



**Bird Rock Maintenance Assessment District
ADVISORY COMMITTEE REPORT
19 November 2008**

Action Items

1. Draft 2009-2010 MAD Budget

The City's budget approval process requires us to submit a draft budget in November, although this deadline has been relaxed. I have prepared a budget based on our past three years of experience as well as projections of when we will takeover the public landscaping. The draft budget will be presented to the community at a public meeting in mid January 2009. **Request that the Board approve the attached draft budget pending discussion of median lighting capital improvement project.**

Information Items

1. January 2009 Annual Meeting

The annual meeting will need to be scheduled early enough so that we can get community approval of 2009/2010 budget and assessment to the City by January 30.

2. Landscape Contractor

a. This month's extra charges:

- i. Vacuum sweep west side gutter between Midway and Colima - \$154
- ii. Trim four street trees with low lying branches – Not yet done
- iii. Replace plants at Chelsea, Forward, Colima; overseeding at Wrelton - \$653.91

b. City Quarterly Review

The City completed their first quarterly review since the BRCC took over the MAD. The City was satisfied with our efforts.

c. Neighborhood Landscaping

We are still in a transition phase working with Dave Kirkwood and Brewer Landscape.

d. La Jolla Boulevard between and including the Colima and Midway Roundabouts

We continue to press for turnover of this stretch. Maintenance by Barrett seems to be on a once or month or so schedule. There has been some movement by the City towards a solution. On November 18 there will be a walk-through to identify and put a cost estimate on the deficiencies in the landscape and irrigation.

e. Open gutter/ditch at Wrelton Closure

The City hasn't solved the open gutter/ditch which runs along the sides of the sidewalks on either side of the Wrelton Closure. Not technically a MAD obligation; however, it is a potential hazard

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that we are monitoring.

f. **Camino de la Costa / Beaumont**

This is on tap to be removed from the required maintenance areas, timing is uncertain. The MAD continues to maintain this area.

g. **La Jolla Boulevard between and including the Midway and Camino de la Costa Roundabouts**

The City and the contractor are in the process of finalizing sign-off. The major issues are sight distance at the pedestrian crossings and replacement of the Torrey pine at the Bird Rock roundabout. The 6-month maintenance clock may have started November 1, 2008 but this has not yet been confirmed.

3. **Expenses to Date**

See attached spreadsheet.

4. **Take Over Schedule**

BRCC will takeover responsibility for maintenance on the following schedule.

- a. Boulevard, Colima to Midway: Unknown
- b. Neighborhood Streets: Done, effective August 18, 2008
- c. Boulevard, Midway to Camino de la Costa: May, 2009, latest estimate.

Submitted by:



Joseph LaCava, Chair, Bird Rock MAD Advisory Committee

Attachments:

P&L for MAD through November 14, 2008

Draft 2009-2010 Budget (not including possible median lighting capital improvement project)

Bird Rock Community Development Corporation

Profit & Loss Detail

July 1 - November 14, 2008

	Date	Type	Num	Name	Class	Memo/Description	Amount
Ordinary Income/Expense							
Income							
4123 MAD Cash Advance							
	07/11/2008	Deposit		City of San Diego Treasurer	08/09 MAD	BRDC Cash Advance	11,000.00
Total for 4123 MAD Cash Advance							\$11,000.00
Total for Income							\$11,000.00
Expenses							
Contract Services							
4151 Prof. Services/BRCC Admin OH							
	08/09/2008	Check	1077	David D. Kirkwood	08/09 MAD	July Mgmt/Adm @ \$35/hr	367.50
	09/13/2008	Check	1079	David D. Kirkwood	08/09 MAD	Aug Mgmt/Adm @ \$35/hr	288.75
	10/07/2008	Check	1083	David D. Kirkwood	08/09 MAD	Sept Mgmt	586.25
	11/11/2008	Check	1092	David D. Kirkwood	08/09 MAD	Oct Mgmt/Adm	376.25
Total for 4151 Prof. Services/BRCC Admin OH							\$ 1,618.75
4217 Landscaping Services							
	09/13/2008	Check	1080	Brewer Lawn & Landscape	08/09 MAD	Aug LJ Blvd Tree Maintenance	0.00
	09/15/2008	Check	1082	Brewer Lawn & Landscape	08/09 MAD	Aug LJ Blvd Tree Maintenance	362.00
	10/20/2008	Check	1088	Brewer Lawn & Landscape	08/09 MAD	Sept LJ Blvd landscape Maint	947.00
	11/11/2008	Check	1091	Brewer Lawn & Landscape	08/09 MAD	Oct LJ Blvd landscape maintenance	775.00
	11/11/2008	Check	1091	Brewer Lawn & Landscape	08/09 MAD	Oct extras - materials/repair/sweeping, etc	808.41
Total for 4217 Landscaping Services							\$ 2,892.41
3102 Postage and Delivery Expenses							
	07/07/2008	Check	1072	La Jolla Mailbox	08/09 MAD	5/19 MAD mailing	0.00
	07/07/2008	Check	1073	La Jolla Mailbox	08/09 MAD		9.88
	08/09/2008	Check	1078	La Jolla Mailbox	08/09 MAD	7/1 MAD mailing	5.06
	08/09/2008	Check	1078	La Jolla Mailbox	08/09 MAD	7/9 MAD mailing	4.19
	10/20/2008	Check	1085	La Jolla USPS	08/09 MAD	Box 432 Rental Nov 08-Oct 09	42.00
Total for 3102 Postage and Delivery Expenses							\$ 61.13
4810 Insurance							
	7/21/2008	Check	1075	Alliant Insurance Services, Inc.	08/09 MAD		2,854.38
Total for 4810 Insurance							\$ 2,854.38
4960 Acctg Dept Charges							
	08/09/2008	Check	1076	Caran Hardy Bookkeeping	08/09 MAD	July MAD Bookkeeping	54.00
	09/13/2008	Check	1081	Caran Hardy Bookkeeping	08/09 MAD	Aug MAD Bookkeeping	54.00
	09/24/2008	Check	5181	Guerrero Jimenez Diaz & Co. LLP	08/09 MAD	07-08 Audit progress payment	1,750.00
	10/07/2008	Check	1084	Caran Hardy Bookkeeping	08/09 MAD	Sept MAD bookkeeping	54.00
	11/04/2008	Check	1089	Guerrero Jimenez Diaz & Co. LLP	08/09 MAD	07-08 Audit progress payment	1,250.00
	11/04/2008	Check	1090	Caran Hardy Bookkeeping	08/09 MAD	Oct MAD bookkeeping	54.00
Total for 4960 Acctg Dept Charges							\$ 3,216.00
Total for MAD Expenditures							\$ 10,642.67
Net Balance							\$ 357.33
Friday, Nov 14, 2008 12:19:24 AM PST GMT-8 - Accrual Basis							

Bird Rock Maintenance Assessment District

Annual Meeting

Tuesday, January XX, 2009, 6:00 pm
Masonic Lodge (5655 La Jolla Boulevard)

The annual meeting of the Bird Rock Maintenance Assessment District (MAD) is hereby called for review and approval of the proposed annual budget for Fiscal Year 2010 (July 2009 to June 2010.) Upon community approval, the budget will be submitted to the City of San Diego for inclusion in the City's annual budget process which starts in late February and concludes with the mayor's and city council's approval in June.

In 2004 the Bird Rock community formed the MAD and appointed the Bird Rock Community Council as local managers. 2008-2009 is another transition year in the establishment of the MAD. The MAD took responsibility for the public landscaping in the neighborhood traffic calming improvements in August 2008. The MAD awaits the turnover of the public landscaping from the private developer and the city's contractors. In the meantime, the MAD continues with its obligations under the maintenance agreement with the City including maintenance of the Boulevard street trees; monitor and arrange for graffiti removal along the boulevard; and, the timely replacement of burnt out street lights. The MAD also monitors the public landscaping between Colima and Midway for traffic and pedestrian safety as well as working with the City to assure that the landscape and irrigation are in good condition before they are turned over to the MAD.

In Spring 2008 the MAD used a Request for Proposal process to identify a highly qualified independent contractor to administer the day to day operations of the MAD. Dave Kirkwood was selected by the Board of the BRCC and placed under contract in May 2008. Mr. Kirkwood works on an hourly as-needed basis although we anticipate that by Spring 2009 he will be switched to a monthly retainer. Through a competitive bid process in Spring 2008 the MAD selected a landscape maintenance contractor, Brewer Lawn and Landscape Maintenance. In August 2008 they were placed under contract and authorized to maintain the neighborhood improvements. The 2007-2008 BRCC and MAD books were audited as required by the City and were given a clean bill of health.

The two outstanding landscape maintenance areas of the MAD should finally roll out in 2009. Based on information from the City, we project that the MAD will take over the "SeaHaus" portion as well as the remainder of the boulevard landscaping by Winter 2009.

On the other side of this flyer is the proposed budget for 2009-2010. The budget is based on the assumption that the MAD will have full responsibility for all landscape areas by July 2009. The budget also provides for satisfying other obligations as required under the contract with the City of San Diego.

Revenue has exceeded expenses since the formation of the MAD. Excess funds accumulate in an interest-bearing account reserved and protected for the Bird Rock MAD; by state law it can not be touched. We propose, as we have for the past three years, to not touch this reserve until we go through one year of full operation.

With the delay in the installation of the public landscaping the MAD can continue to operate at a lower revenue rate while sustaining a healthy reserve. For 2009-2010 we proposed to discount the assessment by taking advantage of unused funds from 2008-2009 assessment; this will sustain the reserve at the June 2008 level. The 2009-2010 assessment rate is proposed at **\$25.00** per equivalent benefit unit; that is, per single-family home. This is a *significant decrease* over the previous years which have ranged from \$50 to \$90. For 2010-2011, the assessment will return closer to the allowed rate to fulfill all obligations of the MAD and maintain a healthy reserve.

The annual meeting is an opportunity to critique the previous year's performance and review the draft budget for the next year. We welcome your participation and comments.

If you cannot attend the annual meeting, please mail your comments as soon as possible to Bird Rock MAD, 5666 La Jolla Boulevard, #168, La Jolla 92037 or email them to brcc@san.rr.com.

The documents of the Bird Rock MAD are available on-line for your review at <http://www.birdrock.org> (click on Forums.)

The website also allows you to post your ideas and suggestions

**Park and Recreation Department - Open Space Division
Maintenance Assessment Districts Program
Summary of Fiscal Year 2010 (07-01-09 to 06-30-10) Proposed Budget**

**Bird Rock Maintenance Assessment District
City of San Diego Fund No. 70281**

	FY 2010 Proposed	Explanation
<u>Bird Rock MAD Costs</u>		
BRCC Admin. Overhead	\$ 18,000.00	See detail below.
Landscape Services	\$ 76,120.00	Assume all public landscaping within the district is maintained starting on July 1, 2009.
Miscellaneous Contract Services	\$ 1,000.00	Halloween Security
Other Costs	\$ 21,350.00	See itemization below.
Capital Improvements Program	\$ -	None planned for FY2010
City Management Costs	\$ 3,500.00	City Expenses per Contract (4% of assessment, \$3500 minimum)
Utilities: Water / Sewer / Electrical	\$ 10,510.00	Water for public landscaping + electricity for controllers
TOTAL COSTS	\$ 130,480.00	
<u>Bird Rock MAD Revenue</u>		
Annual Assessment	\$ 45,915.00	Estimated Revenue from Proposed 2008-2009 Assessment
Interest Earnings	\$ 10,250.00	Estimated interest earned on carry over from 2006-2007
City Contributions	\$ -	Estimated contribution from City Gas Tax Funds, assume zero to be conservative.
TOTAL REVENUE	\$ 56,165.00	
<u>District Reserves</u>		
Beginning Fund Balance	\$ 386,630.72	Balance projected to be carried forward from 2008-2009
FY 2010 Revenue less Costs	\$ (74,315.00)	Difference between 2010-2011 Revenues and Expenses
Year End Operating Reserves	\$ 312,315.72	Projected reserves at end of FY 2010

Assessment Rate	\$ 25.00	Proposed Assessment Rate (Maximum Allowed is \$90.00)
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Detail: BRCC Admin. Overhead	\$ 18,000.00	Includes labor cost for day to day manager that will operate out of Bird Rock and run the day to day affairs of the MAD including overview of contractor, processing invoices, and, reporting to the BRCC Board and the community. Cost based on proposal/contract.
Detail: Other Costs		
	\$ 250.00	Office Supplies
	\$ 1,000.00	Mail out Annual Report
	\$ 5,000.00	Allow for plant replacement/enhancement.
	\$ 5,000.00	Allow for seasonal decorations
	\$ 1,000.00	Produce Annual Report and Distribute to Property Owners
	\$ 4,100.00	Insurance Coverage required by the City
	\$ 5,000.00	Required Year End Audit plus bookkeeping
	\$ 21,350.00	