



Reconciliation of Annual Comprehensive Financial Report (ACFR) & Operating Budget

BART Audit Committee 4.16.26



Reconciliation of
Annual
Comprehensive
Financial Report
(ACFR) & Operating
Budget

1

The presentation walks
through the end results of:

FY2025 ACFR

And

FY2025 Operating Budget

2

We describe the key
differences between the two
reports and then reconcile the
differences numerically

FY25 ACFR

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)

<hr/>	
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>
Operating loss	(1,113,419)
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>
Change in net position before capital contributions	(409,766)
Capital grants and contributions	<u>882,190</u>
Change in net position	472,424
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>
Net position, end of year	<u>\$ 9,109,745</u>

Source: FY2025 ACFR pg. 30



**From FY25
Annual Budget**

Exhibit A

**BEFORE THE BOARD OF DIRECTORS OF THE
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

In the matter of amending Resolution No. 5586 regarding Fiscal Year 2025 Annual Budget

Resolution No. _____

RESOLVED, that Resolution No. 5586 is amended by changing the following line items in Exhibit A

<u>Fund Source Line Item:</u>	<u>Current Amount</u>	<u>Increase/ (Decrease) In This Resolution</u>	<u>Amended Amount</u>
Operating and Non Operating Revenue	\$ 297,517,508	\$ 22,074,049	\$ 319,591,557
Sales Tax	\$ 320,309,800	\$ (3,033,730)	\$ 317,276,070
Property Tax	\$ 64,260,000	\$ 2,328,234	\$ 66,588,234
STA Financial Assistance	\$ 48,781,274	\$ (12,742,969)	\$ 36,038,305
VTA Financial Assistance	\$ 35,167,085	\$ 10,975,336	\$ 46,142,421
Other Financial Assistance	\$ 31,779,725	\$ 14,419,040	\$ 46,198,765
Subtotal Operating Sources	\$ 797,815,392	\$ 34,019,959	\$ 831,835,351
SB 125 - Emergency Assistance	\$ 58,000,000	\$ 211,496	\$ 58,211,496
Subtotal-Emergency Assistance	\$ 58,000,000	\$ 211,496	\$ 58,211,496
Total Operating Sources	\$ 855,815,392	\$ 34,231,455	\$ 890,046,847
 <u>Fund Use Line Item:</u>			
Labor Expense	\$ 780,647,902	\$ 21,349,858	\$ 801,997,760
Non-Labor Expense	\$ 253,214,680	\$ 6,282,514	\$ 259,497,194
Subtotal Operating & Non-Operating Expenses	\$ 1,033,862,582	\$ 27,632,372	\$ 1,061,494,954
Revenue Bond Debt Service	\$ 60,163,276	\$ 0	\$ 60,163,276
Allocations to Capital & Other	\$ 32,026,318	\$ (7,431,860)	\$ 24,594,458
Operating Reserve Allocation - ARPA	\$ (270,236,784)	\$ (3,587,129)	\$ (273,823,913)
Operating Reserve Allocation - SB 125	\$ -	\$ 17,618,072	\$ 17,618,072
Subtotal Debt Service and Allocations	\$ (178,047,190)	\$ 6,599,083	\$ (171,448,107)
Total Operating Uses	\$ 855,815,392	\$ 34,231,455	\$ 890,046,847
Net Result	\$ -	\$ -	\$ -



Key Differences

ACFR

- Includes all Revenues and Expenses
 - Operating funds
 - Capital funds
 - Debt Service funds
- Audited Financial Statements

Operating Budget

- Operating funds only
- Excludes non-cash items (depreciation and amortizations)
- Excludes GASB transactions except for GASB 101
- Excludes capital grants and contributions
- Excludes debt service funds
- Allocations are budgetary items only; not part of ACFR

San Francisco Bay Area Rapid Transit District
Reconciliation of Operating Results between Audited Financial Statements and Operating Budget
For the Fiscal Year Ended June 30, 2025

	<u>Total Per Audit Report</u>	<u>Budgetary Adjustments</u>	<u>Actual Results Per Operating Budget</u>	<u>Notes on Budgetary Adjustments</u>
Sources of Funds				
Operating and Non Operating Revenue				
Fares	\$ 243,923,945		\$ 243,923,945	
Other Operating Revenues	38,138,544	\$ 477,436	38,615,980	GASB adjustments related to leases, SBITA and PPP arrangements
Investment Income	59,537,692	(16,880,476)	37,051,630	Interest on Debt service and Unspent bond proceeds
		(2,747,352)		GASB related interest Income
		(123,505)		Increase (Decrease) in FMV of investments
		(2,734,729)		Pension 115 Income
Total Operating and Non Operating Revenue			319,591,556	
Transactions and Use Tax - Sales Tax	317,276,070		317,276,070	Cash Basis, gross including debt service
Property Tax	239,695,008	(173,106,774)	66,588,234	Accrual basis; net of debt service on budget
Operating Financial Assistance	192,539,138	(5,948,151)		Adjustment for fund 0038 Donated assets
Total Operating Financial Assistance		(186,590,986)		Consolidated in ACFR under Operating Financial Assistance
STA Financial Assistance		36,038,305	36,038,305	Operating Financial Assistance distributed across different categories
VTA Financial Assistance		46,142,421	46,142,421	Operating Financial Assistance distributed across different categories
Other Financial Assistance		46,198,765	46,198,765	Operating Financial Assistance distributed across different categories
SB125 - Emergency Assistance		58,211,496	58,211,496	Operating Financial Assistance distributed across different categories
Capital Contributions	882,189,568	(882,189,568)	-	Capital contributions are not accounted for in Budget
Total Sources of Funds for Operations	<u>1,973,299,965</u>		<u>\$ 890,046,847</u>	



San Francisco Bay Area Rapid Transit District
Reconciliation of Operating Results between Audited Financial Statements and Operating Budget
For the Fiscal Year Ended June 30, 2025

Uses of Funds	Total Per Audit Report	Budgetary Adjustments		Per Operating Budget	Notes on Budgetary Adjustments
Operating Expenses Excluding Depreciation	1,045,125,079	8,368,114	f		GASB adjustments related to Pension and OPEB
		8,001,761	a		GASB adjustments related to leases, SBITA and PPP arrangements
Total Operating Expenses Excluding Depreciation		(1,061,494,954)	m		Consolidated in ACFR under Operating Expenses
Labor Expense		801,997,760	m	801,997,760	Operating Expenses - labor
Non-Labor Expense		259,497,194	m	259,497,194	Operating Expenses - labor
Depreciation and amortization	350,356,363	(350,356,363)	g	-	Depreciation & amortization not accounted for in Budget
Planning & Studies Expense	6,114,854	(6,114,854)	h	-	Non operating expenses not part of Budget
Interest Expense	99,279,952	(97,281,857)	i	-	STRB, GO and TIFIA loan interest not part of Budget
		(1,998,095)	a		GASB related interest expense
Other Operating Sources (Uses)					
Debt Service Allocations		60,163,276	j	60,163,276	Debt service for STRB
Allocations to Capital & Other					
Allocations to Capital		3,413,932	j		Allocations are Budgetary lines only - not in the ACFR
Other Allocations		21,180,526	j	24,594,458	Allocations are Budgetary lines only - not in the ACFR
Operating Reserve Allocation - ARPA		(273,823,913)	L	(273,823,913)	Use of Operating reserves from emergency assistance to balance budget
Operating Reserve Allocation - SB125		17,618,072	L	17,618,072	Addition to reserve
Total Uses of Funds	<u>1,500,876,247</u>			<u>\$ 890,046,847</u>	
Excess of Revenues Over Expenditures	472,423,717				
Fund Balances - Beginning of Year	8,652,807,101				
Prior Period Adjustment	(15,486,151)				
Fund Balances - End of Year	<u>\$ 9,109,744,667</u>				



San Francisco Bay Area Rapid Transit District
Reconciliation of Operating Results between Audited Financial Statements and Operating Budget
For the Fiscal Year Ended June 30, 2025

	<u>Total Per Audit Report</u>	<u>Budgetary Adjustments</u>	<u>Actual Results Per Operating Budget</u>
Sources of Funds			
Operating and Non Operating Revenue			
Fares	\$ 243,923,945		\$ 243,923,945
Other Operating Revenues	38,138,544	\$ 477,436 a	38,615,980
Investment Income	59,537,692	(16,880,476) c	37,051,630
		(2,747,352) a	
		(123,505) d	
		(2,734,729) k	
Total Operating and Non Operating Revenue			319,591,556
Transactions and Use Tax - Sales Tax	317,276,070		317,276,070
Property Tax	239,695,008	(173,106,774) b	66,588,234
Operating Financial Assistance	192,539,138	(5,948,151) d	
Total Operating Financial Assistance		(186,590,986) m	
STA Financial Assistance		36,038,305 m	36,038,305
VTA Financial Assistance		46,142,421 m	46,142,421
Other Financial Assistance		46,198,765 m	46,198,765
SB125 - Emergency Assistance		58,211,496 m	58,211,496
Capital Contributions	882,189,568	(882,189,568) e	-
Total Sources of Funds for Operations	<u>1,973,299,965</u>		<u>\$ 890,046,847</u>



San Francisco Bay Area Rapid Transit District
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	<u>Total Per Audit Report</u>	<u>Budgetary Adjustments</u>	<u>Actual Results Per Operating Budget</u>
Uses of Funds			
Operating Expenses Excluding Depreciation	1,045,125,079	8,368,114 f	
		8,001,761 a	
Total Operating Expenses Excluding Depreciation		(1,061,494,954) m	
Labor Expense		801,997,760 m	801,997,760
Non-Labor Expense		259,497,194 m	259,497,194
Depreciation and amortization	350,356,363	(350,356,363) g	-
Planning & Studies Expense	6,114,854	(6,114,854) h	-
Interest Expense	99,279,952	(97,281,857) i	(0.0)
		(1,998,095) a	
Other Operating Sources (Uses)			
Debt Service Allocations		60,163,276 j	60,163,276
Allocations to Capital & Other			
Allocations to Capital		3,413,932 j	
Other Allocations		21,180,526 j	24,594,458
Operating Reserve Allocation - ARPA		(273,823,913) L	(273,823,913)
Operating Reserve Allocation - SB125		17,618,072 L	17,618,072
Total Uses of Funds	<u>1,500,876,247</u>		<u>\$ 890,046,847</u>
Excess of Revenues Over Expenditures	472,423,717		
Fund Balances - Beginning of Year	8,652,807,101		
Prior Period Adjustment	(15,486,151)		
Fund Balances - End of Year	<u>\$ 9,109,744,667</u>		



Legend:

- a GASB adjustments related to leases , SBITA and Public Private Partnership (PPP) arrangements.
- b Property tax received for debt service of General Obligation Bonds.
- c Interest Income from non-operating sources mostly from unspent bond proceeds and from funds set aside for debt service.
- d Non Cash related sources/uses not accounted for in the General Fund for budgeting purposes.
- e Non-operating grants revenues.
- f GASB adjustments related to pension and other post employment obligations.
- g Depreciation and right of use amortization expense for leases and SBITA presented in financial statements as part of depreciation; these expenses are not accounted for in the General Fund as operating expense for budgeting purposes.
- h Considered as non-operating expense.
- i Interest expense associated with sales tax revenue bonds, general obligation bonds, and TIFIA Loan.
- j These are budgetary sources and uses recognized only in the General Fund.
- k Investment Income from Section 115 Pension Trust excluded from operating sources in the EDD.
- L Reclassify presentation of Utilization of Operating Reserves from the Emergency Assistance.
- m Redistribution of total.

Questions?

