



# 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:** May 5, 2015

# 12

**TO:** Board of Supervisors

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

### Overview

This report summarizes the status of the County's Fiscal Year 2014-15 Operational Plan, as measured by projected year-end fund balance from current year operations. The projected balance for the General Fund is \$236.4 million, and for all budgetary funds combined is \$335.7 million. In the General Fund, positive balances are projected for all five business groups. The projected fund balance reflects the conservation of management and contingency reserves and projects that General Purpose Revenue will perform better than estimated in the Fiscal Year 2014-15 Adopted Operational Plan. This letter also recommends budget adjustments to make resource reallocations to fund one-time projects and 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 to align budget with anticipated actuals, for overtime for the Regional Realignment Response Group, to fund major maintenance projects in Vista Detention Facility and San Diego Central Jail, and to purchase vehicles; in the Probation Department for maintenance and upgrades at Camp Barrett; and in the Medical Examiner for autopsy services.

In the Land Use and Environment Group (LUEG), recommendations include appropriations adjustments for non-capital pre-acquisition costs related to San Elijo Gateway Property Acquisition, for expansion of public-access amenities at the San Diego Botanic Garden, for recreational and water conservation improvements at Felicita Park, for retrofitting the existing irrigation system to conserve water at Heritage Park, various Lakeside Skate Park improvements such as landscaping, pathways and site furnishings, for elevator repairs at San Elijo Lagoon, for major maintenance project costs at the San Pasqual Academy Administration Building; and actions to complete the closure of the County Service Area Internal Service Fund and the District Development Internal Service Fund.

In the Capital Program, recommendations include appropriation adjustments to cancel the remaining appropriations for projects anticipated to be completed and capitalized at the end of the Fiscal Year in the Capital Outlay Fund, County Health Complex Fund, Library Projects

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Capital Outlay Fund and Justice Facility Construction Fund; and appropriation adjustments in Boulevard Fire Station project to provide funding for upgrades to the fire alarm and alerting system.

In the Community Services Group (CSG), recommendations include an appropriation adjustment for major maintenance projects at the San Pasqual Academy, increases in the Fleet Internal Service Fund (ISF) Accident Repair Spending Plans, and the Facility Maintenance ISF due to increases in rates and demand for electricity.

There are no appropriation adjustments in the Health and Human Services Agency (HHS) or the Finance and General Government Group (FGG).

**Recommendation(s)**

**CHIEF ADMINISTRATIVE OFFICER**

1. Accept the Fiscal Year 2014-15 third quarter report on projected year-end results.
2. Cancel appropriations of \$16,000 in the Sheriff's Department, Services & Supplies and related revenue from the San Diego/Imperial Valley Southwest Border High Intensity Drug Trafficking Areas (HIDTA) to align the budget with anticipated actuals.
3. Establish appropriations of \$800,000 in the Sheriff's Department, Salaries and Benefits (\$205,000) and Services and Supplies (\$595,000) to fund overtime for the Regional Realignment Response Group and to support participating agencies' costs based on unanticipated revenue from the State of California, Local Revenue Fund 2011 allocated to the County Local Revenue Fund 2011, Community Corrections Subaccount. **(4 VOTES)**
4. Establish appropriations of \$905,000 in the Proposition 172 Special Revenue Fund, Operating Transfer Out, to fund one-time major maintenance projects in the Sheriff's Department based on available prior year fund balance. **(4 VOTES)**
5. Establish appropriations of \$905,000 in the Sheriff's Department, Services and Supplies, for one-time major maintenance security projects in the Vista Detention Facility and San Diego Central Jail based on an Operating Transfer from the Proposition 172 Special Revenue Fund. **(4 VOTES)**
6. Transfer appropriations of \$481,220 from the Sheriff's Department, Fixed Assets, to the General Fund Contributions to Fleet Internal Service Fund (ISF), Operating Transfer Out, for the purchase of Sheriff's vehicles.

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7. Amend the Fiscal Year 2014-15 Department of General Services Fleet ISF Spending Plan by \$481,220 to provide funding for the purchase of vehicles for the Sheriff's Department based on an Operating Transfer from the General Fund. **(4 VOTES)**
8. Establish appropriations of \$500,000 in the Probation Inmate Welfare Fund, Services and Supplies, for maintenance and upgrades at Camp Barrett based on available prior year fund balance. **(4 VOTES)**
9. Establish appropriations of \$100,000 in the Medical Examiner, Expenditure Transfer and Reimbursements for autopsy services based on over-realized revenue from the Health and Human Services Agency. **(4 VOTES)**
10. Cancel appropriations of \$1,800,000 and related Operating Transfer from the General Fund in the Capital Outlay Fund for Capital Project 1018839, San Elijo Gateway Acquisition due to the acquisition not moving forward.
11. Transfer appropriations of \$34,544.83 from Contributions to Capital Outlay Fund, Operating Transfer Out, to the Department of Parks and Recreation, Services and Supplies, for non-capital pre-acquisition costs related to San Elijo Gateway Property Acquisition.
12. Establish appropriations of \$1,100,000 in the Capital Outlay Fund for Capital Project 1018209, San Diego Botanic Garden Expansion, for garden expansion of public-access amenities, based on an Operating Transfer from the General Fund. **(4 VOTES)**
13. Establish appropriations of \$665,455.17 in the Capital Outlay Fund for Capital Project 1017898, Felicita Park Turf and Playground Improvement, to fund recreational and water conservation improvements, based on an Operating Transfer from the General Fund. **(4 VOTES)**
14. Cancel appropriations of \$18,209.11 and related Operating Transfer from the General Fund in the Capital Outlay Fund for Capital Project 1015185, Heritage Park Improvements, to fund the retrofitting of the existing irrigation system to Calsense Smart Controllers at Heritage Park.
15. Transfer appropriations of \$18,209.11 from Contributions to Capital Outlay Fund, Operating Transfer Out, to the Department of Parks and Recreation, Services and Supplies, for the retrofitting of existing irrigation system at Heritage Park.
16. Cancel appropriations of \$42,298.02 and related Operating Transfer from the General Fund in the Capital Outlay Fund for Capital Project 1017857, Lakeside Skate Park

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Construction, to fund Lakeside Skate Park improvements.

17. Transfer appropriations of \$42,298.02 from Contributions to Capital Outlay Fund, Operating Transfer Out, to the Department of Parks and Recreation, Services and Supplies, to fund various Lakeside Skate Park improvements such as landscaping, pathways and site furnishings.
18. Establish appropriations of \$65,000 in the Department of Parks and Recreation, Services and Supplies, for elevator repairs at San Elijo Lagoon, based on available prior year Land Use and Environment Group General Fund fund balance. **(4 VOTES)**
19. Authorize the Auditor and Controller to decrease the County Service Area Internal Service Fund fund balance commitment by \$50,470 to transfer residual funding to the General Fund based on available prior year fund balance.
20. Authorize the Auditor and Controller to decrease the District Development Internal Service Fund fund balance commitment by \$55,000 to transfer residual funding to the General Fund based on available prior year fund balance.
21. Cancel appropriations of \$137,286 and related Operating Transfer In from the General Fund in the Capital Outlay Fund for Capital Project 1014131, San Pasqual Academy Administration Building, to properly record non-capital related major maintenance project costs.
22. Transfer appropriations of \$137,286 from the Contribution to Capital Outlay Fund, Operating Transfer Out, to the Contributions to General Services Major Maintenance ISF, Operating Transfer Out, to properly account for major maintenance project costs for the San Pasqual Academy Administration Building.
23. Amend the Fiscal Year 2014-15 Major Maintenance ISF Spending Plan by \$137,286 to provide funding for architectural and planning costs for the San Pasqual Academy Administration Building based on an Operating Transfer from the General Fund. **(4 VOTES)**
24. Amend the Fiscal Year 2014-15 Department of General Services Fleet ISF Accident Repair Spending Plan by \$83,000, Services and Supplies, due to an increase in costs related to vehicle accidents based on available prior year fund balance. **(4 VOTES)**
25. Amend the Fiscal Year 2014-15 Department of General Services Fleet ISF Sheriff Accident Repair Spending Plan by \$60,000, Services and Supplies, due to an increase in

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costs related to vehicle accidents based on available prior year fund balance. **(4 VOTES)**

26. Amend the Fiscal Year 2014-15 Department of General Services Facility Management ISF Spending Plan by \$1,700,000, Services and Supplies, due to an increase in electricity rates and demand for electricity, based on unanticipated revenue from customer departments. **(4 VOTES)**
27. Establish appropriations of \$70,707 in the Capital Outlay Fund for Capital Project 1016991, Boulevard Fire Station to provide funding for upgrades to the fire alarm and alerting system based on unanticipated revenue from the Fire Safety Trust Fund. **(4 VOTES)**
28. Cancel appropriations and related revenue of up to \$18,125,431 in the Capital Outlay Fund for projects completed or cancelled during Fiscal Year 2014-15.
29. Cancel appropriations and related revenue of up to \$20,069 in the County Health Complex Fund for projects completed during Fiscal Year 2014-15.
30. Cancel appropriations and related revenue of up to \$1,000,013 in the Justice Facility Construction Fund for projects completed or cancelled during Fiscal Year 2014-15.
31. Cancel appropriations and related revenue of up to \$38,855 in the Library Projects Capital Outlay Fund for projects completed during Fiscal Year 2014-15.

**Fiscal Impact**

Funds for a portion of these requests are not included in the Fiscal Year 2014-15 Operational Plan. If approved, this action will result in a net increase in appropriations of \$1,854,000 in the General Fund. The funding sources include Operating Transfers from the General Fund and Prop 172 Special Revenue Fund, State of California Local Revenue Fund 2011, Health and Human Services Agency Trauma Management System Trust Fund, and available prior year Land Use and Environment Group fund balance and available prior year General Fund fund balance.

In all other funds combined, these actions will result in a net decrease in appropriations of \$15,479,493. The funding sources are Operating Transfers, available prior year fund balance, and miscellaneous other sources.

**Business Impact Statement**

N/A

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**Advisory Board Statement**

N/A

**Background**

For the General Fund, the third quarter projection of year-end fund balance from current year operations is \$236.4 million. This projected one-time resource is a combination of anticipated year-end General Purpose Revenue (GPR) above budget by \$70.7 million along with a net positive variance of \$122.1 million from operations and a positive variance of \$43.6 million in unspent contingency and management reserves. The projected \$70.7 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, estimated residual balance and distribution from sale of property in Aid from Redevelopment Successor Agencies; and a loan repayment to the General Fund of \$28.0 million for the East Mesa Reentry Facility.

The projected balance for all other funds combined is \$99.4 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 \$236.4 million is based on the estimate that expenditures will be approximately \$225.0 million less than the Fiscal Year 2014-15 Amended Budget and revenues will be a net \$11.4 million more than the Fiscal Year 2014-15 Amended Budget. The Amended Budget consists of the Adopted Budget plus encumbrances carried over from the prior year, plus year-to-date changes that have been either approved by your Board or the Deputy Chief Administrative Officer/Auditor and Controller when permitted.

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

- \$57.5 million in net positive salary and benefit appropriation variance, in all groups due to staff turnover and department management of vacancies.
- \$65.8 million in net positive appropriation variance in Services and Supplies across the County in all groups.
  - In Health and Human Services Agency (HHS), projected positive variance of \$3.3 million resulted from various contracted services in Aging and Independence Services, Behavioral Health Services, County Child Welfare Services, Public Health Services and Regional Operations and in various other Services and Supplies account.
  - In the Land Use and Environment Group (LUEG), positive variances of \$10.7 million are largely due to delays in implementation of the Vector Habitat Remediation Program and various one-time funded projects which will be re-

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budgeted in Fiscal Year 2015-16 and due to efforts to contain operational costs.

- In the Public Safety Group (PSG), projected positive variance of \$6.9 million is associated with facility management, information technology, contracted services and overall reduced operational costs in various departments; in the Office of Emergency Services related to grant funding that will be completed next fiscal year and in the Call When Needed Program and Exclusive Use Helicopter Program and in the Sheriff's Department primarily due to lower automotive fuel and cost of services in Detention Medical Services.
  - In the Community Services Group (CSG), projected positive variance of \$7.0 million is attributable largely to Housing and Community Development (HCD) due to multi-year projects and in the Registrar of Voters due to lower than anticipated election supplies, lower poll worker payroll costs and delay in information technology projects.
  - In Finance and General Government (FGG), projected positive variances of \$10.2 million are mainly the result of less than anticipated contracted temporary workers in Assessor/Recorder/ County Clerk; lower contracted services, and delays in one time maintenance and information technology projects.
  - In Finance Other, the positive variance is primarily due to countywide general expenses including pension stabilization funds.
- A net positive appropriation variance of \$45.6 million in Other Charges reflects variances in HHSA, Finance Other and in CSG offset by a negative variance in PSG. In HHSA, the positive variance of \$31.1 million is mainly the result of revised caseload levels in Regional Operations CalWORKs and in Child Welfare Services based on revised estimates of caseload levels and growth trends. In Finance Other, the positive variance is due to tax and revenue anticipation note (TRAN) borrowing costs that will not be incurred. In CSG, a positive variance is projected in HCD due to lower than anticipated expenditures on multi-year projects. A net negative variance of \$2.6 million is projected in PSG mainly due to cost for medical support and care of persons in the detentions facilities in the Sheriff's Department and in the Probation Department for increased foster care placement payments.
  - \$1.0 million in Capital Assets Equipment due to delays in projects.
  - \$12.4 million in Operating Transfers Out mainly due to lower than anticipated expenses in capital projects that are closing or being cancelled by the end of this fiscal year.
  - \$20.7 million in contingency reserves that are projected to be unspent at year-end.
  - \$22.9 million in management reserves in HHSA (\$20.0 million), in CSG (\$2.7 million) and in FGG (\$0.2 million) that are projected to be unspent at year-end.

The projected over realized revenue of \$11.4 million includes positive variances totaling \$66.1 million and negative variances of \$54.7 million. The positive revenue variance of \$66.1 million is expected in the following categories: in Miscellaneous Revenue (\$42.3 million) mainly due to

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repayment from East Mesa Reentry Facility; Taxes Current Property (\$11.2 million) and Taxes Other Than Current Secured (\$8.9 million) due to increase in assessed value; Licenses, Permits and Franchises (\$1.2 million); Fines, Forfeitures and Penalties (\$1.8 million), and in Revenue From Use of Money and Property (\$0.8 million). The negative variance is largely in Intergovernmental Revenue (\$40.5 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 (\$8.4 million) mainly due to decrease in various revenues in Assessor/Recorder/County Clerk, delayed implementation of the Vector Habitat Remediation program, shortfalls developer deposits due to staff vacancies and under realized revenue for election services; and in Other Financing Sources (\$5.8 million) due to lower Penalty Assessment revenues.

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

**Fiscal Year 2014-15 Budget Adjustments**

The recommendations for budget adjustments are explained as follows:

**Recommendation 2**

On June 20, 2006 (3), the Board authorized the Sheriff's Department to serve as the fiscal agent for the High Intensity Drug Trafficking Areas (HIDTA) funding along the Southwest Border of the United States. On December 2, 2014 (33), the Board authorized the appropriations of grant funds from the San Diego/Imperial Valley Southwest Border HIDTA. This request will cancel appropriations and related revenue of \$16,000, due to a reprogram of HIDTA funding which will

now have partner agency, Californians for Drug Free Youth (CADFY), purchasing the equipment initially planned to be acquired by the Sheriff's Department's Narcotics Task Force.

**Recommendation 3**

This request will establish appropriations of \$800,000 in the Sheriff's Department based on revenue from the Local Revenue Fund 2011, Community Corrections Subaccount to fund overtime in the Sheriff's Department for the Regional Realignment Response Group participating law enforcement agencies to unify and integrate crime prevention and crime suppression efforts within San Diego County. The funds were approved by the Community Corrections Partnership (CCP) on January 15, 2015.

**Recommendations 4 & 5**

These requests will establish appropriations of \$905,000 in the Sheriff's Department based on available Proposition 172 Fund fund balance for supplemental cameras and digital video storage in the Vista Detention Facility (\$205,000) and for suicide prevention and psychiatric housing modifications at San Diego Central Jail (\$700,000). The total cost of the San Diego Central Jail modifications is estimated at \$875,000. Additional appropriations of \$175,000 were reallocated within the Sheriff's Department for this project due to a delay in the acquisition of a new radio



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communications tower at Monument Peak.

**Recommendations 6 & 7**

These requests will transfer appropriations of \$481,220 from the Sheriff's Department to the General Fund Contributions to Fleet ISF and amend the Department of General Services Fleet Services ISF to purchase six bomb trucks. The \$481,220 is to cover the greater than anticipated cost to acquire the vehicles, bringing the total cost to \$916,516.

**Recommendation 8**

Camp Barrett, located in Alpine, dates back to 1959 when it was operated as an adult honor camp. In 1973, Camp Barrett was merged with the Probation Department and new structures were added. This detention facility provides an accredited on-site school program and various vocational and correctional treatment programs, with a capacity of 135 wards. Due to the age of some of the structures, they are in need of upgrades and expansion. While these upgrades would traditionally be included in the Major Maintenance Improvement Program (MMIP), they, along with the proposed funding source, were not identified and subsequently not included during Operational Plan development. This request will establish appropriations of \$500,000 in the Probation Inmate Welfare Fund, based on available prior year fund balance, for unforeseen maintenance and facility improvement services to ensure Camp Barrett meets the operational needs of the Probation Department.

**Recommendation 9**

This request will establish appropriations of \$100,000 in the Medical Examiner for autopsy services provided to the Health and Human Services Agency (HHS) Emergency Medical Services in certain trauma cases and to provide information from trauma and other Medical Examiner cases for purposes of quality assurance. These services are reimbursed by the HHS Emergency Medical Services pursuant to a Memorandum of Understanding. The funding source is the Trauma Management System Trust Fund.

**Recommendations 10 - 13**

Appropriations of \$1,800,000 were established for Capital Project 1018839, San Elijo Gateway Property Acquisition in the Fiscal Year 2013-14 Operational Plan based on available prior year General Fund fund balance. The acquisition was completed by another agency and without County funding. Today's recommendations will cancel total appropriations of \$1,800,000 in the San Elijo Gateway Property Acquisition project and transfer \$34,544.83 to the Department of Parks and Recreation for non-capital pre-acquisition costs incurred by the County associated with the San Elijo Gateway property, \$1,100,000 will be transferred to Capital Project 1018209, San Diego Botanic Garden Expansion, for the expansion of public-access amenities at the garden, and the remaining \$665,455.17 will be transferred to Capital Project 1017898, Felicitia Park Turf and Playground Improvements, for recreational and water conservation improvements.

**Recommendations 14 & 15**

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On June 24, 2009 (12), appropriations of \$137,500 were established for Capital Project 1015185, Heritage Park Improvements. The project is now complete and has remaining appropriations of \$18,209.11. Today's recommendations will cancel appropriations of \$18,209.11 and transfer remaining funds to the Department of Parks and Recreation, Services and Supplies, for major maintenance improvements at Heritage Park, consisting of retrofitting the existing irrigation system to Calsense Smart Controllers, installation of 50 remote control valves and 81 spray heads. The improvements will reduce water consumption.

**Recommendations 16 & 17**

On October 31, 2012 (13), appropriations of \$603,290 were established for Capital Project 1017857, Lakeside Skate Park Construction based on Park Land Dedication Ordinance funds (\$407,410) and an Operating Transfer from the General Fund (\$195,879.64). Additional appropriations of \$21,018.14 were established on February 26, 2013 (7) based on an Operating Transfer from the General Fund for a total of \$624,308.14 for the project. The project is now complete and has remaining appropriations of \$42,298.02 and related funding from the General Fund. These recommendations will cancel total appropriations of \$42,298.02 and transfer them to the Department of Parks and Recreation, Services and Supplies, to provide funding for Lakeside Skate Park improvements such as drought-resistant landscaping, pathways and installation of site furnishings.

**Recommendation 18**

The San Elijo Nature Center is a regional facility serving the residents of San Diego. The facility provides an educational center for all ages on wildlife and conservation in the lagoon. Interactive exhibits interpret the history and development of the ecological reserve, as well as the plants and animals found in the lagoon. In addition, the second floor of the nature center provides a viewing deck and meeting room that is used by non-profit groups, businesses and the public for meetings and social events. The elevator to the observation deck and meeting room consistently has service problems, with the fire department responding to several entrapments this fiscal year. Today's recommendation will establish \$65,000 in appropriations in the Department of Parks and Recreation, Services and Supplies, to fund the replacement of the elevator, based on available prior year Land Use and Environment Group General Fund fund balance.

**Recommendations 19 & 20**

On March 3, 2015 (15), the Board authorized the transfer of residual funding from the County Service Area Internal Service Fund and from the District Development Internal Service Fund to the General Fund, the original funding source, so that the funds can be closed due to lack of activity and need. These recommendations will allow for the decrease in fund balance commitment in the County Service Area Internal Service Fund (\$50,470) and in the District Development Internal Service Fund (\$55,000) to complete the closure of these funds.

**Recommendations 21 - 23**

These recommendations will cancel appropriations of \$137,286 in the Capital Outlay Fund for

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Capital Project 1014131, San Pasqual Academy Administration Building, and transfer appropriations to Contributions to General Services ISF, Operating Transfers Out. The Department of General Services ISF, Services and Supplies, will be amended to properly record architectural and planning related costs that are considered non-capital expenditures, pursuant to the County of San Diego Administrative Manual 0050-02-01, Control of Capital Assets and Minor Equipment.

**Recommendations 24 & 25**

These recommendations will amend the Department of General Services Fleet Internal Service Fund Accident Repair Spending Plans for non-Sheriff and Sheriff accidents by a total of \$143,000 by establishing appropriations in Services and Supplies based on Fleet Accident non-Sheriff (\$83,000) and Sheriff (\$60,000) Internal Service Funds available prior year fund balance. The projected increase in cost for vehicle repairs is based on year-to-date expenditures and economic projections.

**Recommendation 26**

This recommendation will amend the Department of General Services' Facility Management Internal Service Fund Spending Plan by \$1,700,000 by establishing appropriations in Services and Supplies and corresponding revenue from customer departments. The projected increase in utilities cost is due to an increase in electricity rates and an increase in demand primarily due to the completion of larger facilities such as Las Colinas Women's Detention Facility and East Mesa Detention Re-Entry and Rehabilitation Facility.

**Recommendation 27**

This recommendation will establish appropriations in the Capital Outlay Fund for Capital Project 1016991, Boulevard Fire Station for the necessary upgrades to the fire alarm and alerting system at the new station. The funding source is the Fire Safety Trust Fund.

**Recommendations 28 - 31**

By the end of Fiscal Year 2014-15, a total of 27 capital projects are anticipated to be completed and capitalized and 9 capital projects are anticipated to be canceled. These projects are listed in Schedule C. Appropriations of up to \$19,184,367 related to these projects will be canceled, of which \$18,125,431 is in the Capital Outlay Fund, \$20,069 is in the County Health Complex Fund, \$1,000,013 is in the Justice Facility Construction Fund, and \$38,855 in the Library Projects Capital Outlay Fund. The related funding will be canceled or returned to the respective

sources which include the General Fund, the State Aid Mental Health Services Act Trust Fund, federal grants, and proceeds from the sale of the Solid Waste System.

**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

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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)

1. Schedule AB
2. Schedule C
3. Notes to Schedules A and B

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**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**  Yes  No

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

**PREVIOUS RELEVANT BOARD ACTIONS:**

March 3, 2015 (15), Fiscal Year 2014-15 Second Quarter Operational Plan Status Report and Budget Adjustments  
December 2, 2014 (33), Fiscal Year 2014-15 First Quarter Operational Plan Status Report and Budget Adjustments  
August 5, 2014 (16), County of San Diego Fiscal Year 2014-15 Adopted Budget Resolution for Family of Funds, Enterprise Funds and Internal Service Funds, Prior Year Encumbrances and Penalty Assessment Resolution

**BOARD POLICIES APPLICABLE:**  
N/A

**BOARD POLICY STATEMENTS:**  
N/A

**MANDATORY COMPLIANCE:**  
N/A

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

**ORIGINATING DEPARTMENT:** Finance & General Government Group

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

**CONTACT PERSON(S):**

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E-mail

**FY 2014-2015 3rd Quarter  
Projected Year-End Results**

(in thousands)

**COUNTY SUMMARY**

	<b>Expenditure Variance</b>	<b>Revenue Variance</b>	<b>3rd Quarter FY14-15 Projected Fund Balance</b>
	<b>Favorable/(Unfavorable)</b>		
<b>General Fund</b>			
Public Safety	\$ 34,396	\$ (3,212)	\$ 31,184
Health & Human Services Agency	68,650	(27,782)	40,868
Land Use & Environment	18,149	(6,419)	11,730
Community Services	18,661	(14,654)	4,006
Finance & General Government	15,112	(7,347)	7,766
Total Agency/Group	<u>154,969</u>	<u>(59,415)</u>	<u>95,554</u>
General Purpose Revenue	0	70,654	70,654
Finance Other	69,990	168	70,159
<b>Total General Fund</b>	<b>\$ 224,959</b>	<b>\$ 11,408</b>	<b>\$ 236,367</b>
<b>Special Revenue Funds</b>			
Public Safety	\$ 36,261	\$ 12,343	\$ 48,604
Health & Human Services Agency	13,800	(4,100)	9,700
Land Use & Environment	10,965	2,617	13,582
Community Services	986	(296)	690
<b>Total Special Revenue Funds</b>	<b>\$ 62,012</b>	<b>\$ 10,564</b>	<b>\$ 72,576</b>
<b>Capital Program</b>			
Finance Other	\$ 228	\$ (1,163)	\$ (935)
<b>Internal Service Funds Departments</b>			
Public Safety Group	\$ 639	\$ (440)	\$ 200
Land Use & Environment	944	(17)	927
Community Services	31,987	(23,230)	8,757
Finance & General Government	0	0	0
Finance Other	364	0	364
<b>Total Internal Service Funds</b>	<b>\$ 33,935</b>	<b>\$ (23,687)</b>	<b>\$ 10,248</b>
<b>Enterprise Fund Departments</b>			
Land Use & Environment	\$ 4,830	\$ (1,942)	\$ 2,888
<b>Special District Funds Departments</b>			
Public Safety Group	\$ 0	\$ 5	\$ 5
Health & Human Services Agency	754	474	1,228
Land Use & Environment	15,308	(2,081)	13,226
<b>Total Special District Funds</b>	<b>\$ 16,061</b>	<b>\$ (1,602)</b>	<b>\$ 14,459</b>
<b>Other County Funds Departments</b>			
Community Svcs. - Red./Redev. Successor Agency	\$ 128	\$ 6	\$ 134
<b>Total Other County Funds</b>	<b>\$ 128</b>	<b>\$ 6</b>	<b>\$ 134</b>
Debt Service - Pension Obligation Bonds	\$ 0	\$ 0	\$ 0
<b>Total County Projected Operating Balance</b>	<b>\$ 342,154</b>	<b>\$ (6,417)</b>	<b>\$ 335,737</b>

**FY 2014-2015 3rd Quarter  
Projected Year-End Results**

(in thousands)

**PUBLIC SAFETY GROUP**

Expenditure Variance	Revenue Variance	3rd Quarter FY14-15 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund Departments**

Child Support	\$ 3,762	\$ (1,314)	\$ 2,448
Contributions for Trial Courts	633	329	962
District Attorney	7,813	(576)	7,236
Emergency Services	2,933	(2,536)	398
Law Enforcement Review Board	5	300	305
Medical Examiner	8	25	33
Probation	3,784	(588)	3,196
Public Defender	2,839	(252)	2,587
Public Safety Executive Office	1,731	2,209	3,939
San Diego County Fire Authority	347	391	738
Sheriff	10,543	(1,202)	9,341
<b>Total General Fund</b>	<b>\$ 34,396</b>	<b>\$ (3,212)</b>	<b>\$ 31,184</b>

**Special Revenue Funds Departments**

District Attorney - Asset Forfeiture	\$ 0	\$ 0	\$ 0
Probation - Asset Forfeiture	0	70	70
Probation - Inmate Welfare Program	0	0	0
Sheriff - Asset Forfeiture	0	317	317
Sheriff - Inmate Welfare Program	892	477	1,369
Criminal Justice Facility	34,384	332	34,716
Courthouse	289	332	621
Penalty Assessment	649	75	724
Public Safety - Proposition 172	47	10,739	10,786
<b>Total Special Revenue Funds</b>	<b>\$ 36,261</b>	<b>\$ 12,343</b>	<b>\$ 48,604</b>

**Internal Service Funds Departments**

Sheriff(Jail Stores)	639	(440)	200
<b>Total Internal Service Funds</b>	<b>\$ 639</b>	<b>\$ (440)</b>	<b>\$ 200</b>

**Special District Funds**

Sheriff (Regional 800 MHz)	\$ 0	\$ 1	\$ 1
County Service Area	0	4	4
<b>Total Special District Funds</b>	<b>\$ 0</b>	<b>\$ 5</b>	<b>\$ 5</b>

**Total Public Safety Group**

<b>Total Public Safety Group</b>	<b>\$ 71,296</b>	<b>\$ 8,696</b>	<b>\$ 79,992</b>
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**FY 2014-2015 3rd Quarter  
Projected Year-End Results**

(in thousands)

**HEALTH & HUMAN SERVICES AGENCY**

Expenditure Variance	Revenue Variance	3rd Quarter FY14-15 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund Programs**

Administrative Support	\$ 6,641	\$ 22,116	\$ 28,758
Aging & Independence Services	1,422	(237)	1,185
Behavioral Health Services	15,478	(15,478)	0
Child Welfare Services	23,471	(22,002)	1,469
Public Health Services	5,602	(2,698)	2,904
Regional Operations	16,035	(9,484)	6,552
<b>Total General Fund</b>	<b>\$ 68,650</b>	<b>\$ (27,782)</b>	<b>\$ 40,868</b>

**Special Revenue Funds**

Tobacco Securitization Fund	\$ 13,800	\$ (4,100)	\$ 9,700
<b>Total Special Revenue Funds</b>	<b>\$ 13,800</b>	<b>\$ (4,100)</b>	<b>\$ 9,700</b>

**Special District Funds Departments**

Ambulance Districts	\$ 754	\$ 474	\$ 1,228
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**Total Health & Human Services Agency**

	<b>\$ 83,204</b>	<b>\$ (31,408)</b>	<b>\$ 51,796</b>
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**FY 2014-2015 3rd Quarter  
Projected Year-End Results**

(in thousands)

**LAND USE & ENVIRONMENT GROUP**

Expenditure Variance	Revenue Variance	3rd Quarter FY14-15 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund Departments**

Agriculture, Weights & Measures	\$ 1,221	\$ (100)	\$ 1,122
Environmental Health	4,839	(3,689)	1,150
Land Use & Environment Group Exec Office	3,865	0	3,865
Parks & Recreation	256	(112)	144
Planning & Development Services	5,689	(1,264)	4,425
Public Works	2,279	(1,254)	1,024
<b>Total General Fund</b>	<b>\$ 18,149</b>	<b>\$ (6,419)</b>	<b>\$ 11,730</b>

**Special Revenue Funds Departments**

A, W & M (Grazing and Fish & Game Commission)	\$ 0	\$ 0	\$ 0
Parks & Recreation - PLDO	43	1,504	1,547
DPW - Aviation Funds	0	0	0
DPW - Road Fund	10,585	1,450	12,035
DPW - Inactive Waste	337	(337)	0
<b>Total Special Revenue Funds</b>	<b>\$ 10,965</b>	<b>\$ 2,617</b>	<b>\$ 13,582</b>

**Internal Service Funds Departments**

Public Works - DPW Equip. ISF Prg. (35525-35700)	\$ 944	\$ (17)	\$ 927
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**Enterprise Funds Departments**

Airport Enterprise Fund	\$ 3,577	\$ (1,598)	\$ 1,978
Wastewater Management Enterprise Fund	\$ 1,253	\$ (344)	\$ 909
<b>Total Enterprise Funds:</b>	<b>\$ 4,830</b>	<b>\$ (1,942)</b>	<b>\$ 2,888</b>

**Special District Funds Departments**

Air Pollution Control District	\$ 2,639	\$ (1,900)	\$ 739
Parks and Recreation	266	97	363
DPW - SD County Sanitation District	11,829	0	11,829
DPW - Campo Water Sewer Maint District	65	14	79
DPW - CSAs	(0)	0	0
DPW - PRDs	0	0	0
DPW - Flood Control	45	1	46
DPW - Street Lighting Districts	463	(293)	170
<b>Total Special Districts Funds:</b>	<b>\$ 15,308</b>	<b>\$ (2,081)</b>	<b>\$ 13,226</b>

**Total Land Use & Environment Group**

	<b>\$ 50,197</b>	<b>\$ (7,843)</b>	<b>\$ 42,354</b>
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**FY 2014-2015 3rd Quarter  
Projected Year-End Results**

(in thousands)

**COMMUNITY SERVICES GROUP**

Expenditure Variance	Revenue Variance	3rd Quarter FY14-15 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund Departments**

Animal Services	\$ 201	\$ 27	\$ 228
Community Services Group Exec Office	2,692	2	2,694
General Services	0	0	0
Housing & Community Development	13,807	(13,571)	236
Purchasing & Contracting	0	0	0
Library Services	0	0	0
Registrar of Voters	1,961	(1,114)	847
<b>Total General Fund</b>	<b>\$ 18,661</b>	<b>\$ (14,654)</b>	<b>\$ 4,006</b>

**Special Revenue Funds Departments**

Library Services	\$ 986	\$ (296)	\$ 690
<b>Total Special Revenue Funds</b>	<b>\$ 986</b>	<b>\$ (296)</b>	<b>\$ 690</b>

**Internal Service Funds Departments**

Facilities Management	\$ 3,844	\$ (3,800)	\$ 44
Major Maintenance ISF	12,041	(9,853)	2,188
Fleet Management	13,563	(8,800)	4,763
Purchasing & Contracting	2,540	(777)	1,763
<b>Total Internal Service Funds</b>	<b>\$ 31,987</b>	<b>\$ (23,230)</b>	<b>\$ 8,757</b>

**Other County Funds Departments**

Red. Agency/Redevelopment Successor Agency	\$ 0	\$ 0	\$ 0
Housing & Community Development	128	6	134
<b>Total Other County Funds Departments</b>	<b>\$ 128</b>	<b>\$ 6</b>	<b>\$ 134</b>

**Total Community Services Group**

<b>Total Community Services Group</b>	<b>\$ 51,762</b>	<b>\$ (38,174)</b>	<b>\$ 13,588</b>
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**FY 2014-2015 3rd Quarter  
Projected Year-End Results**

(in thousands)

**FINANCE & GENERAL GOVERNMENT  
GROUP**

Expenditure Variance	Revenue Variance	3rd Quarter FY14-15 Projected Fund Balance
<b>Favorable/(Unfavorable)</b>		

**General Fund Departments**

Assessor/Recorder/County Clerk	\$ 7,553	\$ (6,032)	\$ 1,520
Auditor & Controller	613	131	744
Board of Supervisors	240	0	240
Chief Administrative Office	329	0	329
Civil Service Commission	88	4	92
Clerk of the Board of Supervisors	116	(100)	16
County Communications Office	248	(69)	179
County Counsel	3,184	(347)	2,837
County Technology Office	0	4	4
Finance & GG Exec Office	249	(226)	24
Grand Jury	84	0	84
Human Resources	1,505	(712)	793
Treasurer-Tax Collector	902	0	902
<b>Total General Fund</b>	<b>\$ 15,112</b>	<b>\$ (7,347)</b>	<b>\$ 7,766</b>

**Internal Service Funds Departments**

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

	<b>\$ 15,112</b>	<b>\$ (7,347)</b>	<b>\$ 7,766</b>
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**FY 2014-2015 3rd Quarter  
Projected Year-End Results**

(in thousands)

**GENERAL PURPOSE REVENUE &  
FINANCE OTHER**

Expenditure Variance	Revenue Variance	3rd Quarter FY14-15 Projected Fund Balance
Favorable/(Unfavorable)		

**General Fund**

General Purpose Revenue:

All Current Property Taxes	\$ 0	\$ 11,163	\$ 11,163
All Other Taxes-Local	0	8,875	8,875
Licenses, Permits & Franchises	0	719	719
Fines, Forfeitures & Penalties	0	1,468	1,468
Revenue for Use of Money & Property	0	893	893
Intergovernmental Revenue	0	18,780	18,780
Charges for Current Services	0	0	0
Miscellaneous Revenue	0	28,756	28,756

**Total General Purpose Revenue**

**\$ 0 \$ 70,654 \$ 70,654**

General County Expenses:

Cash Borrowing Program	\$ 7,700	\$ 0	\$ 7,700
Community Enhancement	0	0	0
Contingency Reserve	20,669	0	20,669
Contributions to the Capital Outlay Fund	12,489	(182)	12,308
Contribution to County Library	0	0	0
Local Agency Formation Comm Admin	0	0	0
Neighborhood Reinvestment Program	0	0	0
Countywide Expenses	29,132	350	29,482
Total Finance Other Expenses	69,990	168	70,159

**Total General Fund**

**\$ 69,990 \$ 70,822 \$ 140,813**

**Capital Program Funds**

Edgemoor Development Fund	\$ 228	\$ (1,163)	\$ (935)
<b>Total Capital Program Funds</b>	<b>\$ 228</b>	<b>\$ (1,163)</b>	<b>\$ (935)</b>

**Internal Service Funds Departments**

Workers Compensation	\$ 0	\$ 0	\$ 0
Unemployment Insurance	0	0	0
Public Liability	364	0	364
<b>Total ISF Funds</b>	<b>\$ 364</b>	<b>\$ 0</b>	<b>\$ 364</b>

**Debt Service Funds Departments**

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

**\$ 70,583 \$ 69,660 \$ 140,242**

**FY 2014-2015 3rd Quarter  
Projected Year-End Results**  
(in thousands)

Schedule B

Category	Projected Management & Contingency Reserves	Projected Operating Balances	3rd Quarter FY14-15 Projected Fund Balance
	Favorable/(Unfavorable)		
<b>General Fund</b>			
Public Safety	\$ 0	\$ 31,184	\$ 31,184
Health and Human Services Agency	20,000	20,868	40,868
Land Use and Environment	0	11,730	11,730
Community Services	2,692	1,314	4,006
Finance & General Government	226	7,540	7,766
<b>Agency/Group Totals</b>	<b>\$ 22,918</b>	<b>\$ 72,636</b>	<b>\$ 95,554</b>
General Purpose Revenue	\$ 0	\$ 70,654	\$ 70,654
General County Expenses	0	49,490	49,490
Contingency Reserve	20,669	0	20,669
<b>Total Gen'l. Purpose Rev. &amp; Gen'l. County Exp.</b>	<b>\$ 20,669</b>	<b>\$ 120,144</b>	<b>\$ 140,813</b>
<b>Total General Fund</b>	<b>\$ 43,587</b>	<b>\$ 192,780</b>	<b>\$ 236,367</b>

**SCHEDULE C**  
**Fiscal Year 2014-15 3rd Quarter**  
**Capital Projects Anticipated for Completion/Cancellation**

Ref	Note	ORG	Oracle Project Number	Account	Project Name	Total Budget as of 02-28-2015	Amount to be Capitalized as of 02-28-2015	Amount to Cancel
<b>** Capital Outlay Fund (Fund 26000 ) **</b>								
1	1	73050	1010779	54795	Improvement	185,000.00	152,365.25	32,634.75
2	1	7405C	1014127	54202	Animal Shelter Multi-Purpose Barn	200,000.00	196,817.44	3,182.56
3	1	73050	1000249	54034	Escondido Creek Acquisition	6,241,684.58	6,107,322.47	134,362.11
4	1	73050	1000285	54701	San Elijo Lagoon Nature Center Expansion	5,513,371.21	5,513,371.21	-
5	1	73050	1004981	54674	Felicita Regional Park	2,387,613.00	2,384,898.66	2,714.34
6	1	7402C	1014124	54202	Sweetwater Regional Park Energy Upgrades	1,475,444.43	1,475,444.43	-
7	1	7396C	1014129	54202	Live Oak Amphitheater	492,000.00	491,423.40	576.60
8	1	7390C	1014134	54202	Tijuana River Valley Trail Construction	220,834.35	220,834.35	-
9	1	7433C	1016576	54202	4S Ranch Sports Park Artificial Turf	1,547,447.68	1,547,447.68	-
10	1	7442C	1017286	54202	Hollister Pond Improvements	75,000.00	68,825.58	6,174.42
11	1	7440C	1017325	54202	Lakeside Equestrian Acquisition	403,590.13	403,590.13	-
12	1	7448C	1018129	54202	Potrero Fitness and Nature Trail Improvements	152,353.94	152,353.94	-
13	1	7458C	1018329	54202	Jess Martin Multi-Use Ballfields Irrigation and Seepage Pit	218,000.00	215,607.45	2,392.55
14	1	7459C	1018350	54202	4S Ranch Shade Structure Boys and Girls Club	150,000.00	146,942.59	3,057.41
15	1	7460C	1018351	54202	4S Ranch Shade Structure Sports Park	89,811.08	89,811.08	-
16	1	73050	1011214	54811	County Operations Center	176,834,944.00	157,092,165.44	9,779,405.23
17	1	7410C	1014351	54202	Agua Calienta Water and Sewer Electric Line Replacement	3,275,000.00	3,274,326.67	673.33
18	1	73050	1000011	54023	Wastesite Land Acquisition	8,238,400.00	1,987,613.60	6,250,786.40
19	2	7382C	1014255	54858	San Pasqual Academy Sports Field	8,700.00	-	8,700.00
20	2	7484C	1019115	54202	Midcity Child Welfare Services Leasehold Improvements	1,000,000.00	-	1,000,000.00
21	2	7394C	1014131	54874	San Pasqual Academy Admin Bldg	900,600.00	-	900,600.00
22	2	7355C	1015194	54824	Mt Olympus Preserve Improvements	-	-	-
23	2	7358C	1015191	54802	Ranger Housing Improvements	-	-	-
24	2	7369C	1015170	54844	County Reserve Fire Recovery	-	-	-
25	2	7391C	1014133	54063	I 122 Loss Allotment Supervisorial District 2 Acquisitions	-	-	-
26	2	7455C	1018839	54202	San Elijo Gateway Acquisition	1,800,000.00	-	-
27	1	7363C	1015185	54202	Heritage Park Improvements	119,290.89	119,290.89	-
28	1	7446C	1017857	54202	Lakeside Skate Park Construction	582,010.06	582,010.06	-
29	1	7430C	1016213	54202	Sweetwater Parking Lot Improvement	300,000.00	299,829.40	170.60
<b>CAPITAL OUTLAY FUND TOTAL</b>						<b>212,411,095.35</b>	<b>182,522,291.72</b>	<b>18,125,430.30</b>
<b>** County Health Complex Fund (Fund 26025) **</b>								

**SCHEDULE C**  
**Fiscal Year 2014-15 3rd Quarter**  
**Capital Projects Anticipated for Completion/Cancellation**

Ref	Note	ORG	Oracle Project Number	Account	Project Name	Total Budget as of 02-28-2015	Amount to be Capitalized as of 02-28-2015	Amount to Cancel
30	1	7427H	1016139	54202	Juvenile Hall (2011) Mental Health Services Office Building	259,000.00	238,931.33	20,068.67
<b>COUNTY HEALTH COMPLEX FUND TOTAL</b>						<b>259,000.00</b>	<b>238,931.33</b>	<b>20,068.67</b>
<b>** Justice Facility Construction Fund (Fund 26050) **</b>								
31	1	7392J	1014135	54839	Sheriff's Defensive Tactics Building	685,700.45	685,700.45	-
32	1	7473J	1018773	54012	Sheriffs Lakeside Sub Station Acquisition	1,215,000.00	1,214,987.28	12.72
33	2	7389J	1014136	54060	Ramona Substation Land Acquisition	1,000,000.00	-	1,000,000.00
<b>JUSTICE FACILITY CONSTRUCTION FUND TOTAL</b>						<b>2,900,700.45</b>	<b>1,900,687.73</b>	<b>1,000,012.72</b>
<b>** Library Projects Capital Outlay Fund (Fund 26075) **</b>								
34	1	74700	1000262	54637	KL3460 Descanso Library	425,859.57	401,521.42	24,338.15
35	1	7351L	1015200	54825	Lincoln Acres Library & Community Center	3,568,669.60	3,554,153.29	14,516.31
36	1	7398L	1014128	54880	Downtown San Diego Law Library Remodel	4,174,950.60	4,167,662.55	-
<b>LIBRARY PROJECTS CAPITAL OUTLAY FUND TOTAL</b>						<b>8,169,479.77</b>	<b>8,123,337.26</b>	<b>38,854.46</b>
<b>TOTAL FOR CAPITAL PROJECTS</b>						<b>223,740,275.57</b>	<b>192,785,248.04</b>	<b>19,184,366.15</b>
This attachment represents a listing of <b>9 cancelled projects (2)</b> and <b>27 capital projects (1)</b> that are anticipated to be completed and capitalized at the end of Fiscal Year 2014-15. See recommendations xxx of the Fiscal Year 2014-15 3rd Quarter Status Report.								
<b>Note: *</b>		<b>1</b>	<b>Completed Project</b>					
		<b>2</b>	<b>Cancelled Project</b>					



**COUNTY OF SAN DIEGO  
NOTES TO SCHEDULES A and B  
Fiscal Year 2014-15 3rd Quarter**

**GENERAL NOTES**

*Projected Fund Balance*

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

*Contingency Reserve and Management Reserves*

The County's General Fund budget contains a Contingency Reserve each year to be used in the event of unforeseen expenses or to offset revenue shortfalls. Management Reserves are appropriations that are established at the group or department level for unanticipated needs or planned future one-time expenses. Schedule B shows a summary of the General Fund's projected fund balance by group/agency that distinguishes between projected contingency/management reserve balances and operating balances.

*Variance Reporting*

Departments project variances from the Operational Plan based either on revised expectations or on actual revenues/expenditures to date. The significant variances (greater than \$300,000) in total expenditures, total revenue, 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 \$2.4 million is projected for the Department of Child Support Services.

A positive expenditure variance of \$3.8 million is projected due to \$2.6 million in Salaries and Benefits from vacant and modified positions and \$1.2 million in Services and Supplies primarily due to lower than expected operational expenses.

A negative revenue variance of \$1.3 million is projected primarily due to lower State and federal expenditure claims resulting from lower than expected operational expenses noted above.

*Citizens' Law Enforcement Review Board*

A positive variance of \$0.3 million is projected for the Citizens' Law Enforcement Review Board.

No expenditure variance is projected.

A positive revenue variance of \$0.3 million is projected due to over-realized revenue from pre-2004 State mandate reimbursement claim payments.

*Contribution for Trial Courts*

A positive variance of \$1.0 million is projected in Contribution for Trial Courts.

A positive expenditure variance of \$0.6 million is projected. This is comprised of \$0.1 million in Services and Supplies due to the completion of the court facility transfer to the State of California, and \$0.5 million in Other Charges to recognize the level of expenditures required to support the revenue sharing requirements of Government Code 77205, related to Trial Court funding.

A positive revenue variance of \$0.3 million is projected in Charges for Current Services due to increased receipts of \$0.1 million in other court costs and \$0.3 million in traffic school fees, partially offset by decreased receipts of \$0.1 million in court administration fees.

*District Attorney*

A positive variance of \$7.2 million is projected for the District Attorney's Office.

A positive expenditure variance of \$7.8 million is projected. This positive variance is primarily due to anticipated savings of \$7.4 million in Salaries and Benefits due to normal attrition, vacant and modified positions. A positive expenditure variance of \$0.6 million is projected in Other Charges due to decrease in grant funding from the U.S. Department of Justice, Justice Assistance Grant (JAG) Program. A positive expenditure variance of \$0.5 million is projected in Capital Assets Equipment due to delays in one-time purchases of information technology infrastructure. A negative expenditure variance of \$0.7 million is projected in Expenditure Transfers and Reimbursements due to normal attrition and delays in filling vacant positions in the Public Assistance Fraud Unit.

A negative revenue variance of \$0.6 million is projected primarily due to a reduction in JAG Program funding (\$0.6 million) as noted above, and less than anticipated funding from the U.S. Department of Justice, Office of Violence Against Women (\$0.3 million), partially offset by one-time over-realized revenue from the California Office of Traffic Safety, Alcohol and Drug Impaired Driver Prosecution Grant (\$0.3 million).

*Office of Emergency Services*

A positive variance of \$0.4 million is projected for the Office of Emergency Services.

A positive expenditure variance of \$2.9 million is projected. This is primarily due to savings of \$0.5 million in Salaries and Benefits due to vacant and modified positions which are supported with grant funding, \$1.1 million in Services and Supplies due to projects related to grant funding that will be completed in the next fiscal year and will be

rebudgeted in the CAO Recommended Operational Plan Fiscal Year 2015-16 (\$0.9 million) and for the Call When Needed Program and Exclusive Use Helicopter Program (\$0.2 million), and \$1.3 million in Other Charges associated with grant funding which is passed through to other agencies and will be rebudgeted in the CAO Recommended Operational Plan Fiscal Year 2015-16.

A negative revenue variance of \$2.5 million in Intergovernmental Revenues is projected due to cost savings in Salaries and Benefits (\$0.5 million), Services and Supplies (\$0.9 million), and Other Charges (\$1.1 million) which are all related to the Homeland Security Grant Program.

#### *Probation*

A positive variance of \$3.2 million is projected for the Probation Department.

A positive expenditure variance of \$3.8 million is projected due to savings of \$4.7 million in Salaries and Benefits from vacant positions, partially offset by negative expenditure variances of \$0.7 million in Other Charges due to increased foster care placement costs and \$0.2 million in Expenditures Transfers and Reimbursements due to less than anticipated costs in juvenile mental health services.

A negative revenue variance of \$0.6 million is projected. This is comprised of under-realized revenue of \$2.3 million due to less than anticipated collection of fines and fees (\$1.0 million), a decrease in probation work crew charges (\$0.5 million), decreased population of juvenile wards in institutions (\$0.4 million), a decrease in Penalty Assessment Revenue due to decreased collections (\$0.2 million), and a projected shortfall in miscellaneous revenue sources (\$0.2 million). These negative variances are partially offset by over-realized revenue of \$1.7 million due to pre-2004 state mandate reimbursement claim payments (\$0.7 million), an increase in the Foster Care population eligible for federal revenue partially offset by a decrease due to Title IV-E Waiver activities not being fully implemented this fiscal year (\$0.7 million), and an increase in State Realignment payments related to Foster Care expenditures (\$0.3 million).

#### *Public Defender*

A positive variance of \$2.6 million is projected for the Public Defender.

A positive expenditure variance of \$2.8 million is projected. This is comprised of anticipated savings of \$0.9 million in Salaries and Benefits due to vacant and modified positions and a \$1.9 million savings in Services and Supplies due to overall efforts to reduce expenditures.

A negative revenue variance of \$0.2 million is projected for the Sexually Violent Predators state mandate reimbursement claim due to the new test claim decision adopted by the Commission on State Mandates that reduced the number of reimbursable activities and over-realized revenue associated with Assembly Bill 109 activities.

*Public Safety Group Executive Office*

A positive variance of \$3.9 million is projected for the Public Safety Group Executive Office.

A positive expenditure variance of \$1.7 million is projected in Services and Supplies due to savings from contracted services, facilities management, and one-time major maintenance and information technology projects, partially offset by an increase in special departmental expenses and information technology costs.

A positive revenue variance of \$2.2 million is projected due to \$1.8 million in revenue received in State Miscellaneous from the Joint Powers Agreement with the State of California, Department of Transportation for the Next Generation Regional Communications System and \$0.4 million in over-realized revenue received in Other Miscellaneous from a court settlement.

*San Diego County Fire Authority*

A positive variance of \$0.7 million is projected for the San Diego County Fire Authority.

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

A positive revenue variance of \$0.4 million is projected in Miscellaneous Revenues due to over-realized revenue from the Fire Safety Trust Fund for apparatus.

*Sheriff*

A positive variance of \$9.3 million is projected for the Sheriff's Department.

A positive expenditure variance of \$10.5 million is projected. Salaries and Benefits are projected to be \$13.8 million under budget due to vacant positions. A positive expenditure variance of \$1.0 million is projected in Services and Supplies primarily due to savings in automotive fuel and professional and specialized services in Detention Medical Services. Other Charges is projected to be \$4.3 million over budget due to the cost of medical support and care of persons in the detention facilities.

A negative revenue variance of \$1.2 million is projected. Negative variances are projected in Penalty Assessment revenue (\$5.6 million) due to decreased collections and amounts that will be retained in the fund Criminal Justice Facility Construction Fund, in Booking Fees (\$0.3 million) based on projected State allocations from 2011 Realignment, in the State Criminal Alien Assistance Program (\$0.4 million) due to reduced revenue from the federal government, and a projected shortfall in miscellaneous revenue sources (\$0.1 million). These negative variances are partially offset by positive variances due to over-realized revenue of \$2.2 million in State funds allocated to the Trial Court Security Subaccount based on prior year growth, \$1.7 million in Low Income Health Program (LIHP) reimbursements and \$1.3 million in pre-2004 state mandate reimbursement claim payments.

## **Special Revenue Funds**

### *Courthouse Construction*

A positive variance of \$0.6 million is projected in the Courthouse Construction Special Revenue Fund.

A positive expenditure variance of \$0.3 million is projected in Services and Supplies due to a transfer of funds from amounts previously budgeted in other agency funds, which were reclassified to special revenue funds this fiscal year. These amounts will be retained in this fund for the future use of constructing or financing court facilities per Government Code section 76100(b).

A positive revenue variance of \$0.3 million is projected due to an increase in Courthouse Construction Parking Assessments revenue combined with unanticipated revenue received as a result of the California State Controller's audit of Court Revenues.

### *Criminal Justice Facility Construction*

A net positive variance of \$34.7 million is projected in the Criminal Justice Facility Construction Special Revenue Fund.

A positive expenditure variance of \$34.4 million is projected. This is comprised of \$28.6 million in Services and Supplies due to a transfer of funds from the old Penalty Assessment trust funds to the new special revenue funds, and \$5.8 million in Operating Transfers Out due to amounts that will not be transferred to General Fund departments partially as a result of a decline in Penalty Assessment revenue. These amounts will be retained in this fund for the future use of General Fund departments' construction, operations and maintenance of criminal justice facilities per Government Code sections 76100 and 76101(a).

A positive revenue variance of \$0.3 million is projected due to an increase in Parking Penalty Assessment revenue combined with unanticipated revenue received as a result of the California State Controller's audit of Court Revenues.

### *Sheriff's Asset Forfeiture Fund*

A positive variance of \$0.3 million is projected for the Asset Forfeiture Fund.

No expenditure variance is projected.

A positive revenue variance of \$0.3 million is projected due to increased seizures.

### *Sheriff's Inmate Welfare Fund*

A positive variance of \$1.4 million is projected for the Inmate Welfare Fund.

A positive expenditure variance of \$0.9 million is projected. A positive variance of \$0.5 million is projected in Services and Supplies primarily due to savings in professional and

specialized services associated with a contract with Grossmont Union High School District (GUHSD) (\$0.3 million) and savings associated with supplies and printing (\$0.2 million). A positive variance of \$0.4 million in Operating Transfers Out is projected due to a decrease in transfers to the General Fund based on vacant positions within Inmate Welfare Fund.

A positive revenue variance of \$0.5 million is projected due to recovered expenditures from a reimbursement from the GUHSD for contracted educational services (\$0.5 million) and rents and concessions (\$0.1 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 \$10.8 million is projected for the Proposition 172 Special Revenue Fund.

No expenditure variance is projected.

A positive revenue variance of \$10.8 million is projected. Current year revenues are projected to be \$7.3 million greater than budget due to the combination of Fiscal Year 2013-14 actual revenue receipts exceeding the budget estimate for the current fiscal year and present economic conditions supporting a continued positive outlook for sales tax revenue receipts. Additionally, over-realized revenue from a one-time growth payment adjustment of \$3.5 million was received due to an error with allocations of State sales taxes for Proposition 172 that occurred after the implementation of the gas tax swap. This resulted from a Board of Equalization internal audit that showed that there was an overallocation of sales tax revenues to the State General Fund and a corresponding underallocation of sales tax revenues to Proposition 172.

#### *Penalty Assessment*

A positive variance of \$0.7 million is projected in the Penalty Assessment Special Revenue Fund.

A positive expenditure variance of \$0.6 million is projected in Services and Supplies due to a transfer of funds from the old Penalty Assessment trust funds to the new special revenue funds. These amounts will be retained in this fund for the future use of emergency medical services and General Fund departments' operations and maintenance of criminal justice facilities per Government Code sections 76104 and 76000(a), respectively.

A positive revenue variance of \$0.1 million is projected due to unanticipated revenue received in Fines, Forfeitures and Penalties as a result of the California State Controller's audit of Court Revenues and increased interest receipts in Revenue from Use of Money and Property. **Internal**

#### **Service Funds**

##### *Sheriff's Jail Stores*

A positive variance of \$0.2 million is projected for the Jail Store Commissary Fund.

A positive expenditure variance of \$0.6 million is projected in Services and Supplies due to a decline in inmate requests to purchase phone time and commissary items.

A negative revenue variance of \$0.4 million is projected based on a decrease in commissary sales to inmates.

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

### **General Fund**

#### *Administrative Support*

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

A positive variance of \$28.7 million is projected for Administrative Support.

A positive expenditure variance of \$6.6 million includes \$2.2 million in Salaries and Benefits due to vacant positions and a projected year-end balance of \$20.0 million in Management Reserves which are held for operating contingencies during the year. This is partially offset by \$15.6 million overspending in Services and Supplies. The \$15.6 million overspending in Services and Supplies is primarily related to the Intergovernmental Transfer (IGT) agreement with the Department of Health Care Services (\$8.9 million), an increase for modernization of facilities (\$6.6 million), and costs for implementation of the first phase of the Knowledge Integration Program (KIP) Information Exchange (\$9.8 million). These increases were partially offset by \$9.0 million funds set-aside in case of an emergency, such as bioterrorism or other health crisis, that are not anticipated to be spent and \$0.7 million savings in spread among various other Services and Supplies. HHS plans to mitigate the overspending in Services and Supplies through an appropriations transfer from Management Reserves, if necessary.

The positive revenue variance of \$22.1 million includes an increase of \$8.9 million in Miscellaneous Revenue related to the IGT, \$14.5 million in Realignment funding, and \$7.0 million in administrative revenue tied to social services allocation increases for the Affordable Care Act (ACA). The realignment increase includes \$5.7 million due to a redistribution from Edgemoor related to the IGT, \$4.8 million to help cover KIP costs, and \$4.0 million related to an overall increase in projected receipts. These increases were offset by \$8.0 million of unsecuritized tobacco settlement revenue that is not projected to be recognized as it is a reserve for emergencies and \$0.3 million in charges in Other Funds/Special Districts.

#### *Aging and Independence Services*

A positive variance of \$1.2 million is projected for Aging & Independence Services (AIS).

The positive expenditure variance of \$1.4 million includes projected savings of \$0.3 million in Salaries and Benefits due to vacant positions, savings of \$1.0 million in Services and Supplies and savings of \$0.2 million in Operating Transfers for In-Home Support Services for Public Authority, offset by increased cost of \$0.1 million in Other Charges expenses associated with an increase in client services in Community Care Transitions Program (CCTP). The \$1.0 million savings in Services and Supplies is due to a decrease of \$0.4 million in Contracted Service expenses primarily due to decrease of \$1.5 million in the CCTP that was offset by an increase of \$1.1 million in other contracted services, and a decrease of \$0.6 million in various other services and supplies expenses.

The negative revenue variance of \$0.2 million was associated with a decrease in Realignment revenue due to redistribution within the Agency.

#### *Behavioral Health Services*

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

No variance is projected for Behavioral Health Services.

The positive expenditure variance of \$15.5 million includes projected savings of \$3.4 million in Salaries and Benefits due to vacant positions, \$13.2 million in Services and Supplies, \$0.2 million in Capital Assets Equipment, offset by \$1.3 million in Other Charges due to an increase in utilization of State hospital beds. The \$13.2 million of savings in Services and Supplies includes savings of \$13.4 million in contracted services, offset by an increase of \$0.2 million in professional and specialized services in Alcohol and Drug Services (ADS). The savings in contracted services include savings of \$8.5 million in Mental Health Services Act (MHSA) contracts, \$3.2 million in Substance Abuse Prevention and Treatment (SAPT) contracts, \$3.0 million in various contracts, \$0.2 million in CalWORKs Mental Health Treatment and Substance Abuse program, offset by a \$1.0 million contracted services increase in Drug Medi-Cal services and \$0.5 million contracted services increase in Skilled Nursing Facilities (SNF).

The negative revenue variance of \$15.5 million consists of \$21.8 million under realized Intergovernmental Revenues offset by \$6.3 million over realized in Miscellaneous Revenue due to the Intergovernmental Transfer with the Department of Health Care Services. The \$21.8 million in under realized Intergovernmental Revenues consists of \$21.1 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 \$3.2 million in substance abuse funding due to savings in contracted services, offset by over realized revenue of \$2.2 million in SB 90 reimbursements and \$0.3 million in state grants.

#### *County Child Welfare Services*

A positive variance of \$1.5 million is projected for County Child Welfare Services.



The positive expenditure variance of \$23.5 million includes savings of \$0.8 million in Services and Supplies, primarily in Wraparound service contracts and \$23.0 million in Other Charges due to revised estimates of caseload levels and growth trends, partially offset by \$0.3 million overspending in Salaries and Benefits due to hiring efforts. HHS plans to mitigate the overspending in Salaries and Benefits through an appropriations transfer from Other Charges.

The negative revenue variance of \$22.0 million is associated with expenditure savings due to revised caseload projections in assistance payments and other Services and Supplies savings.

#### *Public Health Services*

A positive variance of \$2.9 million is projected for Public Health Services.

The positive expenditure variance of \$5.6 million includes savings of \$1.7 million in Salaries and Benefits due to vacant positions, \$3.1 million in Services and Supplies and \$0.8 million in Other Charges that is the result of revised caseload levels in California Children's Services. The \$3.1 million savings in Services and Supplies includes \$2.5 million in contract savings and \$0.6 million in other services and supplies.

The negative revenue variance of \$2.7 million is associated with a decrease in State and federal revenues of \$2.9 million primarily Ryan White/Minority AIDS Initiative and Medi-Cal Administrative Activities (MAA) offset by an increase in vital record fees of \$0.2 million.

#### *Regional Operations*

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

A positive variance of \$6.6 million is projected for Regional Operations.

The positive expenditure variance of \$16.0 million includes savings of \$6.5 million in Salaries and Benefits due to vacant positions and attrition, \$0.8 million in Services and Supplies, and \$8.7 million savings in Other Charges that is mainly the result of revised caseload levels in California Work Opportunity and Responsibility to Kids (CaWORKs) benefits. The \$0.8 million savings in Services and Supplies includes \$0.8 million in savings in contracted services and \$0.5 million savings in various non-contract services offset by increase of \$0.5 million in 2-1-1 Info Line expenses due to contract augmentation per program needs.

The negative revenue variance of \$9.4 million consists of \$14.0 million in under realized Intergovernmental Revenue, offset by \$0.3 million over realized revenue in Fines, Forfeiture's and Penalties due to increased EMS Penalty Assessments in HCPA, \$4.0 million over realized in Charges for Current Services due to higher than projected third

party reimbursement revenue in HCPA and \$0.3 million over realized in Miscellaneous Revenue due to higher than projected General Relief Overpayment collections. The \$14.0 million in under realized Intergovernmental Revenue consists of \$25.5 million under realized in Assistance payments due to revised caseload projections and \$3.5 million in Refugee grants to match anticipated spending, offset by over realized revenues of \$7.5 million in Social Services Administration due to revised allocations, \$5.9 million in Realignment related to an overall increase in projected receipts, \$0.8 million in the Medi-Cal Outreach and Enrollment Grant not budgeted, and \$0.8 million in Regional Public Health Clinic revenues due to increase in various grants.

### **Special Revenue Funds**

#### *Tobacco Securitization Fund*

A positive variance of \$9.7 million is projected for the Securitized Tobacco Settlement Fund.

The positive expenditure variance of \$13.8 million in Other Charges is the result of savings in County Medical Services (CMS).

The negative revenue variance of \$4.1 million is due to under-realized Interest on Deposits.

### **Special Districts Funds**

#### *Ambulance Districts*

A positive variance of \$1.2 million is projected for the Ambulance District.

A positive expenditure variance of \$0.7 million in Services and Supplies is related to savings in contracted services.

A positive revenue variance of \$0.5 million is due to additional transport fees, a projected increase in property tax revenue and a prior year contractor refund.

## **LAND USE AND ENVIRONMENT GROUP**

### **General Fund**

#### *Land Use and Environment Group Executive Office*

A positive variance of \$3.9 million is projected for the Land Use and Environment Group Executive Office.

A positive expenditure variance of \$3.9 million is projected. Savings of \$0.3 million in Salaries and Benefits is primarily due to vacancies. Savings of \$3.6 million in Services and Supplies is due to delays in Information Technology projects such as Air Pollution Control District paper conversion project (\$0.2 million), Agriculture, Weights and Measures Trapping iPad application (\$0.1 million), Mobile application development (\$0.1 million), Business Case Management System Infrastructure Upgrade and Improvements (\$0.5 million), Civic Engagement (\$0.1 million), Asset Management System project (\$0.8 million), Open Data Platform (\$0.1 million), and Business Process

Engineering projects for Team LUEG and for LUEG departments (\$1.0 million), that will be rebudgeted in the CAO Recommended Operational Plan Fiscal Years 2015-17, and \$0.7 million savings due to contracted services that are not anticipated to be spent.

No revenue variance is projected.

*Agriculture, Weights and Measure (AWM)*

A positive variance of \$1.1 million is projected for the Department of Agriculture, Weights and Measures.

A positive expenditure variance of \$1.2 million is projected due to an overall savings of \$0.8 million in Salaries and Benefits, \$0.3 million in Services and Supplies and \$0.1 million in Expenditure Transfer and Reimbursements. A savings of \$0.8 million is projected in Salaries and Benefits mainly due to vacancies and under-filling positions. A savings of \$0.3 million in Services and Supplies is projected due to a \$0.2 million reduction in expenditures related to Integrated Pest Control (IPC) program services to other County departments and \$0.1 million in information technology related costs. A savings of \$0.1 million is projected in Expenditure Transfer and Reimbursements related to IPC program internal agreements noted above.

A negative revenue variance of \$0.1 million is projected. This negative variance is due to a \$0.3 million shortfall in Licenses, Permits & Franchises due to less than anticipated demand for export certificate fees and license and permit fees, and \$0.2 million in unrealized revenue in Charges for Current Services related to IPC expenditure reductions noted above, partially offset by a \$0.3 million positive revenue in Intergovernmental Revenue primarily due to overrealized Unclaimed Gas Tax, and \$0.1 million in unanticipated reimbursement from the Department of Environmental Health for Hazardous Materials Inventory activities.

*Environmental Health*

A positive variance of \$1.1 million is projected for the Department of Environmental Health.

A positive expenditure variance of \$4.8 million is projected. Savings of \$1.8 million in Salaries and Benefits is projected due to vacancies, under-filling positions and freezing of positions. Projected savings of \$3.0 million in Services and Supplies includes \$3.7 million in savings due to delays in implementation of the Vector Habitat Remediation Program offset by \$0.7 million in unanticipated information technology costs related to the implementation of e-Forms.

A negative revenue variance of \$3.7 million is projected. A positive variance of \$0.9 million in Licenses, Permits and Franchises is due to fee revenue in the Food and Housing Division which includes the cost of external overheads and are not part of budgeted revenue. A negative variance of \$3.9 million in Charges for Current Services consists of a \$4.8 million shortfall in Vector Control Trust Fund revenue associated with savings from vacancies and decreased expenditures due to delays in implementing the

Vector Habitat Remediation Program because revenue is only drawn from the Vector Control Trust Fund for actual costs incurred, and a \$0.3 million shortfall from lower than anticipated revenue from underground storage tank inspections and \$0.1 million spread over various accounts, partially offset with a positive variance of \$1.3 million in Third Party Reimbursements which consists of unanticipated revenue of \$0.5 million related to e-Forms and \$0.8 million in revenue that was reclassified from Miscellaneous Revenue. The negative variance of \$0.8 million in Miscellaneous Revenues is due to the reclassification of revenue as discussed in Charges for Current Services, and a \$0.1 million positive variance is spread in various accounts in Intergovernmental Revenue.

#### *Department of Parks and Recreation*

A positive variance of \$0.2 million is projected for the Department of Parks and Recreation.

A positive expenditure variance of \$0.3 million is projected. Savings of \$1.0 million in Salaries and Benefits is projected due to vacant and under filled positions, offset by a projected negative variance of \$0.7 million in Services and Supplies due to the funding of additional Major Maintenance Improvement Projects and various park projects. This negative variance will be mitigated by an appropriations transfer from Salaries and Benefits.

A negative revenue variance of \$0.1 million in Charges for Current Services is projected primarily due to departmental vacancies that support projects in the Capital Outlay Fund.

#### *Planning and Development Services*

A positive variance of \$4.4 million is projected for Planning and Development Services.

A positive expenditure variance of \$5.7 million is projected. Savings of \$3.1 million is projected in Salaries and Benefits, primarily due to vacancies. Savings of \$2.6 million in Services and Supplies is projected primarily due to various contracted services related to one-time only funded projects including Culture Training (\$0.3 million), various IT projects (\$0.6 million), Zoning Ordinance Update (\$0.6 million), Comprehensive Renewable Energy Plan (\$0.1 million), Property Specific Request General Plan Amendment (\$0.6 million), PACE program (\$0.1 million), Agricultural Promotion Program (\$0.1 million), Traffic Impact Fee update (\$0.1 million) and Nuisance Abatements (\$0.1 million), all of which will be rebudgeted in the CAO Recommended Operational Plan Fiscal Year 2015-16.

A negative revenue variance of \$1.3 million is projected. Projected negative variances of \$0.3 million in Fines, Forfeitures & Penalties is due to staff vacancies in Code Compliance, and \$1.0 million in Charges for Current Services primarily due to projected under-realized revenue from developer deposits due to staff vacancies in Project Planning.

#### *Public Works*

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

A positive expenditure variance of \$2.3 million is projected. Savings of \$0.4 million projected in Salaries & Benefits is due to under-filling of positions and partial year vacancies. Savings of \$1.9 million in Services and Supplies is from the closure of the 2007 debris removal project (\$0.9 million), projected savings from a schedule change of Accela Optimization (\$0.3 million), savings from GIS billings (\$0.1 million) related to the Watershed Protection program, and various projects that will continue into Fiscal Year 2015-16 and will be rebudgeted in the Fiscal Year 2015-17 CAO Recommended Operational Plan (\$0.6 million). These projects include consultant services to develop an Environmental Impact Report (EIR) for zoning ordinance revisions (\$0.3 million), Proctor Valley Road Vacation and closure (\$0.1 million), SANDAG Quality of Life voter initiative for regional funding strategy to fund water quality projects and programs (\$0.06 million), and various underground utility and Total Maximum Daily Load (TMDL) source tracking and epidemiology studies, and installation of webcams at Cole Grade road on the San Luis Rey river and De Luz Road on De Luz Creek (\$0.1 million).

A negative revenue variance of \$1.3 million is projected. Under-realized revenue of \$0.4 million is projected in Intergovernmental Revenues primarily due to less co-permittee fees anticipated under the Watershed Protection program and \$0.9 million less in Miscellaneous Revenues from the closure of debris removal project discussed above.

### **Special Revenue Funds**

#### *Park Land Dedication Ordinance*

A positive variance of \$1.5 million is projected for the Park Land Dedication Ordinance.

No expenditure variance is projected.

A positive revenue variance of \$1.5 million is projected in Licenses Permits and Franchises primarily due to unanticipated revenue from Park Land Dedication fees.

#### *Public Works – Road Fund*

A positive variance of \$12.0 million is projected in the Department of Public Works Road Fund.

A positive expenditure variance of \$10.6 million is projected. Projected savings of \$2.4 million in Salaries and Benefits is due to under-filling of positions and partial year vacancies. Savings of \$6.8 million in Services and Supplies is projected from construction bid savings (\$1.7 million), of which \$1.3 million will be rebudgeted in the Fiscal Year 2015-17 CAO Recommended Operational Plan to award the construction contract for Knottwood Way, a reduced need for consultant services on projects (\$2.7 million) and renegotiated service contracts reductions (\$2.4 million). Savings of \$1.4 million in Other Charges is projected due to right of way schedule revisions.

A positive revenue variance of \$1.5 million is projected. Under-realized revenue of \$1.4 million is projected in Taxes Other Than Current Secured due to less than anticipated TransNet revenue as a result of project schedule right of way revisions, fewer construction consultants being used, and construction bid savings. Over-realized revenue of \$3.1 million is projected in Intergovernmental Revenue due to \$5.0 million in unanticipated Highway Users Tax Account revenue from higher gas tax allocations and \$0.2 million in unanticipated revenue from the Federal Forest Reserve. This revenue is partially offset by \$2.1 million in under-realized grant revenue due to project schedule revisions in various federal and state projects and construction bid savings. Over-realized revenue of \$0.2 million is projected in Charges for Current Services and is primarily due to over-realized revenue of \$1.3 million from unanticipated revenues from utility agreements, service to property owners and work for other County departments partially offset by \$1.1 million of project schedule changes in Flood Control District projects and under-realized developer repayment for consultant charges. Under-realized revenue of \$0.4 million in Miscellaneous Revenues is projected due to \$0.9 million less revenues from a schedule revision of a tribal grant-funded project and from construction contract savings partially offset by \$0.5 million unanticipated revenue from the sale of property and insurance claim recoveries.

#### *Public Works – Inactive Waste*

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

A positive expenditure variance of \$0.3 million is projected. Projected savings of \$0.1 million in Salaries & Benefits is due to an under-filled position. Savings of \$0.2 million in Services and Supplies is due to contract cost savings from operations and maintenance, as well as savings from final completion costs associated with the Fallbrook 1C project.

A negative revenue variance of \$0.3 million is projected. Under-realized revenue of \$0.7 million is projected in Charges for Current Services due to project savings described above, offset by unanticipated revenue of \$0.3 million from the Cal Recycle grant and \$0.1 million in other revenue accounts.

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

##### *Public Works*

A positive variance of \$0.9 million is projected in the Department of Public Works Internal Service Funds (ISF).

A positive expenditure variance of \$0.9 million is projected. Savings of \$0.3 million in Services and Supplies is due primarily to a reduction in vehicle fuel prices. Capital Assets Equipment savings of \$0.6 million is due to a schedule change in vehicle replacement and some cost savings in vehicle purchases in the Equipment Acquisition ISF's.

No revenue variance is projected.

## **Special District Funds**

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

A positive variance of \$0.7 million is projected for the Air Pollution Control District.

A positive expenditure variance of \$2.6 million is projected. Salaries and Benefits savings of \$2.1 million is projected due to staff turnovers, vacancies and under-filled positions. Projected savings of \$0.1 million in Services and Supplies is due to savings in Information Technology projects. A positive expenditure variance of \$0.5 million is projected in Operating Transfers Out that will not occur due to less than anticipated award of mobile incentive grant funding. This is partially offset by a negative variance of \$0.1 million in Other Charges.

A negative revenue variance of \$1.9 million is projected. Negative variances of \$1.4 million in Licenses Permits and Franchises is projected primarily due to the cost recovery proposal not going forward and less than anticipated permit activity; \$0.3 million less in Intergovernmental Revenues is due to the delay in the award of a federal grant; and \$0.3 million in Other Financing Sources from an Operating Transfer In that will not occur due to salary savings noted above because revenue is only drawn from the Air Pollution Control Air Quality Improvement Trust fund for actual costs incurred. This is partially offset by a positive variance of \$0.1 million in Charges for Current Services.

### *County Service Areas*

A positive variance of \$0.3 million is projected for the County Service Areas.

A positive expenditure variance of \$0.2 million primarily in Operating Transfers Out (\$0.1 million) due to departmental vacancies and underfilled positions that support the County Service Areas, as well as less than anticipated expenditures in various accounts within Services and Supplies (\$0.1 million).

A positive revenue variance of \$0.1 million is projected primarily due to unanticipated revenue in Park and Recreation Fees.

### *Street Lighting District*

A positive variance of \$0.2 million is projected in the Street Lighting District.

A positive expenditure variance of \$0.5 million is projected. Projected savings of \$0.3 million in Services and Supplies is from a schedule change in purchases of Light Emitting Diodes (LED) street light conversion materials. Savings of \$0.2 million in Other Charges is due to a deferral of the loan payment to replace street lights, which is not due until December 2016.

A negative revenue variance of \$0.3 million is projected due to under-realized revenues in Other Financing Sources from less than anticipated loan proceeds related to the schedule change in purchases of LED conversion materials.

*San Diego County Sanitation District*

A positive variance of \$11.8 million is projected in the San Diego County Sanitation District.

A positive expenditure variance of \$11.8 million is projected. Savings in Services and Supplies of \$0.3 million is primarily due to staff vacancies and under-filled positions in the Wastewater Enterprise Fund which provides staffing for the operation and maintenance of the Sanitation District. Savings in Capital Assets/Land Acquisition of \$11.5 million is due to rescheduling and reprioritization of several capital projects including the Rancho San Diego Improvement project, Industry Road Interceptor and Woodside Interceptor projects and the Supervisory Control and Data Acquisition (SCADA) Wastewater Upgrade project, as well as unanticipated savings in contingency funds for the Jamacha Pump Station, Trunk D Sewer and Calavo Sewer Improvement projects.

No revenue variance is projected.

**Enterprise Funds**

*Airport Enterprise Fund*

A positive variance of \$2.0 million is projected for the Airport Enterprise Fund.

A positive expenditure variance of \$3.6 million is projected. Savings in Salaries and Benefits of \$0.1 million is due to partial year vacancies and under-filling of positions. Savings of \$0.9 million in Services and Supplies is from cost savings for major maintenance projects, contracted services and information technology application services. Savings of \$2.6 million is projected in Capital Assets/Land Acquisition due to various capital projects that were completed under budget.

A negative revenue variance of \$1.6 million is projected. Under-realized revenue from Use of Money and Property of \$0.1 million is projected from parking lot and landing fees and \$0.6 million in Miscellaneous Revenues is due to a departure of a commercial air carrier. Under-realized revenue of \$0.9 million in Intergovernmental Revenue is projected due to federal grant funded capital projects that were completed under budget.

*Wastewater Enterprise*

A positive variance of \$0.9 million is projected in the Wastewater Enterprise Fund.

A positive expenditure variance of \$1.2 million is projected. Savings of \$0.4 million is projected in Salaries and Benefits due to partial year vacancies and under-filling of



positions. Savings of \$0.8 million in Services and Supplies is due to the deferral in the implementation of the Asset Management System.

A negative revenue variance of \$0.3 million in Charges for Current Services is projected due to reduced work and cost for maintenance in the San Diego County Sanitation District and water districts due to staff vacancies.

## **COMMUNITY SERVICES GROUP**

### **General Fund**

#### *Community Services Group Executive Office*

A positive variance of \$2.7 million is projected for the Community Services Group Executive Office.

A positive expenditure variance of \$2.7 million is projected in Management Reserves, which are appropriated for unanticipated Group-wide contingencies.

No revenue variance is projected.

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

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

#### *Housing and Community Development Operations*

A positive variance of \$0.2 million is projected.

A positive expenditure variance of \$0.9 million is projected. Salaries and Benefits savings of \$0.4 million is due to vacancies from employee turnover partially offset by negotiated one-time and ongoing Salaries and Benefit increases. Savings in Services and Supplies of \$0.5 million is due to under-spending in annual IT application upgrade projects (\$0.2 million) anticipated to be continued next year, direct billing of facility operating cost to the Housing Authority program projects (\$0.1 million) and savings in various operating expenses (\$0.2 million) as a result of managing discretionary expenses.

The projected negative revenue variance of \$0.7 million in Intergovernmental Revenues is related to the projected expenditure savings in Salaries and Benefits and various Services and Supplies as noted above, resulting in decreased costs recovered.

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

No variance is projected for HCD Multi-Year Projects. The positive expenditure variance of \$12.9 million, including \$5.2 million in Services and Supplies and \$7.7 million in Other Charges, is offset by a projected negative revenue variance of \$12.9 million in

Intergovernmental Revenues. 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.

#### *Registrar of Voters*

A positive variance of \$0.8 million is projected for the Registrar of Voters.

A positive expenditure variance of \$2.0 million is projected. Positive variances of \$0.8 million in Salaries and Benefits is due to lower than anticipated temporary labor costs and vacancies, and \$1.2 million in Services and Supplies is due to lower than anticipated election supplies and poll worker payroll costs for the November 4, 2014 Gubernatorial General Election, and delays in two planned IT projects. The department will be rebudgeting \$0.3 million in the Fiscal Year 2015-16 CAO Recommended Operational Plan for the two IT projects which include an asset tracking system (\$0.2 million) and a poll worker internet system (\$0.1 million).

A negative revenue variance of \$1.1 million is projected. Under-realized revenue of \$0.8 million for Election Services and \$0.1 million in Charges for Current Services for Candidate Statement of Qualification is related to the November 4, 2014 Gubernatorial General Election; and \$0.2 million in Intergovernmental Revenues is due to lower than expected revenue reimbursement for products and services provided to the public, media, candidates and campaigns.

### **Special Revenue Funds**

#### *San Diego County Library*

A positive variance of \$0.7 million is projected for the San Diego County Library.

A positive expenditure variance of \$1.0 million is projected. This variance is a result of savings of \$0.7 million in Salaries and Benefits from anticipated vacated positions. Projected savings in Services and Supplies of \$0.3 million is due to savings based on year-to-date spending in facilities management (\$0.2 million) and rents and leases (\$0.1 million).

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

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

#### *Facilities Management ISF*

No variance is projected for the Facilities Management ISF.

A positive variance of \$3.8 million in expenditures is projected. The positive variance of \$1.2 million in Salaries and Benefits is due to savings from modified positions and staff

vacancies. The savings in Services and Supplies of \$0.9 million is due to delays in completing the following one-time projects: \$0.5 million for an assessment of County parks infrastructure, \$0.3 million for the ADA Transition Plan, and \$0.1 million for a condition assessment of various County facilities. Funding for these projects will be rebudgeted in the Fiscal Year 2015-16 CAO Recommended Operational Plan. There is a positive variance of \$0.2 million in Capital Assets Equipment due to delays in the development of the building information modeling software, which will be rebudgeted in the Fiscal Year 2015-16 CAO Recommended Operational Plan. A positive variance of \$1.5 million in Operating Transfers Out is due to fewer than anticipated qualified projects for On-Bill Financing and California Energy Commission (CEC) financing, which will also result in lower than anticipated revenue.

There is a projected negative revenue variance of \$3.8 million. This variance consists of under-realized revenue of \$2.6 million in Charges for Current Services mainly due to lower than anticipated revenue for real estate services, revenue for pass-thru costs which are reimbursed by client departments for mail services, facility operations and maintenance, and contracted services, including the rebudgets (\$0.9 million) as described above. \$1.6 million in Other Financing Sources is due to a \$1.3 million one-time technical adjustment required to record the liability associated with the On-Bill Financing, which is used to finance County-wide energy efficiency projects, and a reduction of \$0.3 million in Operating Transfers In to reimburse for services provided to the Major Maintenance Internal Service Fund; and a projected shortfall of \$0.2 million in rents and concessions. These negative variances are partially offset by a positive variance of \$0.6 million in miscellaneous revenue from higher than anticipated lease commissions.

#### *Major Maintenance ISF*

A positive variance of \$2.2 million is projected for the Major Maintenance ISF.

There is a projected positive variance of \$12.0 million in expenditures. Savings of \$11.9 million in Services and Supplies and \$0.1 million in Operating Transfers Out are due to delays in commencing new projects.

There is a projected negative revenue variance of \$9.8 million. Costs incurred in this fund are reimbursed by operating departments and project delays, as noted above, will result in a negative revenue variance of \$12.0 million. This negative variance will be partially offset by a positive variance of \$2.2 million in one-time revenues (\$1.5 million technical adjustment from the Facilities Management ISF and \$0.7 million from the State for reimbursement of maintenance projects).

#### *Fleet Management ISF*

A positive variance of \$4.8 million is projected for the Fleet Management ISF.

There is a projected positive variance of \$13.6 million in expenditures. Positive variances are projected in Salaries and Benefits of \$0.1 million due to savings from staff vacancies; \$12.3 million in Services and Supplies due to lower facility, fleet and

utility ISF charges (\$0.4 million), a one-time technical adjustment required to clear an outstanding loan payable and receivable resulting from inter-fund cash borrowing between the ISFs (\$9.7 million); and less than anticipated fuel purchases (\$2.2 million); \$0.2 million in Other Charges is due to decreased depreciation costs; \$0.9 million in Capital Assets Equipment is due to less than anticipated purchases for replacement vehicles; and \$0.1 million from unspent Contingency Reserves.

A negative variance of \$8.8 million in revenue is projected. Negative revenue variances include \$9.5 million in Charges for Current Services due to under-realized revenue for reimbursement of replacement vehicles, maintenance related reimbursements and lower-than-expected fuel purchases. This is partially offset by a positive variance of \$0.1 million in Other Financing Sources due to the net gain on sale of fixed assets, \$0.5 million in Residual Equity Transfers for the purchase of new fleet vehicles and \$0.1 million in Miscellaneous Revenues due to third party reimbursements.

#### *Purchasing and Contracting ISF*

A positive variance of \$1.8 million is projected for the Purchasing and Contracting ISF.

A positive expenditure variance of \$2.5 million is the result of \$0.9 million in Salaries and Benefits savings attributed to managed vacancies; \$0.2 million savings in various Services and Supplies; and a projected year-end balance of \$1.5 million in Management Reserves which are held for operating contingencies during the year.

A negative revenue variance of \$0.8 million is the result of projected \$1.4 million under-realized ISF revenue in Charges for Current Services from lower Health and Human Services Agency program contract spending related to the impact of the Affordable Care Act, partially offset by \$0.6 million in Miscellaneous Revenues for over-realized revenues from rebate agreements.

## **FINANCE AND GENERAL GOVERNMENT GROUP**

### **General Fund**

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

A positive variance of \$1.5 million is projected for the Assessor/Recorder/County Clerk.

A positive expenditure variance of \$7.5 million is projected due to anticipated savings of \$1.0 million in Salaries and Benefits due to attrition and departmental vacancies, \$6.3 million in Services and Supplies due to less than anticipated contracted temporary workers (\$0.4 million), contracted services (\$3.8 million) and information technology costs (\$1.3 million) and \$0.2 million in Fixed Assets Equipment due to delay in projects.

A negative revenue variance of \$6.0 million is projected due to decreases in trust fund reimbursements of \$2.3 million in Micrographics, \$1.9 million in Recording documents, \$1.2 million in Modernization, \$0.8 million in e-Recording, \$0.4 million in Social Security Truncation and \$0.3 million in Certified Copy Vital due to expenditure savings note above; a decrease of \$0.2 million in Marriage Ceremony Fee due to less ceremonies

performed which are partially offset by increases of \$0.7 million in surplus AB 2890 Recovered Costs and \$0.4 million in Duplicating & Filing fees due to increase in revenue related to copies of official records.

*Treasurer-Tax Collector*

A positive variance of \$0.9 million is projected for the Treasurer-Tax Collector.

A positive expenditure variance of \$0.9 million is projected due to anticipated savings of \$0.8 million in Salaries and Benefits due to vacancies and staff turnover, and \$0.1 million in Services and Supplies primarily due to the procurement of Electronic Payment Processing redesigned payment structure.

No revenue variance is projected.

*Human Resources*

A positive variance of \$0.8 million is projected for the Department of Human Resources.

A positive expenditure variance of \$1.5 million is projected, including savings of \$0.4 million in Salaries and Benefits due to staff turnover and vacant positions and savings of \$1.1 million in Services and Supplies due to one-time information technology costs that are not anticipated to be spent and lower than anticipated workers' compensation administration costs for the Employee Benefits Internal Service Fund.

A negative revenue variance of \$0.7 million in Miscellaneous Revenues is projected due to lower than anticipated services charged to internal service funds for administration costs.

*Chief Administrative Office*

A positive variance of \$0.3 million is projected for the Chief Administrative Office.

A positive expenditure variance of \$0.3 million is projected due to anticipated savings of \$0.1 million in Salaries and Benefits for staff vacancies and \$0.2 million in Services and Supplies primarily related to the outside audit contract.

No revenue variance is projected.

*Auditor and Controller*

A positive variance of \$0.7 million is projected for the Auditor and Controller.

A positive expenditure variance of \$0.6 million is projected in Salaries and Benefits due to normal attrition, staff turn-over, vacancies and under-filled positions.

A positive revenue variance of \$0.1 million is projected in Charges for Currents Services primarily due to a projected surplus in AB 2890 Recovered Costs.

*County Counsel*

A positive variance of \$2.8 million is projected for the Office of County Counsel.

A positive expenditure variance of \$3.1 million is projected, including savings of \$0.9 million in Salaries and Benefits due to unanticipated employee departures, extended leaves and delays in backfilling positions. A positive variance of \$2.2 million is projected in Services and Supplies, primarily due to the delay of a major maintenance project at the County Administration Center \$2.0 million, and the delayed full deployment of a case management application (\$0.2 million).

A negative revenue variance of \$0.3 million is projected in Charges for Current Services primarily due to the closure of cases having to do with land matters, the reallocation of staff resources to address emerging issues and court delays in public guardian and probate matters.

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

A positive variance of \$70.7 million is projected in General Purpose Revenue (GPR) and \$70.2 million positive variance is projected in General County Expenses includes \$12.3 million in Contributions to Capital Outlay Fund. A shortfall of \$0.9 million is projected in the Edgemoor Development Fund and expenditure savings of \$0.4 million are projected in Public Liability ISF.

### **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 compared to other counties in California. The Index of Leading Economic indicators of San Diego County issued by USD Burnham-Moores Center for Real Estate rose for the second month in a row. The region has continued to fare better than other California metros in terms of unemployment rate and help wanted advertising in February was at its highest level since January 2013. In spite of median home price dropping back below \$500,000 in 4<sup>th</sup> quarter, San Diego remained the second most expensive for-sale home market in the nation. Additionally, building permits, consumer confidence, local stock prices and the outlook for the national economy are all positive to warrant San Diego's economic forecast to remain strong at least through the remainder of the year.

The County's GPR related to property tax revenues improved supported by the increase in assessed values. For Fiscal Year 2014-15, the economic indicators and the trends summarized below, are followed by a discussion by revenue account of significant variances from budget:

- San Diego's monthly unemployment rate was 5.8% in January 2015, down from 6.9% one year ago. This is below the US rate of 6.1%. San Diego compared to other California metros such as Riverside and Los Angeles, has maintained a lower unemployment rate.

- Consumer spending, as measured by taxable sales, is also increasing along with job growth. During the 4<sup>th</sup> Quarter of 2014, unadjusted local point of sale tax revenue increased by 1.44% in the unincorporated area compared to the same time period in prior year. It increased by 3.77% at the statewide level, by 4.64% in the southern California region and at the San Diego regional level by 4.22%. 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 7.3% in the San Diego region for February 2015 compared to February 2014)
  - The number of homes sold for February 2015 rose marginally by 0.7% compared to same month in 2014. Of this increase, 4.6% is from single family homes sales.
  - Notices of Default for January-March 2015 was down 5% compared to the same period in 2014.
  - Foreclosure activity decreased 29% in January-March 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 \$11.2 million.

- *Property Taxes Current Secured*

Current Secured Property Taxes are projected to be \$10.4 million higher than budget. This mainly resulted from the fact that the 2014 local secured assessed value is greater than anticipated in the budget.

The budgeted current secured property taxes assumed a local secured assessed value increase of 4.0%, but the actual assessed value (AV) increased by 6.2% (gross less regular exemptions). (Note: The 6.2% increase represents the change in the assessed value for only the secured roll. This is different than the countywide overall increase published by the Assessor/Recorder/County Clerk on June 27, 2014 of 6.0%, which includes all assessed value components, secured and unsecured).

- *Property Taxes - Current Unsecured*

Current Unsecured Property Taxes are projected to be \$0.8 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 2014-15. The method for calculating the allocation factors changed this fiscal year per direction from the State Controller's Office, resulting in decrease of supplemental revenue for the County. This assumption was included in the projection.

#### *Taxes Other Than Current Secured*

Taxes Other Than Current Secured are anticipated to be \$8.9 million above budget.

- *Sales and Use Taxes and In Lieu Local Sales and Use Tax*  
\$1.6 million positive variance for Sales and Use Taxes including In Lieu of Local Sales and Use Tax based on taxable sales activity in the unincorporated San Diego estimated to be 6.4% increase from Fiscal Year 2013-14 actuals.
- *Real Property Transfer Taxes*  
\$0.6 million positive variance for Real Property Transfer Taxes based on realized revenues for Fiscal Year 2013-14 as well as data regarding current year change in ownership and the anticipated level of new construction.
- *Teeter Tax Reserve Excess*  
\$0.4 million positive 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 \$6.9 million above the budgeted amount of \$326.3 million. The actual assessed value adjustment factor is higher than the adjustment rate of 3.87% used to calculate the budgeted revenue.
- *Teeter Property Tax Prior Year and Cumulative Prior Years*  
\$0.4 million negative variance is 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.
- *Property Taxes Prior Unsecured*  
\$0.2 million negative variance is projected based on trends.

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

\$0.7 million positive variance is projected in Licenses, Permits and Franchise payments based on anticipated revenues to be received from franchise payments.

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

\$0.9 million positive variance due to better than anticipated revenues in Interest on Deposits.

#### *Fines, Forfeitures and Penalties*



\$1.8 million positive 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 \$18.8 million is projected in Intergovernmental Revenue primarily due to pass-through distributions, distribution from sale/disposition of property, from settlement payment and residual balance estimates in Aid from Redevelopment Successor Agencies.

#### *Miscellaneous Revenues*

A positive variance of \$28.8 million is projected in Miscellaneous Revenue primarily due to \$28.0 million repayment for East Mesa Detention and Reentry Facility.

### **General County Expenses**

#### *Cash Borrowing*

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

#### *Contingency Reserve*

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

#### *Countywide General Expense*

A positive variance of \$29.5 million in Countywide General Expense.

A positive expenditure variance of \$29.1 million is primarily in Services and Supplies due to the appropriation of funds for "Pension Stabilization".

A positive variance of \$0.4 million is projected in Miscellaneous Revenues due to increased escheatment revenues.

#### *Contributions to Capital*

A positive variance of \$12.3 million is projected in Contributions to Capital.

A positive expenditure variance of \$12.5 million is projected. \$12.3 million of this is in Operating Transfers Out due to lower than anticipated expenses related to capital projects that are closing or being cancelled by the end of Fiscal Year 2014-15. The remaining \$0.2 million is attributable to annual lease payments being lower than budgeted in Other Charges as actual lease payments were offset with interest earnings that were higher than anticipated. The following capital projects contribute to expenditure variance of \$12.3 million:

- Animal Shelter Multi-Purpose Barn (\$3,182.56)
- Escondido Creek Acquisition (\$134,362.11)

- Felicita Regional Park (\$142.65)
- Live Oak Amphitheater (\$576.60)
- Hollister Pond Improvements (\$6,174.42)
- 4S Ranch Shade Structure Boys and Girls Club (\$3,057.41)
- County Operations Center (\$9,147,052.95)
- Agua Caliente Water and Sewer Electric Line Replacement (\$673.33)
- San Pasqual Academy Sports Field (\$8,700.00)
- Midcity Child Welfare Services Leasehold Improvements (\$1,000,000.00)
- San Pasqual Academy Admin Building (\$900,600.00)
- Sweetwater Parking Lot Improvement (\$170.60)
- Sheriffs Lakeside Sub Station Acquisition (\$12.72)
- Ramona Substation Land Acquisition (\$1,000,000.00)
- KL3460 Descanso Library (\$24,338.15)
- Lincoln Acres Library & Community Center (\$14,516.31)

A negative revenue variance of \$0.2 million is projected due to the lower annual lease payments, thereby reducing the amount needed from Intergovernmental Revenues by \$0.2 million.

### **Capital Program Funds**

#### *Edgemoor Development Fund*

A negative variance of \$0.9 million is projected in the Edgemoor Development Fund.

A positive expenditure variance of \$0.2 million is projected in Services and Supplies due to lower than anticipated consultant contracts and major maintenance expenditures.

A negative revenue variance of \$1.1 million is projected. Other Financing Sources are projected to be lower \$0.8 million due to certain sales that were anticipated to be completed during Fiscal Year 2014-15 did not occur. Additionally, the estimated value of the land to be sold has decreased. Revenue from Use of Money and Property is projected to be lower \$0.3 million due to lower than anticipated revenue from interest on deposits and investments and from the sale of fixed assets.

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

#### *Public Liability ISF*

A positive variance of \$0.4 million is projected for the Public Liability ISF.

A positive expenditure variance of \$0.4 million is projected in Services and Supplies primarily due to less than anticipated use of outside counsel and trial court delays in a law enforcement matter.

No revenue variance is projected.