



# 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 15, 2015

**35**

**TO:** Board of Supervisors

**SUBJECT:** FISCAL YEAR 2015-16 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

### Overview

This report summarizes the status of the County's Fiscal Year 2015-16 Operational Plan, as measured by projected year-end fund balance from current year operations. The projected balance for the General Fund is \$108.2 million, and for all budgetary funds combined is \$132.0 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 2015-16 Adopted Operational Plan. This letter also recommends budget adjustments to make resource reallocations to fund one-time projects and to make various adjustments to align the budget with anticipated actuals.

In the Public Safety Group (PSG), recommendations include appropriations adjustments in the Sheriff's Department for overtime costs, investigative expenses, transfers between the Sheriff's Asset Forfeiture Funds to properly segregate funds, adjustments to grant funding sources including the High Intensity Drug Trafficking Areas (HIDTA) program, Organized Crime Drug Enforcement Task Force (OCDETF), and the Indian Gaming Local Community Benefit Committee, one-time supplies and equipment for various stations in contract cities, a transportable Regional Communications System tower; in the Office of Emergency Services for a design consultant related to the Emergency Operations Center remodel; in the Probation Department for one-time upgrades and maintenance at Camp Barrett, for the Mentally Ill Offender Crime Reduction Grant (MIOCR); and in the San Diego County Fire Authority for a major maintenance improvement project, apparatuses and vehicles for County Service Area 135 and adjustments to align the budget with anticipated actuals.

In the Health and Human Services Agency (HHS), there is a recommendation for an appropriation adjustment for HHS North Coastal Facility capital project.

In the Land Use and Environment Group (LUEG), recommendations include appropriations adjustments for Multiple Species Conservation Program (MSCP) Fund, ADA Transition Plan and Parks Master Plan, design costs for Wellfield Park projects, access road repair at Volcan

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Mountain Preserve, environmental and mitigation costs at Tijuana River Valley Regional Park, construction modifications for Sweetwater Regional Park Equestrian Trail, ADA construction modifications for Guajome Regional Park, increase in the Planning and Development Services Fund Balance Commitment, operating and maintenance costs for the Department of Public Works Road Fund, construction costs for airport improvement projects, consultant services for Total Maximum Daily Load (TMDL) cost benefit analysis, consultant services for a Zero Waste Plan in Waste Planning and Recycling Fund, emergency costs related to the Ramona Flood, and various technical adjustments.

In the Community Services Group (CSG), there is an appropriation adjustment in the Housing and Community Development Department for the County of San Diego Low to Moderate Income Housing Asset Fund.

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

In the Capital Program, there is an appropriation adjustment for Edgemoor Development Fund to reflect prior year activities.

**Recommendation(s)**

**CHIEF ADMINISTRATIVE OFFICER**

1. Accept the Fiscal Year 2015-16 first quarter report on projected year-end results.
2. Transfer appropriations of \$325,552 within the Sheriff's Asset Forfeiture Fund, from Services and Supplies to Operating Transfers Out, to fund overtime in the Sheriff's Department associated with the Hall of Champions Juvenile Camp, as well as investigative expenses.
3. Establish appropriations of \$325,552 in the Sheriff's Department, Salaries and Benefits (\$15,552) and Services and Supplies (\$310,000) for overtime associated with the Hall of Champions Juvenile Camp and for investigative expenses, based on an Operating Transfer In from the Sheriff's Asset Forfeiture Fund. **(4 VOTES)**
4. Establish appropriations of \$331,583 in the Sheriff's Asset Forfeiture Fund, Operating Transfers Out, for transfer to the Sheriff's Asset Forfeiture US Treasury Fund (\$198,067) and Sheriff's Asset Forfeiture State Fund (\$133,516) based on available prior year fund balance. **(4 VOTES)**
5. Establish appropriations of \$198,067 in the Sheriff's Asset Forfeiture US Treasury Fund, Services and Supplies, based on an Operating Transfer In from the Sheriff's Asset Forfeiture Fund. **(4 VOTES)**
6. Establish appropriations of \$133,516 in the Sheriff's Asset Forfeiture State Fund, Services and Supplies, based on an Operating Transfer In from the Sheriff's Asset Forfeiture Fund. **(4 VOTES)**

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7. Establish appropriations of \$85,000 in the Sheriff's Department, Services and Supplies, for the High Intensity Drug Trafficking Areas (HIDTA) program activities based on unanticipated HIDTA revenue from the San Diego/Imperial Valley Southwest Border HIDTA. **(4 VOTES)**
8. Establish appropriations of \$87,416 in the Sheriff's Department, Services and Supplies, for supplies and equipment for the various stations and substations in contract cities based on available prior year Public Safety Group General Fund fund balance. **(4 VOTES)**
9. Establish appropriations of \$120,000 in the Sheriff's Department, Services and Supplies, for the Organized Crime Drug Enforcement Task Force (OCDETF), based on unanticipated revenue from the Federal OCDETF passed through the Federal Bureau of Investigations. **(4 VOTES)**
10. Establish appropriations of \$74,055 in the Sheriff's Department, Salaries and Benefits, for the Fiscal Year 2014-15 Indian Gaming Local Community Benefit Committee (IGLCBC) grant program based on unanticipated revenue from the IGLBC. **(4 VOTES)**
11. Establish appropriations of \$90,000 in the Sheriff's Department, Capital Assets Equipment, to purchase a transportable tower based on revenue from the Regional Communications Systems Trust Fund. **(4 VOTES)**
12. Cancel appropriations of \$4,332,775 in the Sheriff's Department, Salaries and Benefits (\$563,895), Services and Supplies (\$3,638,336) and Capital Assets Equipment (\$130,544) and various related revenues to align the budget with anticipated actuals.
13. Transfer appropriation of \$129,140 from the Sheriff's Department, Capital Assets Equipment, to the General Fund Contributions to Fleet Internal Service Fund (ISF), Operating Transfer Out, for the purchase of various Sheriff's vehicles.
14. Amend the Fiscal Year 2015-16 Department of General Services Fleet Internal Service Fund (ISF) Spending Plan by \$129,140 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)**
15. Establish appropriations of \$50,000 in the Office of Emergency Services, Services and Supplies, for a design consultant related to the Emergency Operations Center remodel based on available prior year Public Safety Group General Fund fund balance. **(4 VOTES)**
16. Establish appropriations of \$850,000 in the Probation Department, Services and Supplies, for upgrades and maintenance at Camp Barrett based on available prior year

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Public Safety Group General Fund fund balance. **(4 VOTES)**

17. Establish appropriations of \$304,488 in the Probation Department, Services and Supplies for Mentally Ill Offender Crime Reduction Grant (MIOCR) based on unanticipated revenue from the State of California, Board of State and Community Corrections (\$239,715) and available prior year Public Safety Group General Fund fund balance (\$64,773). **(4 VOTES)**
18. Transfer appropriations of \$15,000 from the Probation Department, Capital Assets Equipment, to the General Fund Contributions to Fleet Internal Service Fund (ISF), Operating Transfers Out, for the purchase of a storage trailer for the Probation Department.
19. Amend the Fiscal Year 2015-16 Department of General Services Fleet ISF Spending Plan by \$15,000 to provide funding for the purchase of a Probation Department storage trailer based on an Operating Transfer In from the General Fund. **(4 VOTES)**
20. Establish appropriations of \$850,700 in the San Diego County Fire Authority, Services and Supplies (\$176,700) and Capital Assets Equipment (\$674,000), to fund one-time fire service activities for a fire station major maintenance improvement project and to purchase apparatuses to support fire services in County Service Area 135 based on available prior year Public Safety Group General Fund fund balance. **(4 VOTES)**
21. Ratify an increase in appropriations of \$42,500 within the Fiscal Year 2014-15 District Attorney's State Asset Forfeiture Fund, Services and Supplies (\$500) and Other Charges (\$42,000) for increased expenditures in community based crime prevention activities, based on revenue from Other Forfeitures and Penalties (\$21,511) and available prior year fund balance from State Asset Forfeiture Fund (\$20,989). **(4 VOTES)**
22. Establish appropriations of \$2,500,000 in the Health and Human Services Agency (HHS), Services and Supplies, to fund the North Coastal HHS Facility project based on revenue from the Mental Health Services Act Trust Fund. **(4 VOTES)**
23. Transfer appropriations of \$2,500,000 from the Health and Human Services Agency, Services and Supplies, to Contributions to Capital Outlay Fund, Operating Transfer Out, for the Capital Project 1019560, North Coastal HHS Facility.
24. Establish appropriations of \$2,500,000 in the Capital Outlay Fund for Capital Project 1019560 North Coastal HHS Facility based on an Operating Transfer In from the General Fund. **(4 VOTES)**
25. Establish appropriations of \$254,562 in the Capital Multiple Species Conservation Program (MSCP) Fund, based on unanticipated revenue from the sale of mitigation credits. **(4 VOTES)**

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26. Establish appropriations of \$300,000 in the Department of Parks and Recreation, Services and Supplies, for consultant services for an Americans With Disabilities Act (ADA) Transition Plan (\$100,000) and a Parks Master Plan (\$200,000) based on available prior year Land Use and Environment Group General Fund fund balance. **(4 VOTES)**
27. Establish appropriations of \$145,000 in the Park Land Dedication Ordinance Area 28 Ramona Fund, Services and Supplies, to fund design costs for Wellfield Park projects, based on available prior year fund balance. **(4 VOTES)**
28. Establish appropriations of \$125,500 in the Department of Parks and Recreation, Services and Supplies, for Volcan Mountain Preserve access road repair, based on unanticipated revenue from the Department of Parks and Recreation Trust Fund. **(4 VOTES)**
29. Establish appropriations of \$24,160.88 in the Capital Outlay Fund for Capital Project 1018196, Tijuana River Valley Regional Trails Construction, for unanticipated increase in environmental and mitigation costs based on unanticipated revenue from the Parks and Recreation Trust Fund. **(4 VOTES)**
30. Cancel appropriations of \$143,898.38 and related Operating Transfer In from the General Fund in the Capital Multiple Species Conservation Program (MSCP) Fund to properly record non-capital pre-acquisition expenses and one-time land protection costs.
31. Transfer appropriations of \$143,898.38 from Contribution to Capital Outlay Fund, Operating Transfer Out, to the Department of Parks and Recreation, Services and Supplies, to properly record non-capital pre-acquisition expenses and one-time land protection costs.
32. Cancel appropriations of \$77,436.10 and related Operating Transfer In from the General Fund in the Capital Outlay Fund for Capital Project 1018723, Sweetwater Loop Trail Segment 4 Reroute, to fund construction modifications including the installation of a pedestrian/bicycle bridge for Sweetwater Regional Park Equestrian Center Phase III.
33. Establish appropriations of \$77,436.10 in the Capital Outlay Fund for Capital Project 1014849, Sweetwater Regional Park Equestrian Center Phase III, to fund construction modifications including the installation of a pedestrian/bicycle bridge, based on an Operating Transfer In from the General Fund. **(4 VOTES)**
34. Cancel appropriations of \$48,843.89 and related Operating Transfer In from the General Fund in the Capital Outlay Fund for Capital Project 1015196, Rancho Guajome Adobe Volunteer Vehicle Pad, to fund ADA construction modifications for Guajome Regional Park Improvements.

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35. Establish appropriations of \$48,843.89 in the Capital Outlay Fund for Capital Project 1018183, Guajome Regional Park Playground Improvements, to fund ADA construction modifications, based on an Operating Transfer In from the General Fund. **(4 VOTES)**
36. Authorize the Auditor and Controller to increase the Planning and Development Services fund balance commitment within the General Fund by \$383,650 based on available prior year Land Use and Environment Group General Fund fund balance. **(4 VOTES)**
37. Establish appropriations of \$690,850 in the Department of Public Works General Fund, Operating Transfer Out, due to additional SDG&E Franchise Fees received in Fiscal Year 2014-15 to provide funding to the Road Fund for road maintenance costs based on available prior year General Fund fund balance. **(4 VOTES)**
38. Establish appropriations of \$690,850 in the Department of Public Works Road Fund, Services and Supplies, for road maintenance costs based on an Operating Transfer In from the General Fund. **(4 VOTES)**
39. Amend the Fiscal Year 2015-16 Airport Enterprise Fund Spending Plan by transferring \$677,500 from Fallbrook Airpark Runway Safety Area Improvements project to Agua Caliente Springs Airport Runway Rehabilitation project (\$154,000) and Jacumba Airport Runway Rehabilitation project (\$523,500).
40. Establish appropriations of \$250,000 in the Department of Public Works General Fund, Services and Supplies, for consultant services for a Total Maximum Daily Load (TMDL) cost benefit analysis based on available prior year Land Use and Environment Group General Fund fund balance. **(4 VOTES)**
41. Establish appropriations of \$354,299 in the Department of Public Works General Fund, Operating Transfer Out, for consultant services to prepare a Zero Waste Plan based on available prior year Land Use and Environment Group General Fund fund balance. **(4 VOTES)**
42. Establish appropriations of \$354,299 in the Department of Public Works Waste Planning and Recycling Fund, Services and Supplies, for consultant services based on an Operating Transfer In from the General Fund. **(4 VOTES)**
43. Establish appropriations of \$330,692 in the Land Use and Environment Group Executive Office, Services and Supplies, for emergency costs related to the recent Ramona Flood based on available prior year General Fund fund balance. **(4 VOTES)**
44. Amend the Fiscal Year 2015-16 Airport Enterprise Fund Spending Plan by \$173,498, to record the receipt of the Successor Agency loan payment for the Gillespie Field project based on an Operating Transfer In from the San Diego County Successor Agency Redevelopment Obligation Retirement Fund.

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45. Establish appropriations of \$43,374 in the County of San Diego Low to Moderate Income Housing Asset Fund, Services and Supplies to record the receipt of the Successor Agency loan payment for the Gillespie Field project based on an Operating Transfer In from the San Diego County Successor Agency Redevelopment Obligation Retirement Fund. **(4 VOTES)**
46. Establish appropriations of \$200,000 in Board of Supervisors District 1, Services and Supplies, for one-time expenses based on available prior year Finance and General Government Group General Fund fund balance. **(4 VOTES)**
47. Establish appropriations of \$200,000 in Board of Supervisors District 2, Services and Supplies, for one-time expenses based on available prior year Finance and General Government Group General Fund fund balance. **(4 VOTES)**
48. Establish appropriations of \$200,000 in Board of Supervisors District 3, Services and Supplies, for one-time expenses based on available prior year Finance and General Government Group General Fund fund balance. **(4 VOTES)**
49. Establish appropriations of \$200,000 in Board of Supervisors District 4, Services and Supplies, for one-time expenses based on available prior year Finance and General Government Group General Fund fund balance. **(4 VOTES)**
50. Establish appropriations of \$200,000 in Board of Supervisors District 5, Services and Supplies, for one-time expenses based on available prior year Finance and General Government Group General Fund fund balance. **(4 VOTES)**
51. Ratify the transfer of appropriation of \$12,871 within the Fiscal Year 2014-15 Edgemoor Development Fund, from Services and Supplies to Operating Transfer Out for increased expenditures in administrative costs.

**Fiscal Impact**

Funds for a portion of these requests are not included in the Fiscal Year 2015-16 Operational Plan. If approved, this action will result in a net increase in appropriations of \$4,055,777 in the General Fund. The funding sources include Operating Transfers In from the General Fund, Sheriff's Asset Forfeiture Fund, Cal-ID, San Diego/Imperial Valley Southwest Border HIDTA, Organized Crime Drug Enforcement Task Force, Indian Gaming Local Community Benefit Committee (IGLCBC) grant, Regional Communications System Trust Fund, Mental Health Services Act Trust Fund, Department of Parks and Recreation Trust Fund, and available prior year Public Safety Group fund balance, Land Use and Environment Group fund balance, and General Fund fund balance.

In all other funds combined, these actions will result in a net increase in appropriations of \$4,849,152. The funding sources are Operating Transfers, available prior year fund balance, and

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miscellaneous other sources.

**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 operations is \$108.2 million. This projected one-time resource is a combination of anticipated year-end General Purpose Revenue (GPR) above budget by \$18.8 million along with a net positive variance of \$45.9 million from operations and a positive variance of \$43.5 million in unspent contingency and management reserves. The projected \$18.8 million in anticipated GPR is primarily due to better than expected property tax revenue resulting from an increase in assessed value (AV); increased pass throughs and estimated residual balance.

The projected balance for all other funds combined is \$23.8 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 \$108.2 million is based on the estimate that expenditures will be approximately \$155.2 million less than the Fiscal Year 2015-16 Amended Budget and revenues will be a net \$47.0 million less than the Fiscal Year 2015-16 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:

- \$37.2 million in positive salary and benefit appropriation variance, in all groups due to staff turnover and department management of vacancies.
- \$23.5 million in net positive appropriation variance in Services and Supplies across the County in all groups.
  - In the Public Safety Group (PSG), projected overall positive variance of \$1.4 million is associated with overall reduced operational costs in Department of Child Support Services and Public Defender; in the Office of Emergency Services related to the Call When Needed Program. The negative variance in Probation Department is due to increased costs in Contracted Services utilization of interpreters, and major maintenance for facility repairs.
  - In Health and Human Services Agency (HHSA), projected overall positive variance of \$19.1 million resulted from various contracted services in Aging and Independence Services, Behavioral Health Services and Regional Operations and



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in Administrative Support for appropriations set-aside in case of emergency that are not anticipated to be spent.

- In the Land Use and Environment Group (LUEG), projected positive variance of \$0.4 million is largely due to lower than expected operational expenses in Environmental Health.
- In the Community Services Group (CSG), projected positive variance of \$0.9 million is attributable largely to Housing and Community Development (HCD) due to multi-year projects.
- In Finance and General Government (FGG), projected positive variances of \$1.7 million are mainly the result of increased efficiencies in operations associated with implementation of Recording Phase of Acclaim and e-Recording in Assessor/Recorder/ County Clerk and lower contracted services in various departments.
- A net positive appropriation variance of \$52.3 million in Other Charges reflects primarily variances in HHS, Finance Other and in CSG. In HHS, the positive variance of \$48.7 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 the adoptions and foster care assistance programs. In Finance Other, the positive variance of \$2.7 million is due to tax and revenue anticipation note (TRAN) borrowing costs that will not be incurred. In CSG, the positive variance of \$1.2 million is projected in HCD due to lower than anticipated expenditures on multi-year projects.
- \$21.7 million in contingency reserves that are projected to be unspent at year-end.
- \$21.8 million in management reserves in HHS (\$20.0 million) and in CSG (\$1.8 million) that are projected to be unspent at year-end.

The projected under realized revenue of \$47.0 million includes positive variances totaling \$14.4 million and negative variances of \$61.4 million. The positive revenue variance of \$14.4 million is expected in the following categories: Taxes Current Property (\$6.9 million); Taxes Other Than Current Secured (\$6.2 million) due to increase in assessed value; Miscellaneous Revenues (\$1.0 million) and Licenses, Permits and Franchises (\$0.3 million). The negative variance is largely in Intergovernmental Revenue (\$58.1 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 (\$0.5 million) mainly due to decrease in various revenues in Assessor/Recorder/County Clerk, less than anticipated collection of fines and fees in the Probation Department, expenditure savings related to staff vacancies in the Planning and Development Services; and in Revenue From Use of Money & Property (\$2.5 million) primarily due to the expiration of the lease with the Correction Corporation of America (CCA) at the East Mesa Detention Facility Complex.

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

**Fiscal Year 2015-16 Budget Adjustments**

The recommendations for budget adjustments are explained as follows:

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**Recommendations 2 & 3**

These requests will establish appropriations of \$325,552 in the Sheriff's Department based on an operating transfer from the Sheriff's Asset Forfeiture Fund. The funds were used for overtime costs (\$15,552) associated with the Hall of Champions Juvenile Camp held on July 23 and 24, 2015, and will be used for investigative expenses (\$310,000).

**Recommendations 4 - 6**

These requests will establish appropriations of \$331,583 in the Sheriff's Asset Forfeiture Fund, Operating Transfers Out, based on available prior year fund balance, for transfer to two new Asset Forfeiture funds: Sheriff's Asset Forfeiture US Treasury Fund (\$198,067) and Sheriff's Asset Forfeiture State Fund (\$133,516). The new funds were created due to Asset Forfeiture policy requirements not to commingle Asset Forfeiture funds from the US Department of Justice, the US Treasury Department and State Asset Forfeiture funds.

**Recommendation 7**

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. On May 20, 2015, the San Diego/Imperial Valley Southwest Border HIDTA Executive Board approved additional funding for the Sheriff's Department for training (\$10,000), investigative expenses (\$35,000), and equipment (\$40,000). This request will establish appropriations of \$85,000 in the Sheriff's Department based on unanticipated HIDTA revenue.

**Recommendation 8**

The Sheriff's Department contracts with nine incorporated cities within the county to provide law enforcement services. The contract includes an amount for supplies and equipment for the various stations and substations in these cities. This request will re-establish appropriations of \$87,416, Services and Supplies based on available prior year Public Safety Group fund balance in the Sheriff's Department due to these funds not being spent in Fiscal Year 2014-15.

**Recommendation 9**

On March 19, 2013 (1), the Board authorized the Sheriff's Department to accept Organized Crime Drug Enforcement Task Force (OCDETF) funding. In June 2015, the Sheriff's Department was notified of the approval to fund \$120,000 for investigative expenses associated with the involvement of the Sheriff's Narcotics Task Force in OCDETF cases. This request will establish appropriations of \$120,000 in the Sheriff's Department based on unanticipated OCDETF revenue passed through the Federal Bureau of Investigation.

**Recommendation 10**

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 2014-15 IGLCBC award was not spent in Fiscal Year 2014-15, and the project program was extended to June 30, 2016. This request will re-establish appropriations of \$74,055 in the Sheriff's Department based on Fiscal Year 2014-15 IGLCBC grant revenue.

**Recommendation 11**

On August 6, 2015, the Regional Communication System (RCS) Board approved the use of

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funds from the RCS Trust Fund for the procurement of a new transportable tower to be used for remote deployment in the event of a power failure throughout the San Diego County region. This request will establish appropriations of \$90,000 in the Sheriff's Department based on revenue from the RCS Trust Fund.

**Recommendation 12**

This request will cancel \$4,332,775 of appropriations and related revenue in the Sheriff's Department based on the following funding sources:

Funding Source	Amount to be Canceled
Cal-ID Equipment Replacement/System Enhancement Trust Fund	\$130,544
Board of State and Community Corrections passed through the City of San Diego – for front line law enforcement activities	\$474,447
Board of State and Community Corrections - Standards and Training for Corrections	\$15,950
Board of State and Community Corrections passed through the City of Vista - California Gang Reduction Intervention and Prevention (CalGRIP) grant program	\$13,305
U.S. Department of Justice - 2014 DNA Capacity Enhancement and Backlog Reduction Program	\$129,740
U.S. Department of Homeland Security - Fiscal Year 2014 State Homeland Security Program grant	\$46,055
U.S. Department of Homeland Security - Fiscal Year 2014 Operation Stonegarden grant	\$3,482,126
State of California Local Revenue Fund 2011 Community Corrections Subaccount	\$40,608
<b>TOTAL</b>	<b>\$4,332,775</b>

These adjustments will reflect adjustments in funding sources identified subsequent to the adoption of the budget and/or amounts that were accounted for in the Fiscal Year 2014-15 year end closing process.

**Recommendations 13 & 14**

These requests will transfer appropriations of \$129,140 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 three vehicles. The Fleet ISF facilitates the procurement, standardization, maintenance, and overall quality control of County vehicles.

**Recommendation 15**

This request will establish appropriations of \$50,000 in the Office of Emergency Services (OES) for a design consultant to develop the scope of work and needs assessment for the second phase of the Emergency Operations Center (EOC) remodel. The second phase of the remodel will enhance the functionality of the EOC with an improved layout and upgraded information technology systems including the audio/visual system.

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**Recommendation 16**

This request will establish appropriations of \$850,000 for a generator replacement, facility upgrades and maintenance at Camp Barrett. In August 2015, the Probation Department closed the Juvenile Ranch Facility in Campo and consolidated camp operations at Camp Barrett. These funds will be used for major maintenance projects related to the camp consolidation including renovate existing bathroom facilities, add additional restrooms, remodel dorms and expand current laundry facilities along with purchasing a replacement generator.

**Recommendation 17**

On March 17, 2015 (2), the Board authorized the Probation Department to accept \$950,000 for the July 1, 2015 to June 30, 2018 Juvenile Mentally Ill Offender Crime Reduction (MIOCR) Program grant. This request will establish appropriations of \$304,488 in the Probation Department based on unanticipated revenue from the Board of State and Community Corrections (BSCC) (\$239,715) and available prior year Public Safety Group General Fund fund balance (\$64,773). The funds will be used to expand screening, assessment and treatment of mentally ill juvenile offenders who have experienced childhood trauma.

**Recommendations 18 & 19**

These requests will transfer appropriations of \$15,000 from the Probation Department to the General Fund Contributions to Fleet ISF and amend the Department of General Services Fleet Services ISF for the purchase of a trailer. The Emergency Vehicle Operator Course (EVOC) is a driver training program that provides sworn officers with the special driving skills required to operate a vehicle under demanding conditions. Instruction includes driving on a specifically laid-out course. The equipment required for this course will be stored and transported in a mobile trailer. Appropriations are transferred from departmental budgets to the Fleet ISF in order to facilitate the procurement, standardization, maintenance, and overall quality control.

**Recommendation 20**

This request will establish appropriations of \$850,700 in the San Diego County Fire Authority to fund one-time fire service activities including a temporary fire station at San Pasqual, to purchase apparatuses to support fire services in County Service Area 135 (De Luz and Mount Laguna), and vehicles for fire prevention inspections based on available prior year Public Safety Group General Fund fund balance.

**Recommendation 21**

In recent years the number of seizures processed through the State Asset Forfeiture (SAF) program has been relatively low. Appropriations have been budgeted under \$20,000 since 2011. In Fiscal Year 2014-15 there were unanticipated expenses supporting services and supplies expenditures for community based crime prevention activities. This recommendation will ratify appropriations of \$42,500 within the District Attorney's State Asset Forfeiture Fund for Fiscal Year 2014-15. This adjustment of \$42,500 aligned the appropriations with expenditures at the end of the fiscal year.

**Recommendations 22-24**

On April 7, 2015 (09), the Board of Supervisors approved the Capital Improvement Needs

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Assessment (CINA) Program summarizing County of San Diego needs and projects for Fiscal Years 2015-2020. One of the projects included in the CINA Program is for the redevelopment of existing North Coastal property to replace various old and undersized facilities, consolidate services and develop a new mental health day center, Family Resource Center, Public Health Clinic and Veterans Services Center. Today's recommendations will establish appropriations of \$2,500,000 in the Capital Outlay Fund for Capital Project 1019560, HHS North Coastal Facility. The funding source is an Operating Transfer In from the General Fund.

**Recommendation 25**

Pursuant to 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 used to purchase additional lands within the county that meet the criteria set forth in the Mitigation Policy. The Department of Public Works has purchased 3.38 acres of habitat mitigation at Wilderness Gardens Preserve and 8.04 acres at Lawrence and Barbara Daley Preserve. This recommendation will establish appropriations of \$254,562 from the sales of mitigation credits in the Capital Multiple Species Conservation Program (MSCP) Fund.

**Recommendation 26**

This recommendation will establish appropriations of \$300,000 in the Department of Parks and Recreation (DPR) for an ADA Transition Plan (\$100,000) and a Parks Master Plan (\$200,000). DPR will hire a consultant to assist with the preparation of an ADA Transition Plan which will include: an evaluation of DPR's highest priority park sites, and a prioritized plan to remove existing barriers to access. DPR will also hire a consultant for a Parks Master Plan to assist in identifying and evaluating deficiencies in park and recreations areas, assess placement for additional parks, provide standards for park amenities, integrate best practices, provide a toolkit for developers to use when proposing new development projects, and prepare criteria for siting, design, construction, maintenance, operation, management, and financing. Funding is based on available prior year Land Use and Environment Group fund balance.

**Recommendation 27**

This recommendation will establish appropriations of \$145,000 in the Park Land Dedication Ordinance Area 28 Ramona Fund based on available prior year fund balance to fund the design of three projects located at Wellfield Park, part of the larger Ramona Community Park. The projects at Wellfield Park are the Kiwanis Wellfield Recreation Area to include a youth soccer field, Ramona Soccer League Field Expansion, and Girls Softball LED Scoreboards.

**Recommendation 28**

The Department of Parks and Recreation (DPR) has a Memorandum of Understanding with the Sheriff's department for the use of land within the Volcan Mountain Preserve related to the 800MHZ system for 20 years. Rental income of \$500 per month is deposited into the DPR Trust Fund and restricted for use within the Volcan Mountain Preserve. This recommendation will establish appropriations of \$125,500 in the Department of Parks and Recreation for the repair of two miles of access road through the Volcan Mountain Preserve based of unanticipated revenue from the Department of Parks and Recreation trust fund. Volcan Mountain Preserve access road requires maintenance due to damage caused by heavy equipment usage.

**SUBJECT: FISCAL YEAR 2015-16 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

**Recommendation 29**

On December 3, 2012, the United States District Court awarded the County of San Diego \$2,524,161 in settlement funds related for condemned lands as a result of the Border Fence Project. These funds were deposited into the Parks and Recreation trust fund and are restricted for use within the Tijuana River Valley Regional Park trail system. This recommendation will establish the remaining settlement funds of \$24,160.88 in Capital Project 1018196, Tijuana Regional Trails Construction for unanticipated increase in environmental and mitigation costs.

**Recommendations 30 & 31**

These recommendations will cancel appropriations of \$143,898.38 and related Operating Transfer In from the General Fund in the Capital Multiple Species Conservation Program (MSCP) Fund and transfer these appropriations to the Department of Parks and Recreation for pre-acquisition costs of \$17,173.24 related to property that was not acquired, and a total of \$126,725.14 for one-time land protection costs such as: vegetation management, boundary survey, access, and erosion control for the following properties: Mt. Olympus Oswald (\$33,856.19), Family Stations (\$35,374.80), Volcan Lichty (\$42,240.85), and San Luis Rey Vessels (\$15,253.30). 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.

**Recommendations 32 & 33**

On January 8, 2014 (4), appropriations of \$361,000 were established for Capital Project 1018723, Sweetwater Loop Trail Segment 4 Reroute based on settlement funds related to State Route 125 as compensation to provide substitute park land in lieu of Caltrans acquiring property and transferring it to the County. Sweetwater Loop Trail Segment 4 Reroute project is now complete with appropriations of \$77,436.10 remaining. These recommendations will cancel appropriations of \$77,436.10 in Capital Project 1018723, Sweetwater Loop Trail Segment 4 Reroute and provide additional funds for construction modifications including the installation of a pedestrian/bicycle bridge for Capital Project 1014849, Sweetwater Equestrian Center Phase III.

**Recommendations 34 & 35**

On February 9, 2011 (3), appropriations of \$60,000 were established for Capital Project 1015196, Rancho Guajome Adobe Volunteer Pad based on Land Use and Environment Group fund balance. Additional appropriations of \$175,000 were established on March 3, 2015 (15), based on an Operating Transfer In from the General Fund, for a total of \$235,000 for the project. The project is now complete with remaining appropriations of \$48,843.89 based on General Fund funding. These recommendations will cancel appropriations of \$48,843.89 in Capital Project 1015196, Rancho Guajome Adobe Volunteer Pad and provide additional funding for necessary ADA access grading modifications related to Capital Project 1018183, Guajome Regional Park Playground Improvements.

**Recommendation 36**

The Department of Planning and Development (PDS) Services Building Reserve Commitment (Commitment) was established in 1984 to stabilize fluctuations in workload, revenue and cost for processing building permits. At the close of each fiscal year, actual cost and revenue are used to calculate the amount to be placed into or withdrawn from the Commitment. For Fiscal Year

**SUBJECT: FISCAL YEAR 2015-16 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

2014-15, the excess revenue equaled \$383,650. This request will increase the Commitment by \$383,650 based on available prior year Land Use and Environment Group General Fund fund balance. If approved, the total amount in the PDS Building Reserve Commitment will be \$1,436,714.

**Recommendations 37 & 38**

Annually in April, the County receives franchise fee payments of approximately \$5.0 million from SDG&E for their use of public highways, streets and roads. In April 2015, the SDG&E Franchise Fee payment received was \$5,690,850, which is \$690,850 more than originally anticipated in the Fiscal Year 2015-16 Operational Plan. This request will appropriate the additional amount received for road maintenance work in the Department of Public Works Road Fund.

**Recommendation 39**

In prior fiscal years, a total of \$3,030,116 was budgeted in the Airport Enterprise Fund Spending Plan for the Fallbrook Airpark Runway Safety Area Improvements project (Fallbrook project). After review and feedback from the Federal Aviation Administration (FAA) the environmental needs, project scope and scheduling for the Fallbrook project were amended. This resulted in excess appropriations of \$677,500 for the Fallbrook project not needed this fiscal year. The Department of Public Works will return to the Board in future fiscal years for approval of appropriations to the Fallbrook project design and construction after FAA approval. This request amends the Fiscal Year 2015-16 Airport Enterprise Fund Spending Plan by transferring appropriations of \$677,500 from the Fallbrook Airpark Runway Safety Area Improvements Project to the Agua Caliente Springs Airport Runway Rehabilitation project (\$154,000) and the Jacumba Airport Runway Rehabilitation project (\$523,500) due to additional construction costs. After the transfer, sufficient funding will remain in the Fallbrook Airpark Runway Safety Area Improvement project to complete the design and environmental review for the project.

**Recommendation 40**

On May 8, 2013, the San Diego Regional Water Quality Control Board (Regional Board) adopted a Municipal Stormwater Permit that includes compliance with a Bacteria Total Maximum Daily Load (TMDL) which requires significant reductions in bacterial levels. Throughout the TMDL development process, the County and other public agencies requested that the financial costs of achieving TMDL compliance be considered. This year, the Regional Board adopted a prioritized list that identified a project to “seek a third party cost benefit analysis regarding ... the infeasibility of meeting wet weather TMDL water quality objectives for bacteria ...” The County and other partners, including the County of Orange and other San Diego County cities, have agreed to fund the third party cost-benefit analysis to ensure its timely completion and so that its results may inform the “reopener” of the TMDL planned for late 2017. This recommendation will establish appropriations of \$250,000 in the Department of Public Works, General Fund for its contribution toward the study, based on available prior year Land Use and Environment Group General Fund fund balance.

**Recommendations 41 & 42**

On January 27, 2015 (9), the Board of Supervisors directed the Chief Administrative Officer to evaluate the County’s strides towards reducing waste and to collaborate with industry to develop

**SUBJECT: FISCAL YEAR 2015-16 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

a scope, timeline, staffing, cost and funding for preparing a Zero Waste Plan that includes extensive education and additional resources and tools that will ensure County employees, residents and partners understand the County's goal of achieving increased diversion rates. Today's recommendation will establish appropriations of \$354,299 in the Waste Planning and Recycling Fund, to fund a consultant to prepare a Zero Waste Plan, based on available prior year Land Use and Environment Group General Fund fund balance.

**Recommendation 43**

On July 18 and 19, 2015, the community of Ramona sustained heavy rain which resulted in flash flooding and mudslides to the community. Local Area Centers were established to aid flood victims and County road crews worked to clear Ramona area roads impacted by the flooding. Dumpsters were provided to the community for disposal of flood-related debris at three Ramona locations. The County contracted with a debris removal service provider for the collection and disposal of the debris and security was engaged at the sites to ensure only non-hazardous construction, demolition and household materials were disposed of at the dumpsters. This recommendation will establish appropriations of \$330,692 in the Land Use and Environment Group Executive office for emergency costs incurred, for the collection and disposal of flood debris and security contract costs, related to the recent Ramona Flood based on available prior year General Fund fund balance.

**Recommendations 44 & 45**

In December 2014, the California State Department of Finance approved the reinstatement of a loan agreement between the former County of San Diego Redevelopment Agency and the Airport Enterprise Fund for development of property near Gillespie Field in El Cajon, to be funded from distributions from the Redevelopment Property Tax Trust Fund (RPTTF). The first annual installment of \$216,872 was scheduled for Fiscal Year 2014-15, and in accordance with Health & Safety Code requirements, was to be split between the Airport Enterprise Fund (80%) and the County of San Diego's Low to Moderate Income Housing Asset Fund (20%). Although funds were transferred to the San Diego County Successor Agency Redevelopment Obligation Retirement Fund to make the authorized payment, the final transfer to the recipient funds was not made prior to the end of Fiscal Year 2014-15, so staff have obtained approval from the County of San Diego Successor Agency on September 15, 2015 (SR1) and its Oversight Board on September 22, 2015 to make the final transfer in Fiscal Year 2015-16. These recommendations will amend the Fiscal Year 2015-16 Airport Enterprise Fund spending plan for receipt of the 80% share of the payment (\$173,498) and establish appropriations in the County of San Diego Low to Moderate Income Housing Asset Fund for the receipt of the 20% share of the payment of (\$43,374).

**Recommendations 46 - 50**

These recommendations will establish appropriations of \$1,000,000 based on prior year savings to provide funding for one-time needs in the Board of Supervisors' offices for various Services and Supplies costs. Funding is based on available prior year Finance and General Government Group General Fund fund balance.

**Recommendation 51**

In Fiscal Year 2014-15 there were additional administrative expenses attributable to the 2005



**SUBJECT: FISCAL YEAR 2015-16 FIRST QUARTER OPERATIONAL PLAN STATUS  
REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

and 2006 Edgemoor-related certificates of participation. This recommendation will ratify the transfer of appropriations of \$12,871 within the Fiscal Year 2014-15 Edgemoor Development Fund for these expenses.

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

Today's proposed actions support the Strategic Initiatives of Safe Communities, Sustainable Environments, Healthy Families, and Operational Excellence in the County of San Diego's 2015-2020 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)  
Schedule A and B  
Notes to Schedules A and B

**SUBJECT:** FISCAL YEAR 2015-16 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 4, 2015 (14), County of San Diego Fiscal Year 2015-16 Adopted Budget Resolution for County Family of Funds, Enterprise Funds and Internal Service Funds, and Prior Year Encumbrances

**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):**

Tracy M. Sandoval, Deputy Chief  
Administrative Officer/Auditor & Controller  
Name  
(619) 531-5413  
Phone  
Tracy.Sandoval@sdcounty.ca.gov  
E-mail

Ebony N. Shelton, Director, Office of Financial  
Planning  
Name  
619) 531-5175  
Phone  
Ebony.Shelton@sdcounty.ca.gov  
E-mail



**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 15, 2015

**AP01**

**TO:** Air Pollution Control Board

**SUBJECT:** FISCAL YEAR 2015-16 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**

1. Establish appropriations of \$200,000 in the Air Pollution Control District, Services and Supplies (\$150,000) and Fixed Assets (\$50,000), for costs related to relocation of the air quality monitoring stations in Escondido and downtown San Diego based on available prior year fund balance. **(4 VOTES)**
2. Establish appropriations of \$25,000 in the Air Quality Proposition 1B Goods Movement Emissions Reduction Program Fund, Other Charges, for mobile source emissions incentive projects based on available prior year fund balance. **(4 VOTES)**

**Fiscal Impact**

If approved, this request will appropriate of \$225,000 of available prior year fund balance. There will be no additional staff years.

**Business Impact Statement**

N/A

**Advisory Board Statement**

N/A

**Background**

**Recommendation 1**

This request will establish appropriations of \$200,000 in the Air Pollution Control District based on available prior year fund balance. Funds in the amount of \$150,000 (Services and Supplies) will be used for the demolition and disposal of the old air quality monitoring stations at both the Escondido and downtown San Diego locations, and for the cost of materials and labor for

**SUBJECT: FISCAL YEAR 2015-16 FIRST QUARTER  
OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS  
(DISTRICTS: ALL)**

electrical wiring and equipment deck installation for the new sites. Funds in the amount of \$50,000 (Fixed Assets) will be used to purchase new trailers to be placed at different sites within the same geographical area. The site relocations of the Escondido and downtown San Diego air monitoring stations were due to unanticipated requests by the property owner to vacate the premises.

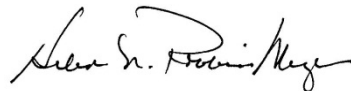
**Recommendation 2**

This request will establish appropriations of \$25,000 in the Air Quality Proposition 1B Goods Movement Emissions Reduction Program Fund, Other Charges, for mobile source emissions incentive project costs based on available prior year fund balance.

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

Today's proposed actions support the Strategic Initiatives of Safe Communities, Sustainable Environments, Healthy Families and Operational Excellence in the County of San Diego's 2015-2020 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 201 FISCAL YEAR 2015-16 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 4, 2015 (AP01) Adoption of the Fiscal Year 2015-16 Budget for the Air Pollution Control District

**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):**

Tracy M. Sandoval, Deputy Chief  
Administrative Officer/Auditor & Controller  

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Name  
(619) 531-5413  

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Phone  
Tracy.Sandoval@sdcounty.ca.gov  

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E-mail

Ebony N. Shelton, Director, Office of Financial  
Planning  

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Name  
(619) 531-5175  

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Phone  
Ebony.Shelton@sdcounty.ca.gov  

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E-mail



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 15, 2015

**SR01**

**TO:** Board of Directors

**SUBJECT:** FISCAL YEAR 2015-16 FIRST QUARTER OPERATIONAL PLAN STATUS  
REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

**Overview**

This report recommends budget adjustments to the Successor Agency Funds.

**Recommendation(s)**

**CHIEF ADMINISTRATIVE OFFICER**

Establish appropriations of \$216,872 in the San Diego County Successor Agency Redevelopment Obligation Retirement Fund, Operating Transfer Out, to provide funding for repayment of a reinstated loan agreement between the former redevelopment agency and the Airport Enterprise Fund based on available prior year fund balance. **(4 VOTES)**

**Fiscal Impact**

Funds for this request are not included in the Fiscal Year 2015-16 Operational Plan for the San Diego County Successor Agency Redevelopment Obligation Retirement Fund. If approved, this request will result in current year costs of \$216,872. The funding source is available prior year fund balance in the San Diego County Successor Agency Redevelopment Obligation Retirement Fund. There will be no change in net General Fund costs and no additional staff years.

**Business Impact Statement**

N/A

**Advisory Board Statement**

N/A

**Background**

In December 2014, the California State Department of Finance approved the reinstatement of a loan agreement between the former County of San Diego Redevelopment Agency and the Airport Enterprise Fund for development of property near Gillespie Field in El Cajon, to be

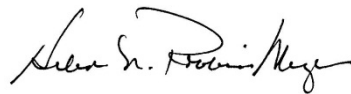
**SUBJECT: FISCAL YEAR 2015-16 FIRST QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

funded from distributions from the Redevelopment Property Tax Trust Fund (RPTTF). The first annual installment of \$216,872 was scheduled for Fiscal Year 2014-15, and in accordance with Health & Safety Code requirements, was to be split between the Airport Enterprise Fund (80%) and the County of San Diego's Low to Moderate Income Housing Asset Fund (20%). Although funds were transferred to the San Diego County Successor Agency Redevelopment Obligation Retirement Fund to make the authorized payment, the final transfer to the recipient funds was not made prior to the end of Fiscal Year 2014-15, so staff obtained approval from the County of San Diego Successor Agency on September 15, 2015 (SR1) and its Oversight Board on September 22, 2015 to make the final transfer in Fiscal Year 2015-16.

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

Today's proposed actions support the Strategic Initiatives of Safe Communities, Sustainable Environments, Healthy Families and Operational Excellence in the County of San Diego's 2015-2020 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 2015-16 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 4, 2015 (SR01) Adoption of the Fiscal Year 2015-16 Budget for the County Successor Agency of the County of San Diego

**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):**

Tracy M. Sandoval, Deputy Chief  
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Name

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E-mail

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**FY 2015-2016 1st Quarter  
Projected Year-End Results**  
(in thousands)

**COUNTY SUMMARY**

	<b>Expenditure Variance</b>	<b>Revenue Variance</b>	<b>1st Quarter FY15-16 Projected Fund Balance</b>
	<b>Favorable/(Unfavorable)</b>		
<b>General Fund</b>			
Public Safety	\$ 20,708	\$ (3,384)	\$ 17,324
Health & Human Services Agency	96,685	(58,814)	37,871
Land Use & Environment	4,755	(1,095)	3,660
Community Services	4,061	(1,924)	2,137
Finance & General Government	4,538	(608)	3,930
<b>Total Agency/Group</b>	<b>130,747</b>	<b>(65,826)</b>	<b>64,921</b>
General Purpose Revenue	0	18,824	18,824
Finance Other	24,424	0	24,424
<b>Total General Fund</b>	<b>\$ 155,171</b>	<b>\$ (47,002)</b>	<b>\$ 108,170</b>
<b>Special Revenue Funds</b>			
Public Safety	\$ 545	\$ 6,858	\$ 7,403
Health & Human Services Agency	6,600	(700)	5,900
Land Use & Environment	2,531	1,222	3,753
Community Services	1,695	(263)	1,433
<b>Total Special Revenue Funds</b>	<b>\$ 11,371</b>	<b>\$ 7,117</b>	<b>\$ 18,488</b>
<b>Capital Program</b>			
Finance Other	\$ 471	\$ (205)	\$ 265
<b>Internal Service Funds Departments</b>			
Public Safety Group	\$ 0	\$ 0	\$ 0
Health & Human Services Agency	0	0	0
Land Use & Environment	0	238	238
Community Services	14,176	(12,756)	1,420
Finance & General Government	0	0	0
Finance Other	686	0	686
<b>Total Internal Service Funds</b>	<b>\$ 14,862</b>	<b>\$ (12,519)</b>	<b>\$ 2,343</b>
<b>Enterprise Fund Departments</b>			
Land Use & Environment	\$ 1,402	\$ (157)	\$ 1,245
Sheriff	0	0	0
<b>Total Enterprise Funds</b>	<b>\$ 1,402</b>	<b>\$ (157)</b>	<b>\$ 1,245</b>
<b>Special District Funds Departments</b>			
Public Safety Group	\$ 9	\$ 0	\$ 9
Health & Human Services Agency	75	82	158
Land Use & Environment	2,660	(1,430)	1,230
<b>Total Special District Funds</b>	<b>\$ 2,745</b>	<b>\$ (1,348)</b>	<b>\$ 1,397</b>
<b>Other County Funds Departments</b>			
Community Svcs. - Red./Redev. Successor Agency	\$ 63	43	106
<b>Total Other County Funds</b>	<b>\$ 63</b>	<b>\$ 43</b>	<b>\$ 106</b>
Debt Service - Pension Obligation Bonds	\$ 0	\$ 0	\$ 0
<b>Total County Projected Operating Balance</b>	<b>\$ 186,085</b>	<b>\$ (54,070)</b>	<b>\$ 132,016</b>

**FY 2015-2016 1st Quarter  
Projected Year-End Results**  
(in thousands)

**PUBLIC SAFETY GROUP**

Expenditure Variance	Revenue Variance	1st Quarter FY15-16 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund Departments**

Child Support	\$ 4,515	\$ (1,485)	\$ 3,030
Contributions for Trial Courts	0	0	0
District Attorney	5,246	0	5,246
Emergency Services	653	(95)	558
Law Enforcement Review Board	0	0	0
Medical Examiner	207	0	207
Probation	369	(369)	0
Public Defender	955	8	963
Public Safety Executive Office	0	0	0
San Diego County Fire Authority	84	0	84
Sheriff	8,678	(1,443)	7,235
<b>Total General Fund</b>	<b>\$ 20,708</b>	<b>\$ (3,384)</b>	<b>\$ 17,324</b>

**Special Revenue Funds Departments**

District Attorney (Asset Forfeiture - State & Federal)	\$ 0	\$ 0	\$ 0
Probation - Asset Forfeiture	0	105	105
Probation - Inmate Welfare Program	0	0	0
Sheriff - Asset Forfeiture	0	0	0
Sheriff - Inmate Welfare Program	545	626	1,171
Criminal Justice Facility	0	0	0
Courthouse	0	0	0
Penalty Assessment	0	0	0
Public Safety - Proposition 172	0	6,127	6,127
<b>Total Special Revenue Funds</b>	<b>\$ 545</b>	<b>\$ 6,858</b>	<b>\$ 7,403</b>

**Internal Service Funds Departments**

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

**Special District Funds**

Sheriff (Regional 800 MHz)	\$ 0	\$ 0	\$ 0
County Service Area	9	0	9
<b>Total Special District Funds</b>	<b>\$ 9</b>	<b>\$ -</b>	<b>\$ 9</b>

**Enterprise Funds**

Sheriff	\$ 0	\$ 0	\$ 0
<b>Total Enterprise Funds</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Total Public Safety Group**

<b>Total Public Safety Group</b>	<b>\$ 21,262</b>	<b>\$ 3,473</b>	<b>\$ 24,736</b>
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**FY 2015-2016 1st Quarter  
Projected Year-End Results**

(in thousands)

**HEALTH & HUMAN SERVICES AGENCY**

Expenditure Variance	Revenue Variance	1st Quarter FY15-16 Projected Fund Balance
<b>Favorable/(Unfavorable)</b>		

**General Fund Programs**

Administrative Support	\$ 24,496	\$ (1,631)	\$ 22,865
Aging & Independence Services	5,887	(4,905)	981
Behavioral Health Services	9,181	(8,368)	813
Child Welfare Services	19,623	(15,217)	4,406
Public Health Services	2,843	751	3,594
Regional Operations	34,655	(29,444)	5,212
<b>Total General Fund</b>	<b>\$ 96,685</b>	<b>\$ (58,814)</b>	<b>\$ 37,871</b>

**Special Revenue Funds**

Tobacco Securitization Fund	\$ 6,600	\$ (700)	\$ 5,900
<b>Total Special Revenue Funds</b>	<b>\$ 6,600</b>	<b>\$ (700)</b>	<b>\$ 5,900</b>

**Internal Service Funds**

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

Ambulance Districts	\$ 75	\$ 82	\$ 158
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<b>Total Health &amp; Human Services Agency</b>	<b>\$ 103,361</b>	<b>\$ (59,431)</b>	<b>\$ 43,929</b>
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**FY 2015-2016 1st Quarter  
Projected Year-End Results**

(in thousands)

**LAND USE & ENVIRONMENT GROUP**

Expenditure Variance	Revenue Variance	1st Quarter FY15-16 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund Departments**

Agriculture, Weights & Measures	\$ 1,161	\$ 236	\$ 1,397
Environmental Health	1,702	(334)	1,368
Land Use & Environment Group Exec Office	0	0	0
Parks & Recreation	1	117	118
Planning & Development Services	1,563	(787)	776
Public Works	327	(327)	0
<b>Total General Fund</b>	<b>\$ 4,755</b>	<b>\$ (1,095)</b>	<b>\$ 3,660</b>

**Special Revenue Funds Departments**

A, W & M (Grazing and Fish & Game Commission)	\$ 0	\$ 0	\$ 0
Parks & Recreation - PLDO	0	1,447	1,447
DPW - Aviation Funds	0	0	0
DPW - Road Fund	2,513	(208)	2,304
DPW - Inactive Waste	19	(17)	2
<b>Total Special Revenue Funds</b>	<b>\$ 2,531</b>	<b>\$ 1,222</b>	<b>\$ 3,753</b>

**Internal Service Funds Departments**

Public Works - DPW Equip. ISF Prg. (35525-35700)	\$ 0	\$ 238	\$ 238
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**Enterprise Funds Departments**

Airport Enterprise Fund	\$ 100	\$ 0	\$ 100
Wastewater Management Enterprise Fund	1,302	(157)	1,145
<b>Total Enterprise Funds:</b>	<b>\$ 1,402</b>	<b>\$ (157)</b>	<b>\$ 1,245</b>

**Special District Funds Departments**

Air Pollution Control District	\$ 1,496	\$ (1,496)	\$ 0
Parks and Recreation	108	46	154
DPW - SD County Sanitation District	124	3	126
DPW - Campo Water Sewer Maint District	5	15	20
DPW - CSAs	0	0	0
DPW - PRDs	0	0	0
DPW - Flood Control	750	2	751
DPW - Street Lighting Districts	178	0	178
<b>Total Special Districts Funds:</b>	<b>\$ 2,660</b>	<b>\$ (1,430)</b>	<b>\$ 1,230</b>

**Total Land Use & Environment Group**

	<b>\$ 11,349</b>	<b>\$ (1,223)</b>	<b>\$ 10,125</b>
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**FY 2015-2016 1st Quarter  
Projected Year-End Results**

(in thousands)

**COMMUNITY SERVICES GROUP**

Expenditure Variance	Revenue Variance	1st Quarter FY15-16 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund Departments**

Animal Services	\$ 174	\$ 152	\$ 326
Community Services Group Exec Office	1,750	0	1,750
General Services	0	0	0
Housing & Community Development	2,137	(2,076)	61
Purchasing & Contracting	0	0	0
Library Services	0	0	0
Registrar of Voters	0	0	0
<b>Total General Fund</b>	<b>\$ 4,061</b>	<b>\$ (1,924)</b>	<b>\$ 2,137</b>

**Special Revenue Funds Departments**

Library Services	\$ 1,695	\$ (263)	\$ 1,433
<b>Total Special Revenue Funds</b>	<b>\$ 1,695</b>	<b>\$ (263)</b>	<b>\$ 1,433</b>

**Internal Service Funds Departments**

Facilities Management	\$ 1,615	\$ (1,384)	\$ 231
Major Maintenance ISF	10,381	(10,381)	0
Fleet Management	1,606	(1,175)	431
Purchasing & Contracting	574	184	758
<b>Total Internal Service Funds</b>	<b>\$ 14,176</b>	<b>\$ (12,756)</b>	<b>\$ 1,420</b>

**Other County Funds Departments**

Red. Agency/Redevelopment Successor Agency	\$ 0	\$ 0	\$ 0
Housing & Community Development	63	43	106
<b>Total Other County Funds Departments</b>	<b>\$ 63</b>	<b>\$ 43</b>	<b>\$ 106</b>

<b>Total Community Services Group</b>	<b>\$ 19,995</b>	<b>\$ (14,900)</b>	<b>\$ 5,096</b>
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**FY 2015-2016 1st Quarter  
Projected Year-End Results**

(in thousands)

**FINANCE & GENERAL GOVERNMENT  
GROUP**

Expenditure Variance	Revenue Variance	1st Quarter FY15-16 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund Departments**

Assessor/Recorder/County Clerk	\$ 2,496	\$ (614)	\$ 1,882
Auditor & Controller	328	(83)	244
Board of Supervisors	80	0	80
Chief Administrative Office	196	0	196
Civil Service Commission	48	0	48
Clerk of the Board of Supervisors	82	132	213
County Communications Office	136	0	136
County Counsel	443	(9)	433
County Technology Office	15	0	15
Finance & GG Exec Office	0	0	0
Grand Jury	27	0	27
Human Resources	323	27	350
Treasurer-Tax Collector	365	(60)	305
<b>Total General Fund</b>	<b>\$ 4,538</b>	<b>\$ (608)</b>	<b>\$ 3,930</b>

**Internal Service Funds Departments**

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

	<b>\$ 4,538</b>	<b>\$ (608)</b>	<b>\$ 3,930</b>
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**FY 2015-2016 1st Quarter  
Projected Year-End Results**

(in thousands)

**GENERAL PURPOSE REVENUE &  
FINANCE OTHER**

Expenditure Variance	Revenue Variance	1st Quarter FY15-16 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund**

General Purpose Revenue:

All Current Property Taxes	\$ 0	\$ 6,865	\$ 6,865
All Other Taxes-Local	0	6,188	6,188
Licenses, Permits & Franchises	0	0	0
Fines, Forfeitures & Penalties	0	0	0
Revenue for Use of Money & Property	0	0	0
Intergovernmental Revenue	0	5,771	5,771
Charges for Current Services	0	0	0
Miscellaneous Revenue	0	0	0
<b>Total General Purpose Revenue</b>	<b>\$ 0</b>	<b>\$ 18,824</b>	<b>\$ 18,824</b>

General County Expenses:

Cash Borrowing Program	\$ 2,700	\$ 0	\$ 2,700
Community Enhancement	0	0	0
Contingency Reserve	21,724	0	21,724
Contributions to the Capital Outlay Fund	0	0	0
Local Agency Formation Comm Admin	0	0	0
Neighborhood Reinvestment Program	0	0	0
Countywide Expenses	0	0	0
Total Finance Other Expenses	24,424	0	24,424
<b>Total General Fund</b>	<b>\$ 24,424</b>	<b>\$ 18,824</b>	<b>\$ 43,249</b>

**Capital Program Funds**

Capital Program	\$ 471	\$ (205)	\$ 265
<b>Total Capital Program Funds</b>	<b>\$ 471</b>	<b>\$ (205)</b>	<b>\$ 265</b>

**Internal Service Funds Departments**

Workers Compensation	\$ 0	\$ 0	\$ 0
Unemployment Insurance	0	0	0
Public Liability	686	0	686
<b>Total ISF Funds</b>	<b>\$ 686</b>	<b>\$ 0</b>	<b>\$ 686</b>

**Debt Service Funds Departments**

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

	\$ 25,581	\$ 18,619	\$ 44,200
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**FY 2015-2016 1st Quarter  
Projected Year-End Results**  
(in thousands)

Category	Projected Management & Contingency Reserves	Projected Operating Balances	1st Quarter FY15-16 Projected Fund Balance
Favorable/(Unfavorable)			
<b>General Fund</b>			
Public Safety	\$ 0	\$ 17,324	\$ 17,324
Health and Human Services Agency	20,000	17,871	37,871
Land Use and Environment	0	3,660	3,660
Community Services	1,750	387	2,137
Finance & General Government	0	3,930	3,930
<b>Agency/Group Totals</b>	<b>\$ 21,750</b>	<b>\$ 43,171</b>	<b>\$ 64,921</b>
General Purpose Revenue	\$ 0	\$ 18,824	\$ 18,824
General County Expenses	0	2,700	2,700
Contingency Reserve	21,724	0	21,724
<b>Total Gen'l. Purpose Rev. &amp; Gen'l. County Exp.</b>	<b>\$ 21,724</b>	<b>\$ 21,524</b>	<b>\$ 43,249</b>
<b>Total General Fund</b>	<b>\$ 43,474</b>	<b>\$ 64,696</b>	<b>\$ 108,170</b>



**COUNTY OF SAN DIEGO  
NOTES TO SCHEDULES A and B  
Fiscal Year 2015-16 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 \$500,000) in total expenditures, total revenue, net variance, or object variance from plan are discussed below and categorized by fund.

**PUBLIC SAFETY GROUP  
General Fund**

*Department of Child Support Services*

A positive variance of \$3.0 million is projected for the Department of Child Support Services.

A positive expenditure variance of \$4.5 million is projected due to \$2.7 million in Salaries and Benefits from vacant and modified positions and \$1.8 million in Services and Supplies primarily due to lower than expected operational expenses.

A negative revenue variance of \$1.5 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 \$5.2 million is projected for the District Attorney's Office.

A positive expenditure variance of \$5.2 million is projected. This positive variance is primarily due to anticipated savings of \$5.7 million in Salaries and Benefits due to

normal attrition, vacant and modified positions, partially offset by a negative expenditure variance of \$0.5 million in Expenditure Transfer & Reimbursements due to normal attrition and delays in filling vacant positions in the Public Assistance Fraud Unit.

No revenue variance is projected.

*Office of Emergency Services*

A positive variance of \$0.6 million is projected for the Office of Emergency Services.

A positive expenditure variance of \$0.7 million is projected. This is primarily due to savings of \$0.3 million in Salaries and Benefits due to vacant positions which are partially supported with grant funding, and \$0.3 million in Services and Supplies related to the Call When Needed Program.

A negative revenue variance of \$0.1 million is projected due to cost savings related to the Homeland Security Grant Program.

*Probation*

A zero variance is projected for the Probation Department.

A positive expenditure variance of \$0.4 million is projected. A positive variance of \$1.4 million is projected in Salaries and Benefits primarily due to savings from normal attrition, vacant and modified positions. A negative variance of \$0.8 million is projected in Services and Supplies due to increased costs in Contracted Services (\$0.4 million), increased utilization of interpreters (\$0.2 million), and major maintenance for facility repairs (\$0.2 million). A negative variance of \$0.2 million is projected in Other Charges due to increased foster care placement payments.

A negative revenue variance of \$0.4 million is projected. Negative variances are projected in Charges for Current Services due to less than anticipated collection of fines and fees (\$1.1 million); Penalty Assessment revenue due to decreased collections (\$0.1 million); and other miscellaneous revenue (\$0.1 million). These negative variances are partially offset by a positive revenue variance of \$0.9 million in Intergovernmental Revenue due to over-realized Title IV-E revenue associated with an increase in the Foster Care Population eligible for federal revenue.

*Public Defender*

A positive variance of \$1.0 million is projected for the Public Defender.

A positive expenditure variance of \$1.0 million is projected. This is comprised of anticipated savings of \$0.8 million in Salaries and Benefits due to vacant and modified positions and \$0.2 million savings in Services and Supplies due to overall efforts to reduce expenditures.

No revenue variance is projected.

### *Sheriff*

A positive variance of \$7.2 million is projected for the Sheriff's Department.

A positive expenditure variance of \$8.7 million is projected. Salaries and Benefits are projected to be \$8.7 million under budget due to vacant positions.

A negative revenue variance of \$1.4 million is projected. A negative variance of \$2.3 million is projected in Revenue From Use of Money & Property due to the expiration of the lease with the Correction Corporation of America (CCA) at the East Mesa Detention Facility Complex. A negative variance of \$0.4 million is projected in Intergovernmental Revenues due to the reduced revenue from the Federal Government for the State Criminal Alien Assistance Program and various revenues in Aid From Other Government Agencies. These negative variances are partially offset by a positive variance of \$1.2 million in Charges for Current Services primarily due to unanticipated Training Peace Officer (POST) training reimbursements.

### **Special Revenue Funds**

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

A positive variance of \$1.2 million is projected for the Inmate Welfare Fund.

A positive expenditure variance of \$0.6 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 \$0.5 million in Operating Transfers Out is projected due to a decrease in transfers to the General Fund based on vacant positions within Inmate Welfare.

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 (\$0.7 million) which is partially offset by a negative variance in Other Sales due to reduced revenue from print shop orders (\$0.1 million).

#### *Proposition 172*

A positive variance of \$6.1 million is projected for the Proposition 172 Special Revenue Fund.

No expenditure variance is projected.

A positive revenue variance of \$6.1 million is projected. Current year revenues are projected to be \$6.1 million greater than budget due to the combination of Fiscal Year 2014-15 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.

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

### **General Fund**

#### *Administrative Support*

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

A positive variance of \$22.9 million is projected for Administrative Support.

A positive expenditure variance of \$24.5 million includes \$2.2 million in Salaries and Benefits due to vacant positions, \$2.3 million in Services and Supplies and a projected year-end balance of \$20.0 million in Management Reserves which are held for operating contingencies during the year. The \$2.3 million savings in Services and Supplies includes savings in appropriations set-aside in case of an emergency, such as bioterrorism or other health crisis, that are not anticipated to be spent, offset by various other expenditures, primarily in IT and contract costs.

The negative revenue variance of \$1.6 million includes a decrease of \$8.0 million of unsecuritized tobacco settlement revenue that is not projected to be recognized and a decrease of \$0.8 million in First Five program revenue, partially offset by increases of \$4.0 million in Realignment funding, and \$3.2 million primarily in social services administrative revenue.

#### *Aging and Independence Services*

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

The positive expenditure variance of \$5.9 million includes a negative variance of \$0.2 million in Salaries and Benefits due to overtime in the In Home Support Services (IHSS) program offset by projected savings of \$6.1 million in Services and Supplies. The positive variance of \$6.1 million in Services and Supplies includes \$6.6 million associated with projected savings in IHSS Individual Provider (IP) contracted services costs due to revised estimates of caseload levels and growth trends, partially offset by an increase of \$0.3 million in various other Services and Supplies expense and \$0.2 million in IT service charges.

The negative revenue variance of \$4.9 million is due to federal and State funding associated with expenditure savings due to revised caseload projections in IHSS IP costs.

### *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 (SDCPH) and Edgemoor Skilled Nursing Facility.

A positive variance of \$0.8 million is projected for Behavioral Health Services.

A projected positive expenditure variance of \$9.2 million includes savings of \$0.2 million in Salaries and Benefits due to vacant positions and \$10.7 million in Services and Supplies, partially offset by a negative variance of \$0.9 million in Other Charges due to an increase in utilization of State Hospital beds and \$0.9 million in Expenditure Transfer & Reimbursements associated with Psychiatric Emergency Response Team (PERT) costs provided through an MOU to the Probation Department. The projected \$10.7 million savings in Services and Supplies includes \$12.7 million in contracted services associated with various Mental Health and Alcohol and Drug treatment programs, \$0.8 million in Temporary Contracted services, and \$0.2 million in various other Services and Supplies, partially offset by a negative variance of \$3.0 million in Institutional Services due to Managed Care offset increases.

The negative revenue variance of \$8.4 million consists of \$10.3 million under-realized Intergovernmental Revenues offset by \$1.7 million of over-realized Institutional Care Hospital revenue tied to a higher Medi-Cal rate for the Edgemoor Distinct Part Skilled Nursing Facility, and \$0.1 million in Miscellaneous Revenues. The \$10.3 million in under-realized Intergovernmental Revenues consists of \$8.0 million in federal and State Mental Health funding to align to anticipated spending for inpatient and outpatient contract and county provided mental health services, and \$2.3 million in substance abuse funding due to savings in contracted services.

### *County Child Welfare Services*

A positive variance of \$4.4 million is projected for County Child Welfare Services.

The positive expenditure variance of \$19.6 million includes savings of \$3.0 million in Salaries and Benefits due to attrition and vacant positions, \$17.0 million in Other Charges due to revised estimates of caseload levels and growth trends in the adoptions and foster care assistance programs, partially offset by negative variances of \$0.2 million in Services and Supplies primarily due to increase in travel needs associated with the Extended Foster Care program, and \$0.2 million in Expenditure Transfer & Reimbursements for County Counsel associated costs.

The negative revenue variance of \$15.2 million is due to federal and State funding associated with expenditure savings due to revised caseload projections in assistance payments and Salaries and Benefits savings noted above.

### *Public Health Services*

A positive variance of \$3.6 million is projected for Public Health Services.

The projected positive expenditure variance of \$2.8 million includes savings of \$2.4 million in Salaries and Benefits due to vacant positions, \$1.5 million in Other Charges due to revised caseload for California Children's Services (CCS) clients, partially offset by a neagative variance of \$1.1 million in Services and Supplies. The projected \$1.1 million overspending in Services and Supplies includes \$1.7 million in contracts and \$0.2 million in temporary help, partially offset by \$0.8 million savings primarily in IT ISF costs. The \$1.7 million in contract overspending is primarily due to \$1.2 million in prevention and Nutrition Education Obesity Prevention (NEOP) contracts, \$0.3 million in Vital Records Random Digital Dialing project, \$0.1 million in Public Health Lab Ebola contracts, and \$0.1 million in Consultant contracts.

The projected positive revenue variance of \$0.8 million is the result of a \$1.3 million increase in federal revenues associated with the Nutrition Education Obesity Prevention (NEOP) and Ebola contracts and \$0.4 million in vital record fees. The revenue increase is partially offset by a \$0.9 million decrease in State and federal revenues primarily tied to the Ryan White/Minority AIDS Initiative and Medi-Cal Administrative Activities (MAA).

#### *Regional Operations*

A positive variance of \$5.2 million is projected for Regional Operations.

The positive expenditure variance of \$34.7 million includes projected savings of \$2.3 million in Salaries and Benefits due to vacant positions and attrition, \$1.3 million in Services and Supplies, and \$31.1 million savings in Other Charges due to revised estimates of caseload levels and growth trends in California Work Opportunity and Responsibility to Kids (CalWORKs) benefits. The \$1.3 million savings in Services and Supplies include \$0.7 million savings in contracted services primarily in Health Care Policy Administration (HCPA) associated with Medical Outreach and Enrollment program and \$0.8 million in Eligibility Operations in eligibility program contracts offset by an increase of \$0.2 million primarily in IT costs.

The projected negative revenue variance of \$29.4 million consists of decreases of \$29.9 million in assistance revenues associated with revised caseload projections and \$0.7 million associated with the Medical Outreach and Enrollment grant, partially offset by increases of \$0.6 million in Third Party Reimbursement revenue for the Low Income Health Program (LIHP) and \$0.6 million primarily in social services administrative revenues due to increased allocations.

#### **Special Revenue Funds**

##### *Tobacco Securitization Fund*

A positive variance of \$5.9 million is projected for Securitized Tobacco Settlement Fund.

The positive expenditure variance of \$6.6 million in Other Charges is the result of savings in County Medical Services (CMS).

The negative revenue variance of \$0.7 million is due to under-realized Interest on Deposits.

## **LAND USE AND ENVIRONMENT GROUP**

### **General Fund**

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

A positive variance of \$1.4 million is projected for the Department of Agriculture, Weights and Measures.

A positive expenditure variance of \$1.2 million is projected. Projected savings of \$1.1 million in Salaries and Benefits is due primarily to vacancies and under-filling positions. Projected savings of \$0.1 million in Expenditure Transfer and Reimbursements is related to expenditure reductions from Integrated Pest Control program internal agreements.

A positive revenue variance of \$0.2 million is projected primarily due to State contract revenue being higher than anticipated and new contracts in Agricultural Standards, Plant Health and Pest Prevention and Pesticide Prevention Program.

#### *Environmental Health*

A positive variance of \$1.4 million is projected for the Department of Environmental Health.

A positive expenditure variance of \$1.7 million is projected. Projected savings of \$1.4 million in Salaries and Benefits is related to vacancies and under-filling positions. Projected savings of \$0.3 million in Services and Supplies is primarily due to lower than expected operational expenses.

A negative revenue variance of \$0.3 million is projected. This shortfall is spread over various accounts within Charges for Current Services.

#### *Planning & Development Services*

A positive variance of \$0.8 million is projected for Planning & Development Services.

A positive expenditure variance of \$1.6 million is projected in Salaries and Benefits, primarily due to vacancies.

A negative revenue variance of \$0.8 million is projected due to expenditure savings of \$0.8 million related to staff vacancies stated above.

### **Special Revenue Funds**

#### *Parkland Dedication Ordinance*

A positive variance of \$1.4 million is projected for the Park Land Dedication Ordinance.

No expenditure variance is projected.

A positive revenue variance of \$1.4 million is projected in Licenses Permits and Franchises due to unanticipated revenue from Park Land Dedication fees.

#### *Road Fund*

A positive variance of \$2.3 million is projected for the Road Fund.

A positive expenditure variance of \$2.5 million is projected. Projected savings of \$2.4 million in Salaries and Benefits is due to partial year vacancies and under-filling positions. Projected savings of \$0.1 million in Services and Supplies is due to less than anticipated equipment rentals.

A negative revenue variance of \$0.2 million is projected. Under-realized revenue of \$0.2 million is projected in Intergovernmental Revenue due to schedule revisions for federal-funded projects in the Detailed Work Program.

### **Special District Funds**

#### *Air Pollution Control District (APCD)*

A zero variance is projected for the Air Pollution Control District.

A positive expenditure variance of \$1.5 million is projected in Salaries and Benefits due to staff vacancies and under-filling positions.

A negative revenue variance of \$1.5 million is projected. Under-realized revenue of \$0.4 million in Licenses Permits and Franchises is due to a projected decrease in permit application revenues, and \$1.1 million in Other Financing Sources from the Air Pollution Control Air Quality Improvement Trust Fund is related to savings in Salaries and Benefits.

#### *Flood Control District*

A positive variance of \$0.7 million is projected in the Flood Control District.

A positive expenditure variance of \$0.7 million is projected in Services and Supplies due to schedule revisions in the Detailed Work Program for Flood Control District projects.

No revenue variance is projected.

### **Enterprise Funds**

#### *Wastewater Enterprise Fund*

A positive variance of \$1.1 million is projected for the Wastewater Enterprise Fund.



A positive expenditure variance of \$1.3 million is projected. Projected savings in Salaries and Benefits of \$0.2 million is due to staff vacancies and under-filling positions. Projected savings of \$1.1 million in Services and Supplies is due to unanticipated reduction in costs related to the purchase and support costs of an IT asset management system.

A negative revenue variance of \$0.2 million is projected. Under-realized revenue in Charges for Current Services is due to reduced charges to the San Diego County Sanitation District (SDCSD) because of staff vacancies stated above.

## **COMMUNITY SERVICES GROUP**

### **General Fund**

#### *Community Services Group Executive Office*

A positive variance of \$1.8 million is projected for the Community Services Group Executive Office.

A positive expenditure variance of \$1.8 million is projected in Management Reserves, which are appropriated for unanticipated Group-wide contingencies.

No revenue variance is projected.

#### *Housing and Community Development Department*

A positive variance of \$0.1 million is projected in the Housing and Community Development department. 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 \$0.1 million is projected.

The projected positive expenditure variance of \$0.3 million is due to Salary and Benefit savings of \$0.2 million due to vacancies from employee turnover and savings in Services and Supplies of \$0.1 million due to overall efforts to reduce expenditures.

The projected negative revenue variance of \$0.2 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 Housing and Community Development Multi-Year Projects. The positive expenditure variance of \$1.8 million is offset by a projected negative revenue variance of \$1.8 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 \$1.4 million is projected for the San Diego County Library.

A positive expenditure variance of \$1.7 million is projected. This variance is a result of savings of \$0.3 million in Salaries and Benefits from anticipated vacated positions. Projected savings in Services and Supplies of \$0.4 million is due to savings based on year-to-date spending in facilities management (\$0.1 million) and IT related costs (\$0.3 million). Projected savings of \$1.0 million in Management Reserves, which are appropriated for operating contingencies.

A negative revenue variance of \$0.3 million is projected. This variance is due to a projected shortfall of \$0.3 million in public printing and other library services.

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

### *Facilities Management ISF*

A positive variance of \$0.2 million is projected for the Facilities Management ISF.

A positive expenditure variance of \$1.6 million is projected in Salaries and Benefits due to savings from modified positions and staff vacancies.

There is a negative revenue variance of \$1.4 million projected. This variance consists of projected under-realized revenue of \$0.8 million in Charges in Current Services due to lower than anticipated costs related to facility operations and maintenance; \$0.5 million in Intergovernmental Revenues primarily due to the prior year erroneous double booking of revenue from the State for reimbursement for court utility costs which was corrected in the current Fiscal Year; \$0.3 million in Operating Transfers In to reimburse for services provided to the Major Maintenance Internal Service Fund; and \$0.1 million in Rents and Concessions. These negative variances are partially offset by a positive variance of \$0.4 million in Miscellaneous Revenues mainly due to insurance proceeds related to prior year repairs at County facilities.

### *Major Maintenance ISF*

No overall variance is projected for the Major Maintenance ISF.

A positive expenditure variance of \$10.4 million is projected due to savings of \$9.9 million in Services and Supplies and \$0.5 million in Operating Transfers Out due to delays in commencing new projects.

Since costs incurred in this fund are reimbursed by operating departments, these project delays will result in a negative revenue variance of \$10.4 million.

### *Fleet Management ISF*

A positive variance of \$0.4 million is projected for the Fleet Management ISF.

There is a projected positive expenditure variance of \$1.6 million due to savings of \$0.2 million in Salaries and Benefits from staff vacancies and \$1.4 million in Services and Supplies due to less than anticipated fuel purchases.

A negative revenue variance of \$1.2 million is projected. A projected shortfall of \$1.4 million in Charges for Current Services is due to under-realized revenue related to reimbursement from lower than anticipated fuel purchases, partially offset by a positive variance of \$0.2 million in Other Financing Sources primarily due to the gain on sale of fixed assets.

### *Purchasing and Contracting ISF*

A positive variance of \$0.8 million is projected for the Purchasing and Contracting ISF.

A positive expenditure variance of \$0.6 million is projected. This variance is the result of projected savings of \$0.4 million Salaries and Benefits attributed to managed vacancies and \$0.2 million in various Services and Supplies, including information technology services and facility management.

A positive revenue variance of \$0.2 million is projected in Miscellaneous Revenue primarily due to better than expected proceeds from rebate agreements.

## **FINANCE AND GENERAL GOVERNMENT GROUP**

### **General Fund**

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

A positive variance of \$1.9 million is projected for the Assessor/Recorder/County Clerk.

A positive expenditure variance of \$2.5 million is projected. Anticipated savings of \$1.6 million in Salaries and Benefits is due to attrition and departmental vacancies, and \$0.9 million in Services and Supplies is due to increased efficiencies in operations associated with implementation of Recording Phase of Acclaim and e-Recording.

A negative revenue variance of \$0.6 million is projected. Decreases in trust fund reimbursements of \$1.5 million include \$0.3 million in Recording documents, \$0.4 million in Modernization, \$0.3 million in e-Recording, \$0.3 million in Social Security Truncation due to expenditure savings noted above and \$0.2 million in Marriage Ceremony Fees due to less ceremonies performed. These decrease are partially offset by increases totaling \$0.9 million, including \$0.2 million in AB2890 Recovered Costs and \$0.4 million in Property Tax fees, \$0.1 million in Marriage Licenses, and \$0.2 million in Duplicating & Filing fees due to increase in revenue related to copies of official records.

## GENERAL PURPOSE REVENUE & COUNTYWIDE EXPENSES

A positive variance of \$18.8 million is projected in General Purpose Revenue (GPR) and \$24.4 million positive variance is projected in General County Expenses.

### General Purpose Revenue

The County's General Purpose Revenue is directly influenced by the state of the economy. San Diego's economy has certainly been healthier while employment showed gains across most industries compared to the state as a whole. The region has continued to fare better than other California metros in terms of unemployment rate which continued to decline year-over-year since November 2010 when it reached its peak of 11.1%. Median home prices in San Diego grew 3.0% in the first quarter of 2015 and home affordability has improved due to higher annual incomes and lower mortgage rates. The outlook for San Diego is forecasted to remain strong as existing businesses expands their payrolls and new businesses open in the region.

The County's GPR related to property tax revenues improved, supported by the increase in assessed values. For Fiscal Year 2015-16, the economic indicators discussed previously and the trends summarized below, are followed by a discussion on significant revenue account variances from budget:

- San Diego's monthly unemployment rate fell to 4.6% in September 2015, down from 6.1% one year ago. In comparison, this is below the state's rate of 5.5% in September 2015 and 7.0% in September 2014.
- Consumer spending, as measured by taxable sales, is also increasing along with job growth. During the 2<sup>nd</sup> Quarter of 2015, unadjusted local point of sale tax revenue increased by 1.38% in the unincorporated area compared to the same time period in prior year. It increased at the statewide level by 3.78%, in the Southern California region by 4.01% and at the San Diego regional level by 3.78%. The overall increase is a sign of continuing economic recovery.
- The positive indicators in the housing market continues in the County.
  - Increase in median housing prices (up 3.0% in the San Diego region for 1<sup>st</sup> Quarter 2015 compared to 1<sup>st</sup> Quarter 2014);
  - The snapshot of number of homes sold for September 2015 compared to September 2014 are as follows:
    - Although, closed sales decreased 4.9% for detached homes, there was an increase of 4.1% for Attached homes.
    - Pending sales increased both on Detached (11.4%) and Attached (20.4%) homes.
  - Notices of Default for January-September 2015 were down 10% compared to the same period in 2014.
  - Foreclosure activity decreased 15% in January-September 2015 compared to the same period in 2014.

### *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 \$6.9 million.

- *Property Taxes Current Secured*

Current Secured Property Taxes are projected to be \$6.7 million higher than budget. This mainly resulted from the fact that the 2015 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 5.7% (gross less regular exemptions). (Note: The 5.7% 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 24, 2015 of 5.6%, which includes all assessed value components, secured and unsecured).

- *Property Taxes - Current Unsecured*

Current Unsecured Property Taxes are projected to be \$0.2 million above budget. At the time the budget was prepared, current unsecured property tax revenues were based on the assumption that there would be no growth in the current unsecured roll. Unlike the secured roll, the unsecured roll does not build on a prior year base.

- *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 2015-16. 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 \$6.2 million above budget.

- *Real Property Transfer Taxes*

No projected variance for Real Property Transfer Taxes based on realized revenues for Fiscal Year 2014-15 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 is 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 \$6.2 million above the budgeted amount of \$345.7 million. The actual assessed value adjustment factor is higher than the adjustment rate of 5.65% used to calculate the budgeted revenue.
- *Teeter Property Tax Prior Year and Cumulative Prior Years*  
No significant variance projected for collections from taxes receivable from the prior fiscal years. The improvement in delinquency rate have led to continued declines in the Teeter buyout.

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

No projected variance in Licenses, Permits and Franchise payments.

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

No projected variance in Interest on Deposits.

#### *Fines, Forfeitures and Penalties*

No projected variance in Penalties and Cost Delinquency Taxes based on trend. 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 \$5.8 million is projected in Intergovernmental Revenue primarily due to pass-through distributions, and residual balance estimates in Aid from Redevelopment Successor Agencies.

### **General County Expenses**

#### *Cash Borrowing*

A positive variance of \$2.7 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 \$21.7 million budgeted in the Contingency Reserve in Fiscal Year 2015-16 is projected to be unspent at year-end.

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

#### *Public Liability Internal Service Fund (ISF)*

A positive variance of \$0.7 million is projected in the Public Liability ISF

A positive expenditure variance of \$0.7 million is projected due to anticipated savings in Other Charges primarily due to court delays of some cases into future fiscal years.

No revenue variance is projected.