



Quarterly Report of the Controller-Treasurer Period Ending 09/30/2020



BART Board of Directors
January 28, 2021

Quarterly Report of the Controller-Treasurer

Period Ended 09/30/2020

- The District currently provides benefits to employees which include, but are not limited to:
 - **Retirement Pension Plan** managed by the California Public Employee Retirement System (CALPERS) and funded by contributions from the District and its employees. CALPERS is the largest pension plan in the United States with assets of approximately \$300 billion.
 - ✓ The District established a Section 115 Trust for prefunding the District's pension obligation. Total assets of the Trust as of September 30, 2020 is \$20,343,375.
 - **Retiree Medical Benefits** coverage funded by a Trust established by the District in 2005.
The Trust as of September 30, 2020.
 - a. Invested in a combination of stocks, bonds, REIT & cash,
 - b. Benchmark 6.5%,
 - c. Total net assets \$416.3 million and inception to date return is 7.2%,
 - d. Quarterly Report to the Unions
 - **Survivor Benefits** of active and retired employees funded by the employees (\$15/month).
 - ✓ The Trust was established on May 18, 2020. Total assets of the Trust as of September 30, 2020 is \$8,700,528.
 - **Life Insurance** for retired employees.
 - The District also accrues liabilities through Property & Casualty insurance and workers compensation claims and maintains the required reserves related to its self-funded insurance programs for worker's compensation and general liability based on an annual actuarial study.

Quarterly Report of the Controller-Treasurer

Period Ended 09/30/2020

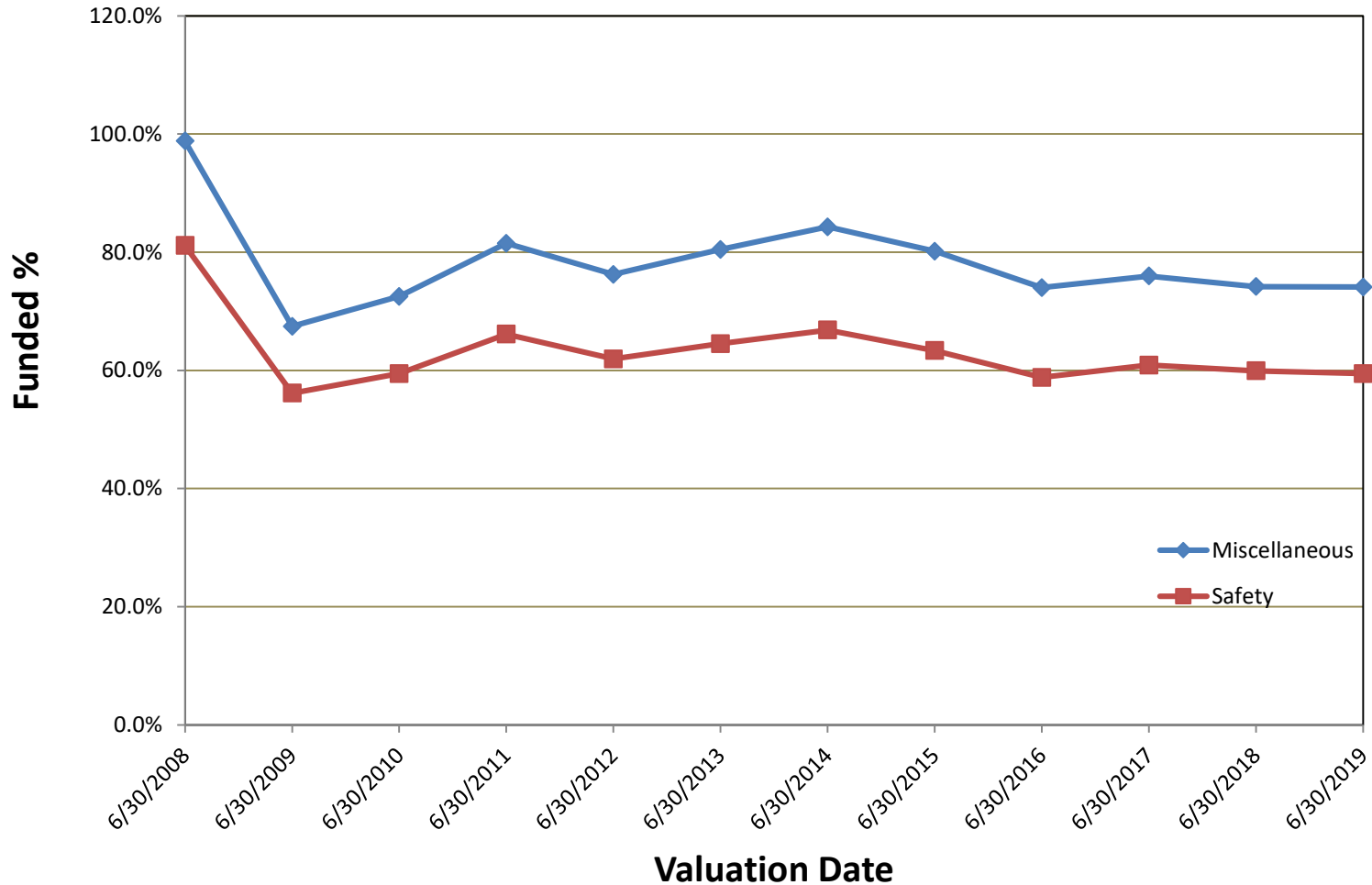
Funding Summary of Pension, Retiree Health & Other Post-Employment Benefits

	<u>Report Date</u>	<u>Market Value of Assets</u>	<u>Total Liability</u>	<u>Unfunded Liability</u>	<u>% Funded</u>
Retirement Pension with CALPERS					
Miscellaneous Employees	6/30/2019	\$ 1,940,359,779	\$ 2,618,173,479	\$ 677,813,700	74.1%
Safety Employees	6/30/2019	\$ 227,016,977	\$ 381,943,125	\$ 154,926,148	59.4%
Section 115 Pension Trust **	9/30/2020	\$ 20,343,375			
Retiree Health Benefits	6/30/2019	\$ 340,470,000	\$ 603,787,000	\$ 263,317,000	56.4%
Other Post Employment Benefits					
Life Insurance	6/30/2019	\$ -	\$ 36,970,000	\$ 36,970,000	0.0%
Survivors Benefits	6/30/2019	\$ 8,143,000	\$ 34,730,000	\$ 26,587,000	23.4%

** Balance of Section 115 Pension Trust for prefunding of the District's pension obligation including \$10,000,000 allocated in FY20.

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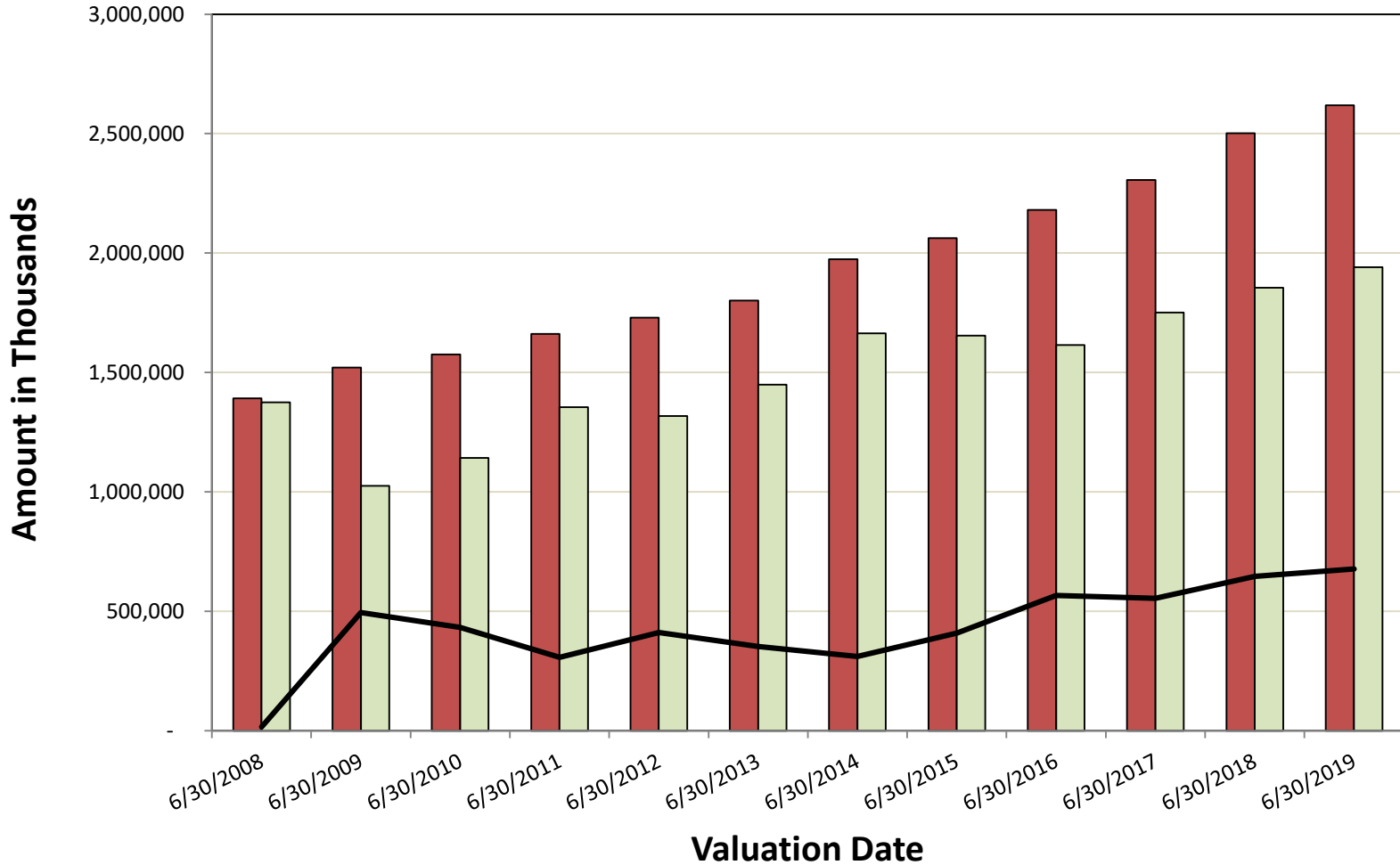
CALPERS Pension Plan Funding Progress



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CALPERS Miscellaneous Pension Plan Funding Progress

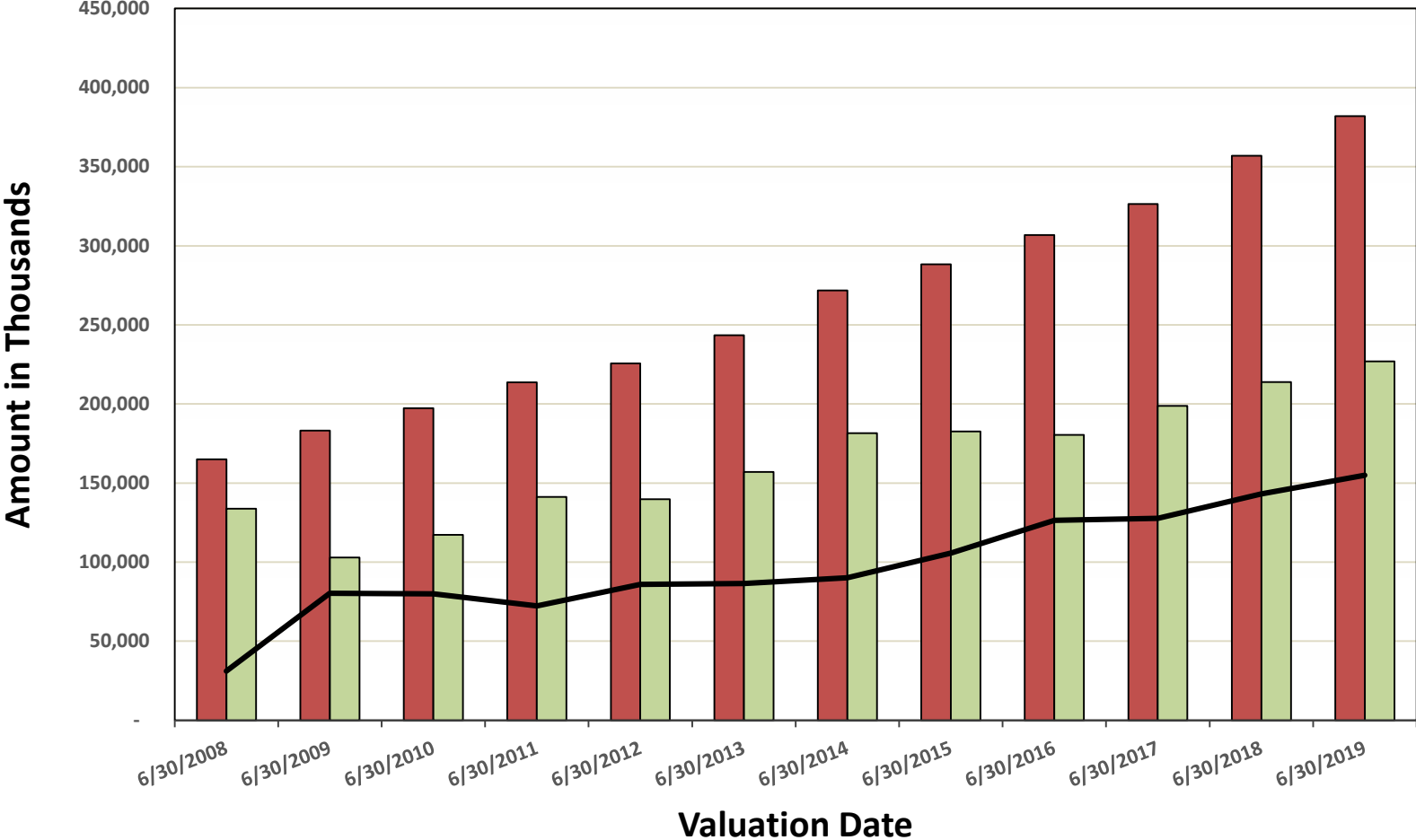
Accrued Liability Market Value of Assets Unfunded Liability



Quarterly Report of the Controller-Treasurer Period Ended 09/30/2020

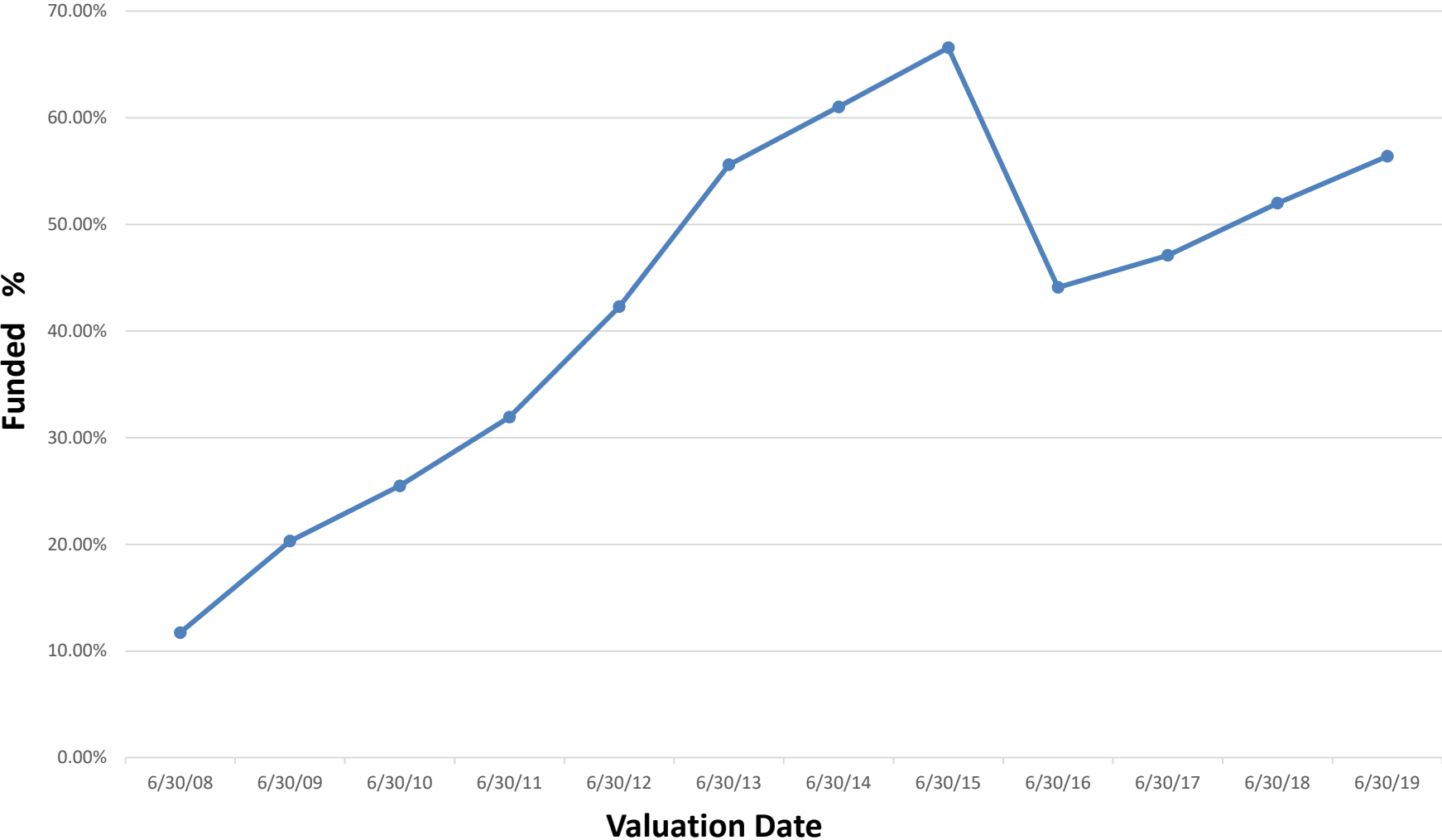
CALPERS Safety Pension Plan Funding Progress

Accrued Liability Market Value of Assets Unfunded Liability



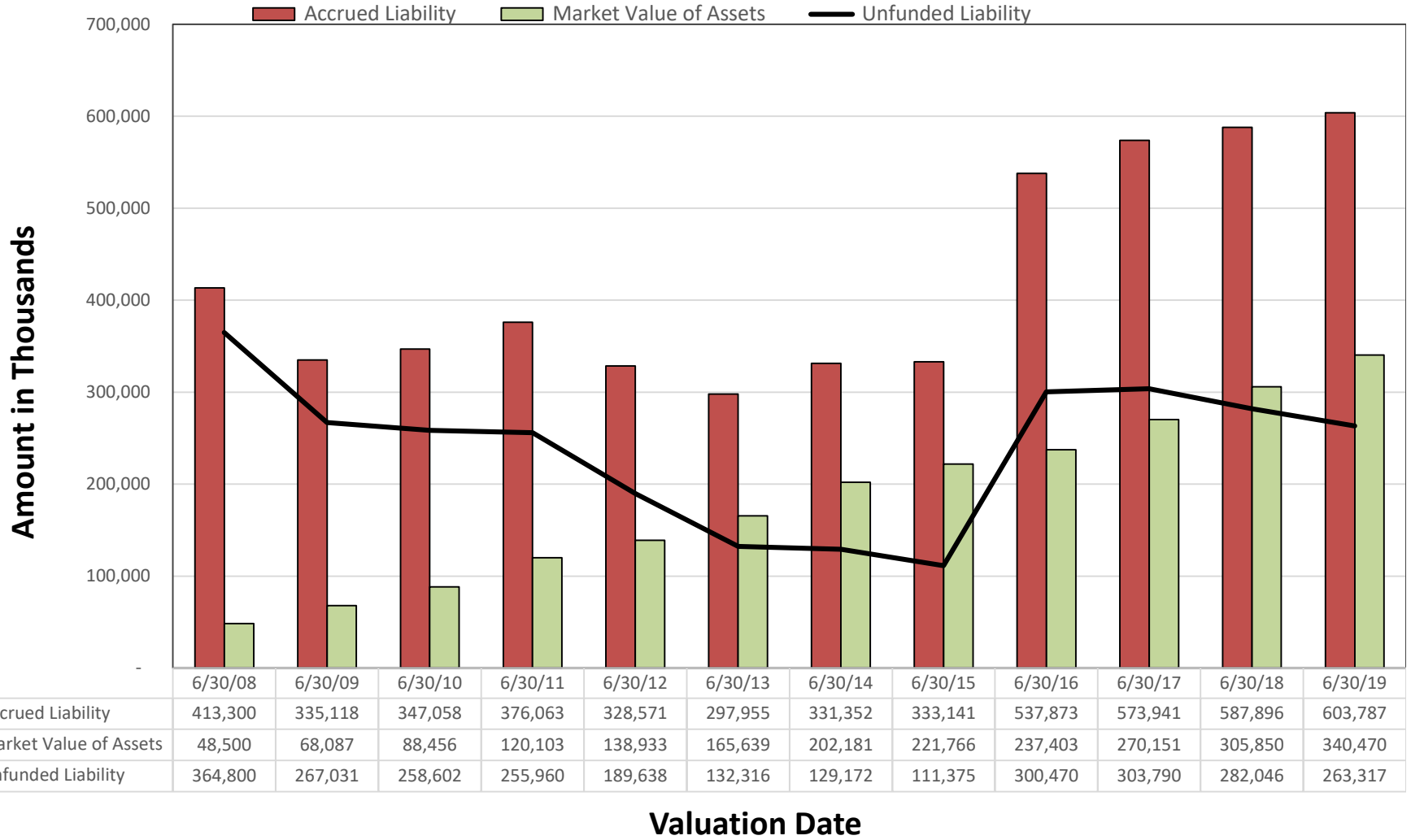
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Retiree Health Benefits Plan Funding Progress



Quarterly Report of the Controller-Treasurer Period Ended 09/30/2020

Funding Progress Retiree Health Benefits Plan



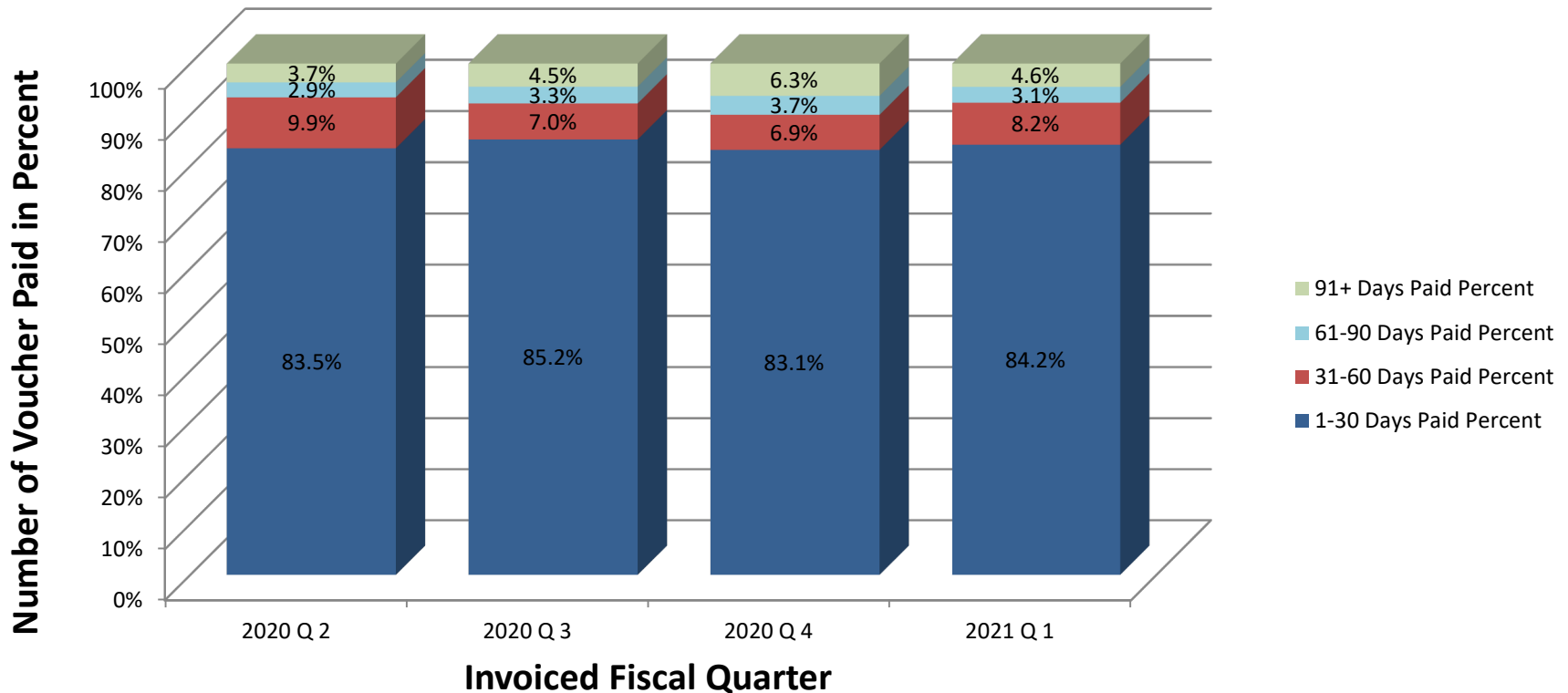
Quarterly Report of the Controller-Treasurer

Period Ended 09/30/2020

Accounts Payable

- Our goal is to pay 93% of our invoices within 30 days. During the most recent quarter, the District was able to process 84.2% of all paid invoices within 30 days. Of those that were not processed in 30 days, 8.2% were processed within 60 days, 3.1% were processed within 90 days, and 4.6% were processed over 90 days. The trend depicting the past year is shown here:

Quarterly Number of Voucher Payment Trend



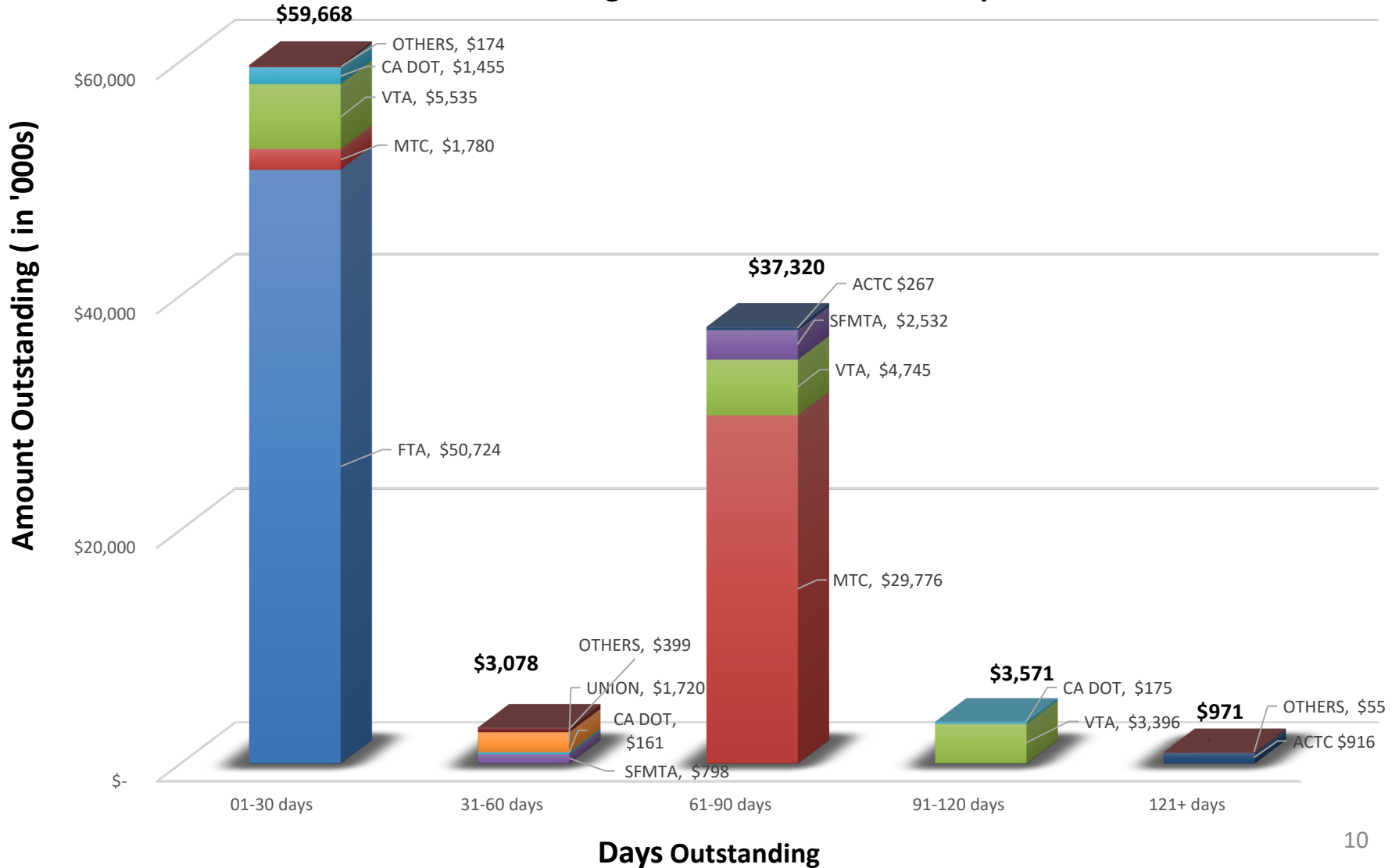
Quarterly Report of the Controller-Treasurer

Period Ended 09/30/2020

Accounts Receivable

- The time to receive reimbursement from our funding partners is shown in the chart below. The amount outstanding is \$104,608,000 as of September 30, 2020.

Outstanding Billed A/R Grants as of September 30, 2020



Quarterly Report of the Controller-Treasurer

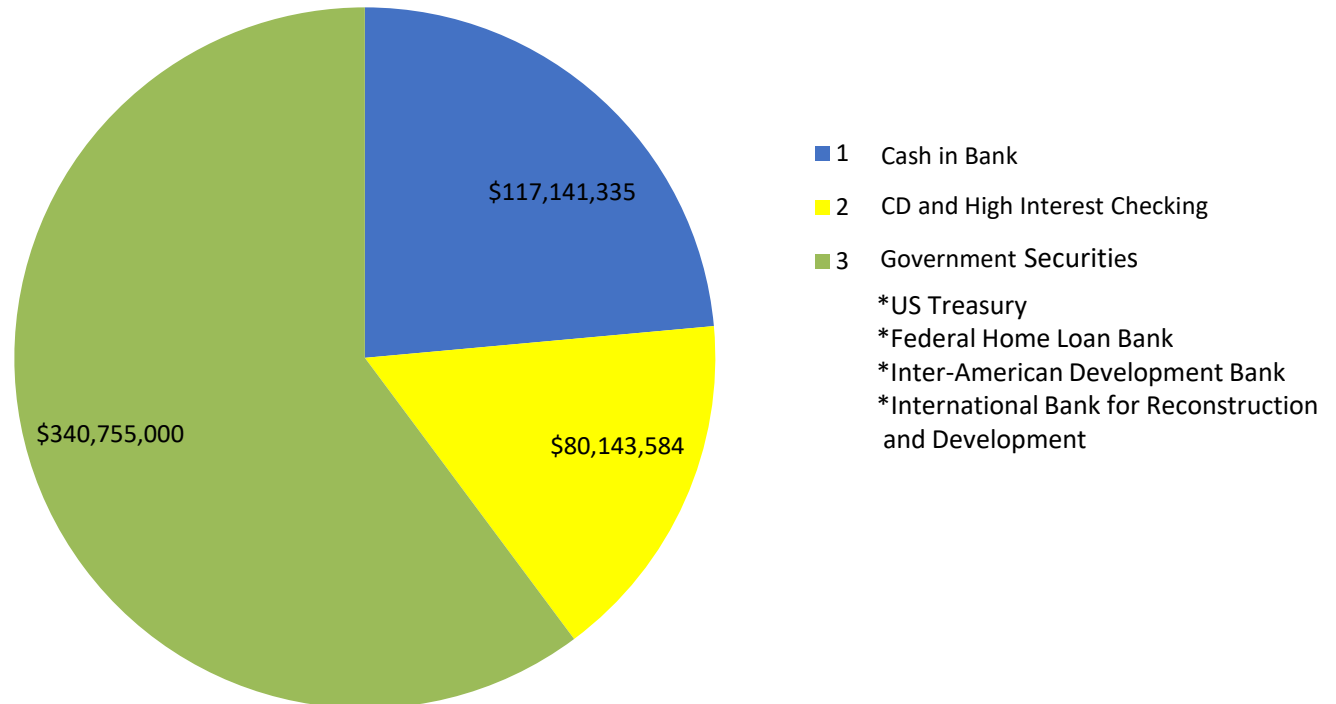
Period Ended 09/30/2020

3. DISTRICT FINANCES

Shown below are the composition of the District's cash and investments for the General Fund and Working Capital Fund as of the end of the quarter.

Total Cash and Investments - \$538,039,919

- Total Cash in Banks: \$117,141,335
- Total CD: \$885,629 and High Interest Checking Account: \$79,257,955
- Total Government Securities: \$340,755,000
- Weighted average return on our Investments has been trending slightly lower. Current quarter's rate of return is .38% compared to .93% reported in previous quarter. The weighted average maturity (WAM) of our Investment portfolio is 73 days.

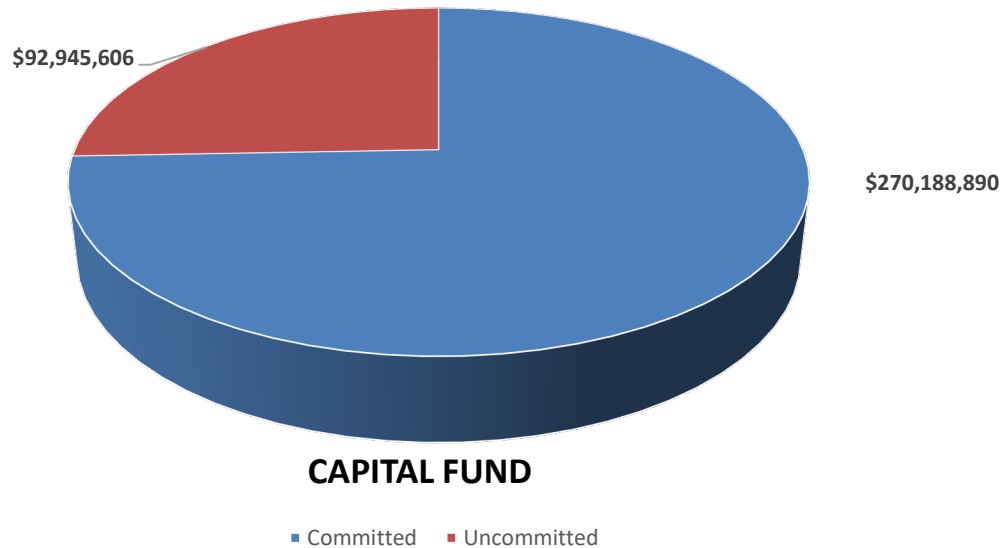


Quarterly Report of the Controller-Treasurer

Period Ended 09/30/2020

Breakdown of Cash and Investments

	<u>General Fund</u>	<u>Capital Fund</u>	<u>Total</u>
Restricted	\$ 46,576,503	\$ 37,865,141	\$ 84,441,644
Unrestricted	\$ 128,328,920	\$ 325,269,355	\$ 453,598,275
Total	<u><u>\$ 174,905,423</u></u>	<u><u>\$ 363,134,496</u></u>	<u><u>\$ 538,039,919</u></u>



Quarterly Report of the Controller-Treasurer

Period Ended 09/30/2020

Summary of Outstanding Bonds

	<u>Authorized</u>	<u>Issued</u>	<u>Outstanding Balance</u>	<u>Annual Debt Service</u>	<u>Property Tax Assessments *</u>
Sales Tax Revenue Bonds **		\$ 984,260,000	\$ 686,295,000	\$ 47,407,047	
Measure AA General Obligation Bonds	\$ 980,000,000	\$ 980,000,000	\$ 681,780,000	\$ 55,933,444	\$7.10/\$100,000
Measure RR General Obligation Bonds	\$ 3,500,000,000	\$ 1,360,000,000	\$ 1,190,110,000	\$ 53,155,789	\$6.80/\$100,000
Total		<u>\$ 3,324,260,000</u>	<u>\$ 2,558,185,000</u>	<u>\$ 156,496,280</u>	

* Effective November 2020

** Sales Tax Revenue Bonds with outstanding balances.

Quarterly Report of the Controller-Treasurer

Period Ended 09/30/2020

Operating and Other Reserves

		<u>June 30, 2020</u>	<u>FY 21 Allocation & Interest Earnings</u>	<u>FY 21 Utilization</u>	<u>Sept 30, 2020</u>
Operating Reserve	(1)	\$ 53,708,182			\$ 53,708,182
Insurance Calamity Reserve	(2)	9,000,000			9,000,000
Operating Reserve - Economic Uncertainty	(3)	90,551,586	37,849,528		128,401,114
Operating Reserve - Safety & Security	(4)	-			-
Operating Reserve - Fiscal Stability – Pension	(5)	20,294,375	49,000		20,343,375
Operating Reserve - Low Carbon Fuel Standards Credits	(6)	18,498,668			18,498,668
Working Capital Reserve Fund	(7)	83,198,688	293,132		83,491,820
Operating Reserve - Quality of Life	(8)	1,500,000			1,500,000
Total		<u>\$ 276,751,499</u>	<u>\$ 38,191,660</u>	<u>\$ -</u>	<u>\$ 314,943,159</u>

- (1) Cumulative balance of operating reserves per "Financial Stability Policy" approved by the Board.
- (2) This reserve was set aside in the 1960s to cover catastrophic losses associated with District property damage, public liability and workers' compensation claims.
- (3) Operating reserve set aside due to uncertain economic conditions.
- (4) Amount set aside in FY18 for Safety and Security
- (5) Amount set aside in FY18, FY19 and FY20 for pension contribution or for prefunding of the District's pension obligation. A Section 115 Pension Trust has been created for this reserve.
- (6) Portion of proceeds from sale of Low Carbon Fuel Standards credits sold set aside to support operations per "Low Carbon Fuel Standard Policy" approved by the Board in July 2017.
- (7) Working capital fund.
- (8) Operating reserve set aside in FY 19 for quality-of-life initiatives.