



# 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:** December 2, 2014

**33**

**TO:** Board of Supervisors

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

### Overview

This report summarizes the status of the County's Fiscal Year 2014-15 Operational Plan, as measured by projected year-end fund balance from current year operations. The projected balance for the General Fund is \$141.1 million, and for all budgetary funds combined is \$158.4 million. In the General Fund, positive balances are projected for all five business groups. The projected fund balance reflects the conservation of management and contingency reserves and projects that General Purpose Revenue will perform better than estimated in the Fiscal Year 2014-15 Adopted Operational Plan. This letter also recommends budget adjustments to make resource reallocations to fund one-time projects, mitigate anticipated revenue shortfalls and make various technical adjustments.

In the Public Safety Group (PSG), recommendations include appropriations adjustments in the Sheriff's Department for overtime costs associated with the SWAT Academy and sobriety check points; purchase of new vehicles, helicopter and other equipment such as infrared imaging/camera system, equipment for fingerprint and palm print analysis; support costs related to Net Records Management System project; operating costs related to the construction of an Inmate Industries Greenhouse; for expenses in training, investigative and communications services; increase in the Fund Balance Commitment for the Sheriff Capital Projects and various technical adjustments.

In the Land Use and Environment Group (LUEG), recommendations include appropriations adjustments for County Waste Planning and Recycling Fund operating costs; preparation of project design plans and environmental work Borrego Valley Airport Rehabilitate Runways; land acquisition at Volcan Mountain; biological surveys in Escondido Creek Watershed; trails construction at Tijuana River Valley Mesa Trails; trail and staging area improvements at Hellhole Canyon; major maintenance improvements in ranger housing and Mt. Olympus Preserve; noncapital pre-acquisition expenses; increase in the Environmental Health Fund Balance Commitment as well as the Planning and Development Services Fund Balance Commitment; various activities for recreation, traffic safety and school enhancement projects; and various technical adjustments.

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

In the Capital Program, recommendations include appropriation adjustments to fund additional upgrades at the East Mesa Detention Re-Entry and Rehabilitation Facility and for the installation of existing photovoltaic equipment in Boulevard Fire Station.

In the Community Services Group (CSG), there is a recommendation for appropriation adjustment to fund the purchase of fleet vehicles.

In the Finance and General Government Group, there are appropriation adjustments for miscellaneous one-time expenses in the District Offices.

**Recommendation(s)**

**CHIEF ADMINISTRATIVE OFFICER**

1. Accept the Fiscal Year 2014-15 first quarter report on projected year-end results.
2. Transfer appropriations of \$191,151 within the Sheriff's Asset Forfeiture Fund, Services and Supplies to Operating Transfer Out, to fund overtime in the Sheriff's Department associated with the Basic Special Weapon and Tactics (SWAT) Academy (\$163,251) and Hall of Champions Juvenile Camp (\$27,900).
3. Establish appropriations of \$191,151 in the Sheriff's Department, Salaries and Benefits, for overtime associated with the SWAT Academy (\$163,251) and Hall of Champions Juvenile Camp (\$27,900), based on an Operating Transfer from the Sheriff's Asset Forfeiture Fund. **(4 VOTES)**
4. Re-establish appropriations of \$116,000 in the Sheriff's Inmate Welfare Fund, Services and Supplies, to provide funds for additional operating costs related to the construction of an inmate industries greenhouse at the George Bailey Detention Facility, based on available prior year fund balance. **(4 VOTES)**
5. Establish appropriations of \$29,320 in the Sheriff's Department, Salaries and Benefits, for overtime associated with Standards and Training for Corrections training based on unanticipated revenue from the Board of State and Community Corrections. **(4 VOTES)**
6. Cancel appropriations of \$404,898 in the Sheriff's Department, Services and Supplies and related revenue from the State of California, Local Revenue Fund 2011 allocated to the County Local Revenue Fund 2011, Community Corrections Subaccount, to align the budget with anticipated actuals.
7. Re-establish appropriations of \$88,773 in the Sheriff's Department, Services and Supplies, for the Fiscal Year 2012 Operation Stonegarden (OPSG) grant (\$27,727) and the Fiscal Year 2013 OPSG grant (\$61,046), based on unanticipated revenue from the U.S. Department of Homeland Security passed through the Governor's Office of Emergency Services. **(4 VOTES)**
8. Establish appropriations of \$429,873 in the Sheriff's Department, Fixed Assets, for the

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

Fiscal Year 2013 Urban Areas Security Initiative Grant, based on unanticipated revenue from U.S. Department of Homeland Security passed through the Governor's Office of Emergency Services. **(4 VOTES)**

9. Cancel appropriations of \$70,000 in the Sheriff's Department, Services and Supplies and related Fiscal Year 2013 Urban Areas Security Initiative grant revenue, to accurately reflect the amount available from the grant due to the expenditure of funds in Fiscal Year 2013-14.
10. Cancel appropriations of \$128,673 in the Sheriff's Department, Salaries and Benefits (\$17,687) and Services and Supplies (\$110,986) and related Fiscal Year 2013 State Homeland Security Program grant revenue, to accurately reflect the amount available from the grant due to the expenditure of funds in Fiscal Year 2013-14.
11. Establish appropriations of \$132,945 in the Sheriff's Department, Services and Supplies, for the High Intensity Drug Trafficking Areas (HIDTA) program based on unanticipated HIDTA revenue from the San Diego/Imperial Valley Southwest Border HIDTA. **(4 VOTES)**
12. Cancel appropriations of \$22,677 in the Sheriff's Department, Salaries and Benefits and related California Office of Traffic Safety revenue, to accurately reflect the amount available from the grant due to the expenditures of funds in Fiscal Year 2013-14 for the Selective Traffic Enforcement Program.
13. Re-establish appropriations of \$33,685 in the Sheriff's Department, Salaries and Benefits, for the California Gang Reduction, Intervention and Prevention (CalGRIP) grant program based on unanticipated revenue from the Board of State and Community Corrections, passed through the City of Vista. **(4 VOTES)**
14. Cancel appropriations of \$126,050 in the Sheriff's Department, Salaries and Benefits (\$1,344), Services and Supplies (\$9,110) and Fixed Assets (\$115,596), and related U.S. Department of Justice, Office of Justice Programs revenue, to accurately reflect the amount available from the grant due to the expenditure of funds in Fiscal Year 2013-14 for the 2013 DNA Backlog Reduction Program.
15. Re-establish appropriations of \$44,930 in the Sheriff's Department, Salaries and Benefits, for the federal Fiscal Year 2013-14 Sobriety Checkpoint grant program based on unanticipated revenue from the California Office of Traffic Safety through the University of California, Berkeley. **(4 VOTES)**
16. Re-establish appropriations of \$15,924 in the Sheriff's Department, Services and Supplies, for the Fiscal Year 2012-13 Indian Gaming Local Community Benefit Committee (IGLCBC) grant program based on unanticipated revenue from the IGLCBC. **(4 VOTES)**
17. Establish appropriations of \$304,342 in the Sheriff's Department, Services and Supplies

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

(\$25,000) and Fixed Assets (\$279,342) to fund the Programmable Matching Accelerator upgrade project and the biometric Laboratory Information Management System software configuration based on unanticipated revenue from Cal-ID. **(4 VOTES)**

18. Transfer appropriations of \$268,616 from the Sheriff's Department, Fixed Assets, to the General Fund Contributions to Fleet Internal Service Fund (ISF), Operating Transfer Out, for the purchase of various Sheriff's vehicles.
19. Amend the Fiscal Year 2014-15 Department of General Services Fleet ISF Spending Plan by \$268,616 to provide funding for the purchase of various vehicles for the Sheriff's Department based on an Operating Transfer from the General Fund. **(4 VOTES)**
20. Establish appropriations of \$59,000 in the Proposition 172 Special Revenue Fund, Operating Transfer Out, to fund the Naloxone pilot program in the Sheriff's Department based on fund balance available. **(4 VOTES)**
21. Establish appropriations of \$59,000 in the Sheriff's Department, Services and Supplies for the Naloxone pilot program based on an Operating Transfer from the Proposition 172 Special Revenue Fund. **(4 VOTES)**
22. Re-establish appropriations of \$4,500,000 in the Sheriff's Department, Fixed Assets, for the purchase of a helicopter based on available prior year Public Safety Group fund balance (\$2,500,000) and revenue in the Aerial Support to Regional Agencies (ASTREA) Trust Fund (\$2,000,000). **(4 VOTES)**
23. Authorize the Auditor & Controller to increase the Fund Balance Commitment for the Sheriff Capital Projects within the General Fund by \$398,577 based on available prior year Public Safety Group fund balance. **(4 VOTES)**
24. Transfer appropriations of \$7,925 from the Sheriff's Department, Services and Supplies, to the Contributions to Capital Outlay Fund, Operating Transfer Out, to provide funds for Capital Project 1017536, Next Generation Regional Communication System (RCS) Site Acquisition.
25. Establish appropriations of \$7,925 in the Justice Facility Construction Fund for Capital Project 1017536, Next Generation RCS Site Acquisition based on an Operating Transfer from the General Fund. **(4 VOTES)**
26. Ratify the transfer of appropriations of \$80,000 within the Fiscal Year 2013-14 Sheriff's Jail Stores Internal Service Fund Spending Plan, from Operating Transfers Out to Services and Supplies, for costs related to the increased demand of commissary items.
27. Establish appropriations of \$65,504 in the Probation Department, Services and Supplies, for flash upgrades (software patch) to handheld portable radios for interoperable communications based on available prior year Public Safety Group fund balance. **(4 VOTES)**

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

28. Establish appropriations of \$964,808 in the Criminal Justice Facility Construction Fund, Operating Transfer Out, to provide funds to the Sheriff's Department for the Net Records Management System project based on available prior year fund balance. **(4 VOTES)**
29. Establish appropriations of \$148,244 in the Inactive Waste Fund, Operating Transfer Out, to provide funding to the County Waste Planning and Recycling Fund for operating costs based on available prior year Inactive Waste Fund fund balance. **(4 VOTES)**
30. Establish appropriations of \$148,244 in the County Waste Planning and Recycling Fund, Services and Supplies, for operating costs based on an Operating Transfer from the Inactive Waste Fund. **(4 VOTES)**
31. Amend the Fiscal Year 2014-15 Airport Enterprise Fund Spending Plan by \$400,000, Services and Supplies, to provide funds for Borrego Valley Airport Rehabilitate Runway 08/26 and Blast Pads Project based on available prior year Airport Enterprise Fund fund balance. **(4 VOTES)**
32. Transfer appropriations of \$580,000 from the Department of Public Works General Fund, Services and Supplies, to Operating Transfer Out for traffic safety projects and equipment.
33. Establish appropriations of \$580,000 in the Department of Public Works Road Fund, Services and Supplies (\$370,000), for traffic safety and school enhancement projects and Fixed Assets - Equipment (\$210,000), for the purchase of traffic safety equipment based on an Operating Transfer from the General Fund. **(4 VOTES)**
34. Establish appropriations of \$110,433.73 in the Capital Multiple Species Conservation Program (MSCP) Fund, for land acquisition at Volcan Mountain, based on grant funding from the State of California Habitat Conservation Fund. **(4 VOTES)**
35. Establish appropriations of \$37,500 in the Department of Parks and Recreation, Services and Supplies, to fund recreational activities for the Nature Explorers Program, based on grant funding from the State of California Habitat Conservation Fund. **(4 VOTES)**
36. Establish appropriations of \$107,378.78 in the Department of Parks and Recreation, Services and Supplies, for biological surveys in the Escondido Creek Watershed, based on grant funding from the Coastal Impact Assistance Program. **(4 VOTES)**
37. Establish appropriations of \$859,000 in the Capital Outlay Fund for Capital Project, 1018373, Tijuana River Valley Mesa Trails, for trails construction, based on grant funding from the Land and Water Conservation Fund. **(4 VOTES)**
38. Establish appropriations of \$40,000 in the Department of Parks and Recreation, Services and Supplies, for trail and staging area improvements at Hellhole Canyon, based on unanticipated revenue from Pardee Homes and Weyerhaeuser Company Foundation in

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

the Parks and Recreation Trust Fund. **(4 VOTES)**

39. Cancel appropriations of \$2,500,000 and related Operating Transfer In from the General Fund in the Capital Outlay Fund for Capital Project 1015191, Ranger Housing Improvements, to properly record noncapital expenditures.
40. Transfer appropriations of \$2,500,000 from the Contribution to Capital Outlay Fund, Operating Transfer Out, to the Department of Parks and Recreation, Services and Supplies, to properly record noncapital ranger housing improvements.
41. Cancel appropriations of \$350,000 and related Operating Transfer In from the General Fund in the Capital Outlay Fund for Capital Project 1015194, Mt. Olympus Preserve, to properly record noncapital expenditures.
42. Transfer appropriations of \$350,000 from the Contributions to Capital Outlay Fund, Operating Transfer Out, to the Department of Parks and Recreation, Services and Supplies, to properly record noncapital improvements at the Mt. Olympus Preserve.
43. Cancel appropriations of \$27,500 and related Operating Transfer In from the General Fund in the Capital Multiple Species Conservation Program (MSCP) Fund, for one-time stewardship costs associated with the Heise-Flanigan property.
44. Transfer appropriations of \$27,500 from Contributions to Capital Outlay Fund, Operating Transfer Out, to the Department of Parks and Recreation, Services and Supplies, for one-time stewardship costs for the Heise-Flanigan property.
45. Cancel appropriations of \$47,778.12 and related Operating Transfer In from the General Fund in the Capital Multiple Species Conservation Program (MSCP) Fund, to properly record noncapital pre-acquisition expenses.
46. Transfer appropriations of \$47,778.12 from Contributions to Capital Outlay Fund, Operating Transfer Out, to the Department of Parks and Recreation, Services and Supplies, to properly record noncapital pre-acquisition expenses.
47. Establish appropriations of \$29,479 in the Capital Multiple Species Conservation Fund (MSCP), based on unanticipated revenue from the sale of mitigation credits. **(4 VOTES)**
48. Establish appropriations of \$9,000 in County Service Area (CSA) 128 San Miguel, Services and Supplies, for emergency freezer replacement at Spring Valley Community Center, based on available prior year CSA 128 San Miguel fund balance. **(4 VOTES)**
49. Authorize the Auditor and Controller to increase the Environmental Health fund balance commitment within the General Fund by \$1,060,627 based on available prior year Land Use and Environment Group fund balance. **(4 VOTES)**
50. Authorize the Auditor and Controller to increase the Planning and Development Services

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

fund balance commitment within the General Fund by \$394,483 based on available prior year Land Use and Environment Group fund balance. **(4 VOTES)**

51. Establish appropriations of \$35,000 in Farm and Home Advisor, Services and Supplies, for Invasive Insect Pests Education and Outreach based on prior year available Land Use and Environment Group fund balance. **(4 VOTES)**
52. Amend the Fiscal Year 2014-15 Major Maintenance Internal Service Fund (ISF) Spending Plan by cancelling appropriations of \$1,508,616.37 to align the budget with anticipated actuals.
53. Cancel appropriations of \$350,000 and related Operating Transfer In from the General Fund in the Justice Facility Construction Fund for Capital Project 1016416, East Mesa Detention Re-Entry and Rehabilitation Facility, to provide funding for additional upgrades at the facility.
54. Transfer appropriations of \$350,000 from the Contributions to Capital Outlay Fund, Operating Transfer Out, to the Sheriff's Department, Services and Supplies, to provide funding for additional upgrades at the East Mesa Detention Re-Entry and Rehabilitation Facility.
55. Cancel appropriations of \$125,000 and related Operating Transfer In from the General Fund in the Capital Outlay Fund for Capital Project 1015131, HHS PSG CSG Office Relocation, to provide funding for the installation of existing photovoltaic equipment.
56. Establish appropriations of \$125,000 in the Capital Outlay Fund for Capital Project 1016991, Boulevard Fire Station, to be used for the installation of existing photovoltaic equipment based on an Operating Transfer from the General Fund. **(4 VOTES)**
57. Amend the Fiscal Year 2014-15 Facilities Management ISF Spending Plan by cancelling appropriations of \$1,620,000 and related revenue due to a technical adjustment to align the budget.
58. Amend the Fiscal Year 2014-15 Facilities Management ISF Spending Plan by establishing appropriations of \$1,620,000 in Services and Supplies to fund the technical adjustment required to record loans payable based on Fiscal Year 2013-14 Facilities Management ISF fund balance available. **(4 VOTES)**
59. Amend the Fiscal Year 2014-15 Fleet Management ISF Spending Plan by cancelling appropriations of \$2,400,000 and related revenue to align the budget with anticipated actuals.
60. Amend the Fiscal Year 2014-15 Fleet Management ISF Spending Plan by establishing appropriations of \$2,400,000 in Fixed Asset Equipment to fund the purchase of fleet vehicles based on Fiscal Year 2013-14 Fleet Management ISF fund balance available. **(4 VOTES)**

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

61. Establish appropriations of \$189,013.18 in Board of Supervisors District 1 for one-time expenses in Services and Supplies based on Finance and General Government Group's Fiscal Year 2013–2014 fund balance available. **(4 VOTES)**
62. Establish appropriations of \$200,000 in Board of Supervisors District 2 for one-time expenses in Services and Supplies based on Finance and General Government Group's Fiscal Year 2013–2014 fund balance available. **(4 VOTES)**
63. Establish appropriations of \$200,000 in Board of Supervisors District 3 for one-time expenses in Services and Supplies based on Finance and General Government Group's Fiscal Year 2013–2014 fund balance available. **(4 VOTES)**
64. 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 2013–2014 fund balance available. **(4 VOTES)**
65. 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 2013–2014 fund balance available. **(4 VOTES)**

**Fiscal Impact**

Funds for a portion of these requests are not included in the Fiscal Year 2014-15 Operational Plan. If approved, this action will result in a net increase in appropriations of \$8,205,728 in the General Fund. The funding sources include General Fund prior year fund balance, Operating Transfers, Board of State and Community Corrections, U.S. Department of Homeland Security, San Diego/Imperial Valley Southwest Border High Intensity Drug Trafficking Areas, California Office of Traffic Safety, Indian Gaming Local Community Benefit Committee, Cal-ID, Proposition 172 Special Revenue Fund, Aerial Support to Regional Agencies Trust Fund, State of California Habitat Conservation Fund, Coastal Impact Assistance Program, and Parks and Recreation Trust Fund.

In all other funds combined, these actions will result in a net decrease in appropriations of \$1,083,145. The funding sources are Sheriff's Inmate Welfare Fund, Land and Water Conservation Fund, Operating Transfers, MSCP Mitigation Trust Fund, and available prior year fund balance.

**Business Impact Statement**

N/A

**Advisory Board Statement**

N/A

**Background**

For the General Fund, the first quarter projection of year-end fund balance from current year

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

operations is \$141.1 million. This projected one-time resource is a combination of anticipated year-end General Purpose Revenue (GPR) above budget by \$27.7 million along with a net positive variance of \$69.5 million from operations which includes a loan repayment to the general fund of \$28.0 million for the East Mesa Reentry Facility and a positive variance of \$43.9 million in unspent contingency and management reserves. The projected \$27.7 million in anticipated GPR is primarily due to better than expected property tax revenue resulting from an increase in assessed value (AV) as well as increased pass throughs, estimated residual balance and unanticipated distribution from sale of property in Aid from Redevelopment Successor Agencies.

The projected balance for all other funds combined is \$17.3 million. Schedule A summarizes the fund balance projection by business 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 business group split between operating and reserve balances.

As shown in Schedule A, the General Fund year-end fund balance projection of \$141.1 million is based on the estimate that expenditures will be approximately \$199.0 million less than the Fiscal Year 2014-15 Amended Budget and revenues will be a net \$57.8 million less than the Fiscal Year 2014-15 Amended Budget. The Amended Budget consists of the Adopted Budget plus encumbrances carried over from the prior year, plus year-to-date changes that have been either approved by your Board or the Deputy Chief Administrative Officer/Auditor and Controller when permitted.

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

\$43.8 million in net positive salary and benefit appropriation variance, in all groups due to staff turnover and department management of vacancies.

\$57.2 million in net positive appropriation variance in Services and Supplies across the County in all groups.

In Health and Human Services Agency (HHS), projected positive variance of \$42.2 million resulted from various contracted services in Administrative Support, Behavioral Health Services, County Child Welfare Services, Public Health Services and Regional Operations; from the Community Based Care Transitions Program; and in various other Services and Supplies.

In the Land Use and Environment Group (LUEG), positive variances of \$0.3 million are largely due to efforts to reduce operational costs offset by increases in Business Case Management System and additional major maintenance expenses.

In the Public Safety Group (PSG), projected positive variance of \$3.1 million is due to contracted services in the Probation Department; in Office of Emergency Services for Call When Needed Program and Exclusive Use Helicopter Program; defense of special circumstances; and lower operational costs in various departments.

In the Community Services Group (CSG), projected positive variance of \$7.1 million is attributable largely to Housing and Community Development (HCD) due to multi-year projects and various information technology projects.

- In Finance and General Government (FGG), projected positive variances of \$4.5 million are mainly the result of lower than anticipated contracted services, network services and schedule changes in the implementation of information

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

systems for case management and juvenile dependency records management.

- A net positive appropriation variance of \$55.2 million in Other Charges reflects variances in HHSA, Finance Other and in CSG offset by a negative variance in PSG. In HHSA, the positive variance of \$44.5 million is mainly the result of revised caseload levels in Regional Operations CalWORKs and in Child Welfare Services based on revised estimates of caseload levels and growth trends. In Finance Other, the positive variance is due to tax and revenue anticipation note (TRAN) borrowing costs that will not be incurred. In CSG, a positive variance is projected in HCD due to lower than anticipated expenditures on multi-year projects. A net negative variance of \$5.6 million is projected in PSG mainly in the Probation Department due to increased foster care placement payments and due to cost for medical support and care of persons in the detentions facilities in the Sheriff's Department.
- \$20.7 million in contingency reserves that are projected to be unspent at year-end.
- \$23.3 million in management reserves in HHSA (\$20.0 million), and in CSG (\$3.3 million) that are projected to be unspent at year-end.

The projected under realized revenue of \$57.9 million includes positive variances totaling \$50.0 million and negative variances of \$107.9 million. The positive revenue variance of \$50.0 million is expected in the following categories: in Miscellaneous Revenue (\$29.2 million) due to repayment from East Mesa Reentry Facility; Taxes Current Property (\$11.1 million) and Taxes Other Than Current Secured (\$6.9 million) due to increase in assessed value; Licenses, Permits and Franchises (\$1.3 million); Revenue From Use of Money and Property (\$1.4 million); and in Fines, Forfeitures and Penalties (\$0.1 million). The negative variance is largely in Intergovernmental Revenue (\$104.4 million) as a result of expenditure savings in caseload-driven programs, multi-year projects and contracted services as mentioned above; in Charges For Current Services (\$1.9 million) due to reimbursements for Low Income Health Program cases and in Other Financing Sources (\$1.5 million) mainly in Sheriff for lower Penalty Assessment revenues.

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

### **Fiscal Year 2014-15 Budget Adjustments**

The recommendations for budget adjustments are explained as follows:

#### **Recommendations 2 & 3**

These requests will establish appropriations of \$191,151 in the Sheriff's Department based on an operating transfer from the Sheriff's Asset Forfeiture Fund. The Asset Forfeiture Fund provided funding for overtime costs associated with the Hall of Champions Juvenile Camp (\$27,900), held on July 25 and 26, 2014, and the Basic Special Weapon and Tactics (SWAT) Academy (\$163,251), conducted on October 27 to November 7, 2014.

#### **Recommendation 4**

On December 3, 2013 (31), the Board authorized appropriations of \$116,000, based on the Sheriff's Inmate Welfare Fund fund balance for the operating cost associated with an inmate industries greenhouse at the George Bailey Detention Facility. Due to procurement deadlines at fiscal year-end, the funds were not encumbered and included in the carryforward budget. This

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

request will re-establish appropriations of \$116,000 in the Inmate Welfare Fund for additional operating cost related to the construction of an inmate industries greenhouse. This facility will be used to expand the current Nursery Vocational Program in order to meet the needs of the realigned and longer termed custody population. The Sheriff's inmate industry programs address inmate needs and facilitate the successful reintegration of inmates into society through vocational training.

**Recommendation 5**

This request will establish appropriations of \$29,320 for overtime expenditures related to Standards and Training for Corrections (STC) training based on revenue from the Board of State and Community Corrections, based on the approved Annual Training Plan for the Sheriff's Department. The amount of revenue available for STC training was revised after the submission of the Fiscal Year 2014-15 Operational Plan.

**Recommendation 6**

This request will cancel appropriations and related revenue of \$404,898 in the Sheriff's Department due to funds for the Regional Realignment Response Group reimbursements to allied agencies being encumbered subsequent to the Fiscal Year 2014-15 Change Letter process where the funds were rebudgeted. This is a technical adjustment will align the budget with anticipated actuals.

**Recommendation 7**

On December 4, 2012 (1), the Board authorized the Sheriff's Department to accept \$5,250,665 for the Fiscal Year (FY) 2012 Operation Stonegarden (OPSG) grant. The original grant performance period was scheduled to end on June 30, 2014, and subsequent to the submission of the FY 2014-15 Operational Plan, the Department was notified that the FY 2012 OPSG grant was extended until August 15, 2014.

On December 3, 2013 (2), the Board authorized the Sheriff's Department to accept \$6,660,699 for the Fiscal Year (FY) 2013 OPSG grant. Of the total grant amount, \$61,046 was not encumbered in Fiscal Year 2013-14.

This request will re-establish appropriations of \$88,773 (\$27,727 in FY 2012 OPSG grant and \$61,046 in FY 2013 OPSG grant) in the Sheriff's Department based on unanticipated revenue from the U.S. Department of Homeland Security, passed through the Governor's Office of Emergency Services. The funds will be used to reimburse the expenses incurred by participating agencies in the OPSG grant.

**Recommendation 8**

On October 22, 2013 (5), the Board authorized the Sheriff's Department to accept \$7,364,113 for the Fiscal Year (FY) 2013 Urban Areas Security Initiative (UASI) Grant. The City of San Diego is the local administrator of the UASI grant. The City of San Diego, with the approval of the Urban Area Working Group, has reallocated unexpended FY 2013 UASI grant funds to the Sheriff's Department in the amount of \$429,873. This request will establish appropriations of \$429,873 in the Sheriff's Department based on unanticipated revenue from the U.S. Department of Homeland Security, passed through the Governor's Office of Emergency Services and sub-

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

granted through the City of San Diego. The additional funds will be used to purchase a new high-definition infrared imaging/camera system for the Sheriff's Department Aerial Support to Regional Enforcement Agencies (ASTREA) Unit.

**Recommendation 9**

On October 22, 2013 (5), the Board authorized the acceptance and appropriation of \$7,364,113 for the Fiscal Year 2013 Urban Areas Security Initiative grant funds from the U.S. Department of Homeland Security, passed through the Governor's Office of Emergency Services. This request will cancel appropriations and related revenue of \$70,000 in the Sheriff's Department due to the expenditure of funds in Fiscal Year 2013-14 to accurately reflect the amount available from the grant.

**Recommendation 10**

On October 22, 2013 (2) and (5), the Board authorized the acceptance and appropriation of \$2,274,410 for the Fiscal Year 2013 State Homeland Security Program grant funds from the U.S. Department of Homeland Security, passed through the Governor's Office of Emergency Services. This request will cancel appropriations and related revenue of \$128,673 in the Sheriff's Department due to the expenditure of funds in Fiscal Year 2013-14 to accurately reflect the amount available from the grant.

**Recommendation 11**

On June 20, 2006 (3), the Board authorized the Sheriff's Department to serve as the fiscal agent for High Intensity Drug Trafficking Areas (HIDTA) funding along the Southwest Border of the United States. In April and May 2014, the San Diego/Imperial Valley Southwest Border HIDTA Executive Board approved additional funding for the Sheriff's Department for training (\$29,704), investigative expenses (\$30,000), communications services (\$27,000), and equipment (\$46,241). This request will establish appropriations of \$132,945 in the Sheriff's Department based on unanticipated HIDTA revenue.

**Recommendation 12**

On April 3, 2012 (5) and October 8, 2013 (1), the Board authorized the acceptance and appropriation of \$152,910 from the California Office of Traffic Safety for the Selective Traffic Enforcement Program. This request will cancel appropriations and related revenue of \$22,677 in the Sheriff's Department due to the expenditure of funds in Fiscal Year 2013-14 to accurately reflect the amount available from the grant.

**Recommendation 13**

On July 10, 2012 (4) and April 9, 2013 (3), the Board authorized the acceptance and appropriation of \$45,648 in overtime funds from the Board of State and Community Corrections, passed through the City of Vista for the California Gang Reduction, Intervention and Prevention (CalGRIP) grant program. The funds were projected to be spent in Fiscal Year 2013-14 and were not included in the Fiscal Year 2014-15 Operational Plan. This request will re-establish appropriations of \$33,685 in the Sheriff's Department for overtime costs incurred in gang prevention and intervention operations.

**Recommendation 14**

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

On April 3, 2012 (3) and September 10, 2013 (3), the Board authorized the acceptance and appropriation of \$379,379 from the U.S. Department of Justice, Office of Justice Programs for the 2013 DNA Backlog Reduction Program. This request will cancel appropriations and related revenue of \$126,050 in the Sheriff's Department due to the expenditure of funds in Fiscal Year 2013-14 to accurately reflect the amount available from the grant.

**Recommendation 15**

On September 13, 2011 (2) and October 8, 2013 (1), the Board authorized the acceptance and appropriation of \$307,076 in grant funds from the California Office of Traffic Safety through the University of California, Berkeley. The funds were projected to be spent in Fiscal Year 2013-14 and were not included in the Fiscal Year 2014-15 Operational Plan. This request will re-establish appropriations of \$44,930 in the Sheriff's Department for overtime costs incurred in conducting sobriety checkpoints.

**Recommendation 16**

On January 12, 2005 (12), the Board approved the County's participation in the Indian Gaming Local Community Benefit Committee (IGLCBC) annual grant program. A portion of the Fiscal Year 2012-13 IGLCBC award was not spent in Fiscal Year 2013-14. This request will re-establish appropriations of \$15,924 in the Sheriff's Department based on Fiscal Year 2012-13 IGLCBC grant revenue and will be used to purchase fingerprint reader software for mobile devices to be used in the field.

**Recommendation 17**

On May 20, 2014 (3), the Board authorized the Sheriff's Department's sole source procurement of a Programmable Matching Accelerator (PMA), which performs the matching process in fingerprint and palm print analysis of the Automated Fingerprint Identification System (AFIS), as approved by the San Diego County Cal-ID/Remote Access Network (RAN) Board on May 20, 2013. This request will re-establish appropriations of \$304,342 in the Sheriff's Department for the PMA upgrade project due to funds not being encumbered in Fiscal Year 2013-14 (\$289,342) and for the setup and configuration of the biometric Laboratory Information Management System (LIMS) software (\$15,000) based on revenue from the Cal-ID vehicle code.

**Recommendations 18 & 19**

Funds for the purchase of new vehicles should be reflected in the Contributions to Fleet Internal Service Fund (ISF) budget. Vehicle purchases are routinely budgeted in the Fleet ISF for replacement purposes. As necessary, appropriations are transferred from departmental budgets to the Fleet ISF in order to facilitate the procurement, standardization, maintenance, and overall quality control. These requests will transfer appropriations of \$268,616 from the Sheriff's Department to the General Fund Contributions to Fleet ISF and amend the Department of General Services Fleet Services ISF for the purchase of eight vehicles.

**Recommendations 20 & 21**

In July 2014, the Sheriff's Department's, in coordination with Scripps Health, launched a pilot program in the Santee and Lakeside areas to administer naloxone, an antidote to reverse the effects of narcotics and prevent fatalities from opioid overdose. This request will establish appropriations of \$59,000 in the Sheriff's Department Santee Station based on available

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

Proposition 172 fund balance, for consultation services with public health experts from the University of California San Diego (UCSD) School of Medicine for the development and evaluation of an overdose prevention program/naloxone program for the Sheriff's Department.

**Recommendation 22**

On February 25, 2014 (3), the Board approved the procurement of a Bell 407 GX helicopter for the Aerial Support to Regional Agencies (ASTREA) unit of the Sheriff's Department. Due to procurement deadlines at fiscal year-end, the funds were not encumbered and were not included in the carryforward budget. This request will re-establish appropriations of \$4,500,000 in the Sheriff's Department based on revenue from the ASTREA trust fund (\$2,000,000) and available prior year Public Safety Group fund balance (\$2,500,000).

**Recommendation 23**

This request will increase the Fund Balance Commitment for the Sheriff Capital Projects by \$398,577 based on available prior year Public Safety Group fund balance due to over-realized revenue received in Fiscal Year 2013-14 from the California Department of Forestry and Fire Protection (Cal-Fire) for helicopter services. This action will set aside funding for future needs of the aviation unit. If approved, the total amount in the Sheriff Capital Projects commitment will be \$4,398,577.

**Recommendations 24 & 25**

This request will establish appropriations of \$7,925 in the Justice Facility Construction Fund for Capital Project 1017536 Next Generation Regional Communication System (RCS) Site Acquisition based on an Operating Transfer from the General Fund. Funds will be used for the initial payment of a site acquisition for the Ocotillo Wells RCS site.

**Recommendation 26**

The Sheriff's Jail Stores Internal Service Fund allows inmates to purchase a variety of commissary style goods, including food, snacks, stationery, personal care items and telephone calling cards. In Fiscal Year 2009-10, a new e-Commerce site was implemented which provided an opportunity for friends and families to order phone time and/or commissary gift packs for inmates. This recommendation ratifies a transfer of appropriations of \$80,000 within the Sheriff's Jail Stores Internal Service Fund Spending Plan for Fiscal Year 2013-14. This technical adjustment of \$80,000 aligned the appropriations with expenditures at the end of the fiscal year reflecting the increased demand for these items.

**Recommendation 27**

This request will establish appropriations of \$65,504 in the Probation Department for upgrades to handheld portable radios based on available prior year Public Safety Group Fund Balance. The department has 201 existing radios that need an upgrade (flash software patch) to ensure reliable communication and maintain officer safety.

**Recommendation 28**

This request will establish appropriations of \$964,808 in the Justice Facility Construction Fund Capital Outlay Fund based on fund balance available. Funds will be transferred to the Sheriff's

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

Department for the Net Records Management System project which will automate the collection, storage, and dissemination of crime, arrest and incident information. Appropriations were included in the Sheriff's Department's operating budget. This technical adjustment will align the budget with anticipated actuals.

**Recommendations 29 & 30**

On July 1, 2014, the Department of Public Works separated the Recycling program from Landfill Management by creating a new fund, the County Waste Planning and Recycling Fund. Fund balance in the amount of \$148,244 remains in the Inactive Waste Fund for Recycling programs. If approved, this request will transfer prior year fund balance available, belonging to Recycling Program to its new County Waste Planning and Recycling Fund.

**Recommendation 31**

This recommendation will amend the Fiscal Year 2014-15 Airport Enterprise Fund Spending Plan in the amount of \$400,000, for the Borrego Valley Airport Rehabilitate Runway 08/26 and Blast Pads Project, based on prior year available Airport Enterprise Fund fund balance. Today's request will provide funds for the preparation of project design plans and environmental work. Total project cost is estimated at \$3,000,000. The Department of Public Works will return to the Board at a later date for advertisement and award of a construction contract and to appropriate funds for construction.

**Recommendations 32 & 33**

On June 24, 2014 (12), the Board approved establishing appropriations of \$580,000 in the Fiscal Year 2014-15 Operational Plan, Department of Public Works (DPW) General Fund based on prior year available Land Use and Environment Group fund balance for traffic safety projects and equipment. This recommendation transfers appropriations of \$580,000 from DPW General Fund to DPW Road Fund for minor equipment and fixed asset purchases for traffic safety projects which need to be recorded in the Road Fund. The purchases include equipment for school safety such as thermoplastic striping and marking, accident scanning, and portable measuring of reflective pavement markings on County roads.

**Recommendation 34**

On September 28, 2011 (7), the Board approved a resolution to apply and accept grant funds of \$164,500 from the State of California Habitat Conservation Fund for land acquisition at Santa Ysabel East. The project was approved by the state, but the acquisition at Santa Ysabel East did not proceed as anticipated due to unsuccessful negotiations with the property owner. An alternative property with the same habitat was identified at Volcan Mountain Preserve and approved by the state. On April 16, 2014 (2), the Board gave approval to apply and accept the grant funds for the acquisition of 114.03 acres as replacement property. Grant funds were awarded to cover 50-percent of land acquisition and transaction costs totaling \$220,852.36. If approved, this request will establish appropriations of \$110,433.73 for land acquisition at Volcan Mountain-Lichty Preserve based on Habitat Conservation Fund grant funding. The remaining 50-percent needed for the completion of the acquisition is budgeted in the Multiple Species Conservation Fund.

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

**Recommendation 35**

On September 25, 2013 (7), the Board approved a resolution to apply and accept grant funds from the State of California Habitat Conservation Fund for the Nature Explorer Program which provides environmental education and outdoor excursions for youth from Department of Parks and Recreation's Teen Centers. Grant funds were awarded and if approved, this request will establish appropriations of \$37,500 in the Department of Parks and Recreation to fund recreational activities for the Nature Explorer Program based on Habitat Conservation Fund grant funding.

**Recommendation 36**

On September 19, 2007 (12), the Board approved a resolution to apply for and accept grant funds from the Coastal Impact Assistance Grant Program (CIAP) for federal Fiscal Year 2007. The funding was to be used for Preparation of Resource Management Plans and Area Specific Management Directives on County-owned land in the Escondido Creek Watershed. However, due to the delay in receiving the funds from CIAP, General Fund funding in the Capital Multiple Species Conservation Fund were used. On September 12, 2014, the CIAP approved an amendment to use the funding in a different location within the Escondido Watershed Creek and approved the extended performance period for the grant. This recommendation will establish appropriations of \$107,378.78 in the Department of Parks and Recreation (DPR), Services and Supplies, for biological surveys in the Escondido Creek Watershed based on CIAP grant funds. These appropriations along with existing appropriations in DPR of \$23,280.42 will fund the total project cost of \$130,659.20.

**Recommendation 37**

On December 4, 2013 (8), the Board approved a resolution to apply for and accept grant funds from the Land and Water Conservation Fund for funding of the 22-mile trail system at Tijuana River Valley Regional Park (TRVRP). Grant funds were awarded and if approved, this request will establish appropriations of \$859,000 in the Capital Outlay Fund for Capital Project, 1018373, Tijuana River Valley Mesa Trails, based on Land and Water Conservation Fund grant funding. These appropriations along with existing appropriations of \$1,437,464 will complete the TJRVRP 22-mile trail system for a total project cost of \$2,296,464.

**Recommendation 38**

On February 25, 2004 (12), the Board approved acceptance of donations of \$40,000, from Pardee Homes (\$15,000) and Weyerhaeuser Company Foundation (\$25,000) to restore fire-damaged facilities at Hellhole Canyon Open Space Preserve. Facilities in Hellhole Canyon Open Space Preserve that the fire destroyed include the volunteer pad, staging area amenities, signs and fencing. Funding was placed in the Department of Parks and Recreation Trust Fund until a project was identified. This recommendation will establish \$40,000 in the Department of Parks and Recreation for trail and staging area improvements at the Hellhole Canyon Open Space such as stabilize trail surface, perform vegetation management, plant native trees, improve the parking area and add new amenities such as pet waste stations, hitching posts, new trash receptacles, signage and kiosk.

**Recommendations 39 & 40**

On July 31, 2007 (16), the Board established appropriations of \$2,500,000 in the Fiscal Year

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

2007-08 Operational Plan for Capital Project, 1015191 Ranger Housing Improvements based on General Fund fund balance. The project consisted of improvements at various ranger housing facilities throughout the park system. A total of 25 ranger facilities were repaired however, none of the amounts expended meets the capitalization threshold or criteria. This adjustment will cancel appropriations of \$2,500,000 in the Capital Outlay Fund for Capital Project 1015191, Ranger Housing Improvements, and transfer to the Department of Parks and Recreations, Services and Supplies, to properly report non-capital expenditures pursuant to County of San Diego Administrative Manual 0050-02-01, Control of Capital Assets and Minor Equipment.

**Recommendations 41 & 42**

On February 26, 2008 (11), the Board approved the establishment of appropriations in the amount of \$350,000 for Capital Project 1015194, Mt. Olympus Preserve to plan and implement park improvements. Improvements included rehabilitating an existing road into a pathway and demolition and removal of existing buildings and hazards, construction of a staging area, signage and related public safety and resource conservation activities. This adjustment will cancel appropriations of \$350,000 in the Capital Outlay Fund for Capital Project 1015194, Mt. Olympus Preserve, and transfer to the Department of Parks and Recreation, Services and Supplies, to properly report non-capital expenditures pursuant to County of San Diego Administrative Manual 0050-02-01, Control of Capital Assets and Minor Equipment.

**Recommendations 43 & 44**

These recommendations will cancel appropriations of \$27,500 and related Operating Transfer from the General Fund in the Capital MSCP Acquisition Fund and transfer these appropriations to the Department of Parks and Recreation for one-time stewardship activities such as land protection costs for vegetation management, boundary survey, and access and erosion control measures for the Heise-Flanigan property at William Heise County Park. If approved, these requests will appropriately record non-capital expenses pursuant to County of San Diego Administrative Manual policy 0050-02-01, Control of Capital Assets and Minor Equipment.

**Recommendations 45 & 46**

These recommendations will cancel appropriations of \$47,778.12 and related Operating Transfer from the General Fund in the Capital MSCP Fund and also transfer these appropriations to the Department of Parks and Recreation for pre-acquisition costs related to properties that were not acquired. These activities do not meet the criteria for capitalization pursuant to County of San Diego Administrative Manual policy 0050-02-01, Control of Capital Assets and Minor Equipment.

**Recommendation 47**

On May 23, 2014, the Department of Parks and Recreation (DPR) and the Department of General Services entered into an agreement to purchase 0.63 acres of big sagebrush scrub and Jeffrey pine forest habitat mitigation credits valued at \$14,800. On January 1, 2014, DPR and the Department of Public Works entered into an agreement to purchase 0.37 acres of giant reed dominated oak riparian forest habitat mitigation credits valued at \$14,679. Based on these agreements and Board Policy I-138, Mitigation On County-Owned Land Managed by the Department of Parks and Recreation, revenue obtained through sale of mitigation credits will be deposited in the Land Stewardship – MSCP Mitigation Trust Fund and used to purchase

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

additional lands within the county that meet the criteria set forth in the policy. This request will establish appropriations of \$29,479 in the Capital MSCP Acquisitions Fund for the Multiple Species Conservation Program based on the sale of mitigation credits.

**Recommendation 48**

The Spring Valley Community Center, located in County Service Area 128 San Miguel Park District, has a highly used kitchen facility for weekly senior activities and event rentals. This recommendation will establish appropriations of \$9,000 in County Service Area 128 (CSA 128) for emergency freezer replacement based on available prior year CSA 128 fund balance.

**Recommendation 49**

On February 24, 2004 (23), the Fund Balance Commitment for the Department of Environmental Health (DEH) was established within the General Fund. This Commitment ensures that revenue from fees and permits over cost paid by Environmental Health customers are used only to fund fee-related expenses in DEH. For Fiscal Year 2013-14, this excess revenue equaled \$1,060,627. This action does not move funds into the Department of Environmental Health. If approved, the total amount in the DEH Fund Balance Commitment will be \$2,644,049.

**Recommendation 50**

The Department of Planning and Development Services (PDS) Building Reserve Commitment was established in 1984 to stabilize fluctuation in workload, revenue and cost for processing building permits. At the close of each fiscal year, actual cost and actual revenue are used to calculate the amount to be placed into or withdrawn from the commitment. For Fiscal Year 2013-14, the excess revenue equaled \$394,483. If approved, the total amount in the PDS Building Reserve Commitment will be \$1,053,064.

**Recommendation 51**

This recommendation will establish appropriations of \$35,000 in the Farm and Home Advisor for Gold Spotted Oak Borer (GSOB) pest education and outreach. The funds will be used for continued public education and outreach programming specifically to urban and rural residents and communities and those who serve them (i.e., arborists, wildland managers, etc.).

**Recommendation 52**

This recommendation amends the Fiscal Year 2014-15 Major Maintenance Internal Service Fund (ISF) Spending Plan by reducing appropriations of \$1,508,616.37. Related budgeted amounts include internal agreements associated with multi-year Major Maintenance projects that are in various stages of completion, new projects contained in the approved annual 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 \$1,508,616.37 were included in both the carryforward process and in the Fiscal Year 2014-15 Operational Plan. This request is a technical adjustment to align the budget.

**Recommendations 53 & 54**

On June 19, 2012 (1) and June 26, 2012 (1), the Board approved establishing appropriations for the award of the contract for the design and construction of the East Mesa Detention Re-Entry and Rehabilitation Facility. The project is substantially complete with an estimated \$350,000 in

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

project savings. These recommendations will cancel the remaining appropriations of \$350,000 and related Operating Transfer from the General Fund in the Justice Facility Fund and transfer the appropriations to the Sheriff's Department to be used on security and efficiency improvements in support of the East Mesa Detention Re-Entry and Rehabilitation Facility including remodeling of the original administrative building and hardening of central control perimeter fencing upgrades.

**Recommendations 55 & 56**

On May 1, 2012 (4), the Board approved establishing appropriations and the design/build solicitation for the Boulevard Fire Station. The construction to develop the new fire station will be completed by spring 2015. These recommendations will cancel appropriations of \$125,000 in the Capital Outlay Fund for Capital Project 1015131, HHSA PSG CSG Office Relocation, and establish the appropriations in the Capital Project 1016991, Boulevard Fire Station. The funding will be used to install existing photovoltaic (PV) equipment at the Boulevard Fire Station where the equipment can be fully utilized.

**Recommendations 57 & 58**

On September 28, 2004 (4) and November 8, 2011 (19), the Board authorized energy efficiency loans to complete energy and water efficiency projects. This recommendation will amend the Facilities Management ISF Spending Plan by \$1,620,000 to fund the technical adjustment required to record the loan payable for California Energy Commission and On-Bill Financing loans based on Fiscal Year 2013-14 Facilities Management ISF fund balance available.

**Recommendations 59 & 60**

In Fiscal Year 2013-14, the Department of General Services received appropriation transfers from other County departments to facilitate the procurement of additional fleet vehicles. Due to timing, purchases were not made in the same fiscal year the funds were received. This request will amend the Fiscal Year 2014-15 Department of General Services Fleet ISF Spending Plan by \$2,400,000 to purchase the additional fleet vehicles needed based on Fiscal Year 2013-14 Fleet Management ISF fund balance available.

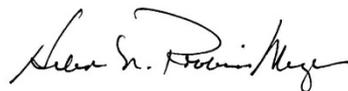
**Recommendations 61-65**

These recommendations will establish appropriations of \$989,013.18 based on Fiscal Year 2013-2014 savings to provide funding for one-time needs in the Board of Supervisors' offices for various Services and Supplies costs.

**Linkage to the County of San Diego Strategic Plan**

Today's proposed actions support the Strategic Initiatives of Safe Communities, Sustainable Environments, and Healthy Families in the County of San Diego's 2014-19 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS  
REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

HELEN N. ROBBINS-MEYER  
Chief Administrative Officer

ATTACHMENT(S)

1. Schedule A and B
2. Notes to Schedules A and B

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**       Yes     No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**  
 Yes     No

**PREVIOUS RELEVANT BOARD ACTIONS:**

August 5, 2014 (16), County of San Diego Fiscal Year 2014-15 Adopted Budget Resolution for Family of Funds, Enterprise Funds and Internal Service Funds, Prior Year Encumbrances and Penalty Assessment Resolution

**BOARD POLICIES APPLICABLE:**

N/A

**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 & General Government Group

**OTHER CONCURRENCES(S):** N/A

**CONTACT PERSON(S):**

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**FY 2014-2015 1st Quarter  
Projected Year-End Results**

(in thousands)

**COUNTY SUMMARY**

	<b>Expenditure Variance</b>	<b>Revenue Variance</b>	<b>1st Quarter FY14-15 Projected Fund Balance</b>
	<b>Favorable/(Unfavorable)</b>		
<b>General Fund</b>			
Public Safety	\$ 17,336	\$ (3,633)	\$ 13,703
Health & Human Services Agency	121,222	(89,795)	31,427
Land Use & Environment	4,633	(573)	4,060
Community Services	19,029	(15,277)	3,752
Finance & General Government	8,176	(4,090)	4,086
<b>Total Agency/Group</b>	<b>170,397</b>	<b>(113,368)</b>	<b>57,028</b>
General Purpose Revenue	0	27,697	27,697
Finance Other	28,623	27,789	56,412
<b>Total General Fund</b>	<b>\$ 199,019</b>	<b>\$ (57,881)</b>	<b>\$ 141,138</b>
<b>Special Revenue Funds</b>			
Public Safety	\$ 2,323	\$ 8,834	\$ 11,157
Health & Human Services Agency	13,800	(13,800)	0
Land Use & Environment	2,050	(44)	2,006
Community Services	2,104	(130)	1,974
<b>Total Special Revenue Funds</b>	<b>\$ 20,278</b>	<b>\$ (5,141)</b>	<b>\$ 15,137</b>
<b>Capital Program</b>			
Finance Other	\$ 0	\$ (0)	\$ (0)
<b>Internal Service Funds Departments</b>			
Public Safety Group	\$ 0	\$ 26	\$ 26
Health & Human Services Agency	0	0	0
Land Use & Environment	297	(195)	102
Community Services	26,500	(25,562)	937
Finance & General Government	0	0	0
Finance Other	0	0	0
<b>Total Internal Service Funds</b>	<b>\$ 26,797</b>	<b>\$ (25,732)</b>	<b>\$ 1,065</b>
<b>Enterprise Fund Departments</b>			
Land Use & Environment	\$ 868	\$ (197)	\$ 671
<b>Special District Funds Departments</b>			
Public Safety Group	\$ 179	\$ 0	\$ 179
Health & Human Services Agency	60	0	60
Land Use & Environment	6,262	(2,231)	4,031
<b>Total Special District Funds</b>	<b>\$ 6,501</b>	<b>\$ (2,231)</b>	<b>\$ 4,270</b>
<b>Other County Funds Departments</b>			
Community Svcs. - Red./Redev. Successor Agency	\$ 146	\$ 0	\$ 146
<b>Total Other County Funds</b>	<b>\$ 146</b>	<b>\$ -</b>	<b>\$ 146</b>
Debt Service - Pension Obligation Bonds	\$ 191	\$ (191)	\$ 0
<b>Total County Projected Operating Balance</b>	<b>\$ 253,799</b>	<b>\$ (91,373)</b>	<b>\$ 162,426</b>

**FY 2014-2015 1st Quarter  
Projected Year-End Results**

(in thousands)

***PUBLIC SAFETY GROUP***

<b>Expenditure Variance</b>	<b>Revenue Variance</b>	<b>1st Quarter FY14-15 Projected Fund Balance</b>
<b>Favorable/(Unfavorable)</b>		

***General Fund Departments***

Child Support	\$ 4,269	\$ (2,012)	\$ 2,257
Contributions for Trial Courts	0	0	\$ 0
Defense Attorney Contract Admin.	0	0	\$ 0
District Attorney	7,535	(938)	\$ 6,597
Emergency Services	816	(341)	\$ 475
Law Enforcement Review Board	5	0	\$ 5
Medical Examiner	192	100	\$ 292
Probation	0	0	\$ 0
Public Defender	973	(262)	\$ 711
Public Safety Executive Office	23	0	\$ 23
San Diego County Fire Authority	128	(0)	\$ 128
Sheriff	3,395	(181)	\$ 3,214
<b>Total General Fund</b>	<b>\$ 17,336</b>	<b>\$ (3,633)</b>	<b>\$ 13,703</b>

***Special Revenue Funds Departments***

District Attorney (Asset Forfeiture - State & Federal)	\$ 0	\$ 0	\$ 0
Probation - Asset Forfeiture	1	13	\$ 13
Probation - Inmate Welfare Program	0	0	\$ 0
Sheriff - Asset Forfeiture	0	0	\$ 0
Sheriff - Inmate Welfare Program	492	584	\$ 1,076
Criminal Justice Facility	1,546	(285)	\$ 1,262
Courthouse	0	0	\$ 0
Penalty Assessment	285	(285)	\$ 0
Public Safety - Proposition 172	0	8,806	\$ 8,806
<b>Total Special Revenue Funds</b>	<b>\$ 2,323</b>	<b>\$ 8,834</b>	<b>\$ 11,157</b>

***Internal Service Funds Departments***

Sheriff(Jail Stores)	0	26	\$ 26
<b>Total Internal Service Funds</b>	<b>\$ -</b>	<b>\$ 26</b>	<b>\$ 26</b>

***Special District Funds***

Sheriff (Regional 800 MHz)	\$ 0	\$ 0	\$ 0
County Service Area	179	0	\$ 179
<b>Total Public Safety Group</b>	<b>\$ 19,838</b>	<b>\$ 5,226</b>	<b>\$ 25,064</b>

**FY 2014-2015 1st Quarter  
Projected Year-End Results**

(in thousands)

**HEALTH & HUMAN SERVICES AGENCY**

Expenditure Variance	Revenue Variance	1st Quarter FY14-15 Projected Fund Balance
<b>Favorable/(Unfavorable)</b>		

**General Fund Programs**

Administrative Support	\$ 30,356	\$ (4,557)	\$ 25,799
Aging & Independence Services	\$ 240	\$ 795	\$ 1,035
Behavioral Health Services	\$ 21,125	\$ (21,125)	\$ 0
Child Welfare Services	\$ 27,049	\$ (25,909)	\$ 1,140
Public Health Services	\$ 1,650	\$ 266	\$ 1,916
Regional Operations	\$ 40,801	\$ (39,263)	\$ 1,538
<b>Total General Fund</b>	<b>\$ 121,222</b>	<b>\$ (89,795)</b>	<b>\$ 31,427</b>

**Special Revenue Funds**

Tobacco Securitization Fund	\$ 13,800	\$ (13,800)	\$ 0
<b>Total Special Revenue Funds</b>	<b>\$ 13,800</b>	<b>\$ (13,800)</b>	<b>\$ 0</b>

**Internal Service Funds**

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

Ambulance Districts	60	0	\$ 60
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<b>Total Health &amp; Human Services Agency</b>	<b>\$ 135,082</b>	<b>\$ (103,595)</b>	<b>\$ 31,487</b>
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**FY 2014-2015 1st Quarter  
Projected Year-End Results**

(in thousands)

**LAND USE & ENVIRONMENT GROUP**

Expenditure Variance	Revenue Variance	1st Quarter FY14-15 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund Departments**

Agriculture, Weights & Measures	\$ 412	\$ (367)	\$ 45
Environmental Health	1,745	951	2,696
Land Use & Environment Group Exec Office	0	0	0
Parks & Recreation	18	30	48
Planning & Development Services	2,349	(1,078)	1,271
Public Works	109	(109)	0
<b>Total General Fund</b>	<b>\$ 4,633</b>	<b>\$ (573)</b>	<b>\$ 4,060</b>

**Special Revenue Funds Departments**

A, W & M (Grazing and Fish & Game Commission)	\$ 0	\$ 0	\$ 0
Parks & Recreation - PLDO	\$ 0	\$ 978	\$ 979
DPW - Aviation Funds	\$ 0	\$ 0	\$ 0
DPW - Road Fund	\$ 1,828	\$ (801)	\$ 1,028
DPW - Inactive Waste	\$ 222	\$ (222)	\$ 0
<b>Total Special Revenue Funds</b>	<b>\$ 2,050</b>	<b>\$ (44)</b>	<b>\$ 2,006</b>

**Internal Service Funds Departments**

Public Works - DPW Equip. ISF Prg. (35525-35700)	\$ 297	\$ (195)	\$ 102
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**Enterprise Funds Departments**

Airport Enterprise Fund	\$ 868	\$ (197)	\$ 671
Wastewater Management Enterprise Fund	\$ (0)	\$ 0	\$ (0)
<b>Total Enterprise Funds:</b>	<b>\$ 868</b>	<b>\$ (197)</b>	<b>\$ 671</b>

**Special District Funds Departments**

Air Pollution Control District	\$ 1,306	\$ 100	\$ 1,406
Parks and Recreation	\$ 30	\$ 1	\$ 31
DPW - SD County Sanitation District	\$ 0	\$ 0	\$ 0
DPW - Campo Water Sewer Maint District	\$ 0	\$ 13	\$ 13
DPW - CSAs	\$ 5	\$ 0	\$ 5
DPW - PRDs	\$ 0	\$ 0	\$ 0
DPW - Flood Control	\$ 4,742	\$ (2,369)	\$ 2,373
DPW - Street Lighting Districts	\$ 178	\$ 24	\$ 202
<b>Total Special Districts Funds:</b>	<b>\$ 6,262</b>	<b>\$ (2,231)</b>	<b>\$ 4,031</b>

**Total Land Use & Environment Group**

	<b>\$ 14,110</b>	<b>\$ (3,241)</b>	<b>\$ 10,869</b>
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**FY 2014-2015 1st Quarter  
Projected Year-End Results**

(in thousands)

**COMMUNITY SERVICES GROUP**

Expenditure Variance	Revenue Variance	1st Quarter FY14-15 Projected Fund Balance
<b>Favorable/(Unfavorable)</b>		

**General Fund Departments**

Animal Services	\$ 285	\$ 49	\$ 333
Community Services Group Exec Office	\$ 3,250	\$ 0	\$ 3,250
General Services	\$ 0	\$ 0	\$ 0
Housing & Community Development	\$ 15,404	\$ (15,235)	\$ 169
Purchasing & Contracting	\$ 0	\$ 0	\$ 0
Library Services	\$ 0	\$ 0	\$ 0
Registrar of Voters	\$ 90	\$ (90)	\$ 0
<b>Total General Fund</b>	<b>\$ 19,029</b>	<b>\$ (15,277)</b>	<b>\$ 3,752</b>

**Special Revenue Funds Departments**

Library Services	\$ 2,104	\$ (130)	\$ 1,974
<b>Total Special Revenue Funds</b>	<b>2,104</b>	<b>(130)</b>	<b>\$ 1,974</b>

**Internal Service Funds Departments**

Facilities Management	\$ 3,736	\$ (3,732)	\$ 4
Major Maintenance ISF	13,859	(13,859)	\$ 0
Fleet Management	6,685	(6,629)	\$ 56
Purchasing & Contracting	2,218	(1,341)	\$ 877
<b>Total Internal Service Funds</b>	<b>26,500</b>	<b>(25,562)</b>	<b>\$ 937</b>

**Other County Funds Departments**

Red. Agency/Redevelopment Successor Agency	\$ 0	\$ 0	\$ 0
Housing & Community Development	146	0	\$ 146
<b>Total Other County Funds Departments</b>	<b>146</b>	<b>0</b>	<b>\$ 146</b>

<b>Total Community Services Group</b>	<b>\$ 47,779</b>	<b>\$ (40,970)</b>	<b>\$ 6,809</b>
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**FY 2014-2015 1st Quarter  
Projected Year-End Results**

(in thousands)

**FINANCE & GENERAL GOVERNMENT  
GROUP**

Expenditure Variance	Revenue Variance	1st Quarter FY14-15 Projected Fund Balance
<b>Favorable/(Unfavorable)</b>		

**General Fund Departments**

Assessor/Recorder/County Clerk	\$ 4,918	\$ (4,590)	\$ 328
Auditor & Controller	\$ 752	\$ 19	\$ 770
Board of Supervisors	\$ 60	\$ 0	\$ 60
Chief Administrative Office	\$ 216	\$ 0	\$ 216
Civil Service Commission	\$ 80	\$ 0	\$ 80
Clerk of the Board of Supervisors	\$ 0	\$ 191	\$ 191
County Communications Office	\$ 95	\$ 0	\$ 95
County Counsel	\$ 1,074	\$ 215	\$ 1,289
County Technology Office	\$ 0	\$ 0	\$ 0
Finance & GG Exec Office	\$ 0	\$ 0	\$ 0
Grand Jury	\$ 18	\$ 0	\$ 18
Human Resources	\$ 300	\$ 75	\$ 375
Treasurer-Tax Collector	\$ 664	\$ 0	\$ 664
<b>Total General Fund</b>	<b>\$ 8,176</b>	<b>\$ (4,090)</b>	<b>\$ 4,086</b>

**Internal Service Funds Departments**

CTO - Information Technology	\$ 0	\$ 0	\$ 0
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**Total Finance & General  
Government Group**

<b>\$ 8,176</b>	<b>\$ (4,090)</b>	<b>\$ 4,086</b>
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**FY 2014-2015 1st Quarter  
Projected Year-End Results**

(in thousands)

**GENERAL PURPOSE REVENUE &  
FINANCE OTHER**

Expenditure Variance	Revenue Variance	1st Quarter FY14-15 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund**

General Purpose Revenue:

All Current Property Taxes	\$ 0	\$ 11,145	\$ 11,145
All Other Taxes-Local	\$ 0	\$ 6,867	\$ 6,867
Licenses, Permits & Franchises	\$ 0	\$ 0	\$ 0
Fines, Forfeitures & Penalties	\$ 0	\$ 0	\$ 0
Revenue for Use of Money & Property	\$ 0	\$ 1,542	\$ 1,542
Intergovernmental Revenue	\$ 0	\$ 8,176	\$ 8,176
Charges for Current Services	\$ 0	\$ 0	\$ 0
Miscellaneous Revenue	\$ 0	\$ (32)	\$ (32)

**Total General Purpose Revenue**

\$ 0	\$ 27,697	\$ 27,697
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General County Expenses:

Cash Borrowing Program	\$ 7,700	\$ 0	\$ 7,700
Community Enhancement	\$ 0	\$ 0	\$ 0
Contingency Reserve	\$ 20,669	\$ 0	\$ 20,669
Contributions to the Capital Outlay Fund	\$ 254	\$ (171)	\$ 83
Local Agency Formation Comm Admin	\$ 0	\$ 0	\$ 0
Neighborhood Reinvestment Program	\$ 0	\$ 0	\$ 0
Countywide Expenses	\$ 0	\$ 27,960	\$ 27,960
Total Finance Other Expenses	\$ 28,623	\$ 27,789	\$ 56,412

**Total General Fund**

\$ 28,623	\$ 55,487	\$ 84,110
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**Capital Program Funds**

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

\$ 0	\$ (0)	\$ (0)
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**Internal Service Funds Departments**

Workers Compensation	\$ 0	\$ 0	\$ 0
Unemployment Insurance	\$ 0	\$ 0	\$ 0
Public Liability	\$ 0	\$ 0	\$ 0

**Total ISF Funds**

\$ 0	\$ 0	\$ 0
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**Debt Service Funds Departments**

Pension Obligation Bonds	\$ 191	\$ (191)	\$ 0
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**Total General Purpose Revenue & Finance  
Other**

\$ 28,813	\$ 55,296	\$ 84,110
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**FY 2014-2015 1st Quarter**  
**Projected Year-End Results**  
(in thousands)

Category	Projected Management & Contingency Reserves	Projected Operating Balances	1st Quarter FY14-15 Projected Fund Balance
	Favorable/(Unfavorable)		
<b>General Fund</b>			
Public Safety	\$ 0	\$ 13,703	\$ 13,703
Health and Human Services Agency	20,000	11,427	31,427
Land Use and Environment	0	4,060	4,060
Community Services	3,250	502	3,752
Finance & General Government	0	4,086	4,086
<b>Agency/Group Totals</b>	<b>\$ 23,250</b>	<b>\$ 33,778</b>	<b>\$ 57,028</b>
General Purpose Revenue	\$ 0	\$ 27,697	\$ 27,697
General County Expenses	0	35,743	35,743
Contingency Reserve	20,669	0	20,669
<b>Total Gen'l. Purpose Rev. &amp; Gen'l. County Exp.</b>	<b>\$ 20,669</b>	<b>\$ 63,441</b>	<b>\$ 84,110</b>
<b>Total General Fund</b>	<b>\$ 43,919</b>	<b>\$ 97,219</b>	<b>\$ 141,138</b>

**COUNTY OF SAN DIEGO  
NOTES TO SCHEDULES A and B  
Fiscal Year 2014-15 1st Quarter**

**GENERAL NOTES**

*Projected Fund Balance*

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

*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 established at the group or department level for unanticipated needs or planned future one-time expenses. Schedule B shows a summary of the General Fund's projected fund balance by group/agency that distinguishes between projected contingency/management reserve balances and operating balances.

*Variance Reporting*

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

**PUBLIC SAFETY GROUP**

**General Fund**

*Department of Child Support Services*

A positive variance of \$2.3 million is projected for the Department of Child Support Services.

A positive expenditure variance of \$4.3 million is projected due to \$2.3 million in Salaries and Benefits from vacant and modified positions and \$1.9 million in Services and Supplies primarily due to lower than expected operational expenses.

A negative revenue variance of \$2.0 million is projected primarily due to lower State and Federal expenditure claims resulting from lower than expected operational expenses noted above.

*District Attorney*

A positive variance of \$6.6 million is projected for the District Attorney's Office.

A positive expenditure variance of \$7.5 million is projected. This positive variance is primarily due to anticipated savings of \$7.7 million in Salaries and Benefits due to normal attrition, vacant and modified positions. A positive expenditure variance of \$0.6 million is projected in Other Charges due to anticipated changes in priorities and funding from the U.S. Department of Justice, Justice Assistance Grant Program. A negative expenditure variance of \$0.7 million is projected in Expenditure Transfers and Reimbursements due to normal attrition and delays in filling vacant positions in the Public Assistance Fraud Unit.

A negative revenue variance of \$0.9 million is projected primarily due to the Justice Assistance Grant Program (\$0.6 million) expenditures noted above and under-realized revenue from the U.S. Department of Justice, Office of Violence Against Women (\$0.3 million).

#### *Office of Emergency Services*

A positive variance of \$0.5 million is projected for the Office of Emergency Services.

A positive expenditure variance of \$0.8 million is projected. This is primarily due to savings of \$0.4 million in Salaries and Benefits due to vacant and modified positions which are partially supported with grant funding and \$0.4 million in Services and Supplies related to the Call When Needed Program and Exclusive Use Helicopter Program.

A negative revenue variance of \$0.3 million in Intergovernmental Revenues is projected due to cost savings related to the Homeland Security Grant Program (\$0.2 million) and the San Onofre Nuclear Generating Station Program (\$0.1 million).

#### *Probation*

A zero variance is projected for the Probation Department.

A zero expenditure variance is projected. A positive variance of \$2.3 million is projected due to savings in Salaries and Benefits from vacant positions (\$1.0 million) and in Services and Supplies associated with contracted services (\$1.3 million), offset by a negative variance of \$2.3 million in Other Charges due to increased foster care placement payments which are partially supported by related program revenue.

A zero revenue variance is projected. A positive variance of \$1.3 million is projected due to an increase in Foster Care maintenance payments (\$1.0 million) and in Juvenile Probation Camps Funding (\$0.3 million), offset by under-realized revenue of \$1.3 million in Other Court Costs (\$0.8 million) due to a less than anticipated collection of fees and fines and in Institutional Care revenue (\$0.5 million) due to the decreased population of juvenile wards in institutions.

#### *Public Defender*

A positive variance of \$0.7 million is projected for the Public Defender.

A positive expenditure variance of \$1.0 million is projected. This is comprised of anticipated savings of \$0.6 million in Salaries and Benefits due to vacant and modified positions and \$0.4 million in Services and Supplies associated with the defense of special circumstances cases which are projected to remain unspent.

A negative revenue variance of \$0.3 million is projected for the Sexually Violent Predators state mandate reimbursement claim due to the new test claim decision adopted by the Commission on State Mandates that reduced the number of reimbursable activities.

#### *Sheriff*

A positive variance of \$3.2 million is projected for the Sheriff's Department.

A positive expenditure variance of \$3.4 million is projected. Salaries and Benefits are projected to be \$8.4 million under budget due to vacant positions. A negative expenditure variance of \$0.9 million is projected in Services and Supplies primarily due to increased expenditures in household expense in the detention facilities and in professional and specialized services associated with phlebotomy and toxicology services in the Crime Lab. Other Charges is projected to be \$3.8 million over budget due to the cost of medical support and care of persons in the detention facilities. A negative expenditure variance of \$0.3 million is projected in Capital Assets Equipment due to higher than anticipated costs related to the procurement of a law enforcement helicopter.

A negative revenue variance of \$0.2 million is projected. Negative variances are projected in Penalty Assessment revenue (\$1.4 million) due to decreased collections; the State Criminal Alien Assistance Program (\$0.4 million) due to reduced revenue from the Federal Government; and a projected shortfall in miscellaneous revenue sources (\$0.1 million). These negative variances are partially offset by a positive variance of \$1.7 million due to over-realized revenue in Low Income Health Program (LIHP) reimbursements.

### **Special Revenue Funds**

#### *Criminal Justice Facility Construction Special Revenue Fund*

A positive variance of \$1.3 million is projected in the Criminal Justice Facility Construction Special Revenue Fund.

A positive expenditure variance of \$1.5 million is projected in Operating Transfers Out due to a decrease in Penalty Assessment revenue that is transferred to General Fund departments.

A negative revenue variance of \$0.3 million is projected due to a decrease in Penalty Assessment revenue. Overall economic conditions and corrections to revenue

distribution continue to impact revenues received by the County to support General Fund departments and debt service payments.

#### *Sheriff's Inmate Welfare Fund*

A positive variance of \$1.1 million is projected for the Inmate Welfare Fund.

A positive expenditure variance of \$0.5 million is projected. A positive variance of \$0.1 million is projected in Services and Supplies primarily due to savings in professional and specialized services. A positive variance of \$0.4 million in Operating Transfers Out is projected due to a decrease in transfers to the General Fund based on vacant positions within Inmate Welfare Fund.

A positive revenue variance of \$0.6 million is projected due to recovered expenditures from a reimbursement from the Grossmont Union High School District for contracted educational services (\$0.5 million) and rents and concessions (\$0.1 million).

#### *Proposition 172*

A positive variance of \$8.8 million is projected for the Proposition 172 Special Revenue Fund.

No expenditure variance is projected.

A positive revenue variance of \$8.8 million is projected. Current year revenues are projected to be \$4.5 million greater than budget due to the combination of Fiscal Year 2013-14 actual revenue receipts exceeding the budget estimate for the current fiscal year and present economic conditions supporting a continued positive outlook for sales tax revenue receipts. Additionally, a one-time growth payment adjustment of approximately \$4.3 million is anticipated to be received due to an error with allocations of state sales taxes for Proposition 172 that occurred after the implementation of the gas tax swap. This resulted from a Board of Equalization internal audit that showed that there was an overallocation of sales tax revenues to the state General Fund and a corresponding underallocation of sales tax revenues to Proposition 172.

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

### **General Fund**

#### *Administrative Support*

Administrative Support consists of the following: Agency Executive Office, Agency Contract Support, Financial Services and Support Division, Human Resources, Management Information Support, First Five Commission, Office of Strategy and Innovation, and Community Action Partnership.

A positive variance of \$25.8 million is projected for Administrative Support.

The positive expenditure variance of \$30.4 million includes \$1.4 million in Salaries and Benefits due to vacant positions, \$9.0 million in Services and Supplies set-aside in case of an emergency, such as for bioterrorism or other health crisis that are not anticipated to be spent, and a projected year-end balance of \$20.0 million in Management Reserves which are held for operating contingencies during the year.

The negative revenue variance of \$4.6 million includes an increase of \$3.9 million in Realignment and \$0.3 million in Dispute Resolution fees offset by \$8.0 million of unsecuritized tobacco settlement revenue that is not projected to be recognized and projected decreases of \$0.5 million in Social Services administrative revenue and \$0.3 million in charges in Other Funds/Special Districts.

#### *Aging and Independence Services*

A positive variance of \$1.0 million is projected for Aging & Independence Services (AIS).

The positive expenditure variance of \$0.2 million includes an increase of \$0.4 million in Salaries and Benefits due to filling of vacancies offset by a decrease of \$0.6 million in Services and Supplies. The \$0.6 million decrease in Services and Supplies is due to a \$0.6 million increase in contracted services and a \$0.2 million increase in various services and supplies offset by savings of \$1.4 million in Community Based Care Transitions Program (CCTP) contract costs.

The positive revenue variance of \$0.8 million is associated with over-realized revenue of \$1.1 million in In Home Supportive Services Individual Provider revenues, \$0.6 million in Realignment revenues, and \$1.0 million in Aging Services revenues offset by a \$1.9 million decrease in CCTP program revenues.

#### *Behavioral Health Services*

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

A zero variance is projected for Behavioral Health Services.

The positive expenditure variance of \$21.1 million includes projected savings of \$2.2 million in Salaries and Benefits throughout Behavioral Health Services due to vacant positions, \$19.6 million in Services and Supplies, \$0.1 million in Capital Assets Equipment, offset by \$0.8 million in Other Charges due to an increase in utilization of State hospital beds. The \$19.6 million of savings in Services and Supplies includes savings of \$18.9 million in contracted services, and savings of \$0.7 million in other various services and supplies. The savings in contracted services include savings of \$14.5 million in Mental Health Services Act (MHSA) contracts, \$7.3 million in various

contracts, \$2.1 million in Alcohol and Drug Services contracts, \$0.5 million in CalWORKs Mental Health Treatment and Substance Abuse program, and \$0.5 million in AB109, offset by a \$6.0 million increase in contracted services for Skilled Nursing Facilities (SNF). The savings in other Services and Supplies include \$0.8 million in Medicines Drugs and Pharmaceuticals costs, \$0.7 million in IT costs, \$0.6 million savings in various other services and supplies offset by increases of \$1.1 million for the Out of Network costs and \$0.3 million for increased usage of psychiatric hospital services.

The negative revenue variance of \$21.1 million is primarily associated with savings in Salaries and Benefits due to vacant positions and MHSA and other contracts, offset by increased costs in SNF contracts.

#### *County Child Welfare Services*

A positive variance of \$1.1 million is projected for County Child Welfare Services.

The positive expenditure variance of \$27.0 million includes savings of \$1.0 million in Salaries and Benefits due to attrition and vacant positions, \$2.3 million in Services and Supplies, primarily in Wraparound service contracts and \$23.7 million in Other Charges due to revised estimates of caseload levels and growth trends.

The negative revenue variance of \$25.9 million in under realized revenues is associated with attrition, staff vacancies, and expenditure savings due to revised caseload projections in assistance payments.

#### *Public Health Services*

A positive variance of \$1.9 million is projected for Public Health Services.

The positive expenditure variance of \$1.6 million includes savings of \$1.1 million in Salaries and Benefits due to vacant positions, and \$0.5 million in Services and Supplies. The \$0.5 million savings in Services and Supplies includes \$0.2 million in contract savings and \$0.3 million in other services and supplies.

The positive revenue variance of \$0.3 million is associated with increased vital record fees of \$0.4 million and additional federal revenues from new grants of \$1.0 million, offset by a decrease in state revenues of \$1.1 million.

#### *Regional Operations*

Regional Operations consist of the following: Central, East, North Central, North Coastal, North Inland, and South regions, Regional Self-Sufficiency, Eligibility Operations Administration, Health Care Policy Administration and Regional Child Welfare Services.

A positive variance of \$1.5 million is projected for Regional Operations.

The positive expenditure variance of \$40.8 million includes savings of \$9.0 million in Salaries and Benefits due to vacant positions and attrition, \$10.1 million in Services and Supplies, and \$21.7 million savings in Other Charges that is mainly the result of revised caseload levels in California Work Opportunity and Responsibility to Kids (CaWORKs) benefits. The \$10.1 million savings in Services and Supplies is comprised of \$6.8 million savings in Eligibility Operations in eligibility program contracts associated with the reduction of California Healthcare Eligibility Enrollment and Retention System (CalHEERS) funding, \$2.1 million savings due to lower than anticipated costs in the County Medical Services (CMS) program and \$1.2 million savings in various non-contract Services and Supplies.

The negative revenue variance of \$39.3 million is associated with the projected expenditure savings due to attrition and vacant positions, services and supplies related to contracted services and revised caseload projections in assistance payments.

### **Special Revenue Funds**

#### *Tobacco Securitization Fund*

A zero variance is projected in the Securitized Tobacco Settlement Fund. This aligns projected expenditures to anticipated revenue.

### **LAND USE AND ENVIRONMENT GROUP**

#### **General Fund**

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

A zero variance is projected for the Department of Agriculture, Weights and Measures.

A positive \$0.4 million expenditure variance is projected. Savings of \$0.5 million in Salaries and Benefits is due primarily to vacancies and under-filling positions. These savings are offset by a negative variance of \$0.1 million in Services and Supplies primarily due to projected Business Case Management System report development costs exceeding the budgeted amount; these costs are being closely monitored.

A negative \$0.4 million revenue variance is projected. The variance is primarily due to projected revenue shortfalls in the AWM exports certificate fees and Weights and Measures licenses and permit fees.

### *Environmental Health*

A positive variance of \$2.7 million is projected for the Department of Environmental Health.

A positive expenditure variance of \$1.7 million is projected. A savings of \$1.4 million in Salaries and Benefits is due to vacancies, under-filling positions and freezing of positions. A savings of \$0.3 million in Services and Supplies is related to closely monitoring spending activities to ensure costs do not exceed revenue.

A positive revenue variance of \$1.0 million is projected. This variance consists of over-realized revenue of \$0.6 million in Hazardous Materials Permit fees and \$0.9 million in Food and Housing Permit fees which include the cost of external overheads and are not part of budgeted revenue. This is partially offset by a shortfall of \$0.5 million from the Vector Control Trust Fund primarily associated with Salary and Benefit and Services and Supplies savings in the Vector Control program. Revenue is only drawn from the Vector Trust Fund for actual costs incurred.

### *Department of Parks and Recreation*

A zero variance is projected for the Department of Parks and Recreation.

There is a zero expenditure variance. A positive variance of \$0.6 million in Salaries and Benefits is due to vacancies and under-filling positions. This is offset by a negative variance of \$0.6 million in Services and Supplies due to additional Major Maintenance expenditures.

There is a zero revenue variance projected.

### *Planning and Development Services*

A positive variance of \$1.3 million is projected for Planning and Development Services.

A positive expenditure variance of \$2.4 million is projected. Savings of \$1.9 million is projected in Salaries and Benefits, primarily due to vacancies. Savings of \$0.5 million in Services and Supplies are due to closely monitoring spending activities to ensure costs do not exceed revenue.

A negative revenue variance of \$1.1 million is projected related to expenditure savings of \$0.9 million due to staff vacancies and \$0.2 million in other miscellaneous revenue decreases.

## **Special Revenue Funds**

### *Road Fund*

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

A positive expenditure variance of \$1.8 million is projected in Salaries and Benefits due to partial year vacancies and under-filling of positions.

A negative revenue variance of \$0.8 million is projected. Under-realized revenue of \$0.1 million in Taxes Other Than Current Secured is due to a schedule change on a TransNet funded project in the Detailed Work Program. Under-realized revenue of \$0.4 million is projected in Intergovernmental Revenue due to schedule revisions for federal and state grant funded projects in the Detailed Work Program. Under-realized revenue of \$0.2 million is projected in Charges for Current Services due also to schedule revisions for projects in the Detailed Work Program. Under-realized revenue of \$0.1 million in Miscellaneous Revenues is due to schedule revisions in Detailed Work Program on a tribal grant funded project.

#### *Park Land Dedication Ordinance*

A positive variance of \$1.0 million is projected for the Park Land Dedication Ordinance due to unanticipated revenue for Park Land Dedication fees.

#### *Public Works – Inactive Waste*

A zero variance is projected for the Inactive Waste Site Management Fund.

A positive expenditure variance of \$0.2 million is projected. Projected savings of \$0.1 million in Salaries & Benefits is due to an under-filled position. Savings of \$0.1 million in Services and Supplies is due to reduced need for contracted services as a result of project completion, and costs savings in routine and non-routine operation and maintenance.

A negative revenue variance of \$0.2 million is projected. Under-realized revenue of \$0.3 million in Charges for Current Services is due to less money being transferred from the Environmental Trust Fund as a result of expenditure savings, partially offset by \$0.1 million from unanticipated revenue from San Marcos Landfill cogeneration sales and final reimbursement for CalRecycle grant funded projects.

### **Special District Funds**

#### *Air Pollution Control District*

A positive variance of \$1.4 million is projected for the Air Pollution Control District (APCD).

A positive expenditure variance of \$1.3 million is projected. Projected savings of \$1.2 million in Salaries and Benefits savings is due to staff vacancies and under-filled positions. A positive expenditure variance of \$0.1 million is projected in Services and Supplies due to anticipated savings in building maintenance.

A positive revenue variance of \$0.1 million is projected from the sale of fixed assets and unanticipated miscellaneous revenue.

#### *Flood Control*

A positive variance of \$2.4 million is projected in the Flood Control District.

A positive expenditure variance of \$4.7 million is projected in Services and Supplies due to savings from completed projects and the reduced need for professional services and contracted road services resulting from schedule revision of Flood Control District projects.

A negative revenue variance of \$2.3 million is projected. Under-realized revenue is projected in Intergovernmental Revenues of \$1.4 million and \$0.9 million in Charges for Current Services due to schedule revisions in the Detailed Work Program for Flood Control Projects.

### **Enterprise Funds**

#### *Airport Enterprise Fund*

A positive variance of \$0.7 million is projected for the Airport Enterprise Fund.

A positive expenditure variance of \$0.9 million is projected. Projected savings in Salaries and Benefits of \$0.1 million is due to partial year vacancies and under-filling of positions. Projected savings of \$0.8 million in Capital Assets/Land Acquisition is due to completed federal grant funded capital projects.

A negative revenue variance of \$0.2 million is projected. Under-realized revenue of \$0.2 million in Intergovernmental Revenue is projected due to completed federal grant funded capital projects.

### **COMMUNITY SERVICES GROUP**

#### **General Fund**

##### *Community Services Group Executive Office*

A positive variance of \$3.3 million is projected for the Community Services Group Executive Office in the category of Management Reserves, which are appropriated for unanticipated Group-wide contingencies.

##### *Housing and Community Development (HCD) Department*

A positive variance of \$0.2 million is projected for Housing and Community Development. The department is composed of two major activities, Housing and Community Development, which contains staff and operations, and Housing and Community Development Multi-Year Projects, which are funded through inter-governmental (mainly federal) loans and grants for community development and affordable housing projects.

#### *Housing and Community Development (Operations)*

A positive variance of \$0.2 million is projected for Housing and Community Development.

The projected positive expenditure variance of \$1.1 million is due to the following: Salary and Benefit savings of \$0.3 million due to vacancies from employee turnover and delay in hiring of one position to mitigate federal grant funding fluctuations, savings in Services and Supplies of \$0.8 million due to the postponement of a communication equipment upgrade project (\$0.2 million), under-spending in annual IT application upgrade projects (\$0.3 million) anticipated to be continued next fiscal year, and savings in various operating expenses (\$0.3 million) as a result of managing discretionary expenses.

The projected negative revenue variance of \$0.9 million is related to the expenditure savings in Salaries and Benefits and various Services and Supplies as noted above, resulting in decreased costs recovered.

#### *Housing and Community Development Multi-Year Projects*

No variance is projected for HCD Multi-Year Projects. The positive expenditure variance of \$14.3 million is offset by a projected negative revenue variance of \$14.3 million. Community Development projects eligible to receive funding are budgeted to facilitate the multi-year project cost expenditure request process. Revenues are projected to equal expenses as project costs are 100% revenue offset.

### **Special Revenue Funds**

#### *San Diego County Library*

A positive variance of \$2.0 million is projected for the San Diego County Library.

A positive expenditure variance of \$2.1 million is projected. This variance is a result of savings of \$0.8 million in Salaries and Benefits from anticipated vacated positions. There are projected savings in Services and Supplies of \$0.3 million is due to savings based on year-to-date spending in facilities management (\$0.2 million) and rents & leases (\$0.1 million). Projected savings of \$1.0 million in Management Reserves which are appropriated for operating contingencies.

A negative revenue variance of \$0.1 million is projected. This variance is due to a projected shortfall of \$0.1 million in public printing and other library services.

## **Internal Service Funds (ISFs)**

### *Facilities Management ISF*

There is a zero variance projected for the Facilities Management ISF.

A positive variance of \$3.7 million in expenditures is projected. The positive variance of \$1.2 million in Salaries and Benefits is due to savings from modified positions and staff vacancies. The savings in Services and Supplies of \$1.1 million is primarily due to \$0.6 million in project management costs; \$0.3 million in utility charges due to energy-efficiency upgrades and lower than anticipated utility rates; and \$0.2 million in contracted services. A positive variance of \$1.5 million in Operating Transfers Out is due to fewer than anticipated qualified projects for On-Bill financing and California Energy Commission (CEC) financing, which will also result in lower than anticipated revenue.

There is a projected negative revenue variance of \$3.7 million. This variance consists of under-realized revenue of \$1.9 million for Charges for Current Services due to lower than anticipated costs related to facility operations and maintenance, contracted services and utilities; a shortfall of \$1.6 million in Other Financing Sources due to fewer projects being implemented as stated above (\$1.5 million), and a reduction of \$0.1 million in Operating Transfers In to reimburse for services provided to the Major Maintenance Internal Service Fund; and a projected shortfall of \$0.2 million in rents and concessions due primarily to the loss of lease revenue related to current construction projects including the previously leased Hillcrest Receiving Home.

### *Major Maintenance ISF*

There is a zero variance is projected for the Major Maintenance ISF.

There is a positive expenditure variance of \$13.9 million. Savings of \$12.0 million in Services and Supplies and \$1.9 million in Operating Transfers Out is due to delays in commencing new projects. Since costs incurred in this fund are reimbursed by operating departments, these project delays will result in projected negative revenue variance of \$13.9 million.

### *Fleet Management ISF*

A zero variance is projected for the Fleet Management ISF.

There is a projected positive variance of \$6.7 million in expenses. A positive variance of \$0.1 million in Salaries and Benefits is due to savings from staff vacancies; \$1.7 million in Services and Supplies is due to lower facility costs for fleet garages and less than anticipated fuel purchases; \$0.4 million in Other Charges is due to decreased depreciation costs; \$4.4 million in Capital Assets Equipment is due to less than

anticipated purchases for replacement vehicles; and \$0.1 million from unspent Contingency Reserves.

A negative variance of \$6.7 million in revenue is projected. Negative revenue variances include \$8.1 million in Charges for Current Services due to under-realized revenue for reimbursement of replacement vehicles and lower-than-expected fuel purchases, and \$0.1 million spread among various accounts. This is partially offset by a positive variance of \$0.8 million in Other Financing Sources primarily due to the gain on sale of fixed assets; \$0.5 million in Residual Equity for the capital contribution reimbursement for fleet vehicle purchases and \$0.2 million in Miscellaneous Revenues for the reimbursement of expenditures resulting from insurance and other third party activities.

#### *Purchasing and Contracting*

A positive variance of \$0.9 million is projected for the Purchasing and Contracting ISF.

A positive expenditure variance of \$2.2 million is the result of \$0.5 million Salaries and Benefits savings attributed to managed vacancies, \$0.2 million savings in Services and Supplies, and a projected year-end balance of \$1.5 million in Management Reserves which are held for operating contingencies during the year.

A negative revenue variance of \$1.3 million is projected. Charges for Current Services are projected to be \$1.7 million short of budgeted levels, primarily due to reduced contract spending in HHSA as a result of implementation of the Affordable Care Act. The shortfall is partially offset by a projected \$0.4 million in overrealized Miscellaneous Revenue due to better than expected proceeds from rebate agreements.

## **FINANCE AND GENERAL GOVERNMENT GROUP**

### **General Fund**

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

A positive variance of \$0.3 million is projected for the Assessor/Recorder/County Clerk.

A positive expenditure variance of \$4.9 million is projected. Positive variances of \$1.0 million in Salaries and Benefits is due to attrition and departmental vacancies, and \$3.9 million in Services and Supplies is due to less than anticipated contracted services and network services.

A negative revenue variance of \$4.6 million is projected. Negative variances of \$2.1 million in Recording revenue, \$1.4 million in Micrographics fee, \$0.7 million in Other Miscellaneous revenues, \$0.2 million in Modernization Recording fees, \$0.2 million in Social Security Truncation, \$0.2 million in Certified Copy Vital, and \$0.1 million in Marriage Ceremony Fees is offset by increases in various other revenues (\$0.1 million in Marriage License fees, \$0.2 million Duplicating & Filing fees).

#### *Auditor and Controller*

A positive variance of \$0.8 million is projected for the Auditor and Controller.

A positive expenditure variance of \$0.8 million is projected in Salaries and Benefits due to normal attrition of staff from employee turn-over, vacancies and under-filled positions. There is no revenue variance projected.

#### *County Counsel*

A positive variance of \$1.3 million is projected for the Office of County Counsel.

A positive expenditure variance of \$1.1 million is projected, including savings of \$0.7 million in Salaries and Benefits primarily due to unanticipated attrition and delay in filling vacancies. A positive variance of \$0.4 million is projected in Services and Supplies, primarily due to changes in the scheduled implementation of information systems for case management and juvenile dependency records management.

A positive revenue variance of \$0.2 million is projected in Charges for Current Services primarily due to continued workload increases in several claims matters including those involving allegations of breach of contract and dangerous road conditions involving serious injuries, as well as increases in workloads relating to several airports matters involving review of expansion, use permits, and eminent domain.

#### *Human Resources*

A positive variance of \$0.4 million is projected for the Department of Human Resources.

A positive expenditure variance of \$0.3 million is projected in Salaries and Benefits due to staff turnover and vacant positions.

A positive revenue variance of \$0.1 million is projected due to over realized revenue related to recovered expenditures.

#### *Treasurer-Tax Collector*

A positive variance of \$0.7 million is projected for the Treasurer-Tax Collector.

A positive expenditure variance of \$0.6 million is projected in Salaries and Benefits due to vacancies and staff turnover and a positive variance of \$0.1 million is projected in Services and Supplies primarily due to procurement of Electronic Payment Processing redesigned payment structure.

A zero revenue variance is projected.

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

A positive variance of \$27.7 million is projected in General Purpose Revenue (GPR) and \$28.0 million positive variance is projected in General County Expenses.

#### **General Purpose Revenue**

San Diego County's economy is moving in the right direction and economic outlook continues to improve. The County's GPR related to property tax revenues improved as evident by the increase in assessed values and gradual increase in construction activity. The county's diverse economic base, the benefits of near perfect climate and the quality of life that attracts people with higher levels of education, all contribute to the positive outlook to San Diego's economy. For Fiscal Year 2014-15, the economic indicators and trends are summarized below followed by a discussion by revenue account of significant variances from budget:

- San Diego's monthly unemployment rate was 6.6% in July 2014, down from 8% one year ago. This is slightly above the US rate of 6.5%. However, San Diego compared to the state and other California metros, has continued to fare better since reaching it's peak of 10.6% unemployment rate in 2010.
- Consumer spending, as measured by taxable sales, is also increasing along with job growth. Unadjusted local point of sale tax revenue increased by 5.4% for the first two quarters through September 2014 in the unincorporated area compared to the same time period in prior year. For the first two quarters through September 2014, sales tax revenue improved at the statewide level by an estimated 3.8%, in the southern California region by 3.0%, and at the San Diego regional level by 5.6%. The overall increase is a sign of continuing economic recovery.
- There are positive indicators overall in the housing market in the County. The decrease in home sales is due to the affordability of homes in more desirable locations.
  - Increase in median housing prices (up 5.5% in the San Diego region for September 2014 compared to September 2013);
  - Decrease in the number of homes sold for July-September 2014 by 13.8% compared to same period in 2013.
  - Improvement in Notices of Default for January-September 2014 which was down 27% compared to the same period in 2013.
  - Improvement in foreclosure activity (decrease of 42% in January- September 2014 compared to the same time period for 2013).

#### *Current Property Taxes All Categories*

The four categories of Current Property Taxes (i.e., Property Taxes Current Secured, Property Taxes Current Supplemental, Property Taxes Unsecured, and Property Taxes Current Unsecured Supplemental) combined are estimated to show a net positive variance to budget of \$18.0 million.

- *Property Taxes Current Secured*  
Current Secured Property Taxes are projected to be \$11.1 million higher than budget. This mainly resulted from the fact that the 2014 local secured assessed value is greater than anticipated in the budget.

The budgeted current secured property taxes assumed a local secured assessed value increase of 4.0%, but the actual assessed value (AV) increased by 6.2%

(gross less regular exemptions). (Note: The 6.2% increase represents the change in the assessed value for only the secured roll. This is different than the countywide overall increase published by the Assessor/Recorder/County Clerk on June 27, 2014 of 6.0%, which includes all assessed value components, secured and unsecured).

- *Property Taxes Current Supplemental*  
No projected variance in Current Supplemental Property Taxes. The projection for this revenue is based on charges and collections trend estimates related to new construction and anticipated turnover through Fiscal Year 2014-15. The method for calculating the allocation factors changed this fiscal year per direction from the State Controller's Office, resulting in decrease of supplemental revenue for the County. This assumption was included in the projection.

#### *Taxes Other Than Current Secured*

Taxes Other Than Current Secured are anticipated to be \$6.9 million above budget.

- *Real Property Transfer Taxes*  
No projected variance for Real Property Transfer Taxes based on realized revenues for Fiscal Year 2013-14 as well as data regarding current year change in ownership and the anticipated level of new construction.
- *Teeter Tax Reserve Excess*  
No projected variance in the Teeter Tax Reserve Excess based on current penalty and interest collections and available data on the outstanding receivables and projections through the end of the fiscal year.
- *Property Tax in Lieu of Vehicle License Fees*  
Property Tax in Lieu of Vehicle License Fees (VLF) is projected to be \$6.8 million above the budgeted amount of \$326.3 million. The actual assessed value adjustment factor of 6.0% (which includes unsecured, local secured, current State non-unitary, and aircraft property tax components) for Fiscal Year 2013-14 is higher than the adjustment rate of 3.87% used to calculate the budgeted revenue.
- *Teeter Property Tax Prior Year and Cumulative Prior Years*  
No projected variance for collections from taxes receivable from the prior fiscal years. The improvement in delinquency rate have led to continued declines in the Teeter buyout outlined in the Teeter Tax Reserve Excess above.

#### *Licenses, Permits, and Franchises*

No projected variance in Licenses, Permits and Franchise payments based on anticipated revenues to be received from franchise payments.

#### *Fines, Forfeitures and Penalties*

No projected variance in Penalties and Cost Delinquency Taxes. Revenues in this account reflect the 10% penalty that is assessed on late current secured and unsecured property tax payments.

#### *Intergovernmental Revenue*

A positive variance of \$8.2 million is projected in Intergovernmental Revenue primarily due to pass-through distributions, distribution from sale of property, and residual balance estimates in Aid from Redevelopment Successor Agencies.

### **General County Expenses**

#### *Cash Borrowing*

A positive variance of \$7.7 million is projected. Costs for issuance of TRANS was included in the development of the budget. There was no TRANS issued this fiscal year.

#### *Contingency Reserve*

The entire \$20.7 million budgeted in the Contingency Reserve in Fiscal Year 2014-15 is projected to be unspent at year-end.

#### *Countywide General Expense*

A positive variance of \$28.0 million is projected due to loan repayment from the East Mesa Reentry Facility.



# Air Pollution Control Board

## San Diego County Air Pollution Control District

### GOVERNING BODY

GREG COX  
First District

DIANNE JACOB  
Second District

DAVE ROBERTS  
Third District

RON ROBERTS  
Fourth District

BILL HORN  
Fifth District

### AGENDA ITEM

**DATE:** December 2, 2014

# AP01

**TO:** Air Pollution Control Board

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

#### Overview

This report recommends budget adjustments to the Air Pollution Control District Funds.

#### Recommendations

##### CHIEF ADMINISTRATIVE OFFICER

Establish appropriations of \$350,000 in the Air Pollution Control District, Fixed Assets, to fund the purchase of five commercial vehicles and five passenger vehicles, based on available prior year Air Pollution Control District fund balance. **(4 VOTES)**

#### Fiscal Impact

If approved, this request will appropriate of \$350,000 of available fund balance. There will be no additional staff years.

#### Business Impact Statement

N/A

#### Advisory Board Statement

N/A

#### Background

##### Recommendation

This request will establish appropriations of \$350,000 in the Air Pollution Control District Fund based on available fund balance. Funds in the amount of \$200,000 will be used to purchase and outfit five commercial vehicles used for inspections to ensure compliance with permit conditions. In addition, the Air Pollution Control District (District) has pooled passenger vehicles available for use by District staff to conduct County business. Replacement is needed for these high mileage vehicles to maintain a safe and efficient fleet. If approved, funds of \$150,000 will be used to purchase five new replacement vehicles.

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS  
REPORT AND BUDGET ADJUSTMENTS (DISTRICT: ALL)

**Linkage to the County of San Diego Strategic Plan**

Today's proposed actions support the Strategic Initiatives of Safe Communities, Sustainable Environments, and Healthy Families in the County of San Diego's 2014–2019 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



HELEN N. ROBBINS-MEYER  
Chief Administrative Officer

ATTACHMENT(S)

None

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICT: ALL)

**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**       Yes     No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**  
 Yes     No

**PREVIOUS RELEVANT BOARD ACTIONS:**  
N/A

**BOARD POLICIES APPLICABLE:**  
N/A

**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 & General Government Group

**OTHER CONCURRENCES(S):** N/A

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# San Diego County Flood Control District

## GOVERNING BODY

GREG COX  
First District

DIANNE JACOB  
Second District

DAVE ROBERTS  
Third District

RON ROBERTS  
Fourth District

BILL HORN  
Fifth District

## AGENDA ITEM

**DATE:** December 2, 2014

# FL01

**TO:** Flood Control Board of Directors

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

### Overview

This report recommends budget adjustments to the Flood Control District.

### Recommendation(s)

#### CHIEF ADMINISTRATIVE OFFICER

1. Rescind the July 30, 2014 (FL02) establishment of appropriations of \$11,756,542 in the Flood Control District, Services and Supplies, for the Woodside Drainage Improvements construction project.
2. Establish appropriations of \$11,756,542 in the Flood Control District, Services and Supplies, for the Woodside Drainage Improvements construction project based on Drainage Fee Ordinance Trust Fund revenue (\$6,213,597), unanticipated revenue from the Federal Emergency Management Agency (\$1,942,945), and available Flood Control District fund balance (\$3,600,000). **(4 VOTES)**

### Fiscal Impact

If approved, this request will establish appropriations of \$11,756,542 in the Flood Control District. There will be no additional staff years.

### Business Impact Statement

N/A

### Advisory Board Statement

N/A

### Background

#### Recommendations 1 & 2

These requests will rescind the July 30, 2014 (FL02) recommendation to establish appropriations and related revenue of \$11,756,542 in the Flood Control District for Woodside Drainage Improvements and re-establish these appropriations based on funding from the Drainage Fee Ordinance Trust Fund, unanticipated revenue from the Federal Emergency Management Agency

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

(FEMA), and a reduced amount of Flood Control District available fund balance. This adjustment will align the budget with prior year available Flood Control District fund balance. Funds will be used to replace the existing under-sized flood drainage system on Woodside Avenue with a drainage system that will accommodate a 100-year flood.

**Linkage to the County of San Diego Strategic Plan**

Today's proposed actions support the Strategic Initiatives of Safe Communities, Sustainable Environments, and Healthy Families in the County of San Diego's 2014–2019 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



HELEN N. ROBBINS-MEYER  
Chief Administrative Officer

ATTACHMENT(S)

None

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**       Yes     No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**  
 Yes     No

**PREVIOUS RELEVANT BOARD ACTIONS:**  
N/A

**BOARD POLICIES APPLICABLE:**  
N/A

**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 & General Government Group

**OTHER CONCURRENCES(S):** N/A

**CONTACT PERSON(S):**

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# San Diego County Sanitation District

## GOVERNING BODY

GREG COX  
First District

DIANNE JACOB  
Second District

DAVE ROBERTS  
Third District

RON ROBERTS  
Fourth District

BILL HORN  
Fifth District

## AGENDA ITEM

**DATE:** December 2, 2014

# SA01

**TO:** Board of Directors, San Diego County Sanitation District

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

### Overview

This report recommends budget adjustments to the San Diego County Sanitation District.

### Recommendation(s)

#### CHIEF ADMINISTRATIVE OFFICER

Ratify the transfer of appropriation of \$131,000 within the Fiscal Year 2013-14 San Diego County Sanitation District from Services and Supplies to Fixed Assets for the Supervisory Control and Data Acquisition Wastewater Upgrade capital project.

### Fiscal Impact

If approved, this request will ratify the transfer of appropriations of \$131,000 for Fiscal Year 2013-14 within the San Diego County Sanitation District. There will be no additional staff years.

### Business Impact Statement

N/A

### Advisory Board Statement

N/A

### Background

This recommendation ratifies the transfer of appropriations in Fiscal Year 2013-14 in the San Diego County Sanitation District from Services and Supplies to Fixed Assets for the Supervisory Control and Data Acquisition (SCADA) Wastewater Upgrade capital project in the amount of \$131,000. This adjustment is needed for unanticipated design costs at year-end. This recommendation will ensure adherence to CAO Administrative Policy Item Number 0030-10, *Transfers of Appropriations Between Objects Within a Budget Unit*, in regards to transferring funds to a capital project.

### Linkage to the County of San Diego Strategic Plan

Today's proposed actions support the Strategic Initiatives of Safe Communities, Sustainable

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS  
REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

Environments, and Healthy Families in the County of San Diego's 2014–2019 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



HELEN N. ROBBINS-MEYER  
Chief Administrative Officer

ATTACHMENT(S)

None

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**          Yes        No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**  
    Yes        No

**PREVIOUS RELEVANT BOARD ACTIONS:**  
N/A

**BOARD POLICIES APPLICABLE:**  
N/A

**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 & General Government Group

**OTHER CONCURRENCES(S):**    N/A

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COUNTY OF SAN DIEGO  
SUCCESSOR AGENCY TO THE  
COUNTY OF SAN DIEGO  
REDEVELOPMENT AGENCY

BOARD OF DIRECTORS

GREG COX  
First District

DIANNE JACOB  
Second District

DAVE ROBERTS  
Third District

RON ROBERTS  
Fourth District

BILL HORN  
Fifth District

AGENDA ITEM

**DATE:** December 2, 2014

**SR01**

**TO:** Board of Directors

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS  
REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

**Overview**

This report recommends a budget adjustment to the County Successor Agency Redevelopment Obligation Retirement Fund.

**Recommendation(s)**

**CHIEF ADMINISTRATIVE OFFICER**

    Ratify the transfer of appropriations of \$35,519 within the Fiscal Year 2013-14 County Successor Agency Redevelopment Obligation Retirement Fund from Services and Supplies to Operating Transfers Out, for costs related to scheduled debt service payments.

**Fiscal Impact**

If approved, this request will ratify the transfer of appropriations of \$35,519 for Fiscal Year 2013-14 within the County Successor Agency Redevelopment Obligation Retirement Fund. There will be no additional staff years.

**Business Impact Statement**

N/A

**Advisory Board Statement**

N/A

**Background**

The County Successor Agency Redevelopment Obligation Retirement Fund allows for budgeted transactions related to items included the County Successor Agency's approved Recognized Obligation Payment Schedules (ROPS), including professional and specialized services, administrative costs, and operating transfers required to meet debt service payments and

**SUBJECT: FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

approved capital projects. This recommendation ratifies a transfer of appropriations of \$35,519 within the County Successor Agency Redevelopment Obligation Retirement Fund for Fiscal Year 2013-14. This adjustment of \$35,519 aligned the appropriations with expenditures at the end of the fiscal year, reflecting actual spending levels approved for professional and specialized services, administrative costs, and operating transfers.

**Linkage to the County of San Diego Strategic Plan**

Today's proposed actions support the Strategic Initiatives of Safe Communities, Sustainable Environments, and Healthy Families in the County of San Diego's 2014–2019 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



HELEN N. ROBBINS-MEYER  
Chief Administrative Officer

ATTACHMENT(S)  
None

**SUBJECT:** FISCAL YEAR 2014-15 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**       Yes     No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**  
 Yes     No

**PREVIOUS RELEVANT BOARD ACTIONS:**  
N/A

**BOARD POLICIES APPLICABLE:**  
N/A

**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 & General Government Group

**OTHER CONCURRENCES(S):** N/A

**CONTACT PERSON(S):**

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