



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

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First District

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Second District

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RON ROBERTS
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BILL HORN
Fifth District

DATE: December 8, 2009

TO: Board of Supervisors

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (District: All)

SUMMARY:

Overview

This report summarizes the status of the County's Fiscal Year 2009-10 Operational Plan, as measured by projected year-end fund balance from current year operations. The projected balance for the General Fund is \$60.0 million, and for all budgetary funds combined, is \$86.8 million. The projected balance in the General Fund reflects operational savings in the Health and Human Services Agency, Land Use and Environment Group, Community Services Group and Finance and General Government Group. These positive balances are offset by a projected operational shortfall in Public Safety due to an ongoing decline in Proposition 172 sales tax revenues driven by the economic recession wherein we've seen significant declines in consumer spending. In addition, the projected fund balance reflects the conservation of management and contingency reserves and projects that general purpose revenues will do better than estimated in the adopted budget.

This letter also recommends budget adjustments to make resource reallocations or to fund various one-time projects. In the Public Safety Group, adjustments include recommendations to establish appropriations in the Sheriff's Department to complete the Net Records Management System project, support the regional infrastructure project for data sharing, and cancel appropriations and related trial court revenue in the Sheriff's Department due to the reduction of funds available for Court Security Services. Other recommendations would transfer appropriations to the Department of Medical Examiner to provide funds for furniture, fixtures and equipment for the Medical Examiner's portion of the new Medical Examiner and Forensic Center at the County Operations Center.

In the Land Use and Environment Group, significant adjustments include a request to re-establish appropriations for the Department of Public Work's Solid Waste Planning and Recycling program, and transfer appropriations to the Department of Agriculture, Weights and Measures to provide funds for furniture, fixtures and equipment to outfit

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the Vector Disease Diagnostic Laboratory and Veterinarian portion of the new Medical Examiner and Forensic Center at the County Operations Center. Other adjustments include the transfer of funds to augment capital projects (e.g., Oakoasis Park Improvement project, Felicita Park Improvement project, Oak Country II Trail project, MSCP acquisitions, and San Luis Rey River Park Planning/Development). In addition, a request is submitted to increase the fund balance designation within the General Fund for Environmental Health based on excess revenues from fees and permits in Fiscal Year 2008-09.

In the Community Services Group, two positions are recommended to be transferred to the Purchasing and Contracting Internal Service Fund (P&C ISF) from the Health and Human Services Agency with a corresponding amendment to the P&C ISF spending plan to improve support for HHSA procurement activities. Further, a request is included to amend the Facilities Management Internal Service Fund spending plan to complete the remaining tasks for the final transfer of maintenance and operations responsibilities of court facilities to the State. In addition, this letter includes a request to amend the Fiscal Year 2009-10 Major Maintenance Internal Service Fund Spending Plan by canceling appropriations as part of a technical adjustment to correct for appropriations that were both in the carry forward budget and in the Fiscal Year 2009-10 Operational Plan.

In the Finance and General Government Group, adjustments include an amendment to the Fiscal Year 2009-10 Information Technology ISF spending plan to reflect anticipated spending levels and a recommendation to establish one-time appropriations to purchase information technology hardware and software to support Treasury operations.

Recommendation(s)

CHIEF ADMINISTRATIVE OFFICER

1. Accept the Fiscal Year 2009-10 first quarter report on projected year-end results.
2. Cancel appropriations of \$775,000 and related Operating Transfer from the General Fund in the Justice Facility Construction Fund for Capital Project 1006566, Medical Examiner and Forensic Center, to provide funds for the Department of Medical Examiner for furniture, fixtures and equipment (FFE) related to the new Medical Examiner and Forensic Center.
3. Transfer appropriations of \$775,000 from the Contributions to Capital Outlay Fund, Operating Transfer Out, to the Department of Medical Examiner for furniture, fixtures and equipment (FFE).
4. Establish appropriations of \$109,860 in the Sheriff's Department, services and supplies, for contracting for services with Psychiatric Emergency Response Team,

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Inc., based on unanticipated revenue from the Indian Gaming Local Community Benefit Committee. (4 VOTES)

5. Establish appropriations of \$63,000 in the Sheriff's Department, services and supplies, for law enforcement services, based on Public Safety Group's Fiscal Year 2008-09 fund balance available. (4 VOTES)
6. Establish appropriations of \$244,756 in the Sheriff's Department, services and supplies, for a regional infrastructure project, based on unanticipated revenue from the Office of Community Oriented Policing Services (COPS). (4 VOTES)
7. Establish appropriations of \$1,212,283 in the Sheriff's Department, services and supplies, to complete the Net Records Management System project, based on unanticipated revenue from the AB189 Criminal Justice Facility Construction Fund. (4 VOTES)
8. Cancel appropriations of \$323,437 in salaries and benefits and related trial court revenue in the Sheriff's Department due to the reduction of funds available for Court Security Services in the Fiscal Year 2009-10 State Budget.
9. Amend the Fiscal Year 2009-10 Department of Public Works Internal Service Fund – Equipment Acquisition Airport Fund Spending Plan in the amount of \$65,000 to provide funding for the replacement purchase of one dump truck based on fund balance available.
10. Amend the Fiscal Year 2009-10 Airport Enterprise Fund Spending Plan by transferring \$140,000 from the Palomar Airport Blast Fence Project to the Palomar Airport Auto Parking Lot Project.
11. Amend the Fiscal Year 2009-10 Airport Enterprise Fund Spending Plan by transferring \$150,000 from the Palomar Drainage Improvement Project to the Palomar Airport Terminal Building Project.
12. Amend the Fiscal Year 2009-10 Airport Enterprise Fund Spending Plan by transferring \$5,000 from the Palomar Airport Terminal Apron Project to the Palomar Airport Auto Parking Lot Control System Project.
13. Cancel appropriations of \$30,913.27 and related Operating Transfer from the General Fund in the Capital Outlay Fund for Capital Project 1000232, Oakoasis Log House Restoration, to provide funding for the Oakoasis Park Improvement project.
14. Establish appropriations of \$30,913.27 in the Capital Outlay Fund for Capital

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Project 1012152, Oakoasis Park Improvement project, based on an Operating Transfer from the General Fund. (4 VOTES)

15. Cancel appropriations of \$1,000,000 and related Operating Transfer from the General Fund in the Capital Outlay Fund for Capital Project 1011446, Felicita Wedding Area Improvements, to provide funding for the Felicita Park Improvements project.
16. Cancel appropriations of \$100,000 and related Operating Transfer from the Escondido PLDO Fund in the Capital Outlay Fund for Capital Project 1000276, Felicita Parking Lot Restoration, to provide funding for Capital Project 1004981, Felicita Park Improvements project.
17. Establish appropriations of \$1,100,000 in the Capital Outlay Fund for Capital Project 1004981, Felicita Park Improvements project, based on Operating Transfers from the General Fund (\$1,000,000) and Escondido PLDO Fund (\$100,000). (4 VOTES)
18. Authorize the Auditor and Controller to discharge an accounts receivable of \$38,076.61 in the Capital Outlay Fund, due from Proposition 40 Per Capita Grant funds for project costs that will not be reimbursed by the State for the Trans-County Trail Acquisition project.
19. Authorize the Auditor and Controller to discharge an accounts receivable of \$2,316.93 in the Capital Outlay Fund, due from Proposition 40 Per Capita Grant funds for project costs that will not be reimbursed by the State for the Trans County Trail project.
20. Transfer appropriations of \$40,393.54 from Department of Parks and Recreation, service and supplies, to the Contributions to Capital Outlay Fund, Operating Transfer Out, to provide funds for costs that will not be reimbursed by the grant agency for Capital Project 1011720, Trans County Trail Acquisition (\$38,076.61) and Capital Project 1011721, Trans County Trail Development (\$2,316.93).
21. Establish estimated revenue of \$40,393.54 in the Capital Outlay Fund for Capital Project 1011720 - Trans County Trail Acquisition (\$38,076.61) and Capital Project 1011721 - Trans County Trail Development (\$2,316.93), based on an Operating Transfer from General Fund.
22. Cancel appropriations of \$750.00 and related revenue from Proposition 40 Per Capita Grant funds in the Capital Outlay Fund for Capital Project 1011720, Trans-County Trail Acquisitions, to provide funds for the Oak Country II Trail project.
23. Establish appropriations of \$750.00 in the Capital Outlay Fund for Capital Project

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1013683, Oak Country II Trail project, based on unanticipated revenue from Proposition 40 Per Capita Grant funds. (4 VOTES)

24. Cancel appropriations of up to \$48,500 and related Operating Transfer from the General Fund in the Capital Outlay Fund for Capital Project 1007108, San Luis Rey River Park Acquisition, to provide funding for the MSCP Acquisitions.
25. Establish appropriations of up to \$48,500 in the Capital Outlay Fund for Capital Project 1000012, MSCP Acquisitions, based on an Operating Transfer from the General Fund. (4VOTES)
26. Cancel appropriations of \$2,625,000 and related Operating Transfer from the General Fund in the Capital Outlay Fund for Capital Project 1007108, San Luis Rey River Park Acquisition, to provide funding for the San Luis Rey River Park Planning/Development project.
27. Establish appropriations of \$2,625,000 in the Capital Outlay Fund for Capital Project 1000036, San Luis Rey River Park Planning/Development, based on an Operating Transfer from the General Fund. (4 VOTES)
28. Transfer appropriations of \$2,199.85 within the Fallbrook PLDO Fund, from Operating Transfer Out to services and supplies, for park planning and development.
29. Transfer appropriations of \$449.77 within the Valle De Oro PLDO Fund, from Operating Transfer Out to services and supplies, for park planning and development.
30. Establish appropriations of \$27,500 in CSA 107 Elfin Forest Fire Protection, services and supplies, for a cell site at the fire station based on unanticipated rent revenue. (4 VOTES)
31. Authorize the Auditor and Controller to increase the fund balance designation within the General Fund for Environmental Health by \$410,769 based on Land Use and Environment Group's Fiscal Year 2008-09 fund balance available. (4 VOTES)
32. Cancel appropriations of \$910,000 and related Operating Transfer from the General Fund in the Justice Facility Construction Fund for Capital Project 1006566, Medical Examiner and Forensic Center, to provide funds for furniture, fixtures and equipment (FFE) for the Center's new Vector Disease Diagnostic Laboratory and Veterinarian facility.
33. Transfer appropriations of \$910,000 from the Contributions to Capital Outlay

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Fund, Operating Transfer Out, to the Department of Agriculture, Weights and Measures (Vector Disease Diagnostic Laboratory and County Veterinarian) for furniture, fixtures and equipment (FFE).

34. Establish appropriations of \$310,000 in the Department of Public Work's Solid Waste Planning and Recycling Program, services and supplies, for the Recycling Program based on unanticipated revenue from the Department of Conservation (DOC) Competitive Multifamily Complex Recycling Program. (4 VOTES)
35. Ratify the amendment to the Fiscal Year 2008-09 Internal Service Fund - Equipment Operations Fund Spending Plan in the amount of \$4,659 for the ISF Auto Maintenance account based on fund balance available.
36. Ratify an increase in appropriations of \$14,000 to the Fiscal Year 2008-09 budget for PRD 55 - Rainbow Crest Capra Way, services and supplies, for road maintenance based on fund balance available.
37. Ratify an increase in appropriations of \$175.00 to the Fiscal Year 2008-09 budget for PRD 1016 - El Sereno Way for professional and specialized services based on fund balance available.
38. Ratify a transfer of appropriations of \$37,608 within the Fiscal Year 2008-09 budget for the CSA 112 - Campo Fire Protection Fund, from the Campo Fire Station Capital Project to Major Maintenance, to properly account for a major maintenance project.
39. Authorize the transfer of two Office Assistant positions from the Health and Human Services Agency (HHS) to the Community Services Group, Purchasing and Contracting Department, to support on-going HHS procurement activities.
40. Amend the Fiscal Year 2009-10 Purchasing and Contracting Internal Service Fund Spending Plan in the amount of \$193,360 to provide funding for the transfer of two Office Support positions from the Health and Human Services Agency based on charges for services to the General Fund.
41. Amend the Fiscal Year 2009-10 Major Maintenance Internal Service Fund Spending Plan by canceling appropriations of \$2,106,265 and related charges for services to the General Fund to correct duplicate budgeting for planned projects.
42. Establish appropriations of \$500,000 in Contributions to Trial Court, services and

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supplies, for payment to the Facilities Management Internal Service Fund for costs related to the court facilities transfer based on Fiscal Year 2008-09 General Fund fund balance available. (4 VOTES)

43. Amend the Fiscal Year 2009-10 Department of General Services' Facilities Management Internal Service Fund Spending Plan in the amount of \$500,000 to provide funding for the transfer of court facilities to the Judicial Council of California based on charges for services to the General Fund.
44. Transfer appropriations of \$5,067.53 within the Library Fund, from Operating Transfer Out to services and supplies, for other library expenditures.
45. Ratify the transfers of appropriations of \$881,684 within the Fiscal Year 2008-09 budget for the Department of General Services' Facilities Management Internal Service Fund from salaries and benefits and other charges to Operating Transfer Out to record the liability of the loan proceeds from the California Energy Commission.
46. Amend the Fiscal Year 2009-10 Information Technology Internal Service Fund Spending Plan by \$8,239,759.25 to reflect anticipated spending levels based on charges to the General Fund.
47. Establish appropriations of \$373,000 in the Treasurer-Tax Collector's Department, services and supplies, for the one-time purchase of information technology hardware and software based on Banking Services Pooled Revenue. (4 VOTES)
48. Establish appropriations of \$200,000 in Board of Supervisors District 1 for one-time expenses in services and supplies based on Finance and General Government Group's Fiscal Year 2008-2009 fund balance available. (4 VOTES)
49. Establish appropriations of \$6,677 in Board of Supervisors District 3 for one-time expenses in salaries and benefits based on Finance and General Government Group's Fiscal Year 2008-2009 fund balance available. (4 VOTES)
50. Establish appropriations of \$200,000 in Board of Supervisors District 4 for one-time expenses in services and supplies based on Finance and General Government Group's Fiscal Year 2008-2009 fund balance available. (4 VOTES)
51. Establish appropriations of \$200,000 in Board of Supervisors District 5 for one-time expenses in services and supplies based on Finance and General Government Group's Fiscal Year 2008-2009 fund balance available. (4 VOTES)
52. Cancel appropriations of \$447.20 and related Operating Transfer from the General

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Fund in the Library Capital Outlay Fund for Capital Project 1000109, Ramona Senior Center Predevelopment/Acquisition, due to project completion.

Fiscal Impact

The funds for a portion of these requests are not budgeted. If approved, these actions will cancel budgeted appropriations and the related sources of funding in the amount of \$323,437 in the General Fund and will establish additional appropriations of \$3,419,576 in the General Fund, resulting in a net increase in appropriations of \$3,096,139 in the General Fund. The funding sources include unanticipated revenue from the AB189 Criminal Justice Facility Construction Fund, the General Fund Fiscal Year 2008-09 fund balance, unanticipated revenue from the Department of Conservation (DOC) Competitive Multifamily Complex Recycling Program, and miscellaneous other revenue sources.

In addition to the General Fund, these actions will cancel budgeted appropriations and the related funding sources in the amount of \$7,596,875 in all other funds and will establish additional appropriations of \$12,830,783 resulting in a net increase in appropriations of \$5,233,908 in all the other funds combined. Funding sources include charges for services, various capital project funding adjustments, and miscellaneous other sources.

Business Impact Statement

N/A

Advisory Board Statement

N/A

BACKGROUND:

Fiscal Year 2009-10 Fund Balance Projections

For the General Fund, the first quarter projection of year-end fund balance from current year operations is \$60.0 million. The projected balance is a combination of expecting to end the year with General Purpose Revenues above budget by \$17.7 million, offset by a net negative variance of \$1.0 million from departmental operations, and a positive variance of \$43.3 million in unspent contingency and management reserves. The projected balance for all other funds combined is \$26.8 million. Schedule A summarizes the fund balance projections by Group and department. The Notes to Schedules A and B explain variances from budget by department. Schedule B shows the projected General Fund fund balance by Group split between operating and reserve balances. These projections are based on actual experience through September 2009 and expected expenditures and revenues through the end of the fiscal year.

As shown in Schedule A, the General Fund year-end fund balance projection of \$60.0 million is based on the estimate that expenditures will be a net \$209.6 million less than budgeted in the

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Fiscal Year 2009-10 Amended Budget and revenues will be a net \$149.6 million less than budgeted in the Fiscal Year 2009-10 Amended Budget. The Amended Budget consists of the Adopted Budget plus encumbrances carried over from the prior year, plus year to date changes that have been either approved by the Board or Chief Financial Officer where permitted.

The lower than budgeted projected expenditures in the General Fund are primarily attributable to the following:

- \$48.4 million in appropriation savings, predominantly in the Public Safety Group and Health and Human Services Agency (HHSA) but also in Land Use and Environment Group, Community Services Group, and Finance and General Government Group, from lower than budgeted salaries and employee benefits costs due to staff turnover and department management of vacancies to mitigate current and anticipated revenue shortfalls. Salaries and benefits savings in HHSA is also associated with the return of Childcare Stage 2 and 3 to the State.
- \$80.9 million in appropriation savings in services and supplies across the County. In the Public Safety Group, a net negative expenditure variance of \$1.5 million is a combination of over expenditure in certain categories offset by savings in others. Over expenditures are attributed to increased costs for automotive maintenance and professional and specialized services in the Sheriff's Department and an increase in professional and specialized services in the Public Defender's Department. Savings are anticipated in contracted services and application service costs in the Executive Office, and various services and supplies accounts in Probation. In the Health and Human Services Agency, savings are primarily projected in contracted services (e.g., in Behavioral Health Services for savings in un-awarded and delayed Mental Health Services Act (MHSA) contracts; savings in Early Periodic Screening, Diagnosis and Treatment (EPSDT) services, and savings in Alcohol and Drug Services due to reductions in State Proposition 36), savings in County Medical Services (CMS) due to less than expected Coverage Initiative costs, savings related to the return of Childcare Stage 2 and 3 to the State, savings in Aging and Independence Services as a result of revised estimates of growth trends in In Home Supportive Services (IHSS), and savings in emergency appropriations for bio-terrorism and glide slope reserve appropriations. In the Community Services Group, savings are primarily in the Department of Housing and Community Development due to delays in one-time costs related to a one-time project anticipated to be completed in Fiscal Year 2010-11, as well as savings from lower fuel usage. In the Finance and General Government Group, a net positive expenditure variance of \$0.1 million is a combination of over expenditure in certain categories offset by savings in others. Over expenditures are attributed to increased IT costs in Assessor/Recorder/County Clerk primarily. Appropriation savings in the Auditor and Controller, Media and Public Relations, and Clerk of the Board are from various sources.
- \$36.3 million in appropriation savings in other charges primarily reflects variances from budgeted caseload and aid payments in Health and Human Services Agency. Spending is projected to be over budget because of an increase in support and care hospital rates in

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Behavioral Health Services and because of overspending in support and care costs in the California Children's Services (CCS) program in Public Health Services. These costs are offset by savings in Regional Operations due to the savings in Participant Benefits in Child Care Stage 2 and 3 and savings in Child Welfare Services based on revised estimates of caseload levels, growth trends, and unit cost per case for Severely Emotionally Disturbed, Foster Care, and KinGap programs. In addition, savings occur from lower than budgeted TRANs borrowing costs in Finance Other.

- \$1.6 million in appropriation savings primarily from reduced operating transfers out to the In-Home Supportive Services Public Authority due to timely abatements received for Individual Provider health benefits.
- \$20.0 million in contingency reserves that are projected to be unspent at year-end.
- \$23.2 million in management reserves in the Health and Human Services Agency and Community Services Group that are projected to be unspent at year-end.

The projected revenue under-realization to budget consists of primarily negative variances, with partially offsetting positive variances. Of the overall net negative revenue variance in the General Fund of \$149.6 million, \$140.4 million is within intergovernmental revenues and is largely the result of expenditure savings in caseload driven programs mentioned above, as well as a projected reduction in Realignment revenues of \$15.3 million due to sales tax and vehicle license fees decreases. The negative revenue variance is also due to Proposition 172 sales tax revenues that are projected to be below budget by \$30.0 million, and a drop of \$1.5 million in AB 2890 Recovered Costs in charges for current services. A positive revenue variance of \$21.6 million is expected in the following categories: taxes current property (\$8.2 million); taxes other than current secured (\$8.2 million); revenue from use of money and property (\$1.1 million); charges for current services (\$1.5 million); and miscellaneous revenue (\$2.6 million).

The projected shortfall of \$30.0 million in Proposition 172 revenues results in a net negative fund balance in the current year in the Public Safety Group of \$17.8 million. The negative variance is planned to be mitigated through a combination of managing current year expenditures and the use of prior year fund balance. If required, specific recommendations for adjustments will be brought to your Board in a future Operational Plan Status Report.

See the Notes to Schedule A for a description of significant variances by department.

Fiscal Year 2009-10 Budget Adjustments

The budget adjustment recommendations in this letter are explained below.

Recommendations 2 & 3

On March 1, 2005 (13) and in a series of subsequent actions, the Board authorized the design and construction of a new Medical Examiner and Forensic Center on the site of Building 11 at the County Operations Center. The construction of the building is set to be complete in

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December 2009. The project includes funds earmarked for furniture, fixtures and equipment (FFE). However funds related to FFE should be incurred in the operating department. This appropriation transfer will be used to procure furniture for the Medical Examiner's portion of the building, purchase equipment that will augment the Medical Examiner's existing equipment, and support information technology and relocation expenses.

Recommendation 4

This request will establish appropriations of \$109,860 in the Sheriff's Department based on unanticipated grant revenue from the Indian Gaming Local Community Benefit Committee. On January 12, 2005 (12), the Board approved the authority to apply for and accept grants from the local share of the Indian Gaming Special Distribution Fund. The grant funds were awarded subsequent to the completion of the Fiscal Year 2009-10 budget. The grant funds will be utilized by contracting with Psychiatric Emergency Response Team, Inc. (PERT) to provide a PERT clinician as a ride-along with deputies in the rural east county to assist with calls for service on tribal reservations.

Recommendation 5

This request will establish appropriations of \$63,000 in the Sheriff's Department based on Fiscal Year 2008-09 fund balance available in the Public Safety Group. On January 29, 2008 (1) and January 27, 2009, the Board approved the establishment of appropriations in the amount of \$50,000 and \$25,000 respectively, based on donations from Stephen & Mary Birch. Funds in the amount of \$12,000 were spent in Fiscal Year 2008-09. The remaining \$63,000 was unspent and will be used in Fiscal Year 2009-10 to support law enforcement services in East County, primarily the Lemon Grove Station.

Recommendation 6

This request will establish appropriations of \$244,756 in the Sheriff's Department based on COPS Technology grant revenue. On September 23, 2008 (1), the Board approved the acceptance and appropriation of funds to design and begin the initial implementation of a regional infrastructure for data sharing. The encumbrance was inadvertently closed at the end of Fiscal Year 2008-09. This request will re-appropriate the funds related to the encumbrance.

Recommendation 7

This request will establish appropriations of \$1,212,283 in the Sheriff's Department based on unanticipated revenue from the AB189 Criminal Justice Facility Construction Fund. The funds for the Net Records Management System project were established initially in Fiscal Year 2004-05 (then referred to as Automated Field Reporting Records Management System) and the encumbrance was inadvertently closed at the end of Fiscal Year 2008-09. The funds will complete the Net Records Management System project which will automate the collection, storage, and dissemination of crime, arrest, and incident information.

Recommendation 8

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This request will cancel appropriations and related revenue of \$323,437 in the Sheriff's Department due to the reduction of funds available for Court Security Services in the Fiscal Year 2009-10 State Budget. The final State Budget approved a one-day per month court closure as a cost cutting measure to absorb reductions to the judicial branch budget. The court closure began in September 2009 and will continue through the end of Fiscal Year 2009-10. The court closure has impacted the court security contract between the Sheriff's Department and the local court as legislation requires negotiation of court security contracts to reduce compensation due to the Sheriff's Department for court security services by 4.62 percent. The final State budget also excludes the cost of retiree health benefits from the definition of "benefits" used in the context of allowable court security costs. On September 22, 2009 (4), the Board approved a \$1,538,275 reduction to reflect the State Budget. This action will cancel an additional \$323,437 to reflect the most recent change in the annual fixed revenue amount to be received from the Court for a total reduction of Court Security Contract funding of \$1,861,712.

Recommendation 9

This request amends the Fiscal Year 2009-10 Department of Public Works Internal Service Fund – Equipment Acquisition Airport Fund Spending Plan by \$65,000 to purchase a dump truck needed to haul soil and debris generated by maintenance activities at County airports and to tow a maintenance tractor assigned to Airports. The existing dump truck, vehicle # D61837, has repair needs with costs that would exceed its current value. If repaired, the vehicle would require an emissions particulate trap retrofit to meet new standards. By replacing dump truck D61837, Airports will obtain a truck that has a much longer useful life that meets emissions standards.

Recommendations 10 - 12

These requests are technical adjustments to realign the Airport Enterprise Fund Spending Plan for the Palomar Airport Auto Parking Lot Project (\$140,000) the Palomar Airport Terminal Building Project (\$150,000) and the Palomar Airport Auto Parking Lot Control System Project (\$5,000). On April 18, 2007 (9), the Board approved the application and acceptance of Federal Aviation Administration (FAA) grant funds and on April 25, 2007 (5), the advertisement and award of construction contract. On May 14, 2008 (11), the Board approved the application and acceptance of additional FAA grant funds. The FAA awarded the County approximately \$17 million in grant funding for this major project consisting of ten individual component projects including a new terminal building, parking lot and improvements to serve the flying public. These requested adjustments are needed to realign the project budgets for unanticipated costs that will be expended in the current fiscal year related to completion and close-out of these multi-year projects. This request does not add any additional funds, and will not exceed the overall budget for the Palomar Redevelopment project.

Recommendations 13 & 14

This request will transfer remaining appropriations of \$30,913.27 from completed Capital Project 1000232, Oakoasis Log House Restoration, to Capital Project 1012152, Oakoasis Park

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Improvement, to complete funding needed for construction of park facility enhancements and bunk house upgrades at Oakoasis Park.

Recommendations 15 – 17

These recommendations will establish appropriations of \$1,100,000 in the Capital Outlay Fund for Capital Project 1004981, Felicita Park Improvements project, based on transfers from Capital Project 1011446, Felicita Wedding Area Improvements (\$1,000,000) and Capital Project 1000276, Felicita Parking Lot Restoration (\$100,000). The Department of Parks and Recreation recently brought on a consultant to review the project and a preliminary design has been prepared. The consolidated funding will be utilized to make improvements in three areas within the park. The improvements will include upgrades to an existing special event area that will include a shade pavilion, landscaping, a wedding knoll, and restroom/bridal change room. Additionally, the preliminary design will also include a new park entry gate, entry booth, replacement of existing well house, and replacement of existing play surface material with ADA compliant material and updating and/or replacing existing play structures.

Recommendations 18 - 23

The requested actions will authorize the Auditor and Controller to discharge accounts receivable totaling \$40,393.54 to cover costs related to project feasibility and research for Capital Projects 1011720, Trans-County Trail Acquisition (\$38,076.61) and 1011721, Trans County Trail (\$2,316.93) that will not be reimbursed by the Proposition 40 Per Capita Grant funds. These project costs did not fall under the scope of the grant requirements and were disallowed. The Department of Parks and Recreation will fund these projects through an Operating Transfer from the General Fund. Due to a released encumbrance, appropriations in the amount of \$750.00 remain in Capital Project 1011720, Trans-County Trail Acquisition. The additional funds of \$750.00 can be transferred to 1013683, Oak Country II Trail project and combined with existing funds for a total of \$452,904 available for the project.

Recommendations 24 & 25

These recommendations transfer appropriations of up to \$48,500 to Capital Project 1000012, MSCP Acquisitions to supplement existing funding for ongoing acquisition of parcels for inclusion in the Department of Parks and Recreation properties designated as open space for active and passive recreation within the future North County Multiple Species Conservation Program (MSCP) Pre-Approved Mitigation Area (PAMA). The remaining appropriations for Capital Project 1007108, San Luis Rey Acquisition, are estimated at \$110,870. A portion of these funds will remain in Capital Project 1007108, San Luis Rey Acquisition for continued stewardship of land. The residual of \$48,500 will be transferred to Capital Project 1000012, MSCP Acquisitions.

Recommendations 26 & 27

On March 11, 2003 (17), the Board allocated funding to begin planning efforts for the San Luis Rey River Park. Over time, the project has acquired hundreds of parcels of land over an eight-

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mile stretch of the San Luis Rey corridor. The funding for Capital Project 1007108, San Luis Rey River Park Acquisition was established with funds from the General Fund. On September 24, 2008 (10), the Board approved the Master Plan for the San Luis Rey Master Park. On June 17, 2009 (2), the Board authorized the Department of Parks and Recreation to expend appropriations in the amount of \$2,625,000 in Capital Project 1007108, San Luis Rey Acquisitions, for the acquisition of a 69.3-acre active recreation parcel (\$2,500,000) and a 3.5-acre open space parcel (\$125,000) within San Luis Rey River Park. In March 2009, the State of California Office of Grants and Local Services tentatively approved the County's request to acquire two properties (3.5 acre open space parcel and 69.3 acre recreational parcel) utilizing \$2,625,000 of Proposition 40 Per Capita and Roberti-Z'berg-Harris Grant funds. This amount was included in the Fiscal Year 2009-10 Operational Plan, thus, freeing up the General Fund funding to be used on the development of the San Luis Rey project. Based on the San Luis Rey River Park Master Plan, all currently available properties have been acquired. If approved, these recommendations will transfer the freed up monies from the Capital Project 1007108, San Luis Rey River Park Acquisitions into Capital Project 1000036, San Luis Rey River Park Planning/Development. The funds will be utilized to design and develop recreational facilities within the San Luis Rey River Park.

Recommendations 28 & 29

During fiscal year-end accounting transactions were made in the Capital Outlay Fund in order to recognize revenue from the Fallbrook (\$2,199.85) and Valley De Oro (\$449.77) Park Land Dedication Ordinance (PLDO) Funds. However, the internal agreements set up in these PLDO funds could not be reduced and therefore the appropriations were carried forward into the new year. In order to maintain the proper balance between operating transfers out and in between funds, these appropriations will be transferred within the two PLDO funds to be used for park planning and development.

Recommendation 30

The CSA 107 Elfin Forest Fire Protection will receive \$27,500 in rent revenue for a cell site at the fire station. These funds will be used to purchase additional safety clothing (\$5,000) and medical supplies (\$5,000), as well as increase funding for vehicle maintenance (\$10,000) and station construction (\$7,500).

Recommendation 31

On February 24, 2004 (23), the reserve designation for the Department of Environmental Health (DEH) was established. This designation ensures that revenue from fees and permits over the cost paid by Environmental Health customers are used only to fund fee-related expenses in DEH. For Fiscal Year 2008-2009, this excess revenue equaled \$410,769. This action does not move funds into the Department of Environmental Health. If approved, the total amount in this fund balance designation will be \$3,142,372.

Recommendations 32 & 33

On March 1, 2005 (13) and in a series of subsequent actions, the Board authorized the design and construction of a new Medical Examiner and Forensic Center on the site of Building 11 at

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (District: All)

the County Operations Center. The construction of the building is set to be complete in December 2009. The project includes funds earmarked for furniture, fixtures and equipment (FFE). However funds related to FFE should be incurred in the operating department. If approved, these funds will be used to outfit the Vector Disease Diagnostic Laboratory and Veterinarian portion of the building with equipment purchases that will augment existing equipment at the current Veterinarian facility and for the costs of IT and relocation expenses.

Recommendation 34

In 2007, the Department of Public Work's Solid Waste Planning and Recycling Program began a multi-year, grant-funded project to provide outreach and education to multifamily residential complexes and to assist these complexes with implementing recycling for residents. In 2007 the County was awarded a \$126,000 Multifamily Beverage Container Recycling two year grant to implement recycling at 21 low income multifamily complexes. On December 10, 2008 (10), the Board approved an additional grant application and subsequently the County was awarded up to \$630,000 to extend the program over a three-year period. The program has been quite successful and there are many complexes recycling today as a result.

In March 2009, the Department of Conservation issued the County a stop work notice on these two previously awarded grants. On September 22, 2009 (14), the Board cancelled appropriations of \$223,226 in services and supplies and related revenue from the Department of Conservation (DOC) Competitive Multifamily Complex Recycling Program (Project #1012884) in the Department of Public Work's Solid Waste Planning and Recycling Program due to loss of State Multifamily Recycling grant revenue.

On October 23, 2009, The County's Solid Waste Planning and Recycling Program received word that the stop work notice was lifted and revenues have been restored. Requested appropriations of \$310,000 will allow staff to complete both the work that was unable to be executed during March through June 2009 (\$86,774), and the work that had been planned for the current fiscal year (\$223,226). Appropriations and associated revenues reflecting both years are required because the state has not changed its deadline for grant execution despite the eight month stoppage of work.

Recommendation 35

This recommendation ratifies the amendment to the Fiscal Year 2008-09 Department of Public Works Internal Service Fund - Equipment Operations Fund Spending Plan in the amount of \$4,659 for the Auto Maintenance account based on fund balance available. The Auto Maintenance account exceeded the amount budgeted for the fiscal year due to higher than anticipated heavy equipment maintenance costs. This was a technical adjustment to align appropriations with expenditures at the end of Fiscal Year 2008-09.

Recommendations 36 & 37

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (District: All)

These recommendations ratify increases in appropriations to the Fiscal Year 2008-09 budgets for Permanent Road Divisions 55 Rainbow Crest (\$14,000) and 1016 El Sereno Way (\$175.00) to align appropriations with unanticipated services provided at Fiscal Year 2008-09 year-end.

Recommendation 38

This request will ratify a transfer of appropriations of \$37,608 within the CSA 112 Campo Fire Protection Fund from the Campo Fire Station Capital Project to Major Maintenance. On April 8, 2009 (2), the Board approved the establishment of appropriations in CSA 112 Campo Fire Protection Fund for the Campo Fire Station expansion project. The internal agreement for the fire station improvement was set up as a major maintenance project, therefore, appropriations were transferred to the appropriate account.

Recommendations 39 & 40

This is a request to amend the Fiscal Year 2009-10 Purchasing and Contracting Internal Service Fund Spending Plan by \$193,360 based on charges to the General Fund. The Department of Purchasing & Contracting has experienced an increased workload for contractual services due to American Recovery and Reinvestment Act economic stimulus projects, amendments due to elimination or reduction of services, and outsourcing measures. The Health and Human Services Agency (HHS) produces a substantial portion of ongoing procurement activity. In order to meet HHS department project timelines and maintain quality control over procurement standards, the Department of Purchasing and Contracting is requesting a transfer of two Office Assistant positions which will be reclassified to the contracting officer classification for HHS work. The source of revenue is charges for services to the General Fund.

Recommendation 41

This recommendation amends the Fiscal Year 2009-10 Major Maintenance Internal Service Fund by reducing \$2,106,265 in the Operating Transfer Out account. Amounts budgeted in this account includes internal agreements associated with multi-year Major Maintenance projects that are in various stages of completion, new projects as per the approved Major Maintenance Improvement Plan and projected "walk-in" projects. As part of year-end closing, internal agreements are carried forward from one fiscal year to the next. Appropriations of \$2,106,265 were inadvertently included in both the carry forward budget and in the Fiscal Year 2009-10 Operational Plan. This request is a technical adjustment to correct the budget.

Recommendations 42 & 43

The Lockyear - Isenberg Trial Court Funding Act of 1997 transferred the obligation for funding of trial court operations from counties to the State along with an annual maintenance of effort payment by each county. The Trial Court Facilities Act of 2002 (SB1732) allowed for the transfer of responsibility for court facilities located in county owned buildings, and in some cases required the transfer of title to those buildings to the State. Including the requested amount of \$500,000, the amount spent to date on staff and legal and professional services required to transfer court facilities totals \$1.5 million. These requests will establish appropriations of \$500,000 in the Contributions to Trial Court budget based on Fiscal Year 2008-09 General Fund

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (District: All)

fund balance available to reimburse expenses in the Facilities Management Internal Service Fund and will make a companion amendment to the ISF's Spending Plan. The \$500,000 will provide funding for the continued assistance from outside counsel and staff time to complete the remaining tasks for the final transfer of maintenance and operations responsibilities of court facilities to the State.

Recommendation 44

On May 12, 2009 (17), the Board approved a list of 10 capital projects that were anticipated to be completed and capitalized at the end of Fiscal Year 2008-09. Capital Project 1000162, Cardiff Library was included on this list and closed at the end of the fiscal year within the Capital Program funds. However, the internal agreement in the Library Fund for this capital project was not cancelled at year-end resulting in appropriations of \$4,298.79 being carried forward into the new fiscal year.

During Fiscal Year 2008-09 the Internal Agreement for the Capital Project 100262, Descanso Library was inadvertently increased in the County Library Fund. The internal agreement was not corrected by year-end resulting in appropriations of \$768.74 being carried forward into the new fiscal year.

In order to maintain the proper balance between operating transfers out and in between funds, these appropriations will be transferred within the Library Fund which will be used for other library expenditures.

Recommendation 45

This request ratifies the transfer of appropriations within the Major Maintenance Internal Service Fund. On February 26, 2007, the California Energy Commission approved a \$3 million loan to the County for energy conservation and efficiency projects. The loan will be repaid with funds that would otherwise have been used by tenant departments for utility bills. In Fiscal Year 2008-09, the County received proceeds from this loan in the amount of \$881,684. These loan proceeds were recorded in the Facilities Management Internal Service Fund and the projects costs were recorded in the Major Maintenance Internal Service Fund.

Recommendation 46

The Information Technology ISF is a pass through fund used to administer financial transactions associated with the County's information technology outsourcing contract. This request will amend the Information Technology Internal Service Fund's (IT ISF) spending plan by \$8,239,759.25 to ensure that the IT ISF Spending Plan aligns with departmental information technology budgets. This increase in projected spending levels is being driven primarily by the establishment of year-end encumbrances by various County departments to carry forward funding for various information technology initiatives and other minor changes to departmental budgets that occurred following the development of the IT ISF spending plan. Funds to support the increased level of spending are included in departmental information technology budgets.

Recommendation 47

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (District: All)

This request is to establish appropriations of \$373,000 in the Treasurer-Tax Collector's Office based on Banking Services Pooled Revenue. Pursuant to Government Code Section 27013, the treasurer may deduct from interest or income, the actual administrative cost of investing, depositing or handling of funds. This appropriation will fund one-time purchases of information technology hardware and software including implementation of the upgrade to the Sungard Quantum application and Bloomberg Compliance Module to support Treasury operations and ensure the continuity of operations during a disaster or pandemic. The Sungard licenses were purchased last fiscal year and these funds are required to prepare for implementation. Funding for the Bloomberg Compliance Module will purchase a new compliance module, which will help to ensure that the investment portfolio asset allocation targets are being met. This highly specialized software will provide increased visibility and transparency for the investments held in the County Pool. Increased efficiency will ensure compliance with the Treasurer's Investment Policy and will more effectively support the Investment Pool's goals of safety, liquidity, and return.

Recommendations 48 – 51

These recommendations allow the use of \$606,677 in Fiscal Year 2008-2009 savings to provide funding for one-time needs of Board of Supervisors' offices including various services and supplies and salaries and benefits costs.

Recommendation 52

On June 23, 2009 (12), the Board approved a list of 11 capital projects that were anticipated to be completed and capitalized at the end of Fiscal Year 2008-09. Project 1000109, Ramona Senior Center Predevelopment/Acquisition was included on this list and closed at the end of the fiscal year within the Library Capital Outlay Fund. This recommendation cancels remaining appropriations of \$447.20 and the related Operating Transfer from the General Fund, and will allow for the capitalization of the Ramona Senior Center.

Linkage to the County of San Diego Strategic Plan

The County of San Diego is fully committed to using its resources to meet the highest priority needs of its residents as identified in the Fiscal Year 2009-10 Budget and outlined by our three Strategic Initiatives – Kids, the Environment, and Safe and Livable Communities.

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN STATUS
REPORT AND BUDGET ADJUSTMENTS (District: All)

Respectfully submitted,

WALTER F. EKARD
Chief Administrative Officer

ATTACHMENT(S)

Schedule A

Schedule B

Notes to Schedules A and B

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (District: All)

AGENDA ITEM INFORMATION SHEET

CONCURRENCE(S)

COUNTY COUNSEL REVIEW	<input checked="" type="checkbox"/> Yes	
Written Disclosure per County Charter Section 1000.1 Required	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
GROUP/AGENCY FINANCE DIRECTOR	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> N/A
CHIEF FINANCIAL OFFICER	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> N/A
Requires Four Votes	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
COUNTY TECHNOLOGY OFFICE	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
DEPARTMENT OF HUMAN RESOURCES	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A

Other Concurrence(s): N/A

ORIGINATING DEPARTMENT: Chief Financial Officer

CONTACT PERSON(S):

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AUTHORIZED REPRESENTATIVE:

Donald F. Steuer, Chief Financial Officer

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN STATUS
REPORT AND BUDGET ADJUSTMENTS (District: All)

AGENDA ITEM INFORMATION SHEET

(continued)

PREVIOUS RELEVANT BOARD ACTIONS:

August 4, 2009 (17) County of San Diego Fiscal Year 2009-10 Adopted Budget Resolution for Family of Funds, Enterprise Funds and Internal Services Funds, Prior Year Encumbrances and Penalty Assessment Resolution.

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION
NUMBER(S):**

N/A



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

GREG COX
First District

DIANNE JACOB
Second District

PAM SLATER-PRICE
Third District

RON ROBERTS
Fourth District

BILL HORN
Fifth District

DATE: December 8, 2009

TO: Board of Directors, County of San Diego Redevelopment Agency

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN
BUDGET ADJUSTMENTS (District: All)

SUMMARY:

Overview

This letter recommends ratification budget adjustments made by staff during Fiscal Year 2008-09 year-end closing.

Recommendation(s)

CHIEF ADMINISTRATIVE OFFICER

1. Ratify an increase in appropriations of \$5,409 to the Fiscal Year 2008-09 budget for the Upper San Diego River Capital Fund (USDRIP), Operating Transfer Out, for a transfer to the Upper San Diego River Redevelopment Housing Fund, based on over-realized revenue from the Redevelopment Agency Tax Increment.
2. Ratify an increase in appropriations of \$7,182 to the Fiscal Year 2008-09 budget for the Gillespie Field Redevelopment Special Debt Service Fund, Operating Transfer Out, for a transfer to the Gillespie Field Redevelopment Housing Fund, based on over-realized revenue from the Redevelopment Agency Tax Increment.

Fiscal Impact

The funds for this request were not budgeted in the Fiscal Year 2008-09 Operational Plan. These ratifications established additional appropriations of \$12,591.

Business Impact Statement

N/A

Advisory Board Statement

N/A

BACKGROUND:

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN BUDGET
ADJUSTMENTS (District: All)

Redevelopment project areas are required to transfer 20% of tax increment to their respective housing funds to provide affordable housing that is geographically related to the project areas. These requests were technical adjustments to reflect the additional amounts needed to be transferred to the Upper San Diego River Redevelopment Housing Fund (\$5,409) and the Gillespie Field Redevelopment Housing Fund (\$7,182) to meet the 20% housing requirement based on over-realized revenue from the Redevelopment Agency Tax Increment.

Linkage to the County of San Diego Strategic Plan

The County is fully committed to using its resources to meet the highest priority needs of its residents as identified in the Fiscal Year 2009-10 Budget and outlined by our three Strategic Initiatives – Kids, the Environment, and Safe and Livable Communities.

Respectfully submitted,

WALTER F. EKARD
Chief Administrative Officer

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN BUDGET
ADJUSTMENTS (District: All)

AGENDA ITEM INFORMATION SHEET

CONCURRENCE(S)

COUNTY COUNSEL REVIEW	<input checked="" type="checkbox"/> Yes	
Written Disclosure per County Charter Section 1000.1 Required	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
GROUP/AGENCY FINANCE DIRECTOR	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> N/A
CHIEF FINANCIAL OFFICER	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> N/A
Requires Four Votes	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
COUNTY TECHNOLOGY OFFICE	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
DEPARTMENT OF HUMAN RESOURCES	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A

Other Concurrence(s): N/A

ORIGINATING DEPARTMENT: Chief Financial Officer

CONTACT PERSON(S):

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AUTHORIZED REPRESENTATIVE:

Donald F. Steuer, Chief Financial Officer

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN BUDGET
ADJUSTMENTS (District: All)

AGENDA ITEM INFORMATION SHEET

(continued)

PREVIOUS RELEVANT BOARD ACTIONS:

August 4, 2009 (1) Board of Directors, County of San Diego Redevelopment Agency: Adoption of Fiscal Year 2009-10 Budget for the County of San Diego Redevelopment Agency.

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION
NUMBER(S):**

N/A



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

GREG COX
First District

DIANNE JACOB
Second District

PAM SLATER-PRICE
Third District

RON ROBERTS
Fourth District

BILL HORN
Fifth District

DATE: December 8, 2009

TO: Board of Directors, Spring Valley Sanitation District

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN
BUDGET ADJUSTMENTS (District: All)

SUMMARY:

Overview

This letter recommends a budget adjustment to transfer appropriations to provide funding for the Jamacha Pump Station Modify project.

Recommendation(s)

CHIEF ADMINISTRATIVE OFFICER

1. Transfer appropriations of \$397,000 within the Spring Valley Sanitation Maintenance District from services and supplies to Capital Improvement Project 1006468, Jamacha Pump Station Modify, to provide funding for preliminary design.

Fiscal Impact

The funds for this request are included in the Fiscal Year 2009-10 Operational Plan.

Business Impact Statement

N/A

Advisory Board Statement

N/A

BACKGROUND:

This is a request to transfer appropriations of \$397,000 within the Spring Valley Sanitation Maintenance District fund from services and supplies, to Capital Improvement Project (CIP) 1006468 Jamacha Pump Station Modify. The Jamacha Pump Station Modify is budgeted in the Fiscal Year 2009-10 Capital Improvement Project program for the Spring Valley Sanitation District and \$397,000 was budgeted in major maintenance for preliminary design work. This is a technical adjustment to capture the design costs into the project for valuation and depreciation.

Linkage to the County of San Diego Strategic Plan

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN BUDGET
ADJUSTMENTS (District: All)

The County is fully committed to using its resources to meet the highest priority needs of its residents as identified in the Fiscal Year 2009-10 Budget and outlined by our three Strategic Initiatives – Kids, the Environment, and Safe and Livable Communities.

Respectfully submitted,

WALTER F. EKARD
Chief Administrative Officer

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN BUDGET
ADJUSTMENTS (District: All)

AGENDA ITEM INFORMATION SHEET

CONCURRENCE(S)

COUNTY COUNSEL REVIEW	<input checked="" type="checkbox"/> Yes	
Written Disclosure per County Charter Section 1000.1 Required	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
GROUP/AGENCY FINANCE DIRECTOR	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> N/A
CHIEF FINANCIAL OFFICER	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> N/A
Requires Four Votes	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
COUNTY TECHNOLOGY OFFICE	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
DEPARTMENT OF HUMAN RESOURCES	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A

Other Concurrence(s): N/A

ORIGINATING DEPARTMENT: Chief Financial Officer

CONTACT PERSON(S):

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AUTHORIZED REPRESENTATIVE:

Donald F. Steuer, Chief Financial Officer

SUBJECT: FISCAL YEAR 2009-10 FIRST QUARTER OPERATIONAL PLAN BUDGET
ADJUSTMENTS (District: All)

AGENDA ITEM INFORMATION SHEET

(continued)

PREVIOUS RELEVANT BOARD ACTIONS:

August 4, 2009 (1) Sanitation District Board: Adoption of Final Fiscal Year 2009-10 Budget for the Sanitation Districts.

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION
NUMBER(S):**

N/A

COUNTY OF SAN DIEGO
NOTES TO SCHEDULES A and B
FY 2009 -10 1st QUARTER

GENERAL NOTES

Projected Fund Balance

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

Contingency Reserve and Management Reserves

The County's General Fund budget contains a Contingency Reserve each year to be used in the event of unforeseen expenses or to offset revenue shortfalls. Management Reserves are appropriations that are set-aside 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 contingency/management reserve balances and operating balances.

Variance Reporting

Departments project variances from their operational plans based either on revised expectations or on actual revenues or expenditures to date. The significant variances (greater than \$300,000) in total expenditure, total revenue, or net variances from plan are discussed below and categorized by fund.

Most County activities are carried out within the General Fund. The General Fund fund balance is considered to be the primary "equity" cushion of the County, authorized to be drawn upon by specific Board action and according to Board priorities and policies. Projected fund balances in all other funds are restricted to uses that are consistent with the purposes of the individual funds.

PUBLIC SAFETY GROUP (PSG)

General Fund

District Attorney

A net positive variance of \$3.3 million is projected for the District Attorney's Office.

A net positive variance of \$4.1 million is projected for total expenditures. This variance is primarily due to anticipated savings in salaries and benefits of \$4.9 million due to normal attrition and savings from modified positions. This is offset by a negative variance of \$0.8 million in expenditure transfers and reimbursements due to normal attrition and delays in filling vacant positions in the Public Assistance Fraud Unit.

A net negative revenue variance of \$0.8 million is primarily attributable to the reductions related to the shift in public safety grant funding from State general funds to a vehicle

license fee increment. Actual receipts are projected to reduce funds for the Citizen's Option For Public Safety (COPS) program by \$0.3 million, the High Technology Prosecution Program by \$0.2 million and the Vertical Prosecution Block Grant by \$0.1 million. Reductions also include the elimination of the State Domestic Violence Stalking Grant in the amount of \$ 0.2 million.

Probation

A net negative variance of \$6.3 million is projected for the Probation Department. The mitigation for the \$6.3 million projected shortfall includes a combination of achieving current year expenditure savings and the use of fund balance. If required, specific recommendations for adjustments will be brought to your Board in a future Operational Plan Status Report.

A net positive expenditure variance of \$0.4 million is projected. This is comprised of a \$1.6 million positive variance in salaries and benefits due to salary savings associated with frozen positions. A \$0.1 million positive variance in services and supplies is projected from efforts to reduce overall expenditures. A negative variance of \$1.3 million in other charges is due to increased Foster Care costs.

A net negative revenue variance of \$6.7 million is projected. A negative variance of \$2.6 million is projected in Proposition 172 revenue (see explanation in the Proposition 172 section below). Also, funding for certain public safety programs was shifted from State general funds to a vehicle license fee increment in Fiscal Year 2009-10. Due to a shortfall in vehicle license fee receipts for the 1st Quarter, a negative variance of \$5.5 million is projected in the Juvenile Justice Crime Prevention Act program (\$2.6 million) and the Juvenile Probation Programs and Camps Funding (\$2.9 million). In addition, the Title IV-E revenue is projected to be \$1.0 million under budget, due to less time claimed to this activity. These funds support multiple programs and staff will be provided training to increase Title IV-E revenue reimbursement for qualified project costs. The Youthful Offender Block Grant is projected to be \$2.0 million over budget due to revised allocations. An additional \$0.4 million will be over-realized in various other revenue sources, such as ARRA for Targeted Case Management and Foster Care, due to revised federal rates.

Public Defender

A net positive variance of \$1.2 million is projected for the Public Defender.

A positive expenditure variance of \$2.2 million is projected. A \$2.8 million savings in salaries and benefits is projected due to staff retirements, turnover and freezing of positions. A negative variance of \$0.6 million is anticipated in services and supplies due to an increase in professional and specialized services, which will be mitigated by a transfer of funds realized from salary savings.

A net negative variance of \$1.0 million in revenue is projected due to an overall decline in Court Appointed Attorney collected fees of \$0.6 million and a reduction of \$0.4 million in state revenues for representation of Sexually Violent Predators as the Department of Finance seeks changes in this State mandate.

Public Safety Group Executive Office

A net negative variance of \$16.5 million is projected for the Public Safety Group Executive Office.

A positive expenditure variance of \$0.9 million is projected due to \$0.8 million in anticipated savings in contracted services and application services costs and \$0.1 million savings in salaries and benefits due to vacant positions.

A net negative revenue variance of \$17.3 million includes a negative variance of \$18.4 million in Proposition 172 revenue. The shortfall in these revenues and the planned mitigation is explained in the Proposition 172 section below. This shortfall is offset with a positive revenue variance of \$1.1 million due to additional revenues in rents and concessions and the receipt of miscellaneous revenues.

Sheriff

The Sheriff's Department projects no variance.

An overall positive expenditure variance of \$9.2 million is projected. Salaries and benefits are projected to be \$11.8 million under budget due to salary savings as a result of 66 vacant positions (32 sworn and 34 professional staff). This projection includes "Expected New Hires" of 30 sworn staff from a forthcoming detention and court services academy, 19 professional staff, and 69 retirements/ departures, for a net decrease of 20 sworn and professional staff by the end of the fiscal year. A net negative expenditure variance of \$2.0 million is projected in services and supplies due to additional expenditures for increased costs for automotive maintenance and professional and specialized services. A negative variance of \$0.6 million is projected in other charges supporting inmate medical care due to the increased number of inmates with serious medical conditions.

A net negative revenue variance of \$9.2 million is projected. A negative variance of \$9.0 million is projected in Proposition 172 revenue (see explanation in the Proposition 172 section below). Funding for certain public safety programs was shifted from State general funds to a vehicle license fee increment in Fiscal Year 2009-10. Due to a shortfall in vehicle license fee receipts for 1st Quarter, a negative variance of \$0.8 million is projected in Local Detention Facility Revenue, as well as a negative variance of \$0.5 million in COPS Program AB 3229 (Brulte). A positive variance of \$0.6 million is projected in State Criminal Alien Assistance Program (SCAAP) due to increased efforts to identify and verify undocumented criminal aliens for which incarceration costs could

be claimed. A positive variance of \$0.5 million is projected for a combination of miscellaneous revenue sources.

Special Revenue Funds

Proposition 172

No net variance is projected for the Proposition 172 Special Revenue Fund.

The Proposition 172 Special Revenue Fund finished Fiscal Year 2008-09 with no balance in the fund. Actual realized revenues for Fiscal Year 2008-09 were \$40.3 million less than the Adopted Operational Plan amount. In Fiscal Year 2009-10, the severe nationwide economic recession, including the continuing decline in the housing market, is resulting in reduced consumer spending and reduced sales tax revenues which are the basis for Proposition 172 receipts. As a result, current year revenues are projected to be \$30.0 million under budget. Expenditures from the Special Revenue Fund will be capped to match anticipated revenues and are therefore projected to be \$30.0 million under budget for no net variance in the fund. Three public safety departments receive Proposition 172 revenues, the Sheriff, District Attorney and the Probation Department. In this 1st quarter fund balance projection, \$9.0 million of the shortfall is reflected in the Sheriff's Department, \$2.6 million is reflected in the Probation Department and \$18.4 million is shown in the PSG Executive Office. The mitigation for the \$30.0 million projected shortfall includes a combination of achieving current year expenditure savings and the use of fund balance. If required, specific recommendations for adjustments will be brought to your Board in a future Operational Plan Status Report.

HEALTH AND HUMAN SERVICES AGENCY (HHSA)

General Fund

HHSA is projecting an overall positive fund balance of \$26.9 million. The economy continues to have an adverse impact on revenues even as caseloads and service demands escalate. Realignment continues to decline and HHSA is projecting a shortfall of \$15.3 million from budget. Realignment revenues consist of Sales Tax and Vehicle License Fees (VLF). Current projections indicate that Sales Tax could be down by 9% and VLF down by 2% statewide by year-end. The Agency is managing these financial and caseload challenges by executing a multi-phase "Economic Reality Plan" which holds positions vacant, and brings spending into alignment with available funding for FY09-10 and to prepare for the FY10-11 Operational Plan. The Agency is developing Phase II of the plan that will focus on consolidation, outsourcing, reengineering, revenue solutions and elimination of programs that are not mandated, core functions. Pursuant to Board direction, the County will relinquish contractual responsibility for the non-mandated State Child Care Stage 2 and Stage 3 programs which will revert to the State

effective January, 2010. Recipients of these programs will continue to receive services through new and/or existing service providers who contract with the state.

Administrative Support

The Administrative Support consists of the following: Agency Executive Office, Agency Contract Support, Financial Services and Support Division, Human Resources, Management Support and First Five Commission.

A net positive variance of \$25.3 million is projected for Administrative Support. The variance is the result of \$35.3 million in expenditure savings and \$10.0 million in projected under-realized revenues.

The \$35.3 million in expenditure savings includes \$0.9 million in salaries and benefits due to vacant positions, \$14.4 million in services and supplies and \$20.0 million in anticipated year-end management reserves. The \$14.4 million savings in services and supplies is comprised of \$7.4 million for bio-terrorism emergency appropriation savings associated with unsecuritized tobacco, \$5.0 million of appropriation savings associated with glide slope reserve and \$2.0 million savings associated with various services and supplies.

The \$10.0 million under-realized revenue includes \$2.3 million of realignment revenue, \$7.4 million of unsecuritized tobacco settlement revenue and \$0.3 million of miscellaneous revenues.

Aging and Independence Services

A net positive variance of \$0.5 million is projected for Aging & Independence Services. The variance is the result of \$19.3 million in expenditure savings and \$18.8 million in projected under-realized revenues.

The \$19.3 million in expenditure savings includes \$1.4 million in salaries and benefits due to vacant positions, \$16.1 million in services and supplies, \$0.2 million in capital assets equipment and \$1.6 million in operating transfers. The \$16.1 million savings in services and supplies is mainly the result of revised estimates of growth trends in In Home Supportive Services (IHSS) Individual Provider (IP) costs. The \$1.6 million savings in operating transfers for In Home Supportive Services-Public Authority is due to timely abatements received for IP health benefits.

The \$18.8 million of under-realized revenue is mainly the result of lower projected expenditures in IHSS and decreased funding from the State including \$2.8 million in Realignment revenue.

Behavioral Health Services

Behavioral Health Services consists of the following: Mental Health Services, Alcohol and Drug Services, and In-patient Health Services comprised of the San Diego County Psychiatric Hospital and Edgemoor Skilled Nursing Facility.

A zero net variance is projected for Behavioral Health Services.

The \$47.4 million in expenditure savings includes \$4.4 million in salaries and benefits throughout Behavioral Health due to vacant positions, \$43.6 million in services and supplies, offset by a \$0.6 million over-expenditure in other charges primarily associated with an increase in fees for service for support and hospital care. The \$43.6 million of savings in services and supplies includes \$31.3 million in un-awarded and delayed Mental Health Services Act (MHSA) contracts, \$5.4 million in Early Periodic Screening, Diagnosis and Treatment / Medi-Cal services due to lower service levels than projected, \$3.1 million as a result of efforts to reduce spending in numerous programs to align expenditures with anticipated revenue levels, \$3.1 million in reduced Alcohol and Drug Services to align expenditures with reductions in State Proposition 36 and \$0.7 million in discretionary contracts.

The \$47.4 million in projected under-realized revenues is primarily associated with the expenditure savings in MHSA services including \$4.6 million in Mental Health Realignment due to a lower match requirement for the reduced program expenditures as detailed above.

County Child Welfare Services

A zero net variance is projected for County Child Welfare Services (CCWS).

The \$22.6 million in expenditure savings includes \$2.2 million in salaries and benefits due to vacant positions and \$23.2 million in aid payments for Severely Emotionally Disturbed (SED), Foster Care, and KinGap based on revised estimates of caseload levels, growth trends, and unit cost per case. The savings are offset by a \$2.8 million over-expenditure in services and supplies primarily due to hiring of temporary staff at the Polinsky Children's Center, increased costs associated with court ordered travel and employee mileage and maintenance costs for the Polinsky Children's Center and the San Pasqual Academy.

The \$22.6 million in under-realized revenues is associated with the expenditure savings primarily for assistance payments. Of the \$22.6 million in under-realized revenue, \$4.8 million is Social Services Realignment. Realignment is used to partially cover the local match requirements for assistance payments. Since there is a \$23.2 million projected savings in assistance payments, the match is not required and is reflected as under-realized Realignment revenue which helps mitigate the overall Realignment shortfall the Agency is experiencing. Included in revenue projections is \$6.0 million from the First

Five Commission for the Foster Care Safety Net Projects that helps mitigate the funding cuts from the State. These projects focus on providing additional services to children birth through age five to ensure that appropriate services and follow-up is received by children during this critical developmental stage.

Public Health Services

A net positive variance of \$0.2 million is projected for Public Health Services. This is a result of a net expenditure savings of \$1.9 million offset by \$1.7 million in under-realized revenues.

The \$1.9 million projected expenditure savings includes \$1.0 million in salaries and benefits due to vacant positions and \$1.8 million in services and supplies savings offset by a requirement for an additional \$0.9 million in support and care costs in the California Children's Services (CCS) program. The \$1.8 million of savings in services and supplies is primarily due to reductions in contracts for HIV services based on State funding reductions and the gradual implementation of the Economic Reality Plan phase II.

The \$1.7 million of under-realized revenue is the result of a \$3.3 million decrease in CCS, Maternal Child and Family Health and Immunization Assistance programs due to State budget cuts and the State cap on the amount to be contributed to CCS. This includes \$0.8 million in reduced Realignment revenue due to a lower match requirement for these programs. This offset by increases of \$0.8 million in Tuberculosis Control and Refugee Cash Assistance, \$0.4 million in STD, Health Education-Tobacco Control and \$0.4 million in other revenues and fees.

Regional Operations

Regional Operations consist of the following: Central, East, North Central, North Coastal, North Inland, and South regions, Community Action Partnership, Regional Self-Sufficiency and Regional Child Welfare Services.

A net positive variance of \$0.8 million is projected for Regional Operations. The variance is the result of \$24.1 million in expenditure savings and \$23.3 million in under-realized revenues.

The \$24.1 million in expenditure savings includes \$8.5 million in salaries and benefits due to vacant positions and savings associated with the return of Childcare Stage 2 and 3 programs to the State, \$2.9 million in services and supplies which consists of \$1.4 million in Community Action Partnership due the slow start up of contracts associated with a new ARRA grant, \$0.3 million in reduced Stage 2 and 3 Child Care costs and another \$1.2 million throughout Regional Operations in an effort to reduce spending to align with available revenue. In addition there is \$12.7 million savings in other charges due to reduced costs for Participant Benefits in Child Care Stage 2 and 3.

The \$23.3 million in under-realized revenue is associated with the decrease of expenditures, of which a significant amount is for Child Care Stage 2 and 3.

Strategic Planning and Operational Support

A zero net variance is projected for Strategic Planning & Operational Support.

The \$6.0 million in expenditure savings includes \$0.3 million in salaries and benefits as a result of vacant positions and \$5.7 million in services and supplies. The \$5.7 million of savings in services and supplies is primarily due to less than expected Coverage Initiative costs.

The \$6.0 million in under-realized revenues is associated with a decrease of \$5.6 million for the Coverage Initiative, \$2.0 million due to State funding cuts and \$1.3 million cuts in various revenues, offset by an increase of \$2.9 million in third party reimbursements.

Special Revenue Funds

Tobacco Securitization Fund

A net positive variance of \$3.3 million is projected in the Securitized Tobacco Settlement Fund. This represents the difference between the projected annual available amount of Tobacco funds and what the Board of Supervisors has approved, based on an annual draw of \$27.5 million.

LAND USE AND ENVIRONMENT GROUP (LUEG)

General Fund

Agriculture, Weights & Measures

A net positive variance of \$0.7 million is projected for the Department of Agriculture, Weights and Measures.

There is a positive expenditure variance of \$0.3 million. A projected savings of \$0.8 million in salaries and benefits is mainly due to vacancies. This is offset by a negative variance in services and supplies of \$0.5 million due to higher than anticipated costs for the implementation of the Business Case Management System related to improvements in system configuration and the complexity of reporting requirements.

Projected over-realization of revenue is \$0.4 million primarily due to unanticipated funding of \$0.4 million in the Pest Detection State contract and \$0.2 million in Unclaimed Gas Tax state subvention. These positive revenue variances are partially offset by a negative variance of \$0.2 million in miscellaneous program revenues.

Environmental Health

A net positive variance of \$0.8 million is projected for the Department of Environmental Health.

A positive expenditure variance of \$1.3 million includes projected savings of \$1.0 million in salaries and benefits due to on-going vacancies, delays in hiring and under-filling positions, and projected savings of \$0.3 million in services and supplies due to closely monitoring spending activities to ensure costs do not exceed revenue.

A net negative revenue variance of \$0.5 million is projected. This variance consists of under-realized revenue spread over various revenue accounts including licenses and State revenues. These variances are primarily due to the overall downturn in the economy and are offset by savings in salaries and benefits and services and supplies costs.

Parks and Recreation

No net variance is projected for the Department of Parks and Recreation.

A positive expenditure variance of \$0.4 million is due to savings in both salaries and benefits and services and supplies. The \$0.2 million of savings in salaries and benefits is due to vacant and under-filled positions. The \$0.2 million of savings in services and supplies is due to grant related expenditures for Coastal Impact Assessment that will not be made because of limiting implementation guidelines set by the federal government.

The savings in expenditures will be offset by under-realized revenue of \$0.4 million. The shortfall consists of \$0.2 million in revenue from the Coastal Impact Assessment federal grant and \$0.2 million from park and camping fees.

Planning and Land Use

A net positive variance of \$1.3 million is projected for the Department of Planning and Land Use.

A net positive expenditure variance of \$1.9 million includes savings of \$1.8 million in salaries and benefits as the result of vacancies which were frozen due to the economic downturn and savings of \$0.1 million in various services and supplies accounts due to the economic downturn.

A negative revenue variance of \$0.6 million is comprised of several accounts. Aid from Other Governmental Agency is \$0.3 million lower than anticipated due to the grant for the Valley Center Village Design project not being awarded. The remaining \$0.3 million shortfall is spread over various miscellaneous programs.

Special Revenue Funds

Public Works

Road Fund

A net positive variance of \$14.8 million is projected for the Public Works Road Fund.

A positive expenditure variance of \$19.5 million is projected. Projected savings of \$3.4 million in salaries and benefits is due to positions held vacant in Land Development and other Road Fund programs due to decreased funding as well as under-filling positions in Road Fund programs. Savings of \$14.7 million is projected in services and supplies as a result of project deferrals due to suspensions and delays of Highway Users Tax Act (HUTA) funds, a projected reduction in Prop 42 funding, cancellations of encumbrances for completed projects, reduced use of consultant work, savings from reducing of vehicles in the department fleet and cancellation of application services. Projected savings of \$1.4 million in other charges is due to the cancellation of right-of-way (ROW) acquisitions for several Detailed Work Program projects that will not be completed this fiscal year, as a result of the delay of HUTA revenue.

A net negative variance of \$4.7 million is projected in revenue. A projected \$1.7 million in TransNet funding will not be realized due to projects that are complete or near completion and under budget. Intergovernmental revenue is projected to be under-realized by \$0.5 million due to a projected decrease of \$1.0 million in Prop 42, based on the State's percentage allocation decrease along with \$0.7 million of FHWA revenue and \$0.2 million in CDBG funding that will not be realized for reimbursable projects that are under budget or have been postponed. These shortfalls are offset by projected increases of \$0.9 million in HUTA, based on reimbursement data from State, \$0.1 million in state construction and state match funding for projects, \$0.1 million in federal reimbursement for 2005 winter storm damage and \$0.3 million of unanticipated reimbursement from other miscellaneous State and federal funding sources. Also, Charges for Current Services are projected to be under-realized by \$2.6 million due to a projected \$1.0 million decrease in service to property owners and a decrease of \$2.3 million in Transportation Impact Fee projects offset by a projected \$0.7 million in work provided to other funds.

Inactive Waste

No net variance is projected for the Public Works Inactive Waste Fund.

A positive expenditure variance of \$1.5 million is projected for services and supplies. This includes \$1.2 million in reductions in the Groundwater, Stormwater, and Gas contract scope of work and a reevaluation of needs in Capital Improvement Projects. An additional savings of \$0.3 million in grant contract expenditures was projected for the recycling program due to a reduction of funding and stop work order notices for several

State recycling grant projects. However, funding has since been restored. A recommendation to establish appropriations of \$0.3 million is included in the First Quarter Operational Plan Status report. This will allow staff to complete work that was to be done in the previous fiscal year, as well as the work that was planned for the current fiscal year.

A negative variance of \$1.5 million is projected in revenue and includes \$1.0 million in decreased contributions from the Environmental Trust Fund due to the reduced expenditures noted above, \$0.2 million in reduced lease revenue due to vacant properties and \$0.3 million for the reduced recycling grant expenditures noted above.

Internal Service Funds

Public Works

A net positive variance of \$2.7 million is projected in the Public Works Equipment Acquisition ISF.

A positive expenditure variance of \$2.9 million is projected and is due to a reduction in purchase of vehicles, and a reduction in the total number of vehicles in the ISF that will also result in reduced fuel and depreciation costs. A negative revenue variance of \$0.2 million is projected due to decreased interest and anticipated decreased depreciation costs associated with a reduction in fleet vehicles.

Enterprise Funds

Airports

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

A positive expenditure variance of \$3.2 million is projected. Salaries and benefits savings of \$0.2 million is due to vacancies, a decrease in cash overtime and the suspension of Quality First. Savings of \$0.8 million in services and supplies is projected due to lower than anticipated expenditures for major maintenance and consultant and contracted services. A \$1.4 million decrease in other charges is projected due to decreased depreciation expense for projects in progress that are not expected to be capitalized this fiscal year. Savings of \$0.8 million is projected in Capital Assets due to a decrease in work for capital projects that will not receive full grant funding this fiscal year (Cajon Air Center, \$0.3 million; Fallbrook Airpark RSA, \$0.4 million; Borrego Airport Lighting, \$0.1 million).

A negative revenue variance of \$2.2 million is projected. A projected decrease of \$1.3 million in revenue from use of money and property is due to lower than anticipated rents and leases revenue. This is the result of equity lease payment revenue that was budgeted in Fiscal Year 2009-10, but ended up being recognized in Fiscal year 2008-09

and rent credits at Palomar Airport that has been closed for runway rehabilitation. Intergovernmental revenue is projected to be \$0.9 million under-realized due to suspended State Aid funding (\$0.2 million) and a decrease in anticipated Federal Aviation Administration grants for capital projects (\$0.7 million).

Liquid Waste

A net positive variance of \$0.4 million is projected in the Wastewater Management Enterprise Fund.

A net positive expenditure variance of \$0.7 million includes \$0.5 million in salaries and benefits due to vacant, frozen and under-filled positions and \$0.2 million in savings in services and supplies due to savings in major maintenance on facilities, scheduled vehicle usage, IT and professional services.

A negative variance of \$0.3 million in revenue is projected due to less services being provided to special district projects.

Special Districts

Air Pollution Control District

A positive variance of \$1.2 million is projected by year end.

A positive expenditure variance is due to projected savings of \$0.8 million in salaries and benefits as a result of 10 vacancies and freezing and under-filling of positions. A positive revenue variance of \$0.4 million is projected from unanticipated interest earnings.

Public Works

Sanitation Districts

A net positive variance of \$0.7 million is projected in the Sanitation Districts.

A positive variance of \$1.1 million is projected in services and supplies due to a decreased need for consultant services and major maintenance projects, and an adjustment in current year costs for water transportation based on an audit of the Metropolitan Sewage transportation System.

A net negative revenue variance of \$0.4 million is projected in interest on deposits and investments due to a decrease in earnings rate and reduction in the amount invested.

COMMUNITY SERVICES GROUP (CSG)

General Fund

Animal Services

A net positive variance of \$0.2 million is projected for year-end. This is due to projected savings of \$0.1 million in salaries and benefits as a result of turnover and vacancies that are currently being recruited and savings in miscellaneous services and supplies accounts of \$0.1 million. No revenue variance is projected.

Community Services Group Executive Office

A net positive variance of \$3.4 million is projected for the Community Services Group Executive Office. This is due to anticipated savings of \$0.1 million in salaries and benefits as a result of a staff vacancy and a projected year-end balance of \$3.3 million in management reserves, which are held in the Group Executive Office for departments' operating contingencies during the year.

Housing and Community Development

A net positive variance of \$0.4 million is projected for year-end.

A positive expenditure variance of \$0.8 million includes \$0.4 million in salaries and benefits and \$0.5 million in services and supplies offset by \$0.1 million negative expenditure variance in cost reimbursement from other agencies. The variance in salaries and benefits is due to vacancies from employee turnover and the normal recruitment process. The variance in services and supplies includes savings of \$0.3 million related to program administration costs for projects that are being funded by ARRA that will not be completed this year, that will be rebudgeted next year and \$0.2 million savings from lower fuel usage and other various accounts. The negative expenditure variance in cost reimbursement from other agencies is due to fewer Mental Health & Substance Abuse program referrals from HHSA.

A negative revenue variance of \$0.4 million is projected. The under-realized revenue is due to revenue offset from vacant positions and a one-time grant administration cost allocation that is not anticipated to be utilized this year due to a delay in projects.

Special Revenue Funds

San Diego County Library

A net positive variance of \$1.0 million is projected for the Library.

A positive expenditure variance of \$3.6 million is projected. A \$0.6 million savings in salaries and benefits is projected based on current and planned vacancies. A positive expenditure variance of \$1.5 million is anticipated in services and supplies. These

savings are the result of delays in current discretionary maintenance projects (\$0.2 million), costs related to opening new libraries that will not be incurred until next fiscal year (\$0.7 million), a reduction in mailed notices (\$0.3 million) and savings in other miscellaneous program costs (\$0.3 million). A projected year-end balance of \$1.5 million is anticipated in management reserves, which are held for operating contingencies that may occur during the year.

A net negative variance of \$2.6 million is projected for revenues. This decrease is due to anticipated shortfalls in current year property tax revenues (\$1.4 million), library services revenues (\$0.3 million), and donations (\$0.9 million; \$0.7 million of which is expected to be received next fiscal year for the opening of new libraries).

Housing and Community Development Special Revenue Fund

No net variance is projected for the Housing and Community Development Special Revenue Fund.

The net positive expenditure variance of \$40.9 million is offset by projected under-realized revenue of \$40.9 million. Community Development projects eligible to receive funding sources are budgeted to facilitate the multi-year project planning and implementation process. Revenues are projected to equal expenses as project costs budgeted are 100% revenue offset.

Internal Service Funds

Facilities Management

A net negative variance of \$0.1 million is projected for the Facilities Management ISF. Staff will monitor the expenditure variance and will adjust the spending plan, if necessary, in the 2nd or 3rd Quarter Operational Plan Status Report.

A net positive expense variance of \$0.5 million is due to projected savings in salaries and benefits of \$1.4 million primarily associated with staff vacancies. This is offset by a negative expenditure variance in services and supplies of \$0.9 million primarily associated with increased contract costs due to renewals, change orders and re-bids.

A net negative revenue variance of \$0.6 million is projected. This is the result of a positive variance of \$0.2 million in miscellaneous revenues associated with reimbursement from SDG&E Partnership for energy project administration costs. This is offset with a negative variance of \$0.1 million in revenue from use of money & property due to less than anticipated rents, \$0.2 million in charges for current services and \$0.5 million in other financing sources related to the operating transfer from Major Maintenance for project management services due to fewer projects than originally projected.

Major Maintenance

The Major Maintenance ISF projects no variance.

A net positive expenditure variance of \$17.9 million is anticipated in services and supplies due to fewer new projects than originally projected and \$0.5 million in operating transfers out (projected amount due to Facilities Management ISF for project management services). Since costs incurred in this fund are reimbursed by operating departments, the negative revenue variance of \$18.4 million is also due to the delays in new projects.

Fleet Management

A net positive variance of \$0.1 million is projected for the Fleet Management ISF.

A net positive expense variance of \$5.8 million is the result of savings of \$0.5 million in salaries and benefits due to staff vacancies, \$2.9 million in services and supplies primarily due to less than anticipated costs for vehicle fuel, \$2.6 million in capital assets expenses associated with the less than anticipated purchases of replacement vehicles and \$0.1 million in unspent reserves. This is offset with an unfavorable expenditure variance of \$0.3 million in other charges associated with depreciation bookings.

A net negative revenue variance of \$5.7 million is projected. A negative revenue variance of \$5.3 million is projected in charges for services which includes \$3.9 million in General Fund charges, \$1.2 million in Internal Service Fund charges and \$0.2 million in services to other governments, all due to less than anticipated fuel costs and maintenance/repair requirements by clients. Also, interest earnings are projected to be under budget by \$0.5 million based on recent trends. The shortfall is offset by a positive revenue variance of \$0.1 million in miscellaneous revenues associated with third party recovery for vehicle accident claims.

Purchasing and Contracting

A net negative variance of \$0.1 million is projected for the Purchasing and Contracting ISF. It is the department's intent to use Fund Balance to mitigate this shortfall.

Due to the continuing slow trend in countywide overall spending and reduced first quarter rebate revenues from the County P-Card program, Purchasing and Contracting is projecting a revenue shortfall of \$0.6 million. To help mitigate this shortfall, the department is implementing cost cutting measures that include keeping vacant positions unfilled, reducing services and supplies expenses and delaying special projects. As a result, a \$0.5 million favorable expenditure variance is projected that includes \$0.4 million in salary savings and \$0.1 million savings in miscellaneous services and supplies accounts.

FINANCE AND GENERAL GOVERNMENT GROUP (FGG)

General Fund

Assessor/Recorder/County Clerk

A net positive variance of \$0.7 million is projected for the Assessor/Recorder/ County Clerk (ARCC).

A net positive expenditure variance of \$0.8 million is projected. A positive variance of \$1.2 million is projected in salaries and benefits due to vacant positions remaining unfilled to mitigate revenue shortfalls described below. A projected negative variance of \$0.4 million in services and supplies is primarily due to increases in IT costs of \$0.3 million as a result of additional Integrated Voice System development costs and delays in implementation, delays in reducing IT equipment as a result of branch closures and increases in telecommunication price points, and to projected greater than budgeted requirements totaling \$0.1 million in various other categories of services and supplies.

A net negative revenue variance of \$0.1 million is projected. The negative variance is due to projected revenue shortfalls of \$0.5 million in AB 2890 Recovered Cost revenues as a result of current economic conditions, specifically the continuing slowdown in housing sales and new construction. This revenue shortfall is partially offset by a projected increase of \$0.4 million in SB 2557 Property Tax System Administration revenues which were budgeted conservatively.

Auditor and Controller

An overall net positive variance of \$0.6 million is projected for the Auditor and Controller.

A net positive expenditure variance of \$0.9 million is projected due to anticipated savings of \$0.8 million in salaries and benefits and \$0.1 million in services and supplies. Salaries and benefits savings are primarily due to staff vacancies and normal delays in recruiting and hiring. The remaining expenditure savings are projected in the information technology accounts and the miscellaneous expense account related to the outside collection activity in Revenue and Recovery.

A net negative revenue variance of \$0.3 million is projected primarily due an anticipated shortfall in revenues generated by outside collection activity.

County Counsel

A net positive variance of \$0.6 million is projected for County Counsel.

A positive expenditure variance of \$0.5 million is projected due to savings in salaries and benefits from unanticipated retirements and unfilled vacancies. A positive revenue

variance of \$0.1 million is projected in miscellaneous revenue primarily due to the unanticipated recovery of attorney fees in a bail bond case.

Human Resources

A net positive variance of \$0.3 million is projected for the Department of Human Resources primarily due to anticipated savings in salaries and benefits from unfilled vacancies.

Treasurer-Tax Collector

An overall net negative variance of \$0.5 million is projected for the Treasurer-Tax Collector primarily due to a projected \$0.7 million shortfall in AB2890 Recovered Cost revenues as a result of current economic conditions, specifically the continuing slowdown in housing sales and new construction. This revenue shortfall is partially offset by a projected increase of \$0.2 million in SB 2557 Property Tax System Administration revenues which were budgeted conservatively. The department is in the process of identifying operational strategies to generate expenditure savings to mitigate the revenue shortfall. Staff will return to your Board with future recommendations if necessary.

GENERAL PURPOSE REVENUES & COUNTYWIDE EXPENSES

A net positive variance of \$41.4 million is projected for these two categories combined, comprised of an estimated additional \$17.7 million in General Purpose Revenues (GPR) compared to budget (\$968.5 million projected vs. \$950.7 million budgeted) and a \$23.7 million net positive variance in General County Expense activities. While the anticipated improvement in GPR is a positive sign, it is important to note that the projected amount of \$968.5 million is still \$52 million below the actual GPR received in Fiscal Year 2008-09 and \$21.4 million below the actual for Fiscal Year 2007-08.

General Purpose Revenues

The San Diego economy continues to feel the effects of broad statewide, national and global turmoil from the 2008 credit crisis and negative trends in the financial markets, housing and construction, and consumer and business to business sales. The County's GPR, particularly those related to property transactions, are impacted by these conditions. Economic growth has slowed considerably. In the case of the County's assessed value change and sales tax revenue trends, the County has actually experienced declines. The economic trends are evidenced by the indicators below:

- San Diego's monthly average unemployment rate for the 12 month period between October 2008 and September 2009 was 9.0%, with a September 2009 rate of 10.2%. This compares to a State of California average unemployment rate of 10.7% for the same 12 month period, with a September 2009 rate of 12.0%.

- Adjusted local sales tax revenues declined by 21.8% for the January through June 2009 period in the unincorporated area compared to the same time period in 2008. For that same time period, sales tax revenues have declined at the statewide level by 18.6%, southern California region by 18.5%, and San Diego regional level by 16.7%. This decline is attributed to the ongoing economic volatility, housing market declines, and increased savings rates. It is anticipated that retail sales will remain sluggish for the rest of 2009 with some recovery in 2010 related to moderate job growth and a stabilizing unemployment rate.
- There are mixed signals in the housing market in the County:
 1. Continued slowing in deeds recorded (up 0.1% for January through October 2009 compared to the same time period for 2008);
 2. Declining median housing prices (down 0.9% in the San Diego region for September 2009 compared to September 2008). However, the median price in September 2009 has improved slightly compared to October 2008 and the median price has inched up throughout the calendar year;
 3. Improvement in the number of homes sold for January through September 2009 compared to January through September 2008 (San Diego region up 16.7%);
 4. Continued increase in the notices of default (up 15.9% for January through October 2009 compared to the same time period for 2008);
 5. An improvement in foreclosure activity (the foreclosure rate has improved by 24.5% for January through October 2009 compared to the same time period for 2008). This improvement is in part attributed to the signing of SB1137 designed to reform the foreclosure process in the State of California. However, October 2009 foreclosures exceeded October 2008 foreclosures by 63.

Property tax revenues have felt the impact of declining assessed values and construction activity over the last two years. Supplemental property tax revenues have declined dramatically since the high of \$46.8 million in Fiscal Year 2005-06. Sales and Use Tax revenues, although a smaller percentage of the County's GPR, have been impacted substantially by the year over year decline in retail sales activity. Interest earnings have also declined substantially because of low interest rates. However, the county's diverse economic base and the area's population growth are seen as positive influences that will help stabilize locally generated general purpose funding sources.

All Current Property Taxes

All Current Property Taxes are estimated to show a net positive variance to budget of \$8.2 million.

- Property Taxes - Current Secured*

Current Secured Property Taxes are projected to be \$6.4 million higher than budget. While the actual assessed value (A.V.) declined by 2.8% compared to the projected A.V. decline of 2.5% that was used to calculate the budgeted current secured property taxes, other significant factors influence the total amount of these revenues. These include delinquency rates, amount of roll corrections and refunds, and the final determination of the County's AB8 1% factor for property tax apportionment. This projection lowers the amount of corrections and refunds, adjusts for a lower delinquency rate based on Fiscal Year 2008-09 activity and current trends, and revises the County's share of property taxes based on the determination of the county's AB8 1% factor which was an improvement upon the conservative estimate used for the budget. (Note: The 2.8% decline noted above represents only the net current secured property tax growth, which is different than the countywide overall decline published by the Assessor/Recorder/County Clerk on June 30, 2009 of 2.3%, which includes all assessed value components - secured and unsecured, including airplanes, and boats).
- Property Taxes - Current Supplemental*

Current Supplemental Property Taxes are projected to be \$1.1 million higher than budget or \$1.4 million in Fiscal Year 2009-10 projected revenues. This projection is based on current collections through apportionment 3 that are an improvement upon the very cautious budgeted figures and continued conservative estimates related to new construction and anticipated low turnover rates through Fiscal Year 2009-10.
- Property Taxes - Current Unsecured*

Current Unsecured Property Taxes are projected to be \$0.7 million above budget. 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. The final roll was actually 2.95% higher than the roll for Fiscal Year 2008-09. This projection also incorporates anticipated refunds and tax roll corrections.

Taxes Other Than Current Secured

Taxes Other Than Current Secured are anticipated to be \$8.2 million above budget.

- Property Taxes Prior Secured Supplemental*

Property Taxes Prior Secured Supplemental is estimated to be \$0.4 million above budget. This projection is based on the projected rate of collections of supplemental property taxes related to prior year activity that is due and

payable in Fiscal Year 2009-10 along with corrections in Fiscal Year 2009-10 involving prior year activity.

- *Sales and Use Tax*

A negative revenue variance of \$2.1 million is projected for Sales and Use Tax revenue based on advances through October 2009 and anticipated lower than budgeted actuals for the remainder of Fiscal Year 2009-10. A 7.3% projected sales and use tax decline is anticipated from the Fiscal Year 2008-09 actual amount of \$16.5 million.

- *Transient Occupancy Tax*

A negative revenue variance of \$0.4 million is estimated for Transient Occupancy Tax revenue based on year-to-date collections and recent trends.

- *Real Property Transfer Taxes*

A positive revenue variance of \$4.4 million is estimated for Real Property Transfer Taxes based on realized revenues for the first 3 months of Fiscal Year 2009-10 and also factors in the current year change in ownership, the anticipated level of new construction, and the cumulative impact these factors have on estimated revenue. This estimate is an increase from the cautious budgeted figure; however, it represents a \$2.1 million decrease from Fiscal Year 2008-09 actuals.

- *Teeter Tax Reserve Excess*

The Teeter Tax Reserve Excess is estimated to be approximately \$8.0 million above budget, based on current penalty and interest collections available data on the outstanding receivable and projections through the end of the fiscal year. This estimate is based on a review of total reserves available to meet the Revenue and Taxation Code requirement of maintaining a reserve of not less than 25% of the total teetered delinquent secured taxes and assessments (R&C section 4703.2).

For Fiscal Year 2009-10, the reserve requirement is \$30.7 million, a \$1.3 million decrease from the Fiscal Year 2008-09 requirement of \$32.0 million. Moreover, the 2009 Teeter buy-out was lower than anticipated, and all penalty and interest collections in Fiscal Year 2009-10 will be in excess of the reserve requirement.

- *In Lieu Local Sales and Use Taxes*

A negative revenue variance of \$1.1 million is estimated for In Lieu Local Sales and Use Taxes based on a lower growth rate calculated by the California Department of Finance (DOF) as identified in their August 31, 2009 letter to the County of San Diego (attributed to the continued slowing in sales

and use tax revenues), combined with a negative true-up for Fiscal Year 2008-09.

- *Property Tax in Lieu of VLF*

Property Tax in Lieu of Vehicle License Fees (VLF) is projected to be \$0.4 million under the budgeted amount of \$309.2 million. The actual assessed value adjustment factor of negative 2.6% (which includes unsecured, local secured, current State non-unitary, and aircraft property tax components) for Fiscal Year 2009-10 is 0.2% lower than the adjustment rate used to calculate the budgeted revenue.

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

A negative revenue variance of \$0.6 million is projected for collections from taxes receivable from the prior fiscal years because the delinquency rate in Fiscal Year 2008-09 was less than anticipated at the time that the Fiscal Year 2009-10 budget was developed. Taxes paid after the fiscal year in which they are due are subject to both penalty and interest charges.

Fines, Forfeitures and Penalties

A net negative variance of \$0.8 million is projected. Penalties and Cost Delinquency Taxes are projected to be approximately \$0.9 million below budget. Staff will be monitoring the installment data closely and will be tracking collections through the end of the fiscal year. Revenues in this account reflect the 10% penalty that is assessed on late current year property tax payments.

A positive variance of \$0.1 million is projected from fines and forfeitures collected through various code violations.

Intergovernmental Revenues

A net positive variance of \$2.1 million is projected for intergovernmental revenues.

This positive variance of \$2.1 million is in the Aid from Redevelopment Agencies category. This is due to an incremental A.V. growth from participating redevelopment agencies with pass through agreements (California Health and Safety Code 33401), revenue growth from redevelopment agencies that fall under AB1290 Community Redevelopment Law Reform Act of 1993 (California Health and Safety Code 33607.5) and SB211 Redevelopment Indebtedness legislation (California Health and Safety Code 33607.7), as well as a current year increase in the number of contributing agencies under AB1290 and SB211. This projection assumes a reduction of \$1.4 million in redevelopment agency payments to the County resulting from the State's redirection of redevelopment funds to the 2009-10 Supplemental Educational Revenue Augmentation Fund (SERAF).

General County Expenses

Cash Borrowing Program

A positive expenditure variance of \$2.7 million is projected. The savings is due to lower TRANs borrowing costs compared to budget for Fiscal Year 2009-10. At the time the budget was prepared, the size and terms of the TRANs borrowing had not been finalized. The current low interest rate environment and the County's strong credit rating have reduced the borrowing cost and led to projected expenditure savings for Fiscal Year 2009-10.

Contingency Reserve

The entire \$20.0 million budgeted in the Contingency Reserve in Fiscal Year 2009-10 is expected to be unspent at year-end.

Lease Payments – Certificates of Participation – Capital Projects

A positive expenditure variance of \$1.0 million is projected from savings in the actual lease payments for the 1997 Central Jail Refunding (\$0.5 million), the 2005 North & East Justice Facility Refunding (\$0.1 million) and the 2005 Regional Communications System Refunding (\$0.4 million). Total debt service was lower than budgeted due to interest earnings credits being higher than anticipated.

Internal Service Funds

Employee Benefits ISF - Workers Compensation & Unemployment Insurance

No overall variance is projected for the fund. Unemployment insurance costs are projected to exceed budget by \$2.5 million due to the nationwide increase in unemployment costs driven by the recession coupled with Federal action taken to extend unemployment benefits. Staff will continue to track the expenditure variance closely. A recommendation will be submitted to modify appropriations in the 2nd or 3rd Quarter Operational Plan Status Report if necessary.

Public Liability ISF

An overall net positive expenditure variance of \$0.3 million is projected primarily due to early and favorable settlements of road liability claims against the County.

Debt Service Funds

Pension Obligation Bonds (POBs)

A positive expenditure variance of \$1.2 million is projected. This positive variance is due to interest expense savings because the pre-payment of the outstanding \$100.0 million 2008 Taxable Pension Obligation Bonds, Series B 1-2 Variable Rate Demand Obligations was completed earlier than anticipated in the budget. As a result, only one month of interest was owed to the bondholders.

**FY 2009-2010 1st Quarter
Projected Year-End Results**
(in thousands)

COUNTY SUMMARY

	Expenditure Variance	Revenue Variance	1st Quarter FY09-10 Projected Fund Balance
	Favorable/(Unfavorable)		

General Fund

Public Safety	\$ 17,170	\$ (34,998)	\$ (17,828)
Health & Human Services Agency	156,835	(129,944)	26,891
Land Use & Environment	4,057	(1,243)	2,815
Community Services	4,458	(317)	4,141
Finance & General Government	3,407	(863)	2,544
Total Agency/Group	185,927	(167,364)	18,563
General Revenues	0	17,748	17,748
Finance Other	23,684	10	23,694
Total General Fund	\$ 209,612	\$ (149,606)	\$ 60,005

Special Revenue Funds

Public Safety	\$ 30,090	\$ (30,058)	\$ 31
Health & Human Services Agency	3,300	0	3,300
Land Use & Environment	21,147	(6,209)	14,938
Community Services	44,505	(43,532)	973
Total Special Revenue Funds	\$ 99,042	\$ (79,799)	\$ 19,242

Capital Program

Finance Other	0	(0)	0
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Internal Service Funds Departments

Public Safety Group	\$ 3	\$ 0	\$ 4
Health & Human Services Agency	0	0	0
Land Use & Environment	2,950	(202)	2,748
Community Services	25,245	(25,283)	(38)
Finance & General Government	0	0	0
Finance Other	302	0	302
Total Internal Service Funds	\$ 28,500	\$ (25,485)	\$ 3,015

Enterprise Fund Departments

Land Use & Environment	\$ 3,883	\$ (2,480)	\$ 1,403
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Special District Funds Departments

Public Safety Group	\$ 0	\$ 0	\$ 0
Health & Human Services Agency	122	(122)	0
Land Use & Environment	1,920	(23)	1,897
Total Special District Funds	\$ 2,042	\$ (145)	\$ 1,897

Other County Funds Departments

LUEG - Debt. Svc. Local Boards	\$ 0	\$ 0	\$ 0
Community Svcs. - Redevelopment Agencies	3	(2)	1
Finance Other - Majestic Pines	0	0	0
Total Other County Funds	\$ 3	\$ (2)	\$ 1

Debt Service - Pension Obligation Bonds	\$ 1,205	\$ 0	\$ 1,205
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Total County Projected Operating Balance	\$ 344,287	\$ (257,518)	\$ 86,769
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**FY 2009-2010 1st Quarter
Projected Year-End Results**

(in thousands)

PUBLIC SAFETY GROUP

	Expenditure Variance	Revenue Variance	1st Quarter FY09-10 Projected Fund Balance
	Favorable/(Unfavorable)		

General Fund Departments

Child Support	\$ 0	\$ 0	\$ 0
Contributions for Trial Courts	0	0	0
Defense Attorney Contract Admin.	0	119	119
District Attorney	4,097	(805)	3,292
Emergency Services	23	75	98
Law Enforcement Review Board	77	0	77
Medical Examiner	152	(54)	98
Probation	470	(6,749)	(6,279)
Public Defender	2,193	(973)	1,221
Public Safety Executive Office	914	(17,368)	(16,454)
Sheriff	\$ 9,243	\$ (9,243)	\$ -
Total General Fund	\$ 17,170	\$ (34,998)	\$ (17,828)

Special Revenue Funds Departments

District Attorney (Asset Forfeiture - State & Federal)	0	0	0
Probation - Asset Forfeiture	1	0	1
Probation - Inmate Welfare Program	0	0	0
Sheriff - Asset Forfeiture	0	30	30
Sheriff - Inmate Welfare Program	18	(18)	0
Public Safety - Proposition 172	30,071	(30,071)	0
Total Special Revenue Funds	30,090	(30,058)	31

Internal Service Funds Departments

Probation	0	0	0
Sheriff(Jail Stores)	3	0	4
Total Internal Service Funds	3	0	4

Special District Funds

Sheriff (Regional 800 MHz)	0	0	0
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Total Group Projected Fund Balance	\$ 47,262	\$ (65,056)	\$ (17,794)
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**FY 2009-2010 1st Quarter
Projected Year-End Results**

(in thousands)

HEALTH & HUMAN SERVICES AGENCY

Expenditure Variance	Revenue Variance	1st Quarter FY09-10 Projected Fund Balance
Favorable/(Unfavorable)		

General Fund Programs

Administrative Support	\$ 35,350	\$ (10,068)	\$ 25,282
Aging & Independence Services	19,291	(18,830)	461
Behavioral Health Services	47,426	(47,426)	0
Child Welfare Services	22,599	(22,599)	0
Public Administrator/Public Guardian	123	2	126
Public Health Services	1,958	(1,730)	227
Regional Operations	24,090	(23,295)	795
Strategic Planning & Operational Support	5,999	(5,999)	0
Total General Fund	\$ 156,835	\$ (129,944)	\$ 26,891

Special Revenue Funds

Tobacco Securitization Fund	3,300	0	3,300
Total Special Revenue Funds	3,300	0	3,300

Internal Service Funds

DMI-Working Capital(Edgemoor Hospital)	0	0	0
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Special District Funds Departments

Ambulance Districts	122	(122)	0
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Other County Funds Departments

	0	0	0
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Total Health & Human Services Agency	\$ 160,257	\$ (130,066)	\$ 30,191
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**FY 2009-2010 1st Quarter
Projected Year-End Results**

(in thousands)

LAND USE & ENVIRONMENT GROUP

Expenditure Variance	Revenue Variance	1st Quarter FY09-10 Projected Fund Balance
Favorable/(Unfavorable)		

General Fund Departments

Agriculture, Weights & Measures	\$ 287	\$ 402	\$ 689
Environmental Health	1,314	(513)	802
Land Use & Environment Group Exec Office	0	61	61
Parks & Recreation	376	(376)	0
Planning & Land Use	1,896	(637)	1,259
Public Works	184	(180)	4
Total General Fund	\$ 4,057	\$ (1,243)	\$ 2,815

Special Revenue Funds Departments

A,W & M (Grazing and Fish & Game Commission)	0	0	0
Parks & Recreation - PLDO	0	98	99
DPW - Aviation Funds	110	(108)	2
DPW - Road Funds	19,542	(4,705)	14,836
DPW - Inactive Waste	1,495	(1,494)	1
Total Special Revenue Funds	21,147	(6,209)	14,938

Internal Service Funds Departments

Public Works - DPW Equip. ISF Prg. (35525-35700)	2,950	(202)	2,748
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Enterprise Funds Departments

Airport Enterprise Fund	3,162	(2,195)	968
Liquid Waste Enterprise Fund	721	(285)	436
Total Enterprise Funds:	3,883	(2,480)	1,403

Special District Funds Departments

Air Pollution Control District	826	355	1,181
Parks and Recreation	42	0	42
Planning and Land Use - CSAs	0	7	7
DPW - Sanitation Districts & Sewer Maintenance	1,046	(379)	667
DPW - CSAs	0	0	0
DPW - PRDs	0	0	0
DPW - Flood Control	0	0	0
DPW - Street Lighting Districts	6	(6)	0
Total Special Districts Funds:	1,920	(23)	1,897

Other County Funds Departments

Debt Service-Local Boards	0	0	0
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Total Land Use & Environment Group	\$ 33,957	\$ (10,157)	\$ 23,800
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**FY 2009-2010 1st Quarter
Projected Year-End Results**

(in thousands)

COMMUNITY SERVICES GROUP

Expenditure Variance	Revenue Variance	1st Quarter FY09-10 Projected Fund Balance
Favorable/(Unfavorable)		

General Fund Departments

Animal Services	\$ 243	\$ 6	\$ 249
Community Services Group Exec Office	3,398	0	3,398
General Services	0	0	0
Housing & Community Development	817	(412)	404
Purchasing & Contracting	0	0	0
Library Services	0	0	0
Registrar of Voters	0	90	90
Total General Fund	\$ 4,458	\$ (317)	\$ 4,141

Special Revenue Funds Departments

Library Services	3,601	(2,628)	973
Housing & Community Development	40,903	(40,903)	0
Total Special Revenue Funds	44,505	(43,532)	973

Internal Service Funds Departments

Facilities Management	536	(602)	(66)
Major Maintenance ISF	18,450	(18,450)	0
Fleet Management	5,783	(5,676)	107
Purchasing & Contracting	476	(555)	(79)
Total Internal Service Funds	25,245	(25,283)	(38)

Other County Funds Departments

Redevelopment Agency	3	(2)	1
Total Community Services Group	\$ 74,211	\$ (69,134)	\$ 5,077

**FY 2009-2010 1st Quarter
Projected Year-End Results**

(in thousands)

**FINANCE & GENERAL GOVERNMENT
GROUP**

Expenditure Variance	Revenue Variance	1st Quarter FY09-10 Projected Fund Balance
Favorable/(Unfavorable)		

General Fund Departments

Assessor/Recorder/County Clerk	\$ 771	\$ (23)	\$ 748
Auditor & Controller	952	(353)	599
Board of Supervisors	250	0	250
CAC-Major Maintenance	0	0	0
Chief Administrative Officer	90	0	90
Civil Service Commission	6	0	6
Clerk of the Board of Supervisors	246	0	246
County Counsel	499	60	558
County Technology Office	0	0	0
Finance & GG Exec Office	0	0	0
Grand Jury	20	0	20
Human Resources	338	0	338
Media and Public Relations	236	0	237
Treasurer-Tax Collector	0	(548)	(548)
Total General Fund	\$ 3,407	\$ (863)	\$ 2,544

Internal Service Funds Departments

CTO - Information Technology	0	0	0
Total Finance & General Government Group	\$ 3,407	\$ (863)	\$ 2,544

**FY 2009-2010 1st Quarter
Projected Year-End Results**

(in thousands)

**GENERAL REVENUES &
FINANCE OTHER**

Expenditure Variance	Revenue Variance	1st Quarter FY09-10 Projected Fund Balance
Favorable/(Unfavorable)		

General Fund

General Revenues:

All Current Property Taxes	\$ 0	\$ 8,184	\$ 8,184
All Other Taxes-Local	0	8,220	8,220
Licenses, Permits & Franchises	0	0	0
Fines, Forfeitures & Penalties	0	(756)	(756)
Revenue for Use of Money & Property	0	0	0
Intergovernmental Revenue	0	2,100	2,100
Charges for Current Services	0	0	0
Miscellaneous Revenue	0	0	0
Total General Revenues	\$ 0	\$ 17,748	\$ 17,748

General County Expenses:

Cash Borrowing Program	\$ 2,700	\$ 0	\$ 2,700
Community Enhancement	0	0	0
Contingency Reserve	20,000	0	20,000
Contributions to the Capital Outlay Fund	958	(0)	958
Contributions to Library Fund	0	0	0
Neighborhood Reinvestment Program	0	0	0
Countywide Expenses	26	10	36
Total Finance Other Expenses	\$ 23,684	\$ 10	\$ 23,694
Total General Fund	\$ 23,684	\$ 17,758	\$ 41,443

Capital Program Funds

Capital Program	\$ 0	\$ (0)	\$ 0
Total Capital Program Funds	\$ 0	\$ (0)	\$ 0

Internal Service Funds Departments

Workers Compensation	\$ 0	\$ 0	\$ 0
Unemployment Insurance	0	0	0
Public Liability	302	0	302
Total ISF Funds	302	0	302

Other County Funds Departments

Majestic Pines	\$ 0	\$ 0	\$ 0
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Debt Service Funds Departments

Pension Obligation Bonds	\$ 1,205	\$ 0	\$ 1,205
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Total General Revenues & Finance Other	\$ 25,192	\$ 17,758	\$ 42,950
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**FY 2009-2010 1st Quarter
Projected Year-End Results**
(in thousands)

Category	Projected Management & Contingency Reserves	Projected Operating Balances	1st Quarter FY09-10 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund			
Public Safety	\$ 0	\$ (17,828)	\$ (17,828)
Health and Human Services Agency	20,000	6,891	26,891
Land Use and Environment	0	2,815	2,815
Community Services	3,250	891	4,141
Finance & General Government	0	2,544	2,544
Agency/Group Totals	\$ 23,250	\$ (4,687)	\$ 18,563
General Revenues	0	17,748	17,748
General County Expenses	0	3,694	3,694
Contingency Reserve	20,000	0	20,000
Total Gen'l. Revs & Gen'l. County Exp.	\$ 20,000	\$ 21,443	\$ 41,443
Total General Fund	\$ 43,250	\$ 16,755	\$ 60,005