Compensated absences liability impact (dollar amounts in thousands):

Compensated absence, July 1, 2024	\$ 82,564
Cumulative effect of adoption of GASB 101	<u>15,486</u>
Compensated absence, July 1, 2024 as restated	<u><u>\$ 98,050</u></u>

GASB Statement No. 102, *Certain Risk Disclosures*, effective for fiscal years beginning after June 15, 2024. The objective of the statement is to disclose information about risks related to concentrations and constraints. See Note 18 for the District's disclosure.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**Cash and Cash Equivalents, and Investments of the Enterprise Fund**

Cash, cash equivalents and investments are reported in the Enterprise Fund as follows (dollar amounts in thousands):

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Cash and cash equivalents	\$ 380,241	\$ 316,233	\$ 696,474
Investments	<u>562,411</u>	<u>90,310</u>	<u>652,721</u>
<b>Total</b>	<b><u>\$ 942,652</u></b>	<b><u>\$ 406,543</u></b>	<b><u>\$ 1,349,195</u></b>

In March 2019, the Board approved the creation of Pension Funding Policy and an Internal Revenue Service (IRS) Section 115 Irrevocable Supplemental Pension Trust for the purpose of providing additional funds to pay down the District's liability base or be used as stabilization funds if the required CalPERS pension contributions exceed the budgeted projections. In fiscal year 2025, investment income of \$2,734,000 was recognized by the Trust. The balance of the Section 115 Irrevocable Supplemental Pension Trust account as of June 30, 2025 was \$42,615,000 and is reflected as part of restricted cash and cash equivalents.

**Investment Policy:** The California Public Utilities Code, Section 29100, and the California Government Code (CGC), Section 53601, provide the basis for the District's investment policy. To meet the objectives of the investment policy – (1) preservation of capital, (2) liquidity, and (3) yield – the investment policy, approved by the Board of Directors, specifically identifies the types of permitted investments, as well as any maturity limits and other restrictions. The following table presents the authorized investment, requirements, and restrictions per the CGC and the District's investment policy:

Investment Type	Maximum Maturity (1)		Maximum % of Portfolio		% with One Issuer		Minimum Rating (2)	
	CGC	District	CGC	District	CGC	District	CGC	District
U.S. Treasury Obligations (bills, bonds, or notes)	5 years	5 years	None	None	None	None	None	None
U.S. Agencies	5 years	5 years	None	None	None	None	None	None
Bankers' Acceptances	180 days	180 days	40%	40%	30%	30%	None	None
Commercial Paper (3)	270 days	270 days	25%	25%	10%	10%	P1	P1
Negotiable Certificates	5 years	5 years	30%	30%	None	None	None	None
Repurchase Agreements	1 year	1 year	None	None	None	None	None	None
Reverse Repurchase Agreements	92 days	90 days	20%	20%	None	None	None	None
Local Agency Investment Fund	N/A	N/A	None	20%	None	None	None	None
Non-Negotiable Time Deposits	5 years	5 years	30%	30%	None	None	None	None
Medium Term Notes/Bonds (3)	5 years	5 years	30%	30%	None	None	A	A
Municipal Securities of California Local Agencies	5 years	5 years	None	None	None	None	None	None
Mutual Funds	N/A	N/A	20%	20%	10%	10%	AAA	AAA
Notes, Bonds, or Other Obligations	5 years	5 years	None	None	None	None	None	None
Mortgage Pass-Through Securities	5 years	5 years	20%	20%	None	None	AAA	AAA
Financial Futures (3)	N/A	N/A	None	None	None	None	None	None

**Footnotes**

(1) In the absence of a specified maximum, the maximum is 5 years.

(2) Minimum credit rating categories include modifications (+/-).

(3) District will not invest in these investment types unless specifically authorized by the Board.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**Investments Authorized by Debt Agreements:** The District must maintain required amounts of cash and investments with fiscal agents under the terms of certain debt issuances. These funds are unexpended bond proceeds and funds set aside for debt service. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Securities of the U.S. Government and its agencies	None	None	None	None
Housing Authority Bonds or project notes issued by public agencies or municipalities fully secured by the U.S.	None	None	None	None
Obligations of any state, territory, or commonwealth of the U.S. or any agency or political subdivisions thereof	None	Aa1/AA+	None	None
Collateralized time deposits	None	A-1	None	None
Commercial paper	None	Aaa/AAA	None	None
Repurchase agreements	None	None	None	None
Money market mutual funds	None	None	None	None
Investment agreements	None	Aa1/AA+	None	None
Other investments approved by the Board that will not adversely affect ratings on bonds	None	None	None	None
Corporate bonds, notes, and debentures	None	Aa1/AA+	None	None
Local Agency Investment Fund	None	None	None	None

**Interest Rate Risk:** Interest rate risk is the risk that changes in market rates will adversely affect the fair value of an investment. One of the District's primary objectives is to provide sufficient liquidity to meet its cash outflow needs, however, the District does not have any policies specifically addressing interest rate risk, except as outlined in the CGC. A summary of investments by type of investments and by segmented time distribution as of June 30, 2025, is as follows (dollar amounts in thousands):

	Investment Maturities (in Years)		
	Less		
	<u>Total</u>	<u>Than 1</u>	<u>1 - 5</u>
U.S. Treasuries	\$ 621,830	\$ 621,830	\$ -
U.S. government agencies	62,305	62,305	-
Commercial paper	51,544	51,544	-
Certificates of deposit	708	708	-
 Total investments subject to interest rate risk	 736,387	 \$ 736,387	 \$ -
 Deposits with banks	 157,023		
Mutual funds - equity	42,616		
Money market mutual funds	411,874		
Imprest funds	1,295		
 Total cash and investments	 \$ 1,349,195		

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

Credit Risk: The District's credit rating risk is governed by Section 53601 of the CGC which, among others, limits investments in money market mutual funds to those funds with the highest evaluations granted by the rating agencies, which is AAA. There are no investment limits on the securities of U.S. Treasury or certain U.S. government agencies that are backed by the full faith and credit of the United States government. The following is a summary of the credit quality distribution for securities with credit exposure as rated by Standard & Poor's, Fitch Ratings and/or Moody's as of June 30, 2025 (dollar amounts in thousands):

	Credit Ratings					Not Rated
	Total	AAA	AA	A		
Money market mutual funds	\$ 411,874	\$ 411,874	\$ -	\$ -	\$ -	\$ -
Commercial paper	51,544	51,544	-	-	-	-
Mutual funds - equity	42,616	-	-	-	-	42,616
Certificates of deposit	708	-	-	-	-	708
 Total investments subject to credit risk	 506,742	 \$ 463,418	 \$ -	 \$ -	 \$ -	 \$ 43,324
 U.S. Treasuries	 621,830					
U.S. government agencies	62,305					
Deposits with banks	157,023					
Imprest funds	1,295					
 Total cash and cash equivalents and investments	 <u>\$ 1,349,195</u>					

Fair Value Hierarchy: The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs (the District does not value any of its investments using Level 3 inputs).

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

The following is a summary of the fair value of assets of the District as of June 30, 2025 (dollar amounts in thousands):

<u>Assets by Fair Value Level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Money market mutual funds	\$ 411,874	\$ 411,874	\$ -
U.S. Treasuries	621,830	-	621,830
U.S. government agencies	62,305	-	62,305
Commercial paper	51,544	51,544	-
Mutual funds - equity	<u>42,616</u>	<u>42,616</u>	<u>-</u>
 Total assets at fair value	 1,190,169	 <u>\$ 506,034</u>	 <u>\$ 684,135</u>
 Excluded from fair value hierarchy reporting:			
Certificate of deposit	708		
Cash equivalents and investments	<u>\$ 1,190,877</u>		
Deposits with banks	157,023		
Imprest funds	<u>1,295</u>		
 Total cash and cash equivalents and investments	 <u>\$ 1,349,195</u>		

Investments valued at \$506,034,000 in fiscal year 2025 are classified in Level 1 of the fair value hierarchy. This asset category consists of money market mutual funds, other mutual funds, and commercial paper which are valued using Institutional Bond quotes, i.e., quoted market prices in active markets.

Investments valued at \$684,135,000 in fiscal year 2025 are classified in Level 2 of the fair value hierarchy. Fair value was determined using Matrix Pricing techniques maintained by various pricing vendors. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Concentration of Credit Risk: The District does not have a policy to limit investments in any one issuer to no more than 5% of the total portfolio. However, the District is required to disclose investments that represent a concentration of 5% or more of investments in any one issuer other than U.S. Treasury obligations and pooled investments. The District has investments in FHLB of \$62,800,000 as of June 30, 2025, which exceeds 5% of total investments.

Custodial Credit Risk – Deposits: For deposits, custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. The CGC Section 53652 requires California banks and savings and loan associations to secure governmental deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the District's deposits. California law also allows financial institutions to secure governmental deposits by pledging first trust deed mortgage notes having a value of 150% of the District's total deposits. Such collateral is considered to be held in the District's name.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**Custodial Credit Risk – Investments:** For investments, custodial credit risk is the risk that in the event of a failure of the counterparty, the District may not be able to recover the value of its investments. Exposure to the District is limited as the District's investments are held in the District's name by a third-party safe-keeping custodian that is separate from the counterparty or in the custody of a trust department, as required by bond covenants.

**Investments of the Retiree Health Benefit Trust and Survivor Benefit Trust**

**Investment Policy:** The investment objective of the Trusts is to achieve consistent long-term growth for the Trusts and to maximize income consistent with the preservation of capital for the sole and exclusive purpose of providing benefits to participants and their beneficiaries and defraying reasonable expenses of administering the Trusts. The District's Board of Directors establishes the general investment policy and guidelines for the Trusts. Allowable investments under the Trusts investment guidelines include:

- Cash equivalents such as U.S. Treasury bills, money market mutual funds, short-term interest fund (STIF) trusts, commercial paper rated A1/P1, banker's acceptances, certificates of deposits and repurchase agreements;
- Fixed income securities, which include U.S. agency and corporation bonds (including Yankees) and preferred stock and Rule 144A issues, and mortgage or asset-backed securities; and
- Equity securities, including U.S. traded common, preferred stocks and convertible stocks and bonds, including American Depository Receipts.

**Interest Rate Risk:** The Trusts' investment policies mitigate exposure to changes in interest rates by requiring that the assets of the Trust be invested in accordance with the following asset allocation guidelines:

<u>Asset Class</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Preferred</u>
Equity securities	45%	70%	60%
Fixed income securities	25%	45%	35%
Cash equivalents	3%	10%	5%

Fixed income securities have the following maturity restrictions: (1) maximum maturity for any single security is 40 years, and (2) the weighted average portfolio maturity may not exceed 25 years.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

A summary of investments by type of investments and by segmented time distribution as of June 30, 2025, is as follows (dollar amounts in thousands):

	<u>Total</u>	Investment Maturities				<u>More Than 10</u>
		<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>		
U.S. Treasury obligations	\$ 27,642	\$ 17,672	\$ 1,864	\$ 717	\$ 7,389	
Mortgage backed securities	31,225	969	-	339	29,917	
Corporate obligations	44,370	717	19,938	15,878	7,837	
Foreign obligations	2,036	-	926	944	166	
 Total investments subject to interest rate risk	 105,273	 \$ 19,358	 \$ 22,728	 \$ 17,878	 \$ 45,309	
 Domestic common stocks	 67,067					
Foreign stocks	8,339					
Mutual funds - equity	365,177					
Mutual funds - fixed income securities	130,391					
Cash and cash equivalents	53,843					
 Total cash and cash equivalents and investments	 \$ 730,090					

**Credit Risk:** The Trusts' credit risk policy is defined in its Statement of Investment Policy approved by the District's Board of Directors. The policy states that the Board recognizes that some risk is necessary to produce long-term investment results that are sufficient to meet the Trusts' objectives and that the Trusts' investment managers are expected to make reasonable efforts to control risk. The investment policy requires that all of the Trusts' assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Trusts, with minimal impact on market prices. The investment policy also demands that no single investment shall exceed five percent of the total Trusts assets, at market value, except obligations of the U.S. government, short-term money market funds, index funds and other diversified commingled accounts; and for actively managed equity accounts, where, for issues that comprise more than 4% of the account's stated benchmark, the limit shall be 125% of the weight of the common stock benchmark.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

The following is a summary of the credit quality distribution for securities with credit exposure as rated by Standard & Poor's and/or Moody's as of June 30, 2025 (dollar amounts in thousands):

		Credit Ratings					
	Total	AAA	AA	A	BBB	Not Rated	
Mortgage backed securities	\$ 31,225	\$ -	\$ 31,225	\$ -	\$ -	\$ -	
Corporate obligations	44,370	18,015	1,297	13,846	11,073		139
Foreign obligations	2,036	-	-	1,071	965		-
Mutual funds - fixed income securities	<u>130,391</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>130,391</u>
Total investments subject to credit risk	208,022	<u>\$ 18,015</u>	<u>\$ 32,522</u>	<u>\$ 14,917</u>	<u>\$ 12,038</u>		<u>\$ 130,530</u>
U.S. Treasury obligations	27,642						
Domestic common stocks	67,067						
Foreign stocks	8,339						
Mutual funds - equity	365,177						
Cash and cash equivalents	<u>53,843</u>						
Total cash and cash equivalents and investments	<u>\$ 730,090</u>						

**Fair Value Hierarchy:** The Trusts categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the Trusts as of June 30, 2025 (dollar amounts in thousands):

<u>Investments by Fair Value Level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Domestic common stocks	\$ 67,067	\$ 67,067	\$ -
Foreign stocks	8,339	8,339	-
U.S. Treasury obligations	27,642	-	27,642
Mortgage backed securities	31,225	-	31,225
Mutual funds - equity	365,177	365,177	-
Mutual funds - fixed income securities	130,391	130,391	-
Corporate obligations	44,370	-	44,370
Foreign obligations	<u>2,036</u>	<u>-</u>	<u>2,036</u>
Total investments at fair value	676,247	<u>\$ 570,974</u>	<u>\$ 105,273</u>
Money market mutual funds & cash in banks	<u>53,843</u>		
Total cash and cash equivalents and investments	<u>\$ 730,090</u>		

Investments classified in Level 1 of the fair value hierarchy valued at \$570,974,000 in fiscal year 2025 are valued using quoted prices in active markets.

Investments amounting to \$105,273,000 in fiscal year 2025 are classified under Level 2 of the fair value hierarchy and are valued using matrix pricing, which is used to value securities based on the securities' relationship to benchmark quoted prices.

(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**Concentration of Credit Risk:** The Trusts' investment policies mitigate exposure to concentration of credit risk by diversifying the portfolio and limiting investments in any one issuer to no more than 5% of the total portfolio with the following exceptions: obligations of the U.S. Government, diversified short term money market funds, index funds, other diversified comingled accounts and actively managed equity accounts. As of June 30, 2025, none of the investments exceed 5% of total investments or 5% of the fiduciary net position except pooled investments.

**Custodial Credit Risk – Investments:** For investments, custodial credit risk is the risk that in the event of a failure of the counterparty, the Trusts may not be able to recover the value of its investments. The exposure to the Trust is limited as the Trust's investments are held in the Trust's name in the custody of a third-party custodian that is separate from the counterparty.

**Foreign Currency Risk:** The risk that changes in exchange rates will adversely impact the fair value of an investment denominated in foreign currency. The Trust's investment holdings include positions in foreign stocks and obligations that are exposed to foreign currency fluctuations.

**NOTE 3 – RECEIVABLES AND OTHER ASSETS**

Amounts other than leases and PPP receivables are aggregated into a single accounts receivables and other assets account (net of allowance for doubtful accounts) in the statement of net position as of June 30, 2025 (dollar amounts in thousands):

Prepaid expenses	\$ 21,623
Deposit for power supply	14,166
Property tax receivables	8,681
Contract warranty receivable	4,793
Imprest deposits for self-insurance liabilities	4,794
Interest receivable - Other Investments	10,319
Capitol Corridor Joint Powers Authority receivable (Note 16)	1,276
Telecommunications	9,536
Other	27,021
Allowance for doubtful accounts	<u>(23,344)</u>
 Total receivables and other assets	 <u>\$ 78,865</u>
 Current, unrestricted portion	 \$ 56,924
Current, restricted portion	7,775
Noncurrent, restricted portion	<u>14,166</u>
 Total receivables and other assets	 <u>\$ 78,865</u>

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 4 – CAPITAL ASSETS**

Changes to capital assets during the fiscal year ended June 30, 2025, were as follows (dollar amounts in thousands):

	<u>July 1, 2024</u>	<u>Additions and Transfers</u>	<u>Retirements and Transfers</u>	<u>June 30, 2025</u>
Capital assets, not being depreciated or amortized				
Land and easements	\$ 718,958	\$ 5,688	\$ -	\$ 724,646
Construction in progress	1,798,972	1,045,935	(988,505)	1,856,402
Total capital assets, not being depreciated or amortized	<u>2,517,930</u>	<u>1,051,623</u>	<u>(988,505)</u>	<u>2,581,048</u>
Capital assets, being depreciated and amortized				
Tangible assets				
Stations, track, structures and improvements	7,679,737	118,080	-	7,797,817
Buildings	594,528	21,668	-	616,196
System-wide operation and control	849,060	79,605	(2,428)	926,237
Revenue transit vehicles	1,660,417	734,962	(8,168)	2,387,211
Service and miscellaneous equipment	516,418	8,952	(889)	524,481
Capitalized construction and start-up costs	684,050	328	-	684,378
Repairable property items	949,615	17,704	(392)	966,927
Intangible assets				
Lease assets				
Land	1,129	-	-	1,129
Buildings	60,396	757	(280)	60,873
Equipment	2,480	39	(924)	1,595
Vehicles	18,492	53	(9,001)	9,544
Right-to-use SBITA asset	17,572	2,405	(1,127)	18,850
Information systems	79,168	1,518	(58)	80,628
Total capital assets, being depreciated and amortized	<u>13,113,062</u>	<u>986,071</u>	<u>(23,267)</u>	<u>14,075,866</u>
Less accumulated depreciation and amortization				
Tangible assets				
Stations, track, structures and improvements	(2,036,963)	(166,500)	-	(2,203,463)
Buildings	(53,634)	(9,206)	-	(62,840)
System-wide operation and control	(664,451)	(27,577)	2,428	(689,600)
Revenue transit vehicles	(240,120)	(58,387)	8,168	(290,339)
Service and miscellaneous equipment	(370,595)	(17,885)	889	(387,591)
Capitalized construction and start-up costs	(406,882)	(11,775)	-	(418,657)
Repairable property items	(259,287)	(41,630)	392	(300,525)
Intangible assets				
Lease assets				
Land	(4,550)	-	-	(4,550)
Buildings	(7,968)	(3,219)	280	(10,907)
Equipment	(1,094)	(187)	924	(357)
Vehicles	(11,555)	(4,122)	9,001	(6,676)
Right-to-use SBITA asset	(6,452)	(4,898)	1,127	(10,223)
Information systems	(49,846)	(5,116)	58	(54,904)
Total accumulated depreciation and amortization	<u>(4,113,397)</u>	<u>(350,502)</u>	<u>23,267</u>	<u>(4,440,632)</u>
Total capital assets, being depreciated and amortized, net	<u>(8,999,665)</u>	<u>635,569</u>	<u>-</u>	<u>9,635,234</u>
Total capital assets, net	<u>\$ 11,517,595</u>	<u>\$ 1,687,192</u>	<u>\$ (988,505)</u>	<u>\$ 12,216,282</u>

(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025**

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**NOTE 4 – CAPITAL ASSETS (Continued)**

To replace the District's aging fleet of revenue rail vehicles, on May 10, 2012, the Board of Directors authorized the award of a contract (Phase 1 contract) to Bombardier Transit Corporation (which was later acquired by Alstom) for the procurement of rail cars to replace and expand BART's existing fleet. The base contract and options provide for the design, engineering, manufacture, testing, supply spare parts, special tools, test equipment, cab simulator, documentation, drawings, program management, in-service support, warranty, training and data submittal, management and support of 775 heavy rail transit vehicles, comprised of 310 "D" (control cab-equipped) and 465 "E" (non-control) cars. The total project cost for the 775 vehicles is approximately \$2,189,000,000 and is being paid from funding sources from the FTA, the State of California, MTC, VTA and BART. A portion of funding from BART is financed with Transportation Infrastructure Financing and Innovation Act of 1998 (TIFIA) loan sponsored by the U.S. Department of Transportation. As of June 30, 2025, 775 rail cars under the Phase 1 contract were delivered and deployed in revenue service.

In September 2020, BART awarded a follow-on contract (Phase 2 contract) to Alstom to acquire an additional up to 425 additional "E" cars to enable a peak capacity of 30 scheduled ten-car trains per hour via the Transbay Tube for the network as expanded to Santa Clara by Phase II of the Silicon Valley Extension. Between September 2020 and May 2024, BART executed the base contract and three options for a total of 354 rail cars. The total project cost for the 354 rail cars is estimated to be approximately \$1,325,000,000 and is funded with sources from FTA, the State of California, MTC, VTA, the Alameda County Transportation Commission, the San Francisco County Transportation Authority and BART. In July 2024, Alstom commenced delivering rail cars to BART under the Phase 2 contract. As of June 30, 2025, 196 rail cars under Phase 2 have been delivered. Once all the rail cars under both contracts are delivered and deployed in revenue service, BART will have a total fleet of 1,129 rail cars, 310 of which are "D" cars and 819 "E" cars.

At an election held on November 8, 2016, the District obtained an authorization to issue General Obligation Bonds (Measure RR) up to \$3,500,000,000 to finance its System Renewal Program in order to keep BART safe; prevent accidents/breakdowns/delays; relieve overcrowding; and to address critical infrastructure needs which include replacing and upgrading 90 miles of severely worn tracks, tunnels damaged by water intrusion, 44-year old train control systems, and other deteriorating infrastructure. Please see Note 9 for a summary of major projects and related expenses funded by Measure RR.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 4 – CAPITAL ASSETS (Continued)**

Construction in progress with a balance of \$1,856,402,000 as of June 30, 2025, is composed of the following projects (dollar amounts in thousands):

<b><u>Project ID</u></b>	<b><u>Project Name</u></b>	<b><u>Project Balance</u></b>
49GH004	CBTC - CIG	\$ 401,935
15EJRRA	A-Line 34.5kV AC cable replacement	147,863
40FA000/0001	775 Car acquisition	19,237
15EK600	Substation for core capacity	92,098
15EKRR1	TP switch stations & gap break	64,737
40FD001	New car phase II procurement	59,095
15TC002	Renewal of tunnels & structures	58,883
01RQ100	HMC phase 2 preliminary engineering	53,529
49GH000	Train control modernization	51,468
15EK350	Substation replacement/installation group II	48,227
15EJRRA	R-Line 34.kV AC cable replace	42,082
47CJ016	Clipper C2 upgrade program integration	31,359
01RQ103	HMC east storage yard	31,260
15EJRRC	C-Line 34.5kV AC cable replace	30,759
49GH008	CBTC deployment	26,283
15CQ008	KLine interlocks K23,K25,K33 C15	26,060
15LK002	San Francisco escalator replacement	25,283
49GH006	CBTC enabling works	24,194
15ELRR1	MPR install & rectifier rehabilitation	22,163
09EK300	Emergency generator for TBT	17,259
15IJRR2	Fire alarm replacement phase 3	16,810
02DD000	WSX Irvington station design	16,010
60CC004	Renewal and upgrade OCC	15,936
15EKRR5	CWC traction power substation	15,525
15EJRRK	K-Line 34.5kV AC cable replacement	15,363
20AJ003	Replace trunked radio SWD phase 1	14,572
17AY001	BART police headquarters	13,588
15LK001	Canopy/escalators replacement	13,280
15EK601	TCCP EB TPSS procurement & installation	12,712
49GH005	CBTC CIG ineligible	12,669
15TD000	Wayside equipment	12,215
15EK201	Traction power portable substation	11,933
15NU002	Accessibility improvement program	11,589
57RR204	North Berkeley station access improvement	10,496
54RR260	Fire services yards - OHY	10,368
15TC023	Fences systemwide	10,190
15CQ020	Richmond yard track rehabilitation	9,911
15IJ200	Station fire alarm replacement R&K lines	9,580
09AU000	TBT retrofit #1 (underwater)	9,310
59CT002	Wayfinding improvement phase 4	8,656

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 4 – CAPITAL ASSETS (Continued)**

<b>Project ID</b>	<b>Project Name</b>	<b>Project Balance</b>
04SO140	eBART FY22 capital allocation	\$ 7,621
15AARR1	Tunnel LED lighting upgrade	7,597
15QJ001	Reroof facilities building	7,546
20AJ001	Engineering services phased radio replacement	7,334
54RR350	Turntable replacement backlog OCY/ORY	7,309
60CC002	Transit operations facility	6,963
03QJ001	Concord truing machine	6,469
60CC000	New OCC	6,074
15QN004	ROW fencing replacement	5,829
47CJ011	BHU replacement - phase 1	5,671
40FA002	New car warranty-reimburseable	5,577
15NL006	Elevator renovation phase 1.3	5,392
15ELRR2	34.5kV blocking scheme systemwide	5,280
15CQ015	A85 interlocking replacement	5,173
15TC004	Water intrusion train control	5,033
01ZP000	OAC CARP work	4,953
63EA010	Network infrastructure refresh	4,925
15QN003	Tunnel waterproof W line	4,874
47CJ112	Next generation fare gates part 2 of 2	4,506
96DARR1	FTA core capacity	4,491
20LN001	Wayside line replacement unit Wayside	4,398
57RR101	Safe routes to BART	4,258
79PB000	Conventional to digital CCTV- SF	4,227
05OH000	Building renovation to enhance fire safety	4,161
15TC018	Renew catwalks	3,859
15CH001	Tail track extention- Dublin & Millbrae	3,847
11FE001	EMB new platform elevator	3,803
15QL004	Aerial guideway sound wall repalcement	3,781
40FD002	Rail car phase 2 soft costs	3,633
54RR510	LMA OCC HVAC renovation	3,431
11CS001	Negative return mapping	3,371
20LT006	NET.COM state of good repair	3,309
15TC013	Slope stabilizations SWD	3,276
20LN004	Wayside MUX box reliability improvement	3,256
60BE000	SCADA- replace PLC5 equipment	3,239
17HMRR1	MET G generator replacement	3,221
65MA000	CCTA mobility on demand agreement	3,206
03QJ101	Concord truing machine	3,156
03SO003	Concord station modernization	3,058
	Others	144,808
	Total Construction in Progress June 30, 2025	\$ <u>1,856,402</u>

The District has entered into contracts for the construction of various facilities and equipment totaling approximately \$1,699,000,000 at June 30, 2025.

(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 5 - LEASES**

***Lessee:***

The District is lessee on various non-cancellable leases of non-revenue vehicles, warehouse storage space, office and miscellaneous equipment, and parcels used for parking. The lease terms range from 24 to 624 months, with monthly payments ranging from \$104 to \$208,000. The District recognizes a lease liability and lease asset with an initial, individual value of \$5,000 or more.

Activity in lease liabilities is presented below (dollar amounts in thousands):

	<u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2025</u>
Total lease liabilities	<u>\$ 60,184</u>	<u>\$ 849</u>	<u>\$ (7,320)</u>	<u>\$ 53,713</u>

Future payments under noncancelable lessee leases at June 30, 2025 are as follows (dollar amounts in thousands):

<u>Year ending June 30</u>	<u>Lease Payments</u>		<u>Principal</u>	<u>Interest Payment</u>
2026	\$ 6,165	\$ 4,600	\$ 1,565	
2027	4,459	3,019	1,440	
2028	3,642	2,283	1,359	
2029	3,250	1,958	1,292	
2030	3,273	2,042	1,231	
2031-2035	13,411	8,050	5,361	
2036-2040	12,531	8,365	4,166	
2041-2045	12,500	9,685	2,815	
2046-2050	12,500	11,251	1,249	
2051-2055	2,500	2,460	40	
 Total payments	 <u>\$ 74,231</u>	 <u>\$ 53,713</u>	 <u>\$ 20,518</u>	

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 5 - LEASES** (Continued)

***Lessor:***

The District is the lessor for noncancelable leases of parcels of land (ground leases) and office space. The District recognized a lease receivable of \$62,902,000 and a deferred inflow of resources of \$103,545,000 in the statement of financial position as of June 30, 2025. The District recognized \$1,297,000 in lease revenue and \$2,747,000 in interest revenue on leases for the year ended June 30, 2025. Listed below are the various lessor leases with cash consideration for office and ground leases with corresponding contract terms:

Lease Description	Asset Category	Contract Start Date	Contract End Date
Asian Health Services - 101 8th Street Oakland, CA 94607	Building	10/31/2022	10/31/2025
BikeHub, Inc. - 1775 and 1773 Broadway Oakland, CA 94612 (Sublease of 19th and Broadway, LLC)	Building	7/1/2022	6/30/2025
Coliseum Transit Village One, LP - Coliseum Station Oakland, CA 94611	Land	8/31/2017	8/30/2083
1.80 Acres - Fruitvale Development Corp., Inc. - Commercial, Community Service and Residential Improvements - Fruitvale Ave, Oakland, CA 94612	Land	12/9/2003	12/8/2078
1.84 Acres - Gateway Millbrae Office LLC - Office Ground Lease - Aviador Ave across Millbrae Ave, Millbrae, CA 94030	Land	12/1/2019	11/30/2118
1.96 Acres - Gateway Millbrae Hotel Development LLC - Hotel Ground Lease - Aviador Ave across Millbrae Ave, Millbrae, CA 94030	Land	12/1/2019	11/30/2118
2.75 Acres - Gateway Millbrae Residential LLC - Market Rate Housing Ground Lease - Aviador Ave across Millbrae Ave, Millbrae, CA 94030	Land	12/1/2019	11/30/2118
Richmond Business Hub, LLC - 1500 MacDonald Ave. Richmond, CA 94801	Land	8/30/2019	8/31/2029
Walnut Creek Transit Lifestyle Associates, LLC - STATE HWY 680 Walnut Creek, CA 94596	Land	2/1/2020	9/7/2083
1393 - Workday Inc. - 6002 Stoneridge Mall Road Pleasanton, CA 94588	Land	1/30/2014	12/31/2108

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 5 - LEASES** (Continued)

Schedule of future receipts related to lessor leases follows (dollar amounts in thousands):

<u>Year ending June 30</u>	<u>Lease Payments</u>	<u>Principal</u>	<u>Interest Revenue</u>
2026	\$ 2,125	\$ 354	\$ 1,771
2027	1,995	208	1,787
2028	2,024	220	1,804
2029	2,053	232	1,821
2030	2,073	77	1,996
2031-2035	12,087	246	11,841
2036-2040	12,952	286	12,666
2041-2045	13,656	332	13,324
2046-2050	14,413	386	14,027
2051-2055	15,229	1,130	14,099
2056-2050	16,109	1,747	14,362
2061-2065	17,057	2,030	15,027
2066-2070	18,077	2,359	15,718
2071-2075	19,199	2,740	16,459
2076-2080	20,098	2,802	17,296
2081-2085	19,986	1,793	18,193
2086-2090	20,043	628	19,415
2091-2095	21,523	729	20,794
2096-2100	23,118	847	22,271
2101-2105	24,837	984	23,853
2106-2110	26,217	4,713	21,504
2111-2115	27,506	21,047	6,459
2116-2121	18,580	17,012	1,568
 Total receipts	 <u>\$ 350,957</u>	 <u>\$ 62,902</u>	 <u>\$ 288,055</u>

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 6 - SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)**

The District has entered into numerous subscription based information technology arrangements. The District has evaluated and reported these agreements under GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. The District has recorded SBITA liabilities during the fiscal year amounting to \$5,791,000. During the fiscal year, principal and interest payments amounted to \$4,526,000 and \$266,000, respectively. Changes during the fiscal year are as follows (dollar amounts in thousands):

	July 1, 2024	Increases	Decreases	June 30, 2025
Total SBITA liabilities	<u>\$ 7,912</u>	<u>\$ 2,405</u>	<u>\$ (4,526)</u>	<u>\$ 5,791</u>

Future payments under noncancelable SBITA contracts at June 30, 2025 are as follows (dollar amounts in thousands):

<u>Year ending June 30</u>	<u>SBITA</u>		
	<u>Payments</u>	<u>Principal</u>	<u>Interest Payment</u>
2026	\$ 3,752	\$ 3,521	\$ 231
2027	1,445	1,352	93
2028	292	254	38
2029	298	270	28
2030	206	189	17
2031-2034	<u>213</u>	<u>205</u>	<u>8</u>
 Total payments	 <u>\$ 6,206</u>	 <u>\$ 5,791</u>	 <u>\$ 415</u>

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 7 - PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIPS**

The District has various agreements which have been evaluated and reported under GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. All payment obligations under these arrangements are fixed. As of June 30, 2025, the District recorded the following PPPs (dollar amounts in thousands):

<b><u>PPP Transit Oriented Development Project</u></b>	<b><u>Description</u></b>	<b><u>Remaining Ground Lease Term as of June 30, 2025 (in years)</u></b>	<b><u>Long-Term Receivable PPP as of June 30, 2025</u></b>
Coliseum	Affordable and Market Rate Housing, Retail and Parking	58	\$ 11,041
Fruitvale Phase I	Affordable and Market Rate Housing, Retail and Community Service	53	3,262
Walnut Creek Parcel 1	Parking, Police Zone Command Facility, Intermodal Bus Facility & Offsite Improvement	58	9,485
Castro Valley	Affordable Housing	47	773
San Leandro Phase I	Affordable Housing	54	11,958
San Leandro Phase I	BART Patron Parking	54	1,630
San Leandro Phase II	Senior Housing	56	1,544
San Leandro Phase II	Parking	57	<u>232</u>
Total			\$ <u>39,925</u>

As of June 30, 2025, the District recorded deferred inflows of resources of \$37,889,000 related to these PPPs, and recognized revenue of \$679,000 during fiscal year 2025.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 8 - ACCOUNTS PAYABLE AND OTHER LIABILITIES**

The District reports the following aggregated payables as accounts payable and other liabilities in the statement of net position as of June 30, 2025 (dollar amounts in thousands):

	<u>Current</u>	<u>Non-Current</u>	<u>Total</u>
Payable to vendors and contractors	\$ 244,959	\$ 3,056	\$ 248,015
Employee salaries and benefits	42,416	-	42,416
Accrued compensated absences	31,081	69,828	100,909
Accrued interest payable	<u>51,314</u>	<u>4</u>	<u>51,318</u>
 Liabilities at the end of year	 <u>\$ 369,770</u>	 <u>\$ 72,888</u>	 <u>\$ 442,658</u>

**NOTE 9 - LONG-TERM DEBT**

**Bonds**

Long-term debt activity related to bonds for the fiscal year ended June 30, 2025 is summarized as follows (dollar amounts in thousands):

	<u>July 1, 2024</u>	<u>Additions</u>	<u>Payments/ Amortization</u>	<u>June 30, 2025</u>
2015A Sales Tax Revenue Refunding Bonds	\$ 116,245	\$ -	\$ (16,215)	\$ 100,030
2016A Sales Tax Revenue Refunding Bonds	66,425	-	(4,030)	62,395
2017A Sales Tax Revenue Refunding Bonds	109,075	-	(12,065)	97,010
2019A Sales Tax Revenue Bonds	223,020	-	-	223,020
2019B Sales Tax Revenue Refunding Bonds	76,040	-	(4,440)	71,600
2013C General Obligation Bonds - Measure AA	51,680	-	(10,640)	41,040
2015D General Obligation Refunding Bonds - Measure AA	244,730	-	(11,405)	233,325
2017E General Obligation Refunding Bonds - Measure AA	68,935	-	-	68,935
2019F General Obligation Bonds - Measure AA	192,665	-	(6,660)	186,005
2019G General Obligation Refunding Bonds - Measure AA	43,500	-	-	43,500
2017A General Obligation Bonds - Measure RR	241,155	-	(5,665)	235,490
2019B General Obligation Bonds - Measure RR	291,175	-	(6,090)	285,085
2020C General Obligation Bonds - Measure RR	625,005	-	(9,560)	615,445
2022D General Obligation Bonds - Measure RR	<u>686,730</u>	<u>-</u>	<u>(4,295)</u>	<u>682,435</u>
	<u>3,036,380</u>	<u>-</u>	<u>(91,065)</u>	<u>2,945,315</u>
Add (less):				
Original issue premiums and discounts, net	<u>184,362</u>	<u>-</u>	<u>(25,262)</u>	<u>159,100</u>
Total long-term debt	<u>3,220,742</u>	<u>\$ -</u>	<u>\$ (116,327)</u>	<u>3,104,415</u>
Less current portion of long-term debt	<u>(91,065)</u>			<u>(95,325)</u>
Long-term debt, net of current portion	<u>\$ 3,129,677</u>			<u>\$ 3,009,090</u>

The District is not aware of any significant default, acceleration, or termination clauses in its debt agreements beyond standard provisions.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT (Continued)**

**2015 Series A Sales Tax Revenue Refunding Bonds (the 2015A Refunding Bonds):** In October 2015, the District issued the 2015 Series A Sales Tax Revenue Refunding Bonds, with a principal amount of \$186,640,000 and a premium of \$31,350,000 to, along with other District funds, provide sufficient funds to (1) refund \$231,250,000 principal amount of the District's 2005 Refunding Bonds; (2) refund \$720,000 principal amount of the District's 2006 Bonds; and (3) fund costs of issuance associated with the 2015A Refunding Bonds. The 2015A Refunding Bonds are special obligations of the District, payable from and secured by a pledge of Sales Tax Revenues derived from a transaction and use tax levied by the District in Alameda and Contra Costa Counties and the City and County of San Francisco. On June 30, 2025, the 2015A Refunding Bonds consist of \$100,030,000 serial bonds with interest rate of 5%, with various maturity dates from July 1, 2024 to July 1, 2034.

**2016 Series A Sales Tax Revenue Refunding Bonds (the 2016A Refunding Bonds):** In August 2016, the District issued 2016 Series A Sales Tax Revenue Refunding Bonds, with a principal amount of \$83,800,000 and a premium of \$11,855,000 to provide sufficient funds, along with other District funds, to (1) refund \$94,450,000 principal amount of the District's 2006A Refunding Bonds, and (2) to fund costs of issuance associated with the 2016A Refunding Bonds. The 2016A Refunding Bonds are special obligations of the District, payable from and secured by a pledge of Sales Tax Revenues derived from a transaction and use tax levied by the District in Alameda and Contra Costa Counties and the City and County of San Francisco. On June 30, 2025, the 2016A Refunding Bonds consist of \$62,395,000 serial bonds with interest rates ranging from 2.125% to 5%, with various maturity dates from July 1, 2024 to July 1, 2036.

**2017 Series A and 2017 Series B Sales Tax Revenue Refunding Bonds (the 2017A Refunding Bonds and 2017B Refunding Bonds):** In December 2017, the District issued 2017 Series A Sales Tax Revenue Refunding Bonds with a principal amount of \$118,260,000 and 2017 Series B Sales Tax Revenue Refunding Bonds with a principal amount of \$67,245,000 to provide sufficient funds, along with other District funds, to (1) refund all of the outstanding principal balance amounting to \$115,095,000 of the District's 2010 Sales Tax Refunding Bonds, refund a portion of the outstanding principal balance amounting to \$26,820,000 of the District's 2012 Series A Sales Tax Refunding Bonds, and refund a portion of outstanding principal balance amounting to \$86,025,000 of the District's 2012 Series B Sales Tax Revenue Bonds and 2) fund costs of issuance associated with the 2017 Series A and 2017 Series B Refunding Bonds. The 2017A Refunding Bonds and 2017B Refunding Bonds are special obligations of the District, payable from and secured by a pledge of Sales Tax Revenues derived from a transaction and use tax levied by the District in Alameda and Contra Costa Counties and the City and County of San Francisco. On June 30, 2024, the remaining outstanding balance of the 2017B Refunding Bonds were fully paid. On June 30, 2025, the 2017A Refunding Bonds consist of \$97,010,000 serial bonds with interest rates ranging from 3% to 5%, with various maturity dates from July 1, 2025, to July 1, 2034.

**2019 Series A Sales Tax Revenue Bonds (the 2019A Bonds):** In October 2019, the District issued 2019 Series A Sales Tax Revenue Bonds with a principal amount of \$223,020,000 to provide sufficient funds (1) to fund the acquisition, renovation, improvement and equipping of facilities which will serve as the District's new headquarters; (2) to provide capitalized interest through July 1, 2021; and (3) to fund costs of issuance associated with the 2019A Bonds. The 2019A Bonds are special obligations of the District, payable from and secured by a pledge of Sales Tax Revenues derived from a transaction and use tax levied by the District in Alameda and Contra Costa Counties and the City and County of San Francisco. On June 30, 2025, the total outstanding 2019A Bonds amounts to \$223,020,000, consisting of \$113,485,000 serial bonds with interest rates ranging from 4% to 5%, with various maturity dates from July 1, 2029 to July 1, 2039 and term bonds with an interest rate of 3% in the amount of \$109,535,000 due on July 1, 2044, with mandatory redemptions at various dates beginning July 1, 2040 through July 1, 2044.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT (Continued)**

2019 Series B Sales Tax Revenue Refunding Green Bonds (the 2019B Refunding Bonds): In October 2019, the District issued 2019 Series B Sales Tax Revenue Green Bonds with a principal amount of \$80,290,000 to provide sufficient funds to (1) refund \$72,335,000 of the District's 2012A Bonds; and (2) fund costs of issuance associated with issuance of the 2019B Refunding Bonds. The 2019B Refunding Bonds are special obligations of the District, payable from and secured by a pledge of Sales Tax Revenues derived from a transaction and use tax levied by the District in Alameda and Contra Costa Counties and the City and County of San Francisco. On June 30, 2025, the 2019B Refunding Bonds consist of \$71,600,000 serial bonds with interest rates ranging from 2.208% to 3.098%, with various maturity dates from July 1, 2024 to July 1, 2036.

2013 Measure AA General Obligation Bonds, Series C (the 2013C Measure AA GO Bonds): On November 21, 2013, the District issued the 2013 Series C Measure AA General Obligation Bonds, with a principal amount of \$240,000,000. The 2013C Measure AA GO Bonds are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District are pledged to the payment of the 2013C Measure AA GO Bonds. The 2013C Measure AA GO Bonds constitute the third issue of general obligation bonds issued pursuant to the Measure AA authorization to provide financing for earthquake safety improvements to District facilities in the Three District Counties, including strengthening tunnels, bridges, overhead tracks, the underwater Transbay Tube and the Berkeley Hills Tunnel. In August 2019, a portion of the 2013C Measure AA GO Bonds in the amount of \$59,540,000 were refunded using other District funds and proceeds from the 2019 Series G Measure AA Green Bond Refunding GO Bonds. On June 30, 2025, the 2013C Measure AA GO Bonds consist of \$41,040,000 serial bonds due from August 1, 2025 to August 1, 2033 with interest ranging from 3% to 5%.

2015 Measure AA General Obligation Bonds Refunding Series D (the 2015D Measure AA Refunding GO Bonds): In October 2015, the District issued the 2015 Series D Measure AA Refunding General Obligation Bonds, with a principal amount of \$276,805,000 and a premium of \$42,300,000. The 2015D Measure AA Refunding GO Bonds are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District are pledged to the payment of the 2015D Measure AA Refunding GO Bonds. The purpose of the 2015D Measure AA Refunding GO Bonds is to apply the proceeds and refund \$34,680,000, principal amount of the District's 2005A Measure AA Refunding GO Bonds and to advance refund \$265,735,000 principal amount of the District's 2007B GO Bonds, and to pay costs of issuance of the 2015D Measure AA Refunding GO Bonds. The refunded bonds were issued to finance earthquake safety improvements to the District facilities, including aerial trackway structures, overhead and underground trackway structures, stations and administrative, maintenance, and operations facilities, and to finance additional retrofits to facilitate rapid return to service after an earthquake or other disasters.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT (Continued)**

On June 30, 2025, the 2015D Measure AA Refunding GO Bonds consist of \$233,325,000 serial bonds due from August 1, 2024 to August 1, 2035 with interest ranging from 4% to 5%. The serial bonds maturing on or after August 1, 2026 are subject to redemption prior to their respective stated maturities, at the option of the District, from any source of available funds, as a whole or in part, on any date on or after August 1, 2025, at the principal amount of such 2015D Measure AA Refunding GO Bonds called for redemption, together with interest accrued thereon to the date fixed for redemption, without premium. If less than all of the 2015D Measure AA Refunding GO Bonds are called for redemption, the 2015D Measure AA Refunding GO Bonds shall be redeemed in inverse order of maturities (or as otherwise directed by the District), and if less than all of the 2015D Measure AA Refunding GO Bonds of any given maturity are called for redemption, the portions of 2015D Measure AA Refunding GO Bonds of a given maturity shall be determined by lot.

2017 Measure AA General Obligation Bonds Refunding Series E (the 2017E Measure AA Refunding GO Bonds): In June 2017, the District issued the 2017 Series E Measure AA Refunding General Obligation Bonds, with a principal amount of \$84,735,000 and a premium of \$9,341,000. The 2017E Measure AA Refunding GO Bonds are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District are pledged to the payment of the 2017E Measure AA Refunding GO Bonds. The purpose of the 2017E Measure AA Refunding GO Bonds is to apply the proceeds, together with other District funds, to current refund \$93,780,000, principal amount of the District's 2007B Measure AA Refunding GO Bonds and to pay costs of issuance of the 2017E Measure AA Refunding GO Bonds. The refunded bonds were issued to finance earthquake safety improvements to the District facilities, including aerial trackway structures, overhead and underground trackway structures, stations and administrative, maintenance, and operations facilities, and to finance additional retrofits to facilitate rapid return to service after an earthquake or other disasters.

On June 30, 2025, the 2017E Measure AA Refunding GO Bonds consist of \$68,935,000 serial bonds due from August 1, 2036 to August 1, 2037 with interest ranging from 4% to 5%. The serial bonds maturing on or after August 1, 2036 are subject to redemption prior to their respective stated maturities, at the option of the District, from any source of available funds, as a whole or in part, on any date on or after August 1, 2027, at the principal amount of such 2017E Measure AA Refunding GO Bonds called for redemption, together with interest accrued thereon to the date fixed for redemption, without premium. If less than all of the 2017E Measure AA Refunding GO Bonds are called for redemption, the 2017E Measure AA Refunding GO Bonds shall be redeemed in inverse order of maturities (or as otherwise directed by the District), and if less than all of the 2017E Measure AA Refunding GO Bonds of any given maturity are called for redemption, the portions of 2017E Measure AA Refunding GO Bonds of a given maturity shall be determined by lot.

2019 Measure AA General Obligation Bonds (Green Bonds) Series F-1 and Series F-2 (the 2019F-1 Measure AA GO Bonds and 2019F-2 Measure AA GO Bonds): In August 2019, the District issued the 2019 Measure AA General Obligation Bonds Series F-1 with a principal amount of \$205,100,000 and 2019 Measure AA General Obligation Series F-2 with a principal amount of \$34,900,000. The 2019 Measure AA GO Bonds Series F-1 and Series F-2 are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District are pledged to the payment of the 2019 Measure AA GO Bond Series F-1 and Series F-2. On June 30, 2025, the 2019F-1 Measure AA GO Bonds consist of \$186,005,000 serial bonds due from August 1, 2024, to August 1, 2038 with interest ranging from 3% to 5%. The total outstanding balance of \$34,900,000 on the 2019F-2 Measure AA Go Bonds were fully paid in September 2019.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT (Continued)**

The 2019F-1 Measure AA GO Bonds and 2019F-2 Measure AA GO Bonds constitute the last issuance of general obligation bonds issued pursuant to the Measure AA authorization to provide financing for earthquake safety improvements to District facilities in the Three District Counties, including strengthening tunnels, bridges, overhead tracks, the underwater Transbay Tube and the Berkeley Hills Tunnel.

2019 Measure AA General Obligation Bonds Green Bond Refunding Series G (the 2019G Measure AA Refunding GO Bonds): In August 2019, the District issued the 2019 Measure AA Refunding Green Bond General Obligation Bonds Series G, with a principal amount of \$43,500,000. The 2019G Measure AA Refunding GO Bonds are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District are pledged to the payment of the 2019G Measure AA Refunding GO Bonds. The purpose of the 2019G Measure AA Refunding GO Bonds is to apply the proceeds, together with other District funds, to refund \$59,540,000, principal amount of the District's 2013C Measure AA GO Bonds and to pay costs of issuance. The refunded bonds were issued to finance earthquake safety improvements authorized under Measure AA and were redeemed on August 1, 2023. At June 30, 2025, the total outstanding 2019G Measure AA Refunding GO Bonds amounts to \$43,500,000, consist of \$36,745,000 serial bonds due from August 1, 2029 to August 1, 2034 with interest ranging from 2.622% to 2.922% and term bonds in the amount of \$6,755,000, with interest of 3.145% due from August 1, 2035 to August 1, 2037.

2017 Measure RR General Obligation Bonds (the 2017A Measure RR GO Bonds): In June 2017, the District issued the 2017 Series A Measure RR General Obligation Bonds with an aggregate principal amount of \$300,000,000 and a premium of \$35,641,000. The 2017A Measure RR GO Bonds were issued in 2 series, 2017A-1 Measure RR Bonds in the amount of \$271,600,000 and 2017A-2 Measure RR Bonds (Federally Taxable) in the amount of \$28,400,000. The 2017A Measure RR GO Bonds are part of a \$3,500,000,000 authorization approved at an election held on November 8, 2016 (Election of 2016), by over two-thirds of the qualified voters of the District voting on a ballot measure ("Measure RR") titled "BART Safety, Reliability and Traffic Relief" to keep BART safe; prevent accidents/breakdowns/delays; relieve overcrowding; reduce traffic congestion/pollution; and improve earthquake safety and access for seniors/disabled by replacing and upgrading 90 miles of severely worn tracks, tunnels damaged by water intrusion; 44-year old train control systems; and other acquisition or improvement of real property. The 2017A Measure RR GO Bonds constitute the first issue of general obligation bonds being issued pursuant to the Measure RR authorization. Proceeds from the 2017A Measure RR Bonds will be applied to (1) finance the projects described in Measure RR, and (2) pay a portion of the debt service on the 2017A Measure RR Bonds through February 1, 2018, including the debt service in full of the 2017A-2 Bonds.

The 2017A Measure RR GO Bonds are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District are pledged to the payment of the 2017A Measure RR GO Bonds.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025**

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**NOTE 9 - LONG-TERM DEBT (Continued)**

At June 30, 2025, the total outstanding balance of the 2017A-1 Measure RR GO Bonds amounts to \$235,490,000, consisting of \$104,370,000 serial bonds due from August 1, 2025 to August 1, 2037 with interest ranging from 3% to 5%, a \$58,500,000 term bond with interest of 4% due from August 1, 2038 to August 1, 2042, and a \$72,620,000 term bond with interest of 5% due from August 1, 2043 to August 1, 2047. The 2017A-1 serial bonds maturing on or after August 1, 2028 are subject to redemption prior to their respective stated maturities, at the option of the District, from any source of available funds, as a whole or in part, on any date on or after August 1, 2027, at the principal amount of such 2017A-1 Measure RR GO Bonds called for redemption, together with interest accrued thereon to the date fixed for redemption, without premium. If less than all of the 2017A-1 Measure RR GO Bonds are called for redemption, the 2017A-1 Measure RR GO Bonds shall be redeemed in inverse order of maturities (or as otherwise directed by the District), and if less than all of the 2017A-1 Measure RR GO Bonds of any given maturity are called for redemption, the portions of 2017A-1 Measure RR GO Bonds of a given maturity shall be determined by lot. The 2017A-1 Term Bonds maturing on August 1, 2038 to August 1, 2047 are subject to mandatory sinking fund redemption beginning August 1, 2038, at a redemption price equal to the principal amount to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. The full principal balance of \$28,400,000 for the 2017A-2 Measure RR GO Bonds were fully paid on August 1, 2017.

**2019 Measure RR General Obligation Bonds (Green Bonds) Series B-1 and B-2 (the 2019B-1 Measure RR GO Bonds and 2019B-2 Measure RR GO Bonds):** In August 2019, the District issued the 2019 Measure RR General Obligation Bonds Series B-1 with an aggregate principal amount of \$313,205,000 and 2019 Measure RR General Obligation Bonds Series B-2 with an aggregate principal amount of \$46,795,000. The 2019B-1 Measure RR GO Bonds and 2019B-2 Measure RR GO Bonds constitute the second issuance under authorization approved at an election held on November 8, 2016 (Election of 2016), by over two-thirds of the qualified voters of the District voting on a ballot measure ("Measure RR") titled "BART Safety, Reliability and Traffic Relief".

The 2019 Measure RR GO Bonds Series B-1 and Series B-2 are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District are pledged for debt service of these bonds. The full principal balance of \$46,795,000 pertaining to the 2019B-2 Measure RR GO Bonds were fully paid in September 2019. On June 30, 2025, the total outstanding balance of the 2019B-1 Measure RR GO Bonds amounts to \$285,085,000, consisting of \$137,255,000 serial bonds due from August 1, 2023 to August 1, 2039 with interest ranging from 3% to 5%, a term bond with principal balance of \$37,750,00 due from August 1, 2040 to August 1, 2044 with 4% interest, and a term bond with principal balance of \$110,080,000 due from August 1, 2040 to August 1, 2049, with 3% interest.

**2020 Measure RR General Obligation Bonds (Green Bonds) Series C-1 and C-2 (the 2020C-1 Measure RR GO Bonds and 2020C-2 Measure RR GO Bonds):** On August 27, 2020, the District issued the 2020C Measure RR General Obligation Bonds, with an aggregate principal amount of \$700,000,000. The 2020C Measure RR GO Bonds were issued in 2 series, 2020 Series C-1 Green Bonds in the amount of \$625,005,000 and 2020 Series C-2 Federally Taxable Green Bonds in the amount of \$74,995,000. The 2020C-1 and 2020C-2 Measure RR GO Bonds constitute the third issuance under authorization approved at an election held on November 8, 2016 (Election of 2016), by over two-thirds of the qualified voters of the District voting on a ballot measure ("Measure RR") titled "BART Safety, Reliability and Traffic Relief". The 2020C-1 and 2020C-2 Measure RR GO Bonds are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT** (Continued)

are pledged to the payment of the 2020C-1 and 2020C-2 Measure RR GO Bonds. Proceeds from the 2020C-1 and 2020C-2 Measure RR Bonds will be used to finance specific acquisition, construction and improvement projects for District facilities approved by the voters and to pay the costs of issuance. The full principal balance of \$74,995,000 pertaining to the 2020C-2 Measure RR GO Bonds were fully paid in September 2020. On June 30, 2025, the total outstanding balance of the 2020C-1 Measure RR GO Bonds amounts to \$615,445,000, consisting of \$295,805,000 serial bonds due from August 1, 2024 to August 1, 2042 with interest ranging from 2% to 5%, serial bonds with a principal balance of \$31,125,000 with 2% interest due on August 1, 2046, a term bond with principal balance of \$86,385,000 due from August 1, 2043 to August 1, 2045 with 4% interest, and a term bond with principal balance of \$202,130,000 due from August 1, 2047 to August 1, 2050, with 3% interest.

2022 Measure RR General Obligation Bonds (Green Bonds) Series D-1 and D-2 (the 2022D-1 Measure RR GO Bonds and 2022D-2 Measure RR GO Bonds): On May 25, 2022, the District issued the 2022D Measure RR General Obligation Bonds, with an aggregate principal amount of \$700,000,000. The 2022D Measure RR GO Bonds were issued in 2 series, 2022 Series D-1 Green Bonds in the amount of \$686,730,000 and 2022 Series D-2 Federally Taxable Green Bonds in the amount of \$13,270,000. The 2022D-1 and 2022D-2 Measure RR GO Bonds constitute the fourth issuance under authorization approved at an election held on November 8, 2016 (Election of 2016), by over two-thirds of the qualified voters of the District voting on a ballot measure ("Measure RR") titled "BART Safety, Reliability and Traffic Relief". The 2022D-1 and 2022D-2 Measure RR GO Bonds are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District are pledged to the payment of the 2022D-1 and 2022D-2 Measure RR GO Bonds. Proceeds from the 2022D-1 and 2022D-2 Measure RR Bonds will be used to finance specific acquisition, construction and improvement projects for District facilities approved by the voters and to pay the costs of issuance. The full principal balance of \$13,270,000 pertaining to the 2022D-2 Measure RR GO Bonds were fully paid on June 15, 2022.

On June 30, 2025, the total outstanding balance of the 2022D-1 Measure RR GO Bonds amounts to \$682,435,000, consisting of \$186,295,000 serial bonds due from August 1, 2024 to August 1, 2042 with interest ranging from 3% to 5%, a term bond with principal balance of \$75,000,000 due from August 1, 2043 to August 1, 2047 with 5.25% interest, a term bond with principal balance of \$80,570,000 due from August 1, 2043 to August 1, 2047 with 4% interest, a term bond with principal balance of \$20,000,000 due from August 1, 2048 to August 1, 2052 with 4.125% interest, and a term bond with a principal balance of \$320,570,000 due from August 1, 2048 to August 1, 2052, with 4.25% interest.

After the issuance of the 2022 Measure RR GO Bonds, Series D-1 and Series D-2, the remaining Measure RR General Obligation Bonds that can be issued by the District as authorized under Measure RR is \$1,440,000,000.

In June 2025, Moody's revised the District's General Obligation bond rating from Aaa to Aa1.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

## **NOTE 9 - LONG-TERM DEBT (Continued)**

Measure RR proceeds, uses and balances are listed below (dollar amounts in thousands):

2017 RR GO Bond Series A-1 and A-2 proceeds	\$ 300,000
2019 RR GO Bond Series B-1 and B-2 proceeds	360,000
2020 RR GO Bond Series C-1 and C-2 proceeds	700,000
2022 RR GO Bond Series D-1 and D-2 proceeds	<u>700,000</u>
Total bonds proceeds as of June 30, 2025	\$ 2,060,000

### Project fund expenditures:

Fiscal year 2017	\$ 17,891
Fiscal year 2018	87,434
Fiscal year 2019	229,156
Fiscal year 2020	309,032
Fiscal year 2021	407,274
Fiscal year 2022	354,724
Fiscal year 2023	299,878
Fiscal year 2024	206,714
Fiscal year 2025	147,897 *
	2,060,000

Balance of bond proceeds as of June 30, 2025

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\*Includes accrual of \$1,376,000

The following are the major projects and related expenses funded by proceeds from Measure RR GO Bonds issued through June 30, 2025 (dollar amounts in thousands):

<u>Project</u>	<u>Project Description</u>	<u>Cumulative Project Expenses</u>		<u>FY25 Project Expenses</u>		<u>Cumulative Project Expenses</u>	
		<u>6/30/2024</u>	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2025</u>
15CQ002	Rails,Ties,FastenersPh3measRR	\$ 157,245	\$ 9,299	\$ 166,544			
15EJRRA	A-Line 34.5kV AC Cable Replace	139,049	3,238	142,287			
09JA000	Link21	131,172	3,180	134,352			
09AU000	TBT RETROFIT #1 (UNDERWATER)	114,900	12,707	127,607			
15EJ450	M-Line 34.5 KV Replace Ph.II	103,649	41	103,691			
15EJRR1	34.5 KV AC Cable Replacement	90,781	5,614	96,395			
15EJRRR	R-Line 34.kV AC Cable Replace	82,582	797	83,379			
15CQ018	Rail Relay	60,978	3,806	64,784			
15LK002	San Francisco Escalator Repl	52,146	12,456	64,602			
15EKRR1	TP-Switch Stations & Gap Break	64,057	146	64,203			
15TC002	Renewal of Tunnels &Structures	55,250	7,352	62,602			
09EK300	EMERG GENERATOR-FOR TBT	53,931	2,392	56,323			

(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT (Continued)**

<u>Project</u>	<u>Project Description</u>	<u>Cumulative Project Expenses through 6/30/2024</u>	<u>FY25 Project Expenses</u>	<u>Cumulative Project Expenses through 6/30/2025</u>
15CQ008	KLine interlocks K23, K25, C15	31,649	8,729	40,378
15CQ012	A77 interlocking replacement	32,276	606	32,882
15IIRR1	Stations emergency lighting	30,328	1,431	31,759
15EK350	Substrn replace/install grp II	33,289	(2,698)	30,592
15EJRRC	C-Line 34.5kV AC cable replacement	26,176	4,413	30,589
15TC007	Aerial fall protection	27,510	83	27,593
15CQ011	A65/A75 interlocking (replacement)	24,005	1	24,006
15ELRR1	MPR install & rectifier rehab	21,806	297	22,102
15EK600	Substation for core capacity	17,232	4,136	21,368
49GH000	CBTC project development	20,146	(0)	20,146
15LK001	Canopy/escalators replacement	10,079	9,876	19,954
15CQ005	C35 Interlocking	19,406	(0)	19,406
54RR004	M&E line rail EQP	17,964	1,127	19,091
49GH002	CBTC M&E interlocks	19,013	34	19,046
15CQ017	Rail re-profiling	18,515	0	18,515
15CQ007	Oakland yard tracks project	15,374	326	15,700
15EKRR5	CWC traction power substation	3,950	11,397	15,347
15EJRRK	K-Line 34.5kV AC cable replacement	14,339	920	15,259
49GH004	CBTC Hitachi D-B (49GH-110)	8,591	4,916	13,507
15JRR2	Fire alarm replacement phase 3	7,327	6,164	13,491
15EIRR1	CWS bulk supply transformer	13,373	19	13,392
15CQ016	Direct fixation pads	12,149	1,207	13,356
15CQ006	C25 interlocking	13,200	0	13,200
11IA002	Civic Center platform stairs	11,316	1,790	13,106
09AF002	Replace cross pass doors TBT	12,011	0	12,011
79NKRR1	Train control room UPS system	9,069	1,691	10,760
54RR260	Fire services yards OHY	9,165	1,249	10,413
15TC023	Fences systemwide	9,984	168	10,152
15CQ020	Richmond yard track rehabilitation	8,706	1,275	9,981
54RR270	Fire services yards	9,965	0	9,965
05HA002	El Cerrito del Norte station modernization	9,781	13	9,794
07EA011	19th St station modernization construction	9,610	11	9,621
54RR610	Facilities HVAC replacement phase 1 & 2	9,290	14	9,303
15CQ004	Track C55 interlocking	9,031	(0)	9,031
05HA001	El Cerrito Del Norte gateway	8,613	39	8,652
15CQ014	R65 Mainline interlocking	8,556	(12)	8,544
01VM001	UC intermodal station phase 2A	8,033	55	8,088
49GH006	CBTC enabling works	6,563	1,434	7,997
01RQ100	HMC phase 2 preliminary engineering	7,974	0	7,974
15AARR1	Tunnel LED lighting upgrade	6,662	1,112	7,775
15NU002	Accessibility improvement program	4,431	3,123	7,554
54RR250	Fire services yards OCY	7,462	-	7,462
54RR350	Turntable rep Concord yard	6,986	362	7,348
57RR204	N Berkeley station access improvement	5,334	2,002	7,336
15CQ001	Rails, ties,fasteners 2	7,803	(1,020)	6,783
15IF003	Powell Street - gateway station	6,181	518	6,699
15ELRR3	Third rail replacement phase 3	6,419	-	6,419
15EK601	TCCP EB TPSS procurement & installation	4,866	1,364	6,229
	Others	164,853	18,701	183,555
Total Measure RR Project Expenses		<u>\$ 1,912,103</u>	<u>\$ 147,897</u>	<u>\$ 2,060,000</u>

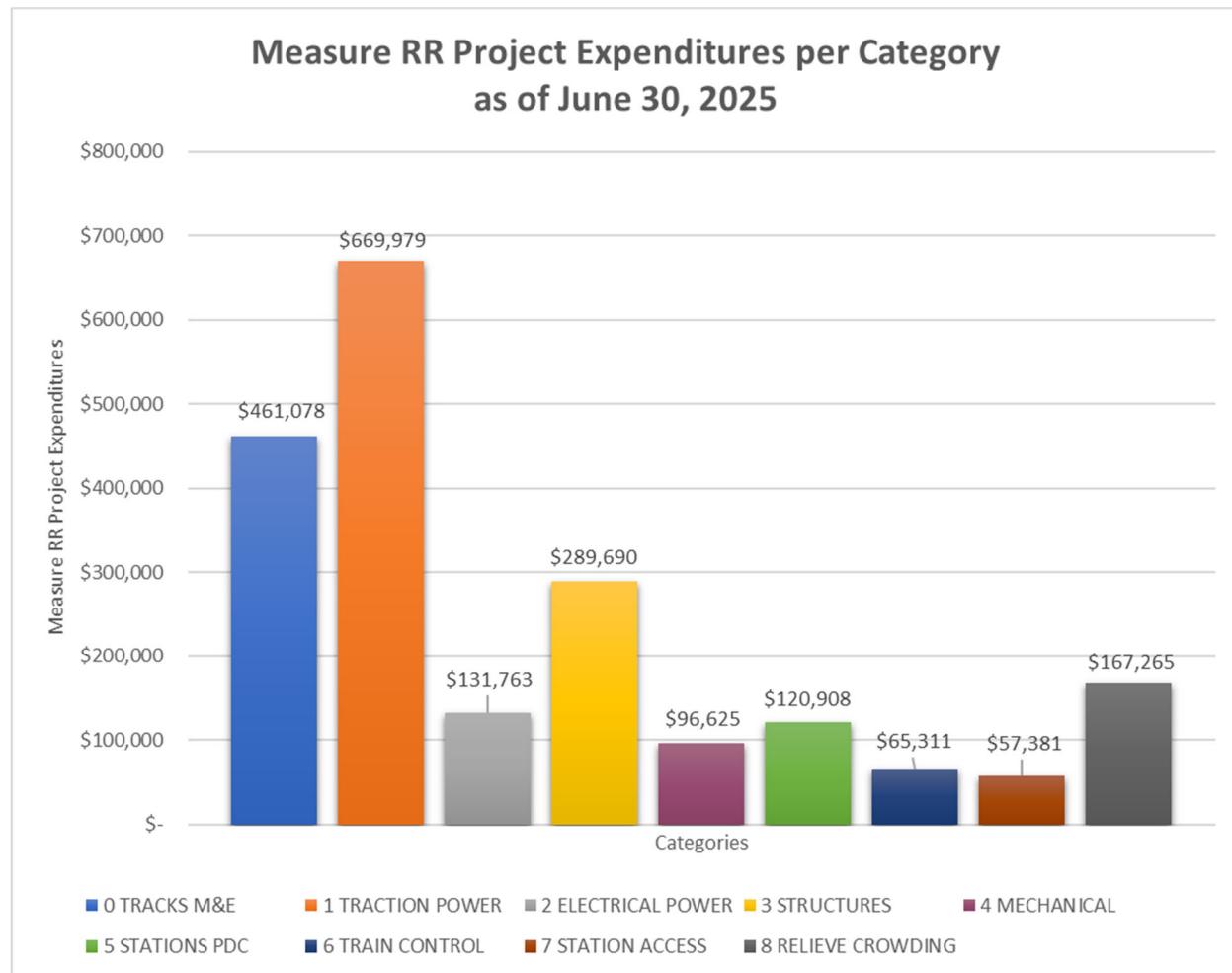
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SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT** (Continued)

Cumulative Measure RR Project Expenses per category are presented below (dollar amounts in thousands):



Of the total expended amount of \$2,060,000,000 for Measure RR, \$2,009,645,000 was reimbursed by the Trustee from the bond proceeds as of June 30, 2025.

Defeased Bonds:

There are no outstanding defeased bonds as of June 30, 2025.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT (Continued)**

Arbitrage Bonds: The District is subject to certain bond covenants, including the rules set forth by IRS Code Section 148a, which requires that interest earned on the proceeds of a tax-exempt bond issuance does not exceed the interest expense related to those bonds, which qualifies those bonds as arbitrage bonds. Any excess interest income is subject to a 100% tax and is payable to the Federal Government. The District has recorded an estimated arbitrage liability with a balance amounting to \$4,000 in fiscal year 2025, which is included in accounts payable and other liabilities in the statement of net position.

Pledge of Revenue to Repay Sales Tax Revenue Bonds: The District issues sales tax revenue bonds primarily to finance a portion of its capital projects. The sales tax revenue bonds are special obligations of the District, payable from and secured by a pledge of sales tax revenues derived from a seventy-five percent (75.0%) portion of a transactions and use tax levied by the District in Alameda and Contra Costa Counties and the City and County of San Francisco in an amount equal to one-half of one percent (0.5%) of gross retail receipts.

The sales tax revenue bonds outstanding as of June 30, 2025 consist of the 2015A Refunding Bonds, the 2016A Refunding Bonds, the 2017A Refunding Bonds, the 2019A Bonds, and the 2019B Refunding Bonds. Interest on the sales tax revenue bonds is payable on January 1 and July 1 of each year, and the principal is payable on July 1 of the scheduled year until July 1, 2044. The total principal and interest remaining on these sales tax revenue bonds is \$726,655,000 as of June 30, 2025, which is 9.0% of the total projected sales tax revenues of \$8,062,434,000 as of June 30, 2025, covering the period from fiscal year 2026 through fiscal year 2044 based on the last scheduled bond principal payment as of June 30, 2025.

The pledged sales tax revenues recognized in fiscal year 2025 were \$317,276,000 compared to total debt service payments of \$59,280,000 in fiscal year 2025.

Events of Default and Acceleration Clauses: The District is considered to be in default if the District fails to pay the principal or redemption price of or sinking fund installment for, or interest on, any outstanding bond, when and as the same will become due and payable, whether on the interest payment date, at maturity, by call redemption, or otherwise. If the District defaults on its obligations under the bond indenture, the Trust Agreements do not contain provision allowing for the accelerated provision in the event of a default in the payment of principal and interest on the GO Bonds and Sales Tax Revenue Bonds when due. In the event of a default by the District, each holder of the bonds will have the right to exercise the remedies, subject to the limitations thereon, set forth in the respective Trust Agreements.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT** (Continued)

**Debt Service Requirements - Sales Tax Revenue Bonds:** The following is a schedule of long-term debt principal and interest payments required for sales tax revenue bonds as of June 30, 2025 (dollar amounts in thousands):

<u>Year ending June 30:</u>	2015A Sales Tax Revenue Refunding Bonds		2016A Sales Tax Revenue Refunding Bonds		2017A Sales Tax Revenue Refunding Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 17,090	\$ 4,574	\$ 4,235	\$ 2,028	\$ 12,520	\$ 4,277
2027	17,870	3,700	4,450	1,833	13,105	3,636
2028	18,760	2,785	4,630	1,652	13,665	2,967
2029	19,695	1,823	4,825	1,463	14,250	2,269
2030	3,925	1,233	5,020	1,316	7,215	1,733
2031 - 2035	22,690	2,945	27,005	4,577	36,255	3,373
2036 - 2038	-	-	12,230	401	-	-
	<u>\$ 100,030</u>	<u>\$ 17,060</u>	<u>\$ 62,395</u>	<u>\$ 13,270</u>	<u>\$ 97,010</u>	<u>\$ 18,255</u>
<u>Year ending June 30:</u>	2019A Sales Tax Revenue Refunding Bonds		2019B Sales Tax Revenue Refunding Bonds		Total Sales Tax Revenue Refunding Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ -	\$ 7,999	\$ 4,640	\$ 1,903	\$ 38,485	\$ 20,781
2027	-	7,999	4,870	1,795	40,295	18,963
2028	-	7,999	5,115	1,674	42,170	17,077
2029	-	7,998	5,375	1,543	44,145	15,096
2030	3,210	7,919	6,240	1,394	25,610	13,595
2031 - 2035	19,920	36,994	33,745	4,185	139,615	52,074
2036 - 2040	90,355	25,841	11,615	363	114,200	26,605
2041 - 2045	109,535	8,409	-	-	109,535	8,409
2046 - 2047	-	-	-	-	-	-
	<u>\$ 223,020</u>	<u>\$ 111,158</u>	<u>\$ 71,600</u>	<u>\$ 12,857</u>	<u>\$ 554,055</u>	<u>\$ 172,600</u>

(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT (Continued)**

**Debt Service Requirements - General Obligation Bonds:** The following is a schedule of long-term principal and interest payments required for general obligation bonds as of June 30, 2025 (dollar amounts in thousands):

Year ending June 30:	2013C Measure AA General Obligation Bonds		2015D Measure AA Refunding General Obligation Bonds		2017E Measure AA General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 10,420	\$ 1,755	\$ 12,600	\$ 10,477	\$ -	\$ 3,089
2027	10,125	1,266	14,000	9,813	-	3,088
2028	9,840	767	15,490	9,075	-	3,089
2029	9,500	284	17,095	8,261	-	3,088
2030	-	46	18,810	7,363	-	3,089
2031 - 2035	1,155	162	123,995	20,575	-	15,443
2036 - 2038	-	-	31,335	627	68,935	6,066
	<u>\$ 41,040</u>	<u>\$ 4,280</u>	<u>\$ 233,325</u>	<u>\$ 66,191</u>	<u>\$ 68,935</u>	<u>\$ 36,952</u>
2019F Measure AA						
Year ending June 30:	General Obligation Bonds		2019G Measure AA General Obligation Bonds		Total Measure AA General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 6,925	\$ 7,437	-	\$ 1,228	\$ 29,945	\$ 23,986
2027	7,270	7,118	-	1,228	31,395	22,513
2028	7,560	6,784	-	1,229	32,890	20,944
2029	7,940	6,396	-	1,228	34,535	19,257
2030	9,260	5,966	8,190	1,121	36,260	17,585
2031 - 2035	53,755	22,216	28,555	2,834	207,460	61,230
2036 - 2039	93,295	7,559	6,755	252	200,320	14,504
	<u>\$ 186,005</u>	<u>\$ 63,476</u>	<u>\$ 43,500</u>	<u>\$ 9,120</u>	<u>\$ 572,805</u>	<u>\$ 180,019</u>
2017A Measure RR General Obligation Bonds						
Year ending June 30:	2019B Measure RR General Obligation Bonds		2020C Measure RR General Obligation Bonds			
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 5,950	\$ 10,674	\$ 6,395	\$ 10,902	\$ 10,035	\$ 19,669
2027	6,250	10,369	6,715	10,574	10,530	19,155
2028	6,560	10,048	7,050	10,230	11,065	18,615
2029	6,890	9,712	7,405	9,869	11,610	18,049
2030	7,235	9,359	7,775	9,489	12,195	17,453
2031 - 2035	41,800	41,107	45,110	41,056	69,350	79,026
2036 - 2040	51,720	31,052	56,805	29,381	91,215	65,087
2041 - 2045	63,405	19,051	67,880	18,199	136,260	50,888
2046 - 2050	45,680	3,500	79,950	6,138	193,240	26,480
2051 - 2053	-	-	-	-	69,945	1,049
	<u>\$ 235,490</u>	<u>\$ 144,872</u>	<u>\$ 285,085</u>	<u>\$ 145,838</u>	<u>\$ 615,445</u>	<u>\$ 315,471</u>

(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT** (Continued)

Year ending June 30:	2022D Measure RR General Obligation Bonds		Total Measure RR General Obligation Bonds		Total Measure AA & RR General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 4,515	\$ 29,725	\$ 26,895	\$ 70,970	\$ 56,840	\$ 94,956
2027	4,740	29,494	28,235	69,592	59,630	92,105
2028	4,975	29,251	29,650	68,144	62,540	89,088
2029	5,230	28,996	31,135	66,626	65,670	85,883
2030	5,485	28,728	32,690	65,029	68,950	82,614
2031 - 2035	31,835	139,130	188,095	300,319	395,555	361,549
2036 - 2040	49,735	130,199	249,475	255,719	449,795	270,223
2041 - 2045	137,845	109,315	405,390	197,453	405,390	197,453
2046 - 2050	170,090	76,070	488,960	112,188	488,960	112,188
2051 - 2053	267,985	20,383	337,930	21,432	337,930	21,432
	<u>\$ 682,435</u>	<u>\$ 621,291</u>	<u>\$ 1,818,455</u>	<u>\$ 1,227,472</u>	<u>\$ 2,391,260</u>	<u>\$ 1,407,491</u>

**Pacific Gas & Electric (PG&E) Lighting Retrofit Loan**

In December 2023, the District entered into an agreement with PG&E to avail of non-interest bearing lighting retrofit loans for the various stations of the District. The total loan amount is \$11,836,000 for a term ranging from 87-106 months. The District obtained this financing through a direct borrowing arrangement.

Long term debt balance as of June 30, 2025, related to the PG&E loan is presented below (dollar amounts in thousands):

	<u>July 1, 2024</u>	<u>Additions</u>	<u>Payments</u>	<u>June 30, 2025</u>
Phase 1	\$ 2,816	\$ -	\$ 328	\$ 2,488
Phase 2	3,221	-	387	2,834
Phase 3	2,558	-	269	2,289
Phase 4	2,560	-	380	2,180
	<u>\$ 11,155</u>	<u>\$ -</u>	<u>\$ 1,364</u>	<u>\$ 9,791</u>
Less: Current portion of PG&E retrofit loan				(1,363)
Long-term debt, net of current portion				<u>\$ 8,428</u>

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 9 - LONG-TERM DEBT** (Continued)

The following is the schedule of PG&E principal payments as of June 30, 2025 (dollar amounts in thousands):

<u>Year ending June 30:</u>	<u>Principal</u>
2026	\$ 1,363
2027	1,363
2028	1,363
2029	1,363
2030	1,364
2031-2034	<u>2,975</u>
	<u>\$ 9,791</u>

**TIFIA Loan**

In October 2024, the District entered into a loan agreement with the US Department of Transportation for a Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA) loan for a principal amount not to exceed \$544,643,000. The District obtained this financing through a direct borrowing arrangement. The TIFIA program allowed BART to finance up to 49% of the costs of the New Rail Car Vehicle Project and permitted the issuance of a loan for reimbursement of funds already spent on the project.

In connection with the receipt of the TIFIA loan, the District executed the Junior Master Indenture, dated as of October 1, 2024 (the "Junior Master Indenture"), between the District and U.S. Bank Trust Company, National Association, as trustee, creating a new junior tier of debt obligations of the District payable from Sales Tax Revenues. Concurrently with the execution and delivery of the Junior Master Indenture, the District entered into the Sixth Supplemental Indenture, dated as of October 1, 2024, between the District and the Trustee, which amended the Indenture to accommodate the creation of the new junior lien. Moreover, the District issued on the newly created junior lien its Sales Tax Junior Revenue Bonds, 2024-A TIFIA Series and its Sales Tax Junior Revenue Bonds, 2024-B TIFIA Series in the aggregate maximum principal amount of \$544,643,000 (together, the "Junior Bonds") to evidence its obligation to repay the TIFIA Loan. The Junior Bonds are secured with a lien upon Sales Tax Revenues on a basis that is subordinate and junior to the lien securing all other existing Bonds. In January 2025, the District drew \$150,000,000 on the TIFIA Loan to fund capital projects. Capitalized interest is added to the outstanding loan balance every six months, resulting in a current outstanding loan balance as of June 30, 2025 of \$153,391,000. The TIFIA loan is payable in 30 years with interest capitalizable for the first eight years. Interest rate is set at 4.56% per annum.

<u>Year Ending June 30:</u>	<u>Accretion</u>			<u>Payment</u>		
	<u>Amount Drawn</u>	<u>Capitalized Interest</u>	<u>Total Principal</u>	<u>Principal</u>	<u>Interest</u>	
2025	\$ 150,000	\$ 3,391	\$ 153,391	\$ -	\$ -	-
2026	-	7,074	7,074	-	-	-
2027	-	7,401	7,401	-	-	-
2028	-	7,742	7,742	-	-	-
2029	-	4,037	4,037	-	-	-
2030	-	-	-	-	-	8,192
2031-2035	-	-	-	3,618	40,876	
2036-2040	-	-	-	20,869	37,831	
2041-2045	-	-	-	26,380	32,486	
2046-2050	-	-	-	33,346	25,696	
2051-2055	-	-	-	42,151	17,126	
2056-2060	-	-	-	53,282	6,291	
	<u>\$ 150,000</u>	<u>\$ 29,645</u>	<u>\$ 179,645</u>	<u>\$ 179,646</u>	<u>\$ 168,498</u>	

(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 10 - RISK MANAGEMENT**

The District faces numerous types of risks: Liabilities to patrons from District related activities, injuries to the District's employees from work related hazards, damage to property and operating systems from fire, flood, explosion and earth movement, acts of terrorism which can cause either damage to our property, loss of operations, loss of revenues, or, injuries to our patrons caused by this peril, and errors and omissions made by the Board of Directors and/or executive management. The District manages its risks through a combination of self-insurance and risk transfer (traditional insurance). The District carries a large self-insured retention for workers' compensation, which is \$4,000,000 per accident with a \$10,000,000 limit of liability. Starting July 2024, the District's casualty program carries a retention of \$12,500,000 for any one occurrence from \$15,000,000 from previous periods. Claims in excess of the self-insured retention are covered up to a total of \$150,000,000 by insurance policies. The District's property program carries a \$5,000,000 self-insured retention with a limit of \$50,000,000 per any one occurrence.

The self-insurance programs are administered by independent claims adjustment firms. Claim expenses and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities are discounted at a 3% rate, in part, upon the independent adjustment firms' estimate of reserves necessary for the settlement of outstanding claims and related administrative costs and include estimates of claims that have been incurred but not yet reported, including loss adjustment expenses. Such reserves are estimated by professional actuaries through June 30 and are subject to periodic adjustments as conditions warrant.

The estimated liability for insurance claims on June 30, 2025 is believed to be sufficient to cover any costs arising out of claims filed or to be filed for accidents occurring through that date. At June 30, 2025, the estimated amounts of these liabilities were \$105,892,000.

Insurance liabilities during fiscal year 2025 are presented below (dollar amounts in thousands):

Liabilities at beginning of year	\$ 95,106
Current year claims and changes in estimates	41,122
Payment of claims	<u>(30,336)</u>
Liabilities at end of year	105,892
Less: current portion	<u>52,409</u>
Net noncurrent portion	<u><u>\$ 53,483</u></u>

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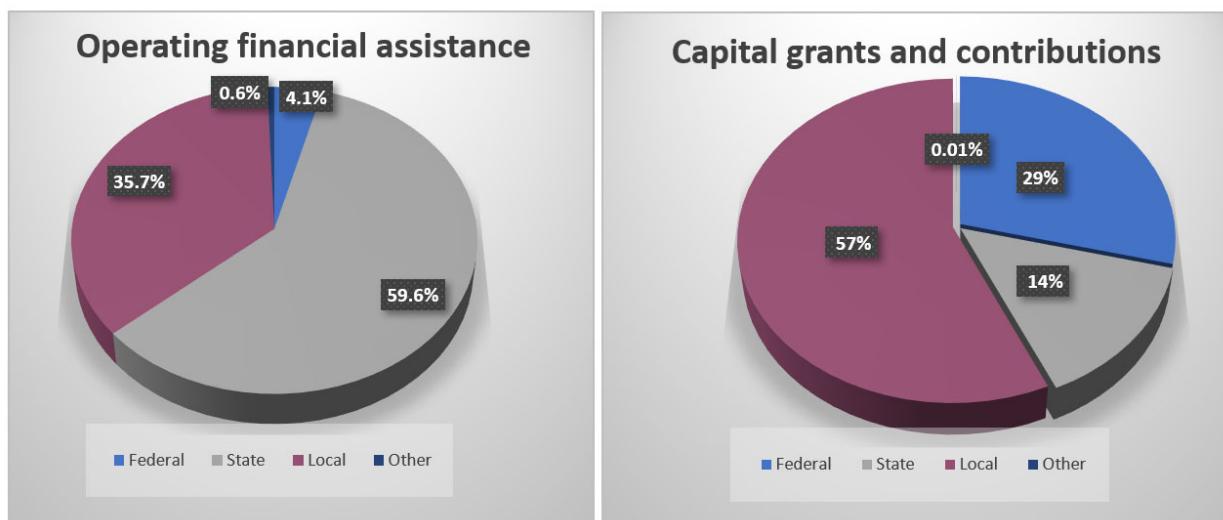
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 11 - OPERATING FINANCIAL ASSISTANCE AND CAPITAL GRANTS AND CONTRIBUTIONS**

The District reports the following aggregated operating financial assistance and capital grants and contributions in the statement of revenues, expenses, and change in net position for the year ended June 30, 2025 (dollar amounts in thousands):

	<u>Operating Financial Assistance</u>	<u>Capital Grants and Contributions</u>
Federal	\$ 7,903	\$ 255,119
State	114,719	126,698
Local	68,787	500,271
Other	1,130	102
	<hr/> <u>\$ 192,539</u>	<hr/> <u>\$ 882,190</u>




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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 11 - OPERATING FINANCIAL ASSISTANCE AND CAPITAL GRANTS AND CONTRIBUTIONS**  
(Continued)

**Federal Operating Financial Assistance and Capital Grants and Contributions**

The District is a recipient of the following grants from the Federal Transit Administration and other agencies of the U.S. Department of Transportation and U.S. Department of Homeland Security to support a variety of projects (dollar amounts in thousands):

	<u>Operating</u>	<u>Capital</u>
Federal grants received	\$ 7,903	\$ 255,119

In fiscal year 2025, the District recognized \$7,903,000 of federal operating financial assistance for projects funded by federal grants that are not capitalizable. The District also recognized capital grants and contributions in the amount of \$255,119,000 to support various capital projects, which include, among others, the following: Rail Car Replacement Program – Phase 1 and Phase 2, Next Generation Fare Gates, Clipper 2 upgrade, and Core Capacity Substation Project.

**State Operating Financial Assistance and Capital Grants and Contributions**

Revenues provided by the State of California came from the following sources (dollar amounts in thousands):

	<u>Operating Financial Assistance</u>	<u>Capital Grants and Contributions</u>
State Transit Assistance	\$ 39,043	\$ -
Low Carbon Transit Operations Program	11,009	-
Low Carbon Fuel Standard Program Revenue	5,953	-
CalSTA - SB125 Transit Program	58,211	-
Other State Grants	<u>503</u>	<u>126,698</u>
	<u><u>\$ 114,719</u></u>	<u><u>\$ 126,698</u></u>

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 11 - OPERATING FINANCIAL ASSISTANCE AND CAPITAL GRANTS AND CONTRIBUTIONS**  
(Continued)

**State Transit Assistance:** The District is entitled to receive state operating and capital assistance from State Transit Assistance (STA). In fiscal year 2025, the District recognized total STA related revenue of \$34,032,000 for general operations. These funds are allocated by MTC based on the ratio of the District's transit operation revenue and local support to the revenue and local support of all state transit agencies. The District also received STA in the amount of \$801,000 as part of the settlement agreement with San Mateo County Transit District (SamTrans) to fund the operating cost of the San Francisco International Airport Extension (SFO Extension). In fiscal year 2025, the District earned \$2,007,000 of STA revenue – State of Good Repair (SGR) grants funded from fiscal year 2024-2025 allocation for preventive maintenance projects, \$1,583,000 from STA Block Grant to support the elevator attendant program in San Francisco, \$337,000 in Alameda County STA Block Grant and \$30,000 Contra Costa County STA Block Grant to support transit operations. A total of \$253,000 was also earned from MTC STA allocation related to Transit Transformation Action Plan (TAP) Staff support.

**Low Carbon Transit Operations Program:** Beginning in fiscal year 2015, the District has applied and received an allocation from the Low Carbon Transit Operations Program (LCTOP). The LCTOP is one of several programs established by the California Legislature in 2014 through Senate Bills 862 (SB 862) and 852 (SB 852). The source of funds for LCTOP is from the state's Cap-and-Trade Program annual proceeds and was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. Eligible projects and programs include new or expanded bus or rail services, expanded intermodal transit facilities, equipment acquisition, fueling, maintenance and other operating costs. In October 2024, the District received in cash, the FY24 LCTOP funding from the State of California for \$11,009,000. This money was provided by the State to partially offset operating costs associated with the Antioch Extension in fiscal year 2024. The District fully utilized this allocation in fiscal year 2025, including the cumulative interest earned, which amounted to \$31,000.

**Low Carbon Fuel Standard (LCFS) Program Revenue:** The California Air Resources Board identified the Low Carbon Fuel Standard (LCFS) as one of the nine discrete early action measures to reduce California's greenhouse gas (GHG) emissions that cause climate change. The California LCFS requires fuel producers to reduce the carbon content of fuels to help the state meet its greenhouse gas (GHG) emission-reduction goals. The LCFS allows low and zero carbon fuel producers and transportation providers to generate credits and requires high carbon-intensity fuel providers to purchase credits while they work to reduce their carbon content. As a rail transportation agency which operates an electrified commuter rail system, BART generates LCFS credits and can translate these credits into revenues by selling it to high intensity fuel providers, such as oil refineries. In fiscal year 2025, the District generated \$5,953,000 from the LCFS program.

**SB125 Transit Program:** In October 23, 2024, MTC approved allocations of SB125: Transit and Intercity Rail Capital Program (TIRCP) for \$11,865,000 and Zero-Emission Transit Capital Program (ZETCP) for \$46,346,000 for a total amount of \$58,211,000. The allocations were made specifically to support transit operations.

**Other State Grants:** The District receives other types of grants from the State of California for transit-related assets and improvements. Sources of capital revenues from the State in fiscal year 2025 include SB1 public Transportation Affordable Housing and Sustainable Communities (AHSC) program for the Rail Car Procurement project.

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SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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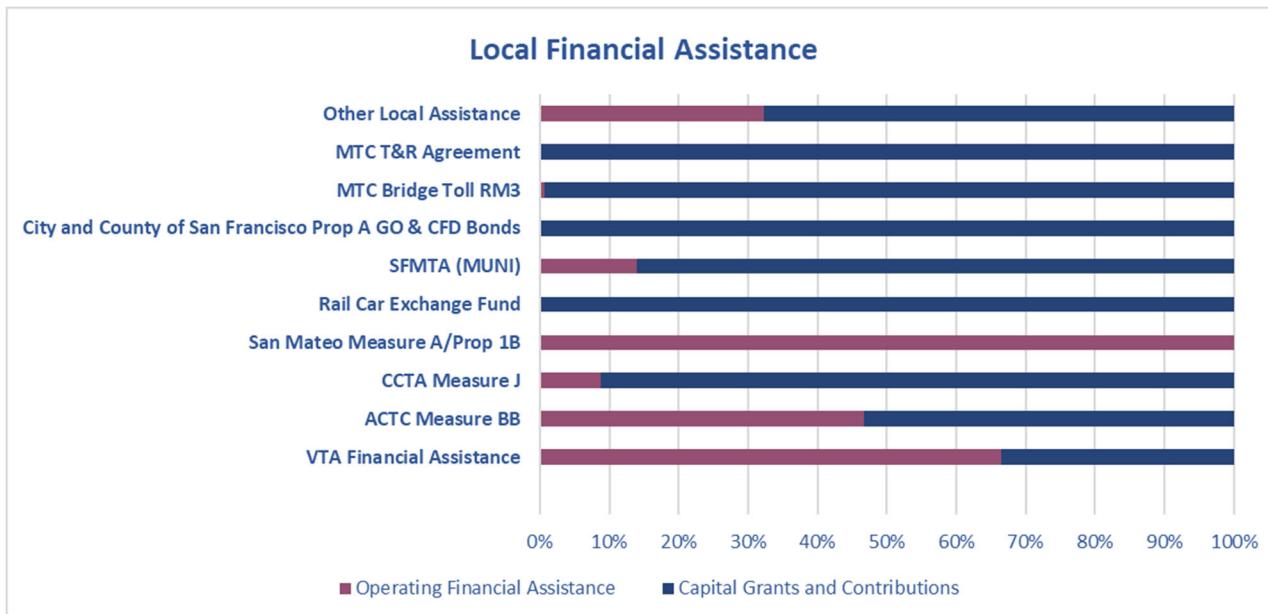
**NOTE 11 - OPERATING FINANCIAL ASSISTANCE AND CAPITAL GRANTS AND CONTRIBUTIONS**  
(Continued)

**Local Operating and Capital Financial Assistance**

Revenues from local funding sources were generated from the following sources (dollar amounts in thousands):

	Operating Financial Assistance	Capital Grants and Contributions
VTA Financial Assistance	\$ 46,142	\$ 23,267
ACTC Measure BB	7,394	8,421
CCTA Measure J	161	1,683
San Mateo Measure A/Prop 1B	2,298	-
Rail Car Exchange Fund	-	115,742
SFMTA (MUNI)	1,524	9,414
City and County of San Francisco Prop A GO & CFD Bonds	-	8,020
MTC Bridge Toll RM3	2,100	286,065
MTC T&R Agreement	9,168	28,487
Other Local Assistance	<u>9,168</u>	<u>19,172</u>
	<u><u>\$ 68,787</u></u>	<u><u>\$ 500,271</u></u>

Graphical representation of sources of local financial assistance is shown below:




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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 11 - OPERATING FINANCIAL ASSISTANCE AND CAPITAL GRANTS AND CONTRIBUTIONS**  
(Continued)

Santa Clara Valley Transportation Authority (VTA) Financial Assistance: On June 13, 2020, the first phase of the Silicon Valley Berryessa Extension Project (SBVX) commenced revenue service. The Phase 1 extension extends the District's Warm Springs Station in Fremont to 2 new stations in the south bay, Milpitas and Berryessa. The Operations and Maintenance agreement requires VTA to be responsible for funding subsidies for the ongoing operating, maintenance and capital costs attributable to the extension including a share on costs associated with the District's core system, both operating and capital costs, and to provide dedicated funding for such cost. Total subsidy received from VTA in fiscal year 2025 are summarized below (dollar amounts in thousands):

	<u>Operating</u>	<u>Capital</u>	<u>Total</u>
Unused subsidy balance, June 30, 2024	\$ -	\$ 9,697	\$ 9,697
Cash received	46,142	27,303	73,445
Recognized as revenue FY25	<u>(46,142)</u>	<u>(23,267)</u>	<u>(69,409)</u>
Unused subsidy balance June 30, 2025	<u><u>\$ -</u></u>	<u><u>\$ 13,733</u></u>	<u><u>\$ 13,733</u></u>

On June 30, 2025, the unused subsidy balance of funds received from VTA are shown on the statement of net position as a component of current unearned revenues (see Note 1).

Alameda County Transportation Commission Measure B and BB: The District receives Paratransit funds provided to cities and transit operators from Alameda County Transportation Commission (ACTC) Measure B funds to be used for services aimed at improving mobility for seniors and persons with disabilities. Beginning in April 2015, the ACTC also allocated to the District Measure BB funds to supplement the funding needed for the paratransit program. Additional Measure BB funds were also allocated to the District for transit operations, maintenance, and safety programs. ACTC is the administrator of both Measure B and BB funds. Measure B program ended in March 2022. Measure BB funds revenues for transit operations were \$1,848,000 and for paratransit operations, were \$5,546,000, in fiscal year 2025. The District also recognized grants revenue from Measure BB capital fund in the amount of \$8,421,000 for the Next Generation Fare Gates, 19<sup>th</sup> Street Station Modernization Project and Dublin/Pleasanton Station Access Improvement in fiscal year 2025.

San Mateo Measure A/Prop 1B: This financial assistance relates to the recognition of the 2.0% San Mateo County half cent sales tax (Measure A) received by the District in the current year in the amount of \$2,298,000 received from San Mateo County Transit District (SamTrans) to cover the operating shortfall of the BART San Francisco International Airport Extension (SFO Extension) in fiscal year 2025. On February 28, 2007, the District, San Mateo County Transit District (SamTrans), and MTC entered into a Tri-Party Agreement (Agreement) establishing the operational and financial arrangement regarding the BART San Francisco International Airport Extension.

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SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 11 - OPERATING FINANCIAL ASSISTANCE AND CAPITAL GRANTS AND CONTRIBUTIONS**  
(Continued)

To fund the operating costs of the SFO Extension, the Agreement provided that (1) the District would receive up-front funding of \$24,000,000 from MTC and \$32,000,000 from SamTrans from their shares of Proposition 1B funds; (2) the District would also receive 2.0% of the San Mateo County half cent sales tax, Measure A, which was reauthorized by the voters of San Mateo County in 2004, for 25 years beginning in fiscal year 2009; and (3) MTC shall allocate to the District additional STA revenue-based funds beginning in fiscal year 2009, which would otherwise be available for allocation to SamTrans as a result of the completion of the Traffic Congestion Relief Program projects, in an amount of \$801,000 annually. The above funds will be used first to cover any operating deficit on the SFO Extension and then to complete SamTrans' funding commitment of \$145,000,000 to the District's Warm Springs Extension Project. In December 2013, MTC adopted Resolution No. 4123, the Transit Core Capacity Challenge Grant Program, which re-directs the \$145,000,000 of SFO Net Operating Revenues to BART's New Railcar Procurement Program.

The up-front funding of \$24,000,000 from MTC was allocated to the District in 2008 in the form of Regional Measure 2 (RM2) revenues as a local match to capital projects funded by the Transit Capital Priorities Program. For the purpose of the Tri-Party Agreement, the District made up-front deposits equivalent to the RM2 revenues in the reserve account and MTC reimbursed the District with RM2 revenues, as the funds were earned. The District has received the full amount from MTC in fiscal year 2018. SamTrans' \$32,000,000 contribution was funded with approximately \$22,500,000 in Proposition 1B funds and \$9,500,000 in a direct allocation.

At the end of fiscal year June 30, 2022, due to extremely low ridership in the SFO extension as consequence of the COVID-19 pandemic, the entire balance of the program reserves has been fully utilized. Fiscal year 2025 revenues received from Measure A and STA of \$3,099,000 were applied to cover the net operating shortfall of the SFO Extension in fiscal year 2025 as shown below (dollar amounts in thousands):

Reserves, beginning of year	\$ -
Received/accrued	
Measure A	2,298
STA	801
Total	<u>3,099</u>
Less amount used to cover SFO extension operating shortfall	<u>(3,099)</u>
Reserves, end of year	<u>\$ -</u>

**MTC Rail Car Exchange Fund:** The District's fleet replacement project consisting of construction for the A, B, C1 and C2 fleet replacement was formally launched in 2013. To set aside funding for this program, the District and Metropolitan Transportation Commission (MTC) entered into the BART Car Replacement Funding Exchange Agreement on May 24, 2006. Under the agreement, MTC agrees to program federal funds to eligible BART projects that are ready to be delivered within the year of MTC's programming action. In exchange for MTC programming funds for ready-to-go BART projects, the District will deposit an equal amount of local unrestricted funds into a restricted account established to fund BART's car replacement program. MTC is the exclusive administrator of the restricted account and any withdrawal of funds from the account requires prior approval from the MTC Commission and the District's Board.

In fiscal year 2025, the District utilized \$115,742,000 from this restricted account to cover costs incurred for the rail car replacement project. On June 30, 2025, the restricted account for BART's car replacement program held by MTC, which is excluded from the District's financial statements, reported a balance of \$24,065,000.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 11 - OPERATING FINANCIAL ASSISTANCE AND CAPITAL GRANTS AND CONTRIBUTIONS**  
(Continued)

**MTC T&R Agreement:** In November 2023, the District entered into a Project Funding Tax and Regulatory agreement with MTC for the purpose of carrying out Transportation Improvement Program (TIP) that is consistent with the Regional transportation plan (RTP). This agreement is for the funding of 669 vehicles for the rail replacement program, prior to MTC receiving the FTA appropriations for the District. MTC will cause the Bay Area Infrastructure Financing Authority (BAIFA) to issue or incur BAIFA obligations to provide the funds for the project. MTC will disburse funds available for payment of costs of the rail car replacement project and will be eligible under the terms of the MTC Letter of No Prejudice (LONP) to be subsequently reimbursed for such advances from Programmed Grant Receipts. The MTC LONP establishes eligibility of the MTC funding Obligations or BAIFA obligations to be repaid with FTA formula funds.

Project expenses incurred in relation to this agreement for fiscal year 2025 amounted to \$28,487,000. Cumulative project cost of \$301,347,000 has been incurred and has been fully reimbursed by MTC as of June 30, 2025.

**MTC Bridge Toll Regional Measure 3 (RM3):** To help solve the Bay Area's growing congestion problems, voters in June 2018 approved RM3 to finance a \$4,450,000,000 slate of highway and transit improvements through an increase of tolls on the region's seven state-owned toll bridges. Winning 55% overall approval by voters in the nine Bay Area counties, RM3 raised tolls in three \$1 increments that went into effect on January 1, 2019, January 1, 2022 and January 1, 2025. The 2019 increase marked the first toll hike on the seven state-owned bridges since 2010.

The new toll schedule established by RM3 was formally approved by the Bay Area Toll Authority (BATA) in December 2018 through adoption of BATA Resolution No. 128. The Authority also adopted BATA Resolution No. 129, which authorized the escrow of RM3 funds pending resolution of legal challenges to Senate Bill 595 (the 2017 legislation authored by then-state Sen. Jim Beall of San Jose that authorized placement of the measure on the June 2018 ballot in the nine Bay Area counties) and RM3. These challenges were ultimately dismissed by the California Supreme Court in January 2023. BATA in March 2023 voted to release the escrow funds and terminate the escrow account. The Commission began making RM3 allocations in June 2023.

The \$2,100,000 operating grant the District received in fiscal year 2025 was for the reimbursement of operating expenses of the Office of Inspector General (OIG).

RM3 capital grant on the other hand, is specifically awarded to the District to support the New Rail Car Acquisition Phase 2 procurement with a total grant amount of \$500,000,000. Fiscal year 2025 expenditure for this project amounted to \$286,065,000.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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#### **NOTE 12 - EMPLOYEES' RETIREMENT BENEFITS**

**Plan Description:** All eligible employees participate in the Public Employees' Retirement Fund (the Fund) of CalPERS under the Miscellaneous Plan and the Safety Plan of the San Francisco Bay Area Rapid Transit District. The Fund is an agent multiple-employer defined benefit retirement plan that acts as a common investment and administrative agent for 2891 local public agencies and school districts within the State of California. The Fund provides retirement, disability, and death benefits based on the employee's years of service, age and compensation. Most employees become eligible for benefits after five years of service and 50 years of age (age 52 for Miscellaneous employees hired after January 1, 2013, see paragraph below.) These benefit provisions and all other requirements are established by State statute and District contractual agreements.

Pursuant to the California Public Employees' Pension Reform Act of 2013 (PEPRA), new members, defined as active members first hired on or after January 1, 2013, or who were hired after a break in service of more than six months, are required to contribute 50% of the "normal" pension cost. The amount is currently 14.25% of covered payroll for safety and 7.00% of covered payroll for miscellaneous. Represented employees were exempt from this provision; however, as a result of a court decision, they were determined to be covered effective December 30, 2014. A new legal challenge was filed on November 6, 2025, when ATU and several of its affiliates sued the U.S. Department of Labor in the U.S. District Court for the District of Columbia. The dispute will again be resolved in a U.S. district court in the first instance, and any decision will be subject to the normal federal appellate process. The ultimate outcome could impact the future applicability of PEPRA to represented employees and their required pension contributions.

Copies of CalPERS' annual financial report may be obtained from their Executive Office by writing or calling the Plan: California PERS, P.O. Box 942709, Sacramento, CA 94229-2709, (916) 326-3420. A separate report for the District's plan is not available.

**Benefits Provided:** The District provides service retirement and disability retirements, annual cost of living adjustments and death benefits to plan members, who must be public employees or beneficiaries. Benefits are based on years of credited service. Members with five years of total service are eligible to retire at age 50 (or 52 for PEPRA Miscellaneous) with statutorily reduced benefits. The death benefit is as follows: The Basic Death Benefit for Miscellaneous and Safety employees; in addition, for Safety employees, the 4<sup>th</sup> level of 1959 Survivor Benefit.

The Plan's provisions and benefits in effect on June 30, 2025, are summarized as follows:

	Miscellaneous Plan		Safety Plan	
	Prior to January 1, 2013	On or After January 1, 2013	Prior to January 1, 2013	On or After January 1, 2013
Hire date				
Benefit formula	2.0% @ 55	2.0% @ 62	3.0% @ 50	2.70% @ 57
Benefit vesting schedule	5 years	5 years	5 years	5 years
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Normal retirement age	55	62	50	57
Monthly benefits, as a percentage of eligible compensation	2.0%	2.0%	3.0%	2.7%
Required employee contribution rates	7.40%	7.75%	11.03%	14.25%
Required employer contribution rates	9.81%	9.81%	26.37%	26.37%

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
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June 30, 2025

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**NOTE 12 - EMPLOYEES' RETIREMENT BENEFITS (Continued)**

Starting in fiscal year 2018, in addition to the contributions noted above, employer contributions include additional unfunded liability payments, details of which are listed below (dollar amounts in thousands):

Miscellaneous plan	\$ 73,387
Safety plan	<u>15,519</u>
Total	<u><u>\$ 88,906</u></u>

On June 30, 2025, the following employees were covered by the benefit terms:

	Miscellaneous Plan	Safety Plan
Inactive employees or beneficiaries currently receiving benefits	3,502	373
Inactive employees entitled to but not yet receiving benefits	74	3
Active employees	<u>3,665</u>	<u>204</u>
Total	<u>7,241</u>	<u>580</u>

**Contributions:** Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 based on the data as of June 30 two years prior, following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For fiscal year 2025, employee contribution rate for the Miscellaneous Plan is 7.40% and 7.75% for classic and PEPRA employees, respectively and for the Safety Plan is 11.03% and 14.25% for classic and PEPRA employees, respectively, of their annual covered payroll. For employer's contribution, beginning in fiscal year 2018, CalPERS collects the employer contribution toward the plan's unfunded liability as a dollar amount instead of the prior method, which is based on a contribution rate. The District's actuarially determined employer contribution rate to cover the normal cost in fiscal year 2025 was 9.81% and 26.37% for Miscellaneous and Safety Plans, respectively, of annual covered payroll for the District's employees. Actual annual covered payroll amounted to \$498,087,000 for the fiscal year ended June 30, 2025 for the District's employees. The District's total employer contribution in fiscal year 2025 amounted to \$144,027,000, consisting of \$55,121,000 for normal cost and \$88,906,000 for payment of unfunded liability.

**Net Pension Liability:** The District's net pension liability for the Plans is measured as the total pension liability, less the pension plan's fiduciary net position. A summary of principle assumptions and methods used to determine the net pension liability is shown below.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 12 - EMPLOYEES' RETIREMENT BENEFITS (Continued)**

Actuarial Assumptions: June 30, 2025 total pension liabilities were based on the following actuarial methods and assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Reporting date	June 30, 2025	June 30, 2025
Measurement date	June 30, 2024	June 30, 2024
Valuation date	June 30, 2023	June 30, 2023
Actuarial cost method	Entry Age Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial assumptions:		
Discount rate	6.90%	6.90%
Inflation	2.30%	2.30%
Payroll growth	2.80%	2.80%
Investment rate of return	6.80%	6.80%
Mortality rate table <sup>1</sup>	Derived using CalPERS' Membership	Derived using CalPERS' Membership

<sup>1</sup> The probabilities of mortality are based on 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

Discount Rate: Effective with the June 30, 2021, valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90% and remains at 6.90% currently. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

The discount rate assumption is calculated as the sum of the assumed real rate of return and the assumed annual price inflation. Changing either the price inflation assumption or the real rate of return assumption will change the discount rate. The sensitivity of the valuation results to the discount rate assumption depends on which component of the discount rate is changed.

Long-Term Rate of Return: The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
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**NOTE 12 - EMPLOYEES' RETIREMENT BENEFITS (Continued)**

Asset Allocation: CalPERS adheres to an Asset Allocation Strategy which establishes asset class allocation policy targets and ranges and manages those asset class allocations within their policy ranges. CalPERS Investment Belief No. 6 recognizes that strategic asset allocation is the dominant determinant of portfolio risk and return. On December 19, 2017, the CalPERS Board of Administration adopted changes to the current asset allocation as shown in the Policy Target Allocation below expressed as a percentage of total assets.

The asset allocation shown below reflects the allocation of the Public Employees' Retirement Fund (PERF) in its entirety as of June 30, 2020. The assets for the District's Miscellaneous and Safety Plan are part of the PERF and are invested accordingly:

<u>Asset Class</u>	<u>Current Allocation</u>	<u>Policy Target Allocation</u>
Global Public Equity	46.30 %	42.00 %
Private equity	11.60	13.00
Global Fixed Income	23.50	30.00
Real Assets	17.10	15.00
Private Debt	1.80	5.00
Other Trust Level	3.80	0.00
<b>Leverage</b>		
Strategic	(0.30)	(5.00)
Active	(3.80)	0.00
<b>Total Fund</b>	<b><u>100.00 %</u></b>	<b><u>100.00 %</u></b>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the District as of the June 30, 2024 measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower 5.90% or 1 percentage-point higher 7.90% than the current rate (dollar amounts in thousands):

	Discount Rate - 1% <u>5.90%</u>	Current Discount Rate <u>6.90%</u>	Discount Rate + 1% <u>7.90%</u>
<b>Miscellaneous Plan</b>			
District's Net Pension Liability (Asset)	\$ 1,153,760	\$ 760,212	\$ 430,876
<b>Safety Plan</b>			
District's Net Pension Liability (Asset)	\$ 260,232	\$ 191,872	\$ 135,856

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 12 - EMPLOYEES' RETIREMENT BENEFITS (Continued)**

Change in Net Pension Liability: The following table shows the changes in the net pension liability for the Miscellaneous Plan for the fiscal year ended June 30, 2025, based on a measurement date of June 30, 2024 (dollar amounts in thousands):

	Increase (Decrease)		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
<b>Miscellaneous Plan</b>			
Balance at June 30, 2024	\$ 3,124,894	\$ 2,302,929	\$ 821,965
<b>Changes during the year</b>			
Service cost	72,053	-	72,053
Interest on the total pension liability	212,956	-	212,956
Changes of benefit terms	-	-	-
Changes of Assumptions	-	-	-
Differences between expected and actual experience	12,226	-	12,226
Net plan to plan resource movement	-	-	-
Contributions from the employer	-	108,629	(108,629)
Contributions from the employees	-	33,903	(33,903)
Net investment income	-	218,330	(218,330)
Benefit payments, including refunds of employee contributions	(173,657)	(173,657)	-
Administrative expense	-	(1,874)	1,874
Other miscellaneous income	-	-	-
Net changes	<u>123,578</u>	<u>185,331</u>	<u>(61,753)</u>
Balance at June 30, 2025	<u>\$ 3,248,472</u>	<u>\$ 2,488,260</u>	<u>\$ 760,212</u>

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 - EMPLOYEES' RETIREMENT BENEFITS (Continued)**

The following table shows the changes in the net pension liability for Safety Plan for the fiscal year ended June 30, 2025, based on measurement date of June 30, 2024 (dollar amounts in thousands):

<u>Safety Plan</u>	Increase (Decrease)		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
Balance at June 30, 2024	\$ 486,684	\$ 288,297	\$ 198,387
<b>Changes during the year</b>			
Service cost	10,000	-	10,000
Interest on the total pension liability	33,459	-	33,459
Changes of benefit terms	-	-	-
Changes of assumptions	-	-	-
Differences between expected and actual experience	6,608	-	6,608
Net plan to plan resource movement	-	-	-
Contributions from the employer	-	23,410	(23,410)
Contributions from the employees	-	5,703	(5,703)
Net investment income	-	27,704	(27,704)
Benefit payments, including refunds of employee contributions	(26,766)	(26,766)	-
Administrative expense	-	(235)	235
Other miscellaneous income	-	-	-
<b>Net changes</b>	<b><u>23,301</u></b>	<b><u>29,816</u></b>	<b><u>(6,515)</u></b>
Balance at June 30, 2025	<b><u>\$ 509,985</u></b>	<b><u>\$ 318,113</u></b>	<b><u>\$ 191,872</u></b>

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 - EMPLOYEES' RETIREMENT BENEFITS (Continued)**

The following table shows the changes in the net pension liability for the total of Miscellaneous and Safety Plans for the fiscal year ended June 30, 2025, based on measurement date of June 30, 2024 (dollar amounts in thousands):

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
<b>Total Miscellaneous and Safety Plans</b>			
Balance at June 30, 2024	\$ 3,611,578	\$ 2,591,226	\$ 1,020,352
<b>Changes during the year</b>			
Service cost	82,053	-	82,053
Interest on the total pension liability	246,415	-	246,415
Changes of benefit terms	-	-	-
Changes of assumptions	-	-	-
Differences between expected and actual experience	18,834	-	18,834
Net plan to plan resource movement	-	-	-
Contributions from the employer	-	132,039	(132,039)
Contributions from the employees	-	39,606	(39,606)
Net investment income	-	246,034	(246,034)
Benefit payments, including refunds of employee contributions	(200,423)	(200,423)	-
Administrative expense	-	(2,109)	2,109
Other miscellaneous income	-	-	-
<b>Net changes</b>	<b><u>146,879</u></b>	<b><u>215,147</u></b>	<b><u>(68,268)</u></b>
Balance at June 30, 2025	<b><u>\$ 3,758,457</u></b>	<b><u>\$ 2,806,373</u></b>	<b><u>\$ 952,084</u></b>

**Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions:**

For the fiscal year ended June 30, 2025, the District incurred a pension expense of \$164,895,000.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 12 - EMPLOYEES' RETIREMENT BENEFITS (Continued)**

On June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (dollar amounts in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b><u>Miscellaneous Plan</u></b>		
Pension contributions subsequent to measurement date	\$ 118,375	\$ -
Changes in assumptions	29,205	-
Differences between actual and expected experience	17,443	(14)
Net differences between projected and actual earnings on plan investments	<u>38,369</u>	-
<b>Total</b>	<u>\$ 203,392</u>	<u>\$ (14)</u>
<b><u>Safety Plan</u></b>		
Pension contributions subsequent to measurement date	\$ 25,652	\$ -
Changes in assumptions	1,988	-
Differences between actual and expected experience	9,285	-
Net differences between projected and actual earnings on plan investments	<u>4,484</u>	-
<b>Total</b>	<u>\$ 41,409</u>	<u>\$ -</u>
<b><u>Total Miscellaneous and Safety Plans</u></b>		
Pension contributions subsequent to measurement date	\$ 144,027	\$ -
Changes in assumptions	31,193	-
Differences between actual and expected experience	26,728	(14)
Net differences between projected and actual earnings on plan investments	<u>42,853</u>	-
<b>Total</b>	<u>\$ 244,801</u>	<u>\$ (14)</u>

The \$144,027,000 deferred outflow of resources for pension contributions after the measurement date in fiscal year 2025 will be recognized as a reduction of net pension liability in fiscal year 2026.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 - EMPLOYEES' RETIREMENT BENEFITS (Continued)**

Other deferred inflows and deferred outflows of resources as of June 30, 2025 related to pensions will be recognized in future pension expense as follows (dollar amounts in thousands):

Measurement Period <u>Ending June 30:</u>	Miscellaneous Plan	Safety Plan
	Deferred Outflows / (Inflows) of Resources	Deferred Outflows / (Inflows) of Resources
2026	\$ 25,145	\$ 7,749
2027	76,313	10,729
2028	(6,360)	(1,171)
2029	(10,095)	(1,550)
2030	-	-
Thereafter	-	-
<b>Total</b>	<b>\$ 85,003</b>	<b>\$ 15,757</b>

**NOTE 13 - MONEY PURCHASE PENSION PLAN**

Most District employees participate in the Money Purchase Pension Plan (MPPP), which is a supplemental retirement defined contribution plan. Effective January 1981, the District's employees elected to withdraw from the Federal Social Security System (FICA) and established the Money Purchase Pension Plan. The District contributes an amount equal to 6.65% of eligible employees' annual compensation (up to \$29,700 after deducting the first \$133 paid during each month) up to a maximum annual contribution of \$1,868 for all employees except part-time SEIU employees pursuant to their labor agreement. An additional contribution to the MPPP equal to 1.627% of eligible compensation is provided to all employees except for part-time SEIU and employees in the CalPERS safety pension plan. Prior to 2013 payment of this additional contribution was suspended for all CalPERS eligible individuals, with various effective dates, pursuant to labor agreements and District policy as a cost saving measure. These payments resumed on July 1, 2013. However, starting in 2014 per the labor agreements with ATU, SEIU, and AFSCME, the District retained 0.0888% of the 1.627% contribution. The District also retained this same amount for non-represented employees. In addition, the District retained \$40 per month of the 1.627% for ATU, SEIU, and AFSCME employees who elected medical to pay for medical premiums.

The annual compensation limit subject to the additional contribution is established by the Internal Revenue Code Section 401(a) (17). Each employee's account is available for distribution upon such employee's termination.

The District's total expense and funded contribution for this Plan for the year ended June 30, 2025 was \$13,834,000. The MPPP assets at June 30, 2025 (excluded from the accompanying financial statements) per the plan administrator's unaudited reports were \$489,972,000. At June 30, 2025, there were approximately 337 participants receiving payments under this plan.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing or calling BART Investments Plans Committee, 2150 Webster Street 4<sup>th</sup> Floor, Oakland, California 94612, (510) 464-6238.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
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June 30, 2025**

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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS**

In addition to the retirement benefits described in Notes 12 and 13, and specified in the District's contractual agreements, the District provides certain other postemployment benefits ("OPEB") to employees, which may include medical benefits to retirees and surviving spouses, retiree life insurance, survivor dental and vision benefits, and medical benefits to survivors of active employees. Most employees who retire directly from the District or their surviving spouses are eligible for medical benefits if the employee retires at or after age 50 with a minimum of 5 years of service with the District, elects to take an annuity from CalPERS and makes a timely election of retiree medical. For employees hired after January 1, 2014, the District makes no contribution to the retiree health benefits if the employee retires with less than ten years of service with the District.

Retiree Health Benefit Plan: This is a single employer OPEB plan that covers the medical benefits of retirees. Eligible retirees covered under this plan only pay the designated premium rate and the balance is paid by the Retiree Health Benefit Trust (RHBT).

In compliance with GASB requirements, the District accounts for OPEB on an accrual basis and created the RHBT. The purpose of establishing the RHBT is to facilitate the provision of medical benefits and other health and welfare benefits ("retiree medical benefits") for the qualifying retirees of the District; to provide the means for financing the costs and expenses of operating and administering such benefits; to hold Trust assets for the sole and exclusive purpose of providing benefits to participants and beneficiaries; and to defray the reasonable expenses of administering the RHBT and designated plans. The RHBT covers the funding for the "retiree medical benefits", which include retiree medical benefits and medical benefits provided to widows and widowers of retirees. Assets placed into the RHBT cannot be used for any other purposes and are not available to satisfy general creditors of the District. Under California state law, the restrictions on the use of any proceeds from liquidation of the RHBT are significant enough to render the RHBT effectively irrevocable.

The RHBT is administered by one or more Trustees appointed by the District's Board of Directors. The RHBT issues a publicly available audited financial report that includes financial statements and required supplementary information. The financial report may be obtained by writing to Retiree Health Benefit Trust, Attention: Chief Financial Officer, San Francisco Bay Area Rapid Transit District, 2150 Webster Street, P.O. Box 12688, Oakland, California 94612.

Survivor Benefit Plan: This is a single-employer OPEB plan that enables eligible surviving dependents of participating employees to continue their BART-provided group health, dental or vision insurance on a financially favorable basis following the death of the participating employee. Subject to the following "benefits cap," the eligible surviving dependents will have their BART-provided group health insurance provided by BART or paid for by BART. BART's obligation to pay for or provide such medical insurance benefits is limited to the greater of the premium cost of (a) the greater Bay Area Blue Shield Access + (currently \$3,042.44 for family); or (b) the Bay Area Kaiser basic premium (currently \$2,893.54 for family) ("Premium Cap"), or the actual premium cost if less, less the \$15.00 per month participation fee. Special rules, premiums, and coverages apply to participants who are Medicare eligible.

Survivor Benefits is available to the "eligible dependents" of all full-time employees of BART, provided that certain requirements are met:

- a. All full-time employees are given a single opportunity to elect participation in the program. The election period lasts ninety (90) days from the date of full-time hire. The election must be in writing on a form provided by BART's HR department and must be accepted by the HR department within that time period.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

- b. Because there is only one enrollment opportunity, all full-time employees must elect to participate within this time period even if they do not yet have a spouse or dependents. Failure to enroll and satisfy the other participation requirements will prevent any future dependents from receiving benefits.
- c. All participating employees and their benefiting survivors must pay a \$15.00 per month participation fee on a continuous basis. The \$15.00 fee applies to each family group regardless of size. Participating employees will have the fee deducted from their second paycheck of each month on a post-tax basis.
- d. If a participating employee or a benefiting survivor (group) discontinues participation, or stops payment of the monthly fee, they will lose eligibility for Survivor Benefits and will not be able to re-enroll in the program.

In May 2020, the BART Board of Directors approved the creation of the Survivor Benefit Trust of the San Francisco Bay Area Rapid Transit District (SBT) for the purpose of providing retiree survivor health and welfare benefits to survivors of eligible District retirees. The benefits will be available to survivors of employees and retirees who, at the time of hire, elected to contribute to a survivor health benefit program. Survivors of employees and retirees who elected this program and who continue to contribute are eligible for medical, dental and vision coverage at a cost of \$15 per month. The SBT is to be maintained in accordance with Government Code Sections 53206, 53620, 53622 et seq. The objective is to achieve consistent long-term growth for the SBT and maximize income consistent with the preservation of capital for the sole and exclusive purpose of providing benefits to beneficiaries and defraying reasonable expenses of administering the SBT. Assets placed into the SBT cannot be used for any other purposes and are not available to satisfy general creditors of the District. Under California state law, the restrictions on the use of any proceeds from liquidation of the SBT are significant enough to render the SBT effectively irrevocable.

The SBT is administered by one or more Trustees appointed by the District's Board of Directors. The SBT issues a publicly available audited financial report that includes financial statements and required supplementary information. The financial report may be obtained by writing to Survivor Benefit Trust of the San Francisco Attention: Chief Financial Officer, Bay Area Rapid Transit District, 2150 Webster St., P.O. Box 12688, Oakland, California 94612, (510) 464-6238.

**Retiree Life Insurance Plan:** This is a single-employer OPEB plan that provides life insurance to employees who retire from the District on either a service or a disability retirement as follows:

1. First year of retirement, fifty percent (50%) of the employee's annual base earnings rounded to the next higher even thousand dollars (\$1,000);
2. Second year of retirement, forty percent (40%) of the employee's annual base earnings rounded to the next higher even thousand dollars (\$1,000);
3. Third year of retirement, thirty percent (30%) of the employee's annual base earnings rounded to the next higher even thousand dollars (\$1,000);
4. Fourth and subsequent years of retirement, twenty percent (20%) of the employee's annual base earnings rounded to the next higher even thousand dollars (\$1,000).

All represented and non-represented employees are covered by the retiree life insurance plan except for BPOA and BPMA members. BPOA and BPMA retirees before January 1, 2019 and July 1, 2019, respectively, have retiree life insurance; and BPOA and BPMA employees who retire after the noted dates are not covered in the retiree life insurance.

There are no assets accumulated in trust for the Retiree Life Insurance Plan.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

Basis of Accounting: The financial statements of the Trusts are prepared using the accrual basis of accounting. The RHBT recognizes contributions from the District in accordance with the provisions contained in the District collective bargaining agreements, as described briefly in the following discussion.

Method Used to Value Investments: Investments are reported at fair value as determined by the financial institutions, which have custody of the investments based on fair value measurements under GASB 72.

Funding Policy and Long-Term Contract for Contributions: The District's current collective bargaining agreements with its unions (CBA) describe the District's funding commitments to the RHBT. Beginning in fiscal year 2008, the District funded the Trust with a "ramp up" (increasing) percentage of the "full" actuarial determined required contribution (ADC) in addition to funding the pay-as-you-go amount every year for the following six years. Including fiscal years 2007 and 2008, this "ramp-up" contribution funded an eight-year period covering fiscal years 2006 through 2013. The CBAs include the baseline "ramp-up" percentages, which is the minimum amount that the District is committed to contribute to the Trust during the "ramp-up" period. The District commissions an actuarial study of the retiree medical insurance plan liabilities and funding needs, including the ADC, every year. The revised "ramp-up" percentage became the basis for the District's contribution to the Trust, except when it was less than the baseline "ramp-up" percentage. In addition, in fiscal year 2009 the District contributed into the Trust a lump sum makes up payment reflecting the amounts it would have contributed for fiscal years 2006 and 2007, which was actuarially calculated at \$14,629,000.

Beginning in fiscal year 2014, the District contributed to the RHBT each pay period an amount equal to the full GASB compliant ADC. Also, effective July 1, 2013, retiree medical insurance premiums and related administration fees are paid by the Trust.

As part of the CBA Tentative Agreement signed in July 2024, beginning July 1, 2024, the District shall adopt a methodology to repay unfunded actuarial liabilities in a manner that maintains retiree health benefit security for retirees while minimizing substantial variations in employer contribution rates from year to year. This methodology will allow the District to gradually fully fund the RHBT. The new methodology replaces a previous requirement that the District fund all unfunded retiree health benefit liability at a fixed date. In any given fiscal year, unfunded actuarial liability fluctuates due to a number of factors, such as changes to benefits, actual investment returns deviating from assumed investment returns, and changes to actuarial assumptions. The new methodology will allow the District to continuously amortize changes to unfunded actuarial liabilities over 20 years.

In May 2025, the District shifted the contribution of the regular ADC to an operating reserve account to maintain cash flexibility as it navigates in finding permanent solution to ongoing budget deficit. Total contributions shifted to an operating reserve account amounted to \$5,694,000 through June 30, 2025. The deferral will continue until June 2027. The District will continue to remit to the Trust the portion of the ADC related to the implied subsidy.

Funding Policy: Employer contributions to the retiree health benefits plan are actuarially determined and amounted to \$45,889,000 (net of the deferred amount but including the contribution of \$6,028,000 for the implied subsidy) for fiscal year 2025. The actuarial valuation for fiscal year 2023 was used to determine the actuarially determined contribution for fiscal year 2025. The District also paid in fiscal year 2025 life insurance premiums, on a pay as you go basis, amounting to \$691,000 (including \$553,000 implied subsidy). There were no employer contributions for the survivor benefit plan.

The District does not charge any administration cost to the RHBT. For calendar year 2025, most retirees paid \$171.51 per month for their share of the medical premium (\$185.08 for police) and for calendar year 2024, medical premium was \$164.68 for non-police and \$180.22 for police. The balance is paid by the District.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

**Employer's Net OPEB Liability:** The Net OPEB liability is measured as the difference between the District's total OPEB liability and the plan's fiduciary net position (for Retiree Health Plan and Survivor Benefit), as of the measurement date.

The net OPEB liability as of June 30, 2025 for the Retiree Health Benefit, Survivor Benefit and Retiree Life Insurance totals \$212,692,000, detail of which is presented below (dollar amounts in thousands):

Fiscal Year Ending	June 30, 2025
Measurement Date	June 30, 2025
Valuation Date	June 30, 2024
<u>Retiree Health Benefits</u>	
Total OPEB Liability (TOL)	\$ 856,962
Fiduciary Net Position (FNP)	<u>(689,980)</u>
 Net OPEB Liability	 <u>\$ 166,982</u>
<u>Survivor Benefit Plan</u>	
Total OPEB Liability (TOL)	\$ 21,768
Fiduciary Net Position (FNP)	<u>(14,802)</u>
 Net OPEB Liability	 <u>\$ 6,966</u>
<u>Retiree Life Insurance</u>	
Total OPEB Liability (TOL)	\$ 38,744
Fiduciary Net Position (FNP)	<u>-</u>
 Net OPEB Liability	 <u>\$ 38,744</u>
<u>Total</u>	
Total OPEB Liability (TOL)	\$ 917,474
Fiduciary Net Position (FNP)	<u>(704,782)</u>
 Net OPEB Liability	 <u>\$ 212,692</u>

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

Significant Actuarial Assumptions Used in Calculating the Total OPEB Liability:

The total OPEB liability for retiree health benefits was determined by an actuarial valuation using the following actuarial assumptions:

**Retiree Health Benefits**

Measurement date	June 30, 2025
Valuation date	June 30, 2024, update procedures were used to roll forward the total OPEB liability to June 30,2025
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Discount rate	6.00% Plan assets projected to be sufficient to pay all benefits from the Trust
Long-term investment rate of return	6.00%
General inflation	2.30% per annum
Contribution Policy	Employer contributes full ADC
Mortality, disability, termination, retirement	CalPERS 2000-2019 Experience Study
Mortality improvement	Mortality projected fully generational with Scale MP-2021
Medical trend	Non- Medicare- 6.40% for 2026, decreasing to an ultimate rate of 3.70% in 2075 Medicare (Non-Kaiser) 6.50% for 2026, decreasing to an ultimate rate of 3.70% for 2075 Medicare (Kaiser) 6.25% for 2025, decreasing to an ultimate rate of 3.45% for 2076
Healthcare participation for future retirees	Tier 1: 90% Tier 2: 30% with < 10 years; 60% with 10 years Increasing to 90% with less than 20 years Spouse Coverage: varies by bargaining unit, 56% to 81% 10% of waived retirees under age 65 on valuation date assumed to elect coverage at 65 Assumptions based on study of recent retirees
Change of assumptions	Expected claims and premiums assumptions were updated to align with current Health Cost Guidelines Health care cost trend assumption was revised using the Getzen model circulated by the Society of Actuaries Election rate assumption for Tier 2 members was updated to 30% with < 10 years, and 60% with 10 years, increasing to 90% with > 15 years General inflation assumption was decreased from 2.50% to 2.30% per year Payroll growth assumption was increased from 2.75% to 2.80% annually Medical plan at retirement assumption was adjusted based on the selection of plans by current retirees

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

**Discount Rate:** The discount rate used to measure the total OPEB liability is 6.0% as of fiscal year 2025 and fiscal year 2024. The projection of cash flows used to determine the discount rate assumed that the Trust contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position is projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments is applied to all periods of projected benefit payments to determine the total OPEB liability.

**Long-Term Expected Rate of Return on Investments:** The long-term expected rate of return on investments used is 6.0%, net of investment expenses for fiscal year 2025. The table below reflects the long-term expected real rate of return by asset class. The geometric return method was used to calculate the rate of return. The target allocation for the valuation date was as follows:

Asset class	Strategic Allocation	Long Term Expected Real Rate of Return
U.S Equity	60.00%	6.00%
Fixed Income	35.00%	6.00%
Cash Equivalents	5.00%	6.00%
Total	<u>100.00%</u>	

The total OPEB liability for survivor medical benefits was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions:

**Survivor Benefit Plan**

Measurement date	June 30, 2025
Valuation date	June 30, 2024 update procedures were used to roll forward the total OPEB liability to June 30, 2025
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Discount rate	5.78% based on crossover test
Long-term investment rate of return	6.00% at June 30, 2025
Municipal bond rate	5.20% at June 30, 2025 (Bond Buyer 20-Bond GO Index) 3.93% at June 30, 2024 (Bond Buyer 20-Bond GO Index)
General inflation	2.30% per annum
Mortality, disability, termination, retirement	CalPERS 2000-2019 Experience Study
Mortality improvement	Mortality projected fully generational with Scale MP-2021

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

Crossover test	Administrative expenses = 0.32% of assets Continued future participant contributions No future employer contributions Crossover in 2069
Salary increases	Aggregate 2.75% annually Merit- CalPERS 2000-2019 Experience Study
Medical trend	Non-Medicare – 8.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076
	Medicare (Non-Kaiser) – 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076
	Medicare (Kaiser) – 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
Participation	Current covered employees and retirees will continue paying premium for coverage. Future retirees will elect to be covered by District retiree healthcare benefits
Change of assumptions	Discount rate was updated from 4.44% to 5.78% based on crossover test Economic Assumptions: -Municipal bond rate changed from 3.93% to 5.20%

**Discount Rate:** The discount rate used to measure the total OPEB liability is 5.78% as of fiscal year 2025 based on the blending of the long-term expected return on assets of the plan and the municipal bond rate. Based on the assumptions listed above, the OPEB plan's fiduciary net position is projected to be available to make all projected OPEB payments for current active and inactive employees through 2069.

**Long- Term Expected Rate of Return on Investments:** The long-term expected rate of return on investments used is 6%, net of investment expenses for fiscal year 2025. The table below reflects the long-term expected real rate of return by asset class. The geometric return method was used to calculate the rate of return. The target allocation for the valuation date was as follows:

Asset class	Strategic Allocation	10 Year Expected Rate of Return
U.S Equity	60.00%	6.00%
Fixed Income	35.00%	6.00%
Cash Equivalents	5.00%	6.00%
Total	<u>100.00%</u>	

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

The total OPEB liability for retiree life insurance was determined by an actuarial valuation as of June 30, 2024 using the following actuarial assumptions:

**Retiree Life Insurance**

Measurement date	June 30, 2025
Valuation date	June 30, 2024, update procedures were used to roll forward the total OPEB liability to June 30, 2025
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Discount rate	5.20% at June 30, 2025 (Bond Buyer 20- Bond Index) 3.93% at June 30, 2024 (Bond Buyer 20- Bond Index)
Long -term investment rate of return	N/A
Municipal bond rate	5.20% based on the Bond Buyer 20-year General Obligation Index as of June 30, 2025
General inflation	2.30% annually
Mortality, disability, termination, retirement	CalPERS 2000-2019 Experience Study
Mortality improvement	Post-retirement mortality projected fully generational with Scale MP-2021
Trend	N/A
Life insurance participation for future retirees	100%, except BPOA and BPMA
Benefit valued	Valuation based on death benefit payable, not premiums No administrative expense included
Changes of benefit terms	None
Changes of assumptions	Discount rate was updated based on municipal bond rate as of the measurement date from 3.93% to 5.20%

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

**Sensitivity of the Net OPEB Liability to Changes in Assumptions**

Retiree Health Benefits: The following presents the net OPEB liability of the Retiree Health Benefits Plan as of the June 30, 2025 measurement date, calculated using the current discount rate and healthcare trend rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate (dollar amounts in thousands):

	1% Decrease	Current Rate	1% Increase
<u>Discount rate</u>	<u>(5.00%)</u>	<u>(6.00%)</u>	<u>(7.00%)</u>
Net OPEB liability	\$ 278,964	\$ 166,982	\$ 74,132
<u>Health care costs trend rate</u>	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$ 53,971	\$ 166,982	\$ 305,578

Survivor Benefit: The following presents the net OPEB liability of the Survivor Benefit Plan as of the June 30, 2025 measurement date, calculated using the current discount rate and healthcare trend rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate (dollar amounts in thousands):

	1% Decrease	Current Rate	1% Increase
<u>Discount rate</u>	<u>(4.78%)</u>	<u>(5.78%)</u>	<u>(6.78%)</u>
Net OPEB liability	\$ 10,950	\$ 6,966	\$ 3,864
<u>Health care costs trend rate</u>	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$ 3,642	\$ 6,966	\$ 11,395

Retiree Life Insurance: The following presents the total OPEB liability of the Retiree Life Insurance Plan as of the June 30, 2025 measurement date, calculated using the current discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate. Healthcare trend rates are not applicable to the Retiree Life Insurance Plan (dollar amounts in thousands):

	1% Decrease	Current Rate	1% Increase
<u>Discount rate</u>	<u>(4.2%)</u>	<u>(5.2%)</u>	<u>(6.2%)</u>
Total OPEB liability	\$ 45,181	\$ 38,744	\$ 33,609

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

**OPEB Expense:** For the fiscal year ended June 30, 2025, the District recognized OPEB expense of \$14,727,000. The details of the OPEB expense were as follows (dollar amounts in thousands):

	<u>Retiree Health Benefit</u>	<u>Survivor Benefit</u>	<u>Life Insurance</u>	<u>Total</u>
OPEB expense (income)	\$ 18,170	\$ (5,069)	\$ 1,626	\$ 14,727

**Employees Covered by Benefit Terms:** At June 30, 2025, reporting date, the following numbers of employees were covered by the benefit terms:

	<u>Retiree Health Benefit</u>	<u>Survivor Benefit</u>	<u>Retiree Life Insurance</u>
Inactives currently receiving benefits	3,031	234	-
Inactives entitled to but not yet receiving benefits	331	1,380	2,874
Active employees	4,240	3,245	3,852
 Total	 7,602	 4,859	 6,726

**Deferred Outflows/Inflows of Resources:** On June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (dollar amounts in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<b>Retiree Health Benefits</b>		
Differences between actual and expected experience	\$ 48,317	\$ (26,618)
Changes in assumptions	39,004	(7,357)
Net difference between projected and actual earnings on plan investments	-	(51,493)
Total	<u>87,321</u>	<u>(85,468)</u>
 <b>Survivor Benefits</b>		
Differences between actual and expected experience	-	(8,585)
Changes in assumptions	3,079	(18,340)
Net difference between projected and actual earnings on plan investments	-	(974)
	<u>3,079</u>	<u>(27,899)</u>
 <b>Retiree Life Insurance</b>		
Differences between actual and expected experience	1,567	(2,142)
Changes in assumptions	719	(14,018)
Total	<u>2,286</u>	<u>(16,160)</u>
Total	 <u>\$ 92,686</u>	 <u>\$ (129,527)</u>

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SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB as of June 30, 2025 will be recognized in future OPEB expense as follows (dollar amounts in thousands):

<u>Year ending June 30</u>	<u>Deferred Outflows (Inflows) of Resources</u>
<b>Retiree Medical Benefits</b>	
2026	\$ (312)
2027	(16,724)
2028	(6,946)
2029	4,723
2030	10,605
Thereafter	<u>10,507</u>
 Total	 <u><u>1,853</u></u>
 <b>Survivor Benefits</b>	
2026	\$ (4,258)
2027	(4,856)
2028	(5,808)
2029	(4,372)
2030	(2,457)
Thereafter	<u>(3,069)</u>
 Total	 <u><u>(24,820)</u></u>
 <b>Retiree Life Insurance</b>	
2026	\$ (3,150)
2027	(3,704)
2028	(2,064)
2029	(1,897)
2030	(1,849)
Thereafter	<u>(1,210)</u>
 Total	 <u><u>(13,874)</u></u>

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

Net OPEB Liability/(Asset): The following table shows the changes in the net OPEB liability on retiree health benefits for the fiscal year ended June 30, 2025 (dollar amounts in thousands):

	Increase (Decrease)		
	<u>Total OPEB Liability</u>	<u>Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balance at June 30, 2024 *	\$ 755,321	\$ 606,309	\$ 149,012
<b>Changes for the year</b>			
Service cost	26,346	-	26,346
Interest	45,829	-	45,829
Changes of benefit terms	(2,136)	-	(2,136)
Difference between expected and actual experience	48,885	-	48,885
Change of assumptions	18,934	-	18,934
Contributions from the employer	-	45,889	(45,889)
Net investment income	-	74,299	(74,299)
Benefit payments, including refunds***	(36,217)	(36,217)	-
Administrative expense	-	(300)	300
<b>Net changes</b>	<b>101,641</b>	<b>83,671</b>	<b>17,970</b>
Balance at June 30, 2025 **	<u><u>\$ 856,962</u></u>	<u><u>\$ 689,980</u></u>	<u><u>\$ 166,982</u></u>

\* Measurement date June 30, 2024

\*\* Measurement date June 30, 2025

\*\*\* Includes \$6,028,000 implied subsidy benefit payments for fiscal year 2025

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

The following table shows the changes in the net OPEB liability on survivor benefit for the fiscal year ended June 30, 2025 (dollar amounts in thousands):

	Increase (Decrease)			
	<u>Total OPEB Liability</u>	<u>Fiduciary Net Position</u>	<u>Net OPEB Liability</u>	
Balance at June 30, 2024 *	\$ 29,830	\$ 12,978	\$ 16,852	
<b>Changes for the year</b>				
Service cost	563	-	563	
Interest	1,338	-	1,338	
Changes of benefit terms	159	-	159	
Difference between expected and actual experience	(913)	-	(913)	
Change of assumptions	(8,727)	-	(8,727)	
Contributions from the employee	-	822	(822)	
Net investment income	-	1,511	(1,511)	
Benefit payments, including refunds	(482)	(482)	-	
Administrative expense	-	(27)	27	
Net changes	<u>(8,062)</u>	<u>1,824</u>	<u>(9,886)</u>	
Balance at June 30, 2025 **	<u>\$ 21,768</u>	<u>\$ 14,802</u>	<u>\$ 6,966</u>	

\* Measurement date June 30, 2024

\*\* Measurement date June 30, 2025

The following table shows the changes in the total OPEB liability on retiree life insurance for the fiscal year ended June 30, 2025 (dollar amounts in thousands):

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2024 *	\$ 46,415	\$ -	\$ 46,415
<b>Changes for the year</b>			
Service cost	1,440	-	1,440
Interest	1,868	-	1,868
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(1,892)	-	(1,892)
Change of assumptions	(8,396)	-	(8,396)
Contributions from the employer	-	-	-
Benefit payments, including refunds***	(691)	-	(691)
Administrative expense	-	-	-
Net changes	<u>(7,671)</u>	<u>-</u>	<u>(7,671)</u>
Balance at June 30, 2025 **	<u>\$ 38,744</u>	<u>\$ -</u>	<u>\$ 38,744</u>

(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

\* Measurement date June 30, 2024

\*\*Measurement date June 30, 2025

\*\*\* Includes implied subsidy benefit payments of \$553,000 in fiscal year 2025

**NOTE 15 - BOARD OF DIRECTORS' EXPENSES**

Total Directors' expenses, consisting of travel and other business-related expenses, for the fiscal year ended June 30, 2025 amounted to approximately \$30,000.

**NOTE 16 - RELATED ORGANIZATIONS AND JOINT VENTURE PROJECTS**

Capitol Corridor Joint Powers Authority: The Joint Exercise of Powers Agreement dated December 31, 1996, between the District and five other transportation authorities in surrounding counties (Agencies) provided for the creation of the Capitol Corridor Joint Powers Authority (CCJPA), a public instrumentality of the State of California. The CCJPA was formed for the purpose of administering and managing the operation of the Capitol Corridor Rail Service as part of the California intercity passenger rail system. The District is the managing agency of CCJPA and in that capacity, it provides all necessary administrative support to CCJPA. CCJPA entered into an Interagency Transfer Agreement with the State of California and assumed administration and operation commencing on July 1, 1998. The initial term of the Interagency Transfer Agreement was for three years beginning July 1, 1998 and was extended for three additional years effective July 1, 2001. In 2004, State legislation was enacted that eliminated the sunset date of the Interagency Transfer Agreement, which now exists indefinitely.

The governing board of CCJPA consists of sixteen members, of which six members are from the District and two members are from each of the five other Agencies. Neither the District nor the other Agencies are responsible for any debt, liabilities and obligations of CCJPA and the District would not be entitled to any of CCJPA's net assets should it terminate.

The District charged the CCJPA a total of \$7,220,000 for marketing, administrative services and Link 21 related operating expenses during fiscal year 2025. In addition, CCJPA reimburses the District for its advances for capital project expenses, overhead and other operating expenses. Reimbursements for expenses incurred by the District on behalf of and in providing services to the CCJPA are netted against the corresponding expense in the statement of revenues, expenses and change in net position. Unreimbursed expenses and advances for capital project costs from CCJPA amount to \$1,276,000 as of June 30, 2025. All unreimbursed expenses and advances are included as current receivables and other assets in the statement of net position. As the District has no ownership involvement or ongoing financial interest or responsibility in CCJPA, its financial statements include only amounts related to the services and advances it provides to CCJPA.

East Bay Paratransit Consortium: In 1994, the District and the Alameda-Contra Costa Transit District (AC Transit) executed an agreement establishing the East Bay Paratransit Consortium (the Consortium). The purpose of the Consortium is to enable the District and AC Transit to jointly provide paratransit services in the overlapping service area of the District and AC Transit. Revenues and expenses for the Consortium are split 31.0% and 69.0% between the District and AC Transit, respectively, except for program coordinator's expenses, which are split 50/50 starting in 2011. The District's financial statements reflect its portion of revenues and expenses as operating activities. In fiscal year 2025, the District supported the project primarily through its own operating funds, with some financial assistance from Alameda County

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 16 - RELATED ORGANIZATIONS AND JOINT VENTURE PROJECTS (Continued)**

Measure BB funds and from the Contra Costa Transportation Authority Measure J funds (Note 11). The District has no equity interest in the Consortium.

Pleasant Hill BART Station Leasing Authority: In July 2004, the District, the County of Contra Costa (County) and the Contra Costa County Redevelopment Agency (Agency) entered into a Joint Exercise of Powers Agreement (JPA Agreement) to create the Pleasant Hill BART Station Leasing Authority (Pleasant Hill Authority). In 2012, the Agency was dissolved by California Assembly Bill ABX1 26, and the Pleasant Hill Authority now consists of the District and the County. The Pleasant Hill Authority was created as a means of accomplishing the cooperation and coordination among the agencies to provide for the development of a mixed-used transit village located at BART's Pleasant Hill/Contra Costa Centre Station, which includes rental residential, retail and a future office development. The original lease to the Pleasant Hill Authority was for a 99-year term expiring on May 14, 2105. All subsequent leases will be conterminous with the May 14, 2105 date.

On June 30, 2009, the District received as ground lease payments for the full term of the lease, a cash base rent of \$99 and a noncash base rent in the form of a newly constructed parking structure located at the Pleasant Hill BART station. The District accepted the completion of the new parking structure and became its new owner effective June 30, 2009. The replacement parking garage was recorded as a capital asset at a value of \$51,236,000, which is its final construction cost as reported by its developer. As a result of the Agency's funding of the replacement parking garage, future sublease revenue will be split between the County and BART at 75.0% and 25.0%, respectively, after defeasance of the Agency's final incremental contribution to the parking garage project.

The District agreed that the rent on the 2nd Phase (Block C) of the Pleasant Hill/Contra Costa Centre Transit Village will be shared between the two JPA members, the County and BART. The agreement stipulates that the County will receive 100% of the rental proceeds from the project, up to \$4.5M net present value, after which the sharing of revenue will revert to the 75/25 split.

The Pleasant Hill Authority is a public entity separate from any member and as such, its debts, liabilities and obligations shall not be the debts, liabilities and obligations of any of the members. The governing body of the Pleasant Hill Authority is a Board of Directors consisting of four persons – two each from the County and the District.

The Pleasant Hill ground lease agreement qualifies under GASB Statement No. 87, and upon adoption, unearned revenue amounting to \$44,289,000 was reclassified to deferred inflow of resources. Please refer to Note 5 - Leases for further information.

Richmond Redevelopment Agency or Successor Agency: On April 11, 2002, the District entered into a Disposition and Development Agreement with Richmond Redevelopment Agency and Richmond Transit, LLC for the development of a mixed-use transit village on the property owned by the Redevelopment Agency, the City of Richmond, and BART.

The transit village will be developed in two phases. The first phase has been completed and consists of the development of the townhouses on the western side of the tracks, and a parking structure that includes retail space incorporated within the structure (the "Phase One Improvements").

The second phase will consist of the development of additional housing and the now completed improvements to Nevin Avenue and the Nevin Avenue walkway on the eastern side of the Tracks (the "Phase Two Improvements").

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025**

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**NOTE 16 - RELATED ORGANIZATIONS AND JOINT VENTURE PROJECTS (Continued)**

The District had agreed to issue grant deeds to the developer pertaining to two parcels with approximate total size of 245,070 square feet in both the West side and the East side for the development projects. The agreement states that in exchange for the parcels, the Richmond Redevelopment Agency, at their expense, will construct a parking structure on the West side of BART's property, and transfer ownership of the garage to the District upon completion. The transfer of maintenance and responsibility to the District of the parking structure, which consisted of 750 parking spaces and approximately 9000 +/- square feet of commercial space, occurred in September 2014.

The District allocated the value of the garage, which amounted to \$36,260,000, between the two parcels. The total cost of the structure was recorded as part of capital assets. A gain of \$6,012,000 was recognized in fiscal year 2015 pertaining to the value allocated to the West side parcel that was transferred to the developer, after deducting the cost. In fiscal year 2024, the transfer for the East side parcel was completed and the District recognized a Gain on Property Exchange of \$29,436,000. The parcel of land given up in this exchange amounting to \$674,000 was also retired from the fixed asset account during the year.

MacArthur Transit Village: On July 29, 2010, the District entered into a Purchase and Lease Option agreement with MacArthur Transit Community Partners LLC (Developer) pertaining to the development of the MacArthur Transit Village, a mixed-use, transit-oriented project, including affordable and market rate housing, retail/commercial and community space and replacement parking adjacent to the MacArthur BART Station.

The District owned a portion of the project's real property totaling approximately 7.76 acres that has been used to develop the project.

As consideration for the purchase of parcels totaling 198,642 square feet and 99-year ground lease of a 34,404 square foot parcel, the Developer constructed a parking garage structure, funded in part by the Oakland Redevelopment Agency, with 450 BART parking spaces and approximately 5,200 square feet of retail spaces. The parking structure was completed and transferred to the District in September 2014. In addition to the parking structure, the project includes transit improvements to the BART station's plaza and frontage road. These improvements are also the responsibility of the Developer as part of the consideration for the land. The total value of the garage and the improvements amounted to \$27,596,000 and were recognized as part of depreciable capital assets. \$1,780,000 of the consideration was allocated to the 99-year term ground lease; and was recorded as deferred ground lease prior to 2017. The land transfers to the master developer's designated assignee developers occurred on December 29, 2016 for Parcels A and C1 and on June 29, 2017 for Parcel B. The District recognized a gain from exchange of property of \$24,839,000 resulting from the completion of required land transfers.

The MacArthur ground lease qualifies under GASB Statement No. 87, and upon adoption, unearned revenue amounting to \$1,622,000 was reclassified to deferred inflow of resources. Please refer to Note 5 - Leases for further information.

Using the City of Oakland Redevelopment Agency funds, the project acquired two parcels under the District's name which were used for the construction of the BART garage structure. The total consideration paid by the City of Oakland for the two parcels was \$5,121,000. The costs of these parcels were recorded by the District as non-depreciable capital assets. The District also recognized a revenue (donated income) equivalent to the value of the land received.

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025**

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**NOTE 16 - RELATED ORGANIZATIONS AND JOINT VENTURE PROJECTS (Continued)**

South Hayward Transit Oriented Development: On June 18, 2012, the District and JMJ Development LLC (Developer) entered into an Option Agreement for Transit Oriented Development (TOD). That agreement also includes the right to purchase approximately 1.65 acres of land from the District. The right to purchase was exercised in fiscal year 2014 for a total consideration of \$692,000. Grant deed for the transfer was issued on October 8, 2014. The District recognized a gain of \$620,000 from this sale. An Option Agreement between the District and the Developer provided further consideration to the District of a transfer benefit fee (TBF) which guarantees the District a perpetual revenue stream. The TBF amounts to a 1% assessment against successive transfers of each of the development units (i.e., unit sales) or a 1% annual assessment against Gross Annual Rental Revenue from rental of the units. A total of 206 market rate rental units were completed in 2017. The TBF commenced accrual in October 2019, the first anniversary of the project stabilization date. TBF recognized for fiscal year 2025 related to the South Hayward TOD amounted to \$58,000.

Millbrae Transit Oriented Development: On August 8, 2019, the District entered into a Lease Option Agreement with Republic Millbrae LLC to separately ground lease four parcels for the development of a transit oriented mixed-use project. Subject to modifications, the project consists of (1) 300 market rate apartment units; (2) 100 affordable apartment units (80 veterans preferred and 20 moderate income); (3) approximately 44,000 square feet of retail space; (4) approximately 157,000 square feet of office space; and (5) 160 room hotel. The ground lease term is for 99 years. All four phases of (affordable housing, market rate housing, office and retail and hotel) were substantially completed as of December 2022. The Millbrae Transit Oriented Development ground lease, except for affordable housing, qualifies under GASB Statement No. 87, please refer to Note 5 - Leases for further information.

Santa Clara Valley Transportation Authority: The VTA BART Silicon Valley Extension Program (also referred to as Silicon Valley Rapid Transit, or the SVRT Project) is a planned 16-mile extension of the regional BART system from BART's Warm Springs Station in Fremont, which opened in March 2017, to the cities of Milpitas, San Jose and Santa Clara in the County of Santa Clara. The program is being financed and implemented by Santa Clara Valley Transportation Authority (VTA) in coordination with BART. The partnership between BART and VTA was first formalized through the Comprehensive Agreement, executed on November 19, 2001. The Comprehensive Agreement outlines the roles and responsibilities of the two agencies concerning the planning, design, construction, and financing of this extension prior to start of revenue service.

In 2009, the VTA Board committed to building the project in two phases:

- Phase 1 (SVBX): Warm Springs to Berryessa – construction began in 2012 and revenue service started in June 2020. It consists of approximately 10 miles of track and 2 stations- one in Milpitas and one at Berryessa
- Phase 2 (BSVII): Downtown San Jose to Santa Clara – now in design and construction. It is planned to include an additional 6 miles of track, 4 more stations, 5 miles of tunnel and an end of line yard in Santa Clara.

In May 2020, BART and VTA signed the Operations and Maintenance (O&M) Agreement, which describes their rights and responsibilities related to the operations, maintenance and funding once an extension segment enters revenue service. Currently it applies to Phase 1 (Milpitas and Berryessa stations) and will extend to Phase 2 when complete.

The Comprehensive and O&M Agreements both provide that VTA has full financial responsibility for the extension. The Comprehensive Agreement states specifically that VTA is responsible for all costs of building the extension, including costs of BART core system modifications needed to accommodate it. The O&M Agreement states VTA is responsible for all ongoing costs of operating and maintaining the extension,

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
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June 30, 2025

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**NOTE 16 - RELATED ORGANIZATIONS AND JOINT VENTURE PROJECTS (Continued)**

including 100% of the cost of projects on the extension and a share of the costs of BART core system projects. The agreements outline methods for determining and calculating such costs.

In order to accommodate the new extension, as well as meet other District needs, BART is currently engaged in several projects for which the parties reached specific agreements as to VTA's cost share, including: constructing a revenue vehicle maintenance facility at BART's Hayward Yard, adding new cars to the revenue vehicle fleet (some of which will be funded and owned by VTA) and retrofitting BART's Operations Control Center. BART expects to make other improvements to the core BART system as needed to accommodate the extension.

As noted above, VTA has full financial responsibility for SVRT project costs, including BART's costs, and the ongoing operating, maintenance and capital costs caused by operation of the extension, both those that occur within and/or outside Santa Clara County.

On June 13, 2020, Phase 1 of the extension, specifically, the Milpitas and Berryessa/North San Jose stations, officially commenced revenue service. The O&M Agreement provides guidance on the financial, maintenance and operating responsibilities of each party after revenue service, where VTA owns the extension, including the stations, and the District operates the service and maintains the system. BART is entitled to receive a monthly subsidy payment for such costs and VTA must ensure that there is a reliable funding source dedicated to BART for such costs.

Financial contributions from VTA related to the O&M Agreement in fiscal year 2025 amounted to \$46,142,000 for operating and \$23,267,000 for capital.

Northern California Power Agency (NCPA): The operation of the BART system requires substantial electricity. The District's annual electric energy requirement is approximately 360,000 megawatt-hours (MWh), with peak electric demand of approximately 62 megawatts (MW). With authorization granted under statute, the District currently procures its electric supply primarily from wholesale resources with support from the Northern California Power Agency (NCPA), a Joint Powers Authority comprised of 16 public entities, including BART. To support the price stability of the District's long-term electric supply planning and budgeting, the Board has also authorized partial District ownership of NCPA's Lodi Energy Center (LEC), a gas-fired generator commissioned in 2012. The District has agreed to unconditionally provide for 6.6% share in operation and maintenance expenses and all capital improvement based on the Generation entitlement share (GES). The Lodi facility is operated according to the needs of the California Independent System Operator (CAISO), the entity responsible for grid operations and facilitation of wholesale electric markets in California. The District pays operations, maintenance, and fuel costs for its share of the facility, and receives a proportionate share of the revenues from the energy, capacity and ancillary services sold into wholesale electric markets. The remainder of the District's electric demand is usually served with non-carbon-emitting resources including two large long-term Power Purchase Agreements, one with Slate Solar for 50.5 MW and one with Sky River Wind for 30MW.

**NOTE 17 - COMMITMENTS AND CONTINGENCIES**

Litigation: The District is involved in various lawsuits, claims and disputes, which for the most part are normal to the District's operations. It is the opinion of the District's management that the costs that might be incurred in the disposition of these matters, if any, would not materially affect the District's financial position.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 17 - COMMITMENTS AND CONTINGENCIES** (Continued)

Wholesale Electric Procurement: The District purchases electricity and other wholesale products to serve its electrical load requirements and satisfy various compliance obligations as a wholesale market participant. Existing contracts for electricity and other wholesale products currently extend as far as calendar year 2054 with a total remaining contract cost of approximately \$203,002,000 as of June 30, 2025. Contract values are determined by wholesale market pricing and are subject to change over time as the District proceeds with its ongoing electric procurement activities.

Included in the above cost obligations are the contracts with NCPA, which are in place through calendar year 2036, with a total remaining contract value of \$39,017,000 as of June 30, 2025.

Operations and Maintenance Agreement for the Oakland International Airport Connector: On October 1, 2010, the District entered into an Operations and Maintenance Contract with Doppelmayr Cable Car, Inc., to operate and maintain the Oakland International Airport Connector (OAC) for an amount not to exceed \$4,907,000 (base service payment in 2009 dollars) annually for a period of twenty (20) years from revenue service date, subject to annual escalation based on Consumer Price Index. The OAC started revenue operations on November 22, 2014. Total operating expenses incurred under this agreement amounted to \$7,293,000 in fiscal year 2025. As part of the contract, the District is also required to deposit to a reserve account, an amount of \$768,000 annually, subject to escalation, for Capital Asset Replacement Program (CARP). The District allocated to the CARP reserve account \$1,198,000 in fiscal year 2025. The CARP will cover all major maintenance and rehabilitation expenses during the term of the Operations and Maintenance Contract.

Fruitvale Development Corp.: On October 1, 2001, the District entered into a ground lease agreement with Fruitvale Development Corporation (FDC) pertaining to 1.8 acres of land for the purpose of constructing thereon portions of a mixed-use development project commonly known as the Fruitvale Transit Village, which consists of approximately 250,000 square feet of commercial, community service and residential improvements. The lease agreement became effective December 9, 2003, and continues through January 31, 2077.

The terms of the lease require FDC to pay the District a Base Rent and a Percentage Rent. The Base Rent is a fixed amount determined at the inception of the lease subject to periodic CPI adjustments. Percentage Rent is calculated equal to 15.0% of annual net revenues, as defined in the ground lease agreement.

The District provided FDC a Rent Credit with an initial amount of \$7,247,000, to acknowledge its assistance in obtaining grants for the construction of a Replacement BART Commuter Parking Garage near the Fruitvale Transit Village. The initial Rent Credit earned interest on the outstanding balance at simple interest based on the prime rate and can only be applied to satisfy the Base Rent. In October 2010, there was a second amendment to the ground lease agreement, which recalculated the initial Rent Credit available to FDC as it relates to the replacement parking. The amount of the Replacement Parking Rent Credit was revised to \$4,642,000, after a payment of \$5,500,000 coming from the proceeds of the sale of land at the Fruitvale BART Station to the City of Oakland Redevelopment Agency. The second amendment also stated that no interest shall accrue on the revised Replacement Parking Rent Credit and that beginning on December 1, 2003, and continuing throughout the term of the ground lease, base rent and percentage rent shall be subtracted from the Replacement Parking Rent Credit balance, until there is no longer a positive Replacement Parking Rent Credit. The offset base rent for fiscal year 2025 amounted to \$0. There was no percentage rent offset for fiscal year 2025. The remaining balance in the Replacement Parking Rent Credit was \$1,323,000 as of June 30, 2025.

Based on the agreement, FDC shall not be under any obligation to make any cash payment to the District for base rent and percentage rent at any time that the Replacement Parking Rent Credit still has a positive balance.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
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**NOTE 17 - COMMITMENTS AND CONTINGENCIES** (Continued)

See Note 4 for construction contract commitments and Note 7 for PPP commitments.

**NOTE 18 – RISK DUE TO REVENUE CONCENTRATION AND CONSTRAINTS**

As required by GASB Statement No. 102, *Certain Risks and Uncertainties*, the District discloses information related to concentrations, constraints, and other conditions that may expose the District to potential financial vulnerabilities in future reporting periods.

BART's operating revenues are highly dependent on farebox collections from weekday commuter ridership in the San Francisco Bay Area. Since the onset of the COVID-19 pandemic, sustained remote-work practices have resulted in weekday ridership near 50% of BART's pre-pandemic levels.

Prior to the pandemic, BART covered nearly 65% of its net operating expenses (less depreciation and amortization) with farebox revenues compared to approximately 23% of net operating expenses in the current year. The decline in farebox revenues has caused a significant imbalance in BART's operating budget resulting in a projected recurring operating deficit of approximately \$376 million beginning in fiscal year 2026–27, following the planned exhaustion of one-time state and federal emergency funding.

In response, BART has taken several steps to try to address these financial challenges. BART has increased revenues by installing new fare gates to reduce fare evasion, implementing strategies to increase parking revenues, undertaking a marketing campaign promoting taking BART for non-work trips, maintaining CPI-based fare increases, increasing returns on cash reserves, and improving safety and cleanliness to encourage ridership. BART has also implemented a number of expense reductions, including a strategic hiring freeze, restructured retiree healthcare costs, targeted reductions to operating costs across all departments, reduction or elimination of non-essential contracts and agreements, and energy cost controls achieved by running fewer, shorter trains, and using long-term energy contracts to hedge against price volatility. In October 2025, state legislation (Senate Bill 63) authorized a regional sales-tax measure for transit funding anticipated for voter consideration in November 2026. The outcome of that measure is uncertain.

These conditions indicate that the District is vulnerable to a risk of substantial impact from its concentration in farebox revenue and constraints on local taxing authority.

**NOTE 19 - SUBSEQUENT EVENTS**

2025 Series A Sales Tax Revenue Refunding Bonds (the 2025A Refunding Bonds): On September 11, 2025, the District issued the 2025 Series A Sales Tax Revenue Refunding Bonds, with a principal amount of \$73,440,000 and a premium of \$6,754,000 to, along with other District funds, provide sufficient funds to (1) refund \$82,940,000 principal amount of the District's remaining outstanding 2015A refunding bonds. The Refunded Bonds were issued to refund prior Bonds of the District that financed or refinanced District capital improvements including but not limited to extensions of District facilities to the San Francisco International Airport and the West Dublin Pleasanton Station. The 2025A Refunding Bonds are special obligations of the District, payable from and secured by a pledge of Sales Tax Revenues derived from a transaction and use tax levied by the District in Alameda and Contra Costa Counties and the City and County of San Francisco. The refunding resulted in economic gain of \$6,562,000 and cash flow savings of \$6,439,000.

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**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
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June 30, 2025**

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**NOTE 19 - SUBSEQUENT EVENTS** (Continued)

**2025 Series E Measure RR General Obligation Bonds Series E-1 Green Bonds and Series E-2 Federally Taxable Green Bonds (The 2025E Measure RR GO Bonds):** On September 9, 2025, the District issued the 2025E Measure RR GO Bonds, with an aggregate principal amount of \$700,000,000 and a premium of \$63,804,000. The 2025E Measure RR GO Bonds were issued in 2 series, 2025 Series E-1 Green Bonds in the amount of \$638,130,000 and 2025 Series E-2 Federally Taxable Green Bonds in the amount of \$61,870,000. The 2025E Measure RR GO Bonds are part of a \$3,500,000,000 authorization approved at an election held on November 8, 2016 (Election of 2016), by over two-thirds of the qualified voters of the District voting on a ballot measure ("Measure RR") titled "BART Safety, Reliability and Traffic Relief" to keep BART safe; prevent accidents/breakdowns/delays; relieve overcrowding; reduce traffic congestion/pollution; and improve earthquake safety and access for seniors/disabled by replacing and upgrading 90 miles of severely worn tracks, tunnels damaged by water intrusion; 44-year old train control systems; and other acquisition or improvement of real property. The 2025E Measure RR GO Bonds are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District are pledged to the payment of the 2025E Measure RR GO Bonds. The 2025E Measure RR GO Bonds constitute the fifth issue of general obligation bonds being issued pursuant to the Measure RR authorization. Proceeds from the 2025E Measure RR GO Bonds will be used (i) to finance specific acquisition, construction and improvement projects for District facilities approved by the voters; (ii) pay a portion of the debt service on the 2025E Measure RR GO Bonds through February 1, 2026, including the debt service in full payment of the 2025 Series E-2 Federally Taxable Green Bonds; and (iii) to pay the costs of issuance of the 2025E Measure RR GO Bonds.

After the issuance of the 2025E Measure RR GO Bonds, the remaining Measure RR General Obligation Bonds that can be issued by the District as authorized under Measure RR is \$740,000,000.

**2025 Measure AA General Obligation Bonds Refunding Series H Green Bonds (the 2025H Measure AA Refunding GO Bonds):** On September 9, 2025, the District issued the 2025 Series H Measure AA Refunding General Obligation Bonds, with a principal amount of \$225,805,000 and a premium of \$27,403,000. The 2025H Measure AA Refunding GO Bonds are general obligations of the District, payable from and secured solely by ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco. No other revenues of the District are pledged to the payment of the 2025H Measure AA Refunding GO Bonds. The purpose of the 2025H Measure AA Refunding GO Bonds is to apply the proceeds and: (i) refund \$30,620,000, principal amount of the District's 2013C Measure AA GO Bonds; (ii) refund \$220,725,000 principal amount of the District's 2015D Measure AA Refunding GO Bonds; and (iii) to pay costs of issuance of the 2025H Measure AA Refunding GO Bonds.

The refunding resulted in economic gain of \$27,084,000 and cash flow savings of \$23,346,000. The refunded bonds were issued to finance earthquake safety improvements to the District facilities, including aerial trackway structures, overhead and underground trackway structures, stations and administrative, maintenance, and operations facilities, and to finance additional retrofits to facilitate rapid return to service after an earthquake or other disasters.

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(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE 19 - SUBSEQUENT EVENTS** (Continued)

TIFIA Loan Second Draw: In September 2025, the Board approved the request for a second TIFIA loan disbursement of up to \$394,643,000. The loan disbursement request has been submitted to the Build America Bureau, and the funds were received on November 3, 2025. The TIFIA loan provides the District up to \$544,643,000 in proceeds to reimburse BART for funds used in the Rail Car Replacement Project. TIFIA loan interest payments commence in fiscal year 2030 and principal payments commence in fiscal year 2035. The first drawdown request for \$150,000,000 was received on January 2, 2025.

The District has evaluated subsequent events through November 24, 2025, the date that the financial statements were available to be issued. Other than the events aforementioned, there were no other subsequent events have occurred that would have a material impact on the presentation of the financial statements.

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**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
(Dollar amounts in thousands)  
Last 10 Years

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Miscellaneous Plan	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	\$ 72,053	\$ 65,414	\$ 63,485	\$ 61,972	\$ 57,054	\$ 52,659	\$ 48,382	\$ 45,264	\$ 37,959	\$ 36,151
Interest on total pension liability	212,956	204,986	197,935	191,351	181,474	173,379	163,858	157,621	152,757	146,226
Changes of assumptions	-	2,920	80,743	-	-	-	(16,469)	120,524	-	(32,773)
Differences between expected and actual experience	12,226	(25)	7,610	33,648	12,856	38,558	11,525	(1,484)	1,193	(4,807)
Benefit payments, including refunds of employee contributions	(173,657)	(167,216)	(158,962)	(141,156)	(131,807)	(123,955)	(115,594)	(108,947)	(102,543)	(95,653)
Net change in total pension liability	123,578	106,079	190,811	145,815	119,577	140,641	91,702	212,978	89,366	49,144
Total pension liability - beginning	3,124,894	3,018,815	2,828,004	2,682,189	2,562,612	2,421,971	2,330,269	2,117,291	2,027,925	1,978,781
Total pension liability - ending	<u>\$ 3,248,472</u>	<u>\$ 3,124,894</u>	<u>\$ 3,018,815</u>	<u>\$ 2,828,004</u>	<u>\$ 2,682,189</u>	<u>\$ 2,562,612</u>	<u>\$ 2,421,971</u>	<u>\$ 2,330,269</u>	<u>\$ 2,117,291</u>	<u>\$ 2,027,925</u>
Plan fiduciary net position										
Contributions - Employer	\$ 108,629	\$ 99,848	\$ 92,996	\$ 84,944	\$ 76,895	\$ 65,138	\$ 52,106	\$ 47,272	\$ 38,283	\$ 32,466
Contributions - Employee	33,903	27,525	29,745	28,447	28,551	25,011	22,042	20,144	18,174	17,818
Plan to Plan resource movement	-	(3)	1	-	525	(17)	(7)	12	(1)	(36)
Net investment income	218,330	134,782	(181,396)	451,420	95,892	121,050	147,891	181,091	8,747	37,388
Benefit payments, including refunds of employee contributions	(173,657)	(167,216)	(158,962)	(141,156)	(131,807)	(123,955)	(115,594)	(108,947)	(102,543)	(95,653)
Administrative expense	(1,874)	(1,625)	(1,513)	(2,005)	(2,735)	(1,323)	(2,735)	(2,389)	(1,009)	(1,865)
Other miscellaneous income / (expenses)	-	-	-	-	4	(5,195)	-	-	-	-
Net change in fiduciary net position	185,331	93,311	(219,129)	421,650	67,321	85,908	98,508	137,183	(38,349)	(9,882)
Plan fiduciary net position - beginning	2,302,929	2,209,618	2,428,747	2,007,097	1,939,776	1,853,868	1,755,360	1,618,177	1,656,526	1,666,408
Plan fiduciary net position - ending	<u>\$ 2,488,260</u>	<u>\$ 2,302,929</u>	<u>\$ 2,209,618</u>	<u>\$ 2,428,747</u>	<u>\$ 2,007,097</u>	<u>\$ 1,939,776</u>	<u>\$ 1,853,868</u>	<u>\$ 1,755,360</u>	<u>\$ 1,618,177</u>	<u>\$ 1,656,526</u>
Plan net pension liability - ending	<u>\$ 760,212</u>	<u>\$ 821,965</u>	<u>\$ 809,197</u>	<u>\$ 399,257</u>	<u>\$ 675,092</u>	<u>\$ 622,836</u>	<u>\$ 568,103</u>	<u>\$ 574,909</u>	<u>\$ 499,114</u>	<u>\$ 371,399</u>
Plan fiduciary net position as a percentage of the total pension liability	76.60%	73.70%	73.19%	85.88%	74.83%	75.70%	76.54%	75.33%	76.43%	81.69%
Covered payroll**	\$ 431,197	\$ 388,212	\$ 376,766	\$ 402,936	\$ 366,202	\$ 331,836	\$ 307,661	\$ 285,848	\$ 264,024	\$ 246,901
Plan net pension liability as a percentage of covered payroll	176.30%	211.73%	214.77%	99.09%	184.35%	187.69%	184.65%	201.12%	189.04%	150.42%

\*\* Based on actuarial report

The amounts presented for each fiscal year were determined as of the year end that occurred one year prior.

(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
(Dollar amounts in thousands)  
Last 10 Years

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Safety Plan	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	\$ 10,000	\$ 10,893	\$ 10,734	\$ 10,023	\$ 8,160	\$ 7,751	\$ 7,563	\$ 7,416	\$ 6,491	\$ 5,935
Interest on total pension liability	33,459	31,873	29,989	28,352	26,416	24,689	23,272	22,274	21,340	20,099
Changes of benefit terms	-	174	-	-	-	-	-	-	-	-
Changes of assumptions	-	-	16,895	-	-	(1,362)	18,632	-	-	(4,942)
Differences between expected and actual experience	6,608	10,502	4,719	11,944	10,303	5,967	1,241	745	4,387	4,794
Benefit payments, including refunds of employee contributions	(26,766)	(25,139)	(23,204)	(21,311)	(19,418)	(18,181)	(15,962)	(15,408)	(14,803)	(14,140)
Net change in total pension liability	23,301	28,303	39,133	29,008	25,461	20,226	14,752	33,659	17,415	11,746
Total pension liability - beginning	486,684	458,381	419,248	390,240	364,779	344,553	329,801	296,142	278,727	266,981
Total pension liability - ending	<u>\$ 509,985</u>	<u>\$ 486,684</u>	<u>\$ 458,381</u>	<u>\$ 419,248</u>	<u>\$ 390,240</u>	<u>\$ 364,779</u>	<u>\$ 344,553</u>	<u>\$ 329,801</u>	<u>\$ 296,142</u>	<u>\$ 278,727</u>
Plan fiduciary net position										
Contributions - Employer	\$ 23,410	\$ 20,488	\$ 19,115	\$ 17,129	\$ 16,614	\$ 14,706	\$ 12,357	\$ 11,742	\$ 10,038	\$ 9,428
Contributions - Employee	5,703	4,762	5,657	5,258	2,938	2,687	2,136	2,165	1,854	1,917
Plan to Plan resource movement	-	3	(1)	-	(525)	17	3	(14)	1	1
Net investment income	27,704	16,822	(22,113)	53,872	11,338	14,093	16,940	20,183	924	4,015
Benefit payments, including refunds of employee contributions	(26,766)	(25,139)	(23,204)	(21,311)	(19,418)	(18,181)	(15,962)	(15,408)	(14,803)	(14,140)
Administrative expense	(235)	(200)	(182)	(237)	(319)	(153)	(311)	(267)	(112)	(206)
Other miscellaneous income / (expenses)	-	-	-	-	-	1	(590)	-	-	-
Net change in fiduciary net position	29,816	16,736	(20,728)	54,711	10,628	13,170	14,573	18,401	(2,098)	1,015
Plan fiduciary net position - beginning	288,297	271,561	292,289	237,578	226,950	213,780	199,207	180,806	182,904	181,889
Plan fiduciary net position - ending	<u>\$ 318,113</u>	<u>\$ 288,297</u>	<u>\$ 271,561</u>	<u>\$ 292,289</u>	<u>\$ 237,578</u>	<u>\$ 226,950</u>	<u>\$ 213,780</u>	<u>\$ 199,207</u>	<u>\$ 180,806</u>	<u>\$ 182,904</u>
Plan net pension liability - ending	<u>\$ 191,872</u>	<u>\$ 198,387</u>	<u>\$ 186,820</u>	<u>\$ 126,959</u>	<u>\$ 152,662</u>	<u>\$ 137,829</u>	<u>\$ 130,773</u>	<u>\$ 130,594</u>	<u>\$ 115,336</u>	<u>\$ 95,823</u>
Plan fiduciary net position as a percentage of the total pension liability	62.38%	59.24%	59.24%	69.72%	60.88%	62.22%	62.05%	60.40%	61.05%	65.62%
Covered payroll**	\$ 27,848	\$ 29,731	\$ 28,494	\$ 28,370	\$ 22,986	\$ 20,974	\$ 20,809	\$ 20,420	\$ 19,738	\$ 17,941
Plan net pension liability as a percentage of covered payroll	689.00%	667.27%	655.65%	447.51%	664.15%	657.14%	628.44%	639.54%	584.33%	534.10%

\*\* Based on actuarial report

The amounts presented for each fiscal year were determined as of the year end that occurred one year prior.

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
NOTES TO SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
Last 10 Years**

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**Changes of Benefit Terms:** The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

**Changes of Assumptions:** There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, and 7.65% for measurement dates 2015 through 2016.

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**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS**  
(Dollar amounts in thousands)  
Last 10 Years

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	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>Miscellaneous Plan</u>										
Actuarially determined contribution	\$ 118,886	\$ 110,454	\$ 104,135	\$ 90,735	\$ 85,108	\$ 77,622	\$ 64,169	\$ 56,040	\$ 46,709	\$ 39,768
Contributions in relation to the actuarially determined contribution	<u>(118,886)</u>	<u>(110,454)</u>	<u>(104,135)</u>	<u>(90,735)</u>	<u>(85,108)</u>	<u>(77,622)</u>	<u>(64,169)</u>	<u>(56,040)</u>	<u>(46,709)</u>	<u>(39,768)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll **	\$ 461,787	\$ 439,997	\$ 406,642	\$ 377,709	\$ 392,137	\$ 403,146	\$ 345,828	\$ 315,184	\$ 288,637	\$ 265,778
Contribution as a percentage of covered payroll	25.74%	25.10%	25.61%	24.02%	21.70%	19.25%	18.56%	17.78%	16.18%	14.96%
<u>Safety Plan</u>										
Actuarially determined contribution	\$ 25,141	\$ 24,202	\$ 21,639	\$ 20,974	\$ 19,410	\$ 16,391	\$ 13,046	\$ 12,162	\$ 11,677	\$ 10,658
Contributions in relation to the actuarially determined contribution	<u>(25,141)</u>	<u>(24,202)</u>	<u>(21,639)</u>	<u>(20,974)</u>	<u>(19,410)</u>	<u>(16,391)</u>	<u>(13,046)</u>	<u>(12,162)</u>	<u>(11,677)</u>	<u>(10,658)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll **	\$ 36,300	\$ 34,210	\$ 29,014	\$ 30,018	\$ 29,645	\$ 28,061	\$ 22,789	\$ 21,946	\$ 20,953	\$ 20,410
Contribution as a percentage of covered payroll	69.26%	70.75%	74.58%	69.87%	65.47%	58.41%	57.25%	55.42%	55.73%	52.22%

\*\* Based on actual payroll

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**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
NOTES TO SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS  
Last 10 Years**

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The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2025 were derived from the June 30, 2024 funding valuation reports, as presented below:

	<u>Miscellaneous</u>	<u>Safety</u>
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method/period	Level percentage of payroll	Level percentage of payroll
Asset valuation method	Fair Value of Assets	Fair Value of Assets
Inflation	2.30% compounded annually	2.30% compounded annually
Projected salary increase	Varies by entry age	Varies by entry age
Payroll growth	2.80% compounded annually	2.80% compounded annually
Discount Rate	7.00% compounded annually, net of Investment & Administrative Expenses; includes inflation	7.00% compounded annually, net of Investment & Administrative Expenses; includes inflation
	Derived using CalPERS' Membership	Derived using CalPERS' Membership
Retirement age	Based on the 2021 CalPERS Experience Study for the period from 2000-2019	Based on the 2021 CalPERS Experience Study for the period from 2000-2019
Mortality <sup>1</sup>	Based on the 2021 CalPERS Experience Study for the period from 2000 to 2019	Based on the 2021 CalPERS Experience Study for the period from 2000-2019

<sup>1</sup> Pre-retirement and post-retirement mortality rates include 15 years of projected on-going mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
(Dollar amounts in thousands)  
Last 10 Years\*

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Retiree Health Benefits	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability									
Service cost	\$ 26,346	\$ 24,511	\$ 23,162	\$ 27,787	\$ 24,764	\$ 23,497	\$ 23,480	\$ 21,777	\$ 21,143
Interest	45,829	43,170	40,285	40,125	42,511	41,348	40,503	39,409	36,977
Changes of benefit terms	(2,136)	-	-	-	(2,994)	-	(1,224)	-	-
Difference between expected and actual experience	48,885	8,949	(23,998)	(12,079)	(29,719)	(17,434)	(29,522)	(35,022)	-
Change of assumptions	18,934	-	39,204	(18,173)	5,333	(4,784)	4,337	35,015	-
Benefit payments, including refunds *	(36,217)	(32,573)	(31,266)	(29,480)	(26,890)	(25,130)	(24,060)	(23,095)	(22,396)
Net changes in total OPEB liability	101,641	44,057	47,387	8,180	13,005	17,497	13,514	38,084	35,724
Total OPEB liability- beginning	755,321	711,264	663,877	655,697	642,692	625,195	611,681	573,597	537,873
Total OPEB liability- ending	<u>\$ 856,962</u>	<u>\$ 755,321</u>	<u>\$ 711,264</u>	<u>\$ 663,877</u>	<u>\$ 655,697</u>	<u>\$ 642,692</u>	<u>\$ 625,195</u>	<u>\$ 611,681</u>	<u>\$ 573,597</u>
Fiduciary net position									
Contributions from the employer	\$ 45,889	\$ 50,573	\$ 36,242	\$ 44,021	\$ 45,978	\$ 41,832	\$ 39,511	\$ 35,569	\$ 28,912
Net investment income	74,299	82,216	51,680	(65,580)	93,374	32,235	19,355	23,448	26,497
Benefit payments, including refunds *	(36,217)	(32,573)	(31,266)	(29,480)	(26,890)	(25,130)	(24,060)	(23,095)	(22,396)
Administrative expense	(300)	(300)	(291)	(254)	(269)	(279)	(186)	(223)	(266)
Net changes in total fiduciary net position	83,671	99,916	56,365	(51,293)	112,193	48,658	34,620	35,699	32,747
Total fiduciary net position- beginning	606,309	506,393	450,028	501,321	389,128	340,470	305,850	270,151	237,404
Total fiduciary net position- ending	<u>\$ 689,980</u>	<u>\$ 606,309</u>	<u>\$ 506,393</u>	<u>\$ 450,028</u>	<u>\$ 501,321</u>	<u>\$ 389,128</u>	<u>\$ 340,470</u>	<u>\$ 305,850</u>	<u>\$ 270,151</u>
Net OPEB liability	<u>\$ 166,982</u>	<u>\$ 149,012</u>	<u>\$ 204,871</u>	<u>\$ 213,849</u>	<u>\$ 154,376</u>	<u>\$ 253,564</u>	<u>\$ 284,725</u>	<u>\$ 305,831</u>	<u>\$ 303,446</u>
Plan fiduciary net position as a percentage of the total OPEB liability	80.51%	80.27%	71.20%	67.79%	76.46%	60.55%	54.46%	50.00%	47.10%
Covered employee payroll	\$ 608,681	\$ 575,509	\$ 567,230	\$ 505,787	\$ 504,541	\$ 508,509	\$ 463,124	\$ 418,573	\$ 372,887
Net OPEB liability as a percentage of covered employee payroll	27.43%	25.89%	36.12%	42.28%	30.60%	49.86%	61.48%	73.07%	81.38%

This schedule is intended to show information for the past ten years. Additional years will be displayed as they become available.

\* Includes implied subsidy benefit payments of \$6,028,000, \$5,719,000, \$5,980,000, \$4,560,000, \$4,655,000, \$4,413,000, \$4,306,000, \$4,196,000 and \$3,900,000 in fiscal years 2025, 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017, respectively.

(Continued)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
(Dollar amounts in thousands)  
Last 10 Years\*

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Changes of Benefit Terms

2019 - The additional \$44 monthly BPO & BPMA retiree contributions cease in 2035 (ceased in 2018 for previous measurement date)  
2021- \$37/month retiree contributions extended to 2024

Changes in Assumptions

2018 - Discount rate was changed from 6.75% at 6/30/2017 to 6.50% at 6/30/2018  
- General inflation was changed from 3.00% in 2017 to 2.75% in 2018  
2019 - Demographic assumptions were updated to CalPERS 1997-2015 Experience Study  
2020 - Mortality improvement scale was updated to Scale MP-2019  
- Medical trend was changed from 7.50% for 2020 to 7.25% for 2021 for Non-Medicare, and from 6.50% for 2020 to 6.30% for 2021 for Medicare  
2021 - Discount rate was changed from 6.50% at 6/30/2020 to 6.00% at 6/30/2021  
- Mortality improvement scale was updated to Scale MP-2020  
- Claim cost was updated using age based claims  
- Medical trend rate for Kaiser Senior Advantage Plans was decreased  
2022 - General inflation changed from 2.75% to 2.50% per annum  
- Salary increases changed from 3.00% to 2.75% annually  
- Mortality improvement scale was updated from Scale MP-2020 to Scale MP-2021  
- Retiree participation at retirement, spouse coverage at retirement  
2023 - Demographic assumption was updated based on CalPERS 2000-2019 Experience Study  
- Active participation at retirement assumption  
- Expected retirement age assumption  
- Medical trend was changed from 6.5% for 2023 to 8.5% for 2024 for Non-Medicare, from 5.65% for 2023 to 7.5% for 2024 for Medicare (Non-Kaiser), and from 4.6% for 2023 to 6.25% for 2024 for Medicare (Kaiser)  
2024 - None  
2025 - Expected claims and premiums assumptions were updated to align with current Health Cost Guidelines  
- Health care cost trend assumption was revised using the Getzen model circulated by the Society of Actuaries  
- Election rate assumption for Tier 2 members was updated to 30% with < 10 years, and 60% with 10 years, increasing to 90% with > 15 years  
- General inflation assumption was decreased from 2.50% to 2.30% per year  
- Payroll growth assumption was increased from 2.75% to 2.80% annually  
- Medical plan at retirement assumption was adjusted based on the selection of plans by current retirees

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(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
(Dollar amounts in thousands)  
Last 10 Years\*

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<u>Survivor Benefit Plan</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability									
Service cost	\$ 563	\$ 1,929	\$ 1,987	\$ 3,334	\$ 3,527	\$ 2,011	\$ 1,901	\$ 2,071	\$ 2,559
Interest	1,338	1,368	1,358	1,236	1,168	1,260	1,428	1,588	1,396
Changes of benefit terms	159	-	-	-	142	-	22	-	-
Difference between expected and actual experience	(913)	(2,991)	(2,466)	(4,901)	(2,797)	(971)	(5,946)	(1,017)	-
Change of assumptions	(8,727)	(2,220)	(2,389)	(12,368)	(4,132)	13,366	1,935	(9,676)	(7,743)
Benefit payments, including refunds	(482)	(395)	(376)	(340)	(296)	(434)	(213)	(329)	(346)
Net changes in total OPEB liability	(8,062)	(2,309)	(1,886)	(13,039)	(2,388)	15,232	(873)	(7,363)	(4,134)
Total OPEB liability- beginning	29,830	32,139	34,025	47,064	49,452	34,220	35,093	42,456	46,590
Total OPEB liability- ending	<u>\$ 21,768</u>	<u>\$ 29,830</u>	<u>\$ 32,139</u>	<u>\$ 34,025</u>	<u>\$ 47,064</u>	<u>\$ 49,452</u>	<u>\$ 34,220</u>	<u>\$ 35,093</u>	<u>\$ 42,456</u>
Fiduciary net position									
Contributions from members	\$ 822	\$ 844	\$ 797	\$ 695	\$ 9,456	\$ 434	\$ 213	\$ 329	\$ 346
Investment income	1,512	1,674	1,014	(1,279)	1,309	-	-	-	-
Administrative expenses	(28)	(35)	(34)	(38)	(18)	-	-	-	-
Benefit payments, including refunds	(482)	(395)	(376)	(340)	(296)	(434)	(213)	(329)	(346)
Net changes in total fiduciary net position	1,824	2,088	1,401	(962)	10,451	-	-	-	-
Total fiduciary net position- beginning	12,978	10,890	9,489	10,451	-	-	-	-	-
Total fiduciary net position- ending	<u>\$ 14,802</u>	<u>\$ 12,978</u>	<u>\$ 10,890</u>	<u>\$ 9,489</u>	<u>\$ 10,451</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability	<u>\$ 6,966</u>	<u>\$ 16,852</u>	<u>\$ 21,249</u>	<u>\$ 24,536</u>	<u>\$ 36,613</u>	<u>\$ 49,452</u>	<u>\$ 34,220</u>	<u>\$ 35,093</u>	<u>\$ 42,456</u>
Plan fiduciary net position as a percentage of the total OPEB liability	68.00%	43.51%	33.88%	27.89%	22.21%	0.00%	0.00%	0.00%	0.00%
Covered employee payroll	\$ 608,681	\$ 575,509	\$ 567,230	\$ 505,787	\$ 504,541	\$ 508,509	\$ 463,124	\$ 418,573	\$ 372,887
Net OPEB liability as a percentage of covered employee payroll	1.14%	2.93%	3.75%	4.85%	7.26%	9.72%	7.39%	8.38%	11.39%

\* This schedule is intended to show information for the past ten years. Additional years will be displayed as they become available.

(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
(Dollar amounts in thousands)  
Last 10 Years\***

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**Changes of Benefit Terms**

2019 - The additional \$44 monthly BPOA & BPMA retiree contributions cease in 2035 (ceased in 2018 for previous measurement date)

2021 - \$37/month retiree contributions reimbursed by Plan to survivors extended to 2024

**Changes of Assumptions**

2017 - Discount rate changed from 2.85% in 2016 to 3.58% in 2017

2018 - Discount rate changed from 3.58% in 2017 to 3.87% in 2018

    - General Inflation changed from 3.0% in 2017 to 2.75% in 2018

2019 - Demographic assumptions were updated to CalPERS 1997-2015 experience Study

2020 - Discount rate was updated based on municipal bond rate as of measurement date

    - Mortality improvement scale was updated to Scale MP-2019

2021 - Plan funding through a trust began

    - Discount rate based on crossover test

    - Decreased medical trend rate for Kaiser Senior Advantage plans

    - Mortality improvement scale was updated to Scale MP-2020

2022 - Discount rate was updated from 2.46% to 3.79% based on crossover test

    - Economic Assumptions:

        General inflation changed from 2.75% to 2.50% per annum

        Salary increases changed from 3.00% to 2.75% annually

        Mortality improvement scale was updated from Scale MP-2020 to MP-2021

2023 - Discount rate was updated from 3.79% to 4.04% based on crossover test

    - Updated medical trend rate

    - Updated demographic assumptions based on CalPERS 2000-2019 Experience Study

    - Mortality improvement scale was updated from Scale MP-2020 to MP-2021

2024 - Discount rate was updated based on cross over test from 4.04% to 4.44%

2025 - Discount rate was updated from 4.44% to 5.78% based on crossover test

    Municipal bond rate changed from 3.93% to 5.20%

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
(Dollar amounts in thousands)  
Last 10 Years\*

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<u>Retiree Life Insurance</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB liability</b>									
Service cost	\$ 1,440	\$ 1,561	\$ 1,391	\$ 2,430	\$ 2,087	\$ 1,321	\$ 1,146	\$ 1,158	\$ 1,401
Interest	1,868	1,783	1,560	1,215	1,147	1,339	1,402	1,264	1,101
Changes of benefit terms	-	-	-	-	-	-	(1,032)	-	-
Difference between expected and actual experience	(1,892)	(181)	2,421	(1,133)	1,188	748	(414)	167	-
Change of assumptions	(8,396)	(3,515)	407	(12,428)	733	10,636	1,838	(891)	(4,915)
Benefit payments, including refunds **	(691)	(1,037)	(1,308)	(1,181)	(1,030)	(1,367)	(821)	(679)	(685)
Net changes in total OPEB liability	(7,671)	(1,389)	4,471	(11,097)	4,125	12,677	2,119	1,019	(3,098)
Total OPEB liability- beginning	46,415	47,804	43,333	54,430	50,305	37,628	35,509	34,490	37,588
<b>Total OPEB liability- ending</b>	<b>\$ 38,744</b>	<b>\$ 46,415</b>	<b>\$ 47,804</b>	<b>\$ 43,333</b>	<b>\$ 54,430</b>	<b>\$ 50,305</b>	<b>\$ 37,628</b>	<b>\$ 35,509</b>	<b>\$ 34,490</b>
Covered employee payroll	\$ 541,248	\$ 515,579	\$ 511,167	\$ 453,877	\$ 456,619	\$ 508,509	\$ 463,124	\$ 418,573	\$ 372,887
Total OPEB liability as a percentage of covered employee payroll	7.16%	9.00%	9.35%	9.55%	11.92%	9.89%	8.12%	8.48%	9.25%

There are no assets accumulated in trust for the Retiree Life Insurance plan.

\* This schedule is intended to show information for the past ten years. Additional years will be displayed as they become available.

\*\* Includes implied subsidy benefit payments as summarized below:

<u>Year</u>	<u>Implied Subsidy (in thousands)</u>
2025	\$ 553
2024	901
2023	1,168
2022	1,021
2021	892
2020	1,210
2019	679
2018	547
2017	542

**Benefit Changes:**

- 2019 - The additional \$44 monthly BPOA & BPMA retiree contributions cease in 2035 (ceased in 2018 for previous measurement date)
- BPOA and BPMA members retiring on or after 1/1/19 do not have life insurance benefits provided by the District, nor would they be eligible to purchase life insurance through the District plan

**Changes in Assumptions:**

- 2017 - Discount rate was updated based on municipal bond rate as of measurement date
  - Mortality improvement scale was updated to Scale MP - 2017
- 2018 - Discount rate was updated based on municipal bond rate as of measurement date, 3.87% for 2018
- 2019 - Discount rate was updated based on municipal bond rate as of measurement date, 3.50% for 2019
  - CalPERS 1997-2015 Experience study was used
- 2020 - Discount rate was updated based on municipal bond rate as of measurement date, 2.21% for 2020
  - Mortality improvement scale was updated to Scale MP- 2019
- 2021 - Discount rate was updated based on municipal bond rate as of measurement date, 2.16% for 2021
  - Mortality improvement scale was updated to Scale MP – 2020
- 2022 - Discount rate was updated based on municipal bond rate as of the measurement date
  - Economic Assumptions:
    - Inflation decreased from 2.75% to 2.50%
    - Mortality Improvement scale was updated to Scale MP-2021
- 2023 - Discount rate was updated based on municipal bond rate as of the measurement date
  - Updated demographic assumptions based on CalPERS 2000-2019 Experience study
- 2024 - Discount rate was updated based on municipal bond rate as of the measurement date 3.93% for 2024
- 2025 - Discount rate was updated based on municipal bond rate as of the measurement date from 3.93% to 5.20%

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**  
**SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS**  
(Dollar amounts in thousands)  
Last 10 Years\*

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	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Retiree Health Benefits</b>									
Actuarially determined contribution (ADC)	\$ 51,583	\$ 50,573	\$ 36,242	\$ 44,021	\$ 45,978	\$ 41,832	\$ 39,511	\$ 35,569	\$ 28,912
Contributions in relation to the actuarially determined contribution	<u>(45,889)</u>	<u>(50,573)</u>	<u>(36,242)</u>	<u>(44,021)</u>	<u>(45,978)</u>	<u>(41,832)</u>	<u>(39,511)</u>	<u>(35,569)</u>	<u>(28,912)</u>
Contribution deficiency / (excess)	<u>\$ 5,694</u>	<u>\$ -</u>							
Covered employee payroll **	\$ 608,681	\$ 575,509	\$ 567,230	\$ 505,787	\$ 504,541	\$ 508,509	\$ 463,124	\$ 418,573	\$ 372,887
Contributions as a percentage of covered employee payroll	7.54%	8.79%	6.39%	8.70%	9.11%	8.23%	8.53%	8.50%	7.75%
<b>Survivor Benefit Plan</b>									
Actuarially determined contribution (ADC)	1,391	\$ 1,359	\$ 1,270	\$ 1,169	\$ 1,227	\$ 3,019	\$ 2,911	\$ 2,672	\$ 3,138
Contributions in relation to the actuarially determined contribution	<u>-</u>								
Contribution deficiency / (excess)	<u>\$ 1,391</u>	<u>\$ 1,359</u>	<u>\$ 1,270</u>	<u>\$ 1,169</u>	<u>\$ 1,227</u>	<u>\$ 3,019</u>	<u>\$ 2,911</u>	<u>\$ 2,672</u>	<u>\$ 3,138</u>
Covered employee payroll **	\$ 608,681	\$ 575,509	\$ 567,230	\$ 505,787	\$ 504,541	\$ 508,509	\$ 463,124	\$ 418,573	\$ 372,887
Contributions as a percentage of covered employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Retiree Life Insurance</b>									
Actuarially determined contribution (ADC)	\$ -	\$ -	\$ -	\$ -	\$ 4,281	\$ 3,860	\$ 3,624	\$ 3,071	\$ 2,450
Contributions in relation to the actuarially determined contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,030)</u>	<u>(1,367)</u>	<u>(821)</u>	<u>(679)</u>	<u>(685)</u>
Contribution deficiency / (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,251</u>	<u>\$ 2,493</u>	<u>\$ 2,803</u>	<u>\$ 2,392</u>	<u>\$ 1,765</u>
Covered employee payroll **	-	-	-	-	456,619	508,509	463,124	418,573	372,887
Contributions as a percentage of covered employee payroll	%	%	%	%	0.23%	0.27%	0.18%	0.16%	0.18%

\* This schedule is intended to show information for the past ten years. Additional years will be displayed as they become available.

\*\* Based on actual payroll.

(Continued)

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
NOTES TO SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS  
Last 10 Years\***

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Methods and assumptions for the actuarially determined contribution for fiscal year 2025 are as follows:

**Retiree Health Benefits**

Valuation Date	June 30, 2023
Actuary	Foster & Foster, Inc
Actuarial Cost Method	Entry Age, level percentage of payroll
Amortization Method	Level percent of payroll
Amortization Period	10- year fixed period
Asset Valuation Method	Market value of assets
Discount Rate and Long Term	
Expected Rate of Return on Assets	6.00%
General Inflation	2.50%
Medical Trend	Non-Medicare – 8.50% for 2025 decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) – 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) – 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
Mortality	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational Scale MP-2021

**Survivor Benefit Trust**

Valuation Date	June 30, 2023
Actuary	Foster & Foster, Inc
Actuarial Cost Method	Entry Age, level percentage of payroll
Amortization Method	Level percent of payroll
Amortization Period	16- year fixed period
Asset Valuation Method	Market value of assets
Discount Rate and Long Term	
Expected Rate of Return on Assets	6.00%
General Inflation	2.50%
Medical Trend	Non-Medicare – 8.50% for 2025 decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) – 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) – 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
Mortality	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational Scale MP-2021

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
 OTHER SUPPLEMENTARY INFORMATION  
 COMBINING STATEMENTS – FIDUCIARY FUNDS  
 STATEMENT OF FIDUCIARY NET POSITION  
 (Dollar amounts in thousands)  
 June 30, 2025

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	<u>Retiree Health Benefit Trust</u>	<u>Survivor Benefit Trust</u>	<u>Total Fiduciary Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 52,868	\$ 975	\$ 53,843
Receivables and other assets			
Receivable from BART	-	591	591
Interest and dividend receivables	755	3	758
Pending trades receivables	34,040	-	34,040
Prepaid expenses	11	-	11
Total receivables and other assets	<u>34,806</u>	<u>594</u>	<u>35,400</u>
Investments			
Domestic common stocks	67,067	-	67,067
Foreign stocks	8,339	-	8,339
U.S. Treasury obligations	27,642	-	27,642
Mortgage-backed securities	31,225	-	31,225
Mutual funds - equity	356,318	8,859	365,177
Mutual funds - fixed income securities	125,992	4,399	130,391
Corporate obligations	44,370	-	44,370
Foreign obligations	2,036	-	2,036
Total investments	<u>662,989</u>	<u>13,258</u>	<u>676,247</u>
Total assets	750,663	14,827	765,490
<b>LIABILITIES</b>			
Accounts payable	134	25	159
Pending trades payable	<u>60,549</u>	<u>-</u>	<u>60,549</u>
Total liabilities	<u>60,683</u>	<u>25</u>	<u>60,708</u>
Net position restricted for other postemployment benefits	<u>\$ 689,980</u>	<u>\$ 14,802</u>	<u>\$ 704,782</u>

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SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
 OTHER SUPPLEMENTARY INFORMATION  
 COMBINING STATEMENTS – FIDUCIARY FUNDS  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 (Dollar amounts in thousands)  
 Year ended June 30, 2025

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	<u>Retiree Health Benefit Trust</u>	<u>Survivor Benefit Trust</u>	<u>Total Fiduciary Funds</u>
<b>Additions</b>			
Employer contributions	\$ 45,889	\$ -	\$ 45,889
Employee and retiree contributions	-	822	822
Net investment income (expense):			
Interest and dividend income	19,044	330	19,374
Net realized and unrealized gains on investments	55,515	1,194	56,709
Investment expense	(260)	(12)	(272)
Net investment income (expense)	<u>74,299</u>	<u>1,512</u>	<u>75,811</u>
Total additions	120,188	2,334	122,522
<b>Deductions</b>			
Benefit payments	36,217	482	36,699
Legal fees	4	1	5
Audit fees	20	20	40
Insurance expense	14	-	14
Administrative fees	262	7	269
Total deductions	<u>36,517</u>	<u>510</u>	<u>37,027</u>
Change in net position	83,671	1,824	85,495
Net position restricted for other postemployment benefits, beginning of year	<u>606,309</u>	<u>12,978</u>	<u>619,287</u>
Net position restricted for other postemployment benefits, end of year	<u>\$ 689,980</u>	<u>\$ 14,802</u>	<u>\$ 704,782</u>

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# San Francisco Bay Area Rapid Transit District



## STATISTICAL SECTION (Unaudited)

## **Statistical Section**

This section of San Francisco Bay Area Rapid Transit District's (BART) annual comprehensive financial report presents trend information about BART's financial results, major revenue sources, outstanding debt obligations, demographic statistics, and operating activities to help the reader understand BART's overall financial condition.

### **Financial Trends**

These schedules contain trend information to help the reader understand how BART's financial performance has changed over time.

### **Revenue Capacity**

These schedules contain information to help the reader assess BART'S local revenue sources: sales taxes, operating assistance, and passenger fares.

### **Debt Capacity**

These schedules present information to help the reader assess the affordability of BART's current outstanding debts and BART's ability to issue additional debt in the future.

### **Demographic and Economic Information**

These schedules contain demographic and economic indicators to assist the reader in understanding the environment within which BART's financial activities take place.

### **Operating Information**

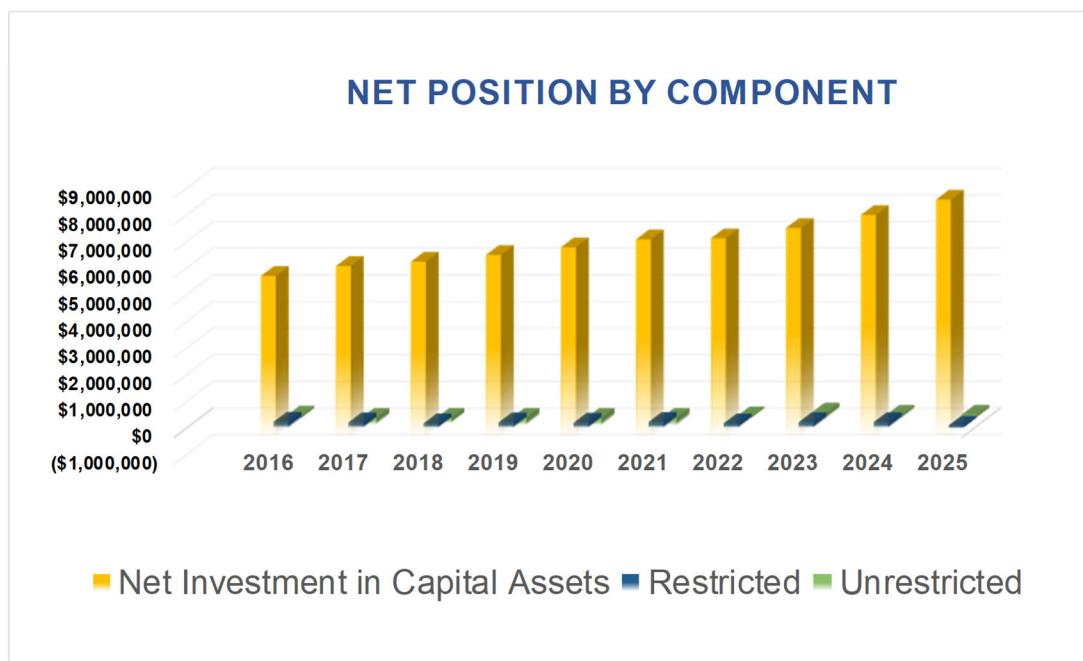
These schedules contain service and facilities statistics to help the reader understand how BART's financial report relates to its services and operating activities and how it compares to the transit industry.

# Financial Trends

San Francisco Bay Area Rapid Transit District  
 Net Position by Component  
 Last Ten Fiscal Years  
 (Amounts expressed in thousands)

Table 1

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net Investment in Capital Assets	\$ 6,055,965	\$ 6,426,653	\$ 6,586,781	\$ 6,840,499	\$ 7,127,402	\$ 7,426,365	\$ 7,466,830	\$ 7,855,281	\$ 8,342,567	\$ 8,919,669
Restricted	214,849	190,612	156,387	191,394	178,326	205,370	156,553	197,431	199,070	75,501
Unrestricted	78,141	(242,644)	(191,334)	(261,741)	(275,894)	(278,113)	46,949	190,636	111,170	114,575
<b>Total Net Position</b>	<b>\$ 6,348,955</b>	<b>\$ 6,374,621</b>	<b>\$ 6,551,834</b>	<b>\$ 6,770,152</b>	<b>\$ 7,029,834</b>	<b>\$ 7,353,622</b>	<b>\$ 7,670,332</b>	<b>\$ 8,243,348</b>	<b>\$ 8,652,807</b>	<b>\$ 9,109,745</b>



SOURCE : BART Audited Financial Statements  
[www.bart.gov/financials](http://www.bart.gov/financials)

San Francisco Bay Area Rapid Transit District  
 Changes in Net Position  
 Last Ten Fiscal Years  
 (Amounts expressed in thousands)

Table 2

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Operating revenues</b>										
Fares	\$ 489,583	\$ 485,674	\$ 481,783	\$ 482,644	\$ 341,587	\$ 62,528	\$ 135,818	\$ 188,311	\$ 218,988	\$ 243,924
Other	56,217	61,426	64,831	72,040	53,347	27,981	30,294	33,369	39,636	38,138
<b>Total operating revenues</b>	<b>545,800</b>	<b>547,100</b>	<b>546,614</b>	<b>554,684</b>	<b>394,934</b>	<b>90,509</b>	<b>166,112</b>	<b>221,680</b>	<b>258,624</b>	<b>282,062</b>
<b>Operating expenses</b>										
Transportation	188,236	209,335	219,590	223,089	221,809	215,274	240,333	269,156	294,383	296,859
Maintenance	285,996	302,699	333,840	370,506	403,242	374,529	409,899	456,702	466,840	481,546
Police services	63,921	64,236	68,166	74,360	84,054	88,054	93,835	97,787	117,202	121,655
Construction and engineering	23,917	26,700	30,139	36,257	39,789	34,769	28,065	28,715	14,411	16,602
General and administrative	150,986	200,376	228,768	225,504	269,863	233,795	116,197	207,053	287,125	271,132
Depreciation	196,452	191,877	219,782	207,345	230,198	228,528	337,540	302,446	318,014	350,356
<b>Total operating expenses</b>	<b>909,508</b>	<b>995,223</b>	<b>1,100,285</b>	<b>1,137,061</b>	<b>1,248,955</b>	<b>1,174,949</b>	<b>1,225,869</b>	<b>1,361,859</b>	<b>1,497,975</b>	<b>1,538,150</b>
Less - capitalized costs	(74,762)	(87,158)	(107,469)	(138,887)	(181,426)	(185,185)	(173,064)	(157,302)	(151,024)	(142,669)
<b>Net operating expenses</b>	<b>834,746</b>	<b>908,065</b>	<b>992,816</b>	<b>998,174</b>	<b>1,067,529</b>	<b>989,764</b>	<b>1,052,805</b>	<b>1,204,557</b>	<b>1,346,951</b>	<b>1,395,481</b>
<b>Operating loss</b>	<b>(288,946)</b>	<b>(360,965)</b>	<b>(446,202)</b>	<b>(443,490)</b>	<b>(672,595)</b>	<b>(899,255)</b>	<b>(886,693)</b>	<b>(982,877)</b>	<b>(1,088,327)</b>	<b>(1,113,419)</b>
Nonoperating revenues (expenses)										
Transactions and use tax - sales tax	241,547	247,185	257,883	280,385	266,895	258,522	310,706	327,128	320,133	317,276
Property tax	55,849	99,163	119,218	123,677	170,582	195,951	124,658	211,132	218,718	239,695
Operating financial assistance	72,794	77,069	54,736	65,693	282,938	497,524	552,639	515,016	320,534	192,539
Contribution for BART car replacement funding exchange program	(50,176)	(52,548)	-	-	-	-	-	-	-	-
Investment income	2,752	3,747	12,088	19,337	19,653	1,523	1,064	51,653	74,565	59,538
Interest expense	(36,217)	(28,423)	(32,846)	(31,132)	(60,906)	(65,837)	(75,808)	(99,581)	(98,036)	(99,280)
Planning and Studies	-	-	-	-	-	(28,372)	(39,038)	(42,660)	(23,354)	(6,115)
Gain from exchange of property	7,284	24,839	-	-	-	-	-	-	29,436	-
Other expense	(1,247)	(5,070)	(906)	(328)	(3,561)	(2,080)	(2,127)	-	-	-
<b>Total nonoperating revenues, net</b>	<b>292,586</b>	<b>365,962</b>	<b>410,173</b>	<b>457,632</b>	<b>675,601</b>	<b>857,231</b>	<b>872,094</b>	<b>962,688</b>	<b>841,996</b>	<b>703,653</b>
<b>Change in net position before capital contributions</b>	<b>3,640</b>	<b>4,997</b>	<b>(36,029)</b>	<b>14,142</b>	<b>3,006</b>	<b>(42,024)</b>	<b>(14,599)</b>	<b>(20,189)</b>	<b>(246,331)</b>	<b>(409,766)</b>
Capital contributions	328,123	342,270	233,728	204,176	256,676	365,812	332,321	593,205	655,790	882,190
<b>Change in net position</b>	<b>331,763</b>	<b>347,267</b>	<b>197,699</b>	<b>218,318</b>	<b>259,682</b>	<b>323,788</b>	<b>317,722</b>	<b>573,016</b>	<b>409,459</b>	<b>472,424</b>
Net position, beginning of year	6,017,192	6,348,955	6,374,621	6,551,834	6,770,152	7,029,834	7,353,622	7,670,332	8,243,348	8,652,807
Provision for GASB 75	-	(321,601)	-	-	-	-	-	-	-	-
Loss from Discontinued Operation - Livermore Extension	-	-	(20,486)	-	-	-	-	-	-	-
Cumulative effect of change in accounting principle	-	-	-	-	-	-	(1,012)	-	-	-
GASB 87	-	-	-	-	-	-	-	-	-	-
GASB 101	-	-	-	-	-	-	-	-	-	(15,486)
<b>Net position, end of year</b>	<b>\$6,348,955</b>	<b>\$6,374,621</b>	<b>\$6,551,834</b>	<b>\$6,770,152</b>	<b>\$7,029,834</b>	<b>\$7,353,622</b>	<b>\$7,670,332</b>	<b>\$8,243,348</b>	<b>\$8,652,807</b>	<b>\$9,109,745</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>10.53%</b>	<b>12.22%</b>	<b>14.97%</b>	<b>11.52%</b>	<b>11.93%</b>	<b>15.24%</b>	<b>16.39%</b>	<b>14.21%</b>	<b>16.39%</b>	<b>16.50%</b>

SOURCE : BART Audited Financial Statements  
[www.bart.gov/financials](http://www.bart.gov/financials)

# Revenue Capacity

San Francisco Bay Area Rapid Transit District  
**Operating Revenue Base**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**  
**(Amounts expressed in thousands)**

Table 3

Fiscal Year	Passenger Fares	Parking Revenue	Advertising Revenue	Telecom Revenue	Non-Transportation Revenue	Other Agency Revenues	Total
2016	\$ 489,583	\$ 33,543	\$ 9,126	\$ 7,793	\$ 1,704	\$ 4,052	\$ 545,800
2017	485,674	35,110	9,707	7,647	4,306	4,656	547,100
2018	481,783	36,164	11,480	7,452	4,021	5,714	546,614
2019	482,644	37,015	17,852	7,104	4,020	6,050	554,684
2020	341,587	28,212	8,159	7,890	4,174	4,912	394,934
2021	62,528	7,183	1,619	9,531	5,126	4,522	90,509
2022	135,818	11,592	1,132	8,252	7,192	2,126	166,112
2023	188,311	14,219	3,332	8,624	4,832	2,362	221,680
2024	218,988	17,016	2,299	10,892	6,454	2,974	258,624
2025	243,924	18,083	3,627	9,207	5,197	2,024	282,062

SOURCE : BART Audited Financial Statements

[www.bart.gov/financials](http://www.bart.gov/financials)

**San Francisco Bay Area Rapid Transit District**  
**Business-type Activities - Transit Operations**  
**Fare Revenue Percentage by Mode**  
**Last Ten Fiscal Years**  
**(Amounts expressed in thousands)**

**Table 4**

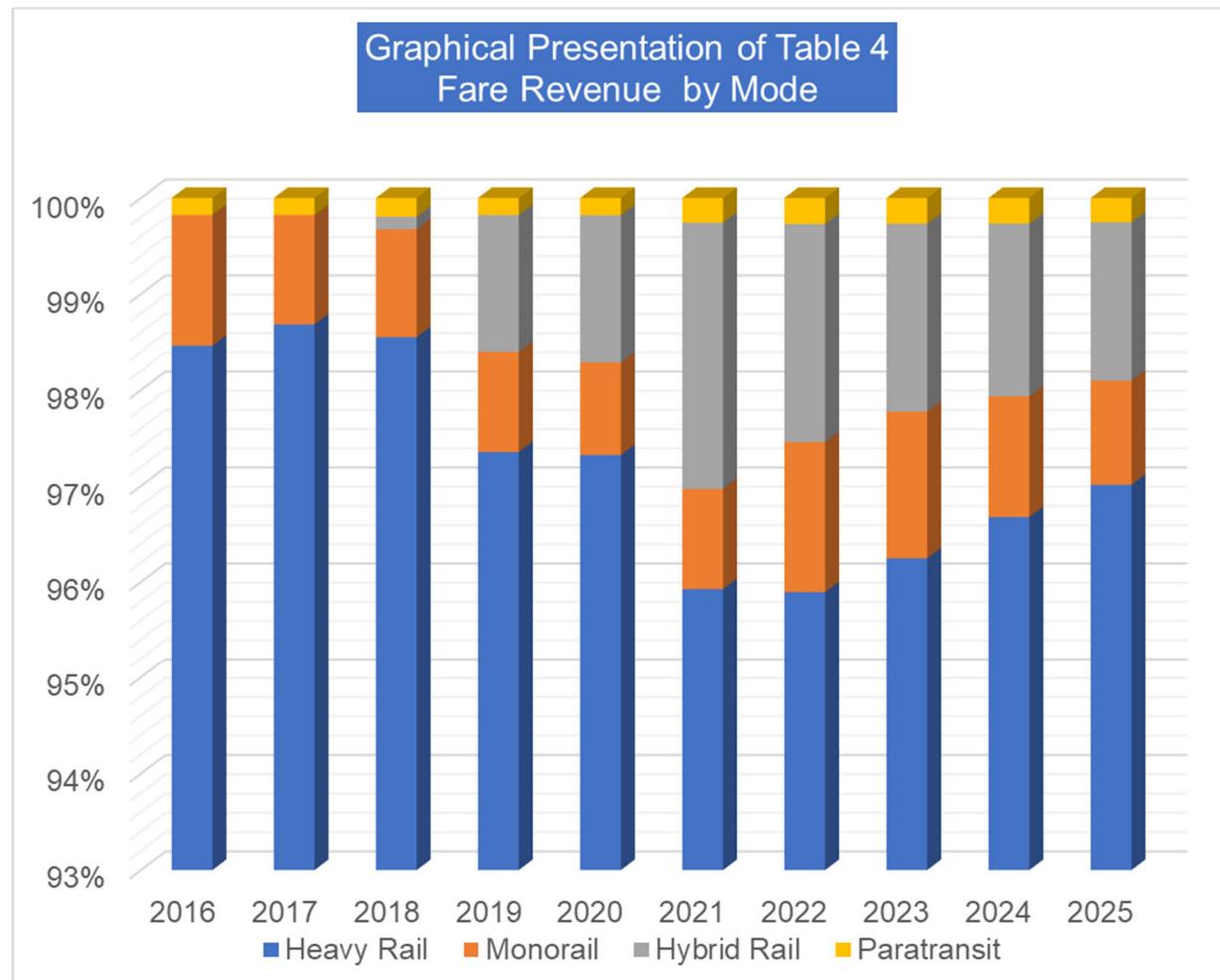
<b>Fiscal Year</b>	<b>Heavy Rail</b>	<b>Monorail</b>	<b>Hybrid Rail</b>	<b>Paratransit</b>	<b>All Modes</b>
2016	98.46%	1.36%	0.00%	0.18%	100.00%
2017	98.68%	1.14%	0.00%	0.18%	100.00%
2018	98.55%	1.13%	0.13%	0.19%	100.00%
2019	97.35%	1.04%	1.42%	0.18%	100.00%
2020	97.32%	0.96%	1.53%	0.18%	100.00%
2021	95.93%	1.04%	2.77%	0.26%	100.00%
2022	95.89%	1.56%	2.27%	0.27%	100.00%
2023	96.25%	1.53%	1.96%	0.27%	100.00%
2024	96.68%	1.26%	1.80%	0.27%	100.00%
2025	97.01%	1.09%	1.65%	0.25%	100.00%

<b>Fiscal Year</b>	<b>Heavy Rail</b>	<b>Monorail</b>	<b>Hybrid Rail</b>	<b>Paratransit</b>	<b>All Modes</b>
2016	\$ 482,050	\$ 6,666	\$ -	\$ 867	\$ 489,583
2017	479,277	5,536	-	860	485,674
2018	474,797	5,421	628	938	481,783
2019	469,866	5,038	6,877	863	482,644
2020	332,443	3,290	5,238	615	341,587
2021	59,981	653	1,734	160	62,528
2022	130,241	2,124	3,085	369	135,819
2023	181,243	2,878	3,685	505	188,311
2024	211,709	2,757	3,938	584	218,988
2025	236,627	2,658	4,024	615	243,924

SOURCE : National Transit Database

San Francisco Bay Area Rapid Transit District  
Business-type Activities - Transit Operations  
Fare Revenue Percentage by Mode  
Last Ten Fiscal Years



San Francisco Bay Area Rapid Transit District  
 Passenger Fare Structure<sup>1</sup>  
 Last Ten Calendar Years

Table 5

Calendar year <sup>2</sup>	2016	2017	2018	2019	2020	2021	2022 <sup>4</sup>	2023	2024	2025
<u>Trip Length Tier Minimum Fare<sup>3</sup></u>										
Short	\$ 1.80	\$ 1.80	\$ 1.85	\$ 1.85	\$ 1.95	\$ 1.95	\$ 2.02	\$ 2.02	\$ 2.13	\$ 2.25
Medium	2.00	2.00	2.05	2.05	2.16	2.16	2.23	2.23	2.35	2.48
Long	3.14	3.14	3.22	3.22	3.39	3.39	3.51	3.51	3.70	3.90
<u>Trip Length Tier Per Mile Additional Charge<sup>3</sup></u>										
Medium	0.146	0.146	0.150	0.150	0.158	0.158	0.163	0.163	0.172	0.181
Long	0.088	0.088	0.090	0.090	0.095	0.095	0.098	0.098	0.103	0.109
<u>Excursion Fare</u>										
Base fare for entering and exiting same station	5.60	5.60	5.75	5.75	6.05	6.05	6.25	6.25	6.60	6.95
<u>Speed Differential</u>	0.056	0.056	0.058	0.058	0.061	0.061	0.063	0.063	0.066	0.070
<u>Surcharge Assumptions</u>										
Capital	0.13	0.13	0.13	0.13	0.14	0.14	0.14	0.14	0.15	0.16
Transbay	0.97	0.97	1.00	1.00	1.05	1.05	1.09	1.09	1.15	1.21
Daly City to West Bay	1.12	1.12	1.15	1.15	1.21	1.21	1.25	1.25	1.32	1.39
San Mateo County	1.28	1.28	1.31	1.31	1.38	1.38	1.43	1.43	1.51	1.59
San Mateo County Actual	1.41	1.41	1.44	1.44	1.52	1.52	1.57	1.57	1.66	1.75
San Francisco Airport base premium	4.42	4.42	4.54	4.54	4.79	4.79	4.95	4.95	5.22	5.51
Oakland Airport base premium	6.00	6.00	6.16	6.16	6.49	6.49	6.71	6.71	7.08	7.47
Mag stripe blue ticket	-	-	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Productivity-adjusted Inflation-based percent increase from prior fare increase	3.4%	3.4%	2.7%	2.7%	5.4%	5.4%	3.4%	3.4%	5.5%	5.5%

<sup>1</sup> Fares are calculated based on distance traveled, with surcharges applied to certain trips, adjusted by a speed differential.

These components, however, are not visible to the rider, who pays their sum rounded to the nearest nickel.

<sup>2</sup> BART has a statutory program in place to increase fares by small, inflation-based amounts every two calendar years.

<sup>3</sup> Trip Length Tier Parameters

Short trip maximum number of miles - 6 miles

Medium trip maximum number of miles - 14 miles

Long trip- over 14 miles

<sup>4</sup> In 2022, the fare increase planned for January was deferred for 6 months to July.

Fare rates are available at [www.bart.gov](http://www.bart.gov)

San Francisco Bay Area Rapid Transit District  
**Sales Tax Revenue**  
**Last Ten Fiscal Years**  
**(Cash Basis of Accounting)**  
**(Amounts expressed in thousands)**

Table 6

Fiscal Year	Total Sales Tax Revenue
2016	\$ 241,547
2017	247,185
2018	257,883
2019	280,385
2020	266,895
2021	258,522
2022	310,706
2023	327,128
2024	320,133
2025	317,276



SOURCE : BART Audited Financial Statements  
[www.bart.gov/financials](http://www.bart.gov/financials)

San Francisco Bay Area Rapid Transit District  
 City and County of San Francisco Taxable Transactions by Type of Business  
 Last Ten Calendar Years  
 (Amounts expressed in thousands)

Table 7

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
All Other Outlets	\$ 5,839,079	\$ 6,174,841	\$ 5,981,674	\$ 6,312,252	\$ 6,689,891	\$ 4,839,281	\$ 5,503,320	\$ 6,685,572	\$ 6,493,611	\$ 6,331,042
Building Material and Garden Equipment and Supplies Dealers	588,279	586,373	605,711	681,369	718,692	642,104	685,894	691,182	636,795	564,195
Clothing and Clothing Accessories Stores	2,163,743	2,132,167	2,056,070	2,046,414	2,029,312	1,163,031	1,587,968	1,746,756	1,576,178	1,496,138
Food and Beverage Stores	830,061	843,717	863,215	856,217	861,757	746,455	722,410	768,428	794,715	782,200
Food Services and Drinking Places	4,441,352	4,670,360	4,743,633	4,844,464	5,046,263	2,081,728	2,953,373	4,266,095	4,537,493	4,566,381
Gasoline Stations	471,496	428,473	490,255	583,480	548,509	304,977	432,767	612,261	553,559	493,676
General Merchandise Stores	865,959	837,698	814,324	790,845	755,350	560,059	667,930	691,405	628,274	620,766
Home Furnishings and Appliance Stores	1,010,769	965,919	916,777	1,018,006	1,034,213	768,022	919,239	940,945	790,701	757,867
Motor Vehicle and Parts Dealers	565,639	573,965	628,666	674,008	601,929	593,476	625,719	575,323	590,487	585,300
Other Retail Group	2,136,115	2,223,654	2,373,545	2,535,667	2,671,219	2,690,590	2,508,494	2,633,438	2,500,262	2,437,429
<b>Grand Total</b>	<b>\$ 18,912,492</b>	<b>\$ 19,437,167</b>	<b>\$ 19,473,870</b>	<b>\$ 20,342,722</b>	<b>\$ 20,957,135</b>	<b>\$ 14,389,723</b>	<b>\$ 16,607,114</b>	<b>\$ 19,611,406</b>	<b>\$ 19,102,077</b>	<b>\$ 18,634,994</b>

SOURCE: Board of Equalization  
 No data available for CY25

San Francisco Bay Area Rapid Transit District  
 Contra Costa County Taxable Transactions by Type of Business  
 Last Ten Calendar Years  
 (Amounts expressed in thousands)

Table 8

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
All Other Outlets	\$ 4,249,805	\$ 4,177,784	\$ 4,256,199	\$ 4,444,000	\$ 4,762,302	\$ 4,899,331	\$ 6,100,481	\$ 6,730,812	\$ 6,733,076	\$ 6,377,602
Building Material and Garden Equipment and Supplies Dealers	1,002,124	1,069,948	1,159,632	1,247,703	1,229,980	1,393,714	1,520,337	1,538,421	1,453,348	1,397,525
Clothing and Clothing Accessories Stores	902,810	940,766	956,379	1,006,196	1,027,195	776,036	1,126,024	1,170,671	1,169,128	1,208,597
Food and Beverage Stores	816,995	841,671	894,222	911,240	924,880	1,008,278	1,002,522	1,025,388	1,019,549	1,025,862
Food Services and Drinking Places	1,613,644	1,704,675	1,786,381	1,853,159	1,959,850	1,480,020	1,981,255	2,274,731	2,430,389	2,463,396
Gasoline Stations	1,341,604	1,249,396	1,409,204	1,638,072	1,611,849	1,059,711	1,431,283	1,906,410	1,670,278	1,647,236
General Merchandise Stores	1,567,416	1,598,156	1,651,647	1,711,123	1,704,564	1,634,668	1,806,926	1,923,439	1,838,263	1,814,228
Home Furnishings and Appliance Stores	686,740	718,157	710,526	739,695	700,037	638,465	813,371	783,507	731,479	690,230
Motor Vehicle and Parts Dealers	2,245,947	2,389,936	2,466,061	2,524,584	2,441,947	2,371,368	2,710,019	2,621,355	2,527,060	2,441,882
Other Retail Group	1,359,781	1,413,796	1,467,381	1,532,117	1,718,142	2,781,984	2,565,136	2,546,288	2,800,439	2,917,730
<b>Grand Total</b>	<b>\$ 15,786,866</b>	<b>\$ 16,104,285</b>	<b>\$ 16,757,632</b>	<b>\$ 17,607,889</b>	<b>\$ 18,080,746</b>	<b>\$ 18,043,575</b>	<b>\$ 21,057,354</b>	<b>\$ 22,521,022</b>	<b>\$ 22,373,010</b>	<b>\$ 21,984,288</b>

SOURCE: Board of Equalization

No data available for CY25

San Francisco Bay Area Rapid Transit District  
 Alameda County Taxable Transactions by Type of Business  
 Last Ten Calendar Years  
 (Amounts expressed in thousands)

Table 9

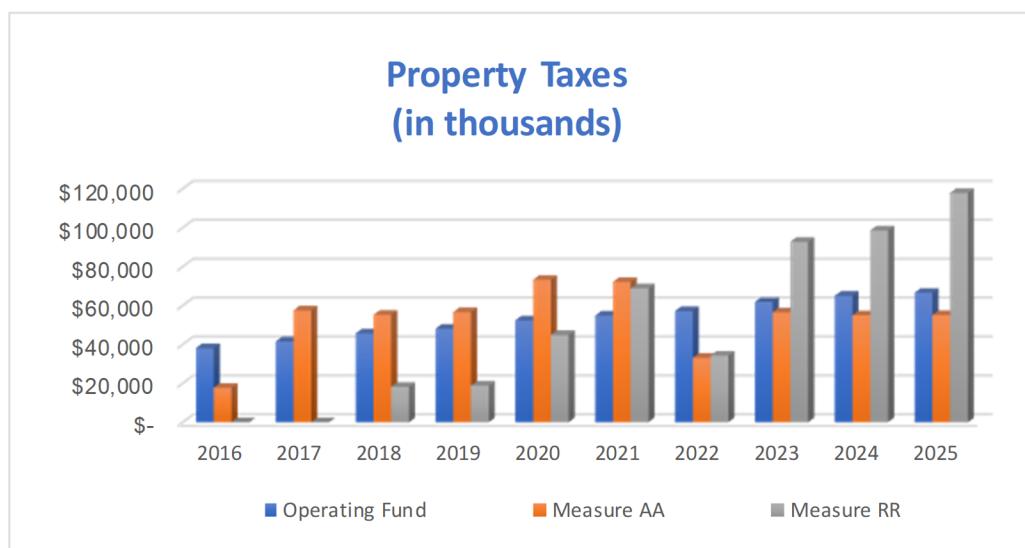
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
All Other Outlets	\$ 11,067,352	\$ 11,571,792	\$ 11,915,581	\$ 12,215,953	\$ 13,194,421	\$ 12,244,743	\$ 15,332,822	\$ 20,413,002	\$ 18,320,134	\$ 16,601,624
Building Material and Garden Equipment and Supplies Dealers	1,566,918	1,662,615	1,810,222	1,861,085	1,897,573	2,013,946	2,242,196	2,334,922	2,135,797	\$ 1,943,354
Clothing and Clothing Accessories Stores	1,573,419	1,702,836	1,723,977	1,824,581	1,874,869	1,262,678	1,761,513	1,834,632	1,817,892	\$ 1,796,587
Food and Beverage Stores	1,146,357	1,198,454	1,243,767	1,257,774	1,277,945	1,323,098	1,301,005	1,321,542	1,337,128	\$ 1,330,668
Food Services and Drinking Places	3,027,990	3,212,759	3,382,643	3,512,894	3,699,924	2,418,690	3,309,221	3,882,642	4,089,617	\$ 4,176,980
Gasoline Stations	1,807,464	1,626,667	1,853,251	2,111,653	2,068,341	1,327,851	1,870,129	2,427,691	2,096,253	\$ 1,914,695
General Merchandise Stores	1,989,749	1,952,448	2,046,788	2,110,422	2,130,021	1,981,213	2,207,098	2,269,182	2,264,111	\$ 2,213,779
Home Furnishings and Appliance Stores	1,347,605	1,341,821	1,318,289	1,336,807	1,374,406	1,221,330	1,608,196	1,490,562	1,287,466	\$ 1,292,012
Motor Vehicle and Parts Dealers	3,932,865	4,212,924	4,565,390	5,831,346	4,628,050	4,301,875	4,658,944	4,681,248	4,497,062	\$ 4,615,669
Other Retail Group	2,512,594	2,681,005	2,842,175	3,010,788	2,970,613	4,080,577	3,644,471	3,668,247	3,545,039	\$ 3,424,516
<b>Grand Total</b>	<b>\$ 29,972,313</b>	<b>\$ 31,163,321</b>	<b>\$ 32,702,083</b>	<b>\$ 35,073,303</b>	<b>\$ 35,116,163</b>	<b>\$ 32,176,001</b>	<b>\$ 37,935,595</b>	<b>\$ 44,323,669</b>	<b>\$ 41,390,500</b>	<b>\$ 39,309,883</b>

SOURCE: Board of Equalization

**San Francisco Bay Area Rapid Transit District**  
**Property Taxes (Combined Alameda, Contra Costa & San Francisco Counties)**  
**Last Ten Fiscal Years**  
**(Amounts expressed in thousands)**

**Table 10**

<b>Fiscal Year</b>	<b>Operating Fund</b>	<b>Debt Service Fund</b>			<b>Total</b>
		<b>Measure AA</b>	<b>Measure RR</b>		
2016	\$ 38,086	\$ 17,763	\$ -	\$ 55,849	
2017	41,622	57,541	-	99,163	
2018	45,701	55,269	18,248	119,218	
2019	48,086	56,693	18,898	123,677	
2020	52,392	73,277	44,912	170,581	
2021	54,884	72,191	68,876	195,951	
2022	57,189	33,182	34,286	124,657	
2023	61,878	56,498	92,756	211,132	
2024	65,082	55,034	98,602	218,718	
2025	66,588	55,179	117,928	239,695	
<b>Total</b>	<b>\$ 531,508</b>	<b>\$ 532,627</b>	<b>\$ 494,506</b>	<b>\$ 1,558,641</b>	



SOURCE : BART Audited Financial Statements

[www.bart.gov/financials](http://www.bart.gov/financials)

San Francisco Bay Area Rapid Transit District  
 Property Tax Levies and Collections for the General Obligation Bonds Program  
 Last Ten Fiscal Years  
 (Amounts expressed in thousands)

Table 11

Fiscal Year	Collected within the Fiscal Year of the Levy				Total Collections	
	Total Gross Levy	Amount Collected	Percentage of Gross Levy	Collection in Subsequent Years	Amount	Percentage of Adjusted Levy
2016	13,833	17,133	123.86%	630	17,763	128.41%
2017	46,110	56,860	123.31%	681	57,541	124.79%
2018	39,227	70,233	179.04%	3,284	73,517	187.41%
2019	46,850	74,375	158.75%	1,216	75,591	161.35%
2020	89,777	113,001	125.87%	5,188	118,189	131.65%
2021	113,483	135,268	119.20%	5,799	141,067	124.31%
2022	48,973	64,779	132.28%	2,689	67,468	137.77%
2023	121,755	140,543	115.43%	8,711	149,254	122.59%
2024	135,378	152,754	112.84%	882	153,636	113.49%
2025	155,175	164,426	105.96%	8,681	173,107	111.56%
<b>TOTAL</b>	<b>\$ 810,561</b>	<b>\$ 989,373</b>		<b>\$ 37,759</b>	<b>\$ 1,027,133</b>	

SOURCE : BART Audited Financial Statements  
[www.bart.gov/financials](http://www.bart.gov/financials)

**San Francisco Bay Area Rapid Transit District**  
**Assessed Value of Taxable Property**  
**Last Ten Fiscal years**  
**(Amounts expressed in thousands)**

**Table 12**

<b>Year</b>	<b>Alameda County</b>	<b>Contra Costa County</b>	<b>City and County of San Francisco</b>	<b>Total</b>
2015/2016	\$ 235,814,982	\$ 171,040,563	\$ 194,392,572	\$ 601,248,117
2016/2017	252,358,011	181,690,537	211,532,524	645,581,072
2017/2018	269,298,241	191,636,194	234,074,597	695,009,032
2018/2019	288,071,312	203,778,854	259,329,479	751,179,645
2019/2020	308,622,532	214,592,251	281,073,307	804,288,090
2020/2021	329,741,834	225,040,914	301,409,161	856,191,909
2021/2022	344,907,786	232,823,690	311,997,808	889,729,284
2022/2023	399,277,140	251,089,790	328,530,494	978,897,424
2023/2024	398,865,168	267,092,635	343,913,585	1,009,871,388
2024/2025	<u>418,914,400</u>	<u>278,246,627</u>	<u>351,321,330</u>	<u>1,048,482,357</u>
	<u>\$ 3,245,871,406</u>	<u>\$ 2,217,032,055</u>	<u>\$ 2,817,574,857</u>	<u>\$ 8,280,478,318</u>

Source: *Certificate of Assessed Valuations from Counties*

# Debt Capacity

San Francisco Bay Area Rapid Transit District  
 Ratios of outstanding debt by type  
 Last Ten Fiscal Years  
 (Amounts expressed in thousands, except per capita amounts)

Table 13

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Principal</b>										
Sales Tax Revenue Bonds	\$ 629,620	\$ 595,060	\$ 528,810	\$ 506,135	\$ 712,455	\$ 686,295	\$ 657,520	\$ 626,070	\$ 590,805	\$ 554,055
General Obligation Measure AA	603,495	591,135	566,220	542,630	707,255	681,780	655,180	628,865	601,510	572,805
General Obligation Measure RR	-	300,000	271,600	267,030	575,485	1,190,110	1,866,390	1,855,420	1,844,065	1,818,455
TIFIA loan	-	-	-	-	-	-	-	-	-	153,391
PG&E Lighting Retrofit Loan	-	-	-	-	-	-	-	-	11,155	97,921
GASB 87 related debts	-	-	-	-	-	-	-	-	60,184	53,713
GASB 96 related debts	-	-	-	-	-	-	-	-	7,912	5,791
Total Outstanding Debts - Principal	1,233,115	1,486,195	1,366,630	1,315,795	1,995,195	2,558,185	3,179,090	3,110,355	3,115,631	3,256,131
<b>Interest</b>										
Sales Tax Revenue Bonds	314,689	275,088	205,785	183,329	308,058	270,508	244,332	219,146	195,130	172,600
General Obligation Measure AA	351,585	311,766	286,742	261,370	318,548	288,639	259,799	231,978	205,352	180,019
General Obligation Measure RR	-	233,644	225,469	213,356	406,185	778,969	1,436,877	1,372,878	1,299,754	1,227,472
TIFIA loan	-	-	-	-	-	-	-	-	-	194,752
GASB 87 related debts	-	-	-	-	-	-	-	-	22,191	20,518
GASB 96 related debts	-	-	-	-	-	-	-	-	697	415
Total Outstanding Debts - Interest	666,274	820,498	717,996	658,055	1,032,791	1,338,116	1,941,008	1,824,002	1,723,124	1,795,776
Unamortized issue premiums and discounts	128,513	170,497	165,595	149,297	205,997	250,554	240,840	211,944	184,362	159,100
<b>Total Outstanding Debts - Principal &amp; Interest</b>	<b>\$ 2,027,902</b>	<b>\$ 2,477,190</b>	<b>\$ 2,250,221</b>	<b>\$ 2,123,147</b>	<b>\$ 3,233,983</b>	<b>\$ 4,146,855</b>	<b>\$ 5,360,938</b>	<b>\$ 5,146,301</b>	<b>\$ 5,023,116</b>	<b>\$ 5,211,007</b>
Total Personal Income (Combined Alameda, Contra Costa & San Francisco Counties)	\$ 285,940,270	\$ 308,782,129	\$ 331,770,273	\$ 349,870,146	\$ 377,308,203	\$ 406,842,711	\$ 400,123,523	N/A	N/A	N/A
<b>Outstanding Debt as a Percentage of Personal income</b>	<b>0.71%</b>	<b>0.80%</b>	<b>0.68%</b>	<b>0.61%</b>	<b>0.86%</b>	<b>1.02%</b>	<b>1.34%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Service Area Population (Combined Alameda, Contra Costa & San Francisco Counties)	3,641	3,663	3,695	3,701	3,695	3,648	3,642	3,583	3,574	N/A
<b>Outstanding Debt per Capita</b>	<b>\$ 557</b>	<b>\$ 676</b>	<b>\$ 609</b>	<b>\$ 574</b>	<b>\$ 875</b>	<b>\$ 1,137</b>	<b>\$ 1,472</b>	<b>\$ 1,436</b>	<b>\$ 1,406</b>	<b>N/A</b>
Total annual unlinked passenger trips	137,658	132,802	129,044	128,217	91,007	17,840	38,224	50,764	54,927	58,369
<b>Total debt ratio as a percentage of annual unlinked passenger trips</b>	<b>895.78%</b>	<b>1119.11%</b>	<b>1059.04%</b>	<b>1026.22%</b>	<b>2192.35%</b>	<b>14339.86%</b>	<b>8316.98%</b>	<b>6127.04%</b>	<b>5672.27%</b>	<b>5578.56%</b>

N/A - No data available

SOURCE : BART Audited Financial Statements  
[www.bart.gov/financials](http://www.bart.gov/financials)

San Francisco Bay Area Rapid Transit District  
 Historical Debt Service Coverage Ratios - Sales Tax Revenue Bonds, GO Bonds Measure AA and Measure RR  
 Last Ten Fiscal Years  
 (Amounts expressed in thousands)

Table 14

Source	Fiscal Year	Net Sales Tax Revenue	Amount available for debt service from Sales Tax Revenue Bonds	Surplus Funds from Prior Year	Total amount available for Debt Service	Total Sales Tax Revenue Bonds Outstanding	Aggregate Debt Service Requirement	Debt Service Coverage Ratio
Sales Tax Revenue Bonds	2016	\$ 241,546	\$ 241,546	-	\$ 241,546	\$ 629,620	\$ 50,297	4.80
	2017	247,185	247,185	-	247,185	595,060	51,744	4.78
	2018	257,882	257,882	-	257,882	528,810	50,770	5.08
	2019	280,385	280,385	-	280,385	506,135	46,640	6.01
	2020	266,895	266,895	-	266,895	712,455	47,238	5.65
	2021	258,522	258,522	-	258,522	686,295	47,407	5.45
	2022	310,706	310,706	-	310,706	657,520	57,167	5.44
	2023	327,128	327,128	-	327,128	626,070	59,919	5.46
	2024	320,133	320,133	-	320,133	590,805	60,131	5.32
	2025	317,276	317,276	-	317,276	554,055	60,163	5.27
Source	Fiscal Year	Net Property Tax Revenue	Amount available for debt service on General Obligation	Surplus Funds from Prior Year	Total amount available for Debt Service	Total GO Bonds Outstanding Debt	Aggregate Debt Service Requirement	Debt Service Coverage Ratio
GO Bonds Measure AA	2016	\$ 17,763	\$ 17,763	\$ 10,222	\$ 27,985	\$ 603,495	\$ 24,055	1.16
	2017	57,541	57,541	4,115	61,656	591,135	50,224	1.23
	2018	55,269	55,269	10,190	65,459	566,220	49,417	1.32
	2019	56,693	56,693	14,419	71,112	542,630	49,350	1.44
	2020	73,277	73,277	42	73,319	707,255	55,620	1.32
	2021	72,191	72,191	-	72,191	681,780	55,933	1.29
	2022	33,182	33,182	34,191	67,373	655,180	54,656	1.23
	2023	56,498	56,498	8,152	64,650	628,865	54,655	1.18
	2024	55,034	55,034	9,950	64,984	601,510	54,657	1.19
	2025	55,179	55,179	10,437	65,616	572,805	54,655	1.20
GO Bonds Measure RR	2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
	2017	-	-	-	-	300,000	-	-
	2018	18,248	18,248	14	18,262	271,600	12,696	1.44
	2019	18,898	18,898	4,852	23,750	267,030	16,772	1.42
	2020	44,912	44,912	31	44,943	575,485	34,229	1.31
	2021	68,876	68,876	-	68,876	1,190,110	53,153	1.30
	2022	34,286	34,286	26,118	60,404	1,866,390	54,627	1.11
	2023	92,756	92,756	9,427	102,183	1,855,420	84,679	1.21
	2024	98,602	98,602	18,586	117,188	1,844,065	98,533	1.19
	2025	117,928	117,928	20,614	138,542	1,818,455	98,538	1.41

SOURCE : BART Audited Financial Statements  
[www.bart.gov/financials](http://www.bart.gov/financials)

San Francisco Bay Area Rapid Transit District  
 Ratio of General Obligation Bonds Outstanding  
 Last Ten Fiscal years  
 (Amounts expressed in thousands)

Table 15

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General Obligation Bonds</b>										
Principal	\$ 603,495	\$ 891,135	\$ 837,820	\$ 809,660	\$ 1,282,740	\$ 1,871,890	\$ 2,521,570	\$ 2,484,285	\$ 2,445,575	\$ 2,391,260
Interest	351,585	545,410	512,211	474,726	724,733	1,067,608	1,696,676	1,604,854	1,505,106	1,407,491
Premium/discounts	<u>69,651</u>	<u>107,276</u>	<u>98,724</u>	<u>90,455</u>	<u>147,952</u>	<u>200,924</u>	<u>199,117</u>	<u>177,255</u>	<u>156,182</u>	<u>136,474</u>
<b>Total</b>	<b>\$ 1,024,731</b>	<b>\$ 1,543,821</b>	<b>\$ 1,448,755</b>	<b>\$ 1,374,841</b>	<b>\$ 2,155,425</b>	<b>\$ 3,140,422</b>	<b>\$ 4,417,363</b>	<b>\$ 4,266,394</b>	<b>\$ 4,106,863</b>	<b>\$ 3,935,225</b>
Assessed Value of Taxable Property (Combined Alameda, Contra Costa & San Francisco Counties)										
	\$ 601,248,117	\$ 645,581,072	\$ 695,009,032	\$ 751,179,646	\$ 804,288,089	\$ 856,191,909	\$ 889,729,283	\$ 978,897,424	\$ 1,009,871,388	\$ 1,048,482,357
<b>Ratio of General Outstanding Debt per Assessed Value of Taxable Property</b>										
	<b>0.17%</b>	<b>0.21%</b>	<b>0.21%</b>	<b>0.18%</b>	<b>0.27%</b>	<b>0.37%</b>	<b>0.50%</b>	<b>0.44%</b>	<b>0.41%</b>	<b>0.38%</b>
Service Area Population (Combined Alameda, Contra Costa & San Francisco Counties)										
	3,641	3,663	3,695	3,701	3,695	3,648	3,642	3,583	3,574	N/A
<b>Ratio of General Outstanding Debt per Capita</b>										
	<b>\$ 281</b>	<b>\$ 421</b>	<b>\$ 392</b>	<b>\$ 371</b>	<b>\$ 583</b>	<b>\$ 861</b>	<b>\$ 1,213</b>	<b>\$ 1,191</b>	<b>\$ 1,149</b>	<b>N/A</b>

N/A - no data available

Source: BART Audited Financial Statements  
[www.bart.gov/financials](http://www.bart.gov/financials)

# Demographic and Economic Information

San Francisco Bay Area Rapid Transit District  
 Demographic and Economic Statistics - Alameda County  
 Last Ten Fiscal Years

Table 16

Fiscal Year	Population County of Alameda <sup>1</sup>	Population State of California <sup>2</sup>	Personal Income County of Alameda (in thousands) <sup>3</sup>	Per Capita Personal Income County of Alameda <sup>3</sup>	Unemployment Rate County of Alameda <sup>1</sup>
2016	1,627,865	39,149,186	\$ 108,327,158	\$ 69,254	4.7%
2017	1,638,215	39,337,785	\$ 115,789,437	\$ 74,192	4.0%
2018	1,663,190	39,437,463	\$ 124,671,796	\$ 79,984	3.3%
2019	1,666,753	39,437,610	\$ 134,683,858	\$ 88,190	3.1%
2020	1,671,329	39,521,958	\$ 148,200,971	\$ 98,370	12.2%
2021	1,682,353	39,142,565	\$ 161,725,572	\$ 100,836	6.6%
2022	1,682,353 <sup>5</sup>	39,142,414	\$ 164,187,433	\$ 106,657	3.0%
2023	1,628,997	39,198,693	\$ 173,018,284	N/A	4.2%
2024	1,622,188	39,431,263	N/A	N/A	4.7%
2025	N/A	N/A	N/A	N/A	N/A

Sources :

- <sup>1</sup> Annual Comprehensive Financial Reports | Auditor-Controller | Alameda County | Alameda County Auditor-Controller/Clerk-Recorder - PG. 160
- <sup>2</sup> U.S. Census Bureau via FRED  
<https://fred.stlouisfed.org/series/CAPOP>
- <sup>3</sup> U.S. Bureau of Economic Analysis via FRED  
<https://fred.stlouisfed.org/series/PI06001>
- <sup>4</sup> U.S. Bureau of Economic Analysis via FRED  
<https://fred.stlouisfed.org/series/PCPI06001>
- <sup>5</sup> N/A - *data is not available*
- <sup>5</sup> Population data was still based form 2020 census data due to no current information

**San Francisco Bay Area Rapid Transit District**  
**Demographic and Economic Statistics - City and County of San Francisco**  
**Last Ten Fiscal Years**

**Table 17**

Fiscal Year	Population of City and County of San Francisco <sup>1</sup>	Population State of California <sup>2</sup>	Personal Income of City and County of San Francisco (in thousands) <sup>1</sup>	Per Capita Personal Income <sup>1</sup>	Unemployment Rate City and County of San Francisco <sup>1</sup>
2016	876,103	39,149,186	\$ 96,161,308	\$ 109,760	3.40%
2017	879,166	39,337,785	106,006,635	120,576	3.10%
2018	880,696	39,437,463	115,444,581	131,083	2.60%
2019	881,549	39,437,610	117,635,944	133,442	2.30%
2020	870,518	39,521,958	122,788,484	141,052	4.80%
2021	811,935	39,142,565	129,774,521	159,834	6.90%
2022	807,774	39,142,414	125,970,097	155,947	3.30%
2023	808,988	39,198,693	131,292,367	162,292	2.70%
2024	804,842	39,431,263	134,844,875	167,542	3.60%
2025	N/A	N/A	N/A	N/A	N/A

Sources :

<sup>1</sup> Annual Comprehensive Financial Reports (ACFR) | SF.gov - 2024 - PG.291

<sup>2</sup> U.S. Census Bureau via FRED

<https://fred.stlouisfed.org/series/CAPOP>

N/A - data is not available

San Francisco Bay Area Rapid Transit District  
Demographic and Economic Statistics - Contra Costa County  
Last Ten Fiscal Years

Table 18

Fiscal Year	Population of Contra Costa County <sup>1</sup>	Population State of California <sup>2</sup>	Personal Income of Contra Costa County (in thousands) <sup>1</sup>	Per Capita Personal Income fo Contra Costa County <sup>1</sup>	Unemployment Rate of Contra Costa County <sup>1</sup>
2016	1,137,259	39,149,186	\$ 81,451,804	\$ 71,621	4.8%
2017	1,145,623	39,337,785	86,986,057	75,929	4.1%
2018	1,150,840	39,437,463	91,653,896	79,641	3.5%
2019	1,152,883	39,437,610	97,550,344	84,614	3.3%
2020	1,153,561	39,521,958	106,318,748	92,264	13.0%
2021	1,153,854	39,142,565	115,342,618	99,312	7.3%
2022	1,151,798	39,142,414	109,965,993	95,047	3.2%
2023	1,145,274	39,198,693	N/A	N/A	4.2%
2024	1,146,626	39,431,263	N/A	N/A	4.7%
2025	N/A	N/A	N/A	N/A	N/A

Sources :

<sup>1</sup> Publications | Contra Costa County, CA Official Website - PG. 214

<sup>2</sup> U.S. Census Bureau via FRED

<https://fred.stlouisfed.org/series/CAPOP>

N/A - data is not available

San Francisco Bay Area Rapid Transit District  
 Major Employers in Alameda County  
 Current Year and Nine Years Ago

Table 19

Employer Name	Estimated Number of Employees as of June 30, 2024	Rank	Percentage of Total County Employment	Number of Employees June 30, 2015	Rank	Percentage of Total County Employment
University of California, Berkeley	10,000+	1	1.26 %	23,962	1	3.07 %
Western Digital Corp	10,000+	1	1.26	-	20+	-
Tesla	10,000+	1	1.26	-	20+	-
County of Alameda	9,703	3	1.22	8,868	4	1.14
Lawrence Berkeley Lab	5,000 - 9,999	4	0.95	-	20+	-
Lawrence Livermore Natl Lab	5,000 - 9,999	4	0.95	-	20+	-
Atlas Bates Summit Medical Center	1000 - 4,999	8	0.32	-	6	-
Bay Area Rapid Transit (BART)	1000 - 4,999	8	0.32	-	20+	-
California State University, East Bay	1000 - 4,999	8	0.32	-	20+	-
Cooper Vision Inc.	1000 - 4,999	8	0.32	-	20+	-
Dell EMC	1000 - 4,999	8	0.32	-	20+	-
East Bay Municipal Utility District (EBMUD)	1000 - 4,999	8	0.32	-	20+	-
Kaiser Permanente Oakland Medical	1000 - 4,999	8	0.32	18,450	2	2.36
PeopleSoft	1000 - 4,999	8	0.32	-	20+	-
California Dept of Transportation (CalTrans)	1000 - 4,999	8	0.32	-	20+	-
Stanford Health Care	1000 - 4,999	8	0.32	-	20+	-
UCSF Benioff Children's Hospital	1000 - 4,999	8	0.32	-	20+	-
Valley Care Health System	1000 - 4,999	8	0.32	-	20+	-
Washington Hospital Healthcare	1000 - 4,999	8	0.32	-	20+	-
<b>Total</b>	<b>56,275 - 119,260</b>		<b>11.04 %</b>	<b>51,280</b>		<b>6.57 %</b>

Source : ACFR Alameda County, June 30, 2024 - Pg 161

**San Francisco Bay Area Rapid Transit District  
Major Employers in City and County of San Francisco  
Current Year and Nine Years Ago**

**Table 20**

Employer Name	Number of Employees as of June 30, 2022 <sup>1</sup>	Rank	Number of Employees as of June 30, 2013	Rank	Percentage of Total County Employment
City and County of San Francisco	35,643	1	25,458	1	4.18 %
UCSF Health	29,475	2	20,100	2	3.30
Salesforce	11,953	3	-	-	-
United Airlines	10,000	4	-	-	-
San Francisco Unified School District	8,842	5	8,189	4	1.35
Sutter Health	6,134	6	-	0	-
Wells fargo & Co.	5,886	7	8,200	3	1.35
Kaiser Permanente	4,676	8	3,492	10	0.57
Allied Universal	3,827	9	-	-	-
Uber Technologies Inc.	3,413	10	-	-	-
PG & E Corporation	-	-	4,394	7	0.72
California Pacific Medical Center	-	-	5,934	6	0.98
Gap, Inc	-	-	6,000	5	0.99
State of California	-	-	4,108	8	0.67
San Francisco State University	-	-	3,707	9	0.61
<b>Total</b>	<b>119,849</b>		<b>89,582</b>		<b>14.72 %</b>

Source : ACFR City and County of San Francisco, June 30, 2021

<sup>1</sup> Data as of June 30, 2023 to June 30, 2025 are not available

San Francisco Bay Area Rapid Transit District  
 Major Employers in Contra Costa County  
 Current Year and Nine Years Ago

Table 21

Employer Name	Estimated Number of Employees June 30, 2024 <sup>1</sup>	Rank	Percentage of Total County Employment	Estimated Number of Employees June 30, 2015	Rank	Percentage of Total County Employment
Chevron Corporation	10,000+	T-1	1.89 %	10,000+	1	1.92 %
Kaiser Permanente	10,000+	T-1	1.89	-	-	-
Bio-Rad Laboratories Inc	1,000-4,999	T-2	0.57	500-999	T-2	0.14
John Muir Medical Center	1,000-4,999	T-2	0.57	-	-	-
La Raza Market	1,000-4,999	T-2	0.57	-	-	-
USS-POSCO Industries	1,000-4,999	T-2	0.57	-	-	-
Bayer Healthcare Pharmaceuticals				500-999	T-2	0.14
C&H Sugar Co, Inc				500-999	T-2	0.14
Conoco Philips Rodeo Refinery				500-999	T-2	0.14
Macy's				500-999	T-2	0.14
Nordstrom				500-999	T-2	0.14
Safeway				500-999	T-2	0.14
Shell Oil Products				500-999	T-2	0.14
Tesoro Golden Eagle Refinery				500-999	T-2	0.14
All Others	500,100		93.94	504,950		
<b>Total</b>	<b><u>532,100</u></b>		<b><u>100.00 %</u></b>	<b><u>521,700</u></b>		<b><u>3.18 %</u></b>

Source : ACFR Contra Costa County, June 30, 2024 -Pg 215

<sup>1</sup> Data as of June 30, 2025 are not available

# Operating Information

San Francisco Bay Area Rapid Transit District  
 Business-type activities - Transit Operations  
 (Excluding Claims and Compensated Absences)  
 Last Ten Fiscal Years

Table 22

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>PASSENGER FARES</b>										
Heavy rail	\$ 482,050,036	\$ 479,276,684	\$ 474,796,843	\$ 469,865,645	\$ 332,443,427	\$ 59,980,709	\$ 130,240,843	\$ 181,243,024	\$ 211,709,150	\$ 236,627,027
Monorail	6,666,416	5,536,442	5,420,678	5,038,104	3,289,817	652,596	2,123,705	2,878,424	2,757,060	2,658,203
Hybrid Rail <sup>1</sup>			627,937	6,876,763	5,238,149	1,734,214	3,084,746	3,684,950	3,938,152	4,024,198
Paratransit	866,615	861,459	937,562	863,487	615,404	161,005	368,195	504,938	583,655	614,518
<b>OPERATING EXPENSES (excluding depreciation)<sup>5</sup></b>										
Heavy rail	\$ 618,454,856	\$ 618,691,516	\$ 644,126,076	\$ 651,029,953	\$ 658,199,898	\$ 611,176,963	\$ 659,542,866	\$ 754,188,006	\$ 851,562,085	\$ 886,095,700
Monorail	7,006,324	7,356,347	7,326,356	7,752,447	7,738,282	7,848,857	8,005,186	8,377,661	8,883,741	8,707,635
Hybrid Rail <sup>1</sup>			1,227,804	13,880,433	15,550,731	13,198,004	17,965,406	19,617,059	22,463,561	24,513,178
Paratransit	11,917,053	13,131,902	13,397,188	13,678,318	12,586,161	8,404,442	11,609,302	14,077,251	17,916,926	19,915,504
<b>PASSENGER MILES TRAVELED</b>										
Heavy rail	1,844,823,552	1,808,935,691	1,784,699,309	1,756,364,558	1,238,506,222	233,787,844	514,304,342	670,728,256	740,857,064	793,272,603
Monorail	3,299,491	3,154,096	3,059,958	2,819,118	1,822,531	359,280	1,200,793	1,397,222	1,373,827	1,267,360
Hybrid Rail <sup>1</sup>			1,463,888	15,283,299	11,655,931	4,123,073	7,874,327	9,189,847	8,986,977	9,639,599
<b>TOTAL ACTUAL TRAIN REVENUE MILES</b>										
Heavy rail	9,247,591	9,241,934	9,331,833	9,215,648	7,973,519	5,210,283	8,516,292	9,209,906	9,926,937	9,991,986
Monorail	414,268	396,059	393,291	388,584	325,053	212,199	262,125	258,323	258,320	247,826
Hybrid Rail <sup>1</sup>			45,232	448,424	392,125	256,487	380,283	382,785	356,380	368,485
<b>TOTAL ACTUAL TRAIN REVENUE HOURS</b>										
Heavy rail	262,343	263,378	268,300	263,519	229,211	176,454	267,986	292,634	313,742	319,869
Monorail	20,550	20,041	19,952	19,815	19,172	17,819	19,787	20,044	19,949	19,686
Hybrid Rail <sup>1</sup>			1,539	15,016	13,929	11,221	13,360	11,145	12,862	14,008
<b>RAIL CARS</b>										
Heavy rail	669	669	689	749	861	838	828	879	765	974
Monorail <sup>3</sup>	4	4	4	4	4	4	4	4	4	4
Hybrid Rail <sup>4</sup>			16	16	16	16	16	16	16	16
<b>PASSENGER STATIONS</b>										
Heavy rail <sup>2</sup>	44	45	45	45	47	47	47	48	48	48
Monorail	1	1	1	1	1	1	1	1	1	1
Hybrid Rail <sup>1</sup>			2	2	2	2	2	2	2	2

Source: National Transit Database

<sup>1</sup> Hybrid rail services began in FY2018

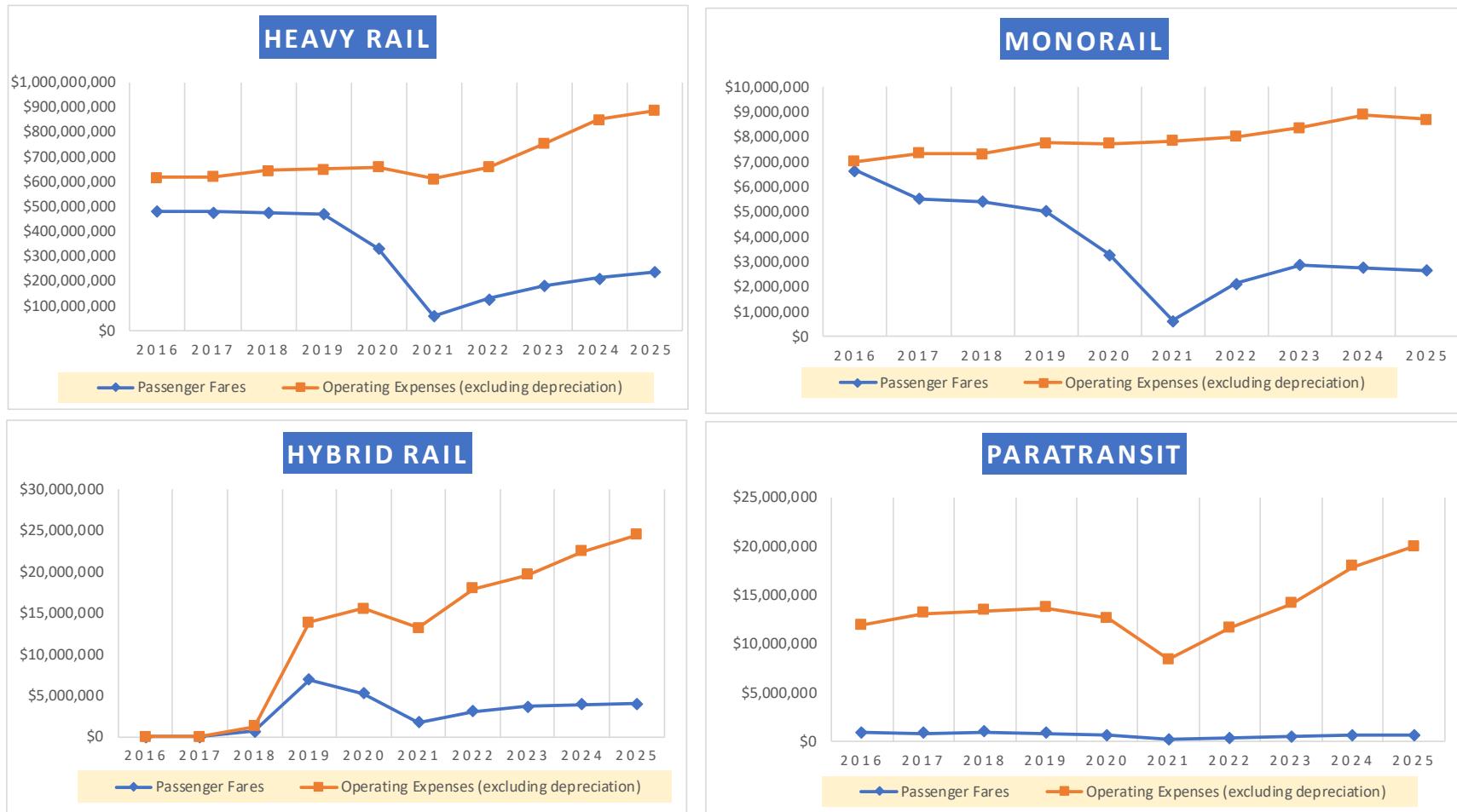
<sup>2</sup> For NTD reporting purposes, C88, the transfer platform between the heavy rail mode (FOTF Cars) on the C-Line and the hybrid rail mode on the E-Line (DMU Cars) is counted as one station.

<sup>3</sup> For NTD reporting for the monorail mode, each 3 car train is reported as a single unit (car) and thus the combined total is 4

<sup>4</sup> For NTD reporting for the hybrid mode, each train is reported as having two (2) units (cars), and thus the combined total is 16

<sup>5</sup> Certain operating expenses, such as leases, are excluded for NTD reporting purposes

**Graphical Presentation of Table 22**  
**Passenger Fares and Operating Expenses by Mode**



**San Francisco Bay Area Rapid Transit District**  
**Business-type activities - Transit Operations**  
**Passenger Boarding by Mode**  
**Last Ten Fiscal Years**  
**Boardings (expressed in thousands)**

**Table 23**

Fiscal Year	Heavy Rail	Monorail <sup>1</sup>	Hybrid Rail <sup>2</sup>	Total
2016	136,627	1,031	-	137,658
2017	131,810	992	-	132,802
2018	127,875	962	208	129,044
2019	125,105	887	2,225	128,217
2020	88,699	573	1,735	91,007
2021	17,125	113	601	17,840
2022	36,775	378	1,072	38,224
2023	49,043	457	1,264	50,764
2024	53,222	432	1,273	54,927
2025	56,593	399	1,377	58,369

<sup>1</sup> Revenue service date for the Oakland Airport connector is November 22, 2014

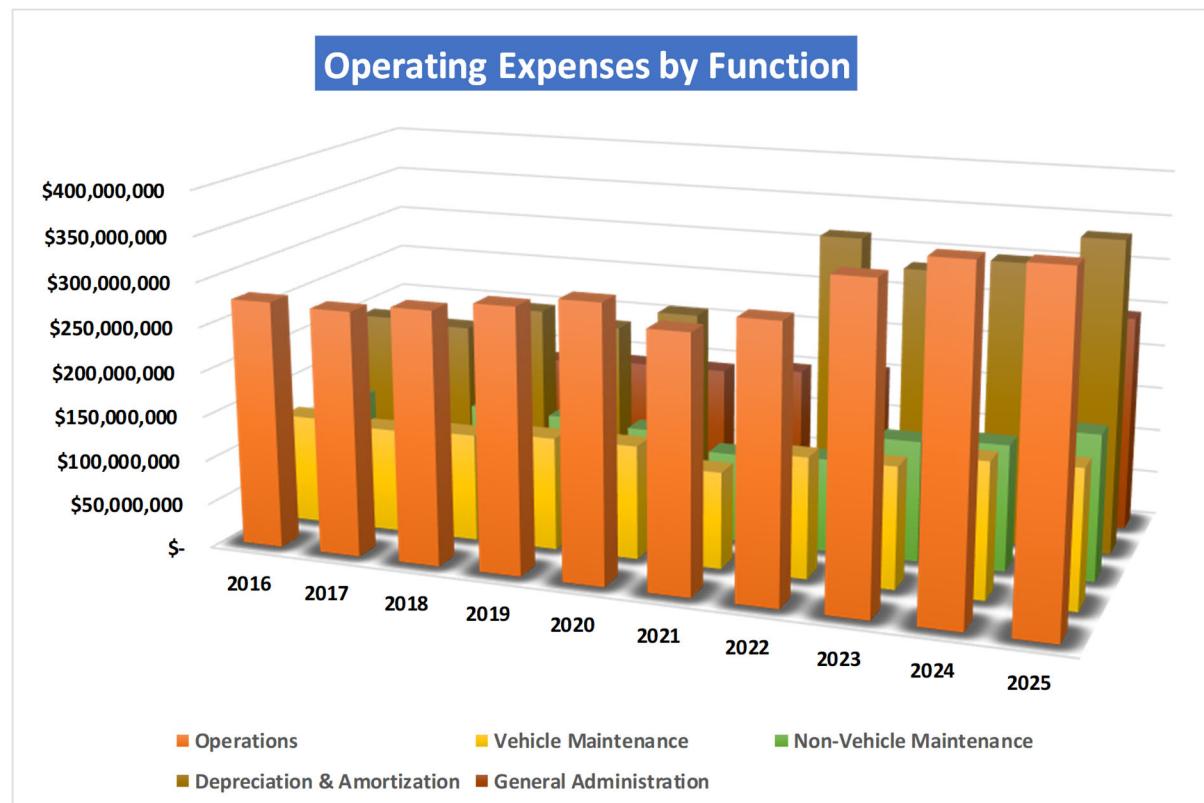
<sup>2</sup> Revenue service date for the Antioch Pittsburg eBART line is May 26, 2018

Source: National Transit Database

San Francisco Bay Area Rapid Transit District  
 Business-type activities - Transit Operations  
 Operating Expenses by Function <sup>1</sup>  
 Last Ten Fiscal Years

Table 24

Fiscal Year	Operations	Vehicle Maintenance	Non-Vehicle Maintenance	General Administration	Depreciation & Amortization	Total
2016	\$ 277,170,832	\$ 121,680,444	\$ 121,351,344	\$ 117,175,613	\$ 196,452,383	\$ 833,830,616
2017	274,391,275	117,156,947	119,608,294	128,023,249	191,877,348	831,057,113
2018	283,264,084	120,855,198	125,534,984	136,423,159	219,782,301	885,859,726
2019	294,969,001	126,852,983	123,323,408	141,195,759	207,344,716	893,685,867
2020	306,921,505	127,697,642	118,107,751	141,348,174	230,198,362	924,273,434
2021	283,641,568	108,306,706	99,862,300	148,817,692	228,528,144	869,156,410
2022	303,169,219	135,076,740	104,976,525	153,900,276	332,529,103	1,029,651,863
2023	353,865,147	135,118,743	134,970,843	184,263,385	302,446,199	1,110,664,317
2024	378,543,562	150,719,821	140,922,546	230,640,384	318,013,692	1,218,840,005
2025	379,594,110	153,658,816	162,341,589	243,637,502	350,356,363	1,289,588,380



Source: National Transit Database

<sup>1</sup> Certain operating expenses, such as leases and depreciation are excluded from Operating Expenses for NTD reporting purposes

**San Francisco Bay Area Rapid Transit District**  
**Filled Full-time Equivalent Employees by Function**  
**Operating and Capital**  
**Last Ten Fiscal Years**

**Table 25**

<b>Functions</b>	<b>2016</b>	<b>2017</b>	<b>2017</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Operations	2,645	2,756	2,895	3,113	3,253	2,979	3,053	3,232	3,063	2,994
Planning & Development	30	32	35	41	50	42	38	45	39	44
Construction Project Management	64	63	65	63	63	52	56	43	301	307
Communications	10	6	6	8	7	8	7	10	9	12
Support Services	720	717	735	749	826	757	755	819	867	875
District Secretary's Office	5	5	5	5	5	5	5	5	8	6
Chief Executive Office	4	4	4	4	4	4	5	4	5	5
<b>Total</b>	<b>3,479</b>	<b>3,584</b>	<b>3,748</b>	<b>3,985</b>	<b>4,209</b>	<b>3,848</b>	<b>3,918</b>	<b>4,158</b>	<b>4,292</b>	<b>4,243</b>



SOURCE: BART Operating Budget

San Francisco Bay Area Rapid Transit District  
 Business-type activities - Transit Operations  
 Revenues and operating assistance  
 Comparison to Transit Industry Trend  
 Percent to Total  
 Last Ten Fiscal Years

Table 26

Fiscal Year	Operations			Directly Generated Dedicated Funds	Operating Assistance				Total
	Passenger Fares	Other	Subtotal		Local	State	Federal	Subtotal	
<b>Transportation Industry</b>									
2016	31.30%	5.00%	36.30%	6.80%	24.70%	24.20%	8.00%	63.70%	100.00%
2017	31.40%	5.00%	36.30%	6.90%	25.30%	23.00%	8.50%	63.70%	100.00%
2018	30.70%	5.40%	36.00%	6.10%	26.50%	22.70%	8.70%	64.00%	100.00%
2019	29.50%	4.50%	34.00%	8.20%	27.00%	22.90%	7.90%	66.00%	100.00%
2020	16.60%	4.10%	20.70%	6.10%	23.60%	23.10%	26.50%	79.30%	100.00%
2021	11.80%	3.60%	15.50%	6.60%	20.30%	20.60%	37.00%	84.50%	100.00%
2022	15.50%	3.50%	19.00%	6.90%	19.20%	16.40%	38.50%	81.00%	100.00%
2023	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2024	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2025	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>SF BART</b>									
2016	52.99%	6.32%	59.31%	32.99%	5.79%	1.39%	0.52%	40.69%	100.00%
2017	49.83%	6.90%	56.72%	35.54%	6.08%	1.13%	0.53%	43.28%	100.00%
2018	47.81%	9.51%	57.32%	37.42%	0.14%	4.58%	0.54%	42.68%	100.00%
2019	45.50%	10.31%	55.80%	38.09%	0.09%	5.44%	0.57%	44.20%	100.00%
2020	30.15%	6.36%	36.51%	38.61%	16.44%	6.43%	2.02%	63.49%	100.00%
2021	6.00%	2.74%	8.74%	43.61%	38.74%	4.11%	4.80%	91.26%	100.00%
2022	11.78%	2.63%	14.40%	37.76%	38.91%	4.67%	4.26%	85.60%	100.00%
2023	14.21%	6.34%	20.55%	40.62%	31.31%	3.13%	4.38%	79.45%	100.00%
2024	19.73%	11.09%	30.81%	40.31%	15.82%	6.93%	6.12%	69.19%	100.00%
2025	21.05%	8.32%	29.37%	54.38%	5.52%	10.01%	0.73%	70.63%	100.00%

SOURCE : National Transit Database  
 APTA for Transportation Industry  
 N/A- data is not available

**San Francisco Bay Area Rapid Transit District**  
**Business-type activities - Transit Operations**  
**Operating Expenses by Function**  
**Comparison to Transit Industry Trend**  
**Percent to Total**  
**Last Ten Fiscal Years**

**Table 27**

Fiscal Year	Vehicle Operations	Vehicle Maintenance	Non-Vehicle Maintenance	General Administration	Purchased Transportation	Total
Transportation Industry						
2016	42.20%	16.40%	11.00%	16.70%	13.70%	100.00%
2017	41.90%	16.40%	11.70%	15.90%	14.20%	100.00%
2018	42.00%	16.00%	11.10%	16.50%	14.50%	100.00%
2019	41.60%	15.60%	11.30%	16.60%	15.00%	100.00%
2020	41.60%	15.70%	10.90%	16.70%	15.10%	100.00%
2021	41.60%	15.70%	10.90%	16.70%	15.10%	100.00%
2022	40.50%	15.60%	11.40%	17.40%	15.10%	100.00%
2023	N/A	N/A	N/A	N/A	N/A	N/A
2024	N/A	N/A	N/A	N/A	N/A	N/A
2025	N/A	N/A	N/A	N/A	N/A	N/A
SF BART						
2016	41.82%	18.76%	18.85%	17.87%	2.71%	100.00%
2017	41.20%	17.95%	18.47%	19.49%	2.90%	100.00%
2018	40.84%	17.76%	18.58%	19.93%	2.88%	100.00%
2019	41.23%	18.12%	17.73%	20.04%	2.88%	100.00%
2020	42.56%	18.09%	16.79%	19.88%	2.67%	100.00%
2021	43.07%	16.58%	15.31%	22.76%	2.27%	100.00%
2022	42.38%	18.60%	14.85%	21.57%	2.60%	100.00%
2023	42.23%	16.70%	16.72%	22.80%	1.55%	100.00%
2024	40.22%	15.45%	16.45%	25.11%	2.76%	100.00%
2025	38.51%	16.08%	17.12%	25.46%	2.83%	100.00%

SOURCE : *National Transit Database*

*APTA for Transportation Industry*

N/A - APTA data not available

San Francisco Bay Area Rapid Transit District  
 Capital Assets by Mode  
 Last Ten Fiscal Years

Table 28

Fiscal Year	Stations by Mode			Track Miles by Mode			Rail Cars by Mode		
	Heavy Rail <sup>1</sup>	Monorail <sup>2</sup>	Hybrid Rail <sup>3</sup>	Heavy Rail <sup>1</sup>	Monorail <sup>2</sup>	Hybrid Rail <sup>3</sup>	Heavy Rail <sup>1</sup>	Monorail <sup>2</sup>	Hybrid Rail <sup>3</sup>
2016	44	1	-	209.689	6.148	-	669	12	-
2017	45	1	-	220.139	6.148	-	669	12	-
2018	45	1	2	220.139	6.148	17.325	689	12	8
2019	45	1	2	220.139	6.148	17.325	749	12	8
2020	45	1	2	238.765	6.148	17.325	861	12	8
2021	45	1	2	238.765	6.148	17.325	838	12	8
2022	48	1	2	238.765	6.148	17.325	828	12	8
2023	48	1	2	238.765	6.148	17.325	879	12	8
2024	48	1	2	238.765	6.148	17.325	765	12	8
2025	48	1	2	239.170	6.148	17.325	971	12	8

SOURCE : BART Asset Management

<sup>1</sup> This data includes VTA owned stations and vehicles.

For NTD reporting purposes, C88, the transfer platform between the heavy rail mode (FOTF cars) on the C-Line and hybrid rail mode on the E-Line (DMU Cars) is counted as one station.

<sup>2</sup> Revenue service date for the Oakland Airport connector is November 22, 2014

<sup>3</sup> Revenue service date for the Antioch Pittsburg eBART line is May 26, 2018



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