



Revised June 4, 2009

Agenda Item No. 10.A.

Special Order of Business

To: Board of Directors
Meeting of April 10, 2009

From: Joseph M. Wire, Auditor-Controller
Celia G. Kupersmith, General Manager

Subject: **RECEIVE THE UPDATED FIVE- AND TEN-YEAR FINANCIAL PROJECTION**

Recommendation

The following report is provided for informational purposes and does not require any action.

Introduction

This report contains the second revision of the financial projection for the ten-year period from FY 09/10 through FY 18/19. The report is broken up into five sections;

- I. Introduction
- II. Fiscal Strength of the District
- III. Projection Findings
- IV. Assumptions
- V. Next Steps

and the Appendices;

- A. Projection
- B. Assumptions
- C. Ten-Year Capital Plan Projection
- D. Capital Contribution Calculation
- E. Reserve Structure

I. Introduction

What is a Projection?

This report contains the District's revised five and ten-year financial projection of operating and capital project revenues and expenses from FY 09/10 through FY 18/19. The projection reflects the maintenance of all current policy decisions -- current operating service levels, the current capital project schedule and current revenue assumptions -- over the period of the projection. It assumes that the cost of inputs will change over time with inflation and that revenues will change according to projections of traffic and transit patronage. *Future* policy decisions to change tolls, fares, and/or service levels are *not* included in this projection.

The projection presents the long-term financial impact of the present baseline level of operations. The projection is not a policy document and therefore does not represent the future direction of the District. That direction will be set by policy decisions made by the Board in future years. Those decisions will change the direction of the Agency as compared to this projection, i.e., increase or decrease the fiscal strength of the District and correspondingly its ability to serve the public.

Why is a Financial Projection Essential?

A long-term projection is essential to enable the leaders of an organization and the public it serves to understand the challenges the organization faces in the years to come. Given the capital project intensive nature of the District's business -- maintaining a \$2 billion bridge and a large fleet of buses and ferries -- the ten-year projection allows for early planning and execution of funding strategies for large capital projects. Without that advance notice and planning, it is almost impossible to fund and undertake large projects in a timely fashion.

II. Fiscal Strength of the District

Summary

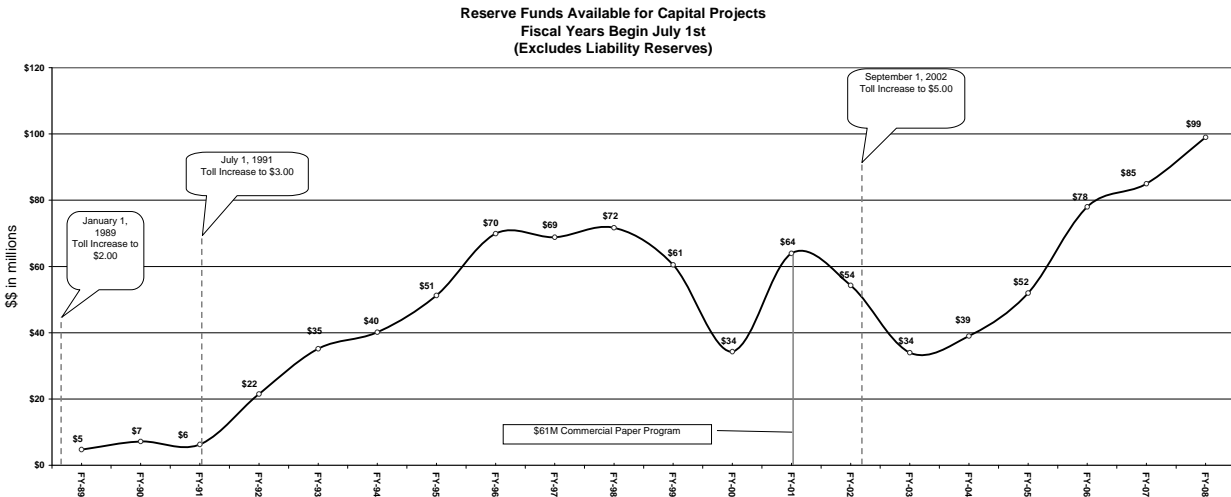
The fiscal strength of the District is best tracked by comparing the level of reserve funds available for operating and capital with the time period necessary for the projected needs of the District to exhaust those resources. In the District's case, it is projected that the FY 10/11 Operating and Capital Budget will encumber all available reserve resources. This is due to large capital projects that begin in the next two years.

Reserve Level

Historically, the District has maintained reserve funds for capital projects and operating expense emergencies. The amount of these reserves has varied but adequate reserves are essential to the ability of the District to maintain its core assets -- the Bridge, the transit rolling stock and infrastructure, and District facilities -- and to survive downturns in the economy. At present, the District's reserves are at its highest point in recent years, but, as mentioned above, there are

several large projects beginning (the main cable and seismic retrofit) that will reduce the reserves substantially.

The reserve levels for the last 20 years are displayed in the chart below.



The FY 08/09 Operating Budget is expected to keep the reserves constant through the year. Given the projected FY 09/10 funding needs of the capital projects, liability and operating reserves, all available reserves are expected to be allocated in FY 10/11. Additional funding for new capital projects in future years beyond FY 10/11 will need to be raised to fund the full ten-year capital plan in this projection. The projection deficit includes that necessary funding.

In addition to the Capital Project Reserves, the District holds reserves for operations, emergencies, Bridge self-insured losses, other legal liabilities and debt services reserves (See Appendix E). These reserves are not considered available for capital projects.

Use of Reserves to Fund Capital Projects

Current Board direction is to apply all capital project reserves to fund Capital projects in the ten-year projection period. These funds do not fully cover the District's Capital funding needs. The additional funds will need to be raised through the capital contribution transfer from the operating budget.

How the Resources are Funded

New reserves are accumulated if future operating budgets are balanced. In FY 09/10, a balanced operating budget will provide approximately \$17 million for the capital project reserves through two mechanisms; 1) the capital contribution set aside, and 2) depreciation expense. Those funds are first used to refund the operating reserves and the emergency reserves, if necessary, and then the capital projects listed in the first years of the projection. The trade offs between which capital projects to begin and when, will be made during the future year budget process. (For more information regarding the capital contribution or reserve structure, see Appendix D and E.)

III. Projection Findings - Revised

The findings of the revised five and ten-year projection for revenues and expenses are summarized in the following table. A year by year summary table and detailed operating and capital revenue and expense tables are in the appendices.

	Year 1 FY 2010 Estimate	SubTotal Year 1 – 5 Estimate	Total Year 1 – 10 Estimate
Total Operating and District Capital Expense	\$172	\$932	\$2,035
<u>Total Operating Revenue</u>	<u>\$161</u>	<u>\$830</u>	<u>\$1,712</u>
Total Operating & Capital District Deficit	\$11	\$102	\$323

For comparison purposes, the projected ten-year deficit of \$323 million is approximately \$150 million higher than the \$173 million presented in this year’s original version (September 11, 2008). The projected five-year deficit is \$102 million, \$67 million more than the \$35 million estimate of earlier this year. The increase in the five-year projected deficit is primarily due to the downturn in the economic cycle causing a decrease in Bridge tolls and State Operating Assistance revenue and an increase in Pension expenses and the approved contribution to the Doyle Drive reconstruction. Note: The 5 and 10-year projected deficits excluding the contribution to Doyle Drive are estimated to be \$67 million and \$253 million respectively or \$35 million and \$70 million less than the 5 and 10-year estimates shown above.

Revised Assumptions in This Report

1. **Bridge Traffic.** Traffic down 4% or approximately \$4 million per year.
2. **STA Funding.** STA funding cut by \$4 million in FY 08/09 and eliminated in future years.
3. **Pension Contributions Increase.**
 - a. ATU **pension** (employer portion) increases 2% or approximately \$400,000 per year in FY9/10 and beyond.
 - b. CalPERS projected to increase 5% or approximately \$3 million beginning in FY11/12.
4. **Capital Contribution.** Net increase of \$2 million per year due to decreasing the number of projects in the current 10-year capital plan and \$75 million contribution to Doyle Drive in FY 13/14.

5. **Depreciation.** Decreases in expenses due to the decrease in the number of projects in the 10-year capital plan.

Capital Contribution

The capital contribution has increased \$2 million annually over last year's projection. The projected ten-year District capital need is estimated at \$272 million (See Appendix C.) After accounting for funds contributed by depreciation, and the use of \$99 million in District reserves, the necessary capital contribution from District Operations is \$120 million or \$12 million annually for the ten-year period.

IV. Assumptions

The assumptions used to build the projection are very important to the findings. Whether the assumption is the inflation rate used to inflate salary and expense costs or the list of capital projects to be undertaken, all assumptions have an impact on the findings. However, a change to any one of the inflation assumptions or capital projects will not dramatically change the findings in this report. Since the projection is neither a policy document, nor a direction for the District, but a status quo baseline to be used to provide a benchmark for future policy decisions, assumptions have been chosen that provide the greatest likelihood that the projection will correctly reflect a status quo future. The major assumptions are summarized below (they are also listed in detail in Appendix B).

Operating Revenue Assumptions

- Toll revenue projections include the approved toll increase, maintain the current average toll and reflect a 4% decrease in traffic occurring in FY08/09 and projected slow population and economic growth in Marin County in future years.
- Transit Fare revenue projections reflect the final two years of a five-year, 5% per year, rate increase as approved by the Board. The remaining eight years remain relatively flat.
- Grant revenues are based on information provided by MTC, historical experience, include final STA payments in FY08/09 and reflect only TDA funding in future years.
- All other miscellaneous revenues such as rents and gift center sales are based on local Consumer Price Index (CPI) forecasts produced by the California State Legislative Analysts Office (LAO).

Operating Expense Assumptions

- Cost of living increase for California produced by the LAO is used as a basis to project categories dependent on economic conditions, such as the cost of labor, services, materials, supplies, utilities, insurance, and rents/leases. Salaries for the Bus Operators are based on the approved labor contract for years 1 and 2 and the remaining years reflect the LAO's projected CPI rates. Workers compensation and medical costs are based on provider anticipated growth rates.

- Pension projections include a 2% increase in ATU pension (employer portion) and a 5% CalPERS pension increase in FY11/12.
- This projection includes funding for the first ten years of a 30-year amortization of the cost of retiree postemployment health benefits (OPEB).
- Costs due to projected commercial paper principal payments and Translink operating costs are included in the projection, but are offset by projected cost savings based on current (lower) spending patterns.

Capital Project Revenue and Expense Assumptions

The FY 09/10 through FY 18/19 Ten-Year Capital Projection, provided in Appendix C, identifies a \$1 billion capital need over the next ten years requiring a District contribution of \$272 million. This plan has been structured to systematically maintain and sustain existing Bridge, Bus and Ferry capital investments within existing staff resources.

Grants are generally assumed to fund 80% of Transit rehabilitation and replacement projects, consistent with prior experience, and 80% of the core Bridge paint and rehabilitation projects. The 80% grant funding assumption is based on past experience but will be reviewed each year to reflect current experience. All projects have been reviewed and rated essential for the continued operation of the District, and the timing of each project balances the operational need for the project with the availability of staff resources to complete the project in a timely fashion.

Project costs are inflated 2.7% in the out-years based on the inflation factor used by the California Transportation Commission and State Transportation Improvement Program (STIP).

Alternative Capital Revenue Assumption Scenarios

Historically the 10-year Capital projections assume 80% grant funding for major Bridge projects. (See next page for a list of projects.) The Board requested an analysis on what the size of the deficit would be if less grant funding was obtained for these Capital projects. The following is a summary of the results:

- With an 80% grant funded assumption, the five-year deficit is \$102 million (the current assumption.)
- With a 50% grant funded assumption, the five-year deficit is \$125 million or an additional \$23 million from 80% base assumption.
- With a 30% grant funded assumption, the five-year deficit is \$140 million or an additional \$38 million from the 80% base assumption.

These scenarios all assume using approximately \$50 million of the District's Reserves over a five-year period.

BRIDGE DIVISION
(All number in thousands)

CAPITAL PROJECT DETAIL	10-YR TOTAL
SAFETY/SECURITY ENHANCEMENTS	
Facility Improvements	
Seismic Facilities – Bridge	\$6,940
Seismic Facilities - Building Ops Center	3,530
FACILITIES/BRIDGE REHABILITATION	
Bridge Paint Rehabilitation	
South Tower Paint Rehabilitation	24,230
South-End Paint Rehabilitation	45,300
North Tower Paint Rehabilitation	6,850
Roadway/Structure Rehabilitation	
Floor Beam & Bracing Repl/Rehab	80,970
Grounds	
Pave/Maintain Alexander Avenue	3,920
TOTAL	\$171,740

V. Next Steps

The District will continue the process of addressing the projected deficit through its Strategic Planning process. The goal of those workshops will be to produce a balanced long-term financial plan for consideration by the Board. Staff will implement the plan in the years ahead, including incorporating it into future budgets if appropriate.

Fiscal Impact

There is no direct fiscal impact. The report provides a ten-year projection of the potential fiscal impact of current policy.

Appendices:

- A. Projection
- B. Assumptions
- C. Ten-Year Capital Plan Projection
- D. Capital Contribution Calculation
- E. Reserve Structure

**Golden Gate Bridge, Highway & Transportation District Operating Budget Projection
Five-Year and Ten-Year Financial Projections FY 09/10 - FY 18/19
All Figures Rounded to (\$000)**

80% Grant Funded

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total	Total
	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>5 Year</u>	<u>10 Year</u>
	<u>Budget</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
Agency Expense:													
Salaries	\$ 62,500	\$ 64,300	\$ 66,100	\$ 67,900	\$ 69,800	\$ 71,800	\$ 73,800	\$ 75,800	\$ 78,000	\$ 80,100	\$ 82,400	\$ 339,900	\$ 730,000
Fringe Benefits (Incl PR Taxes)	44,000	46,500	48,700	51,000	53,400	55,800	58,300	60,900	63,600	66,400	69,400	255,400	574,000
Professional Services	13,700	14,200	14,600	15,000	15,400	15,800	16,300	16,700	17,200	17,700	18,200	75,000	161,100
Fuel & Related Taxes	11,100	11,400	11,700	12,000	12,300	12,700	13,100	13,400	13,800	14,200	14,600	60,100	129,200
Repair & Operating Supplies	8,100	8,300	8,500	8,700	9,000	9,200	9,500	9,700	10,000	10,300	10,600	43,700	93,800
Insurance, Taxes & Permits	4,600	4,800	4,900	5,000	5,200	5,300	5,500	5,600	5,800	5,900	6,100	25,200	54,100
Purchased Transportation	1,900	1,900	2,000	2,000	2,100	2,100	2,200	2,200	2,300	2,400	2,400	10,100	21,600
Staff Development	1,100	1,100	1,100	1,200	1,200	1,200	1,300	1,300	1,300	1,400	1,400	5,800	12,500
Leases & Rentals	1,400	1,500	1,500	1,500	1,600	1,600	1,700	1,700	1,800	1,800	1,900	7,700	16,600
Debt Service-Interest Expense	3,300	3,200	3,200	3,300	3,300	3,200	3,100	2,900	2,800	2,700	2,500	16,200	30,200
Depreciation	7,500	6,300	6,600	8,600	10,200	11,100	11,200	11,200	11,800	13,300	13,500	42,800	103,800
Total Expenses	\$ 159,200	\$ 163,500	\$ 168,900	\$ 176,200	\$ 183,500	\$ 189,800	\$ 196,000	\$ 201,400	\$ 208,400	\$ 216,200	\$ 223,000	\$ 881,900	\$ 1,926,900
Known Changes:													
Translink Costs (Net)	\$ -	\$ 400	\$ 600	\$ 600	\$ 600	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 2,900	\$ 6,400
ICAP	(3,800)	(3,900)	(4,100)	(4,200)	(4,300)	(4,400)	(4,500)	(4,700)	(4,800)	(4,900)	(5,100)	(20,900)	(44,900)
Commercial Paper Principal Pymts	-	1,400	1,500	1,600	1,700	1,800	1,900	2,000	2,100	2,200	2,400	8,000	18,600
Other (2)	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjust for Current Spending Patterns	(2,000)	(2,000)	(2,100)	(2,300)	(2,300)	(2,300)	(2,300)	(2,200)	(2,200)	(2,200)	(2,100)	(11,000)	(22,000)
Pension Increase ~5% in FY2012				2,800	2,900	3,000	3,100	3,200	3,300	3,400	3,600	8,700	25,300
ATU Pension Increase	100	400	400	400	400	500	500	500	500	500	500	2,100	4,600
Total Known Changes	\$ (5,700)	\$ (3,700)	\$ (3,700)	\$ (1,100)	\$ (1,000)	\$ (700)	\$ (600)	\$ (500)	\$ (400)	\$ (300)	\$ -	\$ (10,200)	\$ (12,000)
Sub-Total Expense	\$ 153,500	\$ 159,800	\$ 165,200	\$ 175,100	\$ 182,500	\$ 189,100	\$ 195,400	\$ 200,900	\$ 208,000	\$ 215,900	\$ 223,000	\$ 871,700	\$ 1,914,900
Capital Contribution - 80% Grant Funded	\$ 9,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 60,000	\$ 120,000
Total Expense	\$ 162,500	\$ 171,800	\$ 177,200	\$ 187,100	\$ 194,500	\$ 201,100	\$ 207,400	\$ 212,900	\$ 220,000	\$ 227,900	\$ 235,000	\$ 931,700	\$ 2,034,900
Total Operating Revenue	\$ 162,500	\$ 161,200	\$ 164,200	\$ 166,300	\$ 168,100	\$ 170,200	\$ 172,100	\$ 174,100	\$ 176,500	\$ 178,500	\$ 180,800	\$ 830,000	\$ 1,712,000
Total Net Surplus/(Deficit)	\$ -	\$ (10,600)	\$ (13,000)	\$ (20,800)	\$ (26,400)	\$ (30,900)	\$ (35,300)	\$ (38,800)	\$ (43,500)	\$ (49,400)	\$ (54,200)	\$ (101,700)	\$ (322,900)
										September Projection:		\$ (35,100)	\$ (173,400)
Bridge Expense	\$ 61,800	\$ 67,500	\$ 69,000	\$ 71,400	\$ 74,200	\$ 76,200	\$ 78,100	\$ 80,200	\$ 82,400	\$ 85,500	\$ 88,000	\$ 358,300	\$ 772,500
Transit Expense	\$ 102,300	\$ 103,600	\$ 107,800	\$ 112,600	\$ 116,900	\$ 121,400	\$ 125,300	\$ 129,400	\$ 133,700	\$ 138,600	\$ 142,900	\$ 562,300	\$ 1,232,200

**Golden Gate Bridge, Highway & Transportation District Operating Budget Projection
Five-Year and Ten-Year Financial Projections FY 09/10 - FY 18/19**

Revenue Detail

All Figures Rounded to (\$000)

	Year 0 FY09 Budget	Year 1 FY10 Estimate	Year 2 FY11 Estimate	Year 3 FY12 Estimate	Year 4 FY13 Estimate	Year 5 FY14 Estimate	Year 6 FY15 Estimate	Year 7 FY16 Estimate	Year 8 FY17 Estimate	Year 9 FY18 Estimate	Year 10 FY19 Estimate	Total 5 Year Estimate	Total 10 Year Estimate	
Revenue Summary	Updated	Toll Increase												
Bridge Tolls	\$ 96,300	\$ 99,800	\$ 100,200	\$ 100,800	\$ 101,200	\$ 101,700	\$ 102,200	\$ 102,600	\$ 103,400	\$ 103,800	\$ 104,400	\$ 503,700	\$ 1,020,100	
Transit Fares	22,800	24,300	25,800	26,100	26,400	26,800	27,100	27,500	27,900	28,100	28,500	129,400	268,500	
Investment Income	6,100	2,500	2,700	2,900	3,000	3,200	3,300	3,300	3,400	3,500	3,600	14,300	31,400	
Gift Center Sales & Café	3,400	3,500	3,600	3,700	3,800	3,900	4,000	4,100	4,300	4,400	4,500	18,500	39,800	
Ferry Concessions	300	300	300	400	400	400	400	400	400	400	400	1,800	3,800	
Other (Incl Leases & RM2)	4,500	4,500	4,500	4,600	4,700	4,700	4,800	4,900	4,900	5,000	5,100	23,000	47,700	
Local Funds & Misc Projects	13,800	14,500	15,300	16,000	16,800	17,700	18,500	19,500	20,400	21,500	22,500	80,300	182,700	
State Funds	15,200	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	58,500	117,000	
Federal Funds	100	100	100	100	100	100	100	100	100	100	100	500	1,000	
Total Revenue	\$ 162,500	\$ 161,200	\$ 164,200	\$ 166,300	\$ 168,100	\$ 170,200	\$ 172,100	\$ 174,100	\$ 176,500	\$ 178,500	\$ 180,800	\$ 830,000	\$ 1,712,000	
Bridge & Concession Revenue	\$ 106,400	\$ 106,500	\$ 107,300	\$ 108,100	\$ 108,900	\$ 109,600	\$ 110,300	\$ 111,100	\$ 111,900	\$ 112,600	\$ 113,300	\$ 540,400	\$ 1,099,600	
Transit Revenue	\$ 56,200	\$ 54,800	\$ 57,000	\$ 58,200	\$ 59,400	\$ 60,600	\$ 61,800	\$ 63,200	\$ 64,500	\$ 66,000	\$ 67,500	\$ 290,000	\$ 613,000	

**Golden Gate Bridge, Highway and Transportation District
Five-Year and 10-Year Financial Projection FY 09/10 – FY 18/19**

CATEGORY

ASSUMPTIONS

General Assumptions

**The FY 08/09 Adopted Budget has been used as the base
for all revenue and expense projections**

Operating Revenue

Bridge Tolls	Includes a \$1.00 toll increase, for cash and Fastrak, effective 9/02/2008. In the past year, vehicle crossings have decreased by approximately 4% due to the Bay Area's economic downturn. Vehicle crossings are projected to remain relatively flat with this downturn, increasing very slightly (0.05% per year).
Bus Transit	Assumes 5% fare increase, in June, 2011, for regional routes, then no other fare increases through June, 2019. No fare increase is assumed for local routes. Revenue is projected to remain relatively flat throughout the projection period.
Ferry Transit	Assumes 5% fare increase in June, 2011, then no additional fare increases through June, 2019. Combined Passenger growth is projected to increase at 2% per year based on the planning department and SRTP projections.
Local Contract	Assumes continuing contract with Marin Transit or local service @ 5% increase per year through June 30, 2019, in accordance with 10-year contract provisions.
State Funding	Projection is based on most recent funding projections which reflect a decrease of approximately \$3M in FY 08/09 and an additional reduction of \$2M in STA and \$1M in TDA funding in FY 09/10. The remaining projection assumes no STA funding for FY 10/11-FY 18/19 and TDA funding increases in FY 10/11 to early FY 08/09 level of \$11M and remains constant throughout the projection.
Federal Funding	Assumes federal funding for preventative maintenance ends in FY 08/09.
Investment Income	Interest on investment is projected to be 4.0% for the first year, increasing slightly to a maximum of 4.5% based on current rate trends. Projected account balance is net of operating deficit excluding capital contribution and depreciation.

**Golden Gate Bridge, Highway and Transportation District
Five-Year and 10-Year Financial Projection FY 09/10 – FY 18/19**

CATEGORY	ASSUMPTIONS
Gift Center Sales & Café	Sales based on current Gift Center and Café sales plus an average of 2.8% per year CPI increase. Refer to CPI assumption.
Ferry Concessions	Sales based on current Ferry concession contract with an average of 2.8% per year CPI increase. Refer to CPI assumption.
Other Revenue	Based on a projected average CPI rate of 2.8%, as discussed below. This revenue includes leases, advertising, meters and parking fines.

Operating Expense

CPI Rates	Projected CPI rates are based on California’s Legislative Analyst’s Office (LOA). The projected rates for FY09/10, FY10/11, FY11/12 are 2.3%, 2.7% and 2.8% respectively. For the remaining years (FY 12/13-FY18/19) this projection assumes CPI rates will remain the same as FY11/12 or 2.8%. This is in line with historical trends which indicate that actual CPI rates have trended 30% higher than Congressional Budget Office (CBO) rates which are projected to be 2.2% for years FY12/13-FY18/19.
Salaries	Salary increases are based on an average 2.8% per year increase in CPI projections as noted above. Bus operators’ salary increases are based on new ATU Contract for FY2010 & FY2011, and are then increased by average CPI rates. Capitalized labor expenses are directly charged to the capital projects.
Pension	PERS Supplemental Pension (Employer Responsibility) for FY 09/10 is projected at 16.3% of Salaries and increases to 21% by 2019 based on PERS actuarial projections which includes a 5% rate increase in FY 11/12. This 5% rate increase is based on revised CalPERS rate estimate projections as of November 18, 2008. Bus Operators' Pension (ATU) is projected at 17.165% of salary for all years based on new ATU contract. The additional 2% added this year is shown as a know change of approximately \$400k-\$500k/year.
Medical Insurance	Assumes an <u>average</u> of 7.5% per year increase, based on a blended rate of National Health Organization and Medicare/Medicaid actuarial projections.

**Golden Gate Bridge, Highway and Transportation District
Five-Year and 10-Year Financial Projection FY 09/10 – FY 18/19**

CATEGORY	ASSUMPTIONS
Worker's Compensation	Cost projections are based on Medical cost increases of 7.5% per year as explained above, and indemnity payments which are projected to increase based on CPI rates. Costs are split approximately 50/50 between medical and indemnity payments based on the District three-year average.
Debt Service Payment	Assumes a rate increase of 0.5% per year reaching a cap of 6.5% in year 3 (4.5% - 20 year average Commercial Paper rate plus 2.0% for indenture requirement).
All other expenses not mentioned above	Assumes an average increase of 2.8% per year, which is based ABAG & CPI projections.
Depreciation	Based on 10-Year Capital Expenditure Plan provided by the Capital & Grants Office. Depreciation was reduced by ~\$10M based on historical pattern of slower than anticipated roll-out and implementation of projects.

Known Changes

Translink Operations Costs	Based on cost schedule provided by MTC - "Phase II Operating Costs 10-Year Baseline for FY 2006-2007". No GGBHTD cost savings are projected. It is estimated that any printing and ticket book cost savings will be offset by additional financial support and maintenance costs.
Commercial Paper Principal	Payments to the Commercial Paper Debt Principal will begin in FY 09/10. Per the original indenture agreement, the projection is based on \$1.4M in the first year with increases of \$100K per year amortized over 22 years,
Adjustment for Current Spending Patterns	<ol style="list-style-type: none"> 1. Cost savings on Commercial Paper interest calculated at an average rate of 4.5% as opposed to maximum of 6.5%. 2. Assumes an estimate of \$1.5M per year cost savings for unspent funds in Professional Service Fees and Salaries due to unfilled positions.

**FY 2010 Ten-Year Capital Plan
Financial Assumptions**

<u>PROJECTS</u>	<u>10-YEAR TOTAL</u>	<u>% OF TOTAL</u>	<u>10-YEAR DISTRICT</u>	<u>ASSUMPTIONS</u>
<u>BRIDGE DIVISION</u>				
SEISMIC RETROFIT				
Final Design	770,000	0.1%	0	Phase III Final Design - 100% grants secured
Construction	345,330,000	31.9%	59,326,800	Ph IIIA remaining @ \$102.7 mil - 94% grant funded; Ph IIIB @ \$240 mil - 79% grants assumed; Beam Span @ \$2.9 no grants
OTHER SAFETY/SECURITY ENHANCE.				
Facility Improvements	114,260,000	10.5%	36,040,000	Suicide Det. @ \$36.9 mil - 100% Fed/State/Local; MMB @ \$24.6 mil - 80% grant funded; Seismic Facilities @ \$38.2 mil - 26% grants; Crash Attenuators no grants assumed
Equipment/Systems	5,890,000	0.5%	1,400,000	Security System Improvements - 80% Fed
FACILITIES/BRIDGE REHABILITATION				
Bridge Access Systems	8,830,000	0.8%	8,830,000	No Grants Assumed
Bridge Paint Rehabilitation	110,380,000	10.2%	51,508,000	All Paint Rehab @ \$257.2 mil - 80% grant funded; Main Cable Recoating @ \$34.2 mil - 100% District
Roadway/Structure Rehabilitation	80,970,000	7.5%	16,190,000	Floor Beam & Bracing @ \$80.9 mil - 80% grant funded; Bridge Pavement Repair @ \$13.9 mil - 50% grant
Maintenance/Operations Buildings	14,610,000	1.3%	5,460,000	Maintenance Facility Relocation @ \$9.1 mil start fy 2015 - 100% NPS/Presidio Trust funded; all others 100% District
Grounds	11,800,000	1.1%	8,873,000	Pave/Maintain Alexander Ave. @ \$3.92 mil - 50% grant funded; all others 100% District
INFORMATION TECHNOLOGY	7,230,000	0.7%	7,230,000	No Grants Assumed
CAPITAL EQUIPMENT				
Tools and Equipment	10,720,000	1.0%	10,720,000	No Grants Assumed
<u>BUS DIVISION</u>				
REVENUE VEHICLE REPLACEMENT	138,269,000	12.8%	13,240,000	ADA Vans @ \$6 mil - 100% grant funded; all others @ \$132.2 - 90% grant funded (FTA and I-Bond)
SAFETY/SECURITY ENHANCEMENTS				
Equipment/Systems	10,730,000	1.0%	2,146,000	Security Systems @ \$2.6 mil - 80% grant funded; Radio/AVL @ \$8 mil - 80% grants secured
FACILITIES REHABILITATION				
Maintenance/Operations Buildings	10,890,000	1.0%	2,318,000	Bus Stops and Bus Steam Clean @ \$2.85 mil - 80% grants; Wash Racks @ \$1.7 mil - 38% secured; all others @ \$5.5 - 100% grants (I-Bond)
Grounds	2,200,000	0.2%	100,000	Bus Lots - 100% grant funded (I-Bond); Park & Ride Lots - 80% grant funded
INFORMATION TECHNOLOGY				
Computer Scheduling / Dispatch	750,000	0.1%	0	No Grants Assumed
CAPITAL EQUIPMENT				
Tools and Equipment	3,780,000	0.3%	2,750,000	No Grants Assumed except: ADA Paratransit Eq. @ \$1.1 mil - 100% grant funded
<u>FERRY DIVISION</u>				
REVENUE VEHICLE REPLACEMENT	72,250,000	6.7%	10,610,000	Ferry Replacement @ \$23.9 mil; Vessel Component Rehab @ \$7 mil; Major Propulsion Replace @ \$11.7 mil - all projects 80% FTA funded
SAFETY/SECURITY ENHANCEMENTS				
Equipment/Systems	220,000	0.0%	40,000	All projects - 80% grant funded
FACILITIES REHABILITATION				
Fixed Guideway	53,330,000	4.9%	10,660,000	All projects (dredging) - 80% grant funded. Upland disposal beginning in FY 2010 - cost up 100%
Fixed Guideway Connectors	27,720,000	2.6%	5,540,000	All projects - 80% grant funded including STIP/STP/CMAQ funds
Maintenance/Operations Buildings	5,490,000	0.5%	0	Faregates remaining @ \$1.4 mil - 100% grant secured; all other projects 100% grants assumed (I-Bond)
Terminal Facilities	24,850,000	2.3%	5,674,000	Marsh Restoration - 100% District; Passenger Terminals - 80% grant funded; Pavement Projects 95% grants (I-Bond)
CAPITAL EQUIPMENT				
Tools and Equipment	600,000	0.1%	600,000	No Grants Assumed
<u>DISTRICT DIVISION</u>				
FACILITIES REHABILITATION				
Maintenance/Operations Buildings	8,170,000	0.8%	1,750,000	Office Facility Renovation/Consolidation @ \$5.62 mil - 100% grant funded; all others 100% District
INFORMATION TECHNOLOGY	10,090,000	0.9%	7,328,000	Future IT @ \$2.2 mil - 50% grant funded; Computer Eq./Telephone Replacement @ \$5.8 mil - no grants assumed; FMMS @ \$2 mil - 76% grant funded
CAPITAL EQUIPMENT				
Tools and Equipment	<u>3,950,000</u>	<u>0.4%</u>	<u>3,950,000</u>	No Grants Assumed
TOTAL	1,084,079,000	100.0%	272,280,000	

* All projects costs are inflated at a rate of 2.7% per year, consistent with California Transportation Commission cost inflation factor applied to the State Transportation Improvement Program.

**GGBHTD
10-Year Capital Plan**

**GGBHTD
TEN YEAR CAPITAL REQUIREMENT
CAPITAL PROJECT DETAIL**

	10-YR TOTAL (\$000)	10-YR DISTRICT (\$000)	10-YR GRANTS (\$000)	<<<=10-YEAR PROJECTED CAPITAL NEED =>>>										PRIOR YEAR (\$000)	FUTURE YEAR (\$000)	TOTAL PROJECT (\$000)	
				FY 2010 (\$000)	FY 2011 (\$000)	FY 2012 (\$000)	FY 2013 (\$000)	FY 2014 (\$000)	FY 2015 (\$000)	FY 2016 (\$000)	FY 2017 (\$000)	FY 2018 (\$000)	FY 2019				
BRIDGE																	
DISTRICT	205,580	205,580	-	14,040	26,480	25,380	13,720	13,280	19,790	20,780	25,710	29,290	17,110				
GRANTS	505,210	-	505,210	44,430	46,680	39,220	47,530	65,590	86,260	73,160	37,700	39,360	25,280				
TOTAL	710,790	205,580	505,210	58,470	73,160	64,600	61,250	78,870	106,050	93,940	63,410	68,650	42,390	304,190	315,550	1,330,530	
BUS																	
DISTRICT	20,550	20,550	-	3,650	2,620	2,240	3,050	270	820	3,530	2,900	310	1,180				
GRANTS	146,070	-	146,070	17,000	17,000	16,080	26,230	930	4,000	32,090	23,490	430	8,800				
TOTAL	166,620	20,550	146,070	20,650	19,620	18,320	29,280	1,200	4,820	35,620	26,390	740	9,980	6,770	10,060	183,450	
FERRY																	
DISTRICT	33,120	33,120	-	5,200	6,910	3,720	3,140	2,760	1,550	3,910	3,480	780	1,690				
GRANTS	151,340	-	151,340	20,350	30,430	17,420	15,050	10,880	8,550	15,500	17,130	6,920	9,090				
TOTAL	184,460	33,120	151,340	25,550	37,340	21,140	18,190	13,640	10,100	19,410	20,610	7,700	10,780	8,200	14,840	207,500	
DISTRICT																	
DISTRICT	13,030	13,030	-	1,960	3,060	860	920	1,010	960	1,050	1,000	990	1,220				
GRANTS	9,180	-	9,180	1,020	1,040	50	50	740	2,880	3,050	50	50	250				
TOTAL	22,210	13,030	9,180	2,980	4,100	910	970	1,750	3,840	4,100	1,050	1,040	1,470	2,590	2,590	27,390	
AGENCY TOTAL																	
DISTRICT	272,280	272,280	-	24,850	39,070	32,200	20,830	17,320	23,120	29,270	33,090	31,370	21,200				
GRANTS	811,800	-	811,800	82,800	95,150	72,770	88,860	78,140	101,690	123,800	78,370	46,760	43,420				
TOTAL	1,084,080	272,280	811,800	107,650	134,220	104,970	109,690	95,460	124,810	153,070	111,460	78,130	64,620	321,750	343,040	1,748,870	
CUMMULATIVE TOTAL																	
DISTRICT	272,280	272,280	-	24,850	63,920	96,120	116,950	134,270	157,390	186,660	219,750	251,120	272,280				
GRANTS	811,800	-	811,800	82,800	177,950	250,720	339,580	417,720	519,410	643,210	721,580	768,340	811,800				
TOTAL	1,084,080	272,280	811,800	107,650	241,870	346,840	456,530	551,990	676,800	829,870	941,330	1,019,460	1,084,080	321,750	343,040	1,748,870	

**GGBHTD
10-Year Capital Plan**

BRIDGE DIVISION

CAPITAL PROJECT DETAIL	10-YR	10-YR	10-YR	<<<10-YEAR PROJECTED CAPITAL NEED >>>										PRIOR	FUTURE	TOTAL
	TOTAL	DISTRICT	GRANTS	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	YEAR	YEAR	PROJECT
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
BRIDGE SEISMIC RETROFIT																
Design																
Initial Design	-	-	-	-	-	-	-	-	-	-	-	-	-	14,740	-	14,740
Phase II Design Review	-	-	-	-	-	-	-	-	-	-	-	-	-	1,470	-	1,470
Phase III Design Review	770	-	770	770	-	-	-	-	-	-	-	-	-	4,230	-	5,000
Construction																
Phase I - North Approach	-	-	-	-	-	-	-	-	-	-	-	-	-	70,270	-	70,270
Phase II - South Approach	-	-	-	-	-	-	-	-	-	-	-	-	-	183,810	-	183,810
Phase IIIA - No. Anch. Housing/No. Pylon	102,580	5,837	96,743	40,000	40,000	22,580	-	-	-	-	-	-	-	16,550	-	119,130
Beam Span Repair	2,750	2,750	-	250	1,000	1,500	-	-	-	-	-	-	-	50	-	2,800
Phase IIIB - Suspension Bridge	240,000	50,740	189,260	-	-	10,000	50,000	55,000	55,000	50,000	20,000	-	-	-	-	240,000
Subtotal Seismic Construction	345,330	59,327	286,003	40,250	41,000	34,080	50,000	55,000	55,000	50,000	20,000	-	-	271,930	-	617,260
SAFETY/SECURITY ENHANCEMENTS																
Facility Improvements																
Suicide Deterrent	50,130	-	50,130	-	-	-	6,700	20,650	16,970	5,810	-	-	-	2,870	-	53,000
Moveable Median Barrier	24,650	4,930	19,720	5,000	8,000	10,000	1,650	-	-	-	-	-	-	350	-	25,000
Seismic Facilities - Underpass	27,590	27,590	-	-	-	-	-	-	420	730	13,420	13,020	-	-	-	27,590
Seismic Facilities - Bridge	6,940	1,390	5,550	-	-	-	-	480	2,830	3,630	-	-	-	-	-	6,940
Seismic Facilities - Building Ops Center	3,530	710	2,820	-	-	-	-	-	-	-	-	380	3,150	-	3,230	6,760
Crash Attenuators	1,420	1,420	-	1,000	420	-	-	-	-	-	-	-	-	-	3,780	5,200
Equipment/Systems																
Earthquake/Bridge Monitoring	280	280	-	-	280	-	-	-	-	-	-	-	-	-	-	280
Security Systems Improvements	5,610	1,120	4,490	2,000	2,410	100	100	100	100	100	100	100	500	-	-	5,610
FACILITIES/BRIDGE REHABILITATION																
Bridge Access Systems																
Marin Backspan Access Platforms	1,810	1,810	-	-	-	-	-	-	-	-	-	-	1,810	-	5,610	7,420
South Approach & Arch Platforms	7,020	7,020	-	-	-	-	-	-	-	-	-	2,300	4,720	-	-	7,020
Bridge Paint Rehabilitation																
Main Cable Recoating	34,000	34,000	-	5,000	15,000	14,000	-	-	-	-	-	-	-	800	-	34,800
Arch Paint Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,220	30,220
North-End Paint Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47,270	47,270
South Tower Paint Rehabilitation	24,230	7,078	17,152	250	640	1,170	730	1,380	9,900	10,160	-	-	-	-	-	24,440
South-End Paint Rehabilitation	45,300	9,060	36,240	-	-	-	-	-	-	-	4,320	20,220	20,760	-	-	45,300
Suspension Bridge Superstructure Paint Rehab	-	-	-	-	-	-	-	-	-	-	-	-	-	-	102,370	102,370
North Tower Paint Rehabilitation	6,850	1,370	5,480	-	-	-	-	-	-	730	1,490	3,060	1,570	-	22,920	35,890
Suspension Bridge Underdeck Recoating	-	-	-	-	-	-	-	-	-	-	-	-	-	-	76,280	76,280
Roadway/Structure Rehabilitation																
Floor Beam & Bracing Repl/Rehab	80,970	16,190	64,780	-	-	-	-	-	19,440	19,970	20,500	21,060	-	-	-	80,970
Bridge Pavement Repair	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,510	17,510

(continued)

**GGBHTD
10-Year Capital Plan**

BRIDGE DIVISION (continued)

CAPITAL PROJECT DETAIL	10-YR	10-YR	10-YR	<<<=10-YEAR PROJECTED CAPITAL NEED =>>>										PRIOR	FUTURE	TOTAL
	TOTAL	DISTRICT	GRANTS	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	YEAR	YEAR	PROJECT
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
FACILITIES/BRIDGE REHABILITATION (cont)																
Maintenance/Operations Buildings																
Maintenance Facility Relocation	9,150	-	9,150	-	-	-	-	-	100	250	800	3,500	4,500	-	-	9,150
Roof Rehabilitations	560	560	-	190	-	130	-	-	-	-	-	-	240	-	-	560
Misc. Facilities Rehabilitation/Improvements	4,900	4,900	-	420	250	200	670	210	210	1,450	1,490	-	-	-	240	5,140
Grounds																
TP East Parking Lot Restroom Replacement	2,890	1,923	967	1,000	1,890	-	-	-	-	-	-	-	-	10	-	2,900
Pave/Maintain Alexander Avenue	3,920	1,960	1,960	-	-	3,920	-	-	-	-	-	-	-	-	-	3,920
Pavement Rehabilitation	4,990	4,990	-	1,550	2,300	-	370	-	-	-	-	770	-	-	-	4,990
INFORMATION TECHNOLOGY																
Toll Collection/Fastrak																
Replace Toll/Fastrak Systems	7,140	7,140	-	-	-	-	-	-	-	-	150	3,060	3,930	5,110	-	12,250
Variable Message Signs	90	90	-	90	-	-	-	-	-	-	-	-	-	-	-	90
CAPITAL EQUIPMENT																
Tools and Equipment	10,720	10,720	-	950	970	1,000	1,030	1,050	1,080	1,110	1,140	1,170	1,200	-	-	10,720
TOTAL	710,790	205,580	505,210	58,470	73,160	64,600	61,250	78,870	106,050	93,940	63,410	68,650	42,390	304,190	315,550	1,330,530
		29%	71%													
PROJECTED GRANT FUNDS	505,210			44,430	46,680	39,220	47,530	65,590	86,260	73,160	37,700	39,360	25,280			
DISTRICT FUNDS REQUIRED	205,580			14,040	26,480	25,380	13,720	13,280	19,790	20,780	25,710	29,290	17,110			

**GGBHTD
10-Year Capital Plan**

BUS DIVISION

CAPITAL PROJECT DETAIL	10-YR	10-YR	10-YR	<<<10-YEAR PROJECTED CAPITAL NEED >>>										PRIOR	FUTURE	TOTAL
	TOTAL	DISTRICT	GRANTS	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	YEAR	YEAR	PROJECT
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
REVENUE VEHICLE REPLACEMENT																
Replace Buses	131,480	13,150	118,330	10,420	12,090	14,990	28,010	-	2,064	32,442	22,496	-	8,964	-	4,940	136,420
ADA Paratransit Vans	6,039	-	6,039	590	700	270	940	-	1,509	833	862	335	-	-	-	6,040
Replace Fareboxes	-	-	-	-	-	-	-	-	-	-	-	-	-	3,150	5,000	8,150
Install PM Traps on Buses	750	90	660	300	450	-	-	-	-	-	-	-	-	1,240	-	1,990
SAFETY/SECURITY ENHANCEMENTS																
Equipment/Systems																
Security Systems	2,640	528	2,112	540	900	-	-	100	100	-	1,000	-	-	-	-	2,640
Advanced Communication & Info. System	8,090	1,618	6,472	4,000	4,090	-	-	-	-	-	-	-	-	1,910	-	10,000
FACILITIES REHABILITATION																
Maintenance/Operations Buildings																
Bus Stop Improvements	750	150	600	-	250	-	-	-	500	-	-	-	-	-	-	-
Roof Replacement/Rehab	1,000	-	1,000	370	-	200	-	210	-	220	-	-	-	-	-	1,000
Miscellaneous Facilities Rehab	4,520	678	3,842	2,370	100	650	100	100	110	110	750	110	120	-	120	4,640
Replace Bus Facilities Wash Racks	1,720	1,070	650	1,720	-	-	-	-	-	-	-	-	-	400	-	2,120
Bus Steam Clean Area	2,100	420	1,680	-	300	1,800	-	-	-	-	-	-	-	-	-	2,100
Fuel Systems Rehabilitation/Replacement	800	-	800	-	-	-	-	-	-	-	800	-	-	-	-	800
Grounds																
Bus Lots Pavement Rehabilitation	1,690	-	1,690	-	510	-	-	550	-	-	-	-	630	-	-	1,690
Park & Ride Lots Pavement Rehabilitation	510	100	410	90	-	160	-	-	80	-	180	-	-	-	-	510
INFORMATION TECHNOLOGY																
Computer Scheduling/Dispatch	750	-	750	-	-	-	-	-	-	750	-	-	-	-	-	750
CAPITAL EQUIPMENT																
Tools and Equipment	3,780	2,750	1,030	250	230	250	230	240	460	1,260	300	290	270	-	-	3,780
TOTAL	166,620	20,550	146,070	20,650	19,620	18,320	29,280	1,200	4,820	35,620	26,388	735	9,984	6,770	10,060	182,700

12% 88%

PROJECTED GRANT FUNDS	146,070			17,000	17,000	16,080	26,230	930	4,000	32,090	23,490	429	8,800			
DISTRICT FUNDS REQUIRED	20,550			3,650	2,620	2,240	3,050	270	820	3,530	2,898	307	1,184			

**GGBHTD
10-Year Capital Plan**

FERRY DIVISION

CAPITAL PROJECT DETAIL	10-YR	10-YR	10-YR	<<<10-YEAR PROJECTED CAPITAL NEED >>>										PRIOR	FUTURE	TOTAL
	TOTAL	DISTRICT	GRANTS	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	YEAR	YEAR	PROJECT
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
REVENUE VEHICLE REPLACEMENT																
Spaulding Refurbishment	-	-	-	-	-	-	-	-	-	-	-	-	-	7,870	-	7,870
WSF Vessel Refurbishment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ferry Replacement	25,470	5,090	20,380	11,550	1,520	-	-	-	2,000	10,400	-	-	-	-	-	25,470
Vessel Component Rehab	8,430	1,690	6,740	690	130	2,350	2,680	140	140	1,380	150	610	160	-	-	8,430
Major Propulsion Replacement	38,350	3,830	34,520	3,600	4,450	4,570	4,690	-	4,950	-	5,220	5,360	5,510	-	-	38,350
SAFETY/SECURITY ENHANCEMENTS																
Equipment/Systems																
Security Systems	220	40	180	220	-	-	-	-	-	-	-	-	-	-	1,400	1,620
FACILITIES REHABILITATION																
Fixed Guideway																
Channel Dredging	40,060	8,010	32,050	620	11,440	-	670	12,390	-	730	13,420	-	790	-	-	40,060
Berth and Turning Basin Dredging	13,270	2,650	10,620	1,300	-	330	3,350	-	350	3,630	-	380	3,930	-	-	13,270
Fixed Guideway Connectors																
Float Rehabilitation/Replacement	12,330	2,460	9,870	-	1,270	5,940	3,420	-	1,700	-	-	-	-	-	-	12,330
Gangway Rehabilitation/Cathodic Protection	11,390	2,280	9,110	1,890	2,000	3,000	3,000	1,000	500	-	-	-	-	-	-	11,390
SFFT Lay Berth Facility	4,000	800	3,200	-	-	-	-	-	350	3,150	500	-	-	-	-	4,000
Maintenance/Operations Buildings																
Rehabilitate Larkspur Maintenance Facility	890	-	890	120	640	130	-	-	-	-	-	-	-	-	-	890
Facilities Roof Rehabilitation	270	-	270	-	-	-	270	-	-	-	-	-	-	-	-	270
Ticketing System	750	-	750	-	-	-	-	-	-	-	750	-	-	-	-	750
Faregates	1,440	-	1,440	1,440	-	-	-	-	-	-	-	-	-	160	-	1,600
Miscellaneous Facilities Rehab	2,140	-	2,140	60	60	330	60	60	60	70	70	1,300	70	-	-	2,140
Terminal Facilities																
Passenger Terminal Rehabilitation	2,080	416	1,660	1,090	790	-	-	-	-	-	-	-	200	-	4,400	6,480
Marsh Restoration	930	930	-	930	-	-	-	-	-	-	-	-	-	170	-	1,100
Larkspur Parking Rehabilitation/Improvements	21,840	4,328	17,510	2,000	15,000	4,390	-	-	-	-	450	-	-	-	-	21,840
CAPITAL EQUIPMENT																
Tools and Equipment	600	600	-	40	40	100	50	50	50	50	50	50	120	-	-	600
TOTAL	184,460	33,120	151,340	25,550	37,340	21,140	18,190	13,640	10,100	19,410	20,610	7,700	10,780	8,200	14,840	198,460
		18%	82%													
PROJECTED GRANT FUNDS	151,340			20,350	30,430	17,420	15,050	10,880	8,550	15,500	17,130	6,920	9,090			
DISTRICT FUNDS REQUIRED	33,120			5,200	6,910	3,720	3,140	2,760	1,550	3,910	3,480	780	1,690			

**GGBHTD
10-Year Capital Plan**

DISTRICT DIVISION

CAPITAL PROJECT DETAIL	10-YR	10-YR	10-YR	<<<=10-YEAR PROJECTED CAPITAL NEED =>>>										PRIOR	FUTURE	TOTAL
	TOTAL	DISTRICT	GRANTS	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	YEAR	YEAR	PROJECT
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
FACILITIES REHABILITATION																
Maintenance/Operations Buildings																
Miscellaneous Facilities Rehab	1,750	1,750	-	200	1,200	30	30	140	30	30	30	30	30	-	-	1,750
Office Facility Renovation/Consolidation	6,420	-	6,420	-	-	-	-	690	2,830	2,900	-	-	-	-	-	6,420
INFORMATION TECHNOLOGY																
Telephone System Replacement	1,220	1,220	-	600	620	-	-	-	-	-	-	-	-	-	2,590	3,810
Future Information Technology	2,200	1,100	1,100	300	500	100	100	100	100	300	100	100	500	-	-	2,200
Replace Computer/Network Equipment	4,540	4,540	-	400	410	420	440	450	460	470	480	500	510	-	-	4,540
Financial Management Information System	140	70	70	140	-	-	-	-	-	-	-	-	-	1,840	-	1,980
Asset and Vehicle Fluid Mgmt System	1,990	398	1,592	1,000	990	-	-	-	-	-	-	-	-	750	-	2,740
CAPITAL EQUIPMENT																
Tools and Equipment	3,950	3,950	-	340	380	360	400	370	420	400	440	410	430	-	-	3,950
TOTAL DISTRICT CAPITAL	22,210	13,030	9,180	2,980	4,100	910	970	1,750	3,840	4,100	1,050	1,040	1,470	2,590	2,590	27,390
		59%	41%													
PROJECTED GRANT FUNDS	9,180			1,020	1,040	50	50	740	2,880	3,050	50	50	250			
DISTRICT FUNDS REQUIRED	13,030			1,960	3,060	860	920	1,010	960	1,050	1,000	990	1,220			

**Golden Gate Bridge, Highway and Transportation District
Five-Year and Ten-Year Financial Projections FY 09/10 - FY 18/19**

CAPITAL CONTRIBUTION REQUIRED TO FUND PROJECTED CAPITAL PLAN - Assumes Bridge Capital is 80% Grant Funded

All Figures Rounded to (\$000)

	Year 1 FY 2010 Estimate	Year 2 FY 2011 Estimate	Year 3 FY 2012 Estimate	Year 4 FY 2013 Estimate	Year 5 FY 2014 Estimate	SubTotal Year 1 - 5 Estimate	Year 6 FY 2015 Estimate	Year 7 FY 2016 Estimate	Year 8 FY 2017 Estimate	Year 9 FY 2018 Estimate	Year 10 FY 2019 Estimate	Total Year 1 - 10 Estimate
INPUT: per "10YRCap FY 10-19v7.xls"												
DISTRICT	\$24,850	\$39,070	\$32,200	\$20,830	\$17,320	\$134,270	\$23,120	\$29,270	\$33,090	\$31,370	\$21,200	\$272,320
GRANTS	82,800	95,150	72,770	88,860	78,140	417,720	101,690	123,800	78,370	46,760	43,420	811,760
TOTAL	\$107,650	\$134,220	\$104,970	\$109,690	\$95,460	\$551,990	\$124,810	\$153,070	\$111,460	\$78,130	\$64,620	\$1,084,080
Doyle Drive Contribution	\$ -	\$ -	\$ -	\$ -	\$75,000	\$75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$75,000
District Portion Of the Capital Requirement	\$24,850	\$39,070	\$32,200	\$20,830	\$92,320	\$209,270	\$23,120	\$29,270	\$33,090	\$31,370	\$21,200	\$347,320
Total Depreciation Included in the Budget	7,650	8,060	10,470	12,370	13,530	\$ 52,080	13,580	13,680	14,310	16,210	16,440	\$ 126,300
Additional Capital Contribution Required to Fund Projected Capital Plan	17,200	31,010	21,730	8,460	78,790	\$ 157,190	9,540	15,590	18,780	15,160	4,760	\$ 221,020
Average of the 10 Year Capital Contribution	\$22,100	\$22,100	\$22,100	\$22,100	\$22,100	\$ 110,500	\$22,100	\$22,100	\$22,100	\$22,100	\$22,100	\$ 221,000

Re-Stated: Fund District Capital through Reserves	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Year 1 - 5	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Year 1 - 10
District Funded Capital Projects and Doyle Drive Contribution net of Depreciation	\$17,200	\$31,000	\$21,700	\$8,500	\$78,800	\$ 157,200	\$9,500	\$15,600	\$18,800	\$15,200	\$4,800	221,100
Use Reserves to Fund District Projects	9,900	9,900	9,900	9,900	9,900	49,500	9,900	9,900	9,900	9,900	9,900	99,000
Additional Capital Contribution Required to Fund Projected Capital Plan with Reserves	7,300	21,100	11,800	(1,400)	68,900	\$ 107,700	(360)	5,690	8,880	5,260	(5,140)	\$ 122,020
Average of the 10 Year Capital Contribution	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$ 60,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$ 120,000

In 2003 the Board authorized capital contribution from operations to fund future capital projects. In 2008 the Board instructed staff to assume spending all reserves except those that are restricted or set aside by the Board. This projection assumes \$99 million in capital contribution reserves will be released to fund capital projects during this 10-year projection period. \$9.9 million per year will be released from unrestricted reserves, and thus reduce the capital contribution from \$23 million to **\$12** million per year. The **\$12** million is distributed to each Division according to its percentage share of District Funded capital projects. The annual capital contribution amount is calculated by taking the sum of the District funded portion of the capital program, less depreciation, for ten years divided by ten years and rounded to the nearest million.

**GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT
RESTRICTED RESERVES – FY 08/09 BUDGET**

Reserve Name	Estimated Balance 07/01/08	Estimated Balance 06/30/09	Estimated Balance 07/01/09
Reserves Available for Operations or Capital Projects			
<i>Board Designated for Capital Projects</i>			
Budgeted Bridge Capital Project Need	\$ 63,400,000	\$ 58,000,000	\$ 66,100,000
Budgeted Transit Capital Project Need	14,600,000	10,900,000	20,200,000
Total Budgeted Capital Project Need	78,000,000	68,900,000	86,300,000
Unrestricted Net Assets From Balance Sheet [A]	99,200,000	106,000,000	96,700,000
Reserves Available for Future Capital Projects (Budgeted Capital Project Deficit)	21,200,000	37,100,000	10,400,000
<i>Board Designated for Operations or Capital Projects</i>			
Operating Reserve ¹ [B]	\$ 12,300,000	3,800,000	\$ 12,800,000
Emergency Reserve ² [C]	\$ 5,700,000	5,700,000	\$ 6,000,000
Subtotal (A+B+C)	\$ 117,200,000	\$ 115,500,000	\$ 115,500,000
Reserves NOT Available for Operations or Capital Projects			
<i>Board Designated</i>			
Bridge Self Insurance Loss Reserve	\$ 2,900,000	\$ 4,200,000	\$ 4,200,000
<i>Legally Required</i>			
Operating Reserve Fund for Bridge Expenses	7,300,000	7,300,000	7,300,000
Debt Service Reserve Fund	5,500,000	5,500,000	5,500,000
Subtotal	\$ 15,700,000	\$ 17,000,000	\$ 17,000,000
Total Restricted Reserves	\$ 132,900,000	\$ 132,500,000	\$ 132,500,000
Fully Funded Liabilities – INFORMATIONAL ONLY			
Self Insurance Liabilities ³	\$ 16,100,000	\$ 16,500,000	\$ 16,500,000
Accrued Compensated Liabilities	7,700,000	7,900,000	7,900,000
Subtotal	\$ 23,800,000	\$ 24,400,000	\$ 24,400,000
Total Resources	\$ 156,700,000	\$ 156,900,000	\$ 156,900,000

1. Board policy funds the operating reserve at 7.5% of the budget or to cover the expected operating deficit, whichever is larger.
2. Board policy funds the emergency reserve at 3.5% of the operating budget to enable the amount kept in reserve for emergencies to remain relative to the size of the District's operations.
3. In December, 2006, GASB issued Statement No. 49, *Accounting for Remediation Obligations*. This statement requires state and local governments to provide the public with better information about the financial impact of environment cleanups. The District is in the process of developing such information regarding the recognition of GASB No. 49, if any.