

**Bay Area Toll Authority
Oversight Committee**

January 8, 2025

Agenda Item 4f-25-0111

Fiscal Year (FY) 2024-25 Bay Area Toll Authority (BATA) Statement of Revenues and Expenses for the Period Ended November 30, 2024 (Unaudited)

Subject:

Statement of revenues and expenses for the period ended November 30, 2024 (unaudited)

Background:

The Bay Area Toll Authority manages the electronic toll revenues collected from the Bay Area's seven bridges owned by the California Department of Transportation (Caltrans). BATA also manages FasTrak[®], which is the electronic toll payment system for the bridges and express lanes. Caltrans is responsible for the operation and maintenance of these bridges.

The Statement of Revenues and Expenses has been prepared in accordance with the generally accepted accounting principles (GAAP). The columns have been designed to provide an easy comparison of current year-to-date actuals to the prior year-to-date actuals, including dollar and percentage variances.

Operating Revenue:

Regional Measures (RM) 1, 2, and 3 are tolls on the state-owned bridges to finance specific bridge and roadway improvements and transportation projects. Year-to-date toll revenues collected were \$351.5 million, which was about \$12.5 million more than the prior year-to-date actual. The increase in revenues was driven by an increase in paid traffic across the Bay Area bridges.

Violation revenues and other revenues collected were \$16.5 million, which was \$8.6 million more than the prior year-to-date actual violation revenues and other revenues. Higher violation revenues in FY 2025 were attributed to DMV hold revenues as BATA resumed the DMV hold process in November 2023.

Operating Expenses:

As of November 30, 2024, Operating Expenses were \$58.8 million, which was a \$12.2 million increase compared to the prior year-to-date actual. Higher operating expenses in FY 2025 were driven by an increase in DMV hold fees and timing differences in expenses booked.

Non-Operating Revenues and Expenses:

As of November 30, 2024, Total Non-operating Revenues (Expenses) were (\$81.1 million), which was \$17.2 million less than non-operating expenses in the prior year-to-date actual. The decrease in net expenses was mainly due to more investment income from additional funds invested. This increase in investment income was partially off-set by the accounting for unrealized losses on investments in FY25. In previous years, BATA would perform a revaluation of long-term investments annually at year-end. In FY 2025, BATA started to track all investments by market value, which required a one-time adjustment as of July 1, 2024. Some of BATA's investment securities were purchased when interest rates were close to zero percent. With interest rate increases, the market value of these securities are less than book value. There are no current plans to sell these securities prior to their maturity, and no losses would be recognized if the securities are held to maturity.

Contributions and Transfers:

As of November 30, 2024, Total Contributions and Transfers were \$94.7 million, an increase of \$9.2 million compared to the prior year-to-date actual. The increase in transfers were primarily attributed to a one-time transfer of \$7.5 million to the MTC for an ERP system implementation and a timing difference in BATA's 1% transfer to MTC. In FY 2024, the 1% and additional 1% transfer for Q2 was completed at the end of Q2 FY 2024. This increase was slightly offset by reduced transfers to capital funds in FY25.

Budget & Forecast Updates:

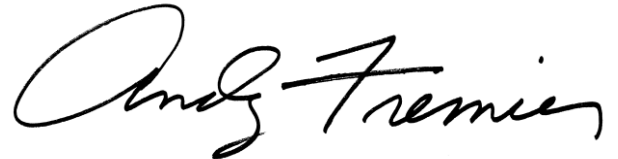
FY 2024-25 total operating expenses are currently projected to be within budget.

Recommendations:

None. Information only.

Attachments:

- Attachment A: BATA Statement of Revenues and Expenses for the Period Ended November 30, 2024 (unaudited)

A handwritten signature in black ink, reading "Andrew B. Fremier". The signature is written in a cursive, flowing style.

Andrew B. Fremier