

# Presidio Trust

## Fiscal Year 2024 Preliminary Budget

### Summary of Revenue, Expenses and Reserves to Operate & Renew the Presidio (Obligation Basis)

Presented to the Board on September 28, 2023

		Obligation-Based			Fav/Unfav
		1	2	3	4
		Fiscal Year 2023 Budget	Preliminary Fiscal Year 2024 Budget	FY24 vs FY23 Change (2-1=3)	
				\$	%
<b>(Dollars in Thousands)</b>					
<b>BUSINESS PERFORMANCE</b>					
1	Business Revenue	129,994	139,645	9,650	7%
2	Expenses to Operate Businesses	(38,393)	(35,675)	2,718	-7%
3	Annual Reserve for Renewal of Buildings	(12,513)	(15,312)	(2,798)	22%
4	<b>Surplus/(Loss) to Operate &amp; Renew Businesses</b>	<b>79,088</b>	<b>88,658</b>	<b>9,570</b>	<b>12%</b>
<b>PARK PERFORMANCE</b>					
5	Revenue from Park Operations	24,309	27,082	2,774	11%
6	Expenses to Operate & Renew the Park <sup>1</sup>	(56,348)	(62,353)	(6,006)	11%
7	Annual Reserve for Renewal of Utilities & Infrastructure	(9,005)	(11,018)	(2,014)	22%
8	Annual Reserve for Renewal of Land, Forest & Other Park Assets	(9,469)	(11,586)	(2,117)	22%
9	<b>Surplus/(Loss) to Operate &amp; Renew the Park</b>	<b>(50,513)</b>	<b>(57,876)</b>	<b>(7,363)</b>	<b>15%</b>
<b>AGENCY OTHER INCOME / EXPENSE</b>					
10	<b>Surplus/(Loss) from Other Income/Expense<sup>1</sup></b>	<b>(31,941)</b>	<b>(30,313)</b>	<b>1,627</b>	<b>-5%</b>
<b>SUMMARY OF AGENCY PERFORMANCE</b>					
11	Surplus/(Loss) From Businesses	79,088	88,658	9,570	12%
12	Surplus/(Loss) from the Park	(50,513)	(57,876)	(7,363)	15%
13	Surplus/(Loss) from Agency Other Income/Expense	(31,941)	(30,313)	1,627	-5%
14	<b>Surplus/(Loss) from Agency Operating Activities</b>	<b>(3,366)</b>	<b>469</b>	<b>3,834</b>	<b>-114%</b>
<b>Summary Information</b>					
Total Operating Revenue		160,984	174,171	13,187	8%
Total Operating Expenses (excludes reserves)		(128,955)	(132,149)	(3,194)	2%
Surplus/(Loss) before Projects		32,029	42,023	9,993	31%

# Presidio Trust

## Fiscal Year 2024 Preliminary Budget

### Detailed Statement of Revenue, Expenses and Project Costs (Obligation Basis)

Presented to the Board on September 28, 2023

			Obligation-Based			Fav/Unfav
			1	2	3	4
			Fiscal Year 2023 Budget	Preliminary Fiscal Year 2024 Budget	FY24 vs FY23 Change (2-1=3)	
\$	%					
<b>(Dollars in Thousands)</b>						
Business Division	1A	Residential Revenue	65,062	67,074	2,012	3%
	1B	Commercial Revenue	43,140	49,501	6,361	15%
	1C	Hospitality Revenue	21,792	23,070	1,277	6%
	1	Total Business Revenue	129,994	139,645	9,650	7%
	2	Less: Business Division Operating Expenses	(28,082)	(29,074)	(991)	4%
	3	Less: Building Stewardship Expenses related to Business Division Operations	(10,311)	(6,602)	3,709	-36%
4	<b>Business Division Net Operating Income (NOI)</b>	<b>91,601</b>	<b>103,969</b>	<b>12,368</b>	<b>14%</b>	
Other Divisions	5	Park Revenue (service district charges, utilities, parking, special events, permits)	24,309	27,082	2,774	11%
	6	Less: Park Division Expenses	(36,343)	(38,372)	(2,029)	6%
	7	Less: Trust Administrative Expenses	(20,005)	(23,981)	(3,976)	20%
	8	<b>Other Divisions NOI</b>	<b>(32,039)</b>	<b>(35,271)</b>	<b>(3,232)</b>	<b>10%</b>
Agency Activities	9	Interest Revenue Earned on Investments and Treasury Debt Notes	6,681	7,159	478	7%
	10	Sponsorship Revenue	0	285	285	-
	11	Less: Debt Service	(5,132)	(5,123)	9	0%
	12	Less: Workers Comp and Lump Sum Payments	(1,630)	(1,815)	(185)	11%
	13	Less: Public Safety Contracts	(12,055)	(10,144)	1,911	-16%
	14	Less: Purchased Utilities	(9,697)	(8,839)	858	-9%
	15	Less: Insurance	(2,200)	(3,000)	(800)	36%
	16	Less: Contingency for Unexpected Events	(3,500)	(5,200)	(1,700)	49%
17	<b>Trust NOI After Agency Other Income/Expense</b>	<b>32,029</b>	<b>42,023</b>	<b>9,993</b>	<b>31%</b>	

# Presidio Trust

## Fiscal Year 2024 Preliminary Budget

### Detailed Statement of Revenue, Expenses and Project Costs (Obligation Basis)

Presented to the Board on September 28, 2023

		Obligation-Based				Fav/Unfav
		1	2	3	4	
		Fiscal Year 2023 Budget	Preliminary Fiscal Year 2024 Budget	FY24 vs FY23 Change (2-1=3)		
				\$	%	
(Dollars in Thousands)						
Agency Activities	18A	Technology and Operational Improvement Reserve	(3,089)	(3,483)	(395)	13%
	18B	Renewal Reserve for Buildings	(12,513)	(15,312)	(2,798)	22%
	18C	Renewal Reserve for Utilities & Other Infrastructure	(9,005)	(11,018)	(2,014)	22%
	18D	Renewal Reserve for Land, Forest & Other Park Assets	(9,469)	(11,586)	(2,117)	22%
	18E	Less: Change to Operating Reserve	(1,319)	(154)	1,165	-88%
	18	Total Allocation to Reserves	(35,395)	(41,554)	(6,159)	17%
	19	<b>Net Results After Annual Reserves</b>	<b>(3,366)</b>	<b>469</b>	<b>3,834</b>	<b>-114%</b>
	20A	Federal Appropriations	226,283	6,183	(220,100)	-97%
	20B	Grants	0	0	0	N/A
	20C	Loans	90,000	0	(90,000)	-100%
	20	External Funding Sources	316,283	6,183	(310,100)	-98%
	21	<b>Net Results After External Funding Sources</b>	<b>312,917</b>	<b>6,652</b>	<b>(306,266)</b>	<b>-98%</b>
	22	Technology and Operational Improvement Projects	0	(3,483)	(3,483)	N/A
	23	Renewal Projects	(105,292)	(141,994)	(36,702)	35%
	24	Capital Improvement Projects	(63,358)	(61,476)	1,882	-3%
	25	<b>Total TOI/Renewal/Capital Improvement Projects</b>	<b>(168,650)</b>	<b>(206,954)</b>	<b>(38,304)</b>	<b>23%</b>
	26	Reserve Add-Back	30,987	41,554	10,567	34%
	27	<b>Trust Net Results</b>	<b>175,254</b>	<b>(158,748)</b>	<b>(334,002)</b>	<b>-191%</b>
	28	Carryforward (savings from prior years)	173,315	394,695	221,380	128%
29	<b>Trust Net Results after Carryforward</b>	<b>348,569</b>	<b>235,947</b>	<b>(112,622)</b>	<b>-32%</b>	

# Presidio Trust

## Fiscal Year 2024 Preliminary Budget

### Budget Authority Balances and Uses (obligation-based)

Presented to the Board on September 28, 2023

(Dollars in Thousands)		Fiscal Year 2024			Fiscal Year 2025
	Trust-Funded Reserves	Forecasted Beginning Amount	Addition During the Year	Budgeted Use During the Year	Beginning Amount
1	Renewal Reserve <sup>1</sup>	29,288	37,917	(32,431)	44,246
2	Technology and Operational Improvement Reserve <sup>2</sup>	0	3,483	(3,483)	0
3	Operating Reserve <sup>3</sup>	32,883	154	0	33,037
4	<b>Trust-Funded Reserves Total</b>	<b>62,171</b>	<b>41,554</b>	<b>(35,914)</b>	<b>77,283</b>
	Restricted Funds <sup>4</sup>	Forecasted Beginning Amount	Addition During the Year	Budgeted Use During the Year	Beginning Amount
5	\$200M Inflation Reduction Act Appropriation	129,867	0	(106,967)	22,900
6	Treasury Loans	126,700	0	(42,477)	84,223
7	Federal Highway Administration	0	6,183	(6,104)	79
8	Outpost Meadow Grant from State of California	4,944	0	(4,610)	334
9	<b>Restricted Funds</b>	<b>261,511</b>	<b>6,183</b>	<b>(160,158)</b>	<b>107,536</b>
10	<b>Unrestricted Funds for Future Projects <sup>5</sup></b>	<b>71,013</b>	<b>0</b>	<b>(19,886)</b>	<b>51,128</b>
11	<b>Total Trust Budget Authority</b>	<b>394,695</b>	<b>47,737</b>	<b>(215,957)</b>	<b>235,947</b>

1 Renewal is the replacement of an existing asset that is near or beyond its expected useful life with a similar or higher performing asset. Each year we allocate money from our operating income to the renewal reserve to maintain a stable funding stream for renewal projects which vary in size; this practice keeps the park from deteriorating. In FY24, we will contribute 2.4% of the current replacement value of Trust assets to the renewal reserves.

2 Technology and Operational Improvement projects are intended to enhance our operating efficiency. Per policy, beginning in FY24 each year we will reserve 2% of revenue towards Technology and Operational Improvement projects.

3 Per the Board reserve policy, we maintain 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. As our operating expenses increase or decrease, we add to or subtract from the operating reserve to maintain the three months minimum required.

4 External funds received that are approved for specific uses and/or projects.

5 Funds required for future renewal, capital improvement, and technology and operational improvement projects per the five year project plan.

# Presidio Trust

## Renewal Plan (Obligation Basis) FY 2023 through FY 2028

Presented to the Board on September 28, 2023

(Dollars in Thousands)

			(1) -	(2) =	(3) =	(4) +	(5) +	(6) +	(7) +	(8)
	Funding Source	Project	Total Project Budget	Obligations + Budget through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28
<b>1</b>		<b>Building Renewal</b>								
2	Trust	Capital turns and cyclic renewal	98,365	20,628	97,407	23,151	17,487	18,186	18,913	19,670
3	Trust	Hospitality renewal	2,228	867	1,361	1,361				
4	Trust	Other building renewal	888	402	485	272	213			
5	Trust / IRA Appropriation	Thornburgh Renewal	76,339	500	77,155	3,100	3,489	61,000	8,250	1,316
<b>6</b>		<b>Subtotal - Building Renewal</b>	<b>177,820</b>	<b>22,398</b>	<b>176,408</b>	<b>27,884</b>	<b>21,189</b>	<b>79,186</b>	<b>27,163</b>	<b>20,986</b>
<b>7</b>		<b>Utilities &amp; Other Infrastructure Renewal</b>								
8	Trust	Utilities studies and condition assessments	5,530	5,424	106		106			
9	Trust / IRA Appropriation	Electrical system renewal and upgrades	31,551	17,539	14,012	12,636	242	567	567	
10	IRA Appropriation	Overhead power undergrounding	77,707	19,427	58,280	58,280				
11	Trust / IRA Appropriation	Water, sewer, and storm systems renewal and upgrades	67,046	24,832	42,214	32,950			9,264	
12	IRA Appropriation	Storey Avenue drainage improvements	7,000	7,000						
<b>13</b>		<b>Subtotal - Utilities &amp; Other Infrastructure Renewal</b>	<b>188,833</b>	<b>74,222</b>	<b>114,612</b>	<b>103,867</b>	<b>347</b>	<b>567</b>	<b>9,831</b>	

# Presidio Trust

## Renewal Plan (Obligation Basis) FY 2023 through FY 2028

Presented to the Board on September 28, 2023

(Dollars in Thousands)

			(1) -	(2) =	(3) =	(4) +	(5) +	(6) +	(7) +	(8)
	Funding Source	Project	Total Project Budget	Obligations + Budget through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28
14		<b>Land, Forest &amp; Other Park Assets Renewal</b>								
15	Trust	Landscape renewal	13,999	431	13,569	2,999	3,170	3,700	3,700	
16	Trust	Forest renewal	4,908	2,813	2,095	458	807	415	415	
17	Trust	Other park assets renewal	2,231	741	1,490	852	120	418	100	
18	Trust / FHWA	Pavement and sidewalk renewal	27,829	18,384	9,445	1,701	4,604	1,249	1,892	
19	Trust / FHWA	Battery electric bus fleet conversion	6,583	1,042	6,492	3,636	6	1,900		950
20	Trust / FHWA	Other transportation renewal	1,816	693	1,123	597	526			
21		<b>Subtotal - Land, Forest &amp; Other Park Assets Renewal</b>	<b>57,367</b>	<b>24,103</b>	<b>34,214</b>	<b>10,243</b>	<b>9,232</b>	<b>7,682</b>	<b>6,107</b>	<b>950</b>
22		<b>Total Renewal</b>	<b>424,020</b>	<b>120,722</b>	<b>325,234</b>	<b>141,994</b>	<b>30,768</b>	<b>87,435</b>	<b>43,101</b>	<b>21,936</b>

# Presidio Trust

## Capital Improvement Plan (Obligation Basis)

FY 2023 through FY 2028

Presented to the Board on September 28, 2023

(Dollars in Thousands)

			(1) -	(2) =	(3) =	(4) +	(5) +	(6) +	(7) +	(8)
	Funding Source	Project	Total Project Budget	Obligations + Budget through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28
1		<b>Strategic Goal #1: Be Visited and Loved by All</b>								
2	Trust / Tunnel Tops	Tunnel Tops, including Youth Campus	120,976	124,325						
3	Outpost Meadow Grant / Trust	Presidio Improvement Projects: Outpost Meadow, Petlenuc Village, and other projects	26,225	21,281	4,944	4,610	297	37		
4	Trust / FHWA	Public access improvements	19,912	692	19,524	3,248	5,005	8,648	2,318	305
5	Trust / FHWA	Improvements to visitor sites	2,439	2,394	45		45			
6		<b>Subtotal - Strategic Goal #1: Be Visited and Loved by All</b>	<b>169,551</b>	<b>148,692</b>	<b>24,513</b>	<b>7,858</b>	<b>5,348</b>	<b>8,685</b>	<b>2,318</b>	<b>305</b>
7		<b>Strategic Goal #2: Be a Model of Environmental Stewardship</b>								
8	Trust	Remediation of Lendrum Court	7,761	7,761						
9	Trust	Other remediation sites > \$25K	165	165						
10	Trust / FHWA	Improvements to promote non-car methods of transportation to, from, and around the Presidio	7,899	1,711	6,188	6,188				
11	Solar Panels Grant	Solar panels	6,000		6,000		6,000			
12	Trust / FHWA	Installation of charging stations for battery electric buses	1,744	145	1,599	211	1,378	10		
13	Trust	Native plant restoration	1,969	966	1,003	467	536			
14		<b>Subtotal - Strategic Goal #2: Be a Model of Environmental Stewardship</b>	<b>25,538</b>	<b>10,748</b>	<b>14,790</b>	<b>6,866</b>	<b>7,914</b>	<b>10</b>		

# Presidio Trust

## Capital Improvement Plan (Obligation Basis)

FY 2023 through FY 2028

Presented to the Board on September 28, 2023

(Dollars in Thousands)

			(1) -	(2) =	(3) =	(4) +	(5) +	(6) +	(7) +	(8)
	Funding Source	Project	Total Project Budget	Obligations + Budget through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28
15		<b>Strategic Goal #3: Be a Model of Operational Excellence in Public Service</b>								
16	Trust / Treasury Loan	Rehabilitation of 1180 Crissy Field	39,105	34,940	4,164	4,044	120			
17	Trust / Treasury Loan	Rehabilitation of buildings 2, 40, and 102	40,975	4,050	36,925	34,825	2,028	72		
18	Trust / Treasury Loan	Rehabilitation of West Letterman	114,756	1,000	126,941	7,777	8,743	88,232	9,004	13,185
19	Trust / FHWA	Transportation-related projects	382		382	105	106	60	110	
20		<b>Subtotal - Strategic Goal #3: Be a Model of Operational Excellence in Public Service</b>	<b>195,217</b>	<b>39,990</b>	<b>168,412</b>	<b>46,752</b>	<b>10,997</b>	<b>88,364</b>	<b>9,114</b>	<b>13,185</b>
21		<b>Foundational to All Our Work/Risk Mitigation</b>								
22	NPS	Funding of and contracting for building 643 improvements	27,461	27,461						
23		<b>Subtotal - Foundational to All Our Work/Risk Mitigation</b>	<b>27,461</b>	<b>27,461</b>						
24		<b>Total Capital Improvements</b>	<b>417,767</b>	<b>226,891</b>	<b>207,715</b>	<b>61,476</b>	<b>24,259</b>	<b>97,059</b>	<b>11,432</b>	<b>13,490</b>
25		<b>Total Renewal and Capital Improvements</b>	<b>841,788</b>	<b>347,613</b>	<b>532,949</b>	<b>203,470</b>	<b>55,026</b>	<b>184,494</b>	<b>54,533</b>	<b>35,426</b>



# Presidio Trust

## Technology & Operational Improvement Plan (Obligation Basis) FY 2023 through FY 2028

Presented to the Board on September 28, 2023

(Dollars in Thousands)

			(1) -	(2) =	(3) =	(4) +	(5) +	(6) +	(7) +	(8)
	Funding Source	Project	Total Project Budget	Obligations + Budget through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28
1	Trust	Technology and operational improvement projects	18,754		18,754	3,483	3,547	3,742	3,891	4,047
2		<b>Total Technology and Operational Improvement</b>	<b>18,710</b>		<b>18,710</b>	<b>3,483</b>	<b>3,547</b>	<b>3,742</b>	<b>3,891</b>	<b>4,047</b>

# Presidio Trust

## Project Sources and Uses Summary

FY 2023 through FY 2028

Presented to the Board on September 28, 2023

(Dollars in Thousands)

Total Project Funding Sources and Uses Summary								
	Total Project Budget	Obligations + Budget through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28
<b>External Funds</b>								
\$200M Inflation Reduction Act appropriation	200,000	70,133	129,867	106,967	3,489	19,411		
Tunnel Tops grant from Conservancy	98,137	98,137						
Treasury loans in FY21, FY22, FY23	160,000	33,300	126,700	42,477	10,693	73,530		
Federal Highway Administration	34,888	16,588	18,300	6,104	7,082	5,114		
Outpost Meadow grant from State of California	26,125	21,181	4,944	4,610	297	37		
National Park Service funds	27,461	27,461						
\$3M solar grant from federal Department of Energy + matching dollars (source TBD)	6,000		6,000		6,000			
<b>Total External Funds for Projects</b>	<b>552,611</b>	<b>266,800</b>	<b>285,811</b>	<b>160,158</b>	<b>27,561</b>	<b>98,092</b>		
<b>Trust Funds for Projects</b>	<b>307,931</b>	<b>80,813</b>	<b>265,892</b>	<b>46,840</b>	<b>31,012</b>	<b>90,144</b>	<b>58,424</b>	<b>39,473</b>
<b>Total Renewal, Capital Improvement, and Technology &amp; Operational Improvement Projects</b>	<b>860,541</b>	<b>347,613</b>	<b>551,703</b>	<b>206,997</b>	<b>58,573</b>	<b>188,236</b>	<b>58,424</b>	<b>39,473</b>