

The Presidio Trust

Summary Charts

FY 2022 Year-to-Date thru December

Presented to the Board on March 24, 2022

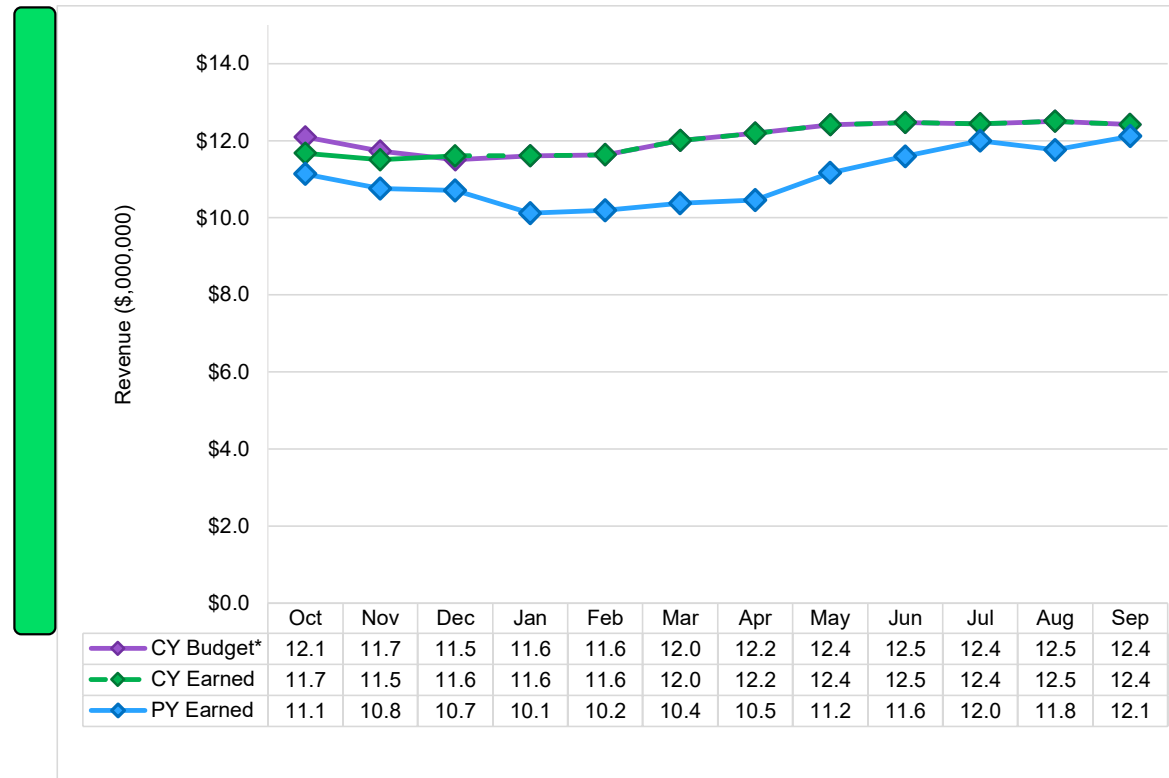
*Budget = approved by the Board in September 2021

PY = Prior Year
CY = Current Year

On Target
Possible Concern
Concern

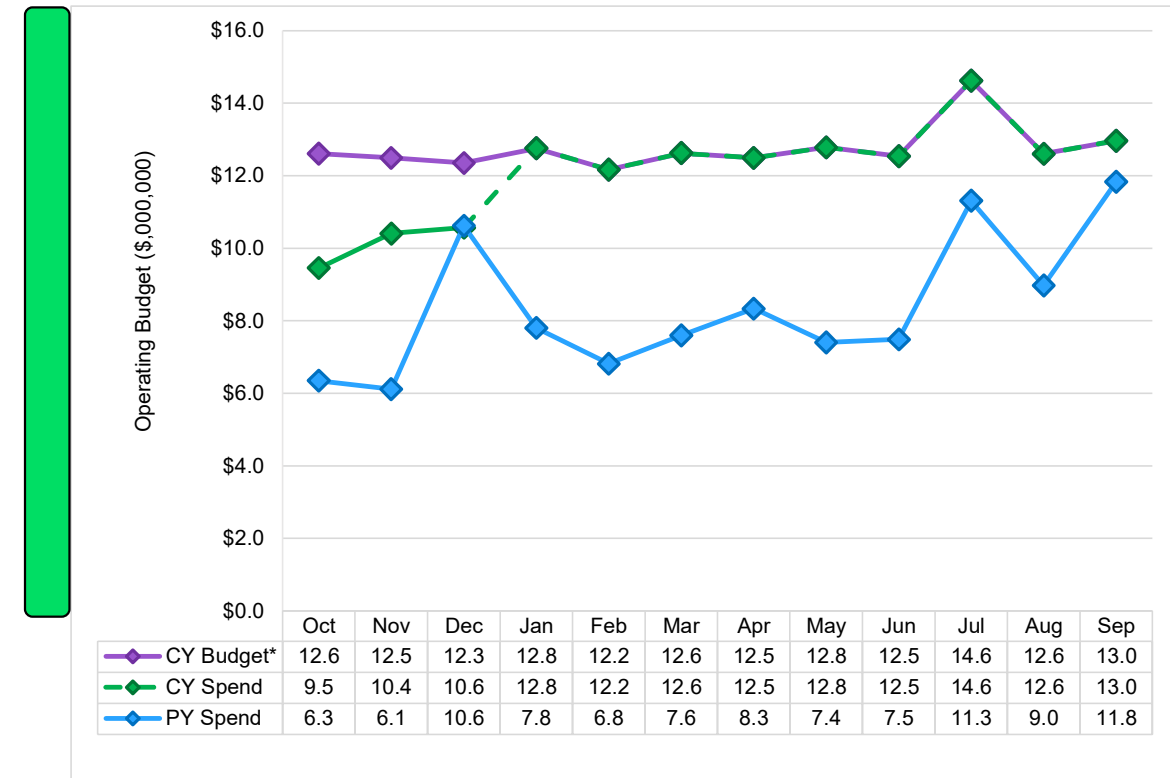
Revenue

Month: ↑0.9% | \$11.6M | B \$11.5M YTD: ↓1.5% | \$34.8M | B \$35.3M



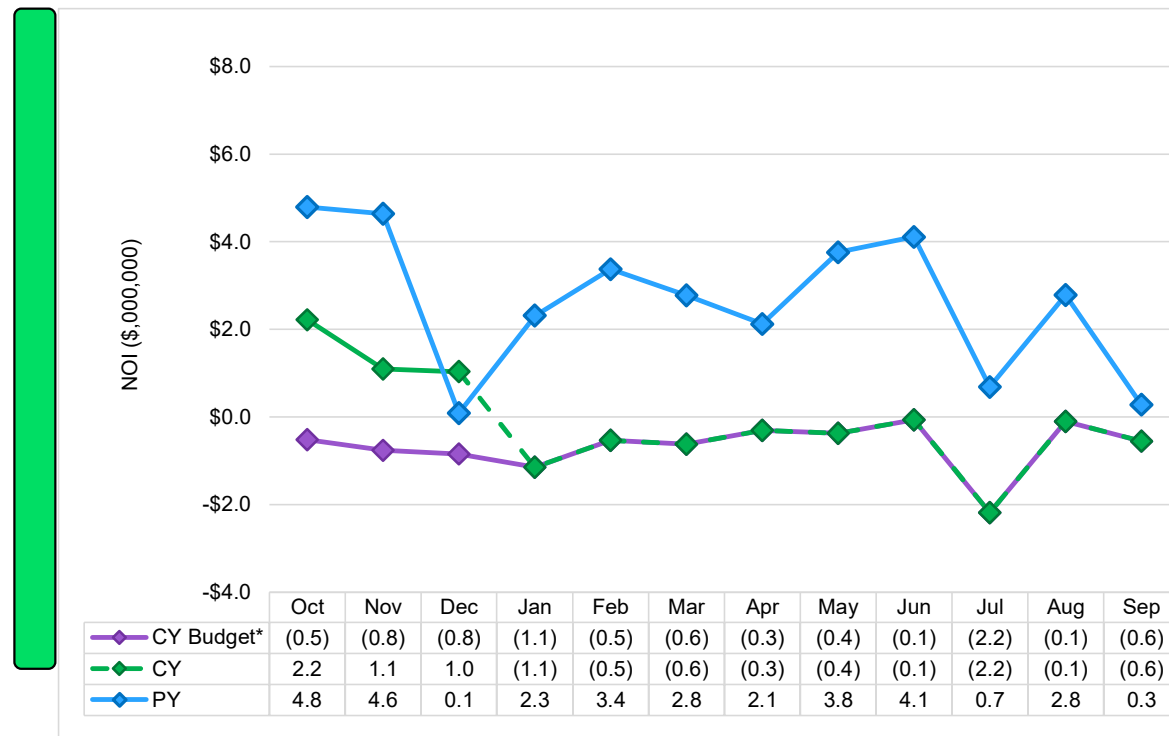
Operating Expenses (Spend, not Obligations; includes renewal reserves)

Month: ↓13.0% | \$10.6M | B \$12.3M YTD: ↓17.8% | \$30.5M | B \$37.4M



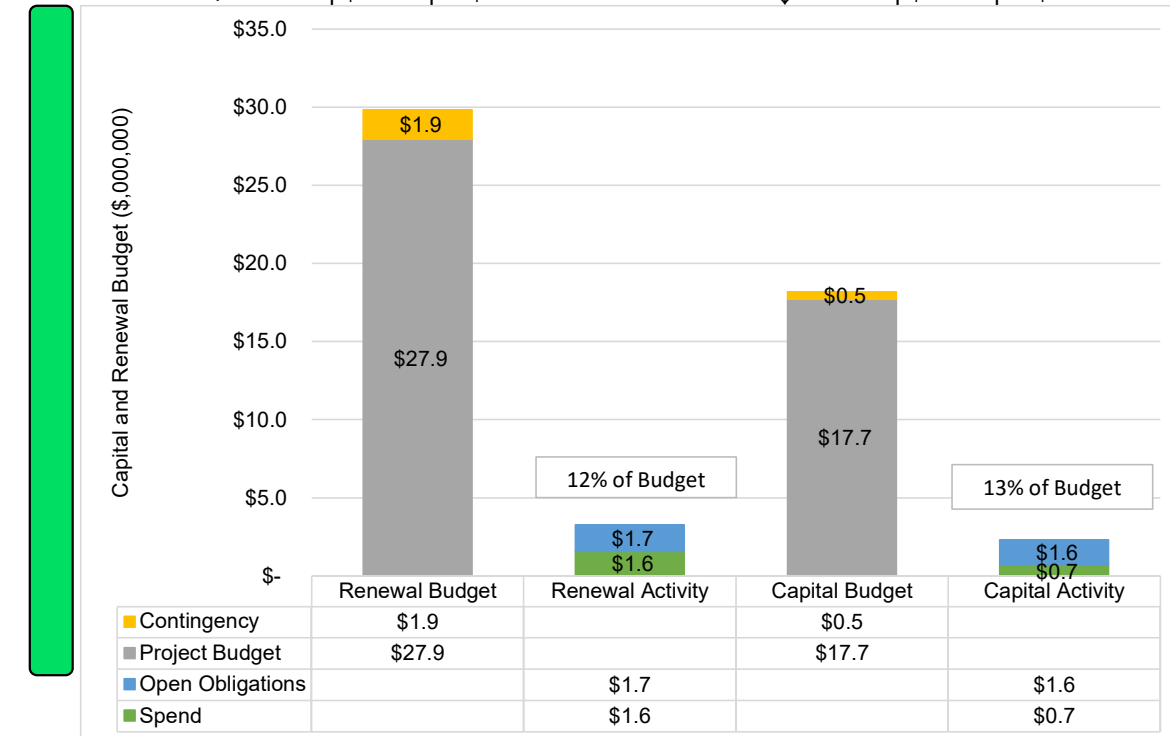
Net Income (NI) After Renewal Reserves

Month: ↑201.7% | \$1.0M | B (\$0.8M) YTD: ↑288.2% | \$4.3M | B (\$2.1M)



Capital and Renewal Expenses

Month: ↓618.2% | \$0.6M | B \$4.0M YTD: ↓423.7% | \$2.3M | B \$12.0M



Presidio Trust

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

FY 2022 Year-to-Date thru December

Presented to the Board on March 24, 2022

		1	2	3	4 5		6 7		8
		Year-to-Date Actuals through December (Spend-Based)	Year-to-Date Actuals through December (Obligation-Based)	Year-to-Date Budget through December	Year-to-Date through December (Spend-Based) Variance to Budget		Year-to-Date through December (Obligation-Based) Variance to Budget		Fiscal Year 2022 Approved Budget
					\$	%	\$	%	
BUSINESS PERFORMANCE									
1	Business Revenue	28,962	28,962	29,459	(497)	-2%	(497)	-2%	121,306
2	Expenses to Operate Businesses	(8,429)	(16,032)	(10,508)	2,079	-20%	(5,525)	53%	(42,564)
3	Annual Reserve for Renewal of Buildings	(3,008)	(3,008)	(3,008)	0	0%	0	0%	(12,032)
4	Surplus/Loss to Operate & Renew Businesses	17,525	9,921	15,943	1,582	10%	(6,022)	-38%	66,710
PARK PERFORMANCE									
5	Revenue from Park Operations	5,818	5,818	5,860	(42)	-1%	(42)	-1%	23,678
6	Expenses to Operate & Renew the Park	(14,384)	(17,526)	(18,113)	3,728	-21%	587	-3%	(72,837)
7	Annual Reserve for Renewal of Utilities & Infrastructure	(2,165)	(2,165)	(2,165)	0	0%	0	0%	(8,658)
8	Annual Reserve for Renewal of Land, Forest & Other Park Assets	(2,276)	(2,276)	(2,276)	0	0%	0	0%	(9,105)
9	Surplus/Loss to Operate & Renew the Park	(13,007)	(16,148)	(16,693)	3,686	-22%	545	-3%	(66,922)
SUMMARY OF AGENCY PERFORMANCE									
10	Surplus/Loss From Businesses	17,525	9,921	15,943	1,582	10%	(6,022)	-38%	66,710
11	Surplus/Loss from the Park	(13,007)	(16,148)	(16,693)	3,686	-22%	545	-3%	(66,922)
12	Contingency for Unexpected Events	0	0	(1,375)	1,375	-100%	1,375	-100%	(5,500)
13	Surplus/Loss from Businesses + Park	4,518	(6,227)	(2,125)	6,643	-313%	(4,102)	193%	(5,713)
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	4,518	(6,227)	71,825	(67,307)	-94%	(78,052)	-109%	65,905

Summary Information									
Total Operating Revenue		34,780	34,780	35,319	(539)	-2%	(539)	-2%	142,497
Total Operating Expenses (excludes the renewal reserves)		(22,813)	(33,558)	(29,996)	7,182	-24%	(3,563)	12%	(120,746)
Surplus/Loss without renewal reserve & capital improvement projects		11,967	1,222	5,324	6,643	125%	(4,102)	-77%	21,751

Presidio Trust

Detailed Statement of Revenue, Expenses and Project Costs

FY 2022 Year-to-Date thru December

Presented to the Board on March 24, 2022

		1	2	3	4	5	6	7	8	
		Year-to-Date Actuals through December (Spend-Based)	Year-to-Date Actuals through December (Obligation-Based)	Year-to-Date Budget through December	Year to Date through December (Spend-Based) Variance to Budget		Year to Date through December (Obligation-Based) Variance to Budget		Fiscal Year 2022 Approved Budget	
					\$	%	\$	%		
Business Division	1A	Residential Revenue	15,355	15,355	15,171	184	1%	184	1%	61,310
	1B	Commercial Revenue	8,891	8,891	9,966	(1,075)	-11%	(1,075)	-11%	41,376
	1C	Hospitality Revenue	4,716	4,716	4,322	394	9%	394	9%	18,619
	1	Total Business Revenue	28,962	28,962	29,459	(497)	-2%	(497)	-2%	121,306
	2	Less: Business Division Operating Expenses	(5,196)	(11,096)	(6,169)	973	-16%	(4,927)	80%	(25,174)
3	Less: Land & Building Stewardship Expenses related to Business Division Operations	(1,605)	(2,799)	(2,302)	698	-30%	(497)	22%	(9,209)	
4	Less: Portion of Administrative Expenses (30%)	(1,239)	(1,748)	(1,476)	237	-16%	(272)	18%	(6,638)	
5	Business Division Net Operating Income (NOI)	20,922	13,318	19,512	1,410	7%	(6,193)	-32%	80,284	
Other Divisions	6A	Land & Building Stewardship Revenue (Utilities, SDC)	4,309	4,309	4,543	(234)	-5%	(234)	-5%	18,170
	6B	Park Revenue (e.g. Parking, Special Park Uses)	971	971	695	276	40%	276	40%	3,021
	6	Other Revenue (service district charges, utilities, parking, special events, permits)	5,279	5,279	5,237	42	1%	42	1%	21,191
	7	Less: Land & Building Stewardship Operating Expenses	(8,044)	(8,703)	(10,035)	1,991	-20%	1,332	-13%	(39,592)
	8	Less: Park Development & Visitor Engagement Operating Expenses	(2,541)	(3,836)	(3,326)	785	-24%	(510)	15%	(14,157)
	9	Less: Portion of Administrative Expenses (70%)	(2,892)	(4,079)	(3,444)	552	-16%	(635)	18%	(15,490)
10	Other Divisions NOI	(8,198)	(11,339)	(11,567)	3,370	-29%	228	-2%	(48,047)	
11	Less: Business & Operations Improvement Projects Pool	0	0	(583)	583	-100%	583	-100%	(2,332)	
12	Trust NOI Before Renewal Reserve	12,724	1,979	7,361	5,362	73%	(5,382)	-73%	29,905	
13B	Renewal Reserve for Utilities & Other Infrastructure	(2,165)	(2,165)	(2,165)	0	0%	0	0%	(8,658)	
13A	Renewal Reserve for Buildings	(3,008)	(3,008)	(3,008)	0	0%	0	0%	(12,032)	
13C	Renewal Reserve for Land, Forest & Other Park Assets	(2,276)	(2,276)	(2,276)	0	0%	0	0%	(9,105)	
13	Total Allocation to the Renewal Reserve	(7,449)	(7,449)	(7,449)	0	0%	0	0%	(29,795)	
14	Net Results After Renewal Reserves	5,275	(5,470)	(88)	5,362	-6114%	(5,382)	6136%	109	
15	Other Agency Revenue (interest and prior year deobligations)	539	539	623	(84)	-13%	(84)	-13%	2,487	
16	Less: Debt Service	(1,296)	(1,296)	(1,285)	(11)	1%	(11)	1%	(5,141)	
17	Contingency for Unexpected Events	0	0	(1,375)	1,375	-100%	1,375	-100%	(5,500)	
18	Net Results After Agency Activities	4,518	(6,227)	(2,125)	6,643	-313%	(4,102)	193%	(8,045)	
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	4,518	(6,227)	71,825	(67,307)	-94%	(78,052)	-109%	65,905	
21	Renewal Projects	(1,578)	(3,271)	(7,461)	5,883	-79%	4,190	-56%	(29,308)	
22	Capital Improvement Projects	(715)	(2,317)	(4,548)	3,833	-84%	2,231	-49%	(18,191)	
23	Total Renewal/Capital Projects	2,225	(11,815)	59,816	(57,591)	-96%	(71,631)	-120%	(47,499)	
24	Renewal Reserve Add-Back	7,449	7,449	7,449	0	0%	0	0%	29,795	
25	Trust Net Results	9,674	(4,366)	67,265	(57,591)	-86%	(71,631)	-106%	48,202	
26	Carryforward (savings from prior years)	112,352	112,352	60,853	51,499	85%	51,499	85%	60,853	
27	Trust Net Results after Carryforward	122,025	107,986	128,118	(6,093)	-5%	(20,132)	-16%	109,055	

Presidio Trust

Cash Reserve Allocation

FY 2022 Year-to-Date thru December

Presented to the Board on March 24, 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 December (Spend-Based)	Current Condition Index ⁶	Total Additional Renewal \$\$ to Achieve 80% Condition Index Target ⁷
1	Renewal & Capital Reserves		15,068	89,970	(45,720)	(2,293)		
2	Renewal Reserve ¹	65.7%	0	29,795	(29,308)	(1,578)	65.3%	193,575
2A	Buildings	79.3%	0	12,032	(14,112)	(1,422)	78.8%	6,483
2B	Utilities & Other Infrastructure	43.0%	0	8,658	(7,441)	(20)	42.5%	143,290
2C	Land, Forest & Other Park Assets	69.4%	0	9,105	(7,755)	(136)	69.1%	43,802
3	Capital Improvements Reserve ²		9,375	31,741	(16,412)	(715)		
4	Reserve for Future Renewal and Capital Improvements		5,693	28,434	0	0		
5	Operating Reserves		45,785	(69)	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		30,595	(69)	0	0		
9	Totals	65.7%	60,853	89,901	(45,720)	(2,293)	65.3%	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 December

Presented to the Board on March 24, 2022

Renewal Plan					
(Dollars in Thousands)					
			FY 2022		
			(A) -	(B) =	(C)
	Project Type	Project	FY22 Approved Budget	YTD (Dec) Obligations & Expenditures	FY22 Remaining Budget
1		Building Renewal			
2	Total	Building Renewal	14,112	2,789	11,323
2A	Renewal	<i>Capital turns and cyclic renewal</i>	12,682	2,770	9,912
2B	Renewal	<i>Other Building Renewal</i>	1,430	19	1,411
3		Subtotal - Building Renewal	14,112	2,789	11,323
4		Utilities & Other Infrastructure			
5	Total	Utilities Renewal	7,084	315	6,768
5A	Renewal	<i>Utilities studies and condition assessments</i>	2,183	222	1,961
5B	Renewal	<i>Utilities renewal and upgrades</i>	2,864	83	2,780
5C	Renewal	<i>Electrical substation 70 consolidation</i>	1,844	3	1,841
5D	Renewal	<i>Electrical substation 107 switchgear upgrade</i>	192	6	186
6	Renewal	Technology Renewal	358		358
7		Subtotal - Utilities & Other Infrastructure	7,441	315	7,126
8		Land, Forest & Other Park Assets			
9	Renewal	Landscape Renewal	5,390	104	5,286
10	Total	Transportation-related Renewal	2,310	32	2,278
10A	Sponsored	<i>Federal Highway Administration (FHWA) funding for transportation program (e.g., pavement, traffic calming, ADA accessibility, etc.)</i>	2,310	27	2,283
10B	Renewal	<i>Bus fleet conversion to battery electric</i>	-	5	(5)
10C	Renewal	<i>Other transportation-related renewal</i>	-		
11	Renewal	Other Park Assets Renewal	592	32	560
12		Subtotal - Land, Forest, & Other Park Assets	8,292	167	8,124
13		Total	29,845	3,271	26,573
14		Total - Trust Funded	27,535	3,245	24,290
15		Total - Sponsored	2,310	27	2,283

Capital Improvement Plan

(Dollars in Thousands)

			FY 2022		
			(A) -	(B) =	(C)
	Project Type	Project	FY22 Approved Budget	YTD (Dec) Obligations & Expenditures	FY22 Remaining Budget
1		Strategic Goal #1: Be Visited and Loved by All			
2	Total	Tunnel Tops, including Youth Campus	4,278	1,338	2,940
2A	Sponsored	Funds raised by the Golden Gate National Parks Conservancy	235	1,160	(925)
2B	Capital	Presidio Trust funds		178	(178)
2C	Sponsored	California grant funds for Outpost Meadows	4,043		4,043
3	Capital	Public access improvements		10	(10)
4	Total	Improvements to visitor sites		20	(20)
5		Subtotal - Strategic Goal #1: Be Visited and Loved by All	4,278	1,367	2,910
6		Strategic Goal #2: Be a Model of Environmental Stewardship			
7	Total	Restoration of Quartermaster Reach Marsh and connection to Crissy Field Marsh		28	(28)
8	Capital	Mountain Lake water overflow control project		14	(14)
9		Subtotal - Strategic Goal #2: Be a Model of Environmental Stewardship	-	42	(42)
10		Strategic Goal #3: Be a Model of Operational Excellence in Public Service			
11	Capital	East Mason rehabilitation for leasing	8,500	310	8,190
12	Capital	Relocation of Trust staff, tenant improvements and commissions of Buildings 103, 36, 1051, and 49		267	(267)
13	Total	Transportation-related projects		2	(2)
14	Capital	Gorgas warehouses rehabilitation for leasing		-	-
15	Total	Tenant and residential improvements		0	(0)
15	Capital	Other remediation sites > \$25K		26	(26)
16	Capital	Remediation site - Lendrum Court		7	(7)
17		Subtotal - Strategic Goal #3: Be a Model of Operational Excellence in Public Service	8,500	612	7,888
18		Foundational to All Our Work/Risk Mitigation			
19	Total	Park Reconstruction due to Doyle Drive	640	186	454
20	Sponsored	Funding of and Contracting for Building 643 Improvements		106	(106)
21	Sponsored	Funding of and Completion of Tree Work for National Park Service		4	(4)
22		Subtotal - Foundational to All Our Work/Risk Mitigation	640	296	344
23	Capital	Capital Projects Pool	4,773		4,773
24		Total	18,191	2,317	15,874
25		Total - Trust Funded	13,913	1,044	12,870
26		Total - Sponsored	4,278	1,273	3,004