

FY26 Year-End Financial Report

BART Board of Directors

October 22, 2026

Executive Summary

- BART performed better than budget in FY26
  - Operating revenue was above budget, reflecting strong ridership growth
  - Other revenue sources, notably investment income and sales tax revenues, were also above budget
  - Total uses ended the year below budget

- BART needed $17M less emergency assistance than projected after Q3
  - Per the FY27 Adopted Budget Resolution, these funds will be used to reduce borrowing in FY27

- Strong results are an improvement on previous expectations, but do not change BART's structural deficit

- Cash and reserves are stable; large balances reflect short-term cash preservation strategies

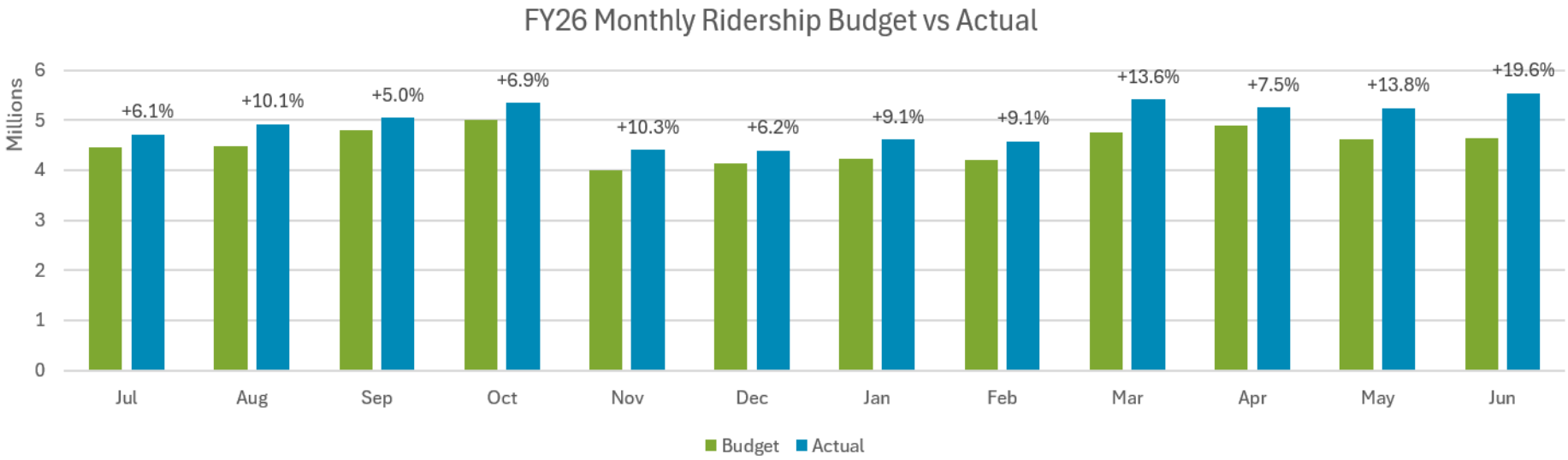
- Progress on retirement liabilities: BART's Miscellaneous CalPERS plan reached 80% funded for first time since FY21

FY26 Ridership Review

FY26 Ridership			
	FY26 Actuals	vs FY25	vs Budget
Weekday	192,644	+12.0%	+8.2%
Saturday	118,800	+19.1%	+20.3%
Sunday	85,173	+14.2%	+12.8%
Total	**59,490,381**	**+12.9%**	**+9.8%**

FY26 Highlights

- With 59.5M trips, overall ridership grew 12.9% over FY25
- BART debuted Tap and Ride in August and Clipper 2 in December
- BayPass had significant expansion with entire UC Berkeley student body coming on board in fall 2025
- The region hosted the Super Bowl and World Cup, significantly boosting ridership



FY26 Year-End Operating Sources

Bay Area Rapid Transit
Quarterly Financial Report - Fourth Quarter FY26

($M)	Q4 Budget	Q4 Actuals	Q4 Variance	YTD Budget	YTD Actuals	YTD Variance	YTD Variance %	Q3 YE Forecast
Operating Revenue								
Net Passenger Revenue	69.6	78.4	8.8	259.8	288.5	28.8	11.1%	287.0
Parking Revenue	5.4	6.2	0.8	19.9	21.6	1.6	8.3%	21.0
Other Operating Revenue	5.8	2.8	(3.0)	24.0	22.6	(1.4)	-5.9%	23.0
Total Operating Revenue	**80.8**	**87.4**	**6.6**	**303.7**	**332.7**	**29.0**	**9.6%**	**331.0**
Total Non Operating Revenue (Investment Income)	**2.9**	**8.9**	**6.0**	**21.4**	**36.6**	**15.2**	70.9%	**29.2**
Total Revenue	**83.7**	**96.4**	**12.6**	**325.1**	**369.3**	**44.2**	**13.6%**	**360.2**
Financial Assistance								
Sales Tax	75.7	79.8	4.1	314.1	325.9	11.8	3.8%	321.5
Property Tax	29.3	28.9	(0.4)	68.0	67.6	(0.4)	-0.6%	69.2
State Transit Assistance	11.4	8.5	(2.9)	45.8	43.9	(1.9)	-4.2%	49.1
VTA Financial Assistance	9.0	17.7	8.7	35.9	44.9	9.0	25.0%	45.3
Net Other Assistance, Net of Emergency Assistance	11.5	12.7	1.2	47.9	48.6	0.7	1.5%	52.1
Total Financial Assistance	**136.9**	**147.6**	**10.7**	**511.8**	**531.0**	**19.2**	**3.8%**	**537.2**
Total Operating Sources	**220.7**	**244.0**	**23.3**	**836.9**	**900.3**	**63.4**	**7.6%**	**897.4**

FY26 Year-End Operating Uses

Bay Area Rapid Transit
Quarterly Financial Report - Fourth Quarter FY26

($M)	Q4 Budget	Q4 Actuals	Q4 Variance	YTD Budget	YTD Actuals	YTD Variance	YTD Variance %	Q3 YE Forecast
Operating Expense								
Gross Wages, Fringe & Other Labor	212.4	215.9	(3.5)	849.1	856.0	(6.8)	-0.8%	853.3
Net Capital Reimbursements - Labor & Fringe	(36.2)	(38.1)	1.9	(145.1)	(143.5)	(1.6)	-1.1%	(143.7)
Subtotal - Net Operating Labor & Fringe	*176.2*	*177.9*	*(1.6)*	*704.0*	*712.4*	*(8.4)*	*-1.2%*	*709.7*
Gross Overtime	20.3	21.4	(1.0)	79.7	93.4	(13.7)	-17.2%	96.3
Capital Reimbursements - Overtime	(5.1)	(5.4)	0.3	(20.4)	(27.1)	6.7	32.9%	(27.8)
Subtotal - Net Operating Overtime	*15.2*	*16.0*	*(0.7)*	*59.3*	*66.3*	*(7.0)*	*-11.8%*	*68.4*
Total Operating Labor	**191.5**	**193.8**	**(2.3)**	**763.3**	**778.8**	**(15.5)**	**-2.0%**	**778.1**
Electric Power	13.6	13.0	0.6	65.0	51.6	13.4	20.6%	52.2
Purchased Transportation	10.2	8.5	1.7	34.8	32.5	2.3	6.6%	34.8
Net Other Non Labor	41.0	53.9	(12.9)	143.5	148.1	(4.6)	-3.2%	135.1
Total Non Labor	**64.8**	**75.4**	**(10.6)**	**243.4**	**232.3**	**11.1**	**4.6%**	**222.2**
Total Operating Expense	**256.3**	**269.2**	**(12.9)**	**1,006.7**	**1,011.0**	**(4.4)**	**-0.4%**	**1,000.3**
Debt Service and Allocations								
Debt Service	15.0	13.0	2.1	60.2	53.2	7.0	11.7%	53.6
Net Capital and Other Allocations, Net of Emergency Assistance	54.1	44.6	9.5	85.0	76.7	8.2	9.7%	85.0
Total Debt Service and Allocations	**69.2**	**57.6**	**11.6**	**145.2**	**129.9**	**15.2**	**10.5%**	**138.6**
Total Operating Uses	**325.4**	**326.8**	**(1.4)**	**1,151.8**	**1,141.0**	**10.9**	**0.9%**	**1,138.9**

FY26 Year-End Net Operating Result

Bay Area Rapid Transit
Quarterly Financial Report - Fourth Quarter FY26

($M)	Q4 Budget	Q4 Actuals	Q4 Variance	YTD Budget	YTD Actuals	YTD Variance	YTD Variance %	Q3 YE Forecast
Operating Revenue								
Total Net Operating Revenue	80.8	87.4	6.6	303.7	332.7	29.0	9.6%	331.0
Total Non Operating Revenue	2.9	8.9	6.0	21.4	36.6	15.2	70.9%	29.2
Total Revenue	*83.7*	*96.4*	*12.6*	*325.1*	*369.3*	*44.2*	*13.6%*	*360.2*
Total Financial Assistance	*136.9*	*147.6*	*10.7*	*511.8*	*531.0*	*19.2*	*3.8%*	*537.2*
Total Operating Sources	**220.7**	**244.0**	**23.3**	**836.9**	**900.3**	**63.4**	**7.6%**	**897.4**
Operating Expense								
Total Operating Labor	191.5	193.8	(2.3)	763.3	778.8	(15.5)	-2.0%	778.1
Total Non Labor	64.8	75.4	(10.6)	243.4	232.3	11.1	4.6%	222.2
Total Operating Expense	*256.3*	*269.2*	*(12.9)*	*1,006.7*	*1,011.0*	*(4.4)*	*-0.4%*	*1,000.3*
Total Debt Service and Allocations	*69.2*	*57.6*	*11.6*	*145.2*	*129.9*	*15.2*	*10.5%*	*138.6*
Total Operating Uses	**325.4**	**326.8**	**(1.4)**	**1,151.8**	**1,141.0**	**10.9**	**0.9%**	**1,138.9**
Net Operating Result Before Emergency Assistance	**(104.8)**	**(82.8)**	**21.9**	**(315.0)**	**(240.7)**	**74.3**	**23.6%**	**(241.5)**
SB 125 Emergency Assistance Applied	104.8	82.8	(21.9)	315.0	240.7	(74.3)	-23.6%	241.5
Net Operating Result After Emergency Assistance	-	-	-	-	-	-	-	

Next Steps

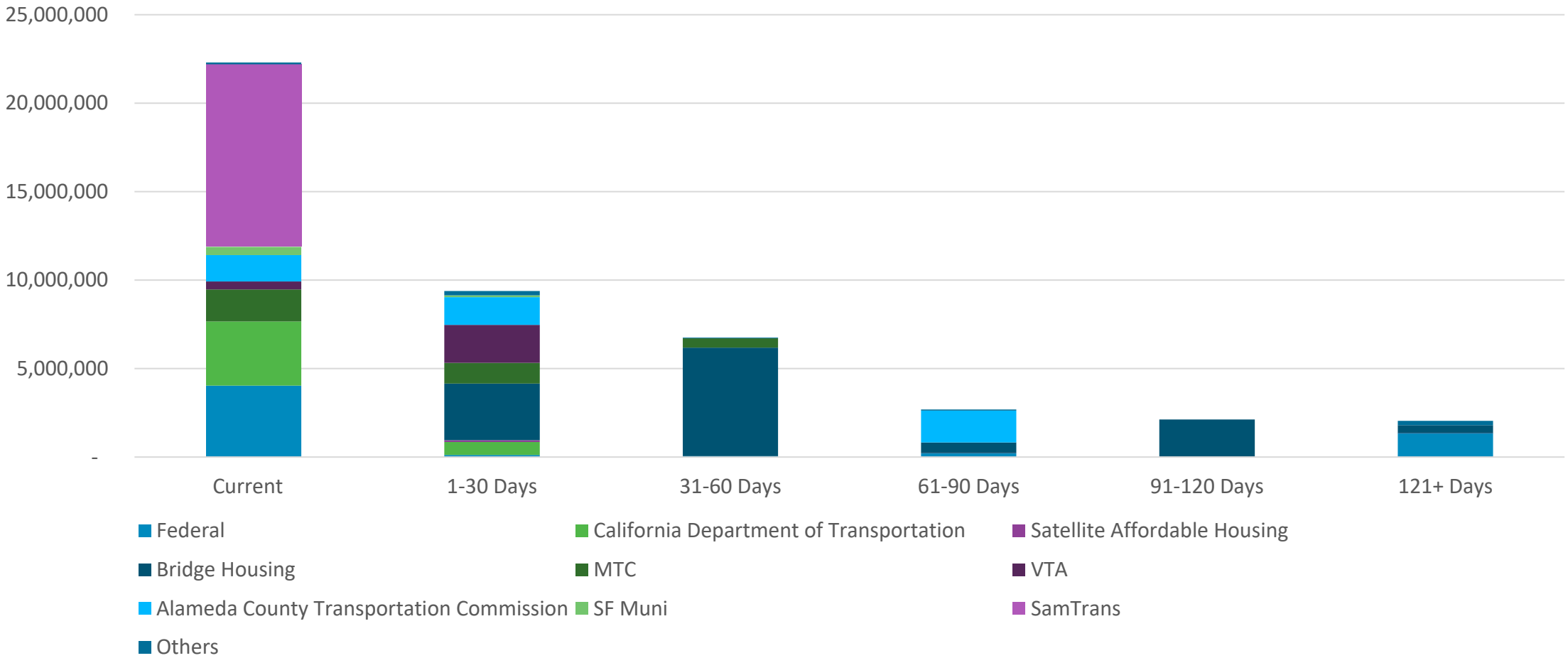
- BART performed better than budget in FY26
- Funds carried over will be applied to reducing FY27 borrowing, per the Adopted FY27 Budget Resolution
- Staff will have greater forward-looking certainty after November election
- Expect FY27 Q1 Quarterly Financial Report at the December 3 Board meeting



Financial Position

Outstanding Billed Grants Receivable

The status of receivables from BART's funding partners is shown below. As of June 30, 2026, total outstanding receivables were $45.3M, with $22.3M (49%) in current status, $9.4M (21%) 30 days past due, and $13.6M (30%) over 30 days past due; $34.6M (76%) of the outstanding balance has been collected since 6/30/2026



Cash and Investments

As of June 30, 2026

Investment allocation

	Amount	% Allocation
CD, Cash on hand and Cash In Bank	$ 62,412,110	3.64%
Mutual Fund - Bond Fund Section115	71,707,204	4.18%
Municipal Bonds	15,074,220	0.88%
Money Market TIFIA, State Loan and Debt Service Reserve	289,054,791	16.86%
US Government Securities	872,522,278	50.89%
Commercial Papers, Corporate Obligation	273,152,013	15.93%
Supranational Bonds	55,749,174	3.25%
Local Agency Investment Fund	74,999,610	4.37%
Total Cash & Investments	$ 1,714,671,399	100.00%

Breakdown of US Government Securities

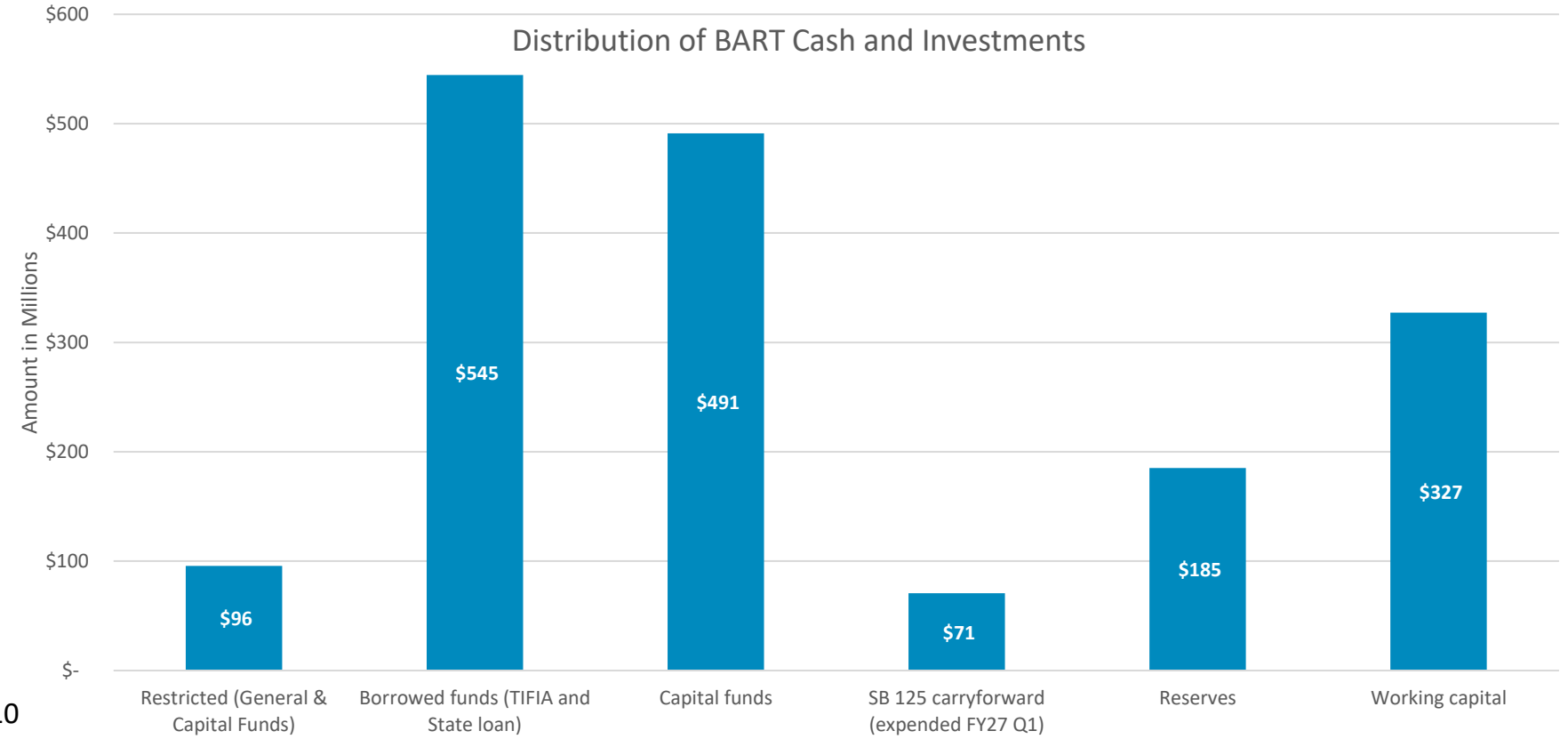
US Treasury	$ 472,822,095
Federal Home Loan Bank (FHLB)	330,705,234
Federal Farm Credit Bank	29,908,102
Freddie Mac	19,548,125
Fannie Mae	19,538,722
	$ 872,522,278

Weighted average return on investments was 3.8%

Cash and Investments

As of June 30, 2026

Total Cash & Investments as of 6/30/2026	Restricted	Unrestricted	Total
Capital Fund	74,821,499	491,181,321	566,002,820
General Fund	20,884,365	1,127,784,214	1,148,668,579
Total	***95,705,864***	***1,618,965,535***	***1,714,671,339***



Total Current Unrestricted Receivables and Liabilities

Receivables	$ 243,019,000
Liabilities	(357,348,000)

Summary of Outstanding Bonds and Loans

As of June 30, 2026

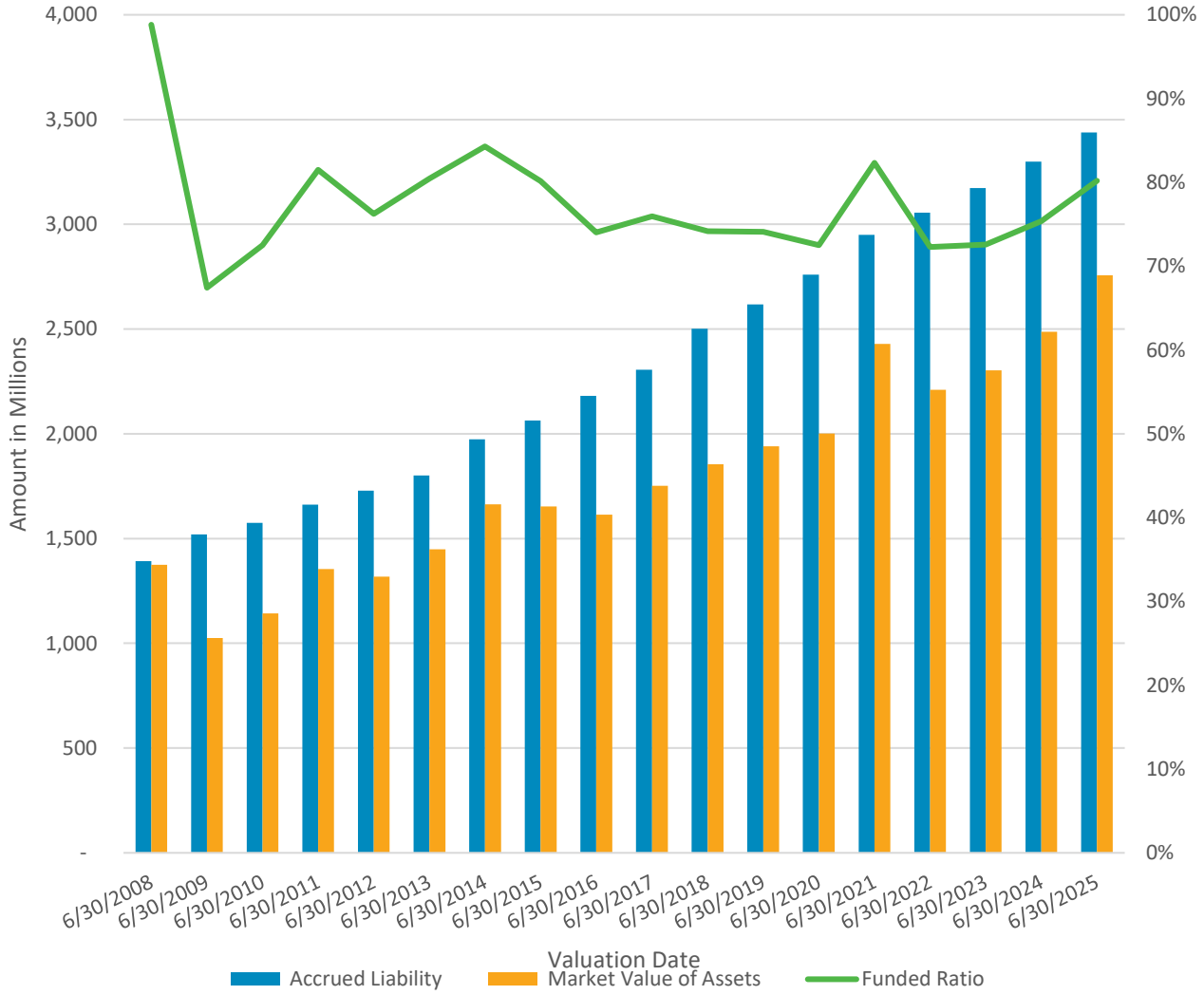
	Authorized	Issued as of June 30,2026	Outstanding Balance 03-31-2026	Issuance	Accretion (Payments)	Outstanding Balance 06/30/2026	Annual Debt Service Fiscal Year 2026	Property Tax Assessments Fiscal Year 2026**
Sales Tax Revenue Bonds *		$ 984,260,000	$ 506,070,000	$ -	$ -	$ 506,070,000	$ 60,131,289	
TIFIA Loan* **	$ 544,642,843	$ 544,642,843	$ 560,738,712	$ -	$ 6,269,001	$ 567,007,713	$ -	
Measure AA General Obligation Bonds	$ 980,000,000	$ 980,000,000	$ 517,320,000	$ -	$ -	$ 517,320,000	$ 54,655,294	$4.30/$100,000
Measure RR General Obligation Bonds	$ 3,500,000,000	$ 2,760,000,000	$ 2,429,690,000	$ -	$ -	$ 2,429,690,000	$ 98,537,675	$10.90/$100,000
AB117 State Loan	$ 285,000,000		$ -	$ 285,000,000		$ 285,000,000	$ -	
Total		**$ 5,268,902,843**	**$ 4,013,818,712**	**$ 285,000,000**	**$ 6,269,001**	**$ 4,305,087,713**	**$ 213,324,258**	

* Sales Tax Revenue Bonds with outstanding balances.

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

***Accretion refers to the increase in outstanding liability resulting from the capitalization of accrued interest.

CalPERS Pension Plan Funding Progress: Miscellaneous



Miscellaneous plan covers all BART staff except sworn BART Police officers

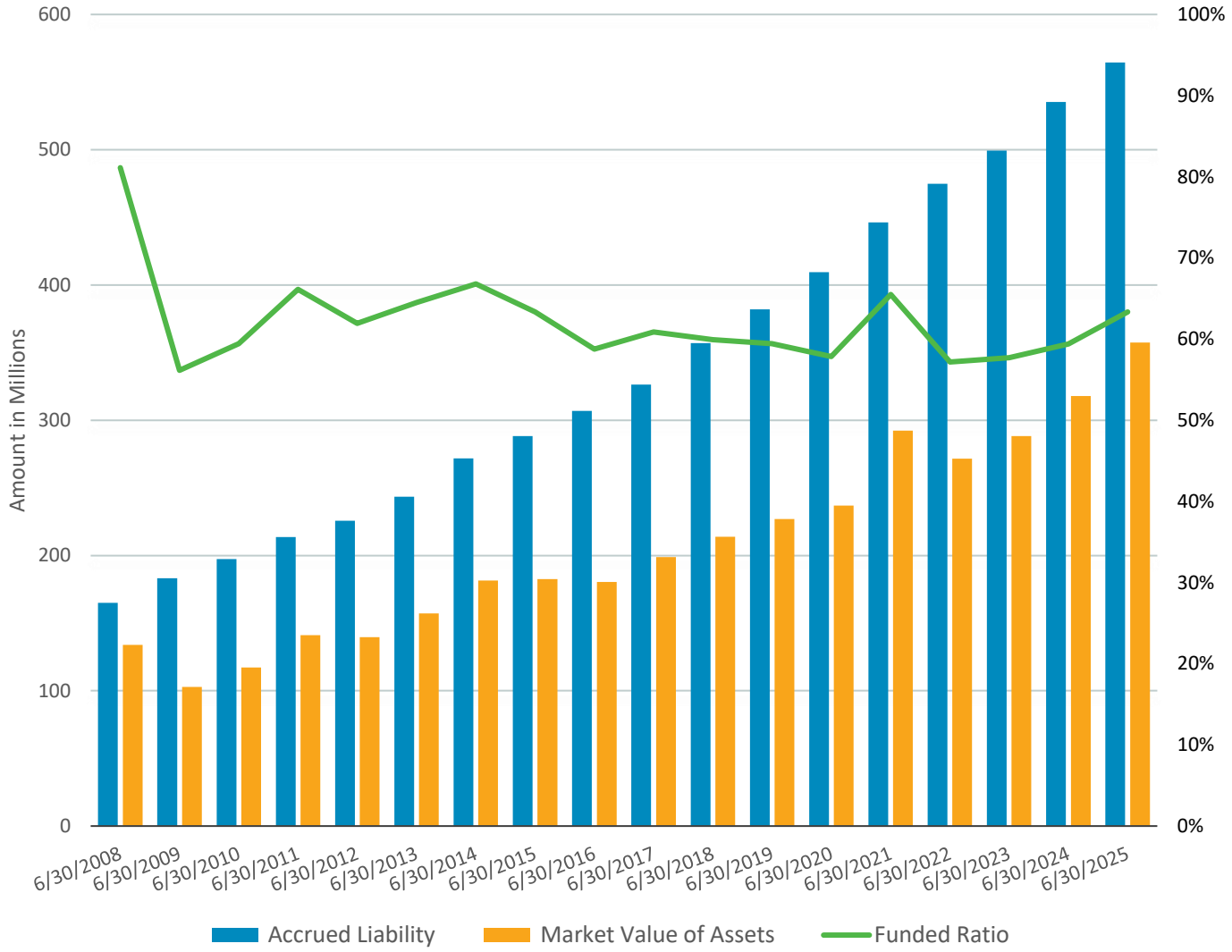
FY27 budget contributions for Miscellaneous Plan:

- Normal cost: $45.9M
- Unfunded Actuarial Liability (UAL): $77.3M
- Total: $123.2M

Funded ratio for Miscellaneous Plan as of June 30, 2025: 80.2%

June 30, 2026 report expected in August 2027

CalPERS Pension Plan Funding Progress: Safety



Safety plan covers sworn BART Police officers

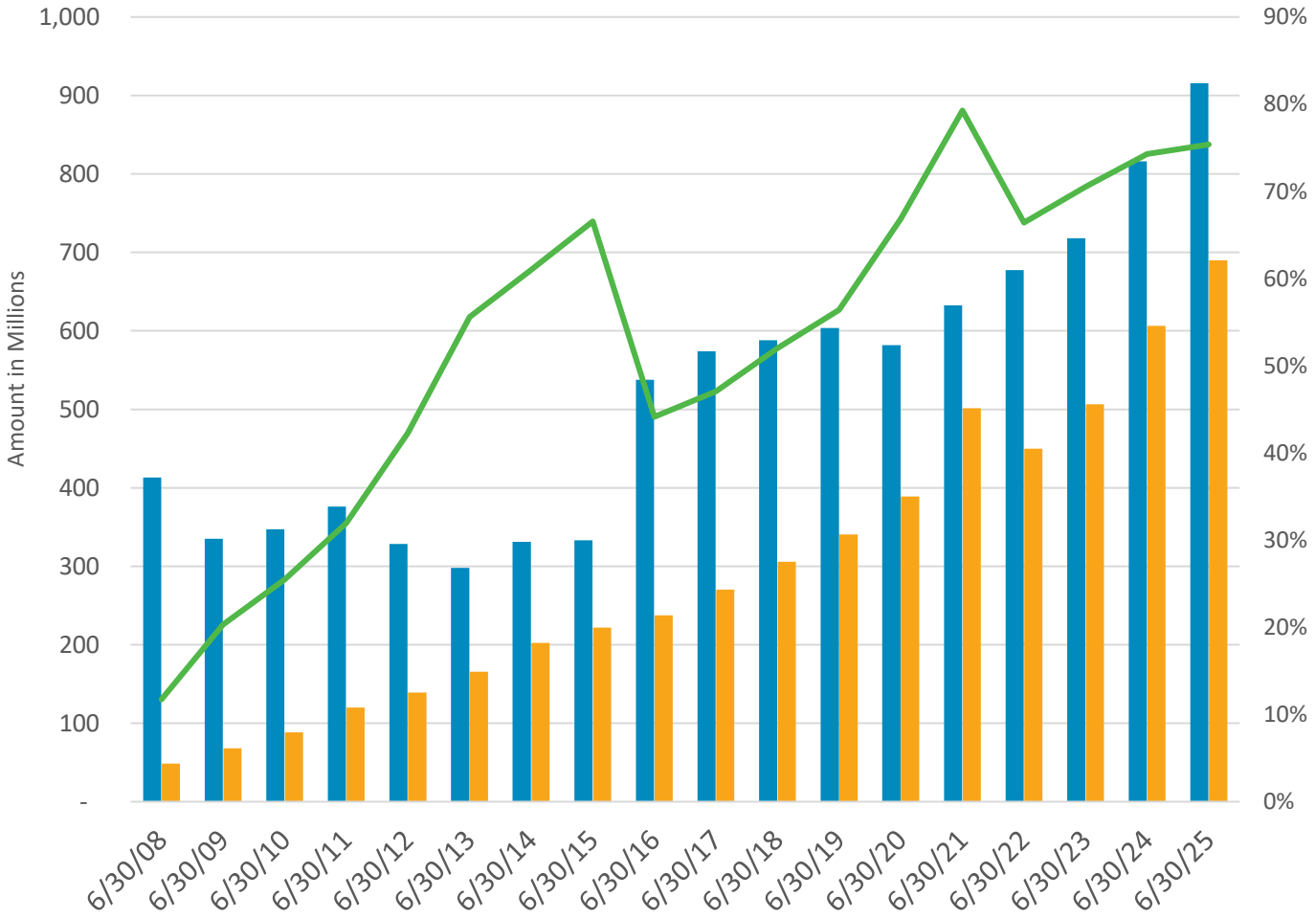
FY27 budget contributions for Safety Plan:

- Normal cost: $8.8M
- UAL: $19.9M
- Total: $28.7M

Funded ratio for Safety Plan as of June 30, 2025: 63.3%

June 30, 2026 report expected in August 2027

Retiree Health Benefits Plan Funding Progress



- BART funds retiree medical costs via contributions to its Retiree Health Benefit Trust (RHBT)
- FY27 budgeted contribution is $43.0M
- As of June 30, 2025, plan funded ratio was 75.4%
- Revised report reflecting FY26 expected late 2026



Discussion



Appendices

Emergency Assistance Usage

FY25		
Draw Downs	$	58,211,496
SB 125 Use	$	(40,593,424)
Carry Forward	$	17,618,072
FY26		
FY25 Carry Forward	$	17,618,072
Draw Downs	$	293,836,706
Remaining Draw Downs	$	-
Available assistance in FY26	$	311,454,778
Emergency assistance used in FY26	$	(240,652,758)
Remaining assistance in FY27	$	70,802,020

- BART had $311.4M of SB 125 emergency assistance available in FY26
- BART used $240.7M of SB 125 emergency assistance in FY26
- Remaining $70.8M will be used in FY27
- No additional emergency assistance is available of anticipated at this time

Post-Employment Benefits Summary

- The District currently provides benefits to employees which include, but are not limited to:
  - **Retirement Pension Plan** managed by the California Public Employee Retirement System (CalPERS) and funded by contributions from the District and its employees. CalPERS is the largest pension plan in the United States with assets of approximately $507 billion.
    - ✓ The District established a Section 115 Trust for prefunding the District's pension obligation on February 5, 2020.
  - **Retiree Medical Benefits** coverage funded by a Trust established by the District in 2005.
    a. Invested in a combination of stocks, bonds, REIT & cash,
    b. Benchmark 6.5%,
    c. Quarterly Report to the Unions
  - **Survivor Benefits** of active and retired employees funded by the employees ($15/month).
    - ✓ The Trust was established on May 18, 2020.
  - **Life Insurance** for retired employees.
  - The District also accrues liabilities through Property & Casualty insurance and workers compensation claims and maintains the required reserves related to its self-funded insurance programs for worker's compensation and general liability based on an annual actuarial study.

Funding Status of Pension Obligations

As of June 30, 2026

Funding Status of Pension Benefit Obligations
As of June30, 2026

	Report Date	Market Value of Assets	Total Liability	Unfunded Liability	% Funded 06/30/2026
Funds Managed by CALPERS					
Miscellaneous Employees	6/30/2025	$ 2,756,669,977	$ 3,438,132,193	$ 681,462,216	80.2%
Safety Employees	6/30/2025	$ 357,541,225	$ 564,518,933	$ 206,977,708	63.3%
Section 115 Pension Trust	6/30/2026	$ 44,196,294	$ -	$ (44,196,294)	
Total - Pension Benefit Obligations		$ 3,158,407,496	$ 4,002,651,126	$ 844,243,630	

Funding Status of Other Post Employment Benefit Obligations

As of June 30, 2026

Funding Status of Other Post Employment Benefit Obligations
As of June 30, 2026

Most Recent Valuation

	Report Date	Market Value of Assets	Total Liability	Unfunded Liability	% Funded
Retiree Health Benefits	6/30/2025	$ 689,980,000	$ 915,585,000	$ 225,605,000	75.4%
Other Post Employment Benefits					
Life Insurance	6/30/2025	$ -	$ 51,710,000	$ 51,710,000	0.0%
Survivors Benefits	6/30/2025	$ 14,802,000	$ 19,997,000	$ 5,195,000	74.0%

Trust Assets for Post Employment Benefits Held by the District

As of June 30, 2026

Quarterly Change

	Net Assets 31-Mar-26	Contributions	Expenses	Gain (Loss)	Net Assets June 30, 2026	Quarterly Return	Inception to-date Return
Retiree Health Benefit Trust	$ 702,979,280	$ 11,596,500	$ (11,164,462)	$ 71,456,760	$ 774,868,078	**10.2%**	**7.9%**
Section 115 Pension Trust	44,196,294	-	-	-	44,196,294	**0.8%**	**1.5%**
Survivors Benefit Trust	15,818,692	194,356	(120,862)	1,459,699	17,351,885	**9.5%**	**10.1%**
Total	$ 762,994,266	$ 11,790,856	$ (11,285,324)	$ 72,916,459	$ 836,416,257		

Fiscal Year to Date Change

	Net Assets June 30, 2025	Contributions	Expenses	Gain (Loss)	Net Assets June 30, 2026	Fiscal Year to Date Return
Retiree Health Benefit Trust	$ 689,980,300	$ 17,886,000	$ (42,771,415)	$ 109,773,193	$ 774,868,078	**16.2%**
Section 115 Pension Trust	42,615,444	-	-	1,580,850	44,196,294	**3.7%**
Survivors Benefit Trust	14,802,165	843,732	(517,448)	2,223,436	17,351,885	**15.5%**
Total	$ 747,397,909	$ 18,729,732	$ (43,288,863)	$ 113,577,479	$ 836,416,257	