



# Recreation and Park Department

PROSAC

Budget Presentation

February 7, 2017



# Tonight's Presentation

- Budget outlook
- Impacts of Prop. B
- Overview of RPD's budget
- Changes to the budget
- Questions and comments



# City's General Fund Outlook

	FY 2017-18	FY 2018-19
<b>Revenue</b>	\$143.9 million	\$328.7 million
<b>Expenditures</b>		
<b>Salaries &amp; Benefits</b>	(\$145.8 million)	(\$273.1 million)
<b>All Other Costs</b>	(\$117.1 million)	(\$339.0 million)
<b>Total Expenditure Increases</b>	<b>(\$262.9 million)</b>	<b>(\$612.1 million)</b>
<b>Total Cumulative GF Shortfall</b>	<b>(\$119.0 million)</b>	<b>(\$283.4 million)</b>



# Reaping the Benefits of Prop. B

- RPD not required to make 3% cut to its General Fund Support in each of next two fiscal years
- Department is budgeting \$15 million in General Fund annually to support capital and deferred maintenance
- May use new revenue and year over year revenue increases to cover costs and enhance the budget



# Budgeting the Baseline

- Department absorbs all cost increases and revenue changes within the baseline
  - Budget assumes 3% COLA on salaries in both years
  - Health care assumed to increase by 7% both years
  - Retirement increases assumed at 2.5% in '17-'18 and .2% in '18-'19
  - Assuming average 4% increase to work order costs





# Budget Update

	FY 2017-18	FY 2018-19
<b>Guaranteed GFS Baseline</b>	\$70.9 million	\$73.7 million
<b>Current GFS in Base Budget</b>	\$72.1 million	\$60.1 million
<b>Available GFS</b>	<b>(\$1.2 million)</b>	<b>\$13.7 million</b>
<b>Revenue Corrections</b>	(\$2.1 million )	(\$1.8 million)
<b>Expenditure Increases</b>		
<b>Budget GF &amp; Golf Capital at \$15.3M</b>	\$0	(\$15.3 million)
<b>Budget GF Equipment at \$1.1M</b>	\$0	(\$1.1 million)
<b>Non-salary Inflation</b>	\$0	(\$135,000)
<b>Work Order Increases</b>	\$0	(\$2.1 million)
<b>Offset by Reserves/Recoveries</b>	\$1.3 million	\$3.5 million
<b>Available GFS</b>	<b>(\$2.0 million)</b>	<b>(\$3.2 million)</b>



**2016 – 2017 Budget = \$208.8 million**

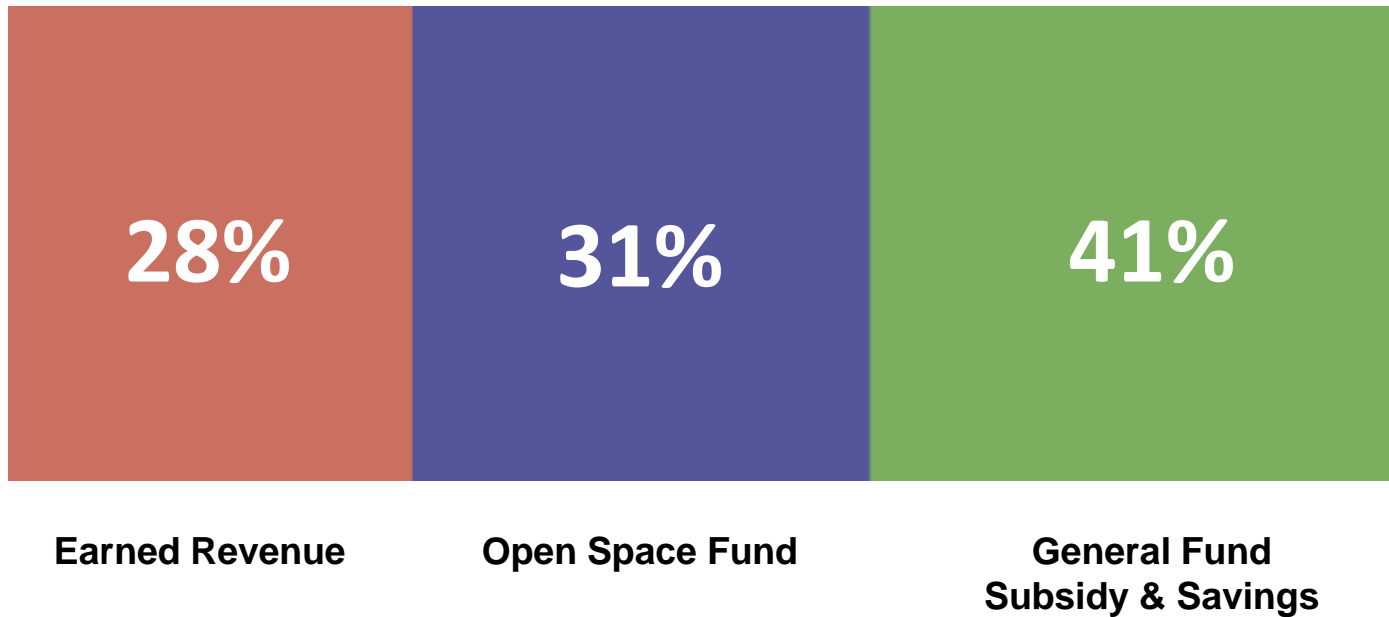
**Operating Budget = \$154.4 million**

**Capital Budget = \$54.4 million**

**955 Budgeted and Funded FTE**



# RPD relies on three primary sources of revenue







# Open Space & General Fund

	'15 – '16 Budget	'16 – '17 Budget
Open Space Fund	46.7 Million	55.4 Million
General Fund Subsidy	64.2 Million	68.9 Million
Prior Year Revenue and Savings	3.1 Million	5.2 Million
<b>Total</b>	<b>\$114.0 Million</b>	<b>\$129.5 Million</b>

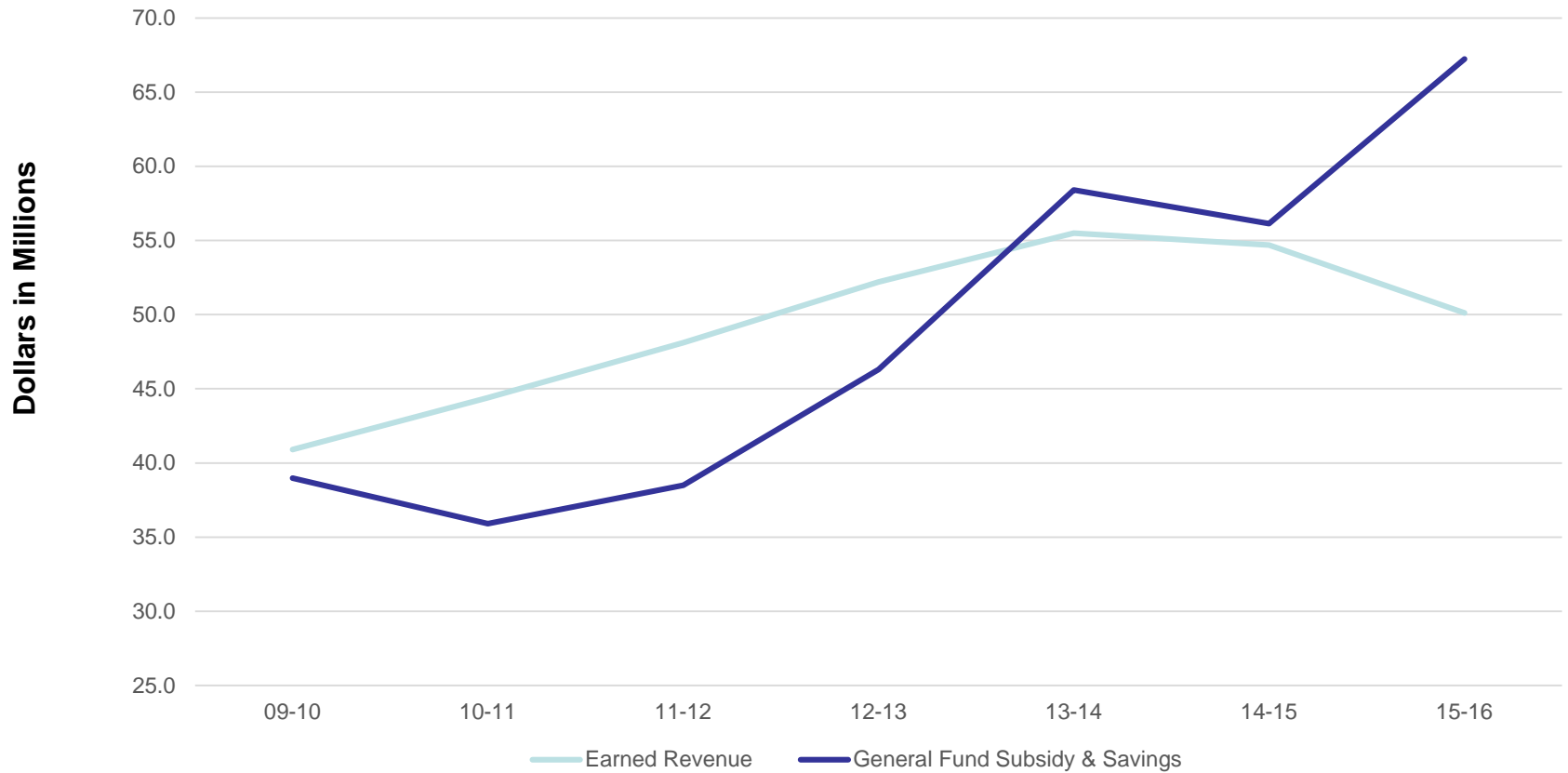


# Earned Revenue

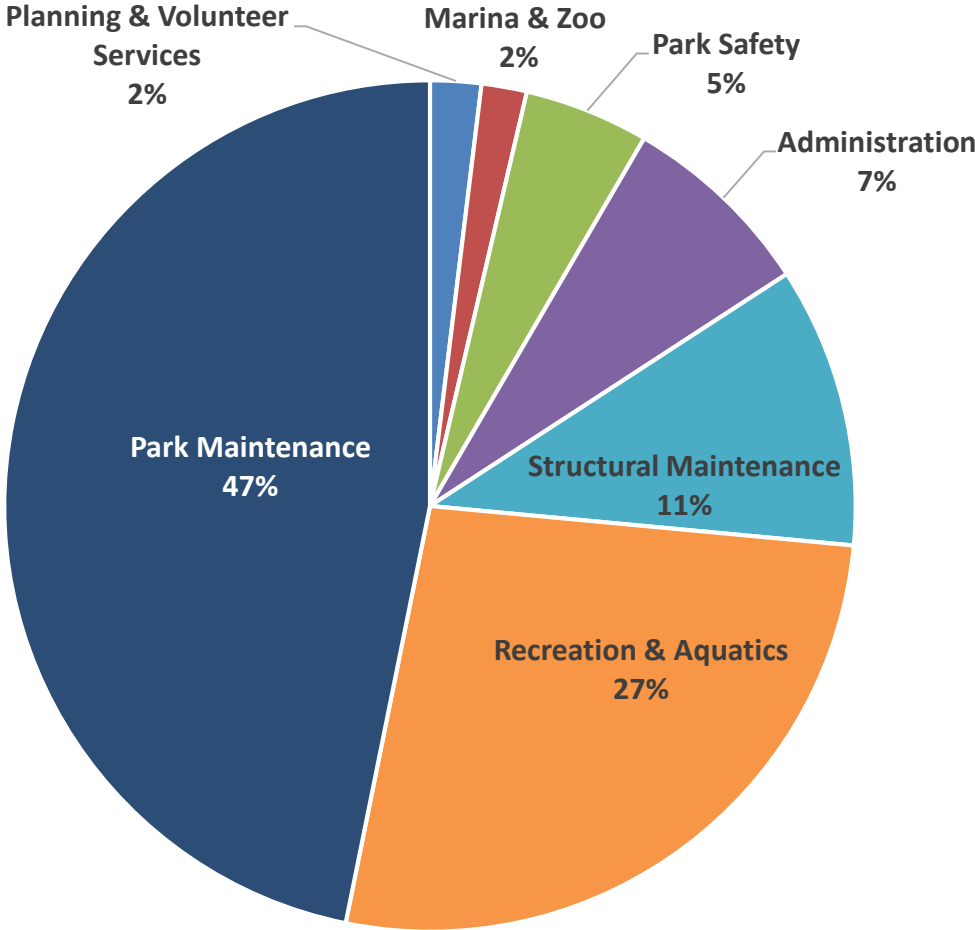
	'15-'16 Budget	'16-'17 Budget
Garages/Paid Parking	8.7 Million	10.1 Million
Program Fees	4.5 Million	4.1 Million
Concessions & Citywide Rentals	10.9 Million	11.5 Million
Permits & Facility Rentals	8.6 Million	8.7 Million
Stadium	.5 Million	0.0 Million
Golf (Non-GF Revenue)	10.2 Million	10.9 Million
Marina (Non-GF Revenue)	4.5 Million	5.6 Million
Neighborhood Development Funds	6.6 Million	19.4 Million
Other (Non-GF Revenue)	10.2 Million	9.0 Million
<b>Total</b>	<b>\$64.7 Million</b>	<b>\$79.3 Million</b>



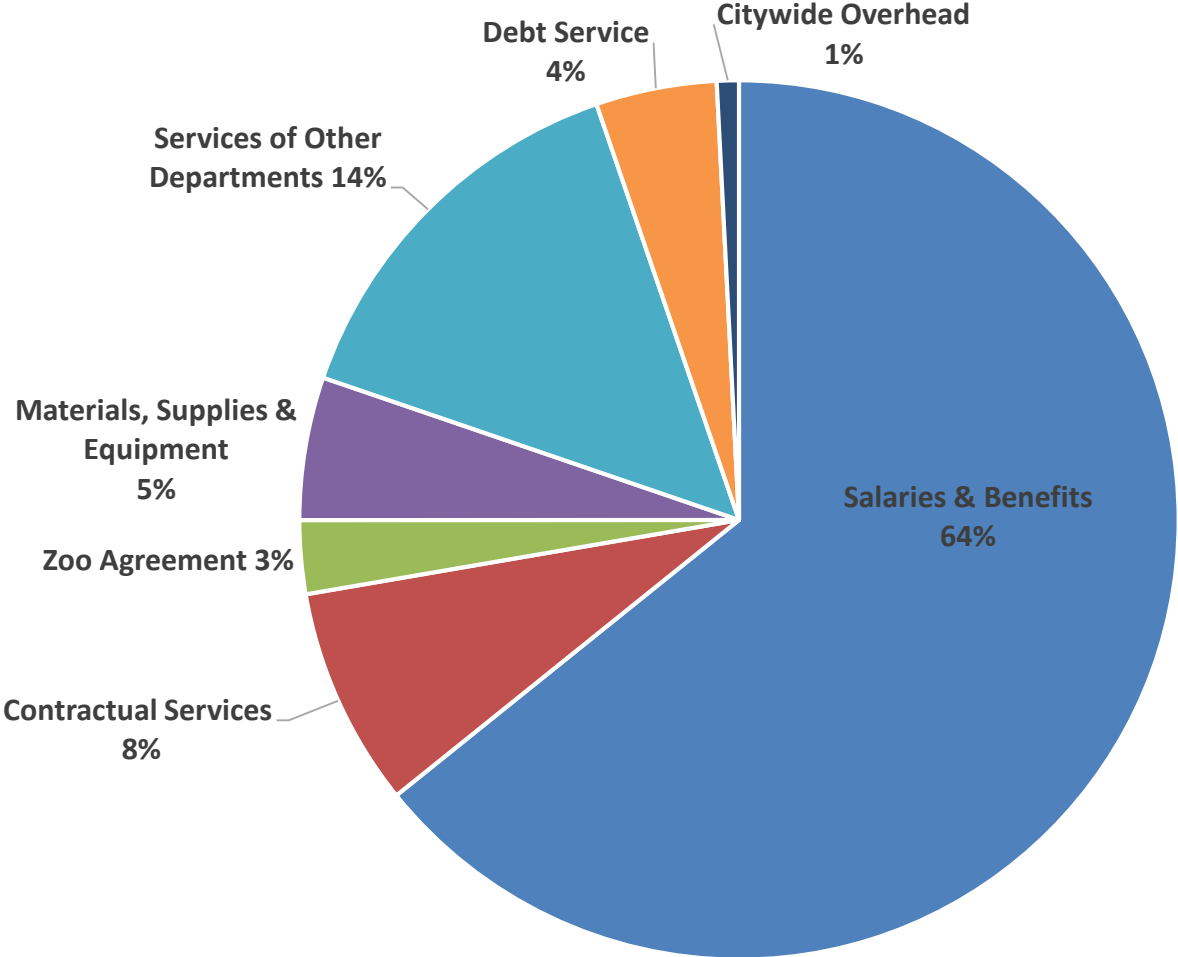
# Earned Revenue and General Fund



# Rec and Park Department Resources By Program

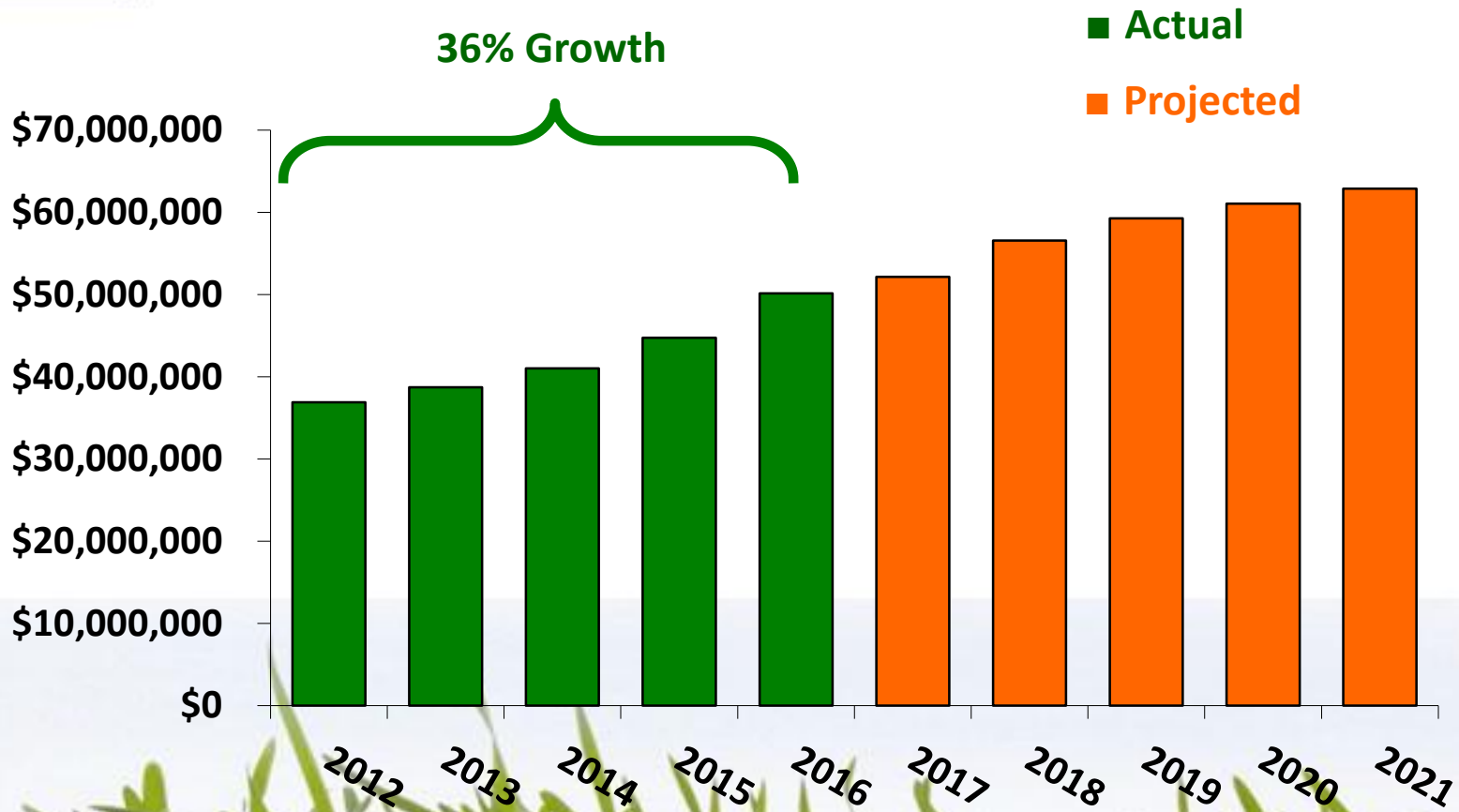


# Rec and Park Department Resources By Type



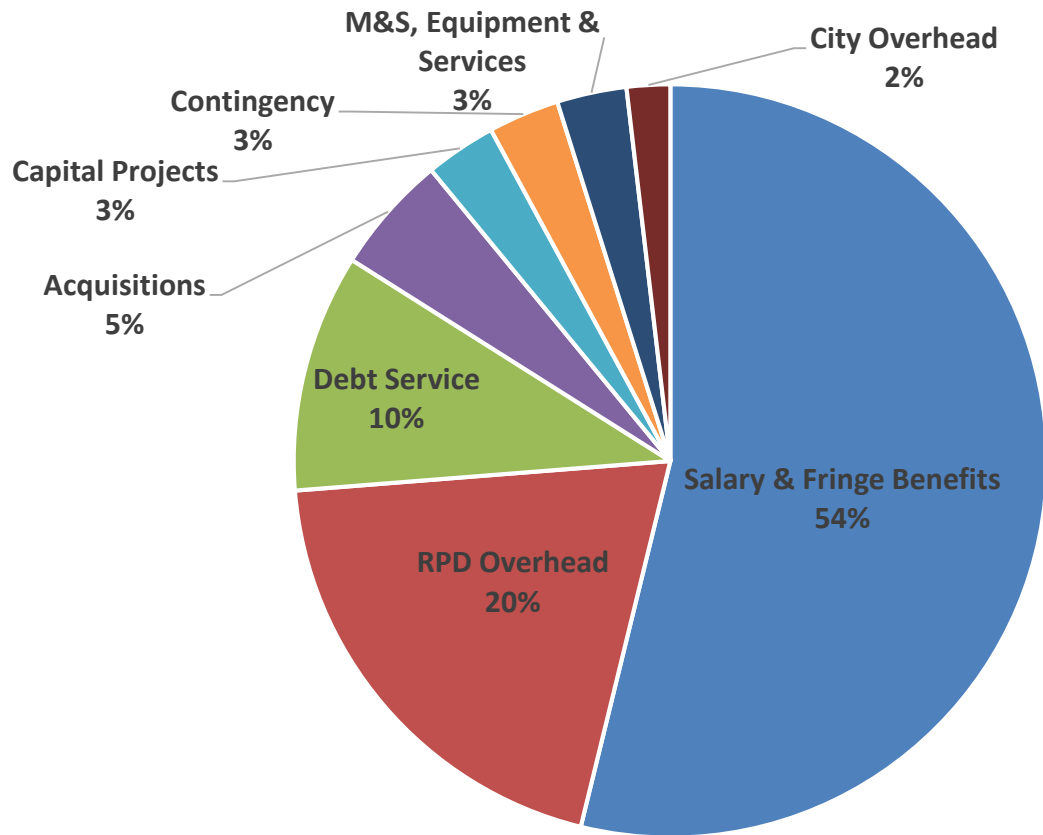


# Open Space Fund Property Tax Growth





# Open Space Fund Resources By Type





# Budget Changes



# New Plans Guide the Budget

- **Strategic Plan** shall “guide [the Department’s] work over each five year period”
- **Operational Plan** shall include “the objectives and initiatives within the Strategic Plan that the Department intends to undertake... during the next budgetary period”
  - RPD will begin 58 initiatives in the next two years
- **Equity Lens**



# Operational Plan Highlights

## *Inspire Place*

- Implement community-based Park Patrol staffing model
- Prioritize deferred maintenance renewals in equity zone parks with failing park scores

## *Inspire Play*

- Pilot Spanish language permit assistance at Mission PG Clubhouse
- Expand youth programs emphasizing movement and wellness





# Operational Plan Highlights

## ***Inspire Investment***

- Develop an annual list of operational and capital needs, prioritizing park access and equity, to share with the philanthropic community

## ***Inspire Stewardship***

- Increase volunteer support in equity zone parks
- Add second class of Greenagers to cultivate environmental youth leadership in equity zones

## ***Inspire Team***

- Develop an equity-focused learning initiative



# Estimated Revenue Growth

- Leases and concessions \$100,000
- Outside Lands \$200,000
- Recreation programming \$200,000
- Facility rentals \$400,000
- Open Space Fund: \$1 million





# Budget Outreach

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



# Budget Timeline

<b>January 19</b>	<b>Initial budget presentation to Commission</b>
<b>February 2</b>	<b>Budget update at Commission's Operations Committee</b>
<b>February 2</b>	<b>Community budget meeting at Hamilton (6:30-8:00)</b>
<b>February 7</b>	<b>PROSAC presentation</b>
<b>February 8</b>	<b>Community budget meeting at Joe Lee (6:30-8:00)</b>
<b>February 16</b>	<b>Commission considers budget</b>
<b>February 21</b>	<b>Budget due to Mayor's Office</b>
<b>June 1</b>	<b>Mayor submits budget to Board of Supervisors</b>



**Thank you!**