



# COUNTY OF SAN DIEGO

## AGENDA ITEM

### BOARD OF SUPERVISORS

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First District

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Fifth District

**DATE:** May 21, 2024

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**TO:** Board of Supervisors

### SUBJECT

**FISCAL YEAR 2023-24 THIRD QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

### OVERVIEW

This report summarizes the status of the County's Fiscal Year 2023-24 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 \$97.9 million (or 1.3% of the General Fund budget), and \$163.1 million (or 1.5% of the Overall budget) for all budgetary funds combined. The projected fund balance anticipates an overall positive expenditure variance and an overall ~~positive~~-negative revenue variance from the Fiscal Year 2023-24 Amended Budget. The projection assumes General Purpose Revenue will perform better than estimated, and all business groups will produce operating balances except for the Health and Human Services Agency (HHS) which is projecting negative operating balance due to projected slowing of dedicated sales tax receipts for realignment programs and increased costs for the General Relief Program. The projected balance for all other funds combined is \$65.2 million (2.1% 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 adjustment for the provision of evidence-based treatment and recovery support services for individuals within or transitioning out of detention facilities, for unanticipated decedent transportation costs, for higher animal care costs due to higher inventory levels and staffing support, for the transfer of funds to the City of Santee and Lakeside Fire Protection District, to support increased costs in enhanced collection activities for Trial Courts, and for unanticipated increases in operational costs primarily for higher psychological evaluation costs for a limited pool of clinicians.

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In the Health and Human Services Agency (HHSA), recommendations include appropriation adjustments for County Public Health Laboratory 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 to fund Road Resurfacing projects, for activities in support of the Climate Action Plan, to support removing hazards from the existing trail corridor and implementing associated trail improvements, to provide funds for the construction of six sports field LED lights and one LED solar powered scoreboard to accommodate softball at Wellfield Community Park, to support the increased costs for the construction of Mt. Woodson Parking Lot, to provide funding for San Dieguito Pathway project, for construction of a water quality basin at 4S Ranch Sports Park, to support the construction of the Village View Park, and for Harmony Grove financing payments.

In the Finance and General Government Group (FGG), recommendations include appropriation adjustments for County Administration Center Major Systems Renovation Project (CAC MSRP), to support the continued increase in contracted services and utilities, to support increased parts and fuel costs, for the Neighborhood Reinvestment Program, for the Community Enhancement Program, and for the Borrego Springs Fire Station design study.

In the Finance Other (FO), recommendations include appropriation adjustments to provide funding for pool repair and equipment and water safety programs and to transfer funds for one-time cost for employee wellness compensation payment to various County Departments.

In the Capital Program, recommendation include appropriation adjustment for projects that are anticipated to be completed and closed at the end of the fiscal year.

**RECOMMENDATION(S)  
CHIEF ADMINISTRATIVE OFFICER**

1. Accept the Fiscal Year 2023-24 third quarter report on projected year-end results.

**Increases to the Overall Budget and/or Transfers Between Budgetary Funds  
(Recommendations 2 through 20):**

2. Establish appropriations of \$500,000 in the Sheriff's Department, Services & Supplies, for the provision of evidence-based treatment and recovery support services for individuals within or transitioning out of detention facilities, based on revenue from the Opioid Settlement Framework. **(4 VOTES)**
3. Establish appropriations of \$500,000 in the Medical Examiner, Services & Supplies, for unanticipated decedent transportation costs, based on over-realized General Purpose Revenue. **(4 VOTES)**

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4. Establish appropriations of \$450,000 in the Department of Animal Services, Services & Supplies, for higher animal care costs due to higher inventory levels, based on over-realized General Purpose Revenue; *and* transfer appropriations of \$461,000 from the Public Safety Group, Services & Supplies, to Department of Animal Services, Salaries & Benefits for staffing support of animal care. **(4 VOTES)**
5. Establish appropriations of \$1,200,000 in the County Service Area 69, Other Charges, for the transfer of funds to the City of Santee and Lakeside Fire Protection District, based on the available fund balance from County Service Area 69. **(4 VOTES)**
6. Establish appropriations of \$7,400,478 in the Department of Public Works Road Fund, Service & Supplies, to fund Road Resurfacing projects, based on Road Fund fund balance component decrease - Committed Roadway Major Maintenance and Safety Projects. **(4 VOTES)**
7. Establish appropriations of \$1,732,298 in Planning & Development Services, Services & Supplies, for activities in support of the Climate Action Plan, based on grant funding awarded by the California Department of Conservation Climate Smart Land Management (CSLM) Program. **(4 VOTES)**
8. Establish appropriations of \$500,000 in the Capital Outlay Fund for Capital Project 1022915 Potts Trail, to support removing hazards from the existing trail corridor and implementing associated trail improvements, based on grant funding awarded by the San Diego River Conservancy. **(4 VOTES)**
9. Establish appropriations of \$900,000 in Park Land Dedication Ordinance (PLDO) Area 28 Ramona Fund, Services & Supplies, to provide funds for the construction of six sports field LED lights and one LED solar powered scoreboard to accommodate a softball at Wellfield Community Park, based on available prior year PLDO Area 28 Ramona Fund fund balance. **(4 VOTES)**
10. Establish appropriations of \$700,000 in PLD Ramona Improvement Impact Fees, Operating Transfer Out, based on available prior year PLD Ramona Improvement Impact Fees Fund fund balance; *and* establish appropriations of \$700,000 in the Capital Outlay Fund for Capital Project 1021983 Mt. Woodson Parking Lot, based on Operating Transfer In from the PLD Ramona Improvement Impact Fees, to support the increased cost for the construction of the project; *and* transfer appropriations of \$200,000 within the Capital Outlay Fund and related Operating Transfer In from the General Fund to provide funding for Capital Project 1021983 Mt. Woodson Parking Lot, based on transfer from Capital Project 1024372 Kumeyaay Valley to support the increased costs for the construction of the project. **(4 VOTES)**
11. Establish appropriations of \$20,000 in the Department of Parks and Recreation, Services & Supplies, based on grant funding from the San Dieguito River Park JPA, *and* cancel appropriations of \$280,000 and related Operating Transfer In from the General Fund in the Capital Outlay Fund for Capital Project 1022922 San Dieguito Local Park, *and* transfer appropriations of \$280,000 from the Contribution to Capital Outlay Fund, Operating Transfers

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Out to the Department of Parks and Recreation, Services & Supplies, to provide funding for San Dieguito Pathway project, based on the transfer from Capital Project 1022922 San Dieguito Local Park. **(4 VOTES)**

12. Establish appropriations of \$217,275, in Harmony Grove CFD 08-01 Improvement, Services & Supplies, for Harmony Grove financing payments, based on revenue from interest earned (\$38,543) and miscellaneous revenue (\$60,325) and available prior year Harmony Grove Improvement Fund fund balance (\$118,407). **(4 VOTES)**
13. Establish appropriations of \$165,836 in Harmony Grove Capital Project, Service & Supplies, for Harmony Grove financing payments, based on revenue from interest earned (\$9,299) and miscellaneous revenue (\$54,495) and available prior year Harmony Grove Capital Project Fund fund balance (\$102,042). **(4 VOTES)**
14. Transfer revenue of \$2,615,917 in the County Health Complex Fund, for Capital Project 1024604, County Public Health Laboratory, to do a funding swap from proceeds from the 2023 Public Health Lab and Capital Improvements, Certificates of Participation to Future of Public Health Sustainable funding; *and* transfer revenue of \$2,615,917 in the Capital Outlay Fund, for Capital Project 1021162, County Administration Center Major Systems Renovation Project (CAC MSRP), to do a funding swap from Operating Transfers In from the General Fund to proceeds from the 2023 Public Health Lab and Capital Improvements, Certificates of Participation; *and* transfer appropriations of \$2,615,917, in Contributions to Capital Outlay, Operating Transfers Out, to Countywide General Expense, Services & Supplies, from Capital Project 1021162, CAC MSRP. There is no change to either project's total budget, as noted in Appendix H. **(4 VOTES)**
15. Establish appropriations of \$24,200,000 in the Department of General Services Facilities Management Internal Service Fund (ISF), Services & Supplies, to support the increase in contracted services and utilities based on unanticipated revenue from client departments (\$23.8 million) and the Judicial Council of California (\$0.4 million). **(4 VOTES)**
16. Establish appropriations of \$2,000,000 in the Department of General Services Fleet Internal Service Fund (ISF) Parts and Fuel, Services & Supplies, to support increased parts and fuel costs based on unanticipated revenue from client departments. **(4 VOTES)**
17. Establish appropriations of \$2,137 in the Neighborhood Reinvestment Program budget (\$222 in Org 15660 for District 3 and \$1,915 in Org 15665 for District 4) based on the return of unused portions or prior year allocations so the funds can be allocated to other projects. **(4 VOTES)**
18. Establish appropriations of \$12,382 in the Community Enhancement Program budget (Org 12900 for District 4) based on the return of unused portions or prior year allocations so the funds can be allocated to other projects. **(4 VOTES)**

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19. Transfer appropriations within departments between Services & Supplies and Operating Transfers Out, as noted in Appendix D, in the net amount of \$6,720,920 for major maintenance projects listed in Appendix D that were subsequently reclassified, based on capitalization thresholds, for financial reporting purposes; *and* establish and cancel appropriations, as noted in Appendix D for a net increase of \$6,720,920 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)**
  
20. Transfer appropriations of \$12,814,126 from Finance Other, General Miscellaneous Expense, Other Charges, to Public Safety Group (\$5,332,136), Health and Human Services Agency (\$4,997,351), Land Use and Environment Group (\$1,247,276) and Finance and General Government Group (\$1,237,363), Salaries & Benefits (\$12,294,123) and Operating Transfers Out (\$520,003), for one-time cost for employee wellness compensation payment as listed in Appendix E, based on previously allocated General Purpose Revenue redirected through a lost revenue strategy of American Rescue Plan Act (ARPA) funds allocated to the Evergreen component of the ARPA Framework as approved by the Board of Supervisors on January 9, 2024 (14); *and* establish appropriations of \$520,003, in Land Use and Environment Group, Salaries & Benefits, based on Operating Transfers In from the General Fund. **(4 VOTES)**

**Transfers Within Budgetary Funds and/or Cancellation of Appropriations  
(Recommendations 21 through 33):**

21. Transfer appropriations of \$350,000 from the Public Safety Group, Services & Supplies, to Contribution for Trial Courts, Other Charges, to support increased costs in enhanced collection activities.
  
22. Transfer appropriations of \$1,350,000 from the Public Safety Group, Services & Supplies, to the Public Defender, Services & Supplies, for unanticipated increases in operational costs.
  
23. Transfer appropriations of \$495,470 from the Department of Public Works (DPW) General Fund Watershed Protection Program, Services & Supplies to Department of Parks & Recreation (DPR) Park Development, Services & Supplies, for construction of a water quality basin at 4S Ranch Sports Park.
  
24. Transfer appropriations of \$308,269.82 within the Capital Outlay Fund and related Operating Transfers In from the General Fund to provide funding for Capital Project 1022921 Village View Park, to support costs incurred due to historic storm events in early 2024, based on transfer from Capital Project 1021742 Ildica Park Development (\$8,269.82) and Capital Project 1024372 Kumeyaay Valley (\$300,000).
  
25. Transfer appropriations of \$10,125 from the Neighborhood Reinvestment Program budget (Org 15670 for District 5), Services & Supplies, to County Fire (Org 30231), Services and Supplies, for the Borrego Springs Fire Station design study.

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26. Cancel appropriations of \$350,000 in the Capital Outlay Fund for Capital Project 1025464 Collier Park Community Garden, to match the actual funds received for community garden projects from the American Rescue Plan Act.
27. Cancel appropriations of \$94,236.62 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 \$94,236.62 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.
28. Cancel appropriations and related revenue of up to \$2,973,818.32 as noted in Schedule C for Capital Projects that will be completed and closed by the end of Fiscal Year 2023-24. This is composed of \$42,433.17 in the Capital Outlay Fund, \$1,118,387.63 in the County Health Complex Fund, and \$1,812,997.52 in the Justice Facility Construction Fund.
29. Direct the Interim Chief Administrative Officer to utilize a lost revenue strategy under the final ARPA guidance for the ARPA Framework Components, based on previously allocated General Purpose Revenue (GPR) totaling up to \$117.3 million in the following departments:
  - a. Within the Public Safety Group (PSG – up to \$81.0 million)
  - b. Within the Land Use and Environment Group (LUEG – up to \$30.0 million)
  - c. Within the Health and Human Services Agency (HHS – up to \$6.3 million)
30. Transfer revenue of \$117.3 million from Health and Human Services Agency (\$57.6 million), Finance Other (\$51.3 million) and Land Use and Environment Group (\$8.4 million), all in Intergovernmental Revenue, based on ARPA Revenue to replace previously allocated GPR for the PSG (\$81.0 million), LUEG (\$30.0 million) and HHS (\$6.3 million) departments as noted in Recommendation 29 (Appendix F).
31. Transfer revenue of \$4.0 million from the Office of Evaluation, Performance and Analytics (OEPA), Intergovernmental Revenue, based on ARPA Revenue to replace previously allocated General Purpose Revenue in Finance Other to fund the Enterprise Integrated Data Platform and staff time; *and* transfer revenue of \$43.1 million within HHS, all in Intergovernmental Revenue, based on ARPA Revenue to replace previously allocated GPR for items eligible for use of ARPA including locally funded Behavioral Health Services costs and Regional Homeless Assistance Program costs. The available GPR of \$43.1 million will be used to fund items under the ARPA Framework within HHS previously allocated using ARPA. This is a technical adjustment necessary to Maximize ARPA Revenue Strategy. (Appendix G).
32. Recognize revenue of \$1.6 million within HHS, based on ARPA Local and Tribal Consistency Fund to replace previously allocated GPR for General Relief which will be used to fund items under the ARPA Framework within HHS previously allocated using ARPA (Appendix G).

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33. Allocate \$1,000,000 from Finance Other, General Miscellaneous Expense, to the Border View Family YMCA upon successful negotiation of a grant agreement to be administered by the Office of Economic Development and Government Affairs. This grant agreement will provide funding for pool repair and equipment and water safety programs.

**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 2023-24 Operational Plan. If approved, in the General Fund these actions will result in an increase to the overall budget of \$3,216,817, transfers between budgetary funds of \$9,537,056, transfers within budgetary funds of \$15,574,958, and no cancellation of appropriations. The funding sources for the increase are based on California Department of Conservation Climate Smart Land Management (CSLM) Program (\$1,732,298), over-realized General Purpose Revenue (\$950,000), Opioid Settlement Framework (\$500,000), San Dieguito River Park JPA (\$20,000) and prior year NRP & CE program allocations that were returned in the current fiscal year (\$14,519).

In all other funds combined, these actions will result in a net increase to the overall budget of \$41,526,487, transfer between budgetary funds of \$79,781, transfers within budgetary funds of \$508,270, and cancellation of appropriations of \$10,220,840. The funding sources for the net increase are Revenue from client departments (\$25,800,000), Road Fund fund balance component decrease - Committed Roadway Major Maintenance and Safety Projects (\$7,400,478), Future of Public Health Sustainable funding (\$2,615,917), Operating Transfers In from the General Fund (\$2,498,612), available prior year CSA 69 fund balance (\$1,200,000), available prior year PLDO Area 28 Ramona Fund fund balance (\$900,000), available prior year PLD Ramona Improvement Impact Fees Fund fund balance (\$700,000), Operating Transfer In from the PLD Ramona Improvement Impact Fees (\$700,000), San Diego River Conservancy (\$500,000), Judicial Council of California (\$400,000), available prior year Harmony Grove Improvement Fund fund balance

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(\$118,407), Miscellaneous Revenues (\$114,820), available prior year Harmony Grove Capital Project Fund fund balance (\$102,042), and Interest Revenues (\$47,842). These are offset by decreases in AB109 Trust Fund (\$858,351), Sheriff RCS Trust Fund (\$343,061), American Rescue Plan Act (ARPA) (\$350,000) and Operating Transfers In from the Library Fund (\$20,219).

**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 \$97.9 million is based on the estimate that expenditures will be approximately \$166.7 million less than the Fiscal Year 2023-24 Amended Budget and revenues will be a net \$68.8 million less than the Fiscal Year 2023-24 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 your Board or the Deputy Chief Administrative Officer/Chief Financial Officer, when permitted. The projected balance for all other funds combined is a net of \$65.2 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 \$438.1 million. This includes \$436.3 million of costs incurred from the beginning of the pandemic through May 11, 2023 when FEMA eligibility ended and \$1.8 million for Fiscal Year 2023-24 for allowable administrative costs to manage the grant beyond the FEMA eligibility date. To date, a total of \$265.9 million in FEMA reimbursement payments have been received and projections anticipate receiving an additional \$7.2 million by December 31, 2024, for prior year efforts. The remaining balance of \$165.0 million, which includes the 10% 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. The Notes to Schedules A and B explain variances from budget by department, fund and for General Purpose Revenue. Schedule B shows the projected General Fund fund balance by business group split between operating and reserve balances.

**GENERAL FUND EXPENDITURE VARIANCES**

The projected lower than budgeted expenditures generating an overall positive expenditure variance of \$166.7 million in the General Fund are primarily attributable to the following:

- \$39.4 million in projected overall positive Salary & Benefits appropriation variance. As of March 31, 2024, the vacancy rate (including newly added positions) was 7.7% (1,575 of 20,415 positions).



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- In PSG, the projected overall expenditure positive variance of \$10.5 million is primarily due to vacancies, attrition, and modified positions. Other potential projected variances from budget will offset costs for court-ordered psychiatric evaluations and for facilities projects.
- In HHSA, the projected overall positive expenditure variance of \$2.1 million is due to longer timeframes to hire staff, including newly added positions, hard to recruit classifications, and vacancies due to attrition, partially offset to additional overtime costs to support increasing caseloads and the January 2024 Storm Floods Disaster CalFresh applications.
- In LUEG, the projected overall positive expenditure variance of \$12.1 million is primarily due to vacancies and under-filled positions.
- In FGG, the projected overall positive expenditure variance of \$14.7 million is primarily due to transition of poll worker pay to stipends and lower than anticipated temporary labor costs related to voter turnout for the March 2024 Presidential Primary Election and staff attrition and departmental vacancies.
- \$102.2 million in projected positive appropriation variance in Services & Supplies across the County.
  - In PSG, projected overall positive expenditure variance of \$14.8 million primarily in Sheriff department due to lower expenditures in various accounts supporting operations such as food and household expense and one-time Regional Communication System (RCS) and CalAIM that will be rebudgeted in the Fiscal Year 2024-25, in Probation department due to lower contract services; in Public Defender (PD) due to lower than anticipated expenses related to the Pre-Trial Advocacy Community Corrections (PACC) Judicial Council program and in Child Support Services (CSS) due to lower than anticipated expenses in various accounts supporting operations, such as information technology services.
  - In HHSA, projected overall positive variance of \$70.8 million in various departments. This consists of positive variances in Public Health Services (PHS) is primarily tied to the Epidemiology and Laboratory Capacity (ELC) grant that was rebudgeted in the Fiscal Year 2024-25 CAO Recommended Operational Plan and will be available for use next fiscal year as facilitated through the extension of the grant cycle; in Behavioral Health Services (BHS) primarily due to contracted services associated with a range of mental health programs to align with anticipated spending which adjusts for contractor staffing vacancies and projected utilization in residential bed days; in Aging & Independence Services (AIS) tied to contracted services for the California Department of Aging (CDA) Modernizing Older California Act (MOCA) rolling out over three versus two years and a variance from budget in various services and supplies tied to program operational needs; in Medical Care Services (MCS) primarily in contracted services tied to the San Diego Advancing and Innovating Medi-Cal (SDAIM) Providing Access and Transforming Health (PATH) Justice Involved health initiatives and Home Visiting Program that were rebudgeted in the Fiscal Year 2024-25 CAO Recommended Operational Plan and will be available for use next fiscal year.
  - In LUEG, projected overall positive variance of \$5.0 million primarily in the Department of Planning & Development Services (PDS) due to schedule changes

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to one-time only information technology (IT) projects, schedule changes in grant related expenditures for Sustainable Agricultural Lands Conservation (Sam's Mountain) and from the Board of State and Community Correction (Prop 64 – Cannabis) and in Department of Environmental Services and Quality (DEHQ) due to less than anticipated contracted services and cancelled IT projects.

- In FGG, projected overall positive variance of \$9.7 million primarily in Assessor/Recorder/ County Clerk primarily due to the delay or cancellation/postponement of Recorder Trust Fund funded projects; in County Communication Office (CCO) due to lower than anticipated one-time costs for Major Maintenance projects funded by Public, Educational and Governmental (PEG) funds; in County Technology Office (CTO) due to changes in scope of one-time IT projects; in the Office of County Counsel due to delays in office construction projects; in Treasurer-Tax Collector (TTC) due to lower than anticipated costs associated with the Banking Pool, including delays in IT projects and projected underspend on contracts; and in Registrar of Voters (ROV) due to lower than anticipated election costs and delay of the purchase of a new voter registration system.
- In Finance Other (FO), projected overall positive variance of \$1.9 million as additional funding no longer needed to support the Immigrant Rights Legal Defense Program in Public Defender's office since the department has the capacity to operate this program using existing appropriations as well as funding for completed MMCOF project and prior year contracts partially offset by a negative variance for unanticipated projected cost of actuarial study for Drop Analysis.
- A projected positive appropriation variance of \$9.6 million in Other Charges primarily in (PSG) in Probation Department due to lower than anticipated use of placement services for foster youth; and in HHSA in Self-Sufficiency Services (SSS) primarily in the California Work Opportunity and Responsibility to Kids (CalWORKs) cash grants and the CALWORKs Child Care Stage One program to align with caseloads, partially offset by General Relief program based on revised estimates of caseload levels and growth trends.
- A projected positive appropriation variance of \$0.1 million in Capital Asset/ Land Acquisition in PSG primarily in CSS due to the reclassification of expenses as leasehold improvements.
- A projected positive appropriation variance of \$1.2 million in Capital Assets Software in HHSA primarily in PHS tied to deferred procurement of software systems.
- A projected positive appropriation variance of \$15.4 million in Capital Assets Equipment in HHSA primarily in PHS tied to deferred procurement of lab supplies and contracting costs associated with the new Public Health Laboratory; and in PSG in Sheriff department due to a one-time RCS transportable radio project and Cal-ID equipment that will be rebudgeted in the Fiscal Year 2024-25.
- A projected negative appropriation variance of \$6.3 million in Expenditure Transfer & Reimbursements in PSG in PD related to the PACC program; in LUEG in PDS due to a decrease in services rendered to other General Fund departments; and in FGG primarily in the Office of County Counsel due to less than anticipated staff cost reimbursements in the health services area.
- A projected positive appropriation variance of \$5.1 million in Operating Transfers Out primarily in (HHSA) Aging & Independence Services tied to reduced funding needs for

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the In-Home Supportive Services (IHSS) Public Authority related to a revised estimate in Individual Provider health benefit costs which are tied to the number of provider hours worked with no impact to services and overall operational savings and in Finance Other, Contributions to Capital due to lower than anticipated expenses related to capital projects that are closed or being cancelled by the end of Fiscal Year 2023-24.

**GENERAL FUND REVENUE VARIANCES**

The projected under-realized revenue of \$68.8 million includes positive variances totaling \$71.5 million and negative variances of \$140.3 million. In many instances, the negative revenue variances are directly associated with the positive expenditure variances described above.

The projected positive revenue variance of \$71.5 million is primarily attributable to the following categories:

- Taxes Other Than Current Secured (\$18.8 million) mainly in Sales and Use Taxes attributed to increased taxpayer allocations in the business industry due to the continued growth activities resulting from large sales tax allocations from a major tax contributor and in Property Tax Prior Secured Supplemental due to the increase in supplemental billings compared to prior year. The Sales and Use Taxes are different than the HHSR Realignment revenue, which has experienced slowing growth as noted above.
- Revenue from Use of Money & Property (\$33.4 million) primarily due to a higher projected average daily cash balance than what was budgeted which was used to calculate the interest revenue, and due to a higher interest rate due to the recent rise in market rates.
- Taxes Current Property (\$11.1 million) primarily 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 and in Property Taxes Current Supplemental due to increase in supplemental billings in Fiscal Year 2023-24 compared to prior year.
- Fines, Forfeitures & Penalties (\$6.1 million) primarily due to higher than budgeted growth in assessed valuation reflected on penalty for late current secured and unsecured property tax payments.
- Miscellaneous Revenues (\$2.1 million) primarily due to the anticipated closure of Flex Forfeitures Trust Funds and reimbursement from the Small Business Loan Program and various departmental escheatment, offset by negative variances due to the recoupment of payments in contracted services from prior year adjustments and in Opioid Settlement Fund due to delayed project start dates, due to RCS projects, due to less than anticipated administration costs charged to the Employee Benefit Internal Service Fund and less than anticipated contracted services, and due to less than anticipated reimbursable expenditures related to tree trimming services and quarantine activities.

The projected negative revenue variance of \$140.3 million is primarily attributed to:

- Intergovernmental Revenues (\$100.5 million)
  - In PSG, projected overall negative revenue variance of \$9.4 million primarily due to lower costs related to foster care and Community Corrections Subaccount and Community Corrections Performance Incentive fund, lower than anticipated State

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and federal reimbursements for the child support program, lower reimbursements for eligible expenditures related to CARE Court, Public Defense Pilot Program and Parole Revocations.

- In HHSA, projected overall negative revenue variance of \$100.0 million primarily based on a grant cycle extension to support Epidemiology and Laboratory Capacity (ELC), tied to aligning federal and State funding to anticipated billable service units associated with payment reform as a part of Medi-Cal Transformation (formerly CalAIM) and aligning grant funding with overall anticipated expenditures, tied to California Work Opportunity And Responsibility To Kids (CalWORKs) revenue associated with revised caseload projections, in Realignment revenue based on estimated receipts, in federal and State assistance payment revenues associated with revised caseload projections for the foster care and adoption assistance programs, and in the IHSS Public Authority program to align with reduced expenditures.
- In LUEG, projected overall negative revenue variance of \$1.6 million primarily due to schedule changes for Sustainable Agricultural Lands Conservation (Sam's Mountain) and the Board of State and Community Correction (Prop 64 - Cannabis) grants.
- In FGG, projected overall negative revenue variance of \$2.5 million primarily due to the postponement of the purchase of a new voter registration system.
- In FO, projected overall positive revenue variance of \$13.0 million primarily due pass-through distributions, residual balance estimates in Aid from Redevelopment Successor Agencies, unanticipated State Motor Vehicle revenue and Aid from City of San Diego.
- Charges for Current Services (\$24.7 million) primarily due to delay of replacement of Integrated Recorder and Vital Records System, Archives Case Management System, and digitization and indexing of official records, due to less than anticipated number of recorded documents because of higher interest rates, due to a decline in billable activities for land development and project planning, decrease in Intergovernmental Transfer (IGT) revenue in order to leverage ARPA funding for prior year Supplemental Paid Sick Leave (SPSL) costs and estimated use of vehicle fine revenue to support various alcohol and drug services programs, due to lower than anticipated jail bed leasing, civil service process and lower reimbursement for law enforcement services due to vacancies, offset by the prior year under accrual in the Trial Court Security Subaccount, due to fewer than anticipated billable jurisdictions participating in the March 2024 Presidential Primary Election, due to fewer environmental services requested by customers, and due to reduced labor charges for land development projects related to staff vacancies.
- Other Financing Sources (\$10.2 million) due to decrease in transfers from Proposition 172 Special Revenue Fund resulting from lower than expected sales tax receipts.
- Licenses, Permits & Franchises (\$4.9 million) primarily due to less than anticipated permit growth, due to lower than anticipated revenue from PEG funded project costs, and lower-than-expected payments from Franchise Fees.

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**Adjustments to the Fiscal Year 2023-24 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 20):**

**Recommendation 2**

On October 10, 2023 (13), the Board of Supervisors received and approved the updated Opioid Settlement Framework including a program for evidence-based treatment and recovery support for persons with opioid use disorder and co-occurring substance use and mental health conditions who are within and transitioning out of detention facilities. This recommendation will establish appropriations of \$500,000 based on revenue from the Opioid Settlement Framework.

**Recommendation 3**

During Fiscal Year 2023-24, the Medical Examiner experienced a significant increase in decedent transportation services contract costs due to higher than anticipated bid pricing for a new contract. Medical Examiner has also experienced a 24% increase in caseload over the past five years, resulting in a higher service need for decedent transportation services. This recommendation will establish appropriations of \$500,000 based on over-realized General Purpose Revenue for Medical Examiner to continue providing transportation services through June 30, 2024.

**Recommendation 4**

Animal Services is experiencing higher inventory levels in Fiscal Year 2023-24, in part due to economic hardship, housing insecurity and large impounds, resulting in higher costs. Inventory levels have increased from approximately 280 to over 500 animals, impacting the ratio of animal care per Animal Care Attendant from approximately 41 animals per day to 86 animals per day. The operational cost has been a significant impact, and this recommendation will transfer appropriations of \$461,000 from Public Safety Group and will also establish appropriations of \$450,000 based on over-realized General Purpose Revenue for a total of \$911,000 for Animal Services to support increasing costs in animal care services including medical supplies, temporary staffing, enrichment items, and food.

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**Recommendation 5**

On August 30, 2022 (2), the Board of Supervisors authorized the adoption of a property tax exchange resolution relating to the reorganization of County Service Area 69 (CSA 69) with Lakeside Fire Protection District (FPD) and the City of Santee. On October 3, 2022, the Local Agency Formation Commission (LAFCO) proposed the reorganization of CSA 69 and the transfer of emergency medical services from CSA 69 to Lakeside FPD and the City of Santee. On December 20, 2022, the City of Santee, Lakeside FPD and County Fire signed an agreement for the transfer of property tax and other funds. On January 26, 2023, LAFCO recorded the Certificate of Completion for the CSA 69 reorganization. This request will establish appropriations of \$1,200,000 in County Service Area 69 to transfer fund balance to City of Santee and Lakeside FPD.

**Recommendation 6**

This recommendation will establish appropriations of \$7,400,478 in the Department of Public Works Road Fund for the road resurfacing program, based on Road Fund fund balance component decrease – Committed Roadway Major Maintenance and Safety Projects. Capital projects bid pricing is on average 8% higher than anticipated and, if approved, funding will be used to award currently advertised projects without any delays. Total project costs are estimated at \$69,319,145 and the project is estimated to be complete in Winter 2025.

**Recommendation 7**

This recommendation will establish appropriations of \$1,732,298 in Planning and Development Services (PDS), Services & Supplies, based on a grant awarded by the State of California Department of Conservation Climate Smart Land Management (CSLM) Program to support the Climate Action Plan Update. The resolution to apply and accept the CSLM grant was adopted on May 24, 2023 (7) and the grant agreement was awarded on February 12, 2024. These funds will be utilized in collaboration with diverse partners to bolster, educate, and propel the agricultural sector within San Diego County. This is a multi-year, non-competitive grant and PDS was awarded \$433,074 per year through Fiscal Year 2026-27.

**Recommendation 8**

On June 6, 2020 (12), the Board provided authority for LUEG departments to apply for and accept grants. On April 8, 2024 a grant from the San Diego River Conservancy was awarded to the Department of Parks and Recreation. This recommendation will establish appropriations of \$500,000 in the Capital Outlay Fund for Capital Project 1022915 Potts Trail based on a grant awarded by the SDRC to support removing hazards from the existing trail corridor and implementing associated trail improvements. Total cost of the project is estimated at \$800,000 (increase of 62.5% to total project cost) and the project is anticipated to be completed in February 2026.

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**Recommendation 9**

This recommendation will establish appropriations of \$900,000 in Park Land Dedication Ordinance (PLDO) Area 28 Ramona Fund, Services & Supplies, based on available prior year PLD Area 28 Ramona, Fund fund balance to provide funds for the construction of six sports field LED lights and one LED solar powered scoreboard to accommodate softball at Wellfield Community Park. The Ramona Municipal Water District (Water District) owns and operates Wellfield Community Park in the unincorporated community of Ramona. Since 1994, the Water District and the County have worked together through a Joint Exercise of Powers Agreement (JEPA) to make recreational improvements to Wellfield Community Park. On April 27, 2022 (4), the Board of Supervisors approved the 11<sup>th</sup> Amendment to the JEPA for development of the park. The project is anticipated to be completed in May 2025.

**Recommendation 10**

This recommendation will establish appropriations of \$700,000 in Capital Project 1021983 Mt. Woodson Parking Lot, based on Operating Transfer In from the PLD Ramona Improvement Impact Fees (\$700,000) and transfer from Capital Project 1024372 Kumeyaay Valley (\$200,000) for a total increase of \$900,000. The funding will support material and labor cost increases and cost increases resulting from changes in stormwater and environmental regulations for the construction of the project. Total cost of the project is estimated at \$4,400,000 (increase of 20% to the total project cost) and the project is anticipated to be completed in December 2024.

**Recommendation 11**

On June 6, 2020 (12), the Board provided authority for LUEG departments to apply for and accept grants. On April 19, 2024, DPR was notified of a grant award from the San Dieguito River Park JPA in support of the San Dieguito Pathway project. This recommendation will establish appropriations of \$300,000 in the Department of Parks and Recreation, Services & Supplies, based on a grant funding from the San Dieguito River Park JPA (\$20,000) and a transfer of appropriations from Capital Project 1022922 San Dieguito Local Park (\$280,000). The San Dieguito Pathway project is part of the Coast-to-Crest trail that is planned to span from the headwaters of the San Dieguito River in Julian down to where the river meets the ocean in Del Mar. Funding will be used to prepare a Preliminary Engineering Report for the San Dieguito Pathway, which will further define the project cost and scope.

**Recommendations 12 & 13**

The Series 2018 & 2020A Harmony Grove Village Community Facilities District Special Tax Bonds were issued pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Bonds"), to finance certain public facilities necessary for development of the master-planned community known as Harmony Grove Village consisting of 418 acres located in the unincorporated portion of San Diego County. All public facilities in the Harmony Grove Villages Improvement Area No 1 and Improvement Area No 2 are complete and the developer has been paid in full. Miscellaneous revenue of \$60,325 are amounts in excess of the Debt Service Reserve Requirement and pursuant

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to the Bond Indenture Agreement, the excess is transferred to the Improvement Fund. After payment of all public facilities costs, the Bond Indenture Agreement directs the remaining funds shall be transferred out of the Improvement and Capital funds for redemption of outstanding bonds. Today's action will allow for that transfer pursuant to the Bond documents.

**Recommendation 14**

This recommendation is to align unanticipated funding received from the Future of Public Health Sustainable funding that can be utilized towards the County Public Health Laboratory capital project and to repurpose some of the existing proceeds from the 2023 Public Health Lab and Capital Improvements, Certificates of Participation towards the CAC MSRP capital project. There is no change to either capital project total budget. This recommendation will allow for the accurate financial reporting of the funding to support the County Public Health Laboratory capital project and the CAC MSRP capital project, which are listed in Appendix H along with the related required adjustments.

The Public Health Laboratory (PHL) project currently in construction includes a 52,000 square foot laboratory and a parking structure. The new laboratory will feature service expansion, including whole genome sequencing, molecular surge, Covid-19 testing services, tuberculosis testing services, and a robust BSL-3 program. This structure will allow the PHL to provide laboratory services regionwide, serve the unique needs of a border region, and serve as a potential partnering hub for the California Department of Public Health, Centers for Disease Control and Prevention (CDC), and nearby jurisdictions. The PHL construction is estimated to be completed by Spring 2025 and the parking structure is estimated to be completed by Fall 2024.

If approved, the total project budget for Capital Project 1024604, County Public Health Laboratory will remain at \$127,100,000 and supported by various department funding.

If approved, the total project budget for Capital Project 1021162, County Administration Center Major Systems Renovation Project (CAC MSRP) will remain at \$139,837,147 and supported by various department funding. Construction for the CAC MSRP is in progress and is estimated to be completed in Fall 2025.

**Recommendation 15**

Utilities, including gas and electricity rates established by San Diego Gas & Electric (SDGE), as well as water rates have increased more than anticipated in the current year. This recommendation will establish appropriations of \$6,500,000, an estimated 21% increase in the Facilities Management Internal Service Fund (ISF), to align appropriations with anticipated expenditures reflecting a continued increase in utilities costs. The funding source is charges to client departments.

Contracted services costs for County facilities have increased more than anticipated in Fiscal Year 2023-24 primarily due to newly established services for new facilities and programs, such as the Southeastern Live Well Center, enhanced security service levels at existing facilities, including the



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San Diego County Psychiatric Hospital and Health Services Complex, the transition of the Health & Human Services Agency security services and San Pasqual Academy property services to the General Services countywide contract. This recommendation will establish appropriations of \$17,700,000, an estimated 35% increase in the Facilities Management ISF to align appropriations with anticipated expenditures. The funding source is charges to client departments (\$17,300,000) and the Judicial Council of California (\$400,000).

**Recommendation 16**

The cost for vehicle parts and fuel have increased more than anticipated in the current year and fuel prices continue to be volatile. This recommendation will establish appropriations of \$2,000,000, an estimated 12% increase in the Fleet Internal Service Fund (ISF) Parts and Fuel to align appropriations with anticipated expenditures reflecting a continued increase of parts and fuel costs in the current year based on economic projections. The funding source is charges to client departments.

**Recommendation 17**

This recommendation will establish appropriations totaling \$2,137 in the Neighborhood Reinvestment Program budget (\$222 in Org 15660 for District 3 and \$1,915 in Org 15665 for District 4) based on the return of 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 18**

This recommendation establishes appropriations of \$12,382 in the Community Enhancement Program budget (Org 12900 for District 4) 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 19**

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 Deputy Chief Administrative Officer/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.

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This recommendation will result in a net increase of appropriations in the MMCOF of \$6,720,920 and reclassification of major maintenance projects which are supported by existing department budgets.

**Recommendation 20**

On January 9, 2024 (14), recommendation #5 Supporting County Workforce Well-Being and Hiring and Retention Goals by Investing in Healthcare Stipends, the Board directed labor negotiators to meet and confer with the labor organizations representing the County workforce to establish one-time payments.

On April 9, 2024 (11), the Board of Supervisors approved changes to the Compensation Ordinance by establishing a one-time lump sum payment to all eligible permanent employees to address the impacts of the projected increases in healthcare costs and to support County employee well-being and hiring and retention goals. This recommendation will transfer appropriations of \$12,814,126 from Finance Other to various departments and establish additional \$520,003 to be able to transfer funds from General Fund to those LUEG non-General Fund departments, to cover for one-time cost for employee wellness compensation payment based on previously allocated General Purpose Revenue redirected through a lost revenue strategy of American Rescue Plan Act (ARPA) funds allocated to the Evergreen component of the ARPA Framework as approved by the Board of Supervisors on January 9, 2024 (14).

**Transfers Within Budgetary Funds and/or Cancellation of Appropriations  
(Recommendations 21 through 33):**

**Recommendation 21**

The Court operates collection and enhanced collection activities on court-ordered debt per MOU between the Court and the County. The Court uses comprehensive collection service practices as specified in Penal Code section 1463.007 to conduct enhanced collections activities on delinquent accounts to maximize collections on court-ordered debt. Based on Court's current estimate, cost related to enhanced collection functions, which includes labor efforts and associated services and supplies are expected to be higher than anticipated. This will transfer \$350,000 in appropriations from Public Safety Group to Contribution for Trial Courts for increasing costs.

**Recommendation 22**

This recommendation will transfer appropriations of \$1,350,000 from the Public Safety Group, Services & Supplies, to the Public Defender, Services & Supplies, for continued increase in operational costs primarily for higher psychological evaluation costs due to a limited pool of clinicians who can provide services, driving up the cost from an average of \$1,800 to \$2,500 per evaluation for approximately 750 annual evaluations. The Department identified the issue in Second Quarter and took appropriate actions to mitigate unanticipated increases, however these cost saving measures were not sufficient to adequately mitigate then unanticipated cost increases. These amounts are in addition to the \$1,360,000 appropriations established in Public Defender,

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Services & Supplies, on March 12, 2024 (16) for unanticipated increases in operational costs primarily for psychological evaluations, lease spaced costs and unanticipated payments of leave balances for retired employees, based on over-realized General Purpose Revenue.

**Recommendation 23**

This recommendation will transfer appropriations of \$495,470 from the Department of Public Works (DPW) General Fund Watershed Protection Program to the Department of Parks & Recreation (DPR) Park Development for the 4S Ranch Sports Park Biofiltration Basin Project. DPW has a green infrastructure capital program that implements projects designed to improve local water quality as well as support other County initiatives. The 4S Ranch Sports Park Biofiltration Basin Project (Project) is one of the green infrastructure capital projects that will improve stormwater quality through the implementation of water quality Best Management Practices (BMPs), installed to control water quality and quantity during the rainy seasons. The Project will include adding softscape and development of a water quality basin to capture and treat stormwater from one acre of adjacent parking lot, located in the south-east portion of 4S Ranch Sports Park, within the unincorporated County. The Project highlights a partnership with DPR to efficiently combine implementation of water quality treatment program into a major maintenance effort for the park. This project is to address Stormwater BMPs at 4S Ranch Sports Field. The Project covers erosion prevention, softscape, and sedimentation basin installation to treat stormwater from the parking lot. The funding will support the additional basin installation phase one that will go into construction this fiscal year and will be limited to trench drain and french drain BMPs at 4S Ranch with an anticipated submission of proposal in early April 2024 and completion date of June 2024 dependent on the start date. The total project cost is estimated at \$1,259,470 (increase of 39% to total project cost).

**Recommendation 24**

This recommendation will transfer appropriations of \$308,269.82 within the Capital Outlay Fund and related Operating Transfers In from the General Fund to provide funding for Capital Project 1022921 Village View Park, to support costs incurred on-site due to historic storm events in early 2024, based on transfer from Capital Project 1021742 Ildica Park Development (\$8,269.82), and Capital Project 1024372 Kumeyaay Valley (\$300,000). Total cost is estimated at \$14,003,35 (increase of 2.2% to total project cost) and the project is anticipated to be completed in May 2025.

**Recommendation 25**

This recommendation will allocate \$10,125 from the Neighborhood Reinvestment Program budget (Org 15670 for District 5) to County Fire for the Borrego Springs Fire Station design study. On July 1, 2023, the Borrego Springs Fire Protection District (BSFPD) dissolved as a result of the approved Local Agency Formation Commission (LAFCO) resolution and the San Diego County Fire Protection District began providing fire protection and emergency medical services for the Borrego Springs community. Included in the dissolution was the transfer of all BSFPD assets and property to the County of San Diego. The Borrego Springs Fire Station, now known as Station 60, sits on approximately 10,380 square feet of land. The two buildings on the site were constructed

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in 1961 and were not built with the purpose of housing a fire station. The station requires habitability improvements to meet health and safety standards. San Diego County Fire is considering an alternative site, adjacent to the Borrego Springs Library, for the future Borrego Springs Fire Station. The County plans to conduct a comparative analysis of the current fire station site and an alternative site, to evaluate the opportunities and challenges of each site for either renovating an existing facility or constructing a new one.

**Recommendation 26**

This recommendation will cancel appropriations of \$350,000 within the Capital Outlay Fund in Capital Project 1025454 Collier Park Community Garden (\$400,000) to match the actual funds received for Community Gardens. Co-capital project 1026654 Calavo Community Gardens (\$250,000) will be established for a total budget of \$650,000 between both Community Garden projects. The funding source is the American Rescue Plan Act, and is a part of the Food Assistance ARPA Framework component. Total project cost is \$650,000 for the two community Gardens at Collier and Calavo Park. The estimated completion date of the project is December 2026.

**Recommendation 27**

This recommendation will cancel appropriations of \$94,236.62 and the related Operating Transfer in the General Fund in the Multiple Species Conservation Program (MSCP) Acquisition Fund and transfer these appropriations to the Department of Parks and Recreation to properly incur non-capital expenditures for pre-acquisition costs of due diligence activities related to Capital Project 1025586 Butterfield Trail Ranch MSCP Acquisition and Capital Project 1026293 Sta Margarita Creek Attica MSCP Acquisition. These expenditures do 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 28**

By the end of Fiscal Year 2023-24, a total of 11 capital projects are anticipated to be completed (10), cancelled (01), and eventually closed and capitalized. The Ramona Sheriff Substation project for environmental actions will be cancelled because actions are no longer required, All actions related to construction of the Ramona Sheriff Station will be completed through the existing Ramona Sheriff Station construction project. These projects are listed in Schedule C. Appropriations of up to \$2,973,818.32 related to these projects will be cancelled, of which \$42,433.17 in the Capital Outlay Fund, \$1,118,387.63 in the County Health Complex Fund, and \$1,812,997.52 in the Justice Facility Construction Fund. At the end of the fiscal year, remaining appropriations will be cancelled along with the revenue related to the respective appropriations and returned in accordance with Board Policy B-37, *Use of the Capital Outlay Funds*, to the original funding sources which include the General Fund, RCS Trust Fund and AB109 Trust Fund.

**American Rescue Plan Act – Lost Revenue and Related Technical Adjustments:  
Recommendations 29-32 (Attachments F & G)**

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**Recommendations 29 & 30**

These recommendations will allow for the implementation and technical adjustments needed to utilize available ARPA lost revenue capacity and will not impact overall funding available for the programs on the approved ARPA Framework. 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 over \$117 million remaining in available lost revenue capacity to access.

In an effort to maximize its use of ARPA funds and increase flexibility, the County continues to implement the lost revenue strategy as needed. Today's actions will utilize lost revenue capacity of up to \$117.3 million for some programs that are traditionally funded with General Purpose Revenue. Budgeted ARPA revenue of up to \$117.3 million will be transferred from Health and Human Services Agency (\$57.6 million), Finance Other (\$51.3 million) and Land Use and Environmental Group (\$8.4 million) to replace previously allocated General Purpose Revenue for PSG (Public Defender and Medical Examiner of up to \$81.0 million), LUEG (Department of Parks & Recreation, Planning & Development Services, and Department of Public Works of up to \$30.0 million), and HHSA (up to \$6.3 million).

The General Purpose Revenue that is replaced with ARPA lost revenue in PSG, LUEG, and HHSA will be repurposed for areas in the ARPA Framework the Board already approved for revenue loss as needed, and it will also be used to apply the same strategy to other areas in the ARPA Framework where it was determined revenue loss would be best to provide additional flexibility and mitigate risk associated with the ARPA obligation and expenditure timeframes. The details of the programs to be funded with GPR are located in Appendix F.

**Recommendations 31 & 32**

Under recommendations 29 and 30, ARPA revenue loss capacity would be utilized for ARPA Framework items to provide additional flexibility and mitigate risk associated with the ARPA obligation and expenditure timeframes. Similarly, recommendations 31 and 32 identify additional areas under HHSA and FGG where the same risk is proposed to be mitigated. Recommendations 31 and 32 are technical adjustments and have no impact on the Board's prior approval of the ARPA Framework. However, since ARPA revenue loss capacity is capped, recommendation 31 would transfer \$4.0 million in ARPA revenue from Office of Evaluation, Performance and Analytics (OEPA) to Finance Other, that are not directly eligible for ARPA funding, including staff time and implementation of the County's first Enterprise Integrated Data Platform, under the Ongoing COVID-19 Response component of the framework, and transfer \$43.1 million in ARPA revenue within HHSA to replace previously allocated General Purpose Revenue (GPR) for items that are ARPA eligible under the U.S. Treasury Department criteria, including addressing behavioral

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health needs which is an enumerated eligible use of ARPA funds under the Treasury's Final Rule, and covering current year Regional Homeless Assistance Program (RHAP) costs previously budgeted with GPR. Additionally, under recommendation 32, a technical adjustment would be made to recognize \$1.6 million in ARPA Local and Tribal Consistency Fund (LATCF) revenue to cover General Relief costs which are an eligible use of LATCF funds, replacing previously allocated GPR. The Treasury Department launched the LATCF for eligible revenue sharing counties and funds can be used very similarly to ARPA lost revenue funds. The amount of \$1.6 million that would be recognized represents the total allocation to the County.

The GPR that is replaced under recommendations 31 and 32 will be used for items approved by the Board under the ARPA Framework, including the Evergreen Component. The details of the programs to be funded with GPR are located in Appendix G.

**Recommendation 33**

The Fiscal Year 2023-24 Operational Plan includes \$1,000,000 for pool safety and access in communities with a Health Places Index and equity focus. This recommendation will support efforts to provide pool access and water safety programs, and will support increased health outcomes in south San Diego County.

**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,



SARAH E. AGHASSI  
Interim Chief Administrative Officer

**ATTACHMENT(S)**

Schedule A  
Schedule B  
Notes to Schedules A and B  
Schedule C  
Appendix D  
Appendix E  
Appendix F  
Appendix G  
Appendix H

**FY 2023-24 3rd Quarter  
Projected Year-End Results**  
(in thousands)

**COUNTY SUMMARY**

|  | <b>Expenditure<br/>Variance</b> | <b>Revenue<br/>Variance</b> | <b>3rd Quarter<br/>FY23-24<br/>Projected<br/>Fund Balance</b> | <b>% of Proj<br/>FB to<br/>Budget</b> |
|--|---------------------------------|-----------------------------|---|---------------------------------------|
|  | <b>Favorable/(Unfavorable)</b>  |                             |   |                                       |
| <b>General Fund</b>                            |                                 |                             |   |                                       |
| Public Safety                                  | \$ 28,737                       | \$ (25,079)                 | \$ 3,659  | 0.1%                                  |
| Health & Human Services Agency                 | 95,917                          | (105,226)                   | (9,309)   | -0.3%                                 |
| Land Use & Environment                         | 15,893                          | (13,995)                    | 1,898   | 0.5%                                  |
| Finance & General Government                   | 22,230                          | (17,318)                    | 4,912   | 1.1%                                  |
| Total Agency/Group                             | 162,778                         | (161,618)                   | 1,160   | 0.0%                                  |
| General Purpose Revenue                        | 0                               | 91,199                      | 91,199  | 4.9%                                  |
| Finance Other                                  | 3,893                           | 1,660                       | 5,552   | 0.7%                                  |
| <b>Total General Fund</b>                      | <b>\$ 166,671</b>               | <b>\$ (68,760)</b>          | <b>\$ 97,911</b>  | <b>1.3%</b>                           |
| <b>Non-General Funds:</b>                      |                                 |                             |   |                                       |
| <b>Special Revenue Funds</b>                   |                                 |                             |   |                                       |
| Public Safety                                  | \$ 13,292                       | \$ (5,500)                  | \$ 7,791  | 1.4%                                  |
| Health & Human Services Agency                 | 0                               | 0                           | 0   | 0.0%                                  |
| Land Use & Environment                         | 60,185                          | (23,631)                    | 36,554  | 7.5%                                  |
| <b>Total Special Revenue Funds</b>             | <b>\$ 73,477</b>                | <b>\$ (29,132)</b>          | <b>\$ 44,345</b>  | <b>4.2%</b>                           |
| <b>Capital Program</b>                         |                                 |                             |   |                                       |
| Finance Other                                  | \$ 1,822                        | \$ (1,822)                  | \$ (0)  | 0.0%                                  |
| <b>Internal Service Funds Departments</b>      |                                 |                             |   |                                       |
| Land Use & Environment                         | \$ 185                          | \$ 545                      | \$ 730  | 3.9%                                  |
| Finance & General Government                   | 3,629                           | 907                         | 4,537   | 0.7%                                  |
| Finance Other                                  | 1,378                           | (236)                       | 1,142   | 0.8%                                  |
| <b>Total Internal Service Funds</b>            | <b>\$ 5,192</b>                 | <b>\$ 1,217</b>             | <b>\$ 6,409</b>   | <b>0.8%</b>                           |
| <b>Enterprise Fund Departments</b>             |                                 |                             |   |                                       |
| Public Safety Group                            | \$ 0                            | \$ 0                        | \$ 0  | 0.0%                                  |
| Land Use & Environment                         | 2,673                           | (2,467)                     | 206   | 0.3%                                  |
| <b>Total Enterprise Funds</b>                  | <b>\$ 2,673</b>                 | <b>\$ (2,467)</b>           | <b>\$ 206</b>   | <b>0.3%</b>                           |
| <b>Special District Funds Departments</b>      |                                 |                             |   |                                       |
| Public Safety Group                            | \$ 273                          | \$ 356                      | \$ 628  | 1.4%                                  |
| Land Use & Environment                         | 10,441                          | 2,641                       | 13,082  | 9.5%                                  |
| <b>Total Special District Funds</b>            | <b>\$ 10,714</b>                | <b>\$ 2,996</b>             | <b>\$ 13,710</b>  | <b>7.5%</b>                           |
| <b>Other County Funds Departments</b>          |                                 |                             |   |                                       |
| HHS - Red./Redev. Successor Agency             | \$ 0                            | \$ 0                        | \$ 0  | 0.0%                                  |
| HHS - Housing & Community Development          | 0                               | 0                           | 0   | 0.0%                                  |
| <b>Total Other County Funds</b>                | <b>\$ 0</b>                     | <b>\$ 0</b>                 | <b>\$ 0</b>   | <b>0.0%</b>                           |
| Debt Service - Pension Obligation Bonds        | \$ 40                           | \$ 508                      | \$ 548  | 0.7%                                  |
| <b>Total Non-General Fund</b>                  | <b>\$ 93,918</b>                | <b>\$ (28,700)</b>          | <b>\$ 65,218</b>  | <b>2.1%</b>                           |
| <b>Total County Year-End Operating Balance</b> | <b>\$ 260,588</b>               | <b>\$ (97,460)</b>          | <b>\$ 163,129</b>   | <b>1.5%</b>                           |

**FY 2023-24 3rd Quarter  
Projected Year-End Results  
(in thousands)**

**PUBLIC SAFETY GROUP**

|  | Expenditure<br>Variance | Revenue<br>Variance | 3rd Quarter<br>FY23-24<br>Projected<br>Fund Balance | % of Proj<br>FB to<br>Budget |
|--|-------------------------|---------------------|---|------------------------------|
|  | Favorable/(Unfavorable) |                     |   |                              |

**General Fund Departments**

|                                |                  |                    |                 |             |
|--------------------------------|------------------|--------------------|-----------------|-------------|
| Animal Services                | \$ 0             | \$ 0               | \$ 0            | 0.0%        |
| Child Support                  | 5,210            | (3,948)            | 1,262           | 2.2%        |
| District Attorney              | 4,131            | (3,371)            | 760             | 0.2%        |
| Emergency Services             | 115              | (431)              | (317)           | -1.0%       |
| Medical Examiner               | 0                | 37                 | 37              | 0.2%        |
| Probation                      | 7,492            | (6,652)            | 839             | 0.3%        |
| Public Defender                | 0                | (2,467)            | (2,467)         | -1.8%       |
| Public Safety Executive Office | 909              | (771)              | 138             | 0.1%        |
| San Diego County Fire          | 293              | (270)              | 22              | 0.0%        |
| Sheriff                        | 10,589           | (7,205)            | 3,384           | 0.2%        |
| <b>Total General Fund</b>      | <b>\$ 28,737</b> | <b>\$ (25,079)</b> | <b>\$ 3,659</b> | <b>0.1%</b> |

**Special Revenue Funds Departments**

|  |                  |                   |                 |             |
|--|------------------|-------------------|-----------------|-------------|
| District Attorney (Asset Forfeiture - State & Federal) | \$ 0             | \$ 0              | \$ 0            | 0.0%        |
| Probation - Asset Forfeiture                           | 0                | 0                 | 0               | 0.0%        |
| Probation - Incarcerated Peoples' Welfare Program      | 0                | 0                 | 0               | 0.0%        |
| Sheriff - Asset Forfeiture                             | 131              | 3,409             | 3,540           | 135.2%      |
| Sheriff - Incarcerated Peoples' Welfare Program        | 4,110            | 141               | 4,251           | 43.0%       |
| Criminal Justice Facility                              | 0                | 0                 | 0               | 0.0%        |
| Courthouse   | 0                | 0                 | 0               | -           |
| Penalty Assessment                                     | 0                | 0                 | 0               | 0.0%        |
| Public Safety - Proposition 172                        | 9,051            | (9,051)           | 0               | 0.0%        |
| <b>Total Special Revenue Funds</b>                     | <b>\$ 13,292</b> | <b>\$ (5,500)</b> | <b>\$ 7,791</b> | <b>1.4%</b> |

**Enterprise Funds**

|                                 |             |             |             |             |
|---------------------------------|-------------|-------------|-------------|-------------|
| Jail Commissary Enterprise Fund | \$ 0        | \$ 0        | \$ 0        | 0.0%        |
| <b>Total Enterprise Funds</b>   | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>0.0%</b> |

**Special District Funds**

|                                     |               |               |               |             |
|-------------------------------------|---------------|---------------|---------------|-------------|
| Sheriff (Regional 800 MHz)          | \$ 0          | \$ 3          | \$ 3          | 1.2%        |
| County Service Areas                | 241           | 93            | 334           | 1.7%        |
| Community Facilities Districts      | 32            | (22)          | 10            | 0.3%        |
| County Service Areas 17 & 69        | 0             | 281           | 281           | 1.2%        |
| <b>Total Special District Funds</b> | <b>\$ 273</b> | <b>\$ 356</b> | <b>\$ 628</b> | <b>1.4%</b> |

|                                  |                  |                    |                  |             |
|----------------------------------|------------------|--------------------|------------------|-------------|
| <b>Total Public Safety Group</b> | <b>\$ 42,302</b> | <b>\$ (30,224)</b> | <b>\$ 12,079</b> | <b>0.4%</b> |
|----------------------------------|------------------|--------------------|------------------|-------------|



**FY 2023-24 3rd Quarter  
Projected Year-End Results  
(in thousands)**

**HEALTH & HUMAN SERVICES AGENCY**

|   | Expenditure<br>Variance | Revenue<br>Variance | 3rd Quarter<br>FY23-24<br>Projected<br>Fund Balance | % of Proj<br>FB to<br>Budget |
|---|-------------------------|---------------------|---|------------------------------|
|   | Favorable/(Unfavorable) |                     |   |                              |
| <b>General Fund Programs</b>                    |                         |                     |   |                              |
| Administrative Support                          | \$ 0                    | \$ 4,991            | \$ 4,991  | 2.7%                         |
| Aging & Independence Services                   | 5,858                   | (3,833)             | 2,025   | 0.7%                         |
| Behavioral Health Services                      | 32,300                  | (43,207)            | (10,907)  | -1.0%                        |
| Child and Family Well-Being                     | 0                       | (8,266)             | (8,266)   | -1.7%                        |
| Public Health Services                          | 55,401                  | (47,174)            | 8,227   | 2.7%                         |
| Self-Sufficiency Services                       | 1,058                   | (7,751)             | (6,692)   | -0.8%                        |
| Medical Care Services                           | 1,299                   | 757                 | 2,056   | 4.0%                         |
| Housing & Community Development Services        | 0                       | (972)               | (972)   | -0.4%                        |
| Homeless Solutions and Equitable Communities    | (0)                     | 229                 | 229   | 0.1%                         |
| <b>Total General Fund</b>                       | <b>\$ 95,917</b>        | <b>\$ (105,226)</b> | <b>\$ (9,309)</b>                                   | <b>-0.3%</b>                 |
| <b>Special Revenue Funds</b>                    |                         |                     |   |                              |
| Tobacco Securitization Fund                     | \$ 0                    | \$ 0                | \$ 0  | 0.0%                         |
| <b>Total Special Revenue Funds</b>              | <b>\$ 0</b>             | <b>\$ 0</b>         | <b>\$ 0</b>   | <b>0.0%</b>                  |
| <b>Other County Funds Departments</b>           |                         |                     |   |                              |
| Housing & Community Development                 | \$ 0                    | \$ 0                | \$ 0  | 0.0%                         |
| Red. Agency/Redevelopment Successor Agency      | 0                       | 0                   | 0   | 0.0%                         |
| <b>Total Other County Funds Departments</b>     | <b>\$ 0</b>             | <b>\$ 0</b>         | <b>\$ 0</b>   | <b>0.0%</b>                  |
| <b>Total Health &amp; Human Services Agency</b> | <b>\$ 95,917</b>        | <b>\$ (105,226)</b> | <b>\$ (9,309)</b>                                   | <b>-0.3%</b>                 |

**FY 2023-24 3rd Quarter  
Projected Year-End Results  
(in thousands)**

**LAND USE & ENVIRONMENT GROUP**

|  | Expenditure<br>Variance | Revenue<br>Variance | 3rd Quarter<br>FY23-24<br>Projected<br>Fund Balance | % of Proj<br>FB to<br>Budget |
|--|-------------------------|---------------------|---|------------------------------|
|  | Favorable/(Unfavorable) |                     |   |                              |
| <b>General Fund Departments</b>                  |                         |                     |   |                              |
| Agriculture, Weights & Measures                  | \$ 1,064                | \$ (1,059)          | \$ 4  | 0.0%                         |
| Department of Environmental Health and Quality   | 4,713                   | (4,050)             | 663   | 1.0%                         |
| Land Use & Environment Group Exec Office         | 0                       | 1,779               | 1,779   | 10.6%                        |
| Parks & Recreation                               | 0                       | (0)                 | 0   | 0.0%                         |
| Planning & Development Services                  | 9,485                   | (9,450)             | 35  | 0.0%                         |
| Public Works                                     | 631                     | (1,215)             | (583)   | -1.3%                        |
| <b>Total General Fund</b>                        | <b>\$ 15,893</b>        | <b>\$ (13,995)</b>  | <b>\$ 1,898</b>                                     | <b>0.5%</b>                  |
| <b>Special Revenue Funds/Departments</b>         |                         |                     |   |                              |
| A,W & M (Grazing and Fish & Game Commission)     | \$ 0                    | \$ 12               | \$ 12   | 26.1%                        |
| Parks & Recreation - PLDO                        | 0                       | 1,037               | 1,037   | 5.4%                         |
| DPW - Aviation Funds                             | 0                       | 0                   | 0   | 0.0%                         |
| DPW - Road Fund                                  | 55,882                  | (29,117)            | 26,765  | 7.2%                         |
| DPW - Survey Monument Preservation               | 195                     | (75)                | 120   | 44.4%                        |
| DPW - Inactive Waste                             | 325                     | (311)               | 13  | 0.1%                         |
| DPW - Waste Planning and Recycling               | 1,856                   | 647                 | 2,503   | 37.2%                        |
| Library Services                                 | 1,927                   | 4,177               | 6,104   | 8.3%                         |
| <b>Total Special Revenue Funds</b>               | <b>\$ 60,185</b>        | <b>\$ (23,631)</b>  | <b>\$ 36,554</b>                                    | <b>7.5%</b>                  |
| <b>Internal Service Funds</b>                    |                         |                     |   |                              |
| Public Works - DPW Equip. ISF Prg. (35525-35700) | \$ 185                  | \$ 545              | \$ 730  | 3.9%                         |
| <b>Total Internal Service Funds</b>              | <b>\$ 185</b>           | <b>\$ 545</b>       | <b>\$ 730</b>                                       | <b>3.9%</b>                  |
| <b>Enterprise Funds</b>                          |                         |                     |   |                              |
| Airport Enterprise Fund                          | \$ 1,325                | \$ (327)            | \$ 998  | 2.0%                         |
| Wastewater Management Enterprise Fund            | 1,348                   | (2,140)             | (792)   | -6.9%                        |
| <b>Total Enterprise Funds:</b>                   | <b>\$ 2,673</b>         | <b>\$ (2,467)</b>   | <b>\$ 206</b>                                       | <b>0.3%</b>                  |
| <b>Special District Funds/Departments</b>        |                         |                     |   |                              |
| Parks and Recreation                             | \$ 0                    | \$ 51               | \$ 51   | 0.9%                         |
| Parks - Community Facilities Districts           | (0)                     | 201                 | 201   | 8.6%                         |
| DPW - SD County Sanitation District              | 2,341                   | 930                 | 3,271   | 4.0%                         |
| DPW - Campo WSMD-Zone A (Rancho Del Campo Water) | 33                      | 87                  | 120   | 6.4%                         |
| DPW - CWSMD-Zone B (Campo Hills Water)           | 0                       | 5                   | 5   | 0.9%                         |
| DPW - Live Oak Springs Water                     | 24                      | 162                 | 186   | 3.9%                         |
| DPW - CSAs                                       | 190                     | 35                  | 225   | 39.8%                        |
| DPW - PRDs                                       | 7,276                   | 426                 | 7,702   | 70.2%                        |
| DPW - Community Facilities Districts             | 484                     | 12                  | 496   | 12.7%                        |
| DPW - Flood Control                              | 92                      | 364                 | 456   | 2.0%                         |
| DPW - Street Lighting District                   | 0                       | 368                 | 368   | 13.8%                        |
| <b>Total Special Districts Funds:</b>            | <b>\$ 10,441</b>        | <b>\$ 2,641</b>     | <b>\$ 13,082</b>                                    | <b>9.5%</b>                  |
| <b>Total Land Use &amp; Environment Group</b>    | <b>\$ 89,377</b>        | <b>\$ (36,908)</b>  | <b>\$ 52,469</b>                                    | <b>4.9%</b>                  |

**FY 2023-24 3rd Quarter  
Projected Year-End Results  
(in thousands)**

**FINANCE & GENERAL GOVERNMENT  
GROUP**

|  | Expenditure<br>Variance | Revenue<br>Variance | 3rd Quarter<br>FY23-24<br>Projected<br>Fund Balance | % of Proj<br>FB to<br>Budget |
|--|-------------------------|---------------------|---|------------------------------|
|  | Favorable/(Unfavorable) |                     |   |                              |

**General Fund Departments**

|                                       |                  |                    |                 |             |
|---------------------------------------|------------------|--------------------|-----------------|-------------|
| Law Enforcement Review Board          | \$ 279           | \$ 15              | \$ 293          | 14.8%       |
| Assessor/Recorder/County Clerk        | 9,002            | (9,002)            | 0               | 0.0%        |
| Auditor & Controller                  | 18               | 95                 | 113             | 0.2%        |
| Board of Supervisors                  | 2,197            | 0                  | 2,197           | 12.2%       |
| Chief Administrative Office           | 123              | (0)                | 123             | 0.7%        |
| Civil Service Commission              | 12               | 0                  | 12              | 1.9%        |
| Clerk of the Board of Supervisors     | (0)              | 219                | 219             | 3.9%        |
| County Communications Office          | 1,055            | (1,351)            | (295)           | -4.6%       |
| County Counsel                        | 2,084            | 14                 | 2,097           | 4.7%        |
| County Technology Office              | 0                | 0                  | 0               | 0.0%        |
| Finance & GG Exec Office              | 206              | (147)              | 58              | 0.1%        |
| Evaluation, Performance and Analytics | 0                | 0                  | 0               | -           |
| General Services                      | (0)              | 0                  | (0)             | 0.0%        |
| Grand Jury                            | 48               | 0                  | 48              | 6.1%        |
| Human Resources                       | 83               | (1,836)            | (1,753)         | -4.6%       |
| Purchasing & Contracting              | 0                | 0                  | 0               | -           |
| Registrar of Voters                   | 5,929            | (5,565)            | 364             | 0.8%        |
| Treasurer-Tax Collector               | 1,196            | 240.5              | 1,436           | 5.5%        |
| <b>Total General Fund</b>             | <b>\$ 22,230</b> | <b>\$ (17,318)</b> | <b>\$ 4,912</b> | <b>1.1%</b> |

**Internal Service Funds Departments**

|                                     |                 |               |                 |             |
|-------------------------------------|-----------------|---------------|-----------------|-------------|
| CTO - Information Technology        | \$ (0)          | \$ 0          | \$ (0)          | 0.0%        |
| Facilities Management               | 0               | 698           | 698             | 0.4%        |
| Major Maintenance ISF               | 0               | (0)           | 0               | 0.0%        |
| Fleet Management                    | 2,935           | (1,495)       | 1,439           | 1.5%        |
| Purchasing & Contracting            | 695             | 1,704         | 2,399           | 11.7%       |
| <b>Total Internal Service Funds</b> | <b>\$ 3,629</b> | <b>\$ 907</b> | <b>\$ 4,537</b> | <b>0.7%</b> |

**Total Finance & General  
Government Group**

|  |                  |                    |                 |             |
|--|------------------|--------------------|-----------------|-------------|
|  | <b>\$ 25,860</b> | <b>\$ (16,411)</b> | <b>\$ 9,449</b> | <b>0.9%</b> |
|--|------------------|--------------------|-----------------|-------------|

**FY 2023-24 3rd Quarter**  
**Projected Year-End Results**  
(in thousands)

**GENERAL PURPOSE REVENUE &  
FINANCE OTHER**

|                         | Expenditure<br>Variance | Revenue<br>Variance | 3rd Quarter<br>FY23-24<br>Projected<br>Fund Balance | % of Proj<br>FB to<br>Budget |
|-------------------------|-------------------------|---------------------|---|------------------------------|
| Favorable/(Unfavorable) |                         |                     |   |                              |

**General Fund**

|                                     |      |           |           |         |
|-------------------------------------|------|-----------|-----------|---------|
| General Purpose Revenue:            |      |           |           |         |
| All Current Property Taxes          | \$ 0 | \$ 11,126 | \$ 11,126 | 1.2%    |
| All Other Taxes-Local               | 0    | 18,750    | 18,750    | 2.8%    |
| Licenses, Permits & Franchises      | 0    | (854)     | (854)     | -18.2%  |
| Fines, Forfeitures & Penalties      | 0    | 6,957     | 6,957     | 30.6%   |
| Revenue for Use of Money & Property | 0    | 33,400    | 33,400    | 72.5%   |
| Intergovernmental Revenue           | 0    | 13,007    | 13,007    | 7.4%    |
| Charges for Current Services        | 0    | 281       | 281       | 13.4%   |
| Miscellaneous Revenue               | 0    | 8,532     | 8,532     | 1706.5% |

|                                      |             |                  |                  |             |
|--------------------------------------|-------------|------------------|------------------|-------------|
| <b>Total General Purpose Revenue</b> | <b>\$ 0</b> | <b>\$ 91,199</b> | <b>\$ 91,199</b> | <b>4.9%</b> |
|--------------------------------------|-------------|------------------|------------------|-------------|

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 | 1,767 | 0     | 1,767 | 0.4% |
| Lease Payments - Bonds                   | 41    | (36)  | 5     | 0.0% |
| Local Agency Formation Comm Admin        | 1     | 0     | 1     | 0.2% |
| Neighborhood Reinvestment Program        | 0     | 0     | 0     | 0.0% |
| Countywide Expenses                      | 2,083 | 1,695 | 3,779 | 1.0% |

|                              |                 |                  |                  |              |
|------------------------------|-----------------|------------------|------------------|--------------|
| Total Finance Other Expenses | 3,893           | 1,660            | 5,552            | 0.7%         |
| <b>Total General Fund</b>    | <b>\$ 3,893</b> | <b>\$ 92,858</b> | <b>\$ 96,751</b> | <b>11.5%</b> |

**Capital Program Funds**

|                                    |                 |                   |               |             |
|------------------------------------|-----------------|-------------------|---------------|-------------|
| Capital Program                    | \$ 1,822        | \$ (1,822)        | \$ (0)        | 0.0%        |
| <b>Total Capital Program Funds</b> | <b>\$ 1,822</b> | <b>\$ (1,822)</b> | <b>\$ (0)</b> | <b>0.0%</b> |

**Internal Service Funds Departments**

|                        |                 |                 |                 |             |
|------------------------|-----------------|-----------------|-----------------|-------------|
| Workers Compensation   | \$ (0)          | \$ 0            | \$ (0)          | 0.0%        |
| Unemployment Insurance | 0               | 0               | 0               | 0.0%        |
| Public Liability       | 1,378           | (236)           | 1,142           | 1.5%        |
| <b>Total ISF Funds</b> | <b>\$ 1,378</b> | <b>\$ (236)</b> | <b>\$ 1,142</b> | <b>0.8%</b> |

**Debt Service Funds Departments**

|                                 |              |               |               |             |
|---------------------------------|--------------|---------------|---------------|-------------|
| Pension Obligation Bonds        | \$ 40        | \$ 508        | \$ 548        | 0.7%        |
| <b>Total Debt Service Funds</b> | <b>\$ 40</b> | <b>\$ 508</b> | <b>\$ 548</b> | <b>0.7%</b> |

|  |                 |                  |                  |             |
|--|-----------------|------------------|------------------|-------------|
| <b>Total General Purpose Revenue &amp; Finance<br/>Other</b> | <b>\$ 7,132</b> | <b>\$ 91,309</b> | <b>\$ 98,441</b> | <b>5.0%</b> |
|--|-----------------|------------------|------------------|-------------|

**FY 2023-24 3rd Quarter  
Projected Year-End Results  
(in thousands)**

| Category  | Projected<br>Management<br>Reserves | Projected<br>Operating<br>Balances | 3rd Quarter<br>FY23-24<br>Projected<br>Fund Balance |
|---|-------------------------------------|------------------------------------|---|
|   | Favorable/(Unfavorable)             |                                    |   |
| <b>General Fund</b>   |                                     |                                    |   |
| Public Safety   | \$ 0                                | \$ 3,659                           | \$ 3,659  |
| Health and Human Services Agency                                      | 0                                   | (9,309)                            | (9,309)   |
| Land Use and Environment  | 0                                   | 1,898                              | 1,898   |
| Finance & General Government  | 0                                   | 4,912                              | 4,912   |
| <b>Agency/Group Totals</b>  | <b>\$ 0</b>                         | <b>\$ 1,160</b>                    | <b>\$ 1,160</b>                                     |
| General Purpose Revenue   | \$ 0                                | \$ 91,199                          | \$ 91,199   |
| General County Expenses   | 0                                   | 5,552                              | 5,552   |
| <b>Total General Purpose Revenue &amp;<br/>General County Expense</b> | <b>\$ 0</b>                         | <b>\$ 96,751</b>                   | <b>\$ 96,751</b>                                    |
| <b>Total General Fund</b>   | <b>\$ 0</b>                         | <b>\$ 97,911</b>                   | <b>\$ 97,911</b>                                    |

**COUNTY OF SAN DIEGO  
NOTES TO SCHEDULES A and B  
Fiscal Year 2023-24 3rd 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.

*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 2023-24.

*Variance Reporting*

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

**PUBLIC SAFETY GROUP**

**General Fund**

*Child Support*

A positive variance of \$1.3 million is projected for the Department of Child Support Services.

A positive expenditure variance of \$5.2 million is projected. A positive variance of \$3.0 million in Salaries & Benefits is due to vacant and modified positions, \$1.7 million in Services & Supplies primarily due to lower than anticipated expenses in various accounts supporting operations, such as information technology services, \$0.1 million in Capital Assets/Land Acquisition due to the reclassification of expenses as leasehold

improvements, and \$0.4 million in Capital Assets Equipment due to lower than anticipated expenses related to modular furniture and transportation equipment.

A negative revenue variance of \$3.9 million is projected. A negative variance of \$4.1 million in Intergovernmental Revenues is due to lower than anticipated State and federal reimbursements, partially offset by positive variance of \$0.1 million in Charges For Current Services due to higher incentive payments from the California Department of Child Support Services and \$0.1 million over-realized revenue in Other Financing Sources for the gain on vehicle sales.

#### *District Attorney*

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

A positive expenditure variance of \$4.1 million is projected in Salaries & Benefits due to attrition, vacant and modified positions.

A negative revenue variance of \$3.3 million is projected. A negative variance of \$1.5 million is projected in Intergovernmental Revenues due to lower than anticipated expenditures funded by the Community Corrections Subaccount (\$2.2 million), partially offset by unanticipated revenue from ARPA for COVID-19 Supplemental Paid Sick Leave (\$0.7 million). A negative revenue variance of \$1.8 million in Other Financing Sources due to decrease in transfers from Proposition 172 resulting from lower than expected receipts.

#### *Probation*

A positive variance of \$0.8 million is projected for the Probation Department.

A positive expenditure variance of \$7.5 million is projected. A positive variance of \$3.5 million in Services & Supplies due to lower contract services and \$4.0 million in Other Charges due to lower placement services for foster youth.

A negative revenue variance of \$6.7 million is projected. A negative variance of \$6.2 million in Intergovernmental Revenues primarily due to lower costs stated above related to foster care, pretrial services, Community Corrections Subaccount and Community Corrections Performance Incentive fund, partially offset by unanticipated revenue from ARPA for COVID-19 Supplemental Paid Sick Leave and Caltrans, and over-realized Juvenile Justice Realignment Block Grant revenue. A negative variance of \$0.9 million in Other Financing Sources due to decrease in transfers from Proposition 172 resulting from lower than expected receipts. A positive variance of \$0.4 million in Charges For Current Services due to the Work Furlough program.

#### *Public Defender*

A negative variance of \$2.5 million is projected in the Public Defender.

No expenditure variance is projected. A positive variance of \$2.2 million in Services & Supplies primarily due to lower than anticipated expenses related to the Pre-Trial Advocacy Community Corrections (PACC) Judicial Council program, offset by a negative variance of \$2.2 million in Expenditure Transfer & Reimbursements related to the PACC program.

A negative revenue variance of \$2.5 million is projected. A negative variance of \$2.6 million in Intergovernmental Revenues due to lower reimbursements for eligible expenditures related to CARE Court, Public Defense Pilot Program and Parole Revocations offset by unanticipated state mandated reimbursements, ARPA for COVID-19 Supplemental Paid Sick Leave, and Senate Bill 90 Sexually Violent Predators reimbursements. A positive variance of \$0.1 million in Miscellaneous Revenues is due to reimbursements from Indigent Defense Trust Fund.

*Public Safety Group Executive Office (including Contribution for Trial Courts)*

A positive variance of \$0.1 million is projected for the Public Safety Group Executive Office including Contributions to Trial Court.

*Public Safety Group Executive Office*

A positive variance of \$0.1 million is projected for the Public Safety Group Executive Office.

A positive expenditure variance of \$0.9 million is projected. A positive variance of \$0.8 million in Salaries & Benefits is due to vacant positions and \$0.1 million in Services & Supplies due to lower than anticipated facility maintenance costs.

A negative revenue variance of \$0.8 million is projected in Intergovernmental Revenues due to vacant positions.

*Contribution for Trial Courts*

No variance is projected.

*Sheriff*

A positive variance of \$3.4 million is projected for the Sheriff's Department.

A positive expenditure variance of \$10.6 million is projected. A positive variance of \$2.6 million in Salaries & Benefits is projected due to attrition, vacant and modified positions. The Salaries & Benefits projection takes into account the transfer of funds related to healthcare for incarcerated persons and capital and major facility projects. A positive variance of \$6.9 million is projected in Services & Supplies due to lower than anticipated costs in Public Liability associated with medical malpractice insurance coverage, in



various accounts supporting operations such as food and household expense, and one-time software and equipment associated with the Cal-ID program, the Regional Communication System (RCS) and CalAIM that will be rebudgeted in the Fiscal Year 2024-25, offset by higher than anticipated costs for temporary medical staffing, lab equipment maintenance and supplies. A positive variance of \$0.1 million in Other Charges is projected due to lower expenditures for medical support and care of persons in detention facilities. A positive variance of \$1.1 million in Capital Assets Equipment is projected due to a one-time RCS transportable radio project and Cal-ID equipment that will be rebudgeted in the Fiscal Year 2024-25. A negative variance of \$0.1 million is projected in Expenditure Transfer & Reimbursements due to lower than anticipated reimbursements for law enforcement services due to vacancies.

A negative revenue variance of \$7.2 million is projected. A negative variances of \$7.4 million projected in Other Financing Sources due to decrease in transfers from Proposition 172 resulting from lower than expected receipts and from the Incarcerated Peoples' Welfare Fund and the Asset Forfeiture Fund associated with vacant positions and investigative expenses, \$2.9 million projected in Charges For Current Services due to lower than anticipated jail bed leasing, civil service process and lower reimbursement for law enforcement services due to vacancies, offset by the prior year under accrual in the Trial Court Security Subaccount, \$2.3 million projected in Miscellaneous Revenues due to RCS projects, and \$1.0 million projected in Fines, Forfeitures & Penalties due to lower than anticipated costs for the Cal-ID program. These negative variances are partially offset by positive variances of \$6.0 million projected in Intergovernmental Revenues due to higher than anticipated revenue from the federal government for the State Criminal Alien Assistance Program, ARPA for COVID-19 Supplemental Paid Sick Leave reimbursement of prior year expenditures, in Citizens Options for Public Safety and revenue for State mandates, offset by lower than anticipated costs for CalAIM and the Early Access and Stabilization Services Program, and \$0.4 million in Licenses, Permits & Franchises due to higher collections from licenses fees.

## **Special Revenue Funds**

### *Proposition 172*

There is no overall variance projected for Proposition 172 (Prop 172) Special Revenue Fund.

A positive expenditure variance of \$9.1 million is projected in Operating Transfers Out due to lower amounts to be transferred to General Fund departments resulting from lower projected receipts.

A negative revenue variance of \$9.1 million is projected in Intergovernmental Revenues due to lower expected receipts in the current fiscal year (\$7.6 million) and over-accrual in the prior year (\$1.5 million).

### *Sheriff's Asset Forfeiture Program*

A positive variance of \$3.5 million is projected in the Sheriff's Asset Forfeiture Program (US Department of Justice, US Treasury Department and State).

A positive variance of \$0.1 million is projected in Operating Transfers Out due to a decrease in planned expenditures to be reimbursed in the General Fund.

A positive revenue variance of \$3.4 million is projected. A \$1.9 million positive variance in Intergovernmental Revenues is due to increased asset forfeiture from US Department of Justice and US Treasury Department seizures, \$1.4 million in Fines, Forfeitures & Penalties based on increased asset forfeiture from State seizures and \$0.1 million in Revenue From Use of Money & Property related to interest on deposits.

### *Sheriff's Incarcerated Peoples' Welfare Funds*

A positive variance of \$4.2 million is projected for the Incarcerated Peoples' Welfare Funds.

A positive expenditure variance of \$4.1 million is projected. A positive expenditure variance of \$3.1 million is projected in Services & Supplies due to lower operational costs. The expenditure projection accounts for the transfer of anticipated receipts and available prior year fund balance from the Jail Commissary Enterprise to be used for the benefit, education, and welfare of incarcerated persons confined within detention facilities as mandated by California Penal Code Section 4025. A positive variance of \$1.0 million is projected in Operating Transfers Out associated with vacant positions in the General Fund departments.

A positive revenue variance of \$0.1 million is projected in Revenue From Use of Money & Property related to interest on deposits.

## **HEALTH AND HUMAN SERVICES AGENCY (HHSA)**

### **General Fund**

#### *Administrative Support*

Administrative Support consists of the following: Agency Executive Office, Agency Contract Support, Financial & Support Services Division, Human Resources, Management Information Support, and Office of Strategy and Innovation.

An overall positive variance of \$5.0 million is projected for Administrative Support.

There is no expenditure variance projected. A positive variance of \$0.2 million in Salaries & Benefits is offset by a negative variance of \$0.2 million in Services & Supplies which is mainly associated with increased facilities costs offset by savings in IT related costs. The \$0.2 million positive variance in Salaries & Benefits includes \$1.6 million mainly tied to attrition, offset by \$1.4 million for projected expenditures tied to the Homeless Solutions and Equitable Communities (HSEC) to mitigate appropriation impacts which will be resolved with a budget transfer.

A positive revenue variance of \$5.0 million is projected in Intergovernmental Revenues and includes positive variances of \$6.3 million in Federal Emergency Management Agency (FEMA) revenue for prior year costs, \$0.9 million in COVID-19 Health Disparities Funding for the Free4ME program, and \$0.3 million for American Rescue Plan Act (ARPA) funding to align with prior year Supplemental Paid Sick Leave (SPSL) costs, partially offset by negative variances of \$1.3 million in Realignment based on estimated receipts, \$0.7 million in social services administrative revenues to align with anticipated federal and State funding, \$0.3 million in Realignment to leverage use of ARPA, and \$0.2 million in Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (ELC).

#### *Aging & Independence Services*

An overall positive variance of \$2.0 million is projected for Aging & Independence Services.

A positive expenditure variance of \$5.8 million is projected and includes a positive variance of \$3.1 million in Services & Supplies, a negative variance of \$0.1 million in Other Charges tied to increases in use of Public Administrator (PA) Indigent services for cremation and burials, and a positive variance of \$2.8 million in Operating Transfers Out. The \$3.1 million positive variance in Services & Supplies is primarily tied to contracted services for the California Department of Aging (CDA) Modernizing Older California Act (MOCA) rolling out over three versus two years, a variance from budget in various services and supplies tied to program operational need, partially offset by increases in contracts for CDA nutrition and family caregiver programs associated with allocation increases, and the San Diego Veteran Services at any Age (SD-VISA) program due to increase in

utilization. The \$2.8 million positive variance in Operating Transfers Out is tied to reduced funding needs for the In-Home Supportive Services (IHSS) Public Authority related to a revised estimate in Individual Provider health benefit costs which are tied to the number of provider hours worked with no impact to services and overall operational savings.

A negative revenue variance of \$3.8 million is projected and includes a \$4.8 million negative variance in Intergovernmental Revenues, offset by positive variances of \$0.7 million in Miscellaneous Revenues due to SD-VISA program increases mentioned above, \$0.2 million in Charges for Current Services to align with increases in Estate Fees due to higher cases in the Public Administrator/Guardian programs, and \$0.1 million in Fines, Forfeitures & Penalties based on current receipt trend. The \$4.8 million negative variance in Intergovernmental Revenues includes \$3.2 million in Realignment revenue based on estimated receipts, \$2.8 million in the IHSS Public Authority program to align with reduced expenditures, \$1.5 million in Realignment revenue due to reallocation to Child and Family Well-Being, \$1.1 million primarily in MOCA revenues to align with the spending rollout noted above, and \$0.3 million in Realignment revenue to leverage use of ARPA to align with prior year SPSL costs, partially offset by \$3.8 million in social services administrative revenues mainly to align with anticipated claiming and \$0.3 million in over-realized ARPA funding as 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.

An overall negative variance of \$10.9 million is projected for BHS.

A positive expenditure variance of \$32.3 million is projected and includes positive variances of \$5.7 million in Salaries & Benefits and \$26.7 million in Services & Supplies, offset by a negative variance of \$0.1 million in Capital Assets Equipment for a vehicle for the Care Court program. The positive variance of \$5.7 million in Salaries & Benefits includes a positive variance of \$6.4 million attributed to longer timeframes to hire staff, including newly added positions, hard to recruit classifications, and vacancies due to attrition, offset by \$0.7 million for projected expenditures tied to the Child and Family Well-Being (CFWB) to mitigate appropriation impacts which will be resolved with a budget transfer. The positive variance of \$26.7 million in Services & Supplies is driven by a net positive variance of \$32.2 million in operating costs for contracted services associated with a range of mental health programs to align with anticipated spending which adjusts for contractor staffing vacancies and projected utilization in residential bed days, offset by negative variances in one-time IT resource needs and temporary staffing costs at the SDCPH. Additionally, the positive operating variance of \$32.2 million is being offset by \$2.5 million for projected expenditures tied to Child and Family Well-Being (CFWB), Housing and Community Development Services (HCDS), and Homeless Solutions and Equitable Communities (HSEC) to mitigate appropriation impacts which will be resolved

with a budget transfer. Furthermore, the operating variance is also offset by, \$3.0 million for a 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 2022-23 and \$6.0 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. Of the total \$6.0 million estimated penalty, \$3.0 million is projected in HSA and \$3.0 million is projected in the Public Safety Group.

A negative revenue variance of \$43.2 million is projected and includes negative variances of \$36.8 million in Intergovernmental Revenues, \$3.5 million in Miscellaneous Revenues due to the recoupment of payments in contracted services from prior year adjustments and in Opioid Settlement Fund due to delayed project start dates, and \$2.9 million in Charges for Current Services tied to a decrease in Intergovernmental Transfer (IGT) revenue in order to leverage ARPA funding for prior year SPSL costs and estimated use of vehicle fine revenue to support various alcohol and drug services programs. The \$36.8 million negative variance in Intergovernmental Revenues includes \$33.2 million tied to aligning federal and State funding to anticipated billable service units associated with payment reform as a part of Medi-Cal Transformation (formerly CalAIM) and aligning grant funding with overall anticipated expenditures, and \$6.8 million in Realignment revenue based on estimated receipts, offset by \$3.2 million funding associated with pending appropriation adjustments for CFWB, HCDS, and HSEC as noted above.

### *Child and Family Well-Being*

An overall negative variance of \$8.3 million is projected for Child and Family Well-Being (CFWB)

A zero expenditure variance is projected. A negative variance of \$0.7 million would have been projected in Salaries & Benefits primarily attributed to increased overtime but is projected in BHS where available appropriation capacity will be used pending a transfer of appropriation to CFWB. A negative variance of \$0.5 million would have been projected in Services & Supplies primarily driven by temporary staff costs to meet increased needs at Polinsky Children's Center which continues to face staffing challenges for caring for high acuity youth with medical needs and to meet Community Care Licensing (CCL) requirements, partially offset by a variance from budget in contracts mainly tied to transitional housing programs experiencing challenges in the rental market and in group home costs as the programs continue to transition into an eligible facility. Lastly, a negative variance of \$1.2 million would have been projected in Other Charges mainly to align with the revised projected costs in maintenance of wards due to the high acuity of the current youth population requiring additional resources but are now projected in BHS where available appropriation capacity will be used pending a transfer of appropriation to CFWB.

A negative revenue variance of \$8.3 million is projected and includes negative variances of \$7.8 million in Intergovernmental Revenues, \$0.3 million in Charges for Current Services due to lower collection of adoption fees, \$0.1 million in Revenue from Use of Money and Property to align revenue collection trends for the use of the San Pasqual Academy (SPA) property, and \$0.1 million in Miscellaneous Revenues primarily to align with collections of prior year adjustments from contractors. The negative variance of \$7.8 million in Intergovernmental Revenues consists of negative variances of \$7.2 million in Realignment based on estimated receipts, \$3.0 million in federal and State assistance payment revenues associated with revised caseload projections primarily for the foster care and adoption assistance programs, \$2.4 million associated with pending appropriation adjustments from BHS to mitigate appropriation impacts, and \$0.9 million in Realignment to leverage use of ARPA to align with prior year SPSL costs, offset by positive variances of \$3.3 million in social services administrative revenues to align with anticipated federal and State funding and projected expenditures mentioned above, \$1.5 million in Realignment due to reallocation from AIS and \$0.9 million tied to over-realized ARPA funding to align with prior year SPSL costs noted above.

#### *Department of Homeless Solutions and Equitable Communities*

The Department of 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 \$0.2 million is projected for HSEC.

A zero expenditure variance is projected. A negative variance of \$1.4 million would have been projected in Salaries & Benefits primarily due to overtime costs and additional temporary staffing, and a negative variance of \$0.2 million in Services & Supplies but is now projected in Administrative Support and BHS where available appropriation capacity will be used pending a transfer of appropriation to HSEC. The negative variance of \$0.2 million in Services & Supplies is mainly associated with the procurement of the Vocational English-as-a-Second Language (VESL) contracts funded by Housing Assistance for Ukrainians and implementation of the Promotores program, offset mainly by savings in various contracts.

A positive revenue variance of \$0.2 million is projected and includes positive variances of \$0.1 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 positive variance of \$0.1 million in Intergovernmental Revenues consists of positive variances of \$0.6 million tied to the Community Health Workers Resilient grant funding additional temporary staffing and the implementation of the Promotores program, \$0.4 million for the Housing Assistance for Ukrainians (HAU) Grant, \$0.2 million for Local Immigrant Integration Inclusion Grant (LIIG), \$0.1 million in over-realized ARPA funding to align with prior year SPSL costs,

offset by negative variances of \$0.5 million due to lower than anticipated Medi-Cal Administrative Activities (MAA) revenues, \$0.3 million for COVID Health Disparities due to the discontinuation of COVID-19 funding, \$0.2 million associated with pending appropriation adjustments from BHS to mitigate appropriation impacts, \$0.1 million in Realignment based on estimated receipts, and \$0.1 million in Realignment to leverage use of ARPA to align with prior year SPSL costs.

### *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 \$1.0 million is projected for HCDS.

A zero expenditure variance is projected and includes a positive variance of \$0.7 million in Salaries & Benefits due to attrition and vacant positions offset by a negative variance of \$0.7 million in Services & Supplies. The negative variance of \$0.7 million in Services & Supplies includes negative variances of \$0.8 million in the Inclement Weather Program that provides safe temporary housing to impacted individuals during inclement weather, \$0.3 million to reflect implementation of the Shared Housing for Older Adults pilot program to create shared living arrangements, \$0.1 million in the landlord incentive program to increase access to housing for our homeless clients in support of the County's effort to end homelessness for veterans, and \$0.1 million tied to the use of Innovative Housing Trust Fund (IHTF) projected interest earned, offset by a positive variance of \$0.6 million for projected expenditures in BHS where available appropriation capacity will be used pending a transfer of appropriation to HCDS. The negative variance attributed to the Inclement Weather Program noted above has projected impacts of increased utilization as a result of the January and/or early February 2024 storms.

A negative revenue variance of \$1.0 million is projected and includes a negative variance of \$1.1 million in Intergovernmental Revenues partially offset by a positive variance of \$0.1 million in Miscellaneous Revenues tied to IHTF projected interest earned. The negative variance of \$1.1 million in Intergovernmental Revenues includes \$0.8 million in federal and State revenues primarily associated with Salaries and Benefits projections as noted above and \$0.6 million associated with pending appropriation adjustments from BHS to mitigate appropriation impacts, partially offset by \$0.3 million for over-realized ARPA funding to align with prior year SPSL costs.

### *Medical Care Services*

An overall positive variance of \$2.1 million is projected for Medical Care Services.

A positive expenditure variance of \$1.3 million is projected and consists of a negative variance of \$0.1 million in Salaries & Benefits primarily tied to temporary staffing offset by vacancies and a positive variance of \$1.4 million in Services & Supplies. The \$1.4 million positive variance in Services & Supplies includes a positive variance of \$2.1 million

primarily in contracted services tied to the San Diego Advancing and Innovating Medi-Cal (SDAIM) Providing Access and Transforming Health (PATH) Justice Involved health initiatives and Home Visiting Program that were rebudgeted in the Fiscal Year (FY) 2024-25 CAO Recommended Operational Plan and will be available for use next fiscal year, offset by a negative variance of \$0.7 million for the Medi-Cal Landscape Analysis approved by the Board of Supervisors on March 12, 2024 (Minute Order 13).

A positive revenue variance of \$0.8 million is projected and consists of a positive variance of \$0.7 million in Intergovernmental Revenues and \$0.1 million in Miscellaneous Revenues primarily tied to revenue from the Grossmont Healthcare District for the rural health post discharge pilot. The positive variance of \$0.7 million in Intergovernmental Revenues includes positive variances of \$3.2 million for FEMA revenue for prior year costs, \$0.5 million in Health Disparities grant, \$0.1 million in Hansen's Disease grant and \$0.1 million for over-realized ARPA funding to align with prior year SPSL costs, offset by \$2.4 million in PATH Capacity and Infrastructure, Transition, Expansion, and Development (CITED) grant primarily tied to contracted-services rebudgeted in FY 2024-25 as noted above, \$0.7 million in Realignment based on estimated receipts and \$0.1 million in Realignment to leverage use of ARPA noted above.

#### *Public Health Services*

An overall positive variance of \$8.2 million is projected for Public Health Services (PHS).

A positive expenditure variance of \$55.4 million is projected and includes positive variances of \$40.6 million in Services & Supplies, \$1.2 million in Capital Assets Software tied to deferred procurement of software systems, and \$13.6 million in Capital Assets Equipment primarily tied to deferred procurement of lab supplies and contracting costs associated with the new Public Health Laboratory. The positive variance of \$40.6 million in Services & Supplies is primarily tied to the Epidemiology and Laboratory Capacity (ELC) grant that was rebudgeted in the Fiscal Year 2024-25 CAO Recommended Operational Plan and will be available for use next fiscal year as facilitated through the extension of the grant cycle, partially offset by projected spending on temporary help in response to emergent disease responses.

A negative revenue variance of \$47.2 million is projected and includes negative variances of \$47.4 million in Intergovernmental Revenues and \$0.1 million in Charges for Current Services primarily to align projected reimbursements and fees for Vital Records and STD Control Clinic, offset by a positive variance of \$0.3 million in Miscellaneous Revenues primarily based on unanticipated grant allocation to support COVID-19 surveillance. The \$47.4 million negative variance in Intergovernmental Revenues is tied to negative variances of \$54.3 million primarily based on a grant cycle extension to support ELC, \$6.5 million in ARPA reallocated to other various HHS departments to fund prior year SPSL costs, \$1.0 million in Realignment based on estimated receipts and \$0.7 million in Realignment to leverage use of ARPA as noted above, offset by positive variances of \$12.8 million in FEMA for prior year expenditures associated with local health emergency



response costs and \$2.3 million in Future of Public Health due to a one-time reallocation of funds from California Department of Public Health.

### *Self-Sufficiency Services*

An overall negative variance of \$6.7 million is projected for Self-Sufficiency Services (SSS).

A positive expenditure variance of \$1.0 million is projected and consists of a negative variance of \$4.5 million in Salaries & Benefits primarily tied to additional overtime to support increasing caseloads and the January 2024 Storm Floods Disaster CalFresh applications, offset by a positive variance of \$5.5 million in Other Charges. The positive expenditure variance of \$5.5 million in Other Charges is tied to a positive variance of \$12.4 million primarily in the California Work Opportunity and Responsibility to Kids (CalWORKs) cash grants and the CALWORKs Child Care Stage One program to align with caseloads, partially offset by a negative variance of \$6.9 million in General Relief program based on revised estimates of caseload levels and growth trends.

A negative revenue variance of \$7.7 million is projected and consists of a negative variance of \$7.9 million in Intergovernmental Revenues, partially offset by positive variances of \$0.1 million in Revenue from Use of Money & Property tied to additional base lease revenue and \$0.1 million in Fines, Forfeitures & Penalties primarily to align to the Emergency Medical Services Physicians Service revenue collection trends. The negative variance of \$7.9 million in Intergovernmental Revenues consist of negative variances of \$12.4 million in CalWORKs and CALWORKs Child Care Stage One revenue associated with revised caseload projections, \$2.1 million in Realignment to align prior year SPSL costs, and \$0.8 million in Realignment based on estimated receipts, partially offset by positive variances of \$5.3 million primarily in social services administrative revenues to align with revised allocations and \$2.1 million tied to over-realized ARPA funding to align with prior year SPSL costs noted above.

## **LAND USE AND ENVIRONMENT GROUP**

### **General Fund**

#### *Land Use and Environment Group Executive Office*

A positive variance of \$1.8 million is projected for the Land Use and Environment Group Executive Office.

No expenditure variance is projected.

A positive revenue variance of \$1.8 million is projected. A positive revenue variance of \$1.8 million in Intergovernmental Revenues is due to unanticipated American Rescue Plan Act (ARPA) revenue for prior year costs associated with Supplemental Paid Sick Leave for Land Use and Environment Group (LUEG) departments.

#### *Agriculture, Weights and Measures (AWM)*

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

A positive expenditure variance of \$1.1 million is projected. A positive variance of \$1.1 million in Salaries & Benefits due to vacancies and under-filled positions.

A negative revenue variance of \$1.1 million is projected. A negative variance of \$1.1 million in Miscellaneous Revenues is mainly due to less than anticipated reimbursable expenditures related to a tree trimming services contract and quarantine activities.

#### *Planning and Development Services (PDS)*

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

A positive expenditure variance of \$9.5 million is projected. A positive variance of \$7.2 million in Salaries & Benefits is projected due to vacancies and under-filled positions. A positive variance of \$3.6 million in Services & Supplies is projected primarily due to schedule changes in one-time only Information Technology (IT) projects, and schedule changes in grant related expenditures for Sustainable Agricultural Lands Conservation (Sam's Mountain) and from the Board of State and Community Correction (Prop 64 - Cannabis). This is partially offset by a negative variance of \$1.3 million in Expenditure Transfer & Reimbursements due to a decrease in services rendered to other General Fund departments.

A negative revenue variance of \$9.5 million is projected. A negative variance of \$5.7 million is projected in Charges for Current Services due to a decline in billable activities for land development and project planning. A negative variance of \$3.3 million in

Intergovernmental Revenues is primarily due to schedule changes for the two grants mentioned above. A negative variance of \$0.5 million in Miscellaneous Revenues is projected primarily due to delays in fire rebuild activities.

#### *Environmental Health and Quality*

A positive variance of \$0.7 million is projected for the Department of Environmental Health and Quality.

A positive expenditure variance of \$4.7 million is projected. A positive variance of \$3.3 million in Salaries & Benefits is due to vacancies and under-filled positions. A positive variance of \$1.4 million in Services & Supplies is due to less than anticipated contracted services and cancelled IT projects.

A negative revenue variance of \$4.0 million is projected. A \$2.8 million negative variance is projected in Licenses, Permits & Franchises due to less than anticipated permit growth. A \$1.3 million negative variance is projected in Charges for Current Services due to fewer services requested by customers. This is partially offset by a positive variance of \$0.1 million in Fines, Forfeitures & Penalties due to increased late fee collection.

#### *Department of Public Works – General Fund*

A negative variance of \$0.6 million is projected for the Department of Public Works – General Fund.

A positive expenditure variance of \$0.6 million is projected. A positive variance of \$0.6 million in Salaries & Benefits is due to staff vacancies.

A negative revenue variance of \$1.2 million is projected. A negative variance of \$1.2 million in Charges for Current Services is due to reduced labor charges for land development projects related to staff vacancies.

### **SPECIAL REVENUE FUNDS**

#### *San Diego County Library*

A positive variance of \$6.1 million is projected for the San Diego County Library.

A positive expenditure variance of \$1.9 million is projected. A positive variance of \$1.4 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$0.5 million in Service & Supplies is projected due to savings in IT and equipment costs.

A positive revenue variance of \$4.2 million is projected. A positive revenue variance of \$2.9 million in Taxes Current Property and \$0.2 million in Taxes Other Than Current are due to assessed value growth from property taxes. A \$1.1 million positive variance is projected in Intergovernmental Revenues primarily from over-realized revenues in Aid

From Redevelopment Agencies. A \$0.1 million positive variance in Revenue from Use of Money & Property is due to an increase in interest earnings. This is partially offset by \$0.1 million negative variance in Miscellaneous Revenues due to lower than anticipated private donations.

#### *Department of Public Works – Road Fund*

A positive variance of \$26.8 million is projected for the Department of Public Works - Road Fund.

A positive expenditure variance of \$55.9 million is projected. A positive variance of \$6.7 million in Salaries & Benefits is due to staff vacancies and under-filled positions. A positive variance of \$46.6 million in Services & Supplies is primarily due to scheduled project changes in Capital Improvement Program (CIP) Detailed Work Plan for one-time capital projects. A positive variance of \$2.6 million in Other Charges is due to project changes for right of way-easement for Cole Grade Road, Ashwood Street, Rainbow Water Quality, and Camino Del Rey.

A negative revenue variance of \$29.1 million is projected. A negative variance of \$17.5 million in Intergovernmental Revenues is mainly due to under-realized revenue for federally funded grant projects in CIP Detailed Work Plan. A negative variance of \$9.3 million in Taxes Other Than Current Secured is due to TransNet project schedule changes. A negative variance of \$7.2 million in Other Financing Sources is primarily due to under-realized revenue in Operating Transfer From General Fund for Green Street Projects, Bike Lanes and Sidewalks. A negative variance of \$3.2 million in Charges for Current Services is due to reduced support to other County departments. A positive variance of \$4.1 million in Revenue from Use of Money & Property is due to increase in interest earnings. A positive variance of \$4.0 million in Licenses Permits & Franchise is due to an increase in anticipated SDG&E franchise fees.

#### *Public Works – County Waste Management and Recycling*

A positive variance of \$2.5 million is projected for the County Waste Management and Recycling.

A positive expenditure variance of \$1.9 million is projected. A positive variance of \$0.3 million in Salaries & Benefits is due to vacancies. A positive variance of \$1.6 million in Services & Supplies is due to less than anticipated consultant contract costs.

A positive revenue variance of \$0.6 million is projected. A positive variance of \$0.4 million in Fines, Forfeitures & Penalties is due to previous fiscal years' Construction & Demolition (C&D) deposit forfeitures realized in the current fiscal year. A positive variance of \$0.1 million in Revenue From Use of Money & Property is due to increase in interest earnings. A positive variance of \$0.1 million in Charges for Current Services is due to unanticipated revenue for the ARPA Community Food Production grant.

*Department of Parks and Recreation - Parkland Dedication Funds*

A positive variance of \$1.0 million is projected for the Parkland Dedication Funds.

No expenditure variance is projected.

A positive revenue variance of \$1.0 million is projected. A positive variance of \$0.7 million in Licenses, Permits, & Franchises due to unanticipated increased levels of land development activity resulting in additional revenue from Park Land Dedication fees. A positive variance of \$0.3 million in Revenue from Use of Money & Property is due to greater than anticipated interest from additional deposits.

**SPECIAL DISTRICT FUNDS**

*Department of Public Works – Permanent Road Divisions*

A positive variance of \$7.7 million is projected for the Permanent Road Divisions.

A positive expenditure variance of \$7.3 million is projected in Services & Supplies due to lower than anticipated road maintenance work costs.

A positive revenue variance of \$0.4 million is projected. A positive variance of \$0.3 million in Revenue from Use of Money & Property is due to unanticipated increase in interest earnings. A positive variance of \$0.1 million in Taxes Current Property due to assessed value growth from special assessments.

*Department of Public Works – Flood Control District*

A positive variance of \$0.5 million is projected for the Flood Control District

A positive expenditure variance of \$0.1 million is projected in Service & Supplies due to less than anticipated contract support cost for one-time capital and maintenance projects.

A positive revenue variance of \$0.4 million is projected. A positive variance of \$0.6 million in Revenue from Use of Money & Property is due to anticipated increase in interest earnings. A positive variance of \$0.1 million in Taxes Other Than Current due to assessed value from property taxes. A negative variance of \$0.2 million in Charges for Current Services is due to less than anticipated Community Facility District (CFD) flood control facilities costs. A negative variance of \$0.1 million in Intergovernmental Revenues is due to project schedule changes for maintenance of the Sweetwater levies flood control project.

*San Diego County Sanitation District*

A positive variance of \$3.2 million is projected for the San Diego County Sanitation District.

A positive expenditure variance of \$2.3 million is projected in Services & Supplies due to a reduction in labor costs from Wastewater Management Enterprise Fund staff vacancies.

A positive revenue variance of \$0.9 million is projected. A positive variance of \$1.2 million in Revenue from Use of Money & Property is due to anticipated increase in interest earnings. A negative variance of \$0.3 million in Charges for Current Services due to the fee adjustment for sewer connection capacity fees approved by the Board on May 24, 2023 (SA01) which resulted in a reduction in the amount of fees collected.

## **INTERNAL SERVICE FUNDS**

### *Department of Public Works - Equipment Internal Service Funds (ISF)*

A positive variance of \$0.7 million is projected for the Department of Public Works Equipment Internal Service Funds.

A positive expenditure variance of \$0.2 million is projected. A positive variance of \$0.2 million in Capital Assets Equipment is due to delays in vehicle purchases.

A positive revenue variance of \$0.5 million is projected. A positive variance \$0.6 million is projected in Revenue from Use of Money & Property due to anticipated increase in interest earnings which is offset by a negative variance of \$0.1 million in Other Financing Sources due to delays in purchasing vehicles for other DPW funds.

## **ENTERPRISE FUNDS**

### *Department of Public Works – Airport Enterprise Fund*

A positive variance of \$1.0 million is projected for the Airport Enterprise Fund.

A positive expenditure variance of \$1.3 million is projected. A positive variance of \$0.3 million in Salaries & Benefits is due to vacancies. A positive variance of \$1.0 million is projected in Supplies & Services due to project schedule changes for one-time major maintenance projects and anticipated savings in contracted services.

A negative revenue variance of \$0.3 million in Intergovernmental Revenues is due to less than anticipated grant reimbursement activities.

### *Department of Public Works – Wastewater Management Enterprise Fund*

A negative variance of \$0.8 million is projected for the Wastewater Management Enterprise Fund.

A positive expenditure variance of \$1.3 million is projected. A positive variance of \$0.7 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$0.6 million

in Services & Supplies is due to reduced support from other County departments and anticipated savings in various expenses related to staff vacancies.

A negative revenue variance of \$2.1 million is projected. A negative variance of \$2.2 million in Charges for Current Services is due to reduced billable activities for San Diego County Sanitation District support due to staff vacancies. This is partially offset by positive variance of \$0.1 million in Intergovernmental Revenues due to unanticipated ARPA revenue for the Camp Lockett project.

## **FINANCE AND GENERAL GOVERNMENT GROUP**

### **General Fund**

#### *Assessor/Recorder/County Clerk*

No overall variance is projected for the Assessor/Recorder/County Clerk (ARCC).

A positive expenditure variance of \$9.0 million is projected and includes positive variances of \$4.0 million in Salaries & Benefits due to vacancies and attrition, and \$5.0 million in Services & Supplies primarily due to the delay or cancellation/postponement of Recorder Trust Fund funded projects.

A negative revenue variance of \$9.0 million is projected due to:

- A negative variance \$0.3 million in Licenses & Permits due to less than anticipated marriage licenses issued.
- A positive variance of \$0.7 million in Intergovernmental Revenues due to American Rescue Plan Act (ARPA) revenue associated with reimbursement for the Supplemental Paid Sick Leave program.
- A net negative variance of \$9.4 million in Charges for Current Services which includes:
  - A negative variance \$7.9 million in Recorder Trust Fund revenues due to delay of replacement of Integrated Recorder and Vital Records System, Archives Case Management System, and digitization and indexing of official records,
  - A negative variance of \$3.4 million in Recording Document and Filing Documents due to less than anticipated number of recorded documents because of higher interest rates,
  - A negative variance of \$0.4 million in Recording Fees due to less than anticipated vital certificates issued,
  - A negative variance of \$0.1 million in Special Assessments and Notary Public Fees due to less than anticipated program collections,
  - A positive variance of \$2.2 million in AB 2890 Recovered Costs due to higher supplemental tax payments, and
  - A positive variance of \$0.2 million in Marriage Ceremonies due to higher than anticipated marriage ceremonies performed.

#### *Board of Supervisors*

An overall positive variance of \$2.2 million is projected for the Board of Supervisors.

A positive expenditure variance of \$2.2 million includes \$1.6 million in Salaries & Benefits due to unanticipated staff vacancies and turnover and \$0.6 million in Services & Supplies due to lower than anticipated one-time expenses, including office expenses related to the staff vacancies mentioned above.



No revenue variance is projected.

#### *County Communications Office*

An overall negative variance of \$0.3 million is projected for the County Communications Office.

A positive expenditure variance of \$1.1 million is projected due to a positive variance of \$1.1 million in Services & Supplies and \$0.3 million in Capital Assets Equipment associated with lower than anticipated one-time costs for Major Maintenance projects funded by Public, Educational and Governmental (PEG) funds, which is offset by a negative variance of \$0.3 million in Expenditure Transfer & Reimbursements due to lower than anticipated staff cost reimbursements primarily due to the reassignment of staff to support winter storm emergency and recovery efforts and other projects.

A negative revenue variance of \$1.4 million is projected due to PEG expenditures not being realized, as described above.

#### *County Counsel*

An overall positive variance of \$2.1 million is projected for the Office of County Counsel.

A positive expenditure variance of \$2.1 million includes \$2.9 million in Salaries & Benefits due to staff attrition and departmental vacancies and \$0.6 million in Services & Supplies primarily due to delays in office construction projects, offset by \$1.4 million in Expenditure Transfer & Reimbursements due to less than anticipated staff cost reimbursements in the health services area.

No significant revenue variance is projected due to a positive variance of \$0.1 million in Intergovernmental Revenue due to American Rescue Plan Act (ARPA) reimbursement for Supplemental Paid Sick Leave, which is offset by a negative variance of \$0.1 million in Charges for Current Services primarily due to an anticipated decrease in legal services provided within the land development area.

#### *County Technology Office*

No overall variance is projected for the County Technology Office.

No net expenditure variance is projected. This is due to a positive variance of \$0.8 million in Services & Supplies due to changes in scope of one-time IT projects, which is offset by a negative variance of \$0.8 million in Expenditure Transfer & Reimbursements related to the changes in scope of one-time IT projects noted above.

No revenue variance is projected.

### *Human Resources*

An overall negative variance of \$1.8 million is projected for the Department of Human Resources.

A positive expenditure variance of \$0.1 million is projected and includes \$0.2 million in Services & Supplies primarily due to increases in property insurance premiums that are offset by lower than anticipated costs for workers compensation and unemployment insurance services, which is offset by a negative variance of \$0.1 million in Expenditure Transfer & Reimbursements due to reclassification of cost applied for staff time supporting the Purchasing & Contracting ISF.

A negative revenue variance of \$1.9 million is projected and includes \$2.2 million in Miscellaneous Revenues due to less than anticipated administration costs charged to the Employee Benefit ISF and less than anticipated contracted services, which is offset by positive variances of \$0.2 million in Charges For Current Services primarily due to reclassification of revenue for staff time supporting the Purchasing ISF, and \$0.1 million in Intergovernmental Revenues for ARPA reimbursement of Supplemental Paid Sick Leave.

### *Registrar of Voters*

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

A positive expenditure variance of \$5.9 million is projected and includes positive variances of \$5.0 million in Salaries & Benefits due to transition of poll worker pay to stipends and lower than anticipated temporary labor costs related to voter turnout for the March 2024 Presidential Primary Election; \$0.5 million in Services & Supplies primarily due to lower than anticipated election costs and delay of the purchase of a new voter registration system, offset by the transition of poll worker pay to stipends; and \$0.4 million Operating Transfers Out due to lower than anticipated costs for construction to expand the ballot tabulation area.

A negative revenue variance of \$5.5 million is projected and includes negative variances of \$3.5 million in Intergovernmental Revenues due to the postponement of the purchase of a new voter registration system noted above, and \$2.0 million in Charges For Current Services due to fewer than anticipated billable jurisdictions participating in the March 2024 Presidential Primary Election.

### *Treasurer-Tax Collector*

An overall variance of \$1.4 million is projected for the Treasurer-Tax Collector.

A positive expenditure variance of \$1.2 million includes \$0.6 million in Salaries & Benefits due to normal attrition of staff and departmental variances and \$0.6 million in Services &

Supplies mainly due to lower than anticipated costs associated with the Banking Pool, including delays in IT projects and projected underspend on contracts.

A positive revenue variance of \$0.2 million is primarily due to a positive variance of \$0.1 million in Intergovernmental Revenues for ARPA revenue associated with the reimbursement of Supplemental Paid Sick Leave and \$0.1 million in Miscellaneous Revenues due to higher than expected deferred compensation plan offset revenue to reimburse for program administration costs.

### **Internal Service Funds (ISF)**

#### *Facilities Management ISF*

An overall positive variance of \$0.7 million is projected for the Facilities Management ISF.

There is no significant expenditure variance projected.

A positive revenue variance of \$0.7 million is projected in Intergovernmental Revenues due to ARPA reimbursements for Supplemental Paid Sick Leave and payments related to facilities occupied by State courts.

#### *Fleet Management ISF*

An overall positive variance of \$1.4 million is projected for the Fleet Management ISF due to positive variances of \$0.9 million in Fleet Maintenance & Support and \$0.5 million in Fleet Asset Management. No variances are projected for Fleet Parts & Fuel or Fleet Accident Repair.

A positive expenditure variance of \$2.9 million is projected which includes \$1.0 million in Salaries & Benefits due to attrition of staff and departmental vacancies, and \$1.9 million in Other Charges due to lower than anticipated depreciation charges based on actual timing and value of vehicle and equipment replacement.

A negative revenue variance of \$1.5 million is projected which includes \$1.9 million in Charges for Current Services due to lower than anticipated reimbursement related to the expenditure variance mentioned above, offset by \$0.2 million in Miscellaneous Revenues due to higher than projected Third Party recoveries related to accident repairs, \$0.1 million in Revenue From Use of Money & Property due to higher than anticipated interest earnings, and \$0.1 million in Intergovernmental Revenues from ARPA reimbursements for Supplemental Paid Sick Leave.

### *Public Liability ISF*

An overall positive variance of \$1.1 million is projected.

A positive expenditure variance of \$1.3 million is projected in Services & Supplies due to the County foregoing medical malpractice excess insurance.

A negative revenue variance of \$0.2 million is projected due to a negative revenue variance of \$1.3 million in Charges Revenue due to the unfunded rate collections for the medical malpractice excess insurance, offset by an anticipated positive revenue variance of \$1.1 million in Interest on Deposits & Investments.

### *Purchasing & Contracting*

An overall positive variance of \$2.4 million is projected for the Purchasing & Contracting ISF.

A positive expenditure variance of \$0.7 million includes \$0.1 million in Salaries & Benefits attributed to staff vacancies and attrition, \$0.5 million in Services & Supplies due to a reduction of costs for the County's auction contract and data services, and \$0.1 million in Other Charges due to lower than anticipated depreciation expense associated with delayed implementation of the Sourcing IT project.

A positive revenue variance of \$1.7 million is attributed to \$0.1 million in Revenue From Use of Money & Property due to higher than anticipated interest rates, \$1.4 million in Charges for Current Services for ISF revenue associated with higher than anticipated enterprisewide procurement spend, and \$0.2 million in Miscellaneous Revenues due to an increase in proceeds from usage rebates.

## **GENERAL PURPOSE REVENUE & COUNTYWIDE EXPENSES**

A positive variance of \$91.2 million is projected in General Purpose Revenue (GPR) primarily from higher interest revenues due to projected higher average daily cash balance and rise in market rates (\$33.4 million), Sales & Use Taxes due to the continued growth activities in the Unincorporated Area (\$16.7 million), higher pass-through distributions and residual balance estimates from Redevelopment Successor Agencies (\$9.8 million), current unsecured property tax revenues (\$9.7 million), closure of Flex Forfeitures Trust Funds (\$8.5 million), penalties & cost delinquent taxes (\$7.0 million) and other various GPR revenues (\$6.1 million). A positive variance of \$5.6 million is projected in General County Expenses.

### **General Purpose Revenue**

The County's General Purpose Revenue is directly influenced by the state of the economy. Employment showed an overall positive gain from February 2023 to February 2024, with majority of the increase in Private Education and Health Services by 15,000, in Leisure and Hospitality by 6,100, and in Government by 5,700, but decreased in Professional and Business Services by 8,900. Median home prices in San Diego for Single Family Homes were higher by 15.6% and for Existing Attached Homes by 8.5% based on January-February 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 (FY) 2023-24, 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 4.7% in February 2024, up from 3.7% year-ago estimate. In comparison, this is below the state's unemployment rate of 5.6% but slightly above the 4.2% rate for the nation during the same period.
- Consumer spending, as measured by taxable sales, will increase mainly due to increase in consumer online spending. During the 3rd Quarter of Fiscal Year 2023-24, unadjusted local point of sale tax revenue increased by 3.54% in the unincorporated area, but decreased by 3.62% in the San Diego regional level, 2.58% in the Southern California Region and 2.67% 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 15.6%) and for Existing Attached Homes (up 8.5%) for January-February 2024 compared to the same time period last year.
  - Notices of Default lower by 23% in January-March 2024 compared to the same period in 2023.
  - Foreclosure activity higher by 16% in January-March 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 \$11.1 million.

- *Property Taxes Current Secured*

No projected variance in Current Secured Property Taxes from the Amended budget. Per Administrative Code Section 113.5(b), \$19.6 million of projected one-time over realized revenue generated by greater than anticipated assessed value growth was used to reduce the pension fund's Unfunded Actuarial Accrued Liability.

The budgeted current secured property taxes assumed a local secured assessed value increase of 5.00%, but the actual assessed value (AV) increased by 6.86% (gross less regular exemptions). (Note: The 6.86% 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 August 2, 2023, of 7.12%, which includes all assessed value components, secured and unsecured.)

- *Property Taxes - Current Unsecured*

Current Unsecured Property Taxes are projected to be \$9.7 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.

- *Property Taxes Current Supplemental*

Property Taxes Current Supplemental are projected to be \$1.4 million higher than budget due to the increase in supplemental billings in Fiscal Year 2023-24 compared to prior year.

### *Taxes Other Than Current Secured*

Taxes Other Than Current Secured are anticipated to be \$18.8 million above budget.

- *Property Tax Prior Secured*

Property Tax Prior Secured are projected to be \$0.2 million higher than budget based on year-to-date current year actuals going higher than expected.

- *Property Tax Prior Secured Supplemental*

Property Tax Prior Secured Supplemental are projected to be \$10.0 million higher than budget due to the increase in supplemental billings in Fiscal Year 2023-24 compared to prior year. However, \$10.4 million was appropriated for Incompetent to Stand Trial penalty payment due to the Department of State Hospital (\$3.0 million), for unanticipated increases in operational costs primarily in court ordered forensic evaluations and leased facilities (\$1.4 million) and to support the ambulance services program in San Diego County Fire Protection District (\$6.0 million) and an additional \$0.9 million will be appropriated for unanticipated decedent transportation costs (\$0.5 million) and for higher animal care costs (\$0.4 million), which result in adjusted projection of \$1.3 million lower than budget.

- *Property Tax Prior Unsecured*

Property Tax Prior Unsecured are projected to be \$0.3 million higher than budget due to higher than expected current year actuals.

- *Property Tax Prior Year Unsecured Supplemental*

Property Tax Prior Year Unsecured Supplemental are projected to be \$1.9 million higher than budget based on year-to-date current year actuals going higher than expected.

- *Sales & Use Taxes*

Sales & Use Taxes are projected to be \$16.7 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.

- *Other Tax Aircraft*

Other Tax Aircraft is projected to be \$3.0 million higher than budget based on year-to-date current year actuals going higher than expected.

- *Transient Occupancy Tax*

Transient Occupancy Tax is projected to be \$0.9 million higher than budget. This is based on prior year receipts and continued growth in the hotel industry and tourism as a whole.

- *Documentary Transfer Taxes*

Documentary Transfer Taxes are projected to be \$4.2 million lower than budget due to projected home sales going down and home prices remaining high.

- *Teeter Tax Reserve Excess*

Teeter Tax Reserve Excess is projected to be \$3.0 million lower 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 \$4.2 million higher than budget. The increase is based on a higher collection of receivables from prior fiscal year.

- *Cannabis Tax*

Cannabis Tax are projected to be \$0.1 million based on year-to-date current year actuals.

- *Property Tax in Lieu of Vehicle License Fees*

No projected variance in Property Tax in Lieu of Vehicle License Fees (VLF) from the Amended budget. Per Administrative Code Section 113.5(b), \$11.5 million of projected one-time over realized revenue generated by greater than anticipated assessed value growth was used to reduce the pension fund's Unfunded Actuarial Accrued Liability.

### *Licenses, Permits, and Franchises*

Licenses, Permits and Franchises are projected to be \$0.9 million lower than budget due to lower-than-expected payments from Franchise Fees.

### *Revenue from Use of Money & Property*

Revenue from Use of Money & Property are projected to be \$33.4 million higher than budget. The increase is due to a higher projected average daily cash balance than what was budgeted which was used to calculate the interest revenue, and due to a higher interest rate due to the recent rise in market rates.

### *Fines, Forfeitures and Penalties*

Fines, Forfeitures and Penalties are projected to be \$7.0 million higher than budget due to higher than budgeted growth in assessed valuation. Revenues in this account reflect the 10% penalty that is assessed on late current secured and unsecured property tax payments.



### *Intergovernmental Revenues*

Intergovernmental Revenues are projected to be \$13.0 million higher than budget due to pass-through distributions (\$6.0 million), residual balance estimates (\$3.8 million) in Aid from Redevelopment Successor Agencies, unanticipated State Motor Vehicle revenue (\$3.4 million) and Aid from City of San Diego (\$0.5 million), offset by \$0.7 million in lower than budget in State Aid Homeowners Property Tax Relief (\$0.4 million) and State Aid Booking Fees (\$0.3 million). 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.

### *Charges for Current Services*

Charges for Current Services are projected to be \$0.3 million higher than budget due to higher-than-expected revenues received in A-87 Cost Allocation Plan.

### *Miscellaneous Revenue*

Miscellaneous Revenue is projected to be \$8.5 million higher than budget due to the anticipated closure of Flex Forfeitures Trust Funds.

## **General County Expenses**

### *Countywide General Expense*

A positive variance of \$3.8 million is projected in Countywide General Expense.

A positive expenditure variance of \$2.1 million is projected. A positive variance of \$1.9 million is projected in Services & Supplies as additional funding is no longer anticipated to be needed in the current fiscal year to support the Immigrant Rights Legal Defense Program in the Department of Public Defender since the department has the capacity to operate this program using existing appropriations (\$2.0 million) as well as funding for completed MMCOF project and prior year contracts (\$0.2 million), partially offset by a negative variance for unanticipated projected cost of actuarial study for Drop Analysis (\$0.3 million). The Fiscal Year 2023-25 Adopted Operational Plan set aside \$2.0 million in Finance Other on a one-time basis should additional funding be needed to support the Immigration Rights Legal Defense Program. A positive variance of \$0.2 million is projected in Operating Transfers Out due to prior year remaining funding for site security at the Family Superior Court demolition and Energy Efficiency Projects that are no longer needed.

A positive revenue variance of \$1.7 million is projected in Miscellaneous Revenues due to reimbursement from the Small Business Loan Program and various departmental escheatment.

### *Lease Payments – Bonds*

There is no significant variance projected for Lease Payments – Bonds.

### *Contributions to Capital*

A positive variance of \$1.8 million is projected in Contributions to Capital.

A positive expenditure variance of \$1.8 million is projected. This includes a positive variance of \$1.8 million in Operating Transfers Out due to lower than anticipated expenses related to capital projects that are closed or being cancelled by the end of Fiscal Year 2023-24. The following Capital projects will be closed or cancelled (including the amount of related appropriations cancelled).

- Fire and Emergency Services Training Center (\$0.03 million)
- Ildica Park Development (\$0.008 million)
- North Coastal Live Well Health Center Improvements (\$1.2 million)
- Emergency Vehicle Operations Course (EVOC) (\$0.05 million)
- Sheriff Technology Center COC Buildings 12 and 18 (\$0.3 million)
- Ramona Sheriff Substation (\$0.3 million)

### **Capital Program Funds**

#### *Edgemoor Development Fund*

There is no significant variance projected for the Edgemoor Development Fund.

### **Debt Service Funds**

#### *Pension Obligation Bonds (POBs)*

A positive variance of \$0.5 million is projected in the Pension Obligation Bonds.

No significant expenditure variance is projected.

A positive revenue variance of \$0.5 million is projected. This includes a positive variance of \$0.5 million in higher than anticipated interest earnings due to a higher investment interest rate environment.

**SCHEDULE C (Rec #28)**  
**Fiscal Year 2023-24 3rd Quarter**  
**Capital Projects Anticipated for Completion/Cancellation**

| Oracle Project Number  | Account | Project Name                                       | Completed OR Cancelled | A&C Comments | Total Budget as of 03-29-24 | Total Expenditures as of 03-29-24 | Amount Capitalized as of 03-29-24 | Minor Equipment & FA | Amount Cancelled    |
|--|---------|--|------------------------|--------------|-----------------------------|-----------------------------------|-----------------------------------|----------------------|---------------------|
| <b>** Capital Outlay Fund (Fund 26000 ) **</b>                 |         |  |                        |              |                             |                                   |                                   |                      |                     |
| 1022911  | 54202   | Fire and Emergency Services Training Center        | 1                      |              | 2,650,000.00                | 2,615,836.65                      | 2,615,836.65                      | -                    | 34,163.35           |
| 1021150  | 54202   | South County Bicycle Skills Course                 | 1                      |              | 1,847,140.72                | 1,847,140.72                      | 1,847,140.72                      | -                    | -                   |
| 1021742  | 54202   | Ildica Park Development                            | 1                      |              | 980,000.00                  | 971,730.18                        | 971,730.18                        | -                    | 8,269.82            |
| 1000036  | 54689   | San Luis Rey River Park Planning and Development   | 1                      |              | 1,691,241.37                | 1,691,241.37                      | 1,691,241.37                      | -                    | -                   |
| 1009548  | 54059   | Lakeside Soccer Fields Acquisitions                | 1                      |              | 14,611.08                   | 14,611.08                         | 14,611.08                         | -                    | -                   |
| 1010973  | 54809   | Tijuana River Valley Sports Complex Concept Plan   | 1                      |              | -                           | -                                 | -                                 | -                    | -                   |
| <b>TOTAL</b>   |         |  |                        | <b>6</b>     | <b>7,182,993.17</b>         | <b>7,140,560.00</b>               | <b>7,140,560.00</b>               | <b>-</b>             | <b>42,433.17</b>    |
| <b>** County Health Complex Fund (Fund 26025) **</b>           |         |  |                        |              |                             |                                   |                                   |                      |                     |
| 1023473  | 54202   | North Coastal Live Well Health Center Improvements | 1                      |              | 8,000,000.00                | 6,881,612.37                      | 6,742,071.56                      | 138,530.59           | 1,118,387.63        |
| <b>TOTAL</b>   |         |  |                        | <b>1</b>     | <b>8,000,000.00</b>         | <b>6,881,612.37</b>               | <b>6,742,071.56</b>               | <b>138,530.59</b>    | <b>1,118,387.63</b> |
| <b>** Justice Facility Construction Fund (Fund 26050) **</b>   |         |  |                        |              |                             |                                   |                                   |                      |                     |
| 1020251  | 54202   | Emergency Vehicle Operations Course (EVOC)         | 1                      |              | 33,290,000.00               | 33,239,644.49                     | 33,239,644.49                     |                      | 50,355.51           |
| 1021130  | 54202   | Sheriff Technology Center COC Buildings 12 and 18  | 1                      |              | 49,095,719.00               | 48,431,427.90                     | 46,600,582.65                     | 1,830,845.25         | 664,291.10          |
| 1021132  | 54202   | Ohio Street Probation Renovation and Replacement   | 1                      |              | 19,375,833.00               | 18,517,482.09                     | 17,459,307.29                     | 1,058,174.35         | 858,350.91          |
| 1022973  | 54202   | Ramona Sheriff Substation                          | 2                      |              | 240,000.00                  | -                                 | -                                 | -                    | 240,000.00          |
| 1020251  | 54202   | Emergency Vehicle Operations Course                |                        |              |                             |                                   |                                   |                      |                     |
| <b>TOTAL</b>   |         |  |                        | <b>4</b>     | <b>102,001,552.00</b>       | <b>100,188,554.48</b>             | <b>97,299,534.43</b>              | <b>2,889,019.60</b>  | <b>1,812,997.52</b> |
| <b>** Library Projects Capital Outlay Fund (Fund 26075) **</b> |         |  |                        |              |                             |                                   |                                   |                      |                     |
| <b>TOTAL</b>   |         |  |                        |              | <b>-</b>                    | <b>-</b>                          | <b>-</b>                          | <b>-</b>             | <b>-</b>            |
| <b>TOTAL FOR CAPITAL PROJECTS</b>                              |         |  |                        | <b>11</b>    | <b>117,184,545.17</b>       | <b>114,210,726.85</b>             | <b>111,182,165.99</b>             | <b>3,027,550.19</b>  | <b>2,973,818.32</b> |

**Note:**

- 1 Completed Project
- 2 Cancelled Project

DPR Projects  
DGS Projects

**Appendix D: Major Maintenance Capital Outlay Fund (MMCOF) 3rd Quarter Adjustments for Fiscal Year 2023-2024 ( Rec #19)**

| GROUP                                       | DEPT.  | PROJECT NUMBER | PROJECT NAME   | FUNDING SOURCE |                |         | NOTES | DEPARTMENTS (Acct - 56321 Opt Transfer Out) | DEPARTMENTS (Acct - 52XXX Services & Supplies) | MMCOF (Acct - 54202 Fixed Asset) | RATIFICATION |
|---|--------|----------------|--|----------------|----------------|---------|-------|---|--|----------------------------------|--------------|
|   |        |                |  | FUND           | ORG            | ACCOUNT |       | 1 thru 11                                   | Inc (Dec)                                      | Inc (Dec)                        | Inc (Dec)    |
| <b>Increase (Decrease) of Appropriation</b> |        |                |  |                |                |         |       |   |  |                                  |              |
| Shared                                      | Shared | 1026954        | MMCOF7A42 East County Regional Center Parking Lot Repair & Resurface               | 10100          | 16355          | 52750   | 2     | 920,000                                     | (920,000)                                      | 920,000                          | No           |
| PSG   | PRO    | 1026962        | MMCOF7A43D EMJDF Upgrade CCTV from Analog to Digital                               | 10100          | 42180          | 53284   | 2     | 2,660,077                                   | (2,660,077)                                    | 3,000,000                        | No           |
| PSG   | SHF    | 1022041        | MMCOF7642 GBDF Replace Security Controls and Cameras                               | 10100          | 39884          | 52737   | 3     | 3,000,000                                   | (3,000,000)                                    | 3,000,000                        | No           |
| PSG   | SHF    | 1026118        | MMCOF7960 Alpine Sheriff Station HVAC Replacement                                  | 10100          | 39884          | 52737   | 3     | 70,000                                      | (70,000)                                       | 70,000                           | No           |
| <b>Subtotal General Fund</b>                |        |                |  |                |                |         |       | <b>6,650,077</b>                            | <b>(6,650,077)</b>                             | <b>6,990,000</b>                 |              |
| HHS   | HHS    | 1026953        | MMCOF7A41 SDCPH Pharmacy Relocation  | 26005          | 7863D<br>7865D | 54202   | 2     | N/A   | N/A  | 400,000                          | No           |
| PSG   | PRO    | 1025461        | MMCOF7890 EMJDF Exterior Paint, Water Heater, Air Duct Repair, Window Replacements | 37600          | 87875          | 52737   | 3     | 100,000                                     | (100,000)                                      | 100,000                          | No           |
| HHS   | HHS    | 1024614        | MMCOF7831 Mental Health Services Site Remodel                                      | 26005          | 7861D          | 54202   | 3     | N/A   | N/A  | 50,000                           | No           |
| HHS   | HHS    | 1023689        | MMCOF7761 San Pasqual Academy Emergency Backup Generator                           | 26005          | 7861D          | 54202   | 3     | N/A   | N/A  | 7,000                            | No           |
| HHS   | HHS    | 1025439        | MMCOF7867 Mills Building Office Reconfiguration of 5th and 7th Floors              | 26005          | 7861D<br>7915D | 54202   | 3     | N/A   | N/A  | 300,000                          | No           |
| HHS   | HHS    | 1024617        | MMCOF7835 South Region LWC National City Lobby Reconfiguration                     | 26005          | 7861D          | 54202   | 3     | N/A   | N/A  | 476,581                          | No           |
| LUG   | PKS    | 1025452        | MMCOF7881 Guajome Park Gate and Sidewalk Repairs                                   | 26005          | 7946D          | 54202   | 3     | N/A   | N/A  | 45,300                           | No           |
| HHS   | HHS    | 1025437        | MMCOF7865 North Central MHC Workspace Reconfiguration                              | 26005          | 7865D          | 54202   | 4     | N/A   | N/A  | (311,711)                        | No           |
| LUG   | PKS    | 1026104        | MMCOF7946 Stelzer Park Trail Retaining Wall  | 26005          | 7946D          | 54202   | 4     | N/A   | N/A  | (45,300)                         | No           |
| <b>Subtotal Other Funds</b>                 |        |                |  |                |                |         |       | <b>100,000</b>                              | <b>(100,000)</b>                               | <b>1,021,871</b>                 |              |

**Appendix D: Major Maintenance Capital Outlay Fund (MMCOF) 3rd Quarter Adjustments for Fiscal Year 2023-2024 ( Rec #19)**

| GROUP   | DEPT. | PROJECT NUMBER | PROJECT NAME  | FUNDING SOURCE |       |         | NOTES     | DEPARTMENTS                     | DEPARTMENTS                        | MMCOF                      | RATIFICATION |
|---|-------|----------------|---|----------------|-------|---------|-----------|---------------------------------|------------------------------------|----------------------------|--------------|
|   |       |                |   | FUND           | ORG   | ACCOUNT |           | (Acct - 56321 Opt Transfer Out) | (Acct - 52XXX Services & Supplies) | (Acct - 54202 Fixed Asset) |              |
|   |       |                |   |                |       |         | 1 thru 11 | Inc (Dec)                       | Inc (Dec)                          | Inc (Dec)                  | Yes/No       |
| <b>Increase (Decrease) of Appropriation</b>       |       |                |   |                |       |         |           |                                 |                                    |                            |              |
| PSG   | OES   | 1025454        | MMCOF7883 Julian Fire Station 56 Dumpster and Propane Relocation                      | 10100          | 30231 | 52737   | 5         | (8,938)                         | 8,938                              | (8,938)                    | No           |
| LUG   | LIB   | 1024593        | MMCOF7812 Fletcher Hills Library HVAC   | 12200          | 57330 | 52737   | 5         | (11,195)                        | 11,195                             | (11,195)                   | No           |
| LUG   | LIB   | 1024595        | MMCOF7814 Vista Library Bathroom Remodel and Staff Workroom Tile Replacement          | 12200          | 57330 | 52737   | 5         | (9,023)                         | 9,023                              | (9,023)                    | No           |
| HHS   | HHS   | 1025763        | MMCOF7915 BSL-3 Modular Lab Deconstruction Reconstruction and Transportation          | 26005          | 7915D | 54202   | 6,7       | N/A                             | N/A                                | (147,965)                  | No           |
| HHS   | HHS   | 1025435        | MMCOF7863 Metro Family Resource Center Security Window Film Installation              | 26005          | 7863D | 54202   | 7         | N/A                             | N/A                                | (81,052)                   | No           |
| PSG   | PRO   | 1025961        | MMCOF7923 EMJDF Parking Gate System Replacement and Upgrade                           | 26005          | 7923D | 54202   | 7         | N/A                             | N/A                                | (30,814)                   | No           |
| PSG   | PRO   | 1025463        | MMCOF7892 EMJDF Privacy Screens, IBR Vehicle Intake Gate Replacement                  | 26005          | 7892D | 54202   | 7         | N/A                             | N/A                                | (195,137)                  | No           |
| PSG   | PRO   | 1025462        | MMCOF7891 EMJDF Perimeter Lights LED Upgrade  | 26005          | 7891D | 54202   | 7         | N/A                             | N/A                                | (113,973)                  | No           |
| HHS   | HHS   | 1025433        | MMCOF7861 South Bay Child Services Public Defender Office Reconfiguration and New Gym | 26005          | 7861D | 54202   | 9         | N/A                             | N/A                                | (692,853)                  | No           |
| <b>Subtotal Completed/Cancelled Projects</b>      |       |                |   |                |       |         |           | <b>(29,156)</b>                 | <b>29,156</b>                      | <b>(1,290,950)</b>         |              |
| <b>Total Increase (Decrease) of Appropriation</b> |       |                |   |                |       |         |           | <b>6,720,920</b>                | <b>(6,720,920)</b>                 | <b>6,720,920</b>           |              |
| <b>Board Letter Recommendation</b>                |       |                |   |                |       |         |           | <b>REC #19</b>                  |                                    | <b>REC #19</b>             |              |

**NOTES:**

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

**Appendix E (Rec #20)**  
**One-Time Wellness Compensation Payment**  
**Summary by Group and Business Unit**  
**Fiscal Year 2023-24**

| Group Description  | Business Unit Description         | Fund  | Low Org | Account | General Fund Dept | Non-GF Dept    | Wellness Compensation Payment |
|--|-----------------------------------|-------|---------|---------|-------------------|----------------|-------------------------------|
| Public Safety  | Animal Services                   | 10100 | 49150   | 51185   | 35,871            | -              | 35,871                        |
| Public Safety  | Dept of Child Support             | 10100 | 37802   | 51185   | 250,817           | -              | 250,817                       |
| Public Safety  | District Attorney                 | 10100 | 37450   | 51185   | 669,569           | -              | 669,569                       |
| Public Safety  | Medical Examiner, County          | 10100 | 48550   | 51185   | 33,269            | -              | 33,269                        |
| Public Safety  | Office of Emergency Services      | 10100 | 30200   | 51185   | 31,061            | -              | 31,061                        |
| Public Safety  | Office of Emergency Services/Fire | 10100 | 30230   | 51185   | 22,977            | -              | 22,977                        |
| Public Safety  | Probation Department              | 10100 | 41905   | 51185   | 696,362           | -              | 696,362                       |
| Public Safety  | Public Defender                   | 10100 | 38200   | 51185   | 356,701           | -              | 356,701                       |
| Public Safety  | Public Safety Group               | 10100 | 14000   | 51185   | 10,250            | -              | 10,250                        |
| Public Safety  | Sheriff                           | 10100 | 39465   | 51185   | 3,225,259         | -              | 3,225,259                     |
| <b>Public Safety Group Total</b>                           |                                   |       |         |         | <b>5,332,136</b>  | <b>0</b>       | <b>5,332,136</b>              |
| Health & Human Services                                    | Health & Human Services           | 10100 | 44960   | 51185   | 4,997,351         |                | 4,997,351                     |
| <b>Health &amp; Human Services Agency Total</b>            |                                   |       |         |         | <b>4,997,351</b>  | <b>-</b>       | <b>4,997,351</b>              |
| Land Use & Environment                                     | Agriculture, Wghts & Meas         | 10100 | 48600   | 51185   | 115,600           |                | 115,600                       |
| Land Use & Environment                                     | DPW-Airport Enterprise Fund       | 30050 | 76350   | 51185   |                   | 23,833         | 23,833                        |
| Land Use & Environment                                     | Environmental Health & Quality    | 10100 | 44400   | 51185   | 199,835           |                | 199,835                       |
| Land Use & Environment                                     | Inactive Waste Site Mgt           | 12675 | 63970   | 51185   |                   | 6,544          | 6,544                         |
| Land Use & Environment                                     | Land Use & Env Group              | 10100 | 14550   | 51185   | 24,009            |                | 24,009                        |
| Land Use & Environment                                     | Library, County                   | 12200 | 57305   | 51185   |                   | 187,295        | 187,295                       |
| Land Use & Environment                                     | Parks & Recreation Dept           | 10100 | 52800   | 51185   | 192,418           |                | 192,418                       |
| Land Use & Environment                                     | Planning & Development Svcs       | 10100 | 49800   | 51185   | 149,087           |                | 149,087                       |
| Land Use & Environment                                     | Public Works, Dept of (Gen)       | 10100 | 50915   | 51185   | 46,324            |                | 46,324                        |
| Land Use & Environment                                     | Public Works, Dept of, Road       | 11100 | 53646   | 51185   |                   | 268,408        | 268,408                       |
| Land Use & Environment                                     | Waste Planning and Recycling      | 12675 | 63970   | 51185   |                   | 6,985          | 6,985                         |
| Land Use & Environment                                     | Wastewater Management             | 30100 | 76905   | 51185   |                   | 26,938         | 26,938                        |
| <b>Land Use &amp; Environment Group Total</b>              |                                   |       |         |         | <b>727,273</b>    | <b>520,003</b> | <b>1,247,276</b>              |
| Finance & General Government                               | Assessor/Recorder/Cty Clk         | 10100 | 33255   | 51185   | 262,350           |                | 262,350                       |
| Finance & General Government                               | Auditor & Controller              | 10100 | 16264   | 51185   | 144,075           |                | 144,075                       |
| Finance & General Government                               | Board of Supervisors              | 10100 | 10600   | 51185   | 1,077             |                | 1,077                         |
| Finance & General Government                               | Board/Supervisors Dist 1          | 10100 | 10100   | 51185   | 7,005             |                | 7,005                         |
| Finance & General Government                               | Board/Supervisors Dist 2          | 10100 | 10200   | 51185   | 9,043             |                | 9,043                         |
| Finance & General Government                               | Board/Supervisors Dist 3          | 10100 | 10300   | 51185   | 7,470             |                | 7,470                         |
| Finance & General Government                               | Board/Supervisors Dist 4          | 10100 | 10400   | 51185   | 1,154             |                | 1,154                         |
| Finance & General Government                               | Board/Supervisors Dist 5          | 10100 | 10500   | 51185   | 9,548             |                | 9,548                         |
| Finance & General Government                               | Chief Admin Officer               | 10100 | 11751   | 51185   | 25,442            |                | 25,442                        |
| Finance & General Government                               | Civil Service Commission          | 10100 | 18200   | 51185   | 1,765             |                | 1,765                         |
| Finance & General Government                               | Clerk Board/Supervisors           | 10100 | 11150   | 51185   | 25,485            |                | 25,485                        |
| Finance & General Government                               | County Communications Office      | 10100 | 17600   | 51185   | 17,667            |                | 17,667                        |
| Finance & General Government                               | County Counsel                    | 10100 | 17050   | 51185   | 115,572           |                | 115,572                       |
| Finance & General Government                               | County Technology Office          | 10100 | 25650   | 51185   | 16,682            |                | 16,682                        |
| Finance & General Government                               | Facilities Management             | 10100 | 27365   | 51185   | 245,216           |                | 245,216                       |
| Finance & General Government                               | Finance & General Gov't Group     | 10100 | 32150   | 51185   | 29,155            |                | 29,155                        |
| Finance & General Government                               | Fleet Maintenance Support         | 10100 | 27365   | 51185   | 37,121            |                | 37,121                        |
| Finance & General Government                               | Fleet Svcs ISF Mgmt               | 10100 | 27365   | 51185   | 2,891             |                | 2,891                         |
| Finance & General Government                               | Fleet Svcs ISF-Parts&Fuel         | 10100 | 27365   | 51185   | 5,762             |                | 5,762                         |
| Finance & General Government                               | Human Resources, Dept of          | 10100 | 18750   | 51185   | 89,957            |                | 89,957                        |
| Finance & General Government                               | Law Enforcement Review Bd         | 10100 | 28550   | 51185   | 6,766             |                | 6,766                         |
| Finance & General Government                               | Purchasing & Contracting          | 10100 | 27360   | 51185   | 50,927            |                | 50,927                        |
| Finance & General Government                               | Registrar of Voters               | 10100 | 47450   | 51185   | 48,367            |                | 48,367                        |
| Finance & General Government                               | Treasurer-Tax Collector           | 10100 | 34050   | 51185   | 76,866            |                | 76,866                        |
| <b>Finance &amp; General Government Group Total</b>        |                                   |       |         |         | <b>1,237,363</b>  | <b>-</b>       | <b>1,237,363</b>              |
| <b>Grand Total -One-Time Wellness Compensation Payment</b> |                                   |       |         |         | <b>12,294,123</b> | <b>520,003</b> | <b>12,814,126</b>             |

**APPENDIX F (Rec #30)**

**ARPA Framework programs to utilize General Purpose Revenue through the ARPA Revenue Loss Strategy**

| <b>Items</b>  | <b>Amount<br/>(million)</b> |
|---|-----------------------------|
| <b>ARPA Framework programs</b>                                      |                             |
| <b>Prior and On-Going COVID-19 Response</b>                         | <b>\$ 10.3</b>              |
| COVID-19 Response   | \$ 10.3                     |
| <b>Mental Health Services</b>                                       | <b>\$ 11.6</b>              |
| BHS Support for Children and Youth                                  | \$ 11.6                     |
| <b>Homeless Services</b>  | <b>\$ 28.4</b>              |
| Specilialized Funding for Imminent Needs                            | \$ 1.7                      |
| Emergency Housing   | \$ 16.4                     |
| Shallow Rent Subsidy for Seniors                                    | \$ 0.8                      |
| LGBTQ - Affirming Homeless Services                                 | \$ 1.5                      |
| Extremely Low Income Housing  | \$ 8.1                      |
| <b>Food Assistance</b>  | <b>\$ 0.4</b>               |
| Community Food Production   | \$ 0.4                      |
| <b>Child Care Subsidies</b>   | <b>\$ 2.8</b>               |
| Child Care Bridge Program   | \$ 0.3                      |
| Childcare start-up, infrastructure, database, peer-based            | \$ 2.5                      |
| <b>Direct Stimulus Payments</b>                                     | <b>\$ 1.0</b>               |
| Innovation in Foster Care: Cash Transfer for Youth At-Risk Families | \$ 1.0                      |
| <b>Small Business &amp; Non-Profit Stimulus Payments</b>            | <b>\$ 13.4</b>              |
| Restaurant Fee Waivers & Special Event Fee Waivers                  | \$ 8.4                      |
| Arts & Culture  | \$ 5.0                      |
| <b>Other</b>  | <b>\$ 17.8</b>              |
| Project Homekey   | \$ 6.7                      |
| Assistance for homeworkers and childcare workers                    | \$ 0.5                      |
| FEMA Disallowance Contingency                                       | \$ 10.6                     |
| <b>Other - Evergreen Components</b>                                 | <b>\$ 31.6</b>              |
| Recuperative Care Homeless Beds                                     | \$ 8.0                      |
| Investing in Wellness One-Time Payments                             | \$ 13.0                     |
| Innovative Housing Trust Fund                                       | \$ 10.6                     |
| <b>TOTAL by ARPA FRAMEWORK PROGRAMS</b>                             | <b>\$ 117.3</b>             |
| <b>GROUPS</b>   |                             |
| <b>HEALTH AND HUMAN SERVICES AGENCY SUBTOTAL</b>                    | <b>\$ 57.6</b>              |
| <b>LAND USE &amp; ENVIRONMENT GROUP SUBTOTAL</b>                    | <b>\$ 8.4</b>               |
| <b>FINANCE OTHER SUBTOTAL</b>                                       | <b>\$ 51.3</b>              |
| <b>TOTAL by GROUPS</b>  | <b>\$ 117.3</b>             |

**Appendix G (Recs #31 & 32)**  
**Maximize ARPA Revenue Strategy**

| Group  | PROGRAM   | Budgeted Funding Source | New Funding Source                     | GPR       | ARPA    |
|--|---|-------------------------|--|-----------|---------|
| FO   | Other - Evergreen Components                          | General Purpose Revenue | ARPA                                   | \$ (4.0)  | \$ 4.0  |
| HHSA   | Regional Homeless Assistance Program current year     | General Purpose Revenue | ARPA                                   | \$ (5.4)  | \$ 5.4  |
| HHSA   | Behavioral Health Services programs eligible for ARPA | General Purpose Revenue | ARPA                                   | \$ (37.7) | \$ 37.7 |
| HHSA   | General Relief  | General Purpose Revenue | ARPA Local and Tribal Consistency Fund | \$ (1.6)  | \$ 1.6  |
| <b>TOTAL</b>   |   |                         |  | \$ (48.7) | \$ 48.7 |
| <i>Recommendation #31 FO ARPA Transfer</i>                                 |   |                         |  | \$ (4.0)  | \$ 4.0  |
| <i>Recommendation #31 HHSA ARPA Transfer</i>                               |   |                         |  | \$ (43.1) | \$ 43.1 |
| <i>Recommendation #32 Recognize ARPA Local and Tribal Consistency Fund</i> |   |                         |  | \$ (1.6)  | \$ 1.6  |
| <b>Total</b>   |   |                         |  | \$ (48.7) | \$ 48.7 |

| Group        | PROGRAM   | Budgeted Funding Source | New Funding Source      | GPR      | ARPA      |
|--------------|---|-------------------------|-------------------------|----------|-----------|
| FGG          | Enterprise Integrated Data Platform                                       | ARPA                    | General Purpose Revenue | \$ 4.0   | \$ (4.0)  |
| HHSA         | COVID Response  | ARPA                    | General Purpose Revenue | \$ 11.70 | \$ (11.7) |
| HHSA         | Recovery Residences - Housing Every Homeless Person in Addiction Recovery | ARPA                    | General Purpose Revenue | \$ 8.0   | \$ (8.0)  |
| HHSA         | SB 43 Implementation  | ARPA                    | General Purpose Revenue | \$ 15.0  | \$ (15.0) |
| HHSA         | Behavioral Health Workforce   | ARPA                    | General Purpose Revenue | \$ 10.0  | \$ (10.0) |
| <b>TOTAL</b> |   |                         |                         | \$ 48.7  | \$ (48.7) |



**Appendix H: Funding Swap (Rec #14)**

| GROUP   | DEPT. | PROJECT NUMBER | PROJECT NAME   | FUNDING SOURCE |       |         | Expenditures   | Revenues    | Description   |
|---|-------|----------------|--|----------------|-------|---------|----------------|-------------|---|
|   |       |                |  | FUND           | ORG   | ACCOUNT | Inc (Dec)      | Inc (Dec)   |   |
| <b>Increase (Decrease) of Appropriation</b>       |       |                |  |                |       |         |                |             |   |
| HHS   | HHS   | 1024604        | County Public Health Laboratory  | 26025          | 7844H | 45456   | 2,615,917      | 2,615,917   | Establish approp of \$2,615,917.00 in COHC for CP 1024604 County Public Health Laboratory based on Future of Public Health Sustainable funding      |
| HHS   | HHS   | 1024604        | County Public Health Laboratory  | 26025          | 7844H | 48215   | (2,615,917)    | (2,615,917) | Cancel approp of \$2,615,917.00 in COHC for CP 1024604 County Public Health Laboratory  |
|   |       |                | <b>Subtotal</b>  |                |       |         | -              | -           |   |
| FGG   | DGS   | 1021162        | County Administration Center Major Systems Renovation Project (CAC MSRP) | 26000          | 7543C | 48215   | 2,615,917      | 2,615,917   | Establish approp of \$2,615,917.00 in COF for CP 1021162 Cnty Admin Ctr Renov based on Bond Proceeds from the 2023 Public Health Lab & Capital Imp. |
| FGG   | DGS   | 1021162        | County Administration Center Major Systems Renovation Project (CAC MSRP) | 26000          | 7543C | 48106   | (2,615,917)    | (2,615,917) | Cancel approp of \$2,615,917.00 in COF for CP 1021162 County Administration Center Renovations.   |
|   |       |                | <b>Subtotal</b>  |                |       |         | -              | -           |   |
| FO  | FO    | 1021162        | County Administration Center Major Systems Renovation Project (CAC MSRP) | 10100          | 7543Z | 56311   | (2,615,917)    | -           | Transfer approp of \$2,615,917.00 in the C2COF for CP 1021162 County Administration Center Renovations to Countywide General Expense, S&S           |
| FO  | FO    | 1021162        | County Administration Center Major Systems Renovation Project (CAC MSRP) | 10100          | 31575 | 52737   | 2,615,917      | -           | Transfer approp of \$2,615,917.00 in the C2COF for CP 1021162 County Administration Center Renovations to Countywide General Expense, S&S           |
|   |       |                | <b>Subtotal</b>  |                |       |         | -              | -           |   |
| <b>Total Increase (Decrease) of Appropriation</b> |       |                |  |                |       |         | -              | -           |   |
| <b>Board Letter Recommendation</b>                |       |                |  |                |       |         | <b>REC #14</b> |             |   |