

Presidio Trust

Fiscal Year 2024 Revised Budget

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

Presented to the Finance and Audit Committee on November 14, 2023

		Obligation-Based		Fav/Unfav	
		1	2	3	4
		Preliminary Fiscal Year 2024 Budget	Revised Fiscal Year 2024 Budget	Revised vs Preliminary Change (2-1=3)	
				\$	%
(Dollars in Thousands)					
BUSINESS PERFORMANCE					
1	Business Revenue	139,645	139,645	0	0%
2	Expenses to Operate Businesses	(35,675)	(35,675)	0	0%
3	Annual Reserve for Renewal of Buildings	(15,312)	(15,312)	0	0%
4	Surplus/(Loss) to Operate & Renew Businesses	88,658	88,658	0	0%
PARK PERFORMANCE					
5	Revenue from Park Operations	27,082	27,082	0	0%
6	Expenses to Operate & Renew the Park ¹	(62,353)	(62,457)	(104)	0%
7	Annual Reserve for Renewal of Utilities & Infrastructure	(11,018)	(11,018)	0	0%
8	Annual Reserve for Renewal of Land, Forest & Other Park Assets	(11,586)	(11,586)	0	0%
9	Surplus/(Loss) to Operate & Renew the Park	(57,876)	(57,980)	(104)	0%
AGENCY OTHER INCOME / EXPENSE					
10	Surplus/(Loss) from Other Income/Expense¹	(30,313)	(30,339)	(26)	0%
SUMMARY OF AGENCY PERFORMANCE					
11	Surplus/(Loss) From Businesses	88,658	88,658	0	0%
12	Surplus/(Loss) from the Park	(57,876)	(57,980)	(104)	0%
13	Surplus/(Loss) from Agency Other Income/Expense	(30,313)	(30,339)	(26)	0%
14	Surplus/(Loss) from Agency Operating Activities	469	339	(130)	-28%
Summary Information					
	Total Operating Revenue	174,171	174,171	0	0%
	Total Operating Expenses (excludes reserves)	(132,149)	(132,253)	(104)	0%
	Surplus/(Loss) before Projects	42,023	41,919	(104)	0%

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Fiscal Year 2024 Revised Budget

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

Presented to the Finance and Audit Committee on November 14, 2023

			Obligation-Based			Fav/Unfav
			1	2	3	4
			Preliminary Fiscal Year 2024 Budget	Revised Fiscal Year 2024 Budget	Revised vs Preliminary Change (2 - 1 = 3)	
(Dollars in Thousands)			\$	%		
Business Division	1A	Residential Revenue	67,074	67,074	0	0%
	1B	Commercial Revenue	49,501	49,501	0	0%
	1C	Hospitality Revenue	23,070	23,070	0	0%
	1	Total Business Revenue	139,645	139,645	0	0%
Business Division	2	Less: Business Division Operating Expenses	(29,074)	(29,074)	0	0%
	3	Less: Building Stewardship Expenses related to Business Division Operations	(6,602)	(6,602)	0	0%
	4	Business Division Net Operating Income (NOI)	103,969	103,969	0	0%
	Other Divisions	5	Park Revenue (service district charges, utilities, parking, special events, permits)	27,082	27,082	0
6		Less: Park Division Expenses	(38,372)	(38,372)	0	0%
7		Less: Trust Administrative Expenses	(23,981)	(24,085)	(104)	0%
8		Other Divisions NOI	(35,271)	(35,375)	(104)	0%
Agency Activities	9	Interest Revenue Earned on Investments and Treasury Debt Notes	7,159	7,159	0	0%
	10	Sponsorship Revenue	285	285	0	-
	11	Less: Debt Service	(5,123)	(5,123)	0	0%
	12	Less: Workers Comp and Lump Sum Payments	(1,815)	(1,815)	0	0%
	13	Less: Public Safety Contracts	(10,144)	(10,144)	0	0%
	14	Less: Purchased Utilities	(8,839)	(8,839)	0	0%
	15	Less: Insurance	(3,000)	(3,000)	0	0%
	16	Less: Contingency for Unexpected Events	(5,200)	(5,200)	0	0%
17	Trust NOI After Agency Other Income/Expense	42,023	41,919	(104)	0%	

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(Dollars in Thousands)		Obligation-Based			Fav/Unfav
		1	2	3	4
		Preliminary Fiscal Year 2024 Budget	Revised Fiscal Year 2024 Budget	Revised vs Preliminary Change (2 - 1 = 3)	
				\$	%
18A	Technology and Operational Improvement Reserve	(3,483)	(3,483)	0	0%
18B	Renewal Reserve for Buildings	(15,312)	(15,312)	0	0%
18C	Renewal Reserve for Utilities & Other Infrastructure	(11,018)	(11,018)	0	0%
18D	Renewal Reserve for Land, Forest & Other Park Assets	(11,586)	(11,586)	0	0%
18E	Less: Change to Operating Reserve	(154)	(180)	(26)	17%
18	Total Allocation to Reserves	(41,554)	(41,580)	(26)	0%
19	Net Results After Annual Reserves	469	339	(130)	-28%
20A	Federal Appropriations	6,183	6,183	0	0%
20B	Grants	0	0	0	N/A
20C	Loans	0	0	0	N/A
20	External Funding Sources	6,183	6,183	0	0%
21	Net Results After External Funding Sources	6,652	6,522	(130)	-2%
22	Technology and Operational Improvement Projects	(3,483)	(4,064)	(580)	17%
23	Renewal Projects	(141,994)	(222,479)	(80,484)	57%
24	Capital Improvement Projects	(61,476)	(85,840)	(24,364)	40%
25	Total TOI/Renewal/Capital Improvement Projects	(206,954)	(312,382)	(105,429)	51%
26	Reserve Add-Back	41,554	41,580	26	0%
27	Trust Net Results	(158,748)	(264,281)	(105,533)	66%
28	Carryforward (savings from prior years)	394,695	471,314	76,619	19%
29	Recoveries of Prior Years' Obligations	350	350	0	0%
30	Trust Net Results after Carryforward	236,297	207,384	(28,913)	-12%

Agency Activities

Presidio Trust

Fiscal Year 2024 Revised Budget

Budget Authority Balances and Uses (obligation-based)

Presented to the Finance and Audit Committee on November 14, 2023

(Dollars in Thousands)

		Fiscal Year 2024			Fiscal Year 2025
		Beginning Amount	Addition During the Year	Budgeted Use During the Year	Beginning Amount
Trust-Funded Reserves					
1	Renewal Reserve ¹	28,223	37,917	(32,431)	33,709
1A	<i>Buildings</i>	(942)	15,312	(24,784)	(10,414)
1B	<i>Utilities & Other Infrastructure</i>	12,915	11,018	0	23,933
1C	<i>Land, Forest, and Other Park Assets</i>	16,250	11,586	(7,647)	20,190
2	Technology and Operational Improvement Reserve ²	580	3,483	(4,064)	0
3	Operating Reserve ³	32,883	180	0	33,063
4	Trust-Funded Reserves Total	61,687	41,580	(36,495)	66,772
Restricted Funds ⁴					
5	\$200M Inflation Reduction Act Appropriation	191,692	0	(168,792)	22,900
6	Treasury Loans	128,435	0	(44,212)	84,223
7	Federal Highway Administration	12,584	6,183	(18,413)	354
8	Outpost Meadow Grant from State of California	22,466	0	(22,132)	334
9	Sponsored Funds for Specific Maintenance Activities	705	0	(150)	555
10	Restricted Funds	355,882	6,183	(253,698)	108,367
11	Unrestricted Funds for Future Projects ⁵	53,746	0	(21,501)	32,245
12	Total Trust Budget Authority	471,314	47,763	(311,694)	207,384

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.

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 2024 through FY 2028

Presented to the Finance and Audit Committee on November 14, 2023

(Dollars in Thousands)

			(1)	(2) -	(3) =	(4) =	(5) +	(6) +	(7) +	(8) +	(9)	(10)
	Funding Source	Project	Sep 2023 Approved Project Budget	Nov 2023 Revised Project Budget	Obligations through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28	Nov vs Sept Project Budget 2 - 1 = 10
1		Building Renewal										
2	Trust	Capital turns and cyclic renewal	98,365	97,407		97,407	23,151	17,487	18,186	18,913	19,670	(958)
3	Trust	Hospitality renewal	2,228	2,228	40	2,188	2,188					
4	Trust	Other building renewal	888	888	402	485	272	213				
5	Trust / IRA Appropriation	Thornburgh Renewal	76,339	77,655		77,655	3,600	3,489	61,000	8,250	1,316	1,316
6		Subtotal - Building Renewal	177,820	178,178	442	177,736	29,211	21,189	79,186	27,163	20,986	358
7		Utilities & Other Infrastructure Renewal										
8	Total	Electric System	110,329	110,865	4,019	106,846	105,470	242	567	567		536
9	Trust / IRA Appropriation	Electrical system renewal and upgrades	29,882	21,630	3,809	17,821	16,445	242	567	567		(8,253)
10	IRA Appropriation	Overhead power undergrounding	80,447	89,235	210	89,025	89,025					8,788
11	Total	Wet Utilities System	73,695	72,800	3,482	69,317	60,054			9,264		(895)
11	Trust / IRA Appropriation	Water, sewer, and storm systems renewal and upgrades	66,695	65,800	2,962	62,838	53,574			9,264		(895)
12	IRA Appropriation	Storey Avenue drainage improvements	7,000	7,000	520	6,480	6,480					
13	Trust / IRA Appropriation	Utilities studies and condition assessments	4,809	5,141	3,250	1,890	1,785	106				332
14		Subtotal - Utilities & Other Infrastructure Renewal	188,833	188,806	10,752	178,054	167,309	347	567	9,831	0	(28)
15		Land, Forest & Other Park Assets Renewal										
16	Trust	Landscape renewal	13,999	14,039	445	13,594	3,069	3,125	3,700	3,700		40
17	Trust	Forest renewal	4,903	4,431	1,618	2,813	1,176	807	415	415		(472)
18	Trust	Other park assets renewal	2,231	2,231	741	1,490	852	120	418	100		
19	Trust / FHWA	Pavement and sidewalk renewal	27,829	27,840	3,193	24,646	15,447	6,059	1,249	1,892		11
20	Trust / FHWA	Battery electric bus fleet conversion	6,583	6,728	73	6,656	4,750	6	1,900			145
21	Trust / FHWA	Other transportation renewal	1,816	1,816	607	1,209	665	544				
22		Subtotal - Land, Forest & Other Park Assets Renewal	57,362	57,085	6,678	50,407	25,959	10,660	7,682	6,107	0	(277)
23		Total Renewal	424,015	424,069	17,872	406,196	222,479	32,196	87,435	43,101	20,986	54

Presidio Trust

Capital Improvement Plan (Obligation Basis)

FY 2024 through FY 2028

Presented to the Finance and Audit Committee on November 14, 2023

(Dollars in Thousands)

			(1)	(2) -	(3) =	(4) =	(5) +	(6) +	(7) +	(8) +	(9)	(10)
	Funding Source	Project	Sep 2023 Approved Project Budget	Nov 2023 Revised Project Budget	Obligations through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28	Nov vs Sept Project Budget 2 - 1 = 10
1		Strategic Goal #1: Be Visited and Loved by All										
2	Trust / Tunnel Tops	Tunnel Tops, including Youth Campus	120,976	124,656	124,341	316	316					3,681
3	Outpost Meadow Grant / Trust	Presidio Improvement Projects: Outpost Meadow, Petlenuc Village, and other projects	26,225	26,225	3,750	22,475	22,141	297	37			
4	Trust / FHWA	Public access improvements	19,918	20,929	555	20,374	4,022	5,082	8,648	2,318	305	1,011
5	Trust / FHWA	Improvements to visitor sites	2,439	2,439	712	1,727	1,681	45				
6		Subtotal - Strategic Goal #1: Be Visited and Loved by All	169,557	174,249	129,358	44,891	28,160	5,424	8,685	2,318	305	4,692
7		Strategic Goal #2: Be a Model of Environmental Stewardship										
8	Trust	Restoration of Quartermaster Reach Marsh and connection to Crissy Field Marsh	23,047	22,677	22,625	52	52					(370)
9	Trust	Remediation of Lendrum Court	7,761	7,761	7,689	72	72					
10	Trust	Other remediation sites > \$25K	165	165		165	165					
11	Trust	Mountain Lake water overflow control	4,295	3,045	2,962	83	83					(1,250)
12	Trust / FHWA	Improvements to promote non-car methods of transportation to, from, and around the Presidio	7,893	7,893	1,485	6,408	6,408					
13	Solar Panels Grant	Solar panels	6,000	6,000		6,000		6,000				
14	Trust / FHWA	Installation of charging stations for battery electric buses	1,744	1,599		1,599	211	1,378	10			(145)
15	Trust	Native plant restoration	1,969	1,969	211	1,758	1,222	536				
16		Subtotal - Strategic Goal #2: Be a Model of Environmental Stewardship	52,874	51,109	34,971	16,138	8,214	7,914	10			(1,765)

Presidio Trust

Capital Improvement Plan (Obligation Basis)

FY 2024 through FY 2028

Presented to the Finance and Audit Committee on November 14, 2023

(Dollars in Thousands)

			(1)	(2) -	(3) =	(4) =	(5) +	(6) +	(7) +	(8) +	(9)	(10)
	Funding Source	Project	Sep 2023 Approved Project Budget	Nov 2023 Revised Project Budget	Obligations through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28	Nov vs Sept Project Budget 2 - 1 = 10
17		Strategic Goal #3: Be a Model of Operational Excellence in Public Service										
18	Trust / Treasury Loan	1180 Crissy Field rehabilitation for leasing	39,105	39,105	33,486	5,619	5,499	120				
19	Trust / Treasury Loan	Rehabilitation of buildings 2, 40, and 102	40,975	40,975	4,066	36,909	34,809	2,050	50			
20	Trust / Treasury Loan	Rehabilitation of West Letterman	127,941	133,941	822	133,119	7,955	12,213	90,762	9,004	13,185	6,000
21	Trust	Gorgas warehouses rehabilitation for leasing	15,103	15,103	14,538	565	565					
22	Trust	Other building improvements > \$25K	161	161	7	154	154					
23	Trust / FHWA	Transportation-related projects	382	382		382	105	106	60	110		
24		Subtotal - Strategic Goal #3: Be a Model of Operational Excellence in Public Service	223,667	229,667	52,920	176,747	49,086	14,489	90,872	9,114	13,185	6,000
25		Foundational to All Our Work/Risk Mitigation										
26	NPS	Funding of and contracting for building 643 improvements	27,461	28,749	28,392	357	357					1,288
27	Trust Funded	Park reconstruction due to Doyle Drive	41,333	40,515	40,493	22	22					(818)
28		Subtotal - Foundational to All Our Work/Risk Mitigation	68,794	69,264	68,885	379	379	0	0	0	0	471
29		Total Capital Improvements	514,892	524,290	286,134	238,156	85,840	27,827	99,567	11,432	13,490	9,397
30		Total Renewal and Capital Improvements	938,908	948,358	304,006	644,352	308,319	60,023	187,002	54,533	34,476	9,451

Presidio Trust

Technology & Operational Improvement Plan (Obligation Basis) FY 2024 through FY 2028

Presented to the Finance and Audit Committee on November 14, 2023

(Dollars in Thousands)

			(1)	(2) -	(3) =	(4) =	(5) +	(6) +	(7) +	(8) +	(9)	(10)
	Funding Source	Project	Sep 2023 Approved Project Budget	Nov 2023 Revised Project Budget	Obligations through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28	Nov vs Sept Project Budget 2 - 1 = 10
1	Trust	Technology and operational improvement projects	18,754	19,290		19,290	4,064	3,547	3,742	3,891	4,047	537
2		Total Technology and Operational Improvement	18,754	19,290		19,290	4,064	3,547	3,742	3,891	4,047	537

Presidio Trust

Project Sources and Uses Summary FY 2024 through FY 2028

Presented to the Finance and Audit Committee on November 14, 2023

(Dollars in Thousands)

Total Project Funding Sources and Uses Summary										
	Sep 2023 Approved Project Budget	Nov 2023 Revised Project Budget	Obligations through FY23	FY24-28 Project Budget	FY24	FY25	FY26	FY27	FY28	Nov vs Sept Project Budget 2 - 1 = 10
External Funds										
\$200M Inflation Reduction Act appropriation	200,000	200,000	8,308	191,692	168,792	3,489	19,411	0	0	
Tunnel Tops fundraising campaign	98,137	98,389	98,361	316	316					253
Treasury loans	160,000	160,000	31,565	128,435	44,212	10,693	73,530			
Federal Highway Administration	34,888	34,899	2,835	32,064	18,413	8,537	5,114			11
Outpost Meadow grant	26,125	26,125	3,659	22,466	22,132	297	37			
National Park Service	27,461	28,749	28,392	357	357					1,288
Solar panels matching grant	6,000	6,000		6,000		6,000				
Total External Funding for Projects	552,611	554,162	173,120	381,329	254,221	29,016	98,092			1,551
Trust Funds	405,051	413,487	130,886	282,314	58,161	34,553	92,652	58,424	38,523	8,436
Total Renewal, Capital Improvement, and Technology & Operational Improvement Projects	957,661	967,649	304,006	663,643	312,382	63,570	190,744	58,424	38,523	9,988