

THIS PRINT COVERS CALENDAR ITEM NO:

**MUNICIPAL TRANSPORTATION AGENCY**  
City and County of San Francisco

**DIVISION:** Finance & Administration

**BRIEF DESCRIPTION:**

Approving the City of San Francisco Ellis-O’Farrell Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Ellis-O’Farrell Garage and authorizing the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- On June 1, 1991, the City executed a lease for the management of the Ellis-O’Farrell Garage (“Garage”) to the City of San Francisco Ellis-O’Farrell Parking Corporation (“Corporation”).
- The SFMTA receives 85 percent of the net income and the Corporation retains 15 percent in the Corporation’s capital improvement fund.
- Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and the Office of the Controller.
- SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process that includes line item analysis, historical trend review and ongoing discussions with the Corporate Managers to ensure that reasonable assumptions and methodologies are used.
- The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.
- The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**ENCLOSURES:**

1. MTAB Resolution
2. Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Ellis-O’Farrell Garage

**APPROVALS:**

**DATE**

DEPUTY OF DIVISION

PREPARING ITEM

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FINANCE

\_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO

\_\_\_\_\_

\_\_\_\_\_

SECRETARY

\_\_\_\_\_

\_\_\_\_\_

ADOPTED RESOLUTION

SHOULD BE RETURNED TO: Sonali Bose, Finance & Administration

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

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**EXPLANATION:**

**Background:**

On June 1, 1991, the City executed a lease for the Ellis-O'Farrell Garage ("Garage") to the City of San Francisco Ellis-O'Farrell Parking Corporation ("Corporation"). The Corporation is responsible for payment of the debt that was issued to finance the garage. The Corporation contracts with a professional management firm for the day-to-day management of the garage. The management company receives \$333 per month for managing the garage and no incentive fees or other compensation is paid.

Under the lease, the San Francisco Municipal Transportation Agency ("SFMTA") receives 85 percent of net income and the Corporation retains 15 percent the Corporation's capital improvement fund. If the capital improvement funds exceed \$500,000 at the end of the Corporation's fiscal year, the excess funds the SFMTA.

Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the Municipal Transportation Agency Board of Directors and the Office of the Controller. SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process. The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.

The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year. The Corporation's fiscal year ends April 30 to provide adequate time to conclude a year end audit and to transfer net income to the City before the close of the City's fiscal year. Capital improvement requests are deferred until an overall assessment of the capital improvement needs by the SFMTA is completed.

**Budget Evaluation Process:**

Upon receipt of the Corporation's budget submittal, staff's initial review begins with a year-to-date verification of each revenue and expense line item category with the most recent garage monthly report. These line items are projected out through the end of the fiscal year taking into account the variations in seasonality, possible implementation of rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses and normalizing for non-regular services or supply purchases. This initial review enables staff to identify possible erroneous assumptions made by the Corporation.

The next step in the process is to communicate to the Corporate Managers any items of concern, point out obvious mathematical or formatting errors, if any, and provide the opportunity for clarification and/or revision. Upon mutually accepted projections of revenues and expense for the current and proposed years, the Corporations are requested to re-submit the budget in its final

form providing the basis for this staff report. The operating budget submitted by the Ellis O'Farrell Parking Corporation for the Ellis O'Farrell Garage contained numerous mathematical and formatting errors that required additional staff time to review and correct. However, staff agreed with most of the assumptions and made minor adjustments.

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**FISCAL YEAR 2007-2008**

A comparison between the approved FY 2007-2008 budget and the anticipated FY 2007-2008 performance is shown in the chart below.

**FY 2007-2008 Performance:**

	<b>2007-2008 Approved Budget</b>	<b>2007-2008 Actual / Anticipated</b>	<b>Difference between Approved and Anticipated</b>
Gross Revenue	\$7,560,497	\$7,338,933	-\$221,564
less Parking Taxes	\$1,309,414	\$1,278,654	-\$30,760
less Expenses	\$4,292,989	\$4,379,497	\$86,508
Net Income	\$1,958,094	\$1,680,782	-\$277,312
SFMTA Income 85 percent of Net Income	\$1,664,380	\$1,428,665	-\$235,715
Capital Fund Excess	\$0	\$118,263	\$118,263
Total SFMTA Income	\$1,664,380	\$1,546,928	-\$117,452

For FY 2007-2008, the Corporation anticipates generating \$7,338,933 in total revenue. This amount is \$221,564 (or 2.9 percent) less than the amount budgeted mainly due to over projected patronage from the opening of the Westfield Mall in addition to a four percent decrease in overall patronage. Total revenues for FY 2007-2008 are however \$390,137 (or 5.6 percent) more than the prior year actual revenues due to a rate adjustment in April 2007.

The Corporation anticipates expenditures for FY 2007-2008 at \$4,379,497 which is \$86,508 (or two percent) more than the amount budgeted largely due to increasing bank fees associated with an increase in credit card usage. Another factor contributing to the increase in expenditures is a possessory interest tax assessment paid to the City that the Corporation is contesting and expects to recover.

The Corporation anticipates generating \$1,428,665 to the SFMTA in FY 2007-2008, which is \$235,715 (or 14 percent) less than the amount budgeted but \$60,798 (or four percent) more than FY 2006-2007 actual income. The Corporation's capital fund is expected to exceed the \$500,000 threshold at the end of FY 2007-2008 increasing the SFMTA income by \$118,263 for a total income of \$1,546,928.

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**FISCAL YEARS 2008-2009 and 2009-2010**

A comparison between the approved FY 2007-2008 Operating Budget, the proposed FY 2008-2009 and 2009-2010 operating budget, is shown in the chart below.

**Fiscal Years 2008-2009 and 2009-2010 Proposed Operating Budget:**

	<b>2007-2008 Approved Budget</b>	<b>2008-2009 Proposed Budget</b>	<b>2009-2010 Proposed Budget</b>	<b>2008-2009 Compared to 2007- 2008</b>	<b>2009-2010 Compared to 2008- 2009</b>
Gross Revenue	\$7,560,497	\$7,548,658	\$7,741,757	-\$11,839	\$193,099
less Parking Taxes	\$1,309,414	\$1,305,753	\$1,338,067	-\$3,661	\$32,314
less Expenses	\$4,292,989	\$4,408,704	\$4,523,823	\$115,715	\$115,119
Net Income	\$1,958,094	\$1,834,201	\$1,879,867	-\$123,893	\$45,667
SFMTA Income 85 percent of Net Income	\$1,664,380	\$1,559,071	\$1,597,887	-\$105,309	\$38,816

The Corporation does not foresee a significant increase in patronage for FY 2008-2009 and projects revenues at \$7,548,658 which is \$11,839 less than the amount budgeted for FY 2007-2008. This projection is assuming no rate adjustments for the next fiscal year and normalizes the budgeted figure for monthly patronage to reflect current usage.

The Corporation is projecting FY 2008-2009 expenditures at \$4,408,704 which is \$115,715 (or 2.7 percent) over the budgeted amount for FY 2007-2008. Scheduled salary increases and associated payroll cost contribute to this increase. The Ellis O'Farrell Garage is a full valet operation and the salaries and associated cost account for 82 percent of the garage related operational expenses. The SFMTA Board recently authorized the Corporation to issue an RFP for the selection of a new parking management firm that is also expected to increase operating expenses. An increase in the banking fees related to credit card usage is also anticipated.

The Corporation projects generating \$1,559,071 to the SFMTA in FY 2008-2009. This amount is \$105,309 (or 6.3 percent) less than the amount budgeted for FY 2007-2008.

For FY 2009-2010, The Corporation anticipates generating \$7,741,757 which is \$193,099 (or 2.6 percent) more than budgeted in FY 2008-2009. The Corporation is projecting expenditures of \$4,523,823 which is a 2.6 percent increase over the FY 2008-2009 expenditures to account for scheduled salary increases and minor adjustments for services and supplies. Revenue projected for the SFMTA is \$1,597,887 which is a \$38,816 (or 2.5 percent) increase over the amount budgeted for FY 2008-2009.

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This item directly supports Goal 4, Improved Financial Stability and all the other SFMTA 2008-2012 Strategic Plan Goals indirectly.

The City Attorney's Office has reviewed this item.

**Recommendation:**

Staff recommends that the Municipal Transportation Agency Board of Directors adopt the attached resolution, approving the City of San Francisco Ellis-O'Farrell Parking Corporation's Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Ellis-O'Farrell Garage and authorizing the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Ellis-O'Farrell Parking Corporation ("Corporation") operates the Ellis-O'Farrell Parking Garage ("Garage") on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the Municipal Transportation Agency Board of Directors and the Office of the Controller for review and approval; and,

WHEREAS, Each year the Municipal Transportation Agency Board of Directors reviews the non-profit garage budgets and makes recommendations to the Office of the Controller; and,

WHEREAS, The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year in a format provided by the SFMTA; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year; and,

WHEREAS, The Corporation has submitted the Fiscal Year 2008-2009 and 2009-2010 Operating Budget to the Municipal Transportation Agency Board of Directors for review; and,

WHEREAS, The Municipal Transportation Agency Board of Directors has reviewed the City of San Francisco Ellis O'Farrell Parking Corporation's Fiscal Year 2008-2009 and 2009-2010 Operating Budget; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors approves the City of San Francisco Ellis-O'Farrell Parking Corporation Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Ellis O'Farrell Garage; and, be it further

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the SFMTA's Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**CITY AND COUNTY OF SAN FRANCISCO**

**Ellis-O'Farrell Garage  
123 O'Farrell Street**

**\*PROPOSED BUDGET**

**FY 2008 – 2009 (FY09)**

**FY 2009 – 2010 (FY10)**

**Prepared by:**

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**ELLIS-O'FARRELL GARAGE**  
**Three-Year Historical Trend**  
**Summary of Revenue and Expenditure**  
**(TABLE I)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - April 30, 2005</b>	<b>Actual May 1, 2004 - April 30, 2005</b>	<b>Budget May 1, 2005 - April 30, 2006</b>	<b>Actual May 1, 2005 - April 30, 2006</b>	<b>Budget May 1, 2006 - April 30, 2007</b>	<b>Actual May 1, 2006 - April 30, 2007</b>
<b>REVENUE</b>						
1a Transient Parking	4,200,000	4,181,980	4,634,947	4,658,421	4,879,198	5,124,088
1b Monthly Parking	595,000	663,520	690,000	764,049	788,858	906,405
1c Business Validation						
1e Hotel Parking	5,000	19,818	12,600	9,057	11,350	0
<b>Total Parking Revenue</b>	<b>\$ 4,800,000</b>	<b>\$ 4,865,318</b>	<b>\$ 5,337,547</b>	<b>\$ 5,431,527</b>	<b>\$ 5,679,406</b>	<b>\$6,030,493</b>
3a Commercial Rent	635,000	639,069	701,806	705,530	733,456	735,380
3b Sales/Service/Advertising	0	0	0	0	0	0
3c Miscellaneous Revenues	10,800	11,857	11,400	13,367	11,200	15,921
<b>Gross Revenue (not including trust fund)</b>	<b>\$ 5,445,800</b>	<b>\$ 5,516,244</b>	<b>\$6,050,753</b>	<b>\$ 6,150,424</b>	<b>\$ 6,424,062</b>	<b>\$6,781,794</b>
3a Parking Tax (less)	(959,000)	(969,100)	(1,064,989)	(1,084,494)	(1,133,611)	(1,206,099)
<b>Net Revenue</b>	<b>\$4,886,800</b>	<b>\$4,547,144</b>	<b>\$4,985,764</b>	<b>\$5,065,930</b>	<b>\$5,290,451</b>	<b>\$5,575,695</b>
<b>EXPENDITURE</b>						
<b>Personnel Cost</b>						
A1 Administrative Salaries	215,559	192,847	217,448	214,475	217,418	214,610
A2 Parking Operations Salaries	1,392,743	1,369,610	1,426,264	1,457,780	1,496,061	1,583,597
A3 Janitorial Salaries	47,000	40,585	54,685	41,155	67,057	89,514
<b>Payroll Expenses</b>						
B1 Payroll Taxes (non-SF)	131,881	145,063	134,371	152,244	140,505	168,540
B2 SF Payroll Taxes	24,125	23,049	25,476	24,594	26,544	27,155
B3 Welfare & Pension	477,521	505,055	565,000	541,853	597,487	577,316
B4 Worker's Compensation	209,079	186,148	213,683	193,620	222,752	218,466
<b>Utilities</b>						
C1 Gas & Electric	130,000	96,516	130,000	79,125	96,000	83,864
C2 Water	14,400	16,311	18,600	15,738	18,600	19,840
C3 Telephone	6,800	4,907	7,200	6,397	7,200	8,446
C4 Scavenger	5,700	4,815	5,750	8,012	8,532	10,038
<b>Supplies &amp; Services</b>						
D1 Insurance	98,000	99,893	102,800	92,991	102,800	92,635
D2 Repairs & Maintenance	80,000	79,501	80,000	105,273	94,680	87,792
D3 Office Supplies	8,000	6,882	8,100	9,699	8,100	6,734

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - April 30, 2005</b>	<b>Actual May 1, 2004 - April 30, 2005</b>	<b>Budget May 1, 2005 - April 30, 2006</b>	<b>Actual May 1, 2005 - April 30, 2006</b>	<b>Budget May 1, 2006 - April 30, 2007</b>	<b>Actual May 1, 2006 - April 30, 2007</b>
D4 Garage Supplies	30,000	19,376	30,000	14,469	30,000	24,169
D5 Parking Supplies	30,000	31,181	30,000	24,392	30,000	29,031
<b>Management Costs</b>						
E1 Management Fee	40,000	40,000	40,000	40,000	40,000	40,000
<b>Professional/Personal Services</b>						
F1 Accounting/Bookkeeping	8,500	7,926	8,225	7,800	8,225	8,562
F2 Garage Audit	16,000	15,804	18,000	15,792	18,000	23,296
F3 Garage Legal	8,000	5,769	8,000	0	8,640	0
F4 Security (Contractual)	1,800	1,680	1,800	1,744	1,800	1,920
F5 Janitorial Contract	16,000	12,080	16,000	14,500	16,000	14,530
F6 Armored Car	5,600	5,513	7,090	5,859	7,272	6,220
F8 Bank Charges (Non-trustee)	52,600	54,126	52,600	70,434	55,116	95,851
F9 Uniform Cleaning	15,000	11,225	15,000	10,848	15,480	10,756
F10 Payroll Processing	1,000	826	1,000	998	1,086	1,032
<b>Other Costs</b>						
G1 Taxes & Licenses	4,800	14,891	4,800	2,538	4,800	647
G2 Marketing	30,000	20,080	30,000	19,573	30,000	22,218
G3 Garage Claims	2,400	127	2,400	0	2,400	0
G4 Miscellaneous	3,200	1,092	32,000	2,489	3,200	1,763
G6 Tenant Legal	12,000	2,377	12,000	136	12,000	5,082
<b>Total Garage Expense</b>	<b>\$3,117,708</b>	<b>\$3,015,255</b>	<b>\$3,269,292</b>	<b>\$3,174,528</b>	<b>\$3,387,755</b>	<b>\$3,473,624</b>
<b>NON-GARAGE EXPENSE</b>						
<b>Corporate Income</b>						
4a Trust Fund Earnings	24,200	34,726	30,000	101,280	72,000	167,002
<b>Gross Trust Fund Earnings</b>	<b>\$24,200</b>	<b>\$34,726</b>	<b>\$30,000</b>	<b>\$101,280</b>	<b>\$72,000</b>	<b>\$167,002</b>
<b>Corporate Expenses</b>						
H1 Trustee Fees	6,000	7,475	6,000	9,371	8,880	10,446
H2 Corporate Legal	15,000	18,750	15,000	22,400	15,000	25,965
H4 Bond Interest	228,929	275,436	223,529	216,588	207,869	202,362
H6 Bond Redemption	185,500	185,500	355,000	355,000	403,000	403,000
H8 Refund Savings Account	197,471	197,471				
H12 Bond Amortization				24,804		18,045
<b>Total Corporate Expense</b>	<b>\$632,900</b>	<b>\$684,632</b>	<b>\$599,529</b>	<b>\$628,613</b>	<b>\$634,749</b>	<b>\$659,818</b>
<b>Total Disbursements</b>	<b>\$3,750,608</b>	<b>\$3,699,908</b>	<b>\$3,869,021</b>	<b>\$3,838,191</b>	<b>\$4,022,504</b>	<b>\$4,133,442</b>
<b>Garage Net Income</b>	<b>\$760,392</b>	<b>\$881,983</b>	<b>\$1,149,943</b>	<b>\$1,389,323</b>	<b>\$1,339,974</b>	<b>\$1,609,255</b>

**ELLIS-O'FARRELL GARAGE**  
**FY 2008 Approved Budget vs. FY 2008 Projection**  
**Summary of Revenue and Expenditure**  
**(TABLE II)**

REVENUE & EXPENSE CATEGORIES	Approved Budget 2007-2008	Projected 2007-2008	Difference Between FY08 Approved and FY08 Projected	
<b>REVENUE</b>				
1a Transient Parking	5,572,071	5,469,990	(102,081)	-2%
1b Monthly Parking	975,000	923,280	(51,720)	-5%
1c Business Validation				%
1e Hotel Parking	11,350	0	(11,350)	-100%
<b>Total Parking Revenue</b>	<b>\$6,558,421</b>	<b>\$6,393,270</b>	<b>(\$165,151)</b>	<b>-3%</b>
3a Commercial Rent	757,264	752,558	(4,706)	-1%
3b Sales/Service/Advertising Space	36,812	0	(36,812)	-100%
3c Miscellaneous	16,000	16,310	310	2%
<b>Gross Revenue (not including trust fund)</b>	<b>\$7,368,497</b>	<b>\$7,162,138</b>	<b>(\$206,359)</b>	<b>-3%</b>
2a Parking Tax (less)	(\$1,309,414)	(\$1,278,654)	30,760	-2%
<b>Net Revenue</b>	<b>\$6,059,083</b>	<b>\$5,883,484</b>	<b>(\$175,599)</b>	<b>-3%</b>
<b>EXPENDITURE</b>				
<b>Personnel Cost</b>				
A1 Administrative Salaries	220,475	224,044	3,569	2%
A2 Parking Operations Salaries	1,634,054	1,634,742	688	0%
A3 Janitorial Salaries	94,698	92,503	(2,195)	-2%
<b>Payroll Expenses</b>				
B1 Payroll Taxes (non-SF)	172,994	161,181	(11,813)	-7%
B2 SF Payroll Taxes	28,848	28,129	(719)	-2%
B3 Welfare & Pension	616,814	631,806	14,992	2%
B4 Worker's Compensation	222,544	226,689	4145	2%
<b>Utilities</b>				
C1 Gas & Electric	90,000	90,575	575	1%
C2 Water	19,200	18,619	(581)	-3%
C3 Telephone	8,400	8,529	129	2%
C4 Scavenger	11,270	11,291	21	0%
<b>Supplies &amp; Services</b>				
D1 Insurance	93,000	92,636	(364)	0%
D2 Repairs & Maintenance	94,680	88,244	(6,436)	-7%
D3 Office Supplies	8,100	6,117	(1,983)	-24%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget 2007-2008</b>	<b>Projected 2007-2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
D4 Garage Supplies	30,000	28,494	(1506)	-5%
D5 Parking Supplies	30,000	29,998	(2)	0%
<b>Management Costs</b>				
E1 Management Fee	40,000	40,000	0	0%
<b>Professional/Personal Services</b>				
F1 Accounting/Bookkeeping	8,225	8,591	366	4%
F2 Garage Audit	20,004	18,075	(1,929)	-10%
F3 Garage Legal	8,640	0	(8,640)	-100%
F4 Security (Contractual)	2,000	1,920	(80)	-4%
F6 Armored Car	6,460	6,320	(140)	-2%
F8 Bank Charges (Non-trustee)	85,536	118,926	33,390	39%
F9 Uniform Cleaning	14,000	14,426	426	3%
F10 Payroll Processing	1,086	1,059	(27)	-2%
<b>Other Costs</b>				
G1 Taxes & Licenses	4,800	77,508	72,708	1515%
G2 Marketing	30,000	27,103	(2,897)	-10%
G3 Garage Claims	2,400	0	2,400	-100%
G4 Miscellaneous	3,200	2,532	(668)	-21%
G5 Tenant Legal	12,000	17,278	5,278	44%
<b>Total Garage Expense</b>	<b>\$3,613,428</b>	<b>\$3,707,335</b>	<b>93,907</b>	<b>3%</b>
<b>NON GARAGE EXPENSES</b>				
<b>Corporate Income</b>				
4a Trust Fund Earnings	192,000	176,795	(15,205)	-8%
<b>Corporate Expenses</b>				
H1 Trustee Fees	10,800	10,871	71	1%
H2 Corporate Legal	25,000	24,865	(135)	-1%
H4 Bond Interest	206,213	194,078	(12,135)	-6%
H6 Bond Redemption/ Trust Obligations	419,500	419,500	0	0%
H11 Commercial Property Cost	0	4,800	4,800	100%
H12 Bond Amortization	18,048	18,048	0	0%
<b>Total Corporate Expenses</b>	<b>679,561</b>	<b>672,162</b>	<b>(7,999)</b>	<b>-1%</b>
<b>Total Disbursements</b>	<b>4,292,989</b>	<b>4,379,497</b>	<b>85,908</b>	<b>2%</b>
<b>Garage Income</b>	<b>\$1,958,094</b>	<b>\$1,680,782</b>	<b>(\$269,506)</b>	<b>-14%</b>

**ELLIS\_O'FARRELL GARAGE**  
**FY 2009 and FY 2010 Proposed Budget**  
**Summary of Revenue and Expenditure**  
**(TABLE III)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 – April 30, 2008</b>	<b>Proposed Budget May 1, 2008 – April 30, 2009</b>	<b>Proposed Budget May 1, 2009 – April 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
<b>REVENUE</b>					
1a Transient Parking	5,572,071	5,594,413	5,704,983	22,342	0%
1b Monthly Parking	975,000	934,350	985,350	-40,650	-4%
1c Business Validation					
1e Hotel Parking	11,350	5,000	5,000	-6,350	-56%
<b>Total Parking Revenue</b>	<b>\$ 6,558,421</b>	<b>\$6,533,763</b>	<b>\$6,695,333</b>	<b>-24,658</b>	<b>0%</b>
3a Commercial Rent	757,264	774,012	791,207	16,748	2%
3b Sales/Service/Advertising Space	36,812	38,000	45,000	1,188	3%
3c Miscellaneous Revenues	16,000	16,000	19,596	0	0%
<b>Gross Revenue (not including trust fund)</b>	<b>\$7,368,497</b>	<b>\$7,361,775</b>	<b>\$7,551,136</b>	<b>-6,723</b>	<b>0%</b>
2a Parking Tax (less)	(\$1,309,414)	(\$1,305,753)	(\$1,338,067)	3,661	0%
<b>Net Revenue</b>	<b>\$6,059,083</b>	<b>\$6,056,022</b>	<b>\$6,213,069</b>	<b>-3,061</b>	<b>0%</b>
<b>EXPENDITURE</b>					
<b>Personnel Cost</b>					
A1 Administrative Salaries	220,475	226,332	231,655	5,857	3%
A2 Parking Operations Salaries	1,634,054	1,697,060	1,772,432	63,006	4%
A3 Janitorial Salaries	94,698	89,052	90,939	-5,646	-6%
<b>Payroll Expenses</b>					
B1 Payroll Taxes (non-SF)	172,994	171,058	178,077	-1,936	-1%
B2 SF Payroll Taxes	28,848	29,909	31,154	1,061	4%
B3 Welfare & Pension	616,814	636,415	636,415	19,601	3%
B4 Worker's Compensation	222,544	230,807	240,490	8,263	4%
<b>Utilities</b>					
C1 Gas & Electric	90,000	93,288	95,154	3,288	4%
C2 Water	19,200	20,748	21,163	1,548	8%
C3 Telephone	8,400	8,844	9,021	444	5%
C4 Scavenger	11,270	11,604	11,836	334	3%
<b>Supplies &amp; Services</b>					

REVENUE & EXPENSE CATEGORIES	Approved Budget May 1, 2007 – April 30, 2008	Proposed Budget May 1, 2008 – April 30, 2009	Proposed Budget May 1, 2009 – April 30, 2010	Difference Between FY08 Approved and FY09 Proposed	
D1 Insurance	93,000	93,000	93,000	0	0%
D2 Repairs & Maintenance	94,680	94,680	96,574	0	0%
D3 Office Supplies	8,100	8,100	8,100	0	0%
D4 Garage Supplies	30,000	30,000	30,000	0	0%
D5 Parking Supplies	30,000	30,000	30,000	0	0%
<b>Management Costs</b>					
E1 Management Fee	40,000	60,000	61,800	20,000	50%
E2 Management Incentive Fee		9,000	9,270	9,000	100%
<b>Professional/Personal Services</b>					
F1 Accounting/Bookkeeping	8,225	8,600	8,600	375	5%
F2 Garage Audit	20,004	18,400	18,720	-1,604	-8%
F3 Garage Legal	8,640	8,640	8,640	0	0%
F4 Security (Contractual)	2,000	2,000	2,060	0	0%
F6 Armored Car	6,460	9,600	9,600	3,140	49%
F8 Bank Charges (Non-trustee)	85,536	121,305	123,731	35,769	42%
F9 Uniform Cleaning	14,000	14,500	14,600	500	4%
F10 Payroll Processing	1,086	1,086	1,086	0	0%
<b>Other Costs</b>					
G1 Taxes & Licenses	4,800	4,800	4,800	0	0%
G2 Marketing	30,000	30,000	30,000	0	0%
G3 Garage Claims	2,400	2,400	2,400	0	0%
G4 Miscellaneous	3,200	3,200	3,200	0	0%
G6 Tenant Legal	12,000	12,000	12,000	0	0%
<b>Total Garage Expense</b>	<b>\$3,613,428</b>	<b>\$3,776,428</b>	<b>\$3,886,517</b>	<b>163,000</b>	<b>4.5%</b>
<b>NON GARAGE EXPENSES</b>					
<b>Corporate Income</b>					
4a Trust Fund Earnings	192,000	186,883	190,621	-5,117	-3%
<b>Corporate Expenses</b>					
H1 Trustee Fees	10,800	12,300	12,669	1,500	14%
H2 Corporate Legal	25,000	25,000	25,000	0	0%
H4 Bond Interest	206,213	179,928	165,589	-26,285	-13%
H6 Bond Redemption/Trust Obligations	419,500	397,000	416,000	-22,500	-5%
H12 Bond Amortization	18,048	18,048	18,048	0	0%
<b>Total Corporate Expense</b>	<b>\$679,561</b>	<b>\$632,276</b>	<b>\$637,306</b>	<b>-47,285</b>	<b>-7%</b>
<b>Total Disbursements</b>	<b>4,292,989</b>	<b>4,408,704</b>	<b>4,523,823</b>	<b>115,715</b>	<b>2.7%</b>
<b>Garage Income</b>	<b>\$1,958,094</b>	<b>\$1,834,201</b>	<b>\$1,879,868</b>	<b>-123,893</b>	<b>-6.3%</b>

**GARAGE**  
**FY 2008-2009 and FY 2009-FY2010 Proposed Revenues by Month**  
**(TABLE IV)**

<b>FY 2008 - 2009</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	458,918	437,518	474,979	471,054	430,600	439,445	483,244	622,037	447,817	408,623	452,564	467,614	<b>5,594,413</b>
1b Monthly Parking	77,750	77,750	77,750	77,750	77,750	77,750	77,750	79,100	77,750	77,750	77,750	77,750	<b>934,350</b>
1e Hotel Parking	417	417	417	417	417	417	417	417	417	417	417	417	<b>5,000</b>
<b>Total Parking Revenue</b>	<b>537,085</b>	<b>515,685</b>	<b>553,146</b>	<b>549,221</b>	<b>508,767</b>	<b>517,612</b>	<b>561,411</b>	<b>701,554</b>	<b>525,984</b>	<b>486,790</b>	<b>530,731</b>	<b>545,781</b>	<b>6,533,763</b>
3a Commercial Rent	63,660	63,660	63,660	64,552	64,552	64,552	64,552	64,552	65,068	65,068	65,068	65,068	774,012
3b Sales /Service / Advertising	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	38,000
3c Miscellaneous	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	16,000
<b>Gross Revenue</b>	<b>605,245</b>	<b>583,845</b>	<b>621,306</b>	<b>618,272</b>	<b>577,818</b>	<b>586,663</b>	<b>630,462</b>	<b>770,605</b>	<b>595,552</b>	<b>556,357</b>	<b>600,298</b>	<b>615,348</b>	<b>\$7,361,774</b>
2a Parking Tax (less)	107,334	103,054	110,546	109,761	101,670	103,439	112,199	140,227	105,113	97,275	106,063	109,073	(1,305,753)
<b>Net Revenue</b>	<b>497,912</b>	<b>480,792</b>	<b>510,760</b>	<b>508,512</b>	<b>476,148</b>	<b>483,224</b>	<b>518,264</b>	<b>630,378</b>	<b>490,438</b>	<b>459,083</b>	<b>494,236</b>	<b>506,276</b>	<b>6,056,022</b>

<b>FY 2009 - 2010</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	467,908	447,999	486,147	478,877	437,112	446,635	507,531	639,453	455,365	413,478	460,182	464,296	5,704,983
1b Monthly Parking	82,250	82,250	82,250	82,250	82,250	80,600	82,250	82,250	82,250	82,250	82,250	82,250	985,350
1e Hotel Parking	417	417	417	417	417	417	417	417	417	417	417	417	5,000
<b>Total Parking Revenue</b>	<b>550,575</b>	<b>530,666</b>	<b>568,814</b>	<b>561,544</b>	<b>519,779</b>	<b>527,652</b>	<b>590,198</b>	<b>722,120</b>	<b>538,032</b>	<b>496,145</b>	<b>542,849</b>	<b>546,963</b>	<b>6,695,333</b>
3a Commercial Rent	65,068	65,068	65,068	65,986	65,986	65,986	65,986	65,986	66,518	66,518	66,518	66,518	791,207
3b Sales/Service/ Advertising	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000
3c Miscellaneous	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	19,596
<b>Gross Revenue</b>	<b>621,026</b>	<b>601,117</b>	<b>639,265</b>	<b>632,913</b>	<b>591,148</b>	<b>599,021</b>	<b>661,567</b>	<b>793,489</b>	<b>609,933</b>	<b>568,046</b>	<b>614,750</b>	<b>618,864</b>	<b>7,551,136</b>
2a Parking Tax (less)	110,032	106,050	113,679	112,225	103,872	105,447	117,956	144,341	107,523	99,146	108,486	109,309	1,338,067
<b>Net Revenue</b>	<b>510,994</b>	<b>495,067</b>	<b>525,585</b>	<b>520,687</b>	<b>487,275</b>	<b>493,574</b>	<b>543,610</b>	<b>649,148</b>	<b>502,410</b>	<b>468,900</b>	<b>506,263</b>	<b>509,555</b>	<b>6,213,069</b>



## NARRATIVE I

### **FY 2007-2008 Approved Budget To FY 2007-2008 Projection**

#### **1a. Transient Parking**

**-2%**

Transient revenues are slightly under the budgeted amount due to a three percent reduction in transient parkers. The opening of Bloomingdales in the San Francisco Center is not drawing the anticipated transient patrons as projected. With the rising increase of gasoline prices the public has opted to use public transportation in lieu of driving.

#### **1b. Monthly Parking**

**-5%**

Monthly revenues are down due to the lack of demand for monthly parking. With the rising increase of gasoline prices patrons have opted to use public transportation in lieu of driving their vehicle.

#### **1d. Hotel Parking**

**-100%**

Negotiations between the valet company at a local hotel did not pan out. The valet company asked for a parking rate that we were unable to accommodate them with.

#### **2a. Parking Tax**

**-2%**

Parking Tax is based on Transient Revenue line item 1a, of the approved budget. Transient Revenue is two percent below the projected budget amount and thus \$30,760 or two percent was not dispersed.

#### **3a. Commercial Rent**

**-1%**

The Ellis O'Farrell Parking Corporation currently has three (3) tenants. Two of these tenants are with existing contracts with an annual increase of three percent. The third tenant has requested to exercise his lease option to extend his current contract which expired as of May 1, 2007. The Corporation is currently in negotiation with this tenant.

#### **3c Miscellaneous Revenues**

**+2%**

The Miscellaneous revenues are slightly above the project budgeted in the amount of \$310.00.

#### **A1. Administrative Salaries**

**+2%**

The Parking Operator's Facility Manager resigned his position and in doing so was paid for accrued vacation and sick time.

#### **A2. Parking Operations Salaries**

**0%**

The Corporation working with its Parking Operator restructured shifts to accommodate the facilities needs while monitoring its payroll so not to exceed the approved budget amount.

#### **A3. Janitorial Salaries**

**-2%**

The Corporation working with its Parking Operator was able to maintain its in house janitorial staff as well as saving \$2,195 under budget

<b>B1. Payroll Taxes (non-SF)</b>	<b>-7%</b>
The Corporation working with its Parking Operator was able to save on the Parking Operations Salaries and Janitorial Salaries which shows a savings in the amount of \$11,813 under budget	
<b>B2. SF Payroll Taxes</b>	<b>-2%</b>
The SF Payroll taxes reflects the Salaries of Items 1a, 1b and 1c, with the Corporation and its Parking Operator showing a savings of two percent under budget	
<b>B3. Welfare &amp; Pension</b>	<b>+2%</b>
The Corporation is slightly over budget due to union increasing the cost of employee health insurance	
<b>B4. Worker's Compensation</b>	<b>+2%</b>
The Corporation is slightly over budget, reflects slight rate increase	
<b>C1. Gas &amp; Electric</b>	<b>+1%</b>
The Corporation is slightly over budget in the amount of \$575	
<b>C2. Water &amp; Sewer</b>	<b>-3%</b>
The Corporation is slightly under budget in the amount of \$581	
<b>C3. Telephone</b>	<b>+2%</b>
The Corporation is slightly over budget in the amount of \$129	
<b>C4. Scavenger</b>	<b>0%</b>
The Corporation met the budgeted amount	
<b>D1. Insurance</b>	<b>0%</b>
The Corporation was able to maintain the rates from prior year.	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>7%</b>
The Corporation is slightly under budget in the amount of \$6,436	
<b>D3. Office Supplies</b>	<b>-24%</b>
The Corporation is under budget in the amount of \$1,983 The Corporation did a cost analysis with its current office supply company and found Costco office supplies to be less costly	
<b>D4. Garage Supplies</b>	<b>-5%</b>
The Corporation is under budget in the amount of \$1,506. In reviewing the cost of supplies, changes were made to help decrease the cost of paper goods, and we wash and reuse our Turkish towels	
<b>D5. Parking Supplies</b>	<b>0%</b>
The Corporation met the budgeted amount for parking supplies	
<b>E1. Management Fee</b>	<b>0%</b>
The Corporation met its budgeted amount per Management Agreement.	

<b>F1. Accounting/Bookkeeping</b>	<b>+4%</b>
The Corporation experienced an increase due to the new auditing format.	
<b>F2. Garage Audit</b>	<b>-10%</b>
The Corporation was under budget in the amount of \$1,929. The Corporation was able negotiate a savings with Parnell Kerr Forrester	
<b>F3. Garage Legal</b>	<b>-100%</b>
The Corporation did not experience any litigation against the garage.	
<b>F4. Security (Contractual)</b>	<b>-4%</b>
The Corporation was able to maintain security cost at the same rate prior year	
<b>F6. Armored Car</b>	<b>-2%</b>
The Corporation negotiated a one percent increase instead of a three percent increase with the existing armored service.	
<b>F8. Bank Service Charge</b>	<b>+39%</b>
The Corporation experienced a 24 percent or \$23,075.00 increase in credit card usage from prior year.	
<b>F9. Uniform Cleaning</b>	<b>+3%</b>
The Corporation was slightly over budget in the amount of \$426	
<b>F10. Payroll Processing</b>	<b>-2%</b>
The Corporation is slightly under budget	
<b>G1. Tax &amp; License Fees</b>	<b>+1,515%</b>
The Corporation was assessed by the City of San Francisco Tax Collector's Office with unsecured property taxes in the amount of \$103,346.34. The Corporation has submitted all necessary documents with the tax collector's office as well as the City's Attorney's office for reimbursement	
<b>G2. Marketing</b>	<b>- 10%</b>
The Corporation is under budget in the amount of \$2,897	
<b>G3. Garage Claims</b>	<b>-100%</b>
The Corporation's current management agreement states the parking operator pays for all damage claims	
<b>G4. Miscellaneous</b>	<b>-21%</b>
The Corporation is slightly under budget in the amount of \$2,532	
<b>G6. Tenant Legal</b>	<b>+44%</b>
The Corporation is currently negotiating a rent increase with its current tenant located at 44 Ellis Street, Les Joulins USA, Inc. Les Joulins USA, Inc. opted to exercise their lease option which extends their current contract for five more years.	

<b>4a. Trust Fund Earnings</b>	<b>-8%</b>
The Corporation did not meet the projected revenue for the FY 2007 Trust Fund earnings are based on the facility's revenue	
<b>H1. Trustee Fees</b>	<b>+1%</b>
The Corporation is slightly over budget in the amount of \$71.	
<b>H2. Corporate Legal</b>	<b>-1%</b>
The Corporation is slightly under budget in the amount of \$135.	
<b>H4. Bond Interest</b>	<b>-6%</b>
The Corporation is under budget in the amount of \$12,135.	
<b>H6. Bond Redemption/ Other Trust Obligations</b>	<b>0%</b>
The Corporation has met its bond obligations to the Trustee	
<b>H11. Other Commercial Property Cost</b>	<b>100%</b>
The Corporation is currently in negotiations with its current tenant Les Joulins, USA and retained arbitration services to determine market rate value for the commercial property located at 44 Ellis Street.	
<b>H12. Bond Amortization</b>	<b>0%</b>
The Corporation met its budgeted amount	

## NARRATIVE II

### FY 2007-2008 Approved Budget To FY 2008-2009 Proposed Budget

<b>1a. Transient Parking</b>	<b>+2%</b>
The Corporation and its operator will work to market the facility to raise transient car runs	
<b>1b. Monthly Parking</b>	<b>+1%</b>
The Corporation and its operator will solicit Westfield stores to attain more monthly patrons.	
<b>1d. Hotel Parking</b>	<b>+100%</b>
The Corporation and its operator is currently soliciting the local boutique hotels to acquire hotel business	
<b>2a Parking Tax</b>	<b>2%</b>
Increase is in conjunction with Transient Revenue	
<b>3a. Commercial Rent</b>	<b>+3%</b>
The Corporation currently has lease agreements with three tenants. The increase is per Lease agreements.	
<b>3b. Sales/Service Advertising Space</b>	<b>+100%</b>
The Corporation is currently working towards completing its Vicinity Directory. The Corporation will market the new directory to local businesses for advertising fees.	
<b>3c. Miscellaneous Revenues</b>	<b>-2%</b>
The Corporation receives revenue from its vending machines and was slightly over FY 2007 budget amount	
<b>A1. Administrative Salaries</b>	<b>+1%</b>
The Corporation	
<b>A2. Parking Operations Salaries</b>	<b>+4%</b>
The Corporation calculated the increase based on the union contract	
<b>A3. Janitorial Salaries</b>	<b>-4%</b>
The Corporation has restructured the janitorial shifts to reduce the cost of the Janitorial salaries	
<b>B1. Payroll Taxes (non-SF)</b>	<b>+6%</b>
Payroll Taxes are in conjunction with categories A1, A2 & A3	
<b>B2. SF Payroll Taxes</b>	<b>+6%</b>
SF Payroll Taxes are in conjunction with categories A1, A2 & A3	

<b>B3. Welfare &amp; Pension</b>	<b>+1%</b>
The Corporation has calculated the increase based on the union contract and speaking with a union representative from Local 665	
<b>B4. Worker's Compensation</b>	<b>+2%</b>
The Corporation based the rate on its current operator's Worker's Compensation rate	
<b>C1. Gas &amp; Electric</b>	<b>+3%</b>
The Corporation experienced a slight increase in the FY 2007/2008 budget.	
<b>C2. Water &amp; Sewer</b>	<b>+10%</b>
The Corporation projects an increase in water & sewer cost	
<b>C3. Telephone</b>	<b>+4%</b>
The Corporation was slightly over the FY 2007/2008 Budget amount and increased the FY 2008/2009 budgeted amount to account for the increase	
<b>C4. Scavenger</b>	<b>+3%</b>
The Corporation is accounting for an annual increase of 3%	
<b>D1. Insurance</b>	<b>+0%</b>
The Corporation has been able to maintain the current insurance cost	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>+7%</b>
The Corporation will experience an increase from several maintenance vendors for service rendered. Some of the vendors include Elevator maintenance, HVAC maintenance, Tenant equipment service, etc.	
<b>D3. Office Supplies</b>	<b>+24%</b>
The Corporation was able to streamline its office supply needs in the last fiscal year, in the new fiscal year we will need to replace two antiquated computers for our supervisory staff	
<b>D4. Garage Supplies</b>	<b>+5%</b>
The Corporation	
<b>D5. Parking Supplies</b>	<b>+0%</b>
The Corporation does not expect an increase in purchasing parking supplies	
<b>E1. Management Fee</b>	<b>+33%</b>
An increase in the Management Agreement per the new RFP approved by the SFMTA Commission February 2008	
<b>E2. Incentive Fee</b>	<b>+100%</b>
A new line item in the Management Agreement per the new RFP approved by the SFMTA Commission February 2008	
<b>F1. Accounting/Bookkeeping</b>	<b>+0%</b>
The Corporation was able to maintain the cost from prior year	

<b>F2. Garage Audit</b>	<b>+2%</b>
The Corporation will experience a slight increase in the cost of our annual audit	
<b>F3. Garage Legal</b>	<b>+100%</b>
The Corporation has not experienced any legal action against the facility. These funds are a precautionary measure to be used in the future if there is a need	
<b>F4. Security (Contractual)</b>	<b>+4%</b>
The Corporation will experience a slight increase in security cost in the amount of \$80	
<b>F5. Janitorial Contract</b>	
The Corporation does all its janitorial in house performed by the operator's employees.	
<b>F6. Armored Car</b>	<b>+34%</b>
The Corporation is changing service and using CompuSafe offered through Brinks. Funds are inserted into a secured safe through a bill acceptor; a receipt is dispensed in the amount that is deposited. Brinks, accepts the liability for all funds in the secured safe. The only way to access funds within the safe is garage management and Brinks must be present at the same time. All funds are collected in a secured acceptor box which is removed and a new acceptor box is placed in the safe. The acceptor boxes are locked and can not be opened until it reaches the Brinks vault.	
<b>F8. Bank Service Charge</b>	<b>+2%</b>
The Corporation is anticipating a slight increase in credit card usage.	
<b>F9. Uniform Cleaning</b>	<b>+1%</b>
The Corporation anticipates a slight increase in uniform services.	
<b>F10. Payroll Processing</b>	<b>+2%</b>
The Corporation anticipates a slight increase in payroll processing.	
<b>G1. Tax &amp; License Fees</b>	<b>0%</b>
The Corporation anticipates that this expense would return to prior year levels.	
<b>G2. Marketing</b>	<b>+10%</b>
The Corporation anticipates an increase in fees associated to the Union Square Business Improvement District.	
<b>G3. Garage Claims</b>	<b>+100%</b>
The Corporation does not anticipate utilizing the garage claims funds. It is there for precautionary measures	
<b>G5. Miscellaneous</b>	<b>+21%</b>
The Corporation anticipates additional cost due to the RFP process	
<b>G6. Tenant Legal</b>	<b>-44%</b>
The Corporation has all three tenants in existing contracts	
<b>4a. Trust Fund Earnings</b>	<b>+5%</b>
The Corporation is anticipating a slight increase in earnings	

<b>H1. Trustee Fees</b>	<b>+12%</b>
Increase in credit card revenue-directly deposited with our banking institution (UBOC)	
<b>H2. Corporate Legal</b>	<b>+1%</b>
The Corporation will try to maintain the same level as last year	
<b>H4. Bond Interest</b>	<b>-8%</b>
Reduction in interest per bond indenture (Series 2002)	
<b>H6. Bond Redemption</b>	<b>-6%</b>
Reduction is redemption per bond indenture (Series2002)	
<b>H12. Bond Amortization</b>	<b>0%</b>
The Corporation will try to maintain the same level as last year	



**GARAGE**  
**\*FY 2008-2009 and FY 2009-2010 MARKETING PLAN**

Following is The City of San Francisco Ellis O'Farrell Parking Corporation and Parking Concepts, Inc. marketing plan for the Ellis O'Farrell Garage. The City of San Francisco Ellis O'Farrell Parking Corporation and Parking Concepts, Inc. would like to institute some or all of the following new programs at the Ellis O'Farrell Garage for the upcoming budget years.

The City of San Francisco Ellis O'Farrell Parking Corporation currently has a dedicated website specifically for the Ellis O'Farrell Garage. The Corporation utilizes its website to advertise its monthly parking programs, rates, directions, hours of operation and available services.

- b. A Night Rate is being offered Mon- Sat at \$6.50 maximum from 6 pm to closing.
- c. A Sunday rate is being offered in the amount of \$6.50 maximum from 5:30 am to 5:59 pm and a night rate of \$6.50 maximum from 6pm to closing. The maximum all day fee for Sunday is \$13.00.
- c. A Carpool Monthly rate has been offered to customers who prefer to ride with three or more passengers in their vehicles. Information is advertised on our website as well as our attendants inform our patrons of our monthly programs
- d. We are currently exploring the possibility of working with an Advertising Agency to advertise within the garage which would generate additional revenues to the City. We are exploring a vicinity directory located in the O'Farrell Lobby, and soliciting local merchants an opportunity to advertise within the Ellis O'Farrell Garage.
- e. We are currently marketing the Westfield Center for validation prospects. We are currently in communication with Nordstrom's, Bloomingdales and Addidas to name a few of the merchants.

THIS PRINT COVERS CALENDAR ITEM NO:

**MUNICIPAL TRANSPORTATION AGENCY**  
City and County of San Francisco

**DIVISION:** Finance & Administration

**BRIEF DESCRIPTION:**

Approving the City of San Francisco Downtown Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Fifth and Mission Garage and authorizing the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- On April 1, 1992, the City and County of San Francisco executed a lease for the Fifth and Mission Garage (“Garage”) to the City of San Francisco Downtown Parking Corporation (“Corporation”).
- The SFMTA receives 85 percent of the garage net income and the Corporation retains 15 percent in the Corporation’s capital improvement fund.
- Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and the Office of the Controller.
- SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process that includes line item analysis, historical trend review and ongoing discussions with the Corporate Managers to ensure that reasonable assumptions and methodologies are used.
- The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.
- The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**ENCLOSURES:**

1. MTAB Resolution
2. Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Fifth and Mission Garage

**APPROVALS:**

**DATE**

DEPUTY OF DIVISION  
PREPARING ITEM

\_\_\_\_\_

\_\_\_\_\_

FINANCE

\_\_\_\_\_

\_\_\_\_\_

EXECUTVE DIRECTOR/CEO

\_\_\_\_\_

\_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION

SHOULD BE RETURNED TO: Sonali Bose, Finance & Administration

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

**Background:**

On April 1, 1992, the City and County of San Francisco executed a lease for the Fifth and Mission Garage (“Garage”) to the City of San Francisco Downtown Parking Corporation (“Corporation”). The Corporation issued debt to finance the Garage and the Corporation is responsible for debt payment. The San Francisco Municipal Transportation Agency (“SFMTA”) receives 85 percent of the garage net income and the Corporation retains 15 percent in the Corporation’s capital improvement fund. Any revenues exceeding the Corporation’s capital fund threshold of \$1,500,000 at the end of the Corporation’s fiscal year go to the SFMTA. The Corporation contracts with a professional parking management company to oversee the day-to-day operation of the Garage. The management company receives \$4,600 per month for managing the Garage. No incentive fees or other compensation is paid to the management company.

Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and the Office of the Controller. SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process. The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages. Capital improvement requests are deferred until an overall assessment of the capital improvement needs by the SFMTA is completed.

The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year. The Corporation’s fiscal year ends April 30 to provide adequate time to conclude a year end audit and to transfer net income to the City before the close of the City’s fiscal year.

**Budget Evaluation Process:**

Upon receipt of the Corporation’s budget submittal, staff’s initial review begins with a year-to-date verification of each revenue and expense line item category with the most recent garage monthly report. These line items are projected out through the end of the fiscal year taking into account the variations in seasonality, possible implementation of rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses and normalizing for non-regular services or supply purchases. This initial review enables staff to identify possible erroneous assumptions made by the Corporation.

The next step in the process is to communicate to the Corporate Managers any items of concern, point out obvious mathematical or formatting errors, if any, and provide the opportunity for clarification and/or revision. Upon mutually accepted projections of revenues and expense for the current and proposed years, the Corporations are requested to re-submit the budget in its final form providing the basis for this staff report. The Corporation’s budget submittal did not contain any significant errors and changes made by staff were the result of diligent efforts by the Corporate Manager to submit the latest and most accurate projections for revenues and expenses.

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**FISCAL YEAR 2007-2008**

A comparison between the approved FY 2007-2008 budget and the anticipated FY 2007-2008 performance is shown in the chart below.

**FY 2007-2008 Performance:**

	<b>2007-2008 Approved Budget</b>	<b>2007-2008 Actual/ Anticipated</b>	<b>Difference Between Approved and Anticipated</b>
Gross Revenue	\$23,570,163	\$21,381,292	-\$2,188,871
Less Parking Taxes	\$4,449,903	\$4,013,168	-\$436,735
Less Expenses	\$5,353,050	\$5,401,526	\$48,476
Net Income	\$13,767,210	\$11,966,598	-\$1,800,612
SFMTA Income (85% of Net Income)	\$11,702,129	\$10,171,608	-\$1,530,521
Additional Income (Amount Exceeding Maximum for Capital)	\$828,902	\$1,519,990	\$691,088
Total SFMTA Income	\$12,531,031	\$11,691,598	-\$839,433

In FY 2007-2008 the Corporation anticipates generating \$21,381,292 in revenues which is \$2,188,871 (or 9.3 percent) less than the budgeted revenue mainly due to over projections in the overall increase in patronage from the opening of the Westfield Mall and declining monthly parking contracts. Transient volume has increased approximately five percent while the monthly patronage has decline approximately 15 percent in the last twelve months compared to the previous twelve months of the same period. The anticipated gross revenue is however approximately \$2,000,000 or 10 percent more than the actual prior year amount for FY 2006-2007.

The Corporation anticipates expending \$5,401,526 which is \$48,476 (or one percent) more than the amount budgeted primarily due to higher than expected cost for bank fees associated with increasing credit card usage, increasing cost for security and janitorial services. These overspent categories were off-set by savings in budgeted salaries and associated payroll cost and under budget spending in most all other categories resulting in overall expenditures at the budget level.

The Corporation anticipates generating a total of \$11,691,598 which is \$839,433 (or 6.7 percent) less than budgeted to the SFMTA for FY 2007-2008. The amount reflects \$1,530,521 or 13 percent less than the budgeted 85 percent of net income and increased by \$691,088 more than budgeted in capital fund overflow.

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**FISCAL YEARS 2008-2009 and 2009-2010**

A comparison between the approved FY 2007-2008 Operating Budget, the proposed FY 2008-2009 and 2009-2010 operating budget, is shown in the chart below.

**Fiscal Years 2008-2009 and 2009-2010 Proposed Operating Budget:**

	<b>2007-2008 Approved Budget</b>	<b>2008-2009 Proposed Budget</b>	<b>2009-2010 Proposed Budget</b>	<b>2008-2009 Compared to 2007-2008</b>	<b>2009-2010 Compared to 2008-2009</b>
Gross Revenue	\$23,570,163	\$21,374,747	\$22,015,989	-\$2,195,416	\$641,242
Less Parking Taxes	\$4,449,903	\$4,024,163	\$4,144,888	-\$425,740	\$120,725
Less Expenses	\$5,353,050	\$5,772,238	\$5,922,299	\$419,188	\$150,061
Net Income	\$13,767,210	\$11,578,346	\$11,948,803	-\$2,188,864	\$370,457
SFMTA Income (85% of Net Income)	\$11,702,129	\$9,841,594	\$10,156,482	-\$1,860,535	\$314,888
Additional Income (Amount Exceeding Maximum for Capital)	\$828,902	\$680,252	\$793,625	-\$148,650	\$113,373
Total SFMTA Income	\$12,531,031	\$10,521,846	\$10,950,108	-\$2,009,185	\$113,373

For FY 2008-2009, the Corporation projects generating \$21,374,747 which is \$2,195,416 (or nine percent) less gross revenue budgeted for FY 2007-2008, to reflect current economic conditions. The Corporation does not anticipate any significant changes in the upcoming fiscal year with respect to transient usage or monthly patronage and has not made any recommendations for a rate adjustment.

The Corporation's overall proposed expenditures for FY 2008-2009 are \$5,772,238 (or eight percent), greater than the FY 2007-2008 approved budget mainly due to an anticipated increase in bank fees associated with increasing credit card usage and the anticipated formation of a Community Benefits District which will potentially create an assessment on the property of approximately \$100,000 annually. Other factors contributing to the increase in operating expenses are scheduled salary increases and associated payroll cost and contracts for security and janitorial services. The SFMTA Board recently authorized the Corporation to issue an RFP for the selection of a new professional parking operator to manage the day-to-day garage operations which is anticipated to increase the management fee expense category.

The Corporation projects generating \$10,521,846 that includes overflow of capital fund reserves to SFMTA for FY 2008-2009. This amount is \$2,009,185 less than the amount budgeted for FY 2007-2008 and is largely due to over budgeted revenues for FY 2007-2008.

For FY 2009-2010, the Corporation anticipates generating \$22,015,989 which is \$641,242 (or three percent) more revenue over the budgeted amount for FY 2008-2009. Expenditures are expected to be \$5,922,299 which is \$150,061 (or 2.6 percent) more than the amount budgeted for FY 2008-2009 to cover increases in salaries, services and supplies. Total SFMTA income for FY 2009-2010 is \$10,950,108 which includes the overflow from the Corporation's capital improvement fund. The revenues projected for FY 2009-2010 do not include possible rate adjustments and the Corporation will be provided an opportunity to make amendments to this operating budget next year.

This item directly supports Goal 4, Improved Financial Stability and all the other SFMTA 2008-2012 Strategic Plan Goals indirectly.

The City Attorney's Office has reviewed this item.

**Recommendation:**

Staff recommends that the SFMTA Board of Directors adopt the attached resolution, approving the City of San Francisco Downtown Parking Corporation's Fiscal Year 2008-2009 and 2009-2010 Operating Budget and authorizing the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Downtown Parking Corporation (“Corporation”) oversees the operation of the Fifth & Mission Street Parking Garage (“Garage”) on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the Municipal Transportation Agency Board of Directors and the Office of the Controller for review and approval; and,

WHEREAS, Each year the Municipal Transportation Agency Board of Directors reviews the non-profit garage operating budgets and makes recommendations to the Office of the Controller; and,

WHEREAS, The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year in a format provided by the SFMTA; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year; and,

WHEREAS, The Corporation has submitted the Fiscal Year 2008-2009 and 2009-2010 Operating Budget to the Municipal Transportation Agency Board of Directors for review; and,

WHEREAS, The Municipal Transportation Agency Board of Directors has reviewed the City of San Francisco Downtown Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors approves the City of San Francisco Downtown Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Fifth and Mission Garage; and, be it further

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the SFMTA’s Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board



**CITY AND COUNTY OF SAN FRANCISCO**

**City of San Francisco Downtown Parking Corporation  
5<sup>th</sup> & Mission/Yerba Buena Parking Garage  
833 Mission Street**

**\*PROPOSED BUDGET**

**FY 2008 – 2009 (FY09)**

**FY 2009 – 2010 (FY10)**

**Prepared by:**

**City of San Francisco Downtown Parking Corporation  
John R. Brown, Corporate Manager  
415-982-8522x11  
john.brown@fifthandmission.com**

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**GARAGE**  
**Three-Year Historical Trend**  
**Summary of Revenue and Expenditure**  
**(TABLE I)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - April 30, 2005</b>	<b>Actual May 1, 2004 - April 30, 2005</b>	<b>Budget May 1, 2005 - April 30, 2006</b>	<b>Actual May 1, 2005 - April 30, 2006</b>	<b>Budget May 1, 2006 - April 30, 2007</b>	<b>Actual May 1, 2006 - April 30, 2007</b>
<b>REVENUE</b>						
1a Transient Parking	11,674,686	11,615,658	12,164,915	12,852,834	13,244,426	16,486,418
1b Monthly Parking	1,438,659	1,441,135	1,554,658	1,545,155	1,606,351	1,553,855
1c Business Validation	600	2,200	1,200	2,600	1,300	2,100
1d Hotel Parking	34,623	77,225	71,954	63,399	71,761	82,352
1e Misc. Revenue – Parking	6,990	1,267	9,315	3,070	9,411	14,073
1f Government & Other Tax Exempt Parking	122,400	85,340	81,600	16,280	18,480	13,840
<b>Total Parking Revenue</b>	<b>\$13,277,958</b>	<b>\$13,222,825</b>	<b>\$13,883,642</b>	<b>\$14,483,338</b>	<b>\$14,951,729</b>	<b>\$18,152,638</b>
2a Retail Rental	\$658,690	\$567,230	\$679,690	\$587,614	\$731,690	\$615,839
2b Other Garage Revenue	\$126,000	\$141,954	\$126,000	\$133,417	\$130,000	\$162,072
<b>Gross Revenue</b>	<b>\$14,062,648</b>	<b>\$13,932,009</b>	<b>\$14,689,332</b>	<b>\$15,204,369</b>	<b>\$15,813,419</b>	<b>\$18,930,549</b>
3a Parking Tax (less)	\$2,631,112	\$2,613,298	\$2,760,408	\$2,893,410	\$2,986,650	\$3,627,749
<b>Net Revenue</b>	<b>\$11,431,536</b>	<b>\$11,318,711</b>	<b>\$11,928,924</b>	<b>\$12,310,959</b>	<b>\$12,826,769</b>	<b>\$15,302,800</b>
<b>EXPENDITURE</b>						
<b>Personnel Cost</b>						
A1 Administrative Salaries	\$199,000	\$202,120	\$207,400	\$210,092	\$215,400	\$215,084
A2 Parking Operations Salaries	\$998,900	\$938,603	\$1,027,400	\$980,755	\$1,080,600	\$1,082,385
<b>Payroll Expenses</b>						
B1 Payroll Taxes (non-SF)	\$102,500	\$98,064	\$105,200	\$100,090	\$109,200	\$109,630
B2 SF Payroll Taxes	\$17,696	\$15,570	\$18,522	\$16,159	\$19,440	\$17,905
B3 Welfare & Pension	\$319,400	\$296,520	\$348,384	\$316,567	\$359,000	\$341,473
B4 Worker's Compensation	\$178,966	\$141,407	\$170,485	\$162,404	\$135,000	\$131,766

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - April 30, 2005</b>	<b>Actual May 1, 2004 - April 30, 2005</b>	<b>Budget May 1, 2005 - April 30, 2006</b>	<b>Actual May 1, 2005 - April 30, 2006</b>	<b>Budget May 1, 2006 - April 30, 2007</b>	<b>Actual May 1, 2006 - April 30, 2007</b>
<b>Utilities</b>						
C1 Gas & Electric	\$297,500	\$253,667	\$264,800	\$235,831	\$262,800	\$241,036
C2 Water	\$11,000	\$9,634	\$11,000	\$10,673	\$10,000	\$13,631
C3 Telephone	\$9,400	\$11,103	\$10,800	\$12,244	\$12,000	\$12,182
C4 Scavenger	\$7,000	\$9,089	\$10,400	\$7,603	\$9,000	\$7,120
<b>Supplies &amp; Services</b>						
D1 Insurance	\$127,200	\$119,201	\$108,000	\$95,820	\$88,000	\$93,573
D2 Repairs & Maintenance (Facility)	\$106,900	\$103,597	\$109,200	\$115,035	\$109,200	\$108,725
D3 Office Supplies	\$12,000	\$13,080	\$12,000	\$11,041	\$12,000	\$16,874
D4 Garage Supplies	\$18,000	\$23,284	\$17,500	\$17,258	\$18,000	\$25,961
D5 Parking Supplies	\$10,000	\$13,064	\$20,600	\$33,878	\$24,000	\$24,000
<b>Management Costs</b>						
E1 Management Fee	\$55,200	\$55,200	\$55,200	\$55,200	\$55,200	\$55,200
E2 Incentive Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Professional/Personal Services</b>						
F1 Garage Audit	\$27,500	\$27,834	\$28,000	\$26,527	\$28,000	\$33,562
F2 Security (Contractual)	\$322,600	\$293,020	\$314,000	\$310,744	\$320,000	\$359,311
F3 Janitorial Contract	\$318,700	\$336,022	\$363,936	\$370,461	\$384,000	\$438,562
F4 Armored Car	\$11,400	\$11,297	\$12,150	\$11,294	\$12,000	\$11,398
F5 Bank Charges (Non-trustee)	\$126,000	\$144,190	\$150,000	\$175,978	\$176,000	\$271,747
F6 Uniform Cleaning	\$8,000	\$6,768	\$8,000	\$7,390	\$8,500	\$7,645
F7 Payroll Processing	\$4,800	\$4,842	\$4,800	\$4,850	\$4,800	\$4,901
F8 Equipment Maintenance	\$96,700	\$91,997	\$101,535	\$96,870	\$100,000	\$100,971
<b>Other Costs</b>						
G1 Taxes & Licenses	\$7,000	\$6,692	\$7,000	\$2,683	\$5,000	\$2,907
G2 Marketing	\$5,000	\$3,997	\$6,000	\$4,785	\$6,000	\$8,852
G3 Miscellaneous	\$6,000	\$16,995	\$6,000	\$2,033	\$6,000	\$14,368
G4 Lease Commissions	\$11,300	\$23,381	\$11,300	\$-	\$11,300	\$11,260
G5 Tenant Legal	\$76,800	\$18,536	\$76,800	\$18,085	\$76,800	\$16,553
G6 Other Misc' Prop' Costs	\$61,100	\$42,679	\$61,100	\$16,803	\$65,100	\$19,436
<b>Total Garage Expense</b>	\$3,553,562	\$3,331,453	\$3,647,512	\$3,429,153	\$3,722,340	\$3,798,018
<b>Garage Operating</b>	\$7,877,974	\$7,987,258	\$8,281,412	\$8,881,806	\$9,104,429	\$11,504,782

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - April 30, 2005</b>	<b>Actual May 1, 2004 - April 30, 2005</b>	<b>Budget May 1, 2005 - April 30, 2006</b>	<b>Actual May 1, 2005 - April 30, 2006</b>	<b>Budget May 1, 2006 - April 30, 2007</b>	<b>Actual May 1, 2006 - April 30, 2007</b>
<b>Income/Loss</b>						
<b>Corporate Expenses:</b>						
H1 Trustees' Fees	\$17,000	\$18,968	\$17,000	\$20,063	\$21,000	\$22,125
H2 Corporate Legal	\$36,000	\$23,447	\$42,000	\$25,869	\$36,000	\$36,057
H3 Corporate Insurance	\$8,000	\$7,992	\$8,000	\$7,992	\$7,400	\$6,764
H4 Bond Interest Expense	\$546,612	\$527,562	\$526,812	\$507,440	\$503,012	\$483,269
H5 Other Trust Costs	\$7,000	\$10,071	\$7,000	\$7,475	\$7,000	\$7,501
H6 Audit Committee Support	\$ -	\$ -	\$ -	\$ -	\$8,000	\$ -
<b>SUB TOTAL</b>	<b>\$614,612</b>	<b>\$588,040</b>	<b>\$600,812</b>	<b>\$568,839</b>	<b>\$582,412</b>	<b>\$555,716</b>
<b>Other Income:</b>						
H7 Trust Fund Earnings	\$(100,000)	\$(125,223)	\$(90,000)	\$(297,695)	\$(258,000)	\$(443,788)
H8 Other Corp' Earnings	\$(12,360)	\$(12,044)	\$(12,360)	\$(14,539)	\$(12,360)	\$(15,087)
<b>SUB TOTAL</b>	<b>\$(112,360)</b>	<b>\$(137,267)</b>	<b>\$(102,360)</b>	<b>\$(312,234)</b>	<b>\$(270,360)</b>	<b>\$(458,875)</b>
<b>NET CORP EXPENSES</b>	<b>\$502,252</b>	<b>\$450,773</b>	<b>\$498,452</b>	<b>\$256,605</b>	<b>\$312,052</b>	<b>\$96,841</b>
BOND REDEMPTION	\$660,000	\$660,000	\$680,000	\$680,000	\$700,000	\$700,000
NET INCOME BEFORE CAPITAL EXPENDITURES	\$7,375,722	\$7,536,485	\$7,782,960	\$8,625,201	\$8,792,377	\$11,407,941
<b>Distribution to City</b>	<b>\$6,042,318</b>	<b>\$6,652,722</b>	<b>\$5,556,856</b>	<b>\$7,314,576</b>	<b>\$6,636,912</b>	<b>\$9,642,003</b>

**GARAGE**  
**FY 2008 Approved Budget vs. FY 2008 Projection**  
**Summary of Revenue and Expenditure**  
**(TABLE II)**

REVENUE & EXPENSE CATEGORIES	Approved Budget May 1, 2007 - April 30, 2008	Projected May 1, 2007 - April 30, 2008	Difference Between FY08 Approved and FY08 Projected	
<b>REVENUE</b>				
1a Transient Parking	\$20,398,099	\$18,328,874	(\$2,069,225)	-10%
1b Monthly Parking	\$1,734,600	\$1,578,744	(\$155,856)	-9%
1c Business Validation	\$2,200	\$3,000	\$800	36%
1d Hotel Parking	\$101,690	\$147,814	\$46,124	45%
1e Misc. Revenue – Parking	\$12,924	\$11,712	(\$1,212)	-9%
1f Government & Other Tax Exempt Parking	\$15,600	\$2,600	(\$13,000)	-83%
<b>Total Parking Revenue</b>	<b>\$22,265,113</b>	<b>\$20,072,743</b>	<b>(\$2,192,370)</b>	<b>-10%</b>
2a Retail Rental	\$731,690	\$692,160	(\$39,530)	-5%
2b Other Garage Revenue	\$161,000	\$161,243	\$243	0%
<b>Gross Revenue</b>	<b>\$23,157,803</b>	<b>\$20,926,146</b>	<b>(\$2,231,657)</b>	<b>-10%</b>
3a Parking Tax (less)	\$4,449,903	\$4,013,168	(\$436,735)	-10%
<b>Net Revenue</b>	<b>\$18,707,900</b>	<b>\$16,912,978</b>	<b>(\$1,794,922)</b>	<b>-10%</b>
<b>EXPENDITURE</b>				
<b>Personnel Cost</b>				
A1 Administrative Salaries	\$220,500	\$215,996	(\$4,504)	-2%
A2 Parking Operations Salaries	\$1,172,000	\$1,127,110	(\$44,890)	-4%
<b>Payroll Expenses</b>				
B1 Payroll Taxes (non-SF)	\$116,200	\$107,485	(\$8,715)	-8%
B2 SF Payroll Taxes	\$19,138	\$20,147	\$1,009	5%
B3 Welfare & Pension	\$400,600	\$372,722	(\$27,878)	-7%
B4 Worker's Compensation	\$112,700	\$110,633	(\$2,067)	-2%
<b>Utilities</b>				
C1 Gas & Electric	\$241,300	\$241,300	\$0	0%
C2 Water	\$13,500	\$13,866	\$366	3%
C3 Telephone	\$12,000	\$10,987	(\$1,013)	-8%
C4 Scavenger	\$9,000	\$7,665	(\$1,335)	-15%
<b>Supplies &amp; Services</b>				
D1 Insurance	\$100,400	\$100,130	(\$270)	0%
D2 Repairs & Maintenance (Facility)	\$113,000	\$113,000	\$0	0%
D3 Office Supplies	\$16,000	\$16,000	\$0	0%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 - April 30, 2008</b>	<b>Projected May 1, 2007 - April 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
D4 Garage Supplies	\$18,000	\$18,000	\$0	0%
D5 Parking Supplies	\$24,000	\$24,000	\$0	0%
<b>Management Costs</b>				
E1 Management Fee	\$55,200	\$55,200	\$0	0%
E2 Incentive Fee	\$0	\$0	\$0	
<b>Professional/Personal Services</b>				
F1 Garage Audit	\$28,000	\$21,566	(\$6,434)	-23%
F2 Security (Contractual)	\$413,000	\$445,247	\$32,247	8%
F3 Janitorial Contract	\$472,800	\$502,421	\$29,621	6%
F4 Armored Car	\$12,000	\$12,000	\$0	0%
F5 Bank Charges (Non-trustee)	\$220,000	\$366,497	\$146,497	67%
F6 Uniform Cleaning	\$7,000	\$8,124	\$1,124	16%
F7 Payroll Processing	\$4,800	\$4,885	\$85	2%
F8 Equipment Maintenance	\$100,000	\$106,112	\$6,112	6%
<b>Other Costs</b>				
G1 Taxes & Licenses	\$5,000	\$5,000	\$0	0%
G2 Marketing	\$6,000	\$6,000	\$0	0%
G3 Miscellaneous	\$6,000	\$5,480	(\$520)	-9%
G4 Lease Commissions	\$11,300	\$26,749	\$15,449	137%
G5 Tenant Legal	\$76,800	\$36,307	(\$40,493)	-53%
G6 Other Misc' Prop' Costs	\$62,800	\$43,525	(\$19,275)	-31%
<b>Total Garage Expense</b>	<b>\$4,069,038</b>	<b>\$4,144,155</b>	<b>\$75,117</b>	<b>2%</b>
<b>Garage Operating Income/Loss</b>	<b>\$14,638,862</b>	<b>\$12,768,823</b>	<b>(\$1,870,039)</b>	<b>-13%</b>
<b>Corporate Expenses:</b>				
H1 Trustees' Fees	\$21,000	\$24,362	\$3,362	16%
H2 Corporate Legal	\$36,000	\$28,756	(\$7,244)	-20%
H3 Corporate Insurance	\$7,000	\$6,764	(\$236)	-3%
H4 Bond Interest Expense	\$475,012	\$456,358	(\$18,654)	-4%
H5 Other Trust Costs	\$7,000	\$8,131	\$1,131	16%
H6 Audit Committee Support	\$8,000	\$3,000	(\$5,000)	-63%
SUB TOTAL	\$554,012	\$527,370	(\$26,642)	-5%
<b>Other Income:</b>				
H7 Trust Fund Earnings	(\$400,000)	(\$432,194)	(\$32,194)	8%
H8 Other Corp' Earnings	(\$12,360)	(\$22,952)	(\$10,592)	86%
SUB TOTAL	(\$412,360)	(\$455,146)	(\$42,786)	10%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 - April 30, 2008</b>	<b>Projected May 1, 2007 - April 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
NET CORP EXPENSES	\$141,652	\$72,225	(\$69,427)	-49%
BOND REDEMPTION	\$730,000	\$730,000	\$0	0%
<b>NET INCOME</b>	<b>\$13,767,210</b>	<b>\$11,966,598</b>	<b>(\$1,800,612)</b>	<b>-13%</b>
85 Percent of Net Income	\$11,702,129	\$10,171,608	(\$1,530,521)	-13%
Capital Fund Overage	\$828,902	\$1,519,990	\$691,088	84%
<b>Distribution to City</b>	<b>\$12,531,031</b>	<b>\$11,691,598</b>	<b>(\$839,433)</b>	<b>-6.7%</b>



**GARAGE**  
**FY 2009 and FY 2010 Proposed Budget**  
**Summary of Revenue and Expenditure**  
**(TABLE III)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 – April 30, 2008</b>	<b>Proposed Budget May 1, 2008 – April 30, 2009</b>	<b>Proposed Budget May 1, 2009 – April 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
<b>REVENUE</b>					
1a Transient Parking	\$20,398,099	\$18,328,874	\$18,878,740	(\$2,069,225)	-10%
1b Monthly Parking	\$1,734,600	\$1,578,744	\$1,626,106	(\$155,856)	-9%
1c Business Validation	\$2,200	\$3,049	\$3,141	\$849	39%
1d Hotel Parking	\$101,690	\$150,648	\$155,168	\$48,958	48%
1e Misc. Revenue – Parking	\$12,924	\$11,937	\$12,295	(\$987)	-8%
1f Government & Other Tax Exempt Parking	\$15,600	\$0	\$0	(\$15,600)	-100%
<b>Total Parking Revenue</b>	<b>\$22,265,113</b>	<b>\$20,073,252</b>	<b>\$20,675,449</b>	<b>(\$2,191,861)</b>	<b>-10%</b>
2a Retail Rental	\$731,690	\$692,160	\$712,925	(\$39,530)	-5%
2b Other Garage Revenue	\$161,000	\$164,335	\$169,265	\$3,335	2%
<b>Gross Revenue</b>	<b>\$23,157,803</b>	<b>\$20,929,747</b>	<b>\$21,557,639</b>	<b>(\$2,228,056)</b>	<b>-10%</b>
3a Parking Tax (less)	\$4,449,903	\$4,024,163	\$4,144,888	(\$425,740)	-10%
<b>Net Revenue</b>	<b>\$18,707,900</b>	<b>\$16,905,584</b>	<b>\$17,412,752</b>	<b>(\$1,802,316)</b>	<b>-10%</b>
<b>EXPENDITURE</b>					
<b>Personnel Cost</b>					
A1 Administrative Salaries	\$220,500	\$226,228	\$233,015	\$5,728	3%
A2 Parking Operations Salaries	\$1,172,000	\$1,217,601	\$1,254,129	\$45,601	4%
<b>Payroll Expenses</b>					
B1 Payroll Taxes (non-SF)	\$116,200	\$120,533	\$124,149	\$4,333	4%
B2 SF Payroll Taxes	\$19,138	\$21,657	\$22,307	\$2,519	13%
B3 Welfare & Pension	\$400,600	\$361,000	\$371,830	(\$39,600)	-10%
B4 Worker's Compensation	\$112,700	\$138,072	\$142,214	\$25,372	23%
<b>Utilities</b>					
C1 Gas & Electric	\$241,300	\$245,314	\$252,673	\$4,014	2%
C2 Water	\$13,500	\$14,000	\$14,420	\$500	4%
C3 Telephone	\$12,000	\$12,000	\$12,360	\$0	0%
C4 Scavenger	\$9,000	\$12,000	\$12,360	\$3,000	33%
<b>Supplies &amp; Services</b>					
D1 Insurance	\$100,400	\$105,000	\$108,150	\$4,600	5%
D2 Repairs & Maintenance (Facility)	\$113,000	\$114,620	\$118,059	\$1,620	1%

REVENUE & EXPENSE CATEGORIES	Approved Budget	Proposed Budget	Proposed Budget	Difference Between	
	May 1, 2007 – April 30, 2008	May 1, 2008 – April 30, 2009	May 1, 2009 – April 30, 2010	FY08 Approved and FY09 Proposed	
D3 Office Supplies	\$16,000	\$16,000	\$16,480	\$0	0%
D4 Garage Supplies	\$18,000	\$18,000	\$18,540	\$0	0%
D5 Parking Supplies	\$24,000	\$24,000	\$24,720	\$0	0%
<b>Management Costs</b>					
E1 Management Fee	\$55,200	\$84,000	\$86,520	\$28,800	52%
E2 Incentive Fee	\$0	\$10,000	\$10,300	\$10,000	100%
<b>Professional/Personal Services</b>					
F1 Garage Audit	\$28,000	\$22,000	\$22,660	(\$6,000)	-21%
F2 Security (Contractual)	\$413,000	\$446,000	\$459,380	\$33,000	8%
F3 Janitorial Contract	\$472,800	\$516,000	\$531,480	\$43,200	9%
F4 Armored Car	\$12,000	\$12,600	\$12,978	\$600	5%
F5 Bank Charges (Non-trustee)	\$220,000	\$370,000	\$381,100	\$150,000	68%
F6 Uniform Cleaning	\$7,000	\$8,500	\$8,755	\$1,500	21%
F7 Payroll Processing	\$4,800	\$4,900	\$5,047	\$100	2%
F8 Equipment Maintenance	\$100,000	\$108,000	\$111,240	\$8,000	8%
<b>Other Costs</b>					
G1 Taxes & Licenses	\$5,000	\$5,000	\$5,150	\$0	0%
G2 Marketing	\$6,000	\$6,000	\$6,180	\$0	0%
G3 Miscellaneous	\$6,000	\$111,000	\$111,000	\$105,000	1750%
G4 Lease Commissions	\$11,300	\$45,000	\$46,350	\$33,700	298%
G5 Tenant Legal	\$76,800	\$38,400	\$19,776	(\$38,400)	-50%
G6 Other Misc' Property Costs	\$62,800	\$24,000	\$24,720	(\$38,800)	-62%
<b>Total Garage Expense</b>	<b>\$4,069,038</b>	<b>\$4,457,425</b>	<b>\$4,568,042</b>	<b>\$388,387</b>	<b>10%</b>
<b>Garage Operating Income/Loss</b>	<b>\$14,638,862</b>	<b>\$12,448,159</b>	<b>\$12,844,710</b>	<b>(\$2,190,703)</b>	<b>-15%</b>
<b>Corporate Expenses:</b>					
H1 Trustees' Fees	\$21,000	\$24,000	\$24,720	\$3,000	14%
H2 Corporate Legal	\$36,000	\$36,000	\$37,080	\$0	0%
H3 Corporate Insurance	\$7,000	\$7,000	\$7,210	\$0	0%
H4 Bond Interest Expense	\$475,012	\$445,813	\$459,187	(\$29,200)	-6%
H5 Other Trust Costs	\$7,000	\$8,000	\$8,240	\$1,000	14%
H6 Audit Committee Support	\$8,000	\$4,000	\$4,120	(\$4,000)	-50%
<b>SUB TOTAL</b>	<b>\$554,012</b>	<b>\$524,813</b>	<b>\$540,557</b>	<b>(\$29,200)</b>	<b>-5%</b>
<b>Other Income:</b>					
H7 Trust Fund Earnings	-\$400,000	-\$426,000	-\$438,780	(\$26,000)	7%

REVENUE & EXPENSE CATEGORIES	Approved Budget May 1, 2007 – April 30, 2008	Proposed Budget May 1, 2008 – April 30, 2009	Proposed Budget May 1, 2009 – April 30, 2010	Difference Between FY08 Approved and FY09 Proposed	
H8 Other Corp' Earnings	-\$12,360	-\$19,000	-\$19,570	(\$6,640)	54%
SUB TOTAL	-\$412,360	-\$445,000	-\$458,350	(\$32,640)	8%
NET CORP EXPENSES	\$141,652	\$79,813	\$82,207	(\$61,840)	-44%
BOND REDEMPTION	\$730,000	\$790,000	\$813,700	\$60,000	8%
<b>NET INCOME</b>	<b>\$13,767,210</b>	<b>\$11,578,346</b>	<b>\$11,948,803</b>	<b>-\$2,188,864</b>	<b>-16%</b>
85 Percent of Net Income	\$11,702,729	\$9,841,594	\$10,156,482	-\$1,861,135	-16%
Capital Fund Overage	\$828,902	\$680,252	\$793,625	-\$148,650	-18%
<b>Distribution to City</b>	<b>\$12,531,031</b>	<b>\$10,521,846</b>	<b>\$10,950,108</b>	<b>\$2,009,185</b>	<b>-16%</b>

**GARAGE**  
**FY 2008-2009 and FY 2009-FY2010 Proposed Revenues by Month**  
**(TABLE IV)**

<b>FY 2008 - 2009</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>Parking Revenues</b>													
1a Transient Parking	1,552,446	1,502,367	1,552,446	1,552,446	1,502,367	1,552,446	1,502,367	1,552,446	1,552,446	1,452,288	1,552,446	1,502,367	18,328,874
1b Monthly Parking	131,562	131,562	131,562	131,562	131,562	131,562	131,562	131,562	131,562	131,562	131,562	131,562	1,578,744
1c Business Validation	254	254	254	254	254	254	254	254	254	254	254	254	3,049
1d Hotel Parking	12,554	12,554	12,554	12,554	12,554	12,554	12,554	12,554	12,554	12,554	12,554	12,554	150,648
1e Misc' Rev' Parking	995	995	995	995	995	995	995	995	995	995	995	995	11,937
1f Tax Exempt/Govt'	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Parking Rev'</b>	<b>1,697,810</b>	<b>1,647,732</b>	<b>1,697,810</b>	<b>1,697,810</b>	<b>1,647,732</b>	<b>1,697,810</b>	<b>1,647,732</b>	<b>1,697,810</b>	<b>1,697,810</b>	<b>1,597,653</b>	<b>1,697,810</b>	<b>1,647,732</b>	<b>20,073,252</b>
2a Retail Rental	57,680	57,680	57,680	57,680	57,680	57,680	57,680	57,680	57,680	57,680	57,680	57,680	692,160
2b Other Garage Rev'	13,695	13,695	13,695	13,695	13,695	13,695	13,695	13,695	13,695	13,695	13,695	13,695	164,335
<b>Gross Revenue</b>	<b>1,755,490</b>	<b>1,705,412</b>	<b>1,755,490</b>	<b>1,755,490</b>	<b>1,705,412</b>	<b>1,755,490</b>	<b>1,705,412</b>	<b>1,755,490</b>	<b>1,755,490</b>	<b>1,655,333</b>	<b>1,755,490</b>	<b>1,719,106</b>	<b>20,929,747</b>
3a Parking Tax (less)	340,844	329,849	340,844	340,844	329,849	340,844	329,849	340,844	340,844	318,854	340,844	329,849	4,024,163
<b>Net Revenue</b>	<b>1,414,646</b>	<b>1,375,562</b>	<b>1,414,646</b>	<b>1,414,646</b>	<b>1,375,562</b>	<b>1,414,646</b>	<b>1,375,562</b>	<b>1,414,646</b>	<b>1,414,646</b>	<b>1,336,478</b>	<b>1,414,646</b>	<b>1,389,257</b>	<b>16,905,584</b>

<b>FY 2009 - 2010</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>Parking Revenues</b>													
1a Transient Parking	1,599,019	1,547,438	1,599,019	1,599,019	1,547,438	1,599,019	1,547,438	1,599,019	1,599,019	1,495,856	1,599,019	1,547,438	18,878,740
1b Monthly Parking	135,509	135,509	135,509	135,509	135,509	135,509	135,509	135,509	135,509	135,509	135,509	135,509	1,626,106
1c Business validation	262	262	262	262	262	262	262	262	262	262	262	262	3,141
1d Hotel Parking	12,931	12,931	12,931	12,931	12,931	12,931	12,931	12,931	12,931	12,931	12,931	12,931	155,168
1e Misc' Rev' Parking	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	12,295
1f Tax Exempt/Govt'	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Parking Rev'</b>	<b>1,748,745</b>	<b>1,697,163</b>	<b>1,748,745</b>	<b>1,748,745</b>	<b>1,697,163</b>	<b>1,748,745</b>	<b>1,697,163</b>	<b>1,748,745</b>	<b>1,748,745</b>	<b>1,645,582</b>	<b>1,748,745</b>	<b>1,697,163</b>	<b>20,675,449</b>
2a Retail Rental	59,410	59,410	59,410	59,410	59,410	59,410	59,410	59,410	59,410	59,410	59,410	59,410	712,925
2b Other Garage Rev'	14,105	14,105	14,105	14,105	14,105	14,105	14,105	14,105	14,105	14,105	14,105	14,105	169,265
<b>Gross Revenue</b>	<b>1,822,261</b>	<b>1,770,679</b>	<b>1,822,261</b>	<b>1,822,261</b>	<b>1,770,679</b>	<b>1,822,261</b>	<b>1,770,679</b>	<b>1,822,261</b>	<b>1,822,261</b>	<b>1,719,098</b>	<b>1,822,261</b>	<b>1,770,679</b>	<b>21,557,639</b>
3a Parking Tax (less)	351,070	339,745	351,070	351,070	339,745	351,070	339,745	351,070	351,070	328,420	351,070	339,745	4,144,888
<b>Net Revenue</b>	<b>1,471,191</b>	<b>1,430,934</b>	<b>1,471,191</b>	<b>1,471,191</b>	<b>1,430,934</b>	<b>1,471,191</b>	<b>1,430,934</b>	<b>1,471,191</b>	<b>1,471,191</b>	<b>1,390,678</b>	<b>1,471,191</b>	<b>1,430,934</b>	<b>17,412,752</b>

## NARRATIVE I

### FY 2007-2008 Approved Budget To FY 2007-2008 Projection

#### **1a. Transient Parking**

- 10%

Transient revenues are under the budgeted amount due to overly aggressive projections. Demand due to the new mall has not materialized to the levels expected. Reports from the mall and surrounding theatres indicate business is strong. Assuming this is true, the fact that the garage is not meeting expected revenue levels may be due to a slowing economy and/or adverse impact of the recent (April 2007) rate increases.

#### **1b. Monthly Parking**

- 9%

Monthly Parking revenues are under budgeted amounts due to a slowing economy impacting one of the larger employers in the area (the Chronicle) and construction projects coming to an end combined with the April '07 rate increase.

#### **1c. Business Validation**

+36%

Business Validations are projected to be above budget due to more merchants in the area marketing their businesses by providing free or reduced rate parking to select patrons.

#### **1d. Hotel Parking**

+45%

This segment of our business continues to exceed expectations. This is a reflection of a healthy convention/hotel business in this area.

#### **1e. Miscellaneous Revenue – Parking**

-9%

Expect to finish the year on or close to budget.

#### **1f. Government Monthly Parking**

-72%

These have dropped off altogether as governmental agencies have moved out of the area or are addressing their own budgetary concerns.

#### **2a. Retail Rental**

- 5%

This line item is improving but continues to be under budget. There are many challenges with the rental of the retail space which has proved problematic. However we do anticipate leasing of the remaining spaces in the coming months.

#### **2b. Other Garage Revenue**

+/- 0%

On budget.

#### **3a. Parking Tax**

- 10%

A function of the parking revenues.

#### **A1. Administrative Salaries**

- 2%

Anticipate finishing year at or near budget.

#### **A2. Parking Operations Salaries**

- 4%

Anticipate finishing year at or near budget.

<b>B1. Payroll Taxes (non-SF)</b>	<b>- 13%</b>
Anticipate finishing the year at or near budget.	
<b>B2. SF Payroll Taxes</b>	<b>- 5%</b>
Anticipate finishing the year at or near budget.	
<b>B3. Welfare &amp; Pension</b>	<b>- 8%</b>
Anticipate finishing the year at or near budget.	
<b>B4. Worker's Compensation</b>	<b>- 6%</b>
This line item was originally estimated by the operator, later the number was negotiated down.	
<b>C1. Gas &amp; Electric</b>	<b>+ 0%</b>
Electrical billings have been in a flux for the past few months. We are working with Hetch Hetchy to institute better, more stable billing (of our retail tenants), once this is resolved (we're aiming for this fiscal year) we are confident we will meet or beat budget.	
<b>C2. Water &amp; Sewer</b>	<b>+ 14%</b>
Variance here is anticipated to be nominal.	
<b>C3. Telephone</b>	<b>- 12%</b>
Variance here is anticipated to be nominal.	
<b>C4. Scavenger</b>	<b>+ 4%</b>
Variance here is anticipated to be nominal	
<b>D1. Insurance</b>	<b>+ 0%</b>
On budget.	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>+ 0%</b>
Variance here is anticipated to be nominal	
<b>D3. Office Supplies</b>	<b>+ 5 %</b>
Variance here is anticipated to be nominal	
<b>D4. Garage Supplies</b>	<b>- 3%</b>
Variance here is anticipated to be nominal	
<b>D5. Parking Supplies</b>	<b>+ 0%</b>
Variance here is anticipated to be nominal	
<b>E1. Management Fee</b>	<b>+ 0%</b>
No variance is anticipated here.	
<b>E2. Incentive Fee</b>	<b>+ 0%</b>
We currently do not provide for an Incentive Fee	

<b>F1. Garage Audit</b>	<b>- 29%</b>
We recently put this service out to bid for two reasons, obtain new perspectives on the operations and to assure we were priced correctly. We were successful on both objectives and were able to realize a significant savings.	
<b>F2. Security (Contractual)</b>	<b>+ 6%</b>
We found it necessary to increase security coverage mid year as crowds from local clubs were endangering our customers and employees. Secondly we were requested by the Mayor's office to increase security presence on/at our busiest corner/lobby the result of both these was an increase to the overall costs. It should be noted that the additional service/costs were effective in addressing these issues.	
<b>F3. Janitorial Contract</b>	<b>+ 6%</b>
Similar to security service above, with the increase in business from the new mall and the late night clubs we found it necessary to increase this service.	
<b>F4. Armored Car</b>	<b>+ 0%</b>
Variance here is anticipated to be nominal.	
<b>F5. Bank Service Charge</b>	<b>+ 57%</b>
This line item includes credit card fees; this service continues to be more and more popular with our customers. Each year we budget for increased usage and the actual use out performs our predictions.	
<b>F6. Uniform Cleaning</b>	<b>+0%</b>
We're anticipating a nominal increase to this line item.	
<b>F7. Payroll Processing</b>	<b>+ 2%</b>
We anticipate little or no increase here.	
<b>F8. Equipment Maintenance</b>	<b>+ 6%</b>
We anticipate coming in at or slightly over budget for this line item. The equipment is getting more use due to increased business.	
<b>G1. Tax &amp; License Fees</b>	<b>- 2 %</b>
We anticipate coming in at or near budget.	
<b>G2. Marketing</b>	<b>+ 0%</b>
We anticipate coming in at or near budget.	
<b>G3. Miscellaneous</b>	<b>+/- 0%</b>
We anticipate coming in at or near budget.	
<b>G4. Capital Expenditure</b>	<b>+/- 0%</b>
We anticipate coming in at or near budget.	
<b>H1. Trustee's Fees</b>	<b>+ 16%</b>
Functions as a percentage of our revenues, should have budgeted better here.	

<b>H2. Corporate Legal</b>	<b>- 20%</b>
Anticipate coming in close to budget here.	
<b>H3. Corporate Insurance</b>	<b>- 3%</b>
On budget.	
<b>H4. Bond Interest Expense</b>	<b>- 4%</b>
A favorable variance is anticipated here.	
<b>H5. Other Trust Costs</b>	<b>+ 16%</b>
As per H4 with a negative variance.	
<b>H6. Audit Committee Support</b>	<b>- 63%</b>
To provide for anticipated needs of the newly formed Audit Committee. Will finish year well under budget.	
<b>H7. Trust Fund Earnings</b>	<b>+ 8%</b>
Performing better than anticipated.	
<b>H8. Other Corporate Earnings</b>	<b>+ 86%</b>
Performing better than anticipated.	
<b>BOND REDEMPTION</b>	<b>+0%</b>
On budget.	



**NARRATIVE II**

**FY 2007-2008 Approved Budget  
To  
FY 2008-2009 Proposed Budget**

<b>1a. Transient Parking</b>	<b>- 10%</b>
Projected as flat vs. 2007/08 anticipated actual.	
<b>1b. Monthly Parking</b>	<b>- 8%</b>
Projected as flat vs. 2007/08 anticipated actual.	
<b>1c. Business Validation</b>	<b>+ 74%</b>
Projected as flat vs. 2007/08 anticipated actual.	
<b>1d. Hotel Parking.</b>	<b>+ 42%</b>
Projected as flat vs. 2007/08 anticipated actual.	
<b>1e. Misc. Revenue - Parking</b>	<b>- 8%</b>
Projected as flat vs. 2007/08 anticipated actual.	
<b>1f. Government/Other Tax Exempt Parking</b>	<b>-100%</b>
None forecast for '09. They have moved parking elsewhere.	
<b>2a. Retail Rental</b>	<b>- 10%</b>
Projected as flat vs. 2007/08 anticipated actual.	
<b>2b. Other Garage Revenue</b>	<b>+ 11%</b>
Projected as flat vs. 2007/08 anticipated actual.	
<b>3a. Parking Tax</b>	<b>- 10%</b>
As a function of projected revenues above, flat vs. 2007/08 anticipated actual.	
<b>A1. Administrative Salaries</b>	<b>+ 1%</b>
Nominal changes here, salary increases are based on contractual obligations.	
<b>A2. Parking Operations Salaries</b>	<b>+ 4%</b>
Changes here are based on Union contract obligations and an estimated 2.7 percent increase for the later part of the year. The union contract is up for renewal and our estimate is based on % increase for the past two years.	
<b>B1. Payroll Taxes (non-SF)</b>	<b>+ 3%</b>
.Functions as a percent of A1 and A2.	
<b>B2. SF Payroll Taxes</b>	<b>+ 13%</b>
Functions at 1.5 percent of A1 and A2.	

<b>B3. Welfare &amp; Pension</b>	<b>- 10%</b>
Functions as a percent of A1 and A2.	
<b>B4. Worker's Compensation</b>	<b>+ 85%</b>
This line item functions as a % of payroll. The operator provides their best estimate of what it is anticipated to be, later the City Controller agrees to it, or provides a number they are willing to agree to. We are confident this number will come down.	
<b>C1. Gas &amp; Electric</b>	<b>+ 2%</b>
Projected based on previous year's anticipated actuals.	
<b>C2. Water &amp; Sewer</b>	<b>+ 4%</b>
Projected based on previous year's anticipated actuals.	
<b>C3. Telephone</b>	<b>- 0%</b>
Likely to remain on par with previous year's actuals.	
<b>C4. Scavenger</b>	<b>+ 33%</b>
Likely to remain on par with previous year's actuals.	
<b>D1. Insurance</b>	<b>+ 5%</b>
Rates seem to fluctuate year to year, hard to predict, we've projected a percent increase based on additional revenues over previous years.	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>+ 1%</b>
We've projected a nominal increase vs. previous budget based on anticipated actuals for '07/'08.	
<b>D3. Office Supplies</b>	<b>- 0%</b>
We've projected as flat vs. previous actuals. Needs in this area seem to remain constant.	
<b>D4. Garage Supplies</b>	<b>- 0%</b>
We've projected as flat vs. previous actuals. Needs in this area seem to remain constant.	
<b>D5. Parking Supplies</b>	<b>- 0%</b>
We've projected as flat vs. previous actuals. Needs in this area seem to remain constant.	
<b>E1. Management Fee</b>	<b>+ 52%</b>
We're being advised by SFMTA that a different fee structure for these essential services is being devised. These numbers, though higher than previous year budget reflect these new fees.	
<b>E2. Incentive Fee</b>	<b>+100%</b>
This new fee ties to E1 above. It is at this point a simple estimate and may or may not be wholly accurate.	

<b>F1. Garage Audit</b>	<b>- 21 %</b>
This will be the second year for our new outside audit team. This number is based on last year's usage and the fact that they will be interfacing with our audit committee as needed throughout the year.	
<b>F2. Security (Contractual)</b>	<b>+ 8%</b>
This number is based on prior years actual costs which takes into account additional needs due to increased business and to provide health coverage as mandated by the City.	
<b>F3. Janitorial Contract</b>	<b>+ 9%</b>
Based on prior year's actual numbers which takes into account additional service needs due to increased business.	
<b>F4. Armored Car</b>	<b>+ 5%</b>
Nominal increase projected, which is anticipated due to Cost of Living.	
<b>F5. Bank Service Charge</b>	<b>+ 68%</b>
Increases projected in anticipation of the continuing trend toward credit card usage.	
<b>F6. Uniform Cleaning</b>	<b>+ 21%</b>
Based on previous years actuals with a nominal dollar increase anticipated for cost of living.	
<b>F7. Payroll Processing</b>	<b>+ 2%</b>
Projected at flat vs. previous year actuals. Possible it could go away with the new operator when the new deal is negotiated.	
<b>F8. Equipment Maintenance</b>	<b>+ 8%</b>
Projected as flat vs. 2008 actuals, with a cost of living increase.	
<b>F9. Other Contractual Services</b>	<b>- 0%</b>
<b>G1. Tax &amp; License Fees</b>	<b>- 2%</b>
Projected as flat vs. previous year's actuals.	
<b>G2. Marketing</b>	<b>- 0%</b>
Projected as flat vs. previous year's actuals.	
<b>G3. Miscellaneous</b>	<b>- 0%</b>
Projected as flat vs. previous year's actuals.	
<b>G4. Lease Commissions</b>	<b>+100%</b>
These are being generated as a function of retail leasing which is finally picking up.	
<b>G5. Tenant Legal</b>	<b>- 53%</b>
These are also a function of the leasing process but with a different timeframe.	
<b>G6. Other Misc' Prop' Costs</b>	<b>- 2%</b>
Virtually on Budget.	

<b>H1. Trustee's Fees</b> Basically flat vs 2008 actuals.	<b>+ 14%</b>
<b>H2. Corporate Legal</b> Projected as flat vs. previous year's budget.	<b>- 0%</b>
<b>H3. Corporate Insurance</b> Projected as flat vs. previous year's budget.	<b>- 0%</b>
<b>H4. Bond Interest Expense</b> Based on our best estimate on how it will perform next year	<b>- 6%</b>
<b>H5. Other Trust Costs</b> Projected as flat vs. previous year's actuals	<b>+ 14%</b>
<b>H6. Audit Committee Support</b> Projected as flat vs. previous year's actuals with a nominal increase.	<b>- 5%</b>
<b>H7. Trust Fund Earnings</b> Projected as flat vs. previous year's actuals	<b>+ 7%</b>
<b>H8. Other Corporate Earnings</b> Projected as flat vs. previous year's actuals	<b>+ 54%</b>
<b>BOND REDEMPTION</b> Based on last year's actuals, with an anticipated increase.	<b>+8%</b>

## **Capital Improvement Projects**

In addition to projects currently under way (refer to “Five Year Source & Application of Funds”) the following are potential garage which are under consideration but NOT being submitted for approval at this time:

- Painting of the garage’s interior floors on a rolling, year to year basis.
- Replacement of the aging revenue control system.
- Replacement of the garage’s interior “wayfinder” signage, which is showing signs of wear, is unsafe and currently ineffective.
- Rolling Floors Maintenance Project (next phase/floor)

# **City of San Francisco Downtown Parking Corporation**

## **Fifth & Mission/Yerba Buena Parking Garage \*FY 2008-2009 and FY 2009-2010 Marketing Plan**

Following is the Downtown Parking Corporation's Marketing Plan for the Fifth & Mission Garage.

Based on an old adage adapted to parking, "Marketing for parking garages is all about location, location, location". We have the good fortune to have a parking facility, which is not only the city's largest it is strategically located literally in the midst of the city's convention center (Moscone), the newest shopping district (Westfield Mall), museum district (MOMA, the African Diaspora, Jewish, Mexican to name a few), the Metreon and Century Theatres, Yerba Buena Gardens and a number of the City's largest and finest convention hotels. From a marketing perspective, we have situated the garage very well. In addition to the numbers of facilities this garage serves, the diversity serves to provide a cross section of customers which literally keep the garage in a continuous 'busy' mode through out the daytime, evenings, both during the week and on weekends. Based on this good fortune, we believe our marketing approach needs to be focused on the basic principals of a good, clean, attractive, efficiently run facility, well lit, with infrastructure in good repair that is reasonably priced to serve and represent the community, the area and the city in the sense that we are a key component of the success of this dynamic, thriving area. We believe by keeping to the basics as listed above we will fulfill our "Marketing Plan". In addition to the above over the coming months and years we wish to focus on the following:

- a. As an effective marketing tool, we have an established website which is designed for the efficient dissemination of information regarding parking programs, rates, maps, hours of operation and available services. We plan to continue its upkeep and improve where and when possible on its accessibility and usefulness.
- b. A Carpool Monthly rate has been offered to customers who prefer to ride with three or more passengers in their vehicles. This program is advertised and described on our website, and continues to enjoy popularity among those that qualify.
- c. The Corporation is exploring the possibility of working with Advertising Agencies to advertise within the garage which would generate additional revenues to the City.

THIS PRINT COVERS CALENDAR ITEM NO:

**MUNICIPAL TRANSPORTATION AGENCY**  
City and County of San Francisco

**DIVISION:** Finance & Administration

**BRIEF DESCRIPTION:**

Approving the City of San Francisco Portsmouth Plaza Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Portsmouth Square Garage and authorizing the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- The City of San Francisco Portsmouth Plaza Parking Corporation (“Corporation”) is a non-profit corporation established by the City and County of San Francisco to oversee and issue debt to finance the Portsmouth Plaza Garage (“Garage”).
- The Recreation and Park Department receives 85 percent of net income and the Corporation retains 15 percent in the Corporation’s Capital Fund account.
- Pursuant to the lease between the City and the City of San Francisco Portsmouth Plaza Parking Corporation, the Corporation is required to submit an annual operating budget each year for review and approval by the SFMTA Board of Directors and the Office of the Controller.
- SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process that includes line item analysis, historical trend review and ongoing discussions with the Corporate Managers to ensure that reasonable assumptions and methodologies are used.
- The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.
- The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**ENCLOSURES:**

1. MTAB Resolution
2. Fiscal Year 2008 –2009 and 2009-2010 Operating Budget for the Portsmouth Square Garage

**APPROVALS:**

**DATE**

DEPUTY OF DIVISION  
PREPARING ITEM

\_\_\_\_\_

\_\_\_\_\_

FINANCE

\_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION

SHOULD BE RETURNED TO: Sonali Bose, Finance & Administration

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_



**Background:**

The City of San Francisco Portsmouth Plaza Parking Corporation (“Corporation”) is a non-profit corporation established to issue debt to finance the construction of the Portsmouth Plaza Garage (“Garage”) and there is no current debt on the garage. The Recreation and Park Department receives 85 percent of net income from Garage revenues, and the Corporation retains 15 percent of net income (up to a maximum of \$1 million) for capital expenditures. At the end of the Corporation’s fiscal year, all revenues exceeding the \$1 million threshold go to the Recreation and Park Department. The Corporation does not contract for professional parking management and the Corporation employees manage the day-to-day operations.

Pursuant to the lease between the City and the City of San Francisco Portsmouth Plaza Parking Corporation, the Corporation is required to submit an annual operating budget each year for review and approval by the Municipal Transportation Agency Board of Directors and the Office of the Controller. SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process. The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages. Capital improvement requests are deferred until an overall assessment of the capital improvement needs by the SFMTA is completed.

The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year. The Corporation transfers to the City on a monthly basis 85 percent of an estimated monthly net income. The Corporation’s fiscal year ends April 30 to provide adequate time to conclude a year-end audit and to transfer the balance of the annual net income to the City before the close of the City’s fiscal year.

**Budget Evaluation Process:**

Upon receipt of the Corporation’s budget submittal, staff’s initial review begins with a year to date verification of each revenue and expense line item category with the most recent garage monthly report. These line items are projected out through the end of the fiscal year taking into account the variations in seasonality, possible implementation of rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses and normalizing for non-regular services or supply purchases. This initial review enables staff to identify possible erroneous assumptions made by the Corporation.

The next step in the process is to communicate to the Corporate Managers any items of concern, point out obvious mathematical or formatting errors, if any, and provide the opportunity for clarification and/or revision. Upon mutually accepted projections of revenues and expense for the current and proposed years, the Corporations are requested to re-submit the budget in its final form providing the basis for this staff report. The Operating Budget submitted by the Portsmouth Plaza Parking Corporation for the Portsmouth Square Garage contained minor errors; however, staff agreed with the revenue and expense assumptions and projections.

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**FISCAL YEAR 2007-2008**

A comparison between the approved FY 2007-2008 operating budget and the anticipated FY 2007-2008 performance is shown in the chart below.

**FY 2007-2008 Performance:**

	<b>2007-2008 Approved Budget</b>	<b>2007-2008 Actual/ Anticipated</b>	<b>Difference Between Approved and Anticipated</b>
Gross Revenue	\$4,407,502	\$4,318,265	-\$89,237
less Parking Taxes	\$872,834	\$854,249	-\$18,585
less Expenses	\$2,215,746	\$1,998,629	-\$217,117
Net Income	\$1,318,922	\$1,465,388	\$146,466
Recreation and Park Income 85 percent of Net Income	\$1,121,084	\$1,245,580	\$124,496

The Corporation anticipates generating \$4,318,265 in revenue in FY 2007-08. This amount is \$89,237 (or two percent) less than amount budgeted for FY 2007-2008 mainly due to lower than anticipated revenue from a decline in transient patronage. Transient usage has declined approximately five percent compared to the prior year and the last rate adjustment was effective April 2006.

The Corporation proactively held expenditures at \$1,998,629, which is \$217,117 (or 10 percent) below the budgeted amount by not filling a budgeted management position and by reducing the public parking valet staff due to reduced patronage. The Corporation also kept expense under budget by not contracting for janitorial services as budgeted and having the work performed by current employees.

In summary, the Corporation anticipates generating \$1,245,580, which is \$124,496 (or 11 percent) more income than the amount budgeted for FY 2007-2008 by controlling expenses to compensate for lower than anticipated revenue.

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**FISCAL YEARS 2008-2009 and 2009-2010**

A comparison between the approved FY 2007-2008 Operating Budget, the proposed FY 2008-2009 and 2009-2010 operating budget, is shown in the chart below.

**Fiscal Years 2008-2009 and 2009-2010 Proposed Operating Budget:**

	<b>2007-2008 Approved Budget</b>	<b>2008-2009 Proposed Budget</b>	<b>2009-2010 Proposed Budget</b>	<b>2008-2009 Compared to 2007-2008</b>	<b>2009-2010 Compared to 2008-2009</b>
Gross Revenue	\$4,407,502	\$4,377,016	\$4,473,096	-\$30,486	\$96,080
less Parking Taxes	\$872,834	\$866,793	\$885,795	-\$6,041	\$19,002
less Expenses	\$2,215,746	\$2,238,556	\$2,329,611	\$22,810	\$91,055
Net Income	\$1,318,922	\$1,271,667	\$1,257,690	-\$47,255	-\$13,977
Recreation and Park Income 85 percent of Net Income	\$1,121,084	\$1,080,917	\$1,069,036	-\$40,167	-\$11,881

The Corporation projects revenue of \$4,377,016 for FY 2008-2009, which is \$30,486 less than FY 2007-08 budgeted revenues due to declining patronage and assuming that no rate adjustments are implemented for next fiscal year. The Corporation proposes \$2,238,556 in expenses, which is \$22,810 (or one percent) more than the FY 2007-2008 operating budget to account for scheduled salary increases and associated payroll cost. The Corporation also anticipates contracting for janitorial services budgeted in previous years but at a 38% reduction in the previously anticipated cost. The Corporation projects generating \$1,080,917 to the Recreation and Park Department for FY 2008-2009 and is \$40,167 (or 3.5 percent) less than the amount budgeted for FY 2007-2008 due to a combination of increasing operating cost and declining revenues.

For FY 2009-2010, the Corporation projects revenues of \$4,473,096, which is \$96,080 more than FY 2008-2009 in anticipation of a reversal in the economic decline or a possible rate adjustment. The Corporation proposes expenditures of \$2,329,611 for FY 2009-2010, which is \$91,055 (or 4 percent) more than FY 2009-2010 in anticipation of increasing salaries, associated payroll expenses and increasing cost of services and supplies. The Corporation will be given the opportunity to make amendments to the FY 2009-2010 Operating Budget next year.

This item directly supports Goal 4, Improved Financial Stability and all the other SFMTA 2008-2012 Strategic Plan Goals indirectly.

The City Attorney’s Office has reviewed this calendar item.

**Recommendation:**

Staff recommends that the SFMTA Board of Directors adopt the attached resolution, approving the City of San Francisco Portsmouth Plaza Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget and authorizing the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

MUNICIPAL TRANSPORTATION AGENCY BOARD  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Portsmouth Plaza Parking Corporation (“Corporation”) is a non-profit corporation established by the City and County of San Francisco to oversee and issue debt to finance the Portsmouth Plaza Garage (“Garage”); and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the Municipal Transportation Agency Board of Directors and the Office of the Controller for approval; and,

WHEREAS, Each year the Municipal Transportation Agency Board of Directors reviews the non-profit garage budgets and makes recommendations to the Office of the Controller; and,

WHEREAS, The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year in a format provided by the SFMTA; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year; and,

WHEREAS, The Corporation has submitted the Fiscal Year 2008–2009 and 2009–2010 Operating Budget to the Municipal Transportation Agency Board of Directors for review; and,

WHEREAS, The Municipal Transportation Agency Board of Directors has reviewed the City of San Francisco Portsmouth Plaza Parking Corporation’s Fiscal Year 2008–2009 and 2009–2010 Operating Budget; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors approves the City of San Francisco Portsmouth Plaza Parking Corporation’s Fiscal Year 2008–2009 and 2009–2010 Operating Budget for the Portsmouth Square Garage; and, be it further

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the SFMTA’s Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

---

Secretary, Municipal Transportation Agency Board

**CITY AND COUNTY OF SAN FRANCISCO**

**PORTSMOUTH SQUARE GARAGE  
733 Kearny St. San Francisco, Calif. 94108**

**\*PROPOSED BUDGET**

**FY 2008 – 2009 (FY09)**

**FY 2009 – 2010 (FY10)**

**Prepared by:**

**City of San Francisco Portsmouth Plaza Parking Corporation  
Peter H. Lee, Corporate Manager  
415-982-6353 x 33  
plee@sfpsg.com**

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<b>Five Year Source and Application of Funds and Capital Improvement Request will be submitted to SFMTA in a separate package.</b>	

**PORTSMOUTH SQUARE GARAGE**  
**Three-Year Historical Trend**  
**Summary of Revenue and Expenditure**  
**(TABLE I)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - Apr 30, 2005</b>	<b>Actual May 1, 2004 - Apr 30, 2005</b>	<b>Budget May 1, 2005 - Apr 30, 2006</b>	<b>Actual May 1, 2005 - Apr 30, 2006</b>	<b>Budget May 1, 2006 - Apr 30, 2007</b>	<b>Actual May 1, 2006 - Apr 30, 2007</b>
<b>REVENUE</b>						
1a Transient Parking	3,240,000	2,958,547	3,298,266	2,959,602	3,269,772	3,124,329
1b Monthly Parking	937,500	856,838	892,100	910,368	985,181	942,780
1c Business Validation	112,500	124,006	125,000	157,573	191,831	163,255
1e Special Event (Prepay Validation)	0	437	3,000	15,652	3,500	1,311
1f Debit Card (FY 2007)	0	0	0	0	0	1,548
1g Tax Exempt Monthly Parking	0	3,360	0	3,456	0	3,552
<b>Total Parking Revenue</b>	<b>\$ 4,290,000</b>	<b>\$ 3,943,188</b>	<b>\$ 4,318,366</b>	<b>\$ 4,046,651</b>	<b>\$ 4,450,284</b>	<b>\$ 4,236,775</b>
2a Miscellaneous Revenues	15,000	17,221	15,000	36,575	20,000	41,446
2b Card/Validator Deposit (Liability)	2,000	4,525	2,000	5,200	2,500	4,500
<b>Gross Revenue</b>	<b>\$ 4,307,000</b>	<b>\$ 3,964,934</b>	<b>\$ 4,335,366</b>	<b>\$ 4,088,426</b>	<b>\$ 4,472,784</b>	<b>\$ 4,282,721</b>
3a Parking Tax (less)	<b>858,000</b>	<b>787,965</b>	<b>863,673</b>	<b>808,639</b>	<b>890,057</b>	<b>846,639</b>
<b>Net Revenue</b>	<b>\$ 3,449,000</b>	<b>\$ 3,176,969</b>	<b>\$ 3,471,693</b>	<b>\$ 3,279,787</b>	<b>\$ 3,582,727</b>	<b>\$ 3,436,082</b>
<b>EXPENDITURE</b>						
<b>Personnel Cost</b>						
A1 Administrative Salaries	169,576	156,565	180,000	162,236	236,218	174,097
A2 Parking Operations Salaries	742,415	686,714	770,000	631,038	801,952	708,990
<b>Payroll Expenses</b>						
B1 Payroll Taxes (non-SF)	77,519	58,273	81,000	65,699	88,244	73,000
B2 SF Payroll Taxes	11,136	12,540	15,000	11,884	15,573	12,828
B3 Welfare & Pension	223,993	222,306	250,000	241,480	252,859	255,259
B4 Worker's Compensation	115,940	88,270	110,000	72,531	125,043	67,971

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - Apr 30, 2005</b>	<b>Actual May 1, 2004 - Apr 30, 2005</b>	<b>Budget May 1, 2005 - Apr 30, 2006</b>	<b>Actual May 1, 2005 - Apr 30, 2006</b>	<b>Budget May 1, 2006 - Apr 30, 2007</b>	<b>Actual May 1, 2006 - Apr 30, 2007</b>
<b>Utilities</b>						
C1 Gas & Electric	106,000	83,785	105,000	78,920	105,000	78,178
C2 Water	25,000	5,842	12,500	7,112	9,200	6,965
C3 Telephone	3,953	4,555	4,500	4,147	4,500	3,930
C4 Scavenger	8,414	6,478	6,500	7,544	7,350	7,289
<b>Supplies &amp; Services</b>						
D1 Insurance	67,500	61,870	64,000	62,682	62,682	64,000
D2 Repairs & Maintenance (Facility)	30,000	15,330	25,000	14,203	25,000	17,193
D3 Office Supplies	6,000	2,665	6,000	3,960	5,500	3,498
D4 Garage Supplies	16,500	11,630	16,500	12,307	15,000	19,322
D5 Parking Supplies	30,000	11,679	15,000	15,989	16,500	33,497
<b>Management Costs</b>						
E1 Management Fee	0	0	0	0	0	0
E2 Incentive Fee	0		0	0	0	0
<b>Professional/Personal Services</b>						
F1 Accounting/Bookkeeping	6,000	6,485	6,000	6,705	7,000	8,240
F2 Garage Audit	15,000	15,920	15,000	18,320	24,000	15,710
F3 Garage Legal	7,500	0	7,500	1,000	7,500	0
F4 Security (Contractual)	85,000	98,837	96,000	92,640	105,000	109,223
F5 Janitorial Contract	65,000	0	65,000	0	65,000	0
F6 Armored Car	5,500	5,002	5,500	5,146	5,500	5,189
F7 Bank Charges (Credit Card)	0	0	20,000	154	20,000	3,881
F8 Uniform Cleaning	8,000	6,354	10,000	5,170	7,500	4,376
F9 Payroll Processing	4,250	3,178				3,558



<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - Apr 30, 2005</b>	<b>Actual May 1, 2004 - Apr 30, 2005</b>	<b>Budget May 1, 2005 - Apr 30, 2006</b>	<b>Actual May 1, 2005 - Apr 30, 2006</b>	<b>Budget May 1, 2006 - Apr 30, 2007</b>	<b>Actual May 1, 2006 - Apr 30, 2007</b>
			3,000	3,305	3,000	
F10 Equipment Maintenance	30,000	44,061	30,000	34,006	30,000	34,613
F11 Other Contractual Services	104,454	104,454	107,500	104,056	109,676	104,056
<b>Other Costs</b>						
G1 Taxes & Licenses	2,750	620	2,750	626	2,000	606
G2 Marketing	5,000	4,953	30,000	12,445	20,000	2,732
G3 Garage Claims	30,000	4,608	20,000	7,789	20,000	3,927
G4 Miscellaneous	10,000	4,848	10,000	6,674	8,000	9,695
G5 Community Participation	50,000	30,191	50,000	49,700	50,000	50,000
<b>Corporate Expenses</b>						
H2 Corporate Legal	5,000	0	5,000	0	5,000	0
H3 Corporate Insurance	4,500	3,973	4,500	4,425	4,500	0
H4 Other Interest						
H5 Bond Redemption / Other Obligations						
<b>Total Garage Expense</b>	<b>\$2,071,900</b>	<b>\$1,761,986</b>	<b>\$2,148,750</b>	<b>\$1,743,893</b>	<b>\$2,265,615</b>	<b>\$1,879,171</b>
<b>Garage Net Income</b>	<b>\$1,377,100</b>	<b>\$1,414,983</b>	<b>\$1,322,943</b>	<b>\$1,535,894</b>	<b>\$1,317,112</b>	<b>\$1,556,910</b>
<b>Estimated City Percentage 85%</b>	<b>1,170,535</b>	<b>1,202,736</b>	<b>1,124,502</b>	<b>1,305,510</b>	<b>1,119,546</b>	<b>1,323,374</b>

**PORTSMOUTH SQUARE GARAGE**  
**FY 2008 Approved Budget vs. FY 2008 Projection**  
**Summary of Revenue and Expenditure**  
**(TABLE II)**

REVENUE & EXPENSE CATEGORIES	Approved Budget May 1, 2007 - Apr 30, 2008	Projected May 1, 2007 - Apr 30, 2008	Difference Between FY08 Approved and FY08 Projected	
<b>REVENUE</b>				
1a Transient Parking	3,218,865	3,105,463	- 113,402	- 4 %
1b Monthly Parking	955,627	990,998	35,371	4 %
1c Business Validation	173,676	169,625	- 4,051	- 2%
1e Special Event (Prepay Validation)	3,500	2,162	- 1,338	- 38%
1f Debit Card (FY 2007)	12,500	2,995	- 9,505	- 76%
1g Tax Exempt Monthly Parking	0	3,552	3,552	0%
<b>Total Parking Revenue</b>	<b>\$4,364,168</b>	<b>\$4,274,795</b>	<b>(\$89,373)</b>	<b>- 2%</b>
2a Miscellaneous Revenues	38,834	38,270	- 564	- 1%
2b Card/Validator Deposit (Liability)	4,500	5,200	700	16%
<b>Gross Revenue</b>	<b>\$4,407,502</b>	<b>\$4,318,265</b>	<b>(\$89,237)</b>	<b>- 2%</b>
3a Parking Tax (less)	872,834	854,249	- 18,585	- 2%
<b>Net Revenue</b>	<b>\$3,534,668</b>	<b>\$3,464,016</b>	<b>(\$70,652)</b>	<b>- 2%</b>
<b>EXPENDITURE</b>				
<b>Personnel Cost</b>				
A1 Administrative Salaries	233,541	192,996	- 40,545	- 17%
A2 Parking Operations Salaries	797,849	747,489	- 50,360	- 6%
<b>Payroll Expenses</b>				
B1 Payroll Taxes (non-SF)	87,668	79,941	- 7,727	- 9%
B2 SF Payroll Taxes	11,968	11,212	-756	- 6%
B3 Welfare & Pension	275,478	262,994	- 12,484	- 5%
B4 Worker's Compensation	70,242	62,694	- 7,548	- 11%
<b>Utilities</b>				
C1 Gas & Electric	95,000	86,710	- 8,290	- 9%
C2 Water	8,500	8,256	- 244	- 3%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 - Apr 30, 2008</b>	<b>Projected May 1, 2007 - Apr 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
C3 Telephone	4,500	5,065	565	13%
C4 Scavenger	7,500	8,675	1,175	16%
<b>Supplies &amp; Services</b>				
D1 Insurance	66,000	60,333	- 5,667	- 9%
D2 Repairs & Maintenance (Facility)	25,000	24,214	- 786	- 3%
D3 Office Supplies	5,000	4,555	- 445	- 9%
D4 Garage Supplies	15,000	12,831	- 2,169	- 14%
D5 Parking Supplies	18,000	17,811	- 189	- 1%
<b>Management Costs</b>				
E1 Management Fee	0	0	0	
E2 Incentive Fee	0	0	0	
<b>Professional/Personal Services</b>				
F1 Accounting/Bookkeeping	8,000	6,320	- 1,680	- 21%
F2 Garage Audit	16,500	16,510	10	0%
F3 Garage Legal	5,000	0	- 5000	- 100%
F4 Security (Contractual)	115,000	111,118	- 3,882	- 3%
F5 Janitorial Contract	65,000	0	- 65,000	- 100%
F6 Armored Car	5,500	5,466	- 34	- 1%
F7 Bank Charges (Credit Card)	18,000	22,951	4,951	28%
F8 Uniform Cleaning	7,500	5,294	- 2,206	- 29%
F9 Payroll Processing	3,500	3,874	374	11%
F10 Equipment Maintenance	30,000	34,928	4,928	16%
F11 Other Contractual Services	110,000	114,017	4,017	4%
<b>Other Costs</b>				
G1 Taxes & Licenses	1,500	1,165	- 338	- 23%
G2 Marketing	20,000	17,850	- 2,150	- 11%
G3 Garage Claims	20,000	9,283	- 10,717	- 54%
G4 Miscellaneous	8,000	7,807	- 193	- 2%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 - Apr 30, 2008</b>	<b>Projected May 1, 2007 - Apr 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
G5 Community Participation	50,000	50,000	0	0%
<b>Corporate Expenses</b>				
H2 Corporate Legal	5,000	0	-5,000	- 100%
H3 Corporate Insurance	6,000	6,272	272	5%
H4 Other Interest				%
H5 Bond Redemption/Other Obligations				%
<b>Total Garage Expense</b>	<b>\$2,215,746</b>	<b>\$1,998,629</b>	<b>(\$217,117)</b>	<b>- 10%</b>
<b>Garage Net Income</b>	<b>\$1,318,922</b>	<b>\$1,465,388</b>	<b>\$146,466</b>	<b>11%</b>
<b>Estimated City Percentage 85%</b>	<b>1,121,084</b>	<b>1,245,580</b>	<b>124,496</b>	<b>11%</b>

**PORTSMOUTH SQUARE GARAGE  
FY 2009 and FY 2010 Proposed Budget  
Summary of Revenue and Expenditure  
(TABLE III)**

REVENUE & EXPENSE CATEGORIES	Approved Budget	Proposed Budget	Proposed Budget	Difference Between	
	May 1, 2007 – Apr 30, 2008	May 1, 2008 – Apr 30, 2009	May 1, 2009 – Apr 30, 2010	FY08 Approved and FY09 Proposed	
<b>REVENUE</b>					
1a Transient Parking	3,218,865	3,168,595	3,216,124	- 50,270	- 2%
1b Monthly Parking	955,627	983,700	1,026,600	28,073	3%
1c Business Validation	173,676	172,169	174,752	- 1,507	- 1%
1e Special Event (Prepay Validation)	3,500	3,500	3,500		0%
1f Debit Card (New FY 2007)	12,500	6,000	8000	- 6,500	- 52%
1g Tax Exempt Monthly Parking		3,552	4620	3,552	0%
<b>Total Parking Revenue</b>	<b>\$4,364,168</b>	<b>\$4,337,516</b>	<b>\$4,433,596</b>	<b>(\$26,652)</b>	<b>- 1%</b>
2a Miscellaneous Revenues	38,834	35,000	35,000	- 3,834	- 10%
2b Card/Validation Deposit (Liability)	4,500	4,500	4,500		0%
<b>Gross Revenue</b>	<b>\$4,407,502</b>	<b>\$4,377,016</b>	<b>\$4,473,096</b>	<b>(\$30,486)</b>	<b>- 1%</b>
3a Parking Tax (less)	872,834	866,793	885,795	- 6,041	- 1%
<b>Net Revenue</b>	<b>\$3,534,668</b>	<b>\$3,510,223</b>	<b>\$3,587,301</b>	<b>(\$24,445)</b>	<b>- 1%</b>
<b>EXPENDITURE</b>					
<b>Personnel Cost</b>					
A1 Administrative Salaries	233,541	212,978	221,913	- 20,563	- 9%
A2 Parking Operations Salaries	797,849	837,741	862,874	39,832	5%
<b>Payroll Expenses</b>					
B1 Payroll Taxes (non-SF)	87,668	85,628	89,311	-2,040	- 2%
B2 SF Payroll Taxes	11,968	16,055	16,272	4,087	34%
B3 Welfare & Pension	275,478	287,836	307,216	12,358	4%
B4 Worker's Compensation	70,242	73,118	79,525	2,876	4%
<b>Utilities</b>					
C1 Gas & Electric	95,000	92,000	96,600	- 3,000	- 3%
C2 Water	8,500	8,800	9,240	300	4%
C3 Telephone	4,500	5,000	5,250	500	11%

REVENUE & EXPENSE CATEGORIES	Approved Budget May 1, 2007 – Apr 30, 2008	Proposed Budget May 1, 2008 – Apr 30, 2009	Proposed Budget May 1, 2009 – Apr 30, 2010	Difference Between FY08 Approved and FY09 Proposed	
C4 Scavenger	7,500	9,000	9,450	1,500	20%
<b>Supplies &amp; Services</b>					
D1 Insurance	66,000	68,000	71,400	2,000	3%
D2 Repairs & Maintenance (Facility)	25,000	25,000	26,250	0	0%
D3 Office Supplies	5,000	5,000	5,250	0	0%
D4 Garage Supplies	15,000	15,000	15,750	0	0%
D5 Parking Supplies	18,000	18,000	18,900	0	0%
<b>Management Costs</b>					
E1 Management Fee	0	0	0	0	0%
E2 Incentive Fee	0	0	0	0	0%
<b>Professional/Personal Services</b>					
F1 Accounting/Bookkeeping	8,000	7,000	7,350	- 1000	- 13%
F2 Garage Audit	16,500	17,500	18,375	1000	6%
F3 Garage Legal	5,000	5,000	5,250	0	0%
F4 Security (Contractual)	115,000	115,000	118,450	0	0%
F5 Janitorial Contract	65,000	40,000	41,200	-25,000	- 38%
F6 Armored Car	5,500	6,000	6,300	500	9%
F7 Bank Charges (Non-trustee)	18,000	27,500	28,875	9,500	53%
F8 Uniform Cleaning	7,500	6,500	6,825	- 1000	- 13%
F9 Payroll Processing	3,500	4,200	4,200	700	20%
F10 Equipment Maintenance	30,000	35,000	36,750	5,000	17%
F11 Other Contractual Services	110,000	115,000	118,450	5,000	5%
<b>Other Costs</b>					
G1 Taxes & Licenses	1,500	1,200	1,260	- 300	- 20%
G2 Marketing	20,000	20,000	21,000	0	0%
G3 Garage Claims	20,000	10,000	10,300	-10,000	- 50%
G4 Miscellaneous	8,000	8,000	8,000	0	0%
G5 Community Participation	50,000	50,000	50,000	0	0%
<b>Corporate Expenses</b>					
H2 Corporate Legal	5,000	5,000	5,000	0	0%
H3 Corporate Insurance	6,000	6,500	6,825	500	8%
H4 Other Interest					
H5 Bond Redemption/Other					

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 – Apr 30, 2008</b>	<b>Proposed Budget May 1, 2008 – Apr 30, 2009</b>	<b>Proposed Budget May 1, 2009 – Apr 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
Obligations					
<b>Total Garage Expense</b>	<b>\$2,215,746</b>	<b>\$2,238,556</b>	<b>\$2,329,611</b>	<b>\$22,810</b>	<b>1%</b>
<b>Garage Net Income</b>	<b>\$1,318,922</b>	<b>\$1,271,667</b>	<b>\$1,257,690</b>	<b>(\$47,255)</b>	<b>- 4%</b>
<b>Estimated City Percentage 85%</b>	<b>1,121,084</b>	<b>1,080,917</b>	<b>1,069,036</b>	<b>(\$40,167)</b>	<b>- 4%</b>

**PORTSMOUTH SQUARE GARAGE**  
**FY 2008-2009 and FY 2009-FY2010 Proposed Revenues by Month**  
**(TABLE IV)**

<b>FY 2008 - 2009</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	258,637	259,568	272,056	276,118	260,989	261,557	245,745	271,926	263,900	263,900	270,300	263,900	3,168,595
1b Monthly Parking	81,975	81,975	81,975	81,975	81,975	81,975	81,975	81,975	81,975	81,975	81,975	81,975	983,700
1c Business Validations	13,829	19,158	12,053	13,068	12,434	14,337	15,225	13,195	14,718	14,718	14,718	14,718	172,169
1e Special Event	290	292	292	292	292	292	292	292	292	292	292	290	3,500
1f Debit Card	500	500	500	500	500	500	500	500	500	500	500	500	6,000
1g TaxExemptParking	296	296	296	3296	296	296	296	296	296	296	296	296	3,552
<b>Total Parking Revenue</b>	<b>\$355,528</b>	<b>\$361,789</b>	<b>\$367,172</b>	<b>\$372,249</b>	<b>\$356,486</b>	<b>\$358,957</b>	<b>\$344,033</b>	<b>\$368,184</b>	<b>\$361,681</b>	<b>\$3361,681</b>	<b>\$368,081</b>	<b>\$361,679</b>	<b>\$4,377,516</b>
2a Miscellaneous	2,950	2,900	2,900	2,900	2,900	2,900	2,950	2,950	2,900	2,900	2,900	2,950	35,000
2b Card/Val Deposit	375	375	375	375	375	375	375	375	375	375	375	375	4,500
<b>Gross Revenue</b>	<b>\$358,853</b>	<b>\$365,064</b>	<b>\$370,447</b>	<b>\$375,524</b>	<b>\$359,761</b>	<b>\$362,232</b>	<b>\$347,358</b>	<b>\$371,509</b>	<b>\$364,956</b>	<b>\$364,956</b>	<b>\$371,356</b>	<b>\$365,004</b>	<b>\$4,377,016</b>
3a Parking Tax (less)	71,046	72,299	73,375	74,391	71,238	71,732	68,747	73,578	72,277	72,277	73,557	72,277	866,793
<b>Net Revenue</b>	<b>\$287,806</b>	<b>\$292,765</b>	<b>\$297,072</b>	<b>\$301,133</b>	<b>\$288,523</b>	<b>\$290,500</b>	<b>\$278,610</b>	<b>\$297,931</b>	<b>\$292,679</b>	<b>\$292,679</b>	<b>\$297,799</b>	<b>\$292,727</b>	<b>\$3,510,223</b>

<b>FY 2009 - 2010</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	262,517	263,461	276,136	280,259	264,904	265,481	249,431	276,004	267,859	267,859	274,355	267,859	3,216,124
1b Monthly Parking	85,550	85,550	85,550	85,550	85,550	85,550	85,550	85,550	85,550	85,550	85,550	85,550	1,026,600
1c Business Validations	14,037	19,445	12,234	13,264	12,620	14,552	15,453	13,393	14,938	14,938	14,938	14,938	174,752
1e Special Event	290	292	292	292	292	292	292	292	292	292	292	290	3,500
1f Debit Card	663	667	667	667	667	667	667	667	677	677	677	677	8,000
1g TaxExemptParking	385	385	385	385	385	385	385	385	385	385	385	385	4,620
<b>Total Parking Revenue</b>	<b>\$363,442</b>	<b>\$369,801</b>	<b>\$375,264</b>	<b>\$380,417</b>	<b>\$364,418</b>	<b>\$366,927</b>	<b>\$351,778</b>	<b>\$376,291</b>	<b>\$369,691</b>	<b>\$369,691</b>	<b>\$376,187</b>	<b>\$369,689</b>	<b>\$4,433,596</b>
2a Miscellaneous	2,950	2,900	2,900	2,900	2,900	2,900	2,950	2,950	2,900	2,900	2,900	2,950	35,000
2b Card/Val Deposit	375	375	375	375	375	375	375	375	375	375	375	375	4,500
<b>Gross Revenue</b>	<b>\$366,767</b>	<b>\$373,076</b>	<b>\$378,539</b>	<b>\$383,692</b>	<b>\$367,693</b>	<b>\$370,202</b>	<b>\$355,103</b>	<b>\$379,616</b>	<b>\$372,966</b>	<b>\$372,966</b>	<b>\$379,462</b>	<b>\$373,014</b>	<b>\$4,473,096</b>
3a Parking Tax (less)	72,611	73,883	74,967	76,006	72,807	73,708	70,279	75,181	73,861	73,861	75,160	73,861	885,795
<b>Net Revenue</b>	<b>\$294,155</b>	<b>\$299,193</b>	<b>\$303,563</b>	<b>\$307,686</b>	<b>\$294,886</b>	<b>\$296,893</b>	<b>\$284,825</b>	<b>\$304,453</b>	<b>\$299,105</b>	<b>\$299,105</b>	<b>\$304,301</b>	<b>\$299,153</b>	<b>\$3,587,300</b>



## NARRATIVE I

### **PORTSMOUTH SQUARE GARAGE FY 2007-2008 Approved Budget To FY 2007-2008 Projection**

#### **1a. Transient Parking - 4 %**

Transient revenues are under the budgeted amount due to reduction in patronage. The garage experienced an average of four percent decrease that may have been impacted by the gasoline price increases and less tourist visits in the area. Other factor includes business disruption such as street closure for major events and parades; July 2007 power blackout and September 2007 Bay Bridge closing. However, on a daily basis, the garage still remained at full capacity during peak hours and the management has utilized the public valet parking services to exceed the garage maximum capacity during these hours.

#### **1b. Monthly Parking + 4 %**

The garage management had increased the number of monthly parking accounts to offset the lower than expected transient parking revenue. Since all of the monthly parking is currently serviced by valet, the additional monthly vehicles will not affects and/or decrease the number of available parking spaces for the general public (transient) parking.

#### **1c. Business Validation - 2 %**

There is a slight decrease in business validation sales. The decreases are reflected by the lower volume of transient parking and lower than expected merchant usage of validation stamps.

#### **1e. Special Event (Prepay Validation) - 38 %**

The special event is designed for bulk parking such as business meetings, conventions and movie film crews. The decrease was a result in fewer requests for the FY 2007-2008.

#### **1f. Debit Card - 76 %**

The Debit card was introduced in 2007 as a trial program to provide better service to customers and also be able to create an additional source of revenue. The lower revenue was affected by the compliance issues of the Revenue Control Equipment (RCE) and Article 22, SF Business Tax Code compliance issues, the program is unable to function in full capacity.

#### **1g. Tax Exempt Monthly Parking 0 %**

The Tax Exempt Monthly Parking was not a budget item for the past years. Currently, there is only one (1) monthly account qualified for tax exemption. The revenue reported is being allocated from the above section "1b.Monthly parking".

#### **2a. Miscellaneous - 1 %**

Revenues generated by interest-bearing accounts, ATM and vending machines. The lower revenue represents less ATM utilization result by the full effectiveness of credit card acceptance as parking payment on May 2007.

<b>2b. Card/Validator Deposit (Liability)</b>	<b>+ 16%</b>
A budget item to record the revenues for non-interest bearing deposit from customers for parking access cards and electronic validation machines. The increase reflects additional monthly accounts accepted and the increasing deposit amount for the new parking validation machine.	
<b>3a. Parking Tax</b>	<b>- 2 %</b>
Reflecting item 1a, 1b, 1c, 1e and 1f.	
<b>A1. Administrative Salaries</b>	<b>- 17%</b>
The administrative salaries were lower due to the restructuring of administrative operations. The budgeted expense for the Operations Manager position has been placed on hold.	
<b>A2. Parking Operations Salaries</b>	<b>- 6%</b>
The parking operations payroll was adjusted accordingly for the declined parking businesses.	
<b>B1. Payroll Taxes (non-SF)</b>	<b>- 9%</b>
Reflects saving in administrative and parking operations salaries.	
<b>B2. SF Payroll Taxes</b>	<b>- 6%</b>
Reflect actual quarterly payments from payroll reduction.	
<b>B3. Welfare &amp; Pension</b>	<b>- 5%</b>
Reflected current union required benefits and payroll reduction.	
<b>B4. Worker's Compensation</b>	<b>- 11%</b>
Reflected by decreasing in payroll and receiving rate reduction (refund) by our insurance carrier for 2006-2007 in safety compliance and zero in claim reporting.	
<b>C1. Gas &amp; Electric</b>	<b>- 9%</b>
Reflects actual usage.	
<b>C2. Water &amp; Sewer</b>	<b>- 3%</b>
Reflects actual usage.	
<b>C3. Telephone</b>	<b>+ 13%</b>
Reflects actual usage and cost of additional phone lines required for the garage to provide a dedicated data communication line for the credit card transactions. The business DSL line is also upgraded to provide better performance.	
<b>C4. Scavenger</b>	<b>+ 16%</b>
Scavenger expense exceeding the projection due to an unexpected 25% rate increase for a 12 months period.	

<b>D1. Insurance</b>	<b>- 9%</b>
Reflected by zero claims reporting in 2006-2007, receiving lower quotation rate from our insurance carrier.	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>- 3%</b>
Slightly under budget, amount spent was sufficient to maintain the garage facility as anticipated. Major repair as stated on the submitted 2003 renovation study, pending for approval from SFMTA/Parking Authority.	
<b>D3. Office Supplies</b>	<b>- 9%</b>
Under budget, amount spent was sufficient to maintain the garage operations. Reduce expense by minimizing paper usage by utilizing electronic filing and better control in supply distribution.	
<b>D4. Garage Supplies</b>	<b>- 14%</b>
Under budget, amount spent was sufficient to garage operations. Reduce expenses by purchasing supply on an as needed basis, selecting supplier and products locally to reduce additional shipping charge.	
<b>D5. Parking Supplies</b>	<b>- 1%</b>
Amount spent was sufficient to garage operations. The new parking revenue control equipment (RCE) has the ability to reduce many printing and supply expenses, for example, ribbon receipts printing cartridges are no longer needed, reissuing of the substitute ticket are 95% reduced by incorporating a new ticket verification system.	
<b>E1. Management Fee</b>	<b>0%</b>
Not applicable. The Portsmouth Plaza Parking Corporation had managed the garage without an outside parking operator. No management fee required.	
<b>E2. Incentive Fee</b>	<b>0%</b>
Not applicable.	
<b>F1. Accounting/Bookkeeping</b>	<b>- 21%</b>
Under budget, did not utilizing any additional accounting and bookkeeping services.	
<b>F2. Garage Audit</b>	<b>0%</b>
Reflects actual billing.	
<b>F3. Garage Legal</b>	<b>- 100%</b>
Reflects garage anticipation for legal counsel and legal services.	
<b>F4. Security (Contractual)</b>	<b>- 3%</b>
Reflects actual billing.	
<b>F5. Janitorial Contract</b>	<b>- 100%</b>
In order to reduce expenses, the janitorial services are currently performed by garage staff. However, the Corporation is anticipating contracting this service to outside contractual service when necessary.	
<b>F6. Armored Car</b>	<b>- 1%</b>

Reflects actual billing.

**F7. Bank Service Charge (Credit Card)** + 28%  
Over the budgeted amount for bank service charges for credit card transactions. The Portsmouth Square Garage did not fully accept credit cards for parking payment until February 2007.

**F8. Uniform Cleaning** - 29%  
In order to reduce expenses, new uniform purchasing has been placed on hold. The Corporation is anticipating uniform renewal in next fiscal year.

**F9. Payroll Processing** + 11%  
Over the budgeted projection due to under estimating the payroll processing cost from prior fiscal year.

**F10. Equipment Maintenance** + 16%  
Exceeding the budgeted projection due to several unexpected repairs on garage service elevators, garage ventilation system and maintenance equipments. In order to minimize future repair expenses to these components such as the elevators and ventilation system, retrofitting and/or upgrading is recommended and included in the major renovation proposal submitted in 2003.

**F11. Other Contractual Services** + 4%  
Exceeding the budgeted projection due to the actual billing provided by the San Francisco Recreation and Park Department for the expenses of the custodian and gardener services at the park level.

**G1. Tax & License Fees** - 23%  
Reflects actual billing of all required tax and license fees.

**G2. Marketing** - 11%  
Reflects all marketing expenses for fiscal year 2007-2008.

**G3. Garage Claims** - 54%  
Reflects actual damage claims submitted.

**G4. Miscellaneous** - 2%  
Anticipated cost for employee training & development and incidental expenses.

**G5. Community Participation** 0%  
The Portsmouth Plaza Parking Corporation sponsored and participated in numerous community events as budgeted.

**H2. Corporate Legal** 0%  
Reflects the Corporation's anticipation for legal counsel and legal services.

**H3. Corporation Insurance** + 5%  
Reflects actual expenditure of liability insurance for Board of directors.

## NARRATIVE II

### **PORTSMOUTH SQUARE GARAGE FY 2007-2008 Approved Budget To FY 2008-2009 Proposed Budget**

- 1a. Transient Parking** **- 2%**  
Projection for FY 2008-2009 transient revenue is reflecting to the fluctuating economic condition and the anticipated transient business from FY 2007-2008. The Corporation will continue to explore and develop new parking programs to attract transient business.
- 1b. Monthly Parking** **+ 3%**  
Expecting increase in monthly parking business with the success of the monthly valet parking service.
- 1c. Business Validation** **- 1%**  
Anticipating in similar volume for the validation business. The Corporation will explore new marketing effort to promote the validation program with local merchants.
- 1e. Special Event (Prepay Validation)** **0 %**  
Anticipating the same level of special event parking from the previous year budget.
- 1f. Debit Card** **- 52%**  
A new revenue item was placed on trial in 2007 and unable to function to full capacity due to the compliance issues of the Revenue Control Equipment (RCE) and Article 22, SF Business Tax Code. The Corporation is planning to resolve the issue and fully extend the revenue opportunity.
- 1g. Tax Exempt Monthly Parking** **0%**  
The Tax Exempt Monthly Parking was not a budget item for FY 2007-2008. Currently there is only one (1) monthly account qualified for tax exemption. The revenue reported is being allocated from the above section "1b.Monthly parking". This item will became a new budget item on FY 2008-2009.
- 2a. Miscellaneous** **- 10%**  
Anticipating the same level from previous year budget.
- 2b. Card/Validation Deposit (Liability)** **0%**  
Anticipating the same level from previous year budget.
- 3a. Parking Tax** **-1%**  
Reflects 20% of anticipated revenue.
- A1. Administrative Salaries** **- 9%**  
Reflects scheduled wage increases. Filling of vacant Operation Managers position cancelled.

<b>A2. Parking Operations Salaries</b>	<b>5%</b>
Reflects scheduled union wage increases. The parking operations payroll was adjusted accordingly to the anticipated business for FY 2008-2009.	
<b>B1. Payroll Taxes (non-SF)</b>	<b>- 2%</b>
Reflects to payroll expense in item A1 and A2.	
<b>B2. SF Payroll Taxes</b>	<b>+34%</b>
Reflects to payroll expense in item A1 and A2.	
<b>B3. Welfare &amp; Pension</b>	<b>+ 4%</b>
Increase reflects in health benefits and anticipated staffing level.	
<b>B4. Worker's Compensation</b>	<b>+ 4%</b>
Increase reflects to payroll expense in item A1 and A2.	
<b>C1. Gas &amp; Electric</b>	<b>- 3%</b>
Reflect current year usage with anticipated increases in rates.	
<b>C2. Water &amp; Sewer</b>	<b>+ 4%</b>
Reflect current year usage with anticipated increases in rates.	
<b>C3. Telephone</b>	<b>+ 11%</b>
Reflect current year usage including the expense of the additional phone line dedicated for the credit card transaction. Anticipated increases in rates.	
<b>C4. Scavenger</b>	<b>+ 20%</b>
Increase due to the 25% rate increase posted by the scavenger on FY 2007-2008. Anticipated additional increase in FY 2008-2009.	
<b>D1. Insurance</b>	<b>+ 3%</b>
Increase reflects the insurance industry's increase of pricing for general liability policy. The policy provides all necessary coverage essential to the Portsmouth Square Garage.	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>0%</b>
Reflects the facility's existing condition for repair and normal maintenance programs to be at prior year budgeted level. Major repair as stated on the 2003 renovation study had been submitted, pending for approval from SFMTA/Parking Authority.	
<b>D3. Office Supplies</b>	<b>0%</b>
Anticipated to be at prior year budget level.	
<b>D4. Garage Supplies</b>	<b>0%</b>
Anticipated to be at prior year budget level.	
<b>D5. Parking Supplies</b>	<b>0%</b>
Anticipated to be at prior year budget level.	

<b>E1. Management Fee</b>	<b>0%</b>
None. The Portsmouth Plaza Parking Corporation had managed the garage without an outside parking operator. No management fee required.	
<b>E2. Incentive Fee</b>	<b>0%</b>
None.	
<b>F1. Accounting/Bookkeeping</b>	<b>- 13%</b>
Reflects in prior year actual billing to slightly decreasing the budget level.	
<b>F2. Garage Audit</b>	<b>+ 6%</b>
Reflects in prior year actual billing and anticipated increase in service charge.	
<b>F3. Garage Legal</b>	<b>0%</b>
Anticipated amount reserved for legal service.	
<b>F4. Security (Contractual)</b>	<b>0%</b>
Anticipated to be at prior year budget level.	
<b>F5. Janitorial Contract</b>	<b>-38 %</b>
Anticipated amount for contracting required janitorial service. Currently, garage cleaning is fully performed by garage staff.	
<b>F6. Armored Car</b>	<b>+ 9%</b>
Anticipate an increase in service rates related to escalating fuel cost.	
<b>F7. Bank Service Charge</b>	<b>+ 53%</b>
Estimated increases in bank service charge for accepting credit card payments.	
<b>F8. Uniform Cleaning</b>	<b>- 13%</b>
Reflects in prior year actual billing to slightly decreasing the budget level	
<b>F9. Payroll Processing</b>	<b>+ 20%</b>
Increase reflects to under projecting the payroll processing service charge at prior year.	
<b>F10. Equipment Maintenance</b>	<b>+ 17%</b>
Increase reflects to the ageing garage equipments such as the elevators and ventilation system required additional repair and services. Other increase anticipated to normal service and maintenance contract for other garage equipments.	
<b>F11. Other Contractual Services</b>	<b>+ 5%</b>
Increase reflects anticipated increase by Park and Recreation Department janitorial and gardener services at the park level.	
<b>G1. Tax &amp; License Fees</b>	<b>-20%</b>
Reflects anticipated fees.	

<b>G2. Marketing</b>	<b>0%</b>
The Corporation anticipates a broader marketing effort to increase patronage and revenue.	
<b>G3. Garage Claims</b>	<b>-50%</b>
Budgeted at prior year in close to actual expenses as a contingent for unforeseen claims.	
<b>G4. Miscellaneous</b>	<b>0%</b>
Anticipated to be at prior year budget level.	
<b>G5. Community Participation</b>	<b>0%</b>
The City of San Francisco Portsmouth Plaza Parking Corporation anticipates participation and sponsorship of a number of community events for the FY 2008-2009.	
<b>H2. Corporate Legal</b>	<b>0%</b>
Budgeted at prior year level as a contingent for the Corporation's legal counsel and legal services.	
<b>H3. Corporate Insurance</b>	<b>+ 8%</b>
Increase reflects rate increase of liability insurance for Board of directors.	
<b>H4. Other Interest</b>	<b>0%</b>
Not applicable for the new fiscal year.	
<b>H5. Bond Redemption/Other Obligations.</b>	<b>0%</b>
Not applicable for the new fiscal year.	



**PORTSMOUTH SQUARE GARAGE**  
**\*FY 2008-2009 and FY 2009-2010 MARKETING PLAN**

Following is the City of San Francisco Portsmouth Plaza Parking Corporation Marketing Plan for the Portsmouth Square Garage. The Corporation would like to institute some or all of the following new programs at the Portsmouth Square Garage for the upcoming budget years.

- a. Upgrading the existing website (sfpsg.com) for the Portsmouth Square Garage in bi-lingual (English and Chinese) format. The garage is located in the heart of San Francisco's famous Chinatown with the majority of customers monolingual Chinese. The bi-lingual website will efficiently display information regarding parking programs, rates, maps, hours of operation and available services. In addition, the website will provide announcement of special events such as the Chinese New Year Parade, CNY Flower Fair, August Moon Festival, which attract demand for parking from shoppers and tourists coming into Chinatown for these special events.
- b. To continue promotion of our "Evening \$5.00 Maximum" rate to generate additional revenue during non-peak evening hours.
- c. To continue with the general promotion of "Evening Monthlies" to attract more customers who work later in the evenings. For the community, the Evening Monthly Parking Program also provides the residents of the neighborhood reasonable evening and overnight parking, 7 days a week at a very affordable rate. The additional revenue would come from use of the Garage at times when it is minimally occupied.
- d. Joint promotion with local businesses such as banking institutions, restaurants and retail stores to establish a "Parking Gift Card" Program. The gift card will be purchased through the garage to be given to their valued customers as a gift at their designated face value; customers may replenish the gift card and continue to use it as a "Debit Card". The program will generate advance revenue for the garage and be able to attract repeat business. A separate proposal to be submitted to the SFMTA for approval will be made at a later time.
- e. The Corporation is exploring the possibility of working with Advertising Agencies to advertise within the garage which would generate additional revenues to the garage. Details and cost for the advertising hardware are to be determined. A separate proposal to the SFMTA for approval will be made at a later time.
- f. Preparation and Printing of a marketing brochure for Portsmouth Square Garage and map of Chinatown, showing major sites and business and restaurant sponsors.

THIS PRINT COVERS CALENDAR ITEM NO: \_\_\_\_\_

**MUNICIPAL TRANSPORTATION AGENCY**  
City and County of San Francisco

**DIVISION:** Finance & Administration

**BRIEF DESCRIPTION:**

Approving the City of San Francisco Uptown Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Sutter-Stockton Garage and authorizing the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- On May 5, 1959, the City and County of San Francisco entered into a lease agreement with the San Francisco Uptown Parking Corporation for the construction of the Sutter-Stockton Garage (“Garage”) and subsequent oversight of that Garage.
- The SFMTA receives 85 percent of the garage net income and the remaining 15 percent is held in the Corporation’s capital improvement fund.
- Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and the Office of the Controller.
- SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process that includes line item analysis, historical trend review and ongoing discussions with the Corporate Managers to ensure that reasonable assumptions and methodologies are used.
- The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.
- The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**ENCLOSURES:**

1. MTAB Resolution
2. Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Sutter-Stockton Garage

**APPROVALS:**

**DATE**

DEPUTY OF DIVISION  
PREPARING ITEM

\_\_\_\_\_

\_\_\_\_\_

FINANCE

\_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO

\_\_\_\_\_

\_\_\_\_\_

BOARD SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION

SHOULD BE RETURNED TO: Sonali Bose, Finance & Administration

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

**Background:**

On May 5, 1959, the City and County of San Francisco entered into a lease agreement with the San Francisco Uptown Parking Corporation (“Corporation”) for the construction of the Sutter-Stockton Garage (“Garage”) and subsequent oversight. The Corporation hires a management company to operate the Garage. The management company receives a fixed management fee of \$2,667 per month. No incentive fees or other compensation is paid.

In accordance with lease terms, the San Francisco Municipal Transportation Agency (“SFMTA”) receives 85 percent of net income from garage revenues, and the Corporation retains 15 percent of net income (up to a maximum of \$2 million) for capital expenditures. All funds exceeding the \$2 million capital fund threshold at the end of the Corporation’s fiscal year supports the SFMTA.

Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the Municipal Transportation Agency Board of Directors and the Office of the Controller. SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process. The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages. Capital improvement requests are deferred until an overall assessment of the capital improvement needs by the SFMTA is completed.

The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year. The Corporation’s fiscal year ends April 30 to provide adequate time to conclude a year end audit and to transfer net income to the City before the close of the City’s fiscal year.

**Budget Evaluation Process:**

Upon receipt of the Corporation’s budget submittal, staff’s initial review begins with a year-to-date verification of each revenue and expense line item category with the most recent garage monthly report. These line items are projected out through the end of the fiscal year taking into account the variations in seasonality, possible implementation of rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses, and normalizing for non-regular services or supply purchases. This initial review enables staff to identify possible erroneous assumptions made by the Corporation.

The next step in the process is to communicate to the Corporate Managers any items of concern, point out obvious mathematical or formatting errors, if any, and to provide the opportunity for clarification and/or revision. Upon mutually accepted projections of revenues and expense for the current and proposed years, the Corporations are requested to re-submit the budget in its final form providing the basis for this staff report. The operating budget submitted by the Uptown

Parking Corporation for the Sutter Stockton Garage contained no significant errors and staff agreed with their initial projections of revenues and expenses.

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**FISCAL YEAR 2007-2008**

A comparison between the approved FY 2007-2008 Operating Budget and the anticipated FY 2007-2008 performance is shown in the chart below.

**FY 2007-2008 Performance:**

	<b>2007-2008 Approved Budget</b>	<b>2007-2008 Actual/ Anticipated</b>	<b>Difference Between Approved and Anticipated</b>
Gross Revenue	\$12,828,225	\$12,832,040	\$3,815
less Parking Taxes	\$2,313,845	\$2,297,900	-\$15,945
less Expenses	\$2,215,633	\$2,194,188	-\$21,445
Net Income	\$8,298,747	\$8,339,952	\$41,205
SFMTA Income 85 percent of Net Income	\$7,053,935	\$7,088,959	\$35,024

In 2007-2008, the Corporation anticipates generating \$12,832,040 in total revenue. This amount is \$3,815 (or 0.03 percent) more than the amount budgeted for FY 07-08, and \$183,255 (or 1.5 percent) greater than the actual amount for the prior fiscal year FY 2006-2007. The Corporation is under the budgeted amount for parking related revenue by \$80,385 but was offset by increases in miscellaneous revenues, commercial rents and trust fund earnings.

The Corporation anticipates expending \$2,194,188. This amount is \$21,445 (or 0.9 percent under budget) for FY 2007-2008. The Corporation kept overall expense under the budgeted amounts but had noticeable increases in scavenger, insurance, accounting and bank fee expense categories.

The Corporation anticipates generating \$7,088,959 to the SFMTA in FY 07-08. This amount is \$35,024 (or 0.5 percent) more than the amount budgeted for the year, and \$10,424 (or 0.1 percent) greater than the actual amount for the prior fiscal year.

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**FISCAL YEARS 2008-2009 and 2009-2010**

A comparison between the approved FY 2007-2008 Operating Budget, the proposed FY 2008-2009 and 2009-2010 operating budget, is shown in the chart below.

**Fiscal Years 2008-2009 and 2009-2010 Proposed Operating Budget:**

	<b>2007-2008 Approved Budget</b>	<b>2008-2009 Proposed Budget</b>	<b>2009-2010 Proposed Budget</b>	<b>2008-2009 Compared to 2007- 2008</b>	<b>2009-2010 Compared to 2008- 2009</b>
Gross Revenue	\$12,828,225	\$12,926,385	\$13,072,014	\$98,160	\$145,629
less Parking Taxes	\$2,313,845	\$2,305,897	\$2,329,650	-\$7,948	\$23,753
less Expenses	\$2,215,633	\$2,317,542	\$2,396,074	\$101,909	\$78,532
Net Income	\$8,298,747	\$8,302,946	\$8,346,290	\$4,199	\$43,344
SFMTA Income 85 percent of Net Income	\$7,053,935	\$7,057,504	\$7,094,347	\$3,569	\$36,842

The Corporation projects generating \$12,926,385 in total revenues in FY 2008-2009. This amount is \$94,345 more than the FY 2007-2008 anticipated and \$98,160 more than FY 2007-2008 budgeted amount. The Corporation anticipates generating \$7,057,504 to the SFMTA in FY 2008-2009. This amount is \$3,569 (or 0.05 percent) more than the amount budgeted for FY 2007-2008. The Corporation is projecting a slight increase in revenues that is offset by scheduled salary increases and associated payroll expenses and increased cost of services and supplies. The SFMTA Board recently authorized the Uptown Parking Corporation to issue an RFP for the selection of a professional parking operator which is anticipated to significantly increase the cost of the management fee category by approximately \$50,000 annually. The current annual Management/Supervisory fee of \$32,000 has remained unchanged for more than a decade.

For 2009-2010, the Corporation projects generating \$13,072,014 in total revenues. This amount is \$145,629 more than the amount budgeted for FY 2008-2009. The SFMTA is expected to receive \$7,094,347 for FY 2009-2010 which is \$36,842 more than budgeted for FY 2008-2009. Revenue projections for both FY 2008-2009 and FY 2009-2010 do not include any additional revenues from possible rate adjustment.

This item directly supports Goal 4, Improved Financial Stability and all the other SFMTA 2008-2012 Strategic Plan Goals indirectly.

The City Attorney's Office has reviewed this item.

**Recommendation:**

Staff recommends that the SFMTA Board of Directors adopt the attached resolution, approving the City of San Francisco Uptown Parking Corporation's Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Sutter-Stockton Garage and authorizing the Executive Director/CEO, or his designee, to forward the operating budget to the Office of the Controller for final approval.

MUNICIPAL TRANSPORTATION AGENCY BOARD  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Uptown Parking Corporation (“Corporation”) operates the Sutter-Stockton Garage (“Garage”) on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the Municipal Transportation Agency Board of Directors and the Office of the Controller for review and approval; and,

WHEREAS, Each year the Municipal Transportation Agency Board of Directors reviews the non-profit garage budgets and makes recommendations to the Office of the Controller; and,

WHEREAS, The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year in a format provided by the SFMTA; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year; and,

WHEREAS, The Corporation has submitted the Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Sutter-Stockton Garage to the Municipal Transportation Agency Board of Directors for review; and,

WHEREAS, The Municipal Transportation Agency Board of Directors has reviewed the Uptown Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors approves the Uptown Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Sutter-Stockton Garage; and, be it further

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the SFMTA’s Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**CITY AND COUNTY OF SAN FRANCISCO**

**SUTTER STOCKTON GARAGE  
444 STOCKTON STREET  
SAN FRANCISCO, CA 94108**

**\*PROPOSED BUDGET**

**FY 2008 – 2009 (FY09)**

**FY 2009 – 2010 (FY10)**

**Prepared by:**

**CITY OF SAN FRANCISCO  
UPTOWN PARKING CORPORATION  
ANSON LEE  
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**SUTTER STOCKTON GARAGE**  
**Three-Year Historical Trend**  
**Summary of Revenue and Expenditure**  
**(TABLE I)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - April 30, 2005</b>	<b>Actual May 1, 2004 - April 30, 2005</b>	<b>Budget May 1, 2005 - April 30, 2006</b>	<b>Actual May 1, 2005 - April 30, 2006</b>	<b>Budget May 1, 2006 - April 30, 2007</b>	<b>Actual May 1, 2006 - April 30, 2007</b>
<b>REVENUE</b>						
1a Transient Parking	9,504,000	9,602,678	10,600,000	10,366,034	10,365,000	10,297,441
1b Monthly Parking	759,600	712,825	727,660	895,898	890,000	963,365
1c Business Validation	2,400	4,400	3,000	22,426	10,000	4,382
1d Government / Other Tax Exempt Parking		3,368	3,456	3,744	3,500	7,024
1e High Occupancy Val (Parking Tax – Exempt)	96,000	47,795	27,360	3,080		
1f High Occupancy Val. (Parking Taxable)					10,000	46,015
1g Prepaid Bulk Validation (Parking Taxable)					6,000	
<b>Total Parking Revenue</b>	<b>\$10,362,000</b>	<b>\$10,371,066</b>	<b>\$11,361,476</b>	<b>\$11,291,182</b>	<b>\$11,284,500</b>	<b>\$11,318,227</b>
2a Miscellaneous Revenues			123,400	124,077	21,000	24,125
2b Commercial Rental	850,000	886,769	840,000	802,600	880,000	1,022,777
2c Trust Fund Earnings	120,000	49,668	50,000	161,811	120,000	283,656
<b>Gross Revenue</b>	<b>\$11,332,000</b>	<b>\$11,307,503</b>	<b>\$12,374,876</b>	<b>\$12,379,670</b>	<b>\$12,305,500</b>	<b>\$12,648,785</b>
3a Parking Tax (less)	<b>2,053,200</b>	<b>2,063,981</b>	<b>2,266,132</b>	<b>2,261,431</b>	<b>2,256,200</b>	<b>2,262,241</b>
<b>Net Revenue</b>	<b>\$9,278,800</b>	<b>\$9,243,522</b>	<b>\$10,108,744</b>	<b>\$10,118,239</b>	<b>\$10,049,300</b>	<b>\$10,386,544</b>
<b>EXPENDITURE</b>						
<b>Personnel Cost</b>						
A1 Administrative Salaries	102,000	65,767	86,000	83,299	88,000	77,181
A2 Parking Operations Salaries	480,000	478,958	510,000	489,092	530,000	536,903
<b>Payroll Expenses</b>						
B1 Payroll Taxes (non-SF)	47,142	46,730	49,000	47,430	50,000	53,134
B2 SF Payroll Taxes	8,730	7,529	8,940	7,824	9,000	8,470
B3 Welfare & Pension	140,000	148,521	174,000	159,842	177,000	172,064
B4 Worker's Compensation	86,951	75,719	85,298	82,124	66,000	65,917
<b>Utilities</b>						
C1 Gas & Electric	225,000	190,742	205,000	185,189	194,000	189,765
C2 Water	24,000	15,356	20,000	15,793	18,000	18,817
C3 Telephone	9,000	7,105	9,500	7,484	8,500	6,424
C4 Scavenger	12,600	12,018	13,200	12,378	13,200	14,068

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - April 30, 2005</b>	<b>Actual May 1, 2004 - April 30, 2005</b>	<b>Budget May 1, 2005 - April 30, 2006</b>	<b>Actual May 1, 2005 - April 30, 2006</b>	<b>Budget May 1, 2006 - April 30, 2007</b>	<b>Actual May 1, 2006 - April 30, 2007</b>
<b>Supplies &amp; Services</b>						
D1 Insurance	39,000	43,987	56,000	38,395	45,000	50,290
D2 Repairs & Maintenance (Facility)	200,000	200,299	180,000	209,798	180,000	156,834
D3 Office Supplies	12,000	12,631	9,000	3,275	7,500	3,392
D4 Garage Supplies	36,000	26,860	30,000	11,662	28,000	24,808
D5 Parking Supplies	7,500	5,518	7,500	5,226	7,500	8,586
<b>Management Costs</b>						
E1 Management Fee	10,000	10,000	10,000	10,000	10,000	10,000
E2 Incentive / Supvr. Fee	22,000	22,000	22,000	22,000	22,000	22,000
<b>Professional/Personal Services</b>						
F1 Accounting/Bookkeeping	11,000	10,917	11,500	11,917	12,000	12,000
F2 Garage Audit	30,000	28,476	35,000	29,115	32,000	32,437
F3 Garage Legal	15,000	30,311	15,000	17,279	15,000	19,182
F4 Security (Contractual)	163,200	165,653	168,000	171,308	180,000	185,481
F5 Janitorial Contract	88,800	95,734	95,000	90,202	95,000	84,329
F6 Armored Car	5,000	4,997	5,200	5,103	5,300	4,774
F8 Bank Charges (Non-trustee)	129,600	184,645	175,000	185,054	180,000	207,550
F9 Uniform Cleaning	3,840	4,098	4,800	4,353	4,800	4,863
F10 Payroll Processing			600	560	600	628
<b>Other Costs</b>						
G1 Taxes & Licenses	30,000	16,528	25,000	10,615	16,000	37,819
G2 Marketing			4,800	925	3,500	825
G5 Miscellaneous		250	38,000	37,869	1,000	177
G6 Lease Commission	51,600	17,856	80,856	80,857	17,856	17,805
G7 Tenant Legal	18,000	6,550	15,000	27,280	15,000	10,394
H1 Trustee Fees	12,000	5,000	10,000	2,500	4,800	2,500
H2 Corporate Legal	12,000	60,309	15,000	15,810	15,000	14,465
H3 Corporate Insurance	12,000	11,081	5,880	5,855	6,000	4,699
H4 Corporate Audit Expense					5,000	275
<b>Total Garage Expense</b>	<b>\$2,043,963</b>	<b>\$2,011,785</b>	<b>\$2,180,074</b>	<b>\$2,087,413</b>	<b>\$2,062,556</b>	<b>\$2,058,856</b>
<b>Garage Net Income</b>	<b>\$7,234,837</b>	<b>\$7,231,737</b>	<b>\$7,928,670</b>	<b>\$8,030,826</b>	<b>\$7,986,744</b>	<b>\$8,327,688</b>

**SUTTER STOCKTON GARAGE**  
**FY 2008 Approved Budget vs. FY 2008 Projection**  
**Summary of Revenue and Expenditure**  
**(TABLE II)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 - April 30, 2008</b>	<b>Projected May 1, 2007 - April 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
<b>REVENUE</b>				
1a Transient Parking	\$10,530,000	\$10,430,000	\$(100,000)	-1%
1b Monthly Parking	990,525	1,020,000	29,475	3%
1c Business Validation	5,000	2,500	(2,500)	-50%
1d Government / Other Tax Exempt Parking	7,200	5,100	(2,100)	-29%
1e High Occupancy Val (Parking Tax – Exempt)		1,440	1,440	100%
1f High Occupancy Val. (Parking Taxable)	42,500	37,000	(5,500)	-13%
1g Prepaid Bulk Validation (Parking Taxable)	1,200	-	(1,200)	-100%
<b>Total Parking Revenue</b>	<b>\$11,576,425</b>	<b>\$11,496,040</b>	<b>\$(80,385)</b>	<b>-1%</b>
2a Miscellaneous Revenues	13,800	33,000	19,200	139%
2b Commercial Rental	978,000	1,013,000	35,000	
2c Trust Fund Earnings	260,000	290,000	30,000	
<b>Gross Revenue</b>	<b>\$ 12,828,225</b>	<b>\$12,832,040</b>	<b>\$3,815</b>	<b>0%</b>
3a Parking Tax (less)	<b>2,313,845</b>	<b>2,297,900</b>	<b>(15,945)</b>	-1%
<b>Net Revenue</b>	<b>\$10,514,380</b>	<b>\$10,534,140</b>	<b>\$19,760</b>	<b>0%</b>
<b>EXPENDITURE</b>				
<b>Personnel Cost</b>				
A1 Administrative Salaries	123,939	113,439	-10,500	-8%
A2 Parking Operations Salaries	562,352	552,352	-10,000	2%
<b>Payroll Expenses</b>				
B1 Payroll Taxes (non-SF)	59,400	54,900	-4,500	-8%
B2 SF Payroll Taxes	10,175	10,125	-50	0%
B3 Welfare & Pension	200,268	195,268	-5,000	-2%
B4 Worker's Compensation	54,195	55,000	808	1%
<b>Utilities</b>				
C1 Gas & Electric	208,000	207,000	-1,000	0%
C2 Water	19,800	19,300	-500	-3%
C3 Telephone	8,400	8,400	0	0%
C4 Scavenger	14,400	16,400	2,000	14%
<b>Supplies &amp; Services</b>				

REVENUE & EXPENSE CATEGORIES	Approved Budget May 1, 2007 - April 30, 2008	Projected May 1, 2007 - April 30, 2008	Difference Between FY08 Approved and FY08 Projected	
D1 Insurance	52,000	57,000	5,000	10%
D2 Repairs & Maintenance (Facility)	180,000	177,500	-2,500	-1%
D3 Office Supplies	6,000	5,500	-500	-8%
D4 Garage Supplies	26,500	26,000	-500	-2%
D5 Parking Supplies	8,400	8,150	-250	-3%
<b>Management Costs</b>				
E1 Management Fee	10,000	10,000	0	0%
E2 Incentive / Supervisory Fee	22,000	22,000	0	0%
<b>Professional/Personal Services</b>				
F1 Accounting/Bookkeeping	6,000	11,000	5,000	83%
F2 Garage Audit	35,000	36,200	1,200	3%
F3 Garage Legal	15,000	15,000	0	0%
F4 Security (Contractual)	205,000	202,500	-2,500	-1%
F5 Janitorial Contract	96,000	95,000	-1,000	1%
F6 Armored Car	5,500	5,500	0	0%
F8 Bank Charges (Non-trustee)	205,000	213,000	8,000	4%
F9 Uniform Cleaning	5,200	5,000	-200	-4%
F10 Payroll Processing	700	700	0	0%
<b>Other Costs</b>				
G1 Taxes & Licenses	16,000	17,500	1,500	9%
G2 Marketing	3,000	2,500	-500	-17%
G5 Miscellaneous	900	650	-250	-28%
G6 Lease Commission	14,504	14,504	0	0%
G7 Tenant Legal	15,000	12,500	-2,500	-17%
H1 Trustee Fees	3,600	3,000	-600	-17%
H2 Corporate Legal	15,000	15,000	0	0%
H3 Corporate Insurance	4,800	3,800	-1,000	-21%
H4 Corporate Audit Expense	3,600	2,500	-1100	-31%
<b>Total Garage Expense</b>	<b>\$2,215,633</b>	<b>\$2,194,188</b>	<b>\$-21,445</b>	<b>-1%</b>
<b>Garage Net Income</b>	<b>\$8,298,747</b>	<b>\$8,339,952</b>	<b>\$41,205</b>	<b>0%</b>

**SUTTER STOCKTON GARAGE  
FY 2009 and FY 2010 Proposed Budget  
Summary of Revenue and Expenditure  
(TABLE III)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 – April 30, 2008</b>	<b>Proposed Budget May 1, 2008 – April 30, 2009</b>	<b>Proposed Budget May 1, 2009 – April 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
<b>REVENUE</b>					
1a Transient Parking	10,530,000	10,500,000	10,605,000	-30,000	0%
1b Monthly Parking	990,525	1,016,285	1,026,448	25,760	3%
1c Business Validation	5,000	3,000	3,000	-2,000	-40%
1d Government / Other Tax Exempt Parking	7,200	3,600	3,600	-3600	-50%
1e High Occupancy Val (Parking Tax – Exempt)		50,000	50,000	50,000	
1f High Occupancy Val. (Parking Taxable)	42,500	9,000	12,000	-33,500	-79%
1g Prepaid Bulk Validation (Parking Taxable)	1,200	1,200	1,800		0%
<b>Total Parking Revenue</b>	<b>\$11,576,425</b>	<b>\$11,583,085</b>	<b>\$11,701,848</b>	<b>6,660</b>	<b>0%</b>
2a Miscellaneous Revenues	13,800	18,300	18,666	4,500	33%
2b Commercial Rental	978,000	1,025,000	1,045,500	47,000	5%
2c Trust Fund Earnings	260,000	300,000	306,000	40,000	15%
<b>Gross Revenue</b>	<b>\$12,828,225</b>	<b>\$12,926,385</b>	<b>\$13,072,014</b>	<b>\$98,160</b>	<b>1%</b>
3a Parking Tax (less)	<b>2,313,845</b>	<b>2,305,897</b>	<b>2,329,650</b>	<b>-7,948</b>	0%
<b>Net Revenue</b>	<b>\$10,514,380</b>	<b>\$10,620,488</b>	<b>\$10,742,364</b>	<b>106,108</b>	<b>1%</b>
<b>EXPENDITURE</b>					
<b>Personnel Cost</b>					
A1 Administrative Salaries	123,939	129,126	133,645	5,187	4%
A2 Parking Operations Salaries	562,352	575,455	592,719	13,103	2%
<b>Payroll Expenses</b>					
B1 Payroll Taxes (non-SF)	59,400	57,350	59,357	-2,050	-3%
B2 SF Payroll Taxes	10,175	10,750	11,126	575	6%
B3 Welfare & Pension	200,268	204,900	212,072	4,632	2%
B4 Worker's Compensation	54,195	58,480	60,257	4,285	8%
<b>Utilities</b>					
C1 Gas & Electric	208,000	216,000	222,480	8,000	4%
C2 Water	19,800	21,000	21,735	1,200	6%
C3 Telephone	8,400	9,150	9,425	750	9%
C4 Scavenger	14,400	16,200	16,767	1,800	13%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 – April 30, 2008</b>	<b>Proposed Budget May 1, 2008 – April 30, 2009</b>	<b>Proposed Budget May 1, 2009 – April 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
<b>Supplies &amp; Services</b>					
D1 Insurance	52,000	57,600	59,328	5,600	11%
D2 Repairs & Maintenance (Facility)	180,000	180,000	186,300	-	0%
D3 Office Supplies	6,000	5,500	5,665	-500	-8%
D4 Garage Supplies	26,500	28,000	28,840	1,500	6%
D5 Parking Supplies	8,400	8,000	8,280	-400	-5%
<b>Management Costs</b>					
E1 Management Fee	10,000	60,000	62,100	50,000	500%
E2 Incentive Fee	22,000	20,000	25,000	-2,000	-9%
<b>Professional/Personal Services</b>					
F1 Accounting/Bookkeeping	6,000			-6,000	-100%
F2 Garage Audit	35,000	36,000	37,080	1,000	3%
F3 Garage Legal	15,000	15,000	15,525		0%
F4 Security (Contractual)	205,000	208,500	214,755	3,500	2%
F5 Janitorial Contract	96,000	98,400	101,844	2,400	3%
F6 Armored Car	5,500	5,700	5,900	200	4%
F8 Bank Charges (Non-trustee)	205,000	216,000	222,480	11,000	5%
F9 Uniform Cleaning	5,200	5,280	5,438	80	2%
F10 Payroll Processing	700	840	869	140	20%
<b>Other Costs</b>					
G1 Taxes & Licenses	16,000	18,000	18,630	2,000	13%
G2 Marketing	3,000	3,000	3,105		0%
G5 Miscellaneous	900	900	932		0%
G6 Lease Commission	14,504	12,511	12,886	-1,993	-14%
G7 Tenant Legal	15,000	15,000	15,525		0%
H1 Trustee Fees	3,600	3,600	3,726		0%
H2 Corporate Legal	15,000	15,000	15,525		0%
H3 Corporate Insurance	4,800	3,900	4,017	-900	-19%
H4 Corporate Audit Expense	3,600	2,400	2,472	-1,200	-33%
H11 Other / Misc. Expense					
<b>Total Garage Expense</b>	<b>\$2,215,633</b>	<b>\$2,317,542</b>	<b>\$2,396,074</b>	<b>\$101,909</b>	<b>5%</b>
<b>Garage Net Income</b>	<b>\$8,298,747</b>	<b>\$8,302,946</b>	<b>\$8,346,290</b>	<b>\$4,199</b>	<b>0.1%</b>

**SUTTER STOCKTON GARAGE**  
**FY 2008-2009 and FY 2009-FY2010 Proposed Revenues by Month**  
**(TABLE IV)**

<b>FY 2008 - 2009</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	870,000	825,000	825,000	840,000	825,000	890,000	890,000	1,125,000	890,000	760,000	900,000	860,000	10,500,000
1b Monthly Parking	85,845	85,845	85,845	85,845	85,845	83,970	82,895	81,770	82,895	83,840	85,845	85,845	1,016,,285
1c Business Validation	250	250	250	250	250	250	250	250	250	250	250	250	3,000
1d Monthly Gov TxEx	300	300	300	300	300	300	300	300	300	300	300	300	3,600
1e High Occup TxEx	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,67	4,167	4,167	4,167	50,000
1f High Occup Tax	750	750	750	750	750	750	750	750	750	750	750	750	9,000
1g Prepaid Bulk Val	100	100	100	100	100	100	100	100	100	100	100	100	1,200
<b>Total Parking Rev.</b>	<b>961,412</b>	<b>916,412</b>	<b>916,412</b>	<b>931,412</b>	<b>916,412</b>	<b>979,537</b>	<b>978,462</b>	<b>1,212,337</b>	<b>978,462</b>	<b>849,407</b>	<b>991,412</b>	<b>951,412</b>	<b>11,583,085</b>
2a Miscellaneous	1,525	1,525	1,525	1,525	1,525	1,525	1,525	1,525	1,525	1,525	1,525	1,525	18,300
2b Commercial Rent	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	1,025,000
2c Trust Fund Earning	26,000	28,000	33,000	31,000	15,000	17,000	19,000	21,000	24,000	26,000	28,000	32,000	300,000
<b>Gross Revenue</b>	<b>1,073,937</b>	<b>1,030,937</b>	<b>1,048,937</b>	<b>1,048,937</b>	<b>1,017,937</b>	<b>1,083,062</b>	<b>1,083,987</b>	<b>1,320,862</b>	<b>1,089,987</b>	<b>962,932</b>	<b>1,106,937</b>	<b>1,070,937</b>	<b>12,926,385</b>
3a Parking Tax (less)	191,389	182,389	182,389	185,389	182,389	195,014	194,799	241,574	194,799	168,988	197,389	189,389	2,305,897
<b>Net Revenue</b>	<b>\$882,548</b>	<b>\$848,548</b>	<b>\$853,548</b>	<b>\$863,548</b>	<b>\$835,548</b>	<b>\$888,048</b>	<b>\$889,188</b>	<b>\$1,079,288</b>	<b>\$895,188</b>	<b>\$793,944</b>	<b>\$909,548</b>	<b>\$881,548</b>	<b>\$10,620,488</b>

<b>FY 2009 - 2010</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	878,700	833,250	833,250	848,400	833,250	898,900	898,900	1,136,250	898,900	767,600	909,000	868,600	10,605,000
1b Monthly Parking	86,703	86,703	86,703	86,703	86,703	84,810	83,724	82,588	83,724	84,678	86,703	86,703	1,026,448
1c Business Validation	250	250	250	250	250	250	250	250	250	250	250	250	3,000
1d Monthly Gov TxEx	300	300	300	300	300	300	300	300	300	300	300	300	3600
1e High Occup TxEx	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
1f High Occup Tax	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
1g Prepaid Bulk Val	150	150	50	150	150	150	150	150	150	150	150	150	1,800
<b>Total Parking Rev.</b>	<b>971,270</b>	<b>925,820</b>	<b>925,820</b>	<b>940,970</b>	<b>925,820</b>	<b>989,576</b>	<b>988,491</b>	<b>1,224,704</b>	<b>988,491</b>	<b>858,145</b>	<b>1,001,570</b>	<b>961,170</b>	<b>11,701,848</b>
2a Miscellaneous	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	18,666
2b Commercial Rent	86,700	86,700	86,700	86,700	86,700	86,700	86,700	86,700	87,720	87,720	87,720	87,720	1,045,500
2c Trust Fund Earning	26,520	28,560	33,660	31,620	15,300	17,340	19,380	21,420	24,480	26,520	28,560	32,640	306,000
<b>Gross Revenue</b>	<b>1,086,046</b>	<b>1,042,636</b>	<b>1,047,736</b>	<b>1,060,846</b>	<b>1,029,376</b>	<b>1,095,172</b>	<b>1,096,126</b>	<b>1,335,400</b>	<b>1,102,246</b>	<b>973,941</b>	<b>1,119,406</b>	<b>1,083,086</b>	<b>13,072,014</b>
3a Parking Tax (less)	193,361	184,271	184,271	187,301	184,271	197,022	196,805	244,048	196,805	170,36	199,421	191,341	2,329,650
<b>Net Revenue</b>	<b>\$892,685</b>	<b>\$858,365</b>	<b>\$863,465</b>	<b>\$873,545</b>	<b>\$845,105</b>	<b>\$898,150</b>	<b>\$899,321</b>	<b>\$1,091,352</b>	<b>\$905,441</b>	<b>\$803,205</b>	<b>\$919,985</b>	<b>\$891,745</b>	<b>\$10,742,364</b>



## NARRATIVE I

### FY 2007-2008 Approved Budget To FY 2007-2008 Projection

<b>1a. Transient Parking</b>	<b>- 1%</b>
Overall decline in transient volume of 1.5 percent resulted in transient revenue below budget	
<b>1b. Monthly Parking</b>	<b>+3%</b>
Increased number of monthly parkers due to lower transient car run and occupancy level	
<b>1c. Business Validation</b>	<b>-50%</b>
Decline in validation purchases from nearby merchants and offices	
<b>1d. Government Monthly Parking</b>	<b>-29%</b>
Relocation of one Governmental monthly parker mid-year reduce anticipated income	
<b>1e. High Occupancy Val (Park Tax Exempt)</b>	<b>+100%</b>
Accommodated High Occupancy Validation users at Union Square due to street closure generated income that was not in budget	
<b>1f. High Occupancy Val (Park Taxable)</b>	<b>-13%</b>
Decline in volume by Hotel purchase after initial trend during peak summer months	
<b>2a. Miscellaneous</b>	<b>+139%</b>
Higher demand for photo and film shoot brought in higher miscellaneous revenues	
<b>2b. Commercial Rental</b>	<b>+4%</b>
Full occupancy of retail space and slight increase due to annual CPI rent adjustments	
<b>2c. Trust fund interest earnings</b>	<b>+12%</b>
Higher returns on interest earnings along with maintaining higher fund balances resulted in higher than budget revenues	
<b>3a. Parking Tax</b>	<b>-1%</b>
Below budget due to decline in transient taxable income	
<b>A1. Administrative Salaries</b>	<b>-8%</b>
Anticipated hiring of Corporate Accountant did not take place until later in the fiscal year	
<b>A2. Parking Operations Salaries</b>	<b>-2%</b>
Garage manager was able to efficiently manage staffing schedule, including peak holiday season without bringing on additional staffing level as anticipated.	
<b>B1. Payroll Taxes (non-SF)</b>	<b>-8%</b>
Directly related to reduction in total payroll salaries	

<b>B2. SF Payroll Taxes</b>	<b>0%</b>
Directly related to reduction in total payroll salaries	
<b>B3. Welfare &amp; Pension</b>	<b>-2%</b>
Directly related to reduction in total payroll salaries	
<b>B4. Worker's Compensation</b>	<b>+1%</b>
Slightly above budget amount with anticipated reduction in insurance rate	
<b>C1. Gas &amp; Electric</b>	<b>0%</b>
Anticipate expense to be at budget	
<b>C2. Water &amp; Sewer</b>	<b>-3%</b>
Anticipate expense to be at, or slightly below budget	
<b>C3. Telephone</b>	<b>0%</b>
Anticipate expense to be at budget	
<b>C4. Scavenger</b>	<b>+14%</b>
Increase during fiscal year of monthly service due to labor and fuel costs	
<b>D1. Insurance</b>	<b>+10%</b>
Higher premium at annual renewal with slightly increase in limits of coverage	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>-1%</b>
Anticipate expense to be at, or slightly below budget	
<b>D3. Office Supplies</b>	<b>-8%</b>
Anticipate expense to be at, or slightly below budget	
<b>D4. Garage Supplies</b>	<b>-2%</b>
Anticipate expense to be at, or slightly below budget	
<b>D5. Parking Supplies</b>	<b>-3%</b>
Anticipate expense to be at, or slightly below budget	
<b>E1. Management Fee</b>	<b>0%</b>
Anticipate expense to be at budget	
<b>E2. Incentive Fee</b>	<b>0%</b>
Anticipate expense to be at budget	
<b>F1. Accounting/Bookkeeping</b>	<b>+83%</b>
Maintained service of independent contractor until Corporate Accountant position was filled	
<b>F2. Garage Audit</b>	<b>+3%</b>
Annual audit was performed under budget. Additional audit of state controller's office required additional meeting and services of auditor which brought expense line slightly over budget amount.	

<b>F3. Garage Legal</b>	<b>0%</b>
Anticipate expense to be at budget	
<b>F4. Security (Contractual)</b>	<b>-1%</b>
Anticipate expense to be at, or slightly below budget	
<b>F5. Janitorial Contract</b>	<b>-1%</b>
Anticipate expense to be at, or slightly below budget	
<b>F6. Armored Car</b>	<b>0%</b>
Anticipate expense to be at, or slightly below budget	
<b>F8. Bank Service Charge</b>	<b>+ 4%</b>
Increase in payments by credit cards, and cash vault services brought expense over budget	
<b>F9. Uniform Cleaning</b>	<b>- 4%</b>
Anticipate expense to be at, or slightly below budget	
<b>F10. Payroll Processing</b>	<b>0%</b>
Anticipate expense to be at, or slightly below budget	
<b>G1. Tax &amp; License Fees</b>	<b>+ 9%</b>
An additional elevator inspection and license renewal brought expense over budget	
<b>G2. Marketing</b>	<b>-17%</b>
Anticipate expense to be at, or slightly below budget	
<b>G5. Miscellaneous</b>	<b>-28%</b>
Anticipate expense to be at, or slightly below budget	
<b>G6. Lease Commission</b>	<b>0%</b>
Anticipate expense to be at, or slightly below budget	
<b>G7. Tenant Legal</b>	<b>-17%</b>
Anticipate expense to be at, or slightly below budget	
<b>H1. Trustees fees</b>	<b>-17%</b>
Anticipate expense to be at, or slightly below budget	
<b>H2. Corporate legal</b>	<b>0%</b>
Anticipate expense to be at, or slightly below budget	
<b>H3. Corporate insurance</b>	<b>-21%</b>
Broker was able to obtain premium for Director's and Officer's coverage below prior year at renewal.	
<b>H4. Corporate audit expense</b>	<b>-31%</b>
Anticipate meetings and reviews of audit committee expenses below projected budget	

## NARRATIVE II

### FY 2007-2008 Approved Budget To FY 2008-2009 Proposed Budget

<b>1a. Transient Parking</b>	<b>0%</b>
Conservative projection of slight increase in volume and revenue over current year anticipated revenue	
<b>1b. Monthly Parking</b>	<b>+3%</b>
Maintain current higher level of monthly parkers throughout the new fiscal year.	
<b>1c. Business Validation</b>	<b>-40%</b>
Reduce projection to current year anticipated level, and promote additional validation program to nearby merchants and hotels	
<b>1d. Government Monthly Parking</b>	<b>-50%</b>
Reduce projection to current anticipated level	
<b>1e. High Occupancy Val. (Park Tax Exempt)</b>	<b>+100%</b>
Promote validation program to nearby hotels, for attractive reduced rate with minimum monthly purchase commitment	
<b>1f. High Occupancy Val. (Park taxable)</b>	<b>-79%</b>
Promote validation program with minimum purchase commitment at taxable and tax exempt rates	
<b>1g. Prepaid Bulk Validation (Park Taxable)</b>	<b>0%</b>
Promote validation program with less stringent purchase requirements as High Occupancy	
<b>2a. Miscellaneous</b>	<b>+33%</b>
Project income to current year anticipated level	
<b>2b. Commercial Rental</b>	<b>+5%</b>
Project continued full occupancy with slight increase in CPI rent adjustments	
<b>2c. Trust fund interest earning</b>	<b>+15%</b>
Projecting slight growth in interest earnings while maintaining higher Trust balances	
<b>3a. Parking Tax</b>	<b>0%</b>
Anticipate at same budget	
<b>A1. Administrative Salaries</b>	<b>+4%</b>
Projecting full year of Corporate Accountant position filled and slight annual increase	
<b>A2. Parking Operations Salaries</b>	<b>+2%</b>
Project slight increase in annual labor cost	

<b>B1. Payroll Taxes (non-SF)</b>	<b>-3%</b>
Directly related to total payroll salaries	
<b>B2. SF Payroll Taxes</b>	<b>+6%</b>
Directly related to total payroll salaries; current year budget is below anticipated expense	
<b>B3. Welfare &amp; Pension</b>	<b>+2%</b>
Projecting slight increase in benefits costs	
<b>B4. Worker's Compensation</b>	<b>+8%</b>
Project slight increase in insurance and related to total payroll salaries	
<b>C1. Gas &amp; Electric</b>	<b>+4%</b>
Project slight annual increase over current year anticipated	
<b>C2. Water &amp; Sewer</b>	<b>+6%</b>
Project slight annual increase over current year anticipated	
<b>C3. Telephone</b>	<b>+9%</b>
Project slight annual increase over current year anticipated, and secured DSL network services	
<b>C4. Scavenger</b>	<b>+13%</b>
Project annual increase in service cost due to labor and fuel increases	
<b>D1. Insurance</b>	<b>+11%</b>
Project slight increase in annual premium	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>0%</b>
Projecting same budget level for maintenance needs	
<b>D3. Office Supplies</b>	<b>-8%</b>
Slight reduction in supplies expense in line with current anticipated	
<b>D4. Garage Supplies</b>	<b>+6%</b>
Project slight increase over current budget	
<b>D5. Parking Supplies</b>	<b>-5%</b>
Anticipate expense to be at, or slightly below current budget	
<b>E1. Management Fee</b>	<b>+500%</b>
Anticipate implementation of new management contract through RFP with projected monthly management fee	
<b>E2. Incentive Fee</b>	<b>- 9%</b>
Anticipate performance fee based on criteria to be determined in RFP and new Management Agreement	
<b>F1. Accounting/Bookkeeping</b>	<b>-100%</b>
Eliminate the services of independent contractor with hiring of Corporate Accountant	

<b>F2. Garage Audit</b>	<b>+3%</b>
Project a slight increase to annual expense over current anticipated level	
<b>F3. Garage Legal</b>	<b>0%</b>
Project same expense level	
<b>F4. Security (Contractual)</b>	<b>+2%</b>
Project a slight annual increase over current anticipated expense	
<b>F5. Janitorial Contract</b>	<b>+3%</b>
Project a slight annual increase over current anticipated expense	
<b>F6. Armored Car</b>	<b>+4%</b>
Project a slight annual increase over current anticipated expense	
<b>F8. Bank Service Charge</b>	<b>+5%</b>
Project a slight annual increase over current anticipated expense	
<b>F9. Uniform Cleaning</b>	<b>+2%</b>
Project a slight annual increase over current anticipated expense	
<b>F10. Payroll Processing</b>	<b>+20%</b>
Project an annual increase and the addition employee for full year requiring payroll services.	
<b>G1. Tax &amp; License Fees</b>	<b>+13%</b>
Project a slight annual increase over current anticipated expense	
<b>G2. Marketing</b>	<b>0%</b>
Projecting same expense level	
<b>G5. Miscellaneous</b>	<b>0%</b>
Projecting same expense level	
<b>G6. Lease commission</b>	<b>-14%</b>
Amortization of prepaid lease commission reduces over length of lease	
<b>G7. Tenant legal</b>	<b>0%</b>
Projecting same expense level	
<b>H1. Trustees fees</b>	<b>0%</b>
Projecting same expense level	
<b>H2. Corporate legal</b>	<b>0%</b>
Projecting same expense level	
<b>H3. Corporate insurance</b>	<b>-19%</b>
Projecting premium at current anticipated expense; less than budget	
<b>H4. Corporate audit expense</b>	<b>-33%</b>
Reduced expense to current anticipated level	

**SUTTER STOCKTON GARAGE**  
**\*FY 2008-2009 and FY 2009-2010 MARKETING PLAN**

Following is Uptown Parking Corporation's Marketing Plan for the Sutter Stockton Garage. Uptown Parking Corporation would like to institute some or all of the following new programs at the Sutter Stockton Garage for the upcoming budget years.

The Corporation is working on launching a website for the Sutter Stockton Garage. The website will be designed for the efficient dissemination of information regarding parking programs, rates, maps, hours of operation and available services. The website will offer a directory of the immediate area surrounding the garage, and provide links to other businesses to share information to common patrons. The Corporation will also explore the marketing opportunities with partnership with internet search sites and map providing sites.

The Corporation will explore the feasibility of offering an "Early Bird" rate for daily parkers during weekdays when the occupancy of the garage is not filled to capacity. Management will conduct parking rate surveys of the garage in the immediate area and recommend a rate structure for the Municipal Transportation Agency's consideration.

The Garage Management will continue to promote the garage's attractive short term parking rate, night rate, and Sunday rate to nearby merchants, and offer various validation program for their patrons' parking needs. The management will also promote the High Occupancy Validation rate to nearby hotels for guests' parking.

The Corporation will continue to work with the Union Square Merchants Association to promote the area to visitors from near and far.

THIS PRINT COVERS CALENDAR ITEM NO:

**MUNICIPAL TRANSPORTATION AGENCY**  
City and County of San Francisco

**DIVISION:** Finance & Administration

**BRIEF DESCRIPTION:**

Approving the City of San Francisco Uptown Parking Corporation's Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Union Square Garage and authorizing the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- On May 1, 1999, the City leased the Union Square Garage ("Garage") to the City of San Francisco Uptown Parking Corporation ("Corporation") in order to issue bonds for the renovation of the Union Square Plaza.
- The Recreation and Park Department receives 100 percent of Net Income.
- Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and the Office of the Controller.
- SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process that includes line item analysis, historical trend review and ongoing discussions with the Corporate Managers to ensure that reasonable assumptions and methodologies are used.
- The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.
- The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**ENCLOSURES:**

1. MTAB Resolution
2. Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Union Square Garage

**APPROVALS:**

**DATE**

DEPUTY OF DIVISION  
PREPARING ITEM

\_\_\_\_\_

\_\_\_\_\_

FINANCE

\_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO

\_\_\_\_\_

\_\_\_\_\_



BOARD SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION

SHOULD BE RETURNED TO: Sonali Bose, Finance & Administration

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

**Background:**

On May 1, 1999, the City leased the Union Square Garage (“Garage”) to the City of San Francisco Uptown Parking Corporation (“Corporation”). The Corporation issued debt to finance the renovation of the Union Square Plaza and Garage. A professional parking management firm is contracted with the Corporation to provide daily operational management services. The management company receives a fixed monthly management fee of \$4,166.67.

Under the lease, the Recreation and Park Department receives 100 percent of the Garage net income and also receives a contribution from the Corporation for debt service. The Corporation, using funds from its capital account, contributes to the debt service to lessen the fiscal impact to the Recreation and Park Department from the debt obligation incurred by issuing the tax-exempt bonds for the Union Square Plaza Renovation. This debt service contribution from the Corporation is \$425,000 for FY 2008, FY 2009 and FY 2010.

Pursuant to the lease, the Corporation is required to submit an annual operating budget for review by the Municipal Transportation Agency Board and the Office of the Controller. SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process. The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages. Capital improvement requests are deferred until an overall assessment of the capital improvement needs by the SFMTA is completed.

The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year. The Corporation’s fiscal year ends April 30 to provide adequate time to conclude a year end audit and transfer net income to the City before the close of the City’s fiscal year.

**Budget Evaluation Process:**

Upon receipt of the Corporation’s budget submittal, staff’s initial review begins with a year-to-date verification of each revenue and expense line item category with the most recent garage monthly report. These line items are projected out through the end of the fiscal year taking into account the variations in seasonality, possible implementation of rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses and normalizing for non-regular services or supply purchases. This initial review enables staff to identify possible erroneous assumptions made by the Corporation.

The next step in the process is to communicate to the Corporate Managers any items of concern, point out obvious mathematical or formatting errors, if any, and to provide the opportunity for clarification and/or revision. Upon mutually accepted projections of revenues and expense for the current and proposed years, the Corporations are requested to

re-submit the budget in its final form providing the basis for this staff report. The operating budget submitted by the Uptown Parking Corporation for the Union Square Garage contained no significant errors and staff agreed with their initial projections of revenues and expenses.

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**FISCAL YEAR 2007-2008**

A comparison between the approved FY 2007-2008 Operating Budget and the anticipated FY 2007-2008 performance is shown in the chart below.

**FY 2007-2008 Performance:**

	<b>2007 - 2008 Approved Budget</b>	<b>2007 - 2008 Actual/ Anticipated</b>	<b>Difference Between Approved and Anticipated</b>
Gross Revenue	\$8,374,750	\$8,460,581	\$85,831
less Parking Taxes	\$1,524,350	\$1,552,200	\$27,850
less Expenses	\$3,832,213	\$3,874,754	\$42,541
Net Income	\$3,018,187	\$3,033,627	\$15,440
Debt Service Contribution	\$425,000	\$425,000	0
Recreation & Park Income	\$3,443,187	\$3,458,627	\$15,440

In 2007-2008, the Corporation anticipates generating \$8,460,581 which is \$85,831 (or one percent) greater than the amount budgeted and \$227,590 (or 2.8 percent) greater than the actual revenue in FY 2006-2007. Rate increases implemented in April 2007 and an increase in Business Validations were main reasons for increases in revenue.

The Corporation anticipates expending \$3,874,754 (or one percent) over budget. In addition to the \$425,000 in debt service contributions mentioned above, the Corporation anticipates generating \$3,033,627 in operating net income for a total of \$3,458,627 to the Recreation and Park Department. This amount is \$15,440 (or 0.5 percent) more than the FY 2007-2008 approved budget.

The management company received \$50,000 in fixed management fees for FY 2007-2008.

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**FISCAL YEARS 2008-2009 and 2009-2010**

A comparison between the approved FY 2007-2008 Operating Budget, the proposed FY 2008-2009 and 2009-2010 operating budget, is shown in the chart below.

**Fiscal Years 2008-2009 and 2009-2010 Proposed Operating Budget:**

	<b>2007-2008 Approved Budget</b>	<b>2008-2009 Proposed Budget</b>	<b>2009-2010 Proposed Budget</b>	<b>2008-2009 Compared to 2007-2008</b>	<b>2009-2010 Compared to 2008-2009</b>
Gross Revenue	\$8,374,750	\$8,537,800	\$8,663,843	\$163,050	\$126,043
less Parking Taxes	\$1,524,350	\$1,566,700	\$1,590,057	\$42,350	\$23,357
less Expenses	\$3,832,213	\$3,791,496	\$3,845,204	(\$40,717)	\$53,708
Net Income	\$3,018,187	\$3,179,604	\$3,228,582	\$161,417	\$48,978
Debt Service Contribution	\$425,000	\$425,000	\$425,000	0	0
Recreation & Park Income	\$3,443,187	\$3,604,604	\$3,653,582	\$161,417	\$48,978

For FY 2008-2009 the Corporation projects increasing revenue by \$163,050 (or two percent) due to increases in transient revenue and government vehicle parking. The Corporation proposes budgeted expenses of \$3,791,496, a decrease of \$40,717 (or 1.2 percent) less than FY 2007-2008 mainly due to deferral of capital improvements that off-set anticipated increases in operating cost.

In addition to the \$425,000 in debt service contributions, the Corporation projects generating \$3,179,604 in operating net income for a total of \$3,604,604 to the Recreation and Park Department. This amount is \$161,417 (or 5 percent) greater than FY 2007-2008 Operating Budget. The management company is budgeted to received \$60,000 in fixed annual management fees and \$20,000 incentive fees in anticipation of a new operator agreement. The SFMTA Board recently authorized the Uptown Parking Corporation to conduct an RFP process for the selection of a professional parking operator that may impact the management fees associated with managing the garage.

For FY 2009-2010, the Corporation projects an increase in revenue by \$126,043 (or 1.5 percent) due to increases in transient revenue, monthly patronage and hotel vehicle parking. The Corporation proposes budgeted expenses of \$3,845,204, an increase of \$53,708 (or 1.4 percent) more than FY 2008-2009 primarily due to increases in operating salaries, associated payroll cost and services. No capital improvements are budgeted pending a capital needs assessment. The Corporation will be given an opportunity to submit proposed amendments to this two-year budget in each odd numbered year.

In addition to the \$425,000 in debt service contributions, the Corporation projects generating \$3,228,582 in operating net income for a total of \$3,653,582 to the Recreation and Park Department. This amount is \$48,978 (or 1.4 percent) greater than the FY 2008-2009 Operating Budget. The management company is budgeted to received \$61,200 in fixed annual management fees based on the second year of a new operator agreement that includes CPI adjustments.

**PAGE 5.**

This item directly supports Goal 4, Improved Financial Stability and all the other SFMTA 2008-2012 Strategic Plan Goals indirectly.

The City Attorney's Office has reviewed this item.

**Recommendation:**

Staff recommends that the SFMTA Board of Directors adopt the attached resolution, approving the City of San Francisco Uptown Parking Corporation's Fiscal Year 2008-2009 and 2009-2010 Operating Budget and authorizing the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

MUNICIPAL TRANSPORTATION AGENCY BOARD  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Uptown Parking Corporation (“Corporation”) oversees the operation of the Union Square Parking Garage (“Garage”) on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the Municipal Transportation Agency Board of Directors and the Office of the Controller for review and approval; and,

WHEREAS, Each year the Municipal Transportation Agency Board of Directors reviews the non-profit garage budgets and makes recommendations to the Office of the Controller; and,

WHEREAS, The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year in a format provided by the SFMTA; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year; and,

WHEREAS, The Corporation has submitted the Fiscal Year 2008-2009 and 2009-2010 proposed Operating Budget for the Union Square Garage to the Municipal Transportation Agency Board of Directors for review; and,

WHEREAS, The Municipal Transportation Agency Board of Directors has reviewed the Uptown Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors approves the City of San Francisco Uptown Parking Corporation’s Fiscal Year 2008-2009 and 2009-2010 Operating Budget for the Union Square Parking Garage; and, be it further

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the SFMTA’s Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**CITY AND COUNTY OF SAN FRANCISCO**

**UNION SQUARE GARAGE  
333 POST STREET**

**\*PROPOSED BUDGET**

**FY 2008 – 2009 (FY09)**

**FY 2009 – 2010 (FY10)**

**Prepared by:**

**CITY OF SAN FRANCISCO  
UPTOWN PARKING CORPORATION  
ANSON LEE  
(415) 982-7275, ext.22  
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**GARAGE**  
**Three-Year Historical Trend**  
**Summary of Revenue and Expenditure**  
**(TABLE I)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - April 30, 2005</b>	<b>Actual May 1, 2004 - April 30, 2005</b>	<b>Budget May 1, 2005 - April 30, 2006</b>	<b>Actual May 1, 2005 - April 30, 2006</b>	<b>Budget May 1, 2006 - April 30, 2007</b>	<b>Actual May 1, 2006 - April 30, 2007</b>
<b>REVENUE</b>						
1a Transient Parking	5,544,000	5,833,923	6,250,000	6,544,939	6,570,000	6,887,801
1b Monthly Parking	528,000	526,667	534,100	509,620	500,000	472,945
1c Business Validation	57,600	72,334	60,000	77,600	65,000	118,895
1d Monthly Parking (Gov. / Other Parking Tax Exempt)						
1e High Occupancy Val (Parking Tax Exempt)	549,600	431,318	480,000	615,601	575,000	575,943
1f High Occupancy Val (Parking Taxable)						
1g Other Misc. Parking Rev						
<b>Total Parking Revenue</b>	<b>\$ 6,679,200</b>	<b>\$ 6,864,242</b>	<b>\$ 7,324,100</b>	<b>\$ 7,747,760</b>	<b>\$ 7,710,000</b>	<b>\$ 8,055,584</b>
2a Miscellaneous Revenues						
2b Commercial Rental	50,000	30,533	33,600	57,021	52,000	50,674
2c Trust Fund Int. Earnings	75,000	18,476	25,000	65,744	70,000	123,679
<b>Gross Revenue</b>	<b>\$ 6,804,200</b>	<b>\$ 6,913,251</b>	<b>\$ 7,382,700</b>	<b>\$ 7,870,525</b>	<b>\$ 7,832,000</b>	<b>\$ 8,232,991</b>
3a Parking Tax (less)	1,225,920	1,286,585	1,368,820	1,426,432	1,427,000	1,495,928
<b>Net Revenue</b>	<b>\$ 5,578,280</b>	<b>\$ 5,626,666</b>	<b>\$ 6,013,880</b>	<b>\$ 6,444,093</b>	<b>\$ 6,405,000</b>	<b>\$ 6,737,063</b>
<b>EXPENDITURE</b>						
<b>Personnel Cost</b>						
A1 Administrative Salaries	51,000	65,835	83,594	81,329	88,000	86,072
A2 Parking Operations Salaries	465,000	472,720	490,650	476,342	516,000	532,509
<b>Payroll Expenses</b>						
B1 Payroll Taxes (non-SF)	41,796	44,696	47,088	47,694	48,500	52,369
B2 SF Payroll Taxes	7,740	7,572	8,614	7,696	8,900	8,585
B3 Welfare & Pension	140,000	138,909	164,935	150,144	172,000	147,855
B4 Worker's Compensation	77,400	75,208	82,504	57,360	72,000	42,671
<b>Utilities</b>						
C1 Gas & Electric	250,000	267,049	288,000	240,821	275,000	249,336
C2 Water	4,500	7,189	9,000	6,094	8,000	8,240

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - April 30, 2005</b>	<b>Actual May 1, 2004 - April 30, 2005</b>	<b>Budget May 1, 2005 - April 30, 2006</b>	<b>Actual May 1, 2005 - April 30, 2006</b>	<b>Budget May 1, 2006 - April 30, 2007</b>	<b>Actual May 1, 2006 - April 30, 2007</b>
C3 Telephone	7,800	6,293	8,400	9,874	8,400	8,946
C4 Scavenger	6,900	7,163	7,450	7,864	7,800	8,544
<b>Supplies &amp; Services</b>						
D1 Insurance	45,000	160,371	92,000	88,932	92,000	87,830
D2 Repairs & Maintenance (Facility)	150,000	126,234	162,000	150,991	160,000	148,168
D3 Office Supplies	9,000	3,579	8,400	5,770	8,200	2,320
D4 Garage Supplies	18,000	15,536	18,000	15,332	18,000	21,511
D5 Parking Supplies	6,000	2,698	6,000	1,982	6,000	3,309
<b>Management Costs</b>						
E1 Management Fee	50,000	50,000	50,000	50,000	50,000	50,000
E2 Incentive Fee	12,500		12,500			
<b>Professional/Personal Services</b>						
F1 Accounting/Bookkeeping	11,000	10,917	11,400	11,917	12,000	12,000
F2 Garage Audit	35,000	25,570	36,000	25,410	33,000	29,444
F3 Garage Legal	6,000	6,471	9,600	8,644	9,000	5,626
F4 Security (Contractual)	142,800	148,978	168,000	138,946	160,000	151,072
F5 Janitorial Contract	51,000	53,533	60,000	49,313	56,000	50,997
F6 Armored Car	4,200	4,305	4,800	4,258	4,800	4,374
F8 Bank Charges (Non-trustee)	72,000	86,372	78,000	95,985	95,000	115,397
F9 Uniform Cleaning	5,000	5,328	5,760	3,642	5,200	3,974
F10 Payroll Processing			600	609	650	628
F12 Other Contractual Services	188,500	186,715	194,145	197,057	204,500	221,132
<b>Other Costs</b>						
G1 Taxes & Licenses	10,000	10,514	15,000	10,584	15,000	11,906
G2 Marketing			4,800	925	4,000	975
G5 Miscellaneous		2,038	2,400	1,021	1,800	201
G6 Lease Commission						
G7 Tenant Legal			3,600	3,278	3,600	2,081
H1 Trustee Fees	12,000	5,725	12,000	8,375	10,000	7,475
H2 Corporate Legal	20,000	8,465	12,000	7,684	10,000	5,686
H3 Corporate Insurance			5,880	5,855	6,000	4,891
H4 Corporate Audit Expense						
H5 Bond / Other Interest	1,075,710	1,075,710	1,057,675	1,057,675	1,043,050	1,043,050
H6 Bond Redemption	310,000	310,000	325,000	325,000	340,000	340,000
<b>Total Garage Expense</b>	<b>\$ 3,285,846</b>	<b>\$ 3,391,693</b>	<b>\$ 3,545,795</b>	<b>\$ 3,354,403</b>	<b>\$ 3,552,400</b>	<b>\$ 3,469,174</b>

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget May 1, 2004 - April 30, 2005</b>	<b>Actual May 1, 2004 - April 30, 2005</b>	<b>Budget May 1, 2005 - April 30, 2006</b>	<b>Actual May 1, 2005 - April 30, 2006</b>	<b>Budget May 1, 2006 - April 30, 2007</b>	<b>Actual May 1, 2006 - April 30, 2007</b>
<b>Garage Operating Income/Loss</b>	<b>\$ 2,292,434</b>	<b>\$ 2,234,973</b>	<b>\$ 2,468,085</b>	<b>\$ 3,089,690</b>	<b>\$ 2,852,600</b>	<b>\$ 3,267,889</b>
G9 Capital Expenditure (less)					81,200	
<b>Garage Net Income</b>	<b>\$ 2,292,434</b>	<b>\$ 2,234,973</b>	<b>\$ 2,468,085</b>	<b>\$ 3,089,690</b>	<b>\$ 2,771,400</b>	<b>\$ 3,267,889</b>

**UNION SQUARE GARAGE**  
**FY 2008 Approved Budget vs. FY 2008 Projection**  
**Summary of Revenue and Expenditure**  
**(TABLE II)**

REVENUE & EXPENSE CATEGORIES	Approved Budget May 1, 2007 - April 30, 2008	Projected May 1, 2007 - April 30, 2008	Difference Between FY08 Approved and FY08 Projected	
<b>REVENUE</b>				
1a Transient Parking	7,030,000	7,105,000	75,000	1%
1b Monthly Parking	493,750	506,000	12,250	2%
1c Business Validation	98,000	150,000	52,000	53%
1d Monthly Parking (Gov. / Other Parking Tax Exempt)		9,281	9,281	100%
1e High Occupancy Val (Parking Tax Exempt)	585,000	510,000	(75,000)	-13%
1f High Occupancy Val (Parking Taxable)				
1g Other Misc. Parking Revenue				
<b>Total Parking Revenue</b>	<b>\$ 8,206,750</b>	<b>\$ 8,280,281</b>	<b>\$ 73,531</b>	<b>1%</b>
2a Miscellaneous Revenues	6,000	9,800	3,800	63%
2b Commercial Rental	42,000	42,500	500	1%
2c Trust Fund Interest Earning	120,000	128,000	8,000	7%
<b>Gross Revenue</b>	<b>\$ 8,374,750</b>	<b>\$ 8,460,581</b>	<b>\$ 85,831</b>	<b>1%</b>
3a Parking Tax (less)	1,524,350	1,552,200	27,850	2%
<b>Net Revenue</b>	<b>\$ 6,850,400</b>	<b>\$ 6,908,381</b>	<b>\$ 57,981</b>	<b>1%</b>
<b>EXPENDITURE</b>				
<b>Personnel Cost</b>				
A1 Administrative Salaries	123,939	115,939	(8,000)	-6%
A2 Parking Operations Salaries	550,308	540,308	(10,000)	-2%
<b>Payroll Expenses</b>				
B1 Payroll Taxes (non-SF)	53,940	52,940	-1,000	-2%
B2 SF Payroll Taxes	10,114	9,914	-200	-2%
B3 Welfare & Pension	192,605	187,605	-5,000	-3%
B4 Worker's Compensation	51,800	47,800	-4,000	-8%
<b>Utilities</b>				
C1 Gas & Electric	270,000	258,000	-12,000	-4%
C2 Water	9,600	11,000	1,400	15%
C3 Telephone	9,000	10,500	1,500	17%
C4 Scavenger	8,825	9,025	200	2%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 - April 30, 2008</b>	<b>Projected May 1, 2007 - April 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
<b>Supplies &amp; Services</b>				
D1 Insurance	91,200	106,000	14,800	16%
D2 Repairs & Maintenance (Facility)	156,000	153,500	-2,500	-2%
D3 Office Supplies	6,600	5,400	-1,200	-18%
D4 Garage Supplies	18,000	18,000	0	0%
D5 Parking Supplies	6,000	5,500	-500	-8%
<b>Management Costs</b>				
E1 Management Fee	50,000	50,000	0	0%
E2 Incentive Fee				%
<b>Professional/Personal Services</b>				
F1 Accounting/Bookkeeping	6,000	11,000	5000	83%
F2 Garage Audit	33,000	30,000	-3,000	-9%
F3 Garage Legal	9,000	9,000	0	0%
F4 Security (Contractual)	168,000	172,000	4,000	2%
F5 Janitorial Contract	54,000	51,000	-3,000	-6%
F6 Armored Car	5,160	5,160	0	0%
F8 Bank Charges (Non-trustee)	116,000	138,000	22,000	19%
F9 Uniform Cleaning	5,100	4,600	-500	-10%
F10 Payroll Processing	720	680	-40	-6%
F12 Other Contractual Services	210,602	230,183	19,581	9%
<b>Other Costs</b>				
G1 Taxes & Licenses	15,000	12,800	-2,200	-15%
G2 Marketing	3,000	2,000	-1,000	-33%
G5 Miscellaneous	1,250	550	-700	-56%
G6 Lease Commission				
G7 Tenant Legal	3,600	3,500	-100	-3%
H1 Trustee Fees	9,000	8,000	-1,000	-11%
H2 Corporate Legal	9,000	40,000	31,000	344%
H3 Corporate Insurance	4,800	3,800	-1,000	-21%
H4 Corporate Audit Expense				
H5 Bond / Other Interest	1,026,050	1,026,050	0	0%
H6 Bond Redemption	360,000	360,000	0	0%
<b>Total Garage Expense</b>	<b>\$ 3,647,213</b>	<b>\$ 3,689,754</b>	<b>\$ 42,541</b>	<b>1%</b>
<b>Garage Operating Income/Loss</b>	<b>\$ 3,203,187</b>	<b>\$ 3,218,627</b>	<b>\$ 15,440</b>	<b>0.5%</b>

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 - April 30, 2008</b>	<b>Projected May 1, 2007 - April 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
G9 Capital Expenditure (less)	185,000	185,000	0	<b>0%</b>
<b>Garage Net Income</b>	<b>\$ 3,018,187</b>	<b>\$ 3,033,627</b>	<b>\$ 15,440</b>	<b>0.5%</b>
<b>Debt Service Contribution from Corporation capital fund</b>	<b>425,000</b>	<b>425,000</b>	<b>0</b>	
<b>Adjusted Surplus Revenues to City</b>	<b>\$ 3,443,187</b>	<b>\$ 3,458,627</b>	<b>\$15,440</b>	<b>0.5%</b>

**UNION SQUARE GARAGE**  
**FY 2009 and FY 2010 Proposed Budget**  
**Summary of Revenue and Expenditure**  
**(TABLE III)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 – April 30, 2008</b>	<b>Proposed Budget May 1, 2008 – April 30, 2009</b>	<b>Proposed Budget May 1, 2009 – April 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
<b>REVENUE</b>					
1a Transient Parking	7,030,000	7,180,000	7,287,700	150,000	2%
1b Monthly Parking	493,750	509,500	517,143	15,750	3%
1c Business Validation	98,000	96,000	96,960	(2,000)	-2%
1d Monthly Parking (Gov. / Other Parking Tax Exempt)		18,000	18,180	18,000	100%
1e High Occupancy Val. (Parking Tax Exempt)	585,000	510,000	517,650	(75,000)	-13%
1f High Occupancy Val. (Parking Taxable)		48,000	48,480	48,000	100%
1g Other Misc. Parking Revenue					
<b>Total Parking Revenue</b>	<b>\$ 8,206,750</b>	<b>\$ 8,361,500</b>	<b>\$ 8,486,113</b>	<b>\$ 154,750</b>	<b>2%</b>
2a Miscellaneous Revenues	6,000	9,300	9,480	3,300	55%
2b Commercial Rental	42,000	42,000	42,000	0	0%
2c Trust Fund Interest Earning	120,000	125,000	126,250	5,000	4%
<b>Gross Revenue</b>	<b>\$ 8,374,750</b>	<b>\$ 8,537,800</b>	<b>\$ 8,663,843</b>	<b>\$ 163,050</b>	<b>2%</b>
3a Parking Tax (less)	1,524,350	1,566,700	1,590,057	42,350	3%
<b>Net Revenue</b>	<b>\$ 6,850,400</b>	<b>\$ 6,971,100</b>	<b>\$ 7,073,786</b>	<b>\$ 120,700</b>	<b>2%</b>
<b>EXPENDITURE</b>					
<b>Personnel Cost</b>					
A1 Administrative Salaries	123,939	129,641	133,530	5,702	5%
A2 Parking Operations Salaries	550,308	543,325	559,625	(6,983)	-1%
<b>Payroll Expenses</b>					
B1 Payroll Taxes (non-SF)	53,940	56,756	58,459	2,816	5%
B2 SF Payroll Taxes	10,114	10,094	10,397	(20)	0%
B3 Welfare & Pension	192,605	204,803	210,947	12,198	6%
B4 Worker's Compensation	51,800	55,856	57,532	4,056	8%
<b>Utilities</b>					
C1 Gas & Electric	270,000	240,000	246,000	(30,000)	-11%
C2 Water	9,600	12,000	12,300	2,400	25%
C3 Telephone	9,000	9,400	9,635	400	4%

REVENUE & EXPENSE CATEGORIES	Approved Budget	Proposed Budget	Proposed Budget	Difference Between	
	May 1, 2007 – April 30, 2008	May 1, 2008 – April 30, 2009	May 1, 2009 – April 30, 2010	FY08 Approved and FY09 Proposed	
C4 Scavenger	8,825	9,200	9,430	375	4%
<b>Supplies &amp; Services</b>					
D1 Insurance	91,200	108,000	110,700	16,800	18%
D2 Repairs & Maintenance (Facility)	156,000	162,000	166,050	6,000	4%
D3 Office Supplies	6,600	6,600	6,732	0	0%
D4 Garage Supplies	18,000	21,600	22,032	3,600	20%
D5 Parking Supplies	6,000	6,000	6,120	0	0%
<b>Management Costs</b>					
E1 Management Fee	50,000	60,000	61,200	10,000	20%
E2 Incentive Fee		20,000	25,000	20,000	100%
<b>Professional/Personal Services</b>					
F1 Accounting/Bookkeeping	6,000			(6,000)	-100%
F2 Garage Audit	33,000	33,600	34,440	600	2%
F3 Garage Legal	9,000	9,600	9,840	600	7%
F4 Security (Contractual)	168,000	180,000	185,400	12,000	7%
F5 Janitorial Contract	54,000	54,600	56,238	600	1%
F6 Armored Car	5,160	5,580	5,720	420	8%
F8 Bank Charges (Non-trustee)	116,000	144,000	148,320	28,000	24%
F9 Uniform Cleaning	5,100	4,800	4,920	(300)	-6%
F10 Payroll Processing	720	840	861	120	17%
F12 Other Contractual Services	210,602	245,751	253,124	35,149	17%
<b>Other Costs</b>					
G1 Taxes & Licenses	15,000	15,000	15,450	0	0%
G2 Marketing	3,000	3,000	3,075	0	0%
G5 Miscellaneous	1,250	1,200	1,224	(50)	-4%
G6 Lease Commission					
G7 Tenant Legal	3,600	3,600	3,690	0	0%
H1 Trustee Fees	9,000	8,400	8,610	(600)	-7%
H2 Corporate Legal	9,000	30,000	20,000	21,000	233%
H3 Corporate Insurance	4,800	4,200	4,305	(600)	-13%
H4 Corporate Audit Expense					
H5 Bond / Other Interest	1,026,050	1,017,050	989,300	(9,000)	-1%
H6 Bond Redemption	360,000	375,000	395,000	15,000	4%
<b>Total Garage Expense</b>	<b>\$ 3,647,213</b>	<b>\$ 3,791,496</b>	<b>\$ 3,845,204</b>	<b>\$ 144,283</b>	<b>4%</b>
<b>Garage Operating</b>	<b>\$ 3,203,187</b>	<b>\$ 3,179,604</b>	<b>\$ 3,228,582</b>	<b>\$ (23,583)</b>	<b>-1%</b>



<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget May 1, 2007 – April 30, 2008</b>	<b>Proposed Budget May 1, 2008 – April 30, 2009</b>	<b>Proposed Budget May 1, 2009 – April 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
<b>Income/Loss</b>					
G6 Capital Expenditure (less)	185,000			(185,000)	<b>-100%</b>
<b>Garage Net Income</b>	<b>\$ 3,018,187</b>	<b>\$ 3,179,604</b>	<b>\$ 3,228,582</b>	<b>\$ 161,417</b>	<b>5%</b>
<b>Debt Service Contribution from Corporation capital fund</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>	<b>0</b>	<b>0%</b>
<b>Adjusted Surplus Revenues to City</b>	<b>\$ 3,443,187</b>	<b>\$ 3,604,604</b>	<b>\$ 3,653,582</b>	<b>\$161,417</b>	<b>5%</b>

**GARAGE**  
**FY 2008-2009 and FY 2009-FY2010 Proposed Revenues by Month**  
**(TABLE IV)**

<b>FY 2008 - 2009</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	620,000	600,000	590,000	610,000	590,000	600,000	600,000	710,000	600,000	500,000	600,000	560,000	7,180,000
1b Monthly Parking	42,640	42,640	42,640	42,640	42,640	42,640	41,890	41,890	41,890	42,640	42,640	42,710	509,500
1c Business Validation	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
1d Monthly (Tax Ex.)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
1e High Occ Val (Tax)	40,000	40,000	40,000	45,000	40,000	40,000	45,000	60,000	40,000	40,000	40,000	40,000	510,000
1f High Occ Val.	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
<b>Total Parking Revenue</b>	<b>\$716,140</b>	<b>\$696,140</b>	<b>\$686,140</b>	<b>\$711,140</b>	<b>\$686,140</b>	<b>\$696,140</b>	<b>\$700,390</b>	<b>\$825,390</b>	<b>\$695,390</b>	<b>\$596,140</b>	<b>\$696,140</b>	<b>\$656,210</b>	<b>\$8,361,500</b>
2a Miscellaneous	775	775	775	775	775	775	775	775	775	775	775	775	9,300
2b Commercial Rental	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000
2c Trust Fund Earning	12,000	14,000	12,000	6,000	8,000	10,000	12,000	13,000	7,000	9,000	10,000	12,000	125,000
<b>Gross Revenue</b>	<b>\$732,415</b>	<b>\$714,415</b>	<b>\$702,415</b>	<b>\$721,415</b>	<b>\$698,415</b>	<b>\$710,415</b>	<b>\$716,665</b>	<b>\$842,665</b>	<b>\$706,665</b>	<b>\$609,415</b>	<b>\$710,415</b>	<b>\$672,485</b>	<b>\$8,537,800</b>
3a Parking Tax (less)	134,928	130,928	128,928	132,928	128,928	130,928	130,778	152,778	130,778	110,928	130,928	122,942	1,566,700
<b>Net Revenue</b>	<b>\$597,487</b>	<b>\$583,487</b>	<b>\$573,487</b>	<b>\$588,487</b>	<b>\$569,487</b>	<b>\$579,487</b>	<b>\$585,887</b>	<b>\$689,887</b>	<b>\$575,887</b>	<b>\$498,487</b>	<b>\$579,487</b>	<b>\$549,543</b>	<b>\$6,971,100</b>

<b>FY 2009 - 2010</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	\$629,300	\$609,000	\$598,850	\$619,150	\$598,850	\$609,000	\$609,000	\$720,650	\$609,000	\$507,500	\$609,000	\$568,400	\$7,287,700
1b Monthly Parking	43,280	43,280	43,280	43,280	43,280	43,280	42,518	42,518	42,518	43,280	43,280	43,351	517,143
1c Business Validation	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	96,960
1d Monthly (Tax Ex.)	1,515	1,515	1,515	1,515	1,515	1,515	1,515	1,515	1,515	1,515	1,515	1,515	18,180
1e High Occ Val (Tax)	40,600	40,600	40,600	45,675	40,600	40,600	45,675	60,900	40,600	40,600	40,600	40,600	517,650
1f High Occ Val.	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040	48,480
<b>Total Parking Revenue</b>	<b>\$726,815</b>	<b>\$706,515</b>	<b>\$696,365</b>	<b>\$721,740</b>	<b>\$696,365</b>	<b>\$706,515</b>	<b>\$710,828</b>	<b>\$837,703</b>	<b>\$705,753</b>	<b>\$605,015</b>	<b>\$706,515</b>	<b>\$665,986</b>	<b>\$8,486,113</b>
2a Miscellaneous	790	790	790	790	790	790	790	790	790	790	790	790	9,480
2b Commercial Rental	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000
2c Trust Fund Earning	12,120	14,140	12,120	6,060	8,080	10,100	12,120	13,130	7,070	9,090	10,100	12,120	126,250
<b>Gross Revenue</b>	<b>\$743,225</b>	<b>\$724,945</b>	<b>\$712,775</b>	<b>\$732,090</b>	<b>\$708,735</b>	<b>\$720,905</b>	<b>\$727,238</b>	<b>\$855,123</b>	<b>\$717,113</b>	<b>\$618,395</b>	<b>\$720,905</b>	<b>\$682,396</b>	<b>\$8,663,843</b>
3a Parking Tax (less)	136,940	132,880	130,850	134,910	130,850	132,880	132,728	155,058	132,728	112,580	132,880	124,774	1,590,057
<b>Net Revenue</b>	<b>\$606,285</b>	<b>\$592,065</b>	<b>\$581,925</b>	<b>\$597,180</b>	<b>\$577,885</b>	<b>\$588,025</b>	<b>\$594,511</b>	<b>\$700,066</b>	<b>\$584,386</b>	<b>\$505,815</b>	<b>\$588,025</b>	<b>\$557,622</b>	<b>\$7,073,786</b>

## NARRATIVE I

### FY 2007-2008 Approved Budget To FY 2007-2008 Projection

- 1a. Transient Parking** **+ 1%**  
Implemented Transient Parking Rate Increase at the beginning of the Fiscal Year without decline in transient volume as anticipated resulted in slight increase in transient revenue.
- 1b. Monthly Parking** **+ 2%**  
Maintained a slightly higher average number of monthly parkers resulted in modest increase in Monthly revenue.
- 1c. Business Validation** **+ 53%**  
Continued demand by nearby Merchants for parking validation offered to their patrons, and allocation of transient validation income that had been budgeted in the High Occupancy Validation line item
- 1d. Government Monthly Parking (Parking Tax Exempt)** **+ 100%**  
Implemented monthly billing for City Department vehicles requiring access to garage for servicing of Union Square Plaza.
- 1e. High Occupancy Validation (Parking Tax Exempt)** **- 13%**  
Approximately eight percent decline in volume, along with the reclassification of some of the revenue to the Business Validation line item, brought this validation revenue below budget.
- 2a. Miscellaneous** **+ 63%**  
Higher commission income generated from ATM's and beverage / snack vending machines
- 2b Commercial Rental** **+1%**  
Anticipate revenue at projected budget
- 2c Trust Fund Interest Earning** **+7%**  
Slightly higher interest returns over prior year and maintaining Trust balances brought Trust Fund Earnings over budget.
- 3a. Parking Tax** **+ 2%**  
Increase in parking tax directly related to above budget performance in parking taxable revenues (Line items 1a, 1b, and 1c)
- A1. Administrative Salaries** **- 6%**  
Anticipated hiring of Corporate Accountant did not take place until later in the fiscal year.
- A2. Parking Operations Salaries** **- 2%**  
Operator was able to manage part time staffing during off-peak periods, and efficiently manage Pay-on-Foot system in the garage. Manager also adjusted hours of staffing schedule to cover peak periods without bringing in an additional part-time staff during the holiday shopping period, as had budgeted for.

<b>B1. Payroll Taxes (non-SF)</b>	<b>- 2%</b>
Directly related to reduction in total Payroll salaries.	
<b>B2. SF Payroll Taxes</b>	<b>- 2%</b>
Directly related to reduction in total Payroll salaries.	
<b>B3. Welfare &amp; Pension</b>	<b>- 3%</b>
Directly related to reduction in total Payroll salaries.	
<b>B4. Worker's Compensation</b>	<b>- 8%</b>
Lower insurance rate as had anticipated in the budget, and lower payroll results in item being below budget.	
<b>C1. Gas &amp; Electric</b>	<b>- 4%</b>
Replacement of some lighting within the garage to energy efficient lights, and managed controls of exhaust fans resulted in savings from budget.	
<b>C2. Water &amp; Sewer</b>	<b>+ 15%</b>
Increased usage of public restrooms, and regular irrigation maintenance requirements for the Union Square Plaza brought expense higher than budget.	
<b>C3. Telephone</b>	<b>+ 17%</b>
Increased in DSL service charges after introductory pricing expired.	
<b>C4. Scavenger</b>	<b>+ 2%</b>
Slight increase in annual service renewal due to fuel and labor cost.	
<b>D1. Insurance</b>	<b>+ 16%</b>
Insurance premium during renewal with slight increased in coverage limits exceeds projected premium at budget.	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>- 2%</b>
Anticipate expense slightly below budget amount	
<b>D3. Office Supplies</b>	<b>- 18%</b>
Anticipate expense slightly below budget amount	
<b>D4. Garage Supplies</b>	<b>+/- 0%</b>
Anticipate expense at budget	
<b>D5. Parking Supplies</b>	<b>- 8%</b>
Anticipate expense slightly below budget amount	
<b>E1. Management Fee</b>	<b>+/- 0%</b>
Anticipate expense at projected budget	
<b>E2. Incentive Fee</b>	<b>+/- 0%</b>

<b>F1. Accounting/Bookkeeping</b>	<b>+ 83%</b>
Maintained service of independent contractor until Corporate Accountant position was filled.	
<b>F2. Garage Audit</b>	<b>- 9%</b>
Completed annual audit with more efficiencies, which resulted in lower expense than projected.	
<b>F3. Garage Legal</b>	<b>+/- 0%</b>
Anticipate expense at projected budget	
<b>F4. Security (Contractual)</b>	<b>+ 2%</b>
Slight increase incurred in labor and benefits costs brought expense slightly above budget.	
<b>F5. Janitorial Contract</b>	<b>- 6%</b>
Anticipate expense slightly below budget amount	
<b>F6. Armored Car</b>	<b>+/- 0%</b>
Anticipate expense at projected budget	
<b>F8. Bank Service Charge</b>	<b>+ 19%</b>
Increased payments by credit cards, and cash vault services resulted in bank expenses exceeding budget.	
<b>F9. Uniform Cleaning</b>	<b>- 10%</b>
Anticipate expense slightly below budget amount	
<b>F10. Payroll Processing</b>	<b>- 6%</b>
Anticipate expense slightly below budget amount	
<b>F12. Other Contractual Services</b>	<b>+ 9%</b>
Contract extended during fiscal year with an additional staff fulfill work plan, along with annual three percent increase brought line item over budget.	
<b>G1. Tax &amp; License Fees</b>	<b>- 15%</b>
Anticipate expense slightly below budget amount	
<b>G2. Marketing</b>	<b>- 33%</b>
Delay in Website design and anticipated marketing partnership with online search sites. Cancellation of Merchant Association's Annual holiday event reduced budgeted expense.	
<b>G5. Miscellaneous</b>	<b>- 56%</b>
Anticipated budget for unexpected events not realized	
<b>G7 Tenant Legal</b>	<b>-3%</b>
Anticipate expense slightly below budget amount	
<b>H1 Trustee Fees</b>	<b>-11%</b>

Anticipate expense slightly below budget amount

**H2. Corporate Legal**

+ 344%

Pending ADA Litigation naming Corporation and City as defendants for accessibility of the Union Square Plaza, and High Clearance Disabled Accessible Van parking in the garage. Corporation hired legal representation specializing in ADA cases, to work in conjunction with the City Attorney's Office.

**H3 Corporate Insurance**

-21%

Broker was able to obtain premium for Director's and Officer's Insurance for lower than previous year's coverage.

**H4 Bond Interest**

+/- 0%

As budget per Bond Indenture for annual debt service schedule of payment

**H5 Bond Redemption**

+/- 0%

As budget per Bond Indenture for annual debt service schedule of payment

## NARRATIVE II

### FY 2007-2008 Approved Budget To FY 2008-2009 Proposed Budget

- 1a. Transient Parking** **+ 2%**  
Projecting a slight increase in transient volume with a modest growth of one percent in car run, while maintaining current average dollar per ticket to increase revenues over prior budget.
- 1b. Monthly Parking** **+ 3%**  
Maintain current higher level of monthly parkers through the new fiscal year to achieve higher monthly parking revenues.
- 1c. Business Validation** **- 2%**  
Maintain current merchant validation level while reclassifying additional validation revenues to High Occupancy Validation income.
- 1d. Government Monthly Parking** **+ 100%**  
Budgeting for continued City Department's monthly parking at Tax Exempt rate.
- 1e. High Occupancy Validation (Parking Tax Exempt)** **- 13%**  
Projecting budget for proper allocation of this validation for Hotel Guest subject to Hotel Tax, and Transient parkers subject to Parking Tax
- 1f. High Occupancy Validation (Parking Taxable)** **+ 100%**  
Allocating validation income subject to parking tax under the High Occupancy validation rate, as oppose to Business Validation in past budgets
- 2a. Miscellaneous** **+ 55%**  
Projecting continued growth in commission revenues generated by ATM's and Vending machines in garage.
- 2b. Commercial Rental** **+/- 0%**  
Projected at budget per rental agreements
- 2c. Trust Fund Interest Earning** **+4%**  
Projecting slight growth in interest earnings and maintaining higher Trust Fund Balances
- 3a. Parking Tax** **+ 3%**  
Projecting slight increase along with increases in taxable parking revenues
- A1. Administrative Salaries** **+ 5%**  
Projecting a full year of Corporate Accountant position and slight annual increase
- A2. Parking Operations Salaries** **- 1%**  
Projecting slight annual increase to current year anticipated expense level

<b>B1. Payroll Taxes (non-SF)</b>	<b>+ 5%</b>
Directly related to payroll expense	
<b>B2. SF Payroll Taxes</b>	<b>+/-0%</b>
Directly related to payroll expense	
<b>B3. Welfare &amp; Pension</b>	<b>+ 6%</b>
Projecting slight increase based on payroll expenses and changes to benefits per Union Contract, and health insurance costs.	
<b>B4. Worker's Compensation</b>	<b>+ 8%</b>
Projecting modest insurance rate increase, and addition of full time employee.	
<b>C1. Gas &amp; Electric</b>	<b>- 11%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>C2. Water &amp; Sewer</b>	<b>+ 25%</b>
Projecting slight annual increase to current year anticipated expense level; and addition of custodial staff per contract services for park maintenance.	
<b>C3. Telephone</b>	<b>+ 4%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>C4. Scavenger</b>	<b>+ 4%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>D1. Insurance</b>	<b>+ 18%</b>
Projecting slight increase in premium at annual renewal	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>+ 4%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>D3. Office Supplies</b>	<b>+/- 0%</b>
Projecting at same level for office supply needs	
<b>D4. Garage Supplies</b>	<b>+ 20%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>D5. Parking Supplies</b>	<b>+/- 0%</b>
Projecting at same level for supply needs	
<b>E1. Management Fee</b>	<b>+ 20%</b>
Budget at new Management Fee per RFP and new Agreement	
<b>E2. Incentive / Performance Fee</b>	<b>+ 100%</b>
Anticipate Performance Fee based on criteria to be determined in new RFP and Management Agreement	



<b>F1. Accounting/Bookkeeping</b>	<b>- 100%</b>
Eliminate independent contractor services with hiring of Corporate Accountant	
<b>F2. Garage Audit</b>	<b>+ 2%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>F3. Garage Legal</b>	<b>+ 7%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>F4. Security (Contractual)</b>	<b>+ 7%</b>
Projecting slight annual increase to labor cost over current year anticipated expense level	
<b>F5. Janitorial Contract</b>	<b>+ 1%</b>
Projecting slight annual increase to labor cost over current year anticipated expense level	
<b>F6. Armored Car</b>	<b>+ 8%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>F8. Bank Service Charge</b>	<b>+ 24%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>F9. Uniform Cleaning</b>	<b>- 6%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>F10. Payroll Processing</b>	<b>+ 17%</b>
Projecting slight annual increase to current year anticipated expense level	
<b>F12. Other Contractual Services</b>	<b>+ 17%</b>
Budget for full year of new work plan with additional staff per agreement extension, and annual three percent increase.	
<b>G1. Tax &amp; License Fees</b>	<b>+/- 0%</b>
Projected at same level of expense as current budget	
<b>G2. Marketing</b>	<b>+/- 0%</b>
Budget for maintaining website, promotional events and opportunities and neighborhood merchants' association	
<b>G5. Miscellaneous</b>	<b>- 4%</b>
Projected at same level of expense as current anticipated	
<b>G7. Tenant Legal</b>	<b>+/- 0%</b>
Projected at same level of expense as current budget	
<b>H1 Trustee Fees</b>	<b>-7%</b>
Projected at same level of expense as current anticipated	
<b>H2 Corporate Legal</b>	<b>+233%</b>

Uncertain of outcome of pending litigation and length of case prompted budget for extended legal services

**H3 Corporate Insurance**

Projected at same level of expense as current anticipated

**H5 Bond Interest**

As budget per Bond Indenture for annual debt service schedule of payment

**H6 Bond Redemption**

As budget per Bond Indenture for annual debt service schedule of payment

**UNION SQUARE GARAGE**  
**\*FY 2008-2009 and FY 2009-2010 MARKETING PLAN**

Following is Uptown Parking Corporation's Marketing Plan for the Union Square Garage. Uptown Parking Corporation would like to institute some or all of the following new programs at the Union Square Garage for the upcoming budget years.

The Corporation is working to launch a website for Union Square Garage. The website will be designed for the efficient dissemination of information regarding parking programs, rates, maps, hours of operation and available services. The Corporation will also explore the potential to market with internet search engines and map service sites, to promote garage to potential visitors. The website will also offer a directory of nearby merchants and businesses, and provide links to the merchants' websites to provide services and information to common clientele.

The Corporation plans to continue working with the Union Square Merchants Association in promoting all of the amenities the district has to offer, and to attract visitors to the area and the garage.

The Garage Management will work with nearby merchants, hotels and offices in offering validation for their customers' parking at the garage. Management will also work with groups for Special Event parking, and parking for off-site valet events.

A Carpool Monthly rate has been offered to customers who prefer to ride with three or more passengers in their vehicles.