

**Bay Area Toll Authority
Oversight Committee**

February 11, 2026

Agenda Item 5e-26-0174

Fiscal Year (FY) 2025-26 Bay Area Toll Authority (BATA) Statement of Revenues and Expenses for the Period Ended December 31, 2025 (Unaudited)

Subject:

Statement of revenues and expenses for the period ended December 31, 2025 (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 fiscal year-to-date actuals to the prior fiscal 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 \$474.0 million, which was about \$55.6 million more than the prior year-to-date actual. The increase in revenues was driven by the \$1 RM3 toll increase that went into effect on January 1, 2025.

Violation revenues and other revenues collected were \$21.6 million, which was \$2.1 million more than the prior year-to-date actual violation revenues and other revenues. Higher violation revenues in FY 2025-26 were primarily attributed to an increase in DMV hold revenue.

Operating Expenses:

As of December 31, 2025, Operating Expenses were \$82.7 million, which was \$12.9 million more than prior year-to-date actual. Higher operating expenses in FY 2025-26 were primarily due to timing differences in several key areas. In FY 2024-25, the first RM3 Operating disbursement occurred in December, at the end of the second quarter. For FY 2025-26, allocations were approved earlier, allowing eligible disbursements to be processed in the first half of the fiscal year. This shift in timing accounts for the increase in allocations to other agencies. Timing related increases for Transbay JPA expenses and bank service charges also contributed to the higher operating expense total.

Non-Operating Revenues and Expenses:

As of December 31, 2025, Total Non-operating Revenues and Expenses resulted in a net expense of \$110.6 million, which was \$10.2 million more than non-operating expenses in the prior year-

to-date actual. The increase in net non-operating expenses was primarily attributed to higher interest expense due to new money debt issuance in FY 2024-25.

Contributions and Transfers:

As of December 31, 2025, Total Contributions and Transfers resulted in a net outflow of \$148.8 million, an increase of \$39.6 million compared to the prior year-to-date actual. This increase was mainly due to a \$47.3 million increase in transfers to capital funds, offset by last year's \$7.5 million one-time transfer to MTC for ERP implementation costs and timing differences in other transfers to MTC.

Budget & Forecast Updates:

BATA's financial results as of the second quarter ending December 31, 2025, reflect stable performance across major revenue and expenditure categories, with overall activity tracking within expected ranges. Midyear results for FY 2025-26 indicate that BATA remains on course to operate within its approved annual budget.

Revenue Performance

Total operating revenues reached \$495.6 million, denoting 48.9% of the approved budget at midyear. Toll revenues totaled \$474.0 million, or 48.1% of the budget, with RM1, RM2, and RM3 each slightly below a straight-line 50% spending benchmark but remaining consistent with typical midyear revenue trend. Toll violation revenues totaled \$21.4 million, or 73.5% of the budget, due to strong DMV hold collections.

Investment income totaled \$75.4 million, 72.8% of the budget, reflecting higher-than-anticipated investment yields. Other agency reimbursements for FasTrak[®] related fees averaged 43.8% of budget, indicating continued robust use of the FasTrak[®] lanes. The Build America Bonds (BAB) subsidy aligned with projections at \$31.0 million, or 50.0% of the budget.

Expenses and Transfers

Total operating expenses of \$82.7 million represent 27.3% of the budget, below midyear expectations largely due to invoicing and allocation timing. Major operating categories remained well below the 50% mark. RM2 and RM3 operating expenditures were both under the 50% mark, caused by lower spending that is tied to the timing of allocations to recipient transit agencies. RM2 expenses primarily reflect first quarter activities for Transbay Terminal and BART Inspector General contracts, as well as slower-than-anticipated RM2 marketing expenditures.

Debt service expenses, comprised of interest expenses, financing fees, and bond issuance costs totaled \$220.17 million or 36.8% of the budget, consistent with semiannual payment schedules.

Total transfers reached \$148.8 million, or 52.5% of the budget, slightly above the straight-line rate but aligned with midyear budget. Transfers reflect the full-year legal reserve contribution, routine administrative transfers to MTC, and regular transfers to the capital programs.

Net Operating Surplus

BATA delivered a strong second-quarter performance, generating a net operating surplus of \$153.6 million. Consistent with established year-over-year trends, this surplus is estimated to decrease in the second half of the fiscal year as vendor payments, transit allocations, and capital program transfers accelerate in line with planned spending.

Recommendations:

None. Information only.

Attachments:

- Attachment A – BATA Statement of Revenues and Expenses for the Period Ended December 31, 2025 (unaudited)



Andrew B. Fremier