

Performance Audit of the Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2021

This audit is conducted annually in accordance with the requirements of City of San Diego Charter Section 55.2

Why OCA Did This Study

The City Charter requires that the City Auditor report annually the extent and nature of the Mission Bay and the San Diego Regional Parks Improvement Funds' revenues, expenses, and improvements and compliance with the requirements of Section 55.2. To comply with the Charter and in accordance with the City Auditor's Fiscal Year 2022 Annual Audit Work Plan, we have performed an audit of the Mission Bay and the Regional Parks Improvement Funds' financial activity in fiscal year 2021.

What OCA Found

We found the City of San Diego is in substantial compliance with the requirements of Charter Section 55.2, but should enhance information reporting to oversight committees and continue to address issues with committee appointments.

Finding 1: More detailed capital project information would help the Improvement Fund Oversight Committees carry out their responsibilities.

Finding 2: The City should consider the appropriateness of replenishing Improvement Funds in light of the impact of lost revenue on Improvement Funds due to the COVID shutdown.

Finding 3: The City does not have documentation to show routine site visits of leased properties are occurring.

Finding 4: Municipal Code Section 26.30 should be amended to ensure proper representation of Council Districts on the Mission Bay Park Committee.

Finding 5: The majority of both Improvement Fund Oversight Committee members are currently serving under expired terms.

Finding 6: Some projects are missing reconciliation documentation in the City's financial system of records (SAP).



Mission Bay Park. Source: <https://www.thelog.com/local/14-cameras-installed-around-mission-bay/>.

What OCA Recommends

We make 8 recommendations to help the City better manage the oversight of lease properties on Mission Bay consistent with Charter Section 55.2 and Municipal Code Section 26.30:

Key recommendations include:

- The Engineering & Capital Projects and the Parks and Recreation Departments should enhance the detail of capital project information provided to the Improvement Fund Oversight Committees.
- The Department of Finance should present an option to compensate the Improvement Funds for lost revenue to the Mayor for consideration as part of the mid-year budget update.
- The Department of Real Estate and Airport Management should conduct and document routine site visits of leased property on Mission Bay Lands at a minimum frequency of once every 3 years to ensure properties are being well maintained and are being operated in accordance with the lease terms.

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