

**Bay Area Toll Authority
Oversight Committee**

November 13, 2024

Agenda Item 5d-24-1503

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

Subject:

Statement of revenues and expenses for the period ended September 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 \$212.1 million, which was about \$3.9 million more than the prior year-to-date actual. The increase in revenues was driven by a slight increase in paid traffic across the Bay Area bridges.

Violation revenues and other revenues collected were \$10.5 million, which was \$5.4 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 September 30, 2024, Operating Expenses were \$20.7 million, which was a \$308,000 increase compared to the prior year-to-date actual. Higher operating expenses in FY 2025 were driven by an increase in DMV hold fees.

Non-Operating Revenues and Expenses:

As of September 30, 2024, Total Non-operating Revenues (Expenses) were (\$33.8 million), which was \$26.7 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 September 30, 2024, Total Contributions and Transfers were \$59.0 million, an increase of \$2.7 million compared to the prior year-to-date actual. The increase in transfers was attributed to a one-time transfer of \$7.5 million to the MTC for an ERP system implementation. This increase was off-set by reduced transfers to capital funds in FY25.

Budget & Forecast Updates:

At the end of the first quarter of FY 2024-25, BATA has total toll revenue of \$212 million or 24% of the full year budget of \$884 million. Paid traffic was up by 2% over the same period last year. Violation revenue collected was \$10.3 million or 51% of its approved budget of \$20.4 million. DMV holds for suspended violations that were not sent during the COVID-19 pandemic but resumed collections in November 2023 resulted in this increase in revenue.

Investment income of \$56 million at 88% of the adopted budget, improved total revenue performance. Interest and investment yields continue to be higher than what had been assumed in the budget. Reimbursement revenue from agencies that use the FasTrak toll collection system generated \$3 million of revenue which is 14% of the approved budget. The revenues from

Alameda County Express Lanes (EL) and San Mateo 101 EL were in line with budget assumptions while the revenue from VTA 237 EL and the Golden Gate Bridge was trending low.

Total expenses and transfers were \$188 million or 18% of the approved budget. Historically, expenses in the first quarter of the fiscal year are low as there is a one month lag in vendor invoices.

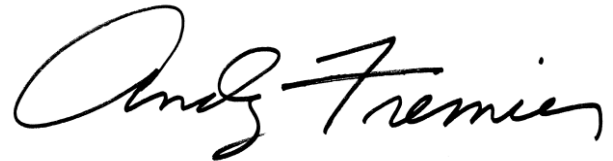
The resulting net surplus before depreciation was \$109 million. This is high at the beginning of the fiscal year. Large expenses included in the budget are not incurred until later months.

Recommendations:

None. Information only.

Attachments:

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



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