

Annual Comprehensive Financial Report

For the Fiscal Year Ended
June 30, 2024

Metropolitan Transportation Commission
San Francisco, California





METROPOLITAN
TRANSPORTATION
COMMISSION

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the Fiscal Year Ended
June 30, 2024**

Prepared by
Metropolitan Transportation Commission
Finance Department
San Francisco, California

Metropolitan Transportation Commission

June 30, 2024

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October 15, 2024

Alfredo Pedroza, Chair
Napa County and Cities

Nick Josefowitz, Vice Chair
San Francisco Mayor's Appointee

Margaret Abe-Koga
Cities of Santa Clara County

Eddie Abn
San Francisco Bay Conservation
and Development Commission

David Canepa
San Mateo County

Cindy Chavez
Santa Clara County

Carol Dutra-Vernaci
Cities of Alameda County

Dina El-Tawansy
California State
Transportation Agency

Victoria Fleming
Sonoma County and Cities

Dorene M. Giacopini
U.S. Department of Transportation

Federal D. Glover
Contra Costa County

Matt Maban
San Jose Mayor's Appointee

Nate Miley
Alameda County

Stephanie Moulton-Peters
Marin County and Cities

Sue Noack
Cities of Contra Costa County

Gina Papan
Cities of San Mateo County

David Rabbitt
Association of Bay Area Governments

Hillary Ronen
City and County of San Francisco

Libby Schaaf
U.S. Department of Housing
and Urban Development

James P. Spring
Solano County and Cities

Sbeng Thao
Oakland Mayor's Appointee

Andrew B. Fremier
Executive Director

Alix Bockelman
Chief Deputy Executive Director

Brad Paul
Deputy Executive Director,
Local Government Services

Honorable Chair
Members of the Metropolitan Transportation Commission

I am pleased to submit the Annual Comprehensive Financial Report for the Metropolitan Transportation Commission (MTC), its blended and discretely presented component units and fiduciary funds for the fiscal year ended June 30, 2024. State law requires that MTC and its component units publish a complete audited financial statement within six months of the close of each fiscal year. Responsibility for both accuracy of the data, as well as the completeness and fairness of the presentation, including all disclosures, rests with the management and staff of MTC. To the best of our actual knowledge, we believe this report to be complete and reliable in all material respects. To provide a reasonable basis for making these representations, management of MTC has established a comprehensive system of internal controls designed to both protect MTC's assets from loss or misuse and to compile the information necessary to produce financial statements in conformity with Generally Accepted Accounting Principles (GAAP) and reported in a manner that presents fairly the financial position and operating results of MTC, its blended and discretely presented component units and fiduciary funds as of June 30, 2024. The cost of internal controls should not outweigh their benefits; therefore, MTC's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement.

The goal of the independent audit is to provide reasonable assurance that the financial statements presented herein for the fiscal year ended June 30, 2024, are free of material misstatement. In addition, MTC is required to undergo a Single Audit of Federal Programs conducted under the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The agency's independent auditor, Crowe LLP, has issued an unmodified opinion on the Metropolitan Transportation Commission's financial statements for the year ended June 30, 2024. The independent auditor's report is located in the front of the financial section of this report.

GAAP also requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements. This narrative is presented in the form of Management's Discussion and Analysis (MD&A), which can be found immediately following the independent auditor's report.

The Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024 includes financial information for all funds, accounts, and fiduciary activities for which MTC has financial accountability. MTC also participates in numerous boards, groups, and associations. While MTC participates in such activities, MTC does not have an ongoing financial interest or administrative control over such entities and, as such, information related to these outside groups and associations are excluded from this report.

Profile of the Government

MTC was established under the laws of the State of California in 1970 to provide comprehensive regional transportation planning for the nine counties that comprise the San Francisco Bay Area: Alameda, Contra Costa, Marin, Napa, the City and County of San Francisco, San Mateo, Santa Clara, Solano and Sonoma. MTC is governed by a body of eighteen voting and three non-voting members (Commission) representing the following:

Agency	Voting Members	Non-Voting Members
Alameda County	3	
Contra Costa County	2	
Marin County	1	
Napa County	1	
City & County of San Francisco	2	
San Mateo County	2	
Santa Clara County	3	
Solano County	1	
Sonoma County	1	
Association of Bay Area Governments (ABAG)	1	
San Francisco Bay Conservation & Development Commission	1	
U.S. Department of Transportation		1
U.S. Department of Housing & Urban Development		1
California State Transportation Agency		1
Total:	18	3

Each commissioner’s term of office is four years or until a successor is appointed.

MTC commissioners also serve as the governing authority for MTC Service Authority for Freeways & Expressways (MTC SAFE), the Bay Area Toll Authority (BATA), the Bay Area Infrastructure Financing Authority (BAIFA), and the Bay Area Housing Finance Authority (BAHFA). The Commission is responsible for adopting budgets for operating and project costs, as well as setting general policy direction. An Executive Director appointed by the Commission is responsible for carrying out Commission direction and day-to-day administration of MTC and its employees. Some of the commissioners are also members of the Bay Area Headquarters

Authority (BAHA). BAHA was created by a Joint Exercise of Powers Agreement between MTC and BATA.

Local economy:

The Bay Area is one of the strongest and most diversified economies in the nation including several Fortune 500 companies and major research universities.

General economic concerns about FY 2025 revolve around the Federal Reserve's recent steps to lower interest rates as it shifts to a greater focus on job growth from inflation (in trying to meet its "dual mandate") and what we can expect from the national and regional economy over the next twelve to eighteen months. There also continue to be concerns about the effect of the persistence of remote work on San Francisco in particular, which is exacerbating conditions in the commercial real estate market and the retail sector in the city.

MTC is fortunate to have significant diversity in our overall revenue stream. A large proportion of all governmental fund revenue is derived from various state and federal grant resources that are not directly dependent on current economic conditions for allocation. The nature of MTC's grant responsibilities and strong liquidity across all funds and entities will assure that MTC can continue to administer regional transportation planning and funding with little interruption in service through a variety of economic conditions.

With respect to BATA, bridge toll levels can be raised if necessary to protect operating integrity, particularly funding of debt service and necessary rehabilitation projects for BATA. This flexibility is important given the reliance of BATA financial performance on bridge crossings, which continue to be impacted by the COVID-19 pandemic and associated effects, including the persistence of remote work.

Financial Policies and Long-Term Financial Planning:

MTC continues to maintain strong financial policies for budget and reserve structures that help protect against economic swings and maintain operating liquidity. MTC policies require submission of balanced budgets with reasonable estimates for future revenue and expense projections. Further, MTC has established a series of reserve funds equal to at least 50% of the respective operating budgets. All operating reserves remained intact through the FY 2024 operating year and are available for unforeseen events in future fiscal years. These reserves provide the valuable operating liquidity necessary to run MTC's significant grant funded projects, allowing contracts and projects to proceed on a readiness basis rather than forcing delays for cash-flow management.

BATA has also been appropriately conservative in reserving funds for liquidity purposes – liquidity which has been important in navigating through pandemic related declines in bridge traffic.

We are in the process of developing a multi-year financial plan for the MTC that will allow the agency to ensure its ability to address all of its mandates in a financially responsible way over the long term.

Awards and Acknowledgments:

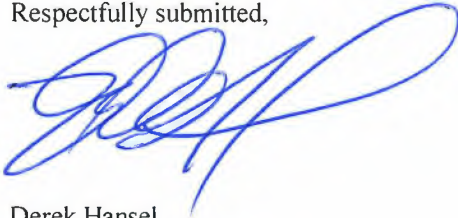
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for

Excellence in Financial Reporting to the Metropolitan Transportation Commission for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the twenty-first consecutive year that MTC has received this prestigious award. In order to be awarded a Certificate of Achievement, MTC had to publish an easily readable and efficiently organized annual comprehensive financial report that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation and delivery of this report would not have been possible without the help of the dedicated staff at MTC. I thank everyone who contributed, especially the MTC finance staff for their hard work and dedication in producing this report in an accurate and timely manner.

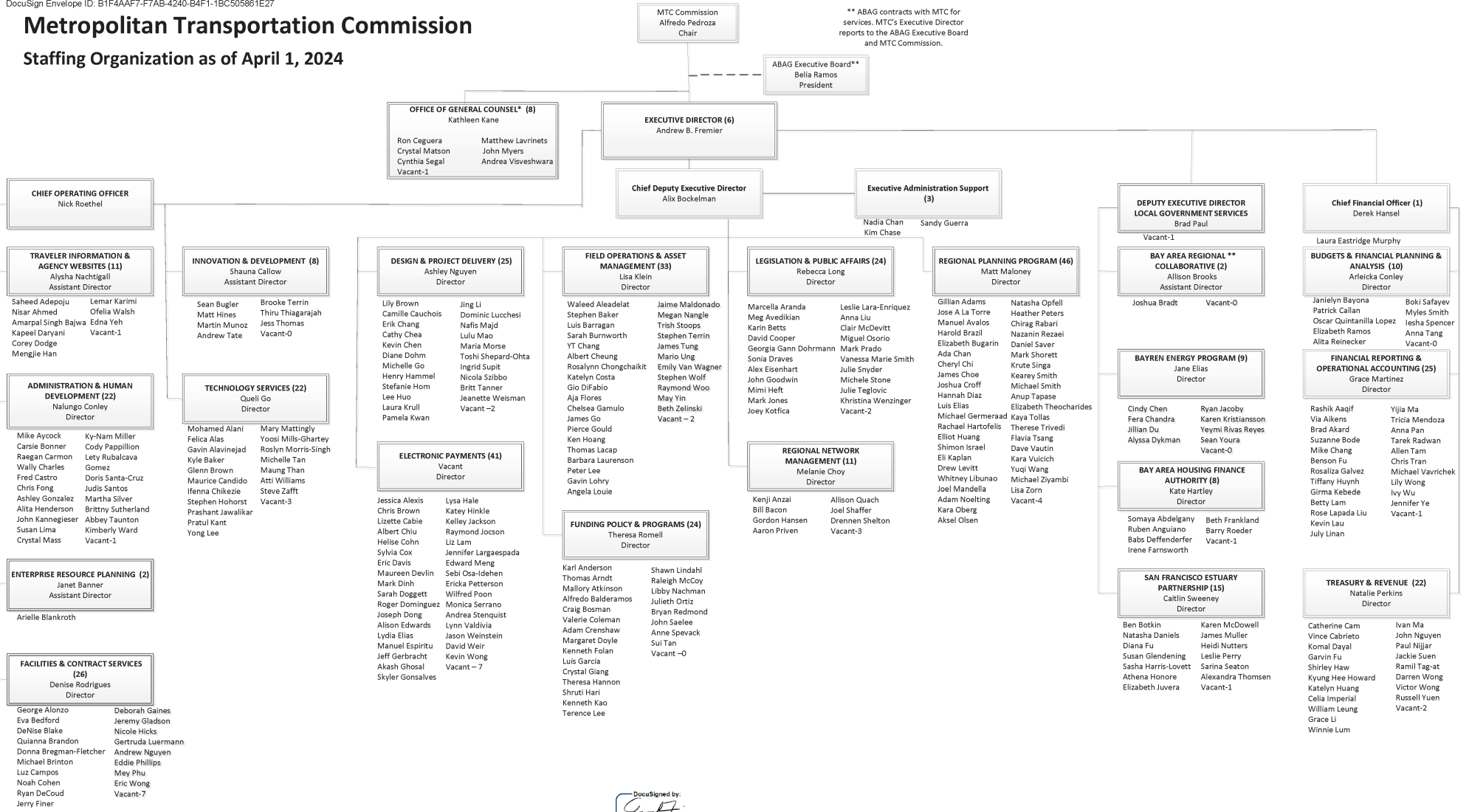
Respectfully submitted,



Derek Hansel
Chief Financial Officer

Metropolitan Transportation Commission

Staffing Organization as of April 1, 2024



DocuSigned by:

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Andrew B. Fremier, Executive Director

404 FY 24 Positions (Regular, Time-limited, Tier 1-ongoing)

* General Counsel advises Commission and Executive Board Directly
** BARC is a multi-agency regional board

METROPOLITAN TRANSPORTATION COMMISSION

COMMISSIONERS

Alfredo Pedroza, Chair	Napa County and Cities
Nick Josefowitz, Vice Chair	San Francisco Mayor's Appointee
Margaret Abe-Koga	Cities of Santa Clara County
Eddie H. Ahn	SF Bay Conservation and Development Commission
David Canepa	San Mateo County
Cindy Chavez	Santa Clara County
Carol Dutra-Vernaci	Cities of Alameda County
Dina El-Tawansy	California State Transportation Agency (CalSTA)
Victoria Fleming	Sonoma County and Cities
Dorene M. Giacobini	U.S. Department of Transportation
Federal D. Glover	Contra Costa County
Matt Mahan	San Jose Mayor's Appointee
Nate Miley	Alameda County
Stephanie Moulton-Peters	Marin County and Cities
Sue Noack	Cities of Contra Costa County
Gina Papan	Cities of San Mateo County
David Rabbitt	Association of Bay Area Governments
Hillary Ronen	City and County of San Francisco
Libby Schaaf	U.S. Department of Housing and Urban Development
James P. Spering	Solano County and Cities
Sheng Thao	Oakland Mayor's appointee

APPOINTED OFFICIALS

Andrew Fremier	Executive Director
Kathleen Kane	General Counsel



Government Finance Officers Association

Certificate of
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Presented to

**Metropolitan Transportation Commission
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

INDEPENDENT AUDITOR'S REPORT

Commissioners
Metropolitan Transportation Commission
San Francisco, California

Report on the Audit of the Financial Statements***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Metropolitan Transportation Commission (the "Commission"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Commission, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Partial Prior-Year Comparative Information

The financial statements include partial prior-year comparative information. Such information does not include all of the information required to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Commission's financial statements for the year ended June 30, 2023, from which such partial information was derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, and schedule of changes in assets and liabilities for Transportation Development Act (TDA) and AB1107 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated <date of report> on our consideration of Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Commission's internal control over financial reporting and compliance.



Crowe LLP

San Francisco, California
October 15, 2024

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Management's Discussion and Analysis (\$ in thousands, unaudited)

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Financial Statements for the year ended June 30, 2024

Management's Discussion and Analysis (\$ in thousands, unaudited)

Management's Discussion and Analysis

This section presents an overview of the financial activities of the Metropolitan Transportation Commission (MTC), as well as its blended and discretely presented component units as discussed separately below for the year ended June 30, 2024. Except as otherwise stated, all amounts described below are expressed in thousands of dollars.

A. Financial Highlights

The following are some of the highlights from fiscal year 2024:

- Sales tax revenue decreased by 3.5% compared to FY 2023.
- While total traffic on the seven BATA bridges increased by 0.5% compared to FY 2023, total toll revenues decreased by 0.7% compared to FY 2023. A combination of a reduced estimate in collectible tolls as well as an increase in carpool traffic, which is tolled at a reduced rate, are the drivers for the toll revenue decrease.
- Express lane revenue increased by 12.79% compared to FY 2023.
- Bay Area Infrastructure Authority (BAIFA) entered into a Credit Agreement with Bank of America, N.A. to assist San Francisco Bay Area Rapid Transit District (BART) to finance the rail car replacement program. Total distribution to BART to finance the rail car replacement program in fiscal year 2024 was \$272,863.

B. Overview of the Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of MTC's finances. The government-wide financial statements comprise of a Statement of Net Position, a Statement of Activities, and accompanying notes.

The Statement of Net Position presents financial information on all of MTC's assets, liabilities, deferred outflows and inflows of resources. The difference between the assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as "Net Position."

The Statement of Activities presents government-wide information showing the change in net position resulting from revenues earned and expenses incurred during the fiscal year. All changes in net position are recorded as revenues are earned and expenses are incurred, regardless of the timing of related cash flows.

MTC is composed of governmental and business-type funds and activities as well as one discretely presented component unit. The governmental funds are comprised of the general fund and the special revenue funds, including a separate blended component unit Bay Area Housing and Finance Authority (BAHFA). The business or proprietary funds are MTC Clipper®, Bay Area Toll Authority (BATA), MTC Service Authority for Freeways and Expressways (MTC SAFE), the Bay Area Infrastructure Authority (BAIFA), and the Bay Area Headquarters Authority (BAHA).

BATA, MTC SAFE, and BAIFA are blended component units (legally separate) whose transactions are presented as business-type funds. MTC Clipper® is an enterprise fund that oversees the region's transit fare payment program. BAHA is the discretely presented component unit on the government-wide financial statements. MTC also holds and administers a fiduciary fund further described in Section C below and in Note 1.B to the financial statements.

The government-wide Statement of Net Position and Statement of Activities are presented on pages [26-31](#) of this report with the accompanying notes being presented on pages [56-104](#).

Metropolitan Transportation Commission

Financial Statements for the year ended June 30, 2024

Management's Discussion and Analysis (\$ in thousands, unaudited)

C. Overview of the Fund Financial Statements

i.) Governmental Funds

Governmental funds are used to account for MTC activities and are supported primarily by grants, sales taxes, and intergovernmental revenue sources. Governmental funds financial statements provide additional information not provided in the government-wide statements in that they focus on the annual inflows and outflows of resources as well as the balance of resources available to be spent at fiscal year-end rather than the longer-term focus of governmental activities as seen in the government-wide financial statements. The governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance provide a reconciliation to facilitate this comparison of governmental funds to governmental activities.

MTC's governmental funds include a general fund, five major special revenue funds, and other non-major funds. The financial statements of the governmental funds, prepared under the modified accrual basis of accounting, are on pages 32-39 of this report. A schedule detailing the non-major special revenue funds is included on pages 119-120 of this report.

MTC adopts annual budgets for all funds. However, a comparison of budget-to-actual is required only for certain governmental funds (general fund and major special revenue funds) and these are presented on pages 107-112 of this report. A comparison of budget to actual is also presented for non-major funds on pages 121-123.

ii.) Proprietary Funds

Proprietary funds are used to report business-type activities. MTC has four proprietary funds: BATA, MTC SAFE, BAIFA and MTC Clipper®. BATA, MTC SAFE and BAIFA are presented as blended component units of MTC as proprietary funds on the government-wide and fund financial statements.

BATA is responsible for collection and administration of all toll funds and has funding oversight responsibility for Caltrans maintenance activities for the seven state-owned bridges in the San Francisco Bay Area. BATA also has funding and administrative oversight responsibilities for the Regional Measure 1 (RM 1), Regional Measure 2 (RM 2), and Regional Measure 3 (RM 3) programs approved by the voters in 1988, 2004, and 2017, respectively, as well as the seismic retrofit program.

MTC SAFE administers a freeway motorist aid system providing tow truck and call box services to stranded motorists in the nine Bay Area counties.

BAIFA was established to plan capital projects and obtain funding in the form of grants, contributions, appropriations, loans and other assistance. BAIFA is also authorized to undertake certain programs and projects, including the development, financing, and operation of high-occupancy toll lanes in MTC's jurisdiction. In April 2013, BAIFA was delegated the authority to operate the express lanes by MTC through a cooperative agreement.

MTC administers the Clipper® program which handles the implementation and ongoing operations of the Bay Area's transit fare payment program. This system allows transit riders to pay fares throughout the Bay Area utilizing a single "smart" fare card when boarding bus, light rail, train or ferry transportation.

The financial statements of the proprietary funds are prepared on an accrual basis and are on pages 41-52.

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Financial Statements for the year ended June 30, 2024
Management's Discussion and Analysis (\$ in thousands, unaudited)

iii.) Fiduciary Fund

Fiduciary funds are used to account for resources held in a trust capacity for the benefit of parties outside MTC. These funds are not reflected in the government-wide financial statements, as the resources cannot be used to support the programs of MTC or those of its component units. The fiduciary fund of MTC uses the economic resources measurement focus and the accrual basis of accounting.

MTC recognizes the Clipper® card program as a fiduciary fund. The Clipper® card program is a transit fare payment program that tracks the cash balances and receivables held on behalf of the Clipper® card program.

The fiduciary fund financial statements are presented on pages [53-54](#) of this report.

iv.) Discretely Presented Component Unit

BAHA was established in September 2011 as a separate public entity, pursuant to the California Joint Exercise of Powers Act, to plan, acquire, and develop the new MTC/BATA office space and facilities and undertake related activities on behalf of MTC and BATA.

BAHA is presented as a proprietary fund in the discretely presented component unit column of the government-wide financial statements because it does not meet the criteria for blending under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB No. 61. The standalone financial statements for BAHA provide detailed financial information for this entity. Request for separately issued financial statements for BAHA should be addressed to the Metropolitan Transportation Commission, Finance Department, 375 Beale Street, Suite 800, San Francisco, CA 94105.

D. Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

E. Government-Wide Financial Analysis

The following tables detail the Statement of Net Position, detailing the change in assets, liabilities and change in net position as well as the Statement of Activities for MTC.

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i.) Statement of Net Position

The following table shows a summary of MTC's government-wide statements of net position for the last two years:

	Metropolitan Transportation Commission's Statement of Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Cash and investments	\$ 731,422	\$ 746,722	\$ 3,486,130	\$ 2,958,126	\$ 4,217,552	\$ 3,704,848
Receivables	62,504	99,139	124,641	120,135	187,145	219,274
Other assets	8,705	7,065	384	456	9,089	7,521
Capital assets	3,779	1,484	293,277	245,822	297,056	247,306
Total assets	806,410	854,410	3,904,432	3,324,539	4,710,842	4,178,949
Deferred outflows of resources	26,667	21,595	343,583	370,738	370,250	392,333
Other liabilities	104,074	194,870	659,683	509,868	763,757	704,738
Long term liabilities	23,773	17,194	10,162,230	9,665,514	10,186,003	9,682,708
Total liabilities	127,847	212,064	10,821,913	10,175,382	10,949,760	10,387,446
Deferred inflows of resources	256,319	268,689	(250,749)	(265,224)	5,570	3,465
Net position:						
Net investment in capital assets	3,595	1,484	271,851	225,743	275,446	227,227
Restricted	376,996	371,258	485,102	396,850	862,098	768,108
Unrestricted (deficit)	68,320	22,511	(7,080,102)	(6,837,473)	(7,011,782)	(6,814,962)
Total net position	\$ 448,911	\$ 395,253	\$ (6,323,149)	\$ (6,214,880)	\$ (5,874,238)	\$ (5,819,627)

Total cash and investments increased by \$512,704 in FY 2024. This is primarily due to new bonds issued by BATA in FY2024 and an increase in interest income realized as a result of the high interest-rate environment.

Total receivables decreased by \$32,129 in FY 2024. The decrease primarily resulted from the collection of \$34,114 receivables from transit operators for the Blue Ribbon Transit Transformation Action Plan program that were received in FY 2024.

The increase in capital assets of \$49,749 is mainly due to the capitalization of MTC's Clipper fare payment system and related equipment.

Deferred outflows of resources decreased by \$22,083 in FY 2024, mainly due to the decrease in the deferred outflows of debt refunding.

Total liabilities increased by \$562,314 in FY 2024 which is primarily due to the new bonds issued by BATA in FY2024 and BAIFA credit agreement to fund the BART car financing project.

The net position decreased by \$54,611 in FY 2024. This is mainly driven by increased expenses in BATA distribution to other agencies related to the RM3 capital and the MTC payments to BART for the BART car financing project. The expense increases are partially offset by increases in investment earnings. The negative net position is the result of BATA having issued over \$9 billion in toll revenue bonds while the assets themselves remain with the State of California and other transit agencies. The negative net position in business-type activities will be resolved through receipt of future toll revenue.

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ii.) Statement of Activities

The Statement of Activities details the revenue/expense and change in Net Position for MTC. A breakdown of this MTC activity is detailed in the table below.

	Metropolitan Transportation Commission's Statement of Activities					
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for service	\$ —	\$ —	\$ 936,731	\$ 925,470	\$ 936,731	\$ 925,470
Operating grants and contributions	264,844	225,096	111,595	113,712	376,439	338,808
Capital grants and contributions	—	—	48,447	36,729	48,447	36,729
General revenues:						
Sales tax	16,995	17,610	—	—	16,995	17,610
Unrestricted investment earnings (charges)	33,815	21,484	157,227	60,312	191,042	81,796
Changes in fair value of other derivative instruments	—	—	53,698	87,506	53,698	87,506
Total revenues	315,654	264,190	1,307,698	1,223,729	1,623,352	1,487,919
Expenses:						
General government	142,367	106,291	—	—	142,367	106,292
Allocation to other agencies	397,948	264,350	—	—	397,948	264,350
Housing	4,604	2,384	—	—	4,604	2,384
Toll bridge activities	—	—	999,402	809,326	999,402	809,326
Express lane activities	—	—	49,224	42,798	49,224	42,798
Clipper® smart card	—	—	64,573	52,858	64,573	52,858
Congestion relief	—	—	19,845	21,349	19,845	21,349
Total expenses	544,919	373,026	1,133,044	926,332	1,677,963	1,299,357
Change in net position before special item and transfers	(229,265)	(108,836)	174,654	297,398	(54,611)	188,562
Special item	—	—	—	—	—	—
Transfers in/(out)	282,923	21,486	(282,923)	(21,486)	—	—
Changes in net position	53,658	(87,350)	(108,269)	275,912	(54,611)	188,562
Net position - Beginning	395,253	482,603	(6,214,880)	(6,490,792)	(5,819,627)	(6,008,189)
Net position - Ending	\$ 448,911	\$ 395,253	\$ (6,323,149)	\$ (6,214,880)	\$ (5,874,238)	\$ (5,819,627)

Total revenues increased by \$135,433 in FY 2024. The revenue increase is mainly due to new project grants received in FY 2024, increased toll revenues, and increased investment earnings as a result of higher interest rate.

Total expenses increased by \$378,606 in FY 2024. The increase is primarily related to the distribution to BART for the BART car financing project and allocation of RM3 capital fund to other agencies.

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The net position decreased by \$54,611 from \$(5,819,627) in FY 2023 to \$(5,874,238) in FY 2024, as the revenues generated are not enough to cover the expenses due to increases in allocation to other agencies and toll bridge maintenance expenses. BATA's financial results drive the business-type activities deficit due to BATA's issuance of over \$9 billion in toll revenue bonds to fund seismic and Regional Measure 2 voter approved projects while the assets remain with the State of California and other transit operators. The Net Position in the Governmental Activities decreased mainly due to timing of revenue and expense recognition for the BART replacement car projects.

Management does not believe that Governmental Activities and Business-Type Activities are comparable for analytical purposes. While the combined schedules show a total picture of MTC responsibilities, the two activities must be viewed in their respective parts to evaluate MTC's financial results. State and federal laws restrict MTC's various funding sources to specific responsibilities that cannot be combined or commingled. Additional explanations are included in the discussion of Business-Type Activities as well as the schedule of governmental funds that follows.

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F. Financial Analysis of Business-Type Activities

The following table shows the results of operations for the last two years:

	Business-Type Activities							
	BATA		BAIFA		MTC SAFE		MTC Clipper®	
	2024	2023	2024	2023	2024	2023	2024	2023
Revenues:								
Toll revenues	\$ 801,570	\$ 807,419	\$ 67,305	\$ 59,674	\$ —	\$ —	\$ —	\$ —
Other operating revenues	35,573	25,562	6,107	5,870	6,535	6,530	19,641	20,416
Total revenues	837,143	832,981	73,412	65,544	6,535	6,530	19,641	20,416
Operating expenses:								
Operating expenses incurred by Caltrans/Transbay JPA	8,810	8,817	—	—	—	—	—	—
Other operating expenses	204,461	187,199	40,857	34,232	19,847	21,329	55,264	47,597
Total operating expenses	213,271	196,016	40,857	34,232	19,847	21,329	55,264	47,597
Operating income/(loss)	623,872	636,965	32,555	31,312	(13,312)	(14,799)	(35,623)	(27,181)
Nonoperating revenues/(expenses)								
Investment income/(charges)	136,259	49,509	11,097	5,655	790	259	9,081	4,890
Changes in fair value of other derivative instruments	53,698	87,506	—	—	—	—	—	—
BABs interest subsidy	68,959	70,581	—	—	—	—	—	—
Interest expense	(422,868)	(433,681)	(1,902)	—	—	—	—	—
Financing fees and bond issuance costs	(10,116)	(9,101)	(3,097)	—	—	—	—	—
Other nonoperating expense	(80)	(29)	—	—	(7)	(19)	—	—
Caltrans/other agency grants and reimbursements	17,200	16,019	—	—	12,872	14,340	1,146	2,582
Distributions to Caltrans/other agencies	(353,067)	(170,422)	—	—	—	—	(587)	—
Capital, operating and maintenance expenses for other agencies	—	—	(3,368)	(8,565)	—	—	(8,722)	(5,261)
Return of contribution from BAHA	—	—	—	—	—	—	—	—
Other nonoperating revenues	2,345	1,891	4,359	3,345	9	—	4,714	4,952
Total nonoperating revenues/(expenses)	(507,670)	(387,727)	7,089	435	13,664	14,580	5,632	7,163
Change in net position before contribution, special item, and transfers	116,202	249,238	39,644	31,747	352	(219)	(29,991)	(20,018)
Capital grants	—	—	—	—	—	—	48,447	36,729
Violation penalty refund (special item)	—	(78)	—	—	—	—	—	—
Transfers	(42,133)	(50,687)	(273,194)	(201)	(206)	(883)	32,610	30,284
Change in net position	74,069	198,473	(233,550)	31,546	146	(1,102)	51,066	46,995
Net position - Beginning	(6,684,096)	(6,882,569)	302,271	270,724	19,740	20,843	147,205	100,210
Net position - Ending	\$ (6,610,027)	\$ (6,684,096)	\$ 68,721	\$ 302,270	\$ 19,886	\$ 19,741	\$ 198,271	\$ 147,205

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BATA is the largest of MTC's Business-Type Activities and one of the highest-rated transportation enterprises in the country. The negative net position is the result of BATA financing the seismic retrofit and other regional transportation projects under Regional Measures 1, 2 and 3. However, BATA does not own the assets that are constructed. It is anticipated that the negative net position will resolve itself from future toll revenue and the amortization of toll revenue bond debt.

Net operating income for BATA was \$623,872 for FY 2024, a decrease of \$13,093 or 2% from FY 2023. Major changes include:

- Total revenues increased by \$4,162 in FY 2024. Detailed traffic revenue information is available in the Statistical Section, Table 8.
- Total operating expenses rose by \$17,255 in FY 2024, mainly driven by an increase in DMV hold fees as BATA recommenced the DMV hold violation process in FY 2024.

Nonoperating revenues/(expenses) increased by \$119,943 or about 31% from FY 2023. Major changes included:

- BATA had an investment gain of \$136,259 including \$31,468 unrealized gain from the change in the fair market value of investments. Unrealized gain from the change in the fair market value of other derivative instruments was \$53,698 in FY 2024. Net investment income totaled \$189,957, which was an increase of \$52,942 compared to net investment income of \$137,015 in FY 2023. The increases in investment income were primarily driven by a higher interest rate environment in FY 2024.
- The Build America Bonds interest subsidy is the federal subsidy from the U. S. Government. The interest subsidy offsets the interest cost on taxable bonds issued by BATA in FY 2010 and FY 2011. The federal subsidy payment is expected to last for the life of the taxable bonds.
- Distributions to other agencies for capital purposes increased by \$182,645 in FY 2024. The increase was primarily due to the distribution of RM3 capital funds to other agencies.

BAIFA ended FY 2024 with operating income of \$32,555, which was \$1,243 higher than the operating income reported in FY 2023. BAIFA's operating revenues are generated from the express lane operations and used to cover the operating expenses on BAIFA's express lanes. In FY 2024 major changes include:

- Operating revenues increased by \$7,868 in FY 2024, mainly the result of revenues from Interstate 880 express lanes \$6,348 higher than that in FY 2023.
- Operating expenses increased by \$6,625 in FY 2024. BAIFA started the I-880 roadway rehabilitation project in fiscal year 2024 and incurred \$3,243 Caltrans professional fees. DMV holding fees and professional fees from BAIFA operational vendors increased by \$2,344 in FY 2024.
- Total nonoperating revenues/(expenses) increased by \$6,654 which is mainly due to an increase of \$5,442 in interest income from higher cash and investment balances and interest rates in FY 2024.

MTC SAFE ended FY 2024 with an operating loss of \$13,312. Loss decreased by \$1,487 compare to FY 2023. The net position in FY 2024 increased by \$145 compared to a decrease of \$1,103 in FY 2023. Major changes include:

- Operating revenues increased by \$5 in FY 2024. DMV revenues from Napa County increased by \$105 whereas slightly decreases in other eight counties.
- Operating expenses decreased by \$1,482 in FY 2024, primarily the result of the decrease in towing contracts. Tow truck routes have been reduced in Marin and Sonoma Counties.

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- Nonoperating grants decreased by \$1,468 mainly due to the decreases of \$981 in the State Local Assistance Program (LAP) and \$487 in Senate Bill 1 (SB1) to fund the Freeway Service Patrol program.

MTC Clipper® ended FY 2024 with an operating loss of \$35,623 which was an increase of \$8,442 compared to the operating loss of \$27,181 recorded in FY 2023. Clipper® project costs are generally covered by grant (nonoperating) revenues; however, operating costs are covered by a combination of operating grants and operator payments. Operating losses are made up through transfers from other funds. Other major changes include:

- Operating revenues decreased by \$775 in FY 2024, the results of a decrease of escheatment revenue offset by an increase in transit ridership during this fiscal year.
- Operating expenses for MTC Clipper® increased by \$7,667 in FY 2024, mainly due to the increases in professional fees from the increase of the transit ridership and depreciation of the Clipper capital assets.
- Nonoperating revenues decreased by \$1,531, primarily because of the higher capital, operating and maintenance expenses in FY 2024.

G. Financial Analysis of Governmental Funds

The following table details the revenues and expenditures in the governmental funds for the past two fiscal years. Refer to page 40 for the reconciliation of the governmental funds to the Statement of Activities.

	Governmental Funds	
	2024	2023
Revenues:		
Sales taxes	\$ 16,995	\$ 17,610
Grants - Federal	65,580	56,519
Grants - State	115,930	125,567
Local agencies revenues and refunds	87,571	45,464
Investment income	33,815	21,484
Total revenues	319,891	266,644
Expenditures:		
Current:		
General government	122,885	88,010
Allocations to other agencies	418,357	284,343
Capital outlay	2,546	1,280
Total expenditures	543,788	373,633
Other financing sources	282,923	21,633
Net change in fund balance	59,026	(85,356)
Fund balance - beginning	399,392	484,749
Fund balance - ending	\$ 458,418	\$ 399,393

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A large component of all Governmental Fund revenue at MTC is derived from grants. While grant revenue helps insulate MTC from economic swings, the timing of project expenditures, which often cross fiscal years, can have a significant impact on year end balances. The MTC Governmental Funds ended FY 2024 with a net change in fund balance of \$59,026 compared to \$(85,356) for FY 2023.

The MTC General Funds ended FY 2024 with a net change in fund balance deficit of \$(5,065) which decreased the fund balance to \$85,588. The general fund surplus decreased by \$5,065 compared to FY 2023. The decrease is primarily due to the timing related to project related expenditures.

Within the governmental funds there are several Special Revenue funds with revenue restricted by statute or adopted policy to certain programs. Highlights of the Special Revenue Funds include:

- AB 664 Toll Revenue Reserve fund ended FY 2024 with a negative fund balance of \$39,305 compared with a negative balance of \$41,360 for FY 2023. The AB 664 Reserve is a toll funded rail support program where 50 years of toll revenue was advanced in FY 2010. The decrease in fund balance reflects utilization of advanced revenue to pay for appropriate rail projects.
- STA fund ended FY 2024 with a fund balance of \$163,024 compared to \$152,004 for FY 2023. The decrease in excess of revenues over expenditures is due to an increase in allocations to transit operators for the operating needs and a decline in diesel fuel sales which in turn decreases sales tax on diesel fuel. This decrease is offset by an increase in investment income as a result of higher interest rate in FY 2024.
- Rail Reserves fund ended FY 2024 with a negative fund balance of \$65,878, a reduction from the negative \$73,044 ending FY 2023. The Rail Reserve is another toll funded transit program where a 50-year toll revenue stream was advanced in FY 2010. The negative fund balance will be worked off with the amortization of the toll revenue.
- The Bart Car Exchange fund ended FY 2024 with a fund balance of over \$134,420, a decrease of \$31,998 from FY 2023. The program is funded with payments exchanged between MTC and BART which are reserved for the purchase of future BART rail cars. The decrease in fund balance resulted from the purchase of new BART replacement cars. The balance will continue to draw down with the delivery of additional new rail cars and the completion of invoices received.
- Bay Area Housing Finance Authority ended FY 2024 with a fund balance of \$38,614, an increase of \$21,572 from FY 2023. The significant increase in fund balance is mainly due to a \$20 million State grant and \$5 million of local grants received in fiscal year 2024 as a transfer from MTC, for the purpose of supporting BAHFA's housing and rental programs. The increase in state and local grants is partially offset by the current fiscal year expenditures.

H. General Fund Budget

The original MTC General Fund budget adopted for FY 2024 had a projected deficit of \$18,899 which increased to a projected deficit of \$(4,241) in the final approved budget. The actual ending balance was a surplus of \$85,588 after transfers.

The final revenue budget was \$340,168 with actual year-end revenue of \$110,563, a shortfall of \$229,605. The final expenditure budget was \$379,440 with actual year-end expenditures of \$411,335 or \$(31,895) over budget. The variance in both revenue and expenditure is due to a \$236 million special financing agreement between BAIFA and BART. Per Resolution 4617, MTC acts as the designated "metropolitan planning organization" for the Bay Area Region (the "Bay Area MPO") and facilitates the exchange of funds from BAIFA to BART. As such, given this is a one-time unique transaction it is reasonable to see a significant variance in the budget-to-actual numbers.

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	General Fund			
	Adopted Budget	Final Budget	Actual	Variance
Revenues	\$ 333,400	\$ 340,168	\$ 110,563	\$ (229,605)
Expenditures	348,848	379,440	411,335	(31,895)
Excess/(Deficiency)	(15,448)	(39,272)	(300,772)	(261,500)
Transfers in	34,347	35,031	315,707	280,676
Transfer out	—	—	(20,000)	(20,000)
Net change in fund balance	18,899	(4,241)	(5,065)	(824)
Fund balance - beginning	90,653	90,653	90,653	—
Fund balance - ending	\$ 109,552	\$ 86,412	\$ 85,588	\$ (824)

Overall, the positive ending fund balance of \$85,588 is a swing of \$(824) impacting the MTC ending fund balance.

I. Capital Asset Administration

MTC's total investment in capital assets for all funds, governmental and proprietary is \$297,056 as reported under the accrual basis of accounting. In FY 2024 capital assets increased by \$54,539 which primarily due to the development of Clipper fare payment system software and related equipment. Assets relating to the seven state-owned bridges administered by BATA are owned by Caltrans. MTC's capital assets are disclosed in Note 4 to the financial statements.

J. Long-Term Debt Administration

During FY 2024, BATA refunded \$734,187 in bonds with \$726,335 in refunding bonds and issued \$450,000 in new money bonds. BATA administers a debt portfolio of \$9,939,503 and derivative instruments of \$1,440,000. All of BATA's interest rate swaps were ineffective for accounting purposes. Therefore, the changes in fair values of other derivative instruments are reported in the Statements of Revenue, Expenses and Changes in Net Position. The fair value of the swap portfolio increased by \$53,698. BATA's interest expense on the \$3,114,405 of federally taxable Build America Bonds (BABs) was \$208,936. The BABs subsidy for FY 2024 was \$68,959 and net interest expense was \$139,977.

In FY 2024, BAIFA entered into a Credit Agreement with Bank of America, N.A. for a maximum principal amount of \$450,000 with an expiration date of November 8, 2026. As of June 30, 2024, the outstanding draw amount is \$210,687.

Additional information on MTC's long-term debt can be found in Note 5 to the financial statements.

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K. Economic Factors Impacting MTC

While the general economic picture nationally and regionally continues to perform well with meaningful growth in GDP and low unemployment, there are several headwinds that MTC must consider for FY 2024-25 and beyond

These headwinds include:

- Inflation, which has continued to run higher than desired for the past 3 ½ years.
- The risk associated with regional banks and their exposure to commercial real estate as regional and national markets continue to experience high vacancy rates and decreasing commercial property values.
- Higher interest rates, partly driven by sustained short-term interest rates by the Federal Reserve, and partly by the market reaction to both inflation generally and the Federal Reserve's actions.
- Potentially weaker economic growth including potential slacking of consumer demand.

L. Other Information

In December 2023, MTC requested an allocation of \$1,172,688 across fiscal years from California State Transportation Agency (CalSTA) pursuant to Senate Bill (SB) 125 (Chapter 65, Statutes of 2023). On July 8, 2024, CalSTA authorized the disbursement of \$534,748 to MTC.

Requests for information

This financial report is designed to provide a general overview of the Metropolitan Transportation Commission's financial position for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Metropolitan Transportation Commission Finance Department, 375 Beale Street, Suite 800, San Francisco, CA 94105.

Metropolitan Transportation Commission

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The accompanying notes are an integral part of these financial statements.

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Statement of Net Position
June 30, 2024

(\$ in thousands)	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	BAHA
ASSETS				
Cash-unrestricted	\$ 423,106	\$ 770,075	\$ 1,193,181	\$ 20,671
Cash-restricted	17,961	831,562	849,523	18,448
Investments-unrestricted	147,974	—	147,974	—
Investments-restricted	142,381	1,884,493	2,026,874	—
Receivables:				
Accounts receivable	2,251	63,152	65,403	456
Interest receivable	4,033	36,906	40,939	—
Lease receivable from external	—	—	—	9,055
Lease receivable from primary government	—	—	—	5,036
Funding due from State/Caltrans	29,566	15,204	44,770	—
Funding due from Federal	25,491	8,208	33,699	—
Due from other governments	6,014	384	6,398	—
Pension 115 trust account	2,691	—	2,691	—
Prepaid items and other assets	1,163	1,171	2,334	283
Capital assets not being depreciated/amortized	970	140,657	141,627	36,009
Capital assets net of accumulated depreciation/amortization	2,809	152,620	155,429	152,195
TOTAL ASSETS	806,410	3,904,432	4,710,842	242,153
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount of refunding	—	330,241	330,241	—
Deferred outflows from pension	14,523	7,267	21,790	141
Deferred outflows from OPEB	12,144	6,075	18,219	118
TOTAL DEFERRED OUTFLOWS OF RESOURCES	26,667	343,583	370,250	259

The accompanying notes are an integral part of these financial statements.

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Statement of Net Position - *Continued*

June 30, 2024

(\$ in thousands)	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	BAHA
LIABILITIES				
Accounts payable and accrued liabilities	\$ 127,400	\$ 229,351	\$ 356,751	\$ 1,598
Accrued interest payable	7	92,553	92,560	—
Unearned revenue	38,872	144,609	183,481	—
Internal balances	(65,488)	65,488	—	—
Due to other governments	—	—	—	666
Non-current liabilities				
Due within one year				
Long term debt, net of unamortized premium/discount	—	124,553	124,553	—
Compensated absences and others	3,283	3,129	6,412	33
Due in more than one year				
Long term debt, net of unamortized premium/discount	—	10,025,637	10,025,637	—
Derivative instrument liabilities	—	120,386	120,386	—
Net pension liability	14,026	3,144	17,170	136
Net OPEB liability	5,326	2,664	7,990	52
Compensated absences and others	4,421	10,399	14,820	43
TOTAL LIABILITIES	127,847	10,821,913	10,949,760	2,528
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows from lease	—	—	—	13,253
Deferred inflows from pension	390	195	585	4
Deferred inflows from OPEB	3,323	1,662	4,985	32
Deferred revenue/Deferred charge	252,606	(252,606)	—	—
TOTAL DEFERRED INFLOWS OF RESOURCES	256,319	(250,749)	5,570	13,289
NET POSITION				
Net Investment in Capital Assets	3,595	271,851	275,446	187,262
Restricted for:				
Capital projects	335,859	114,101	449,960	18,448
Pension	2,691	—	2,691	—
Operations & Maintenance, under debt covenant	—	242,000	242,000	—
Extraordinary loss reserve, under Caltrans Coop	—	50,000	50,000	—
Housing	38,446	—	38,446	—
Regional Measure 3 - WETA	—	79,001	79,001	—
Unrestricted	68,320	(7,080,102)	(7,011,782)	20,885
TOTAL NET POSITION	\$ 448,911	\$ (6,323,149)	\$ (5,874,238)	\$ 226,595

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Net Position
June 30, 2023
(For comparative information purposes)

(\$ in thousands)	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	BAHA
ASSETS				
Cash-unrestricted	\$ 287,105	\$ 273,421	\$ 560,526	\$ 32,944
Cash-restricted	7,620	170,648	178,268	6,039
Investments-unrestricted	153,902	439,379	593,281	—
Investments-restricted	298,095	2,074,677	2,372,772	—
Receivables:	—	—	—	—
Accounts receivable	2,150	57,338	59,488	276
Interests receivable	5,966	43,639	49,605	1
Lease receivable from external	—	—	—	16,792
Lease receivable from primary government	—	—	—	6,443
Funding due from State/ Caltrans	66,434	10,452	76,886	—
Funding due from Federal	23,443	8,508	31,951	—
Due from other governments	4,165	456	4,621	19
Prepaid items and other assets	1,146	198	1,344	168
Pension 115 trust account	2,900	—	2,900	—
Capital assets not being depreciated/amortized	207	91,803	92,010	35,181
Capital assets net of accumulated depreciation/amortization	1,277	154,020	155,297	154,826
TOTAL ASSETS	854,410	3,324,539	4,178,949	252,689
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount of refunding	—	359,158	359,158	—
Deferred outflows from pensions	13,778	7,388	21,166	152
Deferred outflows from OPEB	7,817	4,191	12,008	86
TOTAL DEFERRED OUTFLOWS OF RESOURCES	21,595	370,737	392,332	238

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission

Statement of Net Position - *Continued*

June 30, 2023

(For comparative information purposes)

(\$ in thousands)	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	BAHA
LIABILITIES				
Accounts payable and accrued liabilities	\$ 183,192	\$ 161,302	\$ 344,494	\$ 1,462
Accrued interest payable	4	92,719	92,723	—
Unearned revenue	18,227	133,770	151,997	—
Internal balances	(9,377)	9,377	—	—
Due to other governments	—	—	—	1,029
Non-current liabilities	—	—	—	—
Due within one year	—	—	—	—
Long term debt, net of unamortized premium/discount	—	109,730	109,730	—
Compensated absences and others	2,824	2,968	5,792	80
Due in more than one year	—	—	—	—
Long term debt, net of unamortized premium/discount	—	9,476,863	9,476,863	—
Derivative instruments	—	174,083	174,083	—
Net pension liability	10,469	1,868	12,337	116
Net OPEB liability	2,804	1,503	4,307	31
Compensated absences and others	3,921	11,196	15,117	37
TOTAL LIABILITIES	212,064	10,175,379	10,387,443	2,755
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows from lease	—	—	—	22,274
Deferred inflows from pension	699	375	1,074	8
Deferred inflows from OPEB	1,556	835	2,391	17
Deferred revenues/Deferred charges	266,433	(266,433)	—	—
TOTAL DEFERRED INFLOWS OF RESOURCES	268,688	(265,223)	3,465	22,299
NET POSITION				
Net Investment in Capital Assets	1,484	225,743	227,227	189,198
Restricted for:				
Capital projects	350,558	96,190	446,748	6,039
Pension	2,900	—	2,900	—
Operations & Maintenance, under debt covenant	—	188,000	188,000	—
Extraordinary loss reserve, under Caltrans Coop	—	50,000	50,000	—
Housing	17,800	—	17,800	—
Regional Measure 3 - WETA	—	62,659	62,659	—
Unrestricted	22,511	(6,837,472)	(6,814,961)	32,636
TOTAL NET POSITION	\$ 395,253	\$ (6,214,880)	\$ (5,819,627)	\$ 227,873

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission

Statement of Activities

For the Year Ended June 30, 2024

(\$ in thousands)	Program Revenues					Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Program Revenues	Primary Government			Component Unit
Governmental Activities						Business-Type Activities	Total	BAHA	
Functions									
Primary government:									
Governmental Activities:									
General Government	\$ 142,367	\$ —	\$ 123,002	\$ —	\$ 123,002	\$ (19,365)	\$ —	\$ (19,365)	\$ —
Transportation	397,948	—	140,025	—	140,025	(257,923)	—	(257,923)	—
Housing	4,604	—	1,817	—	1,817	(2,787)	—	(2,787)	—
Total Governmental Activities	544,919	—	264,844	—	264,844	(280,075)	—	(280,075)	—
Business-type activities:									
MTC Clipper smart card	64,573	19,641	5,860	48,447	73,948	—	9,375	9,375	—
Toll Bridge Activities	999,402	837,143	88,504	—	925,647	—	(73,755)	(73,755)	—
Express Lane Activities	49,224	73,412	4,359	—	77,771	—	28,547	28,547	—
Congestion Relief	19,845	6,535	12,872	—	19,407	—	(438)	(438)	—
Total Business-Type Activities	1,133,044	936,731	111,595	48,447	1,096,773	—	(36,271)	(36,271)	—
Total Primary Government	\$ 1,677,963	\$ 936,731	\$ 376,439	\$ 48,447	\$ 1,361,617	(280,075)	(36,271)	(316,346)	—
Component Unit:									
BAHA	\$ 14,066	\$ 10,054	\$ 324	\$ —	\$ 10,378				(3,688)
Total Component Unit	\$ 14,066	\$ 10,054	\$ 324	\$ —	\$ 10,378				(3,688)
General Revenues:									
Sales tax						16,995	—	16,995	—
Unrestricted investment earnings						33,815	157,227	191,042	2,410
Changes in fair value of other derivative instruments						—	53,698	53,698	—
Transfers						282,923	(282,923)	—	—
Total General Revenues and Transfers						333,733	(71,998)	261,735	2,410
Change in Net Position						53,658	(108,269)	(54,611)	(1,278)
Net Position - Beginning						395,253	(6,214,880)	(5,819,627)	227,873
Net Position - Ending						\$ 448,911	\$ (6,323,149)	\$ (5,874,238)	\$ 226,595

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Activities
For the Year Ended June 30, 2023
(For comparative information purposes)

Functions	Expenses	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Program Revenues	Primary Government			Component Unit
						Governmental Activities	Business-Type Activities	Total	BAHA
Primary government:									
Governmental Activities:									
General Government	\$ 106,291	\$ —	\$ 65,456	\$ —	\$ 65,456	\$ (40,836)	\$ —	\$ (40,836)	\$ —
Transportation	264,350	—	159,640	—	159,640	(104,710)	—	(104,710)	—
Housing	2,384	—	—	—	—	(2,384)	—	(2,384)	—
Total Governmental Activities	373,025	—	225,096	—	225,096	(147,930)	—	(147,930)	—
Business-type activities:									
MTC Clipper® smart card	52,858	20,415	7,534	36,729	64,678	—	11,820	11,820	—
Toll Bridge Activities	809,326	832,981	88,491	—	921,472	—	112,146	112,146	—
Express Lane Activities	42,798	65,544	3,347	—	68,891	—	26,093	26,093	—
Congestion Relief	21,349	6,530	14,340	—	20,870	—	(479)	(479)	—
Total Business-Type Activities	926,331	925,470	113,712	36,729	1,075,911	—	149,580	149,580	—
Total Primary Government	\$ 1,299,356	\$ 925,470	\$ 338,808	\$ 36,729	\$ 1,301,007	(147,930)	149,580	1,650	—
Component Unit:									
BAHA	12,424	10,539	243	—	10,782				(1,642)
Total Component Unit	\$ 12,424	\$ 10,539	\$ 243	\$ —	\$ 10,782				(1,642)
General Revenues:									
Sales tax						17,610	—	17,610	—
Unrestricted investment earnings						21,484	147,818	169,302	1,388
Transfers						21,486	(21,486)	—	—
Total General Revenues and Transfers						60,580	126,332	186,912	1,388
Change in Net Position						(87,350)	275,912	188,562	(254)
Net Position - Beginning						482,603	(6,490,792)	(6,008,189)	228,127
Net Position - Ending						\$ 395,253	\$ (6,214,880)	\$ (5,819,627)	\$ 227,873

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Balance Sheet - Governmental Funds
June 30, 2024

(\$ in thousands)	Special Revenue Funds							Total Governmental Funds
	General Fund	AB 664 Net Toll Revenue Reserve	State Transit Assistance	Rail Reserves	BART Car Exchange	Bay Area Housing Finance Authority	Non-Major Governmental Funds	
ASSETS								
Cash - unrestricted	\$ 81,730	\$ 6,517	\$ 151,610	\$ 5,755	\$ —	\$ 40,917	\$ 136,577	\$ 423,106
Cash - restricted current	7,055	—	—	—	10,906	—	—	17,961
Investment - unrestricted current	—	83,217	—	27,521	—	—	37,236	147,974
Investment - restricted current	—	—	—	—	142,381	—	—	142,381
Accounts receivables	2,015	—	236	—	—	—	—	2,251
Interest receivable	70	863	1,893	179	817	—	210	4,031
State/ Caltrans funding receivable	2,464	—	27,103	—	—	—	—	29,567
Federal funding receivable	25,491	—	—	—	—	—	—	25,491
Due from other funds	74,644	—	—	—	—	—	—	74,644
Due from other governments	6,014	—	—	—	—	—	—	6,014
Pension 115 Trust	2,691	—	—	—	—	—	—	2,691
Prepaid items and other assets	1,162	—	—	—	—	1	—	1,163
TOTAL ASSETS	\$ 203,336	\$ 90,597	\$ 180,842	\$ 33,455	\$ 154,104	\$ 40,918	\$ 174,023	\$ 877,274
LIABILITIES								
Accounts payable and accrued expenditures	\$ 87,836	\$ 6,082	\$ 10,333	\$ —	\$ 19,684	\$ 1,521	\$ 1,676	\$ 127,131
Accrued interest payable	7	—	—	—	—	—	—	7
Deposit payable	250	—	—	—	—	—	—	250
Unearned revenue	28,906	—	—	—	—	783	—	29,689
Retention payable	17	—	—	—	—	—	—	17
Due to other funds	732	—	7,485	—	—	—	939	9,156
TOTAL LIABILITIES	117,748	6,082	17,818	—	19,684	2,304	2,615	166,250

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Balance Sheet - Governmental Funds - Continued
June 30, 2024

(\$ in thousands)	Special Revenue Funds							Total Governmental Funds
	General Fund	AB 664 Net Toll Revenue Reserve	State Transit Assistance	Rail Reserves	BART Car Exchange	Bay Area Housing Finance Authority	Non-Major Governmental Funds	
DEFERRED INFLOWS OF RESOURCES								
Deferred revenue	\$ —	\$ 123,820	\$ —	\$ 99,333	\$ —	\$ —	\$ 29,453	\$ 252,606
TOTAL DEFERRED INFLOWS OF RESOURCES	—	123,820	—	99,333	—	—	29,453	252,606
FUND BALANCES								
Nonspendable								
Prepaid items	1,161	—	—	—	—	1	—	1,162
Restricted for:								
Transportation projects	—	—	163,024	—	—	—	38,415	201,439
Rail projects	—	—	—	—	134,420	—	—	134,420
Housing projects	—	—	—	—	—	38,613	—	38,613
Pension	2,691	—	—	—	—	—	—	2,691
Committed to:								
Benefits reserve	4,536	—	—	—	—	—	—	4,536
Liability reserve	941	—	—	—	—	—	—	941
Transportation projects	10,350	—	—	—	—	—	103,540	113,890
Unassigned	65,909	(39,305)	—	(65,878)	—	—	—	(39,274)
TOTAL FUND BALANCES	85,588	(39,305)	163,024	(65,878)	134,420	38,614	141,955	458,418
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 203,336	\$ 90,597	\$ 180,842	\$ 33,455	\$ 154,104	\$ 40,918	\$ 174,023	\$ 877,274

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2024

	(\$ in thousands)
Governmental funds balance	\$ 458,418
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statement.	3,779
Underabsorption of applied overhead is recorded as unearned revenue as it is not available in the current period and, therefore, not reported in the fund statement.	(9,184)
Capital leases are not due and payable in the current period and, therefore, are not reported in the fund statement.	(88)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the fund statement.	(7,616)
Net pension liability/asset and related accounts (deferred outflows/inflows) are not due and payable in the current period and, therefore, are not reported in the fund statement.	107
Net OPEB liability/asset and related accounts (deferred outflows/inflows) are not due and payable in the current period and, therefore, are not reported in the fund statement.	<u>3,495</u>
Net position of governmental activities	<u><u>\$ 448,911</u></u>

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission

Balance Sheet - Governmental Funds

June 30, 2023

(For comparative information purposes)

(\$ in thousands)	Special Revenue Funds							Total Governmental Funds
	General Fund	AB 664 Net Toll Revenue Reserve	State Transit Assistance	Rail Reserves	BART Car Exchange	Bay Area Housing Finance Authority	Non-Major Governmental Funds	
ASSETS								
Cash - unrestricted	\$ 64,762	\$ 11,487	\$ 137,197	\$ 5,474	\$ —	\$ 17,338	\$ 50,847	\$ 287,105
Cash - restricted	6,747	—	—	—	873	—	—	7,620
Investments - unrestricted	—	92,543	—	26,136	—	—	35,223	153,902
Investment - restricted	—	—	—	—	298,095	—	—	298,095
Accounts receivable	2,107	—	—	—	—	—	43	2,150
Interest receivable	171	879	429	162	4,053	—	271	5,965
State / Caltrans funding receivable	4,382	—	27,979	—	—	—	34,073	66,434
Federal funding receivable	23,443	—	—	—	—	—	—	23,443
Due from Other Funds	16,607	—	—	—	—	—	—	16,607
Due from other governments	4,165	—	—	—	—	—	—	4,165
Pension 115 Trust	2,900	—	—	—	—	—	—	2,900
Prepaid items and other assets	1,146	—	—	—	—	—	—	1,146
TOTAL ASSETS	\$ 126,430	\$ 104,909	\$ 165,605	\$ 31,772	\$ 303,021	\$ 17,338	\$ 120,457	\$ 869,532
LIABILITIES								
Accounts payable and accrued expenditures	\$ 20,723	\$ 15,696	\$ 8,927	\$ —	\$ 136,603	\$ 296	\$ 669	\$ 182,914
Accrued interest payable	4	—	—	—	—	—	—	4
Deposit payable	250	—	—	—	—	—	—	250
Unearned revenue	13,282	—	—	—	—	—	—	13,282
Retention payable	26	—	—	—	—	—	—	26
Due to other funds	1,492	—	4,674	—	—	—	1,064	7,230
TOTAL LIABILITIES	35,777	15,696	13,601	—	136,603	296	1,733	203,706

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission

Balance Sheet - Governmental Funds - *Continued*

June 30, 2023

(For comparative information purposes)

(\$ in thousands)	Special Revenue Funds						Non-Major Governmental Funds	Total Governmental Funds
	General Fund	AB 664 Net Toll Revenue Reserve	State Transit Assistance	Rail Reserves	BART Car Exchange	Bay Area Housing Finance Authority		
DEFERRED INFLOWS OF RESOURCES								
Deferred revenue	\$ —	\$ 130,573	\$ —	\$ 104,816	\$ —	\$ —	\$ 31,045	\$ 266,434
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>—</u>	<u>130,573</u>	<u>—</u>	<u>104,816</u>	<u>—</u>	<u>—</u>	<u>31,045</u>	<u>266,434</u>
FUND BALANCES								
Nonspendable								
Prepaid items	1,146	—	—	—	—	—	—	1,146
Restricted for:								
Transportation projects	—	—	152,004	—	—	—	32,136	184,140
Rail projects	—	—	—	—	166,418	—	—	166,418
Housing projects	—	—	—	—	—	17,042	—	17,042
Pension	2,900	—	—	—	—	—	—	2,900
Committed to:								
Benefits reserve	3,409	—	—	—	—	—	—	3,409
Liability reserve	1,058	—	—	—	—	—	—	1,058
Transportation projects	7,400	—	—	—	—	—	55,543	62,943
Unassigned	74,740	(41,360)	—	(73,044)	—	—	—	(39,664)
TOTAL FUND BALANCES	<u>90,653</u>	<u>(41,360)</u>	<u>152,004</u>	<u>(73,044)</u>	<u>166,418</u>	<u>17,042</u>	<u>87,679</u>	<u>399,392</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 126,430</u>	<u>\$ 104,909</u>	<u>\$ 165,605</u>	<u>\$ 31,772</u>	<u>\$ 303,021</u>	<u>\$ 17,338</u>	<u>\$ 120,457</u>	<u>\$ 869,532</u>

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

June 30, 2023

(For comparative information purposes)

	(\$ in thousands)
Governmental funds balance	\$ 399,392
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statement.	1,484
Underabsorption of applied overhead is recorded as unearned revenue as it is not available in the current period and, therefore, not reported in the fund statement.	(4,944)
Capital leases are not due and payable in the current period and, therefore, are not reported in the fund statement.	(135)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the fund statement.	(6,611)
Net pension liability/asset and related accounts (deferred outflows/inflows) are not due and payable in the current period and, therefore, are not reported in the fund statement.	2,610
Net OPEB liability/asset and related accounts (deferred outflows/inflows) are not due and payable in the current period and, therefore, are not reported in the fund statement.	<u>3,457</u>
Net position of governmental activities	<u><u>\$ 395,253</u></u>

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Year Ended June 30, 2024

(\$ in thousands)	Special Revenue Funds							Total Governmental Funds
	General Fund	AB 664 Net Toll Revenue Reserve	State Transit Assistance	Rail Reserves	BART Car Exchange	Bay Area Housing Finance Authority	Non-Major Governmental Funds	
REVENUES								
Sales Taxes	\$ 16,995	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 16,995
Federal Grants	65,580	—	—	—	—	—	—	65,580
State Grants	11,718	—	100,735	—	—	—	3,477	115,930
Local agencies revenues and refunds	12,569	—	863	—	—	1,817	72,322	87,571
Investment income - unrestricted	3,701	5,111	7,200	1,691	—	1,221	5,758	24,682
Investment income - restricted	—	—	—	—	9,133	—	—	9,133
TOTAL REVENUES	110,563	5,111	108,798	1,691	9,133	3,038	81,557	319,891
EXPENDITURES								
Current:								
General Government	118,305	8	—	8	5	3,655	904	122,885
Allocations to other agencies	292,451	9,801	69,004	—	41,126	844	5,131	418,357
Capital outlay	579	—	—	—	—	1,967	—	2,546
TOTAL EXPENDITURES	411,335	9,809	69,004	8	41,131	6,466	6,035	543,788
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	(300,772)	(4,698)	39,794	1,683	(31,998)	(3,428)	75,522	(223,897)
OTHER FINANCING SOURCES (USES)								
Transfers In	315,707	6,753	—	5,483	—	25,000	1,592	354,535
Transfers Out	(20,000)	—	(28,774)	—	—	—	(22,838)	(71,612)
TOTAL OTHER FINANCING SOURCES (USES)	295,707	6,753	(28,774)	5,483	—	25,000	(21,246)	282,923
NET CHANGE IN FUND BALANCES	(5,065)	2,055	11,020	7,166	(31,998)	21,572	54,276	59,026
Fund balances - beginning	90,653	(41,360)	152,004	(73,044)	166,418	17,042	87,679	399,392
Fund balances - end of year	\$ 85,588	\$ (39,305)	\$ 163,024	\$ (65,878)	\$ 134,420	\$ 38,614	\$ 141,955	\$ 458,418

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2023
(For comparative information purposes)

(\$ in thousands)	Special Revenue Funds							Total Governmental Funds
	General Fund	AB 664 Net Toll Revenue Reserve	State Transit Assistance	Rail Reserves	BART Car Exchange	Bay Area Housing Finance Authority	Non-Major Governmental Funds	
REVENUES								
Sales Taxes	\$ 17,610	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 17,610
Federal Grants	56,519	—	—	—	—	—	—	56,519
State Grants	10,363	—	111,761	—	—	—	3,442	125,566
Local agencies revenues and refunds	10,444	—	904	—	—	—	34,116	45,464
Investment income - unrestricted	1,262	3,525	1,525	991	—	431	2,573	10,307
Investment income - restricted	—	—	—	—	11,177	—	—	11,177
TOTAL REVENUES	96,198	3,525	114,190	991	11,177	431	40,131	266,643
EXPENDITURES								
Current:								
General Government	85,767	7	—	4	—	2,232	—	88,010
Allocations to other agencies	19,993	18,044	50,569	845	194,044	—	848	284,343
Capital outlay	350	—	—	—	—	930	—	1,280
TOTAL EXPENDITURES	106,110	18,051	50,569	849	194,044	3,162	848	373,633
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	(9,912)	(14,526)	63,621	142	(182,867)	(2,731)	39,283	(106,990)
OTHER FINANCING SOURCES (USES)								
Transfers In	35,531	7,028	—	5,707	—	—	1,657	49,923
Transfers Out	—	—	(26,356)	—	—	—	(2,080)	(28,436)
Leases	146	—	—	—	—	—	—	146
TOTAL OTHER FINANCING SOURCES (USES)	35,677	7,028	(26,356)	5,707	—	—	(423)	21,633
NET CHANGE IN FUND BALANCES	25,765	(7,498)	37,265	5,849	(182,867)	(2,731)	38,860	(85,357)
Fund balances - beginning	64,888	(33,862)	114,739	(78,893)	349,285	19,773	48,819	484,749
Fund balances - end of year	\$ 90,653	\$ (41,360)	\$ 152,004	\$ (73,044)	\$ 166,418	\$ 17,042	\$ 87,679	\$ 399,392

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2024
(With comparative information for the prior year)

	(\$ in thousands)	
	2024	2023
Net change in fund balances - total governmental funds (per Statement of Revenues, Expenditures and Changes in Fund Balances)	\$ 59,026	\$ (85,357)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the depreciation expense exceeds (does not exceed) capital outlays in the current period. See Note 1.N.	2,295	1,036
Principal repayment on capital leases is an expenditure in the governmental funds; however, the principal element of the repayment reduces long-term liabilities in the Statement of Net Position. The amount is the effect of the differing treatment of capital lease principal repayment.	47	11
Governmental funds report under absorption of applied overhead as unearned revenue; however, in the Statement of Activities, the underabsorption is reported as revenue.	(4,242)	(2,454)
Some items do not require the use of current financial resources and, therefore, are not reported in the governmental funds:		
Change in compensated absences	(1,004)	(801)
Change in net pension liability/asset and related accounts	(2,504)	1,621
Change in net OPEB liability/asset and related accounts	40	(1,406)
Change in net position of governmental activities (per Statement of Activities)	<u>\$ 53,658</u>	<u>\$ (87,350)</u>

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Net Position - Proprietary Funds
June 30, 2024

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund Clipper®	Total Enterprise Funds
ASSETS					
Current assets:					
Cash - unrestricted	\$ 566,027	\$ 16,422	\$ 146,625	\$ 41,001	\$ 770,075
Cash - restricted	143,750	—	—	6,075	149,825
Due from other funds	15,971	732	3,519	9,780	30,002
Due from other governments	384	—	—	—	384
Accounts receivables	53,021	—	4,145	5,986	63,152
Accrued interest	35,854	38	336	678	36,906
Prepaid expenses and other assets	620	28	523	—	1,171
Funding due from State/ Caltrans	8,885	4,464	—	1,855	15,204
Funding due from Federal	—	—	—	8,208	8,208
Total current assets	824,512	21,684	155,148	73,583	1,074,927
Non-current assets:					
Cash - restricted	639,322	—	42,415	—	681,737
Investments - restricted	1,842,387	—	42,106	—	1,884,493
Capital assets not being depreciated/amortized	1,561	—	17,555	121,541	140,657
Capital assets, net of accumulated depreciation/amortization	5,388	143	102,691	44,398	152,620
Total non-current assets	2,488,658	143	204,767	165,939	2,859,507
TOTAL ASSETS	3,313,170	21,827	359,915	239,522	3,934,434
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount of refunding	330,241	—	—	—	330,241
Deferred charges	252,606	—	—	—	252,606
Deferred outflows from pension	5,255	311	769	932	7,267
Deferred outflows from OPEB	4,394	259	643	779	6,075
TOTAL DEFERRED OUTFLOWS OF RESOURCES	592,496	570	1,412	1,711	596,189

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Net Position - Proprietary Funds - Continued
June 30, 2024

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund Clipper®	Total Enterprise Funds
LIABILITIES					
Current liabilities:					
Accounts payable and accrued expenses	\$ 194,103	\$ 1,795	\$ 9,431	\$ 14,914	\$ 220,243
Accrued interest payable	92,553	—	—	—	92,553
Due to other funds	12,311	—	68,179	15,000	95,490
Unearned revenue	139,410	—	—	5,199	144,609
Retention payable	502	—	2,677	5,928	9,107
Long term debt, net of unamortized premium/discount - current	124,553	—	—	—	124,553
Compensated absences - current	1,155	67	177	190	1,589
SBITA liability - current	—	68	—	—	68
Lease liability - current	1,472	—	—	—	1,472
Total current liabilities	566,059	1,930	80,464	41,231	689,684
Non-current liabilities:					
Unearned revenue/ Patron deposits	4,740	—	—	—	4,740
Long term debt, net of unamortized premium/discount	9,814,950	—	210,687	—	10,025,637
Derivative instruments	120,386	—	—	—	120,386
Compensated absences	1,523	88	233	252	2,096
Lease liability	3,564	—	—	—	3,564
Net Pension Liability	1,201	300	743	900	3,144
Net OPEB Liability	1,927	114	282	341	2,664
Total non-current liabilities	9,948,291	502	211,945	1,493	10,162,231
TOTAL LIABILITIES	10,514,350	2,432	292,409	42,724	10,851,915
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows from pensions	141	8	21	25	195
Deferred inflows from OPEB	1,202	71	176	213	1,662
TOTAL DEFERRED INFLOWS OF RESOURCES	1,343	79	197	238	1,857
NET POSITION					
Net investment in capital assets	1,685	75	116,730	153,361	271,851
Restricted for:					
Capital Projects	—	—	84,521	29,580	114,101
Operations & Maintenance, under debt covenant	242,000	—	—	—	242,000
Extraordinary loss reserve, under Caltrans Coop	50,000	—	—	—	50,000
Regional Measure 3 - WETA	79,001	—	—	—	79,001
Unrestricted	(6,982,713)	19,811	(132,530)	15,330	(7,080,102)
TOTAL NET POSITION	\$ (6,610,027)	\$ 19,886	\$ 68,721	\$ 198,271	\$ (6,323,149)

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Net Position - Proprietary Funds
June 30, 2023
(For comparative information purposes)

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund Clipper®	Total Enterprise Funds
ASSETS					
Current assets:					
Cash - unrestricted	\$ 96,936	\$ 15,762	\$ 121,119	\$ 39,604	\$ 273,421
Cash - restricted	137,683	—	—	323	138,006
Investments - unrestricted	439,379	—	—	—	439,379
Due from other funds	15,401	1,492	3,447	6,034	26,374
Due from other governments	456	—	—	—	456
Accounts receivables	48,827	—	3,063	5,448	57,338
Accrued interest	42,144	26	450	1,019	43,639
Prepaid expenses and other assets	153	45	—	—	198
Funding due from State/ Caltrans	5,192	4,193	—	1,067	10,452
Funding due from Federal	—	—	—	8,508	8,508
Total current assets	<u>786,171</u>	<u>21,518</u>	<u>128,079</u>	<u>62,003</u>	<u>997,771</u>
Non-current assets:					
Cash - restricted	14,067	—	18,576	—	32,643
Investments - restricted	2,027,949	—	46,729	—	2,074,678
Capital assets not being depreciated/amortized	1,394	—	9,599	80,809	91,802
Capital assets, net of accumulated depreciation/amortization	7,114	359	110,135	36,412	154,020
Total non-current assets	<u>2,050,524</u>	<u>359</u>	<u>185,039</u>	<u>117,221</u>	<u>2,353,143</u>
TOTAL ASSETS	<u>2,836,695</u>	<u>21,877</u>	<u>313,118</u>	<u>179,224</u>	<u>3,350,914</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount of refunding	359,158	—	—	—	359,158
Deferred charges	266,433	—	—	—	266,433
Deferred outflows from pensions	5,202	314	813	1,059	7,388
Deferred outflows from OPEB	2,952	178	461	601	4,192
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>633,745</u>	<u>492</u>	<u>1,274</u>	<u>1,660</u>	<u>637,171</u>

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Net Position - Proprietary Funds - Continued
June 30, 2023
(For comparative information purposes)

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund Clipper®	Total Enterprise Funds
LIABILITIES					
Current liabilities:					
Accounts payable and accrued expenses	\$ 131,583	\$ 1,918	\$ 7,725	\$ 12,616	\$ 153,842
Accrued interest payable	92,719	—	—	—	92,719
Due to other funds	20,298	—	454	15,000	35,752
Unearned revenue	133,770	—	—	—	133,770
Retention payable	340	—	2,676	4,444	7,460
Long term debt, net of unamortized premium/discount - current	109,730	—	—	—	109,730
Compensated absences - current	1,022	60	150	181	1,413
SBITA liability - current	—	148	—	—	148
Lease liability - current	1,407	—	—	—	1,407
Total current liabilities	490,869	2,126	11,005	32,241	536,241
Non-current liabilities:					
Unearned revenue/ Patron deposits	4,197	—	—	—	4,197
Long term debt, net of unamortized premium/discount	9,476,863	—	—	—	9,476,863
Derivative instruments	174,083	—	—	—	174,083
Compensated absences	1,370	81	201	243	1,895
SBITA liability	—	68	—	—	68
Lease liability	5,036	—	—	—	5,036
Net Pension Liability	208	239	617	805	1,869
Net OPEB Liability	1,059	64	165	216	1,504
Total non-current liabilities	9,662,816	452	983	1,264	9,665,515
TOTAL LIABILITIES	10,153,685	2,578	11,988	33,505	10,201,756
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows from pensions	264	16	41	54	375
Deferred inflows from OPEB	588	35	92	120	835
TOTAL DEFERRED INFLOWS OF RESOURCES	852	51	133	174	1,210
NET POSITION					
Net investment in capital assets	1,149	359	116,751	107,483	225,742
Restricted for:					
Capital Projects	—	—	65,304	30,886	96,190
Operations & Maintenance, under debt covenant	188,000	—	—	—	188,000
Extraordinary loss reserve, under Caltrans Coop	50,000	—	—	—	50,000
Regional Measure 3 - WETA	62,659	—	—	—	62,659
Unrestricted	(6,985,905)	19,381	120,216	8,836	(6,837,472)
TOTAL NET POSITION	\$ (6,684,097)	\$ 19,740	\$ 302,271	\$ 147,205	\$ (6,214,881)

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Year Ended June 30, 2024

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund Clipper®	Total Enterprise Funds
OPERATING REVENUES					
Toll revenues collected	\$ 801,570	\$ —	\$ 67,305	\$ —	\$ 868,875
Department of Motor Vehicles registration fees	—	6,535	—	—	6,535
Revenues from operators	—	—	—	19,641	19,641
Other operating revenues	35,573	—	6,107	—	41,680
TOTAL OPERATING REVENUES	837,143	6,535	73,412	19,641	936,731
OPERATING EXPENSES					
Operating expense incurred by Caltrans	2,841	—	—	—	2,841
Operating expenses - Transbay JPA	5,969	—	—	—	5,969
Towing contracts	—	16,120	—	—	16,120
Professional fees	88,618	1,011	23,458	38,371	151,458
Allocations to other agencies	53,613	—	—	—	53,613
Salaries and benefits	18,682	1,116	2,973	3,215	25,986
Repairs and maintenance	—	246	—	—	246
Communication charges	278	235	—	—	513
Depreciation and amortization	1,726	215	11,034	11,406	24,381
Other operating expenses	41,544	904	3,392	2,272	48,112
TOTAL OPERATING EXPENSES	213,271	19,847	40,857	55,264	329,239
OPERATING INCOME (LOSS)	623,872	(13,312)	32,555	(35,623)	607,492

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds - *Continued*

For the Year Ended June 30, 2024

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund Clipper®	Total Enterprise Funds
NONOPERATING REVENUES (EXPENSES)					
Investment income (loss)	\$ 136,259	\$ 790	\$ 11,097	\$ 9,081	\$ 157,227
Changes in fair value of other derivative instruments	53,698	—	—	—	53,698
Build America Bonds (BABs) interest subsidy	68,959	—	—	—	68,959
Interest expense	(422,868)	—	(1,902)	—	(424,770)
Financing fees and bond issuance costs	(10,116)	—	(3,097)	—	(13,213)
Other non-operating expense	(80)	(7)	—	—	(87)
Caltrans/other agency grants and reimbursements	17,200	12,872	—	998	31,070
Federal grants	—	—	—	148	148
Distribution to other agencies	(244,583)	—	—	(587)	(245,170)
Capital, operating and maintenance expenses for other agencies	—	—	(3,368)	(8,722)	(12,090)
Distribution to Caltrans for their capital purposes	(108,484)	—	—	—	(108,484)
Other nonoperating revenues	2,345	9	4,359	4,714	11,427
TOTAL NONOPERATING REVENUES (EXPENSES)	(507,670)	13,664	7,089	5,632	(481,285)
INCOME (LOSS) BEFORE CONTRIBUTIONS, SPECIAL ITEMS, AND TRANSFERS	116,202	352	39,644	(29,991)	126,207
CONTRIBUTIONS, SPECIAL ITEMS, AND TRANSFERS					
Capital grants	—	—	—	48,447	48,447
Transfers out	(42,133)	(206)	(273,194)	—	(315,533)
Transfers in	—	—	—	32,610	32,610
TOTAL CONTRIBUTIONS, SPECIAL ITEMS, AND TRANSFERS	(42,133)	(206)	(273,194)	81,057	(234,476)
CHANGE IN NET POSITION	74,069	146	(233,550)	51,066	(108,269)
Total net position - beginning	(6,684,096)	19,740	302,271	147,205	(6,214,880)
Total net position - ending	\$ (6,610,027)	\$ 19,886	\$ 68,721	\$ 198,271	\$ (6,323,149)

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Year Ended June 30, 2023
(For comparative information purposes)

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund Clipper®	Total Enterprise Funds
OPERATING REVENUES					
Toll revenues collected	\$ 807,419	\$ —	\$ 59,674	\$ —	\$ 867,093
Department of Motor Vehicles registration fees	—	6,529	—	—	6,529
Revenues from operators	—	—	—	16,416	16,416
Other operating revenues	25,562	—	5,870	4,000	35,432
TOTAL OPERATING REVENUES	832,981	6,529	65,544	20,416	925,470
OPERATING EXPENSES					
Operating expense incurred by Caltrans	3,049	—	—	—	3,049
Operating expenses - Transbay JPA	5,768	—	—	—	5,768
Towing contracts	—	17,928	—	—	17,928
Professional fees	83,010	918	18,386	32,198	134,512
Allocations to other agencies	56,835	—	—	3,987	60,822
Salaries and benefits	17,462	969	2,362	2,768	23,561
Repairs and maintenance	—	225	—	—	225
Communication charges	340	238	—	—	578
Depreciation and amortization	1,709	229	10,566	6,817	19,321
Other operating expenses	27,842	822	2,919	1,827	33,410
TOTAL OPERATING EXPENSES	196,015	21,329	34,233	47,597	299,174
OPERATING INCOME (LOSS)	636,966	(14,800)	31,311	(27,181)	626,296

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds - Continued
For the Year Ended June 30, 2023
(For comparative information purposes)

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund Clipper®	Total Enterprise Funds
NONOPERATING REVENUES (EXPENSES)					
Investment income (loss)	\$ 137,015	\$ 259	\$ 5,655	\$ 4,889	\$ 147,818
Build America Bonds (BABs) interest subsidy	70,581	—	—	—	70,581
Interest expense	(433,681)	—	—	—	(433,681)
Financing fees and bond issuance costs	(9,101)	—	—	—	(9,101)
Other non-operating expense	(30)	(19)	—	—	(49)
Caltrans/other agency grants and reimbursements	16,019	14,340	—	—	30,359
Federal grants	—	—	—	2,582	2,582
Distribution to other agencies	(80,063)	—	—	—	(80,063)
Capital, operating and maintenance expenses for other agencies	—	—	(8,565)	(5,261)	(13,826)
Distribution to Caltrans for their capital purposes	(90,359)	—	—	—	(90,359)
Other nonoperating revenues	1,891	—	3,347	4,953	10,191
TOTAL NONOPERATING REVENUES (EXPENSES)	(387,728)	14,580	437	7,163	(365,548)
 INCOME (LOSS) BEFORE CONTRIBUTIONS, SPECIAL ITEMS, AND TRANSFERS	 249,238	 (220)	 31,748	 (20,018)	 260,748
 CONTRIBUTIONS, SPECIAL ITEMS, AND TRANSFERS					
Capital grants	—	—	—	36,729	36,729
Violation penalty refund (special item)	(78)	—	—	—	(78)
Transfers out	(45,160)	(883)	(201)	—	(46,244)
Transfers in	—	—	—	24,757	24,757
Transfer between programs	(5,527)	—	—	5,527	—
TOTAL CONTRIBUTIONS, SPECIAL ITEMS, AND TRANSFERS	(50,765)	(883)	(201)	67,013	15,164
 CHANGE IN NET POSITION	 198,473	 (1,103)	 31,547	 46,995	 275,912
 Total net position - beginning	 (6,882,569)	 20,843	 270,724	 100,210	 (6,490,792)
Total net position - ending	\$ (6,684,096)	\$ 19,740	\$ 302,271	\$ 147,205	\$ (6,214,880)

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission

Statement of Cash Flows - Proprietary Funds

For the Year Ended June 30, 2024

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund Clipper®	Total Enterprise Funds
Cash flows from operating activities					
Cash receipts from users / operations	\$ 830,606	\$ 6,516	\$ 72,342	\$ 23,168	\$ 932,632
Cash payments to suppliers for goods and services	(230,460)	(18,775)	(29,584)	(48,217)	(327,036)
Cash payments for employee salaries and benefits	(17,540)	(1,041)	(2,746)	(2,964)	(24,291)
Cash receipts for interfund services	—	603	—	—	603
Cash payments for interfund services	(8,596)	(50)	—	(116)	(8,762)
Other cash receipts	360	—	4,846	4,714	9,920
Other cash payments	(169)	—	—	—	(169)
Net cash provided by/(used in) operating activities	574,201	(12,747)	44,858	(23,415)	582,897
Cash flows from non-capital financing activities					
Caltrans and other state and local agency grants	22,295	12,621	—	998	35,914
Proceeds from issuance of bonds	450,000	—	—	—	450,000
Build America Bonds interest subsidy	69,199	—	—	—	69,199
Interest paid on bonds	(423,184)	—	(1,902)	—	(425,086)
Financing fees	(9,704)	—	(3,097)	—	(12,801)
Federal grants	—	—	—	(8,053)	(8,053)
Transfers (to)/from other Funds	(32,142)	—	(206,038)	28,980	(209,200)
Bond principal payments	(109,730)	—	—	—	(109,730)
Proceeds for refunding bonds	41,708	—	—	—	41,708
Credit agreement with Bank of America, N.A.	—	—	210,687	—	210,687
Distributions to Caltrans	(108,413)	—	—	—	(108,413)
Distributions to other agencies	(140,899)	—	—	(587)	(141,486)
Net cash provided by/(used in) non-capital financing activities	(240,870)	12,621	(350)	(196)	(207,261)
Cash flows from capital and related financing activities					
Capital grant	—	—	—	57,294	57,294
Acquisition of capital assets	(169)	—	(10,996)	(57,490)	(68,655)
Disposal of capital assets	—	9	—	—	9
Net cash provided by/(used in) capital and related financing activities	(169)	9	(10,996)	(196)	(11,352)
Cash flows from investing activities					
Proceeds from maturities of investments	2,238,786	—	136,206	—	2,374,992
Purchase of investments	(1,582,377)	—	(131,583)	—	(1,713,960)
Interest and dividends received	110,842	778	11,209	9,422	132,251
Net cash provided by investing activities	767,251	778	15,832	9,422	793,283
Net increase in cash	1,100,413	661	49,344	7,149	1,157,567
Balances - beginning of year	248,686	15,762	139,695	39,927	444,070
Balances - end of year	\$ 1,349,099	\$ 16,423	\$ 189,039	\$ 47,076	\$ 1,601,637

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Cash Flows - Proprietary Funds - Continued
For the Year Ended June 30, 2024

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund Clipper®	Total Enterprise Funds
Reconciliation of operating income to net cash provided by/(used in) operating activities					
Operating income (loss)	\$ 623,872	\$ (13,312)	\$ 32,555	\$ (35,623)	\$ 607,492
Adjustments to reconcile operating net cash provided by/(used in) operating activities:					
Depreciation and amortization	1,726	215	11,034	11,406	24,381
Other revenues	858	—	4,846	4,714	10,418
Other expenses	—	—	—	—	—
Capital, operating and maintenance expenses for other agencies	—	—	(3,062)	(8,722)	(11,784)
Net effect of changes in:					
Due (to)/from other Funds	(9,166)	553	—	(116)	(8,231)
Due from other governments	72	—	498	—	72
Accounts receivable	(9,289)	—	(1,568)	(575)	(11,432)
Prepaid expenses and other assets	(467)	17	(523)	—	(973)
Due from Caltrans	(85)	—	—	—	(85)
Accounts payable and accrued expenses	(37,045)	(133)	851	1,148	(35,179)
Unearned revenue	5,640	—	—	5,199	10,839
Patron deposits	460	—	—	—	460
State funding due	(3,517)	(19)	—	(1,097)	(4,633)
Deferred outflows from pension	(53)	3	44	127	121
Deferred outflows from OPEB	(1,443)	(81)	(182)	(178)	(1,884)
Net pension asset / liability	993	61	126	95	1,275
Net OPEB asset / liability	868	50	117	125	1,160
Compensated absences liability	286	14	58	18	376
SBITA liability	—	(143)	—	—	(143)
Deferred inflows from pension	(123)	(8)	(20)	(29)	(180)
Deferred inflows from OPEB	614	36	84	93	827
Net cash provided by/(used in) operating activities	\$ 574,201	\$ (12,747)	\$ 44,858	\$ (23,415)	\$ 582,897
Significant Noncash Investing, Capital, and Financing Activities					
Refunding bond proceeds received in escrow/redemption fund	\$ 726,335	\$ —	\$ —	\$ —	\$ 726,335
Debt refunded through escrow/redemption fund	(734,187)	—	—	—	(734,187)
Acquisition of capital assets under accounts payable/acrued liabilities	229	—	3,516	14,051	17,796
SBITA liability	—	68	—	—	68
Deferred amount on refunding	(29,918)	—	—	—	(29,918)
Amortization of Bond premium/discount	(20,492)	—	—	—	(20,492)
Amortization of deferred charge	(13,827)	—	—	—	(13,827)
Net increase in fair value of derivative instruments	53,698	—	—	—	53,698

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2023
(For comparative information purposes)

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund MTC- Clipper®	Total Enterprise Funds
Cash flows from operating activities					
Cash receipts from users / operations	\$ 821,079	\$ 6,475	\$ 65,577	\$ 13,966	\$ 907,097
Cash payments to suppliers for goods and services	(162,604)	(20,241)	(26,220)	(38,087)	(247,152)
Cash payments for employee salaries and benefits	(16,947)	(1,014)	(2,402)	(2,908)	(23,271)
Cash receipts for interfund services	13,583	—	—	728	14,311
Cash payments for interfund services	—	(108)	—	—	(108)
Other cash receipts	338	—	2,850	8,953	12,141
Other cash payments	(6,444)	(13)	—	—	(6,457)
Net cash provided by/(used in) operating activities	649,005	(14,901)	39,805	(17,348)	656,561
Cash flows from non-capital financing activities					
Caltrans and other state and local agency grants	13,538	15,190	—	—	28,728
Build America Bonds interest subsidy	123,000	—	—	—	123,000
Interest paid on bonds	(418,257)	—	—	—	(418,257)
Financing fees	(8,944)	—	—	—	(8,944)
Federal grants	—	—	—	3,826	3,826
Transfers (to)/from other Funds	(36,930)	—	(148)	30,436	(6,642)
Bond principal payments	(86,155)	—	—	—	(86,155)
Proceeds for refunding bonds	1,065	—	—	—	1,065
Distributions to Caltrans	(89,139)	—	—	—	(89,139)
Distributions to other agencies	(78,911)	—	(2,553)	(5,262)	(86,726)
Net cash provided by/(used in) non-capital financing activities	(580,733)	15,190	(2,701)	29,000	(539,244)
Cash flows from capital and related financing activities					
Capital grant	—	—	—	30,242	30,242
Acquisition of capital assets	(198)	(400)	(2,081)	(39,227)	(41,906)
Net cash provided used in capital and related financing activities	(198)	(400)	(2,081)	(8,985)	(11,664)
Cash flows from investing activities					
Proceeds from maturities of investments	2,834,477	—	221,384	—	3,055,861
Purchase of investments	(3,048,801)	—	(198,090)	—	(3,246,891)
Interest and dividends received	1,584	239	5,379	3,871	11,073
Net cash provided by/(used in) investing activities	(212,740)	239	28,673	3,871	(179,957)
Net increase/(decrease) in cash	(144,666)	128	63,696	6,538	(74,304)
Balances - beginning of year	393,352	15,634	75,999	33,389	518,374
Balances - end of year	\$ 248,686	\$ 15,762	\$ 139,695	\$ 39,927	\$ 444,070

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Cash Flows - Proprietary Funds - Continued
For the Year Ended June 30, 2023
(For comparative information purposes)

(\$ in thousands)	Bay Area Toll Authority	Service Authority for Freeways and Expressways	BAIFA	Non-major Proprietary Fund MTC- Clipper®	Total Enterprise Funds
Reconciliation of operating income to net cash provided by/(used in) operating activities					
Operating income (loss)	\$ 636,965	\$ (14,799)	\$ 31,311	\$ (27,181)	\$ 626,296
Adjustments to reconcile operating net cash provided by/(used in) operating activities:					
Depreciation and amortization	1,709	229	10,566	6,817	19,321
Other revenues	446	—	2,850	4,953	8,249
Other expenses	(6,000)	(21)	—	—	(6,021)
Capital, operating and maintenance expenses for other agencies	—	—	(8,686)	—	(8,686)
Net effect of changes in:					
Due (to)/from other Funds	13,583	(71)	(387)	729	13,854
Due from other governments	163	—	—	—	163
Accounts receivable	(16,469)	—	474	(2,191)	(18,186)
Prepaid expenses and other assets	83	(42)	—	1	42
Due from Caltrans	28	—	—	—	28
Accounts payable and accrued expenses	14,130	(337)	3,770	(77)	17,486
Unearned revenue	3,684	—	—	—	3,684
Patron deposits	439	—	—	—	439
State funding due	(271)	(54)	—	(259)	(584)
Deferred outflows from pension	(3,248)	(87)	(256)	(313)	(3,904)
Deferred outflows from OPEB	(1,499)	(77)	(212)	(266)	(2,054)
Net pension asset / liability	8,283	373	948	1,248	10,852
Net OPEB asset / liability	1,639	105	265	349	2,358
Compensated absences liability	(42)	(6)	(31)	(72)	(151)
SBITA liability	—	217	—	—	217
Deferred inflows from pension	(4,609)	(325)	(796)	(1,068)	(6,798)
Deferred inflows from OPEB	(9)	(6)	(11)	(18)	(44)
Net cash provided by/(used in) operating activities	\$ 649,005	\$ (14,901)	\$ 39,805	\$ (17,348)	\$ 656,561
Significant Noncash Investing, Capital, and Financing Activities					
Refunding bond proceeds received in escrow/redemption fund	\$ 716,865	\$ —	\$ —	\$ —	\$ 716,865
Debt refunded through escrow/redemption fund	(716,865)	—	—	—	(716,865)
Acquisition of capital assets under accounts payable/acquired liabilities	—	—	2,983	11,413	14,396
SBITA liability	—	217	—	—	217
Deferred amount on refunding	(72,310)	—	—	—	(72,310)
Amortization of Bond premium/discount	(43,385)	—	—	—	(43,385)
Amortization of deferred charge	(14,392)	—	—	—	(14,392)
Net increase in fair value of derivative instruments	87,506	—	—	—	87,506

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Statement of Fiduciary Net Position
June 30, 2024

(\$ in thousands)	Clipper® Custodial Fund
ASSETS	
Cash	\$ 201,820
Accounts receivable	4,879
Due from operators	417
TOTAL ASSETS	<u>207,116</u>
LIABILITIES	
Accounts payable	26,996
Due to operators	4,188
Due to other governments	433
TOTAL LIABILITIES	<u>31,617</u>
NET POSITION	<u><u>\$ 175,499</u></u>

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission

Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2024

(\$ in thousands)	Clipper® Custodial Fund
ADDITIONS	
Clipper card deposits	\$ 188,501
Third party deposits	53,332
Others	6,610
TOTAL ADDITIONS	<u>248,443</u>
DEDUCTIONS	
Distribution to operators	213,465
Distribution to third party	10,088
Other deductions	6,159
TOTAL DEDUCTIONS	<u>229,712</u>
Net change in fund balances	18,731
Net position - beginning	<u>156,768</u>
Net position - ending	<u><u>\$ 175,499</u></u>

The accompanying notes are an integral part of these financial statements.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
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Metropolitan Transportation Commission
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1. Summary of Significant Accounting Policies

A. Reporting Entity

The Metropolitan Transportation Commission (MTC) was established under the laws of the State of California in Government Code Section 66500 et seq. in 1970 to provide comprehensive regional transportation planning for the nine counties that comprise the San Francisco Bay Area, which includes the City and County of San Francisco and the counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano and Sonoma.

MTC's principal sources of revenue to fund its governmental operations include state grants, a percentage of the sales tax revenues collected in the nine Bay Area counties under the State Transportation Development Act of 1971 (TDA) and grants from the U.S. Department of Transportation, Office of the Secretary of Transportation (U.S. DOT), including the Federal Highway Administration (FHWA), Federal Transit Administration (FTA) and other federal, state and local agencies. These are the principal sources of revenues susceptible to accrual under the modified accrual method described later within this note. Fees and charges are the primary source of revenue for the proprietary funds described in this note.

The accompanying financial statements present MTC, its blended component units, and its discretely presented component unit. MTC is the primary government as defined in Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, as amended by GASB Statement No. 61. Its governing board is separately appointed and is fiscally independent of other governments. The blended component units discussed below are included as part of the reporting entity because their boards are substantially the same as the primary government's board, and the management of the primary government has the operational responsibility for the component units. The blended component units, although legally separate entities are, in substance, part of MTC's operations and financial data from these units are combined with financial data of MTC in preparing the government-wide financial statements. The MTC board also serves as the governing body for all its blended component units.

MTC has a discretely presented component unit – Bay Area Headquarters Authority (BAHA). BAHA financial statements are presented in a separate column on the face of the government-wide financial statements in the far-right column.

Blended component units

i.) Bay Area Toll Authority (BATA)

The Bay Area Toll Authority (BATA) is a public agency created by Senate Bill 226, effective January 1, 1998, with responsibilities for the disposition of toll revenues collected from the seven State owned toll bridges in the San Francisco Bay Area. The bridges are the Antioch Bridge, Benicia-Martinez Bridge, Carquinez Bridge, Dumbarton Bridge, Richmond-San Rafael Bridge, San Francisco-Oakland Bay Bridge and San Mateo-Hayward Bridge. BATA is a proprietary fund as it generates revenue from toll bridge receipts and its debt is secured solely by toll revenues as more fully described in Note 5, Long-Term Debt.

Pursuant to Senate Bill 226, a five-year Cooperative Agreement was signed on March 2, 1998 defining the roles and responsibilities of BATA and Caltrans with respect to the collection and disposition of toll bridge revenues. The agreement has been extended through several amendments, and BATA's statutory responsibilities were increased pursuant to AB144, adopted in 2005. The most current amendment extended the agreement through July 2025.

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Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

Under the terms of the Cooperative Agreement, BATA has responsibility for the electronic toll collection while Caltrans' responsibilities include the ownership, operation and maintenance of the bridges. See Note 1W for information on Caltrans' operating expenses. BATA is presented as a major enterprise fund.

ii.) MTC Service Authority for Freeways and Expressways (MTC SAFE)

In June 1988, MTC SAFE was created to receive fees collected by the Department of Motor Vehicles pursuant to Streets and Highways Code Section 2555 et seq., which permits the collection of up to \$1 per registered vehicle in participating counties. These fees represent charges for services rendered to external users. MTC SAFE is responsible for administering a freeway motorist aid system in the participating counties, referred to as the Call Box program. All nine Bay Area counties are participants in the MTC SAFE: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma.

In 1993, MTC SAFE's responsibilities were expanded, pursuant to a jointly adopted Memorandum of Understanding between MTC SAFE, Caltrans, and the California Highway Patrol (CHP), to participate in the development and implementation of a Freeway Service Patrol (FSP) program in the San Francisco Bay Area. The three principal sources of funding for the FSP program are state grants, federal grants, and funding from federal traffic mitigation programs. MTC SAFE is presented as a major enterprise fund.

iii.) Bay Area Infrastructure Financing Authority (BAIFA)

BAIFA was established in August 2006 by an agreement of MTC and BATA, pursuant to the California Joint Exercise of Powers Act (Act) consisting of Sections 6500 through 6599.2 of the California Government Code. The Act provides for the joint exercise of powers common to MTC and BATA. BAIFA is authorized to undertake programs and projects, including the development, financing, and operation of high-occupancy toll lanes in MTC's jurisdiction. In April 2013, MTC delegated its express lanes authority to BAIFA through a cooperative agreement. In April 2022, the Joint Powers Agreement that established BAIFA was amended. Formerly BAIFA's board consisted of MTC and BATA Oversight Committee chairs and four Commissioners. The amendment modified the composition of BAIFA's board to match the composition of MTC's board. As a result of the new board composition, BAIFA meets the blending criteria under paragraph 53 of GASB 14, The Financial Reporting Entity, as amended by GASB No. 61. Starting from fiscal year 2022, BAIFA is presented as a major enterprise fund.

Requests for separately issued financial statements for BAIFA should be addressed to the Finance Department, Bay Area Infrastructure Financing Authority, 375 Beale Street, Suite 800, San Francisco, CA 94105.

iv.) Bay Area Housing Finance Authority (BAHFA)

On October 8, 2019, the Bay Area Housing Finance Authority (BAHFA) was established pursuant to the California Government Code Section 64510 (a)(1) to provide a regional financing mechanism for affordable housing production, preservation, and tenant protection in the San Francisco Bay area, including charter cities. California Government Code Section 64510 (a)(2) states that BAHFA is a separate legal entity and is governed by the same board that governs the MTC; as such BAHFA meets the blending criteria under paragraph 53 of GASB No. 14, The Financial Reporting Entity, as amended by GASB No. 61. BAHFA is presented as a special revenue major governmental fund.

Requests for separately issued financial statements for BAHFA should be addressed to the Finance Department, Bay Area Housing Finance Authority, 375 Beale Street, Suite 800, San Francisco, CA 94105.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

Discretely presented component unit

A component unit is a legally separate organization for which the primary government are financially accountable. It can also be an organization whose relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. MTC has one discretely presented component unit, the Bay Area Headquarters Authority (BAHA).

v.) Bay Area Headquarters Authority (BAHA)

BAHA was established in September 2011 by an agreement of MTC and BATA pursuant to the California Joint Exercise of Powers Act, consisting of Sections 6500 through 6599.2 of the California Government Code, which authorizes BAHA to exercise powers common to MTC and BATA. There are six Commissioners on the governing board for BAHA. BAHA's board consists of four MTC Commissioners and two BATA Commissioners. BAHA is authorized to plan, acquire, and develop its office space and facilities directly or through contract. On October 14, 2011 BAHA acquired property located at 375 Beale Street, in San Francisco, California for the purpose of establishing a Bay Area Regional Headquarters for MTC, the Bay Area Air Quality Management District, and the Association of Bay Area Governments. The three agencies moved to the new building, Bay Area Metro Center (BAMC), in fiscal year 2016. BAHA is presented as a discretely presented component unit in the government-wide financial statements of MTC. Although BAHA meets the component unit criteria under paragraph 15 to 33 of the GASB Statement No. 14, The Financial Reporting Entity as amended by GASB No. 61, it doesn't meet the blending criteria under paragraph 53; therefore it is reported as a discretely presented component unit.

Requests for separately issued financial statements for BAHA should be addressed to the Finance Department, Bay Area Headquarters Authority, 375 Beale Street, Suite 800, San Francisco, CA 94105.

B. Government-Wide and Fund Financial Statements

Basis of presentation - government-wide statements

The government-wide financial statements (i.e. Statement of Net Position and Statement of Activities) report information on all non-fiduciary activities of MTC and its component units. The effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services

provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

Basis of presentation - fund financial statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following funds:

i.) MTC General Fund

MTC General Fund is used to account for financial resources not accounted for or reported in another fund.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

ii.) MTC Special Revenue Funds

Special revenue funds are used to account for specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. MTC maintains various special revenue funds as follows:

Major Funds

AB 664 Net Toll Revenue Reserve Fund – Under Section 30884 (a) of the Streets and Highways Code, the AB 664 Net Toll Revenue Fund receives 16 percent of the revenue generated each year from the collection of the base toll at its level in existence for the 2001-02 fiscal year on San Francisco-Oakland Bay Bridge, Dumbarton Bridge and San Mateo-Hayward Bridge. These funds are allocated by policy, 70 percent to East Bay and 30 percent to West Bay, to agency capital projects that further the development of public transit in the vicinity of the three southern bridges.

State Transit Assistance (STA) Fund – State Transit Assistance Funds are used for transit and paratransit operating assistance, transit capital projects, and regional transit coordination. The revenues are derived from the state sales tax on fuel and apportioned by state statute between population-based and revenue-based accounts. PUC Section 99313 defines the population-based and PUC Section 99314 defines the revenue-based accounts. The STA revenue received by MTC is based on the population of the nine counties. On April 28, 2017, Senate Bill (SB) 1 was signed by the Governor to provide additional revenues to the STA Fund for transit infrastructure repair and service improvements. This investment in public transit is referred to as the State of Good Repair (SGR) program. The SGR program follows the same state-wide distribution policies as the regular STA fund, with revenue and population based accounts. However, unlike the regular STA program, recipients of the SGR program must have their projects pre-approved by Caltrans. MTC receives SGR revenue based on the population of the nine counties.

Rail Reserves Fund – Under Section 30914 (a.4) of the Streets and Highways Code, the Rail Reserves Fund receives 21 percent of base toll revenues collected at the level established by the 1988 toll increase on the San Francisco-Oakland Bay Bridge. These funds are allocated exclusively for rail transit capital extension and improvement projects that are designed to reduce vehicular traffic congestion on the San Francisco-Oakland Bay Bridge. 70 percent of the Rail Reserves are allocated for East Bay rail improvements and the remaining 30 percent for West Bay rail improvements.

BART Car Exchange Fund – Funds deposited are restricted to the purpose of BART railcar procurement projects, including replacement railcars and railcars associated with BART's Transbay Corridor Core Capacity Project. MTC and BART established the funding exchange program whereby MTC programmed Federal Funds for current BART projects with BART depositing an equal amount of local funds into an account set aside for BART railcars. The project began in fiscal year 2013.

Bay Area Housing Finance Authority Fund – BAHFA is authorized to raise revenue by imposing various special taxes, including a parcel tax, and certain business taxes, within its jurisdiction and to issue general obligation bonds secured by the levy of ad valorem property taxes, in accordance with applicable constitutional requirements, and revenue bonds payable from the revenues of the authority, other than revenues generated from ad valorem property taxes. In addition, BAHFA also received state and local grants to fund its projects.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

Non-Major Funds

Transit Reserve Fund – MTC maintains a Transit Reserve Fund pursuant to Regional Measure 1. The calculation of the transit reserves is set forth in Section 30913 (b) of the Streets and Highways Code as one-third of two percent of base toll revenues collected at the level established by the 1988 toll increase on all seven Bay Area state-owned bridges.

Caltrans also has a Cooperative Agreement with BATA and MTC whereby Caltrans transfers state funding to MTC for ferry operations and other transit/bicycle projects.

Exchange Fund – Exchange Funds are used for MTC projects adopted as part of its Surface Transportation Program (STP), Congestion Mitigation and Air Quality Improvement (CMAQ), and STA Exchange program. The restriction is established by Commission resolution.

Clipper BayPass Fund – MTC and transit operators participate in the Clipper BayPass Program. The revenue in this fund is generated from selling the Clipper BayPass product to institutions around the Bay Area. The revenue generated is used to reimburse transit operators for all trips taken using Clipper BayPass.

iii.) MTC Non-major Enterprise Fund - Clipper®

In July 2010, MTC assumed responsibility for operating Clipper®, the region's transit fare payment program, under a Memorandum of Understanding with seven Bay Area transit organizations. Clipper® transit fare payment program operating and capital costs are incurred by MTC's Clipper® fund. MTC Clipper® receives payment from participating transit operators for service provided related to the operations of this program. MTC Clipper® Fund is presented as a non-major fund in the business type activities. The Clipper® card patron deposits are held as a custodial fund. See Note 1.B (iv) for information on the Clipper® program custodial fund.

iv.) MTC Fiduciary Fund

The MTC Fiduciary Fund is a Custodial Fund which is used to account for assets held by MTC in a trustee capacity for the restricted benefit of the transit agencies that participate in the Clipper® Card Program.

C. Measurement Focus, Basis of Accounting and Financial Statements Presentation

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectable within the current period or soon enough afterwards to pay liabilities of the current period. MTC considers revenue to be available if they are collected within 270 days after year end. All revenue sources included in the governmental funds, namely federal, state, and local grants as well as sales tax revenue, utilize this revenue recognition methodology. Expenditures generally are recorded when liabilities are incurred, under the modified accrual basis of accounting.

New Accounting Pronouncements

GASB Statement No. 99, *Omnibus 2022*, enhances comparability in accounting and financial reporting and improves consistency of authoritative literature by addressing (1) practice issues that have been identified

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

during implementation and application of certain GASB statements and (2) accounting and financial reporting for financial guarantees. The requirements of this statement are effective as follows: (a) The requirements in paragraph 26-32 related to extension of the use of London Interbank Offered Rate (LIBOR), accounting for Supplemental Nutrition Assistance Program (SNAP) distributions, disclosures of nonmonetary transactions, pledges of future revenues by the pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. (b) The requirements in paragraphs 11-25 related to leases, public-private and public-public partnership arrangements (PPPs), and subscription-based information technology arrangements (SBITAs) are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. (c) The requirements in paragraphs 4-10 related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. MTC adopted paragraphs 26-32 in fiscal year 2022, paragraphs 11-25 in fiscal year 2023 and paragraphs 4-10 in fiscal year 2024. See Note 1.X for further information on the impact of adoption of the GASB Statement No. 99 paragraph 8. The adoption of the remaining paragraphs has no impact on MTC's financial statements.

GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*, enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for accounting changes and errors corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The adoption of the standard has no impact on MTC's financial statements.

D. Budgetary Accounting

Enabling legislation and adopted policies and procedures provide that MTC and its operating entities approve an annual budget by June 30 of each year. Annual budgets are adopted on a basis that differs from accounting principles generally accepted in the United States of America for all governmental and proprietary funds. MTC also approves a life-to-date project budget whenever new projects are approved. MTC staff presents a preliminary budget in May and a final proposed budget in June. MTC conducts public meetings for discussion of the proposed annual budget and at the conclusion of the public meetings, but not later than June 30, adopts the final budget for the following fiscal year. The appropriated budget is prepared by fund, project and expense type. The legal level of control is at the fund level and the governing body must approve additional appropriations. Budget amendments are recommended when needed. Operating appropriations lapse at fiscal year-end.

The primary difference between the budgetary basis of accounting and GAAP concerns capital assets. Depreciation and amortization expenses per GAAP are not budgeted for all fund types and budgeted capital expenditures are not recorded as expenses for the proprietary fund types per GAAP. In addition, unrealized gains and losses under GASB Statement No. 31 are not budgeted as revenues and expenses as well as some long-term expenses such as Pension, OPEB and bond related payments.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
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E. Encumbrances

Encumbrance accounting is employed in the general and special revenue funds. Under this method, purchase orders, contracts, memoranda of understanding, and other commitments outstanding at year-end do not constitute expenditures or liabilities. GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, provides additional guidance on the classification within the fund balances section of amounts that have been encumbered. Encumbrances of balances within the general fund are classified as committed and are included in the "transportation projects" category. For the fiscal year 2024, these encumbrances, along with encumbrances of balances in funds that are restricted, committed or assigned, are not separately classified in the financial statements, and are summarized as follows: (Pending from budget team)

General Fund	\$	10,350
AB 664 Net Toll Revenue		34,757
State Transit Assistance Funds		18,973
Rail Reserves		1,326
Bay Area Housing Finance Authority		6,850
Non-major Governmental Funds		56,700

F. Net Position

Net position, presented in the government-wide financial statements, represents the residual interest in assets plus deferred outflows of resources after liabilities and deferred inflows of resources are deducted. MTC's Net Position consists of three sections: net investment in capital assets, as well as restricted and unrestricted. Net position is reported as restricted when constraints are imposed by creditors, grantors, contributors, laws or regulations or other governments or enabling legislation. Unrestricted net position is the net amount of the residual value that is not included in the restricted categories of net position. It is MTC's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

G. Fund Balances

Fund balances, presented in the governmental fund financial statements, represent the difference between assets, liabilities and deferred inflows and outflows of resources reported in a governmental fund. GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental funds. GASB Statement No. 54 requires that the fund balances be classified into categories based upon the type of restrictions imposed on the use of funds.

MTC evaluated each of its funds at June 30, 2024 and classified fund balances into the following five categories:

- Nonspendable – Items that cannot be spent because they are not in spendable form, such as prepaid items, are reported in the general fund.
- Restricted – Items that are restricted by external parties such as creditors or imposed by grants, law or legislation. MTC has legislative restrictions on amounts collected for various transportation and rail projects included in the AB 664 Toll Revenue, STA, BART Car Exchange, Transit Reserve, Rail Reserves, and BAHFA.

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Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

- Committed – Items that have been committed by formal action by the entity's highest level of decision-making authority, which MTC considers to be Commission resolutions. This level of approval has been reported in the General fund and the Exchange fund.
- Assigned – Items that have been allocated by committee action where the government's intent is to use the funds for a specific purpose. MTC considers this level of authority to be the Administration Committee. This restriction is currently not used on MTC's fund balances.
- Unassigned – This category is the residual classification for the general fund. This category represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The General fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, if expenditures exceed amounts restricted or committed, it may be necessary to report a negative unassigned fund balance.

MTC reduces restricted amounts first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available. MTC reduces committed amounts first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

H. Cash and Investments

MTC invests its available cash under the prudent investor rule. The prudent investor rule states, in essence, that "in investing ... property for the benefit of another, a trustee shall exercise the judgment and care, under the circumstance then prevailing, which people of prudence, discretion, and intelligence exercise in the management of their own affairs." This policy affords MTC a broad spectrum of investment opportunities as long as the investment is deemed prudent and is authorized under the California Government Code Sections 53600, et seq. Investments of funds held by the trustee are governed by the indentures, which are more restrictive than the general provisions of California Government Code or MTC Investment policy. Investments allowed under MTC's investment policy include the following:

- Securities of the U.S. Government or its agencies
- Securities of the State of California or its agencies
- Certificates of deposit issued by a nationally or state chartered bank
- Authorized pooled investment programs
- Commercial paper – Rated "A1" or "P1"
- Corporate notes – Rated "A" or better
- Municipal bonds - Rated "A1" or "P1" or better
- Mutual funds – Rated "AAA"
- Other investment types authorized by state law and not prohibited in MTC's investment policy.

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MTC applies the provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools, as amended (including by GASB Statement No. 72), which generally requires investments to be recorded at fair value with the difference between cost and fair value recorded as an unrealized gain or loss. MTC reports its money market securities and short-term investments at cost. This is permissible under this standard provided those investments have a remaining maturity at the time of valuation of one year or less and that the fair value of those investments is not significantly affected by the credit standing of the issuer or other factors. Net increases or decreases in the fair value of investments are shown in the Statements of Revenues, Expenditures and Changes in Fund Balance for all governmental fund types and in the Statements of Revenues, Expenses and Changes in Net Position for the proprietary funds. Accounting for derivative investments is described in Note 1.X Investments purchased, but not yet settled in cash, are included in security trade payables in the statement of net position.

Cash

MTC considers all balances in demand deposit accounts to be cash. Deposits in the cash management pool of the County of Alameda, Local Agency Investment Fund (LAIF), money market funds, and California Asset Management Program (CAMP) are presented as cash as they are available for immediate withdrawal or deposit at any time without prior notice or penalty and there is minimal risk of loss of principal.

Restricted Cash

Certain cash is restricted as these assets are either for a specific purpose, escrow accounts with the balance being refunded upon project completion, prepaid customer deposits for the FasTrak® and Clipper programs or funds restricted for debt service, or other legal restrictions.

Restricted Investments

Certain investments are classified as restricted on the Statement of Net Position because they are either for a specific purpose, or their use is limited externally by applicable bond covenants, laws or regulations or there exists an imposed restriction through enabling legislation.

Non-Current Cash and Investments

Certain cash and investments are non-current as these funds are restricted as to withdrawal or use for other than current operations that are designated for disbursement in the acquisition or construction of non-current assets, or that are segregated for the liquidation of long-term debts.

I. Prepaid Items

Certain payments to vendors applicable to future accounting periods are recorded as prepaid items based on the consumption method.

J. Capital Assets

Capital assets, which include buildings and improvements, furniture and equipment, right-to-use lease assets, automobiles and call boxes and software, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital asset acquisitions are recorded at historical cost (except for intangible right-to-use lease building, the measurement of which is discussed in Note 1.S). MTC's intangible assets consist of purchased and licensed commercially available computer software and internally developed software. Depreciation and amortization expenses for the governmental activities are charged against general government function.

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Capital assets are defined by MTC as assets with an initial, individual or aggregate cost of more than \$5,000 and an estimated useful life more than three years. However, capital assets that do not meet the threshold on an individual basis but are material collectively are capitalized. MTC follows the guidance in GASB Statement No. 34, Basic Financial Statements - and Management's Discussion & Analysis - for State and Local Governments and GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets for recording capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset service lives are not capitalized.

Depreciation and amortization are computed using the straight-line method that is based upon the estimated useful lives of individual capital assets. The estimated useful lives of capital assets are as follows:

	Years
Buildings and improvements	7-45
Furniture and equipment	3-25
Intangible assets	5-10
Lease equipment	5
Automobiles	5
Call boxes	10
Right-to-use lease building	Lease term

When assets have been evaluated for impairment, in which the use of capital assets is discontinued or a decision has been made to sell assets and the assets are not continuing to be used, the depreciation and amortization ceases.

K. Retirement Plans

MTC provides a defined benefit pension plan, the Miscellaneous Plan of Metropolitan Transportation Commission (the "Plan"), which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to Plan members and beneficiaries. The Plan is part of the Public Agency portion of the California Public Employees' Retirement System (CalPERS).

GASB Statement No. 68, *Accounting and Financial Reporting for Pension Plans*, and amendment to GASB Statement No. 27, requires that reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date (VD)	June 30, 2022
Measurement Date (MD)	June 30, 2023
Measurement Period (MP)	July 1, 2022 to June 30, 2023

GASB Statement No. 68 requires the actuarial valuations to be performed at least every two years. If a valuation is not performed as of the measurement date, the total pension liability is required to be based on update procedures to roll forward amounts from an earlier actuarial valuation performed within 30 months and 1 day prior to the employer's fiscal year end. Accordingly, for financial reporting purposes, MTC's total pension liability was determined by CalPERS using a valuation date of June 30, 2022. CalPERS then rolled forward the total pension liability to June 30, 2023, and this is the basis for reporting MTC's net pension liability at June 30, 2024.

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For purposes of measuring the net pension liability/asset, deferred outflows and deferred inflows of resources related to pensions, pension expense, information about MTC's fiduciary net position of the Plan and additions to / deletions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

MTC allocates the net pension liability/asset, deferred outflows and deferred inflows from pension, and pension expenses to its blended and discretely presented component units and funds based on their share of MTC's payroll cost of the measurement year.

For additional information on the Plan, refer to Note 9.

L. Other Post Employment Benefits (OPEB)

MTC provides post employment medical coverage to all eligible retired employees and their eligible dependents. MTC post employment medical plan is the same medical plan as for its active employees. MTC established a Section 115 irrevocable benefit trust fund for its post employment benefit plan with Public Agency Retirement Services (PARS). The benefit trust fund is reported as OPEB plan fiduciary net position in the Net OPEB Liability on the Statement of Net Position. The annual determined contribution to the trust fund is recorded in salaries and benefits expense.

For purposes of measuring the net OPEB liability / asset, deferred outflows and deferred inflows of resources related to OPEB, OPEB expense, information about fiduciary net position of MTC's OPEB Plan and additions to / deletions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 75 requires that reported results must pertain to liability and assets information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date (VD)	June 30, 2023
Measurement Date (MD)	June 30, 2023
Measurement Period (MP)	July 1, 2022 to June 30, 2023

GASB Statement No. 75 requires the actuarial valuations to be performed at least every two years. If a valuation is not performed as of the measurement date, the total OPEB liability is required to be based on update procedures to roll forward amounts from an earlier actuarial valuation performed within 30 months and 1 day prior to the employer's fiscal year end. Accordingly, for financial reporting purposes, MTC's net OPEB liability/asset at June 30, 2024 was determined using the actuarial valuation and measurement date of June 30, 2023.

MTC allocates OPEB liability / asset, deferred outflows and deferred inflows from OPEB, and OPEB expenses to its blended and discretely presented component units and funds based on their share of MTC's payroll cost of the measurement year.

For additional information on the Plan, refer to Note 10.

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M. Compensated Absences

MTC's regular staff employees accumulate vacation pay and sick leave pay pursuant to the agreement with the Committee for Staff Representation, Confidential, and Specific Executive Employees pursuant to the Meyers–Milius–Brown Act. A liability exists for accumulated vacation and sick leave. Unused accumulated sick and vacation leave is paid at the time of employment termination up to a maximum of 240 hours for sick leave as well as the total accumulated vacation leave of an employee. See Note 11 for additional information.

N. Reconciliation of Government-Wide and Fund Financial Statements

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net change in fund balance – total governmental funds and changes in net position of governmental activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures." However, in the Statement of Activities the cost of those assets is allocated over their estimated useful life and reported as depreciation expense.

O. Unearned Revenue

The unearned revenue in MTC consists of State and local grants prior to meeting the revenue recognition criteria. When revenue recognition criteria are met, unearned revenue will be reclassified to revenue earned. The unearned revenue in BATA consists of certain funds collected by the Regional Customer Service Center (RCSC). These funds collected by the RCSC are prepayments for tolls or represent a deposit from patrons. The patrons are issued transponders with the prepaid amounts for usage against tolls on the San Francisco Bay Area bridges and Bay Area Express Lanes.

P. Deferred Inflows/Outflows of Resources - Revenue and Charges

Deferred revenue includes the unamortized portion of a lump sum payment from BATA to MTC. Details of the transaction are described below.

Streets and Highways codes sections 30890, 30911, and 30914 require BATA to transfer a specific percentage of the net base toll collection to MTC annually. The transfers are called AB 664 Net Toll Revenue Reserve, Transit Reserve, and Rail Reserves transfers. In April 2010, MTC entered into a funding agreement with BATA, whereby BATA made a lump sum payment of \$506,987 (equal to the net present value of the next 50 years of these funds' transfers). The funds were transferred on September 30, 2010. MTC and BATA agreed that the payment would fulfill BATA's entire responsibility to make AB 664 Net Toll Reserve, Transit Reserve, and Rail Reserves fund transfers for the next 50 years. MTC is using the payment to fund planned essential regional transportation projects.

GASB Statement No. 48, Sales and Pledges of Receivables and Intra-Entity Transfers of Assets and Future Revenues, as amended by GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, establishes the criteria to account for the above transactions. The lump sum payment from BATA to MTC met the criteria of the intra-entity sale of future revenues for the fiscal year ended June 30, 2011. GASB Statement No. 48 requires the intra-entity sale of future revenue to be accounted for as a deferred charge and deferred revenue and amortized over the life of the agreement. The balances in the deferred revenue and deferred charge are reported under Deferred Inflows and Outflows of Resources in accordance with GASB Statement No. 65. The amortization charge for the current fiscal year was \$13,827.

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Q. Deferred Amount on Refunding

Deferred amount on refunding represents the unamortized amount of the different between the reacquisition price and the net carrying value of the old debt from the defeasance of the current and advance bond refundings.

R. Deferred Outflows/Inflows of Resources on Pensions and OPEB

Deferred outflows and deferred inflows of resources are recognized for:

- Changes in the total pension and OPEB liability arising from differences between expected and actual experience with regard to economic or demographic factors.*
- The effects of changes of assumptions about future economic or demographic factors or of other inputs.*
- Difference between projected and actual investment earnings on defined benefit pension and OPEB plan investments.**

*The balances on these accounts are recognized in pension and OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of employees determined as of the beginning of the measurement period.

**The difference between projected and actual earnings amount is recognized in pension and OPEB expense using a systematic and rational method over a closed five-year period.

Deferred outflows of resources are also used to report MTC's contribution to CalPERS and PARS subsequent to the measurement date of the net pension and OPEB liability and before the end of the reporting period. See Notes 9 and 10 for additional information.

S. Subscription-Based Information Technology Arrangements (SBITAs)

MTC has entered into several subscription-based contracts to use vendor-provided information technology. MTC measured the SBITA liability at the present value of payments expected to be made during the SBITA agreement term. Subsequently, the SBITA liability is reduced by the principal portion of the payments made. The SBITA asset is measured at the amount of the initial measurement of the SBITA liability, adjusted for the payments made at or before the agreement commencement date, plus certain initial direct costs. The SBITA asset is amortized on a straight-line basis over the shorter of the SBITA agreement term or the useful life of the SBITA asset.

The key estimates and judgments used to determine the discount rate, SBITA agreement term and SBITA payments are as follows:

- MTC uses the estimated incremental borrowing rate as the discount rate.
- The SBITA agreement term includes the noncancelable period of the agreement.
- The SBITA payments included in the measurement of the SBITA liability are composed of fixed or variable payments specified on the SBITA agreements.

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T. Leases

Lessor

BAHA, the discretely presented component unit of MTC, is a lessor that leases office spaces of Bay Area Metro Center (BAMC) at 375 Beale Street, San Francisco to both governmental and private sector tenants. BAHA recognizes a lease receivable and a deferred inflow of resources in the government-wide and its financial statements.

As of June 30, 2024, BAHA reported \$14,091 lease receivable and \$13,253 deferred inflow of resources respectively. BAHA measured the lease receivable at the present value of payments expected to be received during the lease terms. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. The deferred inflow of resources is recognized as revenue over the life of the lease term.

The key estimates and judgments used to determine the discount rate, lease term and lease receipts are as follows:

- BAHA uses the estimated incremental borrowing rate of its tenants as the discount rate or leases. For its governmental tenants, BAHA uses the tax-exempt Municipal Market Data (MMD) rate plus the relevant spread as the discount rate. For its private sector tenants, BAHA uses the weighted average discount rate of similar borrowers.
- The lease term includes the noncancelable period of the lease.
- The lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessees.

BAHA monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Lessee

BATA is a lessee that leases office space in BAMC from BAHA. BATA recognizes a lease liability and a right-to-use lease asset (lease asset) in the government-wide and proprietary fund financial statements.

MTC has leased ten (10) color copiers for thirty-six (36) months from Canon Financial Services in fiscal year 2023. MTC recognizes a lease liability and a right-to-use lease asset (lease asset) in the governmental financial statements.

MTC and BATA measured the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is measured at the amount of the initial measurement of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the lease asset.

The key estimates and judgments used to determine the discount rate, lease term and lease receipts are as follows:

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- MTC uses the estimated incremental borrowing rate as the discount rate for leases. For BATA's office lease from BAHA, the rate is the tax-exempt MMD rate plus the relevant spread because BATA is a governmental lessee of BAHA. MTC uses the weighted average discount rate which BAHA has for its private sector tenants for the Canon printer lease.
- The lease term includes the noncancelable period of the lease.
- The lease payments included in the measurement of the lease liability are composed of fixed payments to BAHA and Canon Financial Services.

BATA monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

U. Toll Revenues Collected

BATA accounts for the electronic tolls collected from the operation of the bridges as revenue. BAIFA accounts for the electronic tolls collected from the operation of the express lanes as revenue. BATA and BAIFA recognize electronic toll revenue as amounts are earned, net of estimated uncollectible amount.

V. Other Operating Revenues

Violation fees and penalties collected and escheatment revenue are recognized as other operating revenues in the Statement of Revenues, Expenses and Changes in Net Position for BATA and BAIFA.

W. Operating Expenses Incurred by Caltrans

In accordance with the Cooperative Agreement between BATA and Caltrans, BATA reimburses Caltrans for certain costs incurred for bridge operating expenses. These expenses include maintenance, administration, operations, and overhead costs.

X. Investment Income and Other Derivative Instruments

Investment income (loss) is comprised of interest income from investments. The investment derivative instruments that are within the scope GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instrument, but do not meet the definition of an investment are considered other derivative instruments. In accordance to GASB Statement No. 99, Omnibus 2022, paragraphs 8, the changes in fair value of other derivative instruments should be reported on the resource flows statement separately from the investment revenue classification. Investment income and changes in fair value of derivative instruments for fiscal year 2024 is as follows:

	Governmental Activities	Business-Type Activities	Total FY2024
Investment income (loss)	\$ 33,815	\$ 157,227	\$ 191,042
Changes in fair value of other derivative instruments	\$ —	\$ 53,698	\$ 53,698

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Y. Distributions to Caltrans for their Capital Purposes

In accordance with the Cooperative Agreement between BATA and Caltrans, BATA reimburses Caltrans for bridge capital expenses. Expenses are recorded or accrued related to the period to the extent the invoices are received by MTC through 60 days after the end of the fiscal year. See Note 2 for further details.

Z. Distributions to Others for their Capital Purposes / Allocation to Other Agencies

Expenses are recorded or accrued related to the period to the extent the invoices are received by MTC through 60 days after the end of the fiscal year.

AA. Capital, Operating, and Maintenance expenses for other agencies

Expenses incurred by BAIFA for other agencies' capital projects, operating, and maintenance costs.

AB. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

AC. Build America Bonds (BABs) Interest Subsidy

The interest subsidy on BABs issued by BATA was \$68,959 for fiscal year 2024. Of this amount, \$17,149 was not received as of June 30, 2024, and therefore was included as year-end accrual. The BABs interest subsidy is scheduled to be received from the Federal government on April 1 and October 1 of each year. The two interest subsidy payments in fiscal year 2024 were reduced due to the Federal budget and sequestration constraints. In fiscal year 2024, the payments were impacted by a reduction of 5.7% of the subsidy amount.

AD. Operating and Nonoperating Revenues and Expenses

Operating revenues are those necessary for principal operations of the entity. Operating expenses are those related to user service activities. Nonoperating revenues and expenses are all other revenues and expenses not related to user service activities.

AE. Prior Year Comparative Information

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with MTC's prior year financial statements, from which this selected financial data was derived.

AF. Presentational Reclassifications of Prior Year Amounts

Certain prior year amounts have been reclassified to conform to the current year presentation. There is no effect on changes in fund balance or net position as a result of these reclassifications.

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2. Net Position / Fund Balance Deficit

MTC's negative net position/fund balance arises from BATA enterprise fund and AB 664 and Rail Reserves governmental funds. BATA is responsible for providing Caltrans funding for bridge construction and repairs related to the seven state-owned bridges in the San Francisco Bay Area. Expenses related to these payments to Caltrans are treated as expenses since BATA does not own or maintain title to the bridges. BATA's negative net position will be reduced through operating income earned in the future as toll revenue debt is retired and projects are completed. In FY 2011, AB 664 and Rail Reserves received a lump sum payments of \$248,049 and \$200,201 respectively (equal to the net present value of the next 50 years of funding) from BATA through an agreement signed in 2010. The advance payments were recorded as a deferred revenue and amortized yearly. The cash advance is to be used to fund the planned essential of AB 664 and Rail Reserves projects at any time. Over the years AB 664 and Rail Reserves allocated funds for transportation projects exceeding the revenue amortization creating a deficit in the funds. AB 664 and Rail Reserves' deficit will be reduced through the yearly amortization of the advance payment.

3. Cash and Investments

A. A summary of Cash and Investments as shown on the Statement of Net Position for all funds at June 30, 2024 is as follows:

Unrestricted cash	\$ 1,193,181
Unrestricted investments	147,974
Total unrestricted cash and investments	<u>1,341,155</u>
Restricted cash	849,523
Restricted investments	2,026,874
Total restricted cash and investments	<u>2,876,397</u>
Total cash and investments	<u><u>\$ 4,217,552</u></u>

The details of restricted cash and investments are as follows:

FasTrak® program	\$ 148,164
BATA debt reserve	575,438
BATA construction funds	565,280
BATA bond funds	35,575
Operations & maintenance reserve	242,000
Extraordinary loss reserve	50,000
Rehabilitation reserve	370,000
Projects / self-insurance reserves	280,000
Variable rate risk reserve	280,000
Capital projects	66,386
BART car exchange project	153,287
RM3 - WETA	79,001
BAIFA reserve	31,266
Total restricted cash and investments	<u><u>\$ 2,876,397</u></u>

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Restricted cash on the FasTrak[®] program consists of customer prepaid tolls and deposits from patrons. The patrons are issued transponders with the prepaid amounts for usage against tolls on the San Francisco Bay Area bridges and Bay Area Express Lanes network. Tolls are deducted from customers' prepaid toll accounts as customers cross a bridge or use the express lanes. The Operations & maintenance reserve, BATA trustee funds, Extraordinary loss reserve, Rehabilitation reserve, Projects/Self-insurance reserve, and the Variable rate risk reserve are described in Note 5. The BART car exchange project is described in Note 1.B.ii.

B. The composition of cash and investments at June 30, 2024 is as follows:

Cash

Cash at banks	\$ 187,197
Money market mutual funds	579,949
Government Pool Investments	1,123,947
County of Alameda	151,610
Total Cash	<u>\$ 2,042,703</u>

The following table shows MTC's position in the investment pool of County of Alameda for STA funds as of June 30, 2024. Deposits with the County of Alameda are available for immediate withdrawal.

Fiduciary fund

Cash at bank - Clipper [®]	<u>\$ 201,820</u>
Total cash - fiduciary fund	<u>\$ 201,820</u>

The mutual fund investments in MTC's investment portfolio are expressed as a percentage of MTC's total cash and investments as follows:

Money Market Mutual Funds	
Morgan Stanley Government Portfolio	2%
BlackRock T-Fund Institutional	12%
BlackRock Treasury Trust Fund	Less than 1%

The government pool investments in MTC's investment portfolio are expressed as a percentage of MTC's total cash and investments as follows:

Government Pool Investments	
Local Agency Investment Fund	Less than 1%
California Asset Management Program	27%

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Money Market Mutual Funds

The BlackRock Treasury Trust Fund is part of the overnight sweep fund utilized by Bank of New York trustee accounts. The fund invests 100% of its total assets in cash, U.S. Treasury bills, notes, and other obligations issued or guaranteed as to principal and interest by the U.S. Treasury. The fund is rated "AAA/Aaa" by Standard and Poor's and Moody's, respectively.

The Morgan Stanley Government Portfolio is part of the overnight sweep fund utilized by US Bank and Bank of New York custodial accounts. The fund invests in obligations issued or guaranteed by the U.S. Government and its agencies and instrumentalities and in repurchase agreements collateralized by such securities. The fund is rated "AAA/Aaa" by Standard and Poor's and Moody's, respectively.

The BlackRock T-Fund Institutional fund is part of the overnight sweep fund utilized by US Bank trustee accounts. The fund invests primarily in money market instruments including U.S. Treasury bills, notes, obligations guaranteed by the U.S. Treasury, and repurchase agreements fully collateralized by such obligations. The fund is rated "AAA/Aaa" by Standard & Poor's and Moody's, respectively.

Government Pools

The California State Local Agency Investment Fund (LAIF) is a program created by state statute as an investment alternative for California's local governments and special districts. LAIF funds are available for immediate withdrawal. Therefore, the position in LAIF is classified as cash. LAIF is unrated.

The California Asset Management Program (CAMP) fund is a joint powers authority and common law trust. The Trust's Cash Reserve Portfolio is a short-term money market portfolio, which seeks to preserve principal, provide daily liquidity and earn a high level of income consistent with its objectives of preserving principal. CAMP funds are available for immediate withdrawal. Therefore, the position in CAMP is classified as cash. CAMP's money market portfolio is rated "AAA" by Standard & Poor's.

State law and MTC policy limit mutual fund investments to 20 percent of the portfolio, with no more than 10 percent of the portfolio in any single fund except for mutual funds supporting bond proceeds. All the mutual fund holdings are highly rated by Standard & Poor's and Moody's. This limit does not apply to Joint Powers Authority Funds, county or state investment pools.

Investments

GASB Statement No. 72 sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1), and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are not active;
- Inputs other than quoted prices that are observable for the asset or liability;

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- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets measured at fair value at June 30, 2024:

Government-sponsored enterprises notes and municipal bonds: These investments are valued on the basis of prices provided by ICE Data Pricing and Reference Data LLC. In determining the value of a particular investment at bid, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrices and market transactions in comparable investments and various relationships between investments.

The following tables set forth by level, within the fair value hierarchy, MTC's investments at fair value as of June 30, 2024.

Investments by fair value level at June 30, 2024	Level 1	Level 2	Level 3	Total
U.S. Treasury	\$ 1,112,574	\$ —	\$ —	\$ 1,112,574
Government-Sponsored Enterprises:				
Federal Home Loan Bank	—	721,027	—	721,027
Federal Home Loan Mortgage Corporation	—	282,307	—	282,307
Federal National Mortgage Association	—	35,404	—	35,404
Federal Farm Credit Bank	—	6,836	—	6,836
Total	—	1,045,574	—	1,045,574
Municipal Bonds	—	16,700	—	16,700
Total Investments Measured at Fair Value	<u>\$ 1,112,574</u>	<u>\$ 1,062,274</u>	<u>\$ —</u>	<u>\$ 2,174,848</u>

Refer to Note 5 for the investment derivative instruments valuations.

The U.S. Treasury and Government-Sponsored Enterprises (GSE) holdings carry "AA+/Aaa/AA+" ratings from Standard & Poor's, Moody's and Fitch, respectively. Neither state law nor MTC policy imposes a limit to the amount of U.S. Treasury and GSE debt securities that can be held in the portfolio.

Municipal Bonds include holdings in Bay Area Air Quality Management District (BAAQMD) Certificates of Participation (COP). The BAAQMD COP is a private placement security and is not rated.

C. Deposit and Investment Risk Factors

There are many factors that can affect the value of investments. MTC invests substantially in fixed-income securities, which are affected by credit risk, custodial credit risk, concentration of credit risk, and interest rate risk. The credit ratings of MTC's investment securities holdings are discussed in Note 1.H.

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i.) Credit Risk

Fixed income securities are subject to credit risk, which is the possibility that the security issuer will fail to pay interest or principal in a timely manner or that negative perceptions of the issuer's ability to make these payments will cause security prices to decline.

A bond's credit quality is an assessment of the issuer's ability to pay principal and interest on the bond. Credit quality may be evaluated by a nationally recognized independent credit rating agency. The lower the rating is, the greater the chance (in the opinion of the rating agency) that the bond issuer will fail to meet its obligations or potentially default.

ii.) Custodial Credit Risk

Custodial credit risk is the risk that securities held by the custodian and in the custodian's name may be lost and not be recovered. All MTC securities are held in independent safekeeping accounts maintained with U.S. Bank or Bank of New York Mellon (BONY) and are held under MTC's name. As a result, custodial credit risk is remote.

iii.) Concentration of Credit Risk

Concentration of credit risk is the risk associated with lack of diversification, such as having substantial investments in a few individual issuers, thereby exposing the organization to greater risks resulting from adverse economic, political, regulatory or credit developments. Investments in issuers that represent 5 percent or more of total investments at June 30, 2024 are as follows:

U.S. Treasury	51%
Federal Home Loan Bank (FHLB)	33%
Federal Home Loan Mortgage Corporation (FHLMC)	13%

iv.) Interest Rate Risk

Interest rate risk is the risk that the market value of fixed-income securities will decline because of rising interest rates. The prices of fixed-income securities with a longer time to maturity, measured by duration in years, tend to be more sensitive to changes in interest rates and, therefore, more volatile than those with shorter durations. Since MTC's policy is to buy and hold investments to maturity, marked-to-market will always equal par value when they mature.

MTC's investment portfolio includes an investment in the Bay Area Air Quality Management District (BAAQMD) Certificates of Participation (COP). The COP has a tender provision that allows the security to be tendered with seven days' notice and there is no significant risk of market value loss. The interest rate on the COP is reset weekly based on the SIFMA Municipal Swap Index plus a spread.

The weighted average maturities of MTC's U.S. Treasury and GSE securities (expressed in number of years) at June 30, 2024 are as follows:

U.S. Treasury	0.86
Government-sponsored enterprises	
Federal Home Loan Bank	1.44
Federal Home Loan Mortgage Corporation	1.37

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4. Capital Assets

A summary of changes in capital assets for the year ended June 30, 2024 is as follows:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Construction-in-progress	\$ 207	\$ 805	\$ (42)	\$ 970
Total capital assets, not being depreciated/amortized	207	805	(42)	970
Capital assets, being depreciated/amortized:				
Furniture and equipment	1,510	183	(276)	1,417
Intangible assets	1,392	1,600	—	2,992
Lease Equipment	146	—	—	146
Automobiles	31	—	—	31
Total capital assets, being depreciated/amortized	3,079	1,783	(276)	4,586
Less accumulated depreciation/amortization for:				
Furniture and equipment	1,492	31	(276)	1,247
Intangible assets	267	171	—	438
Lease Equipment	12	49	—	61
Automobiles	31	—	—	31
Total accumulated depreciation/amortization	1,802	251	(276)	1,777
Total capital assets, being depreciated/amortized, net	1,277	1,532	—	2,809
Governmental activities capital assets, net	\$ 1,484	\$ 2,337	\$ (42)	\$ 3,779
	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Business-type activities:				
Capital assets, not being depreciated/amortized:				
Construction in progress	\$ 91,803	\$ 53,601	\$ (4,747)	\$ 140,657
Total capital assets, not being depreciated/amortized	91,803	53,601	(4,747)	140,657
Capital assets, being depreciated/amortized:				
Furniture and equipment	175,327	22,937	(553)	197,711
Building/Tenant improvements	5,163	—	—	5,163
Automobiles	121	—	(23)	98
Intangible assets	72,785	45	—	72,830
SBITA assets	359	—	—	359
Lease assets	9,222	—	—	9,222
Total capital assets, being depreciated/amortized	262,977	22,982	(576)	285,383
Less accumulated depreciation/amortization for:				
Furniture and equipment	54,384	17,678	(553)	71,509
Building/Tenant improvements	4,907	60	—	4,967
Automobiles	54	20	(23)	51
Intangible assets	46,605	4,979	—	51,584
SBITA assets	147	147	—	294
Lease assets	2,861	1,497	—	4,358
Total accumulated depreciation/amortization	108,958	24,381	(576)	132,763
Total capital assets, being depreciated/amortized, net	154,019	(1,399)	—	152,620
Total business-type activities capital assets	\$ 245,822	\$ 52,202	\$ (4,747)	\$ 293,277

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Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 143
Housing	108
Total depreciation/amortization expense - governmental activities	<u>\$ 251</u>
Business-type activities:	
Toll bridge activities	\$ 1,726
Congestion relief	215
Express lane activities	11,034
MTC Clipper smart card®	11,406
Total depreciation/amortization expense - business-type activities	<u>\$ 24,381</u>

5. Long-Term Debt

In February 2024, BATA issued its Senior Toll Revenue Bonds, Series 2024 A,B,C,D,E, and G of \$662,555 to refund all of the Authority's outstanding Toll Revenue Bonds, 2008 B-1, 2008 G-1, 2017 G, 2019 A, 2019 B, 2019 C, 2019 D, and 2021 B. The 2024 Series A, B, C, and G bonds are variable rate bonds with a final maturity of April 2059 and bear interest at a weekly rate. The 2024 Series D and E bonds are variable rate bonds with a final maturity of April 2059 and bear interest at a daily rate.

Also in June 2024, BATA issued its Senior Toll Revenue Fixed Rate Toll Revenue Bonds, Series 2024 F-1 of \$63,780 to purchase a portion of the Authority's outstanding Toll Revenue Bonds, 2019 F-1 and 2021 F-1. The 2024 Series F-1 bonds have a final maturity of April 2052 and bear interest at a stated fixed rate of 5.000 percent.

The majority of the proceeds of the 2024 Series F-1 were used to pay the interest and purchase price of bonds tendered to the Authority. The difference between the cash flows required to service the old debt and the cash flows required to service the new debt is \$3,453. The transaction provided a present value economic gain of \$2,746.

The 2024 F-1 refunding transaction was recorded as a current refunding in accordance with GASB Statement No. 7, Advance Refundings Resulting in Defeasance of Debt and GASB Statement No. 23, Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities.

Additionally in June 2024, BATA also issued its Senior Toll Revenue Fixed Rate Toll Revenue Bonds, Series 2024 F-2 of \$250,000 to finance projects consistent with the Regional Measure 3 expenditure plan. The Series 2024 F-2 bonds have a final maturity of April 2045 and bear interest at a stated fixed rate of 5.000 percent.

In June 2024, BATA issued its Senior Toll Revenue Bonds, Series H and I of \$200,000. BATA will use the proceeds of the 2024 Series H and I Bonds to finance or refinance toll bridge capital improvements. The 2024 Series H and I bonds are variable rate bonds with a final maturity of April 2059 and bear interest at a daily rate.

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Term / Index Rate Bonds:

BATA has a principal balance of \$1,350,435 in term/index rate bonds. The term/index rate bond series are detailed as follows:

Series	Par Amount	Term/ Index Rate	Effective Date	End of Term/Index Rate Period
2001 Series A	\$150,000	SIFMA Swap Index plus 1.25%	1/10/2013	4/1/2027
2017 Series A	\$117,700	2.950%	2/23/2017	4/1/2026
2017 Series B	\$117,700	2.850%	2/23/2017	4/1/2025
2017 Series H	\$188,750	2.125%	8/23/2017	4/1/2025
2018 Series A	\$194,735	2.625%	12/20/2018	4/1/2026
2021 Series A	\$204,835	2.000%	3/17/2021	4/1/2028
2021 Series C	\$100,000	SIFMA Swap Index plus 0.45%	3/17/2021	4/1/2026
2021 Series D	\$150,000	SIFMA Swap Index plus 0.30%	12/21/2021	4/1/2027
2021 Series E	\$126,715	SIFMA Swap Index plus 0.41%	12/21/2021	4/1/2028

Variable Rate Demand Bonds:

BATA has a principal balance of \$1,547,555 in Variable Rate Demand Bonds. The Variable Rate Demand Bonds are backed by various Letter of Credit providers and are reset at a Weekly or Daily Rate by various remarketing agents. The Variable Rate Demand Bonds series are detailed as follows:

Series	Par Amount	Interest Rate Mode	Letter of Credit Providers	Short Term Rating (S&P/Fitch)	Letter of Credit Expiration Date	Remarketing Agents
2007 Series A2	\$75,000	Weekly	MUFG Bank, Ltd.	A1/F1	10/20/2026	JP Morgan Securities, LLC
2007 Series B2	\$75,000	Weekly	Sumitomo Mitsui Banking Corporation	A1/F1	10/20/2026	Goldman Sachs & Co
2007 Series C2	\$25,000	Weekly	MUFG Bank, Ltd.	A1/F1	10/20/2026	Goldman Sachs & Co
2007 Series D2	\$100,000	Weekly	Bank of America, N.A.	A1/F1+	10/20/2026	BofA Securities, Inc.
2007 Series G1	\$50,000	Weekly	Bank of America, N.A.	A1/F1+	10/20/2026	Barclays Capital Inc.
2008 Series C1	\$25,000	Weekly	Sumitomo Mitsui Banking Corporation	A1/F1	10/20/2026	Goldman Sachs & Co
2008 Series E1	\$50,000	Weekly	MUFG Bank, Ltd.	A1/F1	10/20/2026	Morgan Stanley & Co. LLC.
2023 Series A	\$175,000	Daily	Barckays Bank PLC	A1/F1	4/1/2027	JP Morgan Securities, LLC
2023 Series B	\$110,000	Daily	Barckays Bank PLC	A1/F1	4/1/2028	Barclays Capital Inc.
2024 Series A	\$85,000	Weekly	Sumitomo Mitsui Banking Corporation	A1/F1	4/2/2029	JP Morgan Securities, LLC
2024 Series B	\$110,000	Weekly	Sumitomo Mitsui Banking Corporation	A1/F1	4/2/2029	Wells Fargo Bank, N.A.
2024 Series C	\$102,555	Weekly	Sumitomo Mitsui Banking Corporation	A1/F1	4/2/2029	BofA Securities, Inc.
2024 Series D	\$152,840	Daily	TD Bank, N.A.	A1+/F1+	4/2/2029	TD Securities (USA) LLC
2024 Series E	\$97,160	Daily	Bank of America, N.A.	A1/F1+	4/3/2028	JP Morgan Securities, LLC
2024 Series G	\$115,000	Weekly	Bank of America, N.A.	A1/F1+	4/3/2028	BofA Securities, Inc.
2024 Series H	\$150,000	Daily	Bank of America, N.A.	A1/F1+	4/2/2029	JP Morgan Securities, LLC
2024 Series I	\$50,000	Daily	TD Bank, N.A.	A1/F1+	6/26/2029	Wells Fargo Bank, N.A.

As of June 30, 2024, there were no outstanding draws. Commitment fees are paid quarterly to the Letter of Credit Providers. In the event the bonds covered under the reimbursement agreements become bank bonds, the maximum interest rate on the bonds would be 15%.

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A summary of changes in long-term debt for the year ended June 30, 2024 is as follows:

Business-type activities	Issue Date	Interest Rate	Calendar Year Maturity	Original Amount	Beginning Balance July 1, 2023	Additions	Reductions	Ending Balance June 30, 2024	Due Within One Year ⁽⁹⁾	
BATA										
2001 Revenue Bond Series A	5/24/2001	3.69%	(2)	2036	\$ 150,000	\$ 150,000	\$ —	\$ —	\$ 150,000	\$ —
2007 Revenue Bond Series G1	5/15/2007	3.60%	(2)	2047	50,000	50,000	—	—	50,000	—
2007 Revenue Bond Series (A2,B2,C2,D2)	10/25/2007	3.60%	(2)	2047	275,000	275,000	—	—	275,000	—
2008 Revenue Bond Series (B1,C1,E1,G1)	6/5/2008	3.60%	(2)	2045	345,000	235,000	—	(160,000) ⁽⁵⁾	75,000	—
2009 Revenue Bond Series F2 (BABs)	11/5/2009	4.07%	(1,3)	2049	1,300,000	1,300,000	—	—	1,300,000	—
2010 Revenue Bond Series S1 (BABs)	7/1/2010	4.54%	(1,3)	2050	1,500,000	1,360,965	—	(21,560) ⁽⁹⁾	1,339,405	22,515
2010 Revenue Bond Series S3 (BABs)	11/4/2010	4.49%	(1,3)	2050	475,000	475,000	—	—	475,000	—
2017 Revenue Bond Series (A,B)	2/23/2017	2.90%	(1)	2047	402,165	241,290	—	(5,890) ⁽⁹⁾	235,400	5,590
2017 Revenue Bond Series F1	2/23/2017	4.00%	(1)	2056	300,000	75,000	—	—	75,000	—
2017 Revenue Bond Series (G,H)	8/23/2017	2.13%	(1)	2053	342,725	342,725	—	(153,975) ⁽⁵⁾	188,750	—
2017 Revenue Bond Series S7	8/23/2017	4.02%	(1)	2049	1,402,175	1,338,030	—	(17,420) ⁽⁹⁾	1,320,610	16,950
2018 Revenue Bond Series A	12/20/2018	2.63%	(1)	2045	319,735	194,735	—	—	194,735	—
2019 Revenue Bond Series S8	8/1/2019	3.00%	(1)	2054	203,270	121,620	—	—	121,620	—
2019 Revenue Bond Series (A,B,C,D)	8/1/2019	3.60%	(2)	2053	291,730	291,730	—	(291,730) ⁽⁵⁾	—	—
2019 Revenue Bond Series F1	9/26/2019	2.78%	(1)	2054	869,195	378,916	—	(107,642) ⁽⁷⁾⁽⁹⁾	271,274	42,753
2021 Revenue Bond Series A	3/17/2021	2.00%	(1)	2056	204,835	204,835	—	—	204,835	—
2021 Revenue Bond Series (B,C)	3/17/2021	3.60%	(2)	2056	156,850	156,850	—	(56,850) ⁽⁵⁾	100,000	—
2021 Revenue Bond Series F1	3/17/2021	2.08%	(1)	2040	349,205	306,800	—	(4,560) ⁽⁷⁾	302,240	12,030
2021 Revenue Bond Series (D,E)	12/21/2021	3.60%	(2)	2056	276,715	276,715	—	—	276,715	—
2021 Revenue Bond Series F2	12/21/2021	2.60%	(1)	2056	338,500	338,500	—	—	338,500	—
2021 Revenue Bond Series F3	12/21/2021	3.13%	(1)	2055	361,500	361,500	—	—	361,500	—
2021 Revenue Bond Series S10	12/21/2021	3.18%	(1)	2050	274,240	274,240	—	—	274,240	—
2023 Revenue Bond Series (A,B)	3/21/2023	3.60%	(2)	2055	285,000	285,000	—	—	285,000	—
2023 Revenue Bond Series F1	5/2/2023	5.02%	(1)	2054	391,055	391,055	—	(24,290) ⁽⁹⁾	366,765	15,740
2023 Revenue Bond Series F2	6/22/2023	4.13%	(1)	2054	40,810	40,810	—	—	40,810	—
2024 Revenue Bond Series (A,B,C,D,E,G)	2/29/2024	3.66%	(4)	2059	662,555	—	662,555 ⁽⁵⁾	—	662,555	—
2024 Revenue Bond Series (H,I)	6/26/2024	3.60%	(2)	2059	200,000	—	200,000 ⁽⁶⁾	—	200,000	—
2024 Revenue Bond Series F1	6/26/2024	5.00%	(1)	2052	63,780	—	63,780 ⁽⁷⁾	—	63,780	8,975
2024 Revenue Bond Series F2	6/26/2024	5.00%	(1)	2045	250,000	—	250,000 ⁽⁸⁾	—	250,000	—
					<u>\$ 12,081,040</u>	<u>9,466,316</u>	<u>1,176,335</u>	<u>(843,917)</u>	<u>9,798,734</u>	<u>\$ 124,553</u>
Net unamortized bond premium / (discount)						120,277	30,299	(9,807)	140,769	
Net of BATA bond issued as of June 30, 2024						<u>\$ 9,586,593</u>	<u>\$ 1,206,634</u>	<u>\$ (853,724)</u>	<u>\$ 9,939,503</u>	
BAIFA										
BAIFA Credit Agreement with Bank of America, N.A.						—	210,687 ⁽¹⁰⁾	—	210,687	
Total long-term debt as of June 30, 2024						<u>\$ 9,586,593</u>	<u>\$ 1,417,321</u>	<u>\$ (853,724)</u>	<u>\$ 10,150,190</u>	

⁽¹⁾ Interest rates on fixed rate bonds/term rate bonds are calculated on weighted outstanding coupon rates.

⁽²⁾ Weighted swap rate is presented for variable rate bonds that are hedged with a swap. Variable rate bonds are presented as long term debt in accordance with GASB Interpretation No. 1 because MTC has liquidity commitments.

⁽³⁾ Federal Taxable Build America Bonds.

⁽⁴⁾ The interest rate presented is the 6/30/2024 VRDB Rate.

⁽⁵⁾ The 2024 Series A,B,C,D,E,G bonds were issued as senior variable rate bonds on 2/29/2024 to fully refund the 2008 Series B1,G1, the 2017 Series G, the 2019 Series A,B,C,D, and the 2021 Series B bonds.

⁽⁶⁾ The 2024 Series H,I bonds were issued as senior variable rate bonds on 6/26/2024.

⁽⁷⁾ The 2024 Series F1 bonds were issued as senior fixed rate bonds on 6/26/2024 to refund \$67,072 of the 2019 Series F1 and \$4,560 of the 2021 Series F1 bonds.

⁽⁸⁾ The 2024 Series F2 bonds were issued as senior fixed rate bonds on 6/26/2024.

⁽⁹⁾ Scheduled payments.

⁽¹⁰⁾ BAIFA Credit Agreement is indirectly secured by FTA.

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Annual funding requirements

The annual funding requirements for the debt and swap outstanding of the business-type activities at June 30, 2024 are as follows:

Business-type activities

Fiscal Year Ending	Principal Payments	Interest Payments	Total Payments
2025	\$ 124,553	\$ 384,292	\$ 508,845
2026	125,370	385,520	510,890
2027	169,964	385,392	555,356
2028	180,328	377,755	558,083
2029	188,706	375,426	564,132
2030-2034	1,016,108	1,745,595	2,761,703
2035-2039	1,187,190	1,529,017	2,716,207
2040-2044	1,463,610	1,266,268	2,729,878
2045-2049	1,892,380	934,893	2,827,273
2050-2054	1,906,210	519,076	2,425,286
2055-2059	1,544,315	183,742	1,728,057
\$	9,798,734	\$ 8,086,976	\$ 17,885,710

Bond Covenants – BATA

The Bay Area Toll Authority Senior Toll Bridge Revenue Bonds are payable solely from pledged "Revenue" and all amounts held by the trustee in each fund and account (with exclusions) established under the Master Indenture dated as of May 1, 2001 (the 2001 "Master Indenture"). Pledged "Revenue" and exclusions to the trustee funds and accounts are defined within the Master Indenture. BATA has established a Reserve Fund under the 2001 Master Indenture. The senior lien Reserve Fund solely secures the senior lien bonds and the balance is required to be no less than the lesser of Maximum Annual Debt Service on all Senior Bonds and 125% of average Annual Debt Service on all Senior Bonds.

BATA covenanted in the Master Indenture that no Additional Bonds (as defined in the Master Indenture) shall be issued, unless Net Revenue is no less than 1.5 times of the combined Maximum Annual Debt Service costs of all outstanding parity bonds and the additional bonds to be issued. Parity bonds have the same priority of claim or lien against pledged "Revenue".

In the fifth supplemental indenture dated February 2006, BATA covenanted to maintain toll revenue at levels that result in Net Revenue no less than 1.2 times Annual Debt Service costs as defined in the Master Indenture. In addition, BATA agreed to maintain tolls at a level where Net Revenue plus the balance in the Operations and Maintenance Fund is at least 1.25 times total "Fixed Costs". BATA also has the legal requirement of maintaining tolls at a level exceeding 1.0 times all fixed costs. See Schedule 10.

The senior lien bonds issued by BATA are secured by a first lien on all toll revenue.

The Bay Area Toll Authority's Subordinate Toll Bridge Revenue Bonds are payable solely from pledged "Revenue" and all amounts held by the trustee in each fund and account (with exclusions) established under the Subordinate Indenture dated June 1, 2010 (the "2010 Subordinate Indenture"). Pledged "Revenue" and exclusions to the trustee funds and accounts are defined within the 2010 Subordinate Indenture. BATA has established Reserve Accounts under the 2010 Subordinate Indenture. Each outstanding series of subordinate

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bonds has a Reserve Account funded at the maximum annual amount of interest payable for and securing that series of bonds.

BATA covenanted in the 2010 Subordinate Indenture that no Additional Bonds (as defined in the 2010 Subordinate Indenture) shall be issued unless the Available Revenue equates to no less than 1.2 times of the combined Maximum Annual Debt Service costs of all outstanding parity bonds and the additional bonds to be issued.

In the first supplemental indenture dated June 2010, BATA covenanted to maintain toll revenue at levels that result in Available Revenue no less than 1.2 times Annual Debt Service costs.

BATA is required to compute Coverage Ratios described in the Indentures based on the BATA adopted budget within ten business days after the start of the fiscal year and to file a Certificate of the Authority including the Coverage Ratios with the Senior and Subordinate Trustees.

As of June 30, 2024, the Reserve Requirement and the fair value of the cash and investment securities in the Debt Service reserves are as follows:

		<u>Reserve Requirement</u>	<u>Fair Value of Cash & Securities</u>
Senior Debt	⁽¹⁾	\$403,000	\$404,735
Subordinate Debt	⁽²⁾	\$150,191	\$170,703

⁽¹⁾The debt service reserve requirements under the senior lien are recalculated on June 26, 2024 due to bond issuances on that date.

⁽²⁾The debt service reserve requirements under the subordinate lien are recalculated on April 1, 2024.

BATA maintains certain designated reserves:

<u>Designation</u>	<u>Requirement</u>	<u>Required Amount</u>	<u>June 30, 2024</u>
External Designation:			
O & M	2x Caltrans budgeted O&M costs	\$ 23,400	\$ 242,000
Extraordinary loss	BATA/Caltrans Coop Agreement	\$ 50,000	\$ 50,000
BATA designation:			
Rehab reserve	2x Rehab budget (\$185,000/yr)	\$ 370,000	\$ 37,000
Variable rate risk reserve	BATA designation	\$ 280,000	\$ 280,000
Project/ Self Insurance Reserves	BATA designation	\$ 280,000	\$ 280,000

Derivative Instruments

Investment derivatives instruments fair value in a payable to the counterparty position was \$120,386 at June 30, 2024, and recorded in the Statement of Net Position as a liability. The changes in the fair value of investment derivatives instruments were recorded in the Statement of Revenues, Expenses and Changes in Net Position as changes in fair value of other derivative instruments. See Note 1.X for further details.

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Voluntary cancellation of any or all of the swap transactions is subject to a valuation calculation at the time of termination. The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2024 classified by type, and the changes in fair value of such derivative instruments during FY 2024 as reported in the financial statements are as follows:

Business-type Activities	Change in Fair Value during FY 2024		Fair Value At June 30, 2024		
	Classification	Amount	Classification	Amount	Notional
Pay-fixed interest rate swap	Changes in fair value of other derivative instruments	\$53,698	Noncurrent Liabilities	\$(120,386)	\$1,440,000

Objective and Terms of Hedging Derivative Instruments

BATA entered into interest rate swaps to manage exposure to fluctuations in interest rates and interest expenses. Management is aware that swap transactions contain certain associated risks not traditionally associated with fixed-rate issues, particularly the risk of counterparty default. However, management has structured the transactions with reasonable safeguards, including downgrade and collateral provisions required of all counterparties, as well as management's unilateral ability to cancel any transaction with 15 days' notice.

The following tables display the terms of the derivative instruments outstanding along with the credit rating as of June 30, 2024 of the associated counterparty as well as the fair value of the derivative instruments.

	Standard & Poor's	Moody's
Bank of America, N.A.	A+	Aa1
The Bank of New York Mellon	AA-	Aa2
Citibank, N.A., New York	A+	Aa3
Wells Fargo Bank, N.A.	A+	Aa2
Goldman Sachs Mitsui Marine Derivative Products LP	AA-	Aa2
JP Morgan Chase Bank, N.A.	A+	Aa2
Morgan Stanley Capital Services LLC	A-	A1

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Investment Derivative Instruments at June 30, 2024:

Amortized Notional Value	Counterparty	Fixed Payer Rate ^(A)	Fair Value due from / (to) Counterparty			
			Level 1	Level 2	Level 3	Total
\$75,000	Wells Fargo Bank, N.A.	3.29%	\$ —	\$ (3,635)	\$ —	\$ (3,635)
\$75,000	Morgan Stanley Capital Services LLC.	4.09%	—	(8,150)	—	(8,150)
\$110,000	Wells Fargo Bank, N.A.	3.64%	—	(8,789)	—	(8,789)
\$30,000	Bank of America, N.A.	3.63%	—	(2,977)	—	(2,977)
\$115,000	Citibank Bank, N.A., New York	3.64%	—	(9,188)	—	(9,188)
\$245,000	JP Morgan Chase Bank, N.A.	4.00%	—	(26,512)	—	(26,512)
\$50,000	Bank of America, N.A.	3.63%	—	(5,256)	—	(5,256)
\$260,000	Citibank Bank, N.A. New York	3.64%	—	(22,143)	—	(22,143)
\$125,000	Bank of America, N.A.	2.96%	—	(3,005)	—	(3,005)
\$60,000	Goldman Sachs Mitsui Marine Derivative Products, L.P.	3.64%	—	(6,013)	—	(6,013)
\$85,000	Goldman Sachs Mitsui Marine Derivative Products, L.P.	3.64%	—	(9,040)	—	(9,040)
\$170,000	The Bank of New York Mellon	3.64%	—	(18,080)	—	(18,080)
\$40,000	The Bank of New York Mellon	2.22%	—	2,402	—	2,402
	Total Derivative Instruments - Fair Value		\$ —	\$ (120,386)	\$ —	\$ (120,386)

The fair value was determined by an independent outside pricing service. The inputs to the valuation methodology are observable pursuant to the fair value hierarchy and are derived principally from or corroborated by observable market data by correlation or other means in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Refer to Note 3B for the description of hierarchy levels (Level 1, Level 2, and Level 3).

Effective and maturity dates are presented in the Supplementary Information, Schedules 11-14.

^(A) BATA pays fixed rate, receives variable rate based on the 1M Fallback SOFR + 0.11448% effective 7/1/2023, per the Fallback Protocol.

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Effective July 1, 2023, the Secured Overnight Financing Rate (SOFR) replaced US Dollar LIBOR in connection with BATA's outstanding swap agreements. BATA elected and received confirmation from ISDA the adherence to the ISDA 2020 IBOR Fallbacks Protocol. Under the protocol, US dollar LIBOR transactions would fall back to SOFR.

The termination value or fair market value which BATA would pay to terminate all swaps on a voluntary basis is \$120,000 on June 30, 2024. However, BATA intends to maintain the swap transactions for the life of the related financings, notwithstanding market opportunities to restructure.

Swaps are subject to credit risk, which is the possibility that the counterparty will fail to make interest payment in a timely manner or that there are negative perceptions of the issuer's ability to make these interest payments.

A swap's credit quality is an assessment of the counterparty's ability to pay the interest on the swap. Credit quality may be evaluated by a national recognized independent credit-rating agency. The lower the rating is, the greater the chance (in the opinion of the rating agency) that the counterparty will fail to meet its obligations or potentially default.

The swap contracts address credit risk by requiring the counterparties to post collateral if: 1) a counterparty's credit rating is equal to "A-", "A", or "A+" as determined by S&P or is equal to "A3", "A2", or "A1" by Moody's and the termination value of its swaps exceeds \$10 million, payable to BATA; or 2) a counterparty's credit rating is below "A-" as determined by S&P or "A3" as determined by Moody's and the termination value of its swaps is greater than \$0, payable to BATA.

As of June 30, 2024, none of the counterparties was required to post collateral with a third-party safekeeping agent.

BAIFA BART Car Credit Agreement

On November 8, 2023, the Bay Area Infrastructure Financing Authority (BAIFA) entered into a Credit Agreement with Bank of America, N.A. for a maximum principal amount of \$450,000 with an expiration date of November 8, 2026. Interest on the unpaid principal amount is calculated based on 80% of the daily SOFR Rate plus 0.1148% plus a credit spread of 0.70%. Undrawn amounts are charged a commitment fee of 0.30%. The Credit Agreement is to assist San Francisco Bay Area Rapid Transit District (BART) to finance the rail car replacement program. The Credit Agreement is indirectly secured by FTA Transit Formula Funds.

As of June 30, 2024, the outstanding draw amount is \$210,687.

6. Subscription-Based Information Technology Arrangements (SBITAs)

MTC Service Authority for Freeways and Expressways (SAFE) has entered into several subscription-based contracts to use vendor-provided information technology. Most SBITAs have initial terms of up to 3 years. At the time of contract commencement or conversion, the term of the SBITA will include possible extension periods that are deemed to be reasonably certain given all available information, regarding the likelihood of renewal. There was no commitment under SBITAs before the commencement of the subscription term.

On June 30, 2024, SAFE had net SBITA assets of \$65 and SBITA liabilities of \$68. SBITA assets were reported in capital assets and SBITA liabilities were reported in non-current liabilities (compensated absences and others) on the Statement of Net Position.

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The future principal and interest payments as of June 30, 2024, were as follows:

Year Ending	Business-Type Activities		
	Principal	Interest	Total
2025	\$ 68	\$ 2	\$ 70
Total	\$ 68	\$ 2	\$ 70

7. Leases

A. Lease receivable

BAHA is a lessor that leases office spaces of BAMC to both governmental and private sector tenants. The leases are noncancelable leases with the remaining lease terms ranging from 1 year to 5 years. Some of the leases include options to extend for up to 10 years. BAHA recognized \$9,143 in lease principal and \$493 in interest revenue from leasing during fiscal year 2024. BAHA also recognized a deferred inflow of resource associated with the leases that will be recognized as revenue over the lease term. The balance of the deferred inflow of resources as of June 30, 2024 was \$13,253.

The future principal and interest payments of lease receivable as of June 30, 2024, were as follows:

Year Ending June 30	Principal	Interest	Total
2025	\$ 5,697	\$ 228	\$ 5,925
2026	4,036	128	4,164
2027	3,709	38	3,747
2028	649	1	650
Total	\$ 14,091	\$ 395	\$ 14,486

B. Lease payable

BATA leases office space in BAMC from BAHA. In May 2023 BAHA and BATA signed an agreement which the rent payment schedules were effective on December 1, 2022 with a lease term expiration date in September 2027. The balance of lease liability as of June 30, 2024 was \$5,036.

MTC leased ten color printers from Canon Financial Services in early 2023. The lease term is thirty-six months with monthly payment of \$4 including tax. The lease liability balance as of June 30, 2024 was \$88.

	Beginning	Additions	Reductions	Ending Balance
	Balance July 1, 2023			June 30, 2024
BATA	\$ 6,443	\$ —	\$ (1,407)	\$ 5,036
MTC	135	—	(47)	88

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The total future principal and interest payments as of June 30, 2024, were as follows:

Year Ending June 30	Principal	Interest	Total
2025	\$ 1,522	\$ 64	\$ 1,586
2026	1,578	40	1,618
2027	1,609	17	1,626
2028	415	1	416
Total	<u>\$ 5,124</u>	<u>\$ 122</u>	<u>\$ 5,246</u>

8. Interfund Receivables, Payables and Transfers

The composition of interfund transfers as of June 30, 2024, is as follows:

Transfers Out:	Transfers in						Total
	General	AB 664 Net Toll Revenue Reserve	Rail Reserves	Non-Major Governmental Funds	Non-Major Enterprise Fund MTC Clipper	Bay Area Housing Finance Authority	
Non-Major Governmental Funds	\$ 17,838	\$ —	\$ —	\$ —	\$ —	\$ 5,000	\$ 22,838
STA	2,437	—	—	—	26,337	—	28,774
BAIFA	273,194	—	—	—	—	—	273,194
BATA	22,032	6,753	5,483	1,592	6,273	—	42,133
SAFE	206	—	—	—	—	—	206
General	—	—	—	—	—	20,000	20,000
Total	<u>\$ 315,707</u>	<u>\$ 6,753</u>	<u>\$ 5,483</u>	<u>\$ 1,592</u>	<u>\$ 32,610</u>	<u>\$ 25,000</u>	<u>\$ 387,145</u>

Transfers are used to move revenues from the fund with collection authority to the program fund that accounts for the various projects. These interfund transfers have been eliminated in the government-wide financial statements. The significant transfers are described below:

- The transfer amount from Non-Major Governmental funds to the General fund totaling \$17,838 was mainly related to the Bay Wheels E-bike Share System project.
- The transfer amount from BAIFA to the General funds totaling \$273,194 is for BART car financing project.
- An amount of \$22,032 was transferred from BATA to the General fund for the MTC administration cost and the support for the Bay Area Forward projects.
- The transfer amount from BATA to AB 664 Toll Reserves, Rail Reserves and Non-Major Governmental funds totaling \$13,828 is the amortization of the deferred revenue for these funds. See Note 1.P for further details.
- An amount of \$6,273 was transferred from BATA to Non-major Proprietary Fund MTC Clipper® to support their operations.

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- An amount of \$26,337 was transferred from STA to Non-major Proprietary Fund MTC Clipper® to support their capital and operation projects.
- An amount of \$20,000 was transferred from the General fund to BAHFA to support housing and rental programs.

Due From	Due To	Amount
General	Non-Major Governmental Funds	\$ 939
General	STA	743
General	BAIFA	67,208
General	BATA	5,754
BAIFA	BATA	3,519
Non-Major Enterprise Fund MTC Clipper®	STA	6,742
Non-Major Enterprise Fund MTC Clipper®	BATA	3,038
SAFE	General	732
BATA	BAIFA	971
BATA	MTC Clipper	15,000

Interfund receivables and payables between funds are due to timing differences resulting from when expenditures are incurred and payments are made. These interfund balances have been eliminated in the government-wide financial statements.

The significant interfund balances at June 30, 2024 are as follows:

- An amount of \$67,208 represents transfer for the BART car financing projects, but not yet transferred from BAIFA.
- An amount of \$732 represents an advance the General fund received from SAFE to support the Regional Travel Information Systems and I-880 Corridor Operations projects
- An amount of \$3,038 represents expenses incurred for the MTC-Clipper 1 projects, but not yet reimbursed from BATA
- An amount of \$6,742 represents expenses incurred for the MTC-Clipper 2 projects, but not yet reimbursed from STA
- An amount of \$5,754 represents the annual transfer for administration and contribution to the General Fund, but not yet transferred from BATA.
- An amount of \$15,000 represents advance for the MTC-Clipper 2 project received from BATA.
- An amount of \$3,519 represents express lanes revenue incurred for BAIFA, but not yet collected from BATA.

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9. Employees' Retirement Plan

A. General Information about the Pension Plan

Plan Description

The Plan is part of the Public Agency portion of the California Public Employees' Retirement System (CalPERS), an agent multiple-employer defined benefit pension plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. An agent multiple-employer plan is one in which the assets of multiple employers are pooled for investment purposes, but separate accounts are maintained for each individual employer. A menu of benefit provisions as well as other requirements are established by state statutes within the Public Employees' Retirement Law. MTC selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate annual comprehensive financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS website or by writing to CalPERS Fiscal Services Division, PO Box 942703, Sacramento, California 94229.

Benefits Provided

MTC's Miscellaneous Employee Pension Plan ("the Plan"), provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are based on years of credited service, equal to ten months of full-time employment for one year's credit. Classic members (hired before January 1, 2013) with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Public Employees' Pension Reform Act 2013 (PEPRA) Miscellaneous members (hired after January 1, 2013) with at least five years of service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the third Level, 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2023, the measurement date, are summarized as follows:

Hire date	PERS Classic Miscellaneous Prior to January 1, 2013	PEPRA Miscellaneous On or after January 1, 2013
Benefit formula	2.5% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 62
Monthly benefit as a % of eligible compensation	2% - 2.5%	1% - 2%

At June 30, 2023, the measurement date, the following numbers of participants were covered by the benefit terms:

Active employees	305
Inactive employees or beneficiaries currently receiving benefits	196
Inactive employees entitled to but not yet receiving benefits	185

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Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by an actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS's annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability. The employer (MTC) is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer (MTC) to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. For current reporting period ended June 30, 2024, MTC's retirement contributions are allocated as follows:

- Tier 1 - The total Public Employees' Retirement System (PERS) contribution rate is 19.66 percent (consisting of 11.66 percent employer rate and 8.0 percent member rate). Per MTC and employee agreement, the shared contribution for the current reporting period ended June 30, 2024 is 12.27 percent by MTC and 7.39 percent by members.
- Tier 2 - The total PERS contribution rate is 18.91 percent (consisting of 11.66 percent employer rate and 7.25 percent member rate). Per MTC and employee agreement, the shared contribution for the current reporting period ended June 30, 2024 is 11.66 percent by MTC and 7.25 percent by members.

Total actual contribution made for fiscal year 2024 is \$6,360. No additional contribution was made in fiscal year 2024. The contribution is charged to its blended and discretely presented component units and funds on their share of MTC's payroll cost for the relevant year.

B. Net Pension Liability/(Asset)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

MTC's net pension liability/(asset) is measured as the total pension liability, less the Plan's fiduciary net position. For the measurement period ended June 30, 2023, the total pension liability was determined using the annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by entry age and service
Mortality Rate Table ⁽¹⁾	Derived using CalPERS' membership data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

⁽¹⁾The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November

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2021 that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability is 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return of plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' assets classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points.

The expected real rates of return by asset class are as follows:

Asset Class*	Assumed Asset Allocation	Real Return *, **
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-Cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)

* An expected inflation of 2.30% used for this period.

** Figures are based on the 2021 Asset Liability Management study.

C. Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

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D. Changes in the Net Pension Liability/(Asset)

The following table shows the changes in net pension liability/(asset) recognized over the measurement period.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2022	\$ 224,067	\$ 211,614	\$ 12,453
Changes Recognized for the Measurement Period:			
Service Cost	7,977	—	7,977
Interest on Total Pension Liability	15,741	—	15,741
Changes of Benefit Terms	134	—	134
Difference between Expected and Actual Experience	4,485	—	4,485
Contributions from Employers	—	6,807	(6,807)
Contributions from Employees	—	3,592	(3,592)
Net Investment Income	—	13,241	(13,241)
Benefit Payments, including Refunds of Employee Contributions	(9,065)	(9,065)	—
Administrative Expense	—	(156)	156
Net Changes during 2022-23	19,272	14,419	4,853
Balance at June 30, 2023	\$ 243,339	\$ 226,033	\$ 17,306

	Primary Government					
	Business-Type Activities					Primary Government Total
	Governmental Activities	Bay Area Toll Authority	MTC SAFE	MTC Clipper	BAIFA	
Net pension liability for fiscal year 2024	\$ 14,026	\$ 1,201	\$ 300	\$ 900	\$ 743	\$ 17,170

	Component Unit	
	BAHA	Grand Total
Net pension liability for fiscal year 2024	\$ 136	\$ 17,306

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Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate.

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Primary Government			
Governmental Activities	\$ 41,877	\$ 14,026	\$ (8,874)
Business-Type Activities			
Bay Area Toll Authority	3,587	1,201	(760)
MTC SAFE	895	300	(190)
MTC Clipper	2,686	900	(569)
BAIFA	2,217	743	(470)
Component Unit			
BAHA	406	136	(86)
Plan's Net Pension Liability / (Asset)	<u>\$ 51,668</u>	<u>\$ 17,306</u>	<u>\$ (10,949)</u>

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB Statement 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net Difference between projected and actual earnings on pension plan investments	Five year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

Expected Average Remaining Service Lifetime (EARSL)

The EARSL for the Plan for the measurement period ended June 30, 2023 is 4.7 years which was obtained by dividing the total service years of 3,250 (the sum of remaining service lifetimes of the active employees) by 686 (the total number participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to zero years. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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E. Pension Expenses and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

MTC recognized pension expense of \$10,113 for fiscal year 2024 based on the measurement period ended June 30, 2023. The pension expense is allocated to its blended and discretely presented component units and funds as follows:

	Primary Government					Primary government Total
	Business-Type Activities					
	Governmental Activities	Bay Area Toll Authority	MTC SAFE	MTC Clipper	BAIFA	
Pension expense for fiscal year 2024	\$ 6,719	\$ 2,343	\$ 147	\$ 464	\$ 371	\$ 10,044

	Component Unit	
	BAHA	Grand Total
Pension expense for fiscal year 2024	\$ 69	\$ <u>10,113</u>

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For the fiscal year of 2024, MTC has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources					
	Primary Government					
	Business-Type Activities					Primary Government Total
	Governmental Activities	Bay Area Toll Authority	MTC SAFE	MTC Clipper	BAIFA	
Changes in assumptions	\$ 1,203	\$ 435	\$ 26	\$ 77	\$ 64	\$ 1,805
Difference between expected and actual experience	2,439	883	52	156	129	3,659
Net difference between projected and actual earnings on plan investments	6,668	2,413	143	429	353	10,006
Employer contributions for fiscal year 2024	4,213	1,524	90	270	223	6,320
Total	\$ 14,523	\$ 5,255	\$ 311	\$ 932	\$ 769	\$ 21,790

	Component Unit	
	BAHA	Grand Total
Changes in assumptions	\$ 12	\$ 1,817
Difference between expected and actual experience	24	3,683
Net difference between projected and actual earnings on plan investments	64	10,070
Employer contributions for fiscal year 2024	41	6,361
Total	\$ 141	\$ 21,931

	Deferred Inflows of Resources					
	Primary Government					
	Business-Type Activities					Primary Government Total
	Governmental Activities	Bay Area Toll Authority	MTC SAFE	MTC Clipper	BAIFA	
Difference between expected and actual experience	\$ (390)	\$ (141)	\$ (8)	\$ (25)	\$ (21)	\$ (585)

	Component Unit	
	BAHA	Grand Total
Difference between expected and actual experience	\$ (4)	\$ (589)

Total employer contribution made for this fiscal year is \$6,361. In the proceeding table, deferred outflows of resources related to employer contributions subsequent to the measurement date and will be recognized as a decrease in the net pension liability in the year ended June 30, 2025.

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The amount reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Year ended	Deferred Outflows/(Inflows) of Resources							Total
	Governmental Activities	Business-Type Activities				Component Unit		
		Bay Area Toll Authority	MTC SAFE	MTC Clipper	BAIFA		BAHA	
2024	\$ 2,086	\$ 755	\$ 45	\$ 134	\$ 110	\$ 20	\$ 3,150	
2025	1,686	610	37	108	89	16	2,546	
2026	5,520	1,998	118	355	292	54	8,337	
2027	628	227	13	40	34	6	948	

10. Other Post Employment Benefits (OPEB)

A. General Information about the Other Post-Employment Benefit (OPEB)

Plan Description

MTC established a Section 115 irrevocable benefit trust fund for its other post-employment benefit (OPEB) plan with the Public Agency Retirement Services (PARS), a public agency agent multiple-employer. The trust assets are dedicated to providing OPEB benefits to employees in accordance with the benefit terms described below.

MTC contracts its health benefit program with the Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by CalPERS for both active and retired employees.

Benefit Provided

MTC's defined benefit OPEB plan provides medical coverage to all eligible retired employees and their eligible dependents. MTC maintains the same medical plans for its retirees as for its active employees. Once a retiree becomes eligible for Medicare, he or she must join a Medicare HMO or a Medicare Supplement plan, with Medicare becoming the primary payer. The costs of the medical benefit are shared between the employer (95%) and retiree (5%) with a cap pursuant to the agreement with the Committee for Staff Representation, Confidential, and Specific Executive Employees.

Eligibility

Employees become eligible to retire and receive healthcare benefits upon reaching the age of 50 with 5 years of service with CalPERS agency. Benefits are paid for the lifetime of the retiree, spouse or surviving spouse, and dependents up to the age of 26.

The number of participants eligible to receive benefits at June 30, 2023, the measurement date:

Active employees	333
Inactive employees or beneficiaries currently receiving benefit payments	139
Inactive employees entitled to but not yet receiving benefit payments	9
	481
	481

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Contribution

The obligation of MTC to contribute to the OPEB plan is established and may be amended by the MTC's Commission. MTC contributes annually to the Trust fund based on the recommended actuarial determined contribution (ADC) amount which is determined by the funding policy and the most recent measurement available when the contribution for the reporting period was adopted. For the fiscal year ended June 30, 2024, MTC paid the retiree benefit expense on a pay-as-you-go basis of \$1,661, and made a contribution of \$3,739 to the Trust fund at PARS. MTC's implied subsidy amount for fiscal year 2024 is \$364.

B. Net OPEB Liability / (Asset)

MTC's net OPEB liability / (asset) was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by the roll-forward actuarial valuation.

Actuarial Assumptions

The total OPEB liability in the roll-forward actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

For the fiscal year 2023	Actuarial Assumptions
Discount rate	3.75%
Inflation	2.50%
Investment rate of return	3.75%
Healthcare cost trend rates	Non-Medicare - 8.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) - 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
Mortality	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021

The long-term expected rate of return on OPEB plan investments was based on the investment policy of the PARS Trust where MTC invests its assets to fund its OPEB liabilities. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Expected Real Rate of Return
Fixed Income	100%	N/A
Total	100%	

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

Change in assumptions

The changes in assumptions since June 30, 2022 measurement date are summarized in the following table:

	June 30, 2023 Measurement
Changes of assumptions:	<ul style="list-style-type: none"> • Decreased inflation to 2.5% • Updated medical trend rates • Updated family coverage at retirement • Updated Medicare eligibility status for current retirees over age 65 • Updated CalPERS demographic assumptions • Mortality improvement scale was updated to Scale MP-2021

Discount Rate

The discount rate used to measure the total OPEB liability was 3.75 percent which reflects the MTC's current policy of funding its OPEB liabilities. The projection of cash flows used to determine the discount rate assumed that MTC's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

C. OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan fiduciary net position is available in the separately issued PARS financial report. Copies of the PARS report may be obtained by writing to PARS, 4350 Von Karman Avenue, Newport Beach, CA 92660, or from PARS' website at www.pars.org.

D. Changes in the Net OPEB Liability / (Asset)

The following tables show the changes in net OPEB liability / (asset) recognized for the year ended June 30, 2024.

	Increase / (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/ (Asset)
	(a)	(b)	(a) - (b)
Balance as of July 1, 2023	\$ 53,671	\$ 49,333	\$ 4,338
Service cost	3,598	—	3,598
Interest on the total OPEB liability	2,115	—	2,115
Actual vs. expected experience	(3,553)	—	(3,553)
Assumption changes	4,536	—	4,536
Contributions - employer	—	3,500	(3,500)
Net investment income	—	(418)	418
Benefit payments	(1,796)	(1,796)	—
Administrative expense	—	(90)	90
Net changes	4,900	1,196	3,704
Balance as of June 30, 2024	\$ 58,571	\$ 50,529	\$ 8,042

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

	Primary Government					
	Governmental Activities	Business-Type Activities				Primary Government Total
		Bay Area Toll Authority	MTC SAFE	MTC Clipper	BAIFA	
Net OPEB Liability for fiscal year 2024	\$ 5,326	\$ 1,927	\$ 114	\$ 341	\$ 282	\$ 7,990

	Component Unit	
	BAHA	Grand Total
Net OPEB Liability for fiscal year 2024	\$ 52	\$ 8,042

Sensitivity of the net OPEB liability / (asset) to changes in the discount rate

The following presents what the MTC's net OPEB liability / (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (2.75%)	Current Discount Rate (3.75%)	1% Increase in Discount Rate (4.75%)
Primary Government			
Governmental Activities	\$ 11,317	\$ 5,324	\$ 475
Business-Type Activities			
Bay Area Toll Authority	4,095	1,927	172
MTC SAFE	242	114	10
MTC Clipper	726	341	30
BAIFA	599	282	25
Component Unit			
BAHA	110	52	5
Net OPEB Liability / (Asset)	\$ 17,089	\$ 8,040	\$ 717

The following presents what the MTC's net OPEB liability / (asset) would be if it were calculated using healthcare cost trend that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

Sensitivity of the net OPEB liability / (asset) to changes in the healthcare cost trend rates

	1% Decrease in Healthcare Cost Trend Rate	Current Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
Primary Government			
Governmental Activities	\$ (306)	\$ 5,324	\$ 12,465
Business-Type Activities			
Bay Area Toll Authority	(111)	1,927	4,511
MTC SAFE	(7)	114	266
MTC Clipper	(20)	341	799
BAIFA	(16)	282	660
Component Unit			
BAHA	(3)	52	121
Net OPEB Liability / (Asset)	<u>\$ (463)</u>	<u>\$ 8,040</u>	<u>\$ 18,822</u>

E. OPEB Expenses and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the MTC recognized OPEB expenses of \$5,832. The OPEB expenses are allocated to its blended and discretely presented component units and funds as follows:

	Primary Government					Primary Government Total
	Business-Type Activities					
	Governmental Activities	Bay Area Toll Authority	MTC SAFE	MTC Clipper	BAIFA	
OPEB expense for fiscal year 2024	\$ 3,777	\$ 1,421	\$ 86	\$ 286	\$ 221	\$ 5,791
	Component Unit					
	BAHA	Grand Total				
OPEB expense for fiscal year 2024	\$ 41	<u>\$ 5,832</u>				

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

At June 30, 2024, MTC reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources					
	Primary Government					
	Governmental Activities	Business-Type Activities				Primary Government Total
Bay Area Toll Authority		MTC SAFE	MTC Clipper	BAIFA		
Changes in assumptions	\$ 3,121	\$ 1,129	\$ 66	\$ 200	\$ 165	\$ 4,681
Difference between expected and actual experience	748	271	16	48	40	1,123
Difference between projected and actual earnings on pension plan investments	4,458	1,613	95	286	236	6,688
Employer contributions for fiscal year 2024	3,817	1,381	82	245	202	5,727
Total	<u>\$ 12,144</u>	<u>\$ 4,394</u>	<u>\$ 259</u>	<u>\$ 779</u>	<u>\$ 643</u>	<u>\$ 18,219</u>

	Component Unit	
	BAHA	Grand Total
Changes in assumptions	\$ 30	\$ 4,711
Difference between expected and actual experience	7	1,130
Difference between projected and actual earnings on pension plan investments	44	6,732
Employer contributions for fiscal year 2024	37	5,764
Total	<u>\$ 118</u>	<u>\$ 18,337</u>

	Deferred Inflows of Resources					
	Primary Government					
	Governmental Activities	Business-Type Activities				Primary Government Total
Bay Area Toll Authority		MTC SAFE	MTC Clipper	BAIFA		
Changes in assumptions	\$ (784)	\$ (284)	\$ (17)	\$ (50)	\$ (42)	\$ (1,177)
Difference between expected and actual experience	(2,539)	(918)	(54)	(163)	(134)	(3,808)
Total	<u>\$ (3,323)</u>	<u>\$ (1,202)</u>	<u>\$ (71)</u>	<u>\$ (213)</u>	<u>\$ (176)</u>	<u>\$ (4,985)</u>

	Component Unit	
	BAHA	Grand Total
Changes in assumptions	\$ (8)	\$ (1,185)
Difference between projected and actual earnings on plan investments	(24)	(3,832)
Total	<u>\$ (32)</u>	<u>\$ (5,017)</u>

The \$5,764 contribution made in the preceding table is reported as deferred outflows of resources related to employer contributions subsequent to the measurement date and will be recognized as a decrease to the net OPEB liability in the year ended June 30, 2025.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

Amounts currently reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year ended:	Deferred Outflows/(Inflows) of Resources							Total
	Governmental Activities	Business-Type Activities				BAIFA	BAHA	
		Bay Area Toll Authority	MTC SAFE	MTC Clipper ^(R)				
2025	\$ 1,397	\$ 506	\$ 30	\$ 90	\$ 74	\$ 14	\$ 2,111	
2026	1,646	596	35	106	87	16	2,486	
2027	1,320	478	28	85	70	13	1,994	
2028	384	139	8	25	20	4	580	
2029	81	29	2	5	4	1	122	
Thereafter	175	63	4	11	9	2	264	

11. Compensated Absences

The compensated absences liability which is included in the other noncurrent liabilities of the government-wide Statement of Net Position totals \$11,300 for Primary Government, and \$76 for its Component Unit. The general fund is typically used to liquidate this liability when it becomes due and payable. A summary of changes in compensated absences for the year June 30, 2024 is as follows:

Primary Government	Beginning Balance	Change in proportion	Beginning Balance After	Additions	Reductions	Ending Balance	Due Within One Year
	July 1, 2023		Change in proportion			June 30, 2024	
Governmental Activities	\$ 6,611	\$ 73	\$ 6,683	\$ 2,567	\$ (1,635)	\$ 7,616	\$ 3,283
Business-Type Activities	3,308	(75)	3,233	1,242	(791)	3,684	1,588
Total	\$ 9,919	\$ (2)	\$ 9,916	\$ 3,809	\$ (2,426)	\$ 11,300	\$ 4,871

Component Unit	Beginning Balance	Change in proportion	Beginning Balance After	Additions	Reductions	Ending Balance	Due Within One Year
	July 1, 2023		Change in proportion			June 30, 2024	
BAHA	\$ 64	\$ 2	\$ 66	\$ 25	\$ (16)	\$ 76	\$ 33
Total	\$ 64	\$ 2	\$ 66	\$ 25	\$ (16)	\$ 76	\$ 33

12. Commitments and Contingencies

MTC's grant funded projects are subject to audit by the respective grantors. The final determination of allowable project costs can be made only after the grantors' audits are completed and final rulings by the grantors' administrative departments are obtained. Disallowed expenditures, if any, must be borne by nonfederal funds. In the opinion of MTC's management, such disallowances, if any, would not have a material adverse effect on the accompanying government-wide financial statements.

MTC is involved in various claims and litigation that are considered normal to MTC's activities. In the opinion of MTC's management, the ultimate resolution of these matters will not have a material adverse effect on MTC's government-wide financial position.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

BAIFA

BAIFA entered into contracts with external parties to construct express lanes, provide traffic control in the construction area, and develop the toll collection system. As of June 30, 2024, there are approximately \$20,090 in future capital expenditure commitments.

MTC Clipper®

MTC Clipper® has entered into contracts with external parties to develop and provide the fare payment system software and equipment. As of June 30, 2024, there are approximately \$50,261 in future capital expenditure commitments.

BAHA - Discretely Presented Component Unit

BAHA has entered into contracts with multiple external parties to perform the building and tenant improvements construction and working space furnishing in the Bay Area Metro Center (BAMC). As of June 30, 2024, there are approximately \$10,765 in future capital expenditure commitments.

13. Risk Management

MTC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. MTC transfers its risks by purchasing commercial insurance through an insurance broker, who obtains the appropriate insurance coverage needed by MTC from insurance companies. No settlement amounts have exceeded commercial insurance coverage for the past three years. Insurance coverage is subject to market volatility. Therefore, where it makes financial sense, MTC retains part or all of its risk but only after diligent executive review of any risk retention decision.

14. Related Party Transactions

MTC - Primary Government

On May 30, 2017 MTC and ABAG signed a Contract for Services agreement which states that the MTC Executive Director and the consolidated staff will perform all of the duties and programmatic work for ABAG and its Local Collaboration Programs, which are ABAG Finance Authority for Non-Profit Corporations now operating as Advancing California Finance Authority and ABAG Publicly Owned Energy Resources, that were previously performed by ABAG staff. The consolidation of ABAG's staff and functions into MTC was effective on July 1, 2017.

On December 20, 2023, MTC board approved an operational advance to ABAG in the amount not to exceed \$10 million to assist ABAG with its cash flows needs. The advance will be drawn by ABAG as needed. ABAG will not be charged interest through December 31, 2024 on any drawn amounts. ABAG will be charged an interest rate equivalent to the California Pooled Money Investment Account average monthly effective yield beginning January 1, 2025 on any drawn amount. This operational advance is available until December 31, 2025. MTC authorized up to \$2,000 of the operational advance for longer term project loan which included \$1,000 for the ABAG Bay Area Regional Energy Network (BayREN) Water Bill Savings Program. As of June 30, 2024, total outstanding loan that was utilized for the BayREN Water Bill Saving program is \$250.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2024
Notes to Financial Statements (\$ in thousands)

BAHA - Discretely Presented Component Unit

On June 22, 2017, 375 Beale Condominium Corporation ("375 Beale Condo") was incorporated in the State of California. The 375 Beale Condo started to exercise its custodial responsibility on behalf of the three owner occupants, BAHA, Bay Area Air Quality Management District (BAAQMD), and ABAG on July 1, 2017. The 375 Beale Condo assessed both facility common and agency common assessment fees to meet all required expenditures of the common area and joint used space. The Bay Area Metro Center (BAMC) building has been subdivided into four condominium units. BAHA owns two units, and BAAQMD and ABAG each own one. 375 Beale Condo's governing board consists of four directors appointed by the owners of each unit.

BAHA contracted Cushman and Wakefield of California, Inc. (C&W) to provide day-to-day property management services on behalf of the three condominium unit owners. For the fiscal year 2024, 375 Beale Condo assessed \$4,643 from the three condominium owners for the common area operations. Of this amount, \$647 will be refunded to condominium owners. This amount is reflected in the Due to 375 Beale Condo balance of \$666 as of June 30, 2024.

15. Subsequent Event

On July 5, 2024, the Bay Area Toll Authority (BATA) issued \$282,285 2024 Series S11 bonds as subordinate fixed rate bonds to refund \$293,280 of the 2010 Series S1 bonds.

Metropolitan Transportation Commission
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REQUIRED SUPPLEMENTARY INFORMATION

Metropolitan Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund (\$ in thousands, unaudited)
For the Year Ended June 30, 2024

Schedule I

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Sales Taxes	\$ 16,184	\$ 16,589	\$ 16,995	\$ 406
Federal Grants	191,247	190,560	65,580	(124,980)
State Grants	94,908	96,822	11,718	(85,104)
Local agencies revenues and refunds	29,675	34,118	12,569	(21,549)
Investment income - unrestricted	1,386	2,079	3,910	1,831
TOTAL REVENUES	333,400	340,168	110,772	(229,396)
EXPENDITURES				
General Government	322,782	318,191	118,305	199,886
Allocations to other agencies	23,000	36,000	292,451	(256,451) ⁽¹⁾
Capital outlay	3,066	5,249	579	4,670
TOTAL EXPENDITURES	348,848	359,440	411,335	(51,895)
REVENUES OVER (UNDER) EXPENDITURES	(15,448)	(19,272)	(300,563)	(281,291)
OTHER FINANCING SOURCES (USES)				
Transfers In	34,347	35,031	315,707	280,676
Transfers Out	(20,000)	(20,000)	(20,000)	—
TOTAL OTHER FINANCING SOURCES (USES)	14,347	15,031	295,707	280,676
NET CHANGE IN FUND BALANCES	(1,101)	(4,241)	(4,856)	(615)
Fund balances - beginning	90,653	90,653	90,653	—
Fund balances - ending	\$ 89,552	\$ 86,412	\$ 85,797	\$ (615)
RECONCILIATION TO THE STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES				
Unrealized loss under GASB 31			(209)	
Fund Balance - GAAP Basis			\$ 85,588	

(1) "Allocations to other agencies" and "Transfers In" are in excess of Final Budget due to a \$450 million special financing agreement between BAIFA and BART. Per Resolution 4617, MTC acts as the designated "metropolitan planning organization" for the Bay Area Region (the "Bay Area MPO") and facilitates the exchange of funds from BAIFA to BART.

See accompanying Report of Independent Auditors.

Metropolitan Transportation Commission

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - AB 664 Net Toll Revenue Reserve Fund (\$ in thousands, unaudited)

For the Year Ended June 30, 2024

Schedule II

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Investment income - unrestricted	\$ —	\$ —	\$ 5,111	\$ 5,111
TOTAL REVENUES	<u>—</u>	<u>—</u>	<u>5,111</u>	<u>5,111</u>
EXPENDITURES				
General Government	—	—	8	(8)
Allocations to other agencies	34,659	34,659	9,801	24,858
TOTAL EXPENDITURES	<u>34,659</u>	<u>34,659</u>	<u>9,809</u>	<u>24,850</u>
REVENUES OVER (UNDER) EXPENDITURES	(34,659)	(34,659)	(4,698)	29,961
OTHER FINANCING SOURCES (USES)				
Transfers In	38,966	38,966	6,753	(32,213)
TOTAL OTHER FINANCING SOURCES (USES)	<u>38,966</u>	<u>38,966</u>	<u>6,753</u>	<u>(32,213)</u>
NET CHANGE IN FUND BALANCES	4,307	4,307	2,055	(2,252)
Fund balances - beginning	(41,360)	(41,360)	(41,360)	—
Fund balances - ending	<u>\$ (37,052)</u>	<u>\$ (37,052)</u>	<u>\$ (39,305)</u>	<u>\$ (2,253)</u>

See accompanying Report of Independent Auditors.

Metropolitan Transportation Commission

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - State Transit Assistance Fund (\$ in thousands, unaudited)

For the Year Ended June 30, 2024

Schedule III

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
State Grants	\$ 103,051	\$ 105,560	\$ 100,735	\$ (4,825)
Local agencies revenues and refunds	—	—	863	863
Investment income - unrestricted	—	—	5,909	5,909
TOTAL REVENUES	103,051	105,560	107,507	1,947
EXPENDITURES				
Allocations to other agencies	255,055	257,564	69,004	188,560
TOTAL EXPENDITURES	255,055	257,564	69,004	188,560
REVENUES OVER (UNDER) EXPENDITURES	(152,004)	(152,004)	38,503	190,507
OTHER FINANCING SOURCES (USES)				
Transfers In	152,004	152,004	—	(152,004)
Transfers Out	—	—	(28,774)	(28,774)
TOTAL OTHER FINANCING SOURCES (USES)	152,004	152,004	(28,774)	(180,778)
NET CHANGE IN FUND BALANCES	—	—	9,729	9,729
Fund balances - beginning	152,004	152,004	152,004	—
Fund balances - ending	<u>\$ 152,004</u>	<u>\$ 152,004</u>	<u>\$ 161,733</u>	<u>\$ 9,729</u>
RECONCILIATION TO THE STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES				
Unrealized gain under GASB 31			1,291	
Fund Balance - GAAP Basis			<u>\$ 163,024</u>	

See accompanying Report of Independent Auditors.

Metropolitan Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Rail Reserves Fund (\$ in thousands, unaudited)
For the Year Ended June 30, 2024

Schedule IV

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Investment income - unrestricted	\$ —	\$ —	\$ 1,691	\$ 1,691
TOTAL REVENUES	<u>—</u>	<u>—</u>	<u>1,691</u>	<u>1,691</u>
EXPENDITURES				
General Government	—	—	8	(8)
Allocations to other agencies	5,483	5,483	—	5,483
TOTAL EXPENDITURES	<u>5,483</u>	<u>5,483</u>	<u>8</u>	<u>5,475</u>
REVENUES OVER (UNDER) EXPENDITURES	(5,483)	(5,483)	1,683	7,166
OTHER FINANCING SOURCES (USES)				
Transfers In	5,483	5,483	5,483	—
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,483</u>	<u>5,483</u>	<u>5,483</u>	<u>—</u>
NET CHANGE IN FUND BALANCES	—	—	7,166	7,166
Fund balances - beginning	(73,044)	(73,044)	(73,044)	—
Fund balances - ending	<u>\$ (73,044)</u>	<u>\$ (73,044)</u>	<u>\$ (65,878)</u>	<u>\$ 7,166</u>

See accompanying Report of Independent Auditors.

Metropolitan Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - BART Car Exchange Fund (\$ in thousands, unaudited)
For the Year Ended June 30, 2024

Schedule V

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Local agencies revenues and refunds	\$ 7,083	\$ 7,083	\$ —	\$ (7,083)
Investment income - restricted	2,050	2,050	9,133	7,083
TOTAL REVENUES	9,133	9,133	9,133	—
EXPENDITURES				
General Government	5	5	5	—
Allocations to other agencies	41,126	41,126	41,126	—
TOTAL EXPENDITURES	41,131	41,131	41,131	—
REVENUES OVER (UNDER) EXPENDITURES	(31,998)	(31,998)	(31,998)	—
NET CHANGE IN FUND BALANCES	(31,998)	(31,998)	(31,998)	—
Fund balances - beginning	166,418	166,418	166,418	—
Fund balances - ending	<u>\$ 134,420</u>	<u>\$ 134,420</u>	<u>\$ 134,420</u>	<u>\$ —</u>

See accompanying Report of Independent Auditors.

Metropolitan Transportation Commission

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Bay Area Housing Finance Authority (\$ in thousands, unaudited)

For the Year Ended June 30, 2024

Schedule VI

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Local agencies revenues and refunds	\$ 2,500	\$ 2,500	\$ 1,817	\$ (683)
Investment income - unrestricted	193	193	1,221	1,028
TOTAL REVENUES	2,693	2,693	3,038	345
EXPENDITURES				
General Government	58,769	58,769	3,655	55,114
Allocations to other agencies	—	—	844	(844)
Capital outlay	—	—	1,967	(1,967)
TOTAL EXPENDITURES	58,769	58,769	6,466	52,303
REVENUES OVER (UNDER) EXPENDITURES	(56,076)	(56,076)	(3,428)	52,648
OTHER FINANCING SOURCES (USES)				
Transfers In	56,269	56,269	25,000	(31,269)
TOTAL OTHER FINANCING SOURCES (USES)	56,269	56,269	25,000	(31,269)
NET CHANGE IN FUND BALANCES	193	193	21,572	21,379
Fund balances - beginning	17,042	17,042	17,042	—
Fund balances - ending	\$ 17,235	\$ 17,235	\$ 38,614	\$ 21,379

See accompanying Report of Independent Auditors.

Metropolitan Transportation Commission

Schedule of Changes in the Net Pension Liability (\$ in thousands, unaudited)

For the Measurement Periods Ended June 30

Last Ten Years

Schedule VII

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$ 7,977	\$ 7,693	\$ 6,781	\$ 6,539	\$ 6,333	\$ 6,157	\$ 4,924	\$ 3,970	\$ 3,700	\$ 3,711
Interest	15,741	14,473	13,811	13,030	12,111	10,871	10,572	10,131	9,499	8,853
Changes of Benefit Terms	134	—	—	—	—	—	—	—	—	—
Changes of assumptions	—	3,115	—	—	—	(5,335)	9,137	—	(2,411)	—
Difference between expected and actual experience	4,485	(13)	(1,674)	908	6,335	(1,054)	(3,383)	(353)	516	—
Benefit payments and refunds of contribution	(9,065)	(8,002)	(7,137)	(7,028)	(6,188)	(6,036)	(5,034)	(4,779)	(4,654)	(4,405)
Net change in total pension liability	19,272	17,266	11,780	13,449	18,591	4,603	16,216	8,969	6,650	8,158
Total pension liability - beginning	224,067	206,801	195,021	181,572	162,981	158,377	142,162	133,193	126,542	118,384
Total pension liability - ending	\$ 243,339	\$ 224,067	\$ 206,801	\$ 195,021	\$ 181,572	\$ 162,980	\$ 158,378	\$ 142,162	\$ 133,192	\$ 126,542
Plan Fiduciary Net Position										
Contributions - employer	\$ 6,807	\$ 11,569	\$ 11,935	\$ 23,204	\$ 6,066	\$ 5,457	\$ 5,197	\$ 4,129	\$ 3,819	\$ 3,313
Contributions - member	3,592	3,162	3,006	2,818	2,620	2,538	2,125	1,848	1,755	2,310
Net plan to plan resource movement	—	—	—	—	1,377	—	—	—	—	—
Net investment income	13,241	(17,352)	41,182	8,164	9,132	10,587	12,110	535	2,305	15,270
Benefit payments and refunds of contributions	(9,065)	(8,002)	(7,137)	(7,028)	(6,188)	(6,036)	(5,034)	(4,779)	(4,654)	(4,405)
Administrative expenses	(156)	(138)	(173)	(207)	(95)	(190)	(159)	(64)	(119)	—
Other miscellaneous income/(expense) ⁽²⁾	—	—	—	—	—	(360)	—	—	—	—
Net change in plan fiduciary net position	14,419	(10,761)	48,813	26,951	12,912	11,996	14,239	1,669	3,106	16,488
Plan Fiduciary Net Position - beginning	211,614	222,375	173,564	146,613	133,701	121,706	107,467	105,798	102,692	86,203
Plan Fiduciary Net Position - ending	\$ 226,033	\$ 211,614	\$ 222,377	\$ 173,564	\$ 146,613	\$ 133,702	\$ 121,706	\$ 107,467	\$ 105,798	\$ 102,691
Net Pension Liability/Asset - ending	\$ 17,306	\$ 12,453	\$ (15,576)	\$ 21,457	\$ 34,959	\$ 29,278	\$ 36,672	\$ 34,695	\$ 27,394	\$ 23,851
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/Asset	92.89 %	94.44 %	107.53 %	89.00 %	80.75 %	82.04 %	76.85 %	75.59 %	79.43 %	81.15 %
Covered Payroll⁽¹⁾	\$ 47,189	\$ 41,290	\$ 39,015	\$ 36,306	\$ 34,846	\$ 33,455	\$ 27,722	\$ 23,713	\$ 22,111	\$ 20,192
Plan Net Pension Liability/Asset as a Percentage of Covered Payroll	36.67%	30.16%	(39.92)%	59.10%	100.32%	87.52%	132.28%	146.31%	123.89%	118.12%

¹ Fiscal year 2015 covered-employee payroll has been revised to covered payroll in accordance with the implementation guidance in GASB Statement 82, *Pension Issues, an amendment of GASB Statement No. 67, No. 68, and No. 73*. The covered payroll includes one year's payroll growth using 2.80 percent payroll growth assumption for fiscal years ended June 30, 2022 and 2023; 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

Metropolitan Transportation Commission
Schedule of Changes in the Net Pension Liability (\$ in thousands, unaudited), *Continued*
For the Measurement Periods Ended June 30
Last Ten Years

Schedule VII

² During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions* (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68).

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the measurement date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: There were no assumption changes in 2023. Effective with the June 30, 2021 valuation date (June 30, 2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017 through June 30, 2021, 7.65% for measurement dates June 30, 2015 through June 30, 2016, and 7.50% for measurement date June 30, 2014.

Metropolitan Transportation Commission
Schedule of Employer Contributions - Pension (\$ in thousands, unaudited)
For the Fiscal Years Ended June 30
Last Ten Years

Schedule VIII

Fiscal Year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 6,360	\$ 6,804	\$ 6,572	\$ 6,932	\$ 6,981	\$ 6,066	\$ 5,457	\$ 5,198	\$ 4,129	\$ 3,819
Contributions in relation to the actuarially determined contribution	(6,360)	(6,804)	(11,572)	(11,932)	(23,203)	(6,066)	(5,457)	(5,198)	(4,129)	(3,819)
Contribution deficiency (excess)	\$ —	\$ —	\$ (5,000)	\$ (5,000) ⁽¹⁾	\$ (16,221) ⁽¹⁾	\$ —	\$ —	\$ —	\$ —	\$ —
Covered payroll ⁽²⁾	\$ 54,511	\$ 47,189	\$ 41,290	\$ 39,015	\$ 36,306	\$ 34,846	\$ 33,455	\$ 27,722	\$ 23,713	\$ 22,111
Actual contributions as a percentage of covered payroll	11.67%	14.42%	28.03%	30.58%	63.91%	17.41%	16.31%	18.75%	17.41%	17.27%

⁽¹⁾ Additional payment above the Actuarially Determined Contribution to paydown the Unfunded Pension Liability

⁽²⁾ Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal years ended in 2022 and 2023; 2.75% payroll growth assumption for fiscal years ended in 2018 through 2021; 3.00% payroll growth assumption for fiscal years ended in 2015 through 2017.

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023-24 were derived from the June 30, 2021 funding valuation report.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method / Period	For details, see June 30, 2021 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2021 Funding Valuation Report.
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.80%
Investment Rate of Return	6.80% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of retirement are based on the 2021 CalPERS Experience Study for the period from 2000 to 2019.
Mortality	The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2000 to 2019. Mortality rates are projected generationally for future years using 80% of the Society of Actuaries' Scale MP-2020.

Metropolitan Transportation Commission

Schedule of Changes in Net OPEB Liability / (Asset) and Related Ratios (\$ in thousands, unaudited)

For the Measurement Periods Ended June 30

Last Ten Years*

Schedule IX

	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability							
Service Cost	\$ 3,598	\$ 3,501	\$ 3,065	\$ 2,975	\$ 2,725	\$ 2,608	\$ 2,496
Interest on the total OPEB liability	2,115	1,971	2,182	2,019	1,868	1,719	1,575
Difference between actual and expected experience	(3,553)	—	(1,135)	—	2,894	—	—
Changes of assumptions	4,536	—	1,160	—	(3,033)	—	—
Benefit payments	(1,796)	(1,735)	(1,515)	(1,426)	(1,242)	(1,027)	(938)
Net change in total OPEB liability	4,900	3,737	3,757	3,568	3,212	3,300	3,133
Total OPEB liability - beginning	53,671	49,934	46,177	42,608	39,396	36,096	32,964
Total OPEB liability - ending (a)	\$ 58,571	\$ 53,671	\$ 49,934	\$ 46,177	\$ 42,608	\$ 39,396	\$ 36,096
OPEB Fiduciary Net Position							
Benefit payments	\$ (1,796)	\$ (1,735)	\$ (1,515)	\$ (1,426)	\$ (1,242)	\$ (1,027)	\$ (938)
Contribution from employer	3,500	3,505	1,864	4,757	12,231	4,196	3,961
Net investment income	(418)	(5,119)	(87)	3,956	2,668	(152)	(71)
Administrative expense	(90)	(92)	(187)	(87)	(63)	(57)	(52)
Net change in plan fiduciary net position	1,196	(3,441)	75	7,200	13,594	2,960	2,900
Plan fiduciary net position - beginning	49,333	52,774	52,699	45,498	31,904	28,944	26,043
Plan fiduciary net position - ending (b)	\$ 50,529	\$ 49,333	\$ 52,774	\$ 52,699	\$ 45,498	\$ 31,904	\$ 28,944
Plan net OPEB liability / (asset) - ending (a) - (b)	8,042	4,338	(2,840)	(6,522)	(2,890)	7,492	7,152
Plan fiduciary net position as a percentage of the total OPEB liability / (asset)	86.27%	91.92%	105.69%	114.10%	106.80%	80.98%	80.19%
Covered-employee payroll	\$ 49,861	\$ 43,373	\$ 40,928	\$ 38,353	\$ 36,885	\$ 34,955	\$ 28,785
Plan net OPEB liability / (asset) of as a percentage of covered-employee payroll	16.13%	10.00%	(6.9)%	(17.00)%	(7.84)%	21.43%	24.85%

* Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule of Changes in Net OPEB Liability / (Asset) and Related Ratios:

Changes of Assumptions: The general inflation rate decreased from 2.75 percent in FY 2023 to 2.5 percent in FY 2024. The long-term expected rate of return on investments used to measure the total OPEB liability was 3.75 percent in FY 2023 and FY 2024. Medical trend rate for Kaiser Senior Advantage was decreased; mortality improvement scale was updated to Scale MP-2021. The demographic assumptions were updated to the CalPERS 2000-2019 Experience Study. The participation at retirement is 98 percent for people before age 65 and 95 percent on and after age 65.

Metropolitan Transportation Commission

Schedule of Employer Contributions - OPEB (\$ in thousands, unaudited)

For the Fiscal Years Ended June 30

Last Ten Fiscal Years*

Schedule X

	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution	\$ 3,737	\$ 3,616	\$ 3,177	\$ 3,081	\$ 2,988	\$ 3,296	\$ 3,153
Contributions in relation to the actuarially determined contribution	(5,764)	(3,500)	(3,505)	(1,864) ⁽²⁾	(4,757)	(11,296)	(3,153)
Contribution deficiency (excess)	\$ (2,027)	\$ 116	\$ (328)	\$ 1,217	\$ (1,769) ⁽¹⁾	\$ (8,000) ⁽¹⁾	\$ —
Covered-employee payroll	\$ 56,407	\$ 49,861	\$ 43,373	\$ 40,928	\$ 38,353	\$ 36,885	\$ 34,955

⁽¹⁾ Additional payment above the Actuarially Determined Contribution to pay down the Unfunded OPEB Liability.

⁽²⁾ Net of \$2.9 million reimbursement from the trust account.

Notes to Schedule:

Actuarially determined contribution rates are calculated as of June 30, 2021 three years prior to the end of fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal, Level percentage of pay
Amortization method	Level percentage of pay
Amortization period	16-year fixed period for 2023/24
Asset valuation method	Investment gains and losses spread over 5-year rolling period
Inflation	2.75%
Healthcare cost trend rates	Non-Medicare - 7% for 2022, decreasing to an ultimate rate of 4% in 2076 Medicare (Non-Kaiser) - 6.1% for 2022, decreasing to an ultimate rate of 4% in 2076 Medicare (Kaiser) - 5% for 2022, decreasing to an ultimate rate of 4% in 2076
Discount rate	3.75%
Mortality	CalPERS 1997-2015 experience study
Mortality Improvement	Mortality projected fully generational with Scale MP-2020

*Future years' information will be displayed up to 10 years as information becomes available.

OTHER SUPPLEMENTARY INFORMATION

Metropolitan Transportation Commission
Combining Balance Sheet - Non-Major Governmental Funds (\$ in thousands)
June 30, 2024

Schedule 1

	Transit Reserves	Exchange	Clipper BayPass	Total Non-Major Governmental Funds
ASSETS				
Cash - unrestricted	\$ 28,778	\$ 104,452	\$ 3,347	\$ 136,577
Investment - unrestricted current	37,236	—	—	37,236
Receivables				
Accounts receivables	—	—	—	—
Interest receivable	158	52	—	210
State/ Caltrans funding receivable	—	—	—	—
TOTAL ASSETS	\$ 66,172	\$ 104,504	\$ 3,347	\$ 174,023
LIABILITIES				
Accounts payable and accrued expenditures	\$ —	\$ 219	\$ 1,457	\$ 1,676
Due to other funds	194	745	—	939
TOTAL LIABILITIES	194	964	1,457	2,615
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	29,453	—	—	29,453
TOTAL DEFERRED INFLOWS OF RESOURCES	29,453	—	—	29,453
FUND BALANCES				
Restricted for:				
Transportation projects	36,525	—	1,890	38,415
Committed to:				
Transportation projects	—	103,540	—	103,540
TOTAL FUND BALANCES	36,525	103,540	1,890	141,955
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 66,172	\$ 104,504	\$ 3,347	\$ 174,023

Metropolitan Transportation Commission
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Non-Major Governmental Funds (\$ in thousands)
For the Year Ended June 30, 2024

Schedule 2

	Transit Reserves	Exchange	Clipper BayPass	Total Non-Major Governmental Funds
REVENUES				
State Grants	\$ 3,477	\$ —	\$ —	\$ 3,477
Local agencies revenues and refunds	(43)	69,084	3,281	72,322
Investment income - unrestricted	3,542	2,149	67	5,758
TOTAL REVENUES	6,976	71,233	3,348	81,557
EXPENDITURES				
Current:				
General Government	4	899	1	904
Allocations to other agencies	3,674	—	1,457	5,131
TOTAL EXPENDITURES	3,678	899	1,458	6,035
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	3,298	70,334	1,890	75,522
OTHER FINANCING SOURCES (USES)				
Transfers In	1,592	—	—	1,592
Transfers Out	(501)	(22,337)	—	(22,838)
TOTAL OTHER FINANCING SOURCES (USES)	1,091	(22,337)	—	(21,246)
NET CHANGE IN FUND BALANCES	4,389	47,997	1,890	54,276
Fund balances - beginning	32,136	55,543	—	87,679
Fund balances - ending	\$ 36,525	\$ 103,540	\$ 1,890	\$ 141,955

Metropolitan Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Transit Reserves Fund (\$ in thousands)
For the Year Ended June 30, 2024

Schedule 3

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
State Grants	\$ 3,477	\$ 3,477	\$ 3,477	\$ —
Local agencies revenues and refunds	—	—	(43)	(43)
Investment income - unrestricted	—	—	3,542	3,542
TOTAL REVENUES	3,477	3,477	6,976	3,499
EXPENDITURES				
General Government	—	—	4	(4)
Allocations to other agencies	30,150	30,150	3,674	26,476
TOTAL EXPENDITURES	30,150	30,150	3,678	26,472
REVENUES OVER (UNDER) EXPENDITURES	(26,673)	(26,673)	3,298	29,971
OTHER FINANCING SOURCES (USES)				
Transfers In	26,673	26,673	1,592	(25,081)
Transfers Out	—	—	(501)	(501)
TOTAL OTHER FINANCING SOURCES (USES)	26,673	26,673	1,091	(25,582)
NET CHANGE IN FUND BALANCES	—	—	4,389	4,389
Fund balances - beginning	32,136	32,136	32,136	—
Fund balances - ending	<u>\$ 32,136</u>	<u>\$ 32,136</u>	<u>\$ 36,525</u>	<u>\$ 4,389</u>

Metropolitan Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Exchange Fund (\$ in thousands)
For the Year Ended June 30, 2024

Schedule 4

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Local agencies revenues and refunds	\$ —	\$ —	\$ 69,084	\$ 69,084
Investment income - unrestricted	1,816	1,816	2,149	333
TOTAL REVENUES	1,817	1,816	71,233	69,417
EXPENDITURES				
General Government	17,344	21,704	—	21,704
Allocations to other agencies	—	—	899	(899)
TOTAL EXPENDITURES	17,344	21,704	899	20,805
REVENUES OVER (UNDER) EXPENDITURES	(15,526)	(19,888)	70,334	90,222
OTHER FINANCING SOURCES (USES)				
Transfers Out	5,000	5,000	(22,337)	(27,337)
TOTAL OTHER FINANCING SOURCES (USES)	5,000	5,000	(22,337)	(27,337)
NET CHANGE IN FUND BALANCES	(10,526)	(14,888)	47,997	62,885
Fund balances - beginning	55,543	55,543	55,543	—
Fund balances - ending	<u>\$ 45,017</u>	<u>\$ 40,655</u>	<u>\$ 103,540</u>	<u>\$ 62,885</u>

Metropolitan Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Clipper BayPass (\$ in thousands)
For the Year Ended June 30, 2024

Schedule 5

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Local agencies revenues and refunds	3,281	3,281	3,281	—
Investment income - unrestricted	—	—	67	67
TOTAL REVENUES	3,282	3,281	3,348	67
EXPENDITURES				
General Government	—	—	1	(1)
Allocations to other agencies	1,457	1,457	1,457	—
TOTAL EXPENDITURES	1,457	1,457	1,458	(1)
REVENUES OVER (UNDER) EXPENDITURES	1,826	1,824	1,890	66
NET CHANGE IN FUND BALANCES	1,826	1,824	1,890	66
Fund balances - beginning	—	—	—	—
Fund balances - ending	<u>\$ 1,826</u>	<u>\$ 1,824</u>	<u>\$ 1,890</u>	<u>66</u>

Metropolitan Transportation Commission
Schedule of Expenditures by Natural Classification
For the Year Ended June 30, 2024 (\$ in thousands)

Schedule 6

Expenditures by natural classification	
Salaries & benefits	\$ 53,267
Travel	97
Professional fees	58,101
Overhead	6,578
Other	262
	<hr/>
Reported as general government expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balances - General Fund ⁽¹⁾	\$ 118,305
	<hr/> <hr/>
Salaries & benefits - MTC General Fund	\$ 53,267
Salaries & benefits - MTC Clipper®	2,961
Salaries & benefits - BATA	17,487
Salaries & benefits - SAFE	1,041
Salaries & benefits - BAHA	502
Salaries & benefits - BAIFA	2,608
Salaries & benefits - BAHFA	1,723
Total salaries & benefits	\$ 79,589
	<hr/> <hr/>
Indirect Cost - MTC General Fund	\$ 6,578
Indirect Cost - MTC Clipper®	1,654
Indirect Cost - SAFE	582
Indirect Cost - BAHA	281
Indirect Cost - BAIFA	1,526
Indirect Cost - BAHFA	963
Total Indirect Cost	\$ 11,584
	<hr/> <hr/>

⁽¹⁾General government expenditures - by Fund

Metropolitan Transportation Commission
Schedule of Overhead, Salaries and Benefits Expenditures -
Governmental Funds (\$ in thousands)
For the Year Ended June 30, 2024

Schedule 7

	Direct Costs*	Allowable Indirect Costs	Unallowable Costs	Total
Salaries	\$ 36,263	\$ 11,230	\$ —	\$ 47,493
Benefits	24,477	7,619	—	32,096
Total salaries and benefits	<u>\$ 60,741</u>	<u>\$ 18,849</u>	<u>\$ —</u>	<u>\$ 79,589</u>
Reimbursable overhead:**				
Agency temps		\$ 83	\$ —	\$ 83
Training		118	159	277
Personnel recruitment		126	—	127
Public hearing		3	—	3
Advertising		38	4	42
Communications		65	—	65
Utilities		8	—	8
Meeting room/Equipment rental		22	—	22
Parking		1	—	1
Storage rental		31	—	31
Computer maintenance & repair		32	10	42
Auto expense		23	—	24
Office supplies		116	—	116
Printing & graphics supplies		40	2	43
Computer supplies		87	—	87
Computer software		1,278	—	1,278
Computer hardware		130	—	130
Lease Principal/Interest		52	—	52
Postage & mailing		22	—	22
Memberships		82	30	112
Library acquisitions & subscriptions		47	—	47
Law library		29	—	29
Hosted services		2,947	28	2,975
Advisory member stipend		144	—	144
Audit fees		364	—	364
News wire service		9	—	9
Insurance		332	—	332
Other		37	109	146
Miscellaneous		—	56	56
Travel		16	351	367
Professional fees		3,276	—	3,276
Building maintenance		1,276	—	1,276
Subtotal indirect costs		<u>10,834</u>	<u>750</u>	<u>11,584</u>
Carry forward provision for fiscal year ended June 30, 2023		(1,326)	—	(1,326)
Depreciation expense		94	—	94
Total indirect costs including depreciation expense		<u>\$ 9,602</u>	<u>\$ 750</u>	<u>\$ 10,352</u>
Indirect costs recovered***		<u>\$ 34,014</u>		
Indirect (over)/under absorbed		<u>\$ (5,563)</u>		

*Direct costs include MTC, BATA, SAFE, BAHA, BAIFA, and BAHFA salaries and benefits per Indirect Cost Plan for fiscal year 2024.

** Overhead distributed to MTC, BATA, SAFE, BAHA, BAIFA, and BAHFA per Indirect Cost Plan for fiscal year 2024.

*** Indirect costs recovered at 55.87% per Indirect Cost Plan for fiscal year 2024.

Metropolitan Transportation Commission
Schedule of Expenditures - Federal Highway Administration Grant
FY2024 OWPMTC (\$ in thousands)
For the Year Ended June 30, 2024

Schedule 8

		Total
Total Authorized Expenditures		
Federal		\$ 11,225
Total authorized expenditures		<u>11,225</u>
 Actual Expenditures *		
Program No.	Program Name	
MTC		
1113	Support Partnership Board	280
1121	Regional Transportation Plan	642
1122	Analyze Regional Data using GIS and Planning Models	4,203
1124	Regional Goods Movement	32
1125	Active Transportation Planning	281
1127	Regional Trails	481
1212	Performance Measurement and Monitoring	92
1310	Access and Mobility Planning and Programs	21
1412	Transportation Conformity and Air Quality Planning	277
1413	Climate Initiatives	501
1511	Conduct Financial Analysis and Planning	353
1512	Federal Programming, Monitoring and TIP Management	1,582
1517	Transit Sustainability Planning	725
1611	Regional Growth Framework Planning and Implementation	127
1622	Next-Generation Bay Area Freeways Study	396
Total Expenditures		<u>9,993</u>
Balance of Federal Highway Administration Grant		<u>\$ 1,232</u>

*Toll credit match rate (11.47%)

Metropolitan Transportation Commission
Toll Bridge Rate Schedule
For the Year Ended June 30, 2024

Schedule 9

Toll Rate for fiscal Year Ending June 30, 2024:

Number of Axles Per Vehicle	2024	
2 axles	\$ 7.00	*
3 axles	17.00	
4 axles	22.00	
5 axles	27.00	
6 axles	32.00	
7 axles or more	37.00	

* A reduced-rate toll of \$3.50 is collected on high-occupancy and inherently-low-emission two-axle vehicles.

Metropolitan Transportation Commission
Schedule of BATA Debt Service Coverage Ratios (\$ in thousands)
For the Year Ended June 30, 2024

Schedule 10

	2024
Revenues	
Toll revenues collected	\$ 801,570
Investment income	104,792
Unrealized Gain/Loss on revaluation	31,468
Other operating revenues	35,573
Revenues subtotal	973,403
Build America Bonds (BABs) interest subsidy - Senior Lien Bonds	26,872
Build America Bonds (BABs) interest subsidy - Subordinate Lien Bonds	42,087
Derivative investment income (charge)	53,698
Total revenues	1,096,060
Operating expenses	
Violation Penalty Refund	
Operating expenses incurred by Caltrans*	2,841
Services and Maintenance - BATA	130,803
Transbay Terminal JPA operations	5,969
Total operating expenses before depreciation and amortization	139,613
Depreciation and amortization	1,726
Total operating expenses	141,339
Net operating income	954,721
Nonoperating expenses (revenues)	
Senior Lien Interest expense	217,746
Subordinate Interest expense	193,667
Amortization of gain/loss from bond refunding	21,262
Amortization of bond premium & discount	(9,807)
Financing fees	5,850
Bond issuance costs	4,266
Other nonoperating expenses	80
Caltrans/other agency operating grants and reimbursements	(17,201)
Other nonoperating revenues	(2,345)
Total nonoperating expenses	413,518
Income before transfers	541,203
Transfers	
MTC / CLIPPER administrative & transfers	26,682
MTC transit transfers	13,827
Allocations to other agencies (RM2 and RM3)	53,612
Total transfers	94,122
Net income before capital project expenses	447,081
Capital project expenses	
Capital project expenses**	373,012
Change in net position	74,069
Total net position - beginning	(6,684,096)
Total net position - ending	\$ (6,610,027)
Senior lien principal payment	\$ 70,750
Subordinate lien principal payment	\$ 38,980

* Maintenance B Expenses incurred totaled \$2,841 for FY 2024.

** Within the \$374,000 capital project expenses, \$8,879 is classified as Maintenance A Expenses.

Metropolitan Transportation Commission

Schedule of BATA Debt Service Coverage Ratios* (\$ in thousands) *continued*

For the Year Ended June 30, 2024

Schedule 10

	<u>2024</u>
Fixed Charge	
Net revenue ¹	\$ 939,095
Debt service ⁴ , plus operating transfer and costs ^{3,6}	553,175
Sum sufficient ratio	1.70
Fixed Charge, plus Operations & Maintenance	
Net revenue ¹ , plus operations & maintenance reserve	\$ 1,181,095
Senior debt service ² , plus operating transfer ³	347,887
Sum sufficient, plus operations & maintenance reserve ratio	3.40
Minimum threshold	1.25
Net Revenue / Senior Debt Service	
Net revenue ¹	\$ 939,095
Senior debt service ²	261,623
Debt service ratio	3.59
Minimum threshold	1.20
Available Revenue / Debt Service	
Available revenue ⁵	\$ 825,492
Debt service ⁴	452,183
Debt service ratio	1.83
Minimum threshold	1.20
Reserve Designations⁷	
Operations & maintenance reserve	\$ 242,000
Rehabilitation reserve	370,000
Emergency reserve - Caltrans Cooperative Agreement	50,000
Variable Rate Risk Reserve	280,000
Project/self insurance reserve	280,000

* This schedule provides actual operating results for informational purposes only and is not provided to satisfy any covenants requirements. The Toll Covenant calculation required under the Senior and Subordinate Indentures has been filed with the Senior and Subordinate trustees.

¹ Revenues less Caltrans operating expenses.

² Senior debt service expense less BABs interest subsidy on senior bonds plus principal retirement of \$70,295.

³ Operating transfer and costs include RM2 and RM3 operating costs less amortization of Transit Transfer to MTC (Transit Transfer obligation for the next 40 years was fulfilled in early September 2010).

⁴ Total Senior and Subordinate debt service expense less BABs interest subsidy plus principal retirement of \$86,155.

⁵ Revenues less Caltrans and BATA operating expenses.

⁶ Debt related obligations and Maintenance A.

⁷ Designated reserves through BATA resolution.

Metropolitan Transportation Commission

Schedule of Operating Revenues and Expenses (\$ in thousands) - BATA Proprietary Fund - By Bridge

For the Year Ended June 30, 2024

Schedule 11

	Carquinez Bridge	Benicia- Martinez Bridge	Antioch Bridge	Richmond-San Rafael Bridge	San Francisco- Oakland Bay Bridge	San Mateo- Hayward Bridge	Dumbarton Bridge	Total
Operating revenues								
Toll revenues collected	\$ 132,505	\$ 130,745	\$ 22,185	\$ 88,844	\$ 258,846	\$ 105,799	\$ 62,646	\$ 801,570
Other operating revenues	6,331	6,735	1,266	3,787	10,365	4,496	2,593	35,573
Total operating revenues	<u>138,836</u>	<u>137,480</u>	<u>23,451</u>	<u>92,631</u>	<u>269,211</u>	<u>110,295</u>	<u>65,239</u>	<u>837,143</u>
Operating expenses								
Operating expenditures-by Caltrans & Transbay JPA	510	492	230	346	6,634	367	231	8,810
Services and charges	24,731	24,490	4,177	16,501	47,955	19,647	11,621	149,122
Allocations to other agencies	8,891	8,805	1,502	5,932	17,241	7,064	4,178	53,613
Depreciation	286	284	48	191	555	227	135	1,726
Total operating expenses	<u>34,418</u>	<u>34,071</u>	<u>5,957</u>	<u>22,970</u>	<u>72,385</u>	<u>27,305</u>	<u>16,165</u>	<u>213,271</u>
Operating income	<u>\$ 104,418</u>	<u>\$ 103,409</u>	<u>\$ 17,494</u>	<u>\$ 69,661</u>	<u>\$ 196,826</u>	<u>\$ 82,990</u>	<u>\$ 49,074</u>	<u>\$ 623,872</u>

Metropolitan Transportation Commission
Schedule of Interest Rate Swaps Summary-BATA Proprietary Fund (\$ in thousands)
For the Year Ended June 30, 2024

Schedule 12

Counterparty	Series 2001	Series 2006	Series 2007	Total	Percentage by counterparty	Ratings (S&P/Moody's)
Citibank, N.A., New York	\$ —	\$ 115,000	\$ 260,000	\$ 375,000	26%	A+/Aa3
Wells Fargo Bank, N.A.	75,000	110,000	—	185,000	13%	A+/Aa2
JP Morgan Chase Bank, N.A.	—	245,000	—	245,000	17%	A+/Aa2
Bank of America, N.A.	—	155,000	50,000	205,000	14%	A+/Aa1
Goldman Sachs Mitsui Marine Derivative Products LP	—	60,000	85,000	145,000	10%	AA-/Aa2
The Bank of New York Mellon	—	—	210,000	210,000	15%	AA-/Aa2
Morgan Stanley Capital Services LLC	75,000	—	—	75,000	5%	A-/A1
Total swap notional	\$ 150,000	\$ 685,000	\$ 605,000	\$ 1,440,000		
Fair value	\$ (11,785)	\$ (56,484)	\$ (52,117)	\$ (120,386)		

Metropolitan Transportation Commission
Schedule of Interest Rate Swaps for Series 2001 - BATA Proprietary Fund (\$ in thousands)
For the Year Ended June 30, 2024

Schedule 13

	Series 2001 A	Series 2001 A	Total
Notional amount	\$75,000	\$75,000	\$150,000
Trade date	1/22/2014	6/26/2015	
Effective date	1/1/2014	7/1/2015	
Swap mode	65% One Mth SOFR Fallback	65% One Mth SOFR Fallback	
Maturity	4/1/2036	4/1/2036	
Swap rate	4.09%	3.29%	
Counterparty (CP)	Morgan Stanley Capital Services LLC	Wells Fargo Bank, N.A.	
S&P/Moody's ratings	A-/A1	A+/Aa2	
Ratings outlook	Stable/Stable	Stable/Negative	
Fair value due from/ (to) CP(1)	\$(3,635)	\$(8,150)	\$(11,785)
Credit risk			
CP Collateral Posting(2)			
1a) CP = "A-", "A", or "A+" (S&P)	Yes	Yes	
or			
1b) CP = "A3", "A2", or "A1" (Moody's)	Yes	No	
and			
2) Termination value >\$10 million	No	No	
or			
CP Collateral Posting(2)			
1c) CP < A- (S&P)	No	No	
or			
1d) CP < A3 (Moody's)	No	No	
and			
2) Termination value > \$0	No	No	
Ratings termination risk(3)			
CP can terminate if BATA's Sr bond ratings (S&P or Moody's) is below	BBB-	BBB+	

(1) Fair value is presented in accordance with GASB Statement No. 72.

(2) Unilateral collateral posting by counterparty.

(3) Unilateral termination at BATA's discretion unless ratings fall below the levels as listed in the table above.

Metropolitan Transportation Commission

Schedule of Interest Rate Swaps for Series 2006 - BATA Proprietary Fund (\$ in thousands)

For the Year Ended June 30, 2024

Schedule 14

	Series 2006	Series 2006	Series 2006	Series 2006	Series 2006	Series2006	Total
Notional amount	\$245,000	\$115,000	\$30,000	\$110,000	\$60,000	\$125,000	\$685,000
Trade date	4/1/2011	3/20/2012	5/25/2006	3/20/2012	8/28/2008	6/26/2015	
Effective date	4/1/2011	2/8/2006	2/8/2006	3/1/2012	8/1/2008	7/1/2015	
Swap mode	75.105% One Mth SOFR Fallback	53.8% One Mth SOFR Fallback+0.74%	68% One Mth SOFR Fallback	53.8% One Mth SOFR Fallback+0.74%	68% One Mth SOFR Fallback	68% One Mth SOFR Fallback	
Maturity	4/1/2045	4/1/2045	4/1/2045	4/1/2045	4/1/2045	4/1/2045	
Swap rate	4.00%	3.64%	3.63%	3.64%	3.64%	2.96%	
Counterparty (CP)	JP Morgan Chase Bank, N.A.	Citibank, N.A., New York	Bank of America, N.A.	Wells Fargo Bank, N.A.	Goldman Sachs Mitsui Marine Derivative Products LP	Bank of America, N.A.	
S&P/Moody's ratings	A+/Aa2	A+/Aa3	A+/Aa1	A+/Aa2	AA-/Aa2	A+/Aa1	
Ratings outlook	Stable/Negative	Stable/Stable	Stable/Negative	Stable/Negative	Stable/No outlook provided	Stable/Negative	
Fair value due from/ (to) CP(1)	\$(26,512)	\$(9,188)	\$(2,977)	\$(8,789)	\$(6,013)	\$(3,005)	\$(56,484)
Credit risk							
CP Collateral Posting(2)							
1a) CP = "A-", "A", or "A+" (S&P) or	Yes	Yes	Yes	Yes	No	Yes	
1b) CP = "A3", "A2", or "A1" (Moody's) and	No	No	No	No	No	No	
2) Termination value > \$10 million	No	No	No	No	No	No	
or							
CP Collateral Posting(2)							
1c) CP < A- (S&P) or	No	No	No	No	No	No	
1d) CP < A3 (Moody's) and	No	No	No	No	No	No	
2) Termination value > \$0	No	No	No	No	No	No	
Ratings termination risk (3)							
CP can terminate if BATA's Sr bond ratings (S&P or Moody's) is below	BBB-	BBB-	BBB	BBB+	BBB+	BBB+	

(1) Fair value is presented in accordance with GASB Statement No. 72.

(2) Unilateral collateral posting by counterparty.

(3) Unilateral termination at BATA's discretion unless ratings fall below the levels as listed in the table above.

Metropolitan Transportation Commission

Schedule of Interest Rate Swaps for Series 2007 - BATA Proprietary Fund (\$ in thousands)

For the Year Ended June 30, 2024

Schedule 15

	Series 2007	Series 2007	Series 2007	Series 2007	Series 2007	Total
Notional amount	\$260,000	\$50,000	\$85,000	\$170,000	\$40,000	\$605,000
Trade date	1/2/2009	5/25/2006	8/28/2008	9/2/2008	6/26/2015	
Effective date	11/1/2007	11/1/2007	8/1/2008	9/2/2008	7/1/2015	
Swap mode	53.8% One Mth SOFR Fallback + 0.74%	68% One Mth SOFR Fallback	68% One Mth SOFR Fallback	68% One Mth SOFR Fallback	68% One Mth SOFR Fallback	
Maturity	4/1/2047	4/1/2047	4/1/2047	4/1/2047	4/1/2047	
Swap rate	3.64%	3.63%	3.64%	3.64%	2.22%	
Counterparty (CP)	Citibank, N.A., New York	Bank of America, N.A.	Goldman Sachs Mitsui Marine Derivative Products LP	The Bank of New York Mellon	The Bank of New York Mellon	
S&P/Moody's ratings	A+/Aa3	A+/Aa1	AA-/Aa2	AA-/Aa2	AA-/Aa2	
Ratings outlook	Stable/Stable	Stable/Negative	Stable/No outlook provided	Stable/Negative	Stable/Negative	
Fair value due from/(to) CP(1)	\$(22,143)	\$(5,256)	\$(9,040)	\$(18,080)	\$2,402	\$ (52,117)
Credit risk						
CP Collateral Posting(2)						
1a) CP = "A-", "A", or "A+" (S&P)	Yes	Yes	No	No	No	
or						
1b) CP = "A3", "A2", or "A1" (Moody's)	No	No	No	No	No	
and						
2) Termination value > \$10 million	No	No	No	No	No	
or						
CP Collateral Posting (2)						
1c) CP <A- (S&P)	No	No	No	No	No	
or						
1d) CP <A3 (Moody's)	No	No	No	No	No	
and						
2) Termination value >\$0	No	No	No	No	Yes	
Ratings termination risk(3)						
CP can terminate if BATA's Sr bond ratings (S&P or Moody's) is below	BBB-	BBB	BBB+	BBB+	BBB+	

(1) Fair value is presented in accordance with GASB Statement No. 72.

(2) Unilateral collateral posting by counterparty.

(3) Unilateral termination at BATA's discretion unless ratings fall below the levels as listed in the table above.

STATISTICAL SECTION

This part of MTC's comprehensive annual financial report presents detailed information to aid in understanding information contained in the financial statements, note disclosures, and required supplementary information. Some tables are not presented with ten years of data as the information was not available for these periods.

Contents	Page
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Financial Trends	136
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These schedules provide trend information to assist the reader in understanding the change in MTC's financial performance over time.

Revenue Capacity	141
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These schedules include information to help the reader assess MTC's most significant local revenue source, toll bridge revenues.

Debt Capacity	146
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These schedules provide information to help the reader assess the affordability of MTC's current levels of outstanding debt and its ability to issue additional debt in the future.

Demographic and Economic Information	148
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These schedules offer demographic and economic indicators to help the reader understand the environment in which MTC's financial activities take place.

Operating Information	151
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These schedules contain service and infrastructure data to help the reader understand how the information in MTC's financial report relates to the services provided and the activities performed.

Metropolitan Transportation Commission
Net Position by Component (\$ in thousands, unaudited)
By Fiscal Year

Table 1

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 5,080	\$ 5,072	\$ 364	\$ 358	\$ 279	\$ 194	\$ 270	\$ 302	\$ 1,484	\$ 3,595
Restricted	392,812	471,623	489,425	528,724	495,071	524,026	487,347	513,053	371,258	376,996
Unrestricted	33,891	(24,215)	(72,160)	(70,871)	(36,410)	(26,213)	(36,728)	(30,752)	22,511	68,320
Total governmental activities net position	<u>\$ 431,783</u>	<u>\$ 452,480</u>	<u>\$ 417,629</u>	<u>\$ 458,211</u>	<u>\$ 458,940</u>	<u>\$ 498,007</u>	<u>\$ 450,889</u>	<u>\$ 482,603</u>	<u>\$ 395,253</u>	<u>\$ 448,911</u>
Business-type activities										
Net investment in capital assets	\$ 28,516	\$ 56,525	\$ 78,054	\$ 89,436	\$ 114,328	\$ 3,138	\$ 1,771	\$ 200,563	\$ 225,743	\$ 271,851
Restricted	200,000	203,559	200,266	201,343	229,454	233,864	232,702	732,375	396,850	485,102
Unrestricted	(6,601,447)	(6,891,081)	(6,888,421)	(6,969,616)	(7,159,612)	(7,507,815)	(7,218,267)	(7,423,730)	(6,837,473)	(7,080,102)
Total business-type activities net position	<u>\$ (6,372,931)</u>	<u>\$ (6,630,997)</u>	<u>\$ (6,610,101)</u>	<u>\$ (6,678,837)</u>	<u>\$ (6,815,830)</u>	<u>\$ (7,270,813)</u>	<u>\$ (6,983,794)</u>	<u>\$ (6,490,792)</u>	<u>\$ (6,214,880)</u>	<u>\$ (6,323,149)</u>
Total primary government										
Net investment in capital assets	\$ 33,596	\$ 61,597	\$ 78,418	\$ 89,794	\$ 114,607	\$ 3,332	\$ 2,041	\$ 200,865	\$ 227,227	\$ 275,446
Restricted	592,812	675,182	689,691	730,067	724,525	757,890	720,049	1,245,428	768,108	862,098
Unrestricted	(6,567,556)	(6,915,296)	(6,960,581)	(7,040,487)	(7,196,022)	(7,534,028)	(7,254,995)	(7,454,482)	(6,814,962)	(7,011,782)
Total primary government net position	<u>\$ (5,941,148)</u>	<u>\$ (6,178,517)</u>	<u>\$ (6,192,472)</u>	<u>\$ (6,220,626)</u>	<u>\$ (6,356,890)</u>	<u>\$ (6,772,806)</u>	<u>\$ (6,532,905)</u>	<u>\$ (6,008,189)</u>	<u>\$ (5,819,627)</u>	<u>\$ (5,874,238)</u>

Metropolitan Transportation Commission
Changes in Net Position (\$ in thousands, unaudited)
By Fiscal Year

Table 2

	FISCAL YEAR									
	2015	2016	2017	2018	2019*	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 81,168	\$ 77,038	\$ 103,883	\$ 87,487	\$ 104,246	\$ 105,558	\$ 100,422	\$ 89,826	\$ 106,291	\$ 142,367
Transportation	195,039	156,045	204,294	192,139	307,829	267,272	110,298	88,119	264,350	397,948
Housing	—	—	—	—	—	—	—	231	2,384	4,604
Total governmental activities expenses	<u>276,207</u>	<u>233,083</u>	<u>308,177</u>	<u>279,626</u>	<u>412,075</u>	<u>372,830</u>	<u>210,720</u>	<u>178,176</u>	<u>373,025</u>	<u>544,919</u>
Business-type activities:										
Clipper smart card	37,264	44,090	45,094	44,885	48,754	57,879	52,385	39,539	52,858	64,573
Toll bridge activities	1,008,115	935,544	980,645	988,187	886,760	769,091	747,116	786,132	809,326	999,402
Express lane activities	—	—	—	—	—	—	—	65,538	42,798	49,224
Congestion relief	11,697	10,419	11,463	10,696	13,100	17,616	16,989	20,076	21,349	19,845
Total business-type activities expenses	<u>1,057,076</u>	<u>990,053</u>	<u>1,037,202</u>	<u>1,043,768</u>	<u>948,614</u>	<u>844,586</u>	<u>816,490</u>	<u>911,285</u>	<u>926,331</u>	<u>1,133,044</u>
Total primary government expenses	<u>\$ 1,333,283</u>	<u>\$ 1,223,136</u>	<u>\$ 1,345,379</u>	<u>\$ 1,323,394</u>	<u>\$ 1,360,689</u>	<u>\$ 1,217,416</u>	<u>\$ 1,027,210</u>	<u>\$ 1,089,461</u>	<u>\$ 1,299,356</u>	<u>\$ 1,677,963</u>
Program Revenues										
Governmental activities:										
Operating grants and contributions	\$ 303,823	\$ 233,919	\$ 247,211	\$ 303,748	\$ 357,187	\$ 360,604	\$ 143,181	\$ 176,445	\$ 225,096	\$ 264,844
Business-type activities:										
Charges for services	740,510	760,872	772,292	785,383	779,402	688,688	877,183	854,456	925,470	936,731
Operating grants and contributions	95,622	102,705	88,931	90,664	107,751	107,653	115,784	113,516	113,712	111,595
Capital grants and contributions	—	3,559	9,220	11,294	3,658	7,328	11,122	23,443	36,729	48,447
Total business-type activities program revenues	<u>836,132</u>	<u>867,136</u>	<u>870,443</u>	<u>887,341</u>	<u>890,811</u>	<u>803,669</u>	<u>1,004,089</u>	<u>991,415</u>	<u>1,075,911</u>	<u>1,096,773</u>
Total primary government program revenues	<u>\$ 1,139,955</u>	<u>\$ 1,101,055</u>	<u>\$ 1,117,654</u>	<u>\$ 1,191,089</u>	<u>\$ 1,247,998</u>	<u>\$ 1,164,273</u>	<u>\$ 1,147,270</u>	<u>\$ 1,167,860</u>	<u>\$ 1,301,007</u>	<u>\$ 1,361,617</u>
Net (expense)/revenue										
Governmental activities	\$ 27,616	\$ 836	\$ (60,966)	\$ 24,122	\$ (54,888)	\$ (12,226)	\$ (67,539)	\$ (1,731)	\$ (147,929)	\$ (280,075)
Business-type activities	(220,944)	(122,917)	(166,759)	(156,427)	(57,803)	(40,917)	187,599	80,130	149,580	(36,271)
Total primary government net expense	<u>\$ (193,328)</u>	<u>\$ (122,081)</u>	<u>\$ (227,725)</u>	<u>\$ (132,305)</u>	<u>\$ (112,691)</u>	<u>\$ (53,143)</u>	<u>\$ 120,060</u>	<u>\$ 78,399</u>	<u>\$ 1,651</u>	<u>\$ (316,346)</u>

* Starting fiscal year 2019 sales tax is presented in the General Revenues in accordance with GASB Statements No. 34 and No. 52.

Metropolitan Transportation Commission
Changes in Net Position (\$ in thousands, unaudited)
By Fiscal Year

Table 2

	FISCAL YEAR									
	2015	2016	2017	2018	2019*	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental activities:										
Sales tax	\$ —	\$ —	\$ —	\$ —	\$ 14,781	\$ 14,076	\$ 14,118	\$ 16,821	\$ 17,610	\$ 16,995
Unrestricted investment earnings	2,013	2,877	4,257	9,427	18,908	13,298	2,679	(1,316)	21,484	33,815
Gain on sale of capital assets	—	—	6,628	—	—	—	—	—	—	—
Transfers	15,336	16,984	15,231	17,142	21,928	23,918	25,076	17,940	21,486	282,923
Total governmental activities	<u>17,349</u>	<u>19,861</u>	<u>26,116</u>	<u>26,569</u>	<u>55,617</u>	<u>51,292</u>	<u>41,873</u>	<u>33,445</u>	<u>60,580</u>	<u>333,733</u>
Business-type activities:										
Unrestricted investment earnings	8,232	12,028	16,269	26,834	67,293	39,780	3,496	(39,677)	60,312	157,227
Changes in fair value of other derivative instruments	(285,569)	(187,387)	155,539	79,044	(131,370)	(201,597)	119,999	263,117	87,506	53,698
Contributed capital	—	—	29,700	—	6,815	2,000	1,000	1,081	—	—
Special / Extraordinary items	—	—	1,378	—	—	(230,329)	—	(26,741)	—	—
Transfers	(15,336)	(16,984)	(15,231)	(17,142)	(21,928)	(23,918)	(25,076)	(17,940)	(21,486)	(282,923)
Total business-type activities	<u>(292,673)</u>	<u>(192,343)</u>	<u>187,655</u>	<u>88,736</u>	<u>(79,190)</u>	<u>(414,064)</u>	<u>99,419</u>	<u>179,840</u>	<u>126,332</u>	<u>(71,998)</u>
Total primary government	<u>\$ (275,324)</u>	<u>\$ (172,482)</u>	<u>\$ 213,771</u>	<u>\$ 115,305</u>	<u>\$ (23,573)</u>	<u>\$ (362,772)</u>	<u>\$ 141,292</u>	<u>\$ 213,285</u>	<u>\$ 186,912</u>	<u>\$ 261,735</u>
Change in Net Position										
Governmental activities	\$ 44,965	\$ 20,697	\$ (34,850)	\$ 50,691	\$ 729	\$ 39,066	\$ (25,666)	\$ 31,714	\$ (87,349)	\$ 53,658
Business-type activities	(513,617)	(315,260)	20,896	(67,691)	(136,993)	(454,981)	287,018	259,970	275,912	(108,269)
Total primary government	<u>\$ (468,652)</u>	<u>\$ (294,563)</u>	<u>\$ (13,954)</u>	<u>\$ (17,000)</u>	<u>\$ (136,264)</u>	<u>\$ (415,915)</u>	<u>\$ 261,352</u>	<u>\$ 291,684</u>	<u>\$ 188,563</u>	<u>\$ (54,611)</u>

* Starting fiscal year 2019 sales tax is presented in the General Revenues in accordance with GASB Statements No. 34 and No. 52.

Metropolitan Transportation Commission
Fund Balances of Governmental Funds (\$ in thousands, unaudited)
By Fiscal Year

Table 3

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General fund										
Nonspendable	\$ 1,328	\$ 1,305	\$ 823	\$ 822	\$ 1,426	\$ 673	\$ 980	\$ 1,027	\$ 1,146	\$ 1,161
Restricted for	512	158	49	27	—	3,497	2,900	2,900	2,900	2,691
Committed to	3,132	6,014	4,002	3,956	5,677	14,569	9,435	8,217	11,867	15,827
Unassigned	31,705	32,893	36,791	41,608	38,926	32,192	44,274	52,744	74,739	65,909
Total general fund	<u>\$ 36,677</u>	<u>\$ 40,370</u>	<u>\$ 41,665</u>	<u>\$ 46,413</u>	<u>\$ 46,029</u>	<u>\$ 50,931</u>	<u>\$ 57,589</u>	<u>\$ 64,888</u>	<u>\$ 90,652</u>	<u>\$ 85,588</u>
All other governmental funds										
Nonspendable	\$ —	\$ —	\$ —	\$ 2	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1
Restricted for	384,916	432,015	449,183	492,175	495,071	520,529	484,446	510,171	367,600	374,472
Committed to	28,024	28,985	30,216	34,051	31,788	25,744	23,003	22,444	55,543	103,540
Unassigned	(10,445)	(40,998)	(92,221)	(94,371)	(99,797)	(88,760)	(103,199)	(112,754)	(114,404)	(105,183)
Total all other governmental funds	<u>\$ 402,495</u>	<u>\$ 420,002</u>	<u>\$ 387,178</u>	<u>\$ 431,857</u>	<u>\$ 427,062</u>	<u>\$ 457,513</u>	<u>\$ 404,250</u>	<u>\$ 419,861</u>	<u>\$ 308,739</u>	<u>\$ 372,830</u>

Metropolitan Transportation Commission
Changes in Fund Balances of Governmental Funds (\$ in thousands, unaudited)
By Fiscal Year

Table 4

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Sales taxes	\$ 12,374	\$ 12,812	\$ 13,089	\$ 13,650	\$ 14,781	\$ 14,076	\$ 14,118	\$ 16,821	\$ 17,610	\$ 16,995
Grants - Federal	56,491	48,950	65,220	54,365	49,227	53,899	56,689	53,470	56,519	65,580
Grants - State	148,032	115,262	105,027	222,417	290,237	294,383	75,384	110,814	125,567	115,930
Local agencies revenues and refunds	86,553	57,917	63,532	13,247	18,015	13,415	13,062	13,351	45,464	87,571
Investment income	2,013	2,878	4,257	9,427	18,908	13,298	2,679	(1,316)	21,484	33,815
Total revenues	305,463	237,819	251,125	313,106	391,168	389,071	161,932	193,140	266,644	319,891
Expenditures										
General government	68,463	63,439	68,456	64,713	94,692	85,566	82,914	80,389	88,010	122,885
Allocation to other agencies	207,804	169,527	228,987	215,949	323,535	292,058	128,931	107,769	284,343	418,357
Capital outlay	180	639	165	159	48	12	317	11	1,280	2,546
Contribution to Bay Area Headquarters Authority	—	—	11,423	—	—	—	—	—	—	—
Total expenditures	276,447	233,605	309,031	280,821	418,275	377,636	212,162	188,169	373,633	543,788
Excess of revenues over (under) expenditures	29,016	4,214	(57,906)	32,285	(27,107)	11,435	(50,230)	4,971	(106,989)	(223,897)
Other financing sources (uses)										
Transfer in	33,190	32,082	29,597	31,737	39,207	46,413	34,889	53,844	49,922	354,535
Transfer out	(17,854)	(15,098)	(14,366)	(14,595)	(17,279)	(22,494)	(9,813)	(35,904)	(28,436)	(71,612)
Lease	—	—	—	—	—	—	—	—	146	—
Sale of capital assets	—	—	11,147	—	—	—	—	—	—	—
Total other financing sources (uses)	15,336	16,984	26,378	17,142	21,928	23,919	25,076	17,940	21,632	282,923
Net change in fund balances	\$ 44,352	\$ 21,198	\$ (31,528)	\$ 49,427	\$ (5,179)	\$ 35,354	\$ (25,154)	\$ 22,911	\$ (85,357)	\$ 59,026

Metropolitan Transportation Commission
Primary Government Revenues (\$ in thousands, unaudited)
By Fiscal Year

Table 5

Fiscal Year	PROGRAM REVENUES			GENERAL REVENUES				Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Sales Tax	Unrestricted Investment Earnings/Charges	Return of Contribution from BAHA & BAIFA	Special Item	
2015	\$ 740,511	\$ 399,445	\$ —	\$ —	\$ (275,324)	\$ —	\$ —	864,632
2016	760,872	336,624	3,559	—	(172,481)	—	—	928,574
2017	772,292	336,142	9,220	—	176,065	29,700	—	1,323,419
2018	785,383	394,412	11,294	—	115,304	—	—	1,306,393
2019	779,402	464,938	3,658	14,781	(45,169)	6,815	—	1,224,425
2020	688,688	468,257	7,328	14,076	(148,520)	2,000	(230,329)	801,500
2021	877,183	258,965	11,122	14,118	126,174	1,000	—	1,288,562
2022	854,456	289,961	23,443	16,821	222,124	1,081	(26,741)	1,381,145
2023	925,470	338,809	36,729	17,610	169,302	—	—	1,487,920
2024	936,731	376,439	48,447	16,995	244,740	—	—	1,623,352

¹ Excludes \$2,213,000 bond proceeds

* Starting fiscal year 2019 sales tax is presented in General Revenues in accordance with GASB Statements No. 34 and No. 52.

Metropolitan Transportation Commission
Primary Government Expenses by Function (\$ in thousands, unaudited)
By Fiscal Year

Table 6

Fiscal Year	General Government	Transportation	Housing	Toll Bridge Activities	Express Lanes	Congestion Relief	Clipper®	Total
2015	\$ 81,168	\$ 195,039	\$ —	\$ 1,008,115	\$ —	\$ 11,697	\$ 37,265	\$ 1,333,284
2016	77,039	156,045	—	935,544	—	10,419	44,090	1,223,137
2017	103,883	204,295	—	980,645	—	11,463	45,094	1,345,380
2018	87,487	192,139	—	988,187	4,104	10,696	44,885	1,327,498
2019	104,246	307,828	—	886,760	7,342	13,100	48,754	1,368,030
2020	105,558	267,272	—	769,091	28,177	17,616	57,879	1,245,593
2021	100,422	110,298	—	747,116	76,906	16,989	52,385	1,104,116
2022	89,826	88,119	231	786,132	65,538	20,076	39,539	1,089,461
2023	106,291	264,350	2,384	809,326	42,798	21,349	52,858	1,299,356
2024	142,367	397,948	4,604	999,402	49,224	19,845	64,573	1,677,963

Metropolitan Transportation Commission
Toll Revenues - By Bridge (\$ in thousands, unaudited)
By Fiscal Year

Table 7

Fiscal Year	San Francisco-Oakland Bay	San Mateo-Hayward Bridge	Dumbarton Bridge	Carquinez Bridge	Benicia-Martinez Bridge	Antioch Bridge	Richmond-San Rafael Bridge	Revenue
2015	\$ 228,421	\$ 93,335	\$ 57,162	\$ 117,429	\$ 109,472	\$ 13,611	\$ 75,524	\$ 694,954
2016	229,131	98,997	58,501	121,274	114,971	13,875	77,383	714,132
2017	227,404	100,495	59,317	123,023	116,978	15,425	78,143	720,785
2018	225,682	102,083	60,097	125,657	117,766	16,927	79,139	727,351
2019	223,036	101,868	60,575	125,717	117,815	17,880	78,024	724,915
2020	197,549	85,976	49,979	112,430	102,676	16,158	69,163	633,931
2021	* 274,515	102,872	56,397	146,766	135,701	22,284	91,869	830,404
2022	249,940	95,400	53,051	130,358	122,077	20,893	84,478	756,197
2023	263,667	104,560	61,087	135,134	132,647	22,069	88,255	807,419
2024	258,847	105,798	62,646	132,505	130,745	22,185	88,844	801,570

* Included Regional Measure 3 (RM3) revenue collected for the period from January 2019 to June 2021.

Metropolitan Transportation Commission
Paid and Free Vehicles* - By Bridge (in Number of Vehicles) (unaudited)
By Fiscal Year

Table 8

Fiscal Year	San Francisco-Oakland Bay Bridge	San Mateo-Hayward Bridge	Dumbarton Bridge	Carquinez Bridge	Benicia-Martinez Bridge	Antioch Bridge	Richmond-San Rafael Bridge	Total Traffic
2015	47,008,196	18,240,269	11,590,353	21,120,412	20,052,597	2,346,983	14,199,584	134,558,394
2016	47,774,734	19,497,224	11,886,252	21,999,275	21,205,805	2,408,494	14,604,977	139,376,761
2017	48,037,959	19,915,613	12,045,109	22,454,372	21,782,523	2,734,833	14,846,796	141,817,205
2018	48,243,054	20,268,094	12,192,223	23,052,695	22,062,570	3,030,838	15,017,590	143,867,064
2019	47,813,529	20,249,521	12,318,950	22,995,579	21,933,222	3,214,945	14,837,455	143,363,201
2020	42,101,537	16,967,688	10,155,947	20,670,791	19,102,322	3,016,925	13,031,690	125,046,900
2021	40,199,550	13,721,018	7,617,904	20,320,422	18,172,503	3,083,665	12,278,691	115,393,753
2022	43,253,894	15,739,607	9,012,881	21,034,480	19,807,969	3,229,762	13,257,459	125,336,052
2023	43,433,843	16,088,565	9,724,140	20,920,185	19,504,702	3,296,030	13,100,021	126,067,486
2024	43,111,945	16,452,566	10,108,308	20,569,196	19,766,305	3,351,749	13,364,482	126,724,551

* Paid and free vehicle numbers are derived from the gross traffic reports of bridges.

Metropolitan Transportation Commission
Average Toll Rate Revenues - By Bridge (\$ in thousands, unaudited)
By Fiscal Year

Table 9

Fiscal Year	Antioch Bridge	Benicia-Martinez Bridge	Carquinez Bridge	Richmond Bridge	San Mateo - Hayward Bridge	Dumbarton Bridge	San Francisco - Oakland Bay Bridge	Total
2015								
No. of paid vehicles ('000s)	2,289	19,586	20,529	13,914	17,902	11,379	45,535	131,134
Average toll rate	\$ 5.95	\$ 5.59	\$ 5.72	\$ 5.43	\$ 5.21	\$ 5.02	\$ 5.02	\$ 5.30
Total revenues	\$ 13,611	\$ 109,472	\$ 117,429	\$ 75,524	\$ 93,335	\$ 57,162	\$ 228,421	\$ 694,954
2016								
No. of paid vehicles ('000s)	2,346	20,637	21,241	14,267	19,079	11,648	46,038	135,256
Average toll rate	\$ 5.91	\$ 5.57	\$ 5.71	\$ 5.42	\$ 5.19	\$ 5.02	\$ 4.98	\$ 5.28
Total revenues	\$ 13,875	\$ 114,971	\$ 121,274	\$ 77,383	\$ 98,997	\$ 58,501	\$ 229,131	\$ 714,132
2017								
No. of paid vehicles ('000s)	2,655	21,043	21,516	14,450	19,404	11,767	45,979	136,814
Average toll rate	\$ 5.81	\$ 5.56	\$ 5.72	\$ 5.41	\$ 5.18	\$ 5.04	\$ 4.95	\$ 5.27
Total revenues	\$ 15,425	\$ 116,978	\$ 123,023	\$ 78,143	\$ 100,495	\$ 59,317	\$ 227,404	\$ 720,785
2018								
No. of paid vehicles ('000s)	2,938	21,156	21,997	14,600	19,701	11,868	46,042	138,302
Average toll rate	\$ 5.76	\$ 5.57	\$ 5.71	\$ 5.42	\$ 5.18	\$ 5.06	\$ 4.90	\$ 5.26
Total revenues	\$ 16,927	\$ 117,766	\$ 125,657	\$ 79,139	\$ 102,083	\$ 60,097	\$ 225,682	\$ 727,351
2019								
No. of paid vehicles ('000s)	3,118	21,192	22,023	14,454	19,732	12,004	45,761	138,284
Average toll rate	\$ 5.73	\$ 5.56	\$ 5.71	\$ 5.40	\$ 5.16	\$ 5.05	\$ 4.87	\$ 5.24
Total revenues	\$ 17,880	\$ 117,815	\$ 125,717	\$ 78,024	\$ 101,868	\$ 60,575	\$ 223,036	\$ 724,915
2020								
No. of paid vehicles ('000s)	2,841	18,336	19,429	12,657	16,531	9,874	40,114	119,782
Average toll rate	\$ 5.69	\$ 5.60	\$ 5.79	\$ 5.46	\$ 5.20	\$ 5.06	\$ 4.92	\$ 5.29
Total revenues	\$ 16,158	\$ 102,676	\$ 112,430	\$ 69,163	\$ 85,976	\$ 49,979	\$ 197,549	\$ 633,931
2021								
No. of paid vehicles ('000s)	2,639	16,049	17,104	11,130	12,462	6,857	35,476	101,717
Average toll rate*	\$ 8.44	\$ 8.46	\$ 8.58	\$ 8.25	\$ 8.25	\$ 8.22	\$ 7.74	\$ 8.16
Total revenues*	\$ 22,284	\$ 135,701	\$ 146,766	\$ 91,869	\$ 102,872	\$ 56,397	\$ 274,515	\$ 830,404
2022								
No. of paid vehicles ('000s)	2,833	17,285	18,068	12,217	14,497	8,213	38,801	111,914
Average toll rate	\$ 7.37	\$ 7.06	\$ 7.21	\$ 6.91	\$ 6.58	\$ 6.46	\$ 6.44	\$ 6.76
Total revenues	\$ 20,893	\$ 122,077	\$ 130,358	\$ 84,478	\$ 95,400	\$ 53,051	\$ 249,940	\$ 756,197
2023								
No. of paid vehicles ('000s)	2,816	17,573	17,654	11,962	14,774	8,828	38,359	111,966
Average toll rate	\$ 7.84	\$ 7.55	\$ 7.65	\$ 7.38	\$ 7.08	\$ 6.92	\$ 6.87	\$ 7.21
Total revenues	\$ 22,069	\$ 132,647	\$ 135,134	\$ 88,255	\$ 104,560	\$ 61,087	\$ 263,667	\$ 807,419
2024								
No. of paid vehicles ('000s)	2,822	17,389	17,318	12,071	15,048	9,156	37,928	111,732
Average toll rate	\$ 7.86	\$ 7.52	\$ 7.65	\$ 7.36	\$ 7.03	\$ 6.84	\$ 6.82	\$ 7.17
Total revenues	\$ 22,185	\$ 130,745	\$ 132,505	\$ 88,844	\$ 105,798	\$ 62,646	\$ 258,847	\$ 801,570

* Included Regional Measure 3 (RM3) revenue collected for the period from January 2019 to June 2021.

Metropolitan Transportation Commission
Ratios of General Bonded Debt Outstanding (\$ in thousands, unaudited)
By Fiscal Year

Table 10

Fiscal Year	Toll Revenue Bonds	Less: Amounts Available in BATA Trustee Funds	Total	Toll Revenues	Per Toll Revenues
2015	\$ 9,428,212	\$ 510,834	\$ 8,917,378	\$ 694,955	13
2016	9,356,476	515,292	8,841,184	714,132	12
2017	9,617,638	526,224	9,091,414	720,784	13
2018	9,732,050	519,966	9,212,084	727,350	13
2019	9,643,426	527,589	9,115,837	724,914	13
2020	9,140,324	534,211	8,606,113	633,932	14
2021	9,079,375	539,711	8,539,664	830,405 *	10
2022	9,726,797	904,720	8,822,077	756,197	12
2023	9,586,593	863,469	8,723,124	807,419	11
2024	9,939,503	1,176,293	8,763,210	801,570	11

* Included Regional Measure 3 (RM3) revenue collected for the period from January 2019 to June 2021.

Metropolitan Transportation Commission
Pledged-Revenue Coverage (\$ in thousands, unaudited)
By Fiscal Year

Table 11

Fiscal Year	Toll Revenue Bonds						Coverage
	Toll Revenues	Less: Operating	Debt Service				
			Net Available Revenue	Principal	Interest ⁽¹⁾		
2015	\$ 694,955	\$ 150,674	\$ 544,280	\$ 48,195	\$ 360,392	1.33	
2016	714,132	149,654	564,478	56,915	371,777	1.32	
2017	720,784	165,217	555,567	54,835	381,074	1.27	
2018	727,350	168,220	559,131	55,760	383,817	1.27	
2019	724,914	174,407	550,507	63,885	380,074	1.24	
2020	633,932	162,952	470,981	118,235	383,303	0.94 ⁽²⁾	
2021	830,405 *	149,267	681,138	—	365,009	1.87	
2022	756,197	190,347	565,850	39,905	362,787	1.41	
2023	807,419	196,015	611,404	86,155	363,099	1.36	
2024	801,570	213,271	588,299	109,730	342,453	1.30	

* Included Regional Measure 3 (RM3) revenue collected for the period from January 2019 to June 2021.

⁽¹⁾ Net of Build America Bonds (BABs) interest subsidy.

⁽²⁾ BATA has designated reserves to cover any operating shortfalls. Refer to Schedule 10 for debt service coverage ratios.

Metropolitan Transportation Commission
Miscellaneous Statistics (unaudited)
June 30, 2024

Table 12

Date of Incorporation	1970
Form of Government	Commissioners with Appointed Executive Director
Number of Commissioners	18 Voting and 3 Non-Voting Members
Number of Employees (Approved Positions)	400
Type of Tax Support	3.5% of TDA Sales Tax
Region in Which Commission Operates	San Francisco Bay Area San Jose, San Francisco & Oakland Combined Statistical Area including San Benito & Santa Cruz
Number of Counties in the Region	9
Area of Authority in Square Miles	6,980
Population of Region in Which Commission Operates	7,588,780
Number of Toll Bridges in the Region	8
Traffic for All Toll Bridges - Number of Vehicles (excluding Golden Gate Bridge, Highway and Transportation District)	126,724,551
Toll Revenues (\$ in thousands, excluding Golden Gate Bridge, Highway and Transportation District)	\$801,570
Number of Call Boxes in the Region	273

Metropolitan Transportation Commission
Demographic Statistics for Nine San Francisco Bay Area Counties (unaudited)
Last Ten Calendar Years

Table 13

Year	Population ¹	Per Capita Income ^{2,5}	Median Age ^{2,5}	School Enrollment ³	Unemployment Rate ⁴
2015	7,510,942	N/A	N/A	1,019,853	4.20 %
2016	7,649,565	N/A	N/A	1,021,840	4.24 %
2017	7,714,638	N/A	N/A	1,022,684	3.65 %
2018	7,772,586	N/A	N/A	1,022,674	3.07 %
2019	7,783,460	N/A	N/A	1,015,200	2.76 %
2020	7,790,537	N/A	N/A	1,009,363	12.07 %
2021	7,823,826	N/A	N/A	977,976	5.67 %
2022	7,696,482	N/A	N/A	943,427	2.50 %
2023	7,548,792	N/A	N/A	932,599	3.78 %
2024	7,588,780	N/A	N/A	928,631	4.20 %

Data Sources:

¹ State of California, Dept. of Finance, Demographic Research Unit

² Bureau of Census

³ California Department of Education

⁴ State of California, Employment Development Department - every ten years

⁵ Bureau of Census conducts survey every ten years for the Median Age and Per Capita Income of the nine-county region as a whole.

N/A - Not Available

Metropolitan Transportation Commission
Ten Largest Employers (unaudited)
Fiscal Years 2024 and 2015

Table 14

2024*			2015**		
Employer	Employees	Rank	Employer	Employees	Rank
Kaiser Permanente	41,497	1	Kaiser Permanente	30,324	1
City and County of San Francisco	35,802	2	City and County of San Francisco	26,901	2
University of California, San Francisco	32,566	3	University of California, Berkeley	23,962	3
University of California, Berkeley	23,992	4	University of California, San Francisco	20,295	4
Sutter Health	19,698	5	Safeway Inc.	18,450	5
Safeway Inc.	14,824	6	State of California	15,557	6
Cisco Systems Inc.	11,000	7	Wells Fargo Bank	15,080	7
PG&E Corp.	10,166	8	US Postal Service	11,587	8
Salesforce	10,000	9	Stanford University	11,128	9
San Francisco Unified School District	8,842	10	United Airlines, Inc.	10,000	10

Data Sources

*2024 Book of Lists, San Francisco Business Times

**2015 Book of Lists, San Francisco Business Times

Metropolitan Transportation Commission
Full-Time Equivalent Employees by Function (unaudited)
Last Ten Fiscal Years

Table 15

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Functions										
Governmental Activities										
General government	64	77	74	86	94	74	70	70	66	83
Transportation	76	83	79	122	119	150	148	170	182	186
Business-type Activities										
Toll bridge activities	54	58	64	65	63	67	70	74	83	88
Express lane activities	—	—	—	—	—	—	—	—	12	15
MTC Clipper	—	—	—	—	—	—	—	—	14	14
Congestion relief	4	5	5	4	5	5	5	6	5	5
BAHA	3	6	10	9	8	8	7	7	8	9
	<u>201</u>	<u>229</u>	<u>232</u>	<u>286</u>	<u>289</u>	<u>304</u>	<u>300</u>	<u>327</u>	<u>370</u>	<u>400</u>

Metropolitan Transportation Commission
Ratio of Retiree Medical Premium to Covered Payroll (unaudited)
By Fiscal Year

Table 16

<u>Fiscal Year</u>	<u>Retiree Premiums</u>	<u>Covered Payroll*</u>	<u>% of Covered Payroll</u>
2015	743,290	22,111,218	3.36%
2016	763,647	23,713,316	3.22%
2017	776,100	27,722,133	2.80%
2018	835,827	33,455,049	2.50%
2019	1,010,937	34,846,017	2.90%
2020	1,171,894	36,306,211	3.23%
2021	1,254,523	39,015,440	3.22%
2022	1,416,805	41,289,893	3.43%
2023	1,450,423	47,188,698	3.07%
2024	1,660,824	54,510,786	3.05%

* Per CalPERS Payment Summary FY 23-24 Covered Payroll

OTHER INFORMATION

Metropolitan Transportation Commission
Schedule of Changes in Assets and Liabilities for Transportation Development
Act (TDA) and AB 1107 (\$ in thousands, unaudited)
For the Year Ended June 30, 2024

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024
County of Alameda				
Assets				
Cash	\$ 51,524	\$ 115,788	\$ 114,275	\$ 53,037
Interest receivables	174	397	174	397
Total Assets	<u>\$ 51,698</u>	<u>\$ 116,185</u>	<u>\$ 114,449</u>	<u>\$ 53,434</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 1,539	\$ 105,259	\$ 105,363	\$ 1,435
Due to other governments	50,159	10,926	9,086	51,999
Total Liabilities	<u>\$ 51,698</u>	<u>\$ 116,185</u>	<u>\$ 114,449</u>	<u>\$ 53,434</u>
County of Contra Costa				
Assets				
Cash	\$ 55,353	\$ 74,071	\$ 64,108	\$ 65,315
Total Assets	<u>\$ 55,353</u>	<u>\$ 74,071</u>	<u>\$ 64,108</u>	<u>\$ 65,315</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 1,057	\$ 59,931	\$ 58,837	\$ 2,151
Due to other governments	54,296	14,139	5,271	63,164
Total Liabilities	<u>\$ 55,353</u>	<u>\$ 74,070</u>	<u>\$ 64,108</u>	<u>\$ 65,315</u>
County of Marin				
Assets				
Cash	\$ 486	\$ 16,471	\$ 14,149	\$ 2,808
Total Assets	<u>\$ 486</u>	<u>\$ 16,471</u>	<u>\$ 14,149</u>	<u>\$ 2,808</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 129	\$ 14,312	\$ 14,300	\$ 141
Due to other governments	357	2,159	(151)	2,667
Total Liabilities	<u>\$ 486</u>	<u>\$ 16,471</u>	<u>\$ 14,149</u>	<u>\$ 2,808</u>
County of Napa				
Assets				
Cash	\$ 5,134	\$ 15,745	\$ 13,890	\$ 6,989
Total Assets	<u>\$ 5,134</u>	<u>\$ 15,745</u>	<u>\$ 13,890</u>	<u>\$ 6,989</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 175	\$ 12,803	\$ 12,928	\$ 50
Due to other governments	4,959	2,942	962	6,939
Total Liabilities	<u>\$ 5,134</u>	<u>\$ 15,745</u>	<u>\$ 13,890</u>	<u>\$ 6,989</u>

Metropolitan Transportation Commission
Schedule of Changes in Assets and Liabilities for Transportation Development
Act (TDA) and AB 1107 (\$ in thousands, unaudited)
For the Year Ended June 30, 2024

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024
County of San Francisco				
Assets				
Cash	\$ 6,162	\$ 50,712	\$ 53,973	\$ 2,901
Interest receivables	46	118	46	118
Total Assets	<u>\$ 6,208</u>	<u>\$ 50,830</u>	<u>\$ 54,019</u>	<u>\$ 3,019</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 240	\$ 49,763	\$ 49,999	\$ 4
Due to other governments	5,968	1,067	4,020	3,015
Total Liabilities	<u>\$ 6,208</u>	<u>\$ 50,830</u>	<u>\$ 54,019</u>	<u>\$ 3,019</u>
County of San Mateo				
Assets				
Cash	\$ 14,007	\$ 56,399	\$ 59,342	\$ 11,064
Interest receivables	113	296	113	296
Total Assets	<u>\$ 14,120</u>	<u>\$ 56,695</u>	<u>\$ 59,455</u>	<u>\$ 11,360</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 232	\$ 57,221	\$ 57,053	\$ 400
Due to other governments	13,888	(526)	2,402	10,960
Total Liabilities	<u>\$ 14,120</u>	<u>\$ 56,695</u>	<u>\$ 59,455</u>	<u>\$ 11,360</u>
County of Santa Clara				
Assets				
Cash	\$ 14,206	\$ 145,285	\$ 148,701	\$ 10,790
Interest receivables	—	202	—	202
Total Assets	<u>\$ 14,206</u>	<u>\$ 145,487</u>	<u>\$ 148,701</u>	<u>\$ 10,992</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 2,193	\$ 140,928	\$ 142,769	\$ 352
Due to other governments	12,013	4,559	5,932	10,640
Total Liabilities	<u>\$ 14,206</u>	<u>\$ 145,487</u>	<u>\$ 148,701</u>	<u>\$ 10,992</u>
County of Solano				
Assets				
Cash	\$ 49,619	\$ 30,476	\$ 35,077	\$ 45,018
Total Assets	<u>\$ 49,619</u>	<u>\$ 30,476</u>	<u>\$ 35,077</u>	<u>\$ 45,018</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 3,706	\$ 34,317	\$ 35,346	\$ 2,677
Due to other governments	45,913	(3,841)	(269)	42,341
Total Liabilities	<u>\$ 49,619</u>	<u>\$ 30,476</u>	<u>\$ 35,077</u>	<u>\$ 45,018</u>

Metropolitan Transportation Commission
Schedule of Changes in Assets and Liabilities for Transportation Development
Act (TDA) and AB 1107 (\$ in thousands, unaudited)
For the Year Ended June 30, 2024

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024
County of Sonoma				
Assets				
Cash	\$ 35,515	\$ 37,087	\$ 30,860	\$ 41,742
Total Assets	<u>\$ 35,515</u>	<u>\$ 37,087</u>	<u>\$ 30,860</u>	<u>\$ 41,742</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 1,023	\$ 28,380	\$ 29,254	\$ 149
Due to other governments	34,492	8,707	1,606	41,593
Total Liabilities	<u>\$ 35,515</u>	<u>\$ 37,087</u>	<u>\$ 30,860</u>	<u>\$ 41,742</u>
Total TDA fund				
Assets				
Cash	\$ 232,006	\$ 542,033	\$ 534,375	\$ 239,664
Interest receivables	333	1,013	333	1,013
Total Assets	<u>\$ 232,339</u>	<u>\$ 543,046</u>	<u>\$ 534,708</u>	<u>\$ 240,677</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 10,294	\$ 502,915	\$ 505,849	\$ 7,360
Due to other governments	222,045	40,131	28,859	233,317
Total Liabilities	<u>\$ 232,339</u>	<u>\$ 543,046</u>	<u>\$ 534,708</u>	<u>\$ 240,677</u>
AB 1107				
Assets				
Cash	\$ —	\$ 118,062	\$ 118,062	\$ —
Total Assets	<u>\$ —</u>	<u>\$ 118,062</u>	<u>\$ 118,062</u>	<u>\$ —</u>
Liabilities				
Accounts payable and accrued liabilities	\$ —	\$ 118,062	\$ 118,062	\$ —
Total Liabilities	<u>\$ —</u>	<u>\$ 118,062</u>	<u>\$ 118,062</u>	<u>\$ —</u>