

ATTACHMENT A

ACTIVITIES UNDERTAKEN TO REDUCE FIVE-YEAR PROJECTED DEFICIT FROM 2002 TO 2007

Several years ago, the District Board recognized that the current level of expenditure was going to outstrip the current level of revenues over the long-term. Systemic changes were necessary to achieve financial stability over the long-run, but that through careful planning sufficient reserves were available to make those changes at a pace that made it easiest on its customers and community as a whole. The following is a list of actions, other than a toll increase, taken over the recent years to achieve long-term financial stability (some are still underway at this time).

Cost Containment Strategies

- 22% Reduction in Workforce Both Operations and Administration Staff
- Wages Frozen for Two Years for Non-Representative and Coalition Employees
- Increased Employee Cost Share of Medical Benefits and Reduced Coverage
- 25% Reduction in Bus Service in March and November of 2003
- Operating Efficiencies in Both Operations and Administration
- Implemented Ferry Efficiencies that Reduced the Number of Seats Available by 23%
- Successful Cost Containment Negotiations Through the Collective Bargaining Process
- Reduced Board of Directors Expenses by 50% Through Reduction of Board Meetings and Reduced Board Conference Travel by 50-60%
- Transferred the Railroad Right-of-Way to Sonoma-Marín Area Rail Transit District

Revenue Enhancement

- 5.8% Average Bus Fare Increase Since 2002
- 10.5% Average Ferry Fare Increase Since 2002
- Increased Local Contributions for Provision of Local Bus Service
- Over \$261 Million in New Bridge, Bus, and Ferry Capital Grant Commitments from Federal, State, and Local Agencies
- Increase in Revenues from Leases
- Miscellaneous Revenue Generation (donation box, paid-parking at Bridge employee lot, implementation of online store, development of new concession products)