



Resolution to Approve the FY26 Budget

BART Board of Directors

June 12, 2025



Exec Summary

- FY26 operating budget of \$1.2B is balanced, though uncertainty remains:
 - Revenues
 - State and federal funding
- Average annual deficits of \$368M from FY27 – FY30
- FY26 capital budget of \$1.1B prioritizes system reinvestment and capacity enhancement work

Updates/Changes

- Transfer of \$38.2M in retiree medical contributions from benefits to allocations
 - No change to overall budget
 - Provides flexibility to redirect funding toward deficit reduction in FY27 and beyond
 - Allowed by recent agreements with BART's labor partners
- Minor updates to capital budget based on schedule and budget refinement

Key Assumptions

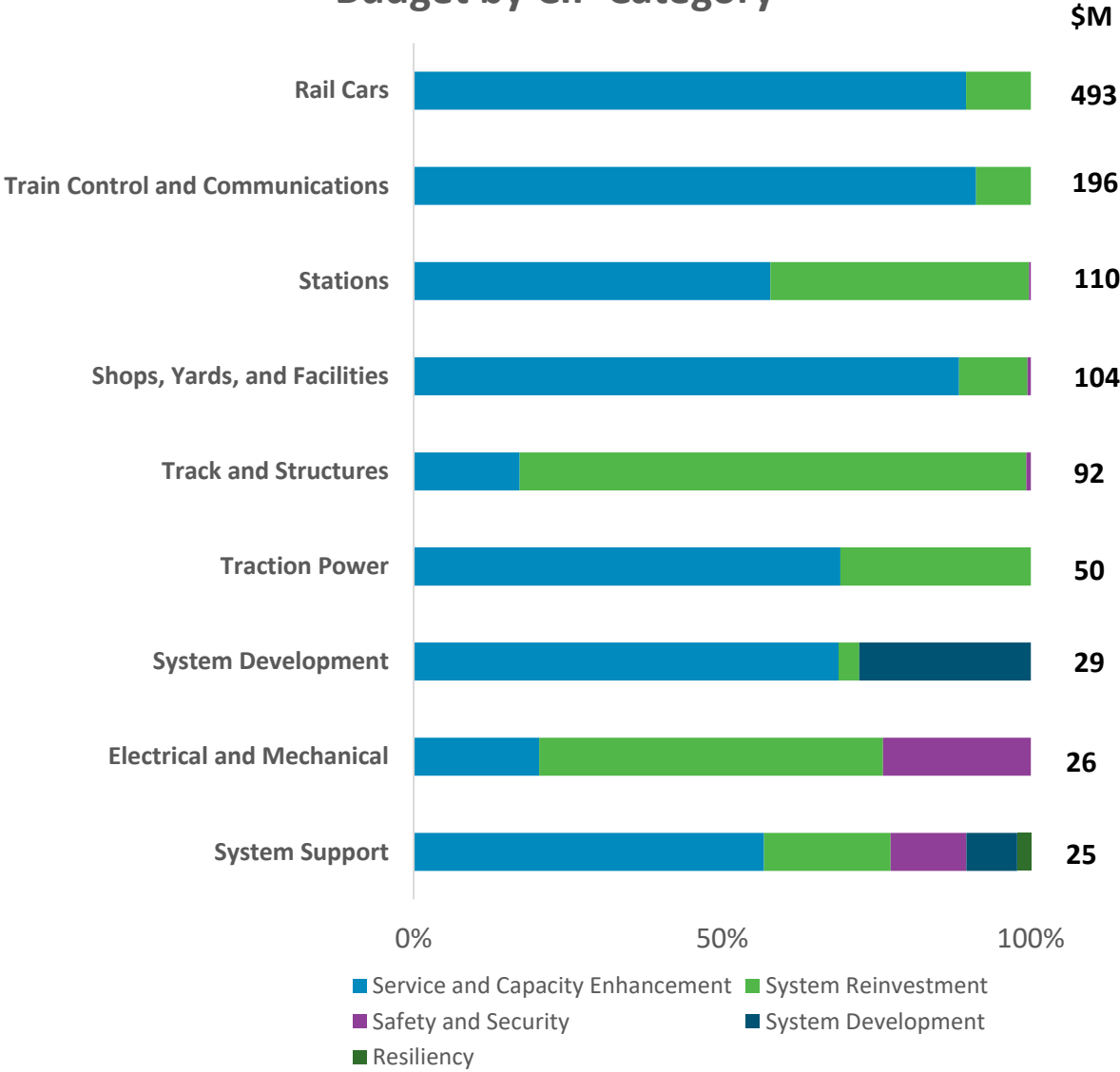
- 54M annual riders, growing by 4% in FY26 compared to FY25
- \$294M of SB 125 is allocated and received by BART in FY26
- 6.2% inflation-based fare and linked parking fee increase on January 1, 2026
- Wage increases for most BART staff (2% every 6 months through end of FY27)
- No new FTEs to be added during FY26
- Operating allocations leverage external capital state of good repair funding for critical system reinvestment work

FY26 Proposed Operating Budget

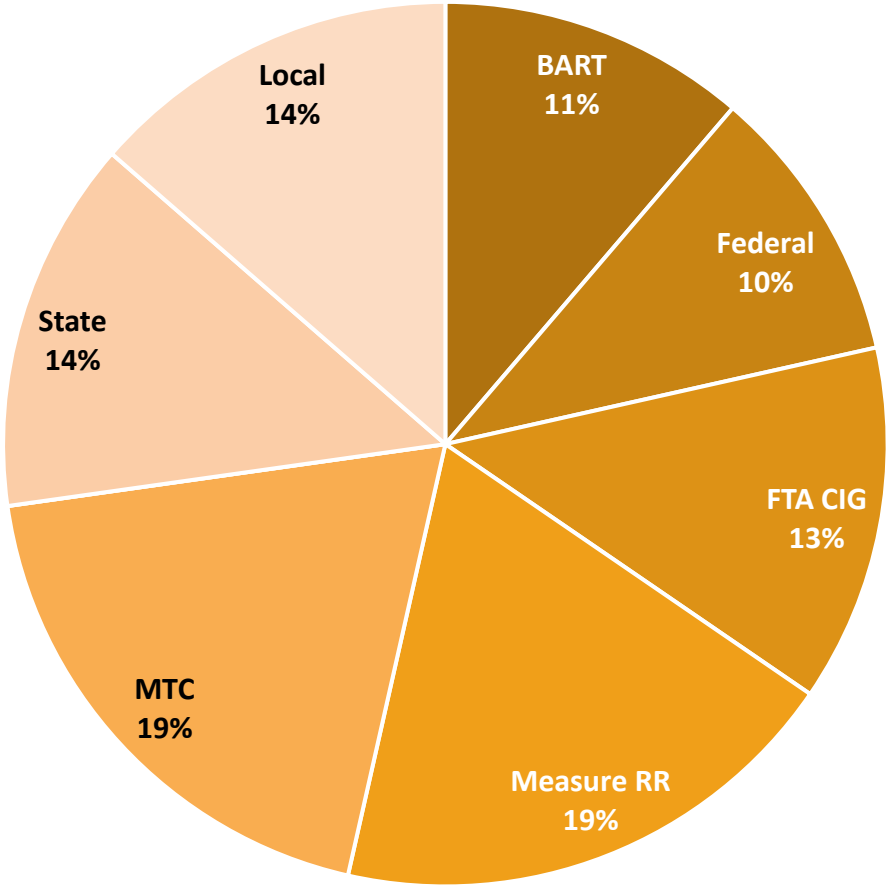
SOURCES & USES	FY25		FY26			FY26	
(\$Millions)	Adopted	Projected	Proposed	Change from FY25 Projected		Change from May 22 Informational Item	
				\$	%	\$	%
Operating Revenue	297.5	314.1	325.1	11.0	4%	0.0	0%
Financial Assistance	500.3	500.3	511.8	11.4	2%	0.0	0%
Total Sources	797.8	814.4	836.9	22.5	3%	0.0	0%
Labor & Benefits	780.6	796.5	763.3	(33.2)	(4%)	(38.2)	0%
Non-Labor	253.2	236.6	243.4	6.7	3%	0.0	0%
Debt Service & Allocations	92.2	92.2	145.2	53.0	57%	38.2	0%
Total Uses	1,126.1	1,125.3	1,151.8	26.5	2%	0.0	0%
Net Result Before Emergency Assistance	(328.2)	(310.9)	(315.0)	(4.0)	1%	0.0	0%
Emergency Assistance	328.2	310.9	315.0	4.0	1%	0.0	0%
Net Result After Emergency Assistance	0.0	0.0	0.0	0.0	0%	0.0	0%

FY26 Capital Budget: \$1.126B

Budget by CIP Category



Budget by Funding Source



FY26 Capital Budget: Sources & Uses

(\$Millions)	FY26
MTC	216.2
Measure RR	214.1
State	153.9
Local	152.7
FTA Capital Investment Grant (CIG)	147.5
BART	126.1
Federal	115.4
Total Sources	1,126
Rail Cars	492.9
Train Control and Communications	196.2
Stations	109.6
Shops, Yards, and Facilities	104.5
Track and Structures	92.0
Traction Power	50.2
System Development	29.1
Electrical and Mechanical	26.1
System Support	25.4
Total Uses	1,126
Total Net Result	-

**Due to rounding, numbers may not total*

Five-Year Outlook

(\$Millions)	FY26 Proposed	FY27 Forecast	FY28 Forecast	FY29 Forecast	FY30 Forecast
Operating Revenues	325	326	341	353	368
Financial Assistance	512	517	533	550	567
Total Regular Revenues	837	843	875	903	935
Operating Expense	1,007	1,087	1,115	1,147	1,164
Debt Service & Allocations	145	131	136	119	128
Total Uses	1,152	1,218	1,251	1,266	1,292
<i>Operating Result</i>	<i>(315)</i>	<i>(376)</i>	<i>(376)</i>	<i>(363)</i>	<i>(357)</i>
Emergency Assistance	315	-	-	-	-
<i>Total Net Result</i>	0	(376)	(376)	(363)	(357)

Timeline and Next Steps



March – May

June

Summer

Fall

- FY25 & FY26 Budget development and Board review

- FY26 Budget Adoption

- Issuance and Sales of Measure RR General Obligation Bonds

- FY25 Year End Close & Deficit Update
- Preliminary FY27 Budget Discussions

Motion

- The Board adopts the attached Resolution in the matter of approving the Annual Budget for the San Francisco Bay Area Rapid Transit District and authorizes expenditures for Fiscal Year 2026, from July 1, 2025 to June 30, 2026