



Agenda Item No. 5

To: Finance-Auditing Committee/Committee of the Whole
Meeting of September 24, 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 financial projection for the ten-year period from FY 10/11 through FY 19/20. 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 five and ten-year financial projection of operating and capital project revenues and expenses from FY 10/11 through FY 19/20. 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 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

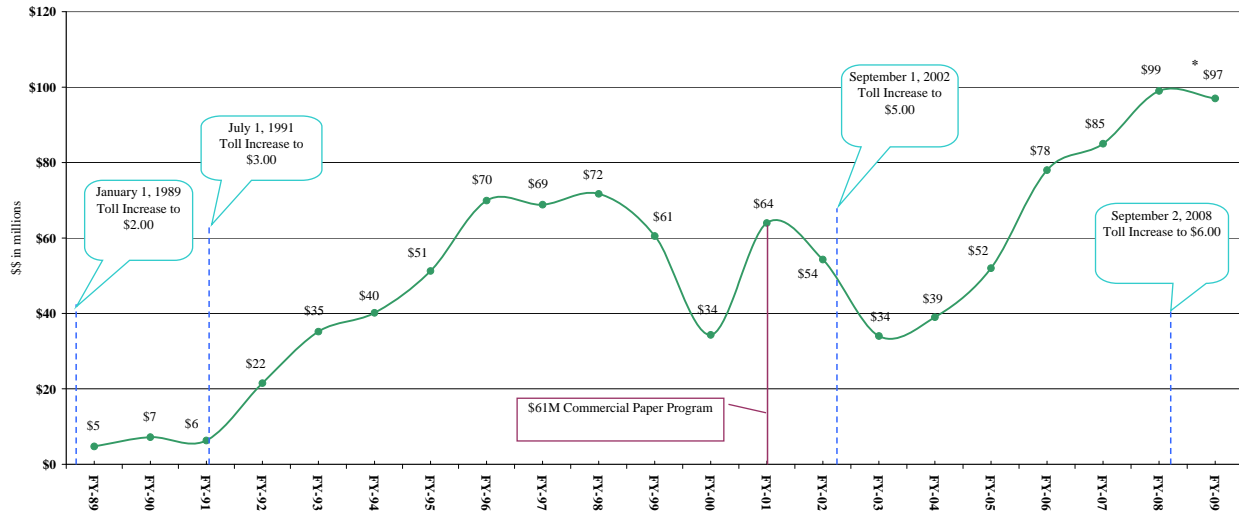
The fiscal strength of the District is best tracked by comparing the level of reserve funds available for operating and capital with the time period necessary for the projected needs of the District to exhaust those resources. In the District's case, it is projected that the FY 10/11 Operating and Capital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

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 have decreased slightly and are expected to decrease further due to the start of several large capital projects such as Bus lot paving, Ferry float rehabilitation, communications

system upgrades, and as mentioned above, the District's contribution to Doyle Drive construction.

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



*Estimated

The FY 09/10 Operating Budget is expected to keep the reserves constant through the year. Given the projected funding needs of the capital projects, liability and operating reserve, over the next few years, all available capital 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. Additional funds will need to be raised through the capital contribution transfer from the operating budget.

How the Reserves are Funded

New reserves are accumulated if future operating budgets are balanced. In FY 10/11, a balanced operating budget will provide approximately \$27 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

The findings of the revised 5 and 10-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 2011 Estimate	SubTotal Year 1 – 5 Estimate	Total Year 1 – 10 Estimate
Total Operating and District Capital Expense	\$177	\$965	\$2,118
<u>Total Operating Revenue</u>	<u>\$164</u>	<u>\$833</u>	<u>\$1,701</u>
Total Operating & Capital District Deficit	\$13	\$132	\$417

For comparison purposes, the projected 10-year deficit of \$417 million is approximately \$94 million higher than the \$323 million presented in the previous projection of April 10, 2009. The projected five-year deficit is \$132 million, \$30 million more than the \$102 million estimate of earlier this year. The increase in the 5-year projected deficit is primarily due to an increase in Capital Contribution expense as a result of increased expense in large capital projects planned for the coming years. This increase in the overall deficit is partially offset by the salary freeze implemented for both represented and non-represented employees beginning in FY 09/10. Note: The 5 and 10-year projected deficits, excluding the contribution to Doyle Drive, are estimated to be \$97 million and \$342 million respectively, or \$35 million and \$75 million less than the 5 and 10-year estimates shown above. The Board has created a Financial Planning Advisory Committee whose goal it is to create a plan that would eliminate the District’s deficit. This committee is currently developing a deficit reduction plan which will be brought to the full Board of Directors for review and approval in October, 2009.

In an apples-to-apples comparison over the same 10 year period (2010-2019) between the new projection and the previous projection, the new projection shows:

- a \$101 million deficit for 5 years, which is relatively the same as the previous projection; and,
- a \$358 million deficit for 10 years, which is an increase of \$35 million over the previous projection.

Capital Contribution

The capital contribution has increased \$7 million annually over last year’s projection. This increase is primarily due to increased expense in large capital projects planned for the coming years. The projected ten-year District capital need is estimated at \$334 million (See Appendix C). After accounting for funds contributed by depreciation, and the use of \$97 million in District reserves, the necessary capital contribution from District Operations is \$190 million or \$19 million annually for the ten-year period (See Appendix D for detail).

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 operating revenue and expense assumptions are listed in Appendix B.

Capital Project Revenue and Expense Assumptions

The FY10/11 through FY19/20 Ten-Year Capital Projection, provided in Appendix C, identifies a \$1 billion capital need over the next ten years requiring a District contribution of \$334 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 inflation rates.

Alternative Capital Revenue Assumption Scenarios

Historically the 10-year Capital projections assume 80% grant funding for major Bridge projects. (See below table 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 \$132 million (the current assumption.)
- With a 50% grant funded assumption, the five-year deficit is \$147 million or an additional \$15 million from 80% base assumption.
- With a 30% grant funded assumption, the five-year deficit is \$157 million or an additional \$25 million from the 80% base assumption.

These scenarios all assume using approximately \$50 million of the District's Reserves over a 5-year period.

BRIDGE DIVISION
(All number in thousands)

<u>Capital Project Detail</u>	10 - Year Total
Safety/Security Enhancements:	
Facility Improvements	
Seismic Facilities – Building Ops Center	\$6,760
Security System Improvements	5,780
Facilities/Bridge Rehabilitation:	
Suspension Bridge Paint Rehabilitation	4,850
Maintenance Facility Relocation	9,150
Floor Beam & Bracing Replacement/Rehab	80,970
Grounds:	
Pave & Maintain Alexander Avenue	6,400
TOTAL	\$113,910

V. Next Steps

At the April 10, 2009 Workshop, the Board created the Financial Planning Advisory Committee to develop a long-term Financial Plan targeted at reducing the projected deficit. That Committee is expected to submit a draft Financial Plan to the Board for review, discussion and approval in October of 2009.

Once a plan is approved, staff will bring individual proposals through the Board committee process for action. Staff will incorporate the financial impact of those actions into future budgets and projections in order to measure the Financial Plan's impact on the projected deficit.

Fiscal Impact

There is no direct fiscal impact. The report provides a 10-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 10/11 - FY 19/20
All Figures Rounded to (\$000)**

	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 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>FY 2020</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>
80% Grant Funded													
Agency Expense:													
Salaries (Gross of Capitalization & ICAP)	\$ 65,000	\$ 66,200	\$ 68,000	\$ 69,900	\$ 71,900	\$ 73,900	\$ 76,000	\$ 78,100	\$ 80,300	\$ 82,500	\$ 84,900	\$ 349,900	\$ 751,700
Fringe Benefits (Incl PR Taxes)	47,300	48,600	52,000	55,700	59,600	62,300	65,100	68,200	71,200	74,400	77,800	278,200	634,900
Professional Services	12,400	12,700	13,000	13,400	13,800	14,100	14,500	15,000	15,400	15,800	16,200	67,000	143,900
Fuel & Related Taxes	9,500	9,700	10,000	10,300	10,600	10,900	11,200	11,500	11,800	12,100	12,500	51,500	110,600
Repair & Operating Supplies	7,900	8,100	8,400	8,600	8,800	9,100	9,300	9,600	9,900	10,100	10,400	43,000	92,300
Insurance, Taxes & Permits	4,600	4,700	4,800	5,000	5,100	5,200	5,400	5,500	5,700	5,800	6,000	24,800	53,200
Purchased Transportation	1,900	2,000	2,000	2,100	2,100	2,200	2,300	2,300	2,400	2,500	2,500	10,400	22,400
Staff Development	1,000	1,000	1,000	1,100	1,100	1,100	1,200	1,200	1,200	1,300	1,300	5,300	11,500
Leases & Rentals	1,400	1,400	1,500	1,500	1,600	1,600	1,700	1,700	1,800	1,800	1,900	7,600	16,500
Debt Service-Interest Expense	2,400	2,400	2,700	3,000	3,300	3,600	3,700	3,600	3,500	3,400	3,300	15,000	32,500
Depreciation	7,600	7,700	8,100	10,500	12,400	13,500	13,600	13,700	14,300	16,200	16,400	52,200	126,400
Total Expenses	\$ 161,000	\$ 164,500	\$ 171,500	\$ 181,100	\$ 190,300	\$ 197,500	\$ 204,000	\$ 210,400	\$ 217,500	\$ 225,900	\$ 233,200	\$ 904,900	\$ 1,995,900
Known Changes:													
Translink Costs (Net)	\$ -	\$ 400	\$ 600	\$ 600	\$ 600	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 2,900	\$ 6,400
Capitalization of Operating Expense	(2,600)	(3,200)	(3,200)	(3,300)	(3,400)	(3,500)	(3,600)	(3,700)	(3,800)	(3,900)	(4,000)	(16,600)	(35,600)
ICAP	(300)	(2,300)	(2,400)	(2,400)	(2,500)	(2,600)	(2,600)	(2,700)	(2,800)	(2,900)	(3,000)	(12,200)	(26,200)
Commercial Paper Principal Pymts	-	-	-	-	-	-	-	1,400	1,500	1,600	1,700	-	6,200
Adjust for Current Spending Patterns	-	(1,900)	(1,900)	(1,900)	(1,900)	(1,900)	(1,900)	(1,900)	(1,900)	(1,800)	(1,800)	(9,500)	(18,800)
Total Known Changes	\$ (2,900)	\$ (7,000)	\$ (6,900)	\$ (7,000)	\$ (7,200)	\$ (7,300)	\$ (7,400)	\$ (6,200)	\$ (6,300)	\$ (6,300)	\$ (6,400)	\$ (35,400)	\$ (68,000)
Sub-Total Expense	\$ 158,100	\$ 157,500	\$ 164,600	\$ 174,100	\$ 183,100	\$ 190,200	\$ 196,600	\$ 204,200	\$ 211,200	\$ 219,600	\$ 226,800	\$ 869,500	\$ 1,927,900
Capital Contribution - 80% Grant Funded	\$ 12,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 95,000	\$ 190,000
Total Expense	\$ 170,100	\$ 176,500	\$ 183,600	\$ 193,100	\$ 202,100	\$ 209,200	\$ 215,600	\$ 223,200	\$ 230,200	\$ 238,600	\$ 245,800	\$ 964,500	\$ 2,117,900
Total Operating Revenue	\$ 161,200	\$ 163,800	\$ 165,700	\$ 167,500	\$ 166,700	\$ 168,800	\$ 170,300	\$ 171,900	\$ 173,100	\$ 175,400	\$ 177,700	\$ 832,500	\$ 1,700,900
Total Net Surplus/(Deficit)	\$ (8,900)	\$ (12,700)	\$ (17,900)	\$ (25,600)	\$ (35,400)	\$ (40,400)	\$ (45,300)	\$ (51,300)	\$ (57,100)	\$ (63,200)	\$ (68,100)	\$ (132,000)	\$ (417,000)
Bridge Expense	\$ 55,200	\$ 61,500	\$ 63,200	\$ 66,100	\$ 69,500	\$ 71,600	\$ 73,200	\$ 76,300	\$ 78,400	\$ 81,400	\$ 83,600	\$ 331,900	\$ 724,800
Transit Expense	\$ 88,600	\$ 93,100	\$ 97,200	\$ 102,100	\$ 106,500	\$ 110,700	\$ 114,200	\$ 117,900	\$ 121,900	\$ 126,500	\$ 130,400	\$ 509,600	\$ 1,120,500

**Golden Gate Bridge, Highway & Transportation District Operating Budget Projection
Five-Year and Ten-Year Financial Projections FY 10/11 - FY 19/20**

Revenue Detail

All Figures Rounded to (\$000)

	Year 0 <u>FY 2010</u> <u>Budget</u>	Year 1 <u>FY 2011</u> <u>Estimate</u>	Year 2 <u>FY 2012</u> <u>Estimate</u>	Year 3 <u>FY 2013</u> <u>Estimate</u>	Year 4 <u>FY 2014</u> <u>Estimate</u>	Year 5 <u>FY 2015</u> <u>Estimate</u>	Year 6 <u>FY 2016</u> <u>Estimate</u>	Year 7 <u>FY 2017</u> <u>Estimate</u>	Year 8 <u>FY 2018</u> <u>Estimate</u>	Year 9 <u>FY 2019</u> <u>Estimate</u>	Year 10 <u>FY 2020</u> <u>Estimate</u>	<u>Total</u> <u>5 Year</u> <u>Estimate</u>	<u>Total</u> <u>10 Year</u> <u>Estimate</u>
Revenue Summary													
Bridge Tolls	\$ 99,800	\$ 100,200	\$ 100,700	\$ 101,000	\$ 101,300	\$ 101,600	\$ 102,000	\$ 102,300	\$ 102,600	\$ 103,000	\$ 103,300	\$ 504,800	\$ 1,018,000
Transit Fares	22,900	23,500	23,700	24,300	24,600	25,000	25,300	25,700	26,000	26,400	26,700	121,100	251,200
Investment Income	5,500	6,200	6,200	5,800	3,100	3,100	2,500	1,900	2,000	3,000	4,200	24,400	38,000
Gift Center Sales & Café	3,200	3,300	3,400	3,500	3,600	3,700	3,800	3,900	4,000	4,100	4,200	17,500	37,500
Ferry Concessions	400	400	400	400	500	500	500	500	500	500	500	2,200	4,700
Other (Incl Adv. & Leases)	1,700	1,800	1,800	1,900	1,900	2,000	2,000	2,100	2,100	2,200	2,200	9,400	20,000
RM2 Local funding	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	12,000	24,000
Local Funds (MCTD Contract)	14,500	15,200	16,000	16,800	17,600	18,500	19,400	20,400	20,400	20,400	20,400	84,100	185,100
State Funds	10,500	10,800	11,100	11,400	11,700	12,000	12,400	12,700	13,100	13,400	13,800	57,000	122,400
Federal Funds	300	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 161,200	\$ 163,800	\$ 165,700	\$ 167,500	\$ 166,700	\$ 168,800	\$ 170,300	\$ 171,900	\$ 173,100	\$ 175,400	\$ 177,700	\$ 832,500	\$ 1,700,900
Bridge & Concession Revenue	\$ 109,100	\$ 110,300	\$ 110,800	\$ 110,900	\$ 108,600	\$ 109,000	\$ 108,900	\$ 108,800	\$ 109,400	\$ 110,800	\$ 112,500	\$ 549,600	\$ 1,100,000
Transit Revenue	\$ 52,100	\$ 53,600	\$ 54,800	\$ 56,500	\$ 58,100	\$ 59,700	\$ 61,300	\$ 63,100	\$ 63,800	\$ 64,600	\$ 65,400	\$ 282,700	\$ 600,900

**Golden Gate Bridge, Highway and Transportation District
Five- and Ten-Year Financial Projection for FY 10/11 – FY 19/20**

CATEGORY

ASSUMPTIONS

General Assumptions

The FY 09/10 Adopted Budget has been used as the basis for all revenue and expense projections

Operating Revenue

Bridge Tolls	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 (0.3% per year).
Bus Transit	Assumes 5% fare increase, in June 2011, for regional routes, then no other fare increases through June 2020. 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 2020. Combined passenger growth is projected to increase approximately 2% per year based on the Planning Department and SRTP projections.
Local Funds	Assumes continuing contract with Marin Transit or local service @ 5% increase per year through FY16/17 in accordance with 10-year contract provisions then remains flat through FY 2020. Per MTC, there will be no increases to local funding for Regional Measure 2 (RM2), thus RM2 revenue remains flat throughout the projection period.
State Funding	The projection assumes no STA funding for FY 10/11-FY 19/20 and TDA funding increases based on CPI rates.
Federal Funding	No Federal Funding is assumed for this projection.
Investment Income	Interest on investment is projected to be 3.25% 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.
Gift Center Sales & Café	Sales based on current Gift Center and Café sales plus an average of 2.8% per year CPI increase. See CPI assumption for more information.
Ferry Concessions	Sales based on current Ferry concession contract with an average of 2.8% per year CPI increase. See CPI assumption for more information.
Other Revenue	Based on a projected average CPI rate of 2.8%, as discussed below. This revenue includes leases, advertising, meters and parking fines.

**Golden Gate Bridge, Highway and Transportation District
Five- and Ten-Year Financial Projection for FY 10/11 – FY 19/20**

CATEGORY

ASSUMPTIONS

Operating Expense

CPI Rates	Projected CPI rates are based on California’s Legislative Analyst’s Office (LAO). The projected rates for FY10/11, FY11/12 and FY12/13 are 2.6%, 2.7% and 2.8% respectively. For the remaining years (FY13/14-FY19/20) this projection assumes CPI rates will remain the same as FY12/13 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-FY19/20.
Salaries	Salary increases are based on 1.75% in January 2011 and then CPI rate projections as noted above. Bus operators’ salary increases are based on latest MOU with ATU which contains salary increases of 3% for FY10/11 and FY11/12. CPI rate increases are projected for the remaining years. Operating and Capitalized labor expenses are included in salary expense category. Capitalized labor expenses, included in the salary category, are deducted from total expense as shown in the ICAP expense category.
Pension	PERS Pension (Employer Responsibility) for FY10/11 is projected to be 16.0% of Salaries and increases by 2.8% per year over the next three years (FY12-14) to a total of 24.4% in FY 13/14. This projection is based on CalPERS actuarial projections as of July 2009, and results in approximately \$6 million increase over 10 years, compared to the previous projection. Bus Operator (ATU) Pension is the same as the last projection which is 17.165% of salary for all years.
Medical Insurance	Assumes an average of 7.5% per year increase, based on a blended rate of National Health Organization and Medicare/Medicaid actuarial projections.
Workers’ 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 6.0% in year 7 (4.0% - 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 on ABAG & CPI projections.

**Golden Gate Bridge, Highway and Transportation District
Five- and Ten-Year Financial Projection for FY 10/11 – FY 19/20**

CATEGORY	ASSUMPTIONS
Depreciation	Based on 10-Year Capital Expenditure Plan provided by the Capital & Grants Office.
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 16/17, following completion of the Seismic Retrofit project. Per the original indenture agreement, projected payments are based on \$1.4 million in the first year with increases of \$100,000 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 6.0%. 2. Assumes an estimate of \$1.0 million per year cost savings for unspent funds in Professional Service Fees and Salaries due to unfilled positions.

GGBHTD
 TEN YEAR CAPITAL REQUIREMENT
 CAPITAL PROJECT DETAIL

	10-YR	10-YR	10-YR	<<<=10-YEAR PROJECTED CAPITAL NEED =>>>										PRIOR	FUTURE	TOTAL
	TOTAL	DISTRICT	GRANTS	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	YEAR	YEAR	PROJECT
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
BRIDGE																
DISTRICT	233,740	233,740	-	12,760	23,130	32,560	29,150	24,720	36,080	36,480	21,570	12,150	5,140			
GRANTS	427,730	-	427,740	45,480	55,030	55,690	66,050	76,070	61,550	33,050	20,730	7,480	6,600			
TOTAL	661,470	233,740	427,740	58,240	78,160	88,250	95,200	100,790	97,630	69,530	42,300	19,630	11,740	322,470	328,040	1,311,980
BUS																
DISTRICT	31,690	31,690	-	4,970	5,110	5,850	1,120	2,710	3,540	5,450	2,180	440	300			
GRANTS	158,630	-	158,630	26,170	21,030	32,700	4,280	14,980	22,870	21,830	4,390	10,290	100			
TOTAL	190,320	31,690	158,630	31,140	26,140	38,550	5,400	17,690	26,410	27,280	6,570	10,730	400	9,510	68,060	267,890
FERRY																
DISTRICT	55,950	55,950	-	2,070	8,130	6,630	6,150	7,030	8,310	6,620	8,150	840	2,020			
GRANTS	180,790	-	180,790	13,870	32,480	26,700	21,410	25,020	15,280	11,110	18,440	6,450	10,030			
TOTAL	236,740	55,950	180,790	15,940	40,610	33,330	27,560	32,050	23,590	17,730	26,590	7,290	12,050	12,050	18,390	267,180
DISTRICT																
DISTRICT	12,320	12,320	-	1,530	1,420	1,990	900	960	1,050	1,000	990	1,350	1,130			
GRANTS	9,810	-	9,810	2,370	50	50	50	760	3,050	3,030	50	250	150			
TOTAL	22,130	12,320	9,810	3,900	1,470	2,040	950	1,720	4,100	4,030	1,040	1,600	1,280	6,270	5,640	34,040
AGENCY TOTAL																
DISTRICT	333,700	333,700	-	21,330	37,790	47,030	37,320	35,420	48,980	49,550	32,890	14,780	8,590			
GRANTS	776,960	-	776,960	87,890	108,590	115,140	91,790	116,830	102,750	69,020	43,610	24,470	16,880			
TOTAL	1,110,660	333,700	776,960	109,220	146,380	162,170	129,110	152,250	151,730	118,570	76,500	39,250	25,470	350,300	420,130	1,881,090
CUMMULATIVE TOTAL																
DISTRICT	333,700	333,700	-	21,330	59,120	106,150	143,470	178,890	227,870	277,420	310,310	325,090	333,700			
GRANTS	776,960	-	776,960	87,890	196,480	311,620	403,410	520,240	622,990	692,010	735,620	760,090	776,960			
TOTAL	1,110,660	333,700	776,960	109,220	255,600	417,770	546,880	699,130	850,860	969,430	1,045,930	1,085,180	1,110,660	350,300	420,130	1,881,090

BRIDGE DIVISION

CAPITAL PROJECT DETAIL	10-YR	10-YR	10-YR	<<<=10-YEAR PROJECTED CAPITAL NEED >>>										PRIOR	FUTURE	TOTAL
	TOTAL	DISTRICT	GRANTS	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	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	760	-	760	760	-	-	-	-	-	-	-	-	-	4,230	-	4,990
Mitigation																
Mission Blue Butterfly Habitat	-	-	-	-	-	-	-	-	-	-	-	-	-	600	-	600
Construction																
Phase I - North Approach	-	-	-	-	-	-	-	-	-	-	-	-	-	70,270	-	70,270
Phase II - South Approach	-	-	-	-	-	-	-	-	-	-	-	-	-	185,240	-	185,240
Phase IIIA - No. Anch. Housing/No. Pylon	78,480	4,466	74,014	40,000	38,480	-	-	-	-	-	-	-	-	40,750	-	119,230
Beam Span Repair	2,540	2,540	-	1,000	1,540	-	-	-	-	-	-	-	-	460	-	3,000
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	321,020	57,746	263,274	41,000	50,020	50,000	55,000	55,000	50,000	20,000	-	-	-	296,460	-	617,480
SAFETY/SECURITY ENHANCEMENTS																
Facility Improvements																
Suicide Deterrent	50,240	-	50,240	110	-	6,700	20,650	16,970	5,810	-	-	-	-	1,890	-	52,130
Moveable Median Barrier	24,800	3,472	21,328	5,000	10,000	9,800	-	-	-	-	-	-	-	200	-	25,000
Seismic Facilities - Underpass and Bridges	39,450	39,450	-	-	-	-	830	7,780	17,420	13,420	-	-	-	-	-	39,450
Seismic Facilities - Building Ops Center	6,760	1,350	5,410	-	-	-	-	-	-	380	3,150	3,230	-	3,230	-	9,990
Crash Attenuators	1,490	1,490	-	810	680	-	-	-	-	-	-	-	-	10	3,780	5,280
Equipment/Systems																
Earthquake/Bridge Monitoring	290	290	-	-	290	-	-	-	-	-	-	-	-	-	-	290
Electrical Service to No. Approach	1,510	1,510	-	1,190	320	-	-	-	-	-	-	-	-	100	-	1,610
Security Systems Improvements	5,780	1,160	4,620	2,560	2,020	100	100	100	100	100	500	100	200	-	5,980	
FACILITIES/BRIDGE REHABILITATION																
Bridge Access Systems																
Rolling Access on Suspension Bridge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,850	10,850
South Approach & Arch Platforms	2,980	2,980	-	1,020	1,960	-	-	-	-	-	-	-	-	-	-	2,980
SAV Maintenance Access	5,140	5,140	-	-	60	1,070	4,010	-	-	-	-	-	-	-	-	5,140
Bridge Paint Rehabilitation																
Main Cable Recoating	34,132	34,132	-	2,000	8,000	15,000	9,132	-	-	-	-	-	-	850	-	34,980
North-End Paint Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47,270	47,270
South Tower Access and Paint Rehabilitation	36,800	36,800	-	200	1,000	1,780	40	110	1,520	11,930	12,250	5,980	1,990	10	1,990	68,960
Suspension Bridge Superstructure Paint Rehab	4,850	970	3,880	-	-	-	-	-	-	-	-	-	4,850	-	102,370	107,220
North Tower Paint Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34,940	34,940
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	240	120	120	-	-	-	-	-	-	-	-	120	120	-	16,930	17,170

(continued)

BRIDGE DIVISION (continued)

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 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 (\$000)	FY 2020 (\$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	370	370	-	-	130	-	-	-	-	-	-	240	-	-	-	370
Misc. Facilities Rehabilitation/Improvements	4,840	4,840	-	230	340	670	210	210	1,450	1,490	-	-	240	-	240	5,080
Grounds																
Toll Plaza Transfer Point/Pavement	-	-	-	-	-	-	-	-	-	-	-	-	-	60	-	60
TP East Parking Lot Restroom Replacement	2,900	1,930	970	1,000	1,900	-	-	-	-	-	-	-	-	10	-	2,910
Pave/Maintain Alexander Avenue	6,400	3,200	3,200	400	-	2,100	3,900	-	-	-	-	-	-	10	-	6,410
Pavement Rehabilitation	2,230	2,230	-	1,020	440	-	-	-	-	-	770	-	-	-	-	2,230
Lead Cleanup Investigation	-	-	-	-	-	-	-	-	-	-	-	-	-	1,290	-	1,290
INFORMATION TECHNOLOGY																
Toll Collection/Fastrak																
Replace Toll/Fastrak Systems	7,420	7,420	-	280	-	-	-	-	-	150	3,060	3,930	-	80	-	7,500
Variable Message Signs	280	280	-	-	-	-	280	-	-	-	-	-	-	-	-	280
CAPITAL EQUIPMENT																
Tools and Equipment	10,670	10,670	-	660	1,000	1,030	1,050	1,080	1,110	1,140	1,170	1,200	-	-	-	10,670
TOTAL	661,470	233,740	427,730	58,240	78,160	88,250	95,200	100,790	97,630	69,530	42,300	19,630	11,740	322,470	328,040	1,311,980
PROJECTED GRANT FUNDS	427,730			45,480	55,030	55,690	66,050	76,070	61,550	33,050	20,730	7,480	6,600			
DISTRICT FUNDS REQUIRED	233,740			12,760	23,130	32,560	29,150	24,720	36,080	36,480	21,570	12,150	5,140			

BUS DIVISION

CAPITAL PROJECT DETAIL	10-YR	10-YR	10-YR	<<<=10-YEAR PROJECTED CAPITAL NEED >>>										PRIOR	FUTURE	TOTAL
	TOTAL	DISTRICT	GRANTS	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	YEAR	YEAR	PROJECT
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
REVENUE VEHICLE REPLACEMENT																
Replace Buses (Regional)	108,030	19,450	88,580	15,770	14,990	20,840	-	9,946	17,957	23,866	4,658	-	-	140	46,360	154,530
Replace Buses (Local)	27,970	-	27,970	4,310	-	7,420	-	2,064	5,213	-	-	8,964	-	40	6,360	34,370
ADA Paratransit Vans	6,080	-	6,080	1,330	270	940	-	1,509	833	862	335	-	-	1,050	-	7,130
Replace Fareboxes	-	-	-	-	-	-	-	-	-	-	-	-	-	3,350	5,500	8,850
Install PM Traps on Buses	810	100	710	810	-	-	-	-	-	-	-	-	-	1,190	-	2,000
SAFETY/SECURITY ENHANCEMENTS																
Equipment/Systems																
Security Systems	2,070	414	1,656	870	-	-	100	100	-	1,000	-	-	-	-	-	2,070
Advanced Communication & Info. System	15,710	3,142	12,568	4,000	5,000	6,710	-	-	-	-	-	-	-	3,660	-	19,370
FACILITIES REHABILITATION																
Maintenance/Operations Buildings																
Bus Stop Improvements	1,355	271	1,084	105	-	-	-	500	-	-	-	750	-	-	1,500	-
Roof Replacement/Rehab	1,770	180	1,590	520	-	-	960	-	290	-	-	-	-	-	850	2,620
Miscellaneous Facilities Rehab	5,290	1,058	4,232	2,100	650	100	100	1,130	110	750	110	120	120	-	3,350	8,640
Maintenance Shop Refurbishment	4,900	980	3,920	-	400	2,000	2,200	300	-	-	-	-	-	-	-	4,900
Replace Bus Facilities Wash Racks	2,110	1,310	800	500	1,500	110	-	-	-	-	-	-	-	10	-	2,120
Bus Steam Clean Area	1,800	360	1,440	-	100	200	1,500	-	-	-	-	-	-	-	-	1,800
Fuel Systems Rehabilitation/Replacemen	1,500	1,500	-	-	-	-	-	-	-	500	1,000	-	-	-	1,700	3,200
Grounds																
Midday SF Bus Parking	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bus Lots Pavement Rehabilitation	5,810	-	5,810	500	2,980	-	300	1,400	-	-	-	630	-	-	1,920	7,730
Park & Ride Lots Pavement Rehabilitation	550	110	440	90	-	-	-	280	-	-	180	-	-	-	520	1,070
INFORMATION TECHNOLOGY																
Computer Scheduling/Dispatch	750	-	750	-	-	-	-	-	750	-	-	-	-	-	-	750
CAPITAL EQUIPMENT																
Tools and Equipment	3,810	2,810	1,000	230	250	230	240	460	1,260	300	290	270	280	-	-	3,810
TOTAL	190,320	31,690	158,630	31,140	26,140	38,550	5,400	17,690	26,410	27,278	6,573	10,734	400	9,510	68,060	265,030
PROJECTED GRANT FUNDS	158,630			26,170	21,030	32,700	4,280	14,980	22,870	21,830	4,390	10,290	100			
DISTRICT FUNDS REQUIRED	31,690			4,970	5,110	5,850	1,120	2,710	3,540	5,448	2,183	444	300			

FERRY DIVISION

CAPITAL PROJECT DETAIL	10-YR	10-YR	10-YR	<<<=10-YEAR PROJECTED CAPITAL NEED =>>>										PRIOR	FUTURE	TOTAL
	TOTAL	DISTRICT	GRANTS	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	YEAR	YEAR	PROJECT
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
REVENUE VEHICLE REPLACEMENT																
WSF Vessel Purchase/Refurbishment 1st	3,680	40	3,640	3,680	-	-	-	-	-	-	-	-	-	8,030	-	11,710
WSF Vessel Purchase/Refurbishment 2nd	9,010	1,800	7,210	500	500	2,000	5,000	1,010	-	-	-	-	-	2,690	-	11,700
Ferry Replacement	12,400	2,480	9,920	-	-	-	-	2,000	10,400	-	-	-	-	-	-	12,400
Vessel Component Rehab	10,050	2,010	8,040	340	3,800	2,680	140	140	1,380	150	610	160	650	-	-	10,050
Major Propulsion Replacement	34,890	3,490	31,400	4,660	4,500	4,690	-	4,950	-	5,220	5,360	5,510	-	-	-	34,890
SAFETY/SECURITY ENHANCEMENTS																
Equipment/Systems																
Security Systems	1,340	270	1,070	240	-	-	-	-	600	-	-	-	500	730	1,400	3,470
FACILITIES REHABILITATION																
Fixed Guideway																
Channel Dredging	42,110	8,420	33,690	400	12,950	-	690	12,730	-	750	13,780	-	810	50	-	42,160
Berth and Turning Basin Dredging	14,290	2,860	11,430	1,990	-	340	3,440	-	360	3,730	-	390	4,040	50	-	14,340
Fixed Guideway Connectors																
Float Rehabilitation/Replacement	37,100	19,940	17,160	200	1,040	3,480	7,460	8,060	6,830	4,470	4,590	-	970	-	-	37,100
Gangway Rehabilitation/Cathodic Protection	12,000	2,400	9,600	500	1,390	3,000	3,500	2,610	500	-	-	-	500	-	-	12,000
SFFT Lay Berth Facility	4,000	800	3,200	-	-	-	-	350	3,150	500	-	-	-	-	-	4,000
Maintenance/Operations Buildings																
Rehabilitate Larkspur Maintenance Facilit	7,120	-	7,120	80	650	3,350	1,140	-	-	300	800	800	-	10	1,900	9,030
Facilities Roof Rehabilitation	920	-	920	-	-	270	-	-	-	-	-	-	650	-	-	920
Ticketing System	750	-	750	-	-	-	-	-	-	750	-	-	-	-	-	750
Faregates	3,830	1,532	2,298	500	2,000	1,330	-	-	-	-	-	-	-	180	-	4,010
Miscellaneous Facilities Rehab	2,150	-	2,150	60	330	60	60	60	70	70	1,300	70	70	-	-	2,150
Terminal Facilities																
Passenger Terminal Rehabilitation	6,520	652	5,870	730	1,890	-	-	-	-	-	-	200	3,700	140	4,400	11,060
Marsh Restoration	1,310	1,310	-	10	300	1,000	-	-	-	-	-	-	-	160	-	1,470
Larkspur Parking Rehabilitation/Improvements	31,630	6,326	25,300	2,000	11,000	11,000	5,990	-	150	1,490	-	-	-	10	-	31,640
CAPITAL EQUIPMENT																
Tools and Equipment	1,640	1,640	-	50	260	130	140	140	150	300	150	160	160	-	-	1,640
TOTAL	236,740	55,950	180,790	15,940	40,610	33,330	27,560	32,050	23,590	17,730	26,590	7,290	12,050	12,050	18,390	256,490

PROJECTED GRANT FUNDS	180,790			13,870	32,480	26,700	21,410	25,020	15,280	11,110	18,440	6,450	10,030			
DISTRICT FUNDS REQUIRED	55,950			2,070	8,130	6,630	6,150	7,030	8,310	6,620	8,150	840	2,020			

DISTRICT DIVISION

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 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 (\$000)	FY 2020 (\$000)			
FACILITIES REHABILITATION																
Maintenance/Operations Buildings																
Miscellaneous Facilities Rehab	1,790	1,790	-	110	70	1,270	30	30	30	30	30	160	30	10	-	1,800
Office Facility Renovation/Consolidation	6,590	-	6,590	-	-	-	-	710	2,900	2,980	-	-	-	-	2,980	9,570
INFORMATION TECHNOLOGY																
Telephone System Replacement	1,260	1,260	-	580	680	-	-	-	-	-	-	-	-	-	2,660	3,920
Future Information Technology	2,000	1,000	1,000	300	100	100	100	100	300	100	100	500	300	-	-	2,000
Replace Computer/Network Equipment	4,170	4,170	-	250	260	270	450	460	470	480	500	510	520	-	-	4,170
Financial Management Information System	120	60	60	120	-	-	-	-	-	-	-	-	-	2,860	-	2,980
Asset and Vehicle Fluid Mgmt System	2,160	-	2,160	2,160	-	-	-	-	-	-	-	-	-	3,400	-	5,560
CAPITAL EQUIPMENT																
Tools and Equipment	4,040	4,040	-	380	360	400	370	420	400	440	410	430	430	-	-	4,040
TOTAL DISTRICT CAPITAL	22,130	12,320	9,810	3,900	1,470	2,040	950	1,720	4,100	4,030	1,040	1,600	1,280	6,270	5,640	34,040
PROJECTED GRANT FUNDS	9,810			2,370	50	50	50	760	3,050	3,030	50	250	150			
DISTRICT FUNDS REQUIRED	12,320			1,530	1,420	1,990	900	960	1,050	1,000	990	1,350	1,130			

**Golden Gate Bridge, Highway and Transportation District
Five-Year and Ten-Year Financial Projections FY 10/11 - FY 19/20**

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

All Figures Rounded to (\$000)

	Year 1 FY 2011 Estimate	Year 2 FY 2012 Estimate	Year 3 FY 2013 Estimate	Year 4 FY 2014 Estimate	Year 5 FY 2015 Estimate	SubTotal Year 1 - 5 Estimate	Year 6 FY 2016 Estimate	Year 7 FY 2017 Estimate	Year 8 FY 2018 Estimate	Year 9 FY 2019 Estimate	Year 10 FY 2020 Estimate	Total Year 1 - 10 Estimate
DISTRICT GRANTS	\$21,330	\$37,790	\$47,030	\$37,320	\$35,420	\$178,890	\$48,980	\$49,550	\$32,890	\$14,780	\$8,590	\$333,680
	<u>\$87,890</u>	<u>\$108,590</u>	<u>\$115,140</u>	<u>\$91,790</u>	<u>\$116,830</u>	<u>\$520,240</u>	<u>\$102,750</u>	<u>\$69,020</u>	<u>\$43,610</u>	<u>\$24,470</u>	<u>\$16,880</u>	776,970
TOTAL	\$109,220	\$146,380	\$162,170	\$129,110	\$152,250	\$699,130	\$151,730	\$118,570	\$76,500	\$39,250	\$25,470	\$1,110,650
Doyle Drive Contribution	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000
District Portion Of the Capital Requirement	\$21,330	\$37,790	\$47,030	\$112,320	\$35,420	\$253,890	\$48,980	\$49,550	\$32,890	\$14,780	\$8,590	\$408,680
Total Depreciation Included in the Budget	7,651	8,055	10,468	12,366	13,535	\$ 52,075	13,576	13,675	14,307	16,215	16,420	\$ 126,268
Additional Capital Contribution Required to Fund Projected Capital Plan	13,679	29,735	36,562	99,954	21,885	\$ 201,815	35,404	35,875	18,583	(1,435)	(7,830)	\$ 282,412
Average of the 10 Year Capital Contribution	\$28,200	\$28,200	\$28,200	\$28,200	\$28,200	\$ 141,000	\$28,200	\$28,200	\$28,200	\$28,200	\$28,200	\$ 282,000

Re-Stated: Fund District Capital through Reserves	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Year 1 - 5</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>Year 1 - 10</u>
District Funded Capital Projects and Doyle Drive Contribution net of Depreciation	\$13,700	\$29,700	\$36,600	\$100,000	\$21,900	\$ 201,900	\$35,400	\$35,900	\$18,600	(\$1,400)	(\$7,800)	282,600
Use Reserves to Fund District Projects	9,700	9,700	9,700	9,700	9,700	48,500	9,700	9,700	9,700	9,700	9,700	97,000
Additional Capital Contribution Required to Fund Projected Capital Plan with Reserves	4,000	20,000	26,900	90,300	12,200	\$ 153,400	25,704	26,175	8,883	(11,135)	(17,530)	\$ 185,412
Average of the 10 Year Capital Contribution	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$ 95,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$ 190,000

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 \$97 million in capital contribution reserves will be released to fund capital projects during this 10-year projection period. \$9.7 million per year will be released from unrestricted reserves, and thus reduce the capital contribution from \$28 million to \$19 million per year. The \$19 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 09/10 BUDGET

Reserve Name		Estimated Balance 07/01/09	Estimated Balance 06/30/10	Estimated Balance 07/01/10
Unrestricted Net Assets¹	[A]	\$135,200,000	\$139,700,000	\$139,700,000
<i>Board Designated and Other Reserve Adjustments</i>				
Operating Reserve ²		\$12,800,000	\$4,000,000	\$12,900,000
Emergency Reserve ³		6,000,000	6,000,000	6,000,000
Bridge Self Insurance Loss Reserve		4,200,000	5,500,000	5,500,000
Additional Self Insurance Reserve ⁴		14,900,000	15,100,000	15,100,000
Subtotal Board Designated and Other Reserves	[B]	\$37,900,000	\$30,600,000	\$39,500,000
Total Remaining Reserves Available for Capital Projects or Non-Capital Programs	[A]-[B]	\$97,300,000	\$109,100,000	\$100,200,000
Capital Reserves				
Capital Plan Reserve ⁵		\$95,400,000	\$106,900,000	\$98,200,000
<i>Committed Capital Projects (District-funded portion only)</i>				
Bridge		61,000,000	57,300,000	66,900,000
Transit		34,200,000	32,900,000	44,500,000
Total Committed Capital Projects (District-funded portion only)		\$95,200,000	\$90,200,000	\$111,400,000
(Unfunded Capital Reserves)/Reserves Remaining for Non-Capital Programs		\$200,000	\$18,900,000	(\$11,200,000)
Other Reserves				
<i>Legally Required Reserves</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
Total	[C]	\$12,800,000	\$12,800,000	\$12,800,000
Fully Funded Liabilities – INFORMATIONAL ONLY				
Self Insurance Reserve		\$15,800,000	\$15,800,000	\$15,800,000
Accrued Compensated Liabilities		7,900,000	7,900,000	7,900,000
Total	[D]	\$23,700,000	\$23,700,000	\$23,700,000
Total Other Reserves	[C]+[D]	\$36,500,000	\$36,500,000	\$36,500,000
Total Resources	[A]+[C]+[D]	\$171,700,000	\$176,200,000	\$176,200,000

1. Unrestricted Net Assets is adjusted to exclude Capital Contributions (\$9.0 million) and Bridge Self Insurance (\$1.3 million) set-asides in current operations as of July 1, 2009. Set-asides as of June 30, 2010, amount to \$12 million and \$1.3 million respectively.
2. Board policy funds the operating reserve at 7.5% of the budget or to cover the expected operating deficit, whichever is larger.
3. 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 District's operations.
4. The liability of \$14.9 million associated with GASB Statement No. 49, Accounting for Remediation Obligations, is included in this category for this presentation only. GASB Statement No. 49 was issued in December, 2006, and requires state and local governments to provide the public with better information about the financial impact of environment cleanups.
5. Capital Plan Reserve is established each year at 98% of Total Remaining Reserves Available for Capital Projects or Non-Capital Programs.