

**SAN FRANCISCO BAY AREA
RAPID TRANSIT DISTRICT**

MEASURE BB PROGRAM

June 30, 2025

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEASURE BB PROGRAM

June 30, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MEASURE BB PROGRAM; REPORT
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON COMBINING SCHEDULE OF NET
POSITION, COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
AND COMBINING SCHEDULE OF CASH FLOWS

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

Report on Compliance for Measure BB Program

Opinion on the Measure BB Program

We have audited the San Francisco Bay Area Rapid Transit District's (the "District") compliance with the types of compliance requirements identified as subject to audit in the 2014 Measure BB Transportation Expenditure Plan, as amended on September 24, 2020, issued by the Alameda County Transportation Commission ("Measure BB Program") that could have a direct and material effect on the District's Measure BB Program for the year ended June 30, 2025.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Measure BB Program for the year ended June 30, 2025.

Basis for Opinion on the Measure BB Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements specified in the Measure BB Program. Our responsibilities under those standards and the Measure BB Program are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the Measure BB Program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's Measure BB Program.

(Continued)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. 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, *Government Auditing Standards*, and the Measure BB Program will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the Measure BB Program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Measure BB Program, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Measure BB Program, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the Measure BB program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the Measure BB program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the Measure BB program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

(Continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Measure BB Program. Accordingly, this report is not suitable for any other purpose.

Report on Combining Schedule of Net Position, Combining Schedule of Revenues, Expenses, and Changes in Net Position and Combining Schedule Of Cash Flows

We have audited the financial statements of the business-type activities and fiduciary activities of 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. We issued our report thereon dated November 24, 2025 which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying combining schedule of net position, combining schedule of revenues, expenses, and changes in net position, and combining schedule of cash flows are presented for purposes of additional analysis as required by the Measure BB Program and is 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 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 schedule of net position, combining schedule of revenues, expenses, and changes in net position, and combining schedule of cash flows are fairly stated in all material respects in relation to the basic financial statements as a whole.


Crowe LLP

San Francisco, California
November 24, 2025

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
MEASURE BB PROGRAM
COMBINING SCHEDULE OF NET POSITION
June 30, 2025

	<u>Paratransit</u>	<u>Mass Transit</u>	<u>Total</u>
ASSETS			
Accounts receivable - Measure BB sales tax	\$ 972,951	\$ 324,317	\$ 1,297,268
LIABILITIES			
Due to BART	<u>(972,951)</u>	<u>(324,317)</u>	<u>(1,297,268)</u>
NET POSITION			
Restricted for Measure BB program	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to schedules.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
MEASURE BB PROGRAM
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the year ended June 30, 2025

	<u>Paratransit</u>	<u>Mass Transit</u>	<u>Total</u>
OPERATING EXPENSES			
Paratransit services	\$ 5,545,832	\$ -	\$ 5,545,832
Mass transit services	<u>-</u>	<u>1,848,611</u>	<u>1,848,611</u>
Total expenses	<u>5,545,832</u>	<u>1,848,611</u>	<u>7,394,443</u>
Operating loss	(5,545,832)	(1,848,611)	(7,394,443)
NONOPERATING REVENUES			
Measure BB sales tax	<u>5,545,832</u>	<u>1,848,611</u>	<u>7,394,443</u>
Change in net position	-	-	-
NET POSITION			
Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to schedules.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
MEASURE BB PROGRAM
COMBINING SCHEDULE OF CASH FLOWS
For the year ended June 30, 2025

	<u>Paratransit</u>	<u>Mass Transit</u>	<u>Total</u>
Cash flows from operating activities			
Cash payments to suppliers	\$ (5,493,594)	\$ (1,831,198)	\$ (7,324,792)
Cash flows from noncapital financing activities			
Measure BB sales tax receipts	<u>5,493,594</u>	<u>1,831,198</u>	<u>7,324,792</u>
Change in cash	-	-	-
Cash, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Cash, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of operating loss to net cash from operating activities:			
Operating loss	\$ (5,545,832)	\$ (1,848,611)	\$ (7,394,443)
Adjustments to reconcile operating loss to net cash from operating activities:			
Net effect of changes in operating assets and liabilities:			
Due to BART	<u>52,238</u>	<u>17,413</u>	<u>69,651</u>
Net cash from operating activities	<u><u>\$(5,493,594)</u></u>	<u><u>\$ (1,831,198)</u></u>	<u><u>\$ (7,324,792)</u></u>

See accompanying notes to schedule.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
MEASURE BB PROGRAM
NOTES TO SCHEDULES
For the year ended June 30, 2025

NOTE 1 - BASIS OF PRESENTATION

Under Measure BB approved by the voters of Alameda County in November 2014, the San Francisco Bay Area Rapid Transit District (District) receives a share of the one-half percent sales tax to be used for local transportation-related expenses. The duration of the tax is 30 years from the initial year of collection, which began April 1, 2015 and will expire on March 31, 2045.

The schedules are prepared from the accounts and financial transactions of the District for the Alameda County Transportation Commission for the Measure BB Program. The accounts are used to account for the District's share of revenues earned and expenses incurred under the District's Measure BB-funded paratransit and mass transit operations. District expenses are allocated based on eligible operating costs to Measure BB and therefore do not exceed revenues. The District typically incurs costs in excess of the sales tax revenue.

The schedules do not purport to, and do not, present fairly the financial position of the District as of June 30, 2025, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. The activities of the Measure BB Program are reported within the District's enterprise fund. The projects funded by Measure BB represent a portion of the activities of the District and, as such, are included in the District's financial statements.