

Recreation and Parks

PROSAC

February 3, 2009



San Francisco Recreation & Parks

Agenda

- Introduction
- Overview of RPD's Budget
- '09 – '10 Budget Challenges
- Brief Open Space Fund Overview
- Questions



Budget Overview

Total '08 – '09 Budget = \$136.4 million



RPD Special Fund Sources

	'07 – '08	'08 – '09
Golf	12.7 Million	12.6 Million
Marina Yacht Harbor	3.7 Million	2.5 Million
Open Space Fund	38.0 Million	42.0 Million
Revenue Bonds	13.3 Million	0
Other	6.6 Million	9.1 Million
Total	\$74.3 Million	\$66.3 Million

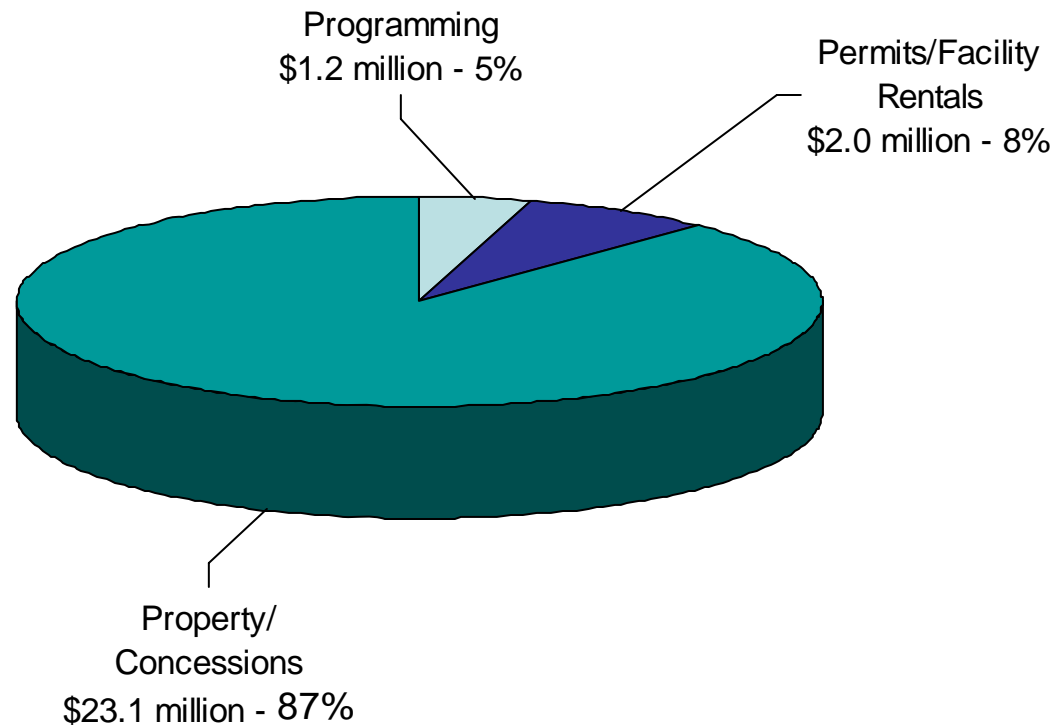


RPD General Fund Sources

	'07 – '08	'08 – '09
Garages	8.5 Million	8.7 Million
Program Fees	1.2 Million	1.2 Million
Concessions & Citywide Rentals	8.4 Million	9.3 Million
Permits & Facility Rentals	1.7 Million	2.0 Million
Monster Park	5.6 Million	5.1 Million
Prior Year Reserve	0	3.8 Million
General Fund Support	46.8 Million	40.4 Million
Total	\$72.2 Million	\$70.5 Million



RPD Generates \$26.4 million in General Fund Revenue



RPD Concession Revenue

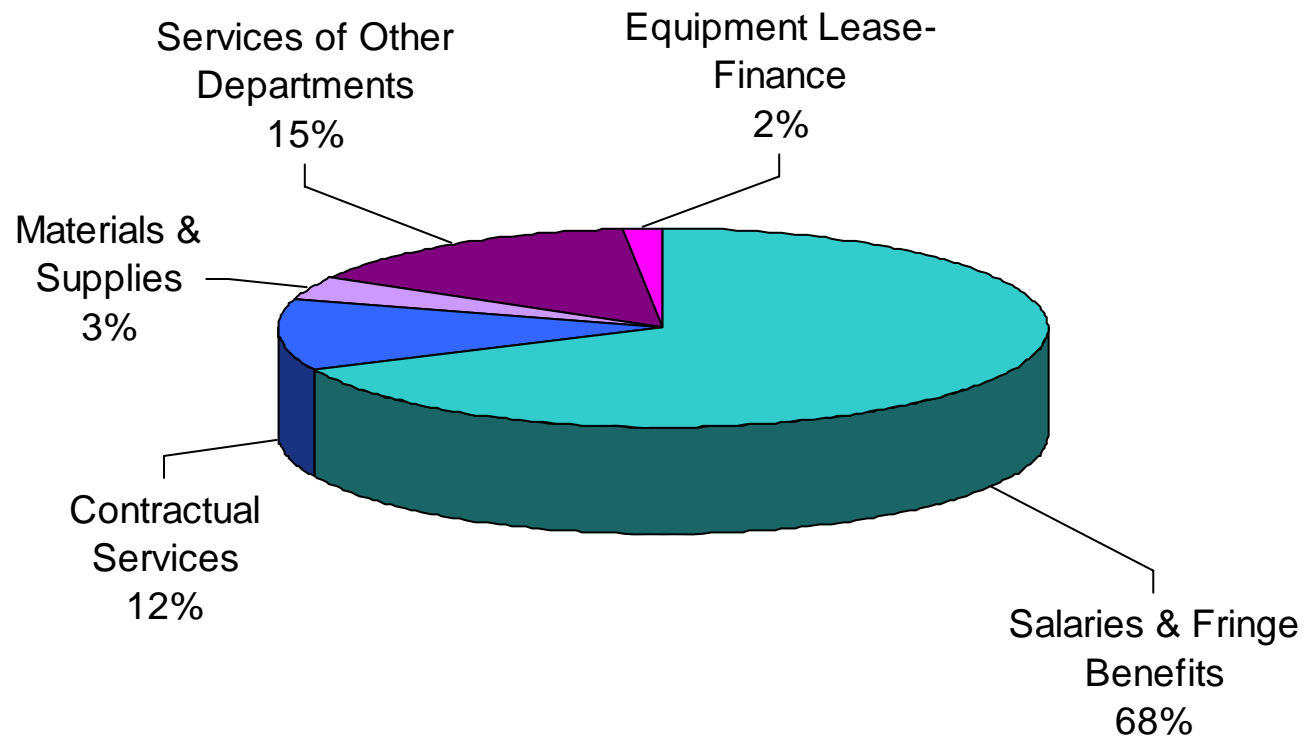
Over \$17 million (76%) of concession revenue comes from four sources

Garages:	\$8.7 million
Stadium:	\$5.1 million
Camp Mather:	\$1.9 million
Tea Garden:	\$2.0 million

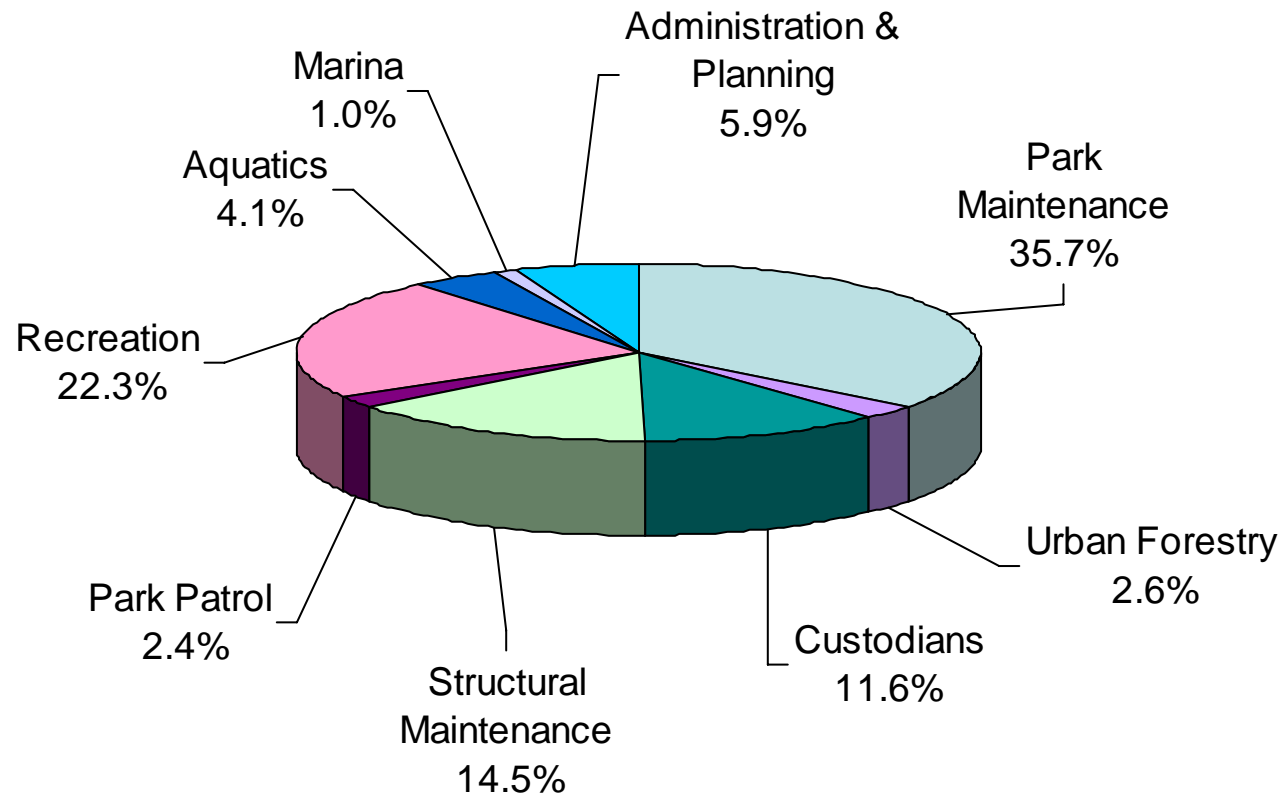


'08 – '09

Operating Expenditures



'08 – '09 Budgeted Positions

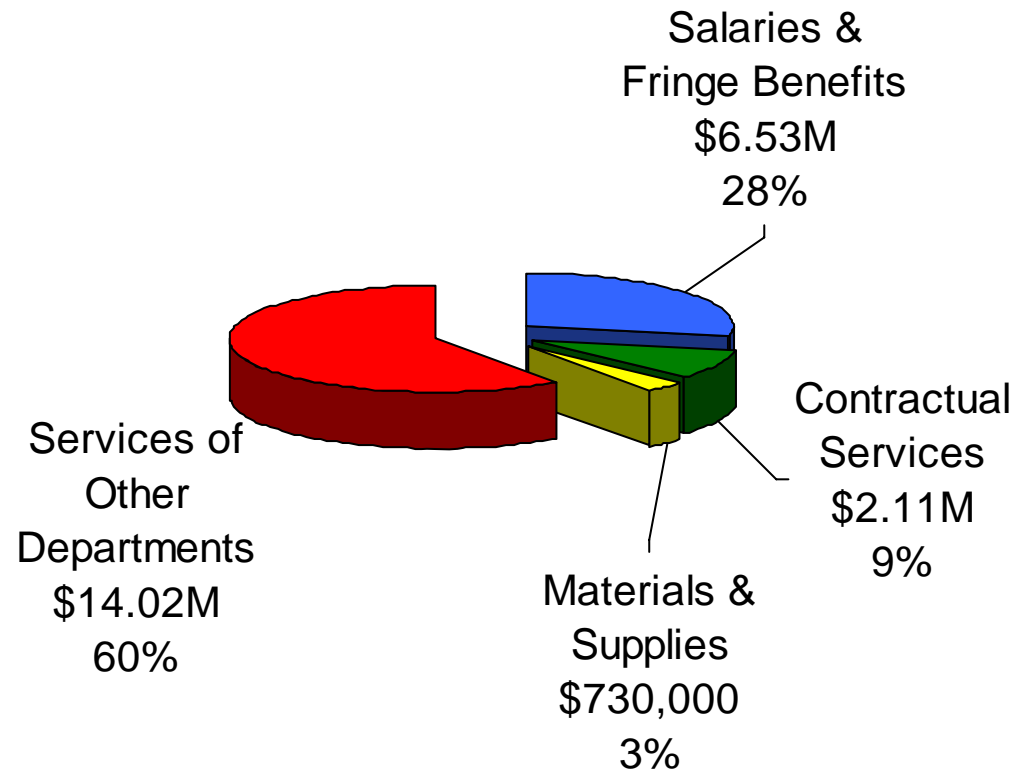


'08 – '09 Non-salary Budget

	M&S	Services
General Fund	\$2.1M	\$5.7M
Open Space	\$360,000	\$170,000
Golf Fund	\$384,000	\$5.3M
Marina Fund	\$175,000	\$17,000



'08 –'09 Overhead Fund



Overhead Fund Work Order Summary

Seven Largest Work Orders

- o Workers' Comp \$3.0 million
- o Light Heat & Power \$2.3 million
- o Water \$1.7 million
- o Sewer \$1.4 million
- o Central Shops \$2.3 million
- o DTIS \$1.2 million
- o City Attorney \$1.2 million



Challenges for 2009 - 2010



Grim Outlook for '09 – '10

Revenues

Loss of '08-'09 One-Time Sources	(\$77.4M)
'08-'09 Revenue Loss	(\$188.4M)
Revenue Projection	(\$265.8M)

Expenditures

Operating Costs	(\$230.8M)
Voter-Approved Baselines	(\$7.0M)
Expenditure Projection	(\$237.8 M)
Estimated State Cuts	(\$72.0M)
'09-'10 Shortfall Projection	(\$575.6M)
Annualized '08-'09 Midyear Reductions	\$115.2M
Shortfall to Close for '09-'10 Budget	(\$460.4M)



Mayor's Budget Instructions

- 1.) Propose on-going expenditure reductions or revenue enhancements that reduce General Fund support by 12.5% = **\$4.4 million**
- 2.) Submit a contingency reduction plan equal to 12.5% of General Fund support = **\$4.4 million**
- 3.) Consider making cuts proposed for '09 – '10 budget in '08 – '09 to achieve additional savings



'09 – '10 General Fund Budget Challenge

Reduce GF support by 12.5%	\$4.4M
Propose 12.5% in additional GF reductions	\$4.4M
Absorb all non-salary cost increases	\$150,000
Total	Still Unknown



'09 – '10 Summary of Solutions

Revenue Potential:

\$2.0 million – \$2.8 million

Administrative Reductions:

\$1.0 million

Operations Reductions:

\$5.6 million – \$6.4 million



Balancing the Budget

Property Management/Permit Revenue

Certain

- Special event permit revenue \$200,000
- Golden Gate Park concert \$850,000-\$1,300,000
- Athletic field permit revenue \$150,000
- Facility rentals/Film permits \$30,000
- Increase to Kezar parking lot fees \$220,000
- Gift revenue \$300,000
- Tea Garden Attendance \$100,000

Potential

- Paid Parking in Parks \$150,000 - \$250,000
- Coit Tower Elevator \$50,000
- Develop an entrance fee to Botanical Garden \$150,000
- Property Sales
- Expanded pushcart RFP
- Taxi stand in GGP Concourse
- License dog walkers



Balancing the Budget

Program Revenue

Certain

- Strong program revenue \$50,000
- Strong summer day camp revenue \$80,000

Potential

- Increase to pool entry fees \$50,000 - \$75,000
- Increase to summer day camp fees \$50,000
- Increase to afterschool program fees \$50,000



Balancing the Budget Expenditures

Proposal: Reduce administrative overhead expenditures ~ \$1.0 million

- What:
 - Eliminate 3 administrative positions
 - Reduce work order expenditures
- Why:
 - A budget reduction without service impacts to the public
- Service Impacts:
 - All internal. Purchasing will occur more slowly; fewer recreation centers will be wired for IT; ability to manage property proactively will be reduced.



Balancing the Budget Expenditures

**Proposal: Budget 6.0 3417 gardeners
in Golden Gate Park against gift
funds ~ \$500,000**

- What:
 - Use gift funds to support GGP gardeners
- Why:
 - A budget reduction without service impacts to the public



Balancing the Budget Expenditures

Proposal: Reduce maintenance of miniparks **~ \$319,000**

- **What:**
 - Delete 4 vacant 3417 gardener positions and reduce maintenance of miniparks
 - Create community gardens at some sites
- **Why:**
 - Allows department to focus park maintenance resources on more heavily used facilities
- **Service Impacts:**
 - Prop. C park survey scores may fall for miniparks



Balancing the Budget Expenditures

***Remaining Reduction Necessary to Reach
\$8.8 million target: \$4.8 million – \$5.6 million***

Proposals:

- Reduce frequency of mowing
- Reduce number of Park Patrol positions
- Reduce pool hours
- Reduce temperature of pools



Balancing the Budget Expenditures

***Remaining Reduction Necessary to Reach
\$8.8 million target: \$4.8 million – \$5.6 million***

Proposal:

- Layoffs **60 – 85 FTE**



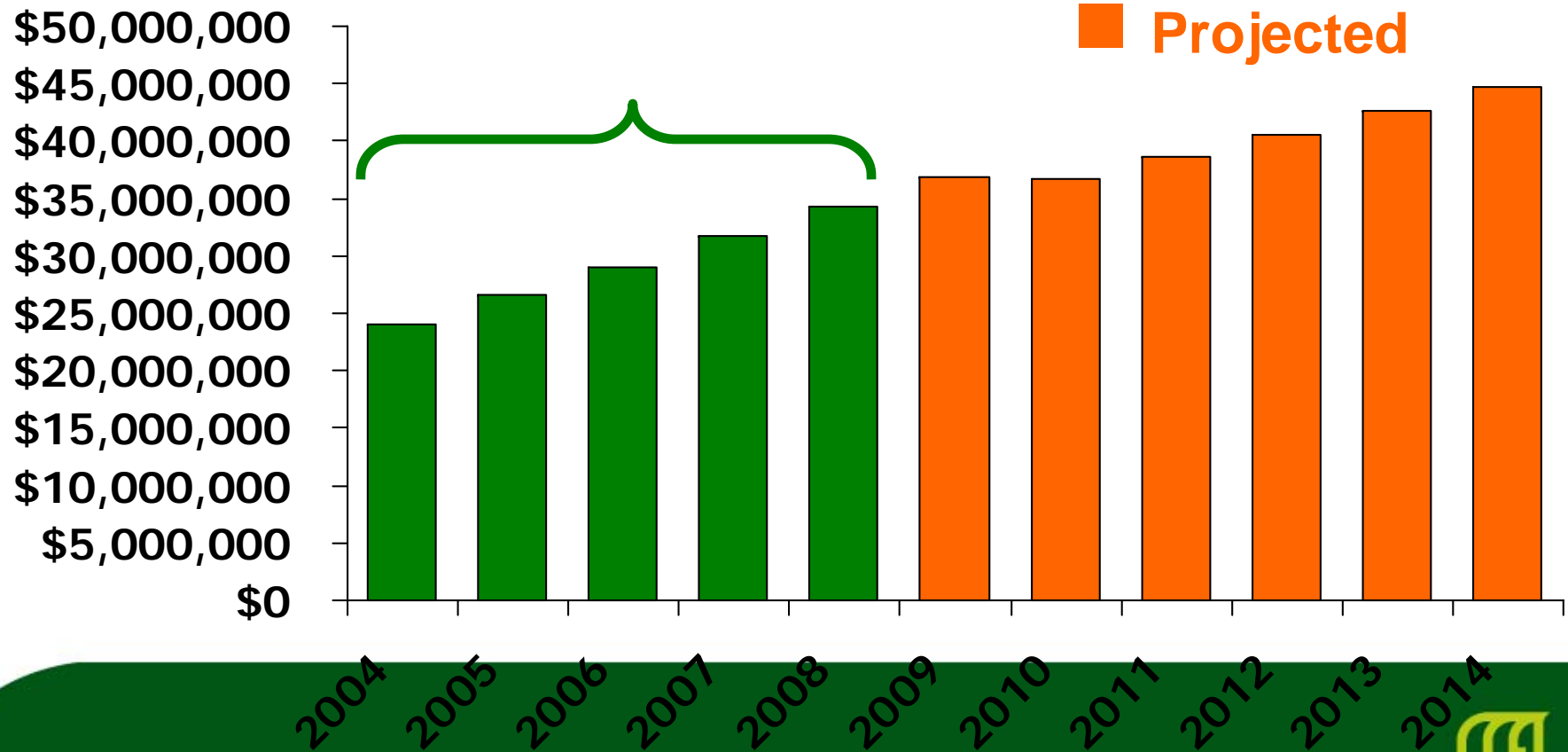
Open Space Fund Overview



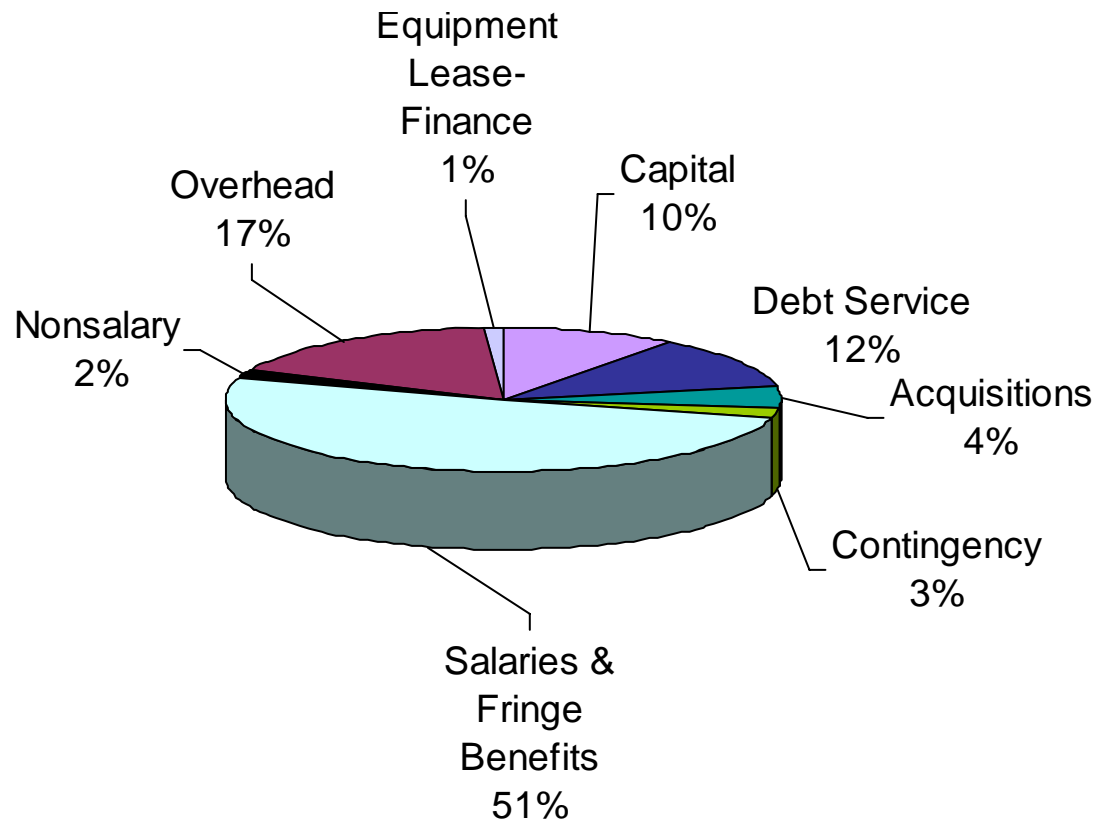
Open Space Fund Property Tax Growth

43% Growth

■ Actual
■ Projected



'08 – '09 Open Space Fund Expenditure Overview



Open Space Fund

- Controller projecting 1.2 percent growth for '09 – '10 – marked change from 5 to 7 percent growth of recent years
- Given changes in real estate market, Controller will likely place a reserve in fund due to possibility of increased assessment appeals
- Salary and fringe benefit costs increasing by approximately 4 percent



'09 – '10 Budget Timeline

January 15	Initial budget presentation to Commission
January 29	Community Budget Meeting
February 4	Community Budget Meeting
February 3	PROSAC presentation
February 5	Second budget presentation to Commission
February 19	Commission approves budget
February 20	Budget due to Mayor's Office
June 1	Budget submitted to Board of Supervisors



Budget Information on Website

www.parks.sfgov.org

- Budget and Financial Information
 - Budget Process Fiscal Year 2009-2010
 - **Recreation and Park Commission Presentations**
 - **Recreation and Park Department Efficiency Plan**



Thank You



San Francisco Recreation & Parks