

# Office of the City Auditor

## Performance Audit of the Mission Bay and San Diego Regional Parks Improvement Funds for Fiscal Year 2015

Presentation to the San Diego Regional Parks Oversight Committee  
July 21 2016



# Background

- In 2002, a City Council ordinance established two special funds:
  - Mission Bay Improvement Fund
  - Regional Park Improvement Fund
- These funds received revenue from the Mission Bay leases in excess of \$20 million
- Proposition C passed in 2008, bringing new City Charter requirements:

# Audit Objectives

- The City Charter requires an annual audit. Each audit report must contain:
  - a complete accounting of all revenues received,
  - the amount and nature of all expenditures, and
  - whether expenditures were consistent and compliant with City Charter requirements.
- Audit objectives include verification that the Fiscal Year 2015:
  - collection,
  - allocation, and
  - use of Mission Bay Park lease revenues are in compliance with City Charter requirements.



## FY 2015 Mission Bay Park Lease Revenue

The adjusted Mission Bay lease revenue totaled \$29,525,879.

Fund Name	Allocation Breakdown in excess of the threshold	FY 2015 Allocation Amounts
San Diego Regional Parks Improvement Fund	25% or \$2.5 million, whichever is greater, in excess of the \$20 million threshold	\$2,500,000
Mission Bay Park Improvement Fund	75% of the excess over the \$20 million threshold, if less than the 75% then, the remainder after the San Diego Regional Parks allocation	\$7,025,879



# FY 2015 Financial Activity

	Mission Bay Improvement Fund	Regional Parks Improvement Fund
Charter 55.2 revenues exceeding expenditures as of June 30, 2014	\$ 12,312,262	\$ 9,621,779
Revenue, excluding unrealized gains and losses	\$ 7,100,046	\$ 2,555,608
Expenses, net of depreciation	\$ <171,848>	\$ <1,554,596>
Revenue exceeding expenditures as of June 30, 2015	\$ 19,240,460	\$ 10,622,791

# Expenditures

- The San Diego Regional Parks Improvement Fund had expenditures for ten ongoing projects totaling \$1,505,539.
- There were four new projects with expenditures totaling \$49,057.

# Mission Bay RV Resort

- Mission Bay RV Resort near the De Anza Cove Mobile Home Park has generated \$7,453,863 in revenue since inception of the Charter.
- During the audit it was unclear if the revenue should be included as part of the Mission Bay and San Diego Regional Parks Improvement Funds
- The City Attorney's Office will provide a legal opinion determining whether this revenue should be deposited into the Mission Bay Park and San Diego Regional Parks Improvement Funds

# Conclusion

- The expenditures complied with the Charter requirements.
- Prior recommendation to obtain Council's approval of the priority of projects was implemented.





Questions?