



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

GREG COX
First District

DIANNE JACOB
Second District

DAVE ROBERTS
Third District

RON ROBERTS
Fourth District

BILL HORN
Fifth District

DATE: June 18, 2014 (to be heard by the Board of Supervisors on June 24, 2014)

12

TO: Board of Supervisors

SUBJECT: CHIEF ADMINISTRATIVE OFFICER RECOMMENDED OPERATIONAL PLAN FISCAL YEARS 2014-15 AND 2015-16 CHANGE LETTER (DISTRICTS: ALL)

Overview

On May 6, 2014 (10), your Board of Supervisors received the Chief Administrative Officer Recommended Operational Plan Fiscal Years 2014-15 and 2015-16 (CAO Recommended Operational Plan) and set the dates and times for public hearings and deliberations. The proposed amendments to the CAO Recommended Operational Plan are based on updated expenditure and revenue information and recent Board actions. Today's action requests the Board approve the CAO Recommended Operational Plan, Change Letter requests, and Community Enhancement Grant awards at the conclusion of budget deliberations. Budget deliberations are scheduled to commence on June 24, 2014. A resolution of adoption for the Fiscal Year 2014-15 budget will come before the Board for consideration on August 5, 2014.

Recommendation(s)

CHIEF ADMINISTRATIVE OFFICER

1. Pursuant to Government Code Section 29064, approve the Chief Administrative Officer Recommended Operational Plan for Fiscal Year 2014-15 on or before June 30, 2014, for the purpose of having the authority to spend until the budget is adopted and approve Fiscal Year 2014-15 Community Enhancement Grant Awards, including waivers of Board Policy B-58 as indicated in Attachment B.
2. Accept the appropriation, funding and staffing changes to the Chief Administrative Officer Recommended Operational Plan Fiscal Years 2014-15 and 2015-16 as shown in the attached schedules for consideration during budget deliberations.
3. Following budget deliberations and approval of the Chief Administrative Officer Recommended Operational Plan Fiscal Years 2014-15 and 2015-16, authorize the Deputy Chief Administrative Officer/Auditor and Controller to make adjustments as necessary between object accounts with no increases in total departmental appropriations in order to clarify all budget items for the final Operational Plan and budget resolution.

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Fiscal Impact

The total revised CAO Recommended Operational Plan is \$5.08 billion for Fiscal Year 2014-15 and \$4.87 billion for Fiscal Year 2015-16. The total revised staff years are 17,044.00 in Fiscal Year 2014-15 and 17,046.00 in Fiscal Year 2015-16. The proposed changes to the CAO Recommended Operational Plan include for Fiscal Year 2014-15 appropriation increases of \$26.2 million and an increase of 7.00 staff years. Changes for Fiscal Year 2015-16 include appropriation increases of \$16.8 million. The Fiscal Year 2014-15 recommended increases in appropriations are supported by increases of \$8.3 million in fund balance, \$9.7 million in program revenues, and \$8.2 million in General Purpose Revenue. The Fiscal Year 2015-16 recommended increases in appropriations are supported by increases of \$5.0 million in fund balance, an increase of \$3.4 million in program revenues, and \$8.4 million in General Purpose Revenue.

General Purpose Revenue is recommended to increase due to a revision to anticipated growth in Locally Assessed Secured Property Values and an increase in Transient Occupancy Tax (TOT). This increase reflects information received subsequent to the development of the CAO Recommended Operational Plan.

Business Impact Statement

The changes to the CAO Recommended Operational Plan include appropriations for the purchase of goods and services from the private sector.

Advisory Board Statement

Individual advisory boards will review and may comment separately on portions of the CAO Recommended Operational Plan.

Background

The purpose of this Change Letter is to update the CAO Recommended Operational Plan based on information that became available after that document was presented to your Board on May 6, 2014 (10).

Pursuant to Government Code Section 29064, a recommended budget must be approved by the Board by June 30, 2014, for the purpose of having authority to spend until the budget is adopted. A resolution of adoption will come before the Board for consideration on August 5, 2014. In addition, today's recommendations include a request to approve Fiscal Year 2014-15 Community Enhancement Grant awards and waiver of Board Policy B-58 in regards to funding levels for recipient organization operating budgets.

The recommended changes to the CAO Recommended Operational Plan are summarized by group below.

PUBLIC SAFETY GROUP

The recommended changes for the Public Safety Group (PSG) increase the CAO Recommended

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Operational Plan by \$7.4 million and by 3.00 staff years in Fiscal Year 2014-15. The total revised CAO Recommended Operational Plan for PSG for Fiscal Year 2014-15 is \$1.63 billion and 7,459.00 staff years. In Fiscal Year 2015-16, recommended changes increase appropriations by \$1.5 million. The total revised CAO Recommended Operational Plan for PSG for Fiscal Year 2015-16 is \$1.63 billion and 7,461.00 staff years.

Significant proposed changes from the CAO Recommended Operational Plan include increases in salaries and benefits related to increases in staff in the Law Enforcement Services and Sheriff's Court Services Bureaus of the Sheriff's Department and in the San Diego County Fire Authority (\$1.4 million); in services and supplies, rebudgets in the Sheriff's Department for costs associated with the Regional Communication System, the Regional Realignment Response Group, and various capital projects (\$7.1 million); and an increase for security equipment at the North County Regional Center and the Kearny Mesa Courthouse (\$0.2 million). These increases are partially offset by a decrease related to revised spending estimates for the 2013 Operation Stonegarden Grant Program (\$3.3 million).

Further recommended changes include an increase in the Probation Department for costs associated with contracted educational services to offenders under Post Release Community Supervision (\$1.0 million); and in the San Diego County Fire Authority, a rebudget for one-time information technology and communications projects (\$0.3 million), and an increase of \$0.6 million in capital assets equipment for the purchase of fire apparatus funded by grants from the Indian Gaming Local Community Benefit Committee and Community Development Block Grant (\$0.4 million), and Public Safety Group fund balance (\$0.2 million).

Recommended staffing changes from the CAO Recommended Operational Plan include an increase of 1.00 staff year in the Sheriff's Department Law Enforcement Services Bureau for the High Intensity Drug Trafficking Areas program; 1.00 staff year in the Sheriff's Department Court Services Bureau Field Division to conduct analysis regarding county wanted subjects; and an increase of 1.00 staff year in the San Diego County Fire Authority to support fire prevention activities.

HEALTH AND HUMAN SERVICES AGENCY

There are no appropriation changes for the Health and Human Services Agency (HHS) from the CAO Recommended Operational Plan in Fiscal Year 2014-15 and staff years remain unchanged. Total appropriations for HHS for Fiscal Year 2014-15 are \$1.90 billion and 5,973.50 staff years. In Fiscal Year 2015-16, total appropriations and staff years remain unchanged from the CAO Recommended Operational Plan at \$1.89 billion and 5,973.50 respectively.

LAND USE AND ENVIRONMENT GROUP

The recommended changes for the Land Use and Environment Group (LUEG) result in no net change to the CAO Recommended Operational Plan. The total CAO Recommended Operational Plan for LUEG for Fiscal Year 2014-15 is \$417.5 million. Staff years remain unchanged at 1,452.00. In Fiscal Year 2015-16, total appropriations and staff years for LUEG remain unchanged from the CAO Recommended Operational Plan at \$372.6 million and 1,452.00

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respectively.

COMMUNITY SERVICES GROUP

The recommended changes for the Community Services Group (CSG) increase the CAO Recommended Operational Plan by \$1.5 million and by 4.00 staff years in Fiscal Year 2014-15. The total revised CAO Recommended Operational Plan for CSG for Fiscal Year 2014-15 is \$325.6 million and 976.00 staff years. In Fiscal Year 2015-16, recommended changes increase appropriations by \$1.5 million. The total revised CAO Recommended Operational Plan for CSG for Fiscal Year 2015-16 is \$290.9 million and 976.00 staff years.

Significant changes from the CAO Recommended Operational Plan include increases in the Department of General Services of \$0.4 million in salaries and benefits and \$0.1 million in services and supplies for additional materials and equipment to support increased staff; and an increase of \$0.7 million for additional janitorial, security, and trash contracted services provided at the County Administration Center (CAC) Waterfront Park. In the County Library, an increase of \$0.3 million is recommended for library materials.

Recommended staffing changes from the CAO Recommended Operational Plan include an increase of 4.00 staff years in the Department of General Services for the CAC Waterfront Park operations and maintenance.

FINANCE AND GENERAL GOVERNMENT GROUP

The recommended changes for the Finance and General Government Group (FGG) increase the CAO Recommended Operational Plan in Fiscal Year 2014-15 by \$1.2 million for a revised total of \$384.8 million. Staff years remain unchanged at 1,183.50. In Fiscal Year 2015-16, recommended changes increase appropriations by \$1.2 million. The total revised CAO Recommended Operational Plan for FGG for Fiscal Year 2015-16 is \$363.4 million and 1,183.50 staff years.

Significant changes from the CAO Recommended Operational Plan include \$1.2 million for reimbursement to the Facilities Management Internal Service Fund to offset expenditures for the projected increase in maintenance operations in and around the CAC.

FINANCE OTHER

The recommended changes for Finance Other increase the CAO Recommended Operational Plan in Fiscal Year 2014-15 by \$14.1 million for a revised total of \$336.3 million. Finance Other appropriations in the revised Recommended Operational Plan increased by \$12.6 million for a revised total of \$310.0 million for Fiscal Year 2015-16.

Significant changes from the CAO Recommended Operational Plan include \$0.5 million increase in the Community Enhancement Program due to anticipated over-realized Transient Occupancy Tax revenue; \$5.0 million increase for the Neighborhood Reinvestment Program grant awards for one-time community, social, environmental, educational, cultural or recreational needs as approved by your Board on June 11, 2014; and \$1.4 million increase in Contributions to Capital Outlay related to the CAC Waterfront Park, as explained below.

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Per Board Policy B-71, the \$0.2 million recommended increase in the Contingency Reserve-General Fund is due to recommended increases in General Purpose Revenue. In addition, a recommended increase of \$7.0 million in the Pension Stabilization fund is also due to recommended increases in General Purpose Revenue.

CAPITAL PROGRAM

The recommended changes for the Capital Program increase the CAO Recommended Operational Plan in Fiscal Year 2014-15 by \$2.0 million for a revised total of \$83.7 million. In Fiscal Year 2015-16, total appropriations remain unchanged from the CAO Recommended Operational Plan at \$12.4 million.

Significant changes from the CAO Recommended Operational Plan include an increase of \$1.4 million for the Waterfront Park project water fountain enhancements and electronic surveillance system; an increase of \$0.3 million for Jess Martin Ballfield Improvements; an increase of \$0.3 million for the Lamar Fitness Path project; and an increase of \$0.1 million for Felicita Park Americans with Disabilities Act (ADA) Ramp and Sidewalks project.

Linkage to the County of San Diego Strategic Plan

The CAO Recommended Operational Plan details each department's strategic objectives for the next two years and the resources required to achieve them. The three Strategic Initiatives in the County of San Diego's 2014-2019 Strategic Plan - Safe Communities, Sustainable Environments and Healthy Families – are reflected throughout the program objectives in the CAO Recommended Operational Plan.

Respectfully submitted,



HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)

- A. CAO Recommended Change Letter Addendum, June 17, 2014 Referral (A1, A2, A3)
- B. Community Enhancement Program Board Policy B58 Waivers Fiscal Year 2014-15
- C. CAO Recommended Operational Plan Change Letter Fiscal Years 2014-15 and 2015-16

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AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED
 Yes No

PREVIOUS RELEVANT BOARD ACTIONS:

May 6, 2014 (10), Chief Administrative Officer Recommended Operational Plan for Fiscal Years 2014-15 and 2015-16.

BOARD POLICIES APPLICABLE:

B-58, Funding of the Community Enhancement Program
B-71, Fund Balance and Reserves

BOARD POLICY STATEMENTS:

N/A

MANDATORY COMPLIANCE:

N/A

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

N/A

ORIGINATING DEPARTMENT: Finance and General Government Group Executive Office

OTHER CONCURRENCES(S): N/A

CONTACT PERSON(S):

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FISCAL YEAR 2014-15 & 2015-16 OPERATIONAL PLAN

2014-15 REFERRALS TO BUDGET STATUS

Group: Public Safety Group

Department: Office of Emergency Services

SUBJECT: Evaluating and Enhancing Fire Protection in the Region—Fire Safety Public Awareness Campaign

HEARING DATE: June 17, 2014

MINUTE ORDER: 1

DESCRIPTION OF REFERRAL: The Board referred CAO Change Letter the addition of \$400,000 in the Office of Emergency Services for a comprehensive wildfire preparedness outreach campaign to promote individual, family and business preparedness, with a special emphasis on defensible space. An After Action Report (AAR) for the May 2014 Wildfires was presented to the Board of Supervisors on June 17, 2014. Recommendation 21 in the AAR requested to allocate \$400,000 to develop and execute a comprehensive wildfire public awareness campaign, to be implemented throughout the remainder of this year’s fire season, to enhance awareness among San Diego residents to improve individual and family planning and wildfire preparedness.

STATUS:

A. Has this item been included in the CAO’s Recommended Operational Plan or Change Letter?

Yes
 No
 as modified (explain in REMARKS)
 If yes, **Op Plan**
 Change Letter

B. Expenditure Category: X **One-time** **Ongoing Expense**

C. Fiscal impact of this item if approved:

	Fiscal Year 2013–14	Fiscal Year 2014–15	Fiscal Year 2015–16
Direct Cost	\$0	\$400,000	\$0
Revenue	\$0	\$400,000	\$0
Net Cost	\$0	\$0	\$0
Staff Years	N/A	N/A	N/A

D. Funding source(s): Public Safety Group General Fund Fund Balance

REMARKS: This item is incorporated into the CAO Change Letter by reference herein. Note: amounts are not reflected in fiscal impact statement or in the Performance Budgeting system due to timing.

FISCAL YEAR 2014-15 & 2015-16 OPERATIONAL PLAN

2014-15 REFERRALS TO BUDGET STATUS

Group: Public Safety Group

Department: San Diego County Fire Authority

SUBJECT: Evaluating and Enhancing Fire Protection in the Region—Forward Looking Infrared (FLIR) Thermal Imaging Devices

HEARING DATE: June 17, 2014

MINUTE ORDER: 1

DESCRIPTION OF REFERRAL: The Board referred to CAO Change Letter the addition of \$50,000 in the San Diego County Fire Authority to purchase Forward Looking Infrared (FLIR) cameras for thermal imaging capabilities during wildland fires. An After Action Report (AAR) for the May 2014 Wildfires was presented to the Board of Supervisors on June 17, 2014. Recommendation 19 in the AAR requested to allocate \$50,000 to purchase a small number of Forward Looking Infrared (FLIR) thermal imaging devices and conduct a pilot to determine efficacy and how the technology could best be integrated into the region’s fire response efforts.

STATUS:

A. Has this item been included in the CAO’s Recommended Operational Plan or Change Letter?

Yes **No** **as modified (explain in REMARKS)**
 If yes, **Op Plan** **Change Letter**

B. Expenditure Category: X **One-time** _____ **Ongoing Expense**

C. Fiscal impact of this item if approved:

	Fiscal Year 2013–14	Fiscal Year 2014–15	Fiscal Year 2015–16
Direct Cost	\$0	\$50,000	\$0
Revenue	\$0	\$50,000	\$0
Net Cost	\$0	\$0	\$0
Staff Years	N/A	N/A	N/A

D. Funding source(s): Public Safety Group General Fund Fund Balance

REMARKS: This item is incorporated into the CAO Change Letter by reference herein. Note: amounts are not reflected in fiscal impact statement or in the Performance Budgeting system due to timing.

FISCAL YEAR 2014-15 & 2015-16 OPERATIONAL PLAN

2014-15 REFERRALS TO BUDGET STATUS

Group: Public Safety Group

Department: Office of Emergency Services

SUBJECT: Evaluating and Enhancing Fire Protection in the Region—Call When Needed Aircraft Program

HEARING DATE: June 17, 2014

MINUTE ORDER: 1

DESCRIPTION OF REFERRAL: The Board referred to CAO Change Letter the addition of \$500,000 in the Office of Emergency Services to better support the County’s ability to deploy pre-positioned aerial firefighting resources in emergency situations. An After Action Report (AAR) for the May 2014 Wildfires was presented to the Board of Supervisors on June 17, 2014. Recommendation 18 in the AAR requested to increase the Board’s allocation of \$250,000 for the “Call When Needed” program to \$750,000. That will allow for the flexibility to bring in more aircraft for a severe wind event or to fund one or two aircraft for several different wind events.

STATUS:

A. Has this item been included in the CAO’s Recommended Operational Plan or Change Letter?

Yes **No** **as modified (explain in REMARKS)**
 If yes, **Op Plan** **Change Letter**

B. Expenditure Category: X **One-time** _____ **Ongoing Expense**

C. Fiscal impact of this item if approved:

	Fiscal Year 2013–14	Fiscal Year 2014–15	Fiscal Year 2015–16
Direct Cost	\$0	\$500,000	\$0
Revenue	\$0	\$500,000	\$0
Net Cost	\$0	\$0	\$0
Staff Years	N/A	N/A	N/A

D. Funding source(s): Public Safety Group General Fund Fund Balance

REMARKS: This item is incorporated into the CAO Change Letter by reference herein. Note: amounts are not reflected in fiscal impact statement or in the Performance Budgeting system due to timing.

ATTACHMENT B

Fiscal Year 2014-15

Community Enhancement Grant Awards Board Policy Waivers

A) Waive Board Policy B-58 with respect to the County's contribution not exceeding fifty percent (50%) of the recipient's fiscal year operating budget for the following:

Organization	Recipient's Budget	County Award	County Award by District				
			D1	D2	D3	D4	D5
Bonita Historical Society, The	41,000	22,875	22,875	—	—	—	—
Bravo San Diego Awards Inc.	15,000	15,000	—	—	15,000	—	—
Christmas Circle Community Park	61,267	40,000	—	—	—	—	40,000
Fallbrook Art Association	19,500	10,000	—	—	—	—	10,000
Optimist Club of Imperial Beach	1,660	2,020	2,020	—	—	—	—
Pagasa-Tumainisha-Esperanza-Hope, Inc.	6,096	4,125	3,125	—	1,000	—	—
San Diego Filipino-American Humanitarian Foundation, Inc.	—	13,000	6,000	—	—	7,000	—
San Diego Winery-Vintner Community Development Council	—	5,000	—	—	—	—	5,000
Sorrento Valley Town Council	9,500	5,000	—	—	5,000	—	—
Spring Valley Chamber of Commerce	58,300	50,000	—	50,000	—	—	—
Spring Valley Historical Society	9,530	9,500	—	9,500	—	—	—
Tierrasanta Community Council	6,930	7,500	—	-	7,500	—	—
Valley Center Parks and Recreation District	—	5,000	—	—	—	—	5,000
Zeta Sigma Lambda Foundation, Inc.	8,325	9,000	3,000	—	1,000	5,000	—

Attachment B: Fiscal Year 2014–15 Community Enhancement Grant Award Waivers

B) Waive Board Policy B-58 with respect to the County’s contribution not exceeding the actual cash contribution made by that city in which the recipient is located for the current fiscal year being funded for the following:

Organization	City Award	County Award	County Award by District				
			D1	D2	D3	D4	D5
BILY San Diego	1,000	5,000	—	—	—	—	5,000
Bonita Optimist Club	2,000	5,000	5,000	—	—	—	—
Cabrillo Festival, Inc.	3,000	6,000	6,000	—	—	—	—
East County Economic Development Council	8,000	40,000	—	40,000	—	—	—
Escondido Children's Museum, Inc.	1,000	5,000	—	—	5,000	—	—
Firefighters Advisory Council to the Burn Institute	3,575	9,000	2,000	—	5,000	2,000	—
Imperial Beach Chamber of Commerce, Inc.	500	6,000	6,000	—	—	—	—
La Colonia De Eden Gardens, Inc.	1,200	2,500	—	—	2,500	—	—
Linda Vista Multi-Cultural Fair, Inc.	6,468	8,000	—	—	—	8,000	—
Mojalet Dance Collective	1,519	3,500	—	—	3,500	—	—
New Village Arts, Inc.	3,000	5,000	—	—	—	—	5,000
North Coast Repertory Theatre	5,000	25,000	—	—	25,000	—	—
OnStage Playhouse	3,500	6,000	6,000	—	—	—	—
Optimist Club of Imperial Beach	500	2,020	2,020	—	—	—	—
PASACAT, Inc.	4,237	4,375	4,375	—	—	—	—
Quail Gardens Foundation, Inc.	5,000	10,000	—	—	10,000	—	—
San Diego North Economic Development Council	1,500	40,000	—	—	15,000	—	25,000
San Diego Regional Economic Development Corporation	25,000	33,000	15,000	—	8,000	10,000	—
Sorrento Valley Town Council	3,500	5,000	—	—	5,000	—	—
Third Avenue Village Association	2,500	6,500	6,500	—	—	—	—
Write Out Loud	2,480	3,500	500	—	2,000	1,000	—

Approval Log For:

Attachment A1 Referral to Budget_OES_Public Awareness.docx

Attachment A2 Referral to Budget_Fire Authority.docx

Attachment A3 Referral to Budget_OES_Call When Needed.docx

ATTACHMENT B draft.docx

FY 14-16 CHANGE LETTER Main - Final.docx

Approver's Name	Approvers Job Title	Approver's Department	Time and Date of Final Approval
Tracy Sandoval	ACFO/Auditor & Controller	A&C	6/18/2014 3:46:50 PM
Rachel Witt		County Counsel	6/18/2014 4:18:51 PM
Ebony Shelton	Financial Policy & Planning Director	FGG-OFP	6/18/2014 3:38:20 PM