

**Bay Area Toll Authority
Oversight Committee**

October 11, 2023

Agenda Item 4c - 23-1086

Fiscal Year (FY) 2023-24 Bay Area Toll Authority (BATA) Statement of Revenues and Expenses for the Period Ended August 31, 2023 (Unaudited)

Subject:

A request that the BATA Oversight Committee accept the Statement of Revenues and Expenses for the period ending August 31, 2023 (unaudited).

Background:

The Bay Area Toll Authority manages the electronic toll revenues collected from the Bay Area's seven bridges owned by the California Department of Transportation (Caltrans). BATA also manages FasTrak[®], which is the electronic toll payment system for the bridges and express lanes. Caltrans is responsible for the operation and maintenance of these bridges.

The Statement of Revenues and Expenses has been prepared in accordance with the generally accepted accounting principles (GAAP). The columns have been designed to provide an easy comparison of current year-to-date actuals to the prior year-to-date actuals, including dollar and percentage variances.

Operating Revenue:

Regional Measures (RM) 1, 2, and 3 are tolls on the state-owned bridges to finance specific bridge and roadway improvements and transportation projects. Year-to-date toll revenues collected were \$140 million, which was \$1.8 million more than the prior year-to-date actual. It's primarily driven by an increase in traffic across the Bay Area bridges.

Violation revenues and other revenues collected were \$3.4 million, which was comparable to prior year-to-date actual violation revenues and other revenues.

Operating Expenses:

As of August 31, 2023, Operating Expenses were \$9.1 million, which is \$3.8 million more than the prior year-to-date actual. Higher operating expenses in FY 2024 were driven by timing

differences in three expense categories: Water Emergency Transportation Authority (WETA) expenses, marketing expenses, and bank service charges related to FasTrak processing fees. These expenses were also present in FY 2023, but were booked at a later date.

Non Operating Revenues and Expenses:

As of August 31, 2023, Total Non-operating Revenues (Expenses) were (\$44.9 million), which was \$45.9 million less than the non-operating revenue in prior year-to-date actual. The primary driver of this fluctuation is a change in method for the recording of bond interest expenses.

In FY 2023, bond interest expenses were recorded when they were incurred. A majority of BATA's bond payments are made on a semi-annual basis, every October/April. In an effort to more accurately reflect expense on a monthly basis, Treasury has started to accrue interest expenses each month.

Contributions and Transfers:

As of August 31, 2023, Total Contributions and Transfers were \$4.9 million, an increase of \$4.9 million compared to prior year-to-date actual. This is due to the timing difference in BATA's 1% transfer to MTC.

In FY 2023, the 1% and additional 1% transfer for Q1 was completed at the end of Q2 FY 2023.

Budget & Forecast Updates:

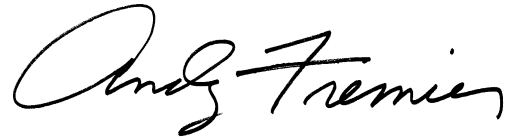
FY 2023-24 total operating expenses are currently projected to be within budget. The budgeted operating surplus of \$29.2 million will be transferred to the operating reserves at the end of the fiscal year. Detailed budget to actual analysis will be provided on a quarterly basis.

Recommendations:

Accept Statement of Revenues and Expenses for the Period Ending August 31, 2023 (Unaudited)

Attachments:

Attachment A: BATA Statement of Revenues and Expenses for the Period Ending August 31, 2023 (unaudited)

A handwritten signature in black ink that reads "Andrew B. Fremier". The signature is written in a cursive, flowing style.

Andrew B. Fremier

BAY AREA TOLL AUTHORITY (BATA)**STATEMENT OF REVENUE AND EXPENSE**

For the Period Ended August 31, 2023

	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
OPERATING REVENUES						
RM1 revenue and Seismic	84,652,001	83,789,244	862,757	1.03%	542,600,000	15.60%
RM2 revenue	18,100,599	17,885,691	214,908	1.20%	117,400,000	15.42%
RM3 revenue	37,248,586	36,541,328	707,258	1.94%	233,600,000	15.95%
Toll revenues collected	140,001,186	138,216,263	1,784,923	1.29%	893,600,000	15.67%
Toll violation revenues	3,394,346	3,017,203	377,143	12.50%	26,000,000	13.06%
Other revenues	43,610	345,422	(301,812)	-87.37%	-	-
Other operating revenues	3,437,956	3,362,625	75,331	2.24%	26,000,000	13.22%
TOTAL OPERATING REVENUES	143,439,142	141,578,888	1,860,254	1.31%	919,600,000	15.60%
OPERATING EXPENSES						
Operating expenses incurred by Caltrans	166,230	403,612	(237,382)	-58.81%	2,780,000	5.98%
Operating expenses - Transbay JPA	-	-	-	0.00%	5,969,367	0.00%
Professional fees	221,285	770,405	(549,120)	-71.28%	90,415,900	0.24%
Allocations to other agencies	2,475,235	26,804	2,448,431	9134.45%	278,130,000	0.89%
Salaries and benefits	2,394,326	2,361,435	32,892	1.39%	19,326,625	12.39%
Other operating expenses	3,824,794	1,696,196	2,128,597	125.49%	59,679,634	6.41%
TOTAL OPERATING EXPENSES	9,081,870	5,258,452	3,823,418	72.71%	456,301,526	1.99%
OPERATING INCOME (LOSS)	134,357,272	136,320,435	(1,963,164)	-1.44%	463,298,474	29.00%
NONOPERATING REVENUES (EXPENSES)						
Other Agency Reimbursements	1,279,521	2,209,195	(929,673)	-42.08%	17,920,000	7.14%
Investment income (charge)	14,911,433	5,886,685	9,024,749	153.31%	62,116,998	24.01%
Build America Bonds (BABs) interest subsidy	11,513,387	-	11,513,387	0.00%	70,339,448	16.37%
Interest expense	(67,913,307)	(6,109,377)	(61,803,930)	1011.62%	(546,105,299)	12.44%
Financing fees and bond issuance costs	(52,400)	(11,900)	(40,500)	340.34%	(7,500,194)	0.70%
Distributions to other agencies for their capital purposes	(4,306,727)	-	(4,306,727)	0.00%	-	-
Distributions to Caltrans for their capital purposes	(605,947)	(1,017,828)	411,881	-40.47%	(8,910,000)	6.80%
Other nonoperating revenues (expenses)	275,487	-	275,487	0.00%	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(44,898,553)	956,774	(45,855,327)	-4792.70%	(412,139,047)	10.89%
INCOME (LOSS) BEFORE TRANSFERS	89,458,719	137,277,209	(47,818,491)	-34.83%	51,159,427	174.86%
CONTRIBUTIONS AND TRANSFERS						
Transfers to Metropolitan Transportation Commission	(4,908,585)	-	(4,908,585)	0.00%	(19,634,340)	25.00%
Transfer between programs	-	-	-	0.00%	(2,330,879)	0.00%
TOTAL TRANSFERS	(4,908,585)	-	(4,908,585)	0.00%	(21,965,219)	22.35%
NET SURPLUS / DEFICIT before depreciation and unrealized gain (loss) on investment	84,550,134	137,277,209	(52,727,076)	-38.41%	29,194,208	289.61%

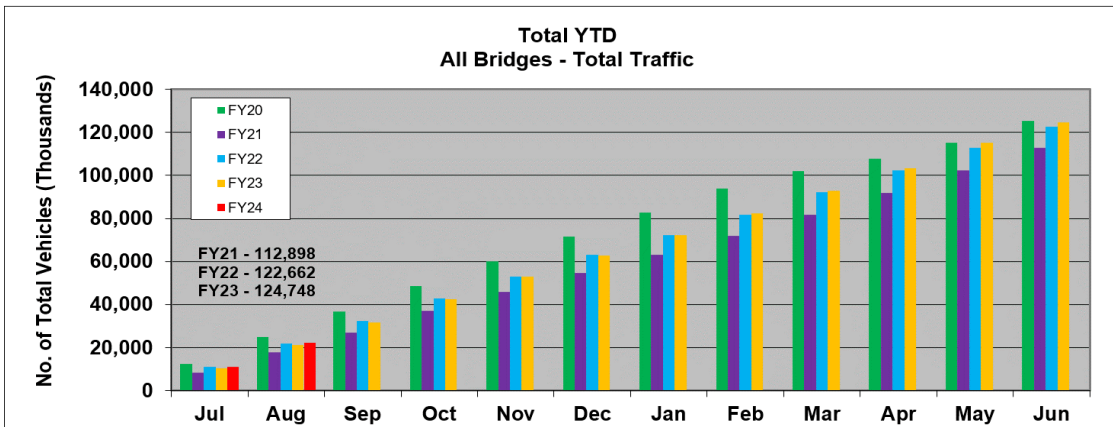
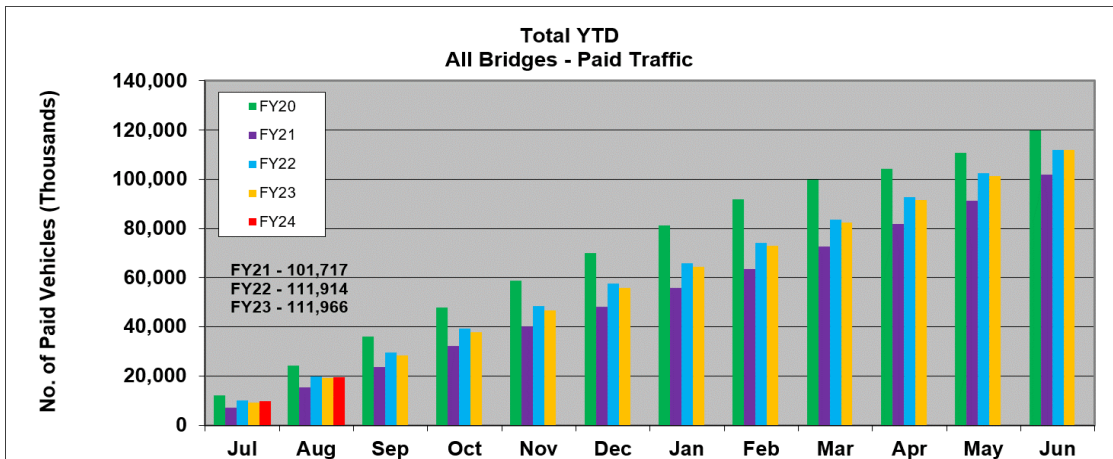
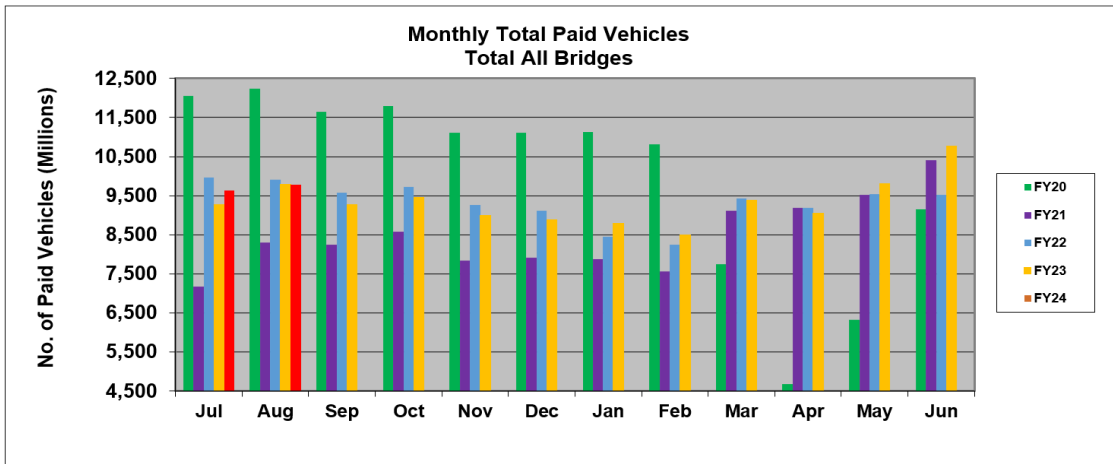
Cash and Investment as of August 31, 2023

CASH		BALANCE
US Bank Checking - BATA	\$	84,659,361
Bank of America Checking - FasTrak	\$	40,823,730
Total	\$	<u>125,483,091</u>
INVESTMENTS*		
Government -Sponsored Enterprises (GSE)	\$	1,052,845,965
US Treasury	\$	1,127,329,822
Mutual Funds	\$	317,501,129
Municipal Bonds	\$	17,200,000
CAMP	\$	157,714,010
LAIF	\$	122,686
Total	\$	<u>2,672,713,612</u>
TOTAL CASH AND INVESTMENTS	\$	<u>2,798,196,703</u>

* Market values

Interest Earnings for August 2023	7,886,616
Cumulative Earnings FY2023-24	15,063,076

FY 2023-24 BATA TRAFFIC DATA
As of August 2023



FY 2023-24 BATA VIOLATIONS REVENUE
As of August 2023

