



# FY27 Operating Budget Update and Rail Service Plan Overview

BART Board of Directors

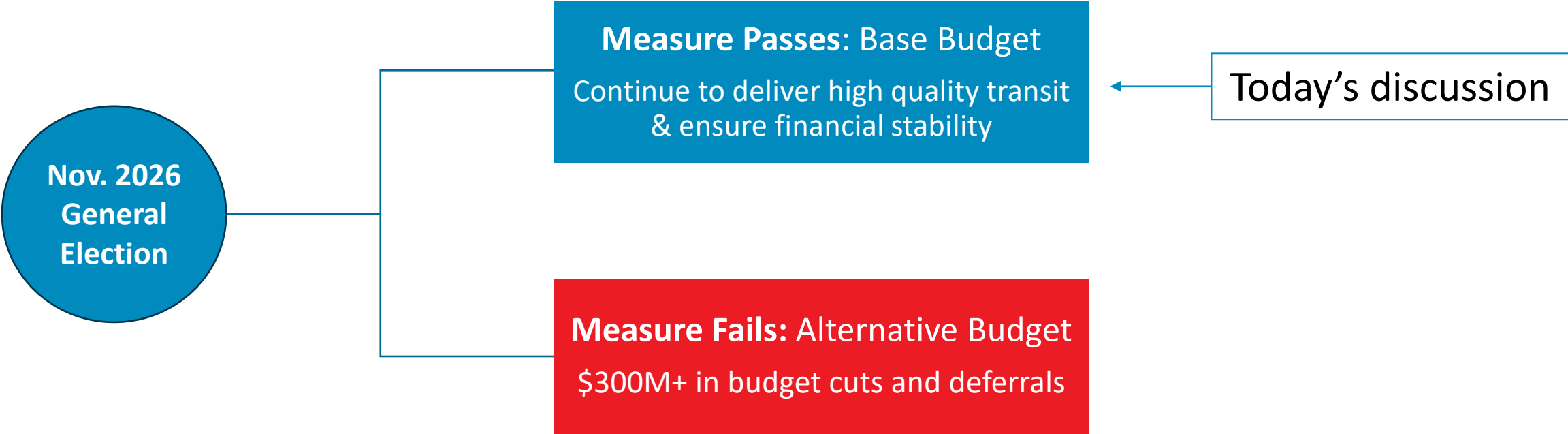
April 23, 2026



# Agenda

- FY27 Operating Budget: Changes since Preliminary Budget Release
  - New ridership numbers
  - Investment income revised
  - State loan incorporated
- Five-year Outlook and FY27 Budget Adoption Timeline
- FY27 Rail Service Plan

# FY27 Context: Planning for Multiple Outcomes

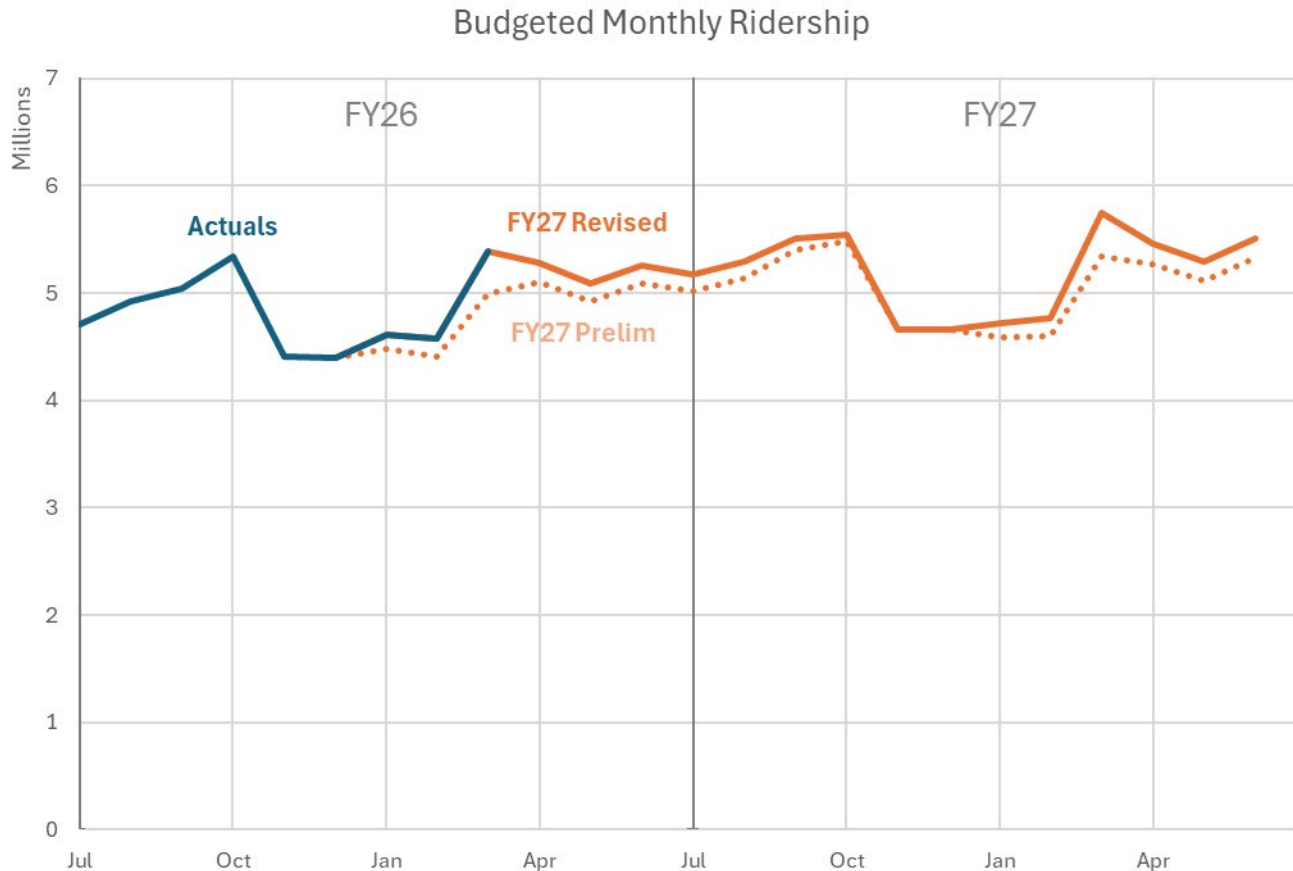


# Changes since Prelim Budget Release

| Item (\$M)                 | FY27 Prelim  | FY27 Revised | Change      | Notes   |
|----------------------------|--------------|--------------|-------------|---|
| Fare revenue               | 299.7        | 308.0        | 8.3         | Revised baseline with Jan-Mar 2026 actuals                  |
| Investment income          | 3.0          | 25.0         | 22.0        | Improved allocation/returns of BART funds                   |
| State loan debt service    | 0.0          | (14.3)       | (14.3)      | Interest payable from State loan during FY27 (est. 5% rate) |
| State loan interest income | 0.0          | 13.5         | 13.5        | Investment income generated off State loan principal        |
| <b>Total</b>               | <b>302.7</b> | <b>332.2</b> | <b>29.5</b> |   |



# FY27 Ridership Update



- FY27 Prelim Budget based on actuals through December 2025
- Through March, FY26 continues to exceed budget:
  - 8.4% above budget
  - 12.4% higher than a year ago
  - Exceeds FY25 5.1% growth
- Modest adjustment to FY26 baseline increased FY27 budget

| Ridership        | FY26 Projected | FY27 Revised |
|------------------|----------------|--------------|
| Total Trips (M)  | 59.0           | 62.3         |
| Average Weekday  | 191,100        | 201,840      |
| Average Saturday | 113,840        | 124,790      |
| Average Sunday   | 84,700         | 89,800       |

# FY27 Investment Income Update

- Staff have been carefully monitoring interest income and planning an upward revision
- Staff approach to greater active management of cash and investments
- Enhanced Investment Policy allowing diversification
- Projection of cash balances earning income are higher
- Rates remain higher than initially projected
- For the past several years, interest earnings have substantially exceeded budget

# State Loan Update

| State Loan Adjustments                           | Amount            | Estimated Rate |
|--|-------------------|----------------|
| State Loan Interest Expense                      | \$ 14,250,000     | 5.0%           |
| State Loan Interest Income                       |                   |                |
| Managed by BART                                  | \$ 8,876,683      | 3.6%           |
| Managed by MTC                                   | \$ 4,625,045      | 3.6%           |
| Total State Loan Interest Income                 | \$ 13,501,728     |                |
| <b>State Loan Interest Expense less Earnings</b> | <b>\$ 748,272</b> |                |

- AB/SB 117 authorized \$590M loan to MTC for distribution to Bay Area transit operators; BART share is assumed to be \$285M
- Funds will be initially held by MTC and disbursed to the Operators quarterly
- 12-year term, years 1 and 2 interest only
- Interest expense to be based upon the most recent quarterly rate of the State’s Surplus Money Investment Fund (SMIF)
- 7• Interest income will be used to offset interest payments



# Preliminary Budget Five-year Outlook

| (\$Millions)                  | FY26<br>Adopted | FY27<br>Prelim | FY28<br>Forecast | FY29<br>Forecast | FY30<br>Forecast | FY31<br>Forecast |
|-------------------------------|-----------------|----------------|------------------|------------------|------------------|------------------|
| Operating Revenues            | 325             | 343            | 362              | 377              | 396              | 415              |
| Financial Assistance          | 512             | 685            | 550              | 567              | 585              | 600              |
| <b>Total Regular Revenues</b> | <b>837</b>      | <b>1,028</b>   | <b>911</b>       | <b>944</b>       | <b>980</b>       | <b>1,015</b>     |
| Operating Expense             | 1,007           | 1,048          | 1,155            | 1,197            | 1,222            | 1,250            |
| Debt Service & Allocations    | 145             | 54             | 123              | 120              | 134              | 134              |
| <b>Total Uses</b>             | <b>1,152</b>    | <b>1,102</b>   | <b>1,278</b>     | <b>1,317</b>     | <b>1,357</b>     | <b>1,384</b>     |
| <i>Net Result</i>             | <i>(315)</i>    | <i>(74)</i>    | <i>(366)</i>     | <i>(374)</i>     | <i>(376)</i>     | <i>(369)</i>     |
| Emergency Assistance          | 315             | 0              | 0                | 0                | 0                | 0                |
| Regional Sales Tax Proceeds   | 0               | 74             | 308              | 318              | 328              | 339              |
| <b>Total Net Result</b>       | <b>0</b>        | <b>0</b>       | <b>(59)</b>      | <b>(56)</b>      | <b>(48)</b>      | <b>(29)</b>      |

Next steps: incorporate today's updates and recommendations into above outlook

- Ridership, investment income, and state loan
- Staff recommendation on borrowing and deferral options

# FY27 Budget Adoption Timeline



**March 31**

**April 9**

**April 23**

**May 14**

**May 28**

**June 11**



Preliminary Budget Memo (PBM) released

Preliminary Operating Budget Overview

Budget Update  
 Rail Service Plan  
 Strategy for Managing Loans, Deferrals, and Reserves

Alternative Service Plan (ASP): Potential Retirement Incentive Program  
 Capital Budget Overview

FY26 Q3 Financial Report  
 Final Budget Update  
 ASP: Capital Program and Load Shedding  
 MTC Financial Efficiency Review  
 Prop 4 / Gann Amendment Appropriations Limit [Action]

Budget Adoption [Action]  
 MTC Financial Efficiency Review Strategies [Action]  
 Approval of State loan agreement [Action]





# FY27 Rail Service Plan



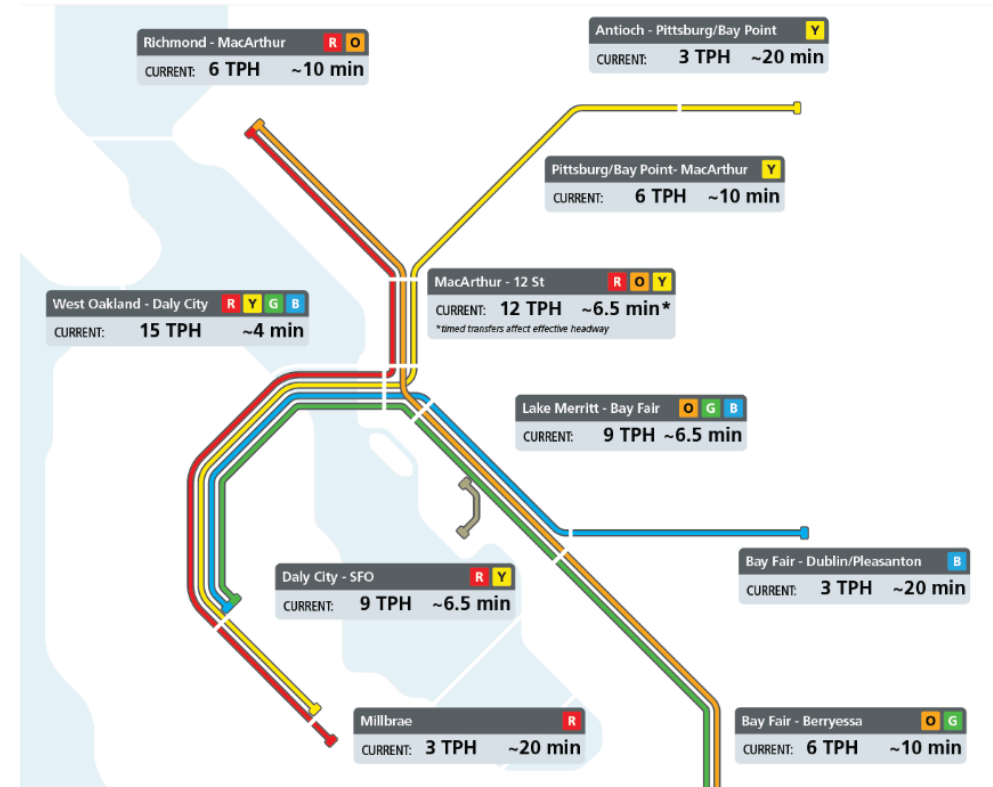
# BART's service since 2023 has been effective, optimal and stable

## Right-sized Capacity

- 7-day base service of 3 trains-per-hour (TPH)
- Yellow line service of 6 TPH on weekdays
- 5-line daytime, 3-line evening service
- Deploy event trains as needed

## Benefits

- Transitioned from San Francisco commute-centered service to all-places, all-hours, all-days
- Redistributed weekday service to nights and weekends
- Supported surge in weekend ridership
- Managed train crowding levels for efficiency



*Weekday Daytime 5-line service*

# Themes for August 2026 Schedule Change

- Rollover of current schedule with targeted improvements
- Improve system timing to reduce congestion and enhance resilience
- Maintain optimal level of train service; working well
- Accommodate CBTC Construction work for Phases 2 and 3
- Continue Regional Coordination



# Timing for the entire network is set at Daly City

Daly City is a key timing point:

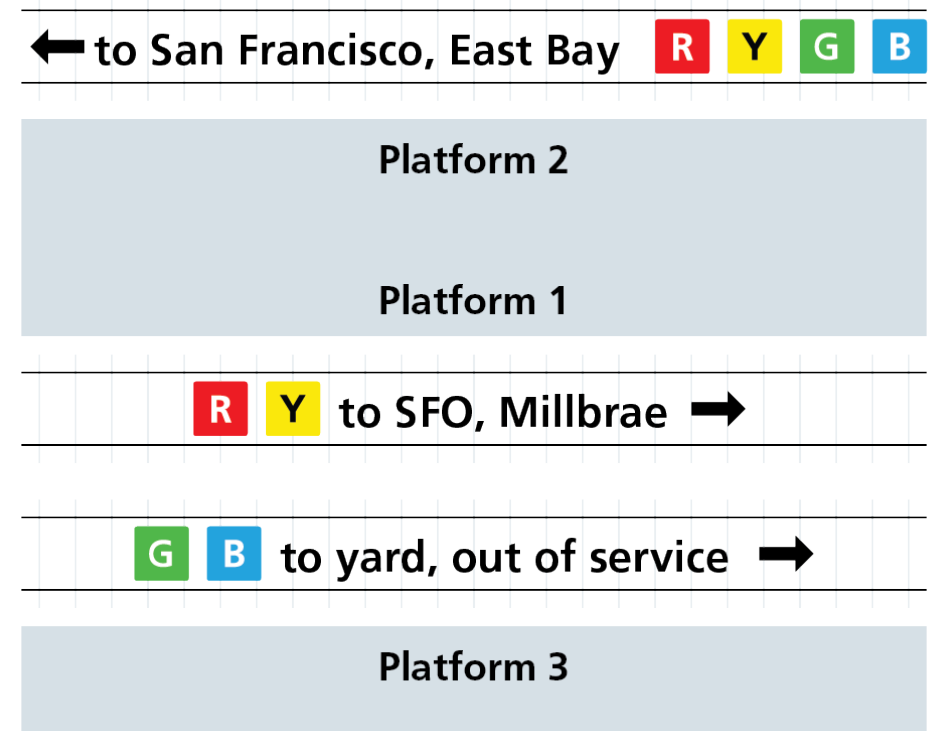
- Turnaround for Blue/Green Through routes for Yellow/Red
- Source of congestion and service volatility
- Heavily reliant on legacy track switch equipment
- Limited ability to absorb delays from the system core



# Daly City Train Flows

## Increased resilience, delay mitigation & headways

- Yellow/Red through routes will be served on Center Platforms 1 & 2
- Blue/Green will terminate at Platform 3 and turn in the yard, isolating disruption away from through traffic
- Benefits:
  - SF Core timing improvement for even Eastbound headways
  - Delay buffer for Green/Blue, with generous out-of-service sweep time
  - Clear path for Yellow/Red
  - Fewer cycles for legacy switches North of Daly City
  - Daly City will operate as a Center Platform Station like many others in San Francisco

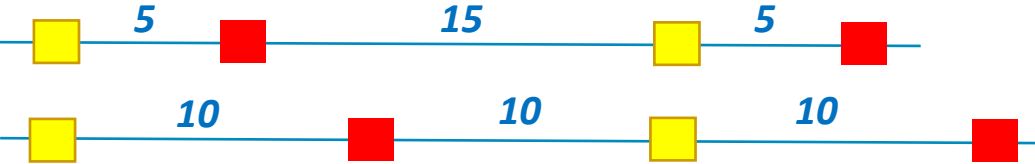


*Daly City Station*

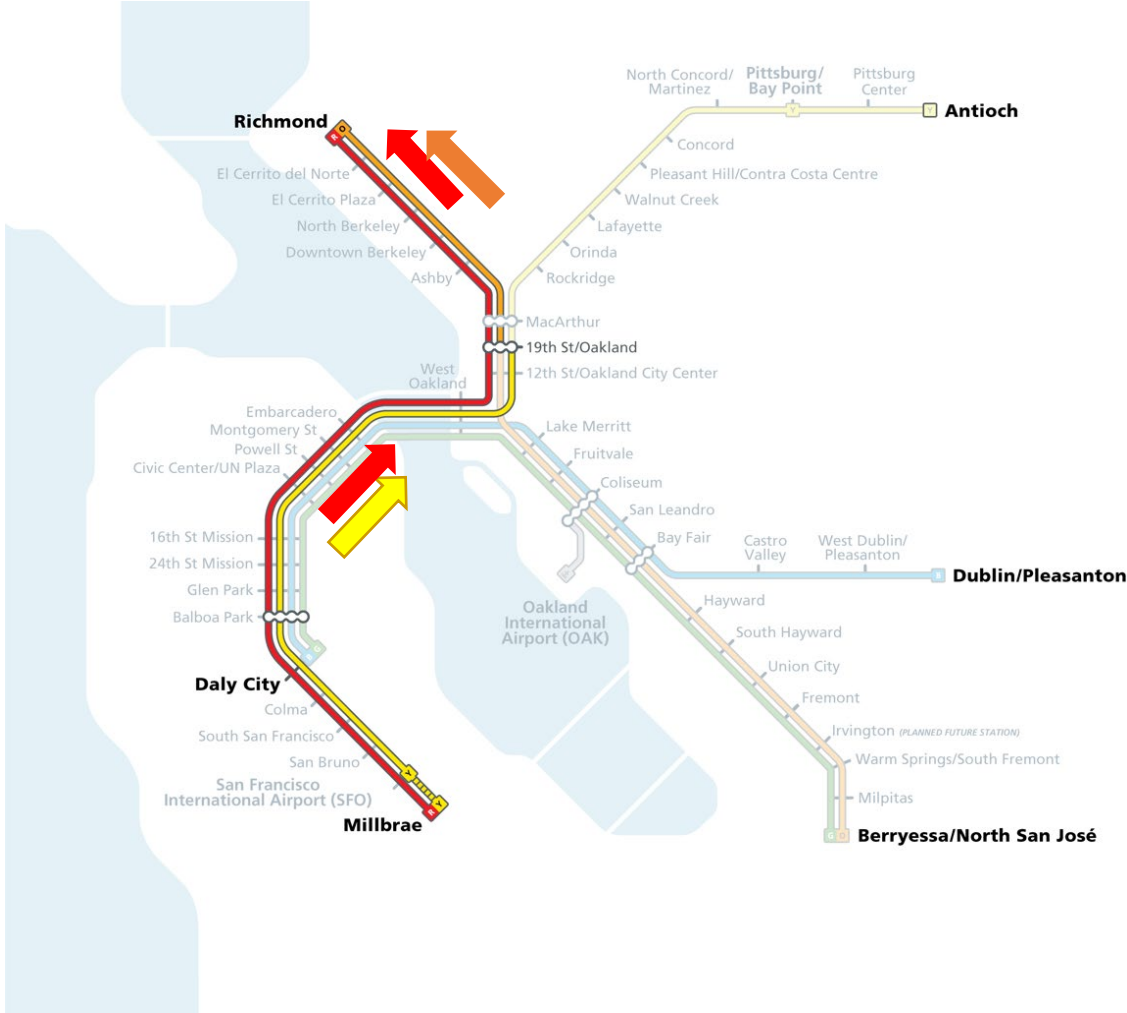
# Improved headways through the system core (Yellow-Red lines)

## Big improvement in Eastbound headways:

- Yellow-Red from the M-line SF



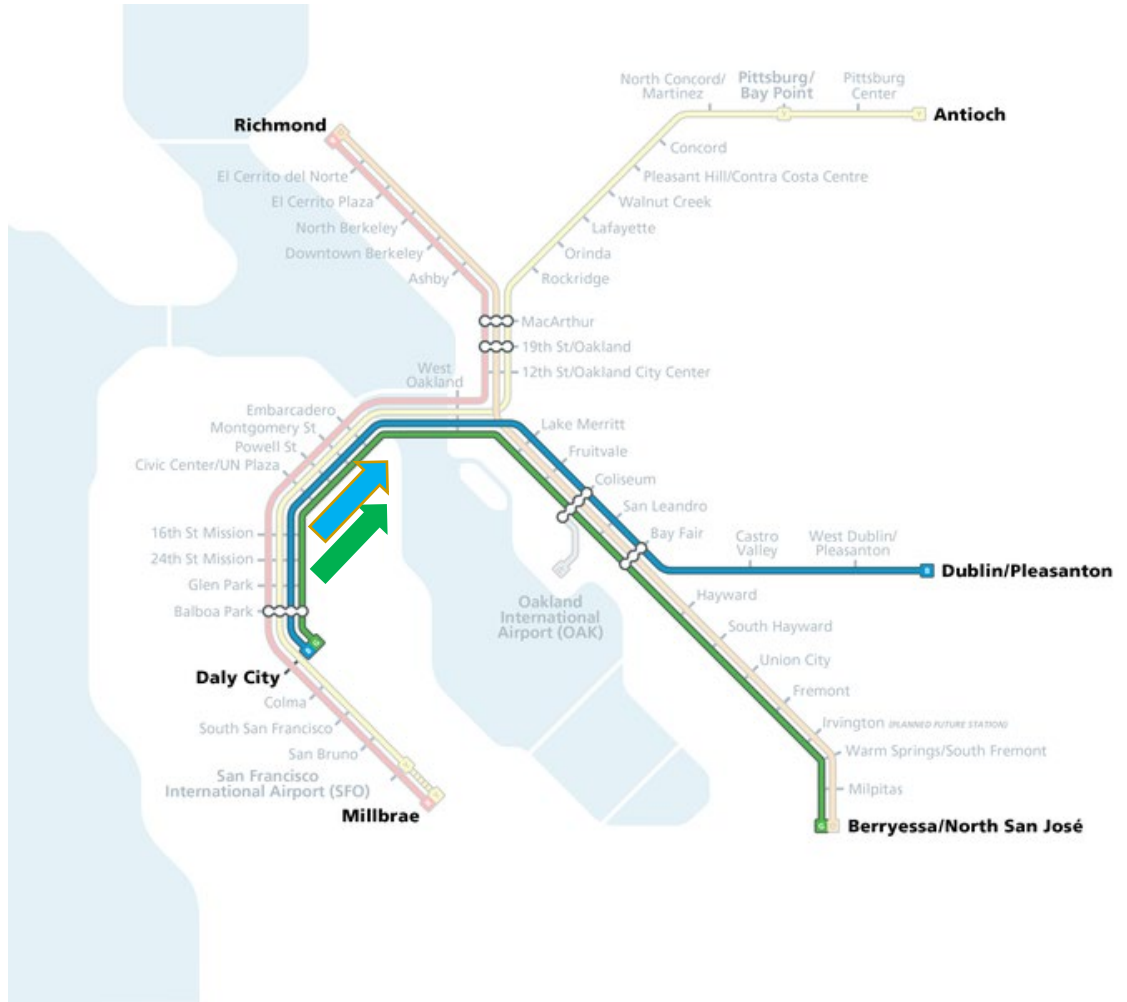
- More even headways for Richmond bound riders.



# Improved headways through the system core (Green-Blue lines)

## Big improvement in Eastbound headways:

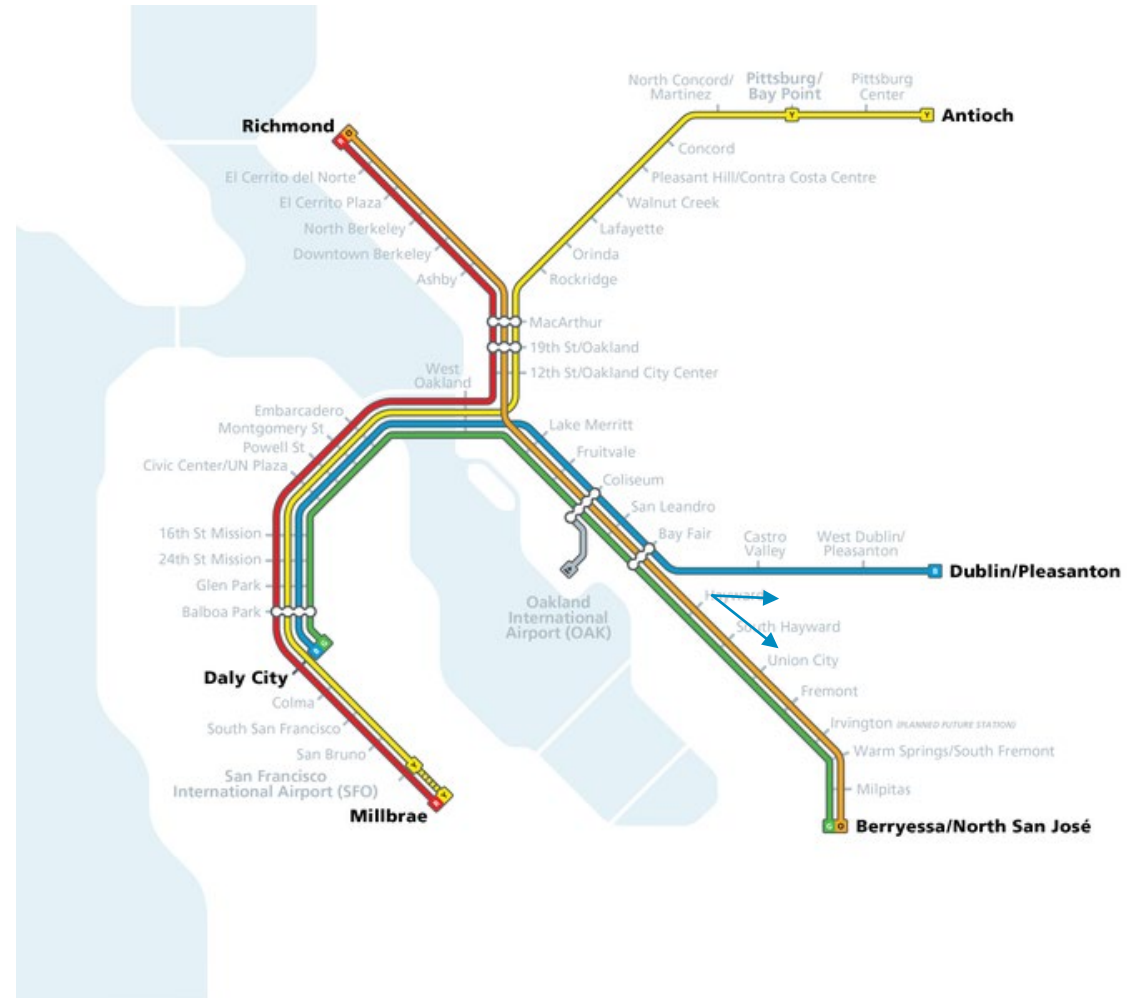
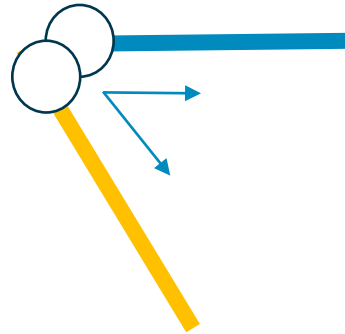
- Green-Blue from the M-line SF
- 
- More even headways for Dublin and Berryessa bound riders



# Improved Transfer Opportunities

## Bay Fair Transfers:

- Orange/Blue  
Berryessa to Dublin
  - New Cross Platform Transfer
- Blue/Orange  
Dublin to Berryessa
  - New Cross Platform Transfer

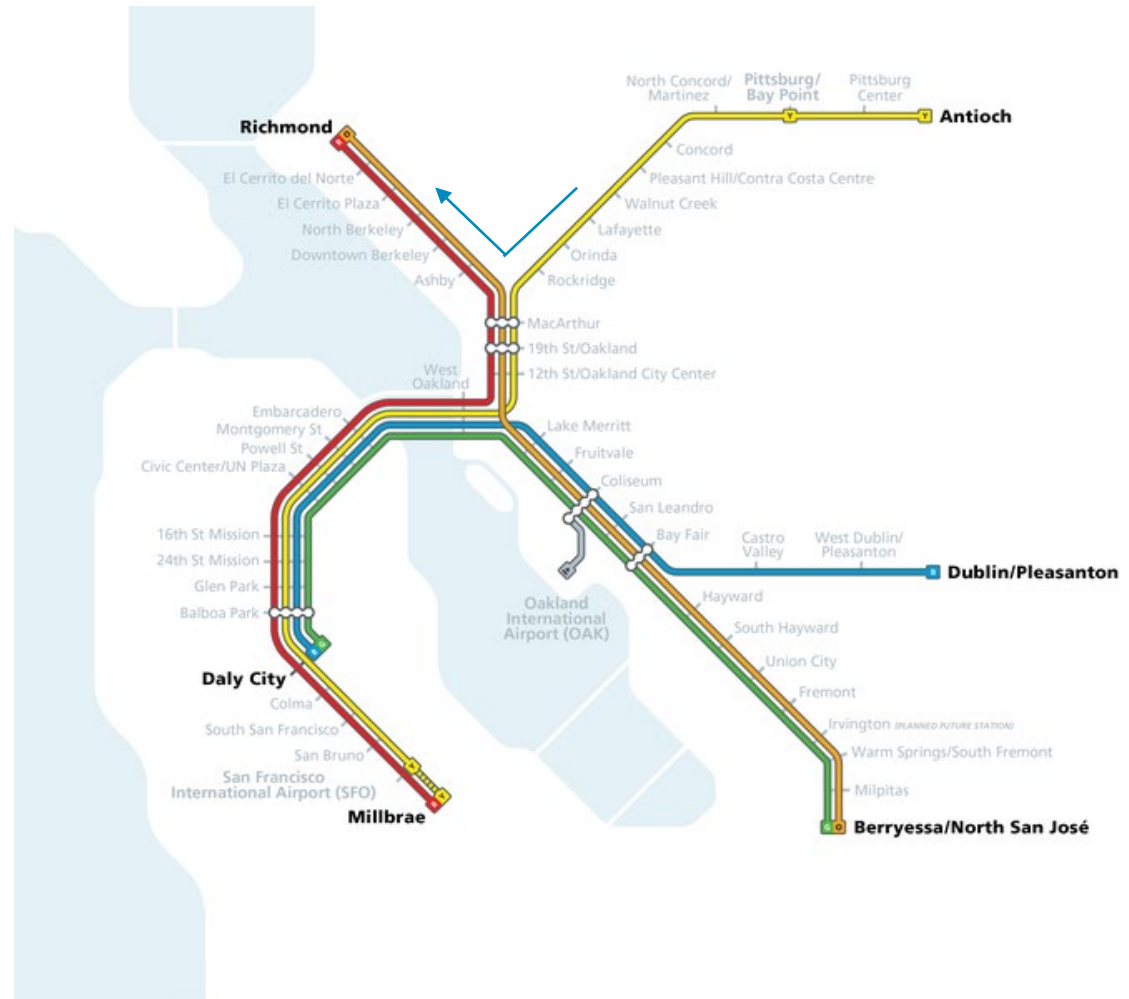
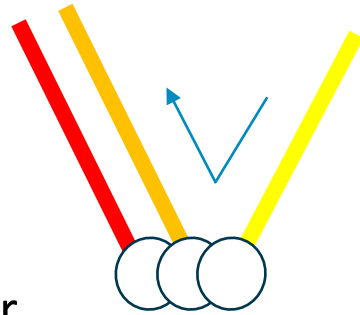


# Improved Transfer Opportunities




## MacArthur Transfers:

- Yellow/Orange/Red Antioch to Richmond

- New Four-minute transfer from MacArthur Platform 4 to Platform 1.
- This new transfer is valid the entire operating day.
- From the Yellow to Orange or Yellow to Red Lines.
- Saves up to 17 minutes over today's transfer.

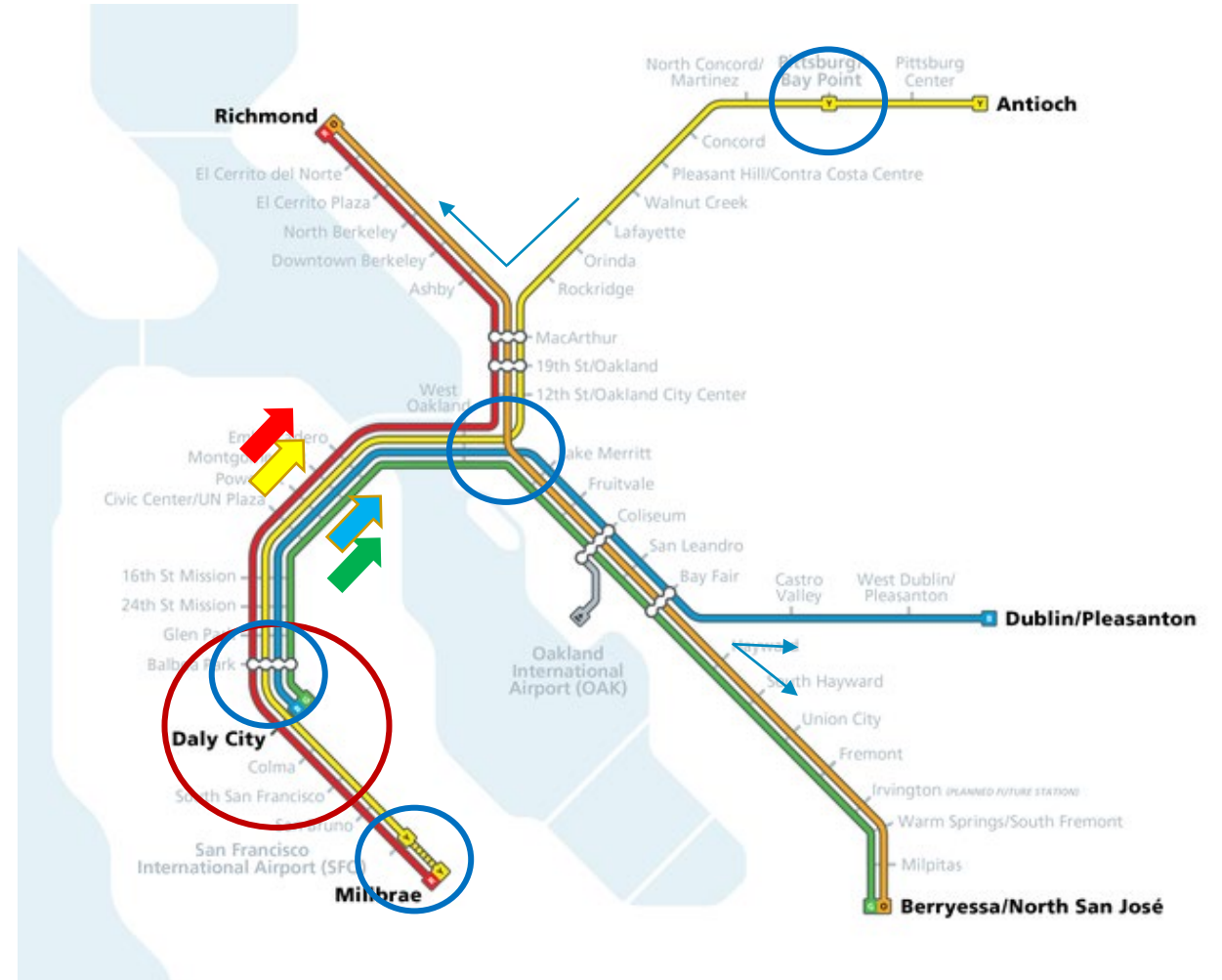


# Daly City timing allows systemwide benefits

- Improved headways 
- Improved transfers 
- Less congestion 
- Eliminates confusing boarding pattern at SFO

Results in:

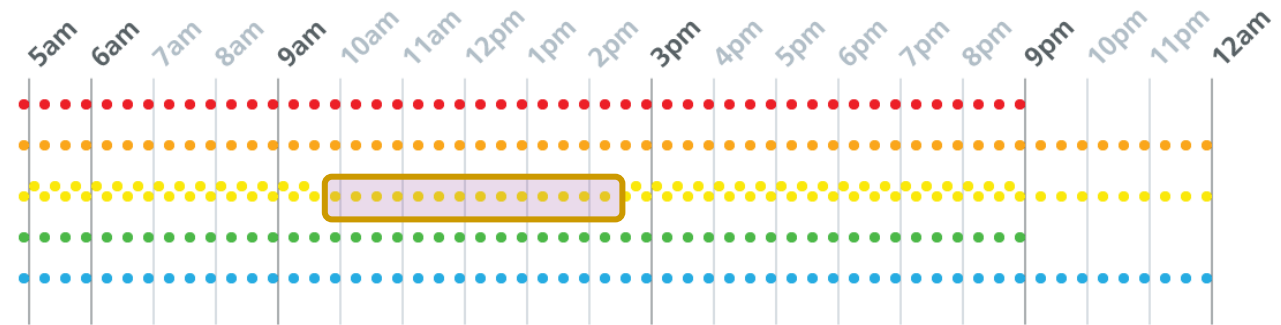
- *Smoother train network operation*
- *Better Customer Satisfaction*



# Look ahead

## Cost Savings with Capacity Adjustments

- **Yellow Line midday capacity**
  - Evaluating reducing to 20-min headways midday
  - Currently 6 trains per hour (TPH) until 9 pm



- **Train Lengths, All Lines**
  - Evaluating stability of daily consist changes
    - Longer commute trains
    - Shorter evening trains

# Discussion