

REVISED AS OF 5/27/2025

Metropolitan Transportation Commission

mGO. Third-party Independent Review

May 28, 2025

Agenda

- 01** MGO Team Introductions
- 02** Project Overview and Objectives
- 03** Methodology
- 04** Shortfalls Analysis
- 05** Fair-share Methodologies
- 06** Appendix - Additional Detail

Your MGO Team



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Project Overview

Objective

Perform a third-party review of projected budget deficits for specific Bay Area transit operators, including AC Transit, BART, Caltrain, Golden Gate, and SFMTA; and conduct fair-share analysis for select agencies (e.g., BART and Caltrain). The review is meant to provide transparency, document financial information, and reporting of operating deficits across the operators, and information on potential fair-share allocation methodologies.

Period Reviewed

Actual Financial Results – FY 19 to FY 24

Projected Financial Results – FY 25 to FY 30

Methodology

Information Request & Review

- Requested and reviewed operators' financial performance and projections:
 - ACFRs
 - Budgets
 - Financial Forecasts
 - Board Presentations

Interviews

- Conducted nine interviews with operators related to shortfalls projections
- Conducted five interviews with MTC staff related to shortfalls and primarily fair-share
- Conducted two interviews with relevant operators related to fair-share

Analysis

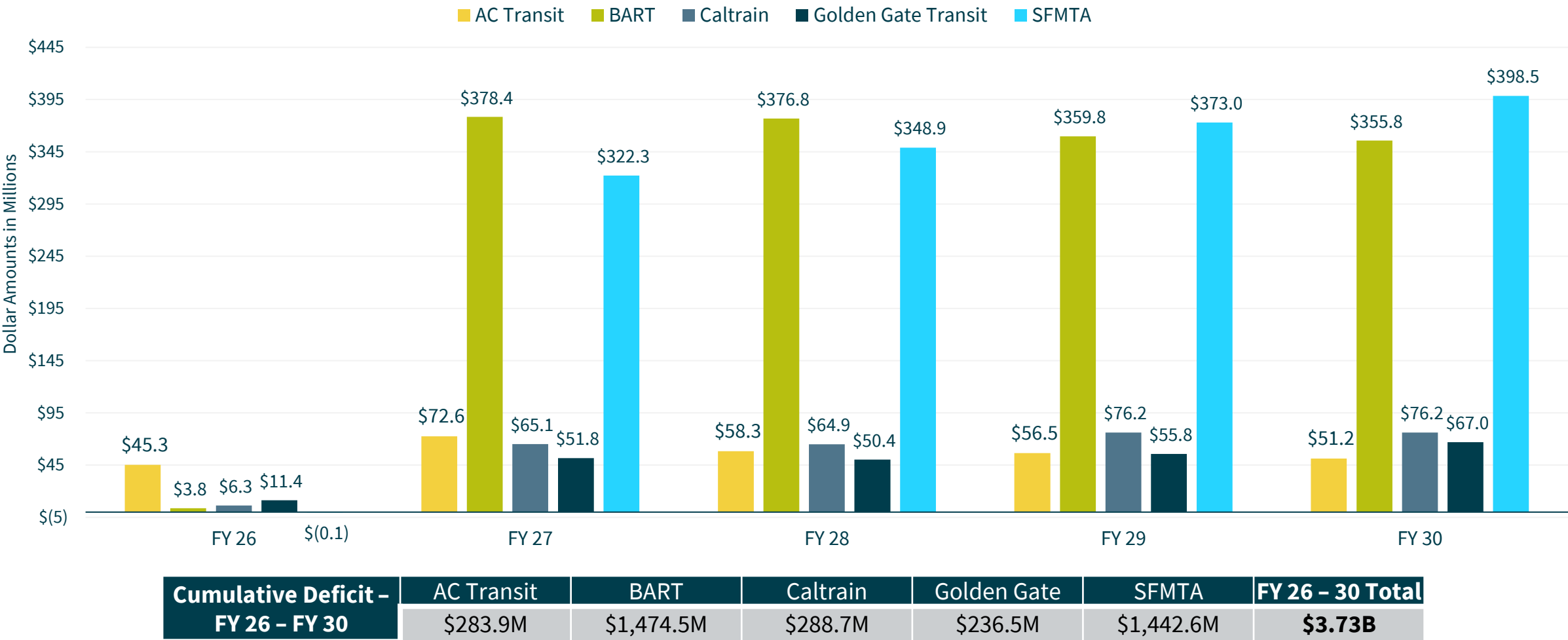
- Analyzed shortfalls and financial assumptions, including:
 - Reserves
 - Capital transfers
 - Cost-saving/revenue-generating actions, etc.
- Analyzed fair-share approaches
 - Assessed existing methodologies and reviewed current agreements
 - Conducted research

Reporting

- Issued interim shortfalls report
- Issued fair-share methodologies report
- Final reporting will include:
 - Shortfalls
 - Fair-share
- Final presentations to stakeholders

Shortfalls

The anticipated cumulative, collective deficit across operators from FY 26 to FY 30 is estimated to reach \$3.73B. **From FY 27 – FY 30, the period with the largest shortfalls, the cumulative deficit is projected at \$3.66B, averaging \$915M annually over the four-year period.**

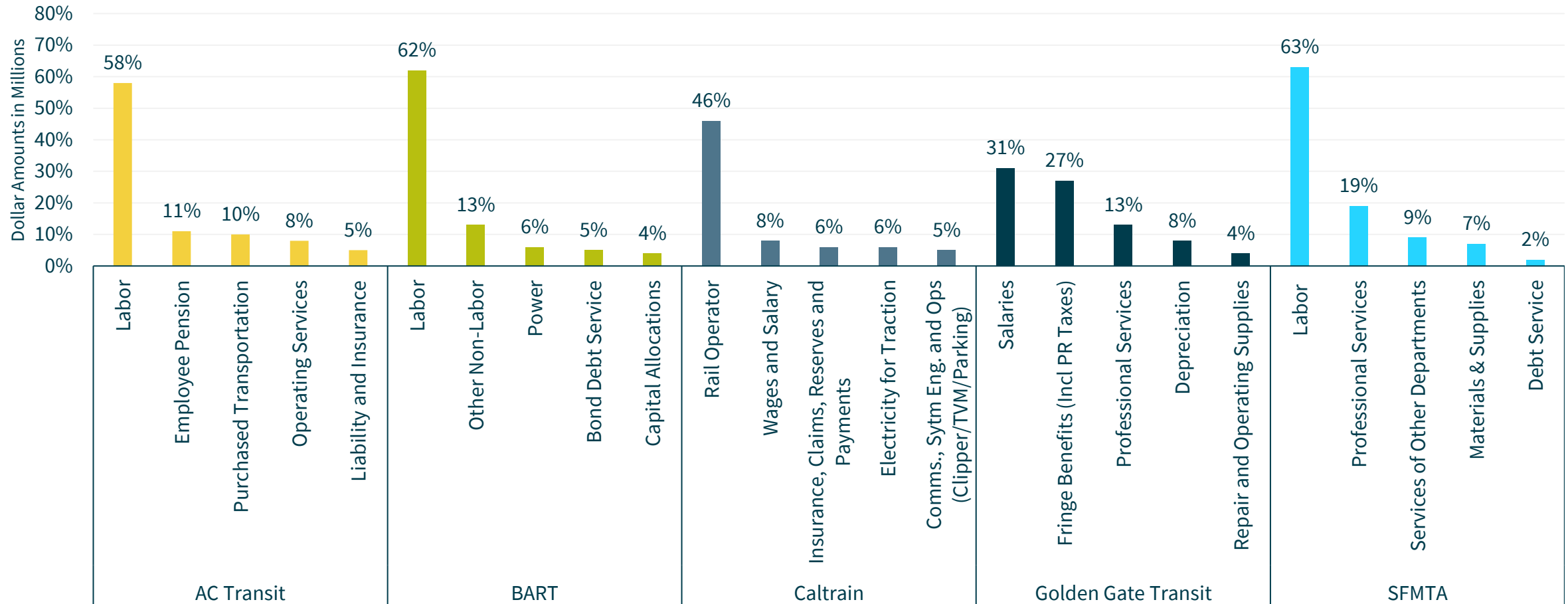


Key Deficit Drivers

#	Cause	Description of Cause
1	Decrease in ridership	The decline in revenue is attributable to the reduction in both ridership and farebox revenue across all operators. Operators will likely continue to grapple with this issue through FY 30 and beyond. As a result, operators are currently evaluating options, including fare increases and adjustments to service, to mitigate the financial challenges.
2	Increase in expenses	On average, operators are projecting an approximately 4% annual increase in expenses when comparing FY 30 to FY 19.
3	Wage and labor expenses	Wage and labor expenses remain amongst the largest expenditure for all operators, consistently accounting for more than 50% of annual expenses for each operator. Labor costs are projected to increase steadily, leading to overall expense growth.

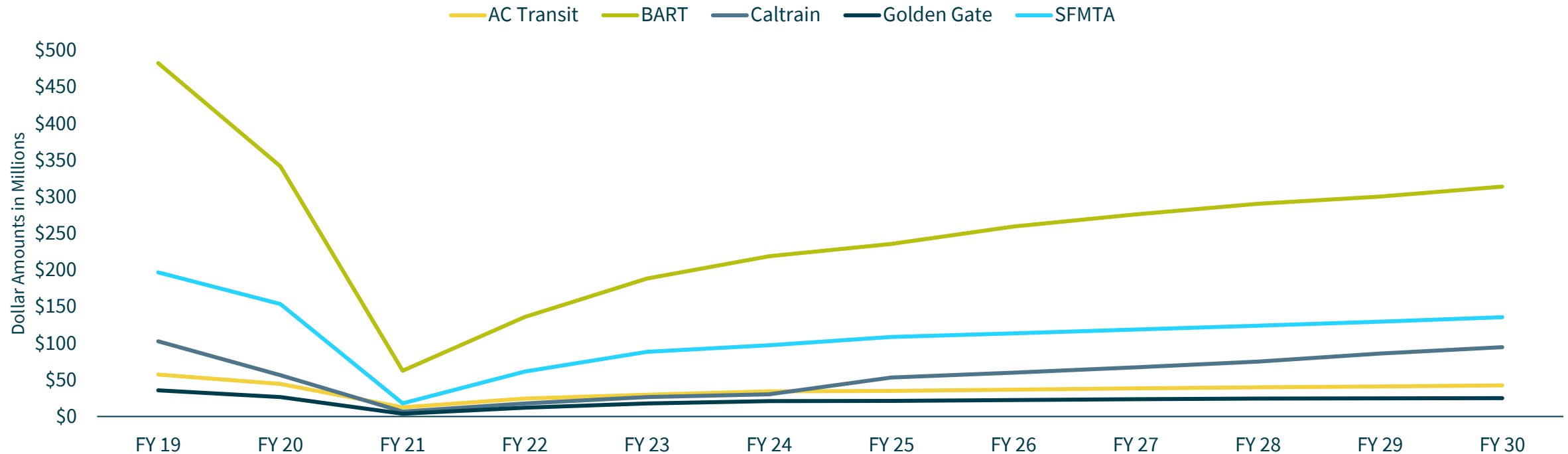
Comparison of Expense Drivers (FY 26)

The chart below compares the top five expenses for each of the operators in FY 26. While the labeling of items differ among operators, labor, wages, employee pensions, and benefits generally comprise the top expenses followed by other operating expenses for services.



Farebox Revenue

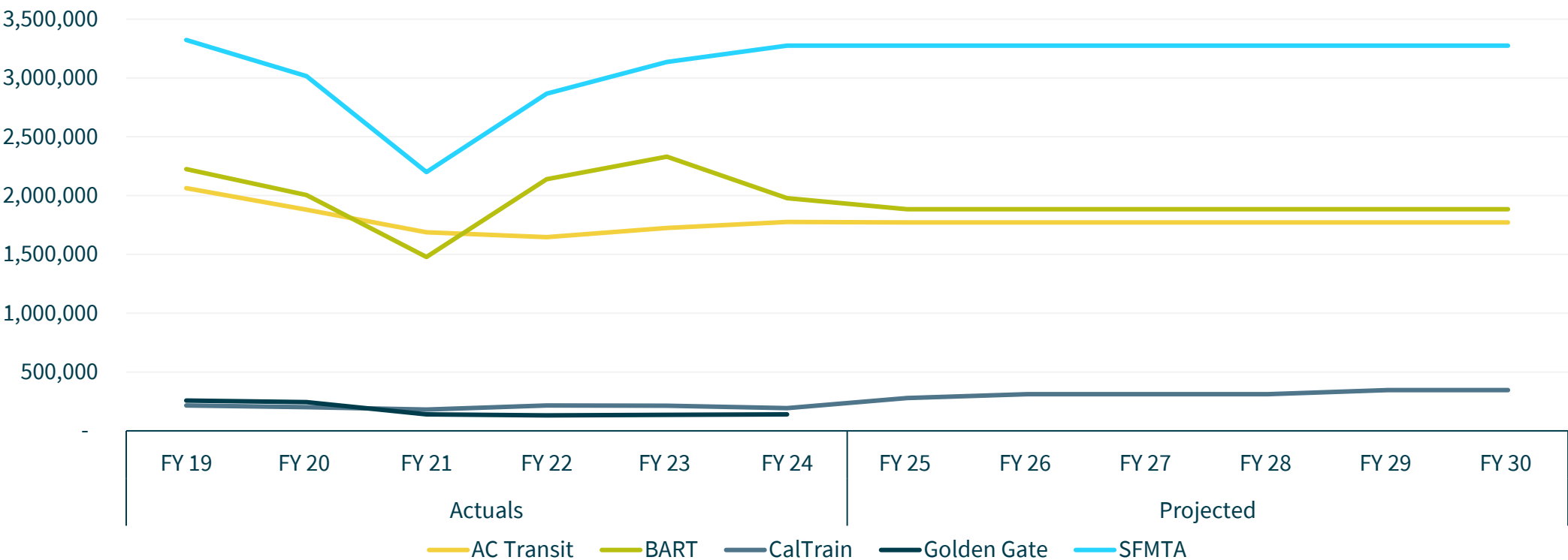
Farebox revenue experienced a significant decline due to the pandemic, prompting operators to strive towards regaining pre-pandemic revenue levels. However, collectively, the five operators anticipate their revenues to be, on average, 26% lower than their FY 19 figures by FY 30. It should be noted that each operator depends on farebox revenue at different levels to balance their budget.



	AC Transit	BART	Caltrain	Golden Gate Transit	SFMTA
FY 19	\$57.3	\$482.6	\$102.7	\$35.7	\$196.8
FY 30	\$42.4	\$313.9	\$94.8	\$25.1	\$135.5
Difference	-26%	-35%	-8%	-30%	-31%

Operator Vehicle Revenue Hours by Fiscal Year

Although ridership and revenue hours differ across operators, it is worth noting that the operators are forecasting average ridership growth from FY 26 to FY 30 of between 1.2%² and 10.1%. The line graph below shows the operator revenue vehicle hours.

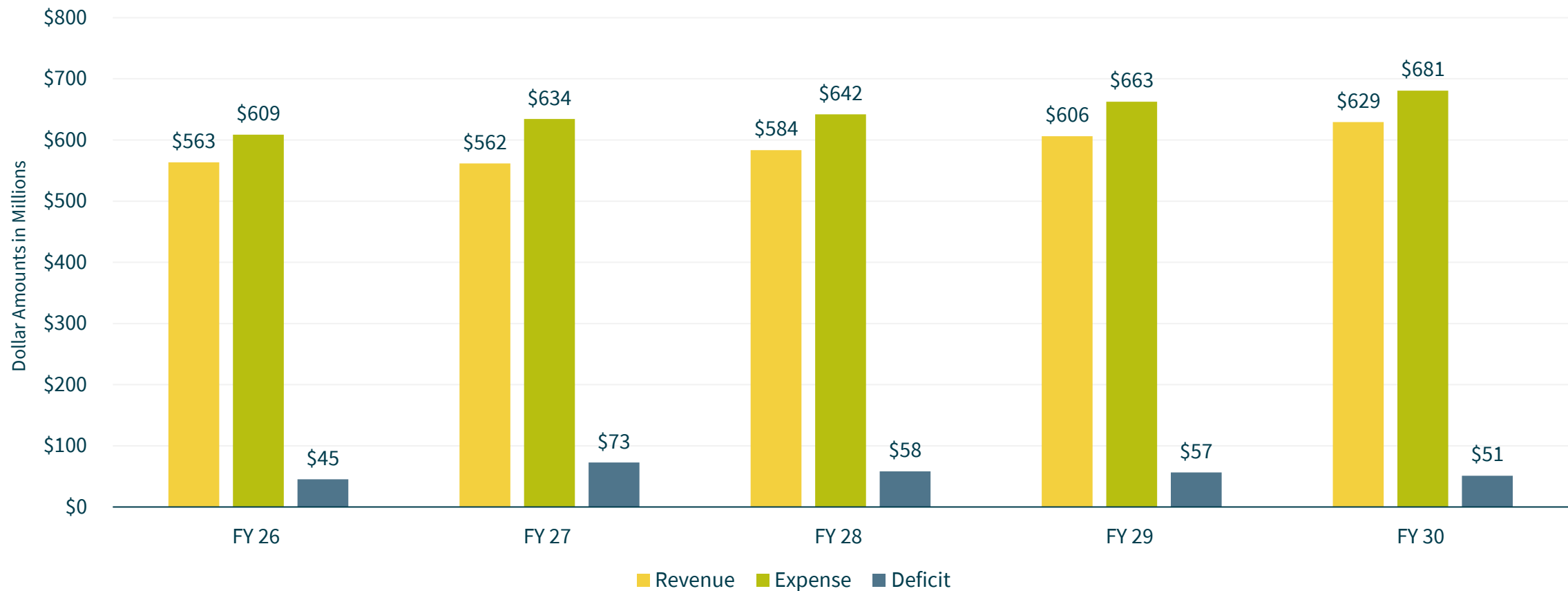


Average Ridership Growth FY 26 – FY 30	AC Transit	BART	Caltrain	Golden Gate Transit	SFMTA
	4.2%	3.2%	10.1%	N/A ¹	1.2%

¹ From FY26 to FY28, bus fares are projected to increase by 2.3% and ferry fares by 3%. From FY29 to FY29/30, the increases are expected to be 0.6% for buses and 0.8% for ferries.
² SFMTA plans to reduce service levels from 4.5% to 2.5%, effective July 2025. This planned reduction was not fully explained, and the timing of the information did not allow sufficient opportunity for verification with the operator in late May 2025. Data showed a 1.2% increase in ridership between FY 2026 and FY 2029; however, no ridership projections were provided for FY 2030.

AC Transit Revenue, Expenses, and Deficit

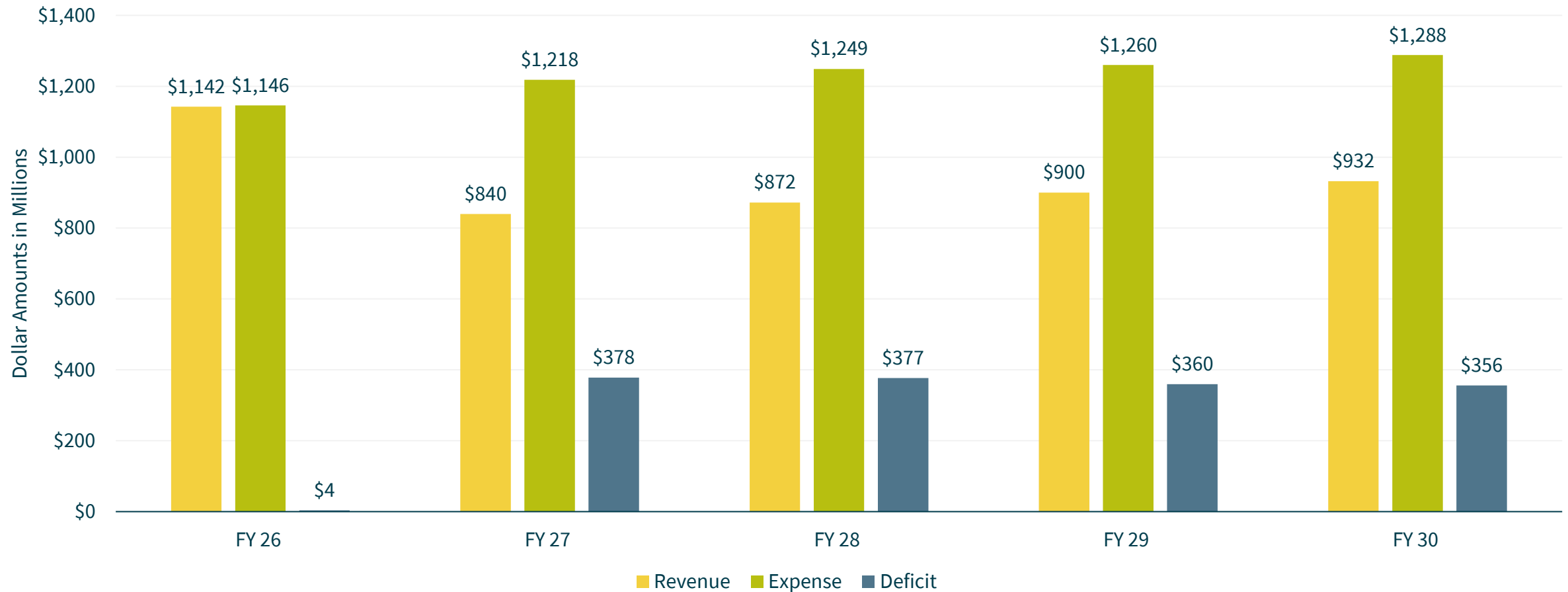
AC Transit projects a cumulative deficit of \$284M, or an annual average of \$57M, from FY 26 to FY 30. **Over the four-year period, FY 27 to FY 30, the cumulative deficit is \$239M, or an average of \$60M annually.**



Note: AC Transit’s financial model shows a net operating surplus of \$221.3 million for the FY 19 through FY 25 period which was partially allocated toward District Capital payments, operating and capital reserves, and OPEB pre-funding, with remaining funds held in working cash accounts. According to the operator, this approach has resulted in a larger-than-usual working cash balance, which for AC Transit is essential for managing cash flow fluctuations due to the timing of grant reimbursements and property tax receipts.

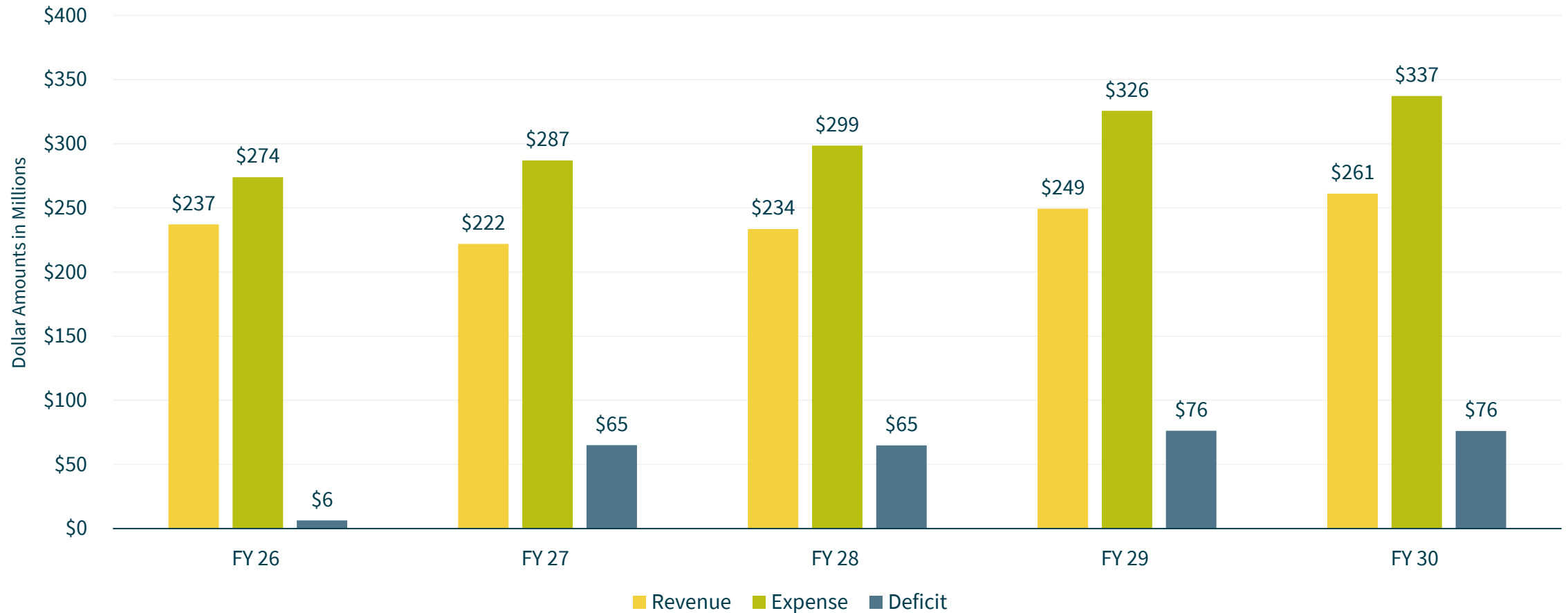
BART Revenue, Expenses, and Deficit

Over the four-year period, FY 27 to FY 30, the cumulative deficit is \$1.47B, or an average of \$368M annually.



Caltrain Revenue, Expenses, and Deficit

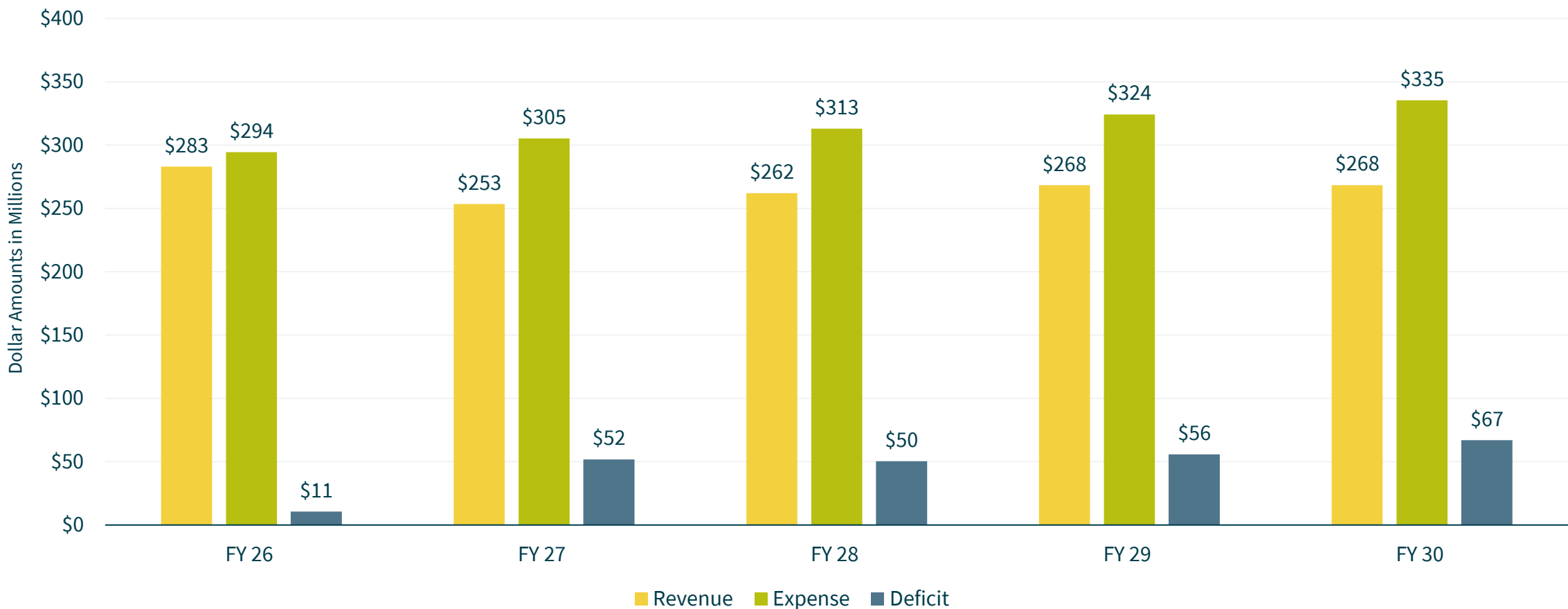
Caltrain projects a cumulative deficit of \$288M, or an annual average of \$58M, from FY 26 to FY 30.¹ **Over the four-year period, FY 27 to FY 30, the cumulative deficit is \$282M, or an average of \$71M annually.**



¹ In FY 26, Caltrain is utilizing its prior year fund balance of \$30.6 million to mitigate the FY 26 deficit, reducing it from \$36.9 million to \$6.3 million.

Golden Gate¹ Revenue, Expenses, and Deficit

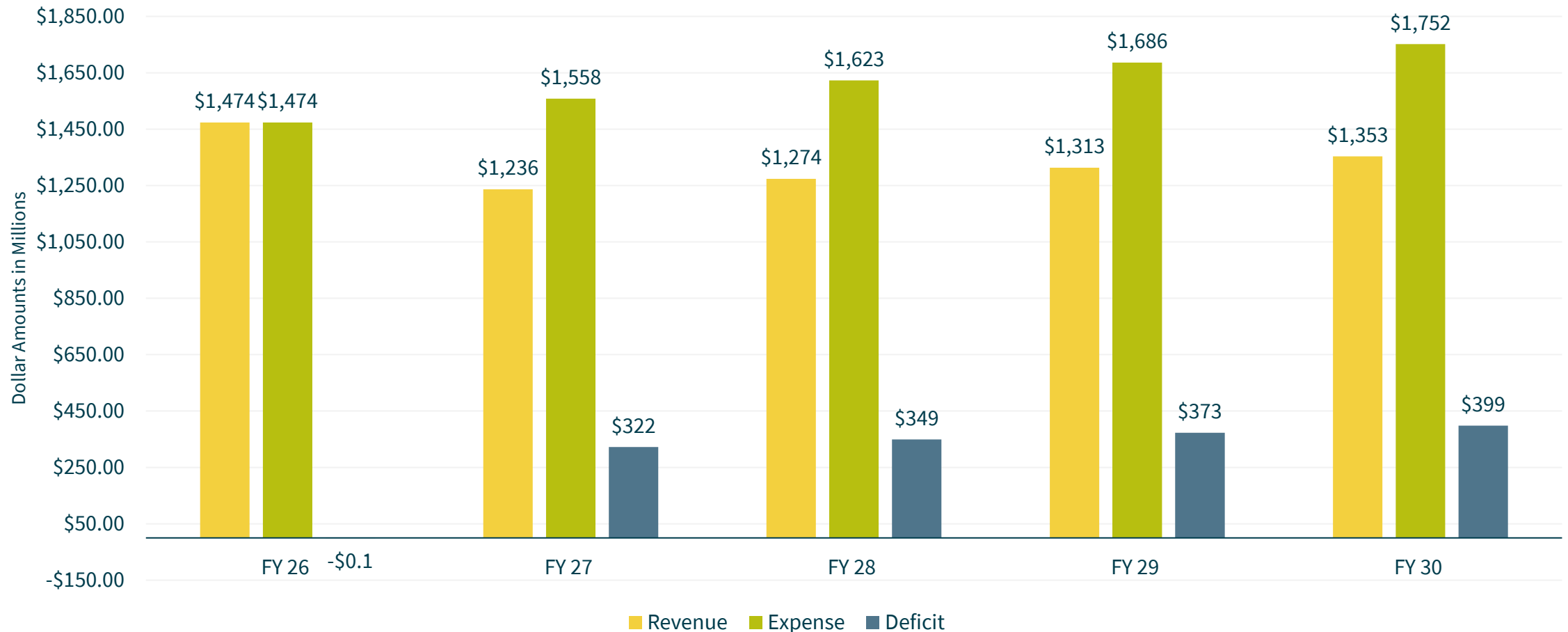
Golden Gate projects a cumulative deficit of \$236M, or an annual average of \$47M, from FY 26 to FY 30. **Over the four-year period, FY 27 to FY 30, the cumulative deficit is \$225M, or an average of \$56M annually.**



¹ Golden Gate’s financial data was not disaggregated to separate out transit-related from other revenues and expenses. As such, all information provided for Golden Gate refers to the entire agency (the Golden Gate Bridge, Highway, and Transportation District), unless otherwise noted.

SFMTA Revenue, Expenses, and Deficit

SFMTA projects a cumulative deficit of \$1.44B, or an annual average of \$288M, from FY 26 to FY 30. **Over the four-year period, FY 27 to FY 30, the cumulative deficit is \$1.44B, or an average of \$361M annually.**



Introduction – Fair Share Analysis

Engagement and Research Activities

Stakeholder consultations: engage with representatives from BART, Caltrain, and MTC

Agreement analysis: review pertinent agreements between operators and their respective counties

Industry research: conduct high-level research into fair-share methodologies used by other transit systems

Additionally, we identified three frameworks or approaches for developing a fair-share allocation methodology:

- A. Benefit-based
- B. Ability-to-Pay
- C. Hybrid

BART: Existing Operating Contributions & Fair-Share Analysis

On the following slide, MGO applies illustrative examples of allocation methodologies based on the approximately \$378 million deficit projected for FY 27 (the first year after emergency relief funds run out). The methodology is not applied to the existing contributions made by the counties, which totals \$451 million for FY 24 (the most recent year for which we have actuals), and which are included for illustrative purposes. This is based on existing agreements for counties outside of the three-county BART district (appendix slides 35 and 36). The following table summarizes those contributions in FY 24. Contributions listed below reflect direct county contributions towards operating costs and do not include passenger paid fares or surcharges.¹

Fund Source (Amounts in Millions)	San Francisco	Alameda	Contra Costa	San Mateo	Santa Clara	Total
BART District Sales Tax	82	148	90	0	0	\$320
BART District Property Tax	21	26	18	0	0	\$65
VTA Assistance					47	\$47
Other Local Assistance	7	8		4		\$19
Total	\$110	\$182	\$108	\$4	\$47	\$451

Santa Clara County has not been included in the Third-Party Review's Fair Share Allocation Methodologies because the 2020 Operating and Maintenance Agreement between BART and VTA pertaining to the system extension in Santa Clara County, is such that any deficits incurred due to increased cost of operating the extension, or loss of passenger revenue attributable to the extension, are accounted for and paid for by VTA. Any proportion of the BART operating deficit attributable to the Santa Clara County extension has been, and will be going forward, covered by VTA as a function of their agreement with BART. The Agreement also covers VTA's capital responsibilities for the extension and the core BART system.

¹ For purposes of the analysis, all surcharges are counted under "fare revenues" and considered at a regional or system level.

BART: Allocation of Shortfalls & Fair-Share Methodologies

We outline three approaches below based on an allocation of \$378.3 million, which is the FY27 estimated shortfall, between the four participating counties.

Benefit Based: This approach allocates costs based on either **A.M. Boardings or All Day Boardings**, thereby approximating current usage and estimating future use by county residents.

County Ranges	San Francisco	Alameda	Contra Costa	San Mateo
	22 - 45%	35 - 45%	14 - 24%	6 - 10%

Ability-to-Pay Based: This approach allocates costs based on one of the following: **Property Tax Assessed Value, Population, or Sales Tax Base**. Property Tax and Sales Tax reflect businesses in the county, in addition to residents.

County Ranges	San Francisco	Alameda	Contra Costa	San Mateo
	18 - 25%	31 - 41%	21 - 27%	17 - 24%

Hybrid: This approach builds on the other two scenarios and allocates costs based on a 50/50 weighting of **A.M. Boardings or All Day Boardings and one of the following: Population, Property Tax Assessed Value, or Sales Tax Base**.

County Ranges	San Francisco	Alameda	Contra Costa	San Mateo
	20 - 35%	33 - 43%	17 - 25%	11 - 17%

Caltrain: Fair-Share Options

Caltrain staff have developed several options to allocate financial responsibility for the projected operating deficit. These options have been offered as tools to help foster discussions among JPB member agencies and their representatives. Discussion among JPB members include these options as well as additional historical and other considerations.

The various options include A.M. Boardings, All-Day Boardings, Measure RR, and Gilroy Service as factors in the allocation model. Some of these metrics were described in the Caltrain JPA and are currently under discussion with the Caltrain member agencies.

**The MGO team received the above language from Caltrain.*



Discussion and Questions

Your MGO Team

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AC Transit Assumptions & Context

Key Revenue Assumptions:

- Farebox revenue will gradually reduce from a 4.9% annual growth in FY 26 to a 3.0% growth in FY 29 and beyond.
- According to staff, the amount they receive through parcel tax funding remains stable so the assumption is an average of .25% annual growth.
- Sales tax (which includes funding from State Transit Assistance,¹ Transportation Development Act, Measure J, Measure BB, and AB 1107) will be reduced in FY 25 and FY 26 due to lower revenue forecasts. This in turn reduces the projected revenue in the following years.

Key Expense Assumptions:

- In general, AC Transit assumes a 3.0% overall inflation rate for FY 25 and FY 26, which is reduced to 2.0% for the period through FY 30.
- Purchased Transportation costs increased in FY 24 and again in FY 25 as a result of the signing of a new contract for ADA and related services and will continue to remain at approximately 10.0% of operating expenses from FY 26 through FY 30.
- Liability and insurance primarily covers insurance premiums and insurance claims paid. AC Transit projects these expenses to increase in the coming years due to natural disasters and recent significant bus-involved accidents. FY 26 is projected to increase 20%, FY 27 10%, FY 28 7%, and 5% through FY 30.

¹ Due to how budgetary information from operators was provided to MGO, some line-items are not broken out comparatively and our team was unable to fully distinguish differences in

AC Transit Financial Overview

#	Factor	Description
1	Property, parcel and sales taxes (<i>STA taxes included</i>) ¹	Property tax grows at 3.4% annually in FY26 and 4.3% after. Parcel tax remains relatively consistent and is assumed to average .25% annual growth. Sales tax peaked at \$294 million in FY 24 before a projected decline through FY 27.
2	Farebox	Farebox revenue is projected to grow steadily between 3% and 5% annually from FY 26 through FY 30; however, at its peak (in FY 30), it is projected to account for 74% of FY 19 revenue.
3	Federal emergency assistance	In FY 25, federal emergency funding is projected to be depleted. This accounts for 8% (\$45 million) of revenue.

Top 5 Revenue Sources – FY 26	Revenue Source	Total Revenue	Percentage of Total Revenue
	Sales Taxes	\$261 million	46%
	Property and Parcel Tax	\$200 million	35%
	Farebox	\$37 million	7%
	Emergency Assistance (State) ²	\$21 million	4%
	Other Operating Revenues	\$18 million	3%

Top 5 Expense Categories – FY 26	Expense Source	Total Expenses	Percentage of Total Expenses
	Labor	\$351 million	58%
	Employee Pension	\$65 million	11%
	Purchased Transportation	\$58 million	10%
	Services	\$50 million	8%
	Liability and Insurance	\$29 million	5%

1 Due to how budgetary information from operators was provided to MGO, some line-items are not broken out comparatively and our team was unable to fully distinguish differences in funding.

2 Includes RM2, RM3 / SB 125 funding.

BART Assumptions & Context

Federal and state relief revenue is expected to be fully expended by FY 26 and is projected to contribute approximately 29% of total revenues in FY 25. The exhaustion of this revenue source contributes significantly to the budget deficits projected for FY 27 through FY 30. BART has annually adjusted fares slightly below inflation according to a schedule established in 2006. They plan to continue this approach into the future.

Key Revenue Assumptions:

- When developing the projection for total farebox revenue for FY 26 through FY 30 (\$1,440M, or average annual revenue of \$288M), BART forecasts ridership growth based on monthly projections through FY 27 (FY 26 10%, FY 27 6.0% annual growth rate), then utilizes annual ridership data to project total farebox revenue after FY 27 (FY 28 3.3%, FY 29 2.7%, FY 30 2.5% annual growth rate).
- Sales tax is projected to increase annually between 2.7% to 3.5% from FY 26 (\$318.5 million) through FY 30 (\$362.3 million). Note that AC Transit projects a decrease in sales tax in FY 25 and FY 26.
- Property tax is projected to increase in all years, excluding FY 25 to FY 26. Overall, revenues will increase from FY 26 (\$65.9M) through FY 30 (\$72.7M).

Key Expense Assumptions:

- The wage projection is based on the growth rate established for the employee's union classification.
- For pension expenses, the unfunded accrued liability (UAL) forecast is based on a CalPERS valuation report (July 2024) and Other Post-Employment Benefits (OPEB) projections are based on Foster and Foster's actuarial report from 2024.
- Other non-labor expenses assume little growth (except a 7.3% growth in FY 27) and are expected to be at relatively steady levels from FY 27 through FY 30.

BART Financial Overview

#	Factor	Description
1	Ridership and farebox revenue	Total farebox revenue was \$483M in FY 19 and is projected to be \$235M in FY 25. Despite expected growth from FY 26 to FY 30 (of 4.8% annually), farebox revenue in FY 30 (\$314M) is projected to be less than that in FY 19.
2	Federal emergency assistance	Emergency funding began in FY 20 and ends in FY 26. This amounts to an annual reduction of \$308M in revenue, representing 27% of total projected revenue in FY 26, from FY 27 onward.
3	Operating expenses and labor	Total operating expenses are projected to increase 3.0% in FY 26, then an average 3.0% annually from FY 27 to FY 30. Labor costs are expected to increase 2.6% in FY 26, then an average 3.2% annually from FY 27 to FY 30.

Top 5 Revenue Sources - FY 26	Revenue Source	Total Revenue	Percentage of Total Revenue
	Sales Tax	\$318 million	28%
	Emergency Assistance (State)	\$308 million	27%
	Farebox	\$259 million	23%
	Property Tax	\$66 million	6%
	State Transit Assistance	\$42 million	4%
Top 5 Expense Categories – FY 26	Expense Source	Total Expenses	Percentage of Total Expenses
	Labor	\$712 million	62%
	Other Non-Labor ¹	\$144 million	13%
	Power	\$65 million	6%
	Bond Debt Service	\$60 million	5%
	Capital Allocations	\$46 million	4%

1 Includes Clipper vending and bank fees, insurance, materials and supplies, professional and technical fees, repairs and maintenance, rent, traction power, ADA paratransit, purchased transportation, utilities, and other miscellaneous costs.

Caltrain Assumptions & Context

In 2024, Caltrain transformed the entire system with new electrical infrastructure, trains, and signal systems. Caltrain's projected 5-year deficit is modeled on an assumed increase in services predicated on a peak-service expansion required by a federal full funding grant agreement (FFGA) for this project.

Key Revenue Assumptions:

- Measure RR revenue projections are projected to grow at a rate of 2.5% annually from FY 26 through FY 30.
- Farebox revenue is projected to grow by an annual average of 11.9% from FY 26 through FY 30.
- Caltrain is planning to increase fares by 4.0% to 5.0% from FY 26 through FY 29 and 3.0% annually thereafter. The last fare increase implemented by Caltrain was in October 2017.

Key Expense Assumptions:

- Rail Operator Cost is projected to grow by an average rate of 7.0% from FY 26 through FY 30.

Caltrain Financial Overview

#	Factor	Description
1	Ridership and farebox revenue	Farebox revenue was \$102.7 million in FY 19, and has since dropped to \$46.9 million (45.7%) in FY 24. Caltrain projects annual growth in total ridership to increase on average 10.1% annually from FY 26 to FY 30 and farebox revenue to increase by an average of 12.3% annually over the same period.
2	Reduction in operating grants	From FY 26 to FY 27, a 6.4% reduction in revenue occurs, resulting primarily from the expending in FY 26 of one-time emergency assistance funds through SB 125 of \$25.4 million.
3	Total operating expenses	From FY 26 to FY 30, total operating expenses are expected to increase by an average of 5.4% annually, with the most significant increases in Rail Operator (\$39M increase when comparing FY 26 to FY 30).

Top 5 Revenue Sources – FY 26	Revenue Source	Total Revenue	Percentage of Total Revenue
	Measure RR	\$124 million	52%
	Farebox	\$61 million	26%
	Emergency Assistance (State)	\$25 million	11%
	Operating Grants	\$12 million	5%
	Other Operating Revenue	\$8 million	3%
Top 5 Expense Categories – FY 26	Expense Source	Total Expenses	Percentage of Total Expenses
	Rail Operator	\$125 million	46%
	Wages and Salary	\$21 million	8%
	Insurance, Claims, Reserves and Payments	\$17.7 million	6%
	Electricity for Traction	\$17.6 million	6%
	Communications, System Engineering and Operations (Clipper/TVM/Parking)	\$14 million	5%

Golden Gate Assumptions & Context

Key Revenue Assumptions:

- Golden Gate's main revenue source is bridge tolls and transit fares, which combined are projected to account for between 67% and 83% of total revenues for the FY 26 to FY 30 period. Golden Gate projects between 5.0% and 6.0% growth year over year through FY 29 in bridge toll revenues (and no growth forecasted for FY 30 or beyond), and between a 1.0% and 4.0% increase in transit fare revenue over the same period.
- Local funds (from the MCTD Contract) are expected to increase at 3.0% each year for FY 27 and FY 28, then remain steady through FY 30.

Key Expense Assumptions:

- Salary costs which account for approximately 30.5% of expenses, and which are projected to grow 3.6% in FY 27, then remain at 2.2% growth through FY 30.
- Fringe benefits, which account for approximately 27.4% of expenses, and are projected to grow between 3.4% and 5.5% over the next five-year period.
- Depreciation accounts for between 8.4% and 10.7% of expenses and is expected to grow between 2.0% and 15.5% from FY 26 through FY 30, likely due to the completion of capital projects – and totaling \$150.0M over this period. It should be noted that Golden Gate was the only operator to account for depreciation costs in their projections.

Golden Gate Financial Overview

#	Factor	Description
1	Bridge tolls and transit fare	Account for 79% of annual revenue from FY 26 to FY 30. However, the average annual revenue increase declines each year: from 5.8% in FY 27 to 0% in FY 30 for bridge tolls, and from 4.4% in FY 27 to 1.1% for transit fares.
2	Depreciation expenses	Depreciation accounts for 10% of all expenses from FY 26 – FY 30. This is projected to reach \$36 million in FY 30, up from \$13 million in FY 24. Golden Gate was the only operator to include depreciation in their model, totaling \$150 million from FY 26 to FY 30.
3	Reductions to investment income	FY 24 reported \$21.5 million in investment income. From FY 24 to FY 28 there was an average drop of 36% year after year before projecting \$0 beginning in FY 29.

Top 5 Revenue Sources – FY 26	Revenue Source	Total Revenue	Percentage of Total Revenue
	Bridge Tolls	\$168 million	59%
	Emergency Assistance (State and Federal)	\$38 million	13%
	Federal/State/Local Funds	\$25 million	9%
	Farebox	\$22 million	8%
	MCTD Contract Funds	\$12 million	4%

Top 5 Expense Categories – FY 26	Expense Source	Total Expenses	Percentage of Total Expenses
	Salaries	\$89 million	31%
	Fringe Benefits (Incl PR Taxes)	\$80 million	27%
	Professional Services	\$37 million	13%
	Depreciation	\$24 million	8%
	Repair and Operating Supplies	\$11 million	4%

SFMTA Assumptions & Context

Federal and state relief revenue is expected to be fully expended by FY 26 and is projected to contribute approximately 17.2% of total revenues in FY 25. The exhaustion of this revenue source contributes to the budget deficits projected for FY 27 through FY 30.

Key Revenue Assumptions:

- City and County of San Francisco (CCSF) General Fund allocations account for 37.1% to 45.1% of revenues for FY 26 through FY 30. General fund contributions are projected to increase between 1.6% and 2.4% from FY 25 to FY 30, with slower growth anticipated in FY 26 and FY 27, and higher growth for FY 28 to FY 30.
- Parking revenue accounts for 17.4% and 22.6% of forecasted revenues for FY 26 through FY 30. Transit revenue accounts for 7.7% to 10% over the same period. These represent 4.5% average annual growth year over year for each revenue source, respectively.

Key Expense Assumptions:

- Labor comprises the largest expense category and is assumed to increase 3.8% in FY26, then 4.5% in FY25-26 and FY26-27 per executed labor agreements. Labor is assumed to increase in FY27-28 to FY29-30 consistent with existing labor agreements.
- Professional services are expected to increase 1.0% in FY 26, then 2.7% for each year through FY 30.
- Materials and supplies increases 6.0% in FY 26, then lowers to 2.7% for each year through FY 30.
- Service to other departments increases 5.7% in FY 26, then remains at 4.5% growth for each year through FY 30.

SFMTA Financial Overview

#	Factor	Description
1	CCSF General Fund	CCSF general fund is the highest revenue source, contributing to 37% of projected revenues in FY 26. This funding source is projected to grow at an average of 2.2% annually from FY 26 to FY 30.
2	Farebox and parking revenue	SFMTA anticipates farebox and parking revenues will comprise an average of 30.6% of annual revenue from FY 26 to FY 30 and are expected to grow approximately 4.5% annually.
3	Federal and state relief reduction	Emergency funding began in FY 20 and is projected to runout in FY 26. This amounts to an annual reduction of \$254M in revenue from FY 27 onward.
4	Labor costs	Labor costs are expected to increase 3.8% in FY 26, then 4.5% annually from FY 27 to FY 30.

Top 5 Revenue Source – FY 26	Revenue Source	Total Revenue	Percentage of Total Revenue
	General Fund	\$547 million	37%
	Parking Revenue	\$257 million	17%
	Emergency Assistance (Federal and State)	\$254 million	17%
	Operating Grants	\$240 million	16%
	Farebox ¹	\$114 million	8%

¹SFMTA financials label this source as Transit Revenue

Top 5 Expense Categories – FY 26	Expense Source	Total Expenses	Percentage of Total Expenses
	Labor	\$932 million	63%
	Non-Personnel	\$274 million	19%
	Services of Other Departments	\$131 million	9%
	Materials & Supplies	\$106 million	7%
	Debt Service	\$28 million	2%

Caltrain Historical Agreements, Continued

The following information pertains to Caltrain's primary agreements with San Mateo County Transit District, City and County of San Francisco, and Santa Clara County Transit District

Agreement	Year	Agreement Terms	Financial Contributions to Caltrain
Real Property Ownership Agreement	1991	<p>An agreement amongst Peninsula Corridor Joint Powers Board San Mateo County Transit District, the City and County of San Francisco, and the Santa Clara Transit District.</p> <ul style="list-style-type: none">• Allocate rights and obligations based on a Mileage Formula.• SamTrans contributed an Additional Contribution toward the purchase price of the ROW, which the parties agree to reimburse.• Operating expenses and Right of Way capital project costs shall be shared among the member agencies or borne by an individual member agency as provided in the JPA.• Revenues earned and used to support the operating budget to be used to reduce operating expenses as provided in the JPA.• For non-operating expenses and revenues comprising of the ROW, the responsibility shall be shared by the Member Agencies in accordance with the Mileage Formula.	Note: This was amended in 2008 (see below).
Amendment to Real Property Ownership Agreement	2008	<p>First Amendment to Real Property Ownership Agreement.</p> <p>MTC to facilitate reimbursement of the SamTrans' Additional Contribution, which was an advance provided by SamTrans for the purchase of ROW as follows:</p> <ul style="list-style-type: none">• \$43M from VTA funds.• \$10.3M from CCSF funds. <p>Expect to allocate in 2010-2012, and by 2018 latest.</p>	No additional funding. Amendment reimburses SamTrans for prior funding advanced.

Caltrain Historical Agreements

The following information pertains to Caltrain's primary agreements with San Mateo County Transit District, City and County of San Francisco, and Santa Clara County Transit District

Agreement	Year	Agreement Terms	Financial Contributions to Caltrain
Memorandum of Understanding	2022	<p>An MOU amongst Peninsula Corridor Joint Powers Board (JPB), Santa Clara Valley Transportation Authority, San Mateo County Transportation District (SMCTD), and the City and County of San Francisco</p> <ul style="list-style-type: none">Establishes staffing within SMCTD regarding Caltrain, either exclusively dedicated to Caltrain (Example: Executive Director) or shared between SMCTD and Caltrain (example: Human Resources). Includes which positions take direction from the JPB. States that the JPB and SMCTD will execute an agreement to govern shared services.States the JPB will document assets owned by the JPB.MTC and CCSF have agreed to pay SMCTD \$19.6M and \$200,000, respectively, for the outstanding balance owed pursuant to the 2008 RPOA.Once both are paid, SMCTD shall reconvey title to the ROW and ownership will vest with the JPB, SMCTD's rights are extinguished related to equity conversion and approval of real property transactions,SMCTD releases claims against CCSF and VTA under the RPOA and 2008 RPOA for SMCTD's payment of the Additional Contribution.CCSF and VTA shall pay SMCTD \$6,080,000 and \$9,120,000, respectively, totaling \$15.2M.The agreement defines timelines for the actions noted.	<p>MTC and CCSF have agreed to pay SMCTD \$19.6M and \$200,000, respectively, for the outstanding balance owed pursuant to the 2008 RPOA. On April 18, 2022, CCSF paid SMCTD the \$200,000 it agreed to pay. MTC shall make the remaining \$19.6M payment forthwith.</p> <p>CCSF and VTA shall pay SMCTD \$6,080,000 and \$9,120,000, respectively, totaling \$15.2M.</p>

BART Historical Agreements

The following information pertains to Caltrain's primary agreements with San Mateo County Transit District, City and County of San Francisco, and Santa Clara County Transit District

Agreement	Year	Agreement Terms	Financial Contributions to Caltrain
BART and SamTrans Comprehensive Agreement	1990	Between BART and SamTrans. Allocates responsibilities regarding the extension to SFO. Includes a commitment for payment of \$145M from net operating surplus from revenue operations on the SFO Extension to be used for Warm Springs Extension.	<p>\$145M from SamTrans per the agreement. The MGO team confirmed that the \$145 million was not contributed in FY 24, and BART staff have stated that this amount never came to fruition.</p> <p>Note: See Tables 22 & 23 for local contributions made in FY 24. The \$145 million was not contributed in FY 24.</p> <p>Note: was replaced by the 2007 agreement (MOU) between BART, SamTrans, and MTC.</p>
Memorandum of Understanding	1999	<p>MOU between MTC, BART and SamTrans for the SFO extension project.</p> <ul style="list-style-type: none"> Funding of \$198M provided follows: BART \$50M, SamTrans \$72M, and MTC \$76.5M (\$16.5M funding and \$60M loan). \$145M of net operating surplus by the SFO extension will fulfill balances due by SamTrans for SFO Project Cost and BART/Warm Springs capital contribution. Additional net operating surplus allocated proportionally to repay to BART (\$50M), SamTrans (\$72M), and MTC (\$16.5M). Relieves SamTrans of financial responsibility for operating deficits of SFO extension. Transfers property and operating responsibility to BART. 	<p>\$198.5M funding provided by three agencies, including a \$60M loan from MTC to BART that was repaid in full.</p> <p>Note: The 2007 agreement (MOU) between BART, SamTrans, and MTC rescinds the MOU.</p>
BART Federal Funds Approval	2006	Approves federal funds of \$80M to BART, which includes the \$60M BART was to use to repay the MTC loan.	No additional BART financing.
Loan Extension and Repayment Agreement	2006	Between MTC and BART. Provides a revised payment schedule for the \$60M loan. Payments to be made in FY 06 to FY 15.	<p>No additional BART financing.</p> <p>Note: The 2007 agreement (MOU) between BART, SamTrans, and MTC retains the Loan Extension and Repayment Agreement.</p>

BART Historical Agreements, Continued

The following information pertains to Caltrain's primary agreements with San Mateo County Transit District, City and County of San Francisco, and Santa Clara County Transit District

Agreement	Year	Agreement Terms	Financial Contributions to Caltrain
Agreement	2007	<ul style="list-style-type: none">Between MTC, BART and SamTrans.Addresses all of the outstanding issues arising from the Comprehensive Agreement between BART and SamTrans.Rescinds the 1999 Memorandum of Understanding amongst MTC, BART, and SamTrans.Retains the Loan Extension and Repayment Agreement between BART and MTC.MTC allocation to BART \$24M.SamTrans assigns to BART \$32M.MTC allocates to BART \$801,024 from SamTrans via MTC annually to fund deficit and to fulfill \$145M SamTrans commitment.SamTrans 25-year agreement commencing January 1, 2009, to allocate 2% of SMTA's one-half cent transactions and use tax, net, to BART for operating costs of the SFO extension.Surpluses of the SFO extension are used to meet the \$145M commitment.	<p>\$24M from MTC.</p> <p>\$32M from SamTrans.</p> <p>\$801,024 annually from SamTrans via MTC.</p> <p>2% of one-half cent transactions and use tax.</p>
Operating and Maintenance Agreement	2020	<ul style="list-style-type: none">An agreement between BART and Santa Clara Valley Transportation Authority (VTA).Relates to revenue operation of the extension and addresses ongoing operations and maintenance responsibilities, use of real property, payment of cost and funding.VTA is responsible for ongoing operating, maintenance and capital costs for operation of the extension and share of core system capital costsVTA to ensure a secure source of funds, initially Measure B sales tax.	<p>Actual costs of O&M and capital costs of the extension, plus a share of core system capital costs. Costs vary depending on actual expenses, FY24 operating costs net of offsetting fare revenue were approximately \$47 million, and \$29M for core system capital</p>