

March 27, 2025



MINUTES OF THE FINANCE-AUDITING COMMITTEE

These minutes are supplemented by the audio recording that is posted online at:

<https://www.goldengate.org/district/board-of-directors/meeting-documents>.

Honorable Board of Directors
Golden Gate Bridge, Highway
and Transportation District

Honorable Members:

The Finance-Auditing Committee of the Golden Gate Bridge, Highway and Transportation District (District) met in regular session in the Board Room, Administration Building, Golden Gate Bridge Toll Plaza, San Francisco, CA, on Thursday, March 27, 2025, at 9:46 a.m., with Chair Rabbitt presiding. A remote audio option for public participation was available.

(1) **Call to Order:** 9:46 a.m.

(2) **Roll Call:** Senior Board Analyst Elizabeth Eells. **[00:10 Minute Mark on the Audio Recording]**

Committee Members Present (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Hernández, Mastin and Rodoni; President Cochran.

Committee Members Absent (0): None.

Other Directors Present (2): Directors Hill and Snyder.

[Note: On this date, there were four vacancies on the Board of Directors.]

Staff Present: General Manager Denis Mulligan; Auditor-Controller Jennifer Mennucci; District Engineer John Eberle; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Bridge Division David Rivera; Deputy General Manager/Ferry Division Michael Hoffman; Deputy General Manager/Administration and Development Kellee Hopper; Executive Administrator to the General Manager Justine Bock; Senior Board Analyst Elizabeth Eells.

Copies of all reports are available on the District's web site at <https://www.goldengate.org/district/board-of-directors/meeting-documents> or upon request from the Office of the District Secretary.

(3) Ratification of Previous Actions by the Auditor-Controller [00:41 Minute Mark on the Audio Recording]

PFM Asset Management (PFMAM) Managing Director LLC Monique Spyke presented the Investment Report. She spoke about the recent meeting of the Federal Reserve and consumer sentiment. She highlighted the effects of potential tariffs and its effect on consumer sentiment, market growth and inflation. She reviewed interest rates and the District's portfolio diversification. She confirmed PFM representatives' focus on the safety and liquidity of the District's portfolio as well as risk mitigation.

[09:07 Minutes Mark on the Audio Recording]

Chair Rabbitt expressed appreciation for the Investment Report and PFMAM's work on the District's behalf during an uncertain time.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors GIUDICE/MASTIN** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approve the following actions:

- (i) There are no commitments and/or expenditures to ratify for the period of February 1, 2025 through February 28, 2025;
- (ii) Ratify investments made during the period February 15, 2025 through March 17, 2025;
- (iii) Authorize the reinvestment, within the established policy of the Board, of any investments maturing between March 18, 2025 and April 14, 2025, as well as the investment of all other funds not required to cover expenditures that may become available; and,
- (iv) Accept the Investment Report for February 2025.

Action by the Board at its meeting of March 28, 2025 – Resolution
CONSENT CALENDAR

AYES (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Hernández, Mastin and Rodoni; President Cochran.

NOES (0): None.

ABSENT (0): None.

(4) **Authorize Budget Adjustment(s) and/or Transfer(s)**

- (a) **Budget Increase in the FY 24/25 Bus Division Capital Budget for Project #2345, D2-Dispatch and Fuel Island Building Roof Rehabilitation** [11:16 Minutes Mark on the Audio Recording]

(i) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors GIUDICE/RODONI** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee recommends, in concurrence with the Building and Operating Committee at its meeting on March 27, 2025, that the Board of Directors approve an increase in the FY 24/25 Bus Division Capital Budget in the amount of \$119,512 for Project #2435, *D2 Dispatch & Fuel Island Building Roof Rehabilitation*, for a revised total project budget of \$710,512.

Action by the Board at its meeting of March 28, 2025 – Resolution
Refer to Building and Operating Committee Meeting of March 27, 2025
NON-CONSENT CALENDAR

AYES (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Hernández, Mastin and Rodoni; President Cochran.

NOES (0): None.

ABSENT (0): None.

(5) **Authorize Actions Related to Grant Programs**

- (a) **Approve Actions Relative to The Low Carbon Transit Operations Program (LCTOP)** [12:17 Minutes Mark on the Audio Recording]

Auditor-Controller Jennifer Mennucci presented the staff report.

(i) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by Directors **MASTIN/HERNÁNDEZ** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approve the following actions necessary to secure FY 24/25 Low Carbon Transit Operations Program

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(LCTOP) grant funds to support transit capital and operating projects for the Golden Gate Bridge, Highway and Transportation District (District):

- (i) Authorize submission of one LCTOP grant application in FY 24/25 for the M.V. Mendocino Replacement Project;
- (ii) Certify that the District will comply with all conditions and requirements set forth in the LCTOP certification and assurances, authorized agent documents, applicable statutes, regulations, and guidelines for all LCTOP-funded transit projects; and,
- (iii) Authorize the General Manager, or his designee, to execute for and on behalf of the District any documents necessary to apply for and receive LCTOP funding, including certifications and assurances, authorized agent forms, and agreements relative to the FY 24/25 LCTOP program.

Action by the Board at its meeting of March 28, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Hernández, Mastin and Rodoni; President Cochran.

NOES (0): None.

ABSENT (0): None.

(6) Approve Establishment of A Pilot Program for Interagency No-Cost or Reduced Cost Transfer Credit on Golden Gate Transit Bus and Golden Gate Ferry, and Related Actions [13:53 Minutes Mark on the Audio Recording]

Director of Planning Ron Downing presented the Staff Report.

[16:21 Minutes Mark on the Audio Recording]

Chair Rabbitt thanked Mr. Downing for his report.

Director Mastin inquired about a possible loss of fare revenue. Mr. Mulligan and Mr. Downing responded.

Chair Rabbitt asked what would happen at the end of the 24-month Pilot Program. Mr. Mulligan and Mr. Downing responded.

Director Snyder inquired about the universal acceptance and use of the Clipper Card. Mr. Mulligan responded.

Director Giudice noted the District's regional service throughout the North Bay in relation to a report by the MASCOTS. Mr. Mulligan responded.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors HERNÁNDEZ/MASTIN** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approve establishment of a Pilot Program for Interagency No-Cost or Reduced Cost Transfer Credit (Pilot Program) on Golden Gate Transit Bus and Golden Gate Ferry; and amend the Master Ordinance accordingly, with the understanding that, if approved, the Pilot Program is expected to commence at the launch of Clipper® 2.0, currently scheduled for spring/summer of 2025.

Action by the Board at its meeting of March 28, 2025 – Ordinance
NON-CONSENT CALENDAR

AYES (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Hernández, Mastin, and Rodoni; President Cochran.

NOES (0): None.

ABSENT (0): None.

(7) Approve A Three Year Fare Increase Plan for Larkspur to San Francisco Special Event Ferry Service, and Related Actions [23:51 Minutes Mark on the Audio Recording]

Director of Planning Ron Downing presented the staff report.

[26:35 Minutes Mark on the Audio Recording]

Director Pahre inquired about the District's ability to increase the special events ferry fare even further and expressed appreciation to staff for their flexibility to accommodate ever-changing situations. Mr. Mulligan responded.

Director Hernández expressed appreciation to staff for the efforts on the public outreach and inquired about special events at the Chase Center in San Francisco. Mr. Mulligan responded.

Director Mastin commented on the cost of the one-way fare in comparison to concessions at the venues.

Director Pahre expressed appreciation for the agility of the Operational and Sales staff. Chair Rabbitt expressed appreciation for the staff report and inquired about the potential use of a smaller vessel. Mr. Mulligan responded.

Deputy General Manager/Ferry Division Michael Hoffman commented on the future of the completion of the Chase Center float that would be closer to the arena.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors HERNÁNDEZ/COCHRAN** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approve a Three-Year Fare Increase Plan for Larkspur to San Francisco Special Event Ferry Service, approve the associated Title VI Equity Analysis, and amend the Master Ordinance accordingly, with the understanding that, if approved, the Three-Year Fare Increase Plan would be implemented on April 1, 2025, with its first increment of a \$0.50 increase, with subsequent \$0.50 increases on April 1, 2026, and April 1, 2027, respectively.

Action by the Board at its meeting of March 28, 2025 – Ordinance
NON-CONSENT CALENDAR

AYES (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Hernández, Mastin, and Rodoni; President Cochran.

NOES (0): None.

ABSENT (0): None.

(8) Receive the Independent Auditor’s Communication with those Charged with Governance and Engagement Letter for the Annual Financial Audit and Single Audit for the Year Ending June 30, 2025, as Submitted by Eide Bailly, LLP [38:41 Minutes Mark on the Audio Recording]

Director of Accounting Cody Smith presented the staff report.

Chair Rabbitt expressed appreciation for the staff report and inquired if there were any changes for this year’s audit. Mr. Smith responded.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors COCHRAN/PAHRE** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee recommends the Board of Directors receive the independent auditor’s Communication with Those Charged with Governance and Engagement Letter for services related to the annual financial audit and single audit for the year ending June 30, 2025, as submitted by Eide Bailly, LLP.

Action by the Board at its meeting of March 28, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Hernández, Mastin, and Rodoni; President Cochran.

NOES (0): None.

ABSENT (0): None.

- (9) **Approve Establishment of A New Capital Project, Project #2546 Larkspur Ferry Terminal Service Building Roof Rehabilitation, in The FY 24/25 Ferry Division Capital Budget [42:07 Minutes Mark on the Audio Recording]**

District Engineer John Eberle presented the staff report.

Director Pahre requested clarification between the two roofing projects at different facilities. Mr. Eberle responded.

(a) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors GIUDICE/COCHRAN** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approve establishment of Project #2546, *Larkspur Ferry Terminal (LFT) Service Building Roof Rehabilitation Project*, as a new project in the FY 24/25 Ferry Division Capital Budget, with the budget of \$800,000, to be 100% funded by the Golden Gate Bridge, Highway and Transportation District.

Action by the Board at its meeting of March 28, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Hernández, Mastin, and Rodoni; President Cochran.

NOES (0): None.

ABSENT (0): None.

- (10) **Status Report on the FY 24/25 Budget [45:18 Minutes Mark on the Audio Recording]**

Auditor-Controller Jennifer Mennucci presented the informational staff report and no action was taken.

- (11) **Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Eight Months Ending February 2025) [46:27 Minutes Mark on the Audio Recording]**

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Auditor-Controller Jennifer Mennucci presented the informational staff report, and no action was taken.

- (12) **Monthly Review of Financial Statements (for Eight Months Ending February 2025)**
[47:10 Minutes Mark on the Audio Recording]
(a) **Statement of Revenue and Expenses**
(b) **Statement of Capital Programs and Expenditures**

Auditor-Controller Jennifer Mennucci presented the informational staff reports and no actions were taken.

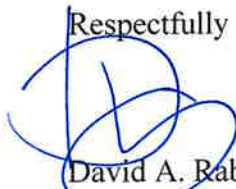
- (13) **Public Comment**

There were no public comments.

- (14) **Adjournment** **[47:50 Minutes Mark on the Audio Recording]**

All business having been concluded **Directors RODONI/MASTIN** moved and seconded that the meeting be adjourned at 10:35 a.m. **Carried**

Respectfully submitted,



David A. Rabbitt, Chair
Finance-Auditing Committee

DR:AMK:EIE:tnm