

# Recreation and Park Department

Budget Presentation  
January 21, 2010

**Budget Instructions**

## Outlook for '10 - '11

### Revenues

Loss of '09-'10 one-time sources	(\$146.8M)
'09-'10 revenue weakness	(\$81.4M)
Estimated state budget impact	(\$40.0M)
Other	(\$22.5M)
<b>Revenue Projection</b>	<b>(\$290.7M)</b>

### Expenditures

Expiration of labor give-backs, MOU wage increases	(\$41.3M)
Health, retirement and other benefit increases	(\$63.3M)
Loss of one-time expenditure savings	(\$57.5M)
Other expenditure increases	(\$69.4M)
<b>Expenditure Projection</b>	<b>(\$231.5 M)</b>

**Shortfall to Close for '10-'11 Budget** **(\$460.4M)**

## Mayor's Budget Instructions

- 1.) Propose revenue enhancements or expenditure reductions that reduce General Fund support by 20% = \$5.9 million
- 2.) Submit a contingency reduction plan equal to 10% of General Fund support = \$2.9 million

## '10 - '11 General Fund Budget Challenge

Reduce GF support by 20%	\$5.9M
Propose 10% in additional GF reductions	\$3.0M
Replace one-time revenue	\$ .8M
Replace loss of one-time savings	\$1.0M
Absorb all cost increases	\$1.7M
<b>Total</b>	<b>\$12.4M</b>

## History of General Fund Reductions

Budget Year	GF Reduction
'05 - '06	\$4.3 million
'06 - '07	\$3.4 million
'07 - '08	\$1.9 million
'08 - '09	\$3.4 million
'09 - '10	\$11.4 million
'10 - '11	\$12.4 million

## Recreation and Park Department Mission Statement

“To foster the well-being of San Francisco’s diverse community by maintaining beautiful parks, preserving the environment and providing enriching recreational activities.”

## Draft Budget Balancing Principles

1. Preserve and promote our mission by creating a financially sustainable department.
2. Protect our ability to provide clean, safe, fun and well-maintained parks.
3. Protect our mission to provide healthy recreational choices to all our citizens. Provide low-cost recreational opportunities for youth and seniors.
4. Preserve our responsibility as environmental stewards by investing in parks and facilities by investing in conservation and sustainable practices.

## Draft Budget Balancing Principles (continued)

5. Work with the community to enhance opportunities to support the department.
6. Preserve our citizens' capital investment in parks and facilities by identifying dedicated funding for ongoing maintenance.
7. Invest in systems that are user-friendly, improve access and enhance service delivery. Provide training and support for recreation and park professionals.

## Revenue Budget Overview

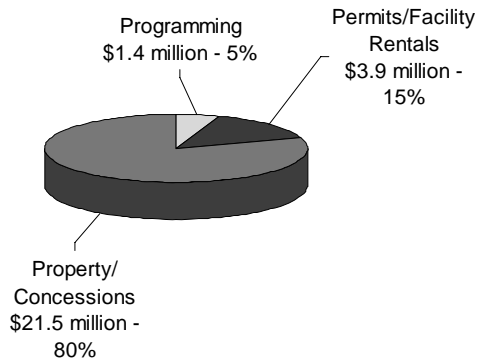
## Special Fund Revenue

	'08 - '09	'09 - '10
Golf	12.6 Million	12.5 Million
Marina Yacht Harbor	2.5 Million	2.6 Million
Open Space Fund	42.0 Million	43.5 Million
GO Bonds	0	89.8 Million
Other	9.1 Million	5.9 Million
<b>Total</b>	<b>\$66.3 Million</b>	<b>\$154.3 Million</b>

## General Fund Revenue

<i>Earned Revenue</i>	'08 - '09	'09 - '10
Garages/Paid Parking	8.7 Million	8.1 Million
Program Fees	1.2 Million	1.4 Million
Concessions & Citywide Rentals	9.3 Million	8.7 Million
Permits & Facility Rentals	2.0 Million	3.9 Million
Monster Park	5.1 Million	4.8 Million
<i>Subsidy</i>		
Prior Year Savings	3.8 Million	5.6 Million
General Fund Subsidy	40.4 Million	33.4 Million
<b>Total</b>	<b>\$70.5 Million</b>	<b>\$65.9 Million</b>

## RPD Generates \$26.8 million in General Fund Revenue



## RPD Concession Revenue

**\$17 million (79%) of concession revenue in '09 - '10 comes from four sources**

Garages/Parking:	\$8.1 million
Stadium:	\$4.8 million
Camp Mather:	\$2.0 million
Tea Garden:	\$2.1 million

## Initial '10 - '11 Revenue Ideas

### Balancing the Budget Revenue

*Likely to Include*

• Special event permit revenue	\$350,000
• New and enhanced amenities in parks	\$650,000
• Non-resident fee for Coit Tower elevator	\$150,000
• Downtown Park Fund supports Union Sq.	\$480,000
• Permit revenue better than budget	\$150,000
• Increased day camps and aftercare	\$350,000



## Balancing the Budget Revenue

### *Still Exploring*

- Special events
- New and enhanced amenities and concessions
- Renegotiated leases
- Parking
- Develop a business model for sale of greenwaste
- Development and sponsorships
- Naming rights for stadium
- Enhanced programming and permits
- Maintenance support from GGP signature attractions

## Budget Participation

- We have given every NSA and program a 3% target for revenue increases or expenditure reductions. Proposals due January 29
- Labor/management meetings
- Four community budget meetings in the NSAs
  - 1/25 Richmond Rec
  - 1/26 Gene Friend
  - 2/1 Joe Lee
  - 2/3 Sunset Rec

## '10 - '11 Budget Timeline

January 19	Staff Budget Meeting
January 21	Initial budget presentation to Commission
January 25, 26	Community Budget Meeting
February 1, 3	Community Budget Meeting
February 2	PROSAC presentation
February 4	Second budget presentation to Commission
February 18	Commission approves budget
February 19	Budget due to Mayor's Office
June 1	Mayor submits budget to Board of Supervisors

## February 4<sup>th</sup> Meeting

### *Expenditure Budget Overview*

- Staffing by program
- Non-salary budget

### *Initial Budget Reduction Proposals*

**Thank you!**