



# Recreation and Park Department

PROSAC

Budget Presentation

February 2, 2016



## Tonight's Presentation

- Budget outlook
- Charter amendment update
- Overview of RPD's budget
- Changes to the budget
- Questions and comments



## Two Year General Fund Budget Outlook

	FY 2016-17	FY 2017-18
<b>Revenue</b>	\$75.6 million	\$152.5 million
<b>Expenditures</b>		
Salaries & Benefits	(\$112.4 million)	(\$100.2 million)
All Other Costs	(\$63 million)	(\$192.7 million)
<b>Total Expenditure Increases</b>	<b>(\$175.4 million)</b>	<b>(\$292.9 million)</b>
<b>Incremental Shortfall</b>	<b>(\$99.8 million)</b>	<b>(\$140.4 million)</b>
<b>Total Cumulative GF Shortfall</b>	<b>(\$99.8 million)</b>	<b>(\$240.2 million)</b>



## Mayor's Budget Instructions

### Financial Instructions

- Reduce General Fund Support by 1.5% in each of the next two fiscal years. Reductions must be ongoing in nature.

### Policy Instructions

- Reflect strategic plan priorities and goals in the two year budget
- Support development of a modern, responsive, engaged government
- Minimize service impacts from budget reductions
- Pursue cross-departmental collaborations



## Proposed Charter Amendment

- BoS considering a measure to create a General Fund baseline for the Department
- General Fund subsidy would not fall below \$64.2 million and would increase by \$3 million/year for next 10 years
  - \$67.2 million GFS in '16-'17
  - \$70.2 million GFS in '17-'18
 and by the percentage the General Fund grows or contracts annually for the 20 years after that
- Department must absorb all cost increases and revenue changes within its new baseline
- May use new revenue and year over year revenue increases to cover costs and enhance the budget



## Reaching the New Baseline

	FY 2016-17	FY 2017-18
<b>Guaranteed GFS Baseline</b>	\$67.2 million	\$70.2 million
<b>Current GFS in Base Budget</b>	\$57.9 million	\$53.4 million
<b>Available GFS</b>	<b>\$9.2 million</b>	<b>\$16.7 million</b>
<b>Revenue Corrections</b>	(\$575,000)	(\$575,000)
<b>Expenditure Increases</b>		
<b>Budget GF Capital at \$15M</b>	(\$8.7 million)	(\$15.1 million)
<b>Budget GF Equipment at \$1.1M</b>	(\$250,000)	(\$1.1 million)
<b>Other</b>	(\$377,000)	(\$149,000)
<b>Work Order Increases</b>	(\$350,000)	(\$350,000)
<b>Active Net Upgrade</b>	(\$300,000)	(\$300,000)
<b>COLA for Rec Program Staff</b>	(\$135,000)	(\$135,000)
<b>Available GFS</b>	<b>(\$1.5 million)</b>	<b>(\$1.0 million)</b>





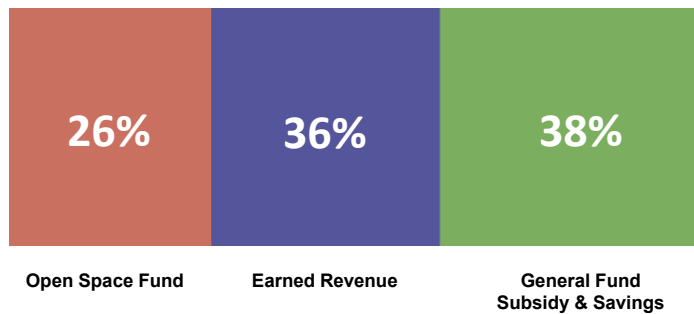
**2015 – 2016 Budget = \$178.7 million**

**Operating Budget = \$147.7 million**

**Capital Budget = \$31.0 million**

**933 Budgeted and Funded FTE**

**RPD has three primary sources of revenue**





## Open Space & General Fund

	'14 – '15 Budget	'15 – '16 Budget
Open Space Fund	45.7 Million	47.8 Million
General Fund Subsidy	50.2 Million	64.2 Million
Prior Year Revenue and Savings	5.9 Million	3.1 Million
<b>Total</b>	<b>\$101.8 Million</b>	<b>\$115.1 Million</b>



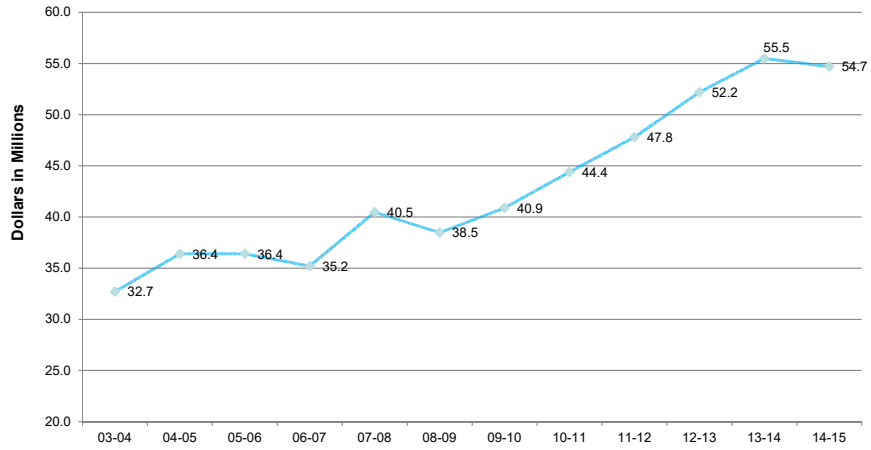
## Earned Revenue

	'14-'15 Budget	'15-'16 Budget
Garages/Paid Parking	8.7 Million	8.7 Million
Program Fees	4.1 Million	4.5 Million
Concessions & Citywide Rentals	10.1 Million	10.9 Million
Permits & Facility Rentals	7.5 Million	8.6 Million
Stadium	6.6 Million	.5 Million
Golf (Non-GF Revenue)	9.7 Million	10.2 Million
Marina (Non-GF Revenue)	4.4 Million	4.5 Million
Other (Non-GF Revenue)	10.3 Million	15.7 Million
<b>Total</b>	<b>\$61.4 Million</b>	<b>\$63.6 Million</b>

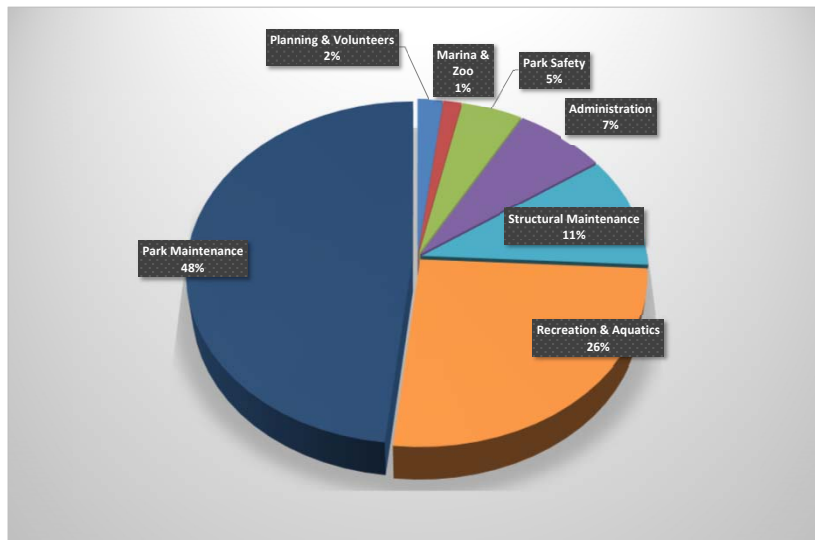




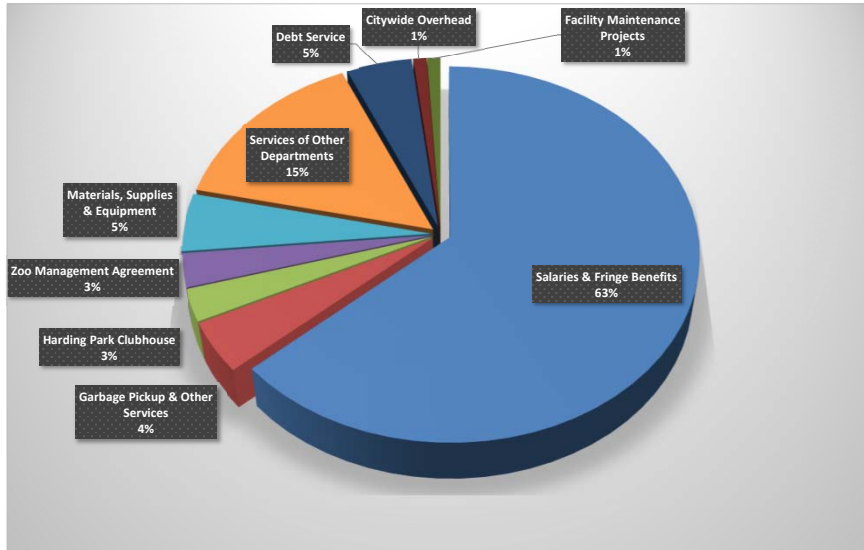
## Earned Revenue Supports Parks and Recreation



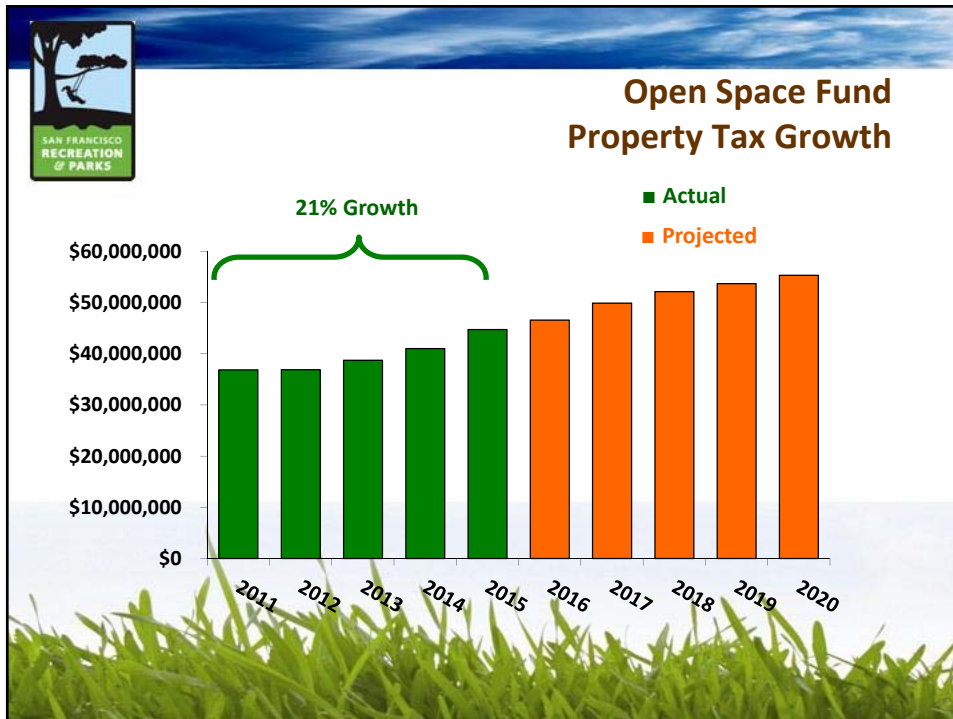
## Rec and Park Department Resources By Program



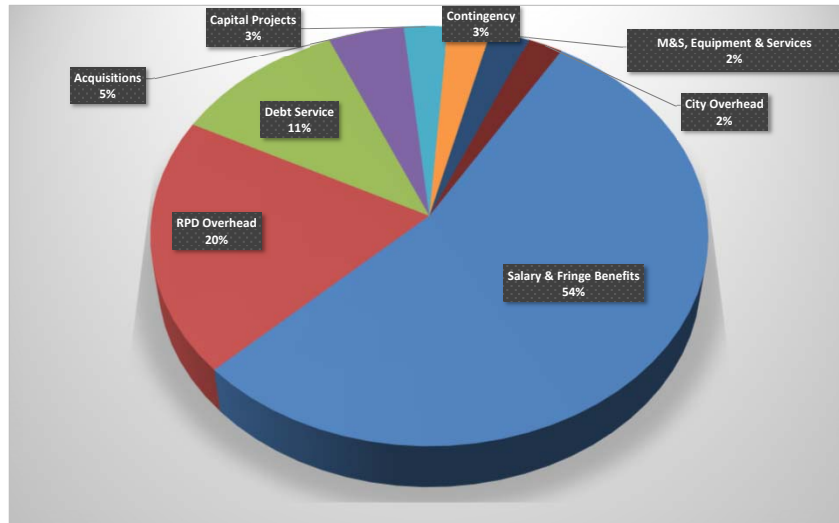
## Rec and Park Department Resources By Type



## Open Space Fund Property Tax Growth



## Open Space Fund Resources By Type



## Budget Changes





## Strategic Plan Guides the Budget

### ***Strategy 1: Inspire Public Space***

- Objective 1.1 – Develop more open space
- Objective 1.2 – Strengthen the quality of parks and facilities
- Objective 1.3 – Steward and promote good park behavior
- Objective 1.4 – Preserve and celebrate historic and cultural resources

### ***Strategy 2: Inspire Play***

- Objective 2.1 – Strengthen recreation programming
- Objective 2.2 – Strengthen the well-being of youth and seniors
- Objective 2.3 – Activate parks through organized events, activities and unstructured play

### ***Strategy 3: Inspire Investment***

- Objective 3.1 – Increase public investment
- Objective 3.2 – Broaden engagement and strengthen communication
- Objective 3.3 – Cultivate increased philanthropic support



## Strategic Plan Guides the Budget (cont'd)

### ***Strategy 4: Inspire Stewardship***

- Objective 4.1 – Conserve and strengthen natural resources
- Objective 4.2 – Increase biodiversity and interconnectivity on City parkland
- Objective 4.3 – Increase eco-literacy of park users and park maintenance staff

### ***Strategy 5: Inspire Team***

- Objective 5.1 – Strengthen organizational efficiency and support innovation
- Objective 5.2 – Strengthen internal communication and collaboration
- Objective 5.3 – Strengthen workforce development, professional development and employee recognition



## Estimated Revenue Growth

- Parking garages: \$1 million
- Leases and concessions: \$700,000
- Facility rentals: \$225,000
- Open Space Fund: \$500,000



## Budget Outreach Plan

- Two community budget meetings
- Staff brown bag lunches
- R&P Commission meetings
- PROSAC meeting
- Park advocate meetings



## Budget Timeline

January 21	Initial budget presentation to Commission
February 2	PROSAC presentation
February 3	Community budget meeting @ Palega Rec Center
February 4	Budget update at Commission's Operations Committee
February 9	Community budget meeting @ Gene Friend Rec Center
February 18	Commission considers budget
February 22	Budget due to Mayor's Office
June 1	Mayor submits budget to Board of Supervisors

