

# Recreation and Park

Staff Budget Presentation

January 2006



San Francisco Recreation & Parks

# Agenda

- Introduction
- Overview of Department's '05 – '06 Budget
- Challenges for '06 – '07 Budget
- Questions and Feedback



# Budget Overview

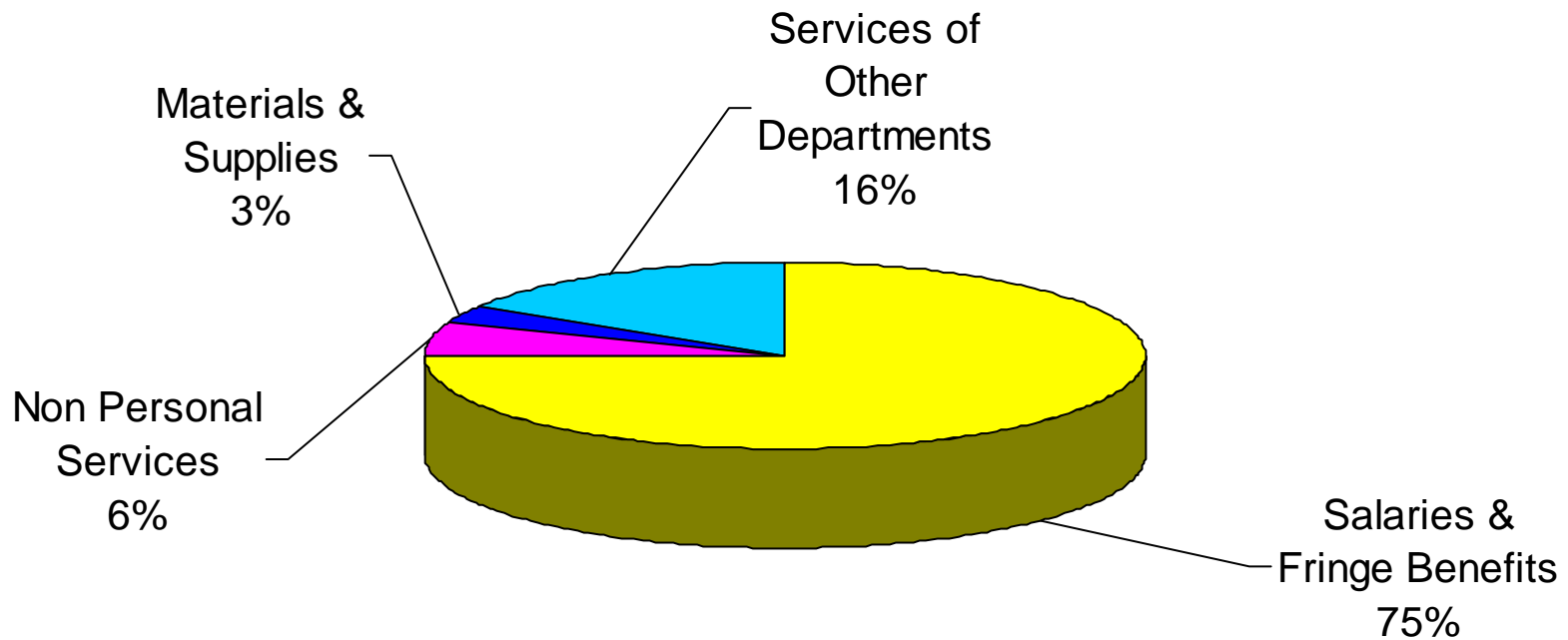


# '05 – '06 Revenue Overview

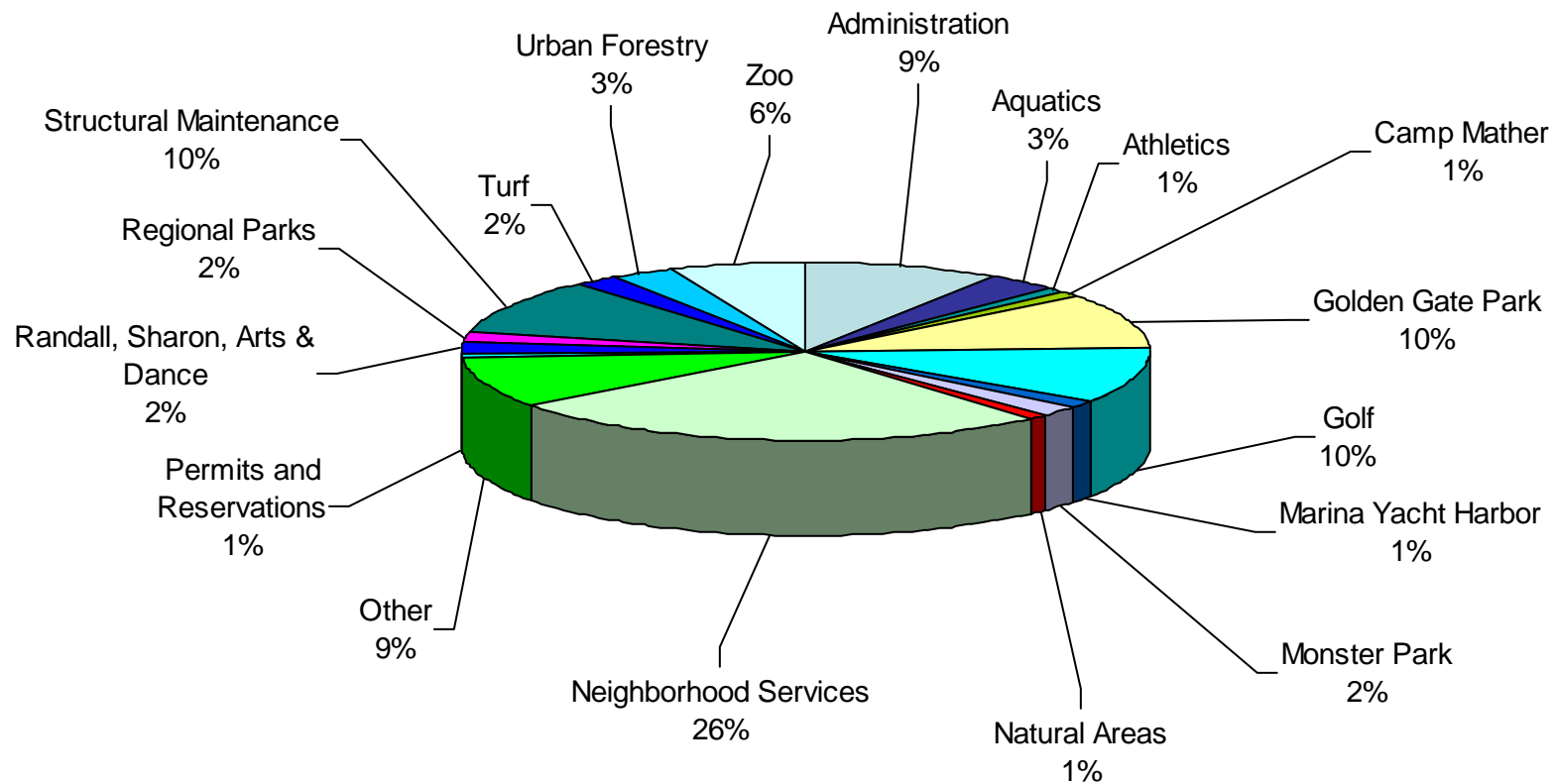
Garages	7.8 Million
Program Fees	1.2 Million
Concessions & Citywide Rentals	7.6 Million
Permits & Facility Rentals	1.4 Million
Monster Park	6.4 Million
Golf	10.8 Million
Marina Yacht Harbor	1.5 Million
Open Space Fund Property Tax	26.4 Million
General Fund Support	47.1 Million
Other	6.4 Million
<b>Total</b>	<b>\$116.6 Million</b>



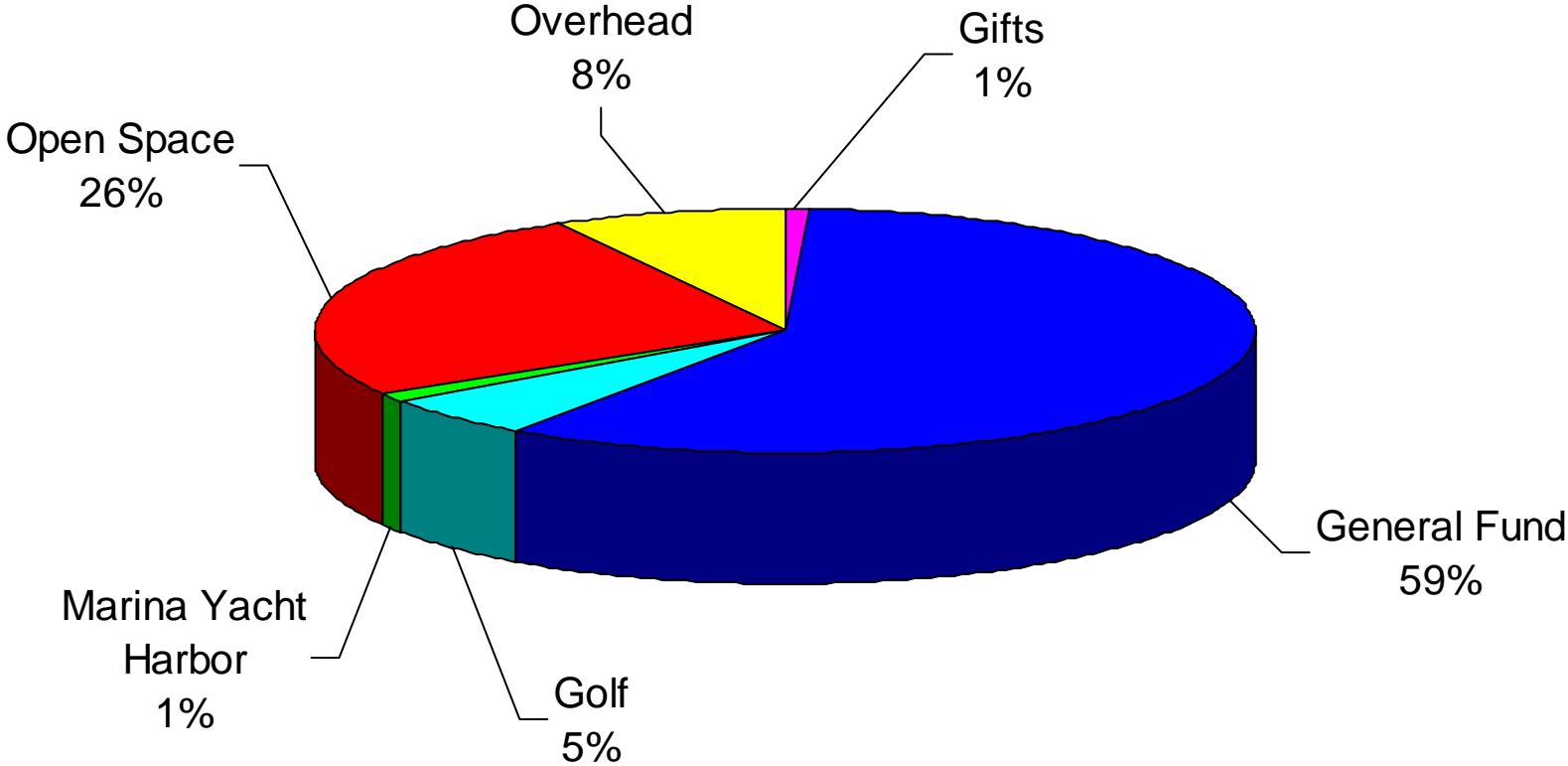
# '05 – '06 Expenditure Overview



# '05 – '06 Operating Budget by Program



# '05 – '06 Budgeted and Funded Positions: 916 FTE



# Challenges for 2006 - 2007





# City's Financial Outlook Is Improving

## Revenues

'04-'05 Fund Balance Surplus	\$19M
Loss of '05-'06 Starting Balance	(\$109M)
'05-'06 Revenue Surplus	\$92M
'06-'07 Revenue Growth	\$120M
Rainy Day and Baseline Requirements	(\$65M)
<b>Revenue Projection</b>	<b>\$57M</b>

## Expenditures

Annualized MOU Costs	(\$50M)
Health and Dental Costs	(\$20M)
Resumption of 7.5% Retirement Pick-Up	(\$34M)
Employer Retirement Contribution	(\$21M)
Non-salary Costs	(\$12M)
<b>Expenditure Projection</b>	<b>(\$137M)</b>
<b>'06-'07 Shortfall Projection</b>	<b>(\$80M)</b>



# Mayor's Budget Instructions

- Absorb half of the resumed 7.5% employee retirement contribution - **\$1,000,000**
- Propose additional on-going General Fund savings equal to 3% of the department's GF subsidy - **\$1.4 million**
- Propose one-time uses equal to that \$1.4 million
- Prioritize direct services



# '06 – '07 General Fund Budget Challenge

Absorb half the cost of the resumed 7.5% employee contribution	\$1.0M
Replace loss of one-time revenue	\$.1M
Absorb increased non-salary costs	\$.9M
Propose on-going 3% GF reduction	\$1.4M
<b>Total</b>	<b>\$3.4M</b>



# Budget Balancing Guidelines

- Prioritize core programs supporting the department's mission
- Maximize revenue generating opportunities
- Continue department improvement initiatives and efforts
- Maintain preventative maintenance levels, particularly on new facilities



## Budget Balancing Guidelines (continued)

- Strive for geographic and economic equity in reductions
- Maintain funding that leverages external financial and volunteer resources
- Prioritize health and safety for public and staff



# Budget Balancing Guidelines (continued)

- Pursue public/private and public/non-profit partnerships

## CRITERIA

- Focus on partnerships with expertise outside of the department
- Enhance customer opportunities, experience, and service



# Balancing the Budget

## Revenue Enhancements

- New fee structures:
  - Women's Athletics
  - Camp Mather Senior Weeks - \$30,000
  - Young People's Teen Musical Theater - \$10,000
- Entrance fees:
  - Japanese Tea Garden; Also considering reducing free hours at the JTG - \$50,000
  - Coit Tower Elevator - \$140,000
- Reviewing department's permits and reservations fees - \$110,000
- Parking garage fee increase - \$400,000
- Increased parking rates at Kezar - \$30,000



# Balancing the Budget

## Expenditure Reductions

- Savings in cost allocation plan –  
\$500,000
- Staffing efficiencies –  
\$400,000
- Deletion of funded, vacant positions –  
\$200,000





# 3% General Fund Reduction

3% = \$1.4 million budget cut

- Looking at revenue proposals including developing audio tours of Coit Tower and Tea Garden
- May have to propose staff reductions



## \$1.4 Million in One Time Uses

- Development of audio tours
- Technology enhancements
  - Increasing the connectivity of field staff through options such as blackberries, laptops and blue tooth technology
- Irrigation repairs and improvements
  - Funding much-needed irrigation repair projects



# '06 –'07 Budget Timeline

January 31	Public Budget Meeting
February 1	Operations Committee
February 7	PROSAC
February 16	Commission approves budget
February 21	Budget due to Mayor's Office
June 1	Budget submitted to Board of Supervisors



# Budget Information on Website

**[www.parks.sfgov.org](http://www.parks.sfgov.org)**

- Budget and Financial Information
  - Budget Process Fiscal Year 2006-2007
    - **Recreation and Park Commission Presentations**



# Questions and Feedback



Thank You



San Francisco Recreation & Parks