

Budget Outlook

Recreation and Parks – FY2019-20 & FY2020-21 Budget Overview



Inspire, Connect, Play!

Fiscal Outlook

In the short-term, fiscal picture is similar to last year

- Cost pressures
 - Growing employee and pension costs
 - Labor negotiations
 - IHSS cost shift from state
 - SF Housing Authority financial obligations
 - Large number of baseline and set-asides
 - Recession risks
 - State and federal budgetary and legislative changes

Mayor's Office	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24
Projected Cumulative Shortfall	(107.4)	(163.4)	(362.9)	(519.9)	(643.9)



Mayor's Priorities

- Need to continue responsible fiscal policies
 - Build our reserves
 - Limit on-going cost growth
 - Fund strategic one-time investments
 - “Make every dollar count”
- Get things done to:
 - Build more housing and reduce homelessness
 - Address behavioral health needs
 - Clean up our streets and make them safer
 - Create equitable opportunities for everyone
 - Make government more accountable



Budget Instructions for Departments

- Focus on accountability and equitable outcomes
- Reprioritize funding and positions within departmental budget for “highest & best use”
- New positions may be considered that align with the Mayor’s priorities
- Propose on-going reductions and revenues equal to 2% of adjusted General Fund support in each year (growing to 4% in the second year of the budget)
- Provide a 1% (growing to 2% in the second year of the budget) contingency proposal to help with revenue and labor uncertainty



Stability from Prop. B

- RPD not required to make 2% cut to its General Fund Support in each of next two fiscal years
- Department continues to budget \$15 million in General Fund annually to support capital and deferred maintenance
- Is expected to 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 approximately 2.5% COLA on salaries in both years
 - Mandatory fringe benefits assumed to increase by 6% both years



Current Year Budget in Context

2018 – 2019 Budget = \$230.9 million

Operating Budget = \$173.4 million

Capital Budget = \$57.5 million

947 Budgeted and Funded FTE



Sources of Funding

	FY17-18 Budget	FY18-19 Base Budget
Open Space Fund	\$58.7 Million	\$76.0 Million
General Fund Subsidy	\$73.4 Million	\$77.0 Million
Earned Income	\$54.4 Million	\$57.5 Million
Bond Funds and Other Grants	\$35.0 Million	\$20.4 Million
Total	\$221.5 Million	\$230.9 Million



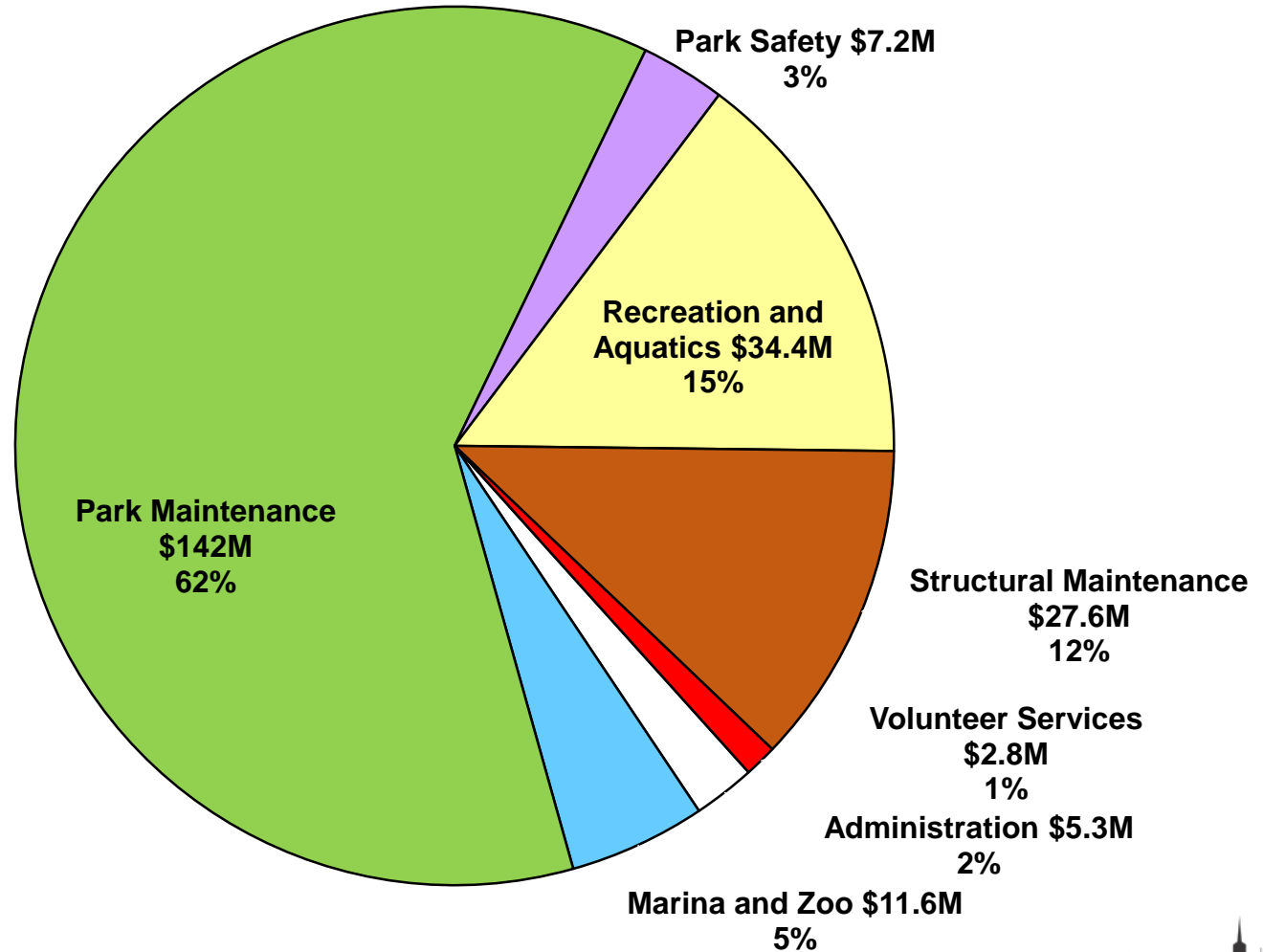
Earned Income

Earned Income	FY17-18 Budget	FY18-19 Base Budget
Garages/Paid Parking	\$8.2 Million	\$8.7 Million
Program Fees	\$10.5 Million	\$11.2 Million
Concessions & Citywide Rentals	\$10.7 Million	\$10.8 Million
Permits & Facility Rentals	\$11.2 Million	\$11.8 Million
Golf (Non-GF Revenue)	\$9.7 Million	\$10.8 Million
Marina (Non-GF Revenue)	\$4.1 Million	\$4.2 Million
Total	\$54.4 Million	\$57.5 Million



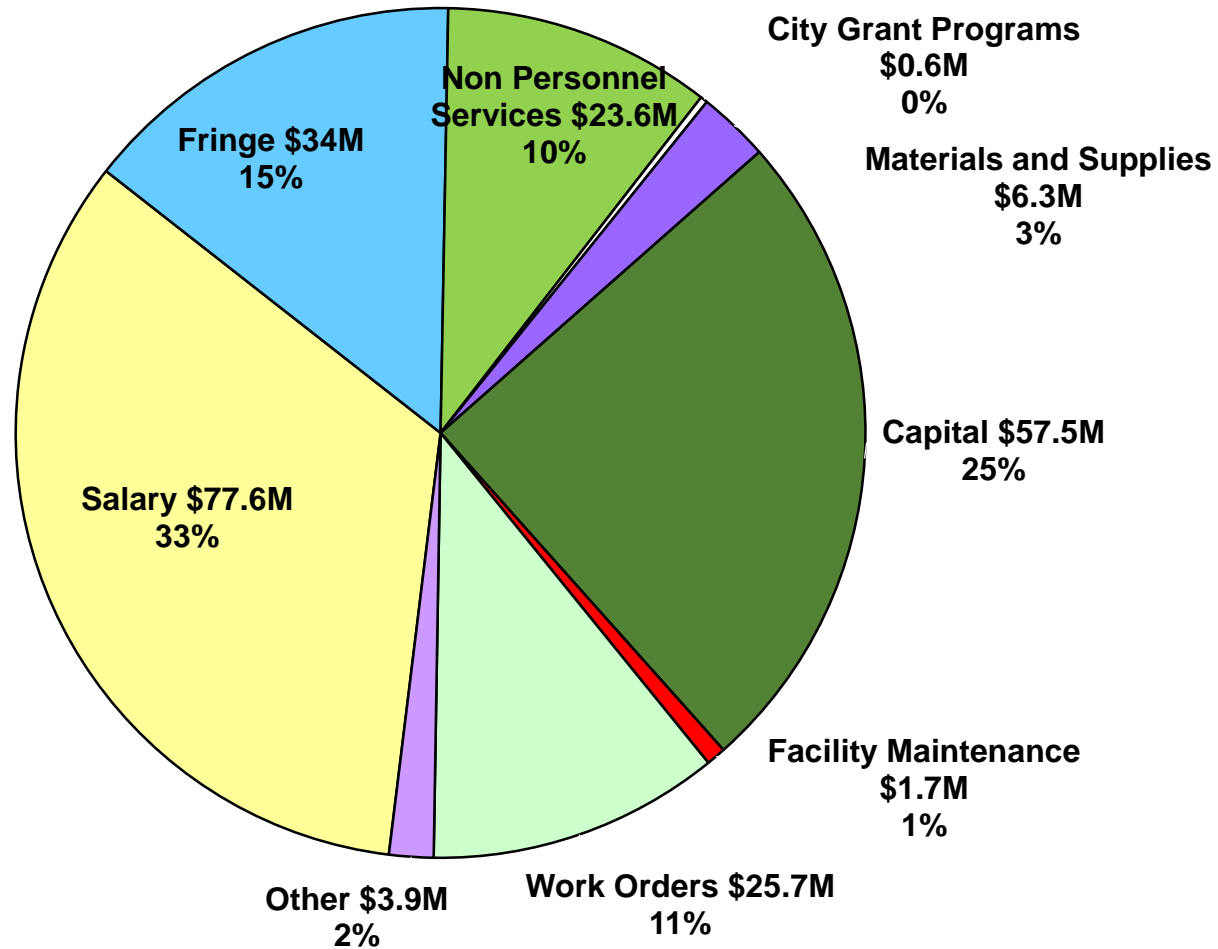
FY 18-19 Original Budget by Program - \$230.9M

FY18-19 Original Budget by Program \$230.9M



FY 18-19 Original Budget by Account - \$230.9M

FY18-19 Original Budget by Account \$230.9M



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”
- **Capital Plan** shall addresses the development, renovation, replacement and maintenance of capital assets, and the acquisition of real property
- **Equity Metrics**



Budget Solutions

Revenue Enhancements

- Program revenue
- Open Space Fund
- Leases and concessions

Expenditure Efficiencies

- Program and service delivery
- Utility usage



Budget Outreach

- Two community budget meetings
- Staff brown bag lunch
- R&P Commission meetings
- PROSAC meeting



Thank you!

