

ORDINANCE NO. 10400 (N.S.)
AN ORDINANCE AMENDING THE SAN DIEGO COUNTY CODE
OF ADMINISTRATIVE ORDINANCES ARTICLE VII SECTION 113
RELATING TO THE MAINTENANCE AND RESTORATION OF
FUND BALANCES AND RESERVES IN THE GENERAL FUND

The Board of Supervisors of the County of San Diego ordains as follows:

Section 1. The Board of Supervisors finds and determines that the County will maintain fund balances and reserves in the General Fund to support fiscal health and stability.

The amendments made by this ordinance are intended to codify guidelines regarding the maintenance and restoration of fund balance and reserve levels that will help to protect the fiscal health and stability of the County.

Section 2. Section 113.1 is hereby added to the San Diego County Code of Administrative Ordinances to read as follows:

SEC. 113.1. FUND BALANCES AND RESERVES

Fund balance and reserves in the General Fund shall be maintained as follows:

- (a) *Fund Balance Committed for Unforeseen Catastrophic Events* shall be 5% of the total amount of budgeted general purpose revenue. This commitment is governed by Government Code Sections 29085-29806, and may only be used for legally declared emergencies as defined in Government Code Section 29127.
- (b) *General Fund Contingency Reserve* shall be appropriated at 2% of the total amount of budgeted general purpose revenue. This reserve is for unanticipated needs or to offset revenue shortfalls during the year, and any transfers from this reserve will require a 4/5th vote of the Board of Supervisors.
- (c) *General Fund Minimum Fund Balance* shall be 10% of the total amount of budgeted general purpose revenue, and is the minimum level of unassigned fund balance in the General Fund. To the extent that fund balance is available in excess of that amount, the Chief Administrative Officer (CAO) may recommend the appropriation or commitment of the available balance for one-time purposes in the CAO Recommended Operational Plan or as an agenda item for a regularly scheduled meeting of the Board.
- (d) *Management Reserves* have no targeted levels, but shall not be established if the action would result in the amount of General Fund unassigned fund balance falling below the targeted level.

- (e) *Other Commitments and Assignments of Fund Balance* shall not be approved if they would result in the amount of General Fund unassigned fund balance falling below the targeted level, with the exception of fund balance commitments established because of restrictions on the use of certain revenues.

Sec. 3. Section 113.2 is hereby added to the San Diego County Code of Administrative Ordinances to read as follows:

SEC. 113.2. RESTORATION OF FUND BALANCES AND RESERVES.

In the event that the fund balance Commitment for Unforeseen Catastrophic Events, the Contingency Reserve, or the General Fund Minimum unassigned fund balance falls below the established levels, the Chief Administrative Officer shall present a plan to the Board for restoration of those targeted levels. The plan shall restore balances to targeted levels within two-fiscal years.

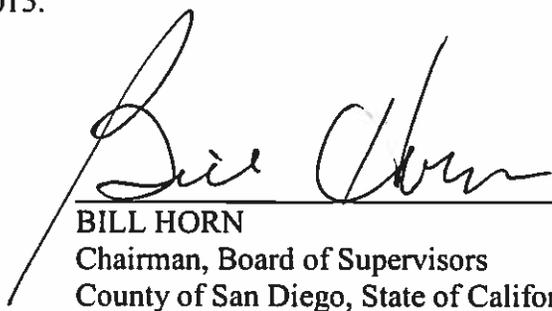
Section 4. This ordinance shall take effect and be in force thirty days after its passage, and before the expiration of fifteen days after its passage, a summary hereof shall be published once with the names of the members of this Board voting for and against it in the Daily Transcript, a newspaper of general circulation published in the County of San Diego.

APPROVED AS TO FORM AND LEGALITY
THOMAS E. MONTGOMERY, COUNTY COUNSEL

BY: Rachel H. Witt, Senior Deputy

Meeting Date: 12/15/15 (37)

PASSED, APPROVED, AND ADOPTED by the Board of Supervisors of the County of San Diego this 15th day of December, 2015.


BILL HORN
Chairman, Board of Supervisors
County of San Diego, State of California

The above Ordinance was adopted by the following vote:

AYES: Cox, Jacob, D. Roberts, R. Roberts, Horn

ATTEST my hand and the seal of the Board of Supervisors this 15th day of December, 2015.

DAVID HALL
Clerk of the Board of Supervisors

By Diana Lopez
Diana Lopez, Deputy



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12/15/15 (37)