

ADOPTED BUDGET

FY 2016-2017



GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

GOLDEN GATE BRIDGE HIGHWAY AND TRANSPORTATION DISTRICT

FISCAL YEAR 16/17 ADOPTED BUDGET

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***SPECIAL THANKS TO THE DISTRICT OFFICERS, THE DEPUTY GENERAL MANAGERS
AND THEIR RESPECTIVE STAFF***



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
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**Golden Gate Bridge, Highway & Transportation Dist.
California**

For the Fiscal Year Beginning

July 1, 2015

A handwritten signature in black ink, reading "Jeffrey R. Egan".

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation award to the Golden Gate Bridge, Highway and Transportation District for its annual budget for the fiscal year beginning July 1, 2015. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.

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GENERAL MANAGER'S MESSAGE

Marking a number of milestones in the fiscal year ending June 30, 2016, the District has moved forward on several major projects and initiatives.

In September 2015, the District released an updated five- and ten-year financial projection of operating and capital project revenues and expenses from FY 16/17 through FY 25/26. The new projections show a five-year total operating and capital deficit of \$56 million. The District-adopted *2014 Strategic Financial Plan* is a five-year work plan to close the projected deficit gap. Each year, the Plan compares the projected deficit with the actual deficit in order to measure the success of the Plan.

The second year of the five-year toll increase went into effect on July 1, 2015, increasing the toll by \$0.25. This increase generated approximately an additional \$4 million annually in revenue for the District to help offset the \$56 million deficit. The Board also authorized a one-year, 4% fare increase for all bus and ferry riders beginning July 1, 2016. Approximately \$1.6 million in new annual revenue from fares would help address the District's projected deficit. A new comprehensive five-year fare program is currently being developed by staff and will go through a public process before implementation.

Focusing efforts on maintaining the iconic Golden Gate Bridge, staff was able to make significant advancement on many construction and rehabilitation projects. In particular, once proper funding was secured, staff was able to finalize the construction bid documents for the *Golden Gate Bridge Physical Suicide Deterrent System* and *Wind Retrofit Project* and it was advertised on October 13, 2015, with an anticipated bid opening date of July 12, 2016. At the same time, the *Seismic Phase III - Design Review* project has been progressing and is anticipated to be completed in January of 2018.

January 12, 2016, marked the One Year Anniversary of the Moveable Median Barrier (MMB) installation on the Golden Gate Bridge. Since the installation, during FY 15/16, the District also completed two MMB Extension projects. At the north end, the southbound approach to the Bridge was refined by providing two consecutive right lane merges. The southbound Sausalito on and off ramps were moved, drainage was modified and the MMB was extended 100 feet to the north. At the south end the MMB was extended 1,600 feet south of the toll plaza, connecting to the new Doyle Drive median.

Another significant milestone was reached on March 27, 2016, when the District celebrated its third year of all electronic tolling on the Golden Gate Bridge. Our morning commute FasTrak® user base has grown to an impressive 92% and that's all thanks to our Bridge commuters for making this milestone possible. As part of the ongoing efforts to improve the system, the District strongly advocated for Assembly Bill 516 which was signed by the Governor on July 25, 2016. The bill, commencing in 2019, would require temporary license plates at the point of sale on all vehicles. The District could recover \$2.5 million in revenue annually.

The District continued its implementation of the *Strategic Vision for Golden Gate Transit Regional Bus Service* through a series of route modifications to better serve existing customers but also attract new customers. The route modifications ranged from time adjustments to route realignments and eliminations. We are confident the overall changes to the system are more responsive to our bus customers.



Growing tomorrow's workforce is essential for continued first class service for our customers. Implementation is underway of a State of California-sanctioned apprentice training program within the Bus Transit Division Machinists bargaining unit. Additionally, an apprentice program will offer the added benefit of a career ladder for entry-level District employees along with increased opportunities for minorities and women seeking careers in the skilled crafts.

The most significant vessel accomplishments for FY 15/16 were the refurbishment and repowering of the *M.S. San Francisco* and the mid-life refurbishment and propulsion improvements to the *M.V. Mendocino*. While the *M.S. San Francisco* returned late in 2015, the *M.V. Mendocino* returned to service in June 2016. The *M.S. San Francisco* now has options on the lower deck to set up for seats or bikes. The wheelhouse has been overhauled with new electronics, there's now a multi-use elevator, a revamped engine room with an access door to the stern and large entryways with two sliding doors each.

Working with staff, the Board evaluated and approved the operation of new weekday Tiburon ferry commute service between downtown Tiburon and the Ferry Building in San Francisco. This service will commence upon Blue and Gold's cessation of their Tiburon commute service. This is the first new route Golden Gate Ferry has added since the service to AT&T Park began in the late nineties. In also furthering the *Golden Gate Ferry Larkspur Service Strategic Vision*, ferry feeder routes were implemented as a demonstration project to alleviate parking congestion at the Larkspur Ferry Terminal and grow ferry ridership.

FY 16/17 Budget Summary

The total FY 16/17 Adopted Budget of \$232.1 million is 1.0% less than the FY 15/16 Actual which contained \$234.4 million in spending proposals. In FY 15/16, a \$14.3 million operating surplus was realized and no District reserves were needed to balance the expenses. The FY 16/17 Adopted Operating Budget will similarly not use reserves to fund the projected Operating Budget and a \$1.6 million surplus is projected.

FY 15/16 Projects Completed and Underway

The projects mentioned above are only some of the efforts taken in FY 15/16. Other projects undertaken and completed throughout the fiscal year include:

- Fabricated and tested scale-model Energy Dissipating Devices (EDDs) in support of finalizing the design of the Golden Gate Bridge Seismic Retrofit Phase IIIB. This phase is in preparation of running a complete, full-scale testing of the EDDs.
- Completed the North Approach Viaduct Restoration Project, which included abrasive blasting, steel repair, recoating and inspection.
- Started relocating the access and abrasive blasting equipment from the North Viaduct to the South Approach.
- Dredged the two-mile long Larkspur Ferry Channel and the Larkspur Turning Basin.
- Opened the Larkspur Ferry Overflow Parking, providing approximately 300 new parking spaces for ferry passengers.
- Organized and co-hosted a Bay Area-wide inter-agency emergency response drill on San Francisco Bay, designed to test the tactical and emergency response to security-related maritime events.
- Implemented Bus Wi-Fi, which has been well received by bus passengers.

- Rolled out real-time bus arrival information to our customers.

FY 16/17 Budget Year Planned Projects

As we look ahead to FY 16/17, we will continue with projects currently underway and plan for other projects which will include:

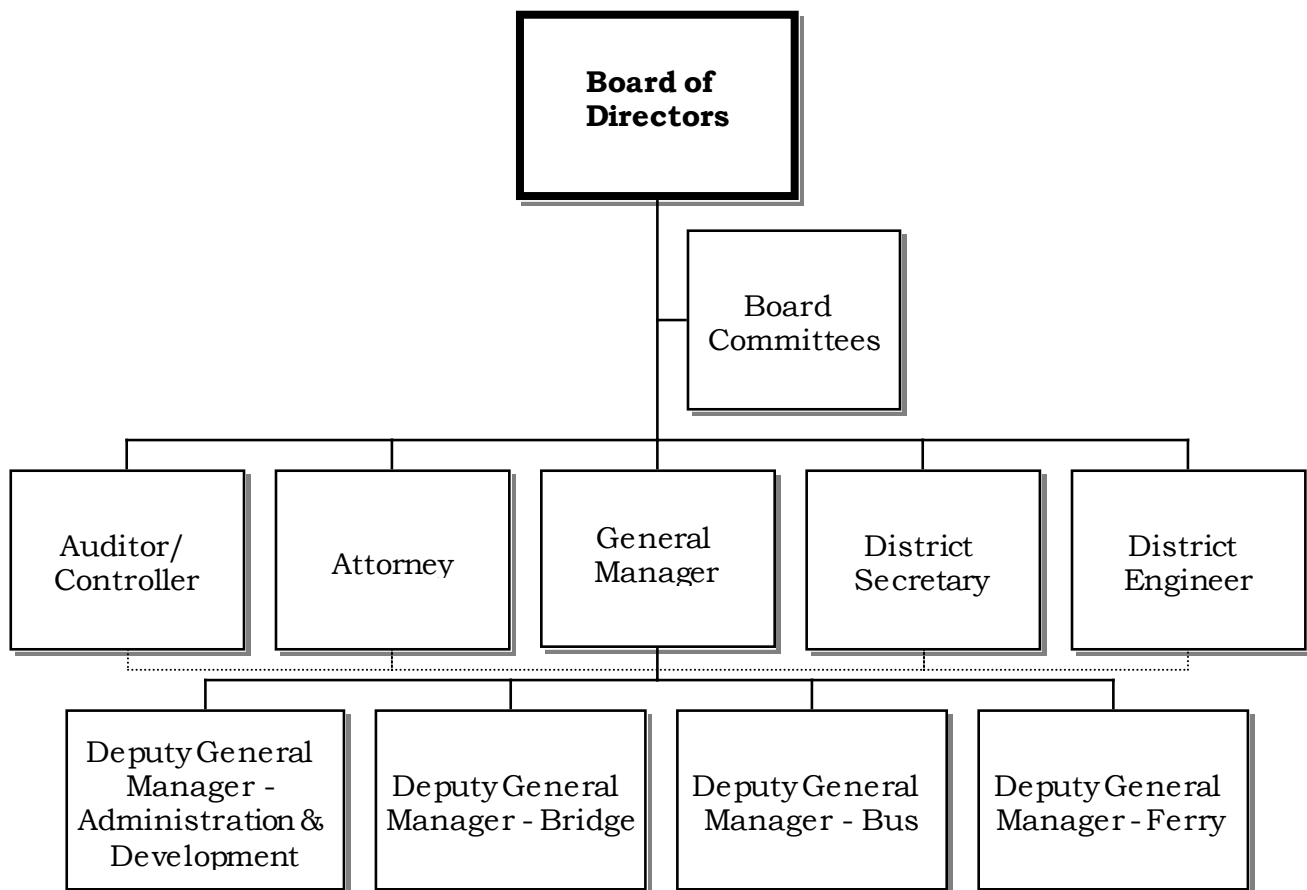
- Award of the construction contract for the *Golden Gate Bridge Physical Suicide Deterrent System*.
- Advertise and award the construction contract to replace the Sausalito Ferry Landing.
- Integrate a customer incident system using ACIS to better handle customer inquiries and incidents. This new system will provide more efficient response times and have better reporting and tracking mechanisms.
- Begin planning and design to replace tolling equipment at the Bridge toll plaza.
- Collaborate with affected transportation agencies on changes to the C. Paul Bettini Transit Center in San Rafael due to the construction of the SMART extension to Larkspur.
- Continue to increase bus and ferry ridership to reduce traffic congestion and greenhouse gas emissions and improve the quality of life in the Bay Area.

The District continues to work together with our partner agencies, Bridge users and transit riders to ensure our collective success. I would like to thank and recognize our employees who help keep the Bay Area moving, whether on the Golden Gate Bridge, Golden Gate Transit or Golden Gate Ferry. Lastly, I want to thank our customers for their continued support of our mission.



Denis J. Mulligan
General Manager

DISTRICT ORGANIZATIONAL CHART



THE GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT PROFILE

The Golden Gate Bridge, Highway and Transportation District (District) is a special district of the State of California which operates and maintains the Golden Gate Bridge (Bridge) and two unified public transit systems – Golden Gate Transit (GGT) and Golden Gate Ferry (GGF) connecting the counties of Marin, Sonoma, San Francisco and Contra Costa. The District provides these public services under authority of California State Law. For our Transit System Area Map, please see Appendix J.

Mission Statement

The District's mission is to provide safe and reliable operation, maintenance and enhancement of the Golden Gate Bridge and to provide transportation services, as resources allow, for customers within the U.S. Highway 101 Golden Gate Corridor.

The District was formed under authority of the Golden Gate Bridge and Highway Act of 1923, and incorporated on December 4, 1928, to include within its boundaries the City and County of San Francisco, the counties of Marin, Sonoma, Del Norte, most of Napa and part of Mendocino counties. The District is governed by a 19-member Board of Directors who are appointed by the elected representatives of their constituent counties. Nearly 810 employees are employed by the District, working in one of three operating divisions (Bridge, GGT, GGF) or in the administrative division.

On November 10, 1969, the California State Legislature passed Assembly Bill 584 authorizing the District to develop a transportation facility plan for implementing a mass transportation program in the Golden Gate Highway 101 Corridor. This was to include any and all forms of transit, including ferry. The mandate was to reduce traffic congestion across Golden Gate Bridge using only surplus Bridge tolls to subsidize intercounty/regional public transit services.

On August 15, 1970, the District inaugurated GGF service between Sausalito and San Francisco. Service was added between Larkspur and San Francisco on December 13, 1976. Since March 31, 2000, dedicated San Francisco Giants Baseball ferry service has been provided between Larkspur and the Giants waterfront ballpark in downtown San Francisco. Today, the fleet is comprised of seven vessels serving nearly 2.5 million passengers annually. On January 1, 1972, the District introduced GGT basic bus service and on January 3, 1972, GGT commute service began. GGT also provides local bus service within Marin County under contract with Marin Transit. January 1, 2012, marked GGT's 40th anniversary. Today, GGT serves six million annual customers with an active fleet of 193 clean diesel and diesel/electric hybrid buses.

On December 10, 1971, Assembly Bill 919 was passed requiring the District to develop a long range transportation program for the corridor. The result was the creation of the integrated bus and ferry system – GGT and GGF.

Since its opening to traffic on May 28, 1937, the Golden Gate Bridge has been recognized as an engineering marvel. Once the longest suspension span ever built, today it ranks 9th in the world. With its graceful art deco styling and inspiring natural setting, it is international icon and a destination for more than 10 million annual visitors.



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FY 16/17 ADOPTED BUDGET OVERVIEW

The FY 16/17 Adopted Budget is a policy document that identifies the strategic direction and priorities of the Board of Directors for the fiscal year. The adopted budget is the implementation tool for the Board's policy directions and initiatives that were developed in its long-term Strategic Financial Planning process. It carries out the stated mission of the District within the bounds of the Strategic Financial Plan. The Adopted FY 16/17 Budget includes:

- Operating Budget revenues of \$212.3 million
- Operating Budget expenditures of \$210.7 million
- Projected Operating Surplus of \$1.6 million
- Capital Budget revenues of \$11.2 million
- Capital Budget expenditures of \$21.4 million
- District reserves of \$10.2 million will be used to fund the FY 16/17 Capital Budget.

The FY 16/17 Adopted Budget estimates an operating surplus of \$1.6 million. This is primarily attributed to a twenty-five cent toll increase in July 2016 (the FasTrak® toll increased from \$6.25 to \$6.50 and the Pay-By-Plate toll increased from \$7.25 to \$7.50 for the majority of Bridge traffic), a 4% fare increase and the new Tiburon ferry service. These increases are offset by higher cost-of-living, medical insurance, capital contribution, fuel and District-wide technology programs.

This report is a summary of the development process and general overview of the FY 16/17 Adopted Budget.

Overview of Operating Budget

The FY 16/17 Adopted Operating Budget of \$210.7 million is \$14.0 million, or 7.1%, more than the FY 15/16 Actual expenses of \$196.7 million. This 7.1% increase can be broken down into the following categories: Fully funding vacant positions, re-funding commercial paper debt service due to the indenture service requirement, a capital contribution increase to fund the 10 Year Capital Plan, the increased cost of salaries and benefits, and District-wide technology programs. The budget includes a 3% cost of living adjustment for ATU-represented, Coalition-represented and non-represented employees or the amount specified in their ratified Memorandum of Understanding.

Revenue is estimated to be \$212.3 million for an increase of approximately \$1.3 million, or 0.6%, from FY 15/16 Actual revenue of \$211.0 million. This increase is primarily the result of increases in Toll Revenues (\$0.6 million), Transit Fares (\$3.0 million, of which \$1.4 million is projected from the new Tiburon ferry service), and State Operating Assistance (\$1.9 million due to a FY 15/16 adjustment that the State Controller's Office made to the Revenue Basis). However, those increases are offset by a decrease in Other Operating Income (\$0.7 million due to one-time marine insurance recoveries), Marin County Transit Contract (MCTD) (\$1.2 million), and Investment Income (\$2.2 million).

This budget also includes changes to the District reserves structure and the Table of Organization. The Adopted Budget has a \$22.0 million projected positive impact on the District's financial reserves from the FY 15/16 Actual. This is primarily due to increases in toll and transit revenues.

The FY 16/17 Adopted Budget takes into account the new 2014 Strategic Financial Plan approved October 2015. The FY 16/17 Adopted Budget is a baseline budget that takes into account various Financial Plan initiatives, yet also continues to reflect current service levels in the Bridge, Bus and Ferry operations. It keeps operations running at current levels while the Board and staff determine the timing and magnitude of the new Strategic Financial Plan initiatives to be implemented with the goals of reducing the District's long-term deficit, guiding the District to a healthy, sustainable financial condition and ensuring replenishment of the necessary reserve accounts.

Capital Budget Overview

The FY 16/17 Adopted Capital Budget includes total expenditures of \$21.4 million, funded with \$10.2 million District funds and \$11.2 million federal, state and local grant funds. It supports the implementation of 55 (12 new and 43 continuing) projects necessary to maintain existing services and facilities and to implement high priority safety and security projects. The \$21.4 million Adopted Capital Budget, based on the percentage, is allocated to the following projects: 29% Golden Gate Bridge Seismic Retrofit; 28% Bridge Safety and Security; 22% Ferry Facilities and Vessel Rehabilitation; 9% Bus Replacement and Bus Facilities; and 12% for a variety of District Division projects. The Adopted Capital Budget contains actual FY 15/16 project expenditures. 15 projects were completed in FY 15/16.

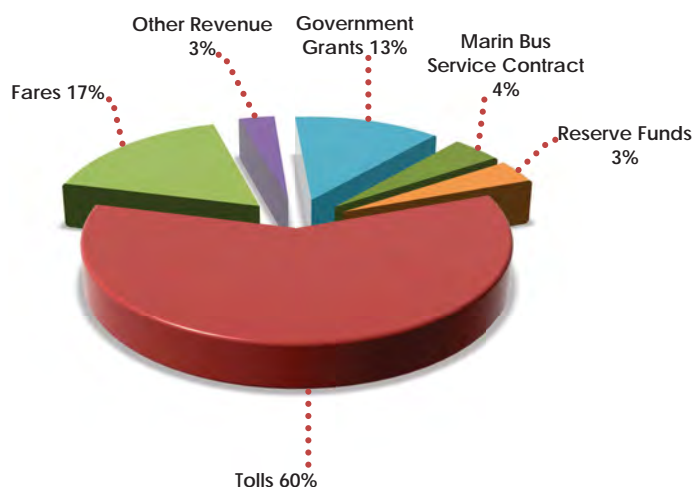
In an effort to reduce the number of new projects in the FY 16/17 budget, each division prioritized its capital projects. Higher priority projects were included in the FY 16/17 budget to allow project managers to continue working and focusing their efforts on those projects. The remaining projects were included in the FY 17/18 capital project list, which consists of projects that are ready to be included in the FY 16/17 budget pending the availability of staff resources to initiate the project. The passage of the budget will authorize the General Manager to move capital projects from the FY 17/18 list to the FY 16/17 budget.

Use of Reserves

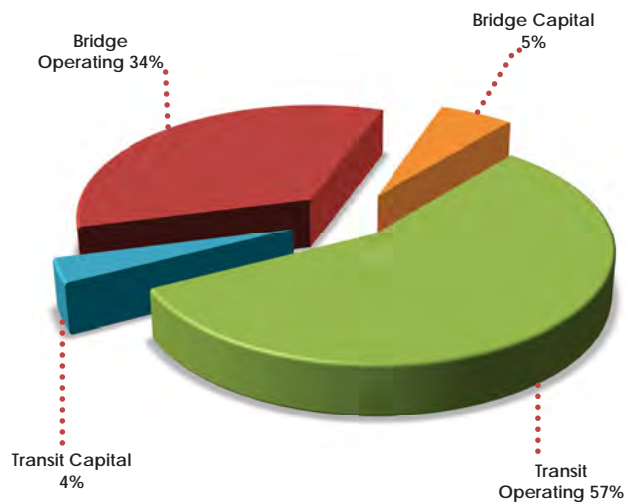
The FY 16/17 Adopted Operating Budget is estimated to produce a surplus of \$1.6 million and the Capital Budget is estimated to use \$10.2 million in District funds for a net decrease reserve impact of \$8.6 million. As an offset to this \$8.6 million reserve spending, the FY 16/17 Adopted Budget also includes \$30.6 million in transfers to reserves resulting in a net reserve increase of \$22.0 million. The Adopted Budget is structured to raise and spend Capital Reserves. The District will use the initiatives in the Financial Plan to keep future agency budgets balanced.

Revenue Sources and Expense Allocation FY 16/17 Adopted Operating and Capital Budget (In Millions)

Source of Revenues	
Tolls	\$138.0
Fares	38.9
Other Revenue	7.1
Government Grants	29.5
Marin Bus Service Contract	10.0
Reserve Funds	8.6
Total	\$232.1



Type of Expense	
Transit Operating	\$130.7
Transit Capital*	8.1
Bridge Operating	80.0
Bridge Capital*	13.3
Total	\$232.1



*District Division capital projects are apportioned to Transit and Bridge in the same manner as District expenses allocation.

FY 16/17 Adopted Operating and Capital Budget Three-Year Comparison (In Millions)

	Actual FY 14/15	Actual FY 15/16	Adopted FY 16/17
Revenue			
Bridge Tolls	\$129.2	\$137.4	\$138.0
Transit Fares	33.4	35.9	38.9
Other*	20.0	21.2	17.1
Operating Assistance	18.4	16.5	18.3
Operating Revenue Sub-total	\$201.0	\$211.0	\$212.3
Capital Grants	49.1	28.2	11.2
Total Revenue	\$250.1	\$239.2	\$223.5
Expenses			
Labor and Fringes	\$111.1	\$121.8	\$128.7
Services/Supplies/Other	47.5	47.3	52.7
Contribution to Capital & Other Reserves	27.0	27.6	29.3
Operating Expenses Sub-total	\$185.6	\$196.7	\$210.7
Capital Project Expense	61.4	37.7	21.4
Total Expenses	\$247.0	\$234.4	\$232.1
Total Revenue Over/(Under) Total Expense	\$3.1	\$4.8	(\$8.6)

Net Impact on District Reserves Three-Year Comparison (In Millions)

	Actual FY 14/15	Actual FY 15/16	Adopted FY 16/17
Total Revenue Over/(Under) Total Expense	\$3.1	\$4.8	(\$8.6)
Transfers to District Reserves			
District Capital Contribution**	\$19.0	\$19.0	\$21.0
Bridge Self-Insurance Against Losses	1.3	1.3	1.3
Depreciation	8.0	8.6	8.3
Sub-Total Transfers to Reserves	\$28.3	\$28.9	\$30.6
Impact on Reserves	\$31.4	\$33.7	\$22.0
Transfers to OPEB (Other Postemployment Benefits) Trust	\$3.8	\$2.9	\$1.7

* Other revenue consists of Investment Income, Advertising, Contract Revenue and Regional Measure 2 (RM2) funding.

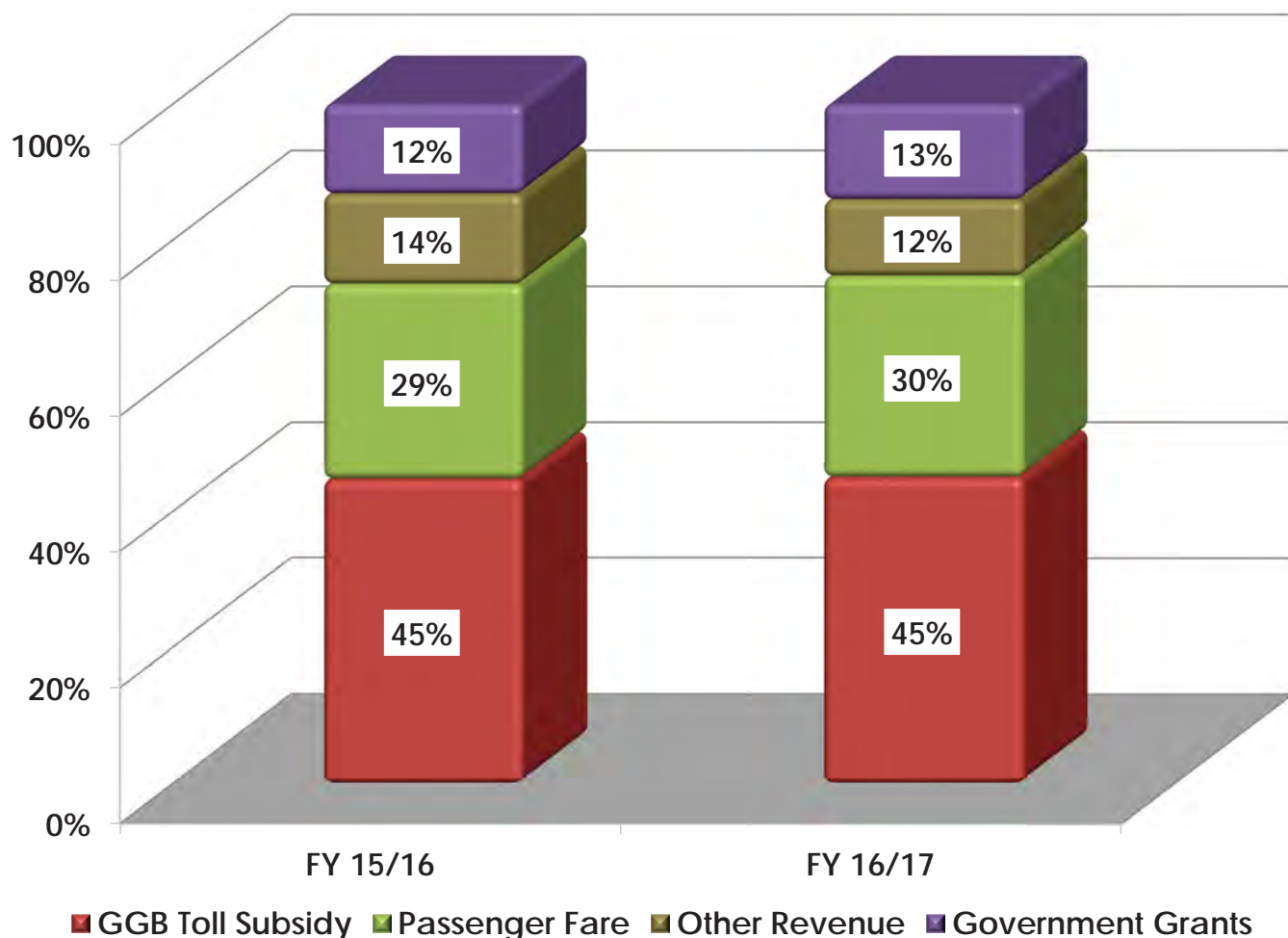
** See Capital Contribution section on page 39 for more detail.

TRANSIT SYSTEM FUNDING

The total subsidy required to fund the transit system is projected to increase from \$55.8 million in FY 15/16 to \$58.8 million in FY 16/17.

The following table displays how the toll subsidy and other revenues are allocated for the FY 15/16 Actual expenses and Adopted FY 16/17 Budget.

	How Golden Gate Transit was Funded in FY 15/16 (In Millions)				How Golden Gate Transit is Estimated to be Funded in FY 16/17 (In Millions)			
	Bus Division	Ferry Division	Total Transit	% of Cost	Bus Division	Ferry Division	Total Transit	% of Cost
GGB Toll Subsidy	\$43.6	\$12.2	\$55.8	45%	\$46.4	\$12.4	\$58.8	45%
Passenger Fare	15.7	20.2	35.9	29%	15.6	23.2	38.8	30%
Other Revenue	14.8	1.8	16.6	14%	13.7	1.0	14.7	12%
Government Grants	13.6	2.9	16.5	12%	15.0	3.4	18.4	13%
Total	\$87.7	\$37.1	\$124.8	100%	\$90.7	\$40.0	\$130.7	100%



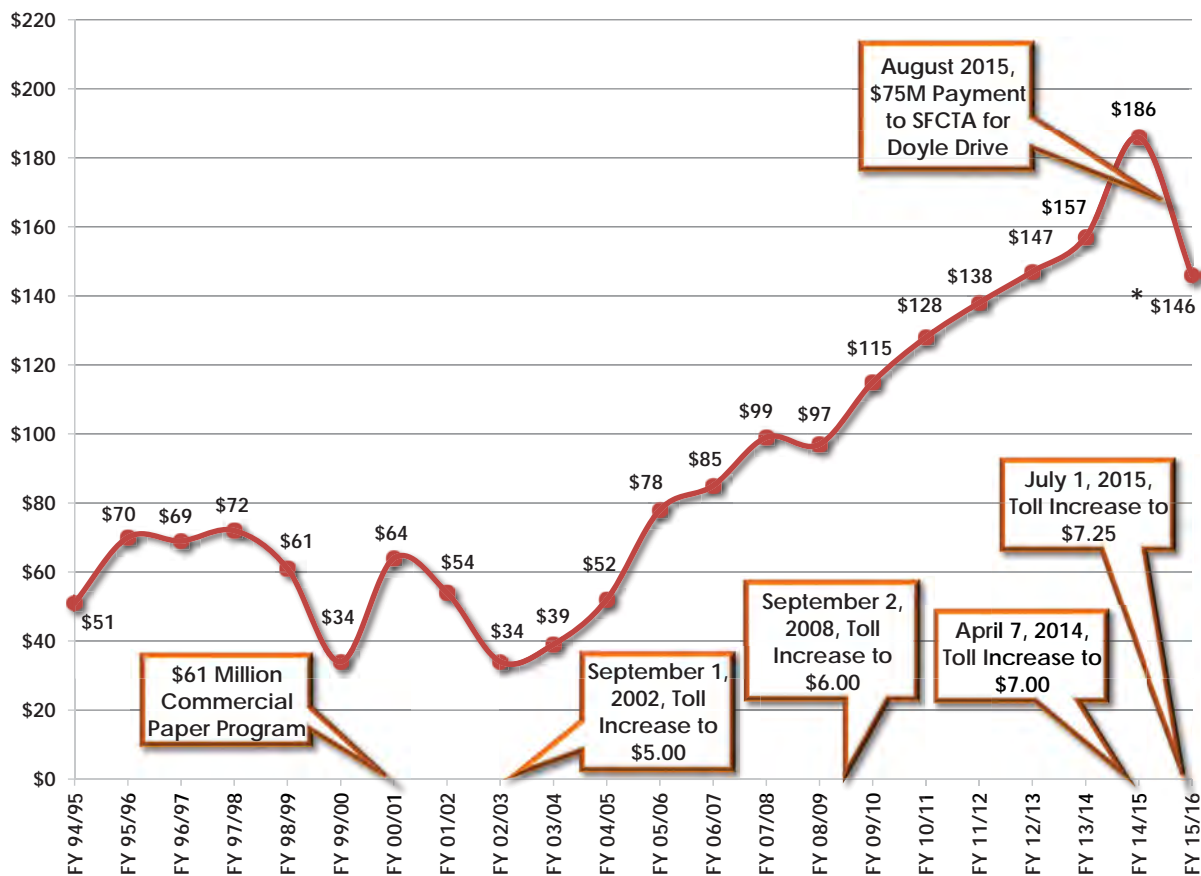
DISTRICT FINANCIAL SITUATION

Financial Reserves: Impact of Fiscal Year 15/16 (Unaudited)

The District finished the FY 15/16 operating budget year (which includes a \$19 million transfer to the capital reserves) with expenses approximately \$14.3 million under actual revenues.

The District's short-term and long-term financial situations have been improved because the Board has taken steps over the previous years to increase revenues and decrease expenses. To increase revenues the Board implemented a toll increase, increased carpool and multi-axe vehicle tolls, instituted 16 years of successive transit fare increases and conducted discussions with local and regional partners that produced millions more in contract and grant revenue. To decrease expenses, in the recent past the Board instituted administrative and program staff reductions, salary freezes, medical plan reforms, bus transit service reductions and ferry service restructuring. In addition, the Board has implemented new technologies that will reduce operating expenses such as Ferry Ticket Machines and All Electronic Tolling. The Board passed its first long-term Strategic Financial Plan in 2009. In October 2014, the Board passed a new 2014 Strategic Financial Plan that contains initiatives to balance revenues and expenses over the long term as discussed in greater detail at the end of this section.

Reserve Funds Available for Capital Projects Fiscal Years Begin July 1st (All Numbers in Millions)



* Note: Graph amounts represent beginning of the year balances. See Appendix A for more details. Fiscal Years 12/13, 13/14 and 14/15 have been refined based upon new methodology.

Impact of FY 16/17 Adopted Budget

The FY 16/17 Adopted Budget continues the Board's efforts toward achieving long-term financial sustainability. It builds on the actions taken in previous years to increase revenues and reduce operating costs. The FY 16/17 Adopted Operating Budget is estimated to produce a surplus of \$1.6 million and the Capital Budget is estimated to use \$10.2 million in District funds.

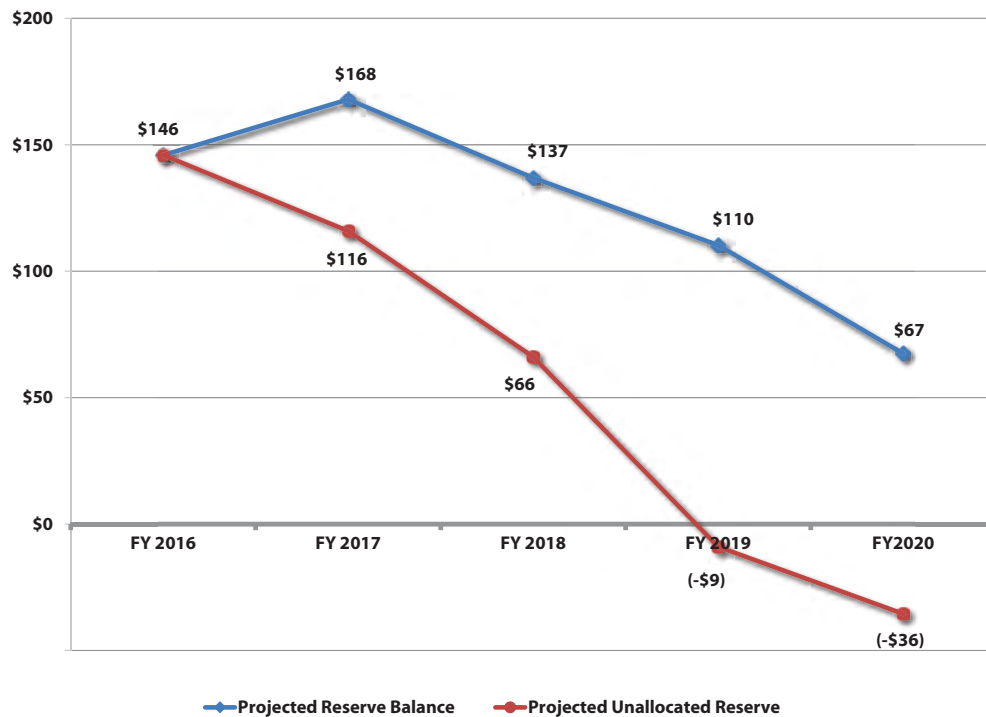
Due to provisions that add to capital reserves, the reserves available for capital and operating are projected to decrease less than expected given the large outflow (See Appendix A). As an offset to the Capital reserve spending of \$8.6 million, the FY 16/17 Adopted Budget also includes \$30.6 million in transfers to reserves resulting in a net reserve increase of approximately \$22.0 million.

The District's share of the capital budget is funded by reserves. Capital budgets are designed to be balanced over the long-term, which is the objective of the long-term financial plan. The \$21 million Capital Contribution included as an expense in the operating budget is designed to cover these costs. Since the operating budget is projected to have a \$1.6 million surplus, it is expected that the entire \$21 million amount will be available to transfer to capital, thus the reserves are reduced only by capital costs.

The District accumulates reserves through its operating budget. Those reserves are set aside until the Board allocates them to fund the District share of the cost of capital projects or to cover temporary operating budget deficits. After funds are allocated by the Board, they are spent over one to several years depending on the particular multi-year spending patterns of the capital budget. The graph on the following page, *Projected Reserves for Capital Projects*, represents a projection of how the current total of capital reserves (as presented on the previous page) would be allocated (see *Projected Unallocated Reserve* line) and spent out (*Projected Reserve Balance* line) if capital projects are undertaken as laid out in the 10-Year Capital Plan (See Appendix E). Several factors have a significant impact on the rate at which reserves are allocated and thus impact the amount of reserves available. These factors include acquiring additional operating funds, capital grant funds and/or delaying/eliminating projects from the 10-Year Capital Plan.

In accordance with GASB 68, \$93 million of CalPERS unfunded pension liability was recognized effective June 30, 2015. The graph on the following page does not include the impact of the GASB 68 change. Those funds are set aside to cover liabilities that are decades into the future and the District is on track to pay down those liabilities prior to their coming due. Also, in accordance with GASB 68, \$46 million of ATU unfunded pension liability was recognized June 30, 2015. The ATU pension is independent, thus the District is not legally liable for the unfunded liability. Nonetheless, GASB 68 requires the District to report it in order for the unfunded liability to be clearly noted. In both cases, the District counts the funds that offset the unfunded pension liabilities as available for capital projects.

Projected Reserves for Capital Projects (All Numbers in Millions)



Note: Graph amounts represent beginning of the year balances, but do not represent GASB 68 accounting change.

Board Restricted Reserves

The Board has created four designated reserves, Bridge Self-Insurance Reserve (BSIR), Capital Plan Reserve, the Operating Reserve and the Emergency Reserves. The latter three are discussed in footnotes in Appendix A. The BSIR was created by the Board in FY 05/06. The BSIR was intended to increase to \$25 million and would be used to offset the need to insure the loss of toll revenue in the event of an emergency. This budget includes the \$1.3 million contribution, based on the Board's annual approval to contribute to this reserve, for a total of \$14.6 million to fund the reserve in place of purchasing insurance.

Commercial Paper Notes Program

On July 12, 2000, the District issued commercial paper notes in Series A and Series B in an amount of \$30.5 million for each series, for a total of \$61 million, to provide funds for the Golden Gate Bridge Seismic Retrofit Project and the renovation of the main cables of the Bridge. Under this program, the District is able to issue commercial paper notes at prevailing interest rates for a period of maturity not to exceed 270 days. The commercial paper notes are secured by a pledge of the District's revenues and two dedicated reserves, and additionally secured by a line of credit.

The authorization to issue commercial paper is initiated by the Board either by resolution or by an indenture and/or an issuing and paying agreement entered into by the District. There is no legal debt limit except the pledge of revenues pursuant to and in a manner consistent with Subsection 27300 of the Bridge and Highway District Act, being Part 3 of Division 16 of the Streets and Highways Code of the State of California.

Standard & Poor's and Fitch began rating the District in 2000 when the District issued commercial paper for the first time. The District continues to have the highest credit rating (AA- and A+) in the nation for a single toll facility. These are implied credit ratings as the District has no outstanding long-term debt. The District has no plans at this time to increase the current \$61 million in commercial paper notes.

In connection with the sale of the commercial paper, the District has secured a Line of Credit with JP Morgan to guarantee the payment of interest when due. As additional security, the District established both an Operating Reserve Fund and a Debt Service Reserve Fund, both of which have been and will remain fully funded throughout the Commercial Paper Program (CP Program). (See Appendix B for details on the budget covenant.)

The FY 16/17 Adopted Budget provides that the \$61 million remains outstanding throughout FY 16/17 and does not provide for further borrowing. In addition, the FY 16/17 Adopted Budget fully funds the maintenance of the commercial paper program, including long-term arrangements with Goldman Sachs and Morgan Stanley, to market the commercial paper and JP Morgan to provide a line of credit. Total commercial paper program costs as a percentage of the total commercial paper notes outstanding are summarized in the table below.

Commercial Paper Program Costs as a Percentage of Notes Outstanding

	FY 12/13 Actual	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Adopted
Average Annual Interest Rate**	0.17%	0.10%	0.07%	0.06%	2.08%*
CP Program Related Costs	0.92%	0.93%	0.70%	0.73%	0.75%
Total CP Program Costs as a % of Total CP Notes Outstanding	1.09%	1.03%	0.77%	0.79%	2.83%

*The indenture requires the increase in budget authority of 2%.

**See page 39 for Interest Expense.

- CP Program Related Costs include line of credit fees, rating agency fees, dealer costs, and various bank fees.
- As required by the indenture, FY 16/17 Adopted Budget reflects the average interest rate for the preceding 12 months.

Long-Term Strategic Financial Planning

In May of 2009, as a result of projected increases in financial obligations, the Board established the Financial Planning Advisory Committee to create a plan to address the projected financial deficit. The FY 09/10 Financial Plan for Achieving Long-Term Financial Stability (Plan) was drafted by the Advisory Committee and approved by the Board on October 30, 2009. The Plan contained 35 initiatives of which 22 were completed. The others were either moved to the new plan or deferred by Board action. In November 2013, the Advisory Committee was reconvened and drafted a new 2014 Strategic Financial Plan (2014 Plan) with 45 initiatives. The new 2014 Plan was approved on October 24, 2014.

Guiding Principles of the 2014 Plan

- Uphold the Mission Statement of the District to provide reliable transportation services and operations for customers within the U.S. Highway 101 Golden Gate Corridor.
- Identify general priorities to guide implementation work on each initiative in recognition that staff resources are limited and not all initiatives can be completed simultaneously.
- Include both expense reductions and additional revenue generation. The focus of the expense reduction initiatives will be on improving efficiency of current activities in such a way that savings result from the efficiencies and in finding new ways to provide the core services of the District. Outright elimination of any services will be minimized as much as possible.
- Seek to keep existing projects currently underway at the District moving forward, on schedule and to the degree possible, while undertaking new initiatives that are set forth by the Committee and ultimately adopted by the Board of Directors.

The 2014 Plan has become part of the Board's regular financial planning cycle and is monitored, reviewed and updated annually with completed, dropped or added initiatives. The 2014 Plan, when compared to each updated projection, is an essential means to monitor the progress of reducing the deficit. The 2014 Plan utilizes the current five- and ten-year period projections submitted annually to the Board. The use of these financial projections enables the 2014 Plan to provide estimates of each initiative's impact on the projected deficit. All Plan initiatives must be approved by the Board on an individual basis.

Financial Plan Initiatives Implemented in FY 15/16

Financial Plan Initiative No. 2: Complete Implementation of ACIS Project. The ACIS project is completed and has implemented the following: 1) A new District-wide radio communications system; 2) Automatic vehicle location; 3) New mobile data terminals installed on the transit fleet; 4) New computer-aided bus dispatch system; 5) Real-time information systems for customers; and, 6) New software for planning, scheduling and customer service.

Financial Plan Initiative No. 6: Charge for Parking at Larkspur Ferry. This initiative is complete as paid parking has been approved permanently for the Larkspur ferry lots.

Financial Plan Initiative No. 12: Transition of Marin Transit Supplemental School Service. This initiative is complete as the transition of the Supplemental School Service has been transferred to Marin Transit's provider.

Financial Plan Initiative No. 14: Expansion of Wave Service. This initiative is completed as this initiative is to provide free ferry bus service to the Larkspur Ferry Terminal. There was 1 route made permanent and 2 other routes in pilot phase that were cancelled due to low ridership.

Financial Plan Initiatives to be Implemented in FY 16/17

Financial Plan Initiative No. 3: Review of Capital Plan. This initiative is currently underway to review the Capital Plan for accuracy and timing. When completed, it is anticipated the Capital Plan costs will be more accurate in its anticipated costs and timing of the projects to be incorporated into the District's budget and Financial Projections.

Financial Plan Initiative No. 4: One Set of Board and Committee Meetings a Month. This initiative is underway. There was a reduction of meetings in FY 15/16 and the District will continue looking to reduce meetings toward once a month for cost savings.

Financial Plan Initiative No. 5: Implement Time Collection and Payroll Automation Throughout the District. This initiative is continuing underway to implement a system to automate payroll and time collection. It will allow for accurate and real time information. The project is expected to be completed in FY 16/17.

Financial Plan Initiative No. 8: Using Clean Diesel over Bio Diesel in the Ferry Fleet. This initiative will evaluate the cost-effectiveness of using Clean Diesel over Bio Diesel. If it is cost-effective, the staff will recommend the Board convert to Clean Diesel for cost savings.

Financial Plan Initiative No. 9: Non-Represented Employees. This initiative is intended in the areas of health plan design and employee premium contributions. This initiative is underway and will continue in FY 16/17.

Financial Plan Initiative No. 11: Coalition Labor Negotiations. This initiative is intended in the areas of health plan design, employee premium contributions and work rule efficiencies. This initiative is underway and will continue for the 2017 negotiation cycle.

Financial Plan Initiative No. 13: Improve the Efficiencies of Legal Claims Process. This initiative is underway with the first reforms of claim process has been implemented. For FY 16/17 this initiative will continue to be implemented and looked to be completed by end of FY 16/17.

Financial Plan Initiative No. 19: Winter Holiday Facility Closures. This initiative is intended to look at the practicality of closing facilities for non-operational functions during the Winter holiday period. In FY 16/17, staff will look to recommend to the Board a pilot phase of this initiative.

Financial Plan Initiative No. 22: Analyze and Implement a Five Year Fare Increase Plan for Transit when the Current Plan Expires. This initiative is underway analyzing five-year fare plan changes. It is anticipated that a proposed five-year fare plan will be approved in FY 16/17.

Financial Plan Initiative No. 25: Implement Temporary Plate Legislation. This initiative is to work on getting legislation passed to require that every vehicle that leaves the car lot has at least a temporary plate. The legislation has passed and staff will work on the implementation plan in FY 16/17.

Financial Plan Initiative No. 32: Replace Existing Ferry Terminal Gangways and Piers. This initiative is to create operating efficiency by replacing the gangways and piers at all the Ferry terminals. This initiative is underway with the Sausalito portion of the project under review by the community and the San Francisco portion of the project in the environmental review stage.

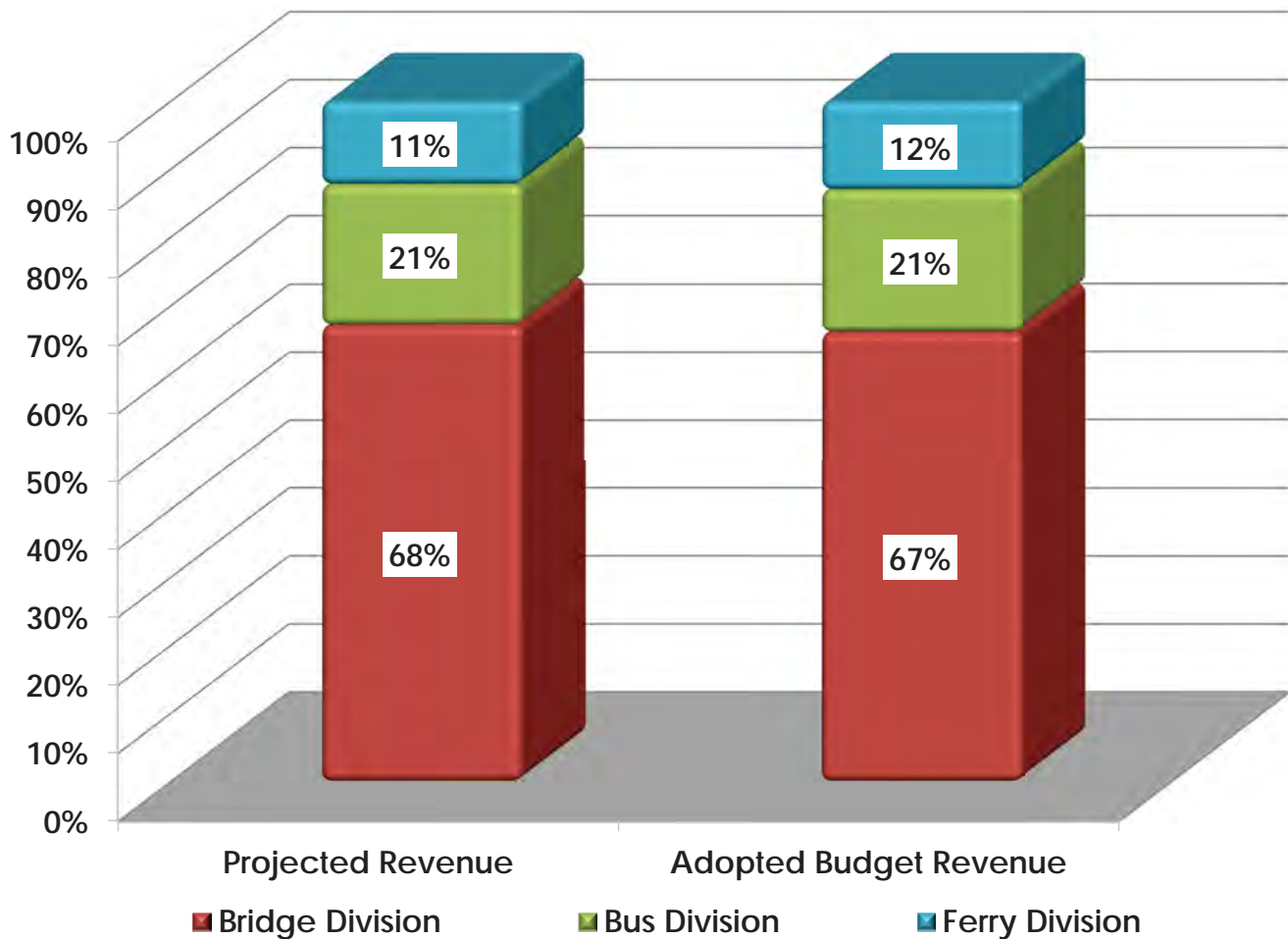
In September 2015, staff presented the District's five- and ten-year financial projections for the operating and capital project revenues and expenses from FY 16/17 through FY 25/26. The estimated five-year projection deficit is \$56 million (See Appendix F for full plan).

FY 16/17 Projection vs. FY 16/17 Adopted Budget - Revenue

The following exhibit compares the latest projected revenues for FY 16/17 contained in the Long-Term Projections with the FY 16/17 Adopted Budget revenues. The FY 16/17 Adopted Budget revenue is approximately \$8.2 million more than projected.

FY 16/17 Projection Compared to FY 16/17 Adopted Budget Revenues 10-Year Projection (In Millions)

	Projected Revenue	Adopted Budget Revenue	Variance	
Bridge Division	\$137.0	\$140.4	\$3.4	2%
Bus Division	42.1	44.3	2.2	5%
Ferry Division	25.0	27.6	2.6	10%
Total	\$204.1	\$212.3	\$8.2	4%

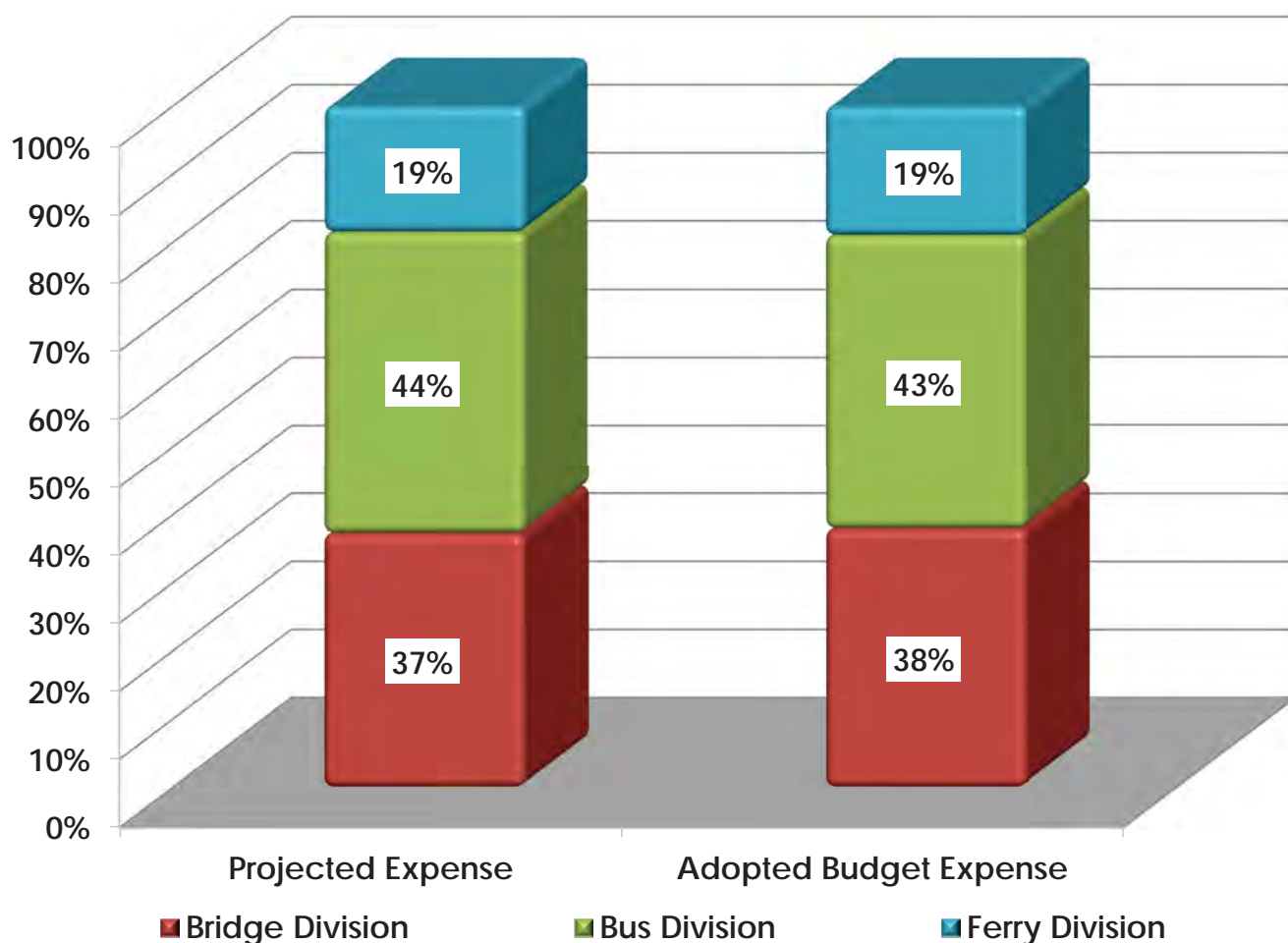


FY 16/17 Projection vs. FY 16/17 Adopted Budget - Expense

The following exhibit compares the latest projected expenses for FY 16/17 contained in the Long-Term Projections with the FY 16/17 Adopted Budget expenses. The FY 16/17 Adopted Budget is approximately \$0.6 million more than projected.

FY 16/17 Projection Compared to FY 16/17 Adopted Budget Expenses 10-Year Projection (In Millions)

	Projected Expense	Adopted Budget Expense	Variance	
Bridge Division	\$78.3	\$80.0	\$1.7	2%
Bus Division	92.9	90.7	(2.2)	(2%)
Ferry Division	38.9	40.0	1.1	3%
Total	\$210.1	\$210.7	\$0.6	0%



THE BUDGET PLANNING AND DEVELOPMENT PROCESS

Basis of Budgeting: The District Budget process is designed to identify goals and objectives and to allocate resources accordingly. The basis of budgeting is the same as the basis of accounting. The District's financial statements are prepared on an accrual basis in accordance with generally accepted accounting principles of the Governmental Accounting Standards Board (GASB). An "accrual basis" is a method of accounting that recognizes expense when incurred and revenue when earned, rather than when payment is made or received. The District is structured as a single enterprise fund and is operated similarly to private business enterprises. The District provides transportation services to the public and is financed primarily through Bridge tolls and passenger fares.

Performance Review: Budget performance is monitored and controlled throughout the year by the Budget Office and Operating Divisions using exception reporting and variance analysis. The budget for the upcoming fiscal year is approved by the Board of Directors at the end of the budget process in June. When necessary, budget adjustments are recommended and approved by the Board of Directors.

Process and Timeline: The budget process begins in January with a review of District and division level goals and objectives with the Budget staff, General Manager and Auditor-Controller. The Budget and Program Analysis Office and the Capital and Grant Programs Office are responsible for the distribution of budget instructions and materials for the operating and capital budgets, as well as the long-range capital program. These offices work together to coordinate their efforts and facilitate a budget process that is focused on achieving the District's short-term and long-term goals and objectives.

Budget Structure: The FY 16/17 Adopted Budget identifies the strategic directions and priorities of the Board of Directors and is structured to reflect the goals of the Board's long-term strategic planning process. It incorporates actions taken by the Board resulting from that process, such as the multi-year goal to reduce operating costs and an additional five-year toll increase plan. In addition, the FY 16/17 Adopted Budget includes full funding of expense for accrual of retiree health benefits (Other Postemployment Benefits, or OPEB).

Operating Budget Procedure: The operating budget is prepared initially at the department level, then the division level and finally at the total agency level. The Budget Office prepares and distributes historical and year-to-date actuals and projections in the form of budget worksheets. Department and organization budgets are then prepared, reviewed by division management and then submitted to the Budget Office for analysis. The Budget Office and Auditor-Controller conduct an extensive review of the requested budgets, validate current and projected expenditures and identify outstanding issues for consideration during reviews with the General Manager. Budget requests must include justifications in order to remain or be added to the budget.

Division Capital Plans: Working closely with the Budget Office, the Capital and Grant Programs Office is responsible for preparing the Capital Budget. At the start of the budget process, each Division is asked to update their current capital project lists and nominate potential projects for inclusion in next year's budget. The capital projects undergo several levels of careful evaluation and discussion with the Auditor-Controller, Deputy General Managers, District Engineer and the General Manager. Due to limitations in both funding and staff resources, each project is vetted and prioritized based on several criteria, including but not limited to each Division's workplan and need, grant funding deadlines, safety and ADA compliance. The results of these discussions ultimately determine which projects will be included in next year's budget and their proposed budget amounts.

Review Process: The completed division budgets are then reviewed at the policy level by the Executive Team consisting of the General Manager, District Officers and the Deputy General Managers. The Executive Team reviews and analyzes operating and capital budgets to ensure that they meet the goals and objectives for the upcoming budget year. This review of budget requests may result in adjustments in order to maximize District resources.

Capital Project Funding: In general, it is the District's policy to secure the maximum amount of external funds possible and to spend these funds prior to relying on internal funds for capital projects. The Adopted FY 16/17 Capital Budget includes \$11.2 million in Federal, State and Other Local funding and \$10.2 million in District funding. This represents a Federal/State/Other Local funding percentage of 52% and a District funding percentage of 48%.

Board Approval: Once the operating and capital budgets have been thoroughly reviewed and approved by the General Manager and the Auditor-Controller, they are formally presented to the Finance-Auditing Committee. This Finance-Auditing Committee meeting marks the initial discussions which culminate with the final adoption by the Board of Directors. The budget is scheduled for Board consideration before the end of the fiscal year preceding the new budget year. The FY 16/17 Adopted Budget is presented to the Finance-Auditing Committee in May 2016, and adopted by the Board of Directors in June 2016.

Budget Preparation and Process Calendar for FY 16/17

Dates	Activity
January 27, 2016	General Manager, Auditor-Controller and Budget Office review District's goals and objectives, establish budget expense targets and timelines.
Feb 1 – Feb 18, 2016	Budget Kickoff Meetings with Departments: Budget Office submits budget calendar to Executive Team. Budget packets are distributed to the Deputy General Managers (DGMs) and Executive Team.
Feb 1 – Mar 4, 2016	Departments work on Goals, Estimated Accomplishments, Review of Division Profile and Performance Standards. Budget Office, Capital and Grant Programs Office, and DGMs work together to develop operating and capital budgets.
March 4, 2016	Operating and capital budgets are submitted to the Budget Office and Capital and Grant Programs Office for review and consolidation.
Mar 21 – Mar 25, 2016	CFO meets with DGMs to review proposed budgets.
Apr 4 – Apr 8, 2016	DGMs, CFO, Director of Budgets and Director of Capital and Grant Programs Office meet with General Manager to discuss Division budgets and Division goals.
Apr 11 – May 19, 2016	Budget Office prepares the Proposed Budget document
May 27, 2016	Budget presented and reviewed by the Finance-Auditing Committee
May 27 – June 9, 2016	Budget Discussion and possible Board Approval
June 9, 2016	FY 16/17 Proposed Budget adopted by the Board of Directors
August 26, 2016	Final Adopted Budget is published

FY 16/17 ADOPTED BUDGET POLICIES

Balanced Budget: The District is committed to a long-term balanced budget defined as all current operating and capital expenditures to be funded by current revenue and Federal, State and Local grants. When necessary, additional funding is drawn from District reserves. A balanced budget is a budget in which the expenditures incurred during a fiscal year are matched by revenues.

Long-Range Financial Planning: The District has a long-range plan that is updated on an annual basis. The current financial planning process begins with an updated District projection followed by an annual review process. This process includes developing solutions to eliminate the financial deficit if applicable.

Typically on an annual basis, the Board of Directors attend a Strategic Plan Special Session or Workshop in which staff presents the current long-term plan and develops strategies for implementing deficit reduction plans and projects. Every year, immediately following adoption of the current budget, Finance staff develop a long range 5- and 10-year projection, which is used in the Board Special Session or Workshop review and discussion. Please refer to District Financial Situation on page 20 of the budget document for a more in-depth discussion of the District's financial situation.

Sources of Revenue: Sources of revenues for the District are Bridge tolls, fares from bus and ferry patrons, grants from Federal, State, and local agencies, contract services and investment income. Tolls fund not only the majority of the Bridge operations, but they also subsidize the District's transportation operations in the Bus and Ferry Divisions. Please refer to Transit System Funding on page 19 of the budget document for a more detailed overview of the toll subsidy for the Bus and Ferry Divisions.

The District is unique among transit operations as it provides Bus and Ferry transit services without support of direct property tax, sales tax measures or dedicated general funds. As a result, the District uses the toll revenue to subsidize the District's regional and transbay transit services in conjunction with State and local funds received from Marin and Sonoma counties. The District closely monitors toll, transit fare, and State and local funding revenues to guard against revenue shortfalls which could result in disruptions in service.

Capital Improvement Plan: Each year the District develops an annual and multi-year capital improvement plan. This capital improvement plan is part of the budget development process. Multi-year capital plans are included in Appendix E of the budget document. At least 53% of the District's Adopted FY 16/17 capital projects are funded by capital grants; the remaining 47% of projects are funded through District capital reserves.

Budgetary Expenditure Control: The District closely monitors expenses to ensure fiscal stability and accountability. Each Division must operate within each budgeted line item. If a Division is over its budget in an expense, budget transfers are required to ensure funding is available for the overage. These are handled through an approval from the General Manager for transfers less than \$50,000 and Board approval for transfers more than \$50,000.

Special Reserve Accounts:

Operating Reserve – Board policy funds the operating reserve at 7.5% of the operating budget or to cover the expected operating deficit, whichever is larger.

Emergency Reserve – 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.

Debt Issuance and Management – See *Commercial Paper Notes Program* under the *District Financial Situation* for definition and discussion of the District’s Commercial Paper Program.

Board Designated Reserves – Board policy funds the Bridge Self-Insurance Loss Reserve and the Capital Plan Reserve. See *Board Restricted Reserves* under *District Financial Situation* for definition and discussion of these specific Board Designated Funds.



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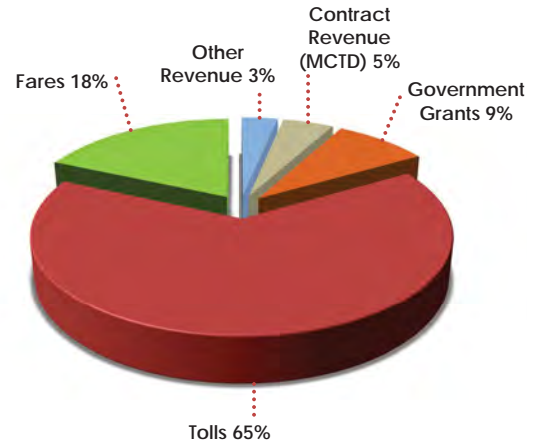


OPERATING BUDGET SUMMARY

The FY 16/17 Adopted Operating Budget of \$210.7 million has a surplus of approximately \$1.6 million. The following tables and graphs provide information on the sources of funding and areas of expenditures in the FY 16/17 Adopted Operating Budget.

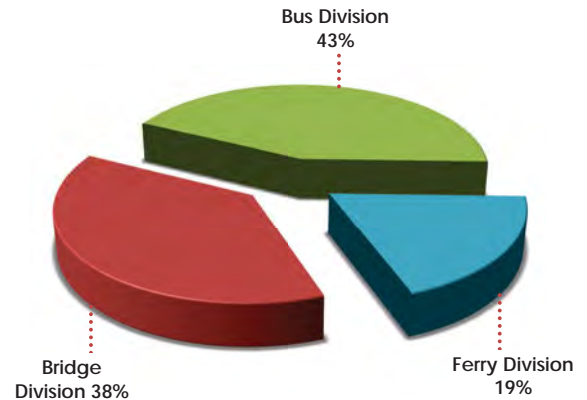
Where Will the Money Come From to Operate GGBH&TD In FY 16/17?

	FY 16/17	% of Total
Tolls	\$138.0	65%
Fares	38.8	18%
Other Revenue	7.1	3%
Contract Revenue (MCTD)	10.0	5%
Government Grants	18.4	9%
Total	\$212.3	100%



Where Will the Money Go to Operate GGBH&TD In FY 16/17?

	FY 16/17	% of Total
Bridge Division	\$80.0	38%
Bus Division	90.7	43%
Ferry Division	40.0	19%
Total	\$210.7	100%
Projected Surplus	\$1.6	



OPERATING REVENUES

Operating revenues are expected to increase approximately \$1.3 million to \$212.3 million from FY 15/16 Actual of \$211.0 million. This increase is primarily the result of higher toll revenues and transit fares offset by a decrease in Marin Local Service Contract revenue and Investment Income.

Principal Categories of Revenue

Bridge Tolls: Bridge toll revenues are projected to be \$138.0 million, which is \$0.6 million more than FY 15/16 Actual. The Bridge toll will increase by twenty-five cents accounting for the increase in revenue. Bridge vehicle traffic is projected to increase 0.9%.

Transit Fares: In April 2016, the Board approved a 4% one-year regional Bus transit and Ferry fare increase. For FY 16/17, Bus transit fare revenue is estimated to decrease \$67,000 due to additional fare revenues generated in FY 15/16 from the Superbowl special event. Transit fares include a 4% fare increase. Ridership is projected to increase slightly. Ferry Transit fare revenue is projected to increase \$3.1 million due to the fare increase and a projected \$1.4 million in fare revenue from the new Tiburon service. Ferry ridership is forecasted to increase 13.1% due to a 5% increase in ridership for current service and an estimated 200,000 new riders for Tiburon ferry service.

Other Operating Income: Other Operating Income includes the continuation of approximately \$2.8 million in Regional Measure 2 (RM2) funds from the Metropolitan Transportation Commission (MTC) to assist in subsidizing Bus Routes 40, 72X, 101 and 580. The Adopted Budget assumes a decrease in other operating revenues due to one-time marine insurance recoveries in FY 15/16.

State Operating Assistance: A net increase of \$1.9 million is expected in Operating Assistance in FY 16/17. State Operating Assistance is composed of two funding sources: 1.) State Transit Assistance (STA) program projected to be \$4.8 million; and 2.) Transportation Development Act (TDA) funds of \$13.3 million. See page 38 for a detailed overview of STA/TDA funding.

Federal Operating Income: FY 16/17 includes \$200,000 in Federal funding for Ferry emergency and safety training exercises.

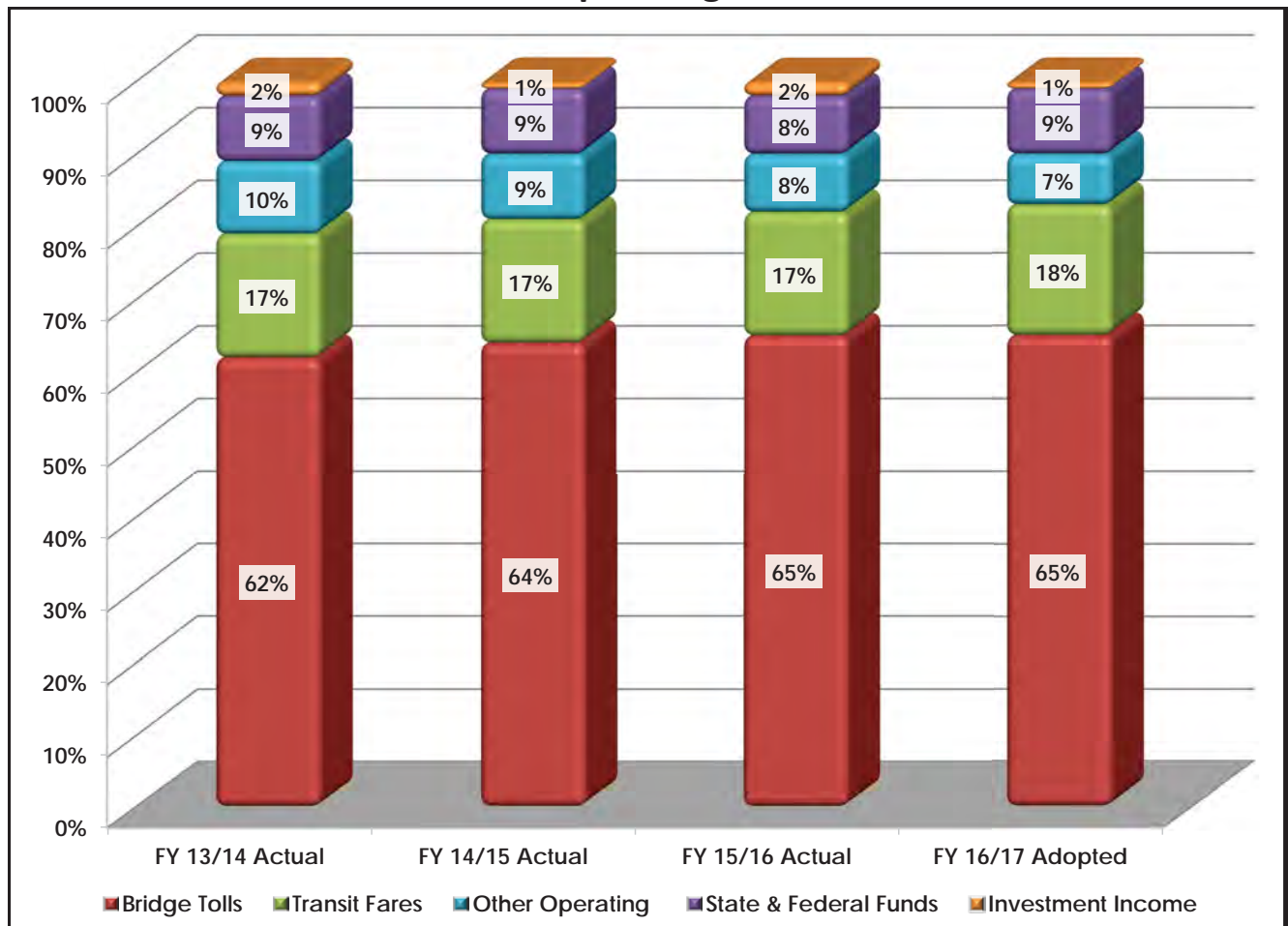
Contract Revenue (MCTD): Effective July 1, 2015, the District implemented a new five-year intergovernmental agreement with the Marin County Transit District to provide local intra-county bus service within Marin County through June 30, 2020. The District has projected the receipt of a Marin County Local Service payment of \$10.0 million for FY 16/17.

Investment Income: Actual Investment Income consists of both interest income and market valuation gains and losses relating to the District's overall investment portfolio. The total investment return on the investment portfolio was 1.43% for FY 13/14, 1.02% for FY 14/15 and 1.84% for FY 15/16 Actual. The FY 16/17 Adopted Budget investment income reflects a 0.94% average investment rate of return resulting in a \$2.2 million decrease from FY 15/16 Actual largely due to a lower forecasted investment portfolio balance for FY 16/17 as well as \$1.3 million in market valuation gains realized in FY 15/16. It is District policy not to budget for market valuation gains and losses.

Operating Revenues

Revenues	FY 14/15 Actual	FY 15/16 Budget	FY 15/16 Actual	FY 16/17 Adopted Budget
Toll Revenues	\$129,187,098	\$129,000,000	\$137,418,500	\$138,000,000
Transit Fares	33,459,996	35,891,000	35,880,067	38,866,800
Other Operating Income	5,242,956	4,842,100	6,227,352	5,497,700
State Operating Assistance	18,366,923	18,260,000	16,309,921	18,175,800
Federal Operating Income	7,533	200,000	209,682	200,000
Contract Revenue (MCTD)	12,319,517	10,860,000	11,172,378	9,993,300
Investment Income	2,404,544	1,900,000	3,787,386	1,600,000
Total Revenues	\$200,988,567	\$200,953,100	\$211,005,286	\$212,333,600
Percent Change		0.0%	5.0%	0.6%

Chart of Operating Revenues



Investment Income

	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Adopted Budget
Average Investment Return	1.43%	1.02%	1.84%	0.94%

State Operating Income

State Operating Income Funding Source	FY 14/15 Actual	FY 15/16 Budget	FY 15/16 Actual	FY 16/17 Adopted Budget
Transit Development Act				
Marin County's Apportionment	\$7,691,089	\$7,946,100	\$7,791,738	\$7,946,100
Sonoma County's Apportionment	5,200,403	5,200,000	5,219,169	5,380,700
State Transit Assistance (STA)				
MTC for Administering Clipper SM Grant	\$10,000	\$10,000	\$10,000	\$10,000
Revenue-Based Funds	4,663,994	4,041,600	2,453,746	4,041,600
Population-Based Funds North Cities	678,557	678,500	690,397	678,500
Regional Paratransit				
Marin County	80,340	80,300	73,859	80,300
Sonoma County	42,540	42,500	45,955	38,600
S/T State Assistance Transit Operations	\$18,366,923	\$17,999,000	\$18,268,482	\$18,175,800
State Assistance Feeder Bus Service Demo (Bus Operations) and Other	\$0	\$261,000	\$25,057	\$0
Total State Operating Revenue	\$18,366,923	\$18,260,000	\$16,309,921	\$18,175,800
Percent Change		(1%)	(11%)	11%

OPERATING EXPENSES

The FY 16/17 Adopted Operating Expense Budget is \$210.7 million (including a \$21 million contribution to reserves for future capital projects). This is an increase of 7.1% over FY 15/16 Actual Expenses and 5.2% over the FY 15/16 Budget.

Operating Expenses

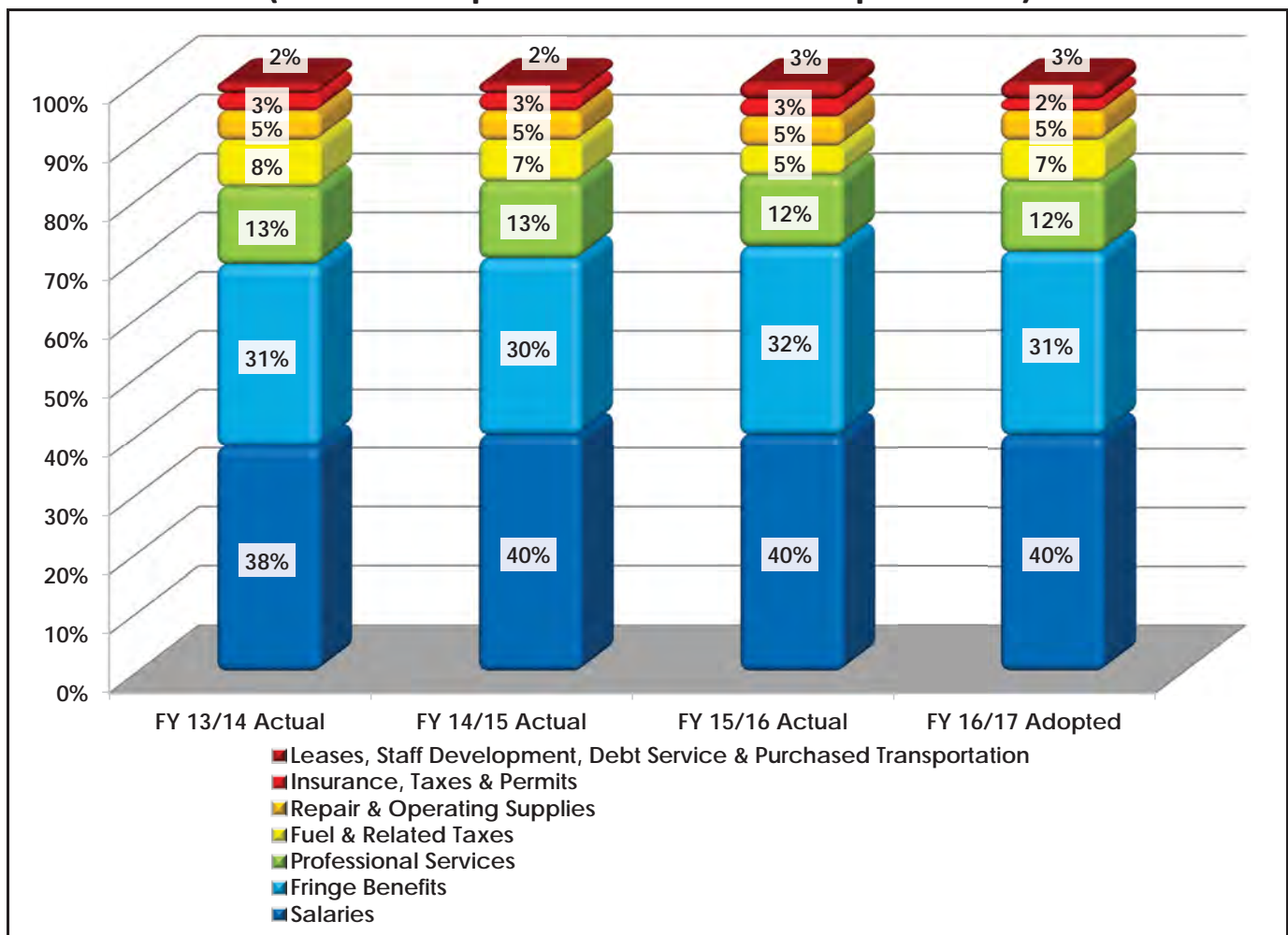
Expenses	FY 14/15 Actual	FY 15/16 Budget	FY 15/16 Actual	FY 16/17 Adopted Budget
Salaries	\$63,621,119	\$68,344,800	\$67,270,434	\$73,002,200
Fringe Benefits	47,472,505	\$54,537,400	54,540,271	55,698,200
Professional Services	20,950,801	21,784,100	21,087,983	21,142,400
Fuel & Related Taxes	10,957,899	8,929,700	7,649,884	12,271,700
Repair & Operating Supplies	7,334,462	9,456,900	9,247,232	8,707,000
Insurance, Taxes & Permits	4,622,045	5,089,500	4,912,668	5,047,200
Purchased Transportation	1,912,715	2,370,800	2,341,874	2,216,500
Other	803,884	1,063,300	1,012,236	1,140,900
Leases & Rental	956,543	928,800	950,201	888,500
Debt Svc - Interest Expense	45,000	130,000	81,000	1,270,000
Subtotal Expenses	\$158,676,973	\$172,635,300	\$169,093,783	\$181,384,600
Percent Change		8.8%	(-2.1%)	7.3%
Capital Contribution	19,000,000	19,000,000	19,000,000	21,000,000
Depreciation	7,960,339	8,767,800	8,593,330	8,339,200
Total Expenses	\$185,637,312	\$200,403,100	\$196,687,113	\$210,723,800
Percent Change		8.0%	(-1.9%)	7.1%

Expense Budget Assumptions:

- Assumes a 3% salary increase for Coalition-represented, non-represented employees and ATU represented employees unless otherwise specified in their ratified Memorandum of Understanding
- Includes ATU Pension contribution (19.165% for eight months and 20.165% for four months) and Employer PERS contribution (27.282%).
- Medical insurance costs increase due to re-funding of vacancies and increase in annual costs.

- Workers' Compensation expense is budgeted based upon historical experience.
- A percentage of Engineering Capital Labor expenses are transferred to the capital projects reducing the operating budget.
- \$2.50/gallon for fuel costs has been projected for all Divisions.
- All fiscal years show the transfer of District Division expense by its respective line item.
- As required by the commercial paper indenture, FY 16/17 Adopted Budget interest expense reflects the average interest rate for the preceding 12 months ending March 30th plus 2%.
- Capital Contribution of \$21 million is included in the FY 16/17 Adopted Budget to fund the 10-year Capital Plan.
- The District's contribution to Other Postemployment Benefits (OPEB) is included in the line item of Fringe Benefits.
- Includes a full year of the operating expenses for the new Tiburon ferry service.

**Chart of Operating Expenses
(Excludes Capital Contribution & Depreciation)**



Summary of Changes to Expenses

On a net basis, the FY 16/17 Adopted Operating Budget shows an increase of 7.1% over FY 15/16 Actual Expenses. The 7.1% increase can be broken down into the following categories: a 3% cost of living adjustment for Coalition represented, non-represented and ATU represented employees or as ratified in their respective Memorandum of Understanding, fully funding vacant positions and re-funding commercial paper debt service due to the indenture service requirement. The Adopted Budget includes the estimated cost for the Ferry Seasonal extra service for Sausalito and the new Tiburon Ferry Service.

The following is a summary of changes to the FY 16/17 Adopted Budget from FY 15/16 Actual Expenses.

Summary of Changes to Expenses

Expense (In Millions)	% Change (from Actuals)	Description
\$196.7		FY 15/16 Actual Expenses
\$5.7	2.9%	Salary Increase; Re-funding Vacant Positions
\$1.2	0.6%	Fringe Benefit Increase; Re-funding Vacant Positions
\$0.1	0.1%	Professional, Maintenance & Security Services
\$4.6	2.3%	Fuel & Related Taxes
(\$0.5)	(0.3%)	Repair & Operating Supplies
\$0.1	0.1%	Insurance, Taxes & Permits
(\$0.1)	(0.1%)	Purchased Transportation
\$0.1	0.1%	Other
(\$0.1)	(0.1%)	Leases & Rental
\$1.2	0.6%	Debt Service - Interest Expense
\$1.7	0.9%	Capital Contributions/Depreciation
\$210.7	7.1%	Total FY 16/17 Adopted Operating Budget

A detailed discussion of expense changes can be found under each Division's summary pages.

Significant Categories of Expense

The following is a more detailed discussion of how the following key categories of expenses are presented in the Adopted FY 16/17 Budget:

1. Average Cost of Toll Transactions
2. Other Postemployment Benefits (OPEB)
3. Workers' Compensation
4. Indirect Cost Allocation (ICAP)
5. Capital Contribution
6. Pension Contribution

1. Average Cost of Toll Transactions

In 2013, the District implemented all electronic tolling to collect tolls at the Bridge. The average cost per toll transaction includes the costs for the technology and collection of tolls divided by the number of annual toll transactions. The percentage of toll revenue used for collecting tolls represents how much of the toll revenue is needed to collect tolls.

	FY 14/15 Actual	FY 15/16 Actual
Average Cost/Toll Transaction	\$0.51	\$0.51
Percentage of Toll Revenue Used for Collecting Tolls	7.94%	7.56%

2. Other Postemployment Benefits (OPEB)

In July 2004, the Government Accounting Standards Board (GASB) issued Statement 45 (GASB 45), Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. This statement requires public entities to account for retiree health benefits on an “actuarial accrual basis” during an employee’s career instead of using the past practice of “pay-as-you-go” during retirement.

The District accrues the cost of retiree health benefits based on the Annual Required Contribution (ARC) for OPEB. The ARC consists of two parts: 1) an amount that covers the current normal cost of benefits as they are earned during active employment; and, 2) an amount that amortizes the unfunded OPEB liability for prior service.

The FY 16/17 Adopted Budget OPEB expense is based on the actuarial valuation as of July 1, 2015. The ARC for FY 15/16 was \$12.1 million, of which \$0.1 million was capitalized, leaving a FY 15/16 Operating Budget Actual of \$12.0 million. The Adopted FY 16/17 Budget fully funds the ARC payment of \$11.6 million.

OPEB Expense by Operating Division

Division	FY 14/15 Actual	FY 15/16 Budget	FY 15/16 Actual	FY 16/17 Adopted Budget
Bridge	\$2,880,228	\$2,990,300	\$2,926,684	\$2,706,200
Bus	7,259,194	7,597,200	7,526,920	7,468,300
Ferry	1,400,973	1,545,300	1,499,857	1,475,000
Total	\$11,540,395	\$12,132,800	\$11,953,461	\$11,649,500

Note: All years reflect adoption of GASB 45 which accrues for OPEB costs based on the Annual Required Contribution (ARC) for OPEB.

3. Workers’ Compensation

The Workers’ Compensation estimates are based on historical incident trends and current management practices that have reduced the District’s liability. The following table shows the expected claim costs for FY 15/16 and the projected adjustments to past claims. The increase in Workers’ Compensation for FY 16/17 is due to unforeseen higher Workers’ Compensation claims in the FY 15/16 Actual. The net totals are reflected in the FY 15/16 Actual. Amounts budgeted for FY 16/17 are comparable to the FY 15/16 Adopted Budget.

Workers' Compensation Expenses

	FY 15/16 Adopted Budget	FY 15/16 Estimated Claims	FY 15/16 Estimated (Credits)/ Adjustments	FY 15/16 Actual Net Total	FY 16/17 Adopted Budget
Total District	\$3,775,900	\$7,985,455	(\$1,267,513)	\$6,717,942	\$3,723,700

4. Indirect Cost Allocation Plan (ICAP)

The indirect cost allocation plan (ICAP) was developed and implemented in FY 07/08 in order to identify and capitalize administrative costs associated with and in support of various capital projects. Capitalization of labor, benefits and indirect costs are transferred from operating to capital. As a result, the salary and benefit categories are displayed in each Division as a net expense of capitalization of labor and indirect costs. The following chart outlines District Division's gross salaries and benefits, the capitalized labor and indirect costs, and the resulting net salaries and benefits expense.

Indirect Cost Allocation Plan Expenses

	FY 14/15 Actual	FY 15/16 Budget	FY 15/16 Actual	FY 16/17 Adopted Budget
District Division's Gross Salaries & Benefits	\$20,411,043	\$24,235,900	\$22,323,706	\$27,188,000
Capitalized Salaries & Benefits	(2,008,150)	(3,371,700)	(2,114,560)	(3,889,700)
Capitalized Indirect Costs	(1,437,349)	(1,889,400)	(1,225,411)	(2,088,000)
Net Operating Salaries, Benefits & Indirect Costs	\$16,965,544	\$18,974,800	\$18,983,735	\$21,210,300

5. Capital Contribution

The Adopted Budget includes the Capital Contribution, which is a transfer of \$21 million to future capital reserves. This transfer, instituted by the Board in 2003, provides funding (including local match) for future capital projects. The annual contribution is based on the District-funded portion of the 10-year Capital Plan requirements. For FY 16/17, the Capital Contribution of \$21 million is distributed to each Division according to its percentage share of District-funded capital projects from the 10-Year Capital Plan. The following is a distribution by Operating Division. (The District Division's portion is allocated using the District Allocation percentages.)

Capital Contribution Expenses

Division	FY 15/16 Budget		FY 16/17 Adopted Budget	
Bridge	\$13,000,000	68%	\$15,000,000	71%
Bus	2,000,000	11%	2,000,000	10%
Ferry	4,000,000	21%	4,000,000	19%
Total	\$19,000,000	100%	\$21,000,000	100%

6. Pension Contribution

All eligible District employees participate in a pension retirement system dependent on their union affiliation. Miscellaneous (represented and non-represented) employees participate in CalPERS; it offers a defined benefit plan which provides benefits that are calculated using a defined formula. Depending on their CalPERS tier, the employee contribution rate can range from 6.5% - 8% of their salary towards their pension. The projected FY 16/17 CalPERS District employer contribution rate is 27.282%, amounting to \$12.7 million. The Amalgamated Transit Union (ATU) bus operators have a 4%, climbing to 5%, employee contribution rate for their defined pension benefit plan. The ATU employer contribution rate for FY 16/17 is 19.165% from July 2015 through February 2016 and then increases to 20.165% from March 2016 through June 2016, amounting to \$4.2 million. The District pension contribution rate for FY 16/17 is 18.18%, amounting to \$741,000 for Inland Boatmen's Union (IBU). For Marine Engineer's Beneficial Association (MEBA) the District contributes 14.17%, amounting to approximately \$312,000 for FY 16/17. The salaries reported in the Operating and Capital Budget Summary are net of Capitalized Salaries, while salaries reported below are the gross amount earned that are used for calculating pension.

District Pension Contribution Expenses (In Thousands)

Pension Plan	Salaries			Contribution to Pension			Employer Contribution Rate
	Actual FY 14/15	Actual FY 15/16	Adopted FY 16/17	Actual FY 14/15	Actual FY 15/16	Adopted FY 16/17	Adopted FY 16/17
CalPERS	\$37.7	\$37.6	\$46.6	\$8.0	\$9.7	\$12.7	27.282%
ATU	19.0	23.1	23.8	3.8	4.2	4.2	19.165%/20.165%
IBU	2.7	2.8	2.7	0.5	0.6	0.7	18.18%
MEBA	1.8	2.1	2.6	0.2	0.3	0.3	14.17%
Total	\$61.2	\$65.6	\$75.7	\$12.5	\$14.8	\$17.9	

FY 16/17 Adopted Budget Position Changes

Division Summary of Changes to the Table of Organization

Positions by Division	FY 14/15 Year-End	FY 15/16 Adopted Budget	FY 15/16 Year-End	FY 16/17 Adopted Budget
Bridge	171	172	172	174
Bus	400	400	401	401
Ferry	80	85	93	93
District	133	135	136	142
Total	784	792	802	810

The Division-level details of the Table of Organization can be found in each Division's sections. By the end of FY 16/17, there will be a net increase of eight (8) positions in the organization: Eleven (11) additions, three (3) eliminations and one (1) transfer. The Table of Organization changes for the FY 16/17 budget process are discussed in detail below.

Bridge Division

New Positions:

Lane Workers (2 full-time and 2 part-time positions) – Add back two full-time and two part-time positions as a result of implementing the Moveable Median Barrier. Temporary hours were used as a way to evaluate the need for this work. Those temporary hours will be eliminated.

Position Eliminations:

Bridge Security Office Coordinator (1 position) – Eliminate one vacant full-time position as the work has been absorbed within the Division.

Position Transfers:

Security Emergency Management Specialist (1 position) – Transfer one vacant full-time position to the Office of Environmental, Health & Safety. It is envisioned this position will focus on overall District-wide emergency management preparedness.

District Division

New Positions:

Information Systems Senior Project Manager (1 position) – Add one full-time position to support the administrative functions of the project management staff. This additional position will be offset by one vacant eliminated Project Manager position (see below.)

Information Systems Database Engineer (LT) (1 position) – Add one full-time limited term position to provide succession planning to support the transition of the current incumbent who will retire in the next year. The position will be eliminated after the transition period is complete.

Information Systems Security Engineer (1 position) – Add one full-time position to provide support and compliance for the District’s systems security, increased workload due to new technology programs and facilitate new legally mandated system compliance initiatives.

ADA Compliance and Program Manager (1 position) – Add one full-time position to be committed on compliance and ongoing support to the American Disabilities Act (ADA) as well as other regional initiatives in this area including the paratransit services program. This position will be offset by the elimination of a vacant positions (see below).

Engineering Contracts Assistant (1 position) – Add one full-time position to assist in the overall increased need in the Office’s workload including the Suicide Barrier project.

Senior Civil Engineer (1 position) – Add one full-time position to assist in design work for District facility projects.

Associate Steel Inspector (1 position) – Add one full-time position to assist in the overall increased need in the Office’s workload including the Suicide Barrier project.

Position Eliminations:

Associate Planner (1 position) – Eliminate one vacant full-time position to fund the ADA Compliance and Program Manager.

Project Manager (1 position) – Eliminate one vacant full-time position and replace with a Information Systems Senior Project Manager.

Position Transfers:

Security Emergency Management Specialist (1 position) – Transfer one vacant full-time position from the Bridge Division to the District Division. This position will focus on overall District-wide emergency management preparedness.

CAPITAL PROGRAM SUMMARY

The FY 16/17 Capital Program (Program) is developed jointly by the General Manager, Auditor-Controller, District Engineer, Operating Divisions and the Capital and Grant Programs Office. The Program allocates financial resources to maintain and improve the District's level of service and infrastructure by acquiring, constructing, rehabilitating and replacing revenue and non-revenue vehicles, facilities and major equipment. Expenditures on capital equipment costing \$5,000 or more and capital improvement projects with total budgets of \$5,000 and over are included in the Program. Capital improvement projects generally occur in phases over multiple years. The Program focuses on advancing and completing projects to maintain or improve existing operations within the financial constraints of the District.

The total Program is estimated at \$316.9 million and is mainly funded with grants (\$229.0 million, or 72%, see FY 16/17 Capital Expenditures by Fund Source table on the following page). Including single and multi-year projects, the Program plans \$21.4 million in expenditures in the FY 16/17 Capital Budget, which is funded with \$10.2 million, or 48%, District funds and \$11.2 million, or 52%, Federal, State and Local grant funds. Of the FY 16/17 Budget:

- 29% of expenditures fund Bridge Seismic Retrofit activities;
- 28% fund Bridge projects;
- 9% fund Bus projects;
- 22% fund Ferry projects; and,
- 12% fund the District's various other projects.

This program will implement 12 new projects and 43 continuing projects to maintain existing services and facilities and to further implement high-priority safety and security projects, including modifications to existing facilities and vessels to meet current Americans with Disabilities Act (ADA) standards. Fifteen (15) capital projects were completed in FY 15/16, demonstrating another successful and productive year in project delivery.

The FY 16/17 Adopted Budget Book reflects capital project expenditures for FY 15/16 and shows that 15 projects were completed during FY 15/16. The Adopted FY 16/17 Capital Budget includes accounting adjustments to reflect final total expenditures for FY 15/16 and to carry over any projects not completed. A discussion of each Division's FY 16/17 Adopted Capital Budget is contained in the individual Division chapters of this budget document.

FY 16/17 Capital Expenditures by Division*

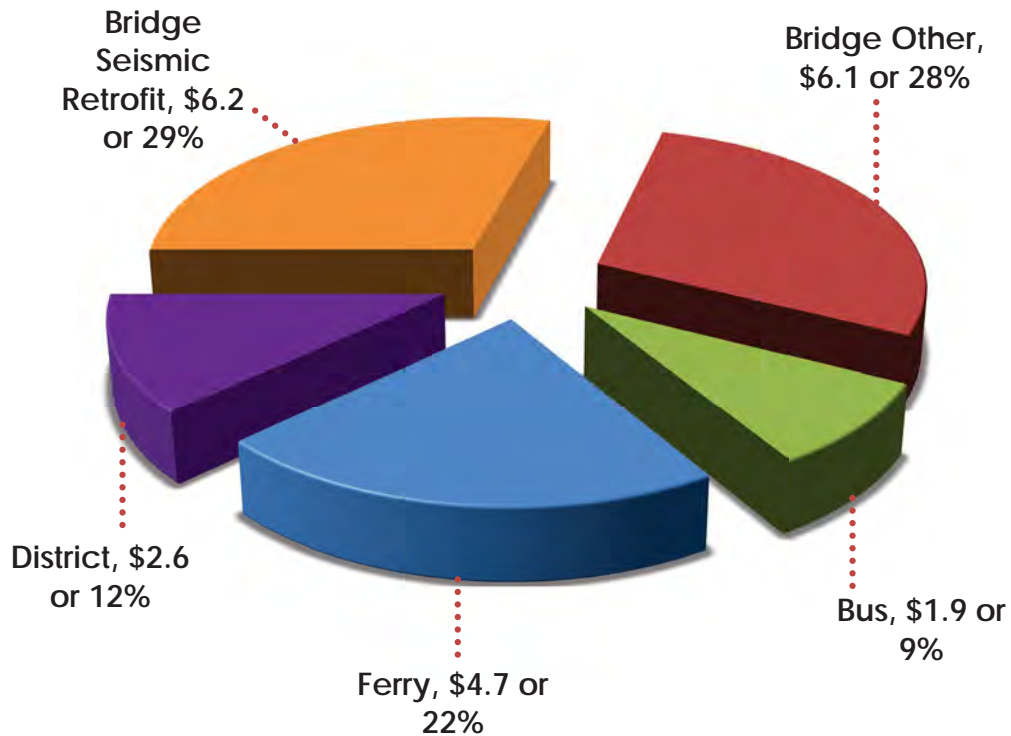
	Total Project	Prior Years	FY 16/17 Budget	Future Years
Bridge - Seismic Retrofit	\$48,384,200	\$23,226,500	\$6,200,000	\$18,957,700
Bridge - Other	136,190,700	43,114,900	6,099,900	86,975,900
Bus	62,145,800	422,300	1,876,000	59,847,500
Ferry	63,445,800	14,310,500	4,655,100	44,480,200
District	6,779,000	2,036,900	2,560,100	2,182,000
Total Expenditures	\$316,945,500	\$83,111,100	\$21,391,100	\$212,443,300

FY 16/17 Capital Expenditures by Fund Source*

	Total Project	Prior Years	FY 16/17 Budget	Future Years
District	\$87,963,900	\$25,643,200	\$10,216,200	\$52,104,500
Federal	190,389,700	33,991,500	9,113,400	147,284,800
State	38,072,600	23,185,800	2,023,800	12,863,000
Other Local	519,300	290,600	37,700	191,000
Total Expenditures	\$316,945,500	\$83,111,100	\$21,391,100	\$212,443,300

*All dollar amounts are rounded to the nearest hundred.

FY 16/17 Capital Budget by Division
Total FY 16/17 Capital Budget = \$21.4 Million
(Rounded to Millions)



FY 16/17 Capital Budget by Fund Source
Total FY 16/17 Capital Budget = \$21.4 Million
(Rounded to Millions)



Capital Project Impact on Operating Budget

Many of the capital projects planned for FY 16/17 will have significant impacts on operations as well as a financial impact on operating revenue and expense. Significant projects impacting operations are detailed below:

- **Replace 70 Transit Buses with Hybrids (Project 1730, \$57,600,000).** The project will replace 70 standard diesel-powered buses that have reached the end of their useful life with diesel-electric hybrid buses. The project will result in reduced maintenance costs and fuel savings estimated at approximately \$10,000 per bus or up to \$700,000 per year.
- **Gangways and Piers (Projects 0503 and 1441, \$8,374,525 and \$11,500,000, respectively).** The project will replace and rehabilitate the existing hydraulic ramp and gangway systems at Sausalito, San Francisco and Larkspur Ferry Terminals. Construction on the Sausalito Ferry Terminal is expected to begin in late FY 16/17.
- **North Anchorage House Security (Project 1524, \$1,000,000).** The project will provide additional security at the North Anchorage House.

Projects are monitored after completion to determine annual operations cost and/or revenue impacts. In the instances where operations are affected, future operating budgets will include these cost/revenue impacts. For project details, please refer to the Division budgets located in the Division chapters of this document.

The impact of capital projects on the operating budget is analyzed during the capital budget review and prioritization process. Baseline projects typically involve the replacement of vehicles and equipment which usually results in savings in materials and labor costs through lower maintenance costs.

The operating budget impact of each project included in the capital budget was estimated and categorized as one of the following three types:

1. **No Significant Impact:** Less than \$10,000 impact on the operating budget.
2. **Increase:** The project will increase operating costs in the amount of:
 - \$10,000 - \$50,000
 - \$50,000 - \$100,000
 - \$100,000 - and up
3. **Reduction:** The project will reduce operating costs or generate revenues to offset expenses in the amount of:
 - \$10,000 - \$50,000
 - \$50,000 - \$100,000
 - \$100,000 - and up

The operating impact is provided in the capital project descriptions in each Division's section.

Fiscal Year 17/18 Capital Budget Project List

As done annually, the operating divisions were asked to prioritize their capital projects. The projects included in the FY 16/17 budget consist mostly of ongoing prior year projects to allow project managers to focus and continue work until project completion. There were a number of new projects introduced into the FY 16/17 budget, which were selected after a thorough discussion amongst the operating divisions, the Auditor-Controller, the District Engineer and the General Manager. Both operating division and engineering staff resources were considered to determine a reasonable and realistic work plan for FY 16/17.

Some of the projects that were not prioritized for the FY 16/17 Capital Budget were included in the FY 17/18 Capital Project List, which consists of projects that are poised and ready to be included in the FY 16/17 budget pending the availability of staff resources to deliver the project. Creating a list of FY 17/18 capital projects limits the number of projects in the FY 16/17 budget, which serves to reflect a more reasonable and accurate estimate of FY 16/17 expenditures for the District. There are five (5) projects on the FY 17/18 Capital Budget project list, which are shown on the following page. The remaining projects are included in the 10-Year Capital Improvement Program (see Appendix E).

Through the budget process, each fiscal year the General Manager requests the Board of Directors' authorization to move individual projects from the future year's project list to the current year's budget, pending the availability of staff resources. For this budget year, this allows the General Manager the flexibility to move projects from the FY 17/18 list forward as FY 16/17 projects are completed.

FY 17/18 Capital Budget Project List

Project Name	Total Project Cost
FERRY	
Design/Install Swing Mooring Apparatus	\$86,000
Ferry Division Office - Reception Area Rehabilitation	51,000
Parking Lot Striping, Improvements and Signage	50,000
Floating Structure for Oil Boom Containment Reel	30,000
Subtotal Ferry	\$217,000
DISTRICT	
Data Center Racks	\$46,000
Subtotal District	\$46,000
Total FY 17/18 Capital Budget Project List	\$263,000

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BRIDGE DIVISION PROFILE

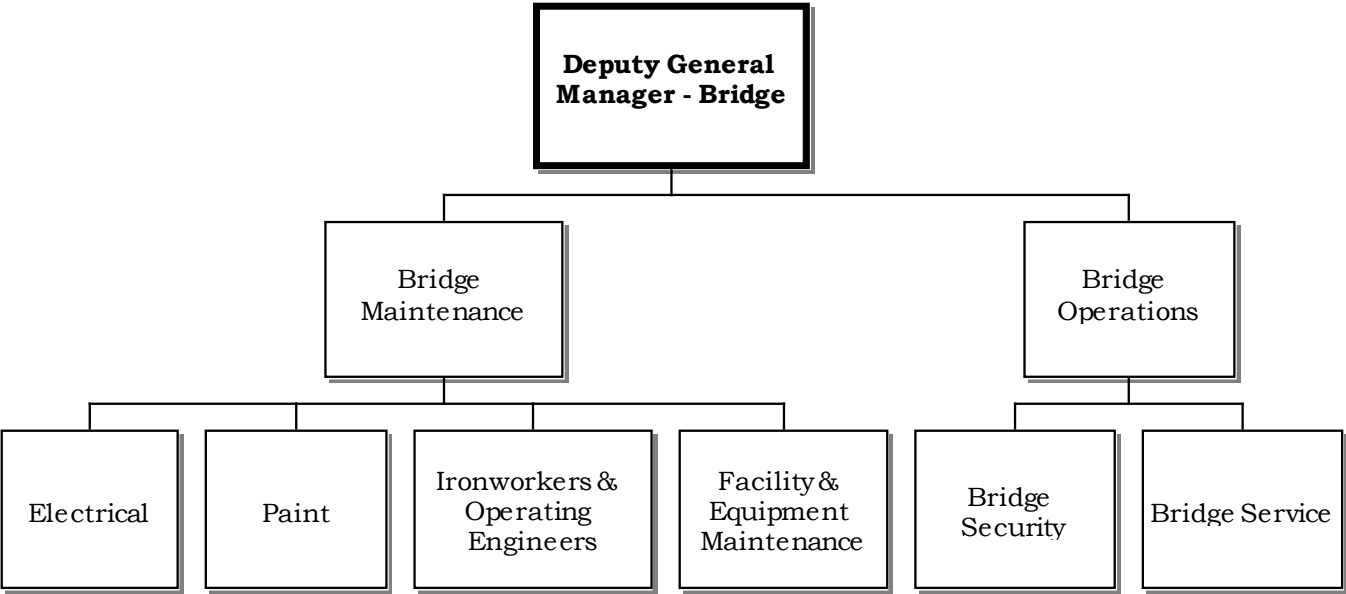
One of the Seven Wonders of the Modern World, the Golden Gate Bridge is one of the most iconic architectural monuments in the world. For 79 years the Bridge has represented the uniqueness of San Francisco, the beauty of the Bay Area and the promise of California. A welcoming gateway to America, the Bridge opened to vehicular and pedestrian traffic on May 27, 1937, providing a key transportation link between San Francisco and the North Bay. Today the Bridge is an essential thoroughfare for commuters and tourists with over 41 million vehicles crossing each year and millions of visitors enjoying its wonders. With a main span of 4,200 feet, towers 746 feet tall and an overall length of 1.7 miles including approaches, the Golden Gate Bridge is an internationally-recognized engineering marvel.

Responsibility for the safe and efficient operation and maintenance of the Golden Gate Bridge rests with the Bridge Division. In FY 15/16, the Bridge Division workforce was comprised of 174 skilled craft, security, service, administrative and management employees. The Deputy General Manager of the Bridge Division is responsible for two major organizational units: Bridge Maintenance and Bridge Operations.

Bridge Maintenance is responsible for the preservation, repair and upkeep of the Bridge along with the associated visitor areas, shops, offices, specialized equipment and communications and security equipment. Bridge Maintenance is comprised of four Departments: Electrical, Paint, Ironworkers/Operating Engineers and Facilities and Equipment.

Bridge Operations is responsible for public safety, security, emergency response and managing the flow of traffic across the Bridge and its approaches. Bridge Operations consist of Bridge Patrol Officers, Sergeants and Lieutenants, Laneworkers and Roadway Services Technicians, all of whom are managed day-to-day by the Bridge Captain.

BRIDGE DIVISION ORGANIZATIONAL CHART



BRIDGE DIVISION STATUS

Continual Progress and Bridge Maintenance

Fiscal Year 15/16 was another busy and successful year for the Bridge Division. The Bridge Division maintenance forces continue to implement their long-term maintenance program, making significant progress on a number of critical maintenance items identified in the 2001, 2004, 2007 and 2010 Bridge inspections. The Bridge Division continues to innovate, using state-of-the-art maintenance practices that have dramatically improved the quality and efficiency of the maintenance program.

FY 15/16 saw completion of the North Approach Viaduct Restoration Project. Abrasive blasting, steel repair, recoating and inspection all took place in a completely enclosed, environmentally-controlled and properly ventilated work area. The result is that structural maintenance and restoration was completed in all weather conditions and in full compliance with safety and environmental regulations.

During FY 14/15, the Bridge Division also commenced painting operations on the Bridge's South Approach Viaduct. This major project began with overcoating of the approach support towers. Relocation of the access and abrasive blasting equipment from the North Viaduct to the South Approach started in FY 15/16. Starting in FY 16/17, the south viaduct superstructure will be staged to provide access for Bridge forces and the existing coating system will be completely removed and replaced. This multi-year project will utilize modern materials and methods successfully developed for the North Viaduct.

In addition, maintenance work has continued on critical floor-beams and other structural components of the suspension bridge identified through inspections as needing immediate attention. A highlight of this effort during FY 15/16 was the continued use of ultra high pressure (UHP) water jetting technology to prepare steel surfaces for painting. This dust-free and environmentally friendly technology is used in lieu of abrasive blasting on the suspension bridge where there is not enough space for the equipment normally used to contain large industrial abrasive blasting operations. Introduction of this technology has increased both the rate at which these critical repairs can be performed and the quality and longevity of those repairs.

It is anticipated that FY 16/17 will see resumption of painting operations on the Bridge main cables and that a comprehensive internal cable inspection will be performed.

Modernization will continue to be a goal as the Division develops and tests more cost-effective maintenance practices, equipment and materials.

Bridge Operations

Over the course of FY 15/16, over 41 million vehicles crossed the Golden Gate Bridge. In 2015, Bridge Service crews responded to 7,419 roadway service calls. In 2015, Bridge security forces responded to thousands of calls, approximately 601 of which were considered significant incidents.

On January 10, 2016, The Golden Gate Bridge celebrated one year since the installation of the Moveable Median Barrier (MMB). Daily operation of the Barrier Transfer Machines, or Zipper Trucks, is the responsibility of the Roadway Services Department. Roadway Services Technicians, in addition to their towing and roadway emergency response duties, now conduct lane diversions using the MMB.

The Golden Gate Bridge Security Coalition continues to function smoothly and is widely heralded as an example of inter-agency cooperation. Together with our coalition partners, we have maintained a highly trained, highly motivated and highly visible security presence.

Despite the difficult and complex issues surrounding the use of the Bridge sidewalks for expressive activities and special events, the vast majority of these events go smoothly. In 2015, there were 41 permitted events on the Bridge involving over 56,852 participants. This is compared to 2014, in which there were 41 events; 2013, in which there were 38 events; 2012, with 34 permitted events; 2011, with 40 permitted events; and, 2010, with 54 permitted events.

Progress for the Year Ahead

FY 16/17 brings another year filled with budget challenges, complex maintenance projects and continued focus on providing safe, efficient and reliable day-to-day operation of the Golden Gate Bridge.

The Bridge Division will continue to systematically address critical Bridge and facility maintenance issues including the continuation of restoration and maintenance of the South Approach Viaduct and critical structural repairs identified in the Bridge inspection program.

In partnership with the Engineering Department, the Bridge Division has actively participated in the design and development of the Main Cable Access System, Phase IIIA and IIIB Seismic Retrofit Projects, Suicide Deterrent System, South Approach Security, Toll Plaza Redesign, the National Science Foundation (NSF) Informal Science Education Exhibits Project and other critical projects.

The Bridge Division plans to continue its focus on staff and organizational development in recognition of the talented and dedicated workforce that is the heart of our operation.

FY 16/17 BRIDGE DIVISION GOALS AND PROJECTS

Bridge Division Goals

Maintenance	Systematically address most critical maintenance items identified in Bridge inspections.
Security	Enhance Bridge security through improvements to the security infrastructure and coordination with regional security agencies.
Efficiency	Research, develop and implement cost-effective maintenance practices, equipment and materials. Focus on improving the efficiency of daily operations.
Service	Maintain focus on providing safe, efficient and reliable day-to-day operation of the Golden Gate Bridge.

FY 16/17 Project Focus

The following are capital projects that affect the Bridge Division and will be part of the District's workplan focus for FY 16/17. Please refer to the Bridge Division's capital project detail for a more detailed description.

Seismic	Seismic Phase III - Design Review GGB Wind Retrofit
Bridge and Facility Construction and Maintenance	Security System Upgrade Suicide Deterrent - Design Suicide Deterrent - Construction Moveable Median Barrier South Approach & Pier Security Improvements Main Cable Access GGB Informal Science Education Toll System Upgrade Fixed Changeable Message Signs - North Approach FasTrak® Equipment Upgrade North Anchorage House Security Toll Plaza Administration Building Improvements Modular Offices Rehabilitation South Visitor Plaza Restrooms Improvement Design Project

CHANGES FROM FY 15/16 ACTUAL TO FY 16/17 ADOPTED BUDGET

Revenues

The Bridge Division's FY 16/17 Adopted Revenue of \$140.4 million consists of:

- \$138.0 million from Toll Revenues
- \$0.8 million from Grants and Other Operating Income
- \$1.6 million from Investment Income

The Bridge Division's Adopted Revenues for FY 16/17 are forecasted to decrease by approximately \$1.6 million, or 1.1%, from FY 15/16 Actual. Due to a twenty-five cent toll increase on July 1, 2016, the FY 16/17 budgeted Toll Revenue is projected to increase by \$0.6 million. There is a decrease of \$2.2 million in Investment Income for FY 16/17 Adopted Budget from FY 15/16 Actual largely due to a lower forecasted investment portfolio balance for FY 16/17 as well as \$1.3 million in market valuation gains realized in FY 15/16. It is District policy not to budget for market valuation gains and losses. Bridge traffic is projected to increase 0.9% and the revenues are based on the FY 15/16 budget projections.

Expenses

The Bridge Division's FY 16/17 Adopted Operating Expenses total \$80.0 million. The Bridge Division's Adopted FY 16/17 Budget contains a \$8.1 million, or 11.3%, increase over FY 15/16 Actual expenses. The components of the changes to expense are summarized in the table on the following page.

Summary of Changes From FY 15/16 Actual to FY 16/17 Adopted Budget (All Figures In Millions)

Labor	
Increase in salaries due to re-funding of vacant positions and a 3% COLA increase for non-represented and represented employees unless specified otherwise in their ratified Memorandum of Understanding	\$2.0
Increase in payroll taxes in FY 16/17 due to re-funding vacant positions and COLA	0.2
Increase in PERS contribution due to increased rate from 24.567% to 27.282% and re-funding of vacant positions	1.5
Increase in medical expenses for FY 16/17 due to re-funding of vacant positions and increase in annual costs	1.0
Decrease in postemployment benefits (OPEB)	(0.2)
Decrease in projected workers' compensation expenses for FY 16/17	(0.8)
Decrease in miscellaneous benefits (capitalized benefits) due to less than budgeted capitalized labor in FY 15/16	(0.4)
Professional Services	
Increase in District-wide consulting services for FY 16/17	0.6
Increase in legal and litigation fees due to increased activity	0.1
Increase in expenses associated with District-wide technology programs	0.5
Decrease in FY 16/17 District Division temporary help services compared to FY 15/16	(0.4)
Supplies and Other	
Increase in projected fuel costs due to lower than projected price per gallon in FY 16/17	0.1
Increase in re-funding commercial paper debt service due to Indenture's budgeting requirements	1.2
Increase in insurance expenses for FY 16/17	0.1
Increase in utilities costs for FY 16/17	0.1
Re-funding of staff development expenses unused in FY 15/16	0.1
Increase in repair and operating supplies due to the implementation of the South Viaduct Project	0.3
Capital Contribution and Depreciation	
Increase in capital contribution per the 10-year Capital Plan	2.0
Increase in depreciation due to replacement of various Bridge operating and maintenance equipment	0.1
Total Change from FY 15/16 Actual to FY 16/17 Adopted Budget	\$8.1

BRIDGE DIVISION OPERATING BUDGET

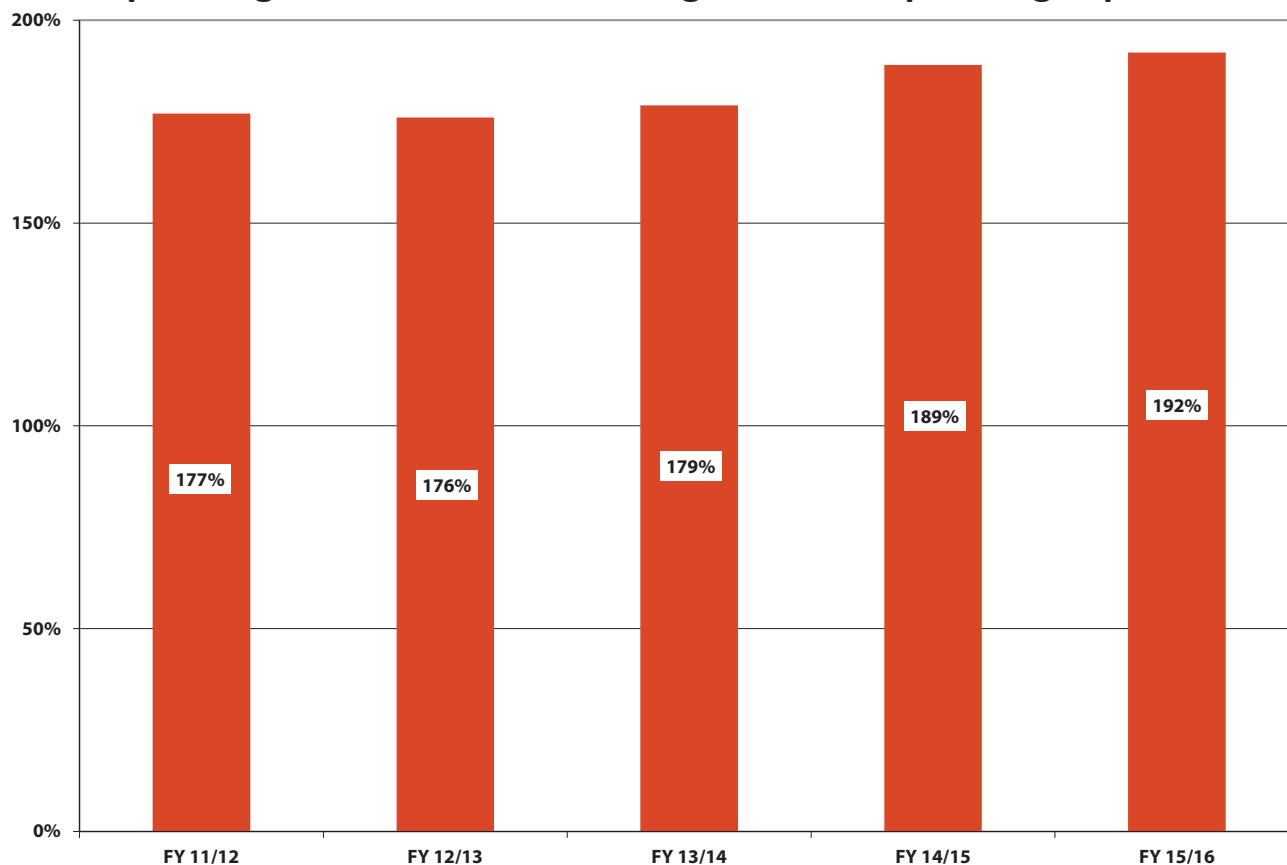
	FY 14/15 Actual	FY 15/16 Budget	FY 15/16 Actual	FY 16/17 Adopted Budget
Revenues				
Toll Revenues	\$129,187,098	\$129,000,000	\$137,418,500	\$138,000,000
Other Operating Income	1,033,926	672,200	764,757	757,200
State Operating Income	0	0	0	0
Local Operating Income	0	0	0	0
Investment Income	2,404,544	1,900,000	3,787,386	1,600,000
Total Revenues	\$132,625,568	\$131,572,200	\$141,970,643	\$140,357,200
Percent Change		(-0.8%)	7.9%	(-1.1%)
Expenses				
Salaries	\$17,938,109	\$19,904,200	\$18,984,206	\$20,989,600
Fringe Benefits	14,107,390	15,863,600	15,858,747	17,140,100
Professional Services	12,366,011	12,476,200	12,072,629	12,919,800
Fuel & Related Taxes	388,414	476,500	253,817	364,500
Repair & Operating Supplies	2,944,337	3,324,600	3,283,086	3,714,600
Insurance, Taxes & Permits	2,340,486	2,523,700	2,350,205	2,480,200
Other	311,359	412,200	383,421	439,500
Leases & Rentals	56,644	56,600	52,157	1,100
Debt Service - Interest Expense	45,000	130,000	81,000	1,270,000
Subtotal Expenses	\$50,497,750	\$55,167,600	\$53,319,268	\$59,319,400
Capital Contribution	13,000,000	13,000,000	13,000,000	15,000,000
Depreciation	5,316,432	5,593,200	5,543,204	5,641,200
Total Expenses	\$68,814,182	\$73,760,800	\$71,862,472	\$79,960,600
Percent Change		7.2%	(-2.6%)	11.3%
Revenues Over/(Under) Expenses	\$63,811,386	\$57,811,400	\$70,108,171	\$60,396,600
Southbound Traffic	20,085,864	20,364,554	20,556,985	20,751,880
Average Toll	\$6.43	\$6.33	\$6.68	\$6.65

Assumptions:

- 3% salary increase for non-represented and Coalition-represented employees unless specified otherwise in their ratified Memorandum of Understanding.
- Includes Employer PERS contribution of 27.282%.
- OPEB costs are included in Fringe Benefits and reflect adoption of GASB 45 which accrues for OPEB costs based on the Annual Required Contribution (ARC) for OPEB benefits.
- \$2.50/gallon for fuel costs for the Bridge Division.
- All fiscal years show the transfer of District Division expense by line item.
- Bridge Division's share of the District Division transfer is \$12.3 million.

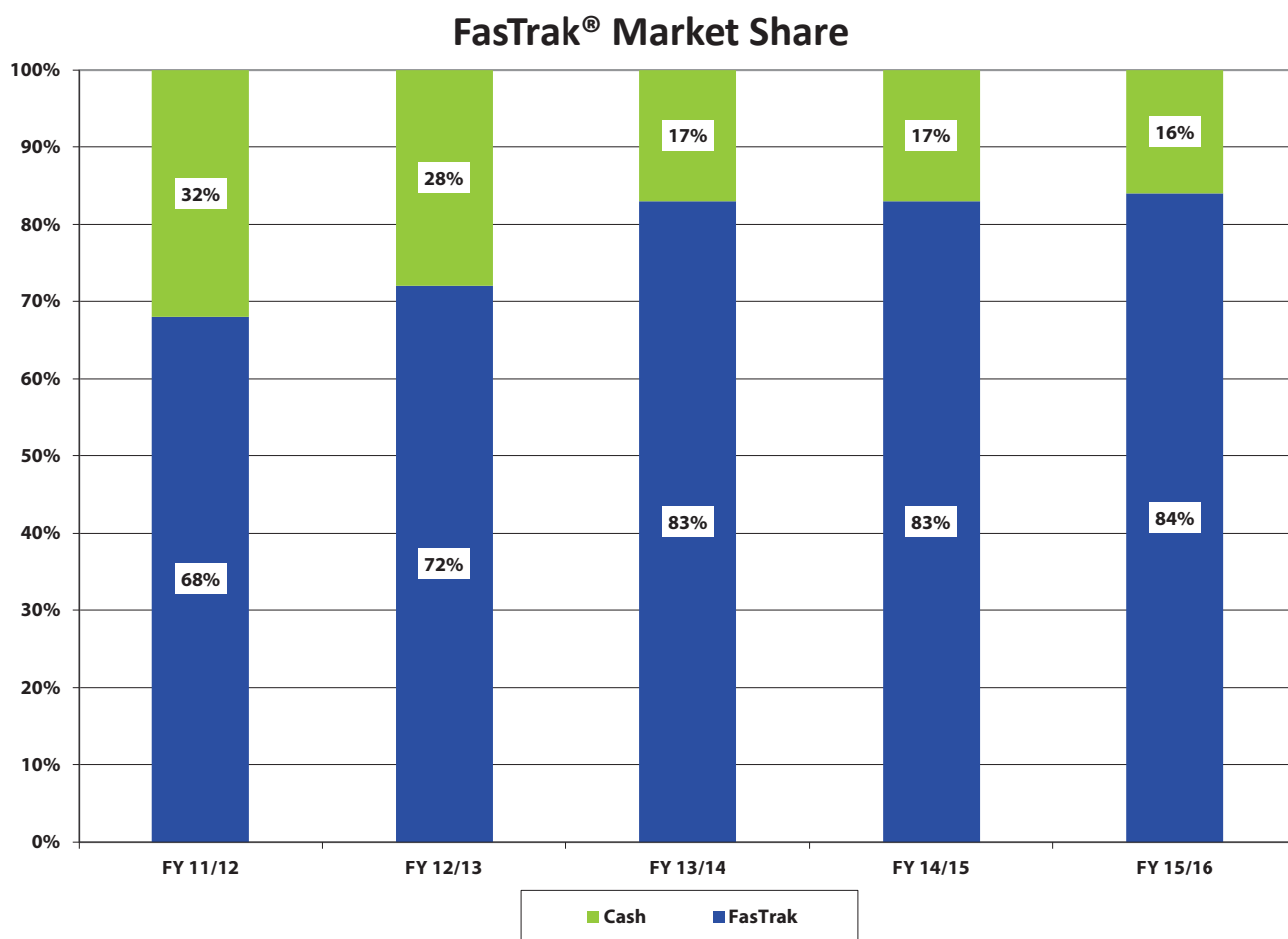
BRIDGE DIVISION PERFORMANCE STATISTICS

Operating Revenue as a Percentage of Total Operating Expense



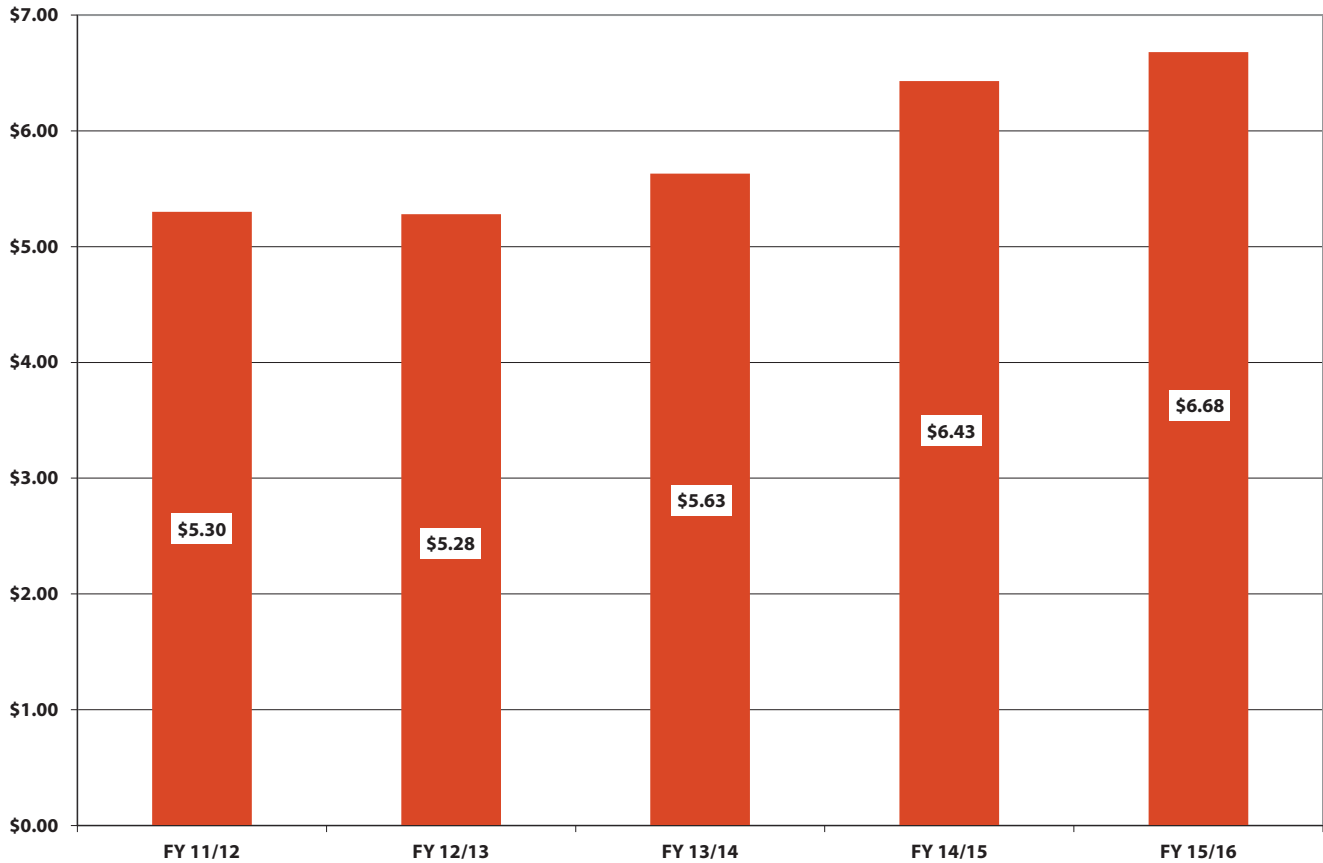
	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Bridge Toll Revenue	\$102,814,159	\$102,306,495	\$112,693,297	\$129,187,098	\$137,418,500
Other Operating Revenue	\$513,819	\$1,646,878	\$730,996	\$1,033,926	\$764,757
Total Operating Expense*	\$58,364,835	\$59,066,569	\$63,201,041	\$68,814,182	\$71,862,472
Percentage	177%	176%	179%	189%	192%

* Total Operating Expense includes Depreciation and Capital Contribution.



FasTrak® market share data includes customers whose toll tags do not read when passing through the Toll Plaza. The Customer Service Center processes these as valid FasTrak® toll payments, although they originate as violations in the Toll Plaza. AET was implemented on March 27, 2013. Vehicles no longer stop at the Toll Plaza since all tolls are assessed electronically.

Average Toll Per Southbound Vehicle



	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Total Southbound Vehicles	19,417,116	19,376,305	20,014,186	20,085,864	20,556,985
Bridge Toll Revenue	\$102,814,159	\$102,306,495	\$112,693,297	\$129,187,098	\$137,418,500
Average Toll	\$5.30	\$5.28	\$5.63	\$6.43	\$6.68

BRIDGE DIVISION CAPITAL BUDGET

Program Summary

The FY 16/17 Capital Budget for the Bridge Division totals \$12.3 million and represents 57% of the total agency's capital budget.

Major FY 16/17 capital projects include Seismic Phase III Design Review (9102), completing final design and beginning construction of the Suicide Deterrent barrier (1118/1526) and beginning the construction of a wind retrofit in advance of work on the Suicide Deterrent barrier (1528). A new project (1720) for FY 16/17 will upgrade the Bridge security system with a new software platform.

Actual capital expenditures for the Bridge Division during FY 15/16 totaled \$9.4 million, funded with \$3.7 million, or 39%, District funds and \$5.7 million, or 61%, in grant funds.

Completed Projects

A total of one (1) Bridge Division Capital Project was completed in FY 15/16.

Project 1527 – Bridge Roadway Light Fixture Replacement – \$100,000

This project replaced the light fixtures along the Bridge with more cost-efficient, inductive lighting. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Bridge Division Capital Budget FY 16/17¹

Project Number & Description ³	Total Project ²	Prior Years	FY 16/17 Budget	Future Years	FY 16/17 Funding	
					District	Other
Seismic Retrofit						
9102 - Seismic Phase III - Design Review (ENG)	\$40,384,200	\$23,187,100	\$5,000,000	\$12,197,100	14%	86%
1528 - GGB Wind Retrofit (ENG)	8,000,000	39,400	1,200,000	6,760,600	0%	100%
Total Seismic Retrofit	\$48,384,200	\$23,226,500	\$6,200,000	\$18,957,700	11%	89%
New Projects						
1720 - Security System Upgrade	\$150,000	\$0	\$150,000	\$0	100%	0%
Total New Projects	\$150,000	\$0	\$150,000	\$0	100%	0%
Continuing Projects						
1526 - Suicide Deterrent - Construction (ENG)	\$75,839,700	\$993,900	\$500,000	\$74,345,800	26%	74%
0820 - Moveable Median Barrier	30,516,000	29,902,200	613,800	0	30%	70%
1118 - Suicide Deterrent - Design (ENG)	5,543,100	5,495,000	40,000	8,100	100%	0%
0805 - South Approach & Pier Security Improvements (ENG)	5,000,000	946,300	50,000	4,003,700	20%	80%
9826 - Main Cable Access (ENG)	4,180,000	1,588,700	500,000	2,091,300	100%	0%
1035 - GGB Informal Science Education (ENG)	3,499,800	3,119,300	100,000	280,400	14%	86%
1525 - Toll System Upgrade (FIN)	3,000,000	185,200	100,000	2,714,800	100%	0%
1620 - Fixed Changeable Message Signs - North Approach (ENG)	1,560,000	0	60,000	1,500,000	100%	0%
1422 - FasTrak® Equipment Upgrade (FIN)	1,000,000	3,600	100,000	896,400	100%	0%
1524 - North Anchorage House Security (ENG)	1,000,000	154,600	100,000	745,400	100%	0%
1423 - Toll Plaza Admin Building Improvements (ENG)	672,000	561,100	110,900	0	20%	80%
1523 - Modular Offices Rehabilitation (ENG)	500,000	60,100	50,000	389,900	100%	0%
1560 - S. Visitor Plaza Restrooms Improvement Design Project	480,100	104,900	375,200	0	0%	100%
Total Continuing Projects	\$132,790,700	\$43,114,900	\$2,699,900	\$86,975,800	49%	51%
Capital Equipment						
1729 - Capital Equipment	\$3,250,000	\$0	\$3,250,000	\$0	100%	0%
Total Capital Equipment	\$3,250,000	\$0	\$3,250,000	\$0	100%	0%
Total Capital Expenditures	\$184,574,900	\$66,341,400	\$12,299,900	\$105,933,500	44%	56%
Capital Fund Source						
District	\$56,220,900	\$20,672,700	\$5,405,800	\$30,142,500		
Other	128,354,000	45,668,700	6,894,100	75,791,000		
Total	\$184,574,900	\$66,341,400	\$12,299,900	\$105,933,500		

1. Dollar figures are rounded to the nearest hundred.

2. Projects are listed in order of descending total project value.

3. First two digits of project number indicate fiscal year the project began (with the exception of the Seismic Retrofit projects).

Bridge Division FY 16/17 Capital Project Detail

New Projects – Other Bridge Projects

Project 1720 – Security System Upgrade – \$150,000

This project will upgrade the security system to a new platform, while retaining much of the existing hardware. *[Operating Budget Impact: No significant impact.]*

Continuing Projects – Seismic

Project 9102 – Seismic Phase III – Design Review – \$40,384,200

This project will complete the final design phase (Phase 3B) of the Golden Gate Bridge Seismic Retrofit project. *[Operating Budget Impact: No significant impact.]*

Project 1528 – Golden Gate Bridge Wind Retrofit – \$8,000,000

The Wind Retrofit project was set up as separate project to be completed ahead of the rest of the seismic retrofit work in order to facilitate construction of the Suicide Deterrent. This project will construct a wind fairing structure on the west side of the Golden Gate Bridge to deflect wind and ensure Bridge stability during strong wind events. *[Operating Budget Impact: TBD.]*

Continuing Projects – Other Bridge

Project 1526 – Suicide Deterrent – Construction – \$75,839,700

This project will construct a safety net underneath the Bridge to address public health concerns regarding suicides. The stainless-steel net system will be constructed 20 feet below the Bridge. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Project 0820 – Moveable Median Barrier – \$30,516,000

The Bridge portion of the Moveable Median Barrier (MMB) was installed in FY 14/15. In FY 15/16 the project extended the MMB to the District right-of-way line south of the Toll Plaza and finalized modifications to the Toll Plaza roadway necessary to accommodate the extension of the MMB. *[Operating Budget Impact: A reduction of more than \$100,000.]*

Project 1118 – Suicide Deterrent – Design – \$5,543,100

This project will complete the design work for the Suicide Deterrent system. The project budget was increased through a Board approved action in August 2015 (Resolution No. 2015-070). *[Operating Budget Impact: No significant impact.]*

Project 0805 – South Approach & Pier Security Improvements – \$5,000,000

This project began in FY 07/08 and will purchase and install security equipment necessary to support Bridge security initiatives. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Project 9826 – Main Cable Access – \$4,180,000

The project is for the procurement of access systems and other specialized equipment to perform the restoration work on the main cable of the Golden Gate Bridge. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1035 – Golden Gate Bridge Informal Science Education – \$3,499,800

This project will develop and install interactive outdoor exhibits designed to engage visitors in understanding the historic and scientific impacts of the Golden Gate Bridge. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Project 1525 – Toll System Upgrade – \$3,000,000

This project will upgrade and enhance the current toll system that is nearing the end of its useful life. *[Operating Budget Impact: A reduction of more than \$10,000 to \$50,000.]*

Project 1620 – Fixed Changeable Message Signs North Approach – \$1,560,000

The new northern approach to the Golden Gate Bridge requires two right lanes to merge to the left. The current signage system and pavement markings include portable changeable message signs to inform motorists of the lane merges. Permanent fixed changeable message signs are required to replace the portable signs. This project will design and install a fixed message sign system along the north approach to the Bridge. *[Operating Budget Impact: No significant impact.]*

Project 1422 – FasTrak® Equipment Upgrade – \$1,000,000

The current toll lane transponder reader system is no longer being manufactured and is nearing the end of its useful life per the manufacturer. The project will consist of replacing the servers, upgrading the operating systems, upgrading the TRMI software systems to be compatible with the new servers/operating systems and purchasing new Oracle licenses to support the new server quad core processors. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1524 – North Anchorage House Security – \$1,000,000

This project will provide additional security at the North Anchorage House. *[Operating Budget Impact: An increase of \$50,000 to \$100,000.]*

Project 1423 – Toll Plaza Administration Building – Design – \$672,000

This project will evaluate and initiate design work to rehabilitate the Toll Plaza Administration Building. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1523 – Modular Offices Rehabilitation – \$500,000

This project will rehabilitate five modular offices to accommodate updated resource needs. *[Operating Budget Impact: No significant impact.]*

Project 1560 – South Visitor Plaza Restrooms Improvement Design Project – \$480,100

This project will fund the design of new public restroom facilities at the South Visitor Plaza to address a number of problems associated with the existing restrooms. Existing restroom facilities fall far short of meeting current visitor demand and are in need of major refurbishment due to age and heavy daily usage. *[Operating Budget Impact: No significant impact.]*

Capital Equipment**Project 1729 – Capital Equipment - Bridge – \$3,250,000**

This is the annual purchase of capital equipment for the Bridge Division. *[Operating Budget Impact: No significant impact.]*

Projects Moved to the 10-Year Plan

The following projects were moved to the District's 10-Year Plan. The reasons projects are moved to the 10-Year Plan include: the project's timeline may have changed, or the project's priority may have shifted compared with other projects in the budget.

Project 1521 – Access System SAV and Arch – \$20,000,000

This project will purchase and install an access system at the South Anchorage Viaduct. For administrative reasons, the project will be moved to the 10-Year Plan to be implemented in a future year. *[Operating Budget Impact: A reduction of more than \$100,000.]*

Project 1421 – Alexander Avenue Rehabilitation Project – \$3,000,000

Alexander Avenue serves as the primary access road between the Golden Gate Bridge, Fort Baker and the City of Sausalito. This project will rehabilitate the fencing, guardrail and pavement along Alexander Avenue. The project will be moved to the 10-Year Plan to be implemented in a future year. *[Operating Budget Impact: No significant impact.]*

Project 1424 – Deck Paving Investigation – \$150,000

This project will investigate the pavement on the deck of the Golden Gate Bridge which requires replacement. The project will be moved to the 10-Year Plan to be implemented in a future year. *[Operating Budget Impact: No significant impact.]*

BRIDGE DIVISION PERSONNEL SUMMARY BY DEPARTMENT

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The Bridge Division					
Bridge Service 212					
Chief of Roadway Services	1	1	1	1	0
Lane Worker	2	2	2	4	2/(b)
P.T. Lane Worker	3	1	1	3	2/(b)
Roadway Services Supervisor	4	4	4	4	0
Roadway Services Technician	14	14	14	14	0
Total	24	22	22	26	4
All Electronic Tolling 213					
Electronic Resolution Analyst	0	1	1	1	0
Electronic Revenue Collection Manager	2	2	2	2	0
Revenue Collections Analyst	1	1	1	1	0
Total	3	4	4	4	0
Bridge Security 214					
Bridge Captain	1	1	1	1	0
Bridge Lieutenant	3	3	3	3	0
Bridge Patrol Officer	15	17	17	17	0
Bridge Sergeant	11	10	10	10	0
Office Coordinator	1	1	1	0	(1)/(d)
Total	31	32	32	31	(1)
Bridge Electrical 221					
Chief Electrician	1	1	1	1	0
Chief Plumber	1	1	1	1	0
Comm/Electronics Technician	3	4	4	4	0
Comm/Electronics Technician Supervisor	1	1	1	1	0
Electrical Superintendent	1	1	1	1	0
Electrician	7	7	7	7	0
Total	14	15	15	15	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The Bridge Division					
Bridge Paint 222					
Bridge Painter	29	28	28	28	0
Chief Bridge Painter	4	4	4	4	0
House Painter	1	2	2	2	0
Lead House/Sign Painter	1	1	1	1	0
Paint Laborer	5	5	5	5	0
Paint Superintendent	1	1	1	1	0
Total	41	41	41	41	0
Bridge Ironworkers 223					
Apprentice Ironworker	3	3	3	3	0
Ironworker	15	15	15	15	0
Ironworker Superintendent	1	1	1	1	0
Pusher Ironworker	3	3	3	3	0
Total	22	22	22	22	0
Operating Engineers 224					
Chief Operating Engineer	1	1	1	1	0
Operating Engineer	5	5	5	5	0
Total	6	6	6	6	0
Bridge Mechanics 226					
Body Fender Mechanic	2	2	2	2	0
Chief Mechanic	1	1	1	1	0
Heavy Duty Mechanic	3	3	3	3	0
Total	6	6	6	6	0
Bridge Streets & Grounds 227					
Carpenter	1	1	1	1	0
Cement Mason	1	1	1	1	0
Chief Laborer	2	2	2	2	0
Laborer	11	11	11	11	0
Superintendent of Facilities & Maint.	1	1	1	1	0
Total	16	16	16	16	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

Bridge Division

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The Bridge Division					
Bridge Procurement 240					
Buyer	1	1	1	1	0
Lead Storekeeper	1	1	1	1	0
Senior Buyer	1	1	1	1	0
Storekeeper	2	2	2	2	0
Total	5	5	5	5	0
Bridge General & Administration 290					
Administrative Assistant	1	1	1	1	0
Deputy General Mgr, Bridge Division	1	1	1	1	0
Security Emergency Mgt Specialist	1	1	1	0	(1)/(c)
Total	3	3	3	2	(1)
Bridge Division Totals					
Total Authorized Positions	171	172	172	174	2
Regular Positions	171	172	172	174	2
Limited Term Positions	0	0	0	0	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

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BUS DIVISION PROFILE

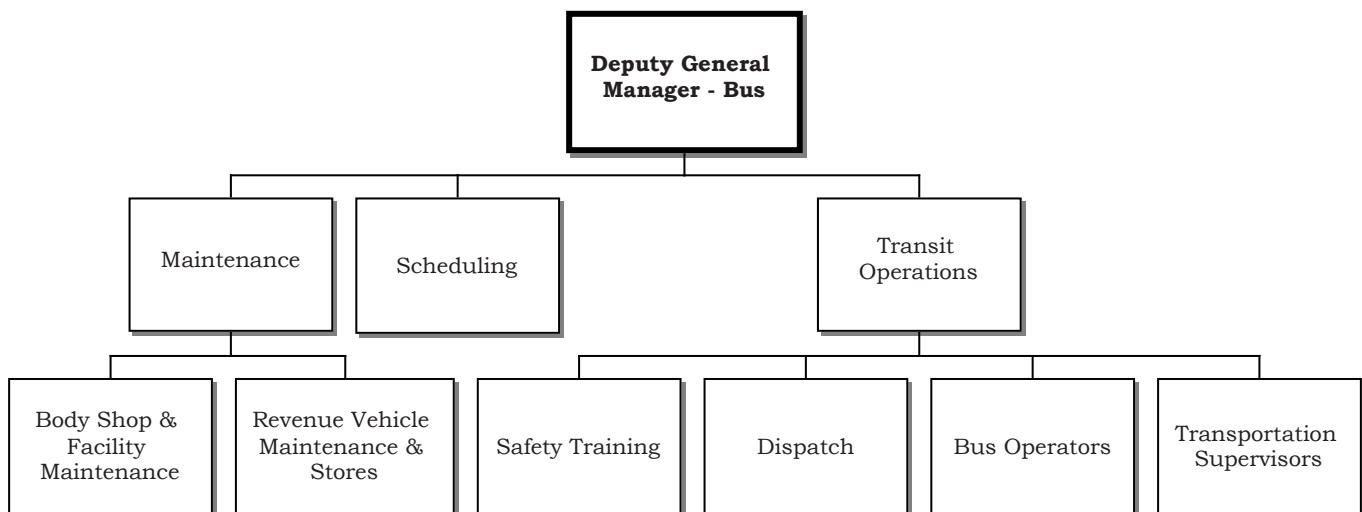
In November 1969, the California State Legislature authorized the District to develop a transportation plan for implementing mass transit in the Golden Gate Corridor. On January 3, 1972, the District began bus service from Sonoma and Marin Counties to San Francisco after the private sector relinquished service operation. The Bus Division's emphasis is to provide these services in a cost-effective and fiscally responsible manner to best meet the transportation needs of the people, communities and businesses of San Francisco and the counties of Marin and Sonoma.

The Bus Division strives to operate bus transit services that are an attractive alternative to the automobile. As such, bus transit services are reliable, comfortable, frequent, affordable and accessible. The Division has bus facilities located at four sites within its 60-mile-long service corridor, with the central facility for operations, maintenance and administration in San Rafael. Satellite facilities for bus storage and servicing are provided in San Francisco, Novato and Santa Rosa.

The Bus Division operates an active fleet of 193 clean diesel and diesel-electric hybrid buses. The Bus Division provides the following bus transit services for approximately six million annual customers traveling 6.1 million miles:

- Peak-period transbay and intercounty commute bus service to reduce peak-period traffic and congestion on the U.S. Highway 101/Golden Gate Corridor.
- Basic weekday and weekend transbay and intercounty bus service to reduce traffic on the Bridge and provide general mobility along the Golden Gate Corridor.
- Local bus service provided under agreements with Marin Transit and other entities that fully subsidize such services.
- Intercounty (Sonoma/Marin and East Bay/Marin) bus service supporting regional mobility and reduced traffic congestion in the Golden Gate Bridge/Highway 101 Corridor.

BUS DIVISION ORGANIZATIONAL CHART



BUS DIVISION STATUS

Progress has been made on many fronts over the past year but key initiatives in FY 16/17 will focus on customer service. The work scope for FY 16/17 will be directed toward customer service improvements including technology enhancements, service development and operations improvements.

Customers Are Our Key Focus

In 2016, Golden Gate Transit (GGT) faced some challenges in meeting its commitment to providing reliable service to its customers. With a target for missing less than one percent (1%) of all scheduled trips, the number of cancellations at times reached as much as 1.4% of scheduled trips. Staff worked quickly to adjust service levels and improve customer communication streams so that riders could receive early notifications of trip cancellations. Customer feedback and suggestions were a priority and outreach efforts were expanded. Initiatives to help reduce cancelled trips were implemented in several ways:

- Continuous recruiting efforts for Bus Operators are now in place. It was determined that Bus Operator staffing levels would exceed the normal staffing size until the cancellation rates were mitigated and a better estimate of Bus Operator departures could be determined.
- New provisions in the labor agreement negotiated in 2015 with the Amalgamated Transit Union (ATU), Local No. 1575, identified techniques to improve Bus Operator attendance and these are well underway. These include provisions allowing Bus Operators more flexibility in scheduling medical and legal appointments during the week, new workers' compensation programs designed to return injured Bus Operators to work more quickly and a new provision regarding patterns of absences. Additionally, higher incentives for perfect attendance were reinstated and a first-time Mentoring Program was established.
- The workers' compensation programs include a Structured Return-to-Work provision for Bus Operators which began in April 2016. By transitioning injured workers back into the workplace with modified duty assignments, the intent is to get the employees back to full duty quickly and safely, with job satisfaction.
- An Alternative Dispute Resolution (ADR) program will facilitate and accelerate the workers' compensation process. This is good for the employee and good for the District. Bus Operators will be required to participate in the program for future claims and there is opportunity for previously injured workers, and even some eligible retirees, to opt into the program to facilitate their claims as well. Program details are being finalized, with full implementation expected in the fall of 2016.
- A Bus Operator Mentoring Program developed by Bus Operators, Union officials and District staff will be in place mid-summer when a class of Bus Operators graduates in July. The initial efforts will be geared toward developing new Bus Operators but future aspects will include and be available to veteran Bus Operators.

Technology Projects Continue to Roll Out to Better Serve Customers

Real-time bus arrival information is a reality and now available to customers. This information is accessible online (via smartphone or computer) or by calling 511 and using the voice prompts.

The full-fleet Wi-Fi application, which went live in December 2014, is popular and a success. The redundant cell phone providers approach has minimized gaps in coverage along the U.S. 101 Corridor. On average, the system is accessed by passengers more than one million times a month.

The Advanced Communication Information System (ACIS) is in daily operation throughout the Bus Division. Radio communication is now fully converted to the new digital technology. Dispatchers, Supervisors and Customer Service personnel can monitor vehicles on screen and can determine whether a bus is operating ahead of or behind schedule.

The HASTUS scheduling system upgrade was delayed, but a work-around allowed another ACIS ancillary product, Automated Time Point (ATP) analysis, to be installed to monitor live running times and be used to develop more efficient schedules. In December 2015, a wide-scale running time analysis was used to adjust schedule times for most of GGT's regional routes. The data also supported customer service functions since customer complaints could be addressed with specific information regarding early or late running transit vehicles. The On-Time Performance (OTP) module has not been implemented but that should come online in FY 16/17 with additional HASTUS upgrades. This feature will enable more comprehensive OTP analysis to determine whether GGT is meeting the 90% OTP standard adopted in the District's *Short-Range Transit Plan* (SRTP).

Automated Passenger Counters (APCs), another ACIS component, will be used to fulfill sample passenger counts required for reporting to the Federal Transit Administration's (FTA) National Transit Database (NTD). All new fleet vehicles are equipped with this technology when purchased but only a portion of the older fleet has this capability. This technology feature is in test mode and it is expected that the system validation will be completed in the next several months.

Expanded surveillance capabilities will be installed in older fleet vehicles in the near future. This tool has become very important in monitoring customer safety, vetting complaints and conducting accident investigations. Procurement is underway for the long-awaited "wellness check" system. This allows the security camera system to be checked daily through data downloads occurring each time a bus enters the yard. Currently, cameras are checked during frequent preventive maintenance inspections or when a specific camera fails to properly retrieve video recordings.

Over the past year, Bus Maintenance and Information Systems staff completed a pilot program for monitoring vehicle on-board systems and installed a telemetry system that gathers critical vehicle systems operational data, such as engine coolant temperature. The system relays real-time data to a centralized data server through the existing vehicle Wi-Fi system.

Service Development is a Dynamic Function

The District continues to look for ways to improve service to address customer needs and meet operating standards. Service is monitored continuously and modified quarterly to achieve Board-adopted policies of averaging 20 passengers per trip on its commute service and 10 passengers per trip for ferry feeder services and non-commute service. Recent service changes and future plans are described below.

The Sir Francis Drake Route 25, implemented in September 2013, continues to exceed ridership standards. However, two additional ferry feeder routes to the Larkspur Ferry Terminal, one from the Smith Ranch Road park-and-ride implemented in December 2014, and a second from the San Rafael Transit Center initiated in September 2015, never produced the ridership numbers needed for continuation. Despite multiple marketing efforts, the average 10 persons per trip standard was never met and both feeders were eliminated in June 2016. Consideration will be given if the SMART rail line generates the need for a ridership connection to the Larkspur Ferry. Staff is working with area entities regarding the impacts SMART service will have on the San Rafael Transit Center.

Currently, two routes (56 and 72X) use the Broadway Tunnel in San Francisco during rush hours to achieve a savings in customer travel time. Additionally, the Route 24 is under review and a pilot project to develop select 24X trips using the tunnel will be implemented in the fall. The route variation would bypass the Lucky Drive bus pad on northbound trips to avoid the congestion created by Richmond Bridge traffic. A Route 24 trip, direct to the Civic Center rather than the Financial District, is under consideration.

In June 2016, modified service to southern Marin County began. A new Route 30 replaced the Route 10 serving Sausalito and customers now have another option to travel between San Francisco and the San Rafael Transit Center via Sausalito. Service operates daily from approximately 4:45 a.m. to 2:00 a.m.

Reconfiguration of Routes 40/42, serving the East Bay and BART stations, took place in December 2015. A new Route 580 replaced Route 42 in order to serve customers along San Pablo Avenue. The Route 580, considered a demonstration project, has not met ridership projections. Further review and consideration for this route will come to the Board of Directors.

Sonoma County service will be examined thoroughly during FY 16/17. With the advent of SMART service, and generally changing customer travel patterns, a comprehensive review is merited. Initially, staff has met with SMART personnel to discuss connectivity to rail trips but a more thorough review is needed.

Two new agreements with Marin Transit are in place. Under the Marin Transit County Transit District Intra-County Fixed Route Agreement, GGT will operate approximately 80,000 revenue hours of service, down from approximately 114,000 hours in 2012. Marin Transit implemented extensive service changes in June 2016, and District staff coordinated outreach efforts closely with Marin Transit staff. A new paratransit agreement, which is considered a reciprocal document to the fixed route agreement, became effective July 1, 2015. The District now pays a portion of the local paratransit cost based on a ratio of the number of non-commute trips operated by the District in Marin County. The ratio is reviewed annually and currently stands at approximately 25%. The District pays for all inter-county paratransit trips.

Ongoing Operations and Maintenance Activities

Bus Division operations have addressed new challenges through several important initiatives.

The San Francisco bus lot located at Fourth and Perry opened in February 2014. The District continues to use Essex Street as its staging location for weekends and after hours. Entering the lot has been impacted dramatically by construction related to the Central Subway Project, and exiting the lot remains problematic as traffic on Third Street reaches a standstill. The intersection at Third and Folsom continues to be a bottleneck and frequent detours are needed. San Francisco traffic conditions will continue to present challenges as the Van Ness transit improvements project progresses and Lombard Street and 19th Avenue undergo major construction.

Other facilities issues are at the forefront and present special challenges for bus operations. Next fiscal year an environmental remediation project at the Novato bus lot will essentially close the facility for three months. While construction is underway, buses, Bus Operators and Bus Servicers will be reassigned to other facilities which will increase operating costs.

The District participated in several special operations movements over the past year, as it partnered with other Bay Area agencies which had special circumstances to accommodate. These included providing buses and Bus Operators for a scheduled BART maintenance closure, detouring routes for the Super Bowl festivities and realigning service for the Doyle Drive closure. These efforts required extra service which impacted

all aspects of the Bus Division. Maintenance teams were put in place at strategic locations so that they could be responsive with challenging traffic conditions, and extra Bus Operators and supervisory teams were needed.

A study, compiled in-house, analyzed the advantages and costs for maintaining a clean diesel fleet, converting to a compressed natural gas (CNG) fleet or purchasing a hybrid diesel-electric fleet. Staff tested various configurations of engines and transmissions to determine the best combination for service. The southbound approach to the Golden Gate Bridge presents a particular challenge in terms of vehicle performance on the steep grade.

California Air Resources Board (CARB) staff continues to work toward an Advanced Clean Transit regulation that mandates full transformation of the state's public transit fleets to zero emission technologies by the year 2040. The District has played a lead role in the California Transit Association's (CTA) ongoing advocacy efforts on behalf of public transit providers and customers to assure that a fiscally responsible and technically feasible approach to air quality and climate change efforts is ultimately adopted.

Customer service upgrades on the current fleet continue. Bike racks acquired through a Clean Air Grant from the Bay Area Air Quality Management District were installed in the rear bin of 55 of the District's MCI coaches, bringing the entire 900 series fleet up to a four-bike capacity; 120-volt plugs will be installed in those same 55 MCI's so that all 900 series coach passengers can charge their computers and personal devices while making their daily commutes.

Implementation is underway of a State of California-sanctioned apprentice training program within the Bus Transit Division Machinists bargaining unit. Additionally, an apprentice program will offer the added benefit of a career ladder for entry-level District employees along with increased opportunities for minorities and women seeking careers in the skilled crafts.

Two new projects will be incorporated into the Bus Division work plan. First, a safety program assessment will be conducted by a consultant to determine best practices for a Bus Operator safety program from both accident prevention and workers' compensation perspectives. The review will also include maintenance practices as a secondary feature. It is expected that new regulations from the Federal Transit Administration (FTA) will be adopted in this next fiscal year, and safety program requirements will be heightened considerably. This project will not only help GGT improve internal processes but will position GGT to be ready for new, stringent requirements. Additionally, GGT will outsource the processing of the driver logs which are required by the California Code of Regulations (Title 13) and enforced by the California Highway Patrol.

We would like to thank and recognize our employees for their hard work and dedication, each and every day. The Bus Division is proud to have the opportunity to enhance the quality of life for our customers in the Bay Area.

FY 16/17 BUS DIVISION GOALS AND PROJECTS

Bus Division Goals

Maintenance	Improve Bus Fleet configuration and preventive maintenance to meet customer needs and comply with various laws/regulations.
Access	Expand opportunities for external customer convenience at bus stops, during travel, and for providing input on Golden Gate Transit services. Partner with internal customers to provide the best service.
Efficiency	Support and implement technology projects and process and procedure improvements to increase operation, performance and safety cost-effectiveness.

FY 16/17 Project Focus

The following are capital projects that affect the Bus Division and will be part of the District's workplan focus for FY 16/17. Please refer to the Bus Division's Capital project detail for more description.

Facilities	D1 Resurface Employee Parking Lot Bus Security Cameras San Francisco Bus Lot Environmental Evaluation and Modifications MCI 120v Outlets MCI Bike Racks
Bus Operations	Replace 70 Transit Buses with Hybrids

CHANGES FROM FY 15/16 ACTUAL TO FY 16/17 ADOPTED BUDGET

Revenues

The Bus Division's FY 16/17 Adopted Revenues of \$44.3 million consists of:

- \$15.6 million from Regional Fares
- \$15.0 million from Federal, State and Local Operating Grants
- \$3.7 million from Other Operating Income
- \$10.0 million from the Marin Local Service Contract

The Bus Division's Adopted Revenues for FY 16/17 are projected to increase \$0.2 million, or 0.5%, compared to FY 15/16 Actual. This increase is primarily due to a projected \$1.4 million increase in State Operating Assistance (due to FY 15/16 adjustment that the State Controller's Office made to the revenue basis) and a \$0.1 million increase in Local Operating Assistance. These increases are offset by a projected \$1.2 million decrease in revenue from Marin Transit and a \$0.1 million decrease in regional fare revenue. Regional ridership is forecasted to increase slightly as compared to FY 15/16 Actual.

Expenses

The Bus Division's budgeted FY 16/17 Operating Expenses total \$90.7 million. The Bus Division's FY 16/17 Adopted Budget contains a \$3.0 million, or 3.4%, increase in operating expenses over FY 15/16 Actual expenses. The components of the changes to expense are summarized in the table on the following page.

Summary of Changes From FY 15/16 Actual to FY 16/17 Adopted Budget (All Figures In Millions)

Labor	
Increase to salaries due to a 3% salary increase for non-represented, represented and ATU employees unless specified otherwise in their ratified Memorandum of Understanding	\$2.4
Increase in payroll fringes for FY 16/17 due to COLA	0.3
Increase in PERS and ATU pension costs due to higher contribution rates	1.1
Increase in medical expenses for FY 16/17 due to re-funding of vacant positions and increase in annual costs	0.1
Decrease in Workers' Compensation reserve adjustments for FY 16/17 due to a one-time increase of prior year adjustments in FY 15/16	(1.8)
Decrease in miscellaneous benefits (capitalized benefits) due to less than projected capitalized labor in FY 15/16	(0.3)
Professional Services	
Projected increase in District-wide professional services and legal fees for FY 16/17	0.1
Increase in expenses associated with District-wide technology programs	0.4
Decrease in FY 16/17 District Division temporary help services compared to FY 15/16	(0.5)
Supplies and Other	
Increase in projected fuel costs due to lower than projected price per gallon in FY 15/16	1.9
Decrease in repair and maintenance supplies primarily due to one-time higher expenses in FY 15/16	(0.5)
Projected increase in utilities	0.1
Projected decrease in purchased transportation costs due to new paratransit contract for FY 16/17	(0.1)
Re-funding of staff development expenses unused in FY 15/16	0.1
Capital Contribution and Depreciation	
Decrease in depreciation primarily due to the fully depreciated projects such as eighty buses and the San Rafael telephone switch replacement	(0.3)
Total Change from FY 15/16 Actual to FY 16/17 Adopted Budget	\$3.0

BUS DIVISION OPERATING BUDGET

	FY 14/15 Actual	FY 15/16 Budget	FY 15/16 Actual	FY 16/17 Adopted Budget
Revenues				
Regional Transit Fares	\$15,060,661	\$16,332,000	\$15,700,064	\$15,632,900
Other Operating Income	2,880,584	3,155,500	3,680,954	3,695,500
State Operating Income	15,108,438	15,093,500	13,570,948	15,009,300
Federal Operating Income	0	0	0	0
Other Operating Income (MT*)	12,319,517	10,860,000	11,172,378	9,993,300
Total Revenues	\$45,369,200	\$45,441,000	\$44,124,344	\$44,331,000
Percent Change		0.2%	(-2.9%)	0.5%
Expenses				
Salaries	\$35,711,346	\$37,873,400	\$37,721,805	\$40,142,800
Fringe Benefits	26,345,626	30,544,700	30,540,770	29,929,300
Professional Services	4,000,109	4,385,200	4,154,542	4,201,400
Fuel & Related Taxes	4,560,521	4,117,200	3,094,870	5,054,200
Repair & Operating Supplies	2,849,910	4,072,300	3,909,108	3,501,700
Insurance, Taxes & Permits	1,075,002	1,229,500	1,219,645	1,173,200
Purchased Transportation	1,912,715	2,370,800	2,341,874	2,216,500
Other	322,276	456,000	422,743	479,100
Leases & Rentals	838,822	810,000	834,899	837,900
Subtotal Expenses	\$77,616,327	\$85,859,100	\$84,240,256	\$87,536,100
Capital Contribution	2,000,000	2,000,000	2,000,000	2,000,000
Depreciation	1,214,815	1,625,300	1,500,165	1,174,400
Total Expenses	\$80,831,142	\$89,484,400	\$87,740,421	\$90,710,500
Percent Change		10.7%	(-1.9%)	3.4%
Revenues Over/(Under) Expenses	(\$35,461,942)	(\$44,043,400)	(\$43,616,077)	(\$46,379,500)
Regional Ridership	3,612,638	3,502,224	3,498,627	3,534,619
Average Fare	\$4.17	\$4.66	\$4.49	\$4.42

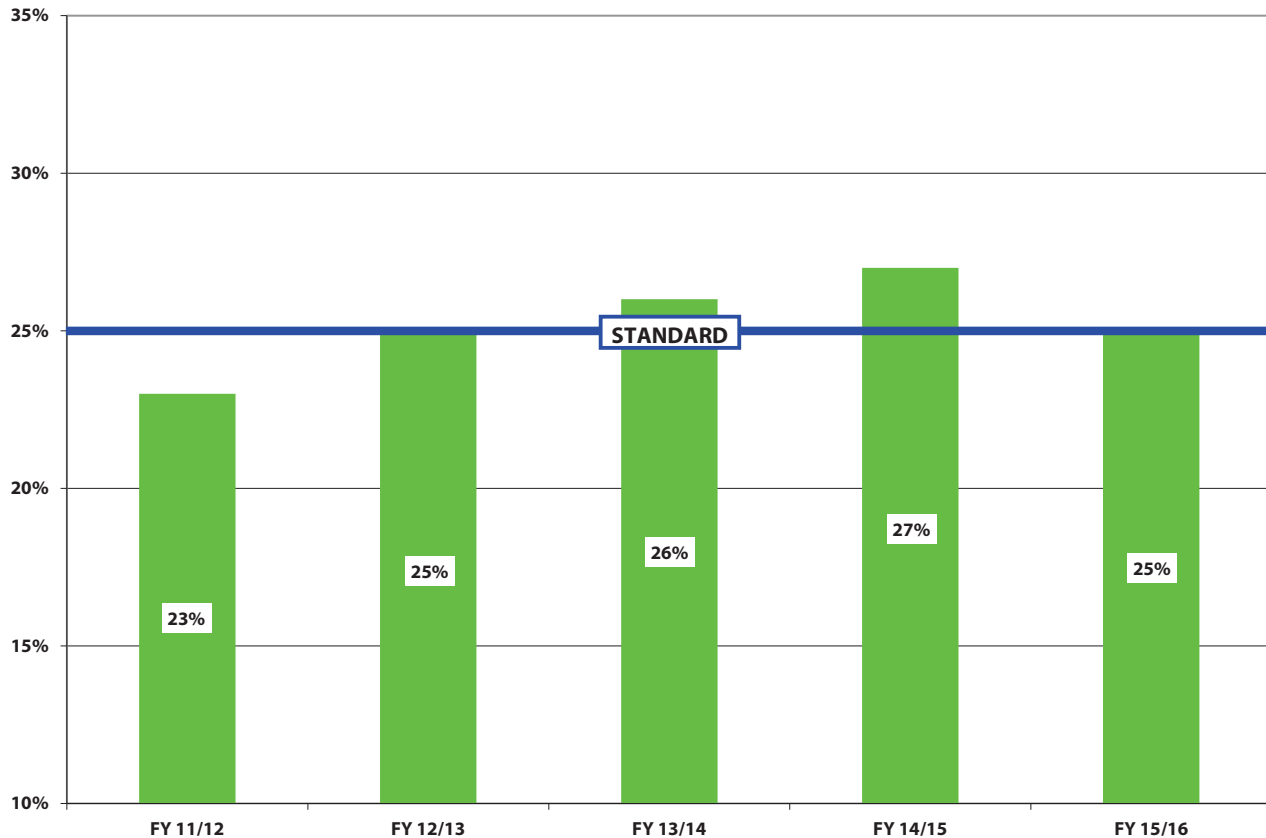
*Marin Transit Contract Revenue

Assumptions:

- Includes a 3% salary increase for non-represented, Coalition-represented employees and ATU represented employees unless specified otherwise in their ratified Memorandum of Understanding.
- Includes ATU Pension contribution (19.165% from July 2016 through February 2017 and 20.165% from March 2017 through June 2017) and Employer PERS contribution (27.282%).
- OPEB costs are included in Fringe Benefits and reflect adoption of GASB 45 which accrues for OPEB costs based on the Annual Required Contribution (ARC) for OPEB benefits.
- \$2.50/gallon for fuel costs for the Bus Division.
- All fiscal years show the transfer of District Division expense by line item.
- The Bus Division's share of the District Division transfer is \$12.1 million.
- Salaries include approximately \$112,500 to fund casual traffic checkers that are not included in the division's authorized positions listing.

BUS DIVISION PERFORMANCE MEASURES

Bus Transit Fare Recovery



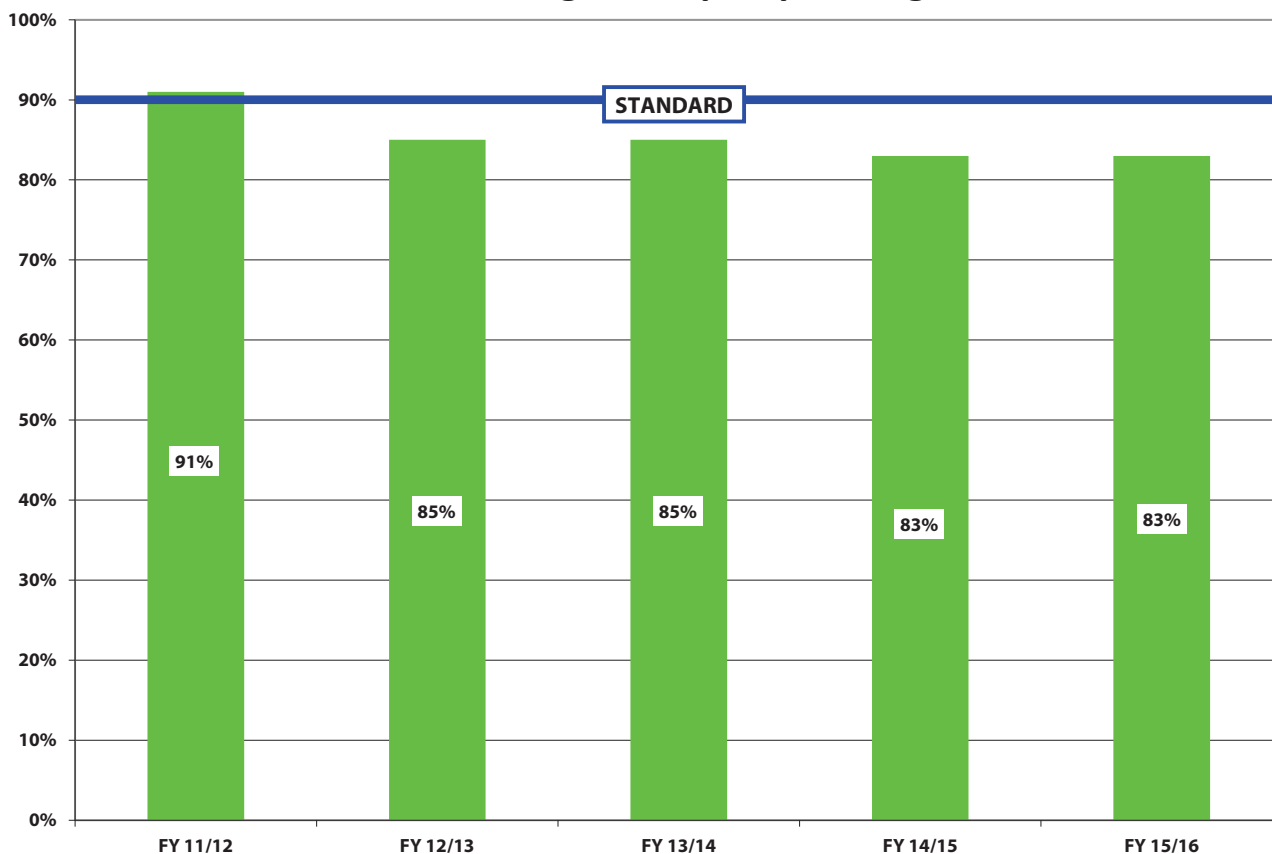
Data calculations do not include Purchased Transportation, Paratransit expenses or Marin Local bus service expenses.

Measure: Fare Recovery - Fare revenue as a percentage of operating expense.
Standard: Standard is 25%, based on the Golden Gate Bridge District's Short Range Transit Plan (S RTP).

Bus Division is attempting to improve its fare recovery by:

- Increasing its regional transit fares 4% on July 1, 2016.
- Reducing operating expenses and increasing efficiencies (i.e., maximizing the utilization of part-time drivers to reduce the cost of providing bus service and exploring strategies aimed at improving ClipperSM usage to reduce operating costs, as increased usage would assist in facilitating fare collection and reduce time and labor costs associated with cash collection and accounting, etc.).
- Seeking increased ridership (i.e., installed WiFi on buses, exploring incentives for increased ridership during off peak hours, supporting and encouraging regional and local governments to work with the cities and counties to promote job and residential growth around transit to encourage more people to make transit a part of their everyday lives, etc.).

Bus Transit Percentage of Trips Operating On-Time



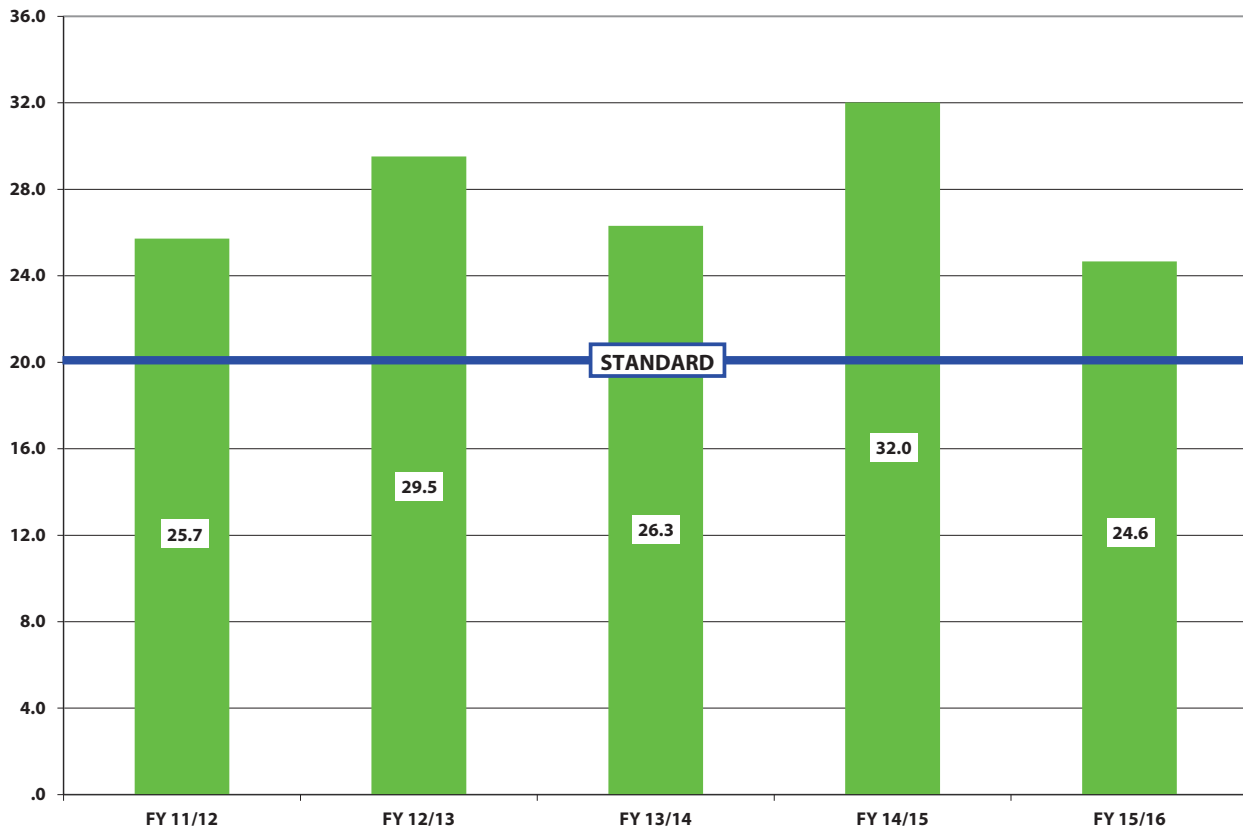
Measure: Scheduled service times and actual services at key time points.
Standard: Operate on-schedule 90% of the time, based on the Golden Gate Bridge District's SRTP.

Note: Beginning FY 2013, on-time performance includes only Regional service due to Marin Transit revising their on-time standards.

Bus Division is attempting to improve its on-time performance by:

- Efficiencies from ACIS implementation will include improved on-time performance.
- Proposing to work with the Sonoma County Transportation Authority (SCTA), MTC and Caltrans and to expand carpool hours on U.S. Highway 101 in Sonoma County to increase the average bus speed within Sonoma County.
- Proposing to work with the Transportation of Marin (TAM), MTC and Caltrans and to amend the carpool rules for HOV lanes in Marin County from two or more persons per vehicle to three or more persons per vehicle. This would reduce congestion within the carpool lane, thus increasing speeds in the carpool lane and shortening the commute for bus riders.
- Proposing to work with MTC and the City & County of San Francisco to increase speed through the traffic congestion in downtown San Francisco (traffic light timing, designated bus transit lanes, etc.).
- Benefiting from improved traffic flow with the completion of the Presidio Parkway Project.

Bus Mechanical Failure Rate All Chart Numbers in Thousands



	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Mechanical Failures	201	174	188	130	173
Revenue Miles	5,170,584	5,136,828	4,946,408	4,161,563	4,266,291
Miles/Breakdown	25,724	29,522	26,311	32,012	24,661

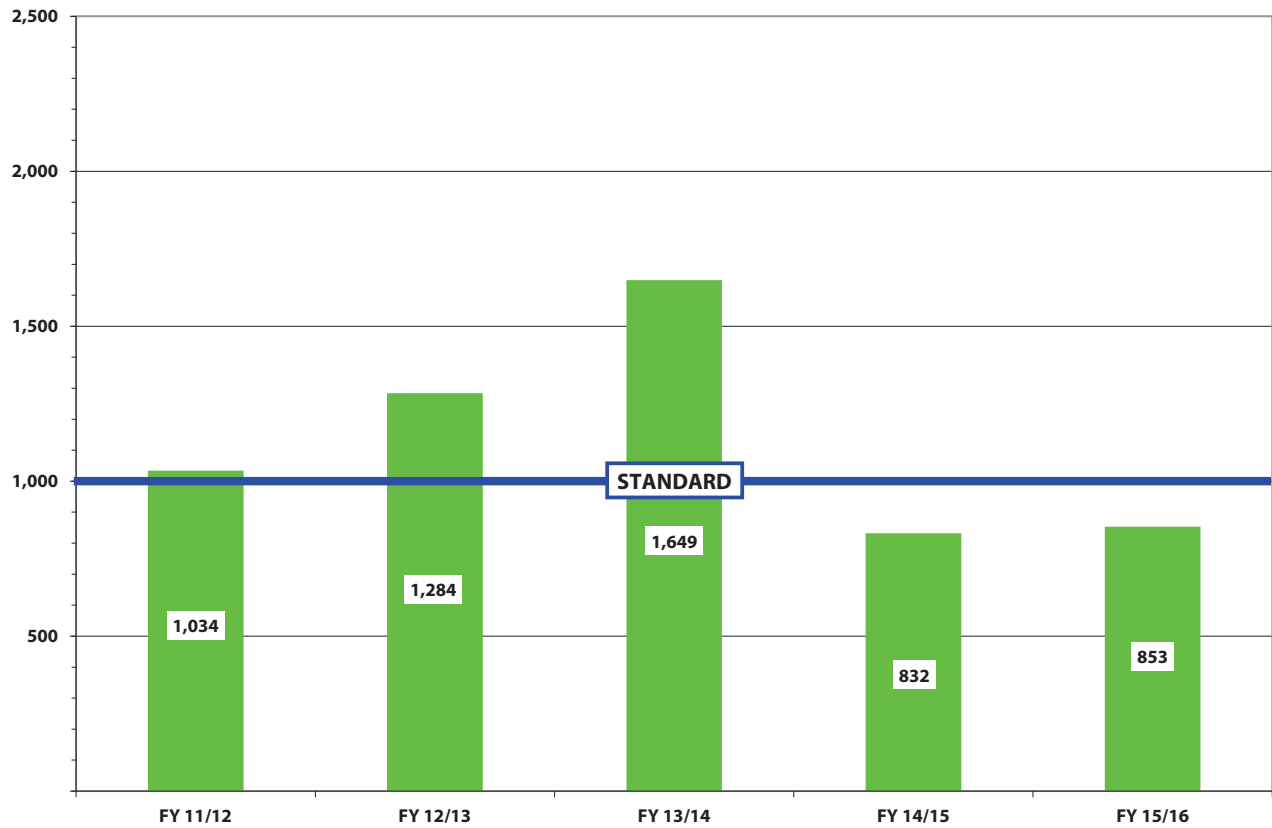
Measure: Miles between in-service mechanical failures.
Standard: No more frequent than one per every 20,000 miles, based on the Golden Gate Bridge District's SRTP.

Note: Beginning FY 14/15, revenue miles only include regional bus service (no Marin Transit local bus service).

The Bus Division seeks to minimize mechanical system failures by:

- Following a timely fleet replacement strategy to ensure that the Golden Gate bus fleet is as modern and reliable as possible.
- Performing an aggressive preventive maintenance program to ensure that vehicle systems are inspected and serviced on systematic intervals that optimize vehicle reliability.
- Utilizing state-of-the-art technician training and tooling to ensure that all vehicle repairs meet or exceed industry and equipment manufacturer's reliability standards.
- Employing scientific maintenance management practices including trend and failure analysis, exception reporting, telemetry and laboratory lubrication fluid analysis to prevent mechanical failures and minimize unscheduled maintenance.

Bus Accident Rate (Miles Between Accidents) All Chart Numbers in Thousands



	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Accidents	5	4	3	5	5
Revenue Miles	5,170,584	5,136,828	4,946,408	4,161,563	4,266,291
Miles/Accident	1,034,117	1,284,207	1,648,803	832,313	853,258

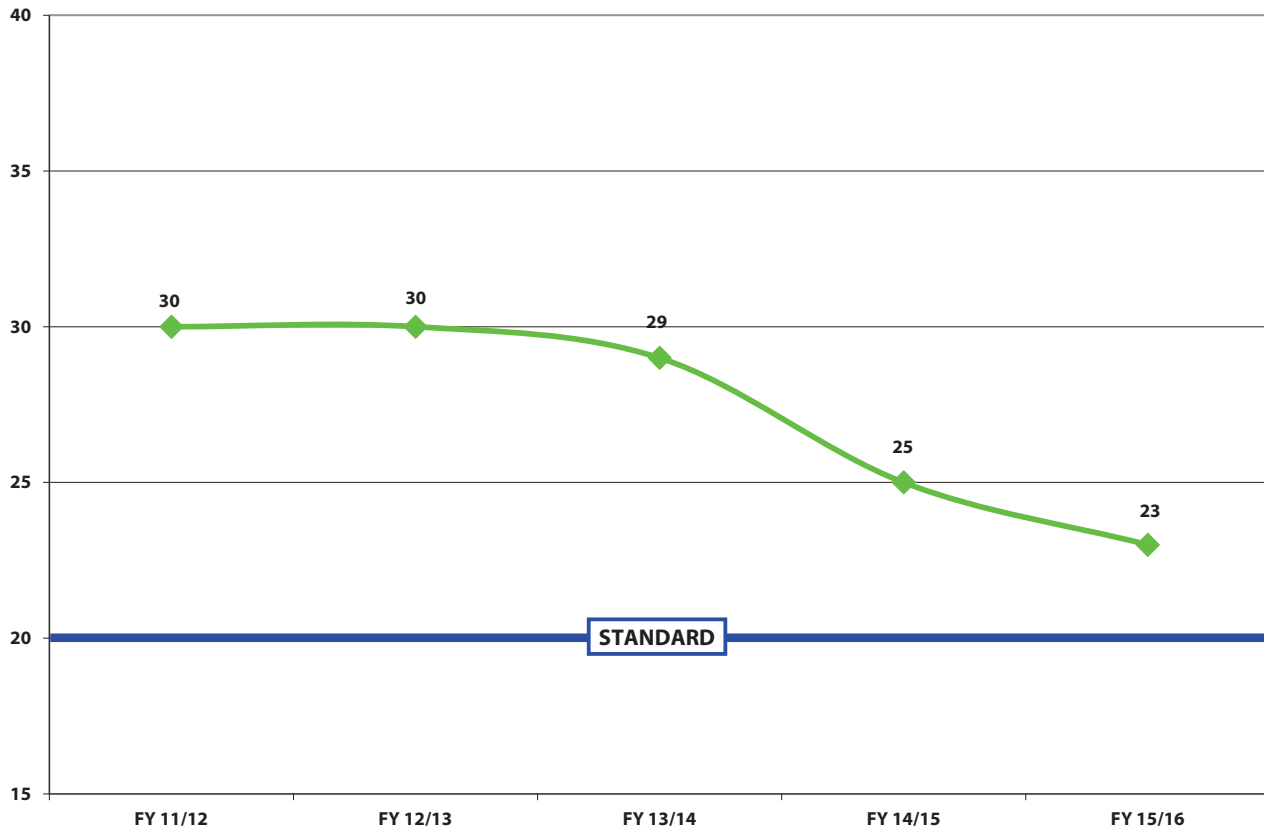
Measure: Miles between in-service accidents.
Standard: No more frequent than one per every 1,000,000 miles, based on the Golden Gate Bridge District's SRTP.

Note: Beginning FY 14/15, revenue miles only include regional bus service (no Marin Transit local bus service).

The Bus Division is attempting to continue its excellent low bus accident rate by:

- **Training.** Actively reviewing with each Operator in annual VTT classes safety issues such as space cushion driving, bus turning radius and tail swing, backing up by using a helper and sharing the road with cyclists.
- **Accidents.** Follow-up with Operators when patterns emerge that indicate poor habits. One-on-one re-training in some instances.
- **Driver Safety Committee.** Monthly meetings with Management/Union team allows active and timely reviews of accident causing situations which are then addressed by appropriate parties.

Bus Passengers Per Trip



	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
All Bus Trips	30	30	29	25	23

Measure: Bus Passengers per trip.
Standard: 20 or more, based on the Golden Gate Bridge District's SRTP.

Note: Passenger data calculations do not include contracted Marin Local service. Some Performance Measures data for previous years has been amended due to final audit adjustments.

The Bus Division is attempting to continue its above standard performance for bus passenger per trips by:

- Installed Wi-Fi on buses.
- Exploring incentives for increased ridership during off peak hours.
- Supporting and encouraging regional and local governments to work with the cities and counties to promote job and residential growth around transit to encourage more people to make transit a part of their everyday lives.
- Working with TAM, MTC and Caltrans to increase capacity at those park-and-ride lots within Marin that are commonly filled to capacity.

BUS DIVISION CAPITAL BUDGET

Program Summary

The FY 16/17 Capital Budget for the Bus Division totals \$1.9 million and represents 9% of the total agency's capital budget. Major work and financial investment in FY 16/17 focuses on continuing projects, such as re-surfacing the employee parking lot (1431), installing cameras on buses (1434), evaluating potential modifications to the San Francisco Mid-Day Parking Facility (1531), installing electrical outlets on 45' buses (1532) and additional bike racks on 45' buses (1533). There is one new project proposed for FY 16/17 in the Bus Division: the replacement of 70 transit buses with hybrid buses (1730).

Actual FY 15/16 capital expenditures for the Bus Division totaled \$1.1 million, funded with \$2,743, or 0.2%, District funds and \$1.1 million, or 99.8% grant funds.

Completed Projects

A total of three (3) Bus Division Capital Projects were completed in FY 15/16.

Project 1435 – Purchase 25 – 45' Buses – \$17,300,000

This project purchased twenty-five (25) 45' MCI Diesel Buses. In May 2014, the Board approved exercising an option to purchase additional MCI buses and adding this project to the budget. The buses include CARB compliant engines, Wi-Fi, power outlets, security cameras and bicycle racks to support four bicycles. The buses were procured and delivered in FY 14/15. Additional work including ClipperSM and fare box installation, driver training and final inspections was performed in FY 15/16 before the buses were entered into service. *[Operating Budget Impact: a reduction of more than \$100,000.]*

Project 1432 – D1 Main Shop Roof Replacement – \$990,000

This project replaced the 35-year old San Rafael main shop roof, whose leaks resulted in damaged equipment and electrical malfunctions. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1009 – Bus Stop Shelter/Signage Program – \$250,000

The budget for this project was reduced by 50 percent, from \$500,000 to \$250,000, through the FY 15/16 budget approval process. The initial budget estimate, which was based on a survey of only a small sample of shelters, indicated the need to replace a large number of shelters. However, more thorough investigations conducted during project implementation have revealed that the actual condition of most bus shelters did not warrant them to be replaced. *[Operating Budget Impact: No significant impact.]*

Bus Division Capital Budget FY 16/17¹

Project Number and Description ³	Total Project ²	Prior Years	FY 16/17 Budget	Future Years	FY 16/17 Funding	
					District	Other
New Projects						
1730 - Replace 70 Transit Buses with Hybrids	\$57,600,000	\$0	\$100,000	\$57,500,000	13%	87%
Total New Projects	\$57,600,000	\$0	\$100,000	\$57,500,000	13%	87%
Continuing Projects						
1431 - D1 Resurface Employee Parking Lot (ENG)	\$2,130,000	\$82,500	\$100,000	\$1,947,500	20%	80%
1434 - Bus Security Cameras	900,000	300	899,700	0	0%	100%
1531 - SF Bus Lot Env Eval and Mods (ENG)	500,000	0	100,000	400,000	100%	0%
1532 - MCI 120v Outlets	427,500	0	427,500	0	20%	80%
1533 - MCI Bike Racks	385,000	339,500	45,500	0	0%	100%
Total Continuing Projects	\$4,342,500	\$422,300	\$1,572,700	\$2,347,500	13%	87%
Capital Equipment						
1739 - Capital Equipment	\$203,300	\$0	\$203,300	\$0	100%	0%
Total Capital Equipment	\$203,300	\$0	\$203,300	\$0	100%	0%
Total Capital Expenditures	\$62,145,800	\$422,300	\$1,876,000	\$59,847,500	22%	78%
Capital Fund Source						
District	\$8,726,900	\$16,500	\$421,800	\$8,288,600		
Other	53,418,900	405,800	1,454,200	51,558,900		
Total	\$62,145,800	\$422,300	\$1,876,000	\$59,847,500		

1. Dollar figures are rounded to the nearest hundred.
2. Projects are listed in order of descending total project value.
3. First two digits of project number indicate fiscal year the project began.

Bus Division FY 16/17 Capital Project Detail

New Projects

Project 1730 – Replace 70 Transit Buses with Hybrids – \$57,600,000

This project will replace 70 standard diesel-powered buses that have reached the end of their useful life with diesel-electric hybrid buses. The project will result in reduced maintenance costs and fuel savings estimated to be approximately \$10,000 per bus or up to \$700,000 per year. *[Operating Budget Impact: Reduction of more than \$100,000.]*

Continuing Projects

Project 1431 – D1 Resurface Employee Parking Lot – \$2,130,000

This project will resurface the San Rafael employee parking lot, reducing trip and fall hazards and correcting drainage issues. *[Operating Budget Impact: No significant impact.]*

Project 1434 – Bus Security Cameras – \$900,000

This project will install security cameras on the Golden Gate Transit bus fleet, increasing security for passengers and reducing liability risks for the agency. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Project 1531 – SF Bus Lot Environmental Evaluation and Modifications – \$500,000

This project will evaluate potential modifications to the San Francisco Mid-day Parking Facility, including modifications to the hours of operations at the facility, and will determine if the proposed modifications require additional work to be performed at the site. *[Operating Budget Impact: No significant impact.]*

Project 1532 – MCI 120v Outlets – \$427,500

This project will upgrade 55 existing MCI coaches with 120v power outlets. The District has installed passenger Wi-Fi systems in these coaches during FY 14/15 in a separate project and this project will add 120v power outlets at each seat location so that passengers can charge their laptops and other portable electronic devices. *[Operating Budget Impact: An increase of \$50,000 to \$100,000.]*

Project 1533 – MCI Bike Racks – \$385,000

This project will upgrade 55 existing MCI coaches with a second bike rack located in the third baggage bin. Bike-to-transit has proven very popular and current demand exceeds the two-per-bus capacity. This project will double that for an economical cost and is expected to increase ridership. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Capital Equipment

Project 1739 – Capital Equipment – Bus – \$203,000

This project is for the annual purchase of capital equipment for the Bus Division. *[Operating Budget Impact: No significant impact.]*

BUS DIVISION PERSONNEL SUMMARY BY DEPARTMENT

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The Bus Division					
Bus Operations Administration 311					
Bus Operations Administrator	1	1	1	0	(1)/(c)
Director of Operations	1	1	1	1	0
Dispatcher I	8	8	8	8	0
Dispatcher P.T.	4	4	4	4	0
Office Coordinator	1	1	1	1	0
Safety/Training Coordinator	1	1	1	1	0
Superintendent Transpt Operations	1	1	1	1	0
Superintendent Transpt/Safety Training	1	1	1	1	0
Transportation Field Supervisor	10	10	10	10	0
Transpt Supervisor/Student Training	1	1	1	1	0
Total	29	29	29	28	(1)
Bus Operators 312					
Bus Operators Full-Time	266	266	266	270	4/(c)
Bus Operators Part-Time	14	14	14	10	(4)/(c)
Total	280	280	280	280	0
Bus Maintenance Administration 321					
Administrative Assistant	1	1	1	1	0
Director of Maintenance	1	1	1	1	0
Fleet & Facilities Superintendent	1	1	1	1	0
Office Assistant	1	0	0	0	0
Office Specialist	1	2	2	2	0
Total	5	5	5	5	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The Bus Division					
Bus Maintenance - Mech/Stores 322					
Automotive Painter	1	1	1	1	0
Body & Facility Chief Mechanic	1	1	1	1	0
Body & Fender Mechanic	3	3	3	3	0
Building Maintenance Mechanic	4	3	3	3	0
Chief Mechanic	3	3	3	3	0
Farebox Repair/Welder Mechanic	1	1	1	1	0
Lead Body Mechanic	1	1	1	1	0
Lead Building Maintenance Mechanic	0	1	1	1	0
Machinist	1	1	1	1	0
Maintenance Trainer Bus	1	1	1	1	0
Mechanic	28	28	28	28	0
Mechanic Apprentice	0	0	1	1	0
Mechanic (Automotive)	1	1	1	1	0
Mechanic Electronics Technician	2	2	2	2	0
Mechanic Electronics Technician II	1	1	1	1	0
Mechanic Leader (Day)	1	1	1	1	0
Storekeeper	3	3	3	3	0
Storekeeper Chief	1	1	1	1	0
Trimmer	1	1	1	1	0
Total	54	54	55	55	0
Bus Maintenance – Servicers 323					
Bus Servicer Leader	2	2	2	2	0
Servicer	20	20	20	20	0
Total	22	22	22	22	0
Bus Procurement 340					
Buyer	1	1	1	1	0
Senior Buyer	1	1	1	1	0
Total	2	2	2	2	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
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The Bus Division

Bus General & Administration 390

Administrative Assistant	1	1	1	1	0
Deputy General Mgr, Bus	1	1	1	1	0
Director of Schedules & Svc Development	0	0	0	1	0/(a)
Lead Route Checker	1	1	1	1	0
Mgr. of Scheduling & Svc Development	1	1	1	0	0/(a)
Operations & Schedules Analyst	0	0	0	1	1/(c)
Schedules Analyst (1 LT)	2	2	2	2	0
Scheduling Technician	1	1	1	1	0
Senior Schedules Analyst	1	1	1	0	0/(a)
Supervising Scheduler & Data Analyst	0	0	0	1	0/(a)
Total	8	8	8	9	1

Bus Division Totals

Total Authorized Positions	400	400	401	401	0
Regular Positions	399	399	400	400	0
Limited Term Positions	1	1	1	1	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

Ferry Division Table of Contents

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FERRY DIVISION PROFILE

In November 1969, the California State Legislature authorized the District to develop a plan for mass transit in the Golden Gate Corridor. The plan called for all forms of transportation, including water transit. On August 15, 1970, the District began providing ferry service from Sausalito to San Francisco. In 1976, ferry service began between Larkspur and San Francisco.

The Ferry Division is responsible for the operation of seven vessels: three conventional mono-hull Spauldings and four high-speed catamarans. These ferries operate the following routes for a total of approximately 17,000 yearly crossings:

- Larkspur/San Francisco/Larkspur – approximately 42 weekday crossings, 8 weekend crossings.
- Sausalito/San Francisco/Sausalito – approximately 22 weekday crossings, 17 weekend crossings (summer), and 18 weekday crossings, 12 weekend crossings (winter).
- Seasonal service from Larkspur to AT&T Park; approximately 168 crossings (depending on the San Francisco Giants schedule).

Special service runs are provided for Board-authorized special events such as the Bay to Breakers Race, SF Pride Parade, Opera at the Ballpark and concerts at AT&T Park. The Ferry Division is responsible for the daily maintenance of all its vessels, landside terminal operations, fuel storage and the Larkspur Ferry Terminal Parking Lot. The Ferry Division is also responsible for all major repairs, dry-dockings and capital projects associated with the fleet of seven vessels.

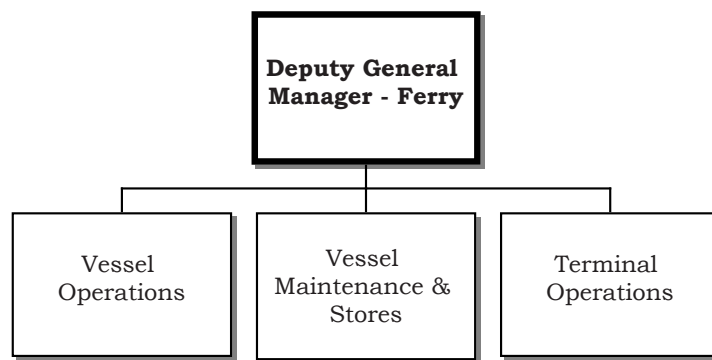
The Deputy General Manager is responsible for the overall management of the Ferry Division, including long-range planning, daily operations and the three major organizational units that support operations and maintenance:

- Vessel Operations
- Terminal Operations
- Maintenance and Engineering

The Ferry Division continues to adjust ferry service schedules to support increased demand. This year's enhancements included adding yet another weekday morning Larkspur sailing, making adjustments to the evening commute period from San Francisco and additional seasonal service to support continued growing demands in Sausalito.

The most significant vessel accomplishments for FY 15/16 were the refurbishment and repowering of the *M.S. San Francisco* and the mid-life refurbishment and propulsion improvements to the *M.V. Mendocino*. While the *M.S. San Francisco* returned late in 2015, the *M.V. Mendocino* will return to service in June 2016. The *M.S. San Francisco* now has options on the lower deck to set up for seats or bikes. The wheelhouse has been overhauled with new electronics, there's now a multi-use elevator, a revamped engine room with an access door to the stern and large entryways with two sliding doors each.

FERRY DIVISION ORGANIZATIONAL CHART



FERRY DIVISION STATUS

Focus on Upgrading Terminals and Equipment to Provide Reliable, Cost-Effective Ferry Service

While the Ferry Division still has one Spaulding vessel, the *M.S. Sonoma*, due for complete refurbishment (now scheduled for spring/summer 2017), the general focus on the vessel side will switch to formalized scheduled maintenance to maintain the existing fleet. Long-term vessel project maintenance will also be a focus. As the transition from vessel refurbishment to facilities takes place, the focus will turn to ferry terminals; and more specifically, ferry berthing facilities.

A number of projects for reconstruction of the District's three ferry terminals continue in the engineering phase, and at least one of those, the Sausalito Ferry Terminal construction, is in the final stages of proceeding through the permitting phase with a targeted construction start of early 2017. Of the remaining terminals, engineering for the San Francisco Terminal should be completed in 2016 and proceed to the permitting stage in 2017. In the meantime, the Larkspur Terminal gangway systems will undergo a service life extension program (SLEP) to ensure the facilities continue normal operation until construction of the new facilities. Later this year, the District will review conceptual designs for the Larkspur gangway system improvements.

In FY16/17, District staff will continue discussion with the Board of Directors on the need for continued focus on a strategic vision for ferry service between Larkspur and San Francisco. This effort began two years ago, as the Board considered short and long-term strategic visions for Larkspur ferry service. This was necessary, due primarily to the overwhelming popularity of Larkspur weekday commute service. The strategic plan considered, among other things, increased service in the morning from Larkspur to San Francisco; increased parking at the Larkspur facility; alternative measures for customers to get to the ferry terminal; and the impacts the Sonoma-Marín Area Rail Transit (SMART) system will have on the demand for ferry service.

As a result of the discussion, the District continues the paid parking pilot program at the Larkspur Ferry Terminal Parking Lot and has added free Golden Gate Transit shuttle buses for those passengers who choose the Larkspur ferry as their preferred method of transportation to San Francisco. As an interim measure to increase parking capacity at the Larkspur terminal, the District recently made improvements to a parcel of property across the street. The new overflow lot provides approximately 300 new parking spots for our ferry customers.

Consistent with the strategic planning initiatives, the District continues to make schedule adjustments to accommodate customer demand.

Looking to the Future

The District's Ferry Division is currently in the final planning stages of assuming the weekday Tiburon ferry commute service between downtown Tiburon and the Ferry Building in San Francisco. This is the first new route Golden Gate Ferry has added since the service to AT&T Park began in the late nineties. The addition of this service is consistent with our assigned mission of supporting the Bay Area's focus on reducing traffic congestion, reducing greenhouse gas emissions and improving the quality of life, while at the same time growing ferry ridership.

We would like to recognize and thank our employees for their hard work and dedication, each and every day. The Ferry Division is proud to have the opportunity to enhance the quality of life for our customers in the Bay Area.

FY 16/17 FERRY DIVISION GOALS AND PROJECTS

Ferry Division Goals

Maintenance	Maintain and improve Ferry vessels and facilities.
Safety	Continue to improve operating standards and procedures to maintain safe, reliable and efficient Ferry service.
Efficiency	Maintain farebox recovery while expanding the service to meet passenger demand.

FY 16/17 Project Focus

The following are capital projects that affect the Ferry Division and will be part of the District's workplan focus for FY 16/17. Please refer to the Ferry Division's Capital project detail for more description.

Facilities	<i>M.S. Sonoma</i> Refurbishment and Repower <i>M.S. Marin</i> Repower & Dry Dock <i>M.V. Golden Gate</i> Dry Docking & Capital Improvements <i>M.V. Golden Gate</i> Engine-Vessel Improvements & Dry Dock Ferry Terminal Security Camera Upgrades <i>M.V. Mendocino</i> - Mid-Life Refurbishment <i>M.V. Napa</i> Main Engine QL3 Overhaul <i>M.V. Golden Gate</i> Main Engine QL3 Overhaul <i>M.V. Mendocino</i> - Eng. Design Correction <i>M.V. Del Norte</i> Propulsion Control Sys. Replacement <i>M.V. Del Norte</i> Main Engine QL1 Overhaul <i>M.V. Del Norte</i> Vessel Mods, Main Door
Ferry Operations	Sausalito Landing Rehabilitation Environmental Mitigation TVM Enclosure Door Replacement Corte Madera Marsh Restoration Vessel Man Overboard Davits Gangways & Piers - Sausalito Construction Gangway & Piers - Design SLEP Larkspur

CHANGES FROM FY 15/16 ACTUAL TO FY 16/17 ADOPTED BUDGET

Revenues

The Ferry Division's FY 16/17 Adopted Revenues of \$27.6 million consists of:

- \$23.2 million from Fares
- \$3.4 million from State and Local Operating Grants
- \$1.0 million from Other Operating Income

Ferry Division's Adopted Revenues for FY 16/17 are projected to increase by \$2.7 million, or 11.0%, from the FY 15/16 Actual. The increase in FY 16/17 Adopted Budget Ferry revenue is attributed to the increase in Ferry Transit fare revenues of \$3.1 million, or 15.1%, from the FY 15/16 Actual and a \$0.4 million increase in State Operating Assistance (due to a FY 15/16 adjustment that the State Controller's Office made to the revenue basis). These increases were offset by a \$0.7 million decrease in Other Operating Income (primarily due to one-time Marine Insurance Recoveries). Transit fares include a 4% fare increase and \$1.4 million in fare revenue for the new Tiburon ferry service. Ferry ridership is forecasted to increase 13.1% due to a 5.2% increase in ridership for current service and an increase of approximately 200,000 new riders for Tiburon ferry service.

Expenses

The Ferry Division's FY 16/17 Adopted Operating Expenses total \$40.0 million. The Ferry Division's FY 16/17 Adopted Budget contains a \$3.0 million, or 8.0%, increase over the FY 15/16 Actual expenses. The components of the changes to expense are summarized in the table on the following page.

Summary of Changes From FY 15/16 Actual to FY 16/17 Adopted Budget (All Figures In Millions)

Labor	
Increase to salaries due to added Tiburon service plus a 3% COLA increase for non-represented and represented employees unless specified otherwise in their ratified Memorandum of Understanding	\$1.3
Increase in payroll fringes for FY 16/17 due to COLA and added Tiburon staff	0.1
Increase in MEBA, IBU and PERS pension expenses due to higher contribution rates	0.5
Increase in medical expenses for FY 16/17 due to re-funding of vacant positions and increase in annual costs	0.5
Projected decrease in Workers' Compensation expenses in FY 16/17 due to higher than budgeted expenses in FY 15/16	(0.4)
Decrease in miscellaneous benefits (capitalized benefits) due to less than budgeted capitalized labor in FY 15/16	(0.2)
Professional Services	
Increase in legal and litigation fees due to projected activity for FY 16/17	0.2
Projected decrease in Dry Docking expenses	(0.6)
Decrease in FY 16/17 District Division temporary help services compared to FY 15/16	(0.4)
Supplies and Other	
Increase in projected fuel costs due to lower than budgeted cost per gallon in FY 15/16 and the additional fuel for the Tiburon ferry service	2.5
Decrease in repair and maintenance supplies due to one-time higher repair costs in FY 15/16	(0.4)
Decrease in operating supplies due to one-time higher supply use in FY 15/16	(0.2)
Projected increase in insurance liability expenses and fees	0.1
Total Change from FY 15/16 Actual to FY 16/17 Adopted Budget	\$3.0

FERRY DIVISION OPERATING BUDGET

	FY 14/15 Actual	FY 15/16 Budget	FY 15/16 Actual	FY 16/17 Adopted Budget
Revenues				
Transit Fares*	\$18,399,335	\$19,559,000	\$20,180,003	\$23,233,900
Other Operating Income	1,328,446	1,014,400	1,781,641	1,045,000
State Operating Income	3,258,485	3,166,500	2,738,973	3,166,500
Federal Operating Income	7,533	200,000	209,682	200,000
Total Revenues	\$22,993,799	\$23,939,900	\$24,910,299	\$27,645,400
Percent Change		4.1%	4.1%	11.0%
Expenses				
Salaries	\$9,971,664	\$10,567,200	\$10,564,423	\$11,869,800
Fringe Benefits	7,019,489	8,129,100	8,140,754	8,628,800
Professional Services	4,584,681	4,922,700	4,860,812	4,021,200
Fuel & Related Taxes	6,008,964	4,336,000	4,301,197	6,853,000
Repair & Operating Supplies	1,540,215	2,060,000	2,055,038	1,490,700
Insurance, Taxes & Permits	1,206,557	1,336,300	1,342,818	1,393,800
Other	170,249	195,100	206,072	222,300
Leases & Rentals	61,077	62,200	63,145	49,500
Subtotal Expenses	\$30,562,896	\$31,608,600	\$31,534,259	\$34,529,100
Capital Contribution	4,000,000	4,000,000	4,000,000	4,000,000
Depreciation	1,429,092	1,549,300	1,549,961	1,523,600
Total Expenses	\$35,991,988	\$37,157,900	\$37,084,220	\$40,052,700
Percent Change		3.2%	(-0.2%)	8.0%
Revenues Over/(Under) Expenses	(\$12,998,189)	(\$13,218,000)	(\$12,173,921)	(\$12,407,300)
Ridership	2,540,408	2,593,612	2,545,122	2,878,023
Average Fare	\$7.24	\$7.54	\$7.93	\$8.07

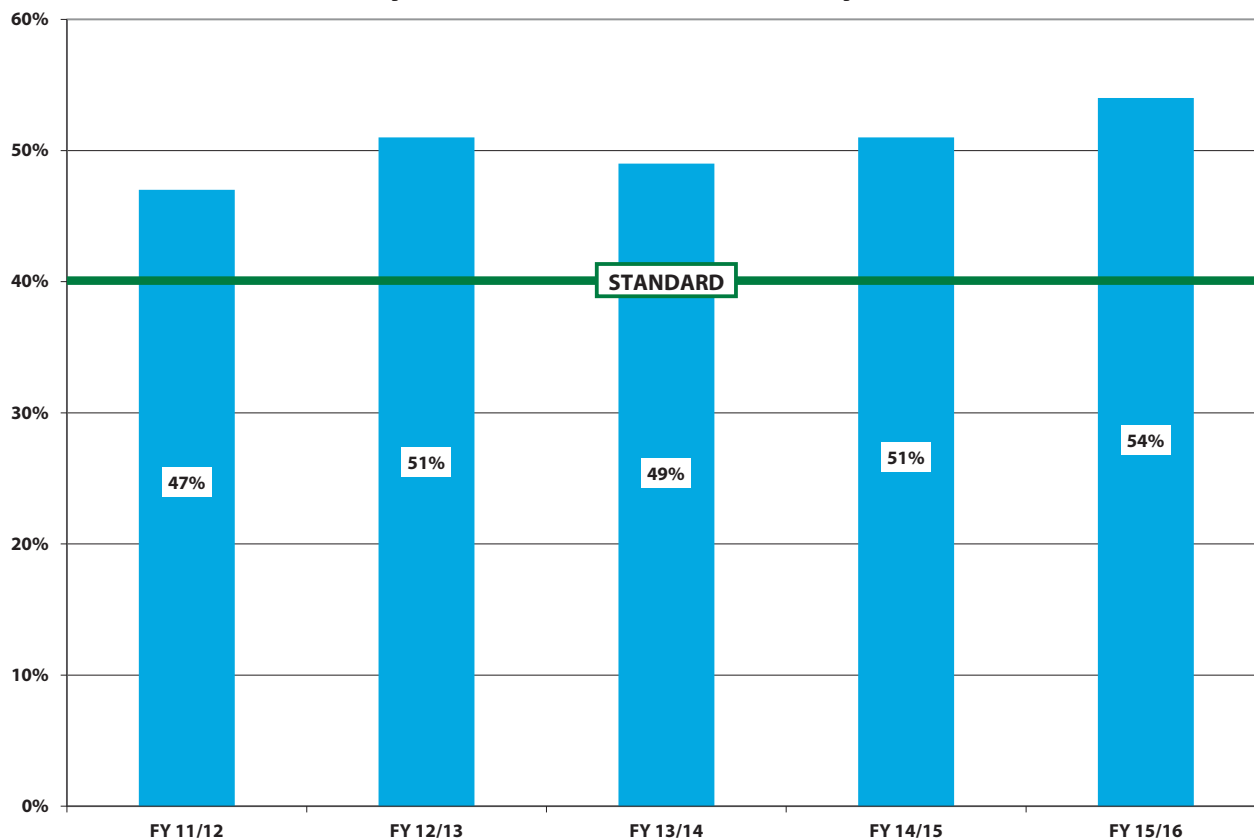
*FY 16/17 Transit Fares include new Tiburon Ferry Service.

Assumptions:

- 3% salary increase for non-represented and Coalition-represented employees unless specified otherwise in their ratified Memorandum of Understanding.
- Includes Employer MEBA, IBU and PERS contribution (27.282%).
- OPEB costs are included in Fringe Benefits and reflect adoption of GASB 45 which accrues for OPEB costs based on the Annual Required Contribution (ARC) for OPEB benefits.
- \$2.50/gallon for fuel costs for the Ferry Division.
- All fiscal years show the transfer of District Division expense by line item.
- The Ferry Division's share of the District Division transfer is \$6.9 million.
- Salaries include approximately \$1.2 million for casual employees for workforce relief and extra work assignments that are not included in the Ferry Division's authorized positions listing.

FERRY DIVISION PERFORMANCE MEASURES

Ferry Transit Farebox Recovery Ratio

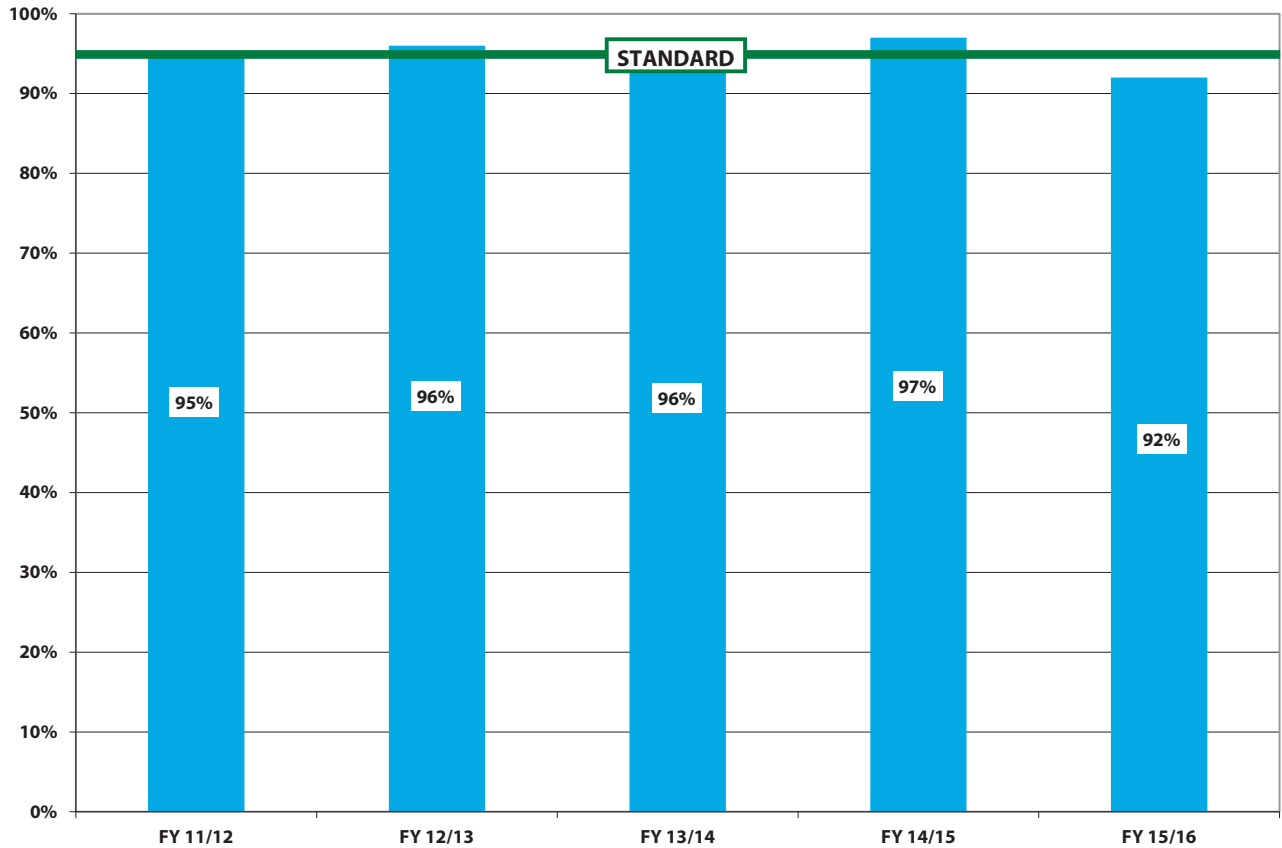


Measure: Farebox Recovery - Fare revenue as a percentage of operating expense.
Standard: Standard is 40%, based on Short Range Transit Plan (S RTP).

Strategies to further improve Farebox Recovery Ratio include the following:

- Transit fares increased by 4% on July 1, 2016.
- Examining the ClipperSM vs. Single Use Ticket fare gap
- Implemented paid-parking at the Larkspur Ferry Terminal.
- Streamlining ticket-vending for Baseball service.
- Implementing capital projects that help reduce maintenance costs (e.g., new gangways and piers, Larkspur Maintenance Facility rehabilitation).

Ferry Transit Percentage of Trips Operating On-Time



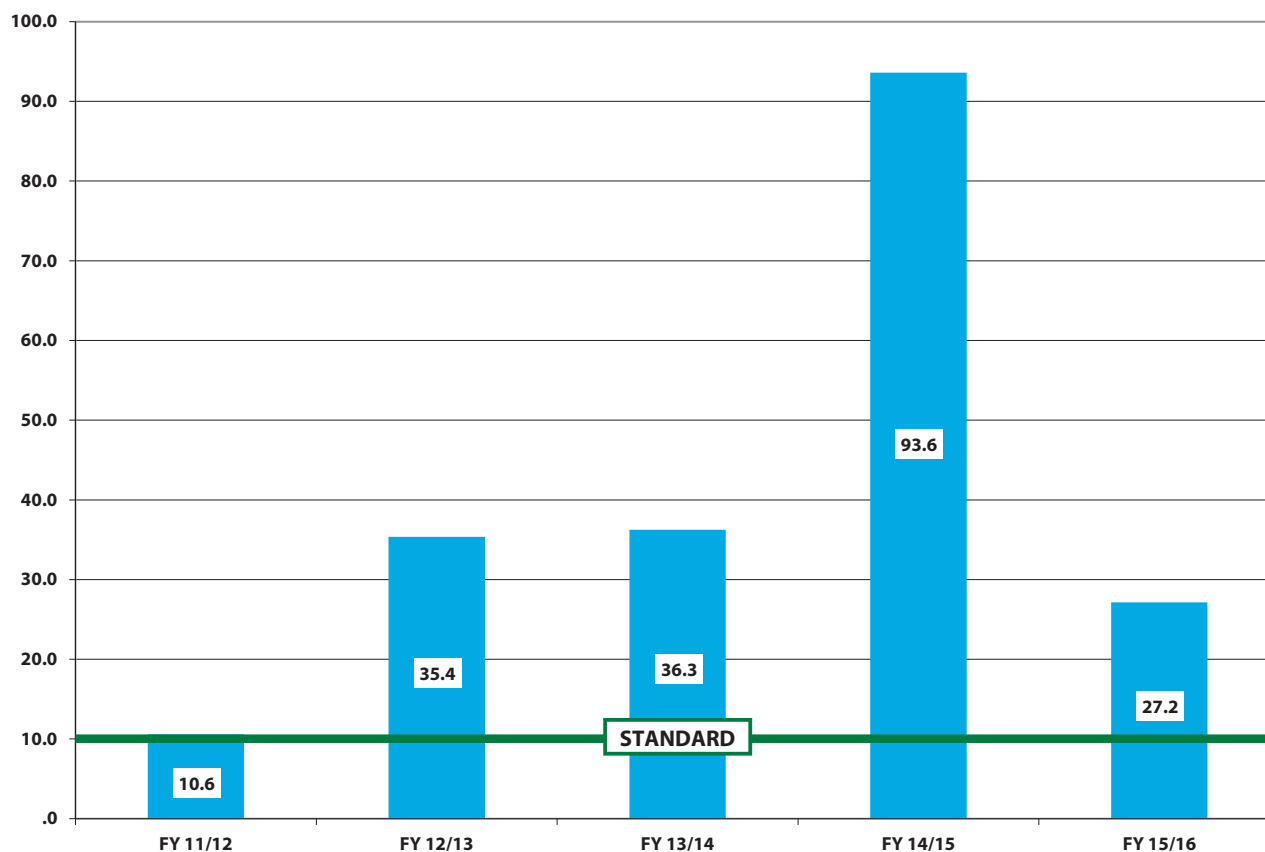
Measure: Scheduled service times and actual service times at key time points.
Standard: Operate on-schedule 95% of the time, based on the S RTP.

Strategies for maintaining an above-standard on-time percentage include the following:

- Enhancing communications with ACIS implementation to increase efficiency for communication and real-time tracking of vessel location.
- Examination of expanding ferry service from Larkspur during rush hour and Sausalito over the summer tourist season to potentially reduce loading time.

Ferry Mechanical Failure Rate

All Chart Numbers Shown in Thousands



	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Mechanical Failures	17	5	5	2	7
Revenue Miles	180,084	176,831	181,256	187,179	190,060
Miles/Breakdown	10,593	35,366	36,251	93,589	27,151

Measure: Miles between in-service mechanical failures.
Standard: No more frequent than one per every 10,000 miles, based on S RTP.

The Ferry Division seeks to minimize mechanical system failures by following a timely vessel preventative maintenance and dry-docking strategy to ensure systems are inspected and serviced on regular intervals to ensure reliability.

Ferry Passengers Per Revenue Hour

	Standard	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Time of Day						
AM Peak	150	219	231	232	242	241
Midday	100	95	98	98	88	92
PM Peak	150	184	200	218	221	226
Weekend	100	183	198	221	198	210
Total System		164	175	186	181	187

Measure: Ferry passengers per service (revenue) hour.

Standard: Ferry service productivity standards are at least 150 passengers per hour for peak hours and 100 for off-peak hours, based on the SRTP.

Note: Some Performance Measures data for previous years has been amended due to final audit adjustments.

Policies to build demand include:

- Examining expanded service for unmet demand during tourist season and peak-hours along with two new ferry feeder bus routes to overcome parking limitations at the Larkspur Ferry Terminal.
- Enhancing amenities such as increased bike parking, refurbished vessels and onboard wireless internet to attract more customers.

FERRY DIVISION CAPITAL BUDGET

Program Summary

The FY 16/17 Capital Budget for the Ferry Division totals \$4.7 million and represents 22% of the total agency's capital budget. Major work and financial investment in FY 16/17 focuses on new and continuing projects, including, the refurbishment of the *M.V. Mendocino* (1029 and 1647), continuing design work on the Gangways & Piers project (0503), the Corte Madera marsh restoration (9710), and the Larkspur Ferry Terminal Service Life Extension Project (1542). Major new projects include a refurbishment and repower of the *M.S. Sonoma* (1740) and *M.S. Marin* (1741), and a dry-docking of the *M.V. Golden Gate*.

Actual FY 15/16 capital expenditures for the Ferry Division totaled \$20.2 million, funded with \$3.5 million, or 18%, District funds and \$16.7 million, or 82%, in grant funds.

Completed Projects

A total of four (4) projects were completed in FY 15/16.

Project 1026 – M.S. San Francisco Refurbishment – \$20,525,000

This project was expanded from a power distribution refurbishment to a total refurbishment of the *M.S. San Francisco*, which included the removal and replacement of the interior of the vessel as well as replacement of the main electrical switch boards, motor control center and power distribution breaker panels, main engines, gearboxes and auxiliary propulsion systems. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1215 – San Francisco Ferry Terminal (SFFT) Utilities & Roof Replacement – \$1,770,000

This project replaced existing deteriorated utilities under the deck of the San Francisco Ferry Terminal to prevent interruption of utility services. This project included the roof replacement as part of the utilities improvements project. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1446 – M.V. Del Norte – Engine-Vessel Improvements & Dry Dock – \$850,000

This project involved engine-vessel improvements such as ADA Audio/Visual improvements, asset protection corrosion monitors and installation of maintenance-free shaft seals while the vessel is in dry dock. *[Operating Budget Impact: A reduction of more than \$100,000.]*

Project 1212 – Passenger Ferry Information Systems – \$301,000

This project installed new public address systems and weatherproof monitors to provide routine information and assist with information provided during service interruptions and emergencies. *[Operating Budget Impact: No significant impact.]*

Ferry Division Capital Budget FY 16/17¹

Project Number and Description ³	Total Project ²	Prior Years	FY 16/17 Budget	Future Years	FY 16/17 Funding	
					District	Other
New Projects						
1740 - <i>M.S. Sonoma</i> Refurbishment & Repower	\$22,500,000	\$0	\$100,000	\$22,400,000	11%	89%
1741 - <i>M.S. Marin</i> Repower & Dry Dock	5,488,000	0	200,000	5,288,000	80%	20%
1742 - <i>M.V. Golden Gate</i> Dry Docking & Capital Improvements	938,800	0	400,000	538,800	100%	0%
1743 - Ferry Terminal Security Camera Upgrades	200,000	0	200,000	0	11%	89%
Total New Projects	\$29,126,800	\$0	\$900,000	\$28,226,800	66%	34%
Continuing Projects						
1441 - Gangways & Piers - Sausalito Construction (ENG)	\$11,500,000	\$0	\$100,000	\$11,400,000	20%	80%
0503 - Gangway & Piers - Design (ENG)	8,374,500	6,209,100	500,000	1,665,400	16%	84%
1029 - <i>M.V. Mendocino</i> - Mid-Life Refurb	6,290,000	5,709,700	580,300	0	10%	90%
9710 - Corte Madera Marsh Restoration (ENG)	2,489,000	1,364,500	200,000	924,500	100%	0%
1542 - SLEP Larkspur	1,740,000	109,400	100,000	1,530,600	20%	80%
1643 - <i>M.V. Napa</i> Main Engine QL3 Overhaul	816,000	500	400,000	415,500	100%	0%
1645 - <i>M.V. Golden Gate</i> Main Eng. QL3 Overhaul	816,000	411,900	100,000	304,000	100%	0%
1647 - <i>M.V. Mendocino</i> - Eng. Design Correction	810,000	61,600	748,400	0	0%	100%
1644 - <i>M.V. Del Norte</i> Propulsion Control System Replacement	450,000	2,000	448,100	0	100%	0%
1451 - <i>M.V. Golden Gate</i> - Engine-Vessel Improvements & Dry Dock	400,000	149,100	250,900	0	20%	80%
1648 - <i>M.V. Del Norte</i> Vessel Mods, Main Door	175,000	61,600	100,000	13,400	100%	0%
1646 - <i>M.V. Del Norte</i> Main Engine QL1 Overhaul	150,000	129,200	20,800	0	20%	80%
1452 - Sausalito Landing Rehab Env Mtgtn (ENG)	100,000	70,000	30,000	0	100%	0%
1545 - TVM Enclosure Door Replacement	100,000	0	100,000	0	20%	80%
1642 - Vessel Man Overboard Davits (All Vessels)	70,000	31,900	38,100	0	100%	0%
Total Continuing Projects	\$34,280,500	\$14,310,500	\$3,716,600	\$16,253,400	42%	58%
Capital Equipment						
1749 - Capital Equipment	\$38,500	\$0	\$38,500	\$0	100%	0%
Total Capital Equipment	\$38,500	\$0	\$38,500	\$0	100%	0%
Total Capital Expenditures	\$63,445,800	\$14,310,500	\$4,655,100	\$44,480,200	47%	53%
Capital Fund Source						
District	\$17,589,500	\$3,595,000	\$2,234,500	\$11,791,400		
Other	45,856,300	10,715,500	2,420,600	32,688,800		
Total	\$63,445,800	\$14,310,500	\$4,655,100	\$44,480,200		

1. Dollar figures are rounded to the nearest hundred.

2. Projects are listed in order of descending total project value.

3. First two digits of project number indicate fiscal year the project began.

Ferry Division FY 16/17 Capital Project Detail

New Projects

Project 1740 – M.S. Sonoma Refurbishment and Repower – \$22,500,000

This project is a total refurbishment of the *M.S. Sonoma*, which will include the removal and replacement of all interior passenger and crew spaces as well as replacement of the main electrical switch boards, motor control center and power distribution breaker panels, main engines, gearboxes and main propulsion systems. This project will also make improvements to carry up to 200 bicycles. *[Operating Budget Impact: No significant impact.]*

Project 1741 – M.S. Marin Repower & Dry Dock – \$5,488,000

This project will upgrade the *M.S. Marin* engines to Tier III and install new gears and shafting. The work will also include electrical upgrades, pilot house improvements, upgraded seating, interior furnishings and exterior painting. This project includes work to the *M.S. Marin* under project 1640 – *M.S. Marin* Ramp & Gangways Vessel Modifications – to allow the vessel to interface with new ramps and gangways. *[Operating Budget Impact: No significant impact.]*

Project 1742 – M.V. Golden Gate Dry Docking & Capital Improvements – \$938,800

This project replaces project 1451, *M.V. Golden Gate* Engine-Vessel Improvements and Dry Dock, which was bid out but not completed. The bids from two shipyards had noticeable differences that prompted a revised scope of work to include additional engineering drawings. These drawings should provide the shipyards with the clarification they need to accurately bid the work. The revised project includes, but is not limited to the following: dry-docking the vessel, electrical work, piping and mechanical foundations, structural modifications, work to sea chests, replacement and addition of new windows, work to the water jets, installation of a passenger information system and changes to the engine room ventilation system. *[Operating Budget Impact: No significant impact.]*

Project 1743 – Ferry Terminal Security Camera Upgrades – \$200,000

This project will replace the existing closed-circuit television (CCTV) surveillance system at the San Francisco Ferry Terminal. *[Operating Budget Impact: No significant impact.]*

Continuing Projects

Project 1441 – Gangways & Piers – Sausalito Construction – \$11,500,000

This project is a part of a larger system-wide ferry project to design and construct replacement ramps and gangways to improve access on the San Francisco, Larkspur and Sausalito ferry terminals. The existing facilities will be rehabilitated, including the replacement of ramps and floats, to address ADA compliance and other issues affecting passenger safety. Upgrades to the facilities are to provide for the increasing use of bicycles and to support loading/offloading operations. Replacement ramps will be designed to facilitate smooth, safe and efficient loading of passengers and bicycles. *[Operating Budget Impact: A reduction of more than \$100,000.]*

Project 0503 – Gangway & Piers, Design – \$8,374,500

This project involves preliminary engineering and environmental work to replace and rehabilitate the existing hydraulic gangway and ramp system installed at the San Francisco, Larkspur and Sausalito ferry terminals that were built in the mid-1970s. *[Operating Budget Impact: A reduction of more than \$100,000.]*

Project 1029 – M.V. Mendocino Mid-Life Refurbishment – \$6,290,000

This project will include extensive rehabilitation of the 10-year old M.V. Mendocino. The project budget was increased from \$5.98 million to \$6.29 million in FY 15/16 through a Board-approved action in February 2016 (Resolution 2016-014). *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 9710 – Corte Madera Marsh Restoration – \$2,489,000

In accordance with conditions of a 1988 dredging permit issued by the Corps of Engineers, this project began in FY 96/97 to provide for restoration of seasonal and tidal wetlands at the District's 72-acre parcel adjacent to the Corte Madera Ecological Reserve (CMER). The project will mitigate potential impacts of ferry operations on the CMER shoreline. *[Operating Budget Impact: To be determined.]*

Project 1542 – Larkspur Ferry Terminal Service Life Extension Project – \$1,740,000

This project will refurbish the Larkspur Ferry Terminal's gangways, floating fender camels and hydraulic systems in order to prevent complete failure of the gangway prior to replacement and bring the terminal facility to a state of good repair. *[Operating Budget Impact: No significant impact.]*

Project 1643 – M.V. Napa Main Engine QL3 Overhaul – \$816,000

This project is a factory-mandated mid-life overhaul of the vessel's main engines at 10,000 operating hours. The project will involve replacement and servicing of several key engine components. *[Operating Budget Impact: No significant impact.]*

Project 1645 – M.V. Golden Gate Main Engine QL3 Overhaul – \$816,000

This project is a factory-mandated mid-life overhaul of the vessel's main engines at 10,000 operating hours. The project will involve replacement and servicing of several key engine components. This project was added to the FY 15/16 budget through a Board approved action in August 2015 (Resolution No. 2015-072). *[Operating Budget Impact: No significant impact.]*

Project 1647 – M.V. Mendocino Engine Design Correction – \$810,000

This project will allow the District to correct the design of the M.V. Mendocino's water jets and gear boxes, and to design and install new, custom water jet parts. This project was added to the FY 15/16 budget through a Board approved action in December 2015 (Resolution No. 2015-111). *[Operating Budget Impact: No significant impact.]*

Project 1644 – M.V. Del Norte Propulsion Control System Replacement – \$450,000

The existing propulsion control system on the M.V. Del Norte is 18 years old and obsolete. The manufacturer is out of business and the hardware is out of production. This project will replace the obsolete system with a new system to control the water jets and main engines on the vessel. *[Operating Budget Impact: No significant impact.]*

Project 1451 – M.V. Golden Gate – Engine-Vessel Improvements & Dry Dock - \$400,000

This project will improve engine-vessel capacity for the M.V. Golden Gate while the vessel is in dry dock. The total project budget was reduced from \$650,000 to \$400,000 through the FY 16/17 budget process. *[Operating Budget Impact: No significant impact.]*

Project 1648 – M.V. Del Norte Vessel Modifications, Main Door – \$175,000

This project will change the location of the vessel's main door to align with the land side floats at Tiburon. The M.V. Del Norte will be the primary vessel to provide weekday Tiburon service. *[Operating Budget Impact: A reduction of \$50,000 to \$100,000.]*

Project 1646 – M.V. Del Norte Main Engine QL1 Overhaul – \$150,000

This project is a regularly scheduled, required QL1 overhaul to ensure reliable operation of the engines. This project was added to the FY 15/16 budget through a Board approved action in January 2016. The M.V. Del Norte accumulated triple the operating hours planned, due to the delay in the return of the M.V. Mendocino. *[Operating Budget Impact: A reduction of \$50,000 to \$100,000.]*

Project 1452 – Sausalito Landing Rehab Environmental Mitigation - \$100,000

This project will contribute funds necessary to plant and monitor 0.16 acres of eelgrass beds, which equals a 1:1 mitigation ratio, as part of the Gangways and Piers Sausalito construction. *[Operating Budget Impact: No significant impact.]*

Project 1545 – TVM Enclosure Door Replacement – \$100,000

This project will replace inefficient doors on TVM enclosures and reduce risk for employee injury and workers compensation claims. *[Operating Budget Impact: A reduction of \$50,000 to \$100,000.]*

Project 1642 – Vessel Man Overboard Davits – \$70,000

This project will implement OSHA certified vessel modifications to comply with new U.S. Coast Guard requirements for man overboard retrieval systems. *[Operating Budget Impact: No significant impact.]*

Capital Equipment

Project 1749 – Capital Equipment – Ferry – \$38,500

This project is for the annual purchase of capital equipment for the Ferry Division. *[Operating Budget Impact: No significant impact.]*

Projects Moved to the 10-Year Plan

The following projects were moved to the District's 10-Year Plan. The reasons projects are moved to the 10-Year Plan include: the project's timeline may have changed, or the project's priority may have shifted compared with other projects in the budget.

Project 1442 – Larkspur Ferry Terminal (LFT) Berth and Channel Dredging – \$14,900,000

This project has been moved to the 10-Year Plan. The project facilitates periodic underwater excavation activities needed to maintain negotiable waterways (channel) and berths for ferry vessels at the Larkspur Ferry Terminal. *[Operating Budget Impact: No significant impact.]*

Project 1640 – M.S. Marin Ramp & Gangways Vessel Modifications – \$1,340,100

This project has been moved to the District's 10-Year Plan and will implement the necessary vessel modifications on the *M.S. Marin* to allow the vessel to interface with the new ramps and gangways after they are constructed. *[Operating Budget Impact: No significant impact.]*

Project 1641 – M.V. Napa Ramp & Gangways Vessel Modifications – \$1,180,300

This project has been moved to the District's 10-Year Plan and will implement the necessary vessel modifications on the *M.V. Napa* to allow the vessel to interface with the new ramps and gangways when completed. *[Operating Budget Impact: No significant impact.]*

Project 1440 – M.V. Golden Gate – Structural Modifications – \$100,000

This project was incorporated into the *M.V. Golden Gate* Dry Docking and Capital Improvements project (1742). *[Operating Budget Impact: No significant impact.]*

FERRY DIVISION PERSONNEL SUMMARY BY DEPARTMENT

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The Ferry Division					
Ferry Vessel Operations 410					
Deckhand	16	19	23	23	0
Deckhand Baseball	2	2	2	2	0
Deckhand Lead	8	8	10	10	0
Maintenance Deckhand	1	1	1	1	0
Seasonal Deckhand	3	3	3	3	0
Seasonal Deckhand Lead	1	1	1	1	0
Seasonal Vessel Master	2	2	2	2	0
Supervising Vessel Master	1	1	1	1	0
Vessel Master	12	14	16	16	0
Vessel Master Baseball	1	1	1	1	0
Total	47	52	60	60	0
Ferry Terminal Operations 420					
Admin Assist/Crew Resources	1	1	1	1	0
Director of Ferry Operations	1	1	1	1	0
Operations Supervisor	5	5	5	5	0
Operations Supervisor Seasonal	1	1	1	1	0
Terminal Assistant	7	7	7	7	0
Terminal Assistant Seasonal Sausalito	1	1	1	1	0
Total	16	16	16	16	0
Ferry Maintenance 430					
Director of Engineering & Maintenance	1	1	1	1	0
Ferry Projects Administrator (LT)	1	1	1	1	0
Manager Ferry Maintenance	1	1	1	1	0
Marine Storekeeper	1	1	1	1	0
Mechanic	6	6	6	6	0
Mechanic Lead	3	3	3	3	0
Working Foreman Mechanic	1	1	1	1	0
Total	14	14	14	14	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The Ferry Division					
Ferry Procurement 440					
Senior Buyer	1	1	1	1	0
Total	1	1	1	1	0
Ferry General & Administration 490					
Administrative Assistant	1	1	1	1	0
Deputy General Manager, Ferry Division	1	1	1	1	0
Total	2	2	2	2	0
Ferry Division Totals					
Total Authorized Positions	80	85	93	93	0
Regular Positions	79	84	92	92	0
Limited Term Positions	1	1	1	1	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification



The District organizes and co-hosts a Bay Area-wide inter-agency emergency response drill on San Francisco Bay, designed to test the tactical and emergency response to security-related maritime events.

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DISTRICT DIVISION PROFILE

The District Division is comprised of a variety of administrative departments that support the three operating divisions of the District: Bridge, Bus and Ferry. The District Division consists of the following: Office of the General Manager, Office of the District Engineer, Office of the Auditor-Controller, Office of the District Secretary, and Administration and Development Departments.

The **Office of the General Manager**, as the Chief Executive Officer, is appointed by the Board of Directors and given authority, provided by the Board, for the operation of the District and supervises employees in the administration, operation, construction, strategic planning and research activities of the District.

This office is primarily responsible for providing general management of the District's three operating Divisions (Bridge, Bus and Ferry) and District Administration. Each Division is headed by a Deputy General Manager who reports to the General Manager.

The 1928 legislation that enabled formation of the Golden Gate Bridge District also designated the District Engineer to be in charge of all the engineering and construction works for the District. The **Office of the District Engineer** is responsible for developing and implementing capital improvement projects for the Bridge, Bus and Ferry Divisions as well as providing ongoing engineering support to the District's maintenance operations. Engineering projects are developed and constructed with consideration for financial, operational and environmental conditions and restrictions. The work involves facility inspections, environmental studies, design, construction management, development and procurement of professional engineering services and construction contracts, contract administration and contract labor compliance verification. These activities are performed by the Engineering Department staff and, in the case of the environmental studies, design and construction management, some of the work is accomplished with the assistance of consultants retained under contracts. The Office of the District Engineer works closely with the Bridge, Bus and Ferry Divisions to collaboratively scope projects. Successful project implementation is reflected in improved service to the public, efficiency of District operations and in an extended service life of the District's structures, which are the District's real assets.

The **Office of the Auditor-Controller** is responsible for the financial activities of the District and includes the functions of Accounting, Payroll, Audit, Capital and Grant Programs, Budgeting, Financial Projections, Investments and Treasury functions, Insurance, Electronic Revenue Collection, Procurement and Cash Management.

The **Director of Fiscal Resources** provides oversight support to the Auditor-Controller in the District's investments and financing areas including the District's Commercial Paper Program, Fixed Income Investment Portfolio, Other Post-Employment (OPEB) Trust, 457(b) Deferred Compensation and 401(a) Deferred Contribution Plans, various pension plans and the Health Reimbursement Accounts (HRA) Plans.

Accounting is responsible for the financial processing activities of the District covering areas such as our banking relationship, cash and investment activity, payroll and accounts payable processing, accounts receivable billing and collection activity. The department collaborates with the Marketing and Communications Department to produce the Comprehensive Annual Financial Report (CAFR). The Accounting department oversees all financial audits concerning the District, including the annual audit of the District's financial records. This department is a key contributor or submits reports regarding financial report compliance, including the National Transit Database (NTD) Report, the State Controller's

Reports and the U.S. Department of Transportation, the Indirect Cost Allocation Plan (ICAP) and the Federal Highway Administration (FHWA) Toll Facility Receipts and Disbursement Report. Accounting establishes financial policy interpretation in the areas of internal control and compliance with generally accepted accounting principles.

Capital and Grants is responsible for the development of the annual Capital Budget and the Capital Improvement Program. This office coordinates with the District's three operating divisions and Engineering to account for capital project activities, maintain project budgets and to ensure compliance with grant reporting requirements. This office is responsible for programming, obligating, administering and monitoring Federal, State and Local capital and operating grants for the District. Other responsibilities include the facilitation of the FTA Triennial Review and other grant-related audits as necessary. This office actively participates in local and regional funding policy discussions and working groups and serves as a liaison between granting and partner agencies and the District.

Budget and Electronic Revenue is responsible for facilitating the overall budget process, monitoring the day-to-day operating budget, organizing the details of the operating budget, constructing the Strategic Financial Plan and creating and updating financial projections. This office supports the operating divisions by participating in special projects, performing program analysis, creating business processes and facilitating fiscal policies. This office is also responsible for managing the electronic revenue programs including operations of the All Electronic Tolling (AET) program, FasTrak®, oversight of the ClipperSM program, Ferry parking payment systems and maintaining the toll policy.

Procurement facilitates the timely acquisition of goods and services needed across the District in support of its strategic goals. The Department strives to maximize the value of every expenditure of public funds while ensuring that procurements are conducted with integrity under the principles of open and fair competition. The Procurement Department also manages the commercial credit card program, the non-revenue fleet program and has oversight of the warehousing, inventory and surplus functions.

The **Office of the District Secretary** (DS Office) ensures the Board of Directors (Board) has the proper advice, resources and tools to discharge its fiduciary duties. The Board is comprised of 19 members representing San Francisco, Marin, Sonoma, Napa, Mendocino and Del Norte counties. The DS Office is responsible for planning, organizing and holding Standing and Advisory Committee meetings, regular and special Board meetings and public hearings, including the preparation of agendas, minutes, ordinances and resolutions. The DS Office is also responsible for maintaining the Rules of the Board and Master Ordinance to keep both documents up to date.

Since 2007, the DS Office, in coordination with the Auditor-Controller's office, has also coordinated the meetings of the Golden Gate Bridge, Highway and Transportation District Other Postemployment Benefits (OPEB) Retirement Investment Trust Board (Trust Board).

The District Secretary serves as the Filing Officer for State-mandated requirements, including filing of financial disclosure statements (Form 700) with the Fair Political Practices Commission for the Board, designated staff and consultants. The District Secretary also ensures the Board and designated staff complete Ethics Training. In addition, the District Secretary files the official Board Roster with the State of California.

The DS Office accepts, summarizes and routes District-wide claims lawsuits and subpoenas. The DS Office also receives and orchestrates records collection and provides a legal response to all Public Records Act (PRA) requests. In addition, the DS Office files Notices of Exemption for changes in Bridge tolls, transit fares

and transit services. The DS Office is also responsible for receipt and opening of District-wide formal bids and Requests for Proposals (RFPs).

The DS Office includes the Receptionist position located in the Administration Building, Golden Gate Bridge Toll Plaza. This position provides customer service to the public and is a key point of contact for a multitude of inquiries including questions about all electronic tolling.

The office of **Administration and Development** provides professional and technical staff support to the operating Divisions in the areas of Marketing and Communications, Customer Relations, Information Systems, Human Resources, Organizational Development and Training, Employee Relations and Compliance Programs, Risk Management, Health and Safety, Labor Relations and Planning. Additionally, the Division oversees all civil rights programs including disadvantaged and small business opportunities, Title VI (services and facilities) compliance plans, ADA, EEO and diversity workplace issues. The Employee Relations and Compliance Programs Manager reports to the General Manager on issues involving personnel, but directly reports to the Administration and Development DGM on all day-to-day matters and the Affirmative Action Plan.

Employee Relations and Compliance ensures regulatory compliance with Equal Employment Commission guidelines under Title VII of the Civil Rights Act prohibiting discrimination in the workplace, consults with mid-level and senior management on the handling of discipline, grievances, separations, and sensitive harassment and discrimination investigations. Employee Relations is responsible for managing the EEO Program and its various program components which include developing personnel policies and procedures, investigating complex personnel complaints, collecting and analyzing employment data, setting Affirmative Action Plan and Disadvantaged Business Enterprise goals as well as ensuring legally compliant administration of leaves of absence and procedures including ADA, FMLA, CFRA and related matters.

Environmental Health & Safety ensures compliance with all applicable laws related to environmental health, workplace safety and self-insurance workers' compensation programs; monitors third party administrators for workers' compensation and liability claims; works with insurance brokers on obtaining insurance policies; supports and acts as a consultant on all relevant risk management and safety matters for all Divisions, including ongoing training; and, identifies risk exposures and recommends risk control strategies as necessary.

Human Resources is responsible for providing employees with various personnel services. The Human Resources Department handles all recruitment activities, benefits compensation and employee development programs for active employees and retirees, federally mandated drug testing programs, administers personnel related policies and analyzes policies to ensure equitable enforcement throughout the District.

Information Systems mission is to provide valuable, innovative technology solutions to our employees, partners, and citizens through joint problem solving, and collaborative partnerships. The department is responsible for the deployment, maintenance and enhancement of the District's corporate technology systems. Through innovative hardware, software and data management, Information Systems provides a high level of technical and business process support to District customers. Through the departments three business units (Systems Administration, Application Support and Project Management), Information Systems vision is to become a strategic leader in innovative technology with a strong focus on being a collaborative and responsive partner for all technology related services.

The **Marketing and Communications** and **Customer Relations** departments will continue to focus on preserving and reinforcing the Golden Gate Bridge, Highway and Transportation District brand. These departments are responsible for all educational and informational materials related to the Bridge and transit systems, including schedules, website, social media and public affairs/media activities. This group is also responsible for the central call center to provide information and assistance to customers. These departments formulate and disseminate cohesive and consistent messaging to a variety of stakeholders. It is our mission to provide excellent customer service and communicate valuable and accurate information in a timely matter.

Planning provides planning and analytical support to all areas of the District including complex fare and Bridge toll studies, service plan development, facilities and property development, performance monitoring and standards review, and development and access plans for persons with disabilities, cyclists and pedestrians at the Bridge and at transit facilities throughout the Golden Gate system. The Planning Department is also responsible for compliance activities related to the Federal Transit Administration's Triennial Review and specifically with regard to the District's ADA and paratransit programs.

The Planning Department is tasked with analyses of the operations and Bridge traffic patterns, as well as the District's transit services, in addition to capital projects related to the delivery of Bridge and transit operations. The department is responsible for analyzing and making recommendations regarding toll or transit fare adjustments, transit service changes and program changes based on requirements from funding agencies through analysis of the District's data. The department is responsible for the content of the District's data reporting systems, and various data outputs required for external transit information programs.

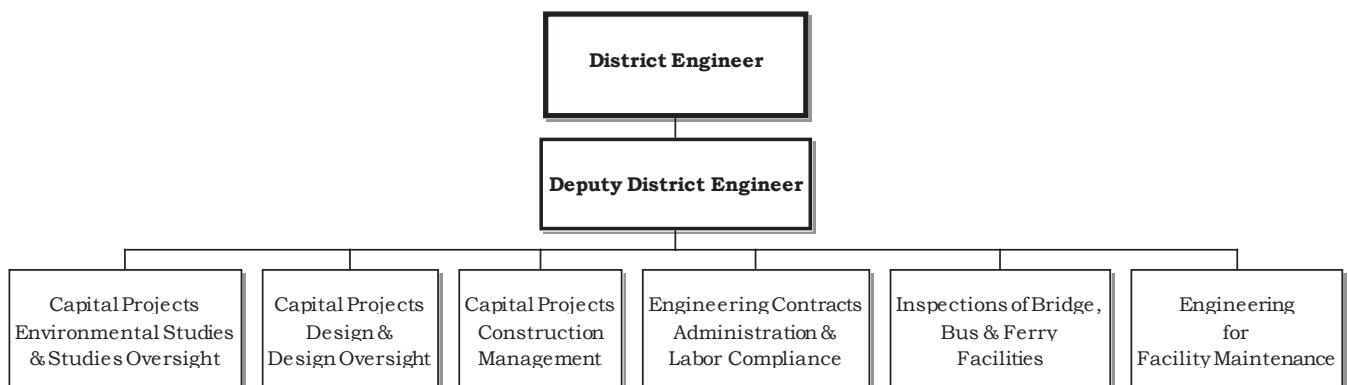
The department also generates compliance documents for various federal programs that are critical to the District receiving external funding, including annual submittals of operating and performance statistics to the National Transit Database (NTD). Planning is also responsible for managing the District's property assets including real property, such as those parcels used by the operating divisions, including the San Rafael Transit Center (SRTC).

DISTRICT DIVISION ORGANIZATIONAL CHARTS

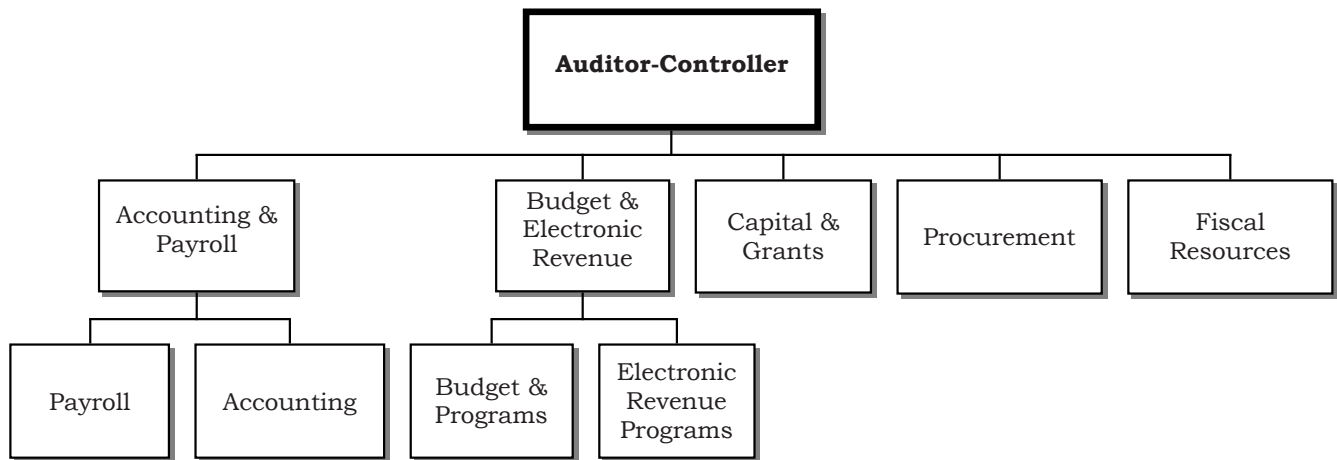
Administration and Development



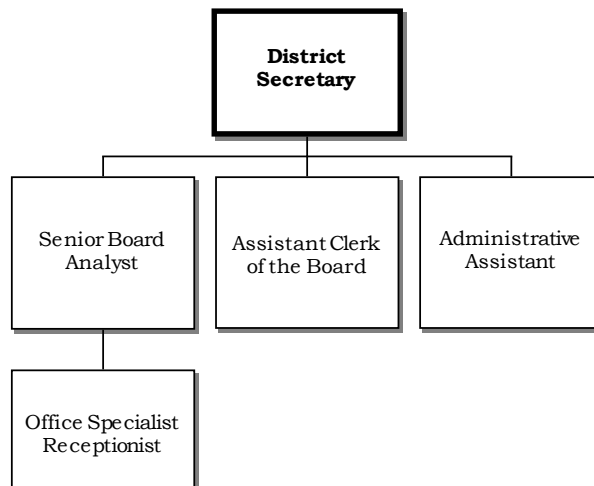
Engineering Department



Finance Department



District Secretary's Office



DISTRICT DIVISION STATUS

Engineering Department Status

During FY 16/17, the Engineering Department will work on a variety of projects, including several multi-year major capital improvement projects already underway. The majority of the Engineering Department resources will continue to support structural retrofit, rehabilitation and improvement of the Golden Gate Bridge.

- Golden Gate Bridge Seismic Retrofit Design for Phase IIIB.** Phase IIIB involves the largest design and construction effort undertaken by the District since the original Golden Gate Bridge construction. The scope of the project consists of retrofitting the Suspension Bridge for major earthquake and sustained strong winds, blast-hardening certain Bridge elements and the seismic retrofit of the Lincoln Boulevard undercrossing and the Toll Plaza tunnel. Design of the project is underway. The District has joined the Pool Fund Study, which is administered by the Federal Highway Administration (FHWA), to conduct specialized structural analysis relative to the Phase IIIB Project. Preliminary retrofit alternatives related to this analysis have been developed. In January 2014, the Board approved a technical review panel (TRP), which consists of experts in the field of bridge seismic retrofit, steel structures and construction, to conduct reviews and to approve final retrofit strategy and design for this project. In December 2014, the TRP approved the retrofit strategy developed by the design consultant, including the use of solid state energy dissipation devices (EDDs) within the Suspension Bridge to reduce the seismic load transmitted to the superstructure. The TRP recommended and, in February 2015, the Board approved testing of the EDD prototypes to confirm their behavior and energy dissipation capacity. The consultant developed an EDD prototype fabrication and testing protocol and the first phase of testing commenced in June 2015, and was completed in December 2015. Fabrication of specimens for the second phase of testing began in February 2016. The second phase of EDD testing is scheduled for the summer of 2016. In FY 16/17, the consultant will continue developing the final design plans and specifications for construction of the project.
- Golden Gate Bridge Physical Suicide Deterrent System.** The purpose of the Project is to install a horizontal net along both the east and west sides of the Bridge structures to form a physical barrier that will deter persons from attempting to commit suicide by jumping from the Bridge. The adopted Golden Gate Bridge Physical Suicide Deterrent System Final Environmental Impact Report designated the Net System, consisting of a horizontal marine grade stainless steel net installed on cantilever structural steel supports attached to the Bridge, as the preferred build alternative because, in comparison to the conventional vertical fencing, it has minimal visual and aesthetic impacts on the Bridge and no adverse effect on the wind stability of the Suspension Bridge when installed together with the Suspension Bridge wind retrofit. The total length of the net system will be approximately 3.4 miles (two times the 1.7 mile length of the Bridge). This will be the first and the largest horizontal installation of a marine grade stainless steel cable net system on a highway bridge in the United States. An estimated 385,000 square feet of the net mesh will be installed. The Project also includes a replacement of the Suspension Bridge traveler access system with new travelers that will clear the supports of the net system. The project was advertised for construction in October 2015, and its construction is scheduled to commence in the summer of 2016.
- Bridge Inspections.** To ascertain the structural condition of the Bridge and compliance with FHWA (Federal Highway Administration) regulations, the District conducts biennial bridge inspections. The Engineering Department has developed bridge inspection plans conforming to the revised federal requirements for the mandatory bridge inspections. In addition to inspections completed by the Engineering Department staff, consultants retained by the District performed underwater inspections of the Golden Gate Suspension Bridge Main Tower Piers and inspections using rope climbing methods of the bridge elements which

are not accessible through conventional means. The fracture-critical inspections were completed in FY 15/16. The current cycle of biennial bridge inspections will continue in FY 16/17.

- **Main Cable Access System.** Engineering has retained an engineering consultant to design and prepare plans and specifications for a system that will allow District forces to access the Suspension Bridge Main Cables for inspection and maintenance. The consultant has completed the design of the system. In FY 16/17, Engineering will prepare the construction documents and advertise the project for construction bids.
- **Golden Gate Bridge South Approach and Pier Security Improvements.** Engineering developed design of the project and has been working with the National Park Service (NPS) on details of the project features that need to be installed outside of the District permitted right-of-way and within the surrounding GGNRA areas. In FY 16/17, Engineering will finalize the design, obtain NPS permit and prepare construction documents to advertise the project for construction bids.
- **North Anchorage Housing Security Improvements.** Engineering has performed preliminary investigations to determine elements that must be added to the North Anchorage Housing security system. In FY 16/17, Engineering will proceed with the project design.
- **Fixed Changeable Message Signs – North Approach.** In FY 16/17, Engineering will initiate a feasibility assessment of the fixed changeable message sign installation at the Bridge north approach along Highway 101.
- **Golden Gate Bridge Informal Science Education Project.** The project established permanent science-oriented outdoor exhibits, which display the original design and construction of the Bridge and scientific principles of the Bridge behavior. The project's scope involved development of a master plan for an exhibit area at the East Visitor Area located next to the Bridge Toll Plaza followed by the design, fabrication and installation of the exhibits. In FY 16/17, Engineering will oversee completion of the project's construction.

The decades-old facilities of the District, Bus and Ferry Divisions require repairs and upgrades to assure uninterrupted operations. In FY 16/17, Engineering will work on the following facility improvement projects for these Divisions:

- **Larkspur, San Francisco and Sausalito Ferry Gangways and Piers.** The Engineering Department, in consultation with the Ferry Division and with the assistance of a consultant, has developed conceptual design of the replacement of the Larkspur, San Francisco and Sausalito Ferry Gangways and Piers. The environmental studies of the impacts associated with construction of the proposed concept at the Sausalito Ferry Landing were completed and an environmental clearance to proceed with the final design was obtained in FY 12/13. The final design of the Sausalito site was prepared and submitted to the regulatory agencies with jurisdiction over the Sausalito site to obtain construction permits. In FY 16/17, the project will continue to undergo the City of Sausalito review. Upon receipt of the necessary permits, the Sausalito Ferry Gangways and Piers project will be advertised for construction bids. In FY 16/17, Engineering will also continue development of the environmental documents and design concepts for the San Francisco and Larkspur Ferry Terminals.
- **Corte Madera Wetland Restoration.** The project involves restoration of seasonal and tidal wetlands on a District-owned parcel located next to the Ecological Reserve in Corte Madera, Marin County. Engineering has retained a consultant to develop restoration concepts and, after selection of the preferred alternative, the final design and construction bid documents. The consultant has completed topographic and ecological surveys of the parcel, prepared a wetland delineation map, a geotechnical report, a hydraulic survey of the site and surrounding areas, a cultural resource investigation of the site and a soil character-

ization study. Development of conceptual designs for the restoration of the site is underway. In FY 16/17, public meetings will be held to gather public input on the restoration concepts and consultations will begin with the agencies with jurisdiction over the site.

- **Toll Plaza Administration Building Renovation.** Engineering has conducted inspections and prepared a preliminary scope of work for the renovation of the Toll Plaza Administration Building, including its HVAC system. In FY 16/17, Construction documents for the project will be completed and the project will be advertised for construction bids.
- **Toll Plaza Modular Office Rehabilitation.** Engineering is developing design of repairs and modifications to the modular office buildings. The construction is scheduled to start in FY 16/17.
- **San Rafael Employee Parking Lot Improvements.** Engineering is developing design to resurface the parking lot and to install solar panels and a supporting canopy at the site. The design and construction bid documents are scheduled to be completed in FY 16/17.
- **Novato Bus Facility Site Cleanup.** Engineering has retained a consultant to develop plans and specifications for the cleanup of a historic fuel spill at its Novato Bus facility. The consultant has developed a clean-up plan, applied for regulatory permits and developed design for the project. The design and construction bid documents are scheduled to be completed in FY 16/17.

In FY 15/16, in addition to the progress achieved on the projects described above, the Engineering Department completed implementation of the following projects:

- **San Francisco Ferry Terminal Utilities Rehabilitation and Roof Replacement.** The project construction was completed in FY 15/16.
- **Larkspur Ferry Terminal Berth and Channel Dredging.** The berth and channel dredging was completed in FY 15/16.
- **Golden Gate Bridge Moveable Median Barrier.** The project's Phase II construction, involving an extension of the Moveable Median Barrier to the south limit of the Toll Plaza and conforming to the final alignment of the Presidio Parkway roadway, was completed in FY 15/16.

Finance Department Status

Finance Office

The Finance Office has provided documentation, informational and organizational support for the development and implementation of important projects throughout the agency such as the new electronic time-keeping system for Payroll, an electronic-revenue efficient toll plaza structure and the potential expansion of ferry transit coverage to Tiburon.

Director of Fiscal Resources

Successful tasks completed include implementation of a second eligibility group in the 401(a) Deferred Compensation Plan to accommodate new hires whose pensionable wages are capped by the PEPRA wage, securing a new 7.1.15 OPEB valuation and implementing HRA program for the new high deductible medical plans for our active employees. One of the more challenging projects in the upcoming year(s) will be the possibility of securing financing to support the Phase III of the Bridge's seismic retrofit capital project.

Procurement Department

The Procurement Department is currently undergoing process and organizational reviews to ensure efficient and effective operations. Two operational program areas we are looking to enhance are the purchasing card program and District-wide receiving procedures. With a focus on strategic procurement instead of traditional transactional processes, the department has expanded the use of cooperative procurement and we are exploring options to increase our usage of the consumable product vending program. Professional development of the procurement staff, cooperative program expansion and streamlined contracting procedures are a few of our performance goals for the upcoming year.

Capital and Grant Programs Office

The Capital and Grant Programs Office facilitated the FY 14/15 Triennial Review conducted by the Federal Transit Administration (FTA). The review determines whether a grantee is administering its FTA-funded programs in accordance with Federal transit law provisions. Findings were made in four review areas: Maintenance, ADA, Procurement and Planning/Program of Projects. All findings were addressed and closed out by August 31, 2015.

Federal, state and local grant funds awarded in FY 15/16 total \$4.3 million for the following projects: Vessel Modifications (gangways and piers), Bus purchases, ACIS and Marketing Campaign.

Grant funds pending award total \$11.2 million; funds will be passed through to the Metropolitan Transportation Commission for the ClipperSM Fare Collection System.

Discretionary grant applications submitted during FY 15/16 total \$125 million for the following projects: Seismic Retrofit 3B, Bus Purchases, and the Toll Plaza Modernization and Safety Enhancements project.

Accounting and Payroll Departments

The Accounting Department continues to refine the financial reporting process of the AET program. Based upon its success, this is the final piece that will support the complete transition to an automated collection system.

The Accounting Department has recently incorporated the complex reporting requirements of GASB No. 68 (Accounting and Financial Reporting for Pensions) into its financial statements. GASB No. 68 requires agencies to report unfunded pension obligations as a liability on the financial statements, even in cases where the agency is not legally responsible for the unfunded pension obligation. Accounting is also involved in the complex reporting requirements of the recently renegotiated Marin Transit agreement along with the resultant impact on the NTD reporting and State Controller's Report.

The Payroll Department is currently involved in the acquisition and implementation of an Electronic Payroll Timekeeping system. This project will eliminate the manual inefficiencies of the current program. Automation will also reduce human error and delays in the system that creates a special burden due to stringent time reporting deadlines. As a result, FMLA and FLSA laws will also be efficiently addressed.

Budget and Electronic Revenue

The Office of Budget and Electronic Revenue has continued to support Finance and operating programs. In particular, this year the Office has continued to coordinate the annual toll increase, update the annual Strategic Financial Plan, update the five- and ten-year projection, update the District's TSP document, file the

STA/TDA claim and collect data for the triennial TDA performance audit. In addition, this office continues to oversee and support the AET program, ClipperSM activities and the ferry parking program.

Collaborative Achievements

The Finance Department publishes two Government Finance Officers Association (GFOA) Award-winning documents every year: The Budget Book, made in collaboration between the Budget and Electronic Revenue Office and the Capital and Grant Programs Office; and the Comprehensive Annual Financial Report (CAFR) made in collaboration between the Accounting Department and the Marketing Department.

District Secretary's Office Status

The District Secretary's Office (DS Office) continues to reduce the consumption of paper by sending the majority of its communications associated with the Board, legal and State compliance work by web and electronic mail.

In FY 15/16, the DS Office continued to refine the distribution of information and meeting packets by promoting the use of the Board Portal, the District's website and email. By allowing Board members to access meeting packets in a variety of options, it has help shift more users to electronic documents. The DS Office also responds to Public Records Act requests by providing requestors an electronic transmittal as a fast, free option versus receiving paper.

In FY 15/16, the DS Office continued the effort to preserve original documentation through the conversion of documents into electronic format in order to lessen handling of these fragile documents and appropriately store them.

In FY 16/17, the DS Office intends to identify how to convert the District's historical records and properly manage them for easier retrieval to meet legal guidelines. In addition, the DS Office intends to work towards identifying other retention needs such as a Historical Archive and Collections Management to properly store artifacts for possible future use.

Administration & Development Division Status

Environmental Health & Safety

Accomplishments from this fiscal year include:

Safety/Environment

- Maintained and updated environmental compliance programs with Board of Equalization (Hazardous Waste Reporting), Bay Area Air Quality Management District, Department of Toxic Substances Control, Certified Unified Programming Agencies (CUPA), State Water Resources Control Board (Storm Water), Local and State Waste Water Permitting, Waste Tire Inspections (Bus), California Air Resources Board and California Fish & Wildlife Agency (Ferry).
- Successful response to three Cal/OSHA complaints/inspections.
- Provided Safety and Health training including first aid and hazardous waste instruction to our workforce.
- Implemented Job Hazard Analysis Program.

- Developed a highly acclaimed District-specific “safety poster” campaign for safety awareness of employees and transit customers.

Workers’ Compensation Program

- Implemented Bus Return to Work Program.
- Implemented Nurse Triage Workers’ Compensation Reporting System.
- Improved workers’ compensations closed claim ratio.
- Maintained an active and successful Return-to-Work Program.

Risk Management

- Completed successful renewals of Property, Casualty and Marine Insurance Programs.
- Improved litigation management in Bus and Ferry.
- Developed and provided Supervisory Training Program – Workers’ Compensation/Risk Management/Safety.

Employee Relations and Compliance Programs

Equal Employment Opportunity Program - Monitored the District’s Equal Employment Opportunity Program as required pursuant to Title VII of the Civil Rights Act and the FTA’s Circular 4704.1, “Equal Employment Opportunity Program Guidelines for Grant Recipients” to ensure that the District is taking affirmative steps to meet its placement goals. Conducted workforce utilization analysis and obtained approval for the 2015-2018 EEO Program/Affirmative Action Plan.

Regulatory Compliance - Ensured that the District remained compliant with Equal Employment Commission guidelines and worked to promote an environment free from discrimination and workplace harassment for all employees and applicants.

Personnel Policy and Procedures – Updated various personnel policies to reflect current legal requirements and operational efficiency.

Training - Conducted AB1825 Harassment Prevention training for Supervisory Employees. Participated in the District’s second Manager Academy training. Conducted new bus operator Harassment Prevention and Diversity training. Provided interview skills training for employees seeking promotions and/or other internal job opportunities.

Leave Management - Ensured disabled applicants and employees received equal access to job opportunities by implementing ADA accommodations where appropriate. Conducted interactive process meetings to determine appropriate workplace accommodations that will allow employees with disabilities to return to work.

Employee Relations - Investigated and resolved cases of alleged illegal harassment and/or discrimination. Provided management with advice and coaching on personnel matters. Provided employees with guidance and counseling on personnel matters.

Disadvantaged Business Enterprise (DBE) - Monitored compliance with the Department of Transportation, including Federal Transit Administration and Federal Highway Administration guidelines, to ensure that the District fulfills its Diversity Program for contracting obligations for all procurements and contracting opportunities. Ensured the following Federal reporting requirements were met: DBE program updates, goal development methodology and uniform reporting of DBE awards or commitments and payments. Participated in DBE and small business program outreach. Conducted a shortfall analysis and corrective action plan for Federal FY 14/15. Provided annual progress/status of DBE Program to Board of Directors.

Human Resources

Accomplishments from this department include:

- Completed organization and implementation of Employee Health Benefits “Bronze Plans” for Amalgamated Transit Union (ATU) employees with designated premium sharing.
- Developed and presented “Manager’s Academy” to provide District orientation and development training to District managers.
- Implemented “Debit Card” program to Medicare-eligible retirees to improve their access and provide greater level of service for processing and tracking retiree health care.
- Continued District Learning Academy (on-site knowledge and skills training courses).
- Ongoing leadership development for employees through continued participation in Dominican University’s Leadership Development Program.
- Delivered wellness initiatives for nutrition and fitness, conducted smoking cessation workshops and hosted flu shot clinics.
- Presented training related to the District’s Drug and Alcohol Program on legal requirements for employment-based testing.
- Held a series of open house workshops for District retirees to provide updates on retiree benefits and answer inquiries about coverage.
- In compliance with the Affordable Care Act, developed and audited a system to provide annual regulatory reporting for employee health care coverage.

Information Systems Department

Some accomplishments for this department include:

System Administration

- Implemented Citrix Sharefile solution for all District users (send large files and file sharing).
- Upgraded District indoor wireless to newest models under one vendor.
- Increased District indoor wireless beyond conference rooms to offices.
- Upgraded Active Directory from 2008 to 2012 with high availability.
- Upgraded to new Distributed File System with high redundancy and availability.
- Implemented an on premise E-discovery solution to assist with PRAs and Litigation Holds.

- Implemented a Downtime policy for systems to get proper maintenance windows.
- Deployed new Remote Administration Control tool so users feel more at ease when support staff controls their computers.
- Helpdesk closed over 4,200 tickets in 2015.
- Upgraded core network switches to 10Gb+ and access layer (closet switches).
- Built a cold aisle containment Datacenter at the Bridge.
- Implemented a new Wide Area Network moving away from Marin County MPLS for the first step.
- Implemented a new Point-to-Point 1Gb network between San Francisco and San Rafael.
- Replaced all District network devices' UPS (uninterrupted power supply) to a managed and proactive support agreement.
- Implemented new Anti-Virus solution for all the virtual servers.
- Upgraded the District mail system (Exchange) to the latest version.
- Upgraded the District users' Microsoft Office to version 2013.
- Upgraded to the latest computer and virtual environment for servers and storage.
- Upgraded the Citrix environment from 6.0 to 7.6 with virtual desktop and publishing abilities.
- Implemented Auditing for file servers, identity servers and development servers.
- Implemented Encrypted media drives for all District users.
- Implemented a lab and development environment for Apps.
- Replaced over 80 laptop and desktop computers for users.
- Implemented corporate Wi-Fi for Ferry boat to shore.
- Implemented corporate and public Wi-Fi at Ferry terminals and Larkspur parking lots.

Application Support

- Expansion of OnBase.
 - ◆ Bus Operator Occurrence Tracking/Automation.
 - ◆ Ferry ERFA Occurrence Tracking/Automation.
 - ◆ Travel and Miscellaneous Expense PRA Interface.
- Upgrade of Outlook OnBase Integration.
- Created Ouija Ferry Tool to replace manual attendance tracking.
- Office 2013 Upgrade.
- Completed MR20 & S10 Reporting in Transtat.
- Transtat Average By Queries.

- Completed Marin/Golden Gate Bridge Data split in Transtat.
- Conducted Hands-on training of Transtat to Marin County Transit District.
- Automation of Leave Reporting to DGMs and department heads.
- Maximo 7.5 Upgrade.
- ACA Reporting.
- Kronos Timekeeping Interface.
- Employee Online Enhancements.
- 511.org Real Time.
- GTFS Split of Golden Gate Bridge and Marin Data.

Project Management

- Ferry Passenger Information and Technology upgrades completed.
- Completed upgrade of the District's Active Directory to Microsoft Server 2012.
- Network Redundancy – Phase 1 of this project is completed with the replacement of the Core Switches and the implementation of our new Wide Area Network (WAN) for site-to-site connections. All servers, virtual and physical, have been migrated to the new 10Gb network and all internet traffic has been deployed to the new WAN.
- Unified Communications – Implemented Cisco Voice Over IP communications system. New telephones have been installed across the District.
- Kronos Timekeeping – Development of the Kronos application is about 75% complete. Preliminary testing is underway. Completion is expected at the end of 2016.
- Wireless Access Point Network upgrade – completed.
- Upgrade of Microsoft Office 2007 to Office 2013 – this has been rolled out to a subset of Super Users who have been providing IS with feedback on the products and any issues they have encountered. Full rollout to the rest of the District is slated for Q3 2016.

Scope of Services development of the following:

- Financial Software Review.
- CyberSecurity.
- Phased Gateway Review Process – Information Systems has been working with an outside consultant to develop a standard process by which ideas and concepts for new projects are 1) proposed, with the support of a project sponsor; 2) assessed for viability, risk and necessity; 3) prioritized in the portfolio; and, 4) tracked if taken forward for implementation.
- Information Systems will be implementing a cloud based Portfolio Management Tool to give the District visibility into all ongoing IS projects.

ACIS (Advanced Communications & Information Systems)

- ACIS has been in production use since 2015.
- District has completed its migration over to the P25 Radio System.
- RTP1 sign installation planned for Q3 Calendar 2016.
- Firmware upgraded in all mobile and portable radios.
- Airbus completed core radio system software upgrade.
- Purchased four additional Dispatch Avtec workstations for EOC and redundancy purposes.
- Continued developing TranStat/ACIS data flow and reporting.

Marketing and Customer Service Department

Accomplishments made in the past fiscal year by the Marketing and Customer Relations Departments include:

- All Electronic Tolling Outreach: Continued outreach to the tourism market to ensure that the San Francisco visitor experience is positive. Ensured that toll payment information was well distributed to tourism-based venues and at rental car agencies.
- Communicated Service Disruptions via Social Media: In an effort to improve upon customer service and help our riders during a very frustrating time of increased trip cancellations, we implemented posting cancellation notifications on Twitter and Facebook.
- Ridership-Building Campaigns: Secured capital funds for ridership-building campaigns which include:
 - ◆ General “try transit” campaign.
 - ◆ Develop a destinations guide.
 - ◆ Redesign our system map.
 - ◆ Build off peak ferry ridership through long term partnerships.
- Updated the Language Implementation Plan and revised the Public Participation Plan for the District’s Title VI Plan: As a component of the District’s Title VI submission, both the existing Language Implementation Plan and the Public Participation Plan were re-engineered into very robust, comprehensive and compliant plans.
- Refined Filming and Photography Permitting Process: Developed a new process for issuing filming and photography permits to maximize administrative efficiencies.
- Expanded Ferry Advertising Contract: Added large scale terminal advertising as a pilot program to test expanded revenue generating opportunities.
- Website Redesign: Conducted Phase 1 of the District’s website redesign project to develop the creative “look and feel” of the site.
- Developed Route Maps: Created individual route maps to include on the website to help riders better understand what areas our specific routes serve.

- System Map Redesign: Hired a consultant to work with the District to determine how to improve the system map to help customers better understand how the overall system works.
- ACIS: Recorded all onboard announcements for bus ACIS system to comply with ADA requirements.
- New Route 580 Campaign: Created a robust advertising campaign to promote the new Route 580 East Bay service.
- Integration of customer service and outreach with Marin Transit: Per the new contract with Marin Transit, began successful integration of customer service and outreach efforts.

Continued Progress

- ACIS: With the launch of ACIS and rollout of real-time information, the District has the opportunity to vastly improve customer service by developing tools to deliver customers with critical information in a timely manner. The integration of real-time data on the website, through an app and via text messages will be a priority this fiscal year.
- Website Redesign: Oversee the complete redesign of the District's website to include a better user interface, improved and more intuitive organization of content and more interactive tools to aid customers in their search for information.
- Marin Transit: Continue to be a strategic partner with Marin Transit in coordination of customer service and outreach efforts.
- All Electronic Tolling Outreach: Continuing to reach out to the tourism market and ensure visitors to San Francisco have a good experience when paying their bridge toll.

Looking Forward

- Ridership-Building Campaigns: Focus on boosting transit ridership through developing effective marketing campaigns.
- Catalog and Organize District's Photo/Video Assets: The District has extensive photography and video assets that need to be cataloged, organized and stored properly. This will expand the opportunity for revenue generation through licensing and will preserve the District's valuable historic assets as well as reduce staff time currently spent searching for images/footage.
- Improved Incident System: Integrate a customer incident system from ACIS to better handle customer inquiries and incidents. This new system will provide more efficient response times and have better reporting and tracking mechanisms.
- Suicide Deterrent Outreach: Support the District's installation of the suicide deterrent by developing tools to communicate the design and functionality of the barrier system.
- Filming and Photography Permit Fees: Restructure permitting fees to maximize revenue generation.

Planning Department

Accomplishments made in the past fiscal year by the Planning Department include:

- Prepared and obtained Board approval for the District's 2015 Title VI Compliance Plan that was submitted to the Federal Transit Administration. This submittal ensures that the District continues to be eligible for federal funding assistance.

- Brought a number of transit service enhancement projects before the Board to make midday service on GGT Routes 4 and 27 permanent, establish and evaluate new ferry feeder services, East Bay service restructuring and the establishment of Golden Gate Ferry service on the Tiburon peninsula.
- Finalized the District's agreement with Marin Transit for mandated intercounty paratransit and a portion of local paratransit as called for in the Marin Local Service Agreement.
- Brought to the Board fare program initiatives including an adjustment in youth fare definition to be consistent with the region and a 4% one year fare program effective July 1, 2016.
- Continued to work extensively with SFMTA staff and their consultants regarding a number of projects including Super Bowl 50, the Van Ness Corridor BRT project, bus stop relocations in the Financial District and the construction impacts of the Central Subway light rail project on the District's midday bus storage lot at Fourth and Perry Streets.
- Conducted more detailed technical analysis through a consultant of traffic and bus operations for Marin Transit's project to reconstruct the existing bus stop at Redwood and Grant in Novato. This technical analysis was done separately from Marin Transit's consultant work to better represent the District's interest in safely operating GGT buses through the proposed facility.
- Completed the relocation of Marin Airporter from Larkspur Landing Circle to Andersen Drive and the repurposing of the Larkspur Landing Circle property for additional ferry parking.
- Worked extensively with the City of San Rafael conduct a consultant study to assess the impacts of the SMART train operating through the San Rafael Transit Center, including interim impacts that will require some buses to operate from street areas adjacent to the remaining portion of the transit center.
- Conducted a system-wide survey of bus and ferry passengers as called for in the FTA's recent Title VI program updates. The last passenger survey was conducted in 2008 and the new FTA requirements call for this type of survey to be done at least once every five years. Completion of this updated survey is necessary because not only does future certification of the District's Title VI program require it but having appropriate data to conduct equity analyses is necessary for any fare or service changes that the District may wish to implement.

FY 16/17 DISTRICT DIVISION GOALS AND PROJECTS

Project Management	Provide Project Management for engineering, technology, planning and special on-going activities. Support implementation of special projects.
Administration	Support Operating Divisions with administrative and employee support for internal agency functions in areas of Human Resources, Legal Services, Planning, Marketing, Information Systems, Finance, Grants, Accounting, Budgeting, Employee Relations, District-wide Training and the Board of Directors.
Logistics	Purchase materials and supplies. Execute and administer contracts and RFPs to potential vendors and ensure fair and competitive price procurement. Plan and execute special events, Board meetings, and public education meetings.
Compliance	Ensure that the District is compliant with Federal, State and local requirements and standards concerning insurance, Workers' Compensation, grants, environmental regulations, occupational health and safety regulations, financial auditing, Public Records Act requests, ethics training and Conflict of Interest reporting.
Communication/Outreach	Provide public with various forms of communication through the website, written materials, customer service staff and public requests. Provide employees with communication on internal agency issues and activities.
Efficiency	Continue to improve internal processes and operations to promote effective and efficient service to the Operating Divisions, the Board of Directors and the public.

District Division Project Focus

In addition to the capital improvement projects that are listed in the capital budgets of each Division, the following are projects that will support the District Division, the Operating Divisions or are Agency-wide projects and will be the District's workplan focus for FY 16/17. For the projects that are not part of the District Division's capital plan, a project description is provided.

Efficiency Through Technology	<p>Electronic Payroll Timekeeping System: The District's current timekeeping system still relies heavily on manual processing and paper approvals. A replacement system is being prepared that will update District timekeeping to contemporary standards: Computerized and/or biometric check-in stations and electronic approvals will greatly simplify what is an extremely complex Payroll system.</p> <p>Golden Gate Bridge Website: The District website is undergoing a complete redesign to make the in-demand information more easily accessible to the public and Bay Area visitors.</p>
Improve Customer Service	<p>Real-Time Passenger Information (RTPI): An RTPI system is being developed for the benefit of Golden Gate Transit passengers. This popular feature will make it possible for customers to access real-time information on their cell phones regarding bus arrival times.</p> <p>Incident System: Improvements to our transit Incident System will accelerate the speed and efficiency of GGT's response to passenger concerns and complaints.</p>

CHANGES FROM FY 15/16 ACTUAL TO FY 16/17 ADOPTED BUDGET

Revenues

The District Division does not have its own revenues. Any revenues associated with District staff activities are credited directly to the District's operating divisions.

Expenses

The District Division's FY 16/17 Adopted Operating Expenses total \$31.3 million. The District Division's FY 16/17 Adopted Budget contains an increase of \$2.6 million, or 9.2%, above FY 15/16 Actual expenses. The components of the changes to expense are summarized in the table on the following page.

Summary of Changes From FY 15/16 Actual to FY 16/17 Adopted Budget (All Figures In Millions)

Net Changes to Labor and Fringe Benefits*

Increase in salaries due to re-funding of vacant positions, additional positions and a 3% COLA increase for nonrepresented and represented employees unless specified otherwise in their ratified Memorandum of Understanding	\$1.5
Increase in payroll fringes in FY 16/17 due to re-funding vacant positions, additional positions and COLA	0.2
Increase in PERS pension rate of 24.567% to 27.282% and re-funding of vacant positions	1.3
Increase in medical expenses for FY 16/17 due to re-funding of vacant positions and increase in annual costs	0.6
Projected decrease in workers' compensation expenses for FY 16/17 due to higher than budgeted expenses in FY 15/16	(0.3)
Decrease in miscellaneous benefits (capitalized benefits) due to less than budgeted capitalized labor in FY 15/16	(1.1)

Professional Services

Increase in expenses associated with District-wide technology programs	0.9
Increase in professional services in FY 16/17	0.1
Increase in legal and litigation fees due to higher projected activity in FY 16/17	0.2
Decrease in FY 16/17 District Division temporary help services compared to FY 15/16	(1.1)

Supplies and Other

Increase in data communications expenses due primarily to onetime lease adjustment	0.1
Decrease in operating supplies due to higher than projected expenses in FY 15/16	(0.1)
Decrease in leases due to onetime data communications adjustment in FY 16/17	(0.1)

Capital Contribution and Depreciation

Increase in depreciation due to projected completion of MS Office, core service software and electronic timekeeping system	0.4
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Total Change from FY 15/16 Actual to FY 16/17 Adopted Budget	\$2.6
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* **Labor and Fringe Benefits**

ICAP: The FY 16/17 Adopted Budget assumes \$2.1 million, as compared to \$1.2 million, in FY 15/16 of indirect labor and fringe benefits will be capitalized and transferred from Operating to Capital expense. The transfer of this expense is in accordance with the District's Indirect Cost Allocation Plan (ICAP) and represents the District's central services activities in support of capital projects.

Engineering Capitalization: The FY 16/17 Adopted Budget assumes 50%, which is the same percentage used in FY 15/16, of Engineering Labor and associated benefits will be capitalized, resulting in an additional operating Labor and Fringe decrease of \$3.9 million as compared to \$2.1 million for FY 15/16 Actual.

DISTRICT DIVISION OPERATING BUDGET

	FY 14/15 Actual	FY 15/16 Budget	FY 15/16 Actual	FY 16/17 Adopted Budget
Expenses				
Salaries	\$10,113,181	\$11,017,800	\$11,018,091	\$12,475,500
Fringe Benefits	6,852,363	7,957,000	7,965,644	8,734,800
Professional Services	7,019,412	7,416,900	7,413,826	7,471,200
Repair & Operating Supplies	770,397	1,020,700	1,022,110	1,028,200
Insurance, Taxes & Permits	56,366	52,000	45,014	52,600
Other	565,091	732,300	762,033	798,000
Leases & Rentals	149,455	153,000	140,965	3,000
Subtotal Expenses	\$25,526,265	\$28,349,700	\$28,367,683	\$30,563,300
Depreciation	302,471	309,500	284,009	716,400
Total Expenses	\$25,828,736	\$28,659,200	\$28,651,692	\$31,279,700
Percent Change		11.0%	(-0.0%)	9.2%
District Transfers				
Bridge Division	\$9,911,779	\$10,902,100	\$10,956,099	\$12,274,800
Bus Division	10,115,507	11,521,100	11,369,029	12,150,500
Ferry Division	5,801,450	6,236,000	6,326,564	6,854,400
Total Transfers	\$25,828,736	\$28,659,200	\$28,651,692	\$31,279,700

Assumptions:

- 3% salary increase for non-represented and Coalition-represented employees unless specified otherwise in their ratified Memorandum of Understanding.
- Includes Employer PERS contribution of 27.282%.
- OPEB costs are included in Fringe Benefits and reflect adoption of GASB 45 which accrues for OPEB costs based on the Annual Required Contribution (ARC) for OPEB benefits.
- All fiscal years show the transfer of District Division expense by line item.

DISTRICT DIVISION CAPITAL BUDGET

Program Summary

The FY 16/17 Capital Budget for the District Division totals \$2.6 million and represents 12% of the total agency's capital budget. Financial investment in FY 16/17 focuses on continuation of the FY 15/16 capital program including among others, upgrading or replacing radio systems, the transit scheduling system, the electronic timekeeping system and preparing a redundant network to manage communications during a disaster.

Actual FY 15/16 capital expenditures for the District Division totaled \$7.0 million, funded with \$2.2 million, or 32%, District funds and \$4.8 million, or 68%, in grant funds.

Completed Projects

The District Division has completed seven (7) Capital Projects in FY 15/16.

Project 0502 – Advanced Communications & Information Systems (ACIS) – \$25,275,000

This project replaced the District's radio communications system and includes: automatic vehicle location system; mobile data terminals; computer-aided bus dispatch systems; real-time information systems for customers; new software for planning, scheduling and customer services; and integration of all new services with the existing systems. *[Operating Budget Impact: An increase of more than \$100,000.]*

Project 1511 – Voice over Internet Protocol Phone System (VoIP) – \$1,500,000

The project replaced the current Nortel telephone system with a modernized Voice over Internet Protocol (VoIP) telephone communication system. The VoIP system will deliver improved telecommunications functionality at a lower cost than the present system. The telephone technology currently employed in the District is no longer produced by the manufacturer and support would have required the sourcing of spare parts on the third party market. *[Operating Budget Impact: No significant impact.]*

Project 1514 – Redundant Systems – \$500,000

The project included research, acquisition and implementation of infrastructure designed to provide for disaster recovery and ensure the uptime of District data and application software, especially for critical systems. *[Operating Budget Impact: No significant impact.]*

Project 1550 – Core Network Routers – \$500,000

This project procured and installed new core network routers which will eliminate the data throughput limitation and extend the useful life of the network. *[Operating Budget Impact: No significant impact.]*

Project 1553 – Network Redundancy – \$150,000

This project provided redundancy to the District's wide area network (WAN). The project provided failover connectivity to the following locations: San Francisco Ferry Terminal, San Francisco Bus Lot, Santa Rosa Bus Lot, Novato Bus Lot, San Rafael Transit Center, Larkspur Ferry Terminal, San Rafael Bus Lot and Bridge Toll Plaza. *[Operating Budget Impact: No significant impact.]*

Project 1552 – Indoor Wireless Network Access – \$95,000

This project improved the indoor wireless capabilities at the District. *[Operating Budget Impact: No significant impact.]*

Project 1613 – Server Replacement – \$73,000

This project provided a new configuration of additional servers to optimize the workload with existing servers. The project helped the District determine how many systems the servers may support. *[Operating Budget Impact: No significant impact.]*

District Division Capital Budget FY 16/17¹

Project Number and Description ³	Total Project ²	Prior Years	FY 16/17 Budget	Future Years	FY 16/17 Funding	
					District	Other
New Projects						
1711 - Radio System Upgrade (IS)	\$800,000	\$0	\$100,000	\$700,000	100%	0%
1712 - Transit Scheduling System (IS)	750,000	0	375,000	375,000	20%	80%
1713 - ADS ACIS data radio replacement (IS)	700,000	0	100,000	600,000	100%	0%
1714 - Redundant Network / Systems (IS)	350,000	0	250,000	100,000	100%	0%
1715 - Aviat Microwave Update - Santa Rosa Link (IS)	250,000	0	250,000	0	100%	0%
1716 - Financial Management System Analysis (IS)	175,000	0	175,000	0	100%	0%
Total New Projects	\$3,025,000	\$0	\$1,250,000	\$1,775,000	76%	24%
Continuing Projects						
1612 - Transit Network Access Security Enhancements (IS)	\$802,500	\$696,500	\$106,000	\$0	0%	100%
1512 - Email MS Office and Core Service Software/ Hardware (IS)	750,000	622,000	50,000	78,000	100%	0%
1513 - Electronic Timekeeping System (IS)	695,500	466,500	229,000	0	100%	0%
1610 - Cyber Security (IS)	530,000	1,500	250,000	278,500	100%	0%
1611 - E-Discovery Solution (IS)	242,000	107,900	102,000	32,100	100%	0%
1515 - Network Security (IS)	200,000	14,800	185,200	0	100%	0%
1518 - Website Redesign (IS)	200,000	81,600	100,000	18,400	100%	0%
1516 - Disaster Recovery (IS)	200,000	46,100	153,900	0	100%	0%
Total Continuing Projects	\$3,620,000	\$2,036,900	\$1,176,100	\$407,000	91%	9%
Capital Equipment						
1719 - Capital Equipment	\$134,000	\$0	\$134,000	\$0	100%	0%
Total Capital Equipment	\$134,000	\$0	\$134,000	\$0	100%	0%
Total Capital Expenditures	\$6,779,000	\$2,036,900	\$2,560,100	\$2,182,000	84%	16%
Capital Fund Source						
District	\$5,376,500	\$1,340,400	\$2,154,100	\$1,882,000		
Other	1,402,500	696,500	406,000	300,000		
Total	\$6,779,000	\$2,036,900	\$2,560,100	\$2,182,000		

1. Dollar figures are rounded to the nearest hundred; actuals are shown on the following pages.
2. Projects are listed in order of descending total project value.
3. First two digits of project number indicate fiscal year the project began.

District Division FY 16/17 Capital Project Detail

New Projects

Project 1711 – Radio System Upgrade – \$800,000

This project will replace the control computers, reconfigure the broadcast cells and upgrade the radio system. By implementing the project, the District will be prepared for anticipated FCC mandates to change to a P25 Linear Simulcast mode. *[Operating Budget Impact: No significant impact.]*

Project 1712 – Transit Scheduling System – \$750,000

This project will initiate a feasibility study to determine whether an upgrade or full replacement of the current transit scheduling system would be more beneficial to the District. The current system is Hastus, an integrated and modular software system for route, vehicle and crew scheduling. *[Operating Budget Impact: No significant impact.]*

Project 1713 – ADS ACIS Data Radio Replacement – \$700,000

This project will replace the ACIS data radio system with cellular communications. ACIS transmits real time information from District vehicles. *[Operating Budget Impact: No significant impact.]*

Project 1714 – Redundant Network/Systems – \$350,000

This project will include research, acquisition and implementation of infrastructure to prepare for disaster recovery. Deliverables will include, but are not limited to, the following: a detailed project plan for hardware and software recommendations, resource allocations and budget for the District to implement an appropriate infrastructure to support critical systems. *[Operating Budget Impact: No significant impact.]*

Project 1715 – Aviat Microwave Update – Santa Rosa Link – \$250,000

This will replace equipment that has reached the end of its useful life in the Santa Rosa-Sonoma Mountain microwave link. *[Operating Budget Impact: No significant impact.]*

Project 1716 – Financial Management System Analysis – \$175,000

This project will gather information in order to upgrade or replace the District's financial software, IFAS. The IFAS vendor has retired the District's version of the product. The work product created by this effort will document: (1) workflows of the current Financial, Accounting, Payroll, Human Resources and reporting business processes; (2) interaction of those processes with procurement and contracts processes and with the existing IFAS system; (3) identification of opportunities for improvement by modifying business processes or implementing software solutions; and (4) recommendations of which software solutions will best fit the needs and constraints of the District. *[Operating Budget Impact: No significant impact.]*

Continuing Projects

Project 1612 – Transit Network Access Security Enhancements – \$802,500

This project was moved forward from the Capital Project List into the FY 15/16 budget through the General Manager's administrative authority. The project will purchase and install Transit Network Access Security Enhancements including: intrusion detection and monitoring technologies (both hardware and software)

that will improve the level of security to protect Golden Gate Transit and Golden Gate Ferry data used on a daily basis. *[Operating Budget Impact: No significant impact.]*

Project 1512 – Email, MS Office, and Core Services Software and Hardware – \$750,000

The District was running outdated software and supporting hardware for its Email, Office applications and core networking software Active Directory. Primary support for these applications ended in October 2012. Microsoft continues to support the applications on a limited basis until October 2017 when all support will be discontinued. Losing manufacturer support would end any security fixes and patches that would be critical to securing the District's data. This project upgraded the District's core service software and hardware. *[Operating Budget Impact: No significant impact.]*

Project 1513 – Electronic Timekeeping System – \$695,500

This project will implement a secure and online electronic timekeeping system. An automated time and attendance tracking system provides many advantages: Compliance toward internal, federal, state or industry-specific policies (resulting in reduction of employee compensation grievances); accuracy of time-tracking and elimination of errors and administrative tasks involved in time sheet production; defined interface to allow automated upload into IFAS's payroll system to avoid manual intervention; real-time analysis of employee time by managers; addresses FLSA issues for non-exempt employees. *[Operating Budget Impact: No significant impact.]*

Project 1610 – Cyber Security – \$530,000

This project will fund studies to assess the level of risk and implement recommendations for cost effective solutions to provide protection from cyber threats both internal and external to the District. *[Operating Budget Impact: No significant impact.]*

Project 1611 – E-Discovery Solution – \$242,000

This project procured and implemented an electronic discovery (E-Discovery) solution to improve turnaround times for Public Records Act (PRA) requests. An E-Discovery tool speeds resolution time for each request, improves accuracy and reduces staff costs. *[Operating Budget Impact: No significant impact.]*

Project 1515 – Network Security – \$200,000

Information Systems will evaluate the current network security infrastructure and vulnerabilities and design and implement a comprehensive network security solution. *[Operating Budget Impact: No significant impact.]*

Project 1516 – Disaster Recovery – \$200,000

Disaster recovery policies, hardware and software will allow the District's production systems to be restored to operation within one business day. Today, the same recovery could take up to a week to complete. New policies will include off site data storage, backup hardware for critical systems and regular testing of our procedures. *[Operating Budget Impact: No significant impact.]*

Project 1518 – Website Redesign – \$200,000

In collaboration with Marketing, Information Systems will upgrade the District's website. The final deliverable will be a new website that provides an innovative conduit for information to our patrons. *[Operating Budget Impact: No significant impact.]*

Capital Equipment

Project 1719 – Capital Equipment – District - \$134,000

This project is for the annual purchase of capital equipment for the District Division. *[Operating Budget Impact: No significant impact.]*

Projects Moved to the 10-Year Plan

Project 1517 – Grants Module – \$200,000

This project was moved to the 10-Year Plan and will purchase and implement a Grants Management application. This new application will replace manual processes and integrate into the District's financial system. *[Operating Budget Impact: No significant impact.]*

DISTRICT DIVISION PERSONNEL SUMMARY BY DEPARTMENT

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT					
District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The District Division					
Administration & Development 101					
Administrative Assistant	1	1	1	1	0
Deputy General Mgr., Admin & Developmt	1	1	1	1	0
Disadvantaged Bus. Enterprise Analyst	1	1	1	1	0
Employee Relations & Compliance Mgr.	1	1	1	1	0
Leaves Analyst	1	1	1	1	0
Total	5	5	5	5	0
Customer Relations 102					
Customer Relations Assistant	6	6	6	6	0
Customer Relations Supervisor	1	1	1	1	0
Total	7	7	7	7	0
Environmental Health & Safety 103					
Director of Risk Mgt & Safety	1	1	1	1	0
Env. Health & Safety Specialist	1	1	1	1	0
Security Emergency Mgt Specialist	0	0	0	1	1/(c)
Workers' Comp/Liability Claims Admin.	1	1	1	1	0
Total	3	3	3	4	1
Human Resources 104					
Human Resources Administrator	2	1	1	1	0
Human Resources Analyst	2	2	2	2	0
Human Resources Analyst – Admin.	1	1	1	1	0
Human Resources Coordinator	2	2	2	2	0
Human Resources Director	1	1	1	1	0
Human Resources Manager/Admin.	1	1	1	1	0
Human Resources Technician	1	1	1	1	0
Office Coordinator	0	1	1	1	0
Senior Human Resources Analyst	0	1	1	1	0
Total	10	11	11	11	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The District Division					
Information Systems 105					
Application Support Manager	1	1	1	0	(1)/(a)
Business Information Systems Engineer	2	3	3	3	0
Chief Technology Director	0	0	0	1	1/(a)
Data Architect	1	1	1	1	0
Director of Corporate Technology	1	1	1	0	(1)/(a)
Help Desk	1	1	1	1	0
Information Systems Database Engr (LT)	0	0	0	1	1/(b)
Information Systems Manager	0	0	0	3	3/(a)
Information Systems Sr Project Mgr	0	0	0	1	1/(b)
Information Systems Security Engineer	0	0	0	1	1/(b)
Manager of Technical Services	1	1	1	0	(1)/(a)
Project Manager	3	3	3	2	(1)/(d)
Sr. Business Info Systems Engineer	3	3	3	3	0
Sr. Desktop Systems Administrator	1	1	1	1	0
Senior Network Administrator	1	1	1	1	0
Senior Systems Administrator	2	2	2	2	0
Systems Administrator, PC Support	1	1	1	1	0
Technology Systems Manager	1	1	1	0	(1)/(a)
Total	19	20	20	22	2
Marketing & Communications 106					
Art Supervisor	1	1	1	1	0
Marketing and Comm. Director	1	1	1	1	0
Marketing Communications Specialist	2	2	2	2	0
Marketing Coordinator	1	1	1	1	0
Marketing Representative	1	1	1	1	0
Public Info & Marketing Programs Mgr	1	1	1	1	0
Total	7	7	7	7	0
Planning 107					
ADA Compliance & Program Mgr	0	0	0	1	1/(b)
Administrative Assistant	1	1	1	1	0
Associate Planner	2	2	2	1	(1)/(d)
Director of Planning	1	1	1	1	0
Mgr of Real Estate Svcs & Propty Dvlpmnt	1	1	1	1	0
Principal Planner	3	3	3	3	0
Senior Planner	1	1	1	1	0
Total	9	9	9	9	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The District Division					
District Secretary 111					
Administrative Assistant	0	1	1	1	0
Assistant Clerk of the Board	2	1	1	1	0
Office Specialist	1	1	1	1	0
Secretary of District	1	1	1	1	0
Senior Board Analyst	1	1	1	1	0
Total	5	5	5	5	0
Engineering 120					
Administrative/Engineering Assistant	1	1	0	0	0
Associate Engineering Inspectors	3	3	3	3	0
Associate Steel Inspector	2	2	2	3	1/(b)
Deputy District Engineer	1	1	1	1	0
District Engineer	1	1	1	1	0
Documents Control Assistant	2	2	3	3	0
Engineering Contracts Assistant	2	2	2	3	1/(b)
Engineering Contracts Officer	1	1	1	1	0
Engineering Design Technician	1	1	0	0	0
Executive Assistant to District Engineer	0	0	1	1	0
Facilities Engineer	1	1	1	1	0
Senior Civil Engineer	11	11	11	12	1/(b)
Senior Electrical Engineer	1	1	1	1	0
Senior Engineer	1	1	1	1	0
Senior Engineering Design Tech	1	1	1	1	0
Senior Mechanical Engineer	1	1	1	1	0
Senior Steel Inspector	1	1	1	1	0
Supervising Civil Engineer	3	3	3	3	0
Total	34	34	34	37	3
Finance 130					
Administrative Assistant	1	1	1	1	0
Auditor-Controller	1	1	1	1	0
Director of Fiscal Resources	1	1	1	1	0
Total	3	3	3	3	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The District Division					
Accounting 131					
Accountant	2	2	2	2	0
Accounting Analyst Capital & Grants	1	1	1	1	0
Accounting Specialist	2	2	2	2	0
Accounting Supervisor	1	1	1	1	0
Director of Accounting	1	1	1	1	0
Total	7	7	7	7	0
Budget & Analysis 133					
Budget & Programs Analyst	2	2	2	2	0
Budget Program Manager	1	1	1	1	0
Director of Budget & Electronic Revenue	1	1	1	1	0
Total	4	4	4	4	0
Capital & Grant Programs 134					
Capital & Grant Programs Analyst (1 LT)	2	2	2	2	0
Director of Capital & Grant Programs	1	1	1	1	0
Principal Capital & Grant Programs Analyst	1	1	1	1	0
Total	4	4	4	4	0
Payroll 136					
Assistant Payroll Administrator	2	2	2	2	0
Payroll Administrator	1	1	1	1	0
Payroll Timekeeping Specialist	3	3	3	3	0
Total	6	6	6	6	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 14/15 Year-End	FY 15/16 Budget	FY 15/16 Year-End	FY 16/17 Budget	Net Change FY 15/16 to FY 16/17
The District Division					
Procurement & Retail Operations 137					
Administrative Assistant	1	1	1	1	0
Contracts Officer	1	1	1	1	0
Office Specialist	2	2	2	2	0
Procurement Analyst	1	1	1	1	0
Procurement Director	1	1	1	1	0
Purchasing Officer	1	1	1	1	0
Senior Buyer	0	0	1	1	0
Total	7	7	8	8	0
General Manager 140					
Administrative Assistant	1	1	1	1	0
Executive Assistant to the GM	1	1	1	1	0
General Manager	1	1	1	1	0
Total	3	3	3	3	0
District Division Totals					
Total Authorized Positions	133	135	136	142	6
Regular Positions	132	134	135	140	5
Limited Term Positions	1	1	1	2	1

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification



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APPENDIX A – NET POSITION AVAILABLE FOR NEW CAPITAL PROJECTS OR OPERATIONS

Category		Estimated Balance 07/01/16	Estimated Balance 06/30/17	Estimated Balance 07/01/17
Available Net Position before Long Term Liabilities, Board Designated and Other Reserves¹:	[A]	\$26,900,000	\$32,000,000	\$32,000,000
Long Term Liabilities²				
CalPERS Net Pension Liability		\$100,800,000	\$105,800,000	\$105,800,000
Golden Gate Transit Amalgamated Retirement Plan Net Pension Liability		53,200,000	64,200,000	64,200,000
Subtotal Long Term Liabilities	[B]	\$154,000,000	\$170,000,000	\$170,000,000
Board Designated and Other Reserves				
Operating Reserve ³		(\$14,800,000)	(\$15,800,000)	(\$15,800,000)
Emergency Reserve ⁴		(6,900,000)	(7,400,000)	(7,400,000)
Bridge Self Insurance Loss Reserve		(13,300,000)	(14,600,000)	(14,600,000)
Subtotal Board Designated and Other Reserves	[C]	(\$35,000,000)	(\$37,800,000)	(\$37,800,000)
Net Position (Reserves) Available Before Committed Capital Projects	[A]+[B]+[C]	\$145,900,000	\$164,200,000	\$164,200,000
Committed Capital Projects				
Bridge		(\$37,000,000)	(\$30,800,000)	(\$78,000,000)
Transit		(25,300,000)	(21,200,000)	(51,100,000)
Total Committed Capital Projects (District-funded portion only)	[D]	(\$62,300,000)	(\$52,000,000)	(\$129,100,000)
Net Position Available for New Capital Projects or Operations	[A]+[B]+[C]+[D]	\$83,600,000	\$112,200,000	\$35,100,000

1. Adjusted to exclude funded capital contributions, Bridge self insurance reserves and restricted Local, State and Federal grant funds for capital projects.
2. In 2015, the District restated its Net Position as a result of the new reporting requirements of GASB 68 ("Accounting and Financial Reporting for Pensions"). GASB 68 requires agencies to report unfunded pension obligations as a liability on the financial statements even in cases where the agency is not legally responsible for the unfunded pension obligation. The District is not legally responsible for the funding of the Golden Gate Transit Amalgamated Retirement Plan.
3. Board policy funds the operating reserve at 7.5% of the budget or to cover the expected operating deficit, whichever is larger.
4. 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.

Golden Gate Bridge, Highway and Transportation District

Changes in Fund Balance/Equity

(\$ in Thousands)

	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Unaudited	FY 16/17 Budget
Operating Revenues				
Bridge Tolls	\$112,668	\$129,500	\$137,419	\$138,000
Transit Fares	31,687	33,386	35,880	38,867
Marin Transit	13,320	10,442	11,172	9,993
Other Operating (Excluding RM2 Funding)	2,483	2,981	3,426	2,727
Total Operating Revenues	\$160,158	\$176,309	\$187,897	\$189,588
Operating Expenses				
Operations	\$87,615	\$89,040	\$87,832	\$94,011
Maintenance	38,652	37,544	41,697	43,676
General & Administrative	34,419	34,289	38,184	41,127
Depreciation (Includes Grant Depreciation)	27,149	28,253	31,256	31,011
Total Operating Expenses (Excludes Capital Contribution)	\$187,835	\$189,126	\$198,969	\$209,826
Operating Loss	(\$27,677)	(\$12,817)	(\$11,072)	(\$20,238)
Non-Operating Revenues (Expenses)				
Operating Assistance				
- State Operating Assistance	\$16,001	\$18,368	\$16,310	\$18,176
- Federal Operating Assistance	94	8	210	200
- Local Operating Assistance (RM2)	2,596	2,492	2,802	2,770
Total Operating Assistance	\$18,691	\$20,868	\$19,321	\$21,146
Capital Contributions to Other Agencies	(\$2,337)	(\$783)	(\$75,833)*	(\$6,649)
Investment Income	3,039	2,408	3,787	1,600
Interest Expense	(60)	(45)	(81)	(1,270)
Gain (Loss) on Disposal of Capital Assets	(71)	21	1	-
Total Non-Operating Revenues	\$571	\$1,601	(\$72,126)	(\$6,319)
Income Before Capital Contributions	(\$8,415)	\$9,652	(\$63,877)	(\$5,412)
Capital Contributions (Non-District Funded)	\$36,030	\$48,742	\$34,464	\$17,824
Increase in Net Assets Before Special Item	\$27,615	\$58,394	(\$29,413)	\$12,413
Net Increase/(Decrease) in Net Position	27,615	58,394	(29,413)	12,413
Net Position, Beginning of Year	739,213	766,828	680,211	650,798
Restatement of Beginning Net Position		(145,011)		
Net Position, End of Year	\$766,828	\$680,211	\$650,798	\$663,210

* Includes \$75 million capital contribution to San Francisco County Transportation Authority (SFCTA) in regards to the Presidio Parkway, Doyle Drive reconstruction project and in accordance with the Memorandum of Understanding Agreement dated 11/26/2008 between GGBHTD and SFCTA.

APPENDIX B – COMMERCIAL PAPER BUDGETING COVENANT CERTIFICATE OF THE DISTRICT

As was true in every budget since the Commercial Paper Program began in 2001, the FY 16/17 Adopted Budget meets the pledge made to the holders of the District's commercial paper notes to insure that it is able to pay debt service on those notes. The District's pledge to debt holders includes a covenant that requires the District to pass a budget that produces sufficient revenues to pay twice as much debt service as projected. The covenant allows the District to count the \$7.3 million in Bridge Operating Reserve Fund toward the 2X ratio. In addition to the Bridge Operating Reserve Fund, the District created and fully funded a Debt Service Reserve Fund of \$5.5 million to further insure the security of the note holders by providing sufficient reserves to meet unforeseen eventualities. Those reserve funds have been, and will remain, fully funded throughout the Commercial Paper Program.

Golden Gate Bridge, Highway and Transportation District Commercial Paper Debt Payment Coverage Covenant (\$ in Thousands)

	12/13 Actual	13/14 Actual	14/15 Actual	15/16 Actual	16/17 Adopted
Total Revenues	\$168,575	\$181,888	\$199,585	\$211,005	\$212,334
Less Total Operating Expenses (Less Depreciation, Capital Contribution, Bridge Self-Insurance and Debt Service Payments)	(\$155,074)	(\$160,686)	(\$160,873)	(\$167,713)	(\$178,815)
Total Net Revenues	\$13,501	\$21,202	\$38,712	\$43,293	\$33,519
Plus Operating Reserve Fund	\$7,320	\$7,320	\$7,320	\$7,320	\$7,320
Total Net Revenues + Operating Reserve	\$20,821	\$28,522	\$46,032	\$50,613	\$40,839
Actual/Estimated Debt Service	\$106	\$60	\$45	\$81	\$1,270
Coverage (with Operating Reserve)	196.4	475.4	1,022.9	624.8	32.2
Coverage (without Operating Reserve)	127.4	353.4	860.3	534.5	26.4

APPENDIX C – FY 15/16 CAPITAL PROGRAM ACCOMPLISHMENTS

Program Summary

FY 15/16 capital expenditures for the agency totaled \$37.6 million, funded with \$9.4 million, or 25% District funds and \$28.2 million, or 75% grant funds. Total FY 15/16 expenditures include expenditures on completed projects and multi-year projects that were carried over to be completed in FY 16/17 or future years.

A summary of the FY 15/16 program is provided below, followed by each division's detailed program.

FY 15/16 Capital Expenditures by Division

	Total Project	FY 15/16 Budget	FY 15/16 Actual	Actual/Budget
Bridge - Seismic Retrofit	\$48,384,216	\$6,280,000	\$3,581,276	57%
Bridge - Other	158,969,647	9,065,452	5,797,117	64%
Bus	22,882,500	3,455,738	1,130,751	33%
Ferry	75,496,925	27,643,484	20,199,263	73%
District	32,658,488	10,695,986	6,955,776	65%
Agency Total	\$338,391,776	\$57,140,660	\$37,664,182	66%

Capital Fund Source

	Total Project	FY 15/16 Budget	FY 15/16 Actual	FY 15/16 Funding
Federal	\$185,107,508	\$30,855,228	\$21,447,929	57%
State	50,296,073	8,831,006	6,260,914	17%
Other Local Funds	3,724,318	712,238	512,747	1%
Subtotal Capital Grant Revenue	\$239,127,899	\$40,398,471	\$28,221,590	75%
District Funds	\$99,263,877	\$16,742,189	\$9,442,592	25%
Total Expenditures	\$338,391,776	\$57,140,660	\$37,664,182	100%

FY 15/16 Capital Program Accomplishments Bridge Division

FY 15/16 Bridge Division capital expenditures totaled \$9.4 million, funded with \$3.7 million, or 39% District funds and \$5.7 million, or 61% grants funds.

Project Number & Description	Total Project	FY 15/16 Budget	FY 15/16 Actual	Actual/Budget
Bridge Division – Seismic Retrofit				
9102 - Seismic Phase III - Design Review (ENG)	\$40,384,216	\$5,000,000	\$3,541,906	71%
1528 - GGB Wind Retrofit (ENG)	8,000,000	1,280,000	39,370	3%
Total Bridge Seismic Retrofit	\$48,384,216	\$6,280,000	\$3,581,276	57%
Bridge Division – Other				
1526 - Suicide Deterrent - Construction (ENG)	\$75,839,686	\$500,000	\$993,851	199%
0820 - Moveable Median Barrier (ENG)	30,516,000	2,451,229	1,837,387	75%
1521 - Access System SAV and Arch (ENG)	20,000,000	10,000	-	0%
1118 - Suicide Deterrent - Design (ENG)	5,543,101	576,799	528,690	92%
0805 - South Approach & Pier Security Improvements (ENG)	5,000,000	50,000	-	0%
9826 - Main Cable Access (ENG)	4,180,000	500,000	76,348	15%
1035 - GGB Informal Science Education (ENG)	3,499,777	100,000	199,025	199%
1421 - Alexander Avenue Rehabilitation (ENG)	3,000,000	10,000	-	0%
1525 - Toll System Upgrade (FIN)	3,000,000	100,000	185,176	185%
1629 - Capital Equipment	2,929,000	2,929,000	1,328,137	45%
1620 - Fixed Changeable Message Signs - North Approach (ENG)	1,560,000	560,000	-	0%
1422 - FasTrak® Equipment Upgrade (FIN)	1,000,000	100,000	-	0%
1524 - North Anchorage House Security (ENG)	1,000,000	100,000	103,634	104%
1423 - TP Admin Building Improvements (ENG)	672,000	507,594	396,681	78%
1523 - Modular Offices Rehabilitation (ENG)	500,000	50,000	33,645	67%
1560 - S. Visitor Plaza Restrooms Improvement Design Project	480,083	480,083	104,897	22%
1424 - Deck Paving Investigation (ENG)	150,000	10,000	-	0%
1527 - Bridge Roadway Light Fixture Replacement	100,000	30,748	9,645	31%
Total Bridge Division Other	\$158,969,647	\$9,065,452	\$5,797,117	64%
Total Bridge Division	\$207,353,863	\$15,345,452	\$9,378,393	61%
Capital Fund Source				
District Funds	\$78,999,906	\$6,661,828	\$3,673,677	39%
Federal Grants	100,679,006	6,549,586	4,301,321	46%
State Grants	27,480,083	2,132,753	1,400,841	15%
Other Local Funds	194,868	1,285	2,554	0%
Total Expenditures	\$207,353,863	\$15,345,452	\$9,378,393	100%

FY 15/16 Capital Program Accomplishments Bus Division

FY 15/16 Bus Division capital expenditures totaled \$1.1 million, funded with \$2,700, or 0.2% District funds and \$1.1 million, or 99.8% grants funds.

Project Number & Description	Total Project	FY 15/16 Budget	FY 15/16 Actual	Actual/Budget
Bus Division				
1435 - Purchase 25 - 45' Buses	\$17,300,000	\$1,345,421	\$670,123	50%
1431 - D1 Resurface Employee Parking Lot (ENG)	2,130,000	100,000	10,341	10%
1432 - D1 Main Shop Roof Replacement (ENG)	990,000	173,827	108,086	62%
1434 - Bus Security Cameras	900,000	899,638	-	0%
1531 - SF Bus Lot Env Eval and Mods (ENG)	500,000	100,000	-	0%
1532 - MCI 120v Outlets	427,500	427,500	-	0%
1533 - MCI Bike Racks	385,000	384,352	338,827	88%
1009 - Bus Stop Shelter & Signage Improvements	250,000	25,000	3,374	13%
Total Bus Division	\$22,882,500	\$3,455,738	\$1,130,751	33%
Capital Fund Source				
District	\$1,061,500	\$210,500	\$2,743	0.2%
Federal	16,478,512	1,792,369	693,210	61%
State Grants	3,492,488	1,078,857	152,803	14%
Other Local Funds	1,850,000	374,011	281,994	25%
Total Expenditures	\$22,882,500	\$3,455,738	\$1,130,751	100%

FY 15/16 Capital Program Accomplishments Ferry Division

FY 15/16 Ferry Division capital expenditures totaled \$20.2 million, funded with \$3.5 million, or 18% District funds and \$16.7 million, or 82% grants funds.

Project Number & Description	Total Project	FY 15/16 Budget	FY 15/16 Actual	Actual/Budget
Ferry Division				
1026 - <i>M.S. San Francisco</i> - Refurbishment	\$20,525,000	\$5,625,570	\$5,477,410	97%
1442 - LFT Berth and Channel Dredging (ENG)	14,900,000	10,000,000	9,615,743	96%
1441 - Gangways & Piers - Sausalito Construction (ENG)	11,500,000	100,000	-	0%
0503 - Gangway & Piers - Design (ENG)	8,374,525	1,000,000	454,854	45%
1029 - <i>M.V. Mendocino</i> - Mid-Life Refurbishment	6,290,000	2,725,276	2,144,961	79%
9710 - Corte Madera Marsh Restoration (ENG)	2,489,000	200,000	584,064	292%
1215 - SFFT Utilities-Roof Replacement (ENG)	1,770,000	1,269,192	1,077,491	85%
1542 - SLEP Larkspur	1,740,000	100,000	-	0%
1640 - <i>M.S. Marin</i> Ramp & Gangways Vessel Mods	1,340,100	1,340,100	-	0%
1641 - <i>M.V. Napa</i> Ramp & Gangways Vessel Mods	1,180,300	1,180,300	-	0%
1446 - <i>M.V. Del Norte</i> - Engine-Vessel Improvements & Dry Dock	850,000	59,432	57,934	97%
1645 - <i>M.V. Golden Gate</i> Main Engine QL3 Overhaul	816,000	816,000	411,948	50%
1643 - <i>M.V. Napa</i> Main Engine QL3 Overhaul	816,000	816,000	534	0%
1451 - <i>M.V. Golden Gate</i> - Engine-Vessel Impr & Dry Dock	650,000	516,883	15,951	3%
1647 - <i>M.V. Mendocino</i> - Eng. Design Correction	810,000	810,000	61,563	8%
1644 - <i>M.V. Del Norte</i> Propulsion Control Sys. Replacement	450,000	450,000	1,947	0%
1212 - Passenger Ferry Information Systems (IS)	301,000	100,891	73,253	73%
1648 - <i>M.V. Del Norte</i> Vessel Mods, Main Door	175,000	175,000	61,649	35%
1646 - <i>M.V. Del Norte</i> Main Engine QL1 Overhaul	150,000	150,000	129,172	86%
1452 - Sausalito Landing Rehab Env Mitigation (ENG)	100,000	30,000	-	0%
1440 - <i>M.V. Golden Gate</i> - Structural Mods	100,000	98,841	(1,159)	(1%)
1545 - TVM Enclosure Door Replacement	100,000	10,000	-	0%
1642 - Vessel Man Overboard Davits (All Vessels)	70,000	70,000	31,948	46%
Total Ferry Division	\$75,496,925	\$27,643,484	\$20,199,263	73%
Capital Fund Source				
District	\$13,981,471	\$6,032,621	\$3,544,117	18%
Federal	50,455,506	18,192,202	13,571,155	67%
State Grants	10,985,498	3,386,404	3,058,603	15%
Other Local Funds	74,450	32,257	25,388	0%
Total Expenditures	\$75,496,925	\$27,643,484	\$20,199,263	100%

FY 15/16 Capital Program Accomplishments District Division

FY 15/16 District Division capital expenditures totaled \$7.0 million, funded with \$2.2 million, or 32% District funds and \$4.8 million, or 68% grants funds.

Project Number & Description	Total Project	FY 15/16 Budget	FY 15/16 Actual	Actual/Budget
District Division				
0502 - Advanced Comm & Info System (IS)	\$25,275,000	\$4,798,073	\$3,193,793	67%
1511 - Voice over IP Phone System (VoIP) (IS)	1,500,000	1,377,750	1,053,923	76%
1619 - Capital Equipment	745,500	745,500	277,305	37%
1612 - Transit Network Access Security Enhancements (IS)	802,488	802,488	696,465	87%
1512 - Email MS Office and Core Service Software/Hardware (IS)	750,000	389,474	261,451	67%
1513 - Electronic Timekeeping System (IS)	695,500	641,078	412,094	64%
1610 - Cyber Security (IS)	530,000	75,000	1,502	2%
1550 - Core Network Routers (IS)	500,000	492,000	488,842	99%
1514 - Redundant Systems (IS)	500,000	184,374	180,679	98%
1611 - E-Discovery Solution (IS)	242,000	242,000	107,920	45%
1517 - Grants Module (IS)	200,000	194,981	405	0%
1515 - Network Security (IS)	200,000	185,239	-	0%
1516 - Disaster Recovery (IS)	200,000	153,879	-	0%
1518 - Website Redesign (IS)	200,000	184,941	66,572	36%
1553 - Network Redundancy (IS)	150,000	61,954	61,954	100%
1552 - Indoor Wireless Network Access (IS)	95,000	94,256	90,419	96%
1613 - Server Replacement (IS)	73,000	73,000	62,453	86%
Total District Division	\$32,658,488	\$10,695,986	\$6,955,776	65%
Capital Fund Source				
District	\$5,221,000	\$3,837,240	\$2,222,056	32%
Federal	17,494,484	4,321,070	2,882,244	41%
State Grants	8,338,004	2,232,991	1,648,666	24%
Other Local Funds	1,605,000	304,685	202,811	3%
Total Expenditures	\$32,658,488	\$10,695,986	\$6,955,776	100%

APPENDIX D – GRANT FUNDING SOURCES

Major Sources of Grant Funds

Fund Source	Programming Process/Agency	Program Cycle	Amount in FY 16/17 Budget		Secured for Future Years	
			Capital	Operating	Capital	Operating
Federal Grants						
Ferry Boat Discretionary (FBD) Program	Application to Caltrans/FHWA and/or Congressional Earmark.	Annual Earmark / DOT Discretionary	\$229,500	N/A	\$6,781,600	N/A
Federal Transit Administration (FTA) - Section 5307, 5337 and 5309 Programs	Programming application to MTC. Contract application and award by FTA.	Annual - MTC Discretionary	\$3,153,000	N/A	\$75,316,800	N/A
National Science Foundation (NSF)	Application submitted to the NSF for GGB Informal Science Education Project.	One-Time	\$85,700	N/A	\$348,300	N/A
State Highway Bridge Program (HBP) / SAFETEA-LU High Priority Project (HPP) and Discretionary Bridge Fund (DBF)	For GGB Seismic Retrofit Project. Application to and award by Caltrans.	State and Congressional Discretionary funding	\$5,504,000	N/A	\$18,706,900	N/A
State Highway Bridge Program (HBP) / Surface Transportation Program (STP)	Funds programmed by State and MTC for the Suicide Deterrent.	One-Time	\$356,300	N/A	\$48,308,200	N/A
State Grants						
Infrastructure Bond: State Transit Security Grant Program (CA-TSGP)	Application to Caltrans/MTC.	Annual for 10-year Period	\$964,200	N/A	\$71,800	N/A
California State Coastal Conservancy (CA-SCC)	Application submitted to the CA-SCC for GGB Informal Science Education Project.	One-Time	\$354,200	N/A	\$0	N/A
State Transportation Improvement Program (STIP)	County Congestion Management Agencies (CMA) and MTC.	Bi-Annual	\$502,900	N/A	\$338,900	N/A
Infrastructure Bond: PTMISEA Account	Application to Caltrans/MTC.	Annual for 10-year Period	\$283,500	N/A	\$4,807,100	N/A
Prop 63 Mental Health Services Act	Funds awarded by State for the Suicide Deterrent.	One-Time	\$46,100	N/A	\$6,898,600	N/A
Low Carbon Transit Operations Program (LCTOP)	Programmed based on Formula.	Annual	\$2,000	N/A	\$1,125,900	N/A
Transportation Development Act (TDA)	Per agreement with the Counties and MTC. Annual application to MTC.	Annual	N/A	Marin:	N/A	Marin:
				\$7,946,100		TBD
			N/A	Sonoma:	N/A	Sonoma:
				\$5,380,700		TBD
State Transit Assistance (STA)	Revenue Based - Service-based formula. Population Based - MTC Discretion.	Annual	N/A	\$4,849,000	N/A	TBD

Appendix D

			Amount in FY 16/17 Budget		Secured for Future Years	
Fund Source	Programming Process/Agency	Program Cycle	Capital	Operating	Capital	Operating
Other Local Grants						
Carl Moyer Grant Program	Bay Area Air Quality Management District.	Ongoing	\$7,300	N/A	\$0	N/A
Regional Measure 2 (RM2)	Programming application to MTC	Annual	\$0	\$2,770,300	\$0	\$2,492,500
Transportation Fund for Clean Air (TFCA)	County Congestion Management Agencies (CMA), MTC and the Bay Area Air Quality Management District (BAAQMD)	Annual	\$37,500	N/A	\$0	N/A
Total Grant Funds			\$11,526,200	\$20,946,100	\$162,704,100	\$2,492,500

All dollar amounts rounded to the nearest one hundred.

APPENDIX E – 10-YEAR CAPITAL REQUIREMENTS

GGBHTD 10-YEAR CAPITAL PLAN FY 2018 - FY 2027

			10-Year Projected Capital Need (\$000)									
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	10-Year Total (\$000)											
AGENCY SUMMARY												
BRIDGE DIVISION												
GRANT FUNDED	575,948	-	37,711	47,780	85,682	146,768	166,050	21,830	2,288	17,570	30,832	19,437
DISTRICT FUNDED	277,721	-	22,358	31,025	46,350	52,580	62,970	11,370	3,798	11,590	18,868	16,813
TOTAL	853,669	277,721	60,069	78,805	132,032	199,349	229,020	33,200	6,085	29,160	49,700	36,250
BUS DIVISION												
GRANT FUNDED	209,887	-	3,059	62,424	11,066	23,012	19,527	8,611	19,058	10,837	47,063	5,230
DISTRICT FUNDED	49,913	-	1,596	10,856	9,754	5,268	4,473	887	4,318	2,971	8,170	1,620
TOTAL	259,800	49,913	4,655	73,280	20,820	28,280	24,000	9,498	23,376	13,808	55,233	6,850
FERRY DIVISION												
GRANT FUNDED	208,511	-	14,626	14,710	19,878	26,111	24,917	28,116	26,492	32,528	19,904	1,228
DISTRICT FUNDED	80,008	-	29,637	5,028	5,020	6,578	6,304	7,104	6,698	8,207	5,051	382
TOTAL	288,519	80,008	44,263	19,738	24,898	32,689	31,221	35,220	33,190	40,735	24,955	1,610
DISTRICT DIVISION												
GRANT FUNDED	13,017	-	620	2,380	1,250	3,620	3,239	960	-	218	642	89
DISTRICT FUNDED	29,025	-	4,802	7,073	2,860	1,730	2,402	1,670	2,110	1,609	1,901	2,867
TOTAL	42,042	29,025	5,422	9,453	4,110	5,350	5,641	2,630	2,110	1,827	2,543	2,956
AGENCY TOTAL												
GRANT FUNDED	1,007,363	-	56,017	127,295	117,876	199,511	213,733	59,517	47,837	61,153	98,441	25,984
DISTRICT FUNDED	436,666	436,666	58,393	53,982	63,983	66,156	76,149	21,031	16,924	24,377	33,990	21,682
TOTAL	1,444,030	436,666	114,409	181,276	181,860	265,667	289,882	80,548	64,761	85,530	132,431	47,666

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
BRIDGE DIVISION													
GGB SEISMIC RETROFIT													

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

					Year 1	Year 2	Year 3	10-Year Projected Capital Need (\$000)						
		10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
BRIDGE DIVISION														
		</												

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
BUS DIVISION													
REVENUE VEHICLES													
Revenue Vehicle Replacement													
Replace 70 Transit Buses with Hybrids	57,500	48,875	8,625	500	57,000	-	-	-	-	-	-	-	-
Replace Buses (Regional)	92,471	76,751	15,720	-	-	-	22,270	20,240	-	20,726	-	29,235	-
Replace Buses (Local)	26,286	26,286	-	-	8,960	-	-	-	6,378	-	-	10,948	-
ADA Paratransit Vans	3,198	2,654	544	-	1,270	-	-	-	570	-	1,358	-	-
Revenue Vehicle Improvement													
Purchase and Install 120v Outlets on 55 MCI Buses	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase and Install Bicycle Racks on 55 MCI Buses	-	-	-	-	-	-	-	-	-	-	-	-	-
Replace Fareboxes	5,500	4,565	935	-	-	-	-	-	-	500	1,000	3,000	1,000
Revenue Vehicle Enhancements: bike racks, outlets, etc	500	400	100	-	-	-	-	-	-	-	-	-	500
Safety/Security													
Security Systems	1,000	800	200	-	-	-	-	-	-	-	-	-	1,000
Security Systems - Bus Security Cameras	-	-	-	-	-	-	-	-	-	-	-	-	-
FACILITIES REHABILITATION													
Safety/Security													
D-1 Bus Admin Bldg Roof, HVAC & Dispatch Rm	1,700	1,360	340	100	1,500	100	-	-	-	-	-	-	-
D-1 Fire Alarm System Upgrade	-	-	-	-	-	-	-	-	-	-	-	-	-
San Rafael Card Access Security	-	-	-	-	-	-	-	-	-	-	-	-	-
Automatic Door/Enclosure by Driver's Room (FY11; FY12)	-	-	-	-	-	-	-	-	-	-	-	-	-
D3 Bus Security Improvements	1,500	1,200	300	-	-	-	-	300	1,200	-	-	-	-
D-1: San Rafael													
Resurface D1 Employee Parking Lot	1,955	1,564	391	1,955	-	-	-	-	-	-	-	-	-
D-1 Main Shop Roof Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-
D-1 Heavy Duty Shop Rehab: Roof/HVAC/Paint	1,600	1,280	320	200	1,400	-	-	-	-	-	-	-	-
D-1 Fuel Island Building Rehab: Concrnt Apron/Roof/Paint	850	680	170	-	100	750	-	-	-	-	-	-	-
D-1 Body Shop Roof and Coating, Storage Bldg	1,100	880	220	-	-	-	600	500	-	-	-	-	-
D-1 Main Shop Utility Rehab	1,900	1,520	380	-	-	800	1,100	-	-	-	-	-	-
D-1 Bus Lot Pavement Rehabilitation	2,500	2,000	500	-	-	500	2,000	-	-	-	-	-	-
D-1 IT Dispatch Office Rehab	800	640	160	100	700	-	-	-	-	-	-	-	-
D-1 Bus Lot Campus Redev. Ph1-Planning Study	400	320	80	-	-	-	-	200	200	-	-	-	-
D-1 Bus Lot Campus Redev. Ph2-Construction	25,000	20,000	5,000	-	-	-	-	-	-	1,000	10,000	10,000	4,000

BUS DIVISION

[illegible]

Golden Gate Bridge, Highway & Transportation District

					10-Year Projected Capital Need (\$000)										
			10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
FERRY DIVISION															
REVENUE VEHICLES															
Safety/Security Enhancements															
Vessel Man Overboard Davits (All Vessels)															
MS San Francisco															
MS San Francisco Rehab Projects															
MS San Francisco: End of Useful Life Replacement															
MS Marin															
M.S. Marin Repower & Dry Dock															
M.S. Marin Ramp & Gangways Vessel Modifications															
MS Marin Rehab Projects															
MS Marin: End of Useful Life Replacement															
MS Sonoma															
M.S. Sonoma Refurbishment and Repower															
MS Sonoma Rehab Projects															
MS Sonoma: End of Useful Life Replacement															
MV Mendocino															
M.V. Mendocino - Eng. Design Correction															
MV Mendocino Rehab Projects															
MV Mendocino: End of Useful Life Replacement															
MV Del Norte															
M.V. Del Norte Propulsion Control Sys. Replacement															
M.V. Del Norte Main Engine Q1 Overhaul															
M.V. Del Norte Vessel Imods, Main Door															
MV Del Norte Rehab Projects															
MV Del Norte: End of Useful Life Replacement															
MV Napa															
M.V. Napa Main Engine Q1 Overhaul															
M.V. Napa Ramp & Gangways Vessel Modifications															
MV Napa Rehab Projects															
MV Napa: End of Useful Life Replacement															
MV Golden Gate															
M.V. Golden Gate Main Engine Q1 Overhaul															
M.V. Golden Gate Dry Docking & Cap Improvements															
Structural Modifications - MV Golden Gate															
MV Golden Gate Engine-Vessel Improvements & Dry Dock															
MV Golden Gate Rehab Projects															
MV Golden Gate: End of Useful Life Replacement															

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)										
				FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
FERRY DIVISION													
FACILITIES REHABILITATION													
Safety/Security Enhancements													
Ferry Terminal Security Camera Upgrades	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Systems	500	400	100	-	-	500	-	-	-	-	-	-	-
Systemwide													
Gangway & Piers - Design	1,993	1,674	319	500	500	500	493	-	-	-	-	-	-
Larkspur Ferry Terminal													
SLEP Larkspur	1,531	1,224	306	1,531	-	-	-	-	-	-	-	-	-
TVM Enclosure Door Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-
LFT Channel Dredging	29,100	23,280	5,820	-	-	500	12,500	-	-	-	800	15,300	-
LFT Berth and Turning Basin Dredging	8,000	6,400	1,600	-	-	300	3,000	-	-	-	400	4,300	-
Gangways & Piers - Larkspur Construction	66,000	52,800	13,200	-	-	-	4,000	24,000	24,000	14,000	-	-	-
Terminal Bldgs and Waiting Area Roof Rehab	2,000	1,600	400	300	1,700	-	-	-	-	-	-	-	-
Admin Bldg Roof, Paint Exterior, Restroom Rehab	1,500	1,200	300	-	300	1,200	-	-	-	-	-	-	-
Terminal Water Line and Utilities Rehab	1,000	800	200	-	-	500	500	-	-	-	-	-	-
Terminal Truss Rehab and Painting	4,000	3,200	800	-	-	468	1,766	1,766	-	-	-	-	-
Fuel System Rehab	1,500	1,200	300	312	1,188	-	-	-	-	-	-	-	-
Oil Boom Platform Berth 3	900	-	900	900	-	-	-	-	-	-	-	-	-
Rehab Overflow Parking Lot Area	800	640	160	-	-	800	-	-	-	-	-	-	-
Rehab Parking Lot	1,500	1,200	300	-	-	-	-	-	-	300	1,200	-	-
LFT Parking Garage	40,000	32,000	8,000	-	-	-	500	4,500	5,000	15,000	15,000	-	-
Parking Lot Striping, Improvements, Signage	50	-	50	50	-	-	-	-	-	-	-	-	-
LFT Maintenance Office Reception Rehab	51	-	51	51	-	-	-	-	-	-	-	-	-
Design/Install Swing Mooring Apparatus	86	-	86	86	-	-	-	-	-	-	-	-	-
San Francisco Ferry Terminal													
Gangways & Piers - San Francisco Construction	25,000	20,000	5,000	-	3,500	12,500	9,000	-	-	-	-	-	-
Waiting Area Roof Rehab	1,200	960	240	-	-	-	-	300	900	-	-	-	-
Rehab Former Ticket Office Bldg	2,800	2,240	560	-	-	-	-	-	-	2,000	800	-	-
Sausalito Ferry Terminal													
Gangways & Piers - Sausalito Construction	11,900	9,520	2,380	3,400	7,500	1,000	-	-	-	-	-	-	-
Sausalito Landing Rehab Env Mitigation	-	-	-	-	-	-	-	-	-	-	-	-	-
Sausalito Terminal Environmental Mitigation	100	-	100	100	-	-	-	-	-	-	-	-	-

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
FERRY DIVISION													
ENVIRONMENTAL MITIGATION													
Corte Madera Marsh													
Corte Madera Marsh Restoration Design	1,199	-	1,199	1,199	-	-	-	-	-	-	-	-	-
CM Marsh Restoration Construction	5,000	4,000	1,000	1,500	3,000	500	-	-	-	-	-	-	-
INFORMATION SYSTEMS/TECHNOLOGY													
Ticketing Systems/TVMs	2,050	-	2,050	750	1,300	-	-	-	-	-	-	-	-
CAPITAL EQUIPMENT													
Oil Boom/Float Platform	30	-	30	30	-	-	-	-	-	-	-	-	-
Tools and Equipment	750	-	750	75	75	75	75	75	75	75	75	75	75
TOTAL	288,519	208,511	80,008	44,263	19,738	24,898	32,689	31,221	35,220	33,190	40,735	24,955	1,610

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
DISTRICT DIVISION													
<u>SAFETY/SECURITY ENHANCEMENTS</u>													
Security Systems	700	560	140	100	100	-	500	-	-	-	-	-	-
<u>FACILITIES REHABILITATION</u>													
Miscellaneous Facilities Rehab	3,910	-	3,910	1,440	720	310	-	-	-	170	900	180	190
Office Facility Renovation/Consolidation	6,960	6,960	-	-	-	750	3,060	3,150	-	-	-	-	-
<u>INFORMATION SYSTEMS/TECHNOLOGY</u>													
Financial Management System Analysis	-	-	-	-	-	-	-	-	-	-	-	-	-
Radio System Upgrade (FY17 Project)	700	-	700	700	-	-	-	-	-	-	-	-	-
ADS ACIS Data Radio Replacement	600	-	600	600	-	-	-	-	-	-	-	-	-
Redundant Network/Systems (FY17 Project)	100	-	100	100	-	-	-	-	-	-	-	-	-
Aviat Microwave Update - Santa Rosa Link	-	-	-	-	-	-	-	-	-	-	-	-	-
Transit Scheduling System (FY17 Project)	375	300	75	375	-	-	-	-	-	-	-	-	-
Electronic Time Keeping	-	-	-	-	-	-	-	-	-	-	-	-	-
Network Security	-	-	-	-	-	-	-	-	-	-	-	-	-
Disaster Recovery	-	-	-	-	-	-	-	-	-	-	-	-	-
Website Redesign	10	-	10	10	-	-	-	-	-	-	-	-	-
Cyber Security	278	-	278	278	-	-	-	-	-	-	-	-	-
Transit Network Access Security Enhancements	72	72	-	72	-	-	-	-	-	-	-	-	-
Radio System Upgrade (10YP Upgrades)	3,734	-	3,734	234	3,000	-	-	-	500	-	-	-	-
Redundant Network / Systems (10YP Upgrades)	650	-	650	-	-	-	-	150	-	350	150	-	-
Transit Scheduling System (10YP Upgrades)	1,200	960	240	-	-	-	-	-	1,200	-	-	-	-
Telephone System Upgrade	2,550	-	2,550	-	-	-	-	800	-	-	-	50	1,700
Video Conferencing	105	-	105	-	105	-	-	-	-	-	-	-	-
Financial / HR / Payroll Management System	4,500	2,250	2,250	-	4,500	-	-	-	-	-	-	-	-
Asset and Vehicle Fluid Mgmt System	550	550	-	-	50	500	-	-	-	-	-	-	-
Replace Network Equipment	740	-	740	-	-	-	-	-	-	740	-	-	-
Replace Server Equipment	400	-	400	-	-	200	-	-	-	200	-	-	-
Document Management System	540	-	540	-	-	-	70	470	-	-	-	-	-
TimeKeeping System	870	696	174	15	-	-	-	-	-	-	52	803	-
Data Storage System	1,200	-	1,200	-	-	-	600	-	-	-	-	600	-
Indoor and Outdoor Wireless Network Access	660	-	660	-	-	-	-	320	-	-	-	-	340
Disaster Recovery	800	-	800	200	350	-	-	-	50	200	-	-	-
Ferry Passenger Information Systems	222	178	44	-	-	-	-	111	-	-	-	-	111
Bus Wifi	-	-	-	-	-	-	-	-	-	-	-	-	-
Email/MS Office	750	-	750	-	-	250	-	-	250	-	-	250	-
Cyber Security	1,010	-	1,010	250	205	-	-	-	-	-	80	260	215
Grants Module	415	332	83	195	-	-	-	-	-	-	220	-	-
Network Security	415	-	415	185	-	-	-	-	230	-	-	-	-
IWR replacement	200	-	200	-	-	-	-	200	-	-	-	-	-
GFI System Upgrade	245	-	245	245	-	-	-	-	-	-	-	-	-
Data Center Racks (on FY18 Project List)	121	-	121	23	23	-	-	-	-	50	25	-	-

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				10-Year Projected Capital Need (\$000)									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
DISTRICT DIVISION													
District Web Site Re-Design w/Mobile App Technology		600	-	-	-	600	-	-	-	-	-	-	-
Compellent San Replacement ACIS		2,500	-	250	250	250	250	250	250	250	250	250	250
Firetide Mesh Refresh		200	160	40	-	-	200	-	-	-	-	-	-
Avtec VPGate Refresh		500	500	-	-	-	500	-	-	-	-	-	-
Exacom Voice Recorder Refresh		20	-	20	-	-	20	-	-	-	-	-	-
INIT software refresh		40	-	40	-	-	-	40	-	-	-	-	-
		1,100	-	1,100	-	1,100	-	-	-	-	-	-	-
CAPITAL EQUIPMENT													
Capital Equipment		1,500	-	1,500	150	150	150	150	150	150	150	150	150
		42,042	13,017	5,422	9,453	4,110	5,350	5,641	2,630	2,110	1,827	2,543	2,956

APPENDIX F – FINANCIAL PLAN



Agenda Item No. (7)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of October 22, 2015

From: Jennifer Mennucci, Director of Budget and Electronic Revenue
Joseph M. Wire, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **STATUS REPORT ON THE 2014 STRATEGIC FINANCIAL PLAN**

Recommendation

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

Summary

This report provides a background on the Board's process to create the 2014 Strategic Financial Plan (Plan), development of the plan's criteria and guiding principles, and the objectives of the Plan. Also, attached is an updated Plan including the current status of each Initiative (see Appendix B).

When the District approved its current Plan for achieving long-term financial stability on October 24, 2014, it was noted that the Plan was not only a financial plan but a work plan for staff and thus a living document that would require regular review on a routine basis. This report discusses the impact of the Plan, the current status of the Plan's initiatives, and next steps.

Impact of the Financial Plan

The goal of the Plan is to implement initiatives that will bring down the deficit. The original five-year deficit for the 2009 Plan was \$132 million. For example, the *2009 Strategic Plan for Achieving Long-Term Financial Stability* was successful in eliminating the five-year deficit by saving over \$200 million.

This year's projection for the four years of FY 15/16 – FY 19/20 projects a deficit of \$34.6 million. Each year the Plan will compare the projected deficit with the actual deficit in order to measure the success of the Plan. In Appendix C the chart compares the projected deficit with the actual deficit. Given that this is the first year of the Plan, the baseline is FY 14/15 actual deficit and the budgeted deficit for FY 15/16.

The 2014 Plan Status

The Plan has 45 initiatives. Given that this is the first year of the current plan, a majority of these initiatives are not yet completed. The initiatives have been categorized into the following four phases (see Appendix B for a complete set of initiatives):

Projects Completed (4 Initiatives) – Initiatives that are fully implemented. These initiatives include projects such as the Moveable Median Barrier, Bus Wi-Fi, and supplemental school service transitioned to Marin Transit.

Projects Underway (21 Initiatives) – Initiatives that are Board approved and are being implemented or Initiatives that are under analysis and have not yet come to the Board for action. This includes projects such as efficiencies from negotiations, implementation of the Advanced Communications and Information Systems (ACIS) project, fare increases, etc.

Projects in Future Years (20 Initiatives) – Initiatives that are not yet Board approved or implemented and planned to be worked on in future years.

Projects Withdrawn (2 Initiatives) – On October 7, 2015 Governor Brown signed into law Assembly Bill 40 which prohibits charging pedestrians or bikes on the bridge sidewalks for five years.

Consideration of New Initiatives for 2015/16

The Board has an option to add/delete initiatives on/off the Plan at any time. Staff reviewed the Plan and recommends continuing to work off the current plan based on the numerous projects that are underway now and in future years. If the Board chooses to add an initiative, it does not commit the Board to implementation. Prior to implementation of any specific initiative, further staff analysis will be done and, as required by Board policy, each element of the Plan will be brought through the Board's committee structure and then to the Board for approval prior to implementation.

Background

The District adopted its first Strategic Financial Plan in 2009 and was completed in 2013. In November 2013, an Advisory Committee was tasked to create a 2014 Strategic Financial Plan to address the District's projected financial deficit as outlined at the Board's October 25, 2013, Special Board meeting on the District's long-term financial condition. The Board approved the 2014 Strategic Financial Plan to guide the District in its long-term deficit reduction effort. It presents a path that, if implemented as presented, would eliminate the projected five and the majority of the ten-year deficit.

The approval of the proposed Plan is not the approval of any of the specific initiatives within the Plan. Prior to implementation of any specific initiative, further staff analysis will be done and as required by Board policy, each element of the Plan will be brought through the Board's

committee structure and then forward to the Board for possible approval. Also, some initiatives will require public outreach and public hearings during the deliberation process.

Development of the Financial Plan

As the first step in creating a proposed Strategic Financial Plan, the Advisory Committee developed guiding principles to assist in identifying initiatives for inclusion in the Plan. Secondly, they established a set of development criteria to guide in developing which ideas to undertake and include in the Plan (See Appendix A for the Guiding Principles and Development Criteria).

The 2014 Plan had a set of themes that fell into one of the following categories:

1. Review Administrative Processes and Procedures.
2. Transit Service Efficiencies.
3. Benefit Cost Reductions.
4. Technology Efficiencies.
5. Regional Partnerships & Coordination.
6. New Ways to Generate Revenue.
7. Reassess Capital Plan.

Objectives of the Strategic Financial Plan

The Plan is tracked to provide progress on initiatives over the five year period. The Plan always covers the same five and ten year period of FY 15/16 – FY 24/25. The District's long-term deficit will be updated with every projection for the appropriate years, but the original savings amounts for each initiative in the plan will remain the same to provide a baseline for judging the plan's effectiveness.

Description of Plan Document Structure

The savings/revenues column shows the cumulative savings/revenue for the time period. For example, if it is year three, the savings/revenues are shown for first three years of the plan period. The status column will be updated in order to show the progress on each initiative. If needed, new initiatives will be incorporated each year during the annual review, prior to the annual budget process where initiatives can be funded.

The Plan uses the same five- and ten-year period as the most current projection which was presented to the Finance-Auditing Committee on September 25, 2015. The "five-year horizon" starts with the fiscal year that began on July 1, 2015, and ends on June 30, 2020, while the "ten-year horizon" ends June 30, 2025. While the main focus of this effort is on the next five years, the ten-year impact of the various initiatives is included to reinforce each initiative's long-term value in reducing the deficit, especially those initiatives that are projected to take several years to implement or will begin in later years of the Plan.

Next Steps

Staff will continue to work on the individual initiatives underway. Potential new initiatives will be discussed and planned during the upcoming annual budget process. The Plan as a whole will come to the Board for review again next fall and will compare the latest deficit projection.

Fiscal Impact

There is no fiscal impact associated with this status report. Fiscal impacts will occur when specific initiatives are approved for implementation.

Guiding Principles

1. The Advisory Committee will develop a Strategic Plan whose components the Committee members can champion to the full Board of Directors when brought forward for adoption.
2. The Committee will be guided by the Mission Statement of the District in reviewing options for expense reduction and revenue generation:

The mission of the Golden Gate Bridge, Highway & Transportation District (District) is to provide safe and reliable operation, maintenance and enhancement of the Golden Gate Bridge and to provide transportation services, as resources allow, for customers within the U.S. Highway 101 Golden Gate Corridor.

3. The Strategic Plan will identify general priorities to guide implementation work on each initiative in recognition that staff resources are limited and not everything can happen at the same time.
4. The focus of the Advisory Committee will include both expense reductions and additional revenue generation.
5. The focus of the expense reduction initiatives will be on improving efficiency of current activities in such a way that savings result from the efficiencies and on finding new ways to provide the core services of the District. Outright elimination of any services will be minimized as much as possible.
6. This Advisory Committee will seek to keep existing projects underway at the District moving forward on schedule to the degree possible while undertaking new initiatives that are set forth by the Committee and ultimately adopted by the Board of Directors.

Development Criteria

This plan is an outline on how to ensure financial stability, but is also serves as a workplan for staff in recognition of workload impacts. The workload impact of the plan will be addressed each year in the Districts' budget. The Plan and initiatives will be reviewed annually as part of the review on the financial projections and conditions of the District. In general, initiatives in the proposed Plan are included based on the following criteria.

- A. Complete initiatives already underway.
- B. Focus on initiatives that will improve efficiencies of existing services or initiatives that work with community partners to increase the quality and breadth of service.
- C. Undertake initiatives that have substantial payoff potential but require a longer lead-time to fully implement.

2015 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)							Status of Project to Date	
Updated Deficit Projection (September 2015)							Updated deficit projection from Sept 2015: The Financial Plan covers FY 15/16 - 24/25. Yearly results from the September 2015 projection are used for FY 16/17 - FY 24/25 and the budgeted projection is used for FY 15/16.	
1	Implement Moveable Median Barrier: Will impact staffing in lane management and roadway operations. Net reduction of 1-2 FTEs.	\$0.1	\$0.2	\$0.3	\$0.4	\$0.5	\$1.0	COMPLETED. 1 FTE reduction in the FY 15/16 Budget.
2	Complete Implementation of ACIS Project: Project will increase customer service and operations efficiencies.	\$0.0	\$0.1	\$0.2	\$0.3	\$0.4	\$0.9	UNDERWAY. Scheduled to be fully implemented Summer 2016. Savings will come from reduced run times and fuel savings.
3	Review of Capital Plan. Accurately assess timing and costs for Capital Plan.	\$-	\$-	\$-	\$-	\$-	\$-	UNDERWAY. Will be completed in Fall of 2015 and incorporated into the FY16/17 Budget and Financial Projection.
4	Develop an initiative to have one set of Board and Committee meetings a month to save District resources.	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2	\$0.4	UNDERWAY. A reduction in the number of meetings occurred in FY14/15.
5	Implement time collection and Payroll automation throughout the District. Net reduction of 1-2 FTEs.	\$0.0	\$0.1	\$0.2	\$0.3	\$0.4	\$0.9	UNDERWAY. Completion scheduled for 2016.
6	Charge for Parking at Larkspur Ferry: Assumed at \$2/day.	\$0.4	\$0.8	\$1.2	\$1.6	\$2.0	\$4.0	UNDERWAY. Next step is for Board review to determine if the pilot program should be permanent. Annual net revenue approx. \$0.6 million.
7	Improve automatic toll collection system process to ensure toll collection from all auto traffic.	\$0.1	\$0.2	\$0.3	\$0.4	\$0.5	\$1.0	UNDERWAY. Several initiatives already implemented.

2015 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)							Status of Project to Date
YEAR 1 FY 15/16	YEAR 2 FY 15/16- 16/17	YEAR 3 FY 15/16- 17/18	YEAR 4 FY 15/16- 18/19	YEAR 5 FY 15/16- 19/20	10-YR FY 15/16 - 24/25		
8	Evaluate the cost-effectiveness of using Bio Diesel over Clean Diesel in Ferry fleet. Convert blended Bio Diesel Fuel to Clean Diesel in Ferry Fleet.						UNDERWAY. Review and possible action scheduled FY 15/16.
9	Non-Represented Employees. Cost savings in the areas of health plan design and employee premium contribution.						UNDERWAY. First year completed with significant changes in health plan design, and premium sharing.
10	ATU Labor Negotiations. Cost savings in the areas of health, pension, workers' compensation, absenteeism and work rule efficiencies. (Negotiations in 2014 & 2017)						UNDERWAY. Negotiations in 2014 completed. Significant changes in health plan design, premium sharing, pension contributions, worker's compensation reform, absenteeism.
11	Coalition Labor Negotiations. Cost savings in the areas of health plan design and employee premium contribution, workers' compensation, absenteeism and work rule efficiencies. (Negotiations in 2014 & 2017)						UNDERWAY. Negotiations with Coalition in 2014 completed. Significant changes in health plan design and premium sharing.
12	Support Marin Transit in the transition of Supplemental School Service to alternative service provider. Will reduce FTEs.						COMPLETED. It is estimated that annual savings is approximately \$450,000.
13	Improve the efficiencies of legal claims process.						UNDERWAY. First reform of claims process has been implemented.
14	Expansion of Wave service to increase Ferry ridership.						UNDERWAY. 1 route is permanent and 2 routes are in pilot phase.
15	Implement Wi-Fi on the Bus system. Increase ridership revenue and enhance customer service through implementing the ability to use Wi-Fi.						COMPLETED. Bus Wi-Fi was available to customers December 2014.

2015 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)	YEAR 1 FY 15/16	YEAR 2 FY 15/16- 16/17	YEAR 3 FY 15/16- 17/18	YEAR 4 FY 15/16- 18/19	YEAR 5 FY 15/16- 19/20	10-YR FY 15/16 - 24/25	Status of Project to Date
16 Implement Wi-Fi on the Ferry system. Increase ridership revenue and enhance customer service through implementing the ability to use Wi-Fi.	\$-	\$-	\$-	\$-	\$-	\$-	Project scheduled for FY 16/17.
17 Implement Administrative efficiencies. Implement opportunities to reduce costs, including increased use of technology and streamlining administration processes. Net reduction of 1-2 FTEs.	\$0.2	\$0.3	\$0.5	\$0.6	\$0.8	\$1.5	Project scheduled to begin review in FY 15/16.
18 Evaluate opportunities to reduce managing positions by approximately 10% as a goal through attrition. Reduction of 3-5 FTEs.	\$0.2	\$0.3	\$0.4	\$0.8	\$1.2	\$3.2	UNDERWAY. Actions to date include elimination of 2 supervisor positions: 1 vacant Bus Manager, 1 vacant Bridge Sergeant. Restructuring of 1 HR Administrator.
19 Winter Holiday Facility closures for non-operational functions as possible; Reduce functions between Christmas and New Year's.	\$-	\$-	\$-	\$-	\$-	\$-	Scheduled to be considered in FY 16/17.
20 Reduce Ferry Service during December Holiday period: Assumes weekend schedule service every day over 2 weeks.	\$0.2	\$0.4	\$0.6	\$0.8	\$1.0	\$2.0	Scheduled to be considered in FY 16/17.
21 Develop a comprehensive initiative for paid parking and tour bus access to the Bridge visitor areas to reduce congestion and increase revenue.	\$-	\$-	\$-	\$-	\$-	\$-	UNDERWAY. Working with local partners to develop a plan.
22 Analyze and implement a five year fare increase plan for Transit when the current plan expires.	\$1.8	\$3.7	\$5.6	\$7.6	\$10.0		UNDERWAY. Scheduled for Board review in late FY 15/16.

2015 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)		YEAR 1 FY 15/16	YEAR 2 FY 15/16- 16/17	YEAR 3 FY 15/16- 17/18	YEAR 4 FY 15/16- 18/19	YEAR 5 FY 15/16- 19/20	10-YR FY 15/16 - 24/25	Status of Project to Date
23	When SMART operations begin, optimize bus service of competing bus trips in the same corridor.		\$0.1	\$0.1	\$0.2	\$0.3	\$0.8	Assess in 2017 after SMART implementation.
24	Develop partnerships with Bay Area private transportation providers and employers to develop increased bus and ferry usage during non-peak and reverse commute times.		\$0.0	\$0.0	\$0.1	\$0.2	\$0.7	UNDERWAY. Staff currently working with private transportation providers and walking tour companies to use Ferry service for their customers during non-peak hours (such as wine tour operators.)
25	Implement temporary plate legislation (AB2197). Temporary plates will provide more collectible toll revenue.			\$1.0	\$2.0	\$3.0	\$8.0	UNDERWAY. Legislation passed Assembly and is ready for a floor vote in the Senate in 2016.
26	Green Initiatives - Explore cost savings on installation of solar panels, wind power, and other green initiatives in District Facilities.			\$-	\$-	\$-	\$-	Savings estimate to be defined when project(s) are defined and developed.
27	Evaluate Sidewalk Access Fees for Bikes.			\$-	\$-	\$-	\$-	WITHDRAWN. AB40 legislation signed by the Governor that prohibits charging a sidewalk access fee for five years.
28	Evaluate Sidewalk Access Fees for Pedestrians.			\$-	\$-	\$-	\$-	WITHDRAWN. AB40 legislation signed by the Governor that prohibits charging a sidewalk access fee for five years.
29	Partner with Marin Transit to reduce the cost to the District of regional paratransit service.			\$-	\$-	\$-	\$-	Scheduled to be considered in FY 16/17.

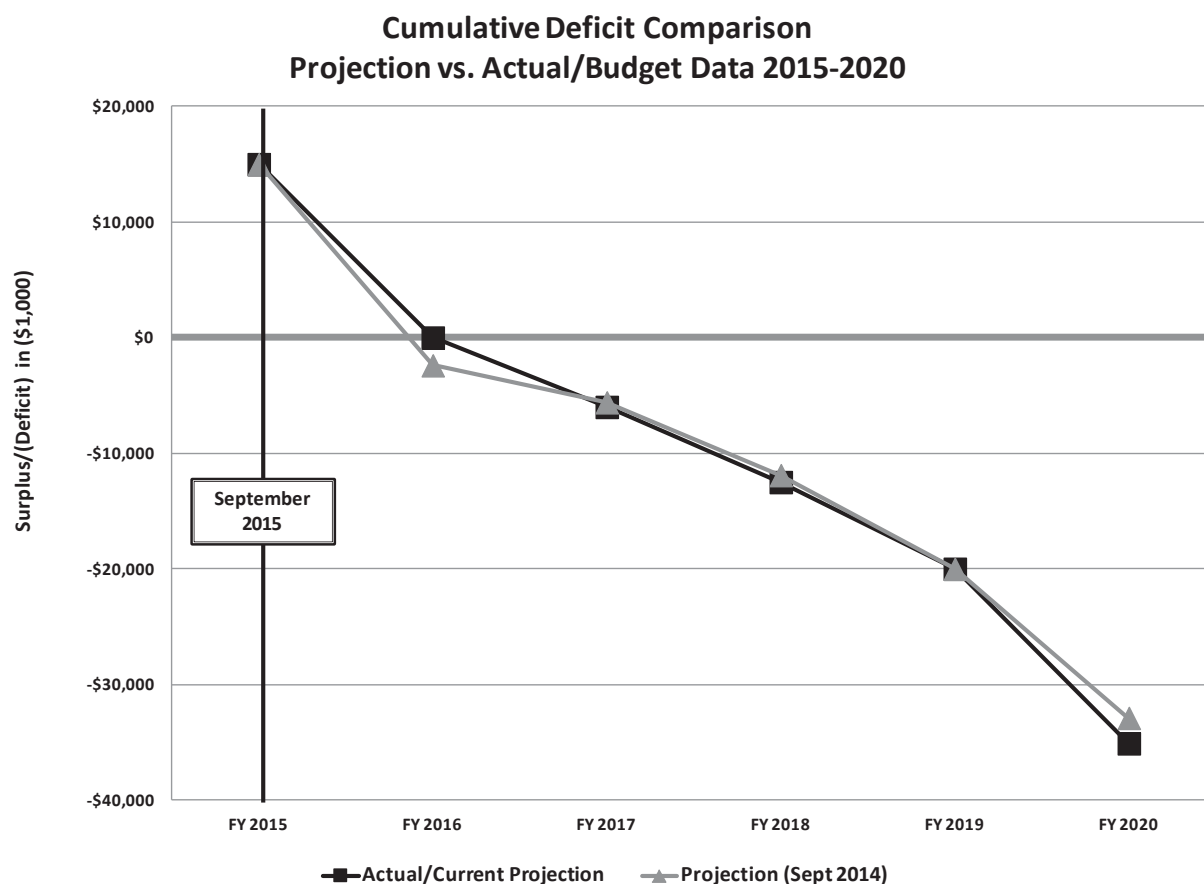
2015 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)	YEAR 1 FY 15/16	YEAR 2 FY 15/16- 16/17	YEAR 3 FY 15/16- 17/18	YEAR 4 FY 15/16- 18/19	YEAR 5 FY 15/16- 19/20	10-YR FY 15/16 - 24/25	Status of Project to Date
30 Review and implement multi-year toll increase plan when current plan ends in June 2018.				\$7.0	\$14.4	\$116.7	Scheduled for consideration on FY 18/19.
31 Evaluate security staffing after upcoming Bridge construction projects. May impact up to 4 FTEs.				\$0.6	\$1.2	\$4.2	Scheduled to be considered in FY 16/17.
32 Replace Existing Ferry Terminal Gangways and Piers: Increase operating efficiency. May impact FTEs.				\$0.1	\$0.2	\$0.7	UNDERWAY. Sausalito portion of the project is currently under review by the community. San Francisco portion of the project is in the environmental review stage.
33 Implementation of Clipper 2.0 reducing transaction costs to collect revenue				\$0.1	\$0.2	\$0.7	Scheduled for implementation in FY 19/20.
34 Explore additional Partnership Projects with the Parks Conservancy.				\$-	\$-	\$-	TBD.
35 Work with regional partners to increase bus travel speed in San Francisco to reduce operating costs.				\$0.2	\$0.3	\$1.1	TBD.
36 Bus Transit Alternative Fuel Study. Assess fuel use in buses that would result in cost savings. Currently 80 buses are due for replacement in 2016.				\$-	\$-	\$-	COMPLETED. Board made decision to purchase hybrid/electric buses for the next bus purchases.Estimated annual fuel savings for 74 hybrid buses is \$0.7 million.
37 Address the increase demand for Larkspur Ferry service through acquiring additional parking, additional service, and utilizing active transportation (bike and pedestrians).					\$-	\$-	UNDERWAY. Additional service in the afternoon commute implemented and District relocated Marin Airpporter to create an additional 200 spaces for ferry customers.

2015 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	10-YR	Status of Project to Date
	FY 15/16	FY 15/16-16/17	FY 15/16-17/18	FY 15/16-18/19	FY 15/16-19/20	FY 15/16-24/25	
38 Implementation of Clipper 2.0 eliminating cash collection on buses.					\$0.1	\$0.6	Assess feasibility and implementation timing after Clipper 2.0 implementation in 2019.
39 Develop multiday bus pass to increase ridership.					\$-	\$-	Assess feasibility and implementation timing after Clipper 2.0 implementation in 2019.
40 Work with regional partners to increase number and size of park and ride lots in 101 corridor to increase bus ridership.					\$0.2	\$1.2	TBD.
41 Evaluate providing direct staff resources to other local public agencies for a fee.					\$-	\$	TBD. Savings estimate to be defined when project is developed.
42 Evaluate purchasing other agency staff expertise for specialized needs.					\$-	\$-	TBD. Savings estimate to be defined when project is developed.
43 Take steps to be competitive to provide transportation to local SMART train stations.						\$-	UNDERWAY. First step was the completion of the negotiations with ATU to restructure health plans and reduce worker's compensation and absenteeism costs.
44 Work with regional partners to convert HOV lanes in north bay to 3+ occupants to increase bus speed and reduce operating costs.						\$-	UNDERWAY. District advocating for this initiative with local and regional authorities.
45 Partner with MTC to receive funding to provide bus service in the highway 37 corridor to reduce congestion, speed up service, and increase ridership.						\$-	TBD. Assumes District would receive a regional funding source for the cost of this service similar to arrangement for Bus Route. 40.
TOTAL Savings/Revenues	\$ 3.8	\$ 9.9	\$ 17.3	\$ 33.4	\$ 50.4	\$ 193.2	
TOTAL Deficit	\$ 0.5	\$ (-5.5)	\$ (-12.0)	\$ (-19.5)	\$ (-34.6)	\$ (-213.5)	
NET CHANGE	\$ 4.3	\$ 4.4	\$ 5.3	\$ 13.9	\$ 15.8	\$ (-20.3)	

Below is a graphical representation of the 2014 projection savings compared to the actual 2015 savings and current projections for future years. Given this is the first year of the Plan, the change is insignificant. This graph will be updated annually to compare the actual deficit to the projected deficit in order to demonstrate the improvements to the District's deficit from that time period.



**Cumulative Totals
(\$ in Thousands)**

Cumulative Surplus/(Deficit)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Actual/Current Projection	\$15,000	\$0	(\$6,000)	(\$12,500)	(\$20,000)	(\$35,100)
Projection (Sept. 2014)	\$15,000	(\$2,400)	(\$5,600)	(\$11,900)	(\$20,000)	(\$32,900)

Note: The Projection is based on the September 2014 projections presented to the Board on September 11, 2014. The FY 2015 is the Actual net change and the Current Projection is based on the Projections presented to the Board on September 25, 2015.

APPENDIX G – FIVE AND TEN YEAR FINANCIAL PROJECTION



Agenda Item No. (7)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of September 25, 2015

From: Jennifer Mennucci, Director of Budget and Electronic Revenue
Joseph M. Wire, Auditor-Controller
Denis J. Mulligan, General Manager

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

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors receive the updated five- and ten-year financial projection, as detailed in this staff report.

Summary

I. Background

This report contains the Golden Gate Bridge, Highway and Transportation District's (District) five and ten-year financial projection of operating and capital project revenues and expenses from FY 16/17 through FY 25/26. 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 the coming year and beyond. Those decisions will change the direction of the District as compared to this projection, i.e., increase or decrease the fiscal strength of the District and, correspondingly, its ability to serve the public.

II. Fiscal Strength of the District

Summary

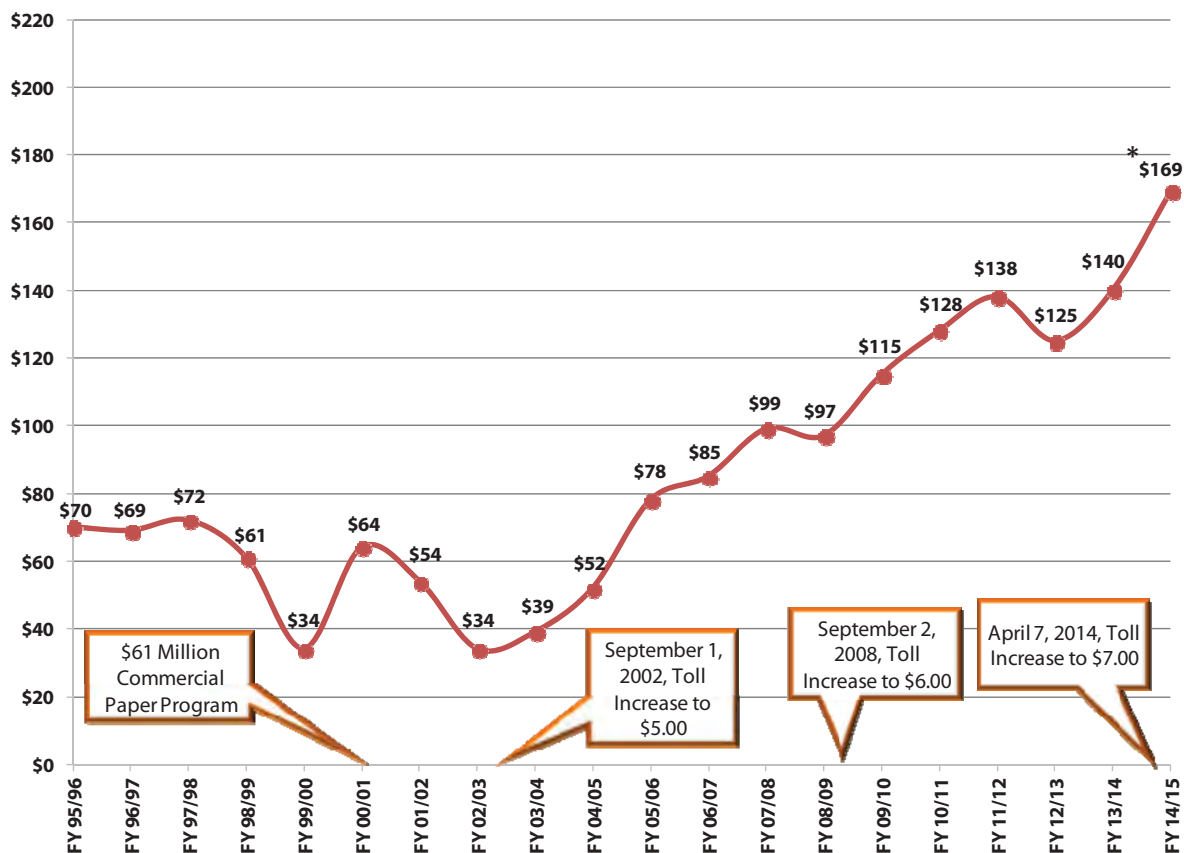
The fiscal strength of the District is best tracked by comparing the level of reserve funds available for operating and capital with the time period necessary for the projected needs of the District to

exhaust those resources. In the District's case, it is projected that the FY 16/17 Operating and Capital Budget will encumber all available capital reserve resources.

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 increased due to the implementation of a five-year toll increase program that began in FY 13/14.

The capital reserve levels for the last + 20 years are displayed in the chart below (this chart has been updated since the FY 15/16 Budget).



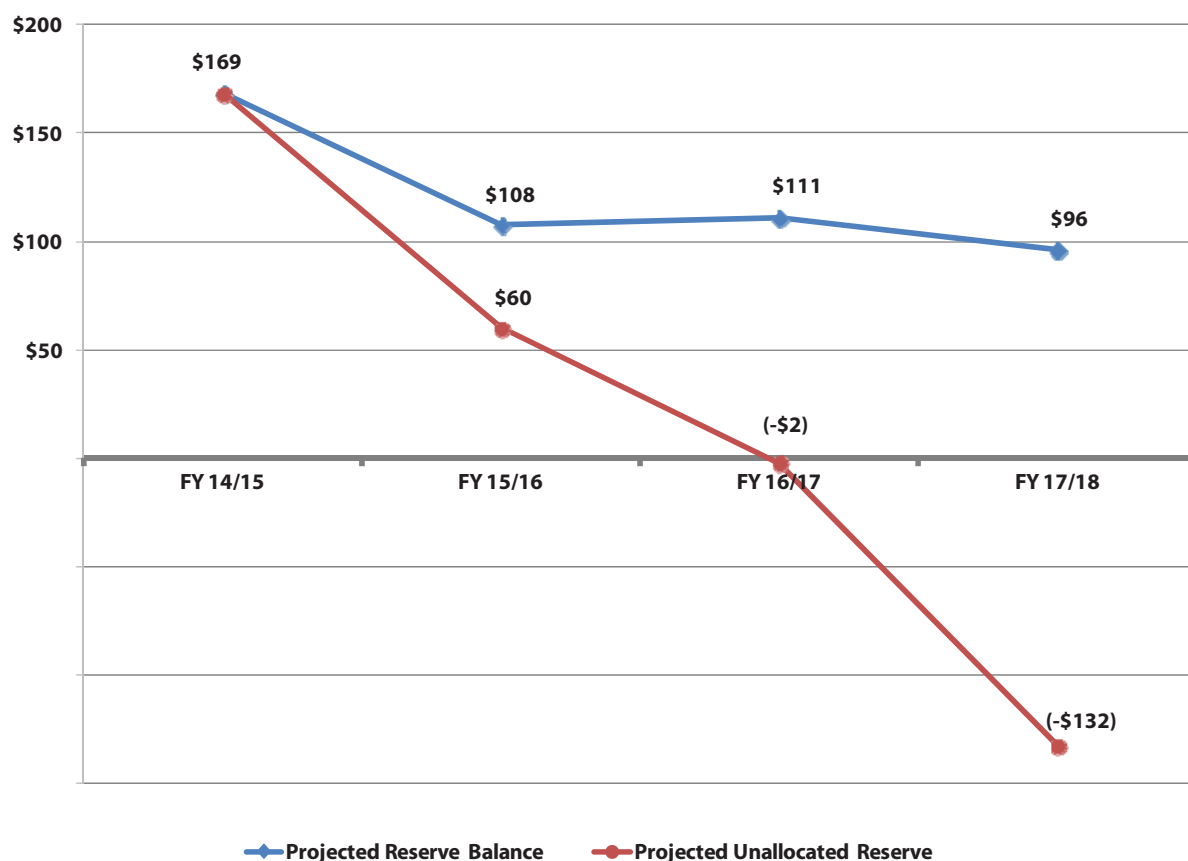
*Note : This number has been updated to reflect FY 14/15 actuals

The FY 15/16 Budget will have a significant decrease to the reserves due to the \$75 million payment for the Doyle Drive project (Presidio Parkway Project). However, the FY 15/16 Operating Budget is expected to offset the decrease with an incremental increase to the reserves due to the five-year toll increase program. 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 16/17. Additional funding for new capital projects in future years

beyond FY 16/17 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.

The District accumulates reserves through its operating budget. Those reserves are set aside until the Board allocates them to fund the District's share of the of capital projects or to cover temporary operating budget deficits. After funds are allocated by the Board, they are spent out over one to several years depending on the particular project. The following graph represents a projection of how the current total of capital reserves would be allocated (Projected Unallocated Reserve line) and spent out (Projected Reserve Balance line) if capital projects are undertaken as laid out in the 10-Year Capital Plan (this chart has been updated since the FY 15/16 Budget).



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 15/16, the operating budget will provide approximately \$28.6 million for the capital project reserves through three mechanisms; 1) the capital contribution set aside; 2) depreciation expense; and, 3) Bridge self-insurance against losses. The District is projected to have no operating deficit and therefore would be able to make a small contribution to further fund reserves for future capital projects. The tradeoffs 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 16/17 Estimate	SubTotal Year 1 – 5 Estimate	Total Year 1 – 10 Estimate
Total Operating and District Capital Expense	\$210	\$1,132	\$2,466
<u>Total Operating Revenue</u>	<u>\$204</u>	<u>\$1,075</u>	<u>\$2,194</u>
Total Operating & Capital District Deficit	\$6	\$56	\$272

For comparison purposes, the projected 10-year deficit of \$272 million is approximately \$62 million higher than the \$210 million presented in the previous projection of September 11, 2014. The increase in the 10-year projected deficit is primarily due to an increase in depreciation plus salaries and fringe benefits. In particular, medical expenses, pension, and worker's compensation have increased in recent years (see Appendix B for more details).

In last year's five- and ten-year projections, the capital contribution for FY 15/16 was estimated to be \$23 million. However, the FY 15/16 Adopted Budget was approved with the \$19 million Capital Contribution due to the pending payment for the Doyle Drive project that the District believed would reduce the capital contribution needs.

The current projected deficit is primarily due to the capital contribution increasing from \$19 to \$21 million per year. This accounts for a \$10 million dollar increase in the deficit over the first 5 years or 16% of the total. The increase need from the last 10-year Capital Plan is mainly from the increase in the Suicide Deterrent project, the Seismic Retrofit project, and addition of Bus replacements.

Capital Contribution

In the budget process the 10-year Capital Plan is updated which becomes the basis for the annual Capital Contribution need. As the projection moves forward one year, new District-funded capital projects become part of the projection and need to be funded through the projected capital contribution. The projected ten-year District capital need is estimated at \$493 million compared to the \$428 million projected last year, an increase of \$65 million. The main projects contributing to this increase are: Suicide Deterrent, Bridge Seismic Retrofit, and Bus Replacements (See Appendix C for more detail). After accounting for funds contributed by depreciation, and the use of \$122 million in District reserves, the necessary capital contribution from District Operations is approximately \$210 million or \$21 million annually for the ten-year period (See Appendix D for detail).

Comparison to Last Year's Projection

The five and ten-year projection expenses are expected to stay relatively flat except for the areas of fringe benefits. The current projection estimates a 5-year deficit of \$56 million compared to \$33 million projected last year. However, these deficit projections cover different periods of time. When comparing one year's projection to another, it is difficult to recognize the actual change in the deficit projection unless one focuses on the same period in time.

In an apples-to-apples comparison over the same 10 year period (2016-2025) between the new projection and the previous projection, the new projection shows:

- A \$35 million deficit for 5 years, which is \$2 million higher than the previous projection; and,
- A \$213 million deficit for 10 years, which is \$3 million higher from the previous projection.

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 FY 16/17 through FY 25/26 Ten-Year Capital Projection, provided in Appendix C, identifies a \$1.7 billion capital need over the next ten years requiring a District contribution of \$493 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 table on the following 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:

Capital Revenue Assumption Scenarios (In Millions)	10 Year District Funding Needs
Grant Funding Level 80%	\$ 223
Grant Funding Level 50%	\$ 471
Grant Funding Level 30%	\$ 659

These scenarios all assume using approximately \$122 million of the District's Reserves over a 10-year period. The following is a table that lists the assumption of 80% grant funded Capital Bridge projects:

BRIDGE DIVISION (All number in thousands)

<u>Capital Project Detail</u>	<u>10 - Year Total</u>
Bridge Seismic Retrofit	
Phase IIIB Suspension Bridge	\$465,000
Safety/Security Enhancements:	
Facility Improvements	
Seismic Facilities – Building Ops Center	\$7,930
Security System Improvements	5,300
Facilities/Bridge Rehabilitation:	
South Tower Paint Rehabilitation	31,300
North End Paint Rehabilitation	29,080
Suspension Bridge Superstructure Paint Rehabilitation	105,130
Suspension Bridge Underdeck Recoating	42,500
Floor Beam & Bracing Replacement/Rehabilitation	85,420
TOTAL	\$771,660

V. Next Steps

In response to previous financial projections, District staff developed a series of proposed initiatives to address the District's projected financial deficit. In October 2014, the Board approved its second Strategic Financial Plan to address the projected financial deficit. The *2014 Strategic Financial Plan* (Plan) outlines the District's long-term finances and proposed initiatives to reduce the deficit of which many are currently underway.

The Financial Plan has become part of the Board's regular financial planning cycle and will be reviewed by the Board this Fall.

Fiscal Impact

There is no direct fiscal impact. The report provides a 10-year projection of the potential fiscal impact of current policy.

Updated: 9/11/2015

**Golden Gate Bridge, Highway & Transportation District Operating Budget Projection
Five-Year and Ten-Year Financial Projections FY 16/17 - FY 25/26**

All Figures Rounded to (\$000)

80% Grant Funded

	Year 1 <u>FY 2017</u> <u>Estimate</u>	Year 2 <u>FY 2018</u> <u>Estimate</u>	Year 3 <u>FY 2019</u> <u>Estimate</u>	Year 4 <u>FY 2020</u> <u>Estimate</u>	Year 5 <u>FY 2021</u> <u>Estimate</u>	Year 6 <u>FY 2022</u> <u>Estimate</u>	Year 7 <u>FY 2023</u> <u>Estimate</u>	Year 8 <u>FY 2024</u> <u>Estimate</u>	Year 9 <u>FY 2025</u> <u>Estimate</u>	Year 10 <u>FY 2026</u> <u>Estimate</u>	Total 5 Year Estimate	Total 10 Year Estimate
Agency Expense:												
Salaries (Gross of Capitalization & ICAP)	\$ 74,200	\$ 75,600	\$ 77,300	\$ 79,000	\$ 80,900	\$ 82,700	\$ 84,600	\$ 86,600	\$ 88,600	\$ 90,500	\$ 387,000	\$ 820,000
Fringe Benefits (Ind PR Taxes)	60,600	63,600	66,900	70,400	73,300	76,300	79,400	82,600	85,900	89,400	334,800	748,400
Professional Services	20,700	21,100	21,600	22,100	22,600	23,100	23,600	24,200	24,700	25,300	108,100	229,000
Fuel & Related Taxes	13,300	13,600	13,900	14,200	14,500	14,800	15,200	15,500	15,900	16,200	69,500	147,100
Repair & Operating Supplies	8,200	8,400	8,500	8,700	8,900	9,100	9,400	9,600	9,800	10,000	42,700	90,600
Insurance, Taxes & Permits	5,100	5,200	5,300	5,400	5,600	5,700	5,800	6,000	6,100	6,200	26,600	56,400
Purchased Transportation	2,100	2,100	2,200	2,200	2,300	2,300	2,400	2,400	2,500	2,500	10,900	23,000
Staff Development	1,100	1,100	1,100	1,100	1,100	1,200	1,200	1,200	1,300	1,300	5,500	11,700
Leases & Rentals	1,000	1,000	1,000	1,000	1,100	1,100	1,100	1,100	1,200	1,200	5,100	10,800
Debt Service-Interest Expense	1,300	1,600	1,900	2,200	2,500	2,800	3,100	3,400	3,600	3,500	15,900	25,900
Depreciation	10,100	11,500	12,600	13,900	14,700	16,000	19,400	19,200	20,800	21,800	62,800	160,000
Total Expenses	\$ 197,700	\$ 204,800	\$ 212,300	\$ 220,200	\$ 227,500	\$ 235,100	\$ 245,200	\$ 251,800	\$ 260,400	\$ 267,900	\$ 1,062,500	\$ 2,322,900
Known Changes:												
Federal Health Excise Tax (ACA)	\$ -	\$ 400	\$ 700	\$ 700	\$ 800	\$ 800	\$ 900	\$ 900	\$ 1,000	\$ 1,100	\$ 2,600	\$ 7,300
Capitalized Labor	(3,500)	(3,500)	(3,600)	(3,700)	(3,800)	(3,900)	(4,000)	(4,100)	(4,100)	(4,200)	(18,100)	(38,400)
Commercial Paper Principal Pymts	-	-	-	-	-	-	-	-	-	-	-	1,400
Debt Service Expense Savings	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(6,000)	(12,000)
Hiring Pattern	(2,000)	(1,500)	(1,000)	-	-	-	-	-	-	-	(4,500)	(4,500)
ICAP	(1,900)	(1,900)	(2,000)	(2,000)	(2,100)	(2,100)	(2,200)	(2,200)	(2,300)	(2,300)	(9,900)	(21,000)
Total Known Changes	\$ (8,600)	\$ (7,700)	\$ (7,100)	\$ (6,200)	\$ (6,300)	\$ (6,400)	\$ (6,500)	\$ (6,600)	\$ (6,600)	\$ (6,700)	\$ (35,900)	\$ (67,200)
Sub-Total Expense	\$ 189,100	\$ 197,100	\$ 205,200	\$ 214,000	\$ 221,200	\$ 228,700	\$ 238,700	\$ 245,200	\$ 253,800	\$ 262,700	\$ 1,026,600	\$ 2,255,700
Capital Contribution	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 105,000	\$ 210,000
Total Expense	\$ 210,100	\$ 218,100	\$ 226,200	\$ 235,000	\$ 242,200	\$ 249,700	\$ 259,700	\$ 266,200	\$ 274,800	\$ 283,700	\$ 1,131,600	\$ 2,465,700
Total Operating Revenue	\$ 204,100	\$ 211,600	\$ 218,700	\$ 219,900	\$ 221,100	\$ 222,100	\$ 222,600	\$ 223,400	\$ 224,500	\$ 226,000	\$ 1,075,400	\$ 2,194,000
Total Net Surplus/(Deficit)	\$ (6,000)	\$ (6,500)	\$ (7,500)	\$ (15,100)	\$ (21,100)	\$ (27,600)	\$ (37,100)	\$ (42,800)	\$ (50,300)	\$ (57,700)	\$ (56,200)	\$ (271,700)
Bridge Expense	\$ 78,300	\$ 80,950	\$ 84,050	\$ 87,500	\$ 89,850	\$ 93,050	\$ 98,600	\$ 100,850	\$ 103,950	\$ 107,750	\$ 420,650	\$ 924,850
Transit Expense	\$ 131,800	\$ 137,150	\$ 142,150	\$ 147,500	\$ 152,350	\$ 156,650	\$ 161,100	\$ 165,350	\$ 170,850	\$ 175,950	\$ 710,950	\$ 1,540,850

Updated: 9/11/2015

**Golden Gate Bridge, Highway & Transportation District Operating Budget Projection
Five-Year and Ten-Year Financial Projections FY 16/17 - FY 25/26**

Revenue Detail

All Figures Rounded to (\$000)

Revenue Categories	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total	Total
	FY 2017 Estimate	FY 2018 Estimate	FY 2019 Estimate	FY 2020 Estimate	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate	5 Year Estimate	10 Year Estimate
Bridge Tolls	\$ 134,600	\$ 140,400	\$ 146,200	\$ 146,900	\$ 147,600	\$ 148,400	\$ 149,100	\$ 149,900	\$ 150,600	\$ 151,400	\$ 715,700	\$ 1,465,100
Transit Fares	34,400	34,600	34,800	34,900	35,000	35,100	35,200	35,300	35,400	35,500	173,700	350,200
Investment Income	1,800	2,400	2,700	2,800	2,800	2,500	2,200	2,100	2,400	2,900	12,500	24,600
Ferry Concessions	1,000	1,100	1,100	1,100	1,100	1,200	1,200	1,200	1,200	1,300	5,400	11,500
Other (Incl Adv. & Leases)	1,300	1,300	1,300	1,300	1,400	1,400	1,400	1,400	1,400	1,400	6,600	13,600
RM2 Local funding	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	12,500	25,000
Local Funds (MCTD Contract)	9,800	10,100	10,400	10,700	11,000	11,300	11,300	11,300	11,300	11,300	52,000	108,500
State Funds	18,700	19,200	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	97,000	195,500
Total Revenue	\$ 204,100	\$ 211,600	\$ 218,700	\$ 219,900	\$ 221,100	\$ 222,100	\$ 222,600	\$ 223,400	\$ 224,500	\$ 226,000	\$ 1,075,400	\$ 2,194,000
Bridge Revenue	\$ 137,050	\$ 143,400	\$ 149,500	\$ 150,400	\$ 151,050	\$ 151,600	\$ 152,000	\$ 152,700	\$ 153,700	\$ 155,050	\$ 731,400	\$ 1,496,450
Transit Revenue	\$ 67,050	\$ 68,200	\$ 69,200	\$ 69,500	\$ 70,050	\$ 70,500	\$ 70,600	\$ 70,700	\$ 70,800	\$ 70,950	\$ 344,000	\$ 697,550

**Golden Gate Bridge, Highway and Transportation District
Five- and Ten-Year Financial Projection for FY 16/17 – FY 25/26**

CATEGORY	ASSUMPTIONS
Operating Revenue	
General Assumption:	The FY 15/16 Adopted Budget has been used as the basis for all revenue and expense projections
Bridge Tolls	Bridge traffic is projected to increase slightly over the next few years ramping up to a total amount of 5.0% over the 10-year projection period. In April of 2014, the Board implemented a five-year toll increase program with a dollar increase in FY 14/15, followed by 25 cents annually for the following 4 years. At the time of creating the FY 15/16 budget, the revenue projection was conservative. This projection reflects updated revenues based on current traffic baseline, revenues from year-end FY 14/15, and annual toll increase revenues for FY 15/16 - FY18/19.
Bus Transit	There is no Bus fare increase included in this projection. The projection assumes no migration of passengers to the Clipper program. Based on the District's Planning Department projections, Regional Bus passengers are projected to increase slightly (3.25%) over the next ten years. A slight increase in revenue is projected from passenger growth. The Board of Directors is considering a new multi-year fare plan.
Ferry Transit	There is no Ferry fare increase included in this projection. The projection assumes no migration of passengers to the Clipper program. Ferry ridership is projected to increase approximately 3.6%, for Larkspur and Sausalito routes respectively, over the next ten years. The Board of Directors is considering a new multi-year fare plan.
Local Funds	This projection includes a new contract with Marin Transit Local Service that includes a 2.7% increase per year in the rate per revenue hour through FY 21/22 in accordance with a 5-year contract that became effective July 1, 2015, with two one-year options. No additional increases beyond FY 21/22 are assumed for this projection. This projection assumes no change in the number of hours of service. No increases to local funding for Regional Measure 2 (RM2) are anticipated per the Metropolitan Transportation Commission (MTC).
State Funding	All State Transit Assistance (STA) and Transportation Development Act (TDA) funding is based on historical trends on funds received.
Federal Funding	No Federal operating funding is assumed for this projection.
Investment Income	Interest on investment is projected to be 1.0% for the first year, increasing slightly to a maximum of 4.2% based on current rate trends. Projected account balance is net of operating deficit excluding capital contribution and depreciation and includes projected capital spending plan. Other Revenue Based on a projected average CPI rate of 2.3%. This revenue includes leases, advertising, parking meters, ferry concessions and parking fees.

**Golden Gate Bridge, Highway and Transportation District
Five- and Ten-Year Financial Projection for FY 16/17 – FY 25/26**

CATEGORY	ASSUMPTIONS
Operating Expense	
CPI Rates	Projected CPI rates are based on estimates provided by California's Legislative Analyst's Office (LAO), Metropolitan Transportation Commission (MTC) and Congressional Budget Office (CBO). Projected rates for FY 16/17 - FY 19/20 are based on an average of all rates. Projected rates for FY 20/21 - FY 24/25 are based on MTC and CBO projections which average 2.3%. The projected CPI rate from MTC for FY 25/26 is 2.2%.
Salaries	Salary increases are based on the CPI rate projections as noted above. Capitalized labor and ICAP (Indirect Cost Allocation Plan) are itemized and reported separately as "Known Changes" (See Known Changes category below for detail on Capitalization, ICAP and Hiring Patterns).
Pension	PERS Pension (Employer Responsibility) is based on CalPERS actuarial estimates of 26.7%, 28.5%, 30.2%, 32.0%, and 32.2% of salary for FY 16/17 through FY 20/21, respectively. This projection assumes that pension rates continue to remain flat for the years of FY 21/22 - FY 25/26. Pension rates for Bus Operator (ATU) are 20.165% of salary for FY 16/17 and 22.165% for FY 17/18. This projection assumes that the ATU pension rates continue to remain flat for the years of FY 18/19 - FY 25/26.
Medical Insurance	Assumes an average of 6% per year increase, based on an average of projected rates from the Centers for Medicare & Medicaid Services, Office of the Actuary, and National Health Statistics Group. In previous years more organizations have produced projections, but due to the pending Federal Health Excise Tax, there are sparse publications for the time period this projection covers.
Workers' Compensation	Cost projections are based on Medical cost increases of 6% per year as explained above and indemnity payments which are projected to increase based on CPI rates. Costs are split approximately 45/55 between medical and indemnity payments based on the District four-year average.
Debt Service Payment	Assumes an interest rate increase of 0.5% per year reaching a cap of 6.0% in year 9.
All other expenses not mentioned above	Projection assumes an average increase of 2.0% - 2.4% depending on the year based on LAO & MTC and CBO CPI projections as described above.
Depreciation	Based on 10-Year Capital Expenditure Plan.

**Golden Gate Bridge, Highway and Transportation District
Five- and Ten-Year Financial Projection for FY 16/17 – FY 25/26**

CATEGORY	ASSUMPTIONS
Known Changes	
ACA	Costs for the Federal Health Excise Tax (ACA) will begin in FY17/18 and continue throughout the projection.
Capitalized Labor and Benefits	Capitalized labor and benefits reflects 50% Engineering labor charged to capital projects.
Commercial Paper Principal	Payments to the Commercial Paper Debt Principal will begin in FY 24/25, following completion of the Seismic Retrofit project. Per the original indenture agreement, projected payments are based on \$1.4 million beginning in FY 25/26.
Commercial Paper Savings	Cost savings on Commercial Paper debt service expense calculated at the 2.0% difference between the projected interest rate of approximately 4.0% and the 6.0% interest rate cap.
Hiring Patterns	Due to a higher than expected number of vacancies, it is anticipated that unfilled positions will be filled over the next three year period.
ICAP (Indirect Cost Allocation Plan)	ICAP is estimated at approximately 55% of Engineering capitalized labor expense.

**GBBHTD
10-Year Capital Plan**

**GBBHTD
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 2017 (\$000)	FY 2018 (\$000)	FY 2019 (\$000)	FY 2020 (\$000)	FY 2021 (\$000)	FY 2022 (\$000)	FY 2023 (\$000)	FY 2024 (\$000)	FY 2025 (\$000)	FY 2026 (\$000)			
BRIDGE																
DISTRICT	340,850	340,850	-	13,740	35,800	42,450	36,630	47,170	49,720	40,230	24,200	25,400	25,500			
GRANTS	760,450	-	760,450	27,380	44,140	88,460	88,960	102,390	138,090	138,620	44,470	29,570	58,380			
TOTAL	1,101,300	340,850	760,450	41,120	79,940	130,910	125,590	149,560	187,810	178,850	68,670	54,970	83,880	474,120	102,430	1,677,850
BUS																
DISTRICT	49,310	49,310	-	4,870	8,750	5,080	4,760	6,130	4,360	1,140	5,490	1,230	7,490			
GRANTS	221,270	-	221,270	19,980	34,320	15,040	13,470	31,180	28,580	13,240	20,870	4,460	40,130			
TOTAL	270,580	49,310	221,270	24,850	43,070	20,120	18,230	37,310	32,940	14,380	26,360	5,690	47,620	-	5,390	275,670
FERRY																
DISTRICT	78,480	78,480	-	5,870	2,740	7,920	10,470	9,120	8,640	8,160	14,830	7,170	3,560			
GRANTS	258,850	-	258,850	13,920	10,040	26,390	51,260	35,530	26,620	22,150	40,300	20,350	12,290			
TOTAL	337,330	78,480	258,850	19,790	12,780	34,310	61,730	44,650	35,260	30,310	55,130	27,520	15,850	36,380	57,040	422,160
DISTRICT																
DISTRICT	23,930	23,930	-	4,680	1,700	3,090	1,350	2,130	1,780	4,400	3,140	820	840			
GRANTS	11,420	-	11,420	900	3,190	3,480	400	1,450	1,050	800	50	50	50			
TOTAL	35,350	23,930	11,420	5,580	4,890	6,570	1,750	3,580	2,830	5,200	3,190	870	890	25,280	-	60,630
AGENCY TOTAL																
DISTRICT	492,570	492,560	-	29,160	48,990	58,540	53,210	64,550	64,500	53,930	47,660	34,620	37,390			
GRANTS	1,251,990	-	1,252,000	62,180	91,690	133,370	154,090	170,550	194,340	174,810	105,690	54,430	110,850			
TOTAL	1,744,560	492,560	1,252,000	91,340	140,680	191,910	207,300	235,100	258,840	228,740	153,350	89,050	148,240	535,780	143,080	2,423,420
CUMULATIVE TOTAL																
DISTRICT	492,570	492,560	-	29,160	78,150	136,690	189,900	254,450	318,950	372,880	420,540	455,160	492,560			
GRANTS	1,251,990	-	1,252,000	62,180	153,870	287,240	441,330	611,880	806,220	981,030	1,086,720	1,141,150	1,252,000			
TOTAL	1,744,560	492,560	1,252,000	91,340	232,020	423,930	631,230	866,330	1,125,170	1,353,910	1,507,260	1,596,310	1,744,560	535,780	143,080	2,423,420

GGBHTD
10-Year Capital Plan

BRIDGE DIVISION

CAPITAL PROJECT DETAIL	10-YR TOTAL (\$000)	10-YR DISTRICT (\$000)	10-YR GRANTS (\$000)	FY 2017 (\$000)	FY 2018 (\$000)	FY 2019 (\$000)	FY 2020 (\$000)	FY 2021 (\$000)	FY 2022 (\$000)	FY 2023 (\$000)	FY 2024 (\$000)	FY 2025 (\$000)	FY 2026 (\$000)	PRIOR YEAR (\$000)	FUTURE YEAR (\$000)	TOTAL PROJECT (\$000)
<==10-YEAR PROJECTED CAPITAL NEED ==>>																
BRIDGE SEISMIC RETROFIT																
Design																
Initial Design		-	-	-	-	-	-	-	-	-	-	-	-	16,310	-	16,310
Phase II Design Review		-	-	-	-	-	-	-	-	-	-	-	-	1,470	-	1,470
Phase III Design Review	16,413	493	15,920	15,000	1,413	-	-	-	-	-	-	-	-	23,970	-	40,380
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. Arch. Housing/No. Pylon		-	-	-	-	-	-	-	-	-	-	-	-	119,240	-	119,240
Beam Span Repair		-	-	-	-	-	-	-	-	-	-	-	-	3,500	-	3,500
Wind Retrofit	6,720	-	6,720	3,000	3,720	-	-	-	-	-	-	-	-	1,280	-	8,000
Phase IIIB - Suspension Bridge	465,000	93,000	372,000	-	2,000	90,000	90,000	90,000	90,000	90,000	13,000	-	-	-	-	465,000
Subtotal Seismic Construction	471,720	93,000	378,720	3,000	5,720	90,000	90,000	90,000	90,000	90,000	13,000	-	-	379,530	-	851,260
SAFETY/SECURITY ENHANCEMENTS																
Facility Improvements																
Suicide Deterrent PE / Final Design		-	-	-	-	-	-	-	-	-	-	-	-	7,160	-	7,160
Suicide Deterrent Construction	75,950	26,580	49,370	10,950	50,000	15,000	-	-	-	-	-	-	-	50	-	76,000
Moveable Median Barrier		-	-	-	-	-	-	-	-	-	-	-	-	30,520	-	30,520
Seismic Facilities - Underpass and Bridges	48,810	24,405	24,405	-	-	-	-	-	1,020	9,620	21,560	16,610	-	-	-	48,810
Seismic Facilities - Building Ops Center	7,930	1,590	6,340	-	-	-	-	-	-	-	450	3,690	3,790	-	-	7,930
Crash Attenuators	3,880	3,880	-	-	-	-	-	-	-	-	130	1,850	1,900	-	-	3,880
Equipment/Systems																
Earthquake/Bridge Monitoring	1,340	1,340	-	-	-	790	-	-	-	-	-	550	-	30	-	1,370
Electrical Service to No. Approach	3,960	3,960	-	-	160	-	1,290	1,660	850	-	-	-	-	-	-	3,960
Security Systems Improvements	5,300	1,060	4,240	1,000	3,000	-	-	300	500	500	-	-	-	-	-	5,300
FACILITIES/BRIDGE REHABILITATION																
Bridge Access Systems																
North-End Access Systems	33,060	33,060	-	-	-	1,570	8,080	16,590	6,820	-	-	-	-	1,770	-	34,830
Rolling Access on Suspension Bridge	11,150	11,150	-	-	-	-	-	-	-	-	1,800	4,610	4,740	-	-	11,150
South Approach & Arch Platforms	19,990	19,990	-	1,400	10,800	7,790	-	-	-	-	-	-	-	10	-	20,000
SAV Maintenance Access	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bridge Paint Rehabilitation																
Main Cable Access	2,170	2,170	-	2,170	-	-	-	-	-	-	-	-	-	2,010	-	4,180
Bridge Deck Access																
North-End Paint Rehabilitation	29,080	5,820	23,260	-	-	-	-	-	-	-	900	9,230	18,950	-	19,470	48,550
South Tower Access and Paint Rehabilitation	31,300	6,260	25,040	-	-	1,600	9,700	10,000	10,000	-	-	-	-	10	-	31,310
Suspension Bridge Superstructure Paint Rehab	105,130	21,030	84,100	-	-	-	-	4,980	49,410	50,740	-	-	-	-	-	105,130
North Tower Paint Rehabilitation	21,480	4,300	17,180	-	-	-	-	-	-	870	1,800	5,540	13,270	-	13,630	56,590
Suspension Bridge Underdeck Recoating	42,500	8,500	34,000	-	-	-	-	-	-	-	-	5,540	36,960	-	37,960	80,460

**GGBHTD
10-Year Capital Plan**

(continued)

BRIDGE DIVISION (continued)

CAPITAL PROJECT DETAIL	10-YR TOTAL (\$000)	10-YR DISTRICT (\$000)	10-YR GRANTS (\$000)	FY 2017 (\$000)	FY 2018 (\$000)	FY 2019 (\$000)	FY 2020 (\$000)	FY 2021 (\$000)	FY 2022 (\$000)	FY 2023 (\$000)	FY 2024 (\$000)	FY 2025 (\$000)	FY 2026 (\$000)	PRIOR YEAR (\$000)	FUTURE YEAR (\$000)	TOTAL PROJECT (\$000)
FACILITIES/BRIDGE REHABILITATION (cont)																
Roadway/Structure Rehabilitation	85,420	17,080	68,340	-	-	-	-	15,010	22,060	24,060	24,290	-	-	-	-	85,420
Floor Beam & Bracing Repl/Rehab	18,510	9,250	9,260	140	770	7,860	8,080	1,660	-	-	-	-	-	10	-	18,520
Bridge Pavement Repair	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance/Operations Buildings	9,150	-	9,150	-	350	800	3,500	4,500	-	-	-	-	-	-	-	9,150
Maintenance Facility Relocation	2,180	2,180	-	-	700	-	-	-	-	-	720	-	760	-	-	2,180
Roof Rehabilitations	650	650	-	-	310	-	-	-	340	-	-	-	-	-	-	650
Wash Racks / Fuel Systems	7,800	3,900	3,900	1,240	1,530	-	1,620	1,660	-	1,750	-	-	-	-	-	7,800
Misc. Facilities Rehabilitation/Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grounds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Toll Plaza Transfer Point/Pavement	3,700	1,850	1,850	-	600	1,400	1,700	-	-	-	-	-	-	520	-	4,220
TP East Parking Lot Restroom Replacement	9,770	4,880	4,890	1,480	1,500	-	-	-	-	-	2,670	4,120	-	10	-	9,780
Pave/Maintain Alexander Avenue	7,950	7,950	-	-	-	-	-	800	3,400	-	-	1,850	1,900	-	-	7,950
Pavement Rehabilitation	550	70	480	550	-	-	-	-	-	-	-	-	-	2,950	-	3,500
GGB Informal Science Education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INFORMATION TECHNOLOGY																
Toll Collection/Fastrak	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fastrak Transponders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Replace Toll/Fastrak Systems	4,820	4,820	-	1,700	2,100	-	-	830	-	-	-	-	190	6,630	9,890	21,340
AET Study and Implementation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Variable Message Signs	2,120	2,120	-	1,000	-	790	-	330	-	-	-	-	-	560	-	2,680
CAPITAL EQUIPMENT																
Tools and Equipment	17,520	17,520	-	1,490	1,150	3,150	1,620	1,240	3,410	1,310	1,350	1,380	1,420	-	-	17,520
TOTAL	1,101,300	340,850	760,450	41,120	79,940	130,910	125,590	149,560	187,810	178,850	68,670	54,970	83,880	474,120	102,430	1,677,850
PROJECTED GRANT FUNDS																
	760,450			27,380	44,140	88,460	88,960	102,390	138,090	138,620	44,470	29,570	58,380			
DISTRICT FUNDS REQUIRED																
	340,850			13,740	35,800	42,450	36,630	47,170	49,720	40,230	24,200	25,400	25,500			

GGBHTD
10-Year Capital Plan

BUS 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 2017 (\$000)	FY 2018 (\$000)	FY 2019 (\$000)	FY 2020 (\$000)	FY 2021 (\$000)	FY 2022 (\$000)	FY 2023 (\$000)	FY 2024 (\$000)	FY 2025 (\$000)	FY 2026 (\$000)			
REVENUE VEHICLE REPLACEMENT																
Replace Buses (Regional)	148,790	25,290	123,500	20,820	35,500	-	-	22,270	20,240	-	20,726	-	29,235	-	-	148,790
Replace Buses (Local)	26,290	-	26,290	-	-	8,960	-	-	-	6,378	-	-	10,948	-	-	26,290
Purchase New Express Buses (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ADA Paratransit Vans	1,860	316	1,544	530	-	-	-	1,330	-	-	-	-	-	-	-	1,860
Replace Fareboxes	4,500	900	3,600	-	-	-	-	-	-	-	500	1,000	3,000	-	1,000	5,500
Revenue Vehicle Enhancements	300	40	260	300	-	-	-	-	-	-	-	-	-	-	-	300
SAFETY/SECURITY ENHANCEMENTS																
Equipment/Systems																
Security Systems	1,100	220	880	-	-	1,000	-	-	100	-	-	-	-	-	-	1,100
FACILITIES REHABILITATION																
Maintenance/Operations Buildings																
Bus Stop Improvements	1,530	306	1,224	30	750	-	-	-	-	750	-	-	-	-	-	1,530
Roof Replacement/Rehab	5,060	1,010	4,050	150	920	1,570	-	1,160	-	-	1,260	-	-	-	-	5,060
Miscellaneous Facilities Rehab	10,760	2,108	8,652	1,520	1,680	1,580	2,430	660	300	1,220	310	920	140	-	-	10,760
Maintenance Shop Refurbishment	6,860	1,372	5,488	-	-	-	-	-	-	-	1,200	2,650	3,010	-	3,130	9,990
Replace Bus Facilities Wash Racks	5,000	1,000	4,000	-	-	-	-	500	2,000	2,000	500	-	-	-	-	5,000
SRTC Relocation	35,000	-	35,000	-	1,000	1,000	10,000	10,000	10,000	3,000	-	-	-	-	-	35,000
Fuel Systems Rehabilitation/Replacement	4,700	-	4,700	-	500	1,200	1,200	-	-	200	800	800	-	-	-	4,700
Grounds																
Bus Lots Pavement Rehabilitation	7,290	7,290	-	-	-	-	-	-	-	-	-	-	-	-	970	8,260
Park & Ride Lots Pavement Rehabilitation	2,620	520	2,100	800	800	500	-	-	-	520	-	-	-	-	-	2,620
Modifications to D2 and D3 Lots	1,700	1,700	-	-	530	540	630	-	-	-	-	-	-	-	-	1,700
INFORMATION TECHNOLOGY																
Computer Scheduling/Dispatch	3,950	3,950	-	-	200	1,000	1,000	1,000	-	-	750	-	-	-	-	3,950
CAPITAL EQUIPMENT																
Tools and Equipment	3,260	3,260	-	300	350	270	370	390	300	310	310	320	340	-	-	3,260
TOTAL	270,580	49,310	221,270	24,850	43,070	20,120	18,230	37,310	32,940	14,380	26,360	5,690	47,620	-	5,390	275,670
18% 82%																
PROJECTED GRANT FUNDS	221,270			19,980	34,320	15,040	13,470	31,180	28,580	13,240	20,870	4,460	40,130			
DISTRICT FUNDS REQUIRED	49,310			4,870	8,750	5,080	4,760	6,130	4,360	1,140	5,490	1,230	7,490			

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10-Year Capital Plan

FERRY 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 2017 (\$000)	FY 2018 (\$000)	FY 2019 (\$000)	FY 2020 (\$000)	FY 2021 (\$000)	FY 2022 (\$000)	FY 2023 (\$000)	FY 2024 (\$000)	FY 2025 (\$000)	FY 2026 (\$000)			
REVENUE VEHICLES																
Replace Vessels	33,890	6,780	27,110	-	-	-	-	-	-	6,530	13,410	6,880	7,070	-	21,780	55,670
Refurbish Vessels	21,000	-	21,000	100	500	10,000	10,400	-	-	-	-	-	-	-	-	-
Vessel Component Rehab	8,590	1,718	6,872	150	1,540	160	810	1,000	680	170	3,150	740	190	-	-	8,590
Major Propulsion Replacement	31,740	7,030	24,710	1,490	1,530	1,570	5,650	5,810	850	1,750	-	6,460	6,630	-	-	31,740
Vessel Modifications / Drydocking	1,850	1,850	-	450	-	600	-	-	500	-	300	-	-	-	-	1,850
SAFETY/SECURITY ENHANCEMENTS																
Equipment/Systems																
Security Systems	500	20	480	-	-	-	500	-	-	-	-	-	-	-	-	500
FACILITIES REHABILITATION																
Fixed Guideway																
Channel Dredging	41,970	8,390	33,580	9,600	-	790	14,540	-	-	870	16,170	-	-	5,000	18,960	65,930
Berth and Turning Basin Dredging	9,360	1,870	7,490	-	-	390	4,040	-	-	440	4,490	-	-	-	5,490	14,850
Fixed Guideway Connectors																
Float Rehabilitation/Replacement	103,500	20,700	82,800	4,900	6,400	15,900	16,600	19,100	13,700	12,300	9,000	5,600	-	7,510	-	111,010
SFFT Lay Berth Facility	5,000	1,000	4,000	-	200	500	1,300	3,000	-	-	-	-	-	-	-	5,000
Gangway Rehabilitation/Cathodic Protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance/Operations Buildings																
Fuel Systems Rehab	4,770	2,385	2,385	-	360	600	310	-	500	1,000	2,000	-	-	-	-	4,770
Rehabilitate Larkspur Maintenance Facility	3,140	628	2,512	320	530	-	-	-	-	-	360	960	970	-	-	3,140
Facilities Roof Rehabilitation	1,390	278	1,112	-	-	-	650	-	-	-	-	740	-	-	-	1,390
Ticketing System	2,050	410	1,640	750	1,300	-	-	-	-	-	-	-	-	-	-	2,050
Faregates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Facilities Rehab	3,480	3,480	-	70	70	1,340	70	70	80	80	1,530	80	90	-	-	3,480
Terminal Facilities																
Passenger Terminal Rehabilitation	9,290	4,730	4,560	90	200	2,300	3,700	500	-	-	-	2,000	500	-	-	14,560
Marsh Restoration	1,500	1,500	-	1,500	-	-	-	-	-	-	-	-	-	620	-	2,120
Passenger Information Systems	70	14	56	70	-	-	-	-	-	-	-	-	-	260	-	330
Larkspur Parking Rehabilitation/Improvements	52,780	14,236	38,540	-	-	-	3,000	15,000	18,780	7,000	4,540	4,060	400	-	-	52,780
CAPITAL EQUIPMENT																
Tools and Equipment	1,460	1,460	-	300	150	160	160	170	170	170	180	-	-	-	-	1,460
TOTAL	337,330	78,480	258,850	19,790	12,780	34,310	61,730	44,850	35,260	30,310	55,130	27,520	15,850	36,380	57,040	422,160
77%																
23%																
PROJECTED GRANT FUNDS	258,850			13,920	10,040	26,390	51,260	35,530	26,620	22,150	40,300	20,350	12,290			
DISTRICT FUNDS REQUIRED	78,480			5,870	2,740	7,920	10,470	9,120	8,640	8,160	14,830	7,170	3,560			

GGBHTD
10-Year Capital Plan

DISTRICT DIVISION

DISTRICT CAPITAL PROJECT DETAIL																	
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 2017 (\$000)	FY 2018 (\$000)	FY 2019 (\$000)	FY 2020 (\$000)	FY 2021 (\$000)	FY 2022 (\$000)	FY 2023 (\$000)	FY 2024 (\$000)	FY 2025 (\$000)	FY 2026 (\$000)				
SAFETY/SECURITY ENHANCEMENTS																	
Equipment/Systems	700	140	560	-	100	100	-	500	-	-	-	-	-	-	-	-	700
Security Systems																	
FACILITIES REHABILITATION																	
Maintenance/Operations Buildings																	
Miscellaneous Facilities Rehab	3,910	3,910	-	1,440	720	310	-	-	-	170	900	180	190	-	-	-	3,910
Office Facility Renovation/Consolidation	6,960	-	6,960	750	3,060	3,150	-	-	-	-	-	-	-	-	-	-	6,960
INFORMATION TECHNOLOGY																	
Telephone System Replacement	2,660	2,660	-	-	-	-	-	-	170	870	1,620	-	-	-	-	-	2,660
Future Information Technology	1,800	1,800	-	300	100	500	300	100	100	100	100	100	100	-	-	-	1,800
Information Technology Systems	6,350	5,450	900	2,350	-	2,000	-	-	-	2,000	-	-	-	-	-	-	6,350
Replace Computer/Network Equipment	2,390	2,390	-	300	500	80	520	540	90	90	90	90	90	-	-	-	2,390
Financial Management Information System	6,000	3,000	3,000	-	-	-	500	2,000	2,000	1,500	-	-	-	-	-	-	6,000
Advanced Communication & Info. System	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,280	-	25,280
CAPITAL EQUIPMENT																	
Tools and Equipment	4,580	4,580	-	440	410	430	430	440	470	470	480	500	510	-	-	-	4,580
TOTAL DISTRICT CAPITAL	35,350	23,930	11,420	5,580	4,890	6,570	1,750	3,580	2,830	5,200	3,190	870	890	25,280	-	-	60,630
				68%											32%		
PROJECTED GRANT FUNDS	11,420			900	3,190	3,480	400	1,450	1,050	800	50	50	50				
DISTRICT FUNDS REQUIRED	23,930			4,680	1,700	3,090	1,350	2,130	1,780	4,400	3,140	820	840				

Golden Gate Bridge, Highway and Transportation District
Five-Year and Ten-Year Financial Projections FY 16/17 - FY 25/26
CAPITAL CONTRIBUTION REQUIRED TO FUND PROJECTED CAPITAL PLAN - Assumes Bridge Capital is 80% Grant Funded

All Figures Rounded to (\$000)

	Year 1 FY 2017 Estimate	Year 2 FY 2018 Estimate	Year 3 FY 2019 Estimate	Year 4 FY 2020 Estimate	Year 5 FY 2021 Estimate	SubTotal Year 1 - 5 Estimate	Year 6 FY 2022 Estimate	Year 7 FY 2023 Estimate	Year 8 FY 2024 Estimate	Year 9 FY 2025 Estimate	Year 10 FY 2026 Estimate	Total Year 1 - 10 Estimate
DISTRICT GRANTS	\$29,160	\$48,990	\$58,540	\$53,210	\$64,550	\$254,450	\$64,500	\$53,930	\$47,660	\$34,620	\$37,390	\$492,560
	\$62,180	\$91,690	\$133,370	\$154,090	\$170,550	\$611,680	\$194,340	\$174,810	\$105,690	\$54,430	\$110,850	1,252,000
TOTAL	\$91,340	\$140,680	\$191,910	\$207,300	\$235,100	\$866,330	\$258,840	\$228,740	\$153,350	\$89,050	\$148,240	\$1,744,560
District Portion Of the Capital Requirement	\$29,160	\$48,990	\$58,540	\$53,210	\$64,550	\$254,450	\$64,500	\$53,930	\$47,660	\$34,620	\$37,390	\$492,550
Total Depreciation Included in the Budget	10,080	11,510	12,640	13,860	14,700	62,790	15,950	19,430	19,230	20,760	21,770	\$ 159,930
Additional Capital Contribution Required to Fund Projected Capital Plan	19,080	37,480	45,900	39,350	49,850	191,660	48,550	34,500	28,430	13,860	15,620	\$ 332,620
Average of the 10 Year Capital Contribution	\$33,300	\$33,300	\$33,300	\$33,300	\$33,300	\$166,500	\$33,300	\$33,300	\$33,300	\$33,300	\$33,300	\$ 333,000

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Year 1 - 5	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Year 1 - 10
Re-Styled: Fund District Capital through Reserves												
District Funded Capital Projects net of Depreciation	\$19,100	\$37,500	\$45,900	\$39,400	\$49,800	\$191,700	\$48,600	\$34,500	\$28,400	\$13,900	\$15,600	\$ 332,700
Use Reserves to Fund District Projects	12,200	12,200	12,200	12,200	12,200	61,000	12,200	12,200	12,200	12,200	12,200	122,000
Additional Capital Contribution Required to Fund Projected Capital Plan with Reserves	6,900	25,300	33,700	27,200	37,600	130,700	36,400	22,300	16,200	1,700	3,400	210,700
Average of the 10 Year Capital Contribution	21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$105,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$ 210,000

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 \$122 million in capital contribution reserves will be released to fund capital projects during this 10-year projection period. \$21 million per year will be released from unrestricted reserves, and thus increase the capital contribution from \$19 million to \$21 million per year. The \$21 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
ESTIMATED AVAILABLE FUNDS FOR CAPITAL PROJECTS AND OPERATIONS**

Category		Estimated Balance 6/30/2015	Estimated Balance 7/1/2015
Total Investments and Operating Funds	[A]	259,979,000	259,979,000
Capital Contribution/Depreciation/SIR	[B] \$	-	\$ 28,623,000
Available Net Position before Board Designated and Other Reserves¹, and Capital Contributions to Other Agencies:			
	[C]=[A]+[B] \$	259,979,000	\$ 288,602,000
Capital Contribution to Other Agencies			
San Francisco County Transportation Authority ⁴	\$	-	\$ (75,000,000)
Subtotal Capital Contribution to Other Agencies	[D]		\$ (75,000,000)
Available Net Position before Board Designated and Other Reserves			
	[E]=[C]+[D] \$	259,979,000	\$ 213,602,000
Board Designated and Other Reserves:			
Operating Reserve ²	\$	(15,500,000)	\$ (15,500,000)
Emergency Reserve ³		(7,200,000)	(7,200,000)
Bridge Self Insurance Loss Reserve		(13,300,000)	(13,300,000)
Operating Reserve Fund for Bridge Expenses		(7,300,000)	(7,300,000)
Debt Service Reserve Fund		(5,500,000)	(5,500,000)
Self Insurance Reserve		(32,500,000)	(32,500,000)
Accrued Compensated Liabilities		(10,000,000)	(10,000,000)
Subtotal All Reserves	[F] \$	(91,300,000)	\$ (91,300,000)
Net Position Available Before Committed Capital Projects	[E]+[F] \$	168,679,000	\$ 122,302,000

1. Adjusted to exclude Capital Contributions, Bridge Self Insurance Reserves and Depreciation.

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. Capital contribution to San Francisco County Transportation Authority (SFCTA) in regards to the Presidio Parkway, Doyle Drive reconstruction project and in accordance with the Memorandum of Understanding Agreement dated 11/26/2008 between GGBHTD and SFCTA.

APPENDIX H – GLOSSARY

401(A) Deferred Compensation Plan: An employer-sponsored retirement savings deferred compensation plan.

457(B) Deferred Compensation: A program that allows you to defer compensation on a pre-tax basis through payroll deduction.

Accrual: A method of accounting that recognizes expenses when incurred and revenue when earned rather than when payment is made or received.

ACIS: Advanced Communication and Information System.

Actuarial: Analysis completed and submitted by an external firm specializing in the collection and interpretation of numerical data. An actuarial is usually prepared for the purpose of analyzing employee benefits, such as medical insurance.

ADA: The Americans with Disabilities Act. A comprehensive civil rights measure signed into law on July 1990 to ensure persons with disabilities receive equal access to public transportation and other services.

AET: All Electronic Tolling. Vehicles no longer stop at the Toll Plaza as all tolls are assessed electronically. Through FasTrak® or the Pay-by-Plate program, drivers can make one-time payments online, over the phone or at designated cash payment locations. If customers choose not to take advantage of the convenient options, a toll invoice will be mailed to the registered owner of the vehicle, according to the license plate number, with no added fees.

APCs: Automated Passenger Counters.

ARC: Annual Required Contribution.

ATP: Automated Time Point.

ATU: Amalgamated Transit Union. A union representing bus drivers, maintenance and clerical employees of a variety of North American transit districts.

Balanced Budget: A budget in which the expenditures incurred during a fiscal year are matched by revenues.

BART: Bay Area Rapid Transit. This is a public transportation system serving the San Francisco Bay Area.

Bond: An agreement to pay a specified sum of money, plus accrued interest, on a specified date.

BSIR: Bridge Self-Insurance Reserve.

Budget: Plan of financial operations for a given period including proposed expenditures, revenues and staffing levels.

CAFR: Comprehensive Annual Financial Report.

CARB: California Air Resources Board.

CalPERS: California Public Employees Retirement System. A State organization used by the District to organize and dispense employee retirement benefits.

Caltrans: California Department of Transportation. Caltrans is responsible for the design, construction, maintenance and operation of the California State Highway System, as well as that portion of the Interstate Highway System within the state's boundaries.

Capital Asset: Property, facility or equipment whose cost exceeds \$5,000 per unit and has a useful life greater than three years. Capital asset costs include installation cost, delivery cost, sales and use taxes, staff training costs, and general and administrative overhead costs.

Capital Expenditure: Acquisition of a capital asset.

Capital Program (CP): Portfolio of capital projects and their funding.

Capital Project: Defined scope of work to build, acquire or renovate physical assets to increase the asset's useful life.

CCTV: Closed Circuit Television.

CFO: Chief Financial Officer.

ClipperSM: A Bay-area-wide electronic fare collection system operated in cooperation with several local public transportation agencies. ClipperSM receivers are being placed by fareboxes on board a variety of local public transport vehicles. Customers are able to "swipe" a ClipperSM card that bills directly to a customer account, thus removing the need for the customer to carry exact change. The ubiquity of the ClipperSM receiver will also allow a traveling customer the ability to "jump" to and from a variety of different public transportation systems around the Bay Area when the project is fully implemented.

CMER: Corte Madera Ecological Reserve.

CNG: Compressed Natural Gas.

COLA: Cost of Living Adjustment. It is an increase in wages to cover increased cost of living.

Commercial Paper: Short-term interest-bearing promissory note secured by pledged revenues and a liquidity/credit facility.

Corridor: Defined area occupied by significant transportation byways such as highways, bus transitways, light rail lines, bikeways, etc.

CPI: Consumer Price Index. A statistical description of price levels provided by the U.S. Department of Labor. The index is commonly used as a measure of the increase in the cost of living.

CP Program: See Commercial Paper.

CTA: California Transit Association.

CUPA: Certified Unified Programming Agencies.

DBE: Disadvantaged Business Enterprise. Businesses owned and operated primarily by minorities and/or women.

Debt Service: Repayment of the principal and/or interest on debt.

Depreciation: Allocation of the cost of an asset over its useful life. A means to budget for future maintenance expenditures.

DGM: Deputy General Manager. This position manages one of the different divisions of Golden Gate Bridge.

EDDs: Energy Dissipation Device.

EEO/AAP: Equal Employment Opportunity/Affirmative Action Program. Federal laws prohibiting job discrimination.

Encumber: To reserve funds for a specific expenditure.

Enterprise Fund: In governmental accounting, a fund that provides goods or services to the public for a fee that makes the entity self-supporting is considered an enterprise fund. It basically follows GAAP as does a commercial enterprise.

EOC: Emergency Operations Center.

ERFA: Employee Request for Absence.

Executive Team: A group comprised of the General Manager, the Deputy General Managers and the District Officers.

Fare: The price paid to ride public transportation such as a bus or ferry.

Fare Media: Passes which may be purchased and used in lieu of cash when purchasing a ride on a bus or ferry.

Farebox Recovery Ratio: A standard by which a public transit agency can be evaluated for financial health. The farebox revenue divided by operating costs.

FasTrak®: An electronic toll system residing on all Bay Area bridges. FasTrak® receivers are set up on toll plazas to read and account for transponders placed in a customer's car. FasTrak® provides convenience to customers by electronically billing their tolls directly to a customer account, thus removing the need for the customer to stop and make a cash payment at any local toll facility.

FHWA: The Federal Highway Administration.

Fiscal Year: The period at the end of which a business determines its financial position and results of operations. The District's fiscal year begins July 1 and ends June 30 of the following calendar year.

Fixed Assets: Assets that are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

FLSA: Fair Labor Standards Act. This act prescribes standards for the basic minimum wage and overtime pay.

FMLA: Family Medical Leave Act. This act allows employees who worked 1,250 hours over the previous year to take up to 12 weeks off work for a valid medical reason for the employee or immediate family.

FTA: Federal Transit Administration. The Federal government, through the FTA, provides financial assistance to develop new transit systems and improve, maintain and operate existing systems.

Fund: Fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and changes in these assets and liabilities.

Fund Balance: The excess of assets and estimated revenues of a fund over its liability and appropriations at the end of a fiscal year. A portion of this balance may be available to finance the next fiscal year's budget.

FY: See Fiscal Year.

GASB: Governmental Accounting Standards Board. The Board establishes and improves standards of state and local governmental accounting and financial reporting.

GASB 45: Accounting and Financial provision requiring government employers to measure and report the liabilities associated with other (than pension) postemployment benefits (or OPEB).

GASB 68: Accounting and Financial reporting that requires government employers that sponsor defined benefit plans to recognize a net pension liability in their statement of net position.

GFOA: Government Finance Officers Association. An organization providing standards and education to the financial departments of government organizations.

GGF: Golden Gate Ferry.

GGNRA: Golden Gate National Recreation Area.

GGT: Golden Gate Transit.

Hastus: Computer software used to plan bus transit routes, dispatch bus operators and generate accurate bus operator payrolls.

HRA: Health Reimbursement Account.

Hybrid Buses: Buses that combine a combustion and an electrical engine, so as to increase efficiency and thereby reduce emissions.

IBU: Inland Boatmen's Union. A union representing deckhand employees.

ICAP: The allocation of indirect centralized costs from operating expenses to capitalized projects in accordance with Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Indian Tribe Governments.

IFAS: Financial software customized for the District's financial activities including general ledger, accounting, budgeting, payroll, accounts payable, human resources and purchasing.

Indirect Cost: Cost that is not identifiable with a specific product, function or activity.

Infrastructure: The fixed components of a transit system, such as stations, park-and-ride lots, bus stops and maintenance facilities.

Lease: Contract by which possession of land and/or building space is given by owner to a tenant for a specified period of time and for a specified financial amount.

LFT: Larkspur Ferry Terminal.

LT: Limited Term.

Long-Term Debt: Financial obligations lasting over one year. For example, debt obligations such as bonds and notes which have maturities greater than one year are considered long-term debt.

LT: Limited Term of employment.

Maximo: Asset and vehicle fluid financial management system.

MCTD: Marin County Transportation District.

MEBA: Marine Engineer's Beneficial Association. A union representing vessel masters.

MMB: Moveable Median Barrier. A traffic safety barrier that can be moved from lane to lane to reduce congestion while preventing head-on collisions.

MPLS: Multiprotocol Label Switching.

MTC: Metropolitan Transportation Commission.

NPS: National Park Service.

NSF: National Science Foundation.

NTD: National Transit Database. A database consisting of financial and operational information for over 600 U.S. transit agencies that receive FTA Section 5307 grants.

OPEB: Other Post-employment Benefits. This term is used by the District in reference to retiree health benefits (please refer to page 42 for further explanation).

Operating Budget: Funds allocated for normal District operations, such as employee salaries, power and fuel. Excludes funds allocated for capital and fiduciary activities.

Operating Expenses: All expenses pertaining to the normal operation of the agency with the exception of capital expenditures, interest expenses and non-recurring losses.

OTP: On Time Performance.

Paratransit: The Americans with Disabilities Act (ADA) of 1990 requires that transportation services comparable to existing public transportation be made available to individuals with disabilities who are unable to use fixed-route transportation systems. Paratransit is the term used to refer to these ADA transportation services.

PEPRA: Public Employees' Pension Reform Act.

Performance Measures: Specific quantitative and qualitative measure of work performed as an objective of specific departments or programs.

PERS: Public Employees' Retirement System. This is a defined benefit retirement plan that provides a secure income for retirement.

PRA: Public Records Act.

QL1: A light engine rebuild.

QL3: A mid-life engine rebuild.

Revenue Vehicle: Vehicles that carry fare-paying passengers.

RFP: Request for Proposal. The competitive proposal method of procurement.

RM2: Regional Measure 2, passed by the Metropolitan Transportation Committee, raised the toll on the seven state-owned bridges in the Bay Area. Funds from these tolls are earmarked for transportation projects within the Bay Area, particularly those projects which will relieve congestion on bridges.

RTPI: Real Time Passenger Information.

SF: San Francisco.

SFFT: San Francisco Ferry Terminal.

SLEP: Service Life Extension Program.

SMART: Sonoma-Marín Area Rail Transit. It is a voter approved passenger rail and bicycle-pedestrian pathway project located in Marin and Sonoma counties.

SRTC: San Rafael Transit Center.

SRTP: Short Range Transit Plan.

STA: State Transit Assistance fund used to account for the revenue from the sales tax on gasoline used for transit purposes. The STA fund was created as an amendment to the Transportation Development Act of 1976.

Strategic Plan: Broad statement of direction in which planning or action is required to achieve long-term financial stability.

TDA: Transportation Development Act. Created by state law in 1972, the TDA authorized the use of $\frac{1}{4}$ of 1% of the state sales tax for transportation purposes.

TP: Toll Plaza.

TransLink®: See ClipperSM.

Transbay Service: Transit service from Marin County to San Francisco and/or the East Bay.

TRP: Technical Review Panel.

TSP: Transit Sustainability Project.

UHP: Ultra High Pressure.

VOIP: Voice Over Internet Protocol.

WAN: Wide Area Network.

APPENDIX I – STATISTICAL DATA AND SUPPLEMENTAL INFORMATION

The following information was excerpted from “Highlights Facts and Figures of the Golden Gate Bridge, Highway and Transportation District.”

The Golden Gate Bridge stands at the entrance to the San Francisco Bay in California and is a symbol of American ingenuity and resolve, having been constructed during the era of the Great Depression. The Golden Gate Bridge is a beloved international icon and an engineering marvel. It is also a vital transportation link between northern San Francisco Bay Area counties and San Francisco. The Bridge serves over 40 million vehicles a year, along with millions of tourists from around the world. The Golden Gate Bridge offers free pedestrian walkways and bicycle paths from which visitors experience breath-taking views of the San Francisco skyline, Alcatraz Island and the Marin headlands. The best time to visit the Bridge is in the fall and winter months, as the summer months bring the famous San Francisco fog, which veils the Bridge most of the season.

The Golden Gate Bridge, Highway and Transportation District (GGBHTD) was formed under authority of the Golden Gate Bridge and Highway Act of 1923 and incorporated on December 4, 1928, to include within its boundaries the City and County of San Francisco, the counties of Marin, Sonoma, and Del Norte, most of Napa and part of Mendocino.

Bridge construction began January 5, 1933, and the span was opened for Pedestrian Day on May 27, 1937. The entire roadway was opened exclusively to pedestrians from dawn to dusk. By 6:00 pm, thousands of visitors were waiting to cross. A number of “firsts” took place that day with people competing to be the first to walk, run, roller skate, tap dance, ride a unicycle or cross on stilts. This proved to be a memorable event, with news reports estimating up to as many as 200,000 people. This was topped in 1987, the Golden Gate Bridge’s 50th anniversary, when more than 300,000 people surged onto the span with more than 400,000 spectators gathered in the surrounding areas and hillsides.

In 1969, the California State Legislature authorized GGBHTD to use bridge tolls to develop transit service in the U.S. Highway 101 (US 101) Golden Gate Corridor as a means of managing traffic congestion and avoiding costly highway expansion. In August 1970, GGBHTD inaugurated ferry service between Sausalito and the San Francisco Ferry Building. In December 1970, GGBHTD initiated a shuttle bus service to Sausalito Ferry using five leased Greyhound coaches and four drivers on four bus routes. In September 1971, GGBHTD received 20 of 132 newly purchased buses and hired 30 experienced Greyhound drivers. Local Marin County bus service was initiated in December 1971, under contract to Marin County Transit District. In January 1972, GGBHTD established Golden Gate Transit (GGT) Transbay commute service with 152 buses and facilities in Novato and Santa Rosa and a temporary facility in San Rafael. Golden Gate Transit Bus and Ferry services are subsidized using “surplus” Golden Gate Bridge toll revenue.

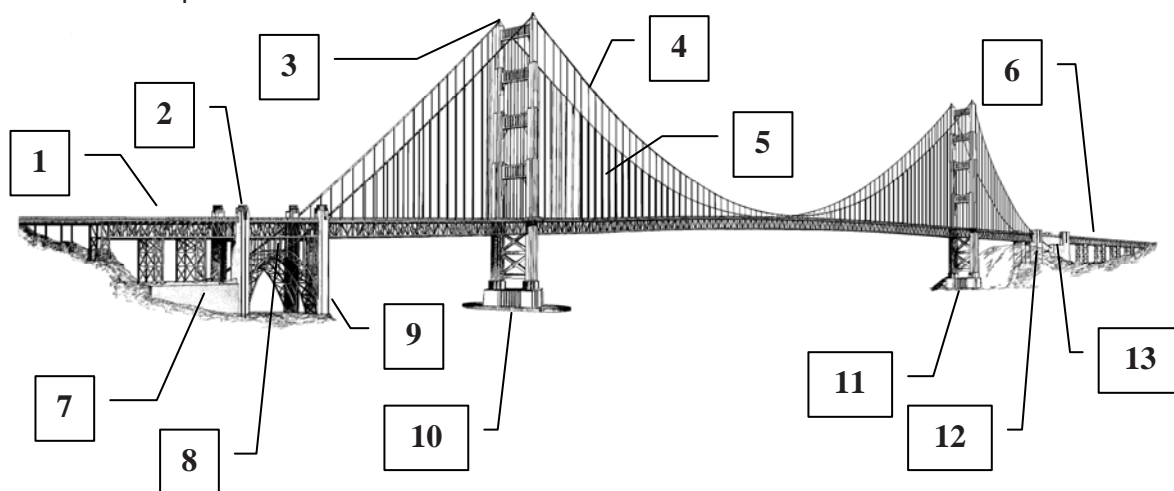
Statistical Data

The total construction cost of the Golden Gate Bridge was \$35 million, which included \$27 million for construction of the structure. This \$27 million was \$3 million higher than the original construction bids as other items were added such as the toll plaza, toll collection equipment, tower elevators and miscellaneous military replacements and improvements. The remaining \$8 million was for engineering and inspection, financing costs and administration.

The Golden Gate Bridge spans 1.7 miles and consists of six main structures:

1. San Francisco (south) approach viaduct
2. San Francisco (south) anchorage housing and pylons
3. Fort Point arch
4. Main suspension bridge
5. Marin (north) approach viaduct
6. Marin (north) anchorage housing and pylons

Engineers, painters, ironworkers and other staff members work daily on critical rehabilitation and improvement projects that have been undertaken to preserve, protect and extend the life of the Golden Gate Bridge. A lower lateral bracing system was added to the span to increase the torsional stability of the stiffening truss of the roadway. A railing was added between the Bridge roadway and sidewalks. Approach structures were retrofitted to increase earthquake resistance and Phases I & II of the Seismic Retrofit Design and Construction Project were completed. Phase I retrofitted the Marin approach and Phase II retrofitted the San Francisco approach structures and Fort Point arch. In April 2008, Phase IIIA began and will retrofit the north anchorage housing and pylons. Phase IIIB of the Seismic Retrofit project began in 2011 and includes the retrofit of the 4,200 foot-long main suspension span, the two 746 foot-tall main towers and the San Francisco tower pier.



1. South Viaduct
2. Pylon S2
3. Saddle
4. Main Cables
5. Suspender Ropes
6. North Viaduct
7. South Anchorage Housing
8. Fort Point Arch
9. Pylon S1
10. South Tower, 746 feet tall
11. North Tower, 746 feet tall

12. Pylon N1

13. North Anchorage Housing

The length of Bridge deck between a pylon and a tower is referred to as a Side Span. The Bridge Side Spans measure 1,125 feet across.

The length of Bridge deck between the two towers is referred to as the Main Span. The Bridge Main Span measures 4,200 feet across.

The length of Bridge deck between Pylon S1 and Pylon N1 is referred to as the Suspension Span. The Bridge Suspension Span measures 6,450 feet across.

Depending upon tidal conditions, the distance between the deck at the center of the Main Span and the water below is roughly 220 feet.

Traffic by Fiscal Year Since Bridge Opening on May 28, 1937

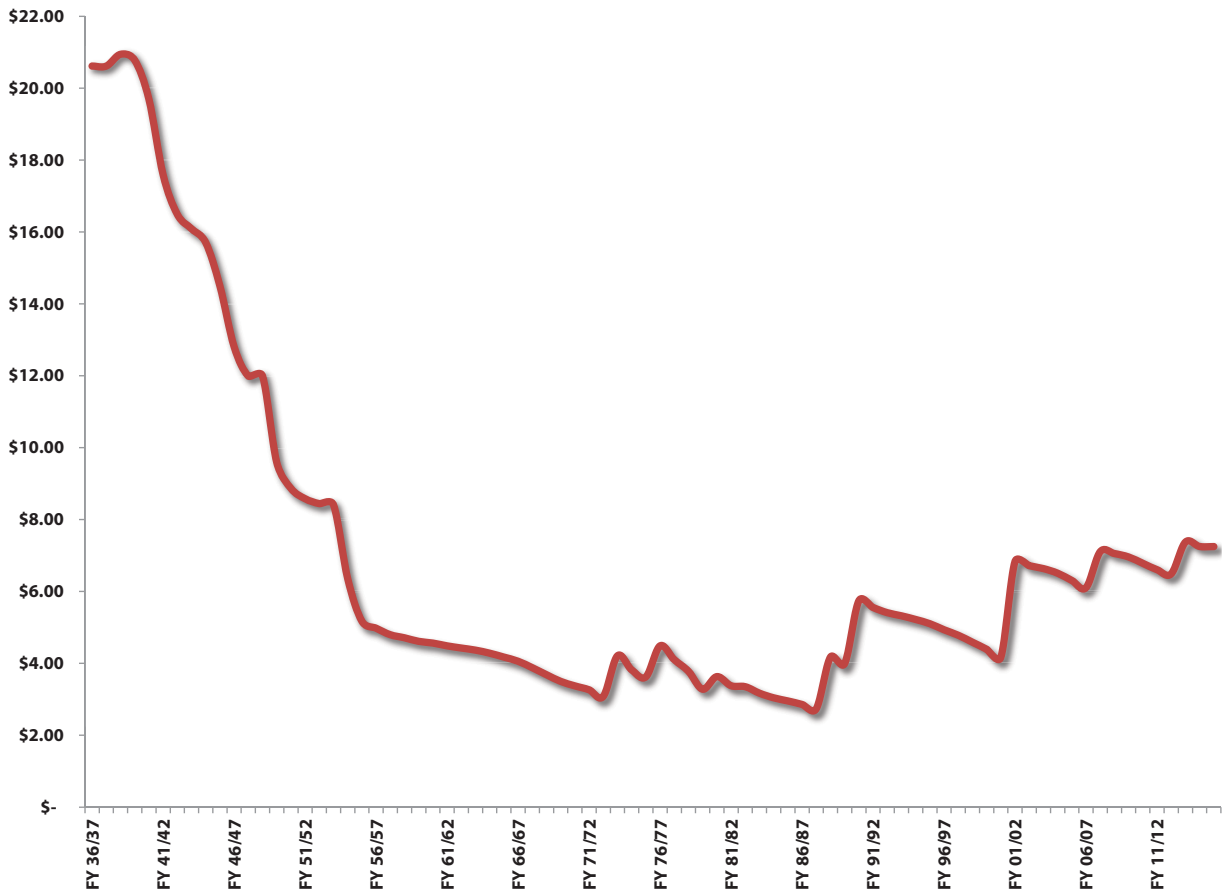
Fiscal Year July 1 - June 30	Avg. Vehicles Per Day	Total Vehicles	% of Increase	Total Revenue
May & June 1937	17,339	582,607	-	\$312,818
1937-38	9,073	3,326,521	-	\$1,594,958
1938-39	11,045	4,047,224	21.67%	\$1,903,372
1939-40	11,792	4,332,785	7.06%	\$2,124,158
1940-41	13,054	4,780,585	10.34%	\$2,282,213
1941-42	14,169	5,187,168	8.50%	\$2,292,945
1942-43	14,711	5,382,282	3.76%	\$2,579,981
1943-44	13,214	4,849,300	-9.90%	\$2,495,220
1944-45	13,106	4,799,989	-1.02%	\$2,710,710
1945-46	18,198	6,674,825	39.06%	\$3,579,521
1946-47	20,434	7,506,144	12.45%	\$3,864,817
1947-48	21,978	8,091,289	7.80%	\$4,077,231
1948-49	23,309	8,552,514	5.70%	\$4,186,815
1949-50	25,518	9,356,348	9.40%	\$4,519,515
1950-51	27,701	10,153,493	8.52%	\$3,985,673
1951-52	30,589	11,240,410	10.70%	\$4,251,913
1952-53	31,982	11,723,318	4.30%	\$4,427,194
1953-54	33,461	12,267,508	4.64%	\$4,511,025
1954-55	36,059	13,220,641	7.77%	\$4,517,603
1955-56	40,298	14,749,185	11.56%	\$4,112,357
1956-57	42,951	15,676,971	6.29%	\$4,123,161
1957-58	44,955	16,408,399	4.67%	\$4,219,181
1958-59	48,198	17,592,396	7.22%	\$4,509,698
1959-60	51,396	18,810,807	6.93%	\$4,773,623
1960-61	54,825	20,011,302	6.38%	\$4,885,762
1961-62	56,861	21,377,944	6.83%	\$4,820,046
1962-63	61,683	22,514,356	5.32%	\$5,040,421
1963-64	65,637	24,023,128	6.70%	\$5,358,257
1964-65	69,267	25,282,353	5.24%	\$5,545,875
1965-66	74,023	27,018,462	6.87%	\$5,802,084
1966-67	77,673	28,350,598	4.93%	\$6,308,081
1967-68	82,700	30,293,793	6.85%	\$6,428,332
1968-69	85,622	31,251,968	3.16%	\$6,583,074
1969-70	89,657	32,725,026	4.71%	\$7,320,561
1970-71	91,773	33,497,080	2.36%	\$7,978,283
1971-72	94,086	34,435,542	2.80%	\$8,384,443
1972-73	94,852	34,620,920	0.54%	\$8,537,373
1973-74	89,931	32,824,780	-5.19%	\$9,458,892
1974-75	91,325	33,333,798	1.55%	\$12,455,458
1975-76	95,278	34,871,856	4.61%	\$12,938,278
1976-77	96,927	35,378,544	1.45%	\$12,947,397
1977-78	98,716	36,031,236	1.84%	\$15,890,977
1978-79	99,380	36,273,760	0.67%	\$17,461,538
1979-80	97,080	35,531,296	-2.05%	\$17,044,037
1980-81	99,708	36,393,422	2.43%	\$18,824,231

Appendix I

Fiscal Year July 1 - June 30	Avg. Vehicles Per Day	Total Vehicles	% of Increase	Total Revenue
1981-82	97,952	35,752,524	-1.76%	\$21,122,488
1982-83	101,343	36,990,346	3.46%	\$22,538,225
1983-84	105,532	38,519,280	4.13%	\$23,695,501
1984-85	108,578	39,630,790	2.89%	\$24,430,950
1985-86	110,930	40,489,422	2.17%	\$25,009,522
1986-87	115,672	42,220,298	4.27%	\$26,188,035
1987-88	119,089	43,467,470	2.95%	\$26,995,767
1988-89	118,881	43,391,562	-0.17%	\$30,460,808
1989-90	120,276	43,900,850	1.17%	\$37,974,294
1990-91	117,313	42,819,078	-2.46%	\$38,668,744
1991-92	113,548	41,445,182	-3.21%	\$52,764,409
1992-93	112,241	40,968,012	-1.15%	\$54,603,270
1993-94	112,263	40,975,844	0.02%	\$54,890,757
1994-95	111,547	40,714,520	-0.64%	\$55,036,868
1995-96	112,751	41,266,836	1.36%	\$57,259,004
1996-97	113,334	41,366,860	0.24%	\$57,475,737
1997-98	113,065	41,381,834	0.04%	\$57,602,148
1998-99	114,601	41,943,808	1.36%	\$58,452,829
1999-00	116,026	42,465,336	1.24%	\$59,368,792
2000-01	115,525	42,166,660	-0.70%	\$59,180,029
2001-02	111,493	40,694,792	-3.49%	\$59,518,943
2002-03	106,456	38,856,556	-4.52%	\$79,427,334
2003-04	106,234	38,881,684	0.06%	\$84,419,500
2004-05	106,292	38,796,706	-0.22%	\$84,213,058
2005-06	106,637	38,922,468	0.32%	\$84,746,887
2006-07	108,263	39,516,006	1.45%	\$84,970,839
2007-08	107,420	39,315,596	-0.51%	\$85,416,488
2008-09	104,473	38,132,812	-3.00%	\$97,121,446
2009-10	106,784	38,976,078	2.21%	\$100,568,913
2010-11	110,113	40,191,124	3.12%	\$100,779,715
2011-12	101,253	37,058,745	-7.79%	\$102,638,203
2012-13	101,979	37,222,438	0.44%	\$102,294,057
2013-14	109,667	40,028,374	7.54%	\$106,350,200
2014-15	110,060	40,171,728	0.36%	\$129,187,098
2015-16	112,641	41,113,970	2.29%	\$137,418,500
Total Since Inception:		2,275,109,462		\$2,571,101,557

Historical Trends in Bridge Traffic and Tolls

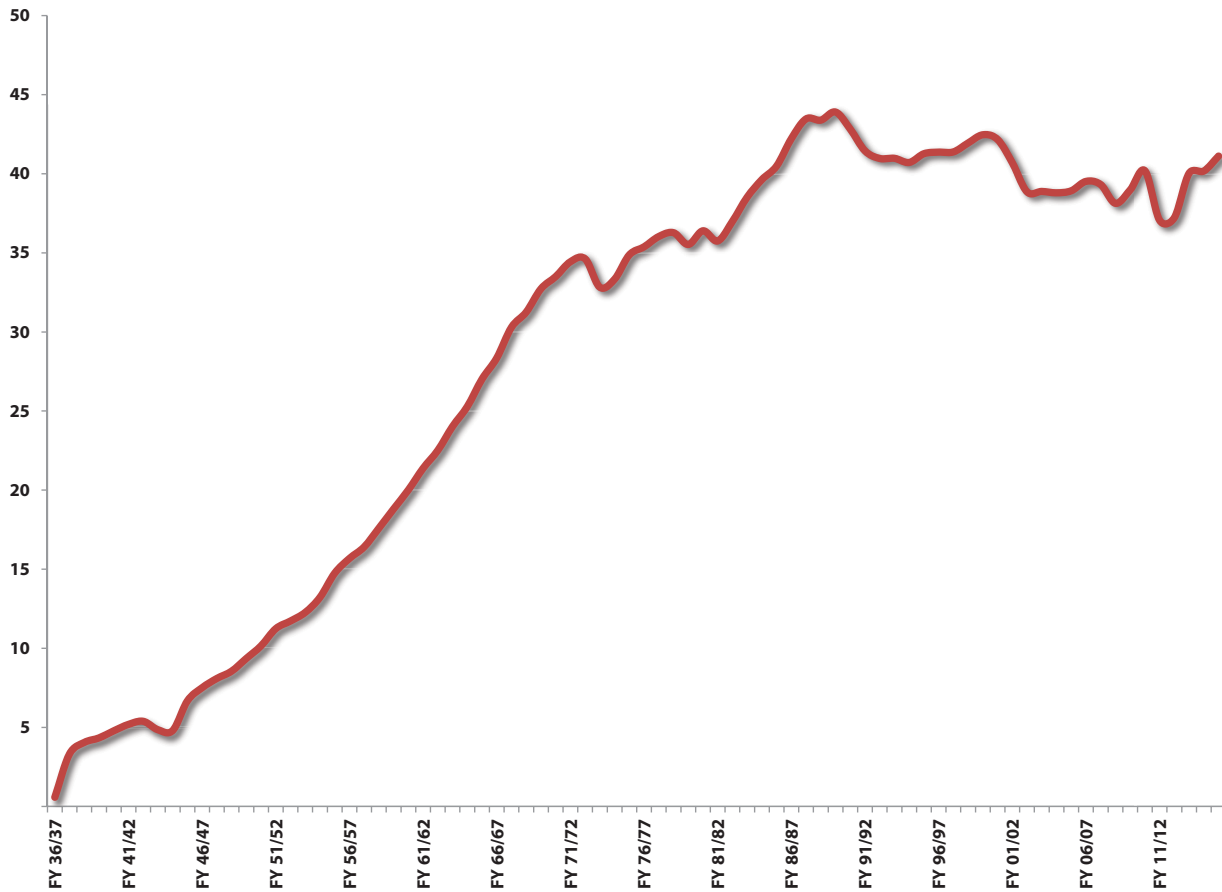
Bridge Tolls Adjusted for Inflation



The above chart applies the Bay Area Region Consumer Price Index to the historical cost of a Golden Gate Bridge toll. All prices shown are in 2015 dollars.

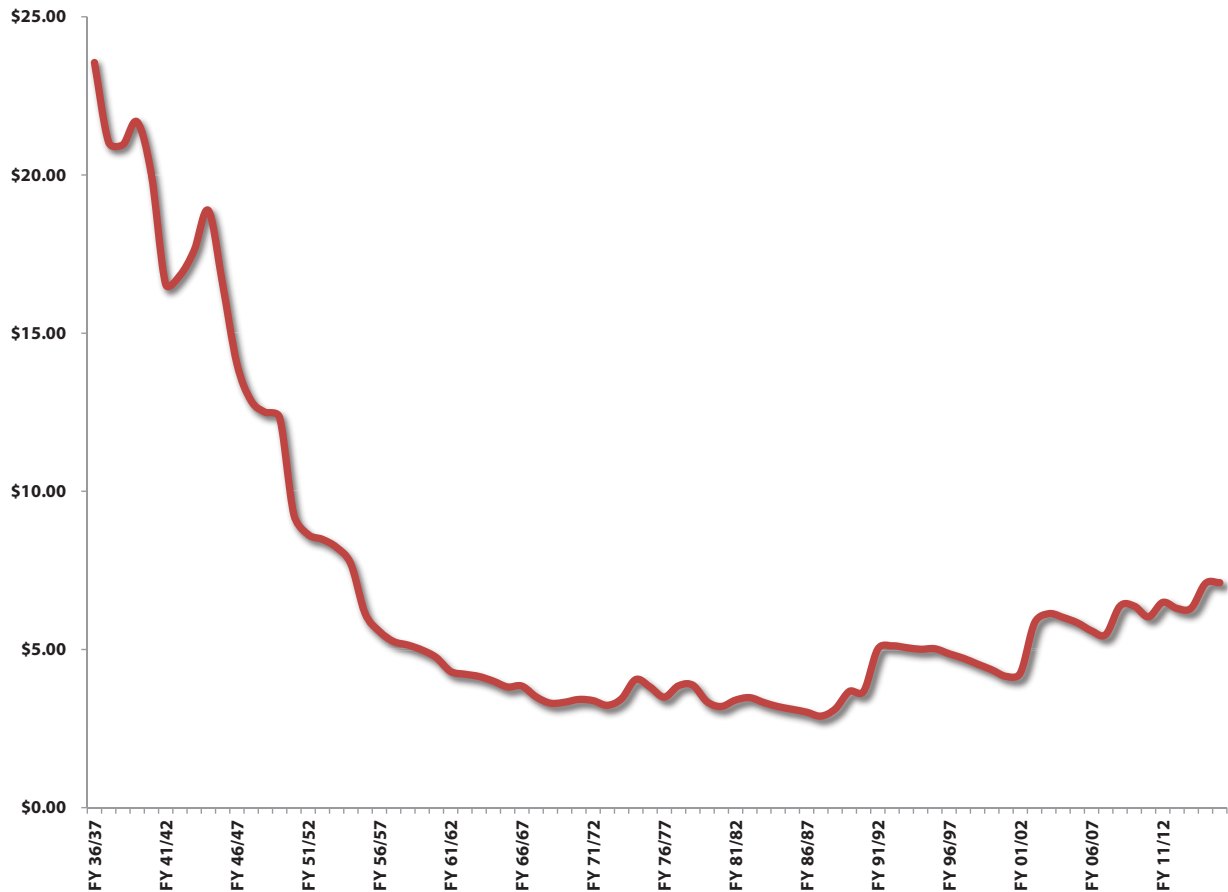
CPI data courtesy of the Bureau of Labor Statistics.

Total Annual Vehicle Crossings (All Numbers In Millions)



The above chart illustrates the total annual vehicle crossings for the Golden Gate Bridge. This total includes all South and North-bound crossings.

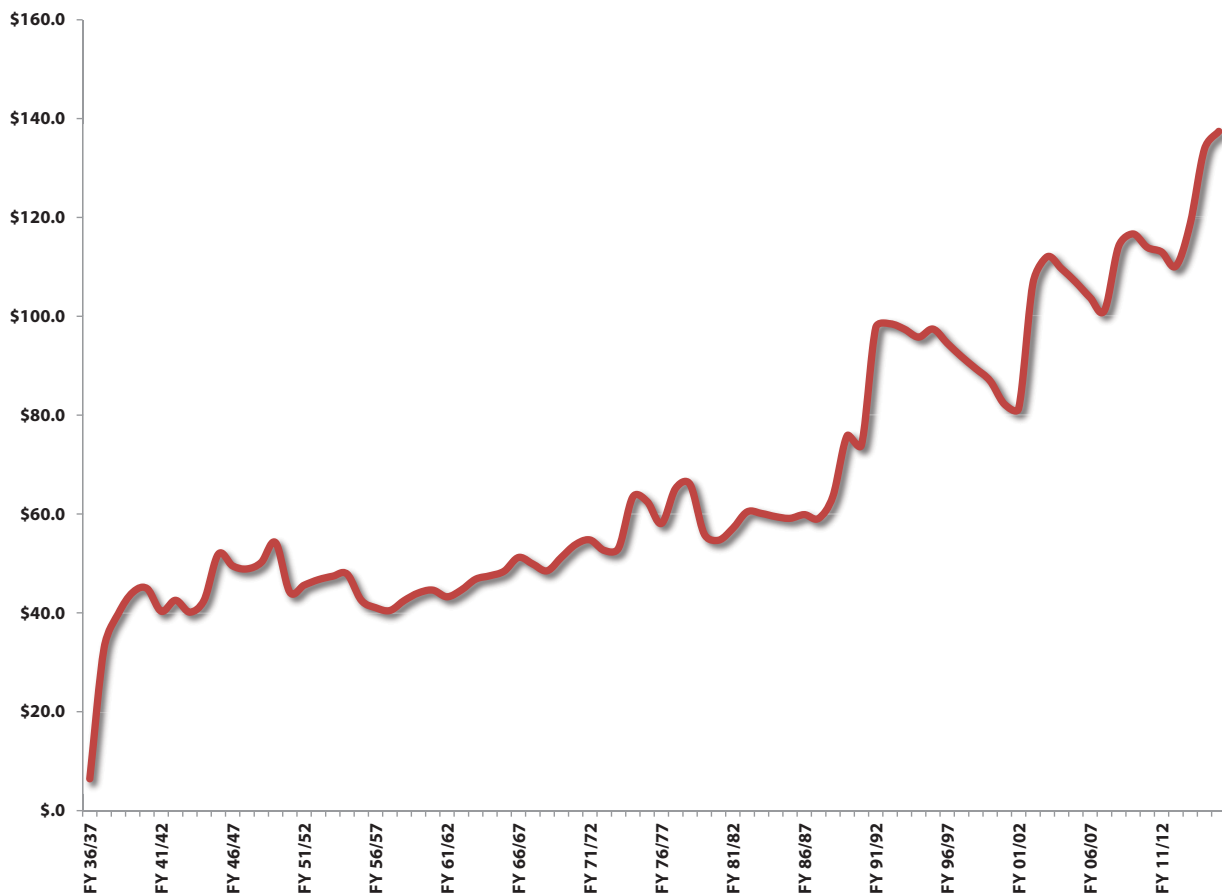
Revenue Per Southbound Vehicle Adjusted for Inflation



Southbound vehicles currently represent 47% of the total traffic on the Bridge. If we apply this percentage to the historical revenue per vehicle data, and then adjust the results for inflation using the Bay Area Region Consumer Price Index, the above chart is the result. All prices shown are in 2014 dollars.

CPI data courtesy of the Bureau of Labor Statistics.

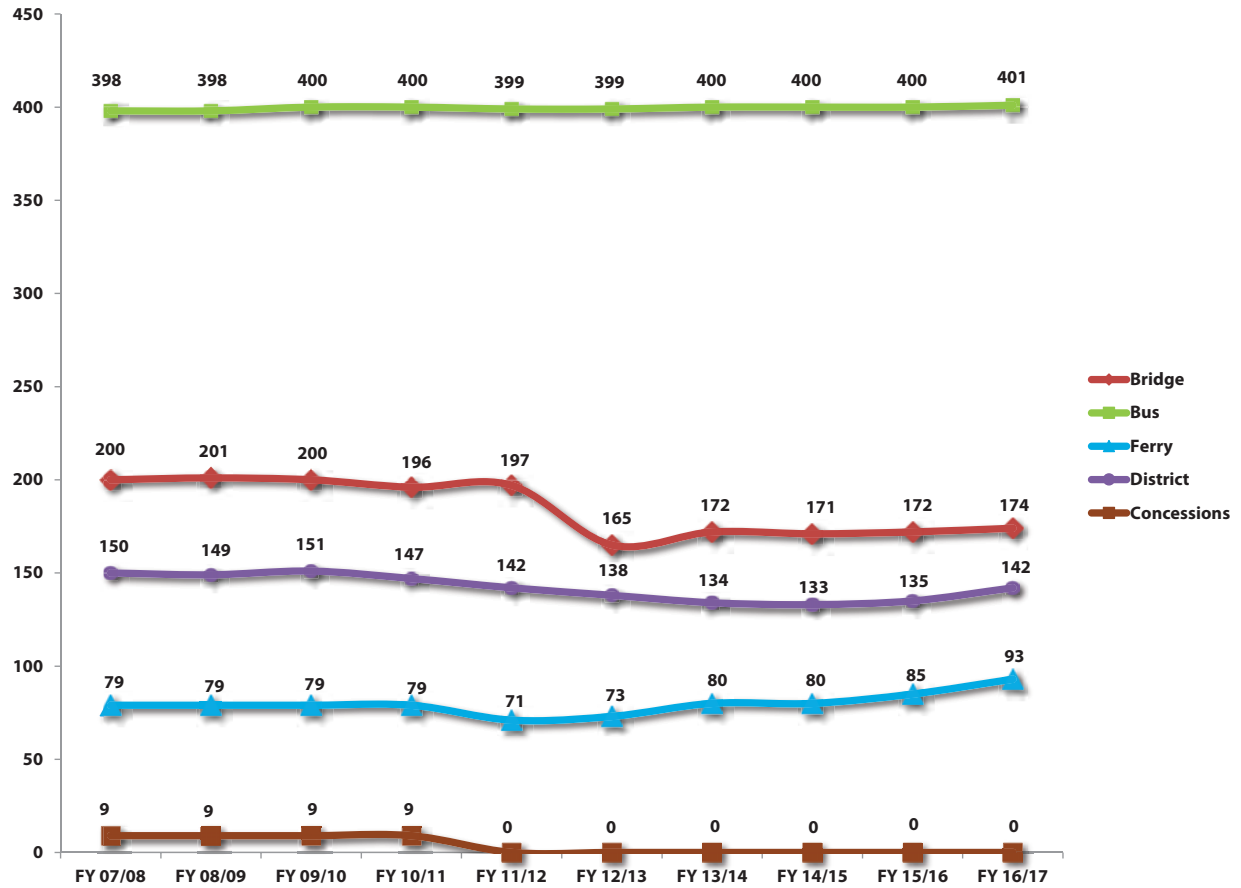
Annual Revenue Adjusted for Inflation (All Numbers in Millions)



The above chart applies the Bay Area Region Consumer Price Index to the historical annual toll revenue for the Golden Gate Bridge. All prices shown are in 2014 dollars.

CPI data courtesy of the Bureau of Labor Statistics.

Table of Organization by Division



The above chart depicts all changes to the Table of Organization by Division over the last ten years.

Golden Gate Bridge Tolls and Fares History

Date	Adjustment to Tolls and Fares
May 28, 1937	\$0.50 per Auto, plus \$0.05 per occupant over 5 in same Auto. 30 Trip Commute Book for \$11.00 for Autos not exceeding 5 occupants.
December 23, 1937	\$0.30 per Auto, plus \$0.05 per occupant over 5.
January 3, 1938	\$0.50 per Auto, plus \$0.05 per occupant over 5 in same Auto.
May 4, 1938	40 Trip - 60 Day Commute Book for \$8.00, plus \$0.05 per passenger over 5. 20 Trip - 60 Day Commute Book for \$7.00, plus \$0.05 per passenger over 5.
April 15, 1941	Elimination of \$0.05 passenger charge on 40-Trip Commute Book.
September 30, 1942	Increase extra passenger toll from \$0.05 to \$0.10 on cash auto tolls and reduces number of occupants riding without charge from 5 to 3.
March 14, 1946	Reduces extra passenger charge in all vehicles from \$0.10 to \$0.05.
November 1, 1946	Eliminates charge for extra passenger in all cash vehicles.
January 1, 1948	20 Trip - 60 Day Commute book for \$7.00, good for driver and all passengers.
July 1, 1950	Auto toll reduced to \$0.40. Truck toll based on axles instead of weight. (\$0.50 per axle, not counting front axle.)
December 1, 1950	Eliminate extra passenger charge on \$8.00 - 40 trip commute book.
June 30, 1953	20 Trip commute book for \$6.00.
January 31, 1955	Reduce Auto toll from \$0.40 to \$0.30.
September 30, 1955	Reduce Auto toll from \$0.30 to \$0.25. Reduce 40 Trip commute book to \$7.00.
July 1, 1959	52 Trip Discount book for \$9.00 (\$0.173 per trip).
September 1, 1960	52 Trip Discount book for \$8.00 (\$0.154 per trip).
July 1, 1961	50 Trip Discount book for \$6.50 (\$0.130 per trip).
July 1, 1965	\$1.00 bus toll changed to \$0.25 cash / \$0.13 on charge account.
October 18, 1968	One-Way Toll established (\$0.50 southbound, free northbound).
November 1, 1969	25 Trip Discount book for \$6.50 (\$0.26 per trip).
December 1, 1969	26 Trip Discount book for \$10.00 (\$0.40 per trip).
January 1, 1970	Commute bus toll \$0.10, all buses \$2.00 per trip.
December 25, 1971	Discontinued Discount Books. Started Convenience Book sales at \$10.00 for 20 trips (\$0.50 per trip).
January 1, 1972	District (Golden Gate Transit) took over Greyhound commute runs.
March 1, 1974	Bridge Auto Toll increased to \$0.75 southbound. 20 Trip Convenience Book for \$15.00 (.75 per trip).
April 16, 1976	Car Pools (3 or more people in auto) free from 6 am to 10 am on weekdays.
October 10, 1977	Van Pools start.
November 1, 1977	Bridge Auto Toll increased to \$1.00 southbound. Auto and Trailer toll \$1.50. 20 Trip Convenience Book for \$20.00 (\$1.00 per trip) and 20 ticket Truck Convenience Book for \$30.00 (1.50 per ticket)
July 1, 1978	Started Handicap Discount Book at \$10.00 for 20 trips (\$0.50 per trip).
November 17, 1978	Additional Car Pool hours from 4 pm to 6 pm, weekdays, no toll for 3 or more people in auto.
September 14, 1979	Changed morning Car Pool hours, 6 am to 9 am. Added motorcycles.
March 1, 1981	Auto Toll increased to \$1.25.
July 20, 1981	Auto Toll decreased back to \$1.00.

Date	Adjustment to Tolls and Fares
August 21, 1981	Start \$2.00 toll Fridays and Saturdays (4 am Friday to 4 am Sunday). \$1.00 toll Sunday through Thursdays.
August 29, 1981	Change \$2.00 toll hours to 12:01 am Friday to 12 midnight Saturday.
December 1, 1981	Start Saturday Only Discount Book - \$25.00 for 20 trips (\$1.25 per trip).
April 1, 1982	Auto and Trailer toll raised to \$3.00 on Friday and Saturdays only.
July 1, 1982	All buses free during Car Pool hours, \$2.00 all other times.
January 1, 1989	Auto Toll increased to \$2.00 every day. \$20.00 for 16 trip commute book (\$1.25 per trip). Auto and Trailer toll \$3.00 every day. Two axle Truck toll increased to \$2.00.
June 11, 1989	12 Trip Discount Book for \$20.00 (\$1.67 per trip).
July 1, 1991	Toll increased to \$3.00 for Autos and 2-axle Trucks. Other truck tolls increased to \$1.50 per axle. \$20.00 commute book with 8 tickets at \$2.22 each; \$40 book with 18 tickets at \$2.22 each. Disabled Toll increased to \$1.50 (1/2 of current Toll for 2 axle Autos) Discount Book for Disabled @ \$30.00 for 20 trips (\$1.50 per trip).
July 1, 1992	Discount on commute books lowered. \$20.00 book with 8 tickets at \$2.50 each; \$40.00 book with 16 tickets at \$2.50 each.
July 1, 1995	Discount on commute books lowered. \$20.00 book with 6 tickets at \$2.67 each; \$40.00 book with 15 tickets at \$2.67 each.
July 1, 2000	Introduction of FasTrak®, electronic toll collection system. FasTrak® discounted toll \$2.67.
September 15, 2000	Last day of sale for auto discount commute books.
November 15, 2000	Last day of acceptance of auto discount tickets at the toll plaza.
July 1, 2001	Elimination of \$2.67 discounted toll for FasTrak®. Toll for all 2-axle vehicles is \$3.00.
September 1, 2002	Toll Increased to \$5.00 for Autos and 2-axle Trucks. Other truck tolls increased to \$2.50 per axle. FasTrak® tolls discounted @ \$4.00 for Autos and 2-axle Trucks ONLY.
September 2, 2008	Toll increased to \$6.00 for Autos and 2 axle-Trucks. Other truck (cash) tolls increased to \$3.00 per axle. FasTrak® tolls discounted @ \$5.00 for Autos and 2-axle Trucks ONLY. Other truck tolls remain @ \$2.50 per axle. Tolls for Persons with Disabilities (PWD) increased to \$3.00.
July 1, 2010	Car Pool and Clean Air Vehicles Toll commenced at \$3.00 for motorcycles, 2 ax vehicles with 3 or more persons, buses. FasTrak® required to receive discounted toll (07/01-07/16 cash was accepted during "grace period".
July 1, 2011	The GGB toll rates for vehicles with more than 2-axes increased in accordance with the program adopted by the Board of Directors to increase multi-axle toll rates incrementally with the first increase on July 1, 2011, and a second increase on July 1, 2012.
July 1, 2012	The second increase on GGB toll rates for vehicles with more than 2-axes, as adopted by the Board of Directors, went into effect on July 1, 2012.
March 27, 2013	All Electronic Tolling commences. Cash no longer accepted, no longer Bridge Officers in Toll Lanes.

Date	Adjustment to Tolls and Fares
April 7, 2014	Toll increased to \$7.00 for two-axle vehicles, \$6.00 with FasTrak® discount. Tolls for vehicles with 3+ axles increased to \$7.00 per axle, \$6.00 per axle with FasTrak® discount.
July 1, 2015	Toll increased to \$7.25 for two-axle vehicles, \$6.25 with FasTrak® discount. Tolls for vehicles with 3+ axles increased to \$7.25 per axle, \$6.25 per axle with FasTrak® discount.
July 1, 2016	Toll increased to \$7.50 for two-axle vehicles, \$6.50 with FasTrak® discount. Tolls for vehicles with 3+ axles increased to \$7.50 per axle, \$6.50 per axle with FasTrak® discount.

Demographic and Economic Information - 10 Years

Marin County ¹							
	Population		Personal Income (In Thousands)		Per Capita Personal Income	Median Age	Average Unemployment Rate
2006	244,336	\$	21,793,982	\$	89,197	43.6	3.8%
2007	246,100		22,574,434		91,729	44.2	3.7%
2008	248,345		23,161,297		93,263	44.7	4.7%
2009	250,750		22,351,575		89,139	44.4	8.1%
2010	252,789		20,854,466		82,498	44.3	8.2%
2011	255,031		21,871,623		85,761	44.7	8.1%
2012	256,069		23,918,732		93,407	45.2	7.0%
2013	258,365		25,093,401		97,124	45.5	5.1%
2014	260,750		*		*	45.4	4.0%
2015	*		*		*	*	3.4%

City/County of San Francisco ²							
	Population		Personal Income (In Thousands)		Per Capita Personal Income	Median Age	Average Unemployment Rate
2006	786,149	\$	53,902,906	\$	68,566	39.4	4.6%
2007	799,185		56,306,703		70,455	39.4	4.1%
2008	808,001		58,199,006		72,028	40.0	4.6%
2009	815,358		56,037,063		68,727	40.4	7.4%
2010	805,235		56,665,228		70,371	38.5	9.7%
2011	812,826		58,619,926		72,119	37.3	9.2%
2012	825,863		60,059,972		72,724	38.5	8.1%
2013	837,442		63,777,061		76,157	37.9	6.5%
2014	849,183		65,289,896		76,886	37.4	5.2%
2015	*		*		*	*	3.5%

Sonoma County ³							
	Population		Personal Income (In Thousands)		Per Capita Personal Income	Median Age	Average Unemployment Rate
2006	479,900	\$	22,178,237	\$	46,214	38.5	4.5%
2007	481,765		23,642,001		49,074	39.8	4.3%
2008	484,470		23,663,256		48,844	39.3	5.5%
2009	486,630		22,787,716		46,828	39.4	10.1%
2010	493,285		21,701,296		43,993	39.8	10.6%
2011	487,125		21,142,471		43,403	40.2	10.1%
2012	487,011		21,417,425		43,977	40.3	9.0%
2013	490,423		22,126,957		45,118	40.9	7.1%
2014	490,486		23,548,182		48,010	41.1	5.7%
2015	*		*		*	*	4.3%

1. County of Marin June 30, 2014, CAFR, with additional information as follows:

- a) Population for 2014 provided by U.S. Census Bureau, American Community Survey.
- b) Median age for all years provided by U.S. Census Bureau, American Community Survey.
- c) Average unemployment rate for 2015 provided by California Employment Development Department.

2. City and County of San Francisco June 30, 2014, CAFR:

- a) Average unemployment rate for 2015 provided by California Employment Development Department.

3. County of Sonoma June 30, 2014, CAFR, with additional information as follows:

- a) Median age for all years provided by U.S. Census Bureau, American Community Survey.
- b) Average unemployment rate for 2015 provided by California Employment Development Department.

*Information not available

Principal Employers, Current and Previous Period Comparison

Marin County							
Principal Employers ¹	Type of Entity	Employees in 2014	Rank	% of Total County Employment	Employees in 2005	Rank	% of Total County Employment
County of Marin	Government	2,065	1	1.51%	2,036	1	1.64%
San Quentin State Prison	Government	1,832	2	1.34%	1,793	2	1.45%
Marin General Hospital	Hospital	1,654	3	1.21%	1,638	3	1.32%
Kaiser Permanente Med Ctr	Hospital	1,637	4	1.19%	1,295	4	1.05%
Autodesk, Inc.	Software	1,095	5	0.80%	1,209	5	0.98%
BioMarin Pharmaceutical	Medical	850	6	0.62%	876	6	0.71%
Novato Unified School District	School	812	7	0.59%	840	7	0.68%
Fireman's Fund Insurance Co	Insurance	750	8	0.55%	825	8	0.67%
Lucasfilm Ltd	Movie Production	400	9	0.29%	593	9	0.48%
Bradley Real Estate	Real Estate	385	10	0.28%	-	-	-
Safeway, Inc.	Grocery	-	-	-	579	10	0.47%
Total		11,480		8.38%	11,684		9.45%

City/County of San Francisco (SF)							
Principal Employers ²	Type of Entity	Employees in 2013	Rank	% of Total County Employment	Employees in 2004	Rank	% of Total County Employment
City and County of SF	Government	25,458	1	4.18%	28,732	1	5.57%
University of Calif, SF	School	20,100	2	3.30%	18,600	2	3.61%
Wells Fargo & Co	Banking	8,200	3	1.35%	7,275	3	1.41%
SF Unified School District	School	8,189	4	1.35%	7,208	4	1.40%
Gap, Inc.	Retail	6,000	5	0.99%	4,084	9	0.79%
California Pacific Med Ctr	Hospital	5,934	6	0.98%	5,000	6	0.97%
PG&E Corporation	Utility	4,394	7	0.72%	4,850	8	0.94%
State of California	Government	4,108	8	0.67%	7,048	5	1.37%
SF State University	School	3,707	9	0.61%	-	-	-
Kaiser Permanente Med Ctr	Hospital	3,492	10	0.57%	3,424	10	0.66%
United States Postal Service	Government	-	-	-	4,886	7	0.95%
Total		89,582		14.72%	91,107		17.67%

Note: In some instances, information for current year and nine years ago is not available; information for periods that are available are provided as an alternative.

1. Data Source: County of Marin, June 30, 2014, CAFR.

2. Data Source: City and County of San Francisco, June 30, 2014, CAFR.

Sonoma County							
Principal Employers ³	Type of Entity	Employees in 2014	Rank	% of Total County Employment	Employees in 2005	Rank	% of Total County Employment
County of Sonoma	Government	4,130	1	1.55%	5,022	1	1.97%
Santa Rosa Junior College	School	3,423	2	1.29%	3,332	3	1.30%
Kaiser Permanente Med Ctr	Hospital	2,555	3	0.96%	2,500	5	0.98%
Graton Resort and Casino	Casino	2,000	4	0.75%	-	-	-
Sutter Medical Center	Hospital	1,797	5	0.68%	-	-	-
St. Joseph Health System	Medical	1,740	6	0.65%	2,750	4	1.08%
City of Santa Rosa	Government	1,220	7	0.46%	1,227	10	0.48%
Keysight Technologies	Technology	1,200	8	0.45%	-	-	-
Sonoma State University	School	1,033	9	0.39%	1,532	9	0.60%
Petaluma School Districts	School	917	10	0.34%	-	-	-
State of California	Government	-	-	-	3,596	2	1.41%
Agilent Technologies	Technology	-	-	-	2,200	6	0.86%
United States Government	Government	-	-	-	1,929	7	0.76%
Santa Rosa School District	School	-	-	-	1,566	8	0.61%
Total		20,015		7.52%	25,654		10.05%

Note: In some instances, information for current year and nine years ago is not available; information for periods that are available are provided as an alternative.

3. Data Source: County of Sonoma, June 30, 2014, CAFR.

APPENDIX J – SERVICE AREA MAP

