

New York City Council

Christine C. Quinn, Speaker

Finance Division

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Hearing on the Mayor's Fiscal Year 2012 Executive Budget

Department of Parks and Recreation

June 3, 2011

The Committee on Finance

Hon. Domenic M. Recchia, Jr., Chair

The Committee on Parks and Recreation

Hon. Melissa Mark-Viverito, Chair

Andy Grossman, Deputy Director

Chima Obichere, Supervising Legislative Financial Analyst

Overview

The New York City Department of Parks & Recreation is the chief steward of the City's parkland. The agency's mission is to build and maintain the parks by increased greening, improving access to recreational and fitness opportunities, and using parks as a vehicle for community and economic development. The Department maintains a municipal park system of more than 29,000 acres of land, including more than 5,000 individual properties ranging from Coney Island and Central Park to community gardens and Greenstreets. In addition, the Department maintains and operates more than 1,000 playgrounds, more than 800 athletic fields, 550 tennis courts, 54 outdoor swimming pools, 12 indoor swimming pools, 48 recreational facilities, 14 miles of beaches, 13 golf courses, six ice rinks, five major stadia, 17 nature centers, 13 marinas and four zoos. The Department is also responsible for approximately 650,000 street trees and two million park trees, more than 600 comfort stations, 23 historic house museums and more than 1,200 monuments, sculptures and historical markers.

Department of Parks and Recreation Financial Summary

Dollars in Thousands

	2009 Actual	2010 Actual	2011 Adopted	2011 Exec. Plan	2012 Exec. Plan	Difference 2011-2012*
Personal Services	\$294,561	\$306,950	\$246,422	\$282,816	\$227,232	(\$19,190)
Other Than Personal Services	85,033	75,765	72,250	87,681	72,681	431
Total	\$379,594	\$382,715	\$318,672	\$370,497	\$299,913	(\$18,759)
Budget by Program Area						
Maint & Operations- Citywide	\$186,932	\$189,524	\$151,244	\$182,076	\$138,327	(\$12,917)
Maint & Operations- POP Program	49,592	53,648	39,954	44,031	37,054	(2,900)
Maint & Operations- Zoos	10,549	7,870	6,005	6,005	6,005	0
Recreation- Citywide	17,804	18,846	17,249	18,689	17,114	(135)
Recreation- Central	4,638	4,233	3,260	5,058	1,719	(1,541)
Urban Park Service	17,180	17,416	10,865	16,741	10,643	(222)
Forestry & Horticulture- General	19,005	14,809	12,549	15,445	11,912	(637)
PlaNYC 2030	5,713	5,825	6,157	4,885	6,082	(75)
Capital	27,411	31,425	32,672	33,172	32,498	(174)
Administration- General	31,416	28,665	29,951	34,898	29,789	(162)
Administration-Citywide	9,354	10,455	8,767	9,497	8,770	3
TOTAL	\$379,594	\$382,716	\$318,672	\$370,497	\$299,913	(\$18,759)
Funding						
City Funds	N/A	N/A	\$238,399	\$263,093	\$223,239	(\$15,160)
<i>Memo: Council Funds</i>	N/A	N/A	7,821	7,821	0	0
Other Categorical	N/A	N/A	250	17,819	250	0
Capital-IFA	N/A	N/A	34,571	34,571	33,793	(778)
State	N/A	N/A	0	1,452	0	0
Federal – CD	N/A	N/A	2,642	3,142	2,642	0
Federal – Other	N/A	N/A	0	2,297	660	660
Intra-City	N/A	N/A	42,810	48,123	39,329	(3,481)
TOTAL	N/A	N/A	\$318,672	\$370,497	\$299,913	(\$18,759)
Positions						
Full-time Positions	3,760	3,581	3,059	3,415	2,481	(578)
Full-time Equivalent Positions	3,940	3,661	2,698	3,022	2,375	(323)
TOTAL	7,700	7,242	5,757	6,437	4,856	(901)

*Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Fiscal 2012 Executive Budget.

At the time of the Fiscal 2011 Budget Adoption last year, the estimate for the Fiscal 2012 Budget was \$14.4 million less than the Fiscal 2011 Budget of \$318.7 million. Net changes in the Fiscal 2012 Preliminary Budget reduced the Fiscal 2012 budget by \$14.1 million, and net changes in the Fiscal 2012 Executive Budget added \$9.7 million. Combined, these changes bring the DPR's Fiscal 2012 Executive Budget total to \$299.9 million.

Fiscal 2012 Executive Budget Actions

- ☑ The Fiscal 2012 Executive Budget reflects an \$18.8-million decrease when compared to the Fiscal 2011 Adopted Budget or \$82.8 million compared to Fiscal 2010 actual spending for DPR.
- ☑ **Headcount Reduction Efforts.** The Parks Department has been targeted quite severely in recent years with regard to headcount reductions. Although some of these reduction efforts have succeeded, many have not and have required large-scale restorations. Whereas the actual headcount for the agency was 7,700 in Fiscal 2009 and 7,242 in Fiscal 2010 (including both full-time and full-time equivalent positions), Parks headcount fell to 5,757 in the Adopted Plan for 2011. The current Executive Plan now forecasts year-end headcounts of 6,437 in Fiscal 2011 and only 4,856 in Fiscal 2012. The Fiscal 2011 headcount jump from 5,757 to 6,437 reflects failed Programs to Eliminate the Gap (PEGs) relating to accelerated attrition and a hiring freeze. The Fiscal 2012 decline to the 4,856 figure reflects the newly-proposed Executive Plan action to eliminate 665 positions through a reconfigured attrition incentive program whose details are still largely unknown to the Council at this writing. It remains to be seen whether or not this latter program will be effective in driving down the Parks Department's headcount. Should the headcount reduction fail to materialize, more large-scale restorations will be required.
- ☑ The Fiscal 2012 Executive Budget includes Capital commitments of \$467.5 million in Fiscal 2012 for DPR.
- ☑ The Executive Budget does not include approximately \$8.9 million in City Council funding (including funding for Council initiatives, Program to Eliminate the Gap [PEG] restorations, and local discretionary appropriations) that was included in the Fiscal 2011 Adopted Budget.
- ☑ The Fiscal 2012 Executive Budget includes \$12.6 million in new needs for DPR including \$5.4 million for programs associated with the Croton water treatment facility in the Bronx.
- ☑ The PEG program for DPR totals \$47.4 million for Fiscal 2012. This includes an Expense Budget savings from a \$29.1-million Attrition Incentive Program.

Budget Actions in the Executive Plan

<i>Dollars in thousands</i>	FY 2011			FY 2012		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as of the January 2011 Plan	\$258,730	\$103,931	\$362,661	\$222,103	\$68,110	\$290,213
Programs to Eliminate the Gap (PEGs)						
Attrition Incentive Program	\$0	\$0	\$0	(\$29,063)	\$0	(\$29,063)
Center for Economic Opportunity	0	0	0	(200)	0	(200)
Restoration of Work Year Reduction - Select Titles	0	0	0	17,498	0	17,498
Total, PEGs	\$0	\$0	\$0	(\$11,765)	\$0	(\$11,765)
New Needs						
Croton Forestry MOU with Parks Dept.	\$0	\$0	\$0	\$0	\$1,369	\$1,369
Croton PlaNYC IFA Funding	0	0	0	0	4,077	4,077
Differential Funding	4,500	0	4,500	4,500	0	4,500
IFA Structural Deficit	0	0	0	0	2,458	2,458
Operational Excellence	0	0	0	175	0	175
Total, New Needs	\$4,500	\$0	\$4,500	\$4,675	\$7,904	\$12,579
Other Adjustments						
Attrition Incentive Program - Fringe	\$0	\$0	\$0	\$8,282	\$0	\$8,282
Collective Bargaining Adjustment	\$2	\$1	3	\$2	\$1	3
DEC Consent Order	0	0	0	(\$440)	0	(440)
Fuel	171	0	171	\$856	0	856
Gasoline	(166)	0	(166)	\$832	0	832
Heat, Light and Power	(222)	0	(222)	(\$826)	0	(826)
Lease Adjustment	0	0	0	\$305	0	305
Reduction in Work Year - Select Titles - Fringe	0	0	0	(1,315)	0	(1,315)
Misc. City Adjustments	78	0	78	529	0	529
Intra-City Adjustments	0	705	705	0	0	0
State Grants and Adjustments	0	271	271	0	0	0
Federal Grants and Adjustments	0	1,607	1,607	0	660	660
Other Categorical Grants and Adjustments	0	890	890	0	0	0
Total, Other Adjustments	(\$137)	\$3,474	\$3,337	\$8,225	\$661	\$8,886
Total Changes to Agency Budget	\$4,363	\$3,474	\$7,837	\$1,136	\$8,565	\$9,700
Agency Budget as of the May 2011 Plan	\$263,093	\$107,405	\$370,498	\$223,239	\$76,675	\$299,913

Program to Eliminate the Gap (PEGs)

Attrition Incentive Program. The Fiscal 2012 February Plan includes a proposal to provide, as an incentive, the opportunity for a two-month position, for a defined period of time, to full-time employees who voluntarily resign or retire. This proposal, which is designed to lower the agency’s headcount by 665 positions, would generate savings of \$29.1 in Fiscal 2012 and replaces the November Plan proposal to furlough certain select titles for three months annually for a savings of \$17.5 million. According to the Department, negotiation with union representatives is ongoing.

Intra Funds Agreement (IFA) Structural Deficit. To help address the Department’s full-time Personal Services structural deficit in its Capital Program Division, DPR will receive additional

funding of \$2.5 million in in Fiscal 2012 and the outyears. IFAs are funding shifts from the Capital Budget to the Expense Budget for Capital work performed by the Department’s staff.

- Center for Economic Opportunity (CEO) Million Trees NYC Apprenticeship Reduction.**
The Fiscal 2012 Executive Budget includes funding reduction of \$200,000 in Fiscal 2012 only for the Department’s Center for Economic Opportunity (CEO) Million Trees NYC Apprenticeship Program.

Council Funding

The Fiscal 2011 Adopted Budget includes \$7.8 million provided by the City Council to restore cuts to DPR’s budget, including \$2.5 million for seasonal workers; \$1 million for playground associates; \$2.9 million for Parks Job Training participants; and \$1.4 million to prevent the shortening of the pool season and pool closures. In the Fiscal 2012 Executive Budget, no restoration is proposed for any of these cuts (or hidden cuts) in DPR’s Budget. These cuts, if not restored, will displace approximately 600 (or 113 full-time equivalent) seasonal workers, a key component of the Department’s workforce responsible for maintaining park cleanliness. In addition, if not restored the cuts will impact DPR’s supervised recreational activities citywide and would lead to the closure of four pools and a shortened pool season this year.

FY 2011 Council Changes at Adoption	
<i>Dollars in Thousands</i>	
Council Restorations	
Four Pool Closure	\$546
Shorten Pool Season	891
Parks Job Training Participants Program	2,900
Seasonal Plan Restoration	2,484
Playground Associates	1,000
Subtotal	\$7,821
Local Initiatives	\$1,051
TOTAL	\$8,872

Capital Program

Capital Budget Summary

The Executive 2011 Capital Commitment Plan includes \$897.4 million in Fiscal 2012-2015 for the Department of Parks and Recreation (including City and Non-City funds). This represents approximately 3.2 percent of the City’s total \$28.1 billion Executive Plan for Fiscal 2012-2015. The agency’s Executive Commitment Plan for Fiscal 2012-2015 is 40.2 percent more than the \$640.1 million scheduled in the Adopted Commitment Plan, an increase of \$257.4 million.

Over the past five years (2006-2010), the Department of Parks and Recreation has only committed an average of 48.6 percent of its annual Capital Plan. Therefore, it is assumed that a portion of the agency’s Fiscal 2011 Capital Plan will be rolled into Fiscal 2012, thus increasing the size of the Fiscal 2012-2015 Capital Plan. Since adoption last June, the Capital Commitment Plan for Fiscal 2011 has decreased from \$1.3 billion to \$718.2 million, a reduction of \$575.9 million, or 44.5 percent.

Currently, the Department of Parks and Recreation’s appropriations total \$1.4 billion in City-funds for Fiscal 2011. These appropriations are to be used to finance the remaining portion of the agency’s \$718.2 million City-funded Fiscal 2011 Capital Commitment Program. The agency has \$876.6 million more, or approximately 278 percent more funding than it needs to meet its remaining Capital Commitment Program for the current fiscal year - estimated to be \$492 million as of February 28, 2011.

2011-2015 Commitment Plan: Adopted and Executive Budget

Thousands of Dollars

	FY11	FY12	FY13	FY14	FY15	Total FY12 - F Y15
Adopted						
Total Capital Plan	\$1,294,083	\$92,847	\$337,373	\$93,291	\$116,576	\$640,087
Executive						
Total Capital Plan	\$718,162	\$467,502	\$242,310	\$71,057	\$116,576	\$897,445
Change						
Level	(\$575,921)	\$374,655	(\$95,063)	(\$22,234)	\$0	\$257,358
Percentage	-44.50%	403.52%	-28.18%	-23.83%	0.00%	40.21%

Key Capital Program Goals

- ✓ Provide open space and recreational facilities in the City.
- ✓ Maintain facilities in a clean, attractive, and usable condition.
- ✓ Ensure public safety in parks.
- ✓ Protect natural landscapes, unique environmental features, and wildlife.
- ✓ Conserve historic structures and statues.
- ✓ Provide and coordinate public recreational programs.
- ✓ Plant and care for street trees.

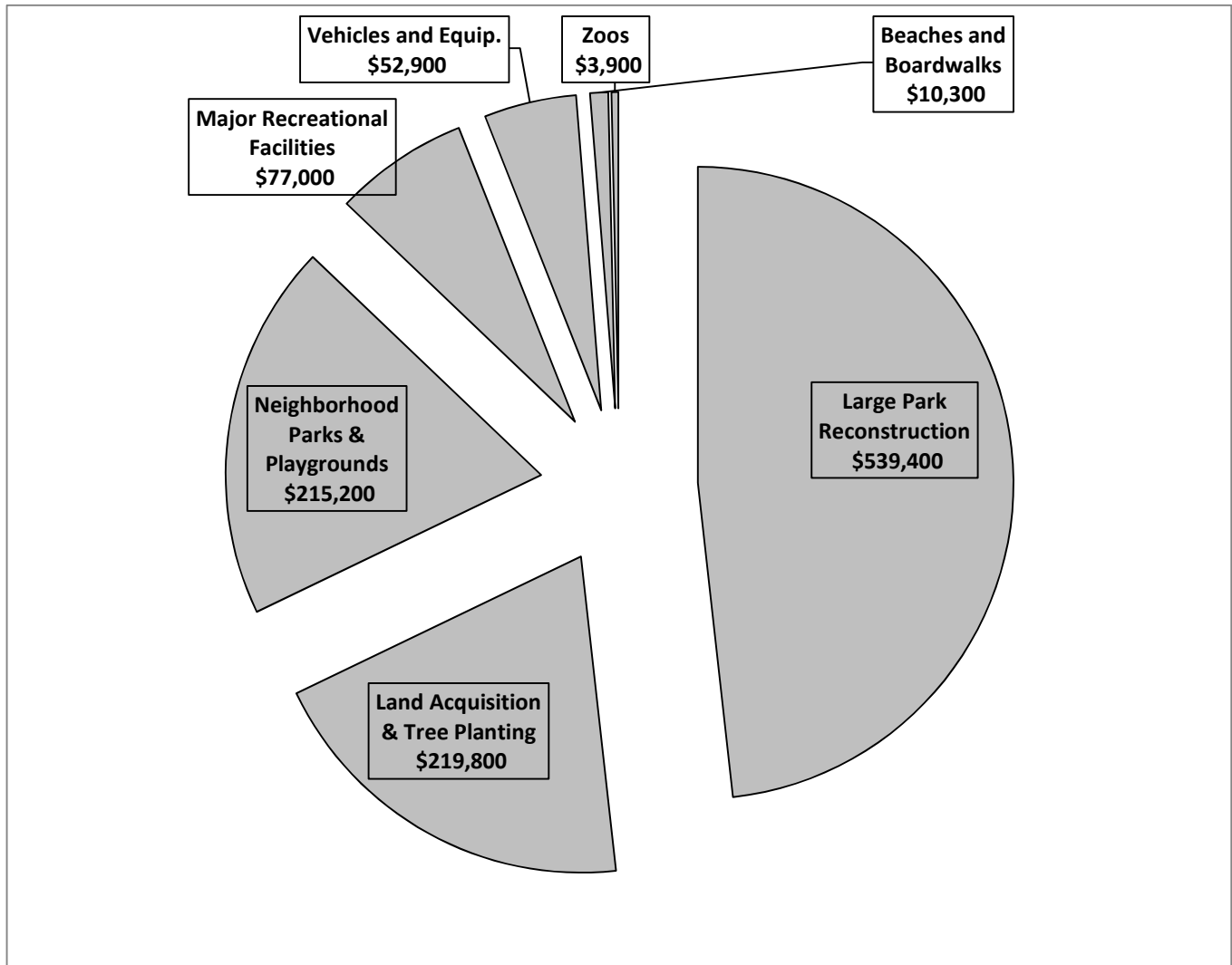
Executive Budget Highlights

The Fiscal 2012 Capital Commitment Plan for the Department totals \$467.5 million of which \$80.2 million is non-City funds. Because the City Council has routinely provided Capital funds for various parks improvement projects, City Council capital funding provides a large portion of DPR's annual City-funded Capital commitments. These additional funds are generally reflected in the Adopted Budget. Funding and changes for major Department of Parks and Recreation projects in the Capital Plan for Fiscal 2012-2015 include:

- ☑ **Schoolyards to Playgrounds.** The Parks Department expects to commit \$14.4 million in Fiscal 2012-2015 for this program, a decrease of \$10.4 million compared to the September Capital Commitment Plan of \$24.8 million.
- ☑ **Highbridge over the Harlem River.** The Planned commitments for this project now total \$47.3 million in Fiscal 2012-2015, a decrease of \$16.1 million compared to the September Capital Commitment Plan of \$63.8 million. First opened in 1848, the 1200-foot-long, 116-foot tall High Bridge walkway has been closed to regular public use since the early 1970s. The Highbridge, when restored, will provide Bronx residents with new access to the parks of the northern Manhattan greenbelt, including the Highbridge pool and recreation center.
- ☑ **Greenpoint/Williamsburg Development.** In the Fiscal 2012 Capital Plan, planned commitments for the Greenpoint/Williamsburg development have been decreased by a total of \$40 million in Fiscal 2011. As a result, the total planned commitment for this project is down from \$195.9 million to \$155.9 million.
- ☑ **PlaNYC - Ocean Breeze Athletic Facility.** In the Executive Budget, \$29.6 million of planned commitments in Fiscal 2011 have been rolled into Fiscal 2012 and \$2.1 million has been added to bring total planned commitment in Fiscal 2012 to \$31.8 million for the Ocean Breeze Athletic Facility. In addition, DPR will commit \$2.6 million for an indoor horse riding arena at Ocean Breeze Park in Fiscal 2012.
- ☑ **Midland Beach Promenade.** In Fiscal 2012, DPR will commit \$11.7 million for the construction of an entry plaza, gazebos and parking lot at Midland Beach in Staten Island.
- ☑ **Alley Pond Environmental Center.** The Fiscal 2012 Commitment Plan includes \$5.8 million for the construction of an annex at the Alley Pond Environmental Center in Queens.
- ☑ **Fort Washington Park:** To increase access to the waterfront in Fort Washington, DPR will spend \$11.6 million in Fiscal 2012 for the PlaNYC renovation of Fort Washington Park.

Ten-Year Strategy

The Ten-Year Capital Strategy provides \$801.6 million in Fiscal 2012 – 2021 for Capital construction and reconstruction projects for the Department of Parks and Recreation. The Department's Capital funding is divided into seven categories of needs as illustrated by the chart below:



TOTAL: \$1.1 billion

Dollars in thousands	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Neighborhood parks and playgrounds	\$127,671	\$37,719	\$8,500	\$10,565	\$11,000	\$9,266	\$756	\$0	\$1,817	\$7,891	\$215,185
Large, major and regional parks	\$274,357	\$144,070	\$23,372	\$69,680	\$12,250	\$7,519	\$2,250	\$2,250	\$1,834	\$1,869	\$539,451
Major recreational facilities	\$36,510	\$6,797	\$4,590	\$4,590	\$4,550	\$4,606	\$3,706	\$3,706	\$3,930	\$4,004	\$76,989
Land acquisition and tree plantings	\$20,800	\$46,351	\$27,895	\$25,041	\$30,549	\$27,895	\$20,000	\$8,000	\$6,645	\$6,645	\$219,821
Beaches and boardwalks	\$1,396	\$1,245	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$815	\$831	\$10,287
Vehicles, equipment and facilities	\$6,493	\$5,628	\$5,200	\$5,200	\$5,200	\$5,200	\$6,200	\$5,200	\$4,239	\$4,320	\$52,880
Zoos	\$275	\$500	\$500	\$500	\$500	\$500	\$300	\$0	\$408	\$416	\$3,899
TOTAL	\$467,502	\$242,310	\$71,057	\$116,576	\$65,049	\$55,986	\$34,212	\$20,156	\$19,688	\$25,976	\$1,118,512

Neighborhood Parks and Playgrounds: The Ten-Year Capital Strategy includes \$215.2 million for the reconstruction of neighborhood parks and playgrounds – an increase of \$115.4 million over the Preliminary Ten Year Capital Strategy. Of this amount, \$70.9 million is directed toward requirements contracts for the reconstruction and replacement of safety surfaces and play equipment citywide. In addition, \$7.7 million is provided for PlaNYC 2030 Regional Parks Projects,

\$6.5 million for PlaNYC 2030 Schoolyards to Playground projects, \$5.6 million for the renovation of Gravesend Park in Brooklyn, \$5.5 million for the creation of neighborhood parks in the Greenpoint/Williamsburg area of Brooklyn, \$4.7 million for Melrose Commons in the Bronx, \$4.3 million for the Battery Park Playground in Manhattan, \$2.2 million for the renovation of the locker rooms and bathhouse at John Jay Park and Playground in Manhattan, and \$2 million for the Colonel David Marcus Playground in Brooklyn.

Large, Major, and Regional Park Reconstruction: The Ten-Year Capital Strategy provides \$539.4 million for large, major, and regional park reconstruction citywide - an increase of \$176.5 million over the Preliminary Ten Year Capital Strategy. This includes \$107.5 million for PlaNYC 2030 Regional Parks projects, \$50.1 million for the development of Greenpoint/Williamsburg in Brooklyn, \$39.2 million for the rehabilitation of pedestrian bridges, \$36.4 million for the development of a new regional park at the former Fresh Kills landfill, \$22.4 million for citywide requirement contracts, \$2.5 million for reconstruction of soccer fields in Flushing Meadows Corona Park, \$12 million for Ferry Point Park in the Bronx, and \$7.9 million for the reconstruction of lake landscapes and facilities at Central Park in Manhattan.

Major Recreational Facilities: The Ten-Year Capital Strategy includes \$77 million for the rehabilitation of specialized and youth-oriented major recreational facilities including indoor recreation centers, pools, tennis courts, and playing fields. The Plan includes \$14.5 million for boiler reconstruction projects, \$13 million for citywide buildings requirements contracts, and \$15.6 million for citywide roofing reconstruction projects.

Land Acquisition and Tree Planting: The Ten-Year Capital Strategy includes \$220 million for the acquisition of new parkland and tree planting, of which \$211.4 million (including \$135.2 million provided as part of PlaNYC 2030) is for tree planting and the Greenstreets program. Acquisitions in the plan include the Lemon Creek Park in Staten Island for \$6 million, the Socrates Sculpture Park in Queens for \$2 million and the South Shore Ferry site in Staten Island for \$500,000.

Beaches and Boardwalks: The Ten-Year Capital Strategy includes \$10.3 million for the continued reconstruction of boardwalks and beaches citywide. In addition, the Fiscal 2011 Budget includes \$7.1 million for reconstruction of boardwalks and beaches at such locations as Coney Island Beach in Brooklyn and Rockaway Beach in Queens.

Vehicles and Equipment: The Ten-Year Capital Strategy includes \$52.9 million for infrastructure improvements and equipment purchases. Of this amount, \$13.1 million is for computer and communication systems improvement and \$39 million is for the replacement of vehicles.

Zoos: The Ten-Year Capital Strategy includes \$3.9 million for infrastructure rehabilitation at the Central Park Zoo, the Prospect Park Zoo and the Queens Zoo.

Appendix A: Budget Actions in the November and February Plans

<i>Dollars in thousands</i>	FY 2011			FY 2012		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as of June 2010 Plan	\$238,399	\$80,273	\$318,672	\$236,178	\$68,110	\$304,288
Program to Eliminate the Gap (PEGs)						
15% Seasonal Reduction	\$0	\$0	\$0	(\$5,491)	\$0	(\$5,491)
Continuation of FY 2011 Attrition	0	0	0	(4,535)	0	(4,535)
FY 2012 Attrition	0	0	0	(2,990)	0	(2,990)
PlaNYC Hiring Delay	0	0	0	(4,586)	0	(4,586)
PlaNYC OTPS Delay	0	0	0	(586)	0	(586)
Reduction in Work Year - Select Titles	0	0	0	(17,498)	0	(17,498)
Total, PEGs	\$0	\$0	\$0	(\$35,687)	\$0	(\$35,687)
New Needs						
Personal Services Structural Deficit	\$782	\$0	\$782	\$2,180	\$0	\$2,180
September Storm Damage	6,800	0	6,800	0	0	0
Total, New Needs	\$7,582	\$0	\$7,582	\$2,180	\$0	\$2,180
Other Adjustments						
Parks Transitional Wages -ARRA	\$0	\$2,203	\$2,203	\$0	\$0	\$0
Parks Transitional Wages -Non-ARRA	0	1,420	1,420	0	0	0
15% Seasonal Reduction - Fringe	0	0	0	\$2,359	0	2,359
Continuation of FY 2011 Attrition - Fringe	0	0	0	\$1,404	0	1,404
FY 2012 Attrition - Fringe	0	0	0	\$926	0	926
PlaNYC Hiring Delay - Fringe	0	0	0	\$1,467	0	1,467
Reduction in Work Year - Fringe	0	0	0	\$1,315	0	1,315
Riverside Park S. New Funds	0	1,272	1,272	0	0	0
Battery Park City New Funds	0	1,782	1,782	0	0	0
Hudson River Park Trust Grant	0	3,500	3,500	0	0	0
Fresh Meadow Park - Pool & Rink	0	2,152	2,152	0	0	0
Misc City Adjustments	302	0	302	250	0	250
Intra-City Adjustments	0	958	958	0	0	0
State Grants and Adjustments	0	1,181	1,181	0	0	0
Federal Grants and Adjustments	0	1,276	1,276	0	0	0
Other Categorical Grants and Adjustments	0	7,914	7,914	0	0	0
Total, Other Adjustments	\$302	\$23,658	\$23,960	\$7,721	\$0	\$7,721
PEGs Restorations & Substitutions (PRS)						
Accelerated Attrition Restoration	\$3,089	\$0	\$3,089	\$2,848	\$0	\$2,848
FY2010 Hiring Freeze Restoration	5,012	0	5,012	5,012	0	5,012
Part Restoration of FY10 City-funded Hiring Freeze	4,346	0	4,346	3,852	0	3,852
Total PRS	\$12,447	\$0	\$12,447	\$11,712	\$0	\$11,712
Total Changes to Agency Budget	\$20,331	\$23,658	\$43,989	(\$14,075)	\$0	(\$14,075)
Agency Budget as of January 2011 Plan	\$258,730	\$103,931	\$362,661	\$222,103	\$68,110	\$290,213