

The Presidio Trust

Summary Charts

FY 2022 Year-to-Date thru March

Presented to the Board on May 26, 2022

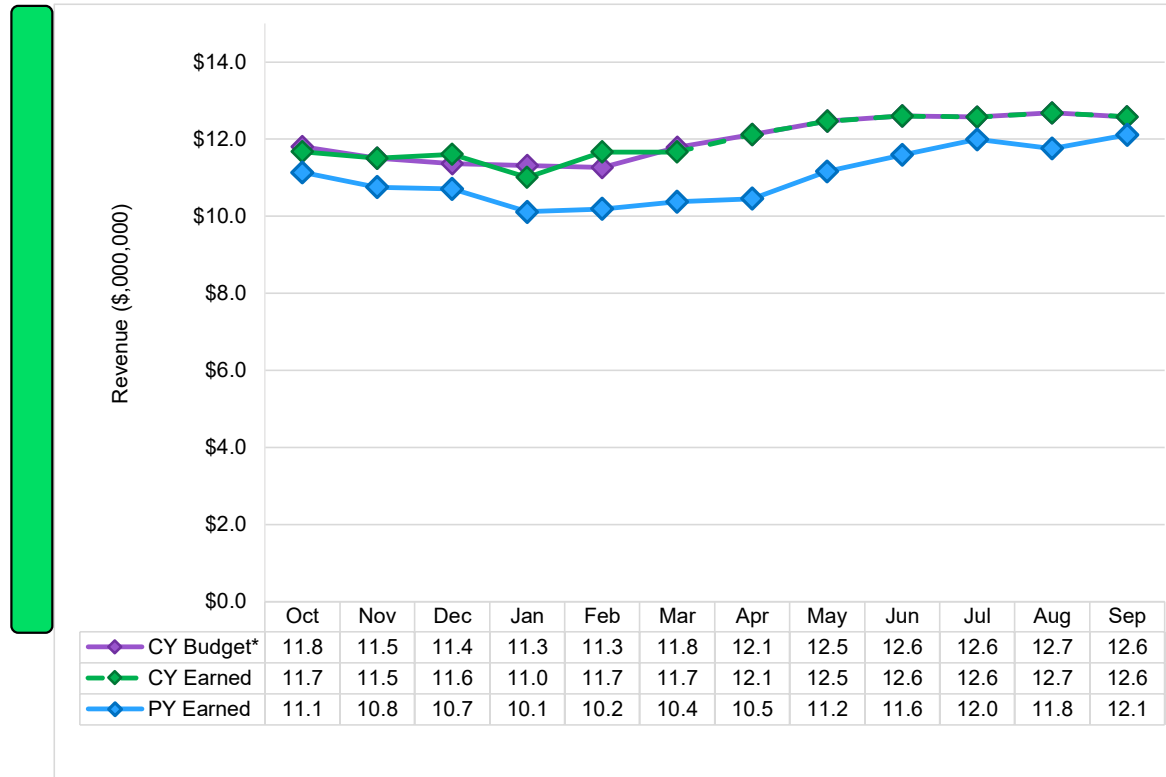
*Budget = approved by the Board in March 2022

PY = Prior Year
CY = Current Year

On Target
Possible Concern
Concern

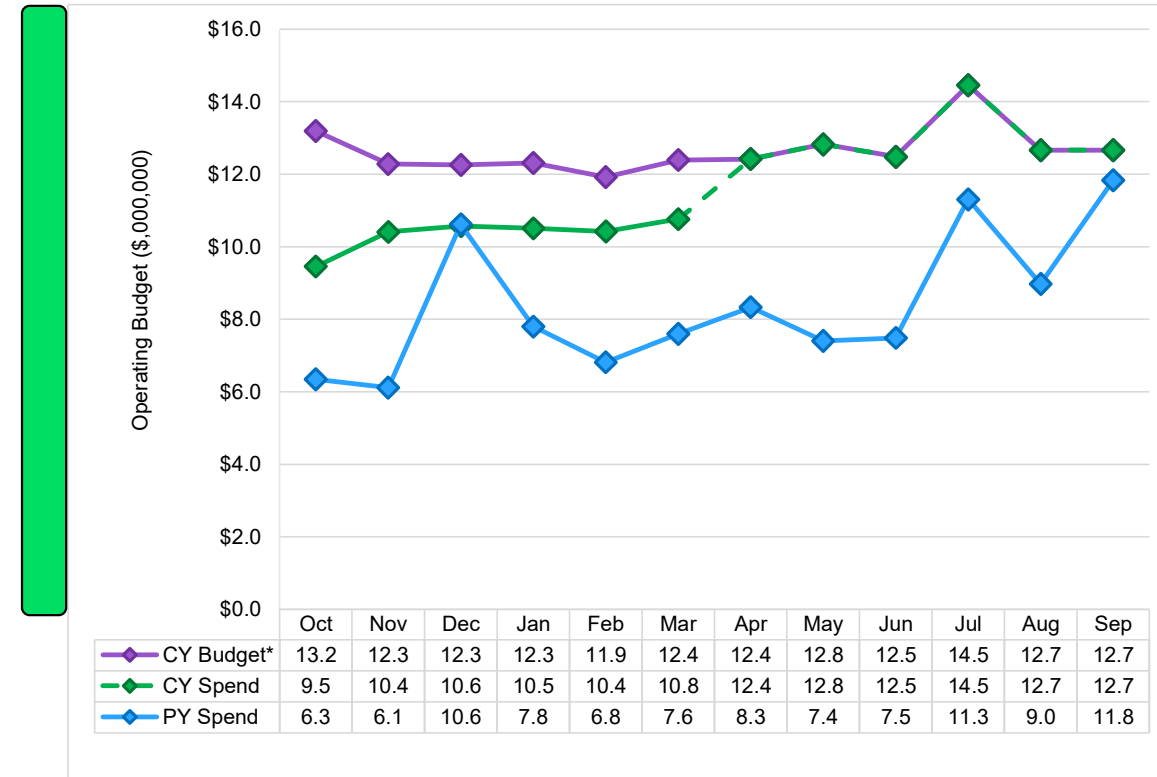
Revenue

Month: ↓1.0% | \$11.7M | B \$11.8M YTD: ↑0.1% | \$69.1M | B \$69.0M



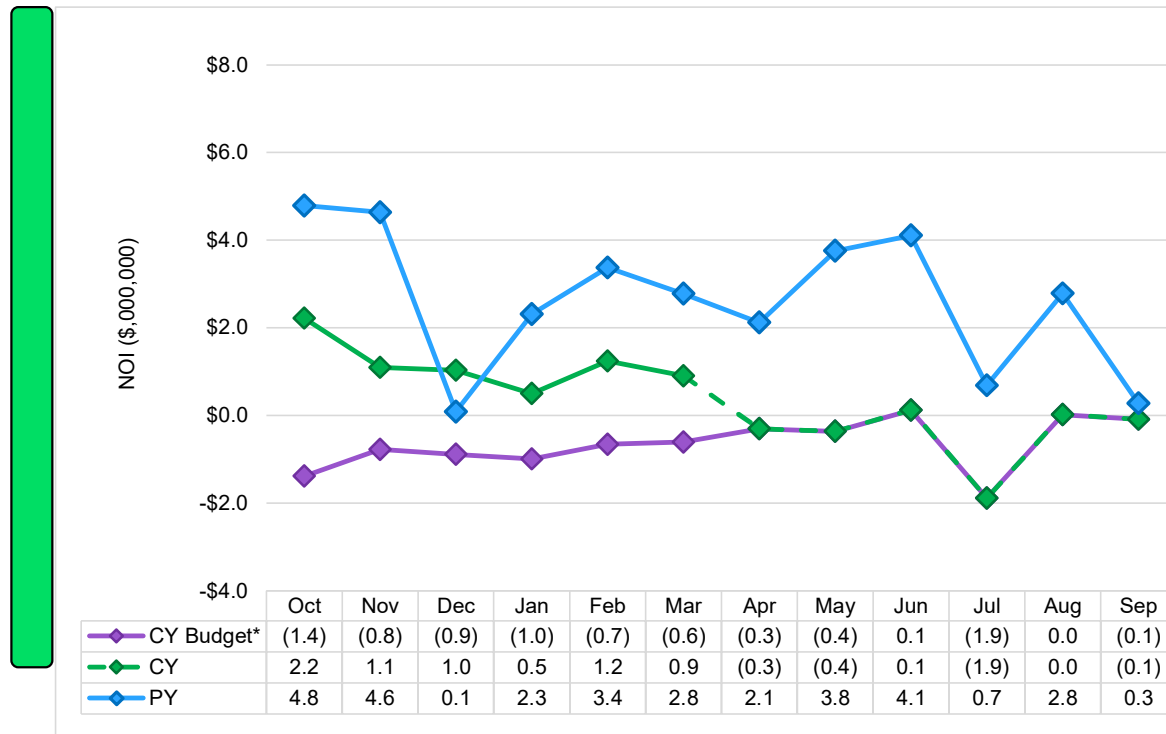
Operating Expenses (Spend; includes renewal reserves)

Month: ↓13.1% | \$10.8M | B \$12.4M YTD: ↓16.4% | \$62.1M | B \$74.3M



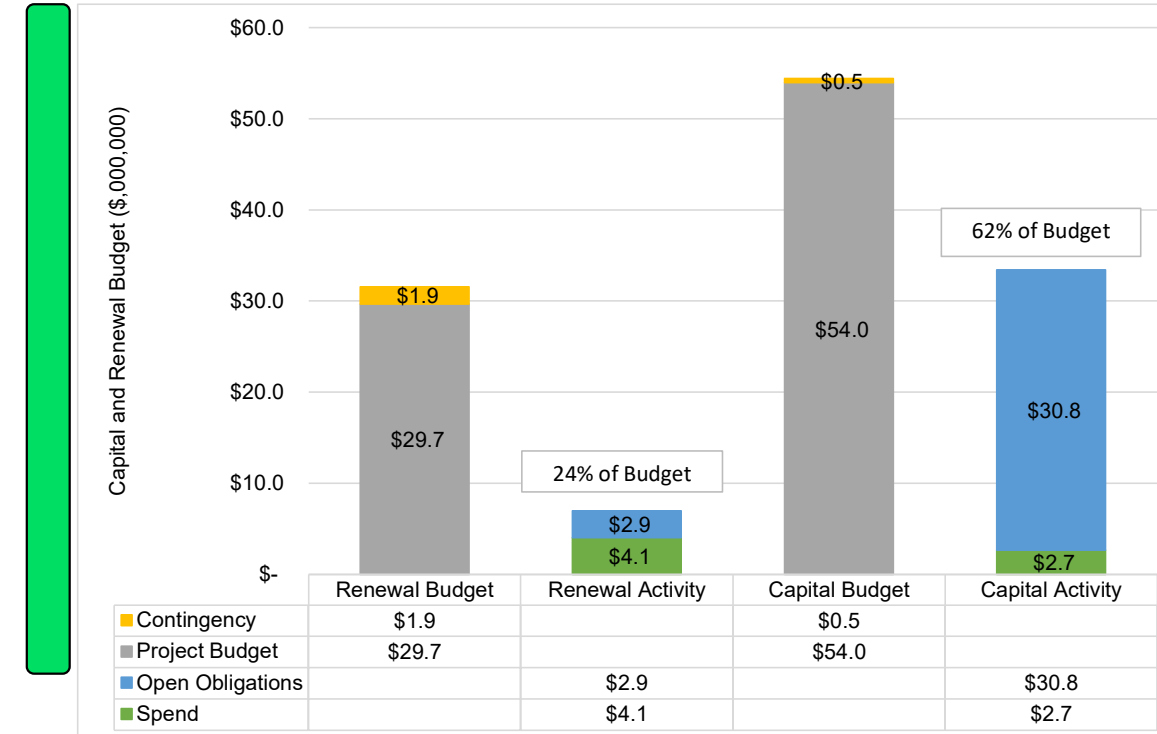
Net Income (NI) After Renewal Reserves

Month: ↑249.4% | \$0.9M | B -\$0.6M YTD: ↑231.6% | \$7.0M | B -\$5.3M



Capital and Renewal Expenses

Month: ↓414.8% | \$1.4M | B \$7.2M YTD: ↓539.3% | \$6.7M | B \$43.0M



Presidio Trust

Summary of Revenue, Expenses and Reserves to Operate & Renew the Presidio

FY 2022 Year-to-Date thru March

Presented to the Board on May 26, 2022

		1	2	3	4 5		6 7		8
		Year-to-Date Actuals through March (Spend-Based)	Year-to-Date Actuals through March (Obligation-Based)	Year-to-Date Budget through March	Year-to-Date through March (Spend-Based) Variance to Budget		Year-to-Date through March (Obligation-Based) Variance to Budget		Fiscal Year 2022 Approved Budget
					\$	%	\$	%	
BUSINESS PERFORMANCE									
1	Business Revenue	57,923	57,923	57,143	780	1%	780	1%	119,965
2	Expenses to Operate Businesses	(17,333)	(24,019)	(20,488)	3,155	15%	(3,531)	-17%	(42,779)
3	Annual Reserve for Renewal of Buildings	(6,016)	(6,016)	(6,016)	0	0%	0	0%	(12,032)
4	Surplus/Loss to Operate & Renew Businesses	34,574	27,888	30,639	3,935	11%	(2,751)	-9%	65,153
PARK PERFORMANCE									
5	Revenue from Park Operations	11,200	11,200	11,892	(692)	-6%	(692)	-6%	24,088
6	Expenses to Operate & Renew the Park	(29,731)	(41,970)	(36,210)	6,480	18%	(5,760)	-16%	(73,783)
7	Annual Reserve for Renewal of Utilities & Infrastructure	(4,329)	(4,329)	(4,329)	0	0%	0	0%	(8,658)
8	Annual Reserve for Renewal of Land, Forest & Other Park Assets	(4,552)	(4,552)	(4,552)	0	0%	0	0%	(9,105)
9	Surplus/Loss to Operate & Renew the Park	(27,413)	(39,652)	(33,200)	5,787	17%	(6,452)	-19%	(67,458)
SUMMARY OF AGENCY PERFORMANCE									
10	Surplus/Loss From Businesses	34,574	27,888	30,639	3,935	11%	(2,751)	-9%	65,153
11	Surplus/Loss from the Park	(27,413)	(39,652)	(33,200)	5,787	17%	(6,452)	-19%	(67,458)
12	Contingency for Unexpected Events	0	0	(2,750)	2,750	100%	2,750	100%	(5,500)
13	Surplus/Loss from Businesses + Park	7,161	(11,764)	(5,311)	12,472	235%	(6,453)	-122%	(7,805)
AGENCY PERFORMANCE INCLUDING EXTERNAL FUNDING									
14	External Funding	0	0	73,950	(73,950)	-100%	(73,950)	-100%	73,950
15	Total Surplus/Loss for the Year	7,161	(11,764)	68,639	(61,478)	-90%	(80,403)	-117%	66,145

Summary Information									
Total Operating Revenue	69,123	69,123	69,035	88	0%	88	0%	144,052	
Total Operating Expenses (excludes the renewal reserves)	(47,064)	(65,989)	(59,449)	12,384	21%	(6,540)	-11%	(122,062)	
Surplus/Loss without renewal reserve & capital improvement projects	22,059	3,134	9,587	12,472	57%	(6,453)	-67%	21,990	

Presidio Trust

Detailed Statement of Revenue, Expenses and Project Costs

FY 2022 Year-to-Date thru March

Presented to the Board on May 26, 2022

		1	2	3	4	5	6		7	8
		Year-to-Date Actuals through March (Spend-Based)	Year-to-Date Actuals through March (Obligation-Based)	Year-to-Date Budget through March	Year to Date through March (Spend-Based) Variance to Budget		Year to Date through March (Obligation-Based) Variance to Budget		Fiscal Year 2022 Approved Budget	
					\$	%	\$	%		
Business Division	1A	Residential Revenue	30,736	30,736	30,467	269	1%	269	1%	62,010
	1B	Commercial Revenue	18,333	18,333	18,665	(331)	-2%	(331)	-2%	39,335
	1C	Hospitality Revenue	8,854	8,854	8,012	842	10%	842	11%	18,619
	1	Total Business Revenue	57,923	57,923	57,143	780	1%	780	1%	119,965
	2	Less: Business Division Operating Expenses	(10,487)	(15,263)	(11,661)	1,174	8%	(3,602)	-24%	(24,578)
3	Less: Land & Building Stewardship Expenses related to Business Division Operations	(3,679)	(4,794)	(4,605)	926	19%	(190)	-4%	(9,209)	
4	Less: Portion of Administrative Expenses (30%)	(2,398)	(3,192)	(3,101)	703	22%	(91)	-3%	(6,750)	
5	Business Division Net Operating Income (NOI)	41,359	34,673	37,776	3,583	9%	(3,103)	-9%	79,427	
Other Divisions	6A	Land & Building Stewardship Revenue (Utilities, SDC)	8,376	8,376	9,077	(702)	-8%	(702)	-8%	18,227
	6B	Park Revenue (e.g. Parking, Special Park Uses)	1,703	1,703	1,570	134	8%	134	9%	3,375
	6	Other Revenue (service district charges, utilities, parking, special events, permits)	10,079	10,079	10,647	(568)	-6%	(568)	-6%	21,601
	7	Less: Land & Building Stewardship Operating Expenses	(17,651)	(26,047)	(19,535)	1,884	7%	(6,512)	-25%	(38,874)
	8	Less: Park Development & Visitor Engagement Operating Expenses	(4,689)	(6,681)	(6,823)	2,133	32%	142	2%	(13,928)
	9	Less: Portion of Administrative Expenses (70%)	(5,596)	(7,448)	(7,237)	1,641	22%	(211)	-3%	(15,749)
	10	Other Divisions NOI	(17,858)	(30,097)	(22,948)	5,090	17%	(7,149)	-24%	(46,951)
	11	Less: Business & Operations Improvement Projects Pool	0	0	(1,166)	1,166	-100%	1,166	-100%	(2,332)
	12	Trust NOI Before Renewal Reserve	23,501	4,577	13,662	9,839	42%	(9,086)	-199%	30,144
	13B	Renewal Reserve for Utilities & Other Infrastructure	(4,329)	(4,329)	(4,329)	0	0%	0	0%	(8,658)
13A	Renewal Reserve for Buildings	(6,016)	(6,016)	(6,016)	0	0%	0	0%	(12,032)	
13C	Renewal Reserve for Land, Forest & Other Park Assets	(4,552)	(4,552)	(4,552)	0	0%	0	0%	(9,105)	
13	Total Allocation to the Renewal Reserve	(14,898)	(14,898)	(14,898)	0	0%	0	0%	(29,795)	
14	Net Results After Renewal Reserves	8,604	(10,321)	(1,236)	9,839	95%	(9,086)	-88%	349	
15	Other Agency Revenue (interest and prior year deobligations)	1,121	1,121	1,245	(124)	-11%	(124)	-11%	2,487	
16	Less: Debt Service	(2,563)	(2,563)	(2,571)	7	0%	7	0%	(5,141)	
17	Contingency for Unexpected Events	0	0	(2,750)	2,750	-100%	2,750	-100%	(5,500)	
18	Net Results After Agency Activities	7,161	(11,764)	(5,311)	12,472	106%	(6,453)	-55%	(7,805)	
Agency Activities	19A	Federal Appropriations	0	0	47,000	(47,000)	-100%	(47,000)	-100%	47,000
	19B	Grants	0	0	26,950	(26,950)	-100%	(26,950)	-100%	26,950
	19	External Funding Sources	0	0	73,950	(73,950)	-100%	(73,950)	-100%	73,950
	20	Net Results After External Funding Sources	7,161	(11,764)	68,639	(61,478)	-859%	(80,403)	-117%	66,145
	21	Renewal Projects	(4,057)	(6,970)	(15,775)	11,718	168%	8,805	126%	(31,551)
	22	Capital Improvement Projects	(2,661)	(33,430)	(27,207)	24,545	73%	(6,224)	-19%	(54,413)
	23	Total Renewal/Capital Projects	443	(52,164)	25,657	(25,215)	-5697%	(77,821)	-303%	(19,819)
	24	Renewal Reserve Add-Back	14,898	14,898	14,898	0	0%	0	0%	29,795
	25	Trust Net Results	15,340	(37,266)	40,555	(25,215)	-164%	(77,821)	-192%	9,976
	26	Carryforward (savings from prior years)	112,352	112,352	112,352	0	0%	0	0%	112,352
27	Trust Net Results after Carryforward	127,692	75,085	152,906	(25,215)	-34%	(77,821)	-104%	122,328	

Presidio Trust

Cash Reserve Allocation

FY 2022 Year-to-Date thru March

Presented to the Board on May 26, 2022

		Fiscal Year 2022						
	Allocation of Reserves	Beginning Condition Index ("CI") ⁶	Beginning Amount	Budgeted Addition/Reduction During the Year ⁸	Budgeted Use During the Year ⁹	YTD March (Spend-Based)	Current Condition Index ⁶	Total Additional Renewal \$\$ to Achieve 80% Condition Index Target ⁷
1	Renewal & Capital Reserves		67,268	93,772	(66,892)	(6,718)		
2	Renewal Reserve ¹	65.7%	5,585	29,795	(31,551)	(4,057)	65.0%	193,575
2A	<i>Buildings</i>	79.3%	99	12,032	(13,133)	(3,619)	78.9%	5,747
2B	<i>Utilities & Other Infrastructure</i>	43.0%	992	8,658	(7,867)	(174)	42.1%	146,485
2C	<i>Land, Forest & Other Park Assets</i>	69.4%	4,494	9,105	(10,550)	(264)	68.5%	46,723
3	Capital Improvements Reserve ²		24,825	30,916	(35,342)	(2,661)		
4	Reserve for Future Renewal and Capital Improvements		36,857	33,061	0	0		
5	Operating Reserves		45,084	591	0	0		
6	Security Deposits and Pre-paid Rent ³		11,829	0	0	0		
7	Estimated Bad Debt from COVID ⁴		3,361	0	0	0		
8	Operating Reserve ⁵		29,894	591	0	0		
9	Totals	65.7%	112,352	94,363	(66,892)	(6,718)	65.0%	193,575

- 1 Renewal is the replacement of an existing asset with a similar-performing asset, such as replacing an electrical substation or a water main. Per the Board reserve policy, starting in FY22, each year we will allocate money from our operating income to the renewal reserve to maintain a stable funding stream for renewal projects; this will keep the park from deteriorating. For FY22, we will contribute at least 2% of the current replacement value of Trust assets to the renewal reserves. (We are assuming an average 50 year expected service life for our assets.) We will refine the amounts needed for renewal and the annual reserve amounts as we implement renewal planning software.
- 2 Capital improvements are improvements to existing park assets or the creation of new park assets. This reserve includes funding for existing multi-year capital improvement projects, such as the Tunnel Tops park project and the East Mason warehouse rehabilitation project, that are continuing beyond FY21. This reserve also includes funds for capital improvement projects slated to be performed in FY22 and FY23.
- 3 Estimate based on most recent security deposit and pre-paid rent balances through July 2021. Currently forecasting no change in balance; however, we will develop forecasting methodology to refine projection in the future.
- 4 Estimated bad debt from COVID is money we have set aside to cover unexpected rent or other payment defaults from tenants due to the disruption in the economy from the pandemic. We anticipate forecasting partial application of this funding in the revised budget to be submitted in December 2021 after the close of the fiscal year. We expect to resolve outstanding issues with tenants through FY22, applying funding from the reserve as needed. If all outstanding tenant issues are resolved by the end FY22, we will reduce any unneeded or unused portion of the reserve, making it available for other uses.
- 5 Per the Board reserve policy, we aim to have three months of operating expenses set aside in a reserve to keep the park going in the event of significant unexpected events such as natural disasters, economic downturns or pandemics. Having these funds were critical to the Trust's survival during the economic downturn from the COVID-19 pandemic since we were not eligible for loans or other financial assistance.
- 6 The Condition Index indicates the percentage of our assets that are within their expected service life. Our target is an industry standard of 80%. Ideally the target would be 100%, however that would require over \$400M to cover all of our deferred maintenance.
- 7 Total amount needed to invest in renewal of assets to reach 80% condition index target, this accounts for roughly half of our total deferred maintenance total of over \$400M.
- 8 Amount added to or reduced from a reserve.
- 9 Amount used for the purpose of the reserve.

Presidio Trust

Renewal + Capital Improvement Plan (Obligation Basis)

FY 2022 Year-to-Date thru March

Presented to the Board on May 26, 2022

Renewal Plan					
(Dollars in Thousands)					
			FY 2022		
			(A) -	(B) =	(C)
	Project Type	Project	FY22 Approved Budget	YTD (Mar) Obligations & Expenditures	FY22 Remaining Budget
1		Building Renewal			
2	Total	Building Renewal	13,133	5,600	7,533
2A	Renewal	<i>Capital turns and cyclic renewal</i>	12,682	5,578	7,104
2B	Renewal	<i>Other Building Renewal</i>	451	22	429
3		Subtotal - Building Renewal	13,133	5,600	7,533
4		Utilities & Other Infrastructure			
5	Total	Utilities Renewal	7,646	887	6,759
5A	Renewal	<i>Utilities studies and condition assessments</i>	450		450
5B	Renewal	<i>Utilities renewal and upgrades</i>	4,542	765	3,778
5C	Renewal	<i>Electrical substation 70 consolidation</i>	1,560	114	1,446
5D	Renewal	<i>Electrical substation 107 switchgear upgrade</i>	1,093	8	1,085
6	Renewal	Technology Renewal	221	137	84
7		Subtotal - Utilities & Other Infrastructure	7,867	1,024	6,843
8		Land, Forest & Other Park Assets			
9	Renewal	Landscape Renewal	4,323	187	4,136
10	Total	Transportation-related Renewal	5,352	124	5,227
10A	Sponsored	<i>Federal Highway Administration (FHWA) funding for transportation program (e.g., pavement, traffic calming, ADA accessibility, etc.)</i>	4,533	116	4,417
10B	Renewal	<i>Bus fleet conversion to battery electric</i>	-	8	(8)
10C	Renewal	<i>Other transportation-related renewal</i>	818		
11	Renewal	Other Park Assets Renewal	876	35	841
12		Subtotal - Land, Forest, & Other Park Assets	10,550	346	10,204
13		Total	31,551	6,970	24,581
14		Total - Trust Funded	27,018	6,854	20,164
15		Total - Sponsored	4,533	116	4,417

Capital Improvement Plan

(Dollars in Thousands)

			FY 2022		
			(A) -	(B) =	(C)
	Project Type	Project	FY22 Approved Budget	YTD (Mar) Obligations & Expenditures	FY22 Remaining Budget
1		Strategic Goal #1: Be Visited and Loved by All			
2	Total	Tunnel Tops, including Youth Campus	6,667	2,776	3,891
2A	Sponsored	<i>Funds raised by the Golden Gate National Parks Conservancy</i>	1,054	1,774	(721)
2B	Capital	<i>Presidio Trust funds</i>	1,570	984	586
2C	Sponsored	<i>California grant funds for Outpost Meadows</i>	4,043	17	4,025
3	Capital	Public access improvements	364	43	321
4	Total	Improvements to visitor sites		31	1,859
5		Subtotal - Strategic Goal #1: Be Visited and Loved by All	8,920	2,849	6,071
6		Strategic Goal #2: Be a Model of Environmental Stewardship			
7	Total	Restoration of Quartermaster Reach Marsh and connection to Crissy Field Marsh	126	39	87
8	Capital	Mountain Lake water overflow control project	1,371	24	1,347
9		Subtotal - Strategic Goal #2: Be a Model of Environmental Stewardship	1,497	64	1,434
10		Strategic Goal #3: Be a Model of Operational Excellence in Public Service			
11	Capital	East Mason rehabilitation for leasing	31,398	27,989	3,409
12	Capital	Relocation of Trust staff, tenant improvements and commissions of Buildings 103, 36, 1051, and 49	2,962	487	2,475
13	Total	Transportation-related projects	276	13	263
14	Capital	Gorgas warehouses rehabilitation for leasing	739	-	739
15	Total	Tenant and residential improvements	226	41	186
15	Capital	Other remediation sites > \$25K	225	32	193
16	Capital	Remediation site - Lendrum Court	114	9	105
17		Subtotal - Strategic Goal #3: Be a Model of Operational Excellence in Public Service	35,941	28,571	7,370
18		Foundational to All Our Work/Risk Mitigation			
19	Total	Park Reconstruction due to Doyle Drive	3,567	1,351	2,216
20	Sponsored	Funding of and Contracting for Building 643 Improvements	970	595	376
21		Subtotal - Foundational to All Our Work/Risk Mitigation	4,538	1,946	2,592
22	Capital	Capital Projects Pool	3,517		3,517
23		Total	54,413	33,430	20,983
24		Total - Trust Funded	47,689	31,001	16,688
25		Total - Sponsored	6,724	2,429	4,295