

**Bay Area Toll Authority
Oversight Committee**

May 13, 2026

Agenda Item 5d-26-0564

**Fiscal Year (FY) 2025-26 Bay Area Toll Authority (BATA) Statement of Revenues and
Expenses for the Period Ended March 31, 2026 (Unaudited)**

Subject:

Statement of revenues and expenses for the period ended March 31, 2026 (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 prior fiscal year-to-date actuals, as well as to the current fiscal year-to-date budget, 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 \$712 million, which was about \$68.3 million more than the prior year-to-date actual. Revenue increased primarily due to toll rate adjustments, including a \$1 RM3 toll increase effective January 1, 2025, and a subsequent \$0.50 increase effective January 1, 2026.

Operating Expenses:

As of March 31, 2026, Operating Expenses were \$146.6 million, which was \$22.3 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, combined with the toll rate increases, accounts for the higher allocations to other agencies.

Non-Operating Revenues and Expenses:

As of March 31, 2026, Total Non-operating Revenues and Expenses resulted in a net expense of \$184.2 million, which was \$35.9 million more than non-operating expenses in the prior year-to-date actual. The increase in net non-operating expenses was attributed to higher interest expense due to new money debt issuance in FY 2024-25 and a \$21.3 million decrease in investment income compared to the same period last year. The current fiscal year's investment income was affected by a lower short-term yield environment due to Federal Reserve rate cuts. In addition, the geopolitical situation has led to an increase in interest rate volatility, which has negatively affected the portfolio's market value.

Contributions and Transfers:

As of March 31, 2026, Total Contributions and Transfers resulted in a net outflow of \$165 million, a decrease of \$14.5 million compared to prior year-to-date actuals. The change reflects reduced transfers to capital funds of \$10.8 million and a \$6.3 million decrease in ERP-related transfers to MTC, partially offset by a \$2.5 million increase in BATA's 1% transfer to MTC.

Budget & Forecast Updates:

BATA's financial performance through the third quarter of FY 2025-26 remains stable, with revenues and expenditures tracking within expected ranges. BATA continues to operate within its approved annual budget, with year-to-date activity consistent with historical patterns for this point in the fiscal year.

Revenue Performance

Total operating revenues reached \$746.2 million, representing 73.6% of the annual budget. Revenue categories continue to perform in line with expectations, supported by steady bridge traffic and favorable investment conditions.

Toll revenue collections totaled \$712.0 million, or 72.3% of budget. RM1, RM2, and RM3 revenues remain slightly below a straight-line benchmark but follow typical seasonal trends. Traffic volumes remain consistent with prior-year third-quarter activity. Toll violation revenues totaled \$32.8 million, or 112.9% of budget. DMV hold collections continue to drive strong performance, sustaining elevated recovery levels observed earlier in the fiscal year.

Investment earnings reached \$101.6 million or 98.1% of budget, reflecting investment earnings higher than those budgeted and strong cash balances. This category remains a key positive variance driver. FasTrak® reimbursements from partner agencies totaled \$11.3 million, or 68.9% of budget, consistent with stable FasTrak® usage and transaction volumes. The Build America Bonds (BABs) subsidy totaled \$46.3 million, or 74.7% of budget, aligning with expectations.

Expenses and Transfers

Total operating expenses were \$146.6 million, representing 48.1% of the annual budget. The financial report reflects spending below straight-line pacing, driven primarily by timing of invoicing, allocations, and project-level activity.

Bridge operations spending, including the Caltrans operating expenses, remain below budget due to timing of maintenance contracts, equipment replacements, and staffing-related costs.

Toll collection and customer service expenses continue to track below expectations, reflecting delayed invoicing for customer service center operations and slower-than-planned implementation of Advanced Toll Collection and Accounting System (ATCAS) maintenance expenses.

RM2 and RM3 operating program expenditures included as allocations to other agencies for \$48.6 million remain below budget at 44.5% as they are both tied to the timing of allocations to recipient transit agencies. Additional RM2 spending reflects ongoing Transbay Terminal and BART Inspector General activities which have only been paid through the second quarter of FY 2025-26. In addition, RM2 marketing spending continues to lag due to slower-than-anticipated marketing and program support activities.

Debt service expenses that include interest, principal payments and financing costs totaled \$337.0 million, or 56.3% of budget. As expected, spending aligns with semiannual payment schedules and reflects interest expenses, financing fees, and bond-related costs.

Total transfers reached \$165.0 million, or 58.6% of budget. Transfer activities include the full-year legal reserve contribution, routine administrative transfers to MTC, and scheduled transfers to capital programs.

Generally, the variances in operating expenses from straight-line pacing are timing-driven and consistent with prior-year patterns.

Net Operating Surplus

BATA generated a year-to-date net operating surplus of \$250.4 million through the third quarter. As we progress toward the close of the fiscal year, toll and violation revenues are expected to continue strengthening, while vendor payments, transit allocations, and capital program transfers will ramp up in accordance with planned spending. Based on current trends and the stability of our revenue streams, BATA remains well-positioned to finish the fiscal year within the approved budget.

Recommendations:

None. Information only.

Attachments:

- Attachment A: BATA Statement of Revenues and Expenses for the Period Ended March 31, 2026 (unaudited)



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