

Bird Rock MAD Funding Sources

Funds for the Bird Rock MAD come from City of San Diego (City) sources and from MAD assessments paid by certain Bird Rock neighborhood property owners on their San Diego County Property Taxes



The **San Diego County Treasurer-Tax Collector** collects the property taxes, including the MAD assessment, in two installments. Installment 1 for the current fiscal year (7/1–6/30) is due on November 1 (overdue on December 10). Installment 2 is due on February 1 (and overdue on April 10).



The **City of San Diego** receives the MAD assessment funds from the County and deposits them into a City-controlled, interest-bearing account that is specifically reserved and protected for the Bird Rock MAD as mandated by state law. This account also contains 1) a mandatory reserve operating balance amounting to 10%-50% of annual operating expenses as required by the City of San Diego; 2) other MAD income such as interest, gas tax and general benefit offset funds, and insurance cost recoveries; and 3) an emergency reserve for unforeseen costs due to accidents, vandalism, theft, and other causes.



The City of San Diego has a contract with the Bird Rock Community Development Corporation (BRCDC) dba Bird Rock Community Council (BRCC) for MAD management.

BRCDC pays for all MAD expenses (services, consultants, materials, etc.) from a separate MAD bank account. BRCDC is subsequently reimbursed by the City for MAD expenses approximately 30 days after a reimbursement request is submitted and approved, which is usually 1-3 months after the expense is incurred and paid and after payment has cleared the bank.

BRCDC must submit regular reimbursement requests (no more than 12/year) to the City, including financial reports, an approved vendor list, and proof of payment documents. Reimbursement to the BRCDC is from City-controlled Bird Rock MAD assessment funds. Individual vendors must provide proof of license, insurance, and conformance to the City's living wage ordinance (including copies of payroll records) and other labor code and tax law requirements.

The City of San Diego Park and Recreation Department reviews and approves the monthly reimbursement request prior to submitting the request to the City Purchasing Department. About 30 days after approval, the City issues reimbursement to the BRCDC MAD account which is a net zero account and is entirely separate from other BRCDC accounts. Monies spent from the account equal monies subsequently reimbursed to the account.

BRCDC must submit an annual budget for all anticipated MAD expenses for the upcoming fiscal year which is updated and approved by the City of San Diego Department of Parks and Recreation, Open Spaces MAD Division and approved by the San Diego City Council as part of the annual City budget process. The budget contains the anticipated maximum MAD expenses for the fiscal year. The annual expenditure total has been less than the allowable maximum listed in the budget.

The City of San Diego requires the BRCDC to obtain and pay for an annual independent audit of its finances at the end of each fiscal year, including its MAD expenditures and reimbursements. This audit is performed by an independent, City-approved CPA and is transmitted to the City as soon as completed.

A final fiscal year report of actual expenditures versus the budget is prepared and subsequently revised following receipt of final income and expense figures from the City, and a summary report is prepared.