



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

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First District

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Second District

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Fourth District

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Fifth District

DATE: December 10, 2024

38

TO: Board of Supervisors

SUBJECT

FISCAL YEAR 2024-25 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

OVERVIEW

This report summarizes the status of the County's Fiscal Year 2024-25 Adopted Operational Plan, as measured by projected year-end fund balance from current year operations. The projected year-end balance for the General Fund is \$58.6 million (or 0.7% of the General Fund budget), and \$97.0 million (or 0.9% of the Overall budget) for all budgetary funds combined. The projected fund balance anticipates an overall positive expenditure variance and an overall negative revenue variance from the Fiscal Year 2024-25 Amended Budget. The projection reflects the conservation of appropriation for contingency pursuant to Government Code §29084 and assumes General Purpose Revenue will perform better than estimated, and all business groups will produce operating balances. The projected balance for all other funds combined is \$38.4 million (1.3% of the other funds combined budget).

Transfers and revisions to the amended budget can be made by formal action of the Board of Supervisors in accordance with the California County Budget Act, Government Code (GC) Section 29125. Increases to the overall budget require 4 votes. Transfers of appropriations between departments within the same budgetary fund that do not increase the overall budget, or the cancellation of appropriations require a majority vote. Transfers of appropriations to facilitate transfers between budgetary funds require 4 votes even if the overall budget is not increased.

In the Public Safety Group (PSG), recommendations include appropriation adjustments for the purchase of one fire engine to support fire and emergency medical services and for law enforcement training on best practices of de-escalation tactics.

In the Health and Human Services Agency (HHSA), recommendations include appropriation adjustments to support recent enhancements to key staffing capabilities and to utilize a lost revenue strategy under the final American Rescue Plan Act (ARPA) guidance for the ARPA Framework Components.

In the Land Use and Environment Group (LUEG), recommendations include appropriation adjustments for expenditures related to strengthening the County of San Diego's Hazardous

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Materials Business Plan information and Disaster Recovery, to provide funding for improvements and maintenance to various county parks, for Palomar Landfill and Landfill Gas Assessments, to fund Road Resurfacing projects, to provide high-speed internet access in schools, for the Rainbow Water Quality Improvement Project, for road station facility improvement projects, to support the construction costs of Mira Mesa Epicentre Project, and allocation for various reservoirs to remain open and continue providing recreation services.

In the Finance and General Government Group (FGG), recommendations include appropriation adjustments for one-time expenses in the Board of Supervisors' offices, to align budget with anticipated actuals for Casa de Oro Park, for Jacumba Fire Station #43, and the upgrade of the County's budgeting system, for Integrated Property Tax System mainframe integration costs, for the Neighborhood Reinvestment Program, for the Community Enhancement Program and for small business outreach, procurement, technical assistance, and bonding activities.

**RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER**

1. Accept the Fiscal Year 2024-25 first quarter report on projected year-end results.

**Increases to the Overall Budget and/or Transfers Between Budgetary Funds
(Recommendations 2 through 25):**

2. Establish appropriations of \$1,000,000 in San Diego County Fire, Transportation Equipment, for the purchase of one fire engine to support fire and emergency medical services in the San Diego County Fire Protection District, based on the Operating Transfers In from the San Diego County Fire Protection District, Fire Mitigation Fund. **(4 VOTES)**
3. Establish appropriations of \$250,000 in the District Attorney's Office, State Asset Forfeiture Fund, Services & Supplies, for expanded law enforcement training on best practices of de-escalation tactics based on available prior year State Asset Forfeiture fund balance. **(4 VOTES)**
4. Establish appropriations of \$39,972 in the Department of Environmental Health and Quality, Services & Supplies, for expenditures related to strengthening the County of San Diego's Hazardous Materials Business Plan information and Disaster Recovery, based on unanticipated revenue from Environmental Public Health and Emergency Response grant funds for the project period of September 1, 2024 through August 31, 2025. **(4 VOTES)**
5. Establish appropriations of \$2,000,000 in the Capital Outlay Fund for Capital Project 1025566 Lindo Lake Improvements Phase II, to provide funding for improvements to the West Basin at Lindo Lake County Park, based on a grant awarded to the Department of Parks and Recreation by the San Diego River Conservancy. **(4 VOTES)**
6. Transfer appropriations of \$679,000 within Department of Parks and Recreation, Services & Supplies to Operating Transfers Out; *and* establish appropriations of \$679,000 in the Capital Outlay Fund for Capital Project 1021901 Dos Picos Park Playground School Age Playground

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Equipment (\$91,000), Capital Project 1022932 Dos Picos Park Small Preschool Playground Equipment Replacement (\$68,500), Capital Project 1022933 Steele Canyon County Park Playground Equipment Replacement (\$97,500), Capital Project 1021149 FY1718 Parks Playground Equipment for Hillsdale (\$379,000), and Capital Project 1022931 Lindo Lake County Park B Playground Equipment Replacement (\$43,000) to fund the construction of playground equipment replacements at various parks, based on an Operating Transfer In from the General Fund. **(4 VOTES)**

7. Establish appropriations of \$30,000 in the Capital Outlay Fund for Capital Project 1021904 Stelzer Park Ranger Station and Visitor Center, to provide funding for improvements to the station, based on available Stelzer Trust Fund fund balance. **(4 VOTES)**
8. Establish appropriations of \$20,000 in the Department of Parks and Recreation, Services & Supplies, to provide funding for maintenance projects to install alarms for the new office at Stelzer Park, based on available Stelzer Trust Fund fund balance. **(4 VOTES)**
9. Establish appropriations of \$888,000 in the Department of Parks and Recreation, Services & Supplies, to provide funding for maintenance projects at Waterfront Park based on available prior year Waterfront Trust Fund fund balance. **(4 VOTES)**
10. Establish appropriations of \$150,000 in PLDO Area 40 Palomar/Julian, Services & Supplies, to provide support for the construction of Julian Town Square, based on available prior year PLDO Area 40 Palomar/Julian Fund fund balance. **(4 VOTES)**
11. Transfer appropriations of \$1,700,000 within Department of Public Works General Fund, Services & Supplies to Operating Transfers Out; *and* establish appropriations of \$1,700,000 in Inactive Waste Site Management Fund, Services & Supplies, for Palomar Landfill and Landfill Gas Assessments, based on an Operating Transfer In from the General Fund. **(4 VOTES)**
12. Establish appropriations of \$24,050,000 in the Department of Public Works Road Fund, Services & Supplies, to fund Road Resurfacing projects, based on available prior year Road Fund fund balance. **(4 VOTES)**
13. Establish appropriations of \$1,300,000 in the Department of Public Works General Fund, Services & Supplies, for a grant award to provide high-speed internet access in schools, based on unused revenue for previously designated for broadband projects within the Department of Public Works, General Fund. **(4 VOTES)**
14. Transfer appropriations of \$2,030,000 within Department of Public Works General Fund, Services & Supplies to Operating Transfers Out; *and* establish appropriations of \$2,030,000 in Department of Public Works Road Fund, Services & Supplies, for the Rainbow Water Quality Improvement Project, based on an Operating Transfer In from the General Fund. **(4 VOTES)**

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15. Establish appropriations of \$297,273 in the Department of Public Works Road Fund, Services & Supplies, for road station facility improvement projects, based on available prior year Road Fund fund balance. **(4 VOTES)**
16. Establish appropriations of \$848,804 in Board of Supervisors, including District 1 (\$200,000), District 2 (\$52,471), District 3 (\$196,333), District 4 (\$200,000), and District 5 (\$200,000), Services & Supplies, for one-time expenses based on over-realized General Purpose Revenue from Property Tax Prior Secured Supplemental. **(4 VOTES)**
17. Transfer appropriations of \$1,080,000 from the Capital Outlay Fund and related Operating Transfers In, to the Library Fund to provide funding for Capital Project 1020105, Casa de Oro Library, to align budget with anticipated actuals, based on transfer from Capital Project 1026157, Casa de Oro Park Amenities. **(4 VOTES)**
18. Establish appropriations of \$700,000 in the Capital Outlay Fund for Capital Project 1022910, Jacumba Fire Station #43, based on an Operating Transfer In from San Diego County Fire Protection District. **(4 VOTES)**
19. Transfer appropriations of \$4,935,160 from Finance Other – Countywide General Expense, Services & Supplies, to Finance and General Government Group Executive Office, Services & Supplies, for necessary upgrade of the County’s budgeting system to align budget with anticipated actuals based on existing General Purpose Revenue. **(4 VOTES)**
20. Establish appropriations of \$1,337,282 in Finance and General Government Group Executive Office, Services & Supplies, for Integrated Property Tax System mainframe integration costs based on previously assigned General Fund fund balance. **(4 VOTES)**
21. Establish appropriations of \$308,000 in Finance and General Government Group Executive Office – Economic Development & Government Affairs, Salaries & Benefits (\$108,000) and Services & Supplies (\$200,000), for small business outreach, procurement, technical assistance, and bonding activities based on Purchasing ISF revenues and available prior year Purchasing ISF fund balance. **(4 VOTES)**
22. Transfer \$15,000 from the Neighborhood Reinvestment Program budget (Org 15660 for District 3), Services & Supplies, to Contribution to County Library, Operating Transfers Out, to allocate for the purchase of backpacks, books, and school supplies; *and* establish appropriations of \$15,000 in the County Library, Services & Supplies, for the purchase of backpacks, books, and school supplies based on an Operating Transfer In from the General Fund. **(4 VOTES)**

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23. Establish appropriations of \$32,363 in the Community Enhancement Program budget (Org 12900) based on the return of unused portions of prior year allocations so the funds can be allocated to other projects. **(4 VOTES)**
24. Establish appropriations of \$46,365 in the Neighborhood Reinvestment Program budget (\$29,232 in Org 15650; \$15,380 in Org 15655; \$1,433 in Org 15660; and \$320 in Org 15665) based on the return of unused portions of prior year allocations so the funds can be allocated to other projects. **(4 VOTES)**
25. Transfer appropriations within departments between Services & Supplies and Operating Transfers Out, as noted in Appendix C, in the net amount of \$29,521,915 for major maintenance projects listed in Appendix C that were subsequently reclassified, based on capitalization thresholds, for financial reporting purposes; *and* establish, transfer and cancel appropriations, as noted in Appendix C for a net increase of \$29,521,915 in the Major Maintenance Capital Outlay Fund and adjust related funding sources as noted to accurately classify major maintenance projects for financial reporting purposes. **(4 VOTES)**

**Transfers Within Budgetary Funds and/or Cancellation of Appropriations
(Recommendations 26 through 32):**

26. Transfer appropriations of \$230,325 from Health and Human Services Agency, Salaries & Benefits, to the Chief Administrative Office, Salaries & Benefits, to support recent enhancements to key staffing capabilities, based on General Purpose Revenue.
27. Direct the Chief Administrative Officer to ensure maximum use of American Rescue Plan Act (ARPA) funding based on obligation and expenditure deadlines (December 31, 2024 and December 31, 2026, respectively) by utilizing a lost revenue strategy and a revenue transfer strategy as outlined below, and to make associated appropriation adjustments in future quarterly status updates if necessary.
 - a. Approve the use of the lost revenue strategy under the final ARPA guidance as needed to fund up to \$13,000,000 in General Relief costs in the Health and Human Services Agency by redirecting previously allocated General Purpose Revenue (GPR) for Board approved ARPA Framework components.
 - b. Transfer revenue of up to \$50,000,000 as needed, all in Intergovernmental Revenue, based on ARPA Revenue to replace previously allocated GPR and/or Realignment revenue for items eligible for use of ARPA including locally funded Behavioral Health Services costs and other existing costs as identified. The available GPR and/or Realignment revenue of up to \$50,000,000 will be used to fund Board approved ARPA Framework components.
28. Transfer appropriations of \$1,000,000 within the Capital Outlay Fund and related Operating Transfer In from the General Fund, to provide funding for Capital Project 1024823 Mira Mesa Epicentre to support the construction costs, based on transfer from Capital Project 1021910 Sage Hill Staging Area.

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29. Transfer appropriations of \$188.92 within the Capital Outlay Fund and related Operating Transfer In from the General Fund to provide funding for Capital Project 1021906 Jess Martin Park Water Conservation to close out the Capital project based on transfer from the General Fund (MMISF 1027157 Jess Martin Park Walkway Improvement).
30. Cancel appropriations of \$37,489.97 and related Operating Transfer In from the General Fund in the Multiple Species Conservation Program Acquisition Fund to properly record related non-capital pre-acquisition expenses; and transfer appropriations of \$37,489.97 from the Contribution to Capital Outlay Fund, Operating Transfers Out to the Department of Parks and Recreation, Services & Supplies, to properly record related non-capital pre-acquisition expenses.
31. Approve the Insurance Internal Service Fund to earn and retain its own interest.
32. Allocate \$59,000 from Department of Parks and Recreation, Services & Supplies, to the City of San Diego to support Lake Hodges, Lake Sutherland, and El Capitan reservoirs to remain open and continue providing recreation services to the public in Fiscal Year 2024-25. Funding will occur upon successful negotiation of a memorandum of understanding with the City of San Diego.

EQUITY IMPACT STATEMENT

After the Board of Supervisors adopts the Operational Plan, it is monitored by the departments, Groups, and the Board. Departments are expected to work within their respective budgets. Budgets may, however, be modified during the year as circumstances warrant. In conjunction with the fund balance projection process, the Chief Administrative Officer meets with each Group to review accomplishments, emergent issues, and budget status. Department heads are required to communicate any potential problems or errors to the appropriate authority. Groups complete fund balance projections quarterly providing explanations of significant variances of their budget. The recommended actions are intended to provide resources to address inequities in County services and to identify disparities, develop meaningful outcomes, and create a County government culture of equity, belonging, and racial justice.

SUSTAINABILITY IMPACT STATEMENT

Today's actions support the sustainability measures across the County considering the environment, economy, health/wellbeing, and/or social aspects of the community by aligning the County's available resources with services to maintain fiscal stability and ensure long-term solvency.

FISCAL IMPACT

Funds associated with today's recommendations are partially included in the Fiscal Year 2024-25 Operational Plan. If approved, in the General Fund these actions will result in an increase to the overall budget of \$5,820,786, transfers between budgetary funds of \$28,597,941, transfers within

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budgetary funds of \$9,589,485, and no cancellation of appropriations. The funding sources for the increases are based on previously assigned General Fund fund balance (\$1,337,282), unused revenue for previously designated broadband projects (\$1,300,000), Operating Transfer In from San Diego County Fire Protection District (\$1,000,000), Waterfront Trust Fund (\$888,000), over-realized General Purpose Revenue (\$848,804), Purchasing ISF and available prior year Purchasing ISF fund balance (\$308,000), unused portions of prior year allocations for Community Enhancement and Neighborhood Reinvestment Program (\$78,728), Environmental Public Health and Emergency Response grant (\$39,972), and Stelzer Trust Fund (\$20,000).

In all other funds combined, these actions will result in a net increase to the overall budget of \$61,385,698, transfers between budgetary funds of \$2,003,974, transfers within budgetary funds of \$1,000,189, and cancellation of appropriations of \$1,866,052. The funding sources for the net increase are Operating Transfers In from the General Fund (\$33,084,451), available prior year Road Fund fund balance (\$24,347,273), San Diego River Conservancy (\$2,000,000), Operating Transfers In various non-General Fund (\$823,974), Operating Transfer In from San Diego County Fire Protection District (\$700,000), available prior year State Asset Forfeiture fund balance (\$250,000), available prior year PLDO Area 40 Palomar/Julian Fund fund balance (\$150,000), and Stelzer Trust Fund (\$30,000).

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

As shown in Schedule A, the General Fund year-end fund balance projection of \$58.6 million is based on the estimate that expenditures will be approximately \$95.1 million less than the Fiscal Year 2024-25 Amended Budget and revenues will be a net \$36.5 million less than the Fiscal Year 2024-25 Amended Budget. The Amended Budget consists of the Adopted Budget plus encumbrances carried over from the prior year, plus year-to-date changes that have been either approved by the Board or the Chief Financial Officer, when permitted. The projected balance for all other funds combined is a net of \$38.4 million.

The General Fund year-end fund balance projection includes COVID-19 response costs primarily funded through American Rescue Plan Act (ARPA) funds and anticipates receipt of additional Federal Emergency Management Agency (FEMA) revenue to cover costs incurred. Total FEMA costs are currently estimated at \$438.7 million. This includes \$436.3 million of costs incurred from the beginning of the pandemic through May 11, 2023, when FEMA eligibility ended and \$2.4 million for Fiscal Year 2024-25 for allowable administrative costs to manage the grant beyond the FEMA eligibility date. To date, a total of \$274.2 million in FEMA reimbursement payments have been received and projections anticipate receiving an additional \$22.1 million by December 31, 2025, for prior year efforts. The remaining balance of \$142.4 million, which includes the 10%

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withhold amount as part of the FEMA close out process, is anticipated to be received in future fiscal years.

Attachments to this letter have been included to provide detail of these fund balance projections. Schedule A summarizes the fund balance projection by business group, department, and fund category. Schedule B shows the projected General Fund fund balance by business group split between operating and reserve balances. The Notes to Schedules A and B explain variances from budget by department, fund and for General Purpose Revenue.

GENERAL FUND EXPENDITURE VARIANCES

The projected lower than budgeted expenditures generating an overall positive expenditure variance of \$95.1 million in the General Fund are primarily attributable to the following:

- \$15.6 million in projected overall positive Salary & Benefits appropriation variance. As of September 30, 2024, the vacancy rate (including newly added positions) was 7.1% (1,450 of 20,488 positions).
 - In PSG, the projected overall positive expenditure variance of \$2.3 million is primarily due to attrition, vacant and modified positions.
 - In HHSA, the projected overall positive expenditure variance of \$9.3 million is attributed to longer timeframes to hire staff, including hard to recruit classifications and vacancies due to attrition.
 - In LUEG, the projected overall positive expenditure variance of \$2.5 million is primarily due to vacancies and under-filled positions.
 - In FGG, the projected overall positive expenditure variance of \$1.5 million is primarily attributed to attrition and vacant positions.
- \$56.9 million in projected positive appropriation variance in Services & Supplies across the County.
 - In PSG, projected overall positive expenditure variance of \$1.8 million primarily in Department of Child Support Services due to lower than anticipated expenses in various accounts supporting operations, such as information technology and contracted services.
 - In HHSA, projected overall positive variance of \$46.4 million in various departments. This consists of positive variances in:
 - Behavioral Health Services (BHS) primarily due to contracted services associated with a range of mental health and substance use disorder programs to align with anticipated spending which adjusts for contractor staffing vacancies and projected utilization in residential bed days;
 - Public Health Services (PHS) primarily from procurement delays associated with identification and timing of equipment delivery, installation, and validation testing, lesser use of contracts in Immunizations to align with the Immunization Action Plan (IAP) grant resources and workplan, and overall anticipated contract spending in various public health programs, and \$2.0 million in Temporary Contract Help associated with the demobilization of COVID-19 associated activities;

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- Aging & Independence Services (AIS) tied to lesser use in contracted services in Home Safe and California Department of Aging (CDA) programs by utilizing internal County staffing to support the programs and the roll out of Modernizing Older California Act (MOCA) programs over future fiscal years, an adjustment to align the budget to the anticipated In-Home Support Services (IHSS) Maintenance of Effort (MOE) for IHSS Individual Providers, and due to the phased implementation needed to accommodate the increasing number of participants in the San Diego Veterans Independence Service at Any Age (SD-VISA) program;
- Homeless Solutions and Equitable Communities (HSEC) primarily to align projected spending for the CDC Community Health Worker Resilient grant, projected lower costs tied to the Community Services Block Grant (CSBG) Communities in Action program, and overall contracts savings primarily tied to outreach, conflict resolution, and refugee support services that were carried forward from prior year;
- Administrative Support primarily tied to a variance from budget in information technology (IT) related costs.

These are offset by a negative variance in Self-Sufficiency Services (SSS) primarily due to increases in contracted services based on revised allocations for CalWORKs Housing Support Program due to California Department of Social Services redistribution of unspent prior year funding.

- In LUEG, projected overall positive variance of \$4.8 million primarily in the Department of Planning & Development Services (PDS) primarily due to schedule changes to one-time only IT projects and reduced consultant contract spending and in Department of Environmental Health and Quality (DEHQ).
- In FGG, projected overall positive variance of \$3.7 million primarily in Registrar of Voters (ROV) due to delays associated with an IT project for a new voter registration system and lower than anticipated ballot printing costs and in County Counsel due to the completion of a facilities construction project at lower than expected costs.
- In Finance Other (FO), projected overall positive variance of \$0.2 million due to projected savings in one-time funding related to IT services that are no longer anticipated to be needed.
- A projected positive appropriation variance of \$4.9 million in Other Charges primarily (HHS) in Self-Sufficiency Services tied to Participant Benefits programs mainly in Child Care Stage 1 due to revised projected caseloads and in EBT Skimming mainly tied to estimated EBT Fraud payments, in Child and Family Well Being (CFWB) mainly to align with the revised projected caseloads in assistance programs, and in Housing & Community Development Services (HCDS) primarily in HOME Tenant Based Rental Assistance (TBRA) due to lower-than-anticipated referral and a gradual transition in enrolling newly eligible participants under the Transitional Aged Youth (TAY) program.
- \$15.0 million budgeted for appropriations for contingency pursuant to Government Code §29084 is projected to be unspent at year-end in Capital Asset/ Land Acquisition.

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- A projected positive appropriation variance of \$3.9 million in Capital Assets Equipment in HHSa primarily in Public Health Services (PHS) associated with longer than anticipated delivery of equipment.
- A projected negative appropriation variance of \$1.9 million in Expenditure Transfer & Reimbursements in FGG primarily in ROV due to delayed IT project and in County Counsel due to less than anticipated reimbursements for staff costs in the health services area.
- A projected positive appropriation variance of \$0.7 million in Operating Transfers Out in HHSa primarily in AIS due to reduced funding needs for the IHSS Public Authority related to anticipated operational needs in the program with no impact to services.

GENERAL FUND REVENUE VARIANCES

The projected under-realized revenue of \$36.5 million includes positive variances totaling \$22.8 million and negative variances of \$59.3 million. In many instances, the negative revenue variances are directly associated with the positive expenditure variances described above.

The projected positive revenue variance of \$22.8 million is primarily attributable to the following categories:

- Taxes Other Than Current Secured (\$15.2 million) mainly in Property Tax Prior Secured Supplemental due to the increase in supplemental billings compared to prior year, in Property Tax in Lieu of Vehicle License Fees (VLF) due to higher than budgeted growth in assessed valuation, in Teeter Taxes based on a higher collection of receivables from prior fiscal year, and in Sales and Use Taxes mostly due to the continued growth activities in the Unincorporated Area which increases the County's share of the Pool going forward.
- Taxes Current Property (\$7.5 million) primarily in Current Secured Property Taxes due to greater than anticipated assessed value growth and in Current Unsecured Property Taxes due to projected higher revenue based on prior year receipts.

The projected negative revenue variance of \$59.3 million is primarily attributed to:

- Intergovernmental Revenues (\$50.0 million) tied to aligning federal and State funding to anticipated billable service units and aligning grant funding with overall anticipated expenditures, in COVID-19 Expanding Laboratory Capacity and in COVID Health Disparities grant to align with projected spending, in Immunization Action Plan (IAP grant to align with workplan, in Future of Public Health due to revised allocation estimate, and in California Children's Services (CCS) tied to prior year revenue adjustments, tied to reduced expenditures in the IHSS MOE and IHSS Public Authority program, tied alignment of spending to grants associated with Community Health Workers Resilient grant and Health Disparities grant and for Afghan Refugee Support grant, in Realignment revenue due to reallocation to Public Health Services, due to Future of Public Health (FOPH) revenue aligning with the State's revised allocation and lower-than-anticipated COVID-19 Expanding Laboratory Capacity grant funding, in federal revenue primarily to align with projected costs associated with the HOME Tenant Based Rental Assistance (TBRA), and due to less than anticipated reimbursements related to reduced contracts.

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- Charges for Current Services (\$8.9 million) primarily due to a decline in billable activities for land development, project planning, and building projects due to staff vacancies, tied to a decrease in Intergovernmental Transfer (IGT) revenue primarily due to decrease in census enrollment days for Medi-Cal and due to an anticipated decrease in reimbursements tied to lower than anticipated staff costs in public liability.
- Miscellaneous Revenues (\$0.4 million) primarily due to the recoupment of payments in contracted services from prior year adjustments.

Adjustments to the Fiscal Year 2024-25 Amended Budget

Transfers and revisions to the amended budget can be made by formal action of the Board of Supervisors in accordance with the California County Budget Act, Government Code (GC) Section 29125. Increases to the overall budget require 4 votes while transfers of appropriations between departments within the same budgetary fund that do not increase the overall budget or the cancellation of appropriations require a majority vote. However, transfers of appropriations between budgetary funds, referred to as operating transfers, require 4 votes even if the overall budget is not increased.

The recommendations for budget adjustments are explained as follows:

**Increases to the Overall Budget and/or Transfers Between Budgetary Funds
(Recommendations 2 through 25):**

Recommendation 2

On December 11, 1985 (11), the Board of Supervisors adopted an ordinance establishing a Fire Mitigation Fee program with the purpose to provide funding to fire agencies in the unincorporated areas of San Diego County for expansion of fire protection, firefighting facilities and equipment. This request will establish appropriations of \$1,000,000 in the San Diego County Fire for the purchase of one Fire Engine to support fire and emergency medical services in East Otay Mesa area, based on Operating Transfers In from San Diego County Fire Protection District, Fire Mitigation Fund.

Recommendation 3

This request will establish \$250,000 in the State Asset Forfeiture Fund, Services & Supplies, for expanded training sessions to regional law enforcement officers on best practices of de-escalation tactics with a focus on intervening during mental health crises based on available prior year State Asset Forfeiture fund balance.

Recommendation 4

On June 24, 2020 (12), the Board of Supervisors adopted resolutions authorizing LUEG Department Directors and/or their designee(s) to submit, negotiate, accept and execute all documents necessary to secure grant funding from non-profits, local, state and federal agencies through Fiscal Year 2024-25. On August 25, 2020, the Department of Environmental Health and Quality (DEHQ) received a Notice of Award for an Environmental Public Health and Emergency Response grant from the US Department of Health and Human Services, Centers for Disease

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Control and Prevention (CDC) Office of Financial Resources. The project awarded will work toward strengthening the County of San Diego's areas in the Temporary Event Food Program, Hazardous Materials Business Plan information, Recreational Water Programs, and Disaster Recovery. This is a multi-year, non-competitive grant and future year funding will be subject to satisfactory programmatic progress and the availability of funds for the project period of September 1, 2020, through August 31, 2025. DEHQ was awarded \$39,824 for Year 1, \$39,972 for Year 2, \$38,363 for Year 3, \$46,972 for Year 4 and \$39,972 for Year 5 (the last year). This is a request to establish appropriations of \$39,972 in DEHQ in Services & Supplies for expenditures related to Strengthening the County of San Diego's Hazardous Materials Business Plan information and Disaster Recovery projects, based on unanticipated revenue from Environmental Public Health and Emergency Response grant funds for the project period of September 1, 2024, through August 31, 2025.

Recommendation 5

On June 24, 2020 (12), the Board of Supervisors adopted resolutions authorizing LUEG Department Directors and/or their designee(s) to submit, negotiate, accept and execute all documents necessary to secure grant funding from non-profits, local, state and federal agencies through Fiscal Year 2024-25. On February 7, 2024, the Department of Parks and Recreation (DPR) received a Notice of Award from the San Diego River Conservancy for improvements at Lindo Lake County Park. This recommendation will establish appropriations of \$2,000,000 for Capital Project 1025566 Lindo Lake Improvements Phase II based on a grant awarded to the Department of Parks and Recreation by the San Diego River Conservancy to provide funding to assist in restoration of native habitat, install hardscape, and provide recreational and trail amenities to the West Basin at Lindo Lake County Park. The estimated total cost of the Capital project is \$21,500,000 and the anticipated completion date is Summer 2026.

Recommendation 6

This recommendation will establish appropriations of \$679,000 in the Capital Outlay Fund for Dos Picos Park Playground Equipment (\$91,000), Dos Picos Park Small Playground Equipment Replacement (\$68,500), Steele Canyon County Park Playground Equipment Replacement (\$97,500), Parks Playground Equipment (\$379,000), and Lindo Lake County Park Playground Equipment Replacement (\$43,000) based on an Operating Transfer In from the General Fund, to fund the construction of playground equipment replacements at the various parks. The funding source is Department of Parks and Recreation prior year General Fund fund balance amounts that were not used. The estimated total cost of the Capital projects is \$1,500,000 and the anticipated completion date is Summer 2025.

Recommendation 7

This recommendation will establish appropriations of \$30,000 in the Capital Outlay Fund for Stelzer Park Ranger Station and Visitor Center based on available Stelzer Trust Fund fund balance to provide funding for additional cobblestone finish and to raise the existing fire water pressure to meet occupancy requirements. The estimated total cost of the Capital project is \$1,700,000 and the anticipated completion date is January 2025.

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Recommendation 8

This recommendation will establish appropriations of \$20,000 in the Department of Parks and Recreation, Services & Supplies, based on available Stelzer Trust Fund fund balance to provide funding for the installation of alarms for the new office at Stelzer Park.

Recommendation 9

This recommendation will establish appropriations of \$888,000 in the Department of Parks and Recreation based on available Waterfront Trust Fund fund balance to provide funding for improvements to the information booth, sod replacement, wedding arbor, and installation of security cameras at Waterfront Park.

Recommendation 10

This recommendation will establish appropriations of \$150,000 in PLDO Area 40 Palomar/Julian, Operating Transfer Out based on available PLDO Area 40 Palomar/Julian fund balance. The funds will be provided to the Julian Heritage Foundation through an existing grant to provide support for the construction of Julian Town Square.

Recommendation 11

This recommendation will establish appropriations of \$1,700,000 in the Inactive Waste Management Fund for the landfill gas system at Palomar Airport Landfill Unit 3 to improve gas collection and monitoring and for landfill gas system infrastructure asset condition assessment at all County maintained landfills to prioritize future maintenance and repairs. The funding source is prior year General Fund fund balance in the Department of Public Works.

Recommendation 12

On June 14, 2023 (5), the Board of Supervisors adopted the resolutions approving the list of road resurfacing projects proposed to be funded by Senate Bill 1 for FY 2023-24. This recommendation will establish appropriations of \$24,050,000 in the Department of Public Works Road Fund to support the FY 2023-24 (Year 7) road resurfacing projects, based on available prior year Road Fund fund balance. Capital projects bid pricing for these projects are anticipated to be higher than currently budgeted based on prior year construction awards. Construction costs have increased over the last two years by over 30% annually. If approved, this request will establish the appropriations to ensure funding is available when the Year 7 projects are advertised and awarded. Total estimated project costs are \$85,644,872 and the projects are anticipated to be completed by Winter 2026.

Recommendation 13

This recommendation will establish appropriations of \$1,300,000 in the Department of Public Works General Fund, Services & Supplies, for broadband access in schools and the staff support for broadband projects. The funding will support projects that provide high-speed internet access to the unincorporated area. The funding source is unused revenue for previously designated broadband projects within the Department of Public Works, General Fund.

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Recommendation 14

This recommendation will establish appropriations of \$2,030,000 in the Department to Public Works Road Fund to fund the construction for the Rainbow Water Quality Improvement Project. Capital project bid pricing is anticipated to be higher than currently budgeted. If approved, this request will establish the appropriations to ensure funding is available when the construction is anticipated to be awarded. The total estimated project is \$2,030,000 and is anticipated to be completed by March 2025. The funding source is available prior year General Fund fund balance.

Recommendation 15

This recommendation will establish appropriations of \$297,273 in the Department of Public Works Road Fund for road station facility improvement projects that will improve lighting and fencing at various road stations. DGS recently provided the facility assessment report of DPW road stations; this funding will allow the department to initiate unanticipated facility improvements that will improve the security of the facilities. The funding source is available prior year Road Fund fund balance.

Recommendation 16

This recommendation will establish appropriations of \$848,804 based on over-realized General Purpose Revenue in Property Tax Prior Secured Supplemental due to the increase in supplemental billings to provide funding for one-time needs in the Board of Supervisors' offices for various Services & Supplies costs.

Recommendation 17

This recommendation will transfer appropriations of \$1,080,000 from the Capital Outlay Fund and related Operating Transfers In, to the Library Fund to provide funding for Capital Project 1020105, Casa de Oro Library, based on transfer from Capital Project 1026157, Casa de Oro Park Amenities to align budget with anticipated actuals. The total project cost is estimated at \$22,830,000 and the project is anticipated to be completed in Winter 2025.

Recommendation 18

On June 25, 2019 (17), the Board established appropriations of \$150,000 for site search and evaluation for a new fire station in Jacumba. An additional \$250,000 was appropriated June 28, 2022 (24) for land acquisition and design. Further appropriation of \$17,000,000 was included in the FY 2023-24 Operational Plan for the construction of a 7,900 square foot fire station. The total project budget is now \$17,400,000. The project is currently in the design and procurement process.

During review of the conceptual plan and subsequent to the Board's adoption of the FY 2024-25 Operational Plan, San Diego County Fire requested an increase in the building square footage of the new Jacumba Fire Station by approximately 500 square feet to meet operational needs. This recommendation will establish appropriations of \$700,000 based on an Operating Transfer In from San Diego County Fire Protection District. If approved, today's request will result in an increase to the total project budget to \$18,100,000 which is funded by General Fund (\$17,000,000), Fire Mitigation Fees (\$700,000), Other Services to Government Agencies

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(\$250,000) and existing General Fund fund balance (\$150,000). Construction of the new Jacumba Fire Station #43 is anticipated to begin October 2025 and complete February 2027.

Recommendation 19

The County's enterprisewide budgeting software application, Performance Budgeting, will require an upgrade beginning in FY 2024-25. Appropriations for this upgrade are currently budgeted in Finance Other – Countywide General Expense, and will be transferred to the software application's system administrator, the Finance and General Government Group Executive Office, for project management and tracking purposes.

Recommendation 20

The Integrated Property Tax System (IPTS) project, which will replace a number of legacy applications currently used for the administration of property tax functions, is scheduled to complete in August 2025. The requested amount of \$1,337,282 represents the remaining balance of funding that was appropriated in FY 2023-24 for the purpose of integrating existing mainframe functionality with IPTS. Unused amounts from FY 2023-24 were categorized as assigned General Fund fund balance for the IPTS project pending the completion of system integration requirements.

Recommendation 21

On April 30, 2024 (12), the Board of Supervisors directed staff to investigate and report back to the Board with opportunities to expand the County's reach to local businesses through outreach, education, and a review of current programs that enhance the ability of local businesses to participate in County procurements. On August 27, 2024 (22), the Board also directed staff to operationalize and fund an insurance and bonding assistance program for local small businesses. Today's recommendation provides staffing support in the Economic Development and Government Affairs division of the Finance and General Government Group for small business outreach, procurement, technical assistance, and bonding activities (\$108,000) and a bonding and insurance pilot program (\$200,000) based on Purchasing Internal Service Fund revenues and fund balance

Recommendation 22

Board approval is requested to transfer existing funds of \$15,000 from the Neighborhood Reinvestment Program budget and increase appropriations in the County Library for the purchase of backpacks, books, and school supplies, in accordance with Board Policy B-72, Neighborhood Reinvestment Program.

Recommendation 23

This recommendation establishes appropriations of \$32,363 in the Community Enhancement Program budget (Org 12900) based on unused portions of prior year allocations that were returned in the current fiscal year. This will allow the recently returned funds to be allocated to other projects.

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Recommendation 24

This recommendation will establish appropriations totaling \$46,365 in the Neighborhood Reinvestment Program budget (\$29,232 in Org 15650; \$15,380 in Org 15655; \$1,433 in Org 15660; and \$320 in Org 15665) based on unused portions of prior year allocations that were returned in the current fiscal year. This will allow the recently returned funds to be allocated to other projects.

Recommendation 25

Board Policy B-37, *Use of Capital Program Funds*, notes that on occasion, due to the nature of major maintenance projects, these projects may be reclassified as an operating or capital expense based on financial reporting requirements. Pursuant to Board Policy B-37, to ensure accuracy in financial reporting, the Chief Financial Officer shall make required adjustments to departmental operating budgets and within the Major Maintenance Capital Outlay Fund (MMCOF) or the Major Maintenance Internal Service Fund (MMISF). Due to the emergent nature of some major maintenance projects, some of these adjustments may require ratification by the Board. These recommendations will allow for the accurate financial reporting of major maintenance projects, which are listed in Appendix C along with the related required adjustments.

This recommendation will result in a net increase of appropriations in the MMCOF of \$29,521,915, which includes a transfer of savings from a nearly completed Parks project (in the same area) from the Capital Outlay Fund and reclassification of major maintenance projects which are supported by existing department budgets.

**Transfers Within Budgetary Funds and/or Cancellation of Appropriations
(Recommendations 26 through 32):**

Recommendation 26

This recommendation will transfer Salaries & Benefits appropriations of \$230,325 from the Health and Human Services Agency to the Chief Administrative Office (CAO) to support the strategic restructuring of key staff to address enterprise operations, funded by General Purpose Revenue. This realignment of resources directly supports actions taken earlier this fiscal year to enhance CAO staff capabilities in the areas of policy formation and human resources.

Recommendation 27

This recommendation will allow for the implementation of strategies to minimize any risk associated with the December 31, 2024 American Rescue Plan Act (ARPA) obligation deadline and would not impact the Board's prior approval of program spending under the ARPA Framework. According to the U.S. Treasury Department, all ARPA funds need to be obligated by December 31, 2024 and expended by December 31, 2026. This recommendation will shift ARPA funds to other eligible costs as needed and redirect existing allocated General Purpose Revenue (GPR) and/or Realignment revenue for approved projects in the ARPA Framework that are not able to be obligated by the end of December due to unforeseen procurement or other delays.

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Recommendation **27a** would approve the use of a lost revenue strategy. According to the U.S. Treasury Department, lost revenue funds can be used to fund government services [and] generally include any service traditionally provided by a government; the Treasury Department goes on to explain that payroll for government employees, contracts, grants, supplies and equipment, rent, and the many other costs that governments typically bear to provide services are costs that could comprise the costs of government services, and are eligible uses of funds. Lost revenue capacity is capped at an amount determined by a defined formula set by the Treasury Department. It is estimated that the County has just under \$13,000,000 remaining in available lost revenue capacity to access. Today's actions will approve utilization of lost revenue capacity of up to \$13,000,000 for General Relief costs in the Health and Human Services Agency (HHS) that are traditionally funded with General Purpose Revenue. The General Purpose Revenue that is replaced with ARPA lost revenue will be repurposed for areas in the ARPA Framework as needed that may have a risk of not being obligated by the federal deadline, such as those associated with the Homeless Services component of the ARPA Framework, including Compassionate Emergency Solutions and Pathways to Housing efforts.

Since the ARPA revenue loss capacity is capped, Recommendation **27b** is another strategy that would be used as needed to help mitigate risks associated with obligation and expenditure deadlines by replacing previously allocated GPR and/or Realignment revenue with ARPA Revenue for items that are ARPA eligible under the U.S. Treasury Department criteria, including addressing behavioral health needs which is an enumerated eligible use of ARPA funds under the Treasury's Final Rule. The available GPR and/or Realignment revenue of up to \$50,000,000 will be used to fund Board approved ARPA Framework components that may be at risk of not being obligated by the federal deadline.

Recommendation 28

This recommendation will transfer appropriations of \$1,000,000 within the Capital Outlay Fund and related Operating Transfer In from the General Fund of the Department of Parks and Recreation to provide funding for Mira Mesa Epicentre to support the construction costs, based on a transfer from Sage Hill Staging Area. The funding source is available prior year General Fund fund balance. The estimated total cost of the Capital project is \$12,000,000. This project is anticipated to be complete in December 2025.

Recommendation 29

This recommendation will transfer appropriations of \$188.92 within the Capital Outlay Fund and related Operating Transfer In from the General Fund to provide funding for Jess Martin Park Water Conservation to close out the Capital project, based on transfer from the General Fund (MMISF 1027157 Jess Martin Park Walkway Improvement).

Recommendation 30

This recommendation will cancel appropriations of \$37,489.97 and related Operating Transfer In from the General Fund in the Multiple Species Conservation Program Acquisition Fund and transfer these appropriations to the Department of Parks and Recreation to properly incur non-capital expenditures for pre-acquisition due diligence activities related to property that was not

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acquired in Capital Projects 1025479 De Luz Navy Partnership Acq, 1026289 Mt Olympus Withsosky Acq, 1026767 Rancho Alegria Acq, and 1027045 Ramona Fire Station Acq. These expenditures did not meet the criteria for capitalization pursuant to County of San Diego Administrative Manual policy 0050-02-01, Control of Capital Assets and Minor Equipment.

Recommendation 31

The Insurance Internal Service Fund (ISF) became effective in FY 2024-25 for the purpose of tracking financial transactions related to the provision of insurance coverage for County departments. This fund allocates the costs of insurance premiums across departments based on each department's ownership of assets named in the various insurance policies. Given the potential size of the fund's balance in future years, interest earnings could be significant enough to defray some of the allocated costs. Approval of this recommendation would allow any interest earned by the Insurance ISF to be retained in the fund to offset future insurance costs.

Recommendation 32

This recommendation will allow the Department of Parks and Recreation, upon successful negotiation of a memorandum of understanding, to provide \$59,000 to the City of San Diego to support operational costs necessary for the Lake Hodges, Lake Sutherland, and El Capital reservoirs to remain open to the public in Fiscal Year 2024-25, providing continued recreational opportunities to the community. This recommendation will provide for the implementation of programming that was included in the Fiscal Year 2024-25 adopted budget.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support the Strategic Initiatives of Sustainability, Equity, Empower, Community and Justice in the County of San Diego's 2024-2029 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



EBONY N. SHELTON
Chief Administrative Officer

ATTACHMENT(S)

Schedule A
Schedule B
Notes to Schedules A and B
Appendix C

**FY 2024-25 1st Quarter
Projected Year-End Results**
(in thousands)

COUNTY SUMMARY

	Expenditure Variance	Revenue Variance	1st Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
	Favorable/(Unfavorable)			
General Fund				
Public Safety	\$ 4,077	\$ (1,472)	\$ 2,605	0.1%
Health & Human Services Agency	65,329	(52,743)	12,586	0.3%
Land Use & Environment	7,311	(6,272)	1,039	0.2%
Finance & General Government	3,187	(1,562)	1,625	0.4%
Total Agency/Group	79,904	(62,049)	17,855	0.2%
General Purpose Revenue	0	25,327	25,327	1.3%
Finance Other	15,165	220	15,385	2.1%
Total General Fund	\$ 95,070	\$ (36,502)	\$ 58,568	0.7%
Non-General Funds:				
Special Revenue Funds				
Public Safety	\$ 46,806	\$ 288	\$ 47,094	10.2%
Health & Human Services Agency	0	0	0	0.0%
Land Use & Environment	6,040	275	6,314	1.2%
Total Special Revenue Funds	\$ 52,846	\$ 563	\$ 53,409	5.3%
Capital Program				
Finance Other	\$ 0	\$ 4,045	\$ 4,045	0.5%
Internal Service Funds Departments				
Land Use & Environment	\$ 0	\$ 0	\$ 0	0.0%
Finance & General Government	1,434	1,510	2,944	0.4%
Finance Other	(27,132)	0	(27,132)	-18.6%
Total Internal Service Funds	\$ (25,698)	\$ 1,510	\$ (24,188)	-2.8%
Enterprise Fund Departments				
Public Safety Group	\$ (0)	\$ 0	\$ (0)	0.0%
Land Use & Environment	483	(483)	0	0.0%
Total Enterprise Funds	\$ 483	\$ (483)	\$ (0)	0.0%
Special District Funds Departments				
Public Safety Group	\$ 0	\$ 1,314	\$ 1,314	2.6%
Land Use & Environment	3,553	269	3,821	3.0%
Total Special District Funds	\$ 3,553	\$ 1,582	\$ 5,135	2.9%
Other County Funds Departments				
HHS - Red./Redev. Successor Agency	\$ 0	\$ 0	\$ 0	0.0%
HHS - Housing & Community Development	0	0	0	0.0%
Total Other County Funds	\$ 0	\$ 0	\$ 0	0.0%
Debt Service - Pension Obligation Bonds	\$ 0	\$ 0	\$ 0	0.0%
Total Non-General Fund	\$ 31,183	\$ 7,218	\$ 38,401	1.3%
Total County Year-End Operating Balance	\$ 126,253	\$ (29,284)	\$ 96,969	0.9%

Numbers may not total due to rounding.

**FY 2024-25 1st Quarter
Projected Year-End Results
(in thousands)**

PUBLIC SAFETY GROUP

	Expenditure Variance	Revenue Variance	1st Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
	Favorable/(Unfavorable)			

General Fund Departments

Animal Services	\$ 5	\$ 0	5	0.0%
Child Support	2,381	(980)	1,401	2.4%
District Attorney	825	-	825	0.3%
Emergency Services	284	(283)	2	0.0%
Medical Examiner	101	(31)	70	0.3%
Probation	(0)	(0)	(0)	0.0%
Public Defender	40	4	44	0.0%
Public Safety Executive Office	247	-	247	0.3%
San Diego County Fire	194	(181)	12	0.0%
Sheriff	(0)	0	(0)	0.0%
Total General Fund	\$ 4,077	\$ (1,472)	\$ 2,605	0.1%

Special Revenue Funds Departments

District Attorney (Asset Forfeiture - State & Federal)	\$ 0	\$ 0	\$ 0	0.0%
Probation - Asset Forfeiture	-	-	-	0.0%
Probation - Incarcerated Peoples' Welfare Program	-	-	0	0.0%
Sheriff - Asset Forfeiture	(0)	278	278	4.1%
Sheriff - Incarcerated Peoples' Welfare Program	494	10	504	6.2%
Criminal Justice Facility	0	-	0	0.0%
Courthouse	-	-	-	-
Penalty Assessment	-	-	0	0.0%
Public Safety - Proposition 172	46,312	-	46,312	10.7%
Total Special Revenue Funds	\$ 46,806	\$ 288	\$ 47,094	10.2%

Enterprise Funds

Jail Commissary Enterprise Fund	\$ (0)	\$ 0	\$ (0)	0.0%
Total Enterprise Funds	\$ (0)	\$ 0	\$ (0)	0.0%

Special District Funds

Sheriff (Regional 800 MHz)	\$ 0	\$ 0	\$ 0	0.0%
County Service Areas	0	1,247	1,247	7.9%
Community Facilities Districts	0	-	0	0.0%
County Service Areas 17 & 69	(0)	67	67	0.2%
Total Special District Funds	\$ 0	\$ 1,314	\$ 1,314	2.6%

Total Public Safety Group

	\$ 50,883	\$ 130	\$ 51,013	1.7%
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**FY 2024-25 1st Quarter
Projected Year-End Results
(in thousands)**

HEALTH & HUMAN SERVICES AGENCY

	Expenditure Variance	Revenue Variance	1st Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
	Favorable/(Unfavorable)			

General Fund Programs

Administrative Support	\$ 1,354	\$ (1,292)	62	0.0%
Aging & Independence Services	3,369	(2,782)	586	0.2%
Behavioral Health Services	33,723	(33,723)	0	0.0%
Child and Family Well-Being	(0)	994	994	0.2%
Public Health Services	21,874	(12,468)	9,406	3.7%
Regional Operations	-	-	-	0.0%
Self-Sufficiency Services	0	844	844	0.1%
Medical Care Services	1,943	(1,171)	773	1.2%
Housing & Community Development Services	662	(1,016)	(355)	-0.2%
Homeless Solutions and Equitable Communities	2,404	(2,128)	276	0.2%
Total General Fund	\$ 65,329	\$ (52,743)	\$ 12,586	0.3%

Special Revenue Funds

Tobacco Securitization Fund	\$ 0	\$ 0	\$ 0	0.0%
Total Special Revenue Funds	\$ 0	\$ 0	\$ 0	0.0%

Other County Funds Departments

Housing & Community Development	\$ 0	\$ 0	\$ 0	0.0%
Red. Agency/Redevelopment Successor Agency	-	-	0	0.0%
Total Other County Funds Departments	\$ 0	\$ 0	\$ 0	0.0%

Total Health & Human Services Agency	\$ 65,329	\$ (52,743)	\$ 12,586	0.3%
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**FY 2024-25 1st Quarter
Projected Year-End Results
(in thousands)**

LAND USE & ENVIRONMENT GROUP

	Expenditure Variance	Revenue Variance	1st Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
	Favorable/(Unfavorable)			
General Fund Departments				
Agriculture, Weights & Measures	\$ 992	\$ (986)	5	0.0%
Department of Environmental Health and Quality	896	(0)	896	1.3%
Land Use & Environment Group Exec Office	149	(0)	149	0.5%
Parks & Recreation	0	(14)	(14)	0.0%
Planning & Development Services	4,849	(4,847)	2	0.0%
Public Works	425	(425)	(0)	0.0%
Total General Fund	\$ 7,311	\$ (6,272)	1,039	0.2%
Special Revenue Funds/Departments				
A,W & M (Grazing and Fish & Game Commission)	\$ 0	\$ 0	0	0.0%
Parks & Recreation - PLDO	0	-	0	0.0%
DPW - Aviation Funds	-	-	0	0.0%
DPW - Road Fund	4,721	100	4,821	1.2%
DPW - Survey Monument Preservation	-	-	0	0.0%
DPW - Inactive Waste	4	0	4	0.1%
DPW - Waste Planning and Recycling	113	3	116	1.5%
Library Services	1,202	173	1,374	1.9%
Total Special Revenue Funds	\$ 6,040	\$ 275	6,314	1.2%
Internal Service Funds				
Public Works - DPW Equip. ISF Prg. (35525-35700)	\$ 0	\$ 0	0	0.0%
Total Internal Service Funds	\$ 0	\$ 0	0	0.0%
Enterprise Funds				
Airport Enterprise Fund	\$ 0	\$ 0	0	0.0%
Wastewater Management Enterprise Fund	483	(483)	0	0.0%
Total Enterprise Funds:	\$ 483	\$ (483)	0	0.0%
Special District Funds/Departments				
Parks and Recreation	\$ (0)	\$ (2)	(2)	0.0%
Parks - Community Facilities Districts	0	18	18	0.7%
DPW - SD County Sanitation District	127	(0)	127	0.2%
DPW - Campo WSMD-Zone A (Rancho Del Campo Water)	-	-	0	0.0%
DPW - CWSMD-Zone B (Campo Hills Water)	0	(0)	0	0.0%
DPW - Live Oak Springs Water	0	(0)	0	0.0%
DPW - CSAs	40	11	50	6.2%
DPW - PRDs	0	248	248	2.5%
DPW - Community Facilities Districts	112	(16)	96	7.3%
DPW - Flood Control	3,274	2	3,275	23.5%
DPW - Street Lighting District	(0)	9	9	0.2%
Total Special Districts Funds:	\$ 3,553	\$ 269	3,821	3.0%
Total Land Use & Environment Group	\$ 17,387	\$ (6,212)	11,175	0.9%

**FY 2024-25 1st Quarter
Projected Year-End Results
(in thousands)**

**FINANCE & GENERAL GOVERNMENT
GROUP**

	Expenditure Variance	Revenue Variance	1st Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
	Favorable/(Unfavorable)			

General Fund Departments

Law Enforcement Review Board	368	-	368	18.2%
Assessor/Recorder/County Clerk	382	(282)	100	0.1%
Auditor & Controller	60	5	65	0.1%
Board of Supervisors	0	-	0	0.0%
Chief Administrative Office	70	(65)	5	0.0%
Civil Service Commission	6	-	6	0.9%
Clerk of the Board of Supervisors	168	81	249	4.4%
County Communications Office	52	0	52	1.1%
County Counsel	639	(457)	183	0.4%
County Technology Office	0	-	0	0.0%
Finance & GG Exec Office	349	(181)	168	0.3%
Evaluation, Performance and Analytics	0	0	-	
General Services	(0)	-	(0)	0.0%
Grand Jury	6	-	6	0.8%
Human Resources	330	(279)	51	0.1%
Purchasing & Contracting	0	0	-	
Registrar of Voters	374	(4)	371	0.9%
Treasurer-Tax Collector	381	-380.7	0	0.0%
Total General Fund	\$ 3,187	\$ (1,562)	1,625	0.4%

Internal Service Funds Departments

CTO - Information Technology	\$ (0)	\$ 0	0	0.0%
Facilities Management	0	(0)	(0)	0.0%
Major Maintenance ISF	0	(0)	-	0.0%
Fleet Management	0	0	0	0.0%
Purchasing & Contracting	1,434	1,510	2,944	12.6%
Total Internal Service Funds	\$ 1,434	\$ 1,510	2,944	0.4%

**Total Finance & General
Government Group**

	\$ 4,621	\$ (52)	4,569	0.4%
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**FY 2024-25 1st Quarter
Projected Year-End Results
(in thousands)**

**GENERAL PURPOSE REVENUE &
FINANCE OTHER**

	Expenditure Variance	Revenue Variance	1st Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
Favorable/(Unfavorable)				

General Fund

General Purpose Revenue:

All Current Property Taxes	\$ 0	\$ 7,514	7,514	0.8%
All Other Taxes-Local	0	15,211	15,211	2.2%
Licenses, Permits & Franchises	0	-	-	0.0%
Fines, Forfeitures & Penalties	0	-	-	0.0%
Revenue for Use of Money & Property	0	-	-	0.0%
Intergovernmental Revenue	0	2,603	2,603	1.3%
Charges for Current Services	0	-	-	0.0%
Miscellaneous Revenue	0	-	-	0.0%

Total General Purpose Revenue

	\$ 0	\$ 25,327	25,327	1.3%
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General County Expenses:

Cash Borrowing Program	\$ 0	\$ 0	\$ 0	
Community Enhancement	0	0	0	0.0%
Contribution to County Library	0	0	0	
Contributions to the Capital Outlay Fund	(0)	0	0	0.0%
Lease Payments - Bonds	0	0	0	0.0%
Local Agency Formation Comm Admin	0	0	0	0.0%
Neighborhood Reinvestment Program	0	0	0	0.0%
Appropriation for Contingencies	14,995	0	14,995	81.8%
Countywide Expenses	170	220	390	0.1%

Total Finance Other Expenses

	15,165	220	15,385	2.1%
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Total General Fund

	\$ 15,165	\$ 25,548	40,713	5.6%
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Capital Program Funds

Capital Program	\$ 0	\$ 4,045	4,045	0.5%
Total Capital Program Funds	\$ 0	\$ 4,045	4,045	0.5%

Internal Service Funds Departments

Workers Compensation	\$ 177	\$ 0	\$ 177	0.3%
Unemployment Insurance	0	0	0	0.0%
Insurance ISF	50	0	50	0.5%
Public Liability	(27,359)	0	(27,359)	-37.6%
Total ISF Funds	\$ (27,132)	\$ 0	(27,132)	-18.6%

Debt Service Funds Departments

Pension Obligation Bonds	\$ 0	\$ 0	\$ 0	0.0%
Total Debt Service Funds	\$ 0	\$ 0	0	0.0%

**Total General Purpose Revenue & Finance
Other**

	\$ (11,967)	\$ 29,593	17,626	1.0%
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**FY 2024-25 1st Quarter
Projected Year-End Results
(in thousands)**

Category	Projected Appropriation for Contingencies	Projected Operating Balances	1st Quarter FY24-25 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund			
Public Safety	\$ 0	\$ 2,605	\$ 2,605
Health and Human Services Agency	0	12,586	12,586
Land Use and Environment	0	1,039	1,039
Finance & General Government	0	1,625	1,625
Agency/Group Totals	\$ 0	\$ 17,855	\$ 17,855
General Purpose Revenue	\$ 0	\$ 25,327	\$ 25,327
General County Expenses	0	390	390
Appropriation for Contingencies	14,995	0	14,995
Total General Purpose Revenue & General County Expense	\$ 14,995	\$ 25,718	\$ 40,713
Total General Fund	\$ 14,995	\$ 43,573	\$ 58,568

**COUNTY OF SAN DIEGO
NOTES TO SCHEDULES A and B
Fiscal Year 2024-25 1st Quarter**

GENERAL NOTES

Projected Fund Balance

Projected fund balance as presented in this report is defined as the projected excess of revenues over expenditures as a result of current fiscal year operations. Schedule A presents projections by business group and department by fund or fund type.

Appropriation for Contingency

The County's General Fund budget includes Appropriation for Contingency pursuant to Government Code §29084. Transfers and revisions to the appropriation for contingencies may be made by formal action of the Board of Supervisors, by a four-fifths vote (Government Code §29125). Schedule B presents projection of the Appropriation for Contingency.

Management Reserves

Besides the General Fund Reserve, which is comprised of unassigned General Fund fund balance, County business groups may establish Management Reserves. Management Reserves are appropriations that are established at the group or department level for unanticipated needs or planned future one-time expenses. Schedule B shows a summary of the General Fund's projected fund balance by group/agency that distinguishes between projected management reserve balances and operating balances. No Management Reserves were budgeted in Fiscal Year 2024-25.

Variance Reporting

Departments project variances from the Operational Plan based on revised expectations or on actual revenues/expenditures to date. Significant variances (greater than \$500,000) in total expenditures, total revenue, net variance, or object variance are discussed below and categorized by fund.

1st Quarter Operational Fund Balance for Fiscal Year 2024-25

Schedule A summarizes the County's Fiscal Year 2024-25 operational results, measured by fund balance from current year operations, excluding anticipated designation of fund balance (restricted, committed, assigned) or final adjustments to take place in the annual comprehensive financial report (ACFR). Projected fund balance for the General Fund is \$58.6 million, and for all budgetary funds combined is projected to be \$97.0 million. In the General Fund, all business groups are projected to produce operating balances: Public

Safety Group (\$2.6 million), Health and Human Services Agency (\$12.6 million), Land Use and Environment Group (\$1.0 million), Finance and General Government Group (\$1.6 million) and Finance Other (\$40.7 million).

The balance for all other funds combined are projected to be \$38.4 million and consist of positive fund balance in Special Revenue Funds (\$53.4 million), Capital Program (\$4.0 million), Special District Funds (\$5.1 million), and negative fund balance in Internal Service Funds (\$24.1 million).

PUBLIC SAFETY GROUP

The Public Safety Group is projecting a positive overall variance of \$51.0 million, of which \$2.6 million is tied to positive variance in the General Fund and \$48.4 million is tied to positive variances in all other funds combined. The details of these variances are noted below.

General Fund

Child Support

A positive variance of \$1.4 million is projected for the Department of Child Support Services.

A positive expenditure variance of \$2.4 million is projected, comprised of a positive variance of \$1.3 million in Salaries & Benefits due to vacant and modified positions and \$1.1 million in Services & Supplies primarily due to lower than anticipated expenses in various accounts supporting operations such as information technology and contracted services.

A negative revenue variance of \$1.0 million is projected in Intergovernmental Revenues due to lower than anticipated State and federal reimbursements for the child support program.

District Attorney

A positive variance of \$0.8 million is projected for the District Attorney's Office.

A positive expenditure variance of \$0.8 million is projected in Salaries & Benefits due to attrition, vacant and modified positions.

No revenue variance is projected.

Special Revenue Funds

Sheriff's Incarcerated Peoples' Welfare Fund

A positive variance of \$0.5 million is projected for the Incarcerated Peoples' Welfare Fund.

A positive expenditure variance of \$0.5 million is projected, due to a positive variance of \$0.3 million in Services & Supplies due to lower operational costs and a positive variance of \$0.2 million is projected in Operating Transfers Out associated with vacant positions in the General Fund.

No revenue variance is projected.

Special District Funds

Fire Protection District

A positive variance of \$1.2 million is projected for the San Diego County Fire Protection District.

No expenditure variance is projected.

A positive revenue variance of \$1.2 million is projected in Miscellaneous Revenues due to reimbursement from REV Renewables and Energy Storage for the Otay Mesa Battery Fire incident response.

HEALTH AND HUMAN SERVICES AGENCY (HHSA)

The Health and Human Services Agency is projecting a positive overall variance of \$12.6 million, tied to a positive variance in the General Fund. The details of these variances are noted below.

General Fund

Administrative Support

Administrative Support is projecting an overall positive variance of \$0.1 million.

A positive expenditure variance of \$1.4 million is projected and includes positive variances of \$0.8 million in Salaries & Benefits tied to vacant positions and attrition and \$0.6 million in Services & Supplies primarily tied to a variance from budget in information technology related costs.

A negative revenue variance of \$1.3 million is projected in Intergovernmental Revenues primarily due to Future of Public Health (FOPH) revenue aligning with the State's revised allocation and lower-than-anticipated COVID-19 Expanding Laboratory Capacity grant funding, partially offset by the Health Disparities grant to fund staffing costs and mitigate the impact of FOPH revenue loss.

Aging & Independence Services

Aging & Independence Services (AIS) is projecting an overall positive variance of \$0.6 million.

A positive expenditure variance of \$3.4 million is projected and includes a negative variance of \$2.6 million in Salaries & Benefits due to a lower vacancy rate than budgeted, a positive variance of \$5.2 million in Services & Supplies, and a positive variance of \$0.8 million in Operating Transfers Out due to reduced funding needs for the In-Home Support Services (IHSS) Public Authority related to anticipated operational needs in the program with no impact to services. The \$5.2 million positive variance in Services & Supplies is primarily tied to \$3.7 million in contracted services in Home Safe and California Department of Aging (CDA) programs by utilizing internal County staffing to support the programs and the roll out of Modernizing Older California Act (MOCA) programs over future fiscal years, an adjustment of \$1.7 million to align the budget to the anticipated IHSS Maintenance of Effort (MOE) for IHSS Individual Providers, and \$0.2 million to align to the anticipated number of participants in the San Diego Veterans Independence Service at Any Age (SD-VISA) program, partially offset by a \$0.4 million variance from budget in various services and supplies tied to program operational need.

A negative revenue variance of \$2.8 million is projected and includes negative variances of \$2.5 million in Intergovernmental Revenues, \$0.2 million in Other Financing Sources due to Tobacco Securitization Funds reallocated and projected in Behavioral Health

Services, and \$0.1 million in Revenue in Miscellaneous Revenues mainly tied to the San Diego Veterans Independence Service at Any Age (SD-VISA) program. The negative variance of \$2.5 million in Intergovernmental Revenues is tied to reduced expenditures in the IHSS MOE and IHSS Public Authority program noted above.

Behavioral Health Services

Behavioral Health Services (BHS) consists of the following: Mental Health Services, Alcohol and Drug Services, Public Conservator, and Inpatient Health Services comprised of the San Diego County Psychiatric Hospital (SDCPH) and Edgemoor Distinct Part Skilled Nursing Facility.

There is no overall variance projected for BHS.

A positive expenditure variance of \$33.7 million is projected and includes a positive variance of \$1.9 million in Salaries & Benefits attributed to longer timeframes to hire staff, hard to recruit classifications, and vacancies due to attrition, and a positive variance of \$31.8 million in Services & Supplies. The positive variance of \$31.8 million in Services & Supplies is driven by a net positive variance of \$33.7 million in operating costs for contracted services associated with a range of mental health (MH) and substance use disorder (SUD) programs to align with anticipated spending which adjusts for contractor staffing vacancies and projected utilization in both MH and SUD residential bed days, offset by negative variances in one-time IT resource needs and temporary staffing costs at the SDCPH. Additionally, the operating variance is also offset by \$1.9 million for an estimated penalty tied to Incompetent to Stand Trial (IST) determinations. The Welfare & Institutions Code section 4336 establishes a growth cap for each county for felony Incompetent to Stand Trial determinations and includes a county penalty if a county exceeds a growth cap based on Fiscal Year 2021-22 data. The County's growth cap was exceeded in Fiscal Year 2023-24 and \$3.8 million for penalties related to the IST is to be paid to the California Department of State Hospitals (DSH) based on a formula. This penalty is for any county that exceeds its baseline IST determination count regardless of whether the county contracts with DSH for IST community-based restoration or IST diversion. The total penalty is estimated to be \$3.8 million of which \$1.9 million is projected in HHSA and \$1.9 million is projected within the Public Safety Group.

A negative revenue variance of \$33.7 million is projected and includes negative variances of \$29.8 million in Intergovernmental Revenues, \$3.0 million in Charges for Current Services tied to a decrease in Intergovernmental Transfer (IGT) revenue primarily due to decrease in census enrollment days for Medi-Cal, and \$1.1 million in Miscellaneous Revenues due to the recoupment of payments in contracted services from prior year adjustments, offset by \$0.2 million in Other Financing Sources in Tobacco Securitization Funds due to reallocation from AIS. The \$29.8 million negative variance in Intergovernmental Revenues is tied to aligning Mental Health Services Act revenue to anticipated expenditures offset by additional federal and State funding tied to anticipated billable service units under payment reform.

Child and Family Well Being

An overall positive variance of \$1.0 million is projected for Child and Family Well-Being (CFWB)

A zero expenditure variance is projected which includes a negative variance of \$1.0 million in Salaries & Benefits due to a lower vacancy rate than budgeted offset by a positive variance of \$1.0 million in Other Charges mainly to align with the revised projected caseloads in assistance programs. A negative variance of \$4.9 million would have been projected in Salaries & Benefits but \$3.9 million is now projected in PHS where available appropriation capacity will be used pending a transfer of appropriation to CFWB.

A positive revenue variance of \$1.0 million is in Intergovernmental Revenues includes, \$0.9 million in federal and State assistance payment revenues associated with revised caseload projections primarily for the foster care and adoption assistance program and \$0.1 million in social services administrative revenues. A positive variance of \$0.1 million in social services administrative revenues includes a positive variance of \$4.0 million primarily to align with anticipated federal and State funding and projected staffing costs mentioned above offset by a negative variance of \$3.9 million associated with pending appropriation adjustments from PHS to mitigate appropriation impacts.

Homeless Solutions and Equitable Communities

Homeless Solutions and Equitable Communities (HSEC) consists of the following: Office of Homeless Solutions (OHS), Office of Equitable Communities (OEqC), Office of Immigrant and Refugee Affairs (OIRA) and HSEC Administration (HSEC Admin).

An overall positive variance of \$0.3 million is projected for Homeless Solutions and Equitable Communities (HSEC).

A positive expenditure variance of \$2.4 million is projected and includes a positive variance of \$0.8 million in Salaries & Benefits due to vacancies and attrition, and a positive variance of \$1.6 million in Services & Supplies is primarily to align projected spending for the CDC Community Health Worker Resilient grant, projected lower costs tied to the Community Services Block Grant (CSBG) Communities in Action program, and overall contracts savings primarily tied to outreach, conflict resolution, and refugee support services that were carried forward from prior year.

A negative revenue variance of \$2.1 million is projected and includes negative variances of \$2.0 million in Intergovernmental Revenues, and \$0.1 million in Charges for Current Services mainly due to revised estimates for dispute resolution fees to align with projected spending on contracted mediation services. The negative variance of \$2.0 million in Intergovernmental Revenues consists of negative variances of \$1.3 million tied alignment

of spending to grants associated with Community Health Workers Resilient grant and Health Disparities grant, \$0.7 million to align with projected contract costs for refugee support services, \$0.2 million mainly due to lower than anticipated Medi-Cal Administrative Activities (MAA) revenues based on estimated receipts and \$0.1 million tied to CSBG, offset by \$0.3 million in additional revenue tied to Local Immigrant Integration and Inclusion Grant.

Housing & Community Development Services

Housing & Community Development Services (HCDS) consists of the following: HCDS Operations, Administration, and HCDS Multi-Year Projects.

An overall negative variance of \$0.4 million is projected for HCDS.

A positive expenditure variance of \$0.7 million is projected and includes a positive variance of \$0.3 million in Salaries & Benefits due to attrition and vacant positions, a negative variance of \$0.4 million in Services & Supplies mainly in temporary staff helping to mitigate the impacts caused by an unanticipated online application portal outage in the Project Based Voucher waitlist application process, and a positive variance of \$0.8 million in Other Charges primarily in HOME Tenant Based Rental Assistance (TBRA) due to lower-than-anticipated referrals and a gradual transition in enrolling newly eligible participants under the Transitional Aged Youth (TAY) program.

A negative revenue variance of \$1.1 million is projected in Intergovernmental Revenues associated with federal revenue primarily to align with projected costs associated with the HOME TBRA as noted above.

Medical Care Services

Medical Care Services has an overall positive variance of \$0.8 million.

A positive expenditure variance of \$1.9 million is projected in Salaries & Benefits due to vacancies.

A negative revenue variance of \$1.1 million is projected and includes \$1.4 million in Intergovernmental Revenues, offset by \$0.3 million in Miscellaneous Revenues tied to revenues from Sharp Rural Health and Pharmacy dispensing fees based on recently approved fee increases. The negative \$1.4 million in Intergovernmental Revenues includes \$1.5 million in Realignment revenue due to reallocation to Public Health Services, offset by unanticipated revenue of \$0.1 million for the Hansen's Disease grant.

Public Health Services

An overall positive variance of \$9.4 million is projected for Public Health Services (PHS).

A positive expenditure variance of \$21.8 million is projected and includes a positive variance of \$4.1 million in Salaries & Benefits due to vacancies and attrition, a positive variance of \$13.8 million in Services & Supplies, and a positive variance of \$3.9 million in Capital Assets Equipment associated with longer than anticipated delivery of equipment. The positive variance of \$13.8 million in Services & Supplies includes a positive variance of \$18.5 million resulting primarily from procurement delays associated with identification and timing of equipment delivery, installation, and validation testing, \$4.6 million for the Immunizations program to align projected spending with the grant resources and workplan, and \$2.0 million in Temporary Contract Help associated with the demobilization of COVID-19 associated activities. The operating variance is partially offset by \$11.3 million for projected expenditures tied to Self-Sufficiency Services (SSS) and Child and Family Well-Being (CFWB) to mitigate appropriation impacts which will be resolved with a budget transfer.

A negative revenue variance of \$12.4 million is projected and includes a negative variance of \$12.9 million in Intergovernmental Revenues offset by a positive variance of \$0.5 million in Miscellaneous Revenues based on an anticipated grant allocation to support development of Public Health professionals. The negative variance of \$12.9 million in Intergovernmental Revenues is primarily tied to negative variances of \$22.2 million in COVID-19 Expanding Laboratory Capacity and \$6.3 million in COVID Health Disparities grant to align with projected spending noted above, \$2.8 million in IAP grant to align with workplan, \$2.5 million in Future of Public Health due to revised allocation estimate, and \$1.4 million in California Children's Services (CCS) tied to prior year revenue adjustments, offset by a positive variances of \$11.3 million in funding associated with pending appropriation adjustment for SSS and CFWB as noted above, \$9.5 million in FEMA revenue for prior year expenditures associated with local health emergency response costs, and \$1.5 million in Realignment revenue due to reallocation from Medical Care Services.

Self-Sufficiency Services

An overall positive variance of \$0.8 million is projected for Self-Sufficiency Services (SSS).

A zero expenditure variance is projected which includes a positive variance of \$3.1 million in Salaries & Benefits primarily tied to vacancies, a negative variance of \$6.3 million in Services & Supplies, and a positive variance of \$3.2 million in Other Charges. The negative variance of \$6.3 million in Services & Supplies consists of a negative variance of \$13.7 million primarily due to increases in contracted services based on revised allocations for CalWORKs Housing Support Program due to California Department of Social Services redistribution of unspent prior year funding, offset by a positive variance of \$7.4 million for projected expenditures in Public Health Services (PHS) where available appropriation capacity will be used pending a transfer of appropriation to SSS. The positive variance of \$3.2 million in Other Charges is tied to positive variances of \$4.8 million associated with lower payments to replenish funds tied to EBT Skimming and \$3 million to align spending to projected caseload levels in the in the California Work Opportunity and Responsibility to Kids (CalWORKs) program, partially offset by a

negative variance of \$4.6 million in the General Relief program based on higher caseload levels.

A positive revenue variance of \$0.8 million is projected and includes \$0.4 million in Intergovernmental Revenues, \$0.3 million in Miscellaneous Revenues tied to contractor overpayments from Fiscal Year 2023-24, and \$0.1 million in Revenue from Use of Money and Property for unanticipated GASB 87 lease revenue. The positive variance of \$0.4 million in Intergovernmental Revenue consists of a positive variance of \$3.5 million in social services administrative revenues and a negative variance of \$3.1 million in assistance payment revenues associated with Other Charges projections noted above. The positive variance of \$3.5 million in social services administrative revenues includes a positive variance of \$22.0 million CalWORKs Housing Support Program due to revised allocation, partially offset by negative variances of \$11.1 million mainly in CalWORKs Single Allocation tied to revised allocation, and \$7.4 million associated with pending appropriation adjustments from PHS to mitigate appropriations impacts.

LAND USE AND ENVIRONMENT GROUP

The Land Use and Environment Group is projecting a positive overall variance of \$11.1 million, of which \$1.0 million is tied to a positive variance in the General Fund and \$10.1 million is tied to positive variances in all other funds combined. The details of these variances are noted below.

General Fund

Environmental Health and Quality

A positive variance of \$0.9 million is projected for the Department of Environmental Health and Quality.

A positive expenditure variance of \$0.9 million is projected. A positive variance of \$0.5 million in Salaries & Benefits is due to vacancies and under-filled positions. A positive variance of \$0.4 million in Services & Supplies is related to less than anticipated consultant contract expense.

No significant revenue variance is projected.

Agriculture, Weights & Measures (AWM)

No significant variance is projected for the Department of Agriculture, Weights & Measures.

A positive expenditure variance of \$1.0 million is projected, due to a positive variance of \$1.0 million in Salaries & Benefits for vacancies and under-filled positions.

A negative revenue variance of \$1.0 million is projected. A negative variance of \$1.0 million in Intergovernmental Revenues is mainly due to less than anticipated reimbursements related to reduced contracts.

Planning and Development Services (PDS)

No significant variance is projected for the Department of Planning & Development Services.

A positive expenditure variance of \$4.8 million is projected. A positive variance of \$0.3 million in Salaries & Benefits is due to vacancies and under-filled positions. A positive variance of \$4.5 million in Services & Supplies is primarily due to schedule changes to one-time only information technology (IT) projects and reduced consultant contract spending.

A negative revenue variance of \$4.8 million is projected. A negative variance of \$4.4 million in Charges for Current Services is due to a decline in billable activities for land

development, project planning, and building projects due to staff vacancies. A negative variance of \$0.4 million in Intergovernmental Revenues is due to delays in grant related projects.

SPECIAL REVENUE FUNDS

Department of Public Works – Road Fund

A positive variance of \$4.8 million is projected for the Department of Public Works - Road Fund.

A positive expenditure variance of \$4.7 million is projected. A positive variance of \$3.8 million in Salaries & Benefits is due to staff vacancies and under-filled positions. A positive variance of \$0.9 million in Services & Supplies is due to less than anticipated consultant contracted services for capital projects.

A positive revenue variance of \$0.1 million is projected. A positive variance of \$0.6 million in Charges in Current Services is due to increases in support to other County departments. A positive variance of \$0.1 million in Intergovernmental Revenues is due to increase in state grant funded capital projects. A negative variance of \$0.6 million in Taxes Other than Current Secured is due to TransNet project scheduled changes.

San Diego County Library

A positive net variance of \$1.4 million is projected for the San Diego County Library.

A positive expenditure variance of \$1.2 million is projected. A positive variance of \$0.8 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$0.4 million in Services & Supplies is due to lower than budgeted costs in automotive maintenance and fuel, and IT networks services costs.

A positive revenue variance of \$0.2 million is projected. A positive variance of \$0.2 million in Intergovernmental Revenues is due to unanticipated revenue from the Federal Communications Commission's (FCC) E-Rate Program.

SPECIAL DISTRICT FUNDS

Department of Public Works – Flood Control District

A positive variance of variance of \$3.3 million is projected for the Flood Control District.

A positive expenditure variance of \$3.3 million is projected. A positive variance in Services & Supplies is due to lower than budgeted costs from the completion of the January 2024 emergency repair projects.

No significant revenue variance is projected.

ENTERPRISE FUNDS

Department of Public Works – Wastewater Management Enterprise Fund

No variance is projected for the Wastewater Management Enterprise Fund.

A positive expenditure variance of \$0.5 million is projected. A positive variance of \$0.4 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$0.1 million in Services & Supplies in various expenses related to staff vacancies.

A negative revenue variance of \$0.5 million is projected. A negative variance of \$0.5 million in Charges for Current Services is due to reduced billable activities for San Diego County Sanitation District support due to staff vacancies.

FINANCE AND GENERAL GOVERNMENT GROUP

The Finance and General Government Group is projecting a positive overall variance of \$4.6 million, of which \$1.6 million is tied to a positive variance in the General Fund and \$3.0 million is tied to positive variances in all other funds combined. The details of these variances are noted below.

General Fund

County Counsel

A positive variance of \$0.2 million is projected for the Office of County Counsel.

A positive expenditure variance of \$0.6 million includes \$0.5 million in Salaries & Benefits due to staff attrition and departmental vacancies, and \$0.5 million in Services & Supplies due to the completion of a facilities construction project at lower than expected costs, offset by \$0.4 million negative variance in Expenditure Transfer & Reimbursements due to less than anticipated reimbursements for staff costs in the health services area.

A negative revenue variance of \$0.4 million is projected, primarily in Charges for Current Services due to an anticipated decrease in reimbursements tied to lower than anticipated staff costs in public liability.

Registrar of Voters

A positive variance of \$0.4 million is projected for the Registrar of Voters.

A positive expenditure variance of \$0.4 million includes \$0.2 million in Salaries & Benefits due to staff attrition, and \$1.7 million in Services & Supplies due to delays associated with an IT project for a new voter registration system and lower than anticipated ballot printing costs, partially offset by a \$1.5 million negative variance in Expenditure Transfer & Reimbursements tied to the delayed IT project.

There is no significant net revenue variance projected.

Internal Service Funds (ISF)

Employee Benefits ISF

A positive variance of \$0.2 million is projected for the Employee Benefits ISF.

A positive expenditure variance of \$0.2 million is projected, including \$2.2 million positive variance in Services & Supplies due to savings in workers compensation claims administration, offset by a negative variance of \$2.0 million in Other Charges due higher than anticipated Workers Compensation claim payments.

There is no revenue variance projected.

Public Liability ISF

An overall negative expenditure variance of \$27.4 million is projected.

A negative expenditure variance of \$27.4 million is projected in Other Charges primarily due to the anticipated settlement and resolution of various high-liability matters that were delayed beyond the previous fiscal year.

No significant revenue variance is projected.

Staff will monitor the Public Liability ISF costs and return to the Board with future recommendations as needed.

Purchasing and Contracting

A positive variance of \$2.9 million is projected for the Purchasing and Contracting ISF.

A positive expenditure variance of \$1.4 million includes savings of \$0.3 million in Services & Supplies due to lower inter-departmental expenses, and costs for ISF facilities and IT network; \$0.1 million in Other Charges for depreciation cost, and \$1.0 million in Capital Assets/Land Acquisition attributed to the capitalization of the iValua online procurement system IT project.

A positive revenue variance of \$1.5 million is related to higher than expected ISF revenue in Charges for Current Services.

GENERAL PURPOSE REVENUE & COUNTYWIDE EXPENSES

A positive variance of \$25.3 million is projected in General Purpose Revenue (GPR) primarily from Current Secured Property Taxes (\$5.7 million), Property Tax in Lieu of Vehicle License Fees (VLF) (\$5.3 million), Property Tax Prior Secured Supplemental (\$4.5 million), Teeter Taxes (\$3.7 million), higher pass-through distributions and residual balance estimates from Redevelopment Successor Agencies (\$2.6 million), current unsecured property tax revenues (\$1.8 million), and Sales & Use Taxes due to the continued growth activities in the Unincorporated Area (\$1.7 million). A positive variance of \$15.4 million is projected in General County Expenses.

General Purpose Revenue

The County's General Purpose Revenue is directly influenced by the economy. Employment showed an overall positive gain from August 2023 to August 2024, with majority of the increase in jobs from Private Education and Health Services by 12,800, Government by 4,400, and Leisure and Hospitality by 1,600 but decreased in Manufacturing by 3,800, Professional and Business Services by 3,300 and Information by 1,300. Median home prices in San Diego for Single Family Homes were higher by 5.4% and for Existing Attached Homes by 4.8% based on the average from July - August 2024 compared to the same time period last year.

The County's GPR related to property tax revenues improved, supported by the increase in assessed values. For Fiscal Year 2024-25, the economic indicators discussed previously, and the trends summarized below, are followed by a discussion on significant revenue account variances from budget:

- San Diego's monthly unemployment preliminary rate of 5.0% in August 2024, up from 4.4% in August 2023. In comparison, this is below the state's unemployment rate of 5.9% in August 2024 and 4.4% in August 2023.
- Consumer spending, as measured by taxable sales, will increase mainly due to increase in consumer online spending. During the 1st Quarter of 2024-25, unadjusted local point of sale tax revenue increased by 21.23% in the unincorporated area, and 2.00% in the San Diego regional level, but decreased by 0.92% in the Southern California Region and 1.69% in the statewide level, compared to the same time period last year.
- There are positive and negative indicators in the housing market in the County.
 - Increase in median housing prices for Single Family Homes (up 5.4%) and for Existing Attached Homes (up 4.8%) for July-August 2024 average compared to the same time period last year.
 - Notices of Default lower by 17% in January-September 2024 compared to the same period in 2023.
 - Foreclosure activity higher by 15% in January-September 2024 compared to the same period in 2023.

Current Property Taxes All Categories

The four categories of Current Property Taxes (i.e., Property Taxes Current Secured, Property Taxes Current Supplemental, Property Taxes Unsecured, and Property Taxes Current Unsecured Supplemental) combined are estimated to show a net positive variance to budget of \$7.5 million.

- *Property Taxes Current Secured*

Current Secured Property Taxes are projected to be \$5.7 million higher than budget primarily due to greater than anticipated assessed value (AV) growth.

The budgeted current secured property taxes assumed a local secured assessed value increase of 4.63%, but the actual assessed value (AV) increased by 5.46% (gross less regular exemptions). (Note: The 5.46% increase represents the change in the assessed value for only the secured roll. This is lower than the countywide overall increase published by the Assessor/Recorder/County Clerk on June 30, 2024, of 5.58%, which includes all assessed value components, secured and unsecured.)

- *Property Taxes - Current Unsecured*

Current Unsecured Property Taxes are projected to be \$1.8 million higher than budget due to projected higher revenue based on prior year receipts. At the time the budget was prepared, current unsecured property tax revenues were based on the assumption that there would be no growth in the current unsecured roll. Unlike the secured roll, the unsecured roll does not build on a prior year base.

Taxes Other Than Current Secured

Taxes Other Than Current Secured are anticipated to be \$15.2 million above budget as described below.

- *Property Tax Prior Secured Supplemental*

Property Tax Prior Secured Supplemental are projected to be \$5.3 million higher than budget due to the increase in supplemental billings in Fiscal Year 2024-25 compared to prior year. However, \$0.8 million will be appropriated to provide funding for one-time needs, which will result in adjusted projection of \$4.5 million.

- *Sales & Use Taxes*

Sales & Use Taxes are projected to be \$1.7 million higher than budget. This is mostly due to the continued growth activities in the Unincorporated Area which increases the County's share of the Pool going forward.

- *Property Tax in Lieu of Vehicle License Fees*

Property Tax in Lieu of Vehicle License Fees (VLF) are projected to be \$5.3 million higher than budget due to higher than budgeted growth in assessed valuation.

- *Teeter Tax Reserve Excess*

Teeter Tax Reserve Excess is projected to be \$0.7 million higher than budget. This is based on returned excess Teeter Tax Reserve requirement, current penalty and interest collections and available data on the outstanding receivables and projections through the end of the fiscal year.

- *Teeter Property Tax Prior Year and Cumulative Prior Years*

Teeter Property Tax Prior Year and Cumulative Prior Years are projected to be \$3.0 million higher than budget. The increase is based on a higher collection of receivables from prior fiscal year.

Revenue from Use of Money & Property

No projected variance in Revenue from Use of Money & Property, however, will continue to closely monitor average daily cash balances and interest rates to be able to project the interest revenues.

Intergovernmental Revenues

Intergovernmental Revenues are projected to be \$2.6 million higher than budget due to pass-through distributions and residual balance estimates in Aid from Redevelopment Successor Agencies. The pass-through distributions continue to increase due to continued growth in the project areas. In addition, residual balance estimates tied to Redevelopment Successor Agencies continue to increase.

General County Expenses

Countywide General Expense

A positive variance of \$0.4 million is projected in Countywide General Expense.

A positive expenditure variance of \$0.2 million is projected. A positive variance of \$0.2 million is projected in Services & Supplies due to savings in one-time funding related to IT services that are no longer anticipated to be needed.

A positive revenue variance of \$0.2 million is projected in Miscellaneous Revenues due to reimbursement from the Small Business Loan Program.

Appropriation for Contingency

The entire \$15.0 million budgeted for Appropriation for Contingency in Fiscal Year 2024-25 is projected to be unspent at year-end.

Capital Program Funds

Edgemoor Development Fund

Edgemoor Development Fund is projecting an overall positive variance of \$4.0 million.

No expenditure variance is projected.

A positive revenue variance of \$4.0 million includes a positive variance of \$1.0 million in Revenue Use Money & Property tied to the interest received from the Santee Residential Property 2 installment payment and a \$3.0 million in Other Financing Sources associated with projected payment for Santee Residential Property 1 and Property 2 partially offset by prior year transaction to correct the overstatement of fund balance in FY 2023-24.

Appendix C: Major Maintenance Capital Outlay Fund (MMCOF) Adjustments for Fiscal Year 2024-2025 (1ST QUARTER)

GROUP	DEPT.	PROJECT NUMBER	PROJECT NAME	FUNDING SOURCE			NOTES	DEPARTMENTS (Acct - 56321 Opt Transfer Out)	DEPARTMENTS (Acct - 5XXXX Services & Supplies) or (Acct - 56311 Opt Trx Out)	MMCOF (Acct - 54202 Fixed Asset)	COF (Acct - 54202 Fixed Asset)	RATIFICATION	Description
				FUND	ORG	ACCOUNT							
Increase (Decrease) of Appropriation													
HHS	HHS	1027411	MMCOF7A46 El Cajon FRC Canopy	10100	45005	52737	2	500,000	(500,000)	500,000		No	New Walk-In Project
PSG	DAO	1027417	MMCOF7A50 Replace HVAC Units for Hall of Justice (HOJ) DA IT Room	10100	37450	52396	2	1,500,000	(1,500,000)	1,500,000		No	New Walk-In Project
Shared	Shared	1027420	MMCOF7A51 Hall of Justice (HOJ) Parking Lot Gate Replacement	10100	45005/16355/37450/37802/4201	52737/52750/52396/52566/52	2	350,000	(350,000)	350,000		No	New Walk-In Project
LUG	DPR	1022949	MMCOF7699 Lindo Lake Playground Structure Replacement	10100	52811	52737	3	136,000	(136,000)	136,000		No	Spending plan amendment
LUG	DPR	1026102	MMCOF7944 Cactus Park Restroom Replacement And Park Improvements	10100	52811	52737	3	2,000,000	(2,000,000)	2,000,000		No	Spending plan amendment
LUG	DPR	1025452	MMCOF7881 Guajome Park Gate and Sidewalk Repairs	10100	7573Z	56311	3	35,000	(35,000)	35,000	(35,000)	No	Spending plan amendment; Transferred from COFD CP 1021909
PSG	SHF	1024625	MMCOF7827 SDCJ Security and Emergency Power Equipment Modernization	10100	39884	52737	3	4,894,936	(4,894,936)	4,994,936		No	Spending plan amendment; Transferred from CP 1024626 (\$100k)
PSG	SHF	1026061	MMCOF7925 Vista Detention Facility Cell Intercom System	10100	39884	52737	3	3,500,000	(3,500,000)	3,500,000		No	Spending plan amendment
PSG	SHF	1025534	MMCOF7898 Las Colinas Detention Facility Water Heater and Swamp Cooler Replacements	10100	39884	52737	3	1,500,000	(1,500,000)	1,500,000		No	Spending plan amendment
PSG	OES	1026108	MMCOF7950 Julian Fire Station 56 Exterior Workout Room Addition	10100	30231	52737	3	245,000	(245,000)	245,000		No	Spending plan amendment
PSG	OES	1026110	MMCOF7952 Deerhorn Fire Station 37 Storage Shed Replacement and Exterior Workout Room Addition	10100	30231	52737	3	245,000	(245,000)	245,000		No	Spending plan amendment
PSG	OES	1026111	MMCOF7953 Lake Morena Fire Station 42 Exterior Workout Room and Storage Shed Additions	10100	30231	52737	3	185,000	(185,000)	185,000		No	Spending plan amendment
PSG	OES	1026113	MMCOF7955 Ranchita Fire Station 58 Exterior Workout Room Addition	10100	30231	52737	3	245,000	(245,000)	245,000		No	Spending plan amendment
PSG	OES	1026220	MMCOF7986 Harbison Canyon FS 24 Exterior Workout Room and Storage Shed Addition	10100	30231	52737	3	365,000	(365,000)	365,000		No	Spending plan amendment
PSG	OES	1026856	MMCOF7A29 Shelter Valley FS 62 Exterior Workout Room Addition	10100	30231	52737	3	105,000	(105,000)	105,000		No	Spending plan amendment
HHS	HHS	1025840	MMCOF7916 HHS VOASW Behavioral Health Services Improvements	10100	45290	52396	3	16,000,000	(16,000,000)	16,000,000		No	Spending plan amendment
HHS	HHS	1025431	MMCOF7859 East County Mental Health Interior Reconfiguration	10100	45005	52737	4	(2,000,000)	2,000,000	(2,000,000)		No	Spending plan amendment
Subtotal General Fund								29,805,935.77	(29,805,935.77)	29,905,935.77	(35,000)		
FGG	GSM	1027412	MMCOF7A47 East County Regional Center (ECRC) EV Project	37600	87875	52370	2	N/A	N/A	246,242		No	New Walk-In Project; Transferred from CP's 1025429 (\$146k) & 1026066 (\$100k)
FGG	GSM	1027413	MMCOF7A48 North County Animal Shelter (NCAS) HVAC Electrification	37600	87485/87875	52737	2	848,807	(848,807)	848,807		No	New Walk-In Project
PSG	SHF	1027416	MMCOF7A49 Vista Detention Facility (VDF) CCTV Upgrades	26005	7A33D	54202	2	N/A	N/A	1,000,000		No	New Walk-In Project; Transferred from CP 1026860
FGG	GSM	1026090	MMCOF7932 Bonita Museum AC Unit Replacement	37600	87905	52304	3	67,484	(67,484)	67,484		No	Spending plan amendment (DGS Energy)
FGG	GSM	1025446	MMCOF7874 Julian Library HVAC Interior Repaint	37600	87875	52370	3	117,147	(117,147)	117,147		No	Spending plan amendment (DGS Energy)
LUG	LIB	1025446	MMCOF7874 Julian Library HVAC Interior Repaint	12200	57330	52737	3	76,876	(76,876)	76,876		No	Spending plan amendment
FGG	GSM	1026095	MMCOF7937 45 Ranch Library HVAC Rooftop Unit Replacements	37600	87875	52370	3	100,000	(100,000)	100,000		No	Spending plan amendment (DGS Energy)
HHS	HHS	1026063	MMCOF7926 Magnolia Safe Parking	26005	7927D/7991D	54202	3	N/A	N/A	600,000		No	Spending plan amendment; Transferred from CP's 1026064 (\$300k) & 1026799 (\$300k)
PSG	PRO	1026962	MMCOF7A43 EMJDF Upgrade CCTV from Analog to Digital	26005	7958D	54202	3	N/A	N/A	87,985		No	Spending plan amendment; Transferred from CP 1026116
PSG	SHF	1026860	MMCOF7A33 NCRC Vista CCTV Upgrade and Improvements	26005	7A33D	54202	4	N/A	N/A	(1,000,000)		No	Spending plan amendment; Transferred to CP 1027416
FGG	GSM	1026066	MMCOF7929 San Marcos Road Station EV Project	26005	7929D	54202	4	N/A	N/A	(100,000)		No	Spending plan amendment; Transferred to CP 1027412
HHS	HHS	1026064	MMCOF7927 Bancroft Safe Parking	26005	7927D	54202	4	N/A	N/A	(300,000)		No	Spending plan amendment; Transferred to CP 1026063
HHS	HHS	1026799	MMCOF7991 Willow Road Recreational Vehicle Senior and Family Parking	26005	7991D	54202	4	N/A	N/A	(300,000)		No	Spending plan amendment; Transferred to CP 1026063
PSG	SHF	1025535	MMCOF7899 Borrego Springs Sheriff Office Generator and ATS Replacement	26005	7962D/7964D	54202	11	N/A	N/A	220,000		No	Spending plan amendment; Transferred from CP's 1026120 (\$110k) & 1026122 (\$110k)
PSG	SHF	1026120	MMCOF7962 Julian Sheriff Substation Lobby Hardening and Display Reconditioning	26005	7962D	54202	11	N/A	N/A	(110,000)		No	Spending plan amendment; Transferred to CP 1025535
PSG	SHF	1026122	MMCOF7964 Pine Valley Sheriff Substation Lobby Hardening and Display Reconditioning	26005	7964D	54202	11	N/A	N/A	(110,000)		No	Spending plan amendment; Transferred to CP 1025535

Appendix C: Major Maintenance Capital Outlay Fund (MMCOF) Adjustments for Fiscal Year 2024-2025 (1ST QUARTER)

GROUP	DEPT.	PROJECT NUMBER	PROJECT NAME	FUNDING SOURCE			NOTES	DEPARTMENTS (Acct - 56321 Opt Transfer Out)	DEPARTMENTS (Acct - 5XXXX Services & Supplies) or (Acct - 56311 Opt Trx Out)	MMCOF (Acct - 54202 Fixed Asset)	COF (Acct - 54202 Fixed Asset)	RATIFICATION	Description
				FUND	ORG	ACCOUNT							
Increase (Decrease) of Appropriation													
HHS	HHS	1026247	MMCOF7981 CRASH Golden Hill House Renovation	26005	7865D	54202	11	N/A	N/A	500,000		No	Spending plan amendment; Transferred from CP 1025437
HHS	HHS	1025392	MMCOF7855 Town Center Manor Critical Systems	26005	7865D	54202	11	N/A	N/A	200,000		No	Spending plan amendment; Transferred from CP 1025437
HHS	HHS	1025437	MMCOF7865 North Central MHC Workspace Reconfiguration	26005	7865D	54202	11	N/A	N/A	(700,000)		No	Spending plan amendment; Transferred to CP's 1025392 (\$200k) & 1026247 (\$500k)
PSG	SHF	1024627	MMCOF7829 GBDF Rock Sally Port Gates	26005	7642D	54202	11	N/A	N/A	2,550,000		No	Spending plan amendment; Transferred from CP 1022041
PSG	SHF	1022041	MMCOF7642 GBDF Replace Security Controls and Cameras	26005	7642D	54202	11	N/A	N/A	(2,550,000)		No	Spending plan amendment; Transferred to CP 1024627
Subtotal Other Funds								1,210,314.20	(1,210,314.20)	1,444,541.22			
LUG	LIB	1026241	MMCOF7974 Bonita Library Roof Extension	12200	57330	52737	5	(36,340)	36,340	(36,340)		No	Project is complete and can be closed
PSG	OES	1026240	MMCOF7973 County Fire Stations Vehicle Exhaust Collection System	10100	30231	52737	5	(157,995)	157,995	(157,995)		No	Project is complete and can be closed
HHS	HHS	1026826	MMCOF7A00 San Diego County Psychiatric Hospital Steel Fence Replacement	10100	45005	52737	8	(300,000)	300,000	(300,000)		No	Project is cancelled
HHS	HHS	1026827	MMCOF7A01 North Coastal Public Health Clinic Build Out	10100	45005	52737	8	(500,000)	500,000	(500,000)		No	Project is cancelled
LUG	DPR	1026833	MMCOF7A07 Lake Morena Campground Restroom Replacement	10100	52811	52737	8	(250,000)	250,000	(250,000)		No	Project is cancelled
FGG	GSM	1026823	MMCOF7997 Energy Measures Implementation at Various Library Facilities	37600	87875	52370	8	(250,000)	250,000	(250,000)		No	Project is cancelled
PSG	SHF	1024626	MMCOF7828 SDCJ 7A Suicide Prevention Fencing and Cameras	26005	7828D	54202	9	N/A	N/A	(100,000)		No	Project is cancelled; Transferred to CP 1024625
PSG	PRO	1026116	MMCOF7958 EMJDF Track Field Shade Structure	26005	7958D	54202	9	N/A	N/A	(87,985)		No	Project is cancelled; Transferred to CP 1026962
FGG	GSM	1025429	MMCOF7857 COC EV Charging Stations Phase 2	26005	7857D	54202	10	N/A	N/A	(146,242)		No	Project is cancelled; Transferred to CP 1027412
Subtotal Completed/Cancelled Projects								(1,494,335.03)	1,494,335.03	(1,828,562.05)			
Total Increase (Decrease) of Appropriation									29,521,915	(29,521,915)	29,521,915	(35,000)	
Board Letter Recommendation									REC # 25		REC # 25		

- NOTES:**
- | | |
|--|--|
| <ul style="list-style-type: none"> 1 MMCOF Project identified as MMISF (maintenance/not capital) 2 MMISF Project identified as MMCOF 3 MMCOF Spending plan increased 4 MMCOF Spending plan decreased 5 MMCOF Project complete and remaining funds are transferred to Dept. Services & Supplies 6 MMCOF Project complete and remaining funds are transferred to an existing MMCOF project | <ul style="list-style-type: none"> 7 MMCOF Project complete and remaining funds are transferred to a new MMCOF walk-in project 8 MMCOF Project cancelled and funding source returned to Services & Supplies for department's operation 9 MMCOF Project cancelled and funding transferred to an existing MMCOF project 10 MMCOF Project cancelled and funding transferred to a new MMCOF walk-in project 11 Completed MMCOF to MMCOF transfers that have already been processed 12 Change in revenue source |
|--|--|



San Diego County Fire Protection District

GOVERNING BODY

NORA VARGAS
First District

JOEL ANDERSON
Second District

TERRA LAWSON-REMER
Third District

MONICA MONTGOMERY STEPPE
Fourth District

JIM DESMOND
Fifth District

AGENDA ITEM

DATE: December 10, 2024

FP01

TO: Board of Directors, San Diego County Fire Protection District

SUBJECT

**FISCAL YEAR 2024-25 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT
AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

OVERVIEW

These items recommend budget adjustments in the San Diego Fire Protection District as part of the Fiscal Year 2024-25 First Quarter Operational Plan budget adjustments for the purchase of one fire engine and for additional funding for Jacumba Fire Station #43.

RECOMMENDATION(S)

EXECUTIVE DIRECTOR

1. Establish appropriations of \$1,000,000 in the San Diego County Fire Protection District Fire Mitigation, Operating Transfers Out, to purchase one fire engine, based on fund balance from Fire Mitigation Fees. **(4 VOTES)**
2. Establish appropriations of \$700,000 in San Diego County Fire Protection District Fire Mitigation, Operating Transfers Out, to provide additional funding for Jacumba Fire Station #43 capital project based on fund balance from Fire Mitigation Fees. **(4 VOTES)**

EQUITY IMPACT STATEMENT

The recommended actions are intended to provide resources to address inequities in County services and to identify disparities, developing meaningful outcomes, and creating a County government culture of equity, belonging, and racial justice.

SUSTAINABILITY IMPACT STATEMENT

Today's actions support the sustainability measures across the County considering the environment, economy, health/wellbeing, and/or social aspects of the community by aligning the County's available resources with services to maintain fiscal stability and ensure long-term solvency.

FISCAL IMPACT

Funds associated with today's recommendations are not included in the Fiscal Year 2024-25 Operational Plan in the San Diego County Fire Protection District. If approved, this action will

**SUBJECT: FISCAL YEAR 2024-25 FIRST QUARTER OPERATIONAL PLAN
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:
ALL)**

result in costs & revenues of \$1,700,000. The funding source is fund balance from Fire Mitigation Fees. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

Recommendation 1

Funds associated with this recommendation are not included in Fiscal Year 2024-25 Operational Plan for the San Diego County Fire Protection District Fire Mitigation. If approved, this action will result in cost of \$1,000,000 for the purchase of one fire engine to support fire and emergency medical services in the San Diego County Fire Protection District, East Otay Mesa area. The funding source is fund balance from Fire Mitigation Fees.

Recommendation 2

Funds associated with this recommendation are not included in Fiscal Year 2024-25 Operational Plan for the San Diego County Fire Protection District Fire Mitigation. If approved, this action will result in cost of \$700,000 for construction of additional square footage for Capital Project 1022910, Jacumba Fire Station #43. The funding source is fund balance from Fire Mitigation Fees.

ENVIRONMENTAL STATEMENT

N/A

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support the Strategic Initiatives of Sustainability, Equity, Empower, Community and Justice in the County of San Diego's 2024-2029 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



EBONY N. SHELTON
Chief Administrative Officer

ATTACHMENT(S)

**SUBJECT: FISCAL YEAR 2024-25 FIRST QUARTER OPERATIONAL PLAN
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:
ALL)**

N/A