

Annual Comprehensive Financial Report

For the Fiscal Year Ended
June 30, 2025

Metropolitan Transportation Commission
San Francisco, California





**METROPOLITAN
TRANSPORTATION
COMMISSION**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the Fiscal Year Ended
June 30, 2025**

Prepared by
Metropolitan Transportation Commission
Finance Department
San Francisco, California

Metropolitan Transportation Commission

June 30, 2025

Table of Contents

	<i>PAGE</i>
Introductory Section (unaudited)	
Transmittal Letter	2 - 5
Organizational Chart	6
List of Commissioners and Appointed Officials	7
Certificate of Achievement For Excellence in Financial Reporting	8
Financial Section	
Independent Auditor's Report	9 - 11
Management's Discussion and Analysis (unaudited)	13 - 25
Basic Financial Statements	
Government-wide Financial Statements	
Statements of Net Position	27 - 30
Statements of Activities	31 - 32
Governmental Fund Financial Statements	
Balance Sheets - Governmental Funds and Reconciliation of the Balance Sheets - Governmental Funds to the Statements of Net Position	33 - 38
Statements of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	39 - 40
Reconciliations of the Statements of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statements of Activities	41
Proprietary Fund Financial Statements	
Statements of Net Position - Proprietary Funds	42 - 45
Statements of Revenues, Expenses and Changes in Net Position - Proprietary Funds	46 - 49
Statements of Cash Flows - Proprietary Funds	50 - 53
Fiduciary Fund Financial Statements	
Statement of Fiduciary Net Position	54
Statement of Changes in Fiduciary Net Position	55
Notes to Financial Statements	
1. Summary of Significant Accounting Policies	57 - 73
2. Net Position / Fund Balance Deficit	73
3. Cash and Investments	74 - 78
4. Loans and Related Interest Receivable	78
5. Capital Assets	79 - 80
6. Long-Term Debt	80 - 90
7. Subscription-Based Information Technology Arrangements (SBITAs)	91
8. Leases	91 - 92
9. Interfund Receivables, Payables and Transfers	93 - 94
10. Employees' Retirement Plan	95 - 102
11. Other Post Employment Benefits (OPEB)	102 - 108
12. Compensated Absences	108
13. Designated Reserves	109
14. Commitments and Contingencies	109
15. Risk Management	110
16. Related Party Transactions	110

Metropolitan Transportation Commission

June 30, 2025

Table of Contents - continued

Required Supplementary Information (unaudited)

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	113
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - AB 664 Net Toll Revenue Reserves Fund	114
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - State Transit Assistance Fund	115
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Rail Reserves Fund	116
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - BART Car Exchange Fund	117
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - SB 125 Transit	118
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Bay Area Housing Finance Authority	119
Schedule of Changes in the Net Pension Liability	120 - 121
Schedule of Employer Contributions - Pension	122
Schedule of Changes in the Net OPEB Liability/(Asset) and Related Ratios	123
Schedule of Employer Contributions - OPEB	124

Other Supplementary Information

Combining Balance Sheet - Non-Major Governmental Funds	126
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	127
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Transit Reserves Fund	128
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Exchange Fund	129
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Clipper BayPass Fund	130
Schedule of Expenditures by Natural Classification	131
Schedule of Overhead, Salaries and Benefits Expenditures - Governmental Funds	132
Schedule of Expenditures - Federal Highway Administration Grant FY2025 OWPMTC	133
Toll Bridge Rate Schedule	134
Schedule of BATA Debt Service Coverage Ratios	135 - 136
Schedule of Operating Revenues and Expenses - BATA Proprietary Fund - by Bridge	137
Schedule of Interest Rate Swaps Summary - BATA Proprietary Fund	138
Schedule of Interest Rate Swaps for Series 2001 - BATA Proprietary Fund	139
Schedule of Interest Rate Swaps for Series 2006 - BATA Proprietary Fund	140
Schedule of Interest Rate Swaps for Series 2007 - BATA Proprietary Fund	141

Statistical Section (unaudited)

Financial Trends

Net Position by Component	143
Changes in Net Position	144 - 145
Fund Balances of Governmental Funds	146
Changes in Fund Balances of Governmental Funds	147

Revenue Capacity

Primary Government Revenues	148
Primary Government Expenses by Function	149
Toll Revenues - by Bridge	150
Paid and Free Vehicles - by Bridge (in Number of Vehicles)	151
Average Toll Rate Revenues - by Bridge	152

Metropolitan Transportation Commission

June 30, 2025

Table of Contents - continued

Debt Capacity	
Ratios of Outstanding Debt by Type	153
Ratios of General Bonded Debt Outstanding	154
Pledged-Revenue Coverage	155
Demographic and Economic Information	
Miscellaneous Statistics at June 30, 2025	156
Demographic Statistics for Nine San Francisco Bay Area Counties	157
Ten Largest Employers	158
Operating Information	
Full-Time Equivalent Employees by Function	159
Ratio of Retiree Medical Premium to Covered Payroll	160
Other Information (unaudited)	
Schedule of Changes in Assets and Liabilities for Transportation Development Act (TDA) and AB 1107 (unaudited)	162 - 164
Schedule of Changes in Assets and Liabilities for Revenue-Based State Transit Assistance (STA) (unaudited)	165

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Introductory Section

	<i>PAGE</i>
Transmittal Letter	2 - 5
Organizational Chart	6
List of Commissioners and Appointed Officials	7
Certificate of Achievement	8
Independent Auditor's Report	9 - 11



October 14, 2025

Sue Noack, Chair
Cities of Contra Costa County

*Stephanie Moulton-Peters,
Vice Chair*
Marin County and Cities

Margaret Abe-Koga
Santa Clara County

Eddie Ahm
San Francisco Bay Conservation
and Development Commission

David Ambuehl
California State
Transportation Agency

Candace Andersen
Contra Costa County

Marilyn Ezzy Ascraft
Cities of Alameda County

Pat Burt
Cities of Santa Clara County

David Canepa
San Mateo County

Victoria Fleming
Sonoma County and Cities

Dorene M. Giacopini
U.S. Department of Transportation

Alicia Jobn-Baptiste
San Francisco Mayor's Appointee

Barbara Lee
Oakland Mayor's Appointee

Matt Mahan
San Jose Mayor's Appointee

Amber Manfree
Napa County and Cities

Mitch Mashburn
Solano County and Cities

Myrna Melgar
City and County of San Francisco

Nate Miley
Alameda County

Gina Papan
Cities of San Mateo County

Belia Ramos
Association of Bay Area
Governments

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

Andrew B. Fremier
Executive Director

Alix Bockelman
Chief Deputy Executive Director

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, 2025. 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, 2025. 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.

MTC contracted with Crowe LLP, a firm of Certified Public Accountants licensed to practice in the State of California, to perform the annual independent audit. The goal of the independent audit is to provide reasonable assurance that the financial statements presented herein for the fiscal year ended June 30, 2025, 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 auditor has issued an unmodified opinion on the Metropolitan Transportation Commission's financial statements for the year ended June 30, 2025. This is the most favorable conclusion afforded to financial statements. 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, 2025 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; 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 2026 revolve around the Federal Reserve's interest rate decisions as it shifts to a greater focus on job growth from inflation (in trying to meet its "dual mandate"), what we can expect from the national and regional economy over the next twelve to eighteen months, and federal funding decisions. 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 should 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 2025 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 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.

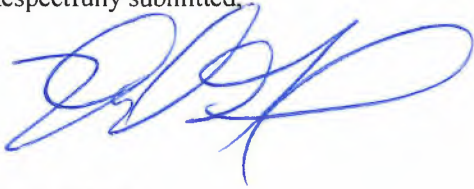
Awards and Acknowledgments

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, 2024. This was the twenty-second 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.

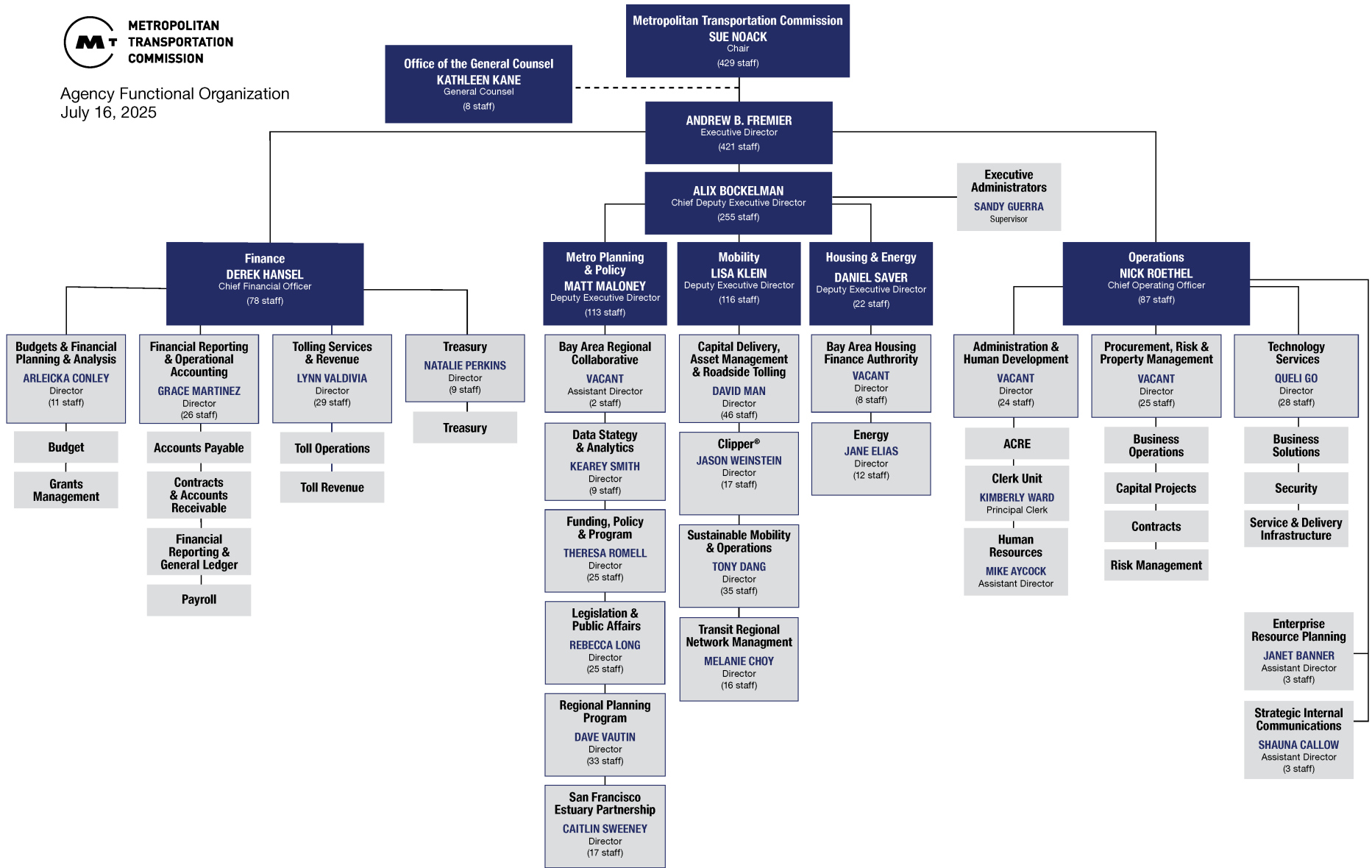
Respectfully submitted,



Derek Hansel
Chief Financial Officer



Agency Functional Organization
July 16, 2025



METROPOLITAN TRANSPORTATION COMMISSION

COMMISSIONERS

Sue Noack, Chair	Cities of Contra Costa County
Stephanie Moulton-Peters, Vice Chair	Marin County and Cities
Margaret Abe-Koga	Santa Clara County
Eddie H. Ahn	SF Bay Conservation and Development Commission
Candance Andersen	Contra Costa County
Marilyn Ezzy Ashcraft	Cities of Alameda County
Pat Burt	Cities of Santa Clara County
David Canepa	San Mateo County
Victoria Fleming	Sonoma County and Cities
Dorene M. Giacopini	U.S. Department of Transportation
Alicia John-Baptiste	San Francisco Mayor's Appointee
Barbara Lee	Oakland Mayor's Appointee
Matt Mahan	San Jose Mayor's Appointee
Amber Manfree	Napa County and Cities
Mitch Mashburn	Solano County and Cities
Myrna Melgar	City and County of San Francisco
Nate Miley	Alameda County
Gina Papan	Cities of San Mateo County
Belia Ramos	Association of Bay Area Governments
Libby Schaaf	U.S. Department of Housing and Urban Development
David Ambuehl	California State Transportation Agency (CalSTA)

APPOINTED OFFICIALS

Andrew Fremier	Executive Director
Kathleen Kane	General Counsel



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Metropolitan Transportation Commission
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

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, 2025, 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, 2025, 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.

Emphasis of Matter

As discussed in Note 1 AG to the financial statements, during the year ended June 30, 2025, the Commission adopted new accounting guidance, GASB Statement No. 101, Compensated Absences, which resulted in a restatement of the July 1, 2024 net position for the following opinion units and related amounts: governmental activities \$2,822,000, business-type activities \$1,365,000, Bay Area Toll Authority (BATA) \$992,000, Service Authority for Freeways and Expressways (SAFE) \$57,000, Bay area Infrastructure Financing Authority (BAIFA) \$152,000, aggregate remaining fund information \$164,000, and discretely presented component unit of Bay Area Headquarters Authority (BAHA) \$28,000. Our opinions are not modified with respect to the above matter.

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.

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, 2024, 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.

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 October 14, 2025 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 14, 2025

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

	<i>PAGE</i>
Management's Discussion and Analysis (unaudited)	13 - 25

Metropolitan Transportation Commission

Financial Statements for the year ended June 30, 2025

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, 2025. Except as otherwise stated, all amounts described below are expressed in thousands of dollars.

A. Financial Highlights

The following are highlights from fiscal year 2025:

- MTC received a nearly \$728,000 state grant to support transit operators with their operating and capital needs and help mitigate financial shortfalls pursuant to the Senate Bill 125 (SB125).
- Sales tax revenues decreased by 2.0% compared to FY 2024.
- Total traffic on the seven BATA bridges increased by 0.4% compared to FY 2024, total toll revenues increased by 11.2% compared to FY 2024, largely reflecting the implementation of the final one dollar Regional Measure 3 toll increase.
- Express lane revenue increased by 10.5% compared to FY 2024.
- Investment earnings increased by 25% compared to FY 2024.

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 27-32 of this report with the accompanying notes being presented on pages 57-110.

Metropolitan Transportation Commission

Financial Statements for the year ended June 30, 2025

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, six 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 33-40 of this report. A schedule detailing the non-major special revenue funds is included on pages 126-127 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 113-119 of this report. A comparison of budget to actual is also presented for non-major funds on pages 128-130.

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 2018, 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 42-53.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
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 54-55 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.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

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	
	2025	2024	2025	2024	2025	2024
Cash and investments	\$ 1,252,012	\$ 731,422	\$ 3,809,766	\$ 3,486,130	\$ 5,061,778	\$ 4,217,552
Receivables	79,689	67,355	123,688	123,854	203,377	191,209
Other assets	4,989	3,854	1,095	1,171	6,084	5,025
Capital assets	14,384	3,779	284,181	293,277	298,565	297,056
Total assets	1,351,074	806,410	4,218,730	3,904,432	5,569,804	4,710,842
Deferred outflows of resources	27,156	26,667	331,669	343,583	358,825	370,250
Other liabilities	107,584	104,074	735,831	659,683	843,415	763,757
Long term liabilities	31,197	23,773	10,557,634	10,162,230	10,588,831	10,186,003
Total liabilities	138,781	127,847	11,293,465	10,821,913	11,432,246	10,949,760
Deferred inflows of resources	242,289	256,319	(238,017)	(250,749)	4,272	5,570
Net position:						
Net investment in capital assets	13,106	3,595	271,528	271,851	284,634	275,446
Restricted	880,843	376,996	1,441,356	1,328,694	2,322,199	1,705,690
Unrestricted (deficit)	103,211	68,320	(8,217,933)	(7,923,694)	(8,114,722)	(7,855,374)
Total net position	\$ 997,160	\$ 448,911	\$ (6,505,049)	\$ (6,323,149)	\$ (5,507,889)	\$ (5,874,238)

Total cash and investments increased by \$844,226 in FY 2025. This is primarily due to the state grant received from the Transit and Intercity Rail Program (TIRCP) and Zero Emission Transit Capital Program (ZETCP) pursuant to the California Senate Bill 125 (SB125) in FY 2025. The increase is also due to new bonds issued by BATA and an increase in toll revenues collected in FY2025.

Total receivables increased by \$12,168 in FY 2025. The increase is primarily due to an increase in accounts receivable from Transportation Authority of Marin County for the US 101 Marin-Sonoma Narrows Project covered under the exchange fund agreement.

The increase in capital assets of \$1,509 is mainly due to the construction in progress of the MTC's Oracle Enterprise Resource Planning System, the I-80 Solano Express Lanes, and the Clipper 2.0 public transit fare payment system.

Deferred outflows of resources decreased by \$11,425 in FY 2025, mainly due to the decrease in the deferred outflows of debt refunding.

Total liabilities increased by \$482,486 in FY 2025 which is primarily due to the new bonds issued by BATA and increased draws under the BAIFA credit agreement to fund the BART car financing project.

The net position increased by \$366,349 in FY 2025. This is mainly driven by increased cash received from the state grant pursuant to the SB125 in FY 2025.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

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	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for service	\$ 1	\$ —	\$ 1,053,640	\$ 936,731	\$ 1,053,641	\$ 936,731
Operating grants and contributions	986,972	264,844	107,296	111,595	1,094,268	376,439
Capital grants and contributions	—	—	5,787	48,447	5,787	48,447
General revenues:						
Sales tax	16,662	16,995	—	—	16,662	16,995
Unrestricted investment earnings (charges)	53,802	33,815	185,442	157,227	239,244	191,042
Changes in fair value of other derivative instruments	—	—	(1,984)	53,698	(1,984)	53,698
Total revenues	1,057,437	315,654	1,350,181	1,307,698	2,407,618	1,623,352
Expenses:						
General government	151,934	142,367	—	—	151,934	142,367
Allocation to other agencies	390,075	397,948	—	—	390,075	397,948
Housing	17,500	4,604	—	—	17,500	4,604
Toll bridge activities	—	—	1,330,754	999,402	1,330,754	999,402
Express lane activities	—	—	62,292	49,224	62,292	49,224
Clipper® smart card	—	—	64,965	64,573	64,965	64,573
Congestion relief	—	—	19,562	19,845	19,562	19,845
Total expenses	559,509	544,919	1,477,573	1,133,044	2,037,082	1,677,963
Change in net position before special item and transfers	497,928	(229,265)	(127,392)	174,654	370,536	(54,611)
Transfers in/(out)	53,143	282,923	(53,143)	(282,923)	—	—
Changes in net position	551,071	53,658	(180,535)	(108,269)	370,536	(54,611)
Net position - beginning	448,911	395,253	(6,323,149)	(6,214,880)	(5,874,238)	(5,819,627)
Restatement for GASB101 adoption	(2,822)	—	(1,365)	—	(4,187)	—
Net position - beginning, as restated	446,089	395,253	(6,324,514)	(6,214,880)	(5,878,425)	(5,819,627)
Net position - ending	\$ 997,160	\$ 448,911	\$ (6,505,049)	\$ (6,323,149)	\$ (5,507,889)	\$ (5,874,238)

Total revenues increased by \$784,266 in FY 2025. The revenue increase is mainly due to the \$727,767 of SB125 grants received in FY 2025, increased toll revenues, and increased investment earnings as a result of higher average cash and investment balances.

Total expenses increased by \$359,119 in FY 2025. The increase is primarily related to increased distributions of RM3 capital funds to other agencies.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

The net position improved by \$366,349 from \$(5,874,238) in FY 2024 to \$(5,507,889) in FY 2025. The increase is mainly due to the financial results of governmental activities as a result of \$727,767 of state grants received in FY 2025 pursuant to the SB125. BATA's financial results drive the business-type activities deficit due to BATA's issuance of nearly ten billion dollars in toll revenue bonds to fund bridge projects including the Seismic Retrofit Program, Regional Measure 2 and Regional Measure 3 voter approved projects while the assets remain with the State of California and other transit operators.

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.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

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®	
	2025	2024	2025	2024	2025	2024	2025	2024
Revenues:								
Toll revenues	\$ 891,421	\$ 801,570	\$ 74,370	\$ 67,305	\$ —	\$ —	\$ —	\$ —
Other operating revenues	54,354	35,573	14,939	6,107	6,444	6,535	12,112	19,641
Total revenues	945,775	837,143	89,309	73,412	6,444	6,535	12,112	19,641
Operating expenses:								
Operating expenses incurred by Caltrans/Transbay JPA	9,288	8,810	—	—	—	—	—	—
Other operating expenses	247,925	204,461	48,832	40,857	19,470	19,847	56,497	55,264
Total operating expenses	257,213	213,271	48,832	40,857	19,470	19,847	56,497	55,264
Operating income/(loss)	688,562	623,872	40,477	32,555	(13,026)	(13,312)	(44,385)	(35,623)
Nonoperating revenues/(expenses)								
Investment income/(loss)	161,439	136,259	13,708	11,097	752	790	9,543	9,081
Changes in fair value of other derivative instruments	(1,984)	53,698	—	—	—	—	—	—
BABs interest subsidy	62,011	68,959	—	—	—	—	—	—
Interest expense	(402,464)	(422,868)	(12,888)	(1,902)	—	—	—	—
Financing fees and bond issuance costs	(12,775)	(10,116)	(507)	(3,097)	—	—	—	—
Other nonoperating expense	(61)	(80)	—	—	(16)	(7)	—	—
Caltrans/other agency grants and reimbursements	18,443	17,200	—	—	12,353	12,872	2,624	1,146
Distributions to Caltrans/other agencies	(658,241)	(353,067)	—	—	—	—	(571)	(587)
Capital, operating and maintenance expenses for other agencies	—	—	(65)	(3,368)	(76)	—	(7,897)	(8,722)
Return of contribution from BAHA	—	—	—	—	—	—	—	—
Other nonoperating revenues	1,898	2,345	5,267	4,359	—	9	4,700	4,714
Total nonoperating revenues/(expenses)	(831,734)	(507,670)	5,515	7,089	13,013	13,664	8,399	5,632
Change in net position before contribution, special item, and transfers	(143,172)	116,202	45,992	39,644	(13)	352	(35,986)	(29,991)
Capital grants	—	—	—	—	—	—	5,787	48,447
Transfers	(48,600)	(42,133)	(29,759)	(273,194)	—	(206)	25,216	32,610
Change in net position	(191,772)	74,069	16,233	(233,550)	(13)	146	(4,983)	51,066
Net position - beginning	(6,610,027)	(6,684,096)	68,721	302,271	19,886	19,740	198,271	147,205
Restatement for GASB 101 adoption	(992)	—	(152)	—	(57)	—	(164)	—
Net position - beginning, as restated	(6,611,019)	(6,684,096)	68,569	302,271	19,829	19,740	198,107	147,205
Net position - ending	\$ (6,802,791)	\$ (6,610,027)	\$ 84,802	\$ 68,721	\$ 19,816	\$ 19,886	\$ 193,124	\$ 198,271

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

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.

Net operating income for BATA was \$688,562 for FY 2025, an increase of \$64,690 or 10% from FY 2024. Major changes include:

- Total revenues increased by \$108,632 in FY 2025. The increase in revenues was driven by a combination of an increase in paid traffic across the Bay Area bridges and the one dollar RM3 toll increase that went into effect on January 1, 2025. Detailed traffic and revenue information is available in the Statistical Section, Tables 7 and 8.
- Total operating expenses rose by \$43,942 in FY 2025, mainly driven by an increase in FasTrak operational charges and DMV hold fees.

Nonoperating revenues/(expenses) increased by \$324,064 or about 64% from FY 2024. Major changes included:

- BATA had an investment gain of \$161,439. This was a \$25,180 increase in investment income compared to FY 2024, which was primarily due to more income from additional funds invested.
- Unrealized charges from the decrease in fair market value of other derivative investments was \$1,984 in FY 2025, which is a \$55,682 decrease compared to the change in fair value reported 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 \$305,174 in FY 2025. The increase was primarily due to the distribution of RM3 capital funds to other agencies.

BAIFA ended FY 2025 with operating income of \$40,477, which was \$7,922 higher than the operating income reported in FY 2024. 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 2025 major changes include:

- Operating revenues increased by \$15,897 in FY 2025, mainly the results of \$8,832 increase in violation revenue collections and \$7,065 higher toll revenues from both I-680 and I-880 express lanes compared to FY 2024.
- Operating expenses increased by \$7,975 in FY 2025. BAIFA started the I-880 roadway rehabilitation project in fiscal year 2024, and the rehabilitation cost went up by \$3,888 in FY 2025. DMV holding fees and professional fees from BAIFA operational vendors increased by \$3,005 in FY 2025.

BAIFA total nonoperating revenues/(expenses) decreased by \$1,574 in FY2025. Major changes included:

- An increase in credit agreement BART car interest expense in the amount of \$10,986 in FY2025, reflecting four quarters of interest versus only two in FY2024, offset by \$2,590 decrease in financing fees.
- A decrease of \$3,303 in capital, operating and maintenance for other agencies was a result of much less expenses on the San Mateo County Highway 101 express lane project in FY 2025.
- Interest income increased by \$2,611 and other nonoperating revenues increased by \$908 in FY 2025, respectively.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

MTC SAFE ended FY 2025 with an operating loss of \$13,026. Loss decreased by \$286 compared to FY 2024. The net position in FY 2025 decreased by \$70 compared to FY 2024. Major changes include:

- Operating revenues decreased by \$91 in FY 2025 is primarily due to the decrease in Napa County revenue.
- Operating expenses decreased by \$377 in FY 2025, primarily the result of the decrease in towing contracts. Tow truck routes have been reduced in Santa Clara and Alameda Counties.
- Nonoperating grants decreased by \$519 in FY 2025. The State Local Assistance Program (LAP) revenue decreased by \$2,840 whereas Senate Bill 1 (SB1), funding for the Freeway Service Patrol program, increased by \$2,321.

MTC Clipper® ended FY 2025 with an operating loss of \$44,385, which represents an increased loss of \$8,762 compared to FY 2024. While Clipper® project costs are generally covered by grant (nonoperating) revenues, ongoing 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 \$7,529 in FY 2025, driven by lower revenues from operators. From January to June 2025, participating operators in the Clipper® program were granted a waiver of fee payments, as the investment income is used to cover the cost.
- Operating expenses for MTC Clipper® increased by \$1,233 in FY 2025, primarily due to higher professional fees due to increased transit ridership and increased salaries & benefits.
- Nonoperating revenues/(expenses) increased by \$2,767, primarily due to higher grant funding and reimbursements from other agencies in FY 2025.

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 41 for the reconciliation of the governmental funds to the Statement of Activities.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

	Governmental Funds	
	2025	2024
Revenues:		
Sales taxes	\$ 16,662	\$ 16,995
Grants - Federal	67,900	65,580
Grants - State	859,726	115,930
Local agencies revenues and refunds	57,682	87,571
Investment income	53,802	33,815
Total revenues	1,055,772	319,891
Expenditures:		
Current:		
General government	135,471	122,885
Allocations to other agencies	419,783	418,357
Capital outlay	11,193	2,546
Debt Service		
Principal	87	—
Interest	8	—
Total expenditures	566,542	543,788
Other financing sources	53,553	282,923
Net change in fund balance	542,783	59,026
Fund balance - beginning	458,418	399,392
Fund balance - ending	\$ 1,001,201	\$ 458,418

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 2025 with a net change in fund balance of \$542,783 compared to \$59,026 for FY 2024.

The MTC General Funds ended FY 2025 with a net change in fund balance deficit of \$(219) which decreased the fund balance to \$85,369. 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 2025 with a negative fund balance of \$35,754 compared with a negative balance of \$39,305 for FY 2024. 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 2025 with a fund balance of \$178,554 compared to \$163,024 for FY 2024. The increase in excess of revenues over expenditures is primarily due to an increase in investment income as a result of higher average cash balance.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

- Rail Reserves fund ended FY 2025 with a negative fund balance of \$58,848, a reduction from the negative \$65,878 ending FY 2024. 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 2025 with a fund balance of \$22,758, a decrease of \$111,662 from FY 2024. The decrease is primarily due to an increase of \$74,744 in allocation to BART for the BART railcar replacement and the fleet expansion in FY 2025. The program is funded with payments exchanged between MTC and BART which are reserved for the purchase of future BART rail cars. The fund balance will continue to draw down with the delivery of additional new rail cars and the completion of invoices received.
- The SB125 Transit fund, a new special revenue fund in FY 2025, ended FY 2025 with a fund balance of \$583,209 as the result of a \$727,767 state grant received in FY 2025 from the Transit and Intercity Rail Capital Program (TIRCP) and the Zero-Emission Transit Capital Program (ZETCP).
- Bay Area Housing Finance Authority ended FY 2025 with a fund balance of \$49,468, an increase of \$10,854 from FY 2024. The significant increase in fund balance is mainly due to a \$26,641 State grant received in FY 2025 as a transfer from MTC, for the purpose of supporting BAHFA's housing and rental programs. The increase in state grants is partially offset by the current fiscal year expenditures.

H. General Fund Budget

The original MTC General Fund budget adopted for FY 2025 had a projected deficit of \$(15,697) which increased to a projected deficit of \$(16,477) in the final approved budget. The projected deficit was primarily due to capital costs associated with the implementation of a new Enterprise Resource Planning system. The net change in fund balance was an overall decrease of \$219 and actual ending fund balance was \$85,369 after transfers.

The final revenue budget was \$334,904 with actual year-end revenue of \$141,285, a shortfall of \$193,619. The final expenditure budget was \$342,601 with actual year-end expenditures of \$186,026 or \$156,575 under budget. The variance in both revenue and expenditure is due to a \$450,000 special financing agreement between BAIFA and BART, which is not included in the adopted budget. 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.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

	General Fund			
	Adopted Budget	Final Budget	Actual	Variance
Revenues	\$ 325,095	\$ 334,904	\$ 141,285	\$ (193,619)
Expenditures	356,794	342,601	186,026	156,575
Excess/(Deficiency)	(31,699)	(7,697)	(44,741)	(37,044)
Transfers in	36,002	37,020	74,302	37,282
Transfer out	(20,000)	(45,800)	(30,190)	15,610
Leases	—	—	217	217
SBITA	—	—	193	193
Net change in fund balance	(15,697)	(16,477)	(219)	16,258
Fund balance - beginning	85,588	85,588	85,588	—
Fund balance - ending	\$ 69,891	\$ 69,111	\$ 85,369	\$ 16,258

The positive ending fund balance of \$85,369 reflects a favorable \$16,258 variance between budget projections verses actuals.

I. Capital Asset Administration

MTC's total investment in capital assets for all funds, governmental and proprietary is \$298,565 as reported under the accrual basis of accounting. In FY 2025 capital assets increased by \$1,509, which is primarily due to the implementation of Oracle Enterprise Planning system, the development of the Clipper fare payment system software and related equipment, offset by current year depreciation. Assets relating to the seven state-owned bridges administered by BATA are owned by Caltrans. MTC's capital assets are disclosed in Note 5 to the financial statements.

J. Long-Term Debt Administration

During FY 2025, BATA refunded \$822,491 in bonds with \$736,475 in refunding bonds and issued \$400,000 in new money bonds. BATA administers a debt portfolio of \$9,988,445 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 decreased by \$1,984. BATA's interest expense on the \$2,821,125 of federally taxable Build America Bonds (BABs) was \$187,885. The BABs subsidy for FY 2025 was \$62,011 and net interest expense was \$125,874.

On November 8, 2023, 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, 2025, the outstanding draw amount is \$319,742.

Additional information on MTC's long-term debt can be found in Note 6 to the financial statements.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Management's Discussion and Analysis (\$ in thousands, unaudited)

K. Economic Factors Impacting MTC

While Gross Domestic Product (GDP) growth and low unemployment paint a strong picture, there are several headwinds that MTC must consider for FY 2025-26 and beyond.

These headwinds include:

- Inflation, which has remained somewhat higher than the Federal Reserve objectives.
- In an effort to appropriately manage its dual mandate of maximum employment and cost stability, the Federal Reserve has allowed interest rates to remain at levels that are somewhat restrictive of growth.
- New tariff policies (and the significant uncertainties around these) are having effects on supply chains and increasing costs for businesses and consumers alike.

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

Basic Financial Statements

June 30, 2025

	<i>PAGE</i>
Basic Financial Statements	
Government-wide Financial Statements	
Statements of Net Position	27 - 30
Statements of Activities	31 - 32
Governmental Fund Financial Statements	
Balance Sheets - Governmental Funds and Reconciliations of the Balance Sheets - Governmental Funds to the Statements of Net Position	33 - 38
Statements of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	39 - 40
Reconciliations of the Statements of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statements of Activities	41
Proprietary Fund Financial Statements	
Statements of Net Position - Proprietary Funds	42- 45
Statements of Revenues, Expenses and Changes in Net Position - Proprietary Funds	46 - 49
Statements of Cash Flows - Proprietary Funds	50 - 53
Fiduciary Fund Financial Statements	
Statement of Fiduciary Net Position	54
Statement of Changes in Fiduciary Net Position	55

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

Metropolitan Transportation Commission
Statement of Net Position
June 30, 2025

(\$ in thousands)	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	BAHA
ASSETS				
Cash-unrestricted	\$ 26,878	\$ 257,441	\$ 284,319	\$ 33,542
Cash-restricted	295,876	156,280	452,156	—
Investments-unrestricted	24,354	1,960,009	1,984,363	—
Investments-restricted	904,904	1,436,036	2,340,940	—
Receivables:				
Accounts receivable	18,947	87,917	106,864	228
Interest receivable	2,148	16,786	18,934	—
Loans and related interest receivable, net	1,337	—	1,337	—
Lease receivable from external parties	—	—	—	4,832
Lease receivable from primary government	—	—	—	3,563
Funding due from State/Caltrans	30,910	14,595	45,505	—
Funding due from Federal	23,326	3,848	27,174	—
Due from other governments	3,021	542	3,563	119
Pension 115 trust account	2,854	—	2,854	—
Prepaid items and other assets	2,135	1,095	3,230	198
Capital assets not being depreciated/amortized	10,224	150,246	160,470	43,846
Capital assets net of accumulated depreciation/amortization	4,160	133,935	138,095	146,951
TOTAL ASSETS	1,351,074	4,218,730	5,569,804	233,279
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount of refunding	—	319,741	319,741	—
Deferred outflows from pension	15,096	6,631	21,727	136
Deferred outflows from OPEB	12,060	5,297	17,357	108
TOTAL DEFERRED OUTFLOWS OF RESOURCES	27,156	331,669	358,825	244

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

Metropolitan Transportation Commission
Statement of Net Position - Continued
June 30, 2025

(\$ in thousands)	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	BAHA
LIABILITIES				
Accounts payable and accrued liabilities	\$ 54,706	\$ 353,122	\$ 407,828	\$ 2,601
Accrued interest payable	21	95,237	95,258	—
Unearned revenue	53,996	161,044	215,040	3
Internal balances	(5,034)	5,034	—	—
Due to other governments	—	—	—	468
Non-current liabilities				
Due within one year				
Long term debt - current	—	117,815	117,815	—
Compensated absences and others	3,895	3,579	7,474	66
Due in more than one year				
Long term debt, net of unamortized premium/discount	—	10,418,786	10,418,786	—
Derivative instrument liabilities	—	122,369	122,369	—
Net pension liability	17,984	3,469	21,453	162
Net OPEB liability	5,184	2,278	7,462	47
Compensated absences and others	8,029	10,732	18,761	88
TOTAL LIABILITIES	138,781	11,293,465	11,432,246	3,435
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows from lease	—	—	—	7,747
Deferred inflows from pension	154	68	222	1
Deferred inflows from OPEB	2,814	1,236	4,050	25
Deferred revenue/Deferred charge	239,321	(239,321)	—	—
TOTAL DEFERRED INFLOWS OF RESOURCES	242,289	(238,017)	4,272	7,773
NET POSITION				
Net investment in capital assets	13,106	271,528	284,634	189,740
Restricted for:				
Capital projects	245,579	—	245,579	—
Pension	2,854	—	2,854	—
Operations & Maintenance, under debt covenant	—	27,980	27,980	—
Emergency reserve, under Caltrans Coop	—	50,000	50,000	—
Trustee funds	—	1,276,381	1,276,381	—
Housing	49,201	—	49,201	—
SB 125 Transit	583,209	—	583,209	—
Regional Measure 3 - WETA	—	86,995	86,995	—
Unrestricted	103,211	(8,217,933)	(8,114,722)	32,575
TOTAL NET POSITION	\$ 997,160	\$ (6,505,049)	\$ (5,507,889)	\$ 222,315

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

Metropolitan Transportation Commission
Statement of Net Position
June 30, 2024
(For comparative information purposes)

(\$ in thousands)	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	BAHA
ASSETS				
Cash-unrestricted	\$ 59,879	\$ 818,565	\$ 878,444	\$ 39,119
Cash-restricted	381,188	783,072	1,164,260	—
Investments-unrestricted	—	1,190,706	1,190,706	—
Investments-restricted	290,355	693,787	984,142	—
Receivables:				
Accounts receivable	2,251	63,152	65,403	456
Interest receivable	4,033	36,906	40,939	—
Lease receivable from external parties	—	—	—	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.

Metropolitan Transportation Commission

Statement of Net Position - *Continued*

June 30, 2024

(For comparative information purposes)

(\$ 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 - current	—	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	—	335,859	—
Pension	2,691	—	2,691	—
Operations & Maintenance, under debt covenant	—	23,400	23,400	—
Emergency reserve, under Caltrans Coop	—	50,000	50,000	—
Trustee funds	—	1,176,293	1,176,293	—
Housing	38,446	—	38,446	—
Regional Measure 3 - WETA	—	79,001	79,001	—
Unrestricted	68,320	(7,923,694)	(7,855,374)	39,333
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 Activities
For the Year Ended June 30, 2024
(For comparative information purposes)

(\$ in thousands)	Program Revenues					Net (Expenses) Revenues and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Program Revenues	Governmental Activities	Business-Type Activities	Total	
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
Balance Sheet - Governmental Funds
June 30, 2025

(\$ in thousands)	Special Revenue Funds								
	General Fund	AB 664 Net Toll Revenue Reserve	State Transit Assistance	Rail Reserves	BART Car Exchange	SB 125 Transit	Bay Area Housing Finance Authority	Non-Major Governmental Funds	Total Governmental Funds
ASSETS									
Cash - unrestricted	\$ 26,878	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 26,878
Cash - restricted	46,054	3,137	172,227	4,889	—	38	47,828	21,703	295,876
Investment - unrestricted	24,354	—	—	—	—	—	—	—	24,354
Investment - restricted	—	84,815	—	30,330	24,065	583,254	—	182,440	904,904
Accounts receivables	5,778	—	—	—	—	—	1	13,168	18,947
Loans and related interest receivable, net	—	—	—	—	—	—	1,337	—	1,337
Interest receivable	—	—	2,148	—	—	—	—	—	2,148
State/ Caltrans funding receivable	9,193	—	21,717	—	—	—	—	—	30,910
Federal funding receivable	23,326	—	—	—	—	—	—	—	23,326
Due from other funds	17,115	—	—	—	—	—	841	—	17,956
Due from other governments	3,021	—	—	—	—	—	—	—	3,021
Pension 115 Trust	2,854	—	—	—	—	—	—	—	2,854
Prepaid items and other assets	1,629	—	—	—	—	—	506	—	2,135
TOTAL ASSETS	<u>\$ 160,202</u>	<u>\$ 87,952</u>	<u>\$ 196,092</u>	<u>\$ 35,219</u>	<u>\$ 24,065</u>	<u>\$ 583,292</u>	<u>\$ 50,513</u>	<u>\$ 217,311</u>	<u>\$ 1,354,646</u>
LIABILITIES									
Accounts payable and accrued expenditures	\$ 26,918	\$ 6,374	\$ 11,950	\$ —	\$ 1,307	\$ —	\$ 651	\$ 7,234	\$ 54,434
Accrued interest payable	21	—	—	—	—	—	—	—	21
Deposit payable	250	—	—	—	—	—	—	—	250
Unearned revenue	46,054	—	—	—	—	—	393	30	46,477
Retention payable	17	—	—	—	—	—	—	—	17
Due to other funds	1,573	—	5,588	—	—	83	—	5,678	12,922
TOTAL LIABILITIES	<u>74,833</u>	<u>6,374</u>	<u>17,538</u>	<u>—</u>	<u>1,307</u>	<u>83</u>	<u>1,044</u>	<u>12,942</u>	<u>114,121</u>

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

Metropolitan Transportation Commission
Balance Sheet - Governmental Funds - *Continued*
June 30, 2025

(\$ 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	SB 125 Transit	Bay Area Housing Finance Authority		
DEFERRED INFLOWS OF RESOURCES									
Deferred revenue	\$ —	\$ 117,332	\$ —	\$ 94,067	\$ —	\$ —	\$ 1	\$ 27,924	\$ 239,324
TOTAL DEFERRED INFLOWS OF RESOURCES	—	117,332	—	94,067	—	—	1	27,924	239,324
FUND BALANCES									
Nonspendable									
Prepaid items	1,629	—	—	—	—	—	506	—	2,135
Restricted for:									
Transportation projects	—	—	178,554	—	—	583,209	—	44,267	806,030
Rail projects	—	—	—	—	22,758	—	—	—	22,758
Housing projects	—	—	—	—	—	—	48,962	—	48,962
Pension	2,854	—	—	—	—	—	—	—	2,854
Committed to:									
Benefits reserve	6,005	—	—	—	—	—	—	—	6,005
Transportation projects	8,810	—	—	—	—	—	—	132,178	140,988
Unassigned	66,071	(35,754)	—	(58,848)	—	—	—	—	(28,531)
TOTAL FUND BALANCES	85,369	(35,754)	178,554	(58,848)	22,758	583,209	49,468	176,445	1,001,201
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 160,202	\$ 87,952	\$ 196,092	\$ 35,219	\$ 24,065	\$ 583,292	\$ 50,513	\$ 217,311	\$ 1,354,646

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, 2025

	(\$ in thousands)
Governmental funds balance	\$ 1,001,201
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.	14,384
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.	(7,519)
Capital leases are not due and payable in the current period and, therefore, are not reported in the fund statement.	(237)
SBITA payable are not due and payable in the current period and, therefore, are not reported in the fund statement	(176)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the fund statement.	(11,513)
Deferred inflow - interest on loans receivable is not available to pay for current period expenditures and, therefore, is reported as deferred inflows of resources in governmental funds.	1
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.	(3,042)
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>4,062</u>
Net position of governmental activities	<u><u>\$ 997,160</u></u>

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

Metropolitan Transportation Commission

Balance Sheet - Governmental Funds

June 30, 2024

(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	\$ 59,879	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 59,879
Cash - restricted	28,906	6,517	151,610	5,755	10,906	40,917	136,577	381,188
Investment - restricted	—	83,217	—	27,521	142,381	—	37,236	290,355
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

(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	\$ —	\$ 123,820	\$ —	\$ 99,333	\$ —	\$ —	\$ 29,453	\$ 252,606
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>—</u>	<u>123,820</u>	<u>—</u>	<u>99,333</u>	<u>—</u>	<u>—</u>	<u>29,453</u>	<u>252,606</u>
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	<u>65,909</u>	<u>(39,305)</u>	<u>—</u>	<u>(65,878)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(39,274)</u>
TOTAL FUND BALANCES	<u>85,588</u>	<u>(39,305)</u>	<u>163,024</u>	<u>(65,878)</u>	<u>134,420</u>	<u>38,614</u>	<u>141,955</u>	<u>458,418</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 203,336</u>	<u>\$ 90,597</u>	<u>\$ 180,842</u>	<u>\$ 33,455</u>	<u>\$ 154,104</u>	<u>\$ 40,918</u>	<u>\$ 174,023</u>	<u>\$ 877,274</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, 2024

(For comparative information purposes)

	(\$ 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

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Year Ended June 30, 2025

(\$ in thousands)	Special Revenue Funds								Total Governmental Funds
	General Fund	AB 664 Net Toll Revenue Reserve	State Transit Assistance	Rail Reserves	BART Car Exchange	SB 125 Transit	Bay Area Housing Finance Authority	Non-Major Governmental Funds	
REVENUES									
Sales Taxes	\$ 16,662	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 16,662
Federal Grants	67,900	—	—	—	—	—	—	—	67,900
State Grants	37,835	—	90,612	—	—	727,767	—	3,512	859,726
Local agencies revenues and refunds	14,575	—	27	—	—	—	546	42,534	57,682
Investment income	4,313	4,620	11,196	1,762	4,208	15,205	1,964	10,534	53,802
TOTAL REVENUES	141,285	4,620	101,835	1,762	4,208	742,972	2,510	56,580	1,055,772
EXPENDITURES									
Current:									
General Government	117,678	—	—	—	—	—	17,167	626	135,471
Allocations to other agencies	58,190	7,557	63,971	—	115,870	159,464	—	14,731	419,783
Capital outlay	10,063	—	—	—	—	—	1,130	—	11,193
Debt Service									
Principal	87	—	—	—	—	—	—	—	87
Interest	8	—	—	—	—	—	—	—	8
TOTAL EXPENDITURES	186,026	7,557	63,971	—	115,870	159,464	18,297	15,357	566,542
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	(44,741)	(2,937)	37,864	1,762	(111,662)	583,508	(15,787)	41,223	489,230
OTHER FINANCING SOURCES (USES)									
Transfers In	74,302	6,488	—	5,268	—	—	26,641	1,529	114,228
Transfers Out	(30,190)	—	(22,334)	—	—	(299)	—	(8,262)	(61,085)
Leases	217	—	—	—	—	—	—	—	217
SBITA	193	—	—	—	—	—	—	—	193
TOTAL OTHER FINANCING SOURCES (USES)	44,522	6,488	(22,334)	5,268	—	(299)	26,641	(6,733)	53,553
NET CHANGE IN FUND BALANCES	(219)	3,551	15,530	7,030	(111,662)	583,209	10,854	34,490	542,783
Fund Balances - Beginning	85,588	(39,305)	163,024	(65,878)	134,420	—	38,614	141,955	458,418
Fund Balances - Ending	\$ 85,369	\$ (35,754)	\$ 178,554	\$ (58,848)	\$ 22,758	\$ 583,209	\$ 49,468	\$ 176,445	\$ 1,001,201

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

(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	\$ 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	3,701	5,111	7,200	1,691	9,133	1,221	5,758	33,815
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 - Ending	\$ 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

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities For the Years Ended June 30, 2025 & 2024 (With comparative information for the prior year)

	(\$ in thousands)	
	2025	2024
Net change in fund balances - total governmental funds (per Statement of Revenues, Expenditures and Changes in Fund Balances)	\$ 542,783	\$ 59,026
Capital asset purchases are reported as capital outlays / expenditures on the fund financial statements but increase assets on the government wide statements. See Note 1.N.	10,784	2,546
Current year depreciation expense is reported in the statement of activities but is not reported on the fund financial statements because it does not require the use of current financial resources. See Note 1.N.	(588)	(251)
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.	87	47
Governmental funds report under absorption of applied overhead as unearned revenue; however, in the Statement of Activities, the underabsorption is reported as revenue.	1,663	(4,242)
Housing loan interest revenues will not be collected for several years after the fiscal year end, they are not considered "available revenues" and are reported as deferred inflows of resources in the governmental funds.	1	—
Some items do not require the use of current financial resources and, therefore, are not reported in the governmental funds:		
Change in compensated absences	(1,076)	(1,004)
Change in net pension liability/asset and related accounts	(3,148)	(2,504)
Change in net OPEB liability/asset and related accounts	565	40
Change in net position of governmental activities (per Statement of Activities)	\$ 551,071	\$ 53,658

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

Metropolitan Transportation Commission
Statement of Net Position - Proprietary Funds
June 30, 2025

(\$ 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	\$ 189,209	\$ 17,668	\$ 18,963	\$ 31,601	\$ 257,441
Cash - restricted	135,524	—	—	10,730	146,254
Investments - unrestricted	592,154	—	87,854	—	680,008
Due from other funds	433	732	3,978	6,748	11,891
Due from other governments	542	—	—	—	542
Accounts receivables	77,181	—	9,297	1,439	87,917
Accrued interest	16,170	—	—	616	16,786
Prepaid expenses and other assets	480	10	605	—	1,095
Funding due from State/ Caltrans	11,304	3,291	—	—	14,595
Funding due from Federal	—	—	—	3,848	3,848
Total current assets	<u>1,022,997</u>	<u>21,701</u>	<u>120,697</u>	<u>54,982</u>	<u>1,220,377</u>
Non-current assets:					
Cash - restricted	10,026	—	—	—	10,026
Investments - unrestricted	1,099,812	—	180,189	—	1,280,001
Investments - restricted	1,436,036	—	—	—	1,436,036
Capital assets not being depreciated/amortized	214	—	23,096	126,936	150,246
Capital assets, net of accumulated depreciation/amortization	3,805	262	91,650	38,218	133,935
Total non-current assets	<u>2,549,893</u>	<u>262</u>	<u>294,935</u>	<u>165,154</u>	<u>3,010,244</u>
TOTAL ASSETS	<u>3,572,890</u>	<u>21,963</u>	<u>415,632</u>	<u>220,136</u>	<u>4,230,621</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount of refunding	319,741	—	—	—	319,741
Deferred charges	239,321	—	—	—	239,321
Deferred outflows from pension	4,815	278	744	794	6,631
Deferred outflows from OPEB	3,847	222	594	634	5,297
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>567,724</u>	<u>500</u>	<u>1,338</u>	<u>1,428</u>	<u>570,990</u>

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

Metropolitan Transportation Commission
Statement of Net Position - Proprietary Funds - Continued
June 30, 2025

(\$ 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	\$ 324,363	\$ 1,702	\$ 7,662	\$ 10,577	\$ 344,304
Accrued interest payable	95,237	—	—	—	95,237
Due to other funds	16,468	—	457	—	16,925
Unearned revenue	151,208	—	—	9,836	161,044
Retention payable	443	—	2,390	5,985	8,818
Long term debt - current	117,815	—	—	—	117,815
Compensated absences - current	1,300	74	207	220	1,801
SBITA liability - current	—	77	—	—	77
Lease liability - current	1,539	—	—	—	1,539
Total current liabilities	708,373	1,853	10,716	26,618	747,560
Non-current liabilities:					
Unearned revenue/ Patron deposits	5,049	—	—	—	5,049
Long term debt, net of unamortized premium/discount	10,099,044	—	319,742	—	10,418,786
Derivative instruments	122,369	—	—	—	122,369
Compensated absences	2,640	151	421	447	3,659
SBITA liability	—	162	—	—	162
Lease liability	2,024	—	—	—	2,024
Net pension Liability	1,306	331	886	946	3,469
Net OPEB Liability	1,654	95	256	273	2,278
Total non-current liabilities	10,234,086	739	321,305	1,666	10,557,796
TOTAL LIABILITIES	10,942,459	2,592	332,021	28,284	11,305,356
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows from pensions	49	3	8	8	68
Deferred inflows from OPEB	897	52	139	148	1,236
TOTAL DEFERRED INFLOWS OF RESOURCES	946	55	147	156	1,304
NET POSITION					
Net investment in capital assets	31	25	112,558	158,914	271,528
Restricted for:					
Operations & Maintenance, under debt covenant	27,980	—	—	—	27,980
Emergency reserve, under Caltrans Coop	50,000	—	—	—	50,000
Trustee funds	1,276,381	—	—	—	1,276,381
Regional Measure 3 - WETA	86,995	—	—	—	86,995
Unrestricted	(8,244,178)	19,791	(27,756)	34,210	(8,217,933)
TOTAL NET POSITION	\$ (6,802,791)	\$ 19,816	\$ 84,802	\$ 193,124	\$ (6,505,049)

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

Metropolitan Transportation Commission
Statement of Net Position - Proprietary Funds
June 30, 2024
(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	\$ 566,027	\$ 16,422	\$ 189,040	\$ 41,001	\$ 812,490
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	197,563	73,583	1,117,342
Non-current assets:					
Cash - restricted	639,322	—	—	—	639,322
Investments - unrestricted	1,148,600	—	42,106	—	1,190,706
Investments - restricted	693,787	—	—	—	693,787
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	162,352	165,939	2,817,092
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
(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	\$ 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 - 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	<u>566,059</u>	<u>1,930</u>	<u>80,464</u>	<u>41,231</u>	<u>689,684</u>
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	<u>9,948,291</u>	<u>502</u>	<u>211,945</u>	<u>1,493</u>	<u>10,162,231</u>
TOTAL LIABILITIES	<u>10,514,350</u>	<u>2,432</u>	<u>292,409</u>	<u>42,724</u>	<u>10,851,915</u>
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	<u>1,343</u>	<u>79</u>	<u>197</u>	<u>238</u>	<u>1,857</u>
NET POSITION					
Net investment in capital assets	1,685	75	116,730	153,361	271,851
Restricted for:					
Operations & Maintenance, under debt covenant	23,400	—	—	—	23,400
Emergency reserve, under Caltrans Coop	50,000	—	—	—	50,000
Trustee funds	1,176,293	—	—	—	1,176,293
Regional Measure 3 - WETA	79,001	—	—	—	79,001
Unrestricted	<u>(7,940,406)</u>	<u>19,811</u>	<u>(48,009)</u>	<u>44,910</u>	<u>(7,923,694)</u>
TOTAL NET POSITION	<u>\$ (6,610,027)</u>	<u>\$ 19,886</u>	<u>\$ 68,721</u>	<u>\$ 198,271</u>	<u>\$ (6,323,149)</u>

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, 2025

(\$ 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	\$ 891,421	\$ —	\$ 74,370	\$ —	\$ 965,791
Department of Motor Vehicles registration fees	—	6,444	—	—	6,444
Revenues from operators	—	—	—	12,112	12,112
Other operating revenues	54,354	—	14,939	—	69,293
TOTAL OPERATING REVENUES	945,775	6,444	89,309	12,112	1,053,640
OPERATING EXPENSES					
Operating expense incurred by Caltrans	3,110	—	—	—	3,110
Operating expenses - Transbay JPA	6,178	—	—	—	6,178
Towing contracts	—	15,517	—	—	15,517
Professional fees	93,345	1,069	30,905	41,221	166,540
Allocations to other agencies	83,889	—	—	—	83,889
Salaries and benefits	20,385	1,191	3,239	3,530	28,345
Repairs and maintenance	—	241	—	—	241
Communication charges	353	228	—	—	581
Depreciation and amortization	1,744	193	11,041	9,770	22,748
Other operating expenses	48,209	1,031	3,647	1,976	54,863
TOTAL OPERATING EXPENSES	257,213	19,470	48,832	56,497	382,012
OPERATING INCOME (LOSS)	688,562	(13,026)	40,477	(44,385)	671,628

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, 2025

(\$ 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	\$ 161,439	\$ 752	\$ 13,708	\$ 9,543	\$ 185,442
Changes in fair value of other derivative instruments	(1,984)	—	—	—	(1,984)
Build America Bonds (BABs) interest subsidy	62,011	—	—	—	62,011
Interest expense	(402,464)	—	(12,888)	—	(415,352)
Financing fees and bond issuance costs	(12,775)	—	(507)	—	(13,282)
Other non-operating expense	(61)	(16)	—	—	(77)
Caltrans/other agency grants and reimbursements	18,443	12,353	—	2,624	33,420
Distribution to other agencies	(552,570)	—	—	(571)	(553,141)
Capital, operating and maintenance expenses for other agencies	—	(76)	(65)	(7,897)	(8,038)
Distribution to Caltrans for their capital purposes	(105,671)	—	—	—	(105,671)
Other nonoperating revenues	1,898	—	5,267	4,700	11,865
TOTAL NONOPERATING REVENUES (EXPENSES)	(831,734)	13,013	5,515	8,399	(804,807)
 INCOME (LOSS) BEFORE CONTRIBUTIONS, SPECIAL ITEMS, AND TRANSFERS	 (143,172)	 (13)	 45,992	 (35,986)	 (133,179)
 CONTRIBUTIONS, SPECIAL ITEMS, AND TRANSFERS					
Capital grants	—	—	—	5,787	5,787
Transfers out	(52,149)	—	(29,759)	—	(81,908)
Transfers in	3,549	—	—	25,216	28,765
TOTAL CONTRIBUTIONS, SPECIAL ITEMS, AND TRANSFERS	(48,600)	—	(29,759)	31,003	(47,356)
 CHANGE IN NET POSITION	 (191,772)	 (13)	 16,233	 (4,983)	 (180,535)
 TOTAL NET POSITION - BEGINNING	 (6,610,027)	 19,886	 68,721	 198,271	 (6,323,149)
Restatement for GASB 101 adoption	(992)	(57)	(152)	(164)	(1,365)
TOTAL NET POSITION - BEGINNING, AS RESTATED	(6,611,019)	19,829	68,569	198,107	(6,324,514)
 TOTAL NET POSITION - ENDING	 \$ (6,802,791)	 \$ 19,816	 \$ 84,802	 \$ 193,124	 \$ (6,505,049)

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
(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	\$ 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
(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	\$ 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

Statements of Cash Flows - Proprietary Funds

For the Year Ended June 30, 2025

(\$ 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	\$ 932,815	\$ 6,490	\$ 83,614	\$ 22,718	\$ 1,045,637
Cash payments to suppliers for goods and services	(224,998)	(18,006)	(36,067)	(47,567)	(326,638)
Cash payments for employee salaries and benefits	(19,693)	(1,120)	(4,315)	(3,290)	(28,418)
Cash receipts for interfund services	19,373	—	—	—	19,373
Cash payments for interfund services	—	—	—	(15,394)	(15,394)
Other cash receipts	86	—	4,812	4,700	9,598
Other cash payments	(158)	—	—	—	(158)
Net cash provided by/(used in) operating activities	707,425	(12,636)	48,044	(38,833)	704,000
Cash flows from non-capital financing activities					
Caltrans and other state and local agency grants	17,478	13,480	—	2,624	33,582
Proceeds from issuance of bonds	441,660	—	—	—	441,660
Build America Bonds interest subsidy	63,750	—	—	—	63,750
Interest paid on bonds	(414,618)	—	—	—	(414,618)
Financing fees	(12,293)	—	—	—	(12,293)
Federal grants	—	—	—	7	7
Transfers (to)/from other Funds	(35,140)	—	(95,660)	28,642	(102,158)
Bond principal payments	(124,273)	—	—	—	(124,273)
Payment for refunding bonds	(14,693)	—	—	—	(14,693)
Credit agreement with Bank of America, N.A.	—	—	95,660	—	95,660
Distributions to Caltrans	(104,005)	—	—	—	(104,005)
Distributions to other agencies	(433,006)	(76)	—	(571)	(433,653)
Net cash provided by/(used in) non-capital financing activities	(615,140)	13,404	—	30,702	(571,034)
Cash flows from capital and related financing activities					
Capital grant	—	—	—	10,573	10,573
Acquisition of capital assets	(393)	(311)	(6,228)	(16,792)	(23,724)
Disposal of capital assets	—	(1)	—	—	(1)
Net cash used in capital and related financing activities	(393)	(312)	(6,228)	(6,219)	(13,152)
Cash flows from investing activities					
Proceeds from maturities of investments	714,701	—	4,000	—	718,701
Purchase of investments	(1,843,071)	—	(220,148)	—	(2,063,219)
Interest and dividends received	22,138	790	4,255	9,605	36,788
Net cash provided by/(used in) investing activities	(1,106,232)	790	(211,893)	9,605	(1,307,730)
Net increase/(decrease) in cash	(1,014,340)	1,246	(170,077)	(4,745)	(1,187,916)
Balances - beginning of year	1,349,099	16,422	189,040	47,076	1,601,637
Balances - end of year	\$ 334,759	\$ 17,668	\$ 18,963	\$ 42,331	\$ 413,721

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

Metropolitan Transportation Commission
Statements of Cash Flows - Proprietary Funds - *Continued*
For the Year Ended June 30, 2025

(\$ 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)	\$ 688,562	\$ (13,026)	\$ 40,477	\$ (44,385)	\$ 671,628
Adjustments to reconcile operating net cash provided by/(used in) operating activities:					
Depreciation and amortization	1,744	193	11,041	9,770	22,748
Other revenues	364	—	4,812	4,700	9,876
Capital, operating and maintenance expenses for other agencies	—	—	(1,002)	(7,897)	(8,899)
Net effect of changes in:					
Due (to)/from other Funds	19,373	—	—	(15,394)	1,699
Due (to)/from other governments	(158)	—	(2,280)	—	(158)
Accounts receivable	(23,195)	—	(4,698)	4,612	(23,281)
Prepaid expenses and other assets	140	18	(82)	—	76
Due from Caltrans	235	—	—	—	235
Accounts payable and accrued expenses	9,711	(66)	(431)	3,527	12,741
Unearned revenue	11,798	—	—	4,637	16,435
Patron deposits	309	—	—	—	309
State funding due	(2,150)	46	—	1,357	(747)
Deferred outflows from pension	440	33	25	138	636
Deferred outflows from OPEB	547	37	49	145	778
Net pension asset / liability	105	31	143	46	325
Net OPEB asset / liability	(273)	(19)	(26)	(68)	(386)
Compensated absences liability	270	13	66	61	410
SBITA liability	—	128	—	—	128
Deferred inflows from pension	(92)	(5)	(13)	(17)	(127)
Deferred inflows from OPEB	(305)	(19)	(37)	(65)	(426)
Net cash provided by/(used in) operating activities	\$ 707,425	\$ (12,636)	\$ 48,044	\$ (38,833)	\$ 704,000

Significant Noncash Investing, Capital, and Financing Activities

Refunding bond proceeds received in escrow/redemption fund	\$ 854,190	\$ —	\$ —	\$ —	\$ 854,190
Debt refunded through escrow/redemption fund	(822,491)	—	—	—	(822,491)
Acquisition of capital assets under accounts payable/acrued liabilities	211	—	2,188	6,240	8,639
SBITA liability	—	239	—	—	239
Deferred amount on refunding	(10,500)	—	—	—	(10,500)
Amortization of Bond premium/discount	(87,645)	—	—	—	(87,645)
Amortization of deferred charge	(13,285)	—	—	—	(13,285)
Net increase/(decrease) in fair value of derivative instruments	(1,984)	—	—	—	(1,984)

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

Metropolitan Transportation Commission
Statements 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	\$ 72,343	\$ 23,168	\$ 932,633
Cash payments to suppliers for goods and services	(230,460)	(18,776)	(29,584)	(48,217)	(327,037)
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	(12,748)	44,859	(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	477,100	—	—	—	450,000
Build America Bonds interest subsidy	69,199	—	—	—	69,199
Interest paid on bonds	(423,184)	—	—	—	(425,086)
Financing fees	(9,704)	—	—	—	(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)
Payment for refunding bonds	14,608	—	—	—	41,708
Credit agreement with Bank of America, N.A.	—	—	205,688	—	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)	21,388	(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	660	49,345	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	\$ 16,422	\$ 189,040	\$ 47,076	\$ 1,601,637

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

Metropolitan Transportation Commission
Statements 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
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 (to)/from other governments	72	—	498	—	72
Accounts receivable	(9,289)	—	(1,567)	(575)	(11,431)
Prepaid expenses and other assets	(467)	17	(523)	—	(973)
Due from Caltrans	(85)	—	—	—	(85)
Accounts payable and accrued expenses	(37,045)	(134)	851	1,148	(35,180)
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	\$ (12,748)	\$ 44,859	\$ (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/(decrease) 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 Fiduciary Net Position
June 30, 2025

(\$ in thousands)	Clipper® Custodial Fund
ASSETS	
Cash	\$ 220,113
Accounts receivable	2,238
Due from operators	100
TOTAL ASSETS	<u>222,451</u>
LIABILITIES	
Accounts payable	21,853
Due to operators	4,729
MTC Card Fees (due to MTC)	498
TOTAL LIABILITIES	<u>27,080</u>
NET POSITION	<u><u>\$ 195,371</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, 2025

(\$ in thousands)	Clipper® Custodial Fund
ADDITIONS	
Clipper card deposits	\$ 239,552
Third party deposits	54,490
Others	6,751
TOTAL ADDITIONS	<u>300,793</u>
DEDUCTIONS	
Distribution to operators	260,819
Distribution to third party	9,125
Other deductions	10,976
TOTAL DEDUCTIONS	<u>280,920</u>
Net change in fund balances	19,873
Net position - beginning	<u>175,498</u>
Net position - ending	<u><u>\$ 195,371</u></u>

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

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements

	<i>PAGE</i>
Notes to Financial Statements	
1. Summary of Significant Accounting Policies	57 - 73
2. Net Position / Fund Balance Deficit	73
3. Cash and Investments	74 - 78
4. Loans and Related Interest Receivable	78
5. Capital Assets	79 - 80
6. Long-Term Debt	80 - 90
7. Subscription-Based Information Technology Arrangements (SBITAs)	91
8. Leases	91 - 92
9. Interfund Receivables, Payables and Transfers	93 - 94
10. Employees' Retirement Plan	95 - 102
11. Other Post Employment Benefits (OPEB)	102 - 108
12. Compensated Absences	108
13. Designated Reserves	109
14. Commitments and Contingencies	109
15. Risk Management	110
16. Related Party Transactions	110

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

1. Summary of Significant Accounting Policies

A. Reporting Entity

The Metropolitan Transportation Commission (MTC) was established under the laws of the State of California, 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 on January 1, 1998 pursuant to Streets and Highways Code Section 30950, 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 6, Long-Term Debt.

Pursuant to Streets and Highways Code Section 30950, 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 2026.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
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 ownership, operations and maintenance of the bridges. See Note 1.Y for information on Caltrans' operating expenses. BATA is presented as a major enterprise fund.

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

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 one dollar 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 (express 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 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.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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.

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 legally separate from MTC or BATA. MTC appoints a voting majority of BAHA's governing board, and there is a financial benefit/burden relationship between BAHA and BATA. Therefore, 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. However, because BAHA does not provide services entirely to MTC or BATA and BAHA is not permitted to issue debt, BAHA doesn't meet the blending criteria under paragraph 53. Therefore, it is reported as a discretely presented component unit in the government-wide financial statements of MTC.

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:

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

i.) MTC General Fund

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

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 diesel 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.

SB 125 Transit Fund – Funds are restricted for the Transit and Intercity Rail Capital Program (TIRCP) and the Zero-Emission Transit Capital Program (ZETCP). Senate Bill (SB) 125 is a transformative state legislation designed to enhance transit operations and address financial shortfalls. SB 125 allocates funds through the TIRCP on a population-based formula to regional transportation planning agencies, which will have the flexibility to use the money to fund transit operations or capital improvements. SB 125 also allocates funds to ZETCP, supporting eco-friendly transit equipment and operations through population-based and revenue-focused formula.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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.

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

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences and associated salary-related payments by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for fiscal year beginning after December 15, 2023, and all reporting periods thereafter. MTC adopted this standard for fiscal year ended June 30, 2025. See Note 1.AG for further information on the impact of the adoption of GASB Statement No. 101.

GASB Statement No. 102, *Certain Risk Disclosures*, requires a government to assess and disclose information regarding certain concentrations or constraints and related events that may have a substantial impact and negatively affect the level of service a government provides. The requirements of this statement are effective for fiscal years beginning after June 15, 2024, 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.

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 2025, 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:

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

General Fund	\$	8,810
AB 664 Net Toll Revenue		31,889
State Transit Assistance Funds		18,159
Rail Reserves		1,176
SB125 Transit		101
Bay Area Housing Finance Authority		6,028
Non-major Governmental Funds		65,966

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, 2025 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, SB125 Transit and BAHFA.
- 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

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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 funds 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 bond trustees are governed by the indentures, which may be 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.

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, *Fair Value Measurement and Application*), 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 at cost. This is permissible under this standard provided those investments have a remaining maturity at the time of purchase 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.Z, Investments purchased, but not yet settled in cash, are included in security trade payables in the statement of net position.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

Cash

MTC considers all balances in demand deposit accounts and associated sweep money market mutual funds to be cash. Deposits in the investment pool of the County of Alameda, Local Agency Investment Fund (LAIF), 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, grant funded proceeds, 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, grant agreements, laws or regulations or there exists an imposed restriction through enabling legislation.

Non-Current Cash and Investments

Certain cash and investments are reported as non-current as these funds are (a) restricted as to withdrawal or use for other than current operations, or (b) that are segregated for the liquidation of long-term debts.

I. Loans and Related Interest Receivable

BAHFA receives resources from the California Department of Housing and Community Development through MTC. BAHFA uses these resources to give loans to developers for various affordable housing projects.

BAHFA maintains a valuation allowance against loans receivable comprised of an allowance for risk. The allowance for risk is maintained to provide for losses that can be reasonably anticipated. The allowance is based upon continuing consideration of changes in the character of the portfolio, evaluation of current economic conditions, and such other factors that, in BAHFA's judgment, deserve recognition in estimating potential loan losses. The allowance for risk takes into consideration maturity dates, interest rates, and other relevant factors.

J. Prepaid Items

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

K. 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.U). Donated capital assets, donated works of art, historical treasures, and similar assets and capital assets received in a service concession arrangement are reported at acquisition value. MTC's intangible assets consist of purchased and licensed commercially available computer software and internally developed

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

software. Depreciation and amortization expenses for the governmental activities are charged against general government function.

Capital assets are defined by MTC as assets with an initial, individual or aggregate cost of more than ten thousand dollars 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:

	<u>Years</u>
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 building	Lease term
SBITAs	SBITA terms

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.

L. 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, 2023
Measurement Date (MD)	June 30, 2024
Measurement Period (MP)	July 1, 2023 to June 30, 2024

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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, 2023. CalPERS then rolled forward the total pension liability to June 30, 2024, and this is the basis for reporting MTC's net pension liability at June 30, 2025.

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 10.

M. 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, 2024
Measurement Period (MP)	July 1, 2023 to June 30, 2024

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, 2025 was determined using the actuarial valuation of June 30, 2023 to the measurement date of June 30, 2024.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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 11.

N. 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–Miliias–Brown Act. A liability for compensated absences is recognized when leave time: (1) has been earned for services previously rendered by employees, (2) accumulates and may be carried over into subsequent years, and (3) is more likely than not to be used as time off or settled (for example, paid in cash to the employee) during employment or upon separation from employment. The liability for compensated absences includes salary-related benefits, where applicable.

In estimating the portion of the liability that is due within one year, MTC applies a first-in, first-out (FIFO) flows assumption, meaning that payments of leave are considered to reduce the oldest accumulated leave balances first. This approach provides consistency in measurement and reflects the expected pattern of leave usage.

Vacation

MTC's policy permits employees to accumulate earned but unused vacation benefits. Accumulated vacation is payable at the employee's current pay rate upon separation from employment, and the balance of accrued vacation leave is recognized as a liability up to maximum of 500 hours.

Sick Leave

MTC's policy permits employees to accumulate sick leave without limit. While no more than 240 hours of unused sick leave may be cashed out upon separation, the liability for compensated absences also includes the estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability, in accordance with the applicable accounting standards. See Note 12 for additional information.

O. 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.

P. Unearned Revenue

The unearned revenue in MTC consists of State and local grants received 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 participating bridges and Express Lanes.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

Q. 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 from the funds' transfer through fiscal year 2060). 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 through the fiscal year ended June 30, 2060. 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 \$13,285.

R. 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.

S. 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 10 and 11 for additional information.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

T. 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.

U. 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, 2025, BAHA reported \$8,395 lease receivable and \$7,747 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.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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 color copiers for thirty-six (36) months and another three color printers for forty-three months from Canon Financial Services in fiscal year 2023 and 2025, respectively. 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:

- 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.

V. 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.

W. Revenue from Operators

MTC Non-major Proprietary Fund Clipper® accounts for fees collected from the Bay Area transit operators participating in the Clipper® program as revenue to cover the costs of operating the Clipper system.

X. 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.

Y. 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.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

Z. Investment Income and Other Derivative Instruments

Investment income (loss) is comprised of interest income and unrealized gain (loss) 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 2025 is as follows:

	Governmental Activities	Business-Type Activities	Total FY2025
Investment income (loss)	\$ 53,802	\$ 185,442	\$ 239,244
Changes in fair value of other derivative instruments	\$ —	\$ (1,984)	\$ (1,984)

AA. 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.

AB. 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.

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

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

AD. 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.

AE. Build America Bonds (BABs) Interest Subsidy

The interest subsidy on BABs issued by BATA was \$62,011 for fiscal year 2025. Of this amount, \$15,484 was not received as of June 30, 2025, 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. Ongoing Federal and sequestration constraints have lead to reductions in the interest subsidy payments. In fiscal year 2025, the payments were impacted by a reduction of 5.7% of the subsidy amount.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

AF. 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.

AG. Restatements

During the current year, MTC implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, MTC now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The impact of adoption of GASB Statement 101 on the net position at July 1, 2024 is summarized as follows:

	Net Position Beginning of Year	Restatement GASB 101 Implementation	Net position Beginning of Year, as Restated
Government-wide			
Governmental activities	\$ 448,911	\$ (2,822)	\$ 446,089
Business-type activities	(6,323,149)	(1,365)	(6,324,514)
Total government-wide	<u>\$ (5,874,238)</u>	<u>\$ (4,187)</u>	<u>\$ (5,878,425)</u>
Proprietary funds			
Major funds:			
BATA	\$ (6,610,027)	\$ (992)	\$ (6,611,019)
SAFE	19,886	(57)	19,829
BAIFA	68,721	(152)	68,569
Nonmajor funds	198,271	(164)	198,107
Total proprietary funds	<u>\$ (6,323,149)</u>	<u>\$ (1,365)</u>	<u>\$ (6,324,514)</u>
Discretely presented component unit			
BAHA	<u>\$ 226,595</u>	<u>\$ (28)</u>	<u>\$ 226,567</u>

AH. 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.

AI. 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.

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

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

Caltrans are treated as expenses since BATA does not own or maintain title to the bridges. In FY 2011, AB 664 and Rail Reserves received lump sum payments of \$248,049 and \$200,201 respectively (equal to the net present value from the funds' transfer through fiscal year 2060) 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 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. The AB 664 and Rail Reserves' deficit will be reduced through yearly amortization of the advance payments.

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, 2025 is as follows:

Unrestricted cash	\$ 284,319
Unrestricted investments	<u>1,984,363</u>
Total unrestricted cash and investments	<u>2,268,682</u>
Restricted cash	452,156
Restricted investments	<u>2,340,940</u>
Total restricted cash and investments	<u>2,793,096</u>
Total cash and investments	<u><u>\$ 5,061,778</u></u>

The details of restricted cash and investments are as follows:

FasTrak® program	\$ 140,230
BATA debt service reserve funds*	601,604
BATA construction funds*	645,123
BATA bond funds*	29,654
Operations & maintenance reserve	27,980
Emergency reserve	50,000
RM3 - WETA	86,995
Clipper - LCTOP	10,730
MTC grant advance	46,054
AB 664 Net Toll Revenue Reserve	87,952
BART car exchange project	24,065
State Transit Assistance	172,227
Rail Reserves	35,219
SB125 Transit	583,292
Bay Area Housing Finance Authority	47,828
Specific transit programs	<u>204,143</u>
Total restricted cash and investments	<u><u>\$ 2,793,096</u></u>

* BATA Trustee funds consists of the debt service reserve funds, construction funds, and bond funds.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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. Toll amounts are deducted from customers' prepaid toll accounts as customers cross a bridge or use the express lanes. The BATA Trustee funds are described in Note 6. The Operations & Maintenance reserve, and Emergency reserve are described in Note 13. MTC special revenue projects are described in Note 1.B.ii.

B. The composition of cash and investments at June 30, 2025 is as follows:

Cash

Cash at banks	\$ 80,242
Government Pool Investments	484,006
County of Alameda	172,227
Total Cash	<u>\$ 736,475</u>

MTC holds a position in the investment pool of the County of Alameda for STA funds. Deposits with the County of Alameda are available for immediate withdrawal.

Fiduciary fund

Cash at bank - Clipper®	<u>\$ 220,113</u>
Total cash - fiduciary fund	<u>\$ 220,113</u>

Money Market Mutual Funds

The BlackRock T-Fund Institutional Fund is part of the overnight sweep fund utilized by U.S. 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 and Poor's and Moody's, respectively.

The BlackRock Treasury Trust Fund is part of the overnight sweep fund utilized by Bank of New York trustee accounts, and by Bank of America demand deposit 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 First American Government Obligations Fund is part of the overnight sweep fund utilized by U.S. Bank demand deposit accounts. The fund invests in U.S. government securities and repurchase agreements collateralized by such obligations. 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 U.S. 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.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

The money market mutual funds in the MTC portfolio are expressed as a percentage of MTC's total cash and investments as follows:

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

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 in which bond proceeds are invested. All the mutual fund holdings are highly rated by Standard and Poor's and Moody's.

Government Pools

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.

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

Government Pool Investments	
California Asset Management Program	9%
Local Agency Investment Fund	Less than 1%

State law and MTC policy do not limit investments in joint powers authority funds, county or state investment pools as a percentage of the portfolio.

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;

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

- Inputs other than quoted prices that are observable for the asset or liability;
- 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.

Investments in the following table are valued on the basis of price data provided by the custodian and trustee banks. The fair value hierarchy as of June 30, 2025 is as follows:

	Level 1	Level 2	Level 3	Total
U.S. Treasury	\$ 2,125,354	\$ —	\$ —	\$ 2,125,354
Money Market Mutual Funds ¹	133,939	—	—	133,939
Government-Sponsored Enterprises	—	1,290,075	—	1,290,075
Corporate Bonds	—	334,545	—	334,545
Asset-Backed Securities	—	197,131	—	197,131
Commercial Paper	—	190,359	—	190,359
Municipal Bonds ²	—	38,788	—	38,788
Others ³	—	15,112	—	15,112
Total Investments Measured at Fair Value	\$ 2,259,293	\$ 2,066,010	\$ —	\$ 4,325,303

¹ Money Market Mutual Funds are strategically utilized for investment purposes.

² 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.

³ Others includes Yankee and supranational bonds and certificates of deposits.

Refer to Note 6 for the investment derivative instruments valuations.

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.

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.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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 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.

Neither state law nor MTC policy imposes a limit to the amount of U.S. Treasury and Government-sponsored Enterprise debt securities that can be held in the portfolio.

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.

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.

Investments in issuers that represent 5 percent or more of total investments, their respective credit ratings, and their weighted average duration at June 30, 2025 are as follows:

	Weight	Issuer Rating S&P / Moody's / Fitch	Duration
U.S. Treasury	49%	AA+/Aa1/AA+	1.28
Government-sponsored enterprises			
Federal Home Loan Bank	22%	AA+/Aa1/AA+	0.67
Federal Home Loan Mortgage Corporation	6%	AA+/Aa1/AA+	0.88

4. Loans and Related Interest Receivable

The composition of BAHFA's loans receivable balance, net of the allowance for uncollectible accounts, as of June 30, 2025 is as follows:

Loan Type	Interest Rates	Maturity	Balance	Allowance	Net Receivable
Preservation Loans	3%	55 years or more	\$ 7,971	\$ 7,971	\$ —
Priority Sites Loans - Permanent	3%	55 years or more	6,577	6,577	—
Priority Sites Loans - Predevelopment	3%	3-5 years	1,336	—	1,336
Interest Receivable			211	210	1
Loans and related interest receivables, net			<u>\$ 16,095</u>	<u>\$ 14,758</u>	<u>\$ 1,337</u>

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

5. Capital Assets

A summary of changes in capital assets for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Construction-in-progress	\$ 970	\$ 10,514	\$ (1,260)	\$ 10,224
Total capital assets, not being depreciated/amortized	970	10,514	(1,260)	10,224
Capital assets, being depreciated/amortized:				
Furniture and equipment	1,417	139	(1,023)	533
Intangible assets	2,992	1,259	(86)	4,165
Lease assets	146	217	—	363
SBITA assets	—	283	—	283
Automobiles	31	41	(31)	41
Total capital assets, being depreciated/amortized	4,586	1,939	(1,140)	5,385
Less accumulated depreciation/amortization for:				
Furniture and equipment	1,247	55	(1,023)	279
Intangible assets	438	397	(86)	749
Lease Assets	61	69	—	130
SBITA assets	—	61	—	61
Automobiles	31	6	(31)	6
Total accumulated depreciation/amortization	1,777	588	(1,140)	1,225
Total capital assets, being depreciated/amortized, net	2,809	1,351	—	4,160
Governmental activities capital assets, net	\$ 3,779	\$ 11,865	\$ (1,260)	\$ 14,384
	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Business-type activities:				
Capital assets, not being depreciated/amortized:				
Construction in progress	\$ 140,657	\$ 11,678	\$ (2,089)	\$ 150,246
Total capital assets, not being depreciated/amortized	140,657	11,678	(2,089)	150,246
Capital assets, being depreciated/amortized:				
Furniture and equipment	197,711	3,753	(5,548)	195,916
Building/Tenant improvements	5,163	—	—	5,163
Automobiles	98	—	—	98
Intangible assets	72,830	—	—	72,830
SBITA assets	359	313	(162)	510
Lease assets	9,222	—	—	9,222
Total capital assets, being depreciated/amortized	285,383	4,066	(5,710)	283,739
Less accumulated depreciation/amortization for:				
Furniture and equipment	71,509	16,579	(5,545)	82,543
Building/Tenant improvements	4,967	60	—	5,027
Automobiles	51	20	—	71
Intangible assets	51,584	4,448	—	56,032
SBITA assets	294	144	(162)	276
Lease assets	4,358	1,497	—	5,855
Total accumulated depreciation/amortization	132,763	22,748	(5,707)	149,804
Total capital assets, being depreciated/amortized, net	152,620	(18,682)	(3)	133,935
Total business-type activities capital assets	\$ 293,277	\$ (7,004)	\$ (2,092)	\$ 284,181

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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

Governmental activities:	
General government	\$ (255)
Housing	(333)
Total depreciation/amortization expense - governmental activities	<u>\$ (588)</u>
Business-type activities:	
Toll bridge activities	\$ 1,744
Congestion relief	193
Express lane activities	11,041
MTC Clipper smart card®	9,770
Total depreciation/amortization expense - business-type activities	<u>\$ 22,748</u>

6. Long-Term Debt

As of June 30, 2025, MTC's outstanding long-term debt is held by BATA and BAIFA.

In July 2024, BATA issued its Subordinate Toll Bridge Revenue Bonds, 2024 Series S-11 of \$282,285 as subordinate fixed rate bonds to refund a portion of the Authority's outstanding Subordinate Toll Bridge Revenue Bonds, 2010 Series S-1. The 2024 Series S-11 bonds have a final maturity of April 2036 and bear interest at a stated fixed rate of 5.000 percent.

The majority of the proceeds of the 2024 Series S-11, along with a cash contribution from BATA were deposited into an Escrow Fund held by the Subordinate Trustee. BATA also made a cash contribution to fund the subordinate debt service reserve. The difference between the cash flows required to service the old debt and the cash flows required to service the new debt is \$7,875. The transaction provided a present value economic gain of \$5,649.

The 2024 Series S-11 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*.

In March 2025, BATA issued its senior fixed rate Toll Bridge Revenue Bonds, 2025 Series F-1 of \$296,035 to refund all of the Authority's outstanding Toll Bridge Revenue Bonds, 2017 Series B and 2017 Series H, and to purchase a portion of the Authority's outstanding Toll Bridge Revenue Bonds, 2019 Series F-1. The 2025 Series F-1 bonds have a final maturity of April 2053 and bear interest at a stated fixed rate of 5.000 percent.

The majority of the proceeds of the 2025 Series F-1, along with a cash contribution from BATA were used to refund bonds and pay the interest and purchase price of bonds tendered to the Authority. The difference between the cash flows required to service the tendered debt and the cash flows required to service the new debt is \$4,589. The transaction provided a present value economic gain of \$2,258.

The 2025 Series 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*.

Also in March 2025, BATA issued its fixed rate Second Subordinate Toll Bridge Revenue Bonds, 2025 Series SSL-1 of \$45,070 to purchase a portion of the Authority's outstanding Subordinate Toll Bridge Revenue Bonds 2017 Series S-7. The 2025 Series SSL-1 bonds have a final maturity of April 2034 and bear interest at a stated fixed rate of 5.000 percent.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

The majority of the proceeds of the 2025 Series SSL-1, along with a cash contribution from BATA and a release from the reserve fund for the refunded bonds, were used to refund bonds and 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 \$17,037. The transaction provided a present value economic gain of \$4,526.

The 2025 Series SSL-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*.

In April 2025, BATA reoffered its senior Toll Bridge Revenue Bonds, 2007 Series A-2, 2007 Series C-2, and 2008 Series E-1 to substitute PNC Bank, N.A. as Letter of Credit Provider and PNC Capital Markets, LLC as Remarketing Agent. The 2007 Series A-2, 2007 Series C-2, and 2008 Series E-1 bonds are variable rate bonds and bear interest at a weekly rate.

In June 2025, BATA issued its senior fixed rate Toll Bridge Revenue Bonds, 2025 Series F-2 of \$400,000 to finance projects consistent with the Regional Measure 3 expenditure plan. The 2025 Series F-2 bonds have a final maturity of April 2047 and bear interest at a stated fixed rate of 5.000 percent.

Also in June 2025, BATA issued its fixed rate Second Subordinate Toll Bridge Revenue Bonds, 2025 Series SSL-2 of \$113,085 to purchase a portion of the Authority’s outstanding senior lien Toll Bridge Revenue Bonds, 2019 Series F-1 and 2021 Series F-1. The 2025 Series SSL-2 bonds have a final maturity of April 2031 and bear interest at a stated fixed rate of 5.000 percent.

The majority of the proceeds of the 2025 Series SSL-2, along with a cash contribution from BATA were used to refund bonds and 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 \$2,549. The transaction provided a present value economic gain of \$2,279.

The 2025 Series SSL-2 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*.

Term / Index Rate Bonds:

BATA has a principal balance of \$1,041,190 in term and index rate bonds. The term and 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	\$114,905	2.950%	2/23/2017	4/1/2026
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

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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	PNC Bank, N.A.	A1/F1	4/23/2027	PNC Capital Markets, 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	PNC Bank, N.A.	A1/F1	4/23/2027	PNC Capital Markets, LLC
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	PNC Bank, N.A.	A1/F1	4/23/2027	PNC Capital Markets, LLC
2023 Series A	\$175,000	Daily	Barclays Bank PLC	A1/F1	4/1/2027	JP Morgan Securities, LLC
2023 Series B	\$110,000	Daily	Barclays 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, 2025, 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%.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

A summary of changes in long-term debt for the year ended June 30, 2025 is as follows:

Business-type activities	Issue Date	Interest Rate	Calendar Year Maturity	Original Amount	Beginning Balance July 1, 2024	Additions	Reductions	Ending Balance June 30, 2025	Due Within One Year ⁽¹⁰⁾
BATA									
Series 2001A Toll Bridge Revenue Bonds (Index Rate Bonds)	5/24/2001	VAR	(2) 2036	\$ 150,000	\$ 150,000	\$ —	\$ —	\$ 150,000	\$ —
Series 2007A-2 Toll Bridge Revenue Bonds (Variable Rate Bonds)	4/24/2025	VAR	(1) 2047	75,000	—	75,000 (4)	—	75,000	—
Series 2007A-2 (Old) Toll Bridge Revenue Bonds (Variable Rate Bonds)	10/25/2007	VAR	(1) 2047	75,000	75,000	—	(75,000) (4)	—	—
Series 2007B-2 Toll Bridge Revenue Bonds (Variable Rate Bonds)	10/25/2007	VAR	(1) 2047	75,000	75,000	—	—	75,000	—
Series 2007C-2 Toll Bridge Revenue Bonds (Variable Rate Bonds)	4/24/2025	VAR	(1) 2047	25,000	—	25,000 (4)	—	25,000	—
Series 2007C-2 (Old) Toll Bridge Revenue Bonds (Variable Rate Bonds)	10/25/2007	VAR	(1) 2047	25,000	25,000	—	(25,000) (4)	—	—
Series 2007D-2 Toll Bridge Revenue Bonds (Variable Rate Bonds)	10/25/2007	VAR	(1) 2047	100,000	100,000	—	—	100,000	—
Series 2007G-1 Toll Bridge Revenue Bonds (Variable Rate Bonds)	5/15/2007	VAR	(1) 2047	50,000	50,000	—	—	50,000	—
Series 2008C-1 Toll Bridge Revenue Bonds (Variable Rate Bonds)	6/5/2008	VAR	(1) 2045	25,000	25,000	—	—	25,000	—
Series 2008E-1 Toll Bridge Revenue Bonds (Variable Rate Bonds)	4/24/2025	VAR	(1) 2045	50,000	—	50,000 (4)	—	50,000	—
Series 2008E-1 (Old) Toll Bridge Revenue Bonds (Variable Rate Bonds)	6/5/2008	VAR	(1) 2045	50,000	50,000	—	(50,000) (4)	—	—
Series 2009F-2 Toll Bridge Revenue Bonds (BABs)	11/5/2009	6.263%	(3) 2049	1,300,000	1,300,000	—	—	1,300,000	—
Series 2010S-1 Subordinate Toll Bridge Revenue Bonds (BABs)	7/1/2010	6.793% - 7.043%	(3) 2050	1,500,000	1,339,405	—	(293,280) (5)	1,046,125	—
Series 2010S-3 Subordinate Toll Bridge Revenue Bonds (BABs)	11/4/2010	6.907%	(3) 2050	475,000	475,000	—	—	475,000	—
Series 2017A Toll Bridge Revenue Bonds (Term Rate Bonds)	2/23/2017	2.950%	2047	125,225	117,700	—	(2,795) (10)	114,905	3,080
Series 2017B Toll Bridge Revenue Bonds (Term Rate Bonds)	2/23/2017	2.850%	2047	125,225	117,700	—	(117,700) (6)	—	—
Series 2017F-1 Toll Bridge Revenue Bonds	2/23/2017	4.000% - 5.000%	2056	300,000	75,000	—	—	75,000	—
Series 2017H Toll Bridge Revenue Bonds (Term Rate Bonds)	8/23/2017	2.125%	2040	188,750	188,750	—	(188,750) (6)	—	—
Series 2017S-7 Subordinate Toll Bridge Revenue Bonds	8/23/2017	3.000% - 5.000%	2049	1,402,175	1,320,610	—	(77,145) (8)(10)	1,243,465	16,230

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

Business-type activities (Continued)	Issue Date	Interest Rate	Calendar Year Maturity	Original Amount	Beginning Balance July 1, 2024	Additions	Reductions	Ending Balance June 30, 2025	Due Within One Year ⁽¹⁰⁾
BATA									
Series 2018A Senior Toll Bridge Revenue Bonds (Term Rate Bonds)	12/20/2018	2.625%	2045	194,735	194,735	—	—	194,735	—
		2.425% -							
Series 2019F-1 Toll Bridge Revenue Bonds	9/26/2019	3.552%	2054	869,195	271,274	—	(203,874)	67,400	—
		(6)(9)(10)							
Series 2019S-8 Subordinate Toll Bridge Revenue Bonds	8/1/20219	3.000% - 5.000%	2054	203,270	121,620	—	—	121,620	—
Series 2021A Toll Bridge Revenue Bonds (Term Rate Bonds)	3/17/2021	2.000%	2056	204,835	204,835	—	—	204,835	—
Series 2021C Toll Bridge Revenue Bonds (Index Rate Bonds)	3/17/2021	VAR	(2) 2056	100,000	100,000	—	—	100,000	—
Series 2021D Toll Bridge Revenue Bonds (Index Rate Bonds)	12/21/2021	VAR	(2) 2056	150,000	150,000	—	—	150,000	—
Series 2021E Toll Bridge Revenue Bonds (Index Rate Bonds)	12/21/2021	VAR	(2) 2056	126,715	126,715	—	—	126,715	—
Series 2021F-1 Toll Bridge Revenue Bonds	3/17/2021	1.079% - 2.982%	2040	349,205	302,240	—	(16,270)	285,970	12,095
		(9)(10)							
Series 2021F-2 Toll Bridge Revenue Bonds	12/21/2021	2.600%	2056	338,500	338,500	—	—	338,500	—
Series 2021F-3 Toll Bridge Revenue Bonds	12/21/2021	3.126%	2055	361,500	361,500	—	—	361,500	—
Series 2021S-10 Subordinate Toll Bridge Revenue Bonds	12/21/2021	2.513% - 3.276%	2050	274,240	274,240	—	—	274,240	—
Series 2023A Toll Bridge Revenue Bonds (Variable Rate Bonds)	3/21/2023	VAR	(1) 2055	175,000	175,000	—	—	175,000	—
Series 2023B Toll Bridge Revenue Bonds (Variable Rate Bonds)	3/21/2023	VAR	(1) 2055	110,000	110,000	—	—	110,000	—
Series 2023F-1 Toll Bridge Revenue Bonds	5/2/2023	5.000% - 5.250%	2054	391,055	366,765	—	(15,740)	351,025	32,135
		(10)							
Series 2023F-2 Toll Bridge Revenue Bonds	6/22/2023	4.125%	2054	40,810	40,810	—	—	40,810	—
Series 2024A Toll Bridge Revenue Bonds (Variable Rate Bonds)	2/29/2024	VAR	(1) 2059	85,000	85,000	—	—	85,000	—
Series 2024B Toll Bridge Revenue Bonds (Variable Rate Bonds)	2/29/2024	VAR	(1) 2059	110,000	110,000	—	—	110,000	—
Series 2024C Toll Bridge Revenue Bonds (Variable Rate Bonds)	2/29/2024	VAR	(1) 2059	102,555	102,555	—	—	102,555	—
Series 2024D Toll Bridge Revenue Bonds (Variable Rate Bonds)	2/29/2024	VAR	(1) 2059	152,840	152,840	—	—	152,840	—
Series 2024E Toll Bridge Revenue Bonds (Variable Rate Bonds)	2/29/2024	VAR	(1) 2059	97,160	97,160	—	—	97,160	—
Series 2024F-1 Toll Bridge Revenue Bonds	6/26/2024	5.000%	2052	63,780	63,780	—	(8,975)	54,805	4,025
		(10)							

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

Business-type activities (Continued)	Issue Date	Interest Rate	Calendar Year Maturity	Original Amount	Beginning Balance July 1, 2024	Additions	Reductions	Ending Balance June 30, 2025	Due Within One Year ⁽¹⁰⁾
BATA									
Series 2024F-2 Toll Bridge Revenue Bonds	6/26/2024	5.000%	2045	250,000	250,000	—	—	250,000	—
Series 2024G Toll Bridge Revenue Bonds (Variable Rate Bonds)	2/29/2024	VAR	(1) 2059	115,000	115,000	—	—	115,000	—
Series 2024H Toll Bridge Revenue Bonds (Variable Rate Bonds)	6/26/2024	VAR	(1) 2059	150,000	150,000	—	—	150,000	—
Series 2024I Toll Bridge Revenue Bonds (Variable Rate Bonds)	6/26/2024	VAR	(1) 2059	50,000	50,000	—	—	50,000	—
Series 2024S-11 Subordinate Toll Bridge Revenue Bonds	7/5/2024	5.000%	2036	282,285	—	282,285 (5)	(22,235) (10)	260,050	23,225
Series 2025F-1 Toll Bridge Revenue Bonds	3/13/2025	5.000%	2053	296,035	—	296,035 (6)	—	296,035	4,310
Series 2025F-2 Toll Bridge Revenue Bonds	6/18/2025	5.000%	2047	400,000	—	400,000 (7)	—	400,000	—
Series 2025SSL-1 Second Subordinate Toll Bridge Revenue Bonds	3/13/2025	5.000%	2034	45,070	—	45,070 (8)	—	45,070	—
Series 2025SSL-2 Second Subordinate Toll Bridge Revenue Bonds	6/18/2025	5.000%	2031	113,085	—	113,085 (9)	—	113,085	22,715
				<u>\$ 12,318,245</u>	9,798,734	1,286,475	(1,096,764)	9,988,445	<u>\$ 117,815</u>
Net unamortized bond premium/(discount)					140,769	127,723	(40,078)	228,414	
Net of BATA bonds issued as of June 30, 2025					<u>\$ 9,939,503</u>	<u>\$ 1,414,198</u>	<u>\$ (1,136,842)</u>	<u>\$ 10,216,859</u>	
BAIFA									
BAIFA Credit Agreement with Bank of America, N.A.	(11)				210,687	109,055	—	319,742	
Total long-term debt as of June 30, 2025					<u>\$ 10,150,190</u>	<u>\$ 1,523,253</u>	<u>\$ (1,136,842)</u>	<u>\$ 10,536,601</u>	

- (1) Interest rates for variable rate bonds are based on daily or weekly variable rates. Variable rate bonds are presented as long term debt in accordance with GASB Interpretation No. 1 because BATA has liquidity commitments.
- (2) Interest rates on index rate bonds are based on the SIFMA Swap Index Rate plus a spread.
- (3) Federal Taxable Build America Bonds.
- (4) The 2007 Series A2 and C2, and 2008 Series E-1 bonds were re-offered on 4/24/25 to substitute PNC Bank, N.A. as Letter of Credit Provider and PNC Capital Markets LLC as Remarketing Agent.
- (5) The 2024 Series S11 bonds were issued as subordinate fixed rate bonds on 7/5/2024 to refund \$293,280 of the 2010 Series S1 bonds.
- (6) The 2025 Series F1 bonds were issued as senior fixed rate bonds on 3/13/2025 to fully refund the 2017 Series B and the 2017 Series H bonds, and to refund \$42,013 of the 2019 Series F1 bonds.
- (7) The 2025 Series F2 bonds were issued as senior fixed rate bonds on 6/18/2025.
- (8) The 2025 Series SSL1 bonds were issued as second subordinate fixed rate bonds on 3/13/2025 to refund \$60,195 of the 2017 Series S7 bonds.
- (9) The 2025 Series SSL2 bonds were issued as second subordinate fixed rate bonds on 6/18/2025 to refund \$119,108 of the 2019 Series F1 bonds and \$4,240 of the 2021 Series F1 bonds.
- (10) Scheduled payments.
- (11) BAIFA Credit Agreement is indirectly secured by FTA.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

Annual Funding Requirements

The annual funding requirements for the debt and swap outstanding of the business-type activities at June 30, 2025 are as follows:

Business-type activities

Fiscal Year Ending	Principal Payments	Interest Payments	Total Payments
2026	\$ 117,815	\$ 454,816	\$ 572,631
2027	164,515	452,882	617,397
2028	175,395	442,418	617,813
2029	182,500	433,276	615,776
2030	196,340	427,128	623,468
2031-2035	1,141,265	2,003,137	3,144,402
2036-2040	1,326,485	1,755,947	3,082,432
2041-2045	1,646,510	1,418,234	3,064,744
2046-2050	2,025,025	936,927	2,961,952
2051-2055	1,814,585	362,359	2,176,944
2056-2060	1,198,010	91,210	1,289,220
\$	9,988,445	\$ 8,778,334	\$ 18,766,779

Bond Covenants – BATA

Senior Indenture

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.

Subordinate Indenture

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

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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 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 senior and subordinate 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.

Second Subordinate Indenture

The Bay Area Toll Authority's Second 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 Second Subordinate Indenture dated March 1, 2025 (the "2025 Second Subordinate Indenture"). Pledged "Revenue" and exclusions to the trustee funds and accounts are defined within the 2025 Second Subordinate Indenture. The 2025 Series SSL-1 has a Reserve Account funded at the maximum annual amount of interest payable for and securing that series of bonds.

BATA covenanted in the 2025 Second Subordinate Indenture that no Additional Bonds (as defined in the 2025 Second 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 senior, subordinate, and second subordinate lien bonds and the additional bonds to be issued.

In the first supplemental indenture dated March 2025, BATA covenanted to maintain toll revenue at levels that result in Available Revenue no less than 1.1 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, Subordinate, and Second Subordinate Trustees.

As of June 30, 2025, the reserve requirement and the fair value of the cash and investment securities in the debt service reserves are as follows:

	<u>Reserve Requirement ⁽¹⁾</u>	<u>Fair Value of Cash & Securities</u>
Senior Debt	\$ 404,000	\$ 418,794
Subordinate Debt	146,457	180,419
Second Subordinate Debt	2,366	2,391

⁽¹⁾The debt service reserve requirements are recalculated on April 1, 2025. The senior lien has an aggregate reserve requirement and reserve fund that secures all senior lien bonds. The subordinate and second subordinate liens have reserve requirements as defined in each supplemental indenture.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

Derivative Instruments

Investment derivatives instruments fair value in a payable to the counterparty position was \$122,369 at June 30, 2025, 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.Z for further details.

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, 2025 classified by type, and the changes in fair value of such derivative instruments during FY 2025 as reported in the financial statements are as follows:

Business-type Activities	Change in Fair Value during		Fair Value At June 30, 2025		
	Classification	Amount	Classification	Amount	Notional
Pay-fixed interest rate swap	Changes in fair value of other derivative instruments	\$(1,984)	Noncurrent Liabilities	\$(122,369)	\$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 table displays the credit ratings of the counterparties associated with the derivative instruments as of June 30, 2025.

	Standard & Poor's	Moody's
Bank of America, N.A.	A+	Aa2
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.	AA-	Aa2
Morgan Stanley Capital Services LLC	A-	A1

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

The following table displays the notional and fair values of the derivative instruments as of June 30, 2025.

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%	\$ —	\$ (4,511)	\$ —	\$ (4,511)
\$75,000	Morgan Stanley Capital Services LLC.	4.09%	—	(8,684)	—	(8,684)
\$110,000	Wells Fargo Bank, N.A.	3.64%	—	(8,884)	—	(8,884)
\$30,000	Bank of America, N.A.	3.63%	—	(3,014)	—	(3,014)
\$115,000	Citibank Bank, N.A., New York	3.64%	—	(9,288)	—	(9,288)
\$245,000	JP Morgan Chase Bank, N.A.	4.00%	—	(26,859)	—	(26,859)
\$50,000	Bank of America, N.A.	3.63%	—	(5,176)	—	(5,176)
\$260,000	Citibank Bank, N.A. New York	3.64%	—	(21,778)	—	(21,778)
\$125,000	Bank of America, N.A.	2.96%	—	(3,622)	—	(3,622)
\$60,000	Goldman Sachs Mitsui Marine Derivative Products, L.P.	3.64%	—	(6,082)	—	(6,082)
\$85,000	Goldman Sachs Mitsui Marine Derivative Products, L.P.	3.64%	—	(8,895)	—	(8,895)
\$170,000	The Bank of New York Mellon	3.64%	—	(17,789)	—	(17,789)
\$40,000	The Bank of New York Mellon	2.22%	—	2,213	—	2,213
Total Derivative Instruments - Fair Value			\$ —	\$ (122,369)	\$ —	\$ (122,369)

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 3.B for the description of hierarchy levels (Level 1, Level 2, and Level 3).

Effective and maturity dates are presented in the Supplementary Information, Schedules 12-15.

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

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

The termination value or fair market value which BATA would pay to terminate all swaps on a voluntary basis is \$122,369 on June 30, 2025. 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 ten million dollars, 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, 2025, none of the counterparties were 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 purpose of the Credit Agreement is to assist San Francisco Bay Area Rapid Transit District (BART) to finance its rail car replacement program. BAIFA's obligations under the Agreement are limited to Programmed Grant Receipts (as defined in the Regional Transit Project Funding Agreement between MTC and BAIFA (RTPFA)) received from MTC. Programmed Grant Receipts consist of FTA Transit Formula Funds received by MTC under U.S. Code Title 49 §5307 and §5337 which are programmed by MTC to pay its obligation under the RTPFA. Payment of FTA formula funds is subject to continued authorization and appropriation by the United States Congress of funds in each Federal Fiscal Year and apportionment by the FTA of such funds. In the event of default, Bank of America, N.A. will have no further obligation to make additional loans and may declare all unpaid balances to be immediately due and payable but will have no recourse to BAIFA or MTC to make payment from sources other than Programmed Grant Receipts.

As of June 30, 2025, the outstanding draw amount is \$319,742. The unused line of credit amount is \$130,258.

	Balance			Balance
	Jul 1, 2024	Increases	Decreases	Jun 30, 2025
Credit agreement with Bank of America N.A.	\$ 210,687	\$ 109,055	—	\$ 319,742

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

7. Subscription-Based Information Technology Arrangements (SBITAs)

MTC, MTC SAFE and BAHA have 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 financial commitment under SBITAs before the commencement of the subscription term.

On June 30, 2025, MTC had net SBITA assets of \$222 and SBITA liabilities of \$174. MTC SAFE had net SBITA assets of \$234 and SBITA liabilities of \$239. BAHA had net SBITA assets of \$92 and SBITA liabilities of \$23. SBITA assets were reported in capital assets and SBITA liabilities were reported in both current and non-current liabilities (compensated absences and others) on the Statement of Net Position.

The future principal and interest payments as of June 30, 2025, were as follows:

Year Ending	Primary Government						Component Unit		
	Governmental Activities			Business-Type Activities			BAHA		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 95	\$ 7	\$ 102	\$ 77	\$ 8	\$ 85	\$ 23	\$ 1	\$ 24
2027	71	3	74	80	5	85	—	—	—
2028	8	—	8	82	2	84	—	—	—
Total	\$ 174	\$ 10	\$ 184	\$ 239	\$ 15	\$ 254	\$ 23	\$ 1	\$ 24

8. Leases

A. Lease receivable

BAHA is a lessor that leases office spaces of Bay Area Metro Center (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 \$5,697 in lease principal and \$228 in interest revenue from leasing during fiscal year 2025. 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, 2025 was \$7,747.

The future principal and interest payments of lease receivable as of June 30, 2025, were as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 4,036	\$ 128	\$ 4,164
2027	3,710	38	3,748
2028	649	1	650
Total	\$ 8,395	\$ 167	\$ 8,562

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, 2025 was \$3,563.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

MTC leased ten color printers from Canon Financial Services in early 2023. The lease term was thirty-six months with monthly payment of \$4 including tax. In December 2024, MTC leased another three printers from Canon Financial Services for forty-three months, and monthly payment of \$5 including tax. The lease liability balance for the total thirteen leased printers as of June 30, 2025 was \$237.

	Beginning Balance		Ending Balance	
	July 1, 2024	Additions	Reductions	June 30, 2025
BATA	\$ 5,036	\$ —	\$ (1,473)	\$ 3,563
MTC	88	217	(68)	237
Total	<u>\$ 5,124</u>	<u>\$ 217</u>	<u>\$ (1,541)</u>	<u>\$ 3,800</u>

The total future principal and interest payments as of June 30, 2025, were as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 1,636	\$ 47	\$ 1,683
2027	1,670	22	1,692
2028	478	2	480
2029	16	—	16
Total	<u>\$ 3,800</u>	<u>\$ 71</u>	<u>\$ 3,871</u>

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

9. Interfund Receivables, Payables and Transfers

The composition of interfund transfers as of June 30, 2025, 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	Bay Area Toll Authority	
Non-Major Governmental Funds	\$ 8,262	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 8,262
STA	1,904	—	—	—	20,430	—	—	22,334
BAIFA	29,759	—	—	—	—	—	—	29,759
BATA	34,078	6,488	5,268	1,529	4,786	—	—	52,149
General	—	—	—	—	—	26,641	3,549	30,190
SB125	299	—	—	—	—	—	—	299
Total	\$ 74,302	\$ 6,488	\$ 5,268	\$ 1,529	\$ 25,216	\$ 26,641	\$ 3,549	\$ 142,993

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:

- An amount of \$34,078 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 BAIFA to the General totaling \$29,759 is mainly for BART car financing project.
- The transfer amount from BATA to AB 664 Toll Reserves, Rail Reserves and Non-Major Governmental funds totaling \$13,285 is the amortization of the deferred revenue for these funds. See Note 1.Q for further details.
- An amount of \$4,786 was transferred from BATA to Non-major Proprietary Fund MTC Clipper® to support their operations.
- An amount of \$20,430 was transferred from STA to Non-major Proprietary Fund MTC Clipper® to support their capital and operation projects.
- An amount of \$26,641 was transferred from General fund to BAHFA to support housing and rental programs.
- An amount of \$3,549 received from the state Active Transportation Program (ATP) was transferred from the General fund to BATA for the Richmond - San Rafael Shared Use Path Gap Closure Project.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

- An amount of \$8,262 was transferred from Non-major Governmental funds to General fund mainly for the projects funded by the exchange fund.
- An amount of \$299 was transferred from SB125 Transit to General fund to support the Regional Network Management projects.

	Due to							Total
	State Transit Assistance	Bay Area Toll Authority	Non-Major Governmental Funds	Bay Area Infrastructure Finance Authority	General	SB125 Transit		
Due from								
General	\$ 741	\$ 10,589	\$ 5,678	\$ 24	\$ —	\$ 83	\$ 17,115	
BATA	—	—	—	433	—	—	433	
BAHFA	—	—	—	—	841	—	841	
BAIFA	—	3,978	—	—	—	—	3,978	
Non-Major Enterprise Fund MTC Clipper®	4,847	1,901	—	—	—	—	6,748	
SAFE	—	—	—	—	732	—	732	
Total	\$ 5,588	\$ 16,468	\$ 5,678	\$ 457	\$ 1,573	\$ 83	\$ 29,847	

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, 2025 are as follows:

- An amount of \$4,847 represents expenses incurred for the MTC-Clipper 2 projects, but not yet reimbursed from STA.
- An amount of \$10,589 represents the annual administration and contribution to the General Fund, but not yet transferred from BATA.
- 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 \$1,901 represents expenses incurred for the MTC-Clipper 2 projects, but not yet reimbursed from BATA.
- An amount of \$3,978 represents express lanes revenue incurred for BAIFA, but not yet collected from BATA.
- An amount of \$5,678 represents expenses incurred for the Transit projects, but not yet reimbursed from the Transit reserve and Exchange fund.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

10. 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, 2024, the measurement date, are summarized as follows:

Hire date	PERS Classic Miscellaneous	PEPRA Miscellaneous
	Prior to January 1, 2013	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, 2024, the measurement date, the following numbers of participants were covered by the benefit terms:

Active employees	334
Inactive employees or beneficiaries currently receiving benefits	207
Inactive employees entitled to but not yet receiving benefits	190

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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, 2025, MTC's retirement contributions are allocated as follows:

- Tier 1 - The total Public Employees' Retirement System (PERS) contribution rate is 20.83 percent (consisting of 12.83 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, 2025 is 13.73 percent by MTC and 7.10 percent by members.
- Tier 2 - The total PERS contribution rate is 20.08 percent (consisting of 12.83 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, 2025 is 12.83 percent by MTC and 7.25 percent by members.

Total actual contribution made for fiscal year 2025 is \$6,786. No additional contribution was made in fiscal year 2025. 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, 2024, the total pension liability was determined using the annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 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

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 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.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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, 2023	\$ 243,339	\$ 226,033	\$ 17,306
Changes Recognized for the Measurement Period:			
Service Cost	8,996	—	8,996
Interest on Total Pension Liability	17,428	—	17,428
Changes of Benefit Terms	—	—	—
Difference between Expected and Actual Experience	9,989	—	9,989
Contributions from Employers	—	6,360	(6,360)
Contributions from Employees	—	4,128	(4,128)
Net Investment Income	—	21,799	(21,799)
Benefit Payments, including Refunds of Employee Contributions	(10,482)	(10,482)	—
Administrative Expense	—	(183)	183
Net Changes during 2023-24	25,931	21,622	4,309
Balance at June 30, 2024	\$ 269,270	\$ 247,655	\$ 21,615

	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 2025	\$ 17,984	\$ 1,306	\$ 331	\$ 946	\$ 886	\$ 21,453

	Component Unit	
	BAHA	Grand Total
Net pension liability for fiscal year 2025	\$ 162	\$ 21,615

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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	\$ 49,559	\$ 17,984	\$ (7,984)
Business-Type Activities			
Bay Area Toll Authority	3,599	1,306	(580)
MTC SAFE	913	331	(147)
MTC Clipper	2,607	946	(420)
BAIFA	2,442	886	(393)
Component Unit			
BAHA	446	162	(72)
Plan's Net Pension Liability / (Asset)	<u>\$ 59,566</u>	<u>\$ 21,615</u>	<u>\$ (9,596)</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, 2024 is 5.0 years which was obtained by dividing the total service years of 3,638 (the sum of remaining service lifetimes of the active employees) by 731 (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.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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

MTC recognized pension expense of \$10,796 for fiscal year 2025 based on the measurement period ended June 30, 2024. 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 2025	\$ 7,834	\$ 1,947	\$ 145	\$ 413	\$ 386	\$ 10,725

	Component Unit	
	BAHA	Grand Total
Pension expense for fiscal year 2025	\$ 71	\$ 10,796

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

For the fiscal year of 2025, 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	\$ 807	\$ 257	\$ 15	\$ 42	\$ 40	\$ 1,161
Difference between expected and actual experience	7,296	2,327	135	385	359	10,502
Net difference between projected and actual earnings on plan investments	2,307	736	42	121	114	3,320
Employer contributions for fiscal year 2025	4,686	1,495	86	246	231	6,744
Total	\$ 15,096	\$ 4,815	\$ 278	\$ 794	\$ 744	\$ 21,727
	Component Unit					
	BAHA	Grand Total				
Changes in assumptions	\$ 7	\$ 1,168				
Difference between expected and actual experience	66	10,568				
Net difference between projected and actual earnings on plan investments	21	3,341				
Employer contributions for fiscal year 2025	42	6,786				
Total	\$ 136	\$ 21,863				
	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	\$ (154)	\$ (49)	\$ (3)	\$ (8)	\$ (8)	\$ (222)
	Component Unit					
	BAHA	Grand Total				
Difference between expected and actual experience	\$ (1)	<u>\$ (223)</u>				

Total employer contribution made for this fiscal year is \$6,786. 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, 2026.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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	
2026	\$ 2,280	\$ 727	\$ 42	\$ 120	\$ 112	\$ 21	\$ 3,302	
2027	6,278	2,002	117	330	309	56	9,092	
2028	1,177	377	19	62	58	11	1,704	
2029	521	166	10	27	27	5	756	

11. 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, 2024, the measurement date:

Active employees	369
Inactive employees or beneficiaries currently receiving benefit payments	147
Inactive employees entitled to but not yet receiving benefit payments	10
	526

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

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, 2025, MTC paid the retiree benefit expense on a pay-as-you-go basis of \$1,880, and made a contribution of \$5,015 to the Trust fund at PARS. MTC's implied subsidy amount for fiscal year 2025 is \$394.

B. Net OPEB Liability / (Asset)

MTC's net OPEB liability / (asset) was measured as of June 30, 2024 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 2025	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, 2025
Notes to Financial Statements (\$ in thousands)

Change in assumptions

There were no changes in assumptions since prior measurement date June 30, 2023.

	June 30, 2024 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 over the measurement period.

	Increase / (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/ (Asset) (a) - (b)
Balance as of June 30, 2023	\$ 58,571	\$ 50,529	\$ 8,042
Service cost	3,942	—	3,942
Interest on the total OPEB liability	2,304	—	2,304
Actual vs. expected experience	—	—	—
Assumption changes	—	—	—
Contributions - employer	—	5,764	(5,764)
Net investment income	—	1,107	(1,107)
Benefit payments	(2,019)	(2,019)	—
Administrative expense	—	(92)	92
Net changes	4,227	4,760	(533)
Balance as of June 30, 2024	\$ 62,798	\$ 55,289	\$ 7,509

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
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 2025	\$ 5,184	\$ 1,654	\$ 95	\$ 273	\$ 256	\$ 7,462

	Component Unit	
	BAHA	Grand Total
Net OPEB Liability for fiscal year 2025	\$ 47	\$ 7,509

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	\$ 11,884	\$ 5,184	\$ (237)
Business-Type Activities			
Bay Area Toll Authority	3,791	1,654	(75)
MTC SAFE	219	95	(4)
MTC Clipper	625	273	(12)
BAIFA	586	256	(12)
Component Unit			
BAHA	107	47	(2)
Net OPEB Liability / (Asset)	\$ 17,212	\$ 7,509	\$ (342)

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, 2025
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	\$ (1,109)	\$ 5,184	\$ 13,167
Business-Type Activities			
Bay Area Toll Authority	(354)	1,654	4,200
MTC SAFE	(20)	95	243
MTC Clipper	(58)	273	693
BAIFA	(55)	256	649
Component Unit			
BAHA	(10)	47	118
Net OPEB Liability / (Asset)	<u>\$ (1,606)</u>	<u>\$ 7,509</u>	<u>\$ 19,070</u>

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

For the year ended June 30, 2025, the MTC recognized OPEB expenses of \$6,695. The OPEB expenses are allocated to its blended and discretely presented component units and funds as follows:

	Primary Government					
	Business-Type Activities					Primary Government Total
	Governmental Activities	Bay Area Toll Authority	MTC SAFE	MTC Clipper	BAIFA	
OPEB expense for fiscal year 2025	\$ 4,473	\$ 1,577	\$ 93	\$ 276	\$ 233	\$ 6,652
	Component Unit					
	BAHA	Grand Total				
OPEB expense for fiscal year 2025	\$ 43	<u>\$ 6,695</u>				

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

At June 30, 2025, 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	\$ 2,773	\$ 885	\$ 51	\$ 146	\$ 137	\$ 3,992
Difference between expected and actual experience	536	171	10	28	26	771
Difference between projected and actual earnings on pension plan investments	3,712	1,184	68	195	183	5,342
Employer contributions for fiscal year 2025	5,039	1,607	93	265	248	7,252
Total	<u>\$ 12,060</u>	<u>\$ 3,847</u>	<u>\$ 222</u>	<u>\$ 634</u>	<u>\$ 594</u>	<u>\$ 17,357</u>

	Component Unit	
	BAHA	Grand Total
Changes in assumptions	\$ 25	\$ 4,017
Difference between expected and actual experience	5	776
Difference between projected and actual earnings on pension plan investments	33	5,375
Employer contributions for fiscal year 2025	45	7,297
Total	<u>\$ 108</u>	<u>\$ 17,465</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	\$ (562)	\$ (179)	\$ (10)	\$ (30)	\$ (28)	\$ (809)
Difference between expected and actual experience	(2,252)	(718)	(42)	(118)	(111)	(3,241)
Total	<u>\$ (2,814)</u>	<u>\$ (897)</u>	<u>\$ (52)</u>	<u>\$ (148)</u>	<u>\$ (139)</u>	<u>\$ (4,050)</u>

	Component Unit	
	BAHA	Grand Total
Changes in assumptions	\$ (5)	\$ (814)
Difference between projected and actual earnings on plan investments	(20)	(3,261)
Total	<u>\$ (25)</u>	<u>\$ (4,075)</u>

The \$7,297 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, 2026.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
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					BAHA	
		Bay Area Toll Authority	MTC SAFE	MTC Clipper ^(R)	BAIFA	BAHA		
2026	\$ 1,829	\$ 583	\$ 34	\$ 96	\$ 90	\$ 16	\$ 2,648	
2027	1,489	475	27	78	73	13	2,155	
2028	512	163	9	27	25	5	741	
2029	197	63	4	10	10	2	286	
2030	83	26	2	4	4	1	120	
Thereafter	97	33	1	6	5	1	143	

12. Compensated Absences

The compensated absences liability which is included in the other noncurrent liabilities of the government-wide Statement of Net Position totals \$16,972 for Primary Government, and \$131 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, 2025 is as follows:

Primary Government	Beginning Balance July 1, 2024	Restatement for GASB101 Adoption	Change in proportion	Beginning Balance After Restatement & Change in proportion	Additions (Reductions) Net *	Ending Balance June 30, 2025	Due Within One Year
	Governmental Activities	\$ 7,616	\$ 2,822	\$ 57	\$ 10,494	\$ 1,019	\$ 11,513
Business-Type Activities	3,684	1,365	(73)	4,976	483	5,459	1,802
Total	\$ 11,300	\$ 4,187	\$ (16)	\$ 15,470	\$ 1,502	\$ 16,972	\$ 5,602

Component Unit	Beginning Balance July 1, 2024	Restatement for GASB101 Adoption	Change in proportion	Beginning Balance After Restatement & Change in proportion	Additions (Reductions) Net *	Ending Balance June 30, 2025	Due Within One Year
	BAHA	\$ 76	\$ 28	\$ 16	\$ 120	\$ 11	\$ 131
Total	\$ 76	\$ 28	\$ 16	\$ 120	\$ 11	\$ 131	\$ 43

* Change in the compensated absences liability is presented as a net change.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

13. Designated Reserves

BATA maintains certain designated reserves:

Designation	Requirement	June 30, 2025
External Designation:		
O & M	2x Caltrans budgeted O&M costs	\$ 27,980
Emergency reserve	BATA/Caltrans Coop Agreement	\$ 50,000
BATA Designation:		
O & M	BATA designation	\$ 232,020
Rehab reserve	BATA designation	\$ 264,000
Variable rate risk reserve	BATA designation	\$ 280,000
Project/ Self Insurance Reserves	BATA designation	\$ 280,000

14. 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.

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, 2025, there are approximately \$22,560 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, 2025, there are approximately \$179,016 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, 2025, there are approximately \$14,256 in future capital expenditure commitments.

Metropolitan Transportation Commission
Financial Statements for the year ended June 30, 2025
Notes to Financial Statements (\$ in thousands)

15. 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.

16. 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, the MTC Commission approved an operational advance to ABAG in the amount not to exceed ten million dollars to assist ABAG with its cash flow needs. The advance will be drawn by ABAG as needed. ABAG will not be charged interest through December 31, 2024, for operational advance, however, beginning January 1, 2025, ABAG will be charged interest equivalent to the California Pooled Money Investment Account average monthly effective yield on any drawn amounts. This operational advance is available until December 31, 2025. MTC authorized up to \$2,000 of the operational advance for a 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, 2025, total outstanding loan that was utilized for the BayREN Water Bill Saving program is \$66.

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 unit. 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 2025, 375 Beale Condo assessed \$4,925 from the three condominium owners for the common area operations. Of this amount, \$992 will be refunded to condominium owners. This amount, reduced by related receivables, is reflected in the Due to 375 Beale Condo balance of \$468 as of June 30, 2025.

Metropolitan Transportation Commission
Table of Contents
June 30, 2025

	<i>PAGE</i>
Required Supplementary Information (unaudited)	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	113
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - AB 664 Net Toll Revenue Reserves Fund	114
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - State Transit Assistance Fund	115
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Rail Reserves Fund	116
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - BART Car Exchange Fund	117
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - SB 125 Transit	118
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Bay Area Housing Finance Authority	119
Schedule of Changes in the Net Pension Liability	120 - 121
Schedule of Employer Contributions - Pension	122
Schedule of Changes in the Net OPEB Liability/(Asset) and Related Ratios	123
Schedule of Employer Contributions - OPEB	124
Other Supplementary Information	
Combining Balance Sheet - Non-Major Governmental Funds	126
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	127
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Transit Reserves Fund	128
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Exchange Fund	129
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Clipper BayPass Fund	130
Schedule of Expenditures by Natural Classification	131
Schedule of Overhead, Salaries and Benefits Expenditures - Governmental Funds	132
Schedule of Expenditures - Federal Highway Administration Grant FY2025 OWPMTC	133
Toll Bridge Rate Schedule	134
Schedule of BATA Debt Service Coverage Ratios	135
Schedule of Operating Revenues and Expenses - BATA Proprietary Fund - by Bridge	137
Schedule of Interest Rate Swaps Summary - BATA Proprietary Fund	138
Schedule of Interest Rate Swaps for Series 2001 - BATA Proprietary Fund	139
Schedule of Interest Rate Swaps for Series 2006 - BATA Proprietary Fund	140
Schedule of Interest Rate Swaps for Series 2007 - BATA Proprietary Fund	141

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, 2025

Schedule I

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Sales Taxes	\$ 17,223	\$ 17,223	\$ 16,662	\$ (561)
Federal Grants	172,673	168,781	67,900	(100,881)
State Grants	112,759	107,166	37,835	(69,331)
Local agencies revenues and refunds	19,290	38,584	14,575	(24,009)
Investment income	3,150	3,150	4,021	871
TOTAL REVENUES	325,095	334,904	140,993	(193,911)
EXPENDITURES				
General Government	287,935	292,327	117,678	174,649
Allocations to other agencies	53,411	34,826	58,190	(23,364) ⁽¹⁾
Capital outlay	15,448	15,448	10,063	5,385
Debt Service				
Principal	—	—	87	(87)
Interest	—	—	8	(8)
TOTAL EXPENDITURES	356,794	342,601	186,026	156,575
REVENUES OVER (UNDER) EXPENDITURES	(31,699)	(7,697)	(45,033)	(37,336)
OTHER FINANCING SOURCES (USES)				
Transfers In	36,002	37,020	74,302	37,282 ⁽¹⁾
Transfers Out	(20,000)	(45,800)	(30,190)	15,610
Leases	—	—	217	217
SBITA	—	—	193	193
TOTAL OTHER FINANCING SOURCES (USES)	16,002	(8,780)	44,522	53,302
NET CHANGE IN FUND BALANCES	(15,697)	(16,477)	(511)	15,966
Fund balances - beginning	85,588	85,588	85,588	—
Fund balances - ending	<u>\$ 69,891</u>	<u>\$ 69,111</u>	<u>\$ 85,077</u>	<u>\$ 15,966</u>
RECONCILIATION TO THE STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES				
Unrealized gain under GASB 31			292	
Fund Balance - GAAP Basis			<u>\$ 85,369</u>	

(1) "Allocations to other agencies" and "Transfers In" are in excess of Final Budget due to a \$450,000 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, 2025

Schedule II

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Investment income	\$ —	\$ —	\$ 4,170	\$ 4,170
TOTAL REVENUES	<u>—</u>	<u>—</u>	<u>4,170</u>	<u>4,170</u>
EXPENDITURES				
Allocations to other agencies	2,972	31,889	7,557	24,332
TOTAL EXPENDITURES	<u>2,972</u>	<u>31,889</u>	<u>7,557</u>	<u>24,332</u>
REVENUES OVER (UNDER) EXPENDITURES	(2,972)	(31,889)	(3,387)	28,502
OTHER FINANCING SOURCES (USES)				
Transfers In	6,488	35,404	6,488	(28,916)
TOTAL OTHER FINANCING SOURCES (USES)	<u>6,488</u>	<u>35,404</u>	<u>6,488</u>	<u>(28,916)</u>
NET CHANGE IN FUND BALANCES	3,516	3,515	3,101	(414)
Fund balances - beginning	(39,305)	(39,305)	(39,305)	—
Fund balances - ending	<u>\$ (35,789)</u>	<u>\$ (35,790)</u>	<u>\$ (36,204)</u>	<u>\$ (414)</u>

RECONCILIATION TO THE STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES

Unrealized gain under GASB 31	450
Fund Balance - GAAP Basis	<u>\$ (35,754)</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, 2025

Schedule III

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
State Grants	\$ 102,811	\$ 102,797	\$ 90,612	\$ (12,185)
Local agencies revenues and refunds	—	—	27	27
Investment income	—	—	8,476	8,476
TOTAL REVENUES	102,811	102,797	99,115	(3,682)
EXPENDITURES				
Allocations to other agencies	267,382	267,369	63,971	203,398
TOTAL EXPENDITURES	267,382	267,369	63,971	203,398
REVENUES OVER (UNDER) EXPENDITURES	(164,571)	(164,572)	35,144	199,716
OTHER FINANCING SOURCES (USES)				
Transfers In	164,571	164,571	—	(164,571)
Transfers Out	—	—	(22,334)	(22,334)
TOTAL OTHER FINANCING SOURCES (USES)	164,571	164,571	(22,334)	(186,905)
NET CHANGE IN FUND BALANCES	—	(1)	12,810	12,811
Fund balances - beginning	163,024	163,024	163,024	—
Fund balances - ending	<u>\$ 163,024</u>	<u>\$ 163,023</u>	<u>\$ 175,834</u>	<u>\$ 12,811</u>
RECONCILIATION TO THE STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES				
Unrealized gain under GASB 31			2,720	
Fund Balance - GAAP Basis			<u>\$ 178,554</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, 2025

Schedule IV

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Investment income	\$ —	\$ —	\$ 1,608	\$ 1,608
TOTAL REVENUES	<u>—</u>	<u>—</u>	<u>1,608</u>	<u>1,608</u>
EXPENDITURES				
Allocations to other agencies	5,268	5,268	—	5,268
TOTAL EXPENDITURES	<u>5,268</u>	<u>5,268</u>	<u>—</u>	<u>5,268</u>
REVENUES OVER (UNDER) EXPENDITURES	(5,268)	(5,268)	1,608	6,876
OTHER FINANCING SOURCES (USES)				
Transfers In	5,268	5,268	5,268	—
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,268</u>	<u>5,268</u>	<u>5,268</u>	<u>—</u>
NET CHANGE IN FUND BALANCES	—	—	6,876	6,876
Fund balances - beginning	(65,878)	(65,878)	(65,878)	—
Fund balances - ending	<u>\$ (65,878)</u>	<u>\$ (65,878)</u>	<u>\$ (59,002)</u>	<u>\$ 6,876</u>
RECONCILIATION TO THE STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES				
Unrealized gain under GASB 31			154	
Fund Balance - GAAP Basis			<u>\$ (58,848)</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, 2025

Schedule V

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Investment income	\$ 4,315	\$ 4,315	\$ 4,308	\$ (7)
TOTAL REVENUES	<u>4,315</u>	<u>4,315</u>	<u>4,308</u>	<u>(7)</u>
EXPENDITURES				
Allocations to other agencies	115,870	143,577	115,870	27,707
TOTAL EXPENDITURES	<u>115,870</u>	<u>143,577</u>	<u>115,870</u>	<u>27,707</u>
REVENUES OVER (UNDER) EXPENDITURES	(111,555)	(139,262)	(111,562)	27,700
NET CHANGE IN FUND BALANCES	(111,555)	(139,262)	(111,562)	27,700
Fund balances - beginning	134,420	134,420	134,420	—
Fund balances - ending	<u>\$ 22,865</u>	<u>\$ (4,842)</u>	<u>\$ 22,858</u>	<u>\$ 27,700</u>

**RECONCILIATION TO THE STATEMENT OF
REVENUES, EXPENDITURES AND FUND
BALANCES**

Unrealized loss under GASB 31	(100)
Fund Balance - GAAP Basis	<u>\$ 22,758</u>

See accompanying Report of Independent Auditors.

Metropolitan Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - SB 125 Transit Fund (\$ in thousands, unaudited)
For the Year Ended June 30, 2025

Schedule VI

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
State Grants	\$ 534,748	\$ 534,748	\$ 727,767	\$ 193,019
Investment income	—	—	3,588	3,588
TOTAL REVENUES	534,748	534,748	731,355	196,607
EXPENDITURES				
Allocations to other agencies	161,545	161,545	159,464	2,081
TOTAL EXPENDITURES	161,545	161,545	159,464	2,081
REVENUES OVER (UNDER) EXPENDITURES	373,203	373,203	571,891	198,688
OTHER FINANCING SOURCES (USES)				
Transfers Out	—	—	(299)	(299)
TOTAL OTHER FINANCING SOURCES (USES)	—	—	(299)	(299)
NET CHANGE IN FUND BALANCES	373,203	373,203	571,592	198,389
Fund balances - beginning	—	—	—	—
Fund balances - ending	<u>\$ 373,203</u>	<u>\$ 373,203</u>	<u>\$ 571,592</u>	<u>\$ 198,389</u>
RECONCILIATION TO THE STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES				
Unrealized gain under GASB 31			11,617	
Fund Balance - GAAP Basis			<u>\$ 583,209</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, 2025

Schedule VII

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Local agencies revenues and refunds	\$ 872	\$ 872	\$ 546	\$ (326)
Investment income	1,000	1,000	1,964	964
TOTAL REVENUES	1,872	1,872	2,510	638
EXPENDITURES				
General Government	60,380	61,574	17,167	44,407
Capital outlay	—	—	1,130	(1,130)
TOTAL EXPENDITURES	60,380	61,574	18,297	43,277
REVENUES OVER (UNDER) EXPENDITURES	(58,508)	(59,702)	(15,787)	43,915
OTHER FINANCING SOURCES (USES)				
Transfers In	58,508	59,702	26,641	(33,061)
TOTAL OTHER FINANCING SOURCES (USES)	58,508	59,702	26,641	(33,061)
NET CHANGE IN FUND BALANCES	—	—	10,854	10,854
Fund balances - beginning	38,614	38,614	38,614	—
Fund balances - ending	\$ 38,614	\$ 38,614	\$ 49,468	\$ 10,854

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 VIII

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 8,996	\$ 7,977	\$ 7,693	\$ 6,781	\$ 6,539	\$ 6,333	\$ 6,157	\$ 4,924	\$ 3,970	\$ 3,700
Interest	17,428	15,741	14,473	13,811	13,030	12,111	10,871	10,572	10,131	9,499
Changes of Benefit Terms	—	134	—	—	—	—	—	—	—	—
Changes of assumptions	—	—	3,115	—	—	—	(5,335)	9,137	—	(2,411)
Difference between expected and actual experience	9,989	4,485	(13)	(1,675)	908	6,335	(1,054)	(3,383)	(353)	516
Benefit payments and refunds of contribution	(10,482)	(9,065)	(8,002)	(7,137)	(7,028)	(6,188)	(6,036)	(5,034)	(4,779)	(4,654)
Net change in total pension liability	25,931	19,272	17,266	11,780	13,449	18,591	4,603	16,216	8,969	6,650
Total pension liability - beginning	243,339	224,067	206,801	195,021	181,572	162,981	158,377	142,162	133,193	126,542
Total pension liability - ending	\$ 269,270	\$ 243,339	\$ 224,067	\$ 206,801	\$ 195,021	\$ 181,572	\$ 162,980	\$ 158,378	\$ 142,162	\$ 133,192
Plan Fiduciary Net Position										
Contributions - employer	\$ 6,360	\$ 6,807	\$ 11,569	\$ 11,935	\$ 23,204	\$ 6,066	\$ 5,457	\$ 5,197	\$ 4,129	\$ 3,819
Contributions - member	4,128	3,592	3,162	3,006	2,818	2,620	2,538	2,125	1,848	1,755
Net plan to plan resource movement	—	—	—	—	—	1,377	—	—	—	—
Net investment income	21,799	13,241	(17,352)	41,182	8,164	9,132	10,587	12,110	535	2,305
Benefit payments and refunds of contributions	(10,482)	(9,065)	(8,002)	(7,137)	(7,028)	(6,188)	(6,036)	(5,034)	(4,779)	(4,654)
Administrative expenses	(183)	(156)	(138)	(173)	(207)	(95)	(190)	(159)	(64)	(119)
Other miscellaneous income/(expense) ⁽²⁾	—	—	—	—	—	—	(360)	—	—	—
Net change in plan fiduciary net position	21,622	14,419	(10,761)	48,813	26,951	12,912	11,996	14,239	1,669	3,106
Plan Fiduciary Net Position - beginning	226,033	211,614	222,375	173,564	146,613	133,701	121,706	107,467	105,798	102,692
Plan Fiduciary Net Position - ending	\$ 247,655	\$ 226,033	\$ 211,614	\$ 222,377	\$ 173,564	\$ 146,613	\$ 133,702	\$ 121,706	\$ 107,467	\$ 105,798
Net Pension Liability/Asset - ending	\$ 21,615	\$ 17,306	\$ 12,453	\$ (15,576)	\$ 21,457	\$ 34,959	\$ 29,278	\$ 36,672	\$ 34,695	\$ 27,394
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/Asset	91.97 %	92.89 %	94.44 %	107.53 %	89.00 %	80.75 %	82.04 %	76.85 %	75.59 %	79.43 %
Covered Payroll⁽¹⁾	\$ 54,511	\$ 47,189	\$ 41,290	\$ 39,015	\$ 36,306	\$ 34,846	\$ 33,455	\$ 27,722	\$ 23,713	\$ 22,111
Plan Net Pension Liability/Asset as a Percentage of Covered Payroll	39.65%	36.67%	30.16%	(39.92)%	59.10%	100.32%	87.51%	132.28%	146.31%	123.89%

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 - 24; 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 VIII

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 or 2024. 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.

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

Schedule IX

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 6,786	\$ 6,360	\$ 6,804	\$ 6,572	\$ 6,932	\$ 6,981	\$ 6,066	\$ 5,457	\$ 5,198	\$ 4,129
Contributions in relation to the actuarially determined contribution	(6,786)	(6,360)	(6,804)	(11,572)	(11,932)	(23,203)	(6,066)	(5,457)	(5,198)	(4,129)
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ (5,000) ⁽¹⁾	\$ (5,000) ⁽¹⁾	\$ (16,221) ⁽¹⁾	\$ —	\$ —	\$ —	\$ —
Covered payroll	\$ 61,193	\$ 54,511	\$ 47,189	\$ 41,290	\$ 39,015	\$ 36,306	\$ 34,846	\$ 33,455	\$ 27,722	\$ 23,713
Actual contributions as a percentage of covered payroll	11.09%	11.67%	14.42%	28.03%	30.58%	63.91%	17.41%	16.31%	18.75%	17.41%

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

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2024-25 were derived from the June 30, 2022 funding valuation report.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method / Period	For details, see June 30, 2022 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2022 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 and Review of Actuarial Assumptions.
Mortality	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.

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 X

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability								
Service Cost	\$ 3,942	\$ 3,598	\$ 3,501	\$ 3,065	\$ 2,975	\$ 2,725	\$ 2,608	\$ 2,496
Interest on the total OPEB liability	2,304	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	(2,019)	(1,796)	(1,735)	(1,515)	(1,425)	(1,242)	(1,027)	(938)
Net change in total OPEB liability	4,227	4,900	3,737	3,757	3,569	3,212	3,300	3,133
Total OPEB liability - beginning	58,571	53,671	49,934	46,177	42,608	39,396	36,096	32,964
Total OPEB liability - ending (a)	\$ 62,798	\$ 58,571	\$ 53,671	\$ 49,934	\$ 46,177	\$ 42,608	\$ 39,396	\$ 36,096
OPEB Fiduciary Net Position								
Benefit payments	\$ (2,019)	\$ (1,796)	\$ (1,735)	\$ (1,515)	\$ (1,426)	\$ (1,242)	\$ (1,027)	\$ (938)
Contribution from employer	5,764	3,500	3,505	1,864	4,757	12,231	4,196	3,961
Net investment income	1,107	(418)	(5,119)	(87)	3,956	2,668	(152)	(71)
Administrative expense	(92)	(90)	(92)	(187)	(86)	(63)	(57)	(52)
Net change in plan fiduciary net position	4,760	1,196	(3,441)	75	7,201	13,594	2,960	2,900
Plan fiduciary net position - beginning	50,529	49,333	52,774	52,699	45,498	31,904	28,944	26,043
Plan fiduciary net position - ending (b)	\$ 55,289	\$ 50,529	\$ 49,333	\$ 52,774	\$ 52,699	\$ 45,498	\$ 31,904	\$ 28,944
Plan net OPEB liability / (asset) - ending (a) - (b)	7,509	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)	88.04%	86.27%	91.92%	105.69%	114.10%	106.80%	80.98%	80.19%
Covered-employee payroll	\$ 56,407	\$ 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	13.31%	16.13%	10.0%	(6.94)%	(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: There were no changes in assumptions since prior measurement date June 30, 2023. The general inflation rate decreased from 2.75 percent in FY 2023 to 2.5 percent in FY 2024-25. The long-term expected rate of return on investments used to measure the total OPEB liability was 3.75 percent in FY2023, FY2024 and FY2025. 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 XI

	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution	\$ 5,015	\$ 3,737	\$ 3,616	\$ 3,177	\$ 3,081	\$ 2,988	\$ 3,296	\$ 3,153
Contributions in relation to the actuarially determined contribution	(7,297)	(5,764)	(3,500)	(3,505)	(1,864) ⁽²⁾	(4,757)	(11,296)	(3,153)
Contribution deficiency (excess)	\$ (2,282)	\$ (2,027)	\$ 116	\$ (328)	\$ 1,217	\$ (1,769) ⁽¹⁾	\$ (8,000) ⁽¹⁾	\$ —
Covered-employee payroll	\$ 63,990	\$ 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:

The following actuarial methods and assumptions from the June 30, 2023 actuarial valuation were used to determine the 2024/25 Actuarially Determined Contribution:

Actuarial cost method	Entry Age Normal, Level percentage of pay
Amortization method	Level percentage of pay
Amortization period	15-year fixed period for 2024/2025
Asset valuation method	Market Value of assets
Inflation	2.5% annually
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
Discount rate	3.75% annually
Mortality	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021

*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, 2025

Schedule 1

	Transit Reserves	Exchange	Clipper BayPass	Total Non-Major Governmental Funds
ASSETS				
Cash - restricted	\$ 5,694	\$ 6,139	\$ 9,870	\$ 21,703
Investment - restricted	63,366	119,074	—	182,440
Accounts receivables	—	13,022	146	13,168
TOTAL ASSETS	\$ 69,060	\$ 138,235	\$ 10,016	\$ 217,311
LIABILITIES				
Accounts payable and accrued expenditures	\$ 1,086	\$ 551	\$ 5,597	\$ 7,234
Unearned revenue	—	—	30	30
Due to other funds	172	5,506	—	5,678
TOTAL LIABILITIES	1,258	6,057	5,627	12,942
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	27,924	—	—	27,924
TOTAL DEFERRED INFLOWS OF RESOURCES	27,924	—	—	27,924
FUND BALANCES				
Restricted for:				
Transportation projects	39,878	—	4,389	44,267
Committed to:				
Transportation projects	—	132,178	—	132,178
TOTAL FUND BALANCES	39,878	132,178	4,389	176,445
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 69,060	\$ 138,235	\$ 10,016	\$ 217,311

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, 2025

Schedule 2

	Transit Reserves	Exchange	Clipper BayPass	Total Non-Major Governmental Funds
REVENUES				
State Grants	\$ 3,512	\$ —	\$ —	\$ 3,512
Local agencies revenues and refunds	—	30,599	11,935	42,534
Investment income	3,654	6,507	373	10,534
TOTAL REVENUES	<u>7,166</u>	<u>37,106</u>	<u>12,308</u>	<u>56,580</u>
EXPENDITURES				
Current:				
General Government	—	626	—	626
Allocations to other agencies	4,922	—	9,809	14,731
TOTAL EXPENDITURES	<u>4,922</u>	<u>626</u>	<u>9,809</u>	<u>15,357</u>
EXCESS/(DEFICIENCY) OF REVENUES				
OVER/(UNDER) EXPENDITURES	<u>2,244</u>	<u>36,480</u>	<u>2,499</u>	<u>41,223</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,529	—	—	1,529
Transfers Out	(420)	(7,842)	—	(8,262)
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,109</u>	<u>(7,842)</u>	<u>—</u>	<u>(6,733)</u>
NET CHANGE IN FUND BALANCES	<u>3,353</u>	<u>28,638</u>	<u>2,499</u>	<u>34,490</u>
Fund balances - beginning	36,525	103,540	1,890	141,955
Fund balances - ending	<u>\$ 39,878</u>	<u>\$ 132,178</u>	<u>\$ 4,389</u>	<u>\$ 176,445</u>

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, 2025

Schedule 3

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
State Grants	\$ 3,512	\$ 3,512	\$ 3,512	\$ —
Investment income	—	—	3,341	3,341
TOTAL REVENUES	3,512	3,512	6,853	3,341
EXPENDITURES				
Allocations to other agencies	33,833	33,833	4,922	28,911
TOTAL EXPENDITURES	33,833	33,833	4,922	28,911
REVENUES OVER (UNDER) EXPENDITURES	(30,321)	(30,321)	1,931	32,252
OTHER FINANCING SOURCES (USES)				
Transfers In	30,321	30,321	1,529	(28,792)
Transfers Out	—	—	(420)	(420)
TOTAL OTHER FINANCING SOURCES (USES)	30,321	30,321	1,109	(29,212)
NET CHANGE IN FUND BALANCES	—	—	3,040	3,040
Fund balances - beginning	36,492	36,492	36,525	33
Fund balances - ending	<u>\$ 36,492</u>	<u>\$ 36,492</u>	<u>\$ 39,565</u>	<u>\$ 3,073</u>

**RECONCILIATION TO THE STATEMENT OF
REVENUES, EXPENDITURES AND FUND
BALANCES**

Unrealized gain under GASB 31	313
Fund Balance - GAAP Basis	<u>\$ 39,878</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, 2025

Schedule 4

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Local agencies revenues and refunds	\$ 243,762	\$ 279,640	\$ 30,599	\$ (249,041)
Investment income	6,507	6,507	5,877	(630)
TOTAL REVENUES	250,269	286,147	36,476	(249,671)
EXPENDITURES				
General Government	14,656	33,987	626	33,361
TOTAL EXPENDITURES	14,656	33,987	626	33,361
REVENUES OVER (UNDER) EXPENDITURES	235,613	252,160	35,850	(216,310)
OTHER FINANCING SOURCES (USES)				
Transfers Out	—	—	(7,842)	(7,842)
TOTAL OTHER FINANCING SOURCES (USES)	—	—	(7,842)	(7,842)
NET CHANGE IN FUND BALANCES	235,613	252,160	28,008	(224,152)
Fund balances - beginning	103,540	103,540	103,540	—
Fund balances - ending	<u>\$ 339,153</u>	<u>\$ 355,700</u>	<u>\$ 131,548</u>	<u>\$ (224,152)</u>
RECONCILIATION TO THE STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES				
Unrealized gain under GASB 31			630	
Fund Balance - GAAP Basis			<u>\$ 132,178</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, 2025

Schedule 5

	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES				
Local agencies revenues and refunds	\$ 6,396	\$ 12,303	\$ 11,935	\$ (368)
Investment income	—	—	373	373
TOTAL REVENUES	<u>6,396</u>	<u>12,303</u>	<u>12,308</u>	<u>5</u>
EXPENDITURES				
Allocations to other agencies	<u>4,212</u>	<u>9,809</u>	<u>9,809</u>	<u>—</u>
TOTAL EXPENDITURES	<u>4,212</u>	<u>9,809</u>	<u>9,809</u>	<u>—</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>2,184</u>	<u>2,494</u>	<u>2,499</u>	<u>5</u>
NET CHANGE IN FUND BALANCES	2,184	2,494	2,499	5
Fund balances - beginning	1,890	1,890	1,890	—
Fund balances - ending	<u>\$ 4,074</u>	<u>\$ 4,384</u>	<u>\$ 4,389</u>	<u>\$ 5</u>

Metropolitan Transportation Commission
Schedule of Expenditures by Natural Classification (\$ in thousands)
For the Year Ended June 30, 2025

Schedule 6

Expenditures by natural classification	
Salaries & benefits ⁽²⁾	\$ 62,266
Travel	85
Professional fees	49,754
Overhead	7,627
Other	929
Reported as general government expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balances - General Fund ⁽¹⁾	<u>\$ 120,661</u>
Salaries & benefits - MTC General Fund	\$ 62,266
Salaries & benefits - MTC Clipper®	3,292
Salaries & benefits - BATA	19,673
Salaries & benefits - SAFE	1,120
Salaries & benefits - BAHA	679
Salaries & benefits - BAIFA	3,032
Salaries & benefits - BAHFA	1,533
Total salaries & benefits	<u>\$ 91,595</u>
Indirect Cost - MTC General Fund	\$ 7,627
Indirect Cost - MTC Clipper®	1,648
Indirect Cost - SAFE	732
Indirect Cost - BAHA	340
Indirect Cost - BAIFA	1,660
Indirect Cost - BAHFA	621
Total Indirect Cost	<u>\$ 12,628</u>

⁽¹⁾General government expenditures - by Fund

⁽²⁾There was \$2,983 in the salaries & benefits that was reported as capital assets for the new Enterprise Resource Planning (ERP) implementation.

Metropolitan Transportation Commission
Schedule of Overhead, Salaries and Benefits Expenditures -
Governmental Funds (\$ in thousands)
For the Year Ended June 30, 2025

Schedule 7

	Direct Costs*	Allowable Indirect Costs	Unallowable Costs	Total
Salaries	\$ 40,726	\$ 12,683	\$ —	\$ 53,409
Benefits	28,983	9,203	—	38,186
Total salaries and benefits	<u>\$ 69,709</u>	<u>\$ 21,886</u>	<u>\$ —</u>	<u>\$ 91,595</u>
Reimbursable overhead:**				
Agency temps		\$ 115	\$ —	\$ 115
Training		250	175	425
Personnel recruitment		119	—	119
Public hearing		3	—	3
Advertising		7	—	7
Communications		78	—	78
Utilities		13	—	13
Meeting room/Equipment rental		6	—	6
Storage rental		30	—	30
Computer maintenance & repair		55	10	65
Auto expense		19	—	19
Office supplies		37	1	38
Printing & graphics supplies		87	—	87
Computer supplies		7	—	7
Computer software		1,534	3	1,537
Computer hardware		250	—	250
Lease Principal/Interest		74	—	74
Postage & mailing		43	—	43
Memberships		86	30	116
Library acquisitions & subscriptions		89	5	94
Law library		29	—	29
Hosted services		3,251	6	3,257
Advisory member stipend		154	—	154
Audit fees		367	—	367
Newswire service		7	—	7
Insurance		324	—	324
Other		33	112	145
Miscellaneous		2	50	52
Travel		28	313	341
Professional fees		3,384	—	3,384
Building maintenance		1,442	—	1,442
Subtotal indirect costs		<u>11,923</u>	<u>705</u>	<u>12,628</u>
Depreciation expense		125	—	125
Total indirect costs including depreciation expense		<u>\$ 12,048</u>	<u>\$ 705</u>	<u>\$ 12,753</u>
Indirect costs recovered***		<u>\$ 32,270</u>		
Indirect (over)/under absorbed		<u>\$ 1,664</u>		

*Direct costs include MTC, BATA, SAFE, BAHA, BAIFA, and BAHFA salaries and benefits per Indirect Cost Plan for fiscal year 2025.

** Overhead distributed to MTC, BATA, SAFE, BAHA, BAIFA, and BAHFA per Indirect Cost Plan for fiscal year 2025.

*** Indirect costs recovered at multiple rates per Indirect Cost Plan for fiscal year 2025.

Metropolitan Transportation Commission
Schedule of Expenditures - Federal Highway Administration Grant
FY2025 OWPMTC (\$ in thousands)
For the Year Ended June 30, 2025

Schedule 8

		Total
Total Authorized Expenditures		
Federal		\$ 11,527
Total authorized expenditures		<u>11,527</u>
 Actual Expenditures *		
Program No.	Program Name	
MTC		
1113	Support Partnership Board	266
1121	Regional Transportation Plan	1,397
1122	Analyze Regional Data using GIS and Planning Models	2,683
1124	Regional Goods Movement	105
1125	Active Transportation Planning	345
1127	Regional Trails	61
1212	Performance Measurement and Monitoring	342
1412	Transportation Conformity and Air Quality Planning	331
1413	Climate Initiatives	172
1511	Conduct Financial Analysis and Planning	246
1512	Federal Programming, Monitoring and TIP Management	1,702
1517	Transit Sustainability Planning	336
1611	Regional Growth Framework Planning and Implementation	729
1621	Transit Regional Network Management	162
1622	Next-Generation Bay Area Freeways Study	13
1623	SF Freeway Network Management Study	40
Total Expenditures		<u>8,930</u>
Balance of Federal Highway Administration Grant		<u>\$ 2,597</u>

*Toll credit match rate (11.47%)

Metropolitan Transportation Commission
Toll Bridge Rate Schedule
For the Year Ended June 30, 2025

Schedule 9

Toll Rate as of June 30, 2025:

Number of Axles Per Vehicle	2025
2 axles	\$ 8.00 *
3 axles	18.00
4 axles	23.00
5 axles	28.00
6 axles	33.00
7 axles or more	38.00

* On state-owned toll bridges, qualified carpools with a FasTrak account in good standing will pay a reduced toll of \$4 when using a carpool lane from 5:00 am to 10:00 am and 3:00 pm to 7:00 pm, Monday through Friday.

Metropolitan Transportation Commission
Schedule of BATA Debt Service Coverage Ratios (\$ in thousands)
For the Year Ended June 30, 2025

Schedule 10

	2025
Revenues	
Toll revenues collected	\$ 891,421
Investment income	164,932
Unrealized Gain/Loss on revaluation	(3,493)
Other operating revenues	54,354
Revenues subtotal	1,107,214
Build America Bonds (BABs) interest subsidy - Senior Lien Bonds	26,872
Build America Bonds (BABs) interest subsidy - Subordinate Lien Bonds	35,139
Derivative investment income (charge)	(1,984)
Total revenues	1,167,241
MTC/CLIPPER Administrative Expenses	
Transfer to MTC operating expenses (RM2/RM3 allocation)	5,897
Transfer to MTC for administrative & operating expenses	22,686
Transfer to MTC for ERP Implementation costs	7,540
Total MTC/CLIPPER admin & operating expense	36,123
Other Operating expenses	
Operating expenses incurred by Caltrans*	3,110
Services and Maintenance - BATA	143,653
Transbay Terminal JPA operations	6,178
Allocations to other agencies (RM2 and RM3)	83,889
Total operating expenses before depreciation and amortization	272,953
Depreciation and amortization	1,744
Total operating expenses	274,697
Net operating income	892,544
Nonoperating expenses (revenues)	
Senior Lien Interest expense	231,718
Subordinate Interest expense	184,719
Second Subordinate Lien Interest expense	865
Amortization of gain/loss from bond refunding	22,624
Amortization of bond premium & discount	(37,462)
Financing fees	7,097
Bond issuance costs	5,678
Other nonoperating expenses	61
Caltrans/other agency operating grants and reimbursements**	(21,993)
Other nonoperating revenues	(1,898)
Total nonoperating expenses	391,409
Net income before capital project expenses	501,135
Capital project expenses	
Capital project expenses***	692,907
Change in net position	(191,772)
Total net position - beginning, as restated	(6,611,019)
Total net position - ending	\$ (6,802,791)
Senior lien principal payment	\$ 85,088
Subordinate lien principal payment	\$ 39,185
Second Subordinate lien principal payment	\$ —

* Maintenance B Expenses incurred totaled \$3,110 for FY 2025.

** Within the \$21,993 Caltrans/other agency grants, \$3,549 is classified as an ATP Grant from MTC

*** Within the \$692,907 capital project expenses, \$10,883 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, 2025

Schedule 10

	2025
Fixed Charge	
Net revenue ¹	\$ 1,107,597
Debt service ² , plus MTC operating transfer ³ and costs ⁴	\$ 623,734
Sum sufficient ratio	1.78
Minimum threshold	1.00
Fixed Charge, plus Operations & Maintenance	
Net revenue ¹ , plus operations & maintenance reserve	\$ 1,367,597
Senior Debt service ⁵ , plus MTC operating transfer ³	\$ 416,124
Sum sufficient, plus operations & maintenance reserve ratio	3.29
Minimum threshold	1.25
Net Revenue / Senior Debt Service	
Net revenue ¹	\$ 1,107,597
Senior Debt service ⁵	\$ 289,934
Debt service ratio	3.82
Minimum threshold	1.20
Available Revenue / Senior and Subordinate Debt Service	
Available revenue ⁶	\$ 985,937
Debt service ⁷	\$ 478,699
Debt service ratio	2.06
Minimum threshold	1.20
Available Revenue / Senior, Subordinate, and Second Subordinate Debt Service⁸	
Available revenue ⁶	\$ 985,937
Debt service ²	\$ 479,564
Debt service ratio	2.06
Minimum threshold	1.10
Reserve Designations⁹	
Operations & Maintenance Reserve	\$ 27,980
Rehabilitation Reserve	\$ 264,000
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, Subordinate, and Second Subordinate Indentures has been filed with the Senior, Subordinate, and Second Subordinate trustees.

¹ Revenues less Caltrans Maintenance B expenses.

² Total Senior, Subordinate, and Second Subordinate Liens debt service less BABs interest subsidies on Senior and Subordinate bonds.

³ MTC Operating transfers include MTC/Clipper administrative & operating expenses, allocations to other agencies related to Regional Measure 2 and Regional Measure 3, and Transbay Terminal operating expenses, and does not include transit transfer to MTC as it was fulfilled in September 2010 for the next 35 years.

⁴ Financing fees and Caltrans Maintenance A Expenses.

⁵ Senior Lien debt service less BABs interest subsidy on senior bonds.

⁶ Net revenue less BATA services and maintenance and Caltrans/other agency operating grants.

⁷ Total Senior and Subordinate Liens debt service less BABs interest subsidies on Senior and Subordinate bonds.

⁸ Second Subordinate Lien established March 1, 2025.

⁹ Designated reserves through external designations and BATA resolution.

Metropolitan Transportation Commission

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

For the Year Ended June 30, 2025

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	\$ 148,098	\$ 144,369	\$ 24,873	\$ 98,401	\$ 285,931	\$ 119,101	\$ 70,648	\$ 891,421
Other operating revenues	9,796	9,552	1,785	6,175	15,500	7,261	4,285	54,354
Total operating revenues	<u>157,894</u>	<u>153,921</u>	<u>26,658</u>	<u>104,576</u>	<u>301,431</u>	<u>126,362</u>	<u>74,933</u>	<u>945,775</u>
Operating expenses								
Operating expenditures-by Caltrans & Transbay JPA	459	496	195	240	7,361	261	276	9,288
Services and charges	27,094	26,412	4,574	17,945	51,726	21,683	12,858	162,292
Allocations to other agencies	14,005	13,653	2,364	9,276	26,737	11,208	6,646	83,889
Depreciation and amortization	291	284	49	193	556	233	138	1,744
Total operating expenses	<u>41,849</u>	<u>40,845</u>	<u>7,182</u>	<u>27,654</u>	<u>86,380</u>	<u>33,385</u>	<u>19,918</u>	<u>257,213</u>
Operating income	<u>\$ 116,045</u>	<u>\$ 113,076</u>	<u>\$ 19,476</u>	<u>\$ 76,922</u>	<u>\$ 215,051</u>	<u>\$ 92,977</u>	<u>\$ 55,015</u>	<u>\$ 688,562</u>

Metropolitan Transportation Commission
Schedule of Interest Rate Swaps Summary-BATA Proprietary Fund (\$ in thousands)
For the Year Ended June 30, 2025

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%	AA-/Aa2
Bank of America, N.A.	—	155,000	50,000	205,000	14%	A+/Aa2
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	\$ (13,195)	\$ (57,749)	\$ (51,425)	\$ (122,369)
------------	-------------	-------------	-------------	--------------

Metropolitan Transportation Commission
Schedule of Interest Rate Swaps for Series 2001 - BATA Proprietary Fund (\$ in thousands)
For the Year Ended June 30, 2025

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)	\$(8,684)	\$(4,511)	\$(13,195)
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, 2025

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	AA-/Aa2	A+/Aa3	A+/Aa2	A+/Aa2	AA-/Aa2	A+/Aa2	
Ratings outlook	Stable/Negative	Stable/Stable	Stable/Negative	Stable/Negative	Stable/No outlook provided	Stable/Negative	
Fair value due from/ (to) CP(1)	\$(26,859)	\$(9,288)	\$(3,014)	\$(8,884)	\$(6,082)	\$(3,622)	\$(57,749)
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, 2025

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+/Aa2	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)	\$(21,778)	\$(5,176)	\$(8,895)	\$(17,789)	\$2,213	\$ (51,425)
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
-----------------	-------------

Financial Trends	143
-------------------------	------------

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

Revenue Capacity	148
-------------------------	------------

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

Debt Capacity	153
----------------------	------------

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	156
---	------------

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

Operating Information	159
------------------------------	------------

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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 5,072	\$ 364	\$ 358	\$ 279	\$ 194	\$ 270	\$ 302	\$ 1,484	\$ 3,595	\$ 13,106
Restricted	471,623	489,425	528,724	495,071	524,026	487,347	513,053	371,258	376,996	880,843
Unrestricted	(24,215)	(72,160)	(70,871)	(36,410)	(26,213)	(36,728)	(30,752)	22,511	68,320	103,211
Total governmental activities net position	<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>	<u>\$ 997,160</u>
Business-type activities										
Net investment in capital assets	\$ 56,525	\$ 78,054	\$ 89,436	\$ 114,328	\$ 3,138	\$ 1,771	\$ 200,563	\$ 225,743	\$ 271,851	\$ 271,528
Restricted	718,851	726,490	721,309	757,043	768,075	772,413	1,637,095	1,260,319	1,328,694	1,441,356
Unrestricted	(7,406,373)	(7,414,645)	(7,489,582)	(7,687,201)	(8,042,026)	(7,757,978)	(8,328,450)	(7,700,942)	(7,923,694)	(8,217,933)
Total business-type activities net position	<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>	<u>\$ (6,505,049)</u>
Total primary government										
Net investment in capital assets	\$ 61,597	\$ 78,418	\$ 89,794	\$ 114,607	\$ 3,332	\$ 2,041	\$ 200,865	\$ 227,227	\$ 275,446	\$ 284,634
Restricted	1,190,474	1,215,915	1,250,033	1,252,114	1,292,101	1,259,760	2,150,148	1,631,577	1,705,690	2,322,199
Unrestricted	(7,430,588)	(7,486,805)	(7,560,453)	(7,723,611)	(8,068,239)	(7,794,706)	(8,359,202)	(7,678,431)	(7,855,374)	(8,114,722)
Total primary government net position	<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>	<u>\$ (5,507,889)</u>

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

Table 2

	FISCAL YEAR									
	2016	2017	2018	2019*	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	\$ 77,038	\$ 103,883	\$ 87,487	\$ 104,246	\$ 105,558	\$ 100,422	\$ 89,826	\$ 106,291	\$ 142,367	\$ 151,934
Transportation	156,045	204,294	192,139	307,829	267,272	110,298	88,119	264,350	397,948	390,075
Housing	—	—	—	—	—	—	231	2,384	4,604	17,500
Total governmental activities expenses	<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>	<u>559,509</u>
Business-type activities:										
Clipper smart card	44,090	45,094	44,885	48,754	57,879	52,385	39,539	52,858	64,573	64,965
Toll bridge activities	935,544	980,645	988,187	886,760	769,091	747,116	786,132	809,326	999,402	1,330,754
Express lane activities	—	—	—	—	—	—	65,538	42,798	49,224	62,292
Congestion relief	10,419	11,463	10,696	13,100	17,616	16,989	20,076	21,349	19,845	19,562
Total business-type activities expenses	<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>	<u>1,477,573</u>
Total primary government expenses	<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>	<u>\$ 2,037,082</u>
Program Revenues										
Governmental activities:										
Operating grants and contributions	\$ 233,919	\$ 247,211	\$ 303,748	\$ 357,187	\$ 360,604	\$ 143,181	\$ 176,445	\$ 225,096	\$ 264,844	\$ 986,972
Charges for services	—	—	—	—	—	—	—	—	—	1
Total governmental activities program revenues	<u>233,919</u>	<u>247,211</u>	<u>303,748</u>	<u>357,187</u>	<u>360,604</u>	<u>143,181</u>	<u>176,445</u>	<u>225,096</u>	<u>264,844</u>	<u>986,973</u>
Business-type activities:										
Charges for services	760,872	772,292	785,383	779,402	688,688	877,183	854,456	925,470	936,731	1,053,640
Operating grants and contributions	102,705	88,931	90,664	107,751	107,653	115,784	113,516	113,712	111,595	107,296
Capital grants and contributions	3,559	9,220	11,294	3,658	7,328	11,122	23,443	36,729	48,447	5,787
Total business-type activities program revenues	<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>	<u>1,166,723</u>
Total primary government program revenues	<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>	<u>\$ 2,153,696</u>
Net (expense)/revenue										
Governmental activities	\$ 836	\$ (60,966)	\$ 24,122	\$ (54,888)	\$ (12,226)	\$ (67,539)	\$ (1,731)	\$ (147,929)	\$ (280,075)	\$ 427,464
Business-type activities	(122,917)	(166,759)	(156,427)	(57,803)	(40,917)	187,599	80,130	149,580	(36,271)	(310,850)
Total primary government net expense	<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>	<u>\$ 116,614</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									
	2016	2017	2018	2019*	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Sales tax	\$ —	\$ —	\$ —	\$ 14,781	\$ 14,076	\$ 14,118	\$ 16,821	\$ 17,610	\$ 16,995	\$ 16,662
Unrestricted investment earnings	2,877	4,257	9,427	18,908	13,298	2,679	(1,316)	21,484	33,815	53,802
Gain on sale of capital assets	—	6,628	—	—	—	—	—	—	—	—
Transfers	16,984	15,231	17,142	21,928	23,918	25,076	17,940	21,486	282,923	53,143
Total governmental activities	19,861	26,116	26,569	55,617	51,292	41,873	33,445	60,580	333,733	123,607
Business-type activities:										
Unrestricted investment earnings	12,028	16,269	26,834	67,293	39,780	3,496	(39,677)	60,312	157,227	185,442
Changes in fair value of other derivative instruments	(187,387)	155,539	79,044	(131,370)	(201,597)	119,999	263,117	87,506	53,698	(1,984)
Contributed capital	—	29,700	—	6,815	2,000	1,000	1,081	—	—	—
Special / Extraordinary items	—	1,378	—	—	(230,329)	—	(26,741)	—	—	—
Transfers	(16,984)	(15,231)	(17,142)	(21,928)	(23,918)	(25,076)	(17,940)	(21,486)	(282,923)	(53,143)
Total business-type activities	(192,343)	187,655	88,736	(79,190)	(414,064)	99,419	179,840	126,332	(71,998)	130,315
Total primary government	\$ (172,482)	\$ 213,771	\$ 115,305	\$ (23,573)	\$ (362,772)	\$ 141,292	\$ 213,285	\$ 186,912	\$ 261,735	\$ 253,922
Change in Net Position										
Governmental activities	\$ 20,697	\$ (34,850)	\$ 50,691	\$ 729	\$ 39,066	\$ (25,666)	\$ 31,714	\$ (87,349)	\$ 53,658	\$ 551,071
Business-type activities	(315,260)	20,896	(67,691)	(136,993)	(454,981)	287,018	259,970	275,912	(108,269)	(180,535)
Total primary government	\$ (294,563)	\$ (13,954)	\$ (17,000)	\$ (136,264)	\$ (415,915)	\$ 261,352	\$ 291,684	\$ 188,563	\$ (54,611)	\$ 370,536

* 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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund										
Nonspendable	\$ 1,305	\$ 823	\$ 822	\$ 1,426	\$ 673	\$ 980	\$ 1,027	\$ 1,146	\$ 1,161	\$ 1,629
Restricted for	158	49	27	—	3,497	2,900	2,900	2,900	2,691	2,854
Committed to	6,014	4,002	3,956	5,677	14,569	9,435	8,217	11,867	15,827	14,815
Unassigned	32,893	36,791	41,608	38,926	32,192	44,274	52,744	74,739	65,909	66,071
Total general fund	<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>	<u>\$ 85,369</u>
All other governmental funds										
Nonspendable	\$ —	\$ —	\$ 2	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ 506
Restricted for	432,015	449,183	492,175	495,071	520,529	484,446	510,171	367,600	374,472	877,750
Committed to	28,985	30,216	34,051	31,788	25,744	23,003	22,444	55,543	103,540	132,178
Unassigned	(40,998)	(92,221)	(94,371)	(99,797)	(88,760)	(103,199)	(112,754)	(114,404)	(105,183)	(94,602)
Total all other governmental funds	<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>	<u>\$ 915,832</u>

Metropolitan Transportation Commission

Changes in Fund Balances of Governmental Funds (\$ in thousands, unaudited)

By Fiscal Year

Table 4

	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Sales taxes	\$ 12,812	\$ 13,089	\$ 13,650	\$ 14,781	\$ 14,076	\$ 14,118	\$ 16,821	\$ 17,610	\$ 16,995	\$ 16,662
Grants - Federal	48,950	65,220	54,365	49,227	53,899	56,689	53,470	56,519	65,580	67,900
Grants - State	115,262	105,027	222,417	290,237	294,383	75,384	110,814	125,567	115,930	859,726
Local agencies revenues and refunds	57,917	63,532	13,247	18,015	13,415	13,062	13,351	45,464	87,571	57,682
Investment income	2,878	4,257	9,427	18,908	13,298	2,679	(1,316)	21,484	33,815	53,802
Total revenues	237,819	251,125	313,106	391,168	389,071	161,932	193,140	266,644	319,891	1,055,772
Expenditures										
General government	63,439	68,456	64,713	94,692	85,566	82,914	80,389	87,997	122,833	135,471
Allocation to other agencies	169,527	228,987	215,949	323,535	292,058	128,931	107,769	284,343	418,357	419,783
Capital outlay	639	165	159	48	12	317	11	1,280	2,546	11,193
Debt service										
Principal								11	47	87
Interest								2	5	8
Contribution to Bay Area Headquarters Authority	—	11,423	—	—	—	—	—	—	—	—
Total expenditures	233,605	309,031	280,821	418,275	377,636	212,162	188,169	373,633	543,788	566,542
Excess of revenues over (under) expenditures	4,214	(57,906)	32,285	(27,107)	11,435	(50,230)	4,971	(106,989)	(223,897)	489,230
Other financing sources (uses)										
Transfer in	32,082	29,597	31,737	39,207	46,413	34,889	53,844	49,922	354,535	114,228
Transfer out	(15,098)	(14,366)	(14,595)	(17,279)	(22,494)	(9,813)	(35,904)	(28,436)	(71,612)	(61,085)
Lease	—	—	—	—	—	—	—	146	—	217
SBITA	—	—	—	—	—	—	—	—	—	193
Sale of capital assets	—	11,147	—	—	—	—	—	—	—	—
Total other financing sources (uses)	16,984	26,378	17,142	21,928	23,919	25,076	17,940	21,632	282,923	53,553
Net change in fund balances	\$ 21,198	\$ (31,528)	\$ 49,427	\$ (5,179)	\$ 35,354	\$ (25,154)	\$ 22,911	\$ (85,357)	\$ 59,026	\$ 542,783
Debt service as a percentage of noncapital expenditures	— %	— %	— %	— %	— %	— %	— %	— %	0.01 %	0.02 %

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	
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
2025	1,053,641	1,094,268	5,787	16,662	237,260	—	—	2,407,618

* 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
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
2025	151,934	390,075	17,500	1,330,754	62,292	19,562	64,965	2,037,082

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
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
2025	285,931	119,101	70,648	148,099	144,369	24,872	98,401	891,421

* 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
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
2025	43,076,380	16,803,563	10,307,520	20,673,155	19,742,784	3,302,488	13,359,785	127,265,675

* 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
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
2025								
No. of paid vehicles ('000s)	2,950	18,099	18,268	12,571	15,878	9,696	39,358	116,820
Average toll rate	\$ 8.43	\$ 7.98	\$ 8.11	\$ 7.83	\$ 7.50	\$ 7.29	\$ 7.26	\$ 7.63
Total revenues	\$ 24,872	\$ 144,369	\$ 148,099	\$ 98,401	\$ 119,101	\$ 70,648	\$ 285,931	\$ 891,421

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

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

Table 10

Fiscal Year	Governmental Activities		Business - Type Activities				Total Primary Government	Toll and Express Lane Revenues	Per Toll and Express Lane Revenues
	Leases	SBITAs	Toll Revenue Bonds	Line of Credit	Leases	SBITAs			
2016	\$ —	\$ —	\$ 9,356,476	\$ —	\$ —	\$ —	\$ 9,356,476	\$ 714,132	13
2017	—	—	9,617,638	—	—	—	9,617,638	720,784	13
2018	**	—	9,732,050	—	—	—	9,732,050	735,200	13
2019	—	—	9,643,426	—	—	—	9,643,426	736,644	13
2020	—	—	9,140,324	—	—	—	9,140,324	643,634	14
2021	—	—	9,079,375	—	—	—	9,079,375	851,584 *	11
2022	—	—	9,726,797	—	2,026	—	9,728,823	808,596	12
2023	135	—	9,586,593	—	6,443	217	9,593,388	867,093	11
2024	88	—	9,939,503	210,687	5,036	68	10,155,382	868,875	12
2025	237	174	10,216,859	319,742	3,563	239	10,540,814	965,791	11

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

** Included BAIFA Express lane revenues and expenses starting from FY 2018.

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

Table 11

Fiscal Year	Toll Revenue Bonds	Less: Amounts Available in BATA Trustee Funds	Total	Toll Revenues	Per Toll Revenues
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
2025	10,216,859	1,276,381	8,940,478	891,421	10

* 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 12

Fiscal Year	Toll Revenue Bonds						Coverage
	Toll Revenues	Less: Operating	Debt Service				
			Net Available Revenue	Principal	Interest ⁽¹⁾		
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	
2025	891,421	257,213	634,208	124,273	355,290	1.32	

* 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, 2025

Table 13

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)	426
Type of Tax Support	3.5% of TDA Sales Tax
Region in Which Commission Operates	9-County 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	7,656,691
Number of Toll Bridges in the Region	8
Traffic for All Toll Bridges - Number of Vehicles (excluding Golden Gate Bridge, Highway and Transportation District)	127,265,675
Toll Revenues (\$ in thousands, excluding Golden Gate Bridge, Highway and Transportation District)	\$891,421
Number of Call Boxes in the Region	224

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

Table 14

Year	Population ¹	Per Capita Income ^{2, 5}	Median Age ^{2, 5}	School Enrollment ³	Unemployment Rate ⁴
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 %
2025	7,656,691	N/A	N/A	925,204	4.93 %

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 2025 and 2016

Table 15

2025*			2016**		
Employer	Employees	Rank	Employer	Employees	Rank
City and County of San Francisco	43,123	1	Kaiser Permanente	30,350	1
University of California, San Francisco	33,316	2	City and County of San Francisco	27,667	2
San Francisco Unified School District	8,643	3	University of California, Berkeley	26,829	3
Salesforce	8,500	4	University of California, San Francisco	21,120	4
Sutter Health	6,000	5	State of California	15,482	5
Wells Frago & Co.	5,500	6	Safeway Inc.	15,199	6
Meta Platforms Inc.	5,200	7	Wells Fargo Bank	13,580	7
Kaiser Permanente	5,009	8	Stanford University	13,387	8
Visa Inc.	4,151	9	Stanford Health Care	10,012	9
Google LLC	4,000	10	United Airlines, Inc.	10,000	10

Data Sources

*2025 Book of Lists, San Francisco Business Times

**2016 Book of Lists, San Francisco Business Times

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

Table 16

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Functions										
Governmental Activities										
General government	77	74	86	94	74	70	70	66	83	112
Transportation	83	79	122	119	150	142	164	176	182	173
Housing	—	—	—	—	—	6	6	6	8	8
Business-type Activities										
Toll bridge activities	58	64	65	63	67	70	74	83	88	82
Express lane activities	—	—	—	—	—	—	—	12	15	18
MTC Clipper	—	—	—	—	—	—	—	14	14	19
Congestion relief	5	5	4	5	5	5	6	5	5	5
BAHA	6	10	9	8	8	7	7	8	9	9
	<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>404</u>	<u>426</u>

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

Table 17

<u>Fiscal Year</u>	<u>Retiree Premiums</u>	<u>Covered Payroll*</u>	<u>% of Covered Payroll</u>
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%
2025	1,879,723	61,193,225	3.07%

* Per CalPERS Payment Summary FY 24-25 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, 2025

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025
County of Alameda				
Assets				
Cash	\$ 53,037	\$ 102,572	\$ 98,281	\$ 57,328
Interest receivables	397	570	397	570
Total Assets	<u>\$ 53,434</u>	<u>\$ 103,142</u>	<u>\$ 98,678</u>	<u>\$ 57,898</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 1,435	\$ 96,603	\$ 90,629	\$ 7,409
Due to other governments	51,999	6,539	8,049	50,489
Total Liabilities	<u>\$ 53,434</u>	<u>\$ 103,142</u>	<u>\$ 98,678</u>	<u>\$ 57,898</u>
County of Contra Costa				
Assets				
Cash	\$ 65,315	\$ 70,698	\$ 65,542	\$ 70,471
Total Assets	<u>\$ 65,315</u>	<u>\$ 70,698</u>	<u>\$ 65,542</u>	<u>\$ 70,471</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 2,151	\$ 62,540	\$ 60,373	\$ 4,318
Due to other governments	63,164	8,158	5,169	66,153
Total Liabilities	<u>\$ 65,315</u>	<u>\$ 70,698</u>	<u>\$ 65,542</u>	<u>\$ 70,471</u>
County of Marin				
Assets				
Cash	\$ 2,808	\$ 17,604	\$ 18,210	\$ 2,202
Total Assets	<u>\$ 2,808</u>	<u>\$ 17,604</u>	<u>\$ 18,210</u>	<u>\$ 2,202</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 141	\$ 18,251	\$ 17,502	\$ 890
Due to other governments	2,667	(647)	708	1,312
Total Liabilities	<u>\$ 2,808</u>	<u>\$ 17,604</u>	<u>\$ 18,210</u>	<u>\$ 2,202</u>
County of Napa				
Assets				
Cash	\$ 6,989	\$ 13,532	\$ 13,746	\$ 6,775
Total Assets	<u>\$ 6,989</u>	<u>\$ 13,532</u>	<u>\$ 13,746</u>	<u>\$ 6,775</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 50	\$ 13,307	\$ 13,314	\$ 43
Due to other governments	6,939	225	432	6,732
Total Liabilities	<u>\$ 6,989</u>	<u>\$ 13,532</u>	<u>\$ 13,746</u>	<u>\$ 6,775</u>

Metropolitan Transportation Commission
Schedule of Changes in Assets and Liabilities for Transportation Development
Act (TDA) and AB 1107 (\$ in thousands, unaudited) - *Continued*
For the Year Ended June 30, 2025

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025
County of San Francisco				
Assets				
Cash	\$ 2,901	\$ 49,478	\$ 44,806	\$ 7,573
Interest receivables	118	172	118	172
Total Assets	<u>\$ 3,019</u>	<u>\$ 49,650</u>	<u>\$ 44,924</u>	<u>\$ 7,745</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 4	\$ 44,150	\$ 40,755	\$ 3,399
Due to other governments	3,015	5,500	4,169	4,346
Total Liabilities	<u>\$ 3,019</u>	<u>\$ 49,650</u>	<u>\$ 44,924</u>	<u>\$ 7,745</u>
County of San Mateo				
Assets				
Cash	\$ 11,064	\$ 57,835	\$ 59,034	\$ 9,865
Interest receivables	296	297	296	297
Total Assets	<u>\$ 11,360</u>	<u>\$ 58,132</u>	<u>\$ 59,330</u>	<u>\$ 10,162</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 400	\$ 60,524	\$ 56,795	\$ 4,129
Due to other governments	10,960	(2,392)	2,535	6,033
Total Liabilities	<u>\$ 11,360</u>	<u>\$ 58,132</u>	<u>\$ 59,330</u>	<u>\$ 10,162</u>
County of Santa Clara				
Assets				
Cash	\$ 10,790	\$ 141,526	\$ 130,078	\$ 22,238
Interest receivables	202	345	201	346
Total Assets	<u>\$ 10,992</u>	<u>\$ 141,871</u>	<u>\$ 130,279</u>	<u>\$ 22,584</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 352	\$ 134,727	\$ 124,558	\$ 10,521
Due to other governments	10,640	7,144	5,721	12,063
Total Liabilities	<u>\$ 10,992</u>	<u>\$ 141,871</u>	<u>\$ 130,279</u>	<u>\$ 22,584</u>
County of Solano				
Assets				
Cash	\$ 45,018	\$ 29,337	\$ 37,135	\$ 37,220
Total Assets	<u>\$ 45,018</u>	<u>\$ 29,337</u>	<u>\$ 37,135</u>	<u>\$ 37,220</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 2,677	\$ 37,260	\$ 36,416	\$ 3,521
Due to other governments	42,341	(7,923)	719	33,699
Total Liabilities	<u>\$ 45,018</u>	<u>\$ 29,337</u>	<u>\$ 37,135</u>	<u>\$ 37,220</u>

Metropolitan Transportation Commission
Schedule of Changes in Assets and Liabilities for Transportation Development
Act (TDA) and AB 1107 (\$ in thousands, unaudited) - *Continued*
For the Year Ended June 30, 2025

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025
County of Sonoma				
Assets				
Cash	\$ 41,742	\$ 37,297	\$ 34,694	\$ 44,345
Total Assets	<u>\$ 41,742</u>	<u>\$ 37,297</u>	<u>\$ 34,694</u>	<u>\$ 44,345</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 149	\$ 40,055	\$ 33,528	\$ 6,676
Due to other governments	41,593	(2,758)	1,166	37,669
Total Liabilities	<u>\$ 41,742</u>	<u>\$ 37,297</u>	<u>\$ 34,694</u>	<u>\$ 44,345</u>
Total TDA fund				
Assets				
Cash	\$ 239,664	\$ 519,879	\$ 501,526	\$ 258,017
Interest receivables	1,013	1,384	1,013	1,384
Total Assets	<u>\$ 240,677</u>	<u>\$ 521,263</u>	<u>\$ 502,539</u>	<u>\$ 259,401</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 7,360	\$ 507,415	\$ 473,872	\$ 40,904
Due to other governments	233,317	13,848	28,667	218,497
Total Liabilities	<u>\$ 240,677</u>	<u>\$ 521,263</u>	<u>\$ 502,539</u>	<u>\$ 259,401</u>
AB 1107				
Assets				
Cash	\$ —	\$ 106,191	\$ 98,009	\$ 8,182
Total Assets	<u>\$ —</u>	<u>\$ 106,191</u>	<u>\$ 98,009</u>	<u>\$ 8,182</u>
Liabilities				
Accounts payable and accrued liabilities	\$ —	\$ 151,104	\$ 142,922	\$ 8,182
Total Liabilities	<u>\$ —</u>	<u>\$ 151,104</u>	<u>\$ 142,922</u>	<u>\$ 8,182</u>

Metropolitan Transportation Commission

Schedule of Changes in Assets and Liabilities for Revenue-Based State Transit Assistance (STA)

(\$ in thousands, unaudited)

For the Year Ended June 30, 2025

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025
State Transit Assistance [Revenue-Based]				
Assets				
Cash	\$ 24,915	\$ 267,262	\$ 277,336	\$ 14,841
Refund receivables	—	46	—	46
Interest receivables	311	185	311	185
State funding receivables	74,951	60,035	74,951	60,035
Total Assets	<u>\$ 100,177</u>	<u>\$ 327,528</u>	<u>\$ 352,598</u>	<u>\$ 75,107</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 65,244	\$ 270,116	\$ 277,381	\$ 57,979
Due to other governments	34,933	57,412	75,217	17,128
Total Liabilities	<u>\$ 100,177</u>	<u>\$ 327,528</u>	<u>\$ 352,598</u>	<u>\$ 75,107</u>