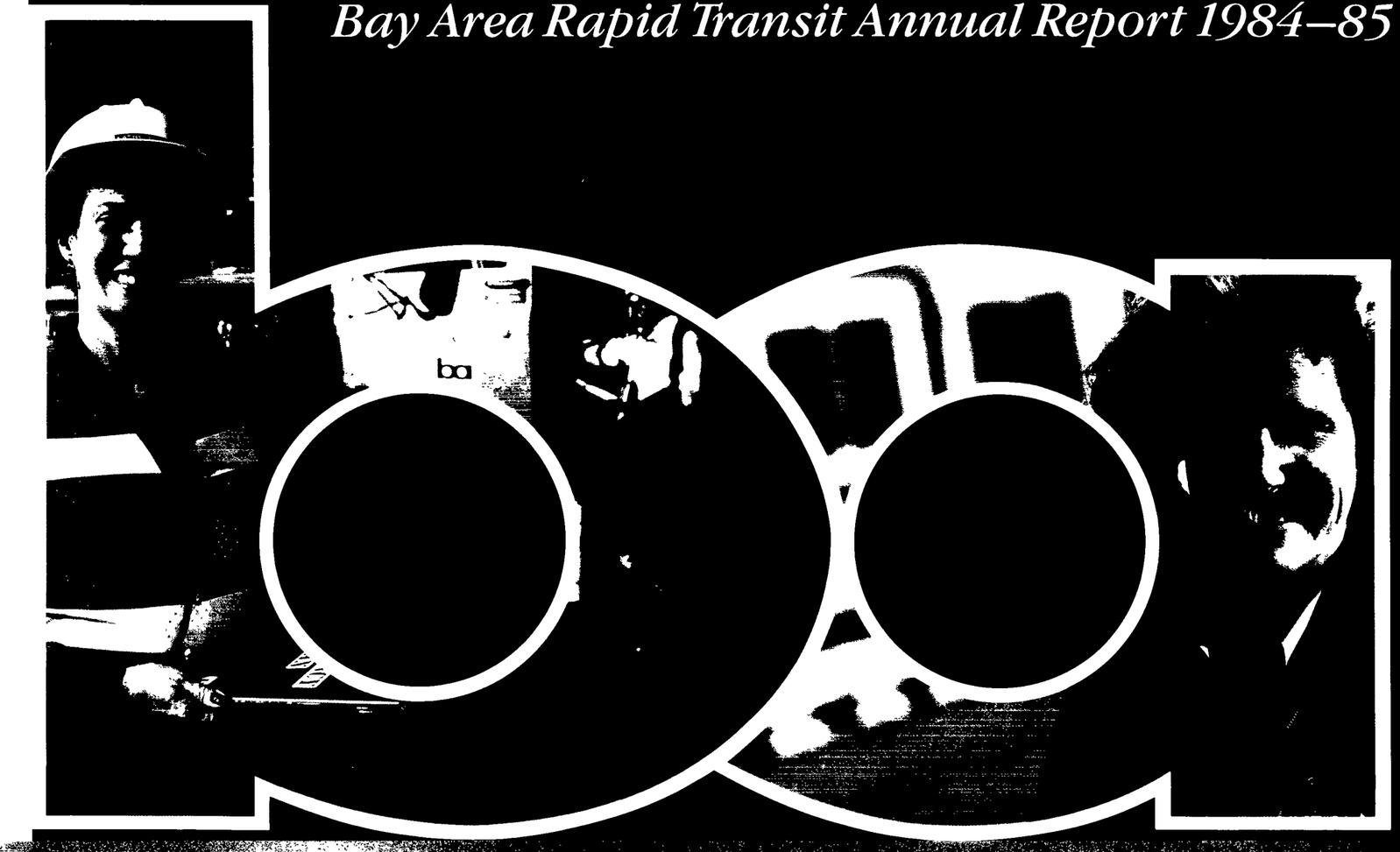
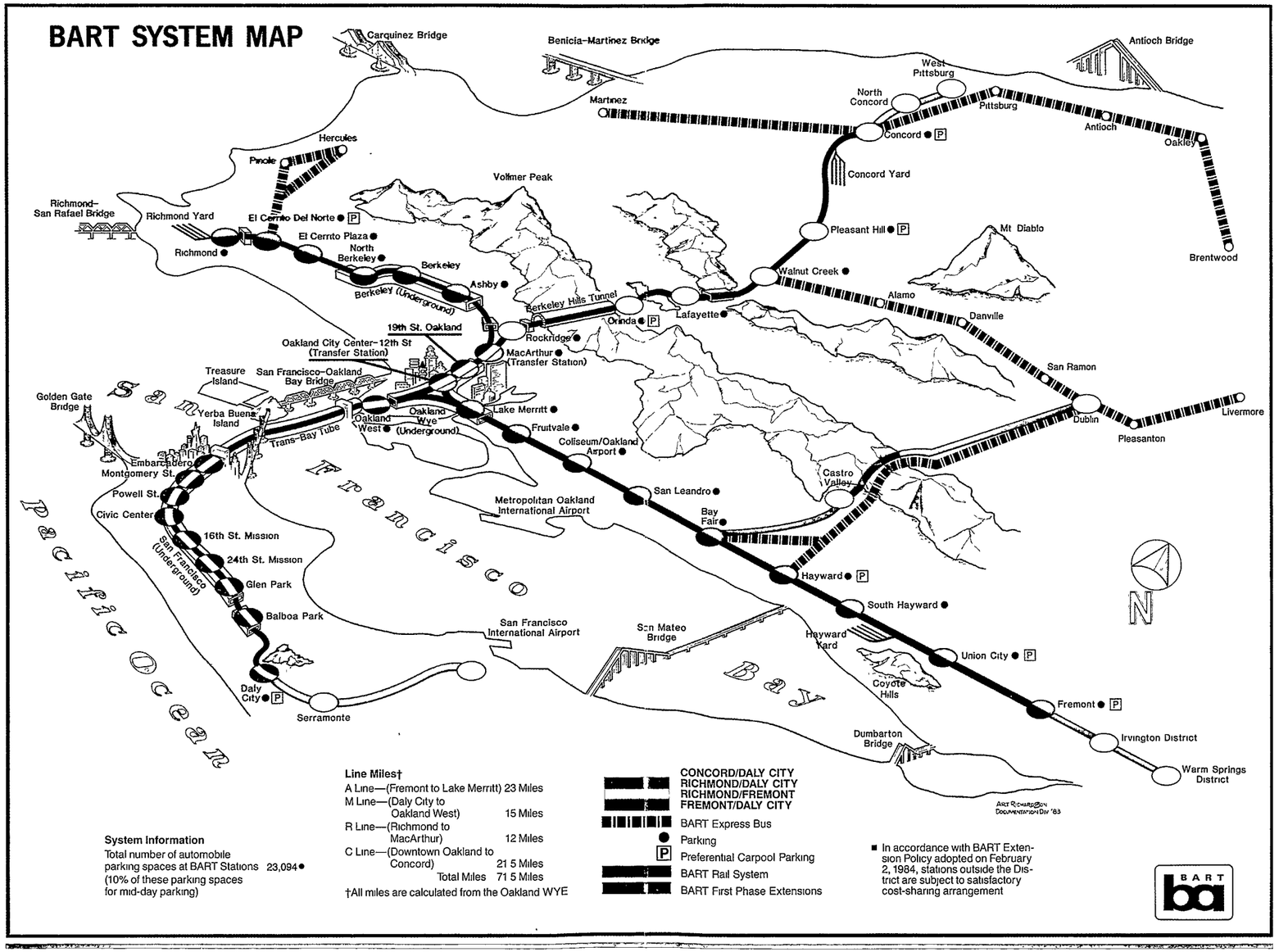
Bay Area Rapid Transit Annual Report 1984–85



BART SYSTEM MAP



System Information

Total number of automobile parking spaces at BART Stations 23,094●
(10% of these parking spaces for mid-day parking)

Line Miles†

A Line—(Fremont to Lake Merritt) 23 Miles
M Line—(Daly City to Oakland West) 15 Miles
R Line—(Richmond to MacArthur) 12 Miles
C Line—(Downtown Oakland to Concord) 21 5 Miles
Total Miles 71 5 Miles

†All miles are calculated from the Oakland WYE

CONCORD/DALY CITY
RICHMOND/DALY CITY
RICHMOND/FREMONT
FREMONT/DALY CITY
BART Express Bus
● Parking
[P] Preferential Carpool Parking
BART Rail System
BART First Phase Extensions

■ In accordance with BART Extension Policy adopted on February 2, 1984, stations outside the District are subject to satisfactory cost-sharing arrangement

Board of Directors

The members of BART's Board of Directors are representative of the diversity of the Bay Area's population, in terms of background, education, community involvement, and professional and business achievement. They bring to the Board the experience and expertise of running a business, cost analysis, urban planning, finance, community development, engineering, the law, insurance, and city government. They take an active role in a wide variety of community organizations and represent BART's interests on governmental committees throughout the Bay Area.

Barclay Simpson
District 1

A member of the Board since 1976 and Board President in 1977. Chairman of the Board, Simpson Company, San Leandro, and owner, Barclay Simpson Art Gallery, Lafayette. Lives in Orinda.

Nello Bianco
District 2

A member of the Board since 1969 and Board President in 1975 and 1980. Businessman. Former Richmond City Councilman. Lives in El Sobrante.

Arthur J. Sharkis
District 3

A member of the Board since 1976 and Board President in 1984. A San Francisco attorney. Lives in Oakland.

Margaret K. Pryor
District 4

A member of the Board since 1980 and Chairperson in 1984 of the Administration Committee. Community Development Specialist. Active in national and local transportation and civil rights groups. Lives in Oakland.

Robert S. Allen
District 5

A member of the Board since 1974 and Board President in 1983. Railroad engineering and operations. Lives in Livermore.

John Glenn
District 6

A member of the Board since 1974. Board Vice-president, 1985. Board President, 1982. Chairman, Policy Committee, Fremont-South Bay Corridor Study. Founder and President, John Glenn Adjusters and Administrators. Lives in Fremont.

Wilfred T. Ussery
District 7

A member of the Board since 1978 and Board President in 1985. An urban planner. Active in Bay Area civic organizations. Past National Chairman, Congress of Racial Equality, 1967 to 1969. Lives in San Francisco.

Eugene Garfinkle
District 8

A member of the Board since 1977 and Board President in 1981. A San Francisco attorney. Lives in San Francisco.

John H. Kirkwood
District 9

A member of the Board since 1974 and Board President in 1979. He is a Director of the San Francisco Planning and Urban Renewal Association and Vice President of the National Association of Railway Passengers. Lives in San Francisco.

Message from the President

People sometimes ask me, "What does BART's Board of Directors actually do?" First of all, of course, my colleagues and I shape the Board policies that guide the day-to-day operations of BART's system and we oversee the spending of each and every dime of BART's money. That's part of our job, and it's a very important aspect of our responsibilities as stewards of the public's investment in BART's track and trains and staff.

Our stewardship also includes molding BART's policy structure so that it is responsive to the future and the vital role that BART can and should play in the Bay Area, against a background of population expansion and economic growth. The Board must seize those opportunities created by technological advances in areas which enjoy a symbiotic relationship to rapid rail such as urban development, fiber optics, and viable options for energy independence, including wind farms and other projects for cogeneration of electricity. My colleagues and I must set goals and help develop plans so that BART will not only meet the needs of its growing number of passengers but also provide leadership in community development in its broadest sense.

To fully understand the idea of community development, you only have to think of the importance of rivers and seaports, railroad routes and junctions, highway and freeway systems to see how different modes of transit also function as urban form-givers. From earliest times, means of transport have been the key factor in determining the location of cities and communities and the development of entire regions. With BART's ability to provide transportation throughout the Bay region and link people and communities, BART also functions in this historic development context. BART is not simply a "people mover." Like other urban rapid rail systems, BART is giving shape and form to various aspects of the San Francisco Bay Region it serves.

BART's Joint Development Program provides the best example of how we, as a Board, have responded to the fact that we are not merely in the business of moving people from one point to another. The emergence of BART station areas as the prime development sites in the Bay Area has made BART a major factor in the shaping of economic growth and urban development throughout the region. Joint Development provides an opportunity for private developers and governmental agencies to make the most beneficial use of the immense locational advantages and related appreciation in value which accrue to land in the vicinity of BART's stations.

Our guidelines for Joint Development call for developing a general plan and environmental impact report for each station area in cooperation with local governments, sensitivity to market forces, utilization of the skills and know-how of private developers and enhancement of the potential for a return on the billion-dollar investment to build BART made by residents of the BART District whom we represent as Directors.

Another example of BART interest which goes beyond functioning simply as a "people mover" is our recent effort to make additional use of our rights-of-way throughout the Bay Area. Historically, there has been a linkage between railroad systems and communications networks, from early telegraph lines in rail rights-of-way to today's fiber optics cable installations in rail and mass transit rights-of-way. BART, too, has a similar telecommunications capability which can become a major new income generator for BART due to its unique placement in the Bay region.

With the assistance of BART's professional staff, my colleagues and I are investigating the possibility of installing such fiber optics lines throughout our 71.5 miles of right-of-way. Hopefully, it will become a regional component of the national fiber optics network now being installed by America's telecommunication and rail industries. Further, each extension of BART will only enhance and expand this potential to develop an important interface with the emerging fiber optics-based information industry.

This emerging relationship between rapid rail systems and fiber optics will provide BART an important role in the information industry-driven trend towards decentralization, which will have as one of its principal features the substitution of communication for transportation—message flows for person flows—which

for many persons in the Bay Area will reduce the relative cost of transportation. This phenomenon, a product of the integration of the infrastructure of BART and the emerging bay region's fiber optics-based telecommunications and information industry, will become increasingly a major factor in diminishing the importance of the central place. This significant and unique region-forming capability, when coupled with joint development and achievement of energy independence, fundamentally projects BART into becoming an even more important agent for change for the San Francisco Bay Area.

Our ability to explore and develop such opportunities is predicated upon the measurable world-class success we now experience in our day-to-day operations which makes BART the premier rapid rail system in America. Our prime business is transit, and we will continue to have as our top priority the maintenance of an excellent on-time performance and car availability record, an airline's quality preventive maintenance program, one of the best farebox returns in the nation, and a good relationship with our organized labor forces.

Thus our role as stewards of this regional public enterprise compels us to balance as carefully as we can our objective for urban development and technological innovation in relation to BART's primary mission as a transit operator. It is an exciting challenge. I think we do it well.

Wilfred J. Ussery

Wilfred T. Ussery, President
Board of Directors
San Francisco Bay Area
Rapid Transit District, 1985

"Safe and reliable transportation at the lowest possible cost"

Plans and People Help BART Reach Its Goals

BART is currently implementing its Short-Range Transit Plan to almost double the system's carrying capacity to serve growing population and employment centers. Upon completion, the $519.7 million project will enable BART to operate 68 trains at one time.

The plan was prepared by BART's professional staff and approved by the District's Board of Directors. It is carried out by the men and women who constitute BART's work force.

BART Police Officer Mike Davis takes the fingerprints of the many children who participated in the Ident-A-Kid program

Ident-a-Kid

During National Police Week in May, BART police provided to parents a free set of their childrens' fingerprints for identification purposes. The service was provided at special booths set up at five BART stations.

Mike Sargent, station agent, who with his more than 190 colleagues are in the first line of service to BART patrons

BART Police

Few passengers realize that BART's police force, which is composed of 133 "sworn personnel" and 30 civilian employees, is a fully accredited law enforcement agency. BART police cooperate with 16 different police jurisdictions in four counties and with nine district attorney offices handling BART cases. BART police, for example, are working with police officers from Berkeley to prevent threats, thefts, assaults and annoying behavior to BART passengers. BART police walk a beat jointly with Berkeley police in and about the Berkeley BART Station. The prime objective of the cooperative effort is to reduce criminal activity and create a safer environment in the downtown Berkeley area surrounding the Berkeley BART Station. Incidents of pickpocketing alone at the Berkeley Station were reduced considerably as a result of this joint effort.

Most crimes against BART passengers take place in BART's parking lots, not on its trains or in its 34 stations.

BART's passenger-related crime rate for the year was 23.4 incidents per million trips, based on 1,442 passenger-related crimes, of which 808 were for disorderly conduct and 634 were for all other categories.

Carl Smith, an electronic technician (ET) at the Concord Yard

Tracking Patronage

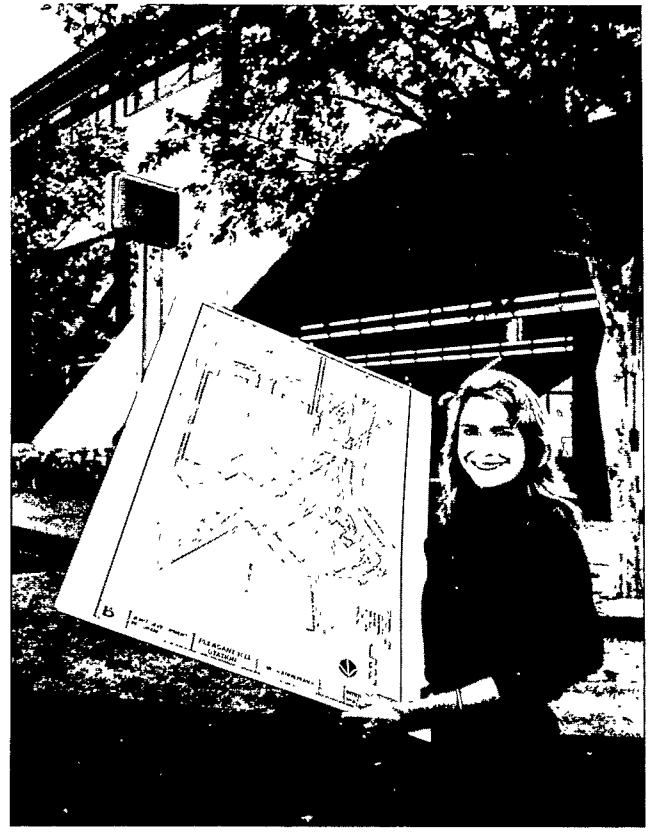
During BART's 1984–1985 operating year, 60,798,419 passenger trips were made on the system, a record number surpassing by 4.3 per cent the previous high of 58,277,463 set in 1983–1984. BART weekday patronage averaged 211,612 trips during the year, an increase of 4.5 per cent. Approximately one-half of those trips, 105,441, took place during the four peak travel hours in the morning and afternoon. Transbay trips constituted just about half of all weekday BART travel. This high patronage demand during the peak periods, along with fluctuating travel patterns at other times, requires careful planning by BART of its use of personnel and equipment.

Keeping track of BART patronage through the transmission of faregate information to a central computer enables BART to schedule trains to best serve passenger needs. Special late night trains, for example, were provided during the five days of the Democratic National Convention, when weekday ridership averaged 226,989, a BART record.

Joint Development

The planning phase for Joint Development projects at BART's Walnut Creek and Pleasant Hill stations was virtually completed during the year. Office buildings containing retail shops, a restaurant and a parking garage are planned for the Pleasant Hill Station site.

Initial planning was carried out during the year for developments around the Richmond, Daly City and Concord Stations. BART's Joint Development program, which was approved by the Board of Directors in 1984, encourages private developers to utilize BART-owned property at station sites. Benefits include additional jobs for local communities and a boost in revenues to BART from increased ridership and developer leases.



Katharine P Ogden, Joint Development Coordinator, holds the plot plan for joint development at the Pleasant Hill BART station

Ride With Pride

Thousands of elementary school children in Alameda, Contra Costa, and San Francisco counties are learning how to ride BART safely and how to keep its cars and stations clean through the BART Police "Ride with Pride" program. BART police officers visit classrooms and show a special film about BART. As a result of this effort, incidents of vandalism and malicious mischief have continued to decline.

Daly City Turnback and Storage Yard

Work on the Daly City Turnback and Storage Yard, one of BART's key service-improvement projects, continued on schedule during the year. When completed in 1988 at a cost of $150 million, the Daly City facilities will allow trains to reverse direction and return to service faster than is now possible. The goal is to increase BART's peak-period capacity by 85 per cent.

The project consists of three tracks, each approximately 1.5 miles long, extending south from the present Daly City BART Station, and a storage yard with a capacity to store 168 BART transit vehicles. Trains from Concord, Fremont and Richmond will be able to turn back and return to service in two minutes and thirty seconds, compared with the current turnback time of three minutes and 45 seconds.

Robert W Mix, Project Manager of the Daly City Turnback and Storage Yard, completion of which is expected late in 1988

Kris Hari, Manager, Special Projects, is shown with the 1/8 scale model of the new C-Car, which is expected to be in service by 1988

C-Cars

Another component of BART's efforts to increase passenger capacity is the newly designed C-Car, envisioned by BART engineers for use at the front of the train as a lead or trailing car or in the middle of the train, allowing more flexible use of BART's entire fleet of cars. Each of the new aluminum cars will be equipped with an operator's compartment and an automatic train control system.

BART, following a competitive bid which confirmed that there were no American manufacturers of aluminum transit cars, ordered 150 of the new cars in October, 1982 from Alsthom Atlantique, one of the world's leading manufacturers of railroad equipment. The entire cost of the C-Car program, including the automatic control systems, is estimated to be $279.4 million and is scheduled for completion in 1988.

At present, BART is able to make available from its present 440 car fleet each day 103 A-Cars (head of trains) and 259 B-Cars (middle of trains).

K-E Track

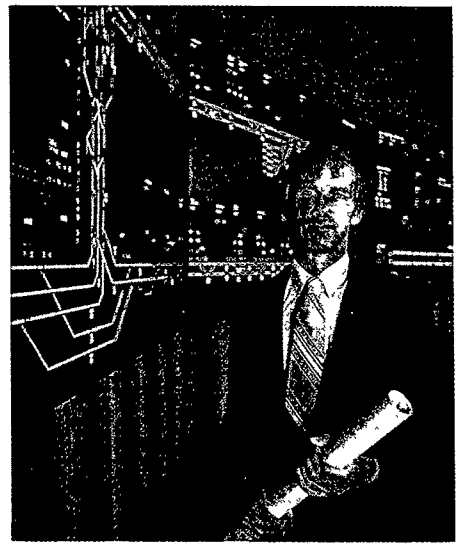
BART's 1.5 mile K-E Track project, the first new mainline section of track to be added to the system since BART's original construction, continued during the year. The project, budgeted at $25.4 million, provides a third track through a tunnel from Washington Street to 23rd Street in downtown Oakland, allowing disabled trains to be taken out of service without disturbing the movements of other trains. The new track also provides additional train storage capacity and an alternative service route in the area where three of BART's four routes converge. The K-E Track project includes the completion of the passenger crossover platforms at the 12th Street and 19th Street stations, construction of street overpasses between MacArthur Station and the Oakland subway portal, and all wayside train control and electrification.

Vehicle Fire Hardening

Increased passenger safety is the aim of BART's Vehicle Fire Hardening project, which is expected to be completed in 1986, at a cost of $20.7 million. The Fire Hardening project follows the 1982 replacement of all seats in the current BART fleet with a low-smoke neoprene cushion covered with a 90 per cent wool-10 per cent nylon material. The Fire Hardening project includes the installation of fire-stops in the walls and ceilings, the laying of new floors (proven by tests to resist fire for 30 minutes), and the reinforcement with special fire-safe and fire-retardant materials of other parts under the cars where heat and fire might be generated. By the end of this annual report period, the fire safety modifications had been carried out on one-half of BART's 440-car fleet.

Bill Chapin, supervising engineer, has guided the development of BART's simulator program

Rolf Saybe, Quality Assurance, insures that BART receives the product called for in the Fire Hardening contract



Colin McDonald, resident engineer, supervises the K-E Track project

Wayside Train Control and System Performance Modification

BART applied to the Federal Urban Mass Transportation Administration (UMTA) for funds to pay for 75 percent of the cost, estimated at nearly $20 million, for modifications to the train control system that would allow trains to operate at closer intervals. This project includes the reconfiguration of train-detection circuits, resignalling portions of certain lines, installing station-approach markers, changing central control operational procedures and determining ways of reducing or masking short delay-causing occurrences.

Gary Martineau, grounds worker, is a member of the BART teams who work hard at maintaining the appearance of BART grounds, buildings and stations

Improved Station Access

Thanks to a unique $11.2 million cooperative program initiated in September, 1984, by officials of BART and the Alameda-Contra Costa Transit District, BART provided for the continuation of lifeline night time service on 11 local bus routes connecting directly to BART stations. The night service had been scheduled for elimination by AC Transit due to budget constraints.

The agreement also calls for the issuing of new transfers that provide a discount for connecting offpeak AC service. The new transfers can also be used by BART passengers leaving a station and connecting on buses operated by the Union City Transit District and the Santa Clara County Transportation Agency.

BART provided 608 additional parking spaces at ten stations during the year, bringing to 23,094 the number of parking spaces at 24 BART stations. The additional spaces were made possible by restriping the parking lot at the MacArthur Station and eliminating selected "red" zones at nine other stations. Scheduled for completion by the end of 1985 are 1,190 additional spaces at four East Bay stations.

Service Enhancement

To provide additional convenience for its passengers, BART improved and expanded its program of links with Easy Bay transit agency schedules. BART's project of car cleaning and restoration continued on schedule. Continuity of service to its passengers was assured by the signing of a new wage and benefit agreement by BART and its two major unions.

Rachel Abelson, born on the day in 1974 when the Transbay Tube was opened, is shown cutting the special 10th Anniversary cake, at ceremonies held in San Francisco Arthur Shartsis (L), the 1984 president of the BART Board of Directors, lends a helping hand, and Wilfred T Ussery (R), the 1985 BART President, approves what he is watching

Transbay Tube's Tenth Year

BART's underwater Transbay Tube, the key link in providing San Francisco-East Bay service, was ten years old on September 16, 1984. Approximately 200 million passengers had traveled on BART trains through the 3.6-mile tube during its first decade of service.

Steven Robinson, vehicle inspector, monitors BART's Clean Car Project at the Concord Yard

Refurbished Cars

More than one-fourth of BART's 440 cars have been through a cleaning and exterior restoration program. The cars are cleaned with a substance that removes all road grime and tar from the aluminum exteriors.

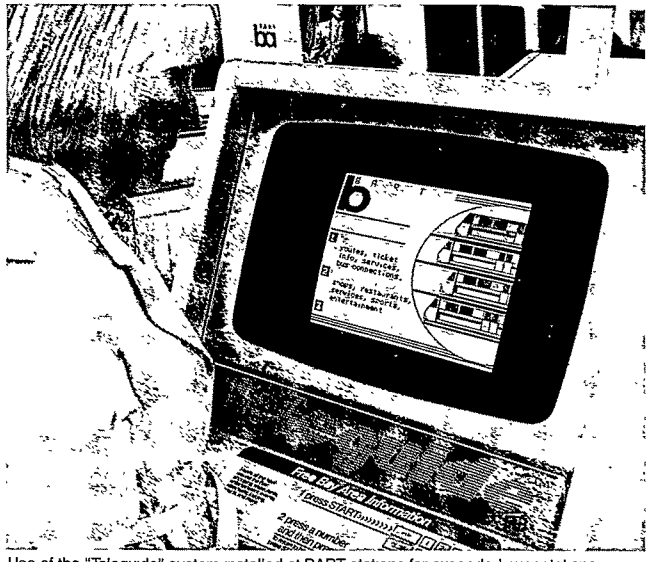
ATU-UPE Contract

Agreement was reached at the close of the fiscal year on a new three-year contract between BART and the major unions that represent 1,779 BART employees. The new contract, which calls for additional benefits and for wage increases of four per cent a year for each of the three years, was negotiated by representatives from BART, the Amalgamated Transit Union (Division 1555), and United Public Employees (Local 790). The negotiators held 41 formal sessions beginning in April.

Special Service for Special Events

BART added extra trains and provided additional services during the year to coincide with special events to meet the needs of its passengers.

Nina Aragon, transit information center supervisor, and her "crew" during the year handle more than 85,000 requests for information about BART and other transit systems connecting with BART



Use of the "Teleguide" system installed at BART stations far exceeded expectations

Tele-Guide

Ready for installation at the end of BART's fiscal year were eight Tele-Guides to provide passengers at the Powell and Montgomery stations in San Francisco with information on restaurants, shops, tourist attractions, sporting and cultural events, and even the correct time and a weather forecast. The Tele-Guides are also scheduled for installation at the Civic Center, Embarcadero, MacArthur, 12th Street, Coliseum, Fremont, and Daly City stations.

Robert Hoffman, BART Station Agent, directs shoppers to the Holiday Shoppers Special train during the 1984 holiday season

Holiday Shopper's Specials

BART beefed up its regular Sunday service on the five Sundays between Thanksgiving and Christmas with eight "Shopper's Specials" on the Richmond and Fremont lines. The eight trains averaged 2,602 trips on each of the Sundays and were timed to coincide with the morning opening and evening closing of retail stores. Sunday ridership was consistently above forecast for this period.

Over 1,900 patrons used BART to reach the start of the "1985 Bay to Breakers" race in San Francisco

Bay-to-Breakers

BART opened 11 stations three hours early on Sunday, May 19, so that Bay Area runners could get to the starting line of the 74th annual Bay-to-Breakers race in San Francisco in time for the starting gun. BART dispatched 16 trains to provide 19,000 passenger trips.

Boy Scouts and fourteen other local service organizations served more than 19,000 cups of coffee and 17,000 doughnuts during the 1984 Safe Holidays program

Safe Holidays

Free coffee and doughnuts were served to thousands of celebrating BART patrons at 12 BART stations on December 21 and New Year's Eve during BART's Sixth Annual Safe Holidays program.

Starla Bahem, BART's Tickets-To-Go coordinator, is shown before the Veterans Building in Pleasanton where a Senior Citizens Center "Tickets To Go" outlet is located

Tickets-to-Go

BART tickets were made available for sale throughout the Bay Area at Ticket-to-Go outlets, which sell $21 worth of blue tickets for $20. Red and green tickets (available to handicapped persons with valid transit discount cards or to persons 5 to 12 years old or over 65) are sold for $1.20 but provide $12 in BART rides.

Democratic National Convention

Special late-night trains between the Embarcadero and Rockridge stations were operated by BART during the Democratic National Convention in San Francisco in July. Conventioneers staying in Berkeley and Oakland hotels were able to board a train at the Embarcadero Station at 1 a.m., 40 minutes later than the last regularly scheduled train departs.

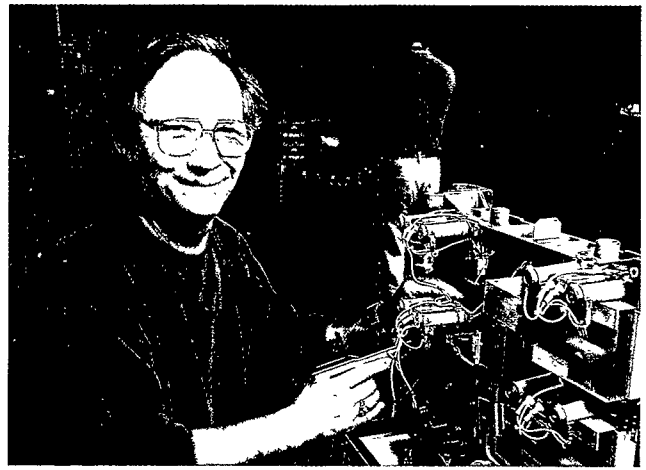
Special Needs

BART is alert to the special needs of its passengers, its employees, and the members of the communities it serves. It is concerned about the safety of everyone who rides on its trains. Platform edge detectors and modified elevators aided passengers. BART continued its Affirmative Action program and provided summer jobs for disadvantaged youths.

Elevators

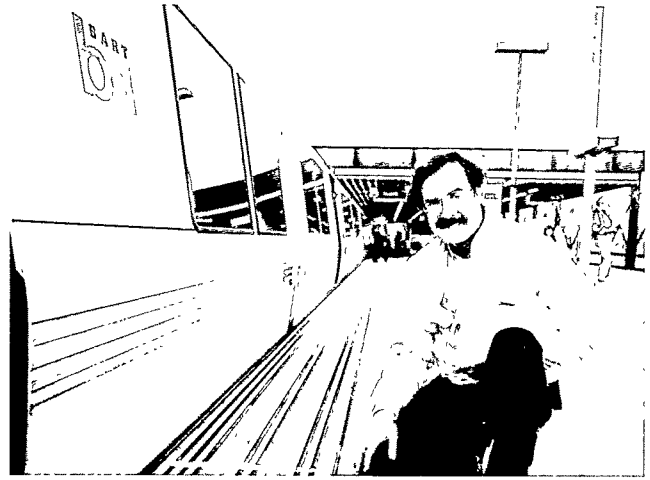
Elevators at the Berkeley and El Cerrito del Norte stations are being fitted with self-operating controls to provide for easier operation by elderly and handicapped passengers.

Lilibeth Velasco, employment benefits clerk in BART's Employment Office, provides information to applicants about BART job opportunities



John Shepherd is one of BART's highly specialized transit vehicle electronic technicians working in Component Repair at the Hayward Yard

Alice Marie Wheeler, communications electronic technician, works at maintaining the reliability of BART's ticket vending machines.



Jerry Donalds, resident engineer, supervised the installation of a test platform edge detection system

Platform Edge Detection

As an assistance to passengers, BART installed edge detection systems on the platforms at the Berkeley, Montgomery and Rockridge stations. A different system was installed on a portion of the platforms at the Lake Merritt Station. The first three installations involved grooves cut into the platforms and the installation of strips with hemispherical domes to provide an array to warn passengers that they are near the edge of the platform. The detection system cost $335,000 and is being evaluated in terms of passenger safety, durability and maintenance for possible application at other BART stations.

John Mack, Department Manager, Affirmative Action, directs an effective program

Affirmative Action

Opportunity is the keystone of BART's Affirmative Action Program. Updated in 1983, the program includes training for job advancement. A total of 75 BART employees applied for training as mechanics and electronic technicians as part of BART's "Upward Mobility Training Program." The program covered both basic and BART-specific mechanical and electronic training. Out of the eleven BART employees selected for the training, four were women.

Forty BART employees, including 24 women, were selected to participate outside of work in an eight-month supervisory and management skills training program sponsored by the Regional Transit Association.

BART employed 1,728 men and 526 women at the close of the year, including 1,112 members of minority groups. During the year, BART awarded $17.2 million in contracts to businesses owned by minorities or women, more than 25 per cent of BART's total contract value of $68.1 million.

Summer Jobs for Young People

For the second consecutive year, BART provided on-the-job training for a large number of disadvantaged youth from throughout the three-county Bart area. The program purpose is to help them develop good work habits and to give them an opportunity to see first-hand a variety of occupations. A total of 85 young men and women worked for BART during the summer and gained experience in administrative offices, communications, shop facilities, and other maintenance divisions.

Omas Jacobs (L), one of the participants in the 1984 Summer Youth Program, receives guidance from John McConnell (R), who supervises BART's mail room as well as supply and reproduction

Sheri-Denise Patton, legal secretary, one of the many secretarial and clerical staff which provides a major contribution to BART's achievements

Larry A Loos, supervisor of maintenance training, is headquartered in the Hayward Training facility

Cecil Howell, one of BART's Central Control supervisors, whose job it is to keep the system functioning and BART trains on schedule

Don Meek, swing shift foreworker at the Oakland Shops, where most of BART's non-rail equipment is serviced and maintained

Safety

More than 700 representatives from local Bay Area fire departments and other emergency-service providers attended BART procedures and safety sessions during the year. The sessions covered emergency procedure training, smoke-movement drills, and a demonstration of the undercar deluge system.

From the first day of passenger service in 1972, BART has carried more than 500 million people 6.6 billion miles without a single passenger fatality. The District's passenger accident rate for the year was 16.5 accidents per million trips, based on 1,006 accidents, most of which were minor and occurred in stations.

Performance Highlights

Increased ridership during the fiscal year 1984–1985, which boosted fare revenue by $2 million, plus dependable sources of supplementary funds and strict budgetary controls on spending enabled BART to close the year in a favorable financial position.

BART funded approximately one-half of its total operating expenses, which amounted to $147.1 million for FY 84–85, from passenger fares. Net passenger revenue for FY 84–85 amounted to $67.5 million, compared to $65.5 million for FY 83–84. Total operating revenue, including $6.8 million in interest income and advertising in trains and stations, was $74.3 million for FY 84–85, compared with $72.6 million for the previous fiscal year.

BART's farebox ratio, which shows what portion of operating expenses is provided by passenger fares, was 45.8 per cent for FY 84–85, down three points from the previous year, but well above the District's objective of 40 per cent.

The operating ratio, which shows what portion of operating expenses is paid for by passenger fares and other operating revenues, was 50.5 per cent for FY 84–85, less than the previous year's 54 per cent, but consistent with the District's objective to fund approximately one-half of its net operating expenses from operating revenues.

Net rail passenger revenue per passenger mile for FY83–84 and FY84–85 remained the same at 8.4 cents. Rail cost per passenger mile for FY 84–85 was 17.3 cents, compared with 16.6 cents for the previous year, an increase of only 4.2 per cent and below the budgeted level of 17.8 cents. The net average rail passenger fare was $1.11 for FY 84–85, compared with $1.10 for FY 83–84.

BART passengers logged a total of 60.8 million trips during FY 84–85, compared with 58.3 million for the previous year, and rode an average of 13 miles for each trip during FY 84–85, compared with 13.1 miles the year before.

(cont'd on page 16)

PERFORMANCE HIGHLIGHTS

	FY 1984/85	FY 1983/84
Rail Ridership		
Annual passenger trips	**60,798,419**	58,277,463
Average weekday trips	**211,612**	202,536
Average trip length	**13.0 miles**	13.1 miles
Annual passenger miles	**789,290,663**	761,799,000
Patron trip on-time performance (%)	**92.5%**	93.6%
System utilization ratio (passenger miles to available seat miles)	**35.8%**	35.4%
End-of-period ratios:		
Peak patronage	**49.8%**	51.9%
Offpeak patronage	**50.2%**	48.1%
BART's estimated share of peak period transbay trips—cars, trains & buses	**37.0%**	36.8%
Passengers with automobile available (as alternative to BART)	**57.0%**	57.0%(a)
Operations		
Annual revenue car miles	**30,634,569**	29,852,000
Unscheduled train removals—average per revenue day	**4.9**	5.0
Transit car availability to revenue car fleet (b)	**89.3%**	89.6%
Passenger miles per equivalent gallon of gasoline	**84.2**	84.8
Passenger accidents reported per million passenger trips	**16.55**	17.09
Patron-related crimes reported per million passenger trips	**23.39**	23.01
Financial		
Net passenger revenues	**$ 67,468,000**	$ 65,492,000
Other operating revenues	**6,848,000**	7,067,000
Total operating revenues	**74,316,000**	72,559,000
Net operating expenses	**147,144,000**	134,047,000
Farebox ratio (net passenger revenues to net operating expenses)	**45.85%**	48 85%
Operating ratio (total operating revenues to net operating expenses)	**50.50%**	54.12%
Net rail passenger revenue per passenger mile	**8.4¢**	8.4¢
Rail operating cost per passenger mile	**17.3¢**	16.6¢
Net average rail passenger fare (c)	**$1.11**	$1.10

Notes

General note: Data represent annual averages unless otherwise noted.
(a) Updated figures not available
(b) At 8 a.m. each day
(c) Includes BART/MUNI Fast Pass

Financial Statements

The Board of Directors
San Francisco Bay Area Rapid Transit District

We have examined the balance sheet of San Francisco Bay Area Rapid Transit District as of June 30, 1985 and 1984 and the related statements of operations, changes in net capital investment, changes in financial position, and revenues, expenditures and fund balances of debt service funds for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances

In our opinion, such financial statements present fairly the financial position of San Francisco Bay Area Rapid Transit District as of June 30, 1985 and 1984 and the results of its operations and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis

Adams, Grant, Werner & Co
Certified Public Accountants
September 6, 1985

KMG Main Hurdman
Certified Public Accountants
San Francisco, California

BALANCE SHEET

June 30, 1985 and 1984 (In Thousands)

	1985	1984
ASSETS		
Cash (including time deposits—1985, $24,800; 1984, $10,807)	**$ 26,349**	$ 12,438
Securities	**172,693**	169,548
Securities representing reserves	**32,939**	34,684
Deposits, notes and other receivables	**59,997**	45,503
Construction in progress	**87,960**	67,191
Facilities, property and equipment—at cost (less accumulated depreciation and amortization—1985, $316,929, 1984, $286,959)	**1,298,582**	1,292,378
Materials and supplies—at average cost	**13,065**	13,134
Debt service funds, net assets	**18,236**	16,311
	$1,709,821	$1,651,187
LIABILITIES AND CAPITALIZATION		
Notes payable	**$ 26,450**	$ 16,000
Payroll and other liabilities	**52,135**	44,938
Unearned passenger revenue	**1,384**	1,432
Debt service funds	**18,236**	16,311
	98,205	78,681
Capitalization.		
Reserves	**32,939**	34,684
General Obligation Bonds	**537,725**	568,485
Sales Tax Revenue Bonds	**64,510**	65,000
Net capital investment	**976,442**	904,337
	1,611,616	1,572,506
	$1,709,821	$1,651,187

STATEMENT OF OPERATIONS

Years Ended June 30, 1985 and 1984 (In Thousands)

	1985	1984
Operating revenues:		
Fares	**$ 74,108**	$ 72,125
Less discounts and other deductions	**6,640**	6,633
	67,468	65,492
Other	**1,395**	1,350
Investment income	**5,453**	5,717
Total operating revenues	**74,316**	72,559
Operating expenses:		
Transportation	**53,923**	46,556
Maintenance	**58,041**	54,954
Police services	**8,025**	7,672
Construction and engineering	**4,985**	4,879
General and administrative	**27,177**	24,374
	152,151	138,435
Less capitalized costs	**5,007**	4,388
Net operating expenses	**147,144**	134,047
Operating loss before depreciation expense	**72,828**	61,488
Depreciation (unfunded):		
Of assets acquired with own funds	**17,026**	16,819
Of assets acquired with grants and contributions by others	**13,340**	13,359
Total depreciation	**30,366**	30,178
Operating loss	**103,194**	91,666
Financial assistance:		
Transactions and use tax	**81,055**	71,136
Property tax	**5,733**	5,433
State	**3,646**	4,717
Transportation Development Act of 1971	**500**	1,900
Debt service allocations	**(8,221)**	(7,764)
Capital allocations	**(10,301)**	(13,947)
Total financial assistance	**72,412**	61,475
Net loss	**30,782**	30,191
Depreciation of assets acquired with grants and contributions by others	**13,340**	13,359
Net loss transferred to accumulated deficit	**$ 17,442**	$ 16,832
Reconciliation to net funded deficit:		
Operating loss before depreciation expense	**$ 72,828**	$ 61,488
Deduct financial assistance	**72,412**	61,475
Funded excess of expenses over revenues	**$ 416**	$ 13

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

STATEMENT OF CHANGES IN NET CAPITAL INVESTMENT

Years Ended June 30, 1985 and 1984 (In Thousands)

	Property Tax	Transactions and Use Tax	Grants and Contributions	Depreciation and Retirements of Assets Acquired With Grants and Contributions by Others	Accumulated Deficit	Interest on Capital	Reserves	Net Capital Investment
Balance, July 1, 1983	$206,550	$150,000	$599,299	$(98,420)	$(143,679)	$166,200	$(45,502)	$834,448
Net loss for the year	—	—	—	—	(16,832)	—	—	(16,832)
Proceeds from grants and contributions	—	—	43,640	—	—	—	—	43,640
Depreciation of assets acquired with grants and contributions by others	—	—	—	(13,359)	—	—	—	(13,359)
Interest on capital	—	—	—	—	—	16,657	—	16,657
Establishment of construction fund reserve	—	—	—	—	—	—	(2,133)	(2,133)
Increase in construction fund reserve	—	—	—	—	—	—	(117)	(117)
Decrease in system completion reserve	—	—	—	—	—	—	3	3
Decrease in system improvement reserve	—	—	—	—	—	—	8,565	8,565
Decrease in operating reserve	—	—	—	—	—	—	4,500	4,500
Bond principal	28,965	—	—	—	—	—	—	28,965
Balance, June 30, 1984	235,515	150,000	642,939	(111,779)	(160,511)	182,857	(34,684)	904,337
Net loss for the year	—	—	—	—	**(17,442)**	—	—	**(17,442)**
Proceeds from grants and contributions	—	—	**45,955**	—	—	—	—	**45,955**
Depreciation of assets acquired with grants and contributions by others	—	—	—	**(13,340)**	—	—	—	**(13,340)**
Interest on capital	—	—	—	—	—	**23,937**	—	**23,937**
Increase in operating reserve	—	—	—	—	—	—	**(400)**	**(400)**
Increase in construction fund reserve	—	—	—	—	—	—	**(350)**	**(350)**
Decrease in system completion reserve	—	—	—	—	—	—	**1,409**	**1,409**
Decrease in system improvement reserve	—	—	—	—	—	—	**1,086**	**1,086**
Bond principal	**30,760**	**490**	—	—	—	—	—	**31,250**
Balance, June 30, 1985	**$266,275**	**$150,490**	**$688,894**	**$(125,119)**	**$(177,953)**	**$206,794**	**$(32,939)**	**$976,442**

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

NOTES TO FINANCIAL STATEMENTS

I — Summary of Significant Accounting Policies

Description of District

The San Francisco Bay Area Rapid Transit District is a public agency created by the legislature of the State of California in 1957 and regulated by the San Francisco Bay Area Rapid Transit District Act, as amended. The District does not have stockholders or equity holders and is not subject to income tax. The disbursement of all funds received by the District is controlled by statutes and by provisions of various grant contracts entered into with Federal and State agencies.

Securities

As a matter of policy, the District holds investments until their maturity and, accordingly, securities are carried at cost. At June 30, 1985, market value exceeded cost by $9,331,000. At June 30, 1984, cost exceeded market value by $7,067,000. The face value of securities exceeded cost at June 30, 1985 and 1984.

Facilities, Property and Equipment

Facilities, property and equipment are carried at cost. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The amount of depreciation of assets acquired with District funds is distinguished from depreciation of assets acquired with grants and contributions by others. The latter amount is shown on the statement of changes in net capital investment with the related grants and contributions.

Federal and State Grants

The District receives amounts from both Federal and State governments to assist in operations and for capital or other projects. Grants for capital and other projects are recorded as

STATEMENT OF CHANGES IN FINANCIAL POSITION

Years Ended June 30, 1985 and 1984 (In Thousands)

	1985	1984
Cash and securities (used) provided by:		
Operations:		
Net loss transferred to accumulated deficit	**$(17,442)**	$(16,832)
Deduct expenses not requiring cash:		
Depreciation of assets acquired with own funds	**17,026**	16,819
Cash and securities (used) by operations	**(416)**	(13)
Decrease in materials and supplies	**69**	—
Issuance of Sales Tax Anticipation Notes	**19,860**	16,000
Issuance of Grant Anticipation Notes	**10,900**	—
Contributions from U.S. Government grants and others	**45,955**	43,640
Increase in payroll and other liabilities	**7,197**	8,972
Increase in unearned passenger revenue	**—**	50
Interest on capital	**23,937**	16,657
Total cash and securities provided	**107,502**	85,306
Cash and securities applied to:		
Increase in deposits, notes and other receivables	**14,494**	22,893
Additions to construction in progress	**20,769**	13,903
Additions to facilities, property and equipment	**36,570**	26,441
Additions to materials and supplies	**—**	433
Matured Sales Tax Anticipation Notes	**16,000**	—
Matured Grant Anticipation Notes	**4,310**	—
Decrease in unearned passenger revenue	**48**	—
Total cash and securities applied	**92,191**	63,670
Increase in cash and securities	**$ 15,311**	$ 21,636

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

DEBT SERVICE FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES

Years Ended June 30, 1985 and 1984 (In Thousands)

	Year Ended June 30, 1985					Year Ended June 30, 1984
	General Obligation Bonds	Sales Tax Revenue Bonds	Sales Tax Anticipation Notes	Grant Anticipation Notes	Combined	Combined
Revenues:						
Property tax	**$53,837**	**$ —**	**$ —**	**$ —**	**$53,837**	$50,899
District deposits for principal payment	**—**	**—**	**19,860**	**7,595**	**27,455**	16,000
District deposit to Debt Service Reserve Account	**—**	**473**	**—**	**—**	**473**	—
Allocations from District revenues	**—**	**6,825**	**1,396**	**—**	**8,221**	7,764
Interest	**1,241**	**798**	**1,292**	**154**	**3,485**	2,734
Interest transferred from District	**—**	**—**	**—**	**493**	**493**	—
	55,078	**8,096**	**22,548**	**8,242**	**93,964**	77,397
Expenditures:						
Interest	**23,133**	**6,291**	**979**	**493**	**30,896**	30,796
Principal	**30,760**	**490**	**16,000**	**4,310**	**51,560**	28,965
Bond service expense	**—**	**7**	**—**	**—**	**7**	6
Interest transmitted to District	**—**	**640**	**1,162**	**157**	**1,959**	870
	53,893	**7,428**	**18,141**	**4,960**	**84,422**	60,637
	1,185	**668**	**4,407**	**3,282**	**9,542**	16,760
Balance, beginning of year	**11,552**	**9,950**	**17,117**	**—**	**38,619**	21,859
Balance, end of year	**$12,737**	**$10,618**	**$21,524**	**$ 3,282**	**$48,161**	$38,619
Represented by:						
Cash	**$ 12**	**$ —**	**$ —**	**$ —**	**$ 12**	$ 23
Securities	**11,061**	**—**	**—**	**—**	**11,061**	9,903
Taxes and interest receivable	**1,664**	**—**	**—**	**—**	**1,664**	1,626
Assets with fiscal agent	**—**	**10,618**	**21,524**	**3,282**	**35,424**	27,067
	$12,737	**$10,618**	**$21,524**	**$ 3,282**	**$48,161**	$38,619

NOTES TO FINANCIAL STATEMENTS—CONT'D

additions to net capital investment on receipt. Grants for operating expenditures are included as financial assistance in the statement of operations.

Sales Tax Revenue

The one-half percent transactions and use tax is collected and administered by the State Board of Equalization. Of the amounts available for distribution, 75% is transmitted directly to the District's appointed trustee for the purpose of paying bond and note interest, principal and expenses. Monies not required for these purposes are transmitted to the District. The District records the total taxes received as transactions and use tax and the amount retained by the trustee as special deposits and debt service allocations upon receipt of the net amount. The State Board of Equalization estimates that transactions and use tax revenues for the period April 1, 1985 to June 30, 1985 will be approximately $18,169,000. Of this amount, $5,451,000 had been received and recorded by the District. Comparable figures for 1984 were $15,525,000 and $4,657,500, respectively.

Property Tax Revenue

The District receives property tax revenues to service the debt requirements of the General Obligation Bonds and records these revenues in the debt service funds. It also receives an allocation of property tax revenues to provide for general and administrative expenses not involving construction, although such revenues may be used for construction if needed. The District records this property tax allocation as financial assistance.

1 — Summary of Significant Accounting Policies (Cont'd)

Interest Earned on Capital Sources

The District accounts for interest earned on capital sources as an increase in net capital investment to recognize that this interest should be directly associated with the capital which gives rise to the interest and which is not available for current operations.

In accordance with this policy, management allocated to net capital investment $17,260,000 of interest revenue earned on assets held in the General Operating Fund but which related to capital projects.

Self-Insurance

The District is largely self-insured for worker's compensation, general liability claims, and major property damage. The District records the costs of self-insured claims and major property damage when they are incurred.

Capital Allocations

The Board of Directors allocates a portion of unrestricted financial assistance and general fund revenues to net capital investment for capital projects.

Reclassifications

Certain reclassifications, not affecting the statement of operations, have been made to prior year balances to conform to the current year's presentation.

2 — Reserves

Securities are separately classified on the balance sheet to reflect designation by the Board of Directors of a portion of the District's capitalization as reserves for the following purposes:

	(In Thousands) 1985	1984
Basic System Completion	$10,878	$12,287
System Improvement	7,061	8,147
Construction	2,600	2,250
Self-Insurance	9,000	9,000
Operating	3,400	3,000
	$32,939	$34,684

3—Facilities, Property and Equipment

Facilities, property and equipment, assets lives, and accumulated depreciation and amortization at June 30, 1985 and 1984 are summarized as follows:

		(In Thousands) 1985		1984	
	Lives (Years)	Cost	Accumulated Depreciation and Amortization	Cost	Accumulated Depreciation and Amortization
Land	—	$ 122,209	$ —	$ 113,134	$ —
Improvements	80	1,082,053	152,259	1,062,480	138,559
System-wide operation and control	20	118,835	55,735	114,353	49,939
Revenue transit vehicles	30	159,408	57,120	157,663	51,845
Service and miscellaneous equipment	3 to 20	21,976	11,858	20,775	10,114
Capitalized construction and start-up costs	30	103,557	37,519	103,557	34,288
Repairable property items	30	7,473	2,438	7,375	2,214
		$1,615,511	$316,929	$1,579,337	$286,959

4—General Obligation Bonds

	Composite Interest Rate	Year Last Series Matures	(In Thousands) Original Amount Authorized	Issued	1985 Due in 1 Year	1985 Total	1984 Due in 1 Year	1984 Total
1962 District Bonds	3.96%	1999	$792,000	$792,000	$32,400	$530,575	$30,350	$560,925
1966 Special Service District Bonds	4.37%	1998	20,500	12,000	420	7,150	410	7,560
			$812,500	$804,000	$32,820	$537,725	$30,760	$568,485

In 1962, voters of the member counties of the District authorized a bonded indebtedness totaling $792 million of General Obligation Bonds. Payment of both principal and interest is provided by the levy of District wide property taxes. During 1966, City of Berkeley voters formed Special Service District No. 1 and authorized the issuance of $20.5 million of General Obligation Bonds for construction of subway extensions within that city. Payment of both principal and interest is provided by taxes levied upon property within the Special Service District. Bond principal is payable annually on June 15 and interest is payable semiannually on June 15 and December 15 from debt service funds. Interest of $10,720,000 on General Obligation Bonds and $157,000 on Special Service District No. 1 Bonds is payable on December 15, 1985.

The following is a schedule of principal repayments required under General Obligation Bonds as of June 30, 1985 (in thousands):

Year Ending June 30	1962 District Bonds	1966 Special Service District Bonds	Total
1986	$ 32,400	$ 420	$ 32,820
1987	34,225	440	34,665
1988	36,250	460	36,710
1989	38,400	480	38,880
1990	40,200	500	40,700
Later years	349,100	4,850	353,950
	$530,575	$7,150	$537,725

5—Sales Tax Revenue Bonds

	Year Last Series Matures	Original Amount (In Thousands) Authorized	Original Amount (In Thousands) Issued	1985 Due in 1 Year	1985 Total	1984 Due in 1 Year	1984 Total
1969 Sales Tax Revenue Bonds	1977	$150,000	$150,000	$—	$—	$—	$—
1982 Sales Tax Revenue Bonds	2008	65,000	65,000	545	64,510	490	65,000
		$215,000	$215,000	$ 545	$64,510	$ 490	$65,000

The 1969 Legislature of the State of California authorized the District to impose a one-half percent transactions and use tax within the District and issue Sales Tax Revenue Bonds totaling $150 million. The State Legislature later extended the tax to June 30, 1978 and authorized the District to issue bonds totaling $24 million to be used for operations. Payment of these Sales Tax Revenues Bonds was completed by June 30, 1978.

On September 30, 1977, the Governor signed legislation which extended the transactions and use tax indefinitely. The tax is collected and administered by the State Board of Equalization. Of the amounts available for distribution, 75% is allocated to the District and 25% is allocated by the Metropolitan Transportation Commission to the District, the City and County of San Francisco, and the Alameda-Contra Costa Transit District for transit services on the basis of regional priorities established by the Commission.

In October 1982, the District issued revenue bonds totaling $65 million to pay a portion of the cost of acquisition of 150 rail transit vehicles and related automatic train control equipment for use in the District's existing rapid transit system. The 1982 Bonds are special obligations of the District payable from and secured by a pledge of revenues, including certain sales tax revenues, all passenger fares and certain property tax revenues. Bond coupon rates range from 7% to 10% depending upon the various maturity dates. The bonds maturing on or after July 1, 1992 are redeemable prior to maturity at the option of the District on various dates at prices ranging from 103% to 100%. The bonds maturing July 1, 2008 are also subject to redemption to satisfy sinking account installments on or after July 1, 2002 at 100%.

Taxes collected by the State Board of Equalization are transmitted directly to the appointed trustee for the purpose of paying bond interest semiannually on July 1 and January 1, principal annually on July 1 and expenses of the trustee. Monies not required for these purposes are transmitted to the District. Interest of $3,137,000 is payable on July 1, 1985. Additionally, the trustee retains amounts needed for the payment of principal and interest on $19,860,000 Sales Tax Anticipation Notes maturing on July 1, 1985 (see Note 6). Taxes received by the trustee during the current fiscal year were $81,055,000 of which $28,554,000 was retained by the trustee for the above purposes and $52,501,000 was transmitted to the District. The District records the total taxes received as transactions and use tax and the amount retained by the trustee as special deposits and debt service allocations upon receipt of the net amount.

The following is a schedule of principal repayments required under Sales Tax Revenue Bonds as of June 30, 1985 (in thousands):—(at right).

Year Ending June 30	1982 Sales Tax Revenue Bonds
1986	$ 545
1987	610
1988	685
1989	765
1990	860
Later years	61,045
	$64,510

6—Sales Tax Anticipation Notes

The District's 1983/84 subordinated Sales Tax Anticipation Notes amounting to $16,000,000 matured on July 11, 1984 and were paid along with interest of $979,000.

In July 1984, the District issued $19,860,000 in subordinated Sales Tax Anticipation Notes to provide interim financing to defray operating expenses payable from the General Operating Fund of the District, in anticipation of the receipt of taxes, revenue and other monies to be received during or allocable to fiscal year 1984–85. These notes matured and were paid, along with interest of $1,396,000, on July 1, 1985.

7—Grant Anticipation Notes

In July 1984, the District sold $10,900,000 in Grant Anticipation Notes to provide interim financing for certain expenditures prior to the receipt of certain anticipated revenues. The notes, which mature on various dates from May 1, 1985 through January 2, 1987, bear interest payable semiannually on January 1 and July 1 and at maturity (or only at maturity for notes maturing within one year). Interest is computed on a 30-day month, 360-day year basis, at rates ranging from 7.00% to 8.15% per annum. Notes in the amount of $4,310,000 have matured leaving $6,590,000 outstanding at June 30, 1985.

8—U.S. Government Grants

Capital

The U.S. Government, under grant contracts with the District, provides financial assistance for capital projects. Grants for capital projects are recorded as additions to net capital investment when received. A summary of Urban Mass Transportation Administration Grants in force at June 30, 1985 is as follows:

Type of Grant	Maximum Grant (In Thousands)	Funds Received (In Thousands)
Beautification	$ 1,961	$ 1,961
Demonstration	13,355	13,335
Capital	492,576	369,319
	$507,892	$384,615

9—Litigation and Disputes with Contractors and Others

The District is involved in various lawsuits, claims and disputes, which for the most part, are normal to the District's operations. In the opinion of management, the costs that might be incurred, if any, would not materially affect the District's financial position or operations.

10—Public Employees' Retirement System

The District contributes to the Public Employees' Retirement System. The System is a contributory pension plan providing retirement, disability, and death benefits to employees of certain state and local government units. Substantially all full-time employees of the District are covered by the System. Pension costs of the System are determined actuarially and required contributions are expensed currently. Pension expense was $8,032,000 and $7,505,000 in 1985 and 1984, respectively.

11—Deferred Compensation Plan

The District has deposited funds with a custodian pursuant to the District's deferred compensation plan. These deposits together with earnings had a market value of $16,866,000 as of June 30, 1985. This amount is reflected on the balance sheet in deposits, notes and other receivables and in payroll and other liabilities.

12—Debt Service Funds, Net Assets

The Debt Service Funds' end-of-year balances include deposits made by the District for principal payments on notes and for the debt service reserve pertaining to Sales Tax Revenue Bonds. These amounts also appear on the balance sheet as deposits, notes and receivables. The Debt Service Funds, net assets on the balance sheet have, therefore, been decreased by the amount of $29,925,000 at June 30, 1985 and $22,308,000 at June 30, 1984.

13—Subsequent Events

In July 1985, the District sold $21,775,000 in subordinated Sales Tax Anticipation Notes to defray operating expenses payable from the General Operating Fund of the District.

Performance Highlights

(cont'd from page 10)

In addition to funds derived from passenger fares, interest income and advertising, BART received $81 million in revenues from 75 per cent of the one-half cent transit sales tax in the three BART counties, $4.1 million in State Transportation Development Act (TDA) funds and State Transit Assistance (STA) and $5.7 million in property tax as its share of the one per cent maximum property tax available to all local governments.

Directors once again were able to reduce the property tax BART levies for repayment of the general obligation bonds approved by voters in 1962 for construction of the system. Directors set a tax rate of 5.72 cents per one hundred dollars of assessed value, down from 6.17 cents the previous fiscal year. The property tax generated revenues of $51.9 million from property owners in Alameda, Contra Costa and San Francisco Counties, the three counties making up the district.

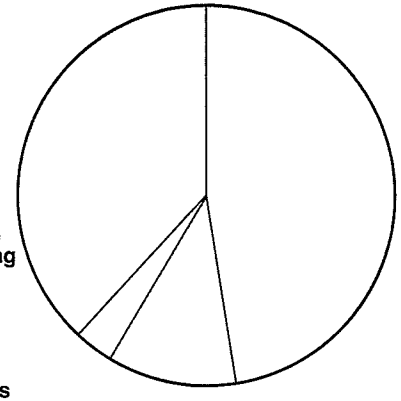
In the city of Berkeley, where voters approved a special service district in 1966 to finance subway construction through their city, the Board of Directors set a property tax rate of 2.86 cents per hundred dollars of assessed valuation, which raised revenues of $730,000.

As a measure of the District's financial stability, the Board of Directors allocated $10.3 million during FY 84–85 from unrestricted financial assistance and revenues for necessary capital projects, bringing to $73.7 million the total of funds allocated for capital projects during the past five years.

1984/85 Operating Funds – $170,673,000

Where Funds Came From (In Thousands)

- **Transaction & Use Sales Tax** $81,055 47.49%
- **Fares** $67,468 39.53%
- **Property Tax** $5,733 3.36%
- **Other** $16,417 9.62%
  - **Investment Income and Other Operating Revenues** $6,848 4.01%
  - **State Financial Assistance** $3,646 2.14%
  - **Construction Funds** $5,007 2.94%
  - **Regional Financial Assistance** $500 0.29%
  - **Decrease in Working Capital*** $416 0.24%

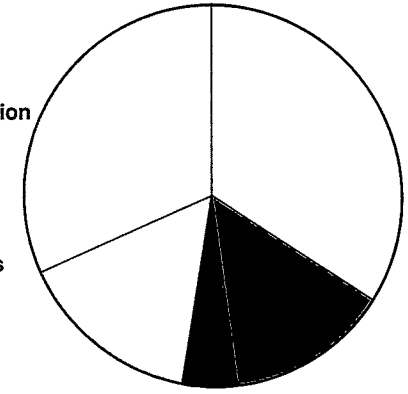


*Funded excess of expenses over revenues

TOTAL $170,673 100.00%

How Funds Were Applied (In Thousands)

- **Maintenance** $58,041 34.01%
- **Transportation** $53,923 31.59%
- **General Administration** $27,177 15.92%
- **Police Services** $8,025 4.70%
- **Other** $23,507 13.78%
  - **Capital Allocations** $10,301 6.04%
  - **Debt Service Allocations** $8,221 4.82%
  - **Construction & Engineering** $4,985 2.92%

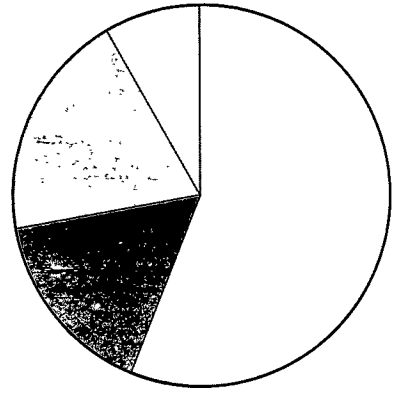


TOTAL $170,673 100.00%

1984/85 Capital Funds – $56,058,000

Source of Funds (In Thousands)

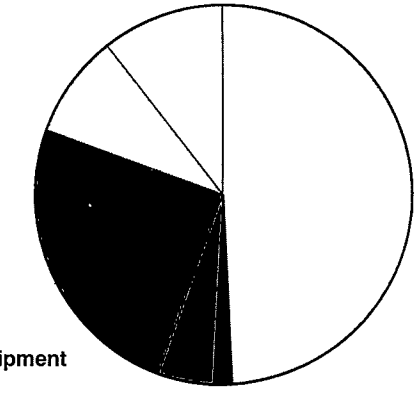
- **District** $4,675 8.34%
- **Federal** $31,418 56.04%
- **State** $10,890 19.43%
- **Local (including capital allocations)** $9,075 16.19%



TOTAL $56,058 100.00%

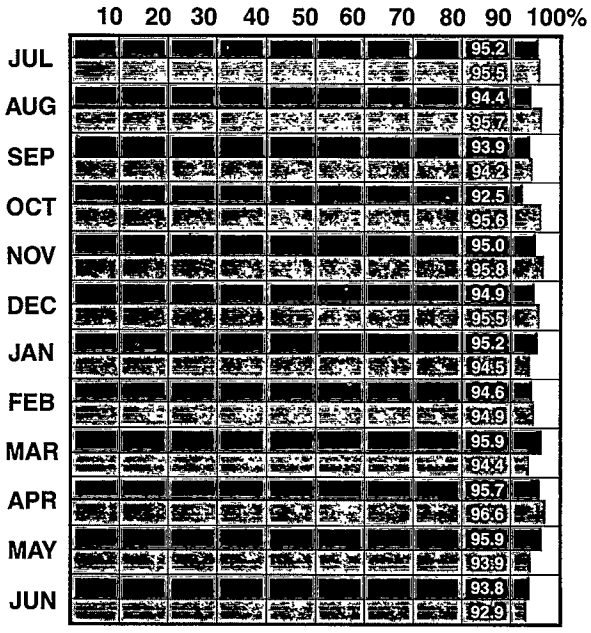
Expenditures (In Thousands)

- **Construction** $27,525 49.10%
  - **Line** $24,435 43.59%
  - **Systemwide** $2,860 5.10%
  - **Support Facilities** $230 0.41%
- **Train Control** $5,996 10.70%
- **Communications** $4,935 8.80%
- **Transit Vehicles** $13,972 24.92%
- **Miscellaneous Equipment** $2,717 4.85%
  - **Automatic Fare Collection** $824 1.47%
  - **Management Information Systems** $928 1.66%
  - **Support Vehicles** $292 0.52%
  - **Other Equipment** $673 1.20%
- **Studies and Other** $913 1.63%

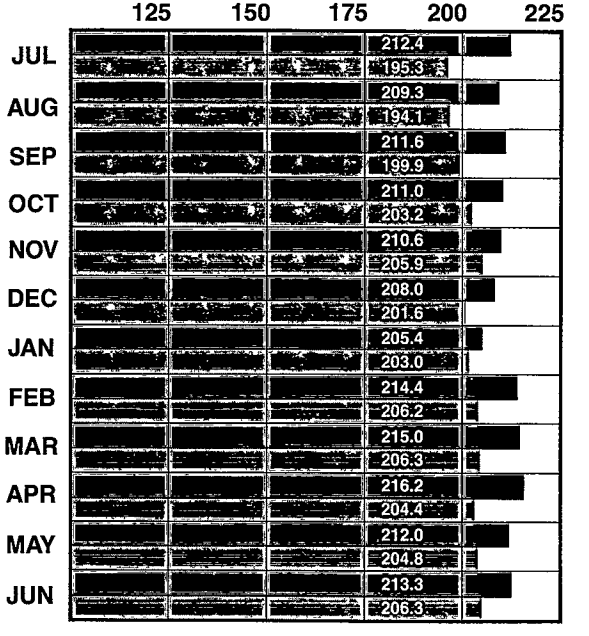


TOTAL $56,058 100.00%

DAILY ON-TIME PERFORMANCE



AVERAGE WEEKDAY PATRONAGE (000's)



FY 1984–85 FY 1983–84

Customers First the Second Time Around

Message from the General Manager

When BART first opened 26 miles of track for passenger operations on September 11, 1972, its system of automatic controls, stations, tracks, tunnels and gleaming aluminum cars was hailed as an engineering wonder.

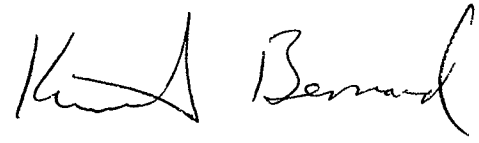
Two sobering years later, when the 3.6-mile Transbay Tube was opened, BART linked the east and west sides of San Francisco Bay with the potential for high capacity travel in this congested corridor. But, despite its potential, the system couldn't deliver its promised performance. It was plagued with problems and pressures that had not been foreseen. Technology, rather than customers, had come first.

Today, as BART begins its 14th year of operation, most of the performance problems have been overcome and original ridership projections have been met. The potential for high capacity will finally be achieved over the next four years. Peak period trains and cars will be substantially increased through delivery of 150 new cars; construction of the Daly City turnback track and storage yard; completion of the additional track through downtown Oakland, and installation of overall control system modifications, including replacement of the present central train control computers.

Most of these key projects are, understandably, scheduled to reach their completion phase at approximately the same time. When they are operational, it will be like starting up the system for a second time. Will BART and its riders be more successful the "second time around"?

This time, BART is acutely aware of the potential problems and an explicit approach to avoiding them has been developed. First, through rigorous systems engineering and simulation analysis, we are able to identify potential system integration problems and figure out ways to solve them well beforehand. Second, we're taking the time necessary to solve problems encountered in manufacture and construction when they occur. BART's new cars, for example, which are in the prototype testing state, are not being accepted, let alone put into service, until they absolutely meet the high requirements set for them three years ago.

We look forward to delivering a new and better BART to the riders and taxpayers this second time around. With all the new components in place and thoroughly tested, BART will be able to provide increased peak capacity where and when it's needed, and at the same time, enhance system performance. The objective, this second time, is to make sure customer satisfaction is served first by the technology.



Keith Bernard
General Manager, BART

San Francisco Bay Area Rapid Transit District (BART)

[redacted] downtown Oakland, California
[redacted] Madison Street, P.O. Box [redacted]
[redacted], CA 94607-[redacted] (415) [redacted]

[redacted] by the California State Legislature [redacted]
[redacted]

[redacted] Board of Directors elected for [redacted]
[redacted]
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B Kathryn Roth, Safety Engineer, is shown standing before one of BART's emergency vehicles, which are located at various BART stations.

A Wanda Posey, one of BART's train operators, works out of the Hayward Yard.

R Diese Evans, transit vehicle mechanic (TVM), works at the Richmond Yard.

Arthur Clarke, chief analyst of the Integrated Control System (ICS), is shown with some of the new Central Control computer units which are expected to be "on-line" by the end of 1987.